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## **NVM'S THIRD EXIT OF THE YEAR ACHIEVES SIX TIMES ITS ORIGINAL INVESTMENT**

NVM Private Equity Limited (NVM) has sold its stake in Barony Universal Products to Questbridge the Russian owners of JSE Arnest. The buyout realised a return of just under six times the original investment, with an IRR of over 29% per annum achieved over the eight year investment.

Barony Universal, based in Ayrshire, Scotland, manufactures and markets aerosol products such as air freshener, deodorants and hairspray. NVM acquired the business in 1999, supporting the Managing Director, Stewart Shaw, in a management buyout. Throughout the investment Barony has grown organically, benefiting from own label contracts with multiples such as Tesco and Boots. Driven by Shaw's entrepreneurial spirit and the experience and guidance of the Chairman, Hugh Jack, the company's turnover has increased by over 300% and profit before tax is forecast to be over £1 million by the end of 2007.

JSE Arnest which was established in 1971 is now the largest aerosol manufacturer in Russia having purchased its main rival in September of this year. Barony will add to Arnest's portfolio of manufacturing companies and increase their output from 200 million to 250 million units per year.

The Barony exit follows three other successful realisations by NVM Private Equity this year, including the sale of Ithaca Business Media to United Business Media (UBM) – generating an impressive return of three times our original investment with an Internal Rate of Return (IRR) of over 60% - and KCS Global Holdings which was sold to Sage for £20 million realising 2.9 times our original investment and an IRR of over 50%.

**Norman Yarrow, Investment Director at NVM Private Equity, commented:** “We are delighted to announce another successful exit for NVM. We were initially attracted to Stewart Shaw’s great entrepreneurial spirit and have enjoyed working with management over the last eight years to increase employment in Ayrshire and deliver an excellent return on investment for shareholders.”

**Stewart Shaw, Managing Director of Barony, added:** “Over the last few years we have successfully developed the business and now have over a million aerosol cans passing through the factory each week. NVM’s investment has been instrumental in this growth and we are now looking forward to working with the new owners to expand the business further.”

-Ends-

**For further information please contact:**

**Lansons Communications**

- Caroline Macleod-Smith – 0207 566 9702 [carolinems@lansons.com](mailto:carolinems@lansons.com)
- Karen Mignon - 020 7294 3685 [karenm@lansons.com](mailto:karenm@lansons.com)

**NVM**

- Liberty Bollen - 0118 951 7000 [liberty.bollen@nvm.co.uk](mailto:liberty.bollen@nvm.co.uk)

**NOTES TO EDITORS**

**NVM Private Equity Limited (NVM)**

NVM is independently owned with over 20 years’ experience of investing in UK businesses. Our managers live and work on the ground in regional business communities across the UK. NVM manages over £190m of funds and is a generalist investor specialising in making equity investments in UK unquoted companies. We consider opportunities requiring between £1m and £10m

[www.nvm.co.uk](http://www.nvm.co.uk)