

Press release
Paris, 5th November 2015

Keensight Capital supports Smile in its planned acquisition of Open Wide

Smile, the leading European expert in the integration of open source solutions, has announced that it has entered into exclusive negotiations to acquire the company Open Wide. This transaction will broaden the company's offering while strengthening its leadership in the open source sector. Keensight Capital, a leading player in European Growth Private Equity¹, and majority shareholder of Smile alongside Edmond de Rothschild Investment Partners (Cabestan), has been working with Smile's management team since the end of 2013, particularly by guiding the company in successfully deploying its external growth strategy.

Founded in 2001, Open Wide is one of the leading players of the open source sector in France. With a solid base of blue chip clients, including Airbus, Thales, Safran and Samsung, Open Wide is present in France and Luxembourg. The company employs nearly 150 people and generates annual revenues of around 15 million Euros.

When this operation is finalized, it will allow Smile to significantly bolster its range of expertise and service offering. After completion of the transaction, Smile's number of employees will reach around 1000, and its geographical scope will be strengthened with the acquisition of 2 new sites in Toulouse and Luxembourg. The new entity will be present in 9 different countries spread across 18 offices and will offer a comprehensive range of open source solutions across 6 business lines.

Philippe Crochet, Partner at Keensight Capital, states:

"We are delighted to be supporting Smile in this new stage of its development. Through its positioning as European market leader, Smile is a natural consolidator of the open source sector, and the merger of its activities with Open Wide's will generate significant synergies, from both a commercial and industrial perspective. The integration of complementary services offerings, as well as the arrival of Open Wide's teams, will help give a further boost to Smile's growth and strengthen its business activities with large French and international client accounts."

Marc Palazon, CEO of Smile, adds:

"The integration of the second largest French player in open source within our group represents a real source of satisfaction for us, as it will allow us to secure the attractiveness of our offering by leveraging the various areas of expertise of Open Wide. This is really a strategic operation for Smile, and it would not have been possible without the efforts and support of our major shareholders. The new combined entity, which will generate over 70 million Euros in revenues, will be the undisputed market leader in France and Europe, and the only player able to bring the most ambitious projects in open source to market for clients."

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¹ *Growth Private Equity*: investment in profitable, private companies experiencing strong growth, in minority or majority positions, with or without leverage, using a flexible approach adapted to the needs of individual entrepreneurs, in order to finance organic growth projects, acquisition strategies or provide historic shareholders with liquidity.

About Smile

Founded in 1991, Smile is the leading European integrator of open source solutions. Every year, more than 800 employees spread across 8 countries contribute to several hundred strategic projects based on free and open source software for major French and European clients. Mastering a wide range of open source products, components and frameworks, Smile proposes 5 vertical offerings to complement its services, combining superior technical and business expertise. These 5 offerings are Digital, E-Commerce, Collaborative Portals, Business Applications, and Infrastructure. In 2014, Smile achieved a turnover of 52.8 million Euros.

www.smile.fr

About Keensight Capital

Keensight Capital is a leading European Growth Private Equity firm managing funds backed by European institutional investors. Keensight Capital targets first-class international projects to finance organic growth or build-up strategies, or to cash out existing shareholders. Specific sectors of interest include Media/Internet, Information Technology, Healthcare, and Services. In each of these sectors, our team provides insights and expertise through its entrepreneurial and operational background and its access to a worldwide network built over the past 15 years.

www.keensightcapital.com

About Edmond de Rothschild Investment Partners:

Edmond de Rothschild Investment Partners is a point of reference for minority investment in unlisted companies through development capital and in venture capital. Established in France, the company has deployed its investment teams in Paris, Lyon, Shanghai and Milan (through its exclusive partnership with Mast Capital). The management company, consisting of 41 individuals, including 29 investment professionals, manages over €1.2 billion. In Small Caps capital-development-transmission, Edmond de Rothschild Investment Partners has a professional investment capital fund of €113 million, Cabestan Capital, launched in late 2011, and several FCPI/FIP for a total of €150 million. The investment strategy is based on participation in building equity operations, reclassification of securities or transmission in cost-effective growth companies from all sectors of the French economy. It should be noted that Cabestan Capital is a professional capital investment fund with a simplified procedure. As such, it is not subject to FMA approval and may adopt special investment rules. Cabestan Capital is primarily invested in non-listed companies that present special risks including the risk of capital loss, the risks associated with discretionary management and liquidity risks.

For more information: www.edrip.fr

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