

Proactive and Committed: Investors Show Confidence in Alternative Assets

At least 80% of investors in each alternative asset class plan to maintain or increase their allocations throughout 2013, with 50% proactive in sourcing investment opportunities

The 2013 Preqin Investor Network Global Alternatives Report, published to help investors navigate alternative asset markets, demonstrates that investors remain committed to their allocations to private equity, hedge funds, real estate and infrastructure. Furthermore, a significant proportion of investors recently surveyed by Preqin indicate they proactively source alternative asset fund investments, and do so using dedicated investment employees, indicating they are becoming increasingly interested in managing and developing their alternative assets portfolios.

Other Key Findings:

- Half of investors surveyed by Preqin in April 2013 have a proactive approach to sourcing alternative asset fund investments, with a further 31% adopting a mixture of proactive and passive approaches.
- 64% of investors have an internal investment team that proactively sources and examines alternative asset fund investments.
- Two-thirds (67%) have two or more investment-focused employees dedicated to alternative assets.
- Of the institutional investors that invest in private equity, a significant 59% will be maintaining their level of exposure throughout 2013, with an additional 27% increasing their allocation to the asset class.
- A third of investors in hedge funds plan to increase their exposure to the asset class, while a fifth plan on decreasing their allocation throughout 2013.
- 93% of real estate investors plan to either maintain or increase their exposure to the asset class over the course of 2013.
- 58% of investors with a dedicated allocation to infrastructure are looking to increase their allocation over the same time period, while only 4% plan to reduce their exposure over the next 12 months.
- All private equity strategies tracked by the PrEQIn Private Equity Quarterly Index, apart from venture capital, are outperforming the S&P 500 index as of Q3 2012 and show four successive quarterly increases since Q3 2011.

For more information, please see the factsheet that follows.

Comment:

“Although the benefits of investing in each alternative asset class vary, it is clear that most investors want to keep a notable allocation to alternative assets going forward, with many looking to increase their exposure. Furthermore, many investors are becoming more sophisticated with how they access alternative assets, with most proactive in sourcing new investment opportunities. One of the main challenges that investors still face, however, is identifying the most appropriate funds that are in the market to make commitments to. The 2013 Preqin Investor Network Global Alternatives Report addresses the major asset allocation, fund selection and due diligence concerns of today’s investor community and supports Preqin Investor Network, a dedicated and free alternative asset online resource for accredited investors.”

Stuart Taylor, Head of Investor Products, Preqin

For a full complimentary copy of the 2013 Preqin Investor Network Global Alternatives Report, please email press@preqin.com

The report has been compiled in association with the new version of Preqin Investor Network, a free tool for accredited investors to source and evaluate new investment opportunities in alternative assets.

Note to Editors:

- Preqin is spelled without the letter ‘U’ after the ‘Q’, the company name being an amalgamation of the former name, Private Equity Intelligence.

About Preqin:

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests.

Preqin has built a reputation in the alternative assets industry for providing the most comprehensive and extensive information possible. Leading alternative assets professionals from around the world rely on Preqin's services daily, and its data and statistics are regularly quoted by the financial press. For more information, please visit: www.preqin.com

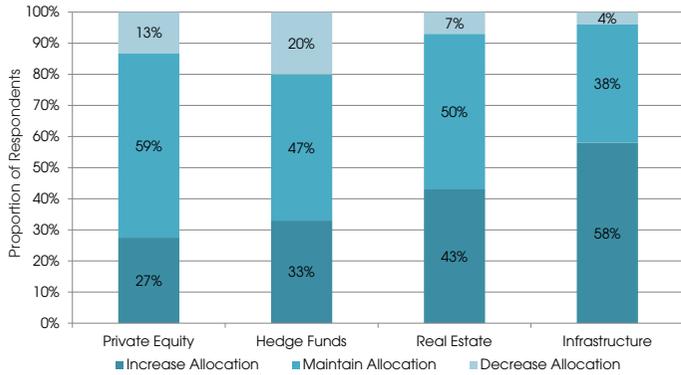
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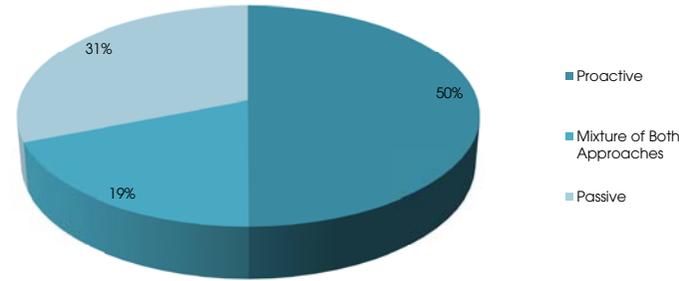
May 2013

Fig. 1: Investors' Intentions for Their Alternative Asset Allocations in the Next 12 Months



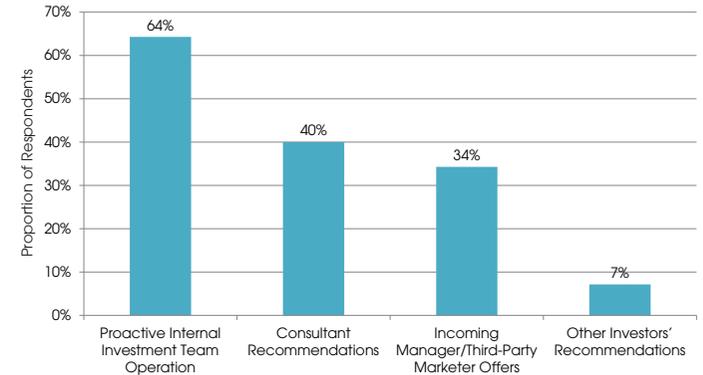
Source: 2013 Preqin Investor Network Global Alternatives Report

Fig. 2: Investors' Attitudes Towards Sourcing Alternative Asset Fund Investments



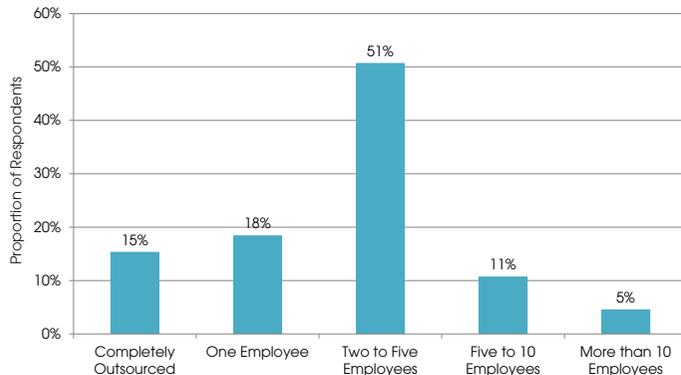
Source: 2013 Preqin Investor Network Global Alternatives Report

Fig. 3: Investors' Sources of Alternative Asset Fund Investments



Source: 2013 Preqin Investor Network Global Alternatives Report

Fig. 4: Size of Investors' Internal Alternative Investment Teams



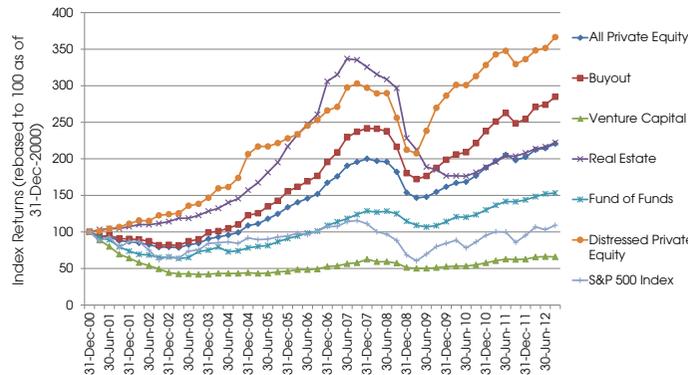
Source: 2013 Preqin Investor Network Global Alternatives Report

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Fig. 5: PrEQIn Private Equity Quarterly Index: All Strategies



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A third of investors in hedge funds plan to increase their exposure to the asset class, while a fifth plan on decreasing their allocation throughout 2013.

93% of real estate investors plan to either maintain or increase their exposure to the asset class over the course of 2013.

Preqin Investor Network:

This data has been compiled from the 2013 Preqin Investor Network Global Alternatives Report, released to help investors navigate the alternative asset markets. To receive a full copy of the report, please email press@preqin.com.

The Report is launched to coincide with the latest version of Preqin Investor Network, a free online resource available exclusively to accredited investors and qualified purchasers, providing information that can help investors with asset allocation, fund selection and due diligence.

For more information on how Preqin's services can help investors, please visit:

www.preqin.com/pin

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