



Our investments continued

## Business Services

### Coor

[www.coor.com](http://www.coor.com)

<b>Activity</b>	Integrated facilities management
<b>Location</b>	Nordic region
<b>Acquired</b>	December 2007
<b>Transaction value</b>	SEK 4,930 million
<b>Sales*</b>	SEK 6,294 million
<b>Employees</b>	Approximately 3,800
<b>Cinven representatives</b>	Brian Linden, Soren Christensen
<b>Senior management</b>	<i>Chairman Anders Narvinger President and Group CEO Mats Jönsson CFO Olof Staolnacke</i>

\*to end December 2010 (unaudited)

### Company description

Coor is a Nordic facilities management company with activities in Sweden, Norway, Denmark and Finland. It is the Nordic region's leader in integrated facilities management (IFM): the provision of a single package of support services such as catering, cleaning, back office, IT, production-related and other facilities management services, for which Coor takes complete responsibility. Margins and growth rates in this subsector of the facilities management market are generally above average, reflecting the value to the customer of an integrated solution. Coor offers efficiency gains

and cost reduction by integrating and managing services within one contract, which has proved attractive to a growing number of Nordic private and public sector organisations that want to outsource their non-core functions.

### Cinven origination

Cinven's business services sector team had been targeting facilities management as an attractive market for investment for some time in advance of the transaction. The Cinven team brought to bear deep experience in support services through successful prior investments in both COMAX and Gardner Merchant, as well as experience in the Nordic region. As a result of Cinven's knowledge of the sector and tracking of Coor, the Cinven team had developed an excellent relationship with its management team, which is widely regarded as the best in the sector in the Nordic region, and became the management's and the seller's preferred buyer. Aided by this and by the Cinven Financing team, Cinven was able to secure the transaction.

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### Investment rationale and strategy

As the clear market-leader in IFM in the Nordic market, Coor provides packaged support services through a differentiated business model that combines a broad service portfolio with a consultancy-led approach. With Coor, Cinven also identified a company with a strong and highly regarded management team that could develop and build long-term, blue-chip customer relationships with companies such as Volvo, Ford, Ericsson, SAAB and Nokia.

As a platform for expansion and consolidation, Coor provides the opportunity to grow in new geographies and new segments such as production-related services, in addition to capturing organic growth opportunities across the Nordic region. Cinven's strategy for Coor is to focus on its core business as a highly successful, pan-Nordic facilities management player with industry-leading financial performance.

The main drivers of growth include:

- capturing the growth in facilities management by taking advantage of outsourcing opportunities in Coor's core Nordic market;
- increasing business with existing customers by maintaining its strong track record of high-quality service delivery;

- expanding the product offering, partly by moving further into production-related services to capture additional revenue opportunities with existing customers; and
- strengthening the Nordic platform by continuing to expand the business outside Sweden and pursuing attractive and value-enhancing acquisition opportunities.

### Cinven value creation

During its ownership of Coor, Cinven has worked closely with management to increase sales, realise identified cost savings and improve cash generation. This has included:

- emphasising sales growth through winning new contracts (e.g. SAS, IPOS, Sandvik, Chr. Hansen, Danmarks Radio);
- designing and implementing a working capital optimisation programme;
- continuing focus on implementing identified cost savings, accounting for around 10% of the operating cost base;
- completing add-on acquisitions in order to increase Coor's presence in less well represented parts of the Nordic region (e.g. SAPA); and

- strengthening the divisional management teams outside Sweden through internal promotion and recruitment of selected high-calibre individuals (including the new Managing Director of the Finnish business and a new Business Development Manager in Norway).