



PRIVATE EQUITY IN ACTION - CASE STUDY

Tomplast

TOMPLAST

Country	Slovenia
Region	Zahodna Slovenija
Investor	Arx Equity Partners

Of all industries, plastic components manufacturing was one of the hardest-hit by the recession of 2008-09. ARX Equity Partners' investment in Slovenian plastics components manufacturer Tomplast, however, emerged in great shape, thanks in part of private equity's hands-on approach.

Following the succession-driven buyout in 2007, when Tomplast's founder exited, ARX focused on installing a more international, sales-oriented culture, diversifying the customer base. In 2008, an add-on acquisition was made - a deal which in of itself potentially saved what was a lossmaking business, creating an even stronger combined unit.

Over time the business was repositioned from low margin furniture components into automotive, combined with the gradual introduction of new technologies and the capacity to produce larger and more complex products. Arx sold Tomplast in 2016, generating a 4.1x cash-on-cash multiple for investors.

What did the business need?

- Exit for founder owners, who had reached retirement age
- Improvements to management structure
- Product focus and internationalisation
- Investments in new production capacity

How did private equity backing create lasting value?

- Brought a more international, sales-oriented culture, diversifying

9
consecutive years of growth in employee numbers

3x
rise in revenues since ARX investment



The support of ARX has been instrumental in our growth and strategic development to become a competitive international producer of automotive components.

EMIL ULJANCIC
CEO
Tomplast

the customer base

- Made an add-on acquisition, potentially saving a loss-making business
- Strict financial and operational discipline installed
- Drive to become developer/supplier, decommoditising role in value chain
- Investments into new facilities and technologies

What outcomes did private equity investment achieve?

- Employee numbers have grown from 77 to 300 over course of investment
- Revenues have risen threefold, with strong profitability
- Successfully exited in Q1 2016 to a buyer with the intention to further grow the business

More information

[Tomplast](#)

[Arx Equity Partners](#)

