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# Morgan Stanley

For Immediate Release

## **Morgan Stanley Raises Fourth Asia-Dedicated Private Equity Fund**

HONG KONG, July 7, 2014 – Morgan Stanley (NYSE:MS) today announced that its Asia private equity group, Morgan Stanley Private Equity Asia (MSPE Asia), has raised aggregate commitments of approximately US\$1.7 billion for Morgan Stanley Private Equity Asia IV, L.P. (Fund IV), the Firm’s fourth investment vehicle targeting private equity investments in Asia. MSPE Asia, which is part of the Firm’s Merchant Banking & Real Estate Investing business, will manage the Fund.

“This substantial capital raise for Morgan Stanley Private Equity Asia demonstrates the demand for the disciplined, patient investment approach our team has executed on a pan-Asian basis for over two decades,” said Ed Moriarty, Head of Merchant Banking & Real Estate Investing. “We were able to raise capital well above our target in large part due to the combination of the team’s investing strategy coupled with the benefits in being part of the Merchant Banking & Real Estate Investing platform. Our approach provides teams with access to Morgan Stanley’s global network and resources on a growing platform focused on providing best-in-class operations, risk, reporting and client service.”

Fund IV’s investor group is comprised of leading global institutions, including: US state pension plans, sovereign wealth funds, financial institutions, fund of funds, endowments, and high net-worth individuals, as well as Morgan Stanley and the investment team. The institutional participation in the fund is approximately double the size by dollars compared to Fund III.

Fund IV seeks to invest in leading businesses located throughout the region with strong value propositions. The Fund has already completed two investments, and has recently announced publicly and contracted to complete an additional five investments.

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“We are very pleased with the strong support we have received for our latest fund,” commented Chin Chou, the Chief Executive Officer of MSPE Asia. “For Fund IV, we will continue our value-oriented investment strategy, and we believe the current environment represents an excellent opportunity to buy and invest in Asian businesses at very attractive prices.”

“One of the key focus areas for Fund IV will be China,” said Homer Sun, the Chief Investment Officer of MSPE Asia. “We continue to believe that China represents one of the world’s most attractive investment destinations. In addition, we have been active in Korea, particularly in the buyout space, and as such we expect Fund IV to aggressively pursue opportunities in that market.”

MSPE Asia is one of the leading private equity investors in Asia Pacific, having invested in the region for over 20 years. The team has invested approximately US\$2.5 billion in Asia, primarily in highly structured minority investments and control buyouts in profitable, growth-oriented companies at attractive valuations, with a significant majority of the investments sourced on a proprietary basis.

The group has made over 50 investments in businesses throughout Asia, including most recently, Sihuan Pharmaceutical, Buchang Pharmaceutical, Feihe International, Beijing Hi-24, CreditEase and Tianhe Chemicals, in China; Ssangyong C&B Monalisa and Nolboo, in South Korea; Janalakshmi Financial Services in India; and previously CTCI, China Trust and E.Sun, in Taiwan.

Morgan Stanley Merchant Banking & Real Estate Investing (MB&REI) is a direct private investing group within Morgan Stanley Investment Management, which puts capital to work for a global investor base of major pension funds, sovereign wealth funds, financial institutions, and high net-worth individuals. MB&REI employs a consistent value-creation approach across a full range of strategies, including private equity, real assets and credit. Over 400 experienced professionals with extensive private markets expertise and access to Morgan Stanley’s global franchise provide an expansive network to source investment intelligence and opportunities. Investing teams also benefit from the platform and the Firm’s deep resources for best-in-class

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operations, reporting and risk management.

Morgan Stanley is a leading global financial services firm providing a wide range of investment banking, securities, investment management and wealth management services. The Firm's employees serve clients worldwide including corporations, governments, institutions and individuals from more than 1,200 offices in 43 countries. For further information about Morgan Stanley, please visit [www.morganstanley.com](http://www.morganstanley.com).

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