Altamir Amboise

Response to Moneta and ADAM's Proposed Resolution A and Explanatory Memorandum

Altamir Amboise Gérance

10 April 2013

Agenda

- Historical Performance of Altamir Amboise
- Size matters
- The discount
- New dividend policy and the uses of cash
- Alignment of interests
- Share buy-back program is not a silver bullet
- Resolution A is irregular, inapplicable, irresponsible and against the interest of shareholders
- Altamir Amboise is one of Moneta's best-performing stocks

Despite a 35% discount currently, LTA's performance since inception in line with CAC 40

Taking into account the weighting of capital raised by Altamir Amboise since January 1996

Altamir Amboise's performance relative to the CAC 40, including the weighting of capital raised

Date	Capital Raising	Amount (€m)	Altamir Amboise: Entry 'price (€)	Altamir Amboise: Performance at 22/03/2013	CAC 40: Index	CAC 40: Performance at 22/03/2013
14/12/1995	Introduction of Altamir & Cie to the secondary market	**122**	7.24	+43.7%	1,908	+208.5%
07/07/1998	Capital increase Transfer to the New Market	**610**	8.47	+22.8%	4,556	+29.2%
29/03/2006	IPO of Amboise Investissement	**1192**	12.20	(14.7%)	6,203	(5.1%)
10/07/2007	Merger of Altamir & Cie and Amboise Inv. Capital increase	**12.0**	12.97	(19.8%)	7,598	(22.5%)
31/03/2008	Exercise of warrants March 2008	**12.8**	6.00	+73.4%	5,965	(1.3%)
29/09/2008	Exercise of warrants September 2008	**20.7**	6.00	+73.4%	5,172	+13.8%
22/03/2013			***10.40***		***5,887***	
Performance weighted by capital raisings				**+0.7%**		**+3.7%**

Source: Capital IQ, Bloomberg

Analysis: Rothschild

Strong potential for appreciation over the next 4 years

	Multiple and IRR* *at 31/12/2012*
€696m invested since inception:	
€275m realized	1.9x and 16.4%
of which €243m (investments ex-venture capital)	**2.1x and 20.3%**
€421m are in the portfolio, valued at investments in 2006-2012 financed primarily by the €280m capital increase that took place in 2006-2008	**1.1 and 1.9%**

… and are expected to return a 2x multiple

* Audited by Ernst & Young

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Altamir Amboise
par Apax Partners

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Size matters in every business; Altamir Amboise is no exception

- Altamir Amboise aims to reach a **critical size** of **€1Bn** in assets under management in order to:
  - Become an essential partner to Apax Partners France and Apax Partners LLP, thus securing the ability to optimise performance via dynamic cash management (ability to adjust commitment levels semi-annually to available cash)
  - Grow the liquidity of LTA shares, thus attracting a broader universe of investors and reducing the share price to NAV discount

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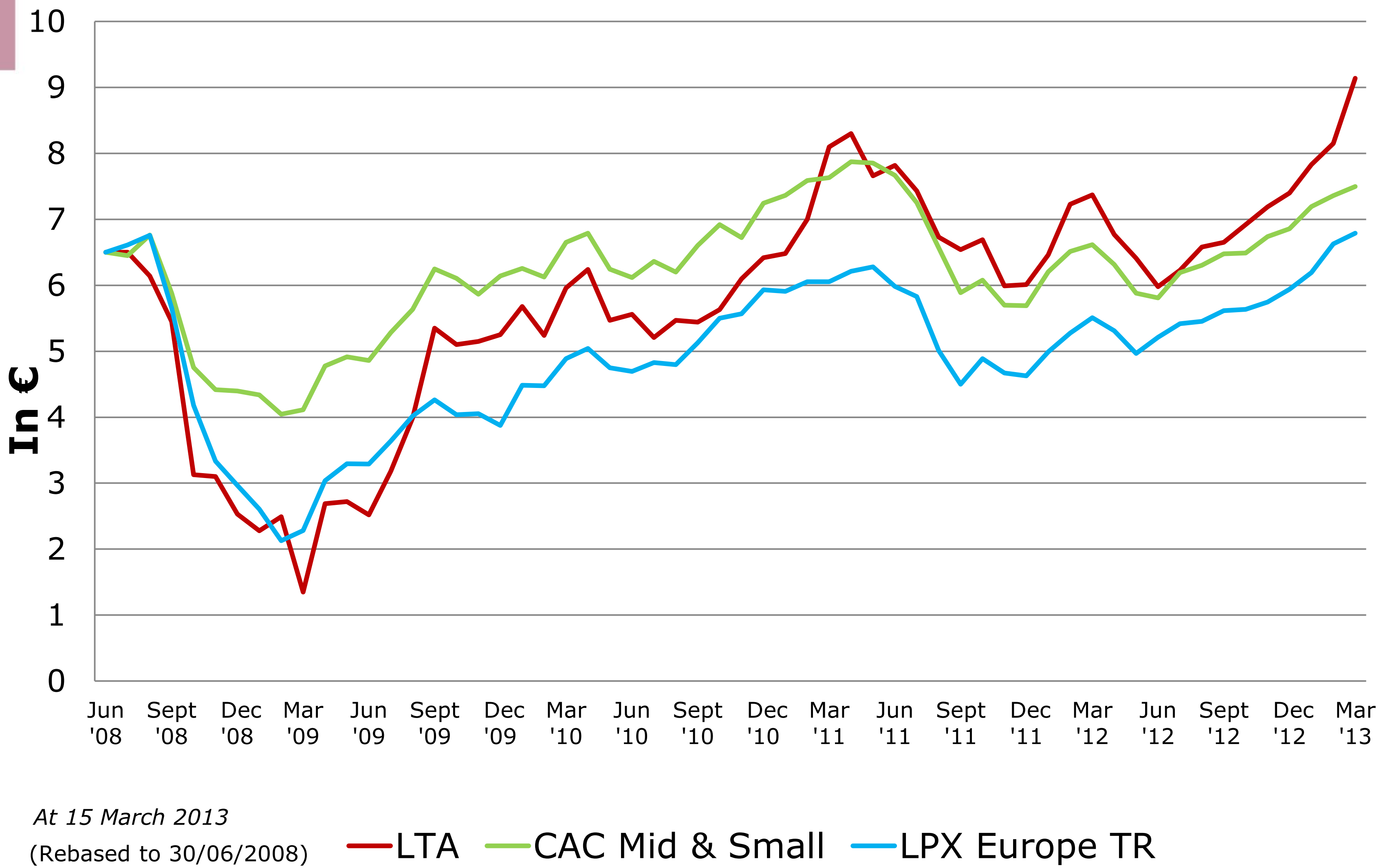
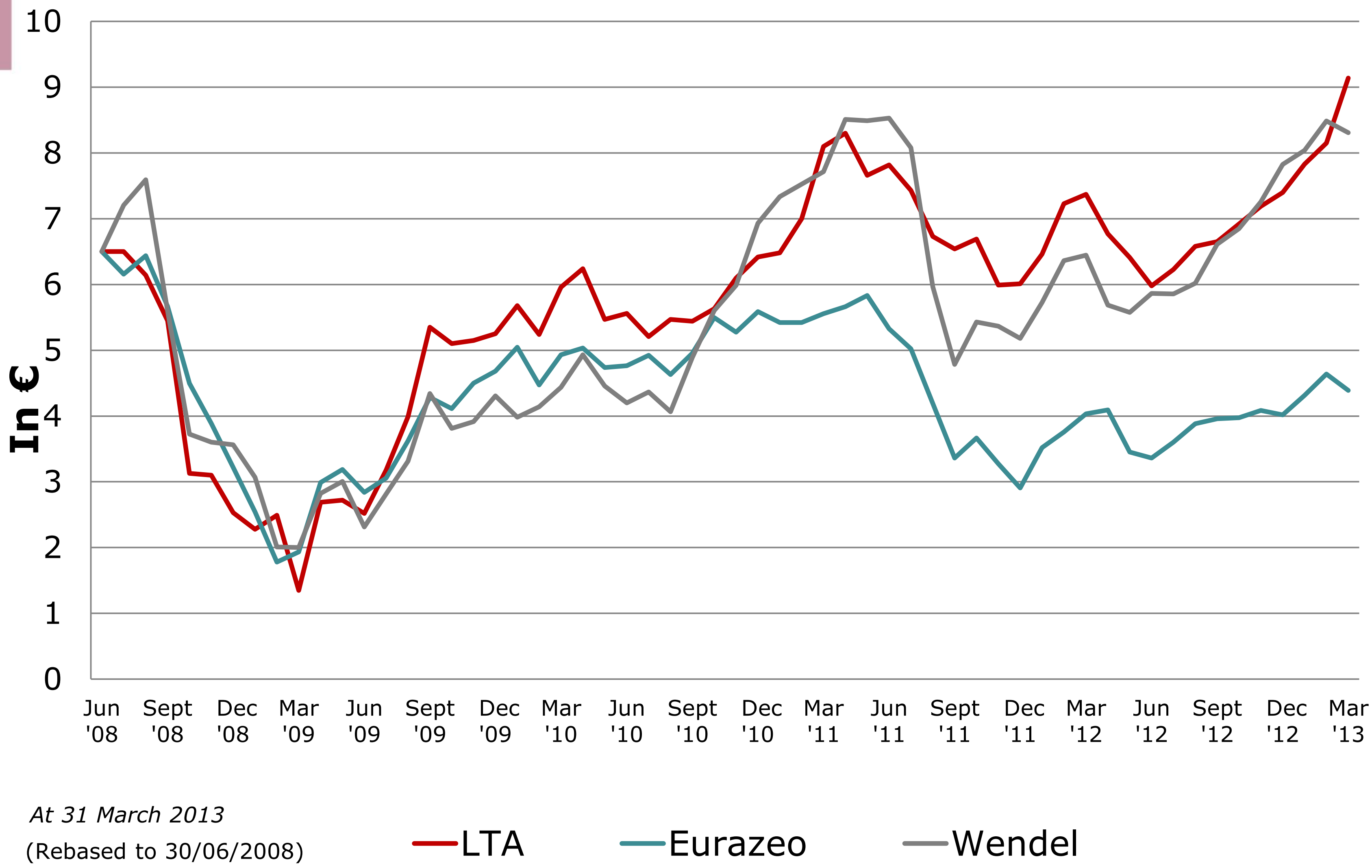
Altamir Amboise outperforms its indices …



At 15 March 2013

(Rebased to 30/06/2008)

… and its French peers



At 31 March 2013

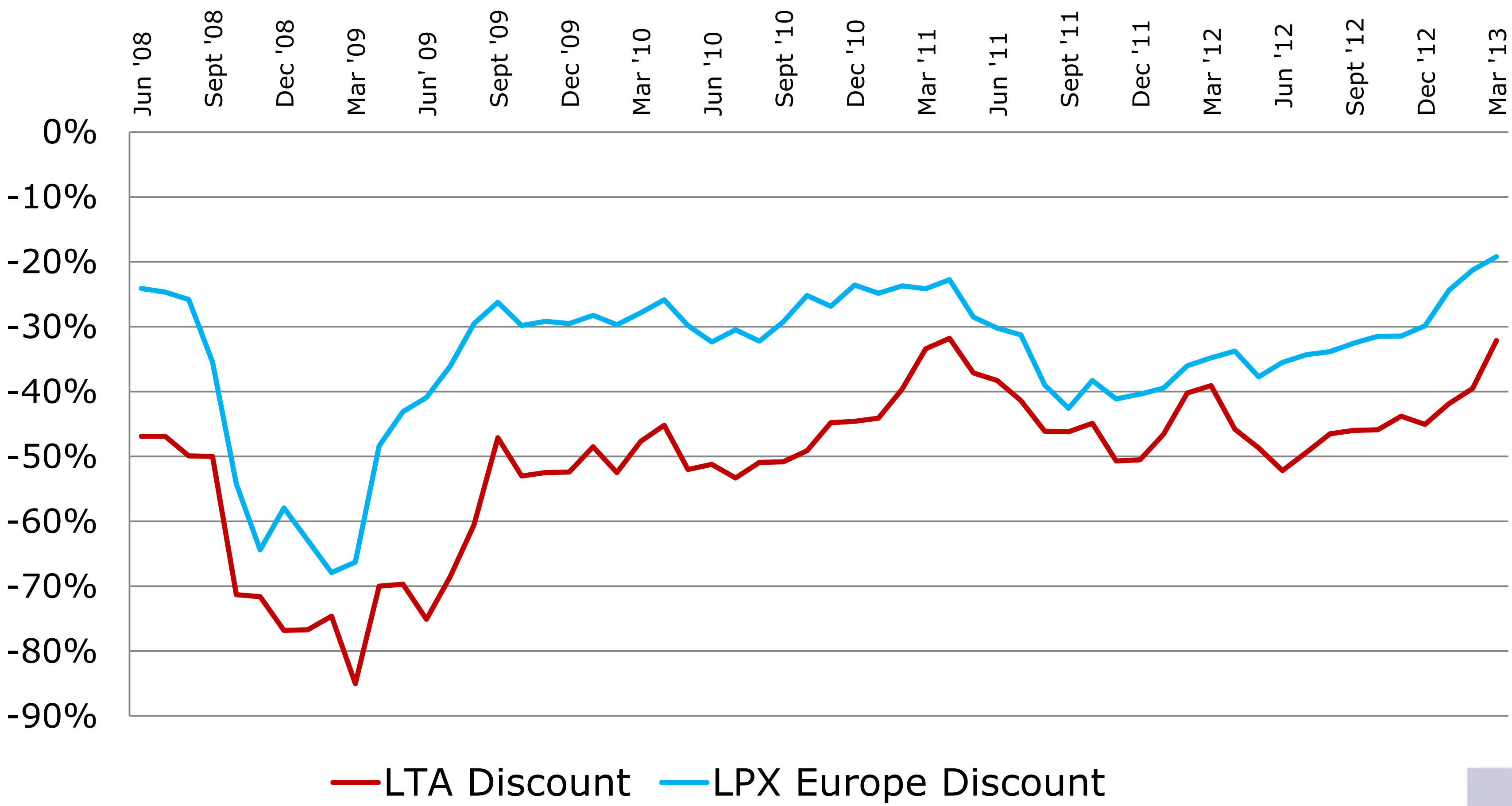
(Rebased to 30/06/2008)

Discount to NAV is decreasing

	31/12/11	31/12/12	15/3/13
LTA share price *(€ per share)*	6.01	7.40	9.14
NAV *(€ per share)*	12.10	13.47	13.73*
LTA discount	50%	45%	33%

** Including the €0.26 per share impact from the proceeds of the Codilink exit*

The discount differential relative to the peer group is still high …



At 15 March 2013

… but in line with French peers

En €	Eurazeo	Wendel	Altamir Amboise
NAV	59.20	132.50	13.73
Share price	38.96	81.06	8.80
Discount	**34%**	**39%**	**36%**

Sources :
- Eurazeo and Wendel NAVs provided by respective companes at most recent SFAF meetings (11/3/13 for Eurazeo, 18/3/13 for Wendel)
- Altamir Amboise NAV at 31/12/13 plus €0.26 impact of Codilink exit announced in March 2013
- Share prices: closing price of 9/4/2013

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Altamir Amboise Dividend policy: History

1995-1999	Distribution of 90% of net income (statutory accts)	*(Source: Initial Public Offering Transfer to the New Market)*
2000-2004	Distribution of 50% of net income (statutory accts)	*(Source: 1999 Annual Report)*
2005-2011	Distribution of 20% of net income (statutory accts) ➢ Rate used for calculating dividend distribution for years 2005-2006-2007	*(Source: 2004 Annual Report and subsequent years)*
2012	Distribution of 2% to 3% of year-end NAV ➢ Policy proposed by the Supervisory Board at the Annual General Meeting of 18 April 2013	

New dividend policy

Altamir Amboise
par Apax Partners

Advantages

- **Sustainability**: The NAV is always positive, while the net income based on statutory accounts can be negative
- **Visibility**: The NAV is published on a quarterly basis; analysts can up-date it on an on-going basis with availabilty of new information
- **Growth:** The objective pursued by the Manager is NAV growth; barring a cash crunch, the dividend should grow at the same pace as the NAV.

Disadvantages

- In the case of exceptionally high net income, the dividend could be lower than what would have been calculated on the basis of the previous method, although on average the dividend under the new method should be higher
- Cash management could become more complex: a year with a low level of realizations and a high level of investments, leading to a weaker cash position, would require an additional disbursement for payment of the dividend

Indexation of Dividend to NAV

Only one other company within the LPX Europe index has implemented this policy

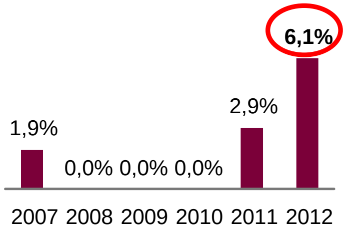
- Among the 29 companies identified within the LPX Europe index, as of 2012 only JZ Partners indexes its dividend to NAV
  - JZ Capital Partners' Board seeks to provide greater regularity and visibility to the dividends paid to shareholders
  - The dividend policy begun in FY 2012-2013 calls for returning 3% of NAV

With new dividend policy, Altamir Amboise is at high end of average yield

Comparative dividend yields – LPE sector

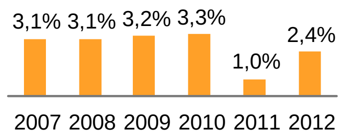
Altamir Amboise

Historical average: 1.8%



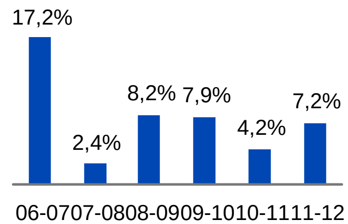
HgCapital Trust

Historical average: 2.7%



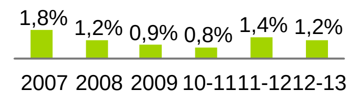
Deutsche Beteiligungs

Historical average: 7.9%



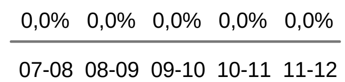
Graphite Enterprise Trust

Historical average:1.2%



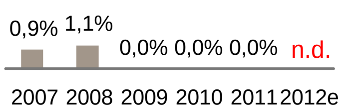
Pantheon Int. Participations

Historical average: 0,0%



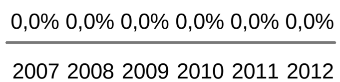
SVG Capital

Historical average: 0.4%



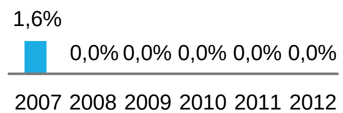
HarbourVest Global Private Equity

Historical average: 0.0%



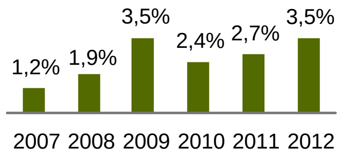
Electra Private Equity

Historical average: 0.3%



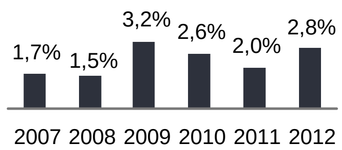
Eurazeo

Historical average: 2.5%



Wendel

Historical average: 2.3%



Source: Companies, FactSet

Notes

1 Ratio/: Dividend per share paid for the year / **Average share price during the year**

2 Graphite Enterprise Trust plc : 13 months (from 01/01/2010 to 31/01/2011)

Cash and commitments

- Altamir Amboise had cash and equivalents of **€98m** as of 31 December 2012

- Current commitments total a maximum of **€300m**
  - €113m to €193m commitment to the Apax France VIII fund
  - €57m to €87m commitment to the Apax VIII LP fund
  - Follow-on investments of €20M alongside the Apax France VII fund

- New dividend policy implies an additional minimum commitment of **€15m** per year

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Alignment of Interests

- Beginning in 2011 and going forward, Altamir Amboise invests in the funds managed and/or advised by Apax Partners France and Apax Partners LLP, and the fees paid to each of these funds are the same as those payable by all institutional investors
  - Altamir Amboise's Manager has no financial interest in the management companies of those funds
- In an effort to align General Partner and Limited Partner interests, at present Limited Partners in private equity funds require the General Partner to invest 7% of the total commitment made to the fund
  - The Manager of Altamir Amboise holds 22%+ of the ordinary shares of Altamir Amboise

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Three best-in-class players consider share buy-backs to be ineffective

Altamir Amboise
par Apax Partners

LPE peers points of view on share buy-backs

HgCapital Trust plc

1 ▪ **Hg Capital Trust's Board states that it does not use share buy-backs in order to manage the share price discount to NAV, as it deems any positive effect to be temporary**

"**The Board has not attempted to manage any discount through repurchase of shares, which it believes usually has only temporary effect.** The Board believes that discounts to NAV are minimised through consistent long-term returns, transparent reporting, rigorous valuation and avoidance of risk at Trust level."

Source: HgCapital Trust 2012 Annual Report

Graphite Enterprise

2 ▪ **In its presentation to the AGM on 11 June 2012, Graphite Enterprise Trust stated that, according to a study it carried out, there is no clear link between a massive return of capital to shareholders and a significant reduction in the discount, and advocates for, among other elements, a solid NAV performance in order to reduce said discount**

"A number of listed private equity companies are returning cash to shareholders. **There is no strong evidence that this materially reduces discounts.**"

"**Discounts are principally driven by sentiment towards the sector.** Sentiment towards the sector has not fully recovered following the concerns of 2008/9. (…) **Over the longer term sentiment should improve:**
– Companies must demonstrate **strong net asset value performance**
– **Sound balance sheet management** is critical
– **Communication of these strengths** is key to overcoming preconceptions."

Source: Presentation by **Graphite Enterprise Trust** to the AGM of 11 June 2012, « Investing in long term growth »

investor

3 ▪ **The Swedish company Investor[1], making a long-term projection, favors investing in portfolio companies over investing in its own shares**

"**Investor currently considers it more attractive, from a long-term ownership perspective, to invest capital in new and existing holdings with a high return potential rather than repurchasing own shares.**"

Source: Investor 2011 Annual Report

Note1 Investor is not a member of the LPX index

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Resolution A is irregular and inapplicable

- The ambiguous writing of the draft may confuse shareholders, potential investors, and the broader market
  - The resolution is written as an authorization to be granted to the Manager but the steps to implement the transaction are written as an obligation.

- The objective of the resolution is not included within the four objectives strictly defined by the law for share buy-backs.
  - The transaction sought by the resolution is a de facto capital reduction, and does not abide by the rules governing such transactions

- The buy-back mechanism proposed implies an intent to act on the share price, which issuers are forbidden to do on their own shares.

- Since no resolution has been proposed to authorize the cancellation of repurchased shares, the implementation of the proposed resolution is impossible.

Resolution A is irresponsible and against the interest of shareholders

Altamir Amboise
par Apax Partners

- In communications to Altamir Amboise shareholders, Moneta alludes to a “pile of cash”
  - The €98m on Altamir Amboise’s balance sheet at present will allow the company to meet commitments of €300m+ over the next four years:
    - €193m to Apax France VIII-B
    - €87m to Apax VIII LP
    - €20m to Apax France VII
    - At least €15m per year to honor the new dividend policy

- The proponents of Resolution A are acting irresponsibly
  - Eroding Altamir Amboise’s cash position, the logical consequence of the measures proposed in Resolution A, will put the company in the position of having to resort to capital-raising on the stock market under dilutive conditions in order to meet its commitments and obligations.

- The proposed resolution goes against the interest of Altamir Amboise and its shareholders, which is to invest as long as the company’s resources are not greater than its investment capacity
  - Given its current commitments, Altamir Amboise’s investment capacity will out-pace its resources for the next five years.

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Moneta is "dissatisfied" with one of its top-performing stocks

Altamir Amboise
par Apax Partners

LTA is among the bests performers in Moneta's Micro Enterprises and Multi-Caps funds

- **Moneta Micro Enterprises**
  - In the quarterly letter sent to shareholders to discuss Q1 2013 performance, Moneta Asset Management states: *"It will be noted that **Altamir Amboise provides the most significant positive performance this quarter** …"*
  - Per Moneta's report, Altamir Amboise:
    - Is the fund's largest holding
    - Has appreciated 170% in the almost 10 years Moneta has held it
    - Constitutes by far the best long-term performance of any stock in the fund
- **Moneta Multi-Caps**
  - Per Moneta's Q1 2013 report, Altamir Amboise:
    - Is listed as the 13th largest asset of the fund (in the company of CAC 40 members Sanofi, EADS, Danone, Veolia, Alstom, Total, Michelin, BNP Paribas and Société Générale)
    - Shows the strongest long-term performance, having earned Moneta a 121% return (excluding dividends) since Q4 2008.