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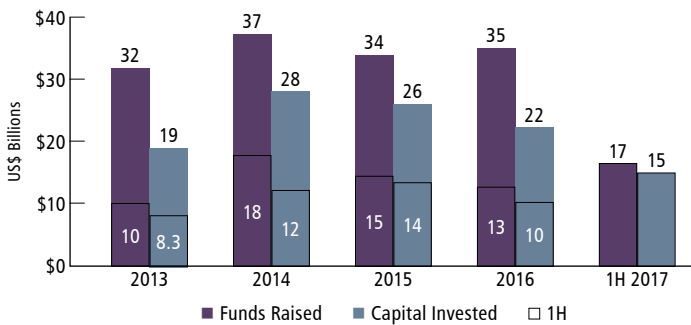
KKR Asian Fund III closed with US\$9.3 billion in capital commitments in June 2017, only months after its US\$5.8 billion first close in March. The fund accounted for 56% of the US\$17 billion raised for Emerging Asia in 1H 2017 and is the largest fund raised for emerging markets on record. The monumental fund close was not the only milestone reached in the region this year; GPs also deployed US\$15 billion in the first half of 2017, the highest half-year total on record. While the number of investments completed were on par with previous half-year totals, large deals dominated the investment landscape, especially in China and South Korea. Overall, GPs completed 13 deals exceeding US\$300 million in size across growth, buyout, PIPE and venture capital strategies. Larger funds and deals reflect the maturity of the private capital market in Emerging Asia, but development is concentrated in China, India and South Korea. Conversely, GPs deployed only US\$896 million in Southeast Asia, a 51% year-on-year decrease. This dip reflects an inconsistency in investor outlook for Southeast Asia, in part due to the struggle to convey a compelling regional story tying together its diverse markets.

Update to Methodology: Afghanistan and Pakistan are now included in Emerging Asia, rather than MENA, regional totals. Unless otherwise specified, EMPEA's data and statistics include private equity, private credit, infrastructure and real assets.

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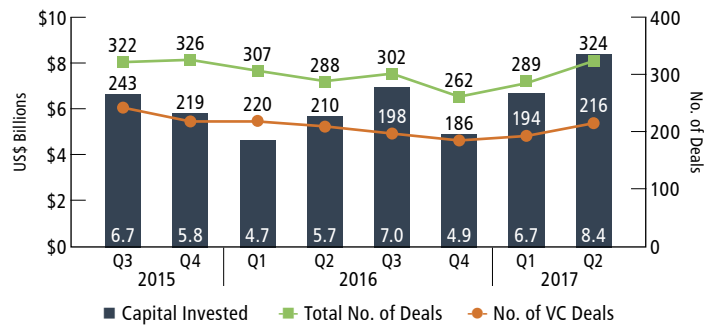
Capital invested in 1H 2017 increased 45% from 1H 2016, while fundraising increased 29% over the same period

Emerging Asia Fundraising and Investment, 2013-1H 2017



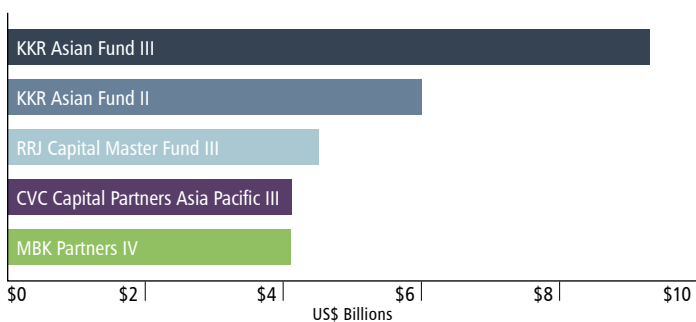
Total capital invested reached US\$8.4 billion in Q2 2017, the highest quarterly total recorded by EMPEA

Emerging Asia Investment by Quarter, Q3 2015-Q2 2017



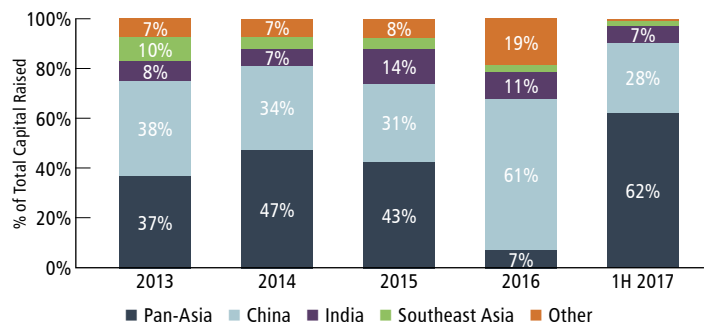
KKR Asian Fund III is the largest fund raised for Emerging Asia on record, reaching US\$9.3 billion in commitments

Emerging Asia Largest Funds Raised, 2006-1H 2017



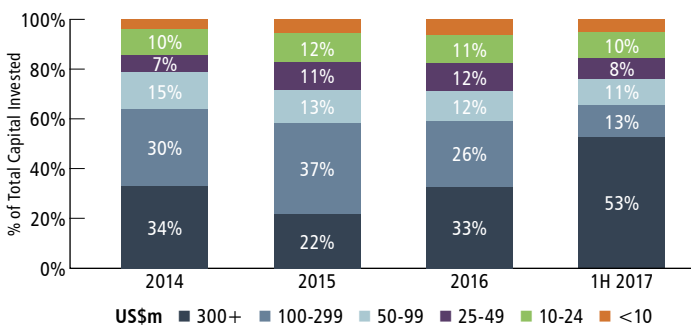
Pan-Asia funds, led by KKR Asian Fund III, accounted for 62% of capital raised in 1H 2017

Emerging Asia Fundraising by Geographic Focus, 2013-1H 2017



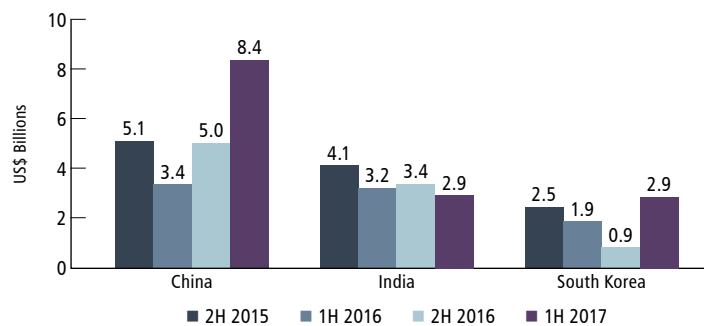
Investments over US\$300 million in size accounted for 53% of all capital invested in 1H 2017

Emerging Asia Investment by Size, 2014-1H 2017



Capital invested in China and South Korea in 1H 2017 is on par with 2016 full-year totals

Emerging Asia Investment for Select Countries, 2H 2015-1H 2017



Largest Emerging Asia Funds Achieving a Close, 1H 2017

Fund Manager(s)	Fund Name	Fund Type	Geographic Focus	Currency	Capital Raised, 1H 2017 (US\$m)	Capital Raised to Date (US\$m)
KKR	KKR Asian Fund III	Buyout	Asia	USD	9,300	9,300
CITIC Capital Partners	CITIC Capital China Partners III (USD)	Buyout	China	USD	N/A	1,575
Sequoia Capital	Sequoia Capital India IV	Venture Capital	India	USD	110	850
ChrysCapital	ChrysCapital VII	Growth	India	USD	250	600
CMC Capital Partners	CMC Capital Partners II	Growth	China	USD	153	600
VIG Partners	VIG Partners III	Buyout	South Korea	USD	120	600
CGN Private Equity Fund Management	CGN Capital Partners Fund III	Infrastructure	China	CNY	57	563

*Fundraising as of 30 June 2017.

Most Active VC Dealmakers in Emerging Asia, 1H 2017

Fund Manager(s)	No. of Deals
Matrix Partners	37
Sequoia Capital	28
500 Startups	27
Shunwei Capital Partners	21
Zhenfund	18
Qiming Venture Partners	14

Note: VC includes seed, early-stage and late-stage transactions.

Most Active Private Capital (excl. VC) Dealmakers in Emerging Asia, 1H 2017

Fund Manager(s)	No. of Deals
Sequoia Capital	9
Aavishkaar Venture Management	8
IDG Capital Partners (IDGVC), Legend Capital, Trifecta Capital Partners	6
BanyanTree Finance, KKR	5

Note: 'Private Capital (excl. VC)' includes private equity growth and buyout, private infrastructure and private credit investments.

Largest Investments in Emerging Asia, 1H 2017

Fund Manager(s)	Company Name	Country	ICB† Sector	Investment Type	Investment Amount (US\$m)	Investment Date
PAG	Yingde Gases	China	Chemicals	Buyout	1,430	May-17
Silver Lake, CDH Investments, Primavera Capital Management, Yunfeng Capital	Koubei	China	General Retailers	Growth	1,100	Jan-17
Bain Capital	Hugel	South Korea	Pharmaceuticals & Biotechnology	Buyout	831	Jun-17
Hillhouse Capital Management, Boyu Capital, CMC Capital Partners, IDG Capital Partners (IDGVC), Sequoia Capital, Xiang He Capital	iQiyi	China	Media	Growth	790	Feb-17
KKR	Bharti Infratel	India	Mobile Telecommunications	PIPE	654	Mar-17
MBK Partners	Modern House	South Korea	General Retailers	Buyout	624	May-17
DST Global, Atomico, CITIC Private Equity Funds Management, Matrix Partners	Ofo	China	Travel & Leisure	Venture Capital	450	Mar-17
TPG	Kakao Mobility	South Korea	General Retailers	Buyout	437	Jun-17

Notable Exits and IPOs in Emerging Asia, 1H 2017

Country	Company Name	Fund Manager(s)	ICB† Sector	Year(s) of Investment	Capital Invested (US\$m)	Transaction Date	Exit and Return Detail
China	Yongle Tape	ShawKwei & Partners	Household Goods & Home Construction	2012	49	Jun-17	Strategic sale to Avery Dennison totaling US\$262m, including an initial payment of US\$205m and a cash dividend of US\$57m
India	Capital First	Warburg Pincus	Financial Services	2012, 2014	73	May-17	Share sale of 25% stake on Bombay Stock Exchange generated reported return of INR 17.7B (US\$276m)
South Korea	ING Life Korea	MBK Partners	Life Insurance	2013	830	May-17	IPO on Korea Stock Exchange raised KRW1.1T (US\$974m); entire 31% stake sold via IPO held by MBK
South Korea	Daesung Industrial Gases	Goldman Sachs Merchant Banking Division (MBD)	Chemicals	2014	400	Apr-17	Secondary sale of 60% stake to MBK Partners for KRW532B (US\$476m)
India	CavinKare	ChrysCapital	Consumer Goods	2013	44	Mar-17	Management buyout generated INR5.25B (US\$79m)
China	Pactera Technology International	The Blackstone Group	Software & Computer Services	2014	240	Jan-17	Strategic sale to HNA EcoTech for US\$675m

† The Industry Classification Benchmark ("ICB") is owned by FTSE International Limited ("FTSE"). "FTSE®" is a trademark of the London Stock Exchange Group companies and is used by FTSE under license. FTSE does not accept any liability to any person for any loss or damage arising out of any error or omission in the ICB. [Visit the ICB website for more details.](#)