

Greenpark Capital closes record €730m third fund

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Greenpark Capital, one of Europe's leading secondaries specialists, has closed its record €730m third fund, Greenpark International Investors III, LP ("GII3").

GII3 will acquire interests in buyout, development / growth capital, mezzanine and other funds, and portfolios of direct investments in private equity assets in the secondaries market. The fund, which brings total funds under management to €1.3bn (\$1.7bn), was capitalised by major institutions from Europe, the US, the Far East and the Middle East and will focus on investments in Europe and the US. The fund, which had an original target of €500m, attracted significant excess demand from investors keen to participate in the attractive mid-size secondaries space.

GII3 expects to originate the bulk of its purchases from pension funds, banks, funds of funds and family offices. The Fund will target mature assets, including single limited partnership positions through to portfolios of complex multi-jurisdictional fund positions, portfolios of direct investments and tail-ends of funds. Greenpark offers tailor-made, flexible solutions for sellers whilst optimising clients' objectives in terms of returns, however diverse the portfolio of assets.

This range of potential investments is widening as the market develops, with secondaries managers playing an increasingly important role as providers of liquidity solutions to the private equity industry. Greenpark Capital will continue its focus on proprietary investments and on innovative structures while maintaining its valuable reputation for professionalism and discretion.

Marleen Groen, Chief Executive of Greenpark Capital commented:

"The response to GII3 was fantastic. Increasingly secondaries are becoming an essential portfolio management tool, and naturally investors are keen to participate in the market's growth. As an established operator with two successfully invested funds behind us, we were gratified that so many of our existing investors chose to take part in our third offering.

"Investors have become increasingly receptive to secondaries as a portfolio management tool in the last few years, at the same time as they've been increasing allocations to the primary market. With our understanding of the secondaries space it was clear to us that as the market matured, and with competition increasing, the market would start shifting towards more tailored and sophisticated structures. The response we had to GII3 clearly demonstrates that our investors agree with us.

"The outlook for the secondaries market remains very positive. In the last five years the secondaries market has matured rapidly, with investors increasingly recognising the benefits of secondaries as a portfolio management tool. Between 2 and 4% of the total commitments made by investors to private equity funds now change hands each year. Large corporations and financial institutions are becoming more proactive, either voluntarily or as a result of shareholder pressure, in managing their long-term holdings or non-core activities in a more aggressive way, and that is leading to greater demand for secondaries. The increase in primary private equity funds being raised in the last couple of years has been a significant driver of secondaries, as LPs look to raise cash for new funds, or re-ups, by rationalising general partner relationships.

“The secondaries market provides much needed liquidity, and we are constantly innovating to provide tailored solutions for our clients, often in a short timeframe. The benefit of our funds is that they specialise in the niche European mid-size transaction market, with lower levels of competition and consequently fewer auctions, which enables us to offer more attractive potential returns.”

- Ends -

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Note to Editors:

Background on secondaries market

The European secondaries market has grown significantly since it began in the early 1990s, as investing institutions seek the liquidity it offers. By enabling investors to trade assets before their natural maturity, secondaries can be used to support revised asset allocation models in order to achieve the optimum mix of risk, value, territory and sector. Additionally investors are increasingly seeking earlier returns from their private equity investments, particularly as primary funds choose to hold assets for longer and more recently as they find exits harder to achieve. In the last three years secondaries funds have raised \$20.4bn globally, compared with \$12.4bn in the previous three years. Funds currently in the market or having recently closed total \$15bn so far in 2007 (source: The Private Equity Analyst).

The main driver behind the growth of the private equity secondaries market in the last two - three years has been the increasing use of secondaries as a portfolio management tool. Sales of private equity positions enable investors to, for example:

- optimise their portfolios in line with their most current investment strategy by type of fund or geography
- increase positions with preferred general partners
- undertake housekeeping
- optimise long-term returns; and
- address particular balance sheet requirements.

The shortening of the fundraising cycle coupled with an ever-increasing size of funds being raised in the primary market has imposed major constraints on the ability of private equity investors to meet the requirements of successful general partners,

which has become an important additional factor in the use of the secondaries market as a portfolio management tool.

Greenpark Capital www.greenparkcapital.com

- Greenpark Capital Limited (“Greenpark Capital”) is an independent global private equity secondaries fund manager, targeting:
 - institutional and private investors who wish to sell all or part of their positions in private equity funds before they have reached maturity

- primary private equity fund managers whose funds are close to their maturity date
- and organisations with portfolios of direct investments
- Greenpark Capital was established in 2000 and authorised by IMRO (now the Financial Services Authority) in September 2000
- The Company focuses on the buy-out markets in Western Europe and the US, and specialises in the mid-market
- Greenpark Capital's first fund, GII1, a 2002 vintage, closed on \$200.3m.
- GII2 is a 2004 vintage fund and closed on €353.5 million.
- Greenpark Capital now has approximately \$1.7 billion under management which includes GII1, GII2, GII3 and a syndicated transaction.
- Greenpark Capital:
 - prefers to avoid auctions and for its first two funds has been successful in maximising proprietary deal flow
 - maintains total discretion for deal sources and provides fair value and professional solutions for vendors
 - focuses on innovative deal structuring combined with a highly responsive approach to meeting vendors' specific needs
 - has a team offering market leading experience within Europe and the ability to transact complex deals rapidly in different language and legal jurisdictions
 - has a proven ability to put capital to work and generate superior returns was the first new dedicated secondaries fund manager to emerge in Europe for over a decade and no other fund managers have followed suit in its market space.

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