

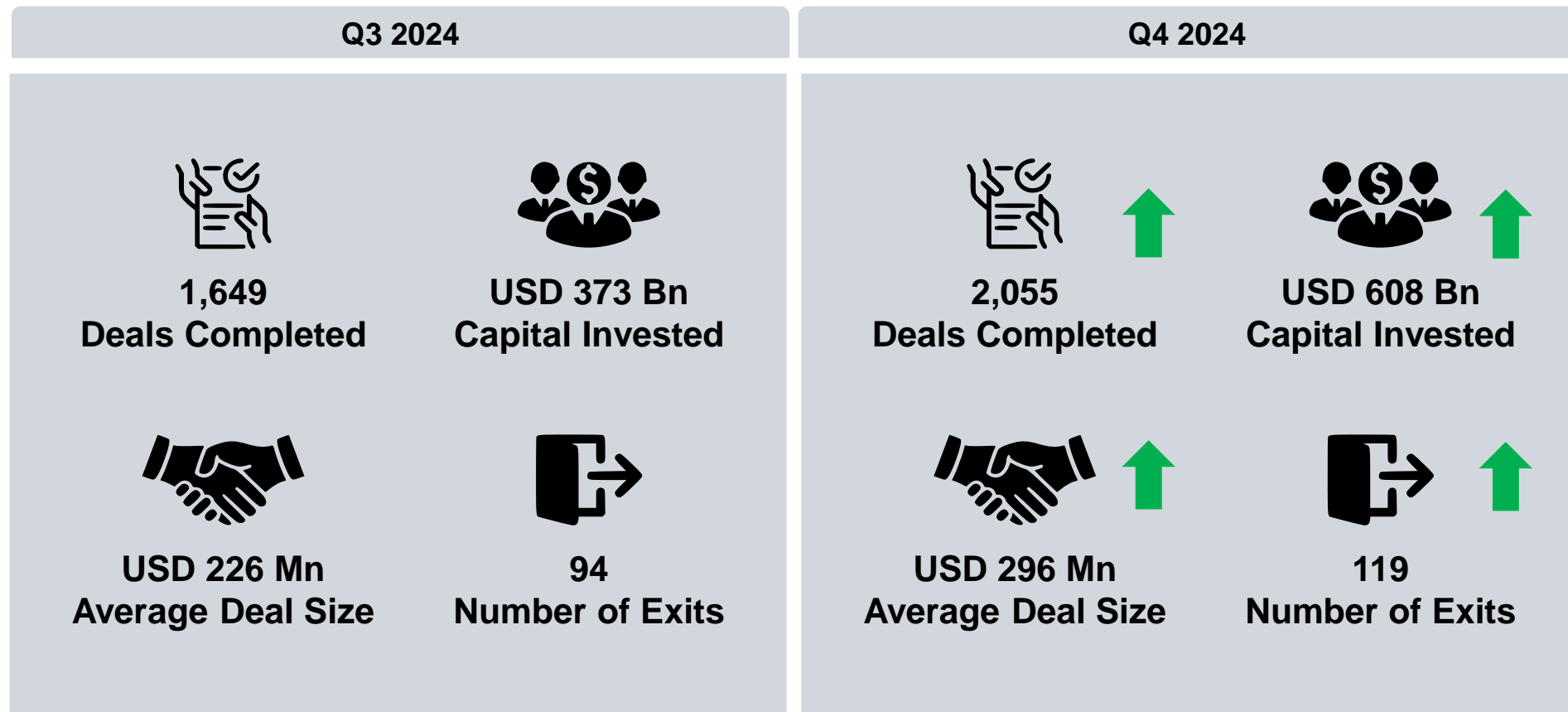
Special Report

# Private Equity Factbook – Q4 2024

Focus: Global



# Private equity (PE) investments rebound in Q4 2024 on diminished apprehensions regarding potential interest rate hikes and the severity of the global economic slowdown



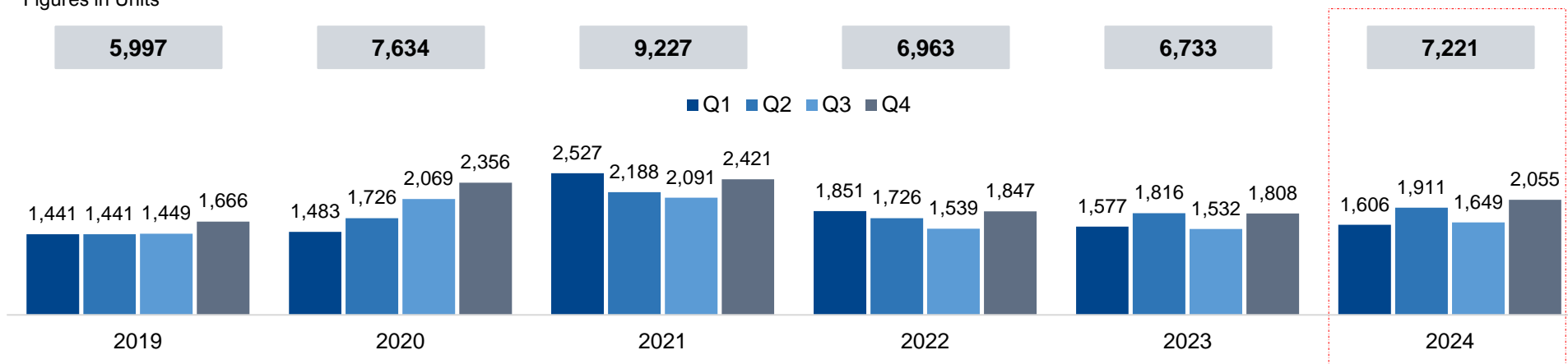
Source: Pitchbook, Aranca Analysis

Note: Quarter represents the calendar year.

# PE deal activity rose nearly 25% quarter-over-quarter in Q4 2024, signaling a strong recovery in investment activity and a boost in investor confidence

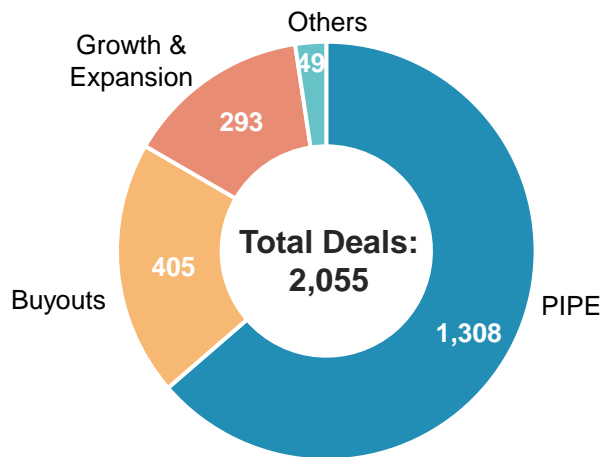
## Number of Deals

Figures in Units



Indicates annual/YTD deals completed

## Type of Deals – Q4 2024



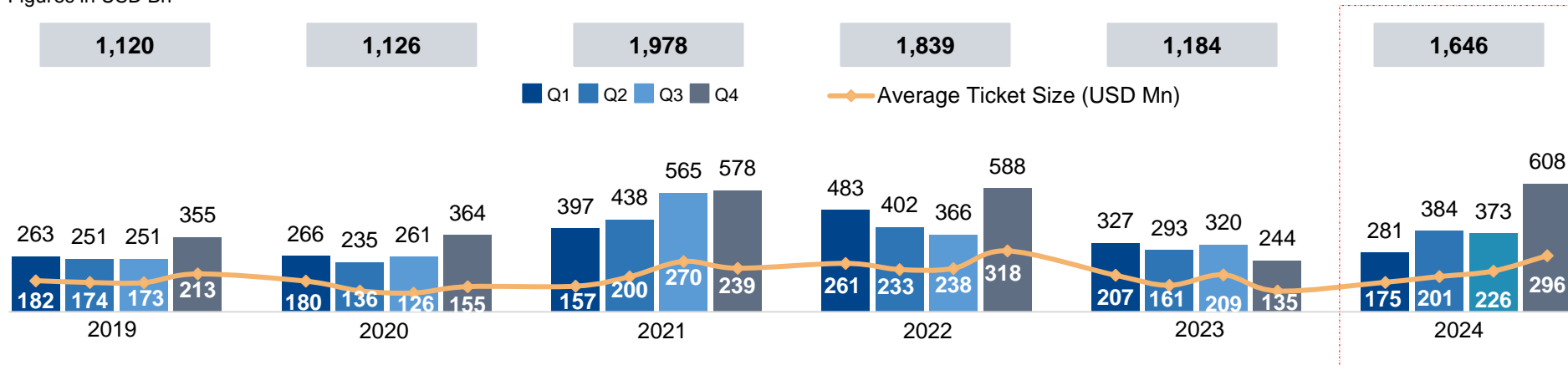
- The rise in PE deal activity can be ascribed to lower interest rates and tighter credit spreads, which reduced financing costs and aligned buyer-seller valuations.
- The Federal Reserve's rate cuts in the last few months of 2024 lowered borrowing costs, making it more affordable for PE firms to finance new acquisitions. Additionally, President Donald Trump's election sparked business optimism, with expectations of tax cuts and deregulation, boosting PE investments.
- The availability of dry powder and improved economic conditions further prompted firms to actively seek investment opportunities, driving deal making.
- In Q4 2024, private investment in public equity (PIPE) deals led the market, representing 64% of the total deal volume.

Source: Pitchbook, Aranca Analysis

In Q4 2024, PE firms recorded 63% QoQ growth in invested capital and a ~31% QoQ increase in average deal size, fueled by several high-value transactions

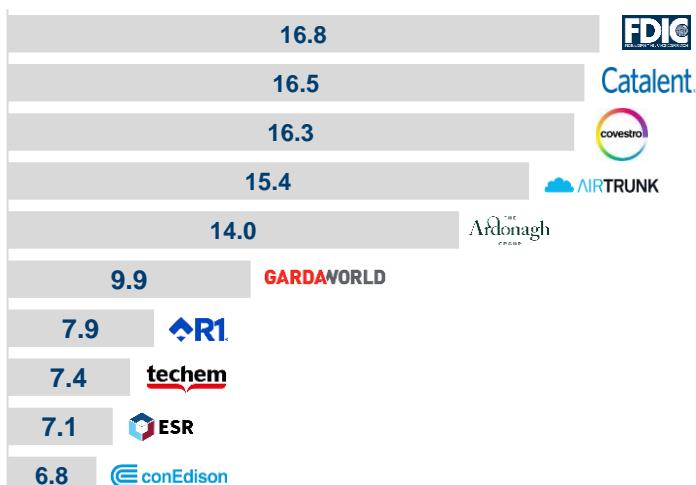
## Capital Invested

Figures in USD Bn



## Top 10 Deals – Q4 2024

Indicates annual/YTD capital invested

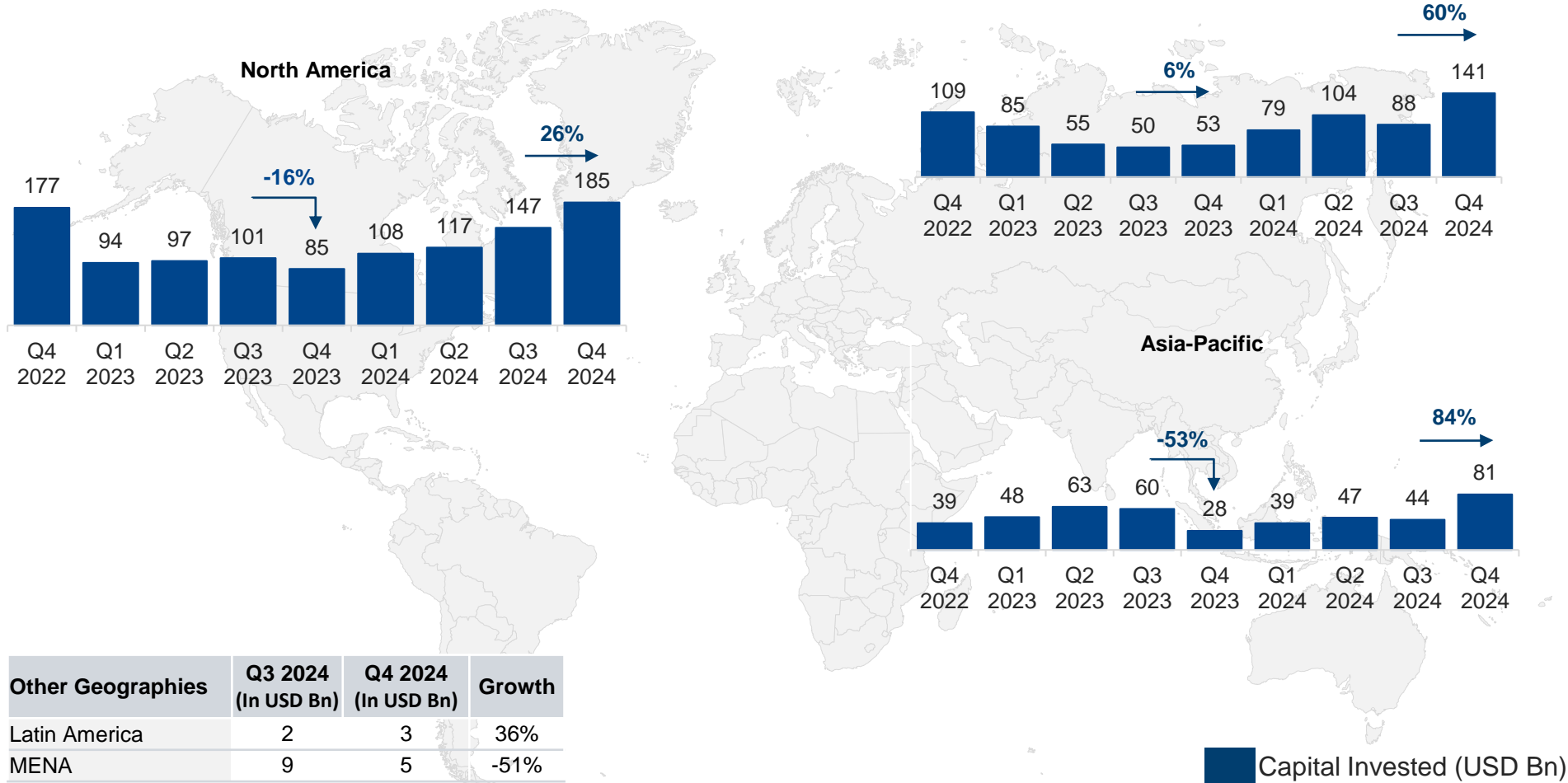


- In Q4 2024, capital investments were driven by stabilized inflation and an optimistic economic outlook.
- PE firms redirected their focus towards high-value and premium investments, leading to a rise in average deal size and a resurgence in megadeals.
- Improved credit availability from banks and private lenders, along with moderating interest rates, enabled greater capital deployment into large-scale acquisitions and strategic buyouts.
- Secondary buyouts deals attracted ~87% of the total capital investment, reflecting confidence in mature companies.

Source: Pitchbook, Aranca Analysis

PE investments rose quarter-over-quarter by 26% in North America, 60% in Europe, and 84% in Asia Pacific, while the MENA region recorded a 51% decline

## Key Geographies

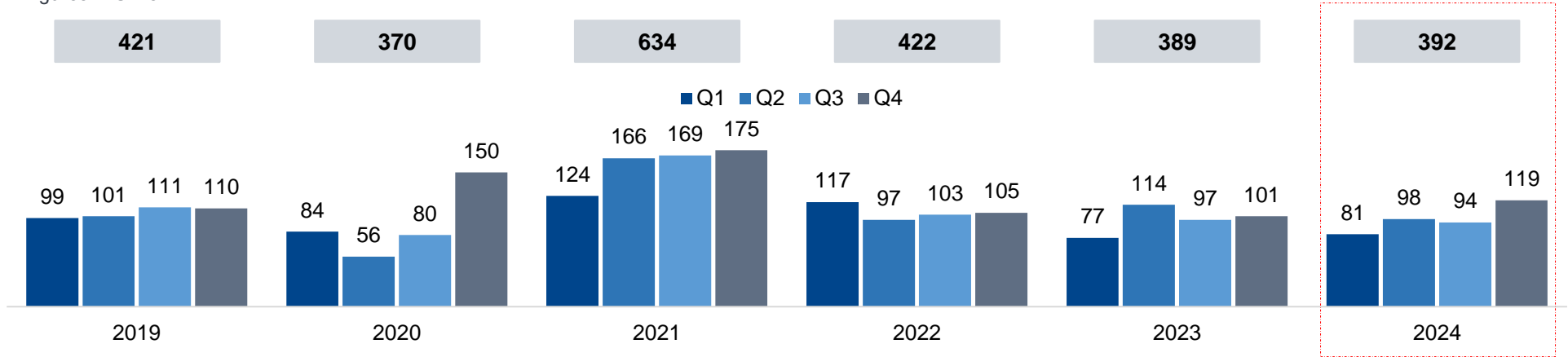


Source: Pitchbook, Aranca Analysis

# PE exit activity gained momentum in Q4 2024, reflecting stronger buyer interest, improved valuation multiples, and a more liquid exit environment quarter-over-quarter

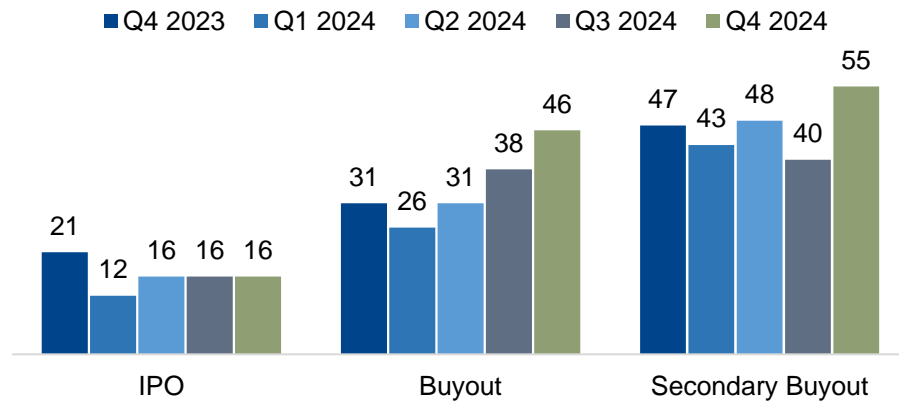
## Number of Exits

Figures in Units



## Key Exit Routes

Figures in Units



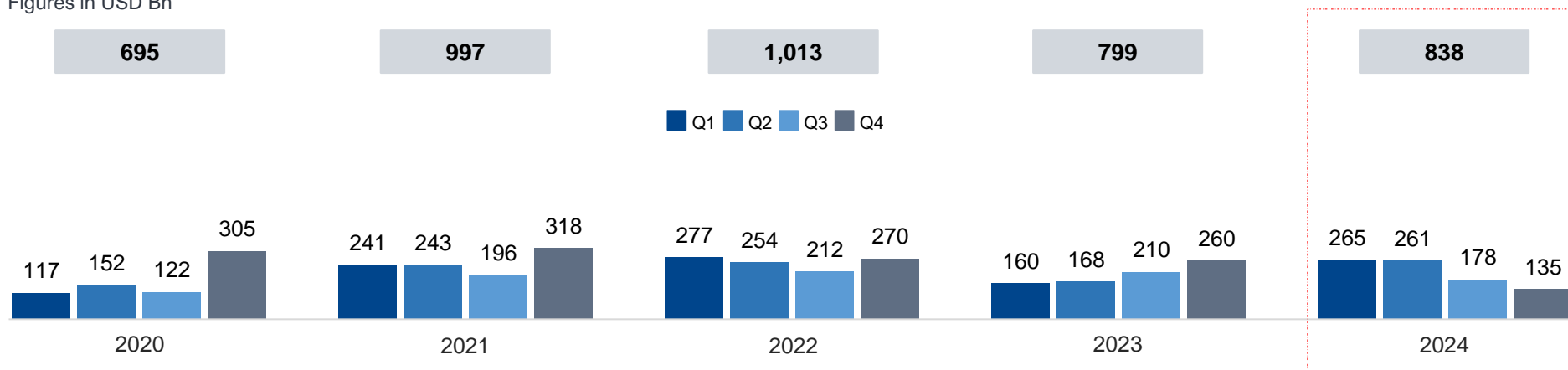
- PE exits increased 27% increase with 119 exits in Q4 2024, signaling successful investment sales and opportunities for higher return on investments for PE firms.
- This growth was driven primarily by larger corporate and public transactions, along with alternative exits like sponsor-to-sponsor sales, minority investments, and leveraged dividends for strategic divestment.
- As valuation gaps narrow and buyer confidence grows, PE firms are selling more assets than they are acquiring, prioritizing profit distribution to meet investor demands for capital returns.
- Secondary buyouts continue to remain the leading strategy, accounting for 47% of PE exits in Q4 2024.

Source: Pitchbook, Aranca Analysis

# Capital raised by PE firms dropped by 24% quarter-over-quarter in Q4, continuing the cycle of subdued fundraising after the uptick observed in the first half of 2024

## Capital Raised

Figures in USD Bn



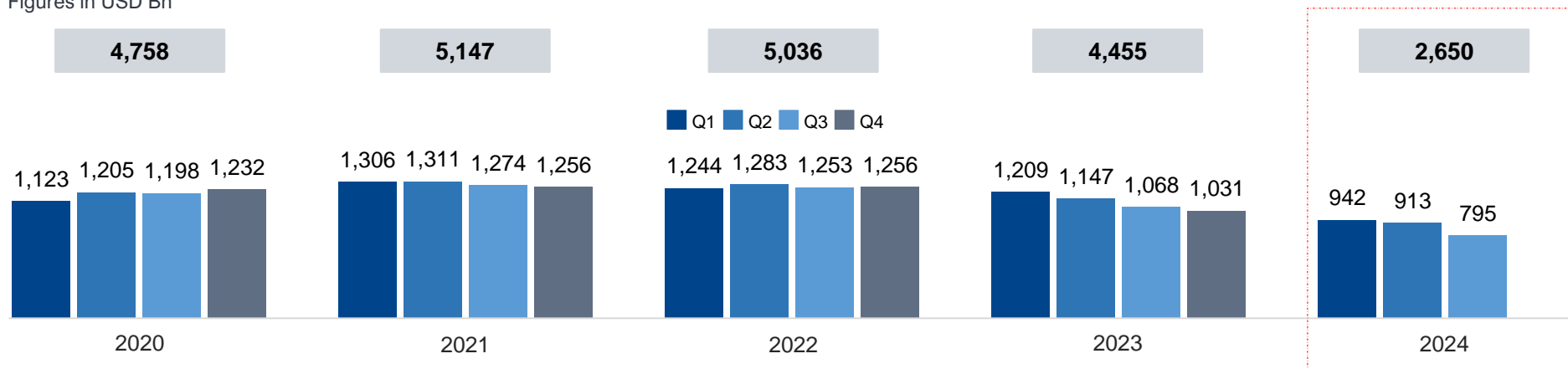
- In 2024, PE fundraising declined amid a subdued market environment, with firms struggling to secure capital as institutional investors grew more selective. Exit challenges further constrained fundraising efforts. By Q4 2024, PE funds had raised \$135 billion, a sharp drop compared with the \$260 billion raised in Q4 2023.
- Fundraising is expected to further decline in 2025, with median time closure time reaching 16.2 months in 2024. However, a rebound in deal and exit activity could potentially accelerate future fundraising efforts.
- Despite the overall downturn in fundraising, established managers continued to close large funds, indicating a concentration of capital among experienced firms. Notably, 80.2% of funds raised more than their predecessors in 2024, surpassing the five-year average.
- Furthermore, buyout funds remained dominant in Q4, while growth equity fundraising fell to its lowest since 2020, reflecting LPs' preference for stability over high-risk, high-growth strategies amid rising capital costs.

Source: Pitchbook, Aranca Analysis

# Dry powder availability with global PE firms declined by 13% QoQ due to subdued fundraising and an increase in capital investments

## Dry Powder\*

Figures in USD Bn



- The decline in dry powder can be attributed to companies deploying capital faster than they are raising new funds. Increased deal activity, combined with weaker fundraising than the previous quarter, has resulted in a net reduction in uncalled capital.
- The Fed's 2024 interest rate cuts have improved capital conditions, encouraging firms to deploy dry powder more aggressively.
- As dealmaking continues to strengthen, dry powder is expected to decline further in 2025.

*"Blackstone reported strong fourth-quarter results, as we exited a volatile year for global markets. The quarter reflected strong momentum across the business, including a meaningful acceleration in fund-raising and investment activity. We are exceptionally well-positioned for the road ahead with nearly \$200 billion of dry powder capital to invest."*

**– Chairman and Chief Executive Officer, Blackstone**

*"KKR is adding to its dry powder with more than 30 strategies in the market, with a great investing environment ahead of us."*

**– Partner and Chief Financial Officer, KKR**

\*Note: Dry powder data is as of September 2024  
Source: Pitchbook, Aranca Analysis



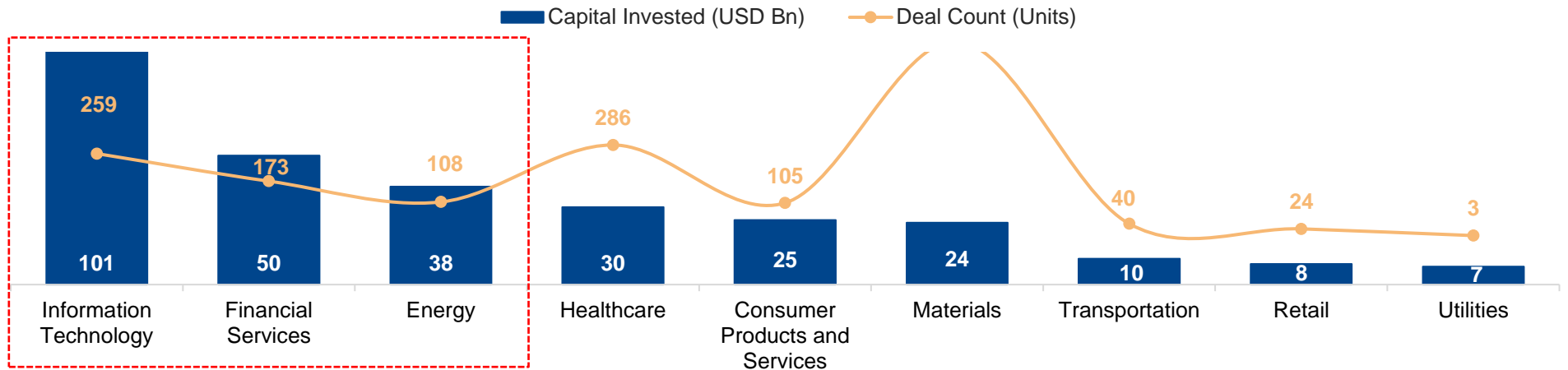
## Top 15 Private Equity Firms (Based on available dry powder) *(Illustrative)*

Investors	Geography	Dry Powder (USD Bn) <small>As of Sep 2024</small>	Last Investment			Investments (Last 6 Months)	Investment Targets
			Target	Deal Value (USD Bn)	Date		
Blackstone	The US	158.8	Mayfield Insurance	-	Feb 2025	60	Real estate, public debt, infrastructure, life sciences, and growth equity
Kohlberg Kravis Roberts	The US	68.9	Pavlovich Coachlines	-	Feb 2025	67	Real estate, infrastructure, credit, and hedge funds
Ardian	France	65.9	Filament Innovations	-	Feb 2025	37	Food value chain, food & beverage, ingredients, agribusinesses, food safety, healthcare, and life science services
Apollo Global Management	The US	53.2	Brad-Chem	-	Feb 2025	19	Private equity, credit, and real estate sectors
EQT	Sweden	53.0	Eutelsat Communications	0.8	Mar 2026	27	Healthcare, technology, services, and industrial tech sectors
The Carlyle Group	The US	47.8	Pattyn	-	Feb 2025	37	Aerospace, government services, consumer, media, retail, financial services, aviation finance, and energy sectors
Thoma Bravo	The US	40.2	SecureWorks	0.9	Feb 2025	16	B2B, financial services, healthcare, information technology, infrastructure & cybersecurity sectors
TPG	The US	38.7	Geopharma	-	Feb 2025	42	Consumer, healthcare, business services, internet, digital media & communications, software, and enterprise technology sectors
HPS Investment Partners	The US	37.8	Private Insurance Assuradeuren	-	Jan 2025	5	Companies through syndicated leveraged loans, high-yield bonds, privately negotiated senior secured debt, subordinated debt, preferred equity, and private equity
Intermediate Capital Group	The Uk	35.4	BitNAP	-	Feb 2025	20	A private equity investment firm
Partners Group	Switzerland	33.5	Encore Technology Solutions	-	Jan 2025	23	Private equity, infrastructure, real estate, private credit, and royalties' investments
Bain Capital	The US	32.5	Mitsubishi Tanabe Pharma	3.3	Feb 2025	31	B2B, B2C, retail, non-financial services, transportation, energy, healthcare, information technology, and cybersecurity
Hellman & Friedman	The US	30.0	Mayfield Insurance	-	Feb 2025	18	Consumer services, retail, energy, industrials, financial services, technology, information, content, business services, healthcare, and insurance
AlpInvest Partners	Netherlands	28.0	Southwest Electric	-	Jan 2025	4	Aerospace & defense, B2B, B2C, media, retail, non-financial services, transportation, and financial services
Clearlake Capital Group	The US	26.5	Logility Supply Chain Solutions	-	Jan 2025	15	Software & technology, energy & industrials, and food & consumer service sectors

Source: Pitchbook, Aranca Analysis

# IT, financial services, and energy sectors account for ~46% of the total capital invested by PE firms

## Top Sectors\* – Q4 2024



Note: \*Only includes deals for which sector-level information is available. Deals include those completed and announced.

*“Private equity firms are preparing for a recovery in leveraged buyout volumes in 2025, supported by falling interest rates, a backlog of capital to deploy, and opportunities linked to the explosive growth of artificial intelligence (AI).”*

**– A publication firm**

*“The energy sector saw more than \$400 billion in acquisitions—a three-year high—with more than 10 megadeals, the biggest of which was the Diamondback Energy and Endeavor Energy Resources merger.”*

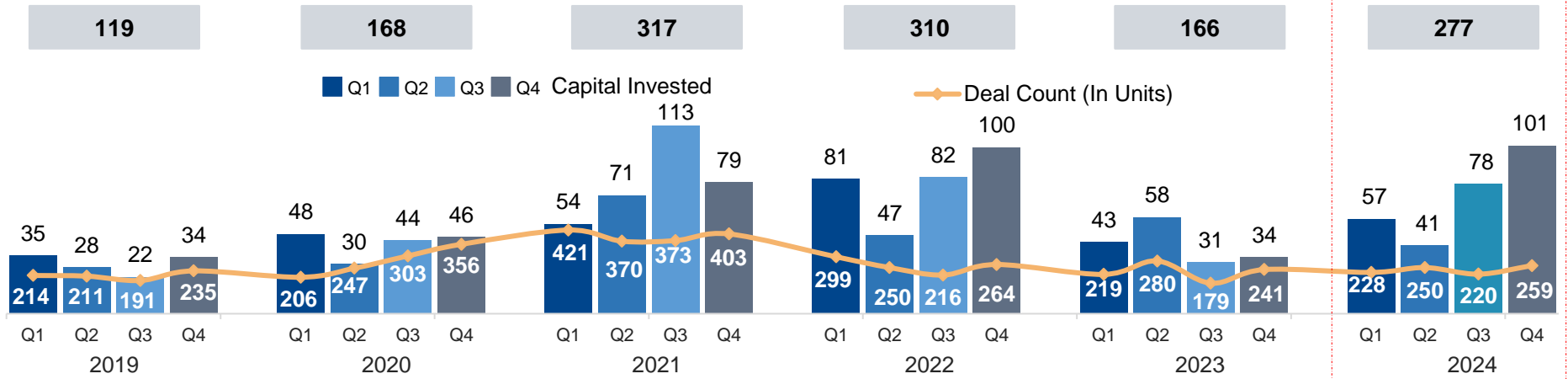
**– A management consulting firm**

Source: Pitchbook, Aranca Analysis

Investments in the IT sector surged 29% QoQ in deal value and 18% QoQ in deal volume, with software deals comprising 48% of the total

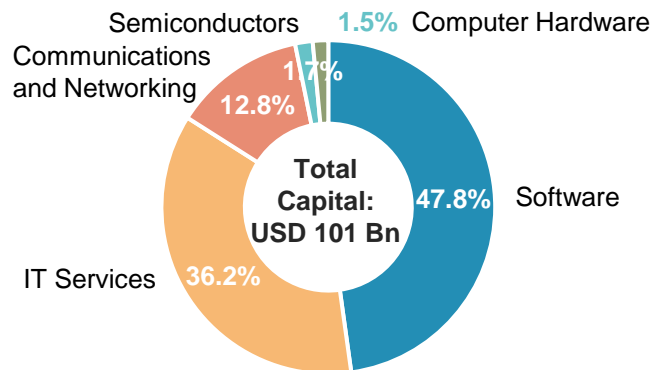
## Top Sectors – Information Technology

Figures in USD Bn



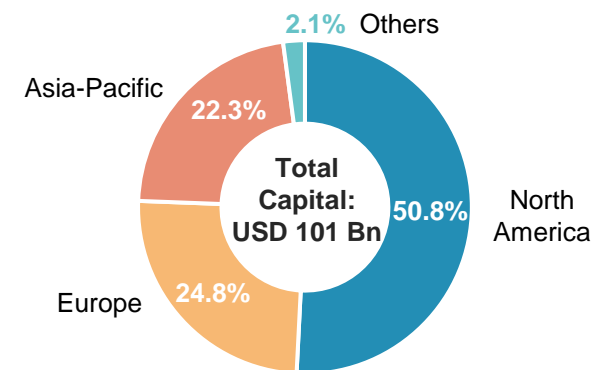
## IT by Primary Sectors in Q4 2024

Figures in Percentage and USD Bn



## IT by Geography in Q4 2024

Figures in Percentage and USD Bn



Source: Pitchbook, Aranca Analysis

\*Note: Deals include completed and announced

## Top PE investments in the IT sector in Q4 2024 *(Illustrative)*

IT Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD Mn)	Deal Type	Investors
IT Services	Systems and Information Management	AirTrunk	Operator of a network of technology data centers	Australia	15,361	Buyout/LBO	Blackstone, CPP Investments
	IT Consulting and Outsourcing	Perficient	Provider of information technology and consulting services	The US	3,163	Buyout/LBO	EQT Private Capital Asia
Software	Financial Software	Nuvei	Provider of payment technology solutions to merchants and partners	Canada	6,300	Buyout/LBO	Advent International, Caisse de dépôt et placement du Québec, EDC Investments, Novacap
	Business/Productivity Software	PowerSchool Group	Provider of cloud-based software to the K-12 education market	The US	5,600	Buyout/LBO	Bain Capital, Onex, Vista Equity Partners
Communications and Networking	Other Communications and Networking	Infrastruttura Wireless Italiane	An Italian wireless tower company	Italy	3,284	Buyout/LBO	Ardian
	Telecommunications Service Providers	Consolidated Communications	Provider of communication services for business and residential customers	The US	2,046	Buyout/LBO	British Columbia Investment Management, Searchlight Capital Partners, WaveDivision Capital
Semiconductor	Application Specific Semiconductors	SJSemi	Provider of high-performance chip assembly, testing and packaging services	China	700	PE Growth/Expansion	China Life Private Equity, China's National Social Security Fund, Shanghai Futeng Investment, Shanghai International Group, Shanghai Lingang Digital Private Equity Fund Management
		Horizon Robotics	Provider of driver assistance systems and solutions	China	696	IPO	Alibaba Group, Baidu, Beijing Financial Holdings Group
Computer Hardware	Other Hardware	Stemmer Imaging	Provider of image processing technology	Germany	339	Buyout/LBO	MiddleGround Capital
		CICOR Technologies	Manufacturer of printed circuit boards, high-density interconnect, and thin and thick film	Switzerland	283	Buyout/LBO	One Equity Partners

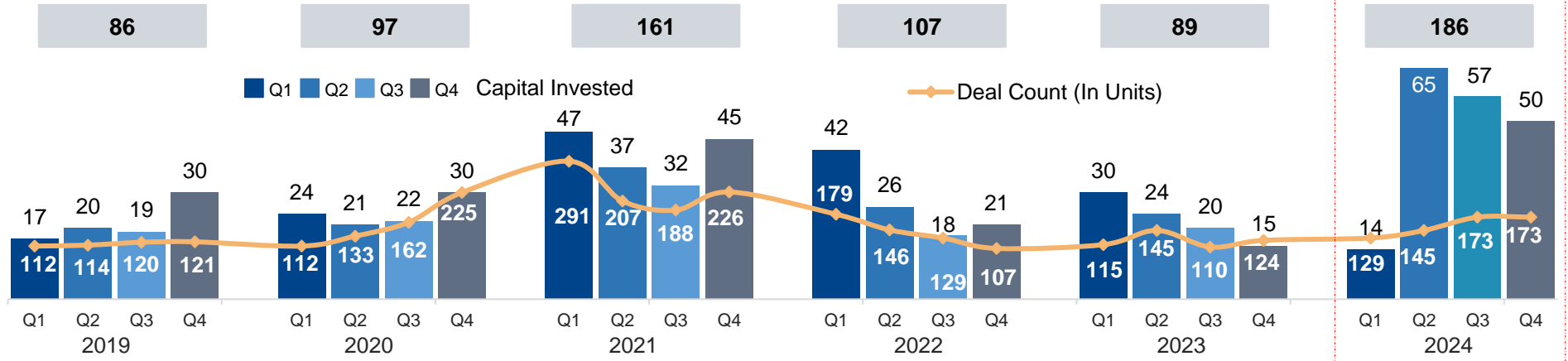
Source: Pitchbook, Aranca Analysis

\*Note: Deals include completed and announced

Investments in the financial sector declined 12% QoQ to USD 50 Bn, with most investments concentrated on other financial services deals

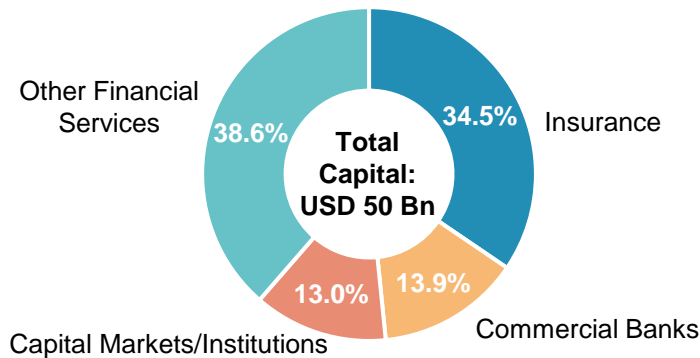
### Top Sectors – Financial Services

Figures in USD Bn



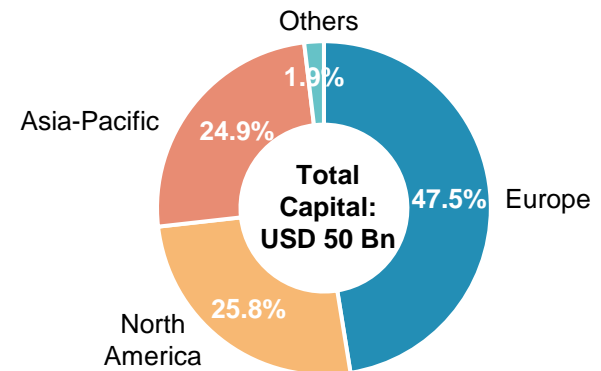
### Financial Services by Primary Sectors in Q4 2024

Figures in Percentage and USD Bn



### Financial Services by Geography in Q4 2024

Figures in Percentage and USD Bn



Source: Pitchbook, Aranca Analysis

\*Note: Deals include completed and announced

## Top PE investments in the financial services sector in Q4 2024 (Illustrative)

Financial Services Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD Mn)	Deal Type	Investors
Insurance	Insurance Brokers	The Ardonagh Group	Provider of insurance brokerage services	The UK	14,000	PE Growth/Expansion	Stone Point Capital
		Max Matthiessen	Provider of advisory services	Sweden	1,100	Buyout/LBO	Nordic Capital, Ontario Teachers' Pension Plan
Capital Markets/Institutions	Asset Management	Falko	Operator of an aircraft operating leasing and asset management company	The UK	1,900	Buyout/LBO	HPS Investment Partners
	Investment Banks	Merchant Investment Management	Provider of management consulting services and private financing	The US	750	PE Growth/Expansion	Sixth Street Partners
Commercial Banks	Regional Banks	Spar Nord Bank	A retail bank	Denmark	3,500	Buyout/LBO	Nykredit
	National Banks	KeyBank	Focused on serving middle-market commercial clients through a hybrid community/corporate bank model	The US	2,800	PIPE	Scotiabank
Other Financial Services	Real Estate Investment Trusts (REITs)	ESR Group	A real asset management company	Hong Kong	7,100	Buyout/LBO	Sixth Street Partners, SSW Partners, Starwood Capital Group, Warburg Pincus
	Other Financial Services	CI Financial	Provider of asset and wealth-management products and services	Canada	3,367	Buyout/LBO	Mubadala Investment Company

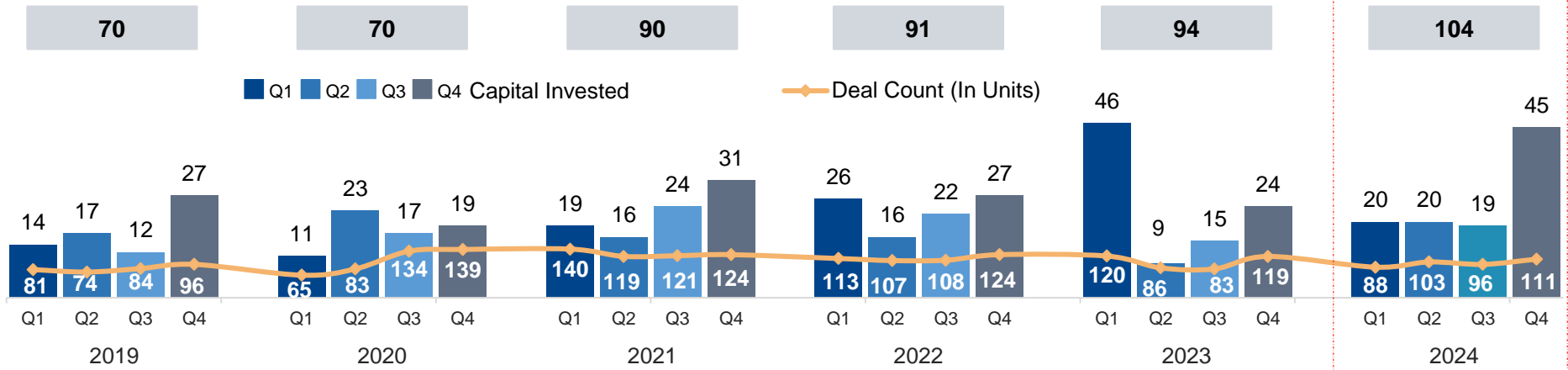
Source: Pitchbook, Aranca Analysis

\*Note: Deals include completed and announced

# PE firms injected significant capital into energy deals in Q4 2024, driven by investments in exploration, production, refining, and energy services

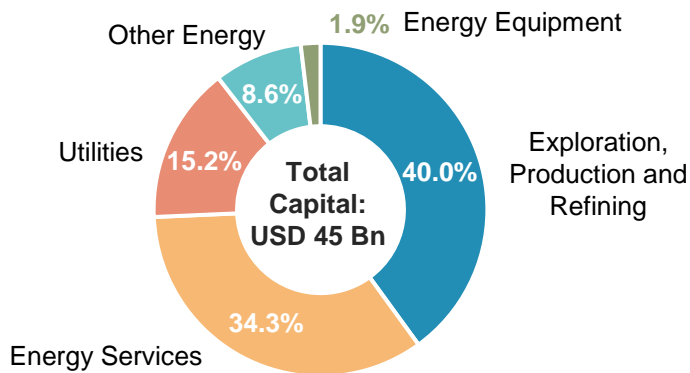
## Top Sectors – Energy

Figures in USD Bn



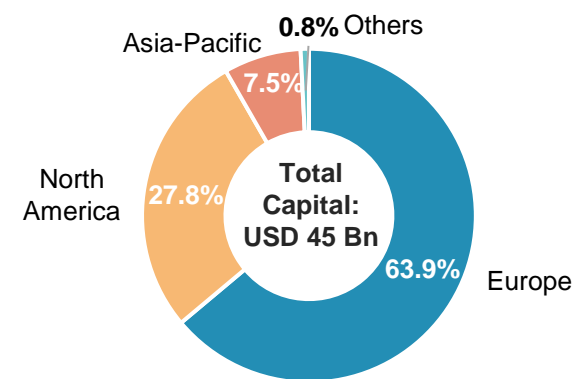
## Energy by Primary Sectors in Q4 2024

Figures in Percentage and USD Bn



## Energy by Geography in Q4 2024

Figures in Percentage and USD Bn



Source: Pitchbook, Aranca Analysis

\*Note: Deals include completed and announced

## Top PE investments in the Energy sector in Q4 2024 *(Illustrative)*

Energy Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD Mn)	Deal Type	Investors
Energy Services	Other Energy Services	Techem	Provider of energy billing and management services	Germany	7,444	Buyout/LBO	GIC Private, TPG
	Energy Infrastructure	VSB Holding	Developer of wind farms and renewable projects	Germany	1,570	Buyout/LBO	TotalEnergies
Utilities	Multi-Utilities	Consolidated Edison	Provides steam, natural gas, and electricity	The US	6,766	PIPE	-
Exploration, Production and Refining	Energy Production	Neoen	A French renewables developer	France	3,827	Buyout/LBO	Brookfield Asset Management, Temasek
		Encavis	An independent solar park operator	Germany	2,970	Buyout/LBO	Elbe BidCo, Kohlberg Kravis Roberts, Viessmann Group
		Terna Energy	Engaged in energy and construction sector	Greece	2,557	Buyout/LBO	Masdar Capital
Energy Equipment	Alternative Energy Equipment	Dream Energy	Operator of an alternate energy production	France	242	PE Growth/Expansion	TIIC
		United Solar Holding	Manufacturer of solar panels	Oman	156	PE Growth/Expansion	Oman Investment Authority
Other Energy	Other Energy	Atlantica Sustainable Infrastructure	Owns, manages, and acquires renewable energy, conventional power, electric transmission lines and water assets	The UK	2,555	Buyout/LBO	Energy Capital Partners
		GenOn Energy	A 54 MW Simple Cycle Natural-Gas Fired Peaking Plant	The US	700	Buyout/LBO	Rockland Capital

Source: Pitchbook, Aranca Analysis

\*Note: Deals include completed and announced



## Aranca View

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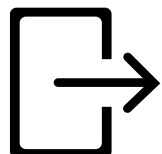
- Dealmakers expect a sustained rebound in deal activity in 2025, driven by regulatory shifts, economic stability, and a narrowing valuation gap



- PE investors anticipate lower interest rates, eased regulations, and a stronger 'risk-on' sentiment, further bolstered by potential geopolitical stability compared with the previous quarter



- Technology will remain a key investment focus, with strong secular trends driving investments in AI and machine learning companies



- Investor pressure will continue to drive an increased impetus on exits, pushing GPs to prioritize profit distribution for faster reinvestment and sustained commitments



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**2500+**

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**120+**

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