

August 29, 2013

The Carlyle Group and The Townsend Group to Invest US\$200 Million in Strategic Partnership with Shanghai Yupei Group to Develop and Operate Logistics Warehouses in China

HONG KONG--(BUSINESS WIRE)-- Global alternative asset manager The Carlyle Group (NASDAQ:CG) and The Townsend Group today announced a strategic partnership with Shanghai Yupei Group, one of the largest logistics warehouse developers in China, to invest in 17 modern warehouses in China. Carlyle and Townsend will commit approximately US\$200 million to acquire equity interests in five warehouses owned by Shanghai Yupei Group and to build 12 new warehouses in the next two years. Shanghai Yupei Group will also invest US\$200 million, bringing the total equity commitment of the strategic partnership to US\$400 million.

The 17 warehouses will be located in major logistics hubs across China, including the first-tier cities of Shanghai, Beijing, and Guangzhou, and select second-tier cities such as Shenyang, Tianjin, Chongqing, Zhengzhou and Hefei. Upon completion of its investment plan, the strategic platform expects to own and operate a nationwide logistics warehouse network with more than 1.8 million square meters of gross floor area to serve a diverse range of tenants.

Jason Lee, Managing Director and Head of Carlyle Asia Real Estate, said, "Modern logistics is a nascent but fast growing industry in China, supported by strong growth in domestic consumption, exponential expansion of e-commerce and favorable government policies."

"We are attracted to the logistics warehouse sector in China by its favorable demand and supply fundamentals, and we are excited to work with Shanghai Yupei Group, one of the most experienced and highly regarded domestic logistics warehouse developers in China, to build a nationwide network of high quality warehouses."

Nicholas Wong, Principal of The Townsend Group said, "Townsend views the growth of modern logistics to be a compelling secular investment theme in China, and around the globe. We are pleased to partner with The Carlyle Group and Shanghai Yupei Group, an experienced logistics developer and operator, to bring this unique investment opportunity to our clients."

Shifa Li, Chairman of Shanghai Yupei Group, added, "The investment by Carlyle Asia Real Estate is a strong vote of confidence in our business model and execution capabilities. We have a strong pipeline of development projects in major logistics hubs in China. The capital injection will allow us to further speed up land acquisitions and construction, and to quickly expand our geographical coverage to better serve our tenants."

Carlyle's share of the equity will come from Carlyle Asia Real Estate (CARE), which invests in value-add opportunities across all real estate sectors in Asia, as well as in core assets on behalf of separate accounts. With local teams based in Hong Kong, Shanghai, Singapore and Tokyo, CARE has committed an aggregate US\$2.2 billion of equity in Asia. In China, CARE has made 15 investments with an expected total capitalization of US\$3.1 billion.

About Shanghai Yupei Group

Founded in 2002 and headquartered in Shanghai, Shanghai Yupei Group is one of the largest domestic modern logistics warehouse developers and operators in China. Its business operations cover design, development, leasing and management of modern logistics warehouses, with an expanding tenant base from manufacturing, retail and logistics service sectors. Since its inception, Shanghai Yupei Group has developed 10 warehouses with total gross floor area of more than 700,000 square meters.

Company Web: www.yupeigroup.com

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global alternative asset manager with \$180 billion of assets under management across 118 funds and 81 fund of funds vehicles as of June 30, 2013. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments — Corporate Private Equity, Real Assets, Global Market Strategies and Global Solutions — in Africa, Asia, Australia, Europe, the Middle East, North America and South America. Carlyle has expertise in various industries, including: aerospace, defense & government services, consumer & retail, energy, financial services, healthcare, industrial, technology & business services, telecommunications & media and

transportation. The Carlyle Group employs more than 1,400 people in 34 offices across six continents.

Web: www.carlyle.com

Videos: www.youtube.com/onecarlyle

Tweets: www.twitter.com/onecarlyle

Podcasts: www.carlyle.com/about-carlyle/market-commentary

About The Townsend Group

Founded in 1983, The Townsend Group is a premier provider of global investment management and advisory services focused exclusively on real estate and real assets. Committed to excellence in investment management and client service, Townsend serves an institutional client base providing custom investment solutions to help meet the needs and objectives of their investment programs. Headquartered in Cleveland, Ohio, the firm has offices in San Francisco, London and Hong Kong. As of March 31, 2013, Townsend provided advice services to clients who have real estate/real asset allocations of approximately \$140 billion ("assets under advisement") and had assets under management of approximately \$ 10.8 billion.

For additional information, please visit the Company website at www.townsendgroup.com

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