

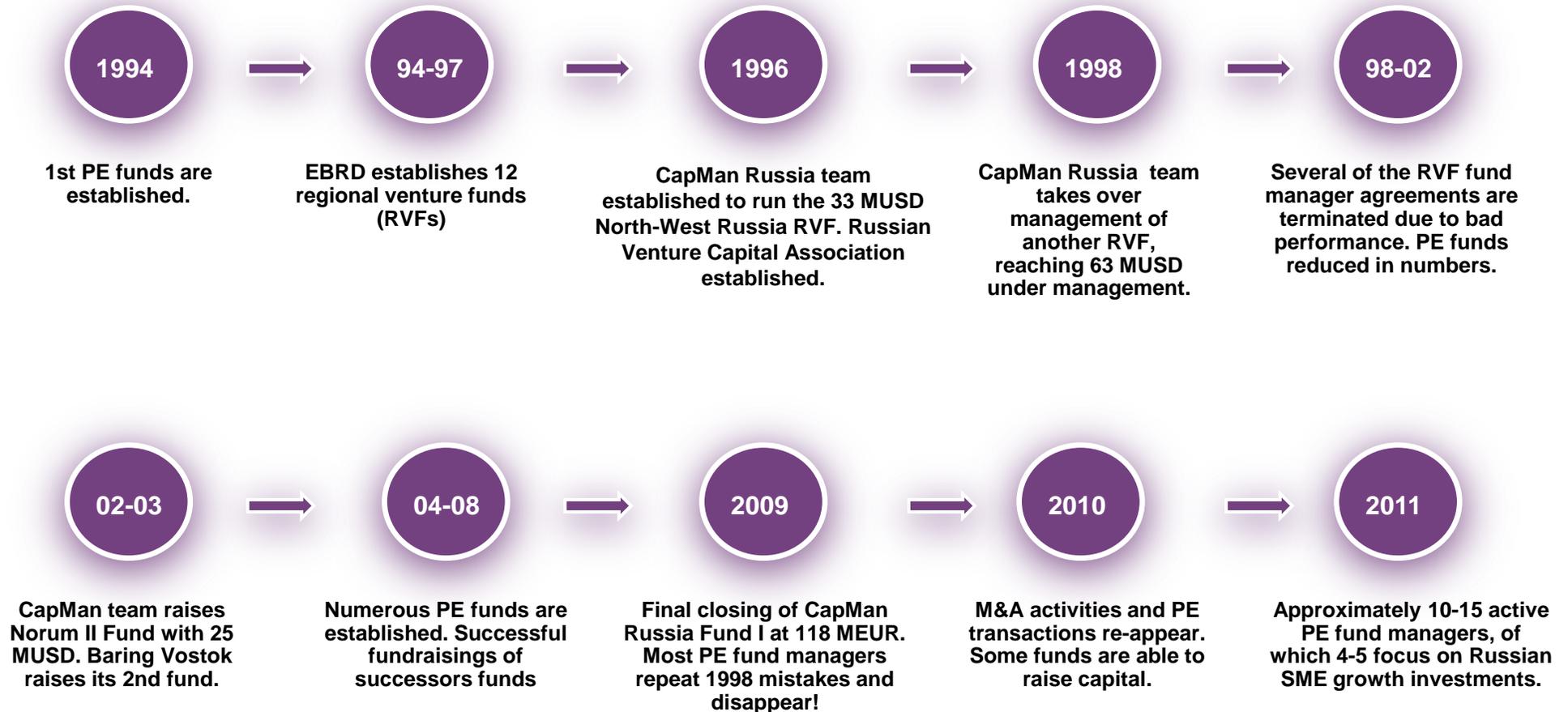


# 15 years in Russian Private Equity: lessons learnt

Alexander Vlasov  
Investment Director

III Russian Private  
Equity Congress

# Russian Private Equity since 1994

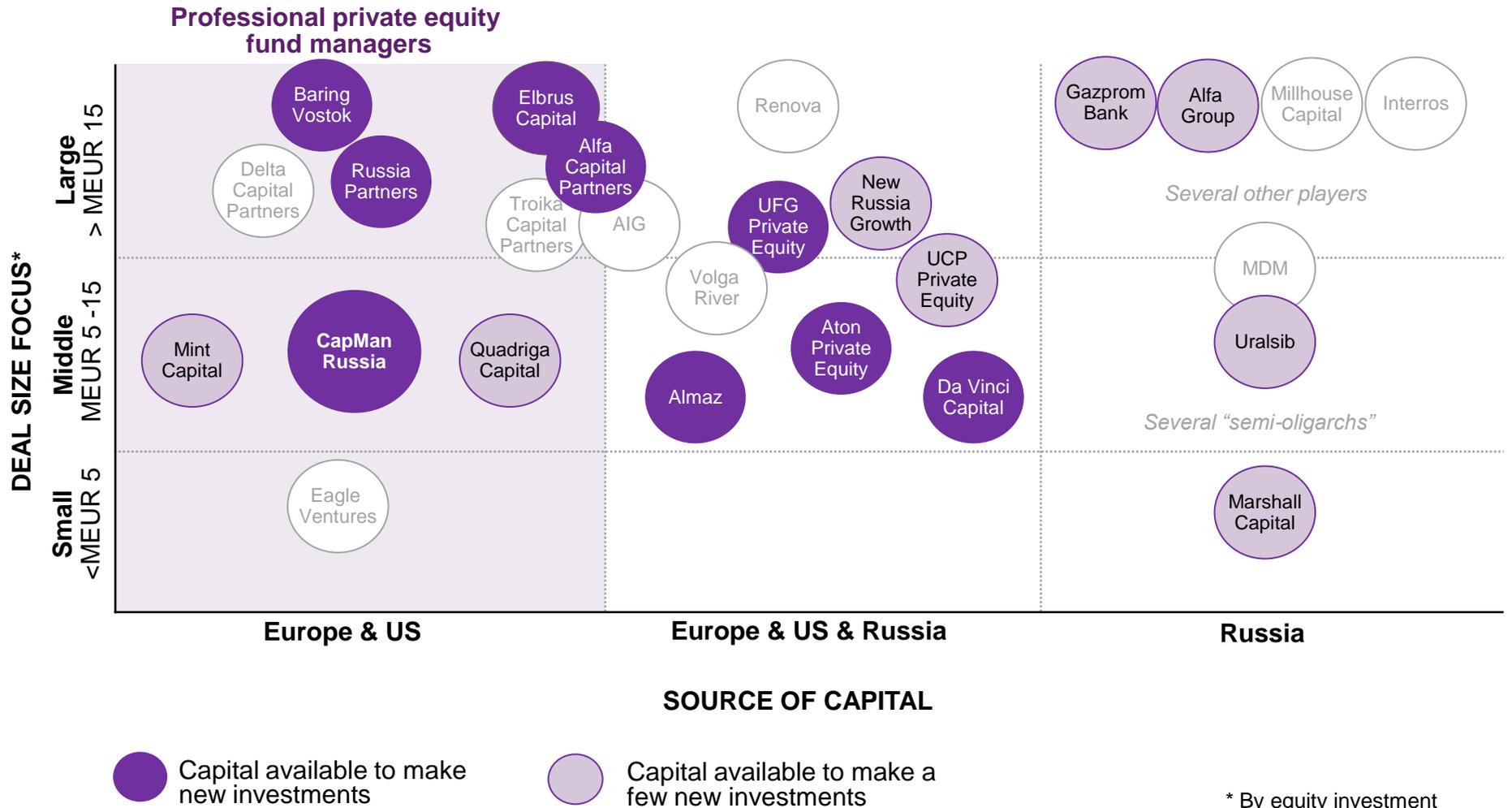


# Experienced & stable team

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- Worked together for more than 10 years,
- The same persons responsible for sourcing , implementing, adding-value to and exiting deals.
- Russians who used to live abroad + Foreigners living in Russia,
- Russian is working language

# Competitive landscape 2011



\* By equity investment  
Source: CapMan analysis, RVCA

# Investment focus

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## Growth financing for Russian SMEs



Significant minority investments - €5-15m

# Investment focus

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Potential for **growth**



Committed **management team** and improved  
**corporate governance**

# Investment focus

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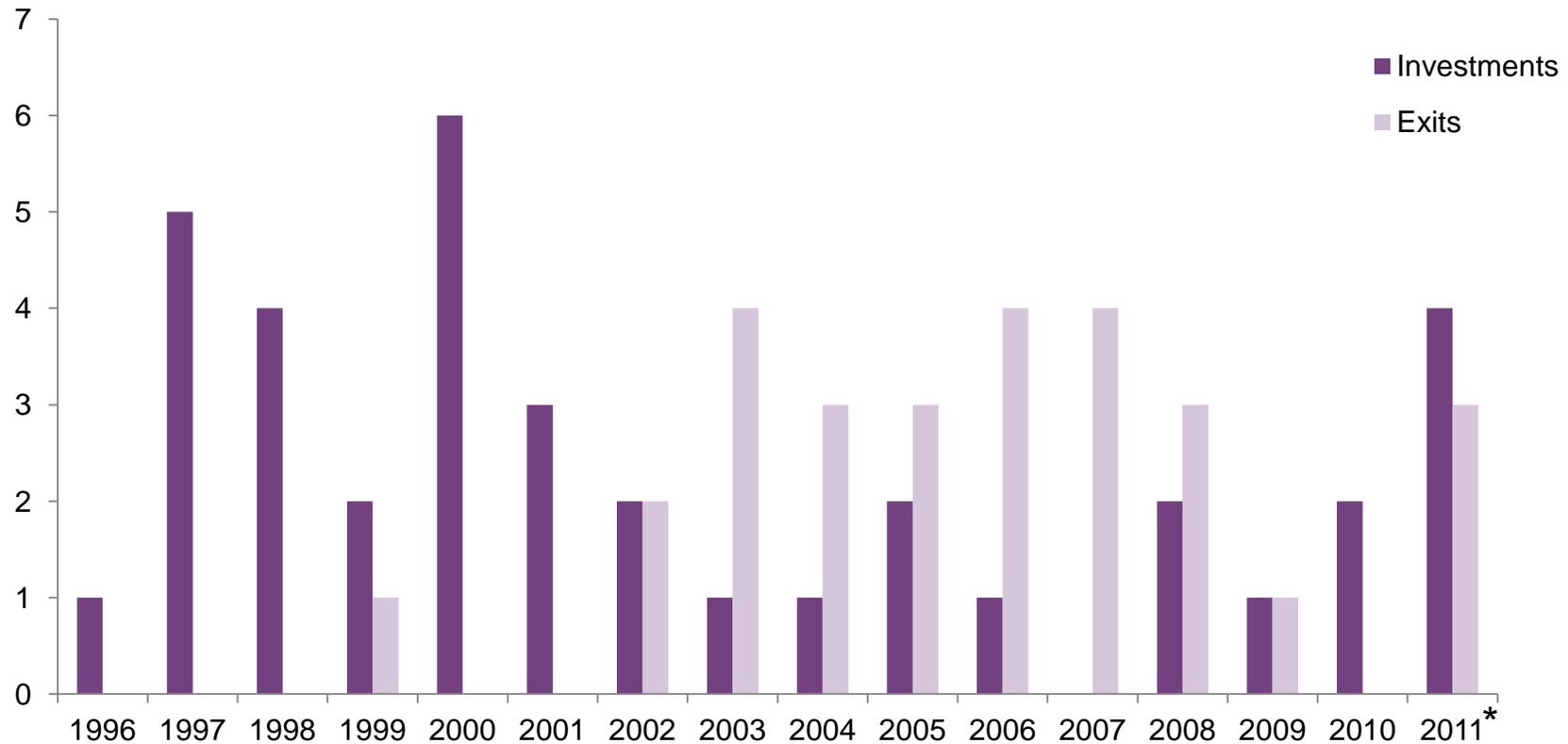
## Established regional network



Higher growth opportunities with  
less competition

# CapMan Russia deals since 1996

**36** investments and **28** exits



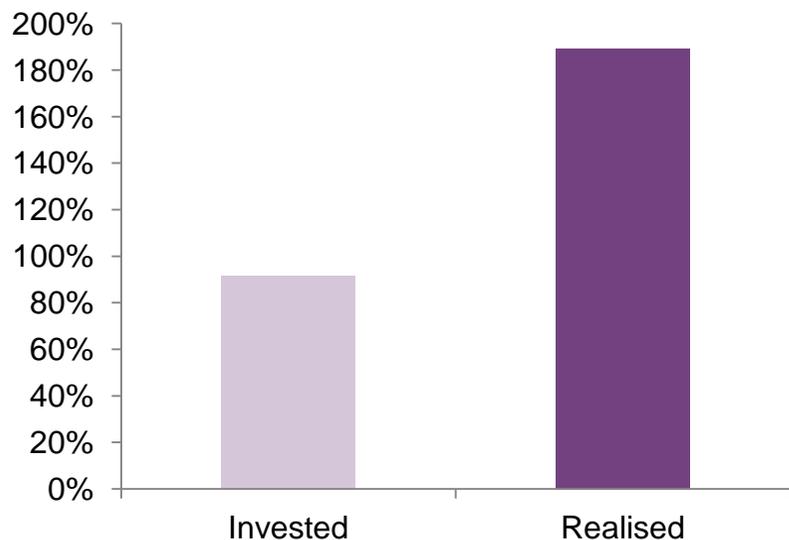
\*Estimated to close in 2011

# Performance and experience

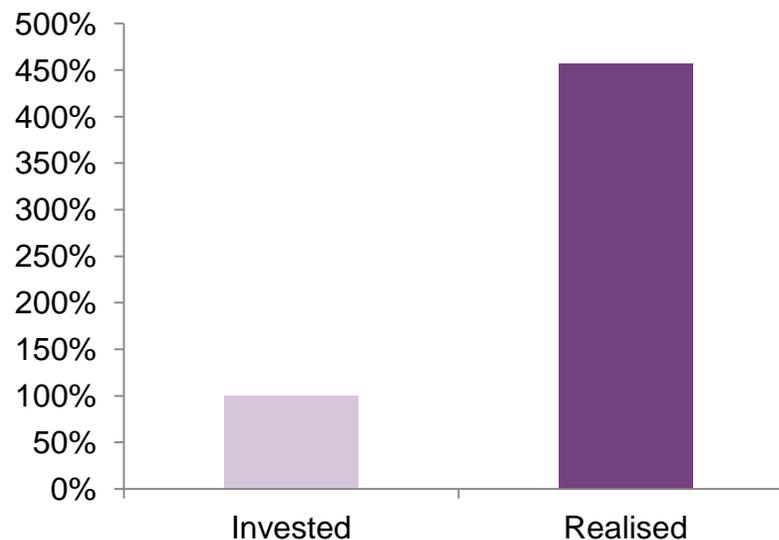
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## Less investment restrictions – higher return

**2.1x** realised money back since **1996**



**4.7x** realised money back from the last fund



# CapMan Russia exits by route

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Russian strategic - **9**

Foreign strategic - **9**

MBO - **6**

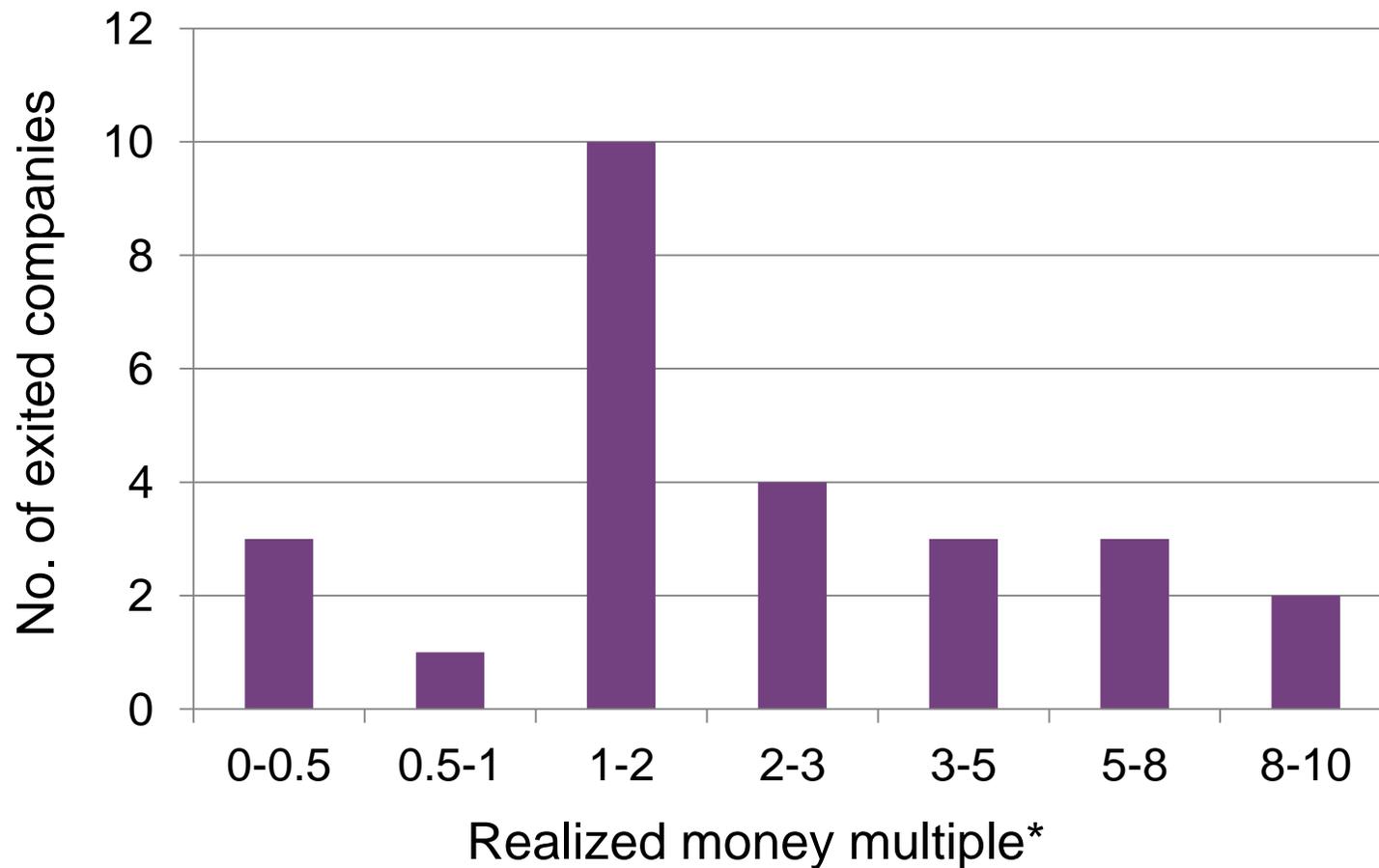
Russian financial - **2**

IPO - **1**

ca. **\$200** million



# CapMan Russia exits by money multiple



\*1999 - 2011

# LPs' views on Russian PE

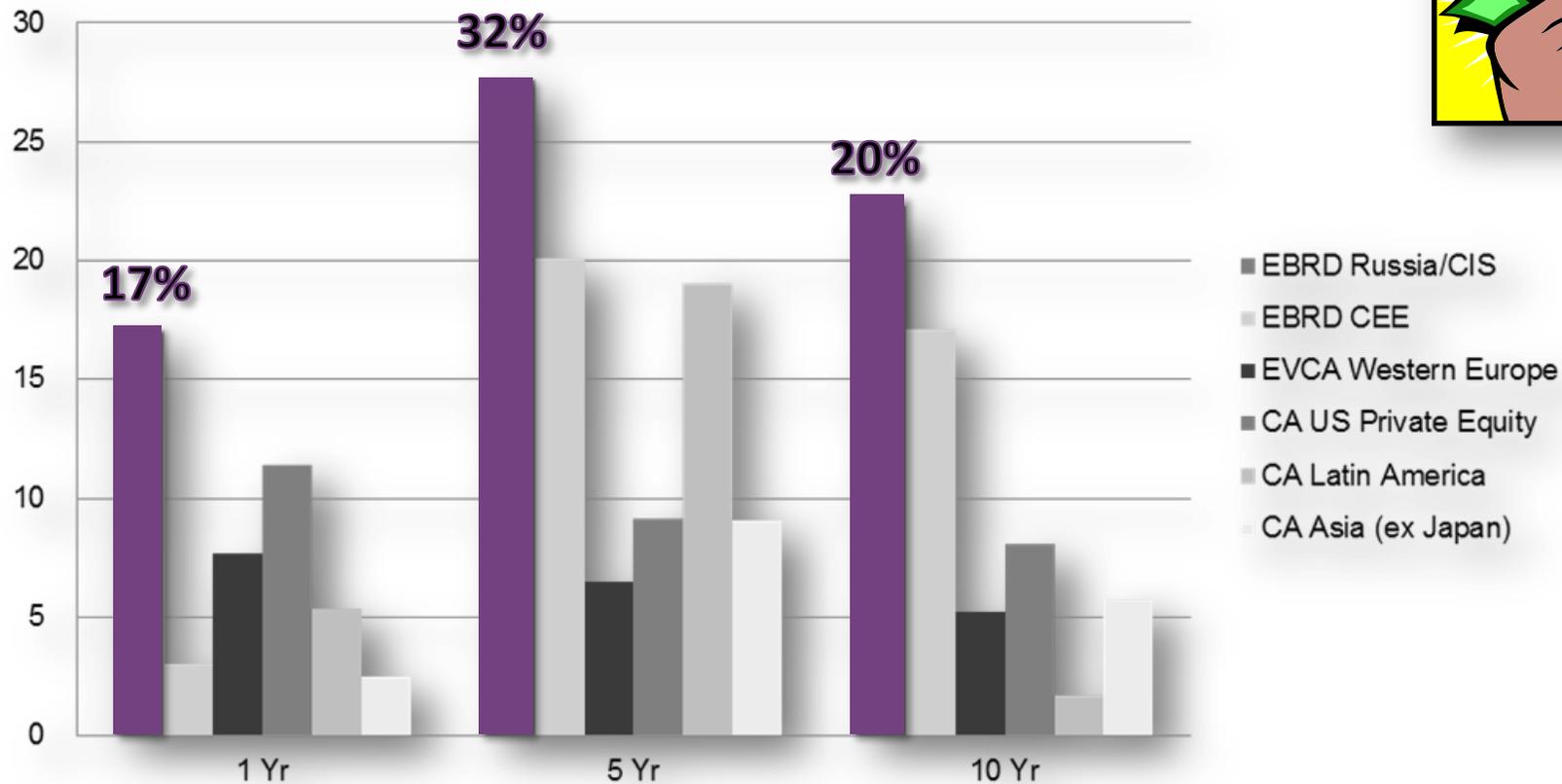
## Most attractive EM PE markets as ranked by EMPEA LP Survey

	2010	2009
China	1	1
Brazil	2	2
India	3	3
Emerging Asia	4	5
Latin America	5	6
CEE	6	4
South Africa	7	7
Africa (ex SA)	8	8
Middle East	9	9
<b>Russia / CIS</b>	<b>10</b>	<b>10</b>



Source: EMPEA investor survey

# Russia/CIS PE returns – the reality



Source: EBRD