

The Global Venture Capital and Private Equity Country Attractiveness Index

2012 Annual

Alexander Groh, Heinrich Liechtenstein and Karsten Lieser







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Foreword From the Research Team

We are pleased to present the third edition of our Global Venture Capital and Private Equity Country Attractiveness Index. The index measures the attractiveness of countries for investors in the venture capital (VC) and private equity (PE) asset classes. It provides the most up-to-date aggregated information on the quality of the investment environment and an assessment of the ease of transaction-making in 116 countries.

There is one notable enhancement with respect to last year's index edition. We have increased our coverage by 36 countries and include many more emerging economies, notably from Africa. This satisfies investors' desire to put additional emerging markets on the world map of potential countries for allocation. Although we consider that the stage of economic development in many of these emerging markets is not yet sufficiently mature for the VC and PE asset classes, we can expect improvements in the future. We have therefore started tracking these emerging economies and our index illustrates the advancement of their investment environments.

As we did in recent years, we prove that our index excellently tracks the actual VC and PE investment activity in our sample of countries. This demonstrates the quality of our composite measure and its value to investors. The high explanatory power of our index for VC and PE activity results from exclusively focusing on those factors which really shape the attractiveness of particular VC and PE markets, and weighting them reasonably.

We invite you for feedback on our index. In future editions, selected data series may be substituted by newer or more appropriate ones. Additional data could be added, while other series with poor explanatory power can be deleted. The quality of data and the number of countries covered can be increased in future indices and as a result our composite measure remains a dynamic research product that always takes into account the most relevant and recent data. We believe this index is unique in providing such a broad scope of information on the VC and PE capital market segment. We hope that investors appreciate the information generated to aid their decision-making; while politicians may utilise the index to benchmark their countries and to make improvements to attract international risk capital.

We have invited two guest articles and are happy to include the contributions "Venture Capital and Internationalisation" by Andrea Schertler, University of Lüneburg, and Tereza Tykvová, Hohenheim University, and "Ongoing tensions in the GP-LP relationship" by Paul Hodkinson, Editor, Private Equity News, in this annual. Both articles perfectly match the main message of our index and underline the fruitful link between academic research and practice. There is another contribution "Private equity in Latin America: Fund-raising and deal activity improve as limited partners name region their top destination" by Philip Bass, Global Private Equity Markets Leader, Ernst & Young.

We would not have been able to realise this project without the contributions from our sponsors, and we greatly appreciate the support of Ernst & Young and IESE Business School, with their International Center for Financial Research (CIF). We hope that you find our 2012 Global Venture Capital and Private Equity Country Attractiveness Index of value.

The research team

Website

Please visit our website http://blog. iese.edu/vcpeindex/ where you can download the pdf of this annual, and find additional information, links to literature, multimedia presentations, and analytical tools for country benchmarking purposes.

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Dr. Lieser received a joint Master's Degree in Civil Engineering and Business Administration from Darmstadt University of Technology, where he also gained his Doctoral Degree in Finance. He is fluent in German, English, French and Spanish.

Sponsors



We are grateful to our sponsors Ernst & Young and IESE Business School/CIF for their support, feedback and their direct and professional contributions to the index.



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We hope that the Global VC/PE Country Attractiveness Index proves to be a valuable tool in helping funds navigate through this uncertain time. For more information please visit **www.ey.com**.





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How to measure a country's attractiveness for limited partners

Without being familiar with the socioeconomic environment in various host countries, an investor cannot make rational international VC and PE allocation decisions. Investors overcome potential knowledge deficits and gather data to analyse the determinants they deem important before allocating to a particular country. However, this country due diligence is time-consuming and costly. Additionally, the pace of economic development of many emerging countries makes the selection of those that support VC and PE activity more and more cumbersome. Our index guides institutional investors to solve the problem of where to allocate their capital. We aggregate and provide the requisite information for international VC and PE allocation decisions. Of course, this information cannot act as a substitute for investors' own efforts to build up country knowledge and experience. It can only

facilitate this process and support the initial due diligence stage.

We propose a composite measure that benchmarks the attractiveness of 116 countries to receive institutional VC and PE allocations. Our intention is to serve the investment community, preparing and analysing a large quantity of socioeconomic data. However, it is not only the financial community that can benefit from our research, politicians may also conclude that vibrant risk capital markets increase innovation, entrepreneurial activity, economic growth, employment, competitiveness and wealth and hence they may be interested in increasing the supply of risk capital in their countries.

There is a major shift of focus from "traditional" and mature VC and PE markets towards emerging regions. Emerging countries attract investors

by high economic growth opportunities. Nevertheless, as we subsequently discuss, growth opportunities are not the only factor that renders countries attractive for VC and PE investments, and it is these broader conditions that motivate our index. The existence of a prospering VC and PE market infrastructure and investment environment requires many socio-economic and institutional prerequisites. We presume that several emerging countries are not yet sufficiently mature in terms of their economic development to support the VC and PE business model. Too early entrance in those countries does not appear to be a beneficial strategy. However, our index tracks the countries' socio-economic and institutional development and reveals improvements. This allows investors to better observe foreign markets and to recognise good timing for allocations.



What are institutional investors' international VC and PE allocation criteria?

Our index addresses the first level of investors' concerns from a top-down perspective and evaluates countries with respect to socioeconomic criteria for international VC and PE allocation. These criteria assess, in the first instance, the determination of demand for VC and PE in a particular country and second, the expectation of an efficient deal-making environment which allows matching with the supplied capital. Further levels of the allocation process include the selection of particular fund management teams. Thereby, the investors evaluate the general partners' competencies, their track records and other parameters in their fund due diligence before committing to a general partner.¹ However, these criteria cannot be considered in our index because they depend on individual cases, personal judgment and mostly undisclosed data.

Institutional investors communicated to us that levels of valuation are also important for their decisions. Unfortunately, we cannot compare transaction multiples across countries for two major reasons. First, there is too little information provided on transaction multiples. Second, multiples reflect the relationship between the expected growth in certain industries (and countries) and the opportunity cost of capital. It is impossible to estimate these parameters and to find a common benchmark for all of our sample countries. Instead, we need to take a practical approach and assess the expected deal opportunities arising from the socio-economic environment in a country without addressing valuation levels. Investors will need to enrich our assessment with their own knowledge and expectations about deal values.

Our index summarises factors that shape national VC and PE markets into one single composite measure. The determinants of vibrant VC and PE markets have been extensively studied in academic literature. We reviewed this literature and collect data for our index spanning several years to verify these studies and actually contribute to a better understanding of the drivers of international VC and PE activity. With every subsequent index edition, we become more confident in our ability to assess the right criteria for VC and PE investors. These criteria are derived from the research on the topic that we group into six sub-headings. These sub-headings illustrate the structure of our index as each presents one of six "key drivers" of country attractiveness for investors in VC and PE assets:

- 1. Economic activity
- 2. Depth of the capital market
- 3. Taxation
- 4. Investor protection and corporate governance
- 5. Human and social environment
- 6. Entrepreneurial culture and deal opportunities

These key drivers define a subset of criteria we need to assess for our sample countries in order to aggregate our index.²

Importance of economic activity

Intuitively, the state of a country's economy affects its VC/PE attractiveness. An economy's size and employment levels are proxies for prosperity, the number and diversity of corporations and general entrepreneurial activity, and therefore also for expected VC and PE deal flow. Economic growth expectations require investments and provide the rationale to enter many emerging countries. Gompers and Lerner (1998) argue that more attractive VC and PE investment opportunities exist if an economy is growing quickly. Romain and van Pottelsberghe de la Potterie (2004 find that VC/PE activity is cyclical and significantly related to GDP growth. Wilken (1979) highlights the fact that economic prosperity and development facilitate entrepreneurship, as they provide a greater accumulation of capital for risky investments. The number of new ventures that qualify for VC backing is related to societal wealth, not solely because of generally better access to financing, but also because of higher income among potential customers in the domestic market. Economic size and growth are certainly very important criteria to assess expected deal opportunities and VC/PE country attractiveness. However, economic growth itself is a result of many other criteria which we discuss within the subsequent key drivers.

Importance of the depth of the capital market

Black and Gilson (1998) discuss major differences between bank-centred and stock market-centred capital markets. They argue that well-developed stock markets, which allow general partners to exit via IPOs, are crucial for the establishment of vibrant VC/PE markets. In general, bankcentred capital markets are less able to produce an efficient infrastructure of institutions that support VC/PE dealmaking. They affirm that it is not only the strong stock market that is missing in bank-centred capital markets; it is also the secondary institutions in place, including bankers' conservative approach to lending and investing, and the social and financial incentives that reward entrepreneurs less richly (and penalise failure more severely), that compromise entrepreneurial activity. Jeng and Wells (2000) stress that IPO activity is the main force behind cyclical VC and PE swings because it directly reflects the returns to investors. Kaplan and Schoar (2005) confirm this. Similar to Black and Gilson (1998), Gompers and Lerner (2000) point out that risk capital flourishes in

¹ For more details please refer to Groh, Alexander and Liechtenstein, Heinrich (2011): The First Step of the Capital Flow from Institutions to Entrepreneurs: The Criteria for Sorting Venture Capital Funds, European Journal of Financial Management, Vol. 17, Issue 3, 2011, pp. 532 – 559. Related working papers are available on our website http://blog.iese.edu/vcpeindex/.

² For a comprehensive review please refer to Groh, Alexander, Liechtenstein, Heinrich and Lieser, Karsten (2010): The European Venture Capital and Private Equity Country Attractiveness Indices, Journal of Corporate Finance, Volume 16, Issue 2, April 2010, pp. 205 – 224.

countries with deep and liquid stock markets. Similarly, Schertler (2003) uses the capitalisation of stock markets or the number of listed companies as measures for stock market liquidity and finds that they significantly impact VC and PE investments.

As well as the disadvantages of bank-centred capital markets, Greene (1998) emphasizes that low availability of debt financing is an obstacle for economic development, especially for start-up activity in many countries. Corporations and entrepreneurs need to find backers — whether banks or VC/PE funds — who are willing to bear risk. Cetorelli and Gambera (2001) provide evidence that bank concentration promotes the growth of those industrial sectors that have a higher need for external finance by facilitating credit access to companies.

To summarise, the state of a country's capital market evidently affects its VC and PE activity. There is a direct link between the quoted capital market, banking activity and the unquoted segment. Banks are required for transaction financing and credit facilities. The size of the IPO market indicates the potential for the preferred exit channel and IPOs likewise spur entrepreneurial spirit because they reward entrepreneurs. This may be considered as analogous to the size of the M&A market, which also incentivises entrepreneurial managers and presents the second preferred VC/PE divestment channel, as well as deal sourcing opportunities. Therefore, the liquidities of the M&A, banking, and public capital markets provide good proxies for the VC and PE segment because they assess the quality of the VC and PE deal-making infrastructure. In countries with a strong public capital market, M&A, and banking activity, we also find the professional institutions, such as investment banks, accountants, lawyers, M&A boutiques or consultants, which are essential for successful VC and PE deal-making.

Importance of taxation

Bruce (2000 and 2002), and Cullen and Gordon (2002) reveal that tax regimes matter for business entry and exit. Djankov et al. (2008) show that direct and indirect taxes affect entrepreneurial activity. Poterba (1989) builds a decision model showing the advantages of becoming an entrepreneur, driven by taxation incentives. Bruce and Gurley (2005) explain that increases in personal income tax can raise the probability of becoming an entrepreneur: large differences between personal income tax rates and corporate tax rates provide an incentive for start-up activity.

While it is much discussed in economic literature and reasonable to assume that taxation of income drives corporate activity and new venture creation, it is more difficult to detect a link with VC and PE investments. There are countries with relatively high corporate income tax rates but also very large VC and PE investments at the same time. On the other hand, there are many (especially emerging) countries with low corporate tax rates where no remarkable VC and PE investments are reported. In general, developed countries have higher tax brackets, but also more VC and PE investments. This signals that the levels of taxes themselves do not strongly affect VC and PE activity. It also points to the characteristic reliance of the VC and PE asset classes on tax transparent fund and transaction structures that neutralise the differentials across tax regimes. Therefore, we focus on the incentives for new venture creation provided by the spread between personal and corporate income tax rates as suggested by Bruce and Gurley (2005) and reward tax regimes with low administrative burdens and requirements in our index. However, since these tax aspects are more important for start-up activity, and hence for the VC segment, we assign a low weight to this

key driver and do not use it to assess attractiveness in the PE-only index as subsequently discussed.

Importance of investor protection and corporate governance

Legal structures and the protection of property rights strongly influence the attractiveness of VC and PE markets. La Porta et al. (1997 and 1998) confirm that the legal environment determines the size and extent of a country's capital market and local companies' ability to receive outside financing. They emphasize the differences between statutory law and the quality of law enforcement. Roe (2006) discusses and compares the political determinants of corporate governance legislation for the major economies and focuses on the importance of strong shareholder protection to develop a vibrant capital market. Glaeser et al. (2001) and Djankov et al. (2003 and 2005) suggest that parties in common-law countries have greater ease in enforcing their rights from commercial contracts.

Cumming et al. (2006) find that the quality of a country's legal system is even more closely related to facilitating VC/PE backed exits than the size of a country's stock market. Cumming et al. (2009) extend this finding and show that cross-country differences in legality, including legal origin and accounting standards, have a significant impact on the governance of investments in the VC/PE industry. Desai et al. (2006) show, that fairness and property rights protection largely affect growth and the emergence of new enterprises. Cumming and Johan (2007) highlight the perceived importance of regulatory harmonisation with respect to investors' commitments to the asset class. La Porta et al. (2002) find a lower cost of capital for companies in countries with better investor protection, and Lerner and Schoar (2005) confirm these findings.

Johnson et al. (1999) show that weak property rights limit the reinvestment of profits in start-up companies. Finally, and more broadly, Knack and Keefer (1995), Mauro (1995), and Svensson (1998) demonstrate that property rights significantly impact investments and economic growth.

The numerous studies cited above illustrate the importance of the quality of a country's legal system for its capital market, be it in terms of the quoted or unquoted segment. Nevertheless, what is important for financial claims is equally valid for any claim in the corporate world. Doing business becomes costly without proper legal protection and enforcement possibilities. VC and PE are strongly exposed to this circumstance because they are based on long-term relationships with institutional investors, where the investment source and host countries can be distant and different. Investors rely on their agents, and the general partners themselves rely on the management teams they back. If investors are not confident that their claims are well protected in a particular country, they refuse to allocate capital.

Importance of the human and social environment

Black and Gilson (1998), Lee and Peterson (2000), and Baughn and Neupert (2003) argue that cultures shape both individual orientation and environmental conditions, which may lead to different levels of entrepreneurial activity. Megginson (2004) argues that, in order to foster a growing risk capital industry, education with respect to schools, universities and research institutions plays an important role.

Rigid labour market policies negatively affect the evolution of a VC/PE market. Lazear (1990) and Blanchard (1997) discuss how protection of workers can reduce employment and growth. It is especially important for start-up and medium-size corporations to respond quickly to changing market conditions. Black and Gilson (1998) argue that labour market restrictions influence VC/PE activity, though not to the same extent as the stock market.

Djankov et al. (2002) investigate the role of several societal burdens for start-ups. They conclude that the highest barriers and costs are associated with corruption, crime, a larger unofficial economy and bureaucratic delay. This argument is of particular importance in some emerging countries with high perceived levels of corruption.

Importance of entrepreneurial culture and deal opportunities

The expectation regarding access to viable investments is probably the most important factor for international risk capital allocation decisions. Particularly for the early stage segment, we expect the number and volume of investments to be related to the innovation capacity and research output in an economy. Gompers and Lerner (1998) show that both industrial and academic research and development (R&D) expenditure significantly correlates with VC activity. Kortum and Lerner (2000) highlight that the growth in VC fundraising in the mid-1990s may have been due to a surge of patents in the late 1980s and 1990s. Schertler (2003) emphasizes that the number of both R&D employees and patents, as an approximation of the human capital endowment, has a positive and highly significant influence on VC activity. Furthermore, Romain and von Pottelsberghe de la Potterie (2004) find that start-up activity interacts with the R&D capital stock, technological opportunities and the number of patents. However, innovations and R&D are not only important for early stage VC

investments. Without modernisation and sufficient R&D, it will be impossible for established businesses to maintain brand names and strong market positions, factors which attract later stage PE investors.

Despite the innovative output of a society, Djankov et al. (2002), and Baughn and Neupert (2003) argue that bureaucracy in the form of excessive rules and procedural requirements, multiple institutions from which approvals are needed and cumbersome documentation requirements, may severely constrain entrepreneurial activity. Lee and Peterson (2000) stress that the time and money required to meet such administrative burdens may discourage new venture creations.

Summary on the determinants of vibrant VC and PE markets

The research papers emphasise the difficulty of identifying the most appropriate parameters for our index. There is no consensus about a ranking of the criteria. While some parameters are more comprehensively discussed, and certainly of high relevance, it remains unclear how they interact with others. For example, it is arguable whether the VC/PE activity in a country with a high quality of investor protection is affected more by the liquidity of its stock market or by its labour regulations.

While an IPO exit is, in principle, possible at any stock exchange in the world, the labour market frictions in a particular country can hardly be evaded. On the other hand, many of the criteria are highly correlated with each other. Black and Gilson (1998) call it a "chicken and egg" problem: it is impossible to detect which factor causes the other. One line of argument is that modern, open and educated societies develop a legislation that protects investors' claims, which favours the output of innovation and the development of a capital market. This leads to economic growth and to demand for VC and PE. However, the causality might be the reverse: economic growth spurs innovation and the development of modern educated societies. There is a third suggestion: only competitive legal environments allow the development of the societal requirements that support innovations, economic growth, the capital market, and VC and PE activity. Finally, there is a fourth alternative, which may also be relevant: low taxes attract investors who provide financing for growth which in turn leads to modern and educated societies.

All lines of argument are reasonable and validated by the economic development

of selected countries in different historic periods. Nevertheless, it seems to be the combination of all these factors which need to be improved in parallel to increase VC and PE attractiveness of countries and regions. For this reason, we do not rely on a selection of only a small number of parameters. For a country to receive a high index rank, it needs to achieve a high score on all of the individual criteria. Therefore, we propose a structure of the discussed determinants to achieve a comprehensive result and to facilitate interpretation. Firstly, we differentiate the six key drivers: economic activity, depth of the capital market, taxation, investor protection and corporate governance, human and social environment, and entrepreneurial culture and deal opportunities. We then confirm their choice via a survey of institutional investors, reported in Groh and Liechtenstein (2009) and (2011), and base our index structure upon them. Unfortunately, none of these six key drivers is directly measurable, so we seek data series that adequately express their character. Hence, we try to find best proxies for the aforementioned drivers of VC/PE attractiveness. One constraint is that these proxies must be available for a large number of countries.



Building the 2012 Index

Assessing six latent key drivers

The most important principle of our index is to assess the six latent drivers of VC/PE attractiveness:

- 1. Economic activity
- 2. Depth of the capital market
- 3. Taxation
- 4. Investor protection and corporate governance
- 5. Human and social environment
- 6. Entrepreneurial culture and deal opportunities

Latent drivers are criteria that are not directly observable, but driven by others which can be measured. For example, we assume in a first step that the VC/PE attractiveness of a country is determined by six key drivers. However, as pointed out, the key drivers themselves are not measurable but need to be estimated. For example, ideally the quality of the deal-making environment in a country would be expressed by the number of investment banks, M&A boutiques, law firms, accountants and consultants. However, while it might be possible to obtain these data for a selected number of developed countries, such data does not exist on a global scale. Our only alternative is to gather more general information, for example on the level of debt provided by the banking sector, or estimates about the perceived sophistication of the financial system. We submit that these criteria affect the latent key driver, the depth of the capital market. Even if they are not perfect proxies, we maintain that in countries where these criteria are better developed, the capital market will be deeper and more deal-supporting institutions will exist to facilitate VC and PE activity. Hence, we assess the latent key driver with observable data. This principle is maintained at all individual levels for the index construction. An unobservable criterion is assessed with several proxy parameters. In

principle, we measure the attractiveness of a country by the six key drivers but use many more proxies for their assessment. We use several proxies so as not to be reliant on single individual data series which might be biased by different gathering procedures across the countries or by insufficient reporting.

How we disaggregate the six key drivers

In accordance with the principle of assessing latent key drivers with observable data, we disaggregate each key driver into sub-categories. These sub-categories are either individual data series or, again, latent drivers dependent on determinants that we name "level-2 constructs." For example, as documented in Table 1, we split the key driver "2. Depth of the capital market" into seven sub-categories:

- 2. Depth of the capital market
 - 2.1. Size of the stock market2.2. Stock market liquidity

 - 2.3. IPOs and public issuing activity
 - 2.4. M&A market activity
 - 2.5. Debt and credit market
 - 2.6. Bank non-performing loans to total gross loans
 - 2.7. Financial market sophistication

Data series 2.2 and 2.6 are provided by the Worldbank and data series 2.7 results from a survey initiated by the World Economic Forum (WEF). However, the other indicators are constructs themselves. For instance, we assess "2.3. IPOs and public issuing activity" by volume and by number of issues. This approach has two major advantages. First, individual data series do not gain too much weight when they are grouped, and this limits the impact of outliers. Second, the overall results can be traced to more granulated levels which provide complete transparency and better interpretation.

The weighting scheme

We spent a great deal of effort refining the statistical analyses and optimising the structure for our first two index editions.³ We keep this optimised structure and apply equal weights for all data series when we aggregate them to the level-2 constructs and equal weights for the level-2 constructs to aggregate them on the next higher level of the six key drivers. Finally, the individual weights for the six key drivers depend on the number of their level-2 constructs. For example, "1. Economic activity" consists of three level-2 constructs, "2. Depth of the capital market" of seven, while "3. Taxation" consists of only one. Overall, we use 22 level-2 constructs for our index. and hence. "1. Economic activity" receives a weight of 3/22, which is 0.136, while the weight of "2. Depth of the capital market" is 7/22, which is 0.318, and for "3. Taxation" it is 1/22 =0.046, respectively.

The advantage of this weighting scheme is that the key drivers which include more level-2 constructs, and hence data series, gain more weight. First, this represents their actual importance for VC and PE attractiveness as revealed by our own analyses and second, we diminish the effect of potential outliers in our data. This final index structure results from substantial prior optimisation effort. We find that any statistically "more sophisticated" technique does not improve the index quality. The weighting scheme assigns appropriate emphasis according to the explanatory power of the individual key drivers. We will return to this topic in a later section of this annual.

³ Details about the applied statistical procedures to determine weights for the data series are provided in our paper Groh, Alexander, Liechtenstein, Heinrich and Lieser, Karsten (2010): The European Venture Capital and Private Equity Country Attractiveness Indices, Journal of Corporate Finance, Volume 16, Issue 2, April 2010, pp. 205 – 224. Related working papers are available at http://ssrn.com/author=330804.

Table 1:

Structure of the VCPE Index, the separate VC, and PE Indices, and the weighting schemes

		VCPE index	VC index	PE index
0	Index 2012			
1	Economic activity	0,1364	0,1579	0,1875
1.1	Size of the economy (GDP)	0,3333	0,3333	0,3333
1.2	Expected real GDP growth	0,3333	0,3333	0,3333
1.3	Unemployment	0,3333	0,3333	0,3333
2	Depth of the capital market	0,3182	0,2105	0,4375
2.1	Size of the stock market	0,1429	0,2500	0,1429
2.1.1	Market capitalization of listed companies	0,5000	0,5000	0,5000
2.1.2	Number of listed domestic companies	0,5000	0,5000	0,5000
2.2	Stock market liquidity (trading volume)	0,1429	0,2500	0,1429
2.3	IPOs and public issuing activity	0,1429	0,2500	0,1429
2.3.1	Market volume	0,5000	0,5000	0,5000
2.3.2	Number of issues	0,5000	0,5000	0,5000
2.4	M&A market activity	0,1429	0,2500	0,1429
2.4.1	Market volume	0,5000	0,5000	0,5000
2.4.2	Number of deals	0,5000	0,5000	0,5000
2.5	Debt and credit market	0,1429		0,1429
2.5.1	Domestic credit provided by banking sector	0,3333		0,3333
2.5.2	Credit information index	0,3333		0,3333
2.5.3	Interest rate spread	0,3333		0,3333
2.6	Bank non-performing loans to total gross loans	0,1429		0,1429
2.7	Financial market sophistication	0,1429		0,1429
3	Taxation	0,0455	0,0526	
3.1	Entrepreneurial tax incentives and administrative burdens	1,0000	1,0000	
3.1.1	Entrepreneurship incentive	0,3333	0,3333	
3.1.2	Number of tax payments	0,3333	0,3333	
3.1.3	Time spent on tax issues	0,3333	0,3333	
4	Investor protection and corporate governance	0,1364	0,1579	0,1875
4.1	Quality of corporate governance	0,3333	0,3333	0,3333
4.1.1	Disclosure index	0,2000	0,2000	0,2000
4.1.2	Director liability index	0,2000	0,2000	0,2000
4.1.3	Shareholder suits index	0,2000	0,2000	0,2000
4.1.4	Legal rights index	0,2000	0,2000	0,2000
4.1.5	Efficacy of corporate boards	0,2000	0,2000	0,2000
4.2	Security of property rights	0,3333	0,3333	0,3333
4.2.1	Legal enforcement of contracts	0,3333	0,3333	0,3333
4.2.2	Property rights	0,3333	0,3333	0,3333
4.2.3	Intellectual property protection	0,3333	0,3333	0,3333
4.3	Quality of legal enforcement	0,3333	0,3333	0,3333
4.3.1	Judicial independence	0,2000	0,2000	0,2000
4.3.2	Impartial courts	0,2000	0,2000	0,2000
4.3.3	Integrity of the legal system	0,2000	0,2000	0,2000
4.3.4	Rule of law	0,2000	0,2000	0,2000
4.3.5	Regulatory quality	0,2000	0,2000	0,2000

		VCPE index	VC index	PE index
5	Human and social environment	0,1364	0,1579	0,1250
5.1	Education and human capital	0,3333	0,3333	
5.1.1	Quality of the educational system	0,5000	0,5000	
5.1.2	Quality of scientific research institutions	0,5000	0,5000	
5.2	Labour market rigidities	0,3333	0,3333	0,5000
5.2.1	Difficulty of hiring index	0,2500	0,2500	0,2500
5.2.2	Rigidity of hours index	0,2500	0,2500	0,2500
5.2.3	Difficulty of firing index	0,2500	0,2500	0,2500
5.2.4	Firing costs	0,2500	0,2500	0,2500
5.3	Bribery and corruption	0,3333	0,3333	0,5000
5.3.1	Bribery and corruption Index	0,3333	0,3333	0,3333
5.3.2	Control of corruption	0,3333	0,3333	0,3333
5.3.3	Extra payments/bribes	0,3333	0,3333	0,3333
6	Entrepreneurial culture and deal opportunities	0,2273	0,2632	0,0625
6.1	Innovation	0,2000	0,2000	
6.1.1	General innovativeness index	0,5000	0,5000	
6.1.2	Capacity for innovation	0,5000	0,5000	
6.2	Scientific and technical journal articles	0,2000	0,2000	
6.3	Ease of starting and running a business	0,2000	0,2000	
6.3.1	Number of procedures to start of business	0,3333	0,3333	
6.3.2	Time needed to start a business	0,3333	0,3333	
6.3.3	Costs of business start-up procedures	0,3333	0,3333	
6.4	Simplicity of closing a business	0,2000	0,2000	
6.4.1	Time for closing a business	0,3333	0,3333	
6.4.2	Costs for closing a business	0,3333	0,3333	
6.4.3	Recovery rate	0,3333	0,3333	
6.5	Corporate R&D	0,2000	0,2000	1,0000
6.5.1	Company spending on R&D	0,5000	0,5000	0,5000
6.5.2	Utility patents	0,5000	0,5000	0,5000

Separate VC and PE indices

To account for differences with respect to the two market segments, VC vs. PE, we propose three related indices. The first one combines both segments (VCPE). The second focuses on early stage VC and the third index on later stage PE. The combined index includes all data series proposed in Table 1, while we discard the data series that are less important for either of the two market segments when calculating the individual VC and PE indices.

For the VC index, we consider the level-2 construct "2.5. Debt and credit market" to be of minor importance and hence, discard it. We also delete "2.6. Bank nonperforming loans to total gross loans" and "2.7. Financial market sophistication" from the VC index.

For the PE index, we discard key driver "3. Taxation," because the criteria considered are barely relevant for later-stage PE. Similarly, we drop "5.1. Education and human capital" from the human and social environment key driver and keep only "6.5. Corporate R&D" to assess the deal opportunities related to proprietary research output of corporations.

The weights for the individual index items in the separate VC and PE indices are determined in the same way, and this leads to strong changes of some of the key driver weights.

Table 1 presents the data series, the level-2 constructs and the weights for the combined VCPE, and the separate VC and PE indices. We provide more detailed information on the data series in the appendix. The appendix also contains the explanation of our exact data aggregation technique.

Changes with respect to the prior index version

The index structure has not meaningfully changed since last year's edition. However, the inclusion of more emerging economies required us to drop three individual data series from last year's presented structure where no or not sufficiently differentiated data was available for the newly-added countries. These three discarded data series are the "Ease of access to loans" provided by the World Economic Forum, the "Minimum capital requirements" and the "Administrative requirements" to run and start a business, provided by World Bank and the Fraser Institute, respectively. Another notable change is that we replace the medium term historic growth rates by expected real GDP growth for 2012 based on current IMF estimations. This corresponds better to investors' approach of allocating to countries with high assumed growth, but is more vulnerable to cyclicality and reassessments of economic growth figures. All changes are reflected in Table 1. The index now consists of 51 individual data series.

The expansion of the number of countries comes with a methodological effect. As we consider more emerging countries in the 2012 index, our rescaling scores become stretched at the lower end. Several countries with particularly low values for some of the data series enter the sample, and hence take over the positions of last year's trailing economies. This also gives rise to a narrowed gap between the top countries. For this reason, we do not directly compare last year's index ranks with this year's but calculate rank changes over a five year horizon with the enlarged country sample.

The countries covered

We aim to cover as many countries as possible, and the inclusion of a particular country is dependent only on data availability. Since our first index edition, the availability and quality of data has improved so that we can now include 116 countries. We are delighted to increase the coverage of the African continent from eight to 31 countries. We assign the countries to eight different geographic regions as defined by the International Monetary Fund (IMF). The 36 "new entrants" are highlighted.

Africa (31)

Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Chad, Côte d'Ivoire, Egypt, Ethiopia, Ghana, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Rwanda, Senegal, South Africa, Tanzania, Tunisia, Uganda, Zambia, Zimbabwe,

Asia (19)

Armenia, Bangladesh, China, Hong Kong, India, Indonesia, Japan, Kazakhstan, Korea South, Kyrgyzstan, Malaysia, Mongolia, Pakistan, Philippines, Russia, Singapore, Taiwan, Thailand, Vietnam,

Australasia (2)

Australia, New Zealand,

Eastern Europe (20)

Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Slovakia, Slovenia, Turkey, Ukraine, Serbia,

Latin America (15)

Argentina, Brazil, Chile, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Uruguay, Venezuela,

Middle East (8)

Bahrain, Israel, Jordan, Kuwait, Oman, Saudi Arabia, Syria, United Arab Emirates,

North America (2)

USA, Canada,

Western Europe (19)

Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and United Kingdom.

The VCPE country attractiveness ranking

We gathered the individual data series in Table 1 for all our sample countries from 2000 onwards to most recent data retrieved by the end of 2011. We calculated the index for the 2012 outlook and found that the US remains the most attractive country for VC and PE allocations, retaining its ranking from the prior index editions. We rescaled the US score to 100.4 Its two followers, Canada and the United Kingdom, achieved rescaled scores of 96.8% and 95.1% respectively. We note that the gaps between these and other countries have narrowed compared to our prior index editions. This is mainly due to the inclusion of additional economies in our sample which has widened the spread between the leading and trailing countries. It is also due to the principle that the characteristics of a growing number of countries need to be ranked on the same scale from 1 to 100.

Exhibits 1A and 1B present the ranking of The Global VCPE Country Attractiveness Index 2012. The exhibit is open to debate. Some readers might argue that particular countries are ranked too high, others too low. However, we note that the index ranking is the result of commonly available, transparent, aggregated socio-economic data, which is relevant for investors in VC and PE assets. The results can be traced to the level of the individual data series, and hence, can be reconciled.

Please note the underlying data is the most recent information available. Hence, we show the current attractiveness ranking including the economic outlook for 2012 and invite investors and advisers to enrich the information with their own knowledge, experience and expectations when drawing their conclusions on allocation.

⁴ We explain the rescaling procedure in more detail in the appendix



Exhibit 1A:

2012 VCPE Country Attractiveness Index Ranking

First Half of Countries

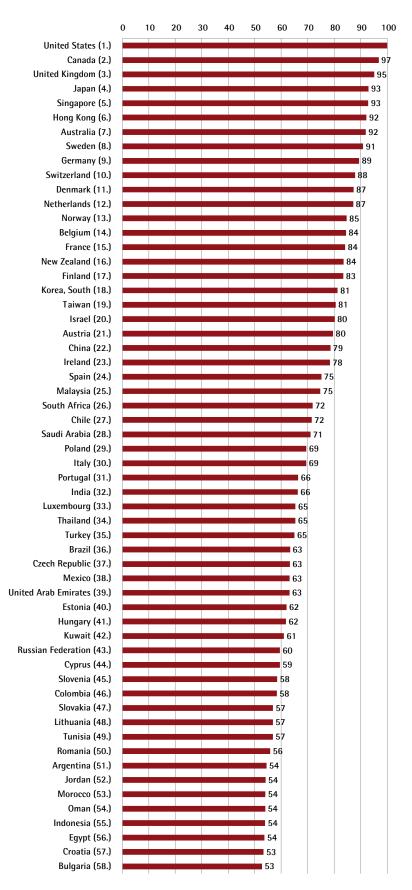


Exhibit 1B:

2012 VCPE Country Attractiveness Index Ranking

Second Half of Countries

	0	10	20	30	40	50 6	60	70	80	90	100
Latvia (59.)						53					
Peru (60.)						51					
Bahrain (61.)						50					
Iceland (62.)						50					
Vietnam (63.)						50					
Ukraine (64.)						50					
Philippines (65.)						48					
Greece (66.)						48					
Kazakhstan (67.)						48					
Mauritius (68.)						47					
Pakistan (69.)						4 7					
Serbia (70.)						46					
Ghana (71.)						46					
Bosnia-Herzegovina (72.)						46					
Montenegro (73.)						46					
Kenya (74.)						45					
Zambia (75.)						45					
Uruguay (76.)						44					
Macedonia (77.)					4						
Namibia (78.)					4						
Nigeria (79.)					4:						
Bangladesh (80.)					42	2					
Botswana (81.)					41						
Georgia (82.)					40						
Algeria (83.)					40						
Tanzania (84.)					37						
Mongolia (85.)					37						
Uganda (86.)					36						
Jamaica (87.)					36						
Ecuador (88.) El Salvador (89.)				3	35						
Armenia (90.)				31							
Guatemala (91.)				30							
Paraguay (92.)				29							
Mozambique (93.)				28							
Rwanda (94.)				27							
Moldova (95.)				26							
Albania (96.)				26							
Dominican Republic (97.)				25							
Kyrgyzstan (98.)				25							
Senegal (99.)				25							
Côte d'Ivoire (100.)				24							
Malawi (101.)			2								
Syria (102.)			2								
Ethiopia (103.)			2								
Mali (104.)			2								
Cameroon (105.)			2:								
Burkina Faso (106.)			22	2							
Nicaragua (107.)			22								
Zimbabwe (108.)			22								
Benin (109.)			21								
Venezuela (110.)			21								
Madagascar (111.)			19								
Lesotho (112.)			17								
Mauritania (113.)			16								
Angola (114.)		13	3								
Chad (115.)		12									
Burundi (116.)		1 1									
		1			1	1					1

I. The Global VCPE Country Attractiveness Index

VCPE Index
 VC Index
 PE Index

Exhibit 2A:

Rankings According to the Three Different Indices

First Half of Countries

irst Half of Count	nes						
	20	100	80	60	40	20	0
United States							
Canada	-						•
United Kingdom	-						+
Japan							٠
Singapore Hong Kong							
Australia							•
Sweden							•
Germany							
Switzerland							-
Denmark	-						
Netherlands							•
Norway						J	•
Belgium						= 🛤	•
France						Þ	I
New Zealand	_						
Finland	-					• •	
Korea, South	_					•	
Taiwan	-					• •	
Israel						Þ	
Austria	-					•	
China	-					•	
Ireland						• •	
Spain Malaysia						*	
South Africa						>	
South Africa Chile	-					•••	
Saudi Arabia						••	
Poland						•	
Italy						>	
Portugal	-				= 🔶	•	
India					>	•	
Luxembourg					- M	•	
Thailand					*		
Turkey					Þ		
Brazil					*		
Czech Republic					•		
Mexico					Þ		
United Arab Emirates					• •	-	
Estonia					•••		
Hungary Kuwait	-						
Russian Federation					◆ ▶ ■		
Cyprus					₩		
Slovenia	-				•••		
Colombia	-			-	*		
Slovakia					•		
Lithuania	-			-			
Tunisia	-				•		
Romania	-			•	•		
Argentina				•			
Jordan	1			•			
Morocco				۰.			
Oman				•••			
Indonesia	-			•			
Egypt				•	-		
Croatia				= Þ			
Bulgaria							

Exhibit 2B:

Rankings According to the Three Different Indices Second Half of Countries

12	0 100	80	60	40	20	0
Latvia			•			
Peru			•			
Bahrain		•	•			
lceland			•	•		
Vietnam		Þ				
Ukraine		٠	•			
Philippines		*				
Greece		*►				
Kazakhstan		M				
Mauritius						
Pakistan		▶ŧ				
Serbia		▶ ∎				
Ghana		••				
Bosnia-Herzegovina						
Montenegro		M				
Kenya						
Zambia		▶■				
Uruguay		٠				
Macedonia						
Namibia		♦▶ ■				
Nigeria		▶ ■				
Bangladesh		*				
Botswana		٠				
Georgia		•				
Algeria		▶∎♦				
Tanzania		•				
Mongolia	M					
Uganda	+					
Jamaica	Þ					
Ecuador	•					
El Salvador	•	I				
Armenia						
Guatemala	*					
Paraguay	M					
Mozambique	•					
Rwanda	*					
Moldova	• >>					
Albania	**					
Dominican Republic	◆ ▶ ■					
Kyrgyzstan	>>					
Senegal	• •					
Côte d'Ivoire						
Malawi	■ ►◆					
Syria	-					
Ethiopia	• •					
Mali						
Cameroon	•••					
Burkina Faso	••					
Nicaragua	◆▶ ■					
Zimbabwe	▶ ■					
Benin						
Venezuela	▶ ■					
Madagascar	▶◆					
Lesotho	•					
Mauritania	*					
Angola	▶■					
Chad	>					
Burundi						

▲ VCPE Index
◆ VC Index
PE Index

Rankings according to the separate VC and PE indices

Exhibits 2A and 2B combine the VCPE index with the rankings according to the separate VC and PE indices. The triangles mark the VCPE index ranks. The diamonds designate the VC index and the squares represent the PE index ranks.

The VC index country ranking does not change significantly compared to the combined VCPE index ranking. This is mainly due to the similarity between the two indices. We do not discard many data series from our VC index compared to the combined one. However, we receive a much stronger ranking variation if we exclusively focus on the PE segment.

For the PE index, we discard taxation as well as constructs and data series that are related to education, high-tech innovation and starting or running businesses in the early stages. Therefore, other key drivers such as "Economic activity" or "Depth of the capital market" gain high weights. This results, for example, in Hong Kong, Taiwan, China, South Africa, India, the United Arab Emirates, Kuwait, Indonesia, Egypt and the Philippines increasing their rank by several places. The rationale for these improvements is simple: competitive disadvantages with respect to education and innovation are no longer considered, but as the weight of the economic activity and capital market key driver has increased, these countries receive higher scores for their PE attractiveness.

In contrast, we find that Ireland, Portugal, Slovenia, and Iceland in particular, lose several ranks focusing on PE attractiveness. This can mainly be attributed to two factors: first, the impact of the recent financial crisis; and second, discarding the competitive advantages of these countries in the PE index, in particular with respect to taxation.



Comparisons of countries

The general pattern: what renders the US so attractive?

In order to enhance the discussion of the rankings, we break down the index scores to the level of the six key driving forces, and then further down to the level-2 constructs. We find a typical pattern with respect to country attractiveness for VC and PE allocations. We demonstrate this pattern by comparing the first ranked with the 9th, 15th, and 22nd ranked country, namely the US, Germany, France, and China. Exhibit 3 presents the key driver scores of these three countries compared to the US (which, by definition, scores 100 for each key driver).

Exhibit 3:

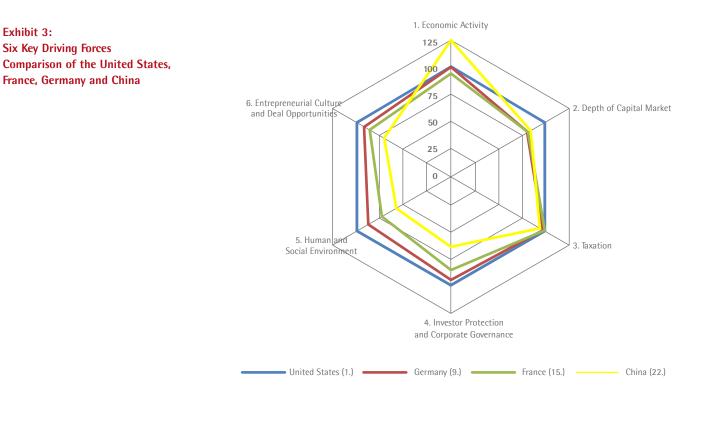
Exhibit 3 reveals four important implications. First, the United States (US) usually ranks ahead of other economies with respect to most of the six key drivers of VC and PE attractiveness, but especially with respect to its capital market. Second, China attracts venture capital and private equity with its sound economic conditions and deep capital market liquidity. Third, tax incentives hardly differ between the upper quartile countries. Fourth, even upper quartile countries score sometimes notably below the US in terms of investor protection and corporate governance, human and social environment, and entrepreneurial culture and deal opportunities.5

Focusing on other high ranked countries, we find many economically strong nations with vibrant entrepreneurial cultures and deal opportunities, and with an excellent human capital and social environment. However, the most decisive criteria for

a lower score compared to the US are the financial markets, and in many cases also investor protection and corporate governance quality. These findings point to the discussion about the competition of legal systems and the relation between law and finance, as all strong countries score highly for the investor protection and corporate governance key driver. Strong investor protection spurs the development of capital markets, which are required for the establishment of VC and PE dealsupporting institutions.

More details

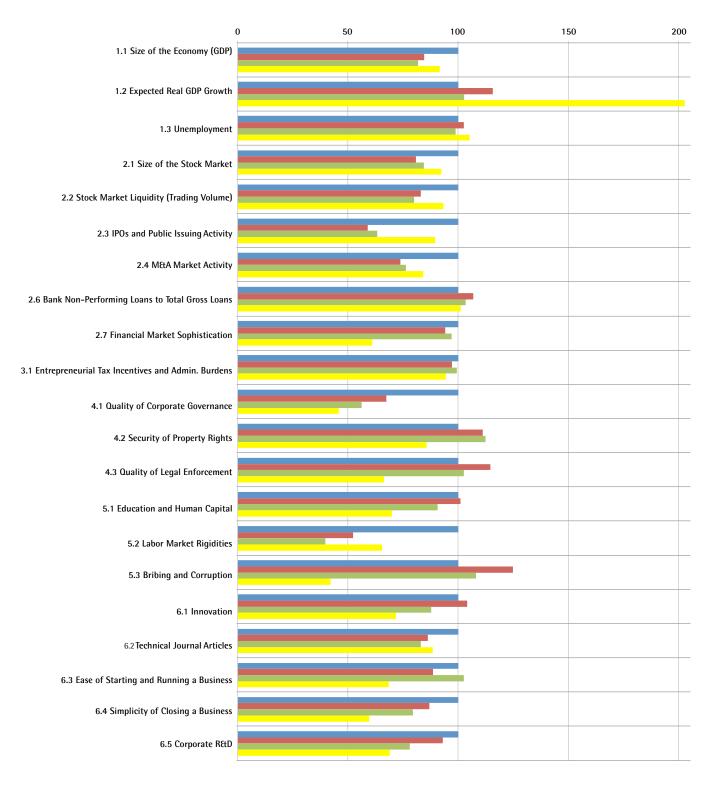
We further break down our analysis on the level-2 constructs and provide more details to support the general pattern detected.



⁵ This pattern is confirmed by further analyses which are presented in the appendix of this annual where we benchmark every individual country against the US.

I. The Global VCPE Country Attractiveness Index

Exhibit 4: Level-2 Constructs Comparison of the United States, France, Germany and China



United States (1.) Germany (9.) France (15.) China (22.)

Exhibit 4 points to the distance between the US, Germany, France and China with respect to the level-2 constructs that asses the public equity and M&A market, the quality of corporate governance, and the rigidity of labour markets. It also reveals the extraordinary growth prospects of the Chinese economy, and its well developed capital market. In contrast, the Western European economies France and Germany are appreciated for their property rights protection, their quality of legal enforcement possibilities and for low perceived bribery and corruption. These aspects still remain obstacles in China. Finally, the excellent score of the US for the entrepreneurial culture and deal opportunities key driver is mainly related to academic research output and to the administrative simplicity and low cost of starting, running and closing a business.

Historic comparison –improvements in VCPE investment conditions and national crises

In order to demonstrate shifts in VCPE country attractiveness, we perform a five year comparison of the 2008 and 2012 rankings. Exhibits 5A and 5B show the rank changes (positive to the right and negative to the left) of our sample countries between the two indices. They provide interesting insights and reveal a strong increase of VC and PE attractiveness for certain countries, and the impact of the financial and economic crisis on others. It should be stressed that according to the methodology of the index calculation, the scores are calculated relative to the other countries in the sample. This means that those countries which gained or lost ranking positions did not necessarily improve or worsen their investment conditions in absolute terms. They may simply have outperformed or been outperformed by others in the international competition to attract capital resources.

We find that Tunisia, Morocco, Saudi Arabia, Egypt and Kuwait are "the winners that rose at least ten ranks."⁶ Even if Tunisia's and Egypt's economic growth prospects have been reduced as a result of the recent political turmoil, their enormous ranking gains are due to the strong development of their capital markets and, in case of Tunisia, of its improvement in corporate governance quality. Morocco has favourable economic growth prospects and also increased M&A and debt market liquidity. Saudi Arabia saw substantial improvements in its economic outlook, M&A market, and human and social environment.

At the bottom end of the exhibit, we find those countries that lost ranking positions in the global competition. Unfortunately, Nigeria, Venezuela, Greece and Iceland close the list of our countries which dropped in their rankings and we note that Ireland also lost eight ranking positions. Nigeria and Venezuela have been outperformed by their peers. For Greece, Iceland and Ireland, the deterioration is due to the sovereign debt crises with the related consequences for economic growth and the depth of capital markets. Additionally, Greece reveals substantial weaknesses in terms of its human and social environment which is not on the level of its Western European peers.

For more information and comparisons, we refer to the regional and individual country profiles in a subsequent section of this annual, and to our website http://blog. iese.edu/vcpeindex/ which allows direct benchmarking of countries.

⁶ We note that Rwanda, Ghana, and Albania also remarkably increase their ranking. However, these countries remain in very low positions and it is a characteristic of the rescaling methodology that small changes in particular data series can cause dramatic ranking fluctuations at those index levels. Moreover, even after their strong gains in ranking positions, only Ghana, with an index score of 45.9, is at the threshold level where we start observing actual VC and PE activity, as we explain in a subsequent section of this annual.

I. The Global VCPE Country Attractiveness Index

Exhibit 5A:

Rank Changes Between Index Version 2008 and 2012 *First Half of Countries*

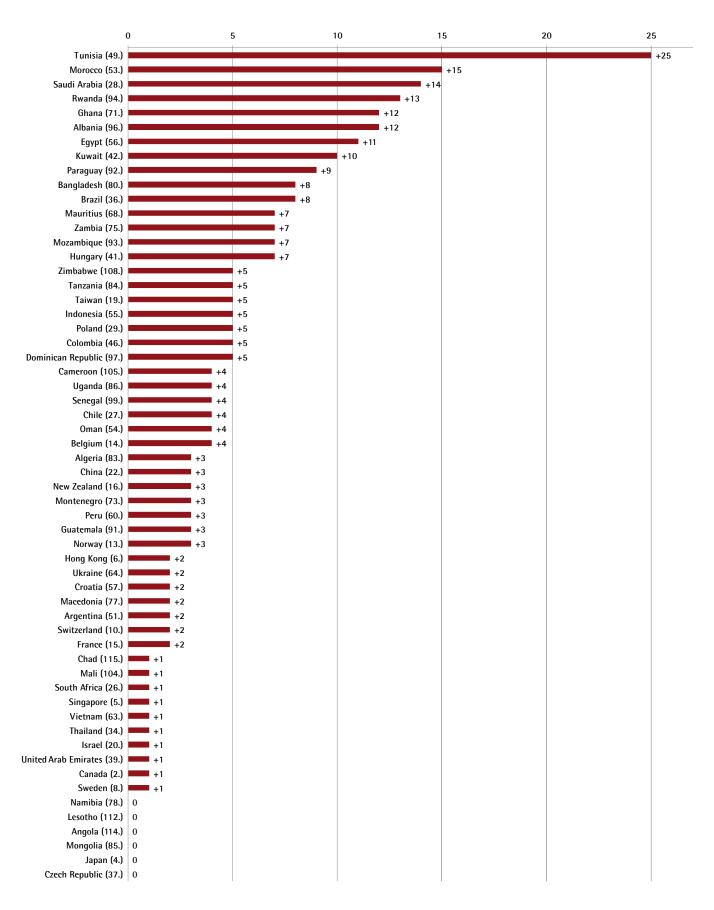


Exhibit 5B:

Rank Changes Between Index Version 2008 and 2012

Second Half of Countries

	-40 -	-35	-30	-25	-20	-15 -	-10	-5
Slovakia (47.)								
Slovenia (45.)								
Serbia (70.)								
Mexico (38.)								
United States (1.)								
Denmark (11.)								
Burundi (116.)								-1 🚃
Madagascar (111.)								-1
Bosnia-Herzegovina (72.)								-1 💻
Romania (50.)								-1 💻
Ecuador (88.)								-1 💻
Luxembourg (33.)								-1 🚃
United Kingdom (3.)								-1
Austria (21.)								-1
Mauritania (113.)								-2
India (32.)								-2
Malaysia (25.)								-2
Russian Federation (43.)								-2
Australia (7.)								-2
Latvia (59.)								-2
Moldova (95.)								-2
Turkey (35.)								-2
Jordan (52.)								-2
Spain (24.)								-2
Netherlands (12.)								-2
Germany (9.)								-2
Italy (30.)								-2
Portugal (31.)								-2
Benin (109.)								-3
Bulgaria (58.)								-3
Uruguay (76.)								-3
Nicaragua (107.)								
Botswana (81.)								-3
Korea, South (18.)								-4
Philippines (65.)								-4
Estonia (40.)								-4
Syria (102.)								-4
Finland (17.)								-4
Kenya (74.)							-	-4
Lithuania (48.)							-5	
Cyprus (44.)							-5	
Ethiopia (103.)							-6	
Malawi (103.)							-6	
Armenia (90.)								
Burkina Faso (106.)							-6	
Pakistan (69.)								
							-7	
Kyrgyzstan (98.) Jamaica (87.)							-7	
Bahrain (61.)							-7	
							-7	
Côte d'Ivoire (100.) El Salvador (89.)							-8	
							-8	
Ireland (23.)						-	-8	
Georgia (82.) Karakhatan (67.)						-10		
Kazakhstan (67.)						-11		
Nigeria (79.)						-14		
Venezuela (110.)						-14		
Greece (66.)				-2	0			
lceland (62.)	-36							

Emerging market VC and PE and the BRICS

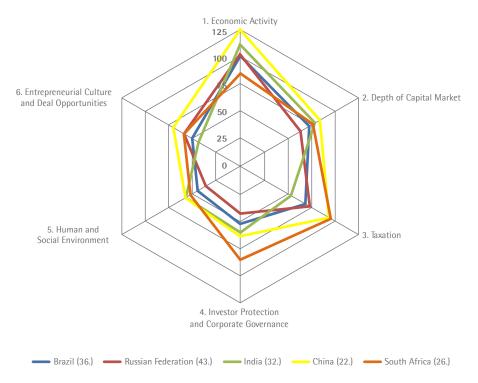
Emerging markets, and in particular the BRICS (Brazil, Russian Federation, India, China and South Africa), have received substantial attention and VC and PE flows in recent years. China is meanwhile among the most active countries world-wide with respect to VC and PE, closely followed by India. Brazil has seen substantially improved investment conditions and South Africa is already highly ranked, probably due to its ties with the UK and the establishment of a similar legal and capital market oriented culture. Only Russia lags behind her peers, which seems to be related to some of the factors set out in Exhibits 6 and 7.

Investors seek to capitalise on the enormous expected growth provided by the large populations and the catch-up potential of the BRICS. China leads our overall ranking with respect to its exceptional economic growth and ranks number two in stock market trading volume and in the volume of public issues. However, the exhibit also reveals the skewness among the key driving factors of VC and PE attractiveness. The BRICS are characterised by a peak towards their economic activity (although this is less pronounced for South Africa due to its smaller economy and high unemployment rate); but despite the existence of deep capital markets, the important key drivers "Investor protection and corporate governance" (less so for South Africa), "Human and social environment", and "Entrepreneurial culture and deal opportunities" are relatively poorly developed. This effect can be reconciled by considering the level-2 constructs.

Exhibit 7 presents the scores of the level-2 constructs for the BRICS. It shows the expectations of growth and the deep capital markets. However, it also points to some general concerns about the BRICS and for emerging market VC and PE in general. Corporate governance indicators (with the exception of South Africa) and investor protection still remain obstacles. Further, perceived bribery and corruption levels

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Exhibit 6: The Six Key Drivers for the BRICS

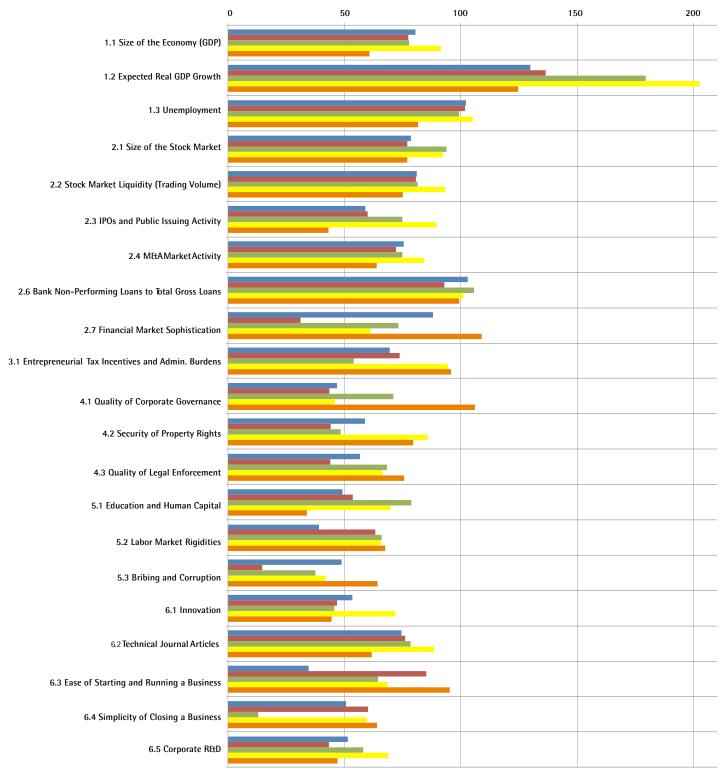


are high, while innovations and corporate R&D remain relatively low. These arguments are particularly valid for Russia, and thus, explain its lag compared to the other BRICS. We know from the BRICS and emerging countries that growth and development are mainly concentrated in particular hubs or certain regions, but are not widespread. We also know that the benefit of wealth creation is often allocated among small elite groups and not larger parts of the population. This presents not only socioeconomic and political challenges in those countries, but also affects their VC and PE attractiveness. If the countries cannot transfer the wealth effects of growth to a broader part of their population, this is unlikely to improve the other key driving forces for VC and PE attractiveness, and if the pace of economic growth slows down,

the countries will experience a deterioration in their VC/PE attractiveness ranking.

In summary, the BRICS and other emerging markets provide many investment opportunities and have strong financing requirements for their expected economic growth. However, it is more challenging in many emerging countries to get access to high-quality transactions because of the relative immaturity of the institutional deal-supporting environment. Hence, deal flow can be cumbersome and costly. Furthermore, if the protection of investors is insufficient, and if bureaucracy and perceived bribery and corruption are high, then the net returns to investors might suffer. Limited partners should carefully consider the advantages and disadvantages of the emerging opportunities as the exceptional growth comes at a certain cost.





Brazil (36.) Russian Federation (43.) India (32.) China (22.) South Africa (26.)

Tracking power of our index

Our index ranks the attractiveness of countries to receive VC/PE allocations from institutional investors based on many socio-economic data series. The composite measure can deviate from the actual risk capital market activity and these deviations might point to an inaccuracy of our measure. With respect to their allocations, investors are often influenced by herding behaviour and follow trends to certain countries and regions, especially driven by growth expectations. However, the countries might not have sufficiently developed "VC/PE infrastructure" to absorb the committed capital, leading to over-funding. The VC/PE infrastructure is exactly what we aim to assess with our index: can we expect sufficient VC and PE deal opportunities resulting from the entrepreneurial culture in a country, from its economic soundness, or from innovations? Are potential transactions efficiently supported by the financial community? Are the public equity and M&A markets liquid enough to facilitate divestments? Are investors' concerns legally taken care of? We do not claim that our index provides the correct answer to these questions, however we submit that it is comparatively helpful in this respect. Therefore, we expect deviations between our attractiveness measure and

actual VC and PE activity in the particular countries to be at a minimum level.

To analyse the tracking power of our index, we compare the index scores with the actual VC and PE activity in the various countries using the data from Thomson One. Our activity measure is the logarithm of an average of all VC and PE investments made by the general partners in a certain country over the last three years. We use the logarithm to account for the large activity divergence (e.g. activity in the US vs. several emerging countries), and we use an average over three years to smooth fluctuations. For some emerging countries in particular, annual activity strongly fluctuates from peak levels to zero in subsequent years. We chose the criterion "location of the general partners" - and not of the investments - for the following reason: some financial centres serve as hubs and channel VC and PE abroad. Investors allocate their capital to these hubs because they can rely on the efficiency of the financial community there. This is exactly what we try to measure with our index. In fact, we focus on the demand for VC and PE in a particular economy, and similarly on the state of the professional financial community that supports the

supply side and directs the funds to the investee corporations. In addition, we use investments — and not raised funds because our index measures the "absorption capacity" (either caused by direct local demand or by channelling funds abroad) of the particular economies. Raised funds might deviate from this absorption capacity due to the herding behaviour of investors, caused by over-optimism or negligence.

The statistical measure for such a comparison is the Pearson correlation coefficient. It lies between 0 and 1, where 0 signals "no" and 1 "perfect correlation." The coefficient for our index is 0.84, signalling that the index excellently tracks world-wide activity. We illustrate this high correlation in Exhibit 8.

Exhibit 8 shows the tracking power of our index. We plot the countries' investment activity on their index scores and identify a strong link. The exhibit further illustrates that we only observe VC and PE activity at index levels above approximately 45 points. For countries with scores below this level, no activity is (publicly) reported. Hence, 45 points can be considered a threshold for the emergence of VC and PE activity.

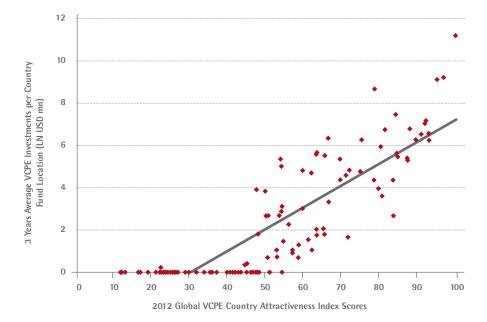


Exhibit 8: Tracking Power of our Index

Our index and historic VC and PE returns

Concurrent to the finding that our index performs well when tracking VC and PE activity, it is of particular interest to analyse whether it also corresponds with the average performance achieved in the particular countries. Unfortunately, performance figures are still one of the best kept secrets in the VC and PE industry. The principle of non-disclosure of information on returns is equally valid in developed and in emerging markets. In addition, the emerging VC and PE markets are young with generally low activity (despite some exceptions), and hence there are very few transactions from which achieved returns can be calculated. Therefore, an assessment of VC and PE performance is even more challenging for the developing countries than for the developed. Commercial data suppliers provide only very limited performance figures. The only way to obtain reliable performance data on a sufficient number of transactions for empirical analyses is via an extensive effort to collect private placement memoranda (PPMs). A private placement memorandum is a document edited by a general partner that raises a VC/ PE fund and solicits capital commitments from institutional investors. It is a marketing document used for fundraising purposes. General partners provide information about their track records and the performance of individual transactions in PPMs. The figures

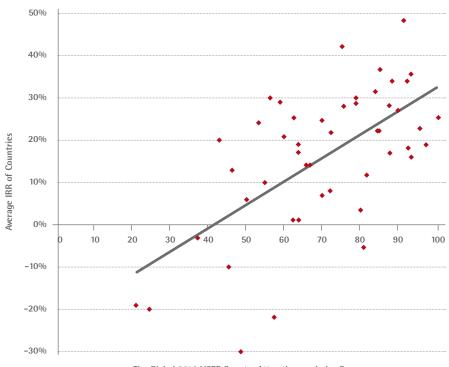
are audited and investors trust them. However, only successful general partners raise a subsequent fund and edit a PPM. Therefore, their use is criticised by academic researchers, as average performance figures from PPMs are upward biased. Nevertheless, there is no reason to believe that this upward bias is different among particular countries. This means that benchmarking countries is feasible: because the countries are compared on a consistent relative basis, absolute terms are not important.

Using PPMs, Lopez-de-Silanes, Phalippou and Gottschalg (2010) put together the most comprehensive database on VC and PE returns at the investment level, containing the performance and characteristics of 7,453 investments, of which 1,694 were in emerging countries. The first transaction considered was closed in 1971 and the last prior to 2006. We are grateful to Ludovic Phalippou for providing us with aggregated country returns from this database. These returns are compiled as the mean average of gross internal rates of return of all transactions in a particular country. We are aware that this is a rough estimate, disregarding different fund vintage years, industries, deal structures and development cycles of the particular VC/PE markets. Unfortunately, controlling for these effects is impossible with the data available.

In addition, an IRR is a capital- and timeweighted return measure that requires a reinvestment assumption and that has aggregation issues as described in Phalippou (2008). However, the IRR pitfalls are the same for all transactions and for all of our countries. Therefore, they do not affect our cross-sectional country benchmarking approach.

With these aggregate performance measures, we can not only analyse the extent to which our index tracks VC and PE market activity, but also the average country returns. We note that the Lopez-de-Silanes, Phalippou and Gottschalg (2010) data include transactions in four emerging markets with index scores below the previously discussed cut-off rate of 45 points. However, these transactions took place several years ago and are not reported in the Thomson One database. We can match the index scores of 48 countries (of which 24 are emerging countries) with their aggregate performance data. There are at least 10 observed IRRs for each country. We find that the correlation between the index scores and a country's average gross internal rate of return is 0.62. This high correlation is presented in Exhibit 9, which plots the average of the country returns on their index scores.

Exhibit 9: Historic Performance and our Index



The Global 2012 VCPE Country Attractiveness Index Scores

Exhibit 9 shows that our index is not only a valid proxy for VC and PE activity; it is also a good indicator for aggregate historic country returns. It is evident that the averages of historic gross internal rates of return were larger in countries that rank higher in our index than in low-ranked countries. The regression line has a slope of 0.55 %, signalling that a one point increase in the index score comes with a 0.55% rise of average historic IRRs. Nevertheless, there are "outliers," meaning low ranked countries with high returns and vice versa Additionally, there is a strong dispersion of returns within each particular country, driven by very successful transactions and complete write-offs in any of them. We highlight that the internal rates of return collected by Lopez-de-Silanes, Phalippou

and Gottschalg (2010) are calculated gross of any fees. We can assume that fees are higher for investors in immature markets with less competition among general partners. Therefore, we expect the less competitive emerging countries to be more costly for investors. This effect supports our result and would be expected to increase the correlation if we considered net returns to investors.

Nevertheless, analyses with return data have to be treated with caution as historic returns are not necessarily good proxies for future returns. Additionally, for 11 emerging countries the number of recorded deals is between 10 and 20 only. Therefore, their IRR averages can be affected to a greater extent by outliers.

Summary and outlook

We provide a composite measure that determines the attractiveness of 116 countries to receive capital allocations from investors in the VC and PE asset class. The composite measure is based on six main criteria: economic activity, depth of the capital markets, taxation, investor protection and corporate governance, the human and social environment, and entrepreneurial culture and deal opportunities. The definition of these criteria is based on an extensive review of academic literature. on a survey of institutional investors we conducted prior to our study, and on our own econometric analyses. The six criteria are not directly observable. Therefore, we use proxy variables to assess them for each country. As a result, we obtain a country ranking and provide detailed analyses on the strengths and weaknesses of the particular nations and information on the historic development of the criteria. Our index performs well in terms of explaining the differences of observed VC and PE activity, and excellently tracks historic country performance. However, it does not qualify as a crystal ball for investment advisers. We highlight our intention to enrich the discussion regarding national VC and PE markets and to propose a valuable informational tool, rather than an arbitrage instrument.

We find a general pattern if we compare country characteristics. There is considerable dispersion with respect to the six key drivers. Some countries attract investors with tax incentives. Many countries show strong entrepreneurial culture and deal opportunities. There is great dispersion in economic activity, especially with respect to emerging markets and in the human and social environment. However, the two key criteria, depth of capital markets, and investor protection and corporate governance make the difference across the large sample. Common law countries dominate the others regarding these criteria. We observe that strong investor protection and corporate governance rules favour deep and liquid capital markets. These elicit the required professional community to secure deal flow and exit opportunities for VC and PE funds which affects a country's attractiveness for institutional investments in the VC and PE asset class.

However, this discussion reflects the capital supply side only. We should also take into account that, as revealed by our analyses, many countries lack several important characteristics. Without a sufficient entrepreneurial culture, and with rigid labour markets, bribery and corruption, there will be firstly less demand for VC and PE, and secondly returns to investors will diminish.

Emerging VC and PE provide interesting opportunities to investors. However, it is the discussed lack of balance of the key driving forces that renders emerging VC/PE allocation decisions challenging. Exceptional growth opportunities come at the cost of disadvantageous conditions with respect to investors' protection, usually less liquid exit markets, lower innovation capacity and higher perceived bribery and corruption.

We invite you to examine and thoroughly analyse our results. If you are an investor, please enrich the information provided with your own expertise and knowledge about the key driving forces and market conditions in the individual countries to make your allocation decisions. If you are a politician, please use our analyses as a demonstration of how investors can evaluate and benchmark countries. If you are a researcher, and this is equally valid for the whole constituency, please do not hesitate to criticise our approach and findings. We will continue to update our index annually and very much appreciate any critique and comment.



Part II Guest Contributions

Venture Capital and Internationalisation

Venture capital (VC) and private equity (PE) fundraising and investment have become an international business. Today, general partners (GPs) raise capital from limited partners (LPs) located outside their home country and also invest in portfolio companies abroad. According to transaction data from Zephyr, a foreign GP participated in every third VC deal carried out worldwide between 2000 and 2008. Participation in foreign VC transactions is by no means limited to large global VC players: almost 30 percent of all GPs worldwide have already financed a portfolio company outside their home country. While the Zephyr database provides information on PE and VC deals, these and the following numbers exclusively refer to

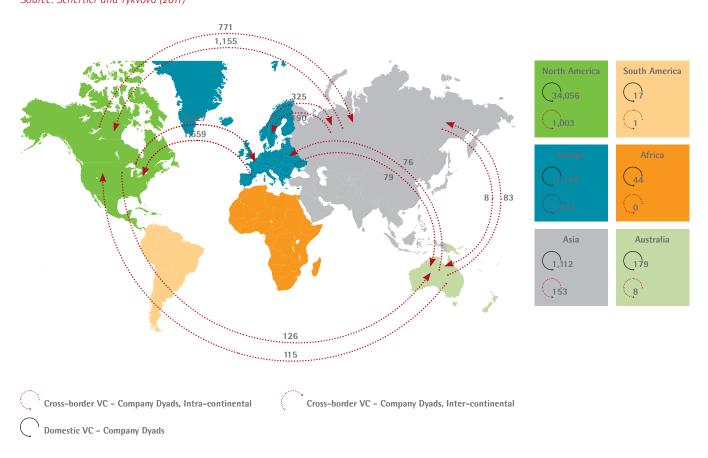
VC deals, as we excluded all transactions defined as institutional buyouts, management buyouts and buy-ins and included only minority deals if the investors' business description stated "venture capital".

Our recent research analyses the internationalisation patterns of VC investments, and hence, the criteria for and ways of financing companies abroad. The figure below depicts worldwide crossborder VC investment activity based on data from Zephyr, showing the number of domestic, intra- and intercontinental VC dyads. Each connection between a sponsor and a portfolio company counts as one dyad. Many transactions are syndicated, and Andrea Schertler, University of Lüneburg, andrea.schertler@leuphana.de

Tereza Tykvová, Hohenheim University, tereza.tykvova@uni-hohenheim.de

hence count several dyads. The domestic dyads of Northern American GPs are the most frequent ones with more than 34,000 relations between US sponsors and US companies and Canadian sponsors and Canadian companies. They are followed by domestic dyads of European GPs, numbering nearly 11,200. When looking at cross-border activity, the bulk, namely more than 3,400, of intracontinental cross-border investments takes place within Europe. Intercontinental investments are intensive between Europe and the United States in both directions, with more than 2,600 relations of European GPs and US companies and nearly 1,600 dyads with venture capital flowing in the opposite direction.

Figure 1: Domestic, Intracontinental and Intercontinental VC Dyads (2000–2008) Source: Schertler and Tykvová (2011)



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Factors shaping cross-border flows

Given the nature of VC finance, which is characterised by hands-on management support and tight control, cross-border investments are expected to come at a higher cost than domestic investments, as the costs of producing information concerning distant companies are higher. Hence, these additional costs must be compensated by benefits. When investing abroad, GPs may benefit from exploiting investment opportunities in growing markets and by diversifying their portfolios across countries. In Schertler and Tykvová (2011), we investigate whether economic factors capturing the costs and benefits of VC investments help explain cross-border VC flows. The results indicate that countries with higher expected growth, higher stock market capitalisation and higher innovativeness are more successful in attracting foreign GPs than countries with low growth chances, poor capitalisation and low innovativeness. At the same time, GPs located in countries with a higher capitalisation invest more frequently abroad than sponsors in countries with a poor capitalisation.

In addition to these economic factors, we also study how characteristics of GPs, portfolio companies and deals, such as the domestic experience, portfolio companies' industry affiliation and deal size, affect cross-border VC activity. Three results are worth mentioning. (i) The GPs' domestic experience goes hand in hand with a higher number of crossborder investments. Hence, domestically experienced GPs seem to be able to exploit the advantages of internationalisation more effectively than their less experienced counterparts. (ii) Portfolio companies operating in certain industries are more likely to receive financing from a foreign investor. In our sample, portfolio companies from industries such as Biotechnology, Pharmaceuticals and Life Sciences have a much greater

likelihood of being financed internationally than companies in other industries, such as Computer, IT and Internet Services. (iii) The likelihood of foreign investors' participation increases with the deal size. Foreign GPs have higher participation chances in large rather than in small deals. This size effect is even more pronounced when the deal is carried out in a small country.

Net inflows

Cross-border flows are also interesting to study from a policy perspective, since foreign GPs may step in and offer funding to risk capital seeking companies if policy fails to create a viable tax and legal environment for VC intermediation. From a policy maker's perspective, however, studying net crossborder inflows is more relevant than gross inflows because only net inflows provide insights into the attractiveness of a country's target firms relative to its peers. Net crossborder inflows are defined as gross inflows (the investments portfolio companies in a country receive from abroad) minus gross outflows (the investments that sponsors in that country make abroad). The figure determines how much more venture capital a country attracts from other countries than its GPs originate abroad, while gross inflows ignore that funds located in a particular country often invest internationally. In fact, for most countries, we observe that GPs have international exposure, and, at the same time, portfolio companies receive foreign investments.

In Schertler and Tykvová (2012), we investigate whether economic factors shape gross and net cross-border flows differently. Our results indicate that most economic factors shape gross and net outflows in a similar way. For instance, higher stock market capitalisation and a more favourable environment for VC intermediation entail higher gross and net

outflows, while higher expected growth goes hand in hand with lower gross and net outflows. Our results also indicate that some economic factors shape gross and net inflows differently: Higher stock market capitalisation comes with higher gross inflows, but with lower net inflows. Hence, gross outflows respond more strongly to capitalisation than gross inflows, which gives rise to a negative relation between capitalisation and net inflows in a country. In a similar way, a more favourable environment for VC intermediation leads to higher gross inflows, but to lower net inflows. This finding may indicate that sponsors settle in countries with attractive tax and legal environments for VC intermediation and exploit investment opportunities in countries with fewer such favourable conditions.

Local ties and VC inflows

Ties between domestic VC investors in a country might affect cross-border VC flows to that country. It is, however, a priori, not clear how these local ties will affect the cross-border VC flows. There may be at least three potential mechanisms at work. First, domestic investors may protect the local market from the entry of foreign investors. If they form ties with each other to achieve this goal, strong local ties in the country discourage investments from abroad (market protection hypothesis). Second, strong local ties may prevent foreign investors from directly accessing local deals but they may allow for syndication between domestic and foreign GPs. In this case, strong local ties only discourage stand-alone investments of foreign funds (collusion hypothesis). Finally, cross-border VC syndicates may combine complementary experience, skills, and networks of several sponsors, which may be particularly beneficial to internationalising portfolio companies. If this is the case,

local ties would encourage cross-border syndication (value-adding hypothesis).

In Tykvová and Schertler (2011), we investigate these hypotheses. Our results indicate that a country's gross cross-border inflows increase with increasing local tie intensity in that country. While the amount of standalone cross-border deals is not affected by strong local ties, the amount of deals syndicated among domestic and foreign funds is positively related to local tie intensity. In addition, the likelihood of a foreign and a domestic GP syndicate increases with higher tie intensity. These results are in line with the value-adding hypothesis. Local tie intensity seems to support the entry of foreign sponsors and to help create additional value through cross-border syndicates. Finally, this local-tie effect seems to be less pronounced for those foreign investors who enter the respective country for the first time. Obviously, a lack of experience and a lack of contacts to domestic investors in a particular country represent an entry barrier for these investors.

Syndication between foreign and domestic investors

Our previous discussion has already pointed to the importance of syndication between foreign and domestic VC investors. Foreign GPs are indeed often invited by domestic GPs to participate in a transaction. The table below, based again on data from Zephyr, summarises recent worldwide internationalisation and syndication patterns. Between 2000 and 2008, we count 7,947 cross-border deals, 4,523 of which (56.9%) are financed by a foreign-domestic syndicate. 2,779 cross-border deals are performed by a single investor and 645 are financed by syndicates of foreign-only investors. Regarding the 15,879 domestic deals, 7,474 are domestic stand-alone deals and 8,405

Table 1:

Internationalisation and Syndication (Worldwide, 2000–2008)

Source: Tykvová and Schertler (2012)

	Domes	tic deals	с	ross-border dea	ls
Number of deals (%)	15,87	9 (66.7%)		7,947 (33.3%)
	Stand- alone	Domestic syndicates	Stand- alone	Foreign- domestic syndicates	Foreign syndicates
Number of deals %	7,474 31.4%	8,405 35.3%	2,779 11.7%	4,523 19.0%	645 2.7%
Average number of domestic and foreign GPs	1	3.2	1	4.3	2.7
foreign GPs domestic GPs	0	0 3.2	1 0	1.6 2.7	2.7 0
Average number of GP countries	1	1	1	2.5	1.9

are syndicated among domestic GPs. The number of syndicate members differs across the various syndicate types, with foreigndomestic syndicates being the largest one consisting of 1.6 foreign investors and 2.7 domestic investors on average.

In Tykvová and Schertler (2012), we argue that syndication with domestic GPs helps foreign investors to overcome the complexity of investing in distant regions. In addition, it also compensates for a lack of local experience. We find that not only large, but also smaller and less experienced GPs are able to exploit the potential advantages associated with internationalisation. Our results further suggest that, in some cases, the geographical distance between the sponsor and the portfolio company does not hinder participation in syndicated deals. More specifically, geographical distance becomes irrelevant in subsequent rounds (but it is relevant in the first round), in late-stage deals (in contrast to early-stage deals), and in very large deals (in contrast to small deals). We focus not only on geographical distance between the GPs and their investees, but we also analyse differences in countries' legal and cultural institutions (institutional distance). Our results suggest that GPs handle geographical and institutional distances differently. For example, experienced GPs do not attribute great importance to the distance of their syndication partners, but they do find the institutional background of their partners to be crucial and tend to choose partners with similar institutional backgrounds.

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Ongoing Tensions in the GP-LP Relationship

By Paul Hodkinson, Editor, Private Equity News

During the more prosperous period for the private equity industry between 2004 and 2007 there was not a great deal of attention focused on the relationship problems between general partners and their investors (limited partners). But following the financial crisis and the subsequent difficulties in generating strong performance, private equity firms have found themselves less able to keep investors happy and attract new parties simply through their returns alone.

The turbulent economic conditions mean the fees charged by fund managers (general partners) and the agreements they have with their investors have come under increased scrutiny.

History of fees

The 20% of carried interest fund managers receive if their fund is successful is not a new concept. Quite when private equity began is open to debate but some point to the maritime trading culture of the Phoenician civilisation between 1550 BC and 300 BC, where merchants kept a fifth of the profits from successful voyages, distributing the rest to their investors. This is what Alfred Winslow Jones, a founding father of the hedge fund industry in the 1950s, claimed was his inspiration for taking 20% of profits on successful investments, according to Sebastian Mallaby's book More Money than God. Taking a portion of profits on successful ventures was widely used in shipping. Ahead of his journey to America, Christopher Columbus was forced to raise money from royalty to fund his voyage and he attempted to demand a 10% share of all revenue in any lands he might discover. Other captains are said to have taken more.

In addition, the 1.5% to 2% of commitments that investors pay as an annual fee dates back to the early days of the industry when funds were small and there was no guarantee of them reaching the 8% return hurdle required to generate carry. Even if the funds did reach that level it would take years for the partners at a private equity house to receive the cash.

Joseph Rice, co-founder of Clayton Dubilier & Rice, who started working in private equity in the 1960s, said things changed dramatically in the 1980s when the first funds were raised. He said before that firms tended to operate with performance fees and an 'eat what you kill' approach, but without ongoing management fees.

The introduction of management fees meant private equity executives were able to pay their bills and cover other costs necessary for them to attempt to generate large returns from the fund. Alignment of interests -something the industry proudly points to as a key strength – remained firmly in place. Yet as fund sizes rose to figures as high as \$10bn to \$15bn the management fee became a profitable revenue stream for fund managers in itself. For the first time partners at GPs could get rich even without making money from investments.

Fund managers also began charging portfolio companies other fees, such as transaction fees (to cover the cost of acquiring and selling a business) and monitoring fees (to cover the cost of managing the business). Given investors had little ability to force through changes in the boom years as they were all so keen to be given access to the best performing funds that few cared about the costs associated, it is little surprise that such arrangements are only now being addressed.

Recent changes

Fundraising has suffered badly since the onset of the financial crisis. Last year 163 Europe-based funds worth a total of \notin 43.2bn were raised, according to data provider Preqin. This was the second-lowest value of funds raised since 2004 and the second-lowest number of funds raised since records began in 2000. In 2007, 415 funds worth \notin 109.1bn were raised.

There are various reasons for this. Some investors have found themselves cash constrained from the denominator effect, others have their capital locked up in boom-time funds and some – especially fund of funds – are narrowing the number of funds they commit to.

In response the most recent wave of fundraisings have seen general partners

attempt to appease investors with concessions on the additional fees.

Whereas most or half of the transaction fees and monitoring fees used to be paid by the portfolio company directly to the GP, terms began to change where 80% or 100% was paid directly to the fund itself, benefiting investors first and foremost.

This is not to say these additional fees have decreased, however. Research, by data provider Preqin and law firm Dechert found fees as a percentage of deal size rose to a mean average of 1.04% in 2009-2010 on deals in excess of \$1bn, compared with an average 0.8% during 2005-2008. For monitoring fees, the biggest rises were seen in deals under \$500m, with private equity firms taking an average 2.53% as a percentage of earnings before interest, taxes, depreciation and amortisation during 2009-2010, compared with 1.92% during 2005-2008.

In addition, some firms have found it helpful to offer a generic discount to investors across all fees. BC Partners has already beaten its €6bn target after offering a 5% discount across all fees to investors that took part in the first close. EQT Partners managed to raise €4.75bn with the same discount and Permira has offered the same thing on its €6.5bn fundraising.

BC Partners also changed its fund structure from a US carry system – where profits are paid to the GP on a deal-by-deal basis with a clawback required at the end of the fund if later investments do badly – to a European model – where profits are paid to the GP only after the entire value of the fund has been returned to investors. Then again some firms have managed to avoid such measures. Montagu Private Equity raised €2.5bn from investors without

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offering concessions and Apax Partners is expected to hit a €5bn first close for its €9bn fundraising in March despite not offering concessions.

Some high-profile problems

There have been various situations where investors have flexed their muscles and refused to back GPs.

At the start of this year UK mid-market firm Duke Street shelved its €850m fundraising and said it would seek to raise money through a deal-by-deal financing model. The firm, which had been attempting to raise the fund for about a year, had been expected to reach a €250m first close by Christmas and this was subsequently delayed to early this year. The firm said it aims to return to market with a traditional fund offering in the coming years when investors are less cash constrained. The firm's new fund structure will see it attempt to raise capital from investors for every one or two deals it does.

Other firms have been unable to think so far ahead after struggling to raise funds. Last autumn, UK private equity firm Advantage Capital failed to save itself from closure after it was unable to raise a new fund.

The firm had been attempting to replace investor Robert Adair, chairman of UK oil and gas exploration company Melrose Resources, who in February last year told the firm he could not honour his personal commitment to its second buyout fund. Adair represented more than 90% of Advantage's £40m fund, raised in 2007. In an unusual move, Advantage took Adair to court for cancelling his commitment where he was ruled in breach of contract and early last year it emerged the firm had secured a seven-figure damages settlement. Advantage Capital was dependent on one main investor in the same way that various firms are. Candover Partners hit problems itself in 2009 and 2010 after its parent and lead investor, Candover Investments, encountered liquidity issues. The ultimate outcome saw Candover Investments go into run off and the Candover Partners team spin off and launch a new firm, Arle Capital Partners. Around the same time SVG Capital renegotiated a commitment it had made with affiliated buyout firm Permira.

There have also been situations where the tensions between the GP and LP have turned acrimonious.

Last year one of Spain's best-known private equity firms, Ibersuizas, lost a battle to retain control of two of its buyout funds. Ibersuizas and a group of departed executives, who launched rival firm Portobello Capital, took out lawsuits against each other after a struggle over control of €500m of buyout funds was won by Portobello late the previous year.

Last autumn investors voted to take control of a portfolio away from one of Italy's best-known private equity firms in a rare example of a "no fault" divorce clause being triggered in Europe. Funds previously controlled by BS Private Equity were taken away to give to a new manager after the investors – led by an advisory committee of HarbourVest Partners, Adams Street Partners and Danske Private Equity – voted to remove the manager using the clause, people close to the situation said.

Perhaps the most widely trailed example of a dispute between a GP and some of its LPs came in 2009 and 2010 when a management change at French buyout firm PAI Partners triggered a "key man" clause, which threatened to stop the firm being able to use its €5.4bn buyout fund. After about 100 days of negotiations with investors PAI agreed to halve the size of its fund and 67.6% of investors – just above the two-thirds threshold required – voted for it to be reactivated.

One of the investors, Canada Pension Plan, went as far as to instruct legal counsel to question the outcome of the fund reduction vote. CPP had sought to cut the fund further. But the issue was ultimately resolved amicably.

In more rare cases, GPs take an aggressive stance with their investors. In 2009 Italian buyout firm InvestIndustrial entered negotiations to resolve a situation where two of its investors defaulted on a commitment to fund a deal. A part of the estate of bankrupt US bank Lehman Brothers and US fund of funds HRJ Capital defaulted on a capital call for funds for the buyout firm to increase its stake in motorcycle company Ducati. The firm contacted its lawyers to examine its contract with investors to make sure it was best placed in negotiations. However, the firm ultimately moved to bring the dispute to a peaceful conclusion.

Many of the disputes and problems have caused investors to pore over fund documentation with renewed vigour. Areas of particular interest have been: transparency at the GP; succession issues at GPs; investment period extensions; and clauses on defaulting investors.



Failure to push hard on changes

In theory, investors should be using the market conditions to dictate the terms they want from GPs. But there have not been many major changes to the traditional agreements.

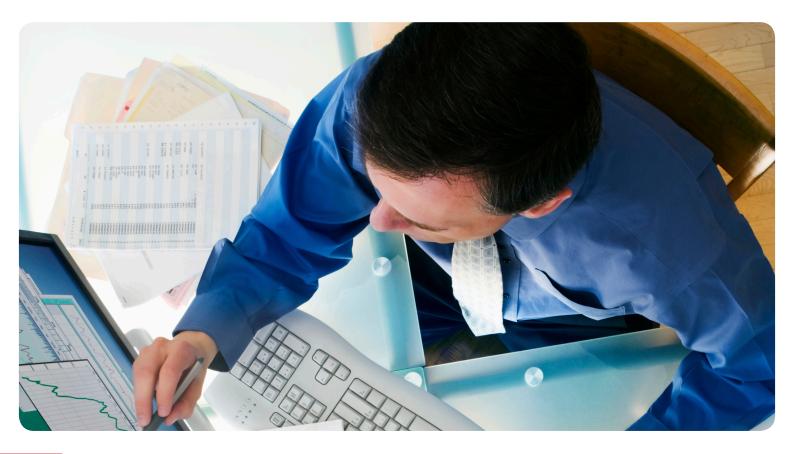
Even the 'ILPA principles' – a set of guidelines proposed by the Institutional Limited Partners Association – have failed to make a significant shift in terms. Much of this is due to investors' continued eagerness to have access to the best-performing funds. Various surveys of investors found that investors typically started out in negotiations by insisting GPs comply with the ILPA guidelines but very rarely insist on them at all costs.

There are also various other reasons why investors don't push for improved fee deals and get tough with underperforming funds. For a start, many investors typically have relatively small percentages of their assets in private equity. With the asset class making up such a small part of their overall portfolio - frequently about 5% - it can be a disproportionate about of effort for them to negotiate hard on terms. For funds that are performing badly it is potentially even more difficult for them to collaborate with other LPs in the fund and invoke a divorce clause. This is even more relevant when a fund has been performing badly for a while as with lower valuations of assets the fund will comprise an even smaller part of their portfolio. It makes their appetite for legal disputes particularly weak.

Second, as they have to report upwards in their own organisation, it can be easier for investors to justify their own position in their jobs if they are invested in well-known funds. If other LPs also done badly this can be very helpful, and if it is a brand name that has struggled it can still be put down to unforeseen circumstances. For this reason, the performance and fees associated with various firms are not the only factors many investors have to consider when making an investment.

Third, while investors do have plenty of rights, their ability to exercise them is often limited. For example, some recent fund negotiations have focused on key-man clauses because some GPs found they were able to continue as normal despite senior departures due to wording in the small print stating the person in question must have "most of their working hours devoted to the fund", even if that had dropped to two hours a month.

Finally, in the case of PAI Partners investors could not agree among themselves. Often firms have a set of loyal investors who are



happy to keep things as they are. This makes it difficult for angry investors to force through any changes such as a fund freeze or a removal of the fund manager as a 75% voting threshold is usually required.

Ongoing tensions

That said, the tensions between firms and investors on some of the more peripheral issues still remains and both sides are still trying to find a middle ground on a variety of issues.

Late last year investors began talking about putting added pressure on buyout firms that have clung to deals long-due for exit over the next year, with talk of waiving management fees for remaining assets.

Research from industry publication Private Equity News found 10 of the biggest buyout firms in Europe have about 60 investments more than seven years old in their portfolios. Firms typically invest in the first five years and exit deals about five years after an acquisition. However, advisers have said investors have grown impatient and are pushing for lower management fees for the remaining portfolio companies, and in some cases a waiver. The issue has become more prevalent as more funds face extending their lives beyond the traditional 10 years. In addition, investors have become particularly keen on the idea of asking executives at fund managers to put more money into their own funds. While the traditional standard amount executives put into their own funds was about 1% of the total, many investors are now insisting this reaches between 5% and 15%, in an effort to align interests more. This has caused problems for some of the more junior partners at private equity firms who have yet to receive any carried interest from previous funds but are being required to stump up capital for new vehicles.

Meanwhile, in some parts of the industry traditional fees are being scrutinised more closely. Large buyout firms' management fees, for example, have hit their lowest for six years. The average annual charge by global private equity funds worth more than \$1bn last year fell to 1.71% of commitments from 1.81% in previous year, according to data provider Pregin.

Although the changes are relatively minor when compared with the wider relationship issues between the two sides, they are added evidence that everything remains up for debate for investors. Such discussions, as well as many new ones, are likely to continue for the long-term.

Private equity in Latin America

Fund-raising and deal activity improve as limited partners name region their top destination

In recent years, the economies of Latin America have emerged as a focal point for investors. With the slow-GDP-growth markets of North America and Western Europe offering fewer growth opportunities, other parts of the world have been competing strongly to attract investment. And Latin America, in particular, has seen increasing activity by local private equity (PE) funds and new entrants alike.

This increased activity is despite a modest deceleration of the region's economy. Growth slowed from 5.8% in 2010 to 4.0% in 2011, and analysts expect additional deceleration to 3.6% for the rest of 2012, before resuming its upward trajectory in 2013.

Looking further ahead, the April 2012 Ernst & Young Rapid-Growth Markets Forecast projects that growth across Argentina, Brazil, Chile, Colombia and Mexico will be a solid 4.7% in 2014 and 4.3% in 2015.

Negative developments in the Eurozone could weaken demand for exports and tighten the supply of credit, thus

By Philip Bass, Global Private Equity Markets Leader, Ernst & Young

limiting the capacity for investment in Latin America. However, such scenarios occur in the context of a renewed global slowdown, which would see the US and Europe affected to an even greater degree. Already, economists forecast increasing, yet slow growth in the US (2.2% in 2012) and contraction in Europe (-0.7% in 2012).

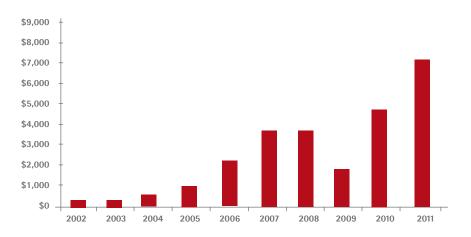
For these reasons, investors remain keen on Latin America. In a recent survey of limited partners (LPs) by the Emerging Markets Private Equity Association (EMPEA), Brazil was named the second most desirable market for PE investment over the next 12 months. It was surpassed not by China or India but by the rest of the Latin American region. Brazil and Latin America share many qualities that are appealing to investors. These factors include political stability, burgeoning middle classes and improved regulatory regimes.

Fund-raising boost

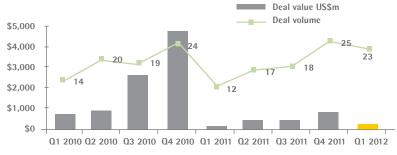
Rapid-growth markets as a whole are attracting more investment. In 2011, rapid-

Figure 1:









growth market funds, as a whole, accounted for nearly 15% of global fundraising, up from less than 7% just six years ago. Latin America accounted for more than 3% of the global total in 2011, up from approximately 0.5% in 2006. Firms focused on Latin America raised more than US\$8.4b in 2011, a new record for the region, and a more than 50% increase from the US\$5.6b raised in 2010. Moreover, data from the early months of 2012 indicates that these trends are continuing. According to the research and consultancy firm Pregin, in the first three months of the year, sponsors held final closes on funds with new commitments totaling nearly US\$2.7b.

The big deals

Deal value rose by 35% in the first quarter of 2012 over the same period in 2011, with US\$206m in new transactions. Perhaps more importantly, the number of deals increased significantly. Activity nearly doubled, from 12 deals in the first quarter of 2011 to 23 deals in the first quarter of 2012.

The largest deal in Q1 2012 was the US\$130m investment by Actis Capital LLP (Actis) in Grupo Cruzeiro do Sul Educacional, a Brazil-based operator of universities that offers undergraduate and postgraduate study, long-distance learning and higher education. The deal was Actis' largest investment in Brazil since 2010. PE firms have invested nearly US\$300m in the sector in the last two years. Education has become a high priority for many Brazilians, as Brazil grapples with an 11% illiteracy rate and low levels of post-secondary education.

Notable PE deals in the e-commerce space during the first quarter of 2012 include Insight Venture Partners investment in Elo7, an online retailer of handicrafts, and Intel Capital's investment in Club de Compras Coquelux, a social network and online shopping club.

While Brazil has traditionally accounted for the majority of PE investment in Latin America, the percentage has declined over the last several quarters as PE firms increasingly diversify into other attractive markets across the region. In the first quarter of 2012, Brazil accounted for 74% of total deal volume and 59% of total PE deal value in Latin America.

Concerns remain regarding increasing valuations, but the powerful secular trends at work across the region, the rising recognition of the need for increased diversification by many LPs and general partners (GPs) and a dearth of new opportunities in many developed markets suggest that Latin America remains in the early stages of its upward trajectory.

Going global

One of the key dynamics in the region's fund-raising market is the extent to which both global funds and local funds are actively soliciting LPs and raising new funds. While many of the region's most recent closes were held by local funds, many global players are currently marketing new vehicles aimed at the region.

Latin America's largest recent fund-raising announcement was by Victoria Capital Partners, an Argentina-based fund manager focused primarily on Brazil, Chile, Colombia, Peru and Argentina. The fund, Victoria South America Partners II, is the firm's second, and at US\$850m, it well exceeded its stated target of US\$650m. The fund will seek joint or controlling stake investments across a range of industries.

Other notable fund closures include the US\$160m Multinational Industrial Fund II, which was raised by WAMEX Partners, based in Mexico; Teka Capital I, which closed with US\$143m; and Enfoca Discovery I, which closed with US\$159m and will focus on opportunities in the Peruvian market. In addition to recent closings by local managers, there are currently more than 50 funds that are in various states of the fundraising process, targeting nearly US\$23b in aggregate investment by LPs. These include local managers such as Stratus Group, DGF Investimentos and Angra Partners and at the global level, firms such as Capital International, Actis and Greylock.

Investments and strategic partnerships by global firms have been an attractive way to gain an immediate footprint in the market. Last year, the Blackstone Group announced that it had acquired a 40% stake in Patria Investimentos, and Highbridge Capital Management, owned by JP Morgan Chase, acquired a majority stake in Gavea Investimentos. The first quarter of 2012 saw a continuation of this trend, with the announcement that Morgan Stanley Private Equity was partnering with Sao Paolo-based fund manager OSF Merchant Banking to invest in Brazilian opportunities. Such partnerships highlight the growing confidence of global asset managers towards Latin America and the increasing importance of having a significant presence in the market.

Partnering for growth

So if PE is having a bigger impact on investment in Latin America, what is it doing to create value during its period of ownership?

Ernst & Young teamed up with the EMPEA to produce a study of how private equity investors in Latin America create value. The resulting report, called "Dynamic growth: value creation in Latin America," revealed that PE firms are focused on growth and hands-on partnerships with entrepreneurs and that this approach is yielding strong results.

Although styles and strategies varied, what nearly all the exits had in common was that organic revenue growth was the primary driver of EBITDA (earnings before interest, tax, depreciation and amortization) growth and returns.

Nearly three-quarters of the deals analyzed were sourced from private sellers, and twothirds came either through the network or via active tracking of the sector. Just 20% were acquired through auctions. In finding the next market leader, PE buyers seek companies that can take advantage of demographic trends, such as rising consumer spending, or address bottlenecks to growth, such as infrastructure.

Entrepreneurial approaches are another defining characteristic of value creation in Latin American deals. In many cases, the investment thesis hinges on the potential for close alignment with incumbent management and the opportunity to transform the business model. It was found that PE buyers in Latin American markets place more emphasis on improving the core business and preparing and strengthening management to ready companies for exit.



50

Enhanced financial discipline and corporate governance is the baseline in every deal, achieved through the installation of CFOs, controls and board-level engagement. Even where the PE buyer is a minority investor (as in the majority of deals), these are the key areas through which influence is exercised.

This approach to partnering with management to drive growth and professionalize the business nearly always includes a value creation road map covering the first 100 days, and often longer, extending over the life of the investment. Implementation of these plans draws on the network of the general partner to tap new or cheaper sources of finance and strategic advisors to set direction and implement strategies.

PE buyers make use of their own teams to complement the strength of their investees. This may take the form of a senior PE partner or deal team member acting as interim CEO or even as CFO for the life of the investment. In other cases, senior PE partners engage solely at the board level but do so intensely.

Robust economic growth and the overall good health of their portfolios have enabled PE firms to be highly effective with lean, generalist teams. There are few examples of firms with dedicated portfolio staff or operating partner networks — practices that are growing among US and European PE firms — as they find new ways to add value to their portfolio. As flows of new capital to the Latin American markets put more pressure on valuations and as growth rates slow, it will be critical for PE buyers to shore up their advantages and in some cases reposition to other market segments as a defensive measure.

Favorable outlook set to drive deal activity

Latin America is occupying a more prominent place on investors' radar screens. As such, strong fund-raising should continue.

Similarly, increasing cognizance among local entrepreneurs, business owners and government officials about the important role that PE can play in the region's economic growth will further improve the transaction environment. Special events, notably Brazil's hosting of the FIFA World Cup in 2014 and the Summer Olympic Games in 2016, will further highlight the value of PE and provide opportunities for investment.

While threats remain — most notably global macroeconomic deterioration —the region's strong domestic demand-driven growth should provide some degree of insulation from the effect of external pressures. Additionally, while concern exists regarding increasing valuations, Latin America remains severely underinvested in comparison to many developed markets. Opportunities, especially in the middle market space, are set to remain robust.

It seems that PE has a still larger role to play in supporting economic and entrepreneurial growth in Latin America.

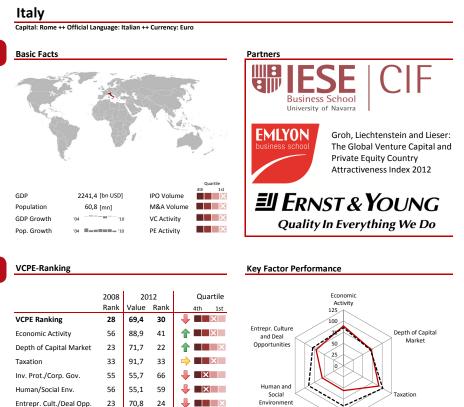
The views expressed herein are those of the author and do not necessarily reflect the views of the global Ernst & Young organization or its member firms.

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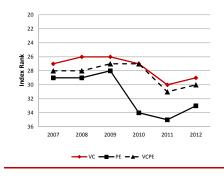
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How to read the country profiles

The first page of the performance overview shows basic facts, the country's key driver ranks, the ranks according to the separate VC and PE Indices, and a comparison with the regional peer group.



Separate VC and PE Indices





ection and Corporate

Comparison within Peer Group

Western Europe

ed States = 100 Point

1. Basic facts

"Basic Facts" comprises the main indicators such as GDP, population, and their growth rates, and the country's position with respec to its IPO, M&A, VC and PE market activity expressed in quartiles of the sample of countries.

2. VCPE-Ranking and key driver performance

The "VCPE-Ranking" table sets out the index values and the ranking positions of the country for the overall index, and for each key driver separately, for the period 2008 to 2012. Next to the current ranks, the changes in ranking position are indicated by green arrows for an increase in rank, red arrows for a decrease and yellow arrows indicate no movement. The quartiles indicate the country's position in relation to all the countries in the sample. The spider chart on the right shows the performance of each key driver compared to the average of the region where the country is located.

We note that the overall VCPE ranking is not the average rank from all the key drivers. Firstly, the key drivers have different weights, and secondly, the ranking is always the result of a benchmarking process: the rank of a country also depends on the ranks of the key drivers of the other sample countries. A simple example helps to explain this issue and why countries can improve or worsen their ranking without respective improvements or deteriorations in their key drivers: imagine there are four countries to benchmark with the following key driver ranks (and assumed equal weights of all key drivers for this example).

3

1

Economic Activity	56	88,9	41	
Depth of Capital Market	23	71,7	22	
Taxation	33	91,7	33	
Inv. Prot./Corp. Gov.	55	55,7	66	
Human/Social Env.	56	55,1	59	
Entrepr. Cult./Deal Opp.	23	70,8	24	

Key drivers/ranks	Country A	Country B	Country C	Country D
Economic activity	2	1	3	4
Depth of capital market	2	1	3	4
Taxation	2	3	1	4
Investor protection and corporate governance	2	3	1	4
Human and social environment	2	3	4	1
Entrepreneurial culture and opportunities	2	3	4	1
Overall rank	1	2	3	4

Although all of country A's key drivers are ranked in second position, its final overall rank is number one.

1 Economic Activity

4

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	7	79,3	8	4		×
1.2	Expected Real GDP Growth	111	88,3	108	1	X	
1.3	Unemployment	49	100,3	59	↓	×	

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	20	72,3	27	4		×
2.2	Stock Market Liquidity (Trading Volume)	8	77,6	17	4		×
2.3	IPOs and Public Issuing Activity	15	52,4	21	4		X
2.4	M&A Market Activity	9	73,7	14	4		×
2.5	Debt and Credit Market	19	79,7	20	♣		X
2.6	Bank Non-Performing Loans to Total Gross Loans	74	97,3	69	1	X	
2.7	Financial Market Sophistication	60	58,1	53	1		×

3 Taxation

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	33	91,7	33	⇒		×

4 Investor Protection and Corporate Governance

		2008	2012			Quar	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	77	49,2	82	₽	×	
4.2	Security of Property Rights	53	54,1	67		×	
4.3	Quality of Legal Enforcement	54	65,1	55	. ↓		×

5 Hu	iman and Social Environment						
		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	78	52,9	65	1	×	
5.2	Labor Market Rigidities	71	63,5	72	4	×	
5.3	Bribing and Corruption	42	49,9	57	4		×

6 Entrepreneurial Culture and Deal Opportunities

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	23	60,6	31	4	X
6.2	Scientific and Technical Journal Articles	8	81,7	8	⇒	X
6.3	Ease of Starting and Running a Business	40	97,4	41	4	X
6.4	Simplicity of Closing a Business	40	71,1	44	4	X
6.5	Corporate R&D	26	51,7	26	⇒	X

3. Separate VC and PE indices and comparison within peer group

The left-hand chart shows the country's ranking position for the combined VCPE and the separate VC and PE country attractiveness indices over time. On the right, we present the country relative to its peers. The peer group is determined by nine countries of the same region. If we cover fewer than nine countries from a particular region we add countries from other regions to the peer group. The set of peers is not always the same. It is the selection of eight other countries in alphabetical order, plus the country in question.

4. The Global VC and PE Country Attractiveness Index in detail

The second page of information for the individual countries presents the ranks achieved for each of the level-2 constructs. Once again, the arrows mark ranking changes, and the crosses indicate the country's position measured in quartiles, with respect to all other countries from the sample.

The individual profiles

56

Albania

Capital: Tirana ++ Official Language: Albanian ++ Currency: Lek

Basic Facts



			Quart	ile
			4th	1st
GDP	13,3 [bn USD]	IPO Volume	×	
Population	3,2 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04'10	PE Activity	X	

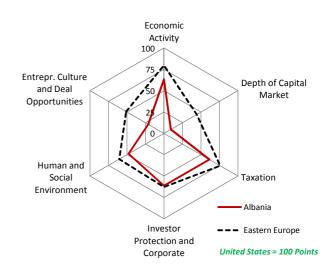
Partners



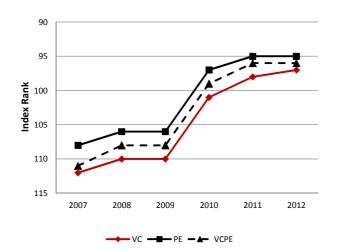
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	108	25,7	96	
Economic Activity	90	63,3	95	
Depth of Capital Market	105	9,3	101	
Taxation	91	61,3	89	
Inv. Prot./Corp. Gov.	103	61,3	52	
Human/Social Env.	93	47,9	74	
Entrepr. Cult./Deal Opp.	113	21,4	106	

Key Factor Performance



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	
Montenegro	76	45,8	73	
Macedonia	79	43,2	77	
Georgia	72	40,3	82	
Moldova	93	26,0	95	
Albania	108	25,7	96	

		2008	2008 2012		Quartil		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	94	23,5	95	₽	X	
1.2	Expected Real GDP Growth	58	113,0	77	Ŷ	X	
1.3	Unemployment	97	95,5	82		×	

2 Depth of Capital Market

		2008	2012			Quar	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	89	12,6	92	₽	X	
2.5	Debt and Credit Market	102	57,9	61	1	×	
2.6	Bank Non-Performing Loans to Total Gross Loans	63	88,5	97	₽	X	
2.7	Financial Market Sophistication	110	34,1	92		X	

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	91	61,3	89		X	

4 Investor Protection and Corporate Governance

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	108	86,0	13			×
4.2	Security of Property Rights	99	49,6	76		X	
4.3	Quality of Legal Enforcement	97	54,1	70		×	

5 Human and Social Environment

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	104	35,4	94		X	
5.2	Labor Market Rigidities	49	74,8	51	.↓		×
5.3	Bribing and Corruption	84	41,4	67		×	

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	114	24,4	95	1	X
6.2	Scientific and Technical Journal Articles	107	13,5	107	⇒	X
6.3	Ease of Starting and Running a Business	81	100,5	25	1	X
6.4	Simplicity of Closing a Business	112	14,1	112	⇒	X
6.5	Corporate R&D	115	9,6	81		X

Algeria

Capital: Algiers ++ Official Language: Arabic (official), French (official), Arabic (national), Tamazight (national), Berber(national) ++ Currency: Algerian Dinar

Basic Facts



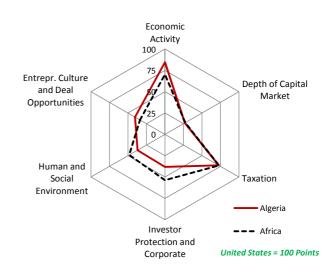
			Quar	tile
			4th	1st
GDP	181,3 [bn USD]	IPO Volume	×	
Population	36,2 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04	PE Activity	X	



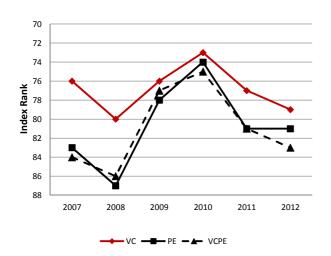
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	86	39,6	83	
Economic Activity	81	84,6	51	
Depth of Capital Market	90	26,9	80	
Taxation	82	72,6	69	
Inv. Prot./Corp. Gov.	96	38,2	102	
Human/Social Env.	95	37,2	94	
Entrepr. Cult./Deal Opp.	76	40,6	64	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Zambia	82	44,8	75	
Namibia	78	42,6	78	
Nigeria	65	42,4	79	
Botswana	77	41,1	81	
Algeria	86	39,6	83	
Tanzania	89	36,8	84	
Uganda	90	35,6	86	
Mozambique	100	28,5	93	
Rwanda	107	26,6	94	

		2008	2012		Quartile
		Rank	Value	Rank	4th 1st
1.1	Size of the Economy (GDP)	50	51,9	49	X
1.2	Expected Real GDP Growth	95	118,2	71	X
1.3	Unemployment	99	98,5	74	×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	78	50,1	73	Ŷ	X	
2.2	Stock Market Liquidity (Trading Volume)	51	52,7	53	₽		X
2.3	IPOs and Public Issuing Activity	71	7,6	80	₽	×	
2.4	M&A Market Activity	101	9,9	96	1	X	
2.5	Debt and Credit Market	83	34,3	93	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	111	90,9	94	1	X	
2.7	Financial Market Sophistication	114	16,2	110		X	

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	82	72,6	69		X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	101	42,7	98	1	X	
4.2	Security of Property Rights	100	34,3	103	.↓	X	
4.3	Quality of Legal Enforcement	85	37,9	97	Ļ	X	

5 Human and Social Environment

		2008	2008 2012		Quartile		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	106	27,2	106	⇒	×	
5.2	Labor Market Rigidities	79	60,5	81	÷	X	
5.3	Bribing and Corruption	75	31,3	81	₽	×	

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
6.1	Innovation	105	15,9	108	₽	X	
6.2	Scientific and Technical Journal Articles	55	46,1	55	\Rightarrow	X	
6.3	Ease of Starting and Running a Business	99	65,6	100	₽	X	
6.4	Simplicity of Closing a Business	39	77,0	37	1	×	
6.5	Corporate R&D	71	29,7	48		×	

Angola

Capital: Luanda ++ Official Language: Portuguese(official), Kikongo(national), Chokwe(national), Umbundu(national), Kimbundu(national), Ganguela(national), Kwanyama(national) ++ Currency: Kwanza

Basic Facts



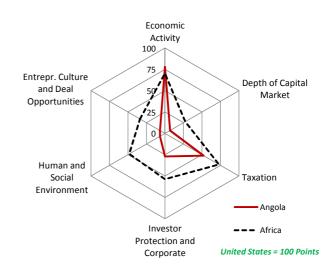
			Quar	tile
			4th	1st
GDP	100,2 [bn USD]	IPO Volume	×	
Population	19,9 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	



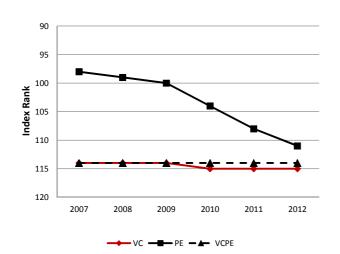
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	114	12,6	114	
Economic Activity	3	78,0	68	
Depth of Capital Market	100	6,8	108	
Taxation	86	52,1	102	
Inv. Prot./Corp. Gov.	106	27,1	111	
Human/Social Env.	116	6,8	116	
Entrepr. Cult./Deal Opp.	116	6,9	116	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	↑ ×
Benin	106	20,8	109	
Madagascar	110	18,6	111	
Lesotho	112	16,6	112	
Mauritania	111	16,1	113	
Angola	114	12,6	114	
Chad	116	11,7	115	
Burundi	115	11,4	116	

		2008	2012		Quartile		
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	60	45,5	59	Ŷ	X	
1.2	Expected Real GDP Growth	1	128,6	63	₽	X	
1.3	Unemployment	106	81,1	107	₽	X	

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	77	1,0	92	₽	X	
2.4	M&A Market Activity	88	17,0	88	⇒	X	
2.5	Debt and Credit Market	84	37,9	91	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	104	91,3	92		X	
2.7	Financial Market Sophistication	89	4,2	114	₽	X	

3 Taxation

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	86	52,1	102	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012		0		Quartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	90	25,2	112	₽	X		
4.2	Security of Property Rights	110	24,1	108	1	X		
4.3	Quality of Legal Enforcement	102	32,9	102	⇒	X		

5 Human and Social Environment

		2008	2012		Quartile		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	116	1,3	116	⇒	X	
5.2	Labor Market Rigidities	110	31,8	111	₽	X	
5.3	Bribing and Corruption	111	8,0	114	. ↓	X	

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
6.1	Innovation	116	1,2	116	⇒	X	
6.2	Scientific and Technical Journal Articles	114	1,6	114	⇒	X	
6.3	Ease of Starting and Running a Business	111	51,0	111	→	X	
6.4	Simplicity of Closing a Business	106	29,9	104		X	
6.5	Corporate R&D	91	5,3	112	₽	X	

Argentina

Capital: Buenos Aires ++ Official Language: Spanish ++ Currency: Argentine Peso

Basic Facts



			Quartile
			4th 1st
GDP	433,7 [bn USD]	IPO Volume	×
Population	41,2 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	×
Pop. Growth	'04	PE Activity	X

Image: Second University of Navarra Image: Second University of

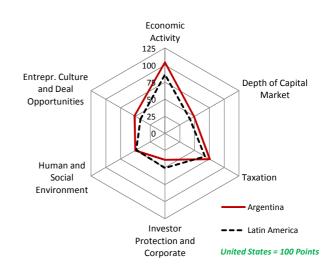
Quality In Everything We Do

VCPE-Ranking

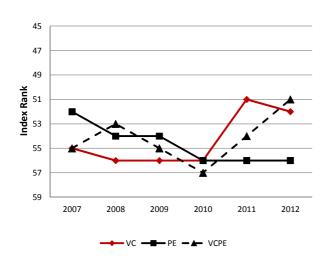
	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	53	54,4	51	
Economic Activity	7	104,1	5	
Depth of Capital Market	44	49,1	53	
Taxation	54	75,6	61	
Inv. Prot./Corp. Gov.	91	38,6	97	
Human/Social Env.	80	50,2	66	
Entrepr. Cult./Deal Opp.	48	51,5	46	

Key Factor Performance

Partners



Separate VC and PE Indices



	2008 Damb	2012 Value Rank		Quartile
	Rank	value	капк	4th 1st
Chile	31	71,5	27	
Brazil	44	63,3	36	
Mexico	38	63,2	38	
Colombia	51	58,4	46	
Argentina	53	54,4	51	
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
Ecuador	87		88	

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	30	61,4	26			X
1.2	Expected Real GDP Growth	17	184,4	4			X
1.3	Unemployment	77	99,4	69		×	

2 Depth of Capital Market

		2008	20	12		Quartile	
		Rank	Value	Rank		4th 1st	
2.1	Size of the Stock Market	53	61,3	51	1	X	
2.2	Stock Market Liquidity (Trading Volume)	55	47,9	56	₽	×	
2.3	IPOs and Public Issuing Activity	49	26,4	48	1	X	
2.4	M&A Market Activity	39	54,2	37	1	×	
2.5	Debt and Credit Market	49	55,2	67	.↓	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	45	105,0	24		X	
2.7	Financial Market Sophistication	75	28,1	100	↓ ↓	X	

3 Taxation

		2008	2012			Qua	Quartile	
		Rank	Value	Rank		4th	1st	
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	54	75,6	61	₽	×		

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	79	46,1	90	₽	X	
4.2	Security of Property Rights	89	34,3	102	₽	X	
4.3	Quality of Legal Enforcement	103	36 <i>,</i> 4	99		X	

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	89	58,1	52		X	
5.2	Labor Market Rigidities	52	74,8	50		X	
5.3	Bribing and Corruption	83	29,1	84	₽	X	

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	73	38,2	58	1	X
6.2	Scientific and Technical Journal Articles	32	63,3	32	⇒	×
6.3	Ease of Starting and Running a Business	101	65,1	101	⇒	X
6.4	Simplicity of Closing a Business	51	66,3	56	₽	×
6.5	Corporate R&D	47	34,8	41	1	X

Armenia

Capital: Yerevan ++ Official Language: Armenian (official), Russian ++ Currency: Dram

Basic Facts





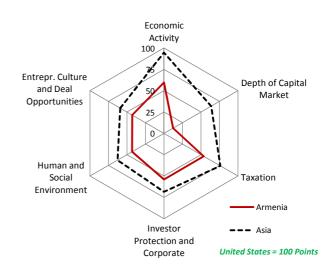
10,2 [bn USD] GDP IPO Volume × X Population 3,1 [mn] M&A Volume ---- '10 GDP Growth × VC Activity '04 __**__**'10 X Pop. Growth PE Activity '04

VCPE-Ranking

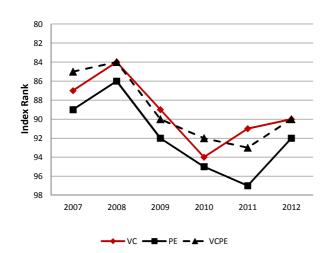
	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	84	31,4	90	
Economic Activity	59	59,6	104	
Depth of Capital Market	91	12,3	95	
Taxation	105	53 <i>,</i> 6	99	
Inv. Prot./Corp. Gov.	79	54,1	71	
Human/Social Env.	77	43,1	81	
Entrepr. Cult./Deal Opp.	77	42,9	62	

Key Factor Performance

Quartile 1st



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	
Bangladesh	88	41,7	80	
Mongolia	85	36,7	85	
Armenia	84	31,4	90	
Kyrgyzstan	91	24,7	98	

1 Eco	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	96	20,6	102	+	X	
1.2	Expected Real GDP Growth	3	140,3	42	↓		×
1.3	Unemployment	59	73,2	113	₽	×	

2 Depth of Capital Market

		2008	2012			Quarti	Quartile	
		Rank	Value	Rank		4th	1st	
2.1	Size of the Stock Market	90	14,0	95	₽	×		
2.2	Stock Market Liquidity (Trading Volume)	97	1,0	116	₽	X		
2.3	IPOs and Public Issuing Activity	83	1,0	92	.↓	X		
2.4	M&A Market Activity	93	15,9	90	1	X		
2.5	Debt and Credit Market	81	46,2	78	1	X		
2.6	Bank Non-Performing Loans to Total Gross Loans	39	100,9	54	.↓	×		
2.7	Financial Market Sophistication	98	40,1	82		X		

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	105	53 <i>,</i> 6	99		X	

4 Investor Protection and Corporate Governance

		2008	20	2012		Quar	Quartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	73	53,3	70	Ŷ	X		
4.2	Security of Property Rights	69	60,0	59	1	X		
4.3	Quality of Legal Enforcement	87	49,6	77		X		

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	88	40,1	87		X
5.2	Labor Market Rigidities	32	80,3	35	÷	X
5.3	Bribing and Corruption	87	24,8	92	4	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	91	37,3	64	1	X
6.2	Scientific and Technical Journal Articles	69	37,1	69	⇒	X
6.3	Ease of Starting and Running a Business	43	97,5	40	1	X
6.4	Simplicity of Closing a Business	29	80,7	31		X
6.5	Corporate R&D	104	13,4	72	1	×

Australia

Capital: Canberra ++ Official Language: English, native and other languages ++ Currency: Australian Dollar

Basic Facts



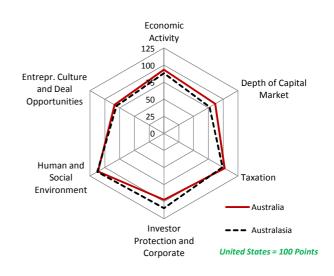
GDP	1506,7 [bn USD]	IPO Volume	4th 1st
Population	22,5 [mn]	M&A Volume	
GDP Growth	'04 10	VC Activity	
Pop. Growth	'04'10	PE Activity	×



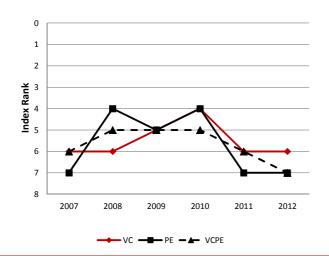
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	5	91,9	7	
Economic Activity	16	93,2	27	
Depth of Capital Market	4	86,5	6	
Taxation	7	102,5	11	
Inv. Prot./Corp. Gov.	11	97,2	12	
Human/Social Env.	3	111,6	5	
Entrepr. Cult./Deal Opp.	15	83,5	15	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
United States	1	100,0	1	
Canada	3	96,8	2	
United Kingdom	2	95,1	3	
Japan	4	93,0	4	
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Australia	5	91,9	7	
Sweden	9	90,9	8	
New Zealand	19	83,6	16	

1 Ec	onomic Activity						
		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	15	75,0	13			X
1.2	Expected Real GDP Growth	76	103,9	91	Ŷ	X	
1.3	Unemployment	30	104,0	27			X

2 Depth of Capital Market

		2008	2012				Quartile	
		Rank	Value	Rank		4th	1st	
2.1	Size of the Stock Market	8	88,8	8	⇒		×	
2.2	Stock Market Liquidity (Trading Volume)	13	81,8	9	1		X	
2.3	IPOs and Public Issuing Activity	6	74,3	5	1		X	
2.4	M&A Market Activity	5	84,8	5	⇒		×	
2.5	Debt and Credit Market	16	80,8	18	4		X	
2.6	Bank Non-Performing Loans to Total Gross Loans	1	107,6	10			X	
2.7	Financial Market Sophistication	5	91,0	19	.↓		X	

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	7	102,5	11	ł		X

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	19	76,2	23	Ļ		X
4.2	Security of Property Rights	12	103,5	13	₽		X
4.3	Quality of Legal Enforcement	10	116,6	12			X

5 Human and Social Environment

		2008	20	12	(Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	7	103,0	10	₽		×	
5.2	Labor Market Rigidities	2	99,8	2	\Rightarrow		X	
5.3	Bribing and Corruption	11	135,4	13	₽		X	

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
6.1	Innovation	25	73,6	24	1		X
6.2	Scientific and Technical Journal Articles	12	78,1	12	\Rightarrow		X
6.3	Ease of Starting and Running a Business	1	111,1	3	₽		X
6.4	Simplicity of Closing a Business	14	100,9	13	1		X
6.5	Corporate R&D	18	63,0	19	- ↓		X

Austria

Capital: Vienna ++ Official Language: German (official nationwide); Slovene, Croatian, Hungarian (each official in one region) ++ Currency: Euro

Basic Facts



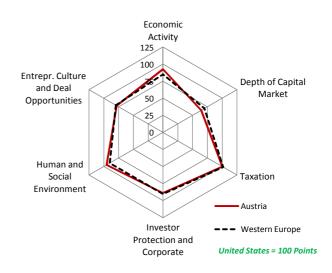
			Quartile
			4th 1st
GDP	426,9 [bn USD]	IPO Volume	
Population	8,4 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 10	PE Activity	X



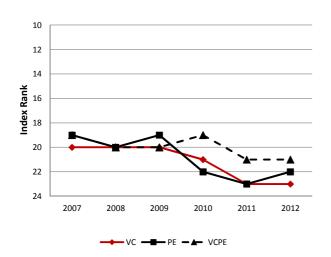
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile
VCPE Ranking	20	79,6	21	4th 1st
Economic Activity	46	92,6	31	
Depth of Capital Market	26	64,5	33	
Taxation	14	100,3	12	
Inv. Prot./Corp. Gov.	17	88,9	20	
Human/Social Env.	15	95,2	16	
Entrepr. Cult./Deal Opp.	18	78,2	18	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	
Finland	13	83,5	17	
Austria	20	79,6	21	
Ireland	15	78,4	23	
Spain	22	75,1	24	
Italy	28	69,4	30	
Portugal	29	66,4	31	

		2008	2008 2012			Quartile	
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	26	61,3	27	₽	X	
1.2	Expected Real GDP Growth	84	123,4	66		X	
1.3	Unemployment	30	104,9	16		X	

2 Depth of Capital Market

		2008 2012			Quartile	
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	49	59,1	56	4	X
2.2	Stock Market Liquidity (Trading Volume)	33	64,2	37	4	X
2.3	IPOs and Public Issuing Activity	30	27,9	42	₽	×
2.4	M&A Market Activity	37	52,4	41	4	×
2.5	Debt and Credit Market	12	84,4	12	\Rightarrow	X
2.6	Bank Non-Performing Loans to Total Gross Loans	37	105,7	21	1	X
2.7	Financial Market Sophistication	16	94,0	16	\Rightarrow	X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	14	100,3	12	1		X

4 Investor Protection and Corporate Governance

		2008 2012			Quartile		
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	53	56,4	62	₽	X	
4.2	Security of Property Rights	7	108,8	10	₽		X
4.3	Quality of Legal Enforcement	5	114,6	15	↓		X

5 Human and Social Environment

		2008	20	12		Qua	Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	14	92,7	19	₽		×	
5.2	Labor Market Rigidities	53	74,5	53	\Rightarrow		X	
5.3	Bribing and Corruption	13	125,1	14	₽		X	

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
6.1	Innovation	15	86,2	15	⇒		X
6.2	Scientific and Technical Journal Articles	25	66,5	25	⇒		X
6.3	Ease of Starting and Running a Business	42	88,3	71	♣	×	
6.4	Simplicity of Closing a Business	26	84,8	26	⇒		X
6.5	Corporate R&D	17	68,2	17			X

Bahrain

Capital: Manama ++ Official Language: Arabic ++ Currency: Bahraini Dinar

Basic Facts



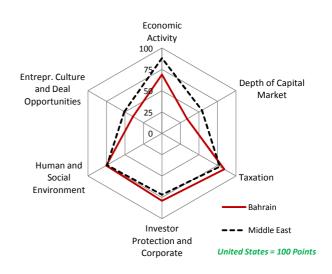
				Quart	ile
GDP		26,8 [bn USD]	IPO Volume	4th	1st
Population		1,3 [mn]	M&A Volume	X	
GDP Growth	'04	'10	VC Activity		<
Pop. Growth	'04	'10	PE Activity		<

Partners Image: Description of the section of

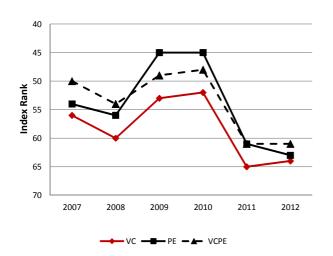
VCPE-Ranking

	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
VCPE Ranking	54	50,4	61		
Economic Activity	64	69,0	84		
Depth of Capital Market	56	34,0	75		
Taxation	44	84,1	46		
Inv. Prot./Corp. Gov.	65	78,9	30		
Human/Social Env.	33	75,4	30		
Entrepr. Cult./Deal Opp.	67	39,3	67		

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
Israel	21	80,2	20		
Saudi Arabia	42	71,0	28		
United Arab Emirates	40	63,1	39		
Kuwait	52	61,0	42		
Jordan	50	54,1	52		
Oman	58	53,9	54		
Bahrain	54	50,4	61		
Syria	98	23,9	102		

1 Ec	onomic Activity						
		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	84	31,1	79		X	
1.2	Expected Real GDP Growth	21	100,0	97	Ŷ	X	
1.3	Unemployment	40	105,5	14			X

2 Depth of Capital Market

		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	69	52,6	69	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	67	2,7	96		X	
2.3	IPOs and Public Issuing Activity	52	22,3	52	⇒	X	
2.4	M&A Market Activity	71	29,5	67	1	X	
2.5	Debt and Credit Market	61	55,4	66	. ↓	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	53	99,9	61		X	
2.7	Financial Market Sophistication	18	103,0	8			X

3 Taxation

		2008	2012		Quarti		tile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	44	84,1	46	₽		×

4 Investor Protection and Corporate Governance

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	109	61,7	50	1		×
4.2	Security of Property Rights	32	91,1	25			X
4.3	Quality of Legal Enforcement	34	87,4	28			X

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	63	59,3	49		X
5.2	Labor Market Rigidities	15	91,4	14		X
5.3	Bribing and Corruption	33	79 <i>,</i> 3	35	₽	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	51	32,8	73	₽	X
6.2	Scientific and Technical Journal Articles	92	25,7	92	\Rightarrow	X
6.3	Ease of Starting and Running a Business	24	96,5	46	♣	×
6.4	Simplicity of Closing a Business	25	85,8	25	\Rightarrow	X
6.5	Corporate R&D	87	13,4	71	Ŷ	X
	•				-	

Bangladesh

Capital: Dhaka ++ Official Language: Bengali ++ Currency: Taka

Basic Facts



			Quartile		
			4th	1st	
GDP	108,3 [bn USD]	IPO Volume			
Population	151,5 [mn]	M&A Volume	X		
GDP Growth	'04	VC Activity	X		
Pop. Growth	'04 10	PE Activity	X		

VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	88	41,7	80	
Economic Activity	47	92,2	32	
Depth of Capital Market	78	41,6	66	
Taxation	59	74,7	62	
Inv. Prot./Corp. Gov.	111	34,1	105	
Human/Social Env.	109	31,3	106	
Entrepr. Cult./Deal Opp.	98	31,0	86	

Attractiveness Index 2012 ERNST & YOUNG Quality In Everything We Do

Business School University of Navarra

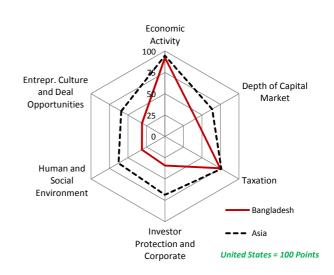
> Groh, Liechtenstein and Lieser: The Global Venture Capital and

Private Equity Country

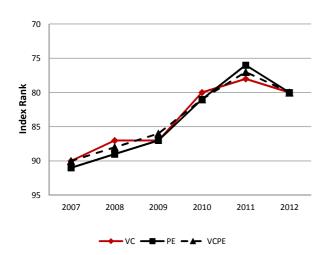
Key Factor Performance

Partners

business schoo



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	
Bangladesh	88	41,7	80	
Mongolia	85	36,7	85	
Armenia	84	31,4	90	
Kyrgyzstan	91	24,7	98	

		2008	2008 2012		Qua		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	59	46,3	57			×
1.2	Expected Real GDP Growth	45	162,4	21			X
1.3	Unemployment	26	104,1	25			×

2 Depth of Capital Market

		2008	2012		Qı		ile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	56	66,9	39		×	
2.2	Stock Market Liquidity (Trading Volume)	61	57,2	48	1	×	
2.3	IPOs and Public Issuing Activity	75	18,2	60	1	×	
2.4	M&A Market Activity	87	17,3	87	⇒	X	
2.5	Debt and Credit Market	72	46,1	79	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	110	89,9	95		X	
2.7	Financial Market Sophistication	101	43,1	78		X	

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	59	74,7	62	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	40	70,5	32			X
4.2	Security of Property Rights	115	13,4	115	\Rightarrow	X	
4.3	Quality of Legal Enforcement	98	41,9	92		×	

5 Human and Social Environment

		2008	2012		Q		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	94	38,3	90		X	
5.2	Labor Market Rigidities	55	71,6	58	Ŷ		X
5.3	Bribing and Corruption	114	11,2	107		X	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	109	20,9	99	1	X
6.2	Scientific and Technical Journal Articles	63	39,7	63	⇒	X
6.3	Ease of Starting and Running a Business	65	89,4	66	₽	X
6.4	Simplicity of Closing a Business	74	60,6	70		X
6.5	Corporate R&D	110	6,4	110	⇒	X

Belgium

Capital: Brussels ++ Official Language: Dutch (Flemish), French, German (all official) ++ Currency: Euro

Basic Facts



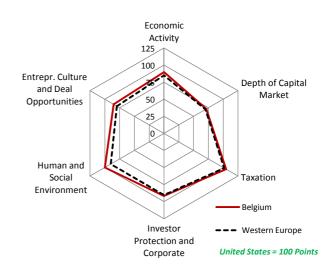
			Quartile
			4th 1st
GDP	528,6 [bn USD]	IPO Volume	×
Population	10,9 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X



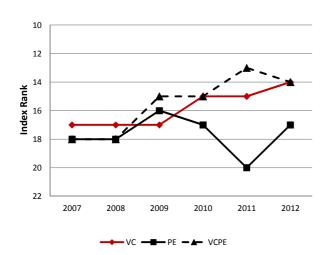
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	18	84,4	14	
Economic Activity	57	89,7	40	
Depth of Capital Market	21	71,3	24	
Taxation	4	105,0	6	
Inv. Prot./Corp. Gov.	16	91,7	15	
Human/Social Env.	14	99,9	13	
Entrepr. Cult./Deal Opp.	13	85 <i>,</i> 0	14	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Switzerland	12	87,9	10	
Denmark	11	87,3	11	
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	
Finland	13	83,5	17	
Austria	20	79,6	21	
Ireland	15	78,4	23	

		2008	2008 2012			Quartile	
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	18	63,6	23	₽	×	
1.2	Expected Real GDP Growth	98	111,7	81		X	
1.3	Unemployment	66	101,5	45			

2 Depth of Capital Market

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	36	68,1	34	1		X
2.2	Stock Market Liquidity (Trading Volume)	26	68,9	29	4		X
2.3	IPOs and Public Issuing Activity	24	42,6	32	4		X
2.4	M&A Market Activity	26	62,6	26	⇒		X
2.5	Debt and Credit Market	29	69,3	32	4		X
2.6	Bank Non-Performing Loans to Total Gross Loans	23	105,0	24	4		X
2.7	Financial Market Sophistication	16	103,0	8	1		X

3 Taxation

		2008	2012			Quartile		
		Rank	Value	Rank		4th	1st	
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	4	105,0	6	₽		×	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	13	83,8	17	₽		×
4.2	Security of Property Rights	22	94,2	23	₽		X
4.3	Quality of Legal Enforcement	18	97,7	24	Ļ		×

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	4	114,5	3		X	
5.2	Labor Market Rigidities	44	77,0	45	÷	X	
5.3	Bribing and Corruption	20	112,9	20	⇒	×	

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
6.1	Innovation	16	82,3	20	₽	×	
6.2	Scientific and Technical Journal Articles	20	69,9	20	\Rightarrow	X	
6.3	Ease of Starting and Running a Business	16	107,5	12	1	X	
6.4	Simplicity of Closing a Business	6	108,0	6	\Rightarrow		
6.5	Corporate R&D	16	66,4	18	₽	X	

Benin

Capital: Porto-Novo ++ Official Language: French ++ Currency: West African CFA Franc

Basic Facts



			Quartile
			4th 1st
GDP	8,0 [bn USD]	IPO Volume	×
Population	9,2 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X

VCPE-Ranking

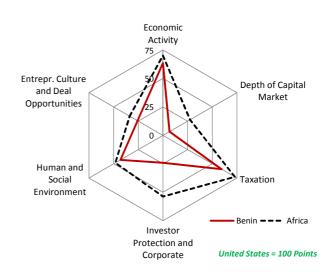
	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	106	20,8	109	
Economic Activity	103	63,4	94	
Depth of Capital Market	107	6,6	109	
Taxation	98	59,4	92	
Inv. Prot./Corp. Gov.	109	24,1	112	
Human/Social Env.	86	43,0	82	
Entrepr. Cult./Deal Opp.	88	25,7	97	

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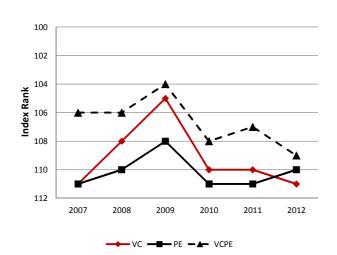
Business School

Key Factor Performance

Partners



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Mali	105	23,2	104	
Cameroon	109	22,7	105	
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	
Benin	106	20,8	109	
Madagascar	110	18,6	111	
Lesotho	112	16,6	112	\Rightarrow ×
Mauritania	111	16,1	113	
Angola	114	12,6	114	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	105	18,0	105	⇒	X
1.2	Expected Real GDP Growth	76	129,9	58		X
1.3	Unemployment	1	108,8	1	⇒	X

2 Depth of Capital Market

		2008	2012			Quartile	e
		Rank	Value	Rank		4th 1	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	.↓	X	
2.4	M&A Market Activity	114	2,0	110		X	
2.5	Debt and Credit Market	94	25,4	102	.↓	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79		X	
2.7	Financial Market Sophistication	89	43,1	78		X	

3 Taxation

		2008	20	12	Qua	rtile
		Rank	Value	Rank	4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	98	59 <i>,</i> 4	92	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	96	39,3	101	Ļ	X	
4.2	Security of Property Rights	108	15,6	114	₽	X	
4.3	Quality of Legal Enforcement	108	22,8	110	Ļ	×	

5 Human and Social Environment

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	78	61,1	46		X
5.2	Labor Market Rigidities	78	61,1	80	÷	X
5.3	Bribing and Corruption	92	21,3	96	₽	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	73	15,8	109	Ļ	X
6.2	Scientific and Technical Journal Articles	94	24,7	94	\Rightarrow	X
6.3	Ease of Starting and Running a Business	38	63,2	105	₽	X
6.4	Simplicity of Closing a Business	78	45,6	95	.↓	X
6.5	Corporate R&D	109	9,9	78		X

Bosnia-Herzegovina

Capital: Sarajevo ++ Official Language: Bosnian, Croatian, Serbian ++ Currency: Convertible Mark

Basic Facts



10

'10



VC Activity

PE Activity

X



VCPE-Ranking

GDP

Population

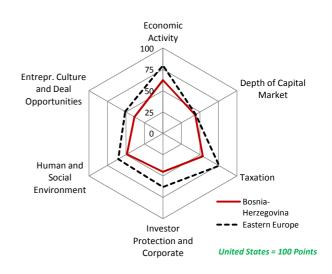
GDP Growth

Pop. Growth

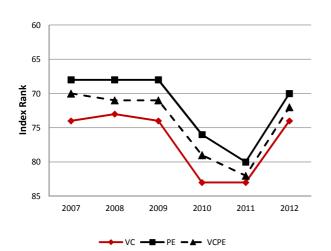
'04

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	71	45,9	72	
Economic Activity	92	62,4	99	
Depth of Capital Market	60	43,5	63	
Taxation	103	53,9	98	
Inv. Prot./Corp. Gov.	99	45,1	86	
Human/Social Env.	85	48,8	69	
Entrepr. Cult./Deal Opp.	73	38,7	68	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Bulgaria	55	52,8	58	
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	
Montenegro	76	45,8	73	
Macedonia	79	43,2	77	
Georgia	72	40,3	82	
Moldova	93	26,0	95	

		2008	2008 2012		Quartile		
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	85	28,5	86	₽	X	
1.2	Expected Real GDP Growth	50	109,1	82	₽	X	
1.3	Unemployment	110	78,2	109		X	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	48	59,6	53	+	X
2.2	Stock Market Liquidity (Trading Volume)	69	35,8	67	Ŷ	X
2.3	IPOs and Public Issuing Activity	65	14,6	66	+	X
2.4	M&A Market Activity	55	31,1	64	4	X
2.5	Debt and Credit Market	40	60,6	50	4	X
2.6	Bank Non-Performing Loans to Total Gross Loans	56	97,2	71	4	X
2.7	Financial Market Sophistication	60	52,1	64		X

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	103	53 <i>,</i> 9	98	1	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	62	63,3	46		X
4.2	Security of Property Rights	107	31,1	105		X
4.3	Quality of Legal Enforcement	95	46,4	85		X

5 Human and Social Environment

		2008	2008 2012		Quartil		tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	98	48,8	76	Ŷ	X	
5.2	Labor Market Rigidities	69	69,7	61	1	X	
5.3	Bribing and Corruption	81	34,3	78	1	×	

		2008	2012		Quartil	
		Rank	Value	Rank		4th 1st
6.1	Innovation	70	53,8	37	Ŷ	X
6.2	Scientific and Technical Journal Articles	90	26,6	90	⇒	X
6.3	Ease of Starting and Running a Business	96	67,1	99	₽	X
6.4	Simplicity of Closing a Business	53	68,4	51	1	×
6.5	Corporate R&D	66	13,2	73	₽	X

Botswana

Capital: Gaborone ++ Official Language: English, Setswana ++ Currency: Pula

Basic Facts



			Quart	tile
			4th	1st
GDP	16,4 [bn USD]	IPO Volume	×	
Population	2,0 [mn]	M&A Volume	X	
GDP Growth	'04'10	VC Activity	X	
Pop. Growth	'04 10	PE Activity	X	

VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	77	41,1	81	
Economic Activity	97	72,2	78	
Depth of Capital Market	85	20,4	89	
Taxation	55	65,3	81	
Inv. Prot./Corp. Gov.	48	80,5	28	
Human/Social Env.	30	74,6	32	
Entrepr. Cult./Deal Opp.	81	33,3	81	

Key Factor Performance

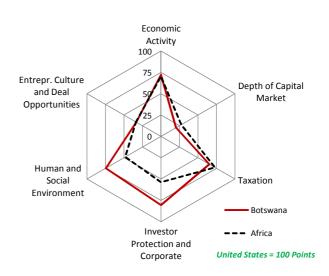
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Private Equity Country Attractiveness Index 2012

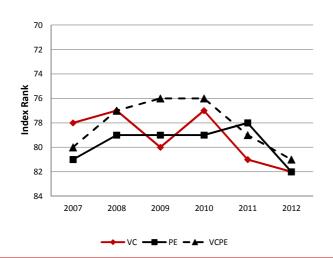
Partners



劃 Ernst & Young

Quality In Everything We Do

Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	
Nigeria	65	42,4	79	
Botswana	77	41,1	81	
Algeria	86	39,6	83	
Tanzania	89	36,8	84	
Uganda	90	35,6	86	
Mozambique	100	28,5	93	

1 Ec	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	90	25,8	90	\Rightarrow	X	
1.2	Expected Real GDP Growth	74	161,1	22			X
1.3	Unemployment	103	90,5	98		×	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	87	43,4	82	Ŷ	X
2.2	Stock Market Liquidity (Trading Volume)	83	31,1	78	1	X
2.3	IPOs and Public Issuing Activity	83	1,6	91	₽	X
2.4	M&A Market Activity	95	3,2	107	.↓	X
2.5	Debt and Credit Market	97	36,5	92	1	X
2.6	Bank Non-Performing Loans to Total Gross Loans	64	103,6	36		
2.7	Financial Market Sophistication	60	55,1	59		X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	55	65 <i>,</i> 3	81	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	68	86,6	12	1	X
4.2	Security of Property Rights	66	70,7	44		×
4.3	Quality of Legal Enforcement	33	85 <i>,</i> 4	29		X

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	49	55,9	57	₽	
5.2	Labor Market Rigidities	26	83,4	30	ł	X
5.3	Bribing and Corruption	31	89,2	31	⇒	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	63	27,2	85	₽	X
6.2	Scientific and Technical Journal Articles	88	27,8	88	⇒	X
6.3	Ease of Starting and Running a Business	108	73,6	91	1	X
6.4	Simplicity of Closing a Business	28	82,9	28	\Rightarrow	X
6.5	Corporate R&D	91	8,9	87	1	X

Brazil

Capital: Brasilia ++ Official Language: Portuguese ++ Currency: Brazilian Real

Basic Facts



VC Activity

PE Activity

×

X



VCPE-Ranking

GDP Growth

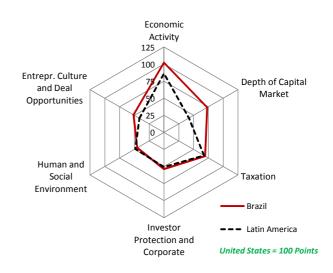
Pop. Growth

'04

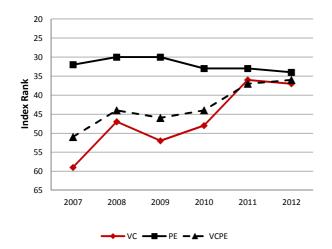
'04

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	44	63,3	36	
Economic Activity	5	102,2	8	
Depth of Capital Market	17	73,0	20	
Taxation	51	69,5	74	
Inv. Prot./Corp. Gov.	70	53 <i>,</i> 8	73	
Human/Social Env.	88	45,4	77	
Entrepr. Cult./Deal Opp.	61	51,4	47	

Key Factor Performance



Separate VC and PE Indices



08	2012		Quartile	
nk Valu	ie Rank		4th 1s	st
1 71,	5 27	1		<
4 63,	3 36			1
8 63,	2 38	⇒		
1 58,	4 46		X	
3 54,	4 51		X	
3 50,	8 60	1	X	
3 44,	2 76	₽	X	
0 35,	6 87	- ↓	X	
35,	0 88	-	X	
	nk Valu 1 71, 4 63, 8 63, 1 58, 3 54, 3 50, 3 44, 0 35,	Nnk Value Rank 1 71,5 27 4 63,3 36 8 63,2 38 1 58,4 46 3 54,4 51 3 50,8 60 3 44,2 76 0 35,6 87	NRK Value Rank 1 71,5 27 ↑ 4 63,3 36 ↑ 8 63,2 38 ↓ 1 58,4 46 ↑ 3 54,4 51 ↑ 3 50,8 60 ↑ 3 44,2 76 ↓ 0 35,6 87 ↓	nk Value Rank 4th 1s 1 $71,5$ 27 1 1 27 4 $63,3$ 36 1 1

1 Economic Activity							
		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	10	80,5	6	1		X
1.2	Expected Real GDP Growth	56	129,9	58	₽		×
1.3	Unemployment	69	102,1	35	1		X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	14	78,5	14	⇒		×
2.2	Stock Market Liquidity (Trading Volume)	20	81,0	12	Ŷ		×
2.3	IPOs and Public Issuing Activity	16	59,0	15	1		X
2.4	M&A Market Activity	19	75,4	9	1		×
2.5	Debt and Credit Market	31	43,2	81		X	
2.6	Bank Non-Performing Loans to Total Gross Loans	56	103,0	43	1		×
2.7	Financial Market Sophistication	18	88,0	22	₽		X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	51	69,5	74	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	71	46,7	87	₽	X	
4.2	Security of Property Rights	65	58,8	62	1	X	
4.3	Quality of Legal Enforcement	76	56 <i>,</i> 6	66	1	X	

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	84	49,1	74	1	X
5.2	Labor Market Rigidities	108	39,0	108	\Rightarrow	X
5.3	Bribing and Corruption	65	48,8	58		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	34	53,5	39	₽	X
6.2	Scientific and Technical Journal Articles	15	74,5	15	⇒	X
6.3	Ease of Starting and Running a Business	116	34,7	113	1	X
6.4	Simplicity of Closing a Business	95	50,7	88	1	X
6.5	Corporate R&D	29	51,4	27	1	X

Bulgaria

Capital: Sofia ++ Official Language: Bulgarian, Turkish, Roma ++ Currency: Bulgarian Lev

Basic Facts



			Quartile
			4th 1st
GDP	54,3 [bn USD]	IPO Volume	X
Population	7,5 [mn]	M&A Volume	
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04'10	PE Activity	X

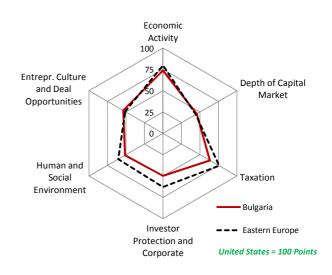
Partners WEBSESSE CLASSE Business School University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 EERNST & YOUNG

Quality In Everything We Do

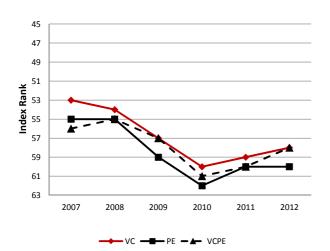
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	55	52,8	58	
Economic Activity	62	73,7	75	
Depth of Capital Market	48	45,6	58	
Taxation	64	63,3	86	
Inv. Prot./Corp. Gov.	72	49,8	80	
Human/Social Env.	60	51,4	65	
Entrepr. Cult./Deal Opp.	55	53,7	41	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55 <i>,</i> 8	50	
Croatia	59	53,3	57	
Bulgaria	55	52,8	58	
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	68	38,8	67	1	X
1.2	Expected Real GDP Growth	42	106,5	85	4	X
1.3	Unemployment	58	96,7	78	₽	X

2 Depth of Capital Market

		2008 2012			Quartile	
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	46	62,5	49	₽	X
2.2	Stock Market Liquidity (Trading Volume)	60	33,2	71	₽	X
2.3	IPOs and Public Issuing Activity	45	19,0	58	₽	X
2.4	M&A Market Activity	49	43,8	53	₽	X
2.5	Debt and Credit Market	39	66,6	39	⇒	X
2.6	Bank Non-Performing Loans to Total Gross Loans	34	95,9	73		X
2.7	Financial Market Sophistication	89	37,1	88		X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	64	63 <i>,</i> 3	86	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	56	54,0	67	₽	X	
4.2	Security of Property Rights	77	45,5	83	₽	X	
4.3	Quality of Legal Enforcement	75	50,1	74	Ŷ	X	

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	74	45,3	81	₽	X	
5.2	Labor Market Rigidities	47	76,0	49	₽	X	
5.3	Bribing and Corruption	60	39 <i>,</i> 5	73	₽	X	

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	93	42,2	53	1	X
6.2	Scientific and Technical Journal Articles	48	50,6	48	⇒	X
6.3	Ease of Starting and Running a Business	55	102,0	24	1	X
6.4	Simplicity of Closing a Business	52	65,9	58		X
6.5	Corporate R&D	58	31,2	47		

Burkina Faso

Capital: Ouagadougou ++ Official Language: French ++ Currency: West African CFA Franc

Basic Facts



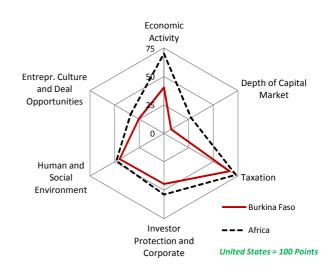
				Quart	tile
				4th	1st
GDP		10,5 [bn USD]	IPO Volume	×	
Population		17,2 [mn]	M&A Volume	X	
GDP Growth	'04	10	VC Activity	X	
Pop. Growth	'04	'10	PE Activity	X	

Partners Image: Constraint of the sector of the s

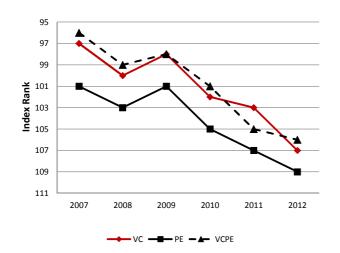
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	99	22,1	106	
Economic Activity	113	40,3	111	
Depth of Capital Market	104	7,2	107	
Taxation	84	66,5	79	
Inv. Prot./Corp. Gov.	88	44,5	88	
Human/Social Env.	75	45,0	78	
Entrepr. Cult./Deal Opp.	86	25,6	98	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Malawi	95	23,9	101	
Ethiopia	97	23,6	103	
Mali	105	23,2	104	1 ×
Cameroon	109	22,7	105	1 ×
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	1 ×
Benin	106	20,8	109	
Madagascar	110	18,6	111	
Lesotho	112	16,6	112	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	103	21,0	100	Ŷ	X
1.2	Expected Real GDP Growth	85	144,2	38	1	X
1.3	Unemployment	114	21,7	114	⇒	×

2 Depth of Capital Market

		2008 2012			Quartile	_	
		Rank	Value	Rank		4th 1s	t
2.1	Size of the Stock Market	97	1,0	97	\Rightarrow	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96		X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	106	7,1	101	1	X	
2.5	Debt and Credit Market	93	25,5	101	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79		X	
2.7	Financial Market Sophistication	89	22,1	108	₽	X	

3 Taxation

		2008	2012		Qu		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	84	66 <i>,</i> 5	79	1	×	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Qı		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	93	43,8	95	₽	×	
4.2	Security of Property Rights	98	38,9	97	1	X	
4.3	Quality of Legal Enforcement	68	51,8	72	Ļ	×	

5 Human and Social Environment

		2008	2012		Qu		uartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	93	38,7	89		×		
5.2	Labor Market Rigidities	35	79,3	38	÷		×	
5.3	Bribing and Corruption	80	29,7	82	₽	×		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	82	10,0	114	₽	X
6.2	Scientific and Technical Journal Articles	95	24,6	95	⇒	X
6.3	Ease of Starting and Running a Business	47	95,2	52	₽	X
6.4	Simplicity of Closing a Business	71	60,7	69	1	X
6.5	Corporate R&D	97	7,8	96	1	X

Burundi

Capital: Bujumbura ++ Official Language: Kirundi, French ++ Currency: Burundi Franc

Basic Facts



			Quartile
			4th 1st
GDP	1,7 [bn USD]	IPO Volume	×
Population	8,6 [mn]	M&A Volume	X
GDP Growth	'04'10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X



Partners

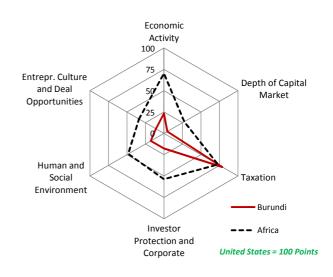
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劃 Ernst & Young Quality In Everything We Do

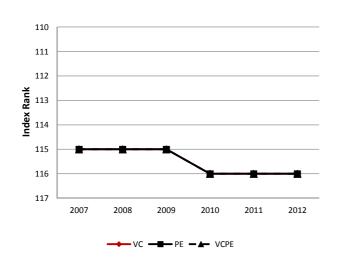
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	115	11,4	116	
Economic Activity	114	23,4	114	
Depth of Capital Market	114	4,4	114	
Taxation	56	78,7	56	
Inv. Prot./Corp. Gov.	114	17,7	115	
Human/Social Env.	106	17,9	113	
Entrepr. Cult./Deal Opp.	114	10,9	114	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	
Benin	106	20,8	109	
Madagascar	110	18,6	111	
Lesotho	112	16,6	112	
Mauritania	111	16,1	113	
Angola	114	12,6	114	
Chad	116	11,7	115	
Burundi	115	11,4	116	

Burundi

1 Economic Activity

1 Eco	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	t
1.1	Size of the Economy (GDP)	116	1,0	116	\Rightarrow	X	
1.2	Expected Real GDP Growth	85	135,1	51		X	
1.3	Unemployment	93	95,0	85		X	

2 Depth of Capital Market

		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	114	1,0	111	1	X	
2.5	Debt and Credit Market	87	31,1	96	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79	1	X	
2.7	Financial Market Sophistication	112	4,2	114	₽	X	

3 Taxation

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	56	78,7	56	⇒	

4 Investor Protection and Corporate Governance

		2008	.008 2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	102	34,0	105	₽	X	
4.2	Security of Property Rights	112	16,3	113	.↓	X	
4.3	Quality of Legal Enforcement	113	10,1	115	Ļ	X	

5 Human and Social Environment

		2008	2008 2012				Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	105	16,5	112	₽	×		
5.2	Labor Market Rigidities	77	61,6	79	÷	X		
5.3	Bribing and Corruption	105	5,6	115	₽	X		

		2008	2012			Quar	tile
		Rank	Value	Rank		4th	1st
6.1	Innovation	107	15,3	110	₽	X	
6.2	Scientific and Technical Journal Articles	114	1,6	114	\Rightarrow	X	
6.3	Ease of Starting and Running a Business	79	59,4	109	₽	×	
6.4	Simplicity of Closing a Business	107	18,4	107	\Rightarrow	X	
6.5	Corporate R&D	97	5,9	111	₽	X	

Cameroon

Capital: Yaoundé ++ Official Language: French, English ++ Currency: Central African CFA Franc

Basic Facts



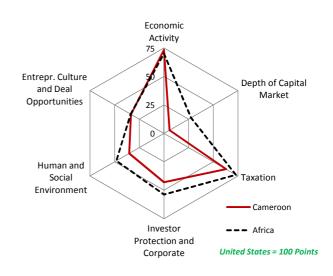
			Qua	rtile
			4th	1st
GDP	25,8 [bn USD]	IPO Volume	X	
Population	20,6 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

Partners Image: Description of the sector of the

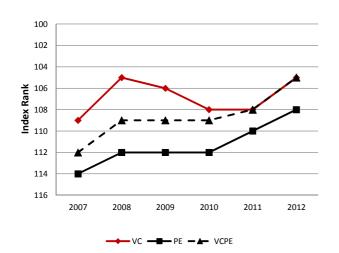
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	109	22,7	105	
Economic Activity	91	73,4	76	
Depth of Capital Market	115	5,7	111	
Taxation	72	62,9	87	
Inv. Prot./Corp. Gov.	101	42,9	92	
Human/Social Env.	103	35,3	99	
Entrepr. Cult./Deal Opp.	92	33,5	80	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Côte d'Ivoire	92	24,1	100	
Malawi	95	23,9	101	
Ethiopia	97	23,6	103	
Mali	105	23,2	104	1 ×
Cameroon	109	22,7	105	
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	1 ×
Benin	106	20,8	109	
Madagascar	110	18,6	111	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	80	30,7	80	⇒	X
1.2	Expected Real GDP Growth	91	129,9	58	1	X
1.3	Unemployment	74	99,1	71	1	X

2 Depth of Capital Market

_		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	113	1,0	111	1	X	
2.5	Debt and Credit Market	89	26,4	100	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79	1	X	
2.7	Financial Market Sophistication	116	28,1	100		X	

3 Taxation

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	72	62,9	87	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012		C		Quartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	87	49,5	80	Ŷ	X		
4.2	Security of Property Rights	102	43,0	90	1	X		
4.3	Quality of Legal Enforcement	105	37,2	98	1	X		

5 Human and Social Environment

		2008	2012		Qı		tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	87	47,3	79		X	
5.2	Labor Market Rigidities	76	61,7	78	.↓	×	
5.3	Bribing and Corruption	109	15,1	103		×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	103	20,2	100	1	X
6.2	Scientific and Technical Journal Articles	71	36,0	71	\Rightarrow	X
6.3	Ease of Starting and Running a Business	85	89,1	68	1	X
6.4	Simplicity of Closing a Business	104	27,0	106	₽	X
6.5	Corporate R&D	70	24,1	57		×

Canada

Capital: Ottawa ++ Official Language: English, French (both official); other ++ Currency: Canadian Dollar

Basic Facts



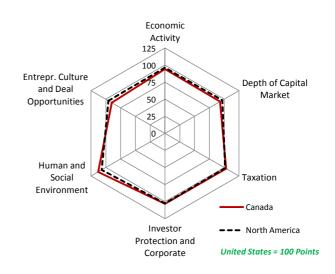
			Quart	ile
			4th	1st
GDP	1755,4 [bn USD]	IPO Volume		X
Population	34,4 [mn]	M&A Volume		X
GDP Growth	'04 '10	VC Activity		X
Pop. Growth	'04 '10	PE Activity		X



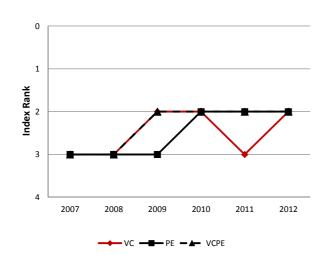
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	3	96,8	2	
Economic Activity	48	94,1	22	
Depth of Capital Market	3	93,0	2	
Taxation	9	103,2	9	
Inv. Prot./Corp. Gov.	7	103,3	8	
Human/Social Env.	4	113,0	4	
Entrepr. Cult./Deal Opp.	5	90,0	7	

Key Factor Performance



Separate VC and PE Indices



	2008	2012 Value Bank		Quartile
	Rank	Value	Rank	4th 1st
United States	1	100,0	1	
Canada	3	96,8	2	
United Kingdom	2	95,1	3	
Japan	4	93,0	4	
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Australia	5	91,9	7	
Sweden	9	90,9	8	
Germany	7	89,4	9	

1 Eco	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	9	76,6	11	₽		X
1.2	Expected Real GDP Growth	105	107,8	83		X	
1.3	Unemployment	47	100,9	54			×

2 Depth of Capital Market

		2008	2012				rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	4	93,2	4	\Rightarrow		×
2.2	Stock Market Liquidity (Trading Volume)	12	82,9	8			X
2.3	IPOs and Public Issuing Activity	2	84,0	3	.↓		X
2.4	M&A Market Activity	4	86,0	4	⇒		×
2.5	Debt and Credit Market	9	92,3	7			X
2.6	Bank Non-Performing Loans to Total Gross Loans	10	107,5	12			X
2.7	Financial Market Sophistication	5	109,0	2			X

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	9	103,2	9	→		×

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	10	98,5	8	1		X
4.2	Security of Property Rights	20	95,4	20	\Rightarrow		X
4.3	Quality of Legal Enforcement	8	117,2	11	↓		X

5 Human and Social Environment

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	6	109,0	6	⇒		×
5.2	Labor Market Rigidities	7	95,6	6	1		X
5.3	Bribing and Corruption	12	138,5	9			X

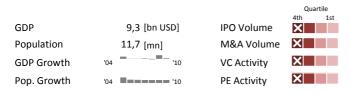
		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	17	83,3	18	₽	X
6.2	Scientific and Technical Journal Articles	7	82,1	7	\Rightarrow	X
6.3	Ease of Starting and Running a Business	2	112,6	2	\Rightarrow	×
6.4	Simplicity of Closing a Business	4	109,8	4	\Rightarrow	
6.5	Corporate R&D	14	70,0	15	- ↓	×

Chad

Capital: N'Djamena ++ Official Language: French, Arabic ++ Currency: CFA Franc

Basic Facts



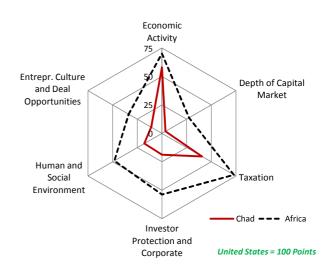


Partners Image: Second University of Navarra Image: Second University of Navarra<

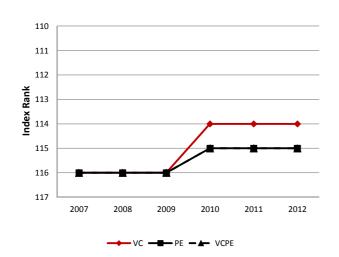
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	116	11,7	115	
Economic Activity	110	58,0	105	
Depth of Capital Market	108	3,5	116	
Taxation	104	40,5	108	
Inv. Prot./Corp. Gov.	116	18,8	114	
Human/Social Env.	115	17,9	114	
Entrepr. Cult./Deal Opp.	115	10,9	115	\Rightarrow ×

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	
Benin	106	20,8	109	
Madagascar	110	18,6	111	
Lesotho	112	16,6	112	
Mauritania	111	16,1	113	
Angola	114	12,6	114	\Rightarrow ×
Chad	116	11,7	115	
Burundi	115	11,4	116	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	104	19,6	103		X
1.2	Expected Real GDP Growth	115	113,0	77		X
1.3	Unemployment	37	87,9	100	₽	X

2 Depth of Capital Market

		2008	2012			Qua	Quartile	
		Rank	Value	Rank		4th	1st	
2.1	Size of the Stock Market	97	1,0	97	⇒	X		
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X		
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X		
2.4	M&A Market Activity	109	1,0	111	₽	X		
2.5	Debt and Credit Market	96	22,1	105	₽	X		
2.6	Bank Non-Performing Loans to Total Gross Loans	75	94,1	77	₽	X		
2.7	Financial Market Sophistication	114	1,2	116	₽	X		

3 Taxation

		2008	2012		Quartil		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	104	40,5	108	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	115	25,9	111	1	X	
4.2	Security of Property Rights	116	18,7	112		X	
4.3	Quality of Legal Enforcement	114	13,7	113		X	

5 Human and Social Environment

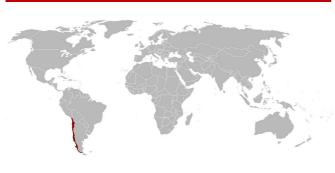
		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	110	34,3	95		X	
5.2	Labor Market Rigidities	57	70,0	60	.↓	×	
5.3	Bribing and Corruption	116	2,4	116	⇒	X	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	75	35,9	66	1	X
6.2	Scientific and Technical Journal Articles	112	1,8	112	\Rightarrow	X
6.3	Ease of Starting and Running a Business	104	12,8	115	₽	X
6.4	Simplicity of Closing a Business	107	18,4	107	\Rightarrow	X
6.5	Corporate R&D	112	9,6	81		×

Chile

Capital: Santiago ++ Official Language: Spanish ++ Currency: Chilean Peso

Basic Facts



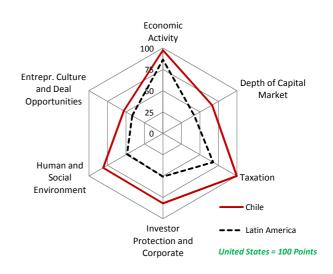
			Quartile
			4th 1st
GDP	243,2 [bn USD]	IPO Volume	X
Population	17,4 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	×
Pop. Growth	'04 1 0	PE Activity	X



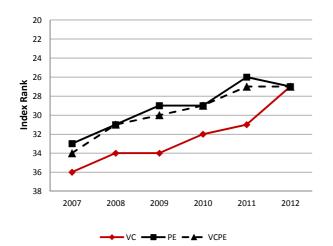
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile
				4th 1st
VCPE Ranking	31	71,5	27	
Economic Activity	51	97,4	14	
Depth of Capital Market	39	66,4	30	
Taxation	6	99,7	14	
Inv. Prot./Corp. Gov.	27	81,9	26	
Human/Social Env.	27	80,7	23	
Entrepr. Cult./Deal Opp.	39	53,0	43	

Key Factor Performance



Separate VC and PE Indices



	2008 Rank	2012 Value Rank		Quartile 4th 1st
Chile	31	71,5	27	
Brazil	44	63,3	36	
Mexico	38	63,2	38	
Colombia	51	58,4	46	
Argentina	53	54,4	51	
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	

		2008	2012		Quartile	
		Rank	Value	Rank	4th 1st	
1.1	Size of the Economy (GDP)	45	55,1	40	×	
1.2	Expected Real GDP Growth	76	165,0	15	X	
1.3	Unemployment	60	101,5	45		

2 Depth of Capital Market

		2008	2012		Quartile	
		Rank	Value	Rank	4th	1st
2.1	Size of the Stock Market	33	71,2	28		X
2.2	Stock Market Liquidity (Trading Volume)	44	65,1	36		X
2.3	IPOs and Public Issuing Activity	62	27,9	43		X
2.4	M&A Market Activity	40	59,1	30		X
2.5	Debt and Credit Market	27	71,1	30		X
2.6	Bank Non-Performing Loans to Total Gross Loans	19	108,2	6		X
2.7	Financial Market Sophistication	22	97,0	13		X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	6	99,7	14	₽		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	20	73,1	25	₽		×
4.2	Security of Property Rights	43	72,5	42			X
4.3	Quality of Legal Enforcement	23	103,7	18			×

5 Human and Social Environment

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	72	55,9	56		
5.2	Labor Market Rigidities	28	83,1	31	÷	X
5.3	Bribing and Corruption	22	113,2	19		×

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	40	44,3	48	₽	X
6.2	Scientific and Technical Journal Articles	39	57,5	39	\Rightarrow	X
6.3	Ease of Starting and Running a Business	52	89,6	65	₽	×
6.4	Simplicity of Closing a Business	85	55,6	81	Ŷ	X
6.5	Corporate R&D	41	32,9	44	₽	

China

Capital: Beijing ++ Official Language: Standard Mandarin Chinese ++ Currency: Chinese Yuan (Renminbi)

ortile

Basic Facts



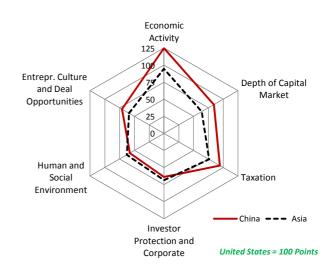
			Quu	- circ
			4th	1st
GDP	6924,2 [bn USD]	IPO Volume		×
Population	1343,0 [mn]	M&A Volume		X
GDP Growth	'04 '10	VC Activity		X
Pop. Growth	'04 10	PE Activity		×



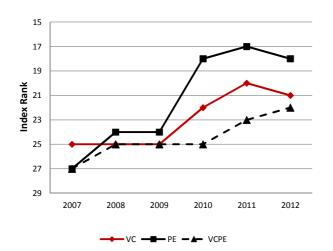
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile
VCPE Ranking	25	78,6	22	4th 1st
Economic Activity	1	124,9	1	
Depth of Capital Market	14	84,3	7	
Taxation	81	94,3	27	
Inv. Prot./Corp. Gov.	54	63,8	48	
Human/Social Env.	52	57,7	54	
Entrepr. Cult./Deal Opp.	26	70,9	23	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Korea, South	14	81,3	18	
Taiwan	24	80,6	19	
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	
Russian Federation	41	59,5	43	

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	3	91,5	2			X
1.2	Expected Real GDP Growth	2	202,6	3	÷		X
1.3	Unemployment	24	105,1	15			X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	7	92,3	5			X
2.2	Stock Market Liquidity (Trading Volume)	3	93,2	2	1		X
2.3	IPOs and Public Issuing Activity	3	89,5	2	1		X
2.4	M&A Market Activity	6	84,1	6	\Rightarrow		×
2.5	Debt and Credit Market	24	75,7	25	.↓		X
2.6	Bank Non-Performing Loans to Total Gross Loans	50	101,1	52	+		X
2.7	Financial Market Sophistication	73	61,1	50			X

3 Taxation

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	81	94,3	27			X

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	92	45,8	91	1	X	
4.2	Security of Property Rights	36	85,7	28	1		X
4.3	Quality of Legal Enforcement	58	66,3	53			×

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	38	69,8	38	⇒	
5.2	Labor Market Rigidities	61	65,5	68	₽	X
5.3	Bribing and Corruption	66	42,0	66	⇒	X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	28	71,8	25	1	×
6.2	Scientific and Technical Journal Articles	2	88,4	2	⇒	X
6.3	Ease of Starting and Running a Business	95	68,5	97	₽	X
6.4	Simplicity of Closing a Business	76	59,6	75	1	X
6.5	Corporate R&D	19	69,0	16		X

Colombia

Capital: Bogota ++ Official Language: Spanish ++ Currency: Colombian Peso

Basic Facts



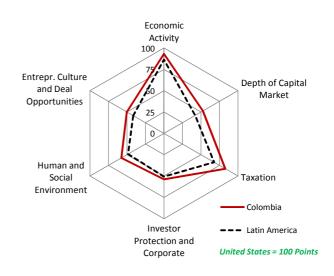


			Quartile
GDP	320,0 [bn USD]	IPO Volume	4th 1st
Population	47,2 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04'10	PE Activity	X

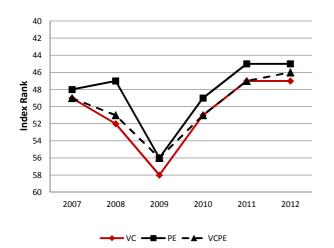
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	51	58,4	46	
Economic Activity	26	93,2	28	
Depth of Capital Market	43	52,6	48	
Taxation	109	82,9	49	
Inv. Prot./Corp. Gov.	81	53,9	72	
Human/Social Env.	48	57,6	55	
Entrepr. Cult./Deal Opp.	50	50,2	50	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Chile	31	71,5	27	
Brazil	44	63,3	36	
Mexico	38	63,2	38	
Colombia	51	58,4	46	
Argentina	53	54,4	51	
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	

1 Eco	onomic Activity					
		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	36	58,1	32		X
1.2	Expected Real GDP Growth	32	144,2	38	Ŷ	X
1.3	Unemployment	89	96,6	80		×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	54	63,0	48	1		X
2.2	Stock Market Liquidity (Trading Volume)	53	59,9	45	1		X
2.3	IPOs and Public Issuing Activity	51	14,3	68	₽	×	
2.4	M&A Market Activity	42	54,5	36	1		X
2.5	Debt and Credit Market	42	62,2	48	₽		X
2.6	Bank Non-Performing Loans to Total Gross Loans	45	105,0	24	1		X
2.7	Financial Market Sophistication	60	58,1	53	1		X

3 Taxation

		2008	20	2012		Quartil	е
		Rank	Value	Rank		4th :	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	109	82,9	49	Ŷ	X	

4 Investor Protection and Corporate Governance

		2008	2012		Q		luartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	51	79,9	20			X	
4.2	Security of Property Rights	101	36,4	99		X		
4.3	Quality of Legal Enforcement	71	53,7	71	⇒	×		

5 Human and Social Environment

		2008	8 2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	57	55,9	58	₽	
5.2	Labor Market Rigidities	27	85,9	23		X
5.3	Bribing and Corruption	58	39 <i>,</i> 8	71	₽	X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	53	37,4	63	₽	X
6.2	Scientific and Technical Journal Articles	54	46,2	54	⇒	X
6.3	Ease of Starting and Running a Business	98	87,4	73	1	X
6.4	Simplicity of Closing a Business	21	91,1	20		X
6.5	Corporate R&D	54	23,2	59	₽	×

Côte d'Ivoire

Capital: Yamoussoukro ++ Official Language: French ++ Currency: West African CFA Franc

Basic Facts



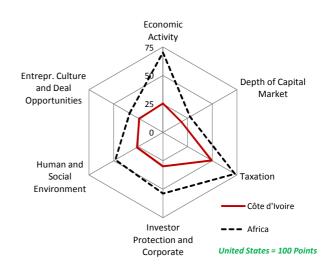
				Quar	tile
				4th	1st
GDP		25,2 [bn USD]	IPO Volume	X	
Population		20,4 [mn]	M&A Volume	X	
GDP Growth	'04		VC Activity	X	
Pop. Growth	'04	'10	PE Activity	X	

Partners Image: Second University of Navarra Image: Second University of Navarra<

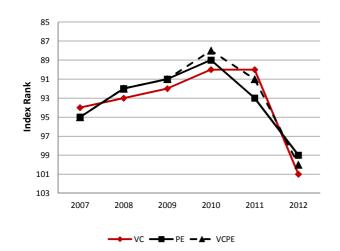
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	92	24,1	100	
Economic Activity	99	25,4	112	
Depth of Capital Market	81	18,6	93	
Taxation	110	49,3	103	
Inv. Prot./Corp. Gov.	113	29,8	109	
Human/Social Env.	107	26,4	109	
Entrepr. Cult./Deal Opp.	87	24,2	101	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Uganda	90	35,6	86	
Mozambique	100	28,5	93	
Rwanda	107	26,6	94	
Senegal	103	24,6	99	
Côte d'Ivoire	92	24,1	100	
Malawi	95	23,9	101	
Ethiopia	97	23,6	103	
Mali	105	23,2	104	
Cameroon	109	22,7	105	

1 Ec	onomic Activity						
		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	79	30,5	82	.↓	X	
1.2	Expected Real GDP Growth	109	5,2	115	₽	X	
1.3	Unemployment	20	103,7	28	↓		X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	81	48,9	74		X
2.2	Stock Market Liquidity (Trading Volume)	80	30,8	79		X
2.3	IPOs and Public Issuing Activity	82	1,0	92	Ŷ	×
2.4	M&A Market Activity	99	5,5	104	₽	X
2.5	Debt and Credit Market	91	28,1	97	Ŷ	X
2.6	Bank Non-Performing Loans to Total Gross Loans	12	103,9	32	₽	X
2.7	Financial Market Sophistication	88	31,1	95	Ŷ	X

3 Taxation

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	110	49,3	103	1	X	

4 Investor Protection and Corporate Governance

		2008	008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	97	39,3	101	Ļ	X	
4.2	Security of Property Rights	113	26,8	107	1	X	
4.3	Quality of Legal Enforcement	112	25,2	109	1	X	

5 Human and Social Environment

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	92	34,3	96	₽	X	
5.2	Labor Market Rigidities	75	61,9	76	÷	X	
5.3	Bribing and Corruption	112	8,6	113	₽	X	

		2008	2012		Quartile		tile
		Rank	Value	Rank		4th	1st
6.1 I	Innovation	81	11,5	113	₽	X	
6.2 5	Scientific and Technical Journal Articles	96	23,4	96	\Rightarrow	X	
6.3 E	Ease of Starting and Running a Business	84	59,7	108	₽	X	
6.4 5	Simplicity of Closing a Business	65	62 <i>,</i> 5	65	⇒	X	
6.5 0	Corporate R&D	97	8,2	90	1	X	

Croatia

Capital: Zagreb ++ Official Language: Croatian ++ Currency: Croatian Kuna

Basic Facts





Pop. Growth '04 ----e '10 PE Activity

'04

64,2 [bn USD]

'10

4,4 [mn]

VCPE-Ranking

GDP

Population

GDP Growth

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	59	53,3	57	
Economic Activity	66	69,4	82	
Depth of Capital Market	67	44,3	61	
Taxation	8	107,2	4	
Inv. Prot./Corp. Gov.	64	52,7	76	
Human/Social Env.	59	53,0	61	
Entrepr. Cult./Deal Opp.	38	52,0	45	

Key Factor Performance

Quartile 1st

X

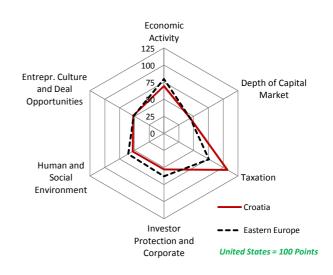
X

X

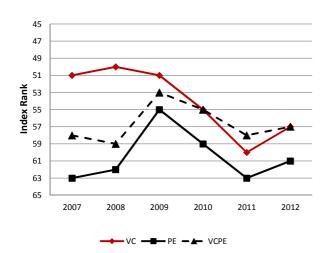
IPO Volume

VC Activity

M&A Volume



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	
Croatia	59	53,3	57	
Bulgaria	55	52,8	58	
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	

1 Economic Activity								
		2008	20	12		Qua	rtile	
		Rank	Value	Rank		4th	1st	
1.1	Size of the Economy (GDP)	61	40,7	63	₽	X		
1.2	Expected Real GDP Growth	69	88,3	108	₽	X		
1.3	Unemployment	85	93,0	93	₽	X		

2 Depth of Capital Market

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1s	t
2.1	Size of the Stock Market	38	63,1	47	+	×	
2.2	Stock Market Liquidity (Trading Volume)	62	42,1	62	⇒	X	
2.3	IPOs and Public Issuing Activity	65	14,6	66	4	X	
2.4	M&A Market Activity	55	31,1	64	4	X	
2.5	Debt and Credit Market	101	59,9	52	Ŷ	×	
2.6	Bank Non-Performing Loans to Total Gross Loans	83	100,5	57	1	X	
2.7	Financial Market Sophistication	54	46,1	75	. ↓	X	

3 Taxation

		2008	2008 2012			Quartile		
		Rank	Value	Rank		4th	1st	
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	8	107,2	4	Ŷ		X	

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		
		Rank	Value	Rank		4th 1st	
4.1	Quality of Corporate Governance	91	40,0	100	Ļ	X	
4.2	Security of Property Rights	49	62,8	54	₽	X	
4.3	Quality of Legal Enforcement	57	58,3	62	↓	X	

5 Human and Social Environment

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	53	55,1	61	₽	X
5.2	Labor Market Rigidities	98	52,3	98	\Rightarrow	X
5.3	Bribing and Corruption	53	51,6	54	₽	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	46	44,7	46	⇒	X
6.2	Scientific and Technical Journal Articles	43	53,4	43	\Rightarrow	X
6.3	Ease of Starting and Running a Business	50	98,7	34	$\mathbf{\uparrow}$	X
6.4	Simplicity of Closing a Business	72	60,2	72	\Rightarrow	X
6.5	Corporate R&D	36	26,9	53	₽	×

Cyprus

Capital: Nicosia ++ Official Language: Greek, Turkish ++ Currency: Euro

Basic Facts



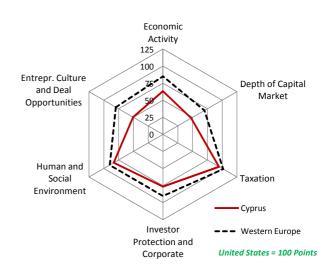
			Quartile
			4th 1st
GDP	25,6 [bn USD]	IPO Volume	X
Population	1,1 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 10	PE Activity	X



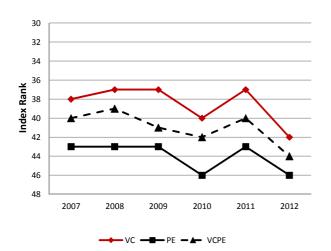
VCPE-Ranking

	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
VCPE Ranking	39	59,5	44		
Economic Activity	83	63,1	96		
Depth of Capital Market	57	47,5	54		
Taxation	26	94,6	25		
Inv. Prot./Corp. Gov.	28	76,6	31		
Human/Social Env.	22	83,2	22		
Entrepr. Cult./Deal Opp.	45	50,4	49		

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
Austria	20	79,6	21		
Ireland	15	78,4	23		
Spain	22	75,1	24		
Italy	28	69,4	30		
Portugal	29	66,4	31		
Luxembourg	32	65,4	33		
Cyprus	39	59,5	44		
Iceland	26	50,3	62		
Greece	46	47,8	66		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	77	30,7	81	₽	X
1.2	Expected Real GDP Growth	69	80,5	110	÷	X
1.3	Unemployment	20	101,9	40	↓	×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	55	54,7	61	+	X
2.2	Stock Market Liquidity (Trading Volume)	59	41,4	64	.↓	X
2.3	IPOs and Public Issuing Activity	43	27,4	45	₽	X
2.4	M&A Market Activity	58	46,2	48	1	×
2.5	Debt and Credit Market	98	23,5	104	₽	X
2.6	Bank Non-Performing Loans to Total Gross Loans	62	102,0	51	1	×
2.7	Financial Market Sophistication	32	79,0	29		X

3 Taxation

		2008	2012		Quartile	
		Rank	Value	Rank	4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	26	94,6	25		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	45	58,8	56	₽	X
4.2	Security of Property Rights	39	75,2	36	1	×
4.3	Quality of Legal Enforcement	22	101,6	20	Ŷ	X

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	29	76,1	31	₽		×
5.2	Labor Market Rigidities	46	76,9	47	₽		X
5.3	Bribing and Corruption	30	98,6	25			X

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	45	56,7	35	1	X
6.2	Scientific and Technical Journal Articles	75	35,1	75	⇒	X
6.3	Ease of Starting and Running a Business	18	97,9	37	♣	X
6.4	Simplicity of Closing a Business	23	86,4	24	4	X
6.5	Corporate R&D	53	19,4	66	-	×

Czech Republic

Capital: Prague ++ Official Language: Czech ++ Currency: Czech Koruna

Basic Facts



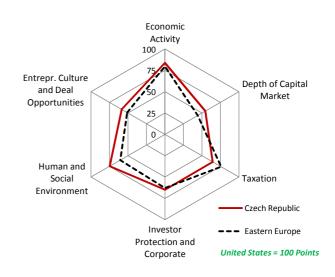
			Quartile		
			4th	1st	
GDP	220,3 [bn USD]	IPO Volume			
Population	10,6 [mn]	M&A Volume		×	
GDP Growth	'04'10	VC Activity		×	
Pop. Growth	'04'10	PE Activity		×	



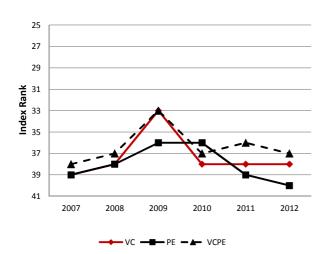
VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	37	63,3	37	
Economic Activity	31	83,8	52	
Depth of Capital Market	45	54,4	45	
Taxation	79	64,5	83	
Inv. Prot./Corp. Gov.	43	64,8	45	
Human/Social Env.	24	74,7	31	
Entrepr. Cult./Deal Opp.	40	58,6	36	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Poland	34	69,5	29	
Turkey	33	65,0	35	
Czech Republic	37	63,3	37	
Estonia	36	62,0	40	
Hungary	48	61,8	41	
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	40	54,1	45	₽	X
1.2	Expected Real GDP Growth	50	106,5	85	₽	X
1.3	Unemployment	42	102,1	35	Ŷ	×

2 Depth of Capital Market

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	68	46,9	79	₽	X	
2.2	Stock Market Liquidity (Trading Volume)	45	57,3	47	₽		X
2.3	IPOs and Public Issuing Activity	58	20,7	55	1	X	
2.4	M&A Market Activity	43	52,1	43	\Rightarrow		×
2.5	Debt and Credit Market	41	62,5	47	₽		X
2.6	Bank Non-Performing Loans to Total Gross Loans	67	102,8	46			X
2.7	Financial Market Sophistication	42	76,0	31			X

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	79	64,5	83	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012		Q		Quartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	44	58,9	55	Ļ		X	
4.2	Security of Property Rights	60	59 <i>,</i> 8	60	\Rightarrow	X		
4.3	Quality of Legal Enforcement	41	77,4	38			×	

5 Human and Social Environment

		2008	2008 2012		Quarti		e
		Rank	Value	Rank		4th 1	1st
5.1	Education and Human Capital	24	77,7	28	₽		X
5.2	Labor Market Rigidities	19	89,5	17			×
5.3	Bribing and Corruption	41	59 <i>,</i> 9	48	₽	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	30	70,3	26		X
6.2	Scientific and Technical Journal Articles	30	64,1	30	⇒	X
6.3	Ease of Starting and Running a Business	64	86,7	74	₽	X
6.4	Simplicity of Closing a Business	105	36,6	101	1	X
6.5	Corporate R&D	32	48,4	29	1	X

Denmark

Capital: Copenhagen ++ Official Language: Danish ++ Currency: Danish Krone

Basic Facts



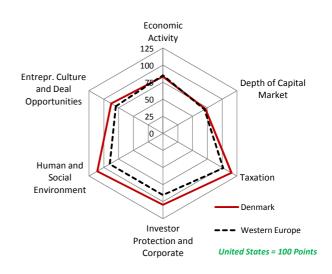
			Quartile
			4th 1st
GDP	349,1 [bn USD]	IPO Volume	
Population	5,6 [mn]	M&A Volume	×
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X



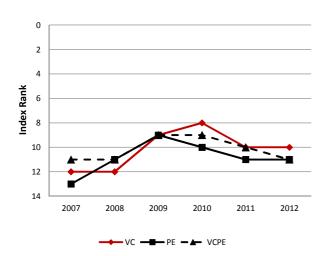
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	11	87,3	11	
Economic Activity	76	83,1	56	
Depth of Capital Market	22	71,5	23	
Taxation	3	115,7	2	
Inv. Prot./Corp. Gov.	4	104,6	7	
Human/Social Env.	2	111,1	6	
Entrepr. Cult./Deal Opp.	12	87,5	10	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
United Kingdom	2	95,1	3	
Sweden	9	90,9	8	
Germany	7	89,4	9	
Switzerland	12	87,9	10	
Denmark	11	87,3	11	
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	

1 Eco	onomic Activity						
		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	27	59,1	29	₽		X
1.2	Expected Real GDP Growth	109	96,1	103		X	
1.3	Unemployment	20	101,0	52	₽		X

2 Depth of Capital Market

		2008 2012		Qua		rtile	
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	34	69,0	32	1		X
2.2	Stock Market Liquidity (Trading Volume)	27	70,3	26	1		X
2.3	IPOs and Public Issuing Activity	36	40,4	34	1		X
2.4	M&A Market Activity	28	57,4	31	. ↓		×
2.5	Debt and Credit Market	11	85,3	11	⇒		X
2.6	Bank Non-Performing Loans to Total Gross Loans	4	109,2	1	1		X
2.7	Financial Market Sophistication	9	91,0	19	.↓		X

3 Taxation

		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	3	115,7	2	1		X

4 Investor Protection and Corporate Governance

		2008 2012		Quarti		rtile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	11	85,0	14	₽		×
4.2	Security of Property Rights	6	108,5	11	÷		X
4.3	Quality of Legal Enforcement	1	124,1	3	₽		×

5 Human and Social Environment

		2008	2012			Qua	Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	5	100,1	14	₽		×	
5.2	Labor Market Rigidities	13	91,6	12	1		X	
5.3	Bribing and Corruption	3	149,8	2			X	

		2008	2012			Quartile	Quartile	
		Rank	Value	Rank		4th 1st		
6.1	Innovation	8	99,2	6	1	X	3	
6.2	Scientific and Technical Journal Articles	22	67,2	22	\Rightarrow		ł	
6.3	Ease of Starting and Running a Business	6	105,4	14	₽		3	
6.4	Simplicity of Closing a Business	19	99,7	15	1		3	
6.5	Corporate R&D	12	73,0	13	₽		ł	

Dominican Republic

Capital: Santo Domingo ++ Official Language: Spanish ++ Currency: Peso

Basic Facts



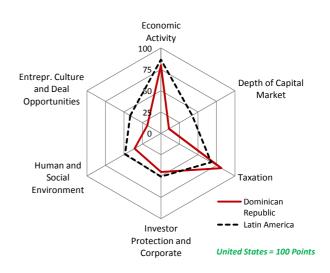


			Quartile
			4th 1st
GDP	54,3 [bn USD]	IPO Volume	X
Population	10,4 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04 10	PE Activity	X

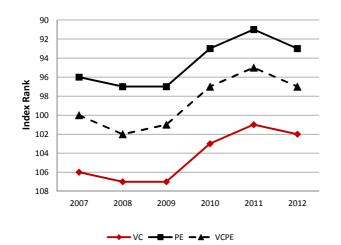
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	102	25,2	97	
Economic Activity	55	79,8	62	
Depth of Capital Market	99	10,8	98	
Taxation	114	81,6	50	
Inv. Prot./Corp. Gov.	102	45,3	85	
Human/Social Env.	102	35,9	98	
Entrepr. Cult./Deal Opp.	108	18,6	109	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	1 ×
Paraguay	101	29,3	92	
Dominican Republic	102	25,2	97	
Nicaragua	104	22,0	107	
Venezuela	96	20,6	110	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	66	38,8	66	⇒	X
1.2	Expected Real GDP Growth	18	139,0	45	4	X
1.3	Unemployment	101	94,3	88	1	X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96		X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	÷	X	
2.4	M&A Market Activity	90	18,7	84		X	
2.5	Debt and Credit Market	44	56,4	63	÷	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	68	103,0	43			×
2.7	Financial Market Sophistication	75	58,1	53			X

3 Taxation

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	114	81,6	50	1		×

4 Investor Protection and Corporate Governance

		2008	2012		Quar		tile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	112	49,2	81		X	
4.2	Security of Property Rights	73	44,0	87	ł	×	
4.3	Quality of Legal Enforcement	93	43,0	91		×	

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	113	20,5	111	1	X
5.2	Labor Market Rigidities	29	81,6	33	↓	X
5.3	Bribing and Corruption	89	27,7	86		×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	85	32,9	72	1	X
6.2	Scientific and Technical Journal Articles	110	9,8	110	⇒	X
6.3	Ease of Starting and Running a Business	86	88,7	69	1	×
6.4	Simplicity of Closing a Business	114	10,4	114	⇒	X
6.5	Corporate R&D	96	7,4	98	₽	X

Ecuador

Capital: Quito ++ Official Language: Spanish ++ Currency: U.S. Dollar

Basic Facts



				Quart	ile
				4th	1st
GDP		65,3 [bn USD]	IPO Volume	×	
Population		14,0 [mn]	M&A Volume	X	
GDP Growth	'04	10	VC Activity	X	
Pop. Growth	'04	'10	PE Activity	X	

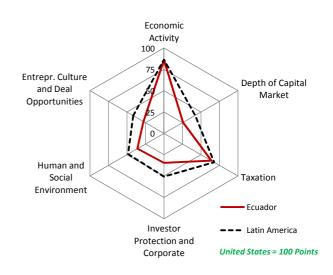
Partners



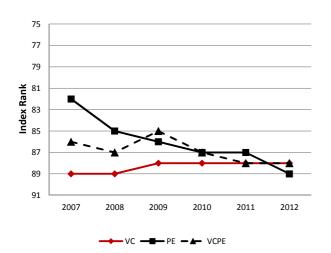
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	87	35,0	88	
Economic Activity	89	86,0	47	
Depth of Capital Market	77	25,7	82	
Taxation	48	63,9	85	
Inv. Prot./Corp. Gov.	108	34,6	103	↑ ×
Human/Social Env.	111	35,9	97	
Entrepr. Cult./Deal Opp.	91	27,7	92	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Argentina	53	54,4	51	
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	
Paraguay	101	29,3	92	1 ×
Dominican Republic	102	25,2	97	

1 Ec	onomic Activity						
		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	64	40,8	62		X	
1.2	Expected Real GDP Growth	106	155,9	29			X
1.3	Unemployment	61	100,0	63	₽	X	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	83	48,4	78		X
2.2	Stock Market Liquidity (Trading Volume)	77	32,5	75		X
2.3	IPOs and Public Issuing Activity	83	1,0	92	÷	X
2.4	M&A Market Activity	75	21,3	80	₽	X
2.5	Debt and Credit Market	67	52,2	71	÷	X
2.6	Bank Non-Performing Loans to Total Gross Loans	54	104,3	31		
2.7	Financial Market Sophistication	89	40,1	82		X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	48	63,9	85	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012				Quartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	103	37,0	104	₽	X		
4.2	Security of Property Rights	106	40,7	94	1	X		
4.3	Quality of Legal Enforcement	107	27,6	107	⇒	X		

5 Human and Social Environment

		2008	2012				Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	109	35,7	92		X		
5.2	Labor Market Rigidities	84	58,1	89	÷	X		
5.3	Bribing and Corruption	108	22,4	94		X		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	102	26,7	88	Ŷ	X
6.2	Scientific and Technical Journal Articles	86	28,4	86	⇒	X
6.3	Ease of Starting and Running a Business	105	61,5	106	₽	X
6.4	Simplicity of Closing a Business	96	42,9	98		X
6.5	Corporate R&D	75	8,2	90	₽	X

Egypt

Capital: Cairo ++ Official Language: Arabic ++ Currency: Egyptian Pound

Basic Facts



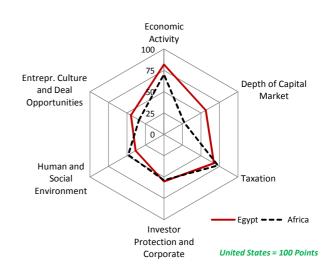
			Quartile
			4th 1st
GDP	227,2 [bn USD]	IPO Volume	X
Population	81,0 [mn]	M&A Volume	
GDP Growth	'04 1 0	VC Activity	X
Pop. Growth	'04	PE Activity	X

Partners Image: Second University of Navarra Image: Second University of Navarra<

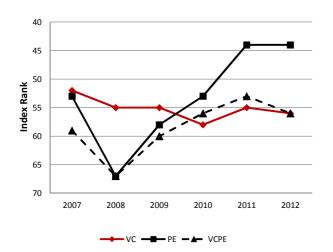
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	67	53,7	56	
Economic Activity	33	81,9	58	
Depth of Capital Market	71	56,4	44	
Taxation	90	67,5	77	
Inv. Prot./Corp. Gov.	60	55,1	68	
Human/Social Env.	94	38,4	92	
Entrepr. Cult./Deal Opp.	53	44,7	58	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
South Africa	27	71,9	26	
Tunisia	74	56,8	49	
Morocco	68	54,0	53	
Egypt	67	53,7	56	
Mauritius	75	47,3	68	
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	

1 Ec	onomic Activity						
		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	51	54,4	43	1		×
1.2	Expected Real GDP Growth	29	101,3	95	÷	X	
1.3	Unemployment	80	99,5	67		×	

2 Depth of Capital Market

		2008	2012			Quarti	Quartile	
		Rank	Value	Rank		4th	1st	
2.1	Size of the Stock Market	29	66,3	41	+	X	(
2.2	Stock Market Liquidity (Trading Volume)	41	62,2	40	1	×	(
2.3	IPOs and Public Issuing Activity	47	29,8	40	1	×	(
2.4	M&A Market Activity	47	48,3	45	1	×		
2.5	Debt and Credit Market	64	67,7	36	1	×		
2.6	Bank Non-Performing Loans to Total Gross Loans	115	86,0	102	1	X		
2.7	Financial Market Sophistication	84	52,1	64		X		

3 Taxation

		2008	2012		Qua	rtile
		Rank	Value	Rank	4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	90	67,5	77	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		tile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	82	45,1	93	₽	X	
4.2	Security of Property Rights	67	53,9	68	₽	×	
4.3	Quality of Legal Enforcement	49	68,8	48	Ŷ		K

5 Human and Social Environment

		2008	2012		Qua		irtile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	108	21,3	109	₽	X		
5.2	Labor Market Rigidities	64	67,1	65	÷	X		
5.3	Bribing and Corruption	79	39,7	72		×		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	84	27,5	84	⇒	X
6.2	Scientific and Technical Journal Articles	37	58,4	37	⇒	×
6.3	Ease of Starting and Running a Business	60	99,0	30	1	X
6.4	Simplicity of Closing a Business	97	43,0	97	⇒	X
6.5	Corporate R&D	40	26,2	55	₽	X

El Salvador

Capital: San Salvador ++ Official Language: Spanish ++ Currency: U.S. Dollar

Basic Facts



			Quart	ile
			4th	1st
GDP	22,6 [bn USD]	IPO Volume	×	
Population	6,3 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04 1 0	PE Activity	X	

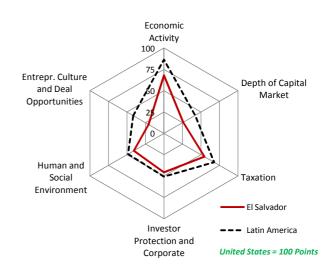
Partners



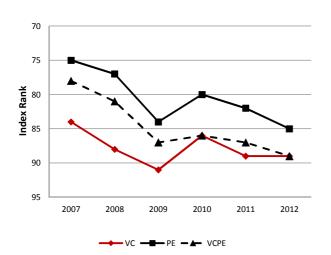
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	81	33,5	89	
Economic Activity	86	68,0	87	
Depth of Capital Market	73	26,0	81	
Taxation	96	54,7	96	
Inv. Prot./Corp. Gov.	86	45,6	84	
Human/Social Env.	72	40,7	89	
Entrepr. Cult./Deal Opp.	104	20,9	107	

Key Factor Performance



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value Rank		4th 1st
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	1 ×
Paraguay	101	29,3	92	1 ×
Dominican Republic	102	25,2	97	
Nicaragua	104	22,0	107	

-		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	82	29,3	84	•	X
1.2	Expected Real GDP Growth	83	106,5	85	₽	X
1.3	Unemployment	52	100,8	56	Ļ	×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	76	50,2	72	1	X
2.2	Stock Market Liquidity (Trading Volume)	79	32,7	73	1	X
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X
2.4	M&A Market Activity	69	10,9	95	.↓	X
2.5	Debt and Credit Market	38	59,5	54	₽	×
2.6	Bank Non-Performing Loans to Total Gross Loans	34	102,8	46	.↓	
2.7	Financial Market Sophistication	38	73,0	34		

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	96	54,7	96	⇒	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	69	52,7	75	Ļ	X	
4.2	Security of Property Rights	94	43,3	89	1	X	
4.3	Quality of Legal Enforcement	92	41,7	93	↓	×	

5 Human and Social Environment

		2008	2012		Quarti		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	100	21,2	110	₽	X	
5.2	Labor Market Rigidities	59	68,7	62	↓	X	
5.3	Bribing and Corruption	56	46,3	61	₽	×	

		2008	2012		Quartil	
		Rank	Value	Rank		4th 1st
6.1	Innovation	76	23,8	96	₽	X
6.2	Scientific and Technical Journal Articles	111	4,6	111	⇒	X
6.3	Ease of Starting and Running a Business	66	85,3	80	₽	×
6.4	Simplicity of Closing a Business	68	62,4	66	1	X
6.5	Corporate R&D	105	6,9	104	1	X

Estonia

Capital: Tallinn ++ Official Language: Estonian ++ Currency: Euro

Basic Facts



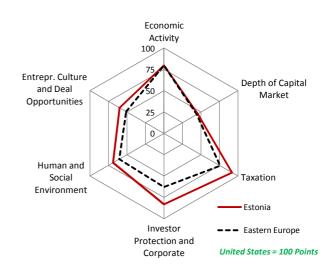
			Quart	ile
			4th	1st
GDP	22,2 [bn USD]	IPO Volume		
Population	1,3 [mn]	M&A Volume	X	
GDP Growth	'04'10	VC Activity		۲
Pop. Growth	'04'10	PE Activity		۲



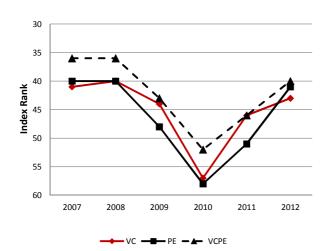
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	36	62,0	40	
Economic Activity	65	79,6	64	
Depth of Capital Market	47	45,5	59	
Taxation	25	92,0	32	
Inv. Prot./Corp. Gov.	25	83,1	24	
Human/Social Env.	38	68,8	40	
Entrepr. Cult./Deal Opp.	35	60,0	35	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Poland	34	69,5	29	
Turkey	33	65,0	35	
Czech Republic	37	63,3	37	
Estonia	36	62,0	40	
Hungary	48	61,8	41	
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	

1 Ec	onomic Activity						
		2008	20	12		Quar	tile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	78	29,1	85	₽	X	
1.2	Expected Real GDP Growth	26	184,4	4			X
1.3	Unemployment	36	93 <i>,</i> 8	90	↓	X	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	86	39,8	85	1	X
2.2	Stock Market Liquidity (Trading Volume)	65	36,2	66	.↓	X
2.3	IPOs and Public Issuing Activity	53	16,7	62	₽	X
2.4	M&A Market Activity	67	33,0	63	1	X
2.5	Debt and Credit Market	26	69,9	31	₽	X
2.6	Bank Non-Performing Loans to Total Gross Loans	7	99,8	62	.↓	X
2.7	Financial Market Sophistication	22	73,0	34	.↓	X

3 Taxation

		2008	20	12		Quartil	le
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	25	92,0	32	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	36	66,8	39	₽		×
4.2	Security of Property Rights	24	90,4	26	₽		X
4.3	Quality of Legal Enforcement	24	95,1	25	↓		×

5 Human and Social Environment

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	28	81,0	26			×
5.2	Labor Market Rigidities	105	41,1	105	\Rightarrow	X	
5.3	Bribing and Corruption	24	97 <i>,</i> 8	26	₽		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	33	68,2	28	1	X
6.2	Scientific and Technical Journal Articles	52	46,4	52	⇒	X
6.3	Ease of Starting and Running a Business	31	102,3	22	1	X
6.4	Simplicity of Closing a Business	42	69,9	45	4	×
6.5	Corporate R&D	45	34,3	42	1	×

Ethiopia

Capital: Addis Ababa ++ Official Language: Amharic ++ Currency: Birr

Basic Facts



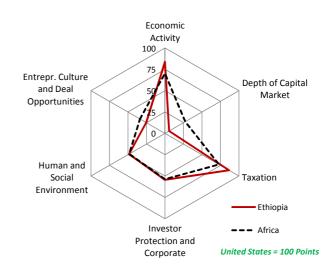
				Quar	tile
				4th	1st
GDP	:	27,4 [bn USD]	IPO Volume	×	
Population	:	85,7 [mn]	M&A Volume	X	
GDP Growth	'04	'10	VC Activity	X	
Pop. Growth	'04	'10	PE Activity	X	



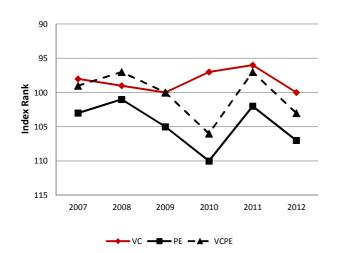
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	97	23,6	103	
Economic Activity	41	83,7	53	
Depth of Capital Market	111	5,6	112	
Taxation	37	86,5	43	
Inv. Prot./Corp. Gov.	80	54,5	70	
Human/Social Env.	83	48,6	71	
Entrepr. Cult./Deal Opp.	97	25,5	99	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Rwanda	107	26,6	94	
Senegal	103	24,6	99	
Côte d'Ivoire	92	24,1	100	
Malawi	95	23,9	101	
Ethiopia	97	23,6	103	
Mali	105	23,2	104	1 ×
Cameroon	109	22,7	105	
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	83	31,4	78		X
1.2	Expected Real GDP Growth	5	178,0	7	.↓	X
1.3	Unemployment	30	104,9	16		X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	\Rightarrow	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	×	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	112	1,0	111	1	X	
2.5	Debt and Credit Market	75	40,3	87	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79		X	
2.7	Financial Market Sophistication	110	16,2	110	\Rightarrow	X	

3 Taxation

		2008	2012		Quartile		
		Rank	Value	Rank		4th 1st	t
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	37	86 <i>,</i> 5	43	₽		

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	86	48,7	83	Ŷ	X
4.2	Security of Property Rights	74	66,2	49	1	×
4.3	Quality of Legal Enforcement	74	50,1	73	Ŷ	X

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	80	52,8	66	1	X
5.2	Labor Market Rigidities	50	74,2	54	.↓	X
5.3	Bribing and Corruption	93	29,3	83	1	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	111	9,2	115	₽	X
6.2	Scientific and Technical Journal Articles	73	35,6	73	⇒	X
6.3	Ease of Starting and Running a Business	29	100,0	28	1	X
6.4	Simplicity of Closing a Business	64	62,2	67	4	X
6.5	Corporate R&D	110	5,3	112	₽	X

Finland

Capital: Helsinki ++ Official Language: Finnish, Swedish ++ Currency: Euro

Basic Facts



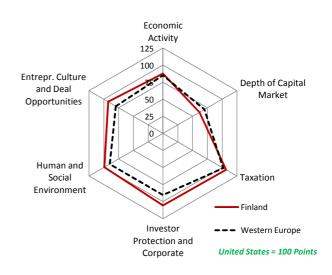
			Quart	ile
			4th	1st
GDP	270,0 [bn USD]	IPO Volume	×	
Population	5,4 [mn]	M&A Volume		K
GDP Growth	'04	VC Activity		K
Pop. Growth	'04	PE Activity		X



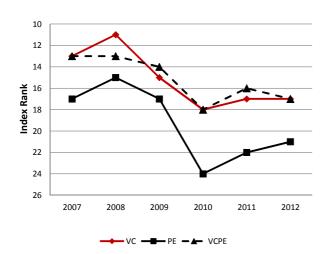
VCPE-Ranking

	2008	20		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	13	83,5	17	
Economic Activity	40	87,6	45	
Depth of Capital Market	28	61,6	39	
Taxation	11	106,6	5	
Inv. Prot./Corp. Gov.	6	105,6	6	
Human/Social Env.	12	99,0	14	
Entrepr. Cult./Deal Opp.	7	92,5	4	

Key Factor Performance



Separate VC and PE Indices



	2008	-		Quartile
	Rank	Value	Rank	4th 1st
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	
Finland	13	83,5	17	
Austria	20	79,6	21	
Ireland	15	78,4	23	
Spain	22	75,1	24	
Italy	28	69,4	30	

1 Eco	onomic Activity						
		2008	2012		Quartil		е
		Rank	Value	Rank		4th 1	1st
1.1	Size of the Economy (GDP)	33	56,3	35	₽	×	
1.2	Expected Real GDP Growth	67	119,5	69	Ŷ	X	
1.3	Unemployment	57	100,0	63	↓	×	

2 Depth of Capital Market

		2008	2012			Qua	Quartile	
		Rank	Value	Rank		4th	1st	
2.1	Size of the Stock Market	41	64,2	44	4		×	
2.2	Stock Market Liquidity (Trading Volume)	21	68,4	31	.↓		×	
2.3	IPOs and Public Issuing Activity	39	20,7	54	.↓	X		
2.4	M&A Market Activity	25	53,3	38	.↓		×	
2.5	Debt and Credit Market	37	68,1	34	1		×	
2.6	Bank Non-Performing Loans to Total Gross Loans	4	108,3	4	\Rightarrow		X	
2.7	Financial Market Sophistication	18	94,0	16	1		X	

3 Taxation

		2008	2012		Quartil		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	11	106,6	5			X

4 Investor Protection and Corporate Governance

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	17	78,3	21	₽		×
4.2	Security of Property Rights	1	120,5	2	.↓		X
4.3	Quality of Legal Enforcement	2	124,7	2	⇒		×

5 Human and Social Environment

		2008	2008 2012		Quartile		tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	2	110,5	5	₽		X
5.2	Labor Market Rigidities	80	60,2	82	÷	X	
5.3	Bribing and Corruption	1	145,9	5	₽		X

		2008	2012		Qu		rtile
		Rank	Value	Rank		4th	1st
6.1	Innovation	9	106,7	3	1		X
6.2	Scientific and Technical Journal Articles	23	66,8	23	\Rightarrow		X
6.3	Ease of Starting and Running a Business	4	105,5	13	₽		X
6.4	Simplicity of Closing a Business	5	108,7	5	\Rightarrow		×
6.5	Corporate R&D	11	83,0	8	1		X

France

Capital: Paris ++ Official Language: French ++ Currency: Euro

Basic Facts



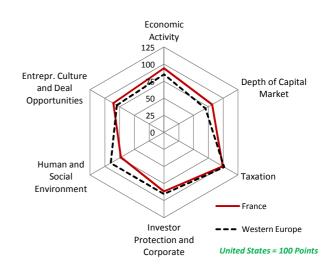
			Qua	rue
			4th	1st
GDP	2804,9 [bn USD]	IPO Volume		X
Population	63,2 [mn]	M&A Volume		X
GDP Growth	'04 '10	VC Activity		X
Pop. Growth	'04 10	PE Activity		X



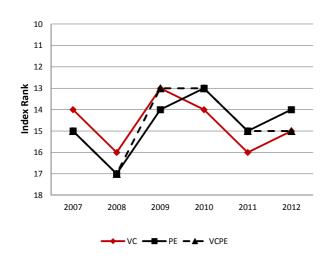
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	17	84,2	15	
Economic Activity	43	93,9	23	
Depth of Capital Market	8	81,3	9	
Taxation	39	99,3	16	
Inv. Prot./Corp. Gov.	21	86,5	21	
Human/Social Env.	29	73,0	34	
Entrepr. Cult./Deal Opp.	8	85,7	13	

Key Factor Performance



Separate VC and PE Indices



	2008	-		Quartile
	Rank	Value	Rank	4th 1st
Denmark	11	87,3	11	
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	
Finland	13	83,5	17	
Austria	20	79,6	21	
Ireland	15	78,4	23	
Spain	22	75,1	24	

1 Ec	onomic Activity						
		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	6	81,7	5			X
1.2	Expected Real GDP Growth	104	102,6	93		X	
1.3	Unemployment	74	98,7	72		X	

2 Depth of Capital Market

		2008	20	2012		Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	10	84,4	11			×
2.2	Stock Market Liquidity (Trading Volume)	5	80,0	15	4		×
2.3	IPOs and Public Issuing Activity	10	63,2	12			X
2.4	M&A Market Activity	7	76,2	8			×
2.5	Debt and Credit Market	25	72,2	29			×
2.6	Bank Non-Performing Loans to Total Gross Loans	45	103,4	41	1		X
2.7	Financial Market Sophistication	13	97,0	13	⇒		X

3 Taxation

		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	39	99 <i>,</i> 3	16	Ŷ		X

4 Investor Protection and Corporate Governance

		2008	8 2012		Quai		tile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	58	56,2	63	₽	X	
4.2	Security of Property Rights	13	112,3	8	1		X
4.3	Quality of Legal Enforcement	19	102,5	19	\Rightarrow		X

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	16	90,6	21	Ļ		×
5.2	Labor Market Rigidities	107	39,7	107	\Rightarrow	X	
5.3	Bribing and Corruption	18	108,0	21	₽		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	6	87,7	13	₽	×
6.2	Scientific and Technical Journal Articles	6	83,0	6	\Rightarrow	×
6.3	Ease of Starting and Running a Business	10	102,5	20	₽	X
6.4	Simplicity of Closing a Business	31	79,3	33	₽	X
6.5	Corporate R&D	9	78,0	10	₽	X

Georgia

Capital: Tbilisi ++ Official Language: Georgian ++ Currency: Lari

Basic Facts



			Quartile	
			4th 1st	
GDP	13,8 [bn USD]	IPO Volume	X	
Population	4,4 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	l
Pop. Growth	'04 '10	PE Activity	X	

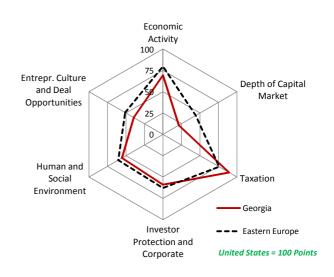
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Quality In Everything We Do

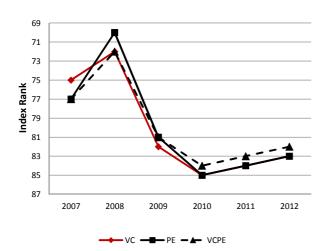
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	72	40,3	82	
Economic Activity	67	69,3	83	
Depth of Capital Market	72	21,4	88	
Taxation	66	89,3	38	
Inv. Prot./Corp. Gov.	78	58,9	59	
Human/Social Env.	55	55,4	58	
Entrepr. Cult./Deal Opp.	66	39,5	66	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	
Montenegro	76	45,8	73	
Macedonia	79	43,2	77	
Georgia	72	40,3	82	
Moldova	93	26,0	95	
Albania	108	25,7	96	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	95	24,0	94	Ŷ	X
1.2	Expected Real GDP Growth	4	152,0	32	₽	X
1.3	Unemployment	98	91,2	95		X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	73	50,9	71	1	X
2.2	Stock Market Liquidity (Trading Volume)	89	9,6	95	₽	X
2.3	IPOs and Public Issuing Activity	73	1,0	92	.↓	×
2.4	M&A Market Activity	66	23,6	76	₽	X
2.5	Debt and Credit Market	73	49,3	75	.↓	X
2.6	Bank Non-Performing Loans to Total Gross Loans	12	97,3	69	.↓	X
2.7	Financial Market Sophistication	84	37,1	88	₽	X

3 Taxation

		2008	20	12	Qua	rtile
		Rank	Value	Rank	4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	66	89 <i>,</i> 3	38		X

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	81	71,4	29	1		×
4.2	Security of Property Rights	71	50,2	74	₽	X	
4.3	Quality of Legal Enforcement	80	57,0	65		X	

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	81	32,9	99	₽	X	
5.2	Labor Market Rigidities	14	91,4	13	1		X
5.3	Bribing and Corruption	57	56 <i>,</i> 6	50			X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	101	29,2	80	1	X
6.2	Scientific and Technical Journal Articles	76	34,4	76	\Rightarrow	X
6.3	Ease of Starting and Running a Business	28	107,8	9	1	X
6.4	Simplicity of Closing a Business	56	64,9	62		X
6.5	Corporate R&D	64	13,7	70	₽	X

Germany

Capital: Berlin ++ Official Language: German ++ Currency: Euro

Basic Facts



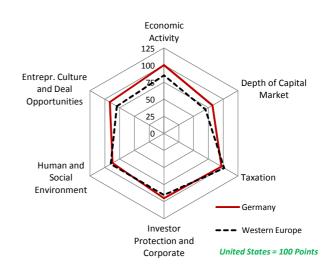
			Qua	irtile
			4th	1st
GDP	3621,6 [bn USD]	IPO Volume		×
Population	81,3 [mn]	M&A Volume		X
GDP Growth	'04 '10	VC Activity		X
Pop. Growth	'04 '10	PE Activity		X



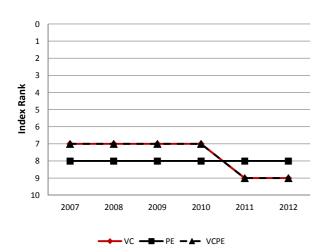
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	7	89,4	9	
Economic Activity	20	100,0	10	
Depth of Capital Market	7	81,8	8	
Taxation	24	97,1	19	
Inv. Prot./Corp. Gov.	12	95,0	14	
Human/Social Env.	19	87,0	21	
Entrepr. Cult./Deal Opp.	3	91,5	6	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
United Kingdom	2	95,1	3	
Sweden	9	90,9	8	
Germany	7	89,4	9	
Switzerland	12	87,9	10	
Denmark	11	87,3	11	
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	4	84,5	4	\Rightarrow	X
1.2	Expected Real GDP Growth	92	115,6	74		X
1.3	Unemployment	71	102,5	33		X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	12	80,7	12	⇒		×
2.2	Stock Market Liquidity (Trading Volume)	6	83,0	7	4		X
2.3	IPOs and Public Issuing Activity	12	58,9	16			X
2.4	M&A Market Activity	8	73,7	13			×
2.5	Debt and Credit Market	13	83,7	15			×
2.6	Bank Non-Performing Loans to Total Gross Loans	43	106,8	16	1		X
2.7	Financial Market Sophistication	13	94,0	16	₽		X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	24	97,1	19	ſ		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	23	67,4	37	₽	X
4.2	Security of Property Rights	8	111,1	9	÷	X
4.3	Quality of Legal Enforcement	15	114,5	16	₽	X

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	13	101,0	13	⇒		X
5.2	Labor Market Rigidities	99	52,3	99	\Rightarrow	X	
5.3	Bribing and Corruption	15	124,8	16	₽		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	2	104,1	4	₽	
6.2	Scientific and Technical Journal Articles	5	86,2	5	\Rightarrow	X
6.3	Ease of Starting and Running a Business	48	88,5	70	₽	X
6.4	Simplicity of Closing a Business	22	86,9	21		X
6.5	Corporate R&D	3	92,9	3	\Rightarrow	X

Ghana

Capital: Accra ++ Official Language: English ++ Currency: Ghanaian Cedi

Basic Facts



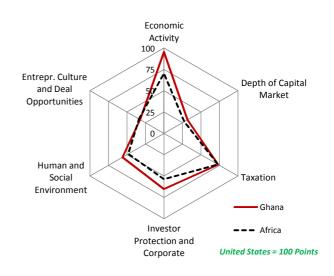
			Quar	tile
			4th	1st
GDP	38,6 [bn USD]	IPO Volume	×	
Population	25,3 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

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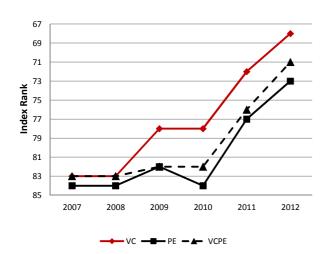
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	83	45,9	71	
Economic Activity	78	95,4	18	
Depth of Capital Market	88	31,7	76	
Taxation	73	73,2	66	
Inv. Prot./Corp. Gov.	45	65,4	44	
Human/Social Env.	63	56,2	57	
Entrepr. Cult./Deal Opp.	102	32,3	83	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Tunisia	74	56,8	49	
Morocco	68	54,0	53	
Egypt	67	53,7	56	
Mauritius	75	47,3	68	
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	
Nigeria	65	42,4	79	

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	75	35,1	74	1	X
1.2	Expected Real GDP Growth	42	255,9	1	1	X
1.3	Unemployment	92	96,7	78	1	X

2 Depth of Capital Market

		2008	2012			Quar	tile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	85	46,7	80		X	
2.2	Stock Market Liquidity (Trading Volume)	84	29,9	81		×	
2.3	IPOs and Public Issuing Activity	83	9,3	76		×	
2.4	M&A Market Activity	82	18,1	86	÷	×	
2.5	Debt and Credit Market	108	39,1	89		X	
2.6	Bank Non-Performing Loans to Total Gross Loans	84	76,2	109	₽	X	
2.7	Financial Market Sophistication	73	46,1	75	Ŷ	×	

3 Taxation

		2008	20	2012		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	73	73,2	66	1	×	

4 Investor Protection and Corporate Governance

		2008	2012		Q		luartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	25	74,1	24	1		×	
4.2	Security of Property Rights	56	59,6	61	.↓	X		
4.3	Quality of Legal Enforcement	59	63,1	57			×	

5 Human and Social Environment

		2008	2012		Qı		uartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	67	55,7	59	1	X		
5.2	Labor Market Rigidities	66	66,2	66	\Rightarrow	X		
5.3	Bribing and Corruption	61	48,1	59		×		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	97	31,4	76	1	X
6.2	Scientific and Technical Journal Articles	79	32,9	79	\Rightarrow	X
6.3	Ease of Starting and Running a Business	72	93,0	57	1	X
6.4	Simplicity of Closing a Business	80	53 <i>,</i> 0	86	₽	X
6.5	Corporate R&D	115	6,9	104	1	X

Greece

Capital: Athens ++ Official Language: Greek ++ Currency: Euro

Basic Facts



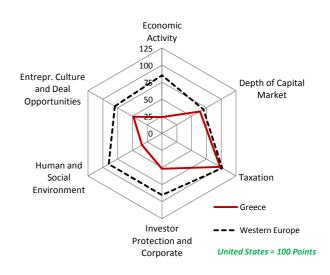
			Quartile
			4th 1st
GDP	311,7 [bn USD]	IPO Volume	
Population	11,3 [mn]	M&A Volume	X
GDP Growth	'04 ————————————————————————————————————	VC Activity	X
Pop. Growth	'04	PE Activity	X



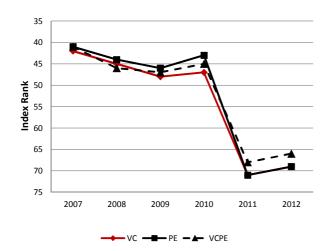
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	46	47,8	66	4th 1st
Economic Activity	61	23,8	113	
Depth of Capital Market	33	64,3	34	
Taxation	34	98,1	18	
Inv. Prot./Corp. Gov.	66	51,8	77	
Human/Social Env.	89	33,9	102	
Entrepr. Cult./Deal Opp.	47	48,4	53	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Austria	20	79,6	21	
Ireland	15	78,4	23	
Spain	22	75,1	24	
Italy	28	69,4	30	
Portugal	29	66,4	31	
Luxembourg	32	65,4	33	
Cyprus	39	59,5	44	
Iceland	26	50,3	62	
Greece	46	47,8	66	

1 Economic Activity									
		2008	2012		Qua		tile		
		Rank	Value	Rank		4th	1st		
1.1	Size of the Economy (GDP)	28	57,8	33	+		×		
1.2	Expected Real GDP Growth	95	2,6	116	.↓	X			
1.3	Unemployment	71	91,5	94	₽	X			

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	31	67,8	38			X
2.2	Stock Market Liquidity (Trading Volume)	28	63,0	39	.↓		X
2.3	IPOs and Public Issuing Activity	26	45,5	29	₽		X
2.4	M&A Market Activity	38	54,8	35			X
2.5	Debt and Credit Market	30	78,2	23			X
2.6	Bank Non-Performing Loans to Total Gross Loans	73	93,8	78		X	
2.7	Financial Market Sophistication	46	58,1	53	.↓		X

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th 1	
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	34	98,1	18	1		×

4 Investor Protection and Corporate Governance

		2008	2012		Q		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	104	31,6	106	₽	×	
4.2	Security of Property Rights	46	65,1	51	₽		X
4.3	Quality of Legal Enforcement	42	67,5	51	↓		×

5 Human and Social Environment

		2008	2008 2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	70	38,8	88	₽	X	
5.2	Labor Market Rigidities	113	23,8	114	₽	X	
5.3	Bribing and Corruption	50	42,3	65	₽	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	65	33,7	69	₽	X
6.2	Scientific and Technical Journal Articles	24	66,8	24	⇒	X
6.3	Ease of Starting and Running a Business	106	60,0	107	₽	X
6.4	Simplicity of Closing a Business	34	77,9	35	₽	X
6.5	Corporate R&D	50	25,1	56	₽	

Guatemala

Capital: Guatemala City ++ Official Language: Spanish ++ Currency: Quetzal

Basic Facts



				Quart	ile
				4th	1st
GDP		46,7 [bn USD]	IPO Volume	X	
Population		14,9 [mn]	M&A Volume	X	
GDP Growth	'04	 '10	VC Activity	X	
Pop. Growth	'04	'10	PE Activity	X	

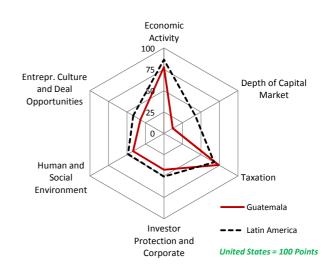
Partners



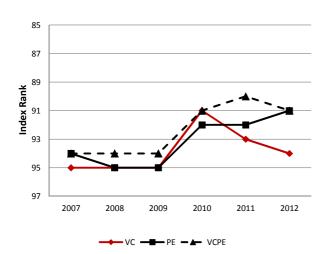
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	94	29,5	91	
Economic Activity	63	77,6	70	
Depth of Capital Market	98	11,9	97	
Taxation	76	73,8	64	
Inv. Prot./Corp. Gov.	92	42,6	93	
Human/Social Env.	91	41,9	85	
Entrepr. Cult./Deal Opp.	85	31,9	84	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	
Paraguay	101	29,3	92	
Dominican Republic	102	25,2	97	
Nicaragua	104	22,0	107	
Venezuela	96	20,6	110	

1 Eco	onomic Activity						
		2008	20	12		Quar	tile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	72	37,2	71	1	×	
1.2	Expected Real GDP Growth	47	116,9	72	.↓	X	
1.3	Unemployment	4	107,4	4	⇒		X

2 Depth of Capital Market

		2008	2012			Quartile	e
		Rank	Value	Rank		4th 1	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	81	29,7	66	1	X	
2.5	Debt and Credit Market	50	55,6	65	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	80	104,8	28	1		X
2.7	Financial Market Sophistication	66	73,0	34		X	

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	76	73 <i>,</i> 8	64	1	×	

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	88	58,3	57	1		X
4.2	Security of Property Rights	96	36,8	98	.↓	X	
4.3	Quality of Legal Enforcement	100	36,0	101	↓	X	

5 Human and Social Environment

		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	103	30,8	103	⇒	X	
5.2	Labor Market Rigidities	68	65,1	69	.↓	X	
5.3	Bribing and Corruption	78	36,7	75		×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	68	29,8	78	₽	X
6.2	Scientific and Technical Journal Articles	99	18,8	99	⇒	X
6.3	Ease of Starting and Running a Business	92	67,7	98	₽	X
6.4	Simplicity of Closing a Business	73	59,6	74		X
6.5	Corporate R&D	81	14,6	69	1	X

Hong Kong

Capital: Hong Kong ++ Official Language: Chinese, English ++ Currency: Hong Kong Dollar

Basic Facts



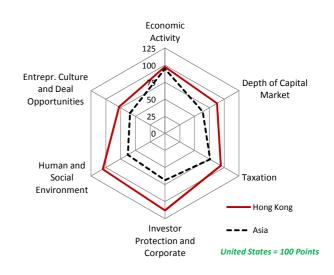
			Quartile
			4th 1st
GDP	246,9 [bn USD]	IPO Volume	
Population	7,2 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04'10	PE Activity	X



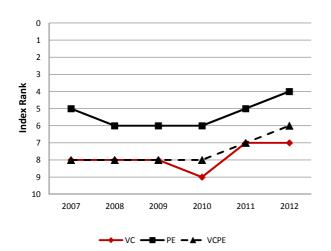
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	8	92,2	6	
Economic Activity	22	97,5	13	
Depth of Capital Market	6	87,9	5	
Taxation	18	94,4	26	
Inv. Prot./Corp. Gov.	3	112,8	3	
Human/Social Env.	11	105,1	7	
Entrepr. Cult./Deal Opp.	20	77,5	20	

Key Factor Performance



Separate VC and PE Indices



2008	2012		Quartile
Rank	Value	Rank	4th 1st
4	93,0	4	
6	92,9	5	
8	92,2	6	
14	81,3	18	
24	80,6	19	
25	78,6	22	
23	74,8	25	
30	66,3	32	
35	65,3	34	
	Rank 4 6 8 14 24 25 23 30	Rank Value 4 93,0 6 92,9 8 92,2 14 81,3 24 80,6 25 78,6 23 74,8 30 66,3	Rank Value Rank 4 93,0 4 6 92,9 5 8 92,2 6 14 81,3 18 24 80,6 19 25 78,6 22 23 74,8 25 30 66,3 32

		2008	2012		Qu		tile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	37	55,3	38	₽		X
1.2	Expected Real GDP Growth	45	158,5	25			×
1.3	Unemployment	24	105,6	12			X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	11	88,1	9	1		×
2.2	Stock Market Liquidity (Trading Volume)	16	83,7	6	1		X
2.3	IPOs and Public Issuing Activity	8	73,2	6	1		X
2.4	M&A Market Activity	11	74,9	10	1		X
2.5	Debt and Credit Market	20	88,0	10	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	12	107,8	7	1		X
2.7	Financial Market Sophistication	2	106,0	7	.↓		X

3 Taxation

		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	18	94,4	26	₽		X

4 Investor Protection and Corporate Governance

		2008	2008 2012		Qu		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	3	105,0	4	₽		×
4.2	Security of Property Rights	10	115,0	5	1		X
4.3	Quality of Legal Enforcement	17	118,9	8			×

5 Human and Social Environment

		2008	2012		Q		Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	23	86,2	23	⇒		X	
5.2	Labor Market Rigidities	4	99,4	4	\Rightarrow		X	
5.3	Bribing and Corruption	14	135,6	12	ſ		X	

-		2008	2012		Qu		tile
		Rank	Value	Rank		4th	1st
6.1	Innovation	21	75,3	22	₽		X
6.2	Scientific and Technical Journal Articles	28	64,4	28	\Rightarrow		X
6.3	Ease of Starting and Running a Business	11	107,5	11	\Rightarrow		X
6.4	Simplicity of Closing a Business	15	99,2	16	₽		X
6.5	Corporate R&D	23	54,2	24	₽		X

Hungary

Capital: Budapest ++ Official Language: Hungarian ++ Currency: Forint

Basic Facts



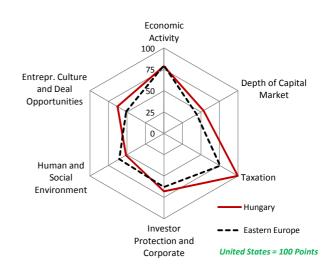
			Quartile
			4th 1st
GDP	147,9 [bn USD]	IPO Volume	×
Population	10,0 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X



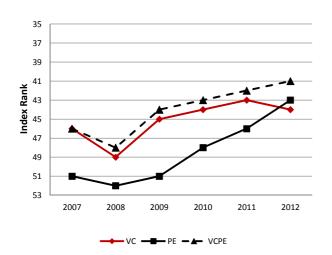
VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	48	61,8	41	
Economic Activity	88	78,6	66	
Depth of Capital Market	50	53,5	46	
Taxation	10	99,6	15	
Inv. Prot./Corp. Gov.	38	67,9	41	
Human/Social Env.	67	51,4	64	
Entrepr. Cult./Deal Opp.	34	62,8	30	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Poland	34	69,5	29	
Turkey	33	65,0	35	
Czech Republic	37	63,3	37	
Estonia	36	62,0	40	
Hungary	48	61,8	41	
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	49	49,7	55	₽	X
1.2	Expected Real GDP Growth	114	100,0	97	1	X
1.3	Unemployment	65	97,6	76	₽	×

2 Depth of Capital Market

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	t
2.1	Size of the Stock Market	66	54,1	63	Ŷ	X	
2.2	Stock Market Liquidity (Trading Volume)	43	60,8	43	⇒	×	
2.3	IPOs and Public Issuing Activity	67	20,1	56	1	X	
2.4	M&A Market Activity	44	39,7	55		×	
2.5	Debt and Credit Market	33	68,0	35	+	×	
2.6	Bank Non-Performing Loans to Total Gross Loans	38	95,9	73		X	
2.7	Financial Market Sophistication	53	73,0	34			

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	10	99 <i>,</i> 6	15	ł		X

4 Investor Protection and Corporate Governance

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	67	54,8	66	Ŷ	X
4.2	Security of Property Rights	30	79,2	34	₽	×
4.3	Quality of Legal Enforcement	43	72,1	45	. ↓	X

5 Human and Social Environment

		2008	2012		Quartile		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	51	70,4	35	Ŷ		×
5.2	Labor Market Rigidities	111	31,0	112	₽	X	
5.3	Bribing and Corruption	40	62,3	46	Ļ		×

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	42	62,0	30	1	×
6.2	Scientific and Technical Journal Articles	36	60,5	36	\Rightarrow	X
6.3	Ease of Starting and Running a Business	34	104,7	16	1	X
6.4	Simplicity of Closing a Business	47	69,1	49	₽	X
6.5	Corporate R&D	46	36,1	39		×

Iceland

Capital: Reykjavík ++ Official Language: Icelandic ++ Currency: Icelandic Króna

Basic Facts



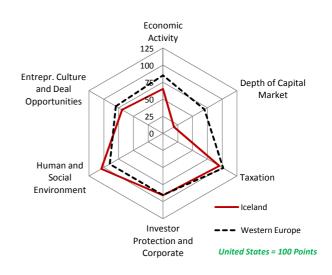
			Quartile
			4th 1st
GDP	14,1 [bn USD]	IPO Volume	×
Population	0,3 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X



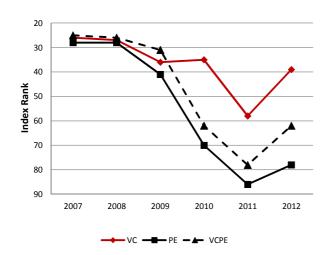
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	26	50,3	62	
Economic Activity	79	65,1	92	
Depth of Capital Market	40	18,6	92	
Taxation	32	95,2	21	
Inv. Prot./Corp. Gov.	13	90,7	18	
Human/Social Env.	7	104,2	9	
Entrepr. Cult./Deal Opp.	25	69,0	26	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
Austria	20	79,6	21		
Ireland	15	78,4	23		
Spain	22	75,1	24		
Italy	28	69,4	30		
Portugal	29	66,4	31		
Luxembourg	32	65,4	33		
Cyprus	39	59,5	44		
Iceland	26	50,3	62		
Greece	46	47,8	66		

1 Ec	onomic Activity						
		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	81	24,2	93	+	X	
1.2	Expected Real GDP Growth	57	113,0	77	₽	X	
1.3	Unemployment	6	101,0	52	Ļ		×

2 Depth of Capital Market

		2008	2012		Q		tile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	77	33,5	89	•	X	
2.2	Stock Market Liquidity (Trading Volume)	42	31,6	77	.↓	×	
2.3	IPOs and Public Issuing Activity	68	8,6	79	₽	X	
2.4	M&A Market Activity	50	23,0	78	₽	X	
2.5	Debt and Credit Market	2	84,0	14	₽		X
2.6	Bank Non-Performing Loans to Total Gross Loans	12	1,1	116	.↓	×	
2.7	Financial Market Sophistication	26	40,1	82	.↓	X	

3 Taxation

		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	32	95,2	21	1		X

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	31	66,4	40	Ļ	X
4.2	Security of Property Rights	5	101,9	15	₽	X
4.3	Quality of Legal Enforcement	13	110,4	17	↓	X

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1	st
5.1	Education and Human Capital	12	104,9	9			X
5.2	Labor Market Rigidities	38	78,8	40	.↓		
5.3	Bribing and Corruption	5	136,8	11	₽		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	19	86,5	14	1	×
6.2	Scientific and Technical Journal Articles	64	39,6	64	⇒	X
6.3	Ease of Starting and Running a Business	9	102,8	19	₽	X
6.4	Simplicity of Closing a Business	10	103,8	10	⇒	
6.5	Corporate R&D	31	42,9	34	₽	X

India

Capital: New Delhi ++ Official Language: Hindi, English ++ Currency: Indian Rupee

Basic Facts



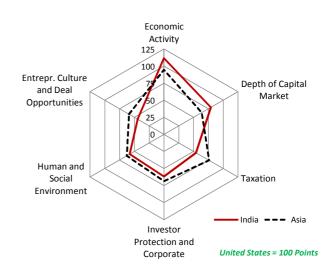
			Quartile		
			4th	1st	
GDP	1946,1 [bn USD]	IPO Volume		X	
Population	1208,7 [mn]	M&A Volume		X	
GDP Growth	'04	VC Activity		X	
Pop. Growth	'04 ********* '10	PE Activity		X	



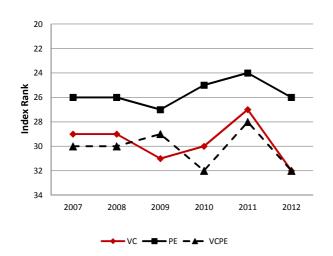
VCPE-Ranking

	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	30	66,3	32	
Economic Activity	2	111,4	2	
Depth of Capital Market	13	79,3	12	
Taxation	100	54,0	97	↑ ×
Inv. Prot./Corp. Gov.	44	61,7	51	
Human/Social Env.	47	58,0	52	
Entrepr. Cult./Deal Opp.	49	44,5	59	

Key Factor Performance



Separate VC and PE Indices



	2008	-		Quartile
	Rank	Value	Rank	4th 1st
Korea, South	14	81,3	18	
Taiwan	24	80,6	19	
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	
Russian Federation	41	59,5	43	
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	

1 Ec	onomic Activity						
		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	12	77,8	9	1		X
1.2	Expected Real GDP Growth	9	179,3	6	1		×
1.3	Unemployment	80	99,3	70	T	X	

2 Depth of Capital Market

		2008	2012				rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	3	93,8	3	⇒		×
2.2	Stock Market Liquidity (Trading Volume)	14	81,5	10	1		X
2.3	IPOs and Public Issuing Activity	7	74,8	4	1		X
2.4	M&A Market Activity	12	74,9	11	1		×
2.5	Debt and Credit Market	57	59,5	53	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	40	105,7	21	1		X
2.7	Financial Market Sophistication	31	73,0	34	₽		X

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	100	54,0	97	1	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
4.1	Quality of Corporate Governance	22	71,0	30	₽	X	
4.2	Security of Property Rights	75	48,4	78	.↓	X	
4.3	Quality of Legal Enforcement	46	68,3	50	↓	×	

5 Human and Social Environment

		2008	2012		Quartile		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	32	78,8	27			×
5.2	Labor Market Rigidities	67	66,0	67	\Rightarrow	X	
5.3	Bribing and Corruption	68	37,6	74	₽	X	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	26	45,7	44	Ļ	X
6.2	Scientific and Technical Journal Articles	11	78,3	11	⇒	X
6.3	Ease of Starting and Running a Business	80	64,5	104	₽	X
6.4	Simplicity of Closing a Business	113	13,0	113	⇒	X
6.5	Corporate R&D	24	58,0	23	1	X

Indonesia

Capital: Jakarta ++ Official Language: Indonesian ++ Currency: Rupiah

Basic Facts



			Quarti	ie
			4th	1st
GDP	834,4 [bn USD]	IPO Volume		X
Population	236,2 [mn]	M&A Volume		X
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 1 0	PE Activity	X	

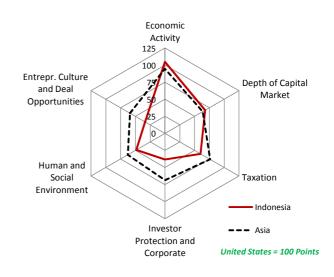
Partners



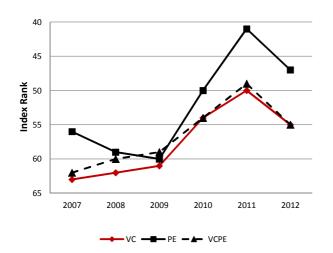
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	60	53,9	55	
Economic Activity	14	104,6	4	
Depth of Capital Market	37	67,9	28	
Taxation	95	60,0	91	
Inv. Prot./Corp. Gov.	90	38,2	101	
Human/Social Env.	76	48,4	72	
Entrepr. Cult./Deal Opp.	79	33,7	79	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	
Russian Federation	41	59,5	43	
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	

-		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	21	68,5	17		X
1.2	Expected Real GDP Growth	47	163,7	18	1	X
1.3	Unemployment	84	101,9	40		×

2 Depth of Capital Market

		2008 2012		12	Qı		uartile	
		Rank	Value	Rank		4th	1st	
2.1	Size of the Stock Market	26	75,2	22	1		×	
2.2	Stock Market Liquidity (Trading Volume)	37	70,0	27	1		X	
2.3	IPOs and Public Issuing Activity	25	58,2	18	1		X	
2.4	M&A Market Activity	33	66,7	20	1		X	
2.5	Debt and Credit Market	76	48,9	77	₽	X		
2.6	Bank Non-Performing Loans to Total Gross Loans	70	103,9	32	1		×	
2.7	Financial Market Sophistication	66	64,1	45	1		X	

3 Taxation

		2008	2012				Quartile	
		Rank	Value	Rank		4th	1st	
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	95	60,0	91		X		

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	65	46,5	88	₽	×	
4.2	Security of Property Rights	109	21,9	110	.↓	X	
4.3	Quality of Legal Enforcement	69	54,9	68		×	

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	35	67,5	41	₽	X	
5.2	Labor Market Rigidities	94	59,1	86	1	X	
5.3	Bribing and Corruption	98	28,5	85	ſ	×	

		2008	2012		Qua		tile
		Rank	Value	Rank		4th	1st
6.1	Innovation	48	33,3	70	₽	X	
6.2	Scientific and Technical Journal Articles	67	38,2	67	⇒	×	
6.3	Ease of Starting and Running a Business	107	78,2	88	1	×	
6.4	Simplicity of Closing a Business	98	39,0	100	₽	×	
6.5	Corporate R&D	67	11,2	76	↓	X	

Ireland

Capital: Dublin ++ Official Language: Irish, English ++ Currency: Euro

Basic Facts



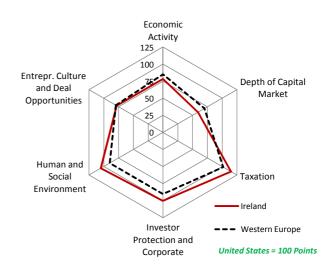
			Quartile
			4th 1st
GDP	221,8 [bn USD]	IPO Volume	
Population	4,4 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X



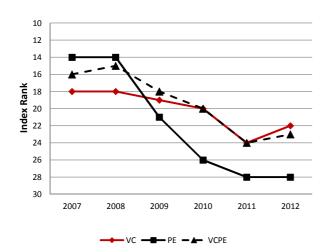
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	15	78,4	23	
Economic Activity	38	78,3	67	
Depth of Capital Market	25	59,1	42	
Taxation	2	114,8	3	
Inv. Prot./Corp. Gov.	10	100,5	10	
Human/Social Env.	9	105,0	8	
Entrepr. Cult./Deal Opp.	19	78,2	19	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Belgium	18	84,4	14	
France	17	84,2	15	
Finland	13	83,5	17	
Austria	20	79,6	21	
Ireland	15	78,4	23	
Spain	22	75,1	24	
Italy	28	69,4	30	
Portugal	29	66,4	31	
Luxembourg	32	65,4	33	

1 Eco	onomic Activity						
		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	31	54,1	44	+		×
1.2	Expected Real GDP Growth	68	94,8	104	↓	X	
1.3	Unemployment	33	93,4	92	↓	×	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	57	54,8	60	+	X
2.2	Stock Market Liquidity (Trading Volume)	32	58,0	46	₽	X
2.3	IPOs and Public Issuing Activity	28	26,7	46	₽	X
2.4	M&A Market Activity	31	55,6	34	₽	×
2.5	Debt and Credit Market	8	95,1	4	1	X
2.6	Bank Non-Performing Loans to Total Gross Loans	12	91,3	92	.↓	X
2.7	Financial Market Sophistication	13	61,1	50	₽	X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	2	114,8	3	₽		X

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	7	90,5	10	₽		×
4.2	Security of Property Rights	21	97,8	19			X
4.3	Quality of Legal Enforcement	14	114,7	14	⇒		×

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	11	101,9	12	₽		×
5.2	Labor Market Rigidities	16	91,0	15	1		X
5.3	Bribing and Corruption	17	125,0	15	1		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	22	75,7	21	1	×
6.2	Scientific and Technical Journal Articles	35	60,6	35	⇒	X
6.3	Ease of Starting and Running a Business	8	103,5	18	₽	X
6.4	Simplicity of Closing a Business	9	104,2	9	⇒	X
6.5	Corporate R&D	22	59,1	22	⇒	X

Israel

Capital: Jerusalem ++ Official Language: Hebrew, Arabic ++ Currency: New Israeli Sheqel

Basic Facts



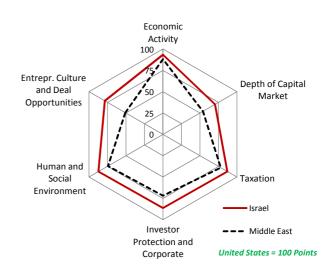
			Quartile
			4th 1st
GDP	245,7 [bn USD]	IPO Volume	
Population	7,7 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04	PE Activity	X



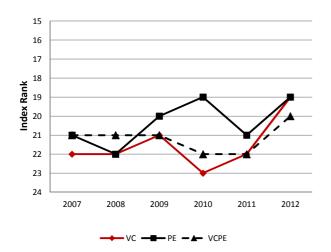
VCPE-Ranking

	2008 Rank	2012		Quartile
VCPE Ranking	21	Value 80,2	Rank 20	4th 1st
Economic Activity	42	93,3	26	
Depth of Capital Market	24	70,3	25	
Taxation	45	86,9	42	
Inv. Prot./Corp. Gov.	24	86,3	22	
Human/Social Env.	21	87,3	20	
Entrepr. Cult./Deal Opp.	21	78,7	17	

Key Factor Performance



Separate VC and PE Indices



	2008 Rank	2012 Value Rank		Quartile 4th 1st
Israel	21	80,2	20	
Saudi Arabia	42	71,0	28	
United Arab Emirates	40	63,1	39	
Kuwait	52	61,0	42	
Jordan	50	54,1	52	
Oman	58	53,9	54	
Bahrain	54	50,4	61	
Syria	98	23,9	102	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	42	55,2	39	Ŷ	×
1.2	Expected Real GDP Growth	63	144,2	38		×
1.3	Unemployment	61	102,1	35		×

2 Depth of Capital Market

		2008	2012			Quartile	e
		Rank	Value	Rank		4th 1	st
2.1	Size of the Stock Market	18	75,6	18	⇒		X
2.2	Stock Market Liquidity (Trading Volume)	36	69,9	28	1		X
2.3	IPOs and Public Issuing Activity	21	47,0	28	4		
2.4	M&A Market Activity	35	52,5	40		×	
2.5	Debt and Credit Market	28	69,1	33	4	×	
2.6	Bank Non-Performing Loans to Total Gross Loans	27	107,1	13	1		X
2.7	Financial Market Sophistication	22	88,0	22	⇒		X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	45	86 <i>,</i> 9	42	1		×

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	9	96,7	9	⇒		×
4.2	Security of Property Rights	50	67,4	48	1		X
4.3	Quality of Legal Enforcement	25	98 <i>,</i> 8	23			×

5 Human and Social Environment

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	26	93,9	18		×
5.2	Labor Market Rigidities	51	73,4	55	÷	X
5.3	Bribing and Corruption	29	96,5	27		X

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	13	97,6	8	1	X
6.2	Scientific and Technical Journal Articles	21	69,3	21	⇒	X
6.3	Ease of Starting and Running a Business	25	94,7	53	₽	X
6.4	Simplicity of Closing a Business	75	59,5	76		X
6.5	Corporate R&D	10	79,0	9	1	X

Italy

Capital: Rome ++ Official Language: Italian ++ Currency: Euro

Basic Facts



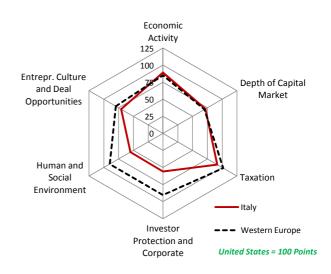
			Quartile
			4th 1st
GDP	2241,4 [bn USD]	IPO Volume	×
Population	60,8 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04	PE Activity	X



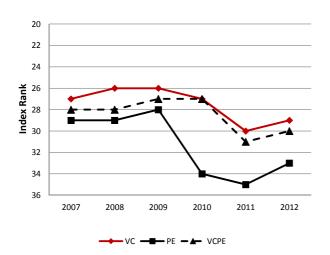
VCPE-Ranking

	2008 Rank	20 Value	12 Rank	Quartile 4th 1st
VCPE Ranking	28	69,4	30	
Economic Activity	56	88,9	41	
Depth of Capital Market	23	71,7	22	
Taxation	33	91,7	33	
Inv. Prot./Corp. Gov.	55	55,7	66	
Human/Social Env.	56	55,1	59	
Entrepr. Cult./Deal Opp.	23	70,8	24	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Finland	13	83,5	17	
Austria	20	79,6	21	
Ireland	15	78,4	23	
Spain	22	75,1	24	
Italy	28	69,4	30	
Portugal	29	66,4	31	
Luxembourg	32	65,4	33	
Cyprus	39	59,5	44	
Iceland	26	50,3	62	

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	7	79,3	8	₽		X
1.2	Expected Real GDP Growth	111	88,3	108		X	
1.3	Unemployment	49	100,3	59	↓	×	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	20	72,3	27	4	X
2.2	Stock Market Liquidity (Trading Volume)	8	77,6	17	.↓	X
2.3	IPOs and Public Issuing Activity	15	52,4	21	₽	
2.4	M&A Market Activity	9	73,7	14	.↓	X
2.5	Debt and Credit Market	19	79,7	20	₽	X
2.6	Bank Non-Performing Loans to Total Gross Loans	74	97,3	69	1	X
2.7	Financial Market Sophistication	60	58,1	53		X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	33	91,7	33	→	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	77	49,2	82	₽	X	
4.2	Security of Property Rights	53	54,1	67	₽	X	
4.3	Quality of Legal Enforcement	54	65,1	55	↓		×

5 Human and Social Environment

		2008	2008 2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	78	52,9	65		X	
5.2	Labor Market Rigidities	71	63,5	72	₽	X	
5.3	Bribing and Corruption	42	49,9	57	₽	×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	23	60,6	31	₽	×
6.2	Scientific and Technical Journal Articles	8	81,7	8	⇒	×
6.3	Ease of Starting and Running a Business	40	97,4	41	₽	X
6.4	Simplicity of Closing a Business	40	71,1	44		X
6.5	Corporate R&D	26	51,7	26	\Rightarrow	X

Jamaica

Capital: Kingston ++ Official Language: English ++ Currency: Jamaican Dollar

Basic Facts



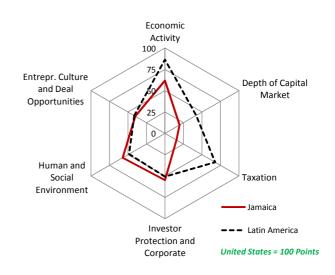


			Quartile
			4th 1st
GDP	14,9 [bn USD]	IPO Volume	×
Population	2,8 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04	PE Activity	X

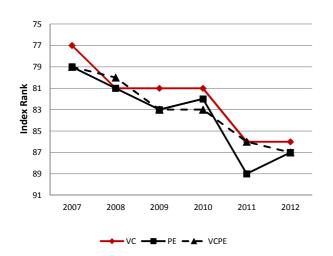
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	80	35,6	87	
Economic Activity	107	61,8	101	
Depth of Capital Market	82	19,6	91	
Taxation	112	15,4	116	
Inv. Prot./Corp. Gov.	59	54,8	69	
Human/Social Env.	57	57,3	56	
Entrepr. Cult./Deal Opp.	64	40,2	65	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Colombia	51	58,4	46	
Argentina	53	54,4	51	
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	
Paraguay	101	29,3	92	

1 Eco	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	89	24,7	91	₽	X	
1.2	Expected Real GDP Growth	112	100,0	97		X	
1.3	Unemployment	83	95 <i>,</i> 5	82		×	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	75	48,8	75	⇒	X
2.2	Stock Market Liquidity (Trading Volume)	76	33,2	72	1	X
2.3	IPOs and Public Issuing Activity	83	2,1	90	.↓	×
2.4	M&A Market Activity	80	5,0	105	.↓	X
2.5	Debt and Credit Market	104	11,8	108	.↓	X
2.6	Bank Non-Performing Loans to Total Gross Loans	87	97,7	68		X
2.7	Financial Market Sophistication	35	58,1	53	↓	X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank	4th		1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	112	15,4	116	↓	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	37	61,9	49	₽		×
4.2	Security of Property Rights	80	47,4	80	\Rightarrow	×	
4.3	Quality of Legal Enforcement	65	56,2	67	↓	×	

5 Human and Social Environment

		2008	2012		Quartil		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	71	48,8	75	₽	×	
5.2	Labor Market Rigidities	10	93,6	9	1		×
5.3	Bribing and Corruption	71	41,1	69		×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	61	25,8	92	₽	X
6.2	Scientific and Technical Journal Articles	91	25,9	91	⇒	X
6.3	Ease of Starting and Running a Business	19	99,0	31	ł	X
6.4	Simplicity of Closing a Business	30	81,7	29	1	X
6.5	Corporate R&D	77	19,5	65		X

Japan

Capital: Tokyo ++ Official Language: Japanese ++ Currency: Yen

Basic Facts



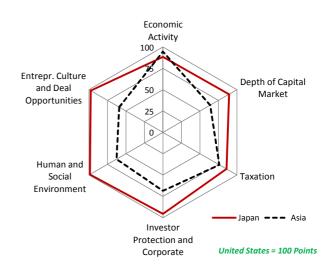
			Quart	lie
			4th	1st
GDP	5856,9 [bn USD]	IPO Volume		X
Population	127,0 [mn]	M&A Volume		X
GDP Growth	'04'10	VC Activity		X
Pop. Growth	'04	PE Activity		X



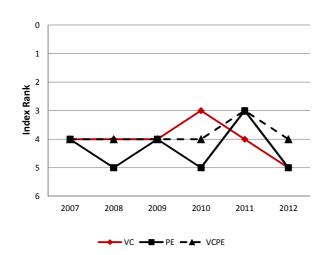
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	4	93,0	4	
Economic Activity	27	88,4	42	
Depth of Capital Market	5	89,3	4	
Taxation	27	85,8	44	
Inv. Prot./Corp. Gov.	14	95 <i>,</i> 6	13	
Human/Social Env.	16	98,8	15	
Entrepr. Cult./Deal Opp.	2	97,7	2	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Japan	4	93,0	4	
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Korea, South	14	81,3	18	
Taiwan	24	80,6	19	
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	

		2008	2012		Quai		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	2	89,7	3	₽		X
1.2	Expected Real GDP Growth	102	74,0	112	.↓	X	
1.3	Unemployment	19	104,1	25	↓		×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	2	94,7	2	\Rightarrow		X
2.2	Stock Market Liquidity (Trading Volume)	4	89,1	3			X
2.3	IPOs and Public Issuing Activity	4	66,8	9			X
2.4	M&A Market Activity	3	87,3	2			×
2.5	Debt and Credit Market	1	113,3	1	⇒		X
2.6	Bank Non-Performing Loans to Total Gross Loans	27	106,7	17			X
2.7	Financial Market Sophistication	42	76,0	31			×

3 Taxation

		2008	20	12		Quar	tile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	27	85 <i>,</i> 8	44	₽		×

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	14	84,6	16	Ļ		×
4.2	Security of Property Rights	15	102,0	14	1		X
4.3	Quality of Legal Enforcement	20	101,2	21			X

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	22	91,2	20			×
5.2	Labor Market Rigidities	21	86,4	22	₽		X
5.3	Bribing and Corruption	19	122,4	17	ſ		X

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	3	97,9	7	4	
6.2	Scientific and Technical Journal Articles	3	87,8	3	⇒	X
6.3	Ease of Starting and Running a Business	37	89,3	67	₽	X
6.4	Simplicity of Closing a Business	3	111,2	3	⇒	X
6.5	Corporate R&D	2	104,1	1	1	X

Jordan

Capital: Amman ++ Official Language: Arabic ++ Currency: Jordanian Dinar

Basic Facts



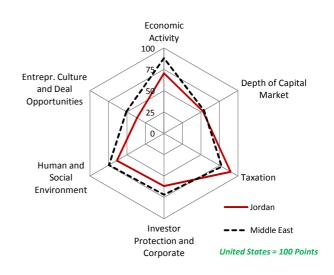
			Quartile
			4th 1st
GDP	29,5 [bn USD]	IPO Volume	
Population	6,6 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 1 0	PE Activity	X



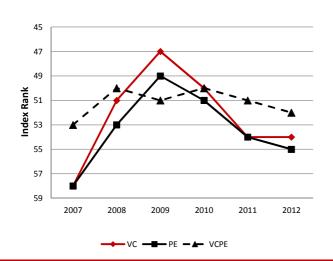
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	50	54,1	52	
Economic Activity	77	70,4	81	
Depth of Capital Market	59	52,4	49	
Taxation	38	90,0	36	
Inv. Prot./Corp. Gov.	42	61,8	50	
Human/Social Env.	31	63,8	45	
Entrepr. Cult./Deal Opp.	57	36,4	72	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Israel	21	80,2	20	
Saudi Arabia	42	71,0	28	
United Arab Emirates	40	63,1	39	
Kuwait	52	61,0	42	
Jordan	50	54,1	52	
Oman	58	53,9	54	
Bahrain	54	50,4	61	
Syria	98	23,9	102	

1 Eco	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	86	32,2	76		X	
1.2	Expected Real GDP Growth	24	113,0	77	.↓	X	
1.3	Unemployment	96	96,0	81	1	X	

2 Depth of Capital Market

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	47	65,1	43			X
2.2	Stock Market Liquidity (Trading Volume)	49	54,7	51			X
2.3	IPOs and Public Issuing Activity	63	28,0	41			×
2.4	M&A Market Activity	65	35,3	58		X	
2.5	Debt and Credit Market	56	51,7	73		X	
2.6	Bank Non-Performing Loans to Total Gross Loans	70	97,9	67		X	
2.7	Financial Market Sophistication	49	61,1	50	₽		×

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	38	90,0	36	1	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	72	46,3	89	₽	X	
4.2	Security of Property Rights	45	67,5	47	₽		
4.3	Quality of Legal Enforcement	37	75,6	41	. ↓	×	

5 Human and Social Environment

		2008	2008 2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	33	50,7	69	₽	X	
5.2	Labor Market Rigidities	42	77,4	43	₽	X	
5.3	Bribing and Corruption	37	66,3	42	↓	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	55	39,0	56	₽	×
6.2	Scientific and Technical Journal Articles	59	43,1	59	⇒	X
6.3	Ease of Starting and Running a Business	57	86,3	77		X
6.4	Simplicity of Closing a Business	70	59,7	73		X
6.5	Corporate R&D	65	7,3	99	₽	X

Kazakhstan

Capital: Astana ++ Official Language: Kazakh, Russian ++ Currency: Tenge

Basic Facts



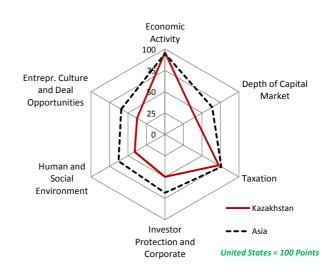


			Quartile
			4th 1st
GDP	178,8 [bn USD]	IPO Volume	×
Population	16,3 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04'10	PE Activity	X

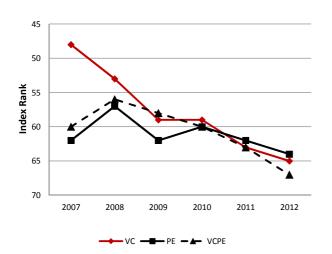
VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	56	47,5	67	
Economic Activity	15	95,9	17	
Depth of Capital Market	49	40,7	67	
Taxation	61	72,7	68	
Inv. Prot./Corp. Gov.	57	49,8	79	
Human/Social Env.	78	41,0	88	
Entrepr. Cult./Deal Opp.	58	37,8	70	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Russian Federation	41	59,5	43	
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	
Bangladesh	88	41,7	80	
Mongolia	85	36,7	85	
Armenia	84	31,4	90	

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	55	51,8	50		X	
1.2	Expected Real GDP Growth	13	165,0	15	₽	X	
1.3	Unemployment	61	103,2	31	1	×	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	60	57,9	57	1	X
2.2	Stock Market Liquidity (Trading Volume)	54	47,5	57	₽	X
2.3	IPOs and Public Issuing Activity	42	9,1	77	₽	X
2.4	M&A Market Activity	52	47,1	46	1	×
2.5	Debt and Credit Market	58	58,3	59	₽	X
2.6	Bank Non-Performing Loans to Total Gross Loans	76	62,0	112	.↓	X
2.7	Financial Market Sophistication	75	43,1	78	₽	X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	61	72,7	68	₽	×	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		tile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	66	52,2	77	₽	X	
4.2	Security of Property Rights	42	48,0	79	.↓	X	
4.3	Quality of Legal Enforcement	73	49,3	78	↓	X	

5 Human and Social Environment

		2008	20	2012		Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	54	32,9	99	₽	X	
5.2	Labor Market Rigidities	25	83,5	29	÷		X
5.3	Bribing and Corruption	103	25,0	91		×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	58	26,9	87	₽	X
6.2	Scientific and Technical Journal Articles	80	32,6	80	\Rightarrow	X
6.3	Ease of Starting and Running a Business	36	96,8	44	₽	X
6.4	Simplicity of Closing a Business	44	73,7	39		X
6.5	Corporate R&D	63	12,3	74	₽	X

Kenya

Capital: Nairobi ++ Official Language: English, Swahili ++ Currency: Kenyan Shilling

Basic Facts



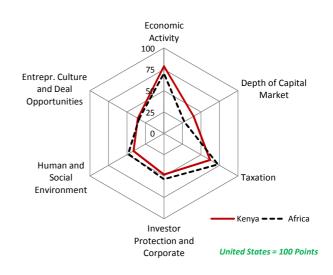
				Quar	tile
				4th	1st
GDP		36,2 [bn USD]	IPO Volume	×	
Population		42,5 [mn]	M&A Volume	X	
GDP Growth	'04	10	VC Activity		K
Pop. Growth	'04	'10	PE Activity	X	

Partners Image: Second University of Navarra Image: Second University of Navarra<

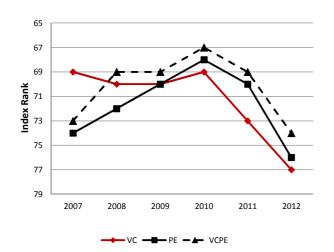
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	69	44,8	74	
Economic Activity	71	78,8	65	
Depth of Capital Market	69	40,0	68	
Taxation	85	62,2	88	
Inv. Prot./Corp. Gov.	73	48,2	82	
Human/Social Env.	71	41,3	87	
Entrepr. Cult./Deal Opp.	72	35,4	75	

Key Factor Performance



Separate VC and PE Indices



	2008	-		Quartile
	Rank	Value	Rank	4th 1st
Morocco	68	54,0	53	
Egypt	67	53,7	56	
Mauritius	75	47,3	68	
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	
Nigeria	65	42,4	79	
Botswana	77	41,1	81	

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	74	34,4	75	₽	X
1.2	Expected Real GDP Growth	30	149,4	33	₽	X
1.3	Unemployment	93	95 <i>,</i> 0	85	1	X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	71	53,1	67	1	X
2.2	Stock Market Liquidity (Trading Volume)	68	42,9	61	1	X
2.3	IPOs and Public Issuing Activity	61	18,2	59	1	X
2.4	M&A Market Activity	85	12,4	93	.↓	X
2.5	Debt and Credit Market	77	51,8	72	1	X
2.6	Bank Non-Performing Loans to Total Gross Loans	105	95,9	73	1	X
2.7	Financial Market Sophistication	54	64,1	45		

3 Taxation

		2008	2012			Quartile		
		Rank	Value	Rank		4th	1st	
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	85	62,2	88	↓	X		

4 Investor Protection and Corporate Governance

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	47	59,6	53	₽	X
4.2	Security of Property Rights	70	46,2	82	÷	X
4.3	Quality of Legal Enforcement	94	40,6	95	₽	X

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	31	75,9	32	₽	X
5.2	Labor Market Rigidities	31	83,8	28		X
5.3	Bribing and Corruption	106	11,1	108	₽	×

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	67	32,4	74	₽	X
6.2	Scientific and Technical Journal Articles	61	40,7	61	⇒	X
6.3	Ease of Starting and Running a Business	100	73,4	92	1	X
6.4	Simplicity of Closing a Business	87	50,2	89	₽	X
6.5	Corporate R&D	71	11,4	75	. ↓	X

Korea, South

Capital: Seoul ++ Official Language: Korean ++ Currency: South Korean Won

Basic Facts



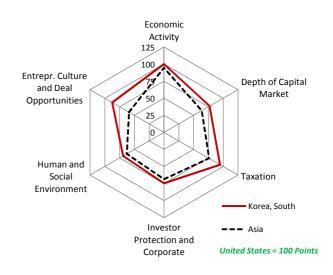
			Quari	.iie
			4th	1st
GDP	1164,2 [bn USD]	IPO Volume		X
Population	49,0 [mn]	M&A Volume		X
GDP Growth	'04	VC Activity		X
Pop. Growth	'04 1 0	PE Activity		X

Partners Image: Second University of Navarra Image: Second University of Navarra Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012

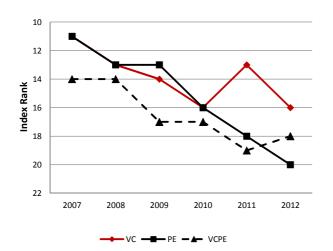
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	14	81,3	18	
Economic Activity	9	100,1	9	
Depth of Capital Market	12	77,0	16	
Taxation	23	94,7	24	
Inv. Prot./Corp. Gov.	22	74,6	32	
Human/Social Env.	25	69,0	39	
Entrepr. Cult./Deal Opp.	10	87,4	11	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Japan	4	93,0	4	
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Korea, South	14	81,3	18	
Taiwan	24	80,6	19	
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	

1 Ec	onomic Activity					
		2008	20	12	Qua	rtile
		Rank	Value	Rank	4th	1st
1.1	Size of the Economy (GDP)	13	72,2	15		×
1.2	Expected Real GDP Growth	69	131,2	57		X
1.3	Unemployment	13	105,9	9		X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	9	86,9	10			×
2.2	Stock Market Liquidity (Trading Volume)	9	84,1	5			×
2.3	IPOs and Public Issuing Activity	9	70,5	7	1		X
2.4	M&A Market Activity	13	80,1	7			X
2.5	Debt and Credit Market	23	78,5	22	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	10	107,1	13	₽		X
2.7	Financial Market Sophistication	32	46,1	75	-	X	

3 Taxation

		2008	08 2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	23	94,7	24	₽		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	35	57,4	61	₽	X
4.2	Security of Property Rights	16	89,5	27	₽	X
4.3	Quality of Legal Enforcement	27	80,8	36	Ļ	X

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	20	74,1	33	₽		×
5.2	Labor Market Rigidities	63	60,0	83	4	×	
5.3	Bribing and Corruption	34	74,0	38	₽		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	12	83,1	19	₽	×
6.2	Scientific and Technical Journal Articles	10	78,4	10	\Rightarrow	×
6.3	Ease of Starting and Running a Business	56	90,5	62	₽	X
6.4	Simplicity of Closing a Business	11	103,2	11	\Rightarrow	X
6.5	Corporate R&D	4	83,6	7	₽	×

Kuwait

Capital: Kuwait City ++ Official Language: Arabic ++ Currency: Kuwaiti Dinar

Basic Facts



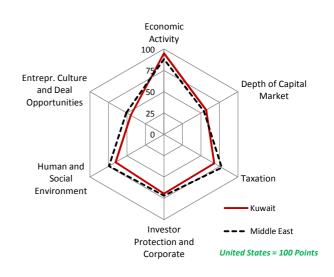
			Quar	tile
			4th	1st
GDP	171,0 [bn USD]	IPO Volume	×	
Population	2,6 [mn]	M&A Volume		K
GDP Growth	'04 '10	VC Activity		K
Pop. Growth	'04 '10	PE Activity		K



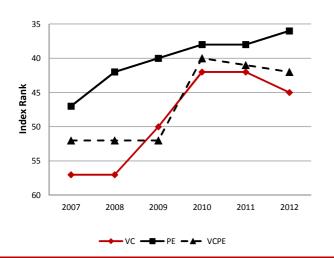
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	52	61,0	42	
Economic Activity	54	94,9	20	
Depth of Capital Market	52	57,0	43	
Taxation	113	67,8	76	
Inv. Prot./Corp. Gov.	34	69,4	37	
Human/Social Env.	41	65,4	42	
Entrepr. Cult./Deal Opp.	54	44,8	57	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Israel	21	80,2	20	
Saudi Arabia	42	71,0	28	
United Arab Emirates	40	63,1	39	
Kuwait	52	61,0	42	
Jordan	50	54,1	52	
Oman	58	53,9	54	
Bahrain	54	50,4	61	
Syria	98	23,9	102	

1 Ec	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	53	51,3	51		X	
1.2	Expected Real GDP Growth	79	154,6	31		X	
1.3	Unemployment	3	107,9	3	\Rightarrow	X	

2 Depth of Capital Market

		2008	20	12		Quartile	1
		Rank	Value	Rank		4th 1st	_
2.1	Size of the Stock Market	40	68,1	36			
2.2	Stock Market Liquidity (Trading Volume)	34	68,1	32	1	×	
2.3	IPOs and Public Issuing Activity	57	22,9	51	1	X	I.
2.4	M&A Market Activity	70	45,4	51	1	X	I.
2.5	Debt and Credit Market	53	65,2	42	1	X	l
2.6	Bank Non-Performing Loans to Total Gross Loans	59	92,5	90	.↓	X	
2.7	Financial Market Sophistication	42	67,1	42	\Rightarrow	X	

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	113	67 <i>,</i> 8	76	1	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	46	53,1	72	₽	X
4.2	Security of Property Rights	40	73,8	38	1	X
4.3	Quality of Legal Enforcement	31	85,2	31	⇒	×

5 Human and Social Environment

		2008	2008 2012		Quartile		
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	73	44,7	82	₽	X	
5.2	Labor Market Rigidities	8	95,4	7	1	X	
5.3	Bribing and Corruption	48	65,6	44		×	

-		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	52	38,4	57	₽	X
6.2	Scientific and Technical Journal Articles	62	40,0	62	⇒	X
6.3	Ease of Starting and Running a Business	94	69,4	96	₽	X
6.4	Simplicity of Closing a Business	46	72,7	40		X
6.5	Corporate R&D	57	23,4	58	₽	×

Kyrgyzstan

Capital: Bishkek ++ Official Language: Kyrgyz, Russian ++ Currency: Som

Basic Facts





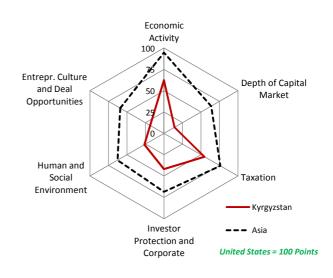
5,4 [bn USD] GDP IPO Volume × X Population 5,4 [mn] M&A Volume -**---** '10 X GDP Growth VC Activity '04 X Pop. Growth PE Activity ______'10 '04

VCPE-Ranking

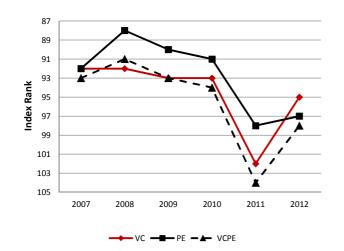
	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	91	24,7	98	
Economic Activity	101	62,4	100	
Depth of Capital Market	87	14,1	94	
Taxation	116	54,7	95	
Inv. Prot./Corp. Gov.	84	41,8	94	
Human/Social Env.	101	26,4	108	
Entrepr. Cult./Deal Opp.	101	18,6	108	

Key Factor Performance

Quartile 1st



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	
Bangladesh	88	41,7	80	
Mongolia	85	36,7	85	
Armenia	84	31,4	90	
Kyrgyzstan	91	24,7	98	

		2008	2012		Quarti		!
		Rank	Value	Rank		4th 1s	st
1.1	Size of the Economy (GDP)	110	13,7	112	₽	X	
1.2	Expected Real GDP Growth	18	171,5	10			×
1.3	Unemployment	69	103,3	29	1	×	

2 Depth of Capital Market

		2008	20	12	Quart		rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	92	28,6	93	₽	X	
2.2	Stock Market Liquidity (Trading Volume)	82	15,9	92	₽	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	.↓	X	
2.4	M&A Market Activity	78	9,0	97	.↓	X	
2.5	Debt and Credit Market	80	27,6	99	.↓	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	76	62,0	112	.↓	X	
2.7	Financial Market Sophistication	101	16,2	110	.↓	X	

3 Taxation

		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	116	54,7	95	1	×	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	61	87,1	11	1		×
4.2	Security of Property Rights	78	27,8	106	₽	X	
4.3	Quality of Legal Enforcement	99	30,2	105	↓	X	

5 Human and Social Environment

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	85	23,1	108	₽	×	
5.2	Labor Market Rigidities	48	82,2	32	1		X
5.3	Bribing and Corruption	110	9,7	111	₽	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	106	17,0	107	₽	X
6.2	Scientific and Technical Journal Articles	103	15,9	103	⇒	X
6.3	Ease of Starting and Running a Business	46	108,5	7	1	X
6.4	Simplicity of Closing a Business	94	47,0	94	⇒	X
6.5	Corporate R&D	105	1,6	116	₽	X

Latvia

Capital: Riga ++ Official Language: Latvian ++ Currency: Latvian Lat

Basic Facts



			Quart	ile
		1001/1	4th	1st
GDP	27,4 [bn USD]	IPO Volume		
Population	2,2 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

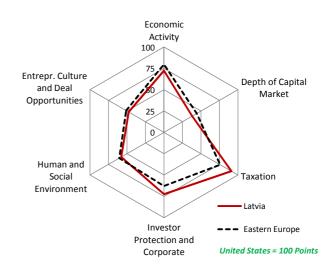
Partners WERESELSE CIF Business School University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 ERENST & YOUNG

Quality In Everything We Do

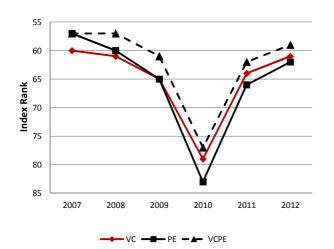
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	57	52,6	59	
Economic Activity	45	72,3	77	
Depth of Capital Market	61	38,1	70	
Taxation	17	91,0	35	
Inv. Prot./Corp. Gov.	31	72,4	34	
Human/Social Env.	50	58,0	53	
Entrepr. Cult./Deal Opp.	69	47,8	54	

Key Factor Performance



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
Lithuania	43	56,9	48	
Romania	49	55 <i>,</i> 8	50	
Croatia	59	53,3	57	
Bulgaria	55	52,8	58	
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	
Montenegro	76	45,8	73	

1 Ec	1 Economic Activity							
		2008	20	12		Quartile		
		Rank	Value	Rank		4th 1st		
1.1	Size of the Economy (GDP)	73	31,4	77	•	X		
1.2	Expected Real GDP Growth	11	132,5	54	₽	X		
1.3	Unemployment	47	90,7	97	Ļ	X		

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	82	43,2	83	₽	X
2.2	Stock Market Liquidity (Trading Volume)	81	22,1	86	₽	X
2.3	IPOs and Public Issuing Activity	53	16,7	62	.↓	X
2.4	M&A Market Activity	76	27,1	70		X
2.5	Debt and Credit Market	35	66,8	38	.↓	×
2.6	Bank Non-Performing Loans to Total Gross Loans	12	78,0	107	.↓	X
2.7	Financial Market Sophistication	49	52,1	64	.↓	X

3 Taxation

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	17	91,0	35	↓		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	21	72,4	27	₽	X
4.2	Security of Property Rights	33	73,0	41	÷	X
4.3	Quality of Legal Enforcement	45	71,9	46	₽	×

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	61	59,8	48		X
5.2	Labor Market Rigidities	92	58,9	87		X
5.3	Bribing and Corruption	43	55,3	51	₽	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	57	51,4	40	1	X
6.2	Scientific and Technical Journal Articles	74	35,5	74	⇒	X
6.3	Ease of Starting and Running a Business	13	100,1	26	♣	X
6.4	Simplicity of Closing a Business	59	64,3	63	4	X
6.5	Corporate R&D	90	21,2	62	1	X

Lesotho

Capital: Maseru ++ Official Language: Sesotho, English ++ Currency: Lesotho Loti/Loti

Basic Facts





GDP Growth VC Activity '04 Pop. Growth **PE Activity**

'04

2,6 [bn USD]

2,2 [mn]

VCPE-Ranking

GDP

Population

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	112	16,6	112	
Economic Activity	112	41,3	110	
Depth of Capital Market	109	4,3	115	
Taxation	57	80,7	52	
Inv. Prot./Corp. Gov.	105	33,5	106	
Human/Social Env.	68	47,0	76	
Entrepr. Cult./Deal Opp.	110	16,6	112	

Key Factor Performance

Quartile 1st

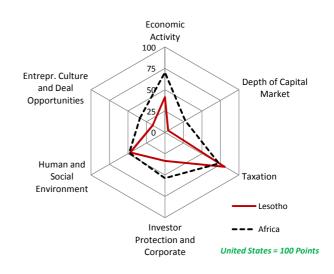
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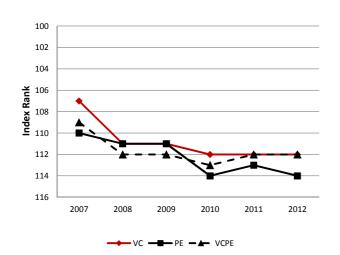
X

IPO Volume

M&A Volume



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	1 ×
Benin	106	20,8	109	
Madagascar	110	18,6	111	
Lesotho	112	16,6	112	
Mauritania	111	16,1	113	
Angola	114	12,6	114	
Chad	116	11,7	115	
Burundi	115	11,4	116	

1 Eco	onomic Activity						
		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	115	5,9	115	\Rightarrow	X	
1.2	Expected Real GDP Growth	79	148,1	36			X
1.3	Unemployment	109	81,1	107		X	

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	110	1,0	111	₽	X	
2.5	Debt and Credit Market	115	4,9	115	\Rightarrow	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	56	102,7	48	1		×
2.7	Financial Market Sophistication	99	19,1	109	.↓	X	

3 Taxation

		2008	2012		Quartile
		Rank	Value	Rank	4th 1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	57	80,7	52	×

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	99	41,4	99	⇒	X	
4.2	Security of Property Rights	84	43,6	88	₽	X	
4.3	Quality of Legal Enforcement	109	20,7	111	. ↓	×	

5 Human and Social Environment

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	86	29,9	104	₽	X	
5.2	Labor Market Rigidities	24	84,0	27	÷		X
5.3	Bribing and Corruption	76	41,3	68		×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	108	27,5	83	1	X
6.2	Scientific and Technical Journal Articles	116	1,0	116	⇒	X
6.3	Ease of Starting and Running a Business	82	85,0	82	⇒	×
6.4	Simplicity of Closing a Business	41	72,6	42	₽	×
6.5	Corporate R&D	80	7,3	99	₽	X

Lithuania

Capital: Vilnius ++ Official Language: Lithuanian ++ Currency: Lithuanian Litas

Basic Facts



43,1 [bn USD]

'10

'10

3,2 [mn]

'04

'04



VCPE-Ranking

GDP

Population

GDP Growth

Pop. Growth

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	43	56,9	48	
Economic Activity	36	80,6	61	
Depth of Capital Market	54	42,9	64	
Taxation	13	81,3	51	
Inv. Prot./Corp. Gov.	36	67,8	42	
Human/Social Env.	51	61,1	48	
Entrepr. Cult./Deal Opp.	42	54,9	39	

Key Factor Performance

Quartile 1st

X

X

X

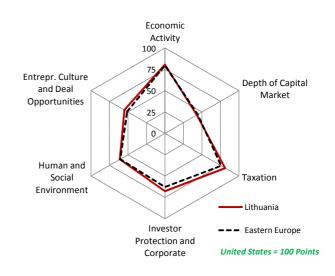
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IPO Volume

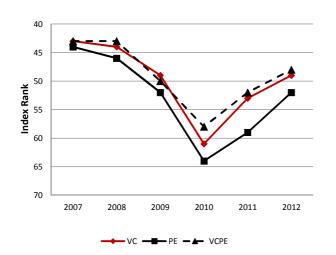
VC Activity

PE Activity

M&A Volume



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Estonia	36	62,0	40	
Hungary	48	61,8	41	
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	
Croatia	59	53,3	57	
Bulgaria	55	52,8	58	
Latvia	57	52,6	59	

-		2008	008 2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	70	36,3	73	₽	X
1.2	Expected Real GDP Growth	10	158,5	25	÷	×
1.3	Unemployment	28	91,0	96	↓	X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	79	48,6	77	1	X
2.2	Stock Market Liquidity (Trading Volume)	70	35,7	68	1	X
2.3	IPOs and Public Issuing Activity	53	16,7	62	÷	X
2.4	M&A Market Activity	60	34,9	60	\Rightarrow	X
2.5	Debt and Credit Market	32	67,1	37	÷	×
2.6	Bank Non-Performing Loans to Total Gross Loans	22	75,7	110	₽	X
2.7	Financial Market Sophistication	54	52,1	64	₽	X

3 Taxation

		2008	2012		Qı		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	13	81,3	51	₽		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	48	60,3	52	₽	X
4.2	Security of Property Rights	28	73,2	39	÷	×
4.3	Quality of Legal Enforcement	47	70,6	47	⇒	×

5 Human and Social Environment

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	42	67,7	40		X
5.2	Labor Market Rigidities	101	48,9	101	\Rightarrow	X
5.3	Bribing and Corruption	47	68,8	40		×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	48	48,2	41	1	X
6.2	Scientific and Technical Journal Articles	56	45,6	56	⇒	X
6.3	Ease of Starting and Running a Business	33	95,7	49	₽	X
6.4	Simplicity of Closing a Business	27	84,3	27	⇒	
6.5	Corporate R&D	52	28,2	51	1	

Luxembourg

Capital: Luxembourg ++ Official Language: Luxembourgish, French, German ++ Currency: Euro

Basic Facts



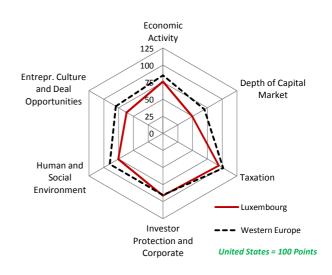
			Quartile
			4th 1st
GDP	62,8 [bn USD]	IPO Volume	
Population	0,5 [mn]	M&A Volume	×
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04'10	PE Activity	X



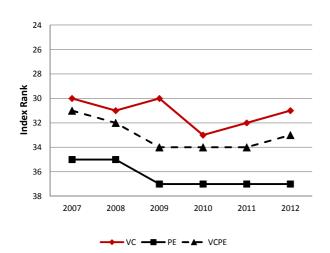
VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	32	65,4	33	
Economic Activity	53	76,0	72	
Depth of Capital Market	51	49,5	51	
Taxation	28	94,3	28	
Inv. Prot./Corp. Gov.	19	91,4	17	
Human/Social Env.	37	75,7	29	
Entrepr. Cult./Deal Opp.	32	61,5	31	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Austria	20	79,6	21	
Ireland	15	78,4	23	
Spain	22	75,1	24	
Italy	28	69,4	30	
Portugal	29	66,4	31	
Luxembourg	32	65,4	33	
Cyprus	39	59,5	44	
Iceland	26	50,3	62	
Greece	46	47,8	66	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	62	40,4	65	₽	X
1.2	Expected Real GDP Growth	39	103,9	91	÷	X
1.3	Unemployment	26	104,3	24		×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	65	54,5	62	1	X
2.2	Stock Market Liquidity (Trading Volume)	78	32,5	74	1	X
2.3	IPOs and Public Issuing Activity	37	37,7	37	\Rightarrow	X
2.4	M&A Market Activity	45	45,6	50	.↓	×
2.5	Debt and Credit Market	99	20,1	106	.↓	X
2.6	Bank Non-Performing Loans to Total Gross Loans	1	108,9	3	.↓	X
2.7	Financial Market Sophistication	3	109,0	2		X

3 Taxation

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	28	94,3	28	→		X

4 Investor Protection and Corporate Governance

		2008	2012		Qu		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	52	52,3	76	Ļ	X	
4.2	Security of Property Rights	9	120,3	3	1		X
4.3	Quality of Legal Enforcement	11	121,2	7	1		×

5 Human and Social Environment

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	37	83,0	25	Ŷ		×
5.2	Labor Market Rigidities	109	37,8	109	\Rightarrow	X	
5.3	Bribing and Corruption	9	138,2	10	₽		X

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	20	84,7	16	1	×
6.2	Scientific and Technical Journal Articles	83	29,4	83	⇒	X
6.3	Ease of Starting and Running a Business	27	96,6	45		X
6.4	Simplicity of Closing a Business	45	72,4	43		X
6.5	Corporate R&D	27	50,3	28	₽	X

Macedonia

Capital: Skopje ++ Official Language: Macedonian ++ Currency: Macedonian Denar

Basic Facts



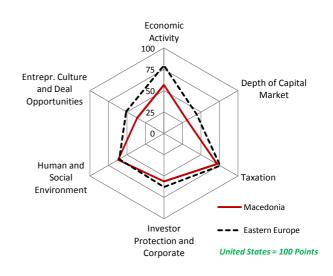


			Quartile	
			4th 1st	
GDP	10,2 [bn USD]	IPO Volume		
Population	2,1 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04'10	PE Activity	X	

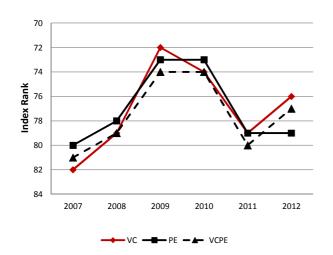
VCPE-Ranking

	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
VCPE Ranking	79	43,2	77		
Economic Activity	105	56,8	107		
Depth of Capital Market	76	31,0	77		
Taxation	65	71,8	71		
Inv. Prot./Corp. Gov.	77	56,3	63		
Human/Social Env.	66	61,9	47		
Entrepr. Cult./Deal Opp.	80	36,2	73		

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
Latvia	57	52,6	59		
Ukraine	66	49,6	64		
Serbia	70	46,3	70		
Bosnia-Herzegovina	71	45,9	72		
Montenegro	76	45,8	73		
Macedonia	79	43,2	77		
Georgia	72	40,3	82		
Moldova	93	26,0	95		
Albania	108	25,7	96		

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	99	20,7	101	₽	X	
1.2	Expected Real GDP Growth	50	119,5	69	÷	X	
1.3	Unemployment	113	74,3	112		×	

2 Depth of Capital Market

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	84	45,5	81	1	X	
2.2	Stock Market Liquidity (Trading Volume)	73	23,5	84	₽	X	
2.3	IPOs and Public Issuing Activity	79	14,2	69	1	X	
2.4	M&A Market Activity	84	14,4	91	.↓	X	
2.5	Debt and Credit Market	71	54,8	68	1	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	88	92,2	91	.↓	X	
2.7	Financial Market Sophistication	89	25,1	105	. ↓	X	

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	65	71,8	71	₽	×	

4 Investor Protection and Corporate Governance

		2008	008 2012			Quartile	
		Rank	Value	Rank		4th 1st	
4.1	Quality of Corporate Governance	55	63,9	43	Ŷ	X	
4.2	Security of Property Rights	81	55,9	64	1	X	
4.3	Quality of Legal Enforcement	83	49,9	76	Ŷ	X	

5 Human and Social Environment

		2008	2008 2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	64	50,2	71	₽	X	
5.2	Labor Market Rigidities	86	85,4	25	1	X	
5.3	Bribing and Corruption	64	55,3	52	1	×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	95	34,2	68	Ŷ	X
6.2	Scientific and Technical Journal Articles	89	27,2	89	⇒	X
6.3	Ease of Starting and Running a Business	58	108,2	8	1	X
6.4	Simplicity of Closing a Business	99	40,1	99	\Rightarrow	X
6.5	Corporate R&D	59	15,3	68	ł	X

Madagascar

Capital: Antananarivo ++ Official Language: Malagasy, French, English ++ Currency: Malagasy Ariary

Basic Facts



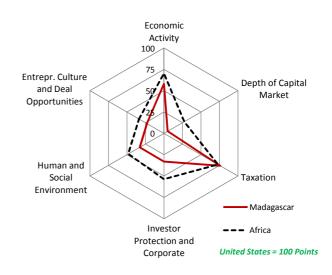
			Quartile
GDP	9,3 [bn USD]	IPO Volume	4th 1st
Population	21,6 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X

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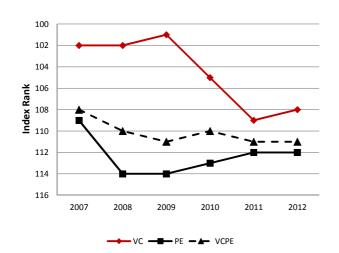
VCPE-Ranking

	2008	_		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	110	18,6	111	
Economic Activity	94	57,9	106	
Depth of Capital Market	116	5,0	113	
Taxation	60	75,9	60	
Inv. Prot./Corp. Gov.	89	33,0	107	
Human/Social Env.	99	32,8	103	
Entrepr. Cult./Deal Opp.	99	23,0	103	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Cameroon	109	22,7	105	
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	1 ×
Benin	106	20,8	109	
Madagascar	110	18,6	111	
Lesotho	112	16,6	112	
Mauritania	111	16,1	113	
Angola	114	12,6	114	
Chad	116	11,7	115	

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	101	19,6	104	₽	X	
1.2	Expected Real GDP Growth	50	93,5	106	₽	X	
1.3	Unemployment	9	105,9	9	⇒	×	

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	\Rightarrow	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96		X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	111	6,9	102	1	X	
2.5	Debt and Credit Market	95	2,1	116	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	116	75,0	111	1	X	
2.7	Financial Market Sophistication	109	25,1	105		X	

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	60	75 <i>,</i> 9	60	→	×	

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	80	47,4	86	₽	X	
4.2	Security of Property Rights	105	20,9	111	.↓	X	
4.3	Quality of Legal Enforcement	81	36,3	100	↓	×	

5 Human and Social Environment

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	96	32,9	99	₽	X	
5.2	Labor Market Rigidities	106	40,7	106	\Rightarrow	X	
5.3	Bribing and Corruption	72	26,4	90	₽	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	89	17,1	106	Ļ	X
6.2	Scientific and Technical Journal Articles	93	25,6	93	\Rightarrow	X
6.3	Ease of Starting and Running a Business	62	107,8	10	1	X
6.4	Simplicity of Closing a Business	107	18,4	107	\Rightarrow	X
6.5	Corporate R&D	82	7,3	99	₽	X

Malawi

Capital: Lilongwe ++ Official Language: English, Chichewa ++ Currency: Kwacha

Basic Facts



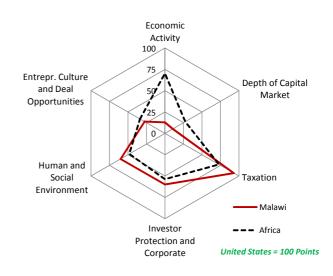
			Quart	:ile
			4th	1st
GDP	5,5 [bn USD]	IPO Volume	×	
Population	15,6 [mn]	M&A Volume	X	
GDP Growth	'04'10	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	



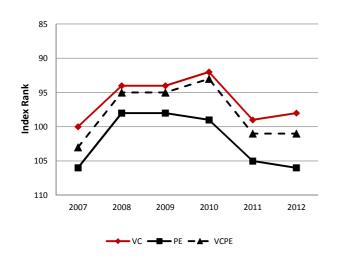
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	95	23,9	101	
Economic Activity	115	12,9	116	
Depth of Capital Market	94	10,5	99	
Taxation	40	92,9	30	
Inv. Prot./Corp. Gov.	61	59 <i>,</i> 8	57	
Human/Social Env.	62	60,0	51	
Entrepr. Cult./Deal Opp.	93	27,6	93	

Key Factor Performance



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
Mozambique	100	28,5	93	
Rwanda	107	26,6	94	
Senegal	103	24,6	99	1 ×
Côte d'Ivoire	92	24,1	100	
Malawi	95	23,9	101	
Ethiopia	97	23,6	103	
Mali	105	23,2	104	1 ×
Cameroon	109	22,7	105	
Burkina Faso	99	22,1	106	

1 Eco	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	113	14,0	111		X	
1.2	Expected Real GDP Growth	12	140,3	42	Ŷ		×
1.3	Unemployment	115	1,1	115	⇒	×	

2 Depth of Capital Market

		2008	2012			Quartil	
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	95	6,7	96	₽	×	
2.2	Stock Market Liquidity (Trading Volume)	87	20,0	89	₽	×	
2.3	IPOs and Public Issuing Activity	72	3,0	87	.↓	×	
2.4	M&A Market Activity	103	1,0	111	₽	×	
2.5	Debt and Credit Market	112	9,5	114	.↓	×	
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79		×	
2.7	Financial Market Sophistication	81	40,1	82	.↓	X	

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	40	92,9	30	1		X

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	30	65,1	41	₽	X
4.2	Security of Property Rights	93	53,6	69	1	X
4.3	Quality of Legal Enforcement	56	61,5	58	Ļ	X

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	56	63,1	44		
5.2	Labor Market Rigidities	41	77,9	42	₽	X
5.3	Bribing and Corruption	77	44,0	62		×

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	88	21,8	97	₽	X
6.2	Scientific and Technical Journal Articles	87	28,0	87	⇒	X
6.3	Ease of Starting and Running a Business	75	64,6	103	₽	X
6.4	Simplicity of Closing a Business	100	44,0	96	1	X
6.5	Corporate R&D	91	9,3	86		×

Malaysia

Capital: Kuala Lumpur ++ Official Language: Bahasa Melayu ++ Currency: Malaysian Ringgit

Basic Facts



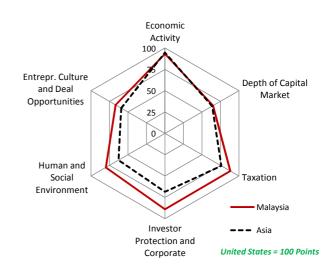
			Quartile
			4th 1st
GDP	247,4 [bn USD]	IPO Volume	×
Population	28,8 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	×
Pop. Growth	'04 10	PE Activity	X



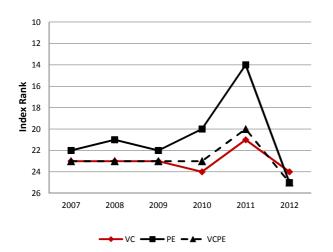
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile
VCPE Ranking	23	74,8	25	4th 1st
Economic Activity	23	93,1	29	
Depth of Capital Market	19	65,0	32	
Taxation	62	88,3	40	
Inv. Prot./Corp. Gov.	20	88,9	19	
Human/Social Env.	20	80,1	24	
Entrepr. Cult./Deal Opp.	27	66,7	27	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Hong Kong	8	92,2	6	
Korea, South	14	81,3	18	
Taiwan	24	80,6	19	
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	
Russian Federation	41	59,5	43	
Indonesia	60	53,9	55	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	39	55,3	37		X
1.2	Expected Real GDP Growth	42	137,7	47	÷	X
1.3	Unemployment	11	106,1	7		×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	13	80,1	13	\Rightarrow	
2.2	Stock Market Liquidity (Trading Volume)	29	67,2	34	.↓	X
2.3	IPOs and Public Issuing Activity	13	58,6	17	₽	×
2.4	M&A Market Activity	14	70,7	16	₽	
2.5	Debt and Credit Market	15	84,1	13	1	
2.6	Bank Non-Performing Loans to Total Gross Loans	85	103,6	36	1	
2.7	Financial Market Sophistication	29	25,1	105	₽	X

3 Taxation

		2008	2012			Quartile	e
		Rank	Value	Rank		4th 1	st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	62	88,3	40	Ŷ		

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	4	104,8	5	₽	X
4.2	Security of Property Rights	38	80,2	32		X
4.3	Quality of Legal Enforcement	36	83,6	34		×

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	18	94,8	17			×
5.2	Labor Market Rigidities	18	87,5	20	.↓		X
5.3	Bribing and Corruption	39	61,9	47	₽		X

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	24	69,6	27		X
6.2	Scientific and Technical Journal Articles	46	50,7	46	⇒	X
6.3	Ease of Starting and Running a Business	54	86,3	76	♣	×
6.4	Simplicity of Closing a Business	50	69,4	48	1	×
6.5	Corporate R&D	21	62,7	20		×

Mali

Capital: Bamako ++ Official Language: French ++ Currency: West African CFA Franc

Basic Facts



			Quart	ile
			4th	1st
GDP	11,0 [bn USD]	IPO Volume	X	
Population	16,1 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

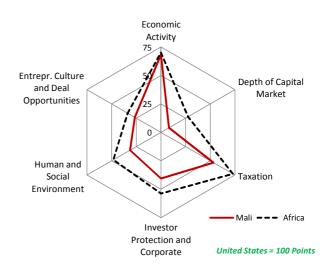
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VCPE-Ranking

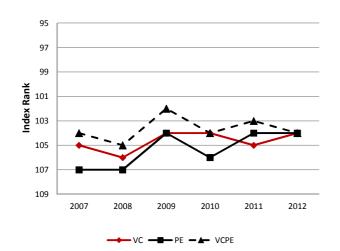
	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	105	23,2	104	
Economic Activity	104	68,3	85	
Depth of Capital Market	112	8,1	105	
Taxation	102	53,3	100	
Inv. Prot./Corp. Gov.	95	40,6	96	
Human/Social Env.	87	31,3	105	
Entrepr. Cult./Deal Opp.	96	26,6	96	

Key Factor Performance

Partners



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Senegal	103	24,6	99	
Côte d'Ivoire	92	24,1	100	
Malawi	95	23,9	101	
Ethiopia	97	23,6	103	
Mali	105	23,2	104	
Cameroon	109	22,7	105	
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	<u>↑</u> ×
Benin	106	20,8	109	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	102	21,4	99	Ŷ	X
1.2	Expected Real GDP Growth	81	149,4	33	1	X
1.3	Unemployment	79	99,7	66	1	X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X
2.3	IPOs and Public Issuing Activity	83	1,0	92	.↓	X
2.4	M&A Market Activity	114	12,0	94		X
2.5	Debt and Credit Market	92	24,6	103	.↓	X
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79	1	X
2.7	Financial Market Sophistication	104	31,1	95		X

3 Taxation

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	102	53 <i>,</i> 3	100	1	X	

4 Investor Protection and Corporate Governance

		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	105	39,1	103	1	X	
4.2	Security of Property Rights	104	35,5	101	1	X	
4.3	Quality of Legal Enforcement	64	48,1	82	Ļ	X	

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	97	43,0	85		X
5.2	Labor Market Rigidities	54	71,9	57	.↓	X
5.3	Bribing and Corruption	86	9,9	110	₽	×

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
6.1	Innovation	86	20,0	101	₽	X	
6.2	Scientific and Technical Journal Articles	101	17,6	101	\Rightarrow	X	
6.3	Ease of Starting and Running a Business	89	86,5	75	1	X	
6.4	Simplicity of Closing a Business	84	53,4	85	₽	X	
6.5	Corporate R&D	91	8,2	90	Ŷ	X	

Mauritania

Capital: Nouakchott ++ Official Language: Arabic, French ++ Currency: Ouguiya

Basic Facts



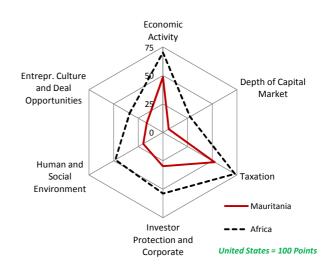
			Quart	:ile
			4th	1st
GDP	4,0 [bn USD]	IPO Volume	×	
Population	3,6 [mn]	M&A Volume	X	
GDP Growth	'04'10	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

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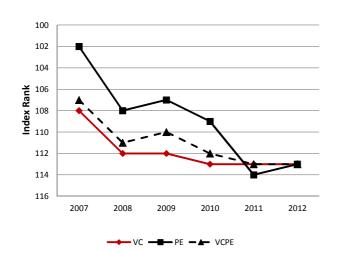
VCPE-Ranking

	2008	_		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	111	16,1	113	
Economic Activity	111	48,7	108	
Depth of Capital Market	103	5,8	110	
Taxation	88	52,3	101	
Inv. Prot./Corp. Gov.	104	29,8	110	
Human/Social Env.	108	20,0	112	
Entrepr. Cult./Deal Opp.	112	16,4	113	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Burkina Faso	99	22,1	106	
Zimbabwe	113	21,7	108	↑ ×
Benin	106	20,8	109	
Madagascar	110	18,6	111	
Lesotho	112	16,6	112	
Mauritania	111	16,1	113	
Angola	114	12,6	114	\Rightarrow ×
Chad	116	11,7	115	
Burundi	115	11,4	116	

Mauritania

1 Economic Activity

1 Ec	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	114	10,4	114	\Rightarrow	X	
1.2	Expected Real GDP Growth	113	146,8	37			X
1.3	Unemployment	110	75,4	110	⇒	×	

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	\Rightarrow	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	♣	×	
2.4	M&A Market Activity	96	6,7	103	₽	X	
2.5	Debt and Credit Market	86	18,0	107	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79	1	X	
2.7	Financial Market Sophistication	108	7,2	113	₽	X	

3 Taxation

		2008	20	12	Quarti		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	88	52 <i>,</i> 3	101	↓	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	98	27,7	110	↓	X	
4.2	Security of Property Rights	79	50,8	73	1	X	
4.3	Quality of Legal Enforcement	110	18,8	112	↓	X	

5 Human and Social Environment

		2008	2008 2012		Quartile		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	112	9,3	115	₽	×	
5.2	Labor Market Rigidities	70	64,8	71	.↓	X	
5.3	Bribing and Corruption	97	13,3	106	₽	X	

		2008	2012		Quartile		-
		Rank	Value	Rank		4th 1st	
6.1	Innovation	92	35,9	67	1	X	
6.2	Scientific and Technical Journal Articles	112	1,8	112	⇒	X	
6.3	Ease of Starting and Running a Business	102	83,7	83	1	X	
6.4	Simplicity of Closing a Business	102	31,5	103	₽	X	
6.5	Corporate R&D	105	6,9	104	1	X	

Mauritius

Capital: Port Louis ++ Official Language: English ++ Currency: Mauritian Rupee

Basic Facts



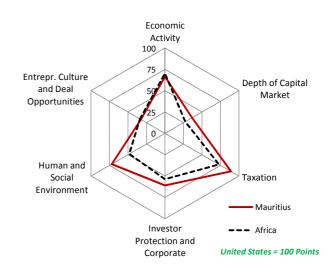
			Quartile
			4th 1st
GDP	11,0 [bn USD]	IPO Volume	×
Population	1,3 [mn]	M&A Volume	X
GDP Growth	'04'10	VC Activity	X
Pop. Growth	'04 10	PE Activity	X

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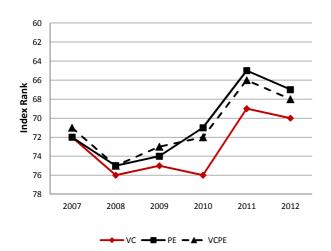
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	75	47,3	68	
Economic Activity	96	66,4	90	
Depth of Capital Market	74	36,6	71	
Taxation	42	89,1	39	
Inv. Prot./Corp. Gov.	56	61,1	53	
Human/Social Env.	36	72,0	35	
Entrepr. Cult./Deal Opp.	84	32,6	82	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
South Africa	27	71,9	26	
Tunisia	74	56,8	49	
Morocco	68	54,0	53	
Egypt	67	53,7	56	
Mauritius	75	47,3	68	
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	

1 Ec	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	100	21,5	98	1	X	
1.2	Expected Real GDP Growth	60	135,1	51			X
1.3	Unemployment	77	101,1	51			X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	67	53 <i>,</i> 8	65	1	X
2.2	Stock Market Liquidity (Trading Volume)	75	36,5	65		X
2.3	IPOs and Public Issuing Activity	83	4,7	82		×
2.4	M&A Market Activity	73	26,3	71		X
2.5	Debt and Credit Market	59	58,1	60	.↓	X
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79		X
2.7	Financial Market Sophistication	38	67,1	42	.↓	

3 Taxation

		2008	2012		Quartile	
		Rank	Value	Rank	4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	42	89,1	39		×

4 Investor Protection and Corporate Governance

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	15	82,5	19	₽	X
4.2	Security of Property Rights	51	72,1	43	1	×
4.3	Quality of Legal Enforcement	101	38,3	96		X

5 Human and Social Environment

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	40	58 <i>,</i> 8	50	₽	X
5.2	Labor Market Rigidities	39	79,9	36	1	X
5.3	Bribing and Corruption	38	79 <i>,</i> 6	34	1	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	78	38,2	59	Ŷ	X
6.2	Scientific and Technical Journal Articles	102	16,8	102	\Rightarrow	X
6.3	Ease of Starting and Running a Business	39	102,3	23	1	X
6.4	Simplicity of Closing a Business	54	68,3	52		X
6.5	Corporate R&D	82	8,2	90	ł	X

Mexico

Capital: Mexico City ++ Official Language: Spanish ++ Currency: Mexican Peso

Basic Facts



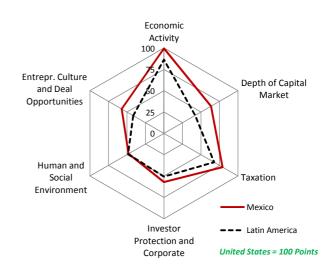
			Quartile
			4th 1st
GDP	1186,4 [bn USD]	IPO Volume	
Population	110,8 [mn]	M&A Volume	X
GDP Growth	'04'10	VC Activity	X
Pop. Growth	'04 1 0	PE Activity	X



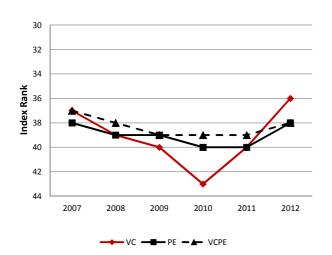
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	38	63,2	38	4th 1st
Economic Activity	39	99,4	12	
Depth of Capital Market	34	63,5	37	
Taxation	67	79,2	54	
Inv. Prot./Corp. Gov.	63	57,1	61	
Human/Social Env.	74	47,9	73	
Entrepr. Cult./Deal Opp.	33	57,3	37	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Chile	31	71,5	27	
Brazil	44	63,3	36	
Mexico	38	63,2	38	
Colombia	51	58,4	46	
Argentina	53	54,4	51	
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	

1 Eco	onomic Activity						
		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	14	72,4	14	\Rightarrow		X
1.2	Expected Real GDP Growth	92	129,9	58			X
1.3	Unemployment	14	104,6	22	-		X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	42	68,1	35	1		×
2.2	Stock Market Liquidity (Trading Volume)	35	68,8	30	1		X
2.3	IPOs and Public Issuing Activity	35	40,0	35	⇒		X
2.4	M&A Market Activity	29	60,8	28	1		×
2.5	Debt and Credit Market	47	60,2	51	.↓		×
2.6	Bank Non-Performing Loans to Total Gross Loans	45	104,8	28	1		X
2.7	Financial Market Sophistication	49	58,1	53	. ↓		X

3 Taxation

		2008	2012			Quarti	le
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	67	79,2	54	Ŷ	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quart	tile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	49	64,5	42			K
4.2	Security of Property Rights	64	58,7	63		×	
4.3	Quality of Legal Enforcement	70	49,2	80	.↓	X	

5 Human and Social Environment

		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	91	50,2	72	1	X	
5.2	Labor Market Rigidities	81	59,9	84	₽	X	
5.3	Bribing and Corruption	69	36,5	76	Ļ	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	47	31,9	75	₽	X
6.2	Scientific and Technical Journal Articles	26	65,3	26	⇒	X
6.3	Ease of Starting and Running a Business	41	97,7	38	1	X
6.4	Simplicity of Closing a Business	36	80,1	32	1	X
6.5	Corporate R&D	38	38,0	36		×

Moldova

Capital: Kishinev ++ Official Language: Moldovan (Romanian) ++ Currency: Moldovan Leu

Basic Facts



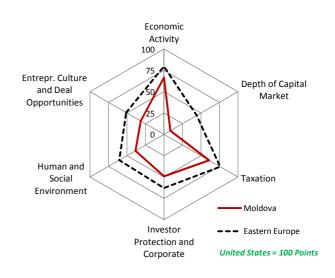
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EMLYON business school	Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012
	IST & YOUNG

			Quartile
			4th 1st
GDP	7,2 [bn USD]	IPO Volume	×
Population	3,5 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X

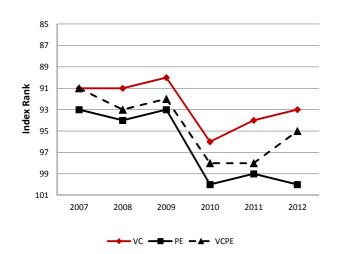
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	93	26,0	95	
Economic Activity	109	66,4	91	
Depth of Capital Market	97	8,7	103	
Taxation	94	60,9	90	
Inv. Prot./Corp. Gov.	58	49,2	81	
Human/Social Env.	81	38,6	91	
Entrepr. Cult./Deal Opp.	82	31,4	85	

Key Factor Performance



Separate VC and PE Indices



	2008	-		Quartile
	Rank	Value	Rank	4th 1st
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	
Montenegro	76	45,8	73	
Macedonia	79	43,2	77	
Georgia	72	40,3	82	
Moldova	93	26,0	95	
Albania	108	25,7	96	

1 Eco	onomic Activity						
		2008	2012		Quartil		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	108	16,9	107		X	
1.2	Expected Real GDP Growth	95	171,5	10			X
1.3	Unemployment	40	101,3	49	₽		×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	\Rightarrow	X	
2.2	Stock Market Liquidity (Trading Volume)	85	18,6	91	.↓	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	74	7,5	100	.↓	X	
2.5	Debt and Credit Market	105	11,8	109	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	66	79,0	105	.↓	X	
2.7	Financial Market Sophistication	95	28,1	100	.↓	X	

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	94	60,9	90	1	X	

4 Investor Protection and Corporate Governance

		2008	2012		Qı		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	63	53,0	73	₽	X	
4.2	Security of Property Rights	44	49,1	77	₽	X	
4.3	Quality of Legal Enforcement	77	45,7	86	. ↓	X	

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	90	35,7	92	₽	×	
5.2	Labor Market Rigidities	74	59 <i>,</i> 8	85	÷	X	
5.3	Bribing and Corruption	73	27,0	89	₽	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	77	37,5	62	1	X
6.2	Scientific and Technical Journal Articles	84	28,9	84	⇒	X
6.3	Ease of Starting and Running a Business	67	91,9	59	1	×
6.4	Simplicity of Closing a Business	58	65,5	59	₽	X
6.5	Corporate R&D	97	4,7	114	₽	X
	•		, ,		•	

Mongolia

Capital: Ulan Bator ++ Official Language: Mongolian ++ Currency: Tögrög

Basic Facts



			Quarti	le
			4th	1st
GDP	7,2 [bn USD]	IPO Volume	×	
Population	2,8 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

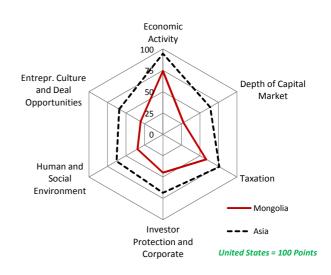
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Quality In Everything We Do

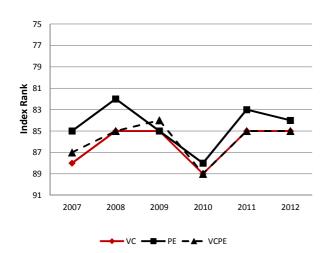
VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	85	36,7	85	
Economic Activity	93	74,3	74	
Depth of Capital Market	84	27,7	79	
Taxation	80	58,5	93	
Inv. Prot./Corp. Gov.	76	44,8	87	
Human/Social Env.	96	34,5	101	
Entrepr. Cult./Deal Opp.	94	30,1	88	1 ×

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	
Bangladesh	88	41,7	80	
Mongolia	85	36,7	85	
Armenia	84	31,4	90	
Kyrgyzstan	91	24,7	98	

		2008	2012		Qı		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	109	16,9	106	Ŷ	X	
1.2	Expected Real GDP Growth	8	229,9	2			X
1.3	Unemployment	8	105,6	12	₽		×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	70	55,1	59	1	X
2.2	Stock Market Liquidity (Trading Volume)	88	25,6	82	1	X
2.3	IPOs and Public Issuing Activity	83	4,4	84	₽	X
2.4	M&A Market Activity	77	27,8	69	1	X
2.5	Debt and Credit Market	74	41,6	83	₽	X
2.6	Bank Non-Performing Loans to Total Gross Loans	76	62,0	112	.↓	X
2.7	Financial Market Sophistication	104	28,1	100		X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	80	58,5	93	₽	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	41	57,6	59	₽	X	
4.2	Security of Property Rights	83	33,4	104	.↓	X	
4.3	Quality of Legal Enforcement	91	46,7	84		X	

5 Human and Social Environment

		2008	2012		Quartile		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	106	24,6	107	₽	X	
5.2	Labor Market Rigidities	43	77,3	44	.↓		×
5.3	Bribing and Corruption	91	21,6	95	. ↓	×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	98	36,7	65	1	X
6.2	Scientific and Technical Journal Articles	100	18,4	100	⇒	X
6.3	Ease of Starting and Running a Business	26	95,2	51	₽	×
6.4	Simplicity of Closing a Business	79	55,9	80	₽	X
6.5	Corporate R&D	97	6,9	104	↓	X

Montenegro

Capital: Podgorica ++ Official Language: Montenegrin ++ Currency: Euro

Basic Facts



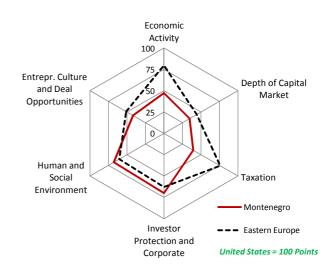


			Quartile
		1001/1	4th 1st
GDP	4,4 [bn USD]	IPO Volume	
Population	0,6 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X

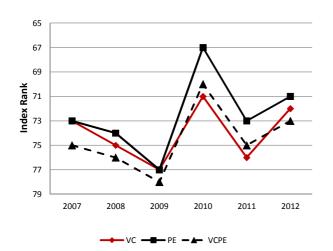
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	76	45,8	73	
Economic Activity	102	47,3	109	
Depth of Capital Market	75	34,7	74	
Taxation	107	39,6	110	
Inv. Prot./Corp. Gov.	53	70,0	36	
Human/Social Env.	49	67,8	41	
Entrepr. Cult./Deal Opp.	71	41,9	63	

Key Factor Performance



Separate VC and PE Indices



	2008	-		Quartile
	Rank	Value	Rank	4th 1st
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	
Montenegro	76	45,8	73	
Macedonia	79	43,2	77	
Georgia	72	40,3	82	
Moldova	93	26,0	95	
Albania	108	25,7	96	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	112	11,5	113	₽	X
1.2	Expected Real GDP Growth	6	106,5	85	.↓	X
1.3	Unemployment	105	86,3	103		X

2 Depth of Capital Market

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	50	31,0	91	₽	X
2.2	Stock Market Liquidity (Trading Volume)	74	22,5	85	₽	X
2.3	IPOs and Public Issuing Activity	79	14,2	69		X
2.4	M&A Market Activity	72	23,6	77	₽	X
2.5	Debt and Credit Market	100	58,8	56		X
2.6	Bank Non-Performing Loans to Total Gross Loans	59	83,3	103	₽	X
2.7	Financial Market Sophistication	60	52,1	64	Ŷ	X

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	107	39,6	110	₽	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	18	72,9	26	₽	X
4.2	Security of Property Rights	76	68,6	46		X
4.3	Quality of Legal Enforcement	63	68,7	49		×

5 Human and Social Environment

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	60	73,2	34		X
5.2	Labor Market Rigidities	23	85,3	26	÷	X
5.3	Bribing and Corruption	62	49,9	56		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	70	53,8	37	Ŷ	X
6.2	Scientific and Technical Journal Articles	104	15,1	104	\Rightarrow	X
6.3	Ease of Starting and Running a Business	90	96,2	48	1	X
6.4	Simplicity of Closing a Business	37	78,8	34		X
6.5	Corporate R&D	55	21,0	63	₽	X

Morocco

Capital: Rabat ++ Official Language: Arabic ++ Currency: Moroccan Dirham

Basic Facts



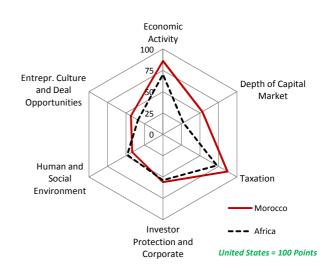
			Quartile	2
			4th 1	1st
GDP	101,6 [bn USD]	IPO Volume	X	
Population	33,0 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	×	

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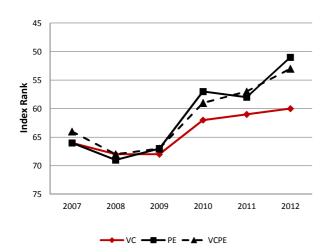
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	68	54,0	53	
Economic Activity	84	86,1	46	
Depth of Capital Market	62	53,1	47	
Taxation	35	87,2	41	
Inv. Prot./Corp. Gov.	68	55,9	64	
Human/Social Env.	104	41,7	86	
Entrepr. Cult./Deal Opp.	68	43,5	61	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
South Africa	27	71,9	26	
Tunisia	74	56,8	49	
Morocco	68	54,0	53	
Egypt	67	53,7	56	
Mauritius	75	47,3	68	
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	

1 Ec	onomic Activity					
		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	57	45,7	58	₽	X
1.2	Expected Real GDP Growth	100	140,3	42		X
1.3	Unemployment	85	99,5	67		X

2 Depth of Capital Market

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	59	59,2	55	1	×	
2.2	Stock Market Liquidity (Trading Volume)	47	55,6	50	4		×
2.3	IPOs and Public Issuing Activity	64	18,2	61	1	×	
2.4	M&A Market Activity	63	42,1	54	1		X
2.5	Debt and Credit Market	78	73,2	28	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	90	100,5	57	1		×
2.7	Financial Market Sophistication	54	64,1	45			X

3 Taxation

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	35	87,2	41	₽	

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	95	43,0	97	₽	×	
4.2	Security of Property Rights	62	60,7	56			X
4.3	Quality of Legal Enforcement	50	67,0	52	↓		×

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	82	44,4	83	₽	X
5.2	Labor Market Rigidities	114	37,6	110		X
5.3	Bribing and Corruption	63	43,7	64	•	X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	90	24,4	94	₽	X
6.2	Scientific and Technical Journal Articles	58	43,9	58	⇒	X
6.3	Ease of Starting and Running a Business	21	98,4	35	₽	X
6.4	Simplicity of Closing a Business	60	66,9	54	1	×
6.5	Corporate R&D	82	22,0	61	1	X

Mozambique

Capital: Maputo ++ Official Language: Portuguese ++ Currency: Mozambican Metical

Basic Facts



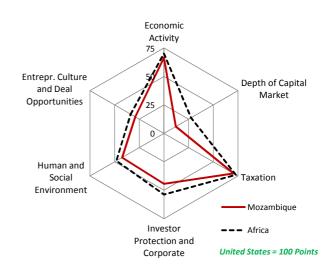
			Qua	rtile
			4th	1st
GDP	11,9 [bn USD]	IPO Volume	X	
Population	24,2 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

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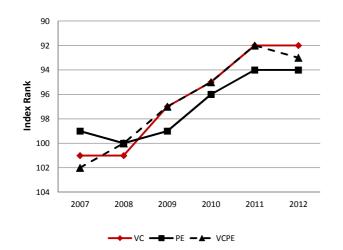
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	100	28,5	93	
Economic Activity	98	66,4	89	
Depth of Capital Market	101	11,9	96	
Taxation	70	70,5	73	
Inv. Prot./Corp. Gov.	97	44,4	89	
Human/Social Env.	98	42,5	84	
Entrepr. Cult./Deal Opp.	106	29,1	90	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Botswana	77	41,1	81	
Algeria	86	39,6	83	
Tanzania	89	36,8	84	
Uganda	90	35,6	86	
Mozambique	100	28,5	93	
Rwanda	107	26,6	94	↑ ×
Senegal	103	24,6	99	1 ×
Côte d'Ivoire	92	24,1	100	
Malawi	95	23,9	101	

		2008	2012		Q		Quartile	
		Rank	Value	Rank		4th	1st	
1.1	Size of the Economy (GDP)	98	22,3	97		X		
1.2	Expected Real GDP Growth	27	174,1	8			X	
1.3	Unemployment	112	75,4	110		X		

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	4,4	83	\Rightarrow	×	
2.4	M&A Market Activity	91	16,9	89	1	X	
2.5	Debt and Credit Market	82	43,8	80	1	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	43	106,6	19	1		X
2.7	Financial Market Sophistication	106	37,1	88		X	

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	70	70,5	73	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	100	44,0	94	Ŷ	X	
4.2	Security of Property Rights	103	41,5	92	1	X	
4.3	Quality of Legal Enforcement	84	47,9	83	Ŷ	×	

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	102	41,5	86		X	
5.2	Labor Market Rigidities	90	55,8	92	.↓	×	
5.3	Bribing and Corruption	85	33,1	79		×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	113	31,4	77	Ŷ	X
6.2	Scientific and Technical Journal Articles	98	19,4	98	⇒	X
6.3	Ease of Starting and Running a Business	110	87,7	72	1	×
6.4	Simplicity of Closing a Business	92	50,1	90	1	X
6.5	Corporate R&D	108	7,8	96	1	X

Namibia

Capital: Windhoek ++ Official Language: English ++ Currency: Namibian Dollar

Basic Facts



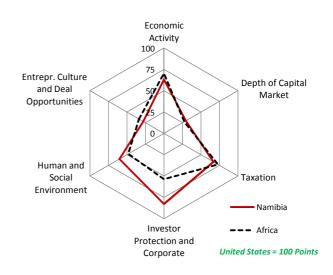
			Quart	ile
			4th	1st
GDP	12,9 [bn USD]	IPO Volume	×	
Population	2,3 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04'10	PE Activity	X	

Partners Image: Second University of Navarra Image: Second University of Navarra<

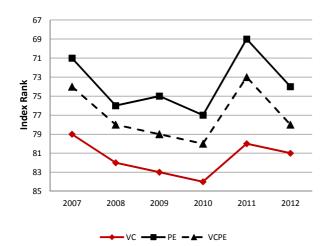
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	78	42,6	78	
Economic Activity	100	63,0	97	
Depth of Capital Market	79	29,6	78	
Taxation	75	66,9	78	
Inv. Prot./Corp. Gov.	26	82,7	25	
Human/Social Env.	58	60,2	50	
Entrepr. Cult./Deal Opp.	95	27,9	91	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Mauritius	75	47,3	68	
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	
Nigeria	65	42,4	79	
Botswana	77	41,1	81	
Algeria	86	39,6	83	
Tanzania	89	36,8	84	

1 Eco	onomic Activity						
		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	97	23,2	96		X	
1.2	Expected Real GDP Growth	65	127,3	64		X	
1.3	Unemployment	106	84,7	105		×	

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	91	32,3	90	1	X	
2.2	Stock Market Liquidity (Trading Volume)	92	19,4	90		X	
2.3	IPOs and Public Issuing Activity	83	3,4	85	₽	X	
2.4	M&A Market Activity	86	22,1	79		×	
2.5	Debt and Credit Market	48	57,6	62	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	50	105,0	24			X
2.7	Financial Market Sophistication	38	70,1	41	₽		X

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	75	66,9	78	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	26	70,3	33	₽		×
4.2	Security of Property Rights	23	94,5	21	1		X
4.3	Quality of Legal Enforcement	38	85 <i>,</i> 3	30			×

5 Human and Social Environment

		2008	2012			Qua	Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	101	37,9	91	1	X		
5.2	Labor Market Rigidities	22	85,5	24	↓		X	
5.3	Bribing and Corruption	44	67,2	41			X	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	96	27,5	82	Ŷ	X
6.2	Scientific and Technical Journal Articles	105	14,7	105	⇒	X
6.3	Ease of Starting and Running a Business	103	70,3	95	Ŷ	X
6.4	Simplicity of Closing a Business	43	72,7	41	1	×
6.5	Corporate R&D	87	8,2	90	₽	X

Netherlands

Capital: Amsterdam ++ Official Language: Dutch ++ Currency: Euro

Basic Facts



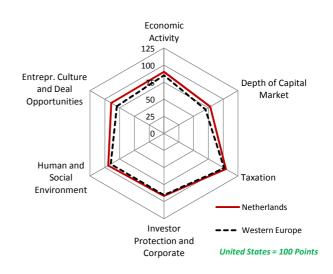
			Quartile
			4th 1st
GDP	856,7 [bn USD]	IPO Volume	
Population	16,7 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04'10	PE Activity	X



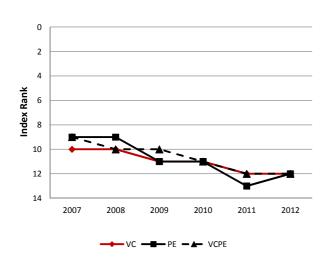
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	10	87,2	12	
Economic Activity	30	90,1	37	
Depth of Capital Market	11	78,2	13	
Taxation	20	104,5	8	
Inv. Prot./Corp. Gov.	18	91,6	16	
Human/Social Env.	17	94,2	17	
Entrepr. Cult./Deal Opp.	9	89,1	9	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Sweden	9	90,9	8	
Germany	7	89,4	9	
Switzerland	12	87,9	10	
Denmark	11	87,3	11	
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	
Finland	13	83,5	17	

1 Eco	onomic Activity						
		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	16	68,8	16	⇒		X
1.2	Expected Real GDP Growth	82	101,3	95	Ŷ	X	
1.3	Unemployment	16	104,8	18	₽		X

2 Depth of Capital Market

		2008	2008 2012		Quai		rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	35	67,9	37			X
2.2	Stock Market Liquidity (Trading Volume)	10	78,1	16			X
2.3	IPOs and Public Issuing Activity	18	49,0	25	₽		X
2.4	M&A Market Activity	18	67,5	19			X
2.5	Debt and Credit Market	5	91,0	8	₽		X
2.6	Bank Non-Performing Loans to Total Gross Loans	12	108,3	4			X
2.7	Financial Market Sophistication	5	103,0	8			X

3 Taxation

		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	20	104,5	8	Ŷ		X

4 Investor Protection and Corporate Governance

		2008	2012		Quarti	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	38	63,6	45	₽	X
4.2	Security of Property Rights	17	99,6	18	.↓	X
4.3	Quality of Legal Enforcement	4	121,5	6	₽	×

5 Human and Social Environment

		2008	2012			Qua	Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	9	107,2	7			×	
5.2	Labor Market Rigidities	88	56,3	91	ł	X		
5.3	Bribing and Corruption	8	138,6	8	⇒		X	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	11	96,9	9	1	X
6.2	Scientific and Technical Journal Articles	13	76,1	13	\Rightarrow	X
6.3	Ease of Starting and Running a Business	20	98,9	32	₽	X
6.4	Simplicity of Closing a Business	7	104,8	8	4	X
6.5	Corporate R&D	13	73,3	12		X

New Zealand

Capital: Wellington ++ Official Language: English, Māori ++ Currency: New Zealand Dollar

Basic Facts



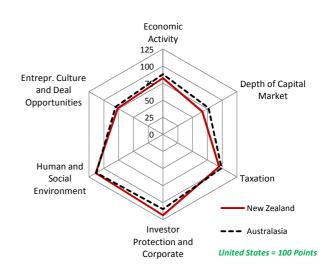
			Quartile
			4th 1st
GDP	170,9 [bn USD]	IPO Volume	
Population	4,4 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	×
Pop. Growth	'04 '10	PE Activity	X



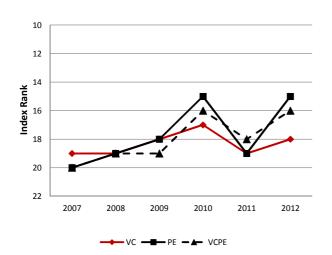
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	19	83,6	16	
Economic Activity	74	82,3	57	
Depth of Capital Market	30	66,4	31	
Taxation	12	94,9	22	
Inv. Prot./Corp. Gov.	2	118,3	2	
Human/Social Env.	6	113,7	3	
Entrepr. Cult./Deal Opp.	22	76,5	21	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
United States	1	100,0	1	
Canada	3	96,8	2	
United Kingdom	2	95,1	3	
Japan	4	93,0	4	
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Australia	5	91,9	7	
Sweden	9	90,9	8	
New Zealand	19	83,6	16	

1 Eco	onomic Activity					
		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	52	51,3	52	\Rightarrow	X
1.2	Expected Real GDP Growth	99	106,5	85		X
1.3	Unemployment	18	102,1	35	-	×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	52	61,9	50	1	X
2.2	Stock Market Liquidity (Trading Volume)	48	63,7	38	1	×
2.3	IPOs and Public Issuing Activity	41	35,4	38	1	
2.4	M&A Market Activity	22	53,1	39	.↓	X
2.5	Debt and Credit Market	14	80,9	17	₽	X
2.6	Bank Non-Performing Loans to Total Gross Loans	1	107,6	10	.↓	X
2.7	Financial Market Sophistication	26	88,0	22	1	X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	12	94,9	22	₽		X

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	1	117,1	1	->		×
4.2	Security of Property Rights	4	114,8	6	↓		X
4.3	Quality of Legal Enforcement	6	123,2	4			X

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	19	102,0	11	1		×
5.2	Labor Market Rigidities	9	94,7	8			X
5.3	Bribing and Corruption	2	152,3	1			X

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	29	75,3	23	1	X
6.2	Scientific and Technical Journal Articles	33	62,8	33	⇒	X
6.3	Ease of Starting and Running a Business	3	113,7	1	1	X
6.4	Simplicity of Closing a Business	12	102,9	12	⇒	X
6.5	Corporate R&D	30	47,5	31	₽	

Nicaragua

Capital: Managua ++ Official Language: Spanish ++ Currency: Córdoba

Basic Facts



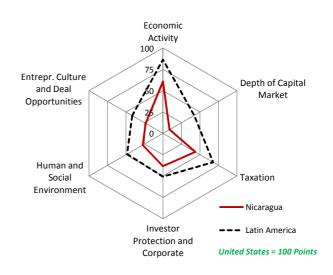


Partners Image: Second University of Navarra Image: Second University of Navarra<

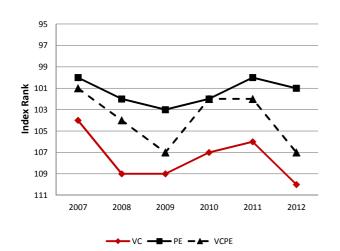
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	104	22,0	107	
Economic Activity	106	60,7	102	
Depth of Capital Market	102	8,9	102	
Taxation	106	43,7	106	
Inv. Prot./Corp. Gov.	93	38,6	98	
Human/Social Env.	110	27,3	107	
Entrepr. Cult./Deal Opp.	105	23,5	102	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	1 ×
Paraguay	101	29,3	92	
Dominican Republic	102	25,2	97	
Nicaragua	104	22,0	107	
Venezuela	96	20,6	110	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	106	16,6	108	₽	X
1.2	Expected Real GDP Growth	85	132,5	54	1	X
1.3	Unemployment	39	101,7	43	₽	×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X
2.4	M&A Market Activity	104	7,8	99	1	X
2.5	Debt and Credit Market	34	58,6	57	₽	X
2.6	Bank Non-Performing Loans to Total Gross Loans	108	87,4	99	1	X
2.7	Financial Market Sophistication	96	40,1	82		X

3 Taxation

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	106	43,7	106	⇒	X	

4 Investor Protection and Corporate Governance

		2008	2012		Qı		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	76	48,1	85	Ļ	X	
4.2	Security of Property Rights	92	39,8	95	.↓	X	
4.3	Quality of Legal Enforcement	104	30,0	106	↓	X	

5 Human and Social Environment

		2008	2012		C		Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	110	16,5	112	₽	X		
5.2	Labor Market Rigidities	95	53,9	95	\Rightarrow	X		
5.3	Bribing and Corruption	95	22,9	93		X		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	104	17,9	105	₽	X
6.2	Scientific and Technical Journal Articles	109	12,2	109	⇒	X
6.3	Ease of Starting and Running a Business	35	71,8	93	₽	X
6.4	Simplicity of Closing a Business	57	66,0	57	⇒	×
6.5	Corporate R&D	112	6,9	104	1	X

Nigeria

Capital: Abuja ++ Official Language: English ++ Currency: Naira

Basic Facts



			Quartile		
			4th	1st	
GDP	239,9 [bn USD]	IPO Volume	×		
Population	163,6 [mn]	M&A Volume	X		
GDP Growth	'04	VC Activity	X		
Pop. Growth	'04 '10	PE Activity	X		

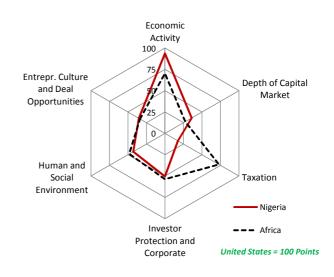
Partners



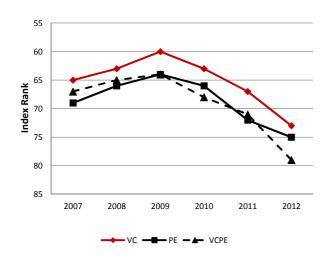
VCPE-Ranking

	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	65	42,4	79	
Economic Activity	21	93,7	24	
Depth of Capital Market	65	36,0	73	
Taxation	97	17,4	114	
Inv. Prot./Corp. Gov.	75	50,6	78	
Human/Social Env.	82	42,9	83	
Entrepr. Cult./Deal Opp.	62	35,4	76	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	
Nigeria	65	42,4	79	
Botswana	77	41,1	81	
Algeria	86	39,6	83	
Tanzania	89	36,8	84	
Uganda	90	35,6	86	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	44	55,0	42		X
1.2	Expected Real GDP Growth	30	170,2	13		×
1.3	Unemployment	37	87,9	100	₽	X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	44	65,6	42	1		×
2.2	Stock Market Liquidity (Trading Volume)	50	52,2	54	.↓		X
2.3	IPOs and Public Issuing Activity	48	13,1	72	₽	X	
2.4	M&A Market Activity	51	36,3	57	.↓	×	
2.5	Debt and Credit Market	110	11,4	110	⇒	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	93	98,0	66	1	×	
2.7	Financial Market Sophistication	66	43,1	78	.↓	X	

3 Taxation

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	97	17,4	114	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	27	67,7	35	₽	X
4.2	Security of Property Rights	85	46,3	81	1	X
4.3	Quality of Legal Enforcement	96	41,3	94		X

5 Human and Social Environment

		2008	2012		Quartile		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	61	51,5	67	₽	×	
5.2	Labor Market Rigidities	12	91,9	11			X
5.3	Bribing and Corruption	104	16,7	99		×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	66	29,4	79	₽	X
6.2	Scientific and Technical Journal Articles	57	45,0	57	⇒	X
6.3	Ease of Starting and Running a Business	68	76,6	89	₽	X
6.4	Simplicity of Closing a Business	77	54,9	82	₽	X
6.5	Corporate R&D	67	9,9	78	₽	X

Norway

Capital: Oslo ++ Official Language: Norwegian (Bokmål and Nynorsk) ++ Currency: Norvegian Krone

Basic Facts



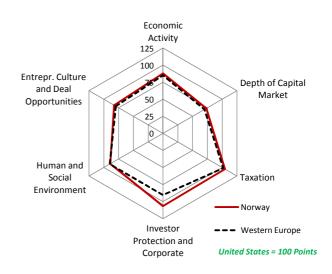
			Qu	artile
			4th	1st
GDP	479,3 [bn USD]	IPO Volume		X
Population	4,9 [mn]	M&A Volume		
GDP Growth	'04 '10	VC Activity		X
Pop. Growth	'04 ********* '10	PE Activity		



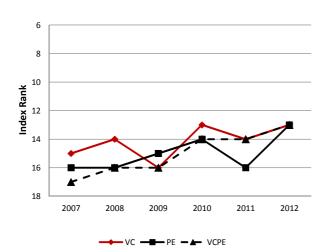
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	16	84,7	13	
Economic Activity	58	87,9	43	
Depth of Capital Market	18	73,1	19	
Taxation	5	104,7	7	
Inv. Prot./Corp. Gov.	5	106,6	5	
Human/Social Env.	18	89,1	18	
Entrepr. Cult./Deal Opp.	16	82,5	16	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
Germany	7	89,4	9		
Switzerland	12	87,9	10		
Denmark	11	87,3	11		
Netherlands	10	87,2	12		
Norway	16	84,7	13		
Belgium	18	84,4	14		
France	17	84,2	15		
Finland	13	83,5	17		
Austria	20	79,6	21		

		2008	2008 2012		Quart		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	24	62,5	25	₽		X
1.2	Expected Real GDP Growth	100	102,6	93		X	
1.3	Unemployment	7	105,9	9	•		X

2 Depth of Capital Market

		2008	2012		(Quartile	
		Rank	Value	Rank		4th	1st	
2.1	Size of the Stock Market	32	69,3	31			X	
2.2	Stock Market Liquidity (Trading Volume)	22	72,8	24	.↓		X	
2.3	IPOs and Public Issuing Activity	20	48,4	27	₽		X	
2.4	M&A Market Activity	20	65,5	21	.↓		X	
2.5	Debt and Credit Market	36	65,2	41	₽		X	
2.6	Bank Non-Performing Loans to Total Gross Loans	8	107,1	13	.↓		X	
2.7	Financial Market Sophistication	18	100,0	11	1		X	

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	5	104,7	7	₽		×

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	12	84,7	15	₽	X
4.2	Security of Property Rights	3	117,5	4	₽	×
4.3	Quality of Legal Enforcement	7	121,6	5		X

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	15	87,6	22	Ļ		×
5.2	Labor Market Rigidities	85	57,7	90	₽	X	
5.3	Bribing and Corruption	10	140,0	6	1		X

		2008	2012				Quartile	
		Rank	Value	Rank		4th	1st	
6.1	Innovation	18	84,6	17	1		X	
6.2	Scientific and Technical Journal Articles	27	65,0	27	\Rightarrow		×	
6.3	Ease of Starting and Running a Business	7	102,4	21	₽		X	
6.4	Simplicity of Closing a Business	2	112,4	2	\Rightarrow		X	
6.5	Corporate R&D	20	60,4	21	- ↓		×	

Oman

Capital: Muscat ++ Official Language: Arabic ++ Currency: Rial Omani

Basic Facts



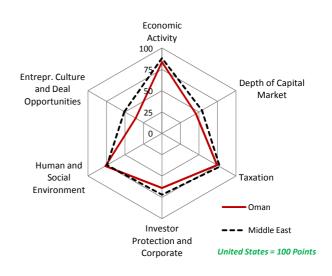
			Quart	ile
			4th	1st
GDP	66,8 [bn USD]	IPO Volume		
Population	2,9 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04 '10	PE Activity		<



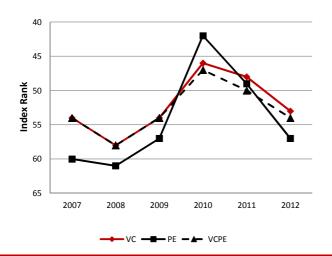
VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	58	53,9	54	
Economic Activity	60	83,5	55	
Depth of Capital Market	66	45,8	57	
Taxation	50	74,5	63	
Inv. Prot./Corp. Gov.	37	64,1	47	
Human/Social Env.	34	76,6	27	
Entrepr. Cult./Deal Opp.	60	35,7	74	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Israel	21	80,2	20	
Saudi Arabia	42	71,0	28	
United Arab Emirates	40	63,1	39	
Kuwait	52	61,0	42	
Jordan	50	54,1	52	
Oman	58	53,9	54	
Bahrain	54	50,4	61	
Syria	98	23,9	102	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	65	41,1	61	1	X
1.2	Expected Real GDP Growth	38	137,7	47	₽	X
1.3	Unemployment	55	102,9	32		×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	58	59,3	54	1	X
2.2	Stock Market Liquidity (Trading Volume)	58	53,6	52	1	
2.3	IPOs and Public Issuing Activity	56	19,4	57	4	X
2.4	M&A Market Activity	97	25,2	72	Ŷ	X
2.5	Debt and Credit Market	79	41,4	84		X
2.6	Bank Non-Performing Loans to Total Gross Loans	59	103,6	36	1	X
2.7	Financial Market Sophistication	42	64,1	45	. ↓	X

3 Taxation

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	50	74,5	63	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	83	30,5	107	₽	X	
4.2	Security of Property Rights	25	92,9	24			X
4.3	Quality of Legal Enforcement	26	92 <i>,</i> 8	26	⇒		×

5 Human and Social Environment

		2008	20	12			Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	46	66,0	42			×	
5.2	Labor Market Rigidities	33	79,8	37	.↓		X	
5.3	Bribing and Corruption	35	85,3	33	ſ		X	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	38	42,5	51	4	X
6.2	Scientific and Technical Journal Articles	76	34,4	76	⇒	X
6.3	Ease of Starting and Running a Business	71	86,0	79	₽	×
6.4	Simplicity of Closing a Business	48	69,6	46	1	×
6.5	Corporate R&D	76	6,6	109	₽	X

Pakistan

Capital: Islamabad ++ Official Language: Urdu, English ++ Currency: Pakistani Rupee

Basic Facts



			Quart	ile
			4th	1st
GDP	198,8 [bn USD]	IPO Volume		
Population	190,9 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

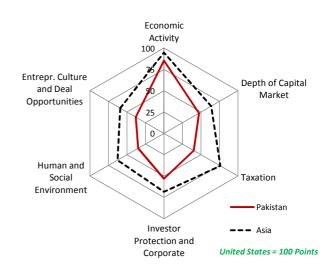
Partners



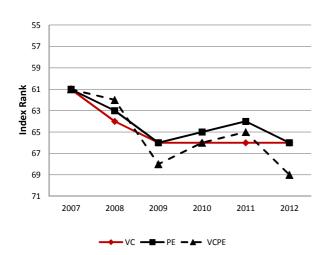
VCPE-Ranking

	2008	3 2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	62	47,2	69	
Economic Activity	28	85,2	49	
Depth of Capital Market	46	47,2	56	
Taxation	93	40,2	109	
Inv. Prot./Corp. Gov.	82	53,0	75	
Human/Social Env.	97	34,9	100	
Entrepr. Cult./Deal Opp.	65	38,1	69	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	
Bangladesh	88	41,7	80	
Mongolia	85	36,7	85	
Armenia	84	31,4	90	
Kyrgyzstan	91	24,7	98	

-		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	47	53,0	47	⇒	X
1.2	Expected Real GDP Growth	35	114,3	75	.↓	X
1.3	Unemployment	42	102,1	35		×

2 Depth of Capital Market

		2008	2012		Quartile
		Rank	Value	Rank	4th 1st
2.1	Size of the Stock Market	28	70,7	29	
2.2	Stock Market Liquidity (Trading Volume)	39	56 <i>,</i> 8	49	 ×
2.3	IPOs and Public Issuing Activity	46	22,0	53	 X
2.4	M&A Market Activity	61	33,3	62	 X
2.5	Debt and Credit Market	52	51,6	74	 X
2.6	Bank Non-Performing Loans to Total Gross Loans	89	86,5	100	 X
2.7	Financial Market Sophistication	69	40,1	82	 X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank	4th		1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	93	40,2	109	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
4.1	Quality of Corporate Governance	50	67,3	38	1		
4.2	Security of Property Rights	88	45,1	85		X	
4.3	Quality of Legal Enforcement	89	49,2	81		X	

5 Human and Social Environment

		2008	2008 2012		Quartile		tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	83	50,1	73		X	
5.2	Labor Market Rigidities	93	54,8	94	÷	X	
5.3	Bribing and Corruption	96	15,4	101	₽	×	

		2008	2012		Quartil	
		Rank	Value	Rank		4th 1st
6.1	Innovation	79	26,9	86	₽	X
6.2	Scientific and Technical Journal Articles	50	49,9	50	\Rightarrow	X
6.3	Ease of Starting and Running a Business	74	83,1	84	₽	×
6.4	Simplicity of Closing a Business	38	75,0	38	\Rightarrow	X
6.5	Corporate R&D	89	9,6	81		X

Paraguay

Basic Facts



20,6 [bn USD]

10

--- '10

6,6 [mn]

'04

'04

Quartile 1st

X

X

X

IPO Volume

VC Activity

PE Activity

M&A Volume



VCPE-Ranking

GDP

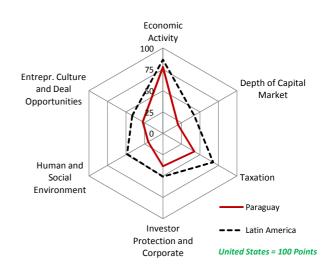
Population

GDP Growth

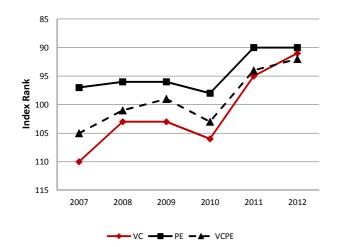
Pop. Growth

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	101	29,3	92	
Economic Activity	85	77,8	69	
Depth of Capital Market	95	20,2	90	
Taxation	92	42,4	107	
Inv. Prot./Corp. Gov.	110	38,4	100	
Human/Social Env.	114	20,0	111	
Entrepr. Cult./Deal Opp.	111	27,4	94	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	
Paraguay	101	29,3	92	
Dominican Republic	102	25,2	97	
Nicaragua	104	22,0	107	
Venezuela	96	20,6	110	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	91	28,3	87	Ŷ	X
1.2	Expected Real GDP Growth	35	163,7	18	1	X
1.3	Unemployment	45	101,8	42	1	×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	94	33,6	88	1	X	
2.2	Stock Market Liquidity (Trading Volume)	95	20,2	88	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	98	8,8	98	\Rightarrow	X	
2.5	Debt and Credit Market	60	39,4	88	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	26	106,7	17	1		X
2.7	Financial Market Sophistication	106	55,1	59		X	

3 Taxation

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	92	42,4	107	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		tile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	78	51,0	79	Ļ	X	
4.2	Security of Property Rights	111	42,2	91	1	X	
4.3	Quality of Legal Enforcement	111	26,3	108		×	

5 Human and Social Environment

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	115	12,4	114		X	
5.2	Labor Market Rigidities	103	41,8	103	\Rightarrow	X	
5.3	Bribing and Corruption	107	15,5	100		×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	115	25,3	93	Ŷ	X
6.2	Scientific and Technical Journal Articles	106	13,6	106	\Rightarrow	X
6.3	Ease of Starting and Running a Business	112	82,0	86	1	X
6.4	Simplicity of Closing a Business	88	51,9	87	1	X
6.5	Corporate R&D	112	10,5	77		X

Peru

Capital: Lima ++ Official Language: Spanish, Quéchua ++ Currency: Nuevo Sol

Basic Facts



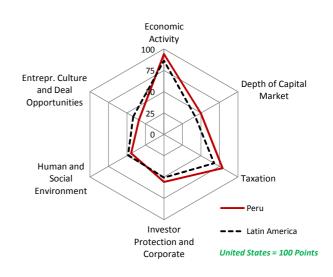


			Quartile
GDP	168,5 [bn USD]	IPO Volume	4th 1st
Population	30,0 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04'10	PE Activity	X

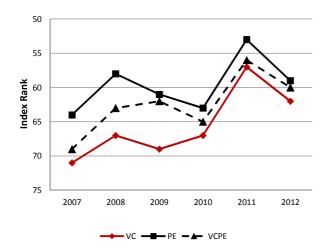
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	63	50,8	60	
Economic Activity	13	94,1	21	
Depth of Capital Market	58	49,7	50	
Taxation	47	79,1	55	
Inv. Prot./Corp. Gov.	69	55,8	65	
Human/Social Env.	105	44,3	79	
Entrepr. Cult./Deal Opp.	63	33,9	78	

Key Factor Performance



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
Brazil	44	63,3	36	
Mexico	38	63,2	38	
Colombia	51	58,4	46	
Argentina	53	54,4	51	
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	

1 Ec	onomic Activity					
		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	54	51,1	53		X
1.2	Expected Real GDP Growth	14	161,1	22	Ŷ	×
1.3	Unemployment	55	101,3	49		×

2 Depth of Capital Market

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	45	66,7	40	1		×
2.2	Stock Market Liquidity (Trading Volume)	57	49,9	55	1		X
2.3	IPOs and Public Issuing Activity	69	13,0	73	₽	X	
2.4	M&A Market Activity	48	51,3	44	1		×
2.5	Debt and Credit Market	63	41,2	86	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	45	104,4	30	1		X
2.7	Financial Market Sophistication	46	79,0	29			X

3 Taxation

		2008	2012		Quarti	
		Rank	Value	Rank		4th 1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	47	79,1	55	₽	×

4 Investor Protection and Corporate Governance

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	16	78,1	22	Ļ		×
4.2	Security of Property Rights	91	45,2	84	1	X	
4.3	Quality of Legal Enforcement	86	49,2	79		X	

5 Human and Social Environment

		2008	2012		Quartil		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	114	28,8	105		X	
5.2	Labor Market Rigidities	87	65,0	70	1	X	
5.3	Bribing and Corruption	59	46,7	60	₽	×	

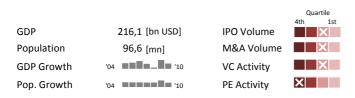
		2008	2012		Quartil	
		Rank	Value	Rank		4th 1st
6.1	Innovation	80	28,2	81	₽	×
6.2	Scientific and Technical Journal Articles	72	35,9	72	\Rightarrow	X
6.3	Ease of Starting and Running a Business	91	92,9	58	1	X
6.4	Simplicity of Closing a Business	66	65,2	60		X
6.5	Corporate R&D	60	7,3	99	₽	X

Philippines

Capital: Manila ++ Official Language: Filipino (based on Tagalog), English ++ Currency: Philippine Peso

Basic Facts



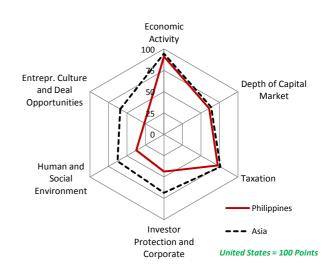


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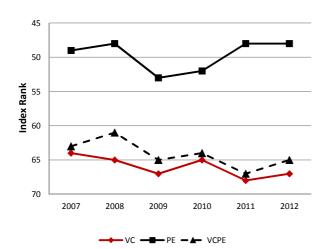
VCPE-Ranking

	2008 Rank	20 Value	12 Rank	Quartile 4th 1st
VCPE Ranking	61	48,1	65	
Economic Activity	37	91,2	34	
Depth of Capital Market	38	61,0	40	
Taxation	78	72,7	67	
Inv. Prot./Corp. Gov.	87	43,6	91	
Human/Social Env.	79	37,4	93	
Entrepr. Cult./Deal Opp.	89	26,6	95	

Key Factor Performance



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
Thailand	35	65,3	34	
Russian Federation	41	59,5	43	
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	
Bangladesh	88	41,7	80	
Mongolia	85	36,7	85	

-		2008	20	2012		Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	46	53,9	46	\Rightarrow	X
1.2	Expected Real GDP Growth	39	139,0	45	₽	X
1.3	Unemployment	61	101,4	47	1	×

2 Depth of Capital Market

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	39	69,4	30			X
2.2	Stock Market Liquidity (Trading Volume)	46	60,6	44	1		X
2.3	IPOs and Public Issuing Activity	34	38,7	36	₽		X
2.4	M&A Market Activity	34	57,3	32	1		X
2.5	Debt and Credit Market	66	49,0	76	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	80	102,5	49	1		X
2.7	Financial Market Sophistication	49	67,1	42			X

3 Taxation

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	78	72,7	67	1	×	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	94	45,2	92	1	×	
4.2	Security of Property Rights	86	41,5	93	.↓	X	
4.3	Quality of Legal Enforcement	79	44,2	88	. ↓	×	

5 Human and Social Environment

		2008	20	12		Quar	tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	52	48,2	77	₽	X	
5.2	Labor Market Rigidities	56	70,7	59	₽	×	
5.3	Bribing and Corruption	100	15,4	102	↓	×	

		2008	2012		Quartile		tile
		Rank	Value	Rank		4th	1st
6.1 I	Innovation	64	26,0	91	₽	X	
6.2 9	Scientific and Technical Journal Articles	68	38,0	68	⇒	X	
6.3 I	Ease of Starting and Running a Business	109	55,8	110	₽	X	
6.4 9	Simplicity of Closing a Business	116	7,4	116	⇒	X	
6.5 (Corporate R&D	37	32,7	45	↓		X

Poland

Capital: Warsaw ++ Official Language: Polish ++ Currency: Złoty

Basic Facts



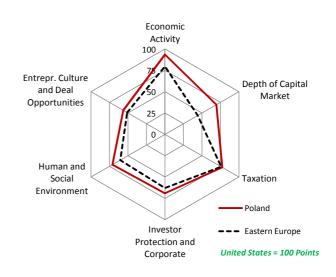
			Qua	rtile
			4th	1st
GDP	531,9 [bn USD]	IPO Volume		×
Population	38,2 [mn]	M&A Volume		X
GDP Growth	'04	VC Activity		X
Pop. Growth	'04 '10	PE Activity		X



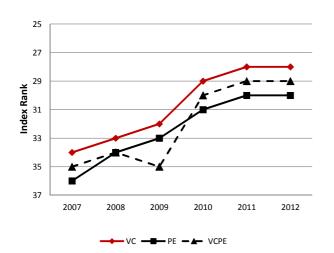
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	34	69,5	29	
Economic Activity	10	93,4	25	
Depth of Capital Market	35	69,5	26	
Taxation	68	77,4	58	
Inv. Prot./Corp. Gov.	49	69,0	38	
Human/Social Env.	42	71,1	36	
Entrepr. Cult./Deal Opp.	43	56,3	38	

Key Factor Performance



Separate VC and PE Indices



	2008 Rank	2012 Value Rank		Quartile 4th 1st	
Poland	34	69,5	29		
Turkey	33	65,0	35		
Czech Republic	37	63,3	37		
Estonia	36	62,0	40		
Hungary	48	61,8	41		
Slovenia	45	58,5	45		
Slovakia	47	56,9	47		
Lithuania	43	56,9	48		
Romania	49	55,8	50		

1 Ec	1 Economic Activity								
		2008	2012			Qua	rtile		
		Rank	Value	Rank		4th	1st		
1.1	Size of the Economy (GDP)	22	63,6	22	\Rightarrow		X		
1.2	Expected Real GDP Growth	35	129,9	58	₽		X		
1.3	Unemployment	85	98,6	73		×			

2 Depth of Capital Market

		2008	2012			Quartil	
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	30	75,0	23	1		×
2.2	Stock Market Liquidity (Trading Volume)	40	66,8	35	1		X
2.3	IPOs and Public Issuing Activity	22	62,8	13	1		X
2.4	M&A Market Activity	32	63,8	24	1		X
2.5	Debt and Credit Market	54	63,4	45	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	79	96,3	72	1	×	
2.7	Financial Market Sophistication	69	64,1	45	1		X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	68	77,4	58	1		×

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	42	68,1	34	1	X
4.2	Security of Property Rights	61	64,1	52	1	×
4.3	Quality of Legal Enforcement	53	75 <i>,</i> 4	43		×

5 Human and Social Environment

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	43	62,3	45	₽		×
5.2	Labor Market Rigidities	45	74,7	52	₽		X
5.3	Bribing and Corruption	49	77,1	37	1		X

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	62	47,5	42	1	X
6.2	Scientific and Technical Journal Articles	19	70,0	19	⇒	X
6.3	Ease of Starting and Running a Business	69	90,9	61	1	X
6.4	Simplicity of Closing a Business	83	57,4	78	1	X
6.5	Corporate R&D	39	32,6	46	₽	×

Portugal

Capital: Lisbon ++ Official Language: Portuguese ++ Currency: Euro

Basic Facts



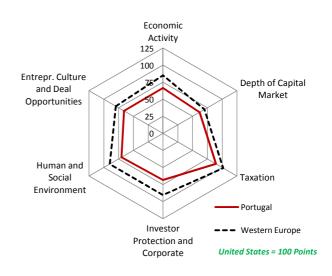
			Quartile
			4th 1st
GDP	241,5 [bn USD]	IPO Volume	×
Population	10,6 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X



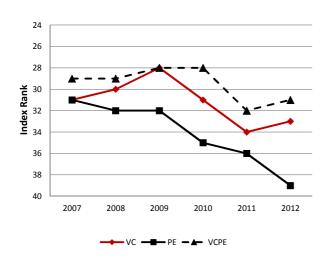
VCPE-Ranking

	2008	-		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	29	66,4	31	
Economic Activity	73	66,5	88	
Depth of Capital Market	32	61,9	38	
Taxation	22	89,4	37	
Inv. Prot./Corp. Gov.	30	68,2	40	
Human/Social Env.	40	70,2	38	
Entrepr. Cult./Deal Opp.	28	65,8	29	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Austria	20	79,6	21	
Ireland	15	78,4	23	
Spain	22	75,1	24	
Italy	28	69,4	30	
Portugal	29	66,4	31	
Luxembourg	32	65,4	33	
Cyprus	39	59,5	44	
Iceland	26	50,3	62	
Greece	46	47,8	66	

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	35	55,1	41	₽	X	
1.2	Expected Real GDP Growth	102	55,8	113	÷	X	
1.3	Unemployment	68	95 <i>,</i> 5	82	↓	×	

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	63	56,5	58		X
2.2	Stock Market Liquidity (Trading Volume)	31	61,3	42		X
2.3	IPOs and Public Issuing Activity	44	25,2	49		X
2.4	M&A Market Activity	36	55,9	33		X
2.5	Debt and Credit Market	18	83,5	16	1	X
2.6	Bank Non-Performing Loans to Total Gross Loans	31	103,9	32		X
2.7	Financial Market Sophistication	26	82,0	28	₽	X

3 Taxation

		2008	2012			Quart	tile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	22	89,4	37	₽	>	<

4 Investor Protection and Corporate Governance

		2008 2012		Quartile		
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	54	53,3	71	₽	X
4.2	Security of Property Rights	26	81,0	31	.↓	X
4.3	Quality of Legal Enforcement	29	73,5	44	↓	X

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	45	69,5	39			×
5.2	Labor Market Rigidities	96	53,4	96	\Rightarrow	X	
5.3	Bribing and Corruption	26	93,0	28	₽		X

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	37	56,4	36	1	×
6.2	Scientific and Technical Journal Articles	31	63,5	31	⇒	×
6.3	Ease of Starting and Running a Business	30	99,2	29	1	X
6.4	Simplicity of Closing a Business	18	92,3	19	4	
6.5	Corporate R&D	44	37,5	37	1	

Romania

Capital: Bucharest ++ Official Language: Romanian ++ Currency: Romanian Leu

Basic Facts



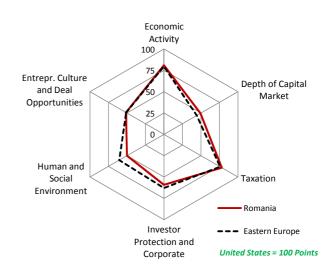


			Quartile
GDP	185,3 [bn USD]	IPO Volume	4th 1st
Population	21,4 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X

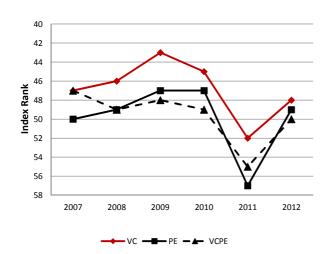
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	49	55,8	50	
Economic Activity	34	80,9	59	
Depth of Capital Market	53	49,3	52	
Taxation	69	78,1	57	
Inv. Prot./Corp. Gov.	46	59,2	58	
Human/Social Env.	64	50,1	67	
Entrepr. Cult./Deal Opp.	46	51,3	48	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Hungary	48	61,8	41	
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	
Croatia	59	53,3	57	
Bulgaria	55	52,8	58	
Latvia	57	52,6	59	
Ukraine	66	49,6	64	

1 Eco	onomic Activity						
		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	41	52,2	48	₽		×
1.2	Expected Real GDP Growth	50	100,0	97	₽	X	
1.3	Unemployment	52	101,4	47			X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	17	74,1	24	₽	
2.2	Stock Market Liquidity (Trading Volume)	56	45,4	59	₽	X
2.3	IPOs and Public Issuing Activity	60	27,6	44		X
2.4	M&A Market Activity	41	44,7	52	₽	×
2.5	Debt and Credit Market	51	58,4	58	Ŷ	X
2.6	Bank Non-Performing Loans to Total Gross Loans	68	78,7	106	₽	X
2.7	Financial Market Sophistication	75	37,1	88	₽	X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	69	78,1	57	1		X

4 Investor Protection and Corporate Governance

		2008	2008 2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	34	63,3	47	₽	X
4.2	Security of Property Rights	52	55,4	65	÷	X
4.3	Quality of Legal Enforcement	61	59 <i>,</i> 2	61	⇒	X

5 Human and Social Environment

		2008	2008 2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	66	44,4	83	₽	X
5.2	Labor Market Rigidities	89	55,5	93	÷	X
5.3	Bribing and Corruption	54	51,1	55	₽	×

4th 1st
×
X
X
×
-

Russian Federation

Capital: Moscow ++ Official Language: Russian ++ Currency: Russian Ruble

Basic Facts



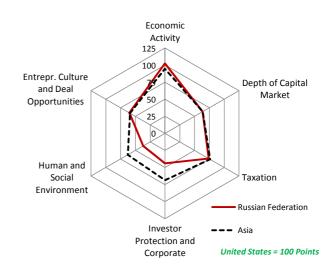
			Quartile
			4th 1st
GDP	1884,9 [bn USD]	IPO Volume	×
Population	142,9 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04'10	PE Activity	X



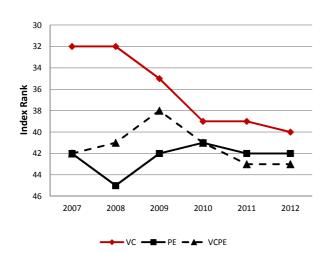
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	41	59,5	43	
Economic Activity	4	102,4	7	
Depth of Capital Market	42	63,6	36	
Taxation	53	73,7	65	
Inv. Prot./Corp. Gov.	74	43,9	90	
Human/Social Env.	73	36,8	95	
Entrepr. Cult./Deal Opp.	31	60,2	33	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	
Russian Federation	41	59,5	43	
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	11	77,4	10	Ŷ		×
1.2	Expected Real GDP Growth	18	136,4	50	₽		×
1.3	Unemployment	49	101,7	43	T		×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	16	77,0	15	1		×
2.2	Stock Market Liquidity (Trading Volume)	17	80,7	14	1		X
2.3	IPOs and Public Issuing Activity	17	60,0	14	1		X
2.4	M&A Market Activity	16	72,2	15	1		X
2.5	Debt and Credit Market	107	54,1	69	1	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	40	92,9	89	₽	X	
2.7	Financial Market Sophistication	75	31,1	95	₽	X	

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	53	73,7	65	₽	×	

4 Investor Protection and Corporate Governance

		2008	20	12		Quai	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	74	43,6	96	Ļ	X	
4.2	Security of Property Rights	54	44,1	86	₽	X	
4.3	Quality of Legal Enforcement	88	43,9	89	Ļ	X	

5 Human and Social Environment

		2008	2008 2012		Quartile		tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	34	53 <i>,</i> 6	64	₽	X	
5.2	Labor Market Rigidities	72	63,2	73	₽	×	
5.3	Bribing and Corruption	101	14,7	104	↓	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	50	46,8	43	1	X
6.2	Scientific and Technical Journal Articles	14	75,9	14	\Rightarrow	×
6.3	Ease of Starting and Running a Business	53	85,0	81	₽	X
6.4	Simplicity of Closing a Business	67	60,2	71	₽	X
6.5	Corporate R&D	33	43,3	33		

Rwanda

Capital: Kigali ++ Official Language: English, French, Kinyarwanda (all official) ++ Currency: Rwandan Franc

Basic Facts



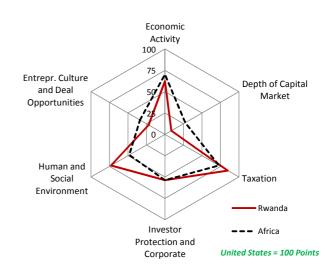
			and the second sec
			Quartile
			4th 1st
GDP	6,0 [bn USD]	IPO Volume	×
Population	11,1 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X



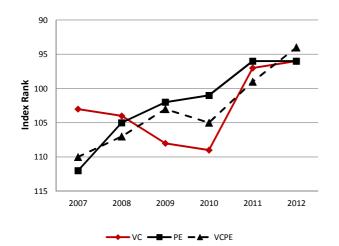
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	107	26,6	94	
Economic Activity	108	62,4	98	
Depth of Capital Market	106	8,5	104	
Taxation	49	84,7	45	
Inv. Prot./Corp. Gov.	107	53,7	74	
Human/Social Env.	44	73,0	33	
Entrepr. Cult./Deal Opp.	107	22,1	105	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Algeria	86	39,6	83	
Tanzania	89	36,8	84	
Uganda	90	35,6	86	
Mozambique	100	28,5	93	
Rwanda	107	26,6	94	
Senegal	103	24,6	99	
Côte d'Ivoire	92	24,1	100	
Malawi	95	23,9	101	
Ethiopia	97	23,6	103	

		2008	2012		Quartile
		Rank	Value	Rank	4th 1st
1.1	Size of the Economy (GDP)	111	14,9	110	X
1.2	Expected Real GDP Growth	63	171,5	10	X
1.3	Unemployment	93	95,0	85	X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	\Rightarrow	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	3,2	86	4	X	
2.4	M&A Market Activity	105	2,3	109	₽	X	
2.5	Debt and Credit Market	88	34,2	94	4	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	113	87,6	98	1	X	
2.7	Financial Market Sophistication	69	55,1	59	1	X	

3 Taxation

		2008	20	12	Qua	rtile
		Rank	Value	Rank	4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	49	84,7	45		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	114	67,6	36	1	X
4.2	Security of Property Rights	68	73,1	40		×
4.3	Quality of Legal Enforcement	106	31,4	104	Ŷ	X

5 Human and Social Environment

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	69	57,3	54		X
5.2	Labor Market Rigidities	11	93,3	10		X
5.3	Bribing and Corruption	55	73,0	39		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	112	21,5	98	Ŷ	X
6.2	Scientific and Technical Journal Articles	107	13,5	107	\Rightarrow	X
6.3	Ease of Starting and Running a Business	45	109,5	5	1	X
6.4	Simplicity of Closing a Business	107	18,4	107	\Rightarrow	X
6.5	Corporate R&D	82	8,9	87	↓	×

Saudi Arabia

Capital: Riyadh ++ Official Language: Arabic ++ Currency: Saudi Riyal

Basic Facts



			Quartile
			4th 1st
GDP	559,5 [bn USD]	IPO Volume	
Population	27,0 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X

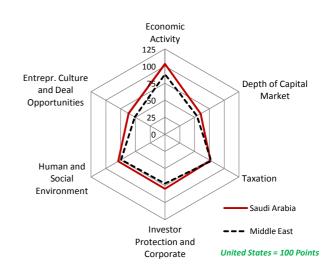
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URNST & YOUNG Quality In Everything We Do

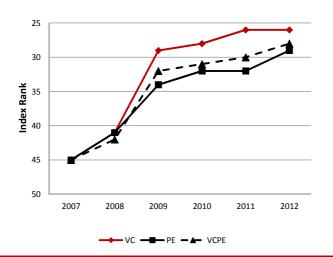
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	42	71,0	28	
Economic Activity	68	103,0	6	
Depth of Capital Market	41	60,3	41	
Taxation	46	76,8	59	
Inv. Prot./Corp. Gov.	39	79,7	29	
Human/Social Env.	53	79,1	25	
Entrepr. Cult./Deal Opp.	37	61,4	32	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Israel	21	80,2	20	
Saudi Arabia	42	71,0	28	
United Arab Emirates	40	63,1	39	
Kuwait	52	61,0	42	
Jordan	50	54,1	52	
Oman	58	53,9	54	
Bahrain	54	50,4	61	
Syria	98	23,9	102	

1 Ec	onomic Activity					
		2008	2012		Qua	rtile
		Rank	Value	Rank	4th	1st
1.1	Size of the Economy (GDP)	25	64,2	21		×
1.2	Expected Real GDP Growth	106	165,0	15		X
1.3	Unemployment	45	103,3	29		×

2 Depth of Capital Market

		2008	2012			Quar	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	43	68,5	33	1		×
2.2	Stock Market Liquidity (Trading Volume)	19	73,0	23	₽		×
2.3	IPOs and Public Issuing Activity	33	52,4	22			X
2.4	M&A Market Activity	83	37,9	56	1	X	
2.5	Debt and Credit Market	69	33,1	95	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	34	103,9	32			X
2.7	Financial Market Sophistication	54	85,0	26			X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	46	76 <i>,</i> 8	59	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	59	71,5	28	1		×
4.2	Security of Property Rights	37	84,8	29	1		X
4.3	Quality of Legal Enforcement	40	83,3	35			×

5 Human and Social Environment

		2008	2012			Quartile	_
		Rank	Value	Rank		4th 1st	t
5.1	Education and Human Capital	48	83,3	24			<
5.2	Labor Market Rigidities	91	76,2	48	1	X	
5.3	Bribing and Corruption	52	78,0	36		×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	27	56,7	34	₽	×
6.2	Scientific and Technical Journal Articles	51	47,9	51	⇒	X
6.3	Ease of Starting and Running a Business	97	104,6	17	1	X
6.4	Simplicity of Closing a Business	81	58,7	77	1	X
6.5	Corporate R&D	35	52,4	25	1	

Senegal

Capital: Dakar ++ Official Language: French ++ Currency: CFA Franc

Basic Facts



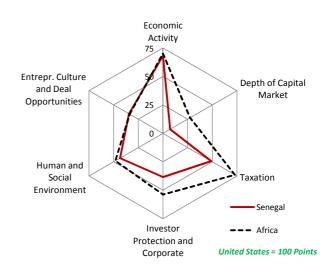
			Quartile
			4th 1st
GDP	14,7 [bn USD]	IPO Volume	X
Population	13,0 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04 '10	PE Activity	X

Partners Image: Second University of Navarra Image: Second University of Navarra<

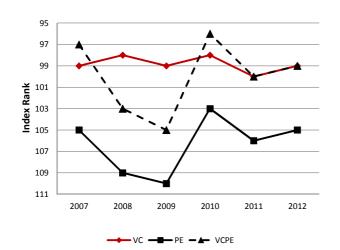
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value Rank		4th 1st
VCPE Ranking	103	24,6	99	
Economic Activity	95	68,2	86	
Depth of Capital Market	113	7,3	106	
Taxation	101	48,8	104	
Inv. Prot./Corp. Gov.	98	38,5	99	
Human/Social Env.	84	43,6	80	
Entrepr. Cult./Deal Opp.	75	34,5	77	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Tanzania	89	36,8	84	
Uganda	90	35,6	86	
Mozambique	100	28,5	93	↑ ×
Rwanda	107	26,6	94	
Senegal	103	24,6	99	
Côte d'Ivoire	92	24,1	100	
Malawi	95	23,9	101	
Ethiopia	97	23,6	103	
Mali	105	23,2	104	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	93	24,6	92	Ŷ	X
1.2	Expected Real GDP Growth	72	132,5	54	1	X
1.3	Unemployment	91	97,0	77	1	X

2 Depth of Capital Market

		2008	20	12		Quai	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	\Rightarrow	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	107	4,0	106	1	X	
2.5	Debt and Credit Market	90	27,9	98	₽	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	114	76,6	108	1	X	
2.7	Financial Market Sophistication	84	49,1	71		X	

3 Taxation

		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	101	48,8	104	ł	X	

4 Investor Protection and Corporate Governance

		2008	2012				Quartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	107	22,9	113	₽	X		
4.2	Security of Property Rights	90	49,8	75	1	X		
4.3	Quality of Legal Enforcement	82	50,1	75	Ŷ	X		

5 Human and Social Environment

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	49	64,0	43		
5.2	Labor Market Rigidities	104	41,2	104	\Rightarrow	X
5.3	Bribing and Corruption	82	31,5	80		×

		2008	-			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	60	26,3	90	₽	X
6.2	Scientific and Technical Journal Articles	85	28,8	85	⇒	X
6.3	Ease of Starting and Running a Business	83	94,2	55	1	X
6.4	Simplicity of Closing a Business	49	69,1	50	₽	×
6.5	Corporate R&D	82	9,9	78		X

Serbia

Capital: Bergrade ++ Official Language: Serbian ++ Currency: Serbian Dinar

Basic Facts





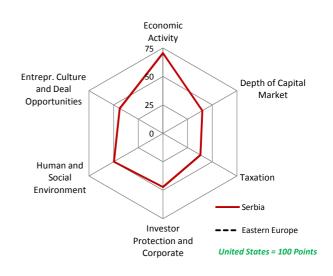
48,7 [bn USD] GDP IPO Volume X Population 7,3 [mn] M&A Volume X ____ X GDP Growth VC Activity '10 '10 PE Activity X Pop. Growth 10/

VCPE-Ranking

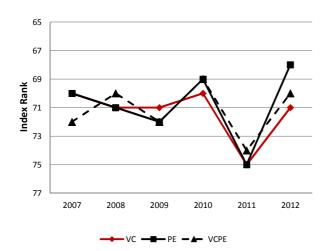
	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	70	46,3	70	
Economic Activity	82	70,6	80	
Depth of Capital Market	70	39,8	69	
Taxation	108	38,0	111	
Inv. Prot./Corp. Gov.	71	47,2	83	
Human/Social Env.	61	49,8	68	
Entrepr. Cult./Deal Opp.	59	43,9	60	

Key Factor Performance

Quartile 1st



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
Croatia	59	53,3	57	
Bulgaria	55	52,8	58	
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	
Montenegro	76	45,8	73	
Macedonia	79	43,2	77	
Georgia	72	40,3	82	

1 Eco	onomic Activity						
		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	69	37,7	70	+	X	
1.2	Expected Real GDP Growth	65	106,5	85	₽	X	
1.3	Unemployment	104	87,7	102	T	X	

2 Depth of Capital Market

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	19	37,9	86	₽	X
2.2	Stock Market Liquidity (Trading Volume)	64	34,7	69	.↓	X
2.3	IPOs and Public Issuing Activity	79	14,2	69	1	X
2.4	M&A Market Activity	54	34,3	61	.↓	X
2.5	Debt and Credit Market	65	58,9	55	1	
2.6	Bank Non-Performing Loans to Total Gross Loans	106	80,5	104		X
2.7	Financial Market Sophistication	60	52,1	64	↓	X

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	108	38,0	111	↓	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	33	62,1	48	₽		×
4.2	Security of Property Rights	87	39,0	96	₽	X	
4.3	Quality of Legal Enforcement	78	43,3	90	. ↓	×	

5 Human and Social Environment

		2008	2012			Quar	Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	41	48,1	78	₽	X		
5.2	Labor Market Rigidities	73	62,7	75	♣	X		
5.3	Bribing and Corruption	70	41,0	70	⇒	×		

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	69	33,1	71	₽	X
6.2	Scientific and Technical Journal Articles	44	53,0	44	⇒	×
6.3	Ease of Starting and Running a Business	73	94,6	54	1	X
6.4	Simplicity of Closing a Business	90	53,8	84	1	X
6.5	Corporate R&D	62	18,2	67	₽	X

Singapore

Capital: Singapore ++ Official Language: English, Mandarin, Malay, Tamil ++ Currency: Singapore Dollar

Basic Facts



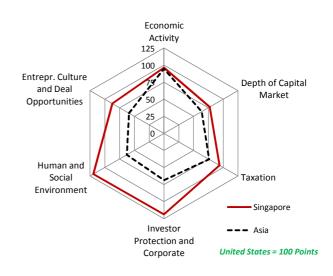
			Quartile
			4th 1st
GDP	266,5 [bn USD]	IPO Volume	×
Population	5,2 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 10	PE Activity	X



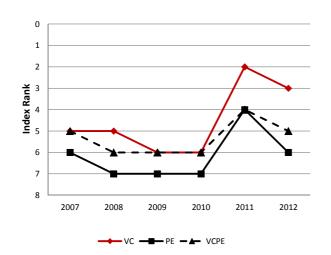
VCPE-Ranking

	2008	2012		Qua	rtile
	Rank	Value	Rank	4th	1st
VCPE Ranking	6	92,9	5	1 ■■	X
Economic Activity	8	96,2	16		X
Depth of Capital Market	16	77,2	15		X
Taxation	15	93,9	29		X
Inv. Prot./Corp. Gov.	1	118,6	1		X
Human/Social Env.	1	119,4	1		X
Entrepr. Cult./Deal Opp.	14	87,3	12	∱ ■■	X

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Japan	4	93,0	4	
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Korea, South	14	81,3	18	
Taiwan	24	80,6	19	
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	43	56,1	36		X
1.2	Expected Real GDP Growth	15	149,4	33	÷	X
1.3	Unemployment	10	106,2	6	1	×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	21	75,8	17	1		×
2.2	Stock Market Liquidity (Trading Volume)	24	74,4	22	1		X
2.3	IPOs and Public Issuing Activity	14	63,5	11	1		X
2.4	M&A Market Activity	17	69,4	17	⇒		X
2.5	Debt and Credit Market	43	62,8	46	4		X
2.6	Bank Non-Performing Loans to Total Gross Loans	31	107,7	9	1		X
2.7	Financial Market Sophistication	9	97,0	13	. ↓		X

3 Taxation

		2008	2012		Q		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	15	93,9	29	₽		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	1	115,0	2	₽	×
4.2	Security of Property Rights	2	125,1	1		X
4.3	Quality of Legal Enforcement	12	115,9	13	. ↓	X

5 Human and Social Environment

		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	3	115,0	2			X
5.2	Labor Market Rigidities	2	99,8	2	\Rightarrow		X
5.3	Bribing and Corruption	6	148,4	4	1		X

		2008	2012			Quar	tile
		Rank	Value	Rank		4th	1st
6.1	Innovation	14	90,5	12			X
6.2	Scientific and Technical Journal Articles	28	64,4	28	\Rightarrow		X
6.3	Ease of Starting and Running a Business	14	108,5	6	1		X
6.4	Simplicity of Closing a Business	1	113,0	1	\Rightarrow		X
6.5	Corporate R&D	15	71,1	14	1		X

Slovakia

Capital: Bratislava ++ Official Language: Slovak ++ Currency: Euro

Basic Facts



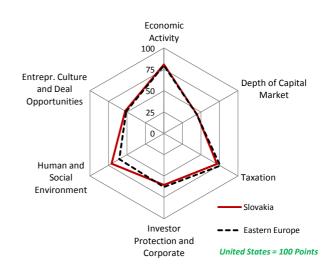
			Quart	ile
			4th	1st
GDP	97,1 [bn USD]	IPO Volume	×	
Population	5,4 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04'10	PE Activity	X	

Partners Image: Second University of Navarra Image: Second University of Navarra Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 Image: Second University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012

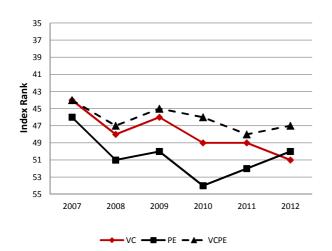
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	47	56,9	47	
Economic Activity	11	80,7	60	
Depth of Capital Market	63	44,5	60	
Taxation	71	71,6	72	
Inv. Prot./Corp. Gov.	41	60,4	55	
Human/Social Env.	26	70,9	37	
Entrepr. Cult./Deal Opp.	44	52,5	44	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Czech Republic	37	63,3	37	
Estonia	36	62,0	40	
Hungary	48	61,8	41	
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	
Croatia	59	53,3	57	
Bulgaria	55	52,8	58	

		2008	2012			Quartile	Quartile	
		Rank	Value	Rank		4th 1s	st	
1.1	Size of the Economy (GDP)	56	45,2	60	₽	X		
1.2	Expected Real GDP Growth	7	123,4	66	÷	X		
1.3	Unemployment	90	94,3	88		X		

2 Depth of Capital Market

		2008				Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	64	52,6	68		X
2.2	Stock Market Liquidity (Trading Volume)	91	32,2	76	1	X
2.3	IPOs and Public Issuing Activity	58	22,9	50	1	X
2.4	M&A Market Activity	62	20,9	81		X
2.5	Debt and Credit Market	62	56,4	64		X
2.6	Bank Non-Performing Loans to Total Gross Loans	40	99,5	64		X
2.7	Financial Market Sophistication	35	76,0	31		X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	71	71,6	72	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
4.1	Quality of Corporate Governance	32	63,6	44	₽	X	
4.2	Security of Property Rights	48	63,2	53	₽	X	
4.3	Quality of Legal Enforcement	51	54,7	69	↓	X	

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	24	77,7	28	₽	X	
5.2	Labor Market Rigidities	37	78,9	39	÷		
5.3	Bribing and Corruption	45	58,1	49	₽	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	41	41,4	54	₽	X
6.2	Scientific and Technical Journal Articles	45	52,3	45	⇒	X
6.3	Ease of Starting and Running a Business	49	97,4	42	1	X
6.4	Simplicity of Closing a Business	61	68,0	53		×
6.5	Corporate R&D	51	27,7	52	₽	×

Slovenia

Capital: Ljubljana ++ Official Language: Slovene ++ Currency: Euro

Basic Facts



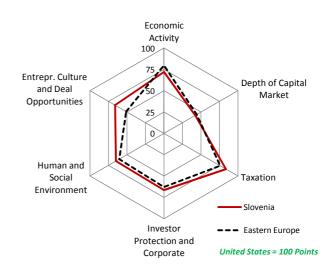
			Quartile	a
			4th	1st
GDP	51,5 [bn USD]	IPO Volume	×	
Population	2,1 [mn]	M&A Volume	×	
GDP Growth	'04'10	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

Partners Image: Second University of Navarra Image: Second University of Navarra<

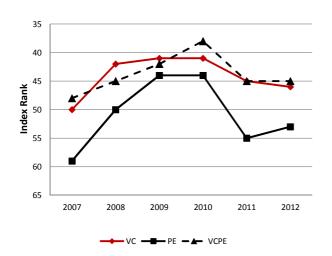
VCPE-Ranking

	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	45	58,5	45	
Economic Activity	52	72,0	79	
Depth of Capital Market	64	42,1	65	
Taxation	43	83,6	47	
Inv. Prot./Corp. Gov.	35	66,5	43	
Human/Social Env.	35	65,0	43	
Entrepr. Cult./Deal Opp.	30	66,1	28	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Turkey	33	65,0	35	
Czech Republic	37	63,3	37	
Estonia	36	62,0	40	
Hungary	48	61,8	41	
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	
Croatia	59	53,3	57	

1 Eco	onomic Activity						
		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	63	38,3	68	.↓	X	
1.2	Expected Real GDP Growth	32	97,4	102	₽	X	
1.3	Unemployment	33	100,2	62	↓	X	

2 Depth of Capital Market

		2008 2012			Quart	ile	
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	62	53,6	66		×	
2.2	Stock Market Liquidity (Trading Volume)	63	34,7	70	4	×	
2.3	IPOs and Public Issuing Activity	70	15,3	65	1	×	
2.4	M&A Market Activity	64	24,2	75	4	×	
2.5	Debt and Credit Market	85	66,4	40	1		(
2.6	Bank Non-Performing Loans to Total Gross Loans	33	105,3	23	1		X
2.7	Financial Market Sophistication	46	49,1	71		X	

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	43	83 <i>,</i> 6	47	₽		×

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	28	55,9	64	₽	X
4.2	Security of Property Rights	47	69,2	45	1	X
4.3	Quality of Legal Enforcement	39	76,0	40	↓	×

5 Human and Social Environment

		2008	3 2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	30	70,0	37	₽	
5.2	Labor Market Rigidities	102	42,3	102	\Rightarrow	X
5.3	Bribing and Corruption	27	92 <i>,</i> 8	29	₽	X

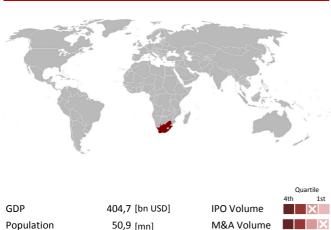
		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	32	65,8	29	Ŷ	X
6.2	Scientific and Technical Journal Articles	41	54,7	41	⇒	×
6.3	Ease of Starting and Running a Business	78	110,2	4	1	X
6.4	Simplicity of Closing a Business	33	86,6	23	1	X
6.5	Corporate R&D	34	36,9	38	₽	X

South Africa

Capital: Pretoria (administrative); CapeTown (legislative); Bloemfontein (judiciary) ++ Official Language: Afrikaans, English and others ++ Currency: Rand

X

Basic Facts



----- '10

'04

VC Activity

PE Activity



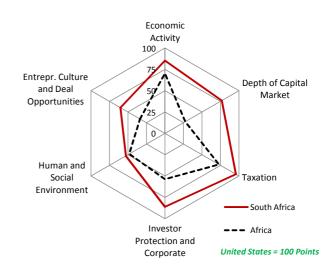
VCPE-Ranking

GDP Growth

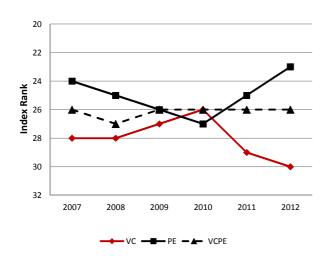
Pop. Growth

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	27	71,9	26	
Economic Activity	50	85,2	48	
Depth of Capital Market	20	76,9	17	
Taxation	31	95,8	20	
Inv. Prot./Corp. Gov.	23	86,1	23	
Human/Social Env.	45	52,8	62	
Entrepr. Cult./Deal Opp.	29	60,2	34	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
South Africa	27	71,9	26	
Tunisia	74	56,8	49	
Morocco	68	54,0	53	
Egypt	67	53,7	56	
Mauritius	75	47,3	68	
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	

1 Ec	onomic Activity						
		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	29	60,7	28	1		X
1.2	Expected Real GDP Growth	62	124,7	65	₽	X	
1.3	Unemployment	108	81,7	106	1	X	

2 Depth of Capital Market

		2008	2012		Qı		rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	15	76,9	16	. ↓		×
2.2	Stock Market Liquidity (Trading Volume)	23	75,1	21	1		×
2.3	IPOs and Public Issuing Activity	40	43,1	30	1		×
2.4	M&A Market Activity	24	63,9	23	1		X
2.5	Debt and Credit Market	7	92,3	6	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	27	99,3	65	.↓	X	
2.7	Financial Market Sophistication	9	109,0	2			×

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	31	95,8	20			X

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		le
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	5	106,0	3	1		X
4.2	Security of Property Rights	34	79,6	33		×	
4.3	Quality of Legal Enforcement	44	75,6	42			

5 Human and Social Environment

		2008	2008 2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	76	33,9	98	₽	X
5.2	Labor Market Rigidities	62	67,6	64	÷	X
5.3	Bribing and Corruption	36	64,3	45	₽	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	36	44,6	47	₽	X
6.2	Scientific and Technical Journal Articles	34	61,7	34	⇒	X
6.3	Ease of Starting and Running a Business	61	95,3	50	1	X
6.4	Simplicity of Closing a Business	62	64,0	64		X
6.5	Corporate R&D	28	47,0	32	. ↓	×

Spain

Capital: Madrid ++ Official Language: Spanish ++ Currency: Euro

Basic Facts



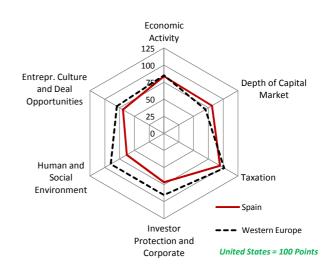
			Quartic
			4th 1st
GDP	1533,5 [bn USD]	IPO Volume	×
Population	46,2 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	X
Pop. Growth	'04 10	PE Activity	X



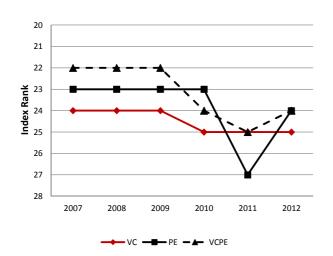
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile 4th 1st
VCPE Ranking	22	75,1	24	
Economic Activity	32	83,7	54	
Depth of Capital Market	9	81,0	10	
Taxation	16	94,7	23	
Inv. Prot./Corp. Gov.	29	71,6	35	
Human/Social Env.	43	62,8	46	
Entrepr. Cult./Deal Opp.	24	69,5	25	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
France	17	84,2	15		
Finland	13	83,5	17		
Austria	20	79,6	21		
Ireland	15	78,4	23		
Spain	22	75,1	24		
Italy	28	69,4	30		
Portugal	29	66,4	31		
Luxembourg	32	65,4	33		
Cyprus	39	59,5	44		

		2008	2008 2012		Quart		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	8	75,2	12	₽		X
1.2	Expected Real GDP Growth	89	90,9	107	÷	X	
1.3	Unemployment	71	85,7	104	₽	×	

2 Depth of Capital Market

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	6	90,5	7			×
2.2	Stock Market Liquidity (Trading Volume)	7	80,7	13			X
2.3	IPOs and Public Issuing Activity	29	51,6	23			X
2.4	M&A Market Activity	10	74,6	12			×
2.5	Debt and Credit Market	6	92,3	5			X
2.6	Bank Non-Performing Loans to Total Gross Loans	19	100,0	59		X	
2.7	Financial Market Sophistication	22	88,0	22	\Rightarrow		X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	16	94,7	23	ł		X

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		
		Rank	Value	Rank		4th 1st	
4.1	Quality of Corporate Governance	43	55,4	65	₽	X	
4.2	Security of Property Rights	29	78,9	35	.↓	X	
4.3	Quality of Legal Enforcement	28	83,8	33	↓	X	

5 Human and Social Environment

		2008	20	2012		Quai	Quartile	
		Rank	Value	Rank		4th	1st	
5.1	Education and Human Capital	43	55,2	60	₽	X		
5.2	Labor Market Rigidities	100	48,9	100	\Rightarrow	×		
5.3	Bribing and Corruption	25	91,5	30	₽		X	

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	31	58,3	33	₽	×
6.2	Scientific and Technical Journal Articles	9	79,6	9	⇒	X
6.3	Ease of Starting and Running a Business	77	76,1	90	₽	X
6.4	Simplicity of Closing a Business	20	95,3	17	1	×
6.5	Corporate R&D	25	48,2	30	₽	×

Sweden

Capital: Stockholm ++ Official Language: Swedish ++ Currency: Swedish Krona

Basic Facts



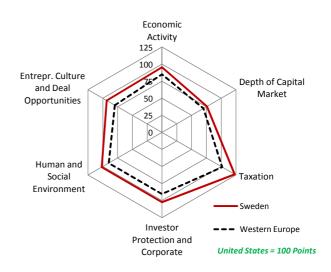
			Quartile
			4th 1st
GDP	571,9 [bn USD]	IPO Volume	
Population	9,5 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04'10	PE Activity	X



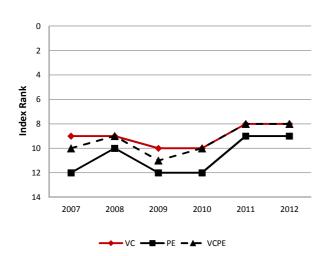
VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	9	90,9	8	
Economic Activity	49	95,4	19	
Depth of Capital Market	15	75,8	18	
Taxation	1	122,8	1	
Inv. Prot./Corp. Gov.	15	102,3	9	
Human/Social Env.	13	101,8	11	
Entrepr. Cult./Deal Opp.	6	93,3	3	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
United Kingdom	2	95,1	3	
Sweden	9	90,9	8	
Germany	7	89,4	9	
Switzerland	12	87,9	10	
Denmark	11	87,3	11	
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	19	64,4	20	₽	X
1.2	Expected Real GDP Growth	92	133,8	53		X
1.3	Unemployment	51	100,6	57	ł	×

2 Depth of Capital Market

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	24	75,2	21	1		×
2.2	Stock Market Liquidity (Trading Volume)	15	77,2	18	4		X
2.3	IPOs and Public Issuing Activity	27	42,0	33	.↓		X
2.4	M&A Market Activity	15	67,8	18	4		×
2.5	Debt and Credit Market	22	75,6	26	.↓		X
2.6	Bank Non-Performing Loans to Total Gross Loans	9	106,2	20	. ↓		X
2.7	Financial Market Sophistication	5	109,0	2			X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	1	122,8	1	→		X

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	24	82,9	18	1		×
4.2	Security of Property Rights	19	101,4	16	1		X
4.3	Quality of Legal Enforcement	3	127,2	1	Ŷ		X

5 Human and Social Environment

		2008	008 2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	9	112,6	4	1		×
5.2	Labor Market Rigidities	65	62,9	74	↓	X	
5.3	Bribing and Corruption	4	148,9	3			X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	7	114,8	2	1	X
6.2	Scientific and Technical Journal Articles	16	72,9	16	⇒	X
6.3	Ease of Starting and Running a Business	5	105,3	15	₽	×
6.4	Simplicity of Closing a Business	17	94,2	18		×
6.5	Corporate R&D	6	85,3	5	1	×

Switzerland

Capital: Bern ++ Official Language: German, French, Italian, Romansh ++ Currency: Swiss Franc

Basic Facts



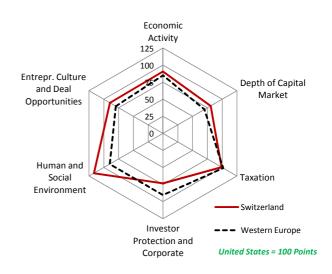
			Quartile
			4th 1st
GDP	665,9 [bn USD]	IPO Volume	×
Population	7,9 [mn]	M&A Volume	X
GDP Growth	'04'10	VC Activity	X
Pop. Growth	'04'10	PE Activity	X



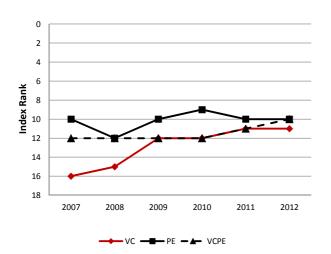
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	12	87,9	10	
Economic Activity	44	90,7	36	
Depth of Capital Market	10	80,6	11	
Taxation	36	98,9	17	
Inv. Prot./Corp. Gov.	32	73,1	33	
Human/Social Env.	5	116,7	2	
Entrepr. Cult./Deal Opp.	11	89,5	8	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
United Kingdom	2	95,1	3	
Sweden	9	90,9	8	
Germany	7	89,4	9	
Switzerland	12	87,9	10	
Denmark	11	87,3	11	
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	

1 Ec	1 Economic Activity									
		2008	2012		Quai		rtile			
		Rank	Value	Rank		4th	1st			
1.1	Size of the Economy (GDP)	20	66,1	19	1		×			
1.2	Expected Real GDP Growth	85	107,8	83	1	X				
1.3	Unemployment	17	104,7	20	₽		×			

2 Depth of Capital Market

		2008	2012		(rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	22	75,3	20	1		×
2.2	Stock Market Liquidity (Trading Volume)	11	81,1	11	⇒		×
2.3	IPOs and Public Issuing Activity	23	48,5	26	.↓		×
2.4	M&A Market Activity	23	65,1	22	1		×
2.5	Debt and Credit Market	10	89,0	9	1		×
2.6	Bank Non-Performing Loans to Total Gross Loans	4	109,1	2	1		X
2.7	Financial Market Sophistication	1	118,0	1	⇒		X

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	36	98,9	17	Ŷ		X

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	106	29,6	108	₽	X	
4.2	Security of Property Rights	11	112,6	7			X
4.3	Quality of Legal Enforcement	9	117,3	10	↓		X

5 Human and Social Environment

		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	1	126,1	1	⇒		X
5.2	Labor Market Rigidities	34	90,9	16	1		X
5.3	Bribing and Corruption	7	138,7	7	⇒		×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	4	118,5	1	1	×
6.2	Scientific and Technical Journal Articles	17	72,2	17	⇒	×
6.3	Ease of Starting and Running a Business	23	96,4	47	₽	X
6.4	Simplicity of Closing a Business	32	81,0	30	1	X
6.5	Corporate R&D	5	86,1	4	1	X

Syria

Capital: Damascus ++ Official Language: Arabic ++ Currency: Syrian Pound

Basic Facts



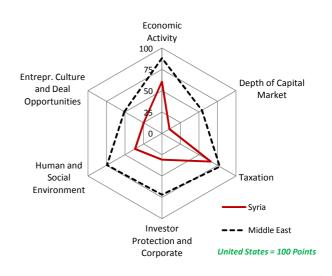
				Quar	tile
				4th	1st
GDP		63,0 [bn USD]	IPO Volume	×	
Population		21,0 [mn]	M&A Volume	X	
GDP Growth	'04		VC Activity	X	
Pop. Growth	'04	'10	PE Activity	X	

Partners **Business School** University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and business schoo **Private Equity Country** Attractiveness Index 2012 **劃 Ernst & Young** Quality In Everything We Do

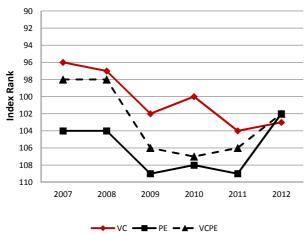
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	98	23,9	102	
Economic Activity	69	60,5	103	
Depth of Capital Market	110	10,1	100	
Taxation	52	66,0	80	
Inv. Prot./Corp. Gov.	100	30,9	108	
Human/Social Env.	92	36,5	96	
Entrepr. Cult./Deal Opp.	78	24,7	100	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Israel	21	80,2	20	
Saudi Arabia	42	71,0	28	
United Arab Emirates	40	63,1	39	
Kuwait	52	61,0	42	
Jordan	50	54,1	52	
Oman	58	53,9	54	
Bahrain	54	50,4	61	
Syria	98	23,9	102	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	67	40,4	64	Ŷ	X
1.2	Expected Real GDP Growth	61	54,5	114	₽	X
1.3	Unemployment	74	100,3	59		×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	97	1,0	97	⇒	X	
2.2	Stock Market Liquidity (Trading Volume)	98	2,7	96	1	X	
2.3	IPOs and Public Issuing Activity	83	10,4	75	1	X	
2.4	M&A Market Activity	108	3,2	108	\Rightarrow	X	
2.5	Debt and Credit Market	106	43,0	82	1	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	52	100,6	56	.↓		×
2.7	Financial Market Sophistication	112	28,1	100		X	

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	52	66,0	80	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	113	12,2	115	₽	X	
4.2	Security of Property Rights	72	53,3	70	1	X	
4.3	Quality of Legal Enforcement	72	45,3	87	. ↓	X	

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	77	34,1	97	₽	X	
5.2	Labor Market Rigidities	40	78,0	41	÷		X
5.3	Bribing and Corruption	102	18,2	98		×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	87	12,0	111	↓	X
6.2	Scientific and Technical Journal Articles	82	30,1	82	\Rightarrow	X
6.3	Ease of Starting and Running a Business	88	90,1	63	1	X
6.4	Simplicity of Closing a Business	69	60,8	68	1	X
6.5	Corporate R&D	69	4,7	114	↓	X

Taiwan

Capital: Taipei ++ Official Language: Standard Mandarin Chinese ++ Currency: New Taiwan Dollar

Basic Facts



			Qua	rtile
			4th	1st
GDP	504,6 [bn USD]	IPO Volume		×
Population	23,2 [mn]	M&A Volume		X
GDP Growth	'04'10	VC Activity		X
Pop. Growth	'04 10	PE Activity		X

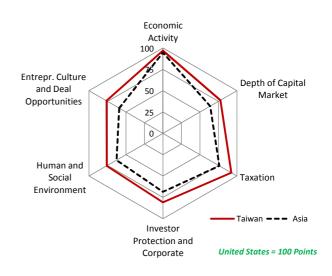
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VCPE-Ranking

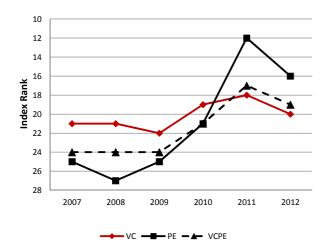
	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	24	80,6	19	
Economic Activity	12	96,8	15	
Depth of Capital Market	27	77,7	14	
Taxation	41	92,4	31	
Inv. Prot./Corp. Gov.	33	80,9	27	
Human/Social Env.	32	76,1	28	
Entrepr. Cult./Deal Opp.	17	76,3	22	

Key Factor Performance

Partners



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Japan	4	93,0	4	
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Korea, South	14	81,3	18	
Taiwan	24	80,6	19	
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	23	63,1	24	₽	X
1.2	Expected Real GDP Growth	58	137,7	47		X
1.3	Unemployment	20	104,5	23	↓	×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	25	73,8	25	\Rightarrow		X
2.2	Stock Market Liquidity (Trading Volume)	18	76,8	19			X
2.3	IPOs and Public Issuing Activity	11	65,1	10			X
2.4	M&A Market Activity	30	61,5	27			X
2.5	Debt and Credit Market	21	79,6	21	\Rightarrow		X
2.6	Bank Non-Performing Loans to Total Gross Loans	85	103,6	36			X
2.7	Financial Market Sophistication	41	91,0	19			X

3 Taxation

		2008	2012		Quai		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	41	92,4	31			×

4 Investor Protection and Corporate Governance

		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	60	61,6	51	Ŷ		×
4.2	Security of Property Rights	27	94,2	22	1		X
4.3	Quality of Legal Enforcement	32	91,2	27			X

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
5.1	Education and Human Capital	21	95,9	16	1	X	
5.2	Labor Market Rigidities	97	52,7	97	⇒	X	
5.3	Bribing and Corruption	32	87,2	32	⇒	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	10	93,1	11	₽	×
6.2	Scientific and Technical Journal Articles	46	50,7	46	⇒	X
6.3	Ease of Starting and Running a Business	63	97,4	43	1	X
6.4	Simplicity of Closing a Business	13	66,4	55		X
6.5	Corporate R&D	7	84,7	6		X

Tanzania

Capital: Dodoma ++ Official Language: Swahili, English ++ Currency: Tanzanian Shilling

Basic Facts



				Quar	tile
				4th	1st
GDP		24,5 [bn USD]	IPO Volume	×	
Population		47,0 [mn]	M&A Volume	X	
GDP Growth	'04	'10	VC Activity	X	
Pop. Growth	'04	'10	PE Activity	X	

VCPE-Ranking

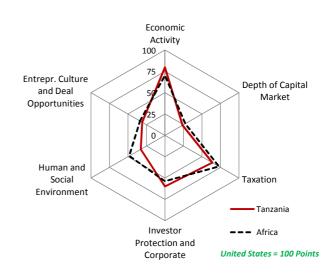
	2008 Damb	20		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	89	36,8	84	
Economic Activity	80	79,7	63	
Depth of Capital Market	93	23,7	84	
Taxation	87	64,0	84	
Inv. Prot./Corp. Gov.	52	59 <i>,</i> 8	56	
Human/Social Env.	100	32,7	104	
Entrepr. Cult./Deal Opp.	90	30,9	87	

University of Navarra EDUCED School Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012 EDUCED School Quality In Everything We Do

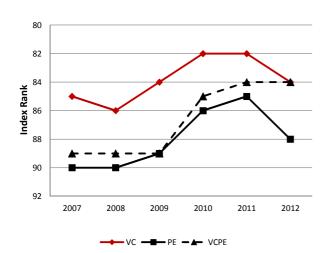
Business School

Key Factor Performance

Partners



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Namibia	78	42,6	78	
Nigeria	65	42,4	79	
Botswana	77	41,1	81	
Algeria	86	39,6	83	
Tanzania	89	36,8	84	
Uganda	90	35,6	86	
Mozambique	100	28,5	93	1 ×
Rwanda	107	26,6	94	
Senegal	103	24,6	99	

-		2008	2012		Quar		tile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	87	30,2	83	Ŷ	X	
1.2	Expected Real GDP Growth	32	159,8	24	1		×
1.3	Unemployment	28	104,8	18	Ŷ		X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	89	35,9	87		X
2.2	Stock Market Liquidity (Trading Volume)	93	21,4	87		X
2.3	IPOs and Public Issuing Activity	76	9,0	78	.↓	×
2.4	M&A Market Activity	102	18,2	85		X
2.5	Debt and Credit Market	113	10,3	112		X
2.6	Bank Non-Performing Loans to Total Gross Loans	94	93,7	79		X
2.7	Financial Market Sophistication	101	34,1	92		X

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	87	64,0	84	1	×	

4 Investor Protection and Corporate Governance

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	39	58,9	54	₽	X
4.2	Security of Property Rights	63	60,4	57	1	X
4.3	Quality of Legal Enforcement	60	60,2	60	⇒	X

5 Human and Social Environment

		2008	2008 2012		Quartile		tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	75	50,6	70		X	
5.2	Labor Market Rigidities	112	25,0	113	÷	X	
5.3	Bribing and Corruption	74	27,5	88	₽	×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	100	26,4	89	1	X
6.2	Scientific and Technical Journal Articles	78	33,9	78	⇒	X
6.3	Ease of Starting and Running a Business	93	71,6	94	₽	X
6.4	Simplicity of Closing a Business	91	49,2	92	₽	X
6.5	Corporate R&D	97	8,9	87		X
		•	-,-			

Thailand

Capital: Bangkok ++ Official Language: Thai ++ Currency: Baht

Basic Facts



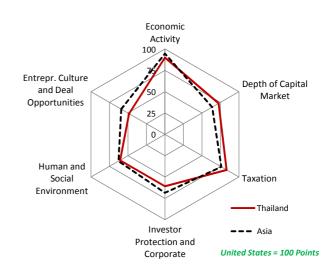
			Quartile
			4th 1st
GDP	339,4 [bn USD]	IPO Volume	
Population	65,7 [mn]	M&A Volume	X
GDP Growth	'04'10	VC Activity	X
Pop. Growth	'04'10	PE Activity	X



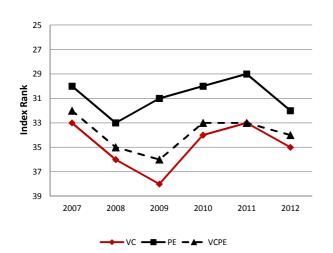
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	35	65,3	34	
Economic Activity	35	90,0	38	
Depth of Capital Market	29	72,4	21	
Taxation	63	83,3	48	
Inv. Prot./Corp. Gov.	47	60,7	54	
Human/Social Env.	46	60,7	49	
Entrepr. Cult./Deal Opp.	51	48,5	52	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Taiwan	24	80,6	19	
China	25	78,6	22	
Malaysia	23	74,8	25	
India	30	66,3	32	
Thailand	35	65,3	34	
Russian Federation	41	59,5	43	
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	

1 Ec	onomic Activity						
		2008	2012			Quartile	
		Rank	Value	Rank		4th 1st	
1.1	Size of the Economy (GDP)	32	58 <i>,</i> 8	30		X	
1.2	Expected Real GDP Growth	72	114,3	75	Ŷ	X	
1.3	Unemployment	2	108,6	2	\Rightarrow	X	

2 Depth of Capital Market

		2008	2008 2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	23	75,6	19	1		×
2.2	Stock Market Liquidity (Trading Volume)	38	72,3	25	1		×
2.3	IPOs and Public Issuing Activity	19	52,5	20	.↓		X
2.4	M&A Market Activity	21	63,4	25			×
2.5	Debt and Credit Market	17	78,0	24	.↓		X
2.6	Bank Non-Performing Loans to Total Gross Loans	90	100,9	54	1		X
2.7	Financial Market Sophistication	34	73,0	34	⇒		X

3 Taxation

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	63	83,3	48	1	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	57	58,0	58	₽	X
4.2	Security of Property Rights	41	60,1	58	₽	X
4.3	Quality of Legal Enforcement	55	64,2	56	↓	×

5 Human and Social Environment

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	46	58,2	51	₽		X
5.2	Labor Market Rigidities	17	87,7	19	÷		X
5.3	Bribing and Corruption	67	43,8	63		×	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	43	45,6	45	₽	X
6.2	Scientific and Technical Journal Articles	40	57,4	40	⇒	X
6.3	Ease of Starting and Running a Business	44	90,0	64	₽	X
6.4	Simplicity of Closing a Business	101	32,7	102	₽	X
6.5	Corporate R&D	43	34,8	40	1	×

Tunisia

Capital: Tunis ++ Official Language: Arabic ++ Currency: Tunisian Dinar

Basic Facts



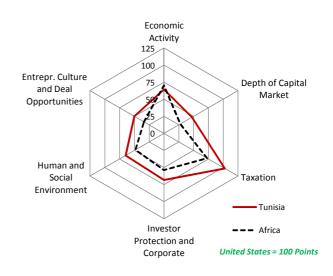
			Quart	ile
			4th	1st
GDP	44,7 [bn USD]	IPO Volume	×	
Population	10,5 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04	PE Activity		<



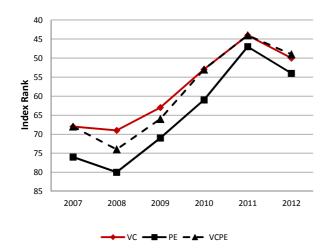
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	74	56,8	49	
Economic Activity	75	64,4	93	
Depth of Capital Market	86	47,3	55	
Taxation	29	102,7	10	
Inv. Prot./Corp. Gov.	67	68,3	39	
Human/Social Env.	39	64,8	44	
Entrepr. Cult./Deal Opp.	52	50,1	51	

Key Factor Performance



Separate VC and PE Indices



2008	2012		Quartile
Rank	Value	Rank	4th 1st
27	71,9	26	
74	56,8	49	
68	54,0	53	
67	53,7	56	
75	47,3	68	
83	45,9	71	
69	44,8	74	
82	44,8	75	
78	42,6	78	
	Rank 27 74 68 67 75 83 69 82	Rank Value 27 71,9 74 56,8 68 54,0 67 53,7 75 47,3 83 45,9 69 44,8 82 44,8	Rank Value Rank 27 71,9 26 74 56,8 49 68 54,0 53 67 53,7 56 75 47,3 68 83 45,9 71 69 44,8 74

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	71	36,7	72	₽	X
1.2	Expected Real GDP Growth	47	80,5	110	.↓	X
1.3	Unemployment	102	90,5	98		X

2 Depth of Capital Market

		2008	2012			Quar	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	80	52,0	70	1	X	
2.2	Stock Market Liquidity (Trading Volume)	72	44,7	60	1	X	
2.3	IPOs and Public Issuing Activity	83	26,7	47	1	X	
2.4	M&A Market Activity	79	27,9	68	1	X	
2.5	Debt and Credit Market	70	64,9	43	1		×
2.6	Bank Non-Performing Loans to Total Gross Loans	112	86,3	101	1	X	
2.7	Financial Market Sophistication	54	55,1	59	₽	X	

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	29	102,7	10	Ŷ		X

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	111	53,6	69	Ŷ	X
4.2	Security of Property Rights	35	74,8	37	₽	×
4.3	Quality of Legal Enforcement	35	79,2	37	↓	×

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	27	70,4	36	₽		×
5.2	Labor Market Rigidities	82	58,5	88	₽	X	
5.3	Bribing and Corruption	46	66,2	43	1		×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	39	42,3	52	₽	X
6.2	Scientific and Technical Journal Articles	49	50,1	49	⇒	X
6.3	Ease of Starting and Running a Business	51	86,0	78	₽	×
6.4	Simplicity of Closing a Business	24	86,8	22	1	X
6.5	Corporate R&D	71	19,9	64		X

Turkey

Capital: Ankara ++ Official Language: Turkish ++ Currency: Turkish Lira

Basic Facts



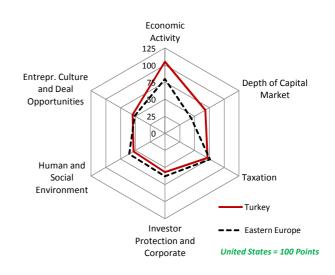
			Quartile
			4th 1st
GDP	760,0 [bn USD]	IPO Volume	
Population	73,7 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	×
Pop. Growth	'04'10	PE Activity	X



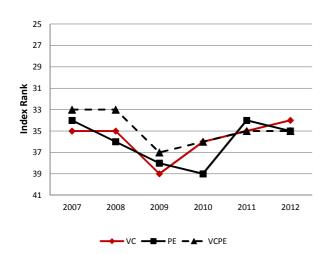
VCPE-Ranking

	2008 Rank	2012 Value Rank		Quartile
VCPE Ranking	33	65,0	35	4th 1st
Economic Activity	29	104,8	3	
Depth of Capital Market	31	68,2	27	
Taxation	30	71,9	70	
Inv. Prot./Corp. Gov.	62	56,9	62	
Human/Social Env.	54	53,2	60	
Entrepr. Cult./Deal Opp.	36	54,7	40	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Poland	34	69,5	29	
Turkey	33	65,0	35	
Czech Republic	37	63,3	37	
Estonia	36	62,0	40	
Hungary	48	61,8	41	
Slovenia	45	58,5	45	
Slovakia	47	56,9	47	
Lithuania	43	56,9	48	
Romania	49	55,8	50	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	17	67,5	18	₽	X
1.2	Expected Real GDP Growth	74	174,1	8		X
1.3	Unemployment	88	98,1	75		X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	27	73,0	26	1		X
2.2	Stock Market Liquidity (Trading Volume)	25	75,9	20	1		X
2.3	IPOs and Public Issuing Activity	32	43,0	31	1		X
2.4	M&A Market Activity	27	60,7	29	4		X
2.5	Debt and Credit Market	46	64,4	44	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	65	101,1	52	1		X
2.7	Financial Market Sophistication	35	73,0	34			X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	30	71,9	70	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	:
		Rank	Value	Rank		4th 1st	st
4.1	Quality of Corporate Governance	85	51,0	78	1	X	
4.2	Security of Property Rights	59	54,7	66	.↓	X	
4.3	Quality of Legal Enforcement	52	66,0	54	. ↓	×	

5 Human and Social Environment

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	59	45,7	80	₽	X
5.2	Labor Market Rigidities	83	61,8	77	1	X
5.3	Bribing and Corruption	51	53 <i>,</i> 5	53	₽	×

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	44	37,8	61	₽	X
6.2	Scientific and Technical Journal Articles	18	71,7	18	⇒	×
6.3	Ease of Starting and Running a Business	17	97,6	39	₽	X
6.4	Simplicity of Closing a Business	86	54,0	83	1	X
6.5	Corporate R&D	48	34,2	43	1	

Uganda

Capital: Kampala ++ Official Language: English, Swahili ++ Currency: Ugandan Shilling

Basic Facts



	·· 65			
				Quartile
				4th 1st
GDP		16,9 [bn USD]	IPO Volume	×
Population		35,1 [mn]	M&A Volume	X
GDP Growth	'04		VC Activity	X
Pop. Growth	'04	'10	PE Activity	X

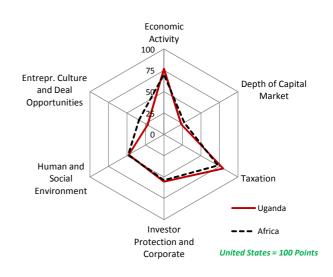
Image: Second University of Navarra Image: Second University of

VCPE-Ranking

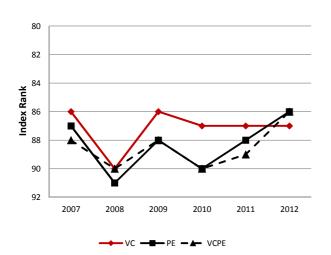
	2008 Rank	20 Value	12 Rank	Quartile 4th 1st
VCPE Ranking	90	35,6	86	
Economic Activity	72	76,8	71	
Depth of Capital Market	96	23,3	86	
Taxation	58	80,1	53	
Inv. Prot./Corp. Gov.	83	55,4	67	
Human/Social Env.	69	47,6	75	
Entrepr. Cult./Deal Opp.	100	22,2	104	

Key Factor Performance

Partners



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Nigeria	65	42,4	79	
Botswana	77	41,1	81	
Algeria	86	39,6	83	
Tanzania	89	36,8	84	
Uganda	90	35,6	86	
Mozambique	100	28,5	93	
Rwanda	107	26,6	94	
Senegal	103	24,6	99	
Côte d'Ivoire	92	24,1	100	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	88	26,1	89	₽	X
1.2	Expected Real GDP Growth	21	163,7	18	1	X
1.3	Unemployment	11	106,1	7	1	×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	96	28,8	92	1	X	
2.2	Stock Market Liquidity (Trading Volume)	96	15,5	93	1	X	
2.3	IPOs and Public Issuing Activity	74	2,1	89	₽	X	
2.4	M&A Market Activity	100	19,2	82	1	X	
2.5	Debt and Credit Market	114	38,0	90		X	
2.6	Bank Non-Performing Loans to Total Gross Loans	70	103,2	42	1		X
2.7	Financial Market Sophistication	99	52,1	64		X	

3 Taxation

		2008	2012		Qua	rtile
		Rank	Value	Rank	4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	58	80,1	53		X

4 Investor Protection and Corporate Governance

		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	70	54,0	68	Ŷ	X	
4.2	Security of Property Rights	97	52,2	71	1	X	
4.3	Quality of Legal Enforcement	67	60,3	59		X	

5 Human and Social Environment

		2008	20	12	Q		tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	68	51,5	67		X	
5.2	Labor Market Rigidities	5	99,3	5	\Rightarrow		×
5.3	Bribing and Corruption	99	21,2	97		×	

		2008				Quartile	
		Rank	Value	Rank		4th 1st	
6.1	Innovation	94	19,1	103	₽	X	
6.2	Scientific and Technical Journal Articles	70	36,5	70	⇒	X	
6.3	Ease of Starting and Running a Business	114	19,3	114	\Rightarrow	X	
6.4	Simplicity of Closing a Business	89	49,4	91	4	X	
6.5	Corporate R&D	97	8,2	90	1	X	

Ukraine

Capital: Kyiv ++ Official Language: Ukrainian ++ Currency: Hryvnia

Basic Facts



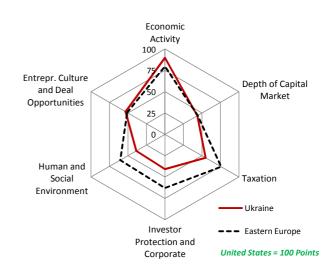
Partners	
	SE CIF
EMLYON business school	Groh, Liechtenstein and Lieser: The Global Venture Capital and Private Equity Country Attractiveness Index 2012
	IST & YOUNG In Everything We Do

artile 1st GDP 162,8 [bn USD] IPO Volume Population 45,4 [mn] M&A Volume X ____ GDP Growth VC Activity '04 '10 ·10 Pop. Growth PE Activity X '04

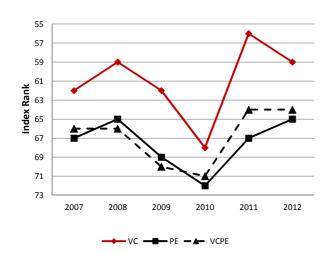
VCPE-Ranking

	2008			Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	66	49,6	64	
Economic Activity	18	89,7	39	
Depth of Capital Market	68	43,7	62	
Taxation	115	54,9	94	
Inv. Prot./Corp. Gov.	85	40,7	95	
Human/Social Env.	65	38,8	90	
Entrepr. Cult./Deal Opp.	41	53,2	42	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Romania	49	55 <i>,</i> 8	50	
Croatia	59	53,3	57	
Bulgaria	55	52,8	58	
Latvia	57	52,6	59	
Ukraine	66	49,6	64	
Serbia	70	46,3	70	
Bosnia-Herzegovina	71	45,9	72	
Montenegro	76	45,8	73	
Macedonia	79	43,2	77	

-		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	48	50,8	54	Ļ	X
1.2	Expected Real GDP Growth	25	141,6	41	.↓	X
1.3	Unemployment	52	100,3	59	₽	X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	37	63,7	45	₽		X
2.2	Stock Market Liquidity (Trading Volume)	66	46,7	58	1		X
2.3	IPOs and Public Issuing Activity	50	31,6	39	1		X
2.4	M&A Market Activity	46	47,1	47	₽		X
2.5	Debt and Credit Market	103	61,2	49	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	109	35,9	115	₽	X	
2.7	Financial Market Sophistication	81	31,1	95	₽	X	

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	115	54,9	94	1	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	84	57,6	60	1	X	
4.2	Security of Property Rights	82	36,0	100	.↓	X	
4.3	Quality of Legal Enforcement	90	32,6	103	Ļ	X	

5 Human and Social Environment

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	36	57,4	53	₽	X
5.2	Labor Market Rigidities	58	72,6	56		X
5.3	Bribing and Corruption	90	14,0	105	₽	×

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	56	44,2	50	1	X
6.2	Scientific and Technical Journal Articles	38	58,0	38	⇒	X
6.3	Ease of Starting and Running a Business	70	82,2	85	₽	×
6.4	Simplicity of Closing a Business	55	69,4	47		×
6.5	Corporate R&D	42	29,2	49	₽	X

United Arab Emirates

Capital: Abu Dhabi ++ Official Language: Arabic ++ Currency: UAE Dirham

Basic Facts



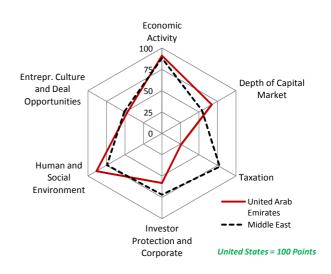
			Qua	artile
			4th	1st
GDP	329,8 [bn USD]	IPO Volume		X
Population	8,4 [mn]	M&A Volume		×
GDP Growth	'04 "10	VC Activity		X
Pop. Growth	'04'10	PE Activity		×



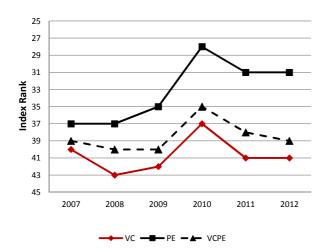
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	40	63,1	39	
Economic Activity	19	91,1	35	
Depth of Capital Market	36	67,3	29	
Taxation	83	25,9	112	
Inv. Prot./Corp. Gov.	40	58,2	60	
Human/Social Env.	23	88,7	19	
Entrepr. Cult./Deal Opp.	74	47,4	55	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Israel	21	80,2	20	
Saudi Arabia	42	71,0	28	
United Arab Emirates	40	63,1	39	
Kuwait	52	61,0	42	
Jordan	50	54,1	52	
Oman	58	53,9	54	
Bahrain	54	50,4	61	
Syria	98	23,9	102	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	38	58,4	31	Ŷ	X
1.2	Expected Real GDP Growth	39	123,4	66	.↓	X
1.3	Unemployment	14	104,7	20	. ↓	X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	51	63,3	46	1		X
2.2	Stock Market Liquidity (Trading Volume)	30	67,2	33			X
2.3	IPOs and Public Issuing Activity	31	50,1	24	1		X
2.4	M&A Market Activity	53	45,9	49	1		×
2.5	Debt and Credit Market	68	75,4	27	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	54	99,6	63		X	
2.7	Financial Market Sophistication	30	85,0	26			X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	83	25,9	112	↓	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quar	tile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	89	27,8	109	↓	X	
4.2	Security of Property Rights	31	84,0	30	1		×
4.3	Quality of Legal Enforcement	30	84,6	32	Ļ		X

5 Human and Social Environment

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	39	77,5	30			×
5.2	Labor Market Rigidities	20	87,0	21	₽		X
5.3	Bribing and Corruption	28	103,3	23	1		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1 l	nnovation	35	60,0	32	1	X
6.2 S	Scientific and Technical Journal Articles	66	38,9	66	\Rightarrow	X
6.3 E	Ease of Starting and Running a Business	59	91,4	60	₽	X
6.4 S	Simplicity of Closing a Business	103	28,4	105		X
6.5 C	Corporate R&D	78	39,6	35		×

United Kingdom

Capital: London ++ Official Language: English ++ Currency: Pound Sterling

Basic Facts



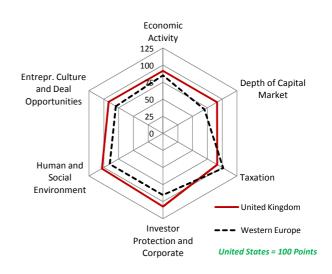
			Qua	rtile
			4th	1st
GDP	2478,7 [bn USD]	IPO Volume		×
Population	62,4 [mn]	M&A Volume		X
GDP Growth	'04	VC Activity		X
Pop. Growth	'04 1 0	PE Activity		X



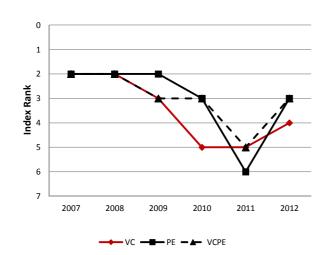
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	2	95,1	3	
Economic Activity	17	91,6	33	
Depth of Capital Market	2	91,4	3	
Taxation	21	91,5	34	
Inv. Prot./Corp. Gov.	8	107,2	4	
Human/Social Env.	10	103,2	10	
Entrepr. Cult./Deal Opp.	4	92,0	5	

Key Factor Performance



Separate VC and PE Indices



	2008 Rank	2012 Value Rank		Quartile 4th 1st
United Kingdom	2	95,1	3	
Sweden	9	90,9	8	
Germany	7	89,4	9	
Switzerland	12	87,9	10	
Denmark	11	87,3	11	
Netherlands	10	87,2	12	
Norway	16	84,7	13	
Belgium	18	84,4	14	
France	17	84,2	15	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	5	80,4	7	₽	X
1.2	Expected Real GDP Growth	89	94,8	104	.↓	X
1.3	Unemployment	42	100,9	54	₽	×

2 Depth of Capital Market

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	5	90,8	6	+	
2.2	Stock Market Liquidity (Trading Volume)	2	87,3	4	.↓	×
2.3	IPOs and Public Issuing Activity	5	68,9	8	₽	
2.4	M&A Market Activity	2	87,0	3	.↓	
2.5	Debt and Credit Market	4	99,0	3	1	X
2.6	Bank Non-Performing Loans to Total Gross Loans	19	103,6	36	.↓	
2.7	Financial Market Sophistication	9	109,0	2		

3 Taxation

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	21	91,5	34	₽		X

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	8	99,7	7			X
4.2	Security of Property Rights	18	104,9	12			X
4.3	Quality of Legal Enforcement	16	117,6	9			×

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	17	105,3	8	1		×
5.2	Labor Market Rigidities	6	87,9	18	.↓		X
5.3	Bribing and Corruption	16	118,6	18	₽		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	5	93,5	10	₽	×
6.2	Scientific and Technical Journal Articles	4	86,8	4	⇒	×
6.3	Ease of Starting and Running a Business	22	98,4	36	₽	X
6.4	Simplicity of Closing a Business	8	105,8	7	1	
6.5	Corporate R&D	8	77,9	11	₽	X

United States

Capital: Washington D.C. ++ Official Language: English ++ Currency: US Dollar

Basic Facts



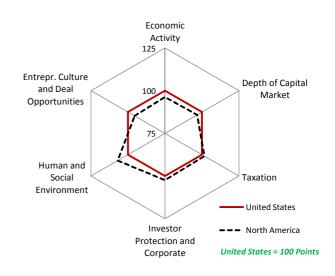
			Quartile
			4th 1st
GDP	15064,8 [bn USD]	IPO Volume	×
Population	312,0 [mn]	M&A Volume	×
GDP Growth	'04	VC Activity	X
Pop. Growth	'04	PE Activity	X



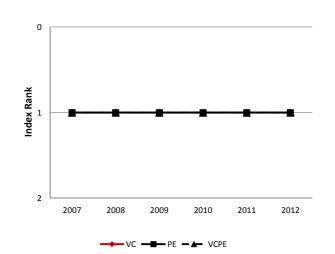
VCPE-Ranking

	2008	20	12	Qua	rtile
	Rank	Value	Rank	4th	1st
VCPE Ranking	1	100,0	1	⇒ ■■	X
Economic Activity	24	100,0	11	∱ ■■	X
Depth of Capital Market	1	100,0	1		X
Taxation	19	100,0	13	↑ ■■	X
Inv. Prot./Corp. Gov.	9	100,0	11	↓ ■■	X
Human/Social Env.	8	100,0	12		X
Entrepr. Cult./Deal Opp.	1	100,0	1		X

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
United States	1	100,0	1	
Canada	3	96,8	2	
United Kingdom	2	95,1	3	
Japan	4	93,0	4	
Singapore	6	92,9	5	
Hong Kong	8	92,2	6	
Australia	5	91,9	7	
Sweden	9	90,9	8	
Germany	7	89,4	9	

		2008	2012		(Quartile	
		Rank	Value	Rank		4th	1st	
1.1	Size of the Economy (GDP)	1	100,0	1	⇒		X	
1.2	Expected Real GDP Growth	108	100,0	97		X		
1.3	Unemployment	33	100,0	63	. ↓	X		

2 Depth of Capital Market

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	1	100,0	1	⇒		X
2.2	Stock Market Liquidity (Trading Volume)	1	100,0	1	⇒		X
2.3	IPOs and Public Issuing Activity	1	100,0	1	\Rightarrow		X
2.4	M&A Market Activity	1	100,0	1	⇒		×
2.5	Debt and Credit Market	3	100,0	2			×
2.6	Bank Non-Performing Loans to Total Gross Loans	27	100,0	59		X	
2.7	Financial Market Sophistication	3	100,0	11	.↓		X

3 Taxation

		2008	2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	19	100,0	13	Ŷ		X

4 Investor Protection and Corporate Governance

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	6	100,0	6	⇒		×
4.2	Security of Property Rights	14	100,0	17	÷		X
4.3	Quality of Legal Enforcement	21	100,0	22	↓		×

5 Human and Social Environment

		2008	20	12		Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	8	100,0	15	₽		×
5.2	Labor Market Rigidities	1	100,0	1	\Rightarrow		X
5.3	Bribing and Corruption	21	100,0	24	₽		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	1	100,0	5	₽	
6.2	Scientific and Technical Journal Articles	1	100,0	1	\Rightarrow	X
6.3	Ease of Starting and Running a Business	14	100,0	27	₽	X
6.4	Simplicity of Closing a Business	16	100,0	14	1	X
6.5	Corporate R&D	1	100,0	2	₽	X

Uruguay

Capital: Montevideo ++ Official Language: Spanish ++ Currency: Peso Uruguayo

Basic Facts



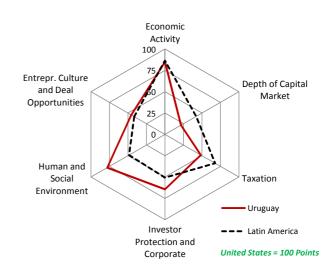
			Quartile
			4th 1st
GDP	49,4 [bn USD]	IPO Volume	×
Population	3,4 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	×
Pop. Growth	'04	PE Activity	X



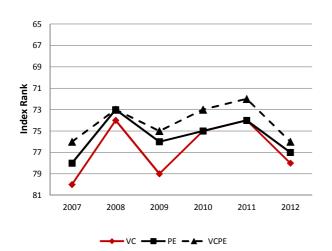
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	73	44,2	76	
Economic Activity	70	84,9	50	
Depth of Capital Market	80	21,6	87	
Taxation	99	48,4	105	
Inv. Prot./Corp. Gov.	51	64,3	46	
Human/Social Env.	28	78,1	26	
Entrepr. Cult./Deal Opp.	56	45,6	56	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Mexico	38	63,2	38	
Colombia	51	58,4	46	
Argentina	53	54,4	51	
Peru	63	50,8	60	
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	↓ ×
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	

1 Ec	onomic Activity					
		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	76	37,8	69	1	X
1.2	Expected Real GDP Growth	27	158,5	25	1	×
1.3	Unemployment	82	102,2	34	1	X

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	93	26,8	94	₽	X	
2.2	Stock Market Liquidity (Trading Volume)	94	11,8	94	\Rightarrow	X	
2.3	IPOs and Public Issuing Activity	83	1,0	92	₽	X	
2.4	M&A Market Activity	68	24,2	74	₽	X	
2.5	Debt and Credit Market	55	53,7	70	.↓	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	23	107,8	7			X
2.7	Financial Market Sophistication	84	49,1	71		X	

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	99	48,4	105	₽	X	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	64	52,8	74	₽	X
4.2	Security of Property Rights	55	65,6	50	1	X
4.3	Quality of Legal Enforcement	48	76,7	39		×

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	64	54,7	62		X
5.2	Labor Market Rigidities	30	81,5	34	ł	X
5.3	Bribing and Corruption	23	106,5	22		×

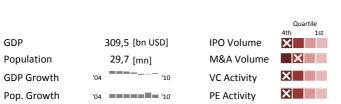
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1st
X
X

Venezuela

Capital: Caracas ++ Official Language: Spanish ++ Currency: Bolívar Fuerte

Basic Facts



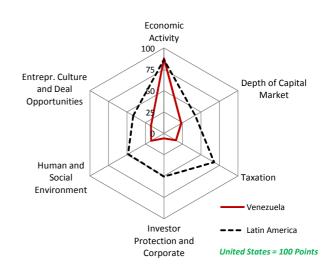


Quality In Everything We Do

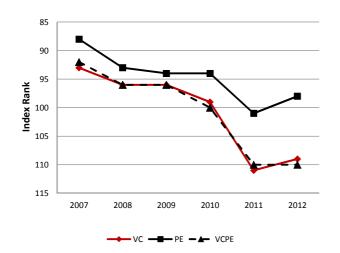
VCPE-Ranking

	2008 Damb	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	96	20,6	110	
Economic Activity	6	87,9	44	
Depth of Capital Market	83	23,3	85	
Taxation	111	16,1	115	
Inv. Prot./Corp. Gov.	115	5,9	116	
Human/Social Env.	113	17,5	115	
Entrepr. Cult./Deal Opp.	103	17,7	111	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
Uruguay	73	44,2	76	
Jamaica	80	35,6	87	
Ecuador	87	35,0	88	
El Salvador	81	33,5	89	
Guatemala	94	29,5	91	1 ×
Paraguay	101	29,3	92	1 ×
Dominican Republic	102	25,2	97	
Nicaragua	104	22,0	107	
Venezuela	96	20,6	110	

1 Eco	onomic Activity					
		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	34	57,8	34	\Rightarrow	X
1.2	Expected Real GDP Growth	15	116,9	72	Ŷ	X
1.3	Unemployment	66	100,6	57		

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	74	48,7	76	₽	X
2.2	Stock Market Liquidity (Trading Volume)	90	23,7	83		X
2.3	IPOs and Public Issuing Activity	83	2,5	88	₽	X
2.4	M&A Market Activity	59	35,2	59	\Rightarrow	X
2.5	Debt and Credit Market	109	10,7	111	₽	X
2.6	Bank Non-Performing Loans to Total Gross Loans	25	103,0	43	₽	
2.7	Financial Market Sophistication	72	34,1	92	₽	X

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	111	16,1	115	₽	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	110	8,9	116	₽	X	
4.2	Security of Property Rights	114	4,5	116	♣	X	
4.3	Quality of Legal Enforcement	116	5,3	116	⇒	X	

5 Human and Social Environment

		2008	2008 201			Qua	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	95	31,2	102	₽	X	
5.2	Labor Market Rigidities	116	18,6	116	\Rightarrow	X	
5.3	Bribing and Corruption	113	9,2	112		×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	99	19,8	102	₽	X
6.2	Scientific and Technical Journal Articles	53	46,4	53	⇒	X
6.3	Ease of Starting and Running a Business	113	9,6	116	₽	X
6.4	Simplicity of Closing a Business	115	8,9	115	⇒	X
6.5	Corporate R&D	56	22,0	60	₽	X

Vietnam

Capital: Hanoi ++ Official Language: Vietnamese ++ Currency: Dong

Basic Facts



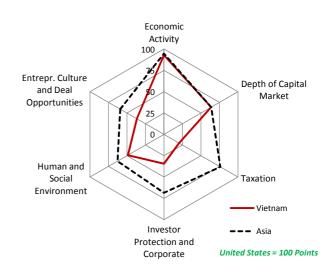
			Quartile
			4th 1st
GDP	125,0 [bn USD]	IPO Volume	
Population	88,1 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	×
Pop. Growth	'04 '10	PE Activity	X



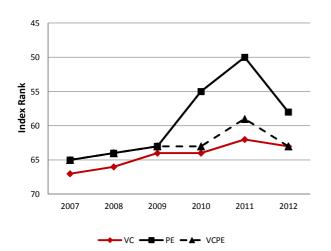
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	64	49,8	63	
Economic Activity	25	92,7	30	
Depth of Capital Market	55	63,8	35	
Taxation	77	20,5	113	
Inv. Prot./Corp. Gov.	94	34,4	104	
Human/Social Env.	90	48,8	70	
Entrepr. Cult./Deal Opp.	70	36,7	71	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
India	30	66,3	32	
Thailand	35	65,3	34	
Russian Federation	41	59,5	43	
Indonesia	60	53,9	55	
Vietnam	64	49,8	63	
Philippines	61	48,1	65	
Kazakhstan	56	47,5	67	
Pakistan	62	47,2	69	
Bangladesh	88	41,7	80	

1 Ec	onomic Activity					
		2008	2008 2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	58	47,9	56		X
1.2	Expected Real GDP Growth	21	155,9	29	Ŷ	×
1.3	Unemployment	5	106,7	5	⇒	×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	61	61,2	52	1	X
2.2	Stock Market Liquidity (Trading Volume)	52	61,7	41	1	X
2.3	IPOs and Public Issuing Activity	38	53,8	19	1	×
2.4	M&A Market Activity	57	52,2	42	1	X
2.5	Debt and Credit Market	45	80,3	19	1	X
2.6	Bank Non-Performing Loans to Total Gross Loans	80	102,5	49	1	X
2.7	Financial Market Sophistication	96	49,1	71		X

3 Taxation

		2008	2012		Qı		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	77	20,5	113	₽	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	116	13,6	114	Ŷ	X	
4.2	Security of Property Rights	57	51,9	72	₽	X	
4.3	Quality of Legal Enforcement	62	57,8	63	Ļ	X	

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	99	54,5	63		X
5.2	Labor Market Rigidities	36	77,0	46	₽	X
5.3	Bribing and Corruption	94	27,7	87	1	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	54	44,3	49	1	X
6.2	Scientific and Technical Journal Articles	60	41,4	60	⇒	X
6.3	Ease of Starting and Running a Business	87	80,3	87	\Rightarrow	×
6.4	Simplicity of Closing a Business	93	47,1	93	⇒	X
6.5	Corporate R&D	74	9,6	81	₽	X

Zambia

Capital: Lusaka ++ Official Language: English ++ Currency: Zambian Kwacha

Basic Facts



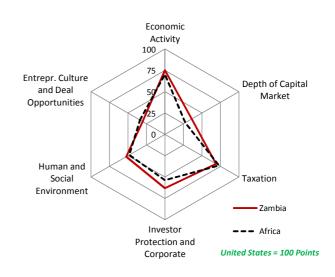
			Quar	tile
			4th	1st
GDP	18,3 [bn USD]	IPO Volume	×	
Population	13,7 [mn]	M&A Volume	X	
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	



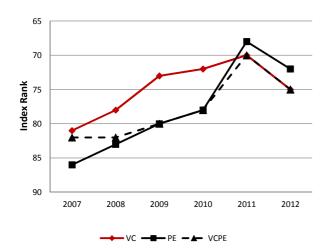
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	82	44,8	75	
Economic Activity	87	75,1	73	
Depth of Capital Market	89	36,1	72	
Taxation	74	69,0	75	
Inv. Prot./Corp. Gov.	50	63,0	49	
Human/Social Env.	70	52,4	63	
Entrepr. Cult./Deal Opp.	83	30,1	89	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value Rank		4th 1st
Egypt	67	53,7	56	
Mauritius	75	47,3	68	
Ghana	83	45,9	71	
Kenya	69	44,8	74	
Zambia	82	44,8	75	
Namibia	78	42,6	78	
Nigeria	65	42,4	79	
Botswana	77	41,1	81	
Algeria	86	39,6	83	

1 Ec	onomic Activity						
		2008	2012		Quartil		rtile
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	92	27,0	88		X	
1.2	Expected Real GDP Growth	50	167,6	14			×
1.3	Unemployment	100	93,7	91		×	

2 Depth of Capital Market

		2008	2012			Quarti	ile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	88	41,9	84	1	×	
2.2	Stock Market Liquidity (Trading Volume)	86	30,7	80		×	
2.3	IPOs and Public Issuing Activity	78	12,2	74	1	×	
2.4	M&A Market Activity	92	25,1	73		×	
2.5	Debt and Credit Market	111	41,2	85		X	
2.6	Bank Non-Performing Loans to Total Gross Loans	107	89,5	96		X	
2.7	Financial Market Sophistication	81	55,1	59		X	

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	74	69,0	75	₽	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	29	70,7	31	₽	X
4.2	Security of Property Rights	58	61,2	55	1	X
4.3	Quality of Legal Enforcement	66	57,7	64	Ŷ	X

5 Human and Social Environment

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	58	60,3	47		
5.2	Labor Market Rigidities	60	68,6	63	₽	X
5.3	Bribing and Corruption	88	34,8	77		×

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	83	18,5	104	₽	X
6.2	Scientific and Technical Journal Articles	97	23,0	97	\Rightarrow	X
6.3	Ease of Starting and Running a Business	32	93,1	56	♣	×
6.4	Simplicity of Closing a Business	63	65,0	61	1	X
6.5	Corporate R&D	91	9,6	81		X

Zimbabwe

Capital: Harare ++ Official Language: English, Shona ++ Currency: South African rand, Botswana pula, British pound and US Dollar

Basic Facts



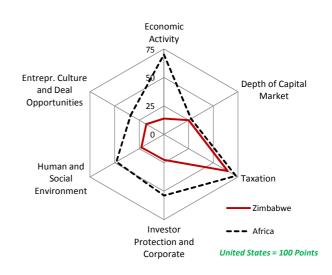
			Quart	ile
			4th	1st
GDP	6,4 [bn USD]	IPO Volume	×	
Population	13,0 [mn]	M&A Volume		
GDP Growth	'04	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

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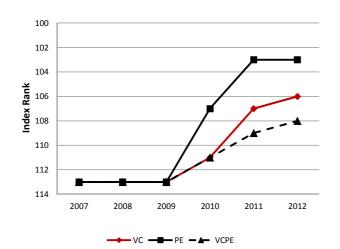
VCPE-Ranking

	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
VCPE Ranking	113	21,7	108		
Economic Activity	116	13,9	115		
Depth of Capital Market	92	24,9	83		
Taxation	89	64,6	82		
Inv. Prot./Corp. Gov.	112	22,5	113		
Human/Social Env.	112	22,9	110		
Entrepr. Cult./Deal Opp.	109	17,9	110		

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile	
	Rank	Value	Rank	4th 1st	
Ethiopia	97	23,6	103		
Mali	105	23,2	104	1 ×	
Cameroon	109	22,7	105	1 ×	
Burkina Faso	99	22,1	106		
Zimbabwe	113	21,7	108		
Benin	106	20,8	109		
Madagascar	110	18,6	111		
Lesotho	112	16,6	112		
Mauritania	111	16,1	113		

		2008	2012			Quart	
		Rank	Value	Rank		4th	1st
1.1	Size of the Economy (GDP)	107	15,6	109	₽	X	
1.2	Expected Real GDP Growth	116	158,5	25			×
1.3	Unemployment	115	1,1	115	⇒	X	

2 Depth of Capital Market

		2008	2012			Quart	tile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	72	53,9	64	1	×	
2.2	Stock Market Liquidity (Trading Volume)	71	41,5	63	1	×	
2.3	IPOs and Public Issuing Activity	83	4,7	81	1	×	
2.4	M&A Market Activity	94	19,0	83	1	×	
2.5	Debt and Credit Market	116	10,0	113	1	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	90	95,7	76	1	×	
2.7	Financial Market Sophistication	75	31,1	95	.↓	×	

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	89	64,6	82	1	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	75	48,6	84	Ļ	X	
4.2	Security of Property Rights	95	23,0	109	₽	X	
4.3	Quality of Legal Enforcement	115	10,1	114	Ŷ	X	

5 Human and Social Environment

		2008	20	2012		Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	55	56,3	55	⇒	X
5.2	Labor Market Rigidities	115	20,2	115	⇒	X
5.3	Bribing and Corruption	115	10,6	109	1	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	110	11,8	112	₽	X
6.2	Scientific and Technical Journal Articles	81	30,2	81	⇒	X
6.3	Ease of Starting and Running a Business	115	38,9	112	1	X
6.4	Simplicity of Closing a Business	111	17,9	111	⇒	X
6.5	Corporate R&D	79	7,3	99	₽	X

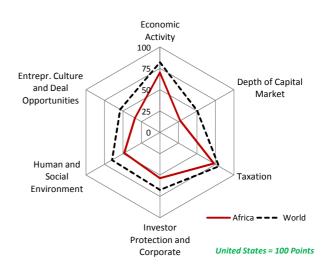
Africa

Partners **Basic Facts Business School** University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and business schoo **Private Equity Country** Attractiveness Index 2012 Quartile 1st **劃 Ernst & Young** GDP 1653,8 [bn USD] IPO Volume × X Population 858,3 [mn] M&A Volume GDP Growth '04 VC Activity X Quality In Everything We Do × '04 Pop. Growth **PE Activity**

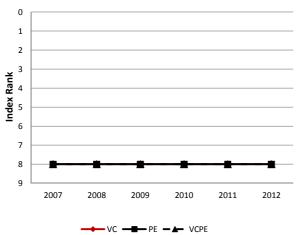
VCPE-Ranking

	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	8	40,4	8	
Economic Activity	8	70,2	8	\Rightarrow
Depth of Capital Market	8	27,4	8	\Rightarrow
Taxation	7	72,8	7	
Inv. Prot./Corp. Gov.	7	53,7	7	\Rightarrow
Human/Social Env.	7	48,2	8	
Entrepr. Cult./Deal Opp.	8	33,8	8	\Rightarrow

Key Factor Performance



Separate VC and PE Indices



	2008	20	12	Quartile
	Rank	Value	Rank	4th 1st
North America	1	98,7	1	
Australasia	2	88,5	2	
Western Europe	3	80,7	3	
Asia	4	67,2	4	
Middle East	5	62,9	5	
Eastern Europe	6	55,6	6	
Latin America	7	49,5	7	
Africa	8	40,4	8	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	8	28,7	8	⇒	X
1.2	Expected Real GDP Growth	2	132,9	5	.↓	X
1.3	Unemployment	8	90,7	8	⇒	X

2 Depth of Capital Market

		2008	2012			Quar	tile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	8	27,3	8	\Rightarrow	×	
2.2	Stock Market Liquidity (Trading Volume)	8	22,6	8	⇒	×	
2.3	IPOs and Public Issuing Activity	8	7,9	8	\Rightarrow	×	
2.4	M&A Market Activity	8	16,1	8	⇒	×	
2.5	Debt and Credit Market	8	39,9	8	\Rightarrow	X	
2.6	Bank Non-Performing Loans to Total Gross Loans	8	93,7	7	1	X	
2.7	Financial Market Sophistication	8	39,6	8	⇒	×	

3 Taxation

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	7	72,8	7	⇒	X	

4 Investor Protection and Corporate Governance

		2008	2012		Qua		ile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	8	59,0	6	1	×	
4.2	Security of Property Rights	7	51,0	7	\Rightarrow	X	
4.3	Quality of Legal Enforcement	7	51,5	7	⇒	×	

5 Human and Social Environment

		2008	2012			Quai	rtile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	7	45 <i>,</i> 8	7	⇒	×	
5.2	Labor Market Rigidities	5	69,8	6	÷	X	
5.3	Bribing and Corruption	8	35,1	8	⇒	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	8	25,5	8	⇒	X
6.2	Scientific and Technical Journal Articles	8	27,3	8	⇒	X
6.3	Ease of Starting and Running a Business	7	81,7	7	⇒	X
6.4	Simplicity of Closing a Business	8	55,6	8	⇒	X
6.5	Corporate R&D	8	13,9	8	⇒	X

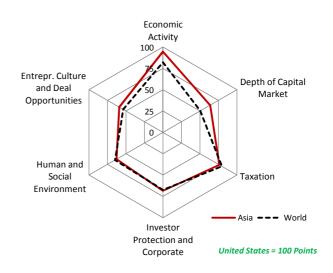
Asia

Partners **Basic Facts Business School** University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and business schoo **Private Equity Country** Attractiveness Index 2012 Quartile 1st **劃 Ernst & Young** 21065,3 [bn USD] GDP IPO Volume X Population 3791,5 [mn] M&A Volume X GDP Growth VC Activity '04 Quality In Everything We Do '04 X Pop. Growth **PE Activity**

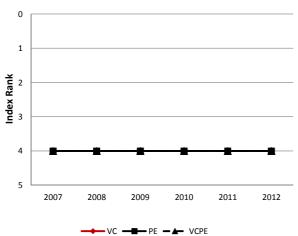
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	4	67,2	4	
Economic Activity	1	94,5	2	
Depth of Capital Market	4	63,7	4	
Taxation	6	76,1	5	
Inv. Prot./Corp. Gov.	5	68,5	5	
Human/Social Env.	5	62,8	5	
Entrepr. Cult./Deal Opp.	4	59,2	4	

Key Factor Performance



Separate VC and PE Indices



Comparison within Peer Group

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
North America	1	98,7	1	
Australasia	2	88,5	2	
Western Europe	3	80,7	3	
Asia	4	67,2	4	
Middle East	5	62,9	5	
Eastern Europe	6	55,6	6	
Latin America	7	49,5	7	
Africa	8	40,4	8	

VC - PE - A VCPE

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	4	56,3	4	\Rightarrow	X
1.2	Expected Real GDP Growth	1	146,0	1	\Rightarrow	×
1.3	Unemployment	3	102,7	2		×

2 Depth of Capital Market

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	4	70,6	3	1		X
2.2	Stock Market Liquidity (Trading Volume)	4	63,1	4	⇒		X
2.3	IPOs and Public Issuing Activity	4	46,8	3	1		X
2.4	M&A Market Activity	4	56,7	4	⇒		×
2.5	Debt and Credit Market	4	67,0	4	⇒		X
2.6	Bank Non-Performing Loans to Total Gross Loans	7	95,2	6	1	X	
2.7	Financial Market Sophistication	5	56,3	6	. ↓	X	

3 Taxation

		2008	20	12	Qua	rtile
		Rank	Value	Rank	4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	6	76,1	5	×	

4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	4	70,5	3		X
4.2	Security of Property Rights	5	67,5	5	\Rightarrow	X
4.3	Quality of Legal Enforcement	5	67,7	5	⇒	X

5 Human and Social Environment

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	4	63,7	5	₽	X
5.2	Labor Market Rigidities	4	77,2	4	\Rightarrow	X
5.3	Bribing and Corruption	6	50,3	6	→	×

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	4	53,2	4	⇒	X
6.2	Scientific and Technical Journal Articles	4	53,0	4	⇒	X
6.3	Ease of Starting and Running a Business	5	87,3	6	₽	×
6.4	Simplicity of Closing a Business	4	68,5	4	⇒	×
6.5	Corporate R&D	4	43,0	4	\Rightarrow	

Australasia

Basic Facts



			Quartile
			4th 1st
GDP	1677,7 [bn USD]	IPO Volume	×
Population	27,0 [mn]	M&A Volume	X
GDP Growth	'04	VC Activity	X
Pop. Growth	'04'10	PE Activity	X

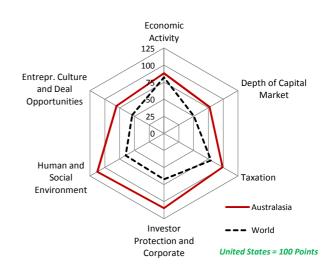
Partners



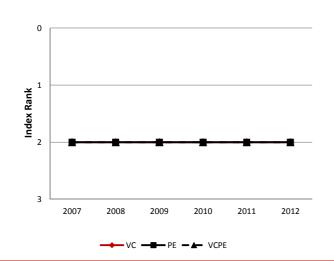
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	2	88,5	2	
Economic Activity	3	88,0	4	
Depth of Capital Market	2	77,1	2	
Taxation	1	98,8	3	
Inv. Prot./Corp. Gov.	1	109,4	1	
Human/Social Env.	1	112,8	1	
Entrepr. Cult./Deal Opp.	3	80,3	2	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
North America	1	98,7	1	
Australasia	2	88,5	2	
Western Europe	3	80,7	3	
Asia	4	67,2	4	
Middle East	5	62,9	5	
Eastern Europe	6	55,6	6	
Latin America	7	49,5	7	
Africa	8	40,4	8	

-		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	3	63,1	2		X
1.2	Expected Real GDP Growth	5	104,2	6	.↓	X
1.3	Unemployment	1	103,7	1	⇒	×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	2	75,5	2	⇒	X
2.2	Stock Market Liquidity (Trading Volume)	3	72,7	2	Ŷ	X
2.3	IPOs and Public Issuing Activity	2	55,0	2	⇒	X
2.4	M&A Market Activity	2	69,0	2	⇒	X
2.5	Debt and Credit Market	2	80,9	3	4	X
2.6	Bank Non-Performing Loans to Total Gross Loans	1	107,6	1	⇒	X
2.7	Financial Market Sophistication	2	89,5	2	⇒	X

3 Taxation

		2008	2012			Quartil	
		Rank	Value	Rank		4th 1s	
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	1	98,8	3	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012		Quartile		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	2	100,0	1			×
4.2	Security of Property Rights	1	109,3	1	\Rightarrow		X
4.3	Quality of Legal Enforcement	1	120,0	1	⇒		X

5 Human and Social Environment

		2008	2012		Quartile		tile
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	2	102,5	2	⇒		X
5.2	Labor Market Rigidities	2	97,3	2	\Rightarrow		X
5.3	Bribing and Corruption	1	143,9	1	⇒		X

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	3	74,6	3	⇒	X
6.2	Scientific and Technical Journal Articles	2	70,5	2	⇒	×
6.3	Ease of Starting and Running a Business	1	112,4	1	⇒	X
6.4	Simplicity of Closing a Business	2	102,0	2	⇒	
6.5	Corporate R&D	3	55,3	3		

Eastern Europe

Basic Facts



			Quart	ile
			4th	1st
GDP	2437,8 [bn USD]	IPO Volume		
Population	243,1 [mn]	M&A Volume	X	
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04 ————————————————————————————————————	PE Activity	X	

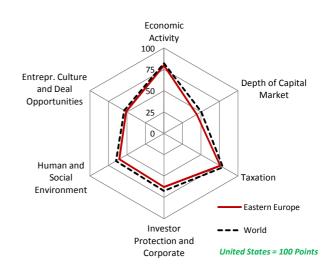
Partners



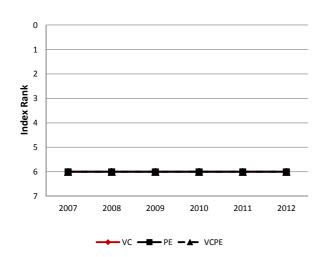
VCPE-Ranking

	2008			Quarti	ile
	Rank	Value	Rank	4th 1	Lst
VCPE Ranking	6	55,6	6		
Economic Activity	6	79,6	7		
Depth of Capital Market	6	44,3	6		
Taxation	5	75,9	6		
Inv. Prot./Corp. Gov.	6	63,0	6		
Human/Social Env.	6	60,5	6		
Entrepr. Cult./Deal Opp.	6	51,2	5		

Key Factor Performance



Separate VC and PE Indices



	2008	-		Quartile
	Rank	Value	Rank	4th 1st
North America	1	98,7	1	
Australasia	2	88,5	2	
Western Europe	3	80,7	3	
Asia	4	67,2	4	
Middle East	5	62,9	5	
Eastern Europe	6	55,6	6	
Latin America	7	49,5	7	
Africa	8	40,4	8	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	7	38,0	7	⇒	X
1.2	Expected Real GDP Growth	3	136,0	4	÷	X
1.3	Unemployment	7	97,7	7	\Rightarrow	X

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	6	49,4	6	\Rightarrow	X
2.2	Stock Market Liquidity (Trading Volume)	6	36,8	6	\Rightarrow	X
2.3	IPOs and Public Issuing Activity	6	19,6	6	\Rightarrow	X
2.4	M&A Market Activity	5	33,9	7	.↓	X
2.5	Debt and Credit Market	6	60,6	5	1	X
2.6	Bank Non-Performing Loans to Total Gross Loans	6	89,2	8	+	X
2.7	Financial Market Sophistication	7	51,0	7	\Rightarrow	X

3 Taxation

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	5	75 <i>,</i> 9	6	₽	×	

4 Investor Protection and Corporate Governance

		2008	2012		Qı		uartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	5	66,7	5	⇒	X		
4.2	Security of Property Rights	6	59,8	6	⇒	X		
4.3	Quality of Legal Enforcement	6	62,6	6	\Rightarrow	X		

5 Human and Social Environment

		2008	2012			Quartile	
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	6	57,9	6	⇒	X	
5.2	Labor Market Rigidities	6	69,9	5	1	X	
5.3	Bribing and Corruption	5	54 <i>,</i> 8	5		X	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
6.1	Innovation	6	46,7	6	⇒	X
6.2	Scientific and Technical Journal Articles	5	45,8	5	⇒	X
6.3	Ease of Starting and Running a Business	4	96,5	4	⇒	X
6.4	Simplicity of Closing a Business	6	63,9	5	1	X
6.5	Corporate R&D	6	26,7	6		×

Latin America

Basic Facts



			Quar	tile
			4th	1st
GDP	5458,5 [bn USD]	IPO Volume	×	
Population	533,6 [mn]	M&A Volume		
GDP Growth	'04 '10	VC Activity	X	
Pop. Growth	'04 '10	PE Activity	X	

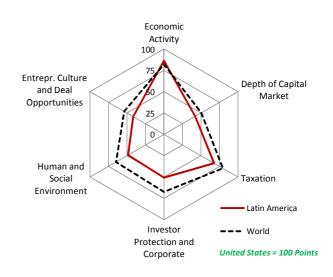
Partners



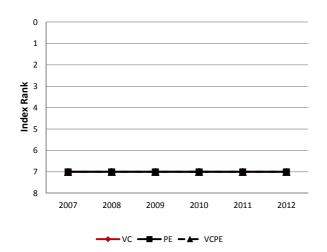
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	7	49,5	7	
Economic Activity	5	86,3	5	
Depth of Capital Market	7	42,2	7	
Taxation	8	67,7	8	
Inv. Prot./Corp. Gov.	8	50 <i>,</i> 8	8	
Human/Social Env.	8	48,6	7	
Entrepr. Cult./Deal Opp.	7	41,6	7	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
North America	1	98,7	1	
Australasia	2	88,5	2	
Western Europe	3	80,7	3	
Asia	4	67,2	4	
Middle East	5	62,9	5	
Eastern Europe	6	55,6	6	
Latin America	7	49,5	7	
Africa	8	40,4	8	

1 Ec	onomic Activity					
		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	6	46,0	6	\Rightarrow	X
1.2	Expected Real GDP Growth	4	137,3	3		X
1.3	Unemployment	6	101,6	4		×

2 Depth of Capital Market

		2008	2012				Quartile	
		Rank	Value	Rank		4th	1st	
2.1	Size of the Stock Market	7	44,8	7	⇒	X		
2.2	Stock Market Liquidity (Trading Volume)	7	35,6	7	\Rightarrow	X		
2.3	IPOs and Public Issuing Activity	7	13,1	7	\Rightarrow	X		
2.4	M&A Market Activity	6	34,9	5		X		
2.5	Debt and Credit Market	5	53,6	7	₽	X		
2.6	Bank Non-Performing Loans to Total Gross Loans	5	103,2	3			×	
2.7	Financial Market Sophistication	6	59,3	5		X		

3 Taxation

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	8	67,7	8	→	X	

4 Investor Protection and Corporate Governance

		2008	2008 2012		Quar		rtile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	7	57,7	8	•	×	
4.2	Security of Property Rights	8	47,1	8	\Rightarrow	X	
4.3	Quality of Legal Enforcement	8	48,1	8	⇒	×	

5 Human and Social Environment

		2008	2012		Quar		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	8	38,4	8	⇒	X	
5.2	Labor Market Rigidities	7	69,2	7	\Rightarrow	X	
5.3	Bribing and Corruption	7	43,1	7	⇒	×	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	7	32,2	7	\Rightarrow	X
6.2	Scientific and Technical Journal Articles	7	36,1	7	\Rightarrow	X
6.3	Ease of Starting and Running a Business	8	78,1	8	\Rightarrow	X
6.4	Simplicity of Closing a Business	7	61,5	7	\Rightarrow	X
6.5	Corporate R&D	7	22,4	7	\Rightarrow	X

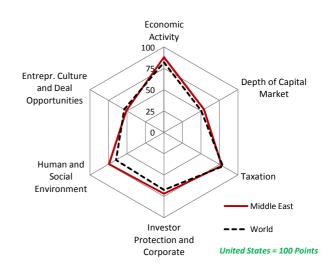
Middle East

Partners **Basic Facts Business School** University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and business schoo **Private Equity Country** Attractiveness Index 2012 Quartile 1st **劃 Ernst & Young** 1492,1 [bn USD] GDP IPO Volume X Population 77,5 [mn] M&A Volume I X **====**_'10 GDP Growth VC Activity Quality In Everything We Do '04 ----- '10 × Pop. Growth **PE Activity**

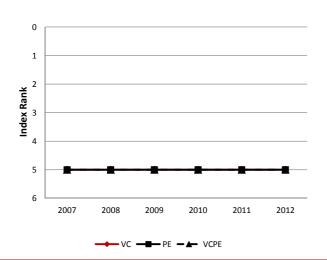
VCPE-Ranking

	2008 Rank	20 Value	12 Rank	Quartile 4th 1st
VCPE Ranking	5	62,9	5	
Economic Activity	7	88,1	3	
Depth of Capital Market	5	54,0	5	
Taxation	4	78,1	4	
Inv. Prot./Corp. Gov.	4	72,0	4	
Human/Social Env.	4	74,3	4	
Entrepr. Cult./Deal Opp.	5	51,0	6	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
North America	1	98,7	1	
Australasia	2	88,5	2	
Western Europe	3	80,7	3	
Asia	4	67,2	4	
Middle East	5	62,9	5	
Eastern Europe	6	55,6	6	
Latin America	7	49,5	7	\Rightarrow ×
Africa	8	40,4	8	

		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	5	46,8	5	\Rightarrow	X
1.2	Expected Real GDP Growth	6	143,1	2	1	X
1.3	Unemployment	5	102,1	3	1	×

2 Depth of Capital Market

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
2.1	Size of the Stock Market	5	56,8	5	⇒	X
2.2	Stock Market Liquidity (Trading Volume)	5	49,0	5	⇒	X
2.3	IPOs and Public Issuing Activity	5	32,7	5	⇒	X
2.4	M&A Market Activity	7	34,7	6	1	X
2.5	Debt and Credit Market	7	57,7	6	1	X
2.6	Bank Non-Performing Loans to Total Gross Loans	4	100,6	4	⇒	X
2.7	Financial Market Sophistication	4	72,7	4	⇒	

3 Taxation

		2008	2012			Qua	rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	4	78,1	4	→		X

4 Investor Protection and Corporate Governance

		2008	8 2012		Quartile		tile
		Rank	Value	Rank		4th	1st
4.1	Quality of Corporate Governance	6	58,4	7	₽	X	
4.2	Security of Property Rights	4	77,3	4	\Rightarrow		×
4.3	Quality of Legal Enforcement	4	82,4	4	⇒		X

5 Human and Social Environment

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	5	65,1	4		
5.2	Labor Market Rigidities	3	84,9	3	\Rightarrow	X
5.3	Bribing and Corruption	4	74,4	4	⇒	

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	5	48,1	5	\Rightarrow	X
6.2	Scientific and Technical Journal Articles	6	41,2	6	\Rightarrow	X
6.3	Ease of Starting and Running a Business	6	90,1	5	Ŷ	X
6.4	Simplicity of Closing a Business	5	63,6	6		X
6.5	Corporate R&D	5	30,3	5	\Rightarrow	X

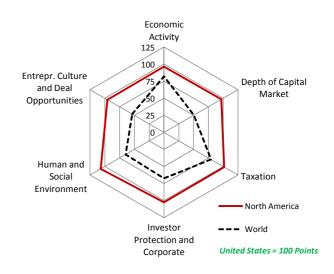
North America

Partners **Basic Facts Business School** University of Navarra Groh, Liechtenstein and Lieser: The Global Venture Capital and business schoo **Private Equity Country** Attractiveness Index 2012 Quartile 1st **UERNST&YOUNG** 16820,2 [bn USD] GDP IPO Volume Population 346,3 [mn] M&A Volume X ----- '10 GDP Growth VC Activity '04 Quality In Everything We Do '04 X Pop. Growth **PE Activity**

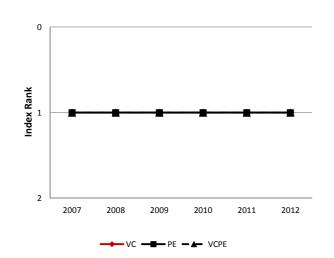
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	1	98,7	1	
Economic Activity	2	96,2	1	
Depth of Capital Market	1	96,7	1	
Taxation	2	101,6	2	
Inv. Prot./Corp. Gov.	2	102,4	2	
Human/Social Env.	2	106,9	2	
Entrepr. Cult./Deal Opp.	1	95,5	1	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
North America	1	98,7	1	
Australasia	2	88,5	2	
Western Europe	3	80,7	3	
Asia	4	67,2	4	
Middle East	5	62,9	5	
Eastern Europe	6	55,6	6	
Latin America	7	49,5	7	
Africa	8	40,4	8	

-		2008	2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	1	88,3	1	⇒	X
1.2	Expected Real GDP Growth	8	100,8	8	\Rightarrow	X
1.3	Unemployment	2	100,1	5	↓	X

2 Depth of Capital Market

		2008	2008 2012		Quarti		rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	1	96,7	1	\Rightarrow		×
2.2	Stock Market Liquidity (Trading Volume)	1	91,5	1	⇒		×
2.3	IPOs and Public Issuing Activity	1	92,0	1	⇒		X
2.4	M&A Market Activity	1	93,0	1	\Rightarrow		×
2.5	Debt and Credit Market	1	96,3	1	\Rightarrow		X
2.6	Bank Non-Performing Loans to Total Gross Loans	2	103,7	2	\Rightarrow		X
2.7	Financial Market Sophistication	1	104,5	1	\Rightarrow		X

3 Taxation

		2008	2012		Quart		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	2	101,6	2	⇒		X

4 Investor Protection and Corporate Governance

		2008	2012		Qı		uartile	
		Rank	Value	Rank		4th	1st	
4.1	Quality of Corporate Governance	1	99,7	2	Ļ		×	
4.2	Security of Property Rights	2	99,0	2	\Rightarrow		X	
4.3	Quality of Legal Enforcement	2	108,8	2	⇒		X	

5 Human and Social Environment

		2008	2012		Quartile		
		Rank	Value	Rank		4th	1st
5.1	Education and Human Capital	1	104,7	1	⇒		X
5.2	Labor Market Rigidities	1	97,8	1	\Rightarrow		X
5.3	Bribing and Corruption	2	119,3	2	⇒		X

		2008	2012		Qua		rtile
		Rank	Value	Rank		4th	1st
6.1	Innovation	1	92,0	1	⇒		X
6.2	Scientific and Technical Journal Articles	1	91,0	1	\Rightarrow		X
6.3	Ease of Starting and Running a Business	2	106,6	2	⇒		X
6.4	Simplicity of Closing a Business	1	104,9	1	⇒		X
6.5	Corporate R&D	1	85,0	1	\Rightarrow		×

Western Europe

Basic Facts



			Quartile
			4th 1st
GDP	17706,2 [bn USD]	IPO Volume	×
Population	411,6 [mn]	M&A Volume	X
GDP Growth	'04 '10	VC Activity	×
Pop. Growth	'04 '10	PE Activity	X

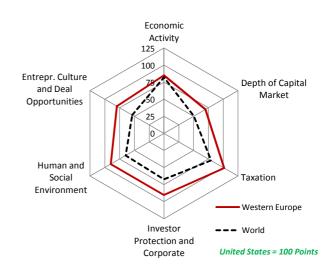
Partners



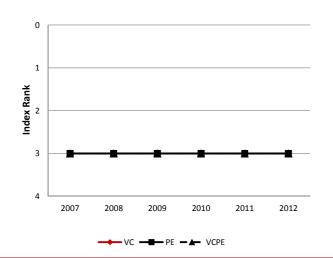
VCPE-Ranking

	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
VCPE Ranking	3	80,7	3	
Economic Activity	4	84,9	6	
Depth of Capital Market	3	70,1	3	
Taxation	3	101,8	1	
Inv. Prot./Corp. Gov.	3	90,4	3	
Human/Social Env.	3	90,0	3	
Entrepr. Cult./Deal Opp.	2	79,7	3	

Key Factor Performance



Separate VC and PE Indices



	2008	2012		Quartile
	Rank	Value	Rank	4th 1st
North America	1	98,7	1	
Australasia	2	88,5	2	
Western Europe	3	80,7	3	
Asia	4	67,2	4	
Middle East	5	62,9	5	
Eastern Europe	6	55 <i>,</i> 6	6	
Latin America	7	49,5	7	\Rightarrow ×
Africa	8	40,4	8	

		2008	2008 2012		Quartile	
		Rank	Value	Rank		4th 1st
1.1	Size of the Economy (GDP)	2	61,3	3	₽	X
1.2	Expected Real GDP Growth	7	100,9	7	\Rightarrow	X
1.3	Unemployment	4	99,0	6	↓	X

2 Depth of Capital Market

		2008	2012		Qı		rtile
		Rank	Value	Rank		4th	1st
2.1	Size of the Stock Market	3	68,1	4	4		×
2.2	Stock Market Liquidity (Trading Volume)	2	67,2	3	4		X
2.3	IPOs and Public Issuing Activity	3	41,9	4	₽		X
2.4	M&A Market Activity	3	61,2	3	\Rightarrow		×
2.5	Debt and Credit Market	3	81,2	2	1		X
2.6	Bank Non-Performing Loans to Total Gross Loans	3	98,5	5	4	×	
2.7	Financial Market Sophistication	3	88,8	3	\Rightarrow		X

3 Taxation

		2008	2012		Quar		rtile
		Rank	Value	Rank		4th	1st
3.1	Entrepreneurial Tax Incentives and Admin. Burdens	3	101,8	1	1		X

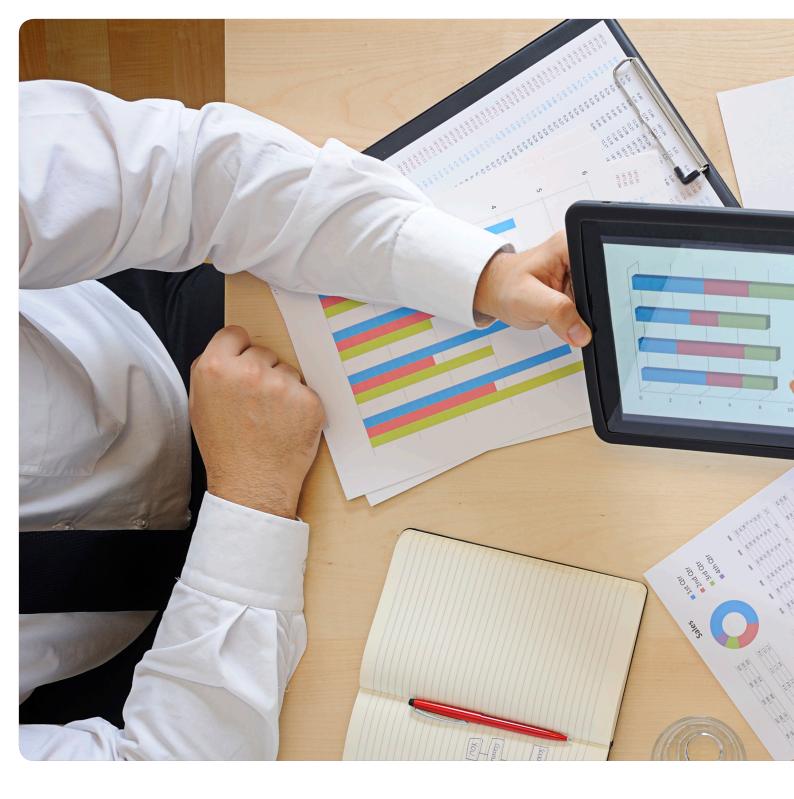
4 Investor Protection and Corporate Governance

		2008	2012			Quartile
		Rank	Value	Rank		4th 1st
4.1	Quality of Corporate Governance	3	69,9	4	Ļ	X
4.2	Security of Property Rights	3	98,7	3	\Rightarrow	X
4.3	Quality of Legal Enforcement	3	107,2	3	⇒	×

5 Human and Social Environment

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
5.1	Education and Human Capital	3	91,5	3	⇒	X
5.2	Labor Market Rigidities	8	67,9	8	\Rightarrow	X
5.3	Bribing and Corruption	3	117,3	3	⇒	

		2008	20	12		Quartile
		Rank	Value	Rank		4th 1st
6.1	Innovation	2	83,8	2	⇒	×
6.2	Scientific and Technical Journal Articles	3	66,8	3	⇒	X
6.3	Ease of Starting and Running a Business	3	97,0	3	⇒	X
6.4	Simplicity of Closing a Business	3	93,9	3	⇒	X
6.5	Corporate R&D	2	63,0	2	⇒	X



APPENDICES Methodology, technical descriptions, limitations, data descriptions, data sources and references 00000000

Computation of the index

The VCPE attractiveness of each country is computed by calculating a weighted average of country performance scores in the six key drivers. The scores within each key driver are derived from the level-2 constructs, respectively derived from several raw data series.

Normalisation

In order to make the cross-sectional data series comparable, the raw data has to be converted into a common range. The rescaling method is used to normalise indicators to such a range by linear transformation. Thereby, 100 represents the best score, while 1 represents the worst.

For every individual variable, we define whether high values influence the attractiveness for investors positively or negatively, and hence, assign 100 points either to the highest score (e.g. in the case of GDP) or to the lowest (e.g. in the case of high hiring costs). The points are calculated according to the following formula:

$$y_{q,i} = 99 \times \left[\frac{x_{q,i} - \min(x_q)}{\max(x_q) - \min(x_q)} \right] + 1$$

 $Y_{q,i}$

$$m_{q,i}$$
 min (x₀)

= normalised value of category q and country i

= raw data value of category q and country i

= minimum raw data value of category q within the sample

Raw data value [any unit]	1 (lowest value in sample)	12	20 (highest value in sample)
Normalised value [1-100]	99x[(1-1)/(20-1)]+1=1	99x[(12-1)/(20-1)]+1=58	99x[(20-1)/(20-1)]+1=100

Aggregation

В

For the index score calculation, we use geometric aggregation because it is better suited than arithmetic aggregation. Geometric aggregation rewards those countries or those sub-indicators with higher scores. Overall, a shortcoming in the value of one variable or sub-index can be compensated by a surplus in another. Compensability is constant in linear aggregation, while it is smaller in geometric aggregation for the sub-indicators with low values. Therefore, countries with low scores in some sub-indices would benefit from linear aggregation.

For this reason, we use geometric aggregation as follows.

Index Value_i =
$$\begin{bmatrix} 0 \\ V_{q,i}^{W_q} \end{bmatrix}$$

 $Index Value_i = index value of country i$

= normalised value of category q and country i

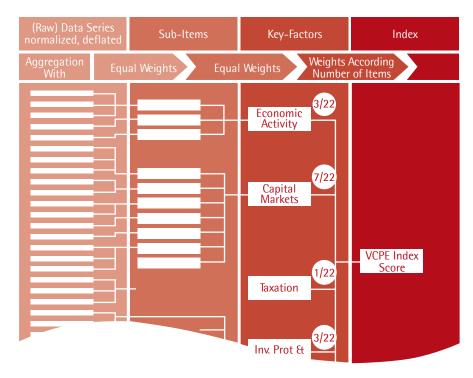
= weight of category q

Category	Economic activity	Depth of capital market	Investor protection
Weight	0.5	0.25	0.25
Normalised value of country i (Y _{q,i})	30	40	50
Index value for the country	(30 ^{0.5}) x (40 ^{0.25}) x (50 ^{0.2}	5) = 36.63	

Weighting

After calculating the performance scores for each data series on the lowest level, the scores are aggregated using the aforementioned aggregation method. On the lowest level, items are aggregated with equal weights, i.e. the weights are derived from the number of components that are aggregated.

The following exhibit shows the aggregation path from the normalised (raw) data series to the final VCPE Country Attractiveness Index score.



Statistical validation of the index

Correlation is a measure for the strength and directionality of a linear relation between two variables. The Pearson-Correlation-Coefficient P_{xy} lies between 0 to ± 1 . Zero indicates a non-linear or missing relation between two data sets and ± 1 indicates perfect linearity. A positive (negative) correlation indicates a positive (negative) relation.

$$P_{x,y} = \frac{\text{cov}(X,Y)}{\underset{0,0_{y}}{\text{o}_{y}}} = \frac{\text{E}((X-u_{x})(Y-u_{y}))}{\underset{0,0_{y}}{\text{o}_{y}}}$$

To test the quality of our index, we calculate the correlation between the index scores with the control variable. The results of these analyses are displayed in the following table. The correlation coefficients are very high for all cases considered. These high values prove the accuracy of the index scores and its ability to measure a countries' attractiveness for investors in VC and PE funds. It should be noted, however, that the accuracy and the volumes of reported VC investments is lower than for PE. Therefore, the correlations for the combined VCPE and for the PE Index are somewhat higher than for VC.

	VCPE investments	VC investments	PE investments
	LN (average 2008–2010)	LN (average 2008–2010)	LN (average 2008–2010)
VCPE index 2012	0.84	-	-
VC index 2012	-	0.74	-
PE index 2012	-	-	0.81

Table with sources and explanations of the data series

#	Indicators	Dimension for index calculation	Positive/ negative impact	VC	PE	Explanation	Source
1	Economic activity						
1.1	Total economic size	[LN GDP in USD]		X	Х	The Economic Size of a country is measured by its gross domestic product (GDP), which is the sum of gross value added by all resident producers in the economy plus any product taxes, minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.	Euromonitor International Monetary Fund, International Financial Statistics
1.2	Expected real GDP growth	[%]		X	x	Gross domestic product is the sum of gross value added by all resident producers in the economy plus any product taxes, minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Real GDP: the number reached by valuing all the productive activity within the country at a specific year's prices. When economic activity of two or more time periods is valued at the same year's prices, the resulting figure allows comparison of purchasing power over time, since the effects of inflation have been removed by maintaining constant prices.	Euromonitor International Monetary Fund, International Financial Statistics
2	Depth of capital mar	ket					
2.1	Size of the stock man	rket					
2.1.1	Market capitalization of listed companies	[% of GDP]	+	Х	Х	Market capitalization is the share price times the number of shares outstanding. Listed domestic companies are the domestically incorporated companies listed on the country's stock exchanges at the end of the year. Listed companies does not include investment companies, mutual funds, or other collective investment vehicles.	World Bank (World Development Indicator)
2.1.2	Listed domestic companies	[LN number]	+	Х	Х	Listed domestic companies are the domestically incorporated companies listed on the country's stock exchanges at the end of the year. This indicator does not include investment companies, mutual funds, or other collective investment vehicles.	World Bank (World Development Indicator)
2.2	Stock market liquidity (trading volume)	[% of GDP]		X	Х	Stock market total value traded refers to the total value of shares traded during the period. This indicator complements the market capitalization ratio by showing whether market size is matched by trading.	World Bank (World Development Indicator)
2.3	IPOs and public issui						
2.3.1	Market volume	[LN USDm.]	+	Х	Х	Proceeds amount plus overallotment sold in this market: This data series shows the proceeds amount of the issue in this market plus the overallotment amount (a.k.a., green shoe) sold in this market; i.e., number of shares in this market plus the overallotment shares sold in this market multiplied by the offer price. A green shoe clause in an underwriting agreement provides that, in the case of excess demand, the issuer will authorize additional shares to be sold through the existing syndicate.	Thomson One Banker
2.3.2	Number of issues	[LN number]	+	Х	Х	Number of initial public offerings (IPOs) in a country.	Thomson One Banker

#	Indicators	Dimension for index calculation	Positive/ negative impact	VC	PE	Explanation	Source
2.4	M&A market activity						
2.4.1	M&A market volume	[LN USDm]	+	Х	Х	The data comprise M&A ranking value including net debt of target. According to Thomson, the ranking value is calculated as follows: RANKVAL = the sum of VALNOLIA, straight debt, short-term debt and preferred equity, minus cash VALNOLIA: transaction value excluding liabilities assumed; transaction value minus the value of any liabilities agreed to be assumed in the transaction.	Thomson One Banker
2.4.2	Number of M&A deals	[LN number]	+	Х	Х	Number of M&A deals in a country.	Thomson One Banker
2.5	Debt and credit mark	(et					
2.5.1	Domestic credit provided by banking sector	[% of GDP]	+	-	Х	Domestic credit provided by the banking sector includes all credit to various sectors on a gross basis, with the exception of credit to the central government, which is net. The banking sector includes monetary authorities and deposit money banks, as well as other banking institutions where data are available (including institutions that do not accept transferable deposits but do incur such liabilities as time and savings deposits). Examples of other banking institutions are savings and mortgage loan institutions and building and loan associations.	World Bank (World Development Indicator)
2.5.2	Credit information index	[-]	+	-	Х	The depth of credit information index measures rules affecting the scope, accessibility and quality of credit information available through either public or private credit registries. The index ranges from 0 to 6, with higher values indicating the availability of more credit information, from either a public registry or a private bureau, to facilitate lending decisions. If the registry is not operational or has coverage of less than 0.1% of the adult population, the score on the depth of credit information index is 0.	World Bank, Doing Business
2.5.3	Interest rate spread	[%]	-	-	Х	Interest rate spread is the interest rate charged by banks on loans to prime customers minus the interest rate paid by commercial or similar banks for demand, time, or savings deposits.	World Economic Forum; World Development Indicators
2.6	Bank non- performing loans to total gross Lloans	[%]			X	Bank non-performing loans to total gross loans are the value of non-performing loans divided by the total value of the loan portfolio (including non-performing loans before the deduction of specific loan- loss provisions). The loan amount recorded as non-performing should be the gross value of the loan as recorded on the balance sheet, not just the amount that is overdue.	World Bank (World Development Indicator)
2.7	Financial market sophistication	[-]			X	This data series measures the perceived level of sophistication of financial markets in a country. The index ranges 1 to 7, with higher values indicating that financial market sophistication is excellent by international standards and low values indicating that it is poor by international standards.	World Economic Forum

Appendices

#	Indicators	Dimension for index calculation	Positive/ negative impact	VC	PE	Explanation	Source
3	Taxation						
3.1	Entrepreneurial tax	incentives and admin	nistrative bu	rdens			
3.1.1	Entrepreneurship incentive	[%]	+	Х	-	Difference: income tax minus corporate tax. The meaning of this driver is based on the fact that an employee tends to become entrepreneur if the individual tax payment is significant higher than the corporate tax.	World Bank (World Development Indicator); Fraser Institute
3.1.2	Number of tax payments	[#]	-	Х	-	The tax payments indicator reflects the total number of taxes and contributions paid, the method of payment, the frequency of payment and the number of agencies involved for this standardized case during the second year of operation. It includes payments made by the company on consumption taxes, such as sales tax or value added tax. These taxes are traditionally withheld on behalf of the consumer. Although they do not affect the income statements of the company, they add to the administrative burden of complying with the tax system and so are included in the tax payments measure.	World Bank (Doing Business)
3.1.3	Time spent on tax issues	[Hours per year]	-	Х	-	Time is recorded in hours per year. The indicator measures the time to prepare, file and pay (or withhold) three major types of taxes and contributions: the corporate income tax, value added or sales tax and labor taxes, including payroll taxes and social contributions. Preparation time includes the time to collect all information necessary to compute the tax payable. If separate accounting books must be kept for tax purposes – or separate calculations made – the time associated with these processes is included. This extra time is included only if the regular accounting work is not enough to fulfill the tax accounting requirements. Filing time includes the time to complete all necessary tax forms and make all necessary calculations. Payment time is the hours needed to make the payment online or at the tax office. Where taxes and contributions are paid in person, the time includes delays while waiting.	World Bank (Doing Business)
4	Investor protection	and corporate gover	nance				
4.1	Quality of corporate	governance					
4.1.1	Disclosure index	[-]	+	Х	Х	This index measures the extent to which transparency of enterprise related party transactions exists. The index ranges from 0 to 10, with higher values indicating greater disclosure.	World Bank (Doing Business)
4.1.2	Director liability index	[-]	+	Х	Х	This index measures the extent of liability for self-dealing. For example, the interested director is either not liable or liable only in cases of bad faith, intent, or gross negligence. The index ranges from 0 to 10, with higher values indicating greater liability of directors.	World Bank (Doing Business)
4.1.3	Shareholder suits index	[-]	+	Х	Х	This index measures the extent of shareholders' ability to sue officers and directors for misconduct. The index ranges from 0 to 10, with higher values indicating greater powers of shareholders to challenge the transaction.	World Bank (Doing Business)
4.1.4	Legal rights index	[-]	+	Х	Х	The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders, and thus facilitate lending. The index ranges from 0 to 10, with higher scores indicating that collateral and bankruptcy laws are better designed to expand access to credit.	World Bank (Doing Business)
4.1.5	Efficacy of corporate boards	[-]	+	Х	Х	Corporate governance by investors and boards of directors in your country is characterized by (1 = management has little accountability, 7 = investors and boards exert strong supervision of management decisions).	World Economic Forum

#	Indicators	Dimension for index calculation	Positive/ negative impact	VC	PE	Explanation	Source
4.2	Security of property	rights					
4.2.1	Legal enforcement of contracts	[-]	+	Х	Х	This component estimates for the time and money required to collect a clear- cut debt. The index ranges from 1 to 10, with higher values indicating stronger legal enforcement of contracts.	Fraser Institute
4.2.2	Property rights	[-]	+	Х	Х	Property rights is an assessment of the ability of individual to accumulate private property, secured by clear laws that are fully enforced by the state. The index ranges from 1 to 10, with higher values indicating higher protection of property rights.	World Bank (Doing Business)
4.2.3	Intellectual property protection	[-]	+	Х	Х	This data series measures the perceived "intellectual property protection" in a country. The index ranges from 1 to 7, with higher values indicating that Intellectual property protection and anti-counterfeiting measures in a country are strong and enforced whereas low values indicate the opposite.	World Economic Forum (Executive Opinion Survey 2007, 2008)
4.3	Quality of legal enfo	rcement					
4.3.1	Judicial independence	[-]	÷	Х	Х	This data series measures the perceived judicial independence in a country. The index ranges from 1 to 7, with higher values indicating that the judiciary in a country is independent from political influences of members of government, citizens, or firms and lower values indicating that it is heavily influenced.	World Economic Forum (Global Competitiveness Report)
4.3.2	Impartial courts	[-]	+	Х	Х	This data series measures the perceived quality of the legal framework in a country. The index ranges from 0 to 10, with higher values indicating that the framework in a country for private businesses to settle disputes and challenge the legality of government actions and/or regulations follows a clear, neutral process. Lower values indicate that the framework seems to be inefficient and subject to manipulation.	Fraser Institute
4.3.3	Integrity of the legal system	[-]	+	Х	Х	This component is based on two sub-components. Each sub-component equals half of the total. The "law" sub-component assesses the strength and impartiality of the legal system, and the "order" sub-component assesses popular observance of the law. The index ranges from 0 to 10. High rating values indicate a sound legal system.	Fraser Institute, PRS Group (International Country Risk Guide)
4.3.4	Rule of law	[-]	+	Х	Х	Rule of law measures the extent to which agents have confidence in and abide by the rules of society, in particular the quality of contract enforcement, the police, and the courts, as well as the likelihood of crime and violence. The index ranges from -2.5 to 2.5 with higher values corresponding to better governance outcomes.	World Bank (Worldwide Governance Indicator)
4.3.5	Regulatory quality	[-]	+	Х	Х	Regulatory quality measures the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development. The index ranges from -2.5 to 2.5 with higher values corresponding to better governance outcomes.	World Bank (Worldwide Governance Indicator)
5	Human and social en	vironment					
5.1	Education and huma						
5.1.1	Quality of the educational system	[-]	+	Х	-	This data series measures the perceived quality of the educational system in a country. The index ranges from 1 to 7, with higher values indicating that the educational system in a country meets the needs of a competitive economy. Low values indicate that the system does not meet the needs of a competitive economy.	World Economic Forum
5.1.2	Quality of scientific research institutions	[-]	+	Х	-	This data series measures the perceived quality of scientific research institutions in a country. The index ranges from 1 to 7, with higher values indicating that Scientific research institutions in a country (e.g., university laboratories, government laboratories) are the best in their fields internationally. Low values indicate that they are not competitive or non-existent.	World Economic Forum

Appendices

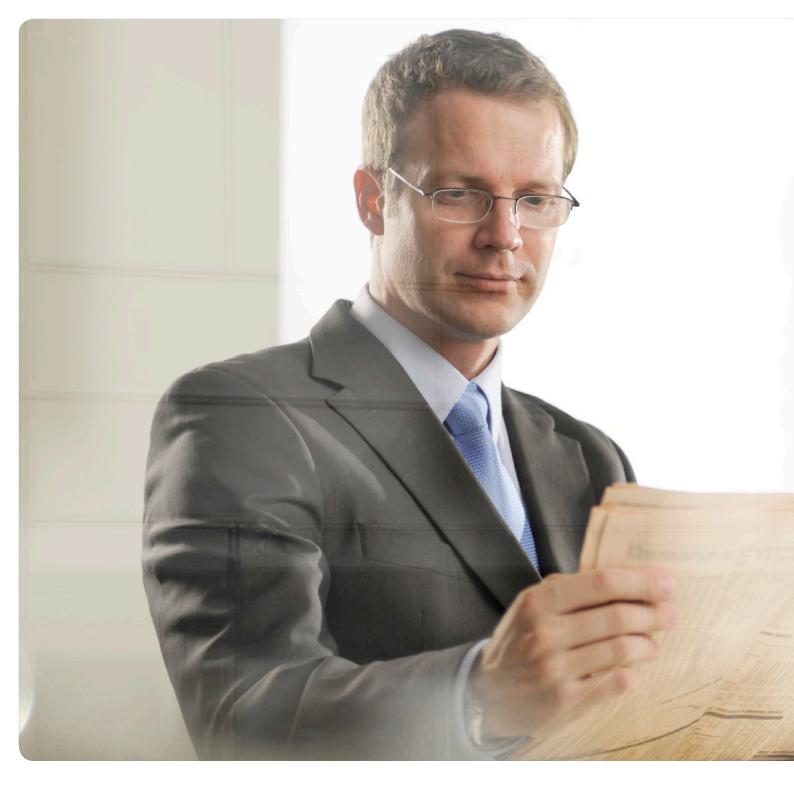
#	Indicators	Dimension for index calculation	Positive/ negative impact	VC	PE	Explanation	Source
5.2	Labor market rigiditi	es					
5.2.1	Difficulty of hiring index	[-]	-	Х	X	This index measures the difficulty of hiring regarding: (i) whether fixed-term contracts are prohibited for permanent tasks (ii) the maximum cumulative duration of fixed-term contracts (iii) the ratio of the minimum wage for a trainee or first time employee to the average value added per worker The index ranges from 0 to 100. High scores are assigned to countries where fixed-term contracts are prohibited for permanent tasks, the maximum cumulative duration of fixed-term contracts is low, and if the ratio of the minimum wage to the average value added per worker is high.	World Bank (Doing Business)
5.2.2	Rigidity of hours index	[-]	-	Х	Х	 This index measures the rigidity of hours index regarding five components: (i) whether night work is unrestricted (ii) whether weekend work is unrestricted (iii) whether the work week can consist of 5.5 days (iv) whether the workweek can extend to 50 hours or more (including overtime) for two months a year to respond to a seasonal increase in production (v) whether paid annual vacation is 21 working days or fewer The index ranges from 0 to 100. High scores are assigned to countries where the five 	World Bank (Doing Business)
5.2.3	Difficulty of firing index	[-]	-	X	X	The difficulty of firing index has eight components: (i) whether redundancy is disallowed as a basis for terminating workers (ii) whether the employer needs to notify a third party (such as a government agency) to terminate 1 redundant worker (iii) whether the employer needs to notify a third party to terminate a group of 25 redundant workers (iv) whether the employer needs approval from a third party to terminate 1 redundant worker (v) whether the employer needs approval from a third party to terminate a group of 25 redundant workers (v) whether the employer needs approval from a third party to terminate a group of 25 redundant workers (vi) whether the law requires the employer to reassign or retrain a worker before making the worker redundant (vii) whether priority rules apply for redundancies (viii) whether priority rules apply for reemployment For the first question an answer of yes for workers of any income level gives a score of 10 and means that the rest of the questions do not apply. An answer of yes to question (iv) gives a score of 2. For every other question, if the answer is yes, a score of 1 is assigned; otherwise a score of 0 is given. Questions (i) and (iv), as the most restrictive regulations, have greater weight in the construction of the index.	World Bank (Doing Business)
5.2.4	Firing costs	[Weeks of wages]	-	Х	Х	In the construction of the index. The firing cost indicator measures the cost of advance notice requirements, severance payments and penalties due when terminating a redundant worker, expressed in weeks of salary. If the firing cost adds up to eight or fewer weeks of salary, a score of 0 is assigned. If the cost adds up to more than eight weeks of salary, the score is the number of weeks. One month is recorded as four and one-third weeks.	World Bank (Doing Business)

#	Indicators	Dimension for index calculation	Positive/ negative impact	VC	PE	Explanation	Source
5.3	Bribery and corrupti	on					
5.3.1	Bribery and corruption index	[-]	+	Х	Х	This index describes the overall extent of corruption (frequency and/or size of bribes) in the public and political sectors. The index ranges from 0 to 10. Countries where bribery and corruption cases are frequent receive a low rating score.	Transparency International
5.3.2	Control of corruption	[-]	+	Х	Х	This data series measures the perception of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests. Countries in which seemingly public power is frequently used for private gain a low rating score. The index ranges from -2.5 to 2.5 with higher values corresponding to better governance outcomes.	World Bank (Worldwide Governance Indicator)
5.3.3	Extra payments/ bribes	[-]	+	Х	Х	This index measures the frequency of extra payments and bribes firms pay in a country. The index ranges from 0 to 10 with higher values corresponding to better governance outcomes. Countries where these payments are frequent receive a low rating score.	Fraser Institute
6	Entrepreneurial cult	ure and deal opportu	unities				
6.1	Innovation						
6.1.1	General innovativeness index	[-]	+	X	-	The framework groups the eight pillars of innovation into two categories: inputs and outputs. The five input pillars – institutions and policies, human capacity, infrastructure, technological sophistication and business markets and capital – represent aspects which enhance the capacity of a nation to generate ideas and leverage them for innovative products and services. The three output pillars – knowledge, competitiveness and wealth – represent the ultimate benefits of innovation for a nation — more knowledge creation, increased competitiveness and greater wealth generation. Each pillar of the GII model is measured by a number of quantitative and qualitative variables. The averaged scores for the input and output pillars together give an overall score — the GII. The values of each variable for the country are scaled on a range of 1 to 7.	INSEAD
6.1.2	Capacity for innovation	[-]	+	X	-	This index measures the perceived capacity for Innovation in a country. The index ranges from 1 to 7 with higher values indicating that companies obtain technology by conducting formal research and pioneering their own new products and processes. Low values indicate that companies obtain technology exclusively from licensing or imitating foreign companies.	World Economic Forum
6.2	Scientific and technical journal articles	[LN number]		Х		The data series scientific and technical journal articles refer to the number of scientific and engineering articles published in the following fields: physics, biology, chemistry, mathematics, clinical medicine, biomedical research, engineering and technology, and earth.	World Bank (World Development Indicator)

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#	Indicators	Dimension for index calculation	Positive/ negative impact	VC	PE	Explanation	Source
6.3	Ease of starting and	running a business					
6.3.1	Number of procedures to start of business	[#]	-	X	-	This data series provides the average number of administrative procedures necessary to start a business in a country. A procedure is defined as any interaction of the company founder with external parties (for example, government agencies, lawyers, auditors or notaries). Interactions between company founders or company officers and employees are not counted as procedures. Only procedures required of all businesses are covered. Industry-specific procedures are excluded. For example, procedures to comply with environmental regulations are included only when they apply to all businesses conducting general commercial or industrial activities. Procedures that the company undergoes to connect to electricity, water, gas and waste disposal services are not included.	World Bank (Doing Business)
6.3.2	Time needed to start a business	[Days]	-	Х	-	This data series provides the average number of days necessary to start a business in a country. Time is recorded in calendar days. The measure captures the median duration that incorporation lawyers indicate is necessary to complete a procedure with minimum follow-up with government agencies and no extra payments. It is assumed that the minimum time required for each procedure is one day.	World Bank (Doing Business)
6.3.3	Cost of business start-up procedures	[% of income per capita]	-	Х	-	This data series provides the average amount of money necessary to start a business in a country. Cost is recorded as a percentage of the country's income per capita. It includes all official fees and fees for legal or professional services if such services are required by law. Fees for purchasing and legalizing company books are included if these transactions are required by law. The cost excludes bribes.	World Bank (Doing Business)

#	Indicators	Dimension for index calculation	Positive/ negative impact	VC	PE	Explanation	Source
6.4	Simplicity of closing	a business					
6.4.1	Time for closing a business	[Years]	-	Х	-	This data series provides the average number of years necessary to close a business in a country. Time is recorded in calendar years. Information is collected on the sequence of procedures and on whether any procedures can be carried out simultaneously. Potential delay tactics by the parties, such as the filing of dilatory appeals or requests for extension, are taken into consideration.	World Bank (Doing Business)
6.4.2	Costs for closing a business	[% of estate]	-	Х	-	This data series provides the average costs of closing a business in a country. The cost of the proceedings is recorded as a percentage of the estate's value. The cost is calculated on the basis of survey responses by insolvency practitioners and includes court fees as well as fees of insolvency practitioners, independent assessors, lawyers and accountants. Respondents provide cost estimates from among the following options: less than 2%, 2%–5%, 5%–8%, 8%–11%, 11%–18%, 18%–25%, 25%–33%, 33%–50%, 50%–75% and more than 75% of the value of the business estate.	World Bank (Doing Business)
6.4.3	Recovery rate	[Cents on USD]	+	X	-	The recovery rate is recorded as cents on the dollar recouped by creditors through the bankruptcy or insolvency proceedings. The calculation takes into account whether the business emerges from the proceedings as a going concern as well as costs and the loss in value due to the time spent closing down. If the business keeps operating, no value is lost on the initial claim, set at 100 cents on the dollar. If it does not, the initial 100 cents on the dollar are reduced to 70 cents on the dollar. Then the official costs of the insolvency procedure are deducted (one cent for each percentage of the initial value). Finally, the value lost as a result of the time the money remains tied up in insolvency proceedings is taken into account, including the loss of value due to depreciation of the hotel furniture. Consistent with international accounting practice, the depreciation rate for furniture is taken to be 20%. The furniture is assumed to account for a quarter of the total value of assets. The recovery rate is the present value of the remaining proceeds, based on end-2006 lending rates from the IMF's International Financial Statistics, supplemented with data from central banks.	World Bank (Doing Business)
6.5	Corporate R&D						
6.5.1	Company spending on R&D	[-]	+	Х	Х	This index measures the company spending on R&D in a country. The index ranges from 1 to 7 with higher values indicating that companies in a country spend heavily on research and development relative to international peers. Low values indicate that companies do not spend money on research and development.	World Economic Forum
6.5.2	Utility patents	[LN Number]	+	Х	Х	This data series provides the number of utility patents (i.e., patents for invention) granted between 1 January and 31 December 2007, per million population.	World Economic Forum
	Correlation data						
	Venture capital investments	LN [USDm]		Х		Amount of venture capital investments in a country per year. The country is defined by fund location. Thomson Reuters uses the term to describe the universe of venture investing. It does not include buyout investing, mezzanine investing, fund of fund investing, secondaries, etc.	Thomson One
	Private equity investments	LN [USDm]			Х	Amount of private equity investments in a country per year. The country is defined by fund location. Thomson Reuters uses the term to describe the universe of private equity investing. It does include buyout investing, mezzanine investing, fund of fund investing, secondaries, etc.	Thomson One
	Venture capital and private equity investments	LN [USDm]		Х	Х	The sum of venture capital and private equity investments in a country per year.	Thomson One



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The Global Venture Capital and Private Equity Country Attractiveness Index - 2012 annual

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This report presents the results of a comprehensive research project on how to measure the attractiveness of a country for equity capital investors. Designed to be an index produced annually, it is a dynamic product – an online version that uses the most recent data and allows for country comparisons can be found at http://blog.iese.edu/vcpeindex/