

Nexus Iberia closes first Spanish fund on €170m

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Nexus Iberia has held a final close on €170m for its first Spanish fund, Nexus Iberia Private Equity Fund I, Unquote understands.

The vehicle was launched in 2017 with an initial €200m target and held a first close on €130m in January 2018.

Nexus Iberia is part of Nexus Capital, which has been active in the Mexican private equity market since 1995 and is raising its seventh Mexico-focused buyout fund with a target of \$550m.

Nexus Iberia Private Equity Fund I

- TARGET: €200m
- LAUNCHED: Mar 2017
- CLOSED ON: €170m, Feb 2020
- FOCUS: Spanish mid-market
- FUND MANAGER: Nexus Iberia

The GP opened its Spanish office in December 2016 with an Iberian team to invest in the Spanish and Portuguese markets, and draw on the support and experience of its Mexican operation.

Two placement agents were employed to manage the fundraising process. Xavier Tintore from Impulsa Capital was responsible for the Spanish side of the raise, while Louis

Trincano of Cornerstone Fund Placement was heading up the wider European fundraising effort in London.

The fund has a 10-year lifespan and five-year investment period, with market-standard management fees and carry structure. Legal advice was provided by Idefonso Alier and Isabel Rodríguez at King & Wood Mallesons.

Investors

The fund's investor base is mainly composed of Spanish and European institutional investors, private investors and high-net-worth individuals from Latin America (primarily Mexico). Around 40% of the LPs are from Spain, approximately 40% are from the rest of Europe and 20% are from Latin America.

The European Investment Fund is one of the vehicle's anchor investors, alongside Fond ICO Global and Cofide. Other LPs include Banco Sabadell and an assortment of Mexican and Spanish family offices.

Investments

The fund targets investments in Spanish companies with EBITDA in the €3-12m range that have the potential to be expanded into Mexico and the US. It has the flexibility to take majority and minority stakes, and uses moderate leverage of around 2x EBITDA.

It deploys equity tickets in the €15-20m range and plans to make a total of 8-10 investments in companies with enterprise values of €40-100m. The fund has already made four deals and is close to signing a new deal in the healthcare sector.

People

Nexus Iberia – Maite Ballester (*managing partner*); Alejandro Diazayas, Pablo Gallo (*partners*); Javier Onieva (*director*).