



FOR IMMEDIATE RELEASE

Contact:

Maria Bustamante, LAVCA

mbustamante@lavca.org

1.646.315.6737

PE/VC Firms Raise Historic Record of \$10.3 Bln for Latin America in 2011 *LAVCA Releases 2011 Data on Private Equity & Venture Capital in Latin America*

New York, March 21, 2012 – Fundraising by private equity and venture capital firms investing in Latin America reached a historic record of \$10.3 bln in 2011, an increase of 27% from the previous year's record of \$8.1 bln, according to 2012 LAVCA Industry Data released today by the Latin American Private Equity & Venture Capital Association (LAVCA).

Brazil-dedicated funds captured \$8.1 bln of the total capital committed. Five funds raised by local firms Gávea Investimentos, Vinci Partners, BTG Pactual and Patria Investimentos (raised two funds) accounted for \$7.3 bln of the fundraising total for the country, illustrating the strength of Brazil's experienced asset managers and the desire of global investors for exposure in Brazil.

Regional funds accounted for \$1.1 bln of total capital committed. While The Carlyle Group raised a specific pan-South American fund with \$776M in commitments, other global players are opting to invest in the region through emerging markets-dedicated funds instead of raising targeted Latin America vehicles.

“While Brazil funds captured the greatest amount of committed capital in 2011, we continue to see a healthy appetite for other regional markets. Most recently, firms such as Linzor Capital Partners and Victoria Capital Partners are raising regional funds and sourcing deals in multiple markets, following the previous success of Advent International and Southern Cross,” said Cate Ambrose, President and Executive Director of LAVCA. “In addition, some of the large Brazilian firms are also expanding into Colombia, Chile, Peru or Mexico, a positive development for the growth of the private equity industry throughout Latin America.”

Exits also surged in 2011 with 53 PE-backed exits valued at \$10.6 bln, a 204% increase from 2010. While the region saw a number of high-profile IPOs in 1H 2011, including Arcos Dorados' listing on the New York Stock Exchange, the second half of the year was associated with market volatility. Strategic sales were the preferred exit strategy.

-more-

Overall, the number of deals was on par with 2010, but the amount of capital invested was down 10% year-on-year, \$6.5 bln in 2011 versus \$7.2 bln in 2010.

While Brazil continued to capture the greatest percentage of deals (50%) and capital invested (64%), other regional markets did see increases in deal totals or dollars invested, including Argentina, Colombia and Peru.

Mexico saw an increase in both the number of deals and capital committed. Firms completed 21 deals with a value of \$456M, an increase of 117% when compared to the capital invested in Mexican companies during 2010.

While buyouts and growth financing deals capturing 88% of capital invested, both early stage and seed/incubator deals saw an increase in number of deals and capital invested compared to 2010.

U.S. and international venture capital firms have moved into the region with a proliferation of early stage deals during 2011 including investments by Accel Partners, Redpoint, General Catalyst and Tiger Global Management in Brazilian start-ups. Early stage deals accounted for 24% of all deals completed in 2011.

A range of sectors posted notable growth, either in number of deals or dollar value of investments including information technology, energy, and other services, which includes emerging industries such as fast food chains and franchise businesses.

LAVCA has been collecting proprietary data on PE/VC in Latin America since 2008 when the first LAVCA Industry Data report was released. LAVCA Industry Data is based on a confidential survey of fund managers and secondary sources, creating the first reliable source of data on private equity and venture capital in Latin America. The number of LAVCA member firms and other industry participants reporting investment activity continues to increase year-on-year, reaching nearly 250 in 2011.

###

About LAVCA

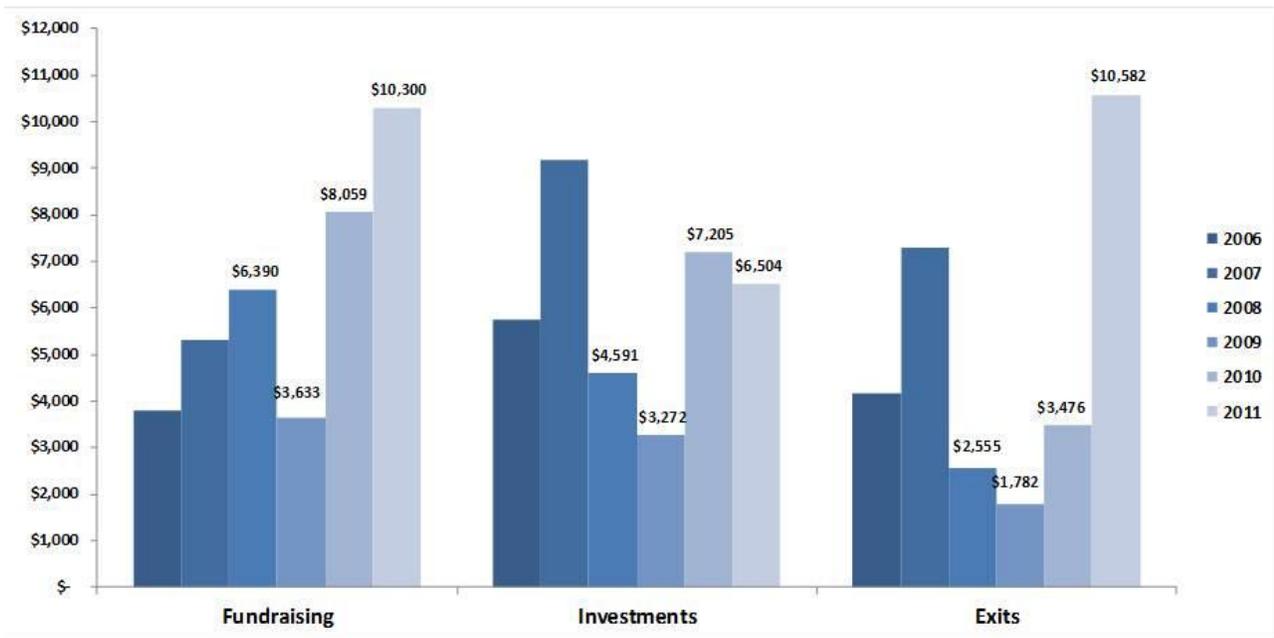
The Latin American Private Equity & Venture Capital Association (LAVCA) is a not-for-profit membership organization dedicated to supporting the growth of the private equity and venture capital industry in Latin America and the Caribbean. LAVCA's membership is comprised of over 130 firms, from leading global investment firms active in the region to local fund managers from Mexico to Argentina. Member firms control assets in excess of \$50 billion, 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 for more information.

***See next page for sample graphs from 2012 LAVCA Industry Data*

2012 LAVCA Industry Data is sponsored by the Multilateral Investment Fund (MIF/FOMIN) and the Andean Development Bank (CAF). The following chart is an example from the 2012 data pack, which will be available later this month.

Fundraising, Investments and Exits (USD million, 2006- 2011)



© 2012 LAVCA Industry Data

Notes

2006- 2007 figures are based on VE-LA reports. 2008 -2011 figures are based on LAVCA industry surveys.