

OFI Private Equity Capital NAV reaches nearly €150 million

Half year consolidated turnover of €165 million increasing by 9%

Olivier Millet, President of the Management Board of OFI Private Equity, said: The acceleration in the consolidated turnover growth of 12% on the second semester 2010 confirmed the positive trend noted since the beginning of the year. This progression came together with a perfect control of the operating margins. The trend in the first semester makes us optimistic for the second one, during which the internal growth could be amplified by build-ups operations. The shareholder's equity strengthening, due to the successful capital increase of €35 million, allows reducing the net debt over shareholder's equity ratio to 5% versus 36% on March 2010. This operation gives us the opportunity to realize new investments on a more favorable market and then continue portfolio diversification. As a result of this capital increase, OFI Private Equity Capital NAV is €148.6 million or €14.09 by share after payment of the annual dividend of €0.27 by share. The combination of a strengthened financial structure and growth in companies activity should contribute to the decrease of the share discount compared to the NAV during the coming quarters.

> CONSOLIDATED TURNOVER

Consolidated turnover for semester ended 30 June 2010 was €164.5 million, compared to €151.2 million on a 30 June 2009 comparable basis, an increase of 8.8%. This increase is based on a good level of activity, especially for Léon de Bruxelles and Financière de Siam.

The 2nd quarter turnover is €85.2 million, compared to €76million in 2nd quarter 2009, an increase of 12%.

> KEY EVENTS OF THE PORTFOLIO COMPANIES DURING THE SECOND QUARTER OF 2010

- **DESSANGE International** – *world leader in high end beauty salons (1,000 salons)*
 - 24% of the value of the portfolio of OFI Private Equity Capital
 - A part of the investment was sold to a family office, on the basis of a price superior of 40% to the initial price of July 2008. The FCPR OFI PEC 2 owns 63% of the group after this operation.
 - Negotiations in progress for acquiring the master franchise in the US
 - Stability of the turnover at €M25
- **Léon de Bruxelles** – *one of France's leading specialty restaurant chains Belgian brasserie - 56 restaurants*
 - 19% of the value of the portfolio of OFI Private Equity Capital
 - Increase in the revenues of 21% to €50.1 million in the first half of 2010 and increase of the number of customers of 2.4% on a comparable basis
 - Sale of the building of five restaurants to CILOGER for €8.5 million and increased capacity to finance the acquisition of new restaurants amounting to €20 million
 - Good progress in 2010/2011 restaurants opening plan.

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- **IMV Technologies** – *world leader in biotechnologies for animal reproduction*
 - 19% of the value of the portfolio of OFI Private Equity Capital
 - First semester activity remains stable compared to 2009
 - Build-ups opportunities
 - New plant delivery in l'Aigle in Normandy planned in August
- **Groupe Financière de Siam** – *a world leader of advanced industrial sealing solutions*
 - 21% of the value of the portfolio of OFI Private Equity Capital
 - The market comes more favourable, specifically in USA and UK
 - Turnover increase of 10% compared to 2009
 - Bank negotiations were finalized in July to reset covenants on the French scope of Financière de Siam
- **Gault & Frémont** – *French leader for specialty packaging in paper and cardboard for the pastry and bakery markets*
 - 8% of the value of the portfolio of OFI Private Equity Capital
 - Purchase of a new business in progress
 - Slight decrease of turnover to €16 million
 - Certification FSC (Forest Stewardship Council), PEFC (Programme Européen des Forêts Certifiées) and Imprim'Vert, eco-labels that enable to give value to wood products resulting from responsible forest management.
- **Fondis Electronic** – *French leader for hand-held scientific and analytical instruments for industrial and property sectors*
 - 3% of the value of the portfolio of OFI Private Equity Capital
 - Turnover increase of 39% compared to 1^{er} semestre 2009, 16 % on a comparable basis

In addition, OFI Private Equity Capital is a minority shareholder of four other companies: Mors Smitt, Crédirec, Groupe BFR and Axson Technologies. Average turnover increased of 7.5% in the first semester. These four minority holdings represent 8% of the value of the portfolio.

Detailed comments on the 1st semester are presented in the documents « Informations sur l'évolution de l'activité du 1^{er} semestre 2010 » available on the website.

> KEY EVENTS OF OFI PRIVATE EQUITY CAPITAL DURING THE SECOND QUARTER OF 2010

The capital increase launched on 14 June 2010 and paid on 12 July was a success, the offer was oversubscribed with a total request covering more than 105.5% of the offer.

The issuance of the ABSA procures OFI Private Equity Capital with new resources enabling it to seize opportunities for acquisitions from the second half of 2010 according to the opportunities, before achieving the natural rotation of its portfolio for the 2011/2013 period, thus giving it a certain level of autonomy in its development.

Besides, OFI Private Equity Capital paid the 8th July a dividend of €0.27 by share, to shares existing before the capital increase.

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> NET ASSET VALUE AT 30 JUNE 2010

The capital increase is recorded as creditor at 30 June 2010 for an amount of €35,2 million. The cash was received on 12 July. 4.633.638 shares were issued, the total number of share is now 10.545.500.

With these data, NAV at 30 June is €148.6 million, and €14.09 by share.

NAV at 30 June 2010 is split as follows, compared to the proforma NAV at 30 March 2010 including the capital increase:

	30 June 2010		31 March 2010 Proforma *	
	€M	per share	€M	per share
Majority investments at fair market value	151,7	14,4	148,5	14,1
Minority investments at fair market value	13,6	1,3	13,1	1,2
Total portfolio	165,2	15,7	161,6	15,3
Financial debt	-46,3	-4,4	-45,9	-4,4
Treasury portfolio	3,6	0,3	4,6	0,4
Net financial debt	-42,7	-4,1	-41,3	-3,9
Capital increase - cash received 12 July	35,2	3,3	35,2	3,3
Net financial debt after capital increase	-7,6	-0,7	-6,2	-0,6
Othe assets and liabilities	-2,2	-0,2	-2,4	-0,2
Dividends to pay	-1,7	-0,2	0,0	0,0
Minority interests	-5,2	-0,5	-5,0	-0,5
Net Asset Value	148,6	14,1	147,9	14,0

* Proforma : after capital increase

The increase in the value of the portfolio is due to the Leon de Bruxelles growth and to the DESSANGE International value increase based on the June transaction price. These two increases are partly compensated by the slight decrease of the comparable company multiples used to value the individual components of the portfolio (along with the discounted cash flow method). The interests earned on the mezzanine portfolio increase of €1.3 million during the quarter.

With the capital increase cash received on 12th July, the net treasury portfolio is at €38.8 million. The net financial debt after capital increase cash is reduced to €7.6 million (versus €41.3 million at 31 March 2010). This includes a €30 million of 5 year Senior Notes due 2013, and a drawn down credit line of €15 million due September 2011.

The Net Gearing Ratio (debt net over shareholders' equity) after capital increase is at 5.1% versus 36.5% at end of March.

Other liabilities include principally minority interests (€5.2 million), principally related to the FCPR OFI PEC 2 which has been opened to external investors in 2008, the provision for carried interest (€3.2 million) as well as accounts payable. Other assets include investments held for sale to managers of the portfolio companies (€0.9 million) and an historical investment (€0.3 million).

> PRIVATE EQUITY PORTFOLIO AT 30 JUNE 2010

At 30 June 2010, OFI Private Equity Capital has ten unquoted companies in its private equity portfolio:

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imv
TECHNOLOGIES

Léon
DE BRUXELLES

siem
SUPRANITE

The
Flexitallic
Group

Gault & Frémont
Inventeur de solutions d'emballage

Fondis
ELECTRONIC

- six companies under majority control: DESSANGE International, IMV Technologies, Léon de Bruxelles, Groupe Financière de Siam (Siem Supranite and The Flexitallic Group, Inc.), Gault & Frémont and Fondis Electronic
- four companies through minority investments: Mors Smitt Holdings, Crédirec, Groupe BFR/Japack, and Axson Technologies.

As at 30 June 2010, the private equity portfolio is valued at €165.2 million, an increase of 35% compared to the initial investment cost of €122.6 million. This increase in value does not include the cash interests paid by the mezzanine portfolio (€3.5 million since July 2007).

€ millions	Initial investment cost	Valuation at 30 June 2010	Change
Equity portfolio	68.6	99.3	+ 45%
Mezzanine portfolio	54.0	65.9	+ 22%
Total Portfolio	122.6	165.2	+ 35%

> OUTLOOK

After a promising first semester, the companies in the portfolio should be in a good position to benefit from the expected economic recovery and to implement their growth plans. Several of these could be realized during the course of 2010.

> ABOUT OFI PRIVATE EQUITY CAPITAL

OFI Private Equity Capital is an investment company quoted on NYSE Euronext (code: OPEC), which invests in both equity and mezzanine in secondary buy-outs of French companies with enterprise values of between €15 and €75 million that have been the subject of a previous LBO.

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Preliminary financial calendar:

Consolidated financial results at 30 June 2010 : 28 September 2010

Net Asset Value at September 2010 : 4 November 2010

Share information:

Ticker: OPEC

Listing: NYSE Euronext Paris Compartment C

ISIN code: FR0000038945

Number of shares: 10 545 500

For more information, please consult our web site at: www.ofi-pecapital.com

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Valuations at 30 June 2010

As in prior periods, OFI Private Equity Capital follows the valuation guidelines set forth by the International Private Equity & Venture Capital Valuation Board (« IPEV »), which have been adopted in their entirety by AFIC and EVCA, in the preparation of its quarterly valuation of its investments. Historically, the valuation process used by OFI Private Equity Capital for unquoted investments is based principally on comparables, whether of multiples of earnings of a comparable quoted peer group, or in comparison to a recent transaction, as well as the discounted cash flow (« DCF ») method. The multiples of comparable quoted companies are used after applying illiquidity discounts of between 20 and 65%.

The coherence of the results obtained (in terms of implied EBITDA multiples) have been validated with each particular quoted peer group, and in particular with the actual EBITDA multiples paid by OFI Private Equity Capital during the initial investment. The valuation of the portfolio at 30 June 2010 (excluding Fondis) results in implied EBITDA multiples between 4.6x and 9.1x, for an average implied multiple of 6.6x, compared to an average multiple paid for the investments of 6.1x. The average multiple for the majority held investments, excluding Fondis, is 7.6x

	Acquisition	% of portfolio	Change over 2nd quarter 2010
Majority held investments			
DESSANGE International	juil-08	24%	+ 3,9%
Financière de Siam (Siem et Flexitallic)	oct-06	20%	- 2,0%
IMV Technologies	juin-07	19%	+ 1,6%
Léon de Bruxelles	avr-08	19%	+ 7,2%
Gault & Frémont	mai-08	8%	+ 1,6%
Fondis Electronic	juin-08	3%	- 7,9%
TOTAL		92%	
Minority held investments			
Mors Smitt International	mai-06	4%	+ 4,7%
Crédirec	avr-06	2%	- 1,8%
Groupe Japack	fev 07	1%	- 1,8%
Axson Technologies	janv-06	1%	+ 21,5%
TOTAL		8%	

Turnover by quarter:

€M	Q1	Q2	Q3	Q4	Cumulative
2010	79,3	85,2			164,5
2009 basis comparable	75,2 **	76,0 **	77,4	78,4	307,0

NAV: The consolidated financial statements of OFI Private Equity Capital under IFRS include the changes in the scope of consolidation, including the consolidation of the FCPR OFI PEC 1 and FCPR OFI PEC 2, the companies IMV Technologies, Siem Supranite, The Flexitallic Group, Inc., Léon de Bruxelles, Gault & Frémont, Fondis Electronic and DESSANGE International, as well as their respective acquisition holding companies. In order to give greater clarity and comparability over time, OFI Private Equity Capital publishes every quarter a Net Asset Value, which is a financial indicator reflecting the Company's true vocation as an investment company. NAV is calculated on the basis of the consolidated financial statements of the Company on a basis which includes only the company OFI Private Equity Capital and the FCPR OFI PEC 1 and FCPR OFI PEC 2, with all the investments in the FCPR at fair market value. Given this different scope of consolidation, NAV is not strictly comparable to the consolidated financial statements under IFRS. Additional information regarding Net Asset Value can be found in the Company's Reference Document, available on its internet site.

** Reclassification of €4.5 million between the first and second quarter 2009 between published accounts and on a comparable basis.

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