

ProA Capital closes maiden fund on €250m

Fund

ProA Capital closed its first vehicle, ProA Capital Iberian Buyout Fund I, on €250m, 10 months after it was launched in May 2007. Based in Spain, the fund has a lifespan structure of 10 years with an extension possible, pending authorisation by the investors. The GP contributed 1.5% of the fund; the carry and hurdle are 20% and 8% respectively. Management fees are set at the industry's standards. Carried interest payments will be paid on the fund as a whole.

The fund has no restrictions aside from the traditional ones. Fundraising on a new vehicle can commence once 80% of the fund has been invested.

Investors

The fund's investor base is comprised of leading public and private pension plans, specialist funds-of-funds, family offices and private trusts, banks, insurance companies and other financial institutions. Non-Spanish European investors accounted for 72% of the fund's capital, with US investors contributing 10% and domestic Spanish commitments totaling 18%.

Investments

The generalist fund will invest in proprietary buyouts, build-ups and MBIs in sectors yet to be consolidated focusing primarily in Spain and to a lesser extent in Portugal. It will invest between €10-50m in equity in 10-12 companies with an enterprise value ranging between €25-200m. The GP will target co-investments alongside the limited partners.

The core exit strategy will have a strong industrial component although it will also consider secondary buyouts and IPOs. Proceeds from exits cannot be reinvested.

People

The fund is managed by ProA Capital de Inversiones SGECR, composed by managing partner Fernando Ortiz and partners Santiago Gómez and Alberto Yanci. The management team also comprises investment director Carlos Gordillo and associate directors Fernando Elio and Gustavo Barroeta and David Martin as chief financial officer. The team will create three analyst positions in the months to come.

SPAIN

Name

ProA Capital Iberian Buyout Fund I

Target

€250m

Closed

March 2008

Focus

Iberian generalist

Contact

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