



AAC sells U-POL back to Graphite Capital

Strong profit growth driven by geographic expansion and product innovation

LONDON, 07 September, 2010 – AAC Capital Partners ("AAC"), a leading Northern European mid-market buy-out firm, today announces that it has divested its holding in U-POL Group Limited ("U-POL"), the leading manufacturer of refinish products for crash-damaged cars.

Following a competitive auction, AAC is selling its stake back to Graphite Capital, the former owner of U-POL from whom AAC acquired the business for £75m in January 2006. This transaction values U-POL at £130m and results in AAC achieving a return of 3.4x its original investment.

U-POL makes and sells automotive refinish products including bodyfillers, coatings, aerosols and polishing compounds. From its manufacturing base in the UK, U-POL exports high-quality products to more than 100 countries worldwide.

During AAC's ownership, U-POL has expanded its global sales force by over 50% and improved its market leading position through new product innovation. This strategy proved highly successful. Key highlights include:

- EBITDA grew at a compound annual growth rate of over 10%
- New sales channels were developed in Russia, China and India
- Profitability doubled in U-POL's USA operations

Paul Southwell, UK Managing Partner at AAC Capital Partners, said: "U-POL has been a successful investment for AAC and the return of 3.4x our original investment is a testament to the dedication of the management team, led by Phil May, who has significantly grown the business during a global recession. We have enjoyed working with the U-POL management team and wish them continued success in the future."

-ENDS-

Notes to Editors

About AAC Capital Partners

AAC Capital Partners is a leading Northern European mid-market buy-out firm which focuses on buy-outs within the €50-€500 million deal range in the consumer, industrial and services sectors. We target opportunities for majority stakes in profitable, cash-generative companies headquartered in the Netherlands, Nordic region and the UK. We currently have €1.7 billion total funds under management. www.aaccapitalpartners.com

For media enquiries, please contact:

FD (for AAC Capital Partners)
Alex Shepherd
+44 (0) 20 7269 7120
alex.shepherd@fd.com