

EQUISTONE

Karavel  
com

Promovacances

LBO FRANCE

FRAM

## PRESS RELEASE

### EQUISTONE PARTNERS EUROPE ENTERS INTO EXCLUSIVE NEGOTIATIONS WITH LBO FRANCE FOR THE ACQUISITION OF KARAVEL-PROMOVACANCES AND FRAM

**Paris, 5 March 2018** – Equistone Partners Europe (“Equistone”), one of Europe’s leading mid-market private equity investors, today announces that it has entered exclusive negotiations with the management company LBO France to acquire a majority stake in Karavel-Promovacances Group and FRAM Group. This investment will be made alongside Alain de Mendonça and Folco Aloisi (founders of the Karavel-Promovacances Group), Cyrille Fradin (the Group’s Financial and Risk Director), as well as some additional FRAM and Karavel-Promovacances directors and employees. The deal will have no impact on the existing operational management of Karavel-Promovacances and FRAM.

Founded in 2000, Karavel-Promovacances is France's leading online tourism group with more than 7 million unique visitors across all of its platforms. The Group owns specialised brands in distinct ranges and segments, including its flagship brand Promovacances as well as ABCroisiere and Partir Pas Cher, among others. In 2015, LBO France acquired FRAM, the French tour operator, enabling LBO France to develop complementary synergies between the two groups. Founded in 1949, FRAM is a long-established player in the French tourism industry, operating under two brands: FRAM and Plein Vent.

This acquisition by Equistone will preserve the independence of one of the last-remaining significant incumbents in French tourism industry, following a period of consolidation of the market led by major international players. Equistone will support managements’ existing growth strategy and provide both FRAM and Karavel-Promovacances with the resources to drive their continued development, drawing on its experience in the sector and the trust established with Alain de Mendonça and his team from 2007 to 2011.

**Alain de Mendonça, President of Karavel-Promovacances and FRAM**, commented: *“This operation will preserve the strong identity of the FRAM and Promovacances brands, which will remain independent and maintain their French identity in a sector that is consolidating at a growing pace, with a large majority of the sector's tour operators now under the control of foreign industrial groups. We would also like to thank LBO France for their past support. With the arrival of Equistone as a new shareholder, we will continue to benefit from the support of a shareholder that is committed to our strategic plan.”*

**Michel Quenot, Managing Director of FRAM**, added: *“FRAM is a name that has been around for nearly 70 years. This partnership with Equistone will help enable us to maintain and develop this flagship of our national tourism industry, which is dear to the heart of many French people.”*

Completion of the deal remains subject to certain conditions.

## Notes to Editors

### ABOUT EQUISTONE PARTNERS EUROPE

Equistone is an independent investment firm wholly-owned and managed by its executives. The company is one of Europe's leading investors in mid-market buyouts with a strong, consistent track record spanning over 30 years, with more than 350 transactions completed in this period. Equistone has a strong focus on change of ownership deals and aims to invest between €25m and €125m of equity in businesses with enterprise values of between €50m and €500m. The company has a team of over 35 investment professionals operating across France, Germany, Switzerland and the UK, investing as a strategic partner alongside management teams. Equistone is currently investing its fifth buyout fund, which held a final closing at its €2bn hardcap in April 2015. Equistone is authorised and regulated by the Financial Conduct Authority.

Further information can be found at [www.equistonepe.com](http://www.equistonepe.com)

### ABOUT LBO FRANCE

As a key player in private equity with €3.4bn of capital under management, LBO France is an independent company that has been supporting French and Italian companies in their growth for more than 30 years. Its strategy is based on 4 investment approaches in non-listed assets, managed by dedicated teams: (i) Mid Cap Buyout through the White Knight funds and Small Cap Buyout through the Hexagone/Small Caps Opportunities funds, (ii) Venture Capital through the SISA fund, (iii) Real Estate through the White Stone and Lapillus funds, (iv) Debt. LBO France is 100%-owned by its management and employs nearly 60 professionals.

Further information can be found at [www.lbofrance.com](http://www.lbofrance.com)

### ABOUT GROUPE KARAVEL – PROMOVACANCES

Promovacances-Karavel is a French leader in the online holiday sales, with 7 million unique visitors per month across Group's sites. Originally a pure player, the group is now developing a true multi-channel strategy.

In order to perfectly control the trips in its catalogue and guarantee the best quality at the best price, Karavel-Promovacances has built an original model based on a dual expertise a tour operator and distributor. Karavel-Promovacances relies on a team of 700 employees, including around 100 that are dedicated to researching and creating trips and 30 in the Quality department alone. In addition to its agencies, its customer relations are managed by a hundred call center advisers based in Paris and Nice. Karavel-Promovacances has been repeatedly recognized for its high standards and know-how through awards presented by the industry and the customers themselves (Gold Travel's Best Online Agency award in 2011, 2012 and 2013, FEVAD's users' Best website award. etc).

Karavel has continuously bolstered its acquisitions in the world of travel and is therefore one of the most experienced players in the sector: Promovacances (2001), Partir Pas Cher (2008), AB Croisière (2008), Un Monde A Deux (2010) and Ecotour (2014). As an example, Karavel increased the turnover of the website AB Croisière by nearly 300% following its acquisition, allowing it to become one of the largest distributors in France of the brands MSC and Costa. Karavel-Promovacances was launched in 2000 on the Harvard and MIT campuses. The co-founders are still at the helm of the group, which has undergone several important stages of capital during Equistone's investments in 2007 and those of LBO France in 2011. It's motto: "Low prices,

great holidays".

Further information can be found at <https://www.promovacances.com>

## **ABOUT GROUPE FRAM**

Founded in Toulouse in 1949, FRAM is one of the historical flagships of the French tourism industry and one of the most recognized in the sector (2nd highest rate of recognition behind Club Méditerranée, Sofres 2016 study). The Group operates under two brands with distinct positioning: FRAM and Plein Vent. Its 28 FRAMissima-certified clubs are synonymous with quality and have been a guarantee of successful holidays for generations of travellers. Since the beginning of 2016, the brand has been conquering a new clientele with revitalised prices, an extensive long-haul offer (Dominican Republic, Cuba, etc) and a very wide range of stays as well as an increasingly diversified range of tours. The brand's rebirth is based on the renewed confidence of its distributing partners and a network of 37 integrated agencies and around 100 Embassy franchisees. Since its creation, FRAM has placed its customer at the heart of its strategy. This attention to its customers and positioning continues to hold true and bear its fruit. In 2017, FRAM ranked 2nd on the podium of French brands, all sectors, with the highest increase of recommendation rate between 2016 and 2017 (Yugov study, December 2017) and has a satisfaction and intention to reuse rating above 93%. FRAM's rejuvenated image has been supported for two years by a major TV campaign by Altmann Pacreau, elected best young creative agency in 2017.

Nearly 70 years after its creation, FRAM continues to pursue this great adventure, supported by the values that it has had since the beginning: openness to the world, conviviality and pride in perpetuating a certain art of travelling "à la française".

Further information can be found at <https://www.FRAM.fr/>



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