

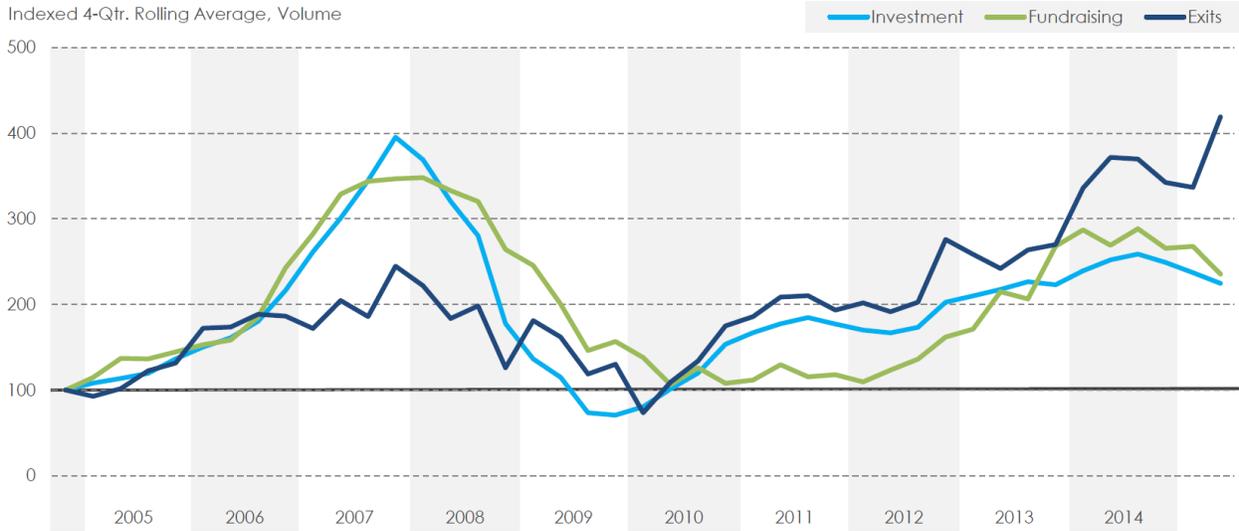
Private Equity Activity Picks Up in Q2

After a slow first quarter of 2015, the private equity industry experienced a revitalization in Q2-2015. Investment dipped by less than 1 percent to \$112 billion, holding strong at the second highest Q2 level since 2007. Meanwhile, fundraising fell to \$30 billion. Exit volume exploded last quarter to \$125 billion—the highest level on record. Some key metrics of the private equity industry in the second quarter of 2015 are:

	Current Level	Quarterly Change %
<p>U.S. PE INVESTMENT VOLUME DECREASES</p> <p>Quarterly U.S. private equity investment deal volume fell slightly from \$113 billion in Q1-2015 to \$112 billion in Q2-2015.</p>	\$112 B	- 1%
<p>EQUITY CONTRIBUTIONS HOLD STEADY</p> <p>Total equity financing for U.S. leveraged buyouts remained at 42% in Q2-2015.</p>	42%	0%
<p>U.S. FUNDRAISING LEVELS FALL</p> <p>Quarterly U.S. private equity fundraising volume declined from \$38 billion in Q1-2015 to \$30 billion in Q2-2015.</p>	\$30 B	- 21%
<p>DRY POWDER INCREASES</p> <p>Callable capital reserves (“dry powder”) of global buyout funds increased from \$431 billion in December 2014 to \$467 billion as of the end of June 2015.</p>	\$467 B	+8%
<p>EXIT VOLUME JUMPS</p> <p>U.S. private equity exit volume grew from \$70 billion in Q1-2015 to \$125 billion in Q2-2015.</p>	\$125 B	+80%

Note: Figures in this report are rounded. Percentage change calculations are based on actual figures and then rounded.

Fig 1 The four-quarter average for exits took a sharp turn upwards in 2015-Q2, while the average for investments and fundraising decreased.



Note: The value of each factor's metric for the quarter is the four-quarter rolling average indexed to 2004 levels, such that it equals 100 when the factor's metric is at the four-quarter rolling average as of the end of 2004. Please see Appendix for more details.

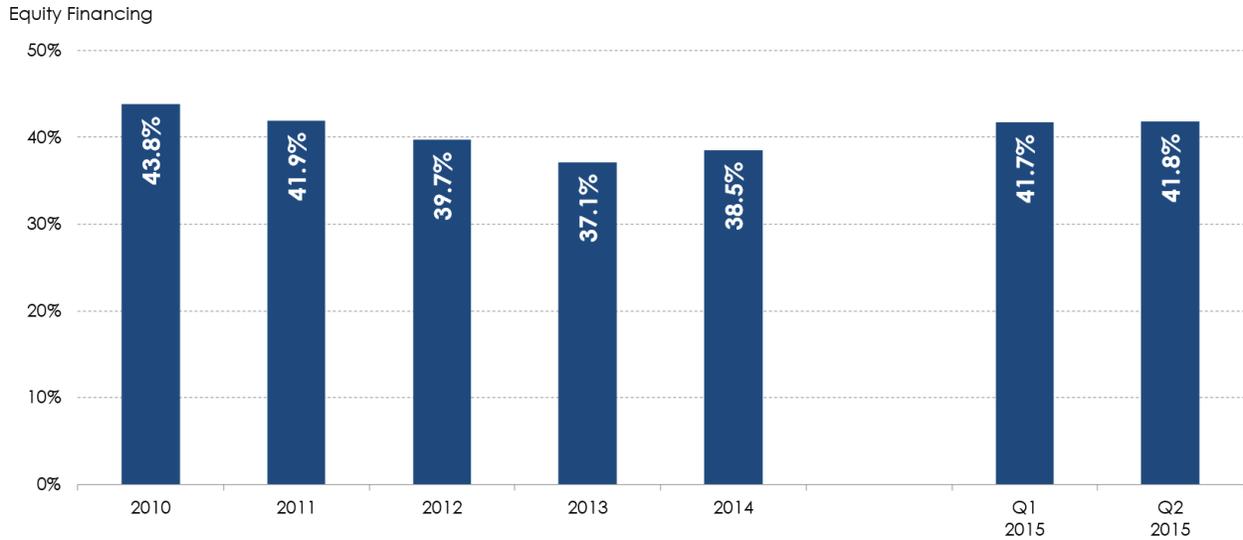
Source: PEGCC

Fig 2 U.S. private equity investment volume contracted by 1% from the previous quarter.



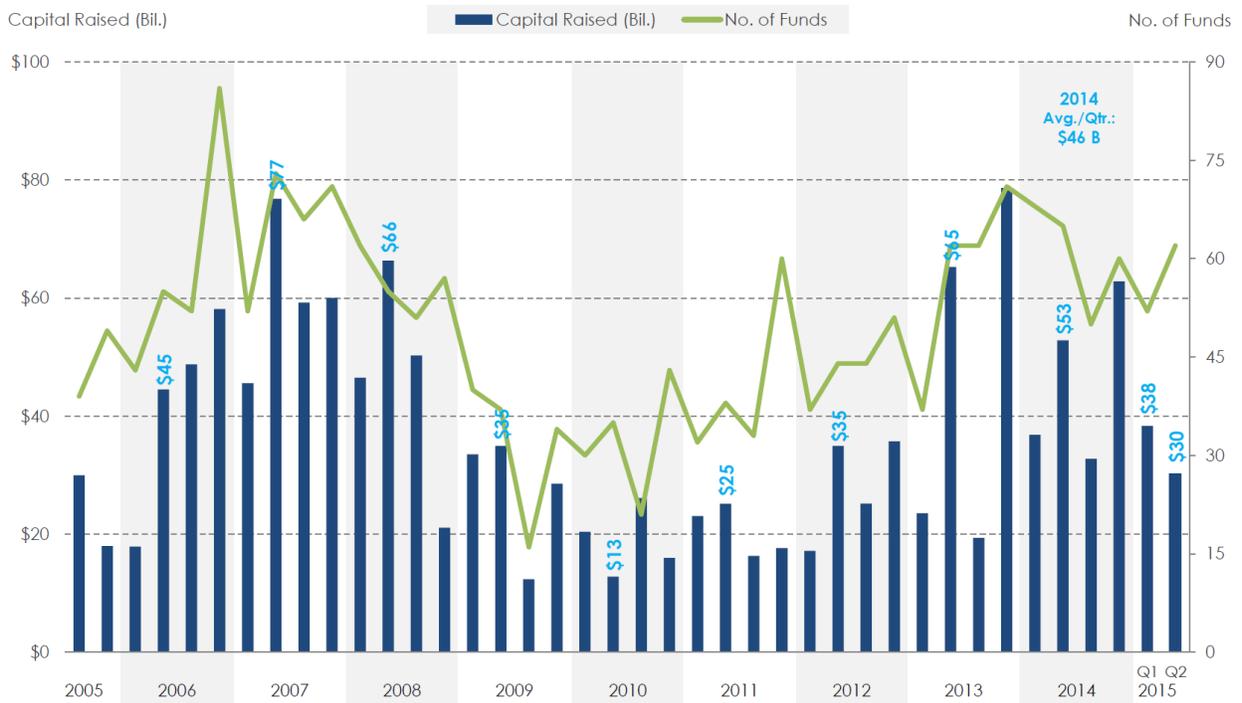
Source: PitchBook

Fig 3 The proportion of equity financing for U.S. leveraged buyouts remained at 42%.



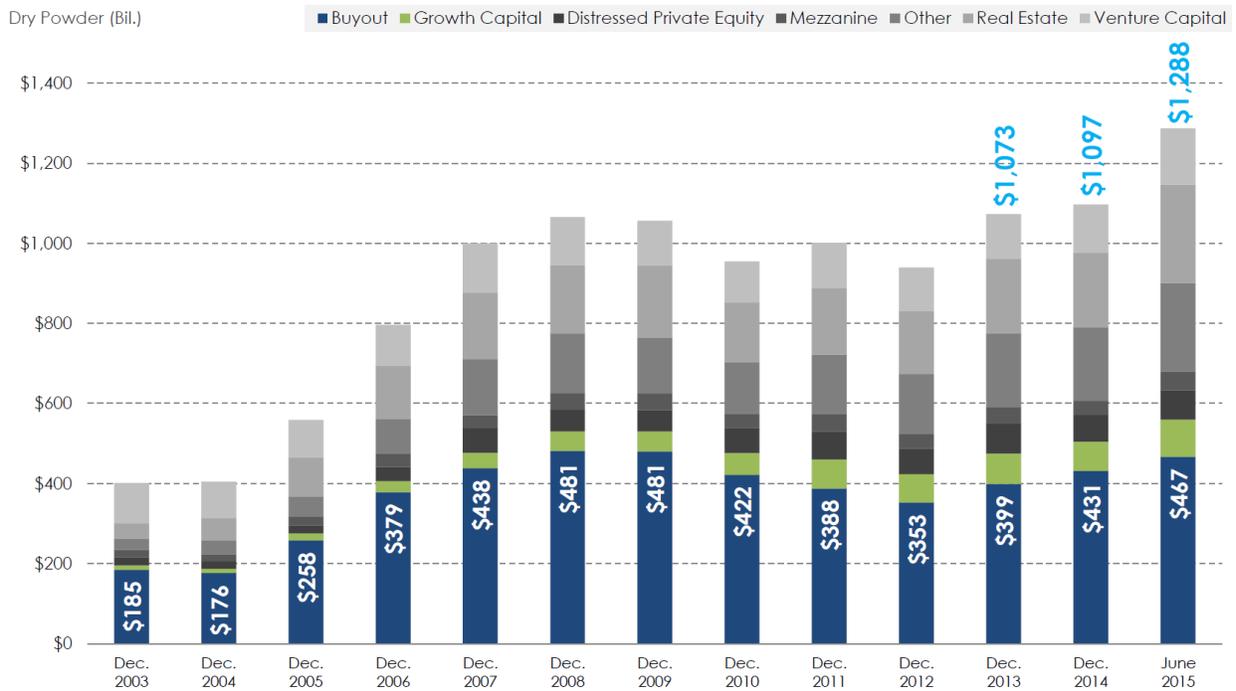
Source: Standard and Poor's Capital IQ Leveraged Commentary & Data

Fig 4 Capital raised by U.S. private equity funds declined from the previous quarter to \$30 billion.



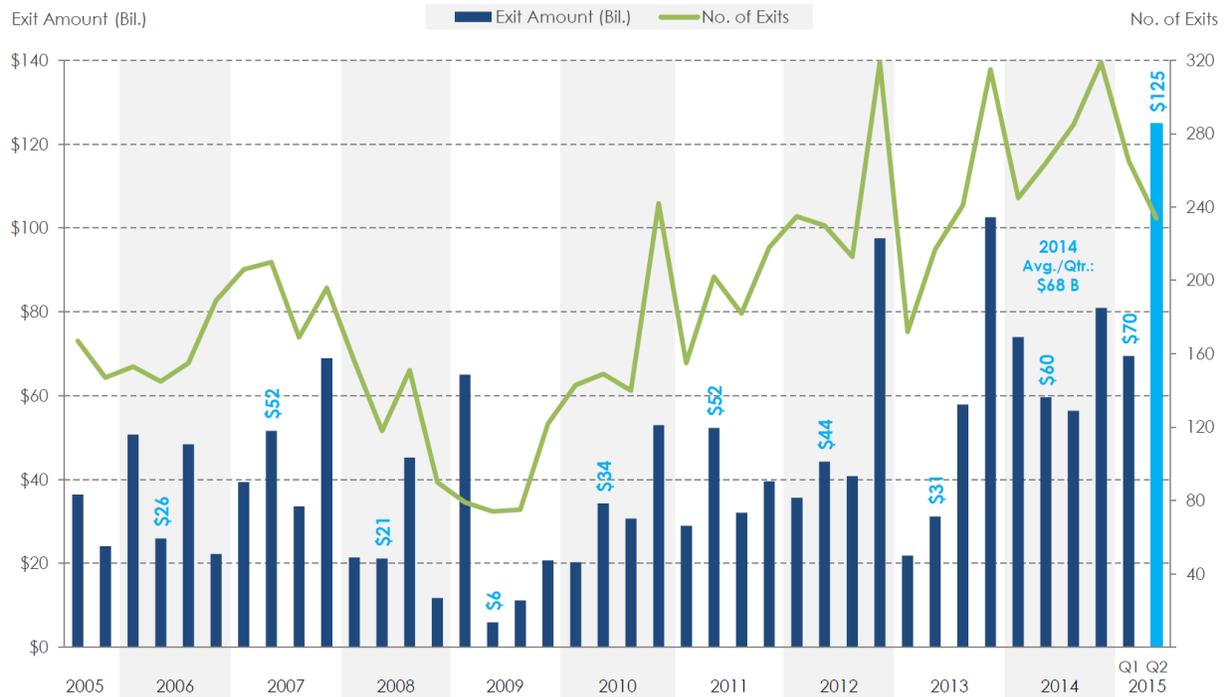
Source: PitchBook

Fig 5 Global callable capital reserves (“dry powder”) of buyout funds increased to \$467 billion as of June 2015.



Source: Preqin

Fig 6 U.S. private equity exit volume grew from previous quarter levels to \$125 billion.



Source: PitchBook

Appendix: Figure 1

The chart uses three key metrics to provide a summary of overall private equity market trends in the United States:

- Fundraising volume – net capital commitments secured during the quarter by private equity funds, including buyout, growth capital, infrastructure and energy funds.
- Investment volume – total reported dollar volume of private equity-backed investment completed during the quarter.
- Exit volume – total reported exit dollar volume during the quarter, including public offerings and sales to strategic and financial investors.

The value of each factor's metric for the quarter is the four-quarter rolling average indexed to 2004 levels. When the factor's metric is at its four-quarter rolling average as of the end of 2004, its value equals 100.