
PRESS RELEASE

Regulated information

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Connect Group announces conversion of entire subordinated bond into shares

Following last week's announcement by QuaeroQ that it was converting its share of the convertible bond into shares, Connect Group has been notified by all subscribers to the subordinated bond that they wish to convert their bonds into equity.

This conversion reflects the confidence in the future of the business of both management and all other subscribers to the loan.

With this notification, the capital of Connect Group will increase by EUR 5 million and the financial debt will reduce by the same amount.

The Board notes that the following bondholders have requested, by registered letter, the conversion of all their convertible bonds at a conversion price of EUR 1.49 per share, of which EUR 0.062 will be allocated to capital and EUR 1,428 to share premium.

- QuaeroQ CVBA: a convertible bond of EUR 2,900,000;
- Limburgse Reconversie Maatschappij NV: a convertible bond of EUR 925,000;
- Mr Marcel Teughels: a convertible bond of EUR 250,000;
- Mr Luc Switten: a convertible bond of EUR 250,000;
- Stokklinx BVBA: a convertible bond of EUR 250,000;
- Flor Peersman BVBA: a convertible bond of EUR 100,000;
- Mr Hugo Ciroux: a convertible bond of EUR 100,000;
- Mr Marcel Verbruggen: a convertible bond of EUR 100,000;
- Jura Holding SA: a convertible bond of EUR 75,000;
- Mr Herman Struiwigh: a convertible bond of EUR 50,000;

This will require the enactment of the increase of capital by EUR 208,047.20 through the creation of 3,355,600 shares of equal value and with same rights and benefits as the existing shares. The other EUR 4,791,796.80 will be recorded as share premium.

The new shares will be listed on Euronext and delivered within three months of the enactment of the implementation of the capital increase on 5 May 2011 following the conversion in question.

Following this conversion, the total number of Connect Group shares will amount to 10,290,024 (6,934,424 existing shares and 3,355,600 new), all with the same rights.

This capital increase will change the shareholding structure. The key shareholders above the 3 percent reporting threshold will be:

	Previously (in %)	After capital increase (in %)
Huub Baren BVBA :	31.2	21.1
QuaeroQ	1.4	19.9
LRM	18.0	18.2
Luc Switten	3.7	4.1
Het Beste Brood	3.5	4.0

Connect Group

Connect Group offers cost-effective, high quality production services to the professional industry. Activities include the production of cables and cable trees, PCB assembly and testing, production of semi-manufactures and final product assembly.

Connect Group's references include companies such as Alstom, ASML, Atlas Copco, Atos, Barco and Philips.

The company currently employs around 1,700 people in various facilities in Europe. The company's shares are traded on NYSE Euronext Brussels: CONN (www.euronext.com).

Investor Relations

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