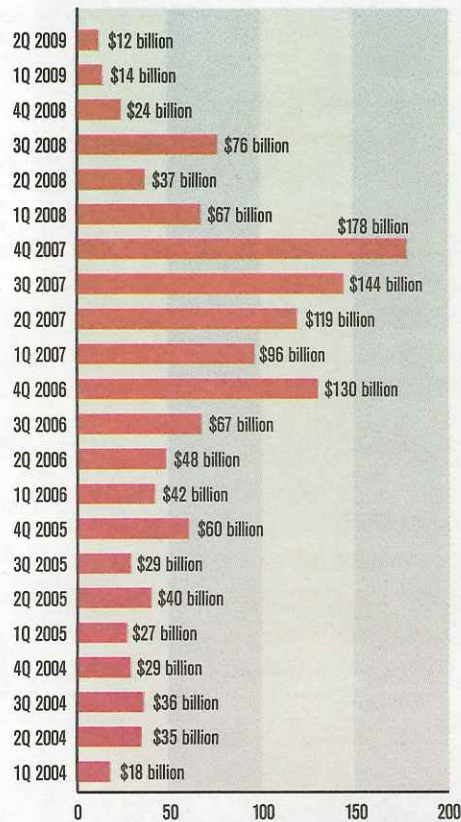


A CLOSER LOOK

Private equity investment slows

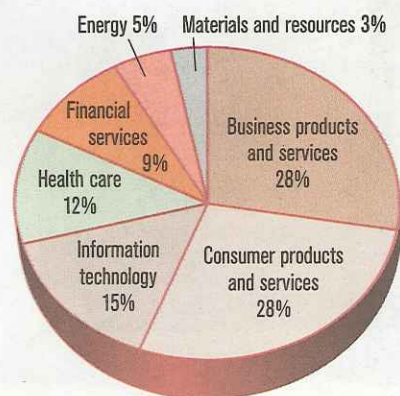
U.S. private equity investment activity dipped in the first half of 2009 compared with previous years, with capital invested in the first two quarters dropping 77 percent from the same period last year.

Capital invested per quarter



Transactions by sector – 1H 2009

Business and consumer products and services dominated the majority of completed deals in the first half of 2009.



SOURCE: PITCHBOOK DATA INC.

FYI

The Carlyle Group, which ranked No. 1 on the list last year, closed its Menlo Park and San Francisco offices.

Private Equity Firms

In the Silicon Valley/Bay Area* — ranked by total capital under management

| Rank | Firm Address Phone, Web address | Total capital under management | Sample of industry focus | Sample of portfolio companies or recent deals | Top local executive(s) |
|------|---|--------------------------------|--|--|---------------------------------|
| 1 | Kohlberg Kravis Roberts & Co. LP¹ 2800 Sand Hill Road, Menlo Park 94025 650-233-6560, www.kkr.com | \$59.9 billion | Media, commercial services, commercial products, software, communications | BMG Rights Management East Resources Inc. Mengniu Modern Dairy | George Roberts |
| 2 | TPG Capital LP¹ 2882 Sand Hill Road, Suite 106, Menlo Park 94025 650-289-5800, www.tpg.com | \$45 billion | Software, IT, commercial products, financial services | Tomy J. Crew | James Coulter |
| 3 | Warburg Pincus LLC 1 Market Plaza, Spear Tower, Suite 1700, San Francisco 94105 415-796-5200, www.warburgpincus.com | \$25 billion+ | Health care, energy, media, technology, financial services, telecommunications | Bridgepoint Education PhotoThera Nuance Communications Inc. | Mark Colodny |
| 4 | Hellman & Friedman LLC¹ 1 Maritime Plaza, 12th Floor, San Francisco 94111 415-788-5111, www.hf.com | \$16 billion | Financial services, health care, industrial/energy, media and marketing, insurance | Blue Frog Solutions eRx Network LLC WebMediaBrands | Warren Hellman |
| 5 | Silver Lake¹ 2775 Sand Hill Road, Suite 100, Menlo Park 94025 650-233-8120, www.silverlake.com | \$14 billion | Technology | Performance Pathways Knowledge Computing Corp. Projiy | James Davidson David Roux |
| 6 | TA Associates 64 Willow Place, Suite 100, Menlo Park 94025 650-473-2200, www.ta.com | \$12 billion | Technology, financial and business services, health care, consumer | † | Jeffrey Chambers |
| 7 | Golden Gate Capital¹ 1 Embarcadero Center, 39th Floor, San Francisco 94111 415-983-2700, www.goldengatecap.com | \$9 billion | Software and IT, electronics, semiconductors, consumer products and retail, media | Massif Mountain Gear Co. LLC Romano's Macaroni Grill The J. Jill Group Inc. | David Dominik Jesse Rogers |
| 8 | H.I.G. Capital LLC¹ 1 Market St., Spear Tower, 18th Floor, San Francisco 94105 415-439-5500, www.higprivateequity.com | \$7.5 billion | Commercial services and products, transportation, consumer durables, media | Nations Express SRX Transcontinental Spring Air | Elliot Maluth |
| 9 | Summit Partners 499 Hamilton Ave., Palo Alto 94301 650-321-1166, www.summitpartners.com | \$6 billion | Technology, health care, financial services, consumer, business services, education | E-TEK Dynamics Inc. WebEx Communications Inc. McAfee Inc. | Peter Chung Walter Kortschak |
| 10 | Francisco Partners¹ 1 Letterman Drive, Building C, Suite 410, San Francisco 94129 415-418-2900, www.franciscopartners.com | \$5 billion | Hardware systems, semiconductors, software and services | Ex Libris Group Advanced Professional Software Inc. | Dipanjn Deb |
| 11 | VantagePoint Venture Partners 1001 Bayhill Drive, Suite 300, San Bruno 94066 650-866-3100, www.vpvp.com | \$4.5 billion | Cleantech, IT, health care, Asia | Better Place ReachLocal Inc. BrightSource Energy Inc. | Alan Salzman |
| 12 | Spectrum Equity Investors¹ 333 Middlefield Road, Suite 200, Menlo Park 94025 415-464-4600, www.spectrumequity.com | \$4 billion | Business services, media, entertainment, information services, communications | Applied4 Technology Bug Music Inc. Netupdate Inc. | Brion Applegate |
| 13 | Thoma Bravo 600 Montgomery St., San Francisco 94111 415-263-3660, www.thomabravo.com | \$3.8 billion | Software and technology, education, distribution, business/financial services | Vision Solutions Inc. Excelligence Learning Corp. Embarcadero Technologies Inc. | Orlando Bravo |
| 14 | GI Partners 2180 Sand Hill Road, Suite 210, Menlo Park 94025 650-233-3600, www.gipartners.com | \$3.7 billion | Specialty healthcare services, public and corporate real estate, leisure, technology | Ladder Capital Finance LLC The Telx Group Inc. Cambian Group | Rick Magnuson |
| 15 | Battery Ventures 2884 Sand Hill Road, Menlo Park 94025 650-372-3939, www.battery.com | \$3.3 billion | Technology, Internet/digital media, e-commerce/specialty retail, financial services | Angie's List World Golf Tour Inc. Redwood Systems | Ken Lawler |
| 16 | Genstar Capital LLC 4 Embarcadero Center, Suite 1900, San Francisco 94111 415-834-2350, www.genstar.com | \$3 billion | Software, business services, life sciences, health care, industrial technology | PRA International Altra Industrial Motion Inc. North American Construction Group | Jean-Pierre Conte |
| 16 | The Riverside Co. 455 Market St., Suite 1520, San Francisco 94105 415-348-9560, www.riversidecompany.com | \$3 billion | Health care, manufacturing, training and education, franchising, professional services | Miller Claims Consulting Inc. Nordco Inc. Dementia Care Specialists Inc. | Stuart Baxter |
| 16 | Weston Presidio Pier 1, Bay 2, San Francisco 94111 415-398-0770, www.westonpresidio.com | \$3 billion | Consumer, manufacturing and industrial, business services | Jimmy John's Summit Energy Services Azul Linhas Aereas Brasileiras | Michael Lazarus |
| 19 | Friedman Fleischer & Lowe LLC 1 Maritime Plaza, 22nd Floor, San Francisco 94111 415-402-2100, www.fflp.com | \$2.6 billion | Consumer products, business services, financial services, health care | Tempur-Pedic Management Inc. Korn/Ferry International Guardian Home Care | Tully Friedman |
| 20 | Vista Equity Partners 150 California St., 19th Floor, San Francisco 94111 415-765-6500, www.vistaequitypartners.com | \$2.3 billion | Software | SumTotal Systems Inc. Sunquest Information Systems Inc. Ventyx Inc. | Robert Smith |
| 21 | Parthenon Capital LLC¹ 4 Embarcadero Center, Suite 3610, San Francisco 94111 415-913-3900, www.parthenoncapital.com | \$2 billion | Business and financial services, health care, distribution/logistics | Alexander Billing and Consulting Inc. Alloy Fitness Network Healthware Solutions | Brian Golson |
| 21 | Vector Capital 1 Market St., Steuart Tower, 23rd Floor, San Francisco 94105 415-293-5000, www.vectorcapital.com | \$2 billion | Technology | SafeNet Inc. Aladdin Knowledge Systems Ltd. Printronic | Alex Slusky |
| 23 | ABS Capital Partners 1700 Montgomery St., Suite 440, San Francisco 94111 415-989-5100, www.abcscapital.com | \$1.9 billion | Business services, health care, media, software | American Public Education Inc. CBR Systems Inc. Rosetta Stone Ltd. | John Stobo |
| 23 | Elevation Partners 2800 Sand Hill Road, Suite 160, Menlo Park 94025 650-687-6700, www.elevation.com | \$1.9 billion | Media, entertainment, and consumer-related businesses | Palm Inc. Forbes Move | Fred Anderson Marc Bodnick |
| 25 | TSG Consumer Partners 600 Montgomery St., Suite 2900, San Francisco 94111 415-217-2300, www.tsgconsumer.com | \$1.5 billion | Consumer products | VitaminWater Smart Balance PureOlogy | Charles Esserman |

*For the purposes of this list, the Silicon Valley/Bay Area includes the following counties: Alameda, Monterey, San Benito, San Francisco, San Mateo, Santa Clara, and Santa Cruz.

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NOTES: † - Did not disclose.

1. Firm data obtained from PitchBook Data Inc. Information was obtained from firm representatives and PitchBook Data Inc. In case of ties, companies are listed alphabetically.

If your company would like to be considered for next year's list, or if there are any corrections or additions, write to: Research, Business Journal, 96 N. Third St., Suite 100, San Jose, CA 95112; fax: 408.295.5028; or e-mail: juliacoooper@bizjournals.com.

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