2015 SUMMIT & INVESTOR ROUNDTABLE HIGHLIGHTS
KPMG is pleased to have sponsored the Latin American Private Equity & Venture Capital Association’s (LAVCA) Summit & Investor Roundtable for the sixth consecutive year. The event, held again at the Metropolitan Club in New York in September 2015, successfully gathered major industry players for discussion of challenges and opportunities in Latin America.

The continued slowdown in emerging economies reflects several factors impacting Latin America including lower commodity and energy prices and persistent dollar strength. Even though this environment presents a challenge for private equity, investors remain committed to the region and have increased their fundraising while actively executing on their investment program. The outlook of meaningful reforms and new regulations continues to set the foundation for growth, increased trade and consolidation in major markets in Latin America.

In this context, companies such as mid-sized businesses have been expanding and creating financing opportunities with private equity investors. Firms operating in the region may support these growth and expansion plans with the appropriate financing structures, coupled with the improvement of their corporate governance policies, operational excellence and access to world-class human capital pools.

Through our long standing presence in the region, KPMG’s Private Equity Group in Latin America has developed deep expertise in local markets and is strategically placed to support our private equity clients throughout all stages of their investment lifecycle – from fundraising, deal sourcing, performance improvement and realization.

Should you wish to arrange a meeting or would like to request further detail on private equity in Latin America, feel free to contact us at kpmg.com

Yours truly,
Víctor L. Esquivel
Partner, Head of Private Equity Group, Advisory
KPMG
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Opening Remarks
LAVCA Chairman, Patrice Etlin, on current situation in Brazil:

“[In Brazil], we’ve been attacked by a turtle for the last nine years and we did nothing to stop it...”
“Brazil has a strong micro and most sectors are fragmented. We can have a great vintage for the funds that are investing right now... the savvy investor is taking this situation as an opportunity.”
“This is not the worst crisis I’ve seen in my life. Brazil has a strong capacity to overcome challenges. The fundamentals in the economy are solid, this is a political crisis, which I strongly believe will be overcome and the solutions to economic problems will be found.”
Latin America’s Place in the World

Moderator: Cate Ambrose, President, LAVCA
Paul Fletcher, Chairman, Actis
Martin Diaz Plata, Managing Partner, Capital Group
Gonzalo Fernandez Castro, Managing Director, Partners Group
Scott Voss, Managing Director, HarbourVest Partners

“Global PE firms and institutional investors look at Latin America in the context of opportunities and trends in other parts of the world.”
“Where’s growth coming from? Mainly from execution, sometimes through acquisitions, through organic growth.”

**Generating Deals: What Strategies are Working in the Current Environment?**

Moderator: Christopher Bruneau, Executive Director, **57 Stars**

Andre Bhatia, Managing Partner, **Acon Investments**

Carlos Gomez, Partner, **Linzor Capital**

Mauricio Camargo, Director & Co-Founder, **Altra Investments**

Amaury Junior, Founding Partner, **Vision Brazil Investments**
Aligning Interests: Working with Management

Moderator: Steve Costabile, Managing Director, Pinebridge
Saúl Villa, Partner, KPMG
Frederico Brito e Abreu, CFO, Kroton Educacional
Francisco Alvarez-Demalde, Founder & Partner, Riverwood Capital
Sebastian Popik, Managing Partner, Aqua Capital

“Alignment of interests is trickier in Latin America than in the U.S. because the macro overcomes the micro... we’re making top executives shareholders of their companies.”
Colombia Keynote Interview

Hosted by Bancoldex/ColCapital
Keynote Interview: German Efroymovich, Chairman & CEO, Synergy Group
Interviewed by: James Crombie, Editor, Bloomberg Brief

“What’s cheap? What’s not expensive! There’s nothing cheap or expensive, it’s just about cost efficiency.”

“Countries dependent on commodities didn’t do enough to invest in infrastructure and production.”
Exit Cases: The Path to Liquidity

Moderator: Philip Von Mehren, Partner, Venable
Devon O’Reilly, Managing Director, Bain Capital
Danilo Gamboa, Managing Director, GP Investiments
Hector Martinez, Managing Director, The Abraaj Group
Francisco Zinser, CEO, Grupo Hotelero Santa Fe
Luc Gerard, CEO, Tribeca Asset Management

"The idea is to create value by growing companies regionally for attractive exit opportunities."

“Everyone investing in Latin America knows they have to be patient.”
“In the power sector, we think Latin America is more attractive than the U.S.”

The New Opportunity Set for Energy Investors

Moderator: Christian Kallen, Principal, Hamilton Lane
Victor Muñoz, Managing Director, Denham Capital
Avik Dey, Managing Director, Head of Natural Resources, CPPIB

“We don’t worry about currency valuation or devaluation. We’re agnostic about currencies; we don’t do hedging.”
Real Estate: Where are the Pockets of Value – and Risks – in the Region?

Moderator: Juan Savino, Senior Vice President, Sabertia Capital Partners; Senior Advisor, LAVCA
Jaime Villa, Principal, KKR
Nate Shanok, Managing Director, Tishman Speyer
Gregorio Schneider, Managing Partner, TC Latin America Partners

“As a long term investor and developer in Brazil, we see the current environment as a great opportunity.”
Opportunities in **Distressed Investing and Private Credit**

Moderator: Miguel Zurita, Managing Partner, **Grupo Altamar**  
Jamshid Ehsani, Partner, Principal Structured Finance, **Apollo Global Management**  
Richard H. Frank Jr., Managing Director, **Darby Overseas Investments**

“We see a lot of opportunities in non-performing loans in the next few years in Latin America.”

“We don’t hedge. We look for exporters, companies with little to no debt, and management teams with track records.”
Argentina: How and When to Invest

Moderator: Carlos Héneiné, Partner, Quilvest
Gustavo Eiben, Managing Director, The Rohatyn Group
Carlos García, Co-Managing Partner & Chairman, Victoria Capital Partners

“You can still make a PE deal in Argentina with attractive entry multiples, but the difference with other markets is that you won’t have ten buyers, just one.”
“Cheap oil prices are reducing electricity costs, which favors the industrial sector in Mexico.”

“When you hear about scandals in Mexico, I think that’s a good thing because the system is getting healthier.”

**Mexico Keynote Breakfast**

*Hosted by AMEXCAP/Fondo de Fondos*

Keynote Interview: Manuel Sanchez Ortega, Head of Latin American Infrastructure, BlackRock Infrastructure Investment Group

Interviewed by: Laura Kreutzer, Assistant Managing Editor, Dow Jones & Company
Is the Deal Pipeline Opening Up in Mexico?

Moderator: Maureen Downey, Principal, Pantheon
Alfredo Castellanos, Senior Managing Director, Evercore Mexico
César Perez Barnés, Partner, Southern Cross Group
Alex Rossi, Managing Partner, LIV Capital
Arturo Saval, Senior Managing Director, Nexxus Capital

“Private equity is much more widely known and understood in Mexico today than ten years ago.”
INVESTOR ROUNDTABLE: Coller Capital/LAVCA LP Survey on Latin America Private Equity

Presentation of Research Findings

"LatAm PE entry valuations & deal flow look attractive."

"LPs are raising their overall target allocations to PE."
INVESTOR ROUNDTABLE: ILPA Keynote Discussion

Mike Mazzola, Managing Director, MetLife; Chairman, ILPA
Interviewed by: Ksenija Jovanovic, Director, Zurich Alternative Asset Management; Senior Advisor, LAVCA

“Many of us would like to see PE managers using the European waterfall.”

“Some managers are pushing to eliminate the hurdle.”
INVESTOR ROUNDTABLE: Institutional Investor Perspectives

Moderator: Fabiana Andrade, Vice President, Credit Suisse; Senior Advisor, LAVCA
Marc de Saint Phalle, Managing Director, Director of Private Equity, Bessemer Trust
Roberta Brzezinski, Managing Principal, Growth Markets, CDPQ
Georgina Jabbour, Head of Investment Risk, Profuturo
Alejandro Soriano, Senior Executive, CAF

“We believe there will be long-term opportunities for infrastructure investments in Latin America.”

“Young wealthy families are starting to care about ESG considerations and are pushing us to focus on environmental, social and governance issues in our allocations.”
About LAVCA

The Latin American Private Equity & Venture Capital Association (LAVCA) is a not-for-profit membership organization dedicated to supporting the growth of private equity and venture capital in Latin America and the Caribbean. LAVCA’s membership is comprised of over 170 firms, from leading global investment firms active in the region to local fund managers from Mexico to Argentina. Member firms control assets in excess of US$60b, directed at capitalizing and growing Latin American businesses.

LAVCA Membership

LAVCA Members are some of the most active players in Latin American PE/VC. They join LAVCA to stay informed of the latest activity in the region and to connect with a network of global and regional peers.

LAVCA Members gain a competitive edge through:

• An unparalleled platform linking managers, institutional investors, and other industry players
• Access to proprietary industry data, information, and analysis
• Opportunities to raise their profile among local, regional, and global audiences
• Representation and participation in LAVCA’s regional agenda for advocacy of sound public policy
• Privileged knowledge through access to LAVCA’s board, membership, and staff

For more information on Member benefits, please visit the Membership section of our website (www.lavca.org) or call +1 (646) 315-6735

Stay Connected

In addition to membership, LAVCA offers the following ways to stay up-to-date on developments in Latin American PE/VC:

Latin America PE/VC Report – Each issue of LAVCA’s bimonthly newsletter includes profiles on LAVCA member firms, institutional investors, and entrepreneurs from the region, as well as feature articles from reputable third parties and information on the latest industry news and events. The Latin America PE/VC Update, a biweekly email with announcements from the industry, is delivered to your inbox every other Tuesday. Sign up at www.lavca.org

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