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CLSA Capital Partners assets rise to US\$1.5 billion as Aria III surpasses target

Hong Kong, 25 May 2006 – CLSA Capital Partners, the private equity arm of Asia's leading independent brokerage and investment bank CLSA, now has nearly US\$1.5 billion with the closing of its third domestic consumption fund Aria Investment Partners III, L.P. Aria III raised US\$330 million, surpassing the original target of US\$250-300 million.

CLSA Capital Partners is now well positioned to participate in the broad spectrum of Asian deal flow. Aria III is the latest in a series of funds dedicated to growth capital for companies exposed to Asian domestic demand. Funded by US, European and Japanese institutions, Aria III will provide growth and expansion capital for well managed companies with investment sizes in the range of US\$10-60 million.

CLSA Capital Partners manages four funds focused on preidentified themes: domestic demand, asset reflation, Japan recovery and leveraged finance. The four main funds are Aria Investment Partners; Fudo Capital (US\$430 million) investing in Asian property roughly half of which is earmarked for Japan; CLSA Sunrise Capital (US\$325 million) investing in growth and mid-market buyout opportunities in Japan and MezzAsia Capital (US\$200 million) providing mezzanine debt financing for Asian buyouts.

"Although numerous global risk factors remain, there is so much domestic economic activity in Asia-Pacific that investors would unlikely remain bearish for very long. We believe the medium-term outlook is still very bright based on domestic demand," said Gary Coull, Executive Chairman of CLSA Capital Partners.

Josephine Price, Deputy CEO and Managing Director of Aria Investment Partners said, "The successful closing of Aria III is a testament to investor confidence in our investment approach. Over the past few years we have invested in well managed, high growth companies providing capital and a lot of value add. Our team has worked intensively with investee companies in helping them to grow the business and has a really good understanding of the issues that face companies in this type of environment. We are looking forward to investing Aria III in more market leading companies from Korea across to India."

CLSA Capital Partners has another US\$1 billion in funds available under investment arrangements.

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About CLSA Asia-Pacific Markets

CLSA is a leading brokerage, investment banking and private equity group in the Asia-Pacific Markets. Founded in 1986 and headquartered in Hong Kong, CLSA's



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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 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, the CLSA expanded its brand to Japan, offering Japanese equity research and sales services to international investors.

CLSA is consistently ranked in major industry polls. CLSA ranked No.3 overall in Institutional Investor's All-Asia Research Poll 2006 and No.2 in The Asset's Asian Equities Benchmark Survey 2005. CLSA has also been named as the 'Most Independent Research Brokerage House in Asia'.

About CLSA Capital Partners

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 General Partner of Aria Investment Partners, I, II & III, 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.

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