

Private Equity-Backed Buyout Value at Lowest Levels for Two Years Deal volume remains strong, while exit value increases compared to Q4 2011

There were 669 private equity-backed buyout deals in Q1 2012, valued at an aggregate \$46.3bn – a 20% decrease in deal value from Q4 2011, and the lowest level of buyout activity by value in two years, Preqin deal flow data reveals.

However, while deal value is at a subdued level, deal volume has remained strong, with the number of deals during this quarter matching the average of 663 deals per quarter seen during 2010 and 2011 – a clear indication of the growing prominence of smaller-sized deals in recent quarters. Furthermore, there was an 11% increase in exit value in Q1 2012 compared to Q4 2011. 283 exits valued at \$46.4bn were made during Q1 2012.

Other Key Facts:

- 354 buyouts valued at \$25.3bn were completed in North America in Q1 2012, a 17% decrease from the \$30.4bn recorded in the region during Q4 2011.
- European deal values in Q1 2012 hit a two-year low. Deals worth an aggregate \$12.7bn were completed during the quarter, a near 50% drop in activity when compared to the quarterly average of \$24bn seen in the region throughout 2011.
- Deal values in Asia and Rest of World fell back to \$8.3bn in Q1 2012, from \$11.4bn in the fourth quarter of 2011.
- Leveraged buyouts accounted for the majority of deals globally in terms of number and value in Q1 2012, with 44% of all deals, and 62% of the aggregate value of deals, invested in LBOs.
- Add-on deal activity remains at elevated levels globally, with 35% of all deals in Q1 2012 falling into this bolt-on category, maintaining the levels of add-on activity witnessed in Q4 2011.
- 82% of deals in the first quarter of 2012 were small-cap deals valued at less than \$250mn. This represents a four percentage point increase in comparison to Q4 2011.
- 23% of all deals were completed in the industrials sector, making it the most prominent area of buyout activity in relation to volume of deals once again.
- 26% of deal value was contributed by those deals completed within the energy and utilities sector.

For more information, please see the factsheet that follows.

Comment:

There has been a continued downturn in aggregate quarterly deal values during Q1 2012, and deal-flow values have reached their lowest levels in two years. While aggregate exit value has improved in comparison to the previous quarter, it remains significantly below levels seen in late 2010 and early 2011. This decline in deal and exit flow has come during a prolonged period of volatility in the financial markets, which has led to a difficult global M&A environment, particularly when it comes to obtaining leveraged financing for larger-sized deals.

However, it is important to note that while the value of deals has witnessed a marked decline, the number of deals has remained relatively strong, with the 669 deals announced in Q1 2012 just surpassing the average of 663 deals per quarter seen during 2010 and 2011. Small-cap deals valued at less than \$250mn are increasing in prominence, and there has been a prolonged surge in add-on activity. With continued turbulence in the credit markets, it is likely that we will continue to see small-cap and bolt-on deals fill the gap left by the large and mega-sized deals of the buyout boom era.

Manuel Carvalho, Manager - Private Equity Deals

Note to Editors:

- Preqin is spelled without the letter 'U' after the 'Q', the company name being an amalgamation of the former name, Private Equity Intelligence.

New York: One Grand Central Place, 60 E 42nd Street, Suite 2544, New York NY 10165 Tel: +1 212 350 0100
London: Equitable House, 47 King William Street, London EC4R 9AF Tel: +44 (0)20 7645 8888
Singapore: Asia Square Tower 1, #07-04, 8 Marina View, Singapore 018960 Tel: +65 6407 1011
Web: www.preqin.com / info@preqin.com



About Preqin:

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests.

Preqin has built a reputation in the alternative assets industry for providing the most comprehensive and extensive information possible. Leading alternative assets professionals from around the world rely on Preqin's services daily, and its data and statistics are regularly quoted by the financial press. For more information, please visit: www.preqin.com

For more information, please contact: Manuel Carvalho +44 (0)20 7397 9460 or mcarvalho@preqin.com

For general press information, please contact: Helen Kenyon +44 (0)20 7645 8880 or press@preqin.com

Q1 2012 Private Equity Deals and Exits

April 2012

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

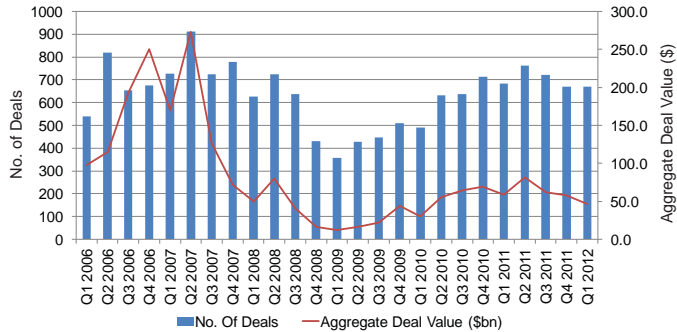
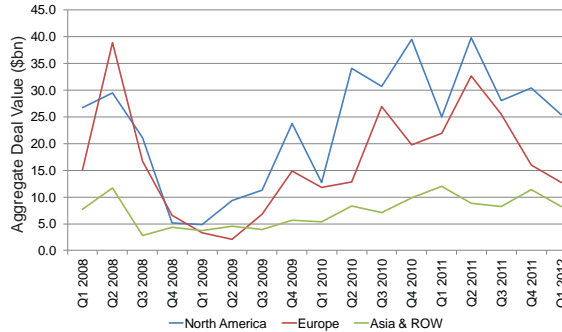


Fig. 2: - Aggregate Deal Value By Region: Q1 2008 - Q1 2012 (\$bn)



354 buyouts valued at \$25.3bn were completed in North America in Q1 2012, a 17% decrease from the \$30.4bn recorded in the region during Q4 2011,

European deal values in Q1 2012 hit a two-year low. \$12.7bn in deals were completed during the quarter, a near 50% drop in activity when compared to the quarterly average of \$24bn seen in the region throughout 2011.

Deal values in Asia and Rest of World fell back to \$8.3bn in Q1 2012, from \$11.4bn in the fourth quarter of 2011.

Leveraged buyouts accounted for the majority of deals globally in terms of number and value in Q1 2012, with 44% of all deals, and 62% of the aggregate value of deals, invested in LBOs.

Add-on deal activity remains at elevated levels globally, with 35% of all deals in Q1 2012 falling into this bolt-on category, maintaining the levels of add-on activity witnessed in Q4 2011,

82% of deals in the first quarter of 2012 were small-cap deals valued at less than \$250mn. This represents a four percentage point increase in the proportion of the total number in comparison to Q4 2011.

23% of all deals were completed in the industrials sector, making it the most prominent area of buyout activity in relation to volume of deals once again.

26% of deal value was contributed by those deals completed within the energy and utilities sector

Fig. 3: Global Number of PE-backed Exits by Type and Aggregate Exit Value: Q1 2006 - Q1 2012

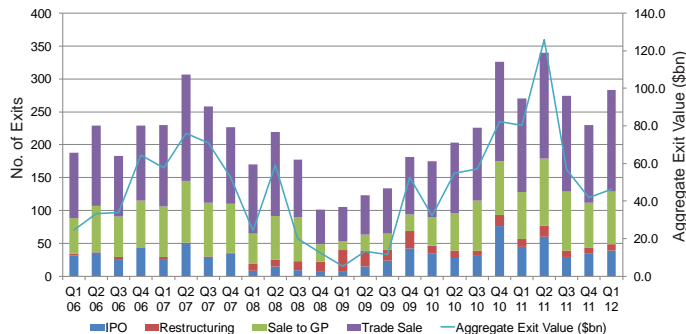


Fig. 4: Breakdown of Number and Aggregate Value of PE-Backed Deals in Q1 2012 by Type

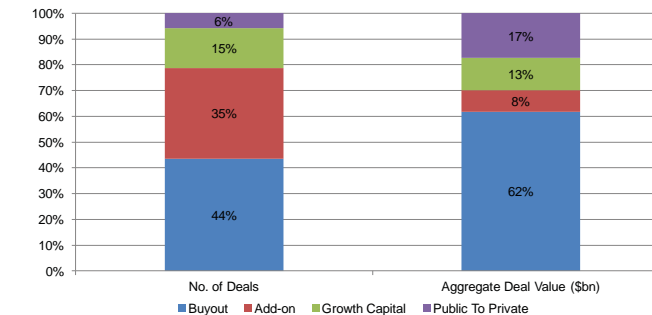


Fig. 5: Breakdown of Number and Aggregate Value of PE-Backed Deals in Q1 2012 by Value Band

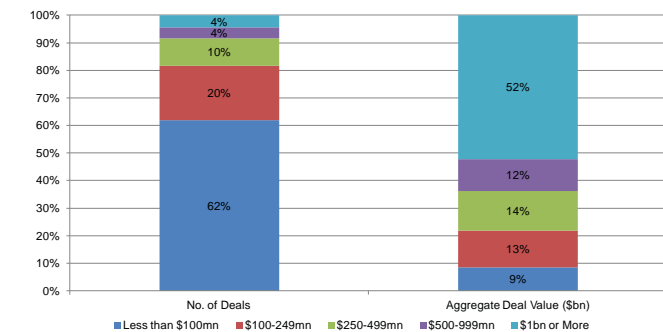
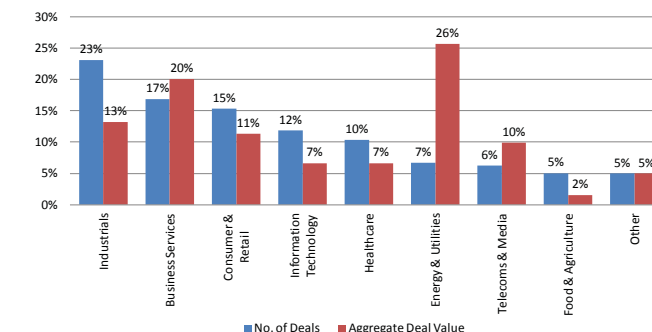


Fig. 6: Breakdown of Number and Aggregate Value of PE-Backed Deals in Q1 2012 by Industry



Q1 2012 Private Equity Deals and Exits

April 2012

Page 2 of 2

Fig. 7: 10 Largest Buyout Deals Globally Q1 2012

Name	Date	Type	Deal Size (mn)	Currency	Buyers	Sellers	Industry	Location
El Paso Corporation Oil And Natural Gas Exploration And Production Assets	Feb-12	Buyout	7,150	USD	Access Industries, Apollo Global Management, Korea National Oil Corporation, Riverstone Holdings	El Paso Corporation	Oil & Gas	US
TransUnion	Feb-12	Buyout	3,000	USD	Advent International, Goldman Sachs Merchant Banking Division	Madison Dearborn Partners, The Pritzker Group	Financial Services	US
Reliance Infratel Limited	Feb-12	Buyout	150,000	INR	Blackstone Group, Carlyle Group	Reliance Communications Limited	Telecoms	India
Ahlsell	Feb-12	Buyout	1,800	EUR	CVC Capital Partners	Cinven, Goldman Sachs Merchant Banking Division	Distribution	Sweden
Cheniere Energy, Inc.	Feb-12	Growth Capital	2,000	USD	Blackstone Group	-	Oil & Gas	US
Quest Software Inc.	Mar-12	Public To Private	2,000	USD	Insight Venture Partners	-	Software	US
Misys plc	Mar-12	Public To Private	1,267	GBP	Vista Equity Partners	-	Financial Services	UK
CPA Global	Jan-12	Buyout	950	GBP	Cinven	Intermediate Capital Group	Outsourcing	Jersey
Florida East Coast Industries Inc.	Jan-12	Buyout	1,200	USD	TPG	Fortress Investment Group	Property	US
Pep Boys	Jan-12	Public To Private	804	USD	Gores Group	-	Retail	US

Fig. 8: Notable PE-backed Exits in Q1 2012

Firm	Investment Date (Entry)	Investors (Entry)	Deal Size (mn)	Currency	Exit Type	Exit Date	Acquiror (Exit)	Exit Value (mn)	Currency	Primary Industry	Location
NDS Group Limited	Jun-08	News Corporation, Permira	2,461	EUR	Trade Sale	Mar-12	Cisco	5,000	USD	Media	UK
TransUnion	Apr-10	Madison Dearborn Partners	1,020	USD	Sale to GP	Feb-12	Advent International, Goldman Sachs Merchant Banking Division	3,000	USD	Financial Services	US
Ahlsell	Nov-05	Cinven, Goldman Sachs Merchant Banking Division	1,200	EUR	Sale to GP	Feb-12	CVC Capital Partners	1,800	EUR	Distribution	Sweden
Orange Austria	Jun-07	France Telecom, Mid Europa Partners	1,400	EUR	Trade Sale	Feb-12	Hutchison Whampoa	1,300	EUR	Telecoms	Austria
Ziggo	Jan-07	Casema, Cinven, Essent Kabelcom, Multikabel, Warburg Pincus	-	-	IPO	Mar-12	-	804	EUR	Telecoms	Netherlands



alternative assets. intelligent data.

Preqin provides information, products and services to private equity firms, funds of funds, investors, placement agents, law firms, advisors and other professionals across the following areas:

- Fund Performance
- Fund Manager Profiles
- Investor Profiles
- Buyout Deals
- Fundraising
- Compensation and Employment
- Fund Terms

For more information, or to arrange a demo, please visit www.preqin.com/privateequity