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Welcome to the latest edition of Private Equity Spotlight, the monthly newsletter from Preqin providing insights into private equity performance, investors and fundraising. Private Equity Spotlight combines information from our online products Performance Analyst, Investor Intelligence, Fund Manager Profiles, Funds in Market, Secondary Market Monitor, Buyout Deals Analyst and Venture Deals Analyst.

May 2012
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FEATURED PUBLICATION:

The 2012 Preqin Sovereign Wealth Fund Review

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Private Equity Spotlight

May 2012

Feature Articles

Welcome to a very special edition of Private Equity Spotlight. This month's newsletter contains three in-depth feature articles, covering some of the most important topics in the private equity industry today:

Preqin Investor Network: Challenges Facing LPs

Investors in private equity are faced with tough decisions - how can the best fund managers be sourced in such a crowded environment? How can a positive cash flow be maintained? While LPs want more control over their private equity portfolios it is impossible to know everything, but Preqin is here to help.
Page 3.

Venture Capital: Market Overview

While there is much debate over the performance of venture capital funds, investor interest remains positive. Preqin has now launched its Venture Deals Analyst online service, and to mark the occasion we provide all the key stats.
Page 7.

Asian Performance Benchmarks

Preqin is proud to introduce the private equity industry's first ever Asian performance benchmarks. How has the industry performed in Asia? Have Asia-focused private equity funds beaten public markets? We investigate further.
Page 11.

Preqin Industry News

Each month Preqin's analysts speak to hundreds of investors, fund managers and intermediaries from around the world, uncovering vital, exclusive intelligence. This month's Industry News features important updates regarding the venture capital industry.
Page 14.

The Facts

Conferences - details of upcoming private equity conferences from around the world.
Page 15.

You can download all the data in this month's Spotlight in Excel.
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Preqin Investor Network:
Challenges Facing LPs

Alex Jones discusses some of the main issues that are facing institutional investors in private equity today. What are the main concerns for LPs looking to build a strong private equity portfolio in 2012 and how can obstacles be overcome?

Last year was a significant period for the private equity industry, with the impact of the ongoing eurozone sovereign debt crisis and renewed fears of recession gripping markets across the world. Difficult conditions have prevailed for investors and fund managers alike. At present a record number of private equity funds are hoping to attract capital and consequently investors in the asset class are faced with complicated decisions regarding fund selection, assessing performance and ensuring that they get the best deal.

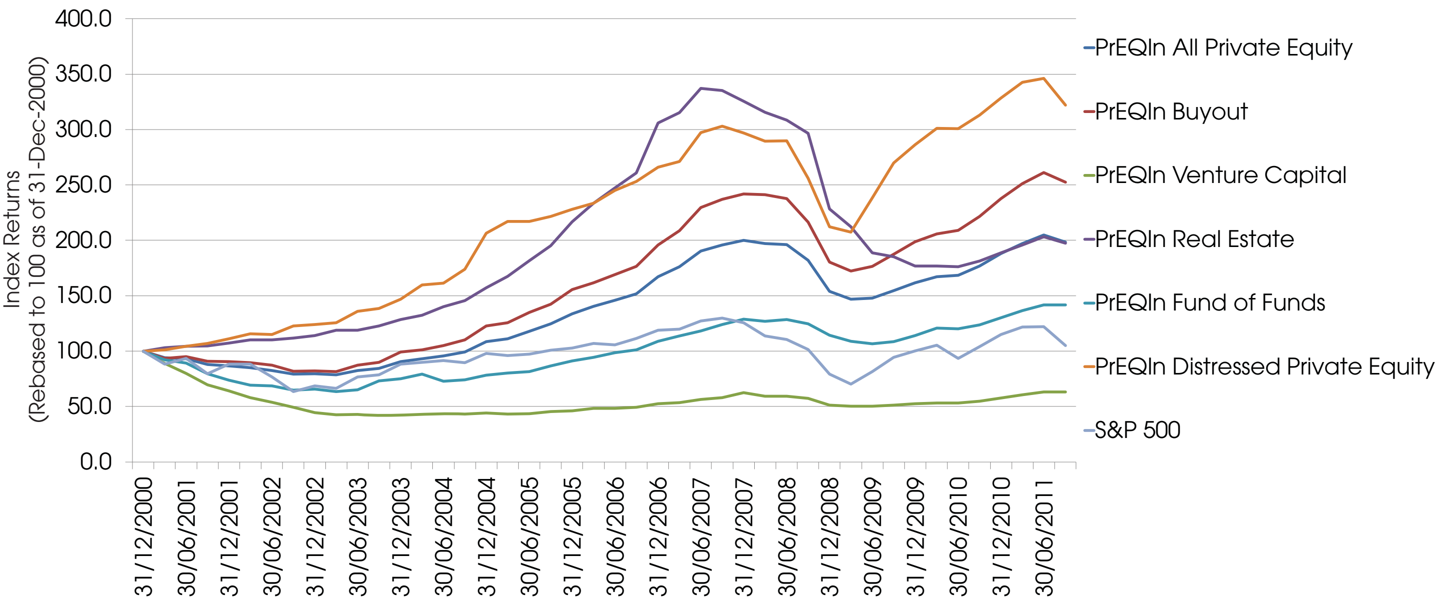
There is certainly a degree of difficulty in building a successful private equity portfolio. With vastly divergent returns generated by the best and worst performing managers and so many options available, how can investors ensure that a fund manager has a history of being a top performer? How do investors identify areas that others are seeing as enticing? Investors in private equity are now more sophisticated than ever, with a detailed understanding of the asset class and a yearning to have more control over their portfolios; however, access to unbiased, up-to-date, and accurate intelligence can be difficult to source. This information can be key to ensure the building of a successful portfolio and to form long-lasting and fruitful partnerships with fund managers.

Can Private Equity Still Offer Outperformance?

Investors planning on building a diversified portfolio may ask the question – has private equity investment retained its edge over traditional investment instruments? While fund terms and conditions – including fees – have evolved to become more investor-friendly, there is still a financial and liquidity cost associated with getting access to private equity funds and consequently returns above and beyond other asset classes is required to justify this.

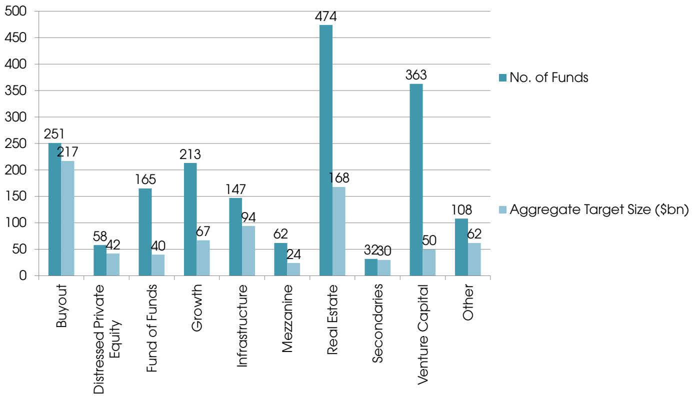
As shown in Fig. 1, the PrEQIn Index shows that all private equity strategies, with the exception of venture capital, have outperformed Standard and Poor's free-float capitalization-weighted index of 500 US-based large cap stocks (S&P 500) since 31st December 2001. Indeed, the PrEQIn All Private Equity Index, which takes into account the performance of each of the various fund types, has remained above the S&P 500 for all of the quarters shown, with the exception of 30th June 2001, 31st December 2000 and 31st March 2002. As of the latest data available, the PrEQIn All Private Equity Index stands at 198.5 and the S&P 500 at 105.1.

Fig. 1: PrEQIn Index: All Strategies vs. S&P 500



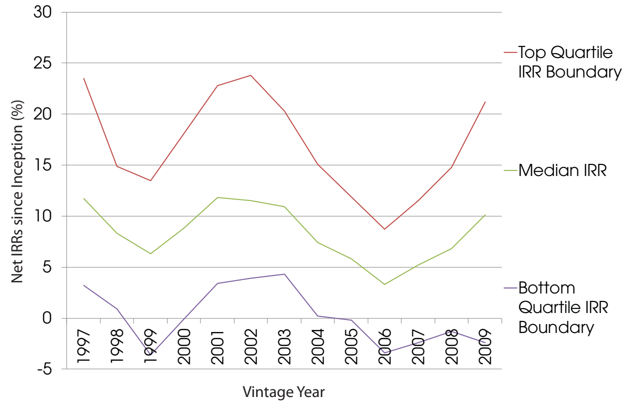
Source: Preqin

Fig. 2: Breakdown of Funds Currently in Market (As at 15th May 2012)



Source: Preqin

Fig. 3: All Private Equity - Median Net IRRs and Quartile Boundaries by Vintage Year



Source: Preqin

Despite this outperformance of the asset class as a whole, the returns generated by the various private equity fund types can vary significantly, and therefore it is important for investors to identify the strategies that fit their risk/return appetite.

Of the various strategies, distressed private equity – a high risk, high return approach – demonstrates the kind of outperformance that investors seek. The index shows a steady quarterly increase for the fund type from Q4 2000 until Q3 2007 when distressed private equity began to be affected by the period of financial dislocation. From Q3 2009, the index increased sharply, and distressed private equity is currently the best performing private equity fund type, as managers have sought to take advantage of the relative abundance of distressed investment opportunities caused by the economic downturn.

Buyout funds hold the largest proportion of capital in the industry and have also generated attractive, market beating returns. The PrEQIn Buyout Index shows that after a period of growth from 2003 onwards, performance for the fund type declined in 2008 and reached its lowest point in Q1 2009; however since then returns have increased each quarter, peaking in Q2 2011 at 261.3, before declining over the most recent quarter shown. Furthermore, it can be seen that the buyout index has been outperforming the PrEQIn All Private Equity Index since Q1 2001.

An Overcrowded Market – Cutting Through the Fog

At present the private equity fundraising market is at its most crowded levels. As shown by the breakdown in Fig. 2 there are over 1,800 funds in market seeking over $794bn from investors at present. Despite the high levels of interest from investors in the asset class, it is clear that there is simply not enough capital to go around and satisfy the requirements of all of these funds.

The difficulty for investors is to cut through the fog of so many offerings and make use of the numerous new investment opportunities available, while also balancing the prospect of existing fund managers returning to the fundraising trail with new vehicles. It is likely that for many investors they will have to choose whether they will continue their strong existing relationships with managers seeking re-ups, or whether their capital is best used to form new relationships with one of the many GPs already on the road. Consequently, it is important for investors to be aware of which funds are currently in market and what opportunities other investors are seeing as interesting.

The Importance of Fund Selection

Even the most discerning investor can have a difficult time picking out fund managers that can offer the best possibilities of generating attractive returns. Most managers claim to offer top quartile performance, but by definition this is not possible. This is a significant issue due to the fact that the difference in the returns offered by the top and bottom performing funds is considerable. Fig. 3 shows the gap between the top and bottom quartile boundaries by vintage year, highlighting the spread between the very best and worst GPs. For vintage years from 2005 onwards, the bottom quartile of funds exhibits net IRRs in the red, while the top performers have positive net IRRs in the double digits for every vintage year (with the exception of 2006).

Clearly it is important for LPs to allocate to the best managers, but how is this achieved? One of the most important indicators is the performance track record of a GP. While past performance is no guarantee of future success, it can be a positive indicator of the approach and dedication of an investment team and can be useful in assessing how a fund manager has performed during past periods of economic stress. In addition to this, however, it is also important for investors to assess the fundraising market. It can be helpful for investors to be able to identify managers that have defied the difficult fundraising conditions and have a vehicle on the road that is attracting substantial institutional interest. Getting access to these funds before they close requires a keen eye on the market and is a further indicator of a potentially exciting investment opportunity.

Preqin Investor Network

With all of these issues in mind, Preqin has now launched the Preqin Investor Network – a free online resource available to accredited investors and qualified purchasers across the globe.

The Network provides subscribers with free access to in-depth and up-to-date information on private equity performance and fundraising conditions. We feel that it is vital to provide investors with intelligence to help them navigate the crowded market environment and identify the best options for their portfolios. The Network also provides investors with free access to our fund benchmarking resource, PrEQIn - the industry's first quarterly private equity index - and our Research Centre, which contains all the most relevant Preqin research reports to help stay on top of the latest trends and interesting prospects.

Interested in finding out more? Please visit www.preqin.com/pin for full details and to apply for complimentary access.

Data Source:

This article draws upon research and analysis using the new Preqin Investor Network online service.

Providing access to in-depth data and intelligence regarding private equity fundraising, performance and more, this valuable resource is available to accredited investors for FREE.

For further information on how Preqin Investor Network can help you, or to apply for a demo of the service, please visit:

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Venture Capital: Market Overview

Since the collapse of the dot-com bubble, venture capital performance has remained relatively flat, but have VC deal and fundraising markets been affected? Jonathan Parker and Rich Stus examine the latest trends in the venture capital space.

Venture capital (VC) has been at the forefront of the private equity industry since the 1990s. Today VC still play a major role in the private equity ecosystem, with venture capitalists continuing to find and fund innovative companies. Despite this, however, the investment performance of venture capital funds has proven to be relatively poor in contrast to other strategies such as buyout and distressed private equity. To investigate further, Preqin takes a look at the VC industry from fundraising to deal execution, attempting to gain a better understanding of why this high-risk, high-reward potential investment strategy remains a prominent part of the private equity world.

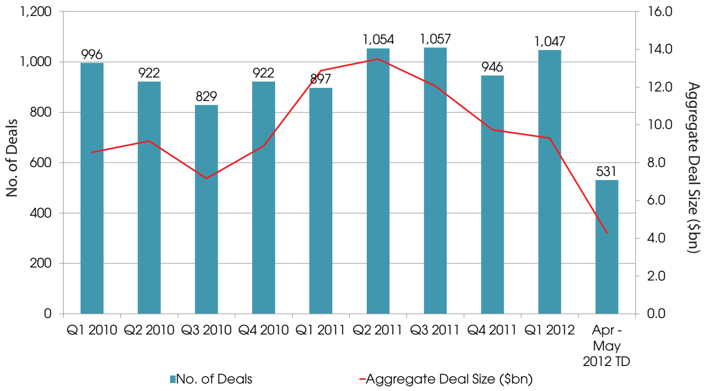
Overview of Global Venture Capital Deal Activity

Since 2010, there have been over 9,200 venture capital deals completed globally, with an aggregate value of over $95bn. Fig. 1 looks at the number of announced venture capital financings since 2010, excluding VC-backed add-on deals and venture debt funding. This displays a marked increase in VC activity into 2011 in comparison to the previous year, reaching a two-year peak in mid-2011.

While 2011 witnessed a 7% increase in the number of VC financings in comparison to 2010, the aggregate value of venture capital commitments rose 42%, increasing from $33.7bn to $48bn in 2011. For this period, the number and value of venture capital deals reached a peak in Q2 2011, with 1,054 deals announced with a value of $13.5bn globally. As the wider global economy began to feel the effects of market turmoil in the second half of 2011, the VC industry witnessed a marked slowdown in activity in Q4 2011, with deal flow down 11% and 19% by number and value, respectively, against the previous quarter. Although the difficult financial climate has continued, the number of VC financings increased by 11% from Q4 2011 to Q1 2012, taking deal activity back to mid-2011 levels. However, VC deal value has remained at subdued levels, with $9.3bn in financings in Q1 2012. In Q2 2012 TD there have been 531 VC deals announced globally, representing an aggregate value of $4.3bn.

Fig. 2 shows the number of venture financings by region between Q1 2010 and May 2012, unsurprisingly displaying North America as the dominant region for activity, with over 65% of all deals announced globally located in the region. In the first quarter of 2012, 715 VC deals were completed across North America, nearing the peak levels for the 2010-2012 period seen in Q3 2011, representing a 7% increase in deal flow compared to Q4 2011.

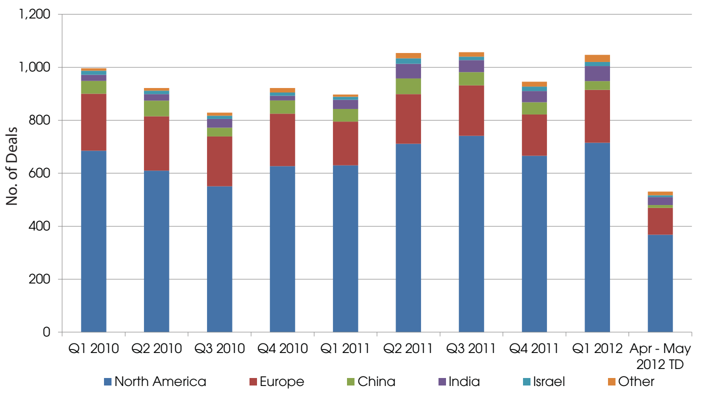
Fig. 1: Number and Aggregate Value of Venture Capital Deals Globally, Q1 2010 - Q2 2012 TD (As at 10th May)



Source: Preqin

Europe is the second most prominent area for venture capital deals globally, with the UK, Germany and France in particular representing hubs for VC activity. Since Q1 2010, there have been on average 190 VC deals in Europe per quarter, with 200 VC deals taking place in the region during Q1 2012, representing a significant 28% increase in deal flow in the region during Q4 2010. However, while Europe represented 22% of all deals globally in 2010, this figure fell to 18% in 2011, a signal of the ever growing presence of other regions in the VC sector.

Fig. 2: Number of Venture Capital Deals by Region, Q1 2010 - Q2 2012



Source: Preqin

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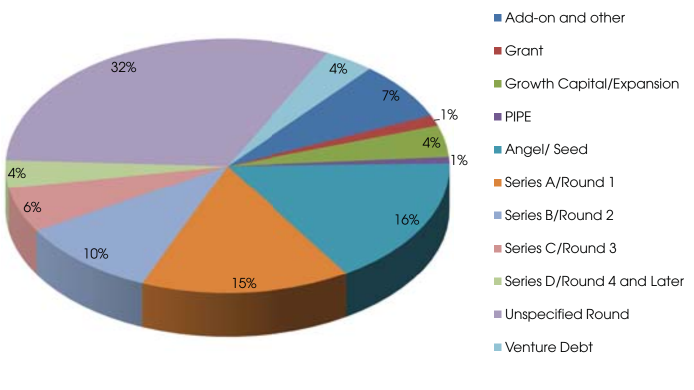
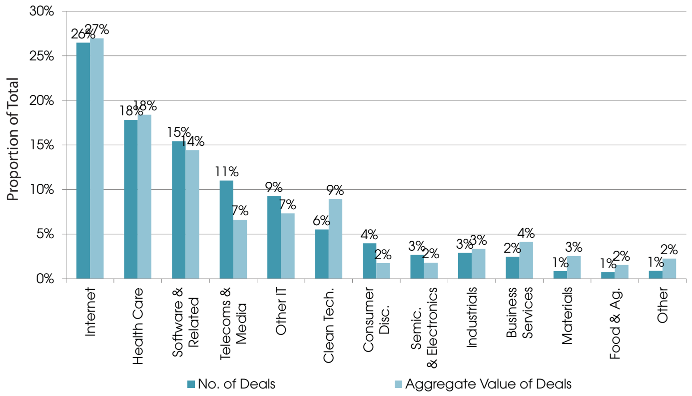
Fig. 3: Proportion of Number and Value of Venture Capital Deals by Stage, 2012 YTD (As at 10th May)



Source: Preqin

Fig. 4: Proportion of Number and Aggregate Value of Venture Capital Deals by Industry, 2012 YTD (As at 10th May)



Source: Preqin

Outside of the traditional hubs, China has rapidly become a key area. In 2011, there were 203 VC deals in China, a 6% increase in deal flow in the region in comparison to the previous year. In the opening months of 2012, however, deal flow in the region has witnessed a slow-down, with 33 deals taking place in the region during Q1 2012. This is a marked decline from the average of 51 VC deals per quarter in the region during 2011, with fears over the exit market in the region leading to a slowdown in new financings.

Similarly, India has also witnessed a surge in VC activity, with 176 VC-backed deals in the region during 2011, a significant increase from the 99 financings in India during 2010. In Q1 2012, 57 Indian companies received VC funding, a 35% increase in deal activity from the previous quarter, and more than double the number of deals seen in the country two years earlier in Q1 2010 - a clear signal of the growing importance of India to the VC industry.

Venture Capital Deals by Industry, Stage and Size

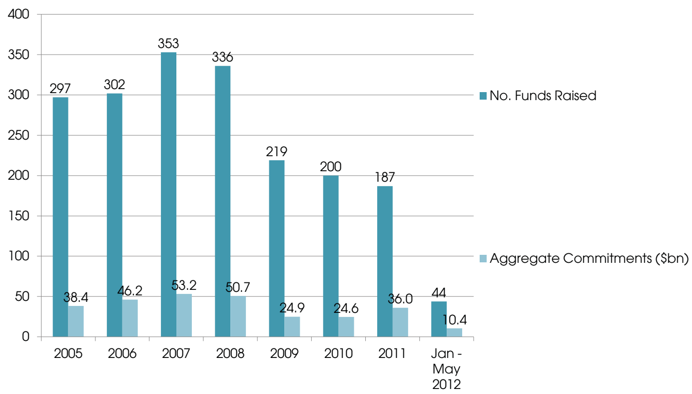
As Fig. 3 shows, 16% of the total number of venture deals announced globally in 2012 to date have been angel/seed financings of very early-stage companies. Series A financings accounted for a similar proportion of commitments, with 15% of all venture capital deals falling into this stage, while the follow-on early stage of Series B deals accounted for 10% of the total number of transactions. As we move towards later-stage financings, we see a decreasing prominence of such deals, with Series C financings representing 6% of all VC deals and just 4% of the total number of deals were classed as Series D or later. Around 7% of deals in 2012 have been add-on deals, with venture debt and growth capital deals each registering just 4% of the total number of deals respectively. A large proportion of the VC deals announced in 2012 to date were of an unspecified round, with the investment stage of many venture capital deals, particularly those in Europe, remaining undisclosed.

In 2012 to date, companies operating in the internet sector have received both the highest number and the highest aggregate value of financings globally. The internet sector includes such industries as e-commerce and social networking platforms, and represented just over one-quarter of all deal volume. The next most common industry for venture capital investment is the healthcare sector, with just under one-fifth of the number and aggregate value of deals falling into this industry category, which includes early-stage medical technologies, medical devices and pharmaceuticals companies. This is closely followed by the software industry, with 15% and 14% of the number and aggregate value of global financings, respectively. The telecoms & media industry, which includes the telecom applications, communications and digital media sectors, accounted for 11% of the total number of deals globally; however, it received just 7% of the aggregate value. Clean technology and renewable energy companies saw a lower proportion of the number of deals, but a higher proportion of the aggregate value, at 6% and 9%, respectively.

Review of Venture Capital Fundraising

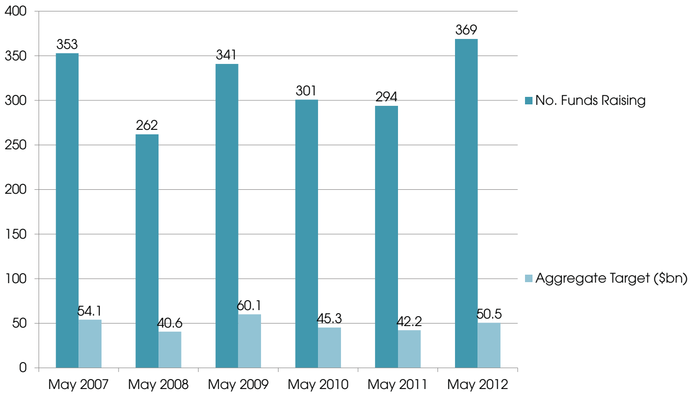
An examination of VC fundraising after the dot-com bubble shows that venture capital fundraising peaked in 2007, raising $53.2bn from 353 funds. From 2008 onwards, however, a lack of investor confidence and the fallout of the financial crisis resulted in a year-by-year decrease in the number of funds raised annually, as well as a general decrease in aggregate capital raised. As shown in Fig. 5, the exception to the poor fundraising trend in recent years was 2011, when venture capital funds garnered $11.4bn more than the

Fig. 5: Annual Venture Capital Fundraising, 2005 - May 2012



Source: Preqin

Fig. 6: Number of Venture Capital Funds in Market and Aggregate Target Capital, May 2007 - May 2012



Source: Preqin

the fact that seven venture capital funds that raised at least $1bn each during the year.

The majority of venture capital funds consider investments across the whole venture capital investment stage spectrum and as a result these funds have raised the largest proportion of capital historically. In 2011, 91 venture funds focusing on all investment stages raised $19.5bn, accounting for 54% of the capital raised that year. The commitments raised by stage-specific venture capital funds also contribute significantly to annual fundraising figures. Early-stage funds and expansion/late-stage funds amassed $8.3bn and $7.3bn respectively in 2011.

Current Venture Capital Fundraising Market

As of May 2012 there were 369 venture capital funds on the road, targeting aggregate capital commitments of $50.5bn. These figures demonstrate a 26% increase in the number of venture capital funds in market and a 20% increase in the aggregate capital targeted compared to funds on the road in May 2011. Almost 53% of the total capital sought by VC managers is for funds that invest across all financing stages, while 22% is being targeted by expansion/late-stage vehicles, and the remainder by early stage and venture debt funds.

The number of funds on the road and the aggregate capital sought in May of each year between 2007 and 2012 is shown in Fig. 6. The largest amount of capital being sought across the period was in May 2009 in the wake of Lehman Brothers' collapse and the decline in investor activity that led to a glut of funds in market. Levels fell dramatically over the subsequent two years, however, following the global financial crisis. The continued challenging fundraising environment has resulted in an overcrowded market as of May 2012, and it is expected that many of these vehicles will not complete a successful fundraising process, or at the very least close below their fundraising target.

The North American marketplace still attracts the most attention from fund managers and investors, with the highest proportion of both funds and aggregate capital targeting the region. There has, however, been a surge in Asia and Rest of World-focused funds over recent years in response to increased investor demand. As a result, in 2008 Asia and Rest of World-focused vehicles on the road surpassed Europe-focused funds in terms of aggregate capital sought. There are currently 73% more venture capital vehicles in market that focus their investments throughout Asia and Rest of World than within Europe, and these funds are seeking 147% more capital.

Conclusions

The venture capital industry has not been immune to the fall-out from the global financial crisis of 2008, with fundraising dropping significantly. An increasingly overcrowded VC fundraising market has persisted and as a result VC activity has entered a turbulent phase. Nevertheless, the venture capital industry remains an attractive part of the private equity world to investors and fund managers alike. The increasing prominence of China, India and other emerging regions, and the lure of spectacular returns from discovering an industry leader at an early stage, means that interest in the sector is set to continue at strong levels for the foreseeable future.

Notes on Methodology

Preqin Venture Deals Analyst data records cash-for-equity investments by professional venture capital firms in companies on a global basis. The figures provided by Preqin are for announced venture capital rounds, when the capital is committed to a company, as opposed to the different tranches in which a company will receive the committed venture capital round.

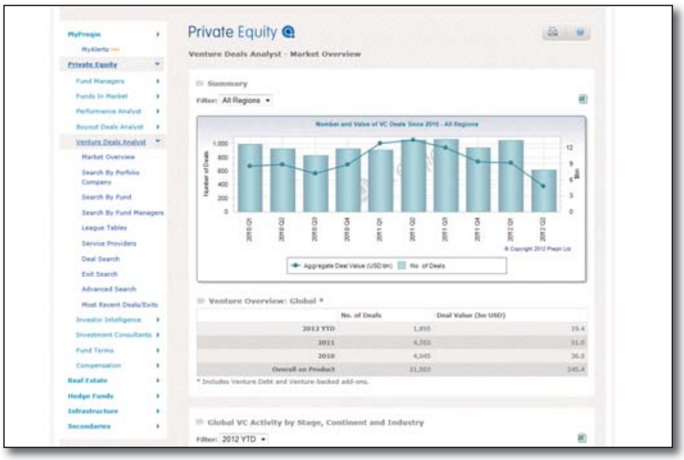
Preqin Venture Deals Analyst
New VC Deals Database

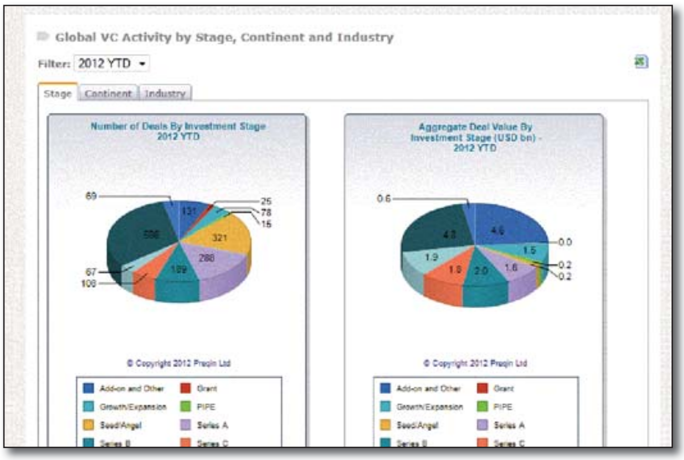
Preqin is proud to announce the launch of Venture Deals Analyst - a powerful new online service covering in-depth details for over 21,000 VC transactions. Available as part of our Private Equity Online service, or as a standalone subscription, Venture Deals Analyst is the most comprehensive resource available regarding the venture capital deals market.

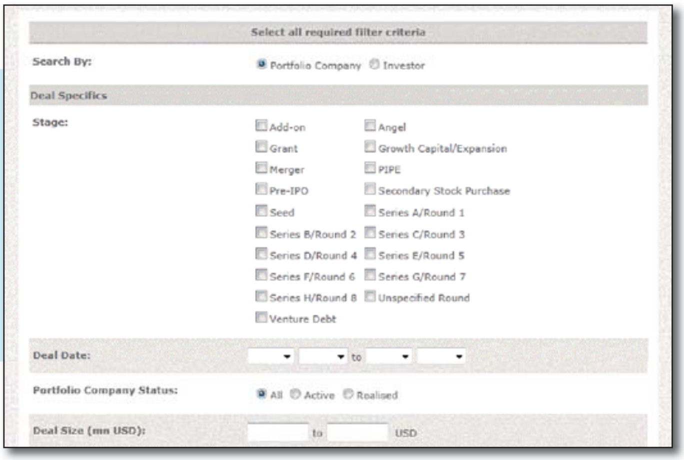
Whether you're a fund manager, investor, placement agent, lawyer, consultant or advisor, this is a vital information service for you.

Venture Deals Analyst contains information for over 21,000 deals and has comprehensive portfolios for the top 50 VC firms. Profiles contain the following information:

- Overview and key background information.
- Investment dates and stage breakdown.
- Financing data.
- Exit details.







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Asian Private Equity Benchmarks:
Far East Performance

Asia has rapidly developed into an important area for the private equity industry, with both investors and fund managers keen to tap into exciting opportunities. But to what extent does performance in Asia match the ideal? Gary Broughton presents the industry's first Asian private equity benchmarks.

Asia's prominence and importance to the global economic markets is universally acknowledged; therefore it is no surprise that Asia's importance to the private equity industry is equally relevant. Both institutional investors and fund managers alike see attractive opportunities in the region, with the chance to achieve superior returns and portfolio diversification.

In light of Preqin's extensive coverage of Asian private equity, we have produced the first benchmark across Asian private equity funds. Private equity professionals, from investors to fund managers and placement agents, can now compare returns information against other Asia-focused private equity funds.

Using this new benchmark information, Preqin has been able to analyze the returns of private equity funds with a main geographic focus on Asia in order to gain an insight into the performance of the private equity industry in this region.

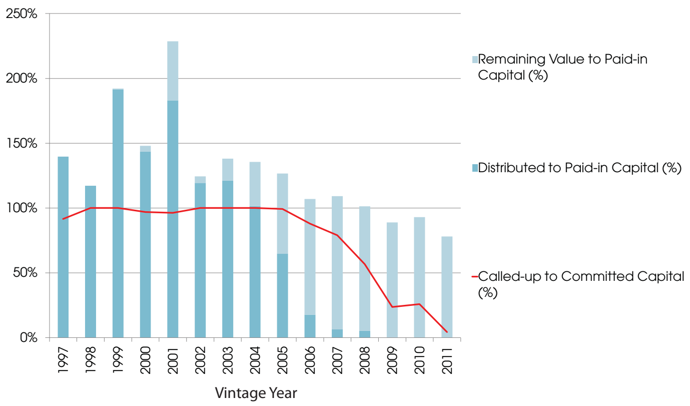
Called-up, Distributed and Remaining Value Ratios by Vintage Year

Fig. 1 shows the median called-up, distributed and remaining value ratios by vintage year for Asian private equity funds of vintages 1997 to 2011. Funds of vintage 2004 or earlier are all showing a median distributed figure greater than the median called-up capital, with vintage 1999 funds having distributed 1.91x called capital. Funds with earlier vintages have a relatively small proportion of remaining value to paid-in capital as they are more advanced in their fund lives and fund managers have exited most investments. Funds with a vintage year of 2005 or later are earlier on in the process, and hence have distributed a comparatively lower percentage of called-up capital, but have a higher percentage of value remaining in their portfolios. For example, vintage 2004 funds have distributed 101.5% (as measured against total capital paid-in), but still have 34.0% of paid-in capital remaining in unrealized investments. Distributions and portfolio valuations as a proportion of called-up capital of funds with more recent vintages remain relatively low as these funds are still early in their fund lives – fund managers are still in the process of calling capital and will be looking to add value to their investments in coming years.

Median Net IRR and Quartile Boundaries by Vintage Year

The median net IRR and the top and bottom quartile boundaries by vintage year for Asian private equity are shown in Fig. 2. The median net IRRs are currently in the black across all vintage years, with the exception of 2009 vintage funds, which are currently

Fig. 1: Asian Private Equity - Median Called-up, Distributed and Remaining Value Ratios by Vintage Year

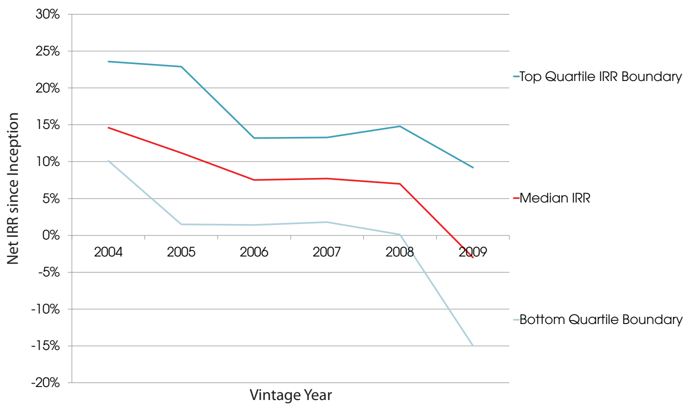


Source: Preqin

showing a median net IRR of -3.0%. Vintage years 2004 and 2005 currently have the highest median net IRRs within the sample, with 14.6% and 11.2% respectively. For vintage years 2006 to 2008, the median figures are at a similar level to each other, ranging between 7.0% and 7.7%.

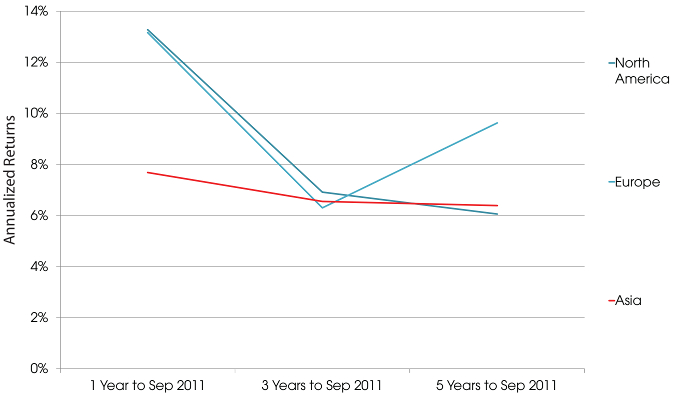
The minimum net IRR required to be considered a top performing Asia-focused fund is positive across all vintage years, ranging from 9.2% for vintage 2008 to 23.6% for vintage 2004. The bottom quartile boundary is also positive for all vintage years between 2004 and 2008, ranging from 0.1% to 10.1%; however the boundary falls into the red for vintage 2009. It should be noted that funds with

Fig. 2: Asian Private Equity - Median Net IRR and Quartile Boundaries by Vintage Year



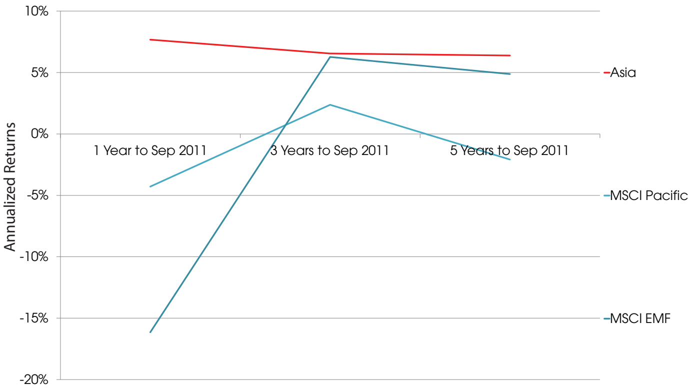
Source: Preqin

Fig 3: Private Equity Horizon IRRs by Primary Regional Focus as of 30th September 2011



Source: Preqin

Fig. 4: Horizon Returns - Asian Private Equity vs. Public Markets



Source: Preqin

more recent vintages are still early in their fund lives and returns could therefore improve as fund managers look to add value to their investments.

Asian Horizon Returns

As well as this new benchmark data, we are also able to calculate annualized returns information for this region across one- , three- and five-year horizon periods. This information is calculated using Preqin's cash flow data, with over 60 funds investing in Asia included in this calculation.

Private Equity Horizon IRRs by Primary Regional Focus

Fig. 3 shows private equity horizon returns across the one-, three- and five-year periods for funds with a primary geographic focus on North America, Europe and Asia as of 30th September 2011. Each region is currently showing positive horizon returns over all of these periods. Over the one-year period, North America- and Europe-focused funds have horizon return figures of 13.3% and 13.2% respectively, whereas Asia-focused funds have a lower horizon return for this period of 7.7%. Over the three-year period, each region has generated very similar horizon returns, with North America-focused funds generating a return of 6.9%, Asia-focused funds returning 6.6% and Europe-focused funds generating 6.3%. Over the five-year period, Europe-focused funds have generated a return of 9.6%, while Asia-focused funds stand at 6.4%, and funds that target investments in North America have generated a return of 6.1%.

Asian Private Equity Performance vs. Public Indices

Fig. 4 shows the horizon returns of Asia-focused private equity over the one-, three- and five year periods together with the returns achieved by two public indices through 30th September 2011. Asian private equity has generated annualized returns of 7.7% over the one-year period, 6.6% over the three-year period and 6.4% over five years. This demonstrates that Asian private equity has outperformed the listed indices over each time period, with the MSCI Pacific reporting -4.3% over one year, 2.4% over three years and -2.1% over the five-year period. The MSCI EMF is in the black for both the three- and five-year periods, reporting returns of 6.3% and 4.9% respectively. However, they are in the red over the one-year period, with a figure of -16.2%. It should be noted that a comparison between private equity and listed equities should be made in context, as private equity is an illiquid asset class where investors are committed over a longer period, whereas public equities are substantially more liquid.

Data Source:

Our new Asia benchmarks are an important and exciting addition to our established free Private Equity Performance Benchmarks service. For more information on our new Asia benchmarks, and to register to receive free access to this service, please visit our website:

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Preqin Industry News

Claire Wilson delivers a round-up of the latest private equity news, featuring exclusive intelligence uncovered by Preqin's analysts. Preqin Online subscribers can click on the investor/firm names to view the full profiles.

Venture Capital Showcase

As shown in the Chart of the Month, a significant proportion (21%) of venture capital fund managers are headquartered in Asia and Rest of World areas - highlighting the rise of VC hubs outside of the traditional markets. Despite this, however, North America remains home to the majority of venture capital GPs. One such manager, New Enterprise Associates, recently launched a venture fund that could join the ranks of the largest ever raised and is based in North America. New Enterprise Associates XIV is targeting $2.563bn, and if it reaches its target it will be the 13th largest venture fund of all time. The fund will make predominantly early stage investments in North American companies in the IT, energy, technology and healthcare sectors. US-based Knightsbridge Advisors meanwhile has just launched its eighth venture capital fund of funds vehicle, Knightsbridge Venture Capital VIII, which will primarily target early stage projects in the US.

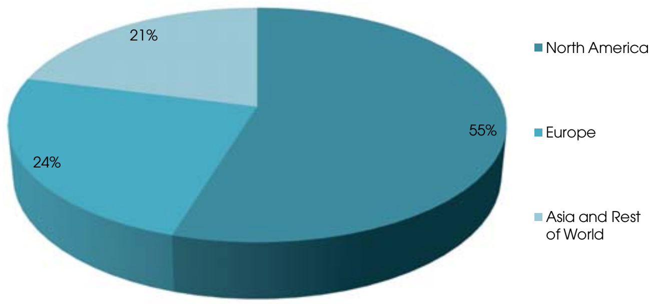
Other notable venture funds currently on the road include Sandbox Agriculture and Food Technology Fund and Sandbox Advantage Fund. The former is targeting $100mn while the latter is targeting $50mn and both will invest primarily in US companies. Connect Ventures Fund, meanwhile, recently held a first close having raised €16mn. The fund is targeting a total of €43mn for investment in Western European start ups, and specializes in web and mobile sector investments.

Defying difficult fundraising conditions in Europe, Technocom 2 has closed raising €32mn. The fund targets French technology startups and is managed by Innovacom. Elsewhere, Canadian firm Klass Capital has also closed a fund in the past few weeks, raising CAD 50mn for its first vehicle. Klass Capital Fund I will invest in expansion and late stage projects in Canadian SaaS and web-based companies. First Round Capital IV has also closed this month on $135mn. The fund invests in early stage US-based companies in the IT, internet technology and digital media sectors. The current fundraising market also has less established players - new venture firm Icon Venture Partners, which spun out from El Dorado Ventures, is fundraising for its first vehicle, Icon Venture Partners I. It has a target of $80mn which it will invest in enterprise technology investments in North America.

News from the secondary market includes the recent announcement that F.van Lanschot Bankiers is considering selling some of its European venture capital fund commitments. The move would mark the Netherlands-based bank's first dalliance with the secondary sellers market.

Investors looking to commit to venture funds in the next 12 months include Ningbo Venture Capital Guidance Fund. The China-based government agency has recently made three new venture commitments and is keen to make further investments in the coming year. The investor will only consider funds that allocate at least 50% of capital to the Ningbo municipality, and 15% to early-stage ventures; it will not invest in first-time funds. Fellow government

Chart of the Month: Breakdown of Venture Capital Firms by Region



Source: Preqin

agency New Zealand Venture Investment Funds is looking to make a variety of venture capital commitments in the next 12 months. It plans to invest in the technology sector and will consider first-time fund managers. It is particularly keen to work with GPs focused on increasing the presence of New Zealand-based firms internationally.

A couple of US endowments are also looking to make new venture capital investments. Juilliard School Endowment could make up to four new private equity investments over the next 12 months. It has already made new fund commitments in 2012, and it is particularly keen to pursue opportunities in the venture sector. It will commit between $5mn and $10mn per fund. Case Western Reserve University Endowment, which has also already made private equity commitments in 2012, is looking for opportunities to form new GP relationships and invest in new funds – including venture capital vehicles. The $1.7bn endowment will consider investing in a variety of regions including North America and Europe and the emerging markets of South America and Asia.

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 cwilson@preqin.com and we will endeavour to publish them in the next issue.

Conferences Spotlight

Conference	Dates	Location	Organizer
Shorex Singapore	22 - 23 May 2012	Singapore	Shorex
Capital Creation Growth Economies	22 - 23 May 2012	London	Worldwide Business Research
Pan-European Mezzanine Finance Conference	22 - 24 May 2012	Paris	Informa
Private Equity Software & Services - New York	22 May 2012	New York	4vco/PESS
3rd Annual Wealth Forum Asia 2012	22 - 24 May 2012	Singapore	Informa
Private Equity Findings Symposium	28 - 29 May 2012	London	Coller Institute
3rd Annual Alternative Investments Summit	30 May 2012	New York	iGlobal Forum
SuperReturn US	4 - 6 June 2012	Boston	ICBI
European Family Office & Private Wealth Management Forum	6 - 8 June 2012	Geneva	Opal Financial Group
1st Annual Asia-Middle East Investment Summit	07 June 2012	Singapore	MEGA Events
CEE Private Equity Convention	14 - 15 June 2012	London	GDForum
Private Equity Africa LP Investor Summit	14 June 2012	London	Private Equity Africa
Private Equity World Latin America 2012	18 - 20 June 2012	Miami	Terrapinn

Private Equity Findings Symposium

Date: 28th and 29th May 2012

Location: London Business School

Organiser: Coller Institute of Private Equity at London Business School

Information: http://www.collerinstitute.com/Events/Show/78

The Coller Institute of Private Equity is hosting its 5th annual Private Equity Findings Symposium on 28 and 29 May 2012. Speakers include: Giancarlo Aliberti, Apax Partners, Charlie Bott, BC Partners, Tim Parker, CVC Capital Partners, Marco de Benedetti, Carlyle Group, Tim Flynn, Haymarket Financial, Alan MacKay, Hermes GPE, Karen Simon, JP Morgan, John Empson, KKR, Prof Lynda Gratton and Prof Andrew Scott, London Business School, Prof Alexander Ljungqvist, NYU Stern and Laurent Haziza, Rothschild.

Private Equity Africa LP Investor Summit

Date: 14th June 2012

Location: Thomson Reuters, London

Organiser: Private Equity Africa

Information: www.peafricasummit.com

Designed for global LPs, the must-attend summit brings together DFIs, funds-of-funds, family offices and leading GPs to discuss strategies for success in harnessing Africa's impressive growth through the private equity model. Discussions will include opportunities, risks, allocation strategies, the continent's political and economic landscape, and its viability in the long-term.

Private Equity Showcase

Date: 21st June 2012
Location: The Grange St Pauls Hotel, London
Organiser: 4vco

Information: www.pessnet.com/london

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SuperReturn Emerging Markets

Date: 25th - 28th June 2012

Information: http://www.informaglobalevents.com/FKR2327PREEM

Location: InterContinental, Geneva

Organiser: ICBI

Meet 350+ global senior private equity delegates & connect with 140+ LPs investing in emerging markets right now! Hear from 150+ international speakers including David Bonderman, TPG; Courtney Villalta, TEACHER RETIREMENT SYSTEM OF TEXAS; Anders Strömblad, AP-FONDEN 2; Nick Moakes, WELLCOME TRUST; Jane Rowe, TEACHERS' PRIVATE CAPITAL; Miriam Schmitter, CAMBRIDGE ASSOCIATES; Yibing Wu, CITIC...

Private Equity World Latin America 2012

Date: 28th - 20th June 2012

Location: Miami, FL

Organiser: Terrapinn, Inc.

Information: http://www.terrapinn.com/pelatam

This is a conference for investors and directors of Latin American private equity funds. Leading fund managers, investors and operators will gather to do business and identify future partners in the region's established and emerging sectors, including: infrastructure, mining, power, oil & gas, agriculture, real estate, technology and consumer goods.