

Edwards Angell Reps Allied In \$175M Sale To Saga

By **Megan Stride**

Law360, New York (July 29, 2011) -- U.K.-based home health services company Allied Healthcare International Inc. announced Friday it had accepted a \$175 million buyout offer from health care and insurance provider Saga Group Ltd.

Under the terms of the deal, Saga will pay \$3.90 for each Allied share, representing a premium of 59 percent over Allied's closing price Thursday. Allied CEO Sandy Young called that price an "attractive valuation" for company shareholders.

"After a robust examination of the strategic alternatives available to the company, our board unanimously concluded that this transaction is in the best interests of our company and shareholders," Young said in Friday's announcement.

Allied operates roughly 120 branches that provide home health aides, nurses and specialized medical personnel to patients in the U.K. and Ireland.

Saga, meanwhile, provides insurance, home health care, financial advice, vacation planning and other services to adults age 50 and older in the U.K. The company also publishes Saga Magazine, aimed at that demographic.

Saga CEO John Ivers said that the purchase was in line with the company's strategy to grow its health care division organically and through carefully selected acquisitions.

"Saga will be the U.K.'s pre-eminent provider of domiciliary care," Ivers said in Friday's announcement. "We are creating a nationally recognized and trusted provider of quality care in the home. I look forward to welcoming the staff and customers of Allied to the Saga family — working together we have an exciting future."

The deal is not subject to any financing condition, but must still be approved by regulators and Allied's shareholders. Allied's board of directors unanimously approved the deal, the target company said.

The purchase is expected to close in the fourth quarter of 2011.

Allied Chairman Jeffrey S. Peris said Friday that the deal would provide value for the company's shareholders by "leveraging Allied's quality achievements, operational excellence and our talented personnel while continuing to meet our customer's health care needs."

Oppenheimer & Co. Inc. is Allied's financial adviser on the deal, and Credit Suisse Securities (Europe) Ltd. is Saga's financial adviser.

Edwards Angell Palmer & Dodge LLP, led by partners Les Levinson and Gene McDermott, represents Allied.

Paul Weiss Rifkind Wharton & Garrison LLP, led by partners David Lakhdhir and Jeffrey Samuels, and Herbert Smith LLP, led by partner Ben Ward, represent Saga.

--Editing by Chris Giganti.

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