



ADVENT III PRIVATE EQUITY LIMITED

ADVENT III DECLARES DIVIDEND OF 18.8 CENTS PER SHARE/RETURN OF CAPITAL OF 24.0 CENTS PER SHARE FOLLOWING SALE OF INVESTMENT IN THE TAVERNER HOTEL GROUP PTY LTD

The Directors of Advent III Private Equity Limited today declared an interim dividend of 18.8 cents per share and a return of capital of 24.0 cents per share. The total being distributed to shareholders is \$11.55 million or 42.8 cents per share. The applicable franking credit and franking percentage will be advised in due course.

The interim dividend and return of capital represent the majority of the proceeds after tax and performance incentives from the sale of the Company's interest in The Taverner Hotel Group Pty Ltd ("Taverner"). Further small proceeds are dependant on receipt of warranty retention holdbacks which may become available over the next year.

Books close at 5.00pm on Monday 27 February 2006 to determine entitlements to the dividend and return of capital and cheques will be posted to shareholders on Tuesday 14 March 2006.

The completion of the sale of Taverner to Bruandwo Pty Ltd took place on 6 February 2006. Advent III has realised a gross IRR of approximately 24% and a cash on cash return of approximately 2.7 times the original investment.

Brian Ball said "The sale of Taverner follows on other recent successes with the sale of ACIL Investments in July 2005 and Sleepmaster in December 2004. These sales achieved IRRs of 58% and 55% with cash on cash returns of 3 and 4.75 times their original investments respectively."

Total distributions of profit and capital since July 2004 amount to \$31.8 million or \$1.178 per share. An updated NTAB will be provided in the audited financial accounts for December 2005 to be issued shortly.

Enclosed in this notice for shareholders is a direct credit advice form prepared by our registry service provider, Computershare Investor Services Pty Ltd. Completion of this form and return directly to Computershare, in the enclosed reply paid envelope will enable future distributions to be paid direct to your nominated account. This will not be able to be applied for this distribution but will be a more convenient method for the future.

For further details please contact Mr Roland Stadly or Mr Brian Ball on (03) 9690 9566.

Yours sincerely

Roland Stadly
Company Secretary
22 February 2006