



Erenis raises €22.5 M and accelerates its optical fiber deployment in Paris and surrounding suburbs
Venture Capital Funds Iris Capital, AGF Private Equity and Crédit Agricole Private Equity enter the capital of the largest Optical Fiber operator in France on the residential market. They join Net Partners, the historical financial shareholder, also participating in this round.

Paris, February 7th, 2006 – Erenis, the largest optical fiber operator in France on the residential market, offers since 2003 a high speed connection as an alternative to a France Telecom subscription. To accelerate its development, Erenis has completed a new round of financing gathering Iris Capital - lead investor -, AGF private Equity, Crédit Agricole Private Equity and Net Partners, the historical financial shareholder. The amount of 22.5 million euros raised will allow Erenis to accelerate the deployment of its very high speed network in Paris and close suburbs from 30,000 residences at present to 85.000 by the end of the year - with the objective of reaching one million residences connectable by 2010.

Very high-speed broadband services

Beyond commonplace telephone services, Erenis subscribers benefit from a unique offering of capacity of 50 Mbps in download - which can reach up to 100 Mbps – and 25 Mbps upload. This very high-speed bandwidth allows the latest uses (access to online multimedia content, video blogging, remote storage, etc.) and facilitates file sharing, following the sharp rise in needs dictated by personal content publishing, notably handling image and video files.

The Erenis network also favors the launch of high definition television (HDTV). Requiring 10-15 Mbps of actual speed in MPEG-4, HD programs will become available in the next weeks in conjunction with the Turin Winter Olympics, and then progressively develop further throughout the year. To be launched in a few weeks, the Erenis video service includes one of the first high definition decoders on the market.

Erenis, a pioneer in very high-speed bandwidth networks, has successfully deployed over the past three years its new network across 11 Paris districts. “One household in four becomes an Erenis customer for telephony or Internet within six months following our hooking up the building”, says Frédéric Boutissou, CEO of Erenis. “This encourages us to extend the coverage and satisfy the growing expectations of subscribers for new video services.”

A million households in five years

In the context of France Telecom’s publicised intention to carry out very high-speed bandwidth trials, this financial round also reinforces confidence in Erenis’ development model. “We are convinced that Erenis is now positioning itself strategically in the very high-speed Internet services sector to build an optical fiber network access closer to the subscriber; Iris Capital was attracted by this model’s growth potential”, says Antoine Garrigues, Managing Partner of Iris Capital.

“The launch of HDTV gives Erenis immediate legitimacy in deploying its network; they now have the capacity to deliver two simultaneous HD flows while leaving enough reserve capacity for intense Internet use, and this in both directions”, adds François Tison, Managing Director at Net Partners.

Optical Fiber and VSDL up to 100 Mbps

Totally independent of the incumbent operator – and thus of the constraints of unbundling procedures - the Erenis network rests on a direct optical fiber connection to buildings coupled with a VSDL line over the last meters. “The coupled optical fiber/VSDL is now optimum for the subscriber, for it allows up to 50 Mbps download and 25 Mbps upload speeds to all subscribers hooked up to Erenis, without having to re-cable buildings. Furthermore, in a few months, the introduction of VSDL2 will enable 100 Mbps”, says Yan Tamalet, co-founder and deputy general manager of the company.

Advisors:

Fund raising: Lorentz, Deschamps & Associés

Company counsel: Orsay & Associés

Investors' counsels: Chammas-Marcheteau and Gide

About Erenis

Created in October 2002, Erenis is the first French telecommunications operator to hook up residential buildings with optical fiber on a network 100% independent from France Telecom. All Erenis subscribers benefit from a unique offering of 50 Mbps download speed – which can go to 100 Mbps – and 25 Mbps upload speed.

Beyond telephony services and Internet access, this ground-breaking infrastructure in France allows the development of new services resting on very high-speed bandwidth, namely High Definition Television or services requiring high upload speed (remote storage, video blogging, home safety).

The launching of Erenis was supported by the European investment fund Net Partners. (www.net-partners.com) and by OSEO-ANVAR (www.oseo-anvar.com).

- For more information on Erenis: www.erenis.com.

About Iris Capital

Iris Capital is a pan-European venture and development capital company specializing in media, communications and information technology. Since its inception in the mid-eighties, the Paris-based Iris Capital team has managed investments in more than 200 companies located in 20 countries, and has generated more than 150 full exits. Iris Capital targets opportunities in high-growth technology or services companies across various investment stages, and provides active support to its portfolio companies related to its specialization and its experience.

- For additional information, see www.iriscapital.com.
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About AGF Private Equity

AGF Private Equity, a subsidiary of the AGF Insurance Company, member of the Allianz Group, is specialized in non-listed investments. The company manages an investment portfolio of €1,3 Bn is among the leaders in France in managing funds of funds, and is also one of the most active investors in Venture Capital. The Venture Capital team has invested in 50 high tech companies. AGF Private Equity invests between €15 and €30 M each year in innovative firms. With €275 M under management in its Venture Capital activity, AGF Private Equity is an active partner of growth companies.

- For additional information on AGF Private Equity : www.agfpe.com
- Press Contact AGF Private Equity : Sophie Cadorel (Tel. +33 (0)1 58 18 56 62 – sophie.cadorel@agfpe.com)

About Crédit Agricole Private Equity

Crédit Agricole Private Equity is the asset management company of Crédit Agricole S.A., dedicated to private equity investments in unlisted companies. 30 professionals specialised in four activity segments (Expansion Capital & LBO, Venture Capital, Secondary Market, Mezzanine) manage €1.9 billion under French private equity mutual funds (FCPR and FCPI) and private equity companies (SCR). Crédit Agricole Private Equity advises business managers on their growth plans.

- For additional information on www.ca-privateequity.fr
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About Netpartners

Founded in 1997, NetPartners was one of the first European Venture Capital funds to focus on technological projects at seed stage, namely on service projects with high technological components. Their holdings include Self Trade (introduced on the new market in 2000) Yoox, BFinance, Ipanema, Smartjog, Mutuionline, Co-import, Adomos, Trading Screen, etc.

In the continuity of Net Partners, Fausto Boni and François Tison, representing Net Partners on the Erenis Board, with Diana Saraceni, also an associate at Net Partners have recently launched 360 Capital Partners, a venture capital fund with a focus on France and Italy.

- For additional information on Netpartners : www.net-partners.com, on 360 Capital Partners : www.360capitalpartners.com
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