



## **Segulah announces first and final close on €250 million for its third Nordic mid-market fund**

*Fund more than four times oversubscribed in less than two months*

Stockholm, Sweden, 22nd October 2004 – AB Segulah, the Stockholm based private equity firm focused on complex lower Nordic mid-market buyouts, today announced the first and final closing of Segulah III L.P. The fund has closed on SEK 2.25 billion (c. €250m). Segulah announced the launch of its new fund in September 2004. The interest from both existing and new investors was better than expected and the fund was more than four times oversubscribed. Segulah had decided from the outset of the fundraising to cap the fund at SEK 2.25 billion (c. €250m) as the partners considered this to be the right size to continue to successfully execute its lower mid-market strategy.

Segulah III has attracted a number of major new investors as well as strong support from existing investors. Of the funds raised from new investors, half of the commitments came from US and Asian investors with the other half coming from European investors outside of the Nordic region. Some notable new investors were AlInvest, BP Pension Fund, JP Morgan Fleming Asset Management, Massachusetts Institute of Technology (MIT), Wilshire, and an Asian government investor. Returning investors included among others Access Capital Partners, Adams Street Partners, Adveq, Horsley Bridge International, and Partners Group.

Segulah III will make control investments in Nordic companies with a turnover of between SEK 200 million and 2 billion (c. €20- 220 million) and a maximum equity value of SEK 300 million (c. €35 million) with the aim of doubling earnings within three to five years. This is a continuation of the investment strategy executed over the last ten years with excellent returns generated.

Gabriel Urwitz, Chairman of AB Segulah, said: "This is a very satisfying result. We set out at the beginning of the fundraising with the clear goal of adding a defined group of long-term, international investors to the existing investor base, and are delighted to have achieved this goal within a very short period of time."

Christian Sievert, Managing Partner of AB Segulah, commented: "Segulah's industrial approach to value creation combined with a hands-on group of industrial advisors involved in all investments are key to our buy-and-build strategy and added to the interest from investors."

MVision Private Equity Advisers acted as global placing agent. "They did an outstanding job targeting new global investors and helped us to minimize disruption to our primary business by compressing the timescale of the fund-raising process", added Urwitz and Sievert. SJ Berwin acted as legal counsel to Segulah and Testa Hurwitz & Thibault was the legal advisor in the United States.

### **Background**

Founded in 1994, Segulah is a private equity company with the business concept to create value by owning and developing medium-sized companies in the Nordic area. Segulah is focused on management buyouts and by using its highly qualified network of industrial advisors, Segulah provides the required experience to improve corporate performance. AB Segulah is the exclusive investment advisor to the Segulah I, II and III Jersey limited partnerships. The portfolio includes HMS Industrial Networks (automation integration equipment), SKV Powermill (hardware repair services), Previa (occupational healthcare services) CCS (pharmaceutical & personal care), NVS (HVAC-installer), Callenberg (marine engineering), and Education & Entertainment Nordic AB (entertainment distribution). For further information visit [www.segulah.se](http://www.segulah.se) or contact:

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