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Catalyst

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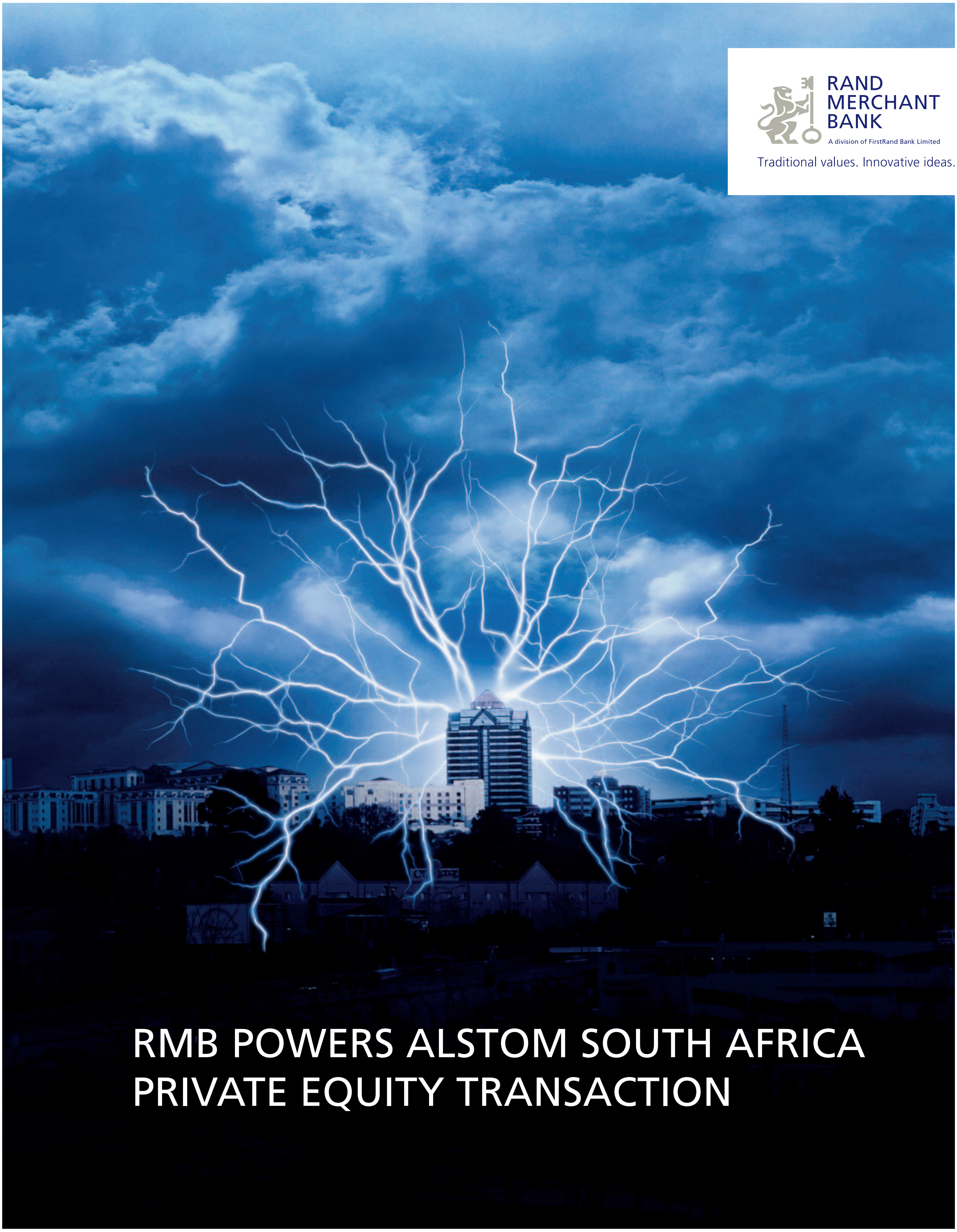
SA's quarterly Private Equity & Venture Capital magazine



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In one of South Africa's largest secondary private equity deals, Rand Merchant Bank is proud to have advised Alstom South Africa on their recent R5.2-billion private equity transaction with the Actis Consortium.

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Catalyst

From the Editor's desk

When the dust from the banking crisis of 2008 settles – allowing greater clarity – perhaps the lesson looming most clearly for the financial community will be found in its perception of risk. Risk has quite clearly become a four letter word; the paradigm that once shaped the approach to risk will have to be remodelled. Toxic loans made under the hubris of political ideologies, ludicrous NINJA or no-income-no-job-or-assets loans, and those ratings agencies that provided junk assets with triple-A rated camouflage, all seemed to lack the most rudimentary of due diligence checks.

Speaking at the recent SAVCA/GIBS Advanced Private Equity Programme, Mark Bergman, who is co-head of the Capital Markets and Securities Group at UK legal firm Paul Weiss LLP, shared his vision for the future of private equity post subprime *et al.*

Bergman believes that the changed perception to risk will impact on how investors look at opportunities; how lenders fund those opportunities; and how regulators will deploy the powers they inevitably will get. Dealmaking in the short-term will be tough he admits. Nevertheless, there is some good news in all of this.

There is growing evidence that a tighter credit environment may enforce a return to the roots of private equity. Most private equity firms started in the mid 1980s investing in the junk bond market, whose eventual implosion eventually sank sector specialist Drexel Burnham Lambert. After its bankruptcy some former bankers moved into private equity and began buying high-yield bonds at deeply discounted prices again.

Cash flush PE funds are certainly ahead of the pack salivating over cheap distressed assets in this market. Capital-raising levels are up, with LP Source database reporting that US PE firms raised $222,6bn in 264 buyout funds in 2008 to date, 11% ahead of the same period in 2007. This comes at a time when the leveraged finance (high-yield) market has frozen solid.

It is clear then, that the model has definitely changed: credit is more expensive and covenants tighter, which will lead to Limited Partner agreements that permit more equity.

Looking ahead, Bergman says assets in emerging markets are more attractively priced (in terms of local currency). This will help offset the cost of higher borrowing, cushioning the blow to internal rate of returns.

The shockwaves from the banking crisis will, undoubtedly, be felt by every player in the financial community. Nevertheless, this just might present South African private equity firms with once-in-a-lifetime opportunities.

After canvassing a broad range of industry opinion, **Catalyst** is pleased to introduce the private equity tables. The tables will comprise data on deals concluded during the quarter, as well as an overview of fund raising activity in the South African market. (Since the tables are being phased in from the third quarter we have included all the activity from quarter one and two in this issue).

It was agreed that the very nature of private equity precludes **Catalyst** from obtaining information on all deal activity undertaken. Despite this, we will endeavour to produce a dashboard overview of the sector on a quarterly basis that will provide a drilled-down insight into industry trends and flows.

Special thanks to Bridget Blackburn at KPMG and Vanessa Aitken for their tireless efforts in assisting with the compilation of the tables.

Michael Avery
Editor

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Tel: +27 (0)11 886 6446

Fax: +27 (0)11 886 6448

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Absa Capital Private Equity is expected to announce a record-setting fund in the not-too-distant future but the team is hardly resting on its laurels. It announced the proposed take private of EnviroServ shortly before it moved its operations from the Joburg CBD to the plush surrounds of Alice Road, Sandton in October.

Waste not, want more

The deal affirms Absa's dominance in the local private equity market at a time where dealmaking is proving rarer than hen's teeth – Absa Capital Private Equity was involved in five of the top 10 private equity transactions reported in 2007 according to the KPMG and SAVCA Private Equity Survey. Absa Capital will buy the entire share capital of EnviroServ Holdings Limited, the JSE-listed waste management group, in a deal worth over R2bn.

EnviroServ is in the business of keeping businesses clean and compliant with environmental legislation. EnviroServ focuses primarily on solutions for the industrial market and its products and services deal with general and hazardous waste.

Absa Capital believes that Enviroserv is perfectly positioned to take full strategic advantage of the impending legislative requirements relating to waste management.

The Polokwane declaration signed in September 2001 committed South Africa to achieving 50% reduction in the volume of waste generated and 25% reduction in volumes of land-filled waste by 2012 and a zero waste plan by 2022.

South Africa is currently formulating its National Waste Bill. Enviroserv expects this to enforce generators to manage their waste according to the hierarchy of waste management in a sustainable way. That is, industry will have to avoid, minimise, re-use, recycle, treat and dispose of its waste as a last resort. Action plans for the implementation of legislation at a local level is currently being discussed. The Duty of Care principle is already entrenched in South African legislation and requires generators to ensure that their waste does not pollute the environment and is properly managed from cradle to the grave. This includes all recyclers, re-users, transporters and landfill operators.

Andre Pieterse, CEO of Absa Capital Private Equity is excited by the potential that Enviroserv offers. "This is the first of its kind in the South African private equity space, where a private equity house acquires a waste management company."

The development is in line with precedents set in international markets where private equity houses invest on an increasing basis in 'clean-tech' assets.

"The announcement reflects the largest public to private transaction in the domestic market this year, and goes to show that there is still a huge amount of confidence in the private equity market," said Pieterse. "Major deals are starting to happen again."

Absa Capital Private Equity snapped up the entire 113 371 208 issued share capital of the company for a consideration of R16,60 per share.

The scheme, which is being conducted through Parchment Trading 72, offers Enviroserv investors a hefty premium to the price at which EnviroServ shares traded on the JSE up to Thursday, 3 July 2008,

The announcement reflects the largest public to private transaction in the domestic market this year.

Andre Pieterse

being the last trading day before the publication of the first cautionary announcement in relation to the offer.

Premiums of 41,9% to the closing price of the shares on the cautionary announcement date, and 36,5% to the volume weighted average trading price of the shares during the 30 trading days up to and including the cautionary announcement date, are nothing to sneeze at. However, when one takes into consideration that the counter was smacked, along with most since volatility on global exchanges first emerged in 2007, then the premium comes in at 14% from the share price in October 2007. Even so, this isn't a bad deal for investors who must be feeling pain in nearly all parts of their portfolios.

"EnviroServ is also eager to improve the representation of previously disadvantaged individuals," said Pieterse. "Shortly after the buyout, we expect a BEE entity or a consortium of BEE entities to acquire indirectly 20% of the underlying assets and business of EnviroServ."

The directors of EnviroServ declared a cash special dividend of 35 cents per share, which was paid on September 29.

EnviroServ was delisted from the JSE on October 27 and can, perhaps, count itself fortunate to be taken private in light of the panic selling that has gripped markets worldwide. Away from the vagaries of current equity price swings and reporting constraints, EnviroServ can get on with its knitting and hopefully deliver stellar growth for Absa Capital Private Equity. ◆

INTERVIEW

***Catalyst* caught up with the doyen of private equity lawyers in South Africa, John Bellew of corporate law firm Webber Wentzel, to find out what makes him, and the current market, tick.**

John Bellew in turbulent times

Bellew has 20 years corporate experience, with a specialisation in all aspects of private equity. He was the only South African lawyer ranked as "highly recommended" in the category of private equity/venture capital in the *PLC Which Lawyer?* 2008 and, along with Sally Hutton, leads an impressive team at Webber Wentzel.

"Webbers' has a long history with private equity in SA," says Bellew. "I started working as a candidate attorney under Peter Arthur who is now general counsel at Anglo American. One of his major clients was FirstCorp (which is now South Africa's premier private equity house Ethos), which was part of First National Bank at that stage.

"We started doing private equity transactions in the late 1980s when the international brand names disinvested from SA as part of sanctions. A lot of those businesses were sold to management in management buyout styled transactions."

Bellew followed that with a stint in Luxembourg for two years with Webber's affiliate Maitland & Co where, by his own admission, he wasn't much engaged in private equity. "I did quite a lot of company domiciliation and a certain amount of international tax. I was there in 1990 and '91, returned to SA in '91 and I think I did my first M&A private equity deal round about '93.

"Shortly after that I did one of the very first empowerment deals in SA, which was for a company called Supervision Food Services. It was bought in part by FirstCorp. Kagiso and Khulani participated in that. In retrospect, that was the deal that 'made me' in the private equity industry.

Since then Bellew has enjoyed a very private equity focussed practice though this hasn't been to the exclusion of other corporate law matters.

John Bellew

"I think it was back in the early '90's that FirstCorp raised the first third party fund. It had invested that fund by 1996 and was the first SA fund to go to the international market. It raised capital both locally and abroad, mainly from the big US pension funds. I assisted in raising the funds, a new experience since until that time my involvement was limited to the M&A sector. As a result I also became involved in the fund formation space. Those are really the two complementary aspects of private equity."

Through 1996 to 1998 there was a real boom in private equity and Bellew played a role in many of the deals that came out of the FirstCorp fund. "I completed between 25 and 30 private equity transactions during those years but in those days it was much easier. There was less regulation; deals were executed on the back of a shareholders agreement and a sale agreement; once a due diligence had been completed, there was the deal. Competition law, as it then existed, was rarely a factor, and there was no capital gains tax."

Since those early years, layers of regulation have been introduced. The upshot is that deals are much more complicated. "You now get competition lawyers, tax lawyers, specialist debt lawyers, people looking after the management arrangements, people looking after the sale arrangements, so it's a lot more project management intensive than it used to be."

Does Bellew think these additional layers of regulation are having the effect of choking the industry?

"Yes and no. Certainly having to deal with competition issue makes the timing a lot longer as the whole timetable is generally driven off the competition condition which can take three months. The tax structuring with the introduction of capital gains and secondary tax on companies, the whole problem of getting the deductibility of the interest on the debt and getting structures in place which allow access to that money is a lot more complicated.

"And the size of the deals adds complexity, specifically when you are dealing with companies in a listed space. Generally, you are dealing with a scheme of arrangement, so there's a court timetable and a judicial process and, typically, you're buying shares, which is not tax efficient and then it is necessary to implement what we term 'debt pushdown structures' in order to ensure the interest is deducted from the debt. All of that adds an enormous amount of complexity to the whole process.

> I think that in order to play in the top league of private equity funds in the next five years, the minimum fund size will need to be of the order of R10bn.

"Typically, private equity deals are executed by way of a scheme of arrangement, and the shares are bought by the private equity house of the bidding consortium. Once that's done the assets are sold into a new company which involves an internal reorganisation which is very tax intensive and which utilises rollover relief provisions. But there's a lot of drafting necessary to remain strictly within the ambit of the law. It's very technical and it's becoming increasingly specialised.

"I think that's been a feature of the last few years and, coupled with the fact that there has been an increasing amount of money washing around in the private equity space, it means that, in order to invest the funds, ever bigger deals have to be executed, particularly at the top end of the market."

So, what trends does Bellew foresee in the industry over the short-to-medium-term?

"I think that in order to play in the top league of private equity funds in the next five years, the minimum fund size will need to be of the order of R10bn. That's bigger than anything that's been raised to date."

Bellew explains that part of surviving in a market where securing loan finance increasingly has to meet stringent requirements and where the syndication market is tough, is that it is necessary to be able to draw on a fund's reserves. "Ideally, you want to able to do a good transaction which isn't hedged to market conditions without raising the debt profile, and where you aren't constrained by having to put a syndicate of people together in order to bid for the deal.

"The way most PE funds work is they apply prudential limits, so it isn't possible to devote more than, say, 20% of the fund on any one deal. Applying that restriction means that a R2bn fund cannot invest more than R400m into one transaction," says Bellew.

"Now, if a deal involves a R2bn rand purchase and a delisting from the stock exchange you've either got to raise the balance in the debt market, which is tough, or you've got to get together with another PE fund or co-investor to make a joint bid for the asset. And that is difficult because internal dynamics are an integral feature of all buying consortia. We've seen scenarios where there have been competitive bids for a listed asset and where, though the majority of members in a consortium are prepared to raise the stakes, others withdraw because they don't have the capacity.

"PE executives want a R10bn fund so they can transact a R2,5bn deal without reference to other parties on the premise it will then be possible to dispose of non-core assets leaving the debt portion at a much more manageable level."

Does the current financial paralysis impose negatively on the private equity industry? Bellew doesn't necessarily agree.

"All the funds have money to invest and they need to do so within the five-year commitment period. If they are unable to execute quality deals it may prove difficult successfully to raise successive funds. This is a factor that adds considerable pressure.

Mezzanine funds will be the standout winners over the next few years according to Bellew. "The Vantage fund, on which I did some work, was invested in 18 months and is in the market now raising a second fund. I think that what has been good for the Mezzanine financiers is the collapse of international high yield markets. If you go back 12 months and look at Edcon, Forbes and Delta, those were just a few of the companies that tapped the international bond markets. I think there's a gap for the local financiers to pick up that slack and I think the local Mezzanine funds will be a lot more prominent in the future."

However, Bellew admits the mood is gloomy. "There is something of a wait-and-see atmosphere out there at the moment. People are doing deals, admittedly a little smaller than last year."

The biggest deal that Webber's has been involved in this year is the secondary buy-out of Alstom (SA) Pty Ltd, an electrical engineering, manufacturing, distribution and contracting business, by a consortium led by Actis and Old Mutual for R5,16 billion. The buying consortium includes management and the existing BEE partners, Kagiso and Tiso. Funding for the transaction was provided by Nedbank. The teams have been working on this complex transaction intensively since February this year.

"It's taking a lot longer to do deals but I certainly think the trend of taking companies off the exchange is far from over. And, in fact, I think that sellers haven't re-priced yet. There is an expectation gap, so the market's moved and I think the expectation is that the market will bounce back. Many fund managers have only ever known a bull market. So when they are approached with a ten or 15% they say forget it. But now that they've seen the market bounce around maybe they'll be more realistic."

How does one value a deal in current climate? "I don't know how you price a deal at the moment," is Bellew's frank response. "In the short-term, until there's a little more stability, it will be difficult to do deals.

"However, there is a fair amount of activity at the small end of the market. I think this will be a bad year from an industry perspective compared with last year

Recent Deals

- Acting for Bain Capital in their successful acquisition of Edgars Consolidated Stores Limited (valued at R25 billion). This deal is the largest public to private to date in the South African market;
- Acting for Actis and Old Mutual in the secondary buy-out of Alstom (SA) Pty Ltd for ZAR 5, 16 billion;
- Acting for Ethos Private Equity Fund V in relation to the acquisition and de-listing of The House of Busby Limited ZAR 1.4 billion;
- Acting for Ethos Private Equity Fund V in relation to the acquisition and de-listing of Tiger Automotive Limited ZAR 1,05 billion;
- Acting for Ethos Private Equity Fund V in relation to the acquisition and de-listing of Brandcorp Holdings Limited ZAR 1.4 billion ◆

October saw the release of The South African Private Equity Confidence Survey (PECS) for the third quarter of 2008. The PECS is produced by Deloitte & Touche in collaboration with the South African Venture Capital Association.

Deloitte survey reveals growing pessimism in local PE and VC industry

The PECS provides a comprehensive snapshot of the venture capital and private equity industry's expectations for the next 12 months, and acts as an indicator of changing confidence levels in:

- Economic climate,
- deal activity, and
- Availability of funding and investment focus.

The results produce a forward looking measure of the overall sentiment in the South African Venture Capital and Private Equity community, which is extremely relevant to immediate deal flow.

This survey is modelled on similar surveys conducted in 16 other developed and emerging economies. PECS will further facilitate comparisons of trends and views expressed by the global venture capital community with the domestic marketplace. The survey was conducted amongst a population of more than 400 private equity investment professionals in South Africa.

According to the survey's findings an overwhelming majority expect the economic climate to deteriorate before improving due to both global and local pressure factors. ◆

Key findings of the Q3 2008 South African Private Equity Confidence Survey

Fund raising	Deployment of Capital	Exits
A significant proportion of respondents are looking to raise funds in the next 12 months as the poor economic climate is not expected to continue in the long term.	The manufacturing and services sectors appear to be the most favoured investment sectors over the next 12 months with the telecoms sector experiencing a renewed interest.	Exits may be delayed in order to extract higher values for investors.
The sources of these funds are shifting as private equity (PE) and venture capital (VC) funds look to test the appetite of Middle East and Asian investors.	85% of respondents intend to be net buyers of businesses over the next 12 months.	The expectation of PE and VC funds outperforming the comparative JSE sector remains.
Lack of liquidity is a major constraining factor.	"Global liquidity pressure is expected to continue having a negative effect on the debt component of transaction funding. A decrease in competition for assets and entry multiples is also expected."	Liquidity pressures will result in a smaller amount of funds being available for investment into PE and VC.

Venture capital done differently is the promise of recently launched Invenfin.

Reinvigorating the venture capital market

Born out of investment holding company VenFin in July 2008, the company's CEO Brett Commaille is enthusiastic about the future for the South African entrepreneur, though he admits there are some challenges facing the industry.

Commaille explains that the need for a specialist venture capital firm was identified by VenFin (which originally played in the venture capital space) when it realised it couldn't pay the smaller deals proper attention.

"They [VenFin] made a lot of investments in the earlier start-up phase but these were obviously been the larger investments," says Commaille, "and it found that though it wanted to play in that space there wasn't enough time

Brett Commaille

"Jannie Du Randt decided to start this fund and after a while decided that it was appropriate to put in the current team to focus on it and it realised there was a need and a market for it. That's really where Invenfin was born."

Deal flow in the development capital or start-up phase is certainly in a purple patch at the moment. According to the KPMG/Savca private equity survey for 2007, the cost of investment in seed, start-up or early stage contributed only 6% in unrealised investments. However, this represented 24% of the number of investments made. One must remember to view this by the number of deals as opposed to the value because the value in start-ups and seed capital is low by definition.

"We're actually looking across the board at all sectors," says Commaille, "everything from product decision, high-tech, telecoms and media. Understandably, we don't play in the highly-specialised spaces such as Biotech. We have made our first investment and it's in the media sector. Unfortunately that's all I can say.

"Our funding is entirely from VenFin. There's no fundraising required. We have R50m at the moment but that's enough when you're playing in the IP (intellectual property) space. If we do find an idea that is too good to pass up and requires a lot of capital, then we'll go back to VenFin."

Commaille laments the scarcity of traditional business acumen locally, citing this as a real challenge facing the industry. "People often ask me whether there is actually space for this in South Africa and I think you'll see from the new VC's around, that aren't government-sponsored, that there is. However, one of the challenges you'll find is quality of deal flow. We've probably seen 130 proposals in three months but the challenge is finding the really quality deals. There are too many people who, when they do market research, aren't honest with themselves.

"Entrepreneurial education is a significant challenge. There are far too few incubator-type spaces that assist entrepreneurs," bemoans Commaille.

Much to his chagrin, Commaille has discovered that it is common practice for hopefuls to dust off their proposals and charge around to all the venture cap funds looking for a bite. "Some guys even emailed their proposals with all the names still in the address bar," says Commaille with a wry chuckle. "You get the feeling that the guys are just gambling."

Lack of proper research is another major stumbling block, particularly with reference to the global scale and availability of products or ideas. "Gone are the days when you could launch something without researching the market globally," warns Commaille. "If you don't go and look at that you can waste a lot of money and time and it's all for nought."

According to Commaille, Invenfin is well positioned to deal with the hazardous fall-out of toxic debt unleashed on the global economy in the third quarter. "From our side, when it comes to the global financial turmoil, we're in a fortunate position because traditional debt doesn't really play in this space. Though there might be a knock-on effect in a general drying up of funding, because we are a committed fund it's not really a problem for us.

"What it does mean, however, is that we've got to be more aware on the exit side. The way we would exit would potentially be to go to that private equity space and maybe even IPO's. But because we only launched at the beginning of the third quarter, then you look at the traditional three to five-year horizon, I'm hoping by the time we exit that things have started to recover. ◆

KPMG Private Equity in conjunction with the South African Venture Capital Association teed-off their inaugural private equity golf day at the pristine Parkview Golf Course - home of South African golfing icon Bobby Locke - in Central Johannesburg on August 21.

KPMG and SAVCA hit the sweet-spot with inaugural golf day

There were no Calcutta bids at the start, or at least none that were out in the open, and the teams enjoyed a glorious winter's afternoon away from the boardroom. Conversations about deals and the credit crisis (pre-October crash) took a back seat to the lightening fast nature of the greens and fairways.

Ultimate honours (and bragging rights) were scooped by the four-ball team of Sandra Mackay, Jan Groenewald, Rob Lewis, and Guy Steele of PriceWaterhouseCoopers. They walked off with TaylorMade Putters sponsored by ABSA Capital Leverage Finance.

The Actis team of John van Wyk, Jonathan Matthews, Wayne Muller (of Peters Papers) and Peter Hayward-Butt (of RMB), were delighted with a second-place prize of Ogio golf bags sponsored by African Infrastructure Investment Managers. Actis' purple patch continued with Jonathan Matthews taking home the raffled bottle of Johny Walker Blue Label donated by Fabcos Publications' CE David Gleason.

And a third-place prize of four Cleveland loft pitching wedges, sponsored by Catalyst, was proudly claimed by the team from KPMG comprising Warren Wilbraham, Gareth Druce, Mike Adams, and Warren Watkins.

This thoroughly enjoyable and well-attended event looks set to become a regular feature in the private equity social calendar. Roll on 2009. ◆

SOUTH AFRICA PRIVATE EQUITY DEALS 2008

NATURE	PARTIES	ASSET	ADVISORS	VALUE	DATE
Acquisition by	Medu Capital	25.7% of Elite Truck Hire		not disclosed	29 Jan 08
Acquisition by	Absa Capital from Ethos Private Equity	49,95% stake in Tsebo Outsourcing	KPMG Corporate Finance	not disclosed	29 Jan 08
Acquisition by	RMB Corvest and Safika Investments	49% stake in Micors Fidelio		not disclosed	30 Jan 08
Acquisition by	Brait	20% equity in Primedia		R840m	18 Feb 08
Acquisition by	Medu Capital	41,3% of Copper Tubing Africa	iCapital; Webber Wentzel; Fluxmans Attorneys	not disclosed	28 Feb 08
Acquisition by	Aureos Capital	30,4% of Sandbox		not disclosed	12 Mar 08
Acquisition by	African Global Capital from Uranium One	152 000 000 Aflease Gold shares (29,04%)		$40m	4 Apr 08
Acquisition by	Medu Capital	10% of E'nl		not disclosed	9 Apr 08
Acquisition by	Lereko Metier Capital Growth Fund from Black Star Investors	a further 10,1% stake in York Timber Organisation (14,1%)		R201,3m	17 Apr 08
Sale by	Ethos Private Equity to BAE Systems	IST Dynamics		not disclosed	18 Apr 08
Sale by	Aueros Capital and other shareholders to Aspen Pahrmacare	60% stake in Shelys Africa	Investec Bank	not disclosed	5 May 08
Acquisition by	Nedbank Capital (Nedbank) from Boart Longyear	Mining Capital Equipment	Bowman Gilfillan	R130m	20 May 08
Acquisition by	Imbewu Capital Partners from Autovest	17.4% stake in Autovest		not disclosed	22 May 08
Acquisition by	Emerging Capital Partners	stake in Blue Financial Services		$15m	4 Jun 08
Acquisition by	Pan African Infrastructure Development Fund	20% stake in Seawolf Nigeria and Seawolf Cayman	Bowman Gilfillan	$600m	22 Jun 08
Acquisition by	Actis	Alstom SA		R5,2bn	6 Aug 08
Acquisition by	Sphere Private Equity	32,5% of Target Cranes		not disclosed	15 Aug 08
Acquisition by	Ethos Private Equity	Stake in CQS Technology		not disclosed	2 Sep 08
Acquisition by	Pala Investments from Rockwell Diamonds minority shareholders	all shares not already held in Rockwell Diamonds	RBC Capital Markets;Sasfin Capital; Bowman Gilfillan; Brink Cohen Le Roux; Falcon; Stikeman Elliott; McCarthy Tetrault	to be advised	10 Sep 08
Acquisition by	Old Mutual Life Assurance Company (Old Mutual) and Capitalworks Private Equity	20% stake in Reclamation	Werksmans	not disclosed	22 Sep 08

FUND RAISING

PE HOUSE	FUND	DOMICILE	STATUS	AMOUNT (LOCAL CURRENCY)	AMOUNT (US$ MILLIONS)	FOCUS AREA	SECTOR
Ashmore Investment Management	Ashmore Global Special Situations Fund V	United Kingdom	Announced	$2.6 billion (Target)	2600 (Target)	Emerging Markets	Any
Actis	Actis Emerging Markets III	United Kingdom	Fourth Close	$2.5 billion	2500	Africa, Asia, South America	Any
Ethos	Ethos PE Fund IV	South Africa	Announced	$1.5bn	1500		Construction, distribution, electronics, Food, IT, Leisure, Technology, Mining, Manufacturing
Pamodzi Fund Managers	Pamodzi Resources Fund I	South Africa	Closed	$1.3 billion	1300	Sub-Saharan	Resources & resources-related
Capitau	Capitau Fund	United Kingdom / South Africa	Announced	$1 billion (Target)	1000 (Target)	Tanzania, Mozambique, Africa	Consumer products, Financial Services, Infrastructure
Emerging Capital Partners	Fund III	United States	Announced	$1 billion (Target)	1000 (Target)	Africa	Infrastructure
Pan African	Pan African Infrastructure Development Fund	South Africa	Raising	$1 billion	1000	Africa	Telecoms, Transportation, Energy
Pangea One			Raising	$1 billion	1000	Europe, East Europe, Asia, Africa, Emerging Markets	Any
Renaissance Partners		Russia	Raising	$1 billion	1000	Africa	General
Emerging Capital Partners	EMP Africa Fund II	South Africa	Final Close	$523 million	523	Africa	General
Capitalworks	Capitalworks Real Estate Fund	South Africa	Announced	$500 million (Target)	500 (Target)	South Africa, Mauritius, Zambia, Mozambique, Africa general	Any
Aureos	Pan-African Fund	South Africa	Raising	$400 million	400	Africa	General
Development Partners International	African Development Partner I	United Kingdom	Second Close	270 million	360	Africa	Any
Brait	Brait Fund IV	South Africa	Closed	R3.5 billion	350	Africa, South Africa	Communications, Consumer Products, Consumer Services, Healthcare, Undustrial, Manufacturing, Media, Technical
Zephyr Management	Pan-African Investement Partners II	United States	First Close	$325 million	325	Africa	Telecoms, Consumer Products, Financial Services, Real Estate, Energy, Insurance
SGAM Al Kantara			Raising	$300 million	300	Nigeria, Africa, North Africa	Any
Aureos	Aureos Africa Fund	United Kingdom	First Close	$253 million	253	Africa	Any
Greylock Capital Management	Greylock Africa Opportunity Fund I	United States	Announced	$200 million (Target)	200 (Target)	Africa	Technology, telecommunications, Financial Services, Real Estate, Agriculture, Leisure, Natural Resources
Afric Invest Capital Partners	AfricInvest II	Mauritius	First Close	$150 million	150	Africa	Any
Gemini Israel Venture Finance	Gemini Israel V	Israel	First Close	$140 million	140	Israel	Technology, telecommunications, communications, IT, Software, Internet, Semiconductors
Decorum Capital Partners	New Africa Infrastructure Fund	South Africa	First Close	100 million	135	Algeria, Egypt, Jordan, Lebanon, Morocco, tunisia, North Africa	Infrastructure
Grofin	Grofin Africa Fund	South Africa	First Close	$125 million	125	Africa	Any
Decorum Capital Partners	New Africa Mining Fund II	South Africa	Raising	R1 billion	100	South Africa	
Millenium Global Investments	Millenium Global Africa Opportunities Fund	United Kingdom	Announced	$100 million (Target)	100 (Target)	Africa	Telecoms, Manufacturing, Financial Services, Energy, Infrastructure, Natural Resources
International Housing Solutions	South African Workforce Housing Fund	South Africa	First Close	$95 million	95	South Africa	Property
Sphinx Private Equity Managers	Sphinx Turnaround Buyout Fund	Egypt	First Close	$75 million	75	Egypt	Any
Sanlam Private Equity	Agri-Vie	South Africa	Raising	R700 million (Target)	70 (Target)	South Africa, Africa	Agriculture
EFG Hermes Private Equity		Egypt	Closed	R0.5bn	50	Egypt, Jordan	Agriculture, IT, Leisure, Media, Software, Technology, Telecoms
Horizon Advisors	APF-I Mauritius	Mauritius	First Close	$50 million	50	India	Healthcare, Consumer Products, Leisure, Entertainment, Logistics
Vectis Capital	Vectis West Africa Advancement Fund	Greece	First Close	32 million	45	Cameroon, Ghana, Nigeria, Africa	Any
Emerging Capital Partners	Central African Growth	United States	Second Close	$22 million	22	Africa	Telecoms, Financial Services, Oil and Gas, Agriculture, Natural Resources
Altria	ADC African Development	Germany	First Close	15 million	20	Africa	Financial Services, IT, Real Estate
InReturn Capital	InRedturn East Africa Fund	Netherlands	First Close expected Nov 2008	4 million	5.5	Kenya, Tanzania, Uganda, Africa	Any
Median Fund	Izibulo SME Fund	South Africa	Final Close	R50 million	5	South Africa	Any
Brait	Brait Fund V	South Africa	Announced				Communications, Consumer Products, Consumer Services, Healthcare, Undustrial, Manufacturing, Media, Technical
EFG Hermes Private Equity	EFG Hermes Energy	Egypt	Announced			Egypt, Jordan	Agriculture, IT, Leisure, Media, Software, Technology, Telecoms