

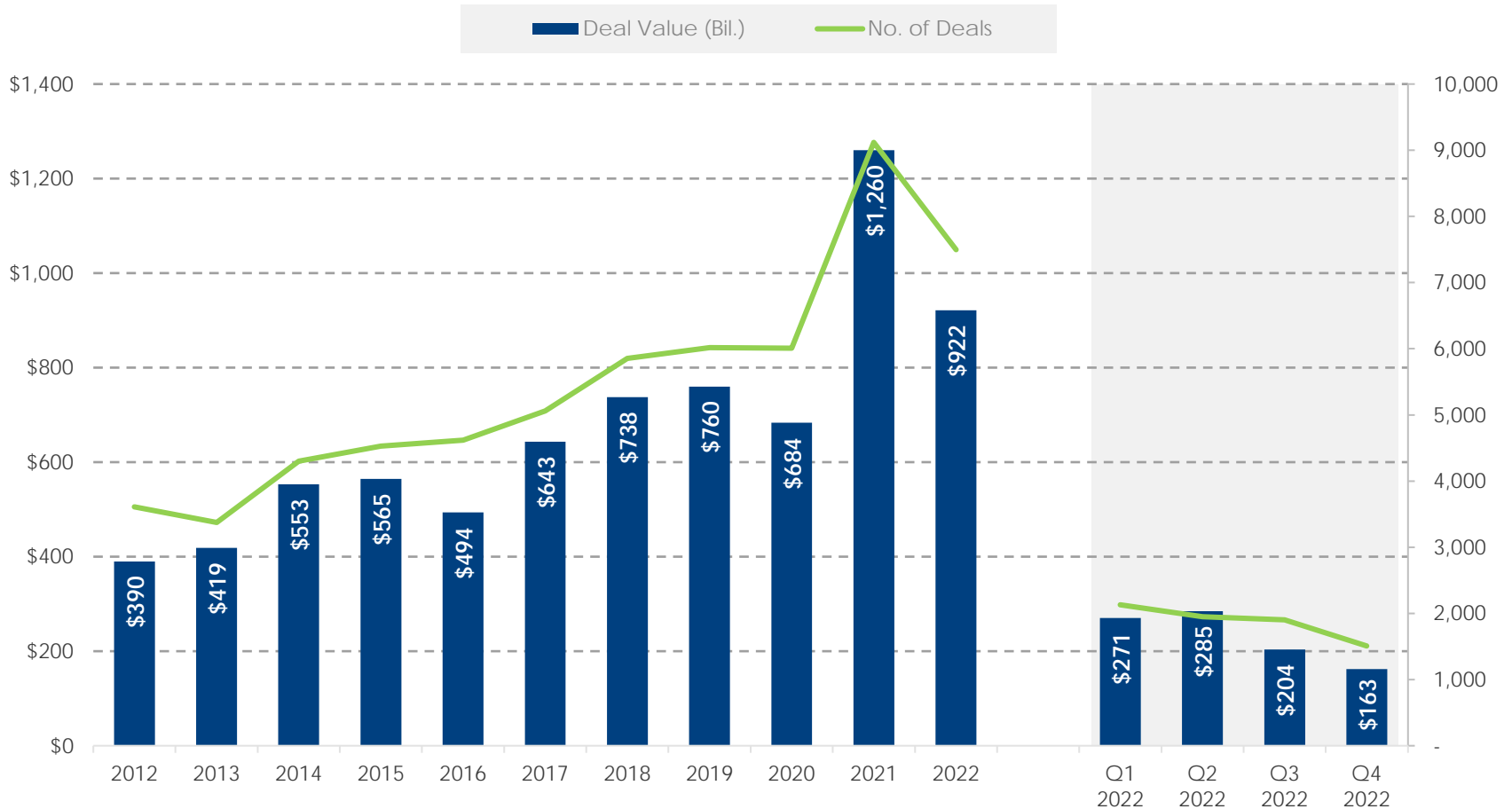
AMERICAN INVESTMENT COUNCIL

2022-Q4 Private Equity Trends

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2022 Investment volume and number of deal decreased by 27% and 18% respectively from 2021



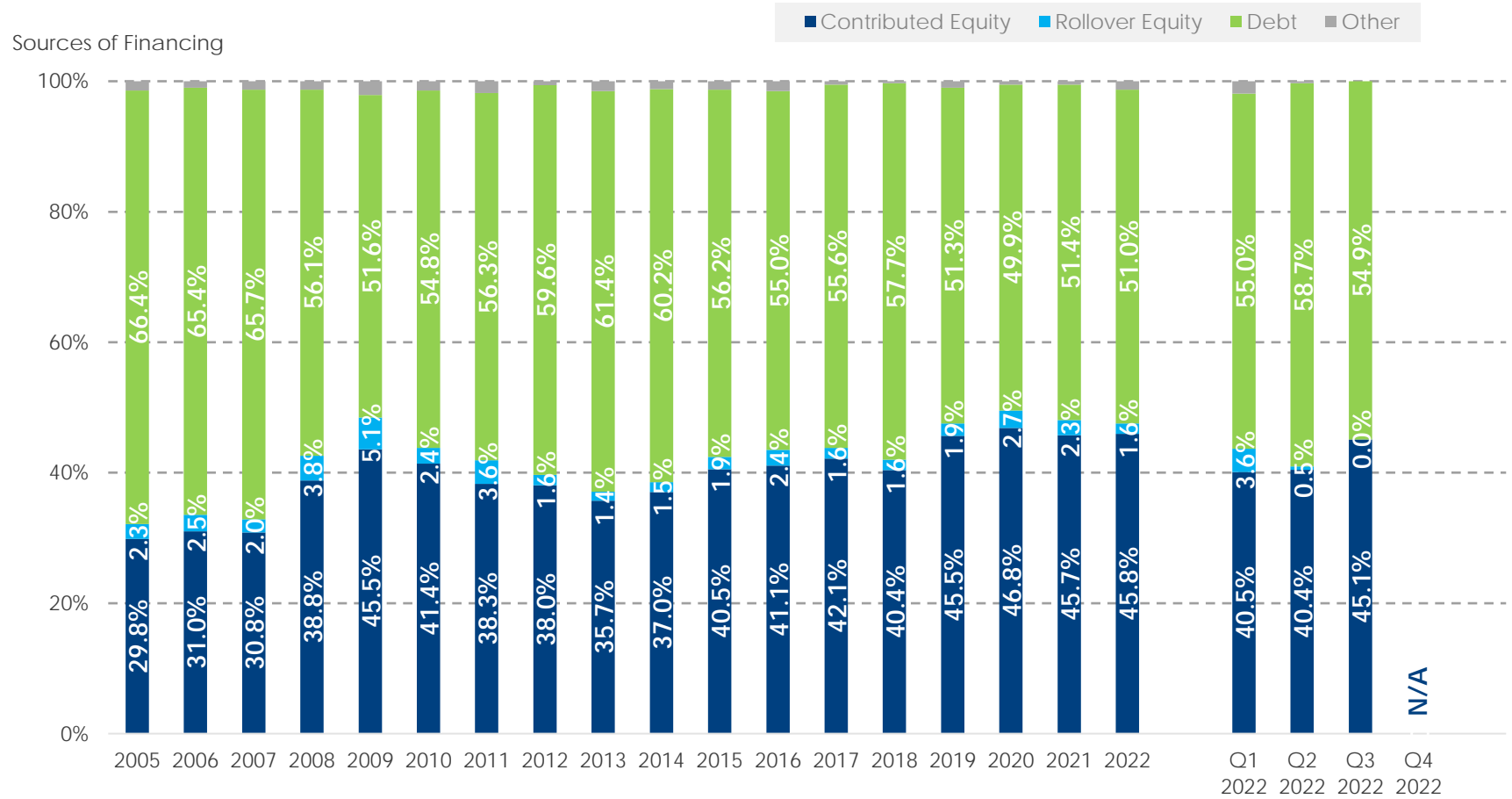
The 10 largest U.S. private equity deals in 2022-Q4 accounted for 70% of total deal value

Rank	Company	Description	Date	Investment Value (Bil.)	Financial Sponsor
1	Twitter	Social Platform/Software	10/27/2022	\$44.0	A.M. Management & Consulting, Brookfield Asset Management, Elon Musk, Fidelity Management & Research, Sequoia Capital, QIA, et al.*
2	The Nielsen Company	Media and Information Services	10/11/2022	\$16.0	Brookfield Business Partners, Evergreen Coast Capital
3	Switch	Systems and Information Management	12/06/2022	\$11.0	DigitalBridge Group, IFM Investors
4	Zendesk	Business/Productivity Software	11/22/2022	\$10.2	Abu Dhabi Investment Authority, GIC, Hellman & Friedman, Permira
5	Avalara	Financial Software	10/19/2022	\$8.4	Vista Equity Partners
6	Westinghouse Electric Company	Energy Services	10/13/2022	\$8.0	Brookfield Renewable Partners, Cameco
7	Tenneco	Commercial Transportation	11/17/2022	\$7.1	Apollo Global Management
8	Watermark Lodging Trust	Real Estate Investment Trust	10/21/2022	\$3.8	Brookfield
9	Envu	Agricultural Chemicals	10/05/2022	\$2.6	Cinven
10	Roper Technologies (Process-Technologies Division)	Commercial Services	11/22/2022	\$2.6	Clayton, Dubilier & Rice

The 10 largest U.S. private equity deals in 2022 sum to \$166 billion and account for 18% of investment volume

Rank	Company	Description	Date	Investment Value (Bil.)	Financial Sponsor
1	Twitter	Social Platform/Software	10/27/2022	\$44.0	A.M. Management & Consulting, Brookfield Asset Management, Elon Musk, Fidelity Management & Research, Sequoia Capital, QIA, et al.*
2	Athenahealth	Healthcare	02/15/2022	\$17.0	Ares Management, Bain Capital, Bain Capital Tech Opportunities, GIC, Hellman & Friedman
3	Citrix Systems	Information Technology	09/30/2022	\$16.5	Ares Management, Elliott Management, Vista Equity Partners
4	The Nielsen Company	Media and Information Services	10/11/2022	\$16.0	Brookfield Business Partners, Evergreen Coast Capital
5	CyrusOne	Information Technology	03/25/2022	\$15.0	Global Infrastructure Partners, Kohlberg Kravis Roberts, Migdal Insurance and Financial Holdings
6	McAfee	Information Technology	03/01/2022	\$14.0	Abu Dhabi Investment Authority, Advent International, CPP Investments, Crosspoint Capital Partners, GIC, Permira
7	American Campus Communities	Financial Services	08/09/2022	\$12.8	Blackstone, Blackstone Real Estate Income Trust
8	Switch	Information Technology	12/06/2022	\$11.0	DigitalBridge Group, IFM Investors
9	Anaplan	Information Technology	06/22/2022	\$10.4	Thoma Bravo
10	Zendesk	Business/Productivity Software	11/22/2022	\$10.2	Abu Dhabi Investment Authority, GIC (Singapore), Hellman & Friedman, Permira

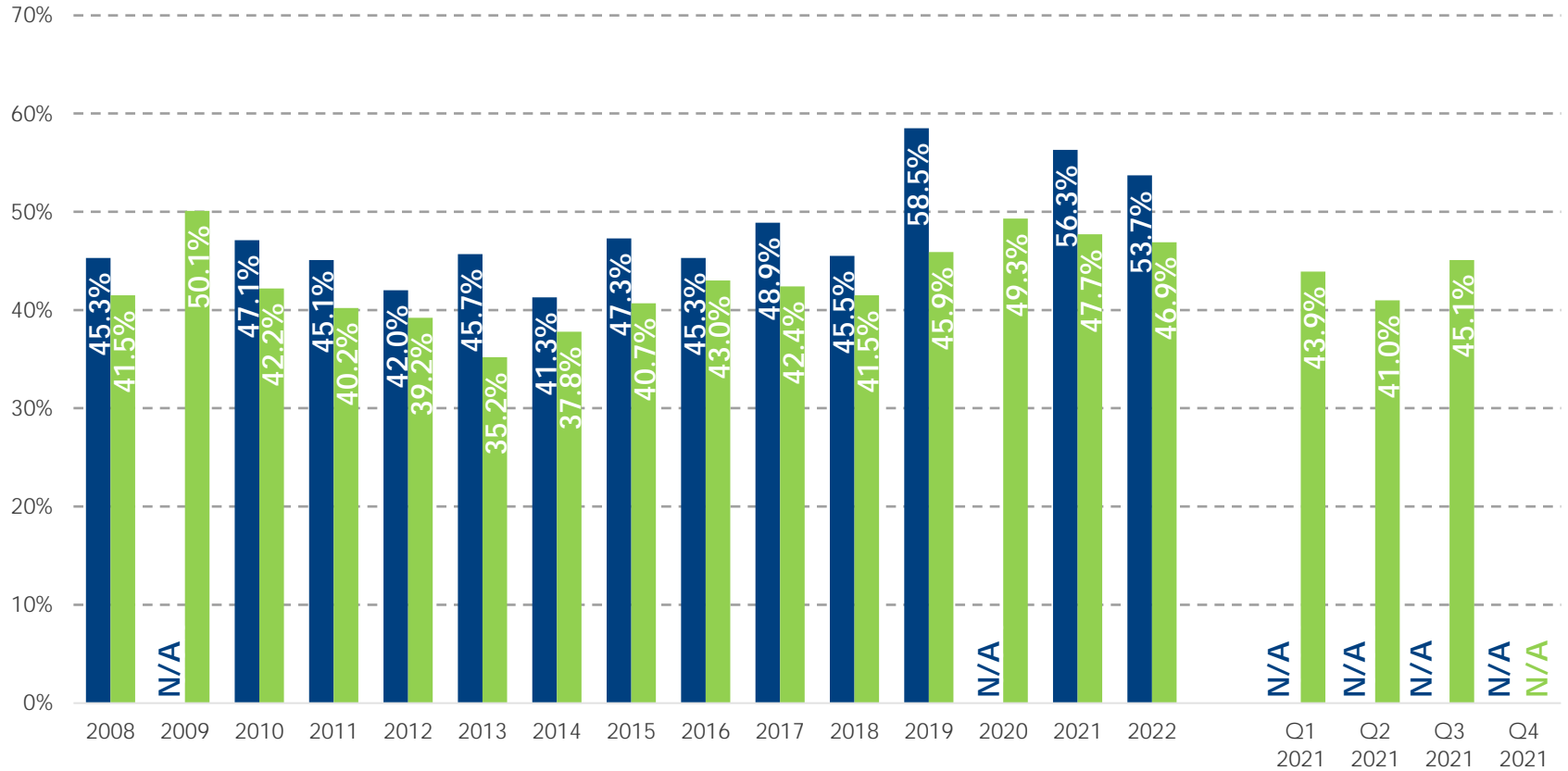
The average proportion of equity financing for LBO transactions decreased by 0.6% in 2022 to 47.4%



Equity financing decreased to 46.9% for large corporate in 2022

Equity Financing

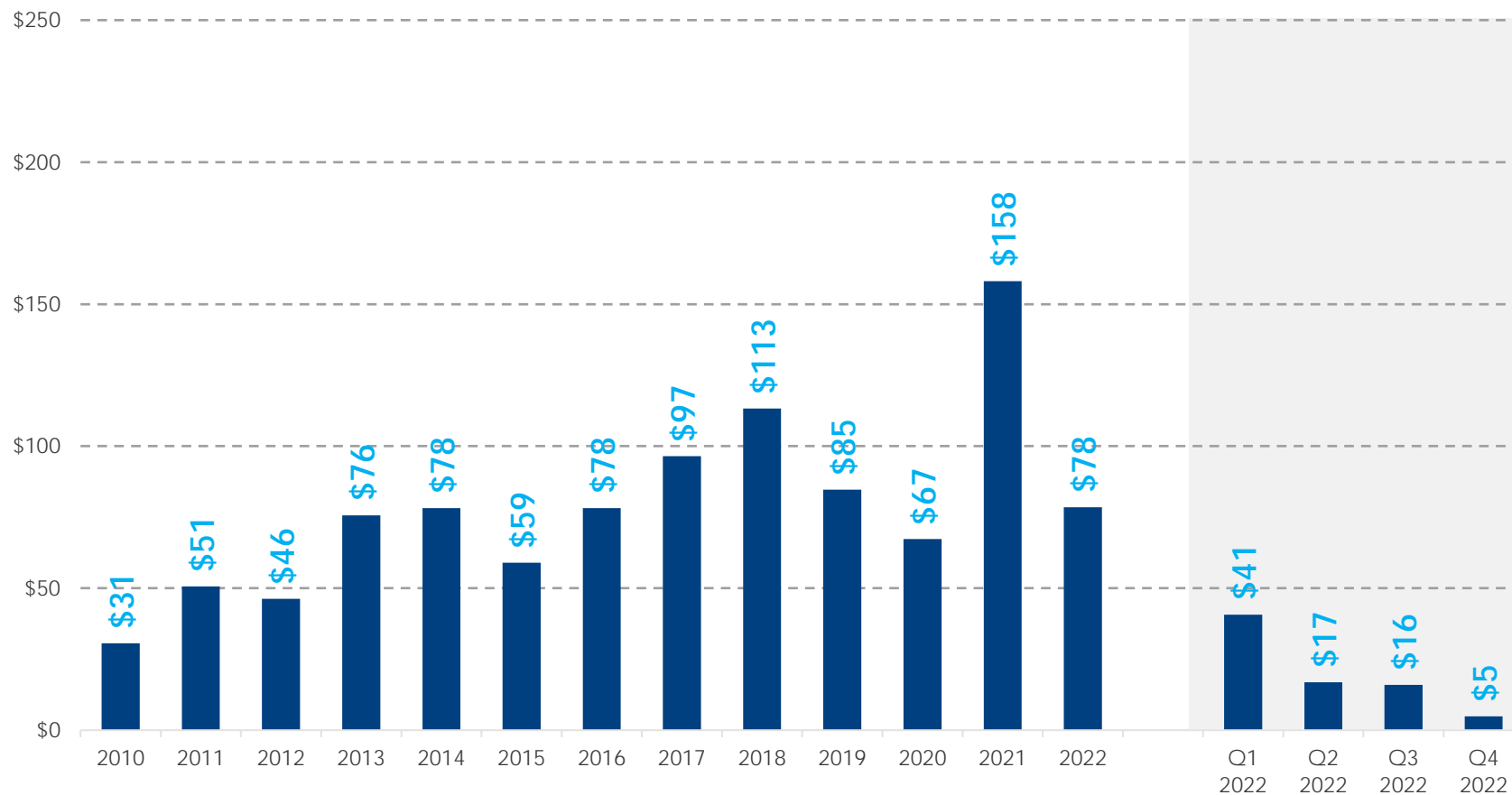
■ Middle Market ■ Large Corporate



Note: Large corporate issuers have EBITDAs of more than \$50 million. Middle market issuers have EBITDAs of \$50 million or less.

U.S. LBO loan volume in 2022 decreased 50% to \$78 billion as compared to 2021

Loan Volume (Bil.)



Note: Data above reflect all loans syndicated in the U.S. market for the purpose of LBOs. Ex-U.S. companies are excluded.

U.S. LBO loans in 2022-Q4 accounted for a total of \$4.85 Billion

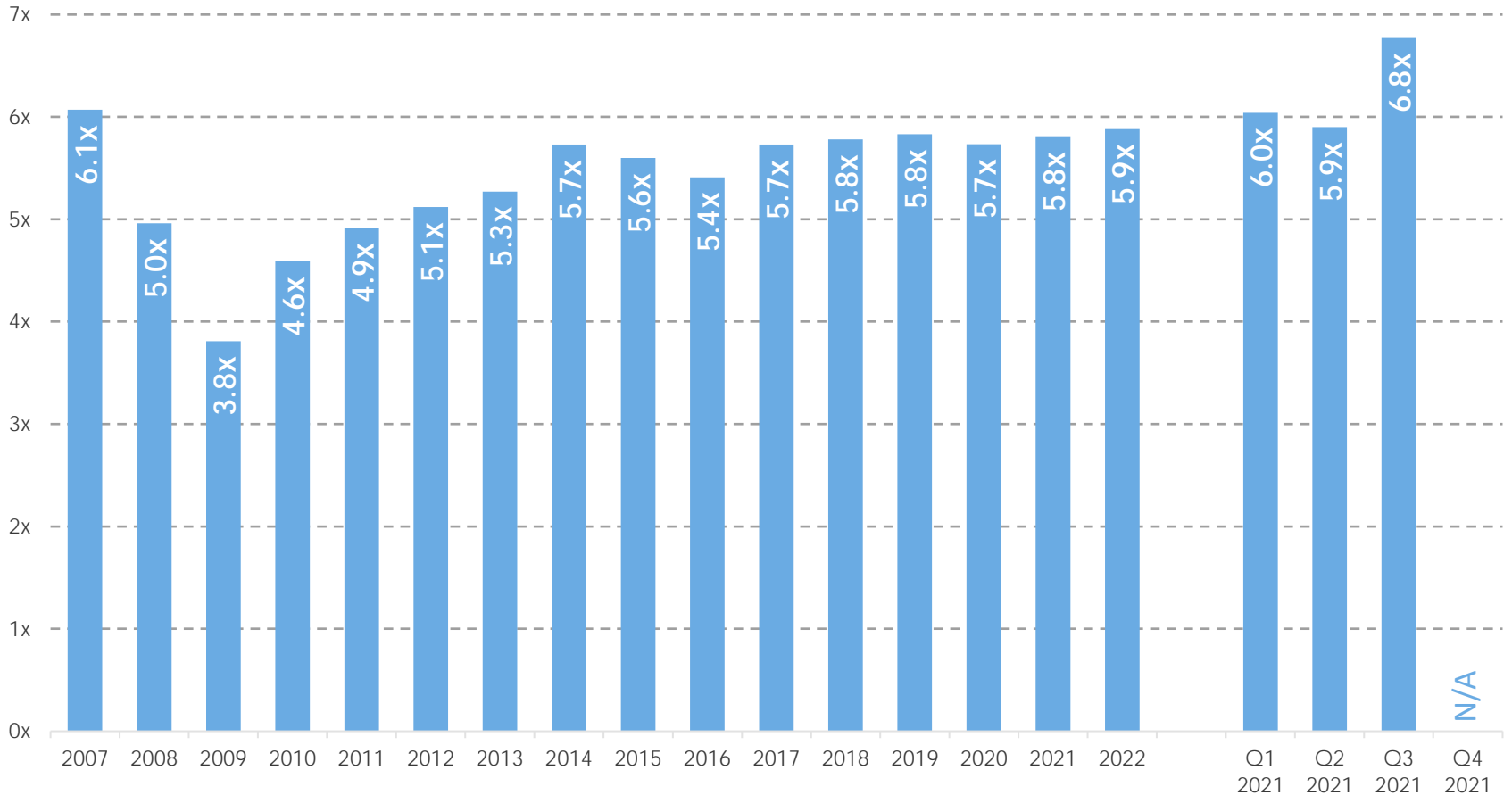
Rank	Company	Description	Launch Date ¹	Loan Value (Bil.)	Financial Sponsor
1	Nielsen Company	Services & Leasing	11/16/2022	\$4.85	Evergreen Coast Capital

The 10 largest U.S. LBO loans in 2022 accounted for 59% of the total LBO loan volume

Rank	Company	Description	Launch Date ¹	Loan Value (Bil.)	Financial Sponsor
1	Athenahealth Inc	Computer & Electronics	01/19/2022	\$7.90	Bain Capital
2	Citrix Systems	Computers & Electronics	09/08/2022	\$7.55	Vista Equity Partners
3	McAfee LLC	Computers & Electronics	01/24/2022	\$6.16	Advent International
4	Nielsen Company	Services & Leasing	11/16/2022	\$4.85	Evergreen Coast Capital
5	CDK Global	Computers & Electronics	06/02/2022	\$4.25	Brookfield Business Partner
6	Quest/One Identity	Computers & Electronics	01/05/2022	\$3.98	Clearlake Capital Group
7	Novolex	Chemicals	03/21/2022	\$3.50	Apollo Management
8	Kindred at Home Hospice	Healthcare	07/20/2022	\$2.85	Clayton, Dubilier & Rice
9	Tropicana Products Inc	Food & Beverage	01/12/2022	\$2.73	PAI Management
10	Scientific Games Lottery	Entertainment & Leisure	01/26/2022	\$2.54	Brookfield Business Partner

Average debt multiples for U.S. LBOs increased to 5.9x in 2022 as compared to 2021

Debt/EBITDA

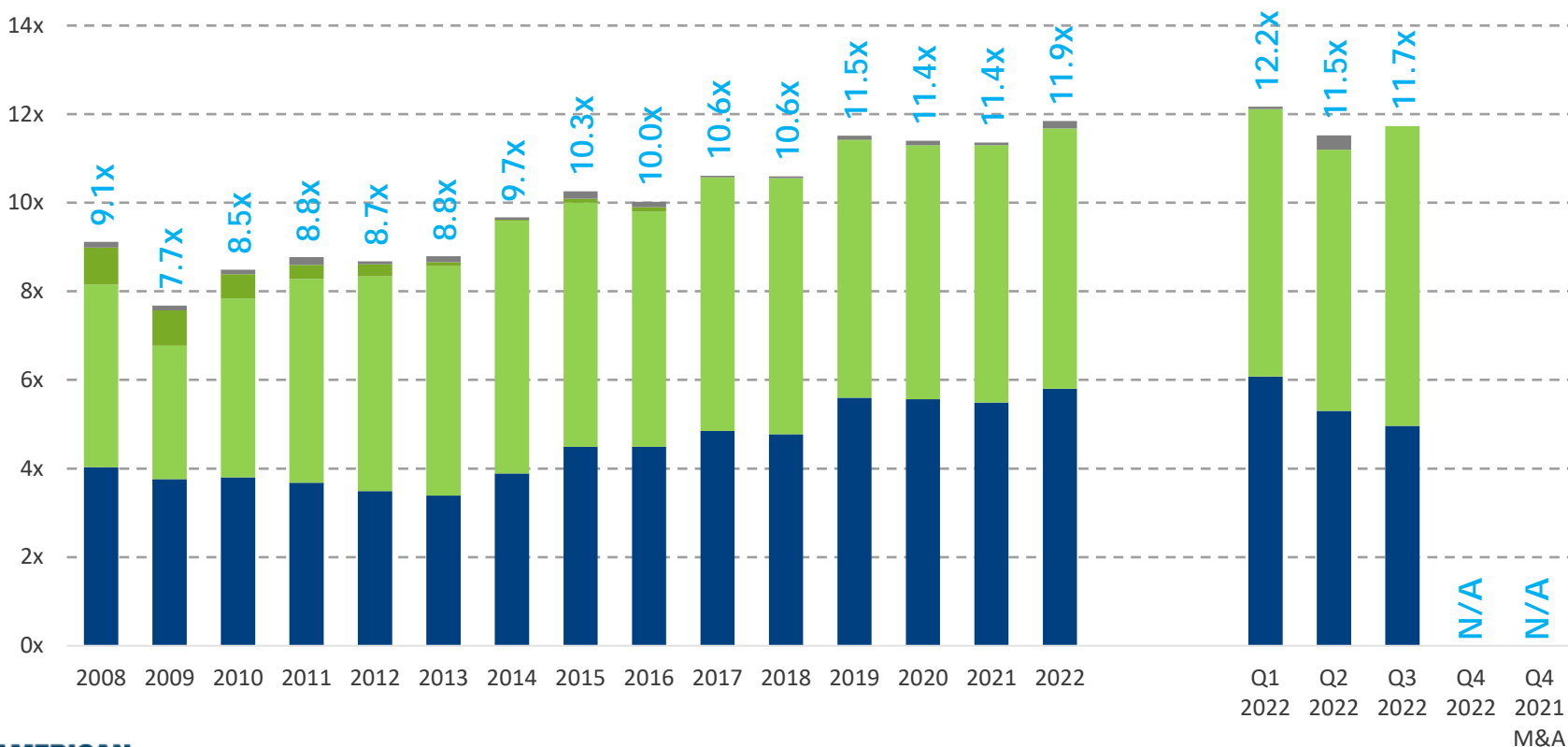


Note: EBITDA is adjusted for cost savings and synergies. Debt includes senior debt and subordinated debt.

The average purchase price multiples for U.S. LBOs increased to 11.9x in 2022 from 11.4x in 2021

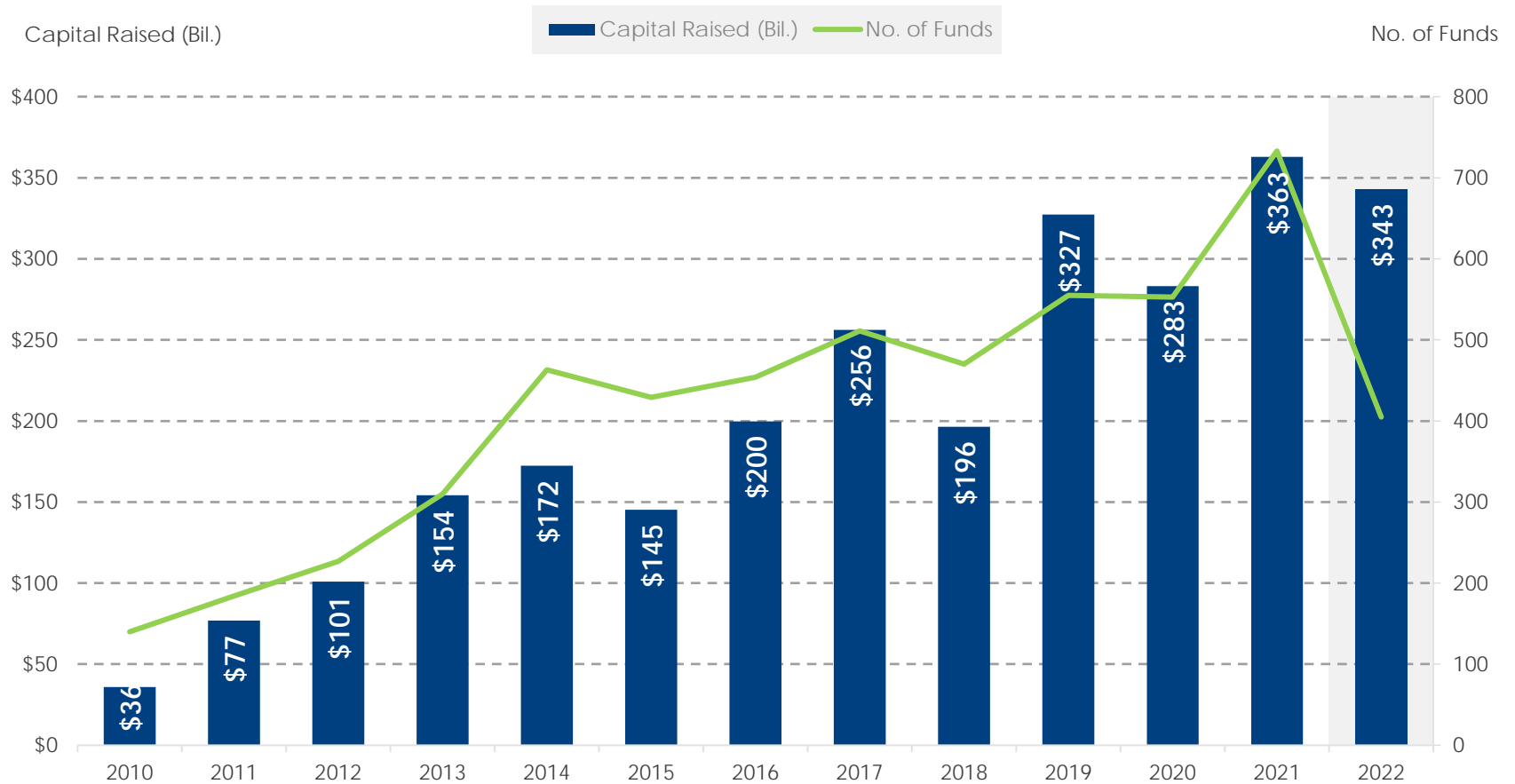
■ Equity/EBITDA ■ Senior Debt/EBITDA ■ Sub Debt/EBITDA ■ Others

Purchase Price Multiple



Note: EBITDA is adjusted for cost savings and synergies.
¹ Average purchase price multiples for Nine months ending Sep, 2020.

U.S. private equity fundraising volume reached to \$343 billion in 2022

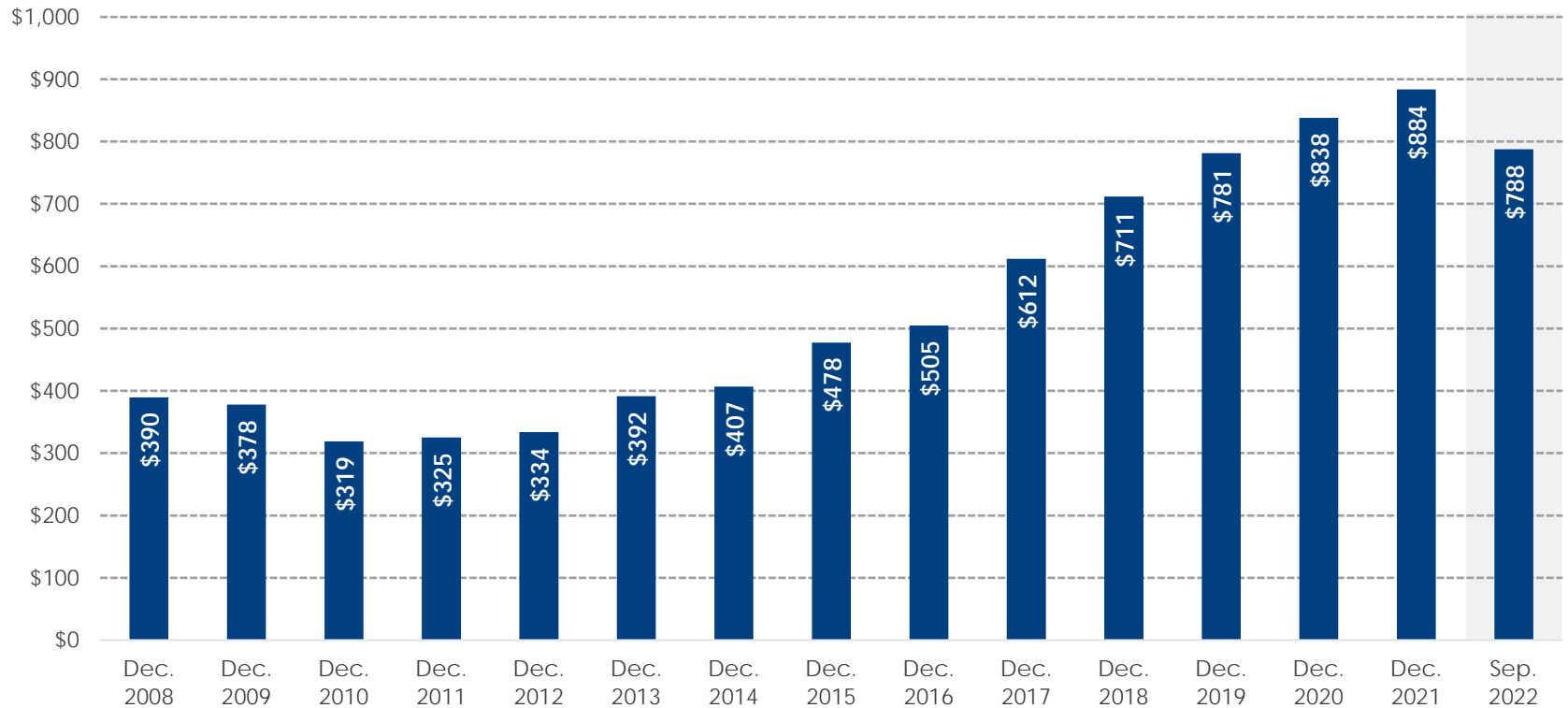


Note: Graph above reflects data from buyout, diversified equity, growth equity, infrastructure and energy funds.

U.S. callable capital reserves (“dry powder”) of private equity funds decreased to \$788 billion as of Sep 2022

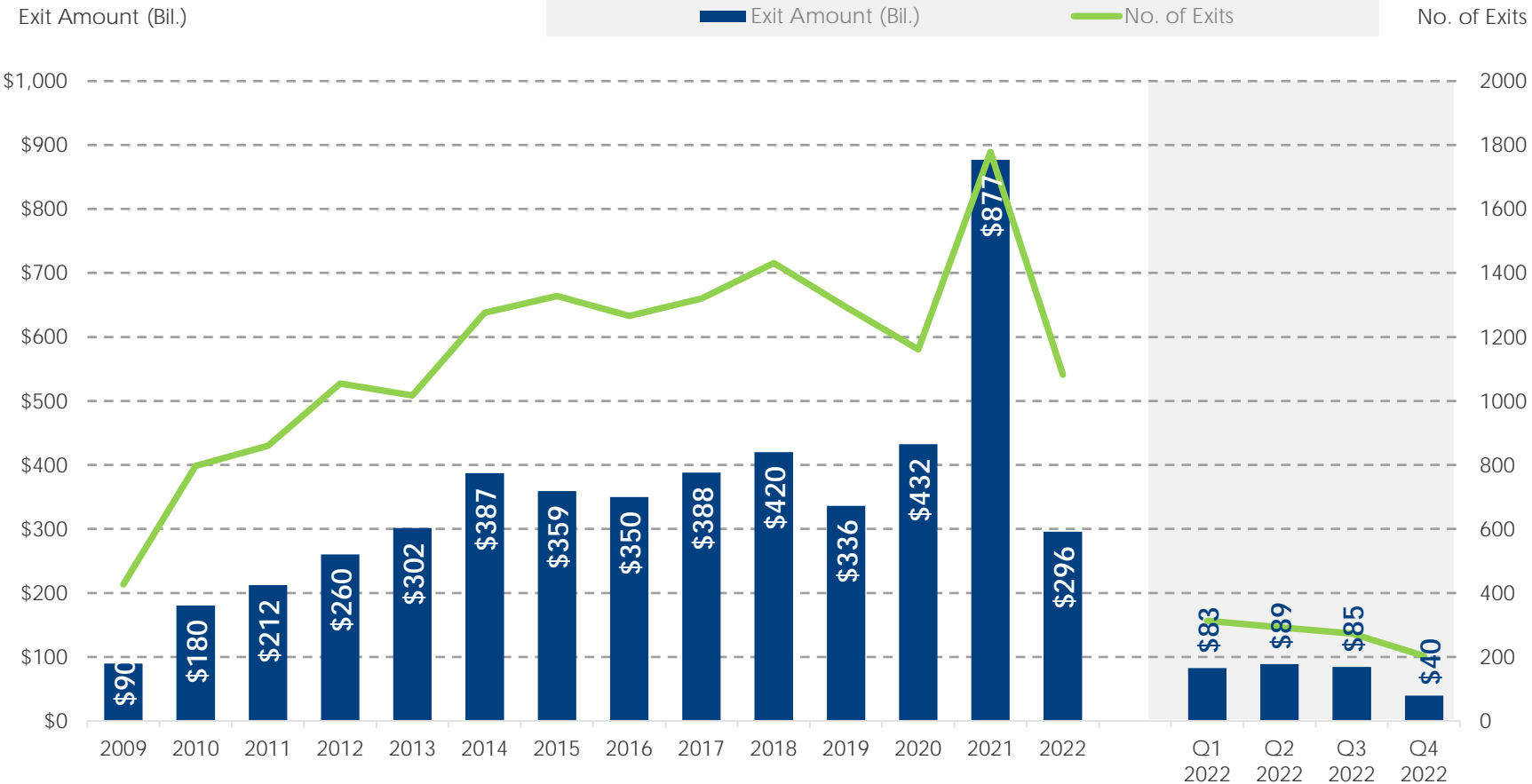
■ Dry Powder

Dry Powder (Bil.)



Note: Dry powder figures are global and not specific to the United States.

U.S. exit volume decreased 66% from 2021 to \$296 billion in 2022



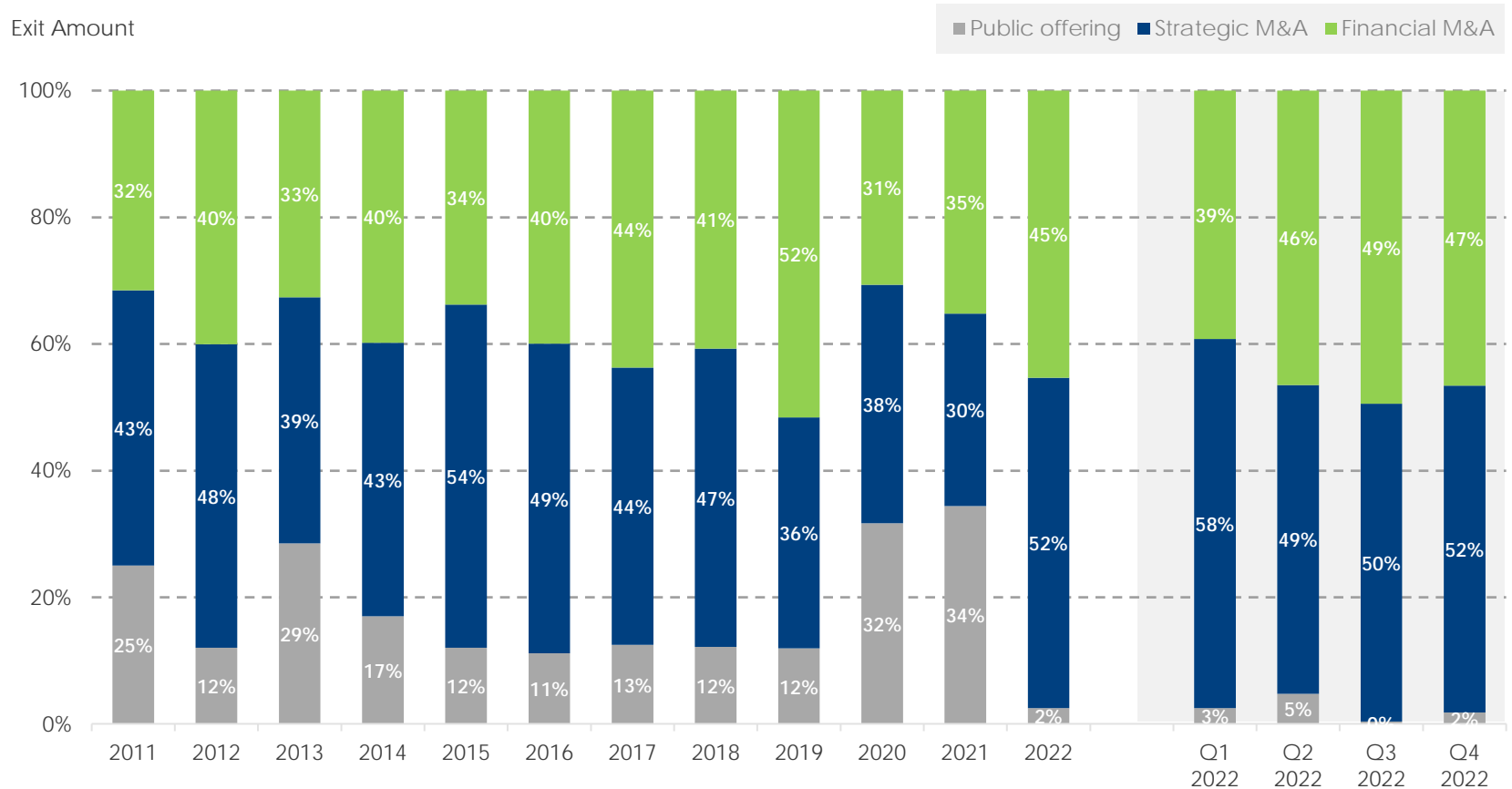
Six of the ten largest U.S. private equity exits during 2022-Q4 were strategic M&As

Rank	Company Name	Exit Type ¹	Date	Exit Size (Bil.)	Sellers
1	The Nielsen Company	Financial M&A	10/11/2022	\$16.00	Advisor Group, Cable Hill Partners, Comerica Bank, Elliott Management, GIC (Singapore), Integrated Partners, The WindAcre Partnership, YorkBridge Wealth Partners, Truist
2	Summit Medical Group	Strategic M&A	10/21/2022	\$8.90	CityMD, Consonance Capital
3	Westinghouse Electric Company	Financial M&A	10/13/2022	\$8.00	Brookfield Business Partners, The Baupost Group
4	Frontline Education	Strategic M&A	10/04/2022	\$3.73	Ares Capital Corporation BDC, Salmon River Capital, Thoma Bravo
5	Wind River Systems	Strategic M&A	12/23/2022	\$3.50	TPG
6	Skyway Concession Company	Strategic M&A	12/02/2022	\$2.01	CPP Investments, OMERS Infrastructure Management
7	Atlas Renewable Energy	Financial M&A	10/11/2022	\$2.00	Actis
8	Sequa	Financial M&A	11/23/2022	\$1.90	Littlejohn & Co., The Carlyle Group
9	Clearway Energy Group	Strategic M&A	10/27/2022	\$1.60	Global Infrastructure Partners
10	FireBird Energy	Strategic M&A	10/11/2022	\$1.60	Ontario Teachers' Pension Plan, RedBird Capital Partners

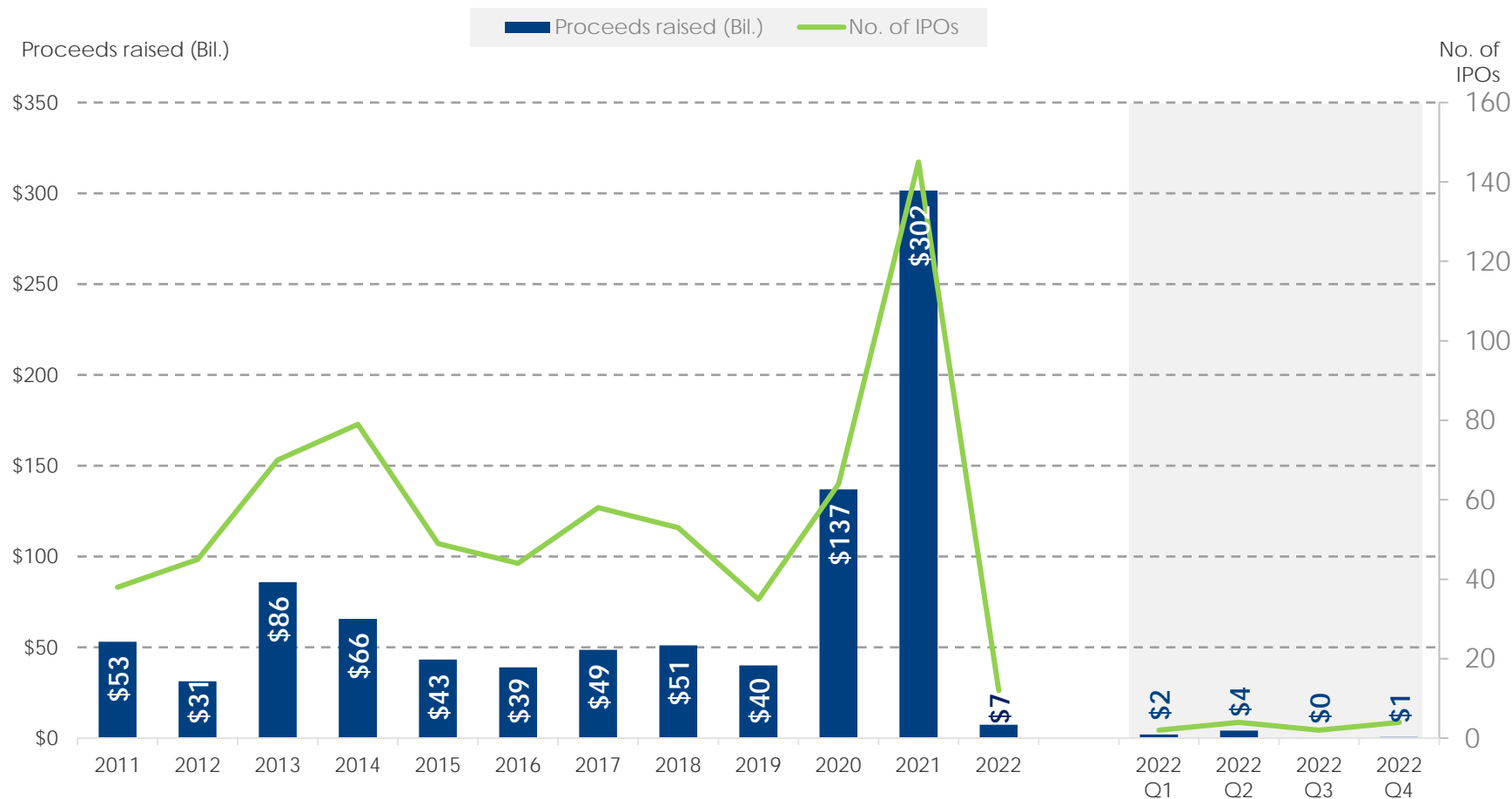
The 10 largest U.S. private equity exits in 2022 comprised 64% of the total exit volume

Rank	Company Name	Exit Type ¹	Date	Exit Size (Bil.)	Sellers
1	Athenahealth	Financial M&A	2/15/2022	\$17.0	Ares Capital Corporation BDC, Elliott Management, Evergreen Coast Capital, Veritas Capital
2	The Nielsen Company	Financial M&A	10/11/2022	\$16.0	Advisor Group, Cable Hill Partners, Comerica Bank, Elliott Management, GIC (Singapore), Integrated Partners, The WindAcre Partnership, Truist, YorkBridge Wealth Partners
3	McAfee	Financial M&A	03/01/2022	\$14.0	Thoma Bravo, TPG
4	Zynga	Strategic M&A	05/23/2022	\$12.7	JANA Partners, Mark Pincus
5	Anaplan	Financial M&A	06/21/2022	\$10.7	Coatue Management, Sachem Head Capital Management
6	Information Resources	Financial M&A	08/01/2022	\$8.00	Ares Capital Corporation BDC, Cohesive Capital Partners, Constitution Capital Partners, ICG Enterprise Trust, New Mountain Capital, Vestar Capital Partners
7	Signify Health	Strategic M&A	09/05/2022	\$8.00	New Mountain Capital
8	Westinghouse Electric Company	Financial M&A	10/13/2022	\$8.00	Brookfield Business Partners, The Baupost Group
9	Athene Holding	Strategic M&A	01/01/2022	\$7.15	N/A
10	Vonage Holdings	Strategic M&A	07/21/2022	\$6.20	JANA Partners

Strategic M&As accounted for 52% of all U.S. private equity exits in 2022, an increase from 30% in 2021



Proceeds raised from U.S. private equity-backed public offerings decreased 97.6% from \$302 billion in 2021 to \$7 billion in 2022

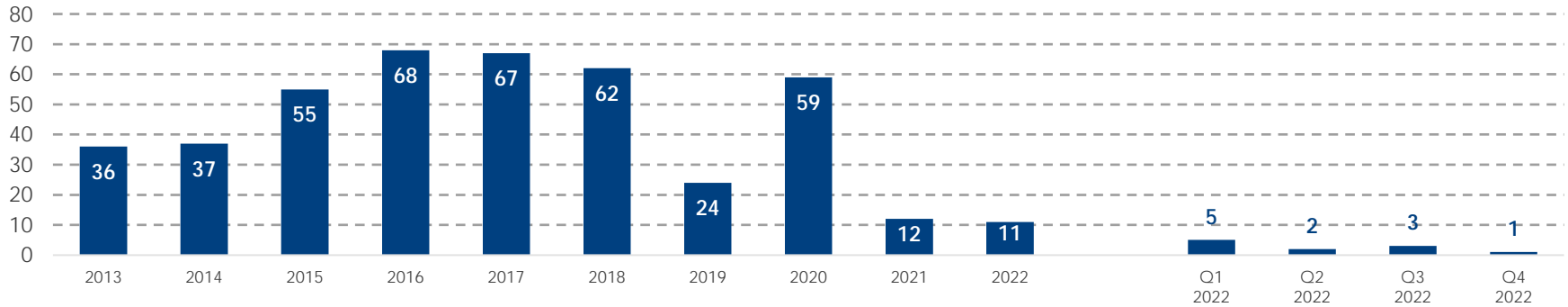


The largest U.S. private equity-backed IPO during 2022 was ~\$290 million

Rank	Company	Date	Exit Size (Bil.)	Sellers
1	ProFrac Services	05/13/2022	\$0.29	SDW Investments
2	Smart For Life	02/16/2022	\$0.01	Trilogy Capital Group

1 U.S. private equity-backed company filed for bankruptcy during 2022-Q4

No. of Bankrupt Companies



Bankruptcies of U.S. Private Equity-Backed Companies in 2022-Q4

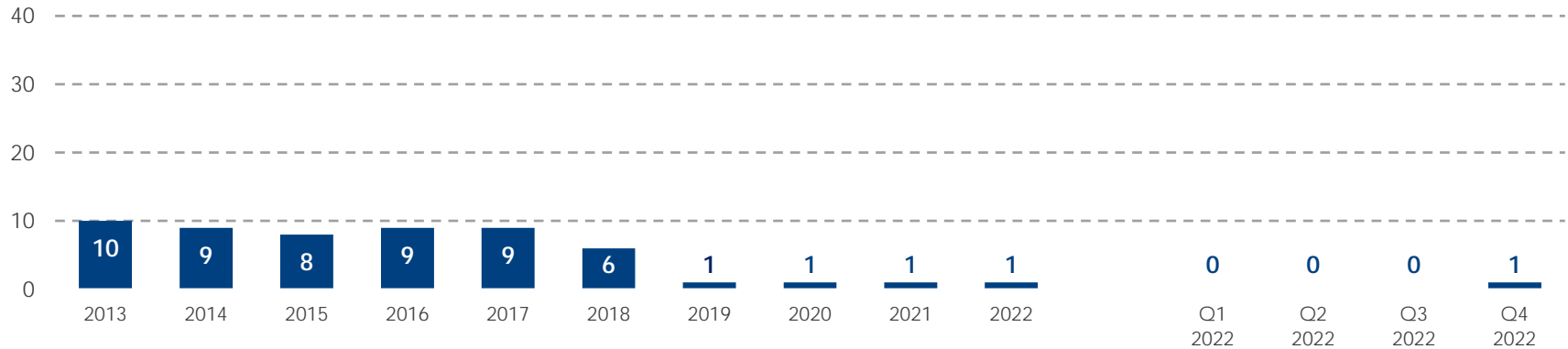
Company	Description	Date
Fast Radius	Commercial Services	11/07/2022

11 U.S. private equity-backed companies filed for bankruptcy in 2022, down from 12 bankruptcies in 2021

Company	Description	Date
37th Street Bakery	Consumer Product & Services	6/22/2022
Activa Resource	Energy	02/03/2022
Cool Mountain Transport	Commercial Services	08/05/2022
Corsicana Mattress	Consumer Durables	06/25/2022
Fast Radius	Commercial Services	11/07/2022
Fore Aero	Commercial Product	03/07/2022
MD Helicopter	Commercial Products	03/30/2022
Restore POC	Healthcare Device & Supplies	08/30/2022
Rockall Energy	Exploration, Production & Refining	03/09/2022
Ruby Pipeline	Energy Services	03/31/2022
SunGuard Availability Services	IT Services	04/11/2022

One bankrupt U.S. company received private equity investment in 2022-Q4

No. of Companies



Private Equity Investment in Bankrupt U.S. Companies in 2022-Q4

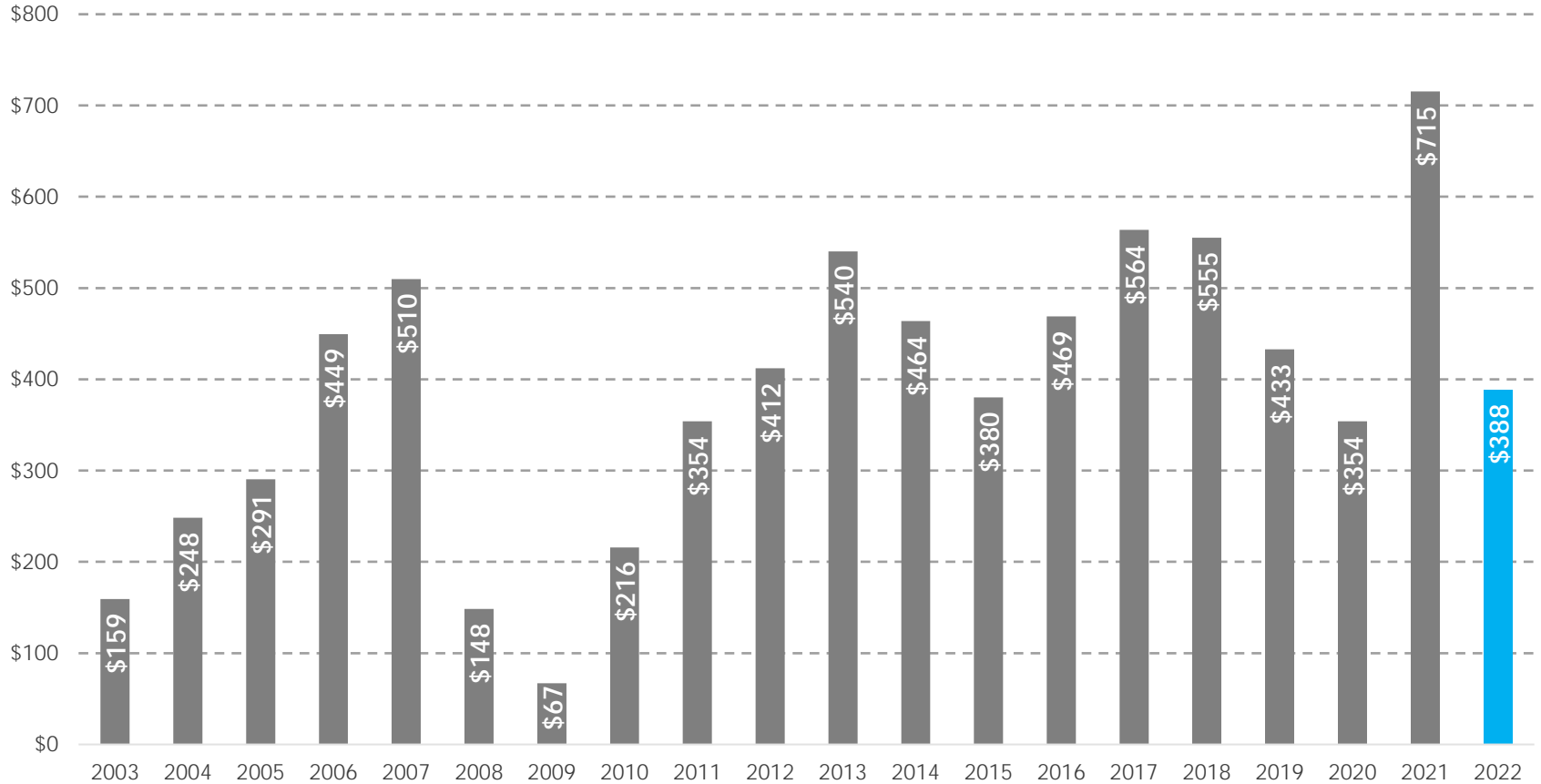
Company	Description	No. of Employees	Date	Investment Value (Mil.)	Financial Sponsor
Fast Radius	Commercial Services	219	12/19/2022	\$15.9	Crestview Partners

One bankrupt U.S. company received private equity investment during 2022

Company	Description	No. of Employees	Date	Investment Value (Mil.)	Financial Sponsor
Fast Radius	Commercial Services	219	12/19/2022	\$15.9	Crestview Partners

Leveraged loan volume for U.S. issuers decreased by 46% in 2022 to \$388 billion from \$715 billion in 2021

Loan Volume (Bil.)



Note: For the purpose of this report, leveraged loans include speculative-grade loans or unrated loans priced at or above LIBOR+125 basis points.
2018 Quarterly data is not equal to total 2018 data



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