



POUNDLAND TO BE ACQUIRED BY WARBURG PINCUS

PARTNERSHIP POSITIONS COMPANY FOR FUTURE GROWTH

LONDON – May 4, 2010 – Warburg Pincus, a leading global private equity firm, has reached an agreement to acquire Poundland, Europe’s biggest single price discount retailer, from Advent International. Warburg Pincus will acquire a majority stake with the management at Poundland retaining a minority shareholding and continuing to lead the business. Detailed terms of the transaction were not disclosed.

Founded in 1990 and based in Willenhall, West Midlands, Poundland operates a UK nationwide network of stores offering exceptional value to almost 3 million customers every week. Poundland sells a wide variety of well-known food, health & beauty and household brands as well as other high quality merchandise including stationery, toys, seasonal products and entertainment, all for the single price of £1.

Jim McCarthy, Chief Executive of Poundland, said: “Poundland has delivered amazing value to millions of customers for over 20 years. Our new partnership with Warburg Pincus will enable us to accelerate our growth plans and bring the single price proposition to even more customers throughout the UK. Poundland and Warburg Pincus both recognise the significant opportunities for future growth from increasing numbers of consumers who are seeking value for money whilst not compromising on quality.”

Since the opening of its first store in 1990, Poundland has demonstrated consistent like-for-like growth across all stages of the economic cycle and has significantly expanded its UK network to over 260 stores. In addition, the Company recently announced plans to open a further 50 stores in 2010/2011, creating around 2000 new jobs.

Poundland is forecast in 2011 to generate revenues in excess of £700 million. The current size of the UK value market is estimated to be worth £24 billion and is expected to grow a further 22% by 2014, exceeding virtually all other retail sub sectors.

Warburg Pincus is a growth-oriented investor focused on early-stage, growth and late-stage businesses across North America, Europe and Asia. The acquisition of Poundland is an all equity investment, fully funded from Warburg Pincus Private Equity X, L.P., a \$15 billion global private equity fund.

Steve Coates, Warburg Pincus Managing Director, added: “Poundland is an exceptional business which enjoys a leading position in the high growth single price discount retailing market in the UK. The Company is well placed to continue to take advantage of excellent growth opportunities and we look forward to partnering with its highly experienced and dedicated management team.”

The closing of the transaction is subject to the customary regulatory review and closing conditions. Advent was advised by Close Brothers (Corporate Finance and Debt Advisory), Weil Gotshal and Manges (Legal) and KPMG (Financial). Warburg Pincus was advised by Credit Suisse (Corporate Finance), PwC (Financial and Commercial) and Clifford Chance (Legal).

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Notes to Editors

About Poundland

Based in Willenhall West Midlands, Poundland was established in April 1990 and is the original, biggest and most successful single price discount retailer in Europe. Poundland currently operates a UK nationwide network of over 260 stores and employs over 7000 people.

Poundland offers a range of more than 3000 items at the single price of only £1 each, providing almost 3 million customers every week with amazing value for money on 1000 top brands including Maxwell House coffee, Whitworths sugar, Colgate toothpaste, Walkers crisps & snacks and Kodak batteries and high quality products across 16 categories including beauty, household and entertainment products. Poundland is proud to source around two thirds of the products it sells from the UK.

Poundland is led by a highly regarded management team including Chief Executive Jim McCarthy with over 30 years experience in retail. McCarthy was formerly Managing Director of J Sainsbury's convenience stores, Chief Executive of T&S stores plc and Managing Director of Neighbourhood Retailing, part of Next plc. Poundland Chairman Colin Smith has more than twenty years experience of food retailing, wholesaling and manufacturing and is currently senior independent non executive director of McBride plc and Chairman of Assured Food Standards. Prior to joining Poundland, he was Finance Director and then CEO of Safeway plc.

Examples of products sold by Poundland in the last year include (approximately):

- 3.5 million boxes of Tetley tea bags
- 4 million bars of Toblerone
- 4 million jars of coffee
- 5 million energy drinks
- 3 million Christmas crackers
- 2,250 miles of tinsel
- 10,500 miles of Christmas wrapping paper
- 1.5 million pairs of reading glasses
- 1.7 million umbrellas
- 0.5 million garden gnomes
- 1 million toy cars
- 4.5 million energy saving light bulbs
- 21 million metres of aluminium foil
- 185 million batteries

For more information, please visit www.poundland.co.uk

About Warburg Pincus

Warburg Pincus is a leading global private equity firm and has more than \$30 billion in assets under management. Its active portfolio of more than 110 companies is highly diversified by stage, sector and geography. Warburg Pincus is a growth investor and an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 12 private equity funds which have invested more than \$35 billion in approximately 600 companies in more than 30 countries. Since the firm's first European transaction in 1983, Warburg Pincus has invested more than \$6 billion in European companies, including investments in Eurand N.V., Kontron AG, Loyalty Management UK Ltd., Premier Foods, WNS (Holdings) Ltd. and Ziggo B.V. The firm has offices in Beijing, Frankfurt, Hong Kong, London, Mumbai, New York, San Francisco, São Paulo, Shanghai and Tokyo.

For more information, please visit www.warburgpincus.com.

About Advent International

Founded in 1984, Advent International is one of the world's leading global buyout firms, with offices in 16 countries on four continents. A driving force in international private equity for 25 years, Advent has built an unparalleled global platform of over 150 investment professionals across Western and Central Europe, North America, Latin America and Asia. The firm focuses on international buyouts, strategic repositioning opportunities and growth buyouts in five core sectors, working actively with management teams to drive revenue growth and earnings improvements in portfolio companies. Since inception, Advent has raised €19 billion in private equity capital and, through its buyout programs, has completed over 250 transactions valued at approximately €37 billion in 35 countries.

For more information, visit www.adventinternational.com.