

Citi banker's relief over EMI verdict

MEDIA

Wormsley speaks of 'horrendous' trial

By Andrew Edgecliffe-Johnson in New York

David Wormsley, the Citigroup investment banker who this week won a bitter courtroom battle with Terra Firma's Guy Hands, has spoken for the first time about "horrendous" moments in a trial that challenged his reputation as a trusted dealmaker.

"I needed and wanted to clear my name," Mr Wormsley told the Financial Times, explaining why Citigroup had not settled Terra Firma's multibillion-dollar lawsuit over its 2007 bid for EMI.

"I made it clear I would rather go to court than settle if there were any ambiguity or any residual accusation that I had done anything wrong."

Mr Wormsley declined to comment about Mr Hands, the private equity investor with

whom he worked on £35bn (\$56.6bn) worth of deals over a decade, but said other clients "have all been very kind to me".

He plans to "pick up where I left off" after a few days' holiday.

Citigroup's victory killed Mr Hands' hopes of winning damages from Citigroup with which to make up shortfalls on the loans the bank extended to the music company behind Coldplay and Pink Floyd.

The three-week trial in New York had been "a roller-coaster," Mr Wormsley said, after spending Thursday night celebrating with his legal team and his wife.

"There were days when it felt absolutely fantastic. There were days when it felt absolutely horrendous."

Although Mr Wormsley was a witness rather than a defendant, "there were times you could have fooled me," he added.

EMI is expected to need at least another £100m equity in-

jection after a covenant test in March.

If Mr Hands cannot raise funds from investors and Citigroup fails to compromise on debts that exceed his estimate of the company's worth, he risks losing control.

Mr Wormsley, who embraced his lead lawyer, Ted Wells, when the verdict was announced, praised his "amazing" legal team from Paul, Weiss, Rifkind, Wharton & Garrison.

"The few minutes between the jurors entering the court and the verdict being read was one of the most nerve-racking I have known," he said.

"It was also very emotional when you have your life clearly at a crossroads".

After 25 years in which he has become one of the City's most senior advisers, "the reason I enjoy it is because you work very closely with people, and that is predicated on a relationship of trust," he said.

"If there isn't that trust, then frankly it will stop being fun."

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