

# The Distressed Debt Report

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## Credit Suisse Acquiring 80% Stake in Asset Management Finance

**Credit Suisse Group** is acquiring a stake of more than 80% in **Asset Management Finance**, a provider of financing to asset management firms, in a deal that will provide more capital for New York-based AMF to invest.

Credit Suisse is buying the stake for \$384 million from **National Bank of Canada's** merchant banking unit.

AMF chief executive Norton Reamer and his management team will remain with AMF, according to the firm.

Since forming in 2003, AMF has provided \$300 million to about a dozen, both traditional and alternative managers with aggregate assets under management of about \$50 billion.

Credit Suisse's investment, announced Aug. 27, means that AMF will be able to increase financings to asset managers or their principals to \$1 billion over the next few years, Reamer told *DDR*.

Credit Suisse is also providing a credit line of up to \$250 million that AMF can tap when needed for financing new transactions, Reamer said.

AMF says it provides upfront capital in the form of conditional revenue-share interests, or capital in exchange for a fixed percentage of top-line revenue for as short as seven years or as long as 20 years. AMF's clients have used the capital for a broad range of initiatives including owner liquidity, internal equity transfers, and management buy-outs.

Reamer said that the investment may provide AMF with access to a more global and diverse group of asset managers through Credit Suisse's alternative investments business.

AMF's clients so far have been largely involved in long-only strategies in emerging markets, large and small cap equities, real estate, currency, timber and wealth management, according to Reamer.

The New York law firm of **Seward & Kissel** represented AMF in the transaction.

