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|-----------------|----------------------|
| <b>Country</b>  | Denmark              |
| <b>Region</b>   | Hovedstaden          |
| <b>Investor</b> | CVC Capital Partners |

DT Group (formerly Danske Træløst) is the Nordic region's largest builders merchant and DIY chain. CVC Capital Partners acquired the group in 2003 through an €850m public-to-private buyout from the Copenhagen Stock Exchange - the largest private equity transaction at the time on a Nordic stock exchange.

CVC's investment rationale was built around the scope to deliver operational efficiency through centralised purchasing and improving underperforming units, as well as accelerating growth through merchandising. The investment eventually delivered a strong return for CVC's investors through a sale to Wolseley in September 2006.

**10%**  
sales growth in year prior to CVC's exit

**8,000**  
employees across the group

### What did the business need?

- Increase in operational efficiency
- Improvement of underperforming units
- Accelerated growth through investment

### How did private equity backing create lasting value?

- Radical change in the group's purchasing approach from a country by division organisation to a group-wide pan-Nordic lead buyer structure
- Rebranding of Danish builders merchant business, now named Stark, resulting in very strong improvements in sales and EBITDA
- Modifications to the organisational structure and complete change of the management incentive plan to harmonise with the business plan
- Review of property portfolio and strategy



During CVC's ownership we worked with the management to improve efficiency whilst growing the business and taking market share in all countries.

**SØREN VESTERGAARD-POULSEN**  
Partner  
CVC Capital Partners

## What outcomes did private equity investment achieve?

- Achieved target cost structures overall and by store
- Group generated sales of  $\text{€}2.4\text{bn}$  and EBITDA of 170m euro in year to 31 January 2006
- Sold group to Wolseley in September 2006 at a significantly higher value than at entry, and delivered strong return to investors
- Gained market share in all principal markets

## More information

[DT Group](#)

[CVC Capital Partners](#)

