

Kreos Capital welcomes five new, top-tier investors to its Third Fund

London, 7 May 2009: Kreos Capital, Europe's leading provider of specialty debt solutions to high growth companies, is delighted to announce that five new top tier investors have joined its third fund, Kreos III.

The new investors in Kreos III are Paul Capital, AIG PineStar Capital (the secondaries private equity team of AIG Investments), HarbourVest Partners, Access Capital Partners and SVB Financial Group. Their new investments follow a EUR 150m syndication via the secondary market by the principal founding investor, Merrill Lynch. This syndication was central to Merrill Lynch's and Kreos's original strategy of building a diversified investor base from the time of Kreos III's inception in 2007. Merrill Lynch continues to be committed to the specialty debt asset class and Kreos, and remains as the second largest single investor in Kreos III.

Kreos III started investing in January 2007 and has already committed over EUR 330m to more than 80 companies, across all industrial sectors and stages of investment, in 12 countries partnering with top-tier European equity sponsors. The fund will continue to make new investments over the next 2 years to total more than EUR 500m overall, being a consistent source of capital to leading equity sponsor-backed companies, even in the current investing environment.

Roman Kogan, Director at Merrill Lynch, commented: "We are delighted to be continuing our long-standing relationship with Kreos Capital. Despite challenging market conditions Kreos and Merrill Lynch were able to successfully accomplish our strategic objective of diversifying Kreos III's investor base. We are extremely pleased to be partnering alongside some of the world's leading alternative asset investors. This transaction speaks volumes for the importance of specialty debt as an asset class and for the expertise and professionalism of Kreos Capital."

Guy Rico, Partner at Paul Capital, commented: "We are extremely pleased to have this opportunity to invest with Kreos. The team's industry leadership and experience through cycles has allowed it to create a uniquely diversified, high quality portfolio. Kreos is also well-positioned to capitalize on current market opportunities."

Raoul Stein, general partner at Kreos, commented: "This investment further solidifies Kreos's position as one of the premier specialty debt providers outside the US. We have now assembled the strongest possible group of top tier investors, to ensure a dynamic future for Kreos. This is a direct endorsement of Kreos's team as well as of specialty debt as a key component in the growth capital ecosystem in the UK and the rest of Europe, even during the current difficult market environment. We are delighted to have the continued support of Merrill Lynch, and that our new investors have shown this confidence in Kreos Capital, its equity sponsor partners and team. With our new long term value-added capital base, we look forward to working with our new investors to build on our first 11 years of success."

The secondary divestment and syndication process was managed by Azla Advisors (www.azla-advisors.com), a leading secondary market advisory firm.

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About Kreos Capital

Kreos Capital was formed in 1998 as Europe's first specialty debt provider to high growth companies in order to expand the financing alternatives of the maturing growth capital market. Kreos's specialty debt facilities are a combination of traditional loans or leases and growth capital and were devised to specifically address the debt needs of innovative early stage companies.

Currently, Kreos is actively investing out of its Kreos II fund closed in 2004 and out of Kreos III which began investing in 2007. To date, across all 3 of its funds since 1998, Kreos has invested more than \$1 billion in early- and late-stage, equity sponsor-backed companies.

Kreos III continues the tradition of enabling both entrepreneurs and growth capital investors to leverage a company's initial equity at a time when traditional debt financing is simply not available. This leverage allows the entrepreneurs to stretch their equity through the critical early stages of their life cycle whilst also enabling the equity sponsors to commit less capital at the outset without adversely impacting on the company's development plans. Kreos provides companies with debt financing and growth capital from inception to pre-IPO - typically in the range of EUR 750,000 to more than EUR 16 million. Focused on the value creation of its portfolio companies, Kreos takes a growth capital view on each financing situation, offering quick decisions, but without requiring Board seats, complex due diligence, share revaluation, substantial equity dilution, deposits or personal guarantees.

For more information on Kreos, its services and products:
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About Azla Advisors (www.azla-advisors.com)

Azla Advisors was formed in 2006 by a team with many years of experience as GPs, top-tier buyout & VC-backed executives and private equity advisors. Azla's operating and investing experience, unique valuation methodology which optimizes pricing, and policy of taking on limited concurrent engagements, enables Azla to provide a differentiated, client-centered, value-added suite of secondary advisory services to LPs and GPs.