

## Apollo Global buys out Diamond Resorts in huge takeover

The latest in the mergers and acquisitions world is news about the buyout of Las Vegas based Diamond Resorts International by private equity firm Apollo Global Management LLC. Apollo paid around \$2.2 billion, paying £30.25 per share, which is a 26% premium over Diamond's closing share price on Tuesday.

It's been a busy period for Apollo following the sale of big hospitality and leisure company Great Wolf Resorts Inc last year and they also have large stakes in Norwegian Cruise Line Holdings Ltd. and Caesars Entertainment Corp., following their participation in the 2008 buyouts of the two companies and later taking them public. Like Diamond Resorts, Caesars is also based in Las Vegas and is a major employer there.

Apollo's activity doesn't stop there. In April, they bought speciality grocer The Fresh Market Inc. for \$1.4 billion and have plans to acquire University of Phoenix operator Apollo Education Group Inc. for \$1.14 billion.

The completion of the acquisition means that Diamond Resorts' common shares will cease to be listed publicly, and Apollo Global will take control over the 379 vacation destinations in 35 countries. As of the end of last year, Apollo Global had a total of \$170 billion assets under their management, \$11 billion of this in real estate.

Following advice from Barclays Plc and Royal Bank of Canada Capital Markets LLC, the Diamond Resorts deal is expected to close within the next few months subject to customary closing conditions and regulatory approval.

This begs the question – are Diamond looking for an escape anticipating a flood of claims following the removal of proverbial skeletons from the closet??? Our lawyers are looking at the possibilities of any implications following the acquisition for people who currently have a claim or are planning a claim against Diamond Resorts.