

Q4 2012 Private Equity-Backed Buyout Deals and Exits

January 2013

Fig. 1: Number and Aggregate Value of Private Equity-Backed Buyout Deals Globally: Q1 2006 - Q4 2012

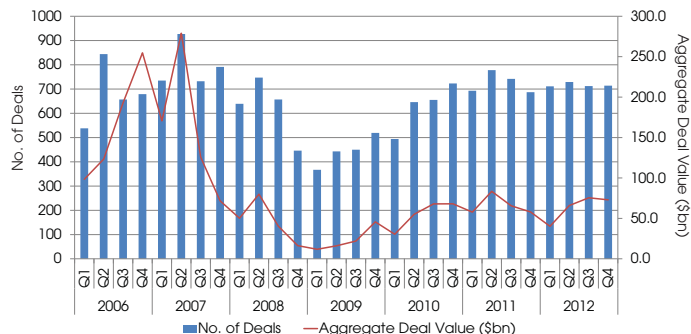


Fig. 3: Global Number of Private Equity-Backed Exits by Type and Aggregate Exit Value: Q1 2006 - Q4 2012

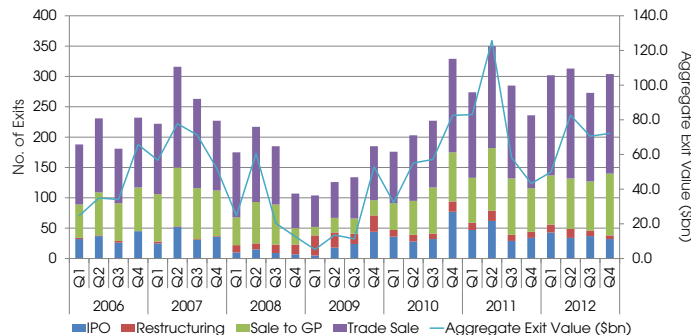


Fig. 5: Breakdown of Number and Aggregate Value of Private Equity-Backed Buyout Deals in 2012 by Value Band

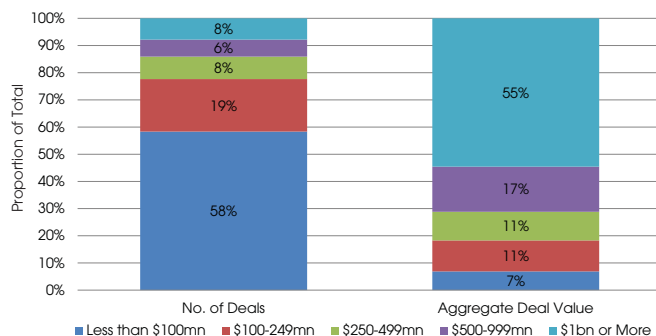


Fig. 2: Aggregate Value of Private Equity-Backed Buyout Deals by Region: Q1 2008 - Q4 2012 (\$bn)

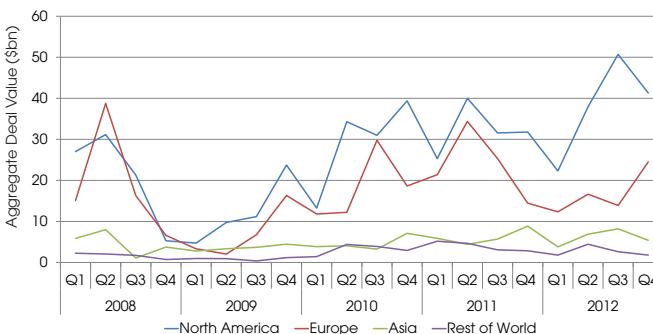


Fig. 4: Breakdown of Number and Aggregate Value of Private Equity-Backed Buyout Deals in 2012 by Type

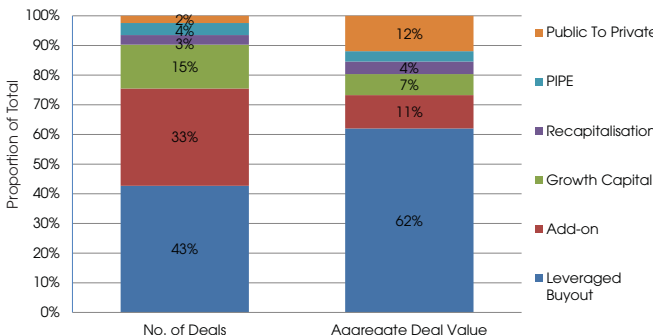
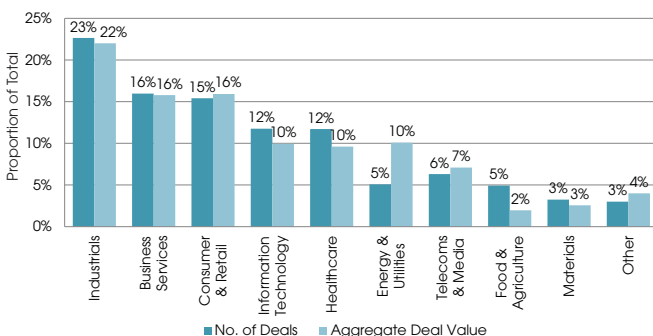


Fig. 6: Breakdown of Number and Aggregate Value of Private Equity-Backed Buyout Deals in 2012 by Industry



There were 714 private equity-backed buyout deals announced globally in Q4 2012, valued at a total of \$73bn, nearing the \$75.4bn in buyout deals witnessed during Q3 2012, and surpassed only by Q2 2011 and Q3 2012 in the post-Lehman era.

The 2,866 buyout deals announced in 2012 valued at \$254.6bn nears the post-Lehman highs of 2011, which witnessed \$264.8bn from 2,900 buyout deals, and represents a 14% increase in the number and 15% rise in the value of buyout deals in comparison to 2010.

North America witnessed a strong 2012, recording a post-Lehman high for the year in relation to both buyouts and exits, with \$152.3bn from 1,590 deals and \$147.1bn worth of exits during the year.

Europe saw 192 buyouts valued at \$24.5bn during Q4 2012, a 76% increase in aggregate deal value compared to Q3 2012, which witnessed 194 buyouts valued at \$13.9bn, and a 69% increase in deal value from the same period in 2011, as the region rebounds from declines due to the sovereign debt crisis which emerged in mid-2011.

53 Asia-backed buyouts were announced during Q4 2012, with an aggregate value of \$5.4bn, a drop of almost a third in both the volume and value of deals witnessed during Q3 2012.

Q4 2012 witnessed 304 private equity-backed exits valued at \$72.2bn, an 11% increase in the number and 2% increase in the value of exits in comparison to Q3 2012. Private equity-backed exit-flow for 2012 stood at 1,192 exits valued at \$275.2bn, down from the 1,145 exits valued at \$310.1bn during the post-Lehman high of 2011.

This decrease in the value of exits in 2012 in comparison to the previous year can be primarily attributed to the absence of mega-sized exits valued at over \$10bn during the year. While 2012 witnessed 81 exits valued at over \$1bn against 66 exits in this size range in 2011, there were no exits valued at over \$10bn in 2012, while 2011 hosted the €9.6bn sale of Nycomed by Nordic Capital to Takeda Pharmaceutical Company and the £6.8bn listing of Blackrock and First Reserve-backed Glencore International.

In addition, the average exit size in 2012 stood at \$496mn, down from the average exit size of \$519mn in 2011. However, average size of a private equity realization in 2012 was higher than in both 2009 and 2010, which witnessed average exits of \$436mn and \$465mn, respectively.

43% of all deals in 2012 were leveraged buyouts, representing almost two-thirds of the aggregate value of deals globally during the year. Add-ons, which made up 18% of all deals pre-crisis, accounted for a third of all deals in 2012, as private equity firms continue to consolidate current holdings.

58% of all deals in 2012 were valued at less than \$100mn, with small-cap deals valued at less than \$250mn accounting for 78% of all deals. The mid-market sector accounted for 15% of all deals, and 27% of the value of deals in 2012. Large-cap deals valued at \$1bn accounted for over half the aggregate value of deals globally during the year.

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Fig. 7: 10 Largest Private Equity-Backed Buyout Deals in 2012

Firm	Deal Date	Investment Type	Deal Size (mn)	Investors	Bought From/Exiting Company	Location	Primary Industry
El Paso Corporation Oil And Natural Gas Exploration And Production Assets	Feb-12	Buyout	7,150 USD	Apollo Global Management, Riverstone Holdings, Access Industries, Korea National Oil Corporation	El Paso Corporation	US	Oil & Gas
Cequel Communications	Jul-12	Buyout	6,600 USD	BC Partners, CPP Investment Board	Charterhouse Group, Goldman Sachs Merchant Banking Division, Jordan Company, Oaktree Capital Management, Quadrangle Group	US	IT
Annington Homes	Nov-12	Buyout	3,200 GBP	Terra Firma Capital Partners	Nomura Securities	UK	Property
DuPont Performance Coatings	Aug-12	Buyout	4,900 USD	Carlyle Group	DuPont	US	Manufacturing
Focus Media	Dec-12	Public To Private	3,700 USD	Carlyle Group, China Everbright Ltd., CITIC Capital, FountainVest Partners	-	China	Advertising and Digital Media
Neodyne Industries	May-12	Buyout	3,460 USD	BC Partners, Carlyle Group	Hamilton Sundstrand, United Technologies Corporation	US	Aerospace
Getty Images	Aug-12	Buyout	3,300 USD	Carlyle Group	Farallon Capital Management, Hellman & Friedman	US	Digital Media
AOT Bedding Super Holdings	Aug-12	Buyout	3,000 USD	Advent International	Ares Management, Teachers' Private Capital	US	Manufacturing
TransUnion	Feb-12	Buyout	3,000 USD	Advent International, Goldman Sachs Merchant Banking Division	Madison Dearborn Partners, The Pritzker Group	US	Financial Services

Fig. 8: Notable Private Equity-Backed Exits in 2012

Firm	Investment Date	Entry Investment Type	Entry Deal Size (mn)	Investors (Entry)	Exit Date	Exit Type	Exit Value	Acquiror (Exit)	Primary Industry	Location
Cequel Communications	Apr-06	Buyout	-	Charterhouse Group, Goldman Sachs Merchant Banking Division, Jordan Company, Oaktree Capital Management, Quadrangle Group	Jul-12	Secondary Buyout Sale	6,600 USD	BC Partners, CPP Investment Board	IT	US
Actavis Group	May-07	Public To Private	3,000 USD	Novator Partners	Apr-12	Trade Sale	4,250 EUR	Watson Pharmaceuticals Inc.	Pharmaceuticals	Switzerland
NDS Group Limited	Jun-08	Public To Private	2,461 EUR	News Corporation, Permira	Mar-12	Trade Sale	5,000 USD	Cisco	Media	UK
Healthcare Partners Holdings	Jun-05	Growth Capital	-	Summit Partners	May-12	Trade Sale	4,420 USD	DaVita Inc.	Healthcare	US
Avio*	Aug-06	Buyout	2,570 EUR	Cinven, Finmeccanica	Dec-12	Trade Sale	4,300 USD	GE Aviation	Aerospace	Italy

*Denotes partial exit



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