

PRIVATE EQUITY SPOTLIGHT

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April 2005

Volume 1 Issue 2

Welcome to the April edition of *Private Equity Spotlight*, the free monthly newsletter from Private Equity Intelligence, providing insights into private equity performance, investors and fund raising. Private Equity Spotlight combines information from our three leading products Performance Analyst, Investor Intelligence and Funds in Market.

FEATURE ARTICLE _____ P1

Over-Commitment: The majority of LPs are below their target allocations to Private Equity, and the strong recent distributions history not only whets the appetite for bigger allocations to the asset class, but it also takes the average LP further away from his target allocation. How much do LPs need to over-commit in order to reach their targets?

PERFORMANCE SPOTLIGHT _____ P4

European Venture Funds: This month we look at the performance of European Venture funds compared to private equity as a whole. We also take a closer look at some of the best funds from 1999 and 2000.

FUND RAISING _____ P5

Spotlight provides all the information you need to know on the biggest venture and buyout funds currently raising as well as information on funds closed during the last month. 2004 was a good year for new mezzanine funds and

2005 promises to continue the trend, with no fewer than 27 new mezzanine funds on the road.

Number of Funds Currently on the Road

| | US | Europe | ROW | Total |
|---------------|-----|--------|-----|-------|
| Venture | 163 | 61 | 57 | 281 |
| Buyout | 118 | 59 | 21 | 198 |
| Fund of Funds | 37 | 25 | 4 | 66 |
| Other | 38 | 12 | 9 | 59 |
| Total | 356 | 157 | 91 | 604 |

INVESTOR SPOTLIGHT _____ P8

Switzerland: Private Equity Intelligence has identified 86 Swiss-based investors in private equity. These have aggregate allocations to private equity of over EUR 41bn.

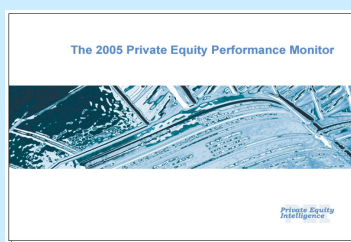
We take a closer look at some of the investors in Switzerland and show how allocations for Swiss investors compare to those of US pension funds.



OUT SOON: The 2005 Performance Monitor

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PRIVATE EQUITY SPOTLIGHT

SPECIAL FEATURE: How much to Commit?

The long-term nature of private equity investments, and the lack of control over the rate at which committed funds are drawn down and eventually re-distributed makes it difficult for LPs to achieve their target allocation with any degree of precision or certainty.

Indeed, it can be difficult for LPs even to measure accurately their existing exposure to the asset class. The combined value of their current partnership interests - i.e. the combined value of unrealized investments - is one measure, but clearly this takes no account of the commitment to make further contributions to partnerships. One solution is to add uncalled commitments to the unrealized value to give a total 'theoretical maximum exposure', but this clearly overstates the true position, as investments are likely to be realized and distributed back to the LP before all the commitments are called up. This is widely recognized, and LPs generally 'over-commit' in an attempt to reach their target allocation. But how much over-commitment is needed? LPs need a measure of the practical likely maximum future investment level of their existing portfolio of fund interests.

Research for our publication, the 2005 Global Fund Raising Review, highlighted the extent of the problem. PEI's database covers over 2,700 LPs globally, with combined target allocations to private equity of over \$800 billion, and our survey of these LPs revealed that fully 64% of them are currently below their target allocations. In many cases the gap between target and actual is large, and in aggregate the average LP is currently at only 72% of his target allocation.

The implication is that most LPs have not yet committed sufficient amounts to private equity partnerships to reach their desired allocations to the asset class, so strategies for 'over-allocation' need to be reviewed, and potentially more significant levels of 'over-allocation' are needed.

(This analysis doesn't take account of the fact that LPs' target allocations to private equity are generally on an

increasing trend, further widening the gap between target and actual allocation.)

So, how big is the gap, and how much 'over-allocation' do LPs need in order to meet their targets? PEI's 2005 Private Equity Performance Monitor, to be published on April 18th, addresses this issue from two directions: first at a macro level, looking at LPs' allocations and portfolio cash flows in the aggregate; and secondly at the micro level, modelling the implications for an individual LP.

Macro level: the 2005 Performance Monitor has analysed a universe of 4,438 private equity funds worldwide from vintage years 1988 to 2004. The combined aggregate commitments to these funds was \$1.3 trillion, and PEI's analysis shows that the aggregate value of LPs' current unrealized investments - i.e. the carrying value of all the portfolio companies across all the funds - is approximately \$560 billion (mostly from funds in the 1997 to 2002 vintages). In addition, these LPs have approximately \$460 billion in uncalled commitments (mostly to funds from vintages 2000 to 2004.)

So, how large is LPs' total current investment in private equity? All one can say with absolute certainty is that it lies somewhere between \$560 billion - the actual value of current unrealized investments - and \$1,020 billion, the figure if uncalled commitments are added. The key question is: how high is the total invested figure likely to rise as these commitments are called up?

The evidence from recent cash flows points to an answer of "not much, if at all". Prior to Q3 2003, LPs were making more

"LPs have not yet committed sufficient amounts to private equity partnerships to reach their desired allocations to the asset class, "

PRIVATE EQUITY SPOTLIGHT

contributions to partnerships than they were receiving back in distributions. However, over the period since Q4 2003 there has been a strong net cash flow back to LPs - distributions between Q3 2003 and Q2 2004 were \$36 billion ahead of contributions. More cash is coming back to LPs than they are investing. The implication is that the aggregate actual level of investment by LPs in the partnerships that they have currently committed to is unlikely to grow significantly if current trends continue. Taken at the macro level, the actual level of investments in existing funds is unlikely to grow significantly from the existing level of unrealized investments.

At the micro level the 2005 Performance Monitor has modelled the cash flow profile that an LP can expect from private equity funds of various types - based upon a detailed analysis of the performance of 2,200 partnerships worldwide. The graph below shows the expected cash flow profile an LP can expect from committing 100 units each year to a diversified basket of private equity funds. As Figure 1 shows:

- Cash calls increase rapidly as funds from several vintage years will all be drawing down their commitments at the same time. By year seven to eight the total cash calls are quickly approaching the steady-state amount of 100 per year (i.e. the same as the new annual commitments, as would be expected).
- Cash distributions start at zero and build slowly to the steady-state amount of 250 per year, which is approached from year 11 or 12 onwards (i.e. the annual commitment of 100 times the average value multiple of 250%).
- The annual net cash flow for the LP turns positive in around year 9 and

grows to reach a steady-state from year 11 or 12 onwards.

This is clearly a very satisfactory portfolio for the LP, giving a steady and growing positive cash flow from year 9 onwards. But what will his balance sheet show in terms of unrealized value and uncalled commitments – i.e. what is his theoretical exposure? As Figure 2 shows:

- The LP's 'theoretical exposure' – i.e. uncalled commitments plus unrealized value – grows to 810 units, or just over eight years' worth of commitments, approaching a 'steady-state' value of 360 of uncalled commitment plus 450 of unrealised value.
- However, the steady-state uncalled commitment of 360 is never actually called up: each individual commitment is called up, but is replaced by new commitments on

Fig 1: Modelled Portfolio Cash Flow : Commit 100 Per year

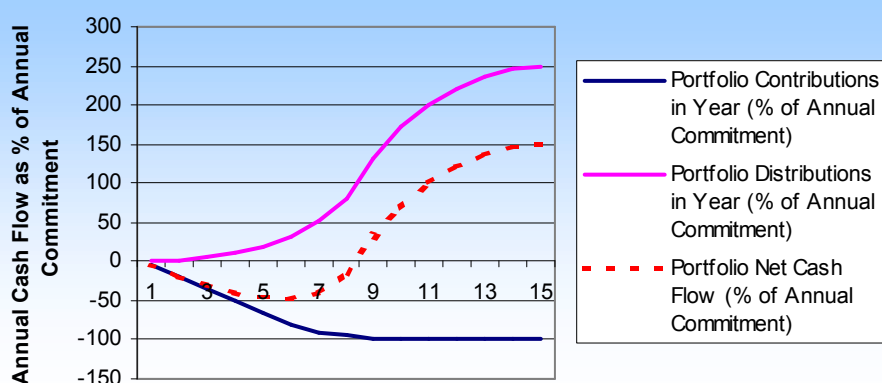
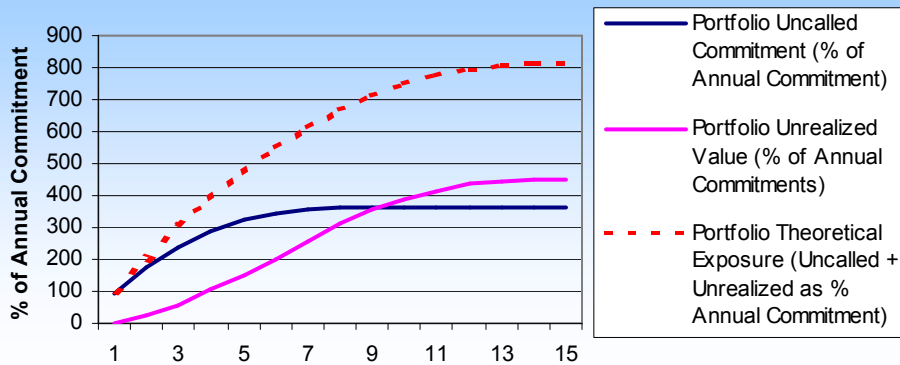


Fig 2: Modelled Portfolio Exposure : Commit 100 Per Year



PRIVATE EQUITY SPOTLIGHT

the one hand and distributions on the other hand. The actual invested amount never grows beyond 450.

In other words, if an LP makes annual commitments of approximately 22% of his total target investment level, then his maximum actual invested amount will approach his target level from about year 6 to 7 onwards, and will then approach a steady state. In addition to his actual investments, this LP will have uncalled commitments equal to approximately a further 70% of his target investment amount - even though in practice his actual investment will not grow further, as distributions will balance further calls.

So, in order to achieve his target actual investment the LP needs to over-commit by approximately 70%. Naturally, the exact figure will vary depending upon the mix of funds in the

portfolio, and needs to be continuously reviewed in the light of how it performs. (In particular, fund of funds have different cashflow profiles to primary funds, and the analysis is sensitive to the actual performance achieved. PEI can assist LPs in modelling and monitoring their portfolios)

However, the implication is clear: LPs need to consider more significant levels of over-commitment if they are to reach their targets.

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The 2005 Private Equity Performance Monitor

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| Quartile Analysis | | | | | |
|-------------------|-----|-----|-----|-----|-----|
| | 1st | 2nd | 3rd | 4th | N/A |
| 1st | 0 | 2 | 0 | 0 | 1 |

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| Quartile Analysis | | | | | |
|-------------------|-----|-----|-----|-----|-----|
| | 1st | 2nd | 3rd | 4th | N/A |
| 1st | 1 | 1 | 1 | 2 | 1 |

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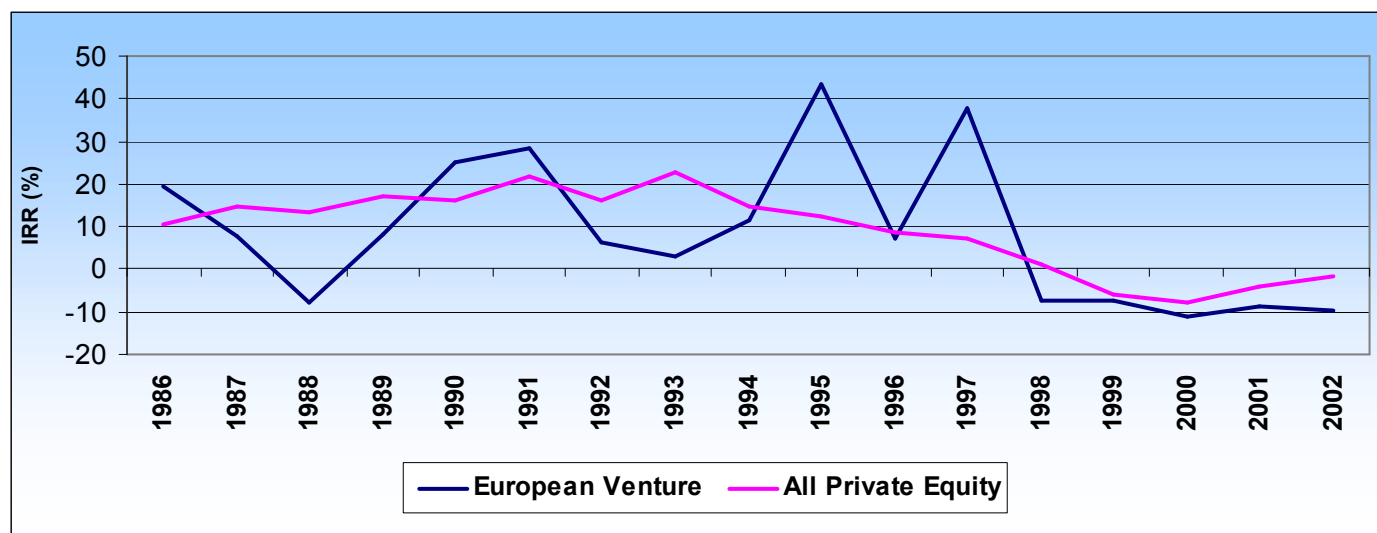
| Quartile Analysis | | | | | |
|-------------------|-----|-----|-----|-----|-----|
| | 1st | 2nd | 3rd | 4th | N/A |
| 1st | 2 | 1 | 0 | 2 | 1 |

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PERFORMANCE SPOTLIGHT

Performance Spotlight is your monthly update on Private Equity Performance. Each month we look at the performance for a particular type of fund and give you information on some of the top performing funds.

PERFORMANCE OF EUROPEAN VENTURE FUNDS



Figures show median IRR from inception to latest date now available for funds by vintage year. IRRs are fund IRRs calculated on a net basis to LPs, i.e. after management fees and GP carry.

PERFORMANCE COMMENTARY

This month Spotlight looks at European venture funds. After a period of good performance during the mid-1990s, the performance of these funds has been poor relative to other private equity segments over the past seven years. In common with other segments, the 1998 to 2000 vintages were particularly difficult, but the more recent vintages have shown significant improvement, with the top quartile European venture funds from 2001 and 2002 already showing positive returns.

This recent performance improvement for the best funds has yet to filter through to the fund-raising market, where conditions remain challenging for European venture funds –

2004 saw only 21 new funds achieve successful final closes for an aggregate EUR 2.4 billion. However, if this recent improving performance for the best funds continues, then European venture may yet regain favour with investors – in the meantime, the European venture sector looks likely to remain less crowded than the buyout market.

Performance Analyst currently has performance data for 138 European Venture funds, and the table below summarizes the performance of some of the better-performing funds from the difficult 1999 and 2000 vintages. These funds are either above or close to breakeven, and demonstrate the ability of the best firms to protect LPs from losses even in the most challenging vintages.

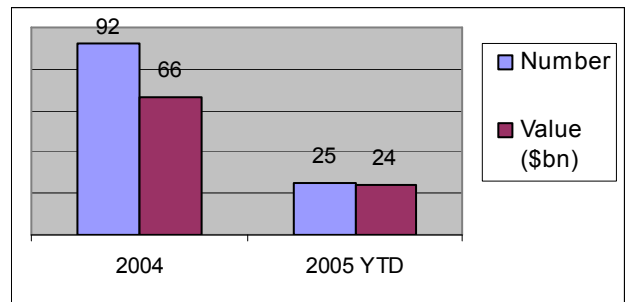
| Fund | Vintage | Fund Size (€ Mn) | Called (%) | Distr. (%) | Value (%) | IRR (%) | Benchmark (IRR) | Diff. | Date |
|---|---------|------------------|------------|------------|-----------|---------|-----------------|-------|-----------|
| Apax Europe IV-A | 1999 | 1,204 | 88.6 | 48.7 | 46.4 | -2.0 | -7.2 | 5.2 | 30-Sep-04 |
| BankInvest Biomedical Venture II | 1999 | 40 | 100.0 | 13.0 | 75.0 | -2.4 | -7.2 | 4.8 | 31-Dec-04 |
| Finnventure Fund V | 1999 | 204 | 88.1 | 7.4 | 94.4 | 0.5 | -7.2 | 7.7 | 30-Sep-04 |
| Index Ventures II | 2000 | 232 | 45.5 | 16.8 | 81.0 | -1.7 | -11.3 | 9.6 | 30-Sep-04 |
| Oxford Gateway Fund I | 1999 | 1 | 100.0 | 230.0 | 120.0 | 25 | -7.2 | 32.2 | 31-Dec-04 |

FUNDS in MARKET—Buyout

FUNDS ON THE ROAD

| | US | Europe | ROW | Total |
|-----------------------------------|-----|--------|-----|-------|
| No. on Road | 118 | 59 | 21 | 198 |
| Total Target Value (\$bn) | 60 | 48 | 5 | 112 |
| Average Target Size (\$mn) | 504 | 821 | 216 | 568 |

FINAL CLOSES BAROMETER



LARGEST BUYOUT FUNDS CURRENTLY ON ROAD

| Fund | Manager | Target Size (Mn) | Location |
|---------------------------------|------------------------------------|------------------|----------|
| Blackstone Capital Partners V | Blackstone Group | 10,000 USD | US |
| GS Capital Partners V | Goldman Sachs Private Equity Group | 8,000 USD | US |
| CVC European Equity Partners IV | CVC Capital Partners | 6,000 EUR | Europe |
| Thomas H Lee VI | Thomas H Lee Partners | 6,000 USD | US |
| BC European Cap VIII | BC Partners | 5,500 EUR | Europe |
| Apax Europe VI | Apax Partners | 4,500 EUR | Europe |
| Candover 2005 | Candover Partners | 3,500 EUR | Europe |
| Vestar Capital Partners V | Vestar Capital Partners | 4,000 USD | US |
| Clayton Dubilier & Rice VII | Clayton Dubilier & Rice | 3,500 USD | US |
| KKR European Fund II | Kohlberg Kravis Roberts | 3,500 USD | Europe |

SAMPLE BUYOUT FUNDS CLOSED DURING MARCH 2005

Carlyle Partners IV:

Manager: The Carlyle Group
Final Close (mn): 7850 USD (Mar-2005)
Geographic Focus: Global
Industry Focus: Any, Defence, Aerospace.
Sample Investors: CalPERS, California State Teachers' Retirement System, New York State Teachers' Retirement System, Teachers' Retirement System of the State of Illinois and UBS Global Asset Management

Evergreen Pacific Partners:

Manager: Evergreen Pacific Partners
Target Size (mn): 200 USD
Final Close (mn): 275 USD (Mar-2005)
Geographic Focus: Canada, US
Industry Focus: Consumer Products, Distribution, Manufacturing, Infrastructure
Sample Investors: Duke Mgmt Company, Mass Mutual Life Insurance Company, Pennsylvania Public School Employees' Retirement System and WestAM

Leeds Weld Equity Partners IV:

Manager: Leeds Weld & Co
Final Close (mn): 500 USD (Mar-2005)
Geographic Focus: US
Industry Focus: Communications, Software, Education
Sample Investors: CalPERS, New Mexico State Investment Council and Pennsylvania State Employees' Retirement System

Carlyle Europe Partners II:

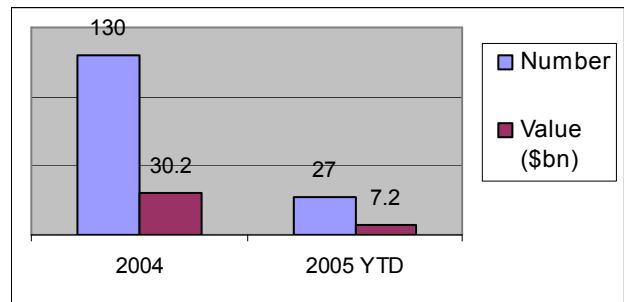
Manager: The Carlyle Group
Target Size (mn): 2000 EUR
Final Close (mn): 1700 EUR (Mar-2005)
Geographic Focus: Europe
Industry Focus: Telecoms, Manufacturing, Media, Chemicals & Materials, Defence, Aerospace
Sample Investors: CalPERS, Dai-ichi Mutual Life, Lehman Brothers, Mizuho Bank and Société Générale

FUNDS in MARKET—Venture

CURRENTLY ON THE ROAD

| | US | Europe | ROW | Total |
|-----------------------------------|-----|--------|-----|-------|
| No. on Road | 163 | 61 | 57 | 281 |
| Total Target Value (\$bn) | 22 | 9 | 7 | 38 |
| Average Target Size (\$mn) | 134 | 145 | 124 | 134 |

FINAL CLOSES BAROMETER



LARGEST VENTURE FUNDS CURRENTLY ON ROAD

| Fund | Manager | Target Size (Mn) | Location |
|--|----------------------------|------------------|----------|
| Spectrum Equity Investors V | Spectrum Equity Investors | 1,500 USD | US |
| Sofipa Equity Fund II | MCC | 400 EUR | Europe |
| TVM Life Science Venture VI | Techno Venture Management | 400 EUR | Europe |
| Atlas Ventures VII | Atlas Ventures | 500 USD | US |
| Crosslink Crossover Fund V | Crosslink Crossover | 500 USD | US |
| Baring Private Equity Asia III | Baring Private Equity Asia | 400 USD | Asia |
| Burrill Life Sciences Capital Fund III | Burrill & Co. | 400 USD | US |
| Advent Private Equity Fund IV | Advent Venture Partners | 200 GBP | Europe |
| Mobius Technology Ventures VII | Mobius Ventures Capital | 350 USD | US |
| BlueRun Ventures III | BlueRun Ventures | 350 USD | US |

SAMPLE VENTURE FUNDS CLOSED DURING MARCH 2005

Celtic House Venture Partners III:

Manager: Celtic House Venture Partners
Fund Type: Early Stage
Target Size (mn): 225 USD
Final Close (mn): 280 USD (Mar-2005)
Geographic Focus: US
Industry Focus: Telecoms, Software, Internet, Semiconductors
Sample Investors: CPP Investment Board and Paul Capital Partners

Venture Strategy Partners III:

Manager: Venture Strategy Partners
Fund Type: Early Stage
Final Close (mn): 185 USD (Mar-2005)
Geographic Focus: US
Industry Focus: Technology
Sample Investors: Adams Street Partners, Duke Mgt Company, Horsley Bridge Partners, The Regents of the University of California and The Wellcome Trust

Avalon Ventures VII:

Manager: Avalon Ventures
Fund Type: Early Stage - Seed
Final Close (mn): 75 USD (Mar-2005)
Geographic Focus: US
Industry Focus: Telecoms, Healthcare, Life Sciences, Biotechnology, Internet
Sample Investors: Grove Street Advisors, Harvard Management Company, INVESCO Private Capital and Paul Capital Partners

RoundTable Healthcare Fund II:

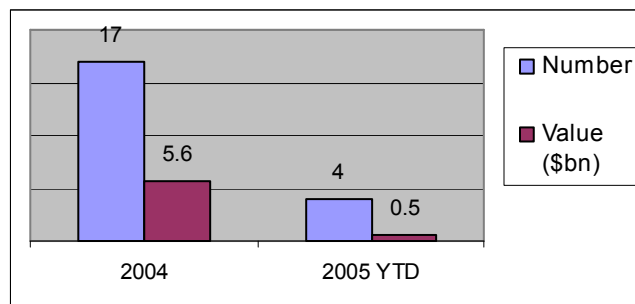
Manager: RoundTable Healthcare Partners
Fund Type: Venture (General)
Target Size (mn): 400 USD
Final Close: 500 USD (Mar-2005)
Geographic Focus: US
Industry Focus: Pharmaceuticals, Healthcare, Medical Instruments
Lawyer: Davis Polk & Wardwell

FUNDS in MARKET—Mezzanine

CURRENTLY ON THE ROAD

| | US | Europe | ROW | Total |
|-----------------------------------|-----|--------|-----|-------|
| No. on Road | 23 | 4 | 0 | 27 |
| Total Target Value (\$bn) | 5.5 | 0.9 | 0 | 6.4 |
| Average Target Size (\$mn) | 239 | 230 | - | 237 |

FINAL CLOSES BAROMETER



LARGEST MEZZANINE FUNDS CURRENTLY ON ROAD

| Fund | Manager | Target Size (Mn) | Location |
|--|----------------------------|------------------|----------|
| Mezzanine Management Fund IV | Mezzanine Management UK | 500 USD | UK |
| SW Pelham Fund II | Smith Whiley & Company | 250 USD | US |
| Churchill Capital Partners V | Churchill Capital | 200 USD | US |
| Fifth Street Capital Mezzanine Fund II | Fifth Street Capital | 200 USD | US |
| M Cap Finance Mezzanine Fund | M Cap Finance | 150 EUR | Europe |
| IDI Mezzanine | Groupe IDI | 100 EUR | France |
| Stratford Capital Partners II | Stratford Capital Partners | 125 USD | US |
| NewSpring Mezzanine Capital | NewSpring Capital | 100 USD | US |

SAMPLE MEZZANINE FUNDS CLOSED DURING JANUARY-MARCH 2005

Praesidian Capital I:

Manager: Praesidian Capital
Final Close (mn): 156 USD (Feb-2005)
Industry Focus: Distribution, Services, Manufacturing
Sample Investors: Banc of America Capital Access Funds, Bank of America Capital Investors, JP Morgan Partners, MBNA and North Fork Bank

BHC Interim Funding II:

Manager: Brooks Houghton & Co
Target Size (mn): 150 USD
Final Close (mn): 200 USD (Jan-2005)
Placement Agent: Far Hills Group, LLC
Industry Focus: Technology, Healthcare, Communications, IT, Biotechnology

Italian Mezzanine:

Manager: Italian Mezzanine
Final Close: 60 EUR (Feb-2005)
Geographic Focus: Italy

Alabama Opportunity Fund:

Manager: Stonehenge Capital Company
Final Close (mn): 19.5 USD (Mar-2005)
Geographic Focus: Alabama, US

Funds in Market: Additional Information

The Funds in Market Spotlight includes each month the largest ten funds being raised in the venture and buyout categories as well as the ten largest funds in another category of private equity. This month we show mezzanine. A full list of the over 600 funds currently being raised can be viewed on our online database, Funds in Market.

This section also includes sample information on funds which have closed during the month. A complete list of all funds closed over the last 12 months is also available on our online database, Funds in Market.

Please email firm@preqin.com for more information.

INVESTOR SPOTLIGHT

Investor Spotlight is your monthly update on investors in Private Equity. See how key investors are changing their allocations and which new investors are coming into the market. Each month we analyse investors in a specific region—this month we look at Switzerland.

INVESTOR NEWS

Dubai International Capital (DIC) has expressed the intention to become a major player in the private equity arena. Established in October 2004, DIC is the new investment arm of the government of Dubai with the mission of building an international portfolio of varying business assets generating above average returns whilst also creating strategic alliances for Dubai Holding and its stakeholders. DIC's initial fund activity has seen it commit USD 100 million to Carlyle Partners IV. [more...](#)

The Illinois Technology Development Fund (ITDF) is expected to disburse up to USD 18 million by the end of the 2005. ITDF is a USD 50 million fund-of-funds vehicle managed by the Treasurer of the State of Illinois. [more...](#)

SPC Capital Management expects to invest USD 25 million from its first fund-of-funds during 2005. SPC Capital Fund I, with a target of USD 150 million will be focusing on venture, buyout and special situation funds, and anticipates committing to six funds in total this year. It has allocated approximately 15% of the fund for secondary acquisitions. [more...](#)

Partners Healthcare System Pension Fund has significantly increased its long-term target allocation to private equity. The fund plans to invest 5.5% of total assets in private equity over the coming years, compared with a current allocation of around 1%. From its private equity investments, the fund is looking for a return around 15% and above and will aim to maintain a balanced portfolio of venture and buyout investments. [more...](#)

Swiss State Secretariat for Economic Affairs (SECO) intends to increase its current investment into private equity funds by around 10% over the next 12 months. SECO is the Swiss governmental competence centre for all core issues relating to economic policy. When

making decisions on new private equity fund investments SECO will use many different advisors in order to get the best possible results from its geographically varied investment focus. [more...](#)

AP-Fonden 1 is seeking three private equity managers in order to invest EUR 325 million in buyout and venture capital funds. Första AP-Fonden, the First Swedish National Pension Fund began investing in private equity in 2003 and is currently particularly optimistic about market conditions. [more...](#)

Minnesota State Board of Investment (SIB) will invest between USD 250-700 million in private equity during the course of 2005. This range will be determined by the nature of the opportunities that present themselves. To date, investments have been focused on the US with minor interests elsewhere. The minimum return the Board looks at through the life of a partnership and across a broad array of private equity is inflation plus 10%. It will not be making any fund-of-funds investments, preferring venture capital and buyout opportunities. [more...](#)

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INVESTOR SPOTLIGHT

COUNTRY FOCUS: SWITZERLAND

Private Equity Intelligence has identified 86 Swiss-based investors in private equity. These have aggregate allocations to private equity of over EUR 41bn.

Poor asset allocation was cited as one of the reasons behind the failure of Swiss pension funds to meet their performance benchmarks during 2004. This comes at a time when US institutional investors are placing increased faith in private equity, believing it will outperform other asset classes.

A sample of 94 US public pension funds, taken from the Investor Intelligence database, shows the average allocation to private equity as 5.4% of total assets. Of these, 37 have allocations above 5%. Corporate pension funds come in slightly higher with 6.2% as the average allocation from a sample of 80, of which, 45 allocate over 5% to the asset class.

The apparent confidence of US pension funds in private equity is further supported by target allocations to the asset class. Investor Intelligence shows the average target allocation from a sample of 75 public pension funds to be 7.8% of total assets. Again, corporate pension funds come in slightly higher with an average target allocation of 8.17% (from a sample of 43).

The US figures are in contrast to the more modest private equity allocations and target allocations that leading Swiss institutional investors currently have. For example, amongst corporate pension funds, Swatch Group currently allocates less than 1% of total assets to private equity. Swatch has no plans to increase this in the immediate future, believing good performance can be achieved through traditional

investment classes. Similarly, Ascom Pensionskasse targets just 1%, whilst both Cern Pension Fund and ABB Pension Schemes have target allocations of only 2%. The Pension Scheme of Flying Personnel of Swissair, with CHF 2 billion in assets under management, currently allocates slightly more to private equity, although its 5% target is still below the US average.

Amongst Swiss public pension funds, leading the way is the City of Zurich Pension Fund which aims to have 5% of total assets invested at any one time, and looks for a real return of 7.5%. Caisse de Pensions de l'État de Vaud, a relatively new investor having entered the asset class in 2003, has a 3% target allocation of which 2.3% is currently committed. Basellandschaftliche Pensionskasse targets 2.4%, although it has the ability to invest up to 5% should it wish. At present, however, this pension fund has just 1.6% committed to private equity.

Swiss Private Equity Investors:

| | No. | Allocation to Private Equity (€bn) | % of Value |
|--------------------------------|-----------|------------------------------------|--------------|
| Private Equity Fund of Funds | 18 | 22.1 | 53.5 |
| Bank | 6 | 8.7 | 21.1 |
| Investment Company | 13 | 5.3 | 12.8 |
| Asset Manager | 8 | 1.9 | 4.6 |
| Insurance Company | 3 | 1.3 | 3.1 |
| Public Pension Fund | 11 | 0.7 | 1.7 |
| Corporate Pension Fund | 18 | 0.6 | 1.5 |
| Foundations and Family Offices | 4 | 0.4 | 1.0 |
| Investment Bank | 3 | 0.2 | 0.5 |
| Government Agency | 1 | 0.1 | 0.2 |
| Total | 86 | 41.3 | 100.0 |

Thus, there is considerable potential for allocations to private equity to increase in coming years across the spectrum of Swiss pension funds, should these institutions make moves to align themselves with their US peers.

The 2005 Private Equity Performance Monitor

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