

PRIVATE EQUITY IN ACTION - CASE STUDY

Magellan



Country	Poland
Region	Lodzkie
Investor	Enterprise Investors

Magellan is a lender to the healthcare industry in Eastern Europe, helping hospitals with the finances they need to manage their budgets. After investing in Magellan in 2003, Enterprise Investors built an outstanding management team and helped the company quickly become market leader in Poland. Support for product innovation and investment in service improvement cemented the company's success.

Enterprise Investors helped Magellan raise external finances via the Polish bond market and oversaw a shift in focus from being supplier-oriented to hospital-oriented. Having achieved success in Poland, private equity then helped Magellan enter the Czech Republic and Slovakia, where it has built a strong market position. Magellan floated on the Warsaw Stock Exchange in 2007 and Enterprise Investors remained a minority shareholder in the business until July 2013.

What did the business need?

- New management and company structure to allow expansion
- Help in securing external financing
- Support to transform a private Polish company into an international organisation

How did private equity backing create lasting value?

- Installed a top-class management team
- Refocused company business model on hospital customers
- Backed ongoing innovation programme and improvement in customer service

3.3x
increase in revenue in 9 years

2
new markets: Czech Republic and Slovakia



“EI was a great partner, providing finance for growth, giving us credibility with the banks, and creating a strong management team so we could enter new markets, improve financial reporting and, ultimately, list on the WSE.”

- Helped secure external finances for future growth
- Assisted with listing the company on the Warsaw Stock Exchange
- Extended business to Czech Republic and Slovakia

What outcomes did private equity investment achieve?

- Strengthened Magellan's position as market leader in Poland
- Increased revenues by over three times and net profits by seven times over nine years
- Established Magellan as a leader in hospital finances in Czech Republic

More information

[Enterprise Investors](#)

KRZYSZTOF KAWALEC

President of the Management Board/CEO
Magellan

