

Role of Private Equity

In Successful Debt-to-Equity Conversion

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Considering a conversion of debt-to-equity, BUT...

- What to do with it?
- Reputational concerns!
- Management concerns!
- What's the recovery plan?
- How to fund new capital needs?
- Clear path to exit/upside?



Role that private equity can play...

- Core business
- Reputationally strong
- Strong management
- Business and recovery planning
- New capital contributions/management
- Maximize value & exit prospects



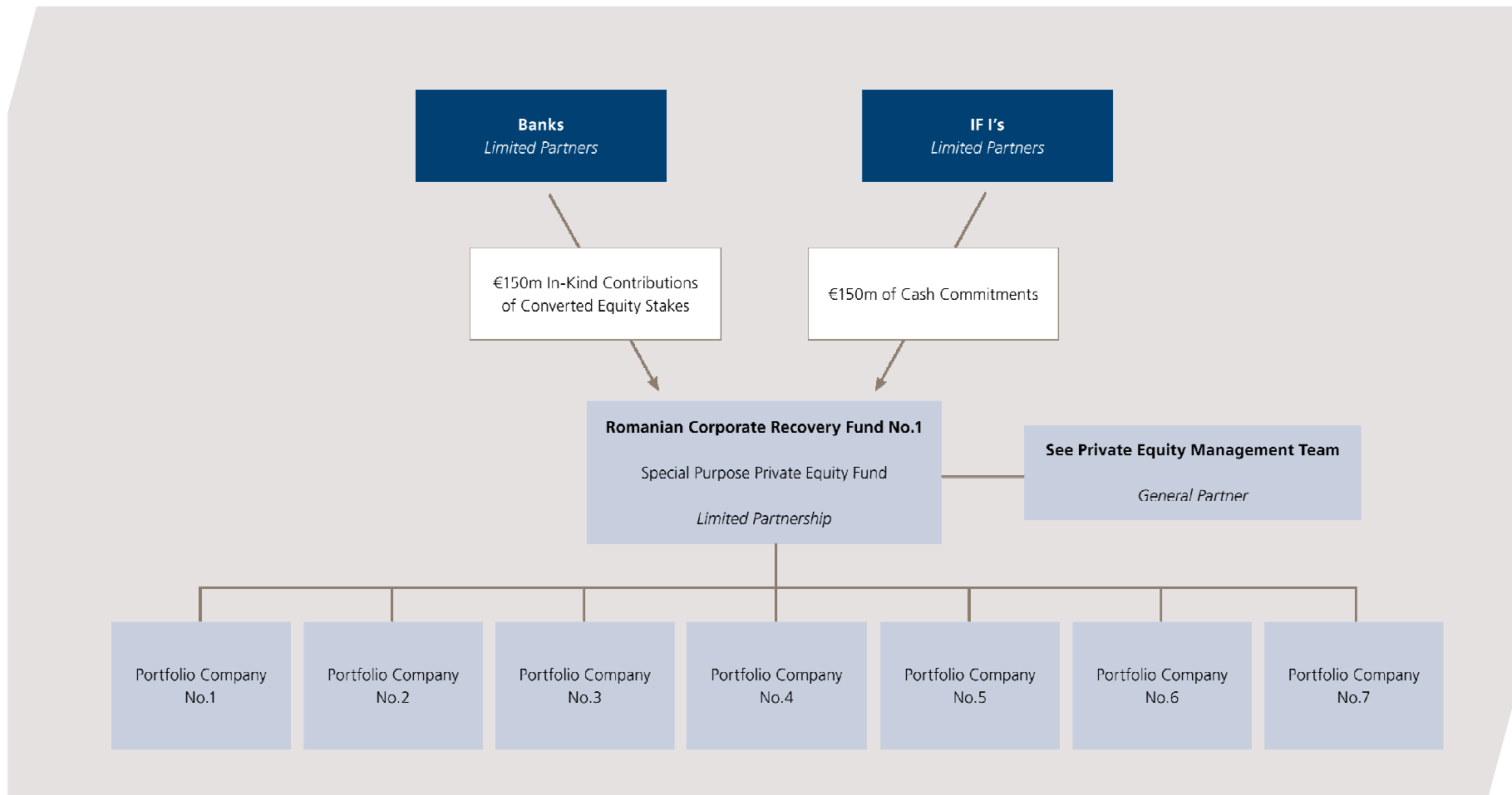
Role that IFI's can play...

- Private capital for SEE funds is very tight
- Take LP stakes in new breed of SPF's
- Promote corporate recovery
- Promote elimination of NPLs

**Development banks
committed to economic
recovery**



Establish special purpose funds...



A few of the benefits...

- Upside prospects...offset certain losses
- Additional exit prospects via LP secondary market
- Recovery of certain potentially viable corporates/customers
- Macro-employment prospects enhanced
- Replacement of certain NPLs with PLs