



# Media release

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## Australian private equity and venture capital continue to outperform public equities

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### **Boston, MA, and Sydney, Australia**

Continuing the trend seen over the last three quarters, the Cambridge Associates LLC Australia Private Equity and Venture Capital Index outperformed the S&P/ASX 300 Index over the one-, three- and five-year horizons as of the quarter ended March 31, 2011, with annualized returns of 7.7%, 1.5% and 4.8% respectively.

Thanks to the strength of the Australian dollar, the Australian benchmarks are even more impressive in US dollar terms, with one-, three- and five-year annualized returns of 21.3%, 7.5% and 13.0% respectively.

Post-crisis investments in particular have continued to perform strongly. Funds from the 2008 vintage year, as well as Australian investments made in 2009 and 2010, are now registering double-digit IRRs.

“Based upon our analysis we estimate the Australian Private Equity and Venture Capital Index now represents approximately 70% of the dollars raised by institutional-quality Private Equity and Venture Capital firms in Australia, adding credence to the accuracy of the performance data,” said Eugene Snyman, Managing Director at Cambridge Associates’ office in Sydney, Australia.

The Australian Private Equity and Venture Capital Association (AVCAL) CEO Dr Katherine Woodthorpe said: “Private equity and venture capital are not only a high-performing asset class over medium- to longer-term time horizons, but are less volatile than many may think, as the latest index figures attest.”

This is the fourth quarterly report from the Index, which is a result of a strategic partnership between AVCAL and Cambridge Associates, global provider of independent research and investment consulting services.



The response rate from Australian private equity and venture capital managers providing their financial fund data to the benchmark continues to grow, as reflected by the 14% increase in the number of funds in the benchmark from the prior quarter, bringing the total number of funds reporting their data to 66.

**Cambridge Associates LLC Australia Private Equity & Venture Capital Index Returns  
for the Period ending March 31, 2011**

<b>Index (A\$)</b>	<b><u>1-</u> <u>Quarter</u></b>	<b><u>1-</u> <u>Year</u></b>	<b><u>3-</u> <u>Years</u></b>	<b><u>5-</u> <u>Years</u></b>	<b><u>10-</u> <u>Years</u></b>
<b>Cambridge Associates LLC Australia Private Equity &amp; Venture Capital Index (A\$) <sup>1</sup></b>	<b>1.8</b>	<b>7.7</b>	<b>1.5</b>	<b>4.8</b>	<b>7.8</b>
S&P/ASX 300 Index	3.1	3.8	1.1	3.2	8.9
UBS Australian Composite Bond Index	2.0	6.9	7.4	6.0	5.8
UBS Australia Bank Bill Index	1.2	4.9	5.0	5.7	5.4
S&P/ASX Small Ordinaries Index	(1.2)	13.5	(0.9)	2.8	9.9
<b>Index (US\$)</b>					
<b>Cambridge Associates LLC Australia Private Equity &amp; Venture Capital Index (US\$) <sup>1</sup></b>	<b>2.7</b>	<b>21.3</b>	<b>7.5</b>	<b>13.0</b>	<b>15.9</b>

The Cambridge Associates LLC Australia Private Equity & Venture Capital index is an end-to-end calculation based on data compiled from 49 Australia private equity and 17 Australia venture capital funds, including fully liquidated partnerships, formed between 1997 and 2010.

<sup>1</sup> Pooled end-to-end return, net of fees, expenses, and carried interest.

Sources: Bloomberg L.P., Cambridge Associates LLC, Standard & Poor's, Thomson Datastream, UBS AG and UBS Global Asset Management.

**About Cambridge Associates**

Founded in 1973, Cambridge Associates delivers investment consulting, independent research, and performance reporting services, and outsourced portfolio solutions to over 900 institutional investors and private clients worldwide. Cambridge Associates has advised its clients on alternative assets since the 1970s and today serves its clients with more than 200 professionals dedicated to consulting, research, operational due diligence and performance reporting on these asset classes. For more information about Cambridge Associates, please visit [www.cambridgeassociates.com](http://www.cambridgeassociates.com).



#### **About AVCAL**

AVCAL, the Australian Private Equity and Venture Capital Association Limited, was established in 1992 as a forum and voice for participants in the private equity and venture capital industry. Membership includes almost all the domestic and international PE and VC fund managers active in Australia. PE and VC are key sources of capital for companies of all sizes, to enable their growth and realise their potential. VC is one of the few sources of capital available to enable entrepreneurs to convert innovative ideas into sustainable enterprises. Australian PE has around \$22.4b under management while VC has around \$2.8b under management. [www.avcal.com.au](http://www.avcal.com.au)  
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