

Ashmore

Ashmore Group plc
24 February 2011

Proposed acquisition of a majority interest in Emerging Markets Management, L.L.C.

Ashmore Group plc ("Ashmore"), a leading specialist emerging markets investment manager, announces that it has entered into a conditional agreement to acquire a 62.9 per cent stake in Emerging Markets Management, L.L.C. ("EMM") (the "Acquisition").

EMM is a long-established US-based investment management firm with approximately US\$10.4 billion of assets under management ("AuM") as at 31 January 2011. Founded in 1987, EMM has earned a reputation as one of the world's pioneering investment firms specialising in the management of emerging markets equities.

Acquisition Highlights

- In line with Ashmore's strategy to grow its equity investment theme, the equity theme will represent approximately 20% of the combined AuM
- Diversifies and adds scale to Ashmore's existing product offering and revenue streams
- Complementary business and culture to Ashmore, with no change to existing EMM investment process
- Increased ongoing EMM employee ownership
- Significant deferred consideration element aligns interests of clients, employees and shareholders
- EMM management, investment professionals and employees to be retained
- Expands and diversifies client base by geography and client type
- Existing arrangements with Amundi in relation to the distribution of EMM products to remain in place
- Potential for further value upside, particularly through distribution
- Acquisition expected to be immediately earnings enhancing

Acquisition Structure

Total consideration up to US\$246.0 million consisting of:

- Initial consideration of US\$96.0 million payable in cash on completion of the Acquisition ("Completion") and US\$29.9 million in new ordinary Ashmore shares, or approximately 5.1 million shares, which will be restricted from sale for a period of up to three years post-Completion; and
- Earn-out consideration of up to a maximum of US\$120.1 million payable in three annual instalments based on the achievement of certain financial targets over the three years following Completion. Earn-out consideration will be payable in a combination of cash and new Ashmore ordinary shares at the prevailing market price, such combination to be determined at Ashmore's discretion.

EMM selling shareholders have agreed to invest US\$9.0 million into EMM managed funds for a minimum period of three years.

Restructuring of the EMM shareholder structure results in a reduction in the founders' shareholding and exit of previous shareholder Amundi.
All cash consideration will be satisfied from Ashmore's existing cash resources.

The consideration payable at Completion may be reduced to recognise redemptions from EMM's existing AuM. Furthermore, Ashmore and EMM have the option not to complete the Acquisition should notified redemptions from EMM clients exceed a certain threshold. The Acquisition is subject to customary approvals and conditions and is expected to complete by the end of May 2011.

Commenting on the acquisition, Mark Coombs, Ashmore's Chief Executive Officer, said:

"This transaction represents an attractive and logical step in Ashmore's broader strategy to grow and develop the Ashmore brand and to further diversify Ashmore's revenue streams. More specifically, it is consistent with our strategy to grow our equity investment theme. Together with the rest of the Ashmore team, I am very much looking forward to the prospect of working together with everyone at EMM to better deliver more of the emerging markets investing requirements of our diverse and growing client bases."

Antoine van Agtmael, Chairman and one of the founders of EMM, said:

"We are excited to be partnering with Ashmore at this promising stage in the development of emerging markets. We believe there is a compelling strategic fit between the two firms given the complementarity of our respective skill sets. We share a similar strategy and full commitment to emerging markets".

Felicia Morrow, EMM's Chief Executive Officer, said:

"This is a unique opportunity for EMM to become a part of a leading, multi-strategy, diversified emerging markets asset manager. Our cultures, footprints and investment processes are complementary, and we look forward to joining the Ashmore team and working hard to ensure upper quartile investment performance is achieved."

Emerging Markets Management Overview

EMM is one of the world's pioneering investment firms specialising in the management of emerging markets equities, with approximately US\$10.4 billion of AuM as at 31 January 2011. Its long investment track record is based on a fundamental and value-oriented investment process with a macro overlay. EMM is headquartered in Arlington, Virginia (close to Washington D.C.) and has 71 employees, including 31 investment personnel. EMM manages a wide range of separate accounts and commingled funds for a group of global institutional investors.

In the twelve months ended 31 December 2010, EMM generated profits before taxation of US\$48.1 million. As at 31 December 2010, EMM had gross assets of US\$42.6 million.

Interim Results

Please refer to the Interim Results announcement for details of Ashmore's financial results to 31 December 2010, which was also released today.

There will be a presentation for analysts at 09.30 on 24 February 2011 at the offices of Goldman Sachs at Peterborough Court, 133 Fleet Street, London EC4A 2BB. A copy of the presentation will be made available on the Group's website at www.ashmoregroup.com

Notes:

(1) EMM AuM prepared on the basis of reconciled assets under management as at 31 January 2011, adjusted to illustrate the effect of all notified asset flows since such date until and up to 23 February 2011.

(2) Statements that the Acquisition will be earnings enhancing are not and do not constitute a profit forecast and should not be interpreted to mean that the Ashmore's or EMM's earnings following the Acquisition, or in any subsequent period, will necessarily match or be greater than the historical published earnings of Ashmore or EMM.

(3) The financial information included in this announcement relating to EMM is based on audited financial statements prepared on a US GAAP basis.

(4) The interests will be acquired from certain direct and indirect owners of EMM, including Emerging Markets Investors Corporation, Emerging Markets Holdings, L.L.C., Emerging Markets Holdings II, L.L.C., European Partners in Emerging Markets, Inc., the founders of and certain employee interest holders in EMM. EMM is itself also party to the relevant Acquisition documentation.

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About Ashmore Group plc

Ashmore is one of the world's leading investment managers dedicated to emerging markets with a history of consistently outperforming the market.

Based in London, the business was founded in 1992 as part of the Australia and New Zealand Banking Group. In 1999, Ashmore became independent and today manages US\$46.7 billion (at 31 December 2010) in Ashmore sponsored funds, segregated accounts, structured products and dual-branded funds.

Ashmore's portfolio management and research team employs a liquidity-focused and value-driven strategy targeting total return. Ashmore believes that active management focusing on asset liquidity and political dynamics with superior information and analysis leads to above average returns with lower risk over the cycle. Ashmore focuses on a number of investment themes including external debt,

local currency, special situations (incorporating distressed debt and private equity), corporate debt, multi-strategy and equity.

Further information can be found at <http://www.ashmoregroup.com/>