

Press Release

1 June 2010

## Everbright ALAM introduces Ashmore as new strategic partner

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**Hong Kong , 1<sup>st</sup> June 2010 – China Everbright Limited** (“Everbright” or the “Group”; HKEx stock code: 165) today announced the sale of up to a 39% stake in Everbright ALAM to Ashmore Investment Management Limited (“Ashmore”), a specialist emerging markets asset manager. Everbright ALAM is an investment manager specializing in China real estate that is currently owned by Everbright and RQSI Limited, an experienced real estate investment manager. Everbright ALAM will be renamed Everbright Ashmore following the transaction.

After the completion of the deal, Everbright will remain the controlling interest in Everbright Ashmore with 51%. Everbright Ashmore will act as the investment manager for the Everbright Ashmore China Real Estate Fund, which targets investments in Chinese real estate with an emphasis on residential and retail opportunities in 2<sup>nd</sup>- and 3<sup>rd</sup>-tier cities.

Ashmore identified the transaction as a way to buy into an existing real estate business with experience in deal sourcing and execution as well as strong relationships with local Chinese developers. Ashmore will also be committing capital for the second round of fundraising for the real estate fund, which raised over US\$100 million during its initial fund closing. As of 31 December 2009, Everbright Ashmore’s total assets under management had reached US\$210 million, including both funds raised and property projects under management.

**Mr Chen Shuang, Executive Director and Chief Executive Officer of China Everbright Limited, said,** “We are seeing more attractive opportunities in the mainland China real estate market, particularly in the second- and third-tier cities, as a result of recent government measures to restrict speculative excesses in the domestic property market. While the government’s measures will foster healthier market development, tightened credit facilities present even more lucrative prospects for a private equity investment vehicle with an excellent reputation, such as Everbright Ashmore.

Ashmore is a superb partner with strong international brand recognition in emerging markets, and we are now even better poised to capture business opportunities as China’s property market continues to prosper. Ashmore will also open up opportunities for Everbright in Europe and elsewhere in the world in the longer term.”

-Ends-

### **About China Everbright Limited**

China Everbright Limited (Everbright), with China Everbright Group as its parent company, is a diversified financial conglomerate operating in both Hong Kong and mainland China.

Established in 1997, Everbright persistently pursues a “3+2 Macro Asset Management” strategy, focusing on direct investment, asset management and asset investment, whilst developing fee-based businesses including investment banking (corporate financing) and brokerage services (wealth management). Over the past decade Everbright has developed solid market bases in various sectors and provided diversified services for its clients. The company has set up several securities brokerage and wealth management branches in Hong Kong, as well as subsidiaries in Shenzhen and Beijing. Everbright is the second-largest shareholder of the Mainland-based Everbright Securities Co., Ltd. and the third-largest shareholder of China Everbright Bank.

By leveraging the substantial financial strength of the company itself, and the position and influence of its parent company and affiliated companies in the financial industry in China, Everbright has weaved considerable social and business networks in Hong Kong and the Mainland.

Following its service philosophy of “Making Wealth Simple”, the company endeavours to provide convenient, professional and practical solutions in the spirit of being “customer-friendly”, “agile” and “pragmatic”, to help clients create wealth and value with ease.

Website of Everbright: [www.everbright165.com](http://www.everbright165.com)

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### **About Ashmore Investment Management Limited**

Ashmore Investment Management Limited is a specialist active value-oriented fund manager focusing on emerging markets globally, with a fund management track record going back to 1992. As one of the most successful and experienced investors in emerging markets debt, currency, and special situations incorporating distressed and private equity approaches, Ashmore is well known for its mature and innovative investment approach and outstanding performance track record.

Ashmore employs six investment themes in emerging markets: US dollar-denominated debt (and sub-themes); local currency-denominated debt (and sub-themes); public equities; corporate debt; special situations (including distressed debt and private equity), and real estate. Ashmore also manages asset allocation products across various of these themes and single country funds.

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