

Conversus Capital Releases Financial Results for the Six Months and Quarter Ended 30 June 2010

GUERNSEY, CHANNEL ISLANDS, 26 July 2010 – Conversus Capital, L.P. (Euronext Amsterdam: CCAP) (“Conversus” or the “Company”) today reported its financial results for the six months and quarter ended 30 June 2010.

As of 30 June, Conversus had an estimated net asset value (“NAV”) per unit of \$24.16. This represents an increase of 1.6% since 31 March 2010. Investment NAV was \$1,822.8 million while unfunded commitments were \$653.3 million as of 30 June. By comparison, as of 31 March, investment NAV was \$1,881.5 million while unfunded commitments were \$685.4 million.

“Distributions in the second quarter of \$129 million reached levels not seen since 2007 and brought our aggregate distributions since the IPO to over \$1 billion, demonstrating the distinctive quality and maturity of our portfolio,” commented Bob Long, President and CEO of Conversus Asset Management. “Further augmenting our strong liquidity position, we extended our credit facility by two and a half years to the end of 2014, which should provide our investors with further confidence in our financial flexibility.”

As of 30 June, 76% of the investment NAV was comprised of private holdings valued based on general partner estimates as of 31 March and 3% was comprised of direct co-investments valued as of 30 June based on Conversus’ estimates. A further 19% of the investment NAV was comprised of public equity securities and a derivative marked to market as of 30 June as further described below in Valuation and Reporting Policies. The remaining 2% of the investment NAV represented cash and other net assets held by the funds in which Conversus is invested.

Net Asset Value Estimates as of 30 June 2010

(in millions except per unit data)

	30 Jun 2010 <u>Unaudited</u>	31 Mar 2010 <u>Unaudited</u>	QTD <u>% Change</u>	31 Dec 2009 <u>Audited</u>	YTD <u>% Change</u>
Investment NAV	\$ 1,822.8	\$ 1,881.5	(3.1%)	\$ 1,907.6	(4.4%)
Cash and Cash Equivalents	31.4	46.0	(31.7%)	32.3	(2.8%)
Notes Payable	(94.1)	(194.8)	(51.7%)	(229.0)	(58.9%)
Other Net Assets (Liabilities)	(11.5)	(10.8)	6.5%	(10.3)	11.7%
Estimated NAV	<u>\$ 1,748.6</u>	<u>\$ 1,721.9</u>	<u>1.6%</u>	<u>\$ 1,700.6</u>	<u>2.8%</u>
Common Units Outstanding	72.4	72.4	-	72.4	-
Estimated NAV per Unit	\$ 24.16	\$ 23.79	1.6%	\$ 23.50	2.8%

Financial Results

Financial highlights for the six months ended 30 June 2010 were as follows:

- Net unrealized gains on investments of \$42.7 million
- Net realized gains on investments of \$40.0 million
- Net unrealized currency losses of \$18.4 million
- Investment income of \$12.5 million
- Expenses of \$28.8 million
- Net increase in net assets of \$48.0 million

Financial highlights for the quarter ended 30 June 2010 were as follows:

- Net unrealized gains on investments of \$12.9 million
- Net realized gains on investments of \$34.5 million
- Net unrealized currency losses of \$12.0 million
- Investment income of \$4.6 million
- Expenses of \$13.3 million
- Net increase in net assets of \$26.7 million

Liquidity and Capital Resources

For the six months ended 30 June, Conversus received \$219.7 million in distributions and funded \$67.2 million in capital calls, which resulted in net positive cash flow of \$152.5 million. For the quarter ended 30 June, Conversus received \$128.7 million in distributions and funded \$33.8 million in capital calls, which resulted in net positive cash flow of \$94.9 million.

As of 30 June, Conversus had a cash balance of \$31.4 million and principal and interest borrowings under a credit facility with Citigroup (“Citi”) of \$94.1 million for net debt of \$62.7 million. Total debt repayments to Citi for the six months ended and quarter ended 30 June were \$136.6 million and \$101.5 million, respectively.

Credit Facility Amendment

Conversus has extended the maturity date of its credit facility to December 2014 in an amendment dated 23 July 2010. The amended facility provides for maximum borrowings of \$375 million through December 2013 and \$200 million from January 2014 through December 2014. Conversus will pay LIBOR plus 2.95% on borrowed amounts and a commitment fee of 0.75% on undrawn amounts. The amended facility contains various covenants and conditions as set forth in the amendment document which can be accessed on Conversus’ website at www.conversus.com in the Investor Relations portion of the website under the heading “Important Documents.”

Portfolio Activity

For the six months ended 30 June, \$219.7 million in distributions were driven by our funds’ sales of portfolio companies to strategic buyers and sales of publicly traded securities held by our general partners. Buyout funds comprised 72% of the distributions, venture funds comprised 15% and special situation funds comprised 7%, with the remaining 6% coming from sales of directly held public equities. The five largest distributions for the six months ended 30 June totaled \$47.7 million and related to portfolio companies Unity Media, Shenzhen Bank, Kenan Advantage, Vitality Foodservice and NuVox Communications.

For the quarter ended 30 June, \$128.7 million in distributions were comprised of 74% from buyout funds, 12% from venture funds and 6% from special situation funds, with the remaining 8% coming from sales of directly held public equities.

Capital calls of \$67.2 million for the six months ended 30 June included \$52.8 million for buyout funds, \$11.7 million for venture funds and \$2.7 million for special situation funds. For the six month period, 71% of calls were attributable to fund vintage years of 2008 (38%), 2006 (21%) and 2007 (12%).

Capital calls of \$33.8 million for the quarter ended 30 June included \$25.3 million for buyout funds, \$6.2 million for venture funds and \$2.3 million for special situation funds. During the quarter, 75% of calls came from fund vintage years 2008 (53%) and 2006 (22%).

During the six months ended 30 June, twenty-one Conversus portfolio companies completed IPOs. The companies had a combined investment NAV of \$39.8 million as of 30 June and the five largest IPOs included Amadeus, Financial Engines, Graham Packaging, Kabel Deutschland and Metals USA. Nineteen additional portfolio companies representing approximately \$71.2 million of investment NAV as of 30 June have formally filed for IPOs which may or may not be completed.

Market Outlook and Portfolio Commentary

Global capital markets entered the second quarter of 2010 with cautious optimism but recoiled in response to the European sovereign debt concerns, thus ending the momentum experienced over the previous four quarters. In the U.S., the S&P 500 declined 12% for the quarter and globally, the MSCI EAFE lost 15%. Investors fled to the relative safety of U.S. Treasuries, and the 10-year yield reached a 14 month low of 2.96%, while corporate bond and bank loan spreads widened.

New private equity investment activity continued to trail expectations. According to Thompson Reuters, aggregate private equity transaction values reached \$72 billion globally during the first half of 2010. Although 90% ahead of the activity levels seen in the same period in 2009, this volume represented only 40% of the average investment activity experienced in 2002-2006 and well short of 2007's peak levels. Continued firming of credit market volumes should support greater leveraged buyout activity through the balance of 2010 and into 2011. Despite widening credit spreads, the U.S. leveraged loan and high yield markets in the first half of 2010 relative to the first half of 2009 saw dollar volume increases in new issuances of 53% and 260%, respectively.

Moving from new investments to realization activity, exit events in private equity accelerated in the second quarter, as Thomson Reuters tracked an aggregate disclosed global deal value of \$11 billion, compared to \$4 billion in the first quarter of 2010 and \$3.5 billion in the second quarter of 2009. Conversus believes the drivers of exits in the second half of the year will continue to be the backlog of strong companies not sold during the downturn, the cash rich balance sheets of large corporate purchasers and the general partners' desire to show liquidity to their limited partners to facilitate upcoming fundraising. The prospect of increasing capital gains taxes could also lead to accelerating realizations, although, the magnitude of the impact remains unclear.

Despite equity market volatility, the number of IPOs globally in the second quarter increased by 14% over the first quarter and was 250% above the number of issuances in the second quarter of 2009. While an important step toward the ultimate realization of the value on an investment, IPOs typically generate modest immediate cash distributions. Continued softness and volatility in the equity markets would likely delay or prevent many of these potential IPOs, along with the potential sales of other public equities in Conversus' portfolio.

In summary, while macroeconomic uncertainty resurfaced during the second quarter, Conversus remains optimistic that strong trends in its cash flow will continue for the balance of the year. Private equity has historically been aggressive and opportunistic during market dislocations. As a consequence, Conversus continues to expect deal activity to accelerate from the current low levels for the balance of 2010, despite the increase in capital markets volatility.

Earnings Call and Webcast

Conversus will discuss its financial results for the six months and quarter ended 30 June 2010 on a teleconference today, Monday, 26 July 2010, at 5:30 pm CEST (Amsterdam) / 4:30 pm BST (Guernsey/London) / 11:30 am EDT (New York City). The call can be accessed by dialing 20.794.8484 (within the Netherlands) and +31.20.794.8484 (outside the Netherlands). Please call approximately 15 minutes prior to the teleconference time.

An investor presentation has been posted to the Conversus website and can be accessed in the Investor Relations portion of the website under the heading “Events & Webcasts.” A webcast (listen only) of the teleconference can also be accessed under the same heading, where it will be archived for two weeks.

Semi-Annual Financial Report

Conversus has filed its Semi-Annual Financial Report for the six months ended 30 June with the Netherlands Authority for the Financial Markets. The Report can be accessed in the Investor Relations portion of Conversus’ website under the heading “Financial Reports.”

Realization Strategy

During the second quarter of 2009, Conversus implemented a realization strategy designed to deliver the value of its portfolio to investors. The realization strategy is designed to increase the confidence of investors that the value of Conversus’ current portfolio will be delivered to its unit holders over time. Conversus has discontinued substantially all investments and new commitments and is focused on realizing the value of the existing portfolio by applying cash flow to fund capital calls and expenses, repay debt and, eventually, return capital to unit holders through unit repurchases and cash distributions. Conversus will continue to manage actively its current portfolio of funded investments and unfunded commitments as well as its liquidity and capital resources to maximize unit holder value.

Conversus will consider a return to a growth strategy if it believes three criteria are met: (i) the market price for its units fairly reflects the value of the portfolio, (ii) the trading volume in its units provides sufficient liquidity for investors and (iii) the reflection of fair value in the unit price and the level of trading volume are sustainable. Conversus will continue to review its strategy in response to market conditions and will make strategic decisions consistent with the goal of maximizing unit holder value.

Valuation and Reporting Policies

Conversus carries investments on its books at fair value in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). Conversus uses the best information it has available to estimate fair value. Fair value for private equity interests begins with the most recent financial information provided by the general partners, adjusted for subsequent transactions, such as calls or distributions, as well as other information judged to be reliable that indicates valuation changes, including realizations and other portfolio company events. The value of any public equity security known to be owned by the funds based on the most recent information reported to us by the general partners has been marked to market as of 30 June, and a discount has been applied to such securities based on an estimate of the discount applied by the general partners in calculating NAV.

Conversus will issue Quarterly Financial Reports as of 31 March, 30 June and 30 September as well as an Annual Financial Report as of 31 December of each year. These reports will include financial statements prepared in accordance with U.S. GAAP. Conversus is required to consider, and will consider, all known material information in preparing such financial statements, including information that may become known subsequent to the issuance of each monthly report. Accordingly, amounts included in the quarterly and annual financial statements may differ from amounts included in the monthly NAV reports.

About Conversus Capital

Conversus Capital, L.P. (Euronext Amsterdam: CCAP) (“Conversus”) is a permanent capital vehicle and the largest publicly-traded portfolio of third party private equity funds. Conversus’ objective is to provide unit holders with immediate exposure to a diversified portfolio of private equity assets, access to best-in-class general partners and consistent NAV growth that outperforms the public markets. Conversus Asset Management, LLC (“CAM”), an independent asset manager, implements Conversus’ investment policies and carries out the day to day operations of Conversus pursuant to a services agreement. CAM leverages the platforms of Bank of America and Oak Hill, its primary owners.

Legal Disclaimer

These materials are not an offer to sell, or a solicitation of an offer to buy, securities in the United States or elsewhere. Securities may not be sold in the United States absent registration with the U.S. Securities and Exchange Commission or an exemption from registration under the U.S. Securities Act of 1933, as amended. Conversus is not a registered investment company under the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”), and the resale of Conversus securities in the United States or to U.S. persons other than to qualified purchasers as defined in the Investment Company Act is prohibited. Conversus does not intend to register any offering in the United States or to conduct a public offering of its securities in the United States.

The common units and related restricted depositary units of Conversus are subject to a number of ownership and transfer restrictions. Information concerning these ownership and transfer restrictions is included in the Investor Relations section of Conversus’ website at www.conversus.com.

Forward-Looking Statements

These materials contain certain forward-looking statements. In some cases, forward-looking statements can be identified by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "should," "will," and "would," or the negative of those terms or other comparable terminology. Forward-looking statements speak only as of the date of these materials and include statements relating to expectations, beliefs, projections (which may include statements regarding future economic performance, and the financial condition, results of operations, liquidity, investments, business, net asset value and prospects of Conversus), future plans and strategies and anticipated results thereof, anticipated events or trends and similar matters that are not historical facts. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future, and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements including, but not limited to, the following: our ability to implement successful investment strategies; our limited operating history and the limited track record of CAM; risks associated with private equity investments generally, the performance and financial condition of the funds in our portfolio and their portfolio companies, and the actual realized value of investments; the size, volume and timing of capital calls, distributions and other transactions involving our investments; changes in our relationship with CAM and its relationships; potential conflicts of interest; changes in our financial condition, liquidity (including

availability and cost of capital), cash flows and ability to meet our funding needs and satisfy our contractual obligations; general economic and political conditions and conditions in the equity, debt, credit, currency, foreign exchange and private equity markets; the trading price, liquidity and volatility, of our common units; competitive conditions; regulatory and legislative developments; and the risks, uncertainties and other factors discussed elsewhere in these materials or in our public filings and documents on our website (www.conversus.com). Conversus does not undertake to update any of these forward-looking statements. Past performance is not necessarily indicative of future results.

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**EXCERPTS FROM CONVERSUS' UNAUDITED COMBINED FINANCIAL STATEMENTS
FOLLOW**

Combined Statements of Net Assets

As of 30 June 2010 and 31 December 2009

(US\$ in thousands except for per unit amounts)

	30 Jun 2010 (Unaudited)	31 Dec 2009 (Audited)
Assets		
Investments, at fair value (cost \$1,887,590 as of 30 Jun 2010; \$1,996,580 as of 31 Dec 2009)	\$ 1,820,454	\$ 1,912,192
Cash and cash equivalents	31,441	32,313
Receivables and prepaid expenses	1,828	3,087
Derivative instrument	2,394	-
Total Assets	1,856,117	1,947,592
Liabilities		
Management fees payable	4,303	4,553
Derivative instrument	-	4,620
Notes and interest payable	94,120	229,004
Other	9,131	8,855
Total Liabilities	107,554	247,032
NET ASSETS	\$ 1,748,563	\$ 1,700,560
Net Assets		
General Partners' capital	\$ -	\$ -
Limited Partners' capital (73,530 units issued and 72,367 units outstanding as of 30 Jun 2010 and 31 Dec 2009)	1,767,440	1,719,437
Treasury units (1,163 units as of 30 Jun 2010 and 31 Dec 2009)	(18,877)	(18,877)
NET ASSETS	\$ 1,748,563	\$ 1,700,560
NET ASSET VALUE PER UNIT OUTSTANDING	\$ 24.16	\$ 23.50

Combined Statement of Operations

For the quarter and six months ended 30 June 2010

(US\$ in thousands except for per unit amount)

(Unaudited)

	<u>Quarter ended 30 Jun 2010</u>	<u>Six months ended 30 Jun 2010</u>
Investment Income		
Dividends	\$ 3,393	\$ 9,398
Interest and other income	<u>1,207</u>	<u>3,157</u>
Total Investment Income	<u>4,600</u>	<u>12,555</u>
Expenses		
Fund fees and expenses	4,679	9,825
Management fees	5,378	10,947
Interest	757	1,672
Professional service fees	1,205	2,885
Personnel	1,147	3,208
Public company costs	615	1,188
Other general and administrative	<u>602</u>	<u>1,263</u>
Total Expenses	14,383	30,988
Management fees waived	<u>(1,076)</u>	<u>(2,189)</u>
Total Expenses, Net of Fees Waived	<u>13,307</u>	<u>28,799</u>
Net Investment Loss	<u>(8,707)</u>	<u>(16,244)</u>
Net Realized Gains and Net Change in Unrealized Depreciation on Investments		
Net realized gains on investments	34,467	39,981
Net change in unrealized depreciation on investments	<u>929</u>	<u>24,266</u>
Net Realized Gains and Net Change in Unrealized Depreciation on Investments	<u>35,396</u>	<u>64,247</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 26,689</u>	<u>\$ 48,003</u>
GAIN PER UNIT OUTSTANDING	<u>\$ 0.37</u>	<u>\$ 0.66</u>

Combined Condensed Schedule of Investments

As of 30 June 2010

(US\$ in thousands)

(Unaudited)

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>	<u>Unfunded Commitments</u>
FUND INVESTMENTS				
North America				
Buyout	\$ 1,241,807	\$ 1,179,170	67.4%	\$ 486,146
Venture Capital	303,780	278,130	15.9	89,606
Special Situation	130,359	164,598	9.4	8,717
Total North America	<u>1,675,946</u>	<u>1,621,898</u>	<u>92.7</u>	<u>584,469</u>
Europe, Asia and RoW				
Buyout	130,908	129,370	7.4	67,178
Venture Capital	1,128	971	0.1	1,625
Total Europe, Asia and RoW	<u>132,036</u>	<u>130,341</u>	<u>7.5</u>	<u>68,803</u>
Total Fund Investments	<u>1,807,982</u>	<u>1,752,239</u>	<u>100.2</u>	<u>653,272</u>
DIRECT INVESTMENTS ⁽¹⁾				
Direct Co-Investments				
Industrials	35,372	36,999	2.1	-
Telecommunication Services	25,000	16,250	0.9	-
Total Direct Co-Investments	<u>60,372</u>	<u>53,249</u>	<u>3.0</u>	<u>-</u>
Publicly Traded Equity Securities ⁽²⁾				
Consumer Discretionary	555	443	0.0	-
Energy	461	312	0.0	-
Financials	6,353	6,047	0.4	-
Health Care	289	228	0.0	-
Industrials	8,247	5,208	0.3	-
Information Technology	23	22	0.0	-
Materials	532	391	0.0	-
Telecommunication Services	2,776	2,315	0.2	-
Total Publicly Traded Equity Securities	<u>19,236</u>	<u>14,966</u>	<u>0.9</u>	<u>-</u>
Derivative Instrument	<u>-</u>	<u>2,394</u>	<u>0.1</u>	<u>-</u>
Total Direct Investments	<u>79,608</u>	<u>70,609</u>	<u>4.0</u>	<u>-</u>
TOTAL	<u><u>\$ 1,887,590</u></u>	<u><u>\$ 1,822,848</u></u>	<u><u>104.2%</u></u>	<u><u>\$ 653,272</u></u>

⁽¹⁾ Industry classifications are determined at the individual portfolio company level and are based on the North American Industry Classification System ("NAICS").

⁽²⁾ Publicly traded equity securities represent equity security distributions from fund investments and direct public equity investments.

Combined Condensed Schedule of Investments

As of 31 December 2009

(US\$ in thousands)

(Audited)

	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>	<u>Unfunded Commitments</u>
FUND INVESTMENTS				
North America				
Buyout	\$ 1,320,170	\$ 1,226,620	72.1%	\$ 531,716
Venture Capital	313,779	299,649	17.6	100,842
Special Situation	141,174	170,019	10.0	11,172
Total North America	<u>1,775,123</u>	<u>1,696,288</u>	<u>99.7</u>	<u>643,730</u>
Europe, Asia and RoW				
Buyout	142,957	152,865	8.9	85,951
Venture Capital	1,059	881	0.1	2,046
Total Europe, Asia and RoW	<u>144,016</u>	<u>153,746</u>	<u>9.0</u>	<u>87,997</u>
Total Fund Investments	<u>1,919,139</u>	<u>1,850,034</u>	<u>108.7</u>	<u>731,727</u>
DIRECT INVESTMENTS ⁽¹⁾				
Direct Co-Investments				
Industrials	35,371	31,863	1.9	-
Telecommunication Services	25,000	16,250	0.9	-
Total Direct Co-Investments	<u>60,371</u>	<u>48,113</u>	<u>2.8</u>	<u>-</u>
Publicly Traded Equity Securities ⁽²⁾				
Energy	573	315	0.0	-
Financials	6,213	5,608	0.3	-
Health Care	315	245	0.0	-
Industrials	8,742	6,894	0.6	-
Information Technology	681	563	0.0	-
Materials	546	420	0.0	-
Total Publicly Traded Equity Securities	<u>17,070</u>	<u>14,045</u>	<u>0.9</u>	<u>-</u>
Derivative Instrument	<u>-</u>	<u>(4,620)</u>	<u>(0.2)</u>	<u>-</u>
Total Direct Investments	<u>77,441</u>	<u>57,538</u>	<u>3.5</u>	<u>-</u>
TOTAL	<u><u>\$ 1,996,580</u></u>	<u><u>\$ 1,907,572</u></u>	<u><u>112.2%</u></u>	<u><u>\$ 731,727</u></u>

⁽¹⁾ Industry classifications are determined at the individual portfolio company level and are based on the NAICS.

⁽²⁾ Publicly traded equity securities represent equity security distributions from fund investments and direct public equity investments.

Combined Condensed Schedule of Investments

As of 30 June 2010 and 31 December 2009

(US\$ in thousands)

Industry ⁽¹⁾	30 Jun 2010 (Unaudited)		31 Dec 2009 (Audited)	
	Fair Value	% of Total Net Assets	Fair Value	% of Total Net Assets
Industrials	\$ 403,536	23.1%	\$ 419,586	24.7%
Consumer Discretionary	226,976	13.0	229,018	13.5
Health Care	217,258	12.4	218,629	12.9
Information Technology	197,455	11.3	201,589	11.8
Financials	165,093	9.4	181,062	10.6
Media	118,202	6.8	130,306	7.7
Materials	91,138	5.2	90,182	5.3
Telecommunication Services	82,462	4.7	98,404	5.8
Other Industries	82,089	4.7	92,087	5.4
Consumer Staples	67,222	3.8	74,200	4.4
Other (net other assets)	171,417	9.8	172,509	10.1
TOTAL	\$ 1,822,848	104.2%	\$ 1,907,572	112.2%

⁽¹⁾ Industry classifications are determined on a look-through basis at the individual portfolio company level and are based on the NAICS.