

Press Release

Everbright Conducts Placing to Expand Macro Asset Management Platform

On 5 October 2010, Everbright raised net proceeds of approximately HK\$2.28 billion through placing, tapping into the capital market for the first time in 10 years. The placing shares represent approximately 8.09% of the issued share capital of Everbright and approximately 7.49% of its issued share capital as enlarged by the subscription. The placing price of HK\$18 represents a discount of 7.12% to the closing price of HK\$19.38 on 5 October 2010, and a discount of approximately 2.19% to the average closing price of HK\$18.4 for the last 30 trading days. After completion of the placing, the shareholding of China Everbright Group in Everbright has decreased from 54.5% to approximately 50.3%. The proceeds will be applied principally for developing the asset management platform and direct and asset investment business of Everbright, as well as to serve as general working capital.

The joint placing agents of the placing are China International Capital Corporation Hong Kong Securities Limited, J.P. Morgan Securities (Asia Pacific) Limited and China Everbright Securities (HK) Limited, a wholly-owned subsidiary of Everbright.

Everbright is vigorously building its macro asset management business. It has established nine investment funds with total AUM over HK\$10 billion. The growth of funds and their investments have necessitated the increase of seed capital investments. Also, on top of its existing focus on primary market funds such as private equity funds, venture capital funds and industry funds, Everbright is seeking to quickly expand to secondary market funds (hedge funds, mutual funds and monetary funds) by recruiting teams and other methods. It is believed the placement will strengthened Everbright's capital and lay a solid foundation for its business development.