

# Press Release



## **Siguler Guff Small Buyout Investment Team Closes 100<sup>th</sup> Co-Investment**

NEW YORK and BOSTON, February 27, 2017 – Siguler Guff, a multi-strategy private equity investment firm with over \$11 billion of assets under management, is pleased to announce the completion of its 100<sup>th</sup> small buyout co-investment.

Siguler Guff manages approximately \$2.2 billion of investor commitments through its small buyout investment platform. Since inception of the Firm’s small buyout platform, the dedicated investment team has committed \$1.6 billion to 69 funds and approximately \$660 million to 100 co-investments. With an average purchase price multiple of 5.8x and an average leverage multiple of 2.9x, the Firm has been able to acquire companies at lower purchase price multiples while utilizing over 50% less leverage than the typical large buyout transaction.<sup>1</sup> Through these transactions, Siguler Guff is often the first institutional capital to invest in founder- and family-owned companies.

The platform has exposure to approximately 475 small and lower-middle market companies, within 42 U.S. states and one U.S. territory that employ approximately 185,000 individuals as of September 30, 2016. The Firm has invested in a variety of sectors, such as industrial goods and services, business services, healthcare, personal and household goods, food and beverage, retail, technology, financial services, energy services and restaurants.

Siguler Guff believes that the small buyout space is the most inefficient and underpenetrated sector within private equity. Small buyout funds, which Siguler Guff defines as funds less than or equal to \$500 million in size, comprise only 12% of total buyout capital, but target 94% of U.S. companies. Furthermore, only 3% of companies with less than \$100 million of enterprise value have been penetrated by private equity investment.<sup>2</sup>

Siguler Guff’s small buyout investment strategy is led by Kevin Kester, Managing Director, who has been with the Firm since 2004. Mr. Kester commented, “We are very pleased to announce our 100<sup>th</sup> co-investment transaction, an accomplishment that the eight dedicated members of our small buyout investment team should be very proud of. Small business is the engine that drives the U.S. economy, generating 63% of net new jobs over the past 20 years and employing approximately 50% of the private sector workforce. We believe that private equity is uniquely positioned to help business owners monetize and/or plan for the successful transition from family-owned businesses to independent professional organizations. Since these companies are not large to begin with, small buyout investors are focused on creating value through building and growing the businesses, rather than layering on excessive debt or breaking them up. In our view, helping to create jobs and providing capital to facilitate the transition of family-owned businesses is private equity investing at its best.” Under Mr. Kester’s leadership, Siguler Guff has been investing in the U.S. small and lower-middle market buyout space since 2004.

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<sup>1</sup> Sources: Robert W. Baird & Co.; S&P LCD; Siguler Guff data as of February 9, 2017. Average purchase price multiple and leverage multiple represent 100 completed co-investments in the small buyout platform since 2007.

<sup>2</sup> Sources: Preqin, December 2015; U.S. Census 2012; CapitalIQ, December 2015; Bain & Company, Global Private Equity Report 2015.

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## **About Siguler Guff:**

Siguler Guff is a multi-strategy private equity investment firm which, together with its affiliates, has over \$11 billion of assets under management. With more than 20 years of experience investing as a firm in the private markets, Siguler Guff seeks to generate strong, risk-adjusted returns by focusing opportunistically on market niches. Siguler Guff's investment products include multi-manager funds, direct investment funds and customized separate accounts. The Firm currently serves over 500 institutional clients and more than 800 family office and high net worth investors. Headquartered in New York, Siguler Guff maintains offices in Boston, London, Moscow, Mumbai, São Paulo and Shanghai. To learn more about Siguler Guff, please visit [www.sigulerguff.com](http://www.sigulerguff.com).

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