



Preqin Industry News: H1 2013 Round-Up

Ignatius Fogarty looks at some of the largest investor commitments of H1 2013 and the funds that have successfully exceeded their fundraising targets.

There were several large investor commitments in H1 2013:

[CPP Investment Board](#) committed €750mn to [CVC Private Equity Partners VI](#), which closed in July having raised €10.5bn, above its initial fundraising target of €9bn. It invests in Western European mid-market companies with an enterprise value of between €500mn and €5bn.

[Washington State Investment Board](#) committed \$750mn to [Warburg Pincus Private Equity XI](#), managed by [Warburg Pincus](#), which closed on \$11.2bn. WSIB has a current allocation to private equity of 23.6% of total assets, which is below its 25% target allocation to the asset class.

[Texas Permanent School Fund State Board of Education](#) (SBOE) hired [Neuberger Berman](#) for a \$900mn separate account – [Neuberger Berman/Texas Permanent School Fund II](#). As part of this partnership, Neuberger Berman will have discretion over SBOE's co-investment activity and the sovereign wealth fund's investments in private equity funds will be decided by a joint committee of internal SBOE staff Neuberger Berman portfolio managers.

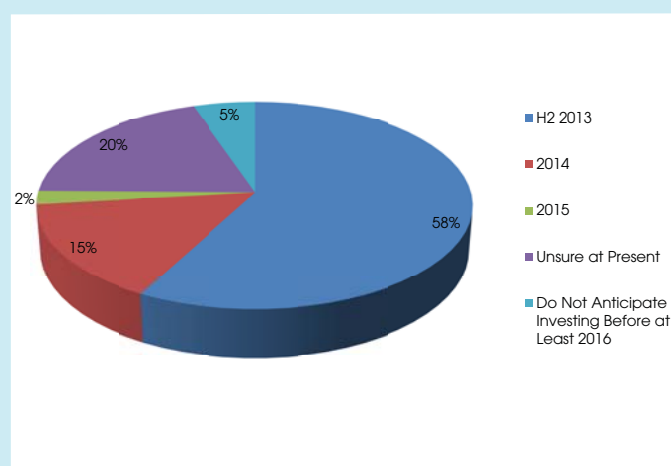
Several landmark funds closed during H1 2013, exceeding their fundraising targets:

[Kohlberg Kravis Roberts](#) (KKR) closed [KKR Asia Fund II](#) in June, raising \$6bn for the largest Asia-focused fund ever, exceeding its initial target of \$4bn. Investors in the fund include [California Public Employees' Retirement System](#) (CalPERS) and [Cathay Life Insurance](#). The fund will be investing in Australia, China, India, Japan and South Korea.

[Highbridge Partners](#) raised the third largest mezzanine fund ever, raising \$4.4bn for [Highbridge Mezzanine Fund II](#), \$1.4bn over its initial target of \$3bn. The fund will be targeting investments of between \$50mn and \$250mn in the securities of companies with

When are investors looking to make their next private equity fund commitment?

Chart of the Month: Timeframe for Next Intended Commitments to Private Equity Funds



Source: Preqin Investor Interviews, June 2013

A significant 58% of investors plan to make their next private equity fund commitment in H2 2013, with an additional 15% planning new commitments in 2014, indicating fundraising may be set for further improvement in the next 12 months.

revenues in excess of \$500mn, primarily in the US and Western Europe. Investors include [Manulife Financial](#), [Chartis](#) and [Unum Provident Corporation](#).

[Riverstone Holdings](#) raised the third largest natural resources fund ever, after securing \$7.7bn for [Riverstone Global Energy and Power Fund V](#), exceeding its initial target of \$6bn. Investors include [Metlife Insurance Company](#) and [State of Wisconsin Investment Board](#). The fund will invest across the globe in oil and gas, energy and power opportunities.

Do you have any news you would like to share with the readers of Spotlight? Perhaps you're about to launch a new fund, have implemented a new investment strategy, or are considering investments beyond your usual geographic focus?

Send your updates to spotlight@preqin.com and we will endeavour to publish them in the next issue.