

BLACK TORO CAPITAL

Providing liquidity solutions through
partnership investing

BLACK TORO CAPITAL FUND II

BTC | BLACK TORO CAPITAL
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Black Toro Capital Fund – December 2015

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Michigan University commits to Black Toro Fund II



Spanish special situations manager Black Toro Capital has made a first closing of €136 million on its second fund aided by a commitment from the University of Michigan endowment.

18th December 2015 by Anastasia Donde

US endowment, the University of Michigan, has committed €50 million to Black Toro Capital's second debt fund.

The investment brings the initial closing of Black Toro Capital Fund II to €136 million since it launched one month ago, the Spanish lender said in a statement.

BTC is targeting an additional closing during the first quarter of 2016. The special situations fund has an overall target of €350 million.

“We are delighted with the University of Michigan’s decision to support BTC II following an extensive due diligence process into our team, the opportunity in Spain and existing competing funds,” BTC said in a statement.

BTC makes debt and equity investments in Spanish companies with viable and proven business models that are undergoing financial and liquidity constraints, as well as strategic leadership and ownership misalignments.

The manager is focused on partnering with company owners and other key stakeholders to provide structured capital solutions. The firm has executed four transactions and deployed €80 million in direct investments and co-investments over the last year.

Allstate Investments, the investment arm of US insurer Allstate, is a cornerstone investor in the fund and has committed €73 million to the new vehicle.

University of Michigan Endowment Set to Invest in Credit Funds

15th December 2015 by Janet Lorin

Bloomberg

The University of Michigan's endowment is looking to invest about \$168 million in four credit funds including a hedge fund said to be backed by Appaloosa Management's David Tepper.

Kevin Hegarty, the school's chief financial officer, is recommending the Board of Regents approve those investments at a board meeting on Thursday, according to a posting on the school's website.

The Ann Arbor-based school's endowment is valued at a record \$10 billion as of June 30, the third largest among public universities. It had a 3.5 percent return for the fiscal year, lagging its elite peers.

New Fund

Warlander Asset Management, a New York-based hedge fund formed by Eric Cole, a protege of billionaire Tepper, would receive \$25 million for investment, according to a letter by Hegarty to the board posted on the website. Warlander will begin operations in January, Hegarty said in the letter.

The Warlander fund will take long and short positions globally in credit and credit-like securities, Hegarty wrote.

The largest allocations to new funds would be about \$53 million to Black Toro Capital Fund II, based in Barcelona, Spain, Hegarty wrote. The fund specializes in distressed investing and the Spanish financial markets. The endowment is also seeking to invest \$50 million with Los Angeles-based Calmwater Real Estate Credit Fund III, which invests in secured first-lien and some second-lien commercial real-estate mortgages in the U.S.

China Investing

Hegarty also is recommending \$40 million to the long-term portfolio of Abax Asian Structured Credit Fund II, which is based in Hong Kong. Abax Global Capital makes direct loans to small-and medium-sized enterprises based in China or have a significant Chinese connection, according to the letter.

The letter also informs the board of additional investments in five alternative asset funds that the university had previously committed to. One of those is GSR Ventures V, a venture capital fund with offices in Beijing and Palo Alto, California, that makes early stage investments and has "substantial" operations in China. The endowment previously invested \$15 million in the fund.

"The focus will be on digital companies in the e-commerce, financial technology, online advertising/big data, mobile gaming, and education sectors," Hegarty wrote.

The endowment, managed by Erik Lundberg since 1999, in September pledged about \$345 million to seven managers.

Michigan endowment eyes \$168m credit spree

HFM

\$10.1bn allocator considering four funds, including Eric Cole's Warlander launch

15th December 2015 by Chris Josselyn

The University of Michigan's endowment fund is set to invest \$168m across four credit funds, including a credit hedge fund that is being launched by former Appaloosa pro Eric Cole in the New Year. The \$10.1bn endowment's staff has recommended commitments of \$53m to the Black Toro Capital Fund II, \$50m to the Calmwater Real Estate Credit Fund III, \$40m to the Abax Asian Structured Credit Fund II, and \$25m to Warlander Asset Management.

The endowment's board of regents will vote on the recommendation at a meeting this Thursday. The investments are set to come from the endowment's "long-term portfolio".

The Black Toro Capital Fund II is a direct lending strategy run by Barcelona-based Black Toro Capital. The strategy focuses on asset-rich corporations in Spain undergoing financial turnarounds.

Los Angeles-headquartered Calmwater's Real Estate Credit Fund III invests primarily in secured, first and second lien commercial real estate mortgages in major and non-major markets across the US.

The Abax Asian Structured Credit Fund II is a direct lending strategy managed by Hong Kong-based Abax Global Capital. Abax was founded by Donald Yang in 2007; its main strategy is making direct loans to small- and medium-sized businesses based in China or with a significant Chinese connection.

Warlander Asset Management is led by former Appaloosa partner Eric Cole, along with co-founders Alex Ginzburg and Marc Pfeffer. Warlander's strategy is to opportunistically take long and short positions globally in credit and credit-like securities.

Cole's Warlander is set to launch early in 2016; earlier this year the firm was backed by Appaloosa Management founder David Tepper.

Michigan has been active in investing in alternative credit funds recently. Last month the endowment invested \$50m in Napier Park Europe Loan Management Designated Activity Company, a European collateralised loan obligation (CLO) fund.

In May it committed a further \$50m to Catalyst Fund Limited Partnership Fund V, a Toronto-based distressed debt fund in which it already invested.

University of Michigan pushes Black Toro Capital Fund II to €136m



21 Dec 2015

Spanish private equity firm Black Toro Capital has held an initial closing for its second fund at €136m, just one month after launching.

The endowment from the University of Michigan committed €50m into Black Toro Capital Fund II.

Black Toro said it is expecting to hold an additional closing during Q1 2016 at the fund's target of €350m.

A statement from Black Toro said, "With this additional backing from one of the most active and reputable international institutional investors, Black Toro capital consolidates itself as a leading GP investing in mid-sized companies in Spain, providing structured capital and liquidity solutions through a partnership and control investment strategy."

Last month, AltAssets reported that Black Toro Capital has placed a €350€ target on the fund, having already received a €73m commitment from Allstate Investments.

Along with Allstate's investment, with brings its total commitments to Black Toro Capital to €111m, the GP also added a €10m investment.

Black Toro focuses on providing advice and structuring flexible capital solutions for mid-sized companies in Spain with revenues between €50m and €1bn.

In the past 12 months, Black Toro Capital has completed four transactions and deployed over €80m in direct investments and co-investments.

Black Toro receives €50m from Michigan

realdeals

The Spanish firm has raised €136m of its €350m target.

21 December 2015 by Real Deals.

Spanish turnaround firm Black Toro Capital has received a €50m commitment from the University of Michigan, bolstering its current fundraise.

The Barcelona-based investor began the process of raising its second fund last month and has now secured €136m for its first close. It is hoping to raise a total of €350m and plans to hold a second close in Q1 2016.

Black Toro has invested more than €80m across four deals this year. It closed its previous fund last year.

Appaloosa Protege to Manage Money for University of Michigan

Bloomberg

17th December 2015 by Janet Lorin & Michael McDonald

The University of Michigan's board approved endowment investments of \$168 million in four credit funds, including one run by a protege of Appaloosa Management's David Tepper.

Warlander Asset Management, a New York-based hedge fund formed by Eric Cole, who previously worked for Tepper, will receive \$25 million for investment after it was approved by the Board of Regents Thursday in Ann Arbor. The three other credit fund allocations are about \$53 million to Black Toro Capital Fund II, based in Barcelona, Spain, \$50 million to Los Angeles-based Calmwater Real Estate Credit Fund III, and \$40 million to Abax Asian Structured Credit Fund II in Hong Kong.

While endowments have reduced allocations to fixed income in recent years, institutional investors see some private credit investments as chances to get equity-like returns, said John Keshner, managing director of endowments and foundations at Northern Trust Asset Management in Chicago. He said recent losses in the high-yield bond market may present a good opportunity for managers to increase holdings.

"It's a thoughtful investment with a nice opportunistic entry point," Keshner, whose company oversees \$887 billion in assets, said of University of Michigan's allocations. The Warlander fund, which is expected to begin operations in January, will take long and short positions globally in credit and credit-like securities.

Taking Advantage

Williams College in Williamstown, Massachusetts has targeted 10 percent of its endowment's asset allocation to non-investment grade bonds since fiscal year 2013, up from 4 percent in 2012, according to the school's investment office. The current allocation will remain in place in fiscal 2016.

"Managers are positioning themselves to take advantage of a potential distress cycle," Jonathan Kraft, chairman of the endowment's investment committee, and Collette Chilton, chief investment officer, wrote in Williams College's most recent investment report. The \$2.4 billion endowment gained 9.9 percent in fiscal 2015.

The University of Michigan's \$10 billion fund, the third wealthiest among public schools, returned 3.5 percent in the fiscal year ended June 30. The endowment has been managed by Erik Lundberg since 1999. The school also made investments of undisclosed amounts in five alternative asset funds that the endowment previously committed to, including one that makes early-stage investments in digital companies in China.

Black Toro holds first close for sophomore fund



Spanish private debt fund manager Black Toro Capital has held a first close for its second fund on €136 million as it pursues a €350 million target.

BTC has to date won backing from a two institutional investors: a cornerstone commitment of €73 million from U.S.-headquartered investment manager Allstate Investments, and a recently agreed €50 million commitment from the University of Michigan.

The firm is targeting a second close in the first quarter next year, and a final close before year-end 2016, if not sooner. The fund has already agreed one deal, which is set to be announced in the New Year, according to sources.

BTC has made four investments with its first fund, totalling €80 million: Antibióticos de León, Carbures Group, Irestal Group, and Papeles El Carmen. Allstate was the lead investor in the Antibióticos deal, with BTC co-investing.

The firm provides financing solutions to viable companies suffering from financial and liquidity constraints, or strategic and ownership issues.

[Oliver Smiddy](#)

Black Toro II holds €136m first close

Spanish GP Black Toro Capital (BTC) has held a €136m first close for its second fund following a €50m commitment from University of Michigan one month after launch.



In mid-November, following the launch of BTC II, the firm announced it was seeking a €200m first close in Q1 2016. A source close to the GP told *unquote* "the target remains as a second close goal.

The fund comes with a €350m target and a €400m hard-cap. According to the source, Black Toro is positive that the latter could be reached before the end of 2016, when fundraising is expected to conclude.

BTC Fund II features a lifespan of seven years and two one-year extensions; the investment period will span three years. The fund is the latest addition to the Spanish landscape despite mounting concern from local players that foreign appetite for the country's vehicles is on the wane.

Investors

To date, BTC Fund II's most prominent LP is Allstate, a US-headquartered insurance company that committed €73m via its private equity arm. Along with prior contributions to BTC, Allstate has provided a total of €111m to the GP's funds.

The insurer is followed by the University of Michigan, which just committed €50m to the fund.

The LP base, featuring investors from both Europe and the US, includes private and public pension funds, foundations and family offices. In addition, BTC has announced it will provide a €10m commitment to the fund.

Investments

BTC Fund II will secure controlling stakes across companies where, in spite of a proven business model, there is a need for financial and management restructuring. The sector-agnostic fund will deploy an average of €20-50m into companies headquartered in Spain and is expected to ink its maiden deal in the coming days, *unquote* "understands.

The launch of the fund comes as BTC deployed more than €80m in 2015 to date, both on a standalone basis and alongside other investors. The latest company to be backed was carbon fibre manufacturer Carbures, an existing portfolio company that received a €30m injection in September.

People

BTC is led by managing partner Ramon Betolaza, as well as partners Carlos Tusquets, Ignacio Foncillas, Jose Manuel de la Infiesta and operating partner Juan Molins Monteys.

Black Toro Capital holds first close on Fund II



Spanish special situations manager Black Toro Capital has made a first closing of €136 million on its second fund aided by a commitment from the University of Michigan endowment.

18th December 2015 by Anastasia Donde

US endowment, the University of Michigan, has committed €50 million to Black Toro Capital's second debt fund.

The investment brings the initial closing of Black Toro Capital Fund II to €136 million since it launched one month ago, the Spanish lender said in a statement.

BTC is targeting an additional closing during the first quarter of 2016. The special situations fund has an overall target of €350 million.

“We are delighted with the University of Michigan’s decision to support BTC II following an extensive due diligence process into our team, the opportunity in Spain and existing competing funds,” BTC said in a statement.

BTC makes debt and equity investments in Spanish companies with viable and proven business models that are undergoing financial and liquidity constraints, as well as strategic leadership and ownership misalignments.

The manager is focused on partnering with company owners and other key stakeholders to provide structured capital solutions. The firm has executed four transactions and deployed €80 million in direct investments and co-investments over the last year.

Allstate Investments, the investment arm of US insurer Allstate, is a cornerstone investor in the fund and has committed €73 million to the new vehicle.

Black Toro Capital Fund II reaches €136M in initial



Following a €50 million commitment from the University of Michigan Endowment, Black Toro Capital has announced an initial close of Black Toro Capital Fund II on €136 million. The fund, which was launched last month, will pursue an additional closing during 1Q 2016 and a total target of €350 million. BTC provides flexible capital solutions for mid-sized companies in Spain.

- **Black Toro Capital Fund II: University of Michigan commits €50 million**
- **Black Toro Capital Fund II brings total commitments to €136 million in its initial closing**
- **Black Toro Capital nominated Firm of the Year in Iberia in 2015 for the second successive year by Private Equity International (PEI)**

Barcelona, December 18th 2015. Black Toro Capital (“BTC”) is proud to announce that the endowment from the University of Michigan has committed to invest €50 million into Black Toro Capital Fund II, bringing the initial closing to €136m since launching its Fund II one month ago. Black Toro Fund II will target an additional closing during Q1 2016 and a total fund target of €350 million.

We are delighted with the University of Michigan’s decision to support BTC II following an extensive due diligence process into our team, the opportunity in Spain and existing competing funds. With this additional backing from one of the most active and reputable international institutional investors, Black Toro capital consolidates itself as a leading GP investing in mid-sized companies in Spain, providing structured capital and liquidity solutions through a Partnership and Control investment strategy.

Black Toro Capital’s investment strategy focuses on investing into “good“ companies with viable and proven business models undergoing financial and liquidity constraints as well as strategic leadership and ownership misalignments.

BTC’s successful investment model is focused on partnering with company owners and other key stakeholders to provide structured capital solutions which ensure the viability and unlock the growth potential of mid-sized companies in Spain that have limited access to financing from traditional banking sources.

Black Toro Capital has executed 4 transactions and deployed over €80 million in direct investments and co-investments over the last 12 months into four prime examples of Spain's industrial landscape: Antibióticos de León, Carbures Group, Irestal Group and Papeles El Carmen, each a leader in its field and a showcase of BTC's investment strategy.

Black Toro Capital has a clearly significant advantage in its investment space due to the proven experience and track record of its investment team in identifying and executing investments into complex situations and a unique proprietary deal flow pipeline.

We look forward to have you as an investor in Fund II so we can capitalize jointly on this substantial investment opportunity.

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