

Phadia

Phadia

Creating a global leader from a successful European diagnostics business

Country Sweden
Region Ostra Mellansverige
Investor Cinven
For more info
www.phadia.com
www.cinven.com

We have forged a very close partnership with Cinven who have brought real sector insight, clarity of thinking to our strategy, and hands-on support.

Magnus Lundberg,
CEO, Phadia

Phadia, based in Sweden, is a leading in-vitro allergy diagnostics and autoimmunity diagnostics business. Private equity firm Cinven acquired the company in 2007 with a strategy to assist Phadia in growing its core business to reach its full potential, both strategically and operationally. This involved product development; accelerating revenue growth via expansion and professionalisation of the sales force, particularly in the US; and supporting internationalisation into emerging markets such as India, China and Brazil.

Under Cinven's ownership, Phadia became a true global leader, distributing directly in 21 territories across the world and enjoying further reach through a broad international network of distributors. When Cinven sold the company in 2011, it employed 1,500 people worldwide.

WHAT DID THE BUSINESS NEED?

Geographic expansion in high-potential and under-penetrated markets
Investment in R&D and sales force
Improvements in organisational effectiveness

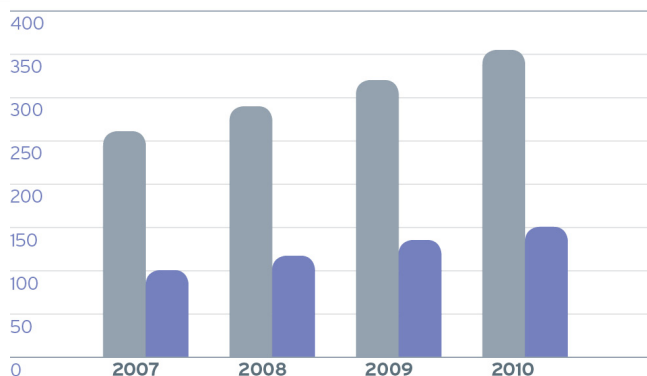
HOW DID PRIVATE EQUITY BACKING CREATE LASTING VALUE?

Best in class practices implemented across regions to drive efficiency and organisational effectiveness
Expansion and optimisation of the sales force in high-potential regions
Enhanced monitoring and targeting processes
Roll-out of Phadia's full product range into the US
Accelerated expansion in emerging markets, particularly in China and India
Acquisition of Phadia's Chinese distributor and setting up an Indian office

WHAT OUTCOMES DID PRIVATE EQUITY INVESTMENT ACHIEVE?

Sale of Phadia to trade buyer Thermo Fisher Scientific in May 2011 for €2.47bn
3.4x return for investors in Cinven's fund
Doubling the revenue growth rate, with EBITDA up from €96m to €146m during investment
Headcount increase from 1,000 in 2007 to around 1,500 in 2011
Phadia had more than 5,000 systems installed in more than 3,000 labs by 2011

Phadia revenues and EBITDA ■ Revenue ■ EBITDA



EBITDA stands for earnings before interest, tax, depreciation and amortisation

€1bn
capital gain for investors in Cinven's fund

50%
increase in headcount

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