FINANCIAL RESTRUCTURING AGREEMENT SIGNED BETWEEN CPI AND ITS CREDITORS

BOULOGNE-BILLANCOURT, October 28th 2009

The French company CPI, number one black and white book printer in Europe, notified its lenders beginning of 2009 of a breach of its financial covenants, established in September 2005 when the Group entered into an LBO.

An agreement has been unanimously signed between CPI's shareholders and all 18 members of the lending pool, providing for:

- The exit of existing shareholders from the company's share capital
- Lenders taking direct ownership of the company's share capital and providing 30 million euros to finance CPI's new development plan.

Moreover, CPI's current management team invests in the company alongside the banks.

The main elements of this financial restructuring are :

- Current shareholders abandon all their debt and equity stakes in the company
- Total financial debt is reduced from 420 to 123 million euros, including senior debt revised downwards from 328 million to 123 million euros.
- Issuance of mandatory convertible bonds (ORA) for a total amount of 40 million euros to the benefit of senior lenders.
- Granting by some of the banks of the existing syndicate of a 30 million euros revolver credit facility.
- Access to a flexible leasing and factoring line of 27.5 million euros

Throughout the 6 month negotiation, discussions were conducted in a constructive and professional manner. Lenders and shareholders consistently demonstrated their desire to preserve the future of the company and have made significant financial sacrifices to that end.

Pierre-François Catté, CPI Chairman of the Executive Board, « *is very happy with the spirit in which this transaction was realised, and with the ability of the company's employees to remain focused on day-to-day operations and on maintaining customer satisfaction in a difficult environment. More than a year of work was needed to reach this agreement, providing the company the financial capacity to continue to innovate and improve the quality of our products and services offered customers* ..»

Upon completion of this restructuring, the entire capital will be owned by the existing lenders. RBS will remain the agent of senior lenders.

In terms of corporate governance, CPI will have an independent supervisory board and an executive board. The supervisory board will consist of people from the book industry as well as industrial and marketing experts. The executive board will be chaired by Pierre-François Catté.

The lead advisors on the transaction were Lazard for the senior lenders, Houlihan Lokey for the company. Legal counsel to the company were Weil, Gotshal & Manges ; senior lenders were advised by Ashurst while the funds were represented by Willkie Farr & Gallagher and Latham & Watkins.

About the CPI group

CPI is the number one black and white book printer in Europe, manufacturing approximately 600 million books in 2008, with a turnover of 480 million euros. The group employs 4,000 people in 5 different countries (France, United Kingdom, Germany, The Netherlands and Czech republic).

More than 2,000 publishers, including all the major European publishing houses, trust CPI to manufacture their books. The group includes many of Europe’s longest established book manufacturing companies, such as Firmin Didot, Aubin, Clausen & Bosse in Germany, Koninklijke Wohrmann in the Netherlands or Mackays in the UK.

www.cpibooks.com