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**Strong developments in the first six months:
2 acquisitions, 6 external growth transactions,
revenue growth of 7.5% at €193 million
and EBITDA growth of 14% at €26 million**

I. SUSTAINED LEVEL OF ACQUISITIONS

In the 1st half of 2014, the investment company Eurazeo PME, the subsidiary of Eurazeo specialised in medium-sized companies, pursued its development programme, on the one hand by completing the acquisition of Vignal Systems in February and of Colisée Patrimoine, which will be finalised in September, and on the other hand by supporting the development of its portfolio with 6 external growth transactions amounting to a total investment of 135 million euros.

Since 2013, a year characterised by the acquisitions of Idéal Résidences, Cap Vert Finance and Péters Surgical, Eurazeo PME will as a result have invested a total of over 216 million euros in 5 companies and 6 external growth transactions, after the acquisition of Colisée Patrimoine is finalised. The enterprise value of these companies represents a total amount of 474 million euros, the average price paid was 8.3x the EBITDA of the acquired companies.

- **Vignal Systems**, European leader in signalling lights for industrial and commercial vehicles - Acquisition of ABL Lights - 2013 pro forma consolidated revenue: €75m.

In February 2014, Eurazeo PME invested 26 million euros to acquire Vignal Systems. Plans for growth are based on the continued technological shift from conventional bulbs to LED, which has been a major source of growth in recent years.

In April 2014, two months after its acquisition by Eurazeo PME, Vignal Systems joined forces with ABL Lights, which ranks second in Europe and in the United States in work lights for off road vehicles, with operations in France, the United States and China. Both companies are thus accelerating their development thanks to strong commercial synergies in France and internationally and thanks to highly

complementary product lines. Eurazeo PME invested an extra 17 million euros in Vignal Systems as part of this deal.

- **Péters Surgical:** acquisition of Vitalitec and Fimed, European leaders in surgical clamps and surgical adhesive specialist, 2013 pro forma consolidated revenue: €60m

In March 2014, Péters Surgical the world's 4th-largest surgical suture specialist, announced the acquisition of Vitalitec, European leader in haemostatic surgical clamps in titanium used to ligature blood vessels. At the same time, the group acquired surgical and haemostatic adhesive manufacturer Fimed. These deals will strengthen the positioning of Péters Surgical as a surgical closure specialist through an expanded range of products: sutures, clips, clamps and surgical adhesives. These two acquisitions will also boost its international presence, thanks to direct operations in the United States and Belgium and expand its network of foreign distributors. Eurazeo PME invested an extra 22 million euros in Péters Surgical to support the group in this dual transaction.

- **Cap Vert Finance:** 3 acquisitions in 7 months - pro forma consolidated revenue: €85m

Cap Vert Finance, a French group specialising in recycling and in maintenance, repair and operations of fleets of servers, critical IT storage and networking equipment, has stepped up its development through the acquisition, in 7 months, of three businesses (Aditia Lease, DCS and Phoenix IT Services), enabling it to strengthen its position as European leader in e-waste recycling through IT infrastructure life-cycle management. The group is now positioned in over 100 countries, with over 230 employees. Cap Vert Finance pro forma consolidated revenue currently amounts to over 85 million euros. These acquisitions were financed without any additional investment from Eurazeo PME.

- **Dessange International:** acquisition of 2 Fantastic Sams master franchises in the United States

The Dessange International group has acquired Fantastic Sams master franchises in Michigan and Kansas, representing a total of 124 out of 1100 Fantastic Sams and Camille Albane salons in the United States. 55% of the salons are now operated through direct franchises, compared to 31% at the acquisition in 2011.

- **Colisée Patrimoine:** France's 4th-largest retirement home operator with revenue of €152m (excl. real estate revenues)

On 17 July 2014, Eurazeo PME announced the acquisition of Colisée Patrimoine, based on an enterprise value of 175 million euros. The group manages 57 establishments,

generating 152 million euros in revenues, plus 38 million euros from its real estate business. The group provides living facilities for over 4 000 residents.

Eurazeo PME will invest 70 million euros and become Colisée's majority shareholder with 64% of the capital alongside Patrick Teycheney, its founder, who will provide additional investment in the new structure, and, Christine Jeandel, the Managing Director of the Medica Group until last March, who will take over chairmanship of the Group under the new set-up.

As of 30 June 2014, **the total portfolio** was worth 272 million euros vs. 218 million euros on 31 December 2013. The increase due to the additional investments is 65 million euros, the increase in the fair value of the investments made before 2013 (2013 and 2014 investments are not revalued before one year) is 8 million euros. Besides, Dessange International has reimbursed a part of the bounds subscribed by Eurazeo PME in 2008, for an amount of 14 million euros.

II. BUSINESS GROWTH FOR ALL PORTFOLIO COMPANIES

Revenue for the first six months amounted to €193.1 million, up 7.5% on a restated basis at a constant Eurazeo PME constant scope (restatement in 2013 for variations relating to the 4 acquisitions in 2013 and 2014 and the sale of The Flexitallic Group in July 2013).

Overall growth was driven by that of Cap Vert Finance, thanks to the signing of contracts with major clients in the maintenance business, that of Gault & Frémont, which reported growth across all business segments, and that of Vignal Systems. The Dessange International group also reported slight revenue growth, as it continues to integrate its business in the United States. The Léon de Bruxelles group remained stable over the period under review, during which it opened 6 new restaurants. Business activity in the retirement home sector for the Idéal Résidences group was stable over the period under review. Péters Surgical revenue figures grew, excluding the calendar effect of an export contract.

Consolidated EBITDA of the companies amounted to €25.9 million compared with €22.7 million in the first half of 2013 on a Eurazeo PME like-for-like basis, i.e. growth of 14%. This rise results from good performance by almost all the group's companies.

As of June 2014, the portfolio consolidated net debt amounts to 191 million euros, with a senior leverage of 2,8x the EBITDA of the companies.

Meanwhile, the senior and mezzanine debt of the Dessange International and Léon de Bruxelles groups were successfully refinanced in April and July 2014 respectively. For

these 2 groups, these new financing arrangements (bank financing for Dessange and Unitranche financing for Léon de Bruxelles) will enable them, in particular, to finance their continued development and reduce their costs.

A few words from Olivier Millet, Chairman of Eurazeo PME's Executive Board: "We have had a very good first half, maintaining strong acquisition momentum sustained by the development of our investments. The acquisition of Vignal Systems, followed two months later by that of ABL Lights, as well as closer ties between Péters Surgical and Vitalitec and Fimed, will allow us to confirm our capacity to transform French SMEs into global mid-cap companies. An expertise we have already shown with Flexitallic Group or Dessange. Moreover, with the current acquisition of Colisée, we aim to participate in the consolidation of a sector which is responsive to the huge demographic challenges faced by France and the whole world."

> **About Eurazeo PME**

Eurazeo PME is an investment firm and subsidiary of Eurazeo dedicated to majority investments in French SMEs with an enterprise value of less than €200 million. Eurazeo PME acts as a long-term shareholder, providing its portfolio companies with all the financial, human and organisational resources they need for a sustained transformation. With an investment horizon generally ranging from five to ten years, it guides its portfolio companies in creating sustained and, hence, responsible growth. This commitment is formalised and deployed through a CSR (Corporate Social Responsibility) policy. Eurazeo PME is a shareholder in 10 companies that are positioned solidly on their market and run by experienced management teams. The 10 companies are: Dessange International, Léon de Bruxelles, Péters Surgical, Idéal Résidences, Cap Vert Finance, Gault&Frémont, Vignal Group and The Flexitallic Group, IMV Technologies, Fondis Bioritech as a minority shareholder.

EURAZEO PME CONTACT	MEDIA CONTACT
<p>Sandra Cadiou scadiou@eurazeo.com Tel : +33 (0)1 44 15 80 26</p>	<p>Havas Worldwide Paris Marie Frocrain Marie.frocrain@havasww.com Tel : +33 (0)1 58 47 86 64- +33 (0)6 04 67 49 75</p>

To find out more, please go to www.eurazeo-pme.com

