

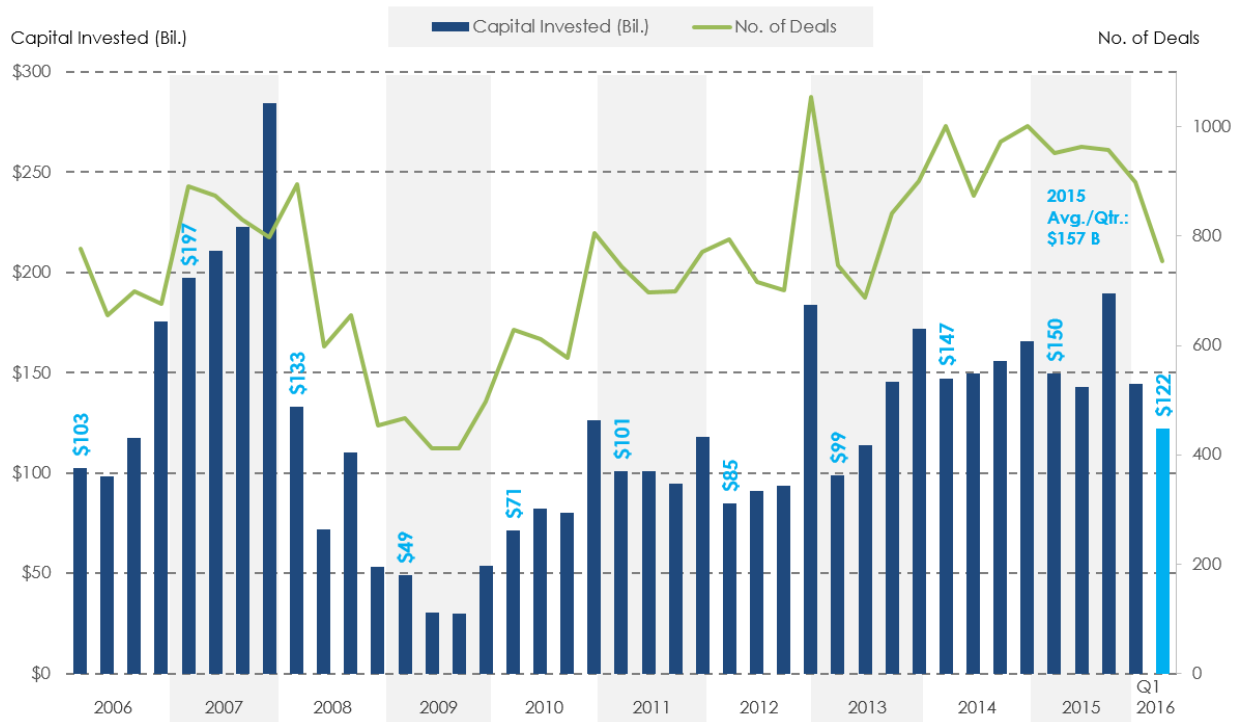
Private Equity Activity Cools in Q1-2016

Following several quarters of strong private equity activity, the industry experienced a slowdown in Q1-2016. Investment volume fell to \$122 billion, while equity contributions edged up to 47%. Fundraising volume dropped to \$59 billion, but remains at its highest Q1 level in the past decade. After its Q4 spike, exit volumes returned to Q1 levels consistent with the past few years at \$64 billion. Some key metrics of the private equity industry in Q1-2016 are:

	Current Level	Quarterly Change %
<p>U.S. PE INVESTMENT VOLUME SLOWS</p> <p>U.S. private equity investment volume dropped from \$144 billion in Q4-2015 to \$122 billion in Q1-2016.</p>	\$122 B	-15%
<p>EQUITY CONTRIBUTIONS INCREASE</p> <p>Total equity financing for U.S. leveraged buyouts increased to 47% in Q1-2016.</p>	47%	+11%
<p>U.S. FUNDRAISING FALLS</p> <p>Annual U.S. private equity fundraising volume decreased from \$77 billion in Q4-2015 to \$59 billion in Q1-2016.</p>	\$59 B	-23%
<p>DRY POWDER CONTINUES TO GROW</p> <p>Callable capital reserves (“dry powder”) of global buyout funds rose from \$460 billion in December 2015 to \$496 billion in December 2016.</p>	\$496 B	+8%
<p>EXIT VOLUMES DROP</p> <p>Annual U.S. private equity exit volume decreased from \$129 billion in Q4-2015 to \$64 billion in Q1-2016</p>	\$64 B	-50%

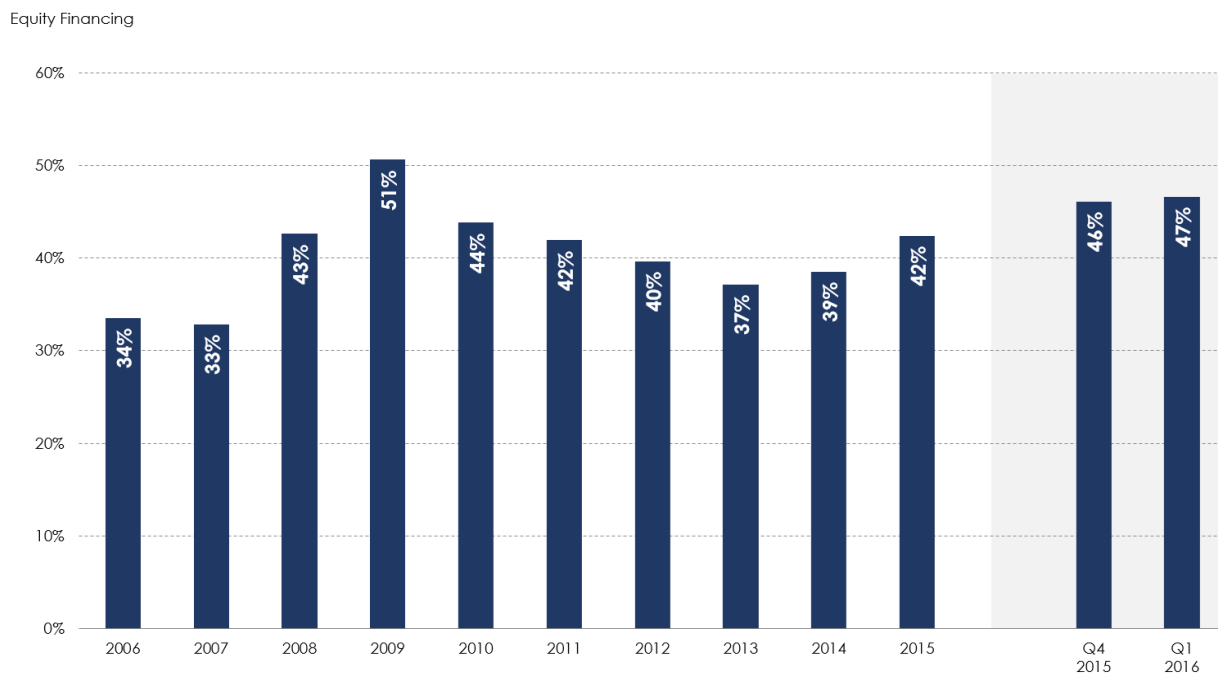
Note: Figures in this report are rounded. Percentage change calculations are based on actual figures and then rounded.

Fig 1 U.S. private equity investment volume fell to \$122 billion.



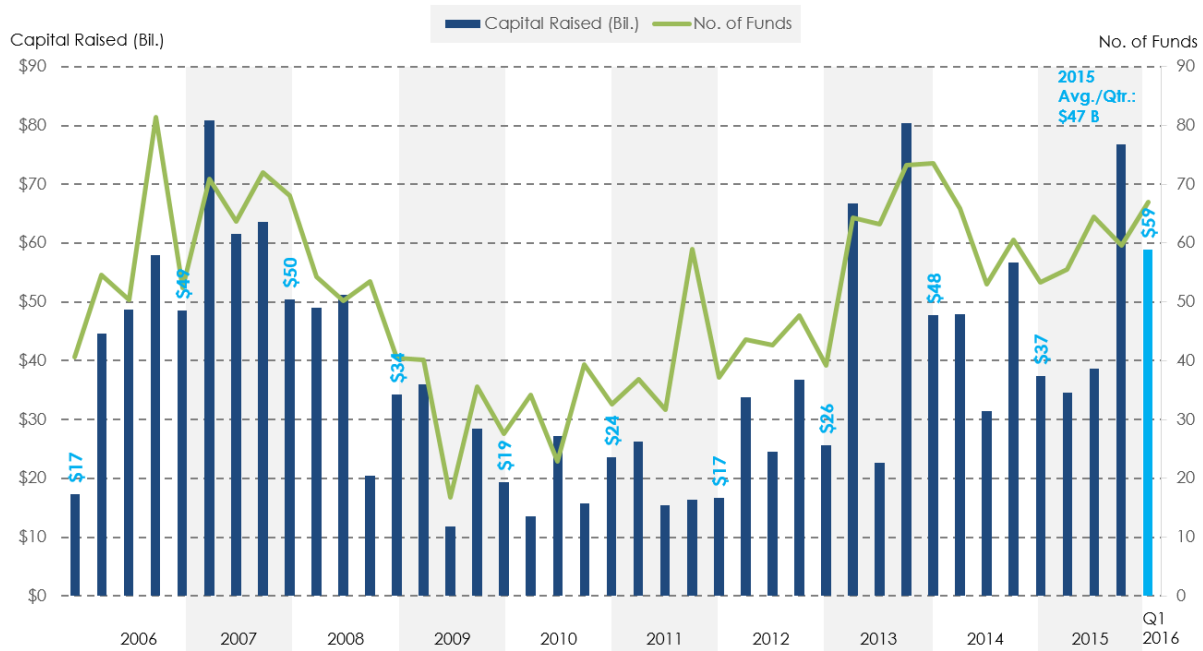
Source: PitchBook

Fig 2 The proportion of equity financing for U.S. leveraged buyouts rose to 47% from Q4-2015.



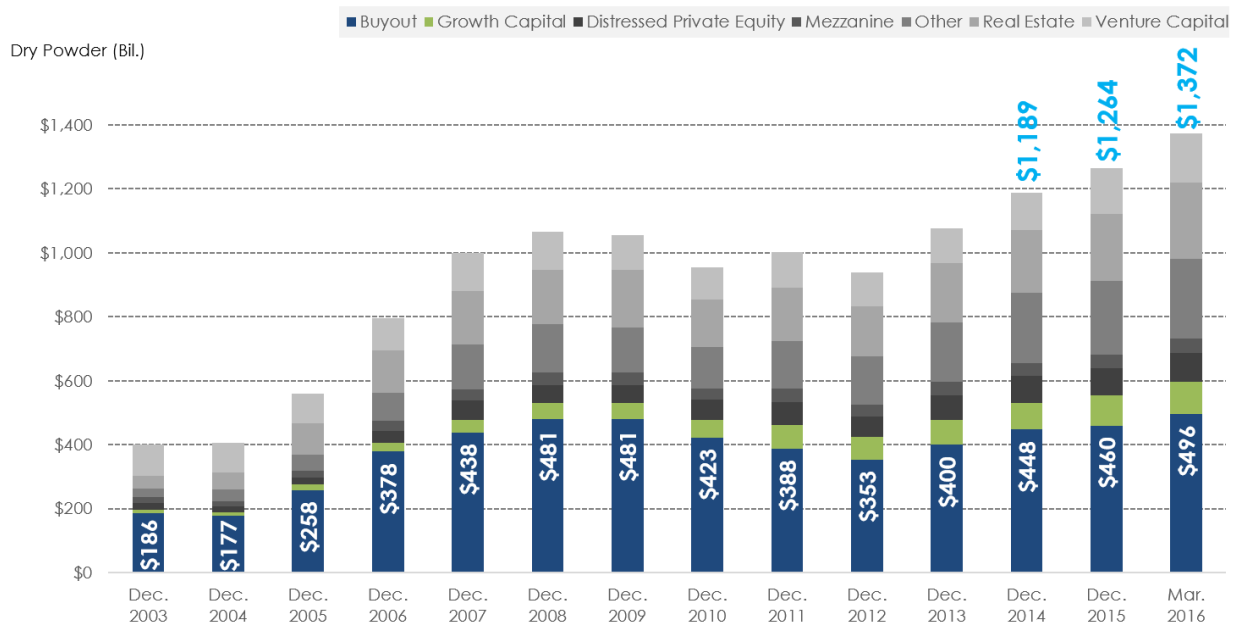
Source: Standard and Poor's Capital IQ Leveraged Commentary & Data

Fig 3 Capital raised by U.S. private equity funds decreased from the previous quarter to \$59 billion.



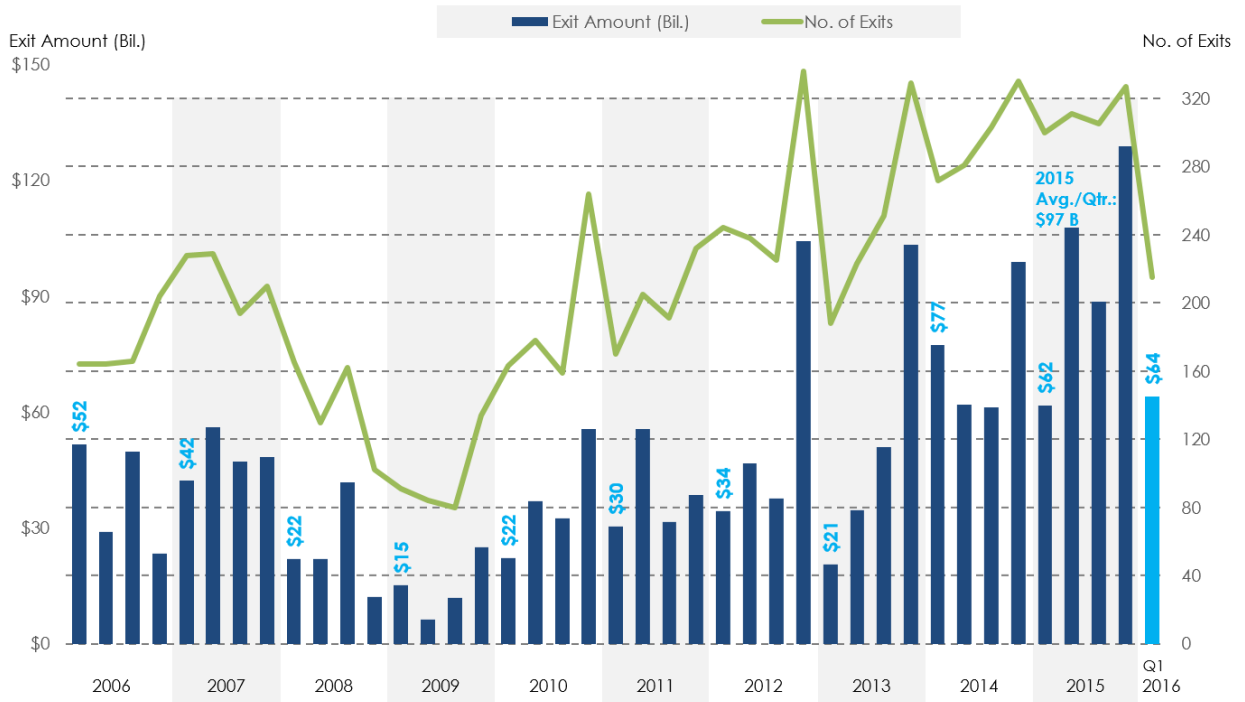
Source: PitchBook

Fig 4 Global callable capital reserves (“dry powder”) of buyout funds increased to \$496 billion as of March 2016.



Source: Preqin

Fig 5 U.S. private equity exit volume dropped from the previous quarter to \$64 billion.



Source: PitchBook