

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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MAXCOR FINANCIAL GROUP INC

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

March 25, 1999

Date of Report (Date of Earliest Event Reported)

MAXCOR FINANCIAL GROUP INC.

(Exact Name of Registrant as Specified in Charter)

| | | |
|---|--------------------------|--|
| Delaware | 0-25056 | 59-3262958 |
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (I.R.S. Employer of Identification No.) |

Two World Trade Center
New York, New York
(Address of Principal Executive Offices)

10048
(Zip Code)

(212) 748-7000
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed
Since Last Report)

Item 5. Other Events

On March 25, 1999, Registrant issued a press release announcing that Maxcor Information Inc., an information and data subsidiary of Registrant, had executed an agreement with the information vendor, Telerate, Inc., for the provision to Telerate subscribers of emerging market debt pricing and other data sourced from Euro Brokers, the leading inter-dealer broker in emerging market debt. Euro Brokers is a division of Maxcor Financial Inc., a registered broker-dealer and also a subsidiary of Registrant.

On March 25, 1999, Registrant also issued a press release announcing the execution of a definitive agreement with the Welsh, Carson, Anderson & Stowe venture capital group for the repurchase of all 2,986,346 shares of Registrant's Common Stock held by Welsh Carson's investment partnerships (the "Shares"). The Shares represent approximately 26.4% of the 11,323,782 shares of Common Stock currently outstanding. The purchase price for the Shares has been agreed at \$5,226,105.50, or \$1.75 per Share. Closing of the repurchase is expected to occur in May 1999 and is contingent upon Registrant obtaining financing for the transaction, in addition to certain other customary conditions.

Registrant's press releases announcing the foregoing matters are attached hereto respectively as Exhibit 99.1 and Exhibit 99.2, each of which is hereby incorporated herein by reference.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(c) Exhibits.

99.1 Press Release, dated March 25, 1999.

99.2 Press Release, dated March 25, 1999

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

MAXCOR FINANCIAL GROUP INC.

By: /s/ Gilbert Scharf

Name: Gilbert Scharf

Title: Chairman of the Board, President
and Chief Executive Officer

Date: March 26, 1999

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EXHIBIT INDEX

| Exhibit No. ----- | Description ----- | Page No. ----- |
|----------------------|-------------------------------------|-------------------|
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| 99.2 | Press Release, dated March 25, 1999 | 7 |

Maxcor Financial

FOR IMMEDIATE RELEASE

Contact:

Maxcor Financial Group Inc.
Two World Trade Center, 84th Floor
New York, NY 10048
(212) 748-7000, Roger Schwed (Investor Relations)

MAXCOR INFORMATION UNIT SIGNS AGREEMENT WITH TELERATE

Telerate to provide indicative pricing for emerging market debt
using data sourced from Euro Brokers

NEW YORK, March 25, 1999 - Maxcor Information Inc., a subsidiary of Maxcor Financial Group Inc. (Nasdaq: MAXF), today announced that it has concluded an agreement with Telerate, Inc. to provide pricing and other data on emerging market bonds to Telerate subscribers. The data will be sourced from Euro Brokers, the leading interdealer broker in emerging market debt.

Under the agreement, Telerate will use the licensed Euro Brokers data to prepare and distribute indicative pricing information on emerging market debt securities, such as Brady bonds and global bonds. The Telerate product also will include summary historical data and aggregate trading volumes for emerging market bonds, as well as an array of optional "add-on" services.

"Telerate is delighted to include Euro Brokers pricing data as an integral part of the Telerate Plus package," said Rick Snape, chief operating officer of Telerate. "With this agreement, Telerate customers will enjoy unmatched emerging markets coverage, including the best pricing data, the most competitive news and the most complete selection of emerging markets optional services."

"We are excited by the prospect of developing information products with Telerate," said Greg Manning, director of information sales and marketing at Maxcor Information. "Telerate has always been a leader in the delivery of quality fixed income price information, and they will be a key strategic partner for us in this area."

The license of the Euro Brokers data to Telerate is on a non-exclusive basis and has an initial term of three years. Other financial terms of the agreement were not disclosed.

Maxcor Information Inc. is a subsidiary of Maxcor Financial Group Inc., a financial services holding company whose common stock is traded on the Nasdaq National Market under the symbol "MAXF". Euro Brokers is a division of Maxcor Financial Inc., a registered broker-dealer and also a subsidiary of Maxcor Financial Group. Through the Euro Brokers division and

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other subsidiaries and affiliates, Maxcor Financial Group is a leading domestic and international inter-dealer brokerage firm specializing in emerging market products, cash deposits and other money market instruments, interest rate and currency derivatives, natural gas, electricity, weather and other energy products, repurchase agreements and other fixed income securities. Maxcor Financial Group employs approximately 625 persons and maintains principal offices in New York, Stamford, London, Geneva, Tokyo, Toronto and Mexico City.

Telerate, Inc., formerly Dow Jones Markets, was acquired by Bridge Information Systems in May 1998 and is a wholly-owned subsidiary of BRIDGE. Through terminal and data feed products, Telerate supplies data and news for the fixed income, foreign exchange, money, derivatives and energy markets to more than 90,000 users globally. More than twenty-five years ago, Telerate pioneered electronic delivery of financial information in the fixed income markets. Today, Telerate, a leading provider of real-time financial information, is further enhanced by the integration of BRIDGE data and news into Telerate products, and the utilization of BRIDGE's IP network and server architecture.

Maxcor Financial

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New York, NY 10048

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MAXCOR FINANCIAL GROUP

TO REPURCHASE 26% STAKE HELD BY

WELSH, CARSON, ANDERSON & STOWE

Agreement reached to repurchase 2,986,346 shares of

Maxcor's Common Stock From Welsh Carson for
\$5,226,105.50, or \$1.75 per share

NEW YORK, March 25, 1999 - Maxcor Financial Group Inc. (Nasdaq: MAXF) announced today that it has reached a definitive agreement with the Welsh, Carson, Anderson & Stowe venture capital group for the repurchase of all 2,986,346 shares of Maxcor's Common Stock held by Welsh Carson's investment partnerships. The 2,986,346 shares represent approximately 26.4% of the 11,323,782 shares of Common Stock that Maxcor currently has outstanding.

Under the terms of the agreement, Maxcor will pay a total of \$5,226,105.50, or \$1.75 per share, to repurchase the shares. Closing of the repurchase is expected to occur in May 1999 and is contingent upon Maxcor obtaining financing for the transaction, in addition to certain other customary conditions.

Gilbert Scharf, President and CEO of Maxcor, said "Welsh Carson has been an important and valued partner for us since they made their initial investment in Euro Brokers in 1994. But the opportunity to acquire 26% of our outstanding shares in one bloc at an approximately 33% discount to our 1998 year-end book value of \$2.63 per share was one that our Board felt was in the best interests of our remaining shareholders. On a pro forma basis, assuming no other changes, consummation of the transaction would have increased 1998 year-end book value by approximately 12%, to \$2.95 per share."

"With this agreement, along with other recent initiatives we have undertaken, management of Maxcor feels that its plans to strengthen the Company and position it for future growth are coming to fruition. Today, we are also separately announcing a three-year information data sale agreement with Telerate, Inc. for the emerging markets debt information of our Euro Brokers operations. Additionally, the joint venture (Euro Brokers Finacor Limited) that we consummated at 1998 year end between our Euro Brokers London capital markets operations and those in London and Paris of the European broker, Finacor Limited, has significantly improved

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our London operations and placed them on a profitable footing. In New York, early 1999 results have also shown an improvement in our money market and derivatives businesses, where market activity has increased and where we are gaining market share, as well as in our emerging markets operations."

"Accordingly, if we can continue to execute on these and other initiatives, as well as sustain and build upon early first quarter 1999 indications, the reduction in Maxcor's outstanding capitalization from consummating the Welsh Carson repurchase can provide potentially even greater long term returns for our remaining shareholders."

"Our inter-dealer brokerage business today is very focused and committed to providing the best possible service to our customers. We are making significant investments in our technology and infrastructure to address the automation and other challenges that lie ahead in the industry, but recognize that our biggest and most important investment continues to be in our people. Additionally, we continue to search for new businesses that are compatible with our experience and strength and which can diversify and augment our revenue streams."

Maxcor Financial Group Inc. is a financial services holding company whose common stock is traded on the Nasdaq National Market under the symbol "MAXF". Maxcor Financial Inc. is its U.S. registered broker-dealer subsidiary, engaged in investment banking and other financial activities. Through the Euro Brokers division of Maxcor Financial Inc. and other Euro Brokers subsidiaries,

the Company is a leading domestic and international inter-dealer brokerage firm specializing in emerging market products, cash deposits and other money market instruments, interest rate and currency derivatives, natural gas, electricity, weather and other energy products, repurchase agreements and other fixed income securities. Through its Maxcor Financial Asset Management Inc. subsidiary, the Company conducts securities lending and other asset management businesses. The Company employs approximately 625 persons and maintains principal offices in New York, Stamford, London, Geneva, Tokyo, Toronto and Mexico City.

This release contains certain statements which describe the Company's beliefs concerning historic, but incomplete and unreported financial results, as well as future business conditions and the outlook for the Company based upon currently available information. Such information is based on management's preliminary estimates, assumptions and projections, and is subject to significant uncertainties (such as market conditions, the Company's relationships with its employees, counterparties and clearing firms, the Y2K compliance status of third parties, the actions of the Company's competitors and government regulatory changes), many of which are beyond the control of the Company. Actual results could differ materially from those expected by the Company. Wherever possible, the Company has identified these "forward-looking" statements (as defined in Section 21E of the Securities and Exchange Act of 1934) by words such as "anticipates," "believes," "estimates," "expects," "suggests" and similar phrases. Reference is made to the "Cautionary Statements" section of the Company's 1997 Annual Report on Form 10-K (and to the same section of the Company's 1998 Annual Report on Form 10-K, to be filed next week) for a fuller description of these risks.
