

Formex of Anderstorp sold to American stock market giant

Formex AB of Anderstorp, with 17 employees and sales of SEK 20 million is being sold to Tyco Electronics, the largest subsidiary in the giant US corporation Tyco International, listed on the NYSE. (Please note: Tyco is headquartered in Bermuda and is not a U.S. corporation. However, Tyco Electronics Corporation has its headquarter in Harrisburg, Pennsylvania, U.S.)

The sale will be a cash transaction with the three founders, who own 60% of Formex, and the venture capital company InnovationsKapital that owns 40%. Both parties have agreed not to publish the acquisition amount.

Formex was formed in 1995 and develops leading edge expanded beam connectors for fibre optic communication in harsh environments. The products are used mainly in civil aviation as well as in telecommunications and the defence industry.

"The sale is positive for Formex, for our employees and for the area around Anderstorp. Having a major international owner like Tyco Electronics behind us significantly improves our opportunities of developing and expanding," says Peter Földi, CEO and one of Formex's founders.

InnovationsKapital's investment in Formex was one of the company's first investments after it began in 1994.

"Shortly after we started ourselves we invested a modest amount in conjunction with Formex's start-up in 1995. The value has progressed well and having sold our holding we are pleased to see a return of 27 times the amount we invested," says Staffan Ingeborn, MD at InnovationsKapital.

Tyco Electronics has 75,000 employees and sales of just over USD 10 billion. The company was set up in 1999 with AMP and Raychem as the base, but despite its youth, it is already the largest company within the Tyco International Group. Tyco Electronics develops, manufactures and markets fibre optic connectors and contacts for fibre optic communication and has business activities worldwide.

"Even if Formex is a small company, their cutting-edge competence is important for us. The acquisition is completely in line with our long-term strategy of expanding our market shares and strengthening our competitive edge in advanced component solutions for fibre optic communication," says Christer Thibblin, MD of Tyco Electronics Nordic activities.

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InnovationsKapital

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InnovationsKapital was founded in 1994 and is one of Sweden's leading venture capital firms for innovative early stage growth companies. The business is focused on investments within Information & Communication Technology and Healthcare & Life Sciences, dynamic sectors that are rapidly expanding and where Nordic research plays a leading role.

Total capital amounts to SEK 550 million, divided between two funds, which include investors from reputable Swedish and international institutions.

Long experience, links with researchers and a well-developed network give InnovationsKapital access to unique know-how, which it uses to assess the development and growth potential of businesses. This experience is exploited in one of the industry's most highly developed investment processes.

Further information can be obtained at: www.innkap.se

Tyco Electronics, headquartered in Harrisburg, Pennsylvania, USA, is the largest passive electronics components supplier in the world, providing advanced technology products from its AMP, Alcoswitch, Buchanan, Critchley, Elcon, Elo Touchsystems, M/A-COM, Madison Cable, OEG, Potter & Brumfield, Raychem, Schrack, Simel and TDI brands.

For further information please see: www.tycoelectronics.com