

ANOVO ANNOUNCES THE PROJECT OF REINFORCEMENT OF ITS FINANCIAL STRUCTURE

ANOVO (FR0004152593 - NOV), the leading pan-European provider of after sales services for digital technologies within Telecommunication and Multimedia, announces the project of reinforcement of its financial structure following the renegotiation of its restructured debt⁽¹⁾.

In the current financial crisis and credit crunch environment, ANOVO has reached an agreement with its Banks in order to reduce its restructured debt and consolidate its Balance Sheet. The Board of Directors has approved on 27th November 2008 the entire operation consisting of:

- a buyout of €15M debt no later than 19 December 2008 by Genesis Partners, a company currently being incorporated by ANOVO's Senior Managers with the support of a private investor, with a clear objective to secure a long-term growth;
- a capital increase of €15M reserved to Genesis Partners, which will consist in a capitalization of its debt, will be proposed to the Shareholders Meeting planned on 27 January 2009;
- the subscription price, based on the average closing share price on the 4 trading days preceding the 27th November 2008 board meeting, is fixed at €0.12 per new share;
- the restructured debt, thus reduced by more than one third, would then amount to €26.7M (at Euribor 3 months + 200bp); payments would be rescheduled over 6 years, with the first payment of €2M due in September 2009, then €4.5M, €5M, €5.5M, €6M and €3.7M, from 2010 to 2014.

If this operation had been completed on 30 September 2008, the Net Debt / Equity ratio would have been 0.9 instead of the published ratio of 1.6.

After this capital increase, Genesis Partners would own 47.8% of ANOVO's share capital. As a consequence, the operation is subject to obtaining from the French *Autorité des Marchés Financiers* an exemption from the obligation to submit a public tender offer.

(1) Restructured debt at 30 September 2008 of a residual amount of €41.7M with RBS, ING, LCL, CIC, originally due in 5 payments of €8.4M each from February 2009 to February 2013.

The Board of Directors, willing to associate shareholders to this operation, has also decided to propose to the Shareholders Meeting the free allocation of two kinds of equity warrants to all the shareholders.

The ownership of 5 shares would give the right to subscribe during one year for a new share at the strike price of €0.08, then during the following 6 months, to a second new share at a strike price of €0.12. In case of all such warrants being exercised by the shareholders, Genesis Partners would then own 39.5% of ANOVO's share capital.

The subscription price for the reserved capital increase and the exercise conditions of the warrants will be submitted to a fairness opinion issued by Aplitec (represented by M. Gérard Leplé), designated as independent expert by the Board of Directors.

This operation is otherwise subject to the visa from the French *Autorité des Marchés Financiers* on a prospectus which will be prepared according to applicable rules and regulations.

In order to reduce the existing spread between the current share price (€0.11) and the share par value (€0.40), these operations have to be preceded by a reduction of the share par value to €0.05.

Last, share consolidation of 1 new share for 20 current ones will be launched under the planning proposed by the General Shareholders meeting which took place on 17 January 2008; the conditions of the reserved capital increase and warrants free allocation will be adjusted accordingly.

In addition to these operations, the Board of Directors has decided to establish a collective investment plan (FCPE) to give employees the possibility of participating in the capital of the company under advantageous conditions.

The proposed operation would have the advantages of securing cash flow, reinforcing the Group's Balance Sheet with regards to its clients and suppliers and having a long-term shareholder including the management team committed to sustain Group profitable growth.

About ANOVO: With revenue of €350 million and 5,700 employees (2007/2008), ANOVO is the leading pan-European provider of maintenance and customisation services for the digital technologies used by major Telecommunications and Multimedia companies to deliver Triple Play (Voice/Data/Image) solutions. ANOVO has more than 20 Centres of Excellence, and handles a high product turnover with an acknowledged level of quality. For more information, please visit our website www.a-novo.com.

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