

Pentax and Hoya reach a deal

Pentax's about-turn on a rejected takeover bid, by Japanese rival Hoya, clears the way for the two optic makers to join forces. *Katie Scott* reports

After weeks of heated negotiations which have seen key members of the Pentax board replaced and share prices rise and dip dramatically, Hoya looks set for a 'friendly' take over.

The Japanese press is reporting that Pentax and Hoya reached a basic agreement on 24 May on a second merger. In a closely-guarded meeting in Tokyo between the Hoya chief executive officer, Hiroshi Suzuki and his Pentax counterpart Takashi Watanuki, it was decided that Hoya will make a tender offer for Pentax shares in June. It is believed that Hoya is offering ¥770 (£3.20) a share for Pentax stock, in a move that has averted the possible hostile takeover bid reported to be an option a fortnight ago (*BJP*, 16 May).

Hoya made this offer initially in April, improving upon its first tender at the beginning of the year when Pentax shareholders were offered 0.158 of Hoya stock for each of their

shares (*BJP*, 10 January).

As a transitional agreement, five, as opposed to the current eight, directors will be appointed to run Pentax, and these include Watanuki, who came into this role just over a month ago when former CEO Fumio Urano stepped down following his board's decision to scrap the merger plans he had negotiated with Hoya. Japanese news website, Asahi, reports that Pentax believes that Watanuki should stay on as president but insiders suggest that the company's largest shareholder, Sparx Group, favours Urano. To complicate matters further, Hoya has reportedly stipulated that one or two of its own executives become part of Pentax' new board. The board will be decided in a shareholders' meeting in late June.

The deal is also said to be dependent on Hoya's promise that all three of Pentax' core operations

– optical components, medical equipment and digital cameras – continue to operate, and the deal may hinge on Watanuki's alleged insistence on its independence for the first two years of the merger. Pentax itself will become a wholly

owned subsidiary of Hoya.

Meanwhile, Pentax will hold talks with Sparx Group about a management reshuffle after the tender offer is concluded.

As *BJP* went to press, there was no comment from Pentax.

Timeline

22 December 2006: Pentax and Hoya announce they've reached an 'agreement of basic understanding' on an autumn merger

04 April: The Pentax board throws out the plans and its president, Fumio Urano, stands down

11 May: New president Takashi Watanuki's plans for steady growth fail to impress Sparx Corporation, the leading shareholder which backs an improved Hoya offer

24 May: Pentax accepts Hoya's 'friendly' take-over bid

31 May: The date after which Pentax was originally free to talk to other companies

22 June: Pentax shareholders' meeting at which the new board will be confirmed

01 October: The original date of the planned merger

Sidibé is honoured by the Venice Biennale

Malick Sidibé is the winner of the Golden Lion award for Lifetime Achievement, which is presented each year by the Board of the Venice Biennale.

The 72-year-old Malian photographer, who operates from a small studio in the west African state's capital, Bamako, has become 'the signal portraitist of his city and nation, and the intimate observer of the Malian musical scene', says Robert Storr, the director of this year's festival. 'No African artist has done more to enhance photography's stature in the region, contribute to its history, enrich its image archive or increase our awareness of the textures and transformations of African culture in the

second half of the 20th Century and the beginning of the 21st than Malick Sidibé,' he stated.

For the 52nd Biennale, which starts on 10 June, the photographer has joined forces with the organisers of the project 'Les Africains Chantent Contre le SIDA (AIDS)' to take pictures of the contestants in a countrywide competition for singers and songwriters who composed and performed works in Mali's various languages designed to provide information about the disease, SIDA, its prevention and its treatment.

For more information about the show, visit www.labiennale.org.

Image © Malick Sidibé.

