

City investors press TP Icap for £1.5bn Parameta windfall

TP Icap, the interdealer broker, is coming under intense pressure from City shareholders to break itself up in a move they believe could trigger a £1.5bn capital return.

Sky News has learnt that a number of the company's most significant institutional investors have begun talks about moves to press TP Icap's board into exploring a formal sale process for Parameta, its high-margin data division.

The shareholders believe that an auction could yield a price as high as £1.5bn, which would be bigger than the market capitalisation of the entire group.

City sources said on Tuesday that the institutions were keen to formally engage with Richard Berliand, TP Icap's chairman, on the prospective sale.

Earlier this year, Phase 2 Partners, a US-based hedge fund, wrote to Mr Berliand lambasting the company's "disastrous share price decline".

During the past 12 months, TP Icap shares have risen modestly and hit their highest level in that period during Tuesday trading.

It is unclear whether Mr Berliand and Nicolas Breteau, its chief executive since 2018, are prepared to bow to City demands for a sale of Parameta.

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TP Icap raised hundreds of millions of pounds last year to fund the purchase of Liquidnet, a US equities trading business.

The group was formed from the merger of the broking arms of Tullett Prebon and Icap, the firms respectively founded by City heavyweights Terry Smith and Lord Spencer.

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A spokesman for TP Icap declined to comment.