

Paris, 7 October 2008

## Press release

### **Crédit Agricole Private Equity arranges merger of Sepchat and Ludovic Le Gall as part of an LBO**

Crédit Agricole Private Equity is carrying out an LBO on Sepchat and Ludovic Le Gall, alongside the management and historical shareholders. These two regional leaders in the recycling sector are merging to form a sizeable operator in their market. After the transaction, Crédit Agricole Private Equity will own 60% of the new entity.

Sepchat, based in Tours (37) and Ludovic Le Gall, based in Ploufragan (22) hold strong positions in their respective regions, Centre and Brittany. The two family-owned companies, which originally specialised in recycling scrap and non-ferrous metals, now have the capability to address the full spectrum of industrial and community waste management issues (collection, sorting, reclamation and demolition of buildings and other edifices).

Under the leadership of the two companies' senior executives, the merger will give rise to a leading multi-region operator with €77 million combined sales, 242,000 tonnes of waste reclaimed and over 250 employees in 2007. Jean-Philippe Sepchat will be the chairman of the new entity and Philippe Le Gall will serve as the chief executive officer.

Crédit Agricole Private Equity's entry will underpin the new group's development, which will be driven mainly by continuing the strategy of growth by acquisition initiated by the companies several years ago and by the build-up of the acquisitions they have already made.

Eric Rey, Crédit Agricole Private Equity's Director, made the following comments: "We are proud to be a part of the merger of these two regional leaders in a fast-growing market with a promising outlook. We were attracted by the quality and experience of the two companies' management teams, which have demonstrated their ability to make successful acquisitions and their in-depth knowledge of the sector."

According to Jean-Philippe Sepchat, CEO of Sepchat, "the entry of Crédit Agricole Private Equity will allow us to move into a new growth phase."

Philippe Le Gall, CEO of Ludovic Le Gall added: "My priorities are the sustainability and development of our business. The link-up with Sepchat and Crédit Agricole Private Equity is the ideal way to achieve these two goals."

The deal is the third investment, after Titanobel and Melkonian, of the CACI 3 LBO & Développement fund that is currently in the process of raising funds.

#### **Crédit Agricole Private Equity**

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**About Crédit Agricole Private Equity**

Crédit Agricole Private Equity, an AMF-authorized investment management company and wholly-owned subsidiary of Crédit Agricole S.A., specializes in direct private equity investment in unlisted companies.

A multi-specialist, Crédit Agricole Private Equity has 50 investment teams focusing on different segments of the private equity market (LBO & Expansion, Venture Capital, Mezzanine, Renewable Energy, PPP Infrastructure, Liquidity Solutions, Co-investment) and manages a total of €2.2 billion in various types of private equity vehicle (FCPR, SICAR, FCPI and SCR).

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