

Buyout Deal Activity Keeps its Momentum in 2017

Number of deals keeps track with recent years, while total value rises from 2016

In 2017, private equity-backed buyout deals remained on par with 2016's deal activity, with 4,191 deals worth a total of \$347bn. Preqin expects these figures to rise by about 5% as more information becomes available, putting the year broadly level with the 4,271 deals completed in 2016 for a combined \$340bn. While deals of less than \$100mn accounted for the largest proportion of the number of deals, deals of \$1bn or more accounted for almost 70% of all deal value in 2017. North America attracted the most capital through the year, with 2,284 deals announced for a total of \$175bn.

Asia, meanwhile, marked a record year for private equity-backed deal activity in 2017, mostly due to the two record-setting deals in the region. The JPY 2.00tn acquisition of Japan-based Toshiba Memory Corporation by investors including Apple Inc. and Bain Capital was the largest buyout deal of the year globally, as well as the largest ever buyout deal in Asia. While the second largest deal of 2017 was in the US, the third largest was in Singapore – Global Logistic Properties Limited was acquired by multiple investors for \$12bn. These two deals alone have driven the record total, accounting for over half of all Asia buyout deal value in 2017.

For more information, see the full 2017 Preqin Private Equity-Backed Buyout Deals & Exits factsheet here:
<https://docs.preqin.com/reports/Buyout-Deals-And-Exits-2017.pdf>

Key 2017 Private Equity-Backed Buyout Deal and Exit Facts:

- **In 2017, 4,191 deals were announced, worth a total of \$347bn.** This is similar to deal activity in 2016, when 4,271 deals had an aggregate deal value of \$340bn.
- North America saw the greatest buyout deal activity, with 2,284 deals worth \$175bn. **Asia marked a record high in total deal value, with 195 deals worth \$63bn.**
- **A large proportion of deal value in Asia came from two deals:** the acquisition of Toshiba Memory Corporation for JPY 2.00tn, and of Global Logistic Properties Limited for SGD 16bn.
- Small deals of less than \$100mn accounted for 51% of the number of deals announced in 2017, while making up just 3% of total deal value. By contrast, **deals of \$1bn or more accounted for 11% of number of deals and 69% of deal value.**
- Deals made in industrials made up the largest proportion of the number of deals (22%), while **investments in information technology accounted for the largest proportion of deal value** (19%).
- Additionally, although public-to-private deals accounted for just 2% of deals made in 2017, they made up over a quarter (29%) of total deal value.
- **Buyout-backed exits fell compared to 2016, with 1,674 exits announced worth a combined \$250bn.** This is the third consecutive year in which buyout-backed exit values have fallen.

Christopher Elvin, Head of Private Equity Products:

“Despite a strong Q3, 2017 ultimately has not broken 2015's record for total private equity-backed deal value. However, the year does highlight the sustained deal-making activity the market has seen, with more than 4,000 deals announced for the fourth consecutive year. Despite concerns over the effect that deal pricing and competition were having on the market, it seems that fund managers are still able to deploy capital into a large number of deal opportunities.

What is particularly encouraging in this context is the flourishing deal-making market in Asia. Traditionally, private equity in the region has centred more on the growth and venture capital segments, with buyout deal activity sometimes seeming lacklustre. However, large deals in the region point to a renewed focus from fund managers on the developed economies in the region, while continued maturation of markets in China and India may provide a burgeoning number of opportunities in the coming months.”

Preqin is the leading source of information for the alternative assets industry, providing insight and analysis gathered by its global teams of dedicated researchers. Founded in 2003, the company is a frequent source of intelligence used in the global financial press, through its online databases, regular publications and bespoke data requests.

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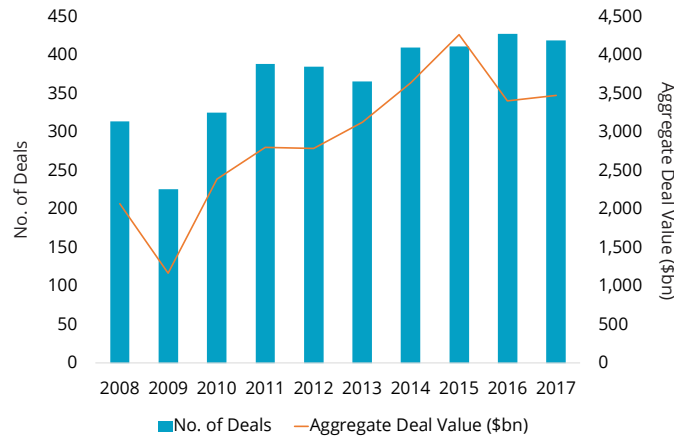
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2017 BUYOUT DEALS AND EXITS

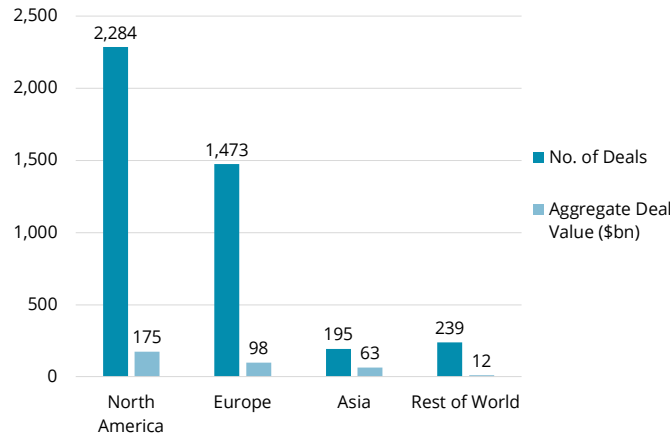
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Fig. 1: Global Private Equity-Backed Buyout Deals, 2008 - 2017



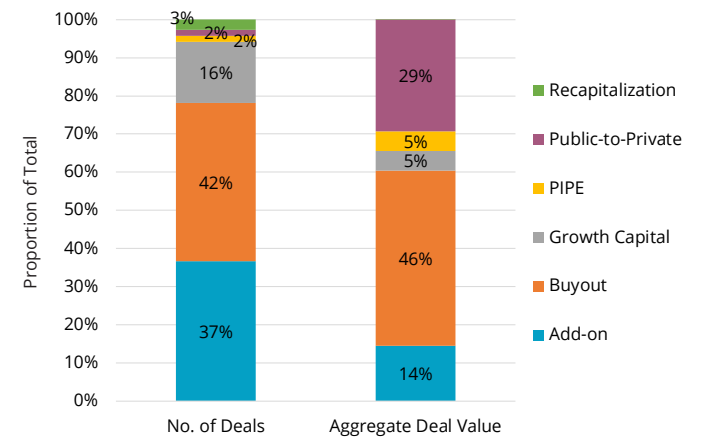
Source: Preqin Private Equity Online

Fig. 2: Private Equity-Backed Buyout Deals in 2017 by Region



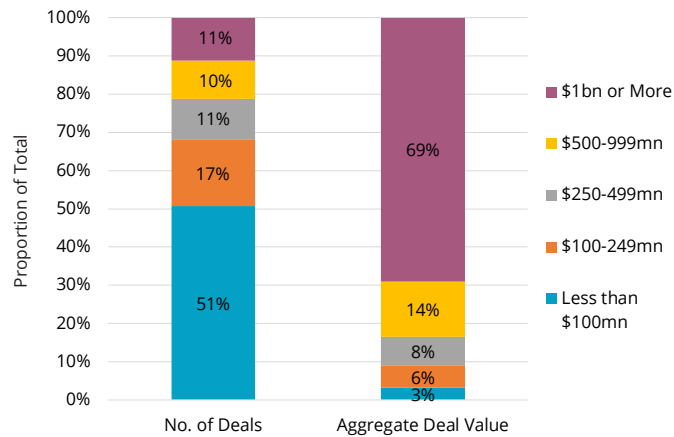
Source: Preqin Private Equity Online

Fig. 3: Private Equity-Backed Buyout Deals in 2017 by Type



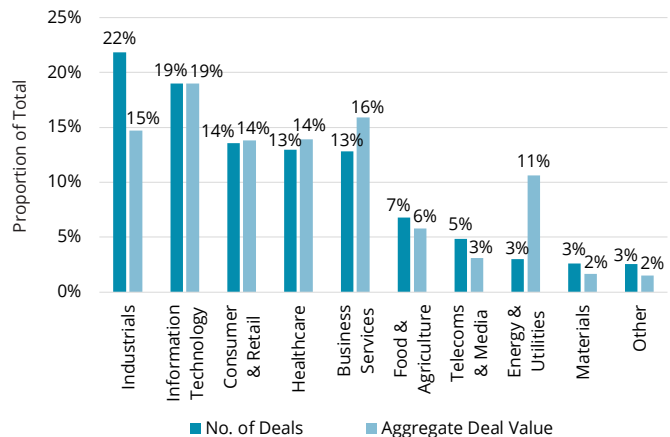
Source: Preqin Private Equity Online

Fig. 4: Private Equity-Backed Buyout Deals in 2017 by Value Band



Source: Preqin Private Equity Online

Fig. 5: Private Equity-Backed Buyout Deals in 2017 by Industry



Source: Preqin Private Equity Online

KEY FACTS



4,191

Number of private equity-backed buyout deals announced in 2017.



\$63bn

Value of private equity-backed buyout deals in Asia, a record high.



29%

of total private equity-backed buyout deal value in 2017 came from public-to-private deals.



2017 BUYOUT DEALS AND EXITS

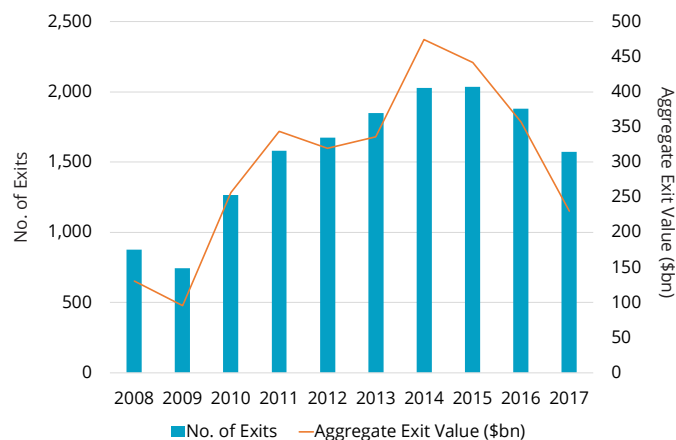
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Fig. 6: Largest Private Equity-Backed Buyout Deals Announced Globally in 2017

Portfolio Company	Investment Type	Deal Date	Deal Size (mn)	Deal Status	Investor(s)	Bought from/Exiting Company	Location	Primary Industry
Toshiba Memory Corporation	Buyout	Sep-17	2,000,000 JPY	Announced	Apple Inc., Bain Capital, Dell Inc., Hoya Corporation, Kingston Technology Company, Inc., Seagate Technology Holdings, SK Hynix, Toshiba Corporation	Toshiba Corporation	Japan	Electronics
Calpine Corporation	Public-to-Private	Aug-17	17,000 USD	Announced	Access Industries, CPP Investment Board, Energy Capital Partners	-	US	Power
Global Logistic Properties Limited	Public-to-Private	Jul-17	16,000 SGD	Announced	Bank of China Group Investment, China Vanke Co. Ltd., Hillhouse Capital Management, Hopu Investment Management, Schwartz-Mei Group Limited	-	Singapore	Logistics
Unilever's Margarine and Spreads Business	Buyout	Dec-17	6,825 EUR	Announced	KKR	Unilever	UK	Food
Staples, Inc.	Public-to-Private	Jun-17	6,900 USD	Completed	Sycamore Partners	-	US	Retail
Belle International Holdings Limited	Public-to-Private	Apr-17	53,100 HKD	Completed	CDH Investments, Hillhouse Capital Management	-	China	Retail
Stada Arzneimittel AG	PIPE	Aug-17	5,240 EUR	Completed	Bain Capital, Cinven, Partners Group	-	Germany	Pharmaceuticals
Nets Holding A/S	Public-to-Private	Sep-17	33,100 DKK	Announced	Advent International, Bain Capital, GIC, Hellman & Friedman	-	Denmark	Financial Services
West Corporation	Public-to-Private	May-17	5,100 USD	Completed	Apollo Global Management	Quadrangle Group, Thomas H Lee Partners	US	IT
PAREXEL International Corporation	Public-to-Private	Jun-17	5,000 USD	Completed	Pamplona Capital Management	-	US	Pharmaceuticals

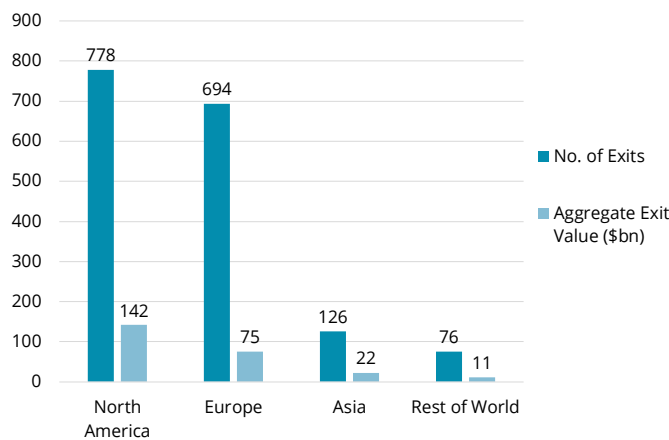
Source: Preqin Private Equity Online

Fig. 7: Global Private Equity Buyout-Backed Exits, 2008 - 2017



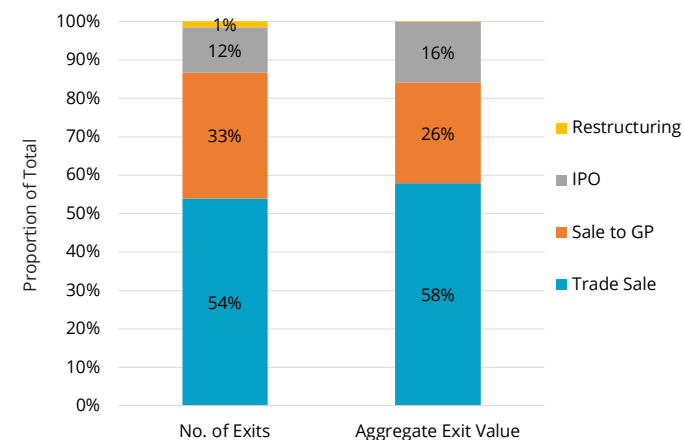
Source: Preqin Private Equity Online

Fig. 8: Private Equity Buyout-Backed Exits in 2017 by Region



Source: Preqin Private Equity Online

Fig. 9: Private Equity Buyout-Backed Exits in 2017 by Type



Source: Preqin Private Equity Online



2017 BUYOUT DEALS AND EXITS

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Fig. 10: Largest Private Equity-Backed Buyout Exits Announced Globally in 2017

Portfolio Company	Investment Date	Investment Type	Investment Size (mn)	Investors (Entry)	Exit Date	Exit Type	Exit Value (mn)	Acquiror (Exit)	Location	Primary Industry
Lightower Fiber Networks, LLC.	Dec-12	Merger	2,000 USD	ABRY Partners, Berkshire Partners, Lightower Fiber Networks, LLC., Pamlico Capital, Sidera Networks	Jul-17	Trade Sale	7,100 USD	Crown Castle International Corporation	US	Telecoms
Ista International GmbH	Apr-13	Buyout	3,100 EUR	CPP Investment Board, CVC Capital Partners	Jul-17	Trade Sale	4,500 EUR	Cheung Kong Property Holdings Limited, CK Infrastructure Holdings	Germany	Energy
West Corporation	May-06	Public-to-Private	4,100 USD	Quadrangle Group, Thomas H Lee Partners	May-17	Sale to GP	5,100 USD	Apollo Global Management	US	IT
VWR International	May-07	Buyout	3,500 USD	Avista Capital Partners, Madison Dearborn Partners	May-17	Trade Sale	4,380 USD	Avantor Performance Materials, Inc.	US	Medical Instruments
USI Holdings Corporation	Nov-12	Buyout	2,300 USD	Onex Corporation	Mar-17	Sale to GP	4,300 USD	CDPQ, KKR	US	Insurance
AdvancePierre Foods Holdings, Inc.	Jul-10	Merger	-	Advance Brands, Advance Food Company, Oaktree Capital Management, Pierre Foods, Inc.	Apr-17	Trade Sale	4,200 USD	Tyson Foods Inc	US	Food
Signode Industrial Group LLC	Feb-14	Buyout	3,200 USD	Carlyle Group	Dec-17	Trade Sale	3,910 USD	Crown Holdings	US	Manufacturing
Husky Injection Molding Systems Ltd.	May-11	Buyout	2,100 USD	Berkshire Partners, OMERS Private Equity	Dec-17	Sale to GP	3,850 USD	Platinum Equity	Canada	Industrial
eviCore Healthcare	Jun-95	Buyout	-	Ridgemont Equity Partners	Oct-17	Trade Sale	3,600 USD	Express Scripts Holding Company	US	Healthcare IT
CH2M Hill, Inc.	May-15	Growth Capital	200 USD	Apollo Global Management	Aug-17	Trade Sale	3,270 USD	Jacobs Engineering Group Inc.	US	Engineering

Source: Preqin Private Equity Online

LOOKING FOR MORE DATA AND ANALYSIS?

Preqin provides information, data and research on the private equity and venture capital industry across fund performance, fundraising, fund managers, investors, deals, fund terms and more.

If you have more detailed requests for private equity data or any questions, please contact us:

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