

PRESS RELEASE

Gamma Capital Partners and Headway Capital Partners in major Austrian direct secondary transaction

Gamma Capital Partners (GCP) attracts leading international secondaries specialist Headway Capital Partners, as investor in mature technology portfolio of first generation GCP funds.

London, Vienna, January 2009.

In a first direct secondary transaction for the Austrian private equity industry, funds advised by London-based firm Headway Capital Partners have invested in an extension facility to GCP's mature technology VC funds iLab24 and gamma II. The additional capital to the facility came from existing and new investors, and GCP.

Since inception in 2002/03, GCP's first-generation funds iLab24 and GII, with a combined volume of €37.7 million, have performed strongly, with one third of capital returned to investors and the bottom end of the portfolio already realised. The remaining portfolio is largely profitable and growing fast, leaving much unrealised upside. Gamma II has consistently ranked among the top funds in the 2003 vintage.

GCP raised the capital to fund an extension facility for the two funds to take advantage of late stage value-creation opportunities, and accelerate growth in the portfolio, giving potential investors access to a mature portfolio with near-term liquidity. The opportunity was offered to leading secondary players and generated wide-ranging interest. Over 40% of those approached proceeded to make an offer, and the transaction was closed in less than three months.

A leader in the European direct secondaries market for small to mid-size transactions, Headway offered an attractive combination of portfolio acquisition and fresh-money contribution, along with the possibility to add further capital through an extensive network of syndication partners. This transaction confirms the firm's position as a leading player in the continental European direct secondary market.

Laura Shen, a Partner at Headway, commented that *"Headway has known the Gamma team for years and we have looked at several opportunities together. We are now very pleased to be invested with GCP and look forward to a profitable collaboration with this fund, and possible further opportunities."*

This latest development complements the first closing of GCP's third generation fund, Gamma III, at €33m in June last year. In total, GCP doubled assets under management since early 2007 in an extremely challenging fundraising environment in general, and for European Venture Capital in particular.

GCP Partner and CFO Burkhard Feurstein confirmed that *"we are extremely happy to have attracted Headway as an investor; their investment corroborates the value created in our portfolio and confirms GCP's position as a GP of choice in the region."*

While the first generation funds iLab24 and gamma II are nearing realisations, GCP has started investing Gamma III and has already closed six deals in the past ten months.

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Notes to Editors:

About Headway Capital Partners LLP

Headway Capital Partners LLP is a London based secondary specialist providing a full range of liquidity solutions to investors seeking exits from or alternatives for their private equity assets. Headway purchases both limited partnership positions in venture capital and private equity funds as well as portfolios of direct investments. Headway differentiates itself through its focus on small to midsize transactions and its expertise in executing complex and structured deals.

Headway currently advises funds with €200m of assets under management and makes secondary investments primarily in the USA and Europe.

For further information, please visit www.headwaycap.com

About GCP Gamma Capital Partners

GCP is a leading Austrian Venture Capital Management firm with offices in Vienna (A), Lindenberg (D) and Bratislava (SK). Founded in 2002, GCP is now Austria's most active technology investor, with an investment team of eight professionals combining over 80 years' industry experience. GCP leverages in-house resources through its network of associated Advisors and Venture Partners, and invests in dynamic growth firms in German-speaking Europe, and Central and Eastern Europe. As a hands-on investor, GCP always takes an influencing role in its investments, acting as lead or co-lead investor with syndication and leverage power. In execution, the firm takes an industrial approach, with intensive preparation of each business case. The two open investment vehicles are its GIII SICAR fund and a mezzanine fund, GMP MezzoPreneurs. Currently, GCP manages close to €80 million in three VC funds, in a total of more than 25 companies. The first and second generation funds iLab24 AG and gamma II AG show outstanding risk-return profiles, and the third generation fund Gamma III SICAR has already closed six deals since inception in 2007. Investors in the funds include leading Austrian and international financial institutions as well as individual investors.

For further information, please visit www.gamma-capital.com

People:

Burkhard Feurstein & Nikolaus Spieckermann-Hutter acted for Gamma Capital Partners.

Laura Shen Lefranc structured the transaction on behalf of Headway Capital Partners.

Advisors:

Legal: **Kirkland & Ellis LLP** in London (John MacGarty), and
Haslinger Nagele & Partner GmbH in Linz (Claudia Kaindl).

Financial & Tax: **Leitner + Leitner GmbH & Co KG** (Andreas Sauer, Barbara Reinisch)