



Joint press release

4 April 2007

KBC Arkiv invests in Multi Media Services (MMS)

KBC Arkiv, the joint subsidiary of KBC Private Equity and Arkimedes, has invested in Multi Media Services (MMS), a leading group in the distribution of home entertainment products such as pre-recorded film DVDs, audio CDs and games. This is the 4th investment made by KBC Arkiv.

MMS sells these products to big department stores and other retail outlets (including specialist stores, CD shops, toy shops, etc.). More than 1000 new titles are added to the range every week. For a number of big department store customers, the selection is also managed (so-called 'rackjobbing').

This service includes selecting new items, installing the anti-theft system, filling the shelves, and managing the return of unsold items. The service is largely driven by an integrated IT platform. The group has recently invested in a new warehouse in Herenthout.

Jo Douven, General Manager of the MMS group states: "The MMS group has seen strong growth in the Belgian market and is constantly extending its offering. Major growth opportunities exist in the geographical expansion of existing customers who are also active abroad, in the further development of selection management and the management of our customers' shop shelves, and the integration of the MMS IT platform with those of our customers. We feel that it is useful to implement this strategy together with a strong financial partner."

Jo Breesch, Senior Investment Manager of KBC Arkiv comments "The MMS group's track record in recent years has been one of profitable growth, and we feel that it is well placed to strengthen its position in the market. We support the MMS group's ambition to continue growing in a controlled way and to further invest in the integrated IT platform. KBC Arkiv's contribution will lay the financial foundations for these plans."

For more information, please contact:

MMS: Jo Douven, General Manager
Tel. : +32 14 25 85 40 – E-mail: jo.douven@multimediaservices.be

KBC Arkiv: Jo Breesch, Senior Investment Manager
Tel. : +32 2 429 16 15 – E-mail: jo.breesch@kbcpe.be

Philippe de Vicq, Managing Director
Tel.: +32 2 429 22 49 – E-mail: philippe.devicq@kbcpe.be

NOTE FOR THE EDITOR:

About Multi Media Services

The MMS group comprises 2 operational companies. Multi Media Services includes the distribution of the home entertainment products. Merchandising Logistic Services is a logistics platform that provides services associated with the sale of home entertainment products such as order picking, checking, anti-theft protection and the taking back of unsold items.

MMS was Trends Gazelle for the province of Antwerp in the small businesses category in 2004. A year later, it was Trends Gazelle for medium-sized businesses, and this year, just 2 years later, for large enterprises.

In its last financial year, the MMS group recorded a turnover of 24 million euros and is forecasting growth in the coming years of 10% per annum.

For more information, surf to www.multimediaservices.be

About KBC Arkiv

A joint subsidiary of KBC Private Equity and Arkimedes, KBC Arkiv provides development capital and advice to innovative and fast-growing Flemish companies. KBC Arkiv is a 10-year closed-end fund with an investment budget of 25 million euros. It is managed by KBC Private Equity. KBC Arkiv has subsequently invested in 4 Flemish growth companies. For more information, surf to www.kbcarkiv.be.

About KBC Private Equity

KBC Private Equity - the investment company of the KBC group - provides development capital, finances acquisitions, and provides funds and advice to medium-sized companies in Belgium and in Central and Eastern Europe, KBC's home markets. Boasting an experienced team of 25 people, it has more than 60 active investments in portfolio with a market value in excess of 450 million euros. For more information, surf to www.kbcpe.be

About Arkimedes

ARKimedes (*Activering RisicoKapitaal*) is an initiative launched by the Flemish Government to make private equity available to fast-growing Flemish companies. It has raised 110 million euros from private investors and aims to use these resources to double the private equity pumped into Flemish SMEs by professional investment funds (i.e. by matching each euro invested by these funds). For more information, surf to www.arkimedes.be.