



PRIVATE EQUITY IN ACTION - CASE STUDY

Byggmax



Country	Sweden
Region	Stockholm
Investor	Altor 2003 Fund

Byggmax's strategy is to stock a small range of selected DIY items, enabling it to keep costs down, offer lower prices than competitors and generate high operating margins. When Altor acquired 75% of the shares in Byggmax in 2006 it was already one of the most profitable companies in its sector. Altor recognised the concept's success and worked together with the founder, using its experience to expand in the Nordic markets and build web sales. During Altor's eight-year ownership, Byggmax implemented an impressive expansion strategy across Sweden, Finland and Norway, growing from just 27 stores to over 100. In June 2010, Byggmax was listed on OMX Stockholm and in April 2014 Altor sold its last shares in the company.

82
new sites opened over eight years

300%
increase in sales

What did the business need?

- Nordic market experience
- Capital for rapid expansion
- Strategic guidance
- Support for fast growth, including outside its domestic Swedish market

How did private equity backing create lasting value?

- Developed a Nordic expansion plan
- Provided expertise across the Norwegian market
- Help set a strategy for e-commerce
- Hired experienced board members, such as Anders Moberg (IKEA) and Fredrik Cappelen (Nobia)
- Entered the Nordic and Finnish markets



Altor did two big things for us: they believed in us; and they gave us the economic resources to expand quickly because that's what we believed was right for the company.

MIKAEL BENGTTSSON
Store Network Manager
Byggmax

- Established a Nordic distribution warehouse in Sweden

What outcomes did private equity investment achieve?

- Expanded from 27 Swedish stores to 109 Nordic stores in eight years
- Established online sales at Byggmax, a channel that is growing rapidly every year
- Increased turnover by 300% over eight years
- Increased number of employees from 411 (2006) to 629 (2013)
- Listed Byggmax on OMX Stockholm in 2010



More information

[Altor](#)

[Byggmax](#)