OPALESQUE

PRIVATE EQUITY STRATEGIES

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In This Issue

Mayan apocalypse, the holidays, and even the fiscal cliff - we've survived them all. Now in January, we are filled with resolve, or at least resolutions, and just enough holiday food guilt to help us sprint toward summer vacations. In this issue we'll take truly global look at private equity at the start of 2013, and look back at 2012, which turned out to be a better year for the industry than expected.

In our **Dealmaker Q&A** we speak with Highland Capital Management on the Safety-Kleen transaction. Highland held 40% of Safety-Kleen going into the acquisition and says this is a deal they would do again.

Regs Watch offers updates on a full scope of new guidelines, recent court cases and 2013 outlooks that include continued discussions on dividends, tax rates and carried interest as the US and global governments dig in on implementing new revenue increases and regulations.

Movers and Shakers highlights the Latin America private equity outlook for 2013, including an interview with Rod Walkey, Managing Director of Latin America Alternatives.

In the **Data Snapshot**, we will look at some recent large transactions and new regulatory trends in China that may make that country more open to private equity investment.

In **The Next Generation**, Professors at the London School of Business and Harvard discuss the state of private equity programs and academic research.

A contributed article from Benedict Gravrand, our Opalesque Geneva Senior Editor looks at a new book on Swiss private equity. Palico, the online marketplace for the private equity fund community has also contributed an article on private equity investment in Africa which is expected to hit record levels this year.

Finally, we offer brief updates on recent transactions and people moves in Quick Hits. Our events calendar will look at the events kicking of 2013. Please send any updates or feedback on this publication to me at mccann@opalesque.com - I'd love to hear from you.

Best,
Bailey McCann, Editor

About the Editor: Bailey McCann is a reporter and analyst based in the US, with experience covering government, policy and regulatory issues in addition to her coverage of alternative investments. Prior to her work with Opalesque, she provided research and media intelligence for members of Congressional and White House offices, government contractors, and Fortune 500 companies. She has also reported on, and done policy analysis of state and local government issues. She may be reached directly at mccann@opalesque.com

2012 - A Surprisingly Ok Year For Private Equity

Bailey McCann
Private Equity Strategies

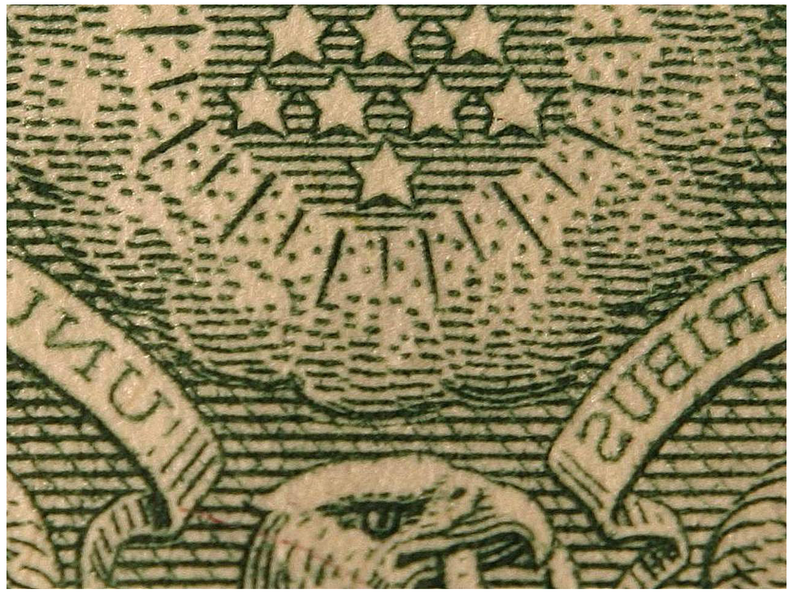
Despite broad based uncertainty in the US and abroad, 2012 turned out to be a surprisingly positive year for private equity. Private equity fundraising was up 20% for the year, reaching a total of $160.4bn according to a recent report from Dow Jones VentureSource.

Some of the largest firms re-entered the fundraising fray in 2012, which drove up overall volume in the U.S. during the year," said Laura Kreutzer, editor of Dow Jones Private Equity Analyst, in the report. Some of the big name funds you'd expect to see are leading the back including Advent, and Blackstone both of which saw greater fundraising in 2012. Blackstone's stock price also ended the year positively.

Compensation is on the rise too, for the third year in a row, the Private Equity and Venture Capital Compensation Report released by PrivateEquityCompensation.com, showed increases in both base pay and bonuses. The average private equity professional earned $273,000, in 2012 according to the report.

Even medium and small sized firms are seeing positive increases in value. The Dow Jones report shows that the size of median US private equity funds increased 24% to $310m in 2012. As Private Equity Strategies noted before, some advisers to institutional investors have said that private equity may be one of the last investments that can hit return targets on a reliable basis. Looking back at the last year, it seems like they may be right. Other alternatives like hedge funds lagged the S&P 500 for much of the year.

Recent private equity interest in both Legg Mason and Dell may also indicate the revival of big buyouts. Reports surfaced earlier this month that two private



equity firms were interested in Legg Mason although nothing more than that has been announced. One analyst says that taking the firm private is unlikely.

Silver Lake Partners was reported to be in talks with Dell over a buyout of that company. If Dell is successful in securing the buyout, current reports speculate that the total could be as high as $20bn a number not seen since the financial crisis.

Even if these deals don't go through, seeing multiple reports like this, coupled with improvements in fundraising, may be early indicators that private equity may be moving back to pre-crisis deal amounts.

Another indicator might be found in the troubled IPO market. After the Facebook IPO many firms took a step back from their IPO plans, however, a report from Ernst&Young says that global IPO activity is likely to pick up in the second half of 2013.

The global accounting firm expects to see an uptick in real estate, oil and gas, and infrastructure in the latter half of the year.

"As expected, there has been lower IPO activity in Asia as the number of state owned enterprises (SOEs) coming to market has diminished. The fourth quarter figures show that the US IPO market is back by deal number and rewarding companies that perform strongly. Europe has significantly increased activity in the fourth quarter, compared to the rest of the year," says Maria Pinelli, Ernst & Young's Global Vice Chair Strategic Growth Markets.

The firm is predicting that the US economy will continue to improve giving more support to the equity markets and improving the environment for IPOs. If these predictions turn out to be true, coupled with big buyouts and better fundraising private equity may look back at 2012 as the first significant year in the recovery.

A recent survey conducted by AxialMarket of private equity firms shows that many firms are simply waiting for valuations to improve before bringing their companies to market. 58% of those surveyed expected that valuations would improve starting in the first half of 2013, setting up better opportunities to go to market in the second half of the year or early 2014.

Survey data also shows that the amount of debt in deals is also pushing back up to around 7x earnings - a level not seen since before 2008. But unlike those boom years, the companies with financing this time around appear to be on more solid footing having come through the crisis.

Overall, the data seems to be offering firms and investors some points to be cautiously optimistic about heading into the New Year. It seems as though the last big hurdle to clear is whether firms have grown more comfortable with uncertainty, which is likely to be the only constant for the next few years.

Dealmaker Q&A: Safety-Kleen Turnaround Leads to Big IPO, Then Successful Acquisition

by Bailey McCann,
Private Equity Strategies

In December, Highland Capital Management and several other firms including JP Morgan, and Contrarian Capital announced the acquisition of Richardson, Texas based Safety-Kleen Inc. by Boston-based Clean Harbor Inc. Clean Harbors purchased Safety-Kleen in an all-cash transaction valued at approximately $1.25bn, financed through the combination of $289m of existing cash, $370m in net proceeds from its recently completed follow-on offering of common stock and $591m in net proceeds from its recently completed Senior Notes offering.

Safety-Kleen filed for a dual track IPO or acquisition after being turned over to its four largest shareholders following bankruptcy. Since then, Highland Capital Management which owned 39.3% of the company, and had two board seats, worked with the management team to turnaround the company, and make it profitable before taking it to market. At the time of the IPO filing, in addition to Highland's 39.3%, Contrarian Capital Management, owned 18.3%; J.P. Morgan Chase, owned14.7%; and GSC Acquisitions Holdings, owned 9.2%.

"The thought process all along was to do a dual track IPO or acquisition plan, as some shareholders wanted more liquidity. There were also some questions around the stability of the IPO market after Facebook as well," explains Patrick Boyce, Partner, and Head of Private Equity at Highland in an interview with Private Equity Strategies.

When the group filed for its IPO earlier this year, they sought to raise some $400m, one of the biggest filings at that time according to a report in the Wall Street Journal. Safety-Kleen filed for a $428m IPO in 2008, then valuing the company at up to $934.5m, according to filings, but pulled it due to the financial crisis. The company is believed to have achieved several million dollars in cash savings this year, and went into the dual-track process financially sound, which likely made it more attractive to suitors. Credit Suisse and Morgan Stanley were underwriters on the 2012 IPO.

Boyce explains that when Highland worked to turn around the company, they moved quickly to implement new management systems and refine business processes. "In a turnaround having a sense of urgency is critical," he says. "The first thing we worked on was to help get the board restructured from 16 members to 7. At the beginning it was like herding cats.

"The second part was bringing in talent management to turn over the whole management team, finding Bob Craycraft was critical to the success of that."
Highland trained the staff at Safety-Kleen on Lean Six Sigma, establishing new systems and processes. Highland also helped management understand which customers and products were profitable, and which were actually causing a drag on the bottom line. They also moved much of the decision making power away from headquarters, and into local stores with local managers. This allowed Safety-Kleen to be more responsive to the customers, and issues unique to each store, increasing profitability.

According to Boyce, Highland utilizes Lean and its derivatives like Lean Healthcare, or Lean Six Sigma in many of its turnaround stories. They also use it in-house within the private equity group. "We find that Lean adds a significant amount of value quickly," he says.

The other firms like JP Morgan and Contrarian also played a role in the turnaround. Sources familiar with Contrarian say that they got involved with Safety-Kleen in 2002, and joined the board in 2005, playing an active part in these successful changes. Contrarian saw a 24.4% return net of fees on the deal in 2012.

For its part, Highland was also pleased with the deal. "This is exactly the kind of transaction Highland looks for. We'd been investing in Safety-Kleen since 1997, following it through the bank debt, and purchased company equity through our private equity fund in 2009," Boyce said.

In a statement on the acquisition, Alan S. McKim, Chairman and Chief Executive Officer of Clean Harbor said, “the acquisition of Safety-Kleen aligns perfectly with our strategy of expanding our environmental services business in North America.” The company expects that they will be able to capitalize on the growing demand for recycled products such as refined oil, and achieve synergy through cross-selling opportunities.

Clean Harbors purchased a division of Safety-Kleen in 2002, and previously indicated interest in buying the company.

According to Clean Harbors, based on the current operating and anticipated future performance of Safety-Kleen, the firm expects the acquisition will be immediately accretive, excluding one-time fees and acquisition-related expenses. For 2012, Safety-Kleen expects revenues of approximately $1.35bn. For 2013, Clean Harbors expects that on a combined basis with Safety-Kleen, it will have revenues in the range of $3.72bn to $3.77 bn. Safety-Kleen will keep its brand and administrative offices, which are located in Plano, Texas.

Regs Watch: Brief Updates on Changes in Regulation for Private Equity

by Bailey McCann,
Private Equity Strategies

As journalists like me and lawyers have written ad nauseum, new and ever more regulations are in the pipeline for private equity and alternatives as a whole. Here we will hit on some of the cases of note and provide links to new guidance over the past month.

Sweden Doubles Carried Interest Tax:

According to a report in Bloomberg BusinessWeek, Sweden will double its taxes on carried interest, a move that will make the country more costly for private equity firms and cut its tax favorability overall.

China Leaves Private Equity Out of New Investment Law Revisions:

Chinese regulators have left private equity and venture capital funds out of revisions to their investment and securities laws coming into effect in June of this year. According to, Wu Xiaoling, vice-chairman of the National People's Congress' financial and economic affairs committee, differences among regulators in terms of how to monitor private equity will need to be worked out before the government opts to regulate funds.

SEC Provides Guidance For Private Fund Managers And Compliance Officers:

Exams and increased monitoring are on tap for private equity funds within the US as the Securities and Exchange Commission (SEC) seeks to more closely monitor private equity funds and other alternative investments. In a recent speech Bruce Karpati, chief of the SEC's Asset Management Enforcement Unit, offered guidance on what firms can expect.

IRS Releases Final Rules on FATCA:

Long-awaited final rules for implementation of the Foreign Account Tax Compliance Act (FATCA) have been released by the IRS. These rules provide guidance for how funds taxes will now be treated both in the US and in foreign countries if a firm is based in the US. These rules will have far reaching implications for alternative investment companies including hedge funds and private equity.

Final Version of AIFMD, Largely Positive For Private Equity Funds:

Private equity firms that will be affected by the Alternative Investment Fund Managers Directive in the EU are welcoming the final draft rules released near the end of December, which are more lenient on private equity than previously expected.

The United Nations-backed Principles for Responsible Investment (PRI) Initiative,

commissioned PwC to conduct a survey to assess the attitudes of trade buyers of private equity companies to evaluating environmental, social and governance (ESG) risks and opportunities in their M&A activities. Results show over 80% of companies reduced the valuation of an acquisition target or not gone ahead with a deal because of poor performance on ESG factors, while 75% said poor performance in this area had prevented a deal from taking place. Read the full report.

Dodd-Frank Progress:

Movers & Shakers: Latin America Private Equity In 2013

by **Bailey McCann**
Private Equity Strategies

In our last issue, we examined one of the larger transactions to take place in Latin America in 2012. However, Brazil isn't the only story. I spoke with Rod Walkey, Managing Director of Latin America Alternatives, an independent private equity fund of funds focused on mid-market and infrastructure funds in Latin America about where he sees the industry headed in 2013. Latin America Alternatives is based in Brazil and has over $1.5bn of private equity investments throughout the region for a major Brazilian institutional investor.

BM: What is the 10,000 foot view of Latin American PE activity right now and into 2013? Is it primarily driven by M&A?

RW: The market is driven mostly by Brazil, around 90-100 transactions in 2012 according to the Brazilian Private Equity and Venture Capital Association(ABVCAP) through Nov-12. It was slow in the first half of 2012, but we are more positive in our perspective for 2013 as the GDP should recover. Colombia and Peru are increasingly receiving more attention from investors, but to a smaller scale. Mexico has risen in the last 18 months, as a new market as the Mexican pension plans have started to support the asset class, and the economy is recovering from the 2009 depression. Principally, this is driven by primary and secondary acquisitions and some green field developments in infrastructure related sectors.

BM: Is Brazil the only mature story in Latin America going into 2013, given that Argentina is back in trouble and other countries are less mature?

RW: Brazil is the major market, accounting for more than 92% of the investments in the region as of Q3-12. (EMPEA Industry Statistics, Nov-12). Colombia emerges as the second destination with positive perspectives alongside with Peru. Mexico has potential for the upcoming years, but it is still a PE young industry beyond real estate, Chile is a mature economy with few local opportunities for PE investments, and Argentina, unfortunately, is out of target from most institutional investors due the lack of regulatory and legal protection for investments.

BM: Are there any big surprises in the region in terms of specific transactions or areas that are attracting new interest?

RW: No big surprises, sectors related to the increasing consumption of the middle class and the infrastructure build out all over the region have been attracting the majority of the investments in LATAM. Investors remain concerned with potential overheating in entry multiples and capital overhang in the upper end of the market, but the number of opportunities and demand for long term capital in the region, especially in the middle markets, far exceed the capital raised to the region. The current challenges on the IPOs markets reinforces the need for a management driven hands-on approach from the GPs as the holding, as there are few leverage options available in the region and companies in LATAM requires more assistance from GPs.

BM: Are Latin American countries as dependent on China as reports suggest?

RW: The LATAM GDP in a broader sense is more exposed to the Chinese demand for commodities than the typical sectors targeted by PE Funds in LATAM. They rely more on internal, growing demand for basic services, and goods boosted by the increasing disposable income from the middle class, and the associated need for better infrastructure to support the GDP growth. As an example, in the past decade Brazil has added almost 50 MM people to the middle class.

BM: Are there any specific sectors or sub-sectors where you see opportunity moving into 2013?

RW: Latin America Alternative's approach is to invest with local managers, who take no leverage and invest in proprietary deals with a focus on investing into mid-sized companies at lower entry valuations between 5 to 8 times EBITDA. The sectors we like are sectors that benefit from consumer driven demand, and ancillary businesses capitalizing on the $1 trillion of infrastructure build out over the next decade. These sectors include retail, healthcare, logistics, IT, food services, education and healthcare. The exit opportunity is IPO, large private equity firms and international companies looking to establish a footprint in LATAM.

Data Snapshot: Chinese Private Equity Gets More Open

by Bailey McCann
Private Equity Strategies

As we noted in Regs Watch, China has opted to leave private equity and venture capital funds out of the regulatory fray until governing bodies can decide how best to monitor them. Near the end of 2012, Shanghai also quietly launched a new pilot program - RMB Qualified Foreign Limited Partner (RQFLP), to permit qualified foreign fund managers and asset management companies to raise offshore RMB from offshore investors to invest in RMB private equity funds set up in Shanghai. According to attorneys for global law firm Mayer Brown, participants in the RQFLP program are intended to include both well-established foreign fund managers with the fundraising capacity for offshore RMB and the Hong Kong subsidiaries of Chinese asset management companies and brokerage firms.

Factsheet - What You Need To Know:

• The number of limited partners in the Chinese venture capital and private equity industry totaled 7,511 by the end of 2012.

• 6,323 of the limited partnerships, or 84.2%, were Chinese, while 1,134 were foreign limited partnerships.

• Of the 9,000 private equity deals and venture capital deals completed in China since 2001, $100bn, much from US funds still remains invested in the region.

• 2,200 deals completed before 2008 still have $22bn in funds tied up in slow exits, as firms have a hard time since the halt in Chinese IPOs.

Sources: China First Capital, Zero2IPO Group

Recently Announced Chinese Firm Investments:

- China Science and Merchants Capital Management Ltd plans to invest 11.2 billion yuan ($1.76 billion) in at least 300 companies this year.

Now Fundraising:

- Haitong International Securities Group Limited – approved under RQFLP
- SBI Holdings – approved under RQFLP

Vietnam Rising:

At the beginning of this year, US buyout firm, KKR & Co LP, announced a $200m additional investment in Masan Consumer Corp, the largest single private-equity investment in the Southeast Asian country. The company has also attracted investment from TPG Capital and Mount Kellett Capital, according to Vietnamese news outlet, Thanh Nien.

The Next Generation: Private Equity in The Classroom

by Bailey McCann
Private Equity Strategies

Private Equity is often considered one of those industries in which jobs are best learned by doing, rather than by sitting in a classroom. However, nearly all of the world's top-tier business schools offer at least a few classes in private equity, if not a more formal curriculum track that students can pursue. These same schools have also been working to provide academic research on the industry although historically, private equity academic research has lagged other financial fields. Now, that may start to change as firms are required to register with regulators and investors demand more transparency. Taken together, these demands may also lead to more and better data for academia.

"Barriers to data have been a major issue all along," says Professor Josh Lerner, Jacob H. Schiff Professor of Investment Banking at Harvard Business School. He notes that prior to registration requirements, general partners were loath to offer up data to anyone, including impartial researchers.

Professors, Eli Talmor, Florin Vasvari of the London School of Business and authors of the key textbook on the industry, International Private Equity, agree. In interviews with *Private Equity Strategies*, all of them note that while business schools can teach around a lack of data, it hampers the production of papers and the growth of academic understanding of the field. Talmor points to recent developments in the private sector, with companies like Preqin or Thompson Reuters developing large data banks as bright spots on the horizon for data starved researchers.

"Also, the emergence of research institutions such as the Coller Institute helps to promote and financially support research. But, GPs are generally not transparent. Fund of funds have been more open in sharing their datasets on an anonymized basis," Talmor says.

In the US, Lerner, the author of three books himself (The Venture Capital Cycle, The Money of Invention, and Boulevard of Broken Dreams) also backs the Private Capital Research Institute which is working to provide academic work in the field. "The question is whether PCRI or other efforts take off, or if we can create some sort of a standard database. Often the data we can get now, where it is available isn't clean, so we have to spend time on that before we can begin to draw conclusions," he says.

Right now, research is largely focused on the data points most readily available - performance, and factors that create this performance. However, Talmor says more work is needed on issues such as how private equity funds generate value, the impact of investing in private equity, and what risk management really looks like in the field.

Despite the lag in research, all of the professors note that the level of student interest in private equity remains strong.

"Many students are now avoiding careers in banking and are more interested in entrepreneurial paths," Talmor says. "Private equity fits in as providing the glamor and clout of institutional finance with the excitement and innovation of entrepreneurship. Our classes at LBS are oversubscribed."

Harvard also offers a yearlong program in private equity, which has evolved since Professor Lerner introduced his first class on the subject in 1993. Yet, the path out of school and into private equity may be challenging for students who are not already connected to a firm. Talmor notes that recent graduates may have a hard time connecting with funds and that the overall lack of attrition in the industry can make competition steep.

For those with less experience they may consider junior analyst positions or getting involved with private equity in other ways to build out their skill set. Working on a turnaround or selling a company to a private equity firm can add to an individual's background, but developing connections and finding ways to stand out are critical. "There are many paths into private equity. Prior experience makes a difference," Talmor says.

Cyril Demaria on Swiss private equity and his new book – Le Temps

by Benedicte Gravrand
Opalesque Geneva

Allocators should know how to differentiate private from hedge funds, claims Cyril Demaria, author of an educational book on private equity in Switzerland (in French: "Le private equity suisse: acteurs, investissements et performance" (2nd edition, SECA, 198 pages)).

He also wrote "Introduction to Private Equity" (English version: Wiley, 2009, 248 pages). This specialist is not just an author; he is also a fund manager for business angels and family offices, he holds a doctorate from the University of St-Gall, and teaches at the Edhec Business School in France. He was interviewed for Opalesque Radio a couple of years ago and talked about an angels fund he managed called Pilot Fish I.

Last month, he told Swiss daily Le Temps in an interview that many reputed Swiss companies – such as Sunrise, Orange, Selecta, Geberit, Charles Vogele, Swissport – have been or still are in a private equity fund's portfolio. However, the Swiss market and its evolution are poorly documented, he claims.

He tells Le Temps that the reasons for writing this book was to inform on the Swiss private equity market, in French. This second edition (the first edition was published in 2009) is an update, and also features some commentaries from private equity specialists. It is addressed to the Swiss parliament, he says, to students, to business angels, and to entrepreneurs who might be the target of private equity funds.

He insists on the difference between private equity and hedge funds. "It's a matter of reputation," he adds, "and besides, we are not in the same category." Also, private equity should not be regulated the same way. For example, the European Union's AIFM Directive forces alternative funds to review part of their portfolio's holdings each quarter, but that is not suitable for private equity.

Institutional investors do not like the implied uncertainty of performance objectives, but uncertainty is much more certain, he notes, than previsions that are taken for granted. But the bothersome matter of future performance uncertainty can be countered by actual performance, he adds. As indeed, there can be more reward in private equity than in traditional investments.

In the majority of cases, all goes well between buyers and entrepreneurs, he tells Le Temps. But sometimes, it goes very badly, as it did when US group Carlyle took control of a large French producer of corrugated board called Otor.

The Carlyle Group's acquisition of Otor SA in 2000 led to several lawsuits over the following years as Otor refused to hand over control. In 2010, DS Smith, an international packaging supplier, and Carlyle entered into exclusive discussions regarding the acquisition of the entire interest controlled by Carlyle in Otor. Closing was expected in Q4-2010 but we heard nothing about it – although it seems Carlyle no longer owns Otor.

We more often hear about clashes than about successful operations, Demaria notes.

Family-owned businesses could do with an investor when they reach certain stages in their growth where there is a need for a strengthening of competence or for a better structure of internal communication, he explains. Those needs can lead to the letting go of some activities, which are no longer relevant. This letting go can temporarily put the business under pressure. Another way that private equity funds can be useful to those businesses is when their acquisition is an alternative to an estate for the heirs. Demaria further tells Le Temps that investors get better results if they offer stock options to company managers from the start. Nowadays some private equity funds actually reserve part of their stake for employees too, he adds. All for the better.

Secondary buyout binge continues

Secondary buyouts are continuing at a rapid pace as of the end of the fourth quarter. Notable transactions include Goldman Sachs sale of USI Insurance and CHG Healthcare by JW Childs. Attorneys for Fried Frank Harris Shriver & Jacobson LLP, say that these buyouts are likely to continue given the liquidity in credit markets, along with some private equity firms having companies in their portfolios that were purchased before the financial crisis and now need to move. This is the second, buyout boom in the secondaries since 2007, but this time around firms are more specialized and may be able to keep it going longer despite questions about reduced multiples and uncertain conditions.

African Fundraising Looks Set for a Record Year

by Antoine Drean
CEO and Founder, Palico

It is hard to generalize about a continent that has 54 countries, 1 billion people, a plethora of languages, and many cultures. Still, a few salient African facts stand out.

With average annual growth of 5 percent over the past decade, Africa has been relatively untouched by the global financial crisis, plus its prospects look bright. Its population is set to double by 2025, while the economic infrastructure needed to serve its rapidly growing middle class is embryonic. It is the fastest growing region in world, with the International Monetary Fund estimating that 7 of the 10 fastest developing economies between 2011 and 2015 will be in Africa.

All of this means that there is unprecedented interest in investing in African private equity – particularly in the sub-Saharan region, which arguably holds a relatively greater share of the region's unexploited potential. Public and private pension funds, endowments, foundations, insurance companies, family offices and sovereign wealth funds are eagerly reviewing investment opportunities in the region.

Given the review processes Palico has seen, and the number of fundraising campaigns targeting Sub-Saharan Africa, we think new private equity commitments for the region could hit $4 billion in 2013. That's more than three-fold the $1.2 billion raised in 2012 and easily surpasses the 2008 bubble-year record of $2.5 billion.

Overall, Palico counts 46 private equity funds with an Africa investment strategy currently fundraising. The funds are targeting $8 billion in commitments.

The biggest problem may not be getting into Africa in 2013, but eventually getting out. Nonetheless, the "build it and they will come" strategy GPs are following should work – if the region delivers on its promise.

Quick Hits

Pensions: Massachusetts Pension Reserves Asset Management Board, the state's main pension body, named Michael Bailey as its new head of private equity, filling a position that had been open for more than one year.

Pensions: Hitachi International Electric Pension Fund, is more than doubling its investment into alternatives including private equity according to its latest fiscal year investment strategy. The fund will also belooking at hedge funds and REITs.

People: MC Healthcare Finance, has hired Kim Gordon as Senior Vice President – Director of Credit

People: NVM Private Equity (NVM) has appointed Andy Leach to its investment team. Andy will be based in Manchester with responsibility for sourcing new investment opportunities.

Fundraising: Intermediate Capital Group, a London-based provider of mezzanine financing has surpassed its €2.5bn target for its latest fund three months ahead of schedule. The firm appears to be benefitting from a large gap in European bank-based lending.

Fundraising: Huron Capital Partners has completed the first and final closing of its fourth investment fund, The Huron Fund IV L.P., with $500m in aggregate commitments. The original goal was $400m.

Fundraising: Wellington Financial LP, announced the second closing of Wellington Financial Fund IV. Wellington's 2006-vintage Fund III was capitalized with $150m of recirculating institutional equity commitments. That fund led over $300 million of financings via 52 loans over its life.

For Sale: Symantec Corp. has put Altiris Inc., a business it acquired in 2008 up for sale. The company is already attracting interest from PE Firms after less than one month according to sources familiar with the matter.

Fund News: Ingenious Ventures, based in the UK is investing in Property Network and Digital Theatre, through its Media Opportunities Fund. In addition, Patrick McKenna, Chief Executive of Ingenious, has joined the board of Digital Theatre and recently made a personal investment of £250,000 into the company.

Fund News: PG Capital is joining with Evolution Media Capital to invest at least $100m in young and new media companies. The venture represents a broadening of business lines for the buyout firm.

Events

Private Equity Real Estate Forum 2013

30 - 31 January 2013 | London
Hosted By: Preqin

SBICs PE Conference

March 7, 2013, New York City
Hosted By: Capital Roundtable
Chaired By: Pepper Hamilton LLP

Spin-offs 2013

February 21, 2013 - New York, NY
Hosted By: Practicing Law Institute

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