



On December 2, 2003, Conduit Capital Partners LLC (“Conduit”), a private equity investment management firm, assumed the role of investment manager of the very successful Scudder Latin America Power Funds, with initial investments in excess of \$257 million. Conduit’s eight-person team, led by Scott Swensen and George Osorio, has been managing these funds, to be renamed Latin Power I & II, since 1993.

Prior to joining Conduit, the team was part of an affiliate of Deutsche Bank, which acquired the business in the course of the acquisition of Zurich Scudder Investments, Inc., a successor to Scudder, Stevens and Clark, Inc (“Scudder”) in 2002. Conduit intends to continue its successful strategy of building and buying medium-sized electrical generation plants in Latin America with revenue links to the U.S. dollar and managing those plants to maximize operating cash flow. Scudder raised the first Latin Power Fund in the early 1990s and founded this business on the premise that if investors could earn attractive returns in the independent power industry in the U.S., they could earn even greater returns investing in the independent power industry in Latin America. As anticipated, the emerging market economies grew much faster than the developed economies, and because most emerging countries still lacked full electrification, the demand for electric power in Latin America grew at 1.5 to 2.0 times the growth of GDP. In addition, almost all countries in Latin America have low savings rates, which limited the plants’ access to local capital. Therefore, the combination of higher growth rates in the demand for electricity and the scarcity of local capital to invest in needed infrastructure made it possible for the Latin Power Funds to generate very attractive rates of return. As further indication of the superior performance of the management team, the existing investors in the Latin Power Funds have unanimously approved the team to continue as the investment manager under Conduit.

The first Fund was raised in 1993 with four sponsoring investors: International Finance Corporation (part of The World Bank Group), Corporación Andina de Fomento (the Andean Development Bank), NRG Energy, and CMS Energy each making a \$25 million commitment. Latin Power II, a \$157 million fund, closed in 1998 with investments from the original sponsoring investors and fourteen other institutional investors from around the globe.

Despite investing during some of the most volatile economic periods in the history of the Latin American region, Latin Power I and II are among the most successful infrastructure funds ever launched. Since the same intense need for electric power generation described above exists in Latin America today, Conduit will apply the same investment philosophy and discipline employed in managing the first two Funds in any successor funds raised in the future. Conduit will continue to seek investment opportunities (new construction and acquisitions) in private power projects in Latin America and will generally act as a principal sponsor or developer in each of its investments. As the team has demonstrated, when valued and managed properly, these types of investments can be very profitable.

For more information call Scott Swensen at 212-336-8901.