

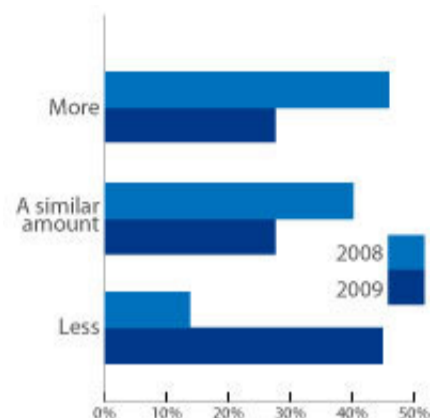
## The hottest sectors for investment in 2009

Cobalt, the corporate finance TMT sector specialist, has conducted its second annual survey of investors in Technology, Media and Telecoms to identify their investment predictions for these sectors in 2009. While remaining positive, caution has dampened investment enthusiasm, with a corresponding lengthening in the holding time of portfolio investments.

### Investment appetite

- While overall investment enthusiasm has declined, 55% of investors still anticipate investing more or similar amounts in 2009 than 2008, with 45% expecting to invest less
- 57% anticipate the deals that do happen will be similar or larger than last year, perhaps surprising given the decline in valuations
- However, while investments are continuing, 74% of investors expect exits to be more difficult to achieve in 2009 with a significant fall in the number of exits in the next 12 months
- In spite of the recession, strategic commitment to the sector continues with nearly 70% of investors anticipating their TMT teams to remain the same or grow in 2009

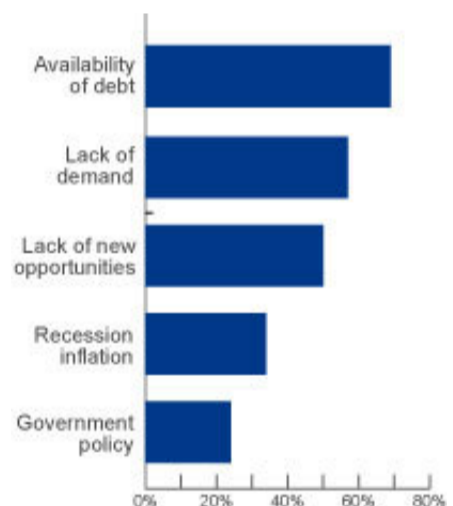
Compared to last year, in the next 12 months do you expect to invest :



### Responding to the market

- The single most limiting factor for investment activity in 2009 is a lack of available debt, with 69% of respondents claiming this to be their biggest threat
- In response to the downturn investors will be undertaking a range of actions on behalf of investees with refinancing a common theme, and in recognition of the difficult M&A market, 75% expect to be exiting their current investments later than planned and nurturing the portfolio
- 25% consider recessionary inflation to be a significant threat, one to watch as the cycle progresses

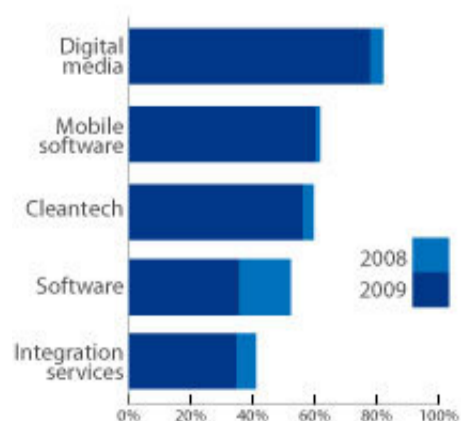
What are the biggest threats to investment activity in 2009?



### What to watch in 2009

- The hottest TMT sectors for 2009 are the same as 2008 but Digital media, Mobile software and Cleantech have consolidated their positions as favourites and might be expected to develop rapidly even through the recession

Which are the top sectors to watch in 2009?



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