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## PRESS RELEASE

### **CHEYNE CAPITAL ANNOUNCES \$120 MILLION STRUCTURED CREDIT DEAL**

London, 7 December 2007 - Cheyne Capital Management (UK) LLP is pleased to announce the first close of the Cheyne Capital Guaranteed Credit Notes, arranged by Goldman Sachs International. It is a US\$120 million offering, rated AA- by S&P, for principle.

The Notes' returns are linked to a credit portfolio managed by Cheyne Capital's Corporate Credit team. The offering has captured value opportunities and higher spreads created by recent market conditions.

The notes are capital-guaranteed by Goldman Sachs over a ten-year term.

Cheyne's Corporate Credit team oversees \$2.5 billion of capital in levered corporate credit and their CDOs have averaged a 25-30% IRR over the past 5 years. Since the team's inception in 2002 Cheyne has issued 16 CDO transactions across synthetic, convertible, ABS, and loan asset classes. The team has become one of the largest hedge fund users of single name CDS and bespoke CSO tranches having traded over US\$170bn CDS and over US\$4.5bn bespoke CSOs across more than 10,000 traded tickets.

John Weiss, co-head of Corporate Credit, Cheyne Capital commented, "This is a significant deal for us given the recent lack of activity in the structured credit market. It is a real sign that there are opportunities out there and value to be created in spite of the recent market turmoil."

### **About Cheyne Capital**

Cheyne Capital is one of Europe's leading alternative asset managers. Cheyne Capital Management (UK) LLP is authorised and regulated by the UK FSA and, along with other parts of the group, is a registered investment adviser with the US SEC. Cheyne launched its first fund in 2000 and today manages net assets of approximately \$11 billion across a diversified suite of products. Cheyne currently employs over 220 people with its primary offices in London and Bermuda.