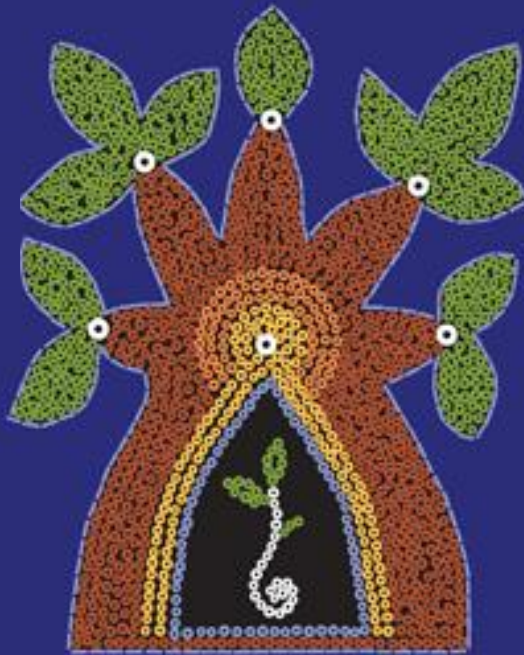




A Snapshot of Private Equity in Southern Africa:

An industry on the move

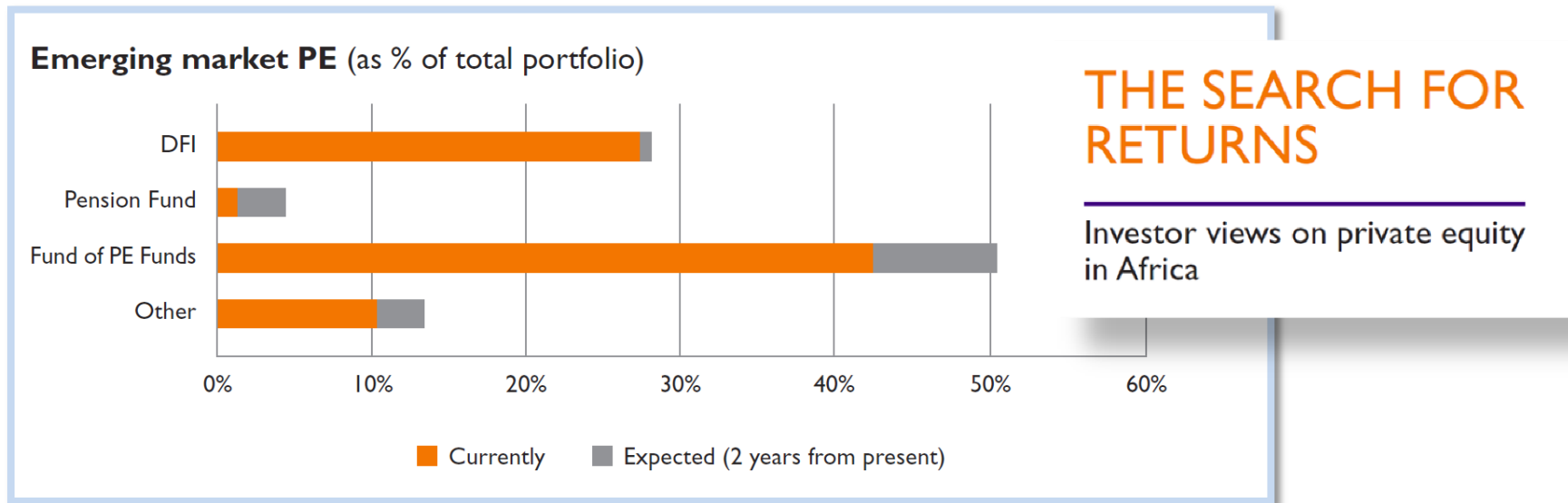


PRIVATE EQUITY IN 20 SOUTHERN AFRICA 15

INVESTING FOR GROWTH • INVESTING FOR GOOD

SPIER, STELLENBOSCH • 12-13 FEBRUARY 2015

Global institutional investors' views



- 85% plan to **increase their exposure to African private equity** over the next two years
- 80% expect African private equity to **outperform African listed equity** over the coming decade

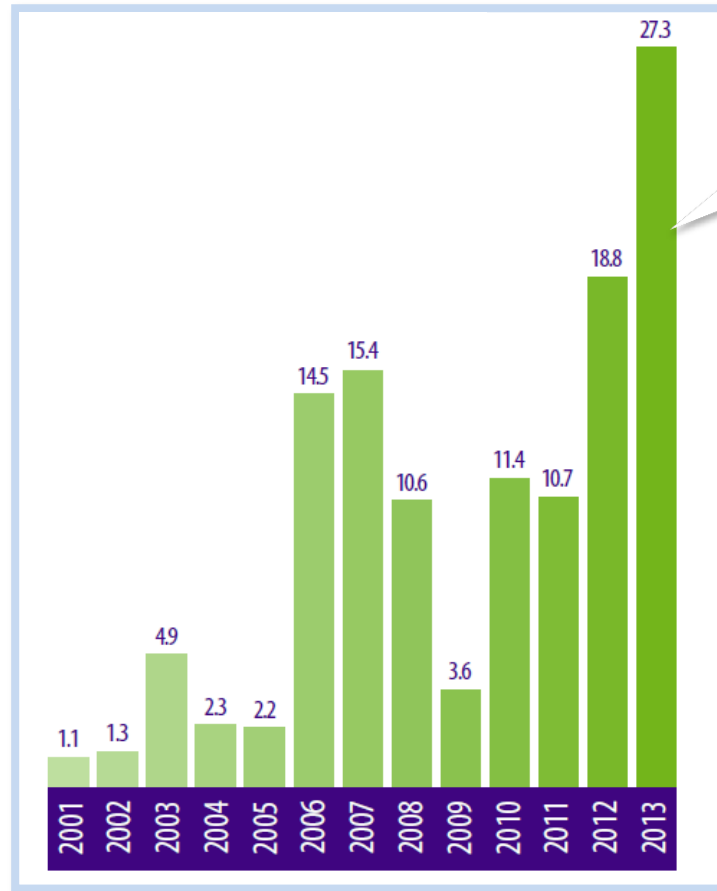
Source: *The Search for Returns: RisCura, AVCA, SAVCA; 2014*



Fundraising by SA private equity

Rbn, per annum

Source: SAVCA and KPMG
(2014)



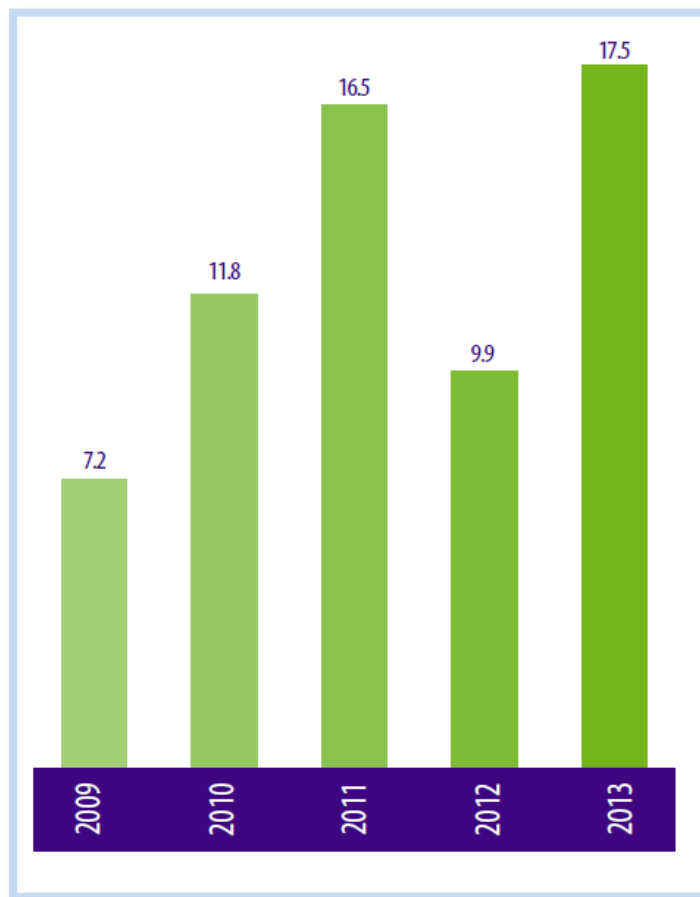
A new wave of fundraising



Rising deal flow

Cost of investments made,
Rbn, per annum

Source: SAVCA and KPMG
(2014)



LIBSTAR

RTT
INTELLIGENT LOGISTICS

ONE DIGITAL MEDIA

autoZONE

TekkieTown

CHOPPIES

DYNAMIC BEDDING
MANUFACTURED ACCORDING TO INTENTIONALLY ADOPTED SPECIFICATIONS

COMPUSCAN

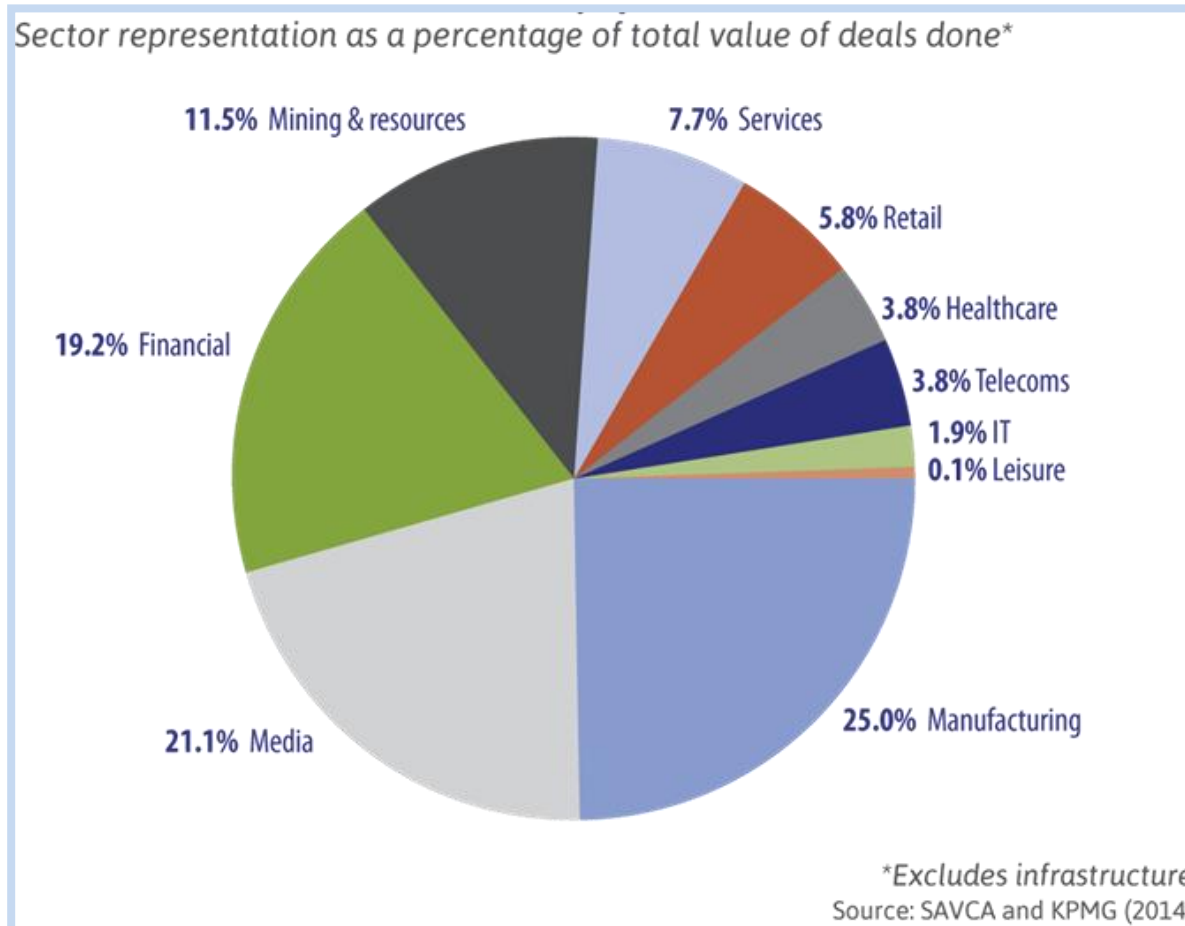
AI

SAVCA

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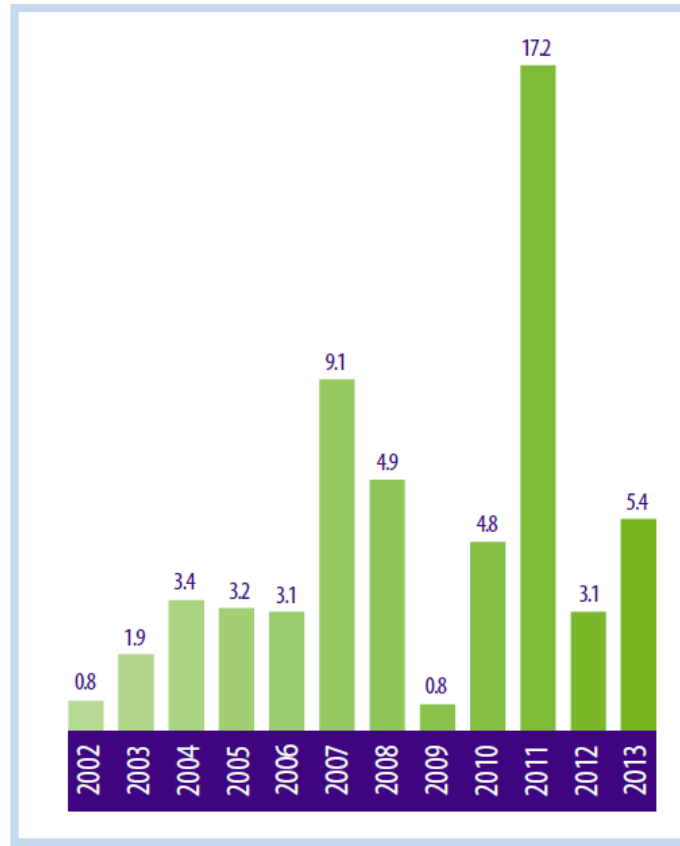
Deals are done across the spectrum



Exits will escalate in 2015

Analysis of disposals made during the year, based on proceeds, in Rbn

Source: SAVCA and KPMG (2014)




ALEXANDERFORBES


RHODES
FOOD GROUP


Auto (PTY) LTD


vox® telecom



Private equity: A force for good

A survey of private equity portfolio companies shows:



- Private equity drives good corporate governance (noted by **70%** of respondents)



- Private equity is valued for its strategic guidance (**62%** of respondents)



- Private equity supports capex and expansion plans, and innovation



- Private equity is a driver of BEE



- Businesses reported notable employment gains during the private equity partnership (on average, up **40%**)

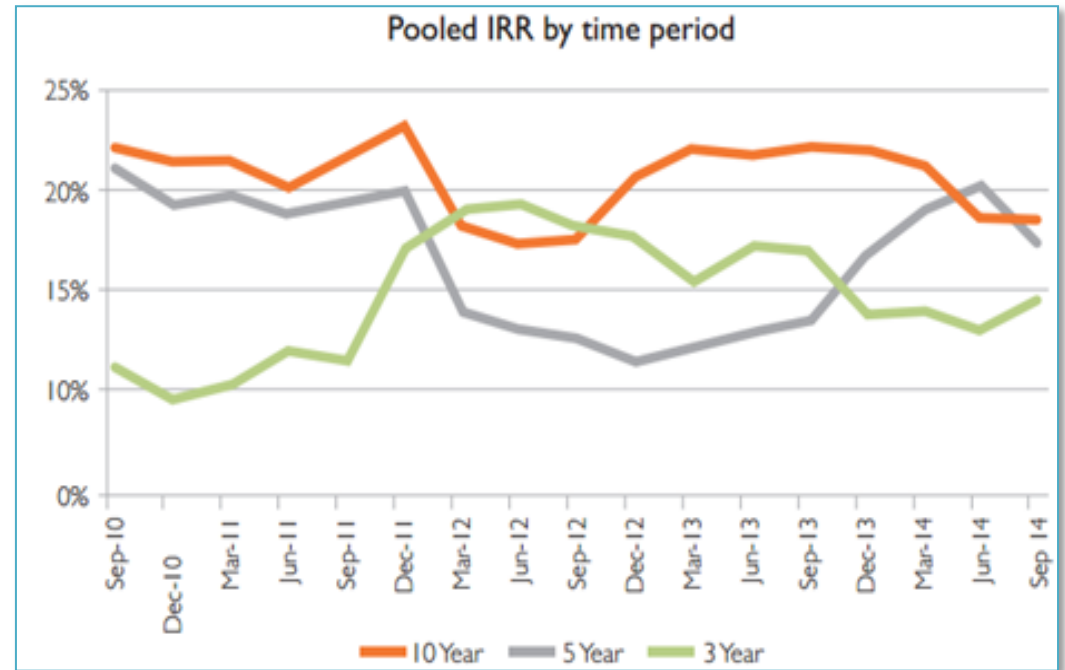
The SAVCA-DBSA Economic Impact Study; 2014



Private equity's returns kicker

CAGR

Year	Pooled IRR	ALSI TRI	FINDI TRI	SWIX TRI
10	18.5%	18.8%	22.1%	19.7%
5	17.3%	18.1%	25.3%	19.0%
3	14.4%	22.2%	32.2%	23.4%



SAVCA-RisCura Private Equity Performance Survey; Sept'14

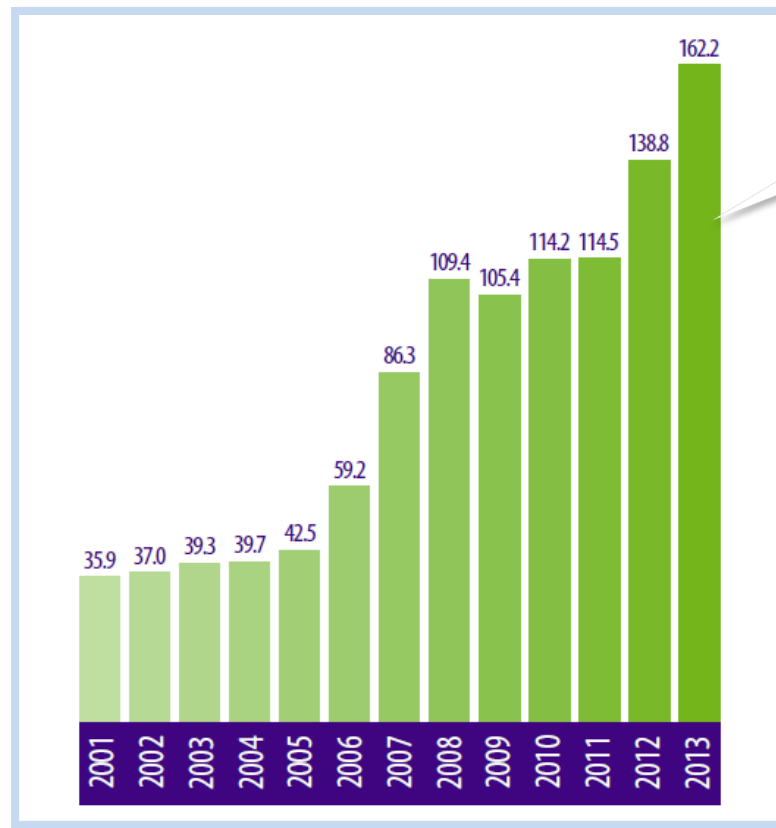


Private equity's steady gains

A growing industry

Funds under management
by year end, in Rbn

Source: SAVCA and KPMG
(2014)



Thank you

SAVCA's mission

To promote the asset class in Southern Africa by:

- Being a **single industry voice** to regulators and policy makers
- Providing up-to-date and relevant **research**
- Offering **training and education** for industry stakeholders
- Creating **networking opportunities** for the industry

