

PRIVATE EQUITY IN ACTION - CASE STUDY

Point



Country	Sweden
Region	Stockholm
Investor	Nordic Capital Fund V

Since Nordic Capital acquired Point in 2004, the company has expanded to become Europe's leading provider of electronic payment solutions, serving over 475,000 individual merchant contracts across Europe.

Nordic Capital has supported the management to make significant R&D investments and complete strategic add-on acquisitions, creating value and sustainable growth opportunities, and thereby ensuring that Point remains a European leader in a field with tremendous growth potential. The business was sold to VeriFone in 2011, having grown revenues within system solutions fivefold during Nordic Capital's investment period.

What did the business need?

- Strategic support to stay ahead of competition in fast-growing market
- Growth on international stage
- Financing and support for add-on acquisitions

How did private equity backing create lasting value?

- Invested in development of "payment as a service" network
- Invested heavily in routing capabilities to offer customers a secure cloud system
- Change to a recurring revenue model based on subscriptions, enhancing margins
- Expanded into selected European countries, becoming the market leader in France and the UK

20%

CAGR in terminal numbers

255%

EBITDA growth during investment period



Under Nordic Capital's ownership, Point has had fantastic growth, with sales within system solutions close to five times higher than at the time of acquisition.

FREDRIK NÄSLUND

Partner, NC Advisory AB
Adviser to the Nordic Capital Funds

- Completed seven add-on acquisitions and four terminal fleets

What outcomes did private equity investment achieve?

- Point grew faster than the market with a 20% CAGR in installed terminals
- Revenue per terminal rose threefold during the investment
- Total sales grew by 168% over the life of the deal, with EBITDA up 255%
- Acquisition by VeriFone gives Point access to all the capabilities of a global leader, while
- VeriFone can take advantage of Point's strong position in local markets



More information

[Nordic Capital Fund V](#)