



**For immediate release**

**8 December 2010**

**Palamon and G Square backed Grupo SAR becomes the Spanish leader in elderly care with acquisition of MapfreQuavitae**

Grupo SAR, a leading Spanish provider of care to the elderly backed by European Private Equity firms Palamon Capital Partners (“Palamon”) and G Square, has announced the acquisition of Mapfre Quavitae, the third largest operator in the Spanish residential care market, for an undisclosed amount. The transaction is subject to regulatory approvals.

The combined business will have over 80 residential units and 10,500 places generating €300 million of revenue, making it the largest operator in the Spanish market. Grupo SAR will continue to focus on delivering high quality services for the most complex elderly care needs whilst the acquisition will broaden its footprint to cover 16 of Spain’s 17 Regions. The transaction also provides Grupo SAR with an entry point to the tele-assistance business, which offers opportunities for further growth and service sophistication.

Palamon and G Square jointly invested in Grupo SAR in May 2009 to reinforce the company to meet the growing demand for elderly care services in Spain driven by strong underlying socio-economic trends. Grupo SAR’s market leading commitment to quality of care made it the ideal platform with which to consolidate the fragmented Spanish market. All of Grupo SAR’s investors, including founding shareholder Confide and management, participated in the funding.

The combined business employs more than 12,000 staff and plans to expand its workforce as it continues to identify organic and acquisition growth opportunities under the leadership of the Chairman, founder of Confide, Higinio Raventos, and the CEO, Jorge Guarner.

Jaime-Enrique Hugas, a principal at Palamon Capital Partners said, “The Spanish elderly care market continues to grow due to strong macro trends, despite the challenging economic environment. The combined business will continue to offer the highest quality of residential and home care to dependent people from both the public and private sectors. This is a significant transaction in the industry and demonstrates Grupo SAR’s ongoing commitment to the sector.”

Laurent Ganem, President of G Square said, “The acquisition of Mapfre Quavitae is a quantum leap for Grupo SAR, which becomes by far the Spanish market leader in elderly care and home care. We are very enthusiastic about the prospects of the Company and are totally supportive of the management team in its expansion strategy and its commitment to deliver high standards of care to the elderly.”

For further information

**Palamon Capital Partners**

Jaime Enrique-Hugas  
Jonathan Heathcote  
Annette Wilson  
Tel. +44 20 7766 2000

**Citigate Dewe Rogerson for Palamon Capital Partners**

Patrick Evans  
Georgiana Varey  
Tel: +44 20 7638 9571

**G Square**

Laurent Ganem  
Tel: +33 1 47 03 53 00

**Notes to the editors**

**Grupo SAR**

Grupo SAR was established in 1992 and today has become Spain's largest provider of health and social care services to the elderly, employing more than 12,000 people, serving 10,516 places and 30,000 home care and 26,500 tele-assistance users a year. In addition to operating a substantial homecare division the Company has over 80 residential facilities. In 2010, Grupo SAR is forecast to generate revenue of €300 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.

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

**G Square**

G Square is a Paris-based Private Equity Firm dedicated to providing growth capital to and/or acquiring mid-cap healthcare companies in Europe. G Square Capital 1 is the first Private Equity fund managed by G Square.

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

**Advisors to the transaction for Grupo SAR, Palamon and G Square**

Financial advisor	Rothschild
Legal advisor	Baker & McKenzie
Due diligence	KPMG