

LDC – Fact Sheet

Q. Which area of the market do you concentrate on and why?

We have the ability to transact across the entire mid-market, investing between £2m and £100m into companies through various deal structures. This typically means enterprise values of between £5m and £250m.

Our primary focus is the UK, but we also have the ability to invest elsewhere in Europe and in the Far East through local offices in several territories.

We believe this area of the market provides the best volume and quality of opportunities, which supports our ability to deliver shareholder value through our investment approach.

Our business model – including our regional structure - is predicated on this specific market focus.

Find out more about our [investment criteria](#).

Q. Why do you have so many regional offices?

We originate the majority of our investment opportunities from regional markets, and we've always believed a local presence is key to building and maintaining enduring relationships with local advisory and business communities.

Our regional presence is also important in delivering a truly relationship based approach to investment. Being close to the companies and management teams we back enables us to develop a more supportive and enduring relationship.

Find out more about our [regional footprint](#).

Q. How do you make your returns?

There are a number of ways of creating shareholder value from our investments, and our approach depends entirely on the specific characteristics of each company and the dynamics of its marketplace.

Our dedicated Value Enhancement Group – which draws upon a wealth of business management expertise – is a critical ingredient. It helps management teams identify opportunities to increase shareholder value and implement the strategies needed to deliver it.

Examples include operational improvements, investment in infrastructure such as IT, better cash management, improved corporate governance, strategic developments such as market repositioning or the targeting of new markets, and facilitating partnerships within our portfolio and wider Lloyds Banking Group.

These enhancements not only deliver improved and sustainable turnover and profits growth within our investee companies, they also enable us to sell our investments based on a higher multiple of profits than we originally bought them for (often called arbitrage).

Find out more about our [Value Enhancement Group](#).

Q. Whose money are you investing?

We invest the capital of our parent company, Lloyds Banking Group, and return our profits to the Group each year.

Q. How many people do you employ?

We employ around 90 people across our senior management, investment, deal origination, value enhancement and operational support teams.

Q. What makes you different from any other providers of private equity?

We believe there are a number of things about the way we do business which make us unique in our market.

Our regional structure is the largest of any private equity business in the UK, enabling us to transact more actively than most others in our market.

We also seek to take a sustainable approach to private equity investment. This ethos is driven by the LDC Charter – a collection of behavioural principles that underpin the way LDC, collectively and individually, aim to operate in the marketplace. This guides our relationship-based approach with the management teams we support and our interaction in the local and national communities. To see a copy of our Charter, click [here](#).

As part of this commitment, we have raised over £1m of donations for dozens of charities across the UK through our LDC in the Community initiative.

Find out more about [LDC in the Community](#).

Q. Are you compliant with the Walker Review?

Yes. We are supportive of the [Walker Review](#) principles.

Q. Which companies do you own?

We have investments in more than 60 companies with a combined value in excess of £2billion.

Find out more about our [investment portfolio](#).

Q. Aren't there fewer deals completing at the money due to the financial crisis and the general economic downturn?

We believe there remains opportunity in any market to invest in great businesses and build shareholder value.

See our [recent deals](#).

Q. Do you run the companies you invest in?

Whilst they have access to our expertise, we back the management teams running the companies in which we invest.

We will often take a seat on the company's board and identify a non-executive chairman to provide additional support to management.

ENDS