

EDITO

AN ACTIVE YEAR FOR ACTIVA CAPITAL

In an ever-complex economic environment, Activa Capital has continued to build value across its portfolio and team, with **average 2012 sales growth** for the Activa Capital portfolio exceeding **25%**. Activa Capital completed several transactions in its investment strategy: the mid-market and buy-and-builds. A highlight of 2012 was the **dual investment in Armatis and Laser Contact**, and the merger of these two call-centre specialists (see p.2). This transaction is a strong illustration of Activa Capital's know-how in corporate spin-offs and build-ups. Armatis Laser Contact now boasts sales of €200 million and is n°3 in the French call-centre market.

In December 2012, La Maison Bleue, a leading child care nursery group, became part of the Activa Capital portfolio. La Maison Bleue manages 3,200 places in 80 nurseries in its national network and opens an average of 20 new nurseries per year.

Activa Capital completed **10 build-up transactions during 2012**. Here is a look back at some of the successful acquisitions, which have strengthened the holdings in its portfolio:

- **Ergalis**, the HR division of Activa Capital dedicated to specialist temporary employment, made a further four consecutive build-ups (see p.3)
- **Primavista**, the specialist in maternity photography and marketing aimed at new mothers, continued its external growth strategy with the purchase of two companies, one of which gives the group leadership internationally (see p.3)
- **Albarelle**, the private education platform specialised in healthcare and legal professions, extended its offer with the purchase of two more schools (see p.3)

In order to support this strong growth, Activa Capital strengthened its team with the appointment of a new Investment Director and a new Operating Director (see below). Lastly, Activa Capital officially launched **PEN**, the **Private Equity Network**, in partnership with other leading European mid-market private equity firms (see p.4). ■



THE ACTIVA CAPITAL PARTNERS
(from left to right)
Charles Diehl, Michael Diehl, Philippe Latorre,
Olivier Nemsguern and Christophe Parier.

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build-ups
carried out
in 2012

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FLASH

Activa Capital is expanding its team



■ **Sophie Rouland, Investment Director**
Sophie has ten years of experience in private equity, acquired at Equistone Partners Europe, formerly Barclays Private Equity France. Previously, she worked for three years in audit and due diligence at PricewaterhouseCoopers. She is a graduate of EM Lyon.



■ **Alexandre Masson, Operating Director**
For six years Alexandre was a Director of Alvarez & Marsal, an international consulting firm, where he provided consultancy services to investment funds. Previously, he worked for four years at KPMG (audit, accountancy, consulting, law and taxation). He is a graduate of the Ecole Supérieure de Commerce de Reims.

[LIFE OF THE PORTFOLIO



Over the past 40 years Sport 2000 has become one European leading specialist distributor of sports equipment and clothing. An Activa Capital portfolio company since 2008, Sport 2000 France has witnessed strong operational improvement.

Three questions to Stéphane Solinski, CEO of Sport 2000 France

Can you tell us about Sport 2000 France?

Sport 2000 France is a cooperative created in 1966 by 36 retailers, including three big names from the world of football: Pierre Batteux, Just Fontaine and Jean Djorkaeff. The group offers independent retailers the opportunity to associate their business with the reputation and image of a brand name and provides them with access to central marketing, finance, IT, development and purchasing services. The group operates under **four brand names**: Sport 2000 for all sports, including mountain sports, S2 for fashionable shoes in a small urban shop format, Espace Montagne as an outdoor specialist and lastly Mondovelo for the world of cycling. The group's brands are resolutely focused on **service and product quality**. They therefore stock a wide range of makes rigorously selected for their innovation, style and quality.



© Philippe Brazil

What are your strengths in your sector?

The success of Sport 2000 is due, first and foremost, to its identity as a **cooperative** and the values that unite its staff, whether they are members of the sales network or permanent staff at head office. They liaise with each other daily to offer each other mutual support and share their experience. Each store nevertheless remains independent, with plenty of room for individual initiative: each boss is directly accountable for his performance, but can also draw on the business expertise of the group's support services. Our members and head office employees are all motivated by a passion for sport and fashion. It seems to me that one of the current strengths of the group lies in its **productive partnership** with **Activa Capital**. I feel that the meeting of cultures between the Sport 2000 cooperative and Activa Capital results in "capitalism based on solidarity" rather than solitary actions. The latest illustration is the recent bond issue subscribed in equal parts by the members and Activa Capital. It is an outstanding example of the convergence of two cultures.

What are your growth drivers?

Back in September 2012, I presented a three-year plan called "CAP 2016" to the Board of Directors. This plan is based on **three points, all geared towards profitable growth**:

- 1-Improving the operations of the stores by all the means at our disposal: purchasing, reducing overheads, merchandising, etc.
- 2-Directing the Group and our actions towards the knowledge, collection and use of customer data. It is time for us to embrace the data mining era.
- 3-Accelerating the digital development of our networks and our territorial coverage. ■

[INVESTMENTS



Armatis and Laser Contact: a major dual acquisition for Activa Capital

Activa Capital has once again shown its added value by simultaneously acquiring and merging two major call-centre players.

Sales of €200m, 15 call centres

In 2012, Activa Capital achieved the challenging feat of creating the third call-centre operator in France. It acquired a **majority stake in Armatis** during that company's change of ownership at the start of the year, while simultaneously finalising the **purchase of Laser Contact**, a spin-off of Laser (a subsidiary of BNP Paribas Personal Finance and Galeries Lafayette). **The goal was to optimise the financing of the transaction** by creating synergies from this merger, under the chairmanship of Denis Akriche, founder of Armatis.

Together, Armatis and Laser Contact, which both operate nationally and internationally, have sales of around **€200 million** and **12 call centres** spread throughout France and **3** abroad. Faced with the opportunity of a fast-growing market, with increased outsourcing of call management and a concentration of customers, this merger was a logical way of creating value.

the two groups into one common brand with a single overall management structure, while retaining the independent sites, and then, later on, to export to a wider international market" states Olivier Nemsguern, Partner of Activa Capital.

Activa Capital called on all its experience in build-ups and spin-offs in order to conclude and finance this transaction, and the first signs are very positive. The group will target further add on acquisitions. ■

But it does not stop there. "The goal is to **efficiently integrate**

www.armatis.com
www.lasercontact.fr



[BUILD-UPS

groupe
primavista

Primavista is growing

A specialist in maternity and school photography and a market leader in direct marketing to new parents, Primavista, in which Activa recently acquired a stake (October 2011), has already made a series of acquisitions to extend its offer.

1,200 employees, €100m in consolidated sales



■ **Secret de Polichinelle**, French leader offering online premium customisable announcements for births (www.naissance.fr) and weddings (www.faire-part.com).

■ **Family Service**, the leader in relationship marketing for the new parents segment in Continental Europe. This company supports new parents throughout their "learning process" via "La Boîte Rose" gift boxes, guides and advice on its website (www.familyservice.fr), in France and seven other European countries.

Each of these companies has an extensive customer base, prestigious partners such as Pampers, Blédina, Cadum, Disney, Mixa, etc., and high web visibility. These are just some of the advantages that have enabled Primavista to become a leading player in e-commerce and strengthen its customer base. The new group posted sales of over €100 million in 2012 and now has the biggest database of new mothers in France and Europe. ■

www.primavista.fr



[BUILD-UPS

ergalis

Four new acquisitions for Ergalis

An Activa Capital holding dedicated to HR services and specialist temporary employment, Ergalis has continued its growth policy, with four new companies joining its portfolio.



■ The ABCI group and Action Assistance, agencies specialising in temporary employment in the cosmetics industry

■ Talent People, a French recruitment firm offering career support services

talentpeople
Groupe Ergalis



■ Aura Staffing, a company providing temporary staff for the engineering industry, particularly IT

These new purchases will create synergies through the pooling of customer files and databases of temporary staff. It will also increase Ergalis sales by 32%.



The positioning of Ergalis in these ultra-specialist temporary staff niches has enabled it to flourish in a sector affected by the crisis. In two years the group has tripled in size: today it has 3,600 temporary and 300 permanent staff and in 2012 its sales totalled €180 million. Therefore, Ergalis plans to expand into neighbouring countries while continuing with its policy of specialisation, profitability and other well-targeted acquisitions. ■

www.ergalis.fr

[BUILD-UPS

ALBARELLE SAS

Albarelle continues its growth

An education group comprising the firms Galien, La Prépa and Assisteo Formation, the Albarelle group has consolidated its position in the professional healthcare education market by integrating Paviot, historically the leading provider of preparatory courses for the competitive entry examination for students seeking to pursue university studies in medicine or healthcare.

Its first diversification in August 2012 saw Albarelle integrated CFJ, a school offering preparatory courses for a wide range of legal professions, including competitive examinations for lawyers and police officers. This acquisition should

ensure the group increases its sales by 20%.

Albarelle continues to develop its regional network and become the leading provider of education courses in medicine and law. ■



21 cities in France, 10,000 students per year

www.cours-galien.fr

[INTERNATIONAL]

PEN pan-European network officially up and running

PEN, the Private Equity Network, is now up and running. Its purpose is to “serve as an exchange platform for skills and experiences on their local markets and in emerging countries”, explains Charles Diehl, Partner of Activa Capital and PEN’s first annual Chairman.

Four leading European private equity firms in the mid-market segment – Activa Capital, ECM (Germany), Graphite Capital (United Kingdom), and MCH (Spain) – have joined forces within this new PEN network.

This alliance has a three-fold goal:

- Support portfolio companies in their build-ups outside their national territories, in Europe and in emerging countries. Through their knowledge of the local market and their

sectoral expertise, investors can identify new targets and offer the network the benefit of their skills to promote external growth strategies.

- Share best investment practices with Private Equity professionals, from the building of a portfolio to its daily management.

- Seize cross-border opportunities for the private equity firms that are members of PEN, in Europe and in countries with strong growth, particularly in Latin America and in Asia.

Already two operations are in the pipeline.

“In the short term we want to consolidate PEN’s position with its founding members. Then we plan to extend it to other private equity firms in Europe or even outside the continent,” enthuses Charles Diehl. ■



[ASSOCIATION]

Ecole Internationale du Rire Médecin celebrates its first anniversary...

Early 2012, the association “Le Rire Médecin”, launched the Ecole Internationale du Rire Médecin, with the support of its founding patron Activa Capital. Its goal: to provide “hôpiclowns” trainings.

- The vocation of the institute is to train artists, medical personnel and support staff. Maternité Mont Blanc, a former Activa Capital portfolio company,

and the Primavista group, a company in the current Activa Capital portfolio, now support this initiative as part of their patronage.

- **First positive assessment**
The “hôpiclowns” course has already achieved positive results. The school’s first session of classes began in September 2011 and took place over 19 weeks. Out of the ten people who enrolled, six found temporary work as hospital clowns and four obtained work in the show business world. The second course took place one year later with twelve people. Although a full assessment has not yet been made, the feedback is promising. A third course takes place in April 2013.

- **International ambitions**
The Ecole Internationale du Rire Médecin is set to expand not only in France but also abroad: several successful experiments have taken place in Tunisia. Exchange programmes have also been set up in Brazil



and in Israel. Every year, members of the European Federation of hospital clowns meet in order to exchange information on new techniques and on the results obtained. The ongoing aim is to improve the life of children in hospital.

- **An action beyond the hospital**
In addition to its financial contribution via donations, Activa Capital supports the Ecole Internationale du Rire Médecin in defining its strategy and developing its training activities beyond the hospital environment. Aéroports de Paris is an example of a company trained by the Rire Médecin teams. The training provided enables airport security officers to reconcile their

duty to ensure safety and security with a more suitable, friendlier approach to managing children and their families in what can often be a difficult atmosphere. These courses provide the Ecole Internationale du Rire Médecin with recurring income. ■



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