

CLSA Private Equity Funds Exceed US\$1 billion

20 March 2006, Hong Kong: CLSA Asia-Pacific Markets, the region's leading independent equity brokerage and investment bank, has reorganised its private equity business as funds have now surpassed US\$1 billion following substantial fund raising in the past 12 months.

The new group will be called CLSA Capital Partners and will CLSA's manage four main funds investing in specific themes: domestic demand, asset reflation, Japan recovery and leveraged buyout financing. Together with coinvestment of an additional US\$1 billion from global investors, CLSA Capital Partners will be in a position to consider investing in most deal types.

"Unlike many of our competitors, we have segmented our funds under management to focus on specific themes," said Gary Coull, Chairman and CEO of CLSA Capital Partners. "There are a number of firms with larger funds under management which have a global, generalist focus. We are focusing on Asian opportunities with dedicated teams around each theme."

CLSA's fund management group is backed by one of the region's most respected research teams. CLSA has 125 analysts in Asia, including top rated economics and strategy products plus sector and country specialists to which CLSA Capital Partners fund managers have direct access. In addition to its large regional network, CLSA can also call upon the global network of its parent, the world's 5th largest banking group Credit Agricole, to assist investee companies.

The four main funds are: Aria Investments, which focuses on growth capital for companies exposed to domestic demand; Fudo Capital, which has US\$430 million to invest in Asian property, roughly half of which is earmarked for Japan; Sunrise Capital, which has US\$325 million for growth and mid-market buyout opportunities in Japan; and MezzAsia, which has US\$200 million to provide mezzanine debt financing for Asian buyouts.

"While the economic outlook outside of Asia is full of potential time bombs -- American finances, derivative excesses, Middle East tensions, oil uncertainty, bird flu, rising interest rates -- there are still many positive things happening in the Asia-Pacific economies," Mr Coull said. "Our growth rates remain attractive, corporate profits are good, gearing is low and dividend payouts remain robust. There are plenty of opportunities for private equity investors across a range of asset classes and there is even some hope that Asia might prove more resilient than normal if there is a global event."

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About CLSA Asia-Pacific Markets

CLSA is an award-winning brokerage, investment banking and private equity group in the Asia-Pacific Markets. Founded in 1986 and headquartered in Hong Kong, CLSA's major shareholder is France's Credit Agricole, which merged in 2003 with Credit Lyonnais, to form the 5th largest bank in the world by assets and the 5th largest bank



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in the world by Tier One capital. CLSA enjoys substantial staff ownership which contributes to its independent stance and operations.

CLSA has over 900 dedicated professionals spread across all Asian and international financial centres. Recognised as one of the top research, sales and execution houses in Asia, CLSA is known for its innovative and independent research. In 2003, CLSA expanded its brand to Japan, offering Japanese equity research and sales services to international investors.

CLSA is consistently highly ranked in major industry polls including Institutional Investor's All-Asia Research Poll 2005 and 2004, and The Asset's Asian Equities Benchmark Survey 2004 and named as the 'Most Independent Research Brokerage House in Asia' for the last three consecutive years.

CLSA Capital Partners is a specialist private equity investment management firm, focused on Asia with a diverse team of professionals with backgrounds spanning industry and banking to law and accounting. This range of experience is backed with solid Asian experience. Based in Hong Kong and Singapore, CLSA Capital Partners is wholly owned by CLSA and works closely with the other units of CLSA. This relationship provides CLSA Capital Partners with unique access to Asia and its decision makers, hard knowledge of what is really happening and strategic insight into future trends through CLSA Asian offices, research and investment banking teams.

CLSA Private Equity Management Ltd is the manager of Aria Investment Partners, I & II L.P, pan-Asian private equity funds. ARIA partners with owners and managers of outstanding middle market companies to provide capital for expansion, acquisition and recapitalisation both before and after a public listing.

Additional information is available at www.clsa.com.

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