

Indian Private Equity Market



A Comprehensive Assessment (2009)

22 January 2010

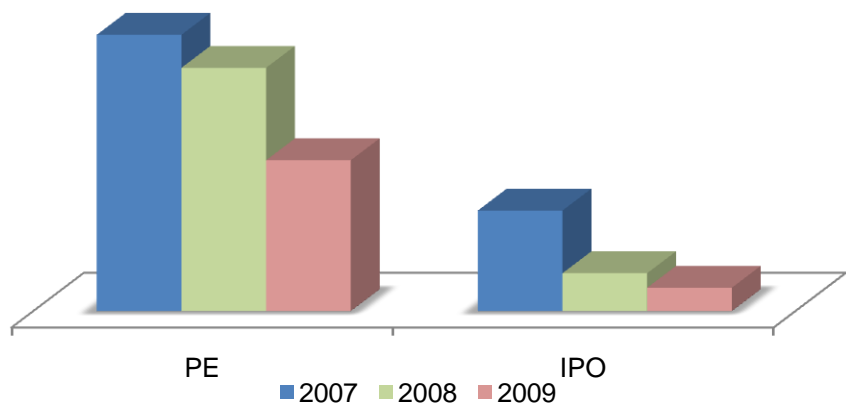


Strategies for your Success

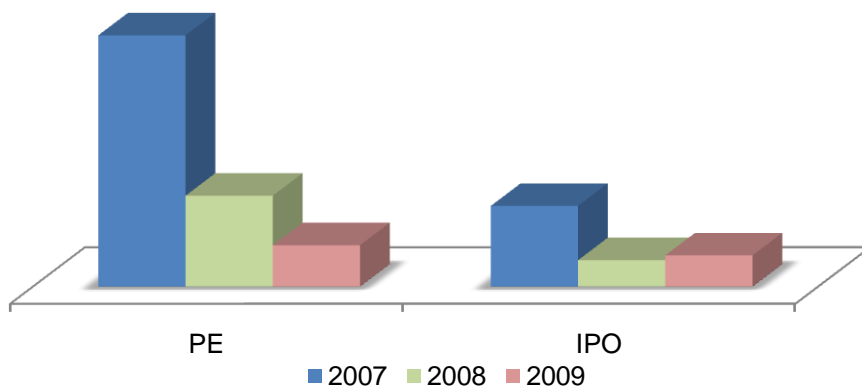
Deal Activities Went Inside Graveyard in 2009...

- ❑ The deal volume and value worldwide had suffered in the last two years since the global economy went through one of its worst crises since the Great Depression of 1929
 - PE deal volume decline significantly by 38% in 2009 over 2008 levels and by 45% over 2007 levels. However, the decline in value was much steeper with fall of 55% and 84% over 2008 and 2007 levels, reflecting the decline in average deal size
 - India accounted for 6% of total global PE deals volume in 2009 while only 2% in terms of deal value
 - The deal activity declined by 39% and 68% in terms of deal volume and deal size in 2009 as compared to 2008
 - In UK, the total PE deals value in 2009 was the lowest since 1995. There were 117 PE deals, worth £4.7B (\$7.7B) in 2009 as compared to 243 deals worth £18.2B in 2008

Volume (No.)



Deal Value (\$B)



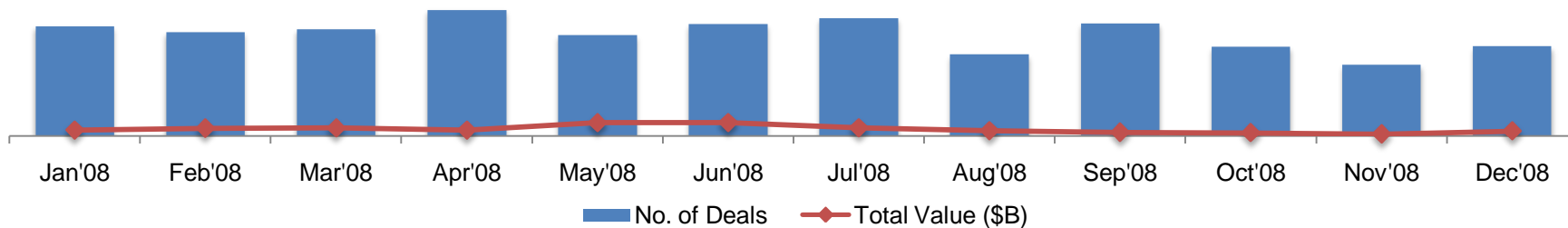
*Till Nov'09

Private Equity - Global: What Happened in Last 3 Years...

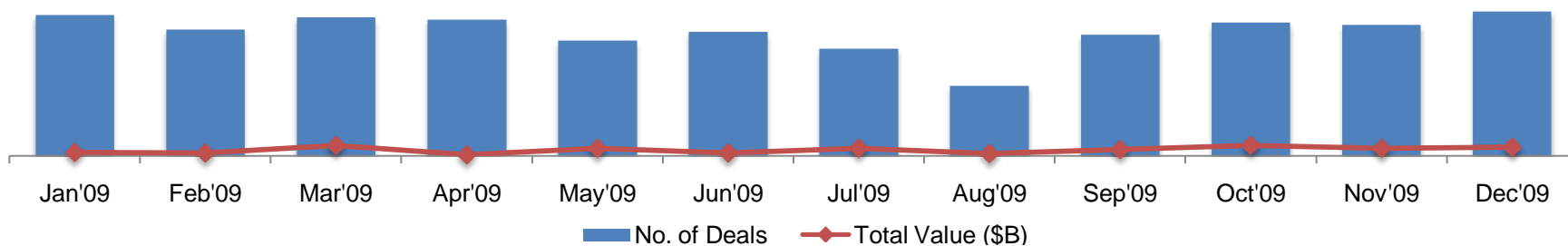
2007



2008

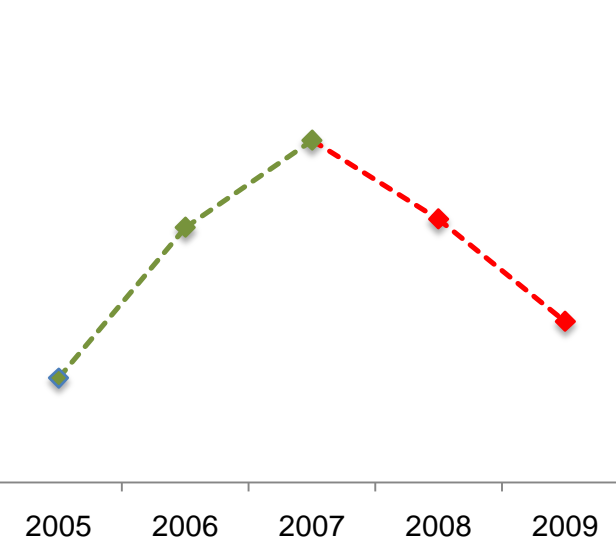


2009

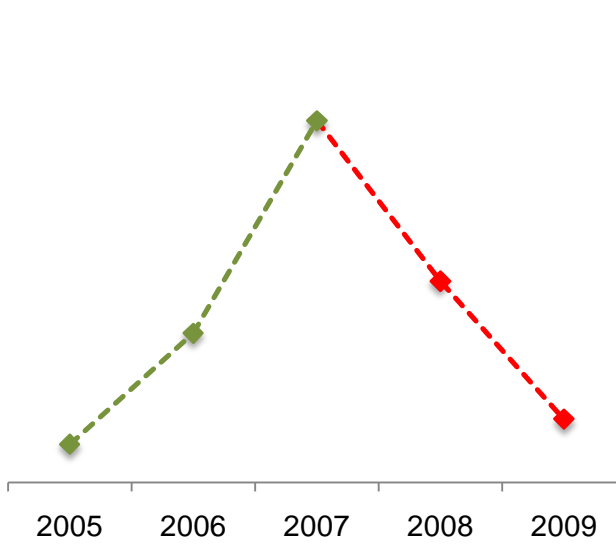


...But PE Deals Didn't Replicate Stock Markets Buoyancy in 2009

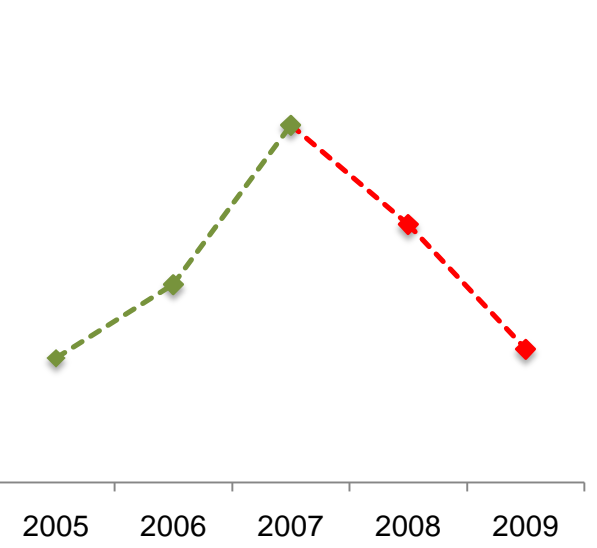
PE Deals in India (No.)



PE Deals in India (\$B)

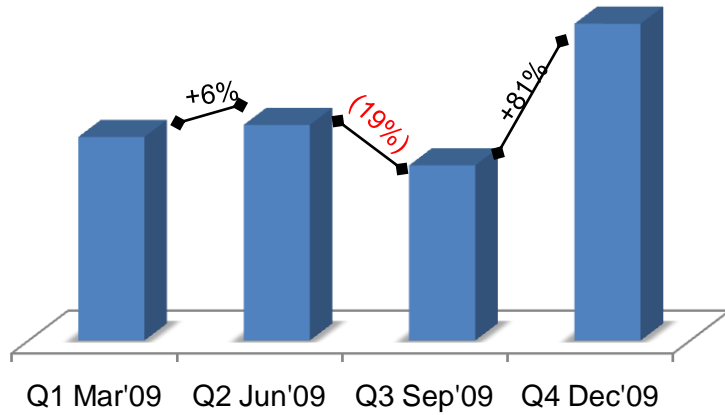


Average Deal Size (\$M)

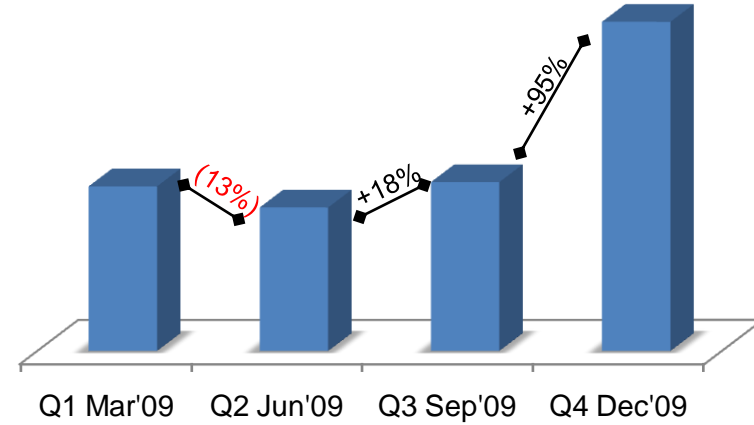


...PE Activity Turned Around in Fourth Quarter

PE Deals in India (\$M)

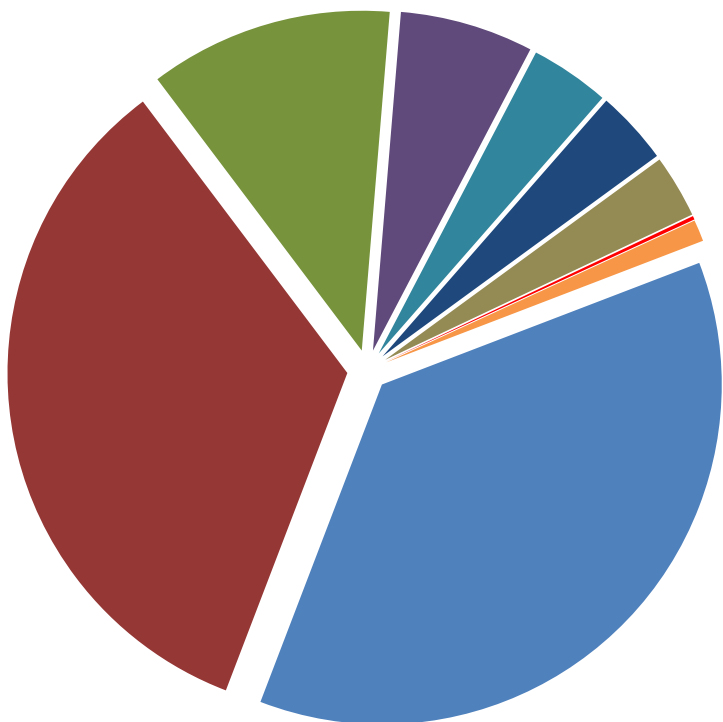


PE Deals in India (No.)



TMT and Industrial Sector Called the Shots in PE Space in Q4

Sector Breakup (Value: \$1,166M)



Sector Breakup (Volume: 78)



- ❑ In terms of number of deals, TMT* constituted the largest portion of deal flow with 32% of total PE deals in the quarter, followed by Industrials and BFS** sector with 22% and 12% deals respectively
 - Education sector, was the only sector to have witnessed a decline in the number of deals QoQ. It reported 1 deal this quarter as compared to 4 in the previous quarter
 - REI*** and hospitality sector finally got moving to register 6 and 5 deals respectively in comparison to zero in the previous quarter
- ❑ In terms of value, Industrial sector attracted the maximum investment with 37% of total PE investments, followed closely by TMT* at 34% of the total investments

*Telecom, Media & Technology, **Banking & Financial Services, ***Real Estate & Infrastructure, ****Healthcare & Life sciences

Total deal value doesn't include deals whose values are not disclosed

Disclosure

- Deal value doesn't include those deals whose values are not disclosed
- Only those deals have been included in the report which been completed in the particular period
- The report also covers Venture Capital Deals
- The report doesn't includes block deals

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