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### **1H 2010 Deal Activity in Latin American Surpasses 2009 Totals Fundraising on Track to Break Historical Record**

*LAVCA Releases Mid-Year PE/VC Data for Latin America & Results of Global LP Survey*

**New York, September 28, 2010** – Capital committed to new private equity and venture capital deals in the first half of 2010 surpassed total PE/VC investments for all of 2009. Fundraising appears to be on track to match or surpass the historical record set in 2008, according to 2010 mid-year data released by the Latin American Venture Capital Association (LAVCA) in the LAVCA 2010/11 Yearbook.

Deal activity rebounded in 1H 2010, with \$3.8bn in new investments completed, as compared to \$3.27bn invested in all of 2009. Brazil continued to attract the most attention, capturing 66 percent of committed capital.

New investment vehicles raised almost \$3.1bn in capital in the first six months of the year. Advent International's \$1.65bn Latin American fund announced in April accounts for over half of the 1H 2010 totals, but with a full pipeline of funds in the market, including multiple funds with targets of \$1bn, 2010 fundraising for Latin America PE/VC may surpass the historical record of \$6.39bn set in 2008. Last week, Southern Cross closed on \$1.68bn for its Latin America Private Equity Fund IV.

"The robust fundraising in Latin America is particularly noteworthy in contrast to the environment in developed markets," said Cate Ambrose, President and Executive Director of LAVCA. "Managers with established track records are well-positioned to market new funds to an expanding pool of global and regional LPs."

Enthusiasm for Latin America was also reflected in the results of LAVCA's 2010 survey of over 100 global institutional investors targeting Latin America, with 52 percent of respondents indicating plans to increase their allocations to the region in the next 12 months, up from 15 percent in 2009.

Investors are more confident in the region's sustainable economic expansion, with 56 percent of LPs citing the macroeconomic environment as a positive factor in allocating to the region. Unchanged from last year, Brazil, Mexico, Colombia and Chile remained the most attractive markets.

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Announced exits did not follow the upward trend of deals and investments in 1H 2010, but reported activity since July suggests a possible improved environment for the second half of the year.

The list of firms investing, fundraising and opening offices in Latin America in 2010 reads as a “who’s who” of the world’s largest PE/VC firms including The Carlyle Group, The Blackstone Group, TPG Capital, Apax Partners, Warburg Pincus, Silver Lake and Burrill Venture Capital, et al.

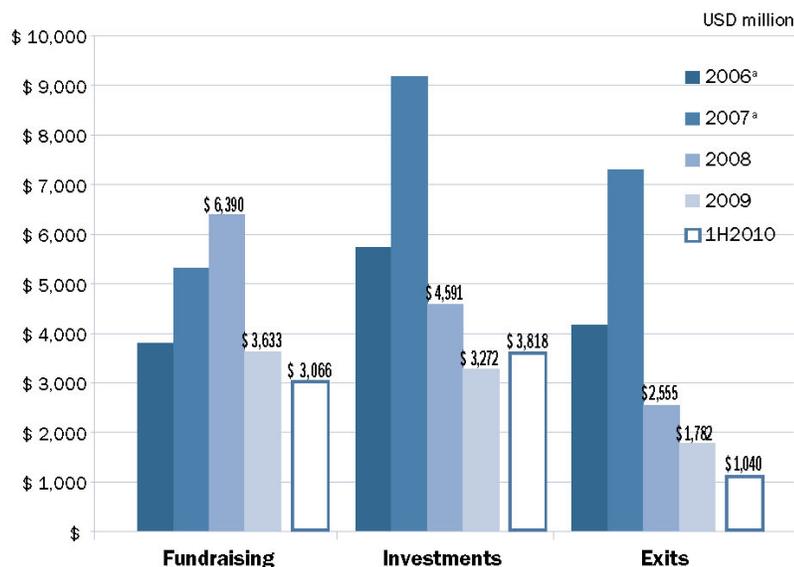
Many of these firms will be participating in the LAVCA Annual Summit and Investor Roundtable in New York City this week. On September 29-30, LAVCA will host over 250 Global and Latin America fund managers, institutional investors and other industry leaders to discuss and debate the most timely issues affecting the operating and policy environment in the region’s venture capital and private equity markets. For more information: <http://lavca.org/events/new-sep-29-30-lavca-annual-summit/>

The 2010/11 LAVCA Yearbook will be released at the Summit and available to attendees. The updated and expanded version includes 2010 Mid-year data, an up-to-minute industry analysis and regional fund manager directory of 170 firms. For more information on the LAVCA Yearbook visit [www.lavca.org](http://www.lavca.org) or contact Emma Epstein at [ee Epstein@lavca.org](mailto:ee Epstein@lavca.org).

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The following graphs/charts provide a summary of data described in the above release. The 2010/11 LAVCA Yearbook was sponsored by the Netherlands Development Finance Company (FMO), Deloitte, the Multilateral Investment Fund (MIF/FOMIN), and the Andean Development Bank (CAF).

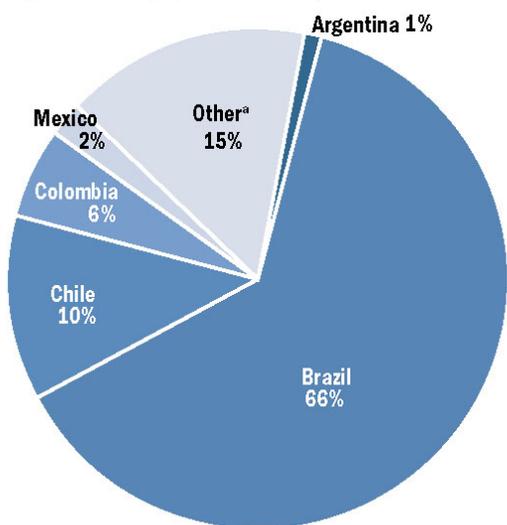
### Trends: Latin America PE/VC



**Notes**

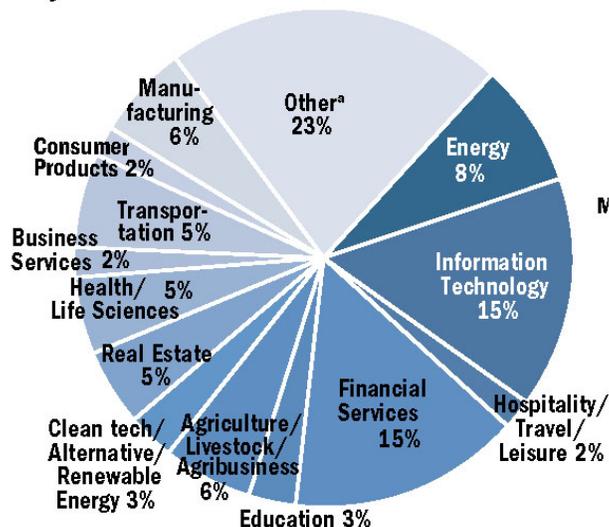
- a. 2006 and 2007 figures were estimated based on historical trends from benchmark sources
- b. Transaction numbers for fundraising represent the number of fund managers that reported at least one closing in one fund

### 1H2010 Investments by Country (USD million)



Notes: other includes those transactions that did not report any classification, plus the following countries: Costa Rica, Dominican Republic, Guatemala, Guyana, Jamaica, Nicaragua, Other Latin America/Caribbean, Panama, Uruguay and Venezuela.

### 1H2010 Investments by Sector (# of deals)



Notes: Other includes: Energy Services, Timber, Logistics & Distribution, Other Natural Resources (non-hydrocarbons), Telecommunications, Biotechnology, Mining, Entertainment, Other Services, Infrastructure and those transactions that did not report any classification.

### About the Latin American Venture Capital Association

The Latin American Venture Capital Association (LAVCA) is a not-for-profit membership organization dedicated to supporting the growth of the private equity and venture capital in Latin America. LAVCA's membership is comprised of over 80 firms, from leading global investment firms active in the region to local fund managers from Mexico to Argentina. Member firms control assets in excess of 25 billion dollars, directed at capitalizing and growing Latin American businesses. In addition to the support of its member firms, LAVCA research and programs are made possible thanks to an ongoing core commitment from the Multilateral Investment Fund (MIF/FOMIN) and the Andean Development Bank (CAF). Visit [www.lavca.org](http://www.lavca.org) for more information.