

This report is an excerpt from: **Preqin Quarterly: Private Equity, Q3 2012**. To download the full report please visit: https://www.preqin.com/docs/quarterly/PE/Private_Equity_Quarterly_Q3_2012.pdf

Buyout Deals and Exits Overview

A total of 681 private-equity backed buyout deals were announced globally in Q3 2012, with an aggregate value of \$71.6bn. This represents a 9% increase from the \$65.9bn in deals witnessed during Q2 2012 and a 77% increase from the \$40.3bn in Q1 2012.

This rise in private equity-backed buyouts has been characterized by an increase in large-cap deals; in fact, in comparison to Q2 2012, Q3 2012 has seen a 6% dip in the number of deals announced. Twenty deals had a value of over \$1bn during Q3 2012, versus seven large-cap deals in Q1 2012.

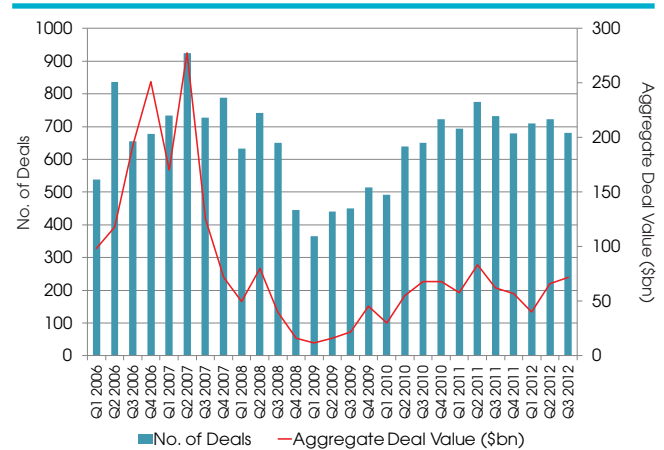
Once again, North America was the most prominent region for private equity-backed buyouts globally. The region witnessed 399 buyouts valued at \$47.5bn in Q3 2012, a 26% increase in deal value compared to Q2 2012 and more than double the value of deals witnessed in North America in Q1 2012. European aggregate deal value decreased by 21% to \$13.6bn in Q3 2012 compared to \$17.3bn in Q2 2012. The number of deals completed in Europe remained at subdued levels, resembling deal-flow figures in late 2009 and early 2010. Aggregate deal value in Asia and Rest of World in Q3 2012 maintained a similar value to Q2 2012 at \$10.4bn, close to double the value seen in Q1 2012.

Two hundred and sixty-three private equity-backed exits were announced during Q3 2012, with an aggregate value of \$66.5bn; this represents a 13% and 19% decrease in aggregate exit number and value respectively compared to Q2 2012. Although there has been a drop in exit number and value in Q3 2012, it is important to note that Q2 2012 was the strongest quarter for private equity-backed exits since the post-Lehman highs of Q2 2011 and the \$66.5bn in Q3 2012 still represents over a 40% increase from the exit values witnessed in Q4 2011 and Q1 2012.

Mid-market deals represented 16% of the number and 27% of the value of deals witnessed during Q3 2012. This quarter, deals valued at over \$1bn in size made up a tenth of total deal volume and represented 59% of aggregate capital invested.

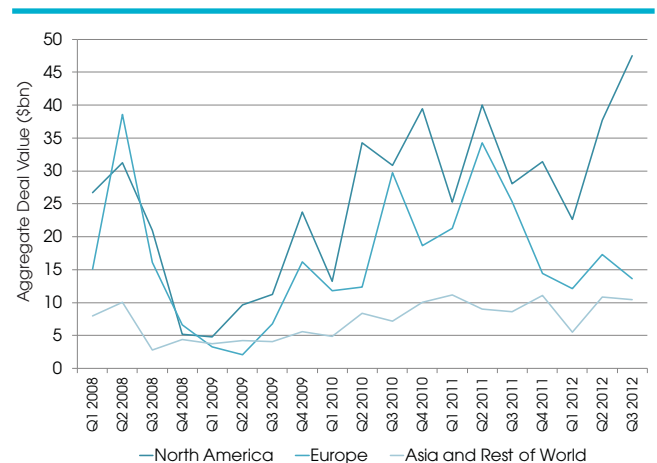
The industrials sector was once again the most prominent area of buyout activity, with the sector representing 23% of the number and 29% of the value of deals completed globally. Three of the 10 largest buyout deals announced in Q3 2012 occurred in the industrials sector, including the \$4.9bn acquisition of DuPont Performance Coatings by Carlyle Group. The largest private equity-backed buyout deal in Q3 2012 occurred in the information technology industry – the \$6.6bn acquisition of Cequel Communications by BC Partners and CPP Investment Board.

Fig. 32: Number and Aggregate Value of Buyout Deals Globally, Q1 2006 - Q3 2012



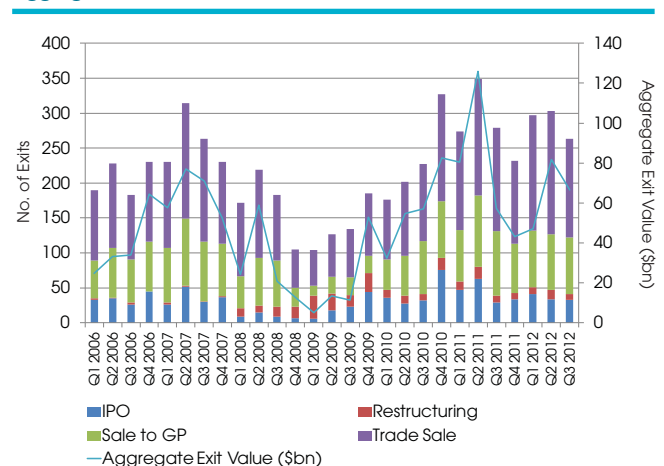
Source: Preqin Buyout Deals Analyst

Fig. 33: Aggregate Deal Value By Region, Q1 2008 - Q3 2012



Source: Preqin Buyout Deals Analyst

Fig. 34: Global Number of Private Equity-Backed Exits by Type and Aggregate Exit Value, Q1 2006 - Q3 2012



Source: Preqin Buyout Deals Analyst

Preqin's Buyout Deals Analyst has in-depth data for over 27,000 buyout deals globally from 2006 to present.

www.preqin.com/deals