

## The top 25 investors in private equity

Europe's most influential LPs are preparing to wield their weight in new fundraisings, writes Toby Lewis

**1 Partners Group**  
Private equity funds under management: €16.8bn\*  
Regarded as a firm that can practically ensure fundraising success due to the quality of its due diligence, Partners Group was named by almost every industry figure canvassed for this article. The Switzerland-based firm refocused its operations in April, moving out of hedge funds, and has attempted innovative restructurings of two listed funds that faced difficulties. The firm has expanded rapidly despite the financial turbulence, increasing its overall assets from Sfr11bn (\$11.48bn) in 2005 to more than Sfr25.7bn last year. It plans to open offices in Seoul and São Paulo this year.

**2 Alinvest Partners**  
Private equity funds: €45bn  
A perennial heavyweight, Europe's largest private equity investor topped this ranking for the past two years and remains a highly-regarded investment force. However, a strategic review launched by the firm's two Dutch pension fund owners, ABP and PGGM, has left question marks over its future, although it is thought the firm is unlikely to spin out entirely from pension fund ownership. The market is watching closely for any change that might affect Alinvest's long-held sway over Europe's private equity industry.

**3 Pantheon**  
Private equity funds: €16.1bn  
London-based Pantheon has had an eventful year. The fund of funds manager changed ownership in February when Russell Investments sold it to Affiliated Managers Group for \$775m, which enabled Pantheon's executives to take stakes in the business once again. Last month, the firm raised a \$3bn secondary fund, shy of its original \$3.75bn target, after it walked away from a mandate with sovereign wealth fund China Investment Corporation. The group hired well-regarded fundraiser Kevin Albert, formerly at US firm Elevation Partners, for its New York office in September.

**4 LGT Capital Partners**  
Private equity funds: €11.5bn  
Like Partners Group, LGT Capital Partners has expanded rapidly by investing in a range



Faces of influence: from left, LGT's Tycho Sneyers, Altius's Michael Russell and Jos van Gisbergen of Mn Services

of alternative assets, including hedge funds and private equity. The firm, an affiliate of Liechtenstein-based LGT Group, has a strong record of returns, according to one placement agent, who said: "They started as a family office and they still have that quality and feel." LGT Group was founded in 1920 to manage the assets of Liechtenstein's royal family. This year, LGT Capital Partners has raised \$2.9bn of funds and committed \$1.5bn, according to a spokesman. Fashionably positioned as a mid-market specialist, it is recognised as a growing force in the secondaries market – the exchange of second-hand private equity assets. It raised a \$1.2bn secondaries fund in June this year, smashing its initial target of \$750m, a rare feat in a difficult fundraising environment.

**5 ATP Private Equity Partners**  
Private equity funds: €5.9bn  
The private equity investment arm of Danish pension fund ATP is thought of highly across the industry. One fundraising source said: "They are very long-term money – rigorous, with high-quality personnel." Torben Vangstrup took over as managing partner in February this year after the firm expanded from three to five partners. The division was set up by ATP in 2001, when the Danish pension fund decided it wanted to increase its assets in private equity from 0.5% to more than 7%. It still has some way to go to meet that target – its assets are only about 3.5% invested in private equity. But ATP has doubled its assets since 2001, from €35bn to €70bn. In 2007, the firm opened an office in New York, its first outside Denmark.

**6 Credit Suisse Asset Management**  
Private equity funds: €23bn  
Banks have traditionally been a key force in private equity fundraising, and Credit Suisse is perhaps the most influential, with more private equity assets to its name than any European peer, according to Preqin. It is not yet clear whether banks will retain their clout given the heightened regulatory scrutiny of their links with private equity. But for now, Credit Suisse remains a force.

**7 SL Capital Partners**  
Private equity funds: €6.2bn  
A fund of private equity funds manager majority owned by UK insurer Standard Life, SL Capital Partners is respected by fundraising professionals. In September, the firm closed its latest €700m fund, European Strategic Partners 2008, following a protracted fundraising. The firm is set to expand into the mid-market, potentially increasing its appeal to investors as larger firms have become less fashionable.

**8 Altius Associates**  
Private equity funds: €13.9bn  
Altius, a gatekeeper run by executives including John Hess and Michael Russell, is said to hold considerable sway in fundraisings due to the amount of assets it manages on behalf of key clients. The firm has expanded beyond its private equity core into the fashionable area of real assets, including commodities and timber, after hiring Jay Yoder to run the division in 2008. The firm opened an office in Singapore last year.

**9 Capital Dynamics**  
Private equity funds: €15.2bn  
Like Altius, Capital Dynamics wields considerable weight in the industry as the representative of a number of big investors. This year, the Switzerland-based firm lost one of its best-known clients, Washington State Investment Board, to US rival Hamilton Lane. But the manager also expanded its footprint, opening offices in Rio de Janeiro, Zurich and Tokyo, and sealed a mandate to manage a \$480m clean energy and technology fund for the California Public Employees' Retirement System, the largest US state pension fund.

**10 Mn Services**  
Private equity funds: €2.8bn  
The Netherlands-based firm is a sizeable investor whose top executives, Robert van Schaik and Jos van Gisbergen, have a high profile in the industry. Both are strong advocates of investor rights in a high-fees asset class – van Schaik was last month appointed to the board of the Institutional Limited Partners Association.

**11 UBS**  
Alternative Funds Advisory: €1.6bn  
Global Asset and Wealth Management: €5.7bn  
The Swiss bank manages private equity assets on behalf of its global asset management, wealth management and alternative funds advisory divisions. UBS Alternative Funds Advisory is rated the second-best firm at picking higher performing fund managers, according to data provider Preqin.

**12 Pictet**  
Private equity funds: €10.4bn  
An influential wealth manager, Geneva-based private bank Pictet has won plaudits from fundraising insiders.

**13 Government Pension Fund of Norway**  
Private equity funds: €0\*\*  
The private equity industry has been on tenterhooks since the Norwegian pension fund, which manages more than \$400bn of assets, said it was eyeing investments in the asset class. The fund has yet to make its first investment in a private equity fund, but any such move is expected to be "a game-changer" for the fundraising environment.

**14 Hermes GPE**  
Private equity funds: €4.8bn  
Hermes GPE looks set to be an influential fund of funds manager following its formation in April from the merger of Hermes Private Equity and fund manager Gartmore Group's private equity operations. Many observers expect the union to herald further mergers across the buyout industry, as private equity asset managers seek to increase their scale.

**15 Axa Private Equity**  
Private equity funds: €16.5bn  
The large French fund of funds has moved towards secondaries investments in recent years. That strategy has made it less influential from a fundraising perspective, but it is judged by many to be an astute way to gain access to the best funds in the future.

**16 Wellcome Trust**  
Private equity funds: €3.2bn  
The UK health charity has developed a strong reputation as a thoughtful investor, but it has moved towards direct investment, lessening its influence from a fundraising perspective, according to some observers.

**17 Universities Superannuation Scheme**  
Private equity funds: €1.7bn  
The influential UK universities fund became a big entrant to the asset class in 2006. It is

expected to continue to make its mark as it increases the scale of its programme.

**18 Shell Asset Management**  
Private equity funds: €3bn  
The oil group is said to wield influence on fundraisings and have an imaginative approach.

**19 Aviva Investors**  
Private equity funds: €2.1bn  
The investment arm of the London-based insurer was named by a number of sources as a well-regarded investor.

**20 Adveq**  
Private equity funds: €2.9bn  
Adveq, a Zurich-based private equity fund of funds manager, is in a period of transition after announcing the departure of long-standing senior executive Peter Laib earlier this year. The group will aim to prove its new management can continue to help it compete for capital with larger rivals, including Swiss peer Partners Group.

**21 Schroders**  
Private equity funds €9.3bn  
As a big manager of private client money, Schroders has played a key role in the private equity industry. Originally the home of top European buyout house Permira and its feeder fund SVG Capital, it continues to have a large presence in the asset class.

**22 Allianz Capital Partners**  
Private equity funds: €8bn  
The Munich-based financial services group has seen big changes in its private equity business, with well-known fund of funds veteran Jonny Maxwell leaving last year amid a restructuring. But despite some questions about its future raised by its apparent response to insurance legislation Solvency II, the insurer is still widely regarded as a powerful player.

**23 AP funds in Sweden**  
Private equity funds: €3.9bn  
These are an influential group of funds investing on behalf of Swedish pension funds. Although they are separate entities, the AP funds are often named by fundraising sources as smart investors.

**24 SVG Advisers**  
Private equity funds: €3.7bn  
Investors await the time when SVG Advisers' parent, SVG Capital, returns to investing, and what it will do. SVG Capital's public presence has given SVG Advisers, a third-party fund manager, considerable exposure, and it should benefit once its parent group returns to investing.

**25 SCM**  
Private equity funds: €3.8bn  
Managing money across the alternatives industry, Switzerland-based fund of funds SCM has developed a good reputation.  
\*Funds under management figures provided by Preqin.  
\*\*The Norwegian pension fund has yet to invest.

### Methodology

This list was compiled using a mixture of industry opinion and data from Preqin. We have rewarded investors flagged up as key players by some of the fundraising world's most powerful figures. Several of the industry's biggest investors did not make the list because, while they are influential, we selected only Europe-based firms. Boston-based HarbourVest, Singapore's GIC, Kuwait Investment Office and US gatekeeper Hamilton Lane are among those regarded highly by industry insiders but they fail to meet our geographical criteria.