

# Altamir

Thursday, 12 September 2013

**Maurice Tchenio, Chairman and CEO  
of the Management Company**

**Monique Cohen, Deputy CEO**



# AGENDA



- Presentation of Altamir
- The private equity market
- Operating highlights of H1 2013
- A quality portfolio
- Share price performance and discount
- Outlook for the balance of 2013
- Conclusion

- Paris-based listed private equity company, traded on the NYSE Euronext exchange under ticker LTA
- Created in 1995
- Approximately €500m in Assets under Management
- Legal structure: French *Société en Commandite par Actions (SCA)* with limited partners (ordinary shareholders) and a general partner (Altamir Gérance)
- Tax regime: *French Société de Capital Risque* (private equity company)
  - Favorable for Altamir and its shareholders
  - No structural debt (statutory maximum set at 10% of net assets)

# Objectives



Sustainable value creation for shareholders,  
outperforming the peer group

- **To grow Net Asset Value per share (NAV)** and to outperform the most relevant indices (CAC Mid and Small, and LPX Europe)
- A sustainable, simple and attractive dividend policy
- To reach a **critical size** of **€1Bn** in assets under management in order to:
  - Become an essential partner to Apax Partners France and Apax Partners LLP, thus securing the ability to optimise performance via dynamic cash management (ability to adjust commitment levels semi-annually to available cash)
  - Grow the liquidity of LTA shares, thus attracting a broader universe of investors and reducing the share price to NAV discount

# Investment Strategy

## Clear, differentiated and proven

- To back **fast-growing companies**, diversified in terms of geography and size
  - French-speaking European mid-market, with enterprise values of €100m to €1Bn
  - Europe (other than French-speaking countries), North America and the larger emerging markets (China, India and Brazil); with enterprise values of €1Bn to €5Bn
- **Specialized by sector:** Technology, Media, Telecommunications, Retail & Consumer, Healthcare, Business & Financial Services
- **LBO/Growth capital** investments
- **Majority** or **lead** shareholder
- Ambitious **value-creation** objectives

**Target: to make 3x the amount invested**

# Altamir Amboise invests exclusively with Apax Partners



- In the funds managed by Apax Partners France:
  - €200m to €280m committed to the Apax France VIII fund
  - Follow-on investments alongside the Apax France VII fund (€20m)
- In the funds advised by Apax Partners LLP: €60m in Apax VIII LP
- Occasionally in direct coinvestment with the funds managed and/or advised by Apax Partners France and Apax Partners LLP

# Apax Partners



- Two private equity firms, leaders in their respective markets
- 40 years of experience
- Track record of performance

## Apax Partners France

- Paris-based company
- 20+ investment professionals; sector specialisation
- Investments in French-speaking European countries
- Mid-sized companies, with enterprise values of €100m to €1Bn
- More than €2.5Bn under management
- Apax France VIII (€704m) raised in 2011

## Apax Partners LLP

- London-based company
- 100+ investment professionals in nine countries worldwide; sector specialisation
- Investments in Europe (other than French-speaking countries), in North America and in larger emerging markets (China, India, Brazil)
- Companies with enterprise values between €1bn and €5bn
- More than US\$40bn under management
- Apax VIII LP (€5.8 Bn) raised in 2013



# Competitive Advantages shared by Apax Partners France and Apax Partners LLP



- Sector expertise allows for targeting of the best investment opportunities
- Proprietary deals
  - Limited competition in the acquisition phase, resulting in higher expected returns on investments
- Rigorous investment processes
- Value creation, hands-on involvement by Apax teams

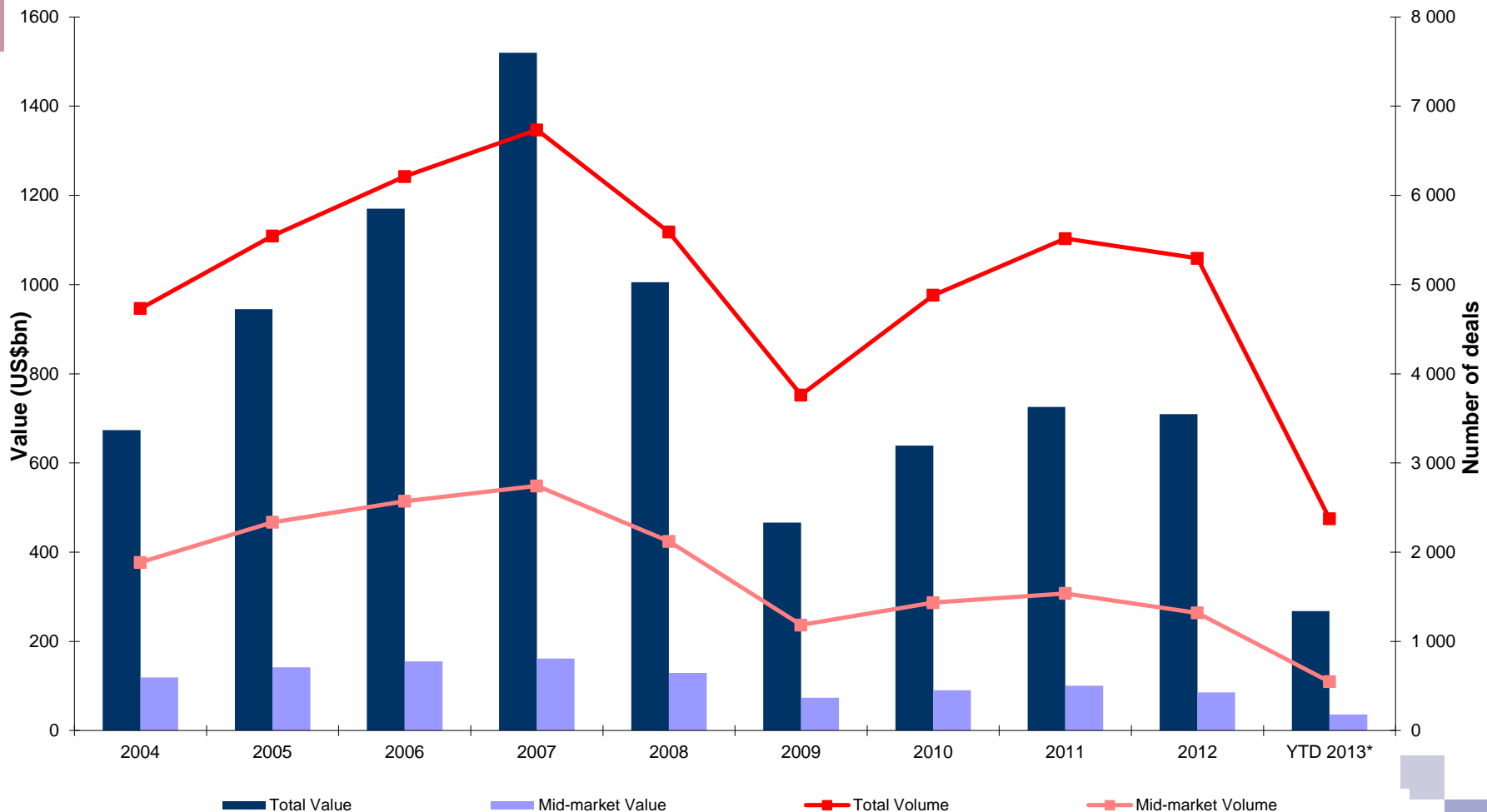


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# M&A activity in Europe

European M&A activity - annually



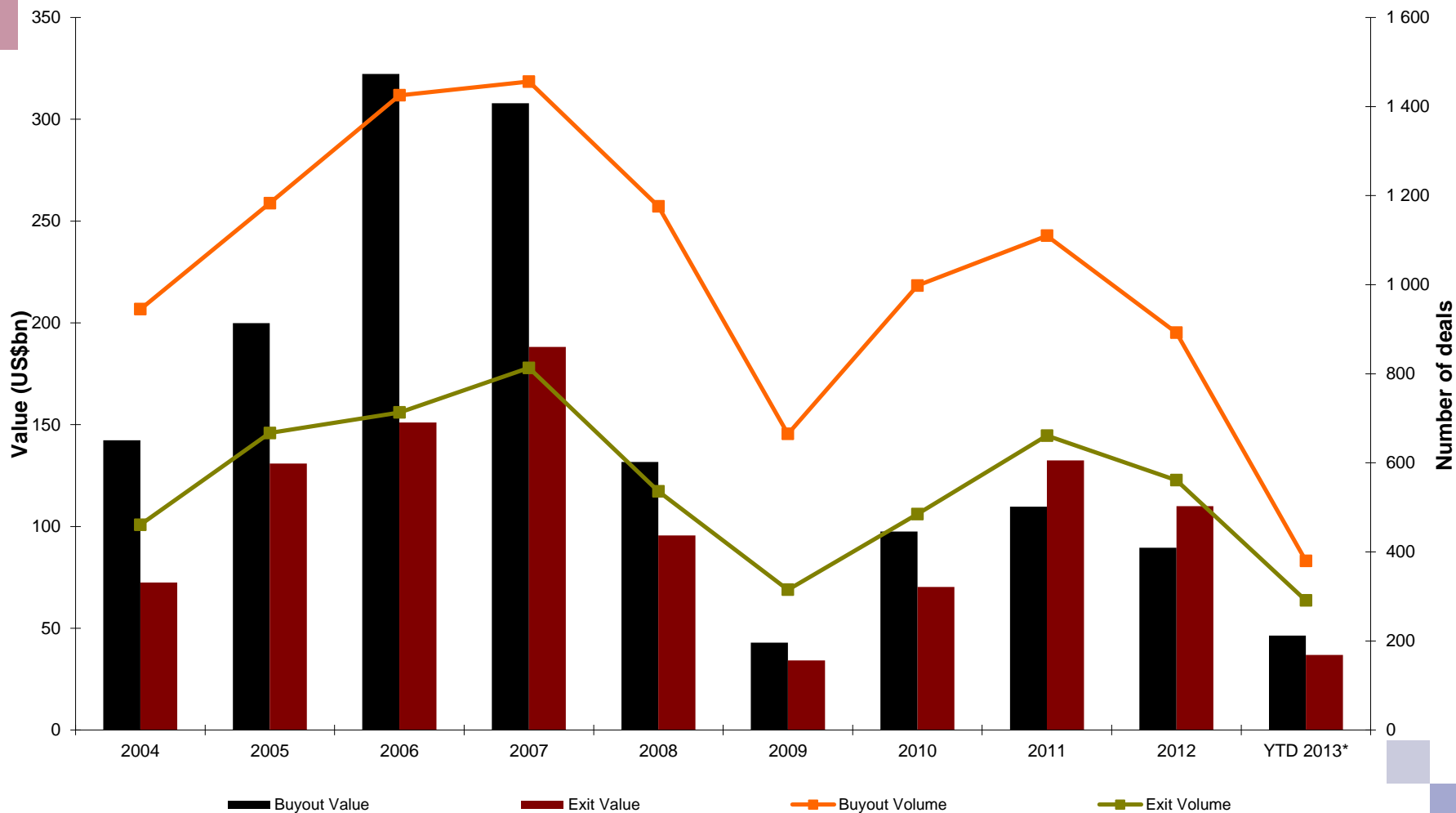
Source : MergerMarket, M&A Insider, June 2013 (Europe)

Mid-market : €10m - €500m

\* At 30 June 2013

# Private equity trends in Europe

European private equity M&A activity - annually



Source : MergerMarket, M&A Insider, June 2013 (Europe)

Mid-market : €10m - €500m

\* At 30 June 2013

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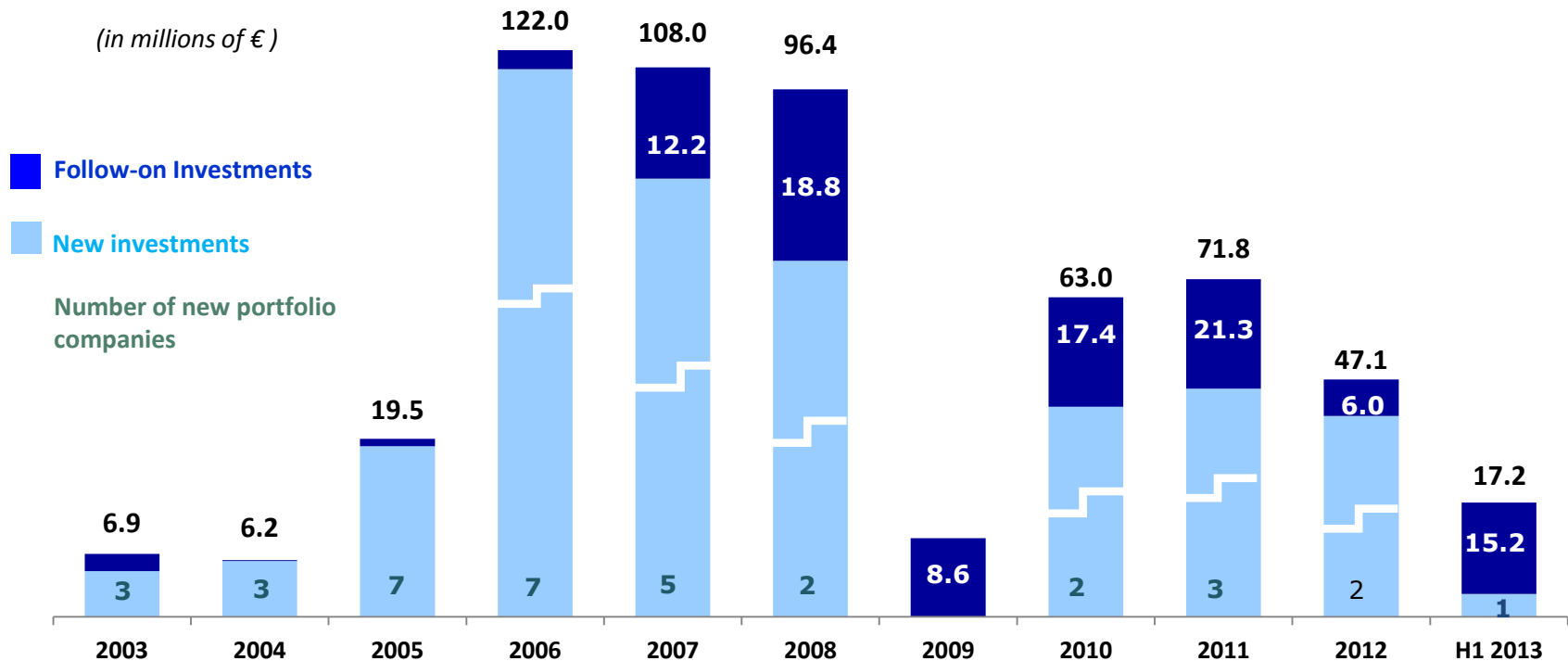
# H1 2013 Highlights



- **+3.7% NAV growth**, including the dividend
- **€118.5m of divestment proceeds**
  - **Codilink** (€65.2m)
  - **Maisons du Monde** (€51.5m): Agreement signed in June; deal closed in August
  - **IEE** (€1.8m)
- **€17.2M invested and committed**
  - **Cole Haan** acquisition finalized, constituting Altamir's second investment outside of French-speaking Europe; amount invested: €2.1m
  - €15.2m in follow-on investments
- **The discount narrowed by 6 points** year-to-30 June 2013; **YTD narrowing of 13 points** at 10 September
- **New dividend policy**

# Investments and commitments

## One new investment in H1 2013



# Investments and commitments

€17.2m invested and committed in H1 2013

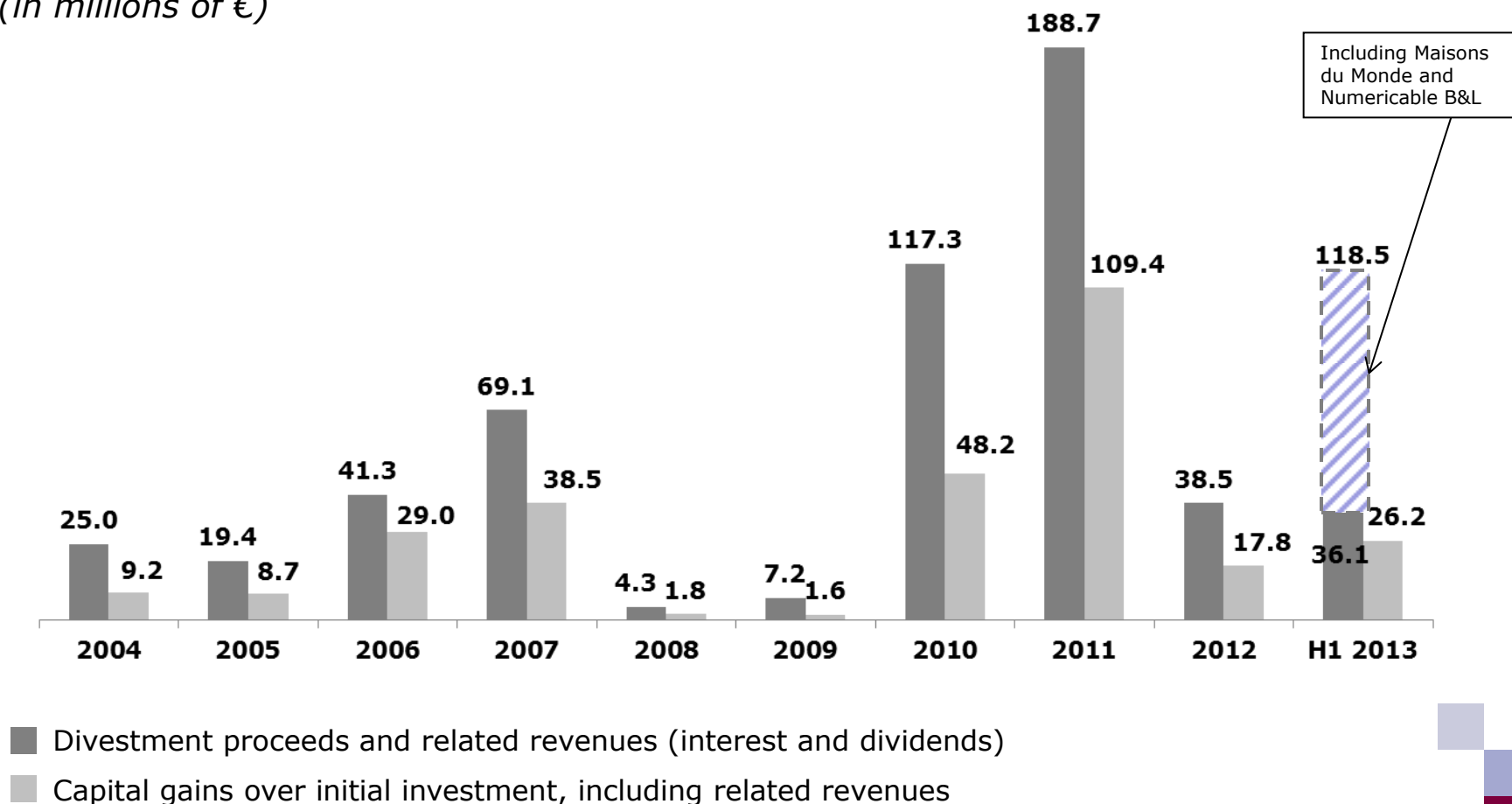
- **One new investment for a total of €2.1m**
  - **Cole Haan** (€2.1m): iconic American designer and retailer of premium footwear, apparel and accessories.
- **€15.2m of follow-on investments and commitments**, primarily in:
  - Infopro – €3.6m
  - Amplitude – €2.8m
  - Unilabs – €0.7m
  - GFI Informatique – €10.1m to finance Altamir's increased equity stake

To enable them to carry out their acquisitions programs

# Divestments

€118.5m in signed agreements; €36.1m realized

*(in millions of €)*

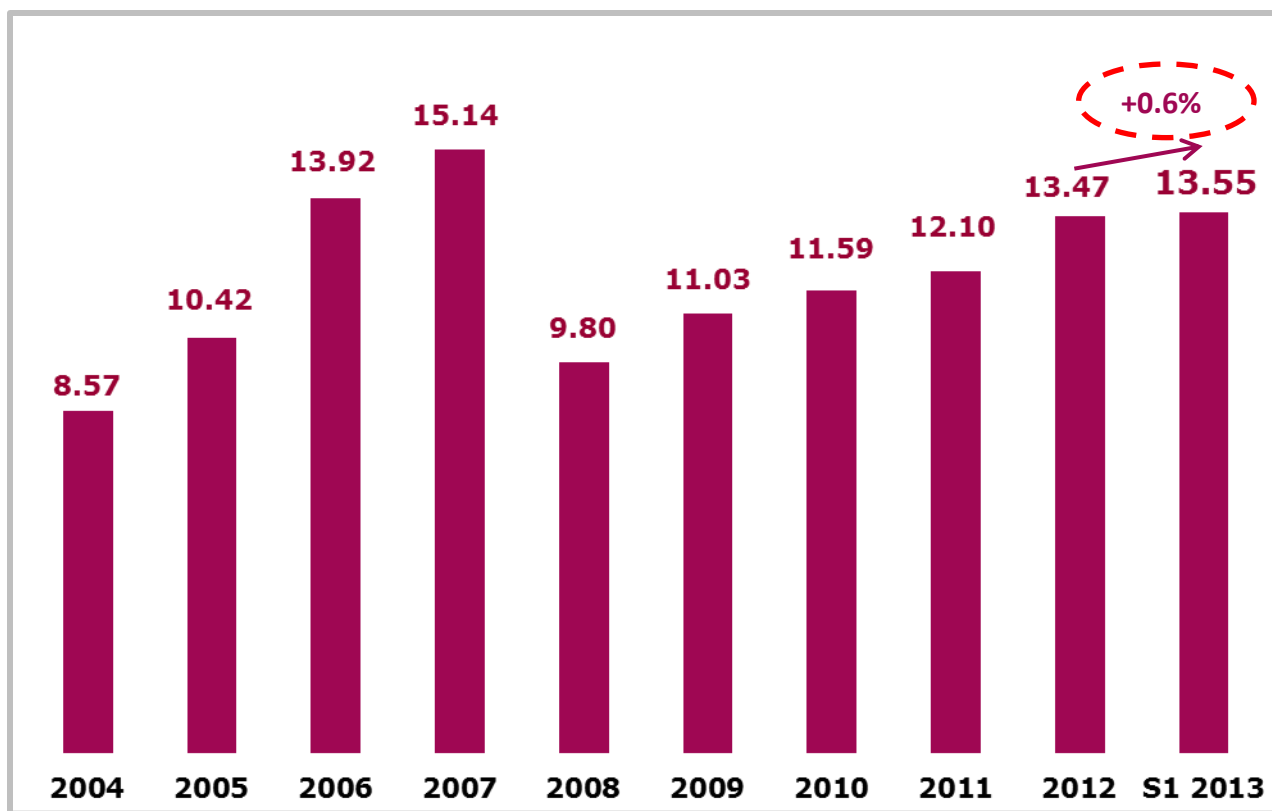




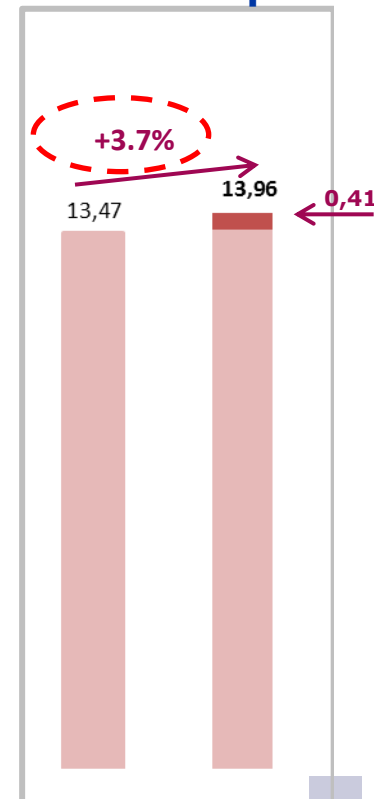
NAV growth of 3.7% at 30/6/13 including the dividend paid in May

On-going NAV growth

### NAV Growth



### Dividend impact

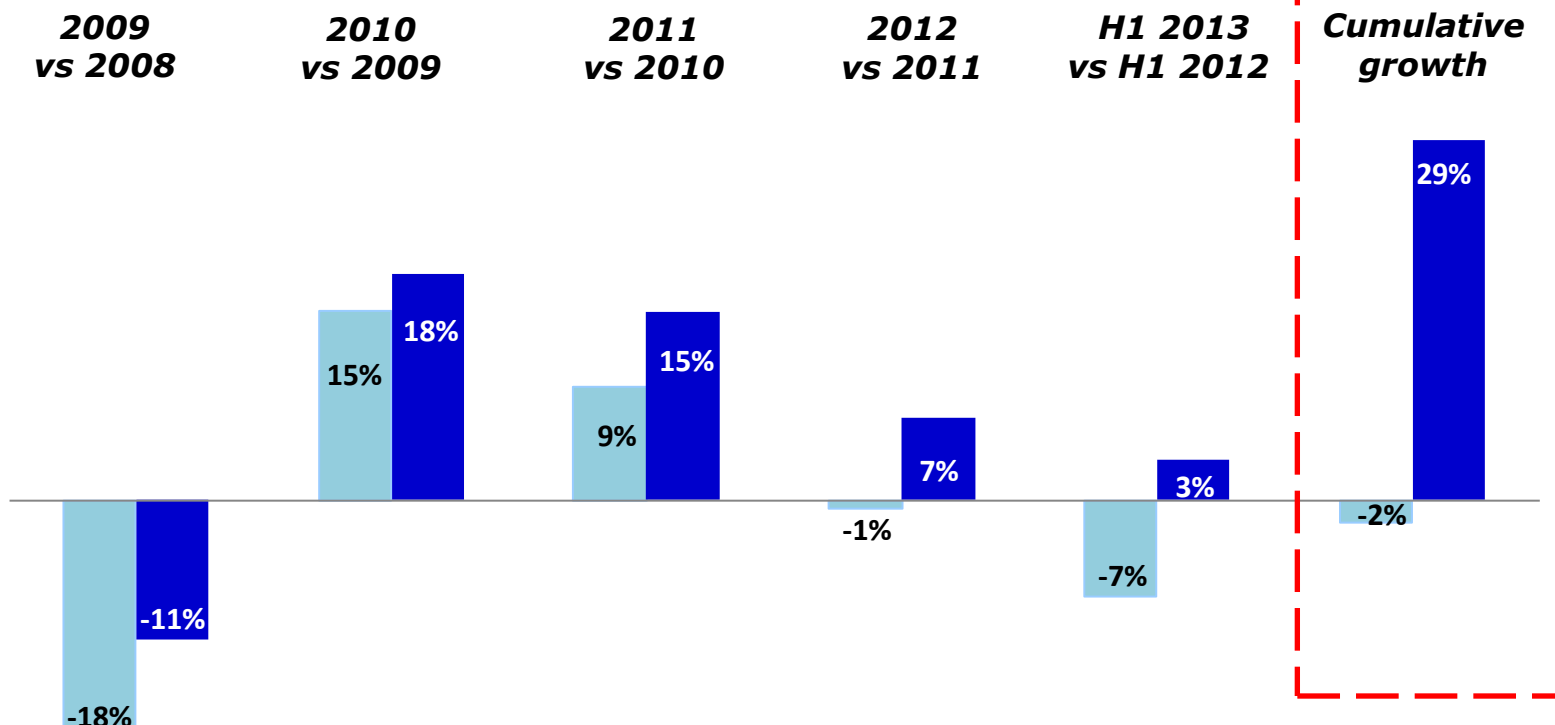


(at 31/12/N, in euros, share attributable to limited partners holding ordinary shares)

# Portfolio performance

## Fast-growing companies

### Change in EBITDA



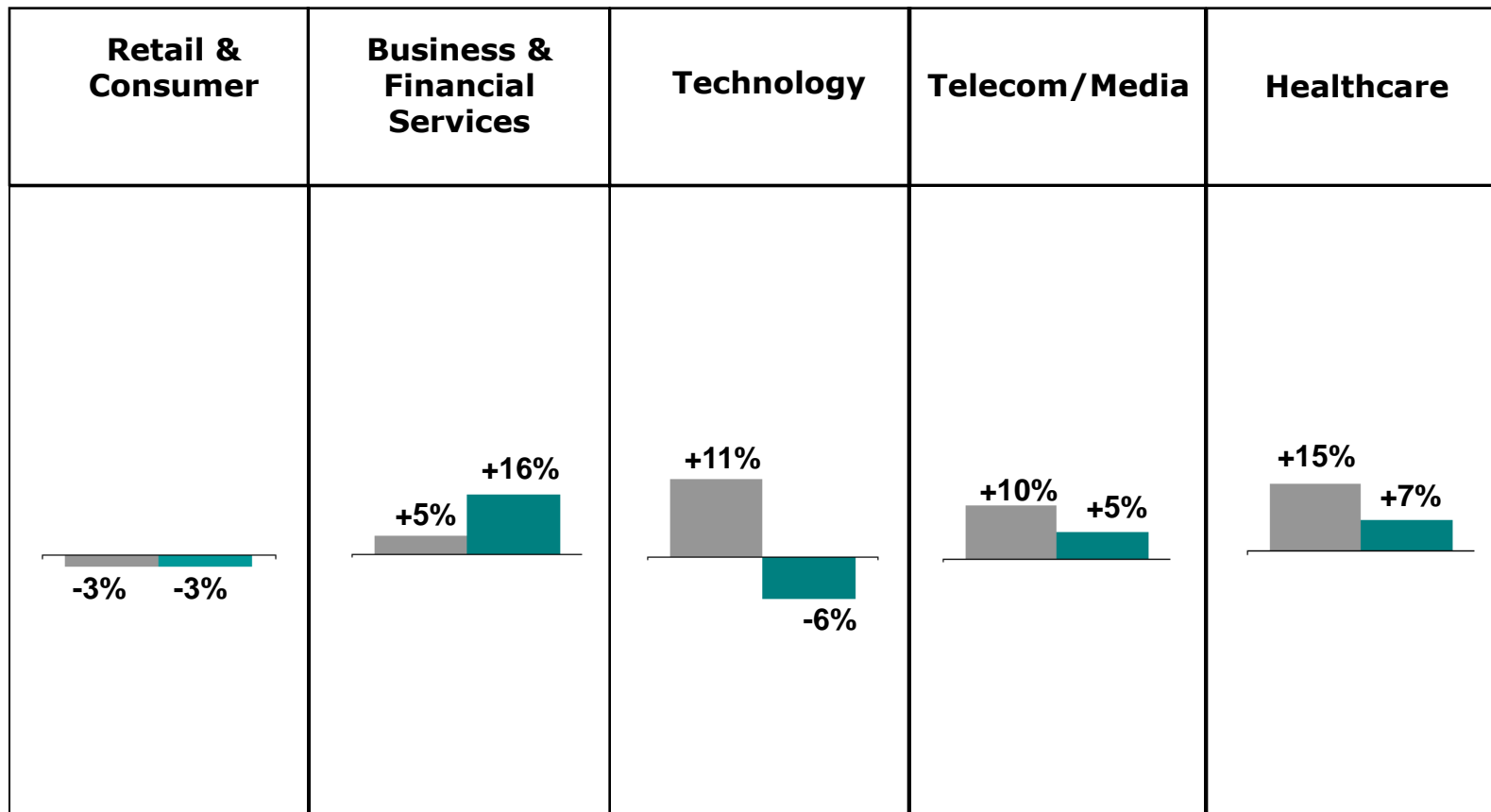
■ Companies in the **CAC 40** (excluding financial institutions and Alstom; sample of 34 companies)

■ **Altamir** portfolio (« LBO/Growth capital » companies; excluding Garda and Cole Haan)

(Source: published earnings as of 30 June 2013)

# Portfolio performance

## EBITDA growth by sector



■ EBITDA growth H1 2012 / H1 2011

■ EBITDA growth H1 2013 / H1 2012

Cumulative EBITDA growth by sector of 15 LBO/Growth capital companies (excluding Garda and Cole Haan)

# NAV Growth: Portfolio valuation multiples

Slight expansion of the average valuation multiple, largely attributable to the two major realizations of the period

*At 31 December, except 2013*

	2007	2008	2009	2010	2011	2012	<b>30/6/ 2013</b>
# of LBO/Growth capital companies	16	21	20	21	16	15	<b>16</b>
<b>Enterprise value / EBITDA</b>	12.34	8.47	9.31	8.83	9.00	8.28	<b>8.69</b>

*Weighting: Average multiples of LBO/Growth capital portfolio companies, weighted their respective share of the NAV*

# Debt and multiples of the LBO/Growth capital portfolio

## Reasonable level of leverage

- Debt multiple** (total net debt / LTM Ebitda):

*At 31 December, except 2013*

	2008	2009	2010	2011	2012	30/6/2013
# of LBO/Growth capital companies	21	21	18	16	16	15
<b>Debt multiple of which:</b>	4.1x	4.6x	4.0x	3.8x	3.7x	4.0x
- LBO debt	3.1x	3.2x	3.0x	2.5x	2.4x	2.8x
- Operating debt	1.0x	1.4x	1.0x	1.3x	1.3x	1.2x

- Repayment schedule:**

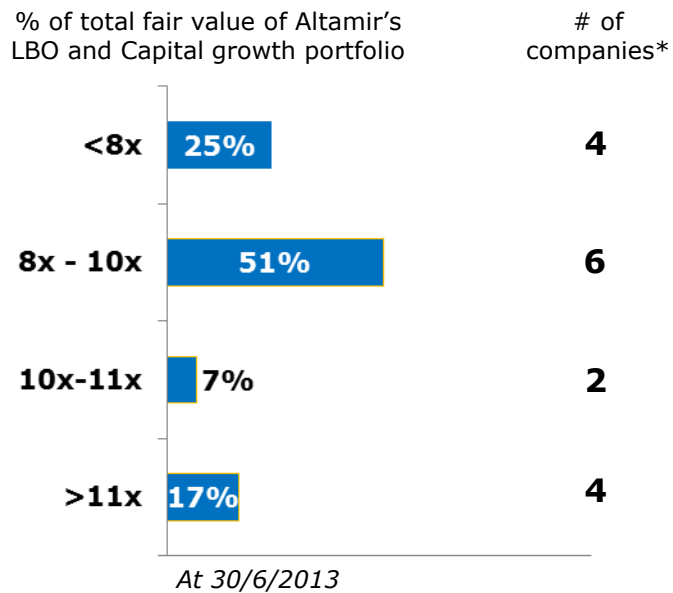
- Amortizable debt (tranche A): **13%** of LBO debt, compared to 16% at year-end 2012 (84% bullet)
- Debt maturing in 3 years: **24%** of LBO debt, compared to 30% at year-end 2012

# Portfolio valuation and debt multiples

## Valuation Multiple

Enterprise value / EBITDA

Total portfolio = **8.7x**

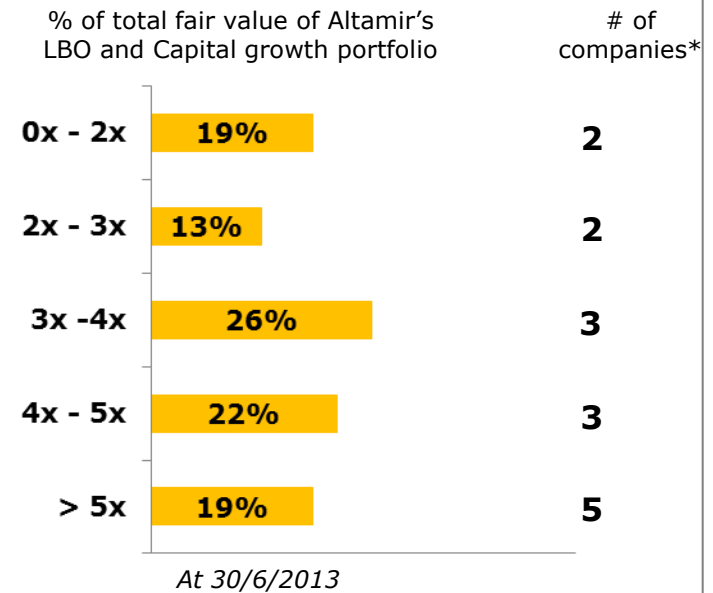


\*16 companies excluding Vocalcom

## Debt Multiple

Leverage (total net debt) / EBITDA

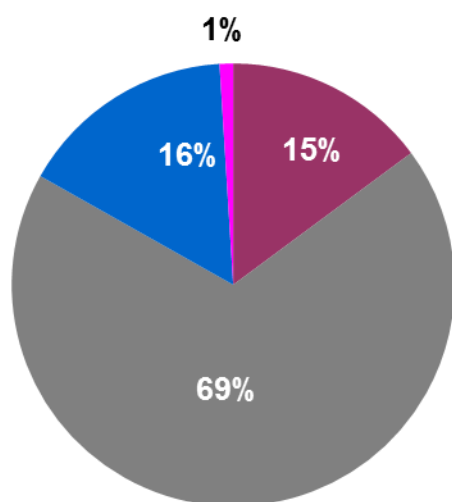
Total portfolio = **4.0x**



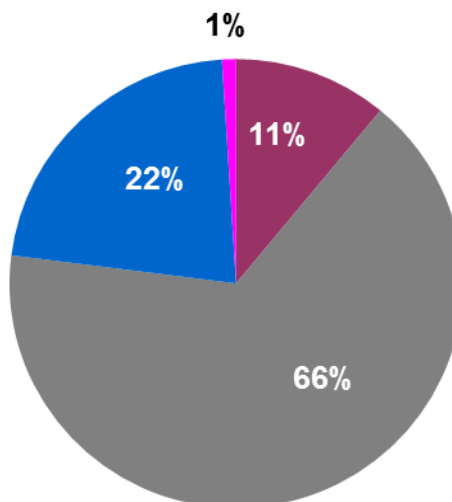
\*15 companies representing 99% of the valuation of Altamir's portfolio, excluding Garda and Cole Haan

# Portfolio valuation

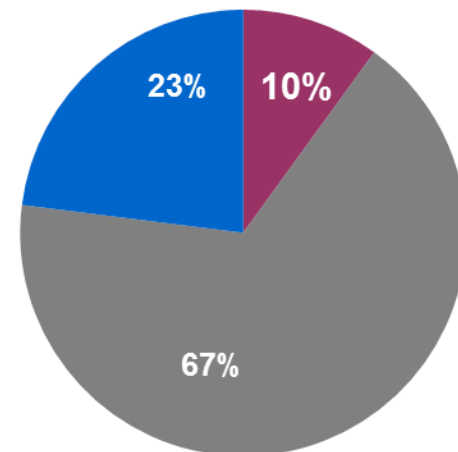
Most of the portfolio is valued at market multiples



**Portfolio at fair value as of  
31/12/2011**



**Portfolio at fair value as of  
31/12/2012**



**Portfolio at fair value as of  
30/6/2013**

- Shares valued at fair value, with an adjustment of up to 30% or at negotiated transaction price
- Shares valued at the share price of the portfolio company or of the listed operating company
- Shares valued at cost
- Other

# Conservative valuation policy

Altamir values its portfolio based on the principle of fair value, in accordance with International Private Equity Valuation (IPEV) recommendations

- **Unlisted shares:**

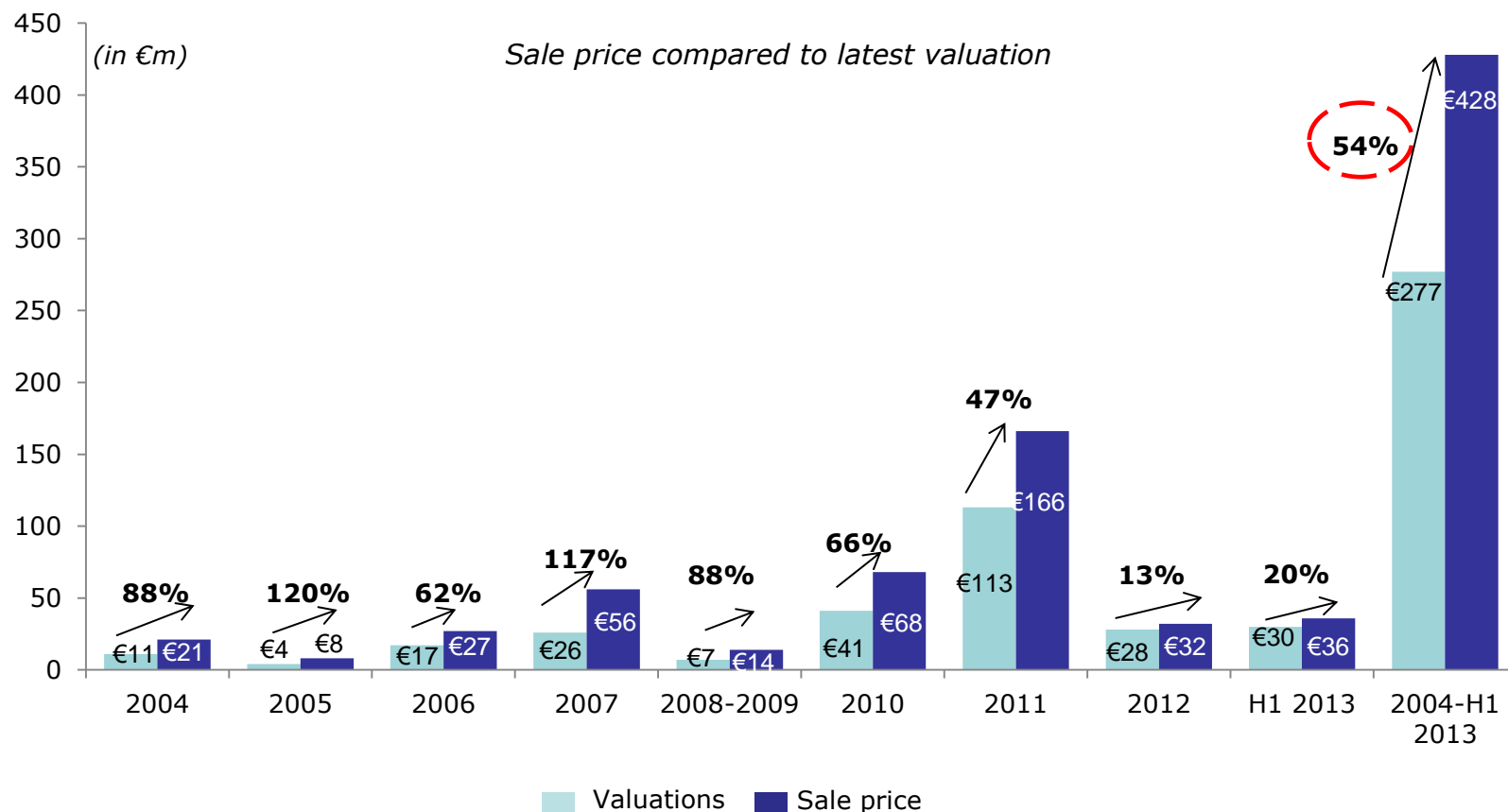
- Companies in the portfolio for more than one year: based on the multiples of a sample of comparable companies (listed companies and recent transactions), with an adjustment of up to 30%
- Companies in the portfolio for less than one year: at acquisition cost, except in specific situations

- **Listed shares:** at the last listed price of the period (except for listed shares subject to lock-up, which are valued with an adjustment of 5-25%)



# Conservative valuation policy

Uplift of 54% between sale price and the last valuation in our books over the 2004-H1 2013 period



# Events since 30 June 2013

- **Divestment of Maisons du Monde** in August 2013
  - Sale price in a range of **€51.5m** to **€54.9m**, broken down as follows:
    - €45.5m recorded at the close of the transaction
    - €6.0m in the form of preferred shares, with a cumulative dividend of 10%
    - €3.4m based on the company's performance in 2013, bearing a cumulative annual interest rate of 4%
  - 2.0x the total invested of €26.3m, excluding the « earn-out »
  - 6% uplift over the valuation at year-end 2012
- Closing of the **tender offer for the shares of GFI Informatique**
  - The « concert » formed by Apax Partners, Altamir and Boussard & Gavaudan now holds 78% of GFI's share capital, and the Apax funds hold 50% of the voting rights
- **Investment in *rue21***, the third investment outside of French-speaking Europe
  - American specialty discount retailer of casual apparel and accessories, targeting young people aged 15 to 22, with 900+ stores and revenue of US\$900m
  - The transaction is expected to close by end-September
- **Positive impact from listed portfolio companies'** share prices since mid-year

# Consolidated balance sheet (IFRS)

<i>(In € millions)</i>	<b>31 December 2012</b>	<b>30 June 2013</b>
TOTAL NON-CURRENT ASSETS	422.5	420.8
<i>of which portfolio investments</i>	418.3	416.6
TOTAL CURRENT ASSETS	98.7	97.7
<i>of which cash and equivalents</i>	98.2	97.5
<b>TOTAL ASSETS</b>	<b>521.2</b>	<b>518.5</b>
TOTAL SHAREHOLDERS' EQUITY	491.7	494.8
<i>of which Net Income for the period</i>	57.1	18.1
PORTION DUE TO THE GENERAL PARTNER AND B SHAREHOLDERS	24.1	15.4
PROVISIONS	0.0	0.0
LIABILITIES	5.4	8.3
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>521.2</b>	<b>518.5</b>

# Consolidated Income Statement (IFRS)

<i>(In € thousands)</i>	<b>31 December 2012</b>	<b>30 June 2013</b>
Change in fair value of the portfolio	81,339	22,147
Valuation differences on disposals during the period	-10,720	4,699
Other portfolio income	14,361	656
<b>Income from portfolio investments</b>	<b>84,980</b>	<b>27,503</b>
Gross operating income	67,921	20,766
Net operating income	54,859	16,684
<b>Net income attributable to ordinary shareholders</b>	<b>57,054</b>	<b>18,052</b>
Basic earnings per ordinary share	1.56	0.49

# Cash and commitments



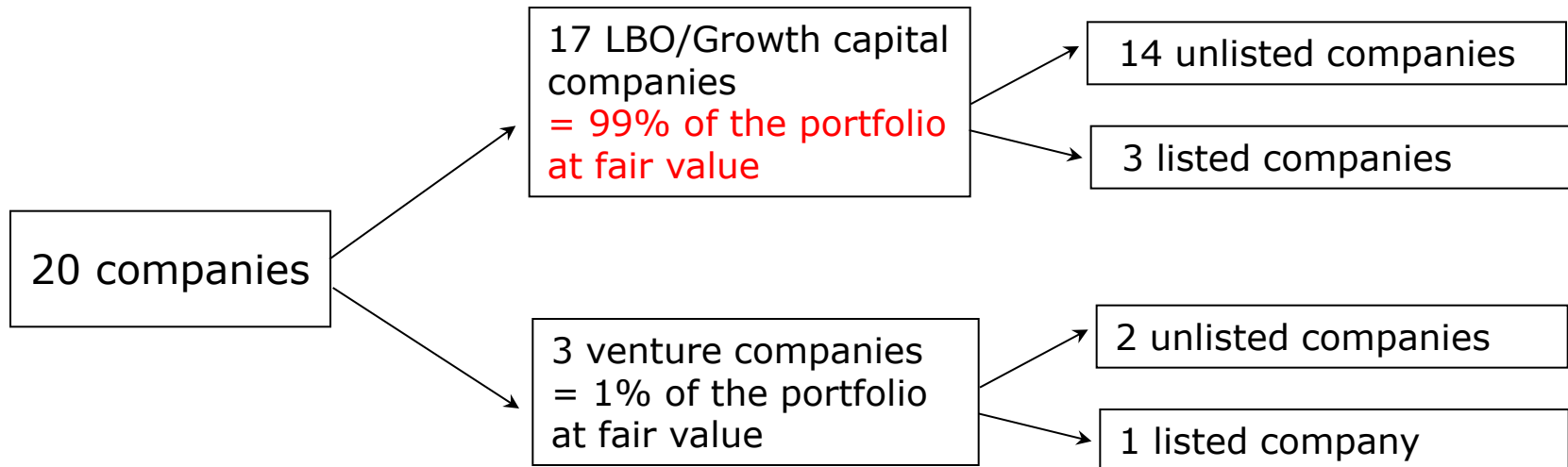
- Altamir had cash and equivalents of **€97.5m** as of 30 June 2013
  
- Current commitments total a maximum of **€259m**
  - €113m to €193m commitment to the Apax France VIII fund
  - €53M to the Apax VIII LP fund
  - Follow-on investments of €13M alongside the Apax France VII fund

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# A quality portfolio

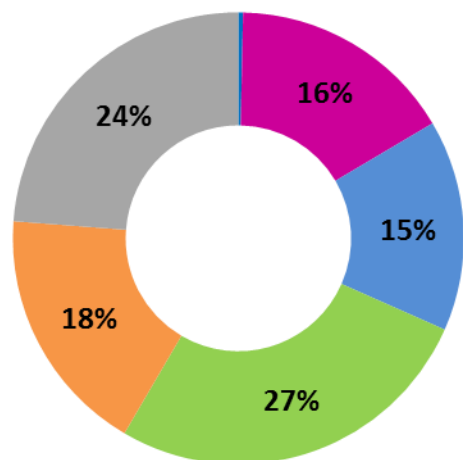
Made up of 20 companies at 30/6/13 and valued at €417M



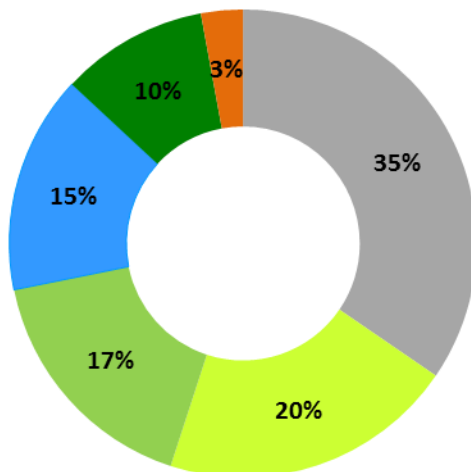
# Portfolio composition

A well-diversified portfolio

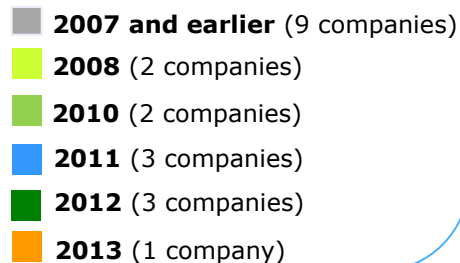
By Sector



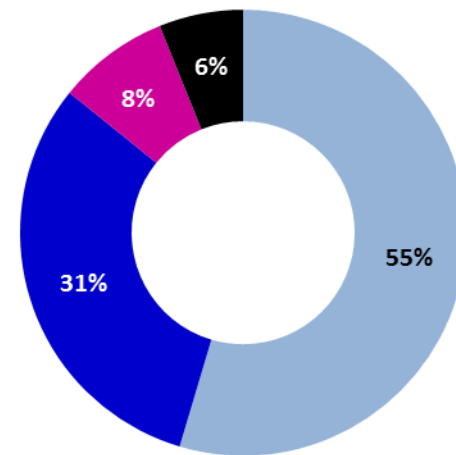
By Maturity



Year of acquisition



By Geography



% of portfolio at fair value as of 30/6/2013

% of revenue of portfolio companies' revenue as of 30/6/2013



# The 10 largest investments

81% of the portfolio at fair value *(in €m)*

20 companies at 30/6/2013	Acquisition cost	Fair Value	% of Portfolio at fair value
Maisons du Monde	26.3	51.5	12.4%
Financière Hélios / Albioma	50.1	40.2	9.7%
Infopro	31.3	37.9	9.1%
Altrafin Participations / Altran	47.5	36.0	8.7%
THOM Europe (Histoire d'Or-Marc Orian)	40.3	36.0	8.6%
Buy Way	0.0	35.9	8.6%
Codilink	21.2	29.5	7.1%
Capio	20.9	25.1	6.0%
Amplitude	20.2	24.4	5.9%
Unilabs	21.3	21.8	5.2%
<b>Total 10 Participations</b>	<b>279.1</b>	<b>338.3</b>	<b>81.2%</b>

# Portfolio company snapshots

## Technology

### European leader in innovation consulting

- Organic growth of top-line
- Business mix is shifting favorably toward larger and more profitable projects.
- Significant strengthening of financial resources
- Acquisition of the IndustrieHansa group closed in February; profitable revenue of ~€155M.

H1 2013 Revenue: €809m (+10.5%)

H1 2013 EBIT (recurring) : €50.1m (-10.0%)

Share price: +0.7% YTD at 10/9/13; -7.5% YTD at 30/6/13

### Fifth largest French IT company

- Organic growth in France of +1.5%
- Operating margin grew +6.9%
- Successful integration of acquisitions (Géosphère and Adix in software; Thales B.S. and Cognitis in IT services)
- Tender offer for GFI's shares closed in July; « concert » formed by Apax/Altamir/Boussard & Gavaudan now holds 78% of GFI's share capital; Apax funds hold 50% of voting rights.

H1 2013 Revenue: €369m (+15%)

H1 2013 EBIT: €17m (+7%)

Share price: +46% YTD at 10/9/13; +38% YTD at 30/6/13

# Portfolio company snapshots

## Media

Leading provider of professional data and B2B services in France

- On-going development of digital activities, accounting for 60% of revenue (ex-tradeshows).
- Acquisition of Distree Event (a leading organizer of tradeshows in IT, communication technology, and consumer electronics) and of TOUTE LA FRANCHISE (a specialized web-based platform providing intermediation services between franchisors and potential franchisees).
- Moderate growth expected in 2013

H1 2013 Revenue: €67m (+6%)

Double-digit EBITDA growth as compared to H1 2012

# Portfolio company snapshots

## Retail & Consumer Goods

THOM Europe : leading European jewelry retailer (540 sales outlets for Histoire d'Or/Marc Orian/TrésOr)

- Flat top-line resulting from a slight decrease in organic revenue and the opening of 5 new points of sale, as well as the the positive result of the new « value » positioning of Trésor. EBITDA was adversely impacted by operating costs of new stores.
- Strong cash generation.
- Ambitious value-creation plan: Trésor re-positioning is on track to succeed; store openings in city centers; launch of e-commerce site (Spring 2013).
- Outlook: a difficult market that creates opportunities for external growth.

Revenue for 9 months of 2012-13 (closing end Sept.) : €275m (+0.4%)  
EBITDA down 5%; EBITDA margin around 20%

Leading franchisor of optical retail stores in France and Spain

- Difficult market conditions; decrease in like-for-like sales
- Establishment of a central purchasing process and platform for contact lenses and brand-name sunglasses
- Decision taken to accelerate the development of the auditive (hearing aid) business via a spin-off

Revenue for 10 months 2012-13 (closing end July): €260M (+7%)  
EBITDA for 10 mois 2012-13: €51.5M (-3%)

# Portfolio company snapshots

## Healthcare



### Leading pan-European private hospital operator

- Positive performance within the context of a difficult market; top-line growth attributable primarily to the acquisition of Carema in Q4 2012.
- Management focus on: the integration of Carema, the operating performance of specific clinics, and on-going optimization of the existing hospital network via a strategy of selective acquisitions and divestment of clinics.
- Debt maturity extension negotiated in H1 2013

Revenue H1 2013: €739M (+21%)

Ebitda: +6% vs 2012



### Leading European diagnostic lab network

- Top-line growth attributable to the acquisitions made in 2012
- Slight narrowing of margins during the first half of the year due to pricing pressure, despite a reduction in operating costs
- Debt refinancing in July 2013, enabling Unilabs to pursue its acquisition strategy (3 acquisitions carried out in H1 2013 for a total of ~€20m in EV, following a very active 2012).

Revenue H1 2013: €305M (+13%)

Ebitda: +7% vs 2012

# Portfolio company snapshots

## Healthcare

Leading French designer and developer of orthopaedic prostheses for hips and knees

- Top-line growth due to resilience of the French market (+5%) and to export growth, especially Australia and Brazil (+11% compared to 2012).
- For fiscal year 2013-2014, the company aims to accelerate its growth plan by capitalizing on the new products launched in Q1 2013, and by further developing its presence in strategic export markets, namely Australia, Brazil and the United States.

Revenue FY 2012-13 (closing in June) : €50.3m (+6%)

Ebitda: +14% compared to 2011-2012

# Portfolio company snapshots

## Business & Financial Services



Leading producer of electricity in the French overseas territories and Mauritius

- Good operating performance of thermal biomass and solar energy.
- Brazil: the group's priority outside of the French territories; the holding company « Albioma Participações do Brasil » was created to hold the project's future assets.
- A net debt reduction of 19%, primarily attributable to the company's exit from wind energy activities in February 2013
- EBITDA grew on the back of positive operating performance and to the impact of the tariff agreements finalized with EDF.

Revenue H1 2013 : €183.9M (-1%)

EBITDA H1 2013 (excluding French territory taxation): €74.6m (+20%)

Share price growth: +14% YTD at 10/9/13; +0.3% YTD at 30/6/13

Provider of consumer credit services in Belgium (credit cards and consumer financing)

- Strong growth in H1 2013.
- Stable loan portfolio, well-managed cost of risk
- The second half of 2013 is expected to be in line with the first half of the year.

Net banking income H1 2013: €23.7M (+4%)

Net income H1 2013 (recurring): €8.0M (+19%)



# Portfolio company snapshots

## Business & Financial Services

### Leading French loss adjustment company

- Loss adjustments:
  - A reduction in level of claims, compared to an unusually high level of claims in 2012 resulting from freezing weather conditions last year;
  - Lower rate agreements with some of the larger insurance companies
- Real estate diagnostics:
  - Declining volume due to weakness in the volume of transactions carried out in the French real estate market;
  - Cost reduction, bringing business to break-even
- The group is working actively toward making acquisitions.

Revenue H1 2013 : €52.5m (-5%)

EBITDA H1 2013 : €4.8M (-11%)



# Portfolio company snapshots



## Investments outside of French-speaking Europe

Canadian company, leader in security worldwide

- Positive top-line performance delivered by most business lines (Cash Services, Protective Services, and International Services); slight contraction in Aviation Services.
- Margin expansion due to disciplined fixed cost management.
- Strong growth in International Services driven by strong growth in the oil and gas industry in Iraq, and the development of diplomatic sectors in Afghanistan.

Revenue FY 2013 (closed in January) : US\$1.35 Bn (+10.5%)

EBITDA FY 2013: US\$151m (+17%)

Leading American designer and retailer of premium footwear and accessories

- Strong performance in men's and women's footwear businesses, with growth across all distribution channels (including digital and international).
- Weakness in the handbag business; the management team has implemented a plan to restore growth in this category.

Revenue FY 2013 (closed in May): US\$577m (+8%)

EBITDA FY 2013: US\$59m (+48%)

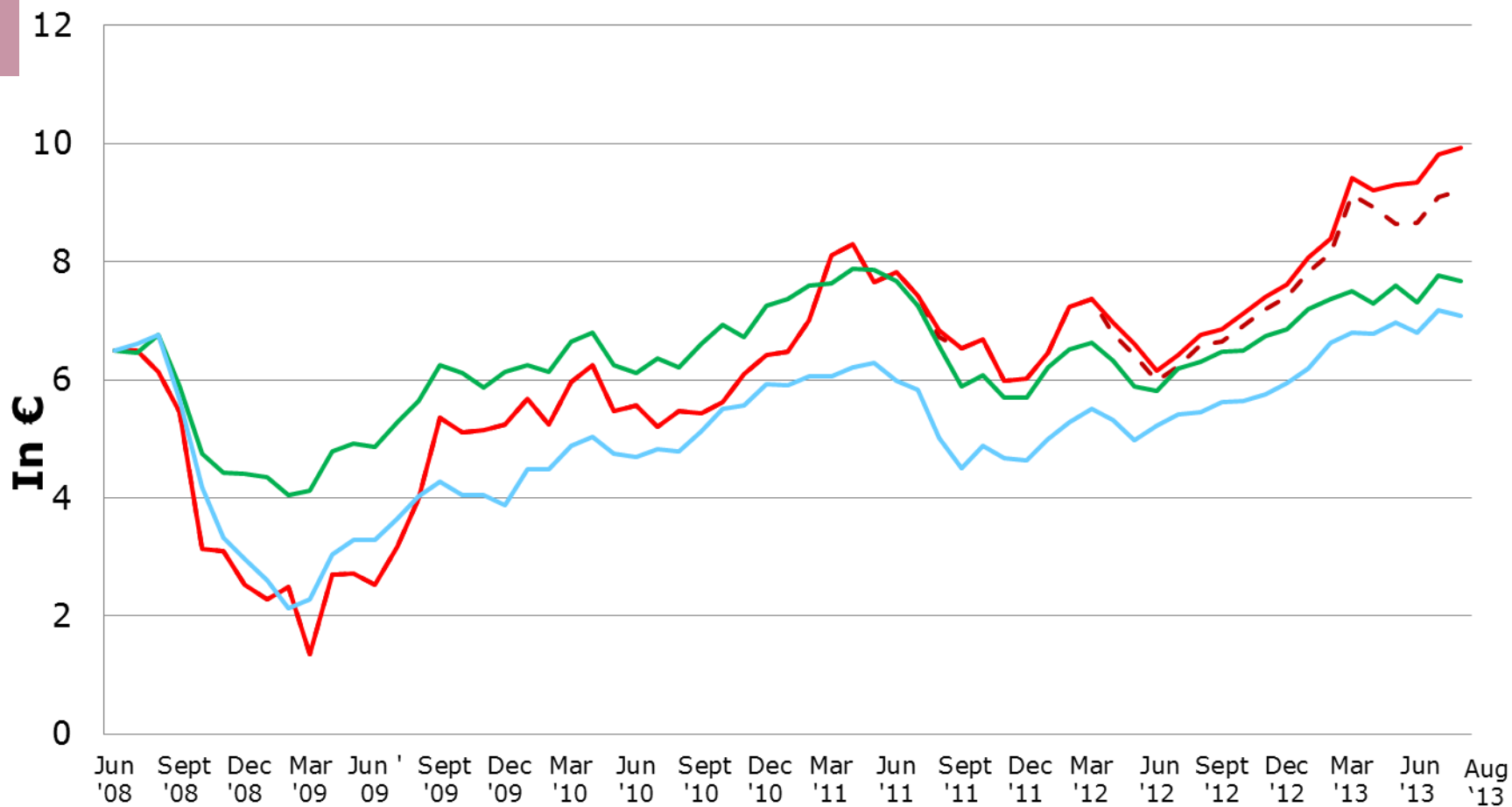
**GARDA**

COLE HAAN

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# Altamir out-performs the most relevant indices



At 30 August 2013  
(Base : 30/06/2008)

-- LTA Share price

— LTA TR

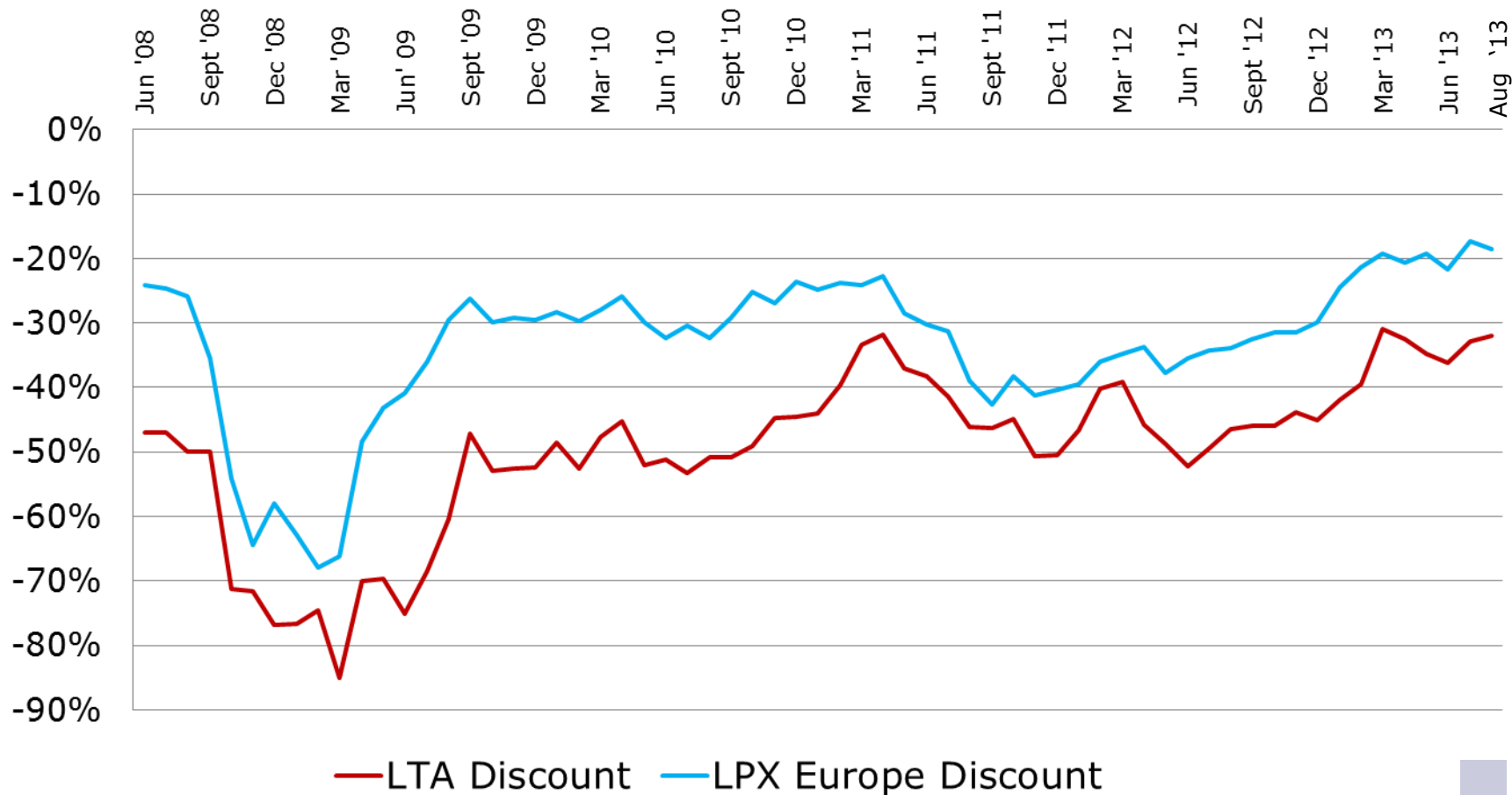
— CAC Mid & Small

— LPX Europe TR

# The discount to NAV is narrowing

	31/12/11	31/12/12	30/6/13	10/9/13
LTA Share price (€ per share)	6.01	7.40	8.65	9.27
NAV (€ per share)	12.10	13.47	13.55	13.55
<b>LTA Discount</b>	<b>50%</b>	<b>45%</b>	<b>36%</b>	<b>32%</b>

# But the discount differential relative to the peer group is still wide



At 30 August 2013

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# Outlook for the balance of 2013

## Investment

- 5 to 6 new investments, of which 3 should be outside of French-speaking Europe

## Divestments

- 3 significant exits, of which two have already been concluded: Codilink and Maisons du Monde

## Value Creation

- Strong potential for appreciation over the next four years

## Discount narrowing

- Increasing geographic diversification of the portfolio
- New dividend distribution policy
- Expansion of analyst and broker coverage
- International roadshows
- Attractiveness of LTA shares for private investors in France (tax advantages)



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  - A quality portfolio
  - Share price performance and discount
  - Outlook for the balance of 2013
- Conclusion





# Conclusion

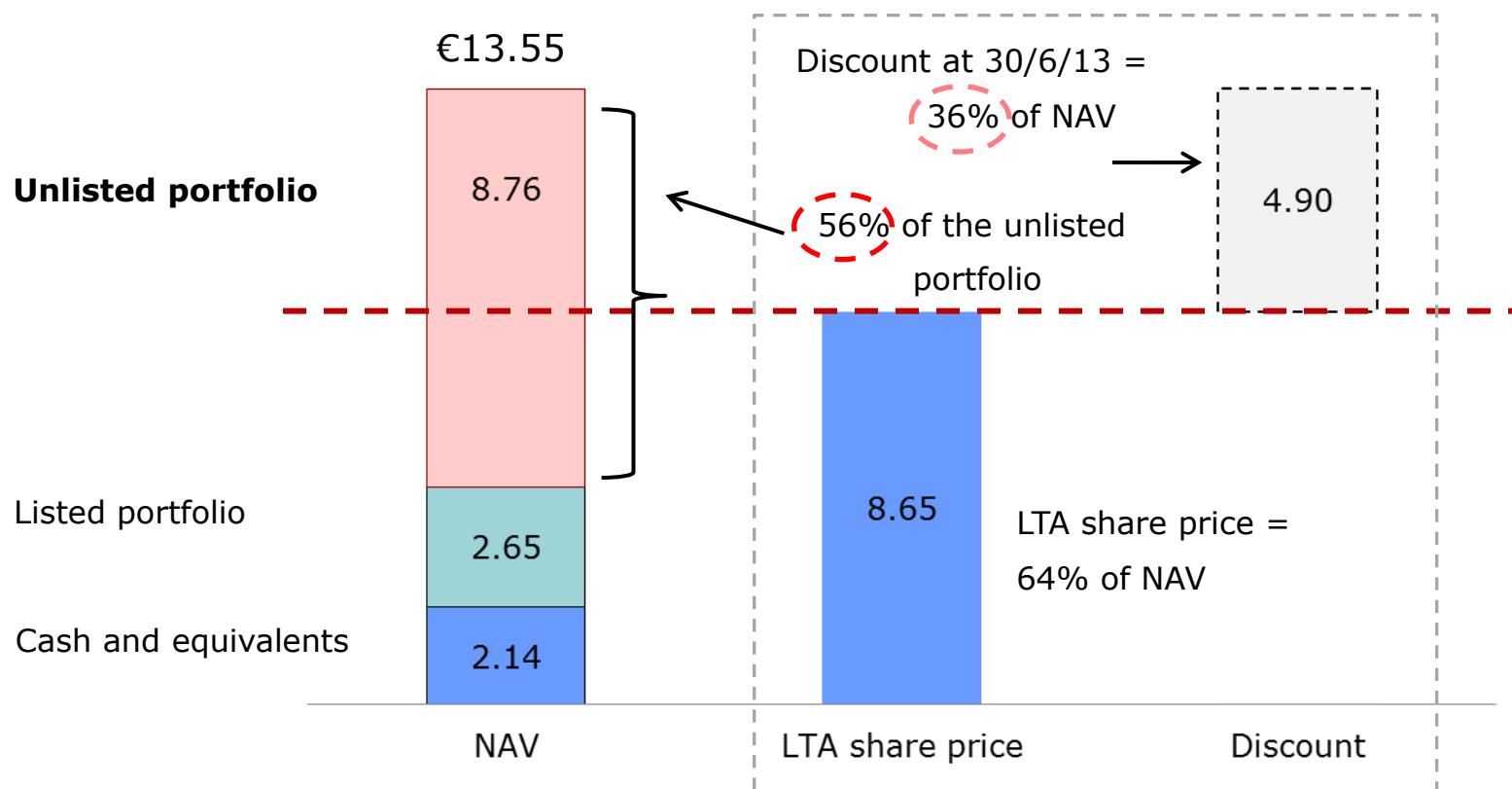


## Investing in Altamir

- A portfolio of growth companies, diversified by geography and by sector
- Managed by an experienced and hands-on team, which holds more than 25% of ordinary shares
- A track record of performance
- Resources to invest
- Share price is still deeply discounted

# Altamir's unlisted portfolio is valued at a discount of 56%

At mid-year, LTA's discount to NAV was 36%



# ANNEXES

# History



- 1995: creation of **Altamir & Cie.**
- 2006: IPO of **Amboise Investissement** (€119m raised) with the aim of merging the two vehicles over the medium term
- 2006/07: acceleration of the rate of investment and earlier-than-expected convergence of the two portfolios
- June 2007: Merger of Altamir and Amboise Investissement to form **Altamir Amboise**
- July 2007: €120m capital increase
- 2008: €40m capital increase via the exercise of warrants and the payment of a dividend in shares
- 2009: creation of the Ahau 30 private equity fund – an innovative financing solution to strengthen Altamir Amboise's cash balance
- 2012: Expansion of the investment strategy to include investment beyond French-speaking Europe through the funds advised by Apax Partners LLP.
- 2013: Company's name is shortened to **Altamir**

# Stock market data



- Number of shares 36,512,301
- Market cap €338m at 10/9/2013 (vs €270m at 31/12/12)
- Stock exchange NYSE Euronext Paris (compartment B)
- Ticker LTA
- ISIN code FR0000053837
- Principal indices CAC Small, CAC All-Tradable, LPX Europe, LPX 50, LPX Direct, LPX Composite
- Eligible for French equities savings scheme (PEA) Yes



# Financial calendar

- Upcoming meetings and press releases
  - 15 November 2013: Publication of NAV at 30 September 2013
- Contact : [investors@altamir.fr](mailto:investors@altamir.fr) / 01 53 65 01 00

*For further information please visit our website at [www.altamir.fr](http://www.altamir.fr)*