

CEE and CIS Data Insight 1H 2016



Fund managers in CEE and CIS raised US\$520 million during the first half of 2016, an increase of 178%, year-on-year. Furthermore, with the final close of The Abraaj Group's Turkey Fund I in early Q3 at US\$526 million, fundraising in the region will exceed 2015's full-year total of US\$678 million. Central and Eastern Europe-focused funds accounted for all fundraising in 1H 2016, with no Russia or CIS-focused funds reaching a close. However, Russia did receive its largest private equity investment since 2012—Elbrus Capital's acquisition of online recruitment platform HeadHunter for RUB10 billion (US\$131 million). In CEE and CIS overall, managers invested US\$522 million across 50 deals, with both figures representing year-on-year declines of 23% and 12%, respectively. Poland continued to be the most active market, with 11 investments and six disclosed exits, including two private equity-backed IPOs. Poland-based Enterprise Investors listed both financial services company X-Trade Brokers and stem cell bank Polski Bank Komorek Macierzystych on the Warsaw Stock Exchange in April 2016—demonstrating that liquidity via public markets is available and that fund managers in Poland have reason to be optimistic going forward.

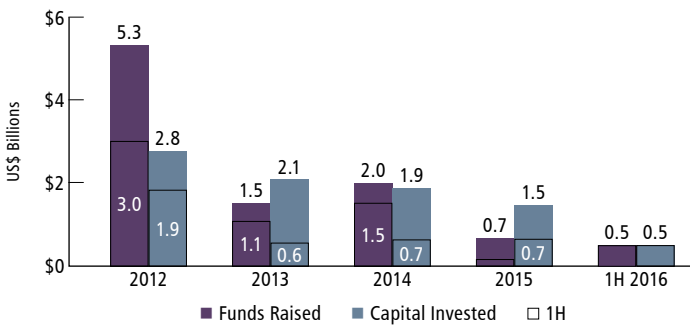
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Update to Methodology: Unless otherwise specified, EMPEA's data and statistics include private equity, private credit, infrastructure and real assets.

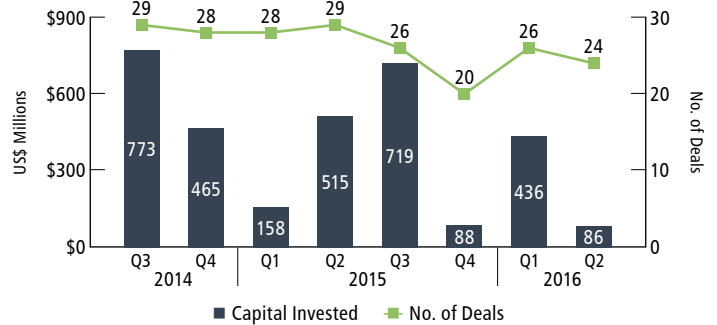
Fund managers raised US\$500 million in 1H 2016, an increase of 178%, year-on-year

CEE and CIS Fundraising and Investment, 2012-1H 2016



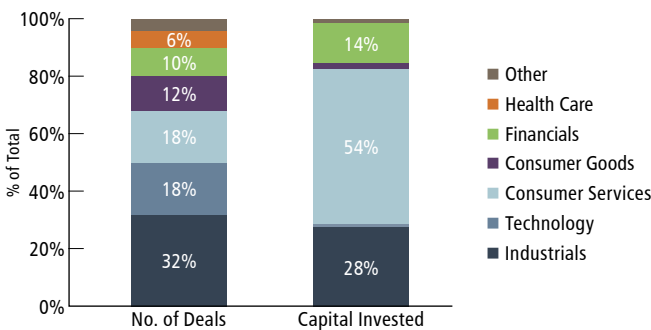
Managers invested US\$522 million across 50 deals in the first half of 2016

CEE and CIS Investment by Quarter, Q3 2014-Q2 2016



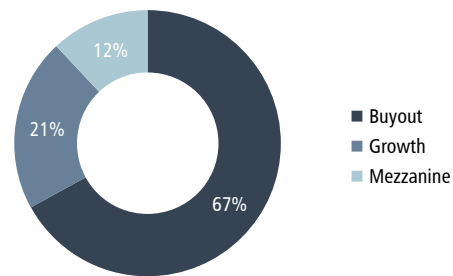
Over half of all capital invested in CEE and CIS during 1H 2016 went to the consumer services sector

CEE and CIS Investment by ICB† Industry, 1H 2016



Funds with buyout strategies accounted for 67% of all capital raised in 1H 2016

CEE and CIS Fundraising by Strategy, 1H 2016



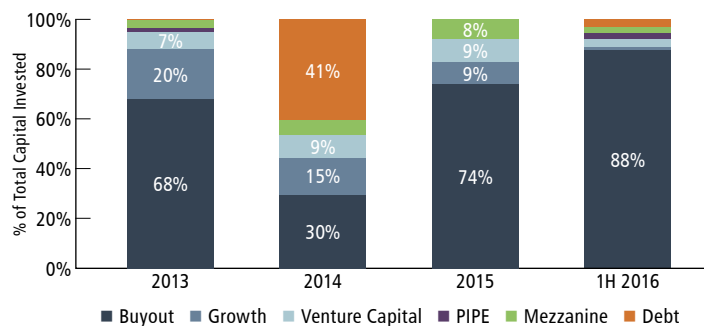
Poland led the region with 11 deals, followed by Estonia with six

CEE and CIS Investment by Country, 1H 2016



Buyout deals accounted for 88% of capital invested in 1H 2016

CEE and CIS Investment by Deal Type, 2013-1H 2016



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Largest CEE and CIS Funds Achieving a Close, 1H 2016

Fund Manager(s)	Fund Name	Fund Type	Geographic Focus	Currency	Capital Raised, 1H 2016 (US\$m)	Capital Raised to Date (US\$m)
Abris Capital Partners	Abris CEE Mid Market Fund III*	Buyout	CEE	EUR	339	339
Minerva Investments	METIS Private Equity Fund*	Growth	CEE	HUF	108	108
Genesis Capital	Genesis Private Equity Fund III*	Buyout	CEE, Czech Republic, Slovakia	EUR	8	74
RSG Capital	Enterprise Innovation Fund (ENIF)*	Venture Capital	CEE	EUR	17	45
Karma Ventures	Karma Ventures I*	Venture Capital	CEE	EUR	45	45
Practica Capital	Practica Seed Capital Fund*	Venture Capital	Lithuania	EUR	2	10

*Fundraising as of 30 June 2016.

Most Active VC Dealmakers in CEE and CIS, 1H 2016

Fund Manager(s)	No. of Deals
3TS Capital Partners, Practica Capital	4
Addventure, RSG Capital	2

Note: VC includes seed, early-stage and late-stage transactions.

Most Active Private Capital (excl. VC) Dealmakers in CEE and CIS, 1H 2016

Fund Manager(s)	No. of Deals
Baltcap Management	4
21 Partners, BlackPeak Capital, BPM Capital, Bridgepoint Private Equity, Innova Capital	2

Note: 'Private Capital (excl. VC)' includes private equity growth and buyout, private infrastructure and private credit investments.

Largest Investments in CEE and CIS, 1H 2016

Fund Manager(s)	Company Name	Country	ICB† Sector	Investment Type	Investment Amount (US\$m)	Investment Date
Bridgepoint Private Equity	Smyk	Poland	General Retailers	Buyout	269	Jan-16
Elbrus Capital	Headhunter	Russia	Support Services	Buyout	131	Feb-16
Minerva Investments	MKB Bank	Hungary	Banks	Buyout	58	Jun-16
Creation Investments Capital Management	TBC Bank	Georgia	Banks	PIPE	13	Feb-16
Syntaxis Capital	Trans Polonia	Poland	Industrial Transportation	Mezzanine	11	Jan-16
3TS Capital Partners	SALESmanago	Poland	Media	Venture Capital	6	Feb-16
Addventure, Hummingbird Ventures	Armut	Turkey	General Retailers	Venture Capital	3	Jun-16
BlackPeak Capital	Software Group	Bulgaria	Software & Computer Services	Growth	3	Mar-16
BlackPeak Capital	Astral Holidays International	Bulgaria	Travel & Leisure	Growth	1	Apr-16
Practica Capital	Softneta	Lithuania	Software & Computer Services	Venture Capital	1	Apr-16

Notable Exits and IPOs in CEE and CIS, 1H 2016

Country	Company Name(s)	Fund Manager(s)	ICB† Sector	Year(s) of Investment	Capital Invested (US\$m)	Transaction Date	Exit and Return Detail
Russia	Enforta	Baring Vostok Capital Partners, Bessemer Venture Partners, UFG Asset Management	Software & Computer Services	2005, 2010	N/A	Jun-16	Strategic sale of undisclosed value to Cyprus-based ER Telecom Holdings
Poland	Polski Bank Komorek Macierzystych (PBKM)	Enterprise Investors	Health Care Equipment & Services	2009	7	Apr-16	Partial exit of 17% stake via IPO on Warsaw Stock Exchange generated gross proceeds of EUR8.7m (US\$9.9m) and reported 6.7x multiple
Hungary	Diatron	The Riverside Company	Health Care Equipment & Services	2005	N/A	Mar-16	Strategic sale to Germany-based medical technology company STRATEC Biomedical
Romania	Provus	Innova Capital	Support Services	2011	N/A	Feb-16	Strategic sale to global financial services and technology company Wirecard for EUR32m (US\$35m)
Lithuania	Bite Group	Mid Europa Partners	Mobile Telecommunications	2007	586	Feb-16	Secondary sale of undisclosed value to Providence Equity Partners
Estonia	Tuuleenergia (Mali & Tamba Wind Farm)	Baltcap Management	Electricity	2012	N/A	Jan-16	Strategic sale of 100% stake to Lithuanian state-owned energy company Lietuvos Energija

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