



Press release  
12 July 2018

## **Socomore is taking flight as a global medium-sized business in the aerospace sector**

Socomore, the French manufacturer specialized in the preparation and surface-treatment products for the aerospace industry, has completed its fourth growth capital transaction, raising a total amount of €53.5 million. CM-CIC Investissement, a subsidiary of the Crédit Mutuel-CM11 group and leading shareholder since 2011, along with new investor RAISE, are subscribing in equal parts to a €40 million capital increase in the holding company of Socomore's chairman, Frédéric Lescure. ACE Management, shareholder since 2013, and new investor Bpifrance are also strengthening Socomore's resources by investing €13.5 million. Frédéric Lescure is keeping control over the group.

Socomore is based in Vannes, France, has 250 employees and a turnover of €65 million expected for 2018. This transaction gives the group the necessary resources to reach a critical size as a global player in the aerospace industry by strengthening its international development, particularly in North America and Asia.

Founded in 1972, Socomore produces and sells speciality chemicals used to prepare, protect, treat and test metallic and composite materials used in new-generation aircrafts (fuselages, engine components etc.) and satellites. The company started its international expansion in 1999 and has now 19 subsidiaries and 6 production units around the world, in France, Ireland, USA, Canada, Brazil and China. The group generates 63% of its revenue outside France.

In a context of global market consolidation among aerospace-approved chemicals suppliers, Socomore has developed a strategy relying both on organic growth and acquisitions, mainly in the USA, along with business diversification.

The new funding round breaks down as follows:

- CM-CIC Investissement reinvests €20 million, taking its total exposure to €26.3 million;
- RAISE invests €20 million;
- the Aerofund III fund, managed by ACE Management, maintains its exposure at around €10 million;
- Bpifrance invests €3.5 million.

*"I am delighted that CM-CIC Investissement and ACE Management renewed their trust in Socomore, and I would like to thank them for bringing to the table new investors with the arrival of RAISE and Bpifrance,"* said Frédéric Lescure, Chairman and CEO. *"This fourth fund-raising will allow us to invest in our production facilities and to finance future build-ups, in order to support the incredible ramp-up of our clients businesses and meet the related economic challenges."*

*“We have worked with Socomore for a long time, building a global business in a niche market of €2 billion, hardly competed by multinationals. We are pleased to lead this new growth capital transaction alongside the company’s efficient and highly complementary management team, which has steered Socomore’s constant growth to increase its revenue from €3 million to €65 million in the last 20 years,”* added Badri Ben Grine, Senior Principal at CM-CIC Investissement *“Considering the backlog of ten years of its main clients, Socomore has the opportunity to expand in a growing air transport and aircraft manufacturing market”.*

*“At RAISE, we support fast growing French companies led by talented management teams. Socomore is a perfect example. Today, through this structuring transaction, we are proud to support the company’s management in realising and accelerating its ambitious growth projects,”* said Alexandre Gontcharov, Principal at RAISE.

*“We are very proud of the development led by Frédéric Lescure and all of his teams since we entered Socomore’s capital in 2013, and also to take part in this new fund-raising. This transaction illustrates ACE Management’s ability to support strategic industrial companies throughout all their development steps, as shown by our recent reinvestments in Rafaut, Nexteam and Duqueine,”* added Delphine Dinard, Partner at ACE Management.

Jean-Marie Fougeray, Principal at Bpifrance, said: *“We are very happy to become a shareholder of Socomore. We have been supporting the group for several years. Indeed, it was a member of our SME accelerator before becoming part of our mid-cap accelerator. The transaction will enable Socomore to fly the flag for French manufacturing on the international stage.”*

### **About CM-CIC Investissement**

Venture capital, growth capital, buyout capital, M&A advisory: Crédit Mutuel-CM11 subsidiary CM-CIC Investissement meets the needs of businesses in all areas of equity financing. Together with its professional, resolutely human approach and close ties with business leaders, its success is based on the long-term support it provides to investee companies. CM-CIC Investissement invests its own capital (more than €3.0 billion) and its investment portfolio consists of around 380 companies.

CM-CIC Investissement has expanded its international activities under the CIC Capital brand from its original base in Canada (Montreal and Toronto) into the USA (New York and Boston) and Europe (Frankfurt, London, Geneva and Zurich).

To find out more, visit: [www.cmcic-investissement.com](http://www.cmcic-investissement.com)

### **About RAISE**

Founded in 2013 by Clara Gaymard and Gonzague de Blighnières, RAISE has four complementary activities: RAISE Investissement, RAISE REIM, RAISE Ventures and the RAISE Endowment Fund named RAISESHERPAS.

- RAISE Investissement, a €390m development capital company targeting mid-cap companies with high growth potential and taking minority stakes through investments of between 10 and 50 million euros
- RAISE REIM, a real estate fund management company licensed by the French financial markets authority
- RAISE Ventures, an investment vehicle targeting innovative startups and also including RAISE M4E, a “media for equity” investment company
- The Endowment Fund, named RAISESHERPAS, a philanthropic structure aimed at supporting, funding, raising the profile of startups and helping them build a sustainable future.

RAISE is based on a unique funding model that combines profitability with philanthropy. The different investment teams pass on 50% of their carried interest to the Endowment Fund. Its model, the first of its kind in France, is at the heart of a virtuous ecosystem bringing together large corporate and institutional shareholders, mid-sized firms and the fledgling entrepreneurs.

To find out more: [www.raise.co](http://www.raise.co)

@RAISE\_France

## About ACE Management

ACE Management is a private equity investor with a 25-year track record, specialising in supporting companies with high technology content and strong growth potential. It manages directly 7 funds representing more than €500M of capital and focuses on companies predominantly in the Aerospace (Aerofund), Maritime (Atalaya), Defense and Security (Brienne) sectors.

Aerofund III, incepted in 2013, represents the third generation of Aerofund funds, and its investment strategy is based on consolidation between aerospace companies.

Aerofund III's subscribers are European manufacturers in the aerospace sector (Airbus, Airbus Helicopters, Safran), institutional investors (Bpifrance, Fonds de Solidarité des Travailleurs du Québec - FTQ, CIMR, CM-CIC) and two French regions (Occitanie and Nouvelle Aquitaine).

[www.acementagement.fr](http://www.acementagement.fr)

## About Bpifrance

Bpifrance is the French national investment bank: it finances businesses – at every stage of their development – through loans, guarantees, equity investments and export insurances. Bpifrance also provides extrafinancial services (training, consultancy..) to help entrepreneurs meet their challenges (innovation, export...). For more information, please visit: [www.bpifrance.fr](http://www.bpifrance.fr) and [presse.bpifrance.fr](http://presse.bpifrance.fr) - Follow us on Twitter: @Bpifrance - @BpifrancePresse

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