



## **Lexington Partners Closes Lexington Middle Market Investors III at \$1.070 Billion**

### **– Innovative Fund Targets Middle Market Interests in Global Secondary Market –**

**NEW YORK** – July 7, 2014 – Lexington Partners (“Lexington”), the largest dedicated manager of secondary acquisition funds, today announced the final close of Lexington Middle Market Investors III, L.P. (“LMMI III”) at \$1.070 billion. The fund, which is the third in Lexington’s specialized middle market series, significantly exceeded its \$750 million target.

LMMI III will acquire interests in growth capital, small, and middle market buyout funds in the global secondary market. LMMI III also has the ability to help facilitate the spin-out of established private equity teams from banks and financial institutions, and to invest in new middle market funds.

LMMI III has been formed with commitments from over 50 limited partners, concentrated among major public and corporate pension funds in North America, Europe, Latin America, and the Asia-Pacific region. Global endowments, foundations, and high net worth individuals also subscribed, with existing investors contributing a majority of the fund’s capital.

Commenting on the fund closing, Brent Nicklas, Managing Partner of Lexington, said, “We are pleased that so many existing Lexington investors chose to commit significant capital to LMMI III. Together with our newest investors, we look forward to building upon these important relationships during the life of LMMI III.”

Lexington estimates that industry-wide over \$23 billion was invested in secondary transactions in 2013, a level that is expected to be surpassed in 2014 with projected volume of \$30 billion or more. Heightened regulation of global banks and financial institutions together with more active management of private investment allocations by fiduciaries, suggests that the secondary market will continue to experience significant volumes and growth in the years ahead.

Lexington has already committed 40% of LMMI III’s capital, investing in four transactions with banks and financial institutions, three transactions with pension and sovereign wealth funds, and three transactions with asset management firms. Eight of LMMI III’s committed transactions have been sourced exclusively by Lexington.

“Lexington Middle Market Investors has quadrupled in size since we began the program 10 years ago. The strategy is innovative because it allows large investors, interested in efficient middle market exposure, to benefit from favorable secondary market opportunities and Lexington’s strong relationships with middle market sponsors,” said Mr. Nicklas.

Separately, Lexington also recently announced the formation of Lexington Emerging Partners, L.P. (“LEP”), a \$150 million managed account, to acquire young middle market buyout interests in Asian and Latin American funds.

Including LMMI III and LEP, Lexington has approximately \$25 billion of committed secondary capital. Lexington’s secondary funds have acquired over 2,000 secondary interests through 350 transactions with a total value in excess of \$27 billion, including \$10 billion in syndications.

### **About Lexington Partners**

Lexington Partners is a leading global alternative investment manager primarily involved in providing liquidity to owners of private equity and other alternative investments and in making co-investments alongside leading private equity sponsors. Lexington Partners is the largest independent manager of secondary acquisition and co-investment funds with more than \$28 billion in committed capital. Lexington has acquired over 2,200 secondary and co-investment interests through 500 transactions with a total value in excess of \$30 billion, including \$10 billion of syndications. Lexington also invests in private investment funds during their initial formation and has committed to more than 250 new funds in the U.S., Europe, Latin America, and the Asia-Pacific region. Lexington currently employs 90 people and has offices strategically located in major centers for private equity and alternative investing – New York, Boston, Menlo Park, London, and Hong Kong. Lexington also has senior advisors located in Asia, Australia, and Latin America. Additional information may be found at [www.lexingtonpartners.com](http://www.lexingtonpartners.com).

##

### **Media Inquiries:**

Todd Fogarty

KEKST

(212) 521-4854

[todd.fogarty@kekst.com](mailto:todd.fogarty@kekst.com)

This announcement appears as a matter of record only.

June 2014



# Lexington Partners

---

*Innovative Directions in Alternative Investing*

# \$1,070,000,000

## Lexington Middle Market Investors III, L.P.

*THIS PARTNERSHIP HAS BEEN ESTABLISHED TO ACQUIRE  
MIDDLE MARKET BUYOUT INTERESTS  
IN THE GLOBAL SECONDARY MARKET.*

### Lexington Partners

---

**New York** 660 Madison Avenue, New York, NY 10065 212 754 0411 212 754 1494 Fax

**Boston** 111 Huntington Avenue, Suite 3020, Boston, MA 02199 617 247 7010 617 247 7050 Fax

**Menlo Park** 3000 Sand Hill Road, 1-220, Menlo Park, CA 94025 650 561 9600 650 561 9696 Fax

**London** 50 Berkeley Street, London W1J 8HA 44 20 7399 3940 44 20 7399 3941 Fax

**Hong Kong** 15/F York House, The Landmark, 15 Queen's Road Central, Central, Hong Kong 852 3987 1600 852 3987 1631 Fax

info@lexpartners.com www.lexingtonpartners.com