

# Preqin Research Report

## Private Equity -

### New York Buyout Firms: Key Stats and Facts

New York is both a global and US-focused centre of finance and business. Subsequently it should come as no surprise that many of the world's largest buyout players were set-up and headquartered in New York.

#### Fundraising by New York Based Firms

Fundraising by buyout firms based in New York has been very strong in recent years, boosted by a number of mega-sized funds from managers including Blackstone, KKR, Apollo, Carlyle and Goldman Sachs. 2007 represented the peak for fundraising by firms in NYC, with in excess of \$75bn being raised.

Things have slowed down considerably since then, with 2008 seeing \$46bn in aggregate commitments, and \$21bn in 2009 (as of July). Please see Fig. 1 to the right for more details.

#### Largest Funds Raised

Fig. 2 below shows the largest funds to be raised by firms headquartered in New York.

Blackstone's Capital Partners V fund is the largest, achieving a final close on over \$21bn. Apollo are the only firm to have raised two funds exceeding \$10bn in committed capital. Goldman Sachs, Apollo and Carlyle all have two funds appearing in the top ten.

#### Industry Focus

Buyout firms have always invested in what is known as "traditional" industries where with the right management in place, operational improvements can be achieved. Preqin supports this argument given that from our analysis, 59% of the NYC based buyout firms will invest in the industrials sector. This includes sub-sectors such as manufacturing, engineering or transportation. Similarly 58% of NYC buyout firms will invest

in business services and 56% of them will invest in consumer discretionary sub-sectors such as retail and consumer products. (Fig.3)

#### Board Representation

When acquiring a company, 83% of the NYC based buyout firms require a board seat on that company while 16% only prefer to have a board seat on that company. Only 1% of the NYC based buyout firms do not require a board seat.

#### Shareholding

When it comes to shareholding 41% of the NYC based firms require a controlling interest in the company, while 33% prefer a controlling interest in the company. 20% of the firms have no preference on the shareholding of the companies they acquire. Only 5% require a minority position in a firm they have interest in while 1% prefer a minority shareholding position. (Fig. 4)

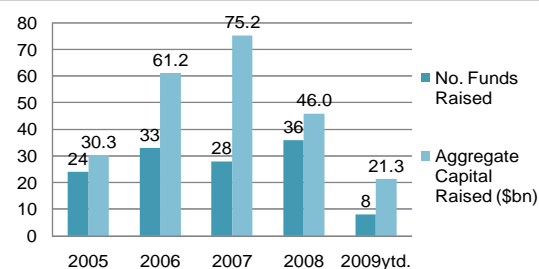
#### Data Source: Fund Manager Profiles

Fund Manager Profiles is the most comprehensive, detailed source of information on private equity fund managers available today. Preqin's team of dedicated analysts are continually monitoring, researching and contacting managers of all different types from around the globe in order to ensure that the data we hold is up to date, reliable and complete.

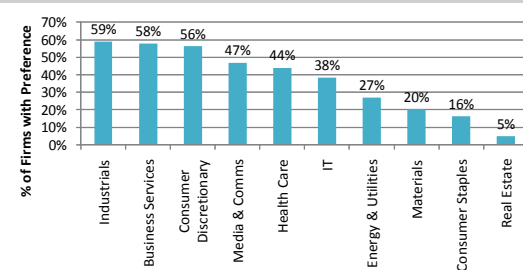
This powerful database includes detailed profiles for over 4,600 managers including 15,000 individual contacts with direct contact info. For more information on the many features of this vital product, please visit:

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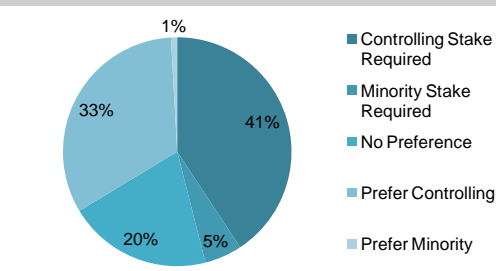
**Fig. 1:**  
Annual Fundraising by NYC Buyout Managers, 2005 - 2009 ytd



**Fig 3:**  
Industry Preferences for NYC Buyout Managers



**Fig. 4:**  
Shareholding Preferences for NYC Buyout Managers



**Fig. 2:**  
Biggest Funds Raised by NYC Headquartered Buyout Firms (Non US focused funds excluded)

Fund	Manager	Year Raised	Size (Bn)
Blackstone Capital Partners V	Blackstone Group	2006	21.7 USD
GS Capital Partners VI	Goldman Sachs	2007	20.3 USD
KKR Fund 2006	Kohlberg Kravis Roberts	2007	17.6 USD
Apollo Investment Fund VII	Apollo Management	2008	14.8 USD
Carlyle Partners V	Carlyle Group	2008	13.7 USD
Apollo Investment Fund VI	Apollo Management	2006	10.2 USD
Silver Lake Partners III	Silver Lake	2007	9.3 USD
GS Capital Partners V	Goldman Sachs	2005	8.5 USD
Carlyle Partners IV	Carlyle Group	2005	7.9 USD
JC Flowers II	JC Flowers & Co	2007	7.0 USD



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- > Fund Performance
- > Fund Raising
- > Fund Manager Profiles
- > Investor Profiles
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