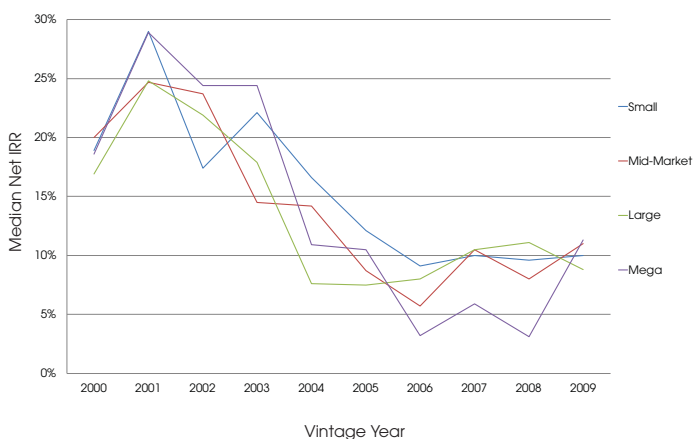




Performance of Buyout Funds by Size

Vasilisa Starodubtseva evaluates the performance of private equity buyout funds by size using median net IRRs by vintage year and the PrEQIn Index.

Fig. 1: Buyout Funds by Size* - Median Net IRRs by Vintage Year

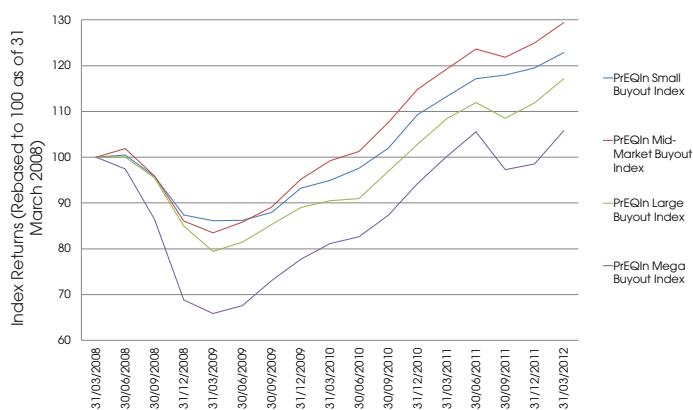


Source: Preqin Performance Analyst

Fig. 1 shows the median net IRRs by vintage year for buyout funds by size. Of the earlier vintages shown, mega buyout funds are among the best performers, with a median net IRR of 28.9% for vintage 2001 funds. From vintage 2004 onwards, however, the median returns of mega buyout funds have fallen by more than for the other size groups, and small, mid-market and large buyout funds of vintages 2006 to 2008 are significantly outperforming their mega-sized counterparts.

While the median IRR figures shown in Fig. 1 provide a helpful summary of the performance of the various buyout size groups by vintage, for an overall picture of how funds across all vintages have performed relative to each other since a certain point in time, it is useful to view the PrEQIn Index figures. The PrEQIn Index captures in an index the returns earned by investors on average in their private equity portfolios, based on the actual amount of money invested in private equity partnerships.

Fig. 2: Buyout Funds by Size* - PrEQIn Indices



Source: Preqin Performance Analyst

Fig. 2 shows the PrEQIn Small, Mid-Market, Large and Mega Buyout Indices rebased to 100 as of 31st March 2008, and demonstrates how mid-market buyout funds have been the best performers overall in the period since then. As of 31st March 2012, the PrEQIn Mid-Market Buyout Index stands at 129.4, compared to 112.9 for small buyout funds, 117.2 for large buyout funds, and 105.8 for mega buyout funds. Following the low point for returns in Q1 2009, the PrEQIn Mid-Market Buyout Index moved to become the best performing of the buyout size groups in Q3 2009 and has remained as such since then. Over the period from Q1 2008, mega buyout funds have underperformed the other groups significantly, and suffered a further sharp dip between Q2 and Q3 2011.

Data Source:

All the data used in this analysis is available on Preqin's [Performance Analyst](#) service, the most extensive and transparent database of private equity and venture capital fund performance. To find out how [Performance Analyst](#) can help you, please visit:

www.preqin.com/pa

* Size Ranges:

Vintage 1992-1996: Small Buyout ≤ \$200mn, Mid-Market Buyout \$201-500mn, Large Buyout > \$500mn

Vintage 1997-2004: Small Buyout ≤ \$300mn, Mid Buyout \$301-750mn, Large Buyout \$751mn-\$2bn, Mega Buyout > \$2bn

Vintage 2005-2012: Small Buyout ≤ \$500mn, Mid Buyout \$501mn-\$1.5bn, Large Buyout \$1.6-4.5bn, Mega Buyout > \$4.5bn