

Top European Investors in Private Equity

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The eight annual Ranking of the most influential investors in the industry shows that those who do the smartest scrutiny get the most respect writes Becky Pritchard.

Investors in private equity are starting to expect more for their money. No longer content to just hand over their cash and wait for their private managers to return the money after many years, they are becoming more sophisticated and much more demanding.

Some if this is due to the pressure they themselves are facing.

Fund of fund managers have come under pressure over fees and many have been forced to reinvent themselves as advisers to understaffed pension funds. Larger institutional investors are under pressure on performance and have been ramping up their commitments to co-investments in order to do deals alongside their managers and reduce fees.

It means the most influential, well-regarded investors are not ones that make the day job easy for private equity managers. They will often ask difficult, probing questions and expect close working relationships. But, crucially, they are a mark of quality for a private equity firm raising a fresh fund.

A commitment by these investors helps convince smaller investors that a particular fund is worth putting their money into. Smaller investors often pile in behind them, helping to make or break a fundraising.

While most of the investors in our list of the top-25 in Europe have the weight to be able to write large cheques to their private equity managers, size isn't everything. Some smaller investors also placed highly. They are seen as smart investors to partner with and who conduct rigorous due diligence. They are also demanding and build a strong relationship with the managers they work with over many years.

Private Equity news canvassed the views of some of the industry's most well-respected investor relations partners and placement agents and analyzed data from Preqin to compile the eight annual list of the most influential European investors in Private equity.

For the first time, our analysis also has a section dedicated to influential investors that have a strong presence in Europe.

A long with several other European investors in Private Equity, ATP PEP has been mentioned among the top ten most influential investors in Private equity.

	Private equity AuM and advisory	Average fund commitment
Pantheon	\$30.8 billion (€ 27.3 billion)	Up to \$80 million
LGT Capital Partners	\$23 billion (€ 20.4 billion)	\$20 million - \$200 million
PGGM	€11.2 billion	€25 million - €150 million
Partners Group	€25 billion	\$25 million - \$200 million
AlpInvest Partners	€41.9 billion	€30 million - €40 million
Allianz	€8 billion	€ 20 million - 120 million
APG	€20.1 billion	Not known
ATP PEP	€7.7 billion	€40 million
Skandia Liv	€3.9 billion	€90 million
SL Capital	€8.8 billion	€5 million - €100 million

Copenhagen-based ATP Private Equity Partners, which manages money on behalf of the Danish pension fund ATP, has "good international reach and good manager selection", according to one investor relations partner. ATP PEP was ranked as one of the world's most consistent performing fund of fund managers by preqin in 2014. In common with many other investors the firm has been doing more co-investments in recent years and in April co-invested in web-hosting service company One.com alongside Accel-KKR. One large cap investor relations partner said that they were a desirable firm to have in fundraising: "They are not one of our investors but I would very much like to bring them in".