

TETRAGON

TETRAGON FINANCIAL GROUP LIMITED (TFG) ANNOUNCES THE COMPLETION OF ITS 60TH TRANSACTION

24 May 2007

On May 23, 2007, TFG acquired a substantial stake of a residual tranche of a collateralized loan obligation (CLO) which will own US\$500 million of broadly syndicated and middle market senior secured bank loans. At closing, the newly-formed CLO entity had acquired approximately US\$475 million of the total loan portfolio and is expected to purchase the remaining US\$25 million of senior secured bank loans over the next four weeks. The CLO structure effectively secures long-term, non-recourse financing for the specific bank loan portfolio that it owns. This represents the 60th transaction since TFG's inception in August 2005.

TFG is a Guernsey investment company that invests primarily in broadly syndicated senior secured loans in the United States and Europe, as well as middle market senior secured loans in the United States, through long-term funding vehicles such as collateralized debt obligations (CDOs) and CLOs. TFG aims to provide stable returns to investors across various interest rate and credit cycles. TFG launched operations on August 1, 2005 and invests substantially all its capital through a master fund.

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This release does not contain or constitute an offer to sell or a solicitation of an offer to purchase securities in the United States. The securities of TFG have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act"), as amended, and may not be offered or sold in the United States or to US persons unless they are registered under applicable law or exempt from registration. TFG does not intend to register any portion of its securities in the United States or to conduct a public offer of securities in the United States. In addition, TFG has not been and will not be registered under the US Investment Company Act of 1940, and investors will not be entitled to the benefits of such Act.