



PRIVATE EQUITY CAREER NEWS

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# Correcting Course: Emerging Opportunities in 2025 Deal Flow

## Featured Speakers:

**Brendan Burke**, Managing Director, Head of Financial Sponsor Coverage, **Capstone Partners**

**Paul Lipson**, Co-Founder and Partner, **Fort Point Capital**

**Michael Morabito**, Managing Director, **Houlihan Lokey**

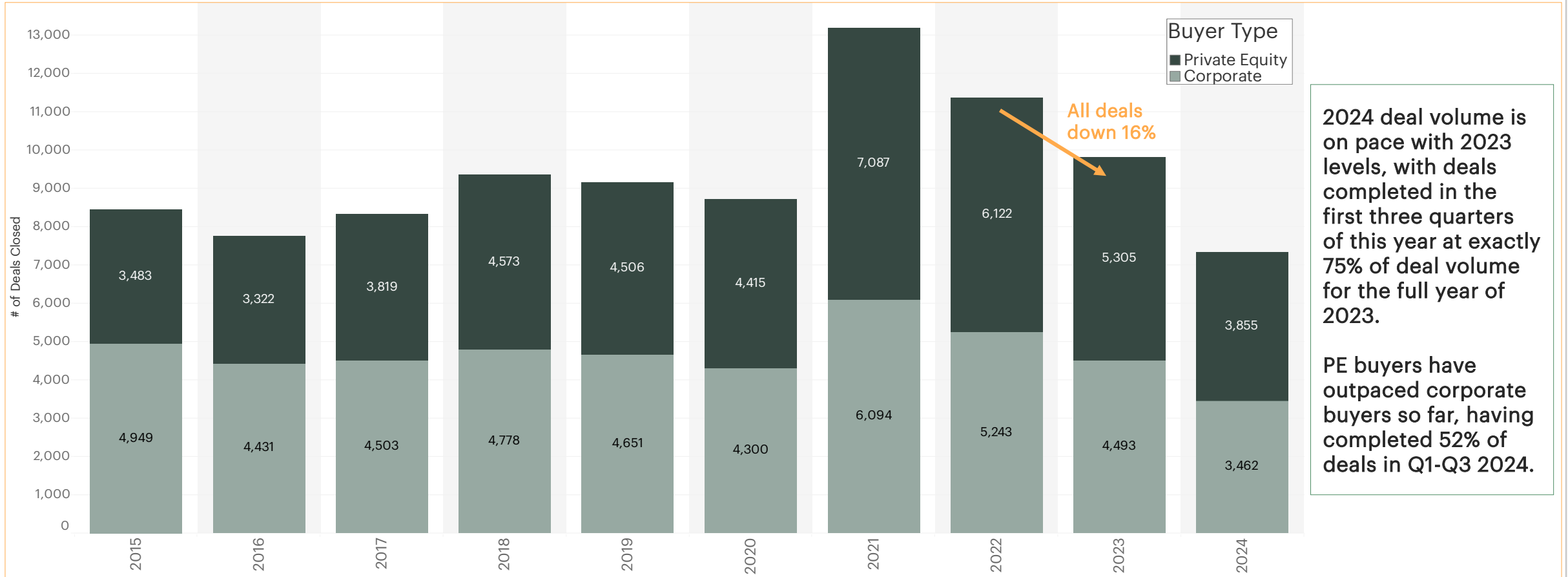
**Nadim Malik**, Founder & CEO, **SPS by Bain & Co**

**Moderator:** David M. Toll, Founder, **Private Equity Career LLC**



# State of the Market: PE vs. M&A Activity

## Annual M&A Deal Volume – by Buyer Type



2024 deal volume is on pace with 2023 levels, with deals completed in the first three quarters of this year at exactly 75% of deal volume for the full year of 2023.

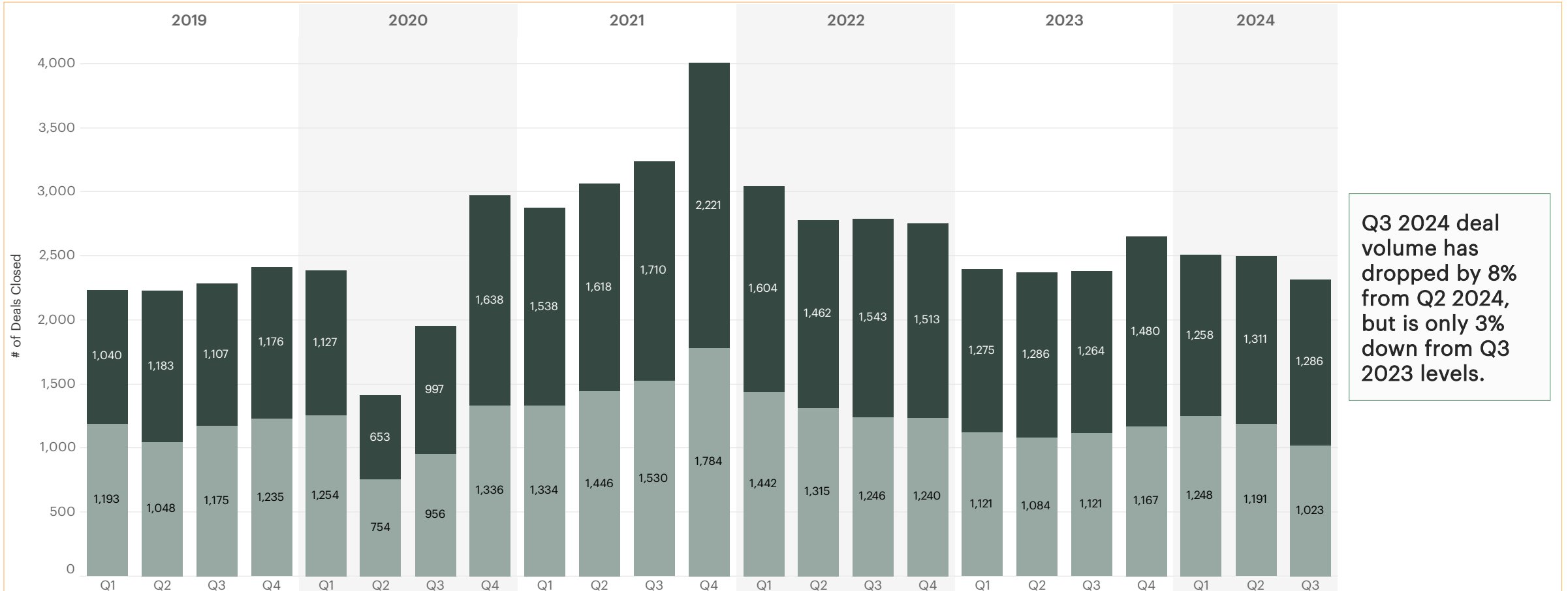
PE buyers have outpaced corporate buyers so far, having completed 52% of deals in Q1-Q3 2024.

Footnotes  
 1 – Deals Closed across all industries, 10+ MM EV, based in North America, with private equity or strategic investors, 2015-2024.



# State of the Market: PE vs. M&A Activity

## Quarterly M&A Deal Volume – by Buyer Type



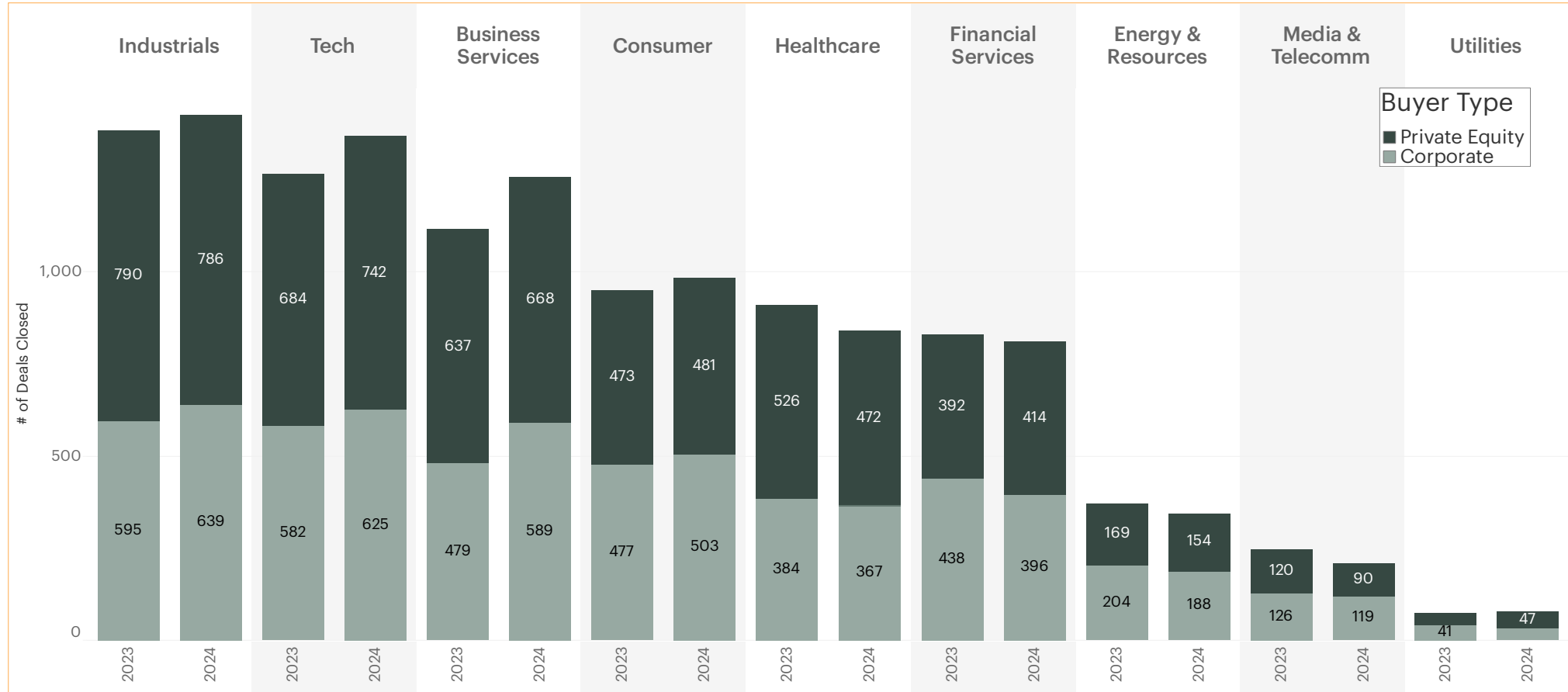
Q3 2024 deal volume has dropped by 8% from Q2 2024, but is only 3% down from Q3 2023 levels.

Footnotes  
 1 – Deals Closed across all industries, 10+ MM EV, based in North America, with private equity or strategic investors, 2019-2024.



# State of the Market: PE vs. M&A Activity

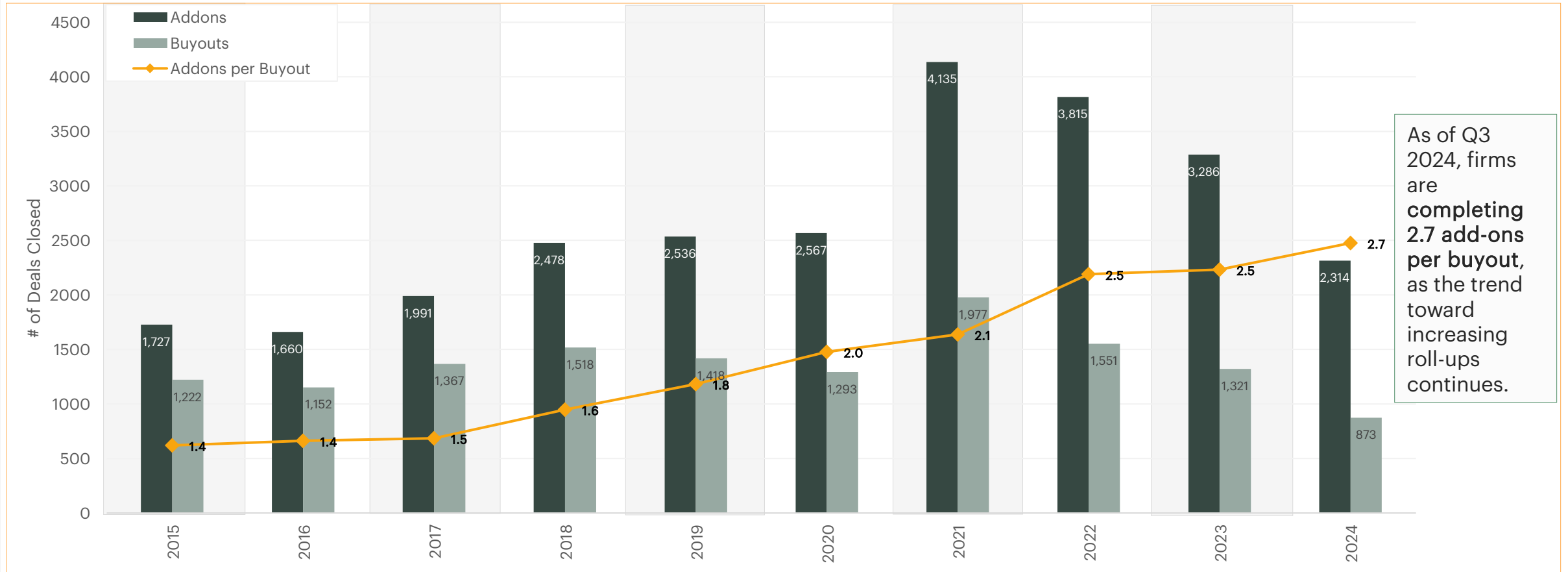
## PE vs. Corporate – Q1-Q3 Deal Volume by Buyer Type YoY



Footnotes

1 – Deals Closed by sector and size range, all sizes and types, comparing deal volume by PE and strategic buyers, Q1-Q3 2023 vs. Q1-Q3 2024.

## YoY Sponsor Buyouts vs. Add-ons

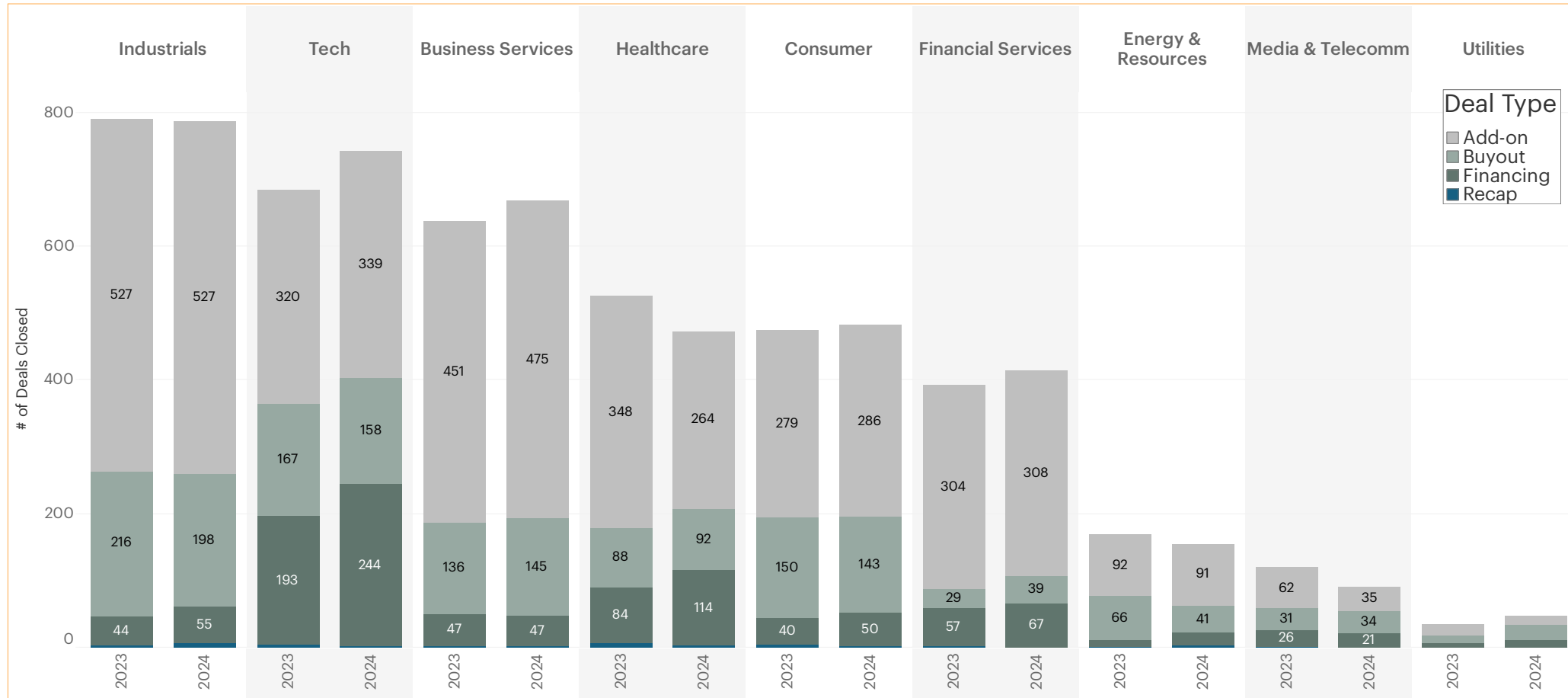


Footnotes  
 1 - New platforms and add-ons, all industries, 10+ MM EV, based in North America, with PE buyers, 2015-2024.



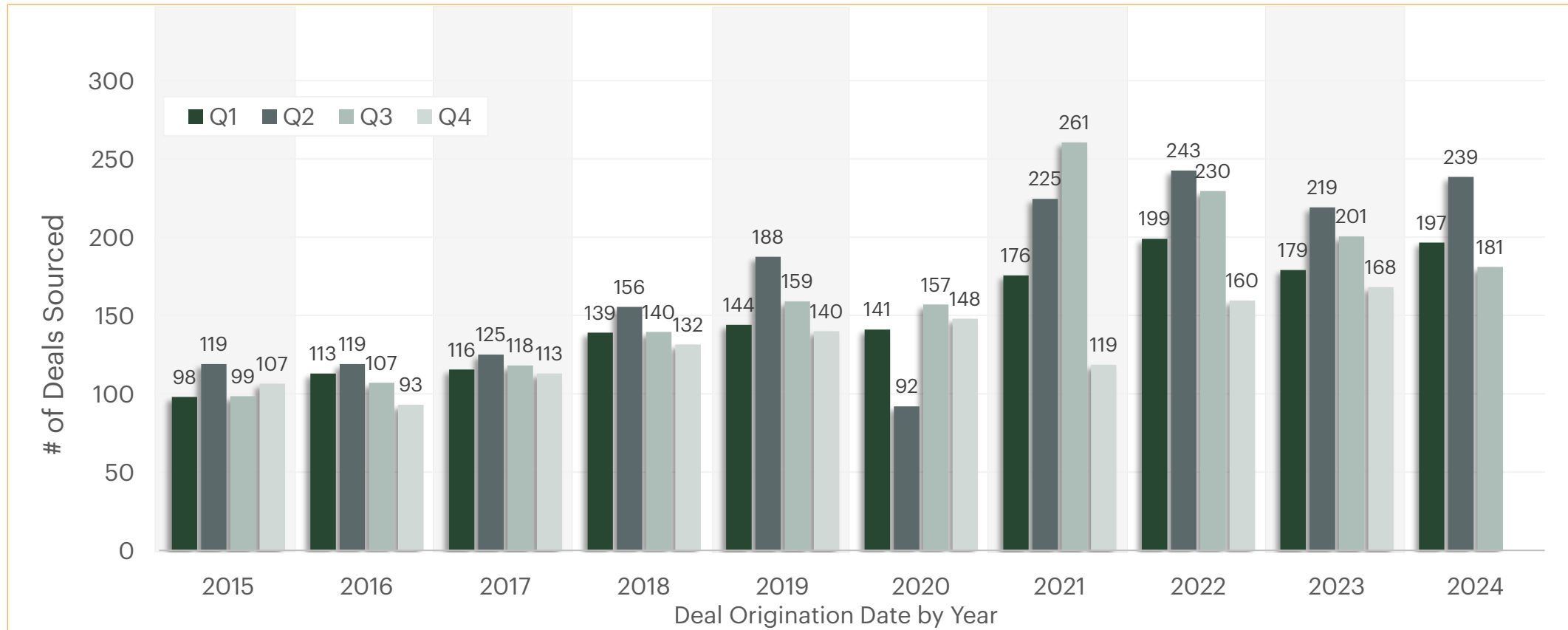
# State of the Market: PE Activity

## Q1-Q3 Sector Overview by Deal Type - YoY



Footnotes  
1 - Deals Closed by PE buyers only, all sizes, comparing Deal Type by Sector in Q1-Q3 2023 vs. Q1-Q3 2024.

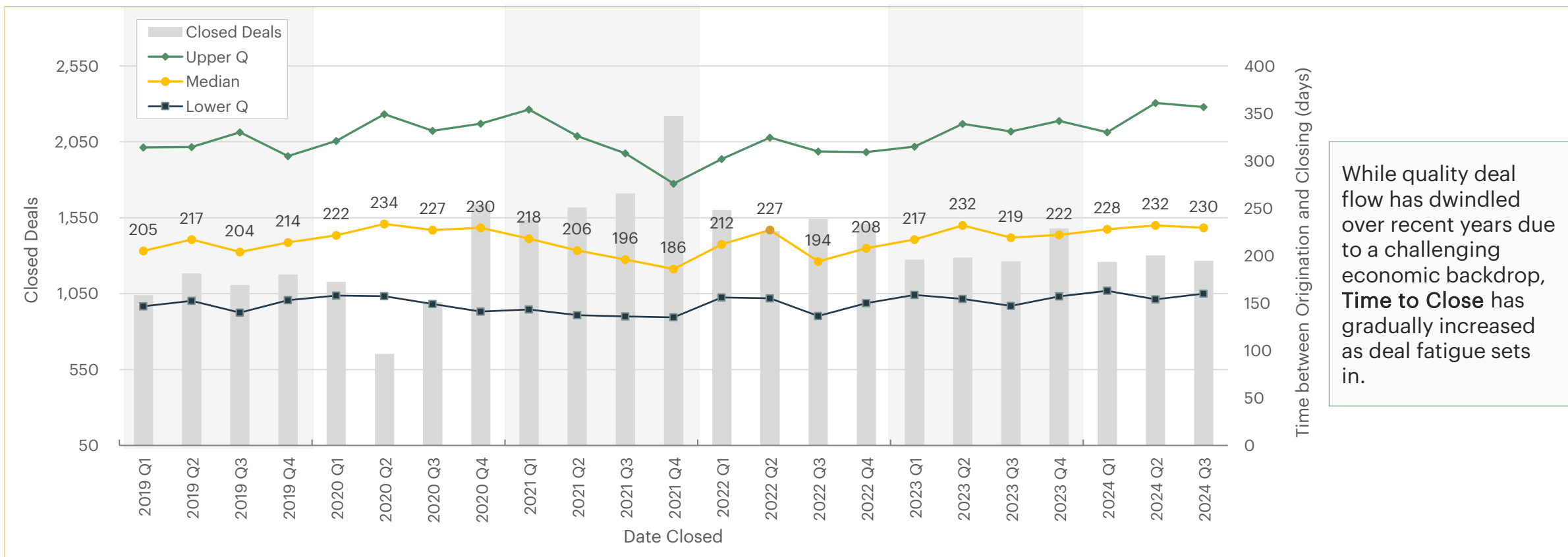
## Median Sponsor Deal Flow – by Quarter



**Footnotes**

1 - Median # of Deals Originated in Q1, Q2, Q3, and Q4 between 2013-2024, by private equity firms.

## Private Equity Deal Activity – Median Time to Close (Days)



While quality deal flow has dwindled over recent years due to a challenging economic backdrop, **Time to Close** has gradually increased as deal fatigue sets in.

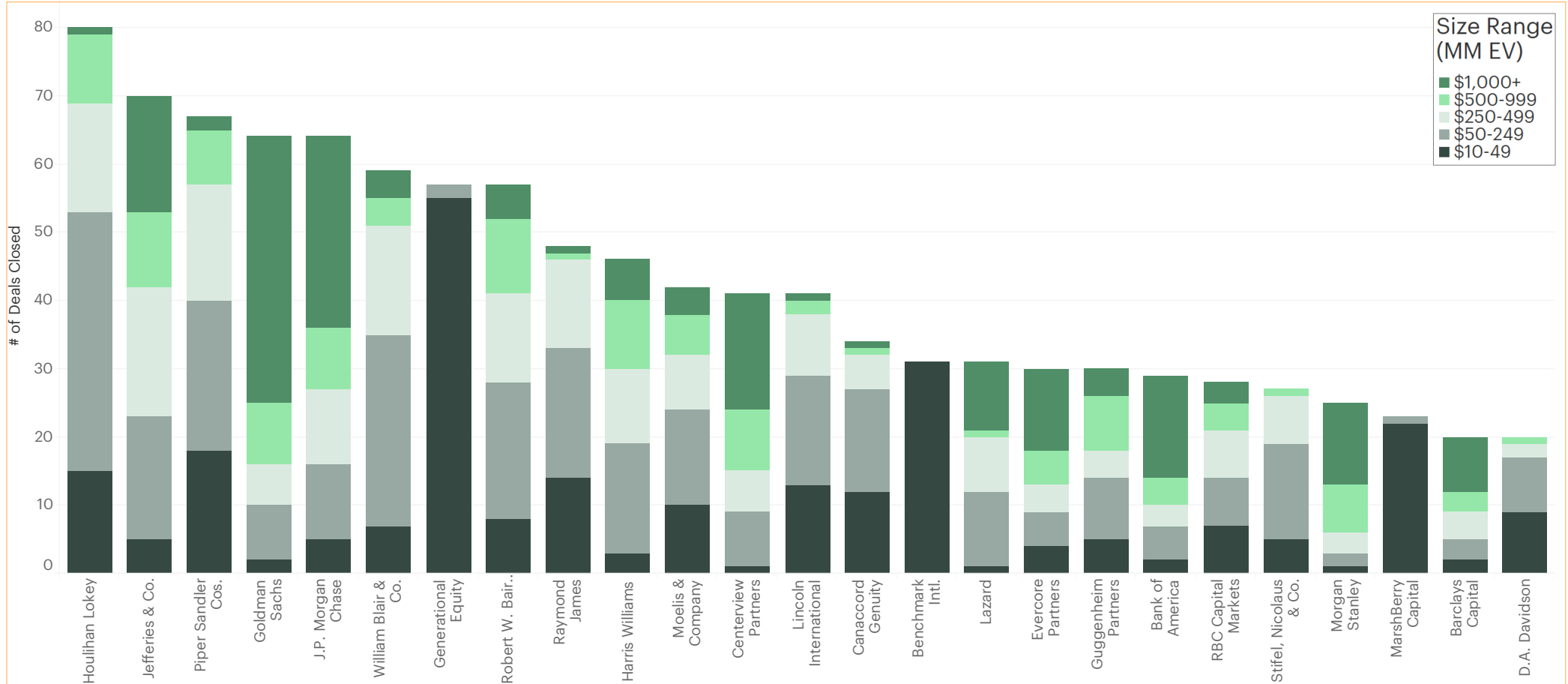
Footnotes  
 1 - Deals Closed across all industries, 10+ MM EV, based in North America, with private equity investors, 2019-2024.





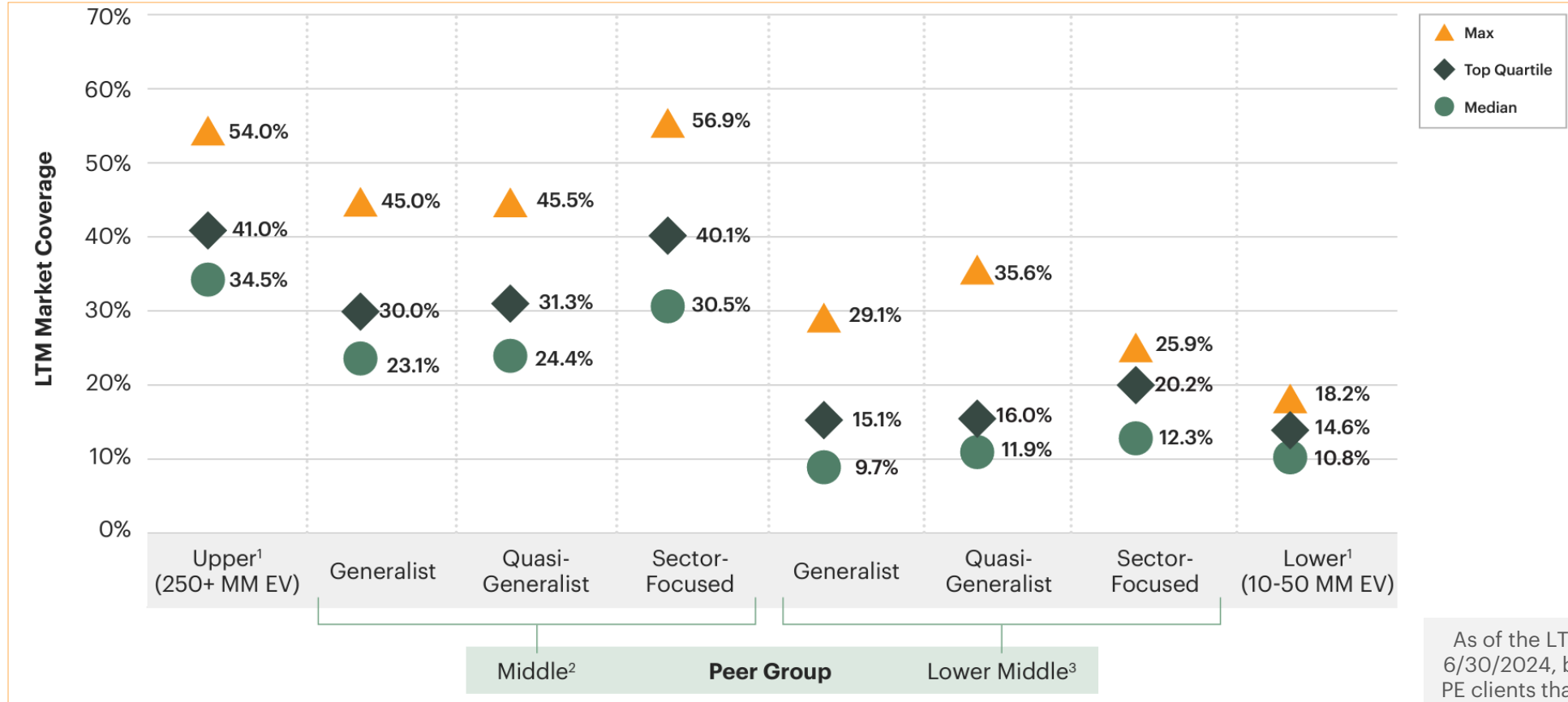
# Q1-Q3 2024 Intermediary Breakdown

## Q1-Q3 2024 Top Intermediaries by Size Range



Footnotes  
1 - Top 25 Sell-Side Intermediaries advising on Deals Closed by PE and corporate buyers, by Deal Size, Q1-Q3 2024

## Market Coverage by Peer Group\*



**Foot Notes**

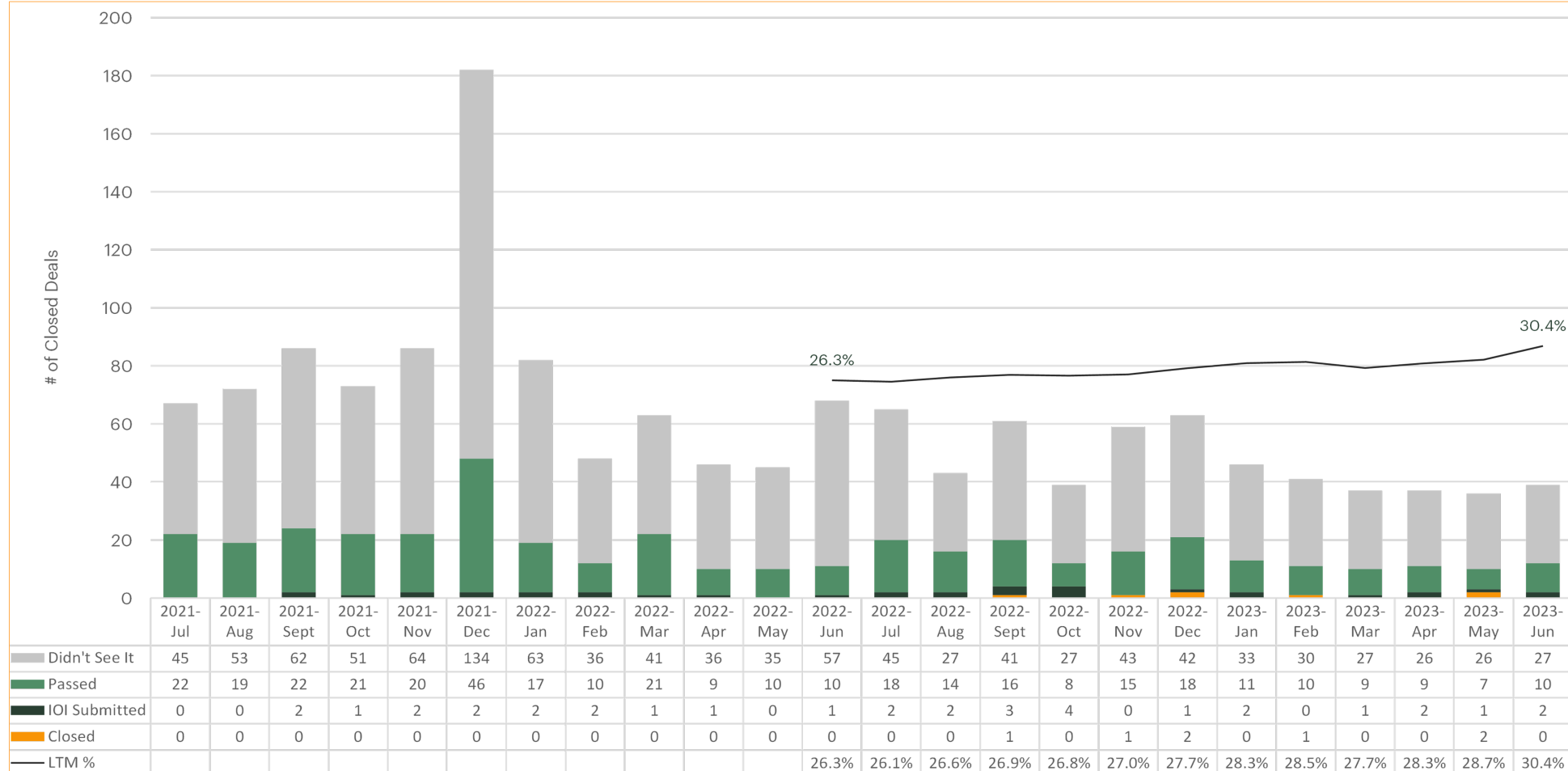
- <sup>1</sup> Groups defined solely by a PE firm's target deal size range, regardless of industry focus.
- <sup>2</sup> Groups that **do not** invest below \$50MM EV, further segmented by degree of industry focus.
- <sup>3</sup> Groups that **do** invest below \$50MM EV, amongst other sizes, further segmented by degree of industry focus.

As of the LTM period ending 6/30/2024, based on SPS' 176 PE clients that qualified for the annual Deal Origination Benchmark Report (DOBR).



# 2024 DOBR: Sample Client Chart

## Sample Market Coverage: Quasi-Generalist, Middle Market Firm



**Foot Notes**

\*Based on deals closed in the client's target criteria between 7.1.2022 - 6.30.2024.



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