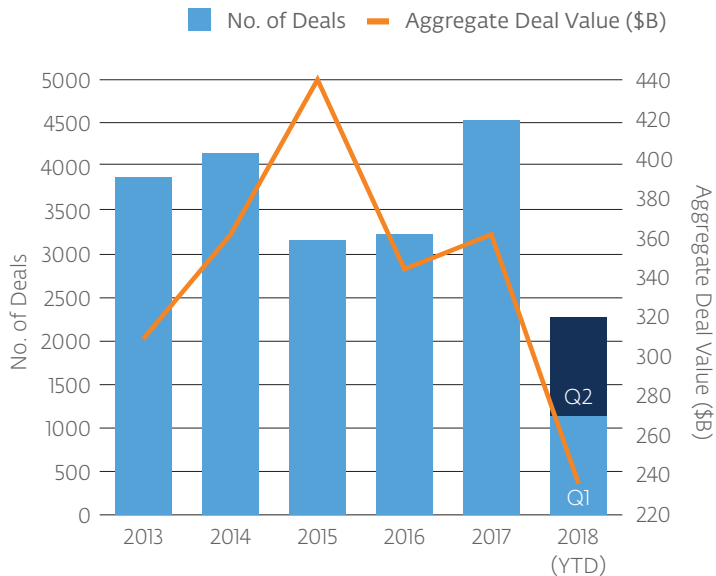


## A 'Status Quo' Quarter, but What's to Come?

Deals continued at a brisk pace in the second quarter, and valuations remain a central question for dealmakers.

### Global Buyout Deals, Q1 2013-Q2 2018

Source: Preqin



## What the Experts Say



"When LPs invest in this asset class, they're looking to outperform the public markets and that spread is still there. So even though prices are high, buyers are being well-rewarded for the investments that they make, and of course sellers are finding it to be a nice environment as well."

-Hiter Harris, Managing Director, Harris Williams & Co.



"When we ask GPs about the level of capital they're looking to commit, by comparison to the last 12 months, the overwhelming trend is they're looking to invest the same levels, if not more, in 2018 than they did in 2017."

-Christopher Elvin, Head of Private Equity Products, Preqin



"It's almost the tale of two markets because there are some really good growth stories out there in the marketplace but there's also a tremendous amount of capital chasing mediocre growth business as well. I do think that return expectations may be lowered for the future."

-Michael Fanelli, Partner, Transaction Advisory Services, RSM

### Q2 Highlights

**22%** of deals were industrials

**\$9.9B** KKR buys Envision from CD&R, Q2's biggest deal

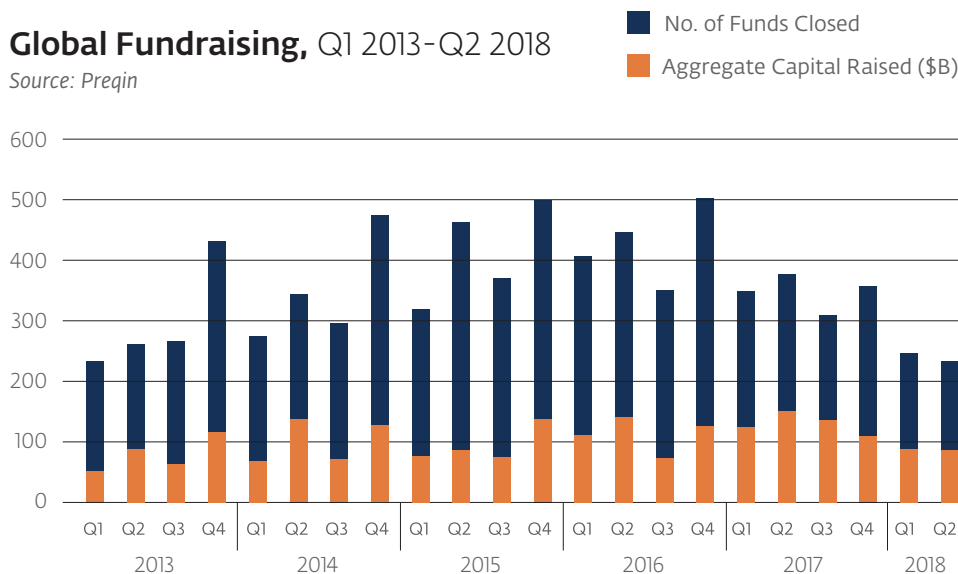
**470** exits, flat YoY, but still strong

## Fundraising Slowdown?

Fundraising slowed considerably in the quarter, but experts say the environment remains strong.

### Global Fundraising, Q1 2013-Q2 2018

Source: Preqin



"It's always going to be about supply and demand, and right now there's a lot of money, and the private equity world is trying to grow to absorb that. And I think it will continue to do so."

-Hiter Harris, Harris Williams & Co.

"I still expect 2018 to be very strong. It may not be quite at the levels that we've seen in the last few years, but we really are in an unprecedented period for fundraising."

-Christopher Elvin, Preqin

"From a longer term horizon are the Q2 numbers low? Not really. Everything is so good from a global economic perspective, but there's obviously some macro things that could change that."

-Michael Fanelli, RSM