



Press Release

Norwest Equity Partners

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Norwest Equity Partners Invests in Pangaea Asset Management *Investment to Fuel Growth and Expansion for Leading Asset Manager*

Minneapolis, Minnesota – Norwest Equity Partners (“NEP”), a leading private equity firm focused on equity investments in growing and profitable middle market companies, today announced that it has made a significant investment in Pangaea Asset Management (“Pangaea” or the “Company”), a specialized asset management firm based in Chicago. NEP invested \$75 million along with existing management in this transaction to support Pangaea’s continued growth.

Pangaea is focused primarily on managing leveraged loan investments with a significant allocation to middle market loans. The Company’s goal is to generate superior risk adjusted returns for its investor-base, and by focusing on the leveraged loan marketplace, including both broadly syndicated and middle market loans, it is able to provide unparalleled access to attractive loan collateral.

Barry Shear, Pangaea Senior Managing Director and President, stated, “Through a combination of broad market access, strict credit discipline, portfolio diversification, and an investment partner like NEP, Pangaea is well-positioned to continue generating attractive investment returns across our managed portfolios. We also have available investment capacity which enables us to actively look for deal opportunities at the current time.”

Since NEP’s initial investment in Pangaea in fall 2007, the Company has entered into two add-on acquisition agreements. The first is an agreement with 250 Capital, LLC, an affiliate of Merrill Lynch & Co., (“250 Capital”) to act in a sub-servicing role providing investment recommendations and analysis, along with operational support to 250 Capital. 250 Capital is the Collateral Manager for the Merrill Lynch CLO 2007-1 collateralized loan obligation (“CLO”) transaction. In addition, Pangaea completed the acquisition of CapitalSource Advisors LLC, which was the investment manager for CS Advisors CLO 1, Ltd. The two entities were subsequently renamed Sargas Asset Management, LLC and Sargas CLO 1, respectively. With these transactions, Pangaea and its affiliates now manage three CLO transactions totaling more than \$1 billion in assets under management.

Todd Solow, a Principal at NEP, stated, “We are excited to partner with the Pangaea management team and help them broaden their product offering into other areas within the loan investment market. There is also tremendous opportunity for the Company to complement its existing platform by identifying and acquiring other niche asset management firms; growth by acquisition for them will continue to be a very viable option.”

Pangaea was founded in 2007 by a group of seasoned leveraged finance professionals from Antares Capital Corporation and Antares Asset Management, including Barry Shear, David Schmuck and Mike King. The Pangaea team has significant experience working together both in the leveraged loan and structured credit market, as well as a track record of successfully managing investments across a variety of industries and market cycles. Collectively over the last eight years, Pangaea’s principals have successfully managed leveraged loan collateral across seven different CLO transactions and three separate account arrangements. With significant experience in the origination and structuring of syndicated senior secured credit facilities, the Pangaea team has a strong base of experience that provides the firm with broad access to attractive loan collateral via strong relationships with both agent banks and private equity sponsors.

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For more information, visit www.pangaea-am.com.

Norwest Equity Partners (NEP) provides middle market companies with the capital they need to reach their goals. The firm focuses on providing equity investments of \$20-\$100 million in growing and profitable companies through management buyouts, recapitalizations, and growth financings. NEP takes pride in its flexible investment charter, extensive resources, carefully tailored transactions and meaningful partnerships. Since its founding in 1961, NEP has earned a reputation as one of the premier private equity investment firms in the United States. NEP has in excess of \$3 billion in capital under management and is currently investing NEP VIII, an \$800 million fund. Visit www.nep.com for more information on our portfolio and investment team.