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BUYOUT TRACK 100

Deloitte.

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Deals have almost vanished and many investments are in difficulties, but Buyout Track 100 companies are still showing impressive profit growth, says **Catherine Wheatley**

Large leveraged deals have dried up, some experienced private-equity managers have stepped down and many companies owned by private-equity firms are in difficulties. It is no exaggeration to say that the past year has been disastrous for private equity.

With bank debt so scarce, there has been a sharp decline in buyouts and exits. Only 117 private-equity-backed buyouts of any size were completed in 2009, according to the Centre for Management Buyout Research, the lowest figure for 25 years.

Some companies, such as Apax-backed Incisive Media and the broadcaster Setanta Sports, have been unable to support debt repayments and have been handed to the banks. More positively, last month KKR agreed to pay Bridgepoint £955m for the retailer Pets at Home, beating off competition from other private-equity investors.

This year's fourth annual Sunday Times Deloitte Buyout Track 100, compiled by the Oxford-based research and networking events company Fast Track, ranks businesses, with at least 20% private-equity backing, with the fastest-growing profits under £50m. Profits are measured as earnings before interest, tax, depreciation and amortisation (ebitda). The 10 Biggest, with profits of more than £50m, are featured separately on page 8.

The table is a portrait of private-equity-owned firms on either side of the banking meltdown. The research, which measures the performance of portfolio companies by profit growth over their latest two financial years — rather than returns achieved on exit — predominantly covers the last year of the boom and the beginning of a deep recession. Nearly two-thirds of this year's firms have been rated on their latest available figures between 2006 and 2008 and their performance may have changed since then.

The research also highlights the private-equity firms and management teams that have transformed firms into mid-market superstars. LDC, part of Lloyds Banking Group, has more portfolio companies in this year's Buyout Track 100 than any other private-equity house, with ten of its investments making the grade, including the drinks manufacturer InterContinental Brands (No 65) and the fake-tan supplier St Tropez (No 77). Inflexion Private Equity has five firms on the roster, while 3i, Gresham and Hg Capital have four each.

Despite some media hostility towards the private-equity industry, Buyout Track 100 firms have increased their profits by an average of 57% a year over their latest two financial years, to a combined profit of £1.3 billion, only slightly lower than last year's £1.5 billion. Together, their sales total £8 billion, up from £5 billion over the two years. They have also added 25,505 jobs to their payrolls in the period, although many of these positions are the result of acquisition and may not be safe long term.

Indeed, acquisitions and bolt-on deals completed in better times have driven growth at many companies. At least 10 firms in the Buyout Track 100 and in the 10 Biggest list are pursuing buy-and-build strategies. Another 25 have improved profits significantly through acquisitions. Gresham-backed Leasedrive Velo (No 89) was formed when the fleet management business Leasedrive acquired rival Velo in 2007. Giles Insurance (No 13) and fellow insurer Oval (No 85) snapped up 54 companies between them over the past two years.

Profit growth through spectacular improvement in margins is less in evidence. A third of the companies recorded a fall in operating-profit margins during their latest financial year and a further third increased margins by less than 2%.

Unsurprisingly, the credit crunch and recession have led to a sharp fall in the number of buyouts. Only 11 league table firms have been acquired by private-equity investors in the past 12 months, compared with 26 in the 2009 league table.

This could be about to change. In December Apax completed the biggest private-equity deal of 2009 when it snapped up Marken (No 38) for £975m, a move that was widely read as a sign that the market is turning. As Britain moves out of recession and valuations reach more realistic levels, Buyout Track 100 companies will start to refresh their strategies and prepare for acquisitions once again, says Deloitte's Mark Pacitti on page 3.

Across the market, private-equity houses have struggled to realise their investments in a market that has little appetite for acquisitions or stock-market flotations. Only three backers of companies in last year's Buyout Track 100 have completed exits compared with ten last year — and none of these was a flotation. But as conditions improve, several larger companies are planning stock-market flotations, including Apax-backed Promethean (No 20) and, from this year's Biggest 10 list, Blackstone's Merlin Entertainments Group at (No 1) and Softbank-backed Betfair (No 6). As Jon Herbert of Lloyds TSB Corporate Markets explains on page 4, management teams that enjoy strong relationships with their banking partners will be well-placed to take advantage if, as expected, deal activity picks up this year.

Moneybookers, the No 1 company in this year's Buyout Track 100, is also eyeing a flotation, according to Martin Ott, its joint managing director. The online payments business, in which Investcorp owns a 51% stake, has apparently proved so popular that even eBay, which owns rival Pay Pal, offers Moneybookers as a payment option.

What sets Moneybookers apart is that customers can make and receive payments in local currencies, which has encouraged foreign shoppers to take advantage of the weak pound to buy from British retailers. Sales more than doubled in 2008 while profits have grown 177% a year from £1.8m in 2006 to £13.9m in 2008.

Moneybookers is one of nine financial-services companies in a league table that is dominated by business service providers. These include a number of recruitment businesses such as Pulse Staffing (No 6), Alexander Mann Solutions (No 68) and Red Commerce (No 80).

Some consumer businesses continue to perform well, too. The online sports retailer Wiggle (No 49), posh crisp maker Kettle Foods (No 76), and shoe retailer Office (No 93) are among 17 such firms on the list.

Unsurprisingly, many of this year's firms are in counter-cyclical or recession-proof sectors. Businesses that assess or collect debt, such as Callcredit Information Group (No 2), Lowell Group (No 78) and 1st Credit (No 97), have fared well. Discount retailers such as Frozen Value (No 36), which trades as Jack Fulton, and Poundland (No 92) have also performed strongly. Coffee Nation (No 73), which offers a self-service alternative to expensive take-away coffee, has also expanded rapidly during the period.

A handful of entrepreneurs with companies in this year's league table, including Peter Williams, founder of the preppy clothing retailer Jack Wills (No 22), and Mike Clare, founder of bed retailer Dreams (No 82), have decided to sell some or all of their venture and begin realising some of the wealth they have created. UBS Wealth Management's Michael Bishop considers the risks and rewards on page 6.

As the recession recedes but leaves behind a difficult marketplace, successful management teams like those in the Buyout Track 100 will have to achieve returns the hard way — by building efficient, profitable and saleable businesses.

FAST TRACK

Buyout Track 100 is researched and compiled by Fast Track, the Oxford-based networking events and research company that ranks Britain's top-performing private companies and provides a network for entrepreneurs to meet.

Private equity backed firms with fastest growing profits

Rank 2010	Rank 2009	Company	Activity	Location of HQ	Financial year end	Annual profit growth	Latest profit, £000s	Base-year profit, £000s	Latest sales, £000s	Staff	Main shareholders	Page
1		**Moneybookers**	Online payment provider	Central London	Dec 08	177.44%	13,914	1,808	27,358	232	Investcorp (51%), founders and management (49%)	3
2		**Callcredit Information Group**	Credit risk evaluator	Leeds	Dec 08	173.40%	9,934	1,329	49,345	640	Vitruvian Partners (majority), management (minority)	3
3		**Lovefilm.com**	Online DVD rental	West London	Dec 08	145.67%	8,755	*1,451	73,073	346	Private equity consortium (50%), Amazon (32%), founders (15%), managers (3%)	3
4		**Amco Group**	Infrastructure and drilling contractor	Barnsley	Dec 08	133.37%	*20,945	3,846	*106,882	781	Endless LLP (53%), management (47%)	3
5		**UPP**	University accommodation provider	Central London	Aug 09	126.77%	31,754	6,175	67,796	338	Barclays European Infrastructure (100%)	3
6		**Pulse Staffing**	Healthcare recruiter	Hertfordshire	Dec 08	123.00%	6,559	1,319	137,775	327	Hg Capital (74%), Fidelity Special Situations (10%), management (16%)	3
7		**Kew Green Hotels**	Hotel operator	West London	Aug 08	105.54%	10,551	2,497	41,348	906	Moorfield Group (25%), Lloyds Banking Group (20%), management (55%)	3
8	44	**Reservoir Group**	Oilfield services provider	Aberdeen	Dec 08	103.17%	†20,389	4,939	†42,981	210	SCF Partners (69%), management (31%)	3
9		**TSC Foods**	Chilled food manufacturer	Scunthorpe	Dec 08	97.93%	4,513	1,152	31,806	305	Key Capital Partners (more than 50%), management (less than 50%)	3
10		**Wireless Infrastructure Group**	Wireless tower operator	Lanarkshire	Dec 08	92.45%	10,019	2,705	15,671	29	Royal Bank of Scotland (45%), Penta Capital (20%), management (35%)	3
11		**Cognita**	Schools operator	Milton Keynes	Aug 08	92.43%	22,866	6,175	110,562	2,428	Englefield Capital (81%), management (19%)	3
12		**Seafood Holdings**	Fish and meat wholesaler	Hertfordshire	Jan 09	91.06%	4,994	1,368	81,800	535	Risk Capital Partners (24%), Toby Baxendale (76%)	3
13	3	**Giles Insurance**	Insurance broker	Central London	Aug 09	90.39%	22,830	6,298	†72,136	993	Charterhouse (65%), Chris Giles (20%), other management (15%)	4
14		**Parasol**	Payroll services provider	Warrington	Apr 09	87.26%	3,589	1,024	366,131	8,110	Inflexion Private Equity (65%), Rob Crossland (25%), other management (10%)	4
15		**Fullwood**	Dairy equipment manufacturer	Shropshire	Dec 08	86.98%	6,836	1,955	75,614	617	3i (20%), family and management (80%)	4
16	58	**Moody International**	Technical services provider	West Sussex	Dec 08	82.92%	41,193	12,311	249,232	4,796	Investcorp (75%), management (25%)	4
17		**Ultimate Products**	Homeware designer and importer	Oldham	Jul 09	78.03%	†5,163	1,629	†59,164	190	LDC (46%), management (54%)	4
18		**Air Energi**	Recruitment consultancy	Manchester	Dec 08	76.22%	5,348	1,722	113,745	110	Zeus Private Equity (40%), management (60%)	4
19		**Inspicio**	Testing services provider	Central London	Dec 08	75.16%	*39,524	12,883	*292,749	7,633	3i (78%), management (22%)	4
20		**Promethean**	Educational technology developer	Blackburn	Dec 08	74.97%	22,006	7,188	151,041	633	Apax (24%), Cann trustees (55%), management and staff (21%)	4
21		**RFIB Holdings**	Insurance and reinsurance broker	Central London	Jun 09	73.52%	6,506	*2,161	38,313	315	FF&P Private Equity (40%), management and staff (60%)	4
22		**Jack Wills**	Clothing retailer	Northwest London	Jan 09	72.88%	7,686	2,572	41,778	1,130	Inflexion Private Equity (27%), management (73%)	4
23		**Mountain Warehouse**	Outdoor clothing retailer	Southwest London	Feb 09	69.28%	6,342	2,213	31,616	415	Kcaj (40%), management (60%)	4
24		**Mentor IMC Group**	Oil industry consultancy	East London	Jul 09	69.22%	*4,392	1,534	*40,902	13	Iceni Capital (55%), management (45%)	4
25		**Premier Medical**	Medical services provider	Shropshire	Dec 08	68.93%	6,367	2,231	40,889	316	Nomura Private Equity (59%), management (41%)	4
26	89	**Protocol Skills**	Vocational training provider	Cheshire	Jun 08	68.68%	*6,885	2,420	*38,025	826	CBPE Capital (75%), D Wright (8%), other management (16%)	4
27		**Healthcare Homes**	Care-home operator	Essex	Sep 08	64.77%	*5,495	2,024	*26,255	788	Bowmark Capital (80%), management (20%)	4
28		**Webfusion**	Web hosting services	Uxbridge	Dec 08	64.35%	*20,832	7,712	*91,960	500	Oakley Capital (100%)	4
29		**Achilles Group**	Supply chain manager	Abingdon	Apr 09	62.34%	7,500	2,846	31,100	479	Hg Capital (69%), management (31%)	4
30	45	**Integrated Dental Holdings**	Dental practice operator	Bolton	Apr 09	61.00%	*†31,888	*12,302	*†159,976	2,121	Merrill Lynch Global Private Equity (80%), management (20%)	4
31		**OSS Group**	Waste oil recycler	Merseyside	Dec 08	59.49%	6,109	2,402	24,964	170	Dunedin Capital (42%), management and staff (42%), former directors (16%)	4
32		**Lifeways Community Care**	Community care provider	Southwest London	May 09	58.91%	5,049	1,999	49,317	2,195	August Equity (78%), management (22%)	4
33		**International Tubular Services**	Oilfield services provider	Aberdeen	Dec 08	57.44%	24,284	9,797	78,269	970	Lime Rock Partners (34%), Robert Kidd (66%)	4
34		**Enpure**	Environmental engineer	Birmingham	Mar 09	55.97%	3,491	1,435	81,417	200	Spirit Capital (80%), management (20%)	5
35	22	**Eve Trakway**	Temporary roadway provider	Chesterfield	Mar 09	55.68%	5,093	2,101	17,459	163	LDC (minority), management (majority)	5
36		**Frozen Value**	Value food retailer	Barnsley	Jan 09	54.62%	3,072	1,285	47,843	761	3i (40%), management (60%)	5
37		**Hydrobolt**	Bolt manufacturer	Wolverhampton	Mar 09	54.60%	*3,337	1,396	*17,792	175	Octopus Private Equity (48%), management (52%)	5
38		**Marken**	Pharmaceutical logistics provider	West London	Dec 08	53.96%	*46,283	*19,527	*103,167	325	Apax Partners (67%), management (33%)	5
39		**VSG**	Security provider	Northampton	Mar 09	53.64%	4,878	2,067	105,857	4,451	LDC (40%), management (60%)	5
40		**Go Outdoors**	Outdoor equipment retailer	Sheffield	Jan 09	52.62%	3,273	1,405	41,188	302	YFM Group (23%), management (77%)	5
41		**Weldex**	Crane hirer	Inverness	Nov 08	51.86%	12,573	5,452	27,500	116	NVM Private Equity (30%), McGilvray family (70%)	5
42	7	**London City Airport**	Airport operator	East London	Dec 08	51.04%	40,870	17,915	79,671	385	Global Infrastructure Partners (75%), Highstar (25%)	5
43	14	**EIC**	Building services provider	West Midlands	Dec 08	50.91%	†7,121	3,127	†82,100	588	MML Capital Partners (67%), management (33%)	5
44		**Inchcape Shipping Services**	Marine services provider	Essex	Dec 08	50.90%	30,073	13,207	271,746	3,498	Istithmar World Capital (100%)	5
45		**Mayborn**	Baby products manufacturer	Newcastle	Dec 08	50.50%	16,939	*7,479	78,442	1,488	3i (47%), management (40%), other minority investors (13%)	5
46		**Kelway**	IT services provider	Northeast London	Mar 09	50.11%	4,187	1,858	110,782	196	Core VC (25%), management and staff (75%)	5
47	40	**Tangerine Confectionery**	Confectionery manufacturer	Blackpool	Dec 08	49.80%	7,939	3,538	131,006	1,235	Close Growth Capital (41%), management (40%), Appleby (13%),Toms Gruppen (6%)	5
48	8	**Tensator Group**	Queue control specialist	Milton Keynes	Dec 08	49.79%	†4,812	*2,145	†28,190	205	The Riverside Company (90%), management (10%)	5
49		**Wiggle**	Online sports goods retailer	Portsmouth	Jan 09	49.53%	4,512	2,018	33,154	70	Isis Equity Partners (48%), management (52%)	5
50		**Aesica Pharmaceuticals**	Pharmaceuticals manufacturer	Newcastle	Dec 08	49.46%	9,840	4,405	108,077	677	LDC (60%), management (40%)	5
51	38	**Tinopolis**	Film and television producer	South Wales	Sep 08	48.69%	6,451	2,918	67,648	381	Vitruvian Partners (70%), management (30%)	5
52		**Loewy Group**	Marketing provider	Central London	Dec 08	48.24%	4,600	2,093	44,825	397	VSS & ABRY Partners (24%), other institutions (6%), management and staff (70%)	5
53	17	**Q Hotels**	Hotel operator	Leeds	Dec 08	46.45%	37,415	17,446	130,186	1,930	Alchemy Partners (87%), management (13%)	5
54		**Olaer**	Hydraulic equipment maker	North Wales	Dec 08	46.37%	9,992	4,664	125,437	472	Gresham (80%), management (20%)	6
55		**Group GTI**	Graduate recruitment publisher	Oxfordshire	Apr 09	45.88%	7,849	3,688	25,183	249	Exponent Private Equity (60%), management (40%)	6
56		**Optilan**	Telecoms systems integrator	Coventry	Oct 08	45.85%	*†3,685	1,733	*†32,455	170	NVM Private Equity (41%), management (59%)	6
57		**Bridgman Group**	Fine enforcement provider	Central London	Mar 09	44.44%	3,912	1,875	26,161	301	Gresham Private Equity (50%), management (50%)	6
58		**Icon Polymer Group**	Rubber products manufacturer	Nottinghamshire	Sep 08	44.08%	3,033	1,461	18,359	255	LDC (48%), management (52%)	6
59		**Minivator**	Stairlift manufacturer	West Midlands	Dec 08	43.83%	4,003	1,935	38,292	325	Gresham Private Equity (48%), Michael Lord (25%), other management (27%)	6
60	75	**Energy Cranes**	Offshore services provider	Aberdeen	Dec 08	43.54%	*18,699	9,076	*152,087	1,353	CBPE Capital (70%), management (30%)	6
61		**Kellen Group**	Natural gas supplier	Belfast	Dec 08	43.11%	29,900	14,600	124,600	187	Terra Firma (100%)	6
62		**Stewart Group**	Inspection and testing services	Prescot	Dec 08	42.84%	†4,945	2,424	†32,939	570	CBPE (42%), management (58%)	6
63		**Rixonway**	Kitchen manufacturer	West Yorkshire	Feb 09	42.80%	3,771	*1,849	23,363	345	August Equity Partners (60%), management (40%)	6
64	59	**RP Martin**	Wholesale money broker	Central London	Sep 09	42.77%	15,266	7,489	84,847	331	Gresham Private Equity (43%), D Caplin (17%), other directors (10%), staff (30%)	6
65		**InterContinental Brands**	Beverage manufacturer	Harrogate	Dec 08	42.10%	†4,763	2,359	†49,366	143	Lloyds Development Capital (37%), management (63%)	6
66	90	**National Fostering Agency**	Foster care agency	West London	Mar 09	41.65%	†7,921	3,948	†47,921	189	Sovereign Capital (50%), Edwina Beech (21%), Michael Lovett (21%), staff (8%)	6
67	63	**Castlebeck**	Specialist healthcare provider	Darlington	Dec 08	40.72%	26,663	13,464	75,331	1,678	Lydian Capital Partners (80%), management (20%)	6
68		**Alexander Mann Solutions**	Recruitment services provider	Central London	Dec 08	40.17%	*10,140	5,161	*341,353	914	Graphite Capital (69%), management (31%)	6
69	67	**Wood Mackenzie**	Energy research consultancy	Edinburgh	Dec 08	38.81%	38,718	20,094	96,636	621	Charterhouse (77%), management and staff (23%)	6
70	19	**Precise Media Group**	Media intelligence provider	Central London	Sep 08	38.22%	7,482	3,916	26,080	367	Phoenix Equity Partners (67%), management (33%)	6
71		**QA**	Business training provider	Slough	May 09	38.19%	6,949	3,639	107,700	635	Englefield Capital (65%), management (35%)	6
72		**Microlease**	Electronic equipment provider	Northwest London	Feb 09	37.63%	10,614	*5,604	22,687	118	LDC (71%), management (29%)	6
73		**Coffee Nation**	Self-service coffee operator	High Wycombe	Mar 09	37.27%	3,049	1,618	†20,107	59	Milestone Capital Partners (68%), Investec (12%), management (20%)	6
74		**FDM Group**	IT services provider	Brighton	Dec 08	37.04%	5,262	2,802	52,212	363	Inflexion Private Equity, management	6
75	21	**Stone Computers**	Computer manufacturer	Staffordshire	Dec 08	37.02%	*4,252	2,264	*64,510	218	RJD Partners (51%), James Bird (22%), other management (23%), retained (4%)	6
76		**Kettle Foods**	Crisp manufacturer	Norwich	Sep 08	35.86%	12,743	6,904	58,997	371	Lion Capital (100%)	6
77		**St Tropez**	Self-tanning supplier	Nottingham	Jul 09	35.67%	4,714	2,561	18,717	95	LDC (majority), management (minority)	6
78	2	**Lowell Group**	Loan recovery agency	Leeds	Aug 09	34.46%	†24,174	13,370	†46,864	369	Exponent Private Equity (81%), management (19%)	7
79	12	**JDR Enterprises**	Cable manufacturer	Cambridgeshire	Mar 09	34.10%	9,945	5,530	75,115	362	Vision Capital and Goldman Sachs (75%), management (25%)	7
80		**Red Commerce**	SAP recruitment agency	Central London	Mar 09	34.07%	3,879	2,158	51,540	103	Inflexion Private Equity (69%), management (31%)	7
81		**TSL Education**	Educational publisher	Central London	Aug 08	33.90%	36,691	*20,465	72,046	214	Charterhouse Capital Partners (73%), management (27%)	7
82	24	**Dreams**	Bed retailer	High Wycombe	Dec 08	33.22%	19,005	10,709	194,384	1,492	Exponent Private Equity (majority), management (minority)	7
83		**Quotient Bioresearch**	Laboratory testing provider	Cambridgeshire	Mar 09	33.18%	5,717	3,223	34,174	475	TA Associates (35%), other management staff and institutional investors (65%)	7
84		**Teaching Personnel**	Supply teacher recruiter	Welwyn Garden City	Nov 08	33.10%	4,606	2,600	43,294	175	RJD Partners (42%), management (58%)	7
85		**Oval**	Insurance broker	Wakefield	May 09	32.92%	†19,788	11,201	†104,635	1,246	Caledonia Investments (23%), Allianz (13%), management and staff (64%)	7
86	55	**2e2**	IT services provider	Newbury	Dec 08	32.90%	23,462	13,284	204,948	1,323	Duke Street Capital (58%), Bank of Scotland Corporate (11%), staff (31%)	7
87	35	**Dunlop Aircraft Tyres**	Aircraft tyre manufacturer	Birmingham	Dec 08	32.89%	5,645	3,197	28,758	316	AAC Capital Partners (76%), management (24%)	7
88		**Epyx**	E-trading platform developer	Coventry	Dec 08	32.73%	6,597	3,745	15,302	65	Hg Capital (49%), management (51%)	7
89		**Leasedrive Velo**	Vehicle manager	Berkshire	Dec 08	32.46%	14,249	8,121	58,468	155	LDC (51%), management (49%)	7
90	88	**Etc.venues**	Training venue provider	Southeast London	Jun 09	32.37%	3,947	2,253	14,790	185	Dunedin Capital Partners (57%), management and staff (43%)	7
91		**Comtec**	Travel software developer	South Wales	Dec 08	32.11%	4,126	2,364	12,788	121	RJD Partners (51%), Simon Powell (33%), other management (16%)	7
92		**Poundland**	Discount retailer	West Midlands	Mar 09	31.04%	20,026	11,662	396,188	5,474	Advent International (78%), David Dodd (12%), management (10%)	7
93	81	**Office**	Shoe retailer	Central London	Jan 09	30.85%	10,503	6,135	113,180	1,655	West Coast Capital (95%), Brian McCluskey (5%)	7
94	16	**Iris Software**	Business software developer	Berkshire	Apr 09	30.83%	41,142	24,038	119,204	1,330	Hellman & Friedman (majority), Hg Capital (minority), management (minority)	7
95		**Survitec Group**	Safety equipment maker	Belfast	Mar 09	30.76%	27,721	16,214	151,117	1,304	Warburg Pincus, management	7
96	92	**National Accident Helpline**	Legal services marketing agency	Northamptonshire	Dec 08	30.33%	7,219	*4,250	26,781	49	LDC (30%), Inflexion Private Equity (30%), management (40%)	7
97		**1st Credit**	Debt collection agency	Surrey	Dec 08	29.89%	31,725	18,803	80,164	251	Bridgepoint (65%), management (35%)	7
98	41	**AFI-Uplift**	Construction equipment supplier	Wakefield	Dec 08	29.33%	13,872	8,294	32,367	263	Barclays Private Equity (40%), management (60%)	7
99		**Attenda**	Internet services provider	West London	Dec 08	29.22%	3,418	2,047	25,504	168	M/C Partners & Phoenix Equity Partners (52%), management (48%)	7
100	61	**Yo Sushi**	Japanese restaurant operator	Central London	Nov 08	28.51%	*4,880	2,955	*36,101	1,163	Quilvest Private Equity (71%), management (29%)	7

† Unaudited accounts * Annualised figure

THE RULES OF ENGAGEMENT

THE Buyout Track 100 league table ranks Britain's mid-market private-equity-backed companies with the fastest-growing profits over the latest two years.

Criteria: Companies had to be registered in the UK and be independent, unquoted and ultimate holding companies. At least 20% of a company's equity must be owned by a private-equity fund.

Profits had to exceed £1m in the base year and £3m, but be less than £50m, in the latest accounts. Companies had to show an increase in profits from penultimate to latest financial year. The latest sales had to be above £10m. Companies with profits above £50m are included in a separate "Biggest 10" league table, featured on page 8.

Profits are defined as earnings before interest, tax, depreciation and amortisation (ebitda). Exceptionals, joint ventures and impairment of assets were excluded. Ebitda was selected because private-equity houses generally use ebitda as the best indicator of a company's profit.

Profit growth was measured by compound annual growth rate (CAGR) over the two financial years up to the companies' latest available figures. The league table is based on historical data, with September 2009 being the latest financial year end from which audited figures are featured. Some figures are taken from unaudited and management accounts.

Note that the sponsors of the Buyout Track 100 do not endorse, guarantee or recommend any of the named companies.

Data collection: Companies were identified in several ways. Some were put forward by private-equity funds. Others were discovered by researching accounts filed at Companies House. The accounts were provided by Bureau van Dijk's Fame and Experian's Corporate Researcher, and deal details by Bureau van Dijk's Zephyr and Experian's Corpfin Worldwide. Deal notifications came from Incisive Media's Unquote / Private Equity Insight database. We have endeavoured to track and monitor all UK-based private-equity backed companies. Nevertheless, we may have missed some companies, and feedback or nominations for next year's table are welcome.

Short-listed companies were interviewed by phone. In addition, over half of the short-listed companies were visited by Fast Track researchers during the course of the research.

Ownership: We included companies backed by UK and overseas private-equity and venture-capital firms as well as infrastructure funds such as Global Infrastructure Partners, which owns London City Airport.

Incomplete information: Companies that filed their accounts late and those accounts that were not processed by our research deadline of January 1, 2010 were excluded, as were deals done after this deadline.

Some exceptions were made to the qualification criteria set out above. The compiler's decision is final and no correspondence will be entered into.

Tills ring for online payment service

1 MONEYBOOKERS
Online payment provider | 177.44%

THIS London company's online payment services have proved so popular that even eBay, which owns the rival Pay Pal, offers them as a payment option.

Moneybookers allows anyone with an email address to send and receive payments online. Merchants are charged a fee when they receive money from a customer through Moneybookers and they pay commission on foreign-currency exchanges. The company also charges customers a small fee when they withdraw funds.

Moneybookers' technology allows it to offset international transfers against one another so that, rather than the company moving the funds for two transactions in opposite directions, it simply transfers the net difference.

According to the company's website, Moneybookers' customers benefit from cheaper and faster transactions. If a transfer through an international bank costs up to £25, Moneybookers will do it for less than 50p. The company also claims it can make some transactions instantly rather than the two to five days that are typical for banks.

Some 60,000 merchants, ranging from small businesses to industry giants such as Skype and Thomas Cook, use Moneybookers' services. The company claims that 10.5m online shoppers use it to make payments, and that it gains 13,000 new users a day. It says it has processed £13.6 billion of transactions to date, in 40 different currencies, with an annual transaction value of £3 billion. In a recent statement, the company claimed that its e-commerce transaction volumes surged 120% last year.

Moneybookers was founded in 2001 by non-executive directors Daniel Klein and Benjamin Kullmann, who also own the venture-capital firm Gatcombe Park Ventures. In recent years they have stepped back from the day-to-day operations of the business and brought in seasoned technology managers Martin Ott and Nikolai Riesenkampff, who cut their teeth at firms like Lycos, the search engine, and Jamster, the mobile-phone content provider.

In 2007 Investcorp bought a 51% stake in the company, valuing it at £92m, and in 2009 put it up for sale with a reported price tag of £350m.

In 2008 the company more than doubled its sales to £27.4m and it has continued to grow during the recession. In part, this has been due to thrifty continental consumers taking advantage of the weak pound to seek online bargains from British retailers. The company's anti-fraud policy — where money is transferred to merchants only if the customer is satisfied with the goods received — has also allowed it to take market share from rivals.

With initiatives such as its refer-a-friend programme, the company is seeing a surge in its worldwide customers, particularly in southeast Asia. It is considering some small acquisitions and recently launched a Moneybookers Mastercard, which links direct to its customers' payment accounts.

Moneybookers announced in January 2010 that it will be integrating its payment services into the Open Source platform of Magento, an e-commerce software provider. Merchants using Magento software will be able to offer their customers Moneybookers' range of payment options as standard.

The company's profits have grown 177% a year from £1.8m in 2006 to £13.9m in 2008.

Thriving as online shopping becomes more popular: joint managing directors Nikolai Riesenkampff and Martin Ott

2 CALLCREDIT INFORMATION
Credit risk evaluator | 173.40%

THIS Leeds company provides credit check and identity verification services to corporate clients. It also provides an indebtedness service, which flags consumers who are taking on unaffordable levels of debt. Callcredit Information Group was part of Skipton building society until December 2009, when Vitruvian Partners bought a majority stake in the business for an undisclosed sum. Chief executive John McAndrew and his team grew profits 173% a year from £1.3m in 2006 to £9.9m in 2008.

3 LOVEFILM.COM
Online DVD rental | 145.67%

LOVEFILM says it rents out 4m DVDs a month to 1m subscribers in Britain and on the Continent. It also provides branded DVD rental for the likes of Tesco, The Guardian and Odeon cinemas, and has developed a digital on-demand service. In 2008 chief executive Simon Calver rounded off 11 acquisitions by buying Amazon's European DVD rental business in a deal that gave Amazon a 32% stake in the London firm. A consortium, including DFJ Esprit, Index Ventures and Balderton Capital and previous owners Arts Alliance Media, owns a further 50%. Profits have grown 146% a year from an annualised £1.5m in 2006 to £8.8m in 2008.

4 AMCO GROUP
Infrastructure contractor | 133.37%

THIS engineering company was formed in 2008 when the Endless private-equity partnership backed David Jackson and Ian Swire in the £9.4m buyout of some non-core companies from Amco Corporation. Amco Group now comprises Amalgamated Construction, Amco Drilling and Amco Developments. Amalgamated Construction focuses on the maintenance of transport and energy infrastructure such as railways, tunnels, nuclear power stations, canal tunnels and lock gates, while Amco Drilling is involved in mineral exploration in West Africa. Profits have risen 133% a year from £3.8m in 2006 to an annualised £20.9m in 2008.

5 UNIVERSITY PARTNERSHIPS
Accommodation provider | 126.77%

THIS London company finances, designs, builds and operates student accommodation for universities around the country. It also buys leases on existing buildings, which it refurbishes before renting the rooms to students. Barclays Private Equity bought a 74% stake, for an undisclosed sum, from the support services company Jarvis in 2004 and acquired the remaining shares in 2008. The firm recently won a contract to provide residential accommodation worth £133m for the University of Exeter. Such big contracts have boosted profits, which have risen 127% a year from £6.2m in 2007 to £31.8m in 2009.

6 PULSE STAFFING
Healthcare recruiter | 123.00%

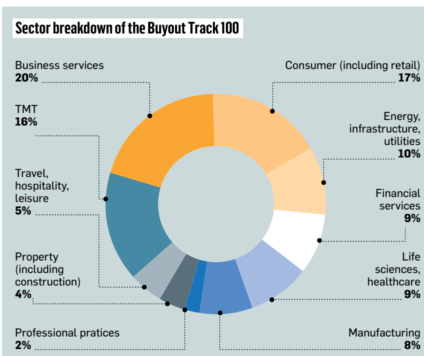
PULSE STAFFING is a Hertfordshire health and social-care services business that finds jobs for doctors, GPs, nurses, midwives, social workers, homecare workers and scientists. It holds staffing contracts for NHS Trusts, private hospitals, social-service departments and local authorities. Hg Capital backed a £31m public-to-private buyout in 1999, when the company was called Sinclair Montrose Healthcare, and acquired a majority shareholding in 2008 from Bridgepoint Capital. Profits have risen 123% a year from £1.3m in 2006 to £6.6m in 2008 under chief executive Richard MacMillan.

7 KEW GREEN HOTELS
Hotel operator | 105.54%

HEADQUARTERED in West London, Kew Green Hotels owns or operates 21 hotels under franchise brands that include Holiday Inn, Crowne Plaza and Days Hotel. It was founded in 2001 by former Welcome Break colleagues Jeremy Richardson and Paul Johnson, backed by Moorfield Group and Bank of Scotland Corporate, now Lloyds Banking Group. Opening the Courtyard by Marriott at Gatwick airport in 2009 took its total rooms to 2,340. Group profits have risen 106% a year from £2.5m in 2006 to £10.6m in 2008.

8 RESERVOIR GROUP
Oilfield services provider | 103.17%

RESERVOIR GROUP is a global provider of drilling tools and technology as well as geological analysis to locate and extract oil and gas. SCF Partners, the Houston oil investment firm, backed a £20m secondary buyout of the Aberdeen company from 3i in 2007, and the cash enabled chief executive Pascal Bartette to make a string of acquisitions. In 2008 Reservoir bought five companies in Australia, America and Britain, effectively doubling in size. Profits grew 103% a year from £4.9m in 2006 to £20.4m in 2008.



9 TSC FOODS
Chilled food manufacturer | 97.93%

THE Scunthorpe firm TSC Foods makes chilled and frozen products with long shelf lives. It specialises in sauces, ready meals and soups, including the Glorious soup range that is endorsed by the celebrity chef Marco Pierre White. About 65% of its turnover comes from supplying retailers such as restaurants, supermarkets and pubs. TSC also supplies ingredients to other food producers and develops bespoke products for clients. In July 2009 Key Capital Partners backed a £24m management buyout, appointing Jonathan Skofic as managing director. Profits have risen 98% a year from £1.2m in 2006 to £4.5m in 2008.

10 WIRELESS INFRASTRUCTURE
Wireless tower operator | 92.45%

THE Wireless Infrastructure Group operates mast and rooftop sites across Britain to provide mobile-phone and broadband users with a signal. It makes these masts available to mobile-phone operators as well as emergency services and utility companies even though they operate their own networks. The group buys long leases and income rights from big landowners, such as Scottish and Southern Energy and Anglian Water, and has partnerships with Sainsbury's and Punch Taverns to make use of their sites. With 2,000 leases at more than 1,000 sites, profits have risen 92% a year from £2.7m in 2006 to £10m in 2008.

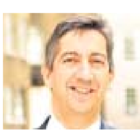
11 COGNITA
Schools operator | 92.43%

COGNITA owns 52 private schools across Britain, the Continent and southeast Asia. The Milton Keynes company educates more than 15,000 students. In 2004 Englefield Capital backed a team led by chairman Chris Woodhead, former chief inspector of schools, to acquire 18 Asquith schools from Lyceum. Cognita is still on the acquisition trail, most recently buying three international schools in Thailand. Chief executive Rees Withers has overseen a profit rise of 92% a year from £6.2m in 2006 to £22.9m in 2008.

12 SEAFOOD HOLDINGS
Fish and meat wholesaler | 91.06%

TOBY BAXENDALE, the chief executive of this company, started out in 1992 buying fish from Billingsgate market and selling it to London restaurants. After snapping up a succession of rivals over the years, Seafood Holdings now sells more than £100m of fish a year to top restaurants, hotels, pubs and caterers. It also buys from Icelandic auctions and exports to the Continent. It says that sourcing its own products makes it easier to demonstrate environmental credentials to customers. Risk Capital Partners invested £3m in the company for a 24% stake in 2006. Profits have swelled 91% a year from £1.4m in 2007 to £5m in 2009.

Buyout firms get set to ride the upswing



Mark Pacitti of Deloitte says private-equity-backed companies are reviewing their strategies as the economy starts to grow

It has been a tough 12 months for the financial-services sector but, despite this, Moneybookers, the online payment business, has been developing new products, expanding overseas and hiring more staff.

The No1 company in this year's Buyout Track 100 is poised to launch the Moneybookers Mastercard, which customers can use in the shops or to withdraw money from their online accounts at cashpoints. The London business, backed by Investcorp, has also invested in America, where it has secured state licences so it can trade. Even eBay, which owns the rival service Pay Pal, offers Moneybookers as a payment option. The firm has taken on more than 100 employees in its last financial year, bringing its total to nearly 400. Further ahead, it is planning to develop a payments service for mobile phones and increase its profile in Asia and Latin America.

"We have made some anti-cyclical decisions," said Martin Ott, Moneybookers' joint managing director. "Of course, we have been cost-conscious. We have renegotiated our suppliers' contracts and opted for viral marketing instead of expensive branding. But we believed the crisis was a good time to grow the business."

Last year the firm added 4m customers, it says, bringing the total to 10m, while profits have grown 177% a year from £1.8m in 2006 to £13.9m in 2008.

After a tough year of cutting costs and preserving cash, more private-equity-backed companies are starting to follow Moneybookers by expanding. As 2010 unfolds, Deloitte expects to see more firms moving out of survival mode and refreshing their strategies in preparation for growth, acquisitions and even a sale to new owners. The Deloitte CFO Survey for the final quarter of 2009 revealed that in the year ahead, finance directors plan to implement expansionary strategies to boost revenues and capitalise on renewed economic growth.

Some companies have seen their cashflow fall sharply over the past year as demand has fallen and competition increased. Others have managed to maintain their performance and now see opportunities to exploit the weakness of their competitors. Either way, many leveraged businesses are finding they need to review their strategies, according to Sam Baker, a partner in Deloitte's strategy consulting team.

Lovefilm.com, the DVD rental business at No3 in the league table, already has a fresh blueprint for the months ahead. Since its launch in 2002 the firm, backed by a consortium including DFJ Esprit, Index Ventures and Balderton Capital, has built a substantial customer base through 11 acquisitions, and now it mails some 4m DVDs each month to customers across Europe. But as technology advances, the firm aims to evolve from a logistics business into a media company. It has already developed a digital on-demand service — chief executive Simon Calver thinks this is likely to take over from DVD rental in the future.

Microlease (No72) is also renewing its growth strategy after its private-equity backer LDC agreed to inject a further £8m last August. The company, which supplies specialist electronic testing equipment, is attracting new customers by allowing small businesses to pay in monthly, interest-free instalments, neatly side-stepping the constrictions of its customers' budgets.

> **A WEAK POUND IS ENCOURAGING INTERNATIONAL BUYERS TO TAKE A KEEN INTEREST IN BRITISH BUSINESSES**

Last year many private-equity-backed companies, especially in the retail, property and construction sectors, struggled to refinance themselves under the double burden of tough trading conditions and large loan repayments.

Back in the heady days of 2007, a raft of deals were structured with banking covenants that were not scheduled to change for two to three years. But now much tougher terms are kicking in, and companies are having to make big cuts in their overall borrowing to stay within their agreements. At the same time, the business plans on which these deals were based no longer bear much resemblance to the realities of today's markets.

The estate agent Foxtons and the gaming group Gala Coral, which appeared in the league table in 2008, discovered to their cost how burdensome debt can be when profits fall short of expectations.

Over the coming months Deloitte expects a second wave of restructuring as businesses with good trading prospects but high debts prepare for expansion.

The most common approach for mid-market private-equity-backed companies seeking to restructure their borrowings is to reset bank covenants in exchange for a fee, according to Fenton Burgin, a partner in Deloitte's expanding debt advisory group. In some cases, investors are taking more equity in exchange for paying down debt, and in others asset-based lending is an option. However, many of the largest businesses are now turning to the capital markets.

Last year the state of the stock market and the lack of bank loans prevented large numbers of private-equity backers from realising their investments. Indeed, over the past 12 months, successful exits were achieved by investors in only three of last year's Buyout Track 100 companies. Candover disposed of its stake in energy and mining consultancy Wood Mackenzie, at No69 this year, to Charterhouse; LDC sold a portion of its holding in National Accident Helpline (No96 this year) to Inflexion Private Equity, while Hitec Vision Private Equity realised its investment in the maritime consultancy Noble Denton (No32 last year) when it sold the business to rival Germanischer Lloyd.

But as the cycle continues and valuations reach more realistic levels, we expect private-equity exits to resume through routes that were unfashionable in the boom years.

During the heady days of cheap and plentiful bank debt, secondary buyouts had become the exit of choice for many private-equity investors. In 2007 they accounted for more than half of all exits by value, according to the Centre for Management Buyout Research.

But as Kraft's recent takeover of Cadbury demonstrates, the combination of a weak pound and a wounded private-equity industry is encouraging international trade buyers to take a keen interest in British businesses. For example, when Lion Capital put posh-crisp maker Kettle Foods (No76) up for sale at the end of last year, Pepsico's Frito-Lay was among a number of American companies reported to be interested.

As buyout activity in the private-equity sector fell away, Deloitte was increasingly asked to find overseas purchasers for companies. Clients have found that Deloitte's international contacts and experience are a powerful advantage in cross-border transactions that are, inevitably, longer and more complex than a buyout deal between two British investment houses.

Stock-market investors have been suspicious of private-equity-backed flotations particularly since Debenhams was refloated with substantial debts in 2006. Nevertheless, we expect some large companies with clear growth prospects to float in the coming months. The candidates include Merlin Entertainments, No1 on this year's 10 Biggest list for a third consecutive year. It is owned by Blackstone, the private-equity giant. Apax Partners' Promethean, at No20 in the league table, is also reported to be eyeing a flotation. According to Moneybookers' Ott, his company is considering a float in 2011.

As this year's Buyout Track 100 have proved, recession need not prevent profit growth. We are proud to be supporting their performance.

Mark Pacitti, a corporate-finance partner at Deloitte, was talking to Catherine Wheatley.

Hold on tight: Merlin Entertainments, the leisure-parks operator, is among the companies that are likely to float this year

13 GILES INSURANCE

Insurance broker | 90.39%

GILES INSURANCE has acquired 22 competitors in the past two years and now has 44 regional offices. The London company places insurance policies worth more than £300m in premiums for individuals and corporate clients.
In 2008 Charterhouse Capital Partners backed a £185m secondary buyout from Gresham, taking a 65% stake and making available up to £500m to fund the acquisition spree. Profits have risen 90% a year from £6.3m in 2007 to £22.8m in 2009 under chief executive Chris Giles, whose father founded the company.

14 PARASOL

Payroll services provider | 87.26%

THIS Warrington company deals with paperwork for freelance workers, issuing invoices and handling tax calculations. In 2006 Inflexion Private Equity backed a £24m management buyout led by founder and managing director Rob Crossland, and in January 2009 it injected capital for the acquisition of Quay Accounting, an accountancy services firm. Profits grew 87% a year from £1m in 2007 to £3.6m in 2009.

15 FULLWOOD

Dairy equipment maker | 86.98%

FOUNDED as a London pharmacy in 1785, RJ Fullwood & Bland now has 14 subsidiaries in 8 countries. The Shropshire group has interests in industries as diverse as cryogenic freezing, pharmaceuticals and brewing but its principal activity is the manufacture and supply of farm equipment for milking sheep, goats, cows, buffalos and camels. 3i took a minority stake in the 1960s, which it still retains. Under chairman and chief executive Richard Lancaster, profits grew 87% from £2m in 2006 to £6.8m in 2008.

16 MOODY INTERNATIONAL

Technical services provider | 82.92%

FOUNDED almost a century ago, Moody International has built a network of 100 offices in more than 60 countries. The West Sussex company provides technical inspection, staffing and training services to clients including Exxon Mobil, BP and Dow. It also offers certification services, ensuring that companies comply with regulations. Investcorp backed a £158m secondary buyout from Close Brothers in 2007 and since then Moody has made a string of acquisitions, including Texas-based Petrospect Inspection Services in October. Under chief executive Brendan Connolly, profits have grown 83% a year from £12.3m in 2006 to £41.2m in 2008.

17 ULTIMATE PRODUCTS

Homeware designer | 78.03%

ULTIMATE PRODUCTS claims to be Britain's largest goods sourcing and design business, working with 450 retailers, including Tesco, Marks & Spencer, Asda and Argos. Merchandise is sold under customers' brands or Ultimate Products' own and licensed brands, and the company says that it competes with retailers' own international sourcing operations. In 2005, LDC invested £25m for a 46% share. The company, co-founded by chief executive Simon Showman and partner Barry Franks in 1997, has seen its profits rise 78% a year from £1.6m in 2007 to £5.2m in 2009.

Supplying the high-street chains with homewares: Simon Showman, chief executive of Ultimate Products

18 AIR ENERGI

Recruitment consultancy | 76.22%

AIR ENERGI provides temporary engineering and technical staff to the oil and gas industry. Building relationships with companies such as Exxon Mobil and Shell has helped the business to flourish around the world. It has worked in more than 50 countries and has offices in locations ranging from Kazakhstan to Alaska. In August 2009 chairman Ian Langley and chief executive Duncan Gregson led a £30m management buyout, with backing from Zeus Private Equity. Profits grew 76% a year from £1.7m in 2006 to £5.3m in 2008.

19 INSPICIO

Testing services provider | 75.16%

WITH more than 8,000 employees in 130 countries, Inspicio provides testing, inspection and certification services. It has acquired more than 20 businesses to build its commodities, food and environmental testing divisions, which analyse everything from milk to coal. The company also tested for ground contamination at the 2012 London Olympics site. In 2008, 3i backed a £280m public-to-private buyout, taking a 78% stake. Inspicio's profits have risen 75% a year from £12.9m in 2006 to an annualised £39.5m in 2008 under chief executive Mark Silver.

20 PROMETHEAN

Education technologist | 74.97%

PROMETHEAN says that more than 10m students in 90 countries use its Activ educational technology, which includes electronic whiteboards, audiovisual equipment and software. Its online community for teachers, Promethean Planet, shares lessons and resources. Promethean, which may float this year, has expanded internationally and its North American business accounted for more than half its £151m 2008 turnover. In 2004 Apax Partners acquired a 30% stake in the Blackburn company and the private-equity firm still retains 24%. Profits have grown 75% a year from £7.2m in 2006 to £22m in 2008.

21 RFIB HOLDINGS

Insurance broker | 73.52%

THE London company RFIB, which was founded in 1980, provides specialist insurance and reinsurance for customers in the marine and fine-arts sectors, including galleries and museums. It also insures private individuals and offers cover against ransom, hijacking and extortion. In April 2007, FF&P Private Equity backed a buy-in management buyout, investing an undisclosed sum. Under outgoing chief executive Patrick Holcroft, profits at the company rose 74% a year from an annualised £2.2m in 2007 to £6.5m in 2009.

22 JACK WILLS

Clothing retailer | 72.88%

THIS casual, upmarket clothes brand was founded in 1999 in Salcombe, Devon, though the company now has its headquarters in London. Jack Wills's preppy range is sold in affluent university towns and seaside resorts as well as in London. In 2008 the company launched Aubin & Wills, targeting older customers, and is now eyeing the American and Asian markets. It relies exclusively on viral marketing. Inflexion Private Equity bought a minority stake in 2007, and founder Peter Williams retains a controlling stake. Profits have grown 73% a year from £2.6m in 2007 to £7.7m in 2009.

23 MOUNTAIN WAREHOUSE

Outdoor clothing retailer | 69.28%

MOUNTAIN WAREHOUSE sells gear for hiking, skiing and camping. Positioned at the value end of the market, the company aims to undercut the prices of leading outdoor brands. Managing director Mark Neale founded Mountain Warehouse in 1997, and the retailer now has 98 stores from Orkney to Penzance, including four in London. Kcaj, the private-equity arm of investor Arev, backed a £15m secondary buyout in 2007 from NBGI Private Equity. Profits at the London firm have grown 69% a year from £2.2m in 2007 to £6.3m in 2009.

24 MENTOR IMC GROUP

Oil industry consultancy | 69.22%

FROM offices in Britain, Singapore, Australia and America, Mentor IMC Group supplies professional expertise to help its clients develop big oil and gas projects around the world. Chief executive John Richards founded the company in 1987. In 2008 Iceni Capital backed a buyout of it, investing an undisclosed sum. The booming oil and gas sector has helped profits grow 69% a year from £1.5m in 2007 to an annualised £4.4m in 2009.

25 PREMIER MEDICAL

Medical services provider | 68.93%

WHEN someone is injured in a car accident or workplace incident, Premier Medical Group assesses the injury and produces expert opinions for legal and insurance professionals. The Shropshire company claims to write 160,000 such reports every year. It also provides access to rehabilitation services such as physiotherapy and counselling. In 2008 Nomura backed the buyout of Premier Medical from its founder, Harry Brünjes, who stayed on as chairman. At the same time the firm acquired Medico-Legal Reporting for an undisclosed sum. Profits have risen 69% a year from £2.2m in 2006 to £6.4m in 2008.

26 PROTOCOL SKILLS

Training provider | 68.68%

PROTOCOL SKILLS delivers government-funded apprenticeships and NVQ training to some 12,500 learners a year in their place of work. The Cheshire company is particularly strong in the hospitality and retail sectors, where its clients include Asda, PC World, Carphone Warehouse, New Look and McDonald's, and has recently expanded into the IT and residential care sectors. CBPE Capital backed a £47m secondary buyout from Bridgepoint in September 2007. Profits have risen 69% a year from £2.4m in 2006 to an annualised £6.9m in 2008 under chief executive Dan Wright.

27 HEALTHCARE HOMES

Care home operator | 64.77%

THIS Colchester company led by former Care UK colleagues Richard Clough, Graham Lomer and David Bates runs nursing and residential homes for the elderly and people with physical disabilities. Healthcare Homes acquired three care-home operators in 2008 and now has 23 homes and five day centres across East Anglia. It also cares for people in their own homes through its Manorcourt Homecare operation. Bowmark Capital backed a £75m secondary buyout from August Equity in April 2008. Profits have grown by 65% a year from £2m in 2006 to an annualised £5.5m in 2008.

28 WEBFUSION

Web hosting services | 64.35%

WEBFUSION has been helping people to create websites since 1997 and considers itself one of the pioneers of the UK web hosting industry. The West London company hosts more than 1.4m websites and 2.2m domain names under five brands. It has a German sister company and recently moved into North America. Oakley Capital backed a £120m buyout of the web hosting division of Freedom 4 Communications in 2008 and this was named Webfusion. The company has since sold off its Vialtus telecoms arm to Daisy Group for £42m in cash and shares. Profits have grown 64% a year from £7.7m in 2006 to an annualised £20.8m in 2008.

29 ACHILLES GROUP

Supply chain manager | 62.34%

BASED in Abingdon in Oxfordshire, Achilles identifies, assesses and monitors suppliers for big organisations worldwide that are looking for high quality, ethically-sourced products. Buyers from 650 companies, including BP, National Grid and Lilly, use Achilles's systems to get information about the quality, financial, environmental, health and safety and social responsibility aspects of their key suppliers. Hg Capital backed a £75m primary buyout in June 2008, and profits have grown 62% a year from £2.8m in 2007 to £7.5m in 2009 under chief executive Colin Maund.

30 INTEGRATED DENTAL

Dental practice operator | 61.00%

THIS group reckons it is Britain's biggest dental practice consolidator, buying up the businesses of retiring NHS dentists at the rate of about 40 a year. Integrated Dental Holdings says it now looks after the teeth of more than 2m patients at 260 practices nationwide, all run out of the firm's head office in Bolton. Merrill Lynch Global led a tertiary buyout from LGV Capital in February 2008, taking an 80% stake for a reported £300m. Under the leadership of founder David Hudaly, profits have grown 61% a year from an annualised £12.3m in 2007 to an annualised £31.9m in 2009.

31 OSS GROUP

Waste oil recycler | 59.49%

THIS Merseyside company specialises in the treatment of hazardous waste. It was created in 2000 when OSS acquired a rival, Greenway Holdings, in a £15m deal backed by Dunedin Capital Partners. Led by managing director Andy McNair, OSS Group collects and processes waste oil to produce fuel such as NexGen, a green alternative to virgin fuel oil. The company also collects old oil and hazardous waste and recycles solvents. Its profits have risen 59% a year from £2.4m in 2006 to £6.1m in 2008.

32 LIFEWAYS COMMUNITY CARE

Community care provider | 58.91%

FOUNDED in 1995 and operating from offices throughout Britain, Lifeways Community Care provides supported living services for people with complex social-care needs, including those who have suffered a brain injury or have autism. In July 2007, August Equity backed a buyout for an undisclosed sum and installed Paul Marriner, who is a qualified nurse, as chief executive. In 2009 he began a phase of growth through acquisition by buying the Lancashire company Clover Care Group and the Scottish firm Home Support Services. Profits have grown 59% a year from £2m in 2007 to £5m in 2009.

33 INTL TUBULAR SERVICES

Oilfield services provider | 57.44%

THIS Aberdeen company was founded in 1986 by Robert Kidd, now chairman and majority shareholder, to provide drilling equipment and services to the global oil and gas industry. In 2009 the company raised $55m by selling a minority stake to Lime Rock Partners, a private-equity firm. Profits have grown 57% a year from £9.8m in 2006 to £24.3m in 2008.

Recycling: OSS Group processes waste oil to produce fuels such as NexGen

Recession or boom, the bank is there for you

Simon Calver of Lovefilm.com acquired the online DVD rental business of Amazon

Jon Herbert of Lloyds TSB Corporate Markets looks at the relationship between banks, private equity and companies

The Credit reference agency Callcredit Information Group is poised for fresh growth after being spun out from Skipton building society last December in a deal backed by Vitruvian Partners.

The Leeds firm, at No 2 in the Buyout Track 100, provides financial-services companies with a comprehensive range of credit checks and identity verification services. Its profits rose 173% a year from £1.3m in 2006 to £9.9m in 2008.

With the injection of capital from Vitruvian, supported by debt funding from the acquisition finance team at Lloyds TSB Corporate Markets, chief executive John McAndrew is optimistic about the prospects for expanding Callcredit's range of services.

Lloyds Banking Group's commitment to building long-term relationships with outstanding companies lies at the heart of its ability to offer them "through-the-cycle" support. In 2005, we became the first lending bank to use Callcredit's services, and together we developed several innovative products, including an indebtedness service that can flag up consumers who are taking on debts they cannot afford.

What is more, our deep understanding of the private-equity market enables us to support investors like Vitruvian as the economic recovery gets under way. Over the past 12 months, the combined resources of Lloyds Banking Group have broadened and strengthened our coverage of the sector.

We provide debt to 23 firms in this year's league table. They include Lovefilm.com (No 3), which used the capital to acquire the online DVD rental business of Amazon for £63m; the highly acquisitive insurance broker Giles Insurance (No 13); and Icon Polymer Group, the industrial rubber maker (No 58).

Our focus on understanding our clients' businesses and markets gives us a clear picture of the risks and potential rewards and allows us to lend with confidence. Last year the acquisition finance team at Lloyds TSB Corporate Markets supplied more than £500m of funding across 25 deals, improving our market share at a time when the banking industry has been granting fewer loans.

Last June we arranged debt funding for Charterhouse Capital Partners' £550m tertiary buyout of Wood Mackenzie, the energy, mining and metals research and consultancy group at No 69 in this year's Buyout Track 100. Our people developed a strong bond with the Edinburgh business over five years, providing debt for its secondary buyout by Candover in 2005 and subsequent refinancings in 2006 and 2008.

Lloyds TSB Corporate Markets is also working hard to support sound, private-equity-backed businesses that are overburdened with debt. Last year we launched our leveraged workout group, led by Iain Purves, and the group is already helping some 150 companies to restructure their debt.

A business review, conducted as part of the process, might suggest changing the management team and introducing a restructuring professional, whose role is to establish the viability of the business and help management create a turnaround plan. We might also inject capital or write off debt in exchange for equity.

Although the process could potentially lead to tensions with our private-equity partners, we avoid this by working to understand each other's priorities. We have already seen some notable achievements.

For example, we acted quickly when Park Resorts, a caravan retailer and holiday site operator that was in the Buyout Track 100 in 2007 and 2008, ran into difficulties at the start of last year. It would have been easy to assume that the company was, like so many others, languishing in the recession, but closer investigation revealed operational problems that could be rectified swiftly by a change of management initiated by the owners, GI Partners.

Looking ahead, we are confident that we will double our lending this year to support the increase in mid-market deal activity as stronger companies are put up for sale at more realistic valuations.

Previous recessions have taught us that investments made at the bottom of the market can deliver outstanding returns. Grasping these opportunities will require a strong, trusting relationship between debt providers, private-equity houses and their portfolio companies, like those that appear in the Buyout Track 100. We look forward to being part of their future success.

Jon Herbert, head of the acquisition finance team at Lloyds TSB Corporate Markets, was talking to Catherine Wheatley.

Under new management: a site run by Park Resorts

34 ENPURE
Environmental engineer | 55.97%

THIS Birmingham business designs, installs and commissions plants to treat water and waste. It recently won a £60m contract to supply two mechanical and biological treatment facilities in Manchester, capable of processing 173,000 tonnes of waste a year. The company is also expanding internationally and opened an office in Dubai last year to target the Middle East. Enpure was part of Anglian Water until 2006, when Malcolm Wilkinson led a £19m buyout, backed by Spirit Capital. Profits have risen 56% a year from £1.4m in 2007 to £3.5m in 2009, due to growth in its overseas and solid-waste markets.

35 EVE TRAKWAY
Temporary road provider | 55.68%

THE growing popularity of large music festivals has boosted the fortunes of this Chesterfield company. It supplies temporary structures such as roadways, walkways and fences for industry and outdoor events, including the Glastonbury Festival, the London Marathon and Notting Hill Carnival. With the acquisition of Anglia Traffic Management in 2009, it can now also offer traffic management services to road maintenance firms such as Tarmac and Ringway. Under managing director Rick Barnett, profits have grown 56% a year from £2.1m in 2007 to £5.1m in 2009.

36 FROZEN VALUE
Food retailer | 54.62%

FROZEN VALUE, which trades as Jack Fulton, has been a successful frozen-food retailer for more than 40 years. Trading from 86 shops throughout Yorkshire, Lancashire, Nottinghamshire and Humberside, the company offers a comprehensive range of premium branded frozen food. This is supplemented with a range of branded dry grocery and chilled products and a range of highly discounted products bought in one-off parcels. Under the £11m buy-in management buyout team, backed by 3i and headed by managing director Kevin Gunter, profits have grown 55% a year from £1.3m in 2007 to £3.1m in 2009.

37 HYDROBOLT
Bolt manufacturer | 54.60%

HYDROBOLT makes traceable, high-specification bolts and fasteners for the punishing conditions found in the oil, gas, nuclear and defence industries. In 2008, managing director Jamie Simpson led a £14m primary buyout backed by Octopus Private Equity, of which the founder took £8m. The Wolverhampton company now has offices in Houston, Edmonton, Rio and Singapore, and international sales have been responsible for the rise in both sales and profits. The latter grew 55% a year from £1.4m in 2006 to an annualised £3.3m in 2008.

38 MARKEN
Logistics provider | 53.96%

MARKEN is a global logistics company, providing services exclusively to the biopharmaceutical industry. It transports biological samples, vaccines and clinical trial material around the world. In December, Apax Partners bought Intermediate Capital Group's majority stake in the company, in the biggest British private-equity deal of 2009. Under chief executive Bruce Craig, Marken's profits have grown 54% a year from an annualised £19.5m in 2006 to an annualised £46.3m in 2008.

39 VSG
Security provider | 53.64%

THIS Northampton company provides more than 5,000 security guards and store detectives to clients including B&Q, DHL, Bank of America and Volkswagen. It also installs and maintains electronic security systems such as CCTV and intruder alarms with remote monitoring. VSG says it provides security staff and systems for more than 100 shopping centres around Britain. In 2007 LDC took a 40% stake for an undisclosed amount. The company's profits have grown 54% a year from £2.1m in 2007 to £4.9m in 2009.

40 GO OUTDOORS
Outdoor equipment retailer | 52.62%

THIS retailer sells clothing and equipment for outdoor activities such as climbing and skiing. Some stores have outdoor areas to display tents, and a recently opened outlet in Newcastle features an indoor climbing wall. Go Outdoors plans to have 30 stores by 2011, an expansion funded by the £18m injected by Bank of Scotland Corporate in 2008. YFM, a Leeds private-equity firm, backed the original £1.5m buyout of the Sheffield company in May 1998. Profits have risen 53% a year from £1.4m in 2007 to £3.3m in 2009 under managing director John Graham.

41 WELDEX
Crane hirer | 51.86%

BASED in Inverness, this crane-hire company has 28 cranes working to build the Olympic stadium in London. Weldex was established in 1979 by Dougie McGilvray and now claims to be Britain's largest crawler-crane hire company. The firm offers 110 cranes and also provides operators and service engineers. NVM Private Equity backed a £1.3m primary buyout in 1996 but the McGilvray family retains a majority stake. Profits have risen 52% a year from £5.5m in 2006 to £12.6m in 2008.

42 LONDON CITY AIRPORT
Airport operator | 51.04%

ELEVEN AIRLINES fly to 32 European cities from London City Airport, and British Airways recently started business-only flights to New York. Global Infrastructure Partners, which also owns Gatwick, bought half the company in 2006, increasing its shareholding to 100% in 2008. It has since sold 25% to Highstar Capital. The company is refurbishing the airport, improving aircraft parking stands, departure lounges and security. Profits have grown 51% a year from £17.9m in 2006 to £40.9m in 2008.

43 EIC
Building services provider | 50.91%

THIS West Midlands company provides mechanical and electrical building services to household names such as Tesco and Bupa. EIC's recent wins include a £3.6m contract to fit out the City of London Academy. MML bought out the founding families in 2008 for £40m, although the company is still run by the founders' sons, Ian Lyall and Nigel Le Marechal. Chris Woodwark, former chief executive of Rolls-Royce Motor Cars, joined as chairman after the buyout. Profits rose 51% a year from £3.1m in 2006 to £7.1m in 2008.

Taking off: profits have been growing 51% a year at London City Airport

44 INCHCAPE SHIPPING
Marine services provider | 50.90%

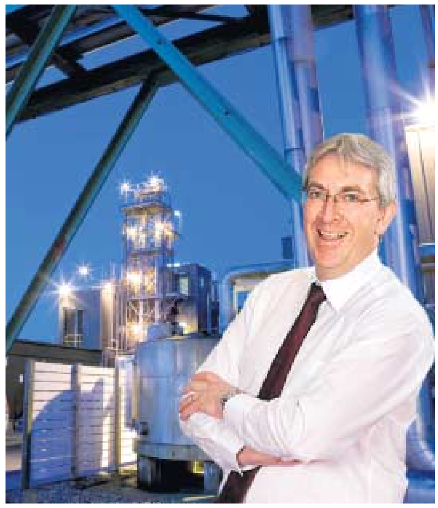
INCHCAPE SHIPPING SERVICES traces its roots back to the middle of the 19th century when two Scots started a business carrying troops and mail around India. Today it has offices in 63 countries offering marine services such as piloting, docking, parts supply and cargo logistics to 2,500 customers in the oil, cruise, container and commodity sectors. Istithmar World Capital, part of the troubled investor Dubai World, backed a £166m secondary buyout in 2006 from Electra Partners. Profits at Inchcape have risen 51% a year from £13.2m in 2006 to £30.1m in 2008.

45 MAYBORN
Baby products maker | 50.50%

THIS baby-products maker sells the popular range of Tommee Tippee baby bottles, feeding cups and comforters as well as the Sangenic brand of nappy disposal products. Newcastle-based Mayborn was delisted from the Alternative Investment Market in 2006 in a £137m deal backed by 3i. It divested non-core divisions, such as arts and crafts, to focus on baby products. Under the leadership of chief executive Nish Kankiwala, profits have risen 51% a year from an annualised £7.5m in 2006 to £16.9m in 2008, boosted by expansion into the Far East and mainland Europe. This year the company has launched the Tommee Tippee brand in America.

46 KELWAY
IT services provider | 50.11%

THIS London IT business sells hardware and software and provides data-centre services and technology training programmes. Core Venture Capital paid £5m for a 25% stake in December 2006, allowing founder Philip Doye to make a partial exit. Growth has been driven by a number of acquisitions, including the e-commerce provider Elcom in 2007, which added £25m in turnover. Profits have grown in line with turnover at 50% a year from £1.9m in 2007 to £4.2m in 2009.



Expanding all over the world: Robert Hardy, chief executive of Aesica

47 TANGERINE CONFECTIONERY
Confectionery maker | 49.80%

AFTER its acquisition of Cadbury's Monkhill Confectionery in 2008 for £56m, Tangerine Confectionery reckons it is Britain's largest sugar confectionery maker. About half the Blackpool company's sales come from making products for the big supermarkets. The other half comes from its own brands, including traditional favourites such as Barratt's Sherbet Fountains and Butterkist popcorn. Chairman Steven Joseph and managing director Chris Marshall led the buy-in management buyout from Toms Gruppen in January 2006, backed by Close Growth Capital, which invested an undisclosed sum. Profits have increased 50% a year from £3.5m in 2006 to £7.9m in 2008.

48 TENSATOR GROUP
Queue control specialist | 49.79%

THIS Milton Keynes company claims it invented the retractable barriers used to control queues in airports. Tensator's range of products also includes the electronic call-forward systems used in supermarkets and banks. The company says that these systems reduce "throw down", which occurs when a customer gives up on a purchase because the queue is too long. The Riverside Company backed a primary buyout for an undisclosed amount from founder Jeremy Williman in 2008. Profits have grown 50% a year from an annualised £2.1m in 2006 to £4.8m in 2008, boosted by the success of the group's in-queue impulse-purchase displays and by the sourcing of cheaper parts from Asia.

49 WIGGLE
Online sports goods retailer | 49.53%

THE online sports retailer Wiggle.co.uk was launched in 1999 with £2,000 by cycle enthusiasts Mitch Dall and Harvey Jones from their bike shop in Portsmouth. It says it is now Britain's top online bike retailer, selling 15,000 cycling products and a range of running, swimming and triathlon gear to more than 70 countries. In 2006 Isis Equity Partners paid £12.2m for a 42% stake and last year co-founder Mitch Dall sold his 26% stake back to the company. Profits have risen 50% a year from £2m in 2007 to £4.5m in 2009.

50 AESICA PHARMACEUTICALS
Pharmaceuticals maker | 49.46%

THIS company has quadrupled in size since it was spun out of the chemicals giant BASF in 2004. Aesica bought manufacturing sites from Merck in 2006 and Abbott in 2007 and now runs three plants in Britain, supplying compounds to biotechnology and pharmaceutical clients worldwide. Headquartered in Newcastle, the company launched an American subsidiary in 2008 to drive its international expansion. Aesica is led by chief executive Robert Hardy and backed by LDC, which invested an undisclosed sum in 2004. Its profits have grown 49% a year from £4.4m in 2006 to £9.8m in 2008.

51 TINOPOLIS
Film and television producer | 48.69%

TINOPOLIS produces about 2,500 hours of drama, documentary, sports and children's TV programmes each year for 200 broadcasters worldwide. The Welsh company makes the BBC's Question Time and Traffic Cops, Channel 4's Dispatches, and Five's Sport on Five. Tinopolis also produces training materials for clients including Scottish Enterprise and the Ministry of Defence. Vitruvian Partners backed a £45m public-to-private buyout in 2008. Profits have grown 49% a year from £2.9m in 2006 to £6.5m in 2008 under managing director Arwel Rees.

52 LOEWY GROUP
Marketing provider | 48.24%

THIS London group comprises eight branding and design companies, each trading under its own name but sharing premises and personnel. Customers include Absolut Vodka, WH Smith and Mikimoto, the Japanese jewellery designer. The American private-equity houses Veronis Suhler Stevenson and ABRY Partners invested £16m in September 2007 for a combined stake of 24%, allowing Loewy Group to grow by acquisition. Profits have risen at a rate of 48% a year from £2.1m in 2006 to £4.6m in 2008.

53 QHOTELS
Hotel operator | 46.45%

THIS company buys underperforming hotels and equips them with quality leisure and business facilities to appeal to its target conference market. In 2006 it bought 12 Marston hotels for £180m, doubling its turnover. QHotels now operates 21 hotels across Britain, with more than 2,900 rooms and 250 meeting and conference rooms. The business was founded in 2003 by managing director Michael Purtill, with £50m of backing from Alchemy Partners, which still has a majority stake in the company. Management owns the rest. Profits at QHotels rose 46% a year from £17.4m in 2006 to £37.4m in 2008.

54 OLAER
Hydraulic equipment maker 46.37%

OLAER provides hydraulic equipment to a wide range of customers from the oil and gas sector to the film industry. The company has been growing by acquisition, forming a geographically diverse group, which operates in more than 40 countries. Gresham Private Equity backed the primary buyout of Olaer Group from its parent company Expamet International in September 2005 for an undisclosed sum. Under managing director Michael Blenkinsop, profits have grown 46% a year from £4.7m in 2006 to £10m in 2008.

55 GROUP GTI
Recruitment publisher 45.88%

THIS graduate recruitment publisher produces a range of titles and websites targeting students who are searching for their first job. Companies from banks to engineering firms wishing to enrol top graduates advertise in one of 70 titles, including Target Jobs in Britain or Staufenbiel in Germany, or take a stand at one of GTI's graduate events. The company was founded by Adrian Wood and Mark Blythe in 1988, and Exponent Private Equity took a 60% stake in 2006 for an undisclosed sum. In 2008 GTI bought the Daily Mail's graduate recruitment division, Hobsons, for £26m. Profits have grown 46% a year from £3.7m in 2007 to £7.8m in 2009.

56 OPTILAN
Telecom systems integrator 45.85%

OPTILAN designs and installs fibre-optic telecommunication and security systems. Oil and gas is the Coventry company's biggest sector and has driven its recent expansion into Russia, Azerbaijan and India. In 2008 co-founder and chief executive Richard Buckland led a primary buyout backed by Northern Venture Managers, which took a 41% stake for £5m. The rising price of oil and gas has helped to push up profits, which have grown 46% a year from £1.7m in 2006 to an annualised £3.7m in 2008.

57 BRIDGMAN GROUP
Fine enforcement provider 44.44%

THIS London company collects fines on behalf of government departments, such as the Child Support Agency, magistrates courts and local councils. As part of a management-led turnaround, the company commissioned an ethical audit to ensure best practice for all staff, from board level to collection officers. It subsequently acquired John Marston & Co, a writ enforcer, and rebranded its main trading subsidiary as Marston Group. Profits have risen 44% a year from £1.9m in 2007 to £3.9m in 2009, driven largely by acquisitions.

58 ICON POLYMER GROUP
Rubber products maker 44.08%

ICON makes rubber items for customers in the aerospace, defence, transport and energy industries, including BAE and JCB. Its products range from inflight refuelling hoses for military planes to rubber seals for connecting train carriages. Since its inception in 1999 the Nottinghamshire company has pursued a buy and build strategy, which included the £10m purchase of Silvertown, a rival, in 2004. LDC backed the 2009 management buyout from founder Richard Gogerty. Profits have grown 44% a year from £1.5m in 2006 to £3m in 2008.

59 MINIVATOR
Stairlift manufacturer 43.83%

MINIVATOR reckons it is the world's second-largest manufacturer of stairlifts for the elderly and disabled. The West Midlands company also makes bespoke bath-lifts. Minivator has an agreement with Help the Aged, which enables it to use the charity's branding on its products. In return, the company donates part of the proceeds to the charity. Gresham backed a primary buyout of Minivator in August 2004 and has reportedly just agreed a sale to Norwegian competitor Handicare. Under chief executive Mike Lord, profits have risen 44% a year from £1.9m in 2006 to £4m in 2008.

Vending-machine kings: Coffee Nation founders Vardigans and Martin

60 ENERGY CRANES
Offshore services provider 43.54%

ENERGY CRANES, which trades as Sparrows, provides lifting and handling services for oil and gas multinationals such as BP. Close Brothers backed a £142m tertiary buyout from LMS Capital in 2008 and the Aberdeen company used the cash to continue a string of acquisitions that has trebled the size of the company in seven years. Subsidiaries in Norway, Holland and Singapore have helped to boost profits 44% a year from £9.1m in 2006 to an annualised £18.7m in 2008 under chief executive Doug Sedge.

61 KELLEN GROUP
Natural gas supplier 43.11%

KELLEN GROUP is Northern Ireland's largest natural-gas company. It trades as the Phoenix Natural Gas Group and distributes both its own and other suppliers' gas to about half the population of Northern Ireland. Phoenix is also responsible for the development of the 3,000km pipeline system in Belfast. In 2004 Terra Firma bought the utility company East Surrey Holdings from British Gas for an undisclosed sum, subsequently divesting all its divisions except Kellen Group, which it owns outright. Profits at the company have swelled 43% a year from £14.6m in 2006 to £29.9m in 2008.

62 STEWART GROUP
Testing services 42.84%

AT facilities in Europe, Africa, Russia and Mongolia this firm can test mineral and ore samples for mining companies such as Anglo American. It can also inspect and analyse imported minerals, precious metals, coal and iron ore for traders and buyers. In 2006 managing director John Notman-Watt led a buyout of the Stewart Group from founder Alex Stewart, backed by CBPE Capital, which took a 42% stake in the company. Since then the company, based at Prescot on Merseyside, has grown through acquisition. Profits rose 43% a year from £2.4m in 2006 to £4.9m in 2008.

63 RIXONWAY
Kitchen manufacturer 42.80%

THIS kitchen manufacturer works exclusively for the affordable housing sector. Based in West Yorkshire, Rixonway supplies more than 12,000 kitchen units a week for clients including local authorities and social landlords. The company was founded in 1979 and in 2006 August Equity Partners backed a buyout led by Paul Rose, who also introduced innovations such as an interactive website on which customers can review kitchen designs, monitor each step of production and confirm delivery timings. Profits have grown 43% a year from an annualised £1.8m in 2007 to £3.8m in 2009.

64 RP MARTIN
Wholesale money broker 42.77%

THIS London wholesale broker brings together buyers and sellers of bonds, currencies and financial derivatives. It also provides a confidential service so that customers can discuss price-sensitive information, such as trading limits and trade sizes. Gresham Private Equity backed a £27m public-to-private buyout of the company in April 2005, taking a 43% stake. Since then chief executive David Caplin has overseen a profit rise of 43% a year from £7.5m in 2007 to £15.3m in 2009.

65 INTERCONTINENTAL BRANDS
Beverage manufacturer 42.10%

THIS company distributes more than 50 alcohol brands, including Vodkat Schnapps, St Helier fruit ciders and The Italian Job wine. Its customers include all of Britain's leading supermarkets as well as specialist off-licences and independent retailers. InterContinental was established in 1990 by Paul Burton and John Hibberd, initially as a distributor, but the Harrogate firm now makes its own brands aimed at young adults, such as Zamaretto, its multicoloured liqueur range. In 2007 LDC took a 32% stake in the business and profits have risen 42% a year from £2.4m in 2006 to £4.8m in 2008.

66 NFA
Foster care agency 41.65%

THIS West London company says it is now the second-largest independent fostering agency in Britain. Founded in 1995 and led by chief executive Iain Anderson, the business is backed by Sovereign Capital Partners, which invested an undisclosed sum in 2006. In 2009 the group acquired three regional fostering agencies, expanding its geographical reach. It now has a network of 13 offices and arranges foster care for more than 1,600 children. Profits have climbed 42% a year from £3.9m in 2007 to £7.9m in 2009.

67 CASTLEBECK
Healthcare provider 40.72%

THIS Darlington company was founded in 1987 to provide care to adults or children with learning disabilities and challenging behaviour. Nineteen years later, Lydian Capital Partners, the private-equity firm backed by Irish tycoons JP McManus, John Magnier and Dermot Desmond, led a £255m tertiary buyout. Under chief executive Jon Mann, Castlebeck has moved into new services, including foster placement and autism care, and now has 27 independent hospitals and residential homes across Britain. With the acquisition of Mental Health Care (UK) in 2007, and investment in staff and services, Castlebeck's profits grew 41% a year from £13.5m in 2006 to £26.7m in 2008.

68 ALEXANDER MANN
Recruiter 40.17%

CHIEF EXECUTIVE Rosaleen Blair says she helped to pioneer recruitment outsourcing when she founded this company in 1996. Today its clients, including Vodafone, Zurich, Siemens, Barclays and Freshfields, turn to Alexander Mann Solutions to find staff at every level. The company employs more than 900 people and operates in 60 countries across Europe, the Middle East, Africa and Asia Pacific as well as America. In 2007, Graphite Capital backed a £100m secondary buyout from Advent. Profits rose 40% a year from £5.2m in 2006 to an annualised £10.1m 2008.

69 WOOD MACKENZIE
Research consultancy 38.81%

SOME of the world's biggest energy, metals and mining companies come to Wood Mackenzie for market research, strategic analysis and commercial advice. The Edinburgh company was known for its energy research but diversified into metals and mining with the acquisition of coalmining experts Hill & Associates and Barlow Jonker in 2007, and the metals mining consultancy Brook Hunt in 2008. In June 2009 Charterhouse backed a £553m tertiary buyout from Candover, taking a 67% stake. Profits have grown 39% a year from £20.1m in 2006 to £38.7m in 2008 under the leadership of chief executive Stephen Halliday.

70 PRECISE MEDIA GROUP
Media intelligence provider 38.22%

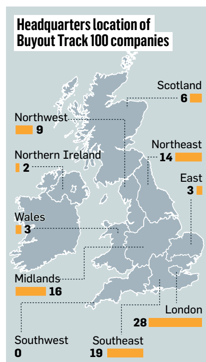
THIS London media-monitoring agency says it searches 200,000 stories every day from national newspapers and television to blogs and Facebook. Precise Media then delivers the information in a number of formats to its 5,000 clients to help them track and analyse how their organisation or products are being portrayed. Led by chief executive Peter Low, the company claims to work with most of the FTSE 100 companies. Phoenix Equity Partners backed a £42m secondary buyout from 3i in 2006, and profits have grown 38% a year from £3.9m in 2006 to £7.5m in 2008.

71 QA
Business training provider 38.19%

BUILT up through a series of acquisitions over two decades, QA is one of Britain's leading providers of IT and professional skills training. With more than 200 instructors, the company offers 1,500 courses and trains more than 200,000 people a year in 38 locations around Britain. In 2007 Englefield Capital acquired a majority stake in the company for an undisclosed sum, subsequently funding the acquisition of competitors Xpertise Group for £10.6m in 2008 and Remarc in 2009. Under chief executive William Macpherson, profits have risen 38% a year from £3.6m in 2007 to £6.9m in 2009.

72 MICROLEASE
Electronic device provider 37.63%

THIS Harrow company is on the acquisition trail after securing a line of credit from Lombard Business Finance and Royal Bank of Scotland. In September 2009 the company bought the European arm of Telogy, an American rival. Microlease's services include rental and sale of testing and measurement equipment, and it operates across Europe, Africa, the Middle East and the Americas. LDC backed a £30m buyout in 2006, led by chief executive Nigel Brown, and injected a further £8m in August 2009. Profits have risen 38% a year from an annualised £5.6m in 2007 to £10.6m in 2009.



73 COFFEE NATION
Coffee machine operator 37.27%

THIS company reckons it is Britain's third-largest coffee seller — only Starbucks and Costa Coffee sell more. It operates 800 self-service machines selling "gourmet coffee-to-go" at motorway service stations, petrol forecourts and convenience stores. Coffee Nation's customers include Welcome Break, Somerfield, Esso and Moto. The High Wycombe company, led by chief executive Scott Martin and finance director Simon Vardigans, is looking to expand into airports, universities and offices. Milestone Capital Partners backed a £25m secondary buyout from Primary Capital in March 2008 and profits have grown 37% a year from £1.6m in 2007 to £3m in 2009.

74 FDM GROUP
IT services provider 37.04%

FDM provides IT services to customers such as the AA, BSkyB and Citigroup to see them through technical challenges such as commissioning a new website, upgrading a database, or testing new systems. After five months of takeover talks, the Inflexion-backed management team, led by chief executive Rod Flavell, agreed to take the Brighton company private in December 2009, for an undisclosed sum. Profits grew 37% a year from £2.8m in 2006 to £5.3m in 2008.

75 STONE COMPUTERS
Computer manufacturer 37.02%

MORE than half of Stone Computers' turnover comes from providing computer systems to schools. Other customers include local authorities, police and health services. The Staffordshire firm supplies and configures hardware and software, and installs and debugs the systems. It offers a helpdesk and engineers on site next day if there is a problem. Government spending on computers in schools has helped to boost profits, which have risen 37% a year from £2.3m in 2006 to an annualised £4.3m in 2008.

76 KETTLE FOODS
Crisp manufacturer 35.86%

BETTING on the British appetite for crisps, Cameron Healy, founder of Kettle Foods in America, brought the posh snack brand Kettle Chips to England in 1988, setting up in Norfolk close to its potato supply. Kettle says it is now one of the biggest snack brands in Britain. In 2006 Lion Capital bought both the American and the British company for £170m. It runs the companies separately, and is reportedly looking to sell both. Profits have grown 36% a year from £6.9m in 2006 to £12.7m in 2008 under chief executive Jeremy Bradley.

77 ST TROPEZ
Self-tanning supplier 35.67%

A PICTURE of Victoria Beckham tasting her St Tropez self-tan helped to catapult this company's product on to beauty magazine must-have lists. Judy Naaké started distributing the American self-tan brand in Britain in 1995 and sales took off on the back of celebrity endorsements and rising awareness of skin cancer. LDC bought out Naaké and her partner in 2006, buying the American company at the same time. The Nottingham firm now sells a range of skin products under the St Tropez brand. Profits have risen 36% a year from £2.6m in 2007 to £4.7m in 2009, under chief executive Michelle Feeney.

Take a long look at how to unlock wealth

Michael Bishop of UBS explains why owners need to plan exit strategies at all stages of the cycle

Just over a decade after launching the preppy fashion retailer Jack Wills, thirty-something entrepreneur Peter Williams has created a substantial fortune.

Williams and his business partner Robert Shaw, who started the venture in Salcombe, Devon, with £40,000 of savings and an array of credit cards, now oversee 35 outlets selling a range of classic casual clothes inspired by British sporting and military traditions. Profits at the company, No 22 in the Buyout Track 100, have grown 73% a year from £2.6m in 2007 to £7.7m in 2009.

In 2007 Williams took advantage of a buoyant market to sell a minority stake to Inflexion Private Equity and realise some of the wealth locked up in the business. Peter Saunders, a former Body Shop boss, was brought in as chairman and the company recently launched the Aubin & Wills label, targeting older customers. It is now considering expansion into America and Asia.

Entrepreneurs like Williams put years of hard work into building their businesses and they should think just as carefully about managing the wealth they have created. Parting with equity can be challenging emotionally, but founders are well-advised to consider spreading their risks in this way when the right opportunity arises.

As the Buyout Track 100 research shows, many entrepreneurs in this year's league table have done exactly that.

Harry Brünjes, who launched his business in the 1990s to provide medical opinions for legal and insurance professionals, took cash out in a management buyout in 2008. After his company merged with rival firm Medico-Legal Reporting to form Premier Medical Group (No 25 in the league table), Nomura Private Equity acquired a majority stake in the enlarged firm, leaving Brünjes as chairman with an 18% stake.

Taking money out of a company in stages is often sensible for both the business and its founders. The business benefits from fresh funds at each growth phase, while owner-managers avoid being forced to sell their equity in a single deal at a low point in the cycle. But even partial exits create risk. When entrepreneurs sell a slice of their business they bring new shareholders into the boardroom. They also give up a portion of future growth.

We understand that business owners want to devote their time to running their companies. For this reason, in today's complex and fast-moving markets, UBS Wealth Management provides a range of services for individuals as private clients and as business owners.

Like the growth companies in this year's Buyout Track 100, we place great emphasis on developing investment strategies that are both resilient and adaptable in turbulent times. Typically, we agree a long-term plan for each client that is sensitive to shifts in the economic cycle. We identify individual priorities such as tolerance to risk, accessibility, growth expectations, income requirements, time horizons and tax status. Based on these discussions we develop an investment strategy with the client and "stress test" it against benchmark data. We then build in an element of adaptability to reflect opportunities and movements in the market. This could include a particular view on foreign exchange, commodities or interest rates with a view to taking shorter-term profits.

UBS Wealth Management has a Corporate Advisory Group, which offers the skills, knowledge and contacts of an investment bank delivered by a team that understands the needs of entrepreneurs, their families and private-equity-backed companies. The group offers mergers and acquisition advice. It works with business owners to achieve a sale or partial exit, advise on acquisitions or raise capital to develop the business further.


Going places with the Jack Wills range: founder Peter Williams has sold a minority stake to realise some of the wealth locked up in the business

OWNERS CAN AVOID BEING FORCED TO SELL THEIR EQUITY AT A LOW POINT IN THE CYCLE

In the past few weeks there has been a rise in activity across the private-equity sector. KKR has snapped up the retailer Pets at Home for a hefty £955m after a fiercely fought auction. Merlin Entertainments Group, owner of the London Eye and Madame Tussauds, and Promethean, which makes interactive whiteboards for schools, are reported to be considering flotations.

As 2010 unfolds, founders, managers and their private-equity backers will be weighing up the opportunities. Many Buyout Track 100 entrepreneurs will already have their plans in place — for whatever the future holds.

Michael Bishop, head of private wealth management at UBS Wealth Management in London was talking to Catherine Wheatley.

78 LOWELL GROUP

Loan recovery agency | 34.46%

LOWELL GROUP buys delinquent consumer debt from banks, credit-card issuers and telecoms providers, and then tries to recover it. The Leeds firm focuses primarily on debts of about £1,000. Exponent backed a secondary buyout from Cabot Square Capital in 2008 for a reported £200m. As part of the deal, Lowell arranged a £100m line of credit, secured until 2011, which has allowed it to continue buying debt during a time when getting hold of new capital has been a challenge for the company's competitors. This has helped profits to grow 34% a year from £13.4m in 2007 to £24.2m in 2009, under chief executive James Cornell.

79 JDR ENTERPRISES

Cable manufacturer | 34.10%

THIS Cambridgeshire cable maker was recently awarded a contract to supply cables for the Wave Hub renewable-energy project off the Cornish coast. JDR Cable Systems makes marine cables for the oil, gas, defence and renewable-energy sectors. Vision Capital backed a £90m secondary buyout from Bridgepoint in 2007 and, driven by investment in new manufacturing facilities, profits have subsequently grown 34% a year from £5.5m in 2007 to £9.9m in 2009 under the leadership of chief executive Pat Herbert.

80 RED COMMERCE

SAP recruitment agency | 34.07%

THE London recruiter Red Commerce supplies SAP professionals to blue-chip businesses in more than 40 countries. It claims to have a database of 147,000 SAP experts across the globe, ready to be deployed as project managers, trainers, consultants and system integrators for customers such as Nestlé and IBM. In December 2005 Inflexion Private Equity backed a £15m management buyout from the founders. Under new chief executive Richard Vercesi, profits have grown 34% a year from £2.2m in 2007 to £3.9m in 2009.

81 TSL EDUCATION

Educational publisher | 33.90%

IF a school needs a new headteacher, it usually advertises in the Times Educational Supplement, one of two specialist titles owned by TSL Education. The London firm, once part of The Times, publishes newspapers and magazines, and runs websites and exhibitions for education professionals. In 2007 Charterhouse Capital Partners backed a secondary buyout from Exponent Private Equity and the management, which retains a 27% stake. Profits have risen 34% a year from an annualised £20.5m in 2006 to £36.7m in 2008.

82 DREAMS

Bed retailer | 33.22%

DESPITE the recession, Dreams, a bed retailer based in High Wycombe, Buckinghamshire, continues to roll out its programme of 30 store openings a year. The company has a huge range of beds and mattresses in 235 superstores nationwide. Exponent backed a primary buyout of the business from its founders Mike and Carol Clare in 2008 for £227m. Economies of scale have helped to plump up Dreams' profits 33% a year from £10.7m in 2006 to £19m in 2008, under the leadership of chief executive Nick Worthington.

83 QUOTIENT BIORESEARCH

Laboratory testing provider | 33.18%

THIS FIRM undertakes contract research for pharmaceutical companies such as Astra Zeneca. Paul Cowan founded the Cambridgeshire firm in 2007, with the backing of property investors Helical Bar and Dencora. In September 2008 the American private-equity house TA Associates paid £35m for a 35% stake. Quotient Bioresearch has been growing by acquiring smaller businesses and now has four divisions, including a sport science division that runs anti-doping tests for horse racing. Profits have grown at a rate of 33% a year from £3.2m in 2007 to £5.7m in 2009.

84 TEACHING PERSONNEL

Supply teacher recruiter | 33.10%

TEACHING PERSONNEL supplies temporary staff to schools throughout England and Wales. The business was founded in 1996, initially to provide supply teachers to inner-city schools from its national call centre. The Hertfordshire firm now has 30 regional branches and has added long-term and special-needs teachers. In 2007 RJD Partners backed a £24m secondary buyout from Barclays Private Equity. Profits have grown 33% a year from £2.6m in 2006 to £4.6m in 2008 under managing director Mark Weavis and, subsequently, John Bowman.

85 OVAL

Insurance broker | 32.92%

SINCE the Wakefield insurance broker Oval was founded in 2003, it has pursued an aggressive buy-and-build strategy, making 32 acquisitions. About 80% of its turnover comes from insurance broking for corporate clients. The rest comes from providing financial services. Caledonia Investments paid £15m for a 36% stake in Oval in 2003 and in October 2008 the company secured a further £115m in equity and senior debt from a consortium led by Caledonia. Profits have grown by 33% a year from £11.2m in 2007 to £19.8m in 2009 under chief executive Phillip Hodson.

86 2E2

IT services provider | 32.90%

FROM upgrading Pret A Manger's back-office systems to installing new infrastructure support systems for the Ministry of Defence, 2e2 provides IT consultancy, integration and support services for a wide range of clients. Operating across Britain, Belgium and the Netherlands, the Newbury company has acquired 15 subsidiaries since 2002 and formed new divisions out of them. In 2006, founders Terry Burt and Mark McVeigh led the business through a £130m secondary buyout from Gresham backed by Duke Street Capital. Profits have increased 33% a year from £13.3m in 2006 to £23.5m in 2008.

Going up: AFI-Uplift has cashed in on new safety regulations in building

87 DUNLOP AIRCRAFT TYRES

Aircraft tyre maker | 32.89%

THIS company makes 80,000 tyres a year for commercial and military aircraft ranging from the Boeing 747 to the Eurofighter Typhoon and Embraer and Bombardier regional jets. Its customers include British Airways, Thomas Cook and Lufthansa, as well as aircraft constructors and wheel and brake manufacturers. The Birmingham firm retreads a further 25,000 tyres a year and opened a new retread facility in China in November 2009. In 2007, AAC Capital backed a £40m secondary buyout led by chairman Ian Edmondson. Profits have increased 33% a year from £3.2m in 2006 to £5.6m in 2008.

88 EPYX

E-trading developer | 32.73%

THIS Coventry company, which develops e-commerce applications for the motor industry, was founded nine years ago with £365,000 of funding from private investors. In June 2009, Hg Capital acquired a 49% stake for £42m. Epyx's 1link technology enables fleet managers to buy, maintain, sell and hire cars, or renew licences electronically. Customers range from large manufacturers, such as Volkswagen and Ford, to small franchised car dealers. Under managing director Greg Connell, Epyx's profits have risen 33% a year from £3.7m in 2006 to £6.6m in 2008.

89 LEASEDRIVE VELO

Vehicle management | 32.46%

THE Wokingham company Leasedrive Velo provides vehicle rental and fleet management services to blue-chip clients. In September 2008, LDC backed a secondary buyout from Lyceum Capital for an undisclosed sum. One year earlier, Leasedrive had acquired Velo, almost doubling in size. Under the leadership of David Bird, Roddy Graham and Roger Partridge, profits have grown 32% a year from £8.1m in 2006 to £14.2m in 2008.

90 ETC.VENUES

Training venue provider | 32.37%

THIS company has six venues across London and one in Birmingham that it hires out for training courses, events, conferences and executive meetings. Etc.venues says its buildings have more flair than most training facilities, featuring modern furnishings in bright contemporary colours and showcasing modern art. The locations are all near transport links and serve fresh food cooked on the premises. Dunedin Capital Partners backed the £21m buy-in management buyout in 2006 and profits have grown 32% a year from £2.3m in 2007 to £3.9m in 2009 under the leadership of managing director Alastair Stewart.

91 COMTEC

Travel software developer | 32.11%

IN 1995 Simon Powell, the founder and chief executive of this company, was asked by his father to look at ways of using IT to improve the family travel business. The result was EasySell, software for travel agents. Today the South Wales company provides software to businesses from the industry giant Thomas Cook to local independent operators. To improve margins, Comtec has expanded its product range to include ready-to-use websites and systems for managing bookings. RJD Partners backed a buyout in 2008 for an undisclosed sum. Profits have grown 32% a year from £2.4m in 2006 to £4.1m in 2008.

92 POUNDLAND

Discount retailer | 31.04%

SHOPPERS from all socioeconomic classes come to Poundland to buy anything from stationery to nappies and washing-up liquid. Every one of more than 3,000 items sold in its 250 shops costs £1. The company was founded by Dave Dodd and Stephen Smith in 1990 and Advent International took a majority stake in 2002 for £49m. Under chief executive Jim McCarthy, profits have risen 31% a year from £11.7m in 2007 to £20m in 2009.

93 OFFICE

Shoe retailer | 30.85%

THIS London footwear retailer sells quirky fashion shoes and boots at high-street prices. Sports brands, particularly Converse, account for a third of sales. Office has 64 shops throughout Britain plus 25 concessions in House of Fraser and Topshop. In 2003 West Coast Capital paid £15m for the business, buying out the founding Casey family. Under chief executive Brian McCluskey, profits have climbed 31% a year from £6.1m in 2007 to £10.5m in 2009.

94 IRIS SOFTWARE

Software developer | 30.83%

THIS software house was created in 2007 when Iris and Computer Software Group merged in a £500m deal, backed by Hellman & Friedman. The Berkshire company supplies business management software to more than 60,000 corporate clients. In the past year, Iris Software has spent £10m developing products and £13m buying six companies, including Formation, which provides software for barristers. Under chief executive Martin Leuw, profits have grown 31% a year from £24m in 2007 to £41.1m in 2009.

95 SURVITEC GROUP

Safety equipment maker | 30.76%

SURVITEC provides safety and survival equipment to the marine, defence and aviation sectors. The Belfast firm makes products such as liferafts and submarine escape suits. In 2004, Montagu Private Equity backed a £146m buyout of Survitec from Air-Sea Survival Equipment. Warburg Pincus, the American private-equity house, backed a secondary buyout in January 2010 for £280m. Profits grew 31% a year from £16.2m in 2007 to £27.7m in 2009.

96 NATIONAL ACCIDENT

Legal marketing agency | 30.33%

NATIONAL ACCIDENT HELPLINE provides personal injury leads to 90 firms of solicitors around Britain. Although the Northamptonshire company says the recession has made some potential claimants cautious about taking legal action against their employers, it has managed to improve its profit per enquiry and its conversion rate. LDC backed a restructuring of the firm in June 2009, providing a partial exit for retiring directors, subsequently selling half its stake to Inflexion Private Equity. Former chief operating officer Samantha Porteous took over as chief executive in 2009. Profits increased 30% a year, from an annualised £4.3m in 2006 to £7.2m in 2008.

97 1ST CREDIT

Debt collection agency | 29.89%

1ST CREDIT claims to be one of Britain's largest debt-collection agencies, managing more than 4m consumer accounts, with a face value of about £5 billion. It was founded in 2001 and collects debts on behalf of banks, credit-card companies and utilities. Bridgepoint backed a £72m secondary buyout from Gresham Private Equity in November 2004. Under chief executive Najib Nathoo, profits rose 30% a year from £18.8m in 2006 to £31.7m in 2008.

98 AFI-UPLIFT

Building equipment supplier | 29.33%

AFI-UPLIFT rents and sells access platforms from 18 locations to construction, shopfitting and maintenance firms, enabling people to work safely at height. In 2006, Barclays Private Equity paid £15m for a 40% stake in AFI Aerial Platforms, in a buyout led by chairman David Shipman. Later the company merged with Uplift Power Platforms before acquiring two competitors. Profits have increased 29% a year from £8.3m in 2006 to £13.9m in 2008, allowing the company to reduce its debt.

99 ATTENDA

Internet services provider | 29.22%

COMPANIES looking to cut overheads and reduce computer hardware costs turn to firms like Attenda to take over their IT requirements. The West London company hosts critical applications such as sales databases, messaging services and e-commerce websites for organisations from the airline BMI to the NHS. A consortium led by M/C Venture Partners and Phoenix Equity Partners backed a secondary buyout in 2002, investing £9m for a majority stake. Profits have risen 29% a year from £2m in 2006 to £3.4m in 2008, under chief executive Mark Fowle.

100 YO SUSHI

Restaurant operator | 28.51%

YO SUSHI's fast-food formula of sushi, noodles and tempura delivered by conveyor belt has appealed to diners around the world. The company runs 59 restaurants in six countries — 44 of these are in the UK — and has 15 franchises in Ireland, Russia, Malaysia, Dubai and Bahrain. Chief executive Robin Rowland is aiming for 100 restaurants worldwide by 2012. He led a £51m secondary buyout, backed by Quilvest in 2008. Boosted by this international expansion, the London company's profits grew 29% a year from £3m in 2006 to an annualised £4.9m in 2008.

The Sunday Times Deloitte Buyout Track 100

THIS supplement is compiled by Fast Track, the Oxford networking, events and research company that ranks Britain's top-performing private firms. Fast Track publishes six annual league tables with associated dinners that provide a network for their owners and directors to meet. It is run by Dr Hamish Stevenson, who has an associate fellowship at Green Templeton College, Oxford University. The Buyout Track research was managed by Helen McNicoll.

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Nominations for next year's Buyout Track 100 can be made through our website www.fasttrack.co.uk or can be sent to Fast Track at:

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10 biggest buyouts with fastest growing profits

	Company Activity	Headquarters location	Financial year end	Annual profit growth	Latest profits £000	Base profits £000	Latest sales £000	Staff	Shareholders	Comment
1	**Merlin Entertainments Group** Visitor attraction operator	Poole	Dec 08	97.54%	203,000	52,021	662,300	9,778	Consortium of Blackstone, Kirkbi Invest, Dubai International Capital, Caddis Assets (majority), management (minority)	When it acquired the Tussauds Group for £1 billion in 2007, Merlin Entertainments became the largest visitor attraction operator in the world after Disney. Its 57 sites include Legoland and Alton Towers but about half its turnover comes from overseas. Acquisition finance was provided by Blackstone as well as Dubai International Capital.
2	**Acteon** Offshore services provider	Norwich	Dec 08	66.99%	73,034	26,189	309,154	1,595	First Reserve (51.5%) management (48.5%)	Norwich company Acteon supplies oil and gas companies with the equipment and services needed to link the seabed to the surface. Led by chief executive Richard Higham, the group comprises 15 companies and is backed by the energy industry investor First Reserve, which bought out Lime Rock Partners in 2006.
3	**R&R Ice Cream** Ice cream manufacturer	North Yorkshire	Dec 08	65.07%	56,488	20,730	355,001	1,865	Oaktree Capital management	Claiming to be Europe's largest ice cream manufacturer, R&R has brands such as Kelly's of Cornwall and Skinny Cow. The company was formed when Richmond Foods was taken private in a £182m deal backed by Oaktree Capital in 2006 and subsequently merged with the German firm Roncadin. R&R is led by chief executive James Lambert.
4	**Wales & West Utilities** Gas distributor	Newport	Mar 09	55.42%	125,600	52,000	309,400	1,376	Macquarie (50%), Canada Pension Plan (20%), Industry Funds Management (15%), AMP Capital (12%), others (3%)	Led by chief executive Graham Edwards, this Newport company distributes gas to businesses and 7.4m people living in Wales and southwest England. Formerly part of National Grid Transco, Wales & West Utilities was formed in 2005 when a consortium led by Macquarie European Infastructure Funds bought the network for £1.2 billion.
5	**Abbot Group** Drilling contractor	Aberdeen	Dec 08	54.73%	*†190,713	79,662	*†1,060,287	7,350	First Reserve (61%), Pamplona Capital (18%), other investment funds (21%)	Abbot Group designs, owns and operates drilling rigs for global oil and gas companies. In 2008 First Reserve delisted the Aberdeen company in a £906m deal in which founder Alasdair Locke reportedly earned £120m for his 13% stake. He stepped down as chairman last year leaving Holger Temmen at the helm.
6	**Betfair** Online bookmaker	West London	Apr 09	43.87%	66,168	31,968	292,925	1,457	Softbank (23%) co-founders (24%) others (53%)	Betfair claims to be the largest online sports betting operator in Europe. It was founded in 1999 by Andrew Black and Edward Wray, using technology that allows punters to choose their own odds and bet against each other throughout live events. In 2006, Softbank, a Japanese technology investor, paid an estimated £345m for a 23% stake.
7	**Spire Healthcare** Private hospital operator	Central London	Dec 08	37.60%	121,130	63,977	564,068	6,203	Cinven management	Spire Healthcare is the second largest private hospitals group in Britain, treating 1m patients a year in 36 hospitals. The London company was formed when Cinven backed the £1.4 billion acquisition of 25 former Bupa hospitals in 2007, and brought in Robert Wise to be chief executive. It acquired a further 11 hospitals in 2008 for £168m.
8	**Arqiva** Communications provider	Winchester	Jun 09	37.07%	304,213	161,922	805,520	2,349	Canada Pension Plan Investment Board (CPPIB) (48%), consortium of other investors (52%)	This company provides much of the infrastructure behind television, radio and wireless communications in Britain. Arqiva was created in 2005 when a consortium bought NTL's broadcasting infrastructure division for £1.3 billion, before acquiring National Grid Wireless in 2007 in a deal worth £2.5 billion. The two were merged in 2008.
9	**All3Media** TV programme maker	Central London	Aug 08	36.78%	50,287	26,878	370,231	1,754	Permira (51%) management (49%)	Responsible for shows such as Hollyoaks and Shameless, All3Media reckons it is Britain's largest independent TV production group. It comprises 16 production companies across Europe and America and has an international distribution firm. Permira backed a £320m secondary buyout of All3Media from Bridgepoint Capital in 2006.
10	**Moto** Motorway services operator	Bedfordshire	Dec 08	33.47%	52,644	*29,550	842,935	4,404	Macquarie Group & Affiliates Equity Partners Infrastructure Company pension funds, management	Moto estimates that 100m people visit its 45 motorway service stations each year. In 2006 a consortium led by Macquarie Group bought Moto for an estimated £600m, and in 2009 Epic Investment Partners acquired a 17% stake from existing shareholders. Moto is led by chief executive Tim Moss.

NOTES: Figure for profit growth is taken over the latest two years for which accounts are available * Annualised figure † Unaudited accounts

Large deals start to make a comeback

After a deathly year, private equity is stirring, writes **Catherine Wheatley**

The huge buyouts that put household names such as Alliance Boots and EMI into the hands of private equity have become a distant memory.

Around the world, big deals have vanished as lending by banks has dried up and investment houses have delayed or even abandoned fresh rounds of fundraising. In Britain, only 11 buyouts worth more than £100m were completed last year, according to the Centre for Management Buyout Research. There were 37 in 2008 and 62 in 2007.

Buyout houses and their portfolio companies have been battered by the banking meltdown and the recession. Candover, for example, has been forced to wind down its flagship fund after defaulting on commitments to investors. The respected buyout firm was undone by a string of highly leveraged deals, including its now worthless investment in the gaming group Gala Coral.

This year's Biggest 10 list, compiled alongside the Buyout Track 100, identifies Britain's largest private-equity-owned firms with the fastest-growing profits over £50m. The research measures the performance of companies by profit growth over the latest two financial years.

With hindsight, the private-equity model of using cheap and plentiful debt to pursue profits through acquisition appears overly optimistic today as even established companies struggle to stay within their banking covenants. All but one of the companies on this year's list are tied into hefty interest repayments. Spire Healthcare (No 7), the private hospital operator, All3Media (No 9), which produces the television shows Hollyoaks and Skins, and Moto (No 10), the motorway services operator, all repaid more each year in interest than they made in ebitda profit in the last year.

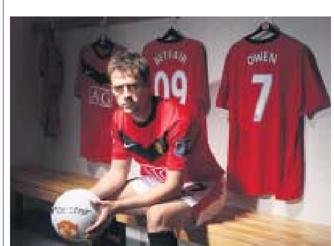
The exception is the online bookmaker Betfair (No 6), which has relinquished only 23% of its shares to Softbank, a Japanese technology investor. Since launching the firm 11 years ago, founders Edward Wray and Andrew Black have advocated a debt-free approach. The company has also benefited from an anomaly in gambling taxation. Unlike traditional bookmakers, Betfair pays a levy on its commission rather than on punters' profits.

Merlin Entertainments Group is the No 1 company in the Biggest 10 for the third year running. The business, backed by Blackstone, Kirkbi Invest and Dubai International Capital, has been transformed from a mid-sized leisure firm into a global visitor-attraction operator by an acquisition spree that included the £1 billion purchase of Madame Tussauds in 2007. But the company has also achieved significant organic growth thanks to the creation of new venues and upgrades of brands such as Sea Life and Legoland, according to chief executive Nick Varney. Profits are up 97% a year from £52m in 2006 to £203m in 2008.

The steady rise in the oil price should help two companies in the Biggest 10 that supply the energy sector. Acteon, the offshore services provider at No 2, and Abbott Group, the drilling contractor at No 5, are benefiting from a long-term growth in demand for fuel.

Further ahead, there are glimmers of optimism. Last month, strong interest from several giants of the private-equity sector persuaded the owner of Pets at Home, Bridgepoint, to abandon its plans for a stock-market flotation and sell the company to KKR for a hefty £955m. Merlin Entertainments is expected to seek a flotation later this year and Betfair has brought in advisers to help with its ambition to float on the market with a value of £1.5 billion.

One thing is sure though — whenever there is a chance to create value, the giants of private equity will be there.



Michael Owen promotes Betfair, which has shunned debt