Private Equity Spotlight

July 2007 / Volume 3 - Issue 7

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 & Funds in Market.

FEATURE ARTICLE page 01

This month's feature article examines the increasing levels of investor enthusiasm for private equity and the increasingly challenging fundraising market.

PERFORMANCE SPOTLIGHT page 04

This month's Performance article examines the performance of one of the most risky segments of the private equity industry - early stage venture funds.

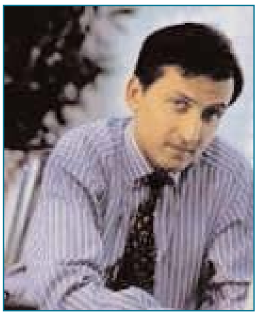
FUNDRAISING page 06

Fundraising remains strong in the second quarter of 2007 in terms of aggregate commitments, although the number of funds closing has slowed. More details in the Q2 Global Fundraising Update.

No. of Funds on Road	US	Europe	ROW	
Venture	234	104	110	448
Buyout	137	51	25	213
Funds of Funds	77	52	15	144
Real Estate	97	26	18	141
Other	91	29	28	148
Total	636	262	196	1094

INVESTOR SPOTLIGHT page 10

We get the views of Varun Sood, managing director at Capvent as the firm prepares to raise a new fund of funds focusing on the Indian private equity market.



INVESTOR NEWS page 13

All the latest news on investors in private equity:

- Carnegie Mellon University Endowment Fund increases allocation to private equity
- Artemis Investment Management launches new fund of funds vehicle
- FvS Family Office set to double private equity allocation
- WSIB extends contracts of advisors
- BP Pension Fund appoints new private equity staff
- PKDW makes first foray into private equity

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Private Equity Spotlight

> *"...anything up to $300 billion of new capital could be pumped into the industry in the near future..."*

Feature Article: Investor enthusiasm and the increasingly challenging fundraising market

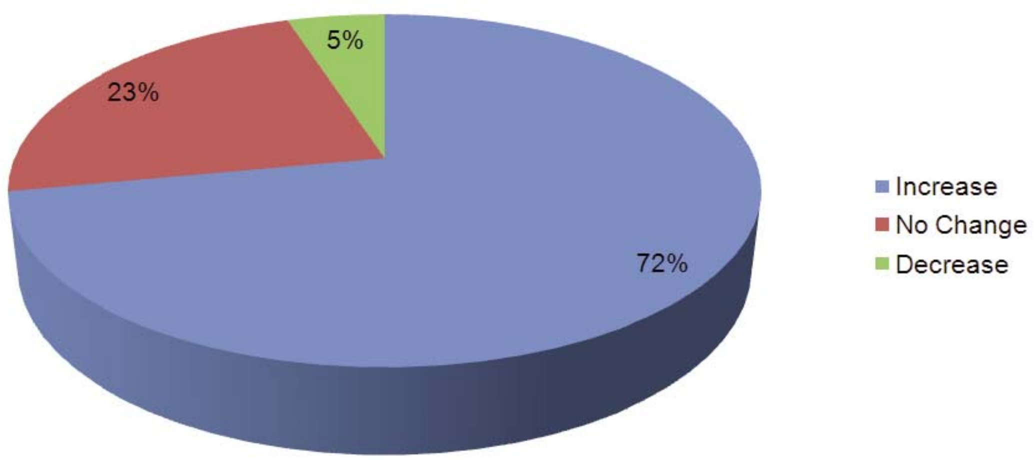
Over the past three years institutional investor interest in private equity has risen to previously unparalleled levels. Buoyed by strong returns and the prospects of diversification, new investors continue to enter the asset class, while existing investors are increasing their allocations, and investors from emerging regions are entering the private equity arena at an ever increasing pace.

Evidence for the increase in investor enthusiasm for private equity funds, and their confidence in the market can be seen in the record-breaking levels of fundraising witnessed by the industry over recent years. In 2005 global aggregate fundraising broke through the $300 billion mark for the first time in the history of the asset class, with the emergence of mega-funds such as the $8.5 billion GS Capital Partners V being a key factor in the bumper fundraising conditions. Fundraising in 2006 was to increase even further, and massively exceeded the levels of 2005, with aggregate fundraising hitting $457 billion, 44% higher than in 2005. Mega funds such as the $15 billion Blackstone Capital Partners V were getting increasingly large, as fund managers were able to take advantage of unparalleled levels of enthusiasm from investors. 2007 is continuing the trend, with Goldman Sachs raising a record $20 billion for their sixth fund, and fundraising again reaching high levels, passing $260 billion for the first six months of 2007.

Private Equity Intelligence data demonstrates how increasing allocations to the private equity asset class have influenced such bumper fundraising conditions. At this point one year ago, the global average institutional allocation to private equity stood at 7.1%. Over a period of just twelve months this has now increased to 7.8%, an increase of nearly 10%, and the growth does not stop there. The current average target allocation to private equity for the institutions on our database stands at 9.7%, over 20% higher than their current average allocations, indicating the potential for significant further growth.

With aggregate global commitments to private equity standing at roughly $1.5 trillion, this suggests that anything up to $300 billion of new capital could be pumped into the industry in the near future – with this capital being in addition to the further commitments necessary to maintain investors' current

Investors' Future Private Equity Allocation Intentions



allocations to the asset class – no small task in itself in a climate of generous distributions from existing fund investments.

In order to fulfil these targets, investors are becoming increasingly global in their investment plans. Fundraising within emerging markets has seen enormous growth over the past few years, with funds raised in Asia and the Rest of World growing from just $13bn in 2004 to $54bn in 2006. Investors are becoming increasingly confident, with more and more of them making their first forays into emerging markets funds, and existing investors increasing their allocations. In addition, there has been an increase in domestic investors entering the market within certain regions outside of the more established markets of North America and Europe, with Middle Eastern managers in particular witnessing a large rise in domestic investment in their funds. When the geographical preferences of the whole universe of LPs are examined, a total of 52% of investors identify emerging markets focused funds as being of potential interest to them.

One aspect of the fundraising market that is often lost amongst the headline aggregate commitment levels is the increasingly challenging market conditions facing managers hitting the road. Although the value of funds achieving a final close has increased dramatically, the number of funds achieving a final close has risen at a far slower rate. Although fundraising increased 44% between 2005 and 2006, the number of vehicles achieving a final close only increased by 8%, as the majority of the bumper fundraising has been due to increasing fund size rather than an increasing number of funds achieving a final close. During the same period the number of funds on the road seeking capital has doubled. As a result, fund managers face a huge challenge in effectively marketing their funds with so many other managers also vying for attention.

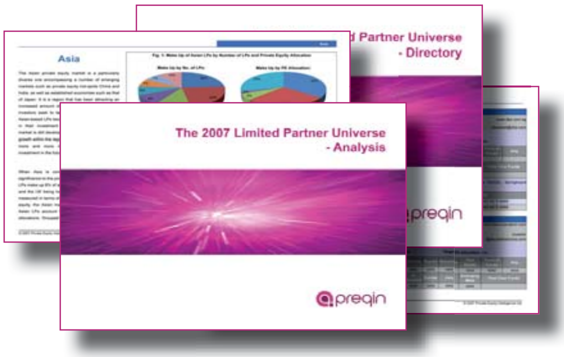
In such a congested market, the challenges facing first-time fund managers have never been greater. Although perceived as a more risky investment choice, well selected first-time funds can provide excellent returns, and there are certain benefits to be had with forming an early relationship with first-time fund managers that go on to become established and sought-after managers in the future. The evidence for investor support for these vehicles is strong: our data shows that exactly 50% of investors questioned would definitely invest with a first-time fund manager, while a further 16% would consider such an investment.

Clearly in order to be successful in such a congested market, fund managers must ensure that their fundraising efforts are as focused and streamlined as possible. In our newest publication: The 2007 Limited Partner Universe, we examine in detail the different investor groups by region and type, enabling fund managers and marketers to target specific investors based on their individual preferences in terms of fund type, regional focus, attitude to first-time funds and investment plans over the next twelve months.

2007 Limited Partner Universe: Order Form

The 2007 Limited Partner Universe is a two volume publication providing the most comprehensive printed guide to private equity limited partners available today:

- Directory: Comprehensive listings for 1,500 of the world's most important investors in private equity.
- Analysis: In-depth, vital analysis on the latest trends within the private equity universe.



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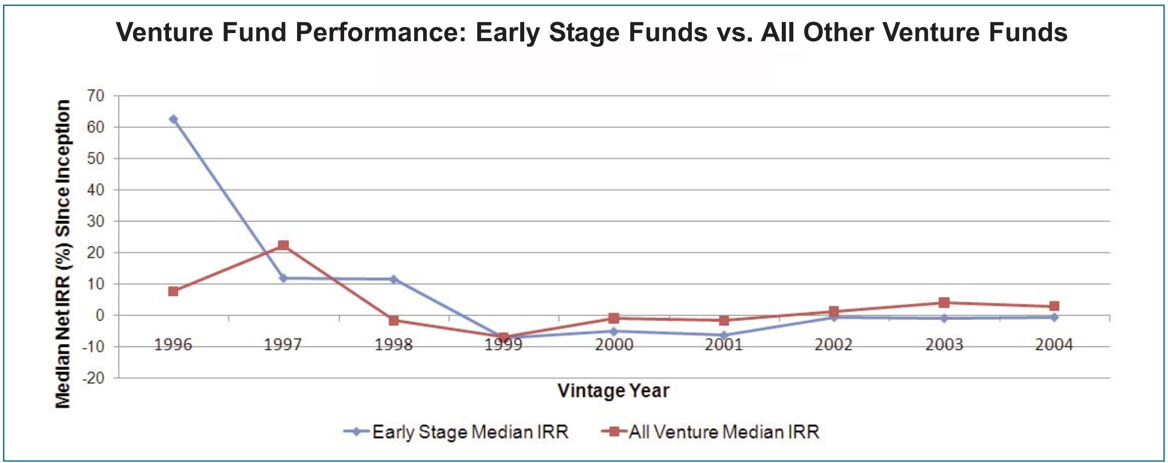
Performance Spotlight

Performance Spotlight is your monthly update on Private Equity Performance. This month Spotlight looks at the performance of one of the most risky segments of the private equity industry, early stage venture funds.



As the chart shows, early stage funds of vintage years 1996 and 1998 have performed especially well, with the median early stage fund of 1996 vintage outperforming the median general venture fund by 55%. The crash of the technology market significantly affected the returns of the venture capital industry, with both general venture and early stage funds of vintage 1999 returning negative IRRs. Early stage funds of vintages 2000 onwards have been consistently outperformed by generalist venture funds. Whilst the median IRRs of general venture funds of vintage 2002-2004 are actually showing positive performance, early stage funds of this era are still in negative territory.

Based on the median net IRR performance, early stage funds may appear to look somewhat unfavourable. However, median performance does not tell the whole story as early stage funds exhibit an especially wide dispersion of returns from the median performance. The best performing early stage funds rated in the top quartile are generating huge returns exceeding those of other private equity fund types. LPs willing to invest in the early stage segment can potentially benefit from huge profits if they are able to select the right fund managers.

The table below summarises the net performance of some of the best performing early stage funds – displaying the potentially astronomical returns that can be achieved from investing with early stage managers.

Our online Performance Analyst database currently has performance data for 353 early stage funds. For more information and to register for a free trial please visit

www.preqin.com/pa

Fund	Vintage	Fund Size (Mn)	Net IRR (%)
Sequoia Capital VII	1996	150 USD	167.4
Clearstone Venture Partners I-B	1998	73 USD	154.7
WPG Venture Associates IV	1997	212 USD	124.3
Apex Fund III	1996	58 USD	97.1
Novak Biddle Venture Partners I	1997	23 USD	79.5

2007 Private Equity Performance Monitor

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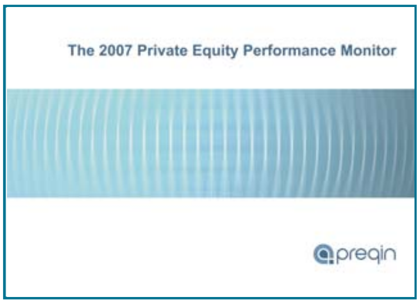
- Detailed profiles for over 1,000 separate private equity firms worldwide
- View which GPs deliver consistent good performance
- Quartile rankings - see who the top performers are
- More information is available at: www.preqin.com/PM



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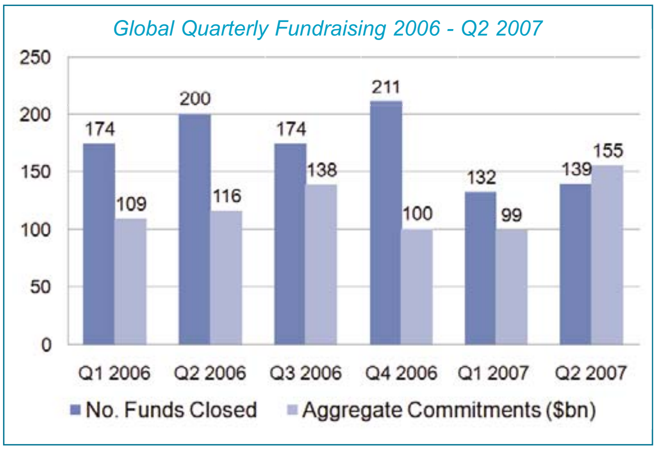
Overview
Global Fundraising Update - Q2 2007

Records continue to tumble as the second quarter of 2007 saw 139 new private equity funds raising a massive $155 billion of commitments from investors.



$155 billion raised during Q2 2007

A total of 139 funds achieved a final close during Q2 2007, raising an aggregate $155 billion. Not only is this a massive increase on the $99 billion raised during the first quarter of 2007, it also represents the largest amount of capital raised in any previous quarter. The number of funds reaching a final close has remained at approximately the same level as that seen in Q1 2007, which is still significantly less than was seen in any quarter in 2006, showing that record fundraising is due more to growing fund sizes than the actual number of funds closing increasing. Average fund size has increased considerably over the last 12 months, from $600 million in Q2 2006 to over $1 billion at present.

Fundraising in Q2 2007 by Fund Type

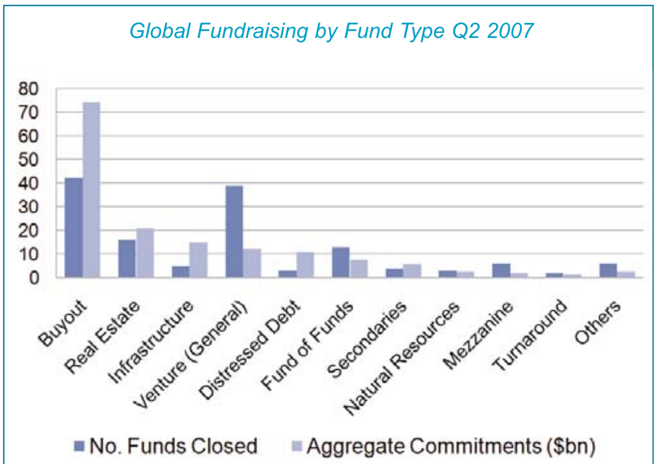
• 42 buyout funds raised an aggregate $74 billion during Q2 2007, with over 70% of the aggregate committed capital coming from US-focused funds, 22% from funds focused on Europe and just 8% from buyout funds targeting the Rest of the World.

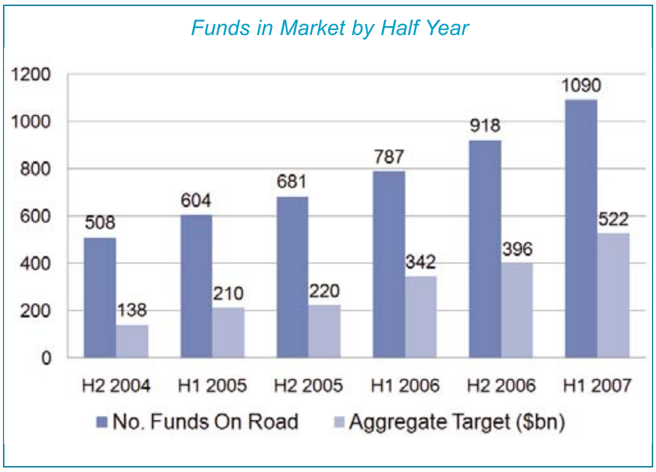
• 16 real estate funds raised an aggregate $21 billion in capital commitments in the second quarter of 2007. This is an increase of $5 billion on the total raised in Q1 2007. Over $6 billion of the total capital raised comes from US-focused funds, and more than $5 billion from funds targeting Europe. Funds focused on the Rest of World region have raised an aggregate $8.7 billion; Morgan Stanley Real Estate Fund VI International alone raising $8 billion.

• 5 infrastructure funds raised an aggregate $15 billion during Q2 2007. Macquarie European Infrastructure Fund II and Macquarie Infrastructure Partners raised a combined $10 billion and Alinda Capital Partners I raised $3 billion.

• 39 venture funds raised an aggregate $12.3 billion in commitments. CDH China Fund III accounts for $1.6 billion of the total raised.

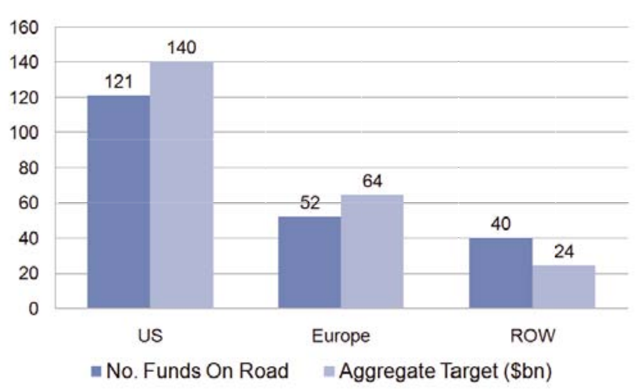
• 3 distressed debt funds achieved a final close during Q2 2007, raising an aggregate $11 billion. Over $7.5 billion was raised for Cerberus Institutional Partners (Series Four).



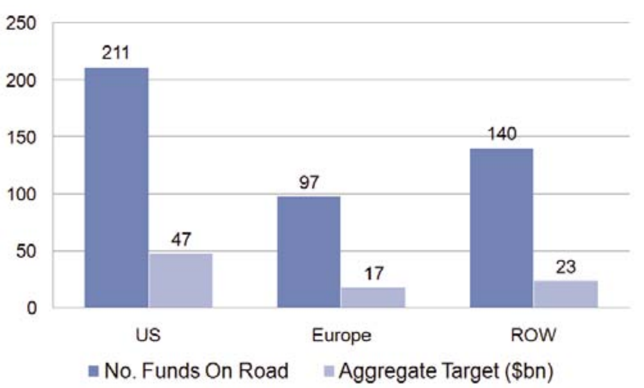


Funds In Market
Global Fundraising Update - Q2 2007

Buyout Funds in Market by Regional Focus



Venture Funds in Market by Regional Focus



The number of private equity funds on the road has continued to grow throughout 2007, a continuation of a trend extending back over the past three years. There are currently 1,090 funds on the road with a combined target of $537 billion. Although the levels of fundraising have also increased consistently during this time, the actual number of funds achieving a final close has failed to increase at the same rate, indicating that competition amongst fund managers competing for the attention of investors is extremely high, and conditions are likely to get even harder as more managers continue hit the road.

Buyout Funds on the Road:

• There are currently 213 buyout funds in the market, targeting an aggregate $228 billion. The average target of buyout funds in the market has continued to rise; it currently stands at $1.1 billion.

• US-focused buyout funds account for both the majority of buyout funds in the market and for the majority of capital being sought for buyout funds at present. 121 funds are seeking $140 billion in commitments. European focused buyout funds account for 24% of the overall target and funds focused on the Rest of the World account for 19%.

Venture Funds on the Road:

• There are at present 448 venture funds on the road seeking an aggregate $87 billion.

• US-focused venture funds account for almost 50% of the capital sought. Venture funds focusing on the Rest of the World account for 31% of the overall target, whereas funds focusing on Europe account for just 22%.

LARGEST BUYOUT FUNDS ON THE ROAD

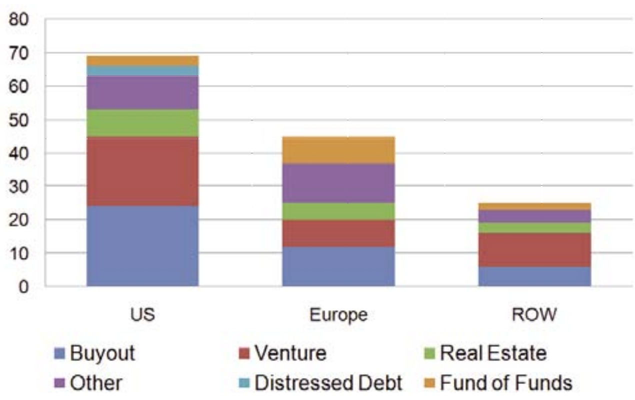
Fund	Manager	Fund Size (mn)	Location Focus
Carlyle Partners V	Carlyle Group	17,000 USD	Global
KKR Fund 2006	Kohlberg Kravis Roberts	16,625 USD	Global
Apollo Investment Fund VII	Apollo Management	15,000 USD	US
Apax Europe VII	Apax Partners	8,500 EUR	Europe
Thomas H Lee VI	Thomas H Lee Partners	9,000 USD	Europe

LARGEST VENTURE FUNDS ON THE ROAD

Fund	Manager	Fund Size (mn)	Location Focus
Citigroup International Growth II	Citigroup VC International	3,500 USD	Emerging Mkts
AIG Highstar Capital III	AIG Global Investment Group	3,000 USD	US
Cyrte Investments TMT Fund	Cryte Investments	1,500 EUR	Europe
Pine Brook Road Partners I	Pine Brook Road Partners	2,000 USD	US
Bertelsmann	Bertelsmann Capital Ventures	1,000 EUR	Germany

Geographic Focus
Global Fundraising Update - Q2 2007

Number of Funds Raised by Regional Focus

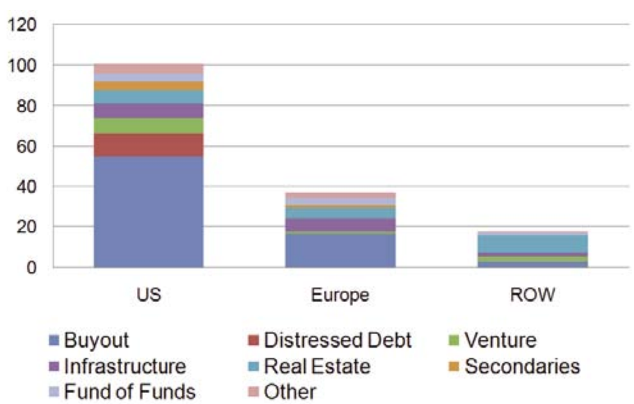


In Q2 2007, US-focused funds continued to attract more investor interest than funds targeting Europe or the Rest of the World. Over $100 billion was raised in total by private equity funds focusing on the US market, representing 65% of the overall capital raised during this quarter.

45 funds focused on Europe reached a final close in the second quarter of 2007, raising an aggregate $36 billion in commitments, 23% of the total capital raised globally.

Funds targeting the Rest of the World raised over $17 billion in commitments from 25 funds. This represents an increase of $7 billion on the aggregate capital raised in Q1 2007.

Aggregate Capital by Regional Focus



US:

• Buyout funds continue to dominate the US private equity market. 55% of the total capital raised by US-focused funds in Q2 2007 came from buyout funds. 24 US-focused buyout funds raised an aggregate $31 billion in commitments.

• During Q2 2007, US-focused distressed debt funds were again the second most successful fund type in terms of total committed capital. Over $11 billion was raised by 3 distressed debt funds. The majority of the aggregate capital raised by funds of this type was committed to Cerberus Institutional Partners (Series Four), which raised $7 billion.

• Venture funds accounted for approximately 8% of the total capital committed to US-focused funds in Q2 2007, raising an aggregate $7.9 billion.

Europe:

• 12 buyout funds targeting Europe reached a final close during Q2 2007, having raised an aggregate $16.3 billion, representing 44% of the European fundraising market for the period. With $7.4 billion (€5.4 billion), Terra Firma Capital Partners III is the largest European-focused fund raised during Q2 2007.

• Infrastructure funds were the next most successful type of funds in Europe this quarter. One infrastructure fund, Macquarie European Infrastructure Fund II, managed by Australian fund manager Macquarie Funds Management Group, raised $6.3 billion for infrastructure investments in Europe.

• 8 fund of funds focused on Europe reached a final close during Q2 2007, raising an aggregate $6.3 billion.

ROW:

• Real estate funds accounted for over half of the aggregate capital raised by Rest of the World focused funds in Q2 2007, with 3 funds raising an aggregate $8.7 billion.

• Venture funds targeting the Rest of the World had a successful second quarter with an aggregate $3 billion raised by 10 funds.

• 6 buyout funds raised an aggregate $2.5 billion in Q2 2007, considerably less than the $4.5 billion raised during the first quarter of 2007.

Product Spotlight: Investor Intelligence

Each Month Spotlight takes a closer look at one of the many products and services provided by Private Equity Intelligence, exploring the features offered; how it can help you in your job; who uses it and how you can get it.

This month: Investor Intelligence

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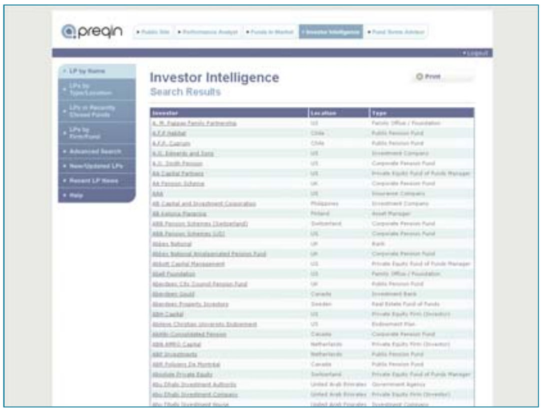
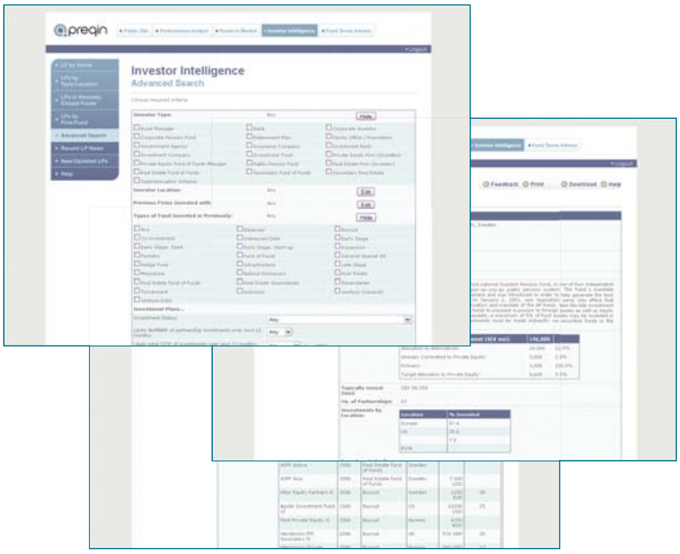
- **Are you a Placement Agent?** Use Investor Intelligence to stay up to date with the latest developments in the LP Universe. Be informed of new investors entering the asset class, and be the first to know about investor's latest plans for investment

- **Are you looking for exclusive investor updates?** Our team of dedicated analysts actively contact existing and new investors to ensure that the data we hold is as comprehensive and up to date as possible.





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Investor Spotlight: Capvent Interview

This month's Investor Spotlight gives the views of Varun Sood, MD of fund of funds manager Capvent and is based on extracts from an interview originally featured in T&I Asia 12/07/2007

True or not true? A fund of funds has to work hardest of all in their manager selection because all of their income derives from the returns of the managers they select and because the management fees are less than those earned by a GP?

It is true to say that fund of funds offers investors investment in the asset class with less risk. We also aim to perform better than average, else there is no reason to invest with us. Unlike the stock markets, where each and every participant has equal information or is supposed to, this is not the case in private equity. Therefore certain investors do make money at the expense of others, while remaining completely legal. And it's fair to say that fund of funds make less money on their participation in a GP, than a GP makes by direct investing. But there is less standard deviation in a fund of funds investing. Hence fund of funds are less risky, from a dollar for dollar perspective.

What does that mean?

Most people look at investing in this asset class from the perspective that there is something called a top quartile fund and if you invest in a top quartile fund, you're okay. That assumes a belief that managers, once they've become a top quartile fund, are always going to be top quartile. This also assumes that the investment environment is no different from one year to another. That the market is the same, this year as it will be the next year and the year after will be the same. And that is not the case in the real world.

If you can't invest in GPs based on their past performance how do you select?

We take a different tack in manager selection. We know that two-thirds of our returns have come from allocating funds to the right "area" at the right time. It isn't too difficult to do that if you understand the cycles of the market, to allocate funds in a contrarian fashion, but you have to understand how the market works.

You don't invest in top quartile funds?

That is the question that is difficult to answer. You never know who is going to be a top decile or top quartile until after you've invested. You're aiming to invest in top funds, but you don't know the names of those funds until after the fact. The way to identify the top funds, the top firms, the top areas is to invest in, is to put money into a fund that is not top quartile. At the end of the day, you're looking for returns. Returns are determined by the demand and supply of capital, not by something we think of as top quartile. Top quartile is a result, not an economic argument. Return comes from supply and demand, the point at which those two meet. If there is oversupply of capital you're going to get a lower return. If there is undersupply you're going to get more return. The second thing that determines return is whether there is "cheating" in the system. That is, if there is a risk of moral hazard. And that is particularly our problem in private equity which is intransparent. The stock market, by comparison, also has risk, but is more transparent.

So you invest in a GP based upon?

We look at the demand and supply. We look at the market and say it looks like there is too much supply in the abc sector, in xyz country. Then you have to say "I am not going to invest there", or if I do, I am going to invest very carefully.

But you're investing in India only, is that correct?

No no. We have an international program, and have invested in practically every major PE market. We have a fund for India. And we are investing in China though our global program. India is only a portion of what we're do, but it's a big portion. It's how we're going to grow and where we're going to put much of our own resources.

Given that. What is the universe of managers in India that meet your criteria?

When we got started in India, in 2003, we found five managers that were acceptable. So we did not do a fund of

Investor Spotlight: Interview

funds at that time. We found it intellectually dishonest. The market was not deep enough. But unlike anybody else, we set up an operation in India to learn and to execute and to build skills. Today there are about 75 potential GPs we can invest in. Today we're doing a fund of funds. We have twenty candidates right now for around eight more investments this year. The market has grown massively since 2003. And we've met with all of the 75 of those funds.

So you'd like to raise how much?

We're raising $200 million. We've decided to make it a smaller fund that what can potentially raise, so that we can allocate it more quickly.

What is your time frame to begin investing?

We will allocate our $200 million over a two year period. The strategy is to put 75% into funds and 25% into direct co-investments alongside our GPs. Why are we doing that internal allocation? Because we have very good relationships with Indian and international funds [and we want to] give our international fund of funds exposure to the best of the deals that they or other Indian funds make in India through co-investing. The idea is to give our investors high quality through the fund of funds plus the cherry picking of the direct investments, and the diversification for our investors through the manager investments in our portfolio.

And you'll invest in domestic or foreign managers?

We'll invest in both domestic and foreign managers. We may not invest in a Carlyle fund in India, but if Carlyle is investing in something that interests us, and if we can get into that investment, then we may do that, because we've already invested in three Carlyle funds and have a fantastic relationship there.

Talk about your business outside of India up to date?

We have about one billion Euros under management in about 65 funds. We started that program from zero. We've always focused on performance, but we found it hard to achieve our performance expectations in a very crowded market or in a very well supplied market like the US where you can't be very specialized, or in Europe which has become much like the US. That is one of the reasons why we made an early start at investing in funds in Asia and we succeeded in getting our feet on the ground.

Lets finish up on manager selection for India again.

We're focus on how mature the mangers are in terms of their style. In how they invest. The sectors in which they invest. We'll be looking for managers who understand that this is entrepreneurial capital, that you need to spend it wisely and don't invest in highly capital intensive businesses, that they know that there is enough risk in the system already because of it being a minority business. You don't take additional risks in areas that you can't control, like infrastructure investing or other areas where there are government or regulatory issues that you can't control. Then further we rely on our due diligence on the managers – the process is similar to developed markets but it is just done over a longer period of time – often you know the managers for years from their prior occupations. This is the only way to remedy a situation where you have very few data points to work with as mostly all managers are first or second time funds

Back to your GPs. Industry? Consumer?

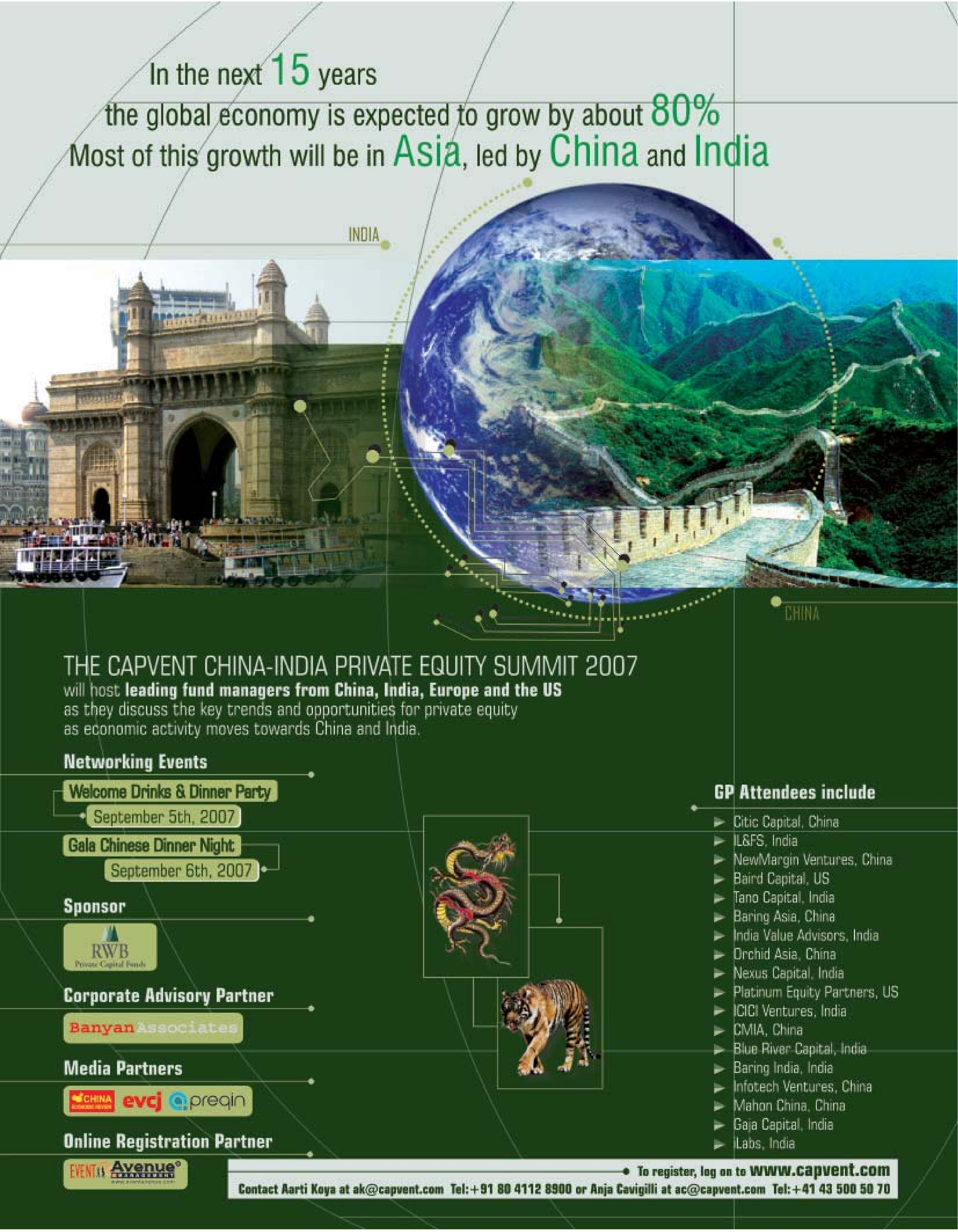
Our GPs will be in industry or services across the board in India Everybody is doing pretty much everything these days, but we're going to look for people who will find an edge, who understand their sectors, who are going to focus. Who've become less generic and who are more specialized. India today is different from the past 20 years ago when it was run by a few business families who were protected by the government's "License Raj." Today the growth in India comes from younger entrepreneurs who nobody knows.

To date you've made how many commitments in India?

About ten. All so far are from our global fund. The next ten will come from both the global fund and the new India fund of funds.

You said earlier that you might "build" a fund around a team.

We could. We have people who come to us and say, we're spinning out, can you give us some capital. We have done that already, but I can't talk about that [yet].


In the next 15 years
the global economy is expected to grow by about 80%
Most of this growth will be in Asia, led by China and India
INDIA
CHINA
THE CAPVENT CHINA-INDIA PRIVATE EQUITY SUMMIT 2007
will host leading fund managers from China, India, Europe and the US
as they discuss the key trends and opportunities for private equity
as economic activity moves towards China and India.
Networking Events
Welcome Drinks & Dinner Party
September 5th, 2007
Gala Chinese Dinner Night
September 6th, 2007
Sponsor
RWB
Private Capital Funds
Corporate Advisory Partner
Banyan Associates
Media Partners
CHINA
evcj
preqin
Online Registration Partner
EVENTS Avenue
GP Attendees include
Citic Capital, China
IL&FS, India
NewMargin Ventures, China
Baird Capital, US
Tano Capital, India
Baring Asia, China
India Value Advisors, India
Orchid Asia, China
Nexus Capital, India
Platinum Equity Partners, US
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CMIA, China
Blue River Capital, India
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Investor News

The USD 2 billion **Nikko Cordial Alternative Investments** has set a target allocation of 35% of assets or USD 700 million to private equity. It currently has USD 400 million committed to the asset class and will typically commit USD 20 million to each fund. It targets funds that will invest in Asia, particularly those focused on Japan.

Asia Alternatives Management is seeking to build a portfolio of around 20 venture, buyout and special situation funds through its first fund of funds, Asia Alternatives Capital Partners. It will focus exclusively on funds targeting opportunities in Greater China, Japan, Korea and India and may also commit to funds focusing on Southeast Asia, Australia and New Zealand on an opportunistic basis.

Teachers Retirement System of Texas (TRS) has increased its target allocation to alternative investments from 8.5% to 35% of its total assets and has set target allocations of 10% to private equity and 5% to hedge funds following the recruitment of new CIO Britt Harris. TRS is not looking to change its existing private equity investment strategy but may add further diversity to its portfolio via co-investments. In the longer term, TRS may also look to widen its geographic coverage and is in the process of investigating regions it currently has no exposure to, like Asia.

Carnegie Mellon University Endowment Fund has announced that it is intending to increase its current allocation to private equity funds. At present, the USD 1.2 billion Pittsburgh endowment plan has a 20% target allocation to private equity funds and has only committed 8.6% of assets at present. The endowment is actively seeking to invest in emerging markets where it feels attractive investment opportunities continue to boom. It is also considering making its first foray into investing in first-time funds. The endowment is seeking to invest up to USD 80 million in private equity funds this year.

FvS Family Office is set to double its private equity allocation. The Cologne-based family office, which manages EUR 2 billion on behalf of its clients, currently has 3.75% of assets committed to private equity but has set a target allocation of 7.5% to the asset class. It typically commits EUR 10-25 million to each fund and favours venture capital vehicles. FvS Family Office is also considering committing to funds targeting emerging markets.

Kentucky Retirement Systems is looking to make between 10 and 14 new fund investments over the next twelve months. The retirement system has a long-term target allocation of 5-7% to the private equity asset class which it hopes to reach over several years. As of June 2007, the retirement system had not made any investments outside of the US; however, Kentucky will be looking for international investments over the next few years and is considering investing in emerging markets.

Artemis Investment Management has launched a new fund of funds vehicle for Canadian investors. The fund of funds manager has started fundraising for Elite Private Equity, which aims to give Canadian investors access to funds managed by the world's largest firms. It will commit to US-based buyout funds including those managed by Carlyle Group, Blackstone Group, Thomas H Lee Partners and Clayton Dubilier & Rice.

Washington State Investment Board (WSIB) has extended the contracts of two of its non-discretionary private equity advisors, Pathway Capital Management and INVESCO Private Capital. The 76.3 billion pension plan voted to extend both contracts for one year.

The GBP 13 billion **BP Pension Fund** has appointed Tony Pike as its new head of investments, replacing Colin Maltby following his retirement. Vicky Wilson will also join BP Pension Fund in August and will fill the newly created role of head of private equity. Wilson is currently Alternative Assets Manager at the British Airways Pension Fund and is set to leave this position in mid-August.

The EUR 1.1 billion **PKDW**, a German public pension fund, has committed EUR 7.5 million to two private equity fund of funds, its first foray into private equity. Following a review of the pension system's investments last year, it was the decided that PKDW would begin investing in private equity to diversify its investment portfolio and imposed a 4% target allocation to the asset class.

The **Latvian Guarantee Agency**, which promotes investment in small- and medium-sized enterprises in Latvia, committed EUR 4.8 million each to three Latvian-focused vehicles, Invento managed by TechVentures Fondu, Second Eko Fund managed by Eko Investors and ZGI Fund managed by Zalas Gaismas Investicijas.

In The Spotlight: Publications

Private Equity Intelligence is a financial information business focused on the private equity industry. We provide private equity and venture capital firms, fund of funds, investors and advisors with products and services within four main areas:
Fund Performance, Investors, Fundraising and Fund Terms.

2007 FUND OF FUNDS REVIEW :

The 2007 Fund of Funds Review provides a detailed analysis of the fund of funds market including a directory of fund of funds managers, LP investors in fund of funds, listings of funds raising, funds closed and fund by fund performance.

2007 PERFORMANCE MONITOR :

Now in its fourth year, The 2007 Performance Monitor is a vital information resource containing profiles for over 1,000 firms and performance data for over 3,000 global private equity funds. Fund performance is also available through our online database "Performance Analyst"

GLOBAL FUNDRAISING REVIEW :

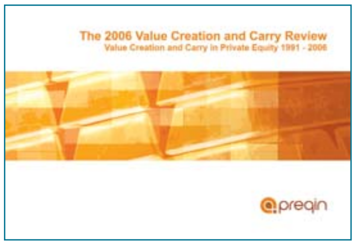
The 2007 Global Fundraising Review provides detailed analysis and comprehensive listings for the global fundraising market. This information is also available through our online database "Funds in Market"

2007 FUND TERMS ADVISOR :

Now in its 2nd edition, the Fund Terms Advisor is a detailed review of private equity partnership terms and conditions, based upon analysis of over 1,100 funds of all types and sizes from the US, Europe and around the world. A vital reference source for details and benchmarks on key fund terms.

2007 LIMITED PARNER UNIVERSE :

The two volume 2007 Limited Partner Universe provides comprehensive listings and detailed analysis of 1,500 of the most important global LP investors in private equity. This information is also available through our online database "Investor Intelligence"



2006 CARRY REVIEW :

The 2006 Value Creation and Carry Review provides detailed analysis of private equity's track record in delivering net value added to LPs, with extensive listings showing the carry that GPs have earned on these funds.

2006 REAL ESTATE REVIEW :

The 2006 Real Estate Review is the world's most comprehensive guide to the private equity real estate market, with data and analysis on fundraising, performance, terms and conditions and investors. This information is also available through our online database "Real Estate Online"

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