



25 April 2005

C\$200 million investment fund for Africa launched

- Fund to be managed by Actis and Cordiant
- First closing at C\$50 million expected in May 2005

Actis, a leading private equity investor in emerging markets, and Cordiant, the prime Canadian emerging market asset manager, today launched the C\$200 million Canada Investment Fund for Africa (CIFA).

The fund consists of an anchor commitment of C\$100 million from the Canadian Government, with at least the equivalent contribution to be raised from third parties. The amount committed at first closing will be C\$50 million made up of C\$25 million from the Canadian government and C\$25 million from CDC, the UK government's instrument for investing in the private sector in developing economies. The remaining C\$75 million from the Canadian government will be committed as matched funding as money is raised from third parties.

Actis and Cordiant were selected to manage the fund jointly following an extensive public tendering process. Actis is the leading private equity investor in Africa, having built up a team with deep financial and operational experience over the 50 years it has been active in the market. Cordiant will leverage its existing expertise as a critical link between institutional investors and private sector emerging markets opportunities to provide access to North American deal flow and investment capital.

The fund will provide risk capital for private investment in companies in Africa to generate economic growth in a commercially viable and sustainable manner, and will run for ten years.

Paul Fletcher, Senior Managing Partner, Actis, said:

“This a great day for the private sector in Africa as the money we will invest will create sustainable long-term businesses in Africa. It is an exciting market, which offers huge growth opportunities and Actis has demonstrated that we have the ability to generate competitive returns helping to attract new investors into this market.”

David Creighton, President and CEO of Cordiant, comments:

"The fund offers Canadian private equity investors and entrepreneurs an opportunity to tap into the enhanced strategic links between Canadian and African businesses, which encourage increased trade and investment flows to Africa and vice versa."

The Canadian government's initiation of this fund is part of the C\$500 million Canada Fund for Africa, which was established to enhance Canada's commitment to the G8 Africa Action Plan and the New Partnership for Africa's Development.

"The Canada Investment Fund for Africa is solid evidence of Canada's support for the G8 Africa Action Plan and NEPAD, or the New Partnership for Africa's Development," said Canadian Minister of International Cooperation Aileen Carroll. "This unique Fund will increase investment that will benefit Africans, bringing economic growth, job creation, increased income, social benefits and improved infrastructure to the continent -- a win-win for us all. The International Policy Statement reaffirms Canada's commitment to spur private sector development in developing countries."

Canadian Minister of International Trade James Peterson stated:

"I am asking Canadian business to participate actively in this public-private partnership to breathe new life into the African economy while boosting our own," said Minister Peterson "We know that higher potential returns will make the fund more attractive for business, so the Government of Canada is matching all other investments into the fund dollar for dollar."

"We are confident that within a year we will reach our capital target of \$200 million," Minister Peterson added.

- Ends -

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Notes to editors:

Actis

1. The restructuring of CDC Capital Partners into an investment company and a management company was announced in January 2004. The investment company retained the CDC name, whilst the management company is called Actis. The restructuring was designed to aid the acceleration of investment into developing countries to stimulate private sector growth in these areas.
2. Actis generally invests in:
 - Private companies seeking to achieve rapid growth either organically or through acquisitions
 - Buyouts of companies or non-core divisions of large corporations
 - Privatisations and restructurings
 - Infrastructure projects
3. Actis takes significant equity positions and/or provides mezzanine financing in businesses with talented management teams and strong, or potentially strong, market positions, which can achieve competitive rates of return.
4. Actis is a leading, independent private equity investor, which currently has over US\$2.7 billion under management. Actis has been investing in emerging market for over 55 years.
5. Actis invests in the power industry in emerging markets through CDC Globelec, a world-class operating power company.
6. Actis invests in SMEs through Aureos, a specialist SME investor in emerging markets. Aureos was created in 2001 as a joint venture between CDC Capital Partners and the Norwegian Fund for Developing Countries, Norfund.

Cordiant

1. Cordiant is a private sector emerging markets portfolio manager headquartered in Montreal, Quebec. The company specializes in international private sector investments with emphasis in emerging and high growth markets. Its professional team boasts over 150 years of combined experience in international markets.
2. Cordiant manages US\$450 million in emerging market private sector investments with holdings spread over 20 countries in 23 industrial sectors.
3. Cordiant has developed unique investment products which, combined with its focus on quantifying risk and filtering deal flow, provide a critical link between institutional investors and emerging markets.

4. Some of Canada's largest pension funds are amongst the investors in Cordiant's two funds IFPT '01 and IFPT '04, whose portfolios cover a broad range of sectors, including, among others, oil & gas, manufacturing, mining, steel, financial services, chemicals and telecom, across a wide selection of emerging market countries around the globe.

The Canada Investment Fund for Africa (CIFA)

1. CIFA was first announced by the Canadian Prime Minister at the G8 summit in June 2002 as part of the C\$500m Canada Fund for Africa, which was established to enhance Canada's commitment to the G8 Africa Action Plan and the New Partnership for Africa's Development (NEPAD).
2. CIFA will be invested on a formula-driven parallel basis with the Actis Africa Fund 2 LP (AAF2), a 2004 vintage fund with maximum commitments of US\$330m. A proportion of the AAF2 completed investments will be transferred to CIFA at first closing.
3. Current investments in AAF2 include: a US\$7m investment in a gold mining business, Orezone, a US\$5m investment in a commercial bank, Banque Commerciale de Rwanda, a US\$22m investment in a provider of mobile telecommunications, Starcomms, a US\$3m investment in a zircon and gold mining company, Mineral Deposits, a US\$9m investment in a paper manufacturing business, Peters Papers, and a US\$25m investment in a consumer and foods business, UAC Nigeria Plc.
4. The C\$500 million Canada Fund for Africa is administered by the Canadian International Development Agency.