

## OFI Private Equity Capital announces for year 2010 an increase in consolidated revenue to €339M and in operational results

### Proposed dividend at €0.50 per share for 2010 First Quarter 2011: NAV + 3.8% and Turnover + 6.3%

OFI Private Equity Capital releases its 2010 consolidated financial results and its 2011 first quarter NAV, as examined by the Supervisory Board on 15 April 2011.

Increasing consolidated financial results in 2010 :

- Consolidated revenue amounting €339M, ie a 11% growth;
- Operating margin of €56M, increasing by 18% and representing 16,5% of the turnover;
- Restated HEI Restructuring Net income <sup>(1)</sup> of €13,9M.

Continued growth of the NAV on the first quarter 2011, increasing by 3.8% at €15.41 per share

Proposed dividend at €0.50 per share for 2010, increasing by 85%.

Olivier Millet, President of the Management Board of OFI Private Equity said: « *All our portfolio companies enjoyed a positive trend in 2010 : five out of our six majority held companies have posted strong growth in their activity during 2010, while maintaining high level of operational profitability. 2010 was also marked by the successful, value creative exit of IMV Technologies (showing multiple around 2,5x on the initial investment in three years). The NAV at 31 March 2011 has continued growing, notably driven by the good performances of Léon de Bruxelles and Financière de Siam. In addition, Fondis, which had experienced some difficulties in 2009 in context of real estate crisis and has just completed its financial restructuring, is now in a position to redevelop. Our capacity to continue our investment strategy into quality SMEs will be reinforced by the operation that we are announcing today with Eurazeo. Also, this operation will enable the management teams to accelerate their development activities in France and internationally. The strengthening of our new financial capabilities put us in an excellent position in order to capture the best investment opportunities that will arise over the coming months* ».

#### 1. 2010 CONSOLIDATED RESULTS (IFRS)

##### Consolidated income statement

Consolidated revenue from operations rose from €307 million to €339 million in 2010. Léon de Bruxelles enjoyed strong business growth of 13%, which was structurally driven by the opening of new restaurants, 5 new restaurants for a total of 59 at 31 December 2010. The Financière de Siam group also boasted sound business growth of 17%, notably due to the launch of new products and its ongoing expansion on emerging markets. Five out of the Group's six investments saw growth in their business over the year.

(1) Restated HEI Restructuring : see page 2

#### MAJORITY SHARES

EBITDA from recurring operations rose from €47.3 million to €55.9 million, representing growth of 18%. This figure reflects the profitability of consolidated investments and includes the structural costs of OFI Private Equity Capital. EBITDA margin increased from 15.4% to 16.5%, attesting to the structural profitability of consolidated investments and the Company's growth in 2010.

Other operating income and expenses was down from net income of €4.5 million in 2009 to a net loss of €25.9 million in 2010. In 2010, this item included:

- Income from the disposal of IMV Technologies, an investment sold in October 2010. The world leader in reproduction biotechnology, acquired in 2007 and fully consolidated, was sold at a multiple of 2.5x. The income from the sale recognized in 2010 totaled €16.4 million.

- The impairment of the intangible assets of HEI/Fondis : €31.1 million in impairment was recognized for the period due to the company's distress. Given HEI's difficulties in repaying its financial liabilities, the company engaged in negotiations with its creditors, which resulted in the restructuring of its debt. Following the restructuring transactions, HEI reduced its financial liabilities by €41.9 million. At 31 December 2010, the formal agreement with creditors was subject to a condition precedent, which was met after the reporting date. Although the restructuring agreement was signed by the Company's Supervisory Board prior to the end of the reporting period, the consequences of the restructuring could not be recorded in the 2010 financial year and will be fully recognized in the 2011 financial statements. In 2011, the financial liabilities extinguished through the use of equity instruments will rise the accounting income of €30 million.

After taking into account the Group's cost of net debt of €25.9 million and income tax of €2.2 million, the Group's net losses came out at €16.5 million, with €8.1 million in losses attributable to equity holders of the parent. Net profit restated for the restructuring of HEI/Fondis totalled €13.9 million and €4.9 million attributable to equity holders of the parent.

M€	31/12/2010 31/12/2009			Restated at
				31/12/2010
				HEI
				Restructuring (1)
Turnover	339,2	306,6	+ 11%	339,2
<b>EBITDA</b>	<b>55,9</b>	<b>47,3</b>	+ 18%	<b>55,9</b>
<i>% of turnover</i>	<i>16,5%</i>	<i>15,4%</i>		
Depreciation and Amortisation	-18,4	-16,3		-18,4
<b>Résultat opérationnel courant</b>	<b>37,5</b>	<b>31,1</b>		<b>37,5</b>
Other operational income or expense	-25,9	4,5		4,4
<b>Operating profit</b>	<b>11,5</b>	<b>35,6</b>		<b>41,9</b>
Other financial revenue and expense	-25,9	-26,8		-25,9
Income taxes	-2,2	-2,5		-2,2
<b>Net income</b>	<b>-16,5</b>	<b>6,3</b>		<b>13,9</b>
Net Income attributable to shareholders	-8,1	8,7		4,9
Net Income attributable from minority interests	-8,4	-2,4		9,0

(1) Restated HEI Restructuring

Given HEI/Fondis's difficulties in repaying its financial liabilities, the company engaged in negotiations with its creditors, which resulted in the restructuring of its debt. At 31 December 2010, the formal agreement with creditors was subject to a condition precedent, which was met after the reporting date. Although the restructuring agreement was signed by the Supervisory Board of OFI Private Equity Capital prior to the end of the reporting period, the accounting consequences of the restructuring could not be recorded in the 2010 financial year and will be fully recognized in the 2011 financial statements. However, OFI Private Equity Capital considers that the depreciation of HEI's intangible assets and the company's financial restructuring cannot be dissociated. As such, the 2010 income statement and balance sheet include restated figures to account for the impact of this agreement. The financial restructuring of HEI has generated accounting income, which is recognized in the restated financial statements under "Other operating income and expenses", thus compensating the impairment of these intangible assets.

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## Consolidated balance sheet

M€			Restated at
	31/12/2010	31/12/2009	31/12/2010 HEI Restructuring (1)
Non-current assets	415	465	415
Current assets	182	157	182
<b>TOTAL ASSETS</b>	<b>596</b>	<b>623</b>	<b>597</b>
Equity attributable to shareholders	98	74	114
Minority interests	12	32	30
Total shareholders' equity	110	106	143
Long term liabilities	333	331	340
Current liabilities	153	185	114
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>596</b>	<b>623</b>	<b>597</b>
Incl. financial net debt	237	263	204

(1) Restated HEI Restructuring : see Income Statement

### Shareholders' equity

Equity attributable shareholders totalled €98.5 million, or €9.34 per share, at 31/12/2010 and €113.6 million as restated for the HEI Restructuring (i.e. €10.77 per share), compared with €73.6 million at 31/12/2009. This change is primarily due to the €34.6 million capital increase, earnings for the year and the dividend payout. Minority interests include the equity ownership of managers and other co-investors.

### Cash Flow and financing

The Group's consolidated cash flow rose from €72 million to €92.1 million. All six investments posted a positive cash position, which had either increased or remained stable on the previous year.

Consolidated net debt, which includes long-term and short-term financial liabilities less cash, was down from €263.5 million to €237.5 million and stood at €204 million as restated for the HEI Restructuring.

The net debt position presented in the consolidated balance sheet of the OFI Private Equity Capital Group breaks down as follows:

- €1 million in net debt taken out by OFI Private Equity Capital at 31 December 2010, including:
  - €30.7 million in bonds issued in 2008 and maturing in 2013.
  - A €9.9 million one-year bank loan taken out in 2010. Of the total €15 million borrowed, €5 million was repaid in November 2010 following the disposal of IMV Technologies. In March 2011, this position was replaced with another €15 million due in November 2013.
  - €39.6 million in drawdowns on net cash.
- The net debt of portfolio companies breaks down as follows:
  - €206.9 million in bank loans or financial leases taken out as part of their financial arranging or to finance their development.
  - €52.5 million in cash.

Net bank debt totalled €154.4 million for the six investments, representing 3.2x 2010 EBITDA.

- €82 million in junior and senior mezzanine debt.

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The reduction in net debt is mainly due to:

- An increase in the cash of OPEC following the capital increase.
- Changes in scope due to the sale of IMV Technologies and the purchase of Mors Smitt,
- Capitalised interest on bonds,
- The Dessange International share buyback programme.

OFI Private Equity Capital cannot be held liable for this debt as the Company did not act as guarantor. Moreover, OFI Private Equity Capital has no legal obligation to back any portfolio companies facing cash flow problems, nor do the companies have any obligation to back each other.

At 31 December 2010, all portfolio companies honoured their bank and mezzanine debt covenants, except for HEI. In application of IAS 1 and AMF recommendations, HEI's debt is recognised as current debt at 31 December 2010 in the amount of €32.7 million.

The consolidated financial statements are presented in the Registration Document of OFI Private Equity Capital, available as of 28 April 2011 on request or on its website.

## 2. PROPOSED DIVIDEND DISTRIBUTION OF €0,50 PER SHARE

Subject to the approval of the Annual General Meeting of Shareholders to be held on 14 June 2011, OFI Private Equity Capital proposes to distribute to shareholders a dividend of €0.50 per share for the fiscal year ended 31 December 2010, to be paid by cash from 20<sup>th</sup> of June 2011.

## 3. REEVALUATED NET ASSET VALUE AT 31<sup>ST</sup> MARCH 2011

NAV at 31st March 2011 is at €162,5M and 15,41 euros per share. The NAV is split as follows :

	31/03/2011		31/12/2010	
	€M	per share	€M	per share
Majority investments at fair market value	152,1	14,4	154,5	14,7
Minority investments at fair market value	12,0	1,1	11,5	1,1
<b>Total portfolio</b>	<b>164,1</b>	<b>15,6</b>	<b>166,1</b>	<b>15,7</b>
Treasury portfolio	46,0	4,4	40,5	3,8
<b>Net financial debt</b>	<b>210,1</b>	<b>19,9</b>	<b>206,6</b>	<b>19,6</b>
Financial debt	-31,3	-3,0	-40,5	-3,8
Other assets and liabilities	-11,1	-1,0	-4,1	-0,4
Dividends to pay	0,0	0,0	0,0	0,0
Minority interests	-5,2	-0,5	-5,4	-0,5
<b>Net Asset Value</b>	<b>162,5</b>	<b>15,41</b>	<b>156,6</b>	<b>14,85</b>
Change Q1 2011		<b>+3,8%</b>		

The variation of portfolio value during the 1st quarter is mostly explained by the refinancing of €11.7M on the Mors Smitt operation subscribed by OFI Private Equity Capital in October 2010 as well as the Dessange share buybacks for +€3,1 M. The strong increase in the Léon de Bruxelles and Financière de Siam activities also contribute to the €7,2M growth of the equity portfolio.

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On the 31st of March 2011, the level of treasury is €46M, increasing by €5,4M. This increase is explained by the cash generated from the refinancing of Mors Smitt, partly compensated by the payback of the €10 M bank debt. The financial indebtedness includes a €30M bond with maturity in December 2013.

Other assets are mostly comprised of investments held to be sold to the portfolio companies' management (€1 M) and other liabilities of the reserve for carried interest (€9.5M). The minority shareholdings are comprised of third investors' part in the OFI PEC 2 FCPR.

#### 4. PRIVATE EQUITY PORTFOLIO AT 31 MARCH 2011

On the 31th March 2011, OFI Private Equity Capital had ten unquoted companies in its private equity portfolio:

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

The complete private equity portfolio is valued on the 31st of March 2011 at €164,1M, a 33% increase against the initial cost price of €123,1 M. This value increase of the portfolio does not include the cash interests paid by the mezzanine portfolio (€4M since July 2007), nor the capital gains already cashed on the IMV Technologies and Autoescape operations.

€ millions	Initial investment cost	Valuation at 31 March 2011	Change
Equity portfolio	76,4	111,2	+ 46%
Mezzanine portfolio	46,7	52,9	+ 13%
<b>Total Portfolio</b>	<b>123,1</b>	<b>164,1</b>	<b>+ 33%</b>

#### 5. CONSOLIDATED TURNOVER: + 6,3 % ON THE FIRST QUARTER OF 2011

Consolidated turnover on the 31st of March 2011 amounts €84,3M, against €79,3 M on the 31<sup>st</sup> of March 2010, thus an increase of +6,3%, and +8,4% with a comparable range of activity. This increase is notably driven by a significant growth in activity for Léon de Bruxelles (+13%) and Financière de Siam (+14%).

#### 6. PORTFOLIO COMPANIES ACTIVITIES DURING THE FIRST QUARTER OF 2011

- **DESSANGE International – world leader in high end beauty salons (1,000 salons) :**
  - Represents 26% of OFI Private Equity Capital's portfolio value
  - Completion of the acquisition of the Dessange master franchise in the US
  - Negotiations in progress for setting in China
  - Constant Turnover compared to March 2010
- **Léon de Bruxelles – one of France's leading specialty restaurant chains (Belgian) brasserie - 59 restaurants) :**
  - Represents 24% of OFI Private Equity Capital's portfolio value
  - Turnover progression of 13% on the first quarter 2011, and 8% on a comparable range,

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- Openings of 7 new restaurants during the year 2011.
- **Groupe Financière de Siam – a world leader of advanced industrial sealing solutions for high tech industries :**
  - Represents 27% of OFI Private Equity Capital's portfolio value
  - Turnover progression of +14% on the first quarter 2011 compared to the first quarter 2010,
  - Continued expansion on emerging markets,
  - Continued industrial and operational integration of the production sites located in Great Britain.
- **Mors Smitt – World leader of onboard electromechanical relays for the railway industry :**
  - Represents 7% of OFI Private Equity Capital's portfolio value (major shareholder since 10 October 2010)
  - Activity increase of 7,6% on the first quarter 2011 compared to the first quarter 2010,
  - External growth project abroad under consideration,
  - Great prospects for the new energy measurement systems with the main world manufacturers.
- **Gault & Frémont – French leader for packaging solutions, parchment baking paper and cardboard moulds :**
  - Represents 8% of OFI Private Equity Capital's portfolio value
  - Constant Turnover compared to March 2010, good perspectives for 2011,
  - Gained new customers,
  - New external growth operation completed at the end of March,
  - Other acquisition projects under consideration (product/market diversification).
- **IMV Technologies – World leader in biotechnologies for animal reproduction :**
  - Change of IMV's shareholder majority took place on 28 October 2010. OFI Private Equity retains a minority shareholder position
  - Represents 3 % of OFI Private Equity Capital's portfolio value
  - 2011 activity growing by c.11%,
  - External growth opportunities under consideration.
- **Fondis Electronic – French leader for hand-held scientific and analytical instruments for industrial and property sector:**
  - Represents less than 1% of OFI Private Equity Capital's portfolio value (after depreciation)
  - Confirmation of the turnover progression started in 2010,
  - Financial restructuring agreement.

OFI Private Equity Capital is also a minority shareholder of the following companies: Crédirec, Groupe BFR and Axson Technologies. They together represent 4% of OFI Private Equity Capital's portfolio value.

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## > ABOUT OFI PRIVATE EQUITY CAPITAL

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OFI Private Equity Capital is a company quoted on NYSE Euronext (code: OPEC, compartment C, included in CAC All-Tradable, CAC Small 90, CAC Mid & Small 190 and the GAIA indices)The company invests in both equity and mezzanine in French companies with a valuation less than €150/200M.

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Ticker : OPEC

Listing : NYSE Euronext Paris, Compartiment C

ISIN Code: FR0000038945

Number of shares: 10 546 509

For more information, please consult our web site at: [www.ofi-pecapital.com](http://www.ofi-pecapital.com)

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## > OTHER INFORMATIONS

### Valuations at 31st march 2011

As a reminder, 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 their quarterly investments valuation. 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 between 20 and 65%.

The coherence of the results obtained (in terms of implied EBITDA multiples) has 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 31<sup>st</sup> March 2011 results in implied EBITDA multiples between 4,4x and 9,6x, for an average implied multiple of 6,7x, compared to an average multiple paid for the investments of 6,1x l'EBITDA. The average multiple for the majority held investments, excluding Fondis, is 7,9x.

	Acquisition	% of portfolio	Change over Q1 2011	
<b>Majority held investments</b>				
DESSANGE International	juil-08	26%	+ 7,3%	Complementary investment
Financière de Siam (Siem et Flexitallic)	oct-06	27%	+ 6,6%	Activity growth
Léon de Bruxelles	avr-08	24%	+ 5,8%	Activity growth
Mors Smitt International	oct-10	7%	-11,6%	
Gault & Frémont	mai-08	8%	+ 6,6%	Activity growth
Fondis Electronic	juin-08	0%	+ 0,0%	
<b>TOTAL</b>		<b>92%</b>		
<b>Minority held investments</b>				
IMV Technologies	oct-10	3%	+ 1,4%	
Crédirec	avr-06	1%	- 22,4%	Depreciation
Groupe Japack	fev 07	2%	- 3,1%	
Axson Technologies	janv-06	1%	+ 45,5%	
<b>TOTAL</b>		<b>7%</b>		

### Turnover by quarter :

€ millions	Q1	Q2	Q3	Q4	Total
2011	84,3				<b>84,3</b>
2010	79,3	85,2	85,0	89,6	<b>339,2</b>
2010 comparable range**	77,8				<b>77,8</b>

\*\* MSH in Majority Investment - Excluding IMV(Minority)

**NAV:** The 2010 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 DESSANGE International, Léon de Bruxelles, Siem Supranite, Financière de Siam group, Mors Smitt (from 1/09/2010), IMV Technologies (until 30/10/2010), Gault & Frémont and Fondis Electronic 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 Registration Document, available on its internet site.

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