

26th January 2004

## **1BN Euros for Standard Life Investments**

### *Private Equity Fund Bursts Billion Euro Barrier*

Standard Life Investments announced that 1.09bn euros have been raised by European Strategic Partners II (ESP II), its latest private equity fund of funds, which had its final closing today (26/01/04). ESP II was 26% larger than its predecessor fund, European Strategic Partners, and exceeded target by 90m euros.

Jonny Maxwell, Chief Executive, Standard Life Investments (Private Equity) Limited, said:

"I am delighted to announce the final close of ESP II, bringing the total size of the fund to 1.09bn euros. Despite the challenging fund raising environment we saw strong interest in the product from all parts of the world. Commitments were received from North American, European, Middle Eastern, Asian and UK clients, further broadening our client base. As a result of closing ESP II, our private equity funds under management now stand at 2.4bn euros (£1.7bn), an increase of 37% during the year.

"With initial fund investments in Barclays, Permira, IPEF, Graphite, Charterhouse, CapVis and Altor, ESP II has gained early exposure to the Scandinavian, Swiss and Italian markets, the smaller end of the UK mid-market buyout sector and the larger Western European buy-out arena. Construction of the co-investment portfolio is also progressing well. We anticipate making further commitments – both in terms of fund investment and co-investment opportunities – during 2004.

"We have successfully closed our fund and exceeded our target. This has been achieved during an extremely difficult environment when a number of our competitors have closed down or been acquired having failed or struggled badly in their fundraising.

"Our deep and experienced team, a strong track record and a focused investment approach are being increasingly valued by our growing number of clients."

A total of 850m euros will be invested in private equity funds and 240m euros is available for co-investments.

Over 200m euros has already been committed to private equity funds on behalf of ESP II, including the Barclays Private Equity European Fund, Charterhouse Capital Partners VII ('Charterhouse'), Graphite Capital VI ('Graphite'), the Italian Private Equity Fund IV ('IPEF'), CapVis II, Altor 2003 and Permira Europe III ('Permira').

On the co-investments side, ESP II has invested a total of 40m euros. Firstly, ESP II made an investment of 10m euros in ONV Topco NV ('Ontex'), a co-investment with Candover. Ontex is the European leader in the market for retailer branded hygiene

products. ESP II then invested 15m euros in Danske Traelast, a co-investment with CVC. Danske Traelast is the leading builders merchant and do-it-yourself retailer in the Nordic region. Finally, during January 2004, ESP II invested 15m euros in Debenhams, a co-investment with CVC. Debenhams is one of the leading retailers in the UK.