

2014
Activity Report

AN
INTEGRATED
APPROACH
TO THE SUSTAINABLE
DEVELOPMENT
OF
SMEs

A PORTFOLIO OF 10 FREE

*The portfolio companies share the
In 2014, Eurazeo PME widened its scope with
a specialist in the technical switch to LED lighting
player in comprehensive*



*France's fourth-largest
retirement home
operator*

*Four global beauty
brands for women*

*A global leader in
surgical sutures*

*Leader in signaling
lights for industrial
and commercial
vehicles*

*Maintenance, recycling
and financing of
IT infrastructure*

2014 REVENUE
€182 M

2014 REVENUE
€63 M

2014 REVENUE
€53 M

2014 REVENUE
€77 M

2014 REVENUE
€87 M

64%

EURAZEO PME
STAKE

76%

EURAZEO PME
STAKE

86%

EURAZEO PME
STAKE

77%

EURAZEO PME
STAKE

56%

EURAZEO PME
STAKE

PORTFOLIO INDEPENDENT SMEs

same high value creation potential.
With the acquisition of Vignal Lighting Group,
Lighting and Colisée, France's fourth-largest
independent care.



*Cafés specializing
in mussels, chips
and Belgian cuisine*

2014 REVENUE

€116 M

59%

EURAZEO PME
STAKE



*French leader in
the manufacture
of food packaging
solutions*

2014 REVENUE

€44 M

70%

EURAZEO PME
STAKE



*Specialist in senior
and convalescent care*

2014 REVENUE

€27 M

52%

EURAZEO PME
STAKE



*High-tech sealing
solutions*

2014 REVENUE

€182 M

3%

EURAZEO PME
STAKE



*Portable scientific
measurement
equipment*

2014 REVENUE

€13 M

45%

EURAZEO PME
STAKE

EURAZEO PME LAUNCHES INTEGRATED REPORTING

A forerunner since 2008 of the integration of Corporate Social Reporting into the private equity business, Eurazeo PME continues its roll-out at the very heart of its model with the aim of linking economic, social, societal and environmental variables. The first of its kind globally in the private equity sector and a pioneer in France, the publication of this integrated reporting marks the beginning of a major new phase.

EURAZEO PME INTEGRATED MODEL

Eurazeo PME's objective is to transform SMEs and unleash their potential as a committed shareholder alongside company management teams. Responsibility is a fundamental component of the Eurazeo PME model, reflected by value creation.

The adoption of integrated reporting is therefore a natural step for Eurazeo PME. Its aim: to communicate transparently on the approach to integrate CSR at the heart of its business model and to provide a comprehensive overview of the company's financial and non-financial performance. This report provides insight into Eurazeo PME's vision and the challenges it faces. It enables an understanding of its strategy and the resources made available to prepare its own future and that of its portfolio companies.

A STEADFAST PROGRESS APPROACH

Eurazeo PME's aim is to progress and help its investments progress. To this end, the integrated reporting approach and the methodology framework published by the International Integrated Reporting Council (IIRC) offer sources of inspiration and innovation.

With this integrated reporting, Eurazeo PME seeks to provide a holistic view of its business and its portfolio companies. This new framework invites stakeholders to share their comments, as part of an ongoing progress approach. ♦

CONTENTS

02 **Portfolio key figures**

03 **Meeting of minds** Virginie Morgon & Olivier Millet

08 **Challenges and Strategy**

09 **The need to differentiate**

16 **A high-performing and responsible model**

20 **Dialogue with stakeholders**

22 **Governance**

23 **Corporate governance**

26 **Teams serving growth**

28 **2014: a dynamic year**

29 **Financial information**

32 **Non-financial information**

34 **2014 highlights**

36 • COLISÉE

38 • DESSANGE INTERNATIONAL

40 • PÉTERS SURGICAL

42 • VIGNAL LIGHTING GROUP

44 • CAP VERT FINANCE

46 • LÉON DE BRUXELLES

48 • GAULT & FRÉMONT

50 • IDÉAL RÉSIDENCES,
THE FLEXITALLIC GROUP, FONDIS

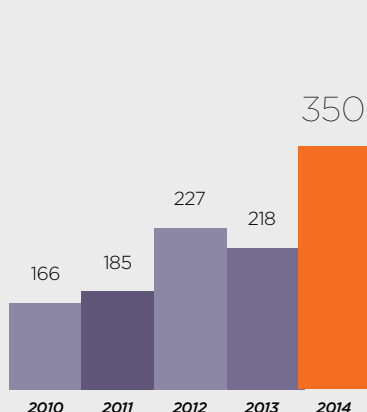
51 **Outlook**

52 **Glossary**

53 **Credits and thanks**

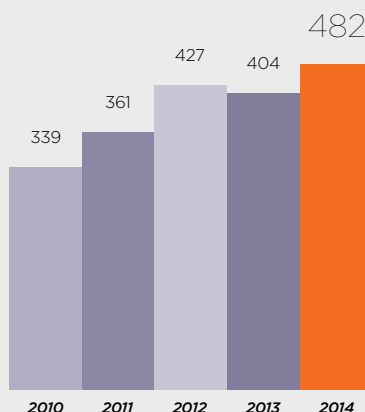
PORTFOLIO VALUE

in € millions

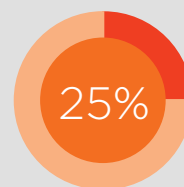


CONSOLIDATED REVENUE

in € millions



INTERNATIONAL ACTIVITY



OF REVENUE GENERATED
OUTSIDE FRANCE



PORTFOLIO KEY FIGURES



12,486 METRIC TONS
OF CO₂ EQUIVALENT
EMITTED



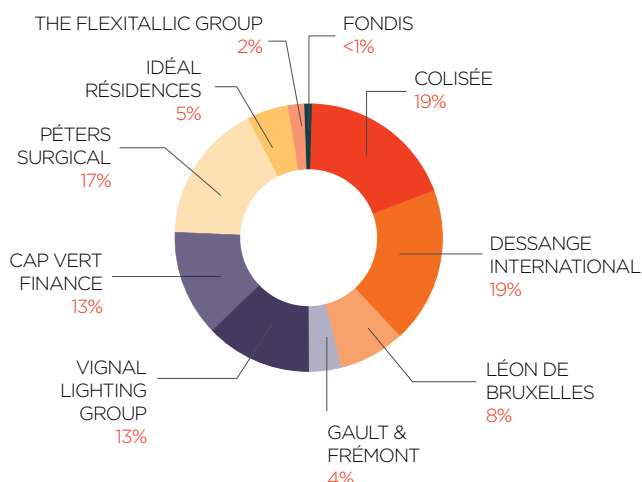
396,000 M³
OF WATER CONSUMED



4,639 PERMANENT
EMPLOYEES

BREAKDOWN OF NAV AS OF 12/31/14

in %



63%

of portfolio companies
have a Compensation
Committee

38%

of portfolio
companies have
an Audit Committee

100%

of companies have separate
executive and supervisory bodies



MEETING OF MINDS

**VIRGINIE MORGON
& OLIVIER MILLET**

Chairwoman of the Supervisory Board and Chairman of the Executive Board of Eurazeo PME, respectively, Virginie Morgon and Olivier Millet share their views on Eurazeo PME's past performance and consider its future together.

HOW WOULD YOU DESCRIBE THE SME'S MARKET IN 2014/2015?

OLIVIER MILLET: It's a two-speed market, with on the one hand companies facing margin, competition and competitiveness issues and on the other hand, companies well-equipped to deal with a difficult environment. The latter are often managed by a management and shareholding duo which operates well, enabling a buoyant strategic project, an ambitious roadmap and strong value creation momentum.

VIRGINIE MORGON: The SME's market — and particularly the segment targeted by Eurazeo PME with values of between €15 million and €200 million — continues to enjoy high deal volumes (85 in 2014 compared with 72 in 2013). These opportunities are generated by management teams aware of the need for shareholders able to support their growth, both in France and internationally. This assistance is essential, as the average size of French SME's is half that of their German and British counterparts. Of course, this growth can be achieved through debt financing, readily available on the market. However, the most conclusive results are obtained with a shareholding base with significant equity, solid experience, a strong business network and a shared ambition with the company.

BETWEEN ACQUISITIONS AND EXTERNAL GROWTH DEALS, EURAZEO PME HAS BEEN PARTICULARLY DYNAMIC IN 2014 WHILE REMAINING SELECTIVE. YOUR STRATEGY WOULD APPEAR TO BE HIGHLY EFFECTIVE?

O.M.: Yes, we have been highly active and selective, completing two acquisitions — Colisée and Vignal Lighting Group — and eight external growth deals for Colisée, Vignal Lighting Group, Péters Surgical and Cap Vert Finance. These deals are fully consistent with our strategy: investment in French SMEs — and sometimes small companies — demonstrating sufficient assets to benefit from globalization. Our aim is to advance simultaneously on two fronts: a change in size and critical mass through consolidation in France, followed by international expansion. Péters Surgical is the best example of this strategy and the most comprehensive in terms of transformation. Acquired in 2013, it doubled in size by purchasing the French company, Vitalitec, enabling it to expand its product range and extend its direct geographic presence. This consolidated base enabled a strengthening of the management teams. In addition, we worked for one year on the acquisition of a company in the Indian market to complement Péters Surgical.

We have been highly active and selective, with two acquisitions and eight external growth deals.

OLIVIER MILLET
Chairman of the Executive Board

In order to achieve all this in a short period of time, an SME must be well managed and the management team must be ready to change dimension, with respect to markets, business volume and region.

V.M.: This is Eurazeo PME's strength... and its paradox. While the French economy is idling and many SMEs are suffering, the companies in which we are a shareholder have no growth problems. We are building a portfolio of companies with a strong base, thanks to a methodical process of identification and transformation through acquisition and globalization, akin to what Eurazeo has achieved with much larger groups such as Rexel. An approach developed for large companies can therefore be successful when applied to solid SMEs with strong French or European roots.

WHAT ARE THE KEYS TO INTERNATIONAL SUCCESS?

V.M.: Our contribution to this SME globalization strategy is threefold. Firstly, time. We offer companies the time necessary to complete their external growth projects at a sustained pace. We also contribute significant equity, because it is more reasonable to take an equity risk when performing these transformation transactions. Finally, our expertise and our networks help identify, analyze and perform acquisitions and also provide assistance during the integration phases. Thanks to the strength of Eurazeo, Eurazeo PME's contribution is highly practical.

For example, last October our business development office in China accompanied five Eurazeo PME portfolio companies at the Franco-Chinese Chengdu SME forum and facilitated contact and the signature of strategic partnerships with local players.

O.M.: Under the impetus of Eurazeo, our investments are highly active in China. Colisée has formed a joint venture with China Merchants, while Vignal Lighting Group is planning to operate directly in the country. In addition, Dessange Group is continuing discussions regarding a launch in this market.



“
Eurazeo's status as
a listed invested company
brings discipline,
visibility, power
and longevity.
”

OLIVIER MILLET
Chairman of the Executive Board



THE VALUE OF YOUR PORTFOLIO GREW ONCE AGAIN THIS YEAR. HOW DO YOU EXPLAIN THESE GOOD RESULTS IN AN ENVIRONMENT THAT REMAINS DIFFICULT?

V.M.: It is Eurazeo PME's business to build ecosystems favorable to SME growth. Having the Eurazeo Group as a reference shareholder — via Eurazeo PME — is the first brick in this ecosystem.

It is proof of quality, solidity and ability to grow in France and internationally. Then there is the assistance provided by the Eurazeo PME teams and the support offered by Eurazeo, which help accelerate the transformation of companies and sustainably increase their value.

O.M.: Through the consolidation stages implemented and the synergies achieved by bringing SMEs together and projecting them on the international market, we move faster than the underlying markets. This generates an increase in EBITDA, which rose between 10 and 15% in 2014, including external growth. As the portfolio companies are generally profitable and generate cash flow, the net value increases, leading to an increase in the asset value. Our portfolio is reasonably spread across several companies and is not focused on a single champion.

WHY DID YOU RAISE A CO-INVESTMENT FUND EXCLUSIVELY FOR EURAZEO PME INVESTMENTS?

O.M.: For Eurazeo PME, the support provided by Eurazeo — its reference shareholder representing 70% of invested capital — and by its other unlisted investors — representing the remaining 30% of invested capital —, offers a dual advantage. Eurazeo's status as a listed invested company brings discipline, visibility, power and longevity, while the third-party investors complete our international network and occasionally our sector connections. Eurazeo could have developed the SME business alone, but it preferred to develop a momentum powered by globalization and external dialogue.

V.M.: Why have these third-party investors, 70% of whom are from outside France, chosen to accompany us? Because they consider our strategy to be appropriate, our historical results of a high quality, our teams professional and our work to transform SMEs into global mid-caps widely tried and tested. They understand that they are not investing in France, but rather in solid French companies offering strong development potential in France, Europe and the rest of the world. For a foreigner, investing in France remains complicated: safe entry points must be found.

The fact that Eurazeo remains the lead investor, providing 70% of committed capital out of a total of €520 million, provides additional reassurance.

HOW IS YOUR WORK TO STRENGTHEN GOVERNANCE BODIES AND YOUR DESIRE TO PROVIDE A SOCIAL, ENVIRONMENTAL AND SOCIETAL IMPETUS BENEFICIAL TO YOUR INVESTMENTS?

O.M.: The first benefit is solid and sustainable growth. We are convinced that the optimal value of a company depends not only on its financial performance but also and especially on the sustainability of its development. This sustainability requires work on a combination of financial and non-financial factors. To this end, numerous aspects must be considered including environmental challenges, the company's social project and an operating and shareholder governance structure adapted to change.

V.M.: The environment has never been so complex for SMEs. Survival depends on companies being put in motion, their reactivity and their ability to resize in a shifting environment. This will equip them to resist and adapt to all these factors of change. For example, for Péters, owning a subsidiary in India raises very specific social questions. Building an executive committee equipped to manage the globalization of a company requires the recruitment of the right talent. Beyond sales and profitability, taking account of all CSR-related factors helps secure — year after year — solidity and economic performance. This solidity is essential to increasing values over the long-term.

WHY DID YOU CHOOSE THE PRINCIPLE OF INTEGRATED REPORTING IN 2014?

O.M.: For two reasons. Firstly, we want to continue acting and moving forward while being innovative. We were one of the first companies to publish a Corporate Social Responsibility report in 2008 and we are innovating once again in 2014 by joining the global integrated reporting movement, which converges financial and non-financial information. Only a handful of companies have launched this approach in Europe... The second reason is educational. The private equity sector is often considered highly complex. This report seeks to render our business model more understandable to all stakeholders. Our shareholder business is also founded on an integrated series of workings and processes. This report is therefore a further step in our desire for transparency, both financial and non-financial and with

“
Eurazeo will continue
to invest around one
million euros per year
to transform French
SMEs into global
mid-caps.
”

VIRGINIE MORGON
Chairwoman of the Supervisory Board



respect to our objectives, limits, aims, methodology, etc. In this way, we become an understandable and accessible economic player, demonstrating our utility in conjunction with our stakeholders.

V.M.: Our aim is to be exemplary and a leader in CSR as it contributes — for Eurazeo and its investments — to the creation of positive and sustainable value. We are the first in our sector to have developed a genuine approach in this area. In this respect, Eurazeo PME is playing a true laboratory role.

WHAT ARE YOUR GOALS FOR 2015?

O.M.: Alongside investment management, we must now complete the integrations resulting from the external growth deals performed over the last

two years. Furthermore, in a market with many opportunities, we will pursue the same goals as in previous years: acquire shareholdings in two or three new companies and expand in France, Europe and the rest of the world in order to duplicate our business model. Our strategy is clear and we have the means to attain our goals.

V.M.: Eurazeo, through Eurazeo PME, will continue to invest around one million euros per year in company acquisitions or additional investments, aimed at accompanying the external growth strategies of French SMEs and their transformation into global mid-caps. ♦

CHALLENGES

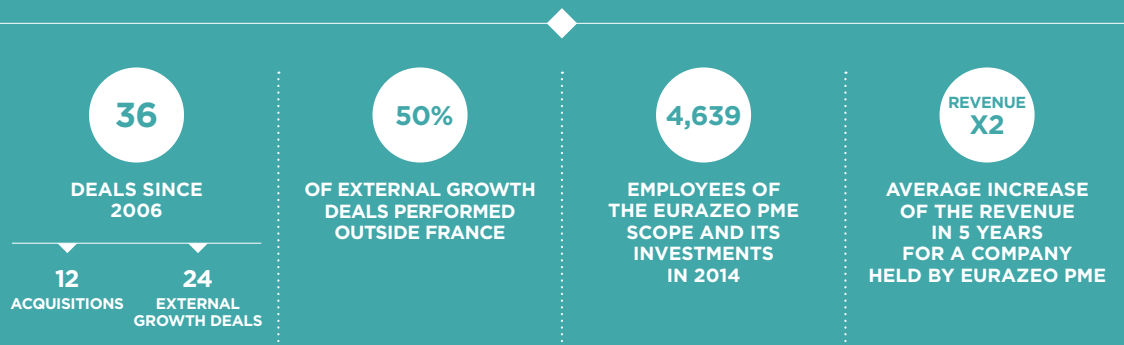
and

STRATEGY

For 10 years now, Eurazeo PME helps transform French small and medium-sized enterprises (SME) into global mid-caps by tapping into their growth potential, particularly abroad.

As a professional, long-term shareholder, a responsible investor, and a partner in development, Eurazeo PME provides French SMEs with all the financial, human and organizational resources to help them move to the next growth level and create sustainable value. Companies assisted by Eurazeo PME post average annual revenue growth rates of around 20%. This sustained growth represents a doubling of revenue over an average investment period of 5 years.

As a subsidiary of Eurazeo, one of Europe's largest investment companies, Eurazeo PME focuses on companies valued at between €50 million and €200 million, with profiles combining a high degree of maturity in their respective markets, recurring cash flow, and strong management ambition, particularly with regard to international growth.



THE NEED TO DIFFERENTIATE

The extremely high number of investors looking for quality companies and the level of capital inflow, particularly foreign, increases competition. To set themselves apart, private equity companies can no longer merely provide capital; they must offer companies additional value creation expertise.

PRIVATE EQUITY, A SECTOR IN FLUX

1 INCREASED COMPETITION

2014 saw cross-the-board growth in entry multiples. With an average eightfold increase in EBITDA*, valuations are back to levels prior to the 2009 crisis. Two key factors suggest an increase in competition. Firstly, the deal volume remains low, with longer investment holding periods in an economic context that is still limited. Secondly, available liquidity on the market has increased. Accordingly, with low interest rates, an increasing number of players are seeking attractive profitability levels in the private equity market.

*source Argos mid-market Index - December 2014

French SMEs offer promising prospects. Currently numbering 36,000, they represent 29% of the economy and jobs, generating revenue of €1,700 million and employing 6.5 million individuals. Compared with Germany or the United Kingdom, French SMEs are far more numerous — 36,000 SMEs in France vs 21,000 in the aforementioned countries — and significantly smaller. The average French SME reports annual revenue of €50 million compared with €100 million for our neighbors. The volatility of the economy and the competition challenges in domestic and international markets make the consolidation of the French SME network essential, offering the potential for significant growth.

2 MORE SOPHISTICATED PLAYERS

In a context of low rates and with governments strongly encouraging banks to increase the volume of loans to SMEs, managers are tempted to seek financing directly without going through private equity companies.

Companies are demanding more and more from private equity companies. In addition to capital and financing expertise, SMEs are seeking partners that can provide comprehensive assistance with their growth plans, covering subjects as diverse as globalization, diversification of the offering, digital transition, transformation of the organization or even CSR. Faced with this demand, private equity companies must bring differentiating strategic and operating expertise to their investments, to assist them in all aspects of their development.

45%

**OF FOREIGN
INVESTORS
in fundraising
in 2013**

(source: AFIC)

76%

**OF COMPANIES
with private equity
financing state they
have profited from
expertise contributed**

(source: BVCA)

3 GREATER COMPLEXITY IN COMPANY MANAGEMENT

A FRAGILE ECONOMIC CONTEXT

The global economic recovery remains fragile and uncertain at a time of increasing geopolitical tension and further stock market shocks. France does not escape this complexity, with GDP growth of 0.4% in 2014. Companies, and particularly those in developed countries, must therefore identify other growth drivers by targeting new markets and particularly international markets.

THE NEED TO FIND A NEW BALANCE

In this increasingly uncertain and volatile environment, marked by the rapid circulation of information, the rising expectations of stakeholders and increasingly short management horizons, the challenge facing managers is to find a new balance. Shareholders interested in long-term results — and not over a one-year period —, management supported and fairly compensated and employee profit-sharing schemes should enable a balance to be found between the collective project and the converging interests of all stakeholders.

4 THE RAMP-UP OF CSR

Far from being a fad, CSR is now firmly entrenched at the heart of company activities. Ever-greater regulation in this area has led companies to more and more transparency and responsibility. The 10 guiding principles of the United Nations Global Compact are gradually being transposed into local legislation, on an international scale. Reducing pollution, improving the working conditions of employees and being attentive to supplier and sub-contractor practices, are all challenges that companies can no longer avoid.

Over and above legal requirements, civil society is invited into company activities. Consumers and NGOs monitor companies more and more closely and are increasingly demanding and can have a direct impact on sales of products and services.

The term “ethical consumer” is a perfect illustration of this new trend among consumers, who seek to exercise their influence through their purchases, whether BtoB or BtoC, in order to encourage the development of more responsible practices.

Factoring in CSR is becoming a key performance lever.

Reducing the consumption of water, energy and raw materials is now unavoidable in order to contain cost rises and respond to the risk of shortages. Improving working conditions and strengthening training also have a direct influence on absenteeism, workplace accidents and service quality and ultimately on the costs borne by the company.

Finally, changes in consumer trends combined with pressure on resources will create new markets — electric cars and chargers, green energy, recycled products, raw materials of sustainable management origin, etc. All of which are new growth-generating economic opportunities.

The triad “People Planet Profit” creates new sources of sustainable value creation... which must be seized by companies to remain high-performing. ♦

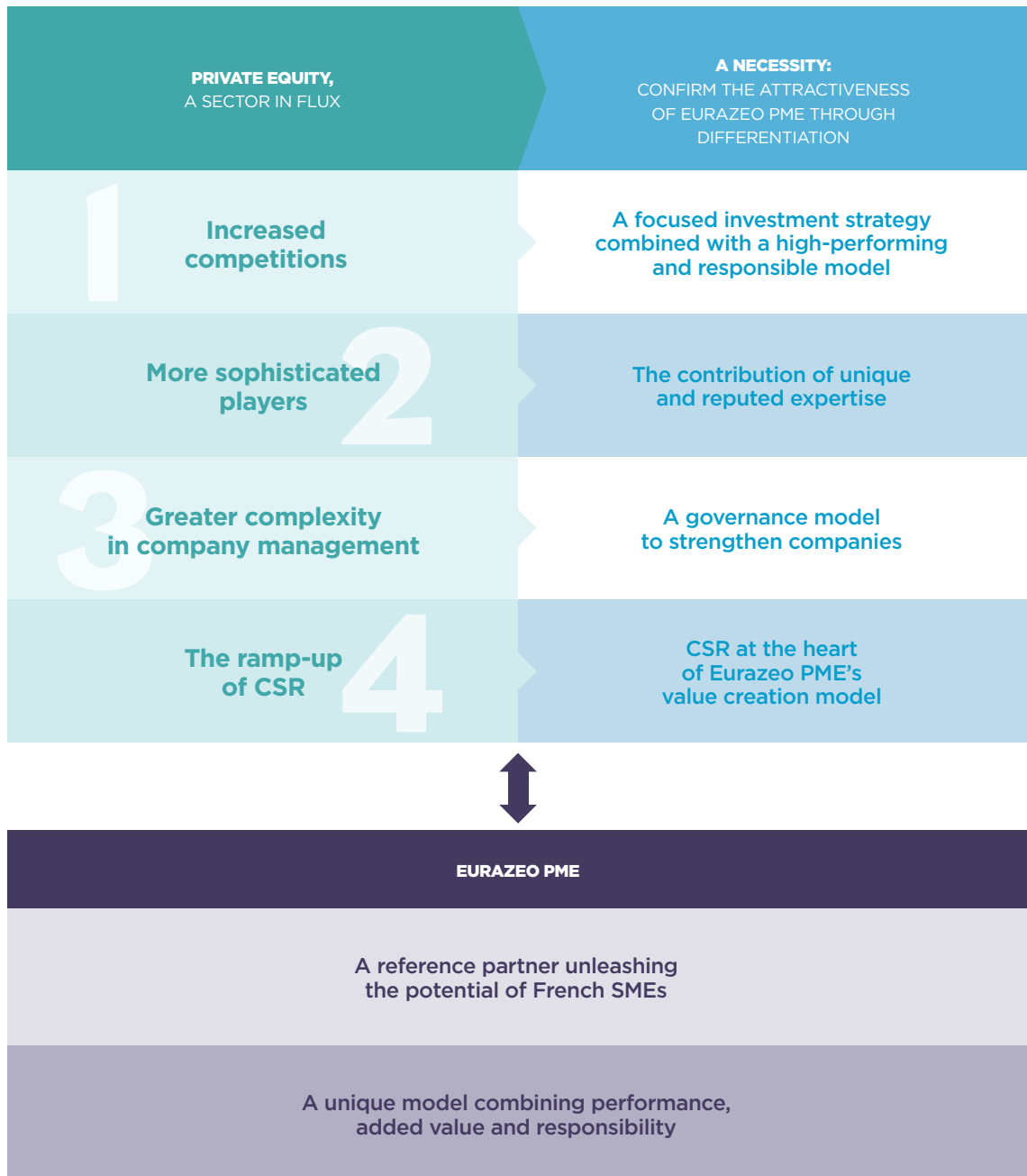
+5.2%

**EXPECTED
GROWTH RATE**
in emerging
countries in 2015

55%

OF CFOs
admit they have
delayed a project
in order to present
quarterly results in line
with expectations

EURAZEO PME'S STRATEGY FOUNDED ON DIFFERENTIATION



A FOCUSED INVESTMENT STRATEGY

1 A FOCUSED INVESTMENT STRATEGY

Since 2005, Eurazeo PME has demonstrated that its development approach for French SMEs creates value. Its investment strategy consists in:

- investing capital (between €15 million and €75 million) in French SMEs and mid-caps;
- positioning itself as an active partner, assisting with the definition and implementation of development strategies;
- selecting companies with a certain level of maturity and a solid position in their niche market, with significant long-term visibility and technological advantages or specific know-how;
- providing French SMEs with a flexible investment and assistance response by performing international external growth deals and accelerating organic growth (international development, improving the industrial tool, R&D, etc.);
- adopting the profile of a responsible and committed shareholder, through the implementation of an integrated CSR strategy.

2 AN INTERNATIONAL AND EXTERNAL GROWTH STRATEGY, ENHANCING LONG-TERM PERFORMANCE

External growth deals and international organic growth potential are a major component of Eurazeo PME's investment strategy.

The successful assistance of French SMEs in their international approach demonstrates how this development strategy guarantees sustainability and competitiveness and therefore long-term value creation.

The team's experience and Eurazeo's support has enabled a solid network of industrial experts and business relationships (corporate bankers, lawyers, lenders, other advisors, etc.) to be developed across the globe.

This network enables the perfect structuring of the international development of companies assisted and generates numerous opportunities for partnerships and acquisitions.

A HIGH-PERFORMING MODEL AND REPUTED EXPERTISE

In an increasingly competitive market, there are over ten investment funds in France with a similar positioning to Eurazeo PME in terms of target deal size. Differentiation is therefore a strategic priority for the continued development of business.

50% OF DEALS (excluding external growth deals) in 2013 and 2014 were performed over the counter (vs 25% between 2006 and 2012)

100% OF LETTERS OF INTENT issued in 2014 resulted in an acquisition (10 deals)

1 AN EFFICIENT MODEL UNDERPINNED BY A PRODUCTIVE TEAM

- Despite the small number of employees, the Eurazeo PME team stands out for the quality of its deal flow management, thanks to rigorous organization and high productivity.
- Comprising 7 investors in 2014, the team organized over 53 meetings with their merger/acquisition colleagues, identifying some 78 investment opportunities.
- The rapidity of responses to opportunities and business providers is a leading factor in performing investments. Each opportunity is reviewed by two or three members of the investment team, ensuring excellent reactivity during the appraisal and negotiation phases. The sourcing experience and professionalism of the team enables the transformation of target projects into investments. Communication within the investment team on each opportunity or project is also a decisive factor with regards to operating efficiency and decision making.

2 ESTABLISHED REPUTATION AND RECOGNIZED KNOW-HOW

Its reputation, combined with that of Eurazeo and its specific characteristics make Eurazeo PME a first-choice partner for French SMEs. It boasts many competitive advantages:

- its legal structure as a company with permanent capital provides its portfolio companies with the financial resources they require for growth. Eurazeo PME's strategy is also founded on a long investment period (5 to 10 years) offering the projects, and their management teams, the necessary flexibility;
- its in-depth knowledge of the French SME segment and its genuine culture of commitment alongside management, drives its strong reputation on the market, with both entrepreneurs and intermediaries;
- its recognized expertise as a specialist in international development, particularly thanks to its deal flow monitoring tools, the cumulated experience of its team and its strong network;
- the value added associated with the support of an institutional investor as prestigious as Eurazeo, particularly as a source of external growth opportunities (e.g. The Flexitallic Group or Dessange International in the USA).

AN EXEMPLARY GOVERNANCE MODEL TO STRENGTHEN COMPANIES

1 OPTIMIZE THE SHAREHOLDER AND OPERATING GOVERNANCE OF COMPANIES

As a responsible shareholder, convinced of the major role to be played in accelerating the transformation of companies, Eurazeo PME places considerable importance on shareholder and operating governance. As such, it actively supports the development of its investments. This assistance, in close conjunction with managers, results in the structuring of high-quality governance bodies adapted to transformations: creation of full Supervisory Boards and Executive Boards, promotion of the diversity of these bodies,

introduction of independent members on the Boards bringing expertise and challenging management, assistance with the recruitment of expert managers.



OF WOMEN
on the top management body



OF INDEPENDENT DIRECTORS
and 11% of women
on Supervisory Boards

2 ALIGNMENT OF OBJECTIVES WITH COMPENSATION

The support provided is fully effective when managers and employees are closely associated with the corporate project. The team therefore favors deals where the company is taken over by current

management and promotes the sharing of value creation by associating management and executives with company performance through profit sharing and incentive schemes and access to capital.

CSR AT THE HEART OF EURAZEO PME'S VALUE CREATION MODEL

A forerunner as early as 2008 of the CSR approach in the private equity sector in France, Eurazeo PME factored these issues into its business through the creation of a Sustainable Development department and then in 2010 integrated CSR into the investment and reporting process. CSR is currently integrated into the entire Eurazeo PME investment cycle. During the investment opportunity identification phase, CSR enriches the prospective analysis of the different business sectors and enables an in-depth understanding of environmental, social and societal challenges and opportunities, thereby fueling the ability to build strong convictions in the selection of investments.

During the acceleration phase, Eurazeo PME helps its investments implement CSR policies. Expertise is communicated through discussion seminars, work meetings, the sharing of good practice and the regular monitoring of performance indicators.

This assistance is adapted to the specific challenges of each company and the resources it is able to mobilize. Finally, during the exit phase, Eurazeo PME includes CSR in its appraisals, bearing witness to the progress achieved over the investment period.

Eurazeo PME also actively promotes the integration of private equity challenges and is a driving force in the market recognized by its peers, as demonstrated by the central role played by Olivier Millet within the French Association of Investors, AFIC, where he became vice-chairman in 2014.

2014 marked the beginning of a new phase in Eurazeo PME's CSR progress and ambition, with the definition of a strategy comprising quantified objectives for 2020. This strategy comprises four pillars, with the third pillar consisting of a roadmap for investments. ♦

CSR: A SOURCE OF SUSTAINABLE PERFORMANCE

Thanks to a solid approach established since 2008, Eurazeo PME is currently able to measure the CSR performance of its entire portfolio since 2012.

MEASURING ENVIRONMENTAL IMPACTS

Cumulative results of portfolio companies since 2012

These results reflect the management efforts and measures deployed by companies to reduce consumption levels.

1,660 METRIC TONS OF CO ₂ EQUIVALENT AVOIDED	13,560 M³ OF WATER SAVINGS
€29,700 OF COST SAVINGS TIED TO WATER PURCHASES	

Companies included: Cap Vert Finance, Dessange International, Idéal Résidences, Léon de Bruxelles, Péters Surgical.

MEASURING SOCIETAL AND GOVERNANCE IMPACTS

Cumulative results of portfolio companies since 2012

87 SUPERVISORY BOARD OR BOARD OF DIRECTORS MEETINGS organized since 2012, representing an average of around 30 per year	€21 million TOTAL TAX PAID
€359 million TOTAL PURCHASES	€72 million TOTAL SOCIAL CONTRIBUTIONS

Companies included: Cap Vert Finance, Dessange International, Idéal Résidences, Léon de Bruxelles, Péters Surgical, Colisée, Vignal Lighting Group.

>> The full calculation methodology is available on the website www.eurazeo-pme.com

A CSR STRATEGY COVERING SPECIFIC BUSINESS CHALLENGES

1 INVEST RESPONSIBLY	CSR to be integrated into every stage of the investment process	2020 OBJECTIVES	<ul style="list-style-type: none"> • 100% of due diligence in the advanced study phase of acquisitions to incorporate a CSR Section • 100% of portfolio companies to perform CSR reporting • 100% of divestments to be subject to CSR disclosures
2 ESTABLISH EXEMPLARY GOVERNANCE	All companies to have exemplary governance bodies	2020 OBJECTIVES	<ul style="list-style-type: none"> • 100% of companies to have at least 40% women directors on their Supervisory Board or Board of Directors • 100% of companies to have at least 30% independent directors • 100% of companies to have an Audit Committee and a Compensation Committee
3 CREATE SUSTAINABLE VALUE	All companies to have a CSR progress plan	2020 OBJECTIVES	<ul style="list-style-type: none"> • 100% of portfolio companies to have deployed Eurazeo's "CSR musts" • 100% of portfolio companies to have quantified CSR progress targets • 100% of portfolio companies to be involved in at least one CSR acceleration program
4 BE A VECTOR OF CHANGE IN SOCIETY	All companies to improve their social footprint	2020 OBJECTIVES	<ul style="list-style-type: none"> • 100% of portfolio companies to improve the protection and well-being of employees • 100% of portfolio companies to associate their employees with value creation or company results • 100% of portfolio companies to reduce their environmental impact

THIS CSR STRATEGY PROVIDES AN OPERATIONAL FRAME OF REFERENCES FOR THE COMPANIES IN OUR PORTFOLIO

	3 CREATE SUSTAINABLE VALUE	ALL COMPANIES TO HAVE A CSR PROGRESS PLAN
<ul style="list-style-type: none"> • 100% of portfolio companies to have deployed Eurazeo PME's "CSR musts" <ul style="list-style-type: none"> • Appoint a CSR manager • Establish annual CSR reporting • Create an operational CSR committee • Include CSR issues on the agenda of Board meetings at least once a year • Conduct an environmental and/or greenhouse gas assessment every three years • Perform a social barometer every three years • Conduct CSR audits of priority suppliers • 100% of portfolio companies to have quantified CSR progress targets • 100% of portfolio companies to be involved in at least one CSR acceleration program <ul style="list-style-type: none"> • Responsible purchasing program • Gender equality program • Environmental footprint program 		

A HIGH-PERFORMING AND RESPONSIBLE MODEL

3 BUSINESS LINES TO IMPLEMENT THE STRATEGY

► **SKILLS AND EXPERTISE FOCUSED...**

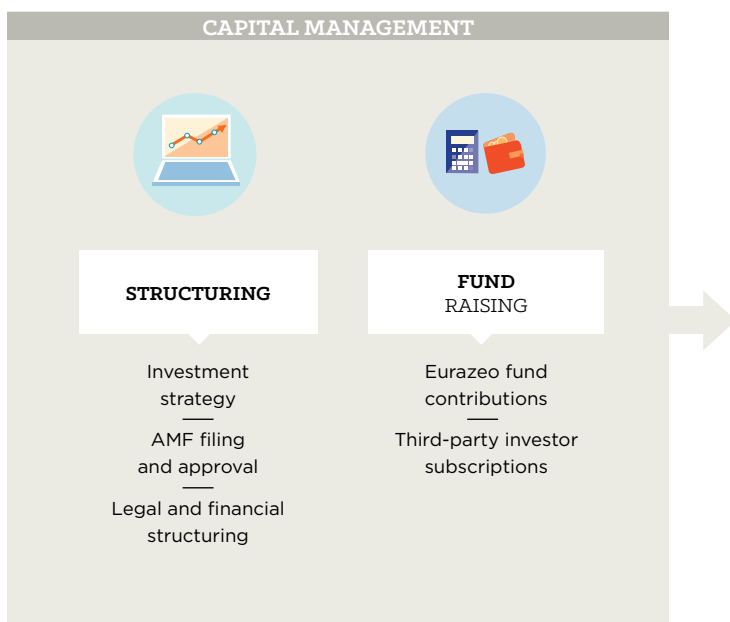


MANAGEMENT TEAM



HUMAN RESOURCES AND ORGANIZATION MANAGEMENT

► **...ON VALUE CREATION**



The Eurazeo PME business model is centered around three main activities: the structuring and management of capital, the business of majority shareholder and the Corporate activities supporting the business. ♦



**FINANCIAL AND LEGAL
MANAGEMENT**



**COMMUNICATION AND RELATIONS
WITH INSTITUTIONS**



CSR DEPARTMENT

SHAREHOLDER



ACTIVATE
ALL GROWTH LEVERS

Implementing strong
and exemplary governance
—
Adapting business models
—
Organic growth
—
Adapting organizations
—
International development
—
External growth
—
Innovation



REALIZE
VALUE

Achieving transformation
objectives
—
Disposal:
• to an industrial company
• to a financial investor
• IPO



SHARE
CREATED VALUE

Incentive schemes
for investment management
and employees
—
Management team Carried
interest program
—
Eurazeo and third-party
investor return

CORPORATE



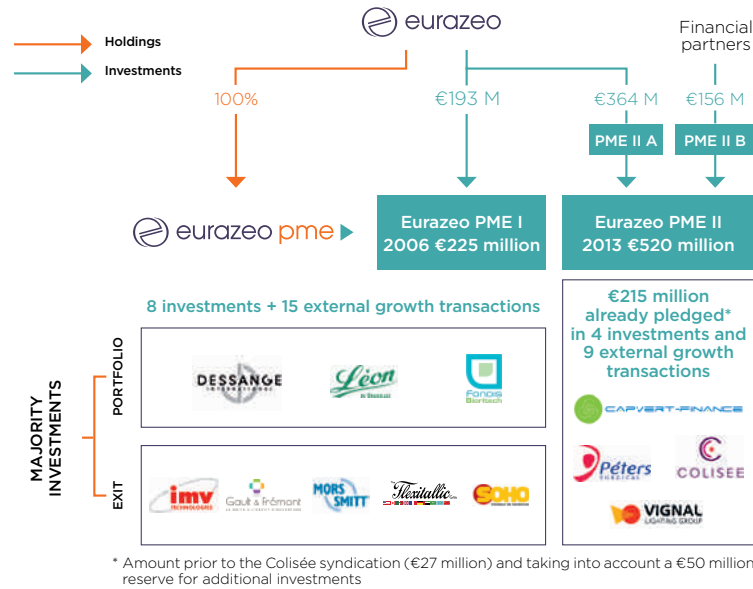
MANAGE
EURAZEO PME



CAPITAL STRUCTURING ACTIVITY

The capital structuring activity consists in formalizing the investment strategy and criteria — so that financial partners entrust Eurazeo PME with the management of a portion of their capital — and the terms and conditions governing fundraising and contract compliance. This work is jointly carried out by the internal and external investment and corporate (finance and legal) teams. This also involves a dialogue with the external regulatory stakeholders, and particularly the French financial markets authority (AMF), in terms of obtaining professional certification. This stage calls for intellectual and human capital, since it entails the mobilization of multi-disciplinary teams and a rigorous organization to manage projects lasting several months.

For Eurazeo PME, this capital structuring activity has given rise to the current organization (see below):



VALUE CREATION MADE TANGIBLE

The activity of the majority shareholder involves the upstream identification of companies that correspond to the investment strategy, the analyses inherent to the understanding of the business model and risk management process (acquisition due diligence), and the set-up of a financial and legal arrangement adapted to the strategic development plan, including CSR, of the investment

acquired. This stage calls for human, intellectual, financial, societal and environmental capital. Once the acquisition is completed, and the long-term support of the company based on the initial plan has been provided, it is necessary to leverage this effort, which takes four to seven years on average. The value creation stage will therefore consist in defining an exit strategy, preparing the sale dossier (particularly the vendor due diligence) in order to identify

suitable financial or industrial potential acquirers and to facilitate their understanding of what has been achieved over the investment period. The latter will then commit to the company's long-term development and enhance as much as possible the value creation generated in cooperation with the company's management, and the value to be created in future years.

Eurazeo PME has demonstrated this tangible value creation in its past sales, whose cumulative results are as follows:

EXIT					MULTIPLE	INVESTMENT	VALUE
	2010	2012	2013	2010	x 2,4	€92 M	€217 M

These results confirm that Eurazeo PME is one of the most successful players of its market segment in France. This factor will be significant in terms of preserving the company's appeal to all stakeholders. ♦



THE 6 INTEGRATED REPORTING CAPITALS

*The six major categories of capital
have been activated to implement the model.*



Financial capital is the pool of funds obtained through the financial support of Eurazeo and its partners who demonstrated their confidence in the management team at the time of the 2014 fund raising (closed in March 2015). These funds are allocated to acquisitions and remain available to companies assisted to finance their organic (industrial investment, innovation, R&D) and external growth.

This capital is strengthened by a genuine feeling of belonging within the management team and maintained by a sustained training policy.



Social and relationship capital is reflected in Eurazeo PME by considerable transparency and strong commitment to relationships with professional stakeholders, as well as by shared values and brand-related assets.



Intellectual capital groups together organizational, operating and governance know-how. Over the past 10 years, Eurazeo PME has developed a model combining agility and rigor to make the management team and company managers accountable, while developing structured control and decision-making processes.



Natural capital encompasses all environmental resources supporting the company's business (air, water, minerals, biodiversity, etc.), at the heart of Eurazeo PME's concerns at each investment stage (particularly during acquisition due diligence and on the roll-out of the roadmap when assisting companies). The related challenges are fully integrated into the company's CSR strategy.



Human capital combines the knowledge of management team members as well as the collective knowledge resulting from 10 years common experience and over 70 years cumulative experience in private equity.



Finally, **manufactured capital** encompasses all manufactured resources used in the production processes (real estate, plants, infrastructures, etc.) of companies in which Eurazeo PME is a shareholder.

DIALOGUE WITH STAKEHOLDERS

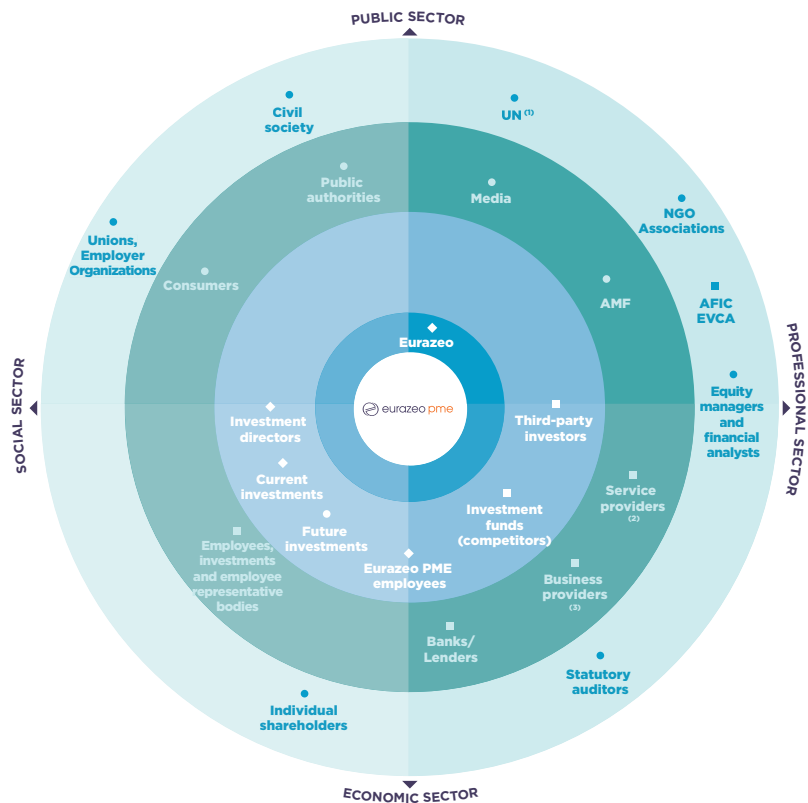
Eurazeo PME is convinced that structured and transparent dialogue with stakeholders is key to competitiveness and value creation.

To ensure the sustainability of its development, Eurazeo PME seeks to identify, prioritize and anticipate stakeholder expectations. Thus, as early as 2010, it performed an initial mapping of stakeholders.

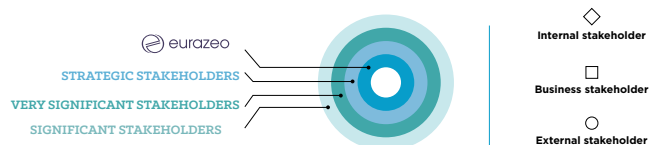
This enabled the identification and analysis of their importance and their main expectations.

This mapping, which was reviewed in 2014, seeks to classify and prioritize stakeholders on three bases:

- distinction between internal, external and “business” stakeholders;
- breakdown of stakeholders into several spheres: social, public, economic and professional;
- breakdown of stakeholders according to their importance for Eurazeo PME’s business.



SPREADSHEET CATEGORIES



(1) PRI, Global Compact, etc.

(2) Lawyers, counsel, audits, communication, etc.

(3) M&A, etc.

▶ EXPECTATIONS OF THE MAIN STAKEHOLDERS

Through discussions with those stakeholders considered a priority, Eurazeo PME enjoys a long-term relationship of confidence with each of them, by developing appropriate means of interaction and responding to their key expectations.

	MAIN EXPECTATIONS	MEANS OF INTERACTION	LINK TO EURAZEO PME'S RESPONSE TO EXPECTATIONS
EURAZEO	<ul style="list-style-type: none"> • Recurring performance (capital gains) • Through risk management and anticipation • Reporting and transparency of financial and non-financial aspects • Integration of CSR and governance based on the best standards within the investments 	<ul style="list-style-type: none"> • Formal discussions/ meetings, informal and continuous information, Eurazeo PME Supervisory Board, Special Committees 	<ul style="list-style-type: none"> • Risks: p.25 • Performance: p.31 • Reporting and governance: p.23 and p.29
EURAZEO PME EMPLOYEES	<ul style="list-style-type: none"> • Professional life: training/development of skills, confidence, team spirit • Attractive compensation and profit-sharing • Sound governance and integrity 	<ul style="list-style-type: none"> • Individual meetings and annual objectives, training program, Executive Committee and Supervisory Board reports, monthly internal meetings, seminars 	<ul style="list-style-type: none"> • Human Resources: p.27 • Governance: p.22 to 27
INVESTMENTS	<ul style="list-style-type: none"> • Contribution of funds • Partner relationship • Contribution of expertise • Value sharing • Contribution of external growth opportunities • Network 	<ul style="list-style-type: none"> • Formal discussions/ meetings, investment agreements, shareholder agreements, meeting minutes of specific bodies (Boards, Committees, etc.), CSR seminars, M&A network, experts and CSR 	<ul style="list-style-type: none"> • Contributions and value sharing: p.13 to 17
FUTURE INVESTMENTS	<ul style="list-style-type: none"> • Performance • Growth paths and contribution to strategic and financial development • Partner relationship • Value sharing 	<ul style="list-style-type: none"> • Annual report, website, media, influencers, past and current investment managers 	<ul style="list-style-type: none"> • Performance, ideas: p.18 and 31
THIRD-PARTY INVESTORS	<ul style="list-style-type: none"> • Sustained performance within a cost control mindset • Fundraising • Reporting and transparency concerning financial and non-financial aspects 	<ul style="list-style-type: none"> • Formal discussions/ meetings, AFIC events, reporting 	<ul style="list-style-type: none"> • Efficiency: p.13 • Reporting: p.29 and 30

GOVERNANCE

In Eurazeo PME's opinion, governance is high-performing **when it integrates an entrepreneurial project at the heart of a demanding responsible majority shareholder approach.**

It is founded on dual expertise: that of investor, which is Eurazeo's business, and that of transforming SMEs into mid-caps, which is specific to Eurazeo PME's team.

Success depends on a good understanding of entrepreneurial contexts and solid management of non-financial risks.

The combination of these two assets is currently formalized in an original integrated model presented in this report.



CORPORATE GOVERNANCE

A listed company until 2011, a management company approved by the AMF, (the French Financial Markets Authority) and a subsidiary of Eurazeo, a listed investment company, Eurazeo PME enjoys a particularly solid organizational structure guaranteeing the quality of decision-making and control processes as well as a high level of transparency, compliance and ethics. In this spirit, Eurazeo PME has opted for a corporate structure with an Executive Board and a Supervisory Board, enabling a clear separation of management and control bodies.

EXPERTISE AND INDEPENDENCE AT THE HEART OF EURAZEO PME'S SUPERVISORY BOARD

THE PRIMARY MISSION OF THE SUPERVISORY BOARD IS TO CONTROL THE MANAGEMENT OF THE COMPANY BY THE EXECUTIVE BOARD.

The Supervisory Board has six members —including two independent members— and is assisted by two independent non-voting members. The non-voting members sit on an advisory capacity, but contribute their expertise and knowledge of the company's context to the Board.

◆ VIRGINIE MORGON

Deputy CEO of Eurazeo
Chairwoman of the Eurazeo PME Supervisory Board
Joined Eurazeo in 2008

- > Supervises Eurazeo investments. As the head of Eurazeo Capital, she monitors the investments and in particular Accor, Asmodee, Elis and Moncler.
- > Managing Partner of Lazard Frères et Cie in Paris from 2000, after working as an investment banker in New York and London.
- > Director of Accor, L'Oréal and Member of the Supervisory Board of Vivendi.
- > Member of the Board of Directors of the Women's Forum for the Economy and Society.

◆ BRUNO KELLER

Deputy CEO of Eurazeo*
Joined Eurazeo in 1990 as Chief Financial Officer before being appointed Deputy CEO in June 1998

- > Previous positions include auditor (PwC: 1976-1982), Finance Manager (Elf Aquitaine Finance Department: 1982-1989) and Asset Management (Banque Indosuez: 1989-1990).
- > Chairman of the ANF Immobilier Executive Board since 2005.

* On March 13, 2015, the Supervisory Board duly noted the termination of Mr Keller's duties as a member of the Executive Board, following the Shareholders' Meeting held on May 6, 2015.

◆ PHILIPPE AUDOUIN

Chief Financial Officer of Eurazeo
Joined Eurazeo in 2002

- > Began his career by forming and expanding his own company over a period of 10 years.
- > He then became Chief Financial Officer and Signing Officer, in Germany, of the first joint venture between France Telecom and Deutsche Telekom.
- > From 1996 to 2000, he was Director of Finance, Human Resources, and Administration of France Telecom's multimedia division, followed by Chief Financial Officer of Europ@web from April 2000 to February 2002.

◆ FRANS TIELEMAN

Managing Director
Member of the Eurazeo Executive Committee
Joined Eurazeo in 2001

- > He coordinates the search for new investments and is responsible for fund management and monitoring certain investments.
- > He has participated in the acquisition and monitoring of over ten investments in France, Italy and Spain for more than €1.5 billion in equity, including recently Desigual, Asmodee, Eurazeo PME and Moncler.

◆ BERNARD LOTH

Member of the Supervisory Board
Independent

- > Currently Chief Financial Officer of Albingia.
- > He previously occupied several insurance company positions: AZUR GMF, COVEA.

◆ CHRISTOPHE KARVÉLIS

Non-voting member
Independent
Member of the Compensation Committee

- > Co-founding partner of Capzanine.
- > He was previously a member of ABN Amro Capital general management, contributed to setting up the fund EPF Partners and was a member of the 3i France Management Committee.

◆ PATRICK DUPUY

Member of the Supervisory Board
Independent

- > Founding Chairman of Dardel Industries.

◆ JEAN-LUC BRET

Non-voting member
Independent

- > Founding Chairman of La Croissanterie.

FREQUENT AND WELL-ATTENDED MEETINGS

THE BOARD MET 7 TIMES IN 2014 WITH AN AVERAGE ATTENDANCE RATE OF 74%.

In particular, members examined and deliberated on the accounts of the company and reviewed investment activities, ongoing projects, strategy, the competitive positioning, etc.

For example, in the context of the €500 million investment program decided in 2011, the Supervisory Board validated the raising of a co-investment fund earmarked for Eurazeo PME investments. This structuring project was completed in March 2015 and raised €156 million from third-party investors, in accordance with the Supervisory Board decision. ◆

6 COMPLEMENTARY COMMITTEES ENSURE THE SUSTAINABLE AND HIGH QUALITY MANAGEMENT OF THE COMPANY

SUPERVISORY BOARD		
Audit Committee, 3 meetings, 67% attendance rate	Compensation and Appointment Committee, 1 meeting, 100% attendance rate	Advisory Committee, 6 meetings, 70% attendance rate
A central oversight body: Comprising 3 members (including 1 independent), it assists the Supervisory Board in examining questions relating to accounting and financial information, valuation, compliance and internal control	For a compensation advisory process: Comprising 3 members (including 1 independent), it makes recommendations to the Board regarding the compensation of the Executive Board members and Associate Directors	5 professionals advise the team: Comprising 5 members of the Supervisory Board (including 2 independent), it is consulted for any investment, reinvestment or divestment proposal (above the €25 million threshold, the Committee is expanded to include the entire Supervisory Board)
EXECUTIVE BOARD / company management, investment decisions		
Valuation Committee, 2 meetings, 100% attendance rate	Executive Committee, 39 meetings, 90% attendance rate	CSR Committee*, 3 meetings, 100% attendance rate
Assess the fair value of investments: Comprising the investment and finance teams, its objective is to help the independent assessor confirm these valuations	Company body responsible for daily exchange and management: Comprising the Executive Board and the 2 Associate Directors, it covers short-term challenges, as well as more strategic issues relating to the company and its organization	CSR steering body: Comprising 2 members of the Executive Board, Executive Committee and the Eurazeo management teams concerned, it coordinates and covers internal and external CSR issues (investments) *jointly with Eurazeo

RISK CONTROL

AT THE HEART OF EURAZEO PME'S CULTURE

THIS PROFESSIONAL GOVERNANCE HAS ENABLED EURAZEO PME TO DEVELOP A RIGOROUS RISK CONTROL SYSTEM. To this end, it is supported by Eurazeo's expertise. Accordingly, the Eurazeo Internal Audit Director, who holds a Compliance and Internal Control Officer license, is responsible for compliance and internal control. His primary duties are to ensure

compliance by all employees with professional obligations covering all the company's activities and to guarantee the efficiency of the risk management system. In the event of a warning, the Compliance and Internal Control Officer informs Eurazeo PME management, proposes corrective measures and monitors their implementation. ♦

EURAZEO PME MATERIAL RISKS RISKS SELECTED IN THE EURAZEO PME MAPPING

RISKS	DESCRIPTION	RISK MANAGEMENT
RELATED TO THE LEGAL AND TAX ENVIRONMENT	AMF approval with strict rules governing oversight of the activity (fraud, fight against money laundering and terrorist financing, etc.). Exposure to significant penalties in the event of violation	Human resources (CFO, CICO, Audit Committee, etc.) and risk control process (multi-party review of fund flows, LAB procedure and due diligence, reporting production progress verified by the CICO, etc.)
RELATED TO THE INVESTMENT STRATEGY	Change in the terms and conditions governing investment, transformation, valuation and sale of holdings in the event of an economic downturn	Resilience of the companies sought: international potential, experienced management, strong competitive edge, entry barriers, visibility and low exposure to economic trends
DEPENDENCE ON KEY PERSONNEL OF THE INVESTMENTS	Transformation project called into question in the event of departure(s) of key personnel (support, change management, etc.)	Preference given to MBO system , association of employees with value sharing, robust operational governance (Executive Committee, etc.)
RELATED TO INVESTMENT CAPACITY	Liquidity necessary for the financing of investment opportunities (refinancing of investments + external growth transactions) in a transformation project	Investment strategy based on a permanent reinvestment capacity (30% of investments on average dedicated to additional investments)
RELATED TO AN INVESTMENT SALE	Shareholder performance determined by the accuracy of the valuation at the time of the purchase and the macro-economic conditions	Robust investment process based on the team's experience and, if necessary, that of Eurazeo
DEPENDENCE ON KEY PERSONNEL OF THE MANAGEMENT TEAM	Alteration of the deal flow and the relationship with all stakeholders should a key employee or manager leave	Development of a corporate project and an attractive system of remuneration
RELATED TO TRANSPARENCY	Communication of relevant and reliable information to Eurazeo (listed company) and other stakeholders (third-party Investors, etc.)	Dedicated human resources and set-up of organizations and processes for the production of financial information
RELATED TO REPUTATION	Potential discrepancy between the Eurazeo PME message (particularly CSR) and controversies, resulting in a damaged reputation	Systematic CSR due diligence, support of Eurazeo PME and dedicated human resources in the investments

TEAMS SERVING GROWTH

In addition to their professionalism and expertise, the teams are driven by a common commitment and values that underpin performance. These common values — boldness, expertise, independence, the long term and responsibility — are communicated and shared within the company.



A tightened Executive Board with additional expertise for effective decision-making

1

OLIVIER MILLET

Chairman of the Eurazeo PME Executive Board for 9 years

28 years' private equity experience. Chairman of the Eurazeo PME Executive Board and a business school graduate, Olivier Millet is also Vice-Chairman of AFIC (the French Private Equity Association) since 2014 and Chairman of the AFIC CSR Commission since 2009.

2

EMMANUEL LAILLIER

Member of the Eurazeo PME Executive Board for 4 years

16 years' private equity experience. Emmanuel joined the team in 2011, bringing experience gained in two other private equity structures. He has participated in around twenty investments, particularly in the healthcare sector.

3

ELISABETH AUCLAIR

Chief Financial Officer, member of the Eurazeo PME Executive Board for 7 years

23 years' experience in audit and the finance departments of private equity and listed companies. Elisabeth is responsible for Eurazeo PME's corporate activities and is in direct contact with the finance departments of portfolio companies.

An experienced management team

4

PIERRE MEIGNEN

Managing partner of Eurazeo PME for 10 years, member of the Executive Committee

12 years' private equity experience. Participation in over ten investments in Eurazeo PME and over ten external growth deals. In particular, Pierre has performed two Public to Private (PtoP) deals. Significant experience in assisting companies with external growth deals in the Netherlands, Italy, the United Kingdom, the USA, China, etc.

5

ERWANN LE LIGNÉ

Managing partner of Eurazeo PME for 9 years, member of the Executive Committee

12 years' experience in acquisition financing and private equity. Around ten Leveraged Finance deals. Participation in seven investments in Eurazeo PME and numerous external growth deals in the USA, Canada, Belgium, the United Kingdom, India, etc. Multiple procedures in relation to the CSR strategy.

MATHIEU BETRANCOURT

Investment Director with Eurazeo PME for 7 years

8 years' private equity experience. Participation in six investments in Eurazeo PME and related external growth deals.

JOANNE DUBAIL

Investment Director with Eurazeo PME for 1 year

3 years' private equity experience. Joanne previously worked in investment banking before joining L'Oréal as management controller.

Eurazeo PME, is a company on a human scale with the structuring processes of a major company

In addition to its management teams, Eurazeo PME is supported by high-performing internal departments and expertise:

- *Sophie Flak and Noëlla de Bermingham* coordinate the CSR strategy
- *Clara Chatillon*, finance controller, and *Véronique Dubois*, head of accounting, ensure that the accounts are true and fair
- *Nicolas Becque*, fund management officer
- *Carole Bourdeaux*, office manager
- *Sophie Botzke*, executive assistant & communications officer
- *Amélie Jaran*, assistant

Eurazeo's contribution is a major boost for Eurazeo PME's performance

Eurazeo PME benefits from the transversal and business development expertise provided by the Eurazeo teams, particularly in areas such as sourcing via the Chinese office (Shanghai), risk management, investor relations, human resource management, legal affairs and IT.

Fairness

Eurazeo PME has established a variable compensation system within the management team which is consistent with its collegial functioning. Performance-related compensation criteria are calculated based on the overall performance of funds and not on an individual investment basis.

RAFAELLE FAIBIS

Associate with Eurazeo PME for 3 years

3 years' private equity experience. Rafaëlle joined Eurazeo PME after two years with Xerfi and then working for the HSBC Leverage Finance team as an analyst. Participation in three investments in Eurazeo PME.

A
DYNAMIC
2014
YEAR
*Financial and non-financial
information*

In 2014, Eurazeo PME included two acquisitions in its scope: Vignal Lighting Group, European leader in signaling lights for industrial and commercial vehicles, on March 1, 2014 and Colisée, France's fourth-largest retirement home operator, on October 1, 2014.

FINANCIAL INFORMATION EXTRACT

INCOME STATEMENT (IFRS)

Revenue for 2014 totaled €482.1 million, up +11.7% based on a comparable scope of Eurazeo PME investments (restated in 2013 for scope changes). Current EBITDA totaled €64.4 million, up +10.3% on a comparable scope basis. This improvement was attributable to the solid performances of all Group companies and includes the EBITDA of consolidated operating investments amounting to €67.9 million (compared with €62.4 million in 2013 on a comparable scope basis). The EBITDA margin rate was stable at 14.1%. Other operating income and expenses mainly comprised the research and organizational costs of the acquisitions and external growth transactions carried out by the various Group companies. In 2013, they mainly comprised the net capital gain arising from the divestment of The Flexitallic Group for €101 million.

After recognition of the financial expenses and corporate income tax, net income for the year ended December 31, 2014 amounted to €3.1 million, including €2.8 million attributable to owners of the Company.

IN € M	2014	2013	2013 PROFORMA*
Revenue from operations	482	404	432
EBITDA	64	62	58
EBITDA of the investments	68	66	62
% of revenue of the investments	14%	16%	14%
Depreciation, amortisation and provisions excluding intangible assets	-15	-13	
EBIT	49	49	
Depreciation, amortisation and provisions excluding intangible assets	-6	-5	
Other operating income and expenses	-19	87	
OPERATING INCOME	25	131	
Financial income	-18	-20	
Income tax	-3	-1	
NET INCOME	3	110	
Net income attributable to equity holders of the parent	3	106	
Net income from minority interests	0	4	

* 2013 based on 2014 scope

*2014 was an eventful
year for investments.*

BALANCE SHEET (IFRS)

As of December 31, 2014, equity attributable to owners of the Company amounted to €170 million, compared with €163 million as of December 31, 2013. This increase was primarily due to the net income for

the year (+€2.8 million) and exchange rate fluctuations (+€5.1 million). The share held by minority interests mainly included that of the managers and other joint investors in the portfolio companies.





Consolidated net financial debt increased from €151 million as of December 31, 2013 to €406 million as of December 31, 2014, mainly due to scope changes during the year.

As a reminder, these debts are without possible recourse to Eurazeo PME Capital, as it does not act as guarantor nor has it granted guarantees to any other portfolio company.

As of December 31, 2014, the consolidated net financial debt of investments stood at €267 million, representing a senior leverage of 2.4x their EBITDA over 12 months.

All portfolio companies complied with the covenants governing their bank and mezzanine debts. Considering the divestment on February 3, 2015, the figures for the Gault & Frémont Group were recorded in assets held for sale and liabilities associated with assets held for sale.

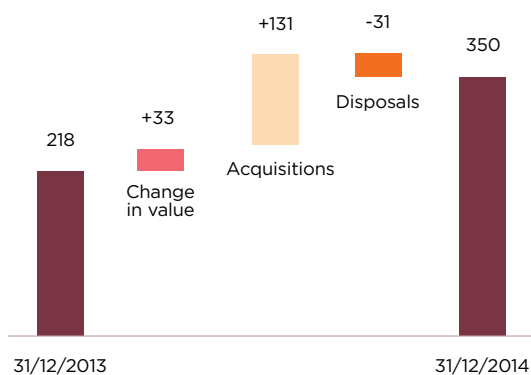
ASSETS			EQUITY AND LIABILITIES		
IN € M	2014	2013	IN € M	2014	2013
Goodwill	312	153	Equity attributable to owners of the parent	170	163
Other intangible assets	322	176	Minority interests	110	53
Property plant and equipment	108	70	TOTAL SHAREHOLDERS' EQUITY	280	217
Other non-current assets	25	26	Long-term financial liabilities	316	157
NON-CURRENT ASSETS	768	426	Other non-current liabilities	95	43
Inventories and receivables	175	87	NON-CURRENT LIABILITIES	411	200
Cash and cash equivalents	81	58	Short-term financial liabilities	164	53
CURRENT ASSETS	257	145	Other current liabilities	181	101
Assets held for sale	47		CURRENT LIABILITIES	344	154
TOTAL ASSETS	1 071	570	Liabilities held for sale	35	
			TOTAL EQUITY AND LIABILITIES	1 071	570
			NET FINANCIAL DEBT	406	151

NAV

As of December 31, 2014, the portfolio amounted to €350 million, compared with €218 million for the previous year. The improvement was attributable to the increase in the portfolio's value (+€33 million) and additional investments of €130 million.

It was also reduced by €31 million on account of the partial sales and repayments of the bonds subscribed by Eurazeo PME in its portfolio. The €350 million portfolio breaks down into €120 million for PME I and €230 million for PME II.

The increase on a comparable scope basis was +16% in 2014 for PME II and +13% for PME I. The valuation methods remained unchanged (listed peers / transactions).



	2014		
	PME II	PME I	TOTAL
PORTFOLIO AT THE BEGINNING OF THE PERIOD	88	130	218
PERIMETER			
Acquisitions and build-up	+131		+131
Disposals and partial reimbursement	-5	-26	-31
	+126	-26	+99
CHANGE IN VALUE			
Change in value on disposals		+14	+14
EBITDA and multiples impacts	+12	+8	+20
Deliverage and shareholder loan interests	+5	-6	-1
Others	-0	+1	+0
	+17	+16	+33
Portfolio as at 31/12/2014	230	120	350

2014 PERFORMANCES

MAIN EVENTS IN THE INVESTMENT PORTFOLIO

VIGNAL LIGHTING GROUP:

Vignal Lighting Group, European leader in signaling lights for industrial and commercial vehicles
2014 revenue > €77 million

In February 2014, Eurazeo PME invested €26 million to acquire Vignal Systems. The growth project was based on the ongoing technological shift from standard light bulbs to LED lighting, a major line of development in recent years. In April 2014, two months after its acquisition by Eurazeo PME, Vignal Systems acquired ABL Lights, number two in Europe and the United States in work lights for off-road vehicles, with offices in France, USA and China. Both companies have thus accelerated their development due to the close commercial synergies in France and abroad, and a highly complementary product range. Eurazeo PME reinvested €17 million in the Group, which was renamed Vignal Lighting Group.

COLISÉE:

France's fourth largest retirement home operator
2014 revenue > €182 million

In July 2014, Eurazeo PME announced the acquisition of Colisée, based on an enterprise value of €175 million. At the end of 2014, the group managed 56 facilities and cares for more than 4,000 residents.

Eurazeo PME invested €65 million and became Colisée's majority shareholder with 64% of capital, alongside Patrick Teycheney, its founder, and Christine Jeandel, the former managing director of the Medica Group and new Executive Board Chairwomen. Furthermore, in October 2014, Colisée integrated the Asclépios group, comprising 11 facilities (8 in operation and 3 planned).

PÉTERS SURGICAL:

Acquisitions of Vitalitec, Fimed and Stericat. The world's fourth largest surgical suture specialist
2014 revenue > €53 million

In March 2014, Péters Surgical announced the simultaneous acquisition of Vitalitec, the European leader in titanium hemostatic surgical clamps used to ligature blood vessels, and Fimed, a surgical adhesive manufacturer. In December, the company accelerated its internationalization with the announced acquisition of the Indian firm Stericat. These transactions have enabled Péters Surgical to strengthen its positioning as a surgical suture specialist with an extended product range: sutures, clips, clamps, meshes and adhesive. Eurazeo PME reinvested €22 million in Péters Surgical to support the group in these recent growth transactions.

CAP VERT FINANCE:

3 acquisitions in 7 months
2014 revenue > €87 million

This French group, specializing in maintenance, repair and operations (MRO) of fleets of servers, storage and networking accelerated its growth by integrating, in just 7 months, three companies (Aditia Lease, DCS and Phoenix IT Services), thus strengthening its position as the European leader in computer recycling through life-cycle-management of IT infrastructures. The group is now present in over 100 countries and has over 230 employees. These acquisitions were financed without any additional investment from Eurazeo PME.

DESSANGE INTERNATIONAL:

Acquisition of 2 Fantastic Sams master franchises in the United States
2014 revenue > €63 million

The Dessange International group acquired the Fantastic Sams master franchises in the Michigan and Kansas regions, representing a total of 124 salons out of 1,140 Fantastic Sams and Camille Albane salons in the United States. 62% of Fantastic Sams salons are now operated as direct franchises, compared with 31% at the time of the acquisition in 2011. ♦

NON-FINANCIAL INFORMATION

AMBITIONS	2020 OBJECTIVES	2014
1 INVEST RESPONSIBLY Integrate CSR at all stages of the investment cycle	<ul style="list-style-type: none"> 100% of due diligence in the advanced study phase of acquisitions to incorporate a CSR Section ⁽¹⁾ 100% of portfolio companies to perform CSR reporting 100% of divestment operations to incorporate CSR information 	100% 100% 100%
2 ESTABLISH EXEMPLARY GOVERNANCE Ensure that all companies have exemplary governance bodies	<ul style="list-style-type: none"> 100% of companies to have at least 40% women directors on the Board ⁽²⁾ 100% of controlled companies to have at least 30% independent Directors on the Board ⁽²⁾ 100% of companies to have an Audit Committee and a Compensation Committee 	0% 33% 17%
3 CREATE SUSTAINABLE VALUE Ensure that all companies have a CSR progress plan	<ul style="list-style-type: none"> 100% of portfolio companies to have deployed Eurazeo's "CSR essentials" ⁽³⁾ <ul style="list-style-type: none"> Appoint a CSR manager 4/6 Establish annual CSR reporting 6/6 Create an operational CSR committee 3/6 Include CSR issues on the agenda of Board meetings at least once a year 5/6 Conduct an environmental and/or greenhouse gas assessment every three years 2/6 Perform a social barometer every three years 2/6 Conduct CSR audits of priority suppliers 0/6 100% of portfolio companies to have quantified CSR progress targets 100% of portfolio companies to be involved in at least one CSR acceleration program <ul style="list-style-type: none"> Responsible purchasing program 1/6 Gender equality program 5/6 Environmental footprint program 2/6 	0% 17% 83%
4 BE A VECTOR OF CHANGE IN SOCIETY Ambition: ensure that all companies improve their societal footprint	<ul style="list-style-type: none"> 100% of portfolio companies to improve the protection and well-being of employees 100% of portfolio companies to share value created or company profits with employees de valeur ou aux résultats de l'entreprise 100% of portfolio companies to reduce their environmental impact 	The results will be published for the first time in 2015, using 2014 as the reference year

(1) Due diligence is deemed to be in the advanced study phase when legal due diligence has been performed. The indicator covers all companies reviewed, including those that were not ultimately acquired.

(2) On Supervisory Boards (SB) or Boards of Directors (BD).

(3) A company is deemed to have deployed the "CSR essentials" when all seven actions are in place. Results by action are expressed in the number of support measures for all companies within the Group scope (14).

Companies included: Cap Vert Finance, Dessange International, Idéal Résidences, Eurazeo PME, Léon de Bruxelles, Péters Surgical.

2014 RESULTS FOR A SELECTION OF CSR INDICATORS

LABOR RELATIONS

WORKFORCE (permanent workforce, number of employees)	Eurazeo PME	Eurazeo PME & subsidiaries
Number of employees	14	4,639
Percentage of women	57%	67%
Percentage of permanent employment contracts	93%	99.6%
<i>The coverage rate for Eurazeo PME and its subsidiaries was 100%.</i>		

HIRES (permanent workforce, number of employees)	Eurazeo PME	Eurazeo PME & subsidiaries
Total hires	4	1,138
<i>The coverage rate for Eurazeo PME was 100%; for Eurazeo PME and its subsidiaries it was 96%.</i>		

TRAINING (permanent and non-permanent workforce)	Eurazeo PME	Eurazeo PME & subsidiaries
Total number of training hours	183	51,514
Training expenditure (in thousands of euros) ⁽¹⁾	35,849	2,358
<i>The coverage rate for Eurazeo PME was 100%; for Eurazeo PME and its subsidiaries, it was between 93% and 95%.</i>		

(1) Training expenditure includes educational costs and wages.

SOCIETAL

SPONSORSHIP FINANCIAL SUPPORT (in thousands of euros)	Eurazeo PME	Eurazeo PME & subsidiaries
Amount allocated to associations and NGOs	13	256
<i>The coverage rate for Eurazeo PME was 100%; for Eurazeo PME and its subsidiaries it was 96%.</i>		

ENVIRONMENT

ENERGY CONSUMPTION EXCLUDING FUEL (in MWh)	Eurazeo PME	Eurazeo PME & subsidiaries
Electricity	68	51,263
Renewable energies	10	597
Natural gas in MWh NCV	0	30,404
Heavy fuel oil and heating oil	0	425
Other energies (other gases, urban networks)	0	0
Total energy consumption	78	82,690
Energy expenditure (in thousands of euros)	8.2	6,318
<i>The coverage rate for Eurazeo PME was 100%; for Eurazeo PME and its subsidiaries, it was between 76% and 100%.</i>		

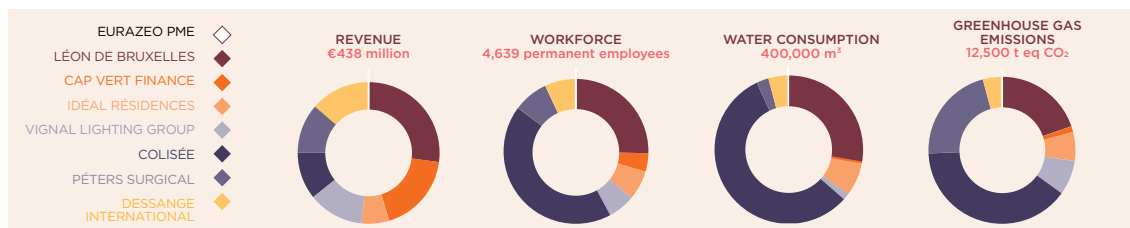
WATER CONSUMPTION (in m ³)	Eurazeo PME	Eurazeo PME & subsidiaries
Water consumption	195	395,990
Water consumption expenditure (in thousands of euros)	0.6	1,153
<i>The coverage rate for Eurazeo PME was 100%; for Eurazeo PME and its subsidiaries, it was between 86% and 96%.</i>		

CO ₂ EMISSIONS ⁽¹⁾ (in tons of CO ₂ equivalent)	Eurazeo PME	Eurazeo PME & subsidiaries
Scope 1 ⁽²⁾	0.89	7,060
Scope 2 ⁽³⁾	4.67	5,426
Total	5.56	12,486
<i>The coverage rate for Eurazeo PME and its subsidiaries was 100%.</i>		

(1) Emission factors used to convert the activity data.

(2) Scope 1 emissions are emissions from fuel consumption on site (gas, oil, etc.), fuel consumption in vehicles and leakage of refrigerant substances.

(3) Scope 2 emissions are emissions caused by the generation of electricity, steam, heating or cooling bought and consumed.



>> The full calculation methodology is available on the website www.eurazeo-pme.com

2014 HIGHLIGHTS

2014, a very eventful year for Eurazeo PME which strengthened and enhanced its portfolio while accompanying the growth of its investments.

GROWTH AND COMMITMENT

Fund raising

Eurazeo PME
finalized its

€520 million

investment program
by welcoming
external investors

An active portfolio

€130

MILLION
INVESTED IN 2014

2

ACQUISITIONS

8

EXTERNAL
GROWTH
TRANSACTIONS

2

DIVESTMENTS

Dessange joins the 1% for the planet program

With this initiative, Dessange International has pledged **to donate 1% of the annual revenue** of its brand Phytodess **to environmental protection organizations**

Strengthened CSR commitment

Eurazeo PME contribution
to the Eurazeo Pluriels mixed network

Signature of the United Nations Global
Compact at the end of 2014

CSR report at the time
of the divestment of Gault & Frémont

INTERNATIONALIZATION

Relations between Colisée and China produce results

October 2014, Colisée announced a joint venture with the conglomerate China Merchants on the 1-year anniversary of Eurazeo's first office in Shanghai

Chengdu Sino-French SME Forum

October 2014 - Over two days, more than 500 French and Chinese businesses gathered together at personalized business meetings.

Eurazeo showcased numerous companies from its portfolio to the Chinese market, European growth companies combining innovation, design and technology, including about ten French SMEs

Péters acquires Stericat in India

December 2014 - Péters Surgical, the world's number 4 in surgical suture with a revenue of €53.3 million, announced, along with its founder Mr. Vikram Kapahi, the acquisition of Stericat, a surgical suture specialist in India

Vignal Systems joins forces with ABL Lights to penetrate the European and US markets

Vignal Systems merged with ABL Lights, no. 2 in Europe and the United States in work lights for off-road vehicles (construction, mining, agricultural, forestry, etc.), thus expanding its natural growth pipeline outside Europe (mainly the United States, China, Brazil and Russia)



The investment in the Colisée group as a majority shareholder is a perfect illustration of Eurazeo PME's appeal. This transaction, concluded by mutual agreement, stems from the founder's decision to hand over the capital and operational reins to institutional shareholders and responsible managers to pursue the Group's development. Colisée is now France's fourth-largest retirement home operator and manages around fifty establishments as well as two post-acute care and rehabilitation centers.

WHAT DOES YOUR ACTIVITY INVOLVE?

Christine Jeandel: Managing medical retirement facilities and post-acute care centers are two very complementary activities serving people in a weakened state. Our personalized welcome accompanies residents and patients while satisfying the needs of group accommodation and individual routines. Our team receives special training — particularly to collect the background of each new arrival — that teaches them how to “offer a choice”: what time breakfast is served, the lunchtime menu, afternoon activities, etc. We also design our facilities, and closely monitor our homes, from

their creation through to their delivery. This provides a genuine competitive advantage and guarantees living quarters that meet the requirements of our teams and clients.

WHAT ARE THE MAIN STRATEGIC FOCAL POINTS DEFINED WITH EURAZEO PME?

C.J.: Our aim is to strengthen the existing French platform through external growth transactions and develop new markets based on the sector know-how of our teams and the international expertise of Eurazeo PME. We have integrated ten new facilities in France — medical retirement homes and post-acute

DISTRIBUTION OF AN INFORMATION KIT ON DISABILITY

An information kit on disability was distributed to all the facilities within the Colisée Group. This tool recaps the legal requirements of disabled employees, provides solutions to best satisfy these obligations, informs employees about the notion of disability and encourages them to open up and discuss their situation.



2,245
EMPLOYEES



€182
MILLION
IN REVENUE

56
FACILITIES

1
JOINT VENTURE
IN CHINA

care centers — since joining the Eurazeo PME scope. In October, we signed a joint-venture with China Merchants Group. Our Chinese partner will look after the real estate side, and we the operational side. The construction of our first facility in Canton should begin very soon for an opening at the end of 2016. If we achieve this challenge in China, we will gain experience that should create many opportunities for export!

WHY DID YOU CHOOSE EURAZEO PME?

C.J.: For its knowledge of our business sector and its understanding of SMEs — which are real plus points for an investment company — and its international network, a formidable growth driver.

Finally, Eurazeo PME has managed to help the founder of Colisée and the group's new manager to agree on the fundamentals, each in their own role.

WHAT ARE YOUR MAIN CHALLENGES AND DIFFICULTIES IN 2015?

C.J.: Firstly, managing external growth. We have to integrate recently acquired facilities in a sector where every detail counts for operations. Rising to the challenge in terms of management is also important. Colisée was a family-run business which has grown over the past 25 years: there is a veritable change of culture and rhythm! But we very quickly agree on common values, for example with regard to the CSR policy.

WWW.GROUPECOLISEE.COM

**CHRISTINE
JEANDEL**

Chairman and Chief Executive Officer



”

**With the Eurazeo PME team,
one day we're talking about how
it is to be the boss of a French SME,
the next on how to best deploy
our business in China! It's priceless!**

”



DESSANGE

PARIS



FESTIVAL DE CANNES
Partenaire Officiel



Eurazeo PME has been a majority shareholder of Dessange International since 2008. The group has been radically transformed, which is symbolic of long-term support provided by the Eurazeo PME teams, including the full integration of CSR challenges into its development. A global leader in high-end hairdressing, with its brands Dessange Paris, Camille Albane, Fantastic Sams and Phytodess, the Group offers a panoply of services ranging from family-run hair salons to urban spas.

WHAT WERE THE HIGH POINTS OF YOUR INTERNATIONAL GROWTH STRATEGY?

Benjamin Dessange: In the United States, the creation of our subsidiary Dessange Group North America, following the integration of the Dessange master franchise in 2011 and the acquisition of Fantastic Sams in 2012. Extensive work was also carried out on the market positioning of Fantastic Sams in order to increase the number of salons to 2,000 within five years, while the initial contracts of the Camille Albane franchise were signed for 300 potential future salons. A distribution agreement for our Phytodess hair care product range was also set up with the US leader in professional distribution. Excluding the United States, the year 2014 was marked by our significant breakthrough

into South America, with the inauguration of a magnificent Dessange salon covering more than 400 square meters in Rio as well as the signing of two Dessange master franchises in Uruguay and Chile, confirmed by the opening of a first salon in Montevideo at the end of October and another in Santiago, Chile, in February 2015. In total, the master franchises in Brazil, Uruguay and Chile will generate more than 15 salons within five years, in addition to the current projects in Argentina and Peru in 2015.

Let us not forget the successful marketing outside the network of our Phytodess hair care range in five countries of continental Europe, the preliminary step prior to its arrival in the United States in 2015.



ENVIRONMENTAL COMMITMENT

12 sorting channels at the Guidel industrial site (Bretagne), designed to treat all recyclable waste and recover 8% of all waste produced.

20% reduction in annual water consumption in a pilot salon due to the installation of aerators on hair washing stations.

80% of Phytodess products are made of natural ingredients.

WHAT WERE THE REAL ACHIEVEMENTS OF YOUR CSR POLICY IN 2014?

B.D.: Our CSR strategy was built around a “trio of CSR fundamentals”: reporting, Committee and charter. The publication of the first “CSR summary” by the Management Committee and the renewal of the CSR Committee has improved the understanding of CSR issues within group departments. The drafting and roll-out of a CSR charter, initially within our Dessange salon network, helped to redefine and share our commitments. The “Responsible Luxury” concept is now a feature of all our CSR initiatives. Three commitments in our Charter have also been applied. Firstly, the lifecycle analysis of Dessange International’s activities, which has enabled us to draw up an action plan with regard to water consumption, energy saving, etc. Extensive work on the set-up of supply channels was also initiated to further strengthen the approach adopted through our Phytodess brand. Finally, we increased our sponsorship initiatives following the commitment of our Phytodess brand to the “1% for the Planet” program.



SOCIAL AND SOCIETAL COMMITMENTS

Within the training center and via the online “Learning Lounge” platform so as to develop the technical, managerial and creative skills of each and every employee — accessible to the teams of franchised salons.

Among women, with support for the Cosmetic Executive Women’s Association, for the creation of beauty centers in hospitals; 20 eurocents are donated to the association for each Dessange hair care & grooming product sold.

Among local communities, with the creation of responsible supply channels and the support of the Man&Nature association (highest profits, assistance and training for Ylang Ylang producers near Nosy Be lake in Madagascar, etc.).


408
EMPLOYEES


1,783
FRANCHISE
SALONS IN
45 COUNTRIES


€63
MILLION
IN REVENUE

WHAT WAS THE DECISIVE CONTRIBUTION OF EURAZEO PME IN ALL THESE ACHIEVEMENTS?

B.D.: The Eurazeo PME teams provided us with all their expertise to guide us in our strategic decision-making. By proposing clear guidelines to structure our CSR strategy, Eurazeo PME helped make DESSANGE International a pioneer in this field and provided us with the means to better manage our footprint and that of our networks.

WWW.DESSANGE-INTERNATIONAL.COM

BENJAMIN DESSANGE
Chairman and CEO



EMMANUEL GASNOT
Chief Executive Officer



PHILIPPE VINCENT
Chief Financial Officer





The world's fourth largest surgical suture specialist, the group designs, produces and distributes single-use medical equipment for operating rooms, and more specifically surgical closure. In addition to surgical sutures, its main product ranges are hemostatic clips, implants for parietal reinforcement, surgical adhesive and drains. Péters Surgical symbolizes the Eurazeo PME investment strategy, which implements the transformation of a French SME with genuine know-how in healthcare into a globalized intermediate-sized business.

WHAT WERE THE HIGHLIGHTS OF YOUR INTERNATIONAL GROWTH STRATEGY?

Jean-Marc Chalot: The acquisition in March 2014 of Vitalitec provided us with two sales subsidiaries abroad: in the US and Belgium-Luxembourg. The current restructuring, with the transfer of activity from Péters Surgical's distributors to these subsidiaries and the development of sales teams, will help launch direct sales in countries other than France, and bring about a change in business model focus from exports to international sales. Another highlight was the identification, appraisal and acquisition of Stericat in India. This transaction has provided the group with a new foreign sales subsidiary, in keeping

with the international sales growth strategy — Péters Surgical was not commercially present in India— and a new surgical suture manufacturing site as an addition and back-up to the Bangkok site.

WHAT WERE THE HIGHLIGHTS OF YOUR CSR POLICY ROLL-OUT?

J.-M. C.: Firstly, the management team's organization with the recruitment of a new chief financial officer in August, and the appointment of the director of operations at Vitalitec as the group's chief operating officer. There has also been an increase in the number of women on the company's Management Committee in the space of two years.

COMMUNITY INVOLVEMENT

A long-standing partner of the Strasbourg University Hospital Center, Péters Surgical has launched a sponsorship program in support of the work being carried out with the Association générale des intervenants retraités (Association of retired employees) for their missions in Guinea. Mobilizing the entire Péters Surgical staff, the initiative raised €4,000 to outfit a hospital in Guinea.



435
EMPLOYEES



90
COUNTRIES



€53
MILLION
IN REVENUE

48%
OF REVENUE
GENERATED
ABROAD

In January 2015, it comprised five women and three men. As you can see, gender equality is no longer respected! Finally, the creation of a Conviviality Committee made up of a dozen volunteers, who managed to mobilize the company's employees for a charity project: the organization of a second-hand goods sale whose proceeds were donated to the Labé hospital in Guinea.

WHAT WAS THE DECISIVE CONTRIBUTION OF EURAZEO PME IN ACCELERATING YOUR EXTERNAL GROWTH AND ROLLING OUT YOUR CSR POLICY?

J.-M. C.: Their assistance in identifying, assessing and conducting recent acquisitions immediately comes to mind. With regard to the CSR policy, Eurazeo PME provided us with precious tools to compile the requested indicators.

WWW.PETERS-SURGICAL.COM

”

With Eurazeo PME, we have forged a productive relationship and we always work in a pleasant and motivating environment.

”

JEAN-MARC CHALOT
Chairman and CEO



LAURENCE SAFONT
Chief Financial Officer



THIERRY COL
Deputy CEO





Rather than associating with a trade buyer, the management of Vignal Lighting Group has selected Eurazeo PME for its ability to accompany them with their international deployment strategy. The European leader in signaling lights for industrial and commercial vehicles, the Group has consolidated its positions thanks to a recognized industrial expertise, continuous innovation, and a top-notch managerial culture.

WHAT DOES YOUR ACTIVITY CONSIST IN?

Jean-Louis Coutin: Vignal Lighting Group specializes in lighting and signaling for industrial and commercial vehicles. Our products are manufactured by two main entities: Vignal Systems produces and markets signaling products for trucks. ABL Lights specializes in lighting, particularly in construction and public works, agriculture, etc. The group is known for the great quality of its products and its ability to innovate, including a thorough grasp of the technological switchover from the light bulb to LED.

HOW WOULD YOU BROADLY DESCRIBE THE STRATEGY DEFINED WITH EURAZEO PME?

J-L.C.: Our position as European signaling leader means that

we have clients worldwide. Our strategy is therefore to continue developing LED lights, with the capacity to manufacture and market them around the world. This is why the United States, China and Brazil are the three countries we have initially targeted with Eurazeo PME.

WHY DID YOU CHOOSE EURAZEO PME?

J-L.C.: For our international development, we were particularly attracted by the values and ambitions of Eurazeo in terms of French SMEs. The suitability of our new shareholder soon became apparent: Eurazeo wanted to transform a well-organized French SME into a global medium-sized enterprise through external growth. Eurazeo PME thus bought the group from Actomezz

A BUSINESS ETHICS CHARTER

In 2014, Vignal Lighting Group formally introduced an ethics charter to all its employees and suppliers. The company wishes to promote transparency as well as fight corruption and other practices contrary to human rights.



JEAN-LOUIS COUTIN
Chairman and CEO



YVES-HENRY BREPSON
Chairman of ABL Lights



FABRICE JAHAN
Sales Director



338
EMPLOYEES



2
FOREIGN SITES



€77
MILLION
IN REVENUE

77%
OF REVENUE
GENERATED ABROAD

in February 2014, and on April 30, we acquired ABL Lights. Not only did this merger provide us with new product lines — work and driving lights — but also plants in the US and China where the commercial interaction was formidable. The breakthrough would not have been possible without the operational support of Eurazeo PME and its commercial clout.

WHAT ARE YOUR MAIN CHALLENGES FOR 2015?

J-L.C.: The merger with ABL Lights resulted in Vignal Lighting Group. We must therefore set up an appropriate organization and stimulate synergies between activities. We will also pursue our international development with the automation of our US plant, the purchase of other activities and the prospect of setting up in China and Brazil in the near term. Our experience with Eurazeo already includes the France-China SME Forum in Chengdu, which we attended last October.

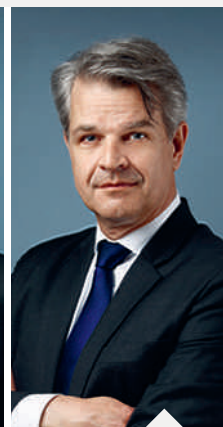
WWW.VIGNAL-LIGHTING-GROUP.COM

”

Our exchanges with Eurazeo PME are frequent and frank. It's a great team with a clear strategy. Problems are treated instinctively and globally without neglecting the objective of transforming our European SME into a worldwide medium-sized enterprise.

”

EMMANUEL MAGAT
Industrial and CSR Director



MICHAEL PREUSS
Administration and Finance Director



CAPVERT-FINANCE

This 2013 transaction was achieved by mutual agreement, thanks to a Eurazeo PME positioning that matched management's expectations. Cap Vert Finance exemplifies Eurazeo PME's investment strategy, both in terms of integrating CSR issues within the global strategy, as well as transforming a French PME into a global leader in its business niche. The European leader in maintaining, recycling and financing IT infrastructures, the French group stands out by its business approach which takes into account environmental issues, and particularly the full traceability of electronics equipment.

WHAT WERE THE HIGHLIGHTS OF YOUR EXTERNAL GROWTH STRATEGY?

Bruno Demolin: The external growth strategy has been highly structured since Eurazeo PME acquired an interest in 2013. Thanks to rapid and mutual decisions regarding the most suitable targets, Cap Vert Finance was able to carry out three acquisitions in less than one year. Phoenix Services in France, in November 2013, and DCS in Italy, in May 2014, will reinforce our position in this geographical area, and Aditia Lease, acquired in June 2014, will maximize our financing business while expanding our SME offering. In addition, because of the work of the Eurazeo PME teams, Cap Vert Finance was

able to finance these acquisitions solely by bank loan, thus avoiding the dilution of share capital.

WHAT WERE THE CONCRETE ADVANCES OF YOUR CSR POLICY IN 2014?

B.D.: Cap Vert Finance has had an extremely ambitious and active CSR policy since its creation. The Eurazeo PME teams provided their support for the structuring and communication necessary to this process. We have established an initial dismantlement facility in France, prior to the installation of several others in the network. Cap Vert Finance continues to have an unparalleled market offering in terms of the responsible management of WEEE and financing up to the recycling

FORGING RESPONSIBLE PARTNERSHIPS

Wishing to sustain its CSR approach, Cap Vert Finance set up a partnership in 2014 with an adapted enterprise working in the ecological and social segment, and specializing in the recycling and treatment of waste electric and electronic equipment (WEEE).



245
EMPLOYEES



17
FOREIGN
SUBSIDIARIES



€87
MILLION
IN REVENUE

PRESENT IN
80
COUNTRIES

stage. More than 500 tons of electronic equipment were recycled or reused in 2014.

WHAT WAS THE DECISIVE CONTRIBUTION OF EURAZEO PME TO THE ACCELERATION OF YOUR EXTERNAL GROWTH AND THE ROLL-OUT OF YOUR CSR POLICY?

B.D.: Eurazeo PME is a strategic shareholder for Cap Vert Finance at this stage of its development. It provides pragmatic and tangible support in terms of our international expansion through internal and external growth. Its expertise regarding the financing of this growth secures the company and allows it to contemplate a more aggressive strategy. Ultimately, its support in setting up regular, rapid and detailed reporting was a considerable step on the road to becoming a true European medium-sized enterprise that is open to the world.

WWW.IBREMARTETING.COM
WWW.ASLEASE.COM

BRUNO DEMOLIN
Chairman and CEO



FABRICE POUZAUD
Chairman of AS Lease



STÉPHANE REGENET
CFO



“
Our partnership with Eurazeo PME is friendly, which is vital for our teams on a daily basis, pragmatic, efficient and unquestionably optimistic. It sets a course of growth whose only limit is our know-how and desire.
”



A Brasserie group specializing in mussels and chips and Belgian cuisine, Léon de Bruxelles is one of the preferred theme-based restaurant chains in France. The brand's aim is simplicity, freshness and conviviality, a restaurant offering that is both "pleasurable" and "responsible".

WHAT WERE THE HIGHLIGHTS OF YOUR STRATEGY IN 2014?

Laurent Gillard: The year's highpoint was the refinancing of all our senior and mezzanine debt via a unitranche debt agreement with Intermediate Capital Group. With a 7-year maturity, this financing has a lower cost than was the case with the initial debt maturing in 2015. This will allow us to pursue an ambitious growth strategy that calls for the opening of five establishments a year. We intend to partly finance this objective through the €7.5 million unitranche facility for external growth, as well as property leasing authorizations.

WHAT PROGRESS WAS MADE IN 2014 IN TERMS OF THE MARKETING STRATEGY?

L.G.: This was pivotal year for our marketing strategy with the launch of three major projects. The first — converting customer relations and our loyalty program to digital technology — is intended to optimize the cost/traffic ratio in the midterm. For the second — optimize our group's presence in the customer's mind — we have initiated a 360° communication campaign that puts an emphasis on the product and relies on a revamped brand image. Which brings us to our third project: the company's transformation via the brand.

**11% REDUCTION
IN WATER
CONSUMPTION**

The water meters in the Léon de Bruxelles restaurants have been read and analyzed on a weekly basis since 2013. Objective: identify excessive consumption. On a comparable scope basis, this process resulted in a 11% reduction between 2012 and 2014.




1,284
EMPLOYEES



78
RESTAURANTS



€116
MILLION
IN REVENUE



3,500
TONS OF
SHELLFISH
CONSUMED/YEAR

To ensure its long-term future, Léon de Bruxelles must personalize its model as never before to become a brand that has meaning, history, identity, and values. But also a company that “does right” by offering each customer a genuine experience, with services and a cuisine that are “pleasurable” and tailored to each type and moment of the dining experience.

WHAT WAS EURAZEO'S CRITICAL CONTRIBUTION TO THE ACCELERATION OF YOUR DEVELOPMENT?

L.G.: In 2014, Eurazeo PME accompanied us in finalizing the refinancing that will fund our development plan for the next five years. We are also pleased with our shareholder's confidence in our ability to complete the projects surrounding the brand's renewal.

WWW.LEON-DE-BRUXELLES.FR

LAURENT GILLARD
Chairman and CEO



”

In a restaurant industry sector that is subject to significant economic uncertainty, our partnership with Eurazeo PME is part of a logical and steadfast continuity. This shareholder stance is very useful in terms of accompanying our strategy to capture and recapture market share.

”

ISABELLE PELLETIER
CFO





Gault & Frémont was accompanied from May 2008 to February 2015, representing more than seven years of fruitful cooperation with the company's management in the name of shared value creation. Gault & Frémont has thus strengthened its position as the French leader in the design and manufacture of cardboard and paper packaging solutions for agri-food industrial companies — bakery, confectioners and catering — and out-of-home catering specialists.

HOW WOULD YOU DEFINE YOUR PARTNERSHIP WITH EURAZEO PME?

R.Boitier: Eurazeo PME helped us to grow and acquire what I would call a “maturity through dialogue”. We learned how to develop a more global vision, examine issues from a broader perspective, and adapt ourselves to another dimension. With Eurazeo PME, our 2014 revenue exceeded €43 million and our organization was strengthened.

WHAT HAVE BEEN THE KEY EVENTS IN YOUR COOPERATION WITH EURAZEO PME SINCE 2008?

R.B.: We were able to affirm to our position as a national player in the eyes of our traditional customers and gain new customers and markets, such as the out-of-home catering segment. Over the last six years, Eurazeo PME

has provided its financial and strategic support to three external growth transactions — Montgolfier, Bio Food Pack and Intersac. It has also assisted in the group's global structuring process.

WHAT MAJOR STEPS IN THE STRUCTURING OF THE CSR PROCESS DID EURAZEO PME INSPIRE?

R.B.: The Group introduced effective governance bodies, at the operational and decision-making level, and deployed numerous CSR initiatives, some of which extend far beyond the legal obligations, particularly in terms of controlling environmental impacts. Gault & Frémont is also innovating with its customers to meet their environmental requirements and promote the use of renewable resources.

Other milestones were the signature of the UN Global Compact in 2010 and our annual participation in the CSR reporting process that comprises over 150 indicators.

WWW.GAULTETFREMONT.COM


€44
MILLION
IN REVENUE


3
EXTERNAL
GROWTH
TRANSACTIONS
INCLUDING
1 IN BELGIUM


200
EMPLOYEES

**EXTRACT OF THE GAULT & FRÉMONT VENDOR DUE DILIGENCE
PREPARED BY EURAZEO PME IN 2014**

2008	2009	2010	2011	2012	2013	2014
<p>EURAZEO PME'S ACQUISITION OF AN EQUITY INTEREST</p> <p>Governance - Creation of the Supervisory and Executive Boards</p> <p>- Introduction of annual CSR reporting</p>	<p>Human Capital Launch of PIPAC (individual professionalization and skills development projects)</p> <p>Environment Greenhouse gas emissions report</p>	<p>ACQUISITION OF BIOFOODPACK</p> <p>Governance Signature of UN Global Compact / SD Charter / Creation of the Management Committee</p> <p>Human capital 1st gender equality report</p> <p>Environment PEFC, FSC and Imprim'Vert / Waste sorting certifications extended to workshops</p>	<p>ACQUISITION OF MONTGOLFIER</p> <p>Environment Energy efficiency initiatives (2011-2013) – insulation work / Integration of SD plan in the quality manual / Development of a new FSC/PEFC certified product</p>	<p>External stakeholders HACCP health risk prevention process and McDonald's certification</p>	<p>Governance Appointment of a QHSE/SD manager</p> <p>Environment Improvement of treatment plant filtration performances</p>	<p>Governance Recruitment of an HR manager</p> <p>Human capital Roll-out of the HRIS</p> <p>External stakeholders Update of the supplier questionnaire to include CSR</p>



SPECIALIST IN LONG-TERM CARE

A Group specializing in the care and assistance of the elderly as well as convalescent patients in the Paris region

TOTAL QUALITY COMMITMENT

In 2014, the Quality process mobilized the entire Idéal Résidences group, in order to meet the year-end objective of the external evaluations.

PURSUIT OF THE QUALITY APPROACH TO SERVE RESIDENTS

The Idéal Résidences group manages five senior-assisted living facilities and a post-acute care and rehabilitation center in the Paris region, representing a total of 515 beds. The medical care facilities offer an urban and accommodating atmosphere of quality, where each resident can live their retirement in peace while preserving family relations.

The administrative and medical-social staff, as well as the residents and their families are active throughout the year with respect to the organization and assessment of quality in the establishments.

WWW.IDEAL-RESIDENCES.COM



LAUNCH OF A WORLD LEADER IN INDUSTRIAL SEALING SOLUTIONS

A global leader in the manufacture of sealing solutions for the energy production sector, and the oil and gas, chemical and petrochemical industries in emerging markets and developed countries

INTERNATIONAL DEVELOPMENT

Prior to the majority sale to Bridgepoint in July 2013, Eurazeo PME supplied its financial and strategic support to six external growth transactions in the UK and North America, and contributed to the group's global structuring process along with management. The group was able to develop its activity in new markets, and reinforce innovation capacity by investing €12 million over six years in the upgrade of its industrial infrastructure and R&D growth. Eurazeo PME carried out 4 capital reinvestments over this period, enabling the group to develop its balance sheet in line with its growth. Since Eurazeo PME became a majority shareholder in 2006, The Flexitallic Group has increased its revenue eleven fold from €18 million to €210 million, with 90% of revenue realized outside France. The headcount has increased from 46 to 1,250 employees.

WWW.FLEXITALLIC.COM



MARKET LEADER IN SCIENTIFIC INSTRUMENTATION

Created in 1982, Fondis Bioritech is the French leader in the market for portable equipment designed for environmental and materials testing and property assessments

DEVELOPMENT OF THE BRAND'S IDENTITY

The company oversees the distribution and maintenance of scientific instruments and provides technical assistance, mainly in the sectors of environmental analysis and inspection, property assessments, metals, industry, microscopics, research, laboratories and materials. In 2013, following the success of a new device that analyses lead content in paint, Fondis shifted from the role of distributor to that of an actual partner for retail brands. In addition, the strategic and financial partnering of Eurazeo PME will enable Fondis to become a multi-product company and look at the possibility of international development.

WWW.FONDIS-BIORITECH.COM

OUTLOOK

A Eurazeo subsidiary, Eurazeo PME holds majority investments in French SMEs valued at less than €200 million. A professional, long-term shareholder, it provides its investments with all the financial, human and organizational resources needed for durable transformation.

With a general investment horizon of 5 to 10 years, Eurazeo PME partners its portfolio companies in the drive for sustained and therefore responsible growth. This commitment is formalized and deployed through the CSR policy presented in this report.

CHALLENGES	TARGETS
Maintain investment momentum over the long term	<p><i>1 to 2 new investments annually</i></p> <p><i>Deploy approximately €100 million annually on new investments</i></p> <p><i>Continue to roll out managed capital in sectors that follow social megatrends, such as luxury, healthcare, energy or the food industry</i></p>
Support the development of French SMEs through supplementary capital contributions	<p><i>Provide portfolio companies with €30 to €50 million in financial support for their investments and acquisitions in France and internationally</i></p>
Support SMEs through our expertise	<p><i>In 2015, generate a minimum of five international development opportunities for the portfolio companies, particularly through external growth, using the Eurazeo and Eurazeo PME networks</i></p> <p><i>Assist companies with the structuring of international development, particularly in connection with external growth transactions</i></p>
Invest responsibly and integrate this approach within the portfolio companies	<p><i>Achieve the 2020 CSR strategy objectives, as defined by Eurazeo</i></p> <p><i>Expand the creation of Audit and Compensation Committees in 100% of the portfolio companies as of 2015</i></p>

GLOSSARY

AFIC: Various associations represent private equity investors. This is for regulatory reasons (the law requires that all management companies be affiliated with a professional association), but also to monitor the tax and legal issues of members, propose training, conduct studies and defend the interests of the profession before political representatives. The Association Française des Investisseurs pour la Croissance (AFIC) was created in 1984 and represents virtually all private equity investors in France. The equivalent for Europe is the European Private Equity and Venture Capital Association (EVCA).

Due Diligences: When a company seeks investors, its management team prepares a business plan. The purpose of the due diligence conducted by potential acquirers is to validate or adjust this business plan to obtain, in a world of uncertainty, the clearest picture of the company's future. Among other areas, due diligence procedures cover market issues, positioning and relevance of the company's strategy, industrial, human and managerial organization, CSR challenges, tangible and intangible assets, as well as the risks and challenges pertaining to legal, tax, and environmental matters, the question of insurance, etc.

Vendor Due Diligences (VDD): Due diligence prepared by the vendors of a company and their advisors, prior to a sale process, so that the vendors, the company's managers and the potential acquirers obtain complete and reliable information in order to save considerable time in the company's analysis.

Governance: Key to understanding the success and professionalism of private equity investment. Governance provides a fundamental framework for manager/financial shareholder interaction. With respect to private equity investment, governance is completed by bylaws and a shareholder agreement, thus establishing a genuine professional dialogue between shareholders and managers.

IRR (internal rate of return): Reference standard for measuring private equity investor performance. Measures the annualized rate of return on invested capital.

Investment multiple: Also measures the performance of invested capital invested but unlike the IRR, it does not include the time factor and therefore is highly complementary to the latter in assessing the quality of the performance achieved by private equity investors.

EBITDA: Earnings before Interest, Taxes, Depreciation and Amortization (including goodwill amortization), also known as gross operating income.

CREDITS AND THANKS

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