



Private equity investors face numerous and diverse challenges in the Central & Eastern Europe (CEE) and the Commonwealth of Independent States (CIS) regions in the current economic climate. Once thought immune to regional woes, the 10 CEE countries which acceded to the European Union (EU) in 2004 and 2007 are encountering domestic fiscal and economic problems, and worries about regional systemic risk are mounting.

Among EU countries, Hungary and Latvia are struggling most. Despite a combined US\$35 billion in bailout funds from the IMF, GDP is expected to fall by 3% in Hungary in 2009, and 12% in Latvia. In the CIS, growing worries about political risk are compounding economic concerns. Russia's August invasion of Georgia accelerated investor fears, as have tensions surrounding the Anglo-Russian oil joint venture TNK-BP Holding. Fallen energy prices threaten the economic stability of the oil-centric economies of the CIS. Ukraine's attempts to prop up its currency have failed, and the second tranche of a US\$16.4 billion IMF bailout remains in question. Further, the ongoing power struggle between Prime Minister Yulia Tymoshenko and President Viktor Yushchenko have heightened worries about Ukraine's political stability. The IMF projects slight contractions in growth for both the CEE and CIS sub-regions in 2009, representing a significant slowdown from growth rates of 5.4% and 8.6% growth, respectively, just two years prior.

The impact is most readily apparent in the fundraising environment. After holding steady in 2008, fundraising came to an abrupt halt in the beginning of 2009, with no known fund closes taking place in the first quarter. The 2009 EMPEA/Collier Capital Emerging Markets Private Equity Survey reveals that both CEE and the CIS have lost some degree of favor with institutional investors. Surveyed LPs selected Russia/CIS

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## World Economic Outlook Projections, GDP (% change)

Region	2007	2008	2009*	2010*
World Output	5.2	3.4	0.5	3.0
Advanced Economies	2.7	1.0	-2.0	1.1
Emerging and Developing Economies	8.3	6.3	3.3	5.0
CEE	5.4	3.2	-0.4	2.5
CIS	8.6	6.0	-0.4	2.2

Source: International Monetary Fund (IMF), January 28, 2009.

\*Projections.

## Region Snapshot

### Central and Eastern Europe (CEE) includes:

Albania  
Bosnia and Herzegovina  
Bulgaria

### Croatia

### Czech Republic

Estonia

### Hungary

Latvia

Lithuania

Montenegro

### Poland

Republic of Macedonia

Romania

Serbia

Slovakia

Slovenia

### Turkey

### The Commonwealth of Independent States (CIS)

#### includes:

Armenia  
Azerbaijan  
Belarus  
Georgia

### Kazakhstan

Kyrgyzstan

Moldova

### Russia

Tajikistan

Turkmenistan

### Ukraine

Uzbekistan

(Markets in bold indicate core markets attracting the majority of private equity investment to date)

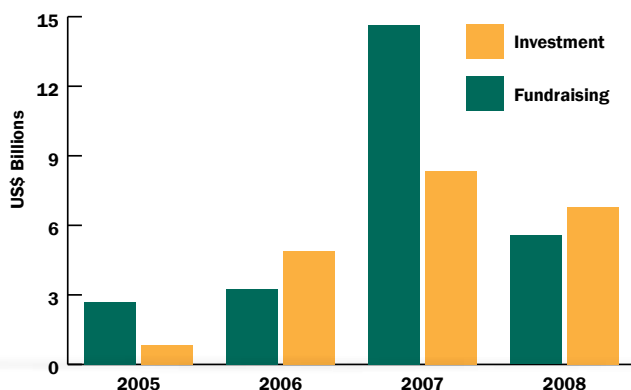
as the least attractive destination for investment in 2009, representing a shift from 2008 when LP respondents ranked the sub-region ahead of South Africa, the Middle East, and Latin America (ex-Brazil). Likewise, the CEE region, ranked the second most attractive in previous surveys after Emerging Asia, has been overtaken by Latin America, and Brazil in particular.

The current investment climate is uncertain. Investment volume fell 67% from US\$1.3 billion in the first quarter of 2008 to US\$437 million the first three months of 2009, corresponding with a decrease in average deal size. An October 2008 Deloitte CEE Private Equity Confidence Survey showed that fund managers plan to shift their focus from fundraising to portfolio management. Only 3% percent of surveyed Central European private equity professionals plan to focus on raising new funds, compared to 55% who will focus on portfolio management. Even though firms with “dry powder” are uniquely capable of backing companies without access to financing from local capital markets (assuming they could successfully call on that capital), macroeconomic uncertainties and a difficult exit environment will mean the region will remain challenging in the near term.

## Fundraising Trends

Fundraising for the CEE/CIS region held strong in 2008. The US\$5.6 billion raised was 70% greater than the total raised in 2006. Fundraising in 2008 did not surpass the US\$14.6 billion raised in 2007—two outlier closes totaling US\$9.1 billion in that year account for the bulk of the difference. Capital raised for CIS-focused funds nearly equaled the total raised

### CEE/CIS Fundraising and Investment Totals (2004-2008), US\$ Billions



Source: EMPEA, Deloitte, European Venture Capital Association (EVCA).

### CEE/CIS Fundraising and Investment Totals Data (2006 – 2008), US\$m

	2005	2006	2007	2008
<b>Fundraising</b>	<b>2,711</b>	<b>3,272</b>	<b>14,629</b>	<b>5,559</b>
CEE	1,457	3,050	12,759*	2,815
CIS	1,254	222	1,870	2,744
<b>Investment</b>	<b>842</b>	<b>4,903</b>	<b>8,345</b>	<b>6,785</b>
CEE	602	4,501	7,126	3,333
CIS	240	402	1,219	3,452

Source: EMPEA, European Venture Capital Association (EVCA), Deloitte.

\*Outlier figure due to two large closes (Mid Europa US\$2bn, Marfin US\$7bn)

for CEE-focused funds, at US\$2.7 billion versus US\$2.8 billion for CEE. Fund managers raised US\$3.1 billion in the second half of 2008.

Advent International ushered in 2008 with the closing of its oversubscribed fourth fund, Advent Central & Eastern Europe IV, at US\$1.6 billion. Demonstrating the maturity of the region's private equity market, several follow-on funds held closes in the region throughout 2008: Arx Central and Eastern Europe III, Innova Capital V, Mezzanine Management Central Europe's Accession Mezzanine Capital II, Troika Capital Partners Growth Fund III, and Horizon Capital's Emerging Europe Growth Fund II.

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#### About EMPEA

The Emerging Markets Private Equity Association is a broad-based membership organization founded in 2004 that focuses on the emerging private equity markets of Africa, Asia, CEE, Russia/CIS, Latin America, and the Middle East.

The LP profile for CEE/CIS focused funds continues to diversify. Commercial LPs now comprise a greater share of the region's LP base than development finance institutions and government agencies. As one of the largest and most active LPs in the region, the EBRD's portfolio reflects this broader trend. Among EBRD-backed CEE and CIS private equity funds in 2007, funds-of-funds accounted for the greatest share of committed capital of all LP types, surpassing commitments by international financial institutions and governments.

As commitments by commercial LPs to regional funds have slowed, development capital is returning to fill the void. In the first quarter of 2009, fundraising news from the region has been limited to commitments by DFIs to funds, with no known closings having occurred. CDC Group recently committed US\$10 million Kazakhstan-focused Centras Private Equity Fund. In January 2009, the EBRD committed €40 million (US\$55m) to 3TS CEE Fund III and €350 million (US\$475m) to Accession Mezzanine Capital III. As of March 2009, more than 60 private equity and venture capital funds focused on the region were in the market attempting to raise as much as US\$10.5 billion.

Buyout funds accounted for 42% of total funds raised in 2008, at US\$2.3 billion. Commitments to growth/expansion funds accounted for 21% of the total raised in 2008. A fledgling venture capital space has emerged, primarily in the CEE sub-region, with two venture funds holding closes in 2008. NEVEQ Capital Partners closed a US\$40 million fund focused on venture investment in Bulgaria and Romania. Regional veteran Enterprise Investors closed its first venture fund in 2008 at US\$143 million. The fund will target investments in Poland's technology sector.

Some foreign firms with newly established offices in the region are scaling back operations or withdrawing altogether. The Carlyle Group closed its Warsaw office in 2008 after only one year of operation. Three years prior, the firm closed its Moscow office citing Russia's risk profile. Following write-downs, a 90% decline in share price over six months, and a subsequent renegeing on a €1 billion pledge to its €3 billion fund, London-based Candover reportedly told its CEE team to raise its own fund or face closure after less than a year of operation.

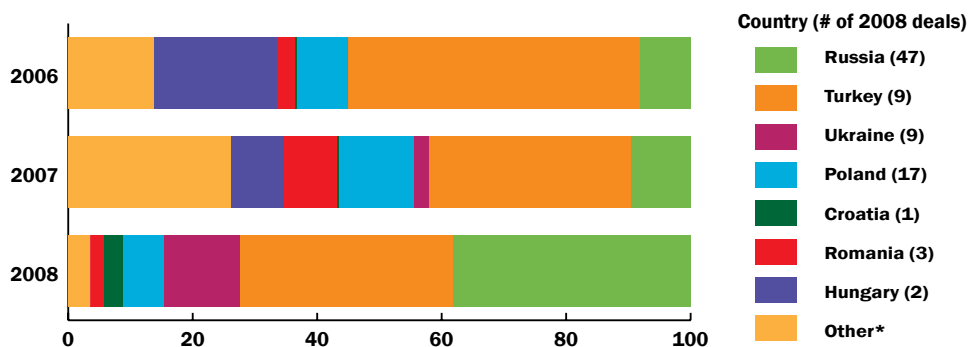
Despite the current economic climate, Nordic fund managers continue to forge into the region. Swedish private equity firm EQT Partners opened a Warsaw office in late 2008. London-based Nordic investor IK Partners (formerly Industri Kapital) made its first foray into the region with a €100 million (US\$136m) purchase of Advent International's stake in Axtone, a Poland-based railway equipment company formed through the integration of Polish and German companies. Helsinki-listed Nordic private equity firm CapMan made two investments in Russia—Region-Avia Airlines and Russia Baltic Pork Invest—through its Capman Russia Fund, which it recently acquired from Norum Private Equity Advisors.

## Investment Trends

Private equity investment fell 19% from US\$8.3 billion in 2007 to US\$6.8 billion in 2008, with deals in Russia and Turkey accounting for over 70% of the total in 2008, due in part to a small number of large transactions. Russia remained the top destination for volume and number of transactions totaling US\$2.6 billion across 47 deals. Turkey accounted for a stag-

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### CEE/CIS PE Investment Country Breakdown by Value (2006-2008)



Source: EMPEA, Deloitte, European Venture Capital Association (EVCA).

\*Other includes Bulgaria, Czech Republic, Romania, the Baltic countries and others.

### Notable Leveraged Buyouts in the CEE/CIS Region (2005 – 2008)

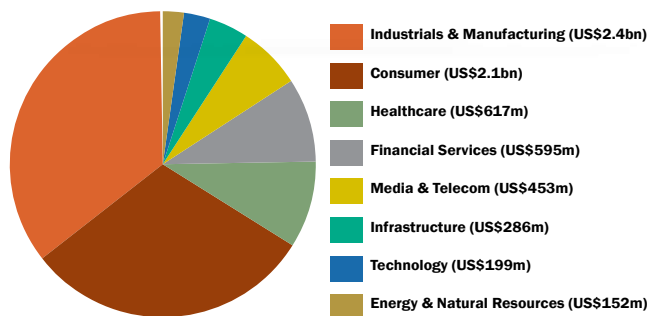
PE Firm	Company	Tx Amount (debt + equity)	Country	Sector	Year
TPG	Mey Icki	US\$810m	Turkey	Food & Beverage	2006
Lion Capital	Nidan Soki	US\$500m	Russia	Food & Beverage	2007
Kohlberg Kravis Roberts	UN Ro-Ro	US\$1.24bn	Turkey	Transportation & Logistics	2007
BC Partners, Turkven Private Equity, DeA Capital	Migros Turk	US\$1.7bn	Turkey	Retail & Consumer	2008
Lion Capital, Goldman Sachs, UFG Capital Partners	Russian Alcohol Group	US\$600m	Russia	Food & Beverage	2008
TPG	SIA International	US\$800m	Russia	Pharmaceuticals	2008

Source: EMPEA.

gering US\$2.3 million across only 9 deals. Poland and the Czech Republic both registered 17 deals in 2008; however, total volume was significantly higher in Poland at US\$451 million. Deals have remained primarily in the mid-market and, for the majority of transactions, included no debt component. Average deal size rose from 2007 to 2008 in both the CEE and CIS sub-regions, from US\$22 million to US\$70 million in CEE and US\$49 million to US\$92 million in the CIS. Early 2009 data suggests that deal sizes are decreasing, averaging US\$26 million per deal as of March 2009.

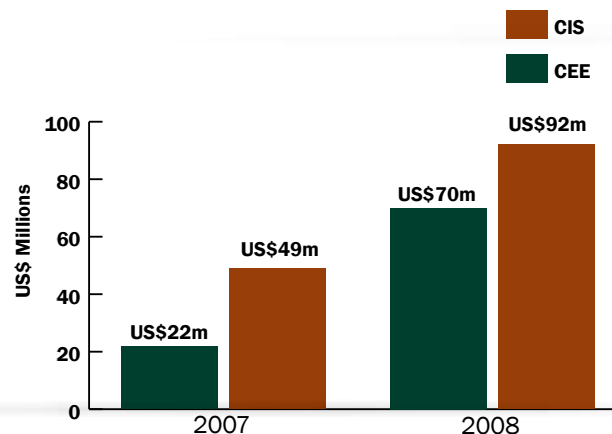
Until recently, leverage for private equity investments in the region was limited to a small number of LBOs in Russia and Turkey, where local banks provided the debt component. Recent examples include BC Partners' 2008 acquisition of Migros Turk and Lion Capital/UFG's purchase of Russian Alcohol Group the same year. While the majority of deals are still pure equity transactions, the use of leverage in mid-market transactions in CEE increased in recent years as availability of Euro-denominated debt improved. An October 2008 Deloitte CEE Private Equity Confidence Survey revealed financing conditions were deteriorating and expected to worsen, with 78% of private equity professionals expected a decrease in debt availability in the region. Nonetheless, small-to-medium sized leveraged deals were still being executed late in 2008. Examples include Enterprise Investors' €140 million (US\$176m) acquisition of Polish soft drink company, Kofola-Hoop, in November 2008 and the Balkan Accession Management Company's €25 million (US\$33m) purchase of Romanian commercial refrigeration company Frigotehnica in the following month.

### CEE/CIS PE Investment Sector Breakdown by Value (2008)



Source: EMPEA.

### Average Size of PE Investments in the CEE/CIS Region (2007-2008), US\$ Millions



Source: EMPEA, European Venture Capital Association (EVCA).

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## Sampling of Recent Investments

Fund Manager	Company	Tx Value (US\$m)	Sector	Market	Date	Equity (%)
AIG Capital Partners	New Media Distribution Company	N/A	Cable TV	Russia	Sep-08	N/A
Argus Capital Partners, Syntaxis Capital	IZZI SIA / Tella Capital	26	Cable TV	Latvia	Jul-08	100%
Aureos Capital	Ala TV	5	Media & Telecom	Kyrgyzstan	Oct-08	N/A
Balkan Accession Management Company (BAMC)	Frigotehnica	34	Industrial Equipment	Romania	Dec-08	99%
Capexit	Serbian Bread & Co.	N/A	Food & Beverage	Serbia	Aug-08	100%
CapMan Plc (Norum)	Region-Avia Airline	50	Aviation & Aerospace	Russia	Aug-08	N/A
Citi Venture Capital International (CVCI)	Sanitas Pharma	39	Pharmaceuticals	Lithuania	Jan-09	37%
Delta Private Equity Partners	Noviy Disk	N/A	Gaming	Russia	Jun-08	N/A
Enterprise Investors	Kofola-Hoop	173	Food & Beverage	Poland	Nov-08	43%
GED	Diamedix	19	Healthcare & Life Sciences	Romania	Feb-09	N/A
Great Circle Capital	Caspian Services	15	Professional services	Kazakhstan	Sep-08	N/A
Horizon Capital	Evrotek Group	15	Retail & Consumer	Ukraine	Oct-08	N/A
IK Investment Partners	Axtone	N/A	Industrials & Manufacturing	Poland	Aug-08	N/A
Mid Europa Partners	Falcon Group	N/A	Telecommunications	Czech Republic	Oct-08	37%
Penta Investments	Noves Okna	N/A	Industrials & Manufacturing	Slovakia	Feb-09	N/A
Providence Equity Partners Inc.	Volia Cable	300	Cable TV	Ukraine	Jul-08	N/A
Quadriga Capital	Euro-Adres	N/A	Professional services	Russia	Feb-09	N/A
SigmaBleyzer	Asem-Ai	70	Food & Beverage	Kazakhstan	Jan-09	N/A
Swicorp	Step Halicilik ve Magazacilik Sanayi ve Ticaret AS	7	Retail & Consumer	Turkey	Jul-08	33%
UFG Capital Partners	Evrorent Group	20	Leasing Services	Russia	Sep-08	N/A

While the number of deals held strong in the first quarter of 2009, deal sizes have fallen. Twenty-five deals were executed in the first quarter of 2009, just short of the 27 investments in the first three months of 2008. Despite the conditions, a few large deals were pending as of March 2009, including a Siguler Guff-led consortium's purchase of a 52% stake in Russian pharmaceutical retailer, OAO Veropharm, for US\$230 million, and Apax Partners' €900 million (US\$1.3bn) bid for 30.6% of Nova Ljubljanska Banca (NLB), Slovenia's largest bank.

The industrials sector continues to draw the greatest share of investment in the CEE/CIS region with US\$2.4 billion invested in 2008. Investment in consumer-related sectors, including healthcare, totaled US\$2.7 billion in 2008. Investors have capitalized on greater consumer purchasing power resulting from staggering GDP growth in recent years, exceeding 4% annually

in CEE since 2002, and at least 5% annually in the CIS since 1999. Downward pressure on domestic consumption due to economic contraction and growing unemployment in the region is expected to impact the sector profile of the region.

## Exit Trends

Until the full force of the crisis hit the region, a robust M&A market had provided numerous exit opportunities for private equity investors in CEE/CIS. Strategic sales continued to be the most common exit route in 2008 in both regions, accounting for 81% of the total number of exits in 2008. Secondary sales have overtaken public offerings as the second most common exit route due to the arrival of more private equity firms active in the region.

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A lack of size and depth of stock exchanges in CEE/CIS have prevented regional exchanges from emerging as favored exit routes, with the exception of the Warsaw Stock Exchange (WSE), which led Europe with 82 IPOs in 2008. The WSE's appeal has diminished sharply in recent months with the fall of the WIG index, dropping 58% since the end of 2007.

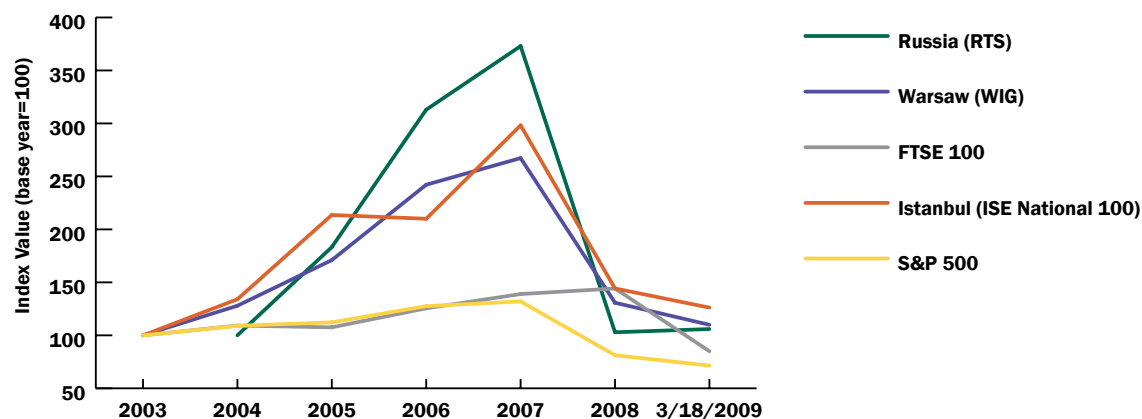
Exit pace has slowed significantly in 2009, with only three known sales in the first quarter, down from seven in the previous

quarter, and 17 in the third quarter of 2008. Arca Capital sold its stake in Czech coffee producer Marila Balirny to a strategic buyer in March 2009. Recent exits in Russia include Troika Capital Partners' strategic sale of 10% of Russia's largest truck producer, Kamaz, to Daimler for US\$250 million, and TPG Capital's secondary sale of business telephone directory publisher, Euro-Address, to Quadriga Capital.

### Sampling of Recent PE-Backed Exits

Fund Manager	Company	Sector	Investment Year	Market	Exit Type	Exit Date	Equity Stake (%)
Advent International	Axtone	Manufacturing	2006	Poland	Secondary	Aug-08	N/A
Alta Capital Partners	Silvano Fashion Group	Retail & Consumer	N/A	Belarus	Share Sale	Jan-09	N/A
Arx Equity Partners	Donit Tesnit	Manufacturing	2006	Slovenia	Strategic Sale	Sep-08	N/A
Credit Suisse, NextGen Capital, Societe Generale	Eregli Demir Ve Celik Fabrikalari	Industrials	N/A	Turkey	Strategic Sale	Jun-08	N/A
East Capital Private Equity	Severnaya Kazna Bank	Banking	2008	Russia	Strategic Sale	Dec-08	10%
iEurope Capital	Vatera.hu	Information Technology	2002	Hungary	Strategic Sale	Oct-08	100%
Lehman Brothers	Falcon Group	Media & Telecom	N/A	Czech Republic	Secondary Sale	Oct-08	37%
Martinson Trigon Venture Partners	Reksoft	Computer Software	2005	Russia	Strategic Sale	Sep-08	N/A
MCI Management	Hoopla.pl	Retail & Consumer	2006	Poland	N/A	Oct-08	42%
PromSvyaz Capital Group	Oranta	Insurance	N/A	Ukraine	Strategic Sale	Sep-08	100%
TPG Capital	Euro-Address	Publishing	N/A	Russia	Secondary Sale	Mar-09	N/A
Trigon Venture Partners	TVCorp	Cable TV	N/A	Estonia	Strategic Sale	Aug-08	N/A
Troika Capital Partners	Kamaz	Automotive	2006, 2008	Russia	Strategic Sale	Dec-08	10%
Vienna Capital Partners	Ringier Serbia	Publishing	N/A	Serbia	Strategic Sale	Nov-08	25%

### Stock Market Performance for CEE/CIS and World Exchanges (2004-2008)\*



Source: EMPEA, World Federation of Exchanges, exchange websites.

\*2003-2008 represent year-end figures; Mar-09 represents indices as of March 18, 2009.

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# Investment Environment

The greatest near-term concern for private equity investors in the CEE/CIS region lies in possible challenges to the region's macroeconomic stability. Infrastructure challenges and increasingly interventionist government roles in the region's economies will also confront the asset class.

Decreased demand for exports and currency risk are of particular concern for private equity investors in the region. The *Economist* estimates that exports exceeded 80% of GDP both in Hungary and in CEE's second-largest economy, the Czech Republic, in 2008. These countries, especially the former, are sensitive to fluctuations in export demand. Devaluation of currencies in the region has been too drastic for free-floating currencies and too minimal for Euro-pegged currencies, such as in the Baltic countries, which could benefit from increased competitiveness. Since August 2008, Russia spent US\$200 billion of its US\$598 billion reserves, in several attempts to prop up the beleaguered rouble.

Underdeveloped infrastructure continues to impede the region's economic growth potential. A 2007 Renaissance Capital report estimated that US\$600 billion of investment was needed for roads in Russia, Ukraine, and Kazakhstan by 2020. The report also cited Russia Railways' call for US\$317 billion investment in Russia's rail network by 2030. Romania, a growing private equity investment destination, has only 300 km of highway, according to a recent KPMG report. Both Troika Capital Partners and a joint venture between Macquarie Bank and Renaissance Capital are raising CIS-focused US\$1 billion infrastructure funds aimed at developing the sector.

Government intervention in the region's ailing companies is directly impacting private equity in the region and could become a larger phenomenon. Swedish fund manager East Capital has faced massive share dilution due to state intervention in two of the firm's portfolio companies. After the Latvian government took control of 85% of Parex Banka, of which East Capital held 4.2%, and then sought 100% through attempted imposition of a sale, the firm characterized the government's actions as "unfair treatment of Parex Banka's

minority shareholders" in December 2008. Two months later, East Capital saw its 19.42% stake in Kazakhstan's BTA Bank fall to 3.1% following government acquisition of 78% of the bank. The firm was able to exit its 10% stake in distressed Russian bank, Severnaya Kazna, for €27 million (US\$35m), slightly above its purchase price of eight months prior, despite government cooperation with buyer Alfa-Bank.

In 2008, Russian Prime Minister Vladimir Putin attempted to expand the powers of Russia's Federal Anti-Monopoly Service (FAS) by targeting alleged cartels in the natural resources industry, singling out NYSE-listed mining company Mechel. The emboldened agency is now scrutinizing foreign investment in Russian companies. In February 2009, the agency blocked a Walt Disney joint venture with Media-One Holdings just four months after refusing Google's attempted acquisition of online advertiser Begun. It remains to be seen whether this regulatory scrutiny will fall on private equity investment. Many distressed companies in Russia's energy and natural resources sectors are controlled by now debt-burdened, oligarch-owned holding companies. Private equity could provide financing for distressed subsidiaries, provided Russia cultivates a more welcoming attitude toward foreign investment. ■

## Resources for Reference

### **Almeida Capital: Limited Partner Allocation to Private Equity, February 2008**

[http://www.almeidacapital.com/LP\\_Allocation\\_2008.pdf](http://www.almeidacapital.com/LP_Allocation_2008.pdf)

### **Deloitte: Central European Private Equity Confidence Survey, December 2008**

[http://www.deloitte.com/dtt/cda/doc/content/sk\\_PEC\\_survey\\_dec\\_08.pdf](http://www.deloitte.com/dtt/cda/doc/content/sk_PEC_survey_dec_08.pdf)

### **Deloitte: Russia Private Equity Confidence Survey, September 2008**

[http://170.194.129.140/dtt/cda/doc/content/dtt\\_PE\\_confidencesurvey\\_Sep08\\_eng.pdf](http://170.194.129.140/dtt/cda/doc/content/dtt_PE_confidencesurvey_Sep08_eng.pdf)

### **EBRD: 2007 Private Equity Fund Results**

<http://www.ebrd.com/country/sector/fi/funds/perform.htm>

### **KPMG Insight: CEE and Russia, January 2008**

<http://www.kpmg.com/SiteCollectionDocuments/Insight-CEE-and-Russia.pdf>

### **Investment Intelligence**

<http://www.invest-iq.com/>

# Sampling of Firms Investing in CEE/CIS

PE Firm Investing in CEE/CIS	Most Recent Fund(s) (Vintage Year, Fund Size)	Sector Focus	Geographic Focus
Advent International	Advent Central & Eastern Europe IV (2008, US\$1.6bn), Advent Central & Eastern Europe III (2005, US\$390m)	Generalist	CEE/CIS
AIG Capital Partners	AIG Russia Century Fund (2007)	Generalist	Russia/CIS
AIG Capital Partners	AIG New Europe Fund II (2007, €522.5m/US\$691m)	Generalist	CEE
Alfa Capital Partners	Alfa Private Equity Partners (2006, US\$200m)	Retail & Consumer	Russia, Ukraine
Aureos Capital	Aureos Central Asia Fund (Fundraising, US\$100m)	Generalist	CIS
Balkan Accession Management Company (BAMC)	Balkan Accession Fund (2005, US\$140m)	Generalist	CEE/CIS
Baring Vostok Capital Partners	Baring Vostok Private Equity Fund IV and supplemental fund (2007, US\$1.45bn)	Generalist	CIS, Russia
Capital International, Inc.	CIPEF V (2008, US\$2.25bn), CIPEF IV (2004, US\$618m)	Generalist	Emerging Markets
Centras Capital Partners	Centras Private Equity Fund (2007, US\$50m)	Generalist	CIS, Kazakhstan, Russia
Citi Venture Capital International (CVCI)	Citi Venture International Growth Partnership II (Fundraising, US\$4.5bn)	Generalist	Emerging Markets
CreditPromCapital	KreditProm-Invest (2007, US\$5.3m)	Generalist	Ukraine
CRG Partners LLC	CRG Capital CEE Special Situations Fund (2008, US\$290m)	Generalist	Central Europe
Darby Overseas Investments, Ltd.	Darby Converging Europe Mezzanine Fund (2007, US\$340m)	Generalist	CEE
Delta Private Equity Partners	Delta Private Equity Partners Fund III (Fundraising, US\$500m)	Generalist	Russia
Enterprise Investors	Polish Enterprise Fund VI (2006, US\$776m)	Generalist	CEE
Eton Park Capital Management	Eton Park Emerging Markets Fund (2007, US\$519m)	Generalist	Emerging Markets
Eurasia Capital Management	Eurasian Financial Institutions Fund	Generalist	Asia, Mongolia, Russia, Ukraine
GIMV	Eagle Russia Fund (Fundraising, US\$100m)	Generalist	Russia
Global Capital Management Limited	Global Opportunistic Pre-IPO Fund II (Fundraising, US\$1bn)	Generalist	China, India, Turkey, Pakistan
Global Environment Fund (GEF)	Global Environment Emerging Markets Fund III (2007, US\$327m)	Clean Technology	Emerging Markets
Great Circle Capital	Great Circle Fund (2007, US\$190m)	Generalist	CEE/CIS
Horizon Capital	Emerging Europe Growth Fund II (2008, US\$390m); Emerging Europe Growth Fund (2006, US\$132m)	Generalist	CIS, Belarus, Moldova, Ukraine
Innova Capital	Innova V (Fundraising, US\$444m)	Generalist	CEE
Ithmaar Bank	Ithmaar Kazyna CIS Energy Fund (Fundraising, US\$1bn)	Energy & Natural Resources	CIS, Kazakhstan
Mid Europa Partners	Mid Europa Fund III (2007, US\$2.1bn)	Generalist	Central Europe
Poteza Partners	Poteza Adriatic Fund (2004, US\$84m)	Generalist	CEE, SEE
Quadriga Capital	Quadriga Capital Russia Private Equity Fund II (2006, US\$137m)	Generalist	Russia
SigmaBleyzer	SBV V (2007, US\$221m)	Generalist	CIS, Kazakhstan
Siguler Guff & Company, LLC	Russia Partners III (Fundraising, US\$750m); Russia Partners II (2004, US\$335m)	Generalist, Retail & Consumer	CIS, Russia
Small Enterprise Assistance Funds (SEAF)	Georgia Regional Development Fund (2006, US\$30m)	Generalist	Georgia
Societe Generale Asset Management Alternative Investments (SGAM AI)	SGAM Eastern Europe (2006, US\$211m)	Generalist	CEE
The Carlyle Group	Carlyle Europe Partners II (2005, US\$2.2bn)	Generalist	Europe, Russia
Troika Capital Partners	Troika Capital Partners Growth Fund III (Fundraising, US\$850m); The Russia New Growth Fund II (2005, US\$345m)	Retail & Consumer	Russia
UFG Capital Partners	UFG Private Equity Fund II (Fundraising, US\$500m)	Generalist	CIS, Belarus, Kazakhstan, Russia, Ukraine