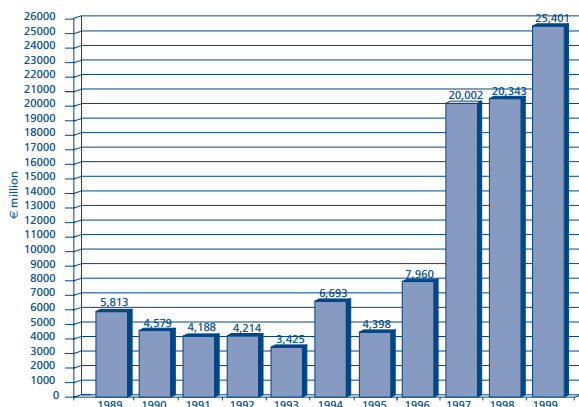


European Private Equity Highlights

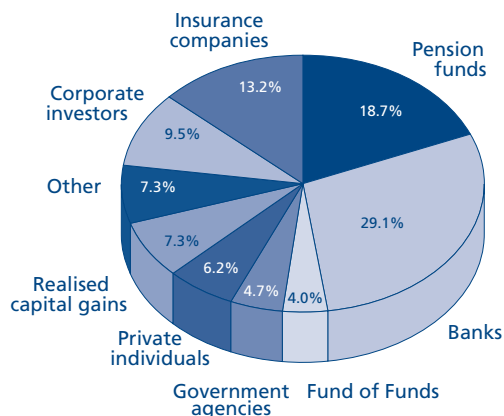
The European private equity and venture capital industry has grown dramatically over the last two decades. EVCA has tracked the development and activity of the industry through its *Annual Survey of Private Equity & Venture Capital in Europe*. It is the most comprehensive survey available on the European market, containing figures for seventeen countries and covering all stages of investment.

In 1999, the amount of new funds flowing into the industry reached a new record high of €25.4 billion. Banks and pension funds were the two largest sources of capital, contributing 29 percent and 19 percent of the total respectively.

New Funds Raised

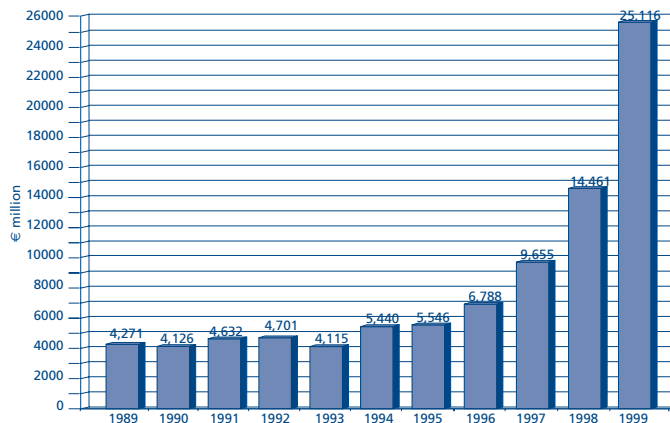


Sources of New Funds Raised in 1999



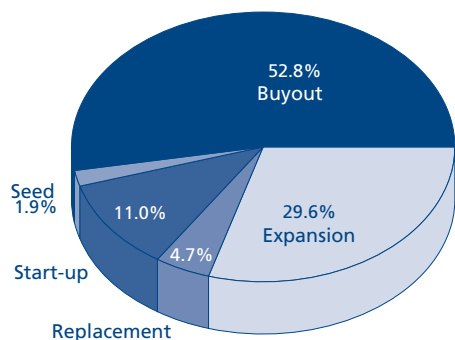
The amount of money invested in 1999 increased to a record €25.1 billion, up 74% over 1998.

Annual European Private Equity Investment

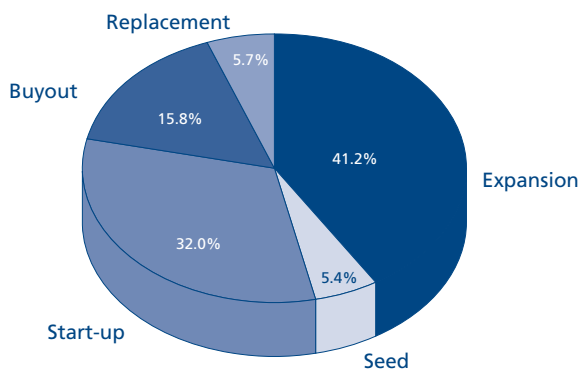


Buyouts represent the largest individual investment stage by amount invested while expansion stage investment represents the largest stage by number of deals. The amount committed to start-up investments increased by 89% in 1999.

Stage Distribution by Percentage of Amount Invested in 1999

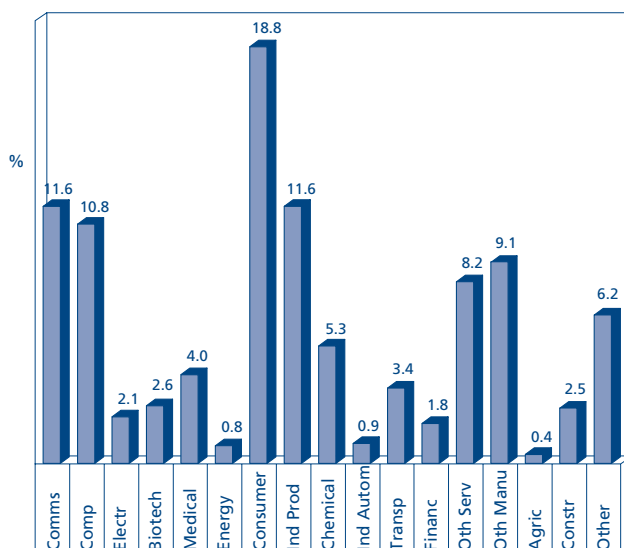


Stage Distribution by Percentage of Number of Investments in 1999

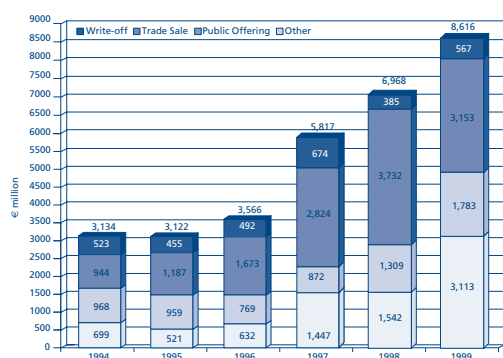


The combined high-tech sectors accounted for 26 percent of the total amount invested, while consumer-related was the largest individual sector by amount invested.

Industrial Sectors by Percentage of Amount Invested

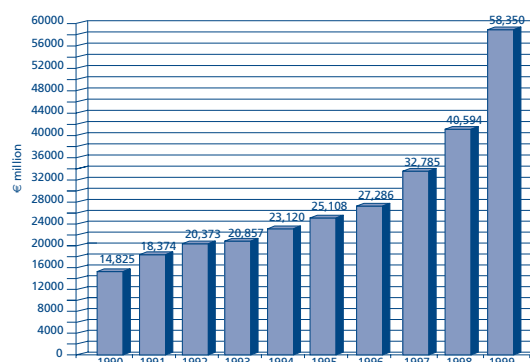


Annual European Private Equity Divestment (at cost of investment)



Divestment (at cost) increased by 24 percent in 1999 to €8.6 billion.

European Private Equity Investment Portfolio (at cost, net of divestment)



The European portfolio is now estimated to stand at €58.3 billion, net of divestment.

The above charts illustrate the flow-through of capital. All exit and portfolio figures are at the original cost of the initial investment and therefore should not be taken to represent the current actual value of exits and of the portfolio. The graph concerning funds raised includes funds raised from independent companies, semi-captive and captive (see glossary below). While the information in this publication is believed to be correct, EVCA cannot accept any responsibility for any loss, damage or other liability incurred by users or any other persons arising from its contents. All figures used in this publication are taken from the 2000 EVCA Yearbook, available from the EVCA Secretariat priced €100.

Glossary

Seed capital: funding for research, evaluation and development of a concept or business before the business actually starts trading.

Start-up and early-stage: funding for new companies being set up or for the development of those which have been in business for a short time (one to three years).

Expansion or development: funding for the growth and expansion of a company which is breaking even or trading profitably.

Replacement capital: funding for the purchase of existing shares in a company from other shareholders, be they individuals, other venture-backers or the public stock market.

Buyout: financing to enable a management team, either existing or new, and their backers to acquire their business from the existing owners, be it a family, conglomerate etc.

Independent funds: those private equity or venture capital

companies, managers or funds raising and disbursing capital raised from outside investors.

Semi-captive funds: as above, but also managing money for a parent company (typically an insurance company or institutional money manager) which may be channelled through open funds or allocated from a reserved pool internally and released when necessary.

Captive funds: those disbursing funds mainly on behalf of a parent, typically an insurance company or institutional money manager, often from an indeterminate pool of money.

Write-off: a 'failed' investment.

Trade Sale: sale of a company to a third party, often referred to as M&A.

Public Offering: sale of part or all of a company on a recognised stock exchange or bourse.