

**BUSINESS UPDATE**

**FIRST 3 MONTHS OF THE 2008 / 2009 FINANCIAL YEAR**

Since GIMV's financial year runs from 1 April to 31 March, the current financial year began on 1 April 2008. As well as publishing annual and semi-annual results, GIMV has opted to provide quarterly business updates without publishing full results. These figures therefore relate to the period from 1 April 2008 to 30 June 2008. All figures in the press release below refer to figures according to the limited consolidation of GIMV (non-audited figures)<sup>1</sup>.

**KEY ELEMENTS**

**Investments**

- Total investments over the first 3 months of EUR 53.6 million (versus EUR 47.2 million over the same period of the previous financial year);
- During the first 3 months, 68% (EUR 36.4 million) were invested in Corporate Investment, 23% (EUR 12.6 million) in ICT, 6% (EUR 3.2 million) in Life Sciences and 3% (EUR 1.4 million) in new initiatives (Cleantech, Infrastructure and Corporate Investment France);
- 67% (EUR 36.0 million) in Belgium, 2% (EUR 1.0 million) in the Netherlands, 2% (EUR 0.9 million) in France, 5% (EUR 2.9 million) in Germany, 20% (EUR 10.9 million) elsewhere in Europe and 4% (EUR 2.0 million) in the United States;
- 11% (EUR 6.1 million) in 2 new direct investments, 80% (EUR 42.7 million) in direct follow-on investments and 9% (EUR 4.9 million) in third-party funds;
- Main investments in the first quarter: Antisoma, CoreOptics, Openbravo, OTN, Scana Noliko and Virtensys.

**Divestments**

- Total revenues from divestments over the first 3 months amount to EUR 144.8 million (versus EUR 169.2 million over the same period of the previous financial year);
- 99% (EUR 143.4 million) Corporate Investment, 1% (EUR 1.2 million) ICT and almost nothing (EUR 0.2 million) Life Sciences;
- 6% loans (EUR 8.9 million), 93% unlisted shareholdings (EUR 134.7 million) and 1% (EUR 1.2 million) funds. None of the listed shareholdings has been sold;
- Divestment proceeds over the first three months were 29.3% above book value at 31 March 2008 and 195.6% above their original acquisition cost (multiple of 3.0);
- Main (partial) divestments/refinancings in the first quarter: Arcomet, BMC, Gealan, Microtherm, Westerlund Group and Wichard.

<sup>1</sup>The limited consolidation gives a more realistic view of the group, and must allow investors and other interested parties to understand and monitor the financial performance of the group. All GIMV shareholdings are valued at fair value in accordance with the valuation guidelines for private equity companies in the limited consolidation.

### **Balance sheet**

- Balance sheet total of EUR 1,374.6 million at 30 June 2008;
- Financial assets of EUR 734.8 million at 30 June 2008, of which 18% listed shareholdings, 35% unlisted shareholdings valued based on multiples, and 47% unlisted shareholdings valued according to other valuation methods (price of recent transaction, discounted cash flows, value of net assets of the funds concerned);
- Net cash position at 30 June 2008 of EUR 573.4 million (before payment of the dividend);
- Equity (share of the group) at 30 June 2008 of EUR 1,252.2 million (EUR 54.03 per share), after payment of the final dividend on 3 July 2008 (EUR 54.7 million or EUR 2.36 per share), versus EUR 1,327.6 million (or EUR 57.28 per share before payment of the final dividend) at 31 March 2008.

### **Other important events of the first quarter**

- After an unsuccessful search for a strategic partner and additional capital, Gemidis had to file for bankruptcy. This bankruptcy forced GIMV to write off its entire investment in the company.

### **Important events after 30.06.2008**

- GIMV acquires a majority shareholding in Bandolera Holding (NL), the holding above the fast-growing clothing brands Bandolera and NTS;
- CEO Dirk Boogmans leaves GIMV on 1 July 2008. The Chairman of the Board, Herman Daems, becomes CEO ad interim;
- On 15 July 2008 the Board of Directors has appointed Koenraad Dejonckheere as Director and CEO. The new CEO will start on 1 October 2008.

### **COMMENTS**

Chairman of GIMV, Herman Daems commented: *“During the first quarter the worldwide financial crisis continued. Naturally this had an effect on the companies’ valuations, since IFRS valuations have to reflect the situation of the market. A falling market and less good performing companies therefore influence the valuation of the portfolio in a negative way. However, GIMV did succeed in realizing some very profitable divestments with a substantial uplift compared to the last published equity value. This shows once again that GIMV has a good timing for divestments and is not tempted to sell in unfavourable market conditions. It waits until it can realise the companies’ maximum value. The ample cash position, which has been built up carefully over the past few years, enables GIMV to take advantage of opportunities arising in a falling market.”*

### **MAIN INVESTMENTS IN THE 1st QUARTER**

**Antisoma** ([www.antisoma.com](http://www.antisoma.com)) is a listed biopharmaceutical company focusing on research and development of new medicines for the treatment of cancer. Antisoma recently acquired all shares of Xanthus Pharmaceuticals. Xanthus, of which GIMV became shareholder in 2003, is a private American biotech company that also develops therapies for the personalised treatment of cancer. This transaction was realised through an exchange of shares, valuating Xanthus at a total of GBP 26.8 million. Additionally Antisoma raised GBP 20.9 million of fresh capital through a capital increase. GIMV exchanged its shareholding in Xanthus and participated in the capital increase.

**(Life Sciences – United Kingdom – follow-on investment – GIMV shareholding since 2008 – 1.88% interest)**

<http://www.antisoma.com/asm/media/press/pr2008/2008-06-11/>

**CoreOptics** ([www.coreoptics.com](http://www.coreoptics.com)) develops and commercialises advanced optical network subsystems which significantly increase the capacity of glass fibre networks and the reach of optical links. This investment was part of a series C financing round totalling USD 25 million.

**(ICT – Germany – follow-on investment – GIMV shareholding since 2006 - investment of USD 7 million)**

[http://www.gimv.be/upload/PB%20CoreOptics%2014052008%20ENG\\_final\\_attach.pdf](http://www.gimv.be/upload/PB%20CoreOptics%2014052008%20ENG_final_attach.pdf)

**Openbravo** ([www.openbravo.com](http://www.openbravo.com)) is a software company that develops open source software for enterprise resource planning (ERP). This software is freely available to software developers all over the world. Openbravo focuses on the fast-growing SME market where ERP software is not yet as common as in larger businesses. GIMV's investment was part of a EUR 7.7 million series A financing round.

**(ICT – Spain – new investment - GIMV shareholding since 2008 – investment of EUR 3 million)**

[http://www.gimv.be/upload/PB%20Openbravo%2019062008\\_EN.pdf](http://www.gimv.be/upload/PB%20Openbravo%2019062008_EN.pdf)

**OTN** ([www.otnsystems.com](http://www.otnsystems.com)) is a flexible communications network based on optical fibres. The network is used in industrial environments and allows for a wide range of applications such as video images, speech and data traffic, information for process management and the like to be sent flawlessly and transparently over a practically unlimited distance. OTN Systems was a former division of Nokia Siemens Networks that recently became independent.

**(ICT – Belgium – new investment - GIMV shareholding since 2008 – majority shareholding)**

[http://www.gimv.be/upload/PB%20OTN%2001072008\\_ENG\\_final.pdf](http://www.gimv.be/upload/PB%20OTN%2001072008_ENG_final.pdf)

**Scana Noliko** ([www.scana-noliko.be](http://www.scana-noliko.be)) is a major European producer of preserved vegetables and fruits, meals, soups and sauces in bottles, cans and synthetic packaging. In the 2007-2008 financial year, Scana Noliko had sales of around EUR 135 million. GIMV already became shareholder in 2004 and recently doubled its stake by taking over LRM's (investment company for Limburg) stake in the company.

**(Corporate Investment – Belgium - follow-on investment – GIMV shareholding since 2004 – 92.6% interest)**

[http://www.gimv.be/upload/PB%20Scana%20Noliko\\_24062008\\_ENG\\_final.pdf](http://www.gimv.be/upload/PB%20Scana%20Noliko_24062008_ENG_final.pdf)

**Virtensys** ([www.virtensys.com](http://www.virtensys.com)), founded in 2005, is a British company active in the emerging and fast-growing Input/Output (I/O) virtualization market. The I/O solutions are being used in data centers and storage and networking infrastructure markets. This investment is part of an earlier announced series B financing round of USD 12 million.

**(ICT- United Kingdom – follow-on investment - GIMV shareholding since 2006 – no further details published)**

[http://www.virtensys.com/files/docs/news\\_Series\\_B\\_Funding\\_Press\\_Release.pdf](http://www.virtensys.com/files/docs/news_Series_B_Funding_Press_Release.pdf)

## MAIN (PARTIAL) DIVESTMENTS/REFINANCINGS IN THE 1st QUARTER

**Arcomet** ([www.arcomet.com](http://www.arcomet.com)) is the biggest independent provider of tower crane rental and purchase services in the world, with activities in most European countries, Singapore and the United States. In 2007, Arcomet realised sales of EUR 120 million with an EBITDA of EUR 33.0 million. GIMV held 20% in Arcomet, while Sofinim and NPM Capital each held 10%. The three financial stakeholders recently sold their stake to the current majority shareholder and CEO Dirk Theyskens, and the management.

**(Corporate Investment – Belgium – total divestment – GIMV shareholding since 2001)**

[http://www.gimv.be/upload/PB%20Arcomet\\_18062008\\_ENG\\_final.pdf](http://www.gimv.be/upload/PB%20Arcomet_18062008_ENG_final.pdf)

**BMC Groep** ([www.bmcgroep.nl](http://www.bmcgroep.nl)) is the Dutch market leader in professional services for the public sector. The group consists of four companies focusing on change management, organizational consulting, coaching, training, interim management, project support, executive search and detaching assignments. BMC Groep employs over 1,000 professionals out of 6 offices in the Netherlands. In 2007, BMC Groep had sales of EUR 135 million.

**(Corporate Investment – Netherlands – refinancing – GIMV shareholding since 2007)**

**Gealan** ([www.gealan.de](http://www.gealan.de)) is one of the most important producers of PVC window and door profiles. The company's core activities consist of profile extrusion and system engineering. The company has subsidiaries in Germany, Romania, Lithuania, Russia and Poland. In May 2002, GIMV acquired a majority shareholding in Gealan. In December 2004 GIMV sold most of its shareholding through a secondary buy-out to various funds advised by Axa Private Equity. At the same time, GIMV reinvested a small amount in exchange for a 10% shareholding of the new purchase holding. Early July 2008, GIMV sold its remaining stake in Gealan, together with 4 other of its minority stakes, to Becap I, a fund specialised in secondary transactions.

**(Corporate Investment – Germany – total divestment – GIMV shareholding since 2002)**

[http://www.gimv.be/upload/PB%20Secondary%20GIMV-Halder%2010062008\\_ENG\\_final.pdf](http://www.gimv.be/upload/PB%20Secondary%20GIMV-Halder%2010062008_ENG_final.pdf)

**Microtherm** ([www.microtherm.co.uk](http://www.microtherm.co.uk)) is the market leader in the specialised segment of micro-porous high temperature insulating material. Microtherm offers solutions for a wide range of applications such as heat accumulation in private homes, shipbuilding, aerospace and petrochemicals, for fuel cell energy storage and in the automotive industry.

**(Corporate Investment – Belgium – loan repayment – GIMV shareholding since 2004)**

**Westerlund Group** ([www.westerlundgroup.com](http://www.westerlundgroup.com)) is a Belgian port operator that specializes in handling forest products (pulp, paper and other forest products). Westerlund Group is responsible both for stevedoring and terminal operations, as for forwarding and transportation to final destination. Westerlund operates marine terminals in the Ports of Antwerp (Belgium), Rouen (France) and Changshu (China). In the past financial year Westerlund Group had sales of about EUR 124 million. In May 2008 GIMV sold its stake to Babcock & Brown Infrastructure.

**(Corporate Investment – Belgium – total divestment – GIMV shareholding since 2005)**

[http://www.gimv.be/upload/PB%20Westerlund\\_15052008\\_ENG\\_final.pdf](http://www.gimv.be/upload/PB%20Westerlund_15052008_ENG_final.pdf)

**Wichard** ([www.wichard.fr](http://www.wichard.fr)) is a manufacturer and distributor of hardware and precision forgings for sailing boats and for the medical, automotive and aeronautic industries. Founded more than 80 years ago, the company is known in the maritime sector for its high quality products. More than half of Wichard's sales are being generated outside France. GIMV acquired a 32% minority

interest in 2002. Early July 2008, GIMV sold its stake in Wichard, together with 4 other of its minority stakes, to Becap I, a fund specialised in secondary transactions.

**(Corporate Investment – France – total divestment – GIMV shareholding since 2002)**

[http://www.gimv.be/upload/PB%20Secondary%20GIMV-Halder%2010062008\\_ENG\\_final.pdf](http://www.gimv.be/upload/PB%20Secondary%20GIMV-Halder%2010062008_ENG_final.pdf)

## COMMENTS ON OTHER DEVELOPMENTS IN THE 1st QUARTER

Gemidis was set up in 2004 as a spin-off from the Imec research centre and the University of Ghent. The company develops LCOS (liquid crystal on chip) imagers. In 2004 Gemidis raised EUR 3.1 million in a first financing round. In June 2007 it collected another EUR 6 million from a group of investors including GIMV, Quest for Growth and Fortis. After an unsuccessful search for a strategic partner and additional capital, Gemidis had to file for bankruptcy. This bankruptcy forced GIMV to write off its entire investment in the company.

## IMPORTANT EVENTS SINCE 30 JUNE 2008

Since the end of the first quarter GIMV has already undertaken a new transaction.

Early July GIMV acquired a majority stake in the Dutch company Bandolera. Bandolera Holding consists of the fast-growing clothing brands Bandolera ([www.bandolera.com](http://www.bandolera.com)) and NTS ([www.notthesame.com](http://www.notthesame.com)). The turnover is mainly being realised through wholesale trade and multibrand shops. The two brands are being supported by about 50 Bandolera and 5 NTS monobrand stores. As the group is vertically integrated, it has most of the design, the development and the production done by its own staff. The company realised a consolidated turnover of EUR 52 million in 2007. The main markets of Bandolera are the Netherlands, Germany, Belgium, France, Scandinavia and Russia. At the end of July, the transaction has been approved by the antitrust authorities and has therefore been finalised.

[http://www.gimv.be/upload/PB%20Bandolera\\_30062008\\_ENG\\_final.pdf](http://www.gimv.be/upload/PB%20Bandolera_30062008_ENG_final.pdf)

Mid-March Dirk Boogmans requested the Board of Directors of GIMV, out of personal reasons, to accept his resignation as CEO and Director. The Board of Directors respected his decision but asked Dirk Boogmans to continue carrying out his responsibilities until 1 July 2008. From this date on Herman Daems, Chairman of the Board, will act as CEO ad interim.

[http://www.gimv.be/upload/PB%20DB%2018032008\\_ENG\\_final.pdf](http://www.gimv.be/upload/PB%20DB%2018032008_ENG_final.pdf)

On 15 July the Board of Directors of GIMV appointed Koenraad Dejonckheere as the new CEO, replacing Dirk Boogmans. Koenraad Dejonckheere is expected to take up his position on 1 October 2008. Until that time Chairman Herman Daems will, as already mentioned, continue to act as interim CEO.

<http://www.gimv.be/upload/PB%2015072008%20ENG.pdf>

## FINANCIAL CALENDAR

- First half 2008-2009 results (01.04.08-30.09.08)
- Results 2008-2009 financial year (01.04.08-31.03.09)
- General Shareholders' Meeting, 2008-2009 financial year

20 November 2008  
2<sup>nd</sup> half of May 2009  
24 June 2009

For further information, please contact:

Mr. Frank De Leenheer – Investor Relations & Corporate Communications Manager GIMV  
Tel: +32 3 290 22 18 – E-mail: [frankdl@gimv.be](mailto:frankdl@gimv.be)

Mr. Marc Vercruysse – Chief Financial Officer GIMV  
Tel: +32 3 290 22 10 – E-mail: [marcv@gimv.be](mailto:marcv@gimv.be)

*Since its incorporation in 1980 GIMV has grown into Belgium's most important private equity and venture capital provider. GIMV is also a major European and international market player. Both in Belgium and abroad, GIMV invests in information and communication technology, life sciences and cleantech as well as in growth financing and management buy-outs (MBOs) of companies in more traditional sectors. In the Benelux region the company also targets infrastructure PPP projects. GIMV currently manages around EUR 2.0 billion of assets (including third party funds). GIMV has been listed on Euronext Brussels since 1997.*

*For more information on GIMV, please go to [www.gimv.com](http://www.gimv.com).*

<END>