

Formula One-owner Liberty to unveil £3.5bn takeover of MotoGP

The owner of Formula One (F1) motor racing will unveil a £3.5bn takeover of MotoGP's parent company early this week.

Sky News has learnt that Greg Maffei, the president and chief executive of Liberty Media Corporation, is expected to announce the motorsport industry's most significant corporate deal for years during a trip to Madrid as early as Monday.

The deal has been on the cards for weeks, with Sky News revealing earlier this month that Liberty was in talks to buy Dorna Sports for €4bn.

The ultimate price could be slightly higher than that blockbuster figure, sources said on Sunday, with one saying that a formal announcement would come before Wednesday.

The price will represent a stellar return for Bridgepoint, the London-listed private equity group which has owned MotoGP through various funds for 18 years.

The private equity firm owns close to 40% of Dorna, while a slightly smaller stake is held by Canada Pension Plan Investment Board (CPPIB).

The remaining shares are held by Dorna's management.

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Uniting Moto GP and F1 under common ownership would provide Liberty Media with the opportunity to extract financial and commercial synergies.

One motorsport executive said Liberty would be expected to seek to replicate the success it has enjoyed with F1 in the US if it succeeded in taking control of Dorna.

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One question would lie in any potential competition probe into a deal, however.

Bridgepoint bought Moto GP's parent in 2006 from CVC Capital Partners after the latter bought into F1, drawing scrutiny from EU watchdogs.

CVC's ownership of F1, the majority of which took place in partnership with the sport's veteran boss, Bernie Ecclestone, ranked among the most lucrative deals in private equity.

It eventually sold to Liberty Media in 2016, valuing the world's most glamorous motorsport at \$8bn.

Bridgepoint's takeover of Dorna was reported to have valued the company at about €500m in 2006, subsequently selling a stake to CPPIB six years later.

A transaction which involved Bridgepoint's stake being transferred from one of its funds to another in 2019 was reported to value Dorna at €2.5bn.

Bridgepoint declined to comment, while Liberty Media did not respond to a request for comment.