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PECHINEY
Form SC14D9C
July 16, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14D-9

SOLICITATION/RECOMMENDATION STATEMENT
under
SECTION 14(d) (4) OF THE SECURITIES EXCHANGE ACT OF 1934

PECHINEY
(Name of subject company)

PECHINEY
(Name of person filing statement)

Common Shares "A"
nominal value 15.25 Euros per Common Share
(Title of class of securities)

705151967
(CUSIP Number of class of securities)

Olivier Mallet
Chief Financial Officer
7, Place du Chancelier Adenauer
75116 Paris, France
+33 (1) 56 28 20 00
(Name, address and telephone number of person authorized to receive
notices and communications on behalf of the person filing statement)

Copy to:
George Casey, Esq.
Shearman & Sterling LLP
Broadgate West
9 Appold Street
London EC2A 2AP
United Kingdom
+44 20 7655 5000

Check the box if the filing relates solely to preliminary communications
made before the commencement of a tender offer.

THE FOLLOWING ARTICLE, AS PUBLISHED IN THE FINANCIAL TIMES ON JULY 11, 2003, WAS
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HOLDERS SHOULD READ PECHINEY'S SOLICITATION/ RECOMMENDATION STATEMENT ON
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SEC'S WEBSITE AT WWW.SEC.GOV AND MAY ALSO BE OBTAINED FOR FREE BY DIRECTING A REQUEST TO: PECHINEY, 7, PLACE DU CHANCELIER ADENAUER, 75116 PARIS, FRANCE, ATTENTION: CHARLES L. RANUNKEL, VICE PRESIDENT, DIRECTOR INVESTOR RELATIONS, TELEPHONE +33 1 56 28 25 77.

'Anything better than Alcan bid'

Pechiney Chief Rodier speaks out after rival's 'ridiculously low' offer

By Martin Arnold in Paris and Ken Warn in Toronto

Jean-Pierre Rodier, chief executive of Pechiney, the French Aluminium group, yesterday revealed his reasons for opposing Alcan's (euro)3.4bn (\$3.87bn) hostile bid.

"There are many other options for Pechiney and everything being equal, I think any of them are better than Alcan's bid," he told the Financial Times. "Several groups have already telephoned and more will soon."

In his first interview since Alcan of Canada made its unsolicited cash-and-shares bid on Monday, Mr Rodier said he had contacted shareholders representing 40 per cent of Pechiney's shares and "they unanimously agree this is a ridiculously low bid".

Alcan says its (euro)41-per-share bid - a 20.5 per cent premium to the closing price before the offer- was fair value. Mr Rodier said Alcan was trying "to hijack the company at a ridiculously low price".

Most analysts have said the offer was low and shares have remained above (euro)41 since Tuesday. They closed down 1.4 per cent at (euro)43.01 yesterday.

Apart from price, Mr Rodier said his main reason for opposing the bid was its hostile nature. "It is the start which defines whether an offer is hostile or friendly, this started as hostile so that will define the rest of the operation."

Mr. Rodier said he would rather merge with any other group at the same price on a friendly basis than with Alcan on a hostile basis.

A three-way merger of Alcan, Pechiney and Algroup, of Switzerland, was blocked by the European Commission in 2000.

Mr. Rodier said the idea of a new merger had been discussed, but said he was surprised by Alcan's bid as it had been talked about only at two informal, half-hour meetings with Travis Engen, Alcan chief executive.

He said Alcan refused his request to delay the bid by a week to allow him to consider it. "They were in a rush, probably because they could see our shares were rising and they wanted to pre-empt the price."

Mr Engen said yesterday he could not rule out a rival bid for Pechiney. "When we look at the fit between Alcan and Pechiney, it fits on so many edges and facets," he said. "It is very unlikely that any other bidder is going to have the same degree of fit. Every outside observer - the press, analysts - sees the compelling business case for the merger."

Mr Engen defended the bid price, despite widespread speculation that Alcan might have to sweeten it. "Our offer was very fully valued, at a significant premium on recent trading."

Financing for Alcan's offer, from a consortium including US and Canadian banks,

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was in place, he said. "We have commitments for this." Current low interest rates made this a "good time to buy anything", he added.