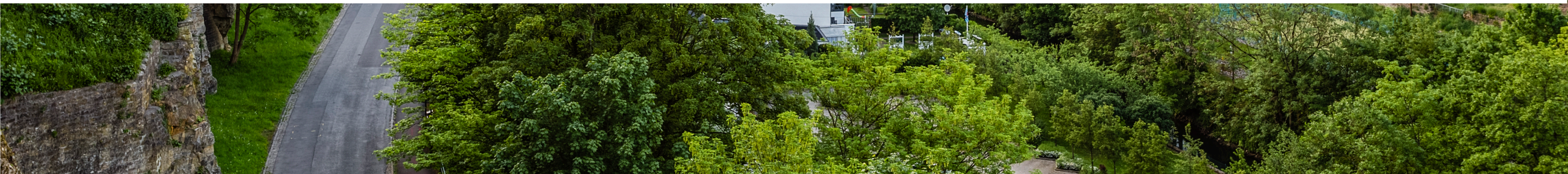




PRIVATE EQUITY ON THE RISE

Beijing & Shanghai 2017



Private Equity: 2016 in numbers

THE INDUSTRY IS LARGER THAN EVER

AuM – Dry Powder



\$2.49tn

Private equity assets under management as of June 2016, an all-time high.



\$820bn

Dry powder held by private equity funds as of December 2016, up from \$755bn at the end of 2015.

Source: 2017 Preqin Global Private Equity and Venture Capital Report

Private Equity: 2016 in numbers

ANOTHER ROBUST YEAR FOR FUNDRAISING



\$347bn

Aggregate capital raised by
830 private equity funds
closed in 2016.

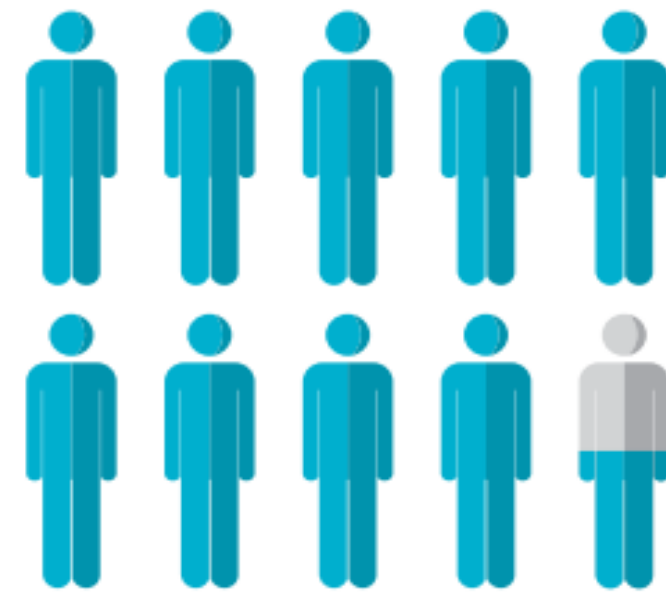
Source: 2017 Preqin Global Private Equity and Venture Capital Report

Proportion of Institutional Investors allocating to each Alternative Asset Class

PRIVATE EQUITY	PRIVATE DEBT	REAL ESTATE	INFRASTR.
57%	37%	61%	36%

Private Equity: 2016 in numbers

STRONG RETURNS AND DISTRIBUTIONS



95%

of investors believe that their private equity portfolios have met or exceeded performance expectations over the past 12 months, up from 81% in December 2011.

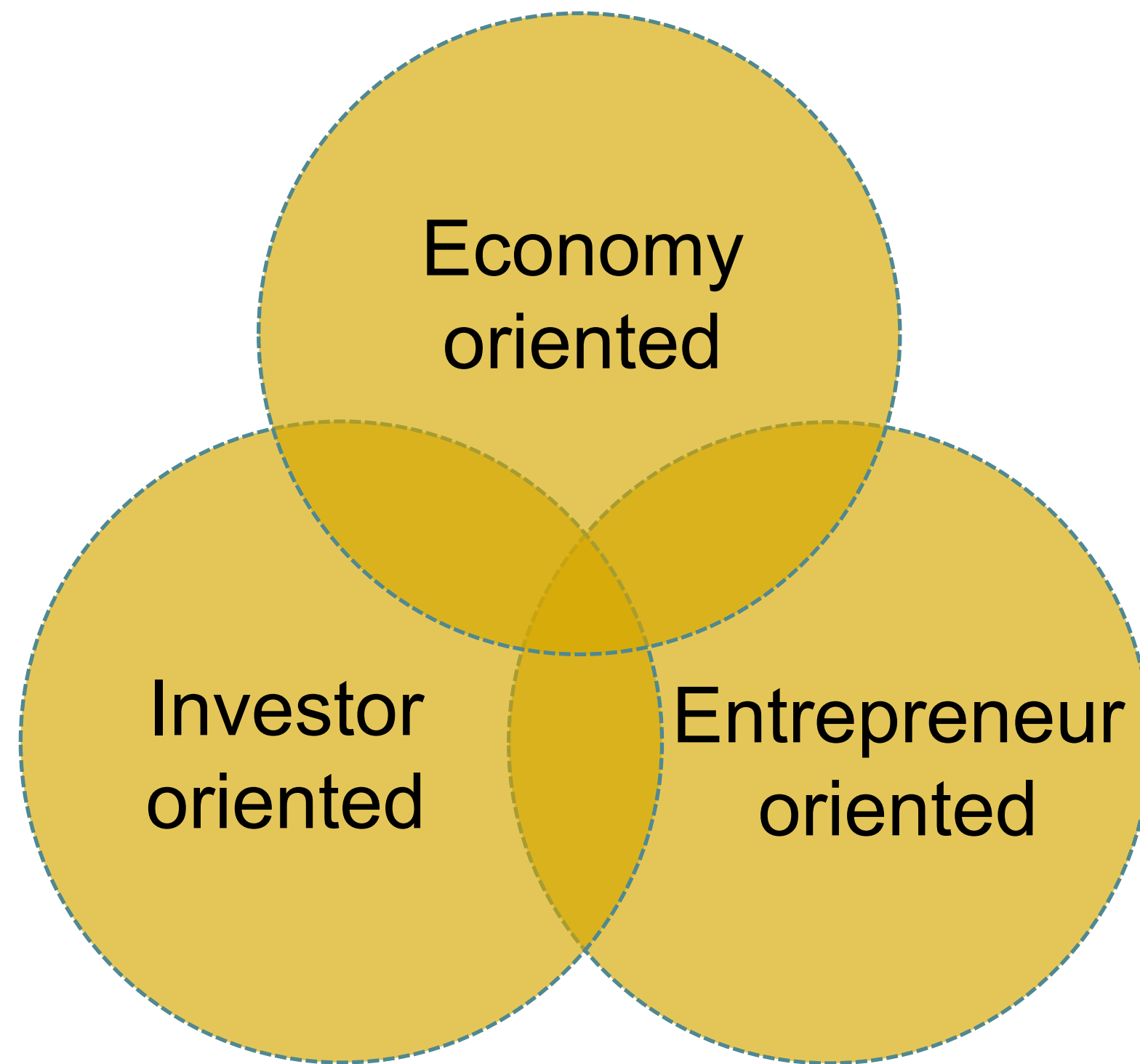
Source: 2017 Preqin Global Private Equity and Venture Capital Report

Institutional Investor's plans for PE allocations in the longer term

increase allocation	48%
maintain allocation	46%
reduce allocation	6%

Source: 2017 Preqin Global Private Equity and Venture Capital Report

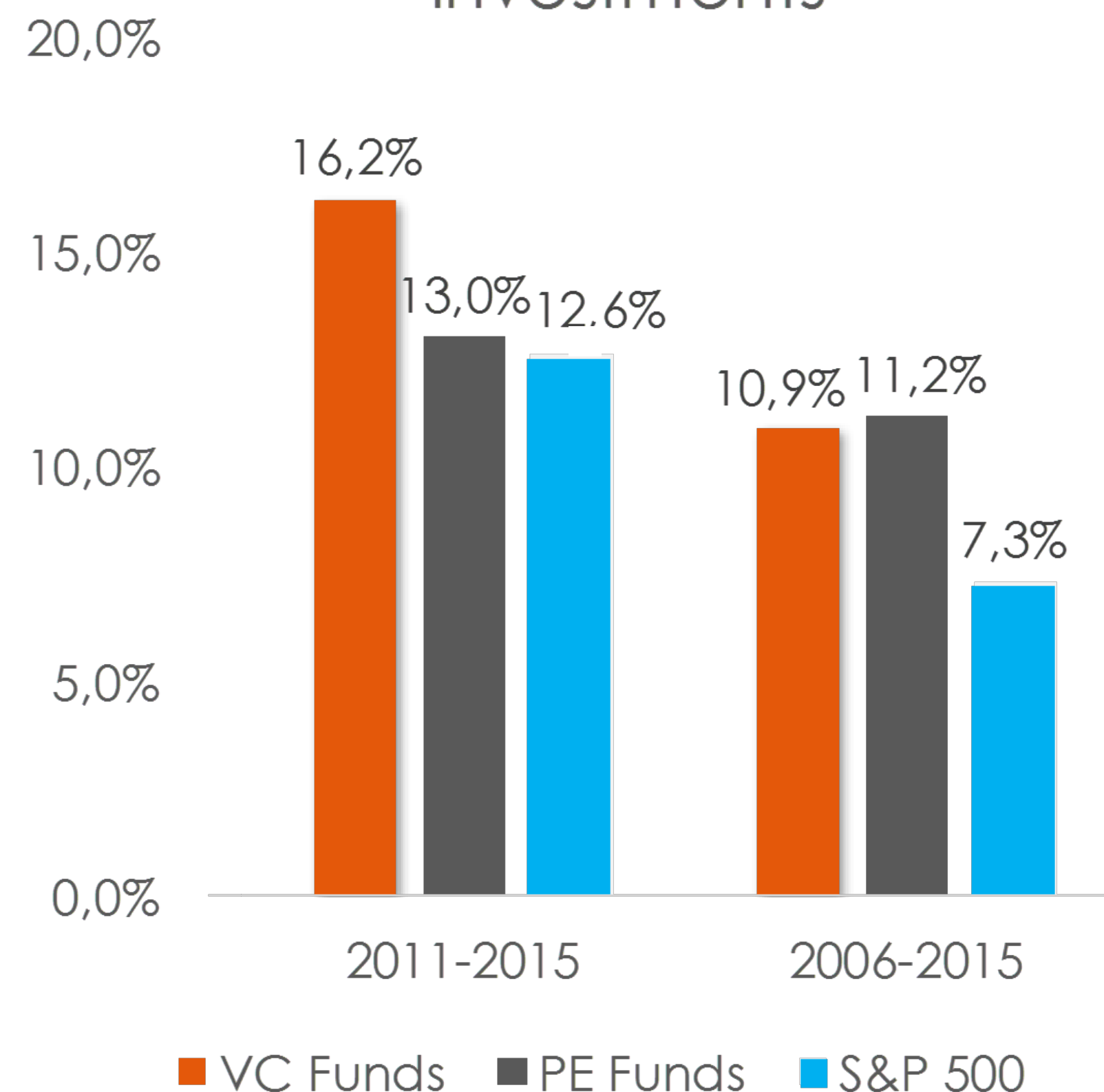
How does Private Equity affect the economy?



- Providing long-term capital to the real economy
- Active hands-on investment style
 - Partnering with entrepreneurs and management teams
- Alignment of interests and incentives
- Opportunity for institutional investors

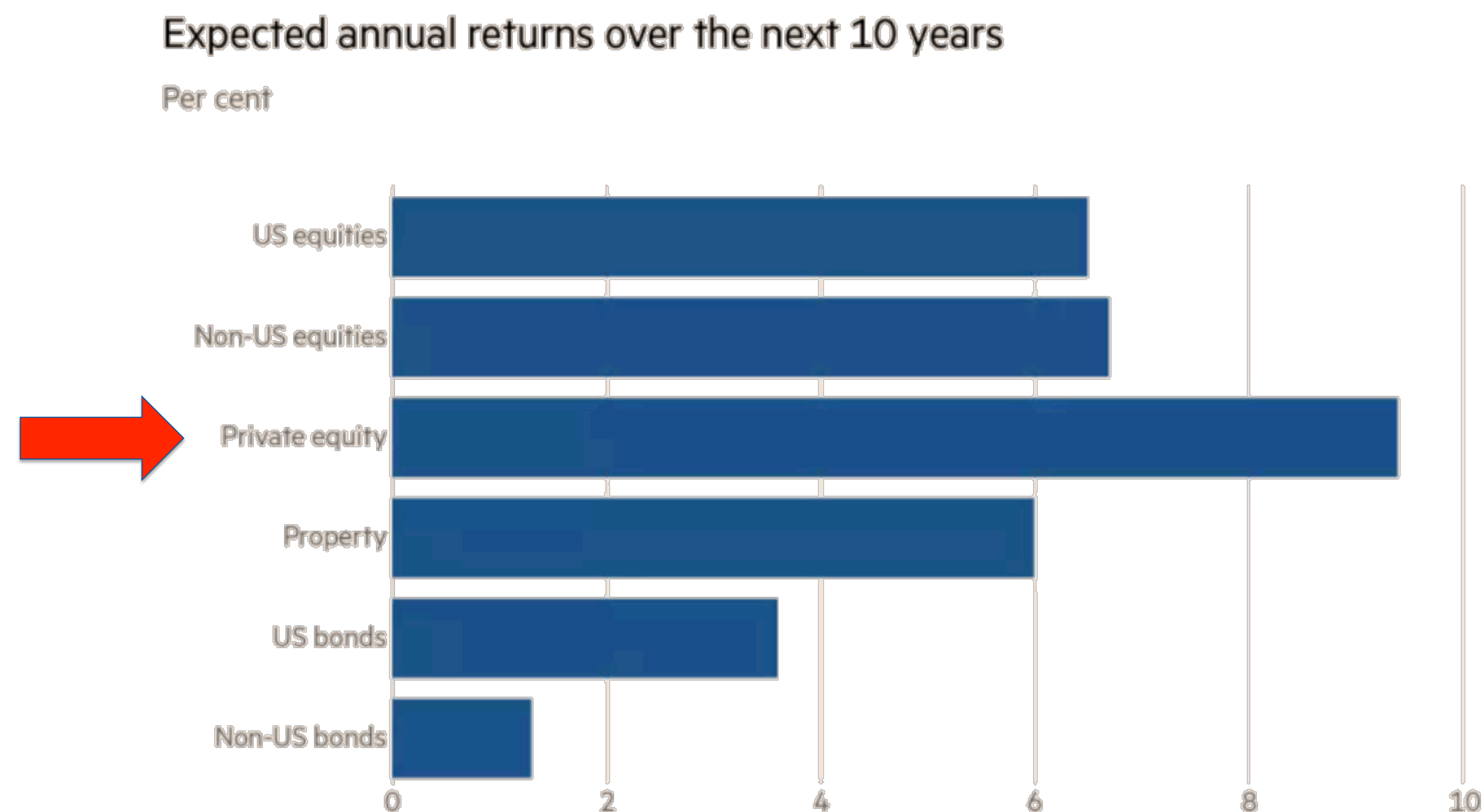
PE and VC outperform public equity markets

Annualised returns on VC, PE and Public Market Investments



Source: Cambridge Associates

PE and VC outperform public equity markets



Source: FT/ Wilshire Associates

Private equity: a strong contribution to the European economy

€500bn

Invested into European companies since 2007*

over 80%

Invested in SMEs*

40,000

Businesses are currently in active private equity and venture capital ownership in Europe*

8 million

People work in private equity backed businesses in Europe*

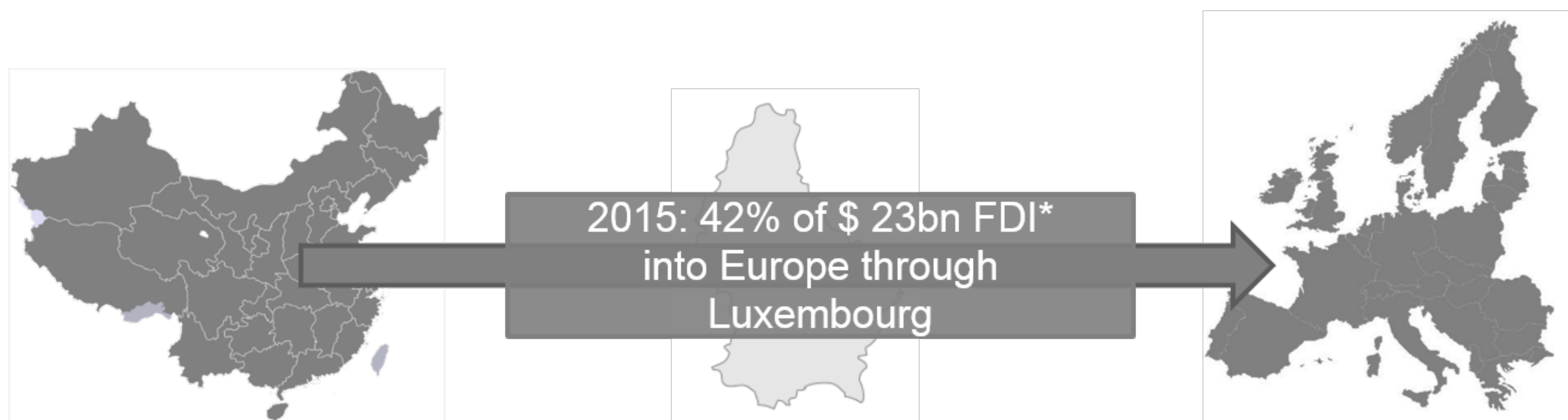
12%

Industrial innovation in Europe attributable to PE-backed companies**

Source: * = Invest Europe /EDC; ** = Frontier Economics

Luxembourg & China - A strong relationship

Luxembourg - a hub for China to invest in Europe



*Foreign Direct Investments in Europe originating from China in 2015

Private Equity in Luxembourg

€400b
AuM

International hub for
**Cross Border
Investments**

EN-FR-DE...
Multilingual jurisdiction

*The top **13** PE firms
worldwide have
operations in
Luxembourg*

800+
AIFMs

Limited
Partnership
1300+
SCSp

6000
Professionals
PE/VC

State of the art
**Legal & Tax
regulation**

90%
of EU-PE Funds
are **domiciled in
Luxembourg**

Conclusion

- Growing interest for Private Equity with profitability surpassing other asset classes;
- Luxembourg is already a partner and a gateway to do business in Europe;
- Luxembourg features a 1st class Private Equity hub thanks to its diverse and flexible toolbox .



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