

February 1, 2000

PAI LBO Fund, Astorg II and Cinven acquire Frans Bonhomme, in association with the company's management

PAI LBO Fund (33.4%), Astorg II (17.9%) and Cinven (33.34%) have acquired Frans Bonhomme, in association with the company's management and other financial investors.

Frans Bonhomme, generating annual sales of FRF2.3 billion, is the leading French company in the distribution of PVC pipes and joints aimed at a broad-based professional clientele, chiefly comprised of plumbers and building and civil engineering professionals. The company runs a network of 150 specialized sales outlets throughout France.

The Management of Frans Bonhomme will continue to pursue its ambitious development strategy and enjoy the full operational and financial support of its new shareholders.

The operation was organized in the form of an LBO, with acquisition debt arranged by Crédit Agricole Indosuez (CAI) and mezzanine financing arranged by Intermediate Capital Group (ICP).

In April 1999, PAI LBO Fund, managed by PAI Management, raised 650 million euros from European and American institutional investors; PAI LBO Fund has invested so far in nine operations—notably including Panzalim, Gerflor, and Beaufour Ipsen—and recently launched a bid for the Michel Thierry SA company. PAI Management, for its part, is also responsible for managing Paribas' direct investment portfolio worth a total of 6.2 billion euros.

In September 1999, Astorg II, managed by Suez Capital Partners, raised funds of 185 million euros from European and American institutional investors. Astorg II focuses principally on the acquisition of companies enjoying rapid expansion, notably via leveraged build-up. Astorg II has so far invested 40% of the funds raised in five transactions.

Cinven is the European leader in the area of large-scale management buy-outs organizing transactions in the 1990's for a total in excess of FRF100 billion. In France, Cinven organized the MBO of Générale de Santé, the largest private French hospital group, in a deal valued at FRF11 billion. More recently, Cinven arranged the purchase of SCAO on behalf of Kappa Packaging, one of its portfolio companies.