



PARIS, APRIL 20, 2018

EURAZEO COMPLETES STRATEGIC INVESTMENT IN RHÔNE

PRESS RELEASE PREPARED IN ACCORDANCE WITH ARTICLE 17 OF THE RECOMMENDATION NO. 2016-04 OF THE AUTORITÉ DES MARCHÉS FINANCIERS¹

- EURAZEO COMPLETES ACQUISITION OF A 30% STRATEGIC INTEREST IN RHÔNE
- RHÔNE PARTNERS BECOME EURAZEO SHAREHOLDERS, TOGETHER HOLDING APPROXIMATELY 2.7% OF THE SHARE CAPITAL
- EURAZEO AND RHÔNE PARTNERS ENTER INTO A GOVERNANCE AGREEMENT

Eurazeo, a listed investment company operating in Europe and North America, announced today the completion of the acquisition of a 30% interest in Rhône, a global alternative investment management firm with over €5 billion in assets under management across both its private equity business and its real estate joint venture with WeWork, the global leader in the collaborative workspace industry.

This transaction is highly accretive to Eurazeo as it (i) strengthens Eurazeo transatlantic presence in the upper-mid to large cap buyout space and prime-asset Real Estate industry, (ii) enriches Eurazeo's business network in the United States and lastly (iii) enlarges Eurazeo's coverage of blue-chip addressable Limited Partners on a global scale. Further to this transaction Eurazeo, collectively with its affiliates, will have assets under management in excess of €15 billion (including AUM from recently acquired private equity platform Idivest Partners).

Under the terms of the agreement entered into on November 28, 2017 among Rhône, its partners and Eurazeo, Rhône partners and Eurazeo agreed to the acquisition by Eurazeo of a 30% interest in Rhône Group L.L.C. and Rhône Capital L.L.C. (together, "**Rhône**"), through Alpine NewCo, Inc., a Delaware corporation created for the purposes of the transaction, in exchange for *inter alia* \$100 million in cash and 2 million newly issued Eurazeo shares.

The issuance by Eurazeo of 2 million shares results from the contribution in kind (*apport en nature* within the meaning of Article L. 225-147 of the French Commercial Code) by Rhône partners of 100% of the share capital of Alpine NewCo, Inc., which held at the closing of the Contribution a portion of the 30% interest in Rhône Group L.L.C. (the "**Contribution**").

In accordance with Article L. 225-147 of the French Commercial Code, and pursuant to the authorization granted to the Executive Board (*Directoire*) by the twentieth resolution of Eurazeo's shareholders' meeting of May 12, 2016, Eurazeo's Executive Board (*Directoire*) approved today the Contribution and the resulting share capital increase following the delivery by the appraisers (*commissaires aux apports*) of their reports on the valuation of the contributed assets and on the fairness of the exchange ratio.

¹ No prospectus has been and will be submitted to the review and/or clearance of the French *Autorité des marchés financiers* in connection with the Contribution given that less than 10% of Eurazeo shares have been admitted to trading on the regulated market of Euronext Paris over the last twelve months.

As a result, Rhône partners together hold upon completion of the Contribution 2.69% of Eurazeo's share capital and 2.33% of its voting rights.² In addition, Eurazeo and Rhône partners entered today into a governance agreement which in particular provides for certain representation rights of Rhône partners in Eurazeo, as well as standstill, lock-up and transfer restrictions on the Eurazeo shares so issued to Rhône partners. The AMF will publish a summary of the main terms of this governance agreement in accordance with applicable laws. Mr. Robert Agostinelli (Rhône Group Managing Director and co-Founder) will be proposed to serve as an observer on the Eurazeo Supervisory Board at Eurazeo's next Combined General Meeting on April 25th, 2018. However, each firm will continue to operate independently and will maintain full discretion over its investment decisions.

In addition, Eurazeo benefits from certain minority governance rights in Rhône (three Eurazeo representatives will be appointed at Rhône's Board of Managers) and its interest is also subject to certain transfer restrictions and other specific provisions (including, a liquidity right and an obligation to exit upon the occurrence of certain events).

The main characteristics of the Contribution, its valuation and its consideration are described below.

Contributors: 11 Rhône partners (the "**Contributors**")

Beneficiary: Eurazeo, a *société européenne* incorporated under the laws of France, registered with the Trade and Companies Registry of Paris under identification number 692 030 992 R.C.S. Paris, with a share capital of €220,561,157 (before the closing of the Contribution), whose registered office is located at 1, rue Georges Berger, 75017 Paris, France ("**Eurazeo**")

TERMS AND CONDITIONS OF THE CONTRIBUTION

Contributed Shares: A total of 1,000 shares of common stock with a par value of \$0.01 issued by Alpine NewCo, Inc., a corporation incorporated under the laws of Delaware, under file number 6633182, with an authorized share capital of \$10, whose registered office is located at 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808, United States (the "**Alpine NewCo Shares**"). At the closing of the Contribution, Alpine NewCo held a 25.50% ownership interest in Rhône Group L.L.C. Immediately after the closing of the Contribution, Eurazeo acquired in cash, *inter alia*, the remaining portion of the 30% ownership interest in Rhône Group L.L.C. through Alpine NewCo.

Total Value of the Contributed Shares: The Alpine NewCo Shares were valued based on a multi-criteria valuation approach, which takes into consideration a number of relevant valuation methods generally used in the valuation of companies carrying out business activities similar to Rhône Group L.L.C., *i.e.*, (i) Alternative Asset Management Companies, and (ii) Real Estate Investment Companies.

Alpine NewCo holding a 25.50% ownership interest in Rhône Group L.L.C. (at the closing of the Contribution) was valued in the aggregate at €148,310,280 for the purposes of the Contribution.

Number of Eurazeo Shares Issued in Consideration for the Contribution: In consideration for the Contribution, Eurazeo issued 2,000,000 Eurazeo ordinary shares of category A (the "**New Eurazeo Shares**"), representing in the aggregate a share capital increase of €6,100,000 (nominal value).

² On the basis of the number of shares and theoretical voting rights of Eurazeo as of March 31, 2018 as adjusted to account for the transaction (74,315,130 shares and 85,728,501 voting rights (including treasury shares)).

Rights Attached to the Eurazeo Shares Issued In Consideration for the Contribution: The New Eurazeo Shares are treated as existing Eurazeo ordinary shares of category A and carry the same rights and obligations; therefore, they carry the right to any dividend and/or distribution declared or paid after the closing of the Contribution.

Share Capital Premium (prime d'apport): The difference between the total value of the Contribution, *i.e.*, €148,310,280, and the nominal amount of the share capital increase, *i.e.*, €6,100,000, shall constitute a share capital premium (*prime d'apport*) resulting from the Contribution of €142,210,280 euros.

The share capital premium (*prime d'apport*) will be adjusted (as the case may be to deduct expenses related to the Contribution and where applicable, to bring Eurazeo's legal reserve to the legal minimum following the Contribution) and allocated as determined by Eurazeo's Executive Board (*Directoire*) in accordance with applicable laws.

Date of the Contribution: The New Eurazeo Shares were issued on the date hereof upon the decision of the Executive Board (*Directoire*) to approve *inter alia* the Contribution and the resulting share capital increase, pursuant to the authorization granted to the Executive Board (*Directoire*) by the twentieth resolution of Eurazeo's shareholders' meeting of May 12, 2016.

Independent Appraisal: By order dated December 21, 2017, the President of the Commercial Court of Paris appointed Agnès Piniot (8 rue Halevy, 75009 Paris, France) and Jacques Potdevin (7 rue Galilée, 75116 Paris, France) as appraisers (*Commissaires aux apports*) for the preparation of the reports referred to in Articles L. 225-147 and R. 225-8 of the French Commercial Code and in the recommendation No. 2011-11 of the *Autorité des marchés financiers* dated July 21, 2011.

Regarding the value of the Contribution, they concluded that:
“*On the basis of our work and as of the date of this report, considering the satisfaction of the conditions precedent that are material for the reality and valuation of the contribution (§ 3.3), we are of the opinion that the total value of the contribution, amounting to €148,310,280, is not overstated and therefore, that it is at least equal to the nominal amount of the share capital increase of the beneficiary entity plus the share capital premium (prime d'apport).*”

Regarding the consideration of the Contribution, they concluded that:
“*On the basis of our work, as of the date of this report, considering the satisfaction of the conditions precedent that are material for the reality and valuation of the contribution (§ 3.4), we are of the opinion that the consideration for the contribution of the Alpine NewCo shares determined by the parties and resulting in the issuance of 2,000,000 Eurazeo shares is fair.*”

Their reports have been made publicly available in accordance with French law and are available on Eurazeo's website (www.eurazeo.com).

CONSEQUENCES OF THE CONTRIBUTION

Eurazeo's Share Capital After the Contribution: Upon completion of the Contribution, Eurazeo's share capital amounts to €226,661,157 (divided in 74,315,130 shares).

Dilution: Based on a share capital composed of 72,315,130 shares and 83,728,501 theoretical voting rights as of March 31, 2018, a shareholder holding 1% of Eurazeo's share capital and 1% of Eurazeo's theoretical voting rights prior to the issuance of the New Eurazeo Shares has seen his/her/its shareholding reduced to approximately 0.97% of Eurazeo's share capital and 0.98% of Eurazeo's theoretical voting rights as a result of the Contribution.

Notes to the Editor

About Rhône

- > Rhône was founded in 1996 by Robert F. Agostinelli and M. Steven Langman following their successful careers in cross-border mergers and acquisitions with Goldman Sachs and Lazard. With over 20 years of investing experience, Rhône comprises a global alternative investment management firm with over €5 billion in assets under management, including its real estate joint venture with WeWork. The firm focuses its private equity investments in market leading businesses with a pan-European or transatlantic presence and global growth opportunities. Rhône, which is currently investing capital from its fifth private equity fund, has invested in a diversified portfolio of companies including those in the chemical, consumer product, food, packaging, industrials, specialty material, business services, and transportation sectors. In addition, the firm has a joint venture with WeWork to acquire real estate and real estate related assets that are suitable for WeWork.

About Eurazeo

- > With a diversified portfolio of approximately €15 billion in assets under management¹, including €9 billion from third parties, Eurazeo is a leading global investment company with offices in Paris and Luxembourg, New York, Shanghai and Sao Paulo. Its purpose and mission is to identify, accelerate and enhance the transformation potential of the companies in which it invests. The firm covers most private equity segments through its five business divisions – Eurazeo Capital, Eurazeo Croissance, Eurazeo PME, Eurazeo Patrimoine and Eurazeo Brands – and its Idinvest business divisions. Its solid institutional and family shareholder base, robust financial structure free of structural debt, and flexible investment horizon enable Eurazeo to support its companies over the long term. As a global long-term shareholder, the firm offers deep sector expertise, a gateway to global markets, and a stable foothold for transformational growth to the companies it supports.

¹ *pro forma of Idinvest and Rhône*

- > Eurazeo is listed on Euronext Paris.
- > ISIN: FR0000121121 - Bloomberg: RF FP - Reuters: EURA.PA