

**Private Equity
International**

FUNDRAISING REPORT 2019

Private Equity International's interactive and downloadable review of the full-year 2019 fundraising environment

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Fundraising overview

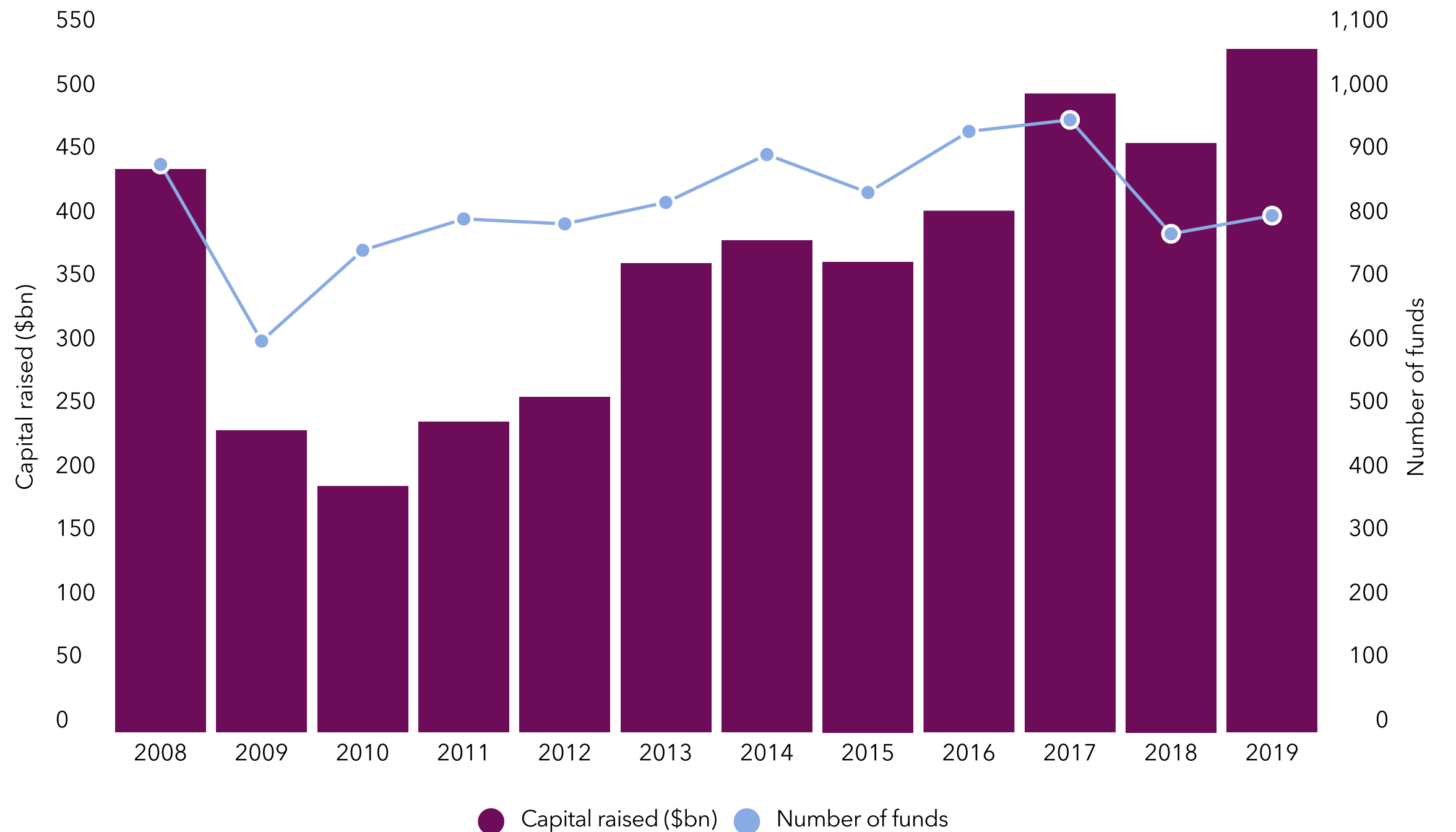
Private equity fundraising surged to its highest since the financial crisis in 2019.

Fundraising totals for the year reached \$537.2 billion, more than double 2009's \$237.5 billion and nearly \$75 billion more than in 2018.

The number of funds closed (812) also increased year-on-year, although this hasn't topped 2017's record (963).

Mega-funds including the \$26.2 billion Blackstone Capital Partners VIII and the \$17.5 billion Advent International GPE IX secured the most capital and drove the fundraising peak.

Year-on-year fundraising



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Fundraising overview

The average fund size climbed to its highest in the last 12 years.

Funds that held final closes in 2019 averaged \$662 million, the largest average since 2008 and above the full-year averages of \$522 million and \$590 million in 2017 and 2018.

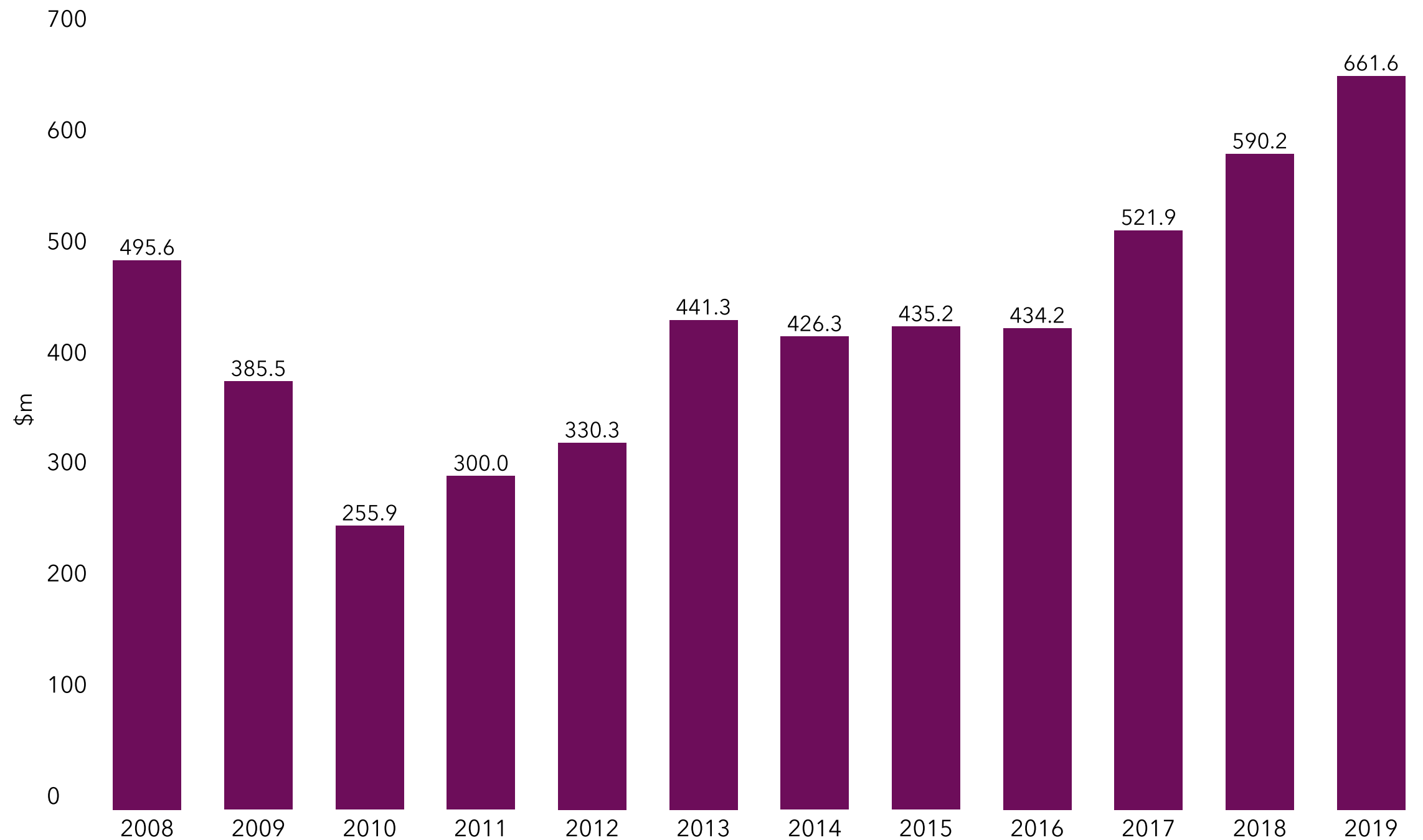
\$537bn

Capital raised by private equity funds in 2019

\$662m

Average fund size in 2019

Average fund size



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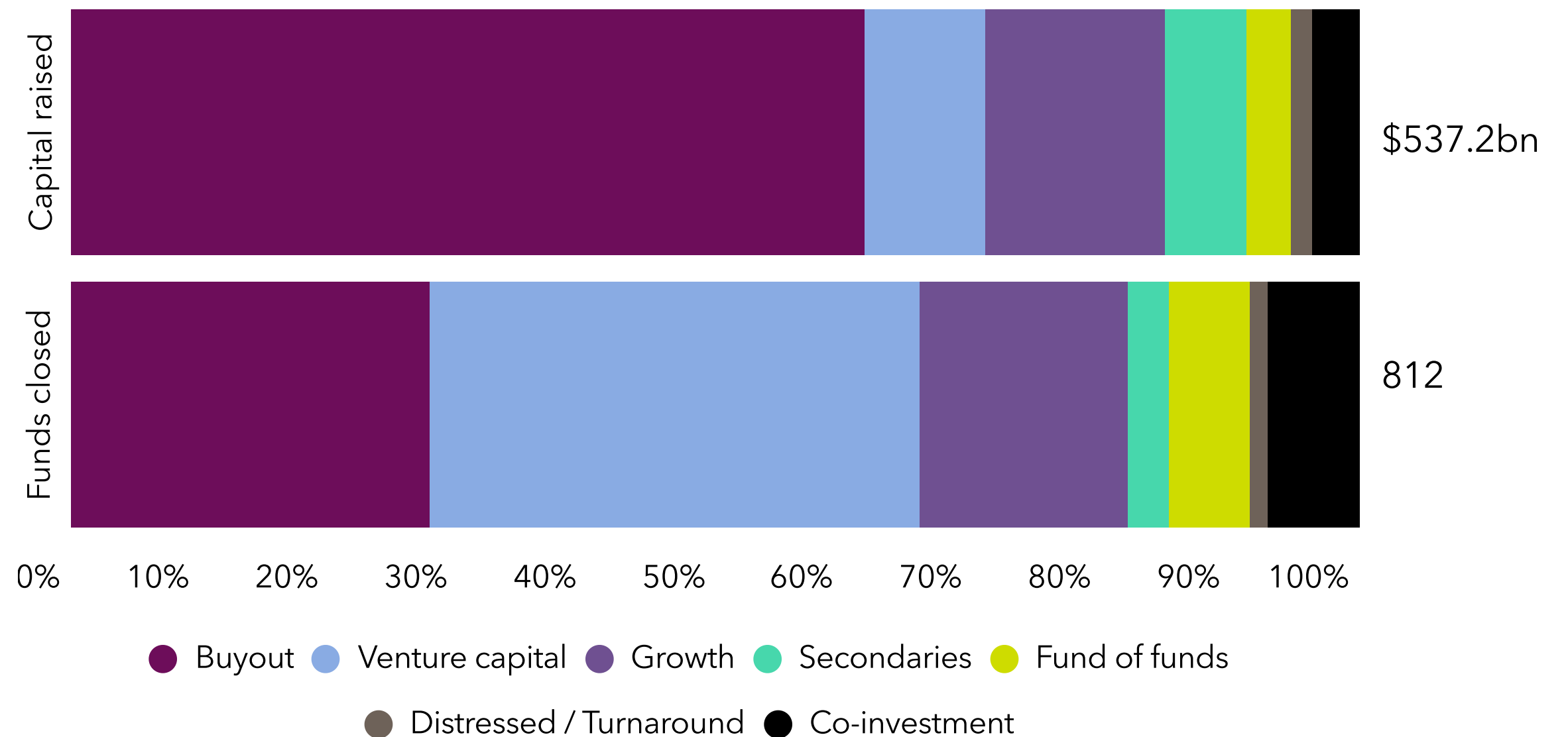
Fundraising overview

Buyout funds attracted the lion's share of capital raised at 62 percent, bringing in approximately \$331 billion.

Growth equity, venture capital and secondaries funds are the next most appealing strategies for investors, comprising 14 percent, 9 percent and 6 percent of total fundraising, respectively.

Venture capital had the highest number of final closes (309) fuelled by strong LP demand for North America and Europe-focused funds.

2019 fundraising strategy breakdown



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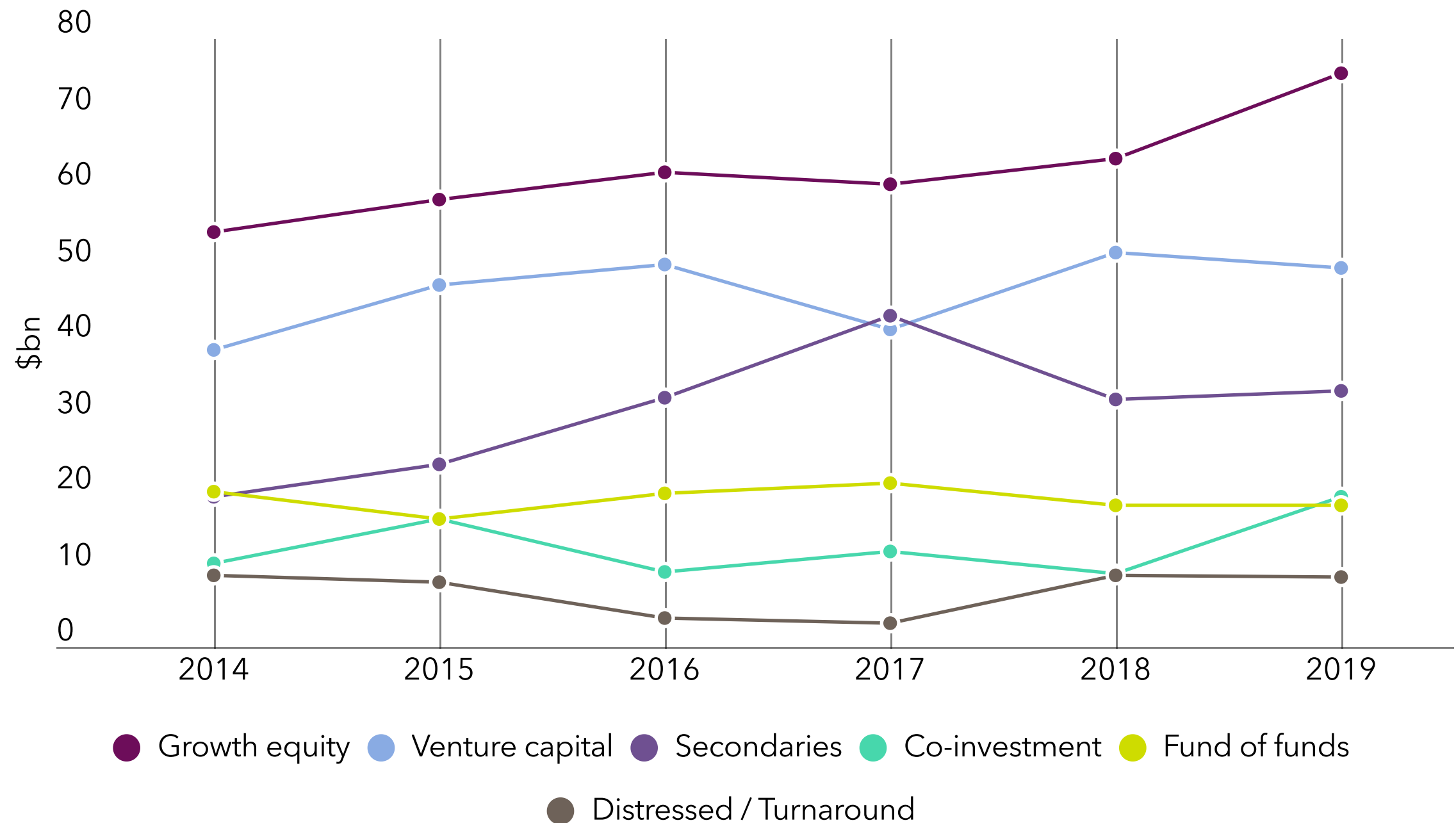
Fundraising overview

The chart shows a breakdown of capital raised by strategy excluding buyouts, which eclipse all strategies.

Growth equity fundraising saw the sharpest increase in capital raised in 2019 compared with the previous year, with 131 funds gathering \$75 billion among them.

Investor appetite for growth investments has picked up in the last year in anticipation of a market correction, market participants tell *PEI*. Heavyweights Blackstone and Permira are among managers who jumped on the growth investing bandwagon last year.

Year-on-year fundraising by strategy excluding buyouts



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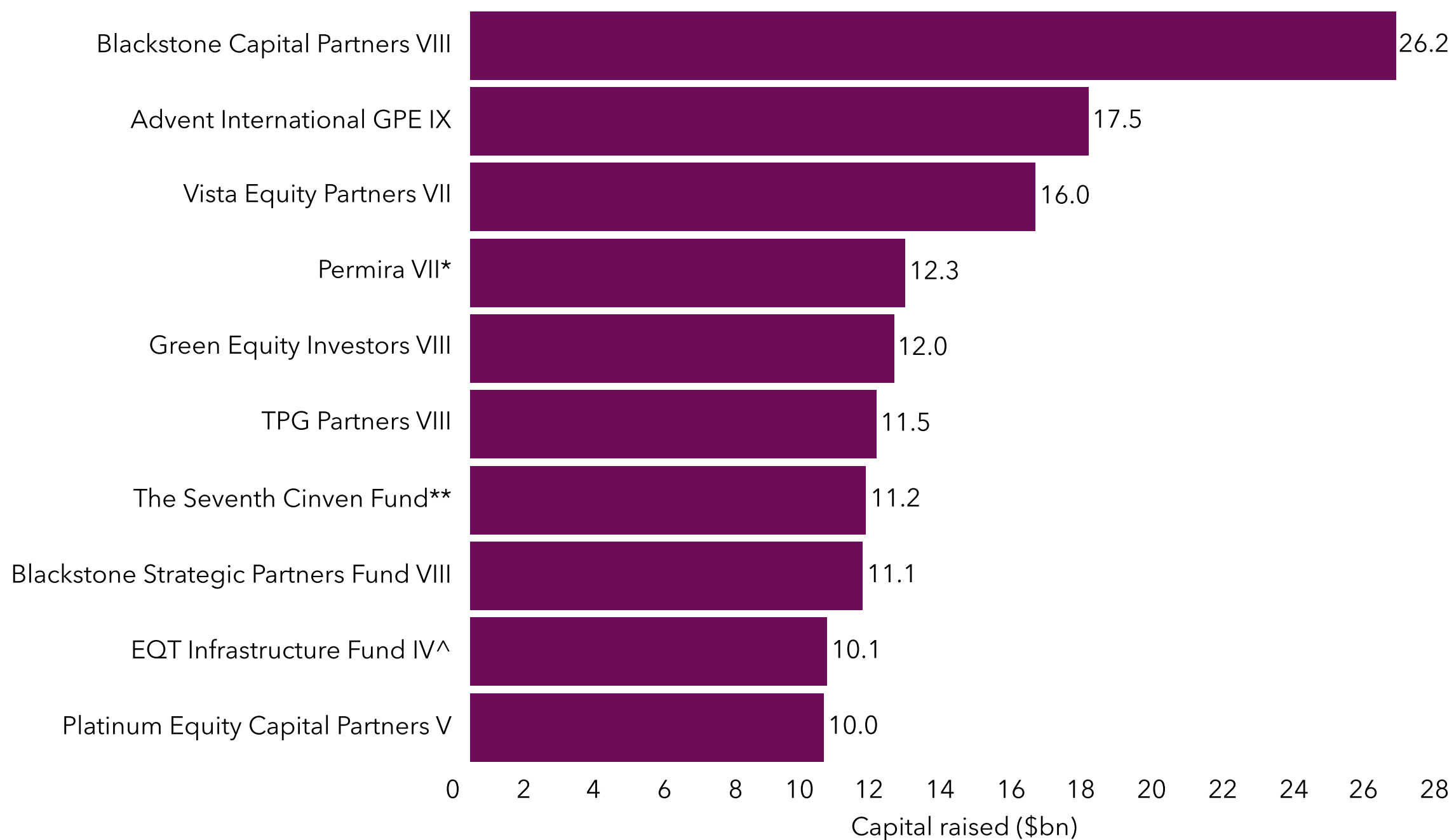
Largest capital raisers

More than a quarter of the \$537.2 billion total (\$137.9 billion) was raised by the 10 largest private equity funds in 2019.

Blackstone's eighth global buyout fund takes the top spot as the largest fund raised in the year, as well as the largest-ever in PE history. BCP VIII amassed \$26.2 billion in October including \$1.7 billion worth of management fees, almost 50 percent larger than the next-biggest fund, Advent International's \$17.5 billion GPE IX.

The top 10 were mainly US and Europe-focused buyout funds.

Largest funds of 2019



*Permira VII raised €11 billion

**The Seventh Cinven Fund raised €10 billion

^EQT Infrastructure Fund IV raised €9 billion

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Geography

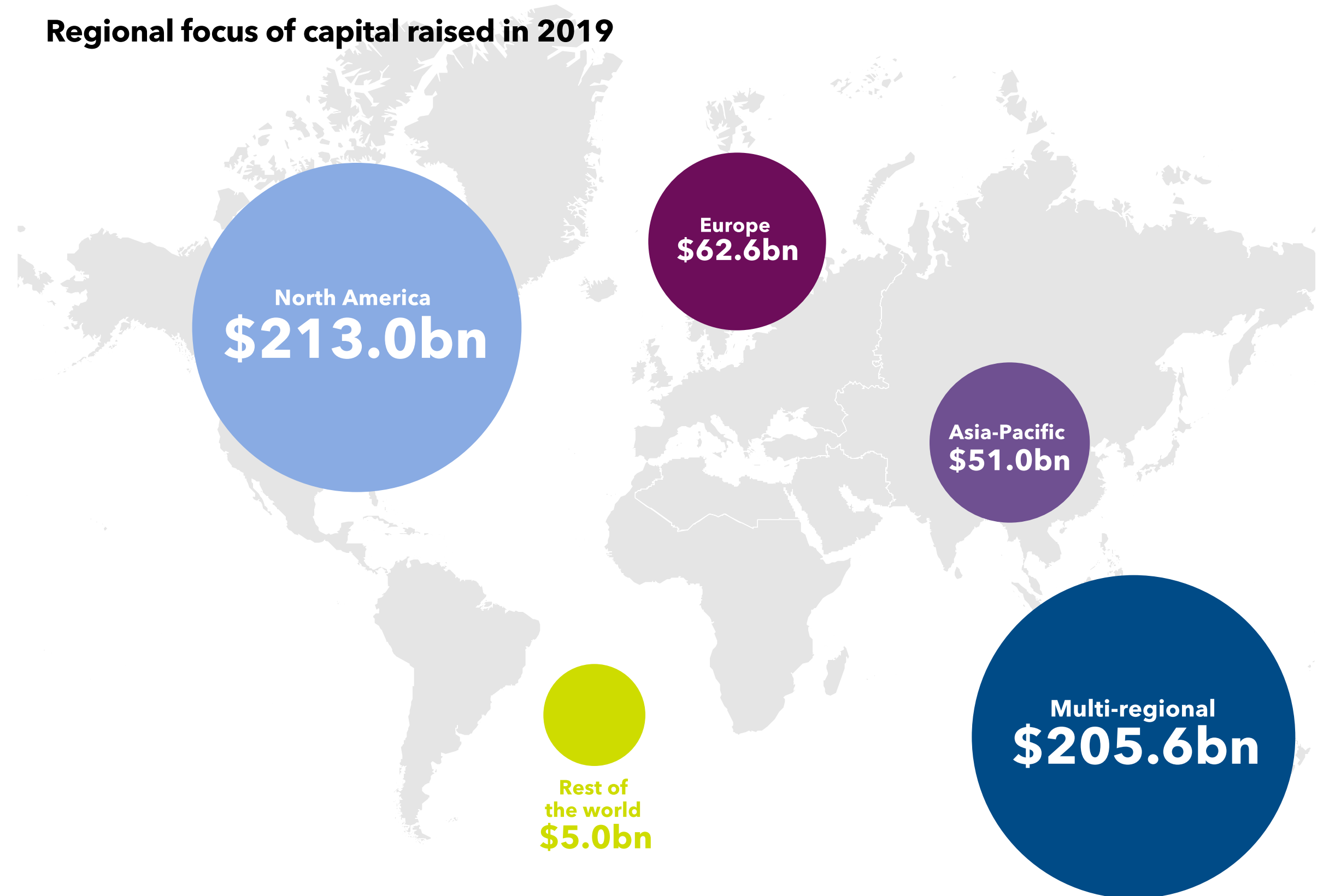
Proportions of capital raised by region in 2019 had significant changes compared with the previous year.

Capital raised by North America-focused funds grew 20 percent year-on-year; multi-regional funds, meanwhile, grew more than 40 percent in the same equivalent period.

Almost 12 percent of capital raised had a sole focus on the European market, while Asia-Pacific funds made up 9.5 percent.

Latin America, MENA and sub-Saharan Africa continue to remain a small portion of global fundraising.

Regional focus of capital raised in 2019



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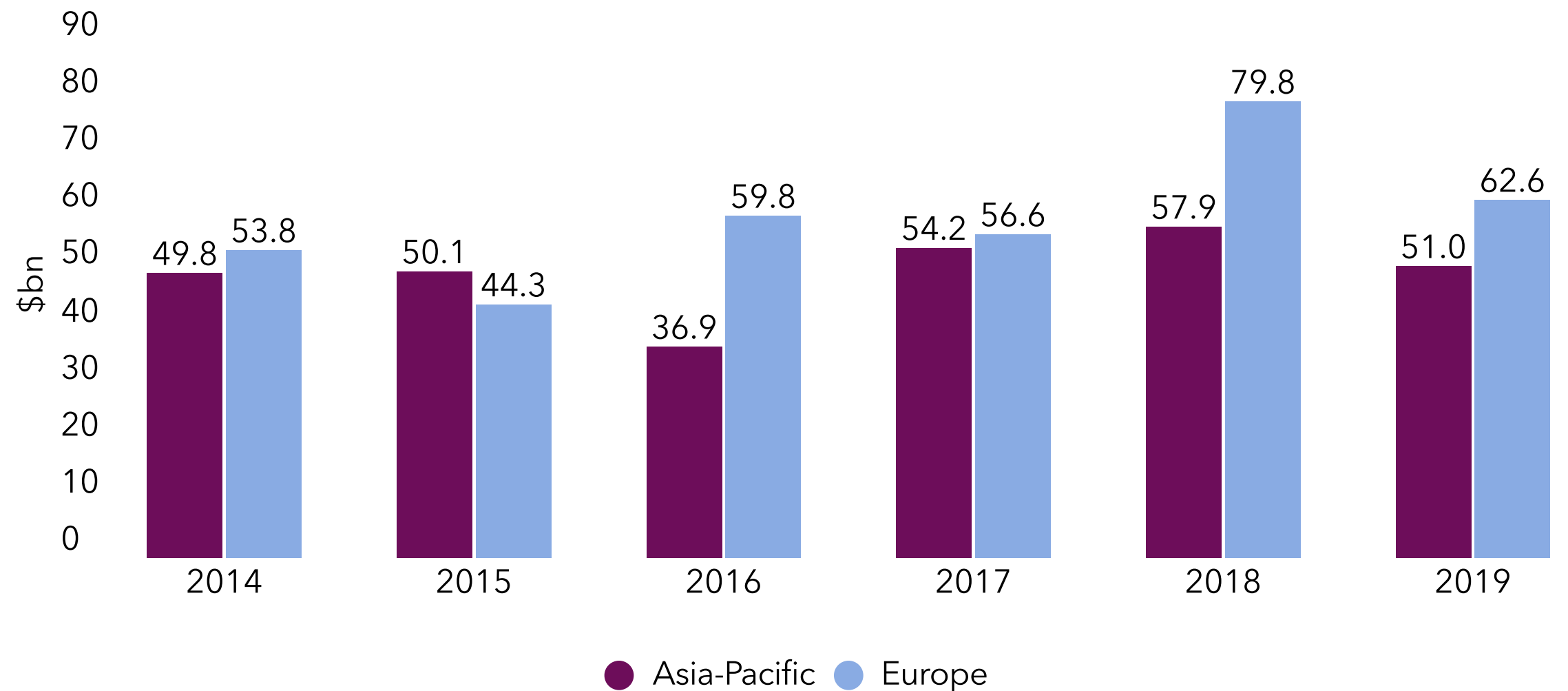
Geography

Asia-Pacific-focused fundraising inched closer towards the total raised by Europe-dedicated funds, \$51 billion against \$62.6 billion.

The largest Asian funds that held final closes include Chinese firm Primavera Capital Group's \$3.4 billion haul for its third flagship fund.

South Korea's Hahn & Co collected \$3.2 billion for its third fund, the largest-ever raised for Korea. Warburg Pincus gathered \$4.25 billion against a \$3.5 billion target for Warburg Pincus China-SEA II, a companion vehicle to its \$14.8 billion Warburg Pincus Global Growth fund.

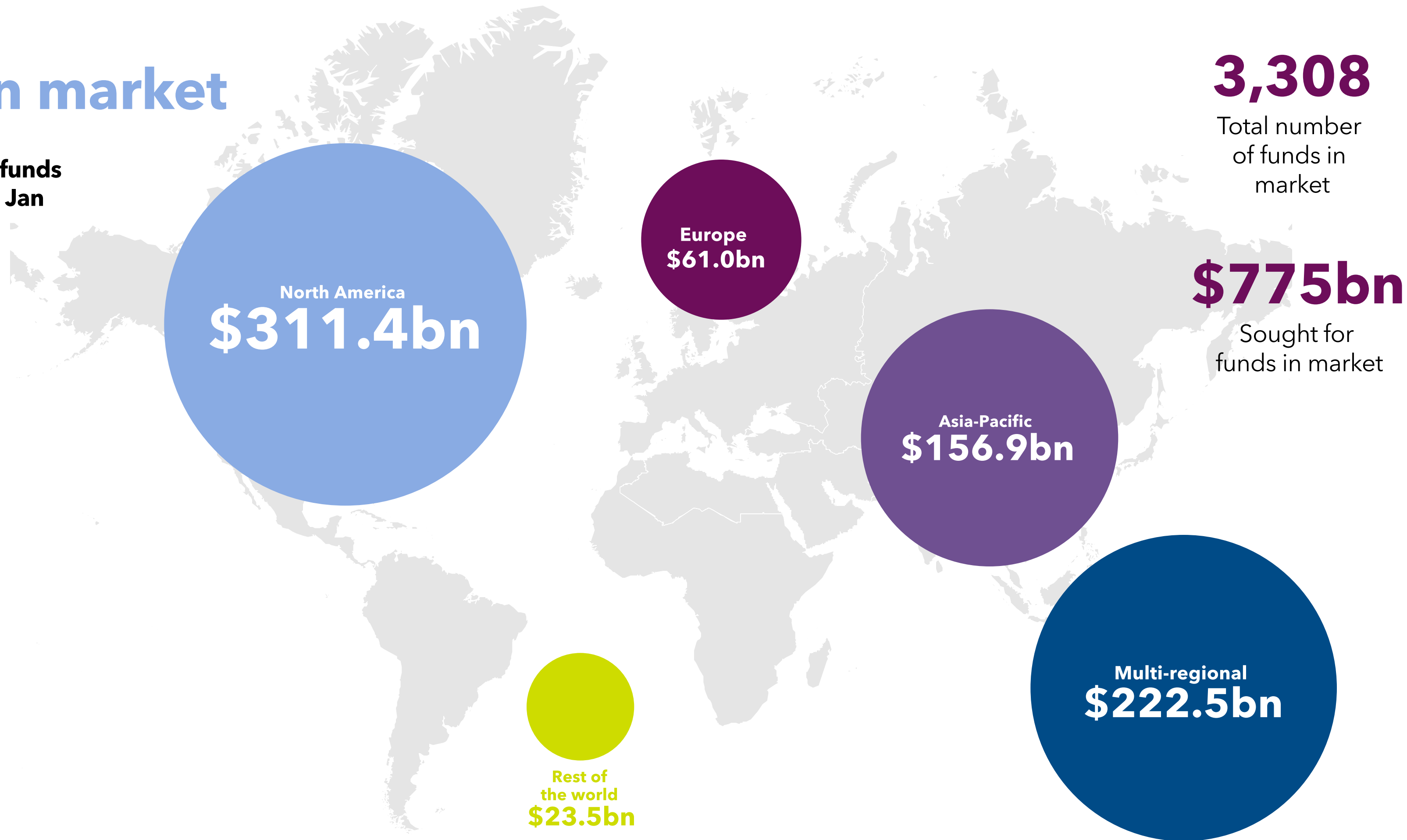
Capital raised: Asia-Pacific vs Europe (2014-19)



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Funds in market

Regional focus of funds
in market as of 10 Jan
2020



3,308

Total number
of funds in
market

\$775bn

Sought for
funds in market

Funds in market

Largest funds in market as of 10 Jan 2020

Fund Name	Fund Manager	Target Size (\$bn)	Region
Ardian Secondary Fund VIII + Co-investments	Ardian	18.0	Multi-regional
KKR Asian Fund IV	KKR	12.5	Asia-Pacific
BlackRock Long Term Private Capital	BlackRock	12.0	North America
Lexington Capital Partners IX	Lexington Partners	12.0	Multi-regional
Apax X	Apax Partners	10.5	Multi-regional
3G Special Situations Fund V	3G Capital	10.0	North America
BC European Capital XI*	BC Partners	9.5	Multi-regional
BDT Capital Partners Fund III	BDT Capital Partners	9.0	North America
Coller International Partners VIII	Coller Capital	9.0	Multi-regional
AlpInvest Secondaries Program VII	AlpInvest Partners	8.0	Multi-regional

*BC European Capital XI is targeting €8.5 billion

How can we help you?

How can PEI's Research and Analytics team help you?

Sample client case study

This quarter, we helped a capital advisory firm looking to increase its client base by providing a list of funds in the early stages of fundraising. Alongside this, we also included a list of investors interested in the placement agent's markets of focus.

Please get in touch with us if you would like to see a sample of this data.

PEI's Research and Analytics team is made up of researchers and analysts in London, New York and Hong Kong, working on a 24/5 cycle to perform bespoke research requests for you. We track the investment appetite and contact details of LPs and GPs within our fundraising data platform, to help bring together fund investors and managers with matching interests.

Platinum subscribers should email daniel.r@peimedia.com for more information on the research services available.

For more information on becoming a Platinum level subscriber please contact:

Private Equity International subscriptions team
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Other questions to which we also provided solutions:

"I would like a list of all LPs in New York that would be interested in committing to Europe-focused funds"

"What fund management firms are the most active in the African investment space?"

"Could you please send me a list of all North American buyout funds that have launched in the past year?"