

BTS INVESTMENT ADVISORS

- ∅ **BTS launches \$80 million India fund**
- ∅ **Anchor investors to contribute more than 40 per cent**

Mumbai, 2006: BTS Investment Advisors, a Switzerland-India based private equity advisor today launched 'BTS India Private Equity Fund', a dedicated India fund that would invest in medium size enterprises seeking expansion capital. BTS India Fund would have a corpus of \$80 million with prominent international institutions as anchor investors.

The State Secretariat for Economic Affairs (Seco) of Switzerland acting through the Swiss Investment Fund For Emerging Markets (SIFEM)-is the first anchor investor with a commitment of US\$12 million. Asian Development Bank (ADB) has joined as co-anchor with a commitment to invest US\$15 million. Belgian Investment Company for Developing Countries (BIO) and International Cooperation and Development Fund (ICDF- Taiwan) are the other two anchor investors with an investment commitment of US \$5 million each. Apart from these anchor investors, the Fund received investment commitments from several high net worth offshore investors and family offices in Europe and Asia.

Speaking on the occasion, Alastair Guggenbuhl-Even, Chairman, BTS Investment Advisors said, "We are launching this India dedicated fund at a time when the Indian economy is registering record annual growth which would offer us exciting investment opportunities. We would be targeting medium size companies of all growth sectors, which are either export driven or addressing the booming domestic markets. We would like to have significant minority stakes in these companies with an investment size ranging between US\$ 1- 5 million per company over a holding period of 3 – 5 years".

BTS has an excellent track record backed by high quality research and a good understanding of Indian corporate sector and BTS is upbeat on leveraging its strengths to identify winning investment opportunities, he added.

BTS has been advising Swiss Technology Venture Capital Fund which has been investing in Indian small and medium size companies since 1998 and built a portfolio of 19 companies spread across various sectors. BTS has been responsible for building and nurturing this portfolio some of which have been rated as the best emerging companies in India. BTS India Fund is a follow-on fund to Swiss Tec and would continue its investment strategy.

"India is one of the largest emerging economies with a GDP growth rate of about 8 per cent and a vibrant medium size enterprise is constantly looking for growth capital", said K Srinivas, Managing Partner, BTS Investment Advisors P Ltd, India.

We have set up a multi-disciplined team, which has a superior track record as an investment team with Swiss and Indian teams complementing each other to provide cross boarder value added services to the portfolio companies, like identification of strategic partners or collaborations and market development through BTS network in India & overseas. Mr Srinivas added.

BTS India Private Equity Fund will invest in industries where India has global competitive advantages. Among the sectors targeted are, Life Science / Pharma, Manufacturing, Engineering, IT & IT enabled Services, telecom and entertainment.

"India growth story is truly spread across sectors and regions and this is a great opportunity and a challenge to pick enterprises which would emerge as world class firms supported by expansion capital of BTS", Mr Srinivas said.

According to Mr. Florian Kohler of SIFEM "We are delighted to participate in the follow on fund to SwissTec with BTS and are confident that the team will invest in some of the best quality Private Equity opportunities available to foreign investors in India. We are proud to support BTS, who

through SwissTec, have proven their ability to partner with leading mid cap companies, helping them scale up their operations and leave a mark at the highest level”.

“Asian Development Bank is very happy to be associated with BTS India Fund and we look forward to the Fund investing in companies which would help achieve Indian Government's vision of registering impressive economic growth in the coming years.” said Mr Ajay Sagar of ADB.

According to Mr. Didier Malengreau of BIO, “ This is our first exposure to Indian Private Equity sector and we are happy that we have chosen BTS for our India foray. We are confident that BTS India Fund would be a great success in terms of picking up the right investment choices and generating returns”.

According to Ms. Chyi-Hway Gong, ICDF-Taiwan, “Small and medium enterprises in the sun rise sectors are expected to record significant growth in the coming years and BTS India Fund is ideally placed to pick up potentially good companies from these sectors”

About BTS

BTS Investment Advisors Ltd (BTS-IA) is the investment advisor of the fund. BTS-IA is a key financial service provider advising on investments into the Indian markets. BTS-IA has a demonstrated track record of investment advisory services, and is the investment advisor to Swiss Tech Fund. Swiss Tec is sponsored by the Swiss Government in 1997 for funding small and medium scale enterprises in India. BTS-IA is responsible for the building of Swiss Tec portfolio in India. BTS-IA has a dedicated and highly experienced private equity team in Mumbai. The team of five investment professionals based in Mumbai is supported by two investment professionals from Zurich office of BTS group that manages over \$800 million in securities in India.

BTS India Private Equity Fund Limited (Offshore Fund) is a limited liability company domiciled in Mauritius offering a tax efficient structure for international investors. The Offshore Fund to invest in an Indian Fund, which extends the investment opportunity to Indian investors. Both the Funds are registered with Securities and Exchange Board of India.

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Issued by Sampark Public Relations
022-22025550