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GALVANISING RETURNS: NVM EXITS STAINTON METAL

NVM Private Equity has successfully exited from Stainton Metal Company Ltd, the Teesside-based manufacturer of street lighting columns, high masts and tramway and telecommunication poles. Stainton has been acquired by Valmont Industries Inc, a New York Stock Exchange quoted group whose manufacturing activities include lighting and traffic poles, utility structures and water management systems for agriculture. The trade sale has delivered an initial return of 2.6 times money for NVM funds and an IRR of 17.3%, potentially increasing to over 3.3 times money and an IRR in excess of 20%.

NVM originally invested in the business in October 2001, acquiring it from International Utility Structures Inc, a Canadian corporate. Stainton is ranked number one in the UK lighting column market and has seen sales increase from £10.8m in 2002 to £15.9m in 2008 – representing a 47% growth during the life of NVM's investment. This was achieved by capitalising on a correction in the historic under spending in the UK on lighting and infrastructure and also through building up a presence in a string of related niche markets.

Jeff Holder and Clive Austin from NVM worked on the deal. **Jeff, who manages NVM's investments in Yorkshire and the North East, comments** "Stainton is a strong UK manufacturing company with a great management team who have worked hard to get the best out of the company. From NVM's point of view we are delighted to demonstrate a fourth successful exit and ninth deal during 2008".

Phil Plackett, Managing Director of Stainton adds "We have enjoyed working with NVM and are looking forward to the company's next growth phase as part of Valmont Industries Inc".

Advisers to the deal included: Matt Gooch at William Blair & Company LLC, Matt Copley at BDO Stoy Hayward and Jonathan Jones, Jayne Aarons and Paul Mann at Hammonds LLP.

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Notes to editors:

NVM Private Equity Limited (NVM)

NVM is one of the UK's leading independent private equity businesses focussed on making equity investments of between £2 million and £10 million in unquoted UK companies. NVM manages approximately £180 million of funds and is differentiated by having executives living and working in regional business communities throughout the UK.

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