The largest initial investment in a Vietnamese company by a global private equity firm
Advances Vingroup’s goal of increasing its proportion of revenue from recurring income streams

Hanoi and Hong Kong, May 29, 2013 – Vingroup Joint Stock Company (“Vingroup”), Vietnam’s largest private-sector real estate operator and one of the largest companies by market capitalization listed on the Ho Chi Minh City Stock Exchange under securities code VIC, today announced that a consortium led by an affiliate of Warburg Pincus (the “Warburg Pincus consortium”), a leading global private equity firm focused on growth investing, has committed to invest US$200 million in a strategic partnership with Vingroup to substantially build out Vingroup’s retail property business (“Vincom Retail”). Comprised of seven assets valued at approximately US$1.1 billion, Vincom Retail is Vietnam’s largest owner and operator of shopping malls, which include world class shopping, recreational and dining facilities.

Vingroup and the Warburg Pincus consortium have entered into definitive agreements for the consortium to invest US$200 million to acquire an approximately 20% equity interest in Vincom Retail. In addition, representatives of Warburg Pincus will join the board of directors of Vincom Retail and the board of directors of Vingroup. The definitive agreements also include a commitment from Warburg Pincus to participate in future capital raising by Vingroup in an amount of up to US$25 million, and an opportunity for the Warburg Pincus consortium to invest an additional US$100 million in Vincom Retail to expand the platform and explore future retail property-related opportunities. Subject to the satisfaction of certain closing conditions, the parties expect the first stage of the transaction to close by the end of the second quarter.

This transaction marks the first investment by Warburg Pincus in Vietnam, and it is the largest initial investment to date in a Vietnamese company by a global private equity firm. This investment by the Warburg Pincus consortium is the latest success for Vingroup in raising funds from global capital markets and follows on from Vingroup’s US$300 million convertible bond issuance to international investors in 2012.

This strategic partnership is founded on a common vision for developing Vincom Retail’s operations so as to benefit from one of the world’s fastest growing domestic retail sectors, the favorable long-term economic outlook in Vietnam and the rapid development of an urbanized middle class. The partnership brings together Vincom Retail’s market-leading position in Vietnam’s most important urban centers and Warburg Pincus’ global retail and consumer industry expertise.

Ms. Le Thi Thu Thuy, Vingroup’s Vice Chairwoman cum CEO, commented: “We are delighted to welcome Warburg Pincus as our partner in Vincom Retail in this landmark transaction and its representatives into our corporate governance structure. The combination of this injection of capital and Warburg Pincus’ strong track record in investing in and supporting the growth of global retail and consumer businesses will enable us to accelerate the rollout of our planned shopping mall developments. In addition, we will be able to pursue new opportunities in high-growth urban districts in Vietnam. Further, this move fully supports Vingroup’s plans to bolster recurring revenue streams by increasing the base of retail property assets occupied by our high quality tenants with long-term leases.”

Joseph Gagnon, Managing Director at Warburg Pincus, commented: “We are excited to partner with Vietnam’s premier property development group to further capitalize on Vingroup’s leading
retail property platform and Vietnam’s favorable long-term economic outlook. We are confident that Vingroup’s unrivalled local sector knowledge and operational experience, together with Warburg Pincus’ proven ability to assist our partners in realizing their full potential, will enable us to benefit from Vietnam’s long-term economic growth, rapid urbanization and emerging middle class. We look forward to partnering with Mr. Pham Nhat Vuong, Ms. Le Thi Thu Thuy and the management team of Vincom Retail to support the continued development of Vincom Retail as the pre-eminent retail platform in Vietnam.”

Vincom Retail is a subsidiary of Vingroup with seven assets and, upon completion of the transaction, will be valued at approximately US$1.1 billion. Vincom Retail is Vietnam’s largest owner and operator of shopping malls. Its existing assets include Vincom Center B in Ho Chi Minh City and Vincom Center Ba Trieu in Hanoi. These properties have attracted both top tier global brands as well as midmarket retailers, and are targeted to tap into the most lucrative segments of Vietnam’s fast growing consumer market. Vincom Retail also has a number of projects under development, including Vincom Mega Mall Royal City and Vincom Mega Mall Times City, which are both due to launch later in 2013.

Warburg Pincus has been active in Asia since 1994. It has a proven track record as an investor in the consumer and retail sector globally and in Asia Pacific, building successful businesses and retail brands such as China Auto Rental, Kidswant, Intime Department Store, Red Star Macalline, Mattel, Neiman Marcus and Poundland.

Citigroup acted as the sole financial advisor to Vingroup. Simpson Thacher & Bartlett and Allen & Overy acted as legal advisors to Vingroup.

Credit Suisse acted as the sole financial advisor to Warburg Pincus. Freshfields Bruckhaus Deringer (Hong Kong and Vietnam) and YKVN Lawyers acted as legal advisors to Warburg Pincus.

About Vingroup
Vingroup Joint Stock Company is a leading real estate corporation engaged in the development, leasing and sale of high quality retail, office, residential and mixed-use properties in prime locations in key major cities across Vietnam including Hanoi, Hai Phong, Hung Yen and Ho Chi Minh City. In addition, Vingroup is involved in the development, management and operation of premium tourism and hospitality properties in locations such as NhaTrang, Da Nang and Hoi An. Vingroup Joint Stock Company was listed on the Ho Chi Minh Stock Exchange on September 19, 2007. Today, Vingroup is among the largest companies listed on Vietnam’s stock market in terms of market capitalization. For further information about Vingroup, please visit www.vingroup.net

About Warburg Pincus
Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than $40 billion in assets under management. Its active portfolio of more than 125 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 13 private equity funds, which have invested more than $45 billion in over 675 companies in more than 35 countries. The firm is headquartered in New York with offices in Amsterdam, Beijing, Frankfurt, Hong Kong, London, Luxembourg, Mauritius, Mumbai, San Francisco, São Paulo and Shanghai. For more information, please visit www.warburgpincus.com
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