

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

REQUEST FOR ACTION

**Subject:** Alternative Asset Commitment

**Action Requested:** Approval of Summa Equity I, L.P.

**Background and Summary:** We recommend a commitment of up to SEK 345 million (~ \$40 million) from the Long Term Portfolio to Summa Equity I, L.P., a Stockholm, Sweden; and Oslo, Norway; based private equity fund which will invest in private, lower mid-market companies in the Nordic region.

Summa Equity is a newly formed firm led by Reynir Indahl, previously with Altor Equity Partners, and four other partners who have prior private equity investment experience in the Nordic region. Each partner has a sector specialization, which allows the firm to take a thematic investment approach and facilitates deal sourcing on a proprietary basis. The investment themes of particular interest to Summa include resource scarcity, energy efficiency, healthcare related to changing demographics, and technology enabled businesses.

The fund will focus on buyout transactions in the lower mid-market sector, a relatively inefficient and less competitive market segment. The investments will be in high growth, market leading companies with resilient business models where demand for their products and services are expected to persist even if there were a general economic slowdown. Portfolio companies will be positioned to grow organically, through buy-and-build transactions, and by international expansion.

Summa investment professionals will work closely with management to set the strategic direction within its portfolio companies, to implement value creation initiatives, and to manage the exit process. The firm anticipates holding investments from three to seven years, but may hold investments longer to capture more fully the benefits of earlier growth initiatives.

This commitment offers the Long Term Portfolio the opportunity to invest alongside a newly formed but successful Nordic investment team in a region-specific, sector-differentiated portfolio of lower mid-market companies with long term growth potential.

Respectfully submitted,



Kevin P. Hegarty  
Executive Vice President and  
Chief Financial Officer

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