

Palamon Capital Partners wins unquote” DACH Buyout Exit of 2011 Award

Palamon Capital Partners (“Palamon” or the “Firm”) is delighted to announce that it has won the unquote” DACH Buyout Exit of 2011 Award for its investment in dress-for-less (the “Company”). The Award follows a series of industry award nominations recognising the accomplishments of the Firm, resulting from its growth investment model that consistently provides robust returns irrespective of market cycles.

The Firm invested in dress-for-less, now one of Europe’s largest on-line designer fashion retailers, in 2007 having recognised the strong trends driving growth in the value segment of on-line retail and backed the founder-led management team to execute an aggressive expansion strategy which included significant expansion across Europe. During Palamon’s ownership, staff numbers at the Company more than doubled and sales almost tripled yielding compound annual growth rates of more than 35% in revenue and profitability. In March 2011 the Firm sold dress-for-less to trade buyer, Privalia Venta Directa, generating a 3.0x return on invested capital and an IRR of 41%.

Palamon invests in businesses led by strong entrepreneurs that are capable, with the support of Palamon’s strong financial and strategic support, to access high rates of growth and build market leading companies of significant strategic value. Palamon generates investment returns by creating value in its portfolio companies through exceptional revenue growth, as highlighted with investment in dress-for-less. The Firm’s portfolio companies consistently demonstrate strong trading performance, with the portfolio as a whole reporting revenue growth of more than 20% per annum since the Firm’s inception in 1999. The strength of the portfolio has allowed the Firm to operate seamlessly through the recent downturn. The sale of dress-for-less is one of a series of strong exits and during 2011 the Firm has announced four exits of its portfolio companies amounting to €433 million in proceeds and which achieved an average return of 2.4x on invested capital.

Dan Mytnik, Partner at Palamon commented: “We are very proud to have won the unquote” DACH Buyout Exit of 2011 Award. Palamon’s success is based upon our ability to identify growth opportunities and build businesses of substantial strategic value. In partnership with the great management team, led by Mirco Schultis, founder, and Holger Hengstler, we succeeded in creating a highly attractive asset.”

Holger Kleingarn, Partner at Palamon, commented: “The Palamon investment strategy provides access to exceptional organic growth in Europe through our portfolio of carefully selected niche companies that demonstrate that entrepreneurship is very much alive across the region. We are delighted to have realised another strong result for our investors as we continue to focus on executing our growth investment model and building further value in our portfolio.”

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Palamon Capital Partners

Palamon Capital Partners, LP is an independent private equity Partnership founded in 1999, which is focused on providing equity for European growth services companies. Palamon, as a pan-European investor, originates, executes and manages investments in the UK, Germany, Italy, Spain, Norway, and Sweden. The Firm targets investments in companies where it can be the lead private equity provider and where the Partnership's experienced principals can provide strategic direction and partner with management to help build equity value. The Firm manages Palamon European Equity, L.P. and Palamon European Equity II, L.P. capitalised at €1.1 billion, and making up one of the largest pools of private equity capital dedicated to growth investment opportunities in Europe's mid-market arena.

For more information on Palamon refer to www.palamon.com