



THE STORY OF IK

THE BEGINNING

IK Investment Partners' origins lie in Enskilda Ventures Ltd, a London based subsidiary of SE Banken, Stockholm (SEB), which in 1988 sponsored founder Björn Savén to raise the Scandinavian Acquisition Capital Fund (SAC), the first private equity fund raised targeting the Nordic markets.

Savén, a Harvard-educated Swede, began his career in the corporate world. Working also in North America in the early 80's, he witnessed first-hand the growth and strength of private equity ownership as he competed with buy-out funds for investments. He identified a gap of active ownership in the Nordic market, where at the time conglomerates were much the norm. Capital and industrial support were lacking for their so called "corporate orphans" as independent companies, as well as for family owned companies and others faced with issues, such as succession planning or restructuring needs. In the footsteps of Swedish entrepreneurs from Alfred Nobel to the Wallenberg's, Savén pioneered the creation of strong and successful private equity firms in the region.

1989-1993 SAC/THE IK 1989 FUND

Creating an industry

The SAC fund first closed in 1989 with approxi-

mately €108 million in final commitments, mainly from Scandinavian investors.

The first investment was a small Swedish business, Idesta, a "corporate orphan" from within the Atlas Copco group, followed by two more holdings, resulting from the mergers of different acquisition targets, Liber and Nyge CSE Aviation. In 1991, SAC invested in the Norwegian Avis franchise, renamed Liva Bil, and the Danish/Swedish ice-cream group Hjem-Is.

Over the next few years, several more investments were made across the Nordic region, mainly buyouts from larger industrial groups and co-operatives.

On 19 May 1993, in the midst of Sweden's financial crises, Industri Kapital (IK) became an independent entity, when the team's partner bought SAC's assets and Enskilda Ventures' Nordic activities from SEB. At that point, SAC was renamed the Industri Kapital 1989 Fund.

IK moved to its current head office at Brettenham House in London and local investment advisory offices were opened in Stockholm and Oslo.

The first exits were also completed that year, through the divestitures of Liber, Graphium and Liva Bil.

1994-1996 THE IK 1994 FUND

Expanding into Europe

Having executed well on its initial strategy, IK in 1994 raised its second and the first independent fund, the IK 1994 Fund, which closed with commitments totaling €250 million.

The Nordic investor base was broadened to include European and North American institutions, many of which remain with the group to date.

The IK 1994 Fund's first investment was the acquisition of KCI Konecranes, a landmark transaction for Finnish private equity. The company was successfully exited through a listing on the Helsinki Stock Exchange two years later.

The IK 1994 Fund continued to make investments in the Nordics and in 1995, it expanded into the Benelux region, with the acquisition of Amas, a Netherlands-based specialist in air and sea freight-forwarding and related services. IK's international expertise appealed to local companies and in 1996, the group completed its first Belgian deal, fish processor Pieters.

In 1996 the IK 1994 Fund acquired Nobia, the building products division of pulp and paper group Stora Enso. This was the first time IK Funds had bought a loss-making business with significant restructuring needs. Through strategic and operational efforts, Nobia became



one of the group's most successful investments, ultimately listing on the Stockholm Stock Exchange in 2002.

1997-1999 THE IK 1997 FUND *A step-change in growth*

By the late 1990s, IK had gained recognition across Europe and the US and the third fund, the IK 1997 Fund closed with commitments of €750 million.

Industri Kapital had made around 25 different investments by then and capital from the IK 1994 Fund had been returned in full, through the exits of Konecranes and Swedish mail-order company Ellos.

IK opened a local investment advisory office in Hamburg in 1997, and in 1998 the group made its first investment in Germany.

2000-2003 THE IK 2000 FUND *Rapid development and expansion*

The new millennium signaled further growth in appetite for private equity investing and in 2000 IK closed its fourth fund, the IK 2000 Fund, with €2.1 billion in commitments.

One of the most notable investments was the NOK 10 billion public-to-private acquisition of Norwegian explosives and chemicals conglomerate Dyno Industrier, which underwent significant operational re-engineering once it had been acquired.

Similar-sized investments included Alfa Laval and Perstorp. These deals highlighted

the size and complexity of transactions also undertaken by IK in addition to its traditional mid-market focus.

At that time, IK established a special in-house team to provide operational and strategic advice for the group and its portfolio companies. Known as the Strategy, Operations and Business controls team (SOBC), it has provided invaluable support over the years, and continues to do so.

The IK 2000 Fund also made the group's first investment in France, through the acquisition of Laho Equipement, followed by the public-to-private acquisition of Groupe Fives-Lille.

In 2002, IK provided three out of the four private equity-backed IPOs in Sweden, listing Alfa Laval, Nobia and Intrum Justitia. Oriflame followed in 2003.

2004-2006 THE IK 2004 FUND *Developing in breadth and depth*

IK closed the fifth fund, the IK 2004 Fund, with €825 million in commitments.

The fund acquired businesses across the Nordic region, Benelux, the DACH region and France and in 2006 opened a local advisory office in Paris.

A number of attractive investments and successful exits, including Prevesta and Magotteaux, were completed and the partnership within IK was broadened from four to over ten partners.

2007-2012 THE IK 2007 FUND

European focus and leadership transition

The strong performance of the IK 2004 Fund led to over subscription of the sixth fund, IK 2007, which closed with commitments of €1.7 billion.

The following year, Industri Kapital became IK Investment Partners. The change of name reflected a new phase in the group's development, consolidating its pan-European footprint and broad investment agenda, and highlighting the successful transition of ownership to a new generation.

In 2010, Christopher Masek and Detlef Dinsel became Managing Partners, with responsibility for the Executive Committee and the Investment Advisory Committee respectively. Björn Savén became non-executive Chairman.

The Fund was active all through the financial crises, making investments across Northern Europe and achieving several successful exits.

2013 THE IK VII FUND *Onwards for the long-term*

IK closed its seventh fund, IK VII Fund, in 2013, with €1.4 billion in commitments.

The new fund attracted interest from investors across the globe, including Asia.

Looking to the future, IK is determined to carry on doing what it does best – investing in mid-sized companies, growing them, improving performance and creating sustainable value for all stakeholders.