

THE PRIVATE EQUITY MID-MARKET IN FOCUS

With 64% of fund managers recently surveyed by Preqin noting an increase in competition for mid-market* deals in the past 12 months, we take a look at the latest statistics for the mid-market buyout industry.



\$342bn

Aggregate capital raised by mid-market buyout funds closed since 2008 (as at April 2018).



\$110bn

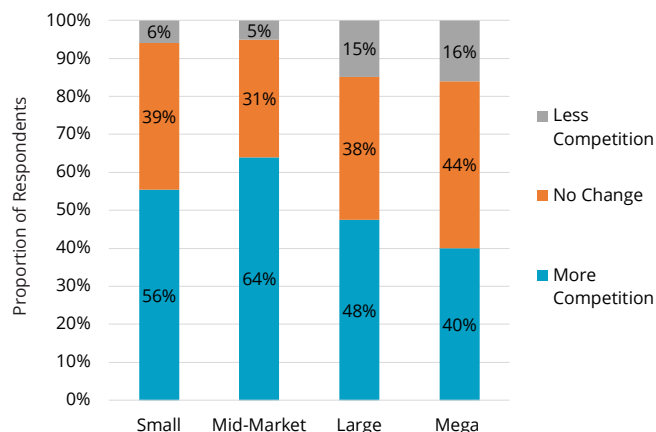
Dry powder available to mid-market buyout funds (as at December 2017).



\$301bn

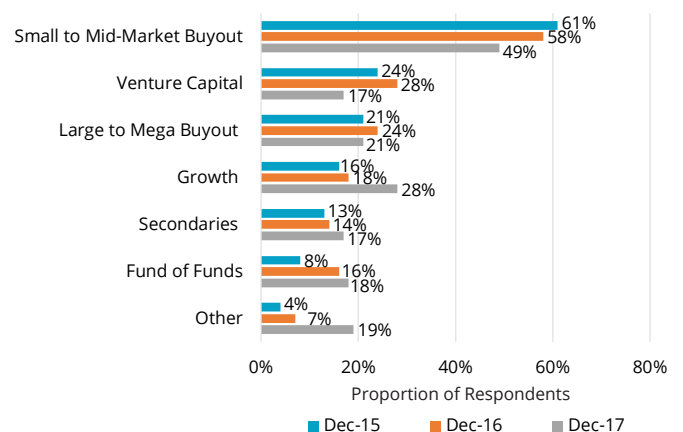
Aggregate value of private equity-backed buyout deals by mid-market buyout funds since 2017 (as at April 2018).

Fig. 1: Fund Manager Views on the Level of Competition for Transactions Compared to 12 Months Ago by Value Band



Source: Preqin Fund Manager Survey, November 2017

Fig. 2: Fund Types that Investors View as Presenting the Best Opportunities, 2015 - 2017



Source: Preqin Investor Interviews, December 2015 - 2017

Fig. 3: Sample Investors in Recently Closed Mid-Market Buyout Funds

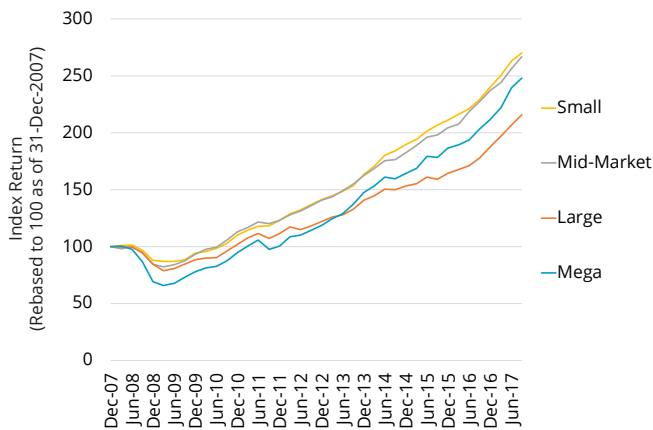
Fund	Firm	Fund Size (mn)	Primary Geographic Focus	Sample Investor(s)
North Haven Capital Partners VI	Morgan Stanley Global Private Equity	1,500 USD	Global, North America	TIAA, Principal Life Insurance Company, New England Carpenters Benefit Funds, United Food and Commercial Workers' Pension Fund, Allegheny County Retirement Board
Vector Fund V	Vector Capital	1,406 USD	North America	Lincoln National Life Insurance Company, District of Columbia Retirement Board, El Paso Firemen & Policemen's Pension Fund
Chequers Capital XVII	Chequers Capital	1,090 EUR	Europe, France	State of Wisconsin Investment Board, Massachusetts Pension Reserves Investment Management Board, Alaska Permanent Fund Corporation, Public Employees' Retirement System of Nevada, Texas County & District Retirement System
Aurora Equity Partners V	Aurora Capital Group	1,200 USD	North America	TIAA, Manulife Financial, Jackson National Life Insurance Company, Northwestern Mutual Life Insurance Company, Allstate Investments
Brentwood Associates Private Equity VI	Brentwood Associates	1,150 USD	North America	MetLife Insurance Company, State Farm, Indiana Public Retirement System, Los Angeles City Employees' Retirement System, Missouri Local Government Employees Retirement System

Source: Preqin

***Definition of 'Mid-Market':**

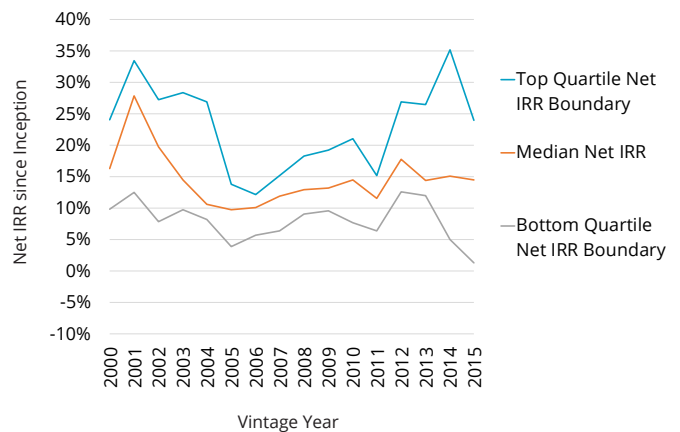
Vintage 1992 - 1996: Small Buyout ≤ \$200mn, Mid Buyout \$201-500mn, Large Buyout > \$500mn
 Vintage 1997 - 2004: Small Buyout ≤ \$300mn, Mid Buyout \$301-750mn, Large Buyout \$751mn-\$2bn, Mega Buyout > \$2bn
 Vintage 2005 - 2018: Small Buyout ≤ \$500mn, Mid Buyout \$501-1,500mn, Large Buyout \$1,501mn-\$4.5bn, Mega Buyout > \$4.5bn

Fig. 4: PrEQIn Buyout Index by Fund Size* (Rebased to 100 as of 31 December 2007)



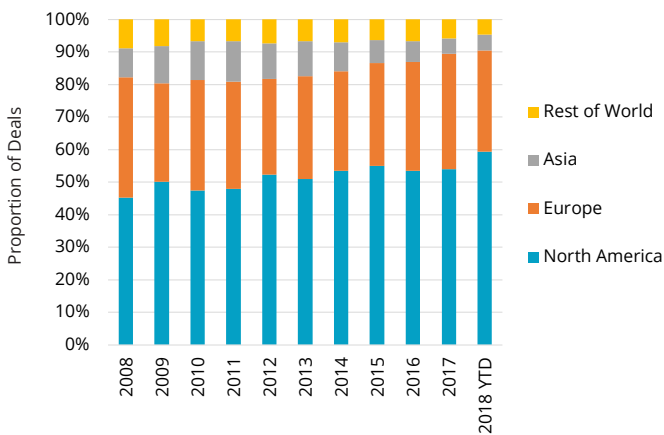
Source: Prequin

Fig. 5: Mid-Market Buyout Funds: Median Net IRRs and Quartile Boundaries by Vintage Year



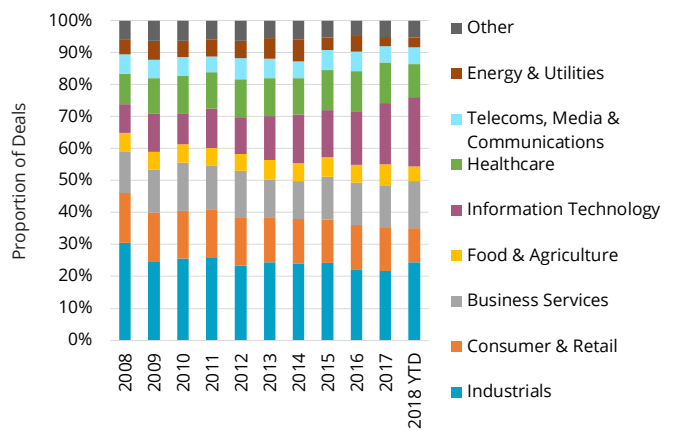
Source: Prequin

Fig. 6: Private Equity-Backed Mid-Market Buyout Deals by Location, 2008 - 2018 YTD (As at April 2018)



Source: Prequin

Fig. 7: Private Equity-Backed Mid-Market Buyout Deals by Industry, 2008 - 2018 YTD (As at April 2018)



Source: Prequin

Fig. 8: Largest Private Equity-Backed Buyout Deals by Mid-Market Buyout Funds, 2017 - 2018 YTD (As at April 2018)

Portfolio Company	Investment Type	Deal Date	Deal Size (mn)	Deal Status	Investor(s)	Bought from/ Exiting Company	Location	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
Financial and Risk Business of Thomson Reuters Corporation	Buyout	Jan-18	17,000 USD	Announced	Blackstone Group, CPP Investment Board, GIC	Thomson Reuters Corporation	Canada	Information Services
Akzo Nobel's Specialty Chemicals Business	Buyout	Mar-18	10,100 EUR	Announced	Carlyle Group, GIC	Akzo Nobel	Switzerland	Chemicals
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 Spreads	Buyout	Dec-17	6,825 EUR	Announced	KKR	Unilever	UK	Food

Source: Prequin

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