



**For immediate release**

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### **De Agostini invests in Sigla alongside Palamon**

Palamon Capital Partners ('Palamon'), one of Europe's leading mid market private equity firms, is pleased to announce that De Agostini, the Italian conglomerate, has taken a minority stake in Sigla Luxembourg S.A. ('Sigla') via investment vehicle DeA Capital. The investment of €38 million includes a significant cash commitment to drive growth in the company. Sigla, the Italian consumer financial services company, is 65% owned by Palamon.

Since Palamon's investment in March 2005, Sigla has grown at an impressive rate. As one of the few independent providers of unsecured consumer debt in Italy, the company has developed its loan book from a standing start in 2005 and is targeting a loan portfolio of €200 million for 2007.

DeA Capital has bought Ettore Riello's 26.75% interest in Sigla, who has divested due to a refocusing of its investment strategy. The Management Team retains an 8.25% stake. DeA has also committed to provide equity for the growth of the company along side Palamon.

Stefano Bacci, Partner at Palamon Capital Partners, commented: "We are delighted that an established group like De Agostini has given this investment its backing. We are confident they will actively support the team in achieving its growth objectives, and will drive the company to the next stage of development with new products and new distribution channels." Fabio Massimo Giuseppetti, also Partner at Palamon, commented on the departure of Riello: "After two years of close relationship with Riello and his team, we will remain close to them and we look forward to our next opportunity together".

Vieri Bencini, CEO of Sigla Luxembourg S.A., added: "Sigla has grown significantly over the last two years and with our shareholder backing, we have been able to build a strong management team, create more sophisticated products and develop our distribution network. We feel that with the resources pledged by Palamon and DeA we will be able to continue to further expand the business. This is very exciting."

Palamon has been an active investor in Italy since the firm was founded in 1999 and Italian investments represent 15% of invested capital. The investment in Sigla constitutes part of Palamon's focus on financial services, a core area of its expertise. In the consumer credit sector, Palamon's existing investments include Si Collection, an Italian debt recovery company, SAV Credit Limited, a UK credit card issuer, and Nordax Finans AB, a Nordic personal loans provider.

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## **For further information**

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## **Notes to the editors**

### **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, Italy, Spain, Denmark, Belgium, Sweden, France, and Germany. 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 support 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. Investors in Palamon funds are based mainly in the US and Europe and are among the most significant investment institutions in the world.

For more information on Palamon refer to [www.palamon.com](http://www.palamon.com)

### **Advisors to the transaction**

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