



## PRESS RELEASE

### **CDC Commits US\$50m to Helios, a New African Fund**

*Private equity investment in West Africa doubled; investment in Nigeria up by 54%*

**London: November 2006**

CDC, the UK government-backed emerging markets private equity fund-of-funds, announces that it has committed \$50m to a new African Fund managed by Helios Investment Partners. The Fund, Helios Investors, L.P., held a first closing at US\$201 million on July 12, and also has an additional approval from OPIC for a US\$50m debt facility.

Temitope Lawani and Babatunde Soyoye, former principals of Texas Pacific Group in San Francisco and London, established Helios Investment Partners in 2004. Helios was formed as a specialist African private equity fund manager and in 2004 took over the management of the Modern Africa Fund, a US\$100m private equity fund, with Barings New York. Helios started investment activities in Nigeria in 2005, principally in a communications tower leasing business, and launched the Fund early in 2006.

It is expected that the majority of the Fund will be invested in West Africa, in particular Nigeria, and to a lesser extent Southern Africa.

The Fund will principally target:

- acquisitions of large businesses in Sub-Saharan Africa with regional scope, generally non-core subsidiaries of European and North American companies, and
- start-ups of high potential businesses in Nigeria (either green-field or augmented by purchases of assets) where the market has been supply-constrained and where the business is highly scaleable.

The Nigerian government's reform programme, coupled with the increase in oil and gas prices, is having a major effect on the economy, recognized by the BB- country risk rating achieved at the end of 2005, and by the Paris Club debt relief programme concluded this year. Interesting investment opportunities are arising across a broad range of sectors, including the high profile sectors of telecoms, financial services, and energy.

Private equity investment in West Africa has seen a dramatic increase. The volume of investments has more than doubled with the number of investments increasing from 13 in 2003 to 27 in 2004. Investments by independent fund managers also more than doubled to US\$62m in 2004. Investments by public sector fund managers increased to US\$9.8m in 2004 from US\$0.7m in 2003.

In Nigeria, private equity investment activity also rose significantly. The value of investment increased by over 54% from US\$31.1m in 2003 to US\$47.9m in 2004 (source: AVCA).

Rod Evison, CDC's Portfolio Director for Africa said:

"We are delighted that Helios has had such a successful closing for their first fund, and that CDC has made a significant commitment. We see Helios to be a very interesting combination of best practice investment skills with an effective network and understanding of the Nigerian market, as evidenced by their successful investment in Helios Towers. In addition, their skills in large buy-outs will enable them to play a major role in this market, and to foster the growth of these types of transactions in Sub-Saharan Africa."

Temitope Lawani, a Founder Principal of Helios, added:

"We first approached CDC in 2004 about our plans for an African Private Equity business. As we developed our investment strategy and as our target fund size increased, we were very pleased that we were able to maintain an active dialogue with CDC, and that this has resulted in their significant commitment to the Fund."

- Ends -

**For more information please contact:**

**Merlin**

Vanessa Maydon / Bridget Fury

T: + 44 207 653 6620

M: + 44 7802 961 902 / + 44 7941 085 509

E: [vmaydon@merlinpr.com](mailto:vmaydon@merlinpr.com) [bfury@merlinpr.com](mailto:bfury@merlinpr.com)

**Miriam de Lacy**

Director of Communications, CDC

T: +44 207 484 7711

M: +44 7799 824 947

E: [mdelacy@cdcgroupp.com](mailto:mdelacy@cdcgroupp.com)

**Notes to editors**

**About CDC**

- CDC is a government-owned fund of funds with assets of £1.6 billion targeting businesses in the poorer countries of the world with an emphasis on Africa and South Asia.
- The company's mission is to generate wealth by providing capital for investment in sustainable and responsibly managed private sector businesses.

- CDC has committed capital to over 60 funds invested in Africa, Asia and Latin America.