

For Immediate Release

Zhaoheng Hydropower Holdings Limited Raises US\$150 Million in New Equity Commitments

Hong Kong, 10 September 2012 — Zhaoheng Hydropower Holdings Limited (“Zhaoheng Hydropower” or the “Company”), a leading consolidator in the hydropower generation sector in China, announced the completion of a US\$150 million capital raising led by existing investors Olympus Capital Holdings Asia (“Olympus Capital”), Morgan Stanley Infrastructure Partners (“MSIP”) and FountainVest Partners (“FountainVest”). Olympus Capital is the largest outside shareholder in the Company and is making the largest commitment to the current round based on existing ownership percentages.

The Company currently owns and operates small and medium sized hydropower assets with a total installed capacity of over 600 MW and expects to grow to 1,000 MW through the use of additional equity commitments. Mr. Guosheng Xu, Chairman and CEO of Zhaoheng Hydropower, stated, “The hydropower sector, which is China’s most cost-effective clean energy source, serves a critical role in many of China’s emerging provinces. Support from Olympus, Morgan Stanley Infrastructure and FountainVest validates our corporate strategy to grow through acquisition and development. Utilizing our management team’s in-depth industry knowledge, built over several years, we see continuing opportunities to improve management and operation of small sized hydropower facilities throughout China’s Southern and Western provinces.”

Mr. Frederick Long, Founding Managing Director of Olympus Capital, commented, “Since 2003, Zhaoheng Hydropower has been building the expertise required to acquire, develop and manage a high-quality portfolio of small hydropower assets. The team led by Chairman Xu represents a significant source of advantage as small hydropower in China experiences rapid growth and consolidation.”

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This press release is distributed through Edelman Public Relations on behalf of Zhaoheng Hydropower Holdings Limited.

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Notes to Editors

Zhaoheng Hydropower Holdings Limited, through its wholly-owned subsidiaries in mainland China, is engaged in the generation and supply of hydropower in China. The Company focuses on hydropower stations with an installed capacity between 5-100 MW and currently owns over 30 facilities in seven provinces in China with a total installed capacity of approximately 600 MW. The Company treats the cascade development of river basins as a priority and is committed to push forward the development of clean and renewable energy industry in China.

Olympus Capital Holdings Asia is a leading regional middle market private equity firm focused on Asia. Since its foundation in 1997, Olympus Capital has successfully invested over US\$1.6 billion on behalf of its funds and co-investors in over 40 portfolio companies throughout Asia, including China, India, Japan and South Korea. Olympus Capital's target sectors include renewable energy and environmental services, agribusiness and resources, and financial and business services. The firm has a team of experienced investment professionals and advisors located in Hong Kong, Shanghai, New Delhi, Seoul, Tokyo and New York. In addition to helping companies grow in their home markets, Olympus Capital seeks to leverage its regional platform to help its portfolio companies drive cross-border expansion. Olympus Capital's global investor base includes leading pension funds, financial institutions, endowments and family offices from North America, Asia, Europe and the Middle East.

Morgan Stanley Infrastructure (MSI), part of Morgan Stanley Investment Management, is an infrastructure investment and management platform with \$4 billion under management that focuses on assets providing essential public goods and services to societies across the globe. MSI employs a disciplined process to invest in and manage diverse assets covering 11 sectors in eight countries across four continents. With teams in North America, Europe and Asia, MSI leverages a global network of relationships to source investments in sectors such as transport, energy & utilities, communications and social infrastructure. For further information, please visit www.morganstanley.com/infrastructure.

FountainVest Partners is a leading China-focused private equity firm, with over US\$2 billion under management. FountainVest's investments are long term oriented, and targets high growth industry leaders in China in the consumer, media and technology, environmental and renewable resources and healthcare sectors. FountainVest works closely with management teams to create value in the areas of strategy, operations, finance, industry consolidation and governance.