



PRESS RELEASE

ODDO BHF Asset Management's first Private Debt Fund provides financing to German "Mittelstand" companies.

The European Investment Fund (EIF) has made a cornerstone investment of up to EUR 50 million, using resources from the European Fund for Strategic Investments (EFSI), the main pillar of the Investment Plan for Europe.

June 24th 2020, Düsseldorf, Frankfurt am Main, Luxembourg, Paris.

ODDO BHF Asset Management has successfully completed the first closing of ODDO BHF "Mittelstand" Senior Loan Fund, which is dedicated to professional investors exclusively. For this first closing and in the context of the Corona crisis, the company has raised EUR 131 million. Commitments have predominantly been provided by institutional clients across Europe, among them the European Investment Fund (EIF) as well as the ODDO BHF group.

The EIF commitment has been made under the "Private Credit Tailored for SMEs" programme. Launched in December 2018, the programme combines resources from the EIF and EFSI. The purpose of the "Private Credit Tailored for SMEs" programme is to foster private institutional investment in support of more market-based and tailor-made funding solutions for European SMEs and small mid-caps.

The German Mittelstand is made of SME's (Small and Medium Sized Enterprises), often family-owned, innovative and market leaders in their respective field. The fund will now be able to support successful German "Mittelstand" companies to accelerate their transformation and growth.

The vehicle will invest both in senior secured loans and unitranche instruments and the financing volume of the individual loans will amount to EUR 5 - 25 million. The investment phase of the fund comprises 3 years, the vehicle aims at a target volume of EUR 300 million.

The specialized five-member private debt team under the direction of Dr. Markus Geiger, Head of Private Debt at ODDO BHF AM GmbH, has a combined experienced of more than 50 buy-outs and corporate acquisitions in the German "Mittelstand" sector. The team also benefits from the longstanding expertise of ODDO BHF AG, active since 1987 on the German senior loan market as a specialist for complex financing transactions.

Currently institutional investors are showing increasing interest in coupon-bearing loan funds. At the same time, medium-sized companies are looking for alternative sources of financing. Private debt funds bring both sides together: they can offer to potential investors an attractive risk/return profile with the risk of capital loss whilst providing flexible capital to borrowers.

Dr. Markus Geiger, Head of Private Debt at ODDO BHF AM GmbH: "With our first private debt fund, we offer financing support to the many medium-sized companies that are highly focused and innovative, and often not listed on the stock exchange, but privately owned. Such a specialized and fragmented market segment can only be served by providers with a strong local presence and heritage. We are proud to be able to launch a fund in these challenging times and are looking forward to becoming a strong financing partner to the German "Mittelstand"."

Nicolas Chaput, CEO at ODDO BHF AM, adds: "We are happy to provide our professional investors a unique solution by offering access to the corporate champions forming the backbone of the German economy. This new Private Debt expertise demonstrates our ability, as a Franco-German player, to bring innovative and value-added strategies to our clients."

EIF Chief Executive Alain Godard said: "Providing debt funds to small businesses is an efficient alternative to classic bank loans through bespoke debt packages, speedy deployment and flexibility. It is an important part of EIF's strategy aimed at strengthening the ties between institutional investors and the public policy objective of supporting the development and growth of SMEs. I therefore very much welcome our cooperation with ODDO BHF AM. Together with the support of the 'Investment Plan for Europe' it demonstrates Europe's strong commitment to improving access to finance for European entrepreneurs."

About ODDO BHF Asset Management

ODDO BHF AM is part of the independent Franco-German financial group ODDO BHF that was founded in 1849. ODDO BHF AM is an asset management leader in Europe. It comprises ODDO BHF AM GmbH in Germany, ODDO BHF AM SAS, ODDO BHF Private Equity SAS in France and ODDO BHF AM Lux in Luxembourg, which together manage assets totalling EUR 59.8 billion. ODDO BHF AM offers its institutional and wholesale clients a unique range of high-performance investment solutions in all main asset classes, i.e. European equities, quantitative strategies, fixed income, multi-asset solutions, private equity and private debt. An UN-PRI signatory since 2010 ODDO BHF AM has integrated sustainable investment criteria into a wide range of strategies. Its ESG approach focuses on ESG criteria integration, engagement with companies and a climate policy supporting the energy transformation. On a combined basis, 60% of assets under management are from institutional clients and 40% from distribution partners. The teams operate from investment centers in Dusseldorf, Frankfurt, Paris and Luxembourg with additional locations in Milan, Geneva, Stockholm, Madrid, Hong Kong, Abu Dhabi and Zurich. ODDO BHF AM puts the long-term support of its clients at the heart of its priorities. Its independence allows its teams to be responsive, flexible and innovative in order to constantly find solutions tailored to the customers' needs. www.am.oddo-bhf.com

About ODDO BHF

ODDO BHF is an independent Franco-German financial services group, with a history stretching back over 170 years. It was created from the alliance of a French family-owned business built up by five generations of stockbrokers and a German bank specialising in Mittelstand companies. With 2,300 employees (1,200 in Germany and Switzerland and 1,100 in France and Tunisia), and more than 110 billion euros in assets under management, ODDO BHF operates in three main businesses, based on significant investment in market expertise: private banking, asset management and corporate and investment banking. The Group has a specific ownership structure as 65% of its capital is held by the Oddo family and 25 % by employees. This "partnership" ethos guarantees the long-term involvement of its teams. In 2019, ODDO BHF generated net banking income of 585 million euros, and at 31 December 2019, the Group had over EUR 890 million of shareholders' equity.

About the Investment Plan for Europe

The Investment Plan for Europe, known as the Juncker Plan, is one of the European Commission's top priorities. It focuses on boosting investments to create jobs and growth by making smarter use of new and existing financial resources, removing obstacles to investment and providing visibility and technical assistance to investment projects. The European Fund for Strategic Investments (EFSI) is the central pillar of the Juncker Plan. It provides a first loss guarantee, allowing the EIB Group to invest in more, often riskier, projects. The projects and agreements approved for financing under the EFSI so far are expected to mobilize almost EUR 486 billion in investments and support around more than 1.2 million start-ups and SMEs across all EU Member States.

About the EIF

The European Investment Fund (EIF) is part of the European Investment Bank group. Its central mission is to support Europe's micro, small and medium-sized businesses (SMEs) by helping them to access finance. EIF designs and develops venture and growth capital, guarantees and microfinance instruments which specifically target this market segment. In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment.

Biographies

Nicolas Chaput

Nicolas Chaput has been Global CEO and Co-CIO at ODDO BHF Asset Management and member of the Executive Committee of ODDO BHF since 2012 and President of ODDO BHF Private Equity since 2018. Previously, he was Global Head of Fixed Income Management at BNP Paribas Asset Management from 2008 to 2012 and supervised BNPP AM's Credit & Structured Finance division from 2005 to 2008. Prior to joining BNPP AM in 2005, he worked for 15 years at Calyon in Paris, London and New York.

Nicolas Chaput holds a Master's degree in business law from Université Paris II and is a graduate from the Institut d'Etudes Politiques de Strasbourg.

Markus Geiger

Before Dr. Markus Geiger joined ODDO BHF Asset Management, he spent four years as Head of the D/A/CH region at Kartesia Advisor LLP, responsible for numerous debt and equity transactions, notably in Germany and France, but also in Eastern Europe. In 2006 he joined the German private equity firm Steadfast Capital, where he was in charge of various midmarket buy-outs in automotive, machine building and consumer products as a partner. He began his career in 1997 as a management consultant for Booz Allen Hamilton (now Strategy&), advising corporate and private equity clients on growth, restructuring and corporate finance.

Dr. Geiger studied Business Administration in Germany, France and the UK.

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