

BRYAN, GARNIER & CO: TWENTY YEARS OF CONQUEST AND DEVELOPMENT

OVER THE YEARS, BRYAN, GARNIER & CO HAS CONFIRMED ITS POSITION AS THE LEADING INVESTMENT BANK IN EUROPE WITHIN THE TECHNOLOGY AND HEALTH SECTORS. A LEADERSHIP THAT IT HAS BUILT BRICK BY BRICK, DEMONSTRATING AN UNPARALLELED LEVEL OF EXPERTISE IN THIS SUBJECT WITHIN THE OLD CONTINENT.

Over twenty years in existence. In 2016, Bryan, Garnier & Co celebrated not only the success of its independent partnership but the formation of a new transatlantic tech and healthcare banking platform with the US bank JMP to form JMP Bryan Garnier. This specialist European boutique investment bank may be small but they have ambitious plans for the future. Founded in 1996, the firm is now one of the rare independent European investment banks and still active on the old continent. Over the years, Bryan, Garnier & Co has imposed itself as a leading Pan-European player, organized around three business activities: Equity Research, Brokerage and Corporate Finance. They bring together just over 150 professionals, of which 30 are managing directors or equivalent.

Sectoral thematic specializations

The bank was formed based on the “Growth investment bank” model (Robertson Stephens, Alex Brown, Cowen...) aiming to support businesses and specialized investors on growth sectors. The choice of

fields covered has therefore been dictated by several fundamentals. Firstly, a very strong innovative component, which revolutionizes industrial landscapes and leads to a complexity in understanding the value of companies. Then, by significant and recurring financing needs. And, lastly, by an intensity in mergers and acquisitions. The bank has therefore focused on five specializations: Technology, Media and Telecommunications (TMT), Healthcare, Smart Industries, Consumer, Brands & Retail and Business Services; the first two being considered as the priority for Bryan, Garnier & Co.

23
Transactions in 2016
in Technology

Large-scale operations

The bank is today developing a wide range of business activities in order to be able to support businesses, irrespective of their stage of development. The teams have been among the main fundraisers in Europe for non-listed European growth companies. In recent months, they have supported more than a dozen fundraisings,

such as that for Devialet, a company transforming the quality of sound through hi-end speakers and other sound platforms, on a €100 million fundraising, as well as a €30 million equity investment in Spineart, a medical device company focused on orthopaedic surgery, from Gimv. Bryan, Garnier & Co is also today one of the key players in initial public offerings (IPOs) on Euronext and other markets. It thus accumulates nearly two billion euros raised in twenty-four months for innovative companies. Its experience is also unparalleled concerning the introduction of European companies on US markets. The recent successful IPOs on Nasdaq of Celyad and Galapagos illustrate the bank's total ability to execute large-scale operations. Lastly, Bryan, Garnier & Co stands out in merger and acquisition deals on the European technology sectors. The firm has supported close to thirty deals in 2016 in the TMT segment, including a €22 million capital raising of Canatu, the leading manufacturer of flexible and 3D formable transparent conductive films and touch sensors.

N°1
European investment bank
on Nasdaq Technology offerings
over the last 24 months

After Europe and Asia, now in the US

Bryan, Garnier & Co is today present in the four corners of the globe with offices in Paris, London, Munich, Geneva, New York and New Delhi, as well as being represented in San Francisco, Tokyo, Singapore, Stockholm, Frankfurt, Brussels and Barcelona. In India, it has been able to expand its capacity through an exclusive partnership with a local bank – O3 Capital –, positioned on the same sectors and established as one of the leaders of the mid-cap market. The goal is to bridge the gap between the country of the Ganges and Europe. The bank continues to grow: the end of 2015 was marked by the integration of Cartagena Capital, one of the major merchant banks specializing in new

technologies in Germany and North Europe. 2016 witnessed the creation of a new transatlantic banking platform with the US bank JMP (NYSE: JMP) to form JMP Bryan Garnier. “This alliance propels us one step further. The combined industry insight, execution capabilities and transatlantic reach of JMP Bryan Garnier give us a strategic edge, filling a gap in the marketplace and enabling us to offer investment banking services on an international scale that few firms with our sector-specific focus can match,” explains Greg Revenu, Co-founder and Managing Partner of Bryan, Garnier & Co. With this building block laid in the US, the bank could also strengthen its operations in Northern Europe through an acquisition in the Nordics, over the next three years. ♦

MAJOR DEALS IN 2016	
DEAL	VALUE
Devialet – Private placement – Sole placement agent	€100m
Lexsi – Acquired by Orange – Advisor to the sellers	Confidential
Talentia – Secondary MBO – Sole advisor to the sellers	Confidential
MGI – Sale of the founders' stake to Konica Minolta – Joint financial advisor to the sellers	€64m
Tado – Private placement – Sole financial advisor	€40m
Metrologic Group – Acquired by Astorg – Sole advisor to the buyer	Confidential



Interview with
GREG REVENU
Co-founder & Managing Partner,
BRYAN GARNIER & CO

LEADERS LEAGUE. What factors contributed to the launch of JMP Bryan Garnier? **Greg Revenu.** Three parameters contributed to the launch of this transatlantic investment banking platform. The first factor is our overlap in terms of industry focus: both of us have recognized expertise in healthcare, technology and the renewable energy sectors. Secondly, we both have active M&A and capital markets services. To illustrate this, Bryan, Garnier & Co was involved in close to twenty ECM transactions over last three years, including the Nasdaq IPOs and follow-ons of LDR Holdings, DBV Technologies, Celyad or Galapagos, while JMP Securities was involved in 20% of the tech and biotech IPOs in the US. In fact, we started working together on the IPO of LDR Holding as early as in 2013 and know each other very well. Last but not least, there is no risk of confrontation. We share the same entrepreneurial spirit and don't intend to enter each other's historical market,

“Many mid-sized startups now require specialist financial advisors”

the idea being to create a joint platform for our common growth and partner on the origination and execution of transatlantic deals, facilitating access to the American market for European clients and vice versa.

How have the financing needs of growth companies evolved in the tech and health sectors?

The market has evolved to a point where a huge number of mid-sized startups now require specialist financial advisors who understand their technologies and share the same agility. However, big investment banks don't have the adequate size, culture or structure to address such demands, and that's where independent boutiques like us come in, to accompany these clients all along their financing chain and develop their pool of investors in Europe as well as in the US, support them in their acquisition strategy or strategic sale, for which a global presence is essential. In that regard, JMP Bryan Garnier is a transatlantic bridge between institutional investors, strategic investors, and growth companies.

What is your strategy for the future?

Since 1996, Bryan, Garnier & Co has been striving to build the European leading full-service growth investment bank. We have not lost our focus in spite of the adverse environment we have faced over the past 20 years. Our focus today remains as strong as ever, supported by 150 professionals, 15 partners, and even more importantly hundreds of fast growing clients such as Devialet, Symetis or Tado. They demand increasing support and long term commitment to help fund their growth privately or on the European and US stock markets, ask us to conduct their acquisition strategies, or rely on us to find the right industrial partners when the time for selling comes. To fulfill this demanding ambition, we deploy continuous effort to seek new partners to join us, and increase our presence in the key geographies of our industry focus. Northern Europe, where life science meets technology, has been a key region for Bryan, Garnier & Co over the recent years, with clients such as Zealand Pharma, Canatu or Visedo. It is today an important area of development for our firm. ♦



Interview with
CARTER MACK
President, **JMP GROUP**

LEADERS LEAGUE. How did the alliance between JMP and Bryan Garnier come about?

Carter Mack. Our relationship with Bryan Garnier began a number of years ago, when we co-managed on an IPO for a medical device company. Subsequently we saw them a number of times in deals we were both on. Their middle-market investment banking platform focused on technology and life sciences in Europe is very similar to the type of platform we have in the US. A couple of years later their managing partner, Greg Revenu, got in touch with us

“Bryan Garnier provides market access for our clients in Europe”

and said they were looking for a partner to do an alliance for cross-border transactions. Since we were looking to grow into Europe, we felt this was a good way to do it.

What does the partnership/agreement mean for your clients, and how will it benefit their interests?

Many of Bryan Garnier's clients in Europe are focused on technology or life sciences, so when they are looking to sell their companies and they want to have access to US buyers, we can open those doors. For us, Bryan Garnier provides access for our clients who want to market in Europe. Given the amount of cross-border business that is being done, it is a very important

alliance. When either of us has a client that is looking for broad marketing, the alliance allows us to do that.

What is the perspective for JMP Bryan Garnier?

A lot of European biotech companies look to go public in the US because it's a bigger, more developed capital market and because there are more funds here dedicated to life sciences. Many of their European clients are interested in an IPO listed in the US or are looking to get a listing on NASDAQ. We also have an opportunity to work together on a lot of cross-border M&A deals in the technology space, which is a really compelling reason for the alliance. ♦



Interview with
FALK MÜLLER-VEERSE
Partner, **BRYAN GARNIER & CO (GERMANY)**

LEADERS LEAGUE. How have things evolved since Cartagena Capital's merger with Bryan Garnier & Co in January 2016?

Falk Müller-Veerse. The merger of Cartagena Capital and Bryan Garnier went very well! It was the right decision to join a larger, more international investment banking firm with a broader product portfolio. The ability to do IPOs and bigger deals in a broader range of

“More tourist investors are getting into the German venture/growth markets”

sectors has indeed opened significant opportunities for our team. It's been a great experience so far.

From tado°, Canatu to Visedo, you had a very active and diverse 2016. Which sectors do you think are especially promising targets for investors?

We believe that there will be continuous interest in everything around next generation automotive technologies, the Internet of Things, artificial intelligence, SaaS and medtech/healthcare. These sectors are very high

on the shopping list of many investors active in Europe.

What do you think of the funding landscape in Germany over last 12 months?

The investor universe has been growing fast and we are seeing an increasing number of tourist investors, such as hedge funds and private equity players, getting into the venture/growth markets in Germany. This comes on top of new venture/growth funds being raised and a growing number of strategic investors hunting for innovative companies with superior offerings. ♦



Interview with
NICOLAS D'HALLUIN
Partner, **BRYAN GARNIER & CO (US)**

LEADERS LEAGUE. What is the positioning of Bryan Garnier in the US?

Nicolas d'Halluin. In the US, we sell European stocks to American institutions, distribute secondary research, and also have the capacity of distributing primary transactions, which are initiated out of the Paris office, such as equity capital markets, IPOs, capital increase and financing. Our positioning isn't one of a global firm but that of a sector-specialized brokerage firm, with a focus on healthcare, and we also cover other pillars of Bryan Garnier, namely consumer and IT/technology.

“US investors have increasingly stronger interests in European companies”

How have your intuitional clients' demands evolved in recent years?

We have observed strong demand from US clients in the healthcare sector, which has contributed to our success. In addition, investors have increasingly stronger interests in European companies, as in general the valuation of European companies compared to their US peers is much lower, particularly in the biotech industry. One main reason is that the American ecosystem of dedicated biotech investors is much more developed, which helps companies to be more recognized and followed to achieve high valuations. However, I expect the European market to catch up with the US in the future.

With the elections in the US and in Europe, are your clients concerned with all of these political changes?

Yes, absolutely. We saw a very strong market evolution after the US presidential election, which is mostly built on promises, so I think the challenge of the Trump administration would be to deliver those promises and the market will react accordingly. In Europe investors are currently very concerned about the elections, especially in France, whose results could determine the future of the euro and put Europe in jeopardy, so now investors have more of a wait-and-see attitude until there is more clarity and vision on what is going to happen. ♦



Interview with
ROBERT PFEIFFER
Managing Director – Media Team,
BRYAN GARNIER & CO

LEADERS LEAGUE. What challenges does the media sector face today, and how does Bryan Garnier plan to work with its clients involved in this sector?

Robert Pfeiffer. Consumers nowadays find music, magazines, news, TV content, films, live entertainment, games etc. simply by clicking on their phones or iPads. This has forced a wide range of media companies into competition with other forms of media that they had to date only seen as peripheral to their activity. A second factor that affects and transforms all media is the dominance of Google

“All media companies need to master mobile content delivery”

and Facebook in digital media and their control over the profitability of any media distributed digitally. This has caused traditional media content owners and producers unparalleled value destruction and forced entire segments of the media industry to consolidate or even go out of business.

We believe that this tide of value transfer from the media companies to Google and Facebook is about to turn. Content will regain (some of) the clout it has traditionally had. Our task and responsibility is to advise media companies on how to make the most of this value opportunity by gaining access to capital for growth, acquisitions and the transformation of old business models.

What are the characteristics of a media company with investment potential?

Media companies offer a range of attractive investment opportunities: from the low risk, reliable cash flows of a music publishing company to the exciting and rapid value explosion of a digital games company, there is any combination of risk/return available to investors. To succeed in the digital age, all media companies need to master mobile content delivery. This is not simply a technological challenge, but at its heart a content creation competency. The best media companies will work out revenue opportunities linked to the audience's media consumption habits, the individual person's life situation and the purchasing decisions that follow from that. ♦