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Indian private equity - a good time to be a buyer

Hot on the heels of the first Deloitte MENA Private Equity Confidence Survey, we're delighted to announce the findings of the latest study of the Indian private equity market. The results of this, the third study in the Indian series, show some interesting shifts in market sentiment over the last year or so.

Completed every six months and involving in-depth conversations with senior executives at the leading private equity firms active in India, the Deloitte India Private Equity Confidence Survey provides a key indication of which direction market trends are moving in.

The headline findings this time...

- Big shift in sentiment regarding entry multiples, with two-thirds expecting a decrease; a year ago, only 13% anticipated a decrease
- Significant fall in optimism regarding exit outlook; the recent stock market correction has impacted heavily on IPO levels
- Further evidence of downward pressure on returns, over half expecting a decrease versus less than a quarter a year ago
- Despite market conditions, no let-up in the rise in the number of funds expected to target India
- Lack of leverage in the Indian market means the country remains relatively unaffected by the credit crunch, further increasing its attractiveness at a global level
- Valuation and competition concerns are replaced by macro and infrastructure challenges on respondents' list of biggest market hurdles
- Confidence in the long-term potential of Indian private equity remains high

With all our work, we structure our approach to ensure that we meet the specific needs of our clients. In the case of the Deloitte Indian Survey that means gleaning the candid views and opinions of the very top people in Indian private equity today, and challenging them to really think about what's making their market tick.

As Chris Ward, Head of Global Corporate Finance Advisory at Deloitte, puts it:

"Arbor Square's research approach has given us real depth of insight into how the India private equity market is developing, and what the players in the India private equity market are thinking."

If you'd like to see a summary report for this latest India survey please get in touch and we'd be delighted to send you a copy. Similarly, if you'd like to receive a summary of the first MENA survey please let us know.

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The information contained in this announcement is correct at the time of going to press.

Notes:**About Deloitte.**

Deloitte Touche Tohmatsu is an organization of member firms around the world devoted to client service excellence. Our member firms offer services in audit, tax, consulting and financial advisory.

With access to the intellectual capital of approximately 150,000 people worldwide, we focus on client service through a global strategy executed locally in more than 140 countries.

Our clients include more than 80 percent of the world's largest companies, as well as large national enterprises, public institutions, locally important clients and successful, fast-growing global companies.

Our offering comprises world class, differentiated, value-added solutions to our clients across the wide and varied spectrum of commercial and transaction challenges they encounter.

Within corporate finance, we support our clients throughout the deal cycle on both buy-side and sell-side, through a range of specialist teams, providing technical expertise and deep industry knowledge. Our reach is unparalleled, with more than 3,500 M&A professionals across our network of member firms. We are positioned to deliver a comprehensive firm-wide M&A offering to middle market companies, private equity houses and large corporates requiring support on significant, complex transactions.

For further information visit www.deloitte.com

About Arbor Square Associates

Arbor Square was formed in 2006 as a research-based consultancy firm focused on the private equity industry and other alternative asset classes. Most of our work falls into three key areas:

- 1) Exploring new opportunities - helping clients who are launching or considering new funds, business lines and other initiatives. This could include surveying LPs to understand how a particular planned fund would be received by the market, or speaking to advisory firms about how a GP's entrance into a specific region or sector might be perceived.
- 2) Improving existing operations - assisting groups who are looking to hone existing processes and strategies and improve operational efficiency. This could involve helping groups benchmark their deal origination activities versus their peer group, or providing an independent analysis of the performance of each office in their network.
- 3) Communicating more effectively - via research, generating high-level 'thought leadership' materials for use in marketing and PR. Good examples are the Deloitte Private Equity Confidence Surveys.

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