

PRIVATE EQUITY IN ACTION - CASE STUDY

AVG Technologies



Country	Czech Republic
Region	Stredni Morava
Investor	Enterprise Investors

When Enterprise Investors invested in AVG Technologies (then Grisoft) in 2005, the Czech company was well known for its anti-virus software and had around 25 million users but needed help to expand. EI supported the company's development by strengthening the management team, expanding through a series of acquisitions and investing in new products. The result is that AVG has seen a 7.5x increase in the number of active users (to approximately 187 million in 2014) and generated sales of over US\$400m in 2013. EI also helped the company list on the New York Stock Exchange, raising US\$64m in new capital. AVG is now a leading provider of software and online services for consumers and small businesses with a range of solutions, from desktop, laptop and mobile security software to dynamic secure internet search. EI fully exited the business in August 2014. Avast Technologies acquired AVG for \$1.3 bn in 2016.

7.5x

increase in number of users to 187m

11.5x

increase in company's value to US\$1bn

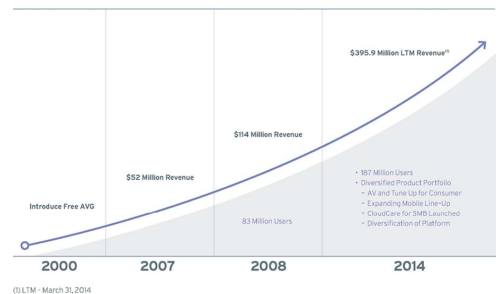
What did the business need?

- A new management team to build a global market leader
- New competences and products to gain market share and stay ahead of the competition
- Global reach

How did private equity backing create lasting value?

- Introduced a new management team with global experience
- Supported transformation from a regional to a global player
- Helped identify and acquire companies to build new services and expertise

AVG - Revenue (\$)



- Invested to expand product range beyond the original anti-virus software
- Helped create strong corporate structure and solid financial track record
- Provided necessary support to list AVG on the prestigious New York Stock Exchange

What outcomes did private equity investment achieve?

- Created a global market leader worth US\$1bn in a highly competitive market
- Grew from an anti-virus software company to a leader in a range of security and online services
- Increased sales from \$21m in 2005 to \$407m in 2013
- Increased user numbers by 7.5x to 187m in 2014

More information

[AVG Technologies](#)

[Enterprise Investors](#)