

OFI Private Equity Capital strengthens the share capital of Fondis Electronic by acquiring a majority shareholding of the leader for portable diagnostic and scientific instrumentation in France

OFI Private Equity Capital has strengthened the share capital of Fondis Electronic, French market leader for hand-held scientific and analytical instruments, by becoming majority shareholder alongside Initiative & Finance and the founding president Jean-Pierre Ellerbach who retain a significant shareholding.

Founded in 1982, Fondis Electronic (www.fondiselectronic.com) over the last few years has become the French market leader for portable diagnostics equipment for the testing of the environment, materials and in particular the real property sector through the distribution of Niton branded X-ray fluorescence (XRF) hand-held diagnostic equipment, for which Fondis Electronic is the exclusive distributor in France since 1998.

Based in Guyancourt, Fondis Electronic was acquired in 2005 in an OBO (owners-buy-out) led by Initiative & Finance with Jean-Pierre Ellerbach and the management team. The Company, which has 34 employees, has doubled turnover over the last 3 years to reach €18.5 million of turnover in 2007. Fondis Electronic provides a complete range of diagnostic equipment: electronic microscopes, metal and plastics analyzers, air, water and soil pollution analyzers, laser Carrez telemeters, gas analysers, electrical controls, diagnostic software, and a complete range of testing equipment designed for the real property sector including lead contamination analysers where the Company has a 60% market share in 2007.

Fondis Electronic is well positioned on the growing environmental and real property diagnostics market which is rapidly evolving due to new regulations (testing of energy consumption on the rental property market since 1 July 2007, lead testing on the rental property market since 1 August 2008 and electrical testing for real property sales as of 1 January 2009.) The Company is also active on the industrial market (distribution of portable XRF analysers for the metal and steel industries) and the environmental market (analysis of air, soil, water, sorting of waste products).

As a result of the transaction, funds managed by OFI Private Equity will hold more than 65% of the share capital for a total investment of approximately €15 million.

Jean-François Mallinjoud, Member of the Management Board of OFI Private Equity, said: *“Fondis Electronic is the leading company for portable diagnostic equipment and particularly for the real property market. We are very pleased to participate alongside management in the development of the group. Fondis Electronic is very well positioned to benefit from the growing demand from the environmental and industrial markets in a context where sustainable development is becoming more and more important. This new acquisition reflects OFI Private Equity Capital’s proven investment strategy to accompany high quality businesses, leaders on their individual markets, in a new phase of growth.”*

Jean-Bernard Meurisse, president of the Management Board of Initiative & Finance stated: *“We are proud to have contributed to the growth of Fondis Electronic these last several years. The Company is now a major player in diagnostics and testing for the real property sector in France. As well as permitting us to continue our involvement with the Company, the team at OFI Private Equity Capital will assist Fondis Electronic’s management team to accelerate its growth and development.”*

Joël Le Chevalier, Managing and Commercial Director of Fondis Electronic said: *“We are delighted to welcome OFI Private Equity Capital to Fondis Electronic. Given the experience of its teams, OFI Private Equity Capital is the ideal partner to help us achieve a new step forward in our strategic development.”*

Partners and advisors to the transaction:

OFI Private Equity: Jean-François Mallinjoud, Yannick Grandjean
Vendors: Initiative & Finance: Jean-Bernard Meurisse, Francis Estellat
: Jean Pierre Ellerbach

Financial advisor to the vendor: Aforge: Didier Lenz, Antoine Bertin
Mezzanine co-arranger: Mezzanis : Marc Benchimol, Jean Philippe Carvaillo
Legal advisor to the acquiror and due diligence legal and tax: Friehe & Associés : Michel Friehe, Damien Boulanger, Jérémy Scemama
Legal advisor the the vendor: HPML : Vincent Libaud, Marie-Laure Pichard

Senior debt facility lead arranger: CIC Est : Olivier Tochon
Legal advisor senior debt and mezzanine: Linklaters: Arnaud Fromion, Giovanna Trucco
Due diligence advisors :
Insurance: AON : Michelle Collet
Legal and social: Salans : Angéline Duffour
Fiancial: Accuracy : Elyse Salzmann, Delphine Sztermer, Frédéric Loeper
Market and strategy: Gonnnet Chasson : Gilles Chasson, Alexis Blavette
Legal and regulatory: Sekri Valentin Zerrouk : Yamina Zerrouk
Tax: Arsène Taxand : Denis Andres, Laurent Partouche

Share information:

Ticker: OPEC
Market: NYSE Euronext Paris Compartment C
ISIN code: FR0000038945
Number of shares: 5 917 580
Free float: 36.72 %

For more information, please consult our web site at: www.ofi-pecapital.com

> ABOUT OFI PRIVATE EQUITY CAPITAL

OFI Private Equity Capital is the main investment company of OFI Private Equity, which invests in both equity and mezzanine in secondary buy-outs of French companies with enterprise values of between €15 and €75 million that have been the subject of a previous LBO.

> ABOUT OFI PRIVATE EQUITY

OFI Private Equity is the investment management company of Group OFI dedicated to private equity investments in secondary buy-out transactions. OFI Private Equity manages more than €150 million through different listed and un-listed investment companies and invests in both equity and mezzanine in French companies with enterprise values of between €15 and €75 million. OFI Private Equity is a dynamic actor in the LBO market in France.