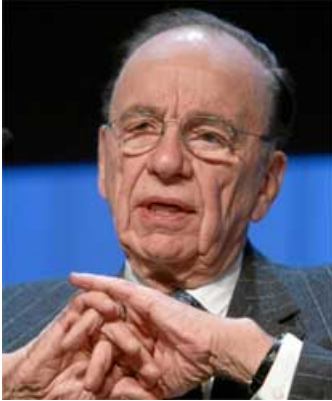


Sky Deutschland against BSkyB offer

BERLIN, GERMANY: German pay-TV channel Sky Deutschland's management and supervisory board recommended that shareholders reject a purchase offer by Britain's satellite TV group BSkyB.



Media tycoon Rupert Murdoch is likely to press ahead with his plans to create Sky Europe by amalgamating BSkyB with Sky Deutschland and Sky Italia. Image: Wikipedia

The move is unlikely to halt plans by Rupert Murdoch to create a pan-European pay-TV company.

BSkyB, which is 39%-owned by Murdoch's 21st Century Fox, plans to pay €8.8bn for holdings in sister firms Sky Italia and Sky Deutschland to create "Sky Europe".

It will pay €3.7bn for the 57.4% holding owned by 21st Century Fox in Sky Deutschland and it has offered €6.75 per share for the rest of the capital.

That offer was deemed "inadequate from a financial point of view" by the Sky Deutschland management in a recommendation to shareholders.

Bosses at the German company however acknowledged the validity of the three firms working together and welcomed the BSkyB strategy. In London BSkyB declined to comment.

But sources close to the deal said the British company did not plan to raise its offer and highlighted that the success of the deal did not hinge on winning over minority shareholders in Sky Deutschland as buying 21st Century Fox's shares will provide it with a majority.

The European Commission last week cleared the key deals in the plan for the pan-European broadcaster.

Sky Deutschland's management and board acknowledged that it was up to individual shareholders to decide whether to accept the offer or not.

Source: AFP via I-Net Bridge

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