

Private Equity's Brave New World

(Edited By Cartel Funding For PE Investor Review)

At the Women's Private Equity Summit at Half Moon Bay, Calif., last week, (the) Journal caught up with Nicole Arnaboldi, chairman of Credit Suisse Group's DLJ Merchant Banking Partners, to get a sense of how...the global financial crisis is challenging private equity.

Journal: What do private-equity firms need to know about banks?

Nicole Arnaboldi: I Think...you'll see great growth in private-equity firms calling on firms that can bring expertise in what banks are doing.

Journal: Through the eyes of bankers, how are private-equity firms picking the right price for their assets?

Ms. Arnaboldi: We're seeing unbelievable variances in where people are carrying assets and where sale prices are. One example is a fund that bought a bank loan for 10 cents on the dollar in the secondary market, and shortly afterward another firm bought the same security at 45 cents on the dollar, so what's the market value on that?

Journal: **What advice do you have for those devoting retiree...money to private equity?**

Ms. Arnaboldi: While *caution* should always be one's by-word, remember, **the best opportunities come when times are bad.**