

PRESS RELEASE

ARGOS SODITIC LAUNCHES SPONSORLESS MEZZANINE FUND

The buyout firm is raising a new fund to meet the evolving needs of mid-sized European companies

Paris, 9 January 2008 – ARGOS SODITIC announces the creation of a new mezzanine fund, Argos Expansion, that will allow the private equity group to diversify its growth financing activities to include sponsorless LBOs, Owner Buy Outs, and Expansion Capital. Argos Expansion will meet the growing demand from European mid-market companies for structured equity allowing to finance growth or transmission without relinquishing control or diluting their equity stakes.

The new fund targeting €150m will have its own independent management team led by Olivier Bossan, a specialist in mezzanine and Expansion Capital. Argos Expansion will invest amounts ranging from €5 to €15m, mostly in the form of mezzanine and minority capital in operations involving European companies worth €15m to €100m.

« We decided to set up Argos Expansion to better respond to the needs of entrepreneur-managers today, » commented Gilles Mougnot, President of ARGOS SODITIC. « The new fund will allow us to offer two different solutions for LBOs: classical majority leveraged buyouts, or expansion financing through sponsorless mezzanine or minority equity positions. »

« The rising use of mezzanine debt in sponsorless operations reflects the maturity of the European LBO market and is well-adapted to situations where the founding managers of a company need long-term financing but want to remain majority shareholders, » added Olivier Bossan, former Managing Director of IDI Mezzanine. « For the moment, there are few independent mezzanine funds in Europe, but the high and stable returns they offer investors lead us to expect that they will soon be joined by new entrants. »

Argos Expansion will benefit from the high visibility of ARGOS SODITIC, which has been an active player on the majority LBO market for the past 18 years. The new fund will also be able to rely on the group's presence in Switzerland and Italy, as well as the market experience of ARGOS SODITIC's partners, who will become members of the investment committee alongside Olivier Bossan's management team.

About ARGOS SODITIC

Created in 1989, Argos Soditic is an independent European Private Equity firm with offices in Paris, Geneva and Milan, wholly owned and operated by its partners. Argos Soditic focuses on management buy-outs and buy-ins in small and medium sized companies across Europe, but primarily in France, Italy, and Switzerland. The firm has developed a unique strategy of carrying out projects that require deep involvement with the financial shareholders and managers of companies (MBO, MBI, BIMBO, spin-off, reorganization, build-up) it acquires. The group of funds managed by the firm typically take majority stakes ranging from €5m to €50m in companies with revenues of €20m to €400m. Argos Soditic prefers to invest in companies with the capacity to become a leader in a business niche. The operations Argos Soditic has carried out include Buffet Crampon, Roc-Eclerc, Oxbow, Du Pareil au Même and Kermel and Eau Eclarlate in France, Sparco and CH&F in Italy, and Maillefer and ORS in Switzerland.

In 2006, the firm announced the closing of a new €275m fund, Argos Soditic V, which has allowed the firm to carry out eight transactions to date: four MBOs (Driver/Sitour, GPP, FHB and Orsyp), two BIMBOs (Axyntis and Marie Laure PLV), one spin-off (Alkan) and one MBI (Chronolyss).

For further information, we invite you to visit www.argos-soditic.com

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