

OFI Private Equity Capital acquires the specialist retail chain SOHO, France's leading gift retailer, for €24 million

OFI Private Equity Capital and Christophe Barnoin have acquired the Grand Sud Group (owner of the SOHO retail chain) from current majority shareholders Christophe and Olivier Chaput and financial shareholders including Viveris, BNP Développement, Sofipaca and other private investors. Christophe Barnoin has taken over operating responsibility of the group.

As France's leading gift retailer, selling greeting cards, gadgets and other novelty items, the Grand Sud Group is made up of a network of 140 stores in France, 42 of which are owned directly and 98 franchises. The SOHO chain benefits from a strong reputation and a dynamic store network in an extremely buoyant market. The network generated turnover of €53 million in 2006.

OFI Private Equity Capital and Christophe Barnoin, founder of the Parashop pharmacy and beauty aid chain and recognised as a leading professional of the specialist retailing sector, aim to support and finance the SOHO chain's next stage of expansion. This will be achieved by increasing the number of franchise stores, optimising the product range and IT functions and reinforcing logistics and marketing teams. One of the objectives is to open an average of three to four stores a year over the next few years.

The acquisition has been financed by a combination of equity and mezzanine, (the latter of which represented 70% of the total financing), and will result in OFI Private Equity owning 64% of share capital. OFI Private Equity Capital has invested €12 million in equity and mezzanine and owns 60% of the share capital. The transaction values the Grand Sud Group at €24 million in enterprise value.

Olivier Millet, Chairman of OFI Private Equity, comments: « *The SOHO retail chain has significant value creation potential. With its extensive store network, original product range and high level of customer satisfaction, the group is well positioned to enter the next phase of its development. By combining our experience of the retail sector with our expertise in investing in equity and mezzanine, OFI Private Equity Capital will support the development of this market-leading brand. This latest acquisition demonstrates OFI Private Equity Capital's ability to select the best opportunities in the secondary LBO market* ».

Christophe Barnoin comments: « *We will bring our specialist retailing expertise to the Grand Sud Group, which has significant potential thanks to its highly original concept and the strong dynamic of its franchise and owned store network. With the Group's experienced management team, we are implementing a new operating, marketing and commercial strategy* ».

Christophe Chaput comments: « *We are very pleased to pass on the future of the group to true professionals. Christophe Barnoin and OFI Private Equity Capital have the skills to take the group to its next level of development and therefore write the next chapter in the history of the Soho chain* ».

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> ABOUT OFI PRIVATE EQUITY CAPITAL

Listed on Euronext Paris (Code OPEC) 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.

www.ofi-pecapital.com

> 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 of the LBO market in France.