Altamir
INVEST VIA APAX PARTNERS

Increase in NAV including the dividend and very good portfolio turnover in H1 2017

Paris, 5 September 2017 – Net Asset Value[1] per share stood at **€21.15** as of 30 June 2017 after distribution of a dividend of €0.65 per share in May 2017. Including the dividend, Net Asset Value per share increased by 0.8% from 31 December 2016 (€21.62), vs. +3.9% in H1 2016, and declined slightly by 0.4% from 31 March 2017 (€21.89), when only the listed portfolio companies were revalued.

The change in NAV over the first half can be attributed to the following factors:

- the dollar's depreciation against the euro, which negatively impacted the valuation of companies whose accounts are denominated in dollars (notably Marlink and several Apax Partners LLP portfolio companies); without the currency effect, NAV per share would have been €0.24 higher;
- a decline in valuation multiples: the weighted average multiple decreased from 10.46x at end-2016 to 10.32x at end-June 2017 on the Apax Partners France portfolio, which accounts for 89% of total portfolio value (it rose slightly from 13.1x to 13.7x on the Apax Partners LLP portfolio);
- the continued good operating performance of portfolio companies.

Net Asset Value (IFRS shareholders' equity) as of 30 June 2017 was **€772.1m[2]**, vs. €799.4m as of 31 March 2017 and €789.5m as of 31 December 2016.

€94.2m in divestment proceeds and revenue in H1 2017

First-half 2017 divestment proceeds and revenue amounted to **€94.2m**, compared with €147.2m in H1 2016, and broke down as follows:

- **€66.1m** from the sale of 50% of Altamir's stake in **Altran** as part of an accelerated bookbuilding for institutional investors, at the price of €15.0 per share; Altamir now holds 3.5% of the company's share capital, via Altrafin Participations;
- **€15.2m** from a new sale of **Gfi Informatique** shares to Mannai Corporation; Altamir now holds 2.5% of the company's share capital, via Itefin Participations;
- **€4.6m** from the refinancing and partial sale of the US company **GlobalLogic**;
- **€3.7m** from the release of the last portion of an escrow account related to the 2011 sale of **Vizada**;

[1]NAV net of tax, share attributable to the limited partners holding ordinary shares
[2]m: millions

- **€1.9m** from the sale of a remaining stake in the Canadian company **GardaWorld**, bringing total divestment proceeds to €5.4m, a multiple of 2.3 times the amount invested in 2012;

- **€1.3m** from the sale of the remaining shares held in the listed Indian company **Chola**, bringing total divestment proceeds to €2.7m, a multiple of 2.7 times the amount invested in 2014;

- **€0.9m** received after refinancing the debt of the Indian company **Shriram City Union**;

- **€0.5m** from a partial sale of shares in the Norwegian company **EVRY,** which was listed on the Oslo Stock Exchange on 21 June;

- Two US companies, **rue21** and **Answers Corporation**, were divested for nil.

€74.2m in investments and commitments – six new companies

In the first half of 2017, Altamir invested and committed **€74.2m** (vs. €78m in H1 2016), including €5.6m in follow-on investments to support existing portfolio companies (Vocalcom, Nowo/Oni, Assured Partners, Azelis) and €68.6m in six new companies:

- €47.2m through the Apax France IX fund (€37.2m) and through co-investments (€10m) in **CIPRÉS Assurances**, a French leader in supplemental insurance protection for self-employed persons and SMEs;

- €21.4m through the Apax IX LP fund in five companies:
  - ~€6m in **Syneron Candela**, a leading global non-surgical aesthetic device company based in Israel and the United States;
  - ~€5.7m in **Safetykleen Europe**, a UK-based leading service provider of surface treatment and chemical application services, with operations in Europe, Brazil, China and Turkey;
  - €3.8m in **Guotai Junan Securities**, one of the leading securities firms in China, listed in Shanghai and Hong Kong (transaction closed in H1 2017).
  - €3.2m in **3M's Electronic Monitoring business** (formerly Attenti), a global provider of electronic monitoring systems for government correctional and law enforcement agencies, based in Israel and the United States;
  - €2.8m in **Kepro**, a US provider of care coordination and quality assurance services primarily for US state and federal healthcare payers (transaction closed in H1 2017).

40 portfolio companies

As of 30 June 2017, Altamir's portfolio was valued (IFRS basis) at **€786.5m**, vs. €860.9m as of 31 March 2017 and €874.6m as of 31 December 2016. It was made up (excl. commitments) of **40 companies** (vs. 42 at end-2016), including 32 unlisted (79% of portfolio value) and eight listed[3] (Altran, Albioma, Amplitude, EVRY, Guotai, Huarong, Shriram and Zensar).

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[3]Although listed, Gfi Informatique is valued on the basis of a transaction price and no longer at its market price.

Since the investments in CIPRÉS Assurances, Syneron Candela, Safetykleen Europe and 3M's former electronic monitoring business were not finalised as of 30 June 2017, these companies were not included in the 40.

In the first half of 2017, Apax Partners France portfolio companies posted a strong improvement in operating performance compared to the previous half year: their EBITDA[4] grew an average of **16.6%** as a result of their significant acquisitions in the second half of 2016. The performance of Apax Partners LLP portfolio companies led to a 3.1% increase of EBITDA on average over the past 12 months.

The 12 largest investments, representing **82.2%** of the portfolio's total value as of 30 June 2017, are as follows, in decreasing order:

- **Marlink,** world-leading provider of satellite communication solutions.
  Marlink continues to accelerate the development of higher-margin VSAT services, achieving a 29% increase of its installed base of vessels in the first half, resulting in a declining share of legacy business based on MSS technology. On a pro forma basis, including the acquisition of the Italian company Telemar, whose integration is on track, EBITDA grew by 15% over the six months, while revenue declined slightly to $206m.

- **Groupe INSEEC**, largest private higher-education group in France.
  During the 2016-17 financial year (ended 30 June 2017), Groupe INSEEC focused on increasing new student enrolment and generating significant synergies from the integration of new schools acquired in 2016. Its revenue rose by 5% to €207m and its EBITDA was up by 13% compared with the previous year.

- **Snacks Développement**, leader in private-label savoury snacks.
  For the first five months of the 2017-18 financial year (February to June 2017), sales reached €114m, up 12% from the previous year (pro forma), while profitability was negatively impacted by higher raw material prices. The company successfully launched its first stacked crisps production line at Kolak (a 2016 acquisition) to serve the UK market.

- **Albioma**, French electricity producer with expertise in renewable energy.
  The sound performance of thermal power plants in France, combined with the contribution of the riders to the electricity purchase agreements, resulted in an 11% rise in revenues in H1 2017 (€196.9m) compared with H1 2016 (up 2% excluding the impact of changes in fuel prices). EBITDA was up 5%, reaching €68.4m.

- **THOM Europe**, leading jewellery retailer in Europe (1,000 stores).
  THOM Europe continued to perform well. For the first half of the 2016-17 financial year (September 2016 to March 2017), sales rose by 58% (€355m) and EBITDA gained 46% compared with the previous year, mainly due to the acquisition of Stroili Oro and Oro Vivo. Excluding acquisitions, growth was driven by a 1.2% increase in same-store sales, the opening of 18 new stores and an acceleration of online sales.

- **Altran**, world leader in engineering and R&D services.
  Altran continued its growth trend in H1 2017, delivering consolidated revenues of €1,152m, up 11.4% from H1 2016 (4.9% organic growth). The consensus of financial analysts anticipates EBIT[5] of €97m, a 5.4% increase, driven by organic growth and recently completed acquisitions.

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[4]EBITDA = Earnings before interest, taxes, depreciation and amortisation

[5] EBIT: Earnings before interest & taxes

- **Melita**, leading converged telecommunications operator in Malta.
  In the first half of 2017, the company continued on its growth path, with new product launches, customer base expansion and an enlarged share of recurring revenue (primarily driven by broadband and mobile). Its overall revenue rose by 2% and its EBITDA increased by 11.2%. Melita has announced its merger with Vodafone Malta to create an integrated communications company in Malta; the transaction is expected to be finalised by the end of the year.

- **InfoVista**, leading global provider of network performance software solutions.
  The second half of the 2016-17 financial year (January-June 2017) was marked by i) a favourable shift in the product mix towards a greater share of recurring maintenance and service (more than 50% of total revenues), ii) large contracts signed in Germany putting the Ipanema business on the right strategic track, iii) the full integration of TEMS (sales, marketing, finance, etc.), with the achievement of more cost synergies than initially envisaged, and iv) tight control over costs, enabling a strong improvement in EBITDA margin. The company is implementing a full restructuring plan (launched in early 2017) to reinvigorate software sales and improve cost efficiencies.

- **Nowo/ONI**, Portugal's second-largest cable operator (Nowo, ex-Cabovisão) and fourth-largest B2B telecommunications operator (ONI).
  The reorganisation initiated by the two operators is advancing well and beginning to pay off. In H1 2017, revenue of €59m and EBITDA were still behind plan, due to fierce competition from Vodaphone and Meo and a lower-than-anticipated ARPU (Average Revenue Per User). However, Nowo's customer base has been growing again since September 2016.

- **SK FireSafety Group**, leading fire safety specialist in Northern Europe.
  During the first half of 2017, SK FireSafety demonstrated its ability to generate strong growth across all business units (except Oil & Gas). Its revenue rose by 8% to €55.8m and its EBITDA was up by 24% compared with the first half of 2016, thanks to the continued good performance of recurring businesses and the cost savings measures implemented. The company successfully completed a debt refinancing process, significantly reducing its cost of debt.

- **Amplitude Surgical,** leading French company on the global surgical technology market for lower-limb orthopaedics.
  Over the 2016-17 financial year (ended 30 June 2017), Amplitude Surgical continued its strong revenue momentum with revenue of €93.3m, up 15.6% or 13.8% at constant currencies. The consensus of financial analysts anticipates EBITDA of €13.9m, up 3% from 2015-16.

- **Alain Afflelou**, one of Europe's leading franchisors of optical products and hearing aids (1,400 stores)
  Alain Afflelou continued to outperform the market, which remains highly competitive. Over the first nine months of the 2016-17 financial year (August 2016 to April 2017), sales advanced by 5.0% to €272.6m and EBITDA by 5.1% to €55.3m.

Cash and commitments

As of 30 June 2017, Altamir's net cash on a statutory basis was **€28.3m**, vs. €114m as of 31 March 2017 and €67.3m as of 31 December 2016. The €66.1m of divestment proceeds generated by the partial sale of Altran shares was received after 30 June 2017.

As of 30 June 2017, Altamir had outstanding commitments of **€404.1m**, which will be invested over the next 3-4 years:

- €242.1m in the Apax France IX fund, including €46.3m of investments in CIPRÉS Assurances, Marlink and InfoVista, which have not yet been called;
- €133.2m in the Apax IX LP fund, including €31.1m of investments in Unilabs, Syneron Candela, Safetykleen Europe, Guotai Junan Securities, 3M's former electronic monitoring business and Kepro, which have not yet been called;
- €16.9m in the Apax France VIII fund;
- €10m of co-investment in CIPRÉS Assurances;
- €2m of residual commitments to Apax France VII.

Altamir invests via the Apax France IX-B vehicle specifically dedicated to it and has the option of adjusting its commitment to its available cash every six months. For the period from 1 August 2017 to 31 January 2018, the Management Company has decided to maintain Altamir's share of any new investment made by the Apax France IX fund at the upper limit of its commitment (€306m).

As a reminder, capital calls are made 12 months after the transaction closing for investments made through the Apax France IX fund and once or twice a year for those made through the Apax IX LP fund. This gives Altamir visibility of several months on its cash needs.

In addition, the Company has overdraft lines totalling €60m to handle timing differences between investments and divestments, which were unused as of 30 June 2017.

Events since 30 June 2017

The investments in CIPRÉS Assurances, Syneron Candela and Safetykleen Europe were completed.

Three new investments via the Apax IX LP fund were announced:

- **ThoughtWorks, Inc.**: a US-based global software development and digital transformation consulting company; Altamir’s investment is estimated at approximately €9.4m;

- **ECi Software Solutions**: a US provider of enterprise resource planning (ERP) software solutions to small- and medium-sized businesses (SMB) across the distribution, field services, manufacturing and building and construction industries; the competing businesses of current portfolio company Exact Software will be combined with ECi; Altamir’s investment is estimated at approximately €4.5m;

- **Matchesfashion.com**: a UK-based global leader in online luxury-fashion retailing offering a collection of over 450 designers; Altamir’s investment is estimated at approximately €11m.

Regarding existing portfolio companies:

- **Altran** has announced the acquisition of a UK-based cyber security consultancy (Information Risk Management, 82 employees) and an Italy-based embedded software engineering company (NEXT Ingegneria dei Sistemi, 230 employees);

- **Unilabs** has announced new acquisitions in Dubai (Scientific Clinical Laboratories) and Peru (Blufstein), following those already completed in the Slovak and Czech markets and Portugal in the first half of 2017.

2017 objectives

As anticipated by the Management Company, Altamir's activity since the start of the year has been strong. As of 5 September 2017, the Company had invested and committed about €94m in nine new companies, to be considered against its annual target of €80m for five or six new investments. With its €94m in divestment proceeds and revenue as of 30 June 2017, Altamir has practically met its annual goal of €100m. In all likelihood, it will exceed its investment and divestment objectives by the end of the year.

Altamir's first-half 2017 financial report is available on the company's website: www.altamir.fr

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Forthcoming events

8 November 2017 (post-trading)	NAV as of 30 September 2017

About Altamir

Altamir is a listed private equity company (Euronext Paris-B, ticker: LTA) founded in 1995 and with almost €800m in assets under management. Its objective is to provide shareholders with long term capital appreciation and regular dividends by investing in a diversified portfolio of private equity investments.

Altamir's investment policy is to invest via and with the funds managed or advised by Apax Partners France and Apax Partners LLP, two leading private equity firms that take majority or lead positions in buyouts and growth capital transactions and seek ambitious value creation objectives.

In this way, Altamir provides access to a diversified portfolio of fast-growing companies across Apax's sectors of specialisation (TMT, Retail & Consumer, Healthcare, Business & Financial Services) and in complementary market segments (mid-sized companies in French-speaking European countries and larger companies across Europe, North America and key emerging markets).

Altamir derives certain tax benefits from its status as an SCR (*"Société de Capital Risque"*). As such, Altamir is exempt from corporate tax and the company's investors may benefit from tax exemptions, subject to specific holding-period and dividend-reinvestment conditions.

For more information: www.altamir.fr

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