

Top Track 250 press release

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BRITAIN'S LEADING MID-MARKET PRIVATE COMPANIES SHOW AMBITION FOR GROWTH

Mid-market private companies continue to show ambition to grow through the downturn, according to the latest Sunday Times HSBC Top Track 250 league table, published today.

Now in its seventh year, the league table ranks Britain's 250 leading mid-market private companies. They represent the next tier down from the Top Track 100 private companies with the biggest sales, provided they have also either increased sales or operating profit in their latest available accounts.

The league table features a host of well-known brands including **Warburtons, Selfridges, Virgin Active, Manchester United FC, Nando's, Dreams** and **Yeo Valley**.

Despite tough conditions, two thirds of companies on the league table improved their operating profit margin in their latest year and 86% increased their sales to a combined **£71.2 billion**. This represents an increase of **11%** on their sales in the previous year and is equivalent to roughly 5% of GDP. The companies combined added **23,200** to their headcount in the last year, bringing the total employees to **464,933**, equal to 1.5% of the UK workforce.

The Top Track 250 is sponsored by **HSBC** and **Grant Thornton**. It is compiled by **Fast Track**, the Oxford-based networking events and research company which champions top-performing private companies.

Top 10 leading mid-market private companies in Britain

National rank [2010 rank]	Company Activity	Location of HQ	Sales £m	Profit £m [†]	Staff	Year end	Main shareholders
1	Partnership Life Assurance <i>Life assurance underwriter</i>	Central London	587.9	36.1	409.7	Dec 10	Cinven (>50%)
2 [6]	Noble Foods <i>Egg products manufacturer</i>	Hertfordshire	558.8	25.9	533.5	Sep 10	Peter Dean (50%), Michael Kent (50%)
3 [15]	Farmfoods <i>Frozen food retailer</i>	Cumbernauld, Glasgow	558.0	17.7	468.9	Dec 10	Eric Herd and family (94%), William McCreadie (6%)
4 [28]	The Edrington Group <i>Whisky and rum distiller</i>	Glasgow	553.4	162.6	468.3	Mar 11	The Robertson Trust (76%), employees, former employees (24%)
5 [12]	Gondola <i>Restaurant operator</i>	Central London	545.0	52.7	509.3	Jun 10	Cinven, management
6 [25]	B&M Retail <i>Discount retailer</i>	Liverpool	538.3	35.4	426.7	Dec 10	Bobby and Simon Arora (100%)
7 [13]	Henderson Group <i>Food wholesaler</i>	County Antrim	532.0	16.8	507.2	Dec 10	Geoffrey Agnew (12%), Martin Agnew (12%), Family Trusts (76%)
8 [24]	Dhamecha Foods <i>Cash and carry wholesaler</i>	Wembley	†527.2	†9.8	428.5	Mar 11	Dhamecha family (100%)
9	ASCO <i>Oil and gas logistics provider</i>	Aberdeen	514.8	17.3	390.9	Dec 10	Phoenix Equity Partners (69%), Indigo Capital (6%), management (25%)
10 [29]	bet365 <i>Online bookmaker</i>	Stoke-on-Trent	†501.4	†95.4	419.8	Mar 11	Coates family (93%), Will Roseff (7%)

‡ Operating profit before exceptional items † Figures are pro forma, draft, or not yet filed at Companies House * Annualised figure

Ian Henley, UK head of Corporate & Structured Banking at **HSBC**, the title sponsor of the league table since its inception seven years ago, praised Britain's mid-market stars:

"It is great to see privately-owned companies in Britain – including many which HSBC has helped to support – making such a positive contribution to the UK economy despite tough trading conditions."

KEY FINDINGS

This year's league table shows that many of Britain's private, mid-sized firms are proving innovative and ambitious in the downturn. 215 companies increased sales and 170 improved operating margins in the last year.

Partnership Life Assurance, the number one company, is owned by Cinven. It increased sales by 43% to £587.9m in 2011, after developing a successful niche for itself in the insurance broking industry, designing annuities, care plans and equity-release schemes for people suffering from serious medical conditions.

International operations

The majority of companies have some international sales, and 115 have at least one foreign subsidiary.

The company with the highest reported international sales is recruitment agency **Swift Worldwide Resources** with £371m, 95% of total sales in 2010. The company has been providing manpower to the oil and gas industry around the world for the last 25 years.

53 companies report that they have a subsidiary in an emerging economy, including offshore services provider **Sparrows Offshore Group**, which provides its lifting and handling services internationally and owns companies in Malaysia and Brazil. Metal maker and engineer **Luxfer Group** is another example, owning companies in China and India. Amongst other specialist products, it makes oxygen cylinders that played an important role in rescuing the trapped Chilean miners last year.

Debt

The combined debts of league table companies are £37.5 billion. Many have taken steps to refinance during the year, and others have accepted debt-for-equity swaps to straighten out their balance sheets. More than a fifth of Top Track 250 companies own borrowings that are more than 10 times operating profits.

Buyouts and acquisitions

Companies that were conservative in the last few years are starting to show a readiness to invest cash in targets that provide a good strategic fit. Large deals during the year include **Betfred's** £265m deal to buy the Tote from the British government; and Gerald Ronson's fuel forecourt operator **Snax 24's** £350m acquisition of some of the UK assets of French company Total.

Mid-market private equity acquisitions have been thin on the ground this year. The big transactions that took place included Advent's £925m tertiary buyout of the specialist healthcare provider **Priory Group** from ABN Amro in January; and, in May, Charterhouse backed a tertiary buyout of environmental consultancy **ERM** from Bridgepoint, acquiring 65% of the shares and valuing the company at £585m.

Regionals

Most of the companies are based in the London (65) and Southeast (54). The remainder breaks down as follows: Northwest (32), Midlands (23), Scotland (20), Northeast (19), Southwest (12), East (11), Northern Ireland (10) and Wales (4).

The full findings are published in a special 12-page supplement within the business section of **The Sunday Times** on 16 October and on www.fasttrack.co.uk, where you can access a searchable database of all 250 companies as well as past league tables.

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Notes for editors

Fast Track has published national league tables of top-performing private companies with **The Sunday Times** for the past 14 years, and its invitation-only events provide a valuable opportunity for entrepreneurs to network and also meet its sponsors. The company was founded and is run by Dr Hamish Stevenson, who holds an associate fellowship at Green Templeton College, Oxford University.

League table criteria

Companies are ranked by sales in their latest available accounts. Top Track 250 is the sister publication of Top Track 100, which identifies Britain's 100 private companies with the biggest sales. The league table ranks the 250 next biggest private companies, which qualify for the league table provided either sales or operating profits have increased in their latest available accounts.

Companies have to be registered in the UK, unquoted, and not subsidiaries. Companies may have their ultimate holding company offshore. The research was carried out by Fast Track and the league table was not necessarily updated for accounts filed after 2 September 2011.

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