

Renesas announces deal to buy IDT Technologies (IDTI)

Description

- Today, Renesas announced a cash offer to buy IDT Technologies (IDTI) for \$49 share, a ~30% premium to August 30th, when a possibility of a deal leaked, and a 16% premium to yesterday's close.
- The stock has been a core position since the inception of White Brook Capital Concentrated Opportunities Fund and the stock represented an ~9.5% position before the deal's formal announcement.
- The merger makes significant industrial sense. IDTI is an enviable asset with leading positions in multiple growth markets, and an All-Star management team with little overlap with Renesas core business.
- While the deal is unexpected and I would have been happy to own the stock for the next 5 years, I would have been more surprised if IDTI lasted much longer as an independent public company.
- I believe the price Renesas is paying is close to appropriate.

IDTI'S PERFORMANCE HAS ALMOST DOUBLED THE S&P500 SINCE THE FUND INITIALLY BOUGHT SHARES



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Contact information

Founder and Portfolio Manager

Basil Alsikafi

550 W Washington Blvd, Suite 201

Chicago, IL 60661

Office: (312) 889-9022

Email: basil@whitebrookcapital.com