
PE
30

It's official: A single fund family is no longer enough

Blackstone's back, snatching the top spot in this year's *PEI 300* from The Carlyle Group with a five-year fundraising total almost $20 billion higher than the next runner up. The private equity juggernaut hauled in a total of $82.9 billion over the five-year rolling period to 1 April 2019, a nearly 60 percent increase on its five-year tally in 2018 and more than $20 billion higher than Carlyle's 2018 total.

One theme ties together all the firms in this year's top 10: no longer are they confining themselves to raising consecutive flagship buyout funds. Each has at least two other fund families, either in different strategies within private equity or within the rest of the alternative assets realm.

Managers are responding to demand from within the LP community to commit larger equity cheques to a smaller number of GPs they know and trust – often in the expectation of lower fees. Offering a variety of strategies creates a "one-stop-shop" for institutional investors looking for diversified exposure to the asset class with lower overheads and less paperwork.

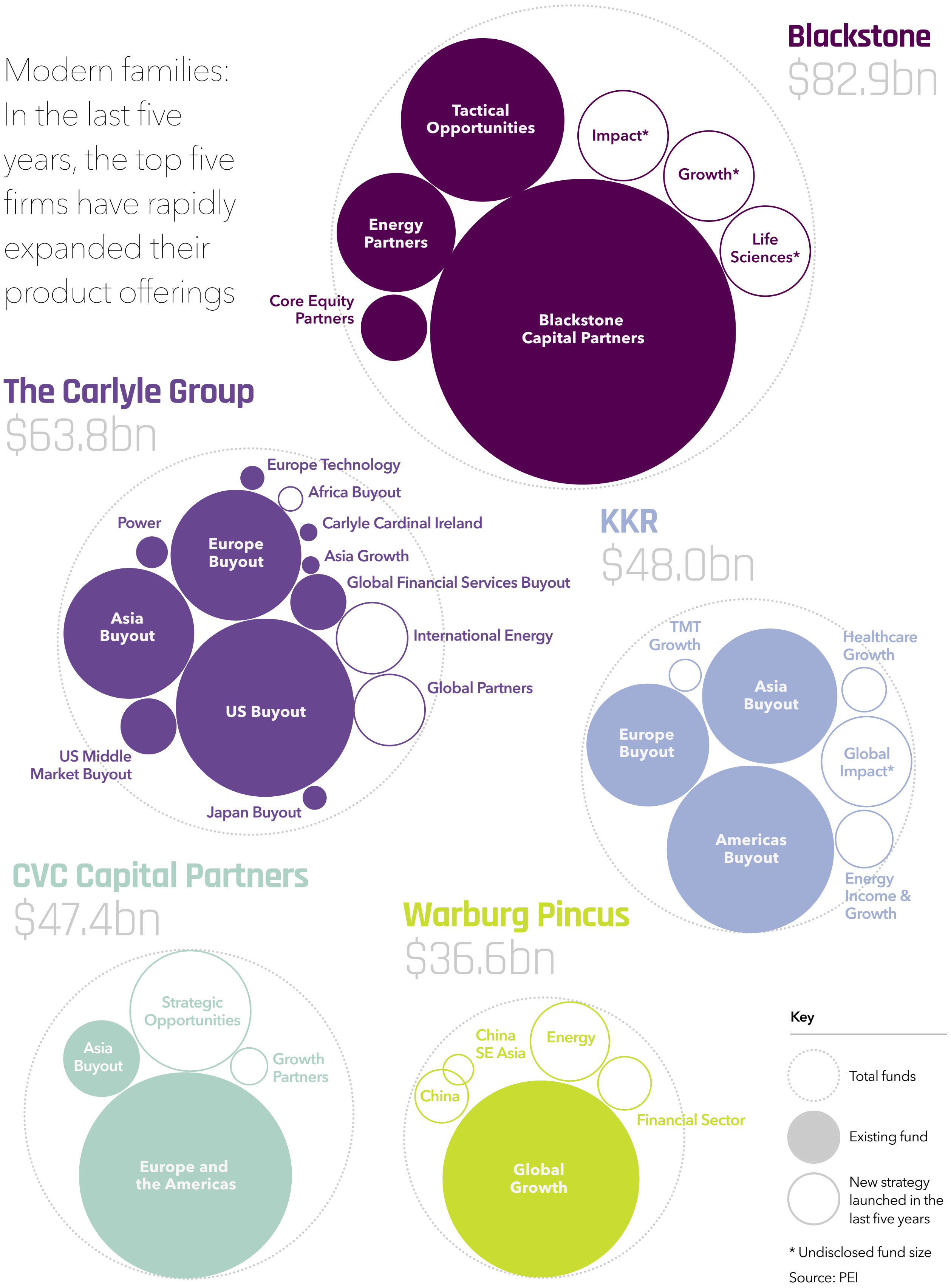
Take Blackstone, for example. In the last year alone, the firm has launched three new private equity platforms – life sciences, growth equity and, most recently, impact investing. Each already has, or will eventually have, its own fund. Its five-year fundraising total includes capital collected for five different strategies.

And that's nothing compared with Carlyle, which has raised capital across 13 fund families – all within the boundaries of private equity.

But don't think for a moment the flagship funds have been pushed by the wayside. In the last few months Blackstone has amassed at least $22.2 billion towards what will likely become the largest private equity fund ever raised. Carlyle closed its latest flagship buyout fund on $18.5 billion this year. The latest flagship fund from CVC Capital Partners (4), closed in 2017, set the record for the largest-ever euro-denominated fund. And Thoma Bravo (8) – the only sector specialist in the upper echelons of the list this year – shattered its $9 billion target for Fund XIII to hold a final close on its $12.6 billion hard-cap. ■

2019		2018	Firm	Five-year fundraising total ($m)	Headquarters
1	▲	2	Blackstone	82,851	New York
2	▽	1	The Carlyle Group	63,802	Washington DC
3	◁▷	3	KKR	47,977	New York
4	▲	5	CVC Capital Partners	47,413	London
5	▲	6	Warburg Pincus	36,557	New York
6	▲	12	Bain Capital	35,554	Boston
7	◁▷	7	EQT	30,054	Stockholm
8	▲	17	Thoma Bravo	29,880	Chicago
9	▼	4	Apollo Global Management	29,001	New York
10	▼	8	Neuberger Berman Group	28,884	New York

Modern families: In the last five years, the top five firms have rapidly expanded their product offerings



"There aren't many firms that can write a $5 billion equity cheque, certainly not on their own," says Joe Baratta, Blackstone's global head of private equity.

The New York-based firm has reclaimed its position at the top of the *PEI 300* after losing out to Carlyle in 2018. Baratta is the man charged with deploying the $68 billion of dry powder sitting within Blackstone's corporate private equity arm.

Talking to *Private Equity International* in the firm's Manhattan headquarters, he is outlining the benefits of being the industry's largest. "If we have competitive advantage in this world, it's the large, more complicated end of the market," he says.

Blackstone has had a busy year, even by its standards. Since we last published the *PEI 300*, our proprietary ranking of the largest funds in the business based on their five-year fundraising totals, the firm has launched three new investment platforms – focused on life sciences, growth equity and, most recently, impact investing – and decided to convert to a C-corporation.

It's also midway through raising what the market expects will be the largest ever private equity fund. Blackstone Capital Partners VIII has already held a first close on $22.2 billion and is expected to surpass the $24.8 billion record laid down by Apollo Global Management's ninth flagship fund in 2017.

For Baratta, being the largest in the business means Blackstone can credibly tell a deal counter-party the firm can deliver a certain amount of equity under its own steam in a short timeframe. Its firepower and infrastructure means it can take on "lots of M&A complexity", such as take-privates, and is "viewed as a credible partner for large corporates who want to divest a large asset but retain a stake in the business", Baratta says, pointing to the firm's $20 billion acquisition alongside Canada Pension Plan Investment Board and GIC of a majority stake of the financial and risk unit of Thomson Reuters as an example.

While Baratta sees the mid-market as very well-capitalised, he sees less competition at Blackstone's end of the market.

"There are many thousands of publicly traded companies with market caps above $5 billion. There are, again, many thousands of divisions of large corporates that would have market caps above $5 billion. Our available market is the whole of the public market cap in the world above $5 billion. That is not a small market, that's a giant market."

In mature and low-growth economies, corporates are focusing on core assets and divesting of non-core assets, creating "enormous" dealflow. Baratta admits these transactions are harder to access and execute than those in the mid-market – but again, sees that as playing to the firm's competitive advantage.

When you are at the top of the PEI 300, the way to avoid deal competition is to go big, Blackstone's Joe Baratta tells Isobel Markham

Complexity breeds complexity

Operating at such a scale is not without its challenges: it requires more people – Blackstone has a private equity investment team of 150 plus a portfolio operations team of more than 40 – which in turn requires more management infrastructure.

Another potential challenge is making sure the firm culture – and investment decision-making – is consistent globally. Blackstone has addressed this by structuring the firm as a single, global business, rather than a regionalised business.

"We hold every investment we're making globally to the same set of standards and a small group of people review every investment we make. That's forced us to narrowly define what we're doing in corporate private equity, which is sizeable control buyouts."

It's also limited the range of investment to those geographies Blackstone considers to be more important in the scope of global economies.

To remain nimble, Blackstone keeps the senior organisation tight: the firm has around 25 private equity deal partners globally, all of which have long tenures at the firm.

Blackstone's corporate private equity arm has delivered net returns since inception of 15 percent, and its flagship private equity funds have, on average, delivered a realised gross multiple on invested capital of 2.2x, according to a presentation at the firm's investor day in September.

In October Blackstone announced it had acquired global life sciences investment firm Clarus and launched Blackstone Life Sciences, which will invest across the life cycle of companies and products within the key life sciences sectors. The firm plans to

"Our market is the whole of the public market cap in the world above $5bn"

Joe Baratta, Blackstone

Corporate private equity

4.6%

Q1 appreciation

$3.7bn

Q1 realisations across the platform

$159bn

Total AUM, up 43% year-on-year

Source: Blackstone Q1 2019 earnings presentation

launch its initial fund for the strategy this quarter and, while it has not specified a target size for the vehicle, on the Q1 earnings call, management said Clarus most recently raised a $1 billion fund and the successor is to likely be "multiples of that".

"The private capital markets for life sciences investing is one of the least well-developed compared with any other type of investing, and it's very fragmented," Baratta says.

"You don't have a large-scale, industry champion in the life sciences industry like [we've seen] develop in other technology."

Blackstone believes Clarus, a 100-person organisation, can become that champion.

"We think we can take their scale from a few billion dollars of assets under management over time to multiples of that amount."

Not long after announcing the Clarus deal, Blackstone hired growth equity expert Jon Korngold from General Atlantic to launch a growth equity platform, which will look to invest in consumer, healthcare and pure technology companies. A fund for the strategy is set to launch in the second half of the year.

"Our BXG growth equity platform, when combined with the synergies offered by Blackstone's other asset classes, is uniquely positioned to add value to fast-growing companies in ways that other stand-alone growth equity firms simply cannot," Baratta says.

"We also look for situations where we can play a truly active role alongside management – that is, you won't typically find BXG being the 10th investor in a cap table of a high-profile company in the way that many other growth equity firms have chosen to do in recent years."

The impact investing platform – announced after our interview – will be nested under the firm's secondaries unit Strategic Partners. It will make direct investments and co-invest alongside existing impact managers, leveraging Strategic Partners' expertise across private equity, real estate and infrastructure, and will focus on health and wellbeing, financial access, sustainable communities and green technology companies in developed markets. ■

The small print

How the ranking is determined

The 2019 *PEI 300* ranking is based on the amount of private equity direct investment capital raised by firms between 1 January 2014 and 1 April 2019.

Definitions

Private equity

For purposes of the *PEI 300*, the definition of private equity is capital raised for a dedicated programme of investing directly into businesses. This includes equity capital for diversified private equity, buyouts, growth equity, venture capital and turnaround or control-oriented distressed investment capital.

Capital raised

This means capital definitively committed to a private equity direct investment programme.

In the case of a fundraising, it means the fund has had a final or official interim close after 1 January 2014. We count the full amount of a fund if it has a close after this date, and we count the full amount of an interim close that has occurred recently, even if no official announcement has been made. We also count capital raised through co-investment vehicles.

Legend

New company for 2019....... ★

Up from 2018 .... ▲

Down from 2018............ ▼

Unchanged from 2018 ...... ◁▷

What does NOT count as private equity?

Funds of funds, secondaries, real estate, infrastructure, hedge funds, debt, mezzanine and PIPEs.

NB. The *PEI 300* is not a performance ranking, nor does it constitute investment recommendations.

For a full methodology, email PEI's research manager, Daniel Humphrey Rodriguez (daniel.r@peimedia.com).

The diversification and acquisition game

Expansion into new geographies and products boosted the top 50's fundraising efforts. By Preeti Singh

The top 50 of this year's *PEI 300* are a diverse bunch, but one theme ties many of them together: expansion into new product lines.

Diversification into other private asset classes, expansion into new geographies and the launch of companion products used to be the purview of only the very largest managers. But in recent years this has become more widespread, with even mid-market firms getting in on the action. In fact, an IPEM survey found 46 percent of European GPs expect to launch a new fund strategy this year.

BC Partners (26), for example, expanded into private credit in 2017 and in May 2018 launched a real estate platform. While other asset classes don't count towards its *PEI 300* fundraising total, the firm still added $1.2 billion to its five-year fundraising total.

Permira Advisers (18), which is up two places, is raising its first growth equity fund, while TPG (12), no stranger to multi-strategy, just closed its first Tech Adjacencies fund on $1.5 billion (as the close was after 1 April, the total is not included in the fundraising total for this *PEI 300*).

The most market-moving example of expansion-through-acquisition in the last 12 months was the acquisition by Toronto-based Brookfield Asset Management (24) of 62 percent of Oaktree Capital Management. The rationale behind the transaction: to gain a strong and sizeable foothold in private credit. As Howard Marks, co-chairman of Oaktree, told *Private Equity International*: "[Brookfield chief executive] Bruce Flatt's expression was he could spend 10 years trying [to build a credit arm] and maybe not end up with what we [Oaktree] have today."

Other firms have used a mix of acquisitions and organic growth to expand their product offerings and geographic reach. For instance, HarbourVest Partners (45), which has increased its footprint across the US, Europe and Asia over the last few years, launched its credit platform last year. Switzerland-headquartered Partners Group (21) launched PG LIFE, a dedicated impact-at-scale strategy in 2018. It has steadily built its private equity, real estate and credit businesses and been raising client capital that could be deployed to long-hold assets.

The key to winning limited partner trust around strategy expansions? A demonstrable track record, Rhonda Ryan, head of European private equity and debt at advisory firm Mercer, told us earlier this year.

"If you've known the GP for some time there's going to be a certain level of trust, but there still needs to be some proof of concept, such as building out the team. In some cases people might say we've moved up in size over recent years and will raise a fund closer to our original strategy." ■

> *"If you've known the GP for some time there's going to be a certain level of trust, but there still needs to be some proof of concept, such as building out the team"*
>
> **RHONDA RYAN**
> **Mercer**

Eurazeo

48 ★

Paris

For Paris-listed Eurazeo diversification across products and geographies is critical for shareholder returns

"If you put yourself in the shoes of a shareholder of Eurazeo, you don't want to be just a French buyout firm focused on one activity," Marc Frappier, managing partner and head of Eurazeo Capital, tells *PEI*. "You diversify your asset base, diversify your geographic exposure so you have more consistent returns for your LPs, or ultimately in our case, for our shareholders."

Acquiring stakes in other private equity firms has helped Eurazeo expand its geographical and product portfolios. Earlier this year, the firm picked up a 25 percent stake in Madrid-based MCH Private Equity to boost its presence in Spain. In 2017, it acquired a 30 percent stake in US-based Rhône Group to strengthen its transatlantic presence.

An additional €7 billion of firepower was added to Eurazeo's arsenal last year when it acquired French fund of funds manager Idinvest Partners. It also gave the firm expertise in private debt, venture and growth capital.

Eurazeo made a big push into the US mid-market in 2016, opening a New York office. Its newest investment division Eurazeo Brands, launched in 2017, operates out of the city and focuses on consumer and retail companies across beauty fashion, home, leisure, wellness and food. Its Rhône Group stake, meanwhile, gives the French manager a foothold in the real estate market through Rhône's joint venture with WeWork.

Now it is picking up its activity in Asia. In April, sovereign wealth fund China Investment Corporation chose the firm to manage an up to €1.5 billion China Growth Fund backing French and European companies that want to invest in China. As Frappier says: "Scaling our business means that if we want to pool growth [investing] and international [investing] that means we have a team on the ground."

2019 Rank		2018 Rank	Firm	Five-year fundraising total ($m)	Headquarters
11	▲	29	Hellman & Friedman	26,900	San Francisco
12	▼	10	TPG	25,611	Fort Worth
13	▼	11	EnCap Investments	21,097	Houston
14	▼	13	Vista Equity Partners	19,785	San Francisco
15	▼	14	Apax Partners	18,615	London
16	▲	18	General Atlantic	16,916	New York
17	▼	16	Clayton, Dubilier & Rice	16,509	New York
18	▲	20	Permira Advisers	16,394	London
19	◁▷	19	Advent International	16,026	Boston
20	▼	9	Silver Lake	15,000	Menlo Park
21	▲	27	Partners Group	14,726	Zug
22	▲	28	Stone Point Capital	14,544	Greenwich, CT
23	▲	49	Bridgepoint	14,264	London
24	▲	43	Brookfield Asset Management	14,197	Toronto
25	▼	23	Onex	14,106	Toronto
26	◁▷	26	BC Partners	13,275	London
27	▲	54	Genstar Capital	13,100	San Francisco
28	▲	35	PAI Partners	13,061	Paris
29	▲	156	Hillhouse Capital Group	12,725	Beijing
30	▲	38	Leonard Green & Partners	12,238	Los Angeles
31	▼	24	Insight Partners	12,236	New York
32	▲	73	American Securities	12,000	New York
33	▲	65	Baring Private Equity Asia	11,833	Hong Kong
34	▼	15	Cinven	11,548	London
35	▲	70	NGP Energy Capital Management	11,355	Irving
36	▼	25	Ardian	10,975	Paris
37	▼	34	New Mountain Capital	10,585	New York
38	▼	37	Goldman Sachs Merchant Banking Division	10,500	New York
39	▲	50	Tiger Global Management	10,250	New York
40	▲	85	Quantum Energy Partners	10,040	Houston
41	▲	98	PAG	9,950	Hong Kong
42	▼	21	Riverstone Holdings	9,904	New York
43	▼	31	L Catterton	9,838	Greenwich, CT
44	▼	36	Affinity Equity Partners	9,800	Hong Kong
45	▲	59	HarbourVest Partners	9,599	Boston
46	▼	39	GTCR	9,100	Chicago
47	▲	108	Roark Capital Group	9,000	Atlanta
48	★	–	Eurazeo*	8,956	Paris
49	▼	32	Ares Management	8,650	Los Angeles
50	▲	265	Adams Street Partners	8,498	Chicago

*Includes Idinvest funds

The consumer is alive and kicking

Specialists in the strategy made impressive leaps in the 2019 ranking of five-year fundraising totals, writes Alex Lynn

Private equity firms focused on the consumer sector have had a challenging time over the years with innovation and technology disrupting the market as well as the well-publicised difficulties of the retail and casual dining sub-segments.

Two pure-play consumer specialists are swimming against the tide to climb up the *PEI 300*. New York's Sycamore Partners (51) climbed 82 places from last year. The consumer and retail firm raised $8.5 billion over the past five years and is investing Sycamore Partners III, which closed above target on $4.75 billion in July 2018. Its portfolio includes US retailer Staples, department store Belk and pop culture icon Hot Topic.

San Francisco-based TSG Consumer Partners (69) is another outfit making impressive strides. The firm held a $4 billion final close in February on TSG8 and its parallel fund, which helped it shoot up 65 places. The firm, which has solely targeted consumer businesses since its launch in 1987, has raised $6.5 billion over the past five years.

TSG's success can be attributed in part to its willingness to embrace the digital revolution; its current portfolio includes five e-commerce businesses, more than any other sub-segment except food and beverages, of which it owns six. The e-commerce portfolio includes German bicycle retailer Canyon and US fashion retailer REVOLVE, which deploys social media influencers to boost marketing.

"Gone are the days when a big marketing budget was a key driver, if not the key driver, of gaining market share"

HADLEY MULLIN
TSG

"Gone are the days when a big marketing budget was a key driver, if not the key driver, of gaining market share," Hadley Mullin, senior managing director at TSG, tells *Private Equity International*.

L Catterton (43), the world's largest consumer-focused firm, has held steady in the top 50 in the last two years, though it slid 12 places this year. Its bespoke approach over the years includes a lot of research and pattern recognition, and "skating to where the puck is going", according to Scott Dahnke, global co-chief executive.

The firm is deploying its 2016-vintage $2.75 billion global fund and seeking more than $2 billion for its fourth Europe fund, third Asia fund and its fourth growth equity fund, according to *PEI* data.

That many of these players are US-based is no coincidence: investor appetite for sector-focused funds such as consumer or retail is generally more muted in Europe than it is in the US. This is due to the geographical challenges of operating as a specialist in a pan-European context as well as the mixed performance of these funds, Janet Brooks, managing director for placement firm Monument Group, told *PEI* in February.

"Right now we see many European investors being particularly cautious in this area as a result of the turmoil in the retail space caused by the wholesale move from physical to digital together with fear of greater economic uncertainty and potentially lower consumer expenditure going forward," she said. ■

China Everbright Limited

95 ▲

Hong Kong

Hong Kong's China Everbright shot up the ranking to break into the top 100

The asset manager – a subsidiary of state-owned conglomerate China Everbright Group – climbed 171 places after raising around $5.2 billion over the past five years. It manages 32 primary market vehicles and four funds of funds.

China Everbright plans to increase its US dollar assets under management after domestic regulation dampened yuan-denominated fundraising last year. The firm will raise the percentage of its foreign asset allocation and boost its dollar-denominated funds to maintain stable AUM growth this year, according to an annual results presentation in April.

"We definitely are looking into a bigger number of USD fundraisings," chief financial officer Richard Tang told *PEI* in April. The firm is strengthening its institutional client relationship department and is in talks with fundraising consultants and intermediaries.

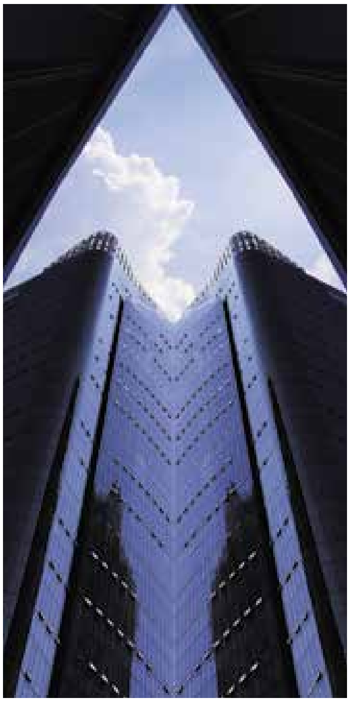
Its heightened appetite for dollars comes after China tightened rules on asset management firms in April last year to crack down on domestic shadow banking and overleveraging. Yuan-denominated vehicles fell to just 7 percent of new Chinese fundraises last year, according to PitchBook's *Private Equity in China* report.

The asset manager is also increasing its focus on cross-border inbound and outbound investments. The firm completed several notable deals overseas last year, acquiring Norway-based Boreal Holdings via its global infrastructure fund and helping an existing portfolio company, US manufacturer Burke Porter, expand into China by building a factory. The group's real estate business EBA Investments made its first overseas investment into US asset manager Arrow RE in April last year.

2019 Rank		2018 Rank	Firm	Five year fundraising total ($m)	Headquarters
51	▲	133	Sycamore Partners	8,468	New York
52	▼	47	TDR Capital	8,327	London
53	▲	75	Pamplona Capital Management	8,146	London
54	▼	30	Platinum Equity	8,000	Beverly Hills
55	▲	82	H.I.G. Capital	7,735	Miami
56	▲	143	Astorg Partners	7,730	Paris
57	▲	79	TCV	7,730	Palo Alto
58	▼	46	Francisco Partners	7,525	San Francisco
59	▲	102	Welsh, Carson, Anderson & Stowe	7,470	New York
60	▲	88	CITIC Private Equity Funds Management	7,470	Beijing
61	▲	62	Morgan Stanley Investment Management	7,408	New York
62	▲	124	Audax Group	7,158	Boston
63	▼	60	Castlelake	7,103	Minneapolis
64	▲	105	Lightspeed Venture Partners	6,906	Menlo Park
65	▲	68	The Jordan Company	6,830	New York
66	▲	72	Triton	6,686	London
67	▼	55	Providence Equity Partners	6,685	Providence, RI
68	▲	168	Clearlake Capital Group	6,527	Santa Monica
69	▲	134	TSG Consumer Partners	6,500	San Francisco
70	▼	51	New Enterprise Associates	6,450	Chevy Chase, MD
71	▼	44	Hg Capital	6,258	London
72	▼	67	Berkshire Partners	6,250	Boston
73	▼	52	BDT Capital Partners	6,200	Chicago
74	▼	63	Thomas H. Lee Partners	6,187	Boston
75	▼	53	Centerbridge Partners	6,166	New York
76	▼	66	Accel	6,085	Palo Alto
77	▲	110	Oak Hill Capital Partners	6,040	New York
78	▼	57	Investindustrial	5,944	London
79	▲	83	Kelso & Company	5,859	New York
80	▲	116	Montagu Private Equity	5,771	London
81	▼	61	Marlin Equity Partners	5,740	Hermosa Beach, CA
82	▲	142	Oaktree Capital Management	5,656	Los Angeles
83	▲	135	Inflexion Private Equity	5,642	London
84	▼	45	Equistone Partners Europe	5,633	London
85	▼	40	Cerberus Capital Management	5,592	New York
86	▼	64	ArcLight Capital Partners	5,580	Boston
87	▼	78	Madison Dearborn Partners	5,553	Chicago
88	▲	474	Harvest Partners	5,550	New York
89	▲	127	Altor Equity Partners	5,490	Stockholm
90	▼	58	Veritas Capital	5,430	New York
91	▼	48	TA Associates	5,300	Boston
92	▲	103	TowerBrook Capital Partners	5,300	New York
93	▼	80	Nordic Capital	5,277	Stockholm
94	▼	81	Sequoia Capital	5,172	Menlo Park
95	▲	266	China Everbright Limited	5,155	Hong Kong
96	▲	160	Siris Capital Group	5,076	New York
97	▲	153	Littlejohn & Co	5,040	Greenwich, CT
98	▼	77	Summit Partners	5,002	Boston
99	▼	33	MBK Partners	4,940	Seoul
100	▼	74	GI Partners	4,800	San Francisco

The rise of funds of funds

Those who sounded the death knell for funds of funds may have spoken too soon: this year's PEI 300 shows these managers still have a trick or two up their sleeves, Adam Le reports



Traditional funds of funds have been upping their game in recent years. Gone are the days when fund of funds managers relied solely on primary fund commitments as their main source of investment strategy; today firms such as Partners Group (21) and Ardian (36) have expanded their platforms to become direct investors across multiple asset classes.

Hamilton Lane (101), GCM Grosvenor (102) and Pantheon (103) have also evolved somewhat from their traditional fund of funds roots. The bulk of these firms' investment activities remain fund of funds activity: 91 percent of Hamilton Lane's $36 billion invested in private markets last year was primary fund commitments, while more than half of Pantheon's $42 billion in assets under management as of 30 September were primary commitments to private equity funds.

The fund of funds community has undergone an evolution in recent years with a split between true fund of funds managers – typically smaller shops that focus on a particular fund strategy – and large-scale asset managers who have expanded their investment style and remit.

Bala Cynwyd-headquartered Hamilton Lane has grown significantly since its first fund of funds vehicle in 1998 – a $122 million fund that invested capital from Swedish pension AP7, Hackensack University Medical Center Retirement Plan and the Service Employees International Union.

Hamilton Lane launched its first secondaries fund in 2005 with a $360 million vehicle, and the strategy is set to grow eight-fold if the firm hits the $3 billion target for its fifth secondaries fund, which launched this year. It listed on the NASDAQ in 2017 and had around $469 billion in assets under management and supervision as of last December.

Pantheon's business has evolved to include real assets funds of funds, secondaries and co-investments. The firm, which was acquired by Affiliated Managers Group in 2010, jumped 67 spots this year, having raised $4.5 billion over the last five years.

Traditional funds of funds have been taking advantage of the mountains of data they collect through fund commitments and are hiring data scientists and building programmes to process, analyse and interpret data for their clients. Hamilton Lane, for example, has more than 4,200 funds in its database, while Schroder Adveq has been using artificial intelligence to rank fund managers and create investment lists.

GCM Grosvenor makes its debut appearance in the ranking this year. The Chicago-headquartered firm manages more than $50 billion in assets and has moved away from its early fund of funds roots: it has backed some novel deals on the secondaries front, including the restructuring of deal-by-deal assets held by Argonne Capital into a continuation fund in May 2018, and has raised separately managed accounts as well as direct investment funds. ■

Abraaj

129 ▼

Dubai

The fallen emerging markets investor raised $3.29bn in the five years to March

Not many firms have captured the industry's attention like The Abraaj Group has over the last year, and for all the wrong reasons. As this issue goes to press, the firm's founder Arif Naqvi faces extradition to the US over charges including misappropriating funds and securities and wire fraud, while former executives Mustafa Abdel-Wadood and Sev Vettivetpillai also face charges.

Yet the firm's capital-raising efforts over the last five years cannot be overlooked. Abraaj dropped 60 places in this year's *PEI 300*, having raised $3.29 billion across five commingled funds and one separately managed account.

Two of these vehicles have been sold off already. The largest is the 2015-vintage $1 billion Growth Markets Health Fund – the very fund at the centre of fraud allegations against the firm. According to the Securities and Exchange Commission's civil complaint filed in April, $230 million from the Health fund was misappropriated, beginning in December 2016. In early May, TPG said its growth platform had agreed to acquire the fund, renaming it Evercare Health Fund. Members of the health fund's LPAC said in a statement they remained "deeply committed" to the fund and its mission.

In mid-April, Colony Capital said it had closed the acquisition of Abraaj's Latin America private equity platform, including its $300 million Latin America Fund II. Vehicles that remain unsold are the $526 million Abraaj Turkey Fund, which US asset management firm Franklin Templeton was reported to be in talks to acquire as of mid-May, while emerging markets specialist Actis is understood to have been in talks to acquire five of Abraaj's Africa funds – including the $990 million Africa Fund III and the $375 million North Africa Fund II.

2019 Rank		2018 Rank	Firm	Five-year fundraising total ($m)	Headquarters
101	▲	107	Hamilton Lane	4,749	Bala Cynwyd, PA
102	★	–	GCM Grosvenor	4,553	Chicago
103	▲	170	Pantheon	4,534	London
104	▼	42	RRJ Capital	4,500	Hong Kong
105	▼	84	Charlesbank Capital Partners	4,500	Boston
106	▼	87	Patria Investmentos	4,494	Sao Paulo
107	★	–	GGV Capital	4,291	Menlo Park
108	▼	89	Waterland Private Equity Investments	4,151	Bussum, Netherlands
109	▲	158	Sun Capital Partners	4,100	Boca Raton
110	▼	90	Kayne Anderson Capital Advisors	4,025	Los Angeles
111	◁▷	111	Andreessen Horowitz	3,987	Menlo Park
112	▼	92	CCMP Capital Advisors	3,943	New York
113	▼	93	Norwest Venture Partners	3,900	Palo Alto
114	▼	106	IDG Capital	3,765	Beijing
115	★	–	Lindsay Goldberg	3,750	New York
116	▼	101	First Reserve	3,737	Stamford, CT
117	▲	140	Hermes GPE	3,731	London
118	▼	96	CDH Investments	3,689	Hong Kong
119	▼	95	The Riverside Company	3,635	New York
120	▼	56	AEA Investors	3,615	New York
121	▲	292	YunFeng Capital	3,600	Shanghai
122	▲	201	Bessemer Venture Partners	3,450	Redwood City
123	▲	187	Index Ventures	3,426	Geneva
124	▲	161	Accel-KKR	3,400	Menlo Park
125	▲	180	Yorktown Partners	3,385	New York
126	▼	125	Hahn & Co	3,343	Seoul
127	▼	115	Hony Capital	3,324	Beijing
128	▲	145	Lime Rock Partners	3,322	Westport, CT
129	▼	69	The Abraaj Group	3,291	Dubai
130	▼	76	IK Investment Partners	3,278	London
131	▼	109	Crestview Partners	3,256	New York
132	▲	146	Ridgemont Equity Partners	3,205	Charlotte
133	▼	112	HGGC	3,174	Palo Alto
134	▲	285	Gryphon Investors	3,105	San Francisco
135	▲	216	Lenovo Group	3,100	Hong Kong
136	▼	71	Olympus Partners	3,040	Stamford, CT
137	▼	100	KSL Capital Partners	3,005	Denver
138	▲	152	Tailwind Capital Partners	2,950	New York
139	▲	210	Qiming Venture Partners	2,912	Shanghai
140	▼	118	IVP	2,900	Menlo Park
141	▼	119	Great Hill Partners	2,879	Boston
142	▼	91	ACON Investments	2,872	Washington DC
143	▼	121	Rhône Group	2,856	New York
144	▼	86	Vitruvian Partners	2,819	London
145	▼	97	CITIC Capital	2,813	Hong Kong
146	▼	123	IFC Asset Management Company	2,791	Washington DC
147	▲	260	Palladium Equity Partners	2,782	New York
148	▲	178	BlackRock	2,771	New York
149	▼	130	WL Ross & Co.	2,763	New York
150	▼	120	ICONIQ Capital	2,705	San Francisco

Tech, tech, tech, boom!

The good times are rolling for technology and innovation-focused managers, reports Carmela Mendoza

From software to human resource technology, fintech and artificial intelligence, investors are paying attention and snapping up companies that have got long years of investment cycles ahead of them.

Thoma Bravo (8) raised the largest fund ever for enterprise software companies in January, amassing $12.6 billion against a $9 billion target for its 13th flagship vehicle. In April last year it collected $2.4 billion for its Discover II fund, which will make smaller investments in mid-market software companies.

Silver Lake (20), another large-scale tech investor, and San Francisco's Vista Equity Partners (14) gathered an aggregate $34.8 billion in the five-year period to March 2019.

New York-based Thrive Capital (188) – founded by Josh Kushner, brother of US President Donald Trump's son-in-law and advisor Jared Kushner – was one of the biggest climbers this year, rising 103 spots in 2018 on the back of a $1 billion raise for its sixth fund focused on internet and software investments in North America and Latin America. The firm counts collaboration tool Slack and direct-to-consumer beauty company Glossier among its portfolio companies.

San Francisco-based Matrix Partners (160), which has backed virtual reality company Oculus and question-and-answer website Quora, jumped 81 spots. The firm has been steadily growing its China and India pool in recent years, raising more than $2 billion for the markets since 2014.

Two notable Chinese firms that rose to this part of the list are Shanghai-based Morningside Venture Capital (189) and Beijing-based Gaorong Capital (193). Morningside, founded by Hong Kong's Chan family in the late 1980s and active in AI and medical devices, moved up 30 places. TMT-focused Gaorong collected $500 million for its fourth flagship fund last year and has backed social retail start-up Beidian and coffee chain Coffee Box.

"Private equity funds have made a calculated bet on overweighting technology which has paid off"

NICOLAS SCHELLENBERG
Cambridge Associates

Outperformance is feeding investor appetite. Data from Cambridge Associates show private equity-backed technology investment delivered the highest returns (20.6 percent) of all sectors in the first half of 2018.

"Private equity funds have made a calculated bet on overweighting technology, which has paid off," Nicolas Schellenberg, head of EMEA PE & VC Research at Cambridge Associates, said in a statement accompanying the report.

"That outperformance is not the result of luck or chance."

That outperformance is, naturally, attracting generalist managers, who have been capitalising on the tech boom by launching smaller dedicated funds – sometimes labelled "growth" vehicles – which invest smaller equity cheques.

KKR (3), CVC Capital Partners (4) and Apax Partners (15) have all raised such funds. In January, Carlyle Group (2) closed its fourth Europe Technology Partners fund on its €1.35 billion hard-cap, more than twice the amount raised for its predecessor. This fund has ratcheted carried interest, charging 20 percent carry until it returns 2.25x cost to limited partners, at which point it will jump to 25 percent.

Carlyle's head of investor relations Michael Arpey said the terms are "consistent with what other top-performing technology funds have received". ■

BGH Capital

192 ★

Melbourne

First-time manager BGH raised Australia's largest debut fund, closing on almost $2bn last year

Melbourne-headquartered BGH Capital made its debut in the *PEI 300* this year. The first-time manager caught a lot of people in the industry by surprise, having raised the biggest debut fund focused on Australia and New Zealand in May 2018, closing on A$2.6 billion ($1.9 billion; €1.6 billion).

BGH Capital Fund I is also the second-largest fund raised in the country. Longstanding firm Pacific Equity Partners (187) closed on A$4 billion for its fourth vehicle in 2008, *PEI* data show.

BGH was founded by TPG head of Asia Ben Gray in 2017 along with ex-TPG partner Simon Harle and ex-Macquarie Capital Australia chief Robin Bishop. It began fundraising in October that year with a A$2 billion target and A$2.5 billion hard-cap, and held a first close on more than A$2.3 billion in February 2018. New York State Teachers' Retirement System, Washington State Investment Board and San Francisco Employees' Retirement System are investors in the fund, *PEI* data show.

Its strategy: invest in mid-market companies, while maintaining the scale required to execute larger buyouts and flexibility to pursue smaller growth deals. Along with the its Aussie buyout peers PEP and Quadrant Private Equity (163), BGH will compete in the same space as pan-Asian firms Affinity Equity Partners and Baring Private Equity Asia, as well as global heavyweights KKR (3), TPG (12) and Bain Capital (6). BGH has so far struck one deal from its mega-fund since final close, the takeover of education company Navitas in a deal valuing the company at A$2.3 billion. The deal, sealed by BGH alongside AustralianSuper, is also the biggest transaction by a domestic buyout fund.

2019 Rank		2018 Rank	Firm	Five-year fundraising total ($m)	Headquarters
151	▼	122	Digital Sky Technologies	2,700	Moscow
152	▲	224	Bernhard Capital Partners	2,650	Baton Rouge
153	▲	304	Waud Capital Partners	2,616	Chicago
154	▼	150	Cornell Capital	2,608	New York
155	▲	167	ABRY Partners	2,600	Boston
156	▲	239	Cathay Capital Private Equity	2,562	Paris
157	▼	132	Charterhouse Capital Partners	2,536	London
158	▲	303	Alvarez & Marsal Capital Partners	2,531	Greenwich, CT
159	▼	136	Spectrum Equity	2,452	Boston
160	▲	241	Matrix Partners	2,449	San Francisco
161	▼	137	Pine Brook	2,435	New York
162	▼	138	Primavera Capital Group	2,426	Beijing
163	▼	139	Quadrant Private Equity	2,392	Sydney
164	▼	337	Capvis AG	2,390	Baar, Switzerland
165	▼	157	FountainVest Partners	2,366	Hong Kong
166	▲	240	Freeman Spogli & Co	2,360	Los Angeles
167	▼	141	JP Morgan Asset Management	2,355	New York
168	▼	148	Founders Fund	2,354	San Francisco
169	▲	366	Vivo Capital	2,349	Palo Alto
170	▼	144	Searchlight Capital Partners	2,309	New York
171	▲	217	Navis Capital Partners	2,300	Kuala Lumpur
172	▼	147	HitecVision	2,275	Stavanger
173	▲	252	Kinderhook Industries	2,250	New York
174	▲	253	Riverwood Capital	2,250	Menlo Park
175	▲	407	Linden Capital Partners	2,250	Chicago
176	▲	438	AE Industrial Partners	2,232	Boca Raton
177	▲	209	General Catalyst Partners	2,230	Cambridge, MA
178	▼	151	Orchid Asia	2,220	Hong Kong
179	▼	94	Kohlberg & Company	2,200	Mount Kisco, NY
180	▼	177	Battery Ventures	2,200	Boston
181	▲	325	JMI Equity	2,200	Baltimore
182	▲	208	Mid Europa Partners	2,191	London
183	▼	117	OrbiMed Advisors	2,178	New York
184	▲	408	Lovell Minnick Partners	2,176	Radnor, PA
185	▲	272	LLR Partners	2,175	Philadelphia
186	▼	104	Sentinel Capital Partners	2,150	New York
187	▲	218	Pacific Equity Partners	2,146	Sydney
188	▲	291	Thrive Capital	2,100	New York
189	▲	219	Morningside Venture Capital	2,099	Shanghai
190	▲	346	SSG Capital Partners	2,096	Hong Kong
191	▲	259	Energy Spectrum Capital	2,087	Dallas
192	★	–	BGH Capital	2,085	Melbourne
193	★	–	Gaorong Capital	2,083	Beijing
194	▲	223	EMR Capital	2,047	Hong Kong
195	▼	164	FFL Partners	2,022	San Francisco
196	▼	114	Hopu Investment Management	2,000	Beijing
197	▼	165	Odyssey Investment Partners	2,000	New York
198	▼	172	Tailwater Capital	1,989	Dallas
199	▲	263	Frazier Healthcare Partners	1,986	Seattle
200	▼	171	Post Oak Energy Capital	1,950	Houston

Asia's emerging mid-market

The region's growth story, urbanisation and rising middle class are luring private equity capital, writes Alex Lynn

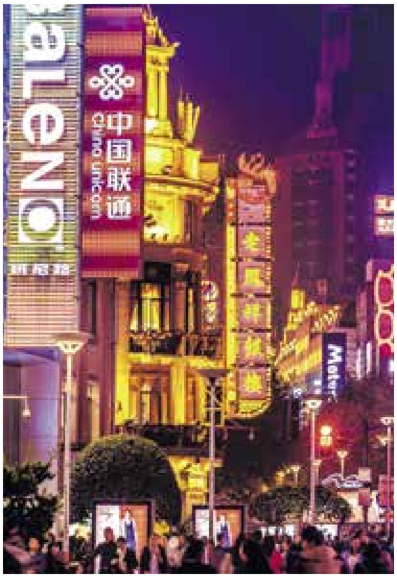
Asia Pacific-headquartered firms are taking up a larger share of global fundraising. Firms in the region amassed $142.6 billion over the five-year period to March 2019, compared with $128.5 billion in the previous year's *PEI 300* ranking.

The main attraction: Asia's rising middle class and its increasing purchasing power, coupled with the region's increasing maturity as a private equity market. Regional powerhouse China, for instance, has gradually shifted from a growth to a buyout play due in part to the country's slowing economy, declining interest in traditional industries, succession planning among first-generation entrepreneurs and newly available capital.

Private equity performance in Asia has been solid; industry returns rose to a 12.4 percent median net internal rate of return in 2018, and top-quartile funds with vintages between 2012 and 2015 are forecasted to deliver net IRRs above 20 percent, according to Bain & Company.

Limited partners are taking note and ramping up their commitments to the region. Teachers' Retirement System of the State of Illinois revealed in its trustees meeting last year that it will focus on Asia in 2019 as part of its private equity tactical plan. Christopher Ailman, CIO of California State Teachers' Retirement System, told *PEI* in May the pension could double or triple its less than $2 billion exposure to Asia in the next three to five years.

Respondents to the latest EMPEA *Global Limited Partners Survey* indicated they view South-East Asia, China and India as the most appealing investment destinations across 10 emerging markets globally.



"China has gradually shifted from a growth to a buyout play"

Asia stalwarts have enjoyed some impressive leaps in this year's list. Beijing's Hillhouse Capital (29) became the top Asian firm after jumping 127 places on the back of a $10.6 billion fundraise, the largest sum ever collected for a pan-Asian vehicle and around 15 percent more than KKR hauled in for its Asian Fund III, which closed on $9.3 billion in June 2017.

Hong Kong's Baring Private Equity Asia (33) climbed 32 places after raising $11.8 billion over the past five years and its compatriot PAG (41) rose 57 places.

This year's *PEI 300* also includes new joiners from Tokyo, Mumbai and Singapore. Marunouchi Capital (217) entered the rankings despite closing its second fund below target in October.

Mumbai's ChrysCapital (245) entered the list for the first time after climbing 209 places from last year's list. The firm – which has raised around $1.5 billion over the period – closed its eighth India-focused vehicle in January at $867 million, above its $850 million hard-cap.

Shanghai's C-Bridge Capital (238), which provides growth capital, late-stage and mature-stage investments for healthcare businesses, debuted with a five-year fundraising total of $1.5 billion, boosted by the $850 million it raised for its third healthcare fund in May after raising its hard-cap. It's already back in market with Fund IV.

Singaporean real estate behemoth GLP (232) also made a dramatic entry to the world of private equity in July by raising 10 billion yuan ($1.6 billion; €1.3 billion) for Hidden Hill Capital, a fund targeting Chinese logistics companies. ■

Fondo FSI

247 ★

Milan

Italian private equity firms are something of a rarity in the *PEI 300*; only two made it into the rankings this year

Fondo FSI, a spin-out from Italian sovereign wealth fund Fondo Strategico Italiano, is the largest of these. The Milan-headquartered growth equity firm closed its first fund on €1.4 billion in February – the largest amount ever raised for a debut Italy-focused vehicle and Europe's third-largest debut fund targeting a single country since at least 2008.

The close saw Fondo FSI enter the *PEI 300* at 247. The fund attracted capital from the likes of Kuwait Investment Authority, Singapore's government investor Temasek and France's Tikehau Capital. Italian institutional investors committed 39 percent of the capital, with international institutions providing 23 percent.

"Limited partners were concerned about Italy's economy being impacted by large government debt, which can be a negative factor to some sectors," chief executive Maurizio Tamagnini told *Private Equity International* in February. These concerns were "less relevant" to FSI's fundraise because 70 percent of the portfolio's revenue, for example, comes from outside the country through export-led business, he noted.

Fund I may seem like a lot of capital for Italy, given that it is already the country's third-largest in history, but FSI appears to have had little trouble sourcing deals. It has already deployed approximately 25 percent of the vehicle across four investments and one bolt-on. These were acquired at valuations below the average for European leveraged buyouts, investor director Marco Tugnolo told *PEI*. The firm has expanded its team accordingly, including the appointment of Carlo Moser, a former partner at Italian private equity firm Investitori Associati, as investment director in Q4 2018. FSI now has 34 staff operating from its Milan office.

2019 Rank		2018 Rank	Firm	Five-year fundraising total ($m)	Headquarters
201	▲	257	Portobello Capital	1,934	Madrid
202	▼	175	Old Ironsides Energy	1,853	Boston
203	▼	176	American Industrial Partners	1,850	New York
204	▲	284	Greenbriar Equity Group	1,846	Rye, NY
205	★	–	Trident Capital	1,842	San Mateo
206	★	–	The Edgewater Funds	1,840	Chicago
207	▲	369	ECI Partners	1,840	London
208	▼	179	Brentwood Associates	1,838	Los Angeles
209	▼	181	DFJ	1,834	Menlo Park
210	▲	248	Denham Capital Management	1,825	Boston
211	▼	128	Kleiner Perkins Caufield & Byers	1,800	Menlo Park
212	▲	286	Menlo Ventures	1,800	Menlo Park
213	★	–	PPC Partners	1,800	Chicago
214	★	–	Thompson Street Capital Partners	1,790	St. Louis
215	▼	186	STIC Investments	1,789	Seoul
216	▲	331	Redpoint China Ventures	1,780	Menlo Park
217	★	–	Marunouchi Capital	1,739	Tokyo
218	★	–	Cressey & Company	1,725	Chicago
219	▼	190	IMM Private Equity	1,716	Seoul
220	▼	194	Shunwei Capital Partners	1,684	Beijing
221	▲	349	Atlas Holdings	1,675	Greenwich, CT
222	▲	250	Livingbridge	1,666	London
223	▼	214	HTC Corporation	1,660	Taipei
224	▼	197	One Equity Partners	1,650	New York
225	▲	350	Venrock	1,629	Palo Alto
226	▼	199	Oakley Capital Private Equity	1,629	London
227	▲	307	The Raine Group	1,615	New York
228	▼	202	Norwest Equity Partners	1,600	Minneapolis
229	★	–	Valor Equity Partners	1,594	Chicago
230	▼	203	FTV Capital	1,581	San Francisco
231	▼	204	Altamont Capital Partners	1,573	Palo Alto
232	★	–	GLP	1,562	Singapore
233	▼	149	GSR Ventures	1,552	Beijing
234	★	–	Andera Partners	1,546	Paris
235	▲	267	EagleTree Capital	1,532	New York
236	▼	211	GoldPoint Partners	1,525	New York
237	▼	184	Trive Capital	1,525	Dallas
238	★	–	C-Bridge Capital	1,524	Shanghai
239	▼	213	Exponent Private Equity	1,518	London
240	▲	363	Rothschild Merchant Banking	1,515	Paris
241	▼	215	Boyu Capital	1,510	Hong Kong
242	▼	126	Foundry Group	1,505	Boulder, CO
243	▼	227	Vistria Group	1,501	Chicago
244	▼	234	Flagship Pioneering	1,490	Cambridge, MA
245	▲	454	ChrysCapital	1,477	Mumbai
246	▲	274	MidOcean Partners	1,475	New York
247	★	–	Fondo FSI	1,468	Milan
248	★	–	Webster Equity Partners	1,465	Waltham, MA
249	▲	371	True Ventures	1,464	Palo Alto
250	★	–	China Renaissance Group	1,459	Beijing

The pulling power of profit-with-purpose

Impact investing has made a mark in the past year, despite recent negative headlines, writes Rod James

Impact investing has taken a reputational hit in recent months. The college admissions scandal that has enveloped Bill McGlashan, former chief executive of TPG's impact vehicle Rise Fund, has given fuel to critics who accuse managers of "greenwashing", making exaggerated claims about their social or environmental credentials. And there is a dwindling but still influential band who believe returns and purpose do not go together.

The longer term trends, however, are only going one way. In April, a report by the Global Impact Investing Network put impact assets under management at $502 billion at end-December 2018. The non-profit identified 1,300 impact investors globally across private equity, venture capital, fixed income, real asset and public equities.

The same month, a presentation by StepStone Group's European head David Jeffrey at Invest Europe's Investors' Forum in Geneva noted that impact funds targeted over $22 billion in 2018, up from $18 billion in the previous year, with for-profit managers comprising the majority of those.

"Increasingly, we are finding private placement memorandums with 'sustainable', 'responsible' and 'impact' written all over them," Jeffrey said.

Last month, Blackstone (1) became the latest big name to get into the game. Sitting within its secondaries unit Strategic Partners, its new impact platform will make direct investments and co-investments alongside existing impact managers, making use of the secondaries unit's huge number of GP relationships. The strategy will be led by Tanya Barnes from Goldman Sachs (see p. 2).

Bill McGlashan: admissions scandal has given fuel to critics

> *"Increasingly, we are finding private placement memorandums with 'sustainable', 'responsible' and 'impact' written all over them"*
>
> **DAVID JEFFREY**
> **StepStone**

KKR (3) has been in market since August with its Global Impact Fund, while Partners Group's (21) PG LIFE, a cross-asset fund targeting private equity, real estate, debt and infrastructure, is seeking $1 billion, part of the €16 billion of capital the group expects to raise in 2019. Hamilton Lane (101) had raised $7.5 million for its debut impact fund by October.

While the big firms will take the headlines, a couple of new entrants in this section of the *PEI 300* demonstrate the broader success that purpose-driven private equity has achieved in the past 12 months.

Milan-headquartered Ambienta (281) has raised $1.3 billion over the past five years to invest in companies driven by environmental trends. The firm hit a €635 million final close on Ambienta III in May 2018, exceeding its target of €500 million, in a fundraise that *PEI* described at the time as "considerably oversubscribed".

The firm takes control or minority positions of between €30 million and €100 million in European businesses that focus on resource efficiency and pollution control. This need for more industries to have greener and more sustainable practices is a $2 trillion opportunity, the firm believes.

Also making an entrance is the private equity arm of Thrivent Financial (273), a not-for-profit, membership-based financial services organisation based in Minneapolis. Founded by the Lutheran Church but now open to any denomination, the firm raised $1.3 billion for private equity in the past five years including a 2017-vintage, $400 million fund of funds and a $225 million growth equity/VC fund of the same vintage. The parent and its members give more than $200 million to charity. ■

NewView Capital

268 ★

Burlingane, CA

NewView Capital, which spun out of VC giant New Enterprise Associates, is a direct secondaries firm with a five-year fundraising total of $1.35bn

Most spin-outs involve an element of friction, a sense that a captive team has grown too big for its boots and wants to strike out on its own. This wasn't the case with NewView Capital.

In December, Goldman Sachs, Hamilton Lane (101) and 18 other investors put up $1.4 billion to purchase 31 direct stakes held in four different funds managed by New Enterprise Associates (70), the world's largest venture capital firm. At the same time, a team led by general partner Ravi Viswanathan span out of NEA to form NewView, which would manage the acquired assets.

The move was driven by necessity; for a long time NEA has struggled with unrealised investments, in the hundreds, sister publication *Secondaries Investor* wrote at the time. Many of these businesses could be a great success with more care and capital, two things your typical venture firm is not designed to provide beyond a certain point. NewView Capital is effectively a direct secondaries firm, buying portfolios of private companies from NEA and managing them to exit. According to a source, if successful, the firm will continue in the same vein, buying stakes in companies owned by VC firms that want liquidity as well as portfolio investments "orphaned" by the departure of a sponsor from a firm.

"There's no reason why you can't replicate this model with venture fund II, III and IV, eventually across different managers," says one secondaries source with close knowledge of the deal. "I think it's their intention to do more transactions like this. They may not be as big, but I think there are opportunities because other funds are struggling with the same problem."

2019 Rank		2018 Rank	Firm	Five-year fundraising total ($m)	Headquarters
251	▲	258	Legend Capital	1,457	Beijing
252	★	–	Bowmark Capital	1,451	London
253	▲	336	VIG Partners	1,450	Seoul
254	▲	427	Versant Ventures	1,445	San Francisco
255	▼	159	JAFCO	1,441	Tokyo
256	▼	226	Nautic Partners	1,430	Providence, RI
257	★	–	Wellspring Capital Management	1,420	New York
258	▲	404	Foresite Capital Management	1,418	San Francisco
259	▼	228	Vector Capital	1,410	San Francisco
260	▼	196	Horsley Bridge Partners	1,401	San Francisco
261	▼	229	One Rock Capital Partners	1,396	New York
262	★	–	Mayfair Equity Partners	1,390	London
263	▼	232	Clarus Ventures	1,380	Cambridge, MA
264	▼	182	Spark Capital	1,380	Boston
265	▼	233	Multiples Alternate Asset Management	1,375	Mumbai
266	▼	235	VMG Partners	1,362	San Francisco
267	★	–	Scout Energy Partners	1,360	Dallas
268	★	–	NewView Capital	1,350	Burlingame, CA
269	▼	238	Perella Weinberg Partners	1,350	New York
270	▼	189	Deutsche Beteiligungs AG	1,336	Frankfurt
271	▲	315	BlueRun Ventures	1,332	Menlo Park
272	▼	129	Trilantic Capital Partners North America	1,330	New York
273	★	–	Thrivent Financial	1,310	Minneapolis
274	▼	166	Peak Rock Capital	1,300	Austin
275	▼	154	Arsenal Capital Partners	1,300	New York
276	★	–	Lead Edge Capital	1,299	New York
277	▼	243	Chequers Capital	1,292	Paris
278	▼	244	Aquiline Capital Partners	1,290	New York
279	▼	247	Wynnchurch Capital	1,273	Rosemont, IL
280	★	–	Summa Equity	1,269	Stockholm
281	★	–	Ambienta	1,266	Milan
282	▲	435	Highland Europe	1,262	London
283	★	–	Life Sciences Partners	1,259	Amsterdam
284	★	–	WindRose Health Investors	1,258	New York
285	▼	254	The Sterling Group	1,250	Houston
286	▼	195	Apax Partners SAS	1,239	Paris
287	▼	212	NovaQuest Capital Management	1,238	Raleigh, NC
288	▼	255	BV Investment Partners	1,237.00	Boston
289	▼	231	Partech	1,226.24	Paris
290	★	–	Juniper Capital	1,219.50	Houston
291	▼	261	Gilde Buy Out Partners	1,208.29	Utrecht
292	★	–	ArchiMed	1,205.29	Lyon
293	▼	192	ARC Financial Corporation	1,203.17	Calgary
294	★	–	Five Point Energy	1,200.65	Houston
295	▲	324	JLL Partners	1,200.00	New York
296	▼	230	Aurora Capital Partners	1,200.00	Los Angeles
297	▲	458	Meritech Capital Partners	1,195.00	Palo Alto
298	▼	289	Pearl Energy Investments	1,192.88	Dallas
299	▼	173	FSN Capital	1,186.11	Oslo
300	▼	268	Abris Capital Partners	1,184.74	Warsaw

Where capital calls home

Ten years ago it seemed that all roads led to New York and London. But today's leading firms are spread further afield

Key facts

US-based firms occupy eight of the top 10 spots in the ranking; 72 percent or $1.2 trillion of the aggregate capital raised by *PEI 300* firms came from those based in North America

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Asia-Pacific firms raised approximately $14 billion more in 2019 vs 2018's ranking

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Europe-based firms raised $37.9 billion more in 2019 vs 2018's ranking

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Partners Group (21), which gathered $14.8 billion over the last five years, is the only firm based in Zug, Switzerland

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Two Toronto-based firms – Brookfield Asset Management (24) and Onex (25) – made it into this year's top 50 with a combined five-year fundraising total of $28.3 billion

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New York remains the fundraising capital with $329.2 billion amassed by Big Apple-based firms in the top 50

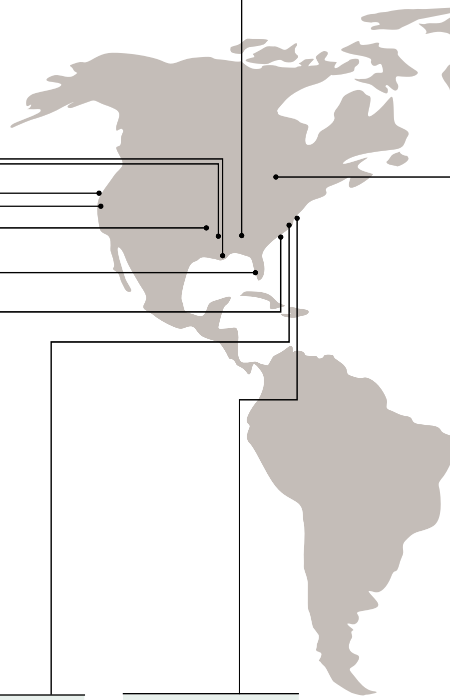
Los Angeles
2
(1)

San Francisco
3
(1)

Irving
1
(0)

Houston
2
(0)

Atlanta
1
(0)



The golden gate city

Seventeen firms in the latest *PEI 300* are headquartered in San Francisco.

Hellman & Friedman (11), Vista Equity Partners (14) and Genstar Capital (27) made it into the top 50 and gathered among them close to $60 billion over the last five years. Hellman & Friedman jumped 18 places, propelled by its ninth flagship fund which amassed $16 billion in October 2018, while Vista Equity slid one spot.

Dallas
0
(1)

Boca Raton
0
(1)

Bethesda
0
(1)

New York
13
(17)

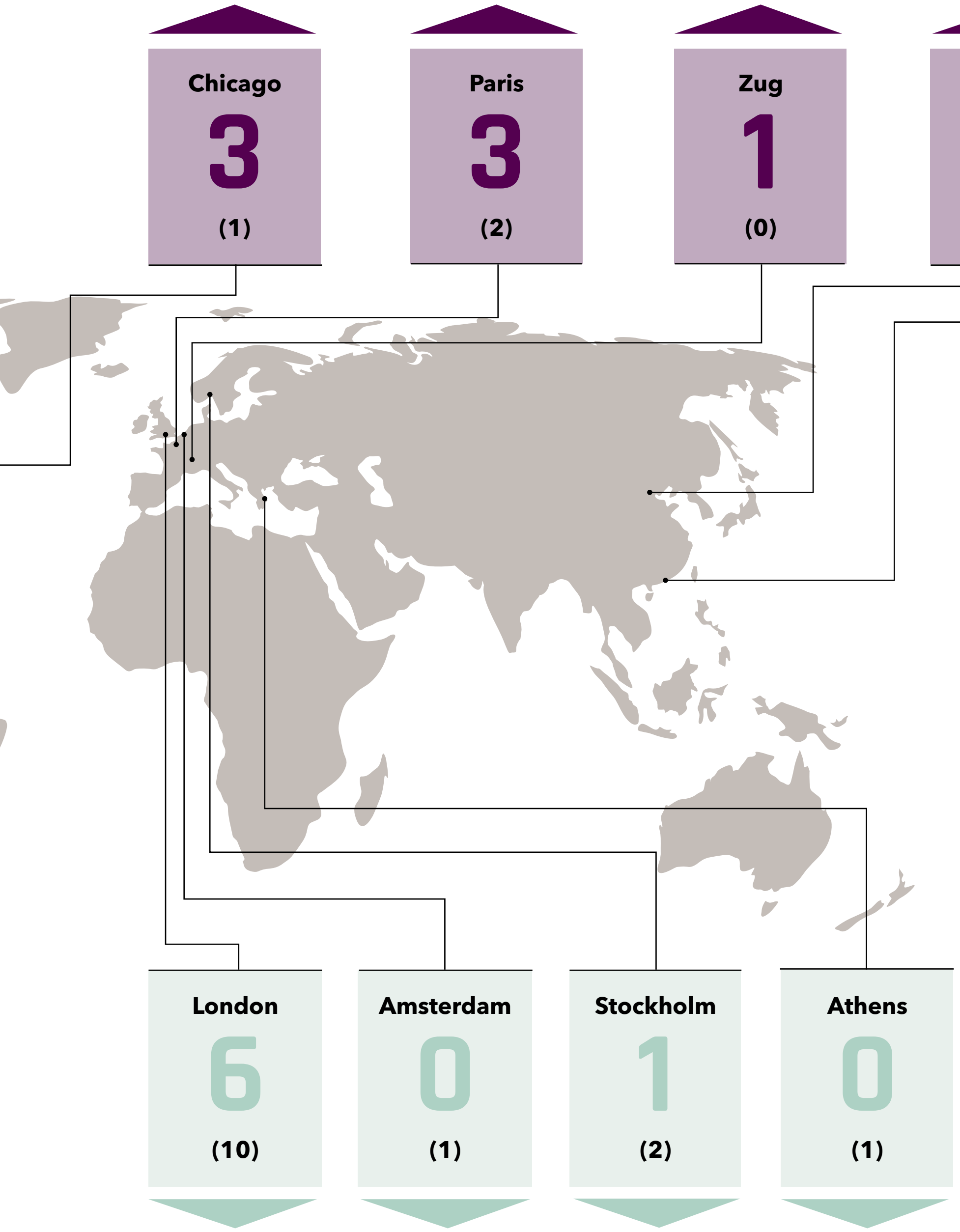
Providence
0
(1)

UP on 2009

City
X
(x)

Number of HQs in 2019 and (2009)

DOWN on 2009



The northern capital

This year's *PEI 300* sees 11 firms based in Beijing raise an aggregate $39.9 billion over the last five years, compared with three firms and $7.8 billion in 2009.

Hillhouse Capital Group (29) is the biggest climber, jumping 127 places with its remarkable $10.6 billion Fund IV, the largest-ever fund raised for Asia. Multi-strategy firm CITICPE (60) and venture firm IDG Capital (114) are two other notable Beijing-based firms that have raised capital for China's consumer and new economy – internet and tech-related companies. China's new economy has drawn a significant amount of capital in recent years. Global investors poured an estimated $81 billion into Chinese start-ups in 2018, according to data from Bain & Co.

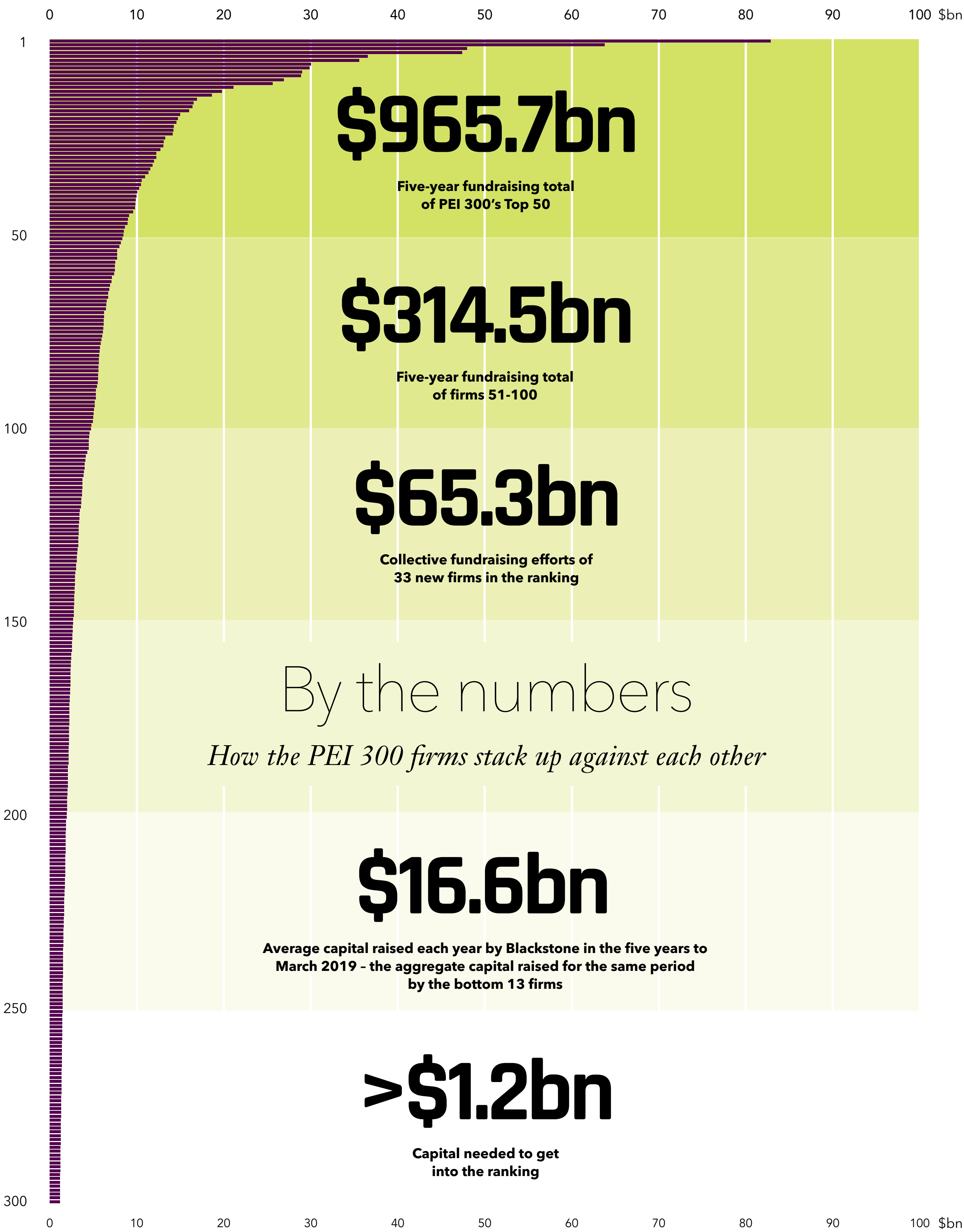
The fragrant harbour

Hong Kong is home to 13 firms in this year's *PEI 300* which raised $61 billion among them in the last five years – an almost four-fold increase from the $16 billion gathered by eight Hong Kong-headquartered firms in the *PEI 300* 2009 list.

Baring Private Equity Asia (33), PAG (41) and Affinity Equity Asia (44) have landed a spot in the top 50, having amassed at least $9 billion each over the preceding five years. PAG smashed its $4.5 billion target for its third Asian fund last year, gathering $6 billion. Affinity also hauled in $6 billion for its fifth Asia buyout fund in December 2016, and Baring held a $4.5 billion first close mid-last year for its seventh fund dedicated to the region. A decade ago, none of these firms made it into the top 50 and the top three Hong Kong-based firms had just about raised $9 billion between them.

Cities unchanged from 2009

Boston	3
Toronto	2
Fort Worth	1
Washington DC	1
Greenwich	2
Menlo Park	1


$965.7bn
Five-year fundraising total
of PEI 300's Top 50
$314.5bn
Five-year fundraising total
of firms 51-100
$65.3bn
Collective fundraising efforts of
33 new firms in the ranking
By the numbers
How the PEI 300 firms stack up against each other
$16.6bn
Average capital raised each year by Blackstone in the five years to
March 2019 – the aggregate capital raised for the same period
by the bottom 13 firms
>$1.2bn
Capital needed to get
into the ranking
0
10
20
30
40
50
60
70
80
90
100 $bn
1
50
100
150
200
250
300

Source: PEI

Biggest funds – and the LPs in them

The five largest funds raised over the last five years gathered a combined $95.3bn. Here are the LPs that made hefty commitments to more than one of them

2019 Rank	Fund name	Fund manager	Capital raised ($bn)	Year close
9	Apollo Investment Fund IX	Apollo Global Management	24.7	2017
2	Carlyle Partners VII	The Carlyle Group	18.5	2018
4	CVC Capital Partners VII	CVC Capital Partners	18.1	2017
1	Blackstone Capital Partners VII	Blackstone	18.0	2015
11	Hellman & Friedman Capital Partners IX	Hellman & Friedman	16.0	2018

LP	Apollo Investment Fund IX	Carlyle Partners VII	CVC Capital Partners VII	Blackstone Capital Partners VII	Hellman & Friedman Capital Partners IX
California Public Employees' Retirement System	$500m	$600m	$560m	$500m	$650m
Washington State Board of Investment	-	$600m	-	$500m	$750m
Massachusetts Pension Reserves Investment Management Board	-	-	$250m	$250m	$300m
New York State Common Retirement Fund	$480m	-	$390m	$500m	$325m
Oregon State Treasury	$480m	-	$250m	$500m	$350m
Virginia Retirement System	$270m	-	$224m	-	$350m
Teacher Retirement System of Texas	-	-	-	$450m	$300m
New York State Teachers' Retirement System (NYSTRS)	-	-	$390m	-	$300m
Florida State Board of Administration	-	$100m	-	-	$250m
Michigan Department of Treasury	-	$250m	-	$300m	-

Source: PEI