

THE GROWTH TRENDS OF PORTFOLIO COMPANIES IN FRENCH PRIVATE EQUITY FUNDS

HIGHLIGHTS

As at June 30th, 2008, portfolio companies in French Private Equity funds were characterized by regular sustained growth trends and recorded⁽¹⁾:

- +2.1% growth in employment and +5.3% growth in sales in France from 2006 to 2007,
- a higher growth rate compared to both the national average and CAC 40 companies.

Private Equity portfolio companies in France are demonstrating robust growth regardless of size or stage of development.

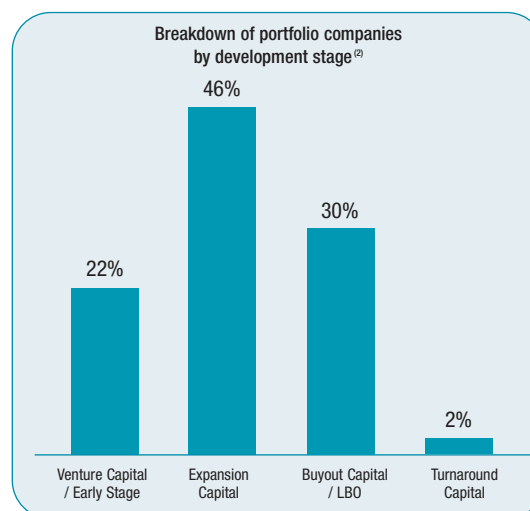
PORTFOLIO COMPANY ANALYSIS: PRIVATE EQUITY CONTINUES TO SUPPORT COMPANIES AT EACH STAGE OF THEIR DEVELOPMENT

- 22% of all portfolio companies are in the venture (seed and start-up) phase
- 46% of portfolio companies are in the expansion stage
- 30% of portfolio companies are in the buyout stage
- 2% of portfolio companies are in the turnaround stage

Private Equity continues to be a major driver in French economic and employment growth.

Venture Capital investors account for over 20% of total Private Equity investments, while Expansion Capital investors make up almost half. Companies in the Buyout Capital stage account for one-third of the total, while those in the Turnaround Capital stage make up only 2%⁽²⁾.

The breakdown of Private Equity activities - Venture, Expansion, Buyout and Turnaround - are illustrated as follows:



Sources: www.afic-data.com - Ernst & Young

(1) Calculation carried out on 1,046 companies, for which a complete set of data exists. Unless otherwise indicated, all growth calculations were made on the basis of this sample.

(2) This data was obtained from a database of 4,064 companies for which the development stage was provided by the members of AFIC.

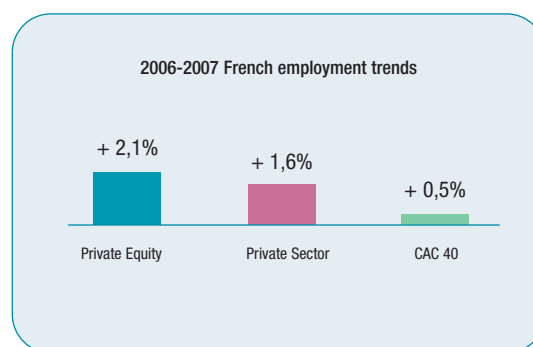
EMPLOYMENT TRENDS: PRIVATE EQUITY FAVORS JOB CREATION

- **+2.1% in employment for portfolio companies in French Private Equity funds from 2006 to 2007**
- **+8.8% for companies in the Venture stage, +7.9% in the Expansion stage and +1.4% in the Buyout stage**

Portfolio companies of French Private Equity funds recorded a +2.1% increase in employment from 2006 to 2007.

This growth rate has outpaced the private sector where the comparable figure is +1.6%.

It is also four times more than the average employment rate of CAC 40 companies which was +0.5% for the same period.

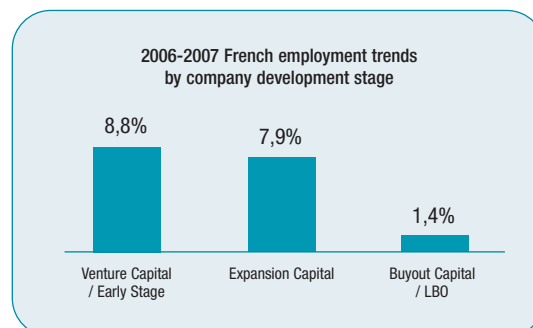


Sources: www.afic-data.com - Ernst & Young - Access Urssaf

In terms of employment growth by development stage, Venture stage companies recorded the strongest gain, with +8.8% employment growth.

Companies in the Expansion stage generated a particularly robust +7.9% increase.

Buyout stage companies recorded a +1.4% increase.



Sources: www.afic-data.com - Ernst & Young

Small and medium sized companies experienced a very well sustained growth trend. In fact, the employment growth rate in all but the 100 largest portfolio companies amounted to +3.6% compared to only +1.8% for the 100 largest companies.

It should be noted that if the 25 listed companies are excluded from among the 100 largest portfolio companies, the employment growth rate in France amounts to +3.0% compared to +2.1% if all the companies surveyed are considered.



Sources: www.afic-data.com - Ernst & Young

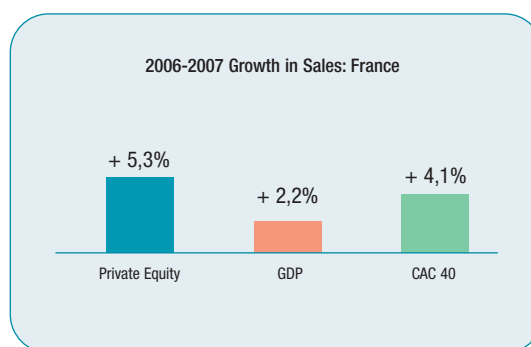
SALES TRENDS:

PRIVATE EQUITY ACCELERATES THE GROWTH AND DEVELOPMENT OF SMES

- **+5.3% growth in sales recorded by portfolio companies in French Private Equity funds from 2006 to 2007**
- **+19.0% for Venture stage companies, +10.3% for Expansion stage and +4.9% for Buyout stage**

The dynamism of portfolio companies in French Private Equity funds is no longer in doubt and confirmed by the +5.3% growth in sales from 2006 to 2007.

This growth rate outpaced the +4.1% recorded by CAC 40 companies and is well above the French GDP growth rate for the same period in both real terms (+2.2%) and nominal terms (+4.7%).

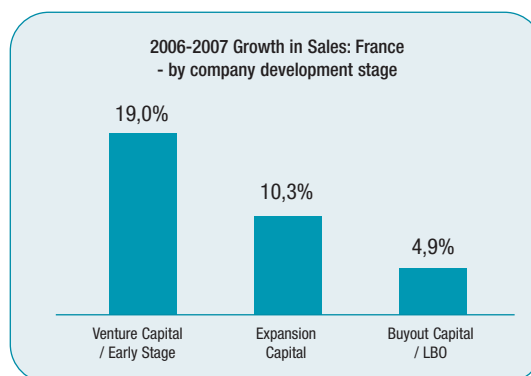


Sources: www.afic-data.com - Ernst & Young - INSEE

Broken down by growth stages, Venture stage companies recorded a +19% growth in sales in France.

Expansion stage companies recorded a +10.3% growth in sales in France.

Buyout stage companies recorded +4.9% growth in sales in France.



Source : www.afic-data.com - Ernst & Young

The Top 100 companies weighed heavily on these overall trends. For example, the growth in sales of the Top 100 companies averaged only +4.7%, compared to an overall total average rate of +5.3% and +8.9% for all companies excluding the Top 100. Considering the employment growth trend in the same way, after excluding the 25 listed companies from among the Top 100, growth in sales in France totaled +7.6%.

These results demonstrate the particularly robust growth of small and medium sized companies to that of the larger companies, and particularly, when compared to listed companies. Indeed, when the listed companies are excluded, the growth rates are generally quite similar.

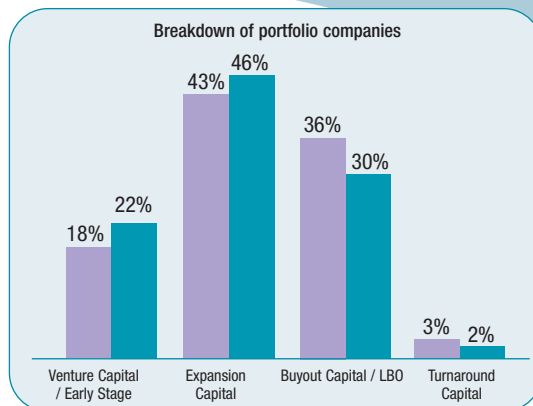


Sources: www.afic-data.com - Ernst & Young

REPRESENTATIVENESS OF PRIVATE EQUITY INVESTMENTS

The survey population of 1,046 companies is, to a large extent, representative of the overall population of Private Equity portfolio companies. The study ensured that the survey population reflected, as far as possible, the breakdown of companies by development stage and economic sector as provided in the detailed data submitted by AFIC members.

- Sample population: 1,046 companies
- AFIC database: 4,064 companies (development stage known)



Sources: www.afic-data.com - Ernst & Young

METHODOLOGY

AFIC and Ernst & Young sought to assess the growth of portfolio companies of which the shareholders include a French Private Equity fund, regardless of the financing method, and conducted a dynamic analysis that measured the growth in employment and sales in France in these companies.

These statistics were based on data collected through the website created by AFIC: www.afic-data.com. This secure online platform which opened in July 2006 and is dedicated to Private Equity investors who are AFIC members, makes it possible to gather results on sales and performance as well as the economic and employment impact by investment vehicle and Private Equity segment. The survey was conducted among all Private Equity funds that are registered AFIC members.

A total of 207 Private Equity funds responded to the survey, up from 196 last year. The study covers all portfolio companies as at June 30th, 2008. The growth rates were calculated for the two-year period from 2006 to 2007.

No adjustment was made for any impact related to acquisitions or disposals made by these companies. For all of the 100 largest Private Equity portfolio companies (Top 100), Ernst & Young carried out fully comprehensive research on employment and sales in France and distinguished between listed and unlisted companies. Among the listed companies, only those in which an AFIC member had a seat on the Board of Directors or Supervisory Board were taken into account. Ultimately, the Top 100 consists of 75 unlisted and 25 listed companies. In addition, for the 827 companies identified in the survey performed in 2007, which covered sales and employment growth for the 2005 to 2006 period, companies involved in bankruptcy liquidation in 2007 were identified (11 in all) and reintegrated into the database for their 2006 sales and employment figures.

After adjusting for co-investments, 1,046 companies were retained. Since all necessary data was available for the two-year period, these portfolio companies were used for the analysis.

CO-SPONSORS

Association Française des
**INVESTISSEURS
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Given its responsibilities in the areas of compliance, control and the development of industry standards, AFIC is one of the two associations recognized by the AMF (French financial market regulator). To receive AMF authorization, private equity firms must belong to AFIC. It is the only professional association focusing specifically on Private Equity.

AFIC's priorities include promoting the importance and role of Private Equity and actively participating in its growth by federating the entire industry and establishing best practices, methods and tools for the professional conduct of private equity investors. The association includes all Private Equity market participants located in France, and thereby has more than 270 active members.

www.afic.asso.fr

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