

PRESS RELEASE

NORTHWATER

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NORTHWATER CAPITAL MANAGEMENT INTRODUCES PORTFOLIO PLATFORM™

*A Flexible and Scalable Portable Alpha Platform for Institutional Investors
Leveraging the Breadth and Depth of Northwater's Portable Alpha Experience*

New York, NY – May 30, 2006 – Northwater Capital Management Inc., a leading global investment firm, announced today the launch of a new brand, Portfolio Platform™, for its portable alpha policy implementation product. This new branding initiative, part of a more intensive marketing campaign, represents the Company's continued commitment to helping investors implement their best ideas. Northwater has more than eight years of portable alpha experience and seventeen existing portable alpha accounts.

Portfolio Platform™ is a proprietary platform, built from the bottom-up, that incorporates the flexibility and scalability necessary to meet a variety of investor needs. Portfolio Platform™ lets institutional investors access multiple alpha sources while closely manage risk exposure to stay within the plan's investment policy statement. Unlike pre-packaged portable alpha products or single asset strategies, Portfolio Platform™ seeks to give clients access to numerous equity or fixed-income markets via swaps or futures. Portfolio Platform™ has been designed to work seamlessly with multiple third party alpha sources, beyond Northwater, so that investors can structure a truly tailored strategy.

“For almost two decades, Northwater has been connecting people and financial innovation and Portfolio Platform™ is no exception. Whether clients use Northwater's own market-neutral fund of hedge funds, alternative alpha sources, or a combination, Portfolio Platform™ provides an open, flexible platform that lets our clients implement their best investment ideas,” says Northwater President Paul Robson. “We've built our reputation on forming trusted client partnerships and Portfolio Platform™ is another extension of our commitment to service.”

Portfolio Platform™ is a comprehensive solution that enables Northwater to offer both strategic advice and expert execution throughout the investment process. Portfolio Platform™ is a full-service offering that includes negotiating, drafting, and executing all agreements, monitoring portfolio exposures, managing settlements and liquidity, and providing mandate reporting and performance attribution. Northwater's specialized teams leverage their relationships with global institutions so that clients can receive the best terms and competitive pricing.

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About Northwater Capital Management Inc.

Founded in 1989, Northwater is an employee-owned investment company with offices in Toronto and New York. The firm has U.S. \$9 billion in assets under management, including U.S. \$4 billion in its market-neutral fund of hedge funds, 90% of which is used in a portable alpha structure. The firm services more than 50 institutional investors across Canada, the U.S. and Europe, helping them achieve their investment goals through sound investment advice and robust risk management. Northwater's investment professionals have an average of 18 years relevant industry experience and have been at the firm for an average of 7 years. Northwater has more than eight years of portable alpha experience and seventeen existing portable alpha accounts.