

1. Executive Summary

The financial crisis affected the performance of private equity profoundly in the short-term, with 2009 showing poor industry returns; however 2010 represented a much stronger year for the asset class. For funds of recent vintages the 'J-curve' effect of private equity performance was replaced by the 'W-curve' effect, as early strong performance was hit by downward portfolio revaluations at the onset of the market crash, only to subsequently rebound to levels approaching the early gains. As shown in Fig.1.1, the one-year rolling horizon IRRs indicate that the downturn in performance reached its nadir in March 2009, with improvement since that point, but to what extent have the expectations of recovery been fully achieved?

In Fig.1.2, data accurate to December 31st 2010 shows that the one-year IRR for all private equity stood at 18.8%, buyout funds at 22.6% and venture funds at 10.9%, with mezzanine funds and real estate funds at 8.6% and 4.7% respectively. Three-year performance remains positive, but lower, for the asset class overall, with buyout, mezzanine and funds of funds remaining in the black, but venture and real estate funds are in negative territory as a result of

the downturn. Five-year IRRs are positive for all private equity fund types, with mezzanine and buyout funds representing the strongest performers for this period.

Breaking Down Private Equity Performance Metrics

As private equity is a relatively high-risk and low-liquidity asset class with long-term horizons, it is important for fund managers to demonstrate outperformance in comparison to traditional financial instruments. Fig.1.3 shows the risk and return by vintage for buyout funds, highlighting that for funds of recent vintages the ratio of risk to return is significant. Following the financial crisis, private equity – as with most asset classes – suffered from short-term under-performance relative to previous years; however it is interesting to note that whole-industry performance has rebounded more strongly than that of other investment types. Fig.1.4 shows the median returns received by public pension plans for their private equity portfolios, relative to that of their other asset class portfolios over the one, three, five and ten-year horizon periods. This demonstrates that despite being hit hard, private equity

Fig. 1.1: One-Year Rolling Horizon IRRs by Fund Type



Fig. 1.2: Private Equity Horizon IRRs as of 31 December 2010

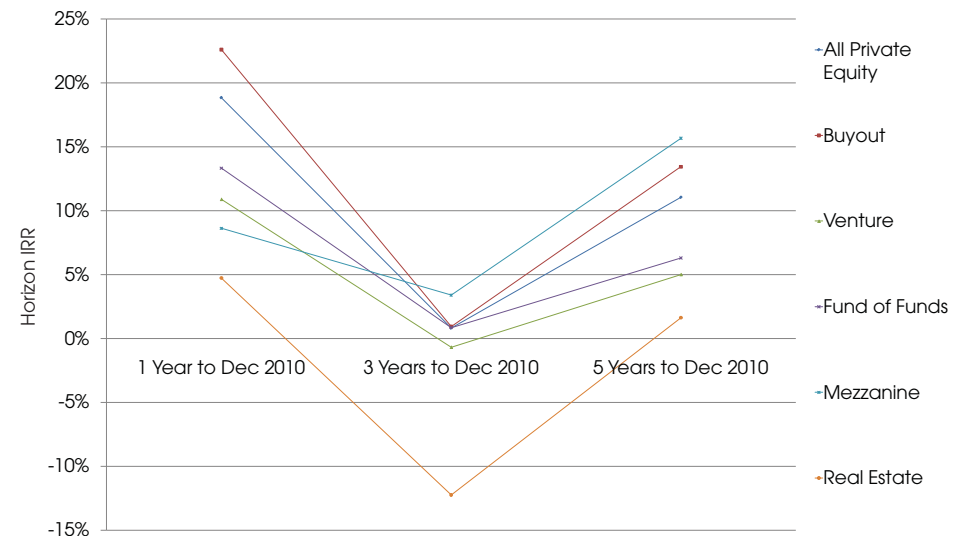


Fig. 1.3: Risk and Return by Vintage - Buyout Funds

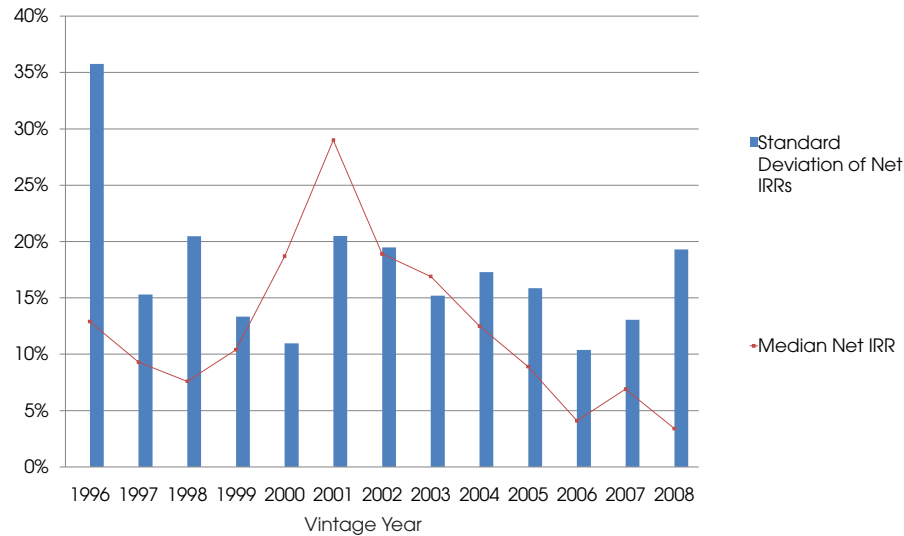


Fig. 1.4: Median Returns Received by Public Pension Plans by Asset Class as of 31 December 2010

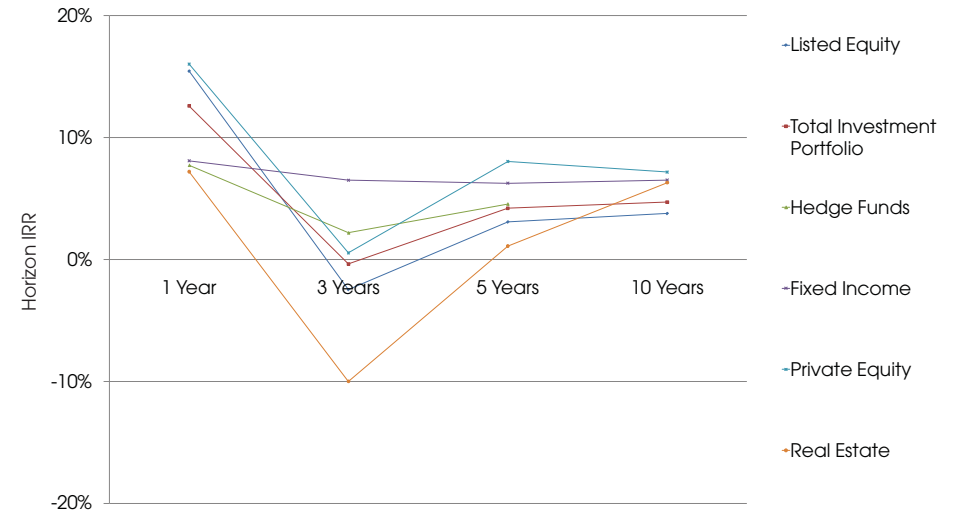


Fig. 1.5: Private Equity Performance - Median IRR, Quartile Boundaries and Mid-Points of Top and Bottom Quartiles - Vintages 1998 - 2008

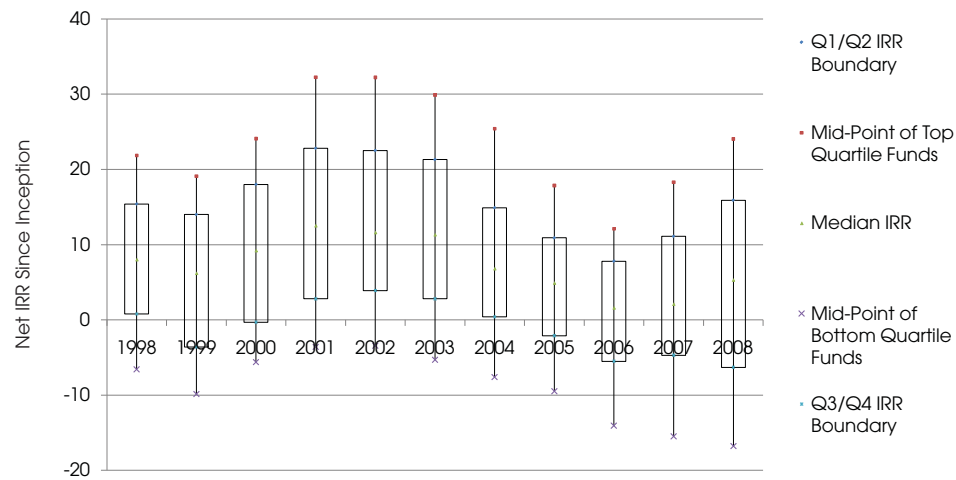


Fig. 1.6: Top 5 Buyout Funds for Vintages 2006 - 2008

Rank	Fund	Firm	Vintage	Net IRR (%)
1	Anacacia Partnership I	AnaCacia Capital	2007	53.9
2	American Securities Partners V	American Securities	2008	52.1
3	Ares Corporate Opportunities Fund III	Ares Management	2008	34.7
4	Waterland Private Equity Fund III	Waterland	2006	32.0
5	Actera Partners	Actera Group	2007	30.6

was only outperformed during the onset of the crisis by hedge funds and fixed income investments, and over five and 10 years, median public pension fund private equity performance has been higher than all other asset classes shown.

While median returns and whole-industry IRRs can be useful to fund managers and investors alike, in order to gain the full picture of private equity performance it is vital to drill down into more detailed data, as whole-industry metrics do not fully represent the actual returns being experienced by different investors. The performance of fund managers can vary widely, resulting in a significant spread of returns experienced by institutions committed to the asset class. Fig.1.5 shows the median net IRR for each fund vintage; it also shows the top and

bottom performance quartile boundaries as well as highlighting the middle value of all top and bottom quartile IRRs. For example, for 2008 vintage funds the mid-point net IRR of top quartile funds stands at 24.1%, whereas the corresponding mid-point net IRR for bottom quartile funds stands at -16.8%. This indicates that the gulf between the mid-point of top quartile funds and bottom quartile funds is significant.

The Importance of Fund Selection

As we have seen, the overall performance of private equity shows that despite the impact of the financial crisis, the asset class can remain attractive for investors, but the spread between the best and worst performing private equity fund managers highlights the importance, and the significant

consideration required, in selecting the right funds for investment. Private equity returns are very dependent on choosing managers with the appropriate strategies, resources and talent to successfully generate returns.

The task of choosing where to commit capital is generally dependent on a variety of selection criteria, indentifying the best performing managers remains a key issue for institutional investors. While past performance is not a guarantee of future success, it can be a helpful indicator as to a manager's talent and expertise lies and there is a significant correlation between the performance of predecessor and successor funds.

Identifying the best performing managers is also problematic as not all funds can be 'top

quartile', and therefore access to accurate, transparent and reliable performance data/ benchmarks is an important part of the process of comparing different managers. As a result, the 2011 Preqin Performance Monitor, now in its eighth edition, can assist in this complex task and also provide fund managers and marketers with the necessary tools to effectively place their vehicles and strategies in context, allowing them to benchmark themselves against their peers and examine where they stand against other specific vehicles and fund types.

Fig. 1.6 shows the top five buyout funds of vintages 2006-2008 by net IRR achieved so far. The funds in this list, all with IRRs of more than 30%, further demonstrate how widely private equity performance can

Fig. 1.7: Top 10 Consistent Performing Buyout Fund Managers

Firm	Location	Overall Number of Funds with Quartile Ranking	Number of Funds in Top Quartile	Number of Funds in Second Quartile	Average Quartile Rank
Altor	Sweden	3	3	0	1.00
Waterland	Netherlands	3	3	0	1.00
Ares Management	US	3	2	1	1.33
Charlesbank Capital Partners	US	3	2	1	1.33
Inflexion	UK	3	2	1	1.33
TowerBrook Capital Partners	UK	3	2	1	1.33
AEA Investors	US	5	3	2	1.40
Archer Capital	Australia	5	3	2	1.40
Patria Investimentos	Brazil	5	4	0	1.40
Berkshire Partners	US	7	5	1	1.43

vary, with each significantly outperforming its respective median benchmark. In the body of this Review, more tables like this are available, showing the best performing funds broken out into different vintages, fund types and regions.

[Consistent Performance](#)

However, it is not just individual fund performance that long-term investors in the asset class are interested in. In order to achieve high returns continually over a longer period of time, investors are keen to identify which managers have consistently outperformed their peers over multiple generations of funds, rather than just on a one-off occasion. Fig. 1.7 shows a top 10 list of buyout fund managers that have consistently outperformed the benchmarks assigned to them. Each fund has been assigned a quartile ranking using Preqin's Performance Analyst database, which contains performance data for over 5,600 private equity funds worldwide, with net IRR and net multiple achieved given equal weighting. Funds ranked in the top quartile are given a score of one, funds in the second quartile are scored two, and so on. The table is compiled using only funds for which Preqin holds performance data and has assigned a quartile ranking. For this reason, funds with vintage years 2009 and 2010 have been excluded; furthermore, the list only includes fund managers which have raised at least three funds of a similar strategy.

Two of the firms shown, Altor and Waterland, have both achieved a top quartile ranking with all of their funds that fit the criteria, and thus both have the best score available – 1.00. Extended lists of consistent performers, broken out into the various fund types, are available in the Consistent Performers chapter of the 2011 Preqin Performance Monitor.

[The 2011 Preqin Performance Monitor](#)

Now in its eighth edition, this year's Performance Monitor contains key metrics for more funds than ever before, with over 5,600 vehicles included, accounting for 70% of all private equity vehicles raised historically by value. This year we have introduced a number of new analyses, including the annual and quarterly change in fund valuations, a look at the effects of past performance on private equity fundraising and an examination of early fund performance as a predictor of a fund's performance at maturity. We have also added a new dimension to our listings, showing the top performing funds by fund type and by vintage year.

Performance information is sourced from both GPs and LPs, ensuring that strong and poor fund performance alike is reported. Multiple sources are used to ensure accuracy. The 2011 Preqin Performance Monitor also includes: detailed analysis sections examining key trends by different fund type, size and region; the examination

of risk and return for different fund types; benchmarks for the different fund types, regions and vintage years; recent developments affecting performance; an analysis of listed private equity performance; dry powder and assets under management; and more. We hope that you find this year's edition of the Performance Monitor to be a useful and effective tool, and as ever welcome any feedback that you may have.



The 2011 Preqin Private Equity Performance Monitor

A comprehensive guide to private equity performance

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2. Methodology

The 2011 Preqin Performance Monitor is focused on the performance of private equity funds available to institutional investors. Direct investments in unlisted corporate securities are not included in this publication.

The fund-level performance data and subsequent analysis contained in the Monitor is collated from our online database – Performance Analyst – the world's most extensive and transparent database of private equity fund performance. At its launch in 2003, Performance Analyst provided data for 1,086 individual funds. Performance Analyst now holds fund level performance data for 5,627 funds - an 11% increase from last year's total. Subscribers to this online service can view all of the data present in the Monitor and gain access to constantly updated fund level performance data. Further information can be found at www.preqin.com.

At Preqin, we aim to show fund-level performance data from the perspective of the LP. Therefore all performance metrics used in the Monitor show the net position to the investor and as such all commitments, contributions, distributions, remaining

values and IRRs are based on the position of the institutional investor before tax but after the GP's management and carried fees have been deducted.

The data is gathered from many different sources and using a variety of means. The majority of our data is obtained through Freedom of Information Act requests to institutional investors. These include CalPERS, Washington State Board Investment, Florida State Board of Administration and many others in the US and the UK. Limited partners are our initial source of performance data and to date there are over 300 public pension funds and endowments contributing data.

Another highly significant and very important source of data is from GPs. Our GP contributors now total 1,316 and have wide ranging investment strategies and geographic focus. As many of our online subscribers are prospective investors who can view performance data on a fund level, GPs recognize the importance of providing the most accurate and up-to-date data consistent with our net-to-LP performance metrics definitions, in order to represent their funds in the most accurate way.

Our wide range of data sources and our extensive research program allows us to verify data for individual funds ensuring a high level of confidence in the accuracy of the data we hold. At Preqin we greatly appreciate GPs that have contributed data on their funds and therefore we are happy to offer those GPs free access to our Performance Benchmark module of Performance Analyst as well as offering a discount on access to the full version. Should you wish to receive further details about contributing data please contact us or visit our website at www.preqin.com for further details.

At Preqin we realize the value of GP feedback on each fund and prior to the release of the Monitor we invited GPs to comment on their individual fund performance to ensure that the data we include in this publication is as accurate as possible. This took place during May and June 2011 and we still welcome any further feedback, which can be incorporated onto the database when it is received.

The date for which the performance figures are valid is provided in the fund listings and is an important consideration for the reader

in order to correctly interpret the data. The Monitor shows the most up-to-date information available at the time of going to press in July 2011. The majority of the data presented in this book is as of the fourth quarter of 2010 or the first quarter of 2011. The instances when the data is older than this will mostly relate to funds with more mature vintages that have distributed most of their capital back to the investors and therefore the data will not change too much. In order to make the most appropriate fund-level comparisons, percentages have been used to represent all performance metrics. The chart on page 11 gives an overview of the performance metrics displayed in the fund listings sections of the Monitor. 'Called percentage' will refer to the ratio of called capital at the date provided against the total amount committed to the fund, whereas 'distributed percentage (DPI)' reflects the amount received by the investor as a percentage of the paid-in capital to date. The 'residual value to paid-in capital percentage (RVPI)' is a measure of the remaining value of the portfolio expressed as a percentage of paid-in capital to date. The multiple is the sum of the distribution and the remaining value expressed as a times factor of the total capital called to

date. The vintage year is the year in which the first investment was made.

At Preqin, we generate benchmarks for all the main performance metrics – called, DPI, RVPI, multiple and IRR – using the median, average, pooled or money-weighted value. However, owing to lack of space, the only benchmark displayed in the Monitor is the median IRR. All benchmark data generated by Preqin is available to subscribers of Performance Analyst and also gives the user the option of creating custom benchmarks from their own user-defined fund universe. All benchmarks are transparent in terms of their constituent funds, which are accessible to the user.

Quartile rankings are also assigned to individual funds. Each fund universe constitutes funds with similar fund types, geographies and vintage years and the quartiles are assigned using a combination of the IRR and multiple rankings of each constituent fund, with an equal weight placed on each of these metrics. In the case where the sample size is small, the funds are assigned a quartile ranking generated against the private equity industry as a whole.

The 2011 Preqin Private Equity Performance Monitor aims to conduct analysis and provide insight to all private equity types from many different geographic regions. We use the term 'private equity' to denote a variety of fund types such as buyout, venture, mezzanine, distressed

debt, special situations, turnaround, real estate, infrastructure, natural resources, balanced, secondary funds and funds of funds. Additional notes regarding our methodologies can be found on our website www.preqin.com and should readers have any further questions relating to either the methodology or performance data they are welcome to contact us.

[Preqin Ltd.](#)

July 2011

2. Distribution (%)

Distributions received to date as a percentage of called capital. E.g. an LP with a \$1mn commitment has received \$292,500 – this is 32.5% of the \$900,000 called.

6. Benchmark IRR:

The median IRR for the relevant peer group. We have specific benchmarks for buyout, venture, early stage, fund of funds, real estate and mezzanine funds. Funds of a different type are benchmarked against "All Private Equity". E.g. in this case vintage 2005 US buyout funds.

1. Called (%)

Percentage of LP's commitment contributed to date. E.g. an LP with a \$1mn commitment will have paid in \$900,000 to date.

8. Date Reported:

This is the 'as at date' for the valuations and performance. E.g. in this case the data is valid as of 31 Dec 2010.

10. Fund Specifics:

Fund size is the total commitment received by the fund – vintage and region focus are used for benchmarking. e.g. In this case, the benchmark is 2005 US buyout funds

Firm name	Fund	Vintage	Fund Size (Mn)	Region Focus	Called (%)	Distributed (%) DPI	Rem. Value (%) RVPI	Multiple (X)	Net IRR (%)	Benchmark IRR (%)	Quartile	Date Reported
Mega Capital Partners	Mega Fund I	2005	100 USD	US	90.0	32.5	105.1	1.38	8.0	8.0	2	31-Dec-10
	Mega Fund II	2006	50 USD	US	60.0	29.7	52.7	0.82	-6.5	4.0	4	31-Dec-10
Example Capital Partners	Example Fund I	2002	500 USD	Europe	100.0	219.0	36.3	2.55	46.4	28.1	1	31-Dec-10
	Example Fund II	2005	700 USD	Europe	90.0	13.9	112.4	1.26	10.3	10.3	3	31-Dec-10

3. Value

Valuation of unrealized investments as percentage of called capital. E.g. an LP with a \$1mn commitment has unrealized investment valued at \$945,900 – which is 112.4% of the \$900,000 called.

7. Quartile Ranking:

This shows which quartile of the relevant peer group the fund falls into. We put equal weight on the IRR and value multiple. E.g. this fund is a second quartile fund.

9. Firm Name/Fund:

The name of the fund manager and their corresponding fund.

5. Net IRR:

The net IRR earned by the LP to date after fees and carry. E.g. in this case 10.3%, counting both distributions and unrealized value.

4. Multiple:

Distributions plus unrealized value. E.g. in this case 1.26 – which is $(13.9\% + 112.4\%) / 100$

Top 10 Funds of Funds for Vintages 1990-1995

Rank	Fund	Firm	Vintage	Fund Size (Mn)	Type	Region Focus	Called (%)	Distr. (%) DPI	Value (%) RVPI	Multiple (X)	Net IRR (%)	Date Reported
1	Capital Dynamics Participation II	Capital Dynamics	1993	3 USD	Fund of Funds	Europe	100.0	785.0	0.0	7.85	69.4	30-Jun-11
2	Capital Dynamics Participation IV	Capital Dynamics	1993	3 USD	Fund of Funds	Europe	100.0	782.0	8.0	7.90	62.0	30-Sep-10
3	Capital Dynamics Participation I	Capital Dynamics	1992	4 USD	Fund of Funds	Europe	100.0	355.0	0.0	3.55	53.6	30-Jun-11
4	Endowment Venture Partners II	Commonfund Capital	1993	175 USD	Fund of Funds	US	100.0	488.5	4.3	4.93	48.6	31-Mar-11
5	Capital Dynamics US Private Equity 1992	Capital Dynamics	1992	18 USD	Fund of Funds	US	100.0	525.0	4.0	5.29	48.6	30-Sep-10
6	Pantheon Europe 1994	Pantheon Ventures	1994	128 EUR	Fund of Funds	Europe	100.0	280.3	1.0	2.81	43.8	31-Dec-10
7	Capital Dynamics Participation III	Capital Dynamics	1993	3 USD	Fund of Funds	Europe	100.0	299.0	0.0	2.99	37.1	30-Jun-11
8	Venture Investment Associates	Venture Investment Associates	1993	180 USD	Fund of Funds	US	100.0	273.0	0.0	2.73	36.6	30-Jun-11
9	HarbourVest Partners IV Partnership	HarbourVest Partners	1993	196 USD	Fund of Funds	US	96.0	336.9	0.0	3.37	34.8	30-Jun-11
10	Knightsbridge Integrated Holdings II	Knightsbridge Advisers	1992	59 USD	Fund of Funds	US	100.0	374.2	5.2	3.79	33.6	30-Jun-10

Top 10 Real Estate Funds for Vintages 1990-1995

Rank	Fund	Firm	Vintage	Fund Size (Mn)	Type	Region Focus	Called (%)	Distr. (%) DPI	Value (%) RVPI	Multiple (X)	Net IRR (%)	Date Reported
1	RAR/CREL Investment Fund II	Rockwood Capital	1995	83 USD	Real Estate	US	100.0	138.1	0.0	1.38	32.7	30-Jun-11
2	Brazos Fund	Lone Star Funds	1995	250 USD	Real Estate	US	98.3	147.4	0.0	1.47	32.3	30-Jun-11
3	Westbrook Real Estate Fund I	Westbrook Partners	1995	684 USD	Real Estate	US	101.0	226.5	0.0	2.26	26.4	30-Jun-11
4	AG Realty Fund II	Angelo, Gordon & Co	1995	33 USD	Real Estate	US	100.0	215.0	0.0	2.15	25.0	30-Jun-11
5	Chesapeake Property Finance Fund	Alex. Brown Realty	1994	20 USD	Real Estate	US	100.0	221.5	0.0	2.22	24.6	30-Jun-11
6	AG Realty Fund	Angelo, Gordon & Co	1994	30 USD	Real Estate	US	100.0	197.0	0.0	1.97	23.0	30-Jun-11
7	BlackRock Asset Investors	BlackRock Realty	1995		Real Estate	US	105.9	137.0	0.0	1.37	21.9	30-Jun-11
8	BPG Investment Partnership II	BPG Properties	1995	66 USD	Real Estate	US	97.0	220.0	0.0	2.20	21.0	30-Jun-11
9	RAR/CREL Investment Fund I	Rockwood Capital	1990	202 USD	Real Estate	US	100.0	104.1	0.0	1.04	20.7	30-Jun-11
10	Whitehall Street V & VI	Goldman Sachs Merchant Banking Division	1994	1,055 USD	Real Estate	US	96.1	235.1	0.6	2.36	19.4	30-Jun-10

4. Trends in Private Equity Performance

The past performance of a fund manager is an important consideration for prospective investors. Whether seeking to form new fund manager relationships or deciding whether to re-invest with an existing partnership, the knowledge that a fund manager has been able to achieve top quartile returns with its previous funds is an important factor in the decision. As well as a prospective GP's past track record, LPs are also interested in the performance of their more recent funds currently participating in an environment more closely resembling that of today. At Preqin, we assign benchmarks from the third year of a fund's life in order to compare its performance against its peers. By examining the quartile changes from over 12 years' worth of historic returns over time, we are able to gain an insight into how performance of a fund at various stages of its investment life cycle can indicate the likely performance of the fund at maturity.

Figs. 4.1 and 4.2 show the relationship of the quartile rankings at the fourth year of investment with the quartile rankings at maturity for buyout and venture funds respectively. These graphs give an indication of the relevance of early performance to a fund's final quartile ranking and show that,

especially for top and bottom quartile funds, early performance can act as a predictor for future relative performance.

Fig. 4.1 shows the relationship between the quartile ranking at the fourth year of investment and at maturity for buyout funds. This graph shows that 50% of buyout funds ranked in the top quartile after their fourth investment year remained in the top quartile at maturity, and 75% of top quartile buyout funds at year four went on to achieve above median returns. Only 4% of such vehicles went on to achieve bottom quartile returns. Similarly, for buyout funds which are ranked in the bottom quartile after year four, 74% are ranked in the third or fourth quartile at maturity. However, it should be noted that 12% of such funds were able to achieve top quartile returns at the end of their fund lives. For venture funds, Fig. 4.2 shows that 60% of funds ranked in the top quartile during their fourth investment year have gone on to achieve top quartile returns at maturity. No venture funds that were ranked in the bottom quartile during the fourth investment year were able to achieve top quartile returns at the end of their fund lives, with only 8% achieving returns above the median.

Fig. 4.1: Buyout Funds - Relationship between Quartile Ranking at Fourth Investment Year and at Maturity

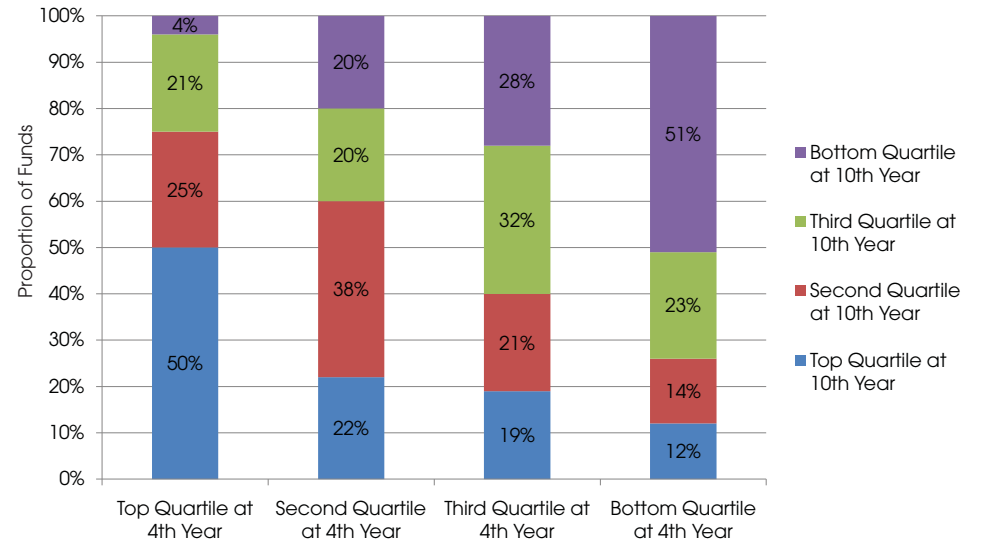
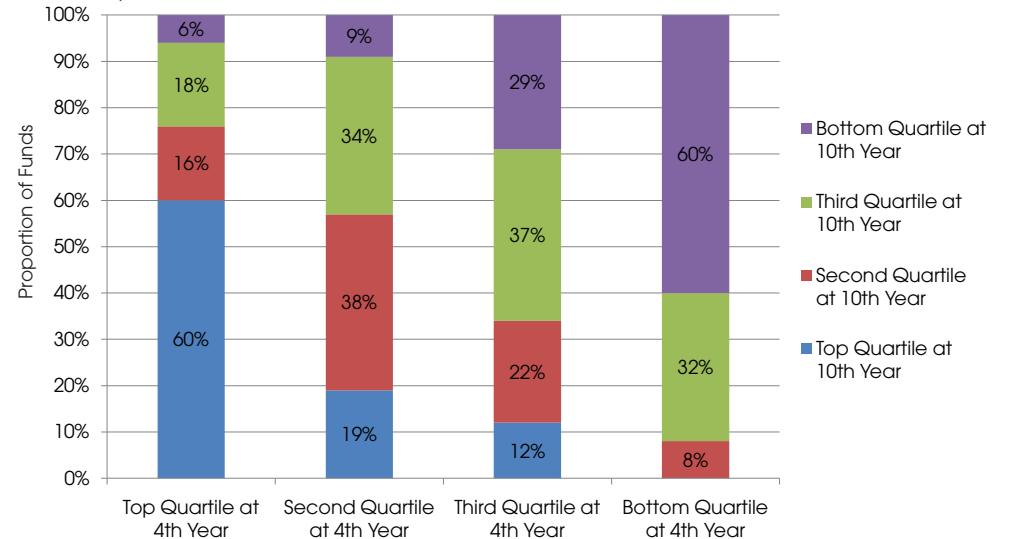


Fig. 4.2: Venture Funds - Relationship between Quartile Ranking at Fourth Investment Year and at Maturity



5. The Effects of Past Performance on Fundraising

Fundraising has become increasingly competitive since the financial crisis; the number of funds on the road has remained at near record levels while the level of new capital commitments made to new vehicles has dropped by over 50% since the peak years of 2006-2008. However, over the past year, the number and value of private equity-backed exits have significantly increased, returning capital to investors ready to be reinvested.

For an LP, identifying potential new fund investments is a complex task and with many fund managers trying to attract new investors, LPs have a large selection of private equity investment opportunities available to them for consideration. For a fund manager, it is more important than ever to distinguish themselves from their peers in order to attract necessary capital to successfully raise new fund vehicles. It was demonstrated within the Trends in Private Equity Performance chapter of this book that performance quartiles can be used as an indicator of potential quartile ranking at maturity as early as the fourth investment year. This analysis enables us to examine the effect of past performance on a fund manager's ability to raise new funds by

examining the effect of past performance on future fund size, time spent fundraising and the ability to achieve a fundraising target.

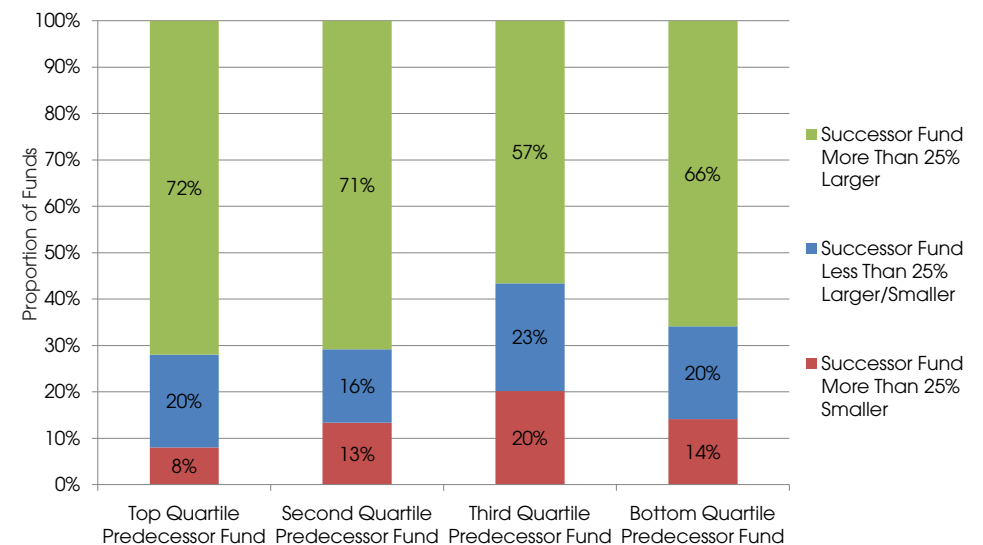
Fig. 5.1 shows how the performance of a GP's last fund influences the size of its next fund. The graph is calculated by examining the latest two funds managed by each firm in the sample and by comparing the performance of the predecessor fund with the size of the successor fund. This gives an indication of the impact of past performance on the ability of a fund manager to raise a larger subsequent fund. The proportion of firms with a top quartile or second quartile predecessor fund that were able to raise a successor fund more than 25% larger in size was 72% and 71% respectively, showing that the majority of fund managers with a predecessor fund achieving above median returns saw a significant increase in their successor funds' sizes. This graph also shows that the 57% and 66% of firms with a predecessor fund ranked in the third and fourth quartiles respectively are able to raise a successor fund more than 25% larger than its predecessor. In contrast, 8% of firms with a top quartile predecessor fund raised a successor fund more than

25% smaller in size whereas this was the case with 20% of managers with third quartile predecessor funds and 14% of managers with bottom quartile predecessor funds. These results indicate that there is some correlation between a manager's previous performance and its ability to raise larger successor funds. However, the performance of a predecessor fund does not appear

to impact the size of a successor fund as much as intuition would possibly suggest.

Fig. 5.2 shows the impact of a fund manager's past performance on time spent raising a new fund. Time spent on the road for new funds is an important measure of a fund manager's success, as even in a difficult fundraising environment, successful fund managers have been able

Fig. 5.1: Breakdown of Predecessor Funds' Quartiles vs. Increase in Successor Funds' Size



Median All Private Equity, All Regions, as at March 2011

Vintage	Number of Funds	Median Fund			Multiple Quartiles			IRR Quartiles (%)			Max/Min (%)	
		Called (%)	Dist (%) DPI	Value (%) RVPI	Q1	Median	Q3	Q1	Median	Q3	Max	Min
2011	15	5.0%	0.0%	66.3%	0.98	0.80	0.24	n/m	n/m	n/m	n/m	n/m
2010	69	21.0%	0.0%	97.9%	1.04	0.98	0.93	n/m	n/m	n/m	n/m	n/m
2009	58	32.7%	0.9%	101.0%	1.23	1.06	0.92	n/m	n/m	n/m	n/m	n/m
2008	165	51.1%	6.0%	95.0%	1.25	1.08	0.93	19.7%	9.6%	-4.2%	97.3%	-50.8%
2007	191	69.0%	7.4%	93.5%	1.27	1.05	0.94	14.0%	5.6%	-1.0%	98.8%	-40.6%
2006	185	85.6%	15.0%	90.0%	1.27	1.08	0.93	8.6%	3.9%	-2.9%	32.0%	-100.0%
2005	156	91.2%	28.5%	81.5%	1.38	1.18	0.97	9.8%	7.0%	1.4%	96.0%	-93.5%
2004	116	98.4%	52.2%	70.5%	1.69	1.26	1.03	21.3%	9.3%	3.0%	85.9%	-41.8%
2003	77	97.2%	95.0%	56.4%	1.76	1.54	1.18	23.0%	15.1%	5.3%	60.2%	-28.2%
2002	65	99.0%	122.9%	32.0%	2.05	1.57	1.30	25.9%	16.5%	10.0%	72.0%	-47.2%
2001	97	100.0%	134.6%	23.4%	2.01	1.55	1.21	26.5%	15.7%	5.5%	70.0%	-100.0%
2000	123	100.0%	133.8%	19.5%	2.08	1.52	1.14	23.5%	13.9%	6.9%	73.0%	-66.2%
1999	94	100.0%	125.8%	5.2%	1.80	1.44	0.84	15.0%	9.4%	0.8%	39.7%	-40.6%
1998	110	100.0%	143.0%	0.0%	1.93	1.49	1.13	18.0%	11.0%	3.4%	514.3%	-100.0%
1997	118	100.0%	161.0%	0.0%	2.30	1.66	1.30	30.3%	13.6%	6.2%	267.8%	-26.7%
1996	84	100.0%	170.0%	0.0%	2.24	1.80	1.35	27.8%	14.4%	7.3%	147.4%	-33.3%
1995	80	100.0%	167.0%	0.0%	2.30	1.69	1.23	28.0%	16.8%	6.3%	447.4%	-19.9%
1994	75	100.0%	182.4%	0.0%	2.47	1.81	1.46	34.7%	19.0%	10.5%	92.2%	-22.0%
1993	73	100.0%	220.7%	0.0%	3.22	2.21	1.56	37.4%	19.9%	11.0%	121.4%	-14.8%
1992	61	100.0%	163.0%	0.0%	2.30	1.63	1.22	28.7%	16.9%	7.0%	110.4%	-49.9%
1991	40	100.0%	224.7%	0.0%	3.04	2.25	1.84	31.1%	22.5%	11.2%	346.4%	-0.5%
1990	56	100.0%	190.1%	0.0%	2.46	1.90	1.35	21.0%	15.6%	7.0%	74.4%	-35.9%
1989	72	100.0%	228.4%	0.0%	3.32	2.29	1.60	30.3%	16.4%	10.7%	198.5%	-42.1%
1988	49	100.0%	215.6%	0.0%	3.02	2.16	1.64	29.9%	14.9%	9.8%	54.5%	-9.3%
1987	42	100.0%	215.2%	0.0%	3.22	2.15	1.36	21.3%	14.5%	7.0%	31.3%	-12.4%
1986	34	100.0%	187.5%	0.0%	2.37	1.88	1.38	16.5%	10.3%	5.5%	65.0%	-4.9%
1985	38	100.0%	184.8%	0.0%	2.71	1.85	1.43	17.5%	12.4%	6.8%	40.7%	-3.0%
1984	31	100.0%	209.3%	0.0%	2.85	2.09	1.57	15.5%	12.6%	7.6%	96.2%	1.7%
1983	23	100.0%	169.6%	0.0%	2.64	1.70	1.57	17.2%	9.9%	6.2%	51.6%	-3.5%
1982	15	100.0%	175.3%	0.0%	2.69	1.76	1.70	13.1%	9.7%	7.7%	64.3%	-1.6%
1981	10	100.0%	141.9%	0.0%	1.87	1.42	1.01	17.7%	9.7%	3.3%	67.4%	-0.3%

Firm Name	Fund	Vintage	Fund Size (Mn)	Region Focus	Called (%)	Distributed (%) DPI	Rem. Value (%) RVPI	Multiple (X)	Net IRR (%)	Benchmark IRR (%)	Quartile	Date Reported
3i	3i 94 LMBO Plan	1994	170 GBP	Europe	98.4	140.0	0.0	1.40	11.7	41.8	4	30-Jun-11
	3i UK Investment Partners	1996	415 GBP	Europe	96.8	131.0	9.8	1.41	8.3	21.5	4	31-Dec-10
	3i UK Investment Partners II	1997	378 GBP	Europe	95.2	114.0	0.0	1.14	2.6	14.2	4	30-Jun-11
	3i Europe Partners III	1999	1,995 GBP	Europe	90.5	204.0	7.8	2.12	19.7	17.0	2	31-Dec-10
	3i Japan Buyouts Fund	2000	20,000 JPY	ROW	30.0	163.8	0.0	1.64	32.8	18.3	2	30-Jun-11
	3i Europe Partners IV	2003	3,000 EUR	Europe	95.8	164.4	37.7	2.02	28.2	22.6	2	31-Dec-10
	3i Europe Partners V	2006	5,000 EUR	Europe	75.5	10.0	63.0	0.73	-14.1	-0.1	4	31-Dec-10
40/86 Advisors	Conseco Capital Partners II	1994	624 USD	US	12.5	279.6	0.0	2.80	92.2	19.8	1	30-Jun-11
ABN AMRO	Third Causeway Development Capital	1990	60 GBP	Europe	100.0	143.0	0.0	1.43	n/a	21.1	4	30-Jun-11
	Fourth Causeway Development Capital Fund	1995		Europe	94.0	118.6	0.0	1.19	n/a	17.6	2	30-Jun-11
ABRY Partners	ABRY I	1989	35 USD	US	71.0	492.0	0.0	4.92	64.0	31.8	1	30-Jun-11
	ABRY II	1995	250 USD	US	100.0	315.2	10.2	3.25	47.3	14.6	1	30-Jun-10
	ABRY III	1997	581 USD	US	99.5	91.4	17.6	1.09	n/a	6.6	3	31-Dec-10
	ABRY IV	2000	776 USD	US	71.0	105.1	147.3	2.52	20.7	14.5	1	30-Jun-10
	ABRY V	2005	900 USD	US	90.3	140.4	57.1	1.97	19.4	8.0	1	31-Dec-10
	ABRY VI	2008	1,350 USD	US	87.0	3.3	116.2	1.19	18.7	3.4	2	31-Dec-10
Accel-KKR	Accel - KKR Company	2000	250 USD	US	100.0	114.9	64.1	1.79	6.5	14.5	3	31-Dec-10
	Accel-KKR Capital Partners III	2008	600 USD	US	33.3	0.0	96.0	0.96	-5.7	3.4	3	31-Mar-10
Accent Equity Partners	Accent Equity 2003	2003	250 EUR	Europe	96.0	134.0	60.6	1.95	n/a	22.6	3	31-Mar-11
	Accent Equity 2008	2007	380 EUR	Europe	48.3	0.0	126.4	1.26	n/a	2.1	1	31-Mar-11
ACI Capital	ACI Capital II	2006	335 USD	US	67.7	0.0	14.1	0.14	-59.5	4.5	4	30-Sep-10
ACON Investments	Bastion Capital Fund	1994	125 USD	US	98.0	197.2	0.0	1.97	18.9	19.8	2	30-Jun-11
	Acon-Bastion Partners Fund II	2007	478 USD	US	85.4	0.0	190.0	1.90	25.1	5.6	1	31-Mar-11
	ACON Latin America Opportunities Fund	2009	173 USD	ROW	24.4	0.0	131.8	1.32	n/m	n/m	n/m	31-Mar-11
Actera Group	Actera Partners	2007	475 USD	Europe	67.0	0.0	196.0	1.96	30.6	2.1	1	31-Mar-11

Fig. 22.4: Real Estate - Net IRR Deviation from Median Benchmark

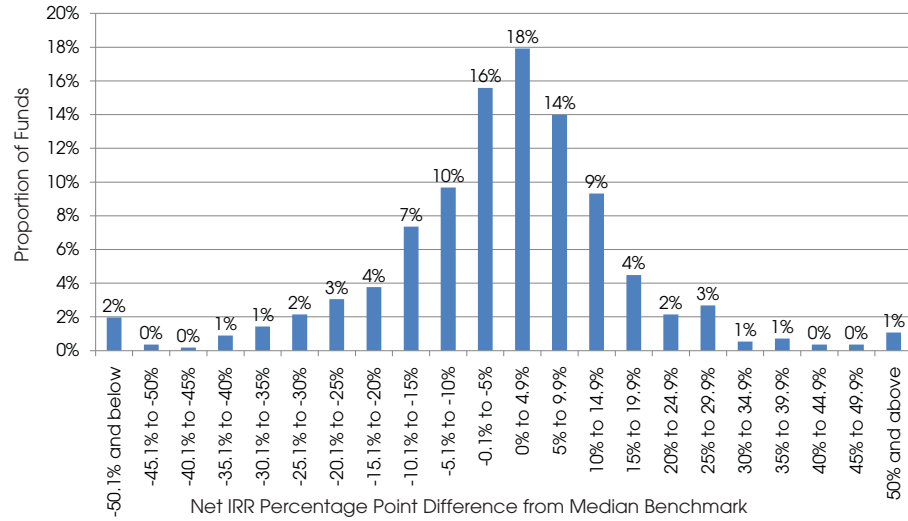


Fig. 22.5: Real Estate - Median Net Multiple: Value Added vs. Opportunistic Funds



Fig. 22.6: Real Estate - Annual Contributions and Distributions with Net Cash Flow (LP with \$10mn commitment)

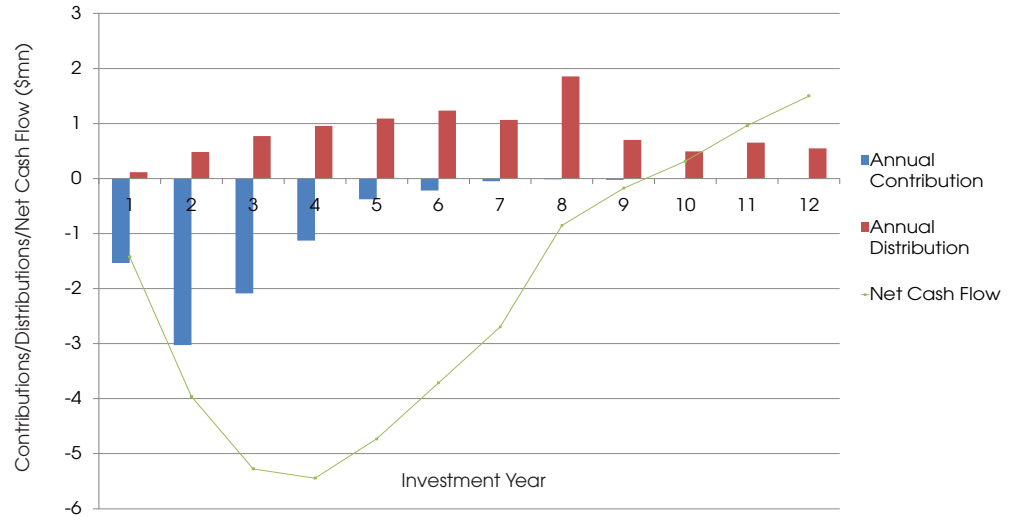
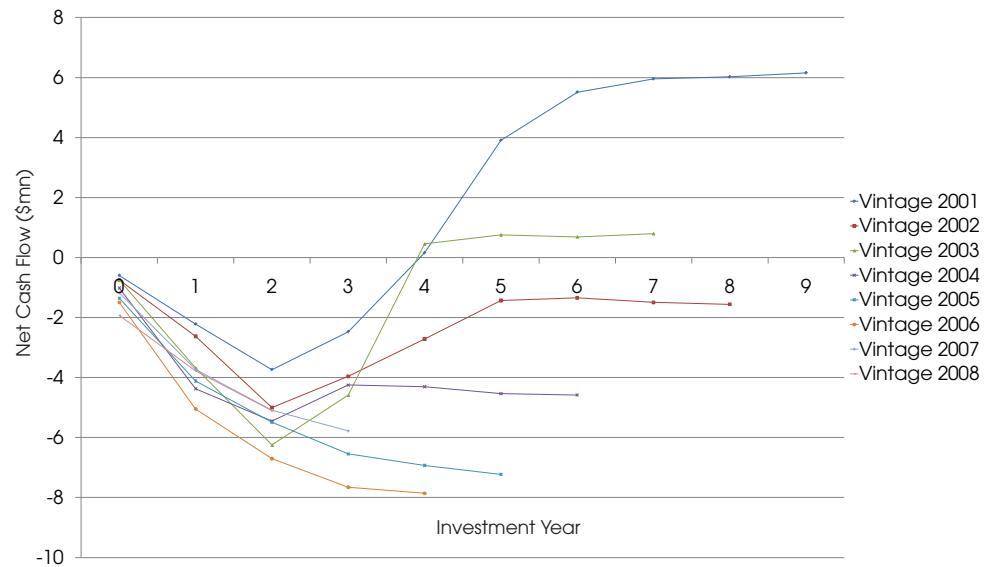


Fig. 22.7: Real Estate - Net Cash Flow by Vintage Year (LP with \$10mn Commitment)

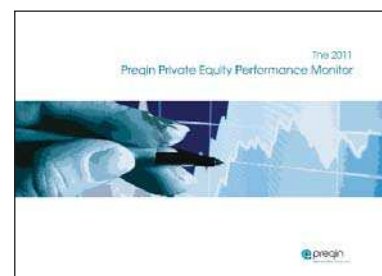


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