

PARIS, MARCH 17, 2017

An eventful 2016 serving SMEs:

3 new acquisitions (€147 million invested) and 6 build-ups,

Revenue up +7% to €965 million and EBITDA up +7% to €127 million

For Olivier Millet, Chairman of the Eurazeo PME Executive Board: *“In 2016, we successfully pursued our investment strategy targeting SMEs with strong growth potential, carrying out three first-rate acquisitions. Within our portfolio holdings, we continued to drive transformation momentum in order to anticipate future disruptions and seize formidable growth opportunities in France and abroad. We have created a new Operating Partner function at Eurazeo PME to serve our entire portfolio. In 2017, the new Eurazeo PME III fund will provide us with the financial resources to accelerate this accompaniment for more companies and talented managers”.*

I. THREE ACQUISITIONS: INVESTMENT OF €147 MILLION

Eurazeo PME acquired a 54% interest in MK Direct, the home linen leader in France with the brands Linvosges and Françoise Saget, for an amount of €49 million.

Founded in 1923 and 1982, respectively, Linvosges and Françoise Saget are complementary brands specialized in home linen, each with a strong identity that combines quality and creativity. A Certified Entreprise du Patrimoine Vivant (Living Heritage Company), Linvosges has its own workshop in Gérardmer (Vosges), where linen articles are custom-made by highly qualified artisans. Located in Les Fougerêts (Brittany), Françoise Saget offers one of the market’s most extensive product ranges, with 50% of new products each year.

Using a versatile business model that combines a catalogue, the web and a national network of boutiques, MK Direct’s managers, Marie-Françoise Kerhuel – Chairman, and Stéphane Poumailloux – CEO, have been able to position the Group as the sole cross-channel player in its segment. The leader in France with a market share of over 20%, MK Direct has more than five million customers. With some 500 employees, the Group generated revenue of €198 million in 2016, for an average annual growth rate of +9% over 10 years. MK Direct is already established in Germany, Belgium and Switzerland.

Eurazeo PME acquired Orolia, world leader in reliable GPS-type signals, alongside the founders and management. Eurazeo PME holds 50% of the capital, with €44 million invested. The acquisition was conducted via a buy-out offer initiated in May 2016 and a delisting in September.

Orolia is a world leader in reliable GPS-type signals, enabling the proper functioning of the most critical positioning, navigation, timing, and synchronization solutions. It provides these technologies to public or private customers, whose systems and infrastructures demand the highest levels of precision, quality and availability. The Group generated revenue of €86 million in 2016.

On September 29, 2016, Eurazeo PME acquired AssurCopro group, the French leader in joint ownership insurance brokerage. Eurazeo PME invested €55 million with the founders and management and currently has a 50% stake. AssurCopro generated revenue of €18 million in 2016.

AssurCopro is a joint ownership insurance broker based in Paris, Cannes and Nice, and a historical player and pioneer of highly specialized property ownership services. AssurCopro was founded in 1998 via the merger of two sector specialists, including one of AXA's oldest general agents created in 1927.

AssurCopro has therefore forged historical relations with insurance firms and local co-owners' associations.

II. ROBUST BUSINESS GROWTH FOR THE PORTFOLIO COMPANIES

Eurazeo PME consolidated revenue stood at €965 million for the year ended December 31, 2016, up +47.9% on a reported basis, +7.3% on a constant Eurazeo PME scope basis (adjusted for the changes relating to the acquisition of Flash Europe, Orolia and MK Direct – the latter two having been consolidated as of July 1, 2016 – and the sale of Cap Vert Finance in July 2015), and +3.7% adjusted for external growth transactions carried out by the holdings in 2015 and 2016 and foreign exchange impacts.

In Q4 2016, business growth stood at +6.6% compared to the previous year at a constant Eurazeo scope, due to the robust performance of all group companies.

The **Colisée** group continued to expand, posting +7% growth in 2016. Colisée has carried out 2 complementary acquisitions in Italy since the start of the year. The group now has 77 establishments, with 70 in France, 6 in Italy and 1 in Spain. Following a successful initial experience in specialized homecare for the elderly with the integration of NHS in May 2016, an activity that complements its core business, the Colisée group became the no. 1 French player with the October acquisition of Bien à la Maison.

Revenue for the **Péters Surgical** group rose +4% in 2016 after restatement of the June 2015 acquisition of the Indian company Stericat. The company stepped up its expansion with the acquisition of Vectec in December 2016, a French manufacturer of disposable medical equipment for laparoscopic surgery. Péters Surgical has therefore boosted its positioning as an operating room specialist, with an extended range of laparoscopic surgical products for gynecological, urological and digestive system surgery.

Flash Europe revenue rose +11% on comparable basis in 2016. The group's core business, Premium Freight, has developed substantially both in France and internationally. In July 2016, Flash Europe sold its non-core subsidiary Biologicistic, a specialist in controlled temperature transport solutions for the healthcare sector. Flash Europe plans to accelerate its international growth in the sameday transport segment. In January 2017, the group acquired EF Express, which operates in the same segment mainly in Germany but also in Portugal and Poland (revenue of €22 million in 2016). At the same time, Flash Europe is boosting its investments in its digital platform that is currently being rolled out.

Vignal Lighting Group posted a +1% revenue increase in 2016. The group continued to expand with the acquisition of CEA at the end of September. Based in Switzerland, CEA specializes in the manufacture of safety products for special vehicles (beacons and bar lights in particular).

The transaction will provide Vignal Lighting Group with a quality production site and complete its product range (signaling, lighting, safety). Following the acquisition of ABL Lights in 2014 and CEA in 2016, the group now has industrial facilities in Europe, North America and Asia to serve local on and off-road vehicle markets.

Dessange International recorded revenue growth of +56% on a reported basis over the period, and stable growth on a constant scope basis after the integration of Coiff'Idis, a company acquired in January 2016. The group has continued to actively position itself at the international level with the purchase of two master franchises in the US since the start of the year.

Revenue for **Léon de Bruxelles** was up +3% compared to December 31, 2015, clearly outperforming the market, despite a difficult context. The upshots from the opening of a second Léon de B. and the May 2016 launch of a new offering are promising.

MK Direct group, the home linen leader in France with the Linvosges and Françoise Saget brands, was consolidated by Eurazeo PME on July 1, 2016. Continuing the roll-out of its cross-channel strategy, the group accelerated the planned number of store openings and posted double-digit Web sales growth for the two brands in 2016.

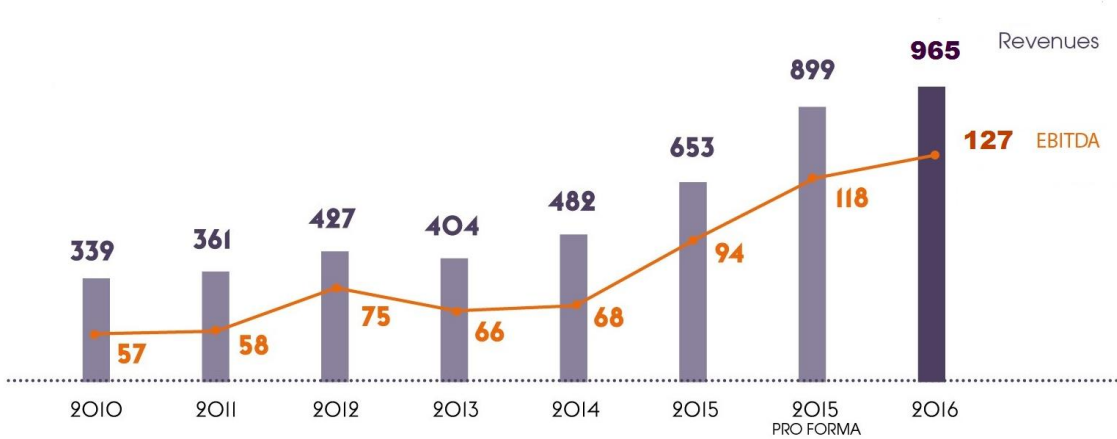
Orolia group, the global leader in reliable positioning, timing and navigation products and solutions, was also consolidated by Eurazeo PME on July 1, 2016. Group revenue fell by -7% in H2 2016, due to postponements of major equipment projects over 2017 and an unfavorable baseline effect. However, 2017 will still be strong for the group, which has begun the year with a substantial order book.

On September 29, 2016, Eurazeo PME acquired 50% of the **AssurCopro** group, the French leader in joint ownership insurance brokerage. On December 20, 2016, the group generated its first external growth since its acquisition by Eurazeo PME with the full takeover of the Interassurances group, a French specialist in rent guarantee insurance and landlord home insurance.

Consolidated EBITDA of the investments stood at €127 million, up +35% compared to December 31, 2015 on a reported basis, and +7% on a constant Eurazeo PME scope basis. Restated for the 6 build-ups, the item rose by +5%.

As of December 31, 2016, consolidated net debt of the investments stood at €511 million, representing senior leverage of 2.4x their 12-month EBITDA.

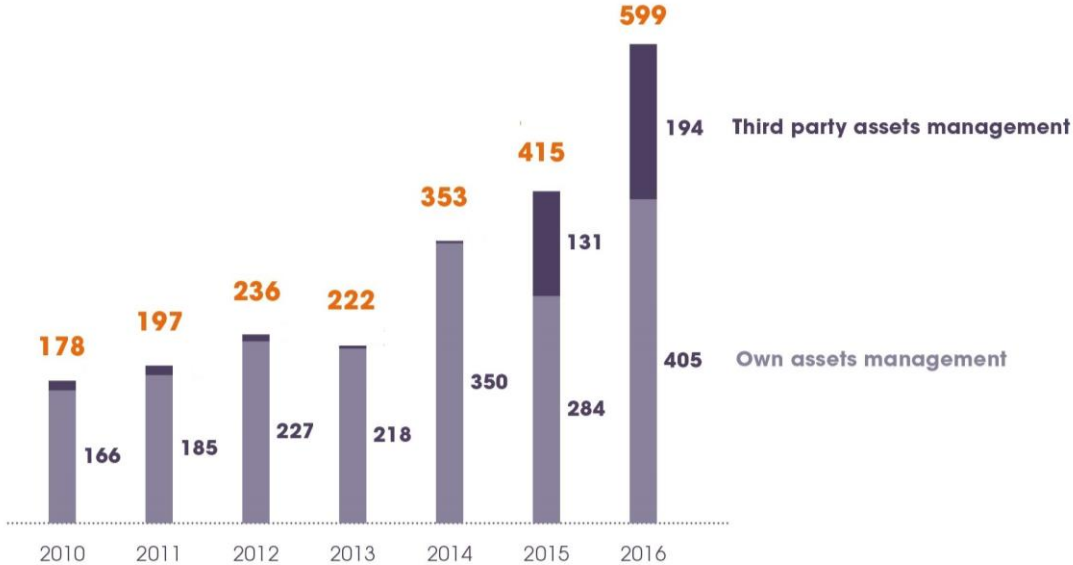
Otherwise, Revenues and EBITDA evolutions since 2010 are (in €m):



III. ANNUAL NAV GROWTH OF +45%

As of December 31, 2016, the portfolio under management amounted to €599 million (including €194 million for third parties), compared to €414 million as of December 31, 2015. The increase is related to improved profits for the investments in the amount of €80 million, scope additions (MK Direct, Orolia and AssurCopro) and early bond redemptions following the refinancing of build-ups for Dessange and the Vignal Lighting group for a net total of €104 million. On a comparable scope basis, the increase stood at +19% for the year.

Otherwise, NAV evolution since 2010 is (in €m):



IV. OUTLOOK

In order to accelerate its growth, Eurazeo PME launched Eurazeo PME III in 2017 with Eurazeo and third-party investors, representing **fundraising of €600 million**.

About Eurazeo PME

Eurazeo PME is an investment firm and subsidiary of Eurazeo dedicated to majority investments in French SMEs with a value of less than €200 million. Eurazeo PME acts as a long-term shareholder, providing its portfolio companies with all the financial, organisational, and human resources they need for a sustained transformation. With an investment horizon generally ranging from 5 to 10 years, the group guides its portfolio companies in creating sustained and, hence, responsible growth. This commitment is formalised and deployed through a CSR (Corporate Social Responsibility) policy.

In 2016, Eurazeo PME generated €965 million in consolidated revenues and accompanied the development of 11 companies: Dessange International, Léon de Bruxelles, Péters Surgical, Colisée, Vignal Lighting Group, Flash Europe, MK Direct Group, Orolia, AssurCopro and The Flexitallic Group and Fondis Bioritech as a minority shareholder. These companies are solidly positioned on their markets and led by experienced management teams

EURAZEO PME CONTACT

ELISABETH AUCLAIR

E-mail: eaclair@eurazeo-pme.com
Tel.: +33 (0)1 53 83 81 72

PRESS CONTACT - HAVAS WORLDWIDE PARIS

RENAUD LARGE

E-mail: Renaud.Large@havasww.com
Tel.: +33 (0)1 58 47 96 30 / +33 (0)6 33 49 36 06

For further information, please visit our website: www.eurazeo-pme.com

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