

In the last month Shelley's business has remained strong. The firm has won a number of new mandates while closing and/or pursuing existing transactions.

The sale of a diversified \$21mio portfolio on behalf of a global financial institution will be completed by the end of the month. Although the portfolio could not be disposed of as a one-share transaction, it is being sold to a single buyer on a line-by-line basis. Despite some legal wrangles the sales process has been quite smooth. With its dozen lines, relative opacity and sometimes high level of illiquidity its holdings are being sold at prices ranging from 3% to 80% of NAV. A number of larger mandates are likely to be entrusted to Shelley by the same seller in the second half of the year.

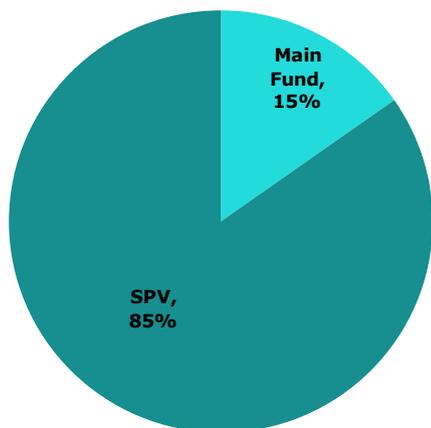
In parallel, Shelley is about to initiate the second bidding-round for a diversified \$80+mio portfolio. By virtue of its larger size this transaction has attracted significant interest on both side of the Atlantic. After bids were submitted for all or part of the portfolio, three buyers were shortlisted from the original eight. In an effort to optimise the deal for both parties the sale may be structured as a combination of partial bids. Various alternatives are being considered.

Meanwhile, we have been screening buying interest for two separate ABL funds of funds. One is a small portfolio with a NAV of roughly \$10mio, while the other has a published NAV in excess of \$200mio. Despite the significant due diligence required to make informed bids for these holdings, a certain visibility of cash flows and the depth of Shelley's online data-room has attracted a number of interested parties.

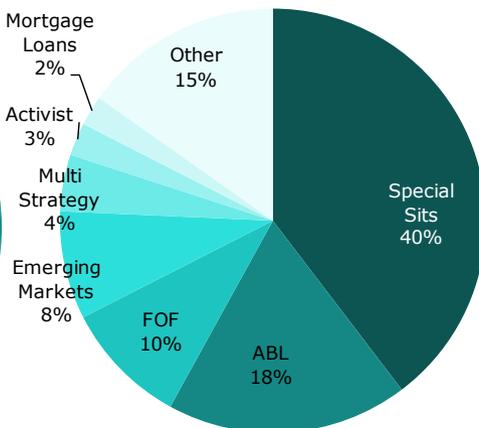
Earlier this month Shelley won a mandate for the sale of a diversified liquidating portfolio with a NAV of just under \$200mio spread over seventy lines and twenty-eight managers. Available facts and figures are being uploaded into an online data room as we speak. Already we have garnered substantial initial interest for this opportunity, mainly due to its size and diversification. We are expecting another similarly-sized portfolio from this seller in the coming weeks.

In general prices are holding up despite the growing illiquidity of the holdings for sale. Interest continues to be solid on both sides of the fence and we advise our clients to take advantage of this favourable climate while it lasts.

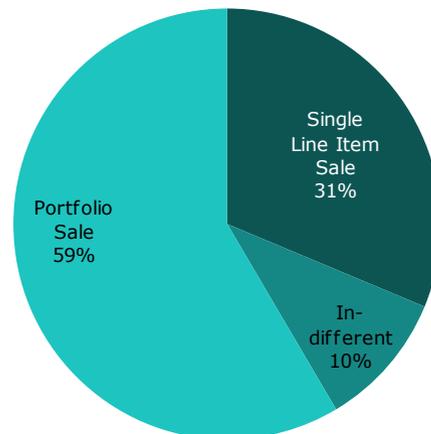
**Shelley Capital Supply:
Main Fund vs SPV/ Sidepockets**



**Shelley Capital Supply:
Strategy Breakdown**



**Shelley Capital Supply:
Sale Type**



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