



**For immediate release**

**1 June 2009**

### **Palamon Capital Partners and G Square invest in Grupo SAR**

Palamon Capital Partners (“Palamon”), one of Europe’s leading mid market private equity firms, and G Square, a European private equity firm dedicated to investing in healthcare are pleased to announce they have completed a transaction with Grupo SAR (“the Company”). The Company is one of Spain’s leading providers of residential and home care services to the elderly. The investment will provide the expansion capital required to drive forward Grupo SAR’s ambitious growth plans. The terms of the transaction were not disclosed.

Established in 1992, Grupo SAR has experienced strong growth over the recent years, becoming a leading provider of residential and home care services to the elderly in Spain. It manages 39 residential and day care facilities and a rapidly growing home care division. The Company serves over 120,000 people and currently employs a staff of 6,350. Grupo SAR generated revenues of €127 million in 2008.

Grupo SAR will continue to be chaired by Higinio Raventós, Founder, and by Jorge Guarner, the existing CEO. Following this transaction, Spanish investment group Confide remains one of Grupo SAR’s leading shareholders.

This transaction marks a further step in Grupo SAR’s development as it provides the financial backing required to execute the Company’s strategy of offering a leading service platform in the long term care sector.

Spain has traditionally underinvested in long-term care compared to other EU countries but this trend is set to reverse as recent and planned legislative reforms impose higher standards of care. Grupo SAR has already invested significantly in its service delivery and established a close partnership with the public sector.

Commenting on the transaction, Chairman and Founder of Grupo SAR Higinio Raventós said: “We are pleased to secure the financial backing of two such experienced investment professionals. I am confident that their support will enable us to achieve our ambitious growth. Central to this is our commitment to building on our reputation for delivering best in class service.”

Jaime-Enrique-Hugas, Principal at Palamon Capital Partners commented: “We are very excited about the opportunity to invest in Grupo SAR. This is a high quality business led by a very strong management team. We are confident that Grupo SAR’s greater focus on higher dependency needs positions the Company well to take advantage of the rapidly growing demand driven by Spain’s changing demographics.”

Dr. Laurent Ganem, President and Founder of G Square stated: “We are very pleased to be making the first investment of our dedicated healthcare fund in Grupo SAR. We appreciate the dynamics of this sector in Spain, and strongly believe that SAR is particularly well positioned to grasp growth opportunities in years to come, as well as develop its already strong and innovative home care business.”

For further information

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**Notes to the editors**

**Grupo SAR**

Grupo SAR was established in 1992 and today has become Spain's third largest provider of health and social care services to the elderly, employing 6,350 people, and serving over 120,000 patients a year. In addition to operating a substantial homecare division the Company has 39 residential facilities. In 2008, Grupo SAR generated revenues of over €127 million.

For more information on Grupo SAR refer to [www.gruposar.es](http://www.gruposar.es)

**Palamon Capital Partners**

Palamon Capital Partners is an independent private equity partnership founded in 1999 and focused on providing equity for European growth services companies. Palamon originates, executes and manages investments across Europe. The firm targets investments in companies where the partnership's experienced investment professionals can provide strategic direction and help build equity value.

The Firm manages Palamon European Equity and Palamon European Equity II, capitalised at €1.1 billion. This makes one of the largest pools of private equity capital dedicated to growth investment opportunities in Europe's mid market arena. Grupo SAR marks the eleventh investment in its second fund, Palamon European Equity II, which was raised in 2006 and has commitments of €670 million.

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

**G Square**

G Square Capital is a Paris-based Private Equity Firm dedicated to providing growth capital to and/or acquiring mid-cap Healthcare companies, primarily in Europe. G Square Capital 1 is the first Private Equity fund managed by G Square. One of the principal investors in the Fund is Goodgrower, a recently established vehicle by the Gallardo Family from Spain, based in Barcelona and fully dedicated to healthcare investments.

For more information on G Square refer to [www.gsquarecapital.com](http://www.gsquarecapital.com)

**Advisors to the transaction**

Grupo SAR

Financial adviser:	Rothschild
Legal support:	Baker&McKenzie

Palamon and G Square

Financial adviser:	Impulsa Capital
Financial and tax due diligence:	PricewaterhouseCoopers
Legal due diligence:	Clifford Chance
Commercial due diligence:	PricewaterhouseCoopers