

bpifrance

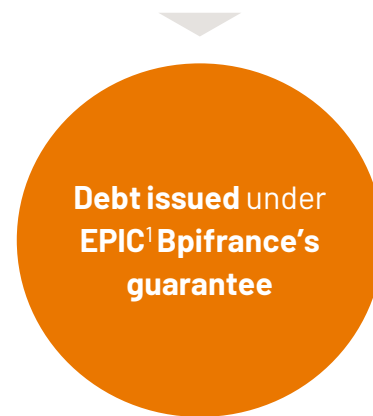
PETERSON INSTITUTE FOR INTERNATIONAL ECONOMICS

ARNAUD CAUDOUX - DEPUTY CEO OF BPIFRANCE

DECEMBER 2024

FRANCE'S DEVELOPMENT BANK, INNOVATION AGENCY, "SOVEREIGN" FUND AND ECA

- Bpifrance has a **highly protected legal status** and is **closely supervised by the public authorities**: the French State, through EPIC¹ Bpifrance (49.18%) and the Caisse des Dépôts (49.18%), owns and controls Bpifrance
- Its **missions** are **established by the Act** of 12 July 2013: *"Bpifrance is a public group that aims to finance and support the development of companies, acting in accordance with the public policies implemented both by the State and regional authorities"*²



Rating in line with France's:

- **Aa2** negative (long term) / P-1 (short term) by Moody's
- **AA-** negative (long term) / F1+ (short term) by Fitch Ratings



Bpifrance fully-loaded Basel 3 CET1 ratio: 28.0% as at 30/06/2024



Liquidity: High-Quality Liquid Assets level 1 and recognized as agency paper by the ECB³

Agency haircut under the ECB³ haircut schedule

SCR⁵: estimated risk factor stress of 0% for spread risk on bonds and loans

Basel II: attractive⁶ risk weighting

¹ EPIC Bpifrance is also classified as an Other Government Body (*Organisme Divers d'Administration Centrale* - "ODAC"), which means that its debt is consolidated with that of the State (under the Maastricht Rules)

² Article 1 of Act No. 2012-1559 of 31 December 2012 on the creation of Bpifrance: <http://www.legifrance.gouv.fr/eli/loi/2012/12/31/2012-1559/jo/texte>

³ European Central Bank

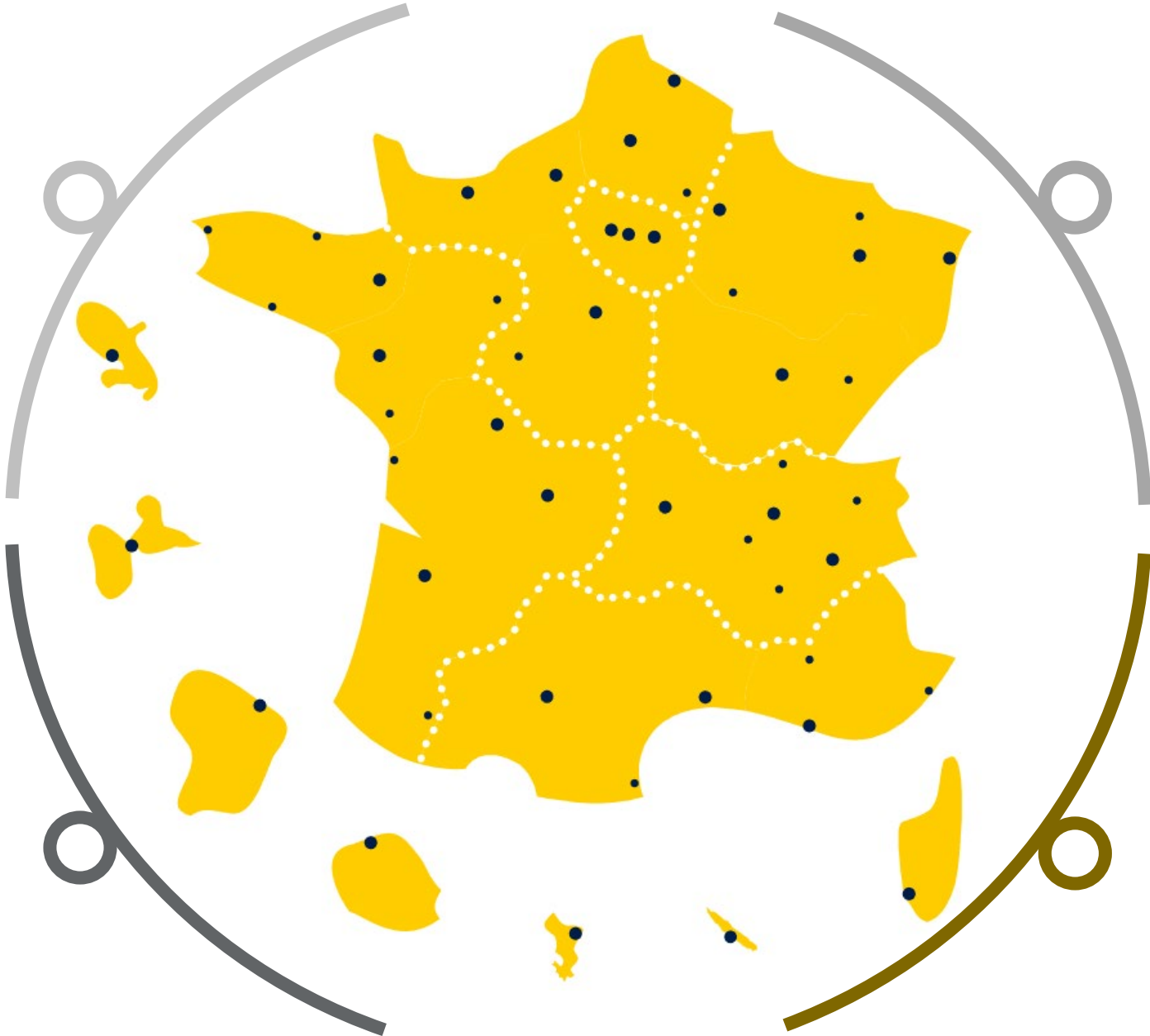
⁴ Autorité des Marchés Financiers / Autorité de Contrôle Prudentiel et de Résolution

⁵ Solvency Capital Requirement: to be noted that each investor is responsible for making its own assessment of the risk weight treatment

⁶ Basel II treatment is at 0% given the guarantee of EPIC Bpifrance, considered as an Other Government Body or ODAC (*Organisme Divers d'Administration Centrale*) by French authorities. To be noted that each investor is responsible for making its own assessment of the risk weight treatment

BPIFRANCE, A WELL-ESTABLISHED NETWORK IN THE HEART OF THE FRENCH REGIONS

Regional Offices
50 implantations in France



Bpifrance works in cooperation with regional authorities to develop financial solutions adapted to local specificities

Headcount
3,860 headcount¹ as of 31.12.2023

Bpifrance is a strong support for companies across France
535,000 companies supported over the 2013-2023 period

¹excluding 295 apprentices and work-study students

A FINANCING CONTINUUM, PRESENT IN EVERY KEY PHASE OF BUSINESS DEVELOPMENT



INNOVATION

€9.4bn of innovation financing

Bpifrance supports individual and collaborative innovative projects



CONSULTING

4,500+ businesses accelerated since 2015

Bpifrance provides advisory services and training programmes to French SMEs



CREATION

€93m of loans provided to 18,300 entrepreneurs

Bpifrance supports business creation and entrepreneurship throughout France



FINANCING

€42.8bn of outstanding in credit loans cofinanced

Bpifrance systematically seeks to cofinance loans and share risks with banks to finance all businesses



GUARANTEES

€19.9bn of guarantee commitments

Guarantees for loans granted by banking partners and/or equity funding organisations



EQUITY INVESTMENT

€53.7bn AuM (direct & indirect)¹

Bpifrance takes minor stakes in growth businesses, from the seed phase to the transfer phase, often alongside national or regional funds



INTERNATIONAL

€21bn of international financing/insurance

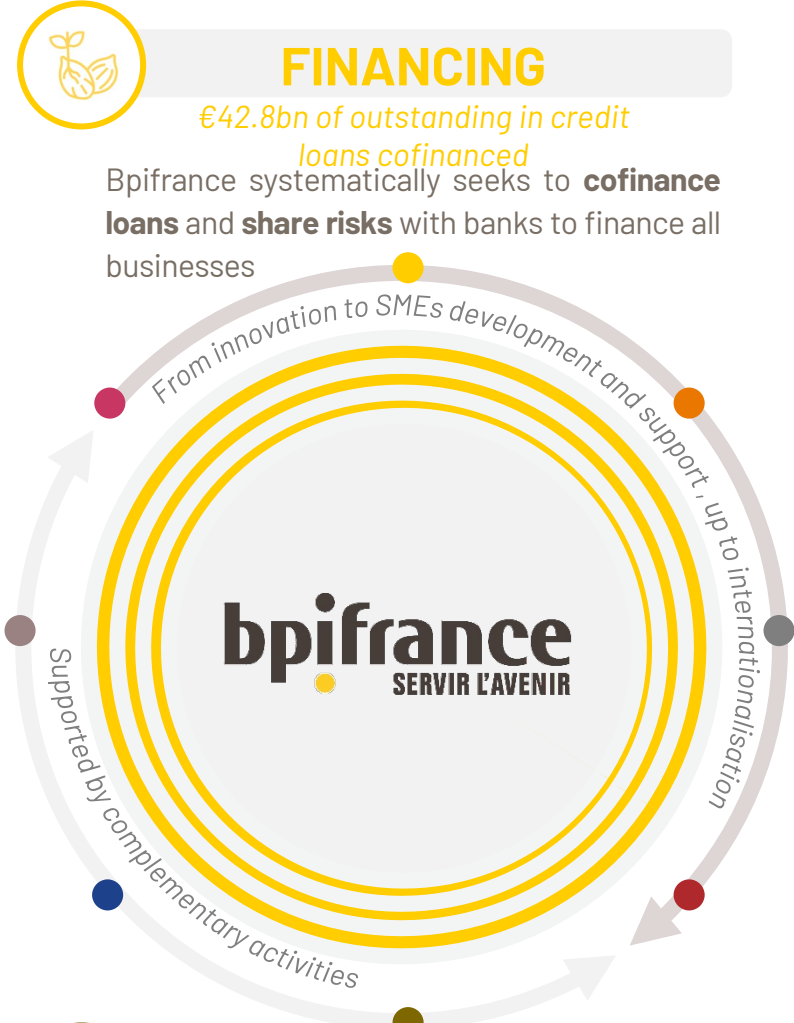
Bpifrance supports export projects through its export credit insurance activity and financing solutions



DIGITAL

€400m of digital loans

Bpifrance is a full-fledged fintech with digital platforms able to grant loans to VSEs



Note: Amount per activity at the end of 2023
1. AuM as at the end of June 2024

BPIFRANCE'S STRATEGIC PLAN: KEY FIGURES

Bpifrance Target figures 2024 - 2028

Financing

- €50bn Medium and Long-Term loans
- €30bn Short-Term loans
- €20bn Loans and aids for innovation
- €2.5bn Credit Export loans
- €1bn Digital loans

Equity

- €23bn Investment in Equity

Consulting & Coaching

- 48,000 Nb of Advisory missions
- 5,500 Nb of companies accelerated
- 1 million Nb of project leaders supported by networks
of which
- 620,000 Nb of entrepreneurs supported

Guarantees

- €27bn Guarantees commitments



€35bn

Deployed to industry



€35bn

Deployed to climate



€10bn

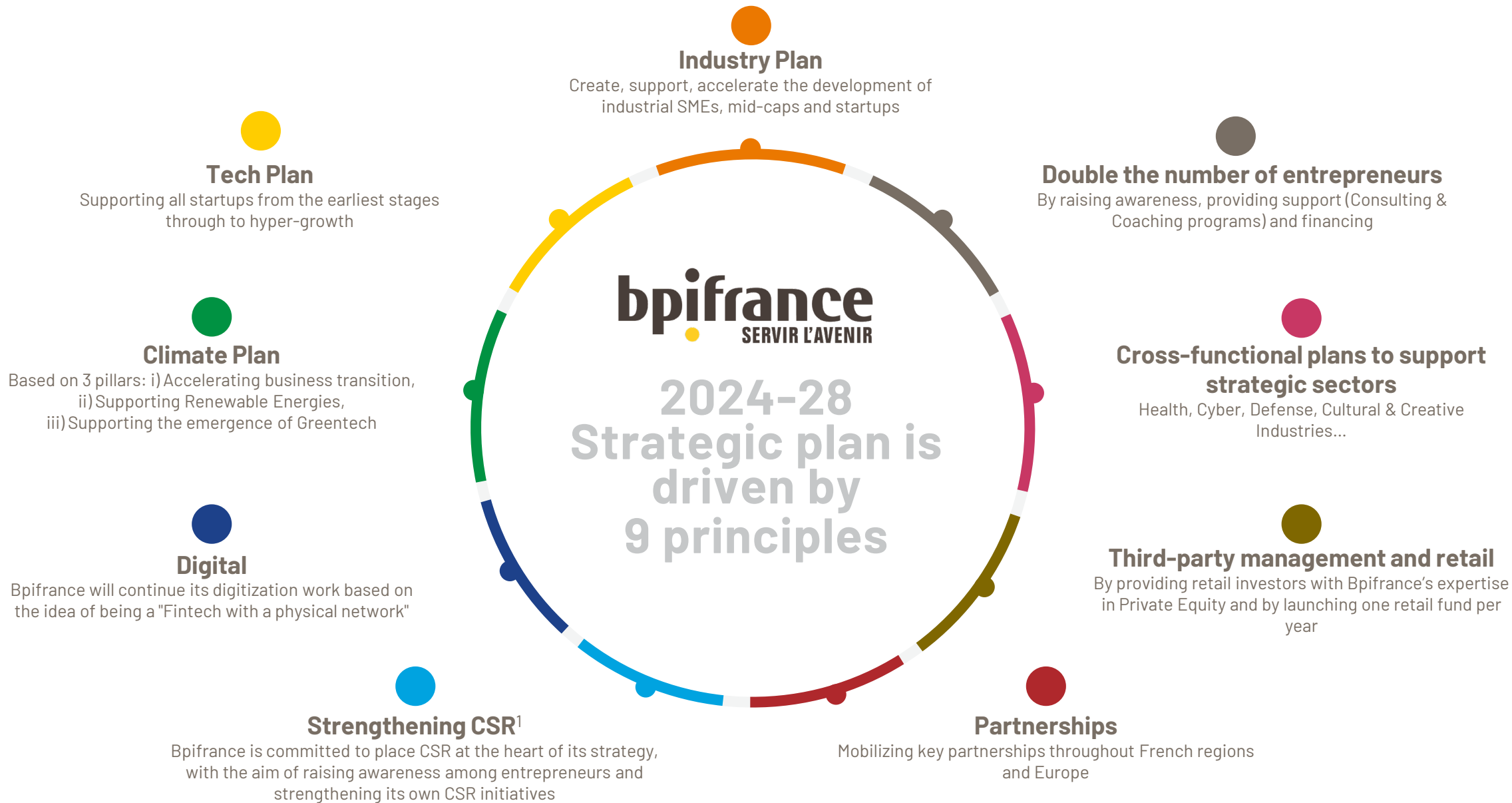
Deployed to health sector



€5bn

Deployed to AI

BPIFRANCE'S STRATEGIC PLAN IS FULLY ALIGNED WITH FRANCE'S ECONOMIC POLICY



¹Corporate Social Responsibility

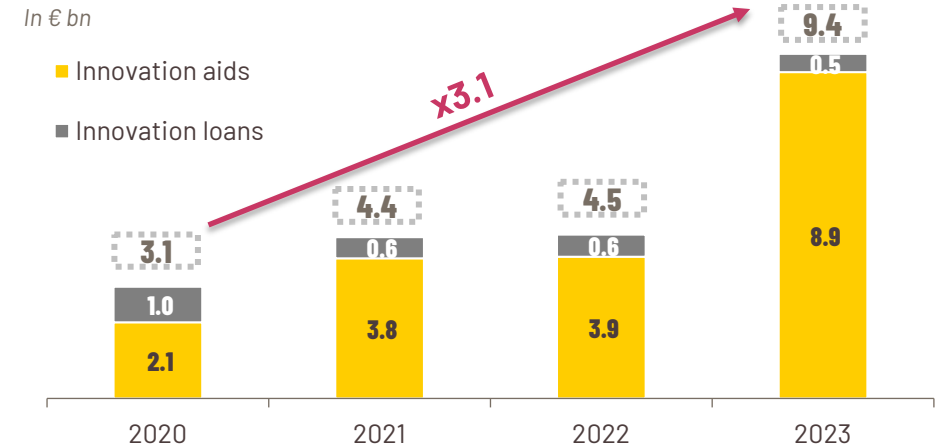
Note: https://www.bpifrance.fr/sites/default/files/inline-files/Ambitions%20strat%C3%A9giques%202024-2028%20-%20Bpifrance_5.pdf

SNAPSHOT : INNOVATION AGENCY

Financing innovation is a public interest mission written into the by-laws of Bpifrance, and financed by subsidies from the French State, the French regions and the European Union.

Innovation activity over the 2020-2023 period

- **Bpifrance offers financing solutions** adapted to companies at every stage of their development:
 - Subsidy: to promote project feasibility
 - Repayable advances: assistance for project development, refundable if successful
 - Innovation loans: to help mass-produce innovations
- **Record activity in 2023 with €9.4bn in aid and loan for innovation**, reflecting the public strategy for a significant increase in innovation support (France 2030 Plan¹).



A major role within the French innovation ecosystem



- **Bpifrance plays a leading role** in the deployment of the strategic objectives of France 2030 Plan¹.
- From its creation, Bpifrance has contributed greatly to the emergence of **La French Tech**: a unique ecosystem that brings together start-ups, investors, decision-makers and community builders.
- By the end of June 2024, more than **80% of French unicorns received funding from Bpifrance**.

¹France 2030: <https://www.economie.gouv.fr/france-2030#>

SNAPSHOT : EQUITY INVESTMENT, €53.7BN AUM

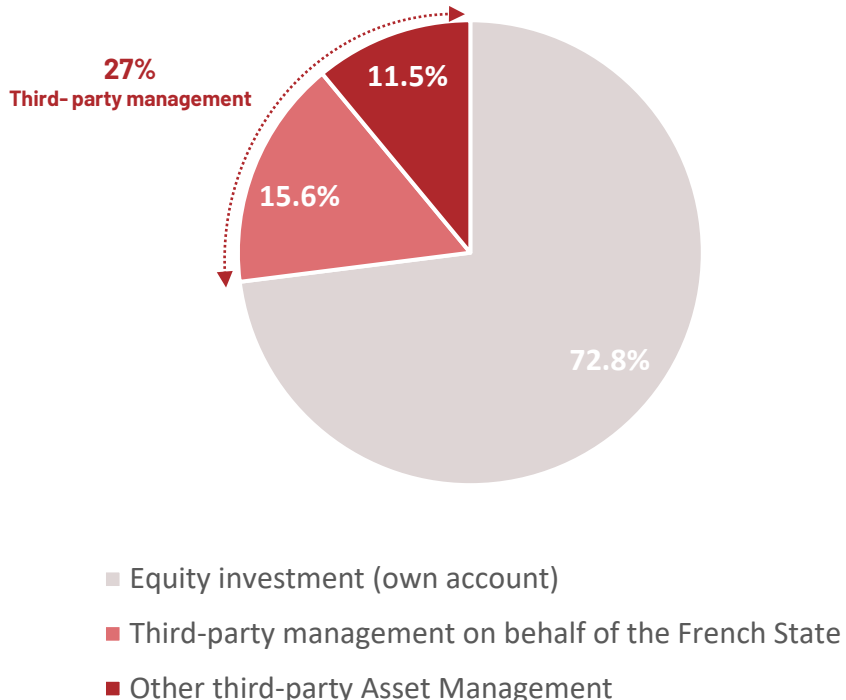
Bpifrance is a unique player in the French ecosystem **with more than €50bn AuM, 900+ companies in portfolio** and **260+ investment professionals**. The investing activity of Bpifrance comprises 3 divisions: (i) Capital Development, (ii) Venture Capital and (iii) Funds Investment.

N°3 Worldwide in 2023¹
162 deals concluded

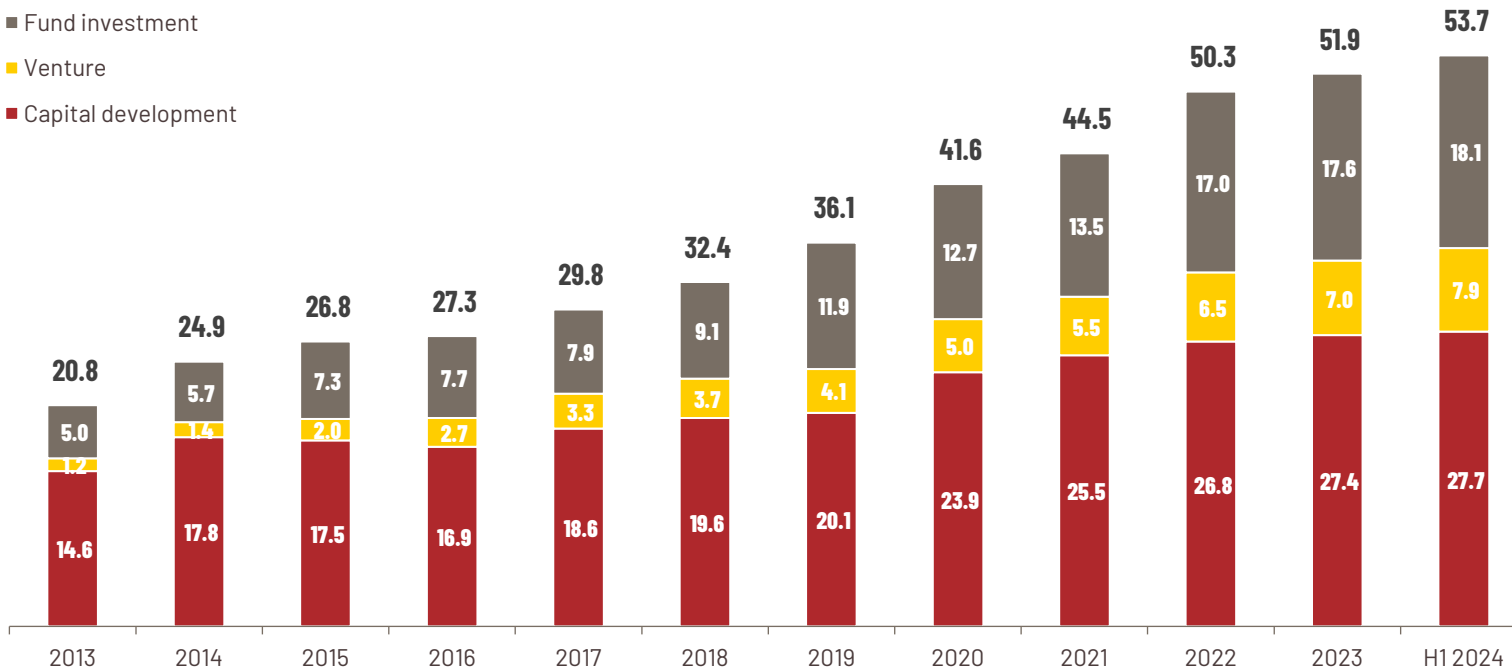
N°1 In Europe in 2023¹
153 deals concluded

N°1 In France in 2023¹

AuM by origin



AuM by business (€bn)



¹Pitchbook, Global league tables updated as of March 2024 ; #2 after Ares Management (307 deals) and KKR Credit (211 deals)

SNAPSHOT : FUND OF FUNDS ACTIVITIES

A key player in the Private Equity Industry

€18 bn

asset under management

38

funds of funds
(including 30 third-parties mandates)

30

third-parties
mandates

~650

vehicles

200+

GPs

5,500+

active companies
in funds portfolios

~€1.5 bn

invested per year since 2021

~60

new investments per year

The aim of **Bpifrance's Funds of Funds activity** is to **leverage the contribution of capital to companies** and generate a sustainable long-term return on investment.

With 1 billion euros deployed each year through more than 470 partner funds, Bpifrance's Funds of Funds activity aims to leverage the contribution of capital **to companies and generate a sustainable long-term return on investment.**

GUIDING PRINCIPLES OF THE EQUITY INVESTMENT ACTIVITY

• Prudent Investors

• Public Interest

• Long Term

• Socially Responsible

- **Minority investments**
- **Patient investments** (average horizon of up to 8-10 years)
- **Search for profitable operations** (positive return expected on Bpifrance's equity capital)
- **Public interest criteria** (employment, competitiveness and innovation) taken into account in the decision-making process
- **No stakes in highly-leveraged deals or transactions**

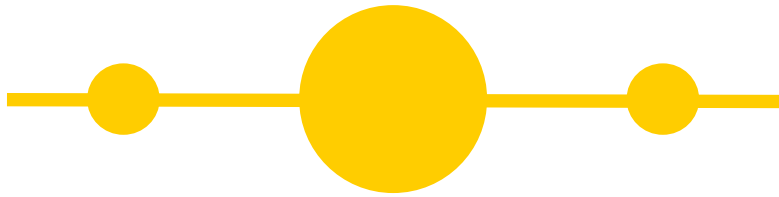
Targeted Sectors and Companies

- Investment in all sectors except:
 - Infrastructure, property and real estate, banking and finance, media organisations and research institutes
- Focus on:
 - **Growth sectors**, particularly biotechnology, digital technology and the energy and ecological transition
 - **Building up** existing operations
- From **small** (SME size) to **large caps**
- Limited stakes in funds involved in company restructuring proceedings

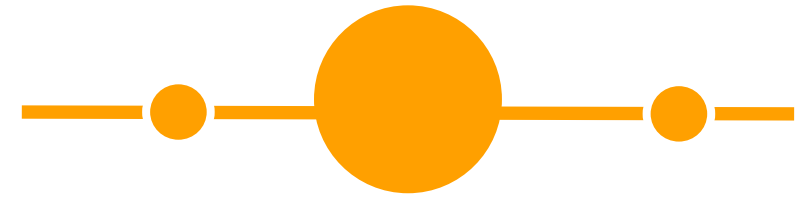
Systematic Partnership with Partner Funds

- Systematic search for **joint investments with private investors** (both as an LP and as a GP)

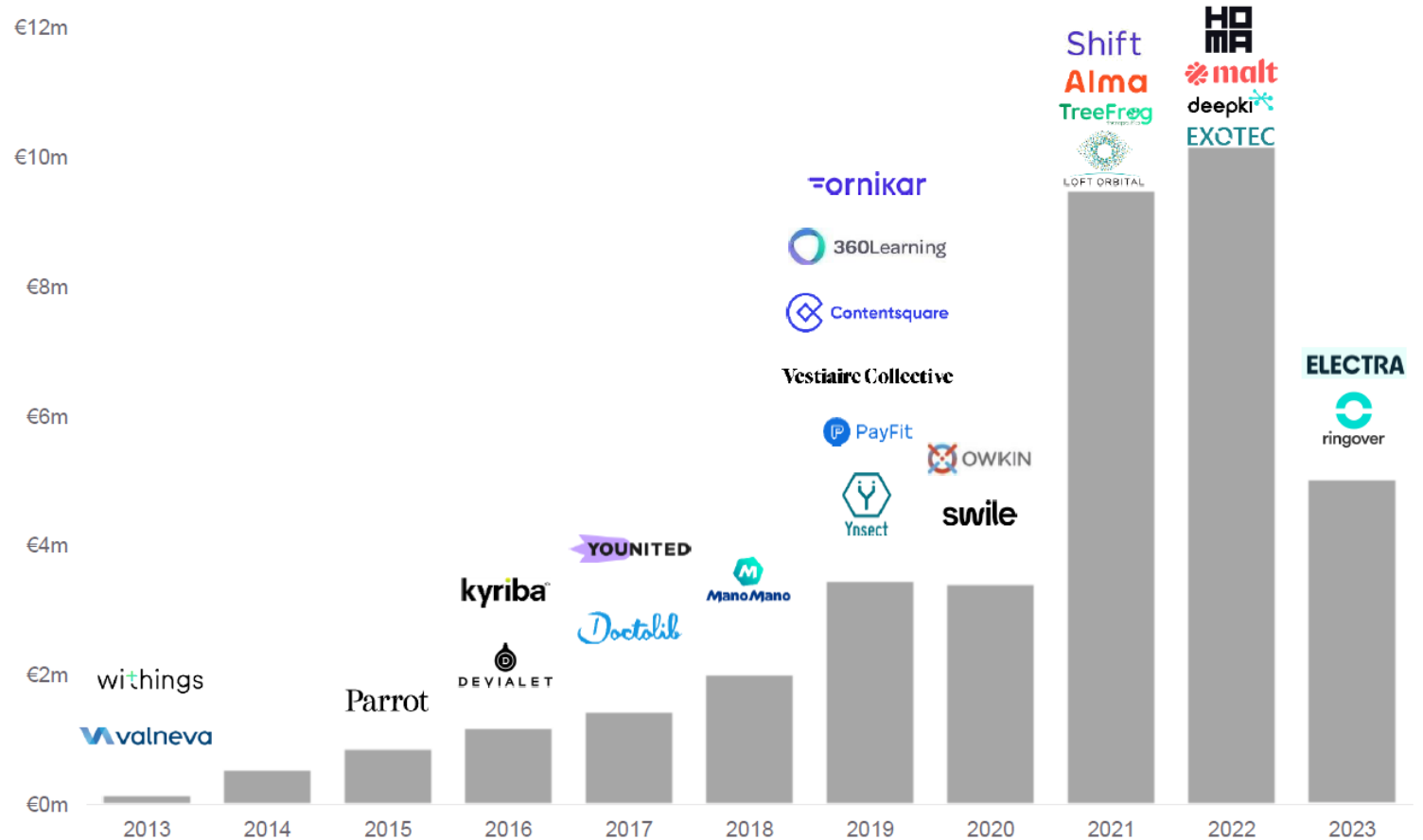
SNAPSHOT : BPIFRANCE LARGE VENTURE



- Bpifrance offers a wide range of financing solutions, **supporting companies throughout their growth journey**, from the initial seed stage to the IPO phase. These solutions include **equity investments** and **credit options**. Bpifrance operates through two main divisions: **Bpifrance Financing** and **Bpifrance Investment**
- Since 2013, **Large Venture** has been supporting the growth ecosystem of France and has contributed to the emergence of prominent scale-ups. As of today, these scale-ups represent two-thirds of the portfolio
- LV : € 2,5 bn AUM / € 1,8 bn Amout deployed / 65+ portfolio companies / + 29% average growth in 2023 /



Fundraising in the French private market exceeding €20 million since 2013





THANK YOU