Private Equity Fundraising is Back on Track in 3Q
2013 is 10 funds away from best fundraising year since 2008

SEATTLE, Oct. 3, 2013 — According to the latest private equity numbers from PitchBook Data, Inc., private equity firms closed 46 funds totaling $23.5 billion in 3Q 2013. This level of activity represents a 67% increase over the number of funds closed in 3Q 2012, although total capital raised increased by just $3 million. The fact that the boom in private equity fund closures coincided with only a slight uptick in capital raised can be attributed to the growing number of smaller PE funds (particularly $500 million or less), which accounted for 72% of funds closed during the quarter.

PitchBook’s Key Insight:

Fundraising is picking back up for private equity firms, a positive sign for future PE investment levels. For example, the 26 growth/expansion funds raised year-to-date already represent more than double the number of growth funds raised in all of 2012.

“2013 is on track to be the biggest year for private equity fundraising outside of the mid-decade boom years,” said John Gabbert, CEO and Founder of PitchBook. “Following the crash, a lot of people expected to see a large shakeout in private equity, but to see this level of fundraising speaks volumes about the continued attractiveness of the asset class and the level of capital they have consistently returned to limited partners.”

Other insights from PitchBook:

- Private equity firms have closed 128 funds, totaling $110 billion year to date in 2013.
- Five first-time PE funds closed in the third quarter of 2013, including Trive Capital’s $300 million buyout fund and Aquillian Investments’ $19.45 million growth/expansion fund.
- The success of smaller funds has resulted in a median fund size of $255 million in 3Q 2013, a decrease of more than $100 million from 2Q 2012.
- Platinum Equity’s third buyout fund was the largest fund to close in 3Q, at $3.75 billion.
- The 27 buyout funds raised in the third quarter accounted for 60% of 3Q’s PE funds raised.
- No mega funds ($5 billion or greater) were raised in 3Q, their first absence since 3Q 2012.

For further private equity fundraising insights from 3Q 2013, be sure to check out the infographic below.

About PitchBook Data

PitchBook Data, Inc. is a research firm providing superior data, news and analysis on the venture capital and private equity industries. PitchBook provides its clients with the highest quality information on the entire investment lifecycle through its award-winning online PitchBook Platform.


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