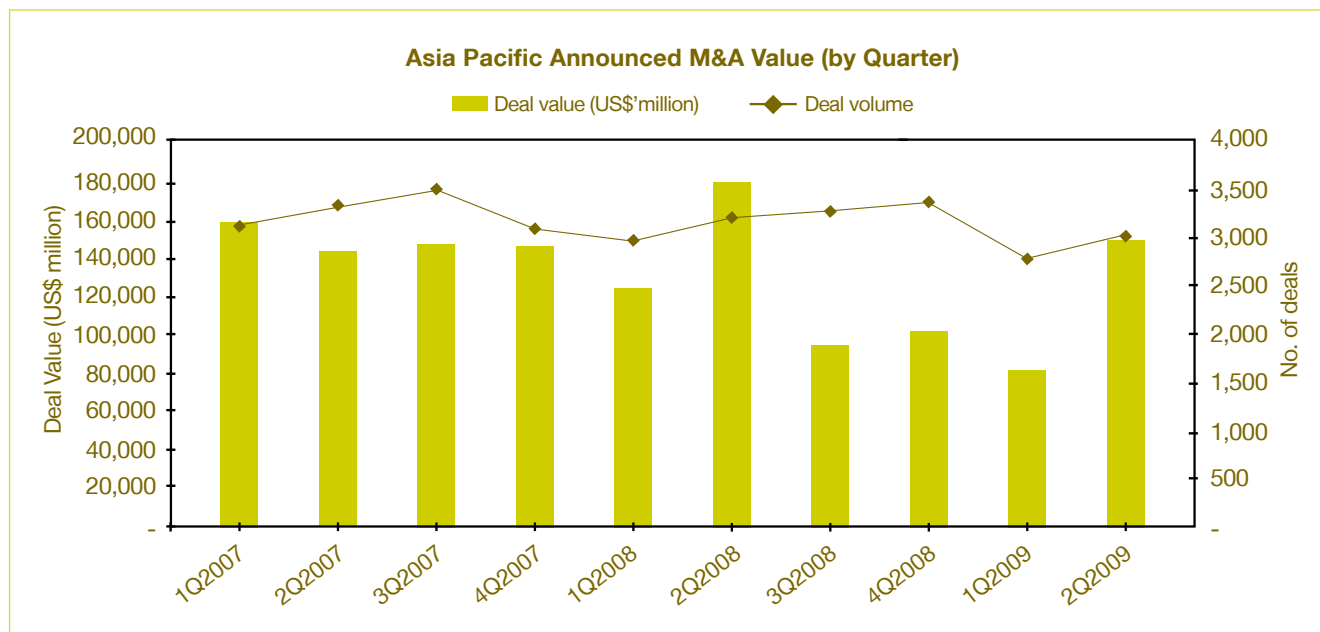
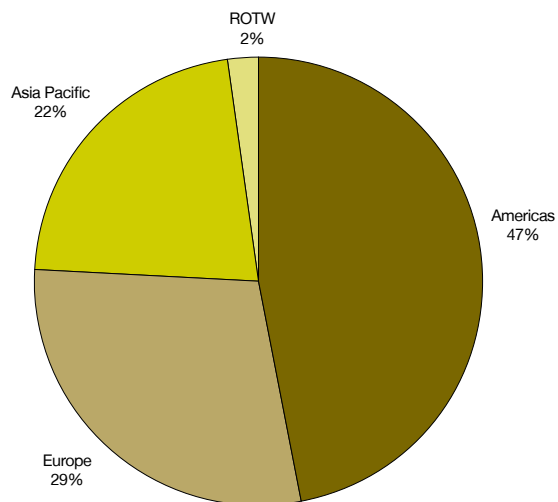


Overview of Asia Pacific M&A transactions in 1H2009



Source: Thomson Reuters, based on total domestic, inbound and outbound deals announced as of 30 June 2009.

Global Announced M&A Value by Region (1H2009)

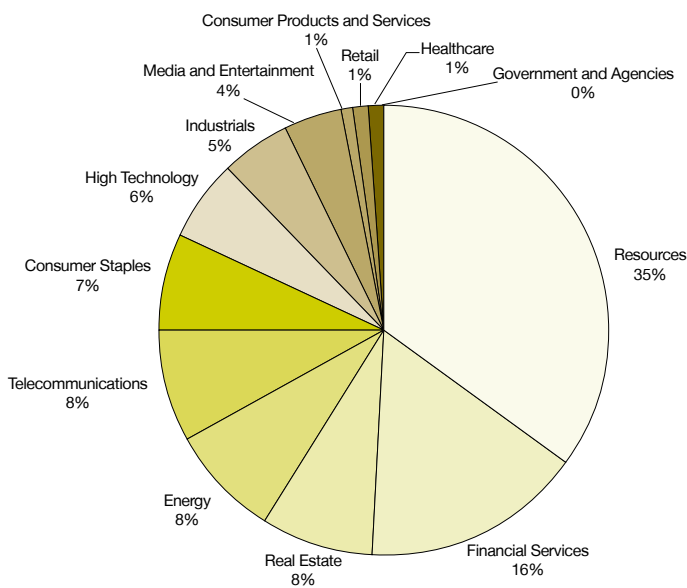


The value of announced Asia Pacific M&A fell 25% in the first half of 2009 from the same period last year to US\$229 billion, in line with the fall in value of global M&A. Asia Pacific accounts for 22% of global M&A in both first half periods. The proportion would have been greater if the massive government cash injections to recapitalise western financial institutions in first quarter of 2009 were to be excluded.

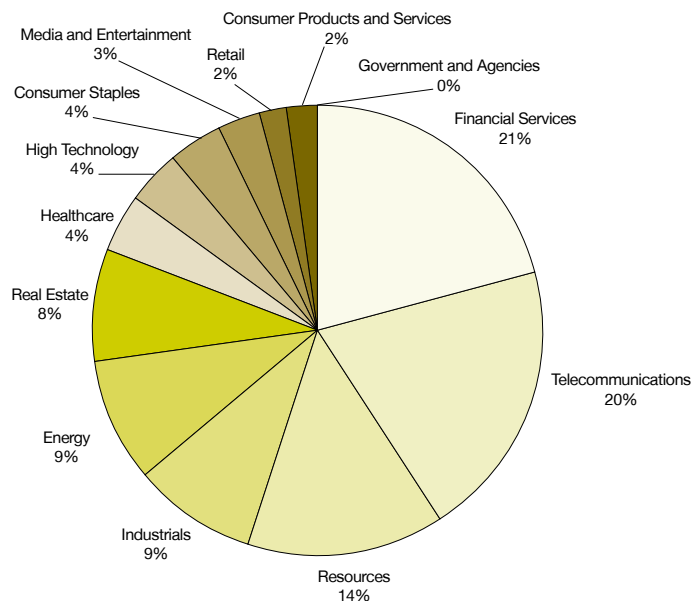
While M&A activity in the first half of 2009 increased by only 18% compared to preceding half year period, it is significant to note that within the half year of 2009, there was an 86% increase in M&A activity between the first and second quarters – in tandem with the stock market rally and signifying the thawing of the M&A winter after three consecutive quarters of decline. Anecdotally, we have seen significant pick-up in M&A execution activities since April 2009, albeit the deal sizes are substantially smaller and buyers are more cautious in both due diligence and valuation. Buyouts are still rare given the more conservative credit environment.

Asia Pacific Announced M&A Value by Industry

1H2009



1H2008



The primary themes of Asia Pacific M&A in 2009 continued to be Financial Services, Resources, Energy and Telecoms. Interests in the Industrial sector had waned following the onset of recession. The major transactions announced in the last six months were

Financial Services

- Sumitomo Mitsui's US\$5.8 billion acquisition of Nikko Cordial Securities and concurrently the domestic equity and debt underwriting business of Nikko Citigroup Ltd
- Ping An Insurance's US\$3.2 billion purchase of 30% interest in Shenzhen Development Bank
- Samruk-Kazyna Fond US\$2.1 billion acquisition of 78% interest in BTA Bank JSC

Resources

- Rio Tinto's US\$58 billion joint venture with BHP Billiton
- Minmetals Corp's US\$1.4 billion acquisition of certain assets of OZ Minerals Ltd, a copper, lead, zinc and gold mining company in Australia

Energy

- Sinopec's US\$8.9 billion acquisition of 100% interest in Addax Petroleum Corp
- Investor Group's US\$3.3 billion acquisition of 100% interest in OAO MangistauMunaiGaz

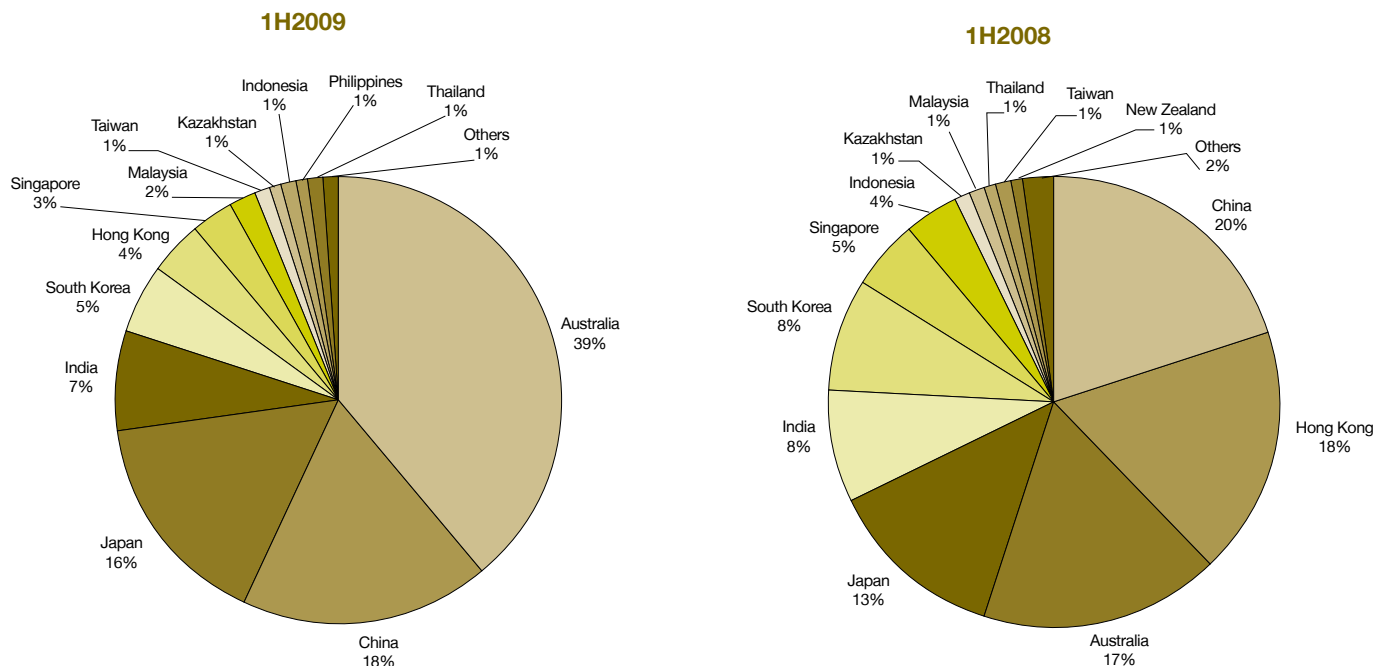
Telecoms

- Bharti Airtel's US\$11.4 billion acquisition of 36% interest in MTN Group
- Vodafone and Hutchison's US\$2.5 billion merger in Australia

Real Estate

- Chongqing Dongyuan Industry Development Co Ltd US\$2 billion acquisition of real estate developer, Chongqing Jinke Industrial (Group) Co Ltd
- Nippon Life Insurance US\$1.2 billion acquisition of the Marunouchi AIG Building in Tokyo from American International

Asia Pacific Announced M&A Value by Country



Within Asia Pacific, Australia overtook China in value of deals announced during the first half of 2008. This is followed by Japan and India.

Australia's ascent is primarily attributed to the US\$58 billion Rio Tinto – BHP joint venture. Excluding that single deal, Australia's share of Asia Pacific M&A activity for the first six months of 2009 would have been 17% instead of 39%.

China and India's M&A activities were dominated by domestic deals. China's domestic deals accounted for 50% of deal activity in the first half of 2009 as a result of the Chinese government's stimulus measures and on-going government policy to support consolidation in cement,

steel and financial services. India's domestic transactions accounted for more than half the value of deals announced. These domestic transactions related mainly to consolidation and re-alignment of businesses.

On the other hand, more than half of the Japanese M&A activity in the first half of 2009 related to outbound investments by Japanese corporations, predominantly in the Financial Services, Energy, Resources and Food & Beverage sectors. These transactions were driven by the overall distressed state of the markets, the country's efforts to secure natural resources and expansion beyond the saturated domestic food and beverage markets. ■