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HEADLINE: Waco Mulls Takeover Offers; May Proceed With Share Sale Plan

Sept. 13 (Bloomberg) -- Waco International Ltd., the South African construction-equipment company, said it will consider takeover offers as it continues to prepare to sell its stock in Johannesburg.

Waco last month said it planned to sell shares in an initial public offering. Waco's owners, including Citigroup Inc. and Ethos Private Equity Ltd., subsequently asked UBS AG to look for a buyer.

"During the course of the initial public offer preparation, the company has received proposals expressing an interest in acquiring the company," the Johannesburg-based company said in an e-mailed statement today. "Should these proposals fail to meet the company's or shareholders' expectations, they will not be taken any further."

Waco has been profiting from a housing boom in South Africa, where interest rates are at a 24-year low and rising wealth among black South Africans, who account for 80 percent of the population, is fueling demand for new homes. The government also has stepped up spending on infrastructure development.

The company didn't identify any potential buyers.

Waco may attract an offer from a buyout group for at least \$610 million, people familiar with the matter said. Pacific Equity Partners, a Sydney-based buyout firm, and Bidvest Ltd., the second-biggest African company by sales, is among the potential buyers, said the people, declining to be identified.

--Editor: Noel.