

Nordic group Polaris completes final closing of its third private equity fund

- ***Polaris Private Equity III announces its final close at €365 million***
- ***The number of investors has more than doubled, with international investors now accounting for nearly 40% of the fund***

The investment focus of Fund III remains on small and medium sized businesses based in Denmark and Sweden.

Commitments to the fund were provided by the existing Danish investor base, combined with a significant number of new investors from Denmark, Finland, France, the U.K., the Netherlands and Switzerland. In total, the number of investors has more than doubled, with international investors now constituting close to 40% of the Fund.

“A closing of €365 million during one of the worst financial crises of all time indicates strong confidence in our business model and the results that the team has accomplished. Additionally, it is very satisfactory that the number of investors has increased and that the international investors have acknowledged that Polaris is a serious and attractive player in the Nordic countries”, says Polaris Chairman, Erik G. Hansen.

“Having reached more than €365 million at final close, exceeded our first and ambitious target of €350 million and our last fund size of €270 million. We have, at the same time, increased our investment group considerably and fulfilled our goal of having a significant share of international investors. Fund II is fully invested and only a month ago we made the first successful exit when selling Frösunda to HgCapital. Fund III got off to a good start with the investments in Alliance+ and Pysslingen and add-on acquisitions to these companies”, adds Polaris Managing Partner, Jan Johan Kühl.

“We will continue to focus on mid-sized companies in Denmark and Sweden. In addition to being one of the leading players in Denmark, the transactions in recent years make Polaris one of the most active equity funds in Sweden, and that is a strategy we intend to continue and expand through Fund III” says Jan Johan Kühl.

Acanthus acted as adviser and placement agent for Polaris Private Equity III.

Jan Johan Kühl
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About Polaris Private Equity

Polaris Private Equity is a Danish private equity fund focused on buy-out transactions of well-established companies in Denmark and Sweden. The company has been granted a number of awards – amongst others the SVCA Awards 2010, Fundraising of the year and DVCA Private Equity House of the Year 2010.

Polaris focuses on investments in companies with development potential and a turnover of, typically, €25–200 million. To date, Polaris has invested in 20 companies, nine of which were resold at a decent profit. Polaris has also made a number of additional investments in its portfolio companies.

The first Polaris fund of approximately €180 million is fully invested and fully exited, while the second fund – Polaris Equity II, holding capital commitments of approximately €270 million – has taken stakes in ten companies and has allocated funds for add-ons to these portfolio businesses: BabySam, PWT Group (Tøjeksperten, Wagner and Texman), Fiskarhedenvillan, Frösunda, Emotron, Skamol, Hamlet Protein, AddPro, Jetpak and ColorPrint. Frösunda was successfully resold in May 2010.

Among the investors behind Polaris are: ATP-PEP, A.P. Møller - Mærsk, Topdanmark, Danica Pension, Danske Bank, PensionDanmark, Kirk Kapital, Salling Fonden, Davids Fond and Samling, FIH, Pensam, Primo Holding, Sportsgoods Holding A/S, PFA, ACG, Alliance Trust, EuroPE, Parvilla, Pohjola, OP Life Insurance, Veritas Pension, Finnish Industry, Unigestion, OFI and Robeco.

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