

Trends

Energy transition: a mature market with opportunities for the taking p.04

Expertise

Cogepart: going for growth p.06

News

Venture Capital Poxel, Tronics, BlaBlaCar, Sigfox p.08

Renewable Energy Villages Nature, Neoen p.10

Mid Cap Buyout & Growth Capital Exclusive Networks, SVP Group, Eratome p.12

Small Cap Buyout & Growth Capital LCL PME Expansion 2 p.14

Mezzanine Exxelia p.14

Analysis

Denis Payre: France needs to set its small businesses free p.15

Profile

Xavier Barbaro, CEO of Neoen p.16

Editorial

BY FABIEN PRÉVOST
Wednesday 15 April 2015



ZZZZzzzz...

Gently waking up? Quite a few of the national economy's latest indicators are encouraging¹.

Let's not be grumpy:

- the French economy is forecast to expand by at least 1% in 2015, in line with the European average (1.1% is expected for the OECD), and by 1.3% in both 2016 and 2017;
- with purchasing power at its highest level since 2011, consumer spending is up;
- the euro is lower against the dollar than it has been these past ten years;
- oil prices look set to stay low for a while;
- inflation is running at 0%;
- businesses are rebuilding margins, reflecting the effects of lower charges thanks to the government's Responsibility Pact and the CICE tax credit;
- the government deficit is around 3.8%, below the expected 4.4%.

The only cloud on the horizon is unemployment, which is unlikely to decrease for several quarters. That is a macro snapshot as we near the close of H1 2015.

As for our own Private Equity sector, the picture is brightening. A number of trends are emerging and were highlighted at the EVCA² Investors' Forum:

- we are witnessing growing investor demand for private equity in today's low interest rate environment;
- investors increasingly want to be involved in co- and direct investments;
- the mid market remains the busiest segment, accounting for 70% of the market in value terms;
- ESG considerations are taking on key importance;
- regulatory pressure is building, squeezing smaller management companies and promoting consolidation.

The Omnes Capital Newsletter
37-41, rue du Rocher - 75008 Paris.
Managing Editor: Fabien Prévost.
Editor in Chief: Martine Sessin-Caracci.
Editorial staff: Gaëlle de Montoussé, Caroline Mouy. Thanks to everyone who contributed to this newsletter.
Photo credits: Tristan Paviot, François Moura, Getty Images, Fotolia, Sipa Press, Cogepart. **ISSN:** 2264-9751
Design and production :  (LEOM027).

EVCA

Fabien Prévost has been elected to EVCA's Mid Market Council, whose tasks include advocating for private equity within European bodies and institutions. This appointment will enable Omnes to be part of key market discussions and efforts to grow the industry.

PATRONAGE

In keeping with our approach as a responsible investor and PRI signatory, Omnes Capital rallies behind a children's cause. We have always been involved in a number of charities and in 2015, we will continue what we hope will be a long-running project. Our aim is to support children as they grow - just as we nurture the businesses in our portfolios - and help new associations to develop.

"As H1 2015 draws to a close, the picture is brightening for private equity."

Omnes had an excellent year in 2014:

- raising €522 million from clients;
- €157 million have been invested, 34% more than in 2013;
- €283 million were exited, a 90% increase on 2013.

Our Mid Cap Buyout & Growth Capital funds (CACI 2 and CACI 3) turned in noteworthy performances. Their 2005 and 2008 vintages returned 2.7x, making us the top French team on the lower mid cap segment.

Unsurprisingly, Omnes Croissance 4, the €180m follow-on Mid Cap fund, has also done well, announcing its initial closing in December 2014 and an initial investment in Cogepart, which you can read about in "Expertise". We were also delighted to welcome Pierre Gadonneix to our supervisory board, chaired by Edmond Alphandéry.

Pierre is Honorary Chairman of EDF, Honorary Chairman of the World Energy Council and Chairman of the Harvard Business School Club of France. He brings invaluable expertise to the Omnes team.

If the good news I mentioned earlier is not enough to rouse you from your slumber, perhaps other ZZs can cure your zzzs. After all, they have been waking people up for more than 40 years. You purists out there probably stopped listening to the Texan blues rockers after they followed up the incredible *E! Loco* album by committing the crime of using synths. I know I did. But that's no reason not to go and hear the bearded ones in action when they come to town³. With a bit of luck, they'll play the wonderful "[She don't love me] She Loves My Automobile".⁴ (What did you think, guys? Time to wake up!)

Enjoy this Newsletter No. 27, which provides true information about real companies, real success, real people and real passion. Thank you for your ongoing support.

fabien.prevost@omnescapital.com

Find out more at
www.omnescapital.com

1. *Les Échos*, Friday 3 April 2015.
2. European Venture Capital Association.
3. 26 June 2015, Zenith concert hall, Paris.
4. <https://www.youtube.com/watch?v=5tCzYxlgFMU>

WEB

In 2015, we support *Les Amis de Mikhy*, a charity working to develop support care for children with cancer, including psychological support and pain treatment. To help raise funds for *Les Amis de Mikhy*, Omnes sponsored "*Les Chefs au grand cœur*", a week-long event between 23 and 29 March involving 100 chefs and their restaurants.

Omnes has a new website. Now fully-responsive and upgraded to meet the latest digital standards and uses, the new site puts the spotlight firmly on testimonials, with interviews and profiles of the entrepreneurs backed by Omnes. The layout and content organisation have also been redesigned to highlight our business expertise and the latest news.

Energy transition

A mature market with opportunities for the taking



Serge Savasta,
Managing Director, Omnes Capital

Paris will host the UN Climate Change Conference in December 2015. Can France set a good example? **Serge Savasta, Managing Director at Omnes Capital, believes the country has what it takes to assert itself on the fast growing renewables market.** But real political and financial backing will be needed.

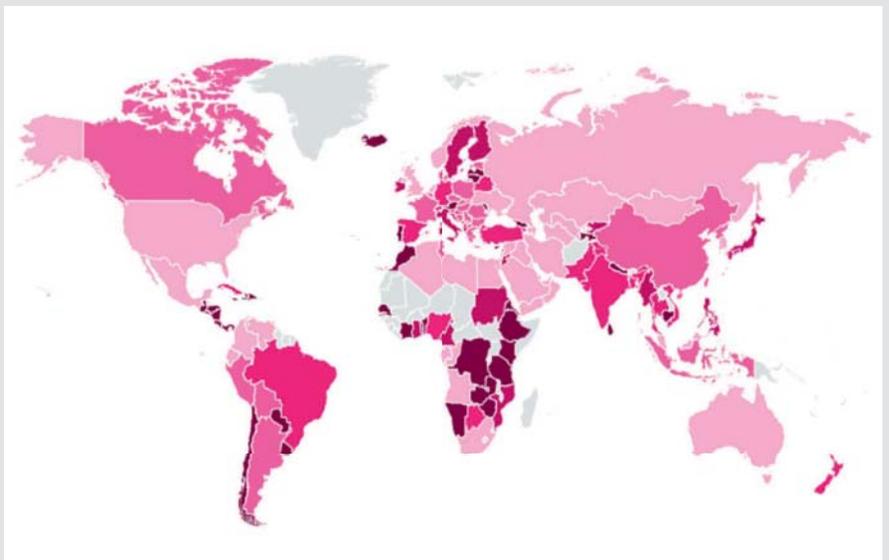
Global demand for renewable energy is booming, buoyed by the investment prospects for wind and solar power in China and the USA. This is good news for France, according to Serge

Savasta, who points out that “worldwide investment in the sector climbed by 16% in 2014 to \$310 billion”. About half of this went to photovoltaics (\$150 billion), especially rooftop

RENEWABLE ENERGY SHARE OF GLOBAL ENERGY PRODUCTION, BY COUNTRY (2012)

Source: International Energy Agency
<http://www.iea.org/statistics/>

- > 75%
- 50% - 75%
- 25% - 50%
- 10% - 25%
- < 10%
- No data



systems, while \$100 billion or so was invested in wind power.

"The opportunities are heartening. We have seen a big rebound, and a global renewables market has taken shape", he goes on. The USA, which is experiencing the development of shale gas, has also stepped up its investments in renewable energies. *"We need to stop believing that renewable energies' sustainability depends on the short-term evolution of barrel prices",* argues Serge Savasta. Renewable energy production is properly competitive despite a 50% slide in the price of oil between June and December 2014, and there are bona fide investment opportunities, especially in France. *"Omnes Capital should know - we own renewable energy production capacity equivalent to that of a nuclear reactor".*

An opportunity for France

France has a real opportunity to make the transition to renewables. But progress remains to be made if the country is to lead by example at the Climate Change Conference, where nations will pledge their support to fight climate change on a global scale. Serge Savasta explains: *"To go further in energy transition, we still need a clear industrial strategy, both in France and in the EU. Moreover, this strategy has to be coordinated from the outset with all stakeholders, from small and mid-sized firms to private backers and organised labour in the green sectors. It is vital that we work together to build a European vision for our energy future. And this must include precise plans for France".*

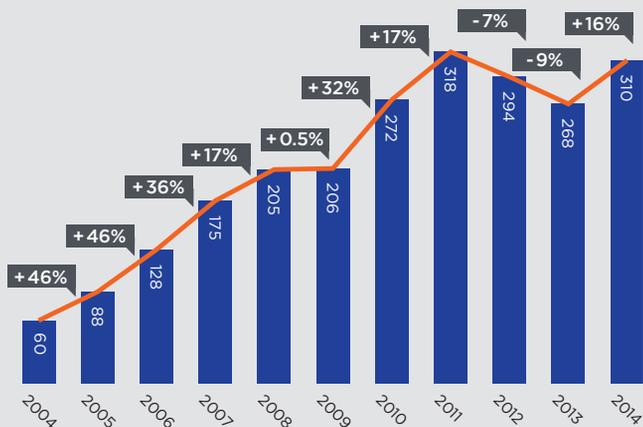
Serge Savasta is concerned that public policymakers and the private sector are not paying enough attention to this issue. *"The government and investors need to get together to come up with a clear*

energy strategy: what types of energy do we want to encourage, what sort of mix should we have, what uses are we targeting, who are our champions and how can we help them win market shares, whether in the wind, solar, energy efficiency or energy storage sectors?" The opportunities are there, if we give ourselves the means to take them.

1. Source: "Global trends in clean energy investment", Bloomberg New Energy Finance (BNEF), 2015.

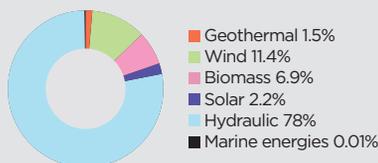
NEW INVESTMENTS IN CLEAN ENERGY, 2004-2014

\$ billion. Source: Bloomberg New Energy Finance (BNEF) - 2015



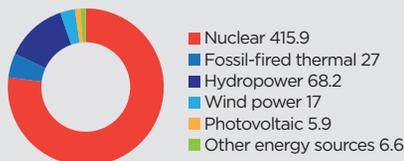
WORLDWIDE ELECTRICITY PRODUCTION FROM RENEWABLE ENERGY SOURCES (2012)

Source: Observ'ER <http://www.energies-renouvelables.org/observ-er/html/inventaire/pdf/15e-inventaire-Chap01-Eng.pdf>



RENEWABLE ENERGY SHARE IN GLOBAL ENERGY PRODUCTION IN FRANCE (2014)

In terawatt-hours (TWh) Source: http://www.rte-france.com/sites/default/files/bilan_electrique_2014_en.pdf



Cogepart Going for growth

For the first deal of the Omnes Croissance 4* fund, Omnes Capital chose to invest €9 million in Cogepart, **a leader in the “last mile”. A partnership with ambitious growth targets.**

Why invest in Cogepart?

“It is a firm with major growth potential within its competitive ecosystem”, explains Philippe Zurawski, Partner in Omnes Capital’s Mid Cap Buyout and Growth Capital team. How was Omnes able to pitch its offer to support the growth targets? “We combined our knowledge of the sector with a proposal that catered to the needs of the company, while making sure that we listened to Jérôme Dor, who founded the business.”

ALL THE QUALITIES NEEDED TO SUCCEED

Founded in Marseille in 1986, Cogepart is a leading player in the booming “last mile” logistics market, delivering automotive spare parts, household equipment and appliances and shopping to end customers for major French and international businesses. The company has sound foundations and can look to a bright future.

“Cogepart has doubled revenues in five years. This is a company that is thriving in a strategic and technical area by offering outstanding prices, coverage and customer service”, explains Philippe Zurawski.

GROWTH STRATEGY

Cogepart has no plans to stop now. Omnes Capital forecasts revenues to soar from €40 million to €100 million

in five years, initially through organic growth. *“We are going to act at the operational level. We plan to boost profitability by calling on contacts, reaching out to prospective customers, upgrading information systems, and reviewing the HR organisation and non-strategic purchases.”*

More importantly, Cogepart and Omnes are betting on acquisition-led growth, taking over small-scale local players to further strengthen the company’s unique nationwide network. *“We are bringing our expertise and processes to help identify the right links in the right places. And also perhaps to support international expansion.”*

What does Philippe Zurawski identify as the keys to success? *“Our relationship of trust with Chairman and Founder Jérôme Dor is crucial.”*

* Mid cap fund investing exclusively in French SMEs, in the process of fund raising.

Key dates

- **1986:** Jérôme Dor founds Cogepart
- **2015:** Cogepart has **750 employees, over 700 transport vehicles**, and around **50 offices** across France
- **€37.5 million** in revenues in 2014
- Target: **€100 million** in revenues in 2020



3 QUESTIONS FOR...

JÉRÔME DOR

Chairman and Founder of Cogepart

“Omnes provided me with support that I had not expected and opened up a new world for me.”

What is the Cogepart story?

It began as a student job 28 years ago, when I hit on the idea of delivering papers and pastries to tourists in Cassis, a popular destination near Marseille. My slogan was “Hot croissants and fresh news”. Without realising it, I had come up with the concept of a precision delivery service. I set up a letter collection service and then began picking up and delivering health insurance paperwork. During the winter of 1987, snow paralysed the Marseille postal service but I kept the service running with my 2 CV and earned my first big publicity break! I went on to provide express deliveries to Paris, customised interbranch

shipping for companies and a range of other services. Cogepart quickly grew to cover the whole country. When I saw an opening, I seized the chance to move into delivering automotive spare parts, furniture, and, now, groceries.

What made you go with Omnes?

I was suspicious of the financial world. Omnes made me an honest offer, not too low, not too high, and I was working with a team that believed in the company from the start and that earned my trust. They offered good advice even before the deal was signed. I sensed that it was going to be a real partnership and that I would not be elbowed out. Omnes

provided me with support that I had not expected and opened up a new world for me.

Where do you see the company in ten years?

Rémy Deloffre and Philippe Zurawski have incredible market vision and confidence that I feed off of. At 52, I am not thinking about retiring as I still love what I do. Now I work with people who are passionate and inspiring and I am confident that we can go out and add to our market share.



VENTURE CAPITAL

€26M

raised in 2014 by FCPI Capital Invest PME 2014 from LCL clients

180

start-ups supported over 15 years

TEAM

Rémi Spagnol has joined the Venture Capital team as a Life Sciences analyst. He holds a Master's Degree in Biopharmaceutical Industry Management from ESCP Europe business school and a Pharmacy Degree from Paris-Sud University.

FCPI

Omnes Capital is launching a new FCPI fund (mutual fund investing in innovative companies): Capital Invest PME 2015. The fund will allow individual investors domiciled in France to benefit from tax advantages relating to wealth tax and income tax under the TEPA law while also benefiting from the growth potential of French and European SMEs. This is the team's 25th FCPI.

KEY FEATURES

INSIGHT CONNECTED HEALTH: A FAST-GROWING SECTOR

We know the issues: the population is greying and one in three of us will be over 60 in 2050; access to health care services is uneven amid growing concerns over medical deserts and a "health divide"; and the costs of care continue to rise. Connected health is an emerging discipline that could address some of these challenges. Connected health brings the latest advances in electronics, software and communication to the health sector, with real benefits for patients, doctors and lawmakers. Projects are cropping everywhere, although chiefly in the USA, led by the likes of Google, Amazon and Facebook. There are plenty of opportunities to be funded in France. Boasting a 15-year track record as a specialist in financing innovation in the healthcare and technology sectors, Omnes Capital already has a foothold in connected health and has all the qualities to become a leader in this new discipline, which will definitely feature in future fund-raising plans.

Michel de Lempdes, Managing Director, Omnes Capital

IPO

POXEL / ANTI-DIABETIC DRUGS



since 2010. The IPO was a hit with top-tier institutional investors in the USA, Europe and Israel, and also attracted the attention of individual investors in France. Buoyed by this success, the company will continue to build its international reputation and develop anti-diabetic medications. The fund-raising will enable Poxel to sign a partnership in the USA and Europe to conduct phase 3 trials of its candidate drug on the way to a successful market release.

FCPI: Capital Invest PME 2013, Capital Invest PME 2014
Bruno Montanari, +33 (0)1 80 48 79 58

February 2015 – Poxel, an independent French biopharma company specialised in the development of anti-diabetic drugs, raised €25 million with its flotation on Euronext's C Compartment. Omnes Capital has backed Poxel

IPO

TRONICS / NANO AND MICROSYSTEMS

February 2015 – Tronics, a designer and manufacturer of innovative nano and microsystems, enjoyed a successful flotation on Euronext's Alternext market. The company raised €12 million and welcomed Thales and Safran, two major industrial firms, as shareholders. The offering attracted keen interest among institutional and individual investors and was more than twice oversubscribed. The company will use the funds to step up its international expansion, add to its engineering teams and pursue its policy of innovating in high-value added nano and microsystem sectors. Established in 1997, Tronics designs, manufactures and sells bespoke and standard products for the manufacturing, aerospace, security, medical and consumer apps sectors. Omnes Capital first invested in the company back in 2002.

SCR: [Crédit Lyonnais Venture Capital](#)
 Michel de Lempdes, +33 (0)1 80 48 79 61

PORTFOLIO NEWS

SIGFOX / CONNECTED OBJECTS

February 2015 – Sigfox, the worldwide leader in global cellular connectivity for the “internet of things”, has raised a record €100 million, from European, US and Asian investors. These include GDF Suez and Air Liquide, two major French industrial groups, Telefonica, a Spanish telecom, NTT Docomo of Japan, SK Telecom of South Korea, satellite operator Eutelsat and US hedge fund Elliott Management. Legacy investors, Omnes among them, also took part. After developing its Low Power Wide Area technology three years ago, Sigfox now offers the number-one global connectivity solution for the internet of things. This latest round of financing underlines Sigfox's potential to become the world's leading telecom operator for connected objects.

FCPI: [Crédit Agricole Europe Innovation 2008](#), [Capital Invest PME 2009](#), [Capital Invest PME 2010](#), [Capital Invest PME](#), [Crédit Agricole PME Innovation 2009](#), [Capital Invest PME 2012](#), [Capital Invest PME 2013](#), [Capital Invest PME 2014](#)
 Michel de Lempdes, +33 (0)1 80 48 79 61

BLABLACAR / RIDE-SHARING

January 2015 – Online ride-sharing service BlaBlaCar, which Omnes Capital has supported since 2010, is opening up in India. BlaBlaCar hopes to promote its service as an alternative to the limited public transport options. The launch takes place eight years after the company was formed and six months after it raised \$100 million in funding. BlaBlaCar does business in 14 European countries, including Russia and Turkey. With its presence in India, BlaBlaCar is turning its attention to emerging countries and is embarking on a new chapter in its international expansion. Every month, over two million members ride-share with BlaBlaCar.

FCPI: [Capital Invest PME 2009](#), [Capital Invest PME 2012](#), [Crédit Agricole PME Innovation 2009](#), [Innovation 12](#), [Innovation 13](#)
 Michel de Lempdes, +33 (0)1 80 48 79 61

TEAM

Elisa Steccaglia has joined Omnes Capital's Renewable Energy Team as an analyst. She is a graduate of the Corporate Finance Programme of Milan's Bocconi University. The Renewable Energy Team now boasts seven investors with international backgrounds.

CAPENERGIE 3

Omnes Capital is launching its Capenergie 3 fund. The strategy is to build up green energy production capacity based on mature technologies in France and neighbouring European countries, with the aim of securing a strong share of the kWh production market. The fund will seek to establish a portfolio of more than 500 MW in Western Europe and has a target size of €200 million. Omnes Capital has an outstanding track record, with over 30 investments since 2006 amounting to 1 GW of production capacity - equivalent to a nuclear reactor.

KEY FEATURES

INVESTMENT

VILLAGES NATURE / GEOTHERMAL



December 2014 - Omnes Capital is teaming up with Kyotherm, Cofely Réseaux and Storengy to design, build, finance and operate a geothermal heating network for Villages Nature, an eco-tourism resort scheduled to open to the public in 2016. The plan is to connect other customers in the future, including industrial areas and shopping centres. Omnes, which is investing around €4 million, is aiming to hold a 51% stake in the geothermal facility, which will be the portfolio's first ever heating network.

FPCI: Capenergie 2

Michael Pollan, +33 (0)1 80 48 79 20

Laurent Perret, +33 (0)1 80 48 79 37

"This investment fits perfectly with the strategy pursued by the Capenergie funds, which is to acquire majority holdings in green energy production initiatives with deep local roots. We are pleased to be supporting this heating network project, which, by addressing the needs of many different customers, is as much about energy efficiency as it is about renewable energy. Developing heating networks using renewable sources is a major challenge for European countries, and we plan to continue investing in this sector through our funds."

Serge Savasta,
Managing Director, Omnes Capital

PORTFOLIO NEWS

NEOEN / GREEN ENERGY PRODUCER

February 2015 – Neoen, a green energy firm founded in 2008, has won a tender to build and operate a wind farm north of Adelaide in South Australia. The farm will have a total capacity of 270 MW and will be connected to the national electricity market, which links five of the seven Australian states. Only the first 100 MW phase will be built to sell power to the local government. In January 2015, Neoen also acquired 100% of Juwi EnR, the French subsidiary of the German group Juwi AG.

Juwi EnR is a leading independent firm in renewable energy in France, boasting a broad portfolio of wind and solar projects, as well as extensive business in building and operating solar power facilities. Formed in 2007, the company has installed capacity of 180 MW, with 14 solar farms and ten wind farms in France. Backed by Omnes Capital since 2009, Neoen is France's third-largest producer of renewable energy (solar, wind and biomass).

FPIC: Capenergie 2
Serge Savasta, +33 (0)1 80 48 79 34
Marc-Philippe Botte, +33 (0)1 80 48 79



BERLIN SUMMIT & RENEWABLE ENERGY FORUM 2015

Omnes Capital sponsored the Berlin Summit and the Renewable Energy Forum in 2015. These two events gather the world's key players in infrastructure and renewable energy investment respectively. The ninth annual Berlin Summit was held on 10-11 March. Over the years, the summit has grown into a key international conference, attracting over 500 participants. Meanwhile, the Renewable Energy Forum, which took place on 12 March, stressed the new challenges in green energy. Omnes Capital's Renewable Energy team was involved in both events, participating in two panel discussions on new challenges facing the energy sector (innovation, regulation, changing demand) and value creation for green energy assets.

MID CAP BUYOUT & GROWTH CAPITAL

4.8x

multiple realised on Exclusive Networks sale

INVESTOR EVENING

On 2 April 2015, the Buyout & Growth Capital team organised an evening for clients and partners at Apicius, a Paris restaurant headed by Michelin-starred chef Jean-Pierre Vigato.

The evening was a welcome opportunity for investors and entrepreneurs from the portfolio to get together. It was also a chance to review the business of the mid cap funds in 2014 and look ahead to the prospects for market growth in 2015.

KEY FEATURES

SALE

EXCLUSIVE NETWORKS / INFORMATION SYSTEMS SECURITY

May 2015 - Omnes Capital is selling its stake in the Exclusive Networks group to Belgian fund Cobepa, realising a 4.8x multiple on the deal. This is the second sale by the CACI 3 mid cap fund. On this occasion, the fund has been repaid and still has another six investments in portfolio. Exclusive Networks, based in Boulogne-Billancourt, is Europe's leading independent value-added distributor (VAD) for the EMEA region, specialising in the marketing of solutions for businesses in the areas of cybersecurity, data centres and associated value-added services. Omnes Capital acquired a stake in the company in 2010 on the occasion of a primary LBO. In their

five years together, the group has seen record growth - with revenues up more than 500% - driven by robust organic growth, targeted international expansion with the creation of three subsidiaries in Austria, Switzerland and Denmark, and acquisitions of ten companies in Europe, the Middle East, Turkey and Australia.

FPCI: CACI 3, CACI PI
Philippe Zurawski, +33 (0)1 80 48 79 43
Mikaël Schaller, +33 (0)1 80 48 79 47

"During these five years together, Omnes Capital has given us full logistical and financial support to allow us to build up a truly pan-European organisation and become one of the leaders in this market. We have evolved from a French SME selling in a few countries in Europe into an international business for which France now represents just 15% of total revenues."

Olivier Breittmayer,
Chairman and Chief Executive Officer,
Exclusive Networks

"Exclusive Networks perfectly fits the profile of SMEs we look for: companies with strong potential, a strategy of primary market transactions, value creation driven by organic growth and an active acquisitions policy. This deal illustrates the relevance of the investment strategy maintained for our new Omnes Croissance 4 fund."

Benjamin Arm,
Managing Director, Omnes Capital

PORTFOLIO NEWS

SVP GROUP / BUSINESS SERVICES

March 2015 – The SVP group, which provides operational support to businesses and local authorities, is moving into Canada with the acquisition of the Synesis group, a specialist in professional training and translation. The group is also refinancing the acquisition debt taken out in July 2011 and paying down the mezzanine debt held by IFE and CM-CIC Private Debt. All this is being done with the support of Omnes Capital, which has held a stake in the group since 2011. SVP offers professional

services in information, decision support, payroll and working time management, training and skills development. The acquisition will bring the company's total sales to around €70 million in 2015.

FPCI: CACI PI, CACI 3
Bertrand Tissot, +33 (0)1 80 48 79 42
Mikaël Schaller, +33 (0)1 80 48 79 47

"This first acquisition outside France illustrates our determination to expand internationally. We believe we can unlock synergies in many areas, for example by rolling out SVP product and service lines or by sharing research, monitoring and legal information services, as well as some training methods, such as virtual classrooms."

Olivier Lenormand,
 Chairman, SVP Group

ERATOME / SOCIAL HOUSING

January 2015 – Eratome Groupe, a leader on the market for renovating low-cost housing in the Ile-de-France region, is continuing its acquisition-led growth with the takeover of TPM. Omnes Capital has supported Eratome since July 2013. Initially specialised in the full-service renovation of social housing, Eratome Groupe acquired DSM in 2012, then Profil in 2013. These deals gave the group a foothold in locksmithing and major repairs and maintenance work, mainly in the shared areas of low-cost housing developments. The latest acquisition forms part of the Group's strategy of broadening its services for social housing landlords in the Ile-de-France region.

FPCI: CACI PI, CACI 3
Benjamin Arm, +33 (0)1 80 48 79 44
Alice Calvez-Pignot, +33 (0)1 80 48 79 45

"Our goal is to continue our strategy of acquisitions. We are targeting revenues of €150 million by 2018."

Jean-Michel Nucera,
 Chairman and founder,
 Eratome Groupe



SMALL CAP

MEZZANINE

KEY FEATURES

18

portfolio
companies

40

investments
in ten years

FOCUS ON LCL PME EXPANSION 2

PRIVATE EQUITY FOR INDIVIDUAL INVESTORS

Designed in partnership with LCL, LCL PME Expansion 2 is a private equity fund that allows private customers to diversify their financial investments to include unlisted assets, which provide huge performance potential, while supporting the growth of French SMEs creating wealth and jobs.

Supporting the real economy

Omnes Capital's Small Cap Buyout & Growth Capital team selects promising small and mid-sized businesses, targeting French companies with a leading position in their sector, genuine growth prospects, sound fundamentals and a seasoned management team. The fund, which was launched in November 2014, is already more than 30% invested in five deals:

Eyssautier, a leading marine insurance broker, **Heidrich**, a specialist in buying, selling and fitting external joinery for the home market, **APF**, a European leader in the production of pool liners and covers, **Aryes**, an industrial holding company specialised in investing in struggling companies, and **Camerus**, which rents out furniture and accessories for trade fairs.

Boost portfolio returns by

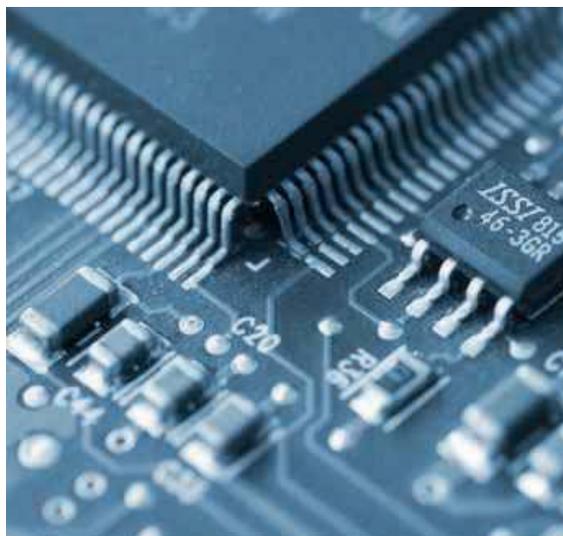
- Investing in unlisted SMEs that generate wealth and jobs;
- Diversifying financial assets: 5% of the portfolio is the recommended allocation for private equity;
- Tapping into solid long-term returns: this sector has outperformed the CAC 40 index by 5.2% over ten years;
- Taking advantage of tax breaks through the exemption for capital gains on disposals.

"Omnes puts its expertise in French SMEs at work for private investors looking for profitable and meaningful investments."

Benjamin Arm, Managing Director, Omnes Capital

SALE

EXXELIA / ELECTRONIC COMPONENTS



December 2014 - Exxelia, a specialist in high-tech components for the aerospace, telecommunications, transport and medical sectors, has been sold to IK Investment Partners. Omnes Capital arranged €25 million in mezzanine debt back in 2010 and also underwrote €14 million as part of the group's acquisition by LBO France. The company employs 1,200 people and expects to report more than €120 million in revenues in 2014. Omnes generated a multiple of 1.5x on the disposal.

FPCI: Mezzanis 2
Camille Delibes, +33 (0)1 80 48 78 95

France needs to set its small businesses free

Denis Payre, serial entrepreneur and recent player on the political scene, says that measures to unshackle investment in small businesses and promote growth are the way to galvanise a sluggish economy and unblock the job market.

Denis Payre, a serial entrepreneur

Lyons native Denis Payre, 52, is a graduate of Essec Business School and the founder of two companies, Business Objects and Kiiala. In **1997**, he set up an association, Croissance-Plus, to lobby for French start-ups. In **2013**, he entered politics, creating the “*Nous Citoyens*” political party, in response to the **2012** presidential campaign’s “Moi, Président”.



You have called France a genius that has lost sight of its gifts*. Can you tell us what you mean by that?

France has forgotten that it has all the qualities needed to succeed in a globalised world. I was persuaded of this by my experiences as an entrepreneur in sectors dominated by US and German firms, where we also won a place at the top table, despite being French. Our creativity means that we often come up with ideas before the rest, while our rational outlook, command of abstract concepts and ability to synthesise ideas enable us to design complex high-value added products and services that command a substantial mark-up all over the world. Not only that, we have an unbelievable work ethic: no German or American will stay on at work past 7pm, but French employees who care about what they are doing don't watch the clock – it must be something to do with our Latin temperament. Last but not least, France offers a brand of lifestyle that inspires people over the world. This is an incredible chance for us, especially in emerging markets, where the growing middle class can now buy a little piece of the dream in the shape of perfume, a pair of shoes, a bottle of wine or a trip to France.

What do you think stands in the way of success, notably for smaller businesses in France?

Public spending has increased at an uncontrolled rate and now stands at a world-record 57 points of GDP. This has pushed up taxation, with charges and levies now six points above the European average – equivalent to having to pay for four extra Defence ministries. Overspending is resulting in excessive tax and debt, but also too much red tape, with a slew of laws and regulations that are crushing the economy, all of which is creating more unemployment. SMEs are being hit hardest. Since they are too small for the legal and tax protection strategies followed by larger firms, they are hit by levies and regulations as soon as they start growing.

To illustrate this point, consider that there are 2.5 times more SMEs with 49 employees than SMEs with a headcount of 50.

What solutions do you suggest?

First, accept an honest assessment and don't look for scapegoats. We have to stop stigmatising success, a tendency that our Economy Minister has rightly dubbed envious egalitarianism. If you think that a boss succeeds at the expense of his employees, then you really don't understand business. The solution is to cut spending by improving the poor productivity and often archaic organisation of public services and so relieve tax pressure. France has a high savings rate, so let's encourage individuals to invest in SMEs. We can take our cue from the British, who support tax-free investment up to £1 million.

* This was the title of an op-ed piece in *La Tribune* of 16-22 January 2015.

Portrait / Profile



XAVIER BARBARO

Président-directeur général de Neoen/
Chief Executive Officer of Neoen

L'INATTENDU

« On ne naît pas entrepreneur, on le devient », rappelle Xavier Barbaro lorsqu'on l'interroge sur la success story qu'est Neoen, aujourd'hui 3^e producteur d'énergie verte en France, derrière EDF et GDF Suez. Certes, le jeune homme a dès le départ quelques atouts en poche, notamment un diplôme de l'École polytechnique et de l'École des ponts et chaussées. Rien, néanmoins, qui laisse présager une future carrière d'entrepreneur. L'envie d'entreprendre, c'est sa rencontre avec Jacques Veyrat, alors patron de LDCOM, qui l'a fait naître. « Travailler chez LDCOM, en pleine explosion de la bulle internet, m'a marqué au fer rouge. J'ai vu le cœur battant d'une entreprise. La passion, le combat, la survie. » Après une parenthèse aux États-Unis, où il obtient un MBA à la Harvard Business School, Xavier Barbaro rejoint Louis Dreyfus Commodities et mène plusieurs projets en Asie, notamment dans le développement des biocarburants. En 2007, il revient auprès de Jacques

Veyrat, passé aux commandes du groupe Louis Dreyfus, et lui fait part d'un double souhait : celui de travailler dans le secteur de l'énergie, et celui de vivre une aventure entrepreneuriale. A l'initiative de ce dernier, il se lance dans l'aventure des énergies renouvelables avec la création de Neoen. Un pari audacieux dans un secteur qui compte alors près de 300 acteurs en France. Son credo : un esprit pionnier, le soutien d'actionnaires de premier plan et beaucoup de rigueur. Le succès est vite au rendez-vous. « Nous gérons aujourd'hui des projets 600 fois plus grands qu'à nos débuts, en 2008. Le lancement du plus grand parc solaire européen illustre le chemin parcouru en quelques années. » Les deux pieds bien ancrés en France, Xavier Barbaro a désormais le regard tourné vers l'international, où de nombreux projets sont en cours de développement : en Australie, en Égypte, au Mexique, au Salvador... « Avec la forte baisse des coûts de production de l'énergie solaire, nous sommes en train de créer la surprise. L'histoire ne fait que commencer ! »

PARCOURS/ CAREER PATH

2001

Début de carrière chez LDCOM, devenu Neuf Cegétel. Started out at LDCOM, now Neuf Cegétel

2008

Création de Neoen, initialement au sein de Direct Energie (dont Neoen deviendra totalement indépendant en 2011). Formation of Neoen, initially as part of Direct Energie. Neoen became fully independent in 2011.

2014

Changement d'échelle avec le lancement du plus grand parc photovoltaïque européen à Cestas, près de Bordeaux, et le gain de deux appels d'offres majeurs au Salvador et en Australie. C'est aussi l'année où Neoen se hisse à la 3^e place des producteurs d'énergies renouvelables en France. Moved up to the next level by launching Europe's largest photovoltaic park in Cestas near Bordeaux and winning two major tenders in El Salvador and Australia. Also the year when Neoen became the third-largest producer of renewable energy in France.

ZOOM/FOCUS

L'ESPRIT PIONNIER

Moins d'un an après la création de Neoen, Xavier Barbaro ouvre le capital de la société. Car, il le sait : pour exister durablement, l'entreprise doit rapidement atteindre une taille critique, se professionnaliser et saisir les opportunités qui émergent à l'international.

« Nous avons choisi des partenaires – Louis Dreyfus (aujourd'hui Impala) et Omnes Capital – partageant notre vision et notre état d'esprit. Comme nous, ce sont des pionniers ! Nous sommes heureux de partager l'aventure avec eux. »

PIONEER SPIRIT

Less than a year after Neoen was set up, Xavier opened up the company to outside investors. He knew that to have staying power, a firm needs to quickly reach critical mass, build professionalism and take emerging international opportunities. "We chose partners – Louis Dreyfus (now Impala) and Omnes Capital – who shared our vision and mindset. Like us, they are pioneers, and we are so pleased to share this adventure with them."

THE UNEXPECTED ENTREPRENEUR

"You are not born an entrepreneur – you become one", says Xavier Barbaro when asked about the success story that is Neoen, which has grown to become France's third-largest producer of green energy behind EDF and GDF Suez. Admittedly, when he started out, Xavier did have a few important qualities, not least being a graduate of École Polytechnique and Ecole des Ponts et Chaussées, two prestigious French schools. But there was no hint of his future career as an entrepreneur. He got the bug from Jacques Veyrat, then boss of LDCOM. "I was deeply marked by my time at LDCOM during the dot-com boom. I saw the beating heart of a business and encountered stories of passion, struggle and survival." After a spell in the USA, during which he earned an MBA from Harvard Business School, Xavier Barbaro joined Louis Dreyfus Commodities and led a number of projects

in Asia, particularly in the biofuel sector. In 2007, he went back to Jacques Veyrat, who was by then in charge of the Louis Dreyfus Group, and told him that he wanted to work in the energy sector and to take on an entrepreneurial project. With Veyrat's backing, he got involved in renewable energy with the creation of Neoen. It was a daring undertaking in a sector that then included about 300 firms in France. Xavier put his faith in a pioneering spirit, support from top-tier shareholders and a rigorous approach. Success came quickly. "We now manage projects that are 600 times larger than the ones we started out with in 2008. The launch of Europe's biggest solar park shows how far we have come in a few years." Although he is keeping both feet firmly in France, Xavier is also looking abroad, with numerous projects under development in places as far afield as Australia, Egypt, Mexico and El Salvador. "As the costs of producing solar power tumble, we are taking everyone by surprise. This is just the beginning."

