

ACTIVA news

05

VALUE ACTIVATORS

spring 2014

EDITO

DEVELOPMENT IS THE FOCUS OF ACTIVA CAPITAL'S STRATEGY

2013 marked the arrival of **two new companies in Activa Capital's portfolio: Nexeya and Gaz Européen.**

Nexeya is a company looking to reach critical mass through its strategy of external growth, Nexeya saw a solid public-to-private ally in Activa Capital. One of the few specialists in mission-critical electronic systems, Nexeya works for major French companies in highly specialised niche markets. Nexeya's turnover is €130 million and employs over 1,000 professionals (see p.2).

Gaz Européen is a French leading independent alternative gas distributor supplying the collective residential B2B market, with a turnover of €105 million in 2013.

Build-ups have always been a strategic focus for Activa Capital. We are continuing to maintain this strategy by creating value for the companies in our portfolio: Activa Capital supported the acquisition of Crèches Baby&Co via its stake in **La Maison Bleue**. We also helped in the creation of new offerings for **Abrisud** and assisted **Findis** in its acquisition of Ronzier and David Ménager (see p.3).

As we announced in our last edition of Activa News, the pan-European network of mid-market private equity funds, **PEN**, has now brought us closer to three other European leaders in mid-market Private Equity in Germany, Spain and United-Kingdom. One year after its creation, this unique network has already borne fruits in terms of both knowledge and experience-sharing, while promoting an international vision (see p.3).

2013 also offered us the opportunity to promote the principles that are part of our DNA: **Environmental, Social and Corporate Governance (ESG) values.** Whether in the form of our ever-growing involvement in working groups devoted to these issues, the publication of the ESG charter for Activa Capital and its portfolio companies or renewed support for the charities we sponsor, we continue to make this fundamental commitment a reality in our everyday business (see p.4). ■

Activa Capital Team

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a successful
year

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> FLASH

Gaz Européen, a new Activa Capital portfolio company

Activa Capital has become, in December 2013, the reference financial shareholder in Gaz Européen, a **leading independent alternative gas distributor supplying the collective residential B2B market in France.** The group generated in 2013 a turnover of €105 million. Gaz Européen's success as a credible alternative gas provider is based on its parent company's 60 years' experience in providing energy solutions to the collective residential B2B market (property managers,

Gaz Européen
FOURNISSEUR DE GAZ NATUREL

heating ventilation and air conditioning companies, tertiary and public companies). The group has been created in 2005 with the Parisian entity: Gaz de Paris. Experiencing a strong growth in the Paris Ile-de-France region, Gaz Européen has developed its national coverage by creating 5 regional entities in major cities in France: Gaz de Lille, Gaz de Nantes, Gaz de Lyon, Gaz de Marseille and Gaz de Toulouse. *Read more about Gaz Européen in Activa Capital's next newsletter.*



[LIFE OF THE PORTFOLIO

Founded in 2004 by CEO Sylvain Forestier and Antonia Ryckbosch, Deputy Managing Director, La Maison Bleue manages childcare centres for local municipalities and businesses.

Three questions for Sylvain Forestier, CEO of La Maison Bleue

Can you tell us about La Maison Bleue?

La Maison Bleue is a network of private childcare nursery centres, mainly located in the French regions of Ile-de-France, Provence-Alpes-Côte-D'azur and Rhône-Alpes. After having developed a pilot centre for the city of Montrouge, La Maison Bleue opened multiple facilities in France under the leadership of a team of experienced multidisciplinary professionals. In only a few years, La Maison Bleue has opened 90 childcare centres accommodating a total of 3,600 children; the company now has 1,250 employees.



La Maison Bleue is unique in its focus on high-quality teaching tools and training, two fundamentals in a profession in which teams are young and significant staff turnover is common. As such, we are currently setting up an education-orientated Research and Development department within the group.

What are your strengths within your sector?

La Maison Bleue's success relies first and foremost on its identity and values. We delve deep into the human aspect of our work, as childcare is a vocation in which dialogue and experience-sharing are paramount. We are proud to have been the first to open a school for childcare assistants in September 2012. The programme features a curriculum leading to a state-sanctioned diploma. The first graduating class certified 24 assistants.

Another considerable advantage is our choice to make sustainable development a major commitment. From biodegradable diapers and organic cotton blouses to centres built to meet BBC* and HQE** standards, we transform these ideals into concrete actions on a daily basis. We also use wood from sustainably managed forests for all psychomotor skill toys and interior fittings (wooden beds, changing rooms, etc.).

Lastly, we have substantial impact thanks to strong and committed shareholders and banks that have trusted us for many years. Our development is grounded in this long-term vision.

What are your growth drivers?

Internal growth remains our primary vehicle for expansion. Nevertheless, development must always be reasoned and profitable: a new centre is opened only if a sufficient number of reservations have been made.



We also rely on development through acquisitions. The sector in which we operate is undergoing profound reorganisation and offers plenty of opportunities. These acquisitions enable us to expand our geographic footprint in certain regions, as was the case in eastern France when we recently acquired Crêches Baby&Co. At the same time, we would like

to develop our presence abroad, for example on the Swiss market, where the opening of our first childcare centre last April in Geneva was a resounding success. ■

* low energy building ** High Environmental Quality

[INVESTMENTS



Nexeya, excellence à la française

Christophe Parier, Partner at Activa Capital, Jean-Yves Rivière and Philippe Gautier, respectively Chairman of the Board and Managing Director of Nexeya, say a few words about this investment.

What was the context of the transaction?

Christophe Parier: We were contacted by Edmond de Rothschild Corporate Finance in December 2012 and rapidly entered into exclusive negotiations with the industrial group. A specialist in highly critical electronic systems, Nexeya operates mainly in the Aeronautics, Defence, Space and Transportation sectors.

Jean-Yves Rivière: We were looking for a financial shareholder to implement our development strategy. The company wished to continue its external growth initiatives to reach critical mass on its markets and to accelerate its international development. Nexeya is aiming for

1,000 employees, including 800 engineers

assets are: a portfolio of specialised innovative technologies, a leading industrial tool with three sites in France and its human capital: Nexeya has 800 engineers among its 1,000 employees.

Why invest in Nexeya?

Christophe Parier: The company enjoys a leading position on highly specialised niche markets.



turnover of €250-300 million in the next five years (compared to currently approximately €130 million). Activa Capital has done 42 build-ups over the past ten years – a decisive factor for us.

Can you give us some key information about Nexeya?

Philippe Gautier: Our clients include groups such as Airbus, Safran, Thales, EDE, Alstom, or the Navy. We provide two types of products: test equipment to verify proper operation of their electronics and critical components such as electrical power sources. The three Nexeya's

Its expertise makes for extremely high barriers to entry. With 12 acquisitions since 2003, Nexeya has also demonstrated its ability to grow through acquisitions. This strategy has already proven successful. Moreover, we work with a talented management team that re-invested their shares in the company along with our investment. They are a world-class group of professionals whose vision is perfectly in line with Activa Capital. This has been a pivotal factor for our decision-making. ■



[INNOVATION

Abrisud broadens its product range

3
new
references

Abrisud, an Activa Capital portfolio company since 2011, is once again asserting its position as a European leader in swimming pool and spa enclosures. By adding a brand new product line to its catalogue, **Abrisud is rising to new heights.**

Three new references have been introduced at the end of last year:

- **The soft pool cover**, unique innovation on the market featuring a unique aesthetic design
- **a complete line** of rolling pool covers
- **A variety of high-end pergola** terrace enclosures for individuals and professionals, through a partnership with the Italian manufacturer Corradi.

Thanks to an unparalleled capacity for innovation and the recent signature of new partnerships, Abrisud considerably broadens its range to home-owners with a back garden all over Europe. **Abrisud stands out more than ever as the leader in pool and terrace enhancement, offering pleasant living spaces for every season.**

www.abrisud.com
www.abri-terrasse-abrisud.com



[INTERNATIONAL

PEN in motion

The Private Equity Network (PEN) launched late in 2012 to bring together European mid-market Private Equity leaders is increasingly active.

A look back on the organisation's first steps with Charles Diehl, Partner at Activa Capital and Axel Eichmeyer, Partner at ECM.

A year after its creation, what is your initial assessment of PEN?

Charles Diehl: We are proud to report great progress. Our four Private Equity firms represent 120 investments, 30 partners in their teams and, most of all, a total of more than 500 years of experience in Private Equity. Against this backdrop, PEN boasts genuine fire-power and has already become the venue for sharing best practices and, more broadly, for co-operation in cross-border transactions for our portfolios seeking growth abroad, both organic and through acquisition. Moreover, we have instituted events that serve as benchmarks for our shared practices, such as the annual conference held last spring in Paris and the sector-wide conference on the subjects of Healthcare and Education that took place recently in London.

In concrete terms, how is expertise shared?

Axel Eichmeyer: ECM is also very satisfied with the dynamic that drives this network, and especially the active involvement of all its members. Last September, an Investment Director at Activa Capital made the trip to ECM to share her methods and experience; the following week, an ECM counterpart went to Paris for a week-long immersion at Activa Capital. Further initiatives will soon be launched with other members of

the teams. This wealth of exchanges leads to long-term improvement for all concerned.

Does PEN really increase cross-border opportunities?

Charles Diehl: Beyond the purely business-related aspect, we call on our network partners for their detailed knowledge of their local market. To cite a very concrete example, ECM gave us access to its network and put us in contact with leading intermediaries to provide us with market guidance for the expansion of Abrisud, one of our portfolio companies, into Germany. Portfolio company international growth is the key driver of PEN.



PEN has a dedicated website in order to promote its strategy :
www.pe-network.org

[BUILD-UP

Findis acquires Ronzier

More
than
8,000
clients



Number One in France for B2B distribution of household appliances, electrical equipment and kitchen materials, Findis is pursuing its external growth strategy with the acquisition of appliance wholesaler Ronzier in July 2013. By acquiring this Bordeaux-based company, which boasts a solid base in south-western France, Findis can both expand into this region and bring on experienced teams, particularly concerning kitchen fitters. Meanwhile, Ronzier will benefit from Findis' size, expertise and tools necessary to continue providing effective customer service, both for appliance sales and kitchen installation services.

With this acquisition, following Menatel in 2010 and Cocélec in 2012 and preceding David Manager in December 2013, Findis is pursuing its **strategy of consolidating the sector** around its successful model founded on **quality service, broad offering, product availability and powerful promotional campaigns.**

www.findis.fr

[ESG

A concrete commitment to Sustainable Development

Activa Capital puts ESG criteria at the core of its investment strategy. Below are a few initiatives to illustrate its approach both internally and within the companies making up its portfolio.

■ Internally

Activa Capital signed the UN PRI (United Nations Principles for Responsible Investment) in 2010 and has since intensified its approach. The incorporation of ESG principles is evidenced by our choice to publish our ESG Charter in 2013. **“You have to demonstrate your status as a responsible investor”**, says Christophe Parier. *“We want to share our vision with the companies we support, by promoting, for example, respect for diversity, development of environmentally-friendly products and services.”* As a member of the ESG Committee of the AFIC - French Association of Investors in Growth, Activa Capital has been heading a working group on ESG reporting and due diligence since April 2013. Its work should lead to the creation of a common framework this year.



■ Within portfolio companies

The initiatives launched by **Primavista**, a specialist in maternity photography and a market leader in direct marketing to new parents, are perfectly in line with this approach. The company deeply cares about sustainable development and is highly involved in these issues. With its “Daily Deeds” initiative, Primavista offered training in environmentally-friendly driving for the travelling sales employees to improve work safety. Product recycling, diversity charter, support for charities, etc.: the

company is pioneering an ever-broader range of actions. Another iconic Activa Capital portfolio company is **ProNatura**, the European leader in the organic fruit and vegetable distribution. With FLO (Fairtrade Labelling Organisation) certification, the company actively promotes fair trade. In September 2013, it received the Corporate Social Responsibility Award from the Vaucluse Chamber of Commerce and Industry. ■

[COMMUNITY INVOLVEMENT

L'Agence du Don en Nature: going ever further

Interview with Stéphanie Goujon, Chief Operating Officer of ADN, a registered charity that collects and distributes non-food products to people most in need.

Could you give us an overview of ADN with a few figures?

In France, there are 8.7 million people living under the poverty line. Meanwhile, 400 million new products are voluntarily destroyed every year. Our action is carried out in three stages. First of all, we collect new, unsold non-food products from industrial companies. We then store them and include them in our online catalogue. Finally, we donate them to those most in need via our network of charities. We serve as a bridge between businesses and more than 480 charities working to combat social exclusion. Since the organisation was created four years ago, we have distributed products for a market value of €40 million. Today, we have the support of some 100 companies, such as The Carrefour Enterprise Foundation, L'Oréal, Françoise Saget – Linvosges, PwC.



How does Activa Capital support your work?

Activa Capital has been by our side since the organisation was created. This partnership is based on financial support but Activa Capital also amplifies the impact of our action, as the team helps us develop our network by putting us in contact with other companies. Activa Capital is a loyal and committed partner. Activa Capital is co-financing a study of non-food donations which we will present next April on the occasion of our fifth anniversary.



What are your plans for the future?

Our goal is to distribute €100 million in new products by 2015. This figure represents three times our achievements until now! It is an ambitious plan, and we are all working to ensure success. With this in mind, the study we plan to conduct will help us better identify donation potentials by sector and product category in an economic context where needs are growing ever greater. For example, we receive a great deal of requests for childcare and high-tech products.



AGENCE DU DON EN NATURE
EUROGIKI
Moins de gaspillage, plus de partage

Finally, after Lyon, Nice and Toulouse, we are going to create other regional hubs in Nantes and northern France for product storage and to co-ordinate our actions. Local correspondents are essential, particularly to secure the donation chain. We prevent mismanagement by closely monitoring the charities we work with via field surveys or partnership agreements. ■

www.adnfrance.org

ACTIVA
CAPITAL

203 rue du Faubourg Saint-Honoré
75008 Paris
Téléphone 01 43 12 50 12
www.activacapital.com