

Market update

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After the turmoil of the Global Financial Crisis and a long period of market inactivity, signs now point to a subdued recovery in Australian private equity. Until recently, prudent fund managers turned the spotlight on existing portfolios – driving out inefficiencies and optimising operations. The market for new deals – and exits – was in hibernation. Few were game to brave the IPO market and enthusiastic lenders were few and far between.

Life is now gradually returning to the market, with banks prepared to consider lending – for the right deal – albeit on much stricter terms. The IPO market though, remains fickle and there have been few significant, successful new floats in recent times. Private equity exits have also been scarce.

In this environment, fortune favours managers that are less reliant on aggressive gearing and emphasise strategy and operational improvements. Bearing these factors in mind, we are pleased to devote this edition of our newsletter to our successful exit from SCADA Group (a 2006 Advent MBO), which won a recent AVCAL award for best buyout under 110 million at the time of investment, as well as two of our leading investees: Genesis Care and Regency Media. Both companies recently announced breakthrough initiatives that set them apart from their peers.

AVCAL Award - SCADAgroup - Best Buyout <\$100m



Our recent AVCAL award acknowledges the success of the **sale of SCADAgroup** - a global provider of systems integration services and SCADA products to the water, waste water, oil and gas industries - to Schneider Electric.

The agreed sale valuation of A\$200m delivered the Advent IV Fund a return of seven times its original investment. This standout return to shareholders secured Advent the coveted AVCAL annual award, in recognition of the achievements of SCADAgroup and its management team. In the current environment - with its paucity of exits - the award is especially pleasing.

For more information: [Sale of SCADAgroup Media Release](#)

[AVCAL Award](#)

Australian Cancer Treatment First



Genesis Care delivered **world-leading Gamma Knife treatment** to a patient at Macquarie University Hospital in Sydney in a recent world class medical first.

The Gamma Knife is a non-invasive tool for treating brain cancer and other brain disorders. Despite its name, there is no cutting involved - radiation beams converge with accuracy, delivering radiation to a small target, such as a tumour and providing patients with superior outcomes: fewer complications, lower treatment cost and same day treatment.

Controlling a national network of premium cardiology (HeartCare) and radiation oncology practices (CancerCare), Genesis Care provides high quality specialist care to patients with cancer and cardiovascular disease. In 2009, the Advent V fund invested AUD 36.6million in the group and committed a further AUD 12.0million to help fund the expansion strategy which includes four new cancer centres and three cardiovascular service sites.

For more information: [Gamma Knife treatment](#)

[Genesis Care Media Release](#)

Regency acquires Shock Records



regency
media



Regency Media's recent acquisition of Shock completed the final stage of its metamorphosis from a small audio cassette factory in 1986 into **Australia's leading independent entertainment group**.

Shock - the largest independent record label in Australia - provides DVDs, music, computer games and other entertainment products to an Australia-wide client base. As Australasia's most experienced locally-owned electronic media manufacturing business, Regency Media encompasses DVD and CD replication - along with packaging, design and distribution logistics. By combining Regency's and Shock's capabilities in manufacturing, distribution and marketing, the group is poised to enter an exciting new chapter as Australia's leading independent media conglomerate.

For more information: [Regency acquires Shock Records](#)

[Regency Media Release](#)