
China Consumer Quarterly Update

3rd Quarter 2010

Quarter in Review

- Asian Citrus Holdings Ltd. acquired 92.9% of Beihai Perfuming Garden Juice Co., Ltd. For US\$228.6 million
- SAIF Partners invested US\$260.8 million for a 23.0% stake in China Huiyuan Juice Group Ltd.
- Jihua Group Corp. Ltd. successfully raised US\$597.9 million through an IPO listing on the Shanghai Stock Exchange
- A consortium including CDH China, Goldman Sachs, Ignition Partners and Qiming Venture invested US\$70.0 million in eHi Car Rental Co., Ltd.
- Legend Capital paid US\$177.2 million for a 50.0% stake in China Auto Rental Inc.
- Country Style Cooking and Ambow Education both successfully listed on NYSE during the third quarter of 2010, raising US\$94.8 million and US\$106.8 million respectively

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Consumer Manufacturing

Selected M&A/Private Placements in Q3 2010

Date Announced	Transaction Type	Target Name	Acquirer/Investor Name	Transaction Value (US\$ MM)	%	Target Description
Food & Beverage						
Sep-28	M&A	Tingyi-Asahi Beverages Holdings Co., Ltd.	Ting Hsing Holding Co. (Cayman)	520.0	8.0	Tianjin-based joint venture between Tingyi and Asahi, focused on producing beverages
Sep-24	M&A	Shaanxi Hengxing Fruit Juice Co., Ltd.	Superb Juice Pte Ltd	20.5	51.0	Manufactures and exports apple, fruit, pear and pomegranate fruit juice concentrates internationally
Sep-23	M&A	Wuxi Super Food Technology Co., Ltd.	Super Coffee Corporation Pte. Ltd.	20.0	NA	Wuxi-based provider of non-dairy cream and coffee powder
Sep-21	Private Placement	Beifang Jinta Industrial Co. Ltd.	China Venture Capital Co., Ltd.	NA	NA	Taonan-based manufacturer and seller of pepper products
Sep-20	M&A	Long Ze Aquaculture Co., Ltd.	Oceanus Group Ltd. (SGX:579)	4.5	100.0	Cultivates, processes and distributes abalone and marine products
Sep-13	M&A	Wuwei Ganxin Seeds Co. Ltd.	Agria Corp. (NYSE:GRO)	5.9	49.0	Researches, develops and produces corn seeds
Sep-09	PIPE	American Loraine (AMEX:ALN)	Cranshire Capital, Downsvie Capital, Guerilla Capital, Hua - Mei 21st Century Partners, Jayhawk Private Equity, Parr Financial Group, Tongley Investment	9.6	10.0	Manufactures and sells various chestnut products, ready-to-cook vegetables, meat and ready-to-eat meals
Sep-07	M&A	Beihai Perfuming Garden Juice Co. Ltd.	Asian Citrus Holdings Ltd. (AIM:ACHL)	228.6	92.9	Beihai-based producer and seller of tropical fruit juice concentrates
Sep-01	M&A	Guangzhou YiXi Drinks Co., Ltd. (Previously known as Guangzhou Bionostic High-tech CO.)	Hopematic International Sdn. Bhd	0.4	60.0	Produces and sells healthy beverages
Aug-24	Private Placement	Fujian Impression Dahongpao Tea Co. Ltd.	IDG Capital Partners	7.4	NA	Operates as a distributor of tea and related products with 3 retail locations in Fuzhou, Fujian Province
Aug-17	Debt Placement	Chaoda Modern Agriculture (Holdings) Ltd (SEHK:682)	Undisclosed	199.9	NA	Vertically integrated grower of fruits and vegetables in China; controls the entire production chain from seeds to processing and marketing
Aug-16	M&A	Pine Agritech Ltd. (SGX:P78)	Individuals	680.7	84.4	Manufactures and sells soybean-based products
Aug-16	PIPE	Chaoda Modern Agriculture (Holdings) Ltd (SEHK:682)	Kailey Investment Ltd.	150.0	4.6	Vertically integrated grower of fruits and vegetables in China; controls the entire production chain from seeds to processing and marketing
Jul-29	Debt Placement	China Agri-Industries Hold. Ltd. (SEHK:606)	Undisclosed	499.0	NA	Manufactures and sells soybean-based products
Jul-28	Private Placement	China Huiyuan Juice Group Ltd. (SEHK:1886)	SAIF Partners	260.8	23.0	Offers fruit and vegetable juice, mineral water and dairy drinks under the Huiyuan brand
Jul-21	PIPE	China Agri-Industries Hold. Ltd. (SEHK:606)	Wide Smart Holdings Ltd.	200.3	4.4	Extracts, refines and trades edible oils, specialty oils and other flour-based products
Jul-12	Private Placement	Sino Oriental Agriculture Group Ltd. (nka: SMSA Palestine Acquisition Corp. (OTCBB:SMPN))	The CID Group	15.3	14.8	Grows and distributes fresh and processed bamboo shoot, vegetable, mushroom and ginger products
Jul-05	M&A	Alliance Winner Ltd.	Tycoon Beverage Group Co. Ltd.	50.1	82.3	Produces and markets branded fruit tea flavored drinks
Consumer Appliances & Household Products						
Aug-24	M&A	Zhejiang Leo Co. Ltd.	Beijing Reclaimed Water Xinhua Irrigation & Drain Tech., China Water Invest. Ltd., Zhongshui Huijin Asset Mgmt.	56.7	12.4	Manufactures and exports garden machineries such as electric lawnmowers, garden jet pumps and pond pumps
Jul-26	M&A	Foshan SANFI Ceramics Co.	Mohawk Industries, Inc. (NYSE:MHK)	80.0	NA	Foshan-based manufacturer and exporter of ceramic tiles
Jul-16	M&A	Zhejiang Putian Electric Appliance Co. Ltd.	Elica SpA (CM:ELC)	17.9	55.0	Manufactures and markets kitchen and bathroom appliances including gas cook top, electric water heater and bath heater lights
Jul-09	PIPE	China Electronic Hold., Inc. (OTCBB:CEHD)	Chestnut Partners, Coronado Capital Mgmt.	4.7	2.7	Retails consumer appliances including: solar heater, refrigerators, air conditioners and TVs
Textile & Apparel						
Sep-29	PIPE	Hongwei Tech. Ltd. (SGX:H80)	Individuals	3.3	8.2	Xiamen-based manufacturer and seller of cotton and polyester fibers
Aug-30	M&A	Yangzhou Baoyi Shoes Manufacturing Co., Ltd.	Yue Yuen Industrial (Hold.) Ltd. (SEHK:551)	10.5	NA	Manufactures and distributes unfinished footwear products, running shoes and casual shoes
Aug-30	M&A	Yangxin Pou Jia Shoes Manufacturing Co., Ltd.	Yue Yuen Industrial (Hold.) Ltd. (SEHK:551)	9.8	NA	Manufactures and distributes footwear and apparel products in China
Aug-30	Private Placement	Shang Gao Yue Shen Industrial Co., Ltd.	Yue Yuen Industrial (Hold.) Ltd. (SEHK:551)	0.2	NA	Manufactures and sells footwear moulds
Aug-23	M&A	Zhejiang Huaxide Fashion Apparel Co. Ltd.	GSD International Ltd.	1.5	51.0	Founded in 2007, the company manufactures and sells garments
Jul-07	Private Placement	Peixian Baoyi Shoes Manufacturing Co., Ltd.	Yue Yuen Industrial (Hold.) Ltd. (SEHK:551)	2.5	NA	Manufactures and sells sports and casual footwear
Jul-07	Private Placement	Tongshan Baotong Footwear Development Co., Ltd.	Yue Yuen Industrial (Hold.) Ltd. (SEHK:551)	0.6	NA	Manufactures and sells sports and casual footwear
Leisure Equipments & Products						
NA						

Source: Company announcements, Capital IQ, Zero2IPO.com.cn, Quamnet.com, ChinaVenture.com.cn, Yahoo! Finance News and PRNewswire.

Selected Capital Markets Transactions in Q3 2010

Pricing Date	Transaction Type	Exchange	Company Name	Sub-Sector	Amount (US\$ MM)	Final Pricing (US\$)	Premium/Discount to Market % ⁽¹⁾	Price as of Sep 30 (US\$)	Market Cap as of Sep 30 (US\$ MM)	Company Description
Sep-28	Follow-on	Taiwan	China Taisan Technology Group Holdings Ltd.	Textile & Apparel	48.5	0.39	7.0	NA	NA	Knits, prints and weaves performance fabrics used in sportswear under the Lianjie brand
Sep-22	IPO	Hong Kong	Magic Holdings International Ltd.	Leisure Equipments & Products	97.7	0.42	36.7	0.61	510.9	Develops and sells facial masks and other skincare products
Sep-21	IPO	Shenzhen	Sinoer Men's Wear Co Ltd.	Textile & Apparel	197.7	3.98	1.5	NA	NA	Manufactures and sells formal menswear
Sep-21	IPO	Hong Kong	Besunyen Holdings Co Ltd.	Food & Beverage	194.2	0.40	14.7	0.48	799.5	Produces and markets therapeutic tea and other health food products under the Besunyen brand
Sep-21	IPO	Shenzhen	Shanghai Challenge Textile Co Ltd.	Textile & Apparel	84.3	1.63	37.9	NA	NA	Shanghai-based knit textile manufacturer
Sep-07	IPO	Shenzhen	Yantai Shuangta Food Co Ltd.	Food & Beverage	87.8	5.96	14.0	6.00	360.0	Offers mung bean, sweet potato and pure beans vermicelli
Aug-31	IPO	Shenzhen	Henan Chuying Agro-Pastoral Co Ltd.	Food & Beverage	172.5	5.24	65.7	7.73	1,032.2	Breeds pig and eggs and produces fodder in China
Aug-25	Follow-on	Nasdaq	SkyPeople Fruit Juice Inc.	Food & Beverage	25.9	5.00	-4.2	4.68	119.8	Xian-based producer of fruit juice concentrates and fruit beverage

Selected Capital Markets Transactions in Q3 2010

Date	Transaction Type	Location	Company Name	Industry	Value (US\$ MM)	Price (US\$)	Volume (MM)	Yield (%)	Value (US\$ MM)	Description
Aug-19	Follow-on	Taiwan	Oceanus Group Ltd.	Food & Beverage	52.8	0.36	0.9	0.37	742.8	Breeds, processes and sells canned abalones
Aug-06	IPO	Shanghai	Jihua Group Corp Ltd.	Textile & Apparel	597.9	0.52	76.3	0.73	2,829.2	Manufactures and sells military and police uniforms, industrial suits and other occupational apparel and accessories
Aug-03	IPO	Shenzhen	Guangzhou Zhujiang Brewery Co Ltd.	Food & Beverage	59.9	0.87	177.2	3.57	2,428.4	Brews and markets beer under the Zhujiang brand
Jul-28	Follow-on	Hong Kong	China Mengniu Dairy Co Ltd.	Food & Beverage	156.3	3.08	0.6	3.08	5,360.5	Produces UHT milk, yogurt, ice cream and milk powder under the Mengniu brand
Jul-27	IPO	Shenzhen	Shandong Yisheng Livestock & Poultry Breeding Co Ltd.	Food & Beverage	95.6	3.59	50.3	4.55	491.3	Breeds, processes and sells poultry products
Jul-20	IPO	Nasdaq	Tianli Agritech Inc.	Food & Beverage	12.0	6.00	-10.8	3.95	40.0	Raises, breeds and sells hogs for pork production

Source: Company announcements, Capital IQ, Zero2IPO.com.cn, Quamnet.com, ChinaVenture.com.cn, Yahoo! Finance News and PRNewswire.

Consumer Services

Selected M&A/Private Placements in Q3 2010

Date Announced	Transaction Type	Target Name	Acquirer/Investor Name	Transaction Value (US\$ MM)	%	Target Description
Retailing						
Sep-30	Private Placement	Shanghai Greenbox Network Technology	TrustBridge Partners	3.0	NA	Operates as an online retail website for children products
Sep-29	M&A	B&L Motor Holding Co. Ltd.	Zhongsheng Group Holdings Ltd. (SEHK:881)	164.4	50.0	Retails mid-to-high end automotive vehicles including brands such as Toyota, Nissan, Honda, Mercedes, Lexus and Audi
Sep-20	Debt Placement	Intime Department Store Group Co. Ltd (SEHK:1833)	Undisclosed	249.5	NA	Operates and manages 22 department stores, of which 16 in Zhejiang, 5 in Hubei and 1 in Shanxi Province
Sep-10	M&A	20.0% of Fuzhou Huarui Automobile Sales, 9.8% of Fuzhou Grand Rich Da Trade Co. Ltd.	Dalian Zhongsheng Aotong Automobile Sales Co. Ltd.	4.6	NA	Sells and services automobiles in Fuzhou, Fujian
Sep-07	M&A	Yintai.com	Intime Department Store Group Co. Ltd (SEHK:1833)	14.7	NA	Beijing-based operator of online department store website
Sep-01	Private Placement	Beijing Meiri Insurance Agency Co., Ltd.	WI Harper Group	NA	NA	Sells life and health insurance products via call center and 360bao.com
Aug-31	Debt Placement	Asia Commercial Hold. Ltd. (SEHK:104)	Undisclosed	13.0	NA	Trades and retails watches under the TIMECITY brand
Aug-26	M&A	35.0% of Fuzhou Huarui Automobile Sales, 17.2% of Fuzhou Grand Rich Da Trade Co. Ltd.	Beijing Zhongsheng Enterprise Management Co. Ltd.	12.7	NA	Sells and services automobiles in Fuzhou, Fujian
Aug-26	M&A	Zhejiang Autoboom Industrial Co., Ltd.	New Focus Auto Tech Holdings Ltd. (SEHK:360)	12.9	51.0	Hangzhou-based auto parts and accessories retailer
Aug-24	PIPE	Hengdeli Holdings Ltd. (SEHK:3389)	Best Growth International Ltd.	134.3	6.9	Retails and wholesales branded watches and writing instruments
Aug-24	Debt Placement	Emperor Watch & Jewellery (SEHK:887)	D. E. Shaw Investment, L Capital Management	49.0	NA	Retails watches and jewellery products in Hong Kong, Macau and China
Aug-24	PIPE	Sewco International Hold. Ltd. (SEHK:209)	Right Perfect Ltd.	30.6	15.5	Manufactures and produces hard, mechanical and push toys
Aug-24	Private Placement	Quwan.com	Ez Capital, Matrix Partners, TrustBridge Partners	10.0	NA	Operates as quwan.com, an online retailer of household, consumer electronic and apparel products
Aug-23	Private Placement	99times.cn	Sequoia Capital	NA	NA	Shanghai-based online retailer of healthcare products
Aug-18	Private Placement	Beijing New Cooperation Supermarket Chain Co.	My Decker Capital	40.0	NA	Owns and operates hypermarkets, supermarkets and convenience stores in Beijing
Aug-11	Private Placement	Manzuo.com	KPCB China	10.0	NA	Operates an online group-buy website with over 450,000 registered members
Aug-06	M&A	Zhejiang Yichuan Sports Goods Chain Co. Ltd.	Yangzhou Longsheng Sports Goods Co., Ltd.	30.6	50.0	Retails sportswear brands including Nike, Adidas, Li Ning, Reebok, PUMA, Converse and Columbia
Jul-29	M&A	InsCom Holdings Ltd.	Cninsure Inc. (Nasdaq: CISG)	12.4	65.1	Shenzhen-based operator of e-commerce insurance website
Jul-28	Private Placement	Yunnan Hongxiang Yixintang Co. Ltd.	Legend Capital	22.1	NA	Owns and operates over 1,100 pharmacies across China
Jul-16	M&A	Kwok Hang Hold. Ltd., Chinese Retail Operations	Burberry Group plc (LSE:BRBY)	107.2	100.0	Franchisee of Burberry, which operates 50 retail across China
Jul-16	Private Placement	Beijing OkayBuy Info Tech Co. Ltd.	Draper Fisher Jurvetson, Intel Capital, Sequoia Capital China,	17.0	NA	Operates okbuy.com, which retails apparels, shoes and other fashion accessories
Jul-15	M&A	Hebei Baolongcang Group Co., Ltd.	Carrefour SA (ENXTPA:CA)	NA	51.0	Shijiazhuang-based owner and operator of supermarket chain
Jul-10	M&A	45.0% of Fuzhou Huarui Automobile Sales, 22.1% of Fuzhou Grand Rich Da Trade Co. Ltd.	Dalian Zhongsheng Aotong Automobile Sales Co. Ltd.	11.8	NA	Sells and services automobiles in Fuzhou, Fujian
Jul-06	Private Placement	VIPstore.com, Inc.	Chinese Founders Fund, Green Pine Capital	NA	NA	Beijing-based community website that offers discount sales of luxury products in China
Jul-06	Private Placement	Luyan (Fujian) Pharma Co. Ltd.	CCB International	20.2	NA	Owns and operates pharmacies across the province of Fujian
Jul-02	Private Placement	Top100.cn	Google Ventures	1.0	NA	Beijing-based music website operator, which allows users to discover, listen, download and purchase music
Restaurant and Food Service						
Sep-21	M&A	Unicafe (Shanghai) Inc.	UCC Ueshima Coffee Ltd.	1.2	51.0	Provides roasting, processing and selling of coffee
Travel & Leisure						
Sep-30	M&A	Guangdong China Travel Service (Hold.) Ltd.	China Science Baiyun Venture Capital Co. Ltd.	14.9	25.0	Guangzhou-based provider of domestic and overseas tour packages
Aug-27	M&A	Eastern Airline Hotel Co., Ltd.	China Eastern Airlines Corp. Ltd. (SEHK:670)	2.2	14.1	Provides hotel services to China Eastern crew members
Aug-26	Private Placement	eHi Car Rental Co., Ltd.	CDH China, Goldman Sachs Group, Merchant Banking Division, Ignition Partners, Qiming Venture	70.0	NA	Leading self-driven and chauffeur-driven car rental services provider in China
Aug-19	M&A	Shanghai Fu Shou Yuan Industry Development Co., Ltd.	China Healthcare Holdings Ltd. (SEHK:673)	432.4	100.0	Provides funeral and related services
Aug-08	M&A	China Auto Rental Inc.	Legend Capital	177.2	50.0	Beijing-based provider of roadside assistance and automotive maintenance services
Jul-22	Private Placement	Uzai.com	Capital Today	5.0	NA	Shanghai-based provider of domestic and overseas travel-related services
Marketing						
NA						
Education						
Sep-30	M&A	Hongcheng Xueyuan Tech. Dev. Co. Ltd.	ChinaEdu Corp. (Nasdaq: CEDU)	NA	81.0	Operates 8 offline learning centers in 6 cities in China

Selected M&A/Private Placements in Q3 2010

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Sep-16	Private Placement		Tsingda eEDU Corp.				9.6	NA		Operates a chain of education centers that provide elementary, high school, vocational and language-related educational services
Aug-27	M&A		Shanghai Eastern Flight Training Co. Ltd.				4.3	5.0		Provides professional flight training services to China and international pilots
Aug-24	M&A		Newave Education Center				NA	100.0		Shanghai-based tutor service provider for student from 3-17

Source: Company announcements, Capital IQ, Zero2IPO.com.cn, Quamnet.com, ChinaVenture.com.cn, Yahoo! Finance News and PRNewswire.

Selected Capital Markets Transactions in Q3 2010

Pricing Date	Transaction Type	Exchange	Company Name	Sub-Sector	Amount (US\$ MM)	Final Pricing (US\$)	Premium/Discount to Market % ⁽¹⁾	Price as of Sep 30 (US\$)	Market Cap as of Sep 30 (US\$ MM)	Company Description
Sep-27	IPO	NYSE	Country Style Cooking Restaurant Chain Co Ltd.	Restaurant and Food Service	94.8	16.50	47.3	28.59	715.3	Operates as a quick service restaurant offering Chinese cuisine fast food
Sep-27	Follow-on	Hong Kong	Ruinian International Ltd.	Retailing	84.4	0.84	-4.0	0.84	874.4	Offers nutritional supplements under the Ruinian brand and herbal tea under the Shun brand
Sep-22	IPO	Hong Kong	Boshiwa Int'l Hold. Ltd.	Retailing	368.9	0.64	41.0	0.96	1,922.9	Offers a range of baby footwear, apparel and accessories under the Boshiwa, Baby2 and Dr. Frog brands
Aug-04	IPO	NYSE	Ambow Education Holding Ltd.	Education	106.8	10.00	-7.5	9.96	710.0	Provides K-12 tutoring, high school and college entrance examination preparation services

⁽¹⁾ Premium/Discount to Market is calculated based on the closing price of the day of pricing

Source: Company announcements, Capital IQ, Zero2IPO.com.cn, Quamnet.com, ChinaVenture.com.cn, Yahoo! Finance News and PRNewswire.

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