Capital Dynamics Market Environment

Quarter 1, 2009 Market environment summary

Environment - US

US economy is in a deep recession

The US economic conditions deteriorated further in the first quarter of 2009 as the US economy contracted for three consecutive quarters and displayed the weakest performance in five decades. This is the first time since the Great Depression that GDP fell more than 5% for two quarters in a row. During the quarter major economic activity indicators continued to decline as business investments, inventories, and residential fixed investment, plunged. Consumer spending, which dropped sharply in the second half of last year, grew in the first quarter. However, rising unemployment, declines in the value of housing, and tight consumer credit conditions will likely put additional pressure on consumer spending. Furthermore, the general financial market conditions improved as US government actions to stabilize the financial system showed first results with the credits spreads and the equity markets volatility declining. The steep yield curve and almost zero funding cost are supporting bank earnings and improved overall corporate profits in the first quarter.

Subsequent to the first quarter, the stock market rally fostered a significant improvement in investor's sentiment. Improved business and consumer confidence indices suggest that the rate of economic deterioration is at least slowing. However, the rising bankruptcy and debt default rates with GM as the most prominent example indicate that the recovery of the economy is likely to be slow. According to Federal Reserve Chairman Ben Bernanke the economic activity is expected "to bottom out, then to turn up later this year". It is estimated that US economy would emerge from the recession in the third quarter of this year and would grow over 3.0 % by the second half of 2010*.

* Estimate of the Economic Advisory Committee of the American Bankers Association

A table detailing the US macroeconomic data is shown below.

	Q108	Q208	Q308	Q408	Q109	q/q
GDP in % [1]	0.9	2.8	(0.5)	(6.3)	(5.5)	(6.6)
CPI in % [1]	0.4	0.9	0	(0.8)	(0.1)	(0.5)
Interest rate in % [2]	2.25	2	2.0	0.3	0.25	(2.0)
Unemployment in % [2]	5.1	5.6	6.2	7.2	8.5	3.4
Consumer confidence [2]	69.5	56.4	70.3	60.1	57.3	(12.2)
S&P 500 in % [3]	(10%)	(3%)	(9%)	(23%)	(12%)	(2%)
NASDAQ in % [3]	(14%)	1%	(9%)	(25%)	(3%)	11%
IPO number [1]	28	23	11	1	5	(82%)
IPO in USD bln [1]	22.5	4.8	1.3	0.1	1.1	(95%)
M&A in USD bln [1]	165	521	212	25	172	4%

[1] Figures are for the whole period

[2] Period end figures

[3] Change since beginning of the relevant year

Data as of June 25, 2009 from Bloomberg

GDP: GDP contracted sharply by 5.5% in the first quarter of 2009 driven by lower business investments, exports, and residential fixed investment. The decline rate was higher than expected, but still lower compared to the fourth quarter of 2008. The smaller decrease in real GDP in the first quarter than in the fourth was driven by a 1.4% increase in personal consumption expenditures (PCE).

Inflation could be a potential problem

Inflation: With the decreasing demand, prices came under deflationary pressures. However, there is a concern that a rise in commodity prices and US government bank stimulus programs may fuel high inflation rates in the future.

Interest rates: The US Federal Reserve Bank target interest rate remained at a range of 0-0.25%. It is anticipated that economic conditions are likely to warrant exceptionally low levels of the federal funds rate for an extended period.

Employment: The unemployment rate increased from 7.2% as at the end of 2008 to 8.5% at March 31, 2009 as businesses reduced their workforce and an increasing number of companies are being restructured. The unemployment rate averaged 8.1% in the quarter and continued to rise during the second quarter, with the latest reported rate at 9.5% for June 2009. Unemployment is expected to continue rising through the rest of 2009 and into 2010.

Public markets continued to decline

Public markets: Public markets volatility has decreased accounting for lower losses for the quarter. The S&P 500 was down 12%, while the NASDAQ Composite value decreased by 3% during the quarter.

Subsequent to the quarter end, public markets recovered posting strong gains throughout April and May.

IPOs: There were five IPOs raising USD 1.1 billion. A comparison with the previous year numbers show that the IPO market was de facto closed. Mead Johnson Nutrition, a spin-off from Bristol-Myers Squibb, was the largest IPO to price since April last year raising USD 562.5 million.

M&A activity has picked up in the first quarter of 2009

M&A: With low equity valuations, the M&A activity bounced back in the first quarter of 2009. The disclosed deal volumes increased by 4% compared to the same quarter of 2008 and seven times over the last quarter of 2008. Two largest M&A deals of a combined value of USD 111.0 billion were announced by the pharmaceutical giants Pfizer Inc. and Merck & Co intending to acquire WYETH and Schering Plough, respectively.

Private equity markets

Fundraising and investment activity declined as effects of recessional economy

In line with macro economic developments, the slow fundraising activity from the fourth quarter continued into 2009. During the first quarter of 2009 private equity funds raised USD 26.2 billion which is little more then a quarter of the amount raised in the same quarter of 2008. Buyout funds accounted for the major bulk of commitments, but the share of commitments made to the funds focusing on energy, distressed, and real estate strategies had a marked increase.

Similarly, the investment volumes dropped sharply by 92% in the year-over-year comparison with 120 closed transactions for a total of USD 5 billion as opposed to 253 deals with total value of USD 63.3 billion, according to Thomson Reuters. Add-on acquisitions dominated the quarter while turnaround and bankruptcy deals increased in share as more companies become insolvent. The largest deal valued at USD 1.3 billion involved the bankruptcy acquisition of IndyMac Bancorp by an investor group including J.C. Flowers & Co LLC.

A table detailing the US private equity data is shown below.

all values in USD billion		Q108	Q208	Q308	Q408	Q109	q/q
LBO	Funds raised	86.5	64.5	61.0	19.1	21.7	(75%)
	Number of funds	97	90	64	47	54	(44%)
	Drawdowns	13.0	12.6	12.6	6.5	n/a	n/a
	Distributions	1.9	4.1	4.0	2.1	n/a	n/a
	Appreciation as % of NAV	(0.5%)	(0.5%)	(3.7%)	(7.9%)	n/a	n/a
	5 year rolling IRR	16%	14%	12%	10%	n/a	n/a
VC	Funds raised	7.1	9.2	8.4	3.5	4.5	(37%)
	Number of funds	71	79	62	47	46	(35%)
	Drawdowns	1.6	1.5	1.8	0.8	n/a	n/a
	Distributions	1.9	1.3	1.1	1.1	n/a	n/a
	Appreciation as % of NAV	(1.0%)	0.5%	(2.1%)	(5.1%)	n/a	n/a
	5 year rolling IRR	9%	9%	9%	7%	n/a	n/a

Data as of June 22, 2009 from Venture Economics

n/a - Data is not available as Venture Economics discontinued the reporting of preliminary figures. Final figures will be released in August.

LBO

With the changes in the credit markets, the LBO firms shift the focus on strategic add-on acquisitions

LBO and Mezzanine fundraising remained at a low level. This is driven by many LBO firms either postponing their fundraising efforts or lowering targets as indicated in USD 21.7 billions raised by only 54 funds. The share of large (USD 1+ billion) buyout funds decreased by 5% compared to 2008 figures. A substantial part of Q1 fundraising is attributable to Hellman & Friedman raising USD 6.0 billion.

LBO deals volumes decreased further in the first quarter due a lack of the bank leveraged financing. On the other hand, LBO firms continue to identify new investments opportunities. As public stock valuations declined, some funds accumulate toehold positions in public companies and conclude PIPE transactions. In addition, the dislocation in secondary debt markets prompted some funds to buy back the debt of their portfolio companies at significant discounts, to ease the debt burden of those companies.

The slow pace of the exits continued in the first quarter. According to Thomson Reuters, the number of M&A exits decreased by 24%. Disclosed deal values, however, increased to USD 28.4 billion driven by the sale of Alltel Corporation to Verizon Communications by TPG Capital and Goldman Sachs. The IPO market remained closed in the first quarter as no LBO firm attempted to exit the investments through IPO.

In line with the low investment and exit activity, drawdown and distribution amounts are expected to decrease in the first quarter of 2009. Net asset values are expected to continue declining in the first quarter reflecting the impact of a prolonged recession on company earnings.

VC

VC firms’ investment activity dropped while exits through M&A remain to be the only source of liquidity

In comparison with the last year, venture capital had a weak start with USD 4.5 billion raised across 46 funds, down from the USD 7.1 billion raised by 71 funds in the same quarter of 2008. Compared to the previous quarter commitments, fundraising increased by USD 1.0 billion, and commitments were predominately made to the venture funds with a balanced stage focus.

VC investment volumes declined by 50% from a year ago as many managers wait until there is more transparency on the economic development. In the first quarter of this year venture firms invested USD 3.9 billion in 477 companies down from USD 7.8 billion of financings to 706 a year ago, according to Venture Source. It was the lowest quarterly investment since 1988, signaling that VC managers were more focused on existing deals in time of the economic downturn than on pursuing new deals. Seed and first round financing fell sharply while later stage investments increased in the share with 41% of total investments. This might indicate that the VC prefer to back up more mature companies with established revenue base that have better chances to survive the severe economic conditions.

Exits through M&A started slowly and were the only source of liquidity during the first quarter of 2009. USD 3.2 billion was received by venture funds in 68 exits down from USD 4.7 billion and 79 deals completed last quarter, according to Venture Source.

The trend in drawdowns and distributions of VC funds is expected to follow the pattern of buyout funds. The latest financing round figures published by Dow Jones Venture Source show a decline in valuations across all stages, while the fourth quarter of 2008 still saw an increase. As companies running out of cash are required to seek additional financing, the round valuations and accordingly net asset values might decline further.

In summary, the recessionary economy fully impacts private equity investing leading to slower fundraising, a decline in investment and exit activity, and lower valuations based both on lower company earnings and lower public comparables. Nevertheless, private equity managers are focused on improving the operating performance of their portfolio companies to react to lower revenues in a prolonged recessionary environment. Experienced managers have demonstrated their ability to produce attractive performance even in past adverse economic cycles. The current challenging market conditions are creating unique opportunities to distressed and turnaround strategies, and, with lending markets fundamentally changed, mezzanine financing provides interesting opportunities again. Other strategies such as energy infrastructure continue to be attractive as demand for the infrastructure development is increasing in the US and worldwide. With the first signs of growing business confidence, and more importantly, as financial institutions appear to be in more stable conditions, the buyout investment and exit activity may resume in the near future.

Environment - EU

Eurozone economies are in recession

The European economy continued to fall into a deep recession during the first quarter of 2009. All indicators of economic activity further plunged to historically low levels. Credits markets remained largely frozen due to continued high levels of risk aversion, a weakened global economic outlook, and minimal credit market liquidity. As volumes of new leveraged loans issuance suggest (80% decline compared to the same quarter of 2008 and 28% to the 4Q of 2008)* European banks are still reluctant to lend to businesses in light of increasing default rates. The businesses are continuing to react to the decreased demand by adjusting headcounts and expenditures which led to a further rise of unemployment rates and a sharp decline in inventories. However, the low level of inventories may indicate that demand may pick up over the next quarters. Moreover, the period subsequent to the first quarter showed that conditions in credit markets somewhat improved as corporate bond issuance picked up in April by four times over the same period of last year**. This triggered a recovery in the public equity markets in April and an improvement of business confidence indicators. Uncertainty remains, however, whether these early signs of recovery are sustainable.

A table detailing the Eurozone macroeconomic data is shown below.

	Q108	Q208	Q308	Q408	Q109	q/q
GDP in % [1]	0.6	(0.2)	(0.2)	(1.5)	(2.5)	(3.1)
CPI in % [1]	1.0	0.4	0.2	(0.1)	0.4	(0.6)
Interest rate in % [2]	4.0	4.0	4.3	2.5	1.5	(2.5)
Unemployment in % [2]	7.2	7.4	7.6	8.0	8.9	1.7
Consumer confidence [2]	(12.1)	(17.0)	(19.0)	(30.0)	(33.7)	(21.6)
FTSE 100 in % [3]	(11.7)	26.9	(0.2)	(22.2)	(11.5)	0.23
CAC 40 in % [3]	(16.2)	37.8	(0.3)	(31.6)	(12.8)	3.40
DAX in % [3]	(19.0)	(1.8)	(9.2)	(17.5)	(15.1)	3.91
IPO number [1]	38.0	66.0	39.0	7.0	1.0	(97%)
IPO in EUR bln [1]	14.1	5.5	1.2	0.7	0.0	(97%)
M&A in EUR bln [1]	119	217	189	34	112	(51%)

[1] Figures are for the whole period

[2] Period end figures

[3] Change since beginning of the relevant year

Data as of May 27, 2009 from Bloomberg

* Source: Credit Suisse, S&P LCD

** Source: Financial News

GDP: The GDP of European countries declined further by 2.5% mainly due to the slow down of international trading activity with export-dependent Germany, whose economy shrank by 3.5%, being hardest hit. The European Commission forecasts a contraction of GDP by 4.0% for 2009 as rising unemployment may restrain consumer spending.

Inflation: As a result of disinflationary effects from recession the quarter over the quarter inflation remained low at 0.4%. The consumer goods industry responded to the decreased consumer spending by cutting prices in a hope to bolster earnings this year. With 0.6% in 2009 the annual inflation rate was far below the ECB's target rate of just under 2% percent.

Interest rates: During the first quarter ECB lowered the target rate from 2.5% to 1.5% to support liquidity in the market. The lower rates may also help to keep the financing costs for business and mortgage refinancing for households low.

Employment: The unemployment rate was 8.9% for the three months to March 2009, up 0.7 % over the previous quarter and up 0.9% over the year. The UK unemployment rate increased by 0.8 % to 7.1 % as of the end of the first quarter, while the German unemployment rate continued to rise for the fifth consecutive month to 8.1%. The unemployment rate is expected to rise further in 2009 as the real economy becomes increasingly affected by the recession.

Public markets remained volatile

Public markets: Public markets showed high volatility throughout the first quarter of 2009 with a slight easing at the beginning of March. For the quarter, the FTSE 100 was down 12%, the DAX lost 15%, while the CAC 40 depreciated by 13%.

IPOs: During the quarter only one single IPO took place on Euronext Brussels, raising EUR 0.8 million, indicating that the IPO market is de facto closed.

M&A: The M&A markets had a lively start in 2009 with the number of M&A transactions exceeding the fourth quarter of 2008 values. However, the volumes were mostly accounted for by government purchases. The British Treasury's $22.3 billion bailout of Lloyds Banking Group and a four-tranche deal for Royal Bank of Scotland worth a combined $47.8 billion were among the quarter's four largest deals. In France, loss-making banks Caisse d'Epargne and Banque Populaire sealed a merger in which they will be partly nationalized.

Private equity markets

Private equity fundraising and investment activity fell sharply

In the first quarter of 2009 private equity fundraising experienced a strong downward correction as investment capacity and risk appetite of investors took a hit following the collapse of public equity values in the fall of 2008. In addition, few European private equity managers are raising capital at present. During the quarter private equity funds raised just EUR 4.1 billion, a 72% decrease compared to the same quarter of 2008 and EUR 29 billion less than in the fourth quarter of 2008.

Likewise, the investment activity continued its downward trend as private equity managers focus on add-on acquisitions to create and protect the value of their portfolio companies in the recession economy. According to Private Equity Barometer EUR 4 billion was invested during the first quarter which represents a drop of 50% compared to the previous quarter. The volumes of deals declined due to the absence of large deals and scarcity of debt financing. The largest deal, BCC Private Equity's minority acquisition of Italian thermometry specialist Euromisure STL, was valued at EUR 454 million. In line with the lack of liquidity in debt markets, the equity contribution to buyout deals continued to increase. The decrease in debt multiples is expected to continue but can be compensated through falling prices. In addition, private equity funds have substantial cash available for new investments and can bridge investments with equity until debt markets open sufficiently to allow refinancings.

In line with overall market developments it is expected that private equity indicators in respect to distributions and performance would decline in the first quarter of 2009.

A table detailing the European private equity data is shown below.

all values in EUR billion		Q108	Q208	Q308	Q408	Q109	q/q
LBO	Funds raised	9.8	10.8	7.9	11.5	2.8	(72%)
	Number of funds	25	21	19	17	10	(60%)
	Drawdowns	2.4	4.1	3.5	1.0	n/a	n/a
	Distributions	2.0	1.9	0.4	0.2	n/a	n/a
	Appreciation as % of NAV	(1.8%)	(3.1%)	(1.8%)	(7.1%)	n/a	n/a
	5 year rolling IRR	17.6%	16.9%	16.5%	14.1%	n/a	n/a
VC	Funds raised	2.6	2.1	2.1	2.6	1.4	(47%)
	Number of funds	39	30	27	27	16	(59%)
	Drawdowns	0.3	0.4	0.1	0.1	n/a	n/a
	Distributions	0.1	0.1	0.1	0.1	n/a	n/a
	Appreciation as % of NAV	(2.3%)	(0.4%)	(0.6%)	(2.4%)	n/a	n/a
	5 year rolling IRR	1.4%	1.6%	1.6%	2.1%	n/a	n/a

Data as of May 23, 2009 from Venture Economics
n/a - Data is not available as Venture Economics discontinued the reporting of preliminary figures. Final figures will be released in August.

Environment – Asia-Pacific

Bifurcation of development in the region

The spillovers of the global crises impacted the whole Asia-Pacific region, although the severity of the impact varies considerably across economies. The advanced economies such as Japan and Korea are taking the hardest hit, due to their high export dependence and large exposure to the drop in demand for motor vehicles, electronics and investment goods. Decreasing corporate profits negatively affected the business capital investment activity of both countries, although the bottom of the consumer as well as of the business confidence was reached in the last quarter of 2008. On the other hand, the economies of China, India, and Australia continued to grow, however at much reduced rates. The Chinese government undertook a massive USD 586.0 billion fiscal stimulus package and provided monetary easing, which are helping boost consumption and infrastructure investment. This action seems to revive the business activity indicated by the purchasing manager index that was constantly rising since November last year. Public markets recovered in the first quarter of 2009 across all major Asian countries with the Chinese Shanghai Composite Index increasing by 30% compared to the year end of 2008.

The outlook for the region remains cautious. A key concern is that a longer recession in the US and Western Europe may reduce the demand further. However, with the gradual recovery of the global economy, the growth pace of Asian countries is expected to be restored in 2010 with China and India regaining momentum. According to OECD projections China's economy is expected to grow in 2009 by 7.75% and 9.25 % in 2010. India's growth is projected to be 7.25% in 2010 with decline in the economic activity being partially compensated by rising private consumption. On the contrary, Japan's reliance on external demand combined with decreasing consumption levels due to falling employment rates and wages is expected to result in a prolonged recession.

A table detailing the Asia-Pacific macroeconomic data is shown below.

		Q108	Q208	Q308	Q408	Q109	q/q
Japan	GDP in % [1]	0.4	(0.6)	(0.7)	(3.8)	(3.8)	(4.2)
	CPI in % [1]	1.2	2.0	2.1	0.4	(0.3)	(1.5)
	Interest rate in % [2]	0.5	0.5	0.5	0.1	0.1	(0.4)
	Unemployment in % [2]	3.8	4.1	4.0	4.3	4.8	1.0
	Consumer confidence [2]	37.0	32.9	31.8	26.7	29.6	(7.4)
	Nikkei 225 index [3]	(18%)	(12%)	(26%)	(42%)	(8%)	10%
China	GDP in % [1]	10.6	10.1	9.0	6.8	6.1	(4.5)
	CPI in % [1]	8.3	7.1	4.6	1.2	(1.2)	(9.5)
	Interest rate in % [2]	4.0	4.0	4.0	4.2	4.3	0.3
	Shanghai Composite index [3]	(34%)	(48%)	(56%)	(65%)	30%	64%
India	GDP in % [1]	8.60	7.80	7.70	5.80	5.80	(2.8)
	CPI in % [1]	7.87	7.69	9.77	9.70	0.08	(7.8)
	Interest rate in % [2]	6.00	6.00	6.00	4.00	3.50	(2.5)
	Bombay equity index [3]	(23%)	(34%)	(37%)	(52%)	1%	24%
South Korea	GDP in % [1]	5.5	4.3	3.1	(3.4)	(4.2)	(9.7)
	CPI in % [1]	3.9	5.5	5.1	4.1	3.9	(0.1)
	Interest rate in % [2]	5.0	5.0	5.3	3.0	2.0	(3.0)
	Unemployment in % [2]	3.40	3.10	3.00	3.30	3.70	0.3
	Kospi index [3]	(10%)	(12%)	(24%)	(41%)	7%	17%
Australia	GDP in % [1]	3.40	3.00	2.20	0.80	0.40	(3.0)
	CPI in % [1]	4.20	4.50	5.00	3.70	2.50	(1.7)
	Interest rate in % [2]	7.25	7.25	7.00	4.25	3.25	(4.0)
	Unemployment in % [2]	4.00	4.30	4.30	4.60	5.70	1.7
	ASX 200 index [3]	(16%)	(18%)	(27%)	(41%)	(4%)	12%
Total AP	IPO number	103	108	72	44	42	(59%)
	IPO in USD bln	17.14	10.37	5.02	4.53	0.44	(97%)
	M&A in USD bln	108.50	207.57	100.24	64.10	58.35	(46%)

[1] Figures are for the whole period

[2] Period end figures

[3] Change since beginning of the relevant year

Data as of June 30, 2009 from Bloomberg

Danger of deflation in Japan

GDP: The economies of Japan and Korea shrunk at the fastest rates by 3.8% and 4.2% respectively, marking the fourth consecutive quarter of decline for Japan and the second one for Korea. On the other hand the Chinese, Indian and Australian economies continued to grow, although growth rates have declined.

Inflation: As a result of the global recession, prices decreased across all Asian countries with China and Japan fighting against deflation by implementing fiscal stimulae packages which should cushion the downturn.

Interest rates: During the first quarter of 2009 Indian, Australian and Korean central banks decreased interest rates to stabilize the financial market, while in China the Central Bank increased slightly the target rate from 4.1% to 4.2%.

Employment: The unemployment rates for all major Asian economies increased with Japan reporting an increase in the unemployment rate to 4.8% from 4.3% in the previous quarter. The unemployment situation in Australia has changed drastically with a 1.1% increase in the unemployment rate over the previous quarter, being the hardest hit in the region.

Public markets show signs of recovery

Public markets: Public markets showed an increase of investor confidence with the Shanghai Composite, Kospi, and Bombay stock indices returning into the profit zone with 30%, 7%, and 1% gains respectively. Other nation's public market indices declined moderately with Nikkei 225 losing 8% and Australian ASX 200 decreasing by 4%.

IPOs: During the quarter IPO volumes declined sharply as 42 IPO's raised only USD 436.0 million. The first quarter was unique in that small size issues dominated the market. The largest deal accounting for a third of the overall volume was the IPO of the Chinese firm Real Gold Mining raising USD 132.0 million on the Hong Kong Stock Exchange. As elsewhere, companies are waiting for equity market conditions to improve rather than accepting the lower valuations.

With the recovery of public equity markets, IPO and M&A activity is expected to increase

M&A: M&A activity showed the first signs of improvement in the first quarter of 2009 with the number of deals exceeding the previous quarter. However, the size of transactions dropped significantly resulting in the decline of volumes by 10 % and 80 % compared with the fourth and first quarter of 2008 respectively. The largest deal was concluded in the real estate sector as Mitsubishi acquired Tova Real Estate for USD 3.2 billion.

Private equity markets

Strong fundraising in China, while India's and Japan's fundraising activity sharply declined

In the first quarter of 2009, India raised USD 343.3 million in fresh capital, significantly less than the USD 1.75 billion that it recorded for the same period 12 months ago. Unlike China, where the local provincial governments have been actively setting up funds such initiatives are absent, in India. More than a year into the global economic difficulties, China's private equity fund pool has ballooned against all trends recorded in other markets. In the first quarter of the year, about USD 1.02 billion was raised by RMB-denominated funds accounting for about 40% of the new capital.

In the first three months of the year, there are signs that investors are more ready to return to the Asian developed economies, where buyout dominated private equity

Exits tumbled in the region with deals in China dominating the quarter

activities have almost come to a halt since the fall of 2008. In the first quarter, Australia had a fund pool of USD 435.1 million, a 132% increase from the last quarter of 2008, according to AVCJ. On the investment front, USD 676.0 million was deployed by Australian funds, representing a 28% increase on a quarterly basis, as the economy shows encouraging signs. However, no deal sizes are known to have exceeded the USD 300.0 million mark, a far cry from the past historic trend. In Japan, however, fundraising was still at a standstill. For the quarter, the fund pool in Japan decreased to USD 20.0 million, whilst investment pace also continued to be slow with USD 211.0 million invested.

Under adverse market conditions, during the quarter Asian private equity funds have tried hard to return capital to their limited partners. An estimated USD 392.0 million has been returned to investors through 19 recorded divestitures and dividend payments. Only 42.1% of divestitures have been able to boast returns of capital over investors' original investments. Yet China shines in 2009's first quarter exit results. Of the USD 392.0 million returned to investors through sales of shares or dividend payments, companies based in China accounted for over 36.7%.

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