

PROFITABLE INVESTMENTS IN LEADING FRENCH FAST GROWING COMPANIES

Luc LEHELLE
ALP Capital

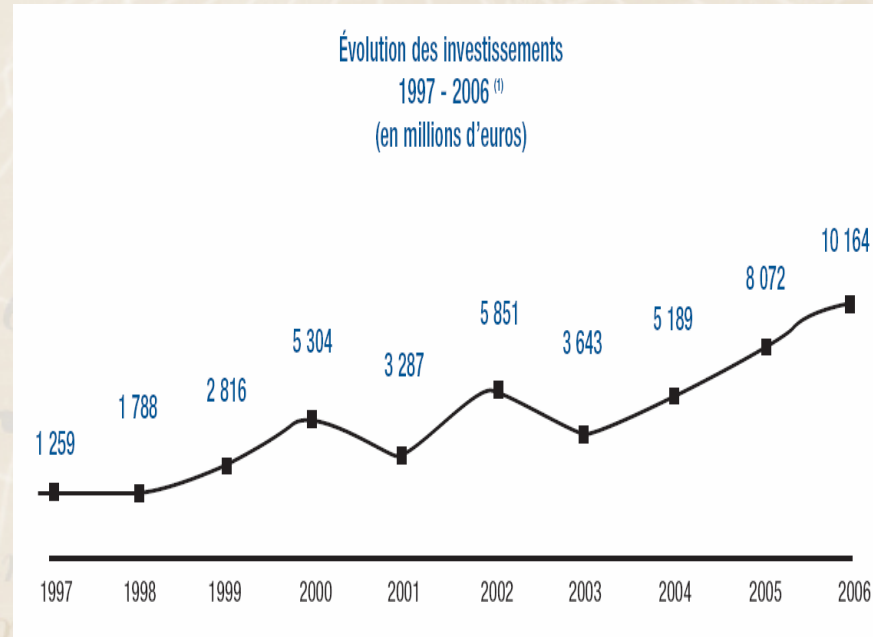
Eurolace in New York : Challenging Globalization ?

France is home to an increasing number of companies boasting a combination of strong management and innovative products in the life sciences and information technology and communications sectors.

www.paris-eurolace.net

www.paris-eurolace.net

France is a maturing market for Investors



joint study conducted by AFIC and Ernst & Young

**Investments grew 10 X between 1997
to 2007**

Who is doing deals ?

your hub to euroland

your hub to euroland

New York Frankfurt Amsterdam Milano Brussels Paris Lisbon Tokyo London

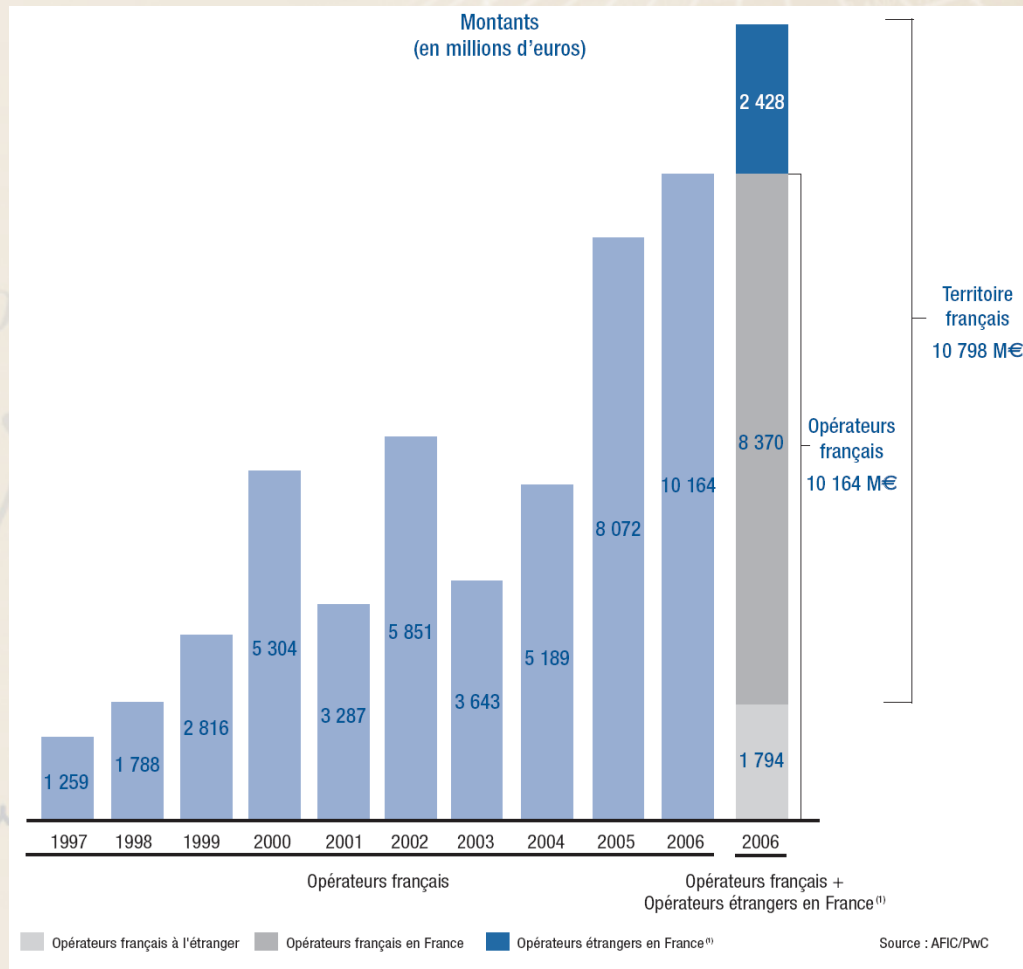
www.paris-europlace.net

www.paris-europlace.net



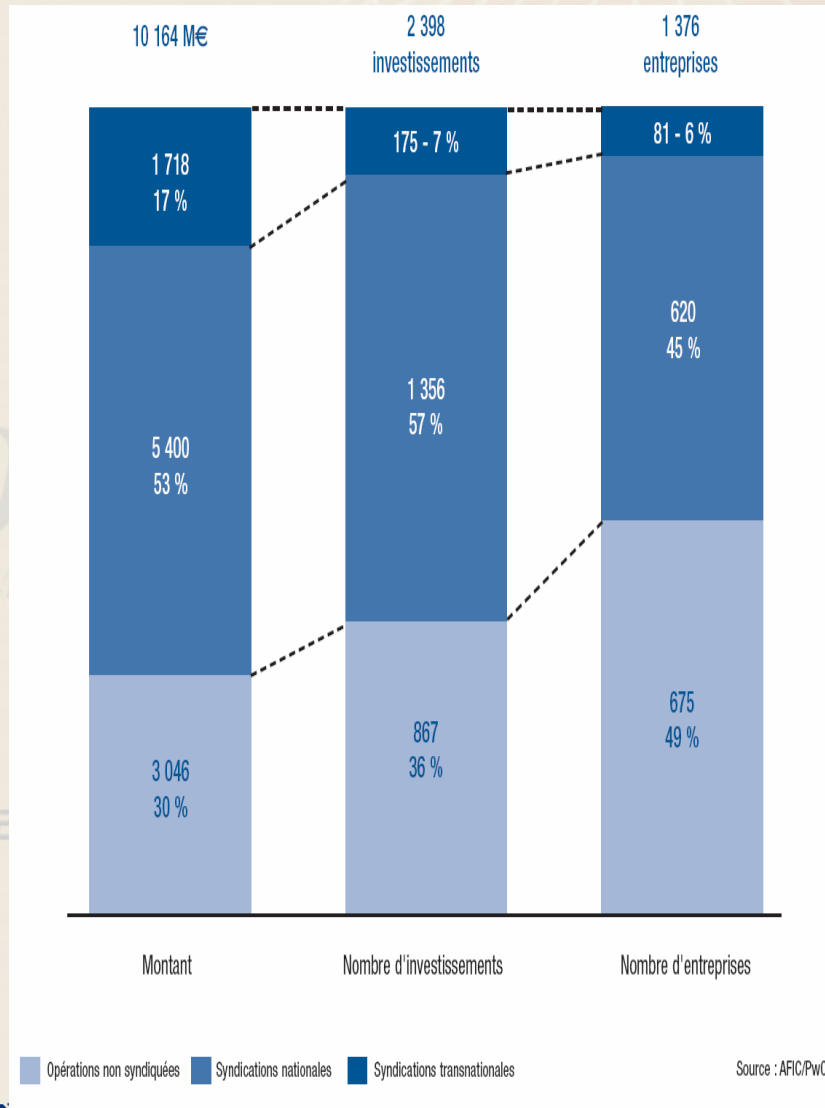
ALP Capital

French players drive Investments



- 22,5 % of French deals are done by non French Investors, who are focusing on Large LBO Deals.
- Syndicating deals with french players is the best way to have access to French medium size deals

Deals are done by Local players



- Only 7% of deals are syndicated with transnational players, or 17% of amounts invested.
- International players have limited access to small deals.

What type of deals ?

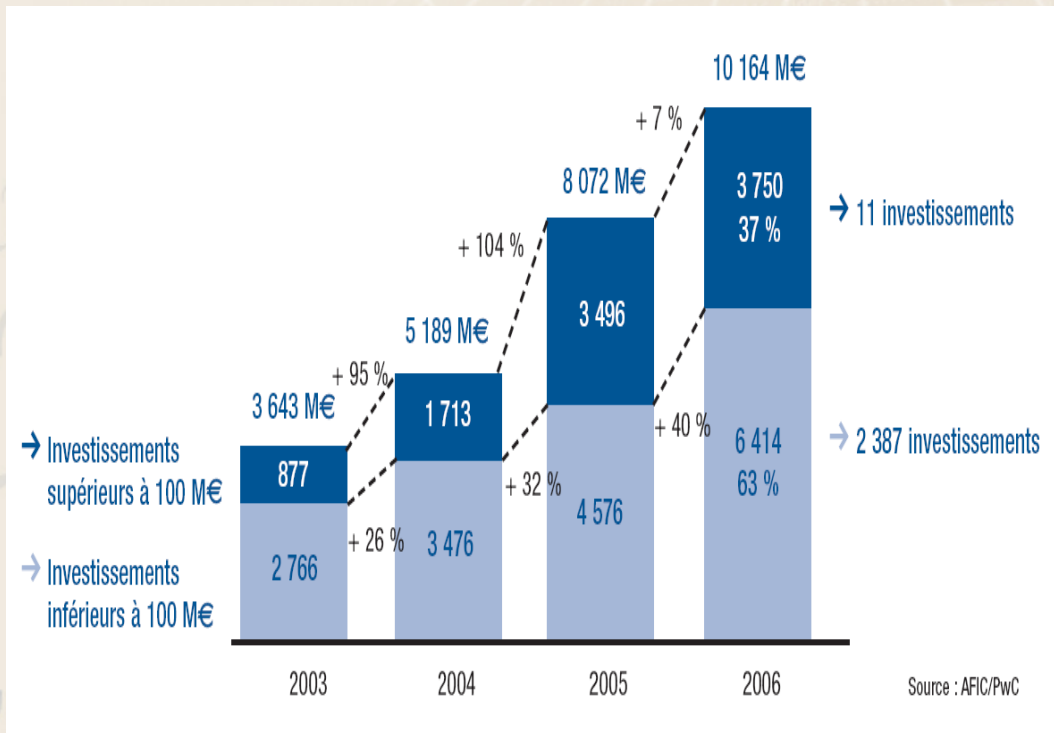
your hub to euroland
your hub to euroland

New York Frankfurt Amsterdam Milano Brussels Paris Lisbon Tokyo London

www.paris-europlace.net

www.paris-europlace.net

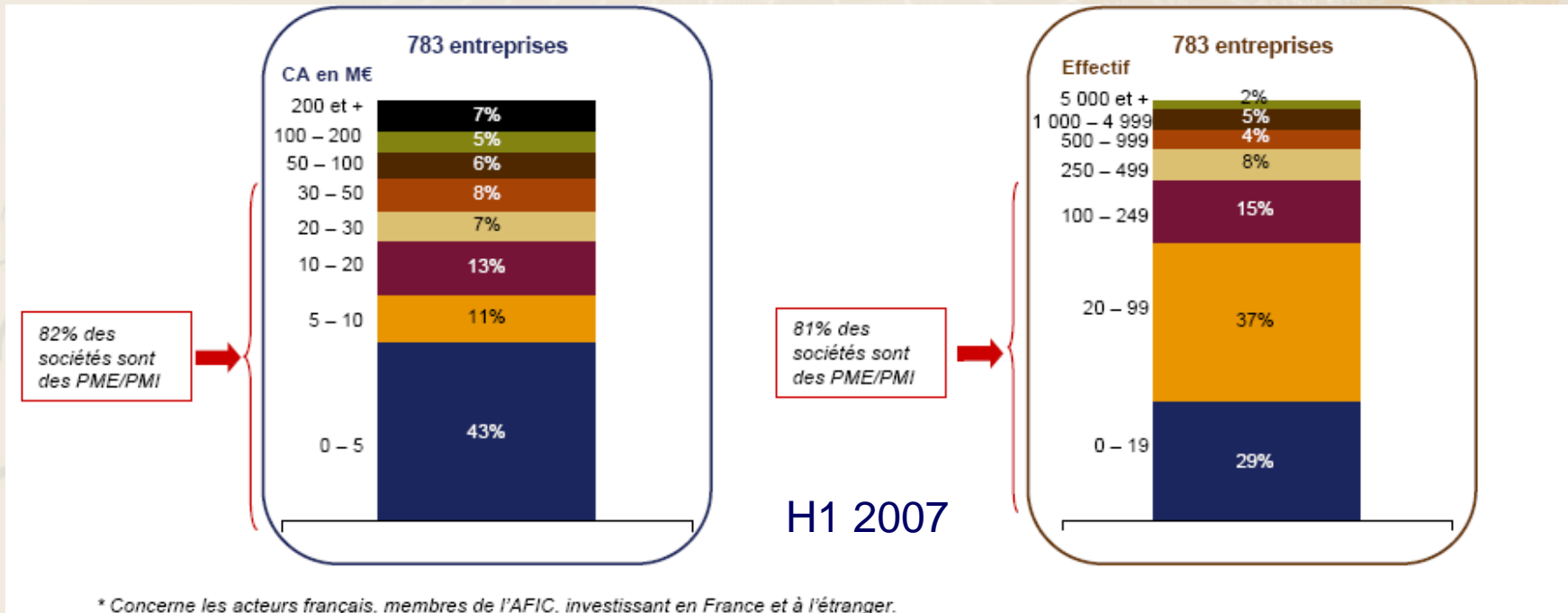
Deals size are smaller than 100 Million Euros



99,5% of deals are smaller than 100 M Euros but only get 63% of amounts invested

82 % Deals are in Small and medium size Cies *

* Less than 50 M euros Revenue, and less than 250 Employees



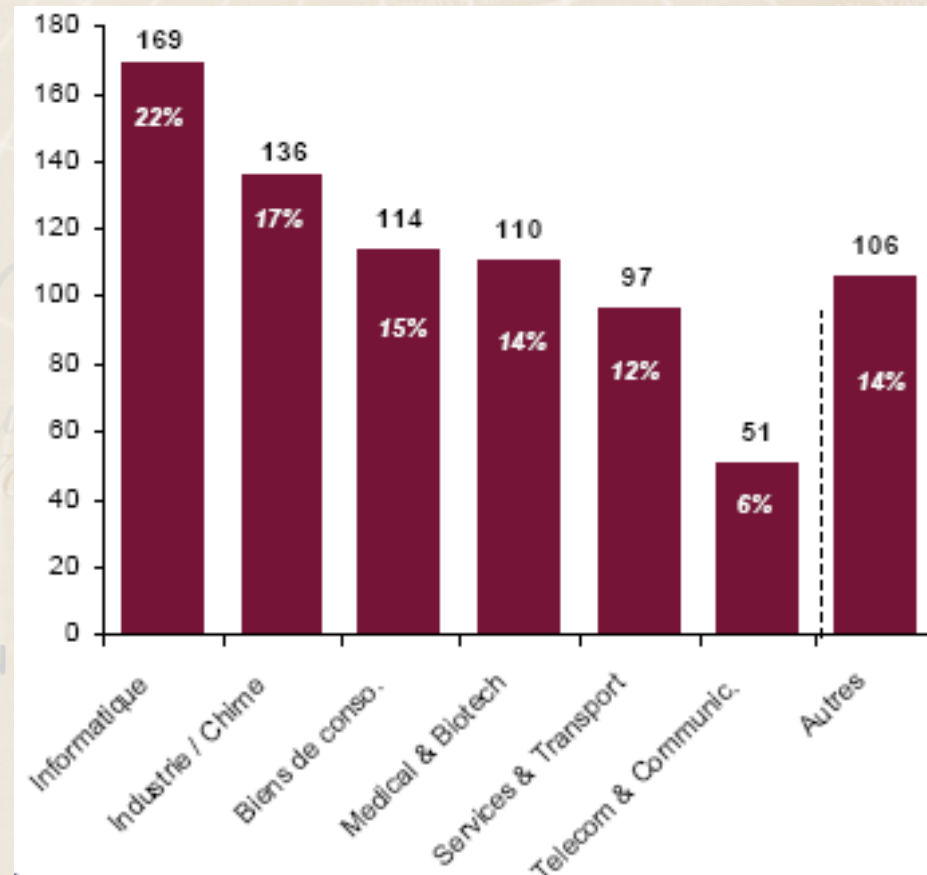
www.paris-europlace.net

39% of Deals in Expansion stage : 5 to 50 Millions Euros revenues

www.paris-europlace.net

Technology and Innovation : 40% Market

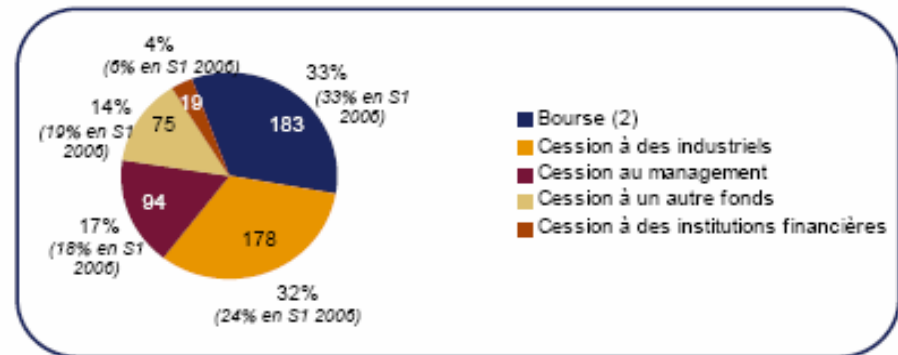
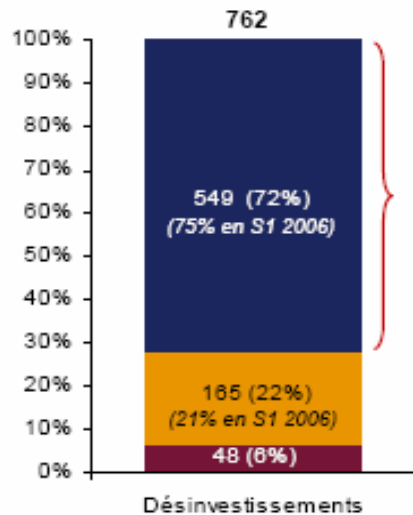
- Information Technology, Communications and Life sciences capture the lion's share of investments



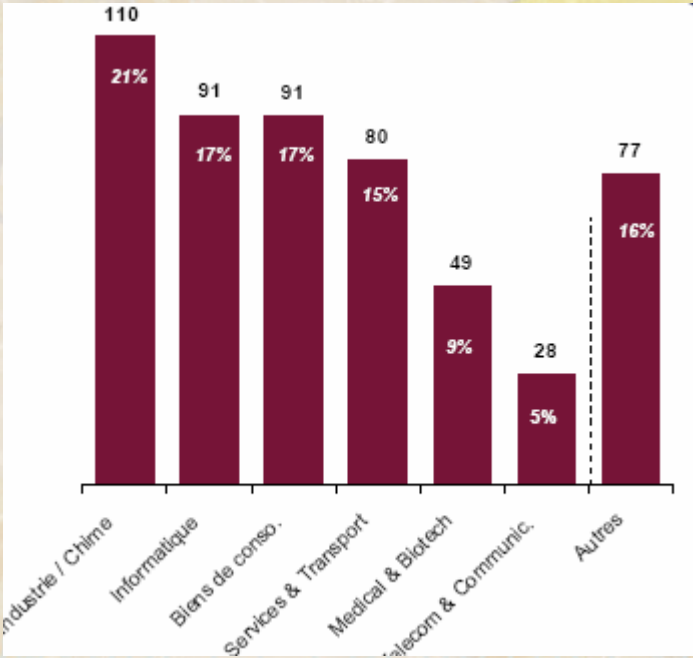
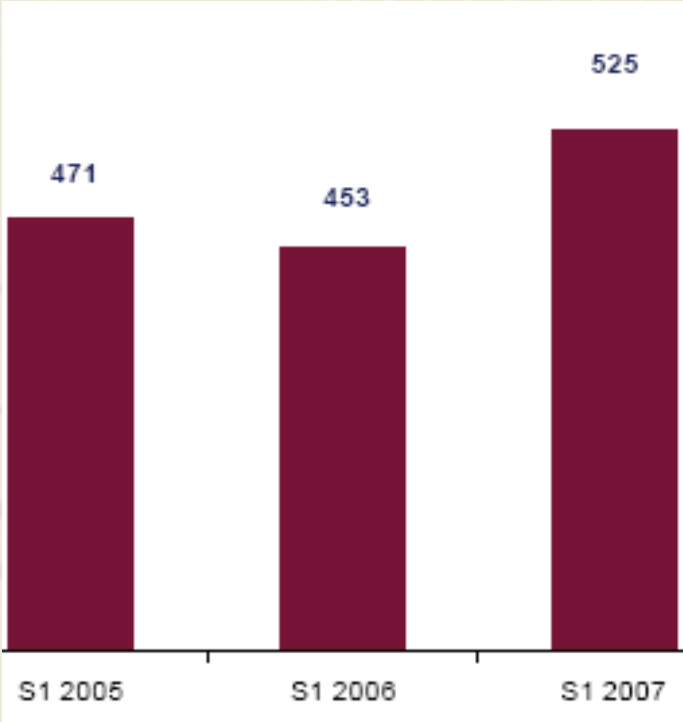
H1 2007

H1 2007 : Exit in France

■ Cessions ■ Flux (1) ■ Comptabilisation en pertes



H1 2007 : Due to VCs Disinvestment cycle, numbers of exit deals increase (525)



www.paris-europlace.net

France : a track record in technology success

In the late 90's, only few French companies such as Business Objects, Dassault Systems, Ubisoft, Soitec got a international recognition

Since 2005, a new wave of technology leaders emerged driving profitable liquidity events for their investors

IPO: Free, Seloger, Meetic, Parrot, Himedia, Gameloft, Cegedim, Sword, Nicox

M&A: Inventel (Thomson for 150 M Euros), Musiwave (120 M Euros), Cartesis (BO for 225 MUSD)

Expansion Stage : Target Investments

- Businesses with large secure addressable markets, predictable profit margins, and differentiated product or service expertise
- The presence or availability of highly qualified management teams open to guidance related to strategy and execution (expansion into US and Asia)
- Ability to generate sustainable free cash flow
- Favorable industry and competitive dynamics
- Underperforming companies relative to their potential due to structural impediments
- Local (unpublished) companies

ALP Capital A Seasoned Management Team

- Insight into and access to attractive investment opportunities that may not be evident or available to other investors
 - Developed both in-depth knowledge and an extensive network with private equity firms, financial institutions and industry leaders
 - Proactive identification of attractive industries
 - Partnerships with talented management teams
- Closely works with a portfolio company's management (60 Companies) to build value through
 - global expansion,
 - operating improvements,
 - acquisitions and consolidation
- First time : Unique and “complementary” team
 - Luc LECHELLE, former managing Director Venture AXA Private Equity team
 - Armando GEDAY, Former CEO GlobespanVirata, Inc

