

## **Kreos Capital's third fund commits more than EUR 100 million in first five months**

### **European specialty debt market for high growth companies firmly established Kreos continues to strengthen its leading position**

**London: 17th May 2007:** Kreos Capital (Kreos), Europe's leading provider of specialty debt solutions to high growth companies, announced today that it has already committed more than EUR 100 million from its new fund, Kreos III, in less than five months. The fund formally closed at the end of 2006 and has an equity capital of EUR 200 million (USD 260 million) that can be recycled multiple times. The fund offers individual financings of up to EUR 16 million both through secured loans and lease structures to equity sponsor backed start-up companies across Europe and Israel.

Amongst others, investments so far from Kreos III include:

- CodeMasters: Europe's best-selling software game-maker
- DxO Labs: The world leader in embedded software for image processing applications
- IP Access: Leading maker of picocell and femtocell 3G access points
- Nanoradio: Fabless designer of the smallest footprint, lowest-power WiFi chipset and module solutions
- Sicon: Fabless designer of performance-leading analog front end solutions for image applications
- Iamba: Pioneer in GPON components

Mårten Vading, Partner at Kreos, commented: "We are delighted to announce that we have committed over EUR 100 million from our latest fund, in such a short period of time. This reinforces Kreos's leadership position as the largest specialty debt provider to high growth companies in Europe and Israel and demonstrates the strength of the European growth capital market. As highlighted by our existing portfolio and most recent investments, Kreos has invested in many very promising companies across all sectors."

Ross Ahlgren, Partner at Kreos, continues: “This has been one of the most successful times in our development but we have only scratched the surface of Kreos’s market opportunity in Europe and Israel. We look forward to growing further over the next few years.”

Kreos established the European specialty debt market for high growth companies in 1998. Today specialty debt has been firmly established as a complementary financing tool for high growth equity sponsor-backed companies in Europe. Since its launch, Kreos has completed close to 200 transactions in 12 countries across Europe and Israel and, committed a total of more than EUR 400 million.

**-ENDS-**

### **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’ 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. Kreos III will continue 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 €750,000 to more than €15 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, please visit our website [www.kreoscapital.com](http://www.kreoscapital.com)

### **For further information:**

Please contact Isabel Fox or Louise Ballard at Ballard Associates on +44 207 062 1111.