

OPALESQUE

PRIVATE EQUITY STRATEGIES

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Welcome to the fourth issue of Private Equity Strategies, in this issue we'll take a look at the debate over the great shakeout that may be starting in private equity this year.

In our **Dealmaker Q&A** following on the shakeout theme, Andrew Hawkins will discuss his new vehicle for disrupted cycle funds, which are having a difficult time finding exits post-crisis.

Regs Watch offers updates on a full scope of new guidelines, including calls for regulatory changes in the UK and a new video discussing what the current carried interest tax structure means for private equity.

Movers and Shakers looks at the robust growth happening in the real estate sector now that a good portion of it has been cleaned up in the wake of 2008.

In the **Data Snapshot**, we will look some of the larger real estate transactions and funds currently in the market as well as a few set to come to market this year.

In an IPO update, we talk with the lead fund on the MICEX IPO, which went forward successfully last Friday, and what it means for capital markets in that country.

For a bit of artistic flair we've included a new infographic, which details the impact of angel investors in the US.

Finally, we offer brief updates on recent transactions and people moves in **Quick Hits**. Our events calendar will look at the events kicking off 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

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Perceptions of Value, is The Private Equity Shakeout Finally Happening?

Bailey McCann
Private Equity Strategies

2012 could have been a lot worse for private equity firms. Yet, compensation and fundraising crept up and so did deal sizes. However, some troubling trends that were common around the crisis like lower equity in deals are also starting to crop back up. Private equity observers have spent years trying to call the great shakeout, is it now finally starting to happen?

In a [recent article](#), Bloomberg's David Carey argues that it is, even if it's been a little slow in showing up.

Private equity accounts for some \$3tn dollars in investments, and ever since 2008's collapse of the credit markets, mega-deals that were popular leading into 2008 have yet to resurface. Some recent deals like Buffet's Heinz buy, or Dell's decision to go public have caused some to say deal size will come back. But more cautious observers aren't so sure.

As Andrew Hawkins will explain in detail later in this issue, LPs have remained selective since the 2008 collapse and GPs are being pushed to invest the capital they already have. A number of funds nearing the end of their proposed lifecycle are now stuck without an obvious exit. Carey's article points to other problems like fundraising, diminishing assets and lackluster performance.

Fund managers themselves don't expect a big boom in deal flows either. 57% of managers in a recent BDO survey expect to close between two and four new deals during the next 12 months, which is only a small increase from the 47% of fund managers who closed between two and four new deals during 2012 - regardless of fund size.



When it comes to opportunities for deal flow, secondary buyouts are expected to be a major driver in 2013. According to BDO's study, 64% of fund managers believe private equity funds exiting their current investments will be the key driver of private equity deal flow in the next 12 months. Another 14% reported private equity funds investing in distressed businesses will be the key driver and 10 percent thought it would be corporates seeking financing for strategic acquisitions.

"Secondary buyouts emerged as a prominent exit and deal-sourcing opportunity in 2012," said Ryan Guthrie, Partner in the [Private Equity practice](#) at BDO. "Fund managers expect this trend to continue in the New Year as private equity firms seek out opportunities to realize a return on their mature investments, many of which were made before the financial downturn."

Managers are also holding on to their portfolio companies for a

longer period. 82% of managers in the study say that their holding period is longer than it was a year ago. Sales, where they are occurring are more often going to strategic buyers.

The Partners Group explains this as a difference between real and perceived value that is now gripping the industry. In their recent Private Markets Navigator study, the firm says private equity is now feeling the asset price inflation that first hit bond markets.

They note that, the traditional measure of inflation (the consumer price index) will barely indicate any inflationary pressure and will take years to catch up. Pension funds and other investors are set to lose a significant amount of purchasing power over the course of a decade should they elect to stay in cash or fixed income.

"With the currently still elevated risk aversion, investors are piling into perceived safety, pushing the risk premium of

supposedly safe assets to historically low levels. As a result, the flow of 'safe-haven-but-yield-chasing' liquidity has broken the link between perceived vs. actual risk and has resulted in large valuation gaps, which we call the 'great new value divide'. In this value divide, perceived and actual risks diverge sharply and investors will have to thoroughly search for real value to separate the wheat from the chaff," says Alfred Gantner, Co-founder and Executive Chairman, The Partners Group. Many of the factors Carey speaks to are echoed by Partner's - subdued growth rates, coupled with reduced yields because of modest interest rates and base inflation, will hit LBO investors in developed and emerging markets alike in 2013. "As investors continue investing in riskier assets in their search for yield, we are concerned they are not fully assessing macroeconomic economic conditions when pricing risk into their investments, which is further widening the divide between actual and perceived investment value," Partner's writes in the Navigator report.

The overhang of private equity capital has decreased in Europe and the US, while average debt multiples of leveraged loans are increasing as reflected by the 6x multiple private equity transactions commanded in the third quarter of 2012. Report data shows that, with readily available financing, purchase price multiples remain at elevated levels, averaging 8.7x and 9.7x for the US and Europe in the first three quarters of 2012, respectively. The result, they say, "has been an increase in "clearing bids," or the prices paid for quality assets in auctions, particularly within the over-leveraged large cap LBO market. At the same time, renewed interest in M&A on the part of strategic buyers is fueling increased competition and inflated valuations."

For private equity, they contend that this division will cause additional shifts in focus and private equity firms and their investors will have to go deep underground to find relative value opportunities. Specifically, companies that are embracing a global growth strategy will offer more attractive investment opportunities. With large-cap pricing remaining elevated, "going global" is a key theme for Partners Group's small- and mid-cap investment activities, especially as it concerns "new world" companies in emerging markets that target consumers and benefit from the twin tailwinds of demographic trends and low cost manufacturing.

Ultimately, the push toward moving into more unique investment opportunities means that companies in the middle market, and potentially even larger firms will have to find new ways to adapt and stand out.

Dealmaker Q&A: NewGlobe Launches a New Vehicle to Help Zombie Funds Find a Way Out

by **Bailey McCann,**
Private Equity Strategies

Each year, a number of private equity funds end their lifecycle. Some do that successfully, others become zombies, stuck in a variety of circumstances that prevent exits. A new strategic investment partnership seeks to find opportunities in those funds and give zombie GPs a way out. NewGlobe Capital Partners and Vanterra Capital are teaming up to acquire interests in these end-of-life and zombie funds that will release liquidity to the funds' limited partners and reset the investment time horizon for general partners (GPs) and their portfolio companies.

NewGlobe is an independent secondaries investment firm focused on buying LP interests in mature private equity funds and on leading fund recapitalization deals. Vanterra focuses on building specialized private equity fund platforms that have a unique competitive advantage within specific strategies, and will provide financial, strategic and operational support to NewGlobe. Additionally, Hamilton Lane will provide capital for NewGlobe transactions. Hamilton Lane has approximately \$171bn in total assets under management and supervision.

"We dislike the name zombie fund, there are some funds that do deserve the name but a few just got stuck. We prefer the term disrupted cycle funds," says Andrew Hawkins, founder and CEO of NewGlobe Capital Partners, in an interview with Private Equity Strategies.

Through the partnership, both firms are offering GPs a new type of structure that emerged out of a deal Hawkins worked on with Willis Stein. That deal provided a framework that Hawkins and the rest of the team now customize to go after similar opportunities.

In essence, Hawkins offers a tender buyout of all of the LPs in one of these disrupted funds. That process gives LPs the option to take the cash from that offer, or they can roll into a new vehicle with new economics. Those economics are then shared between NewGlobe and the incumbent GP. The structure lowers the risk of overpayment through an alignment of interests and also resets the clock for underlying portfolio companies. Unless half the LPs sign on, the deal won't go through.

"This isn't a traditional buyout model, but it uses those investment skills to support the incumbent GP and evaluate the underlying companies," Hawkins says. Both firms have a background in the private equity secondaries market, and direct investing. Principals at Vanterra worked on spinouts arising out of the Lehman Brothers collapse. Prior to starting NewGlobe, Hawkins and his partner Christophe Browne worked together at Vision Capital leading secondaries transactions in New York and London.

Hawkins explains that each deal using this vehicle has its own moving parts, the Willis Stein deal took over 6 months and all told had over 1000 pages of legal documents. Despite that, the upside for incumbent GPs and LPs alike is clear - both parties have a way out of what is otherwise a stagnant situation.

There are benefits for the underlying companies too. "Portfolio companies in a tail-end fund often have the same characteristics - they have not achieved their exit expectations and in many cases have not had clear, strategic guidance in the last 5 years - there is no new capital and the management team often feels dejected. With this structure, we can put new capital to work in those companies and transform the underlying business while resetting the clock," he says.

The opportunity set is fairly large according to Hawkins, right now there is a growing pool of stuck assets amounting to approximately \$75bn or 5% of the market in the US and Europe. "We expect this opportunity set to last for several years, we're just seeing the 2003 vintage years now, so there are other much larger vintages like '06 and '07 that we see opportunities in down the line," Hawkins says. "Very few people avoided the crime of over paying between 2005 and 2008.

There are deals in this space across all industries and fund sizes, it's not just a problem for small and middle market firms. There are

big funds out there with these same issues.”

By launching with this partnership, the principals were able to get into the space without first spending months or years fundraising. So far, their competition is virtually non-existent leading GPs to reach out to them. “The transparency we get from the GPs we work with is astonishing. They’re truly focused on finding the best solution. Over the next 2 years we could deploy \$1bn in capital, some of that could even come quicker than we expect. The counterparties are heavily engaged with us and from a deal flow perspective this is as good as it gets,” Hawkins says.

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

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.

Law Firm Arnall Golden & Gregory Offer a Primer on Limited Partner Advisory Committees and Advisory Board Rules:

Attorneys write a [new primer](#) on private equity boards and advisors, identifying critical considerations in structure as it relates to emerging compliance issues and investor demand.

SEC to go After Private Equity Enforcement Actions:

Attorneys at Baker & McKenzie [note](#) that the Chief of the Securities and Exchange Commission Enforcement Division's Asset Management Unit Bruce Karpati, has warned that "it's not unreasonable to think that the

number of cases involving private equity will increase."

British Private Equity and Venture Capital Association Sets Out Recovery Roadmap:

British Private Equity and Venture Capital Association (BVCA) chairman Robert Easton, [is calling](#) for cuts in British regulation on private equity and high growth companies as a means of making the British economy better positioned for growth.

European Private Equity Execs May Face Longer Wait on Bonuses:

The European Union is [making a push](#) to impose bank-style payout rules on private equity and hedge funds in an effort to curb bonuses for risk-taking.

Private Equity Growth Council Releases New Video on Carried Interest:

The PEGC has created a [new video](#) and [sent lobbyists to Washington](#) in an

effort to garner support for continuing the carried interest tax structure as it is now. They argue that current US tax policy encourages the risk taking necessary to grow companies and the economy.

EVCA Hires ex-Citi Exec As Public Affairs Director:

The European Private Equity & Venture Capital Association [has appointed](#) a former Citigroup managing director of European government affairs as its new public affairs director, in a bid to boost the trade body's lobbying efforts against mounting EU-regulation facing the buyout sector.

Altius Associates Releases It's 10 Challenges Facing PE:

Private equity deal flow is [on the rise](#) in emerging markets as investors look for growth opportunities and move away from the stricter regulatory and investor markets in the US and EU according to a new report from Altius Associates.

German Dealflow on The Rise as Improving Markets Make For Better Exits:

Ahead of the SuperReturn Conference in Berlin, [reports indicate](#) that buyout firms are putting a boatload of German assets up for sale as improving markets make for some of the more attractive exit prices seen in recent years.

Buffet Picks Up Heinz In \$23bn Deal

Warren Buffet may not be a public fan of private equity, but he recently teamed with Brazilian firm 3G capital to take over Heinz. The deal is widely viewed as another indicator of creeping increases in deal size going into 2013. The transaction will be financed through a combination of cash provided by Berkshire Hathaway and affiliates of 3G Capital, rollover of existing debt, as well as debt financing that has been committed by J.P. Morgan and Wells Fargo.



Movers & Shakers: Real Estate Finds New Life After 2008

by **Bailey McCann**
Private Equity Strategies



Opportunistic private equity real estate funds raised more money than any other fund type in the private equity real estate market during 2012, according to a new report from PERE. Opportunity funds, which seek to take advantage of declining asset prices to invest in properties at significant discounts (considered higher on the risk-return spectrum than core or value-add funds), raised \$35.5bn in 2012 or 45% more than in 2011, promising numbers for an industry that led the crisis in 2008.

A significant proportion of this total was accounted for by Blackstone's Real Estate Partners' VII fund. It collected \$13.3 billion, making it the largest real estate opportunity vehicle ever raised. Among the fund types enjoying strong investor interest were debt funds, a trend that looks set to continue. "It has yet to show itself in the data, but we are currently seeing a strong uptick in demand from institutional investors for debt products," said Erik Kolb, senior editor PERE. "We see this as a function of banks pulling back on lending activity, but it also provides evidence of continued risk aversion among parts of the LP community."

Even though parts of the LP community remain cautious many others are looking for new opportunities. Private Equity Strategies spoke with Andy Graiser, Co-President at A&G Realty Partners, a New York firm specializing in real estate dispositions, lease restructurings, facilitating growth opportunities, valuations and acquisitions he says that the recovery is starting to show up in pockets of opportunity nationwide - much of that in the commercial sector.

"If you look at the reports that came through the international conference of shopping centers last year, there's a lot of new real estate, more than there was before," Graiser says. "You're seeing buyers take more of a real estate based approach and not just buying financially, looking for that 4% yield." According to the PERE study, in terms of geographic focus, funds with a global investment mandate collected the largest amount: \$24.7bn in 2012. North America-focused funds secured a similar amount - \$23.2bn - while those looking to invest in Western Europe showed a marked decline on 2011, raising only \$6.9bn.

At present there are 585 private equity real estate funds in the market, targeting an aggregate total of \$209.2 billion. Investors are still looking at North America as their preferred location for investment, although Western Europe and Asia are following closely behind.

In terms of a residential recovery, Graiser see pockets in Florida, and around larger cities. Those developments often come in the form of mixed-use buildings, which can have implications for pure-play residential or commercial-only funds.

"I think younger people are not all inclined to think that you have to buy a piece of the American dream by buying a piece of real estate - therefore renting and multi family buildings make sense for a lot of people right now," Graiser says.

The trend toward mixed-use buildings may also be the result of compression factors in retail like the Amazon effect. Smaller retailers are facing increasingly bigger challenges when it comes to competing with massive online retailers like Amazon. Show rooming, or, the practice of looking at an item up close and but subsequently buying it online for a lower price is commonplace. Smaller retailers also typically have a smaller online presence and may not offer products through their websites at all. For smartphone savvy consumers, they may lose out to a sale made on the web from inside another store.

"I think you have to really start to look at the Amazon effect if you're looking at real estate. If someone had asked me five years ago about amazon and what they'd be doing to retail, I don't think we would have predicted this. That said, there is still enough growth in different areas like dollar stores, or restaurants that you can find those pockets of activity," Graiser explains.

He notes that one of the biggest surprises lately is the growth of stores like Dollar General. Dollar General recently introduced a new format, which includes the sale of groceries. This brings the store closer to competing with low price stores like Walmart. Even though Walmart is primarily known as a big-box mega retailer, it too has been shifting its format introducing smaller, marketplace stores that feel more like hometown grocery stores and less like superstores.

"I think going forward we're going to see a lot of changes in the formats available to consumers and that will have an impact on how real estate is viewed," Graiser says. "Real estate now is not all about getting the best yield. It's about understanding the real estate first and figuring out what the returns are."

Data Snapshot: Real Estate Fund Size Increases Dramatically Post Crisis

by **Bailey McCann**
Private Equity Strategies

Following on our discussion in the previous article, PERE has published fund data on some of the biggest trends in real estate funds heading into 2013:

Aggregate capital raised (\$billions) by strategy

Fund Strategy	2008	2009	2010	2011	2012
Core / Core Plus	\$4.5	\$3.2	\$2.3	\$9.1	\$6.4
Fund of Funds / Co-investment	\$7.7	\$1.3	\$5.0	\$4.6	\$0.9
Debt	\$17.8	\$7.3	\$8.5	\$8.4	\$9.0
Opportunity	\$74.4	\$31.6	\$18.4	\$24.5	\$35.5
Secondary	\$0.3	\$0.3	\$1.4	\$1.2	\$0.2
Value Added	\$45.1	\$15.4	\$16.4	\$24.0	\$19.5
Total capital raised	\$149.8	\$59.1	\$51.9	\$71.7	\$71.5
# Funds closed	248	136	120	167	156

Source: PERE, February 2013

Aggregate capital raised by geographic focus

Geographic Focus	2008	2009	2010	2011	2012
Asia-Pacific	\$25.6	\$9.3	\$6.5	\$6.6	\$9.8
Central & Eastern Europe	\$2.4	\$2.6	\$0.3	\$0.3	\$1.2
Global	\$58.3	\$12.2	\$15.3	\$18.1	\$24.7
Latin America	\$2.4	\$1.4	\$1.9	\$3.4	\$3.2
Middle East / Africa	\$1.7	\$0.4	\$0.3	\$2.4	\$0.6
North America	\$36.1	\$18.6	\$18.9	\$24.2	\$23.2
Pan-Europe	\$13.4	\$8.3	\$0.8	\$1.3	\$2.0
Western Europe	\$9.8	\$6.3	\$7.8	\$15.2	\$6.9
Total capital raised (\$bn)	\$149.8	\$59.1	\$51.9	\$71.7	\$71.5
# Funds closed	248	136	120	167	156

Source: PERE, February 2013

Top 10 private equity real estate closings in 2012

Fund Name	Fund Manager	Capital Raised (\$m)	Geographic Focus
Blackstone Real Estate Partners VII	The Blackstone Group	\$13,300.0	Global
Westbrook Real Estate Fund IX	Westbrook Partners	\$1,600.0	Global
Fortress Japan Opportunity Domestic Fund II	Fortress Investment Group	\$1,492.7	Asia-Pacific
Colony Distressed Credit Fund II	Colony Capital	\$1,400.0	North America
Oaktree Real Estate Opportunities Fund V	Oaktree Capital	\$1,300.0	Global
AG Realty Fund VIII	Angelo Gordon	\$1,270.0	Global
Patron Capital IV	Patron Capital	\$1,151.3	Pan-Europe
CBRE Strategic Partners US Value VI	CBRE Global Investors	\$1,100.0	North America
AG Core Plus Realty Fund III	Angelo Gordon	\$1,010.0	North America
CapitaMalls China Development Fund III	CapitaLand	\$1,000.0	Asia-Pacific

*Source: PERE, February 2013***Top 10 private equity real estate funds in market/coming to market**

Fund Name	Fund Manager	Target Size (\$m)	Geographic Focus
Brookfield Strategic Real Estate Partners	Brookfield Asset Management	\$3,500.0	Global
Blackstone Real Estate Debt Strategies II	The Blackstone Group	\$3,000.0	North America
Starwood Distressed Opportunity Fund IX	Starwood Capital Group	\$3,000.0	Global
Rockpoint Real Estate Fund IV	Rockpoint Group	\$2,500.0	Global
Rose Rock Partners Fund	Rose Rock Capital	\$2,000.0	Asia-Pacific
Walton Street Real Estate Fund VII	Walton Street Capital	\$2,000.0	Global
AXA European Diversified Property	AXA Real Estate	\$1,962.4	Pan-Europe
Orion European Real Estate Fund IV	Orion Capital Managers	\$1,700.7	Western Europe
AgFe Senior Debt Fund	AgFe	\$1,605.8	Western Europe
Henderson Senior Secured Real Estate Debt Fund	Henderson Global Investors	\$1,605.8	Western Europe

Source: PERE, February 2013

Russia Bolsters Capital Markets With MICEX IPO

by **Bailey McCann**
Private Equity Strategies

The Moscow Exchange or MICEX began trading shares on its own platform on Friday launching the largest and most successful IPO in the country since the 2008 crisis. The exchange raised 15 billion rubles (\$498m), with shares priced at 55 rubles each – or the lowest end of its target range. Despite the lower share price, the offering was oversubscribed and marks an important step toward building the country's capital markets, and its overall move toward a more capitalist economy.

"We think Moscow Exchange is critical to the development of the Russian capital markets through growth in trading volume and liquidity," says Sean Glodek, Director, Russian Direct Investment Fund, one of the earliest investors in MICEX. The fund was also involved in the IPO.

The Russian Direct Investment Fund (RDIF) is a \$10 billion fund established by the Russian government to make equity investments primarily in the Russian economy. The fund, which is in essence, the first sovereign wealth fund that functions as a private equity fund, invested \$80m in the IPO, and brought in \$200m in additional foreign investments including China's sovereign wealth fund, China Investment Corporation, which RDIF maintains a co-investment fund with.

The exchange is a key focal point in President Vladimir Putin's plan to make Moscow a financial center. The IPO placement itself was done locally in an effort to keep the focus on investing in and on the Russian exchange. Putin has set a goal of \$10bn in Russian privatizations by the end of 2013.

RDIF is backed by the Kremlin, and as Opalesque previously reported, was an early investor in the exchange. "We started with MICEX-RTS one year ago, we came in as a pre-IPO investor and teamed with Cartesian Capital, BlackRock, CIC and EBRD (European Bank of Reconstruction and Development) in three investment rounds in 2012," Glodek says. With the offering RDIF increased its holding from 2.8 to 4.5%.

Credit Suisse, J.P. Morgan, Sberbank CIB and VTB Capital acted as joint global coordinators and joint bookrunners of the offering. Deutsche Bank, Goldman Sachs International, Morgan Stanley, Renaissance Capital and UBS Investment Bank also acted as joint bookrunners.

The exchange company recently announced that it will offer a dividend on its shares, which will benefit investors over the long term as the payout ratio will steadily increase to 50%.

The often choppy fortunes of Russian companies have made the MICEX one of the more volatile exchanges. However, Glodek notes that as far as investment in the exchanges space goes overall, MICEX presents a good value, "longer term we see significant future value in this as a stock. There is significant growth potential in Russia as one of the largest emerging markets globally, and the Exchange will be able to outperform exchanges in more developed economies, which have the growth phase behind them."

He points to additional reforms like Putin's initiatives to make Moscow a financial hub as well as pension reform, which, once completed will incentivize Russia's institutions to more freely invest in equities on the exchange. On the technology side, the exchange will also be migrating to a faster T+2 settlement structure by the end of 2013.

Other companies are also introducing support for the exchange. QuantHouse, S&P Capital IQ's Real Time operation has partnered with the European arm of leading Russian financial institution BCS Financial Group to launch low latency market data for MICEX. In addition, BCS is leveraging its trading infrastructure and advanced algo-trading development tools. The companies cite established and long-term demand among European buy-side firms, for access to the Russian market.

RFID also has plans to be part of other Russian IPOs downstream, "We are exploring potential opportunities in investing in some other companies planning to go public on the Moscow Exchange. We are working with Franklin Templeton, BlackRock and Goldman Sachs on some of those pre-IPO opportunities," Glodek says.

Beyond IPOs, RFID has plans to continue increasing its activities throughout the year according to Glodek, "More people are now aware of the Fund and for 2013, that's very exciting for our core business of co-investments with foreign investors in Russia. We are getting a lot of interest from outside investors and this year is on target to be very good for us."

Tools of The Trade: IntraLinks Offers GPs A New Platform For Investors

by **Bailey McCann**
Private Equity Strategies

As we discussed in an earlier issue of Private Equity Strategies, standardized reporting from GPs to LPs is a hot topic as both sides try to find common ground on information sharing. Standards like ILPA, coupled with new regulatory reporting requirements have staked out an early roadmap for disclosure, yet large institutional players often request more customized reporting.

Historically, GPs have sent out PDF documents, which allow for greater control of their information from the GP side. However, this often results in LPs having to re-key the information into a machine readable, more analysis friendly format, adding time and additional cost overhead to understanding their exposures.

IntraLinks® Holdings, a global technology provider is hoping to fill that gap with its new investor portal offering. IntraLinks Investor Portals is offered specifically for private equity, hedge fund and real estate firms as a means of offering fully controlled and branded, but machine-readable reporting documents. The portal platform is being launched at the SuperReturn private equity conference in Berlin on February 26. General availability for the service will begin in the second quarter of this year.

The portals will build on the existing capabilities of the IntraLinks platform, which already enables content sharing, and collaboration for many of the world's largest private equity and hedge funds. Firms can scale up their use of the IntraLinks platform and the portal as they grow or decided to evolve their reporting process.

For firms that offer multiple business lines, the portal will allow them to present a multi-branded portal based on product-specific investor access. Dashboard features are also available so that GPs will be able to tailor information flow out to specific investors.

"GPs were telling us that LPs want more information and they want that information delivered electronically," says Andre Boreas, Director of Product Marketing-Alternative Investments at IntraLinks in an interview with Private Equity Strategies.

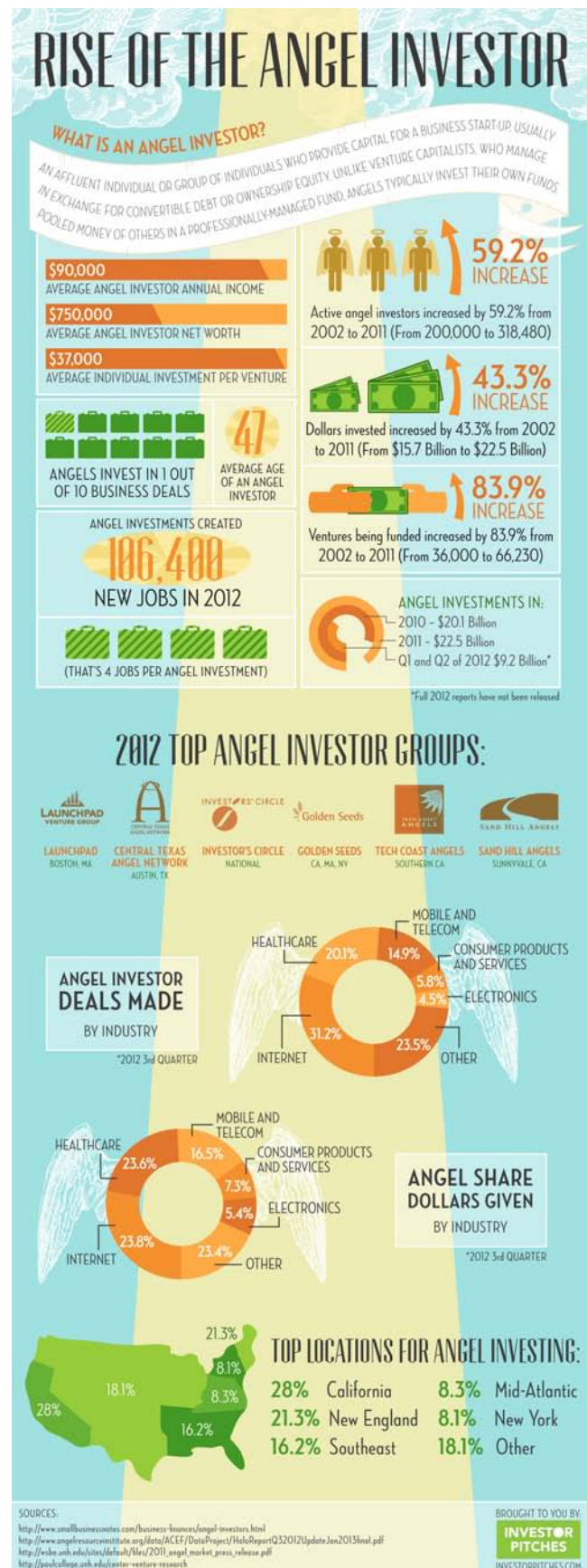
Portal technology can also report back to GPs when investors have opened new information. "This feature is not only important to understand who is looking at your reports but it can also facilitate smarter business development. If you know a certain target has never looked at what you've sent, you probably don't need to waste the time visiting them," he says.

Investors can see all of their managers with a single login, but those managers are presented in folders that then open a potentially customized experience, letting funds stand out within larger platforms. "Ultimately, we want to move reporting forward into the current age, its 2013 and we're still bothering with PDFs. It doesn't make sense," Boreas says.

IntraLinks plans updates to the portal platform on the order of once per quarter. Future releases will add additional features and include new partnerships. The firm recently announced its partnership with TamaleRMS, and others are in the pipeline. Those relationships will be reflected through new features.

"There is a tendency on the part of successful technology providers, once they have created a well received product to sit back, but we are always going to reinvest to improve. We believe there are still significant technological problems to be solved in the industry and we plan to put forward solutions," he says.

Angel investors are cropping up everywhere, in the US it seems. They're even getting their own TV shows. As this infographic highlights, their contribution to new jobs in the US is significant. The number of angel investors and the amount of dollars they've invested have significantly increased over the last ten years, allowing aspiring entrepreneurs more opportunities than ever before to achieve success for their early stage companies. Angels are making most of their investments in the US, but the trend is catching on worldwide.



Quick Hits

Fund News: Carroll Organization Announces Equity Investment by Hanna Capital

Hanna Capital has made a long-term strategic investment in the Carroll Organization, one of the country's leading privately-held real estate companies.

Fund News: EQ Partners cedes stake to China-backed Reorient

Reorient, a mainland-backed boutique bank, will pay \$4 million for 33% of EQ Partners in an unprecedented deal for South Korea's private equity sector.

Fund News: Blue Sage Capital Closes \$150 Million Fund

Blue Sage Capital, announced the closing of their oversubscribed second fund, with commitments totaling \$150 million, 50% above target.

People: Gramercy makes six new hires for LatAM PE, the company which has \$45bn AUM announced six new hires in locations throughout Latin America.

People: Niel Thassim To Head Up Brookfield Asia Private Funds Group

Mr. Thassim, who most recently served as a Managing Director and the head of RREEF's Asia-Pacific real estate business, will be responsible for marketing Brookfield's private fund offerings

People: Park Hill Group Adds Andrew Caspersen, Most recently, Caspersen served as a principal at Collier Capital. At Park Hill he will focus on secondary transactions.

Fundraising: Summer Street Capital Partners, announced the final closing of its third fund, with aggregate capital commitments of approximately \$280 million.

Fundraising: LGT Capital Partners has announced the final close of Crown Global Secondaries III plc (CGS III), its third global private equity secondary fund, with total subscriptions of \$ 2.0bn.

Sold: Portfolio Strategy Group, Silver Lane announced the sale of The Portfolio Strategy Group, Inc., a \$1.2 billion manager, to Focus Financial Partners, a partnership of independent advisors with over \$50 billion in client assets.

Fundraising: Apollo Aviation Group, Apollo Aviation Group and Sciens Capital Management LLC jointly announced that Apollo Aviation raised approximately \$595m for its second aviation fund, Sciens Aviation Special Opportunities Investment Fund II (SASOF II).

Events

8th Real Estate Private Equity Summit

March 6th, 2013 | New York
Hosted By: iGlobal Forum

SuperReturn Berlin

February 26, 2013 | Berlin

Spin-offs 2013

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

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