



**EUR 250M TARGET REACHED FOR FINAL CLOSING OF  
THE WINCH CAPITAL 2 PRIVATE EQUITY FUND**

**After a first closing on June 30 2009 for EUR 175m, Edmond de Rothschild Investment Partners is pleased to announce the final closing of its Winch Capital 2 development capital fund for EUR 250m.**

In a difficult period when private equity firms are struggling to raise money from investors, this fund raising testifies to the resilience of the development capital segment in France. It is, above all, a token of renewed investor confidence in the team at Edmond de Rothschild Investment Partners which managed to raise EUR 250m in less than 8 months. Subscribers were particularly responsive to the team's experience and stability and its ability to steer growth projects in the companies which have received funding.

For Pierre-Michel Passy, chairman of Edmond de Rothschild Investment Partners, *"We were targeting a second closing around EUR 200m. In only 4 months, we went above the hard cap of EUR 250m. More institutionals were won over not only by the team and the relevance of its approach but also by the economic interest of capital development at a critical juncture when French SMEs need to strengthen their capital bases and finance their growth."*

For the final closing, the team managed to attract new, mainly French investors and predominantly funds of private equity funds. They included Fondinvest, AGF Private Equity, SGAM Private Equity and Dahlia. And major investors like Prédica and Crédit Mutuel Arkéa also subscribed to the closing. Given the strong demand, the LCF Rothschild Group did not increase its exposure which now represents less than 10% of the fund.

**REMINDER OF WINCH CAPITAL 2'S INVESTMENT STRATEGY**

Winch Capital 2, like its predecessor, seeks to partner entrepreneurs with a significant shareholding in their company in implementing their growth projects. The fund targets profitable companies with strong positions on their respective markets and sales of between EUR 20m and 250m. The fund will invest EUR 5-15m in its stakes through capital increases or owner buy-outs.

By working in close association with entrepreneurs on optimising numerous operational aspects like hiring key managers, economising on purchases, governance and cash management, the fund will help companies achieve organic and/or external growth.

For example, Winch Capital 1 companies posted average annual growth of 18.5% between 2006 and 2008 with half of that coming from acquisitions. One company in two in this portfolio made at least one acquisition during its association with Winch Capital.

In an environment which will feature so many sector consolidation opportunities, robust SMEs, with the support of a fund like Winch Capital 2, are ideal platforms. They will be able to draw on moderate financial leverage to rapidly seize growth opportunities.



### ***About Edmond de Rothschild Investment Partners***

Edmond de Rothschild Investment Partners has become a benchmark in France for minority investments in unlisted companies. It now manages EUR 775m and has three teams who own equity in the company and who specialise in: Development Capital, Life Sciences and FCPI (mutual funds investing in innovative companies).

The company comprises 15 investment professionals who all have wide experience in Private Equity and industry.

The Winch Capital 1 and 2 funds position Edmond de Rothschild Investment Partners as one of the major development capital players with almost EUR 425m under management in this segment.

(Site: [www.edrip.fr](http://www.edrip.fr))

### ***About La Compagnie Financière Edmond de Rothschild***

La Compagnie Financière Edmond de Rothschild Banque is the French branch of the LCF Rothschild Group. Its success today stems from its strategy of specialising in private banking and asset management.

**Following this latest closing, the Bank which has always invested in unlisted companies, manages almost EUR 1.8bn in private equity. This business is primarily conducted through a holding company chaired by Jean-Hervé Lorenzi and its three specialised subsidiaries, including Edmond de Rothschild Investment Partners.**

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#### **Contacts presse :**

**Edmond de Rothschild Investment Partners**

Pierre-Michel Passy

00 33 [1] 40 17 23 49