

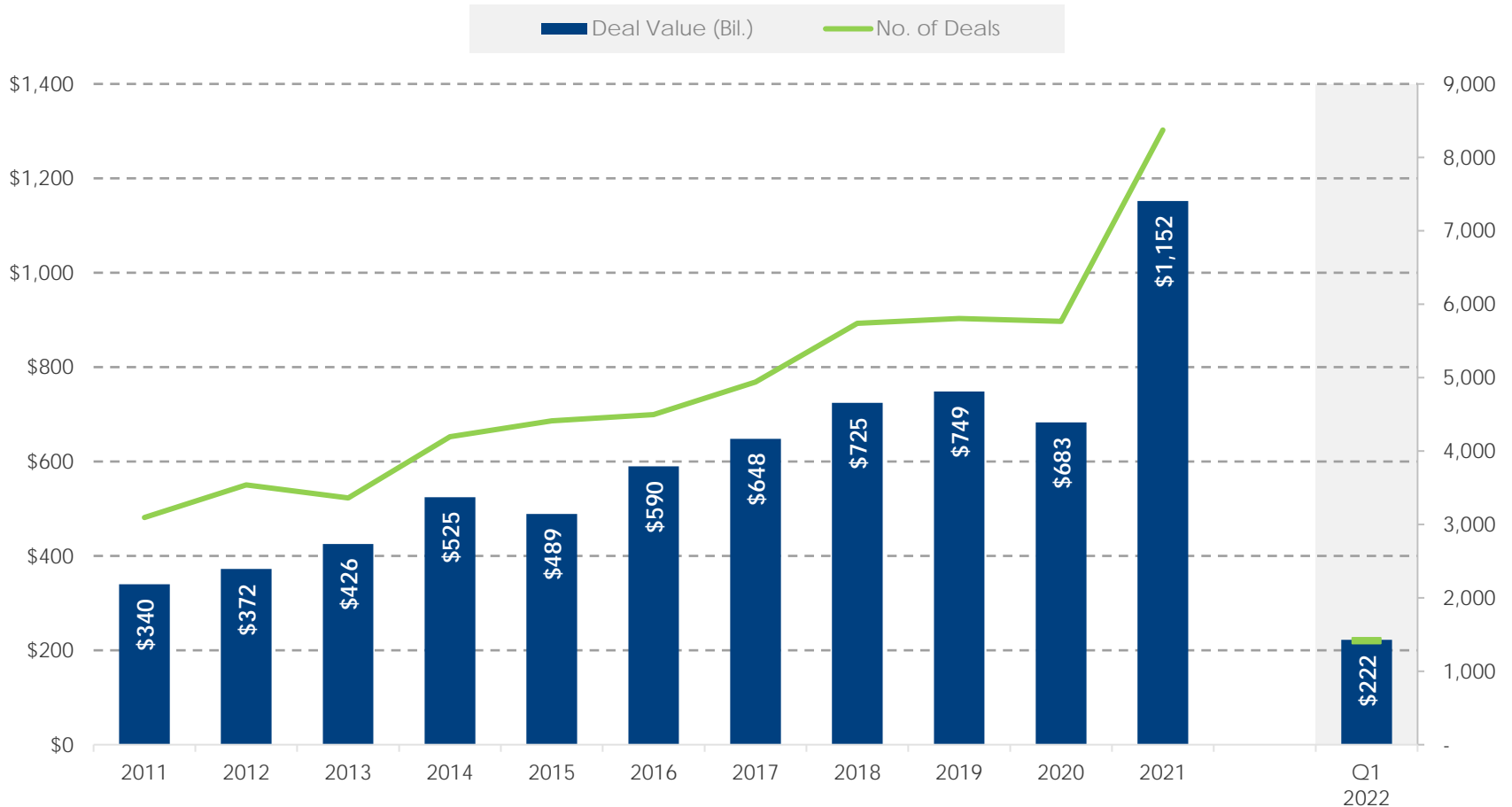
AMERICAN INVESTMENT COUNCIL

2022-Q1 Private Equity Trends

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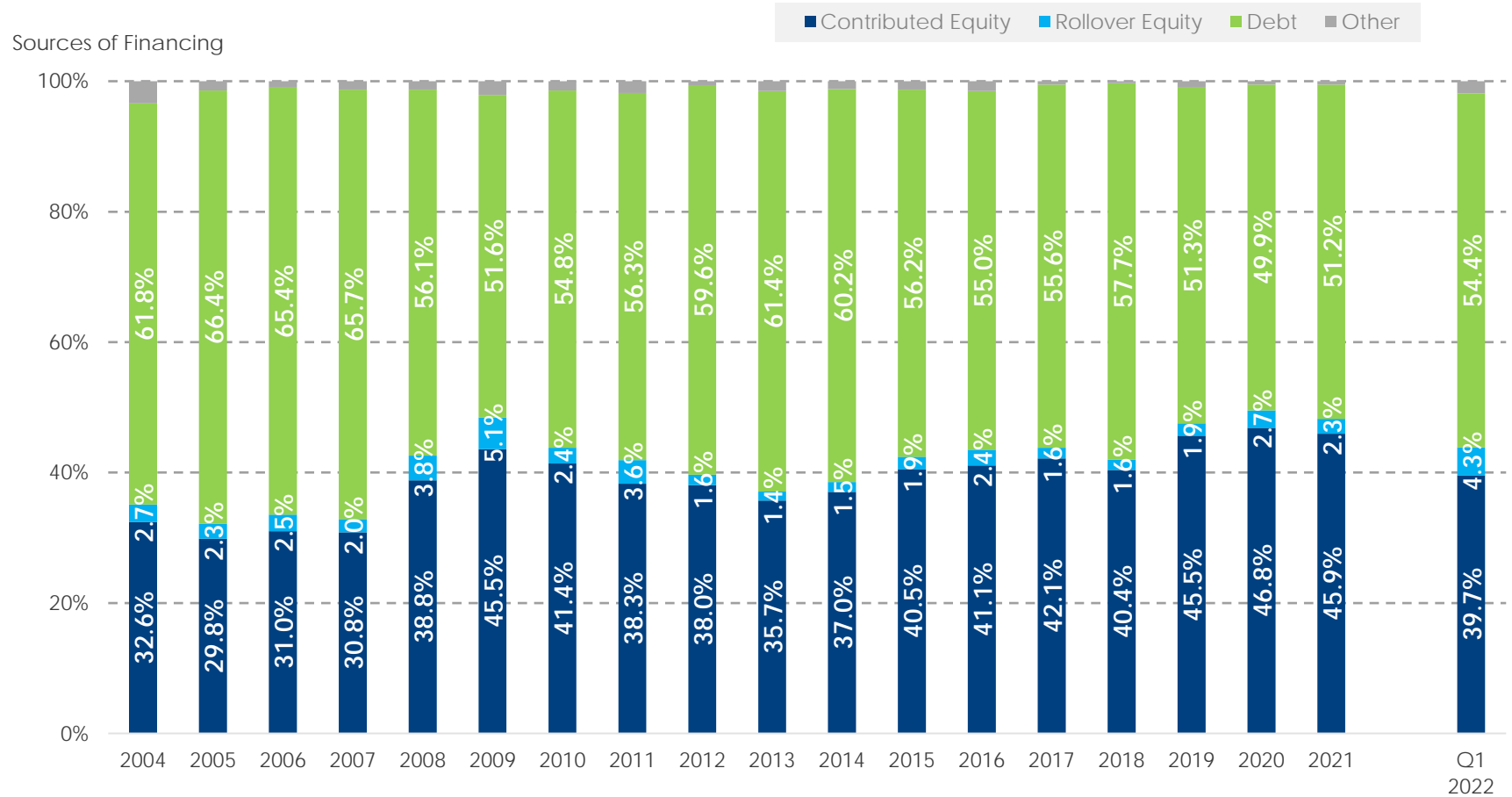
2022-Q1 Investment volume increased by 1% while the number of deals decreased by 24% compared to 2021-Q1



The 10 largest U.S. private equity deals in 2022-Q1 accounted for 31% of total deal value

Rank	Company	Description	Date	Investment Value (Bil.)	Financial Sponsor
1	Athenahealth	Enterprise Systems (Healthcare)	02/15/2022	\$17.00	Bain Capital, Bain Capital Tech Opportunities, Government of Singapore Investment Corporation, Hellman & Friedman, Ares Management
2	CyrusOne	Systems and Information Management	03/25/2022	\$15.00	Global Infrastructure Partners, Kohlberg Kravis Roberts, Migdal Insurance and Financial Holdings
3	McAfee	Network Management Software	03/01/2022	\$14.00	Abu Dhabi Investment Authority, Advent International, Canada Pension Plan Investment Board, Crosspoint Capital Partners, Government of Singapore Investment Corporation, Permira
4	Quest Software	Business/Productivity Software	02/02/2022	\$5.40	Clearlake Capital Group
5	Capital Automotive	Specialized Finance	02/17/2022	\$3.80	Ares Management
6	Duravant	Machinery (B2B)	03/14/2022	\$3.53	The Carlyle Group, Warburg Pincus
7	Azenta, Inc. (Semiconductor Solutions Group Business)	Application Specific Semiconductors	02/01/2022	\$3.00	Thomas H. Lee Partners
8	Invernergy	Energy Infrastructure	01/07/2022	\$3.00	Blackstone
9	Reebok America	Footwear	03/01/2022	\$2.50	Authentic Brands Group, CVC Capital Partners, HPS Investment Partners
10	Hexion Holdings	Industrial Chemicals	03/15/2022	\$2.00	American Securities

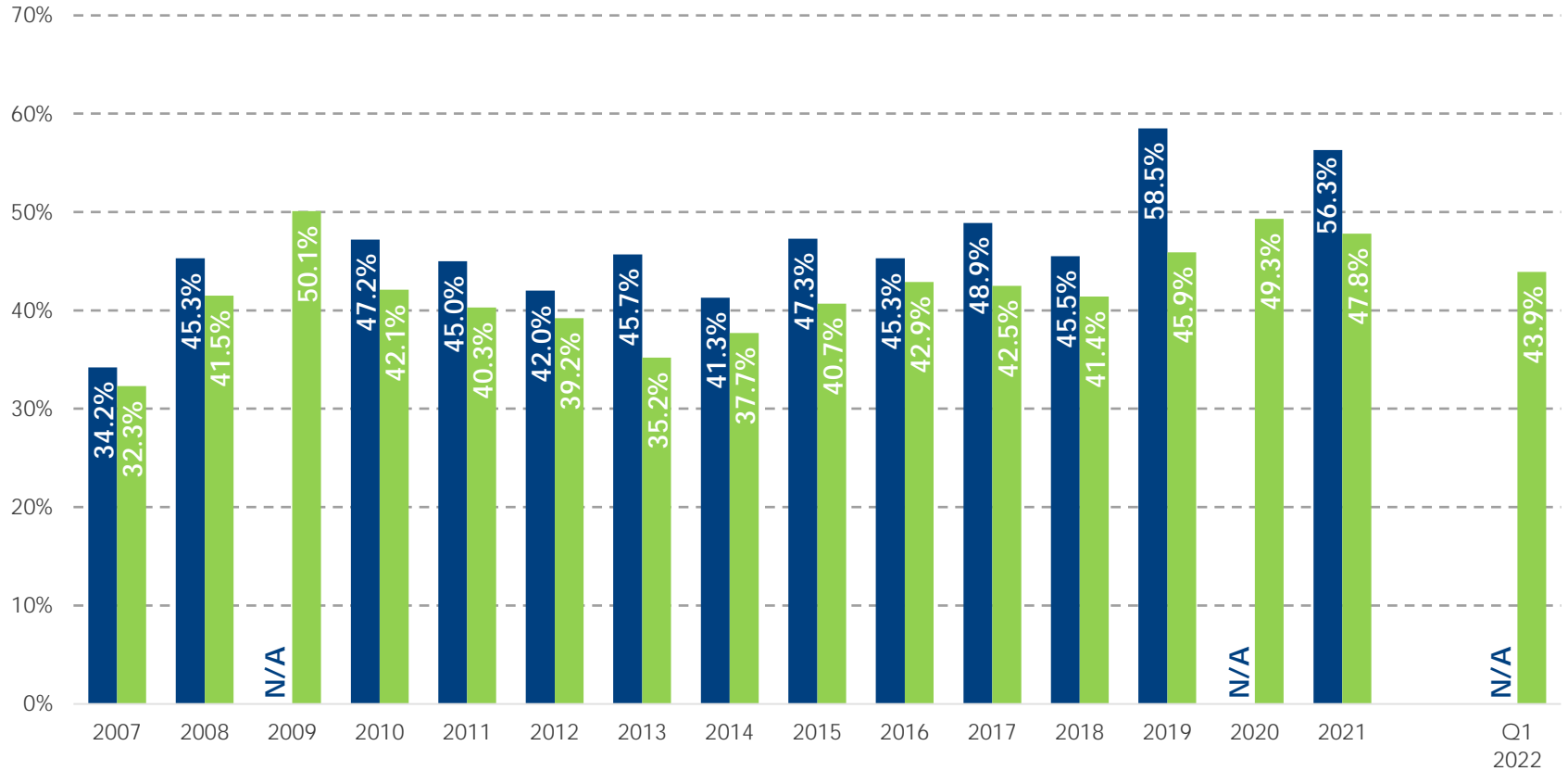
The average proportion of equity financing for LBO transactions decreased to 44.0% for 2022-Q1



Equity financing decreased to 43.9% for large corporate in 2022-Q1

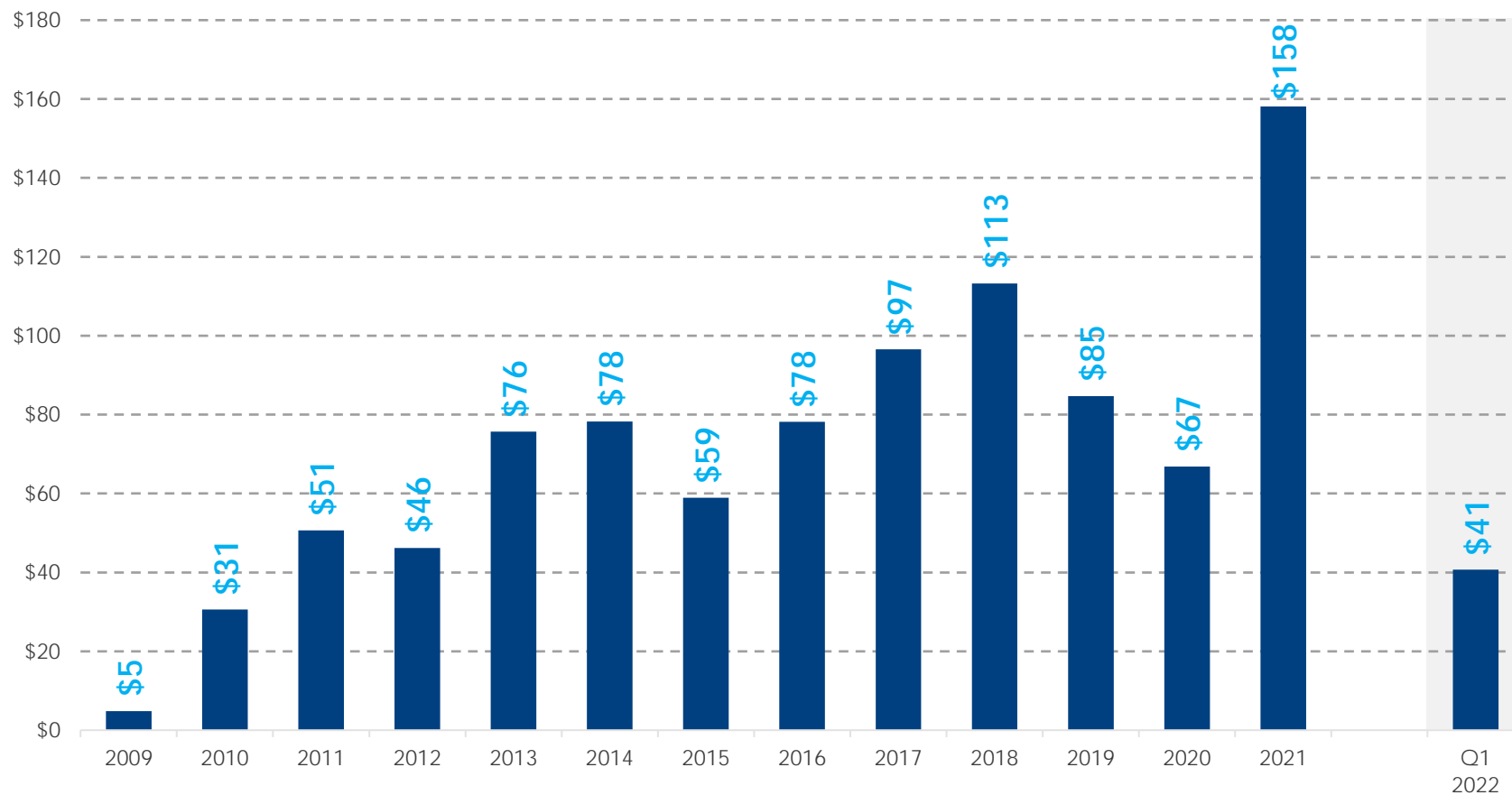
Equity Financing

■ Middle Market ■ Large Corporate



U.S. LBO loan volume in 2022-Q1 decreased 13.4% to \$41 billion as compared to 2021-Q1

Loan Volume (Bil.)

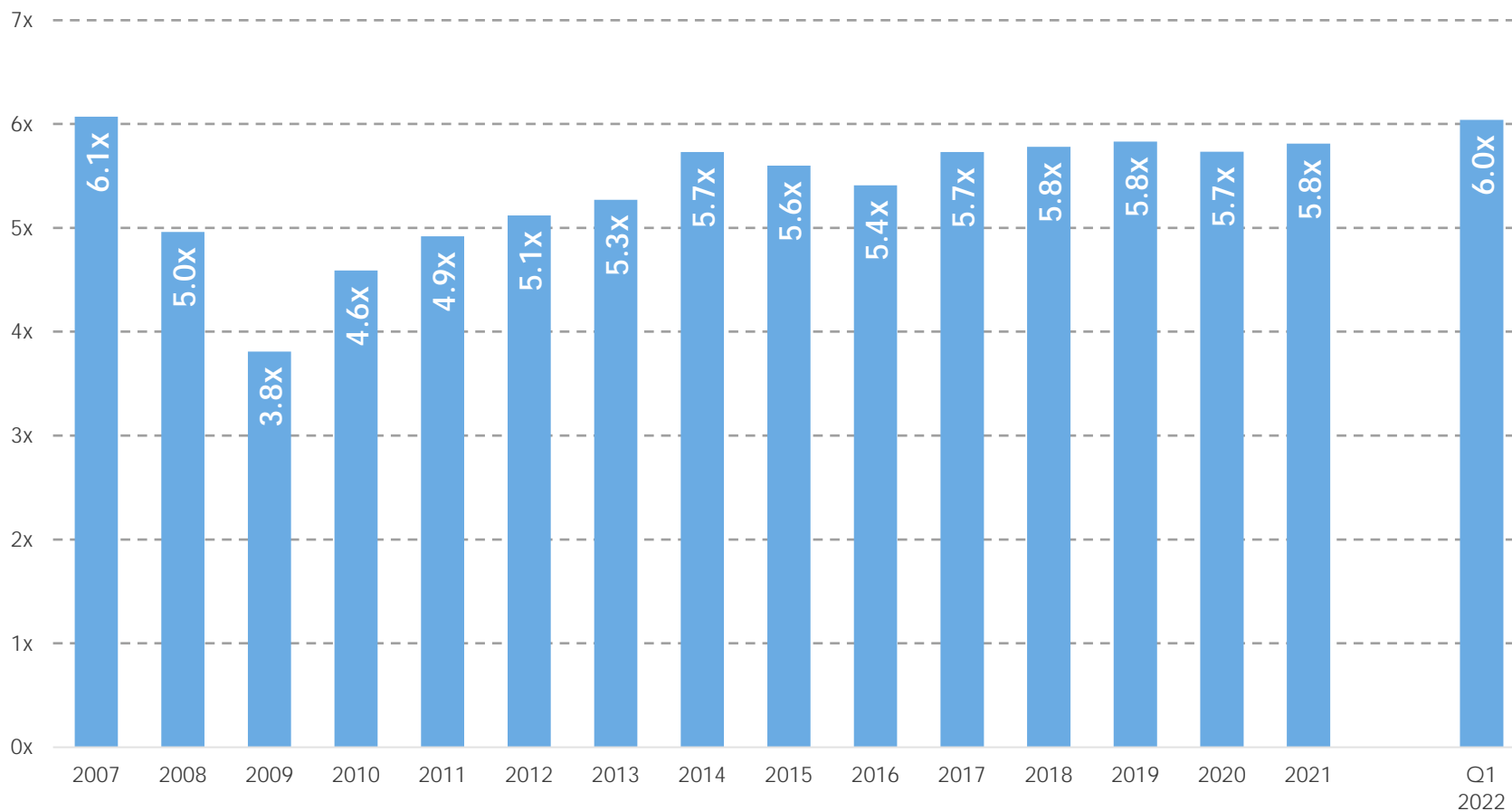


The 10 largest U.S. LBO loans in 2022-Q1 accounted for 81% of the total LBO loan volume

Rank	Company	Description	Launch Date ¹	Loan Value (Bil.)	Financial Sponsor
1	Athenahealth	Computers & Electronics	01/19/2022	\$7.90	Bain Capital
2	McAfee	Computers & Electronics	01/24/2022	\$6.16	Advent International
3	Quest/One Identity	Computers & Electronics	01/05/2022	\$3.98	Clearlake Capital Group
4	Novolex	Chemicals	03/21/2022	\$3.50	Apollo Management
5	Tropicana Products	Food & Beverage	01/12/2022	\$2.73	PAI Management
6	Scientific Games Lottery	Entertainment & Leisure	01/26/2022	\$2.54	Brookfield Business Partner
7	SPX Flow	Manufacturing & Machinery	03/08/2022	\$1.81	Lone Star Funds
8	Houghton Mifflin Harcourt Publishing	Printing & Publishing	03/22/2022	\$1.73	Veritas Capital
9	Hexion	Chemicals	02/15/2022	\$1.58	American Securities Capital Partners
10	Restaurant Technologies	Food & Beverage	03/09/2022	\$0.91	Energy Capital Partners

Average debt multiples for U.S. LBOs increased to 6.0x in 2022-Q1 as compared to 5.8x in 2021-Q1

Debt/EBITDA

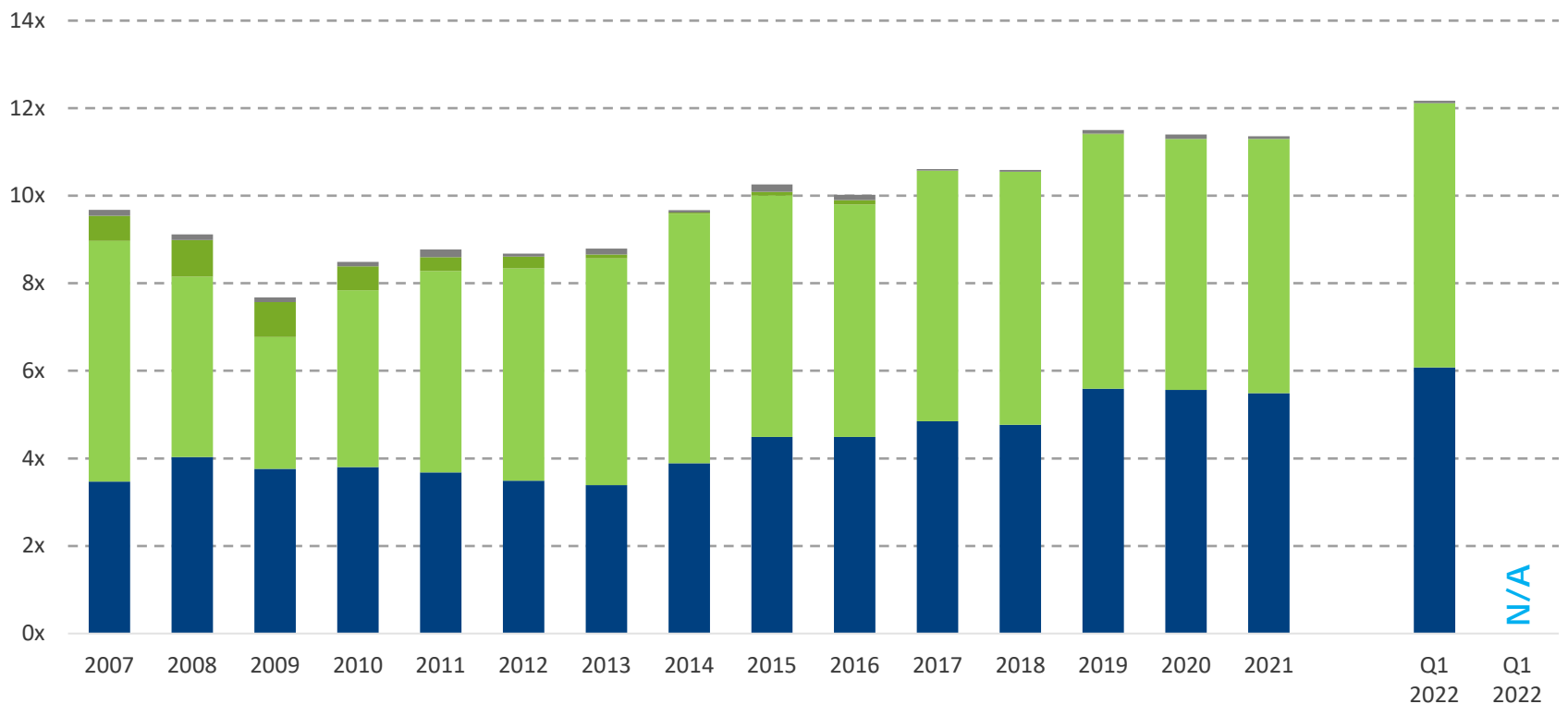


Note: EBITDA is adjusted for cost savings and synergies. Debt includes senior debt and subordinated debt.

The average purchase price multiples for U.S. LBOs increased to 12.2x in 2022-Q1 from 11.3x in 2021-Q4

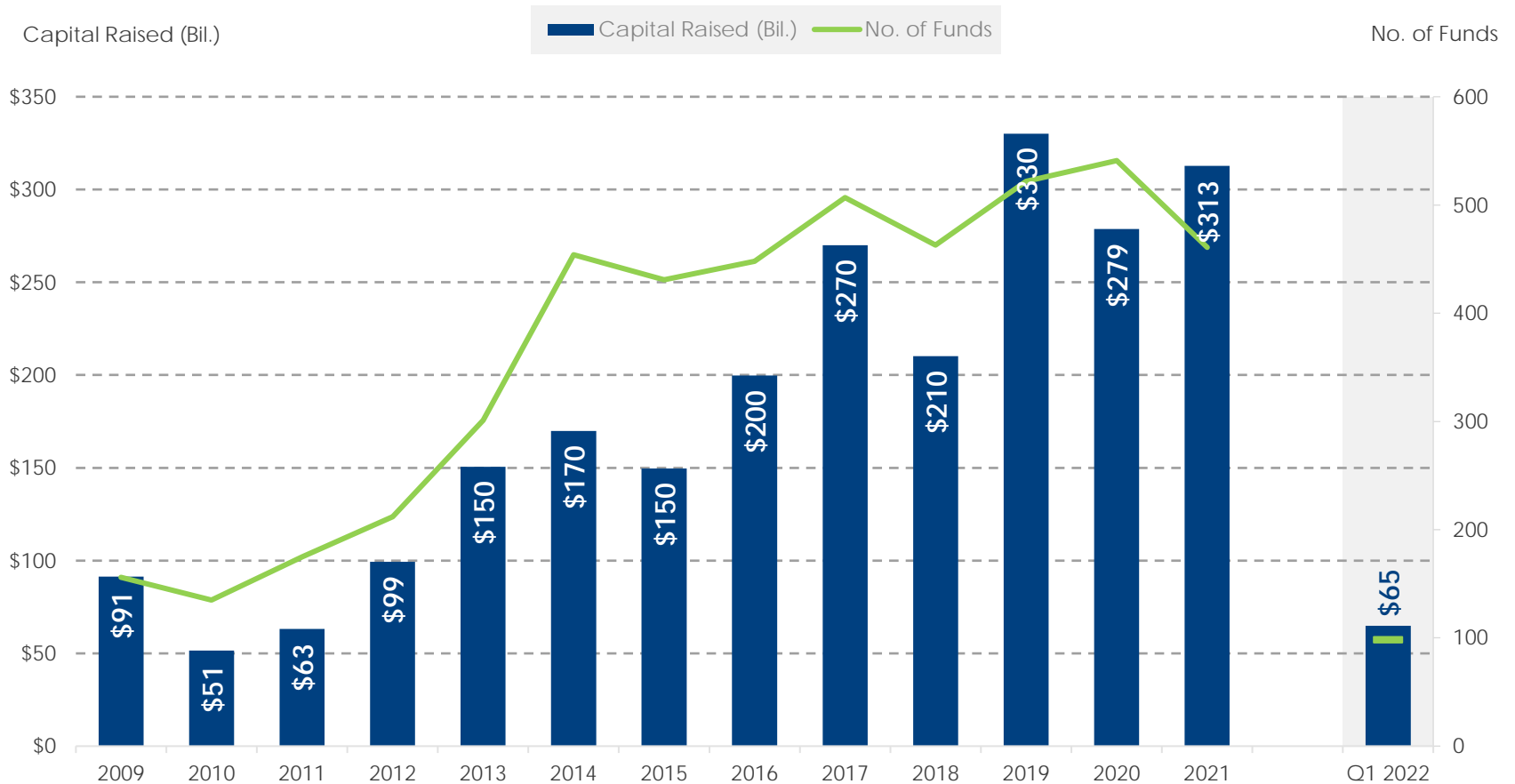
■ Equity/EBITDA ■ Senior Debt/EBITDA ■ Sub Debt/EBITDA ■ Others

Purchase Price Multiple



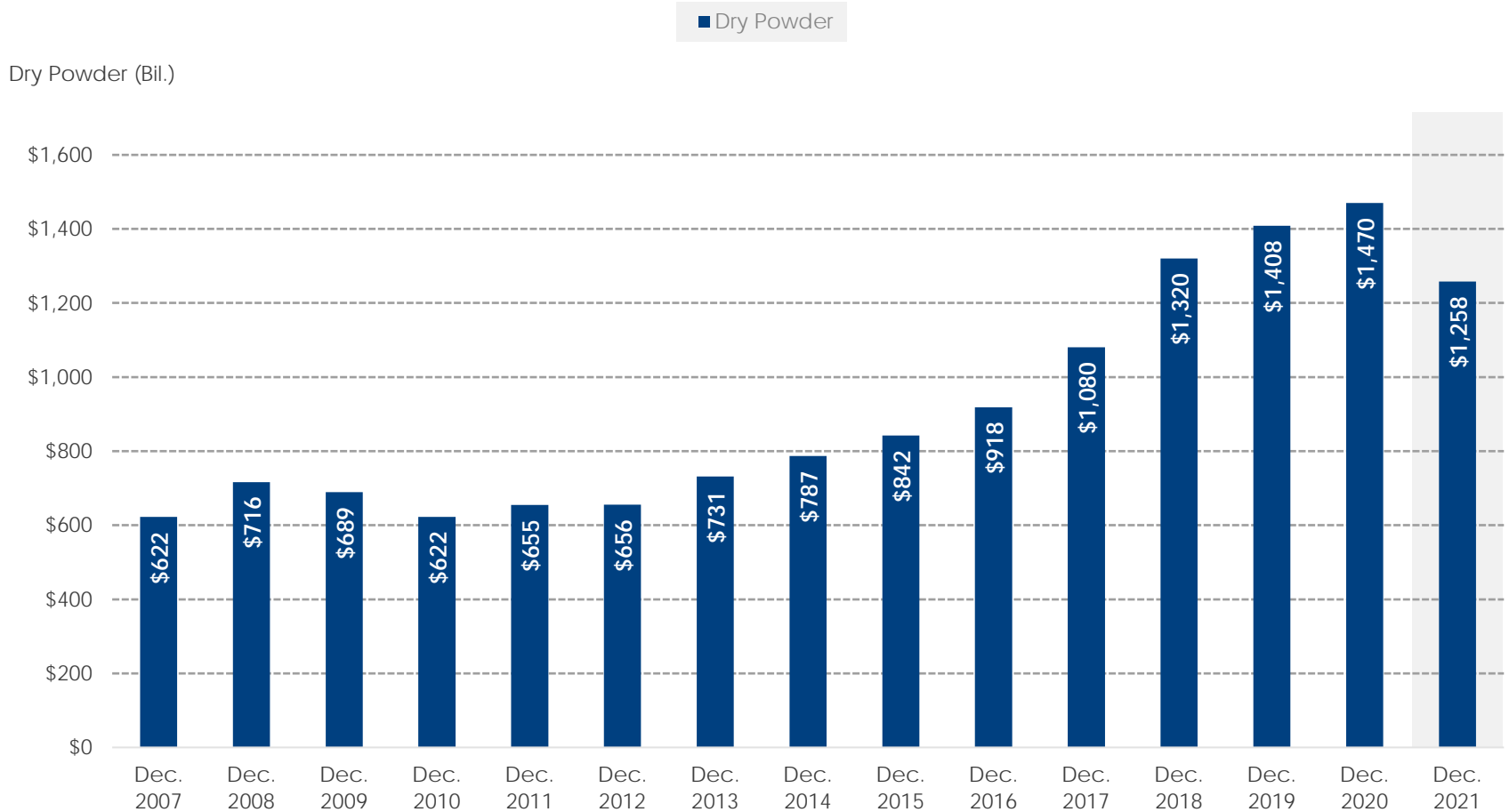
Note: EBITDA is adjusted for cost savings and synergies.
¹ Average purchase price multiples for Three months ending Mar, 2022.

Annual U.S. private equity fundraising volume reached \$65 billion in 2022-Q1



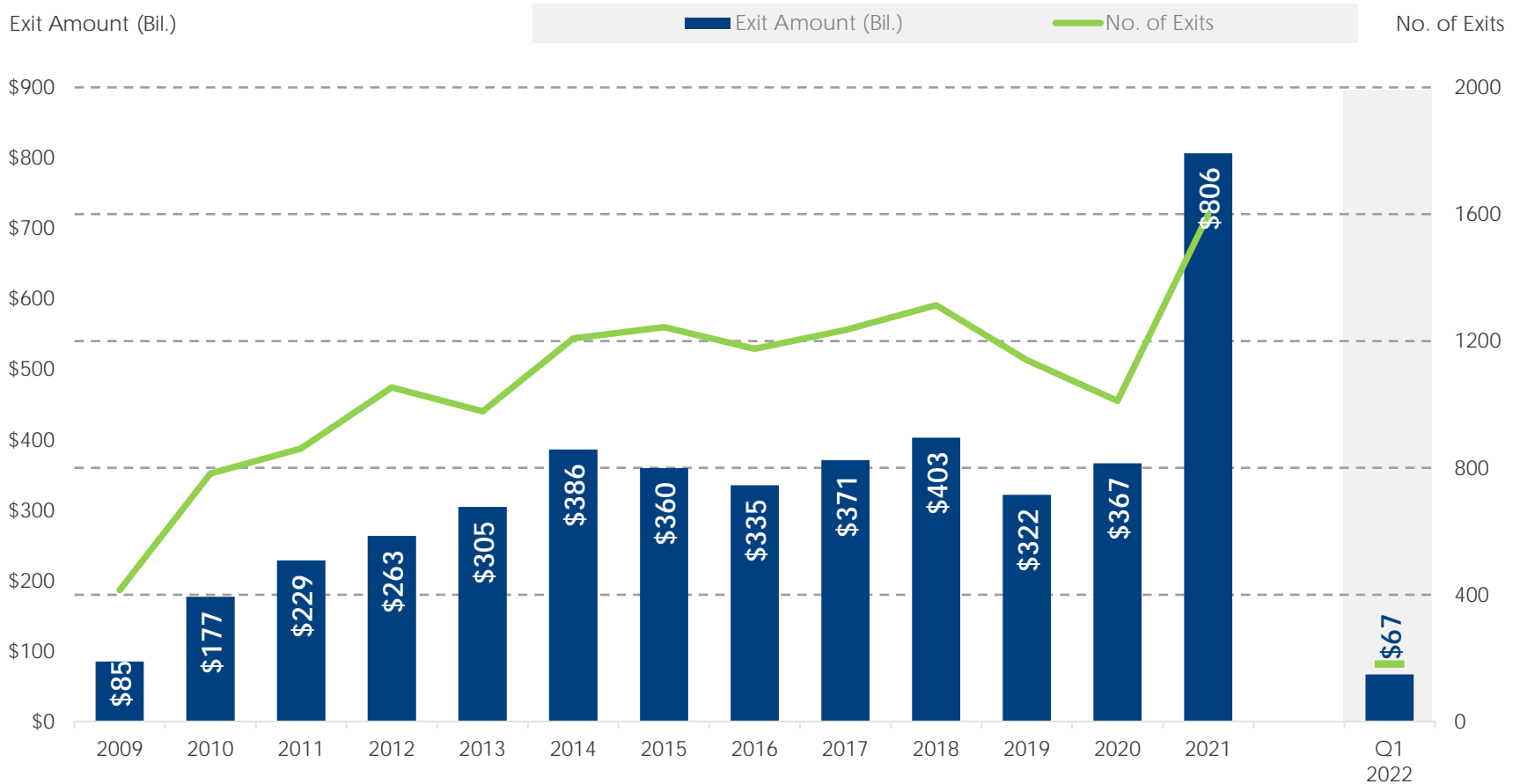
Note: Graph above reflects data from buyout, diversified equity, growth equity, infrastructure and energy funds.

U.S. callable capital reserves (“dry powder”) of private equity funds decreased to \$1.26 trillion as of December 2021



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

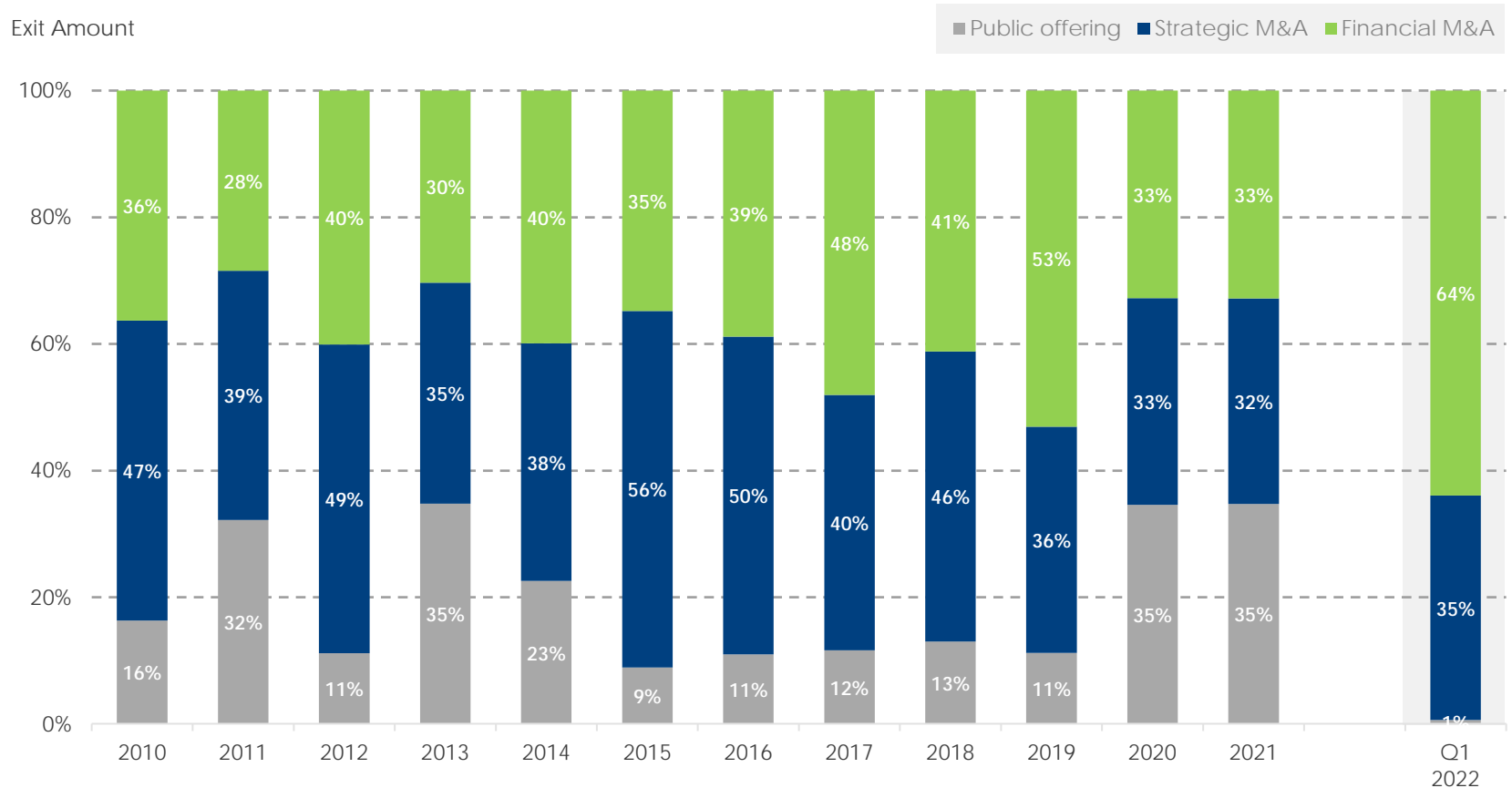
Annual U.S. exit volume decreased 56% from 2021-Q1 to \$67 billion in 2022-Q1



Five of the ten largest U.S. private equity exits during 2022-Q1 were strategic M&As

Rank	Company Name	Exit Type ¹	Date	Exit Size (Bil.)	Sellers
1	Athenahealth	Financial M&A	02/15/2022	\$17.00	Ares Capital Corporation BDC, Elliott Management, Evergreen Coast Capital, Veritas Capital
2	McAfee	Financial M&A	03/01/2022	\$14.00	Thoma Bravo, TPG
3	Athene Holding	Strategic M&A	01/03/2022	\$7.15	N/A
4	Quest Software	Financial M&A	02/02/2022	\$5.40	Elliott Management, Fisher Lynch Capital, Francisco Partners
5	Phillips 66 Partners	Strategic M&A	03/09/2022	\$3.40	Stonepeak Infrastructure Partners, TortoiseEcofin
6	Navitas Midstream Partners	Strategic M&A	02/17/2022	\$3.25	Sallyport Investments, Warburg Pincus
7	Forterra	Strategic M&A	03/18/2022	\$2.74	Lone Star Funds
8	Magellan Health	Strategic M&A	01/04/2022	\$2.20	BlackRock, Dimensional Fund Advisors, Starboard Value
9	Hexion Holdings	Financial M&A	03/15/2022	\$2.00	Apollo Global Management
10	PAE	Financial M&A	02/15/2022	\$1.90	Gores Holdings III, Platinum Equity

Financial M&A accounted for 64% of all U.S. private equity exits in 2022-Q1, up from 26% in 2021-Q1



Annual proceeds raised from U.S. private equity-backed public offerings fell to \$400 million in 2022-Q1

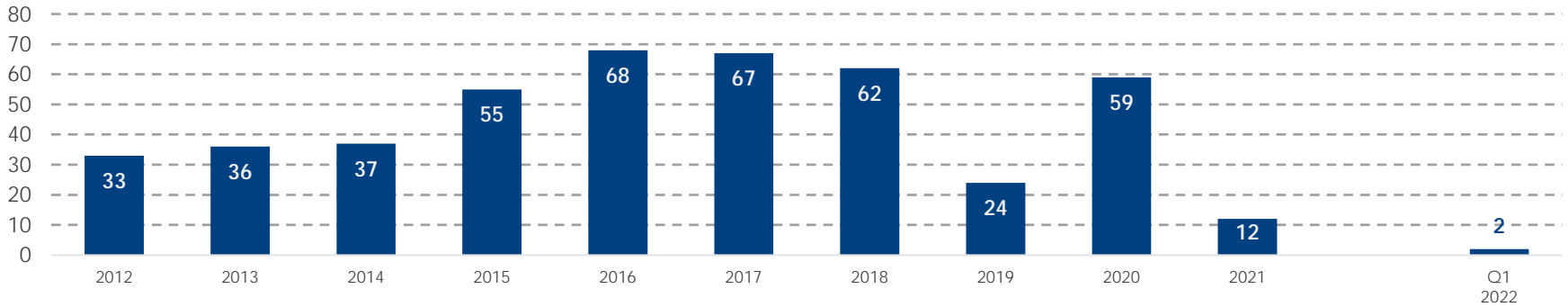


The U.S. private equity-backed initial public offering during 2022-Q1 was for \$14.4 million

Rank	Company	Date	Exit Size (Mil.)	Sellers
1	Smart for Life	2/18/2022	\$14.4	Trilogy Capital Group

2 U.S. private equity-backed companies filed for bankruptcy during 2022-Q1

No. of Bankrupt Companies

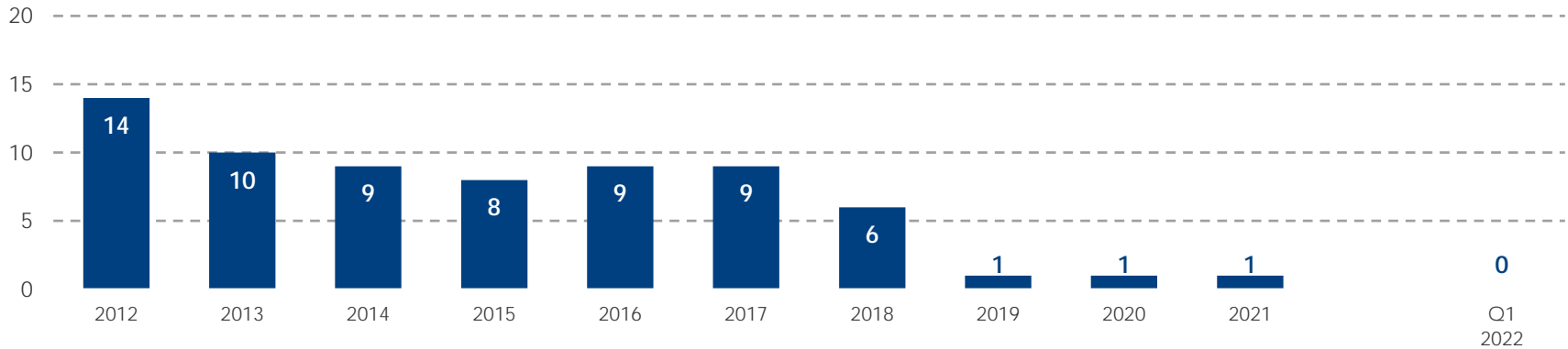


Bankruptcies of U.S. Private Equity-Backed Companies in 2022-Q1

Company	Description	Date
Activa Resources	Exploration, Production and Refining	02/03/2022
Fore Aero	Commercial Products	03/07/2022

No bankrupt U.S. company received private equity investment in 2022-Q1

No. of Companies

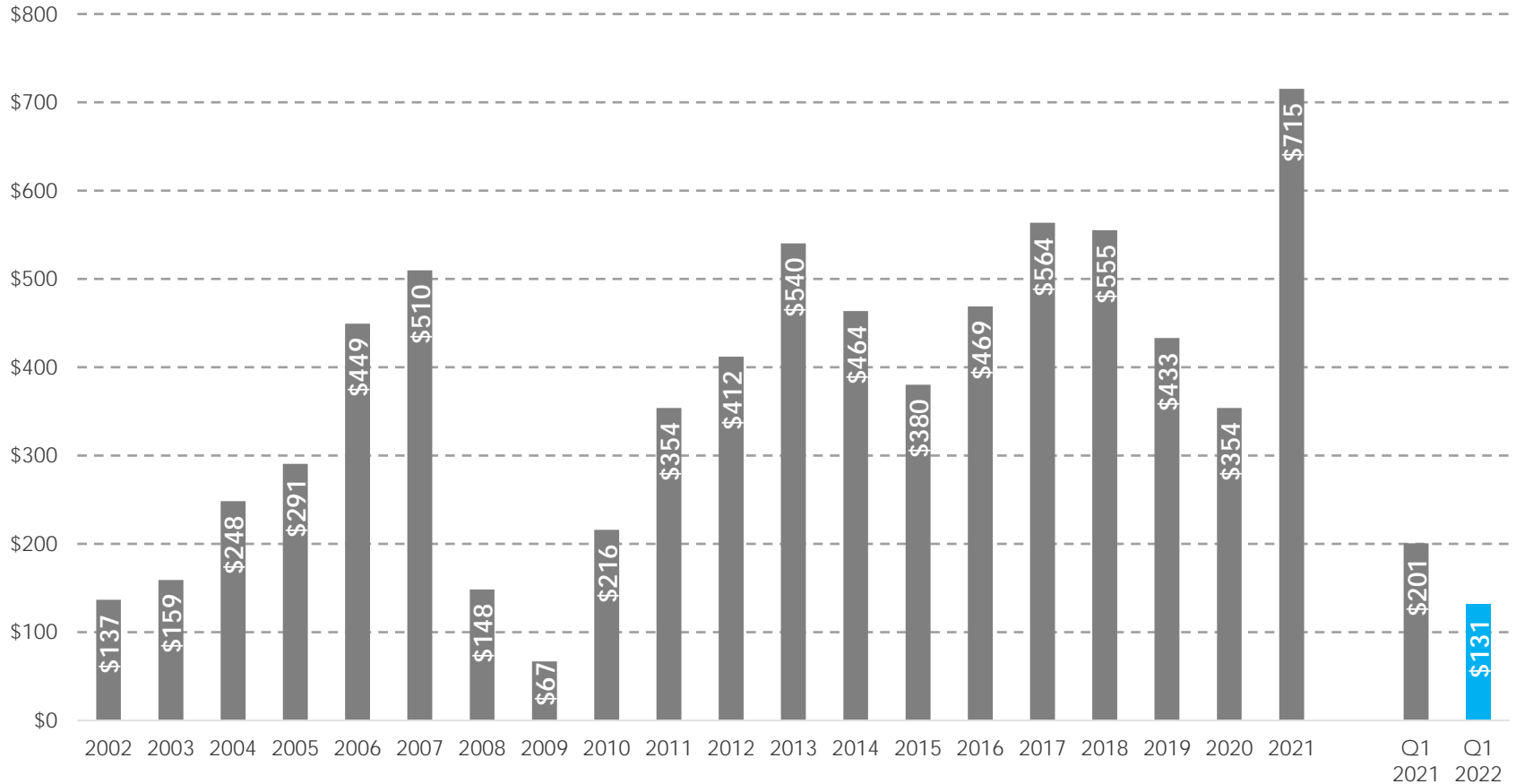


Private Equity Investment in Bankrupt U.S. Companies in 2022-Q1

Company	Description	No. of Employees	Date	Investment Value (Mil.)	Financial Sponsor
-	-	-	-	-	-

Leveraged loan volume for U.S. issuers decreased by 35% in 2022-Q1 to \$131 billion from 2021-Q1

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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