



April 24, 2006

## **GEMS Welcomes Development Bank of Japan as Strategic Partner**

GEMS Ltd. announced today that Development Bank of Japan (“DBJ”) has taken up an equity interest of approximately 15% in the Asian private equity management company. DBJ has also made an additional capital commitment to GEMS III, GEMS’ latest fund. GEMS III has a target fund size of US\$300 million, and is expected to have its final closing later this year.

This strategic alliance with DBJ will further boost GEMS’ presence in Japan, which is one of the countries of primary focus for GEMS III. It will further position GEMS as a preferred investor amidst growing economic integration between Japan and the rest of Asia, including China, in areas such as technology, manufacturing, trade and investment. With the support of DBJ, GEMS will seek to bring additional value to its investee companies, through providing them with access to even broader range of customers, business partners and suppliers as well as the possibility of going public in Asia’s deepest and most active capital market.

While it has traditionally enjoyed strong support from corporate investors in Japan, this latest strategic alliance with one of the largest financial institutions in that country is expected to also provide GEMS with increased access to Japan’s base of institutional investors.

“We are honoured and delighted to have DBJ on board as our strategic partner,” says Simon Murray, Executive Chairman of GEMS. “Japan has been one of our most successful markets and, with the economic recovery there becoming increasingly more evident, we are very excited about the opportunities that Japan offers in terms of both investment situations as well as capital-raising for our portfolio companies from elsewhere in Asia.”

“With DBJ as our partner, we have the best of both worlds: the focus and flexibility of a small, independent house, but with the institutional support of a big brother like DBJ,” explains Murray.

“Japan is clearly one of our most important markets,” says Geoff Spender, CEO of GEMS. “This investment from DBJ is a very important endorsement of our investment strategy and approach in Japan and elsewhere in Asia, and we expect to work very closely with them in generating fresh investment ideas and in exploring the possibility of listing some of our investee companies in Japan.”



This investment from DBJ represents the bank's first significant commitment to a private equity house at a strategic level outside of Japan.

GEMS Ltd. is an independent Asian private equity investment management company, currently with three funds and over US\$650 million under management. Since its inception in 1998, it has invested in 27 different situations with total capital commitments exceeding US\$470 million – in Japan, South Korea, Greater China, Thailand, Singapore Australia – and across industries ranging from natural resources, steel, electronics, semiconductors, to financial services, retailing and transportation.

DBJ is a policy-based financial institution wholly owned by the Japanese Government. In November 2005, it was announced that DBJ would be privatized in a process beginning in April 2008. DBJ manages total assets of over US\$135 billion and has client relationships with some 3,500 companies throughout Japan.