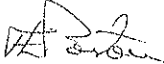


MICHIGAN STATE
UNIVERSITY

October 12, 2011

MEMORANDUM

To: Trustee Finance Committee
From: Fred L. Poston 
Subject: New Investment Manager - Indus Capital Partners, LLC

RECOMMENDATION

BE IT RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees select Indus Capital Partners, LLC as an investment manager.

BACKGROUND

Indus Capital Partners, LLC (Indus) is a global long/short manager with approximately \$5.0 billion of assets under management. Indus applies intensive analysis and research to identify mispriced investment opportunities in the Asia Pacific region, Japan, and Europe. MSU has been invested in the Indus Asia Pacific Fund, Ltd. since March 2004. Indus Europe Fund, L.P. (Fund) seeks superior risk-adjusted returns while preserving capital during difficult market periods.

Indus believes that the European markets offer superior investment opportunities, given historically high volatility, overall market inefficiencies, and the acceleration of globalization, deregulation, and corporate restructuring trends. The Fund invests long and short in equities and equity-related securities of companies in the Western European markets, typically holding 30 long and 30 short positions at any one time. Bottom-up stock selection is foremost, supported by the top-down macro view.

Cambridge Associates advises, and the Investment Advisory Subcommittee and Administration concur, that Indus Capital Partners, LLC represents an opportunity to invest with an experienced global long/short manager. The Administration plans to invest \$18.7 million in the Fund, which will be funded with proceeds of a withdrawal from the Martin Currie European Hedge Fund.

cc: D. Brower, N. Carter, M. Haas, G. Klein, K. Lindahl



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