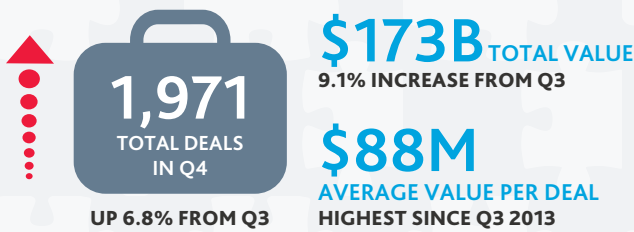


DIP IN GLOBAL MID-MARKET PE DEALS IN Q4 2016, DESPITE M&A GROWTH IN KEY REGIONS

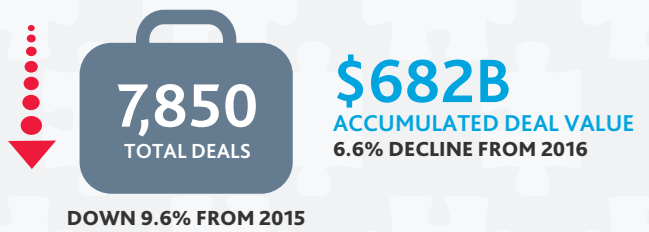


Global mid-market M&A surges in 2016, annual totals fall short of 2015's record-high deal flow

Q4 ENDS ON A HIGH-NOTE FOR M&A



2016 TAPERED FROM PRIOR YEAR'S HEIGHTS



PE players took a backseat to global strategic buyers in Q4

LESS THAN 13%
OF DEALS INVOLVED PE IN Q4 2016

LOWEST GLOBAL PE DEAL VOLUME SINCE Q3 2013

Q4 M&A in **Latin America** up by more than one-third

VALUE AND VOLUME OF DEALS SOAR IN Q4



REGION SEES A DROP IN PE BUYOUTS



ENERGY, MINING & UTILITIES ACCOUNTED FOR NEARLY ONE-QUARTER OF REGION'S DEALS



PE deal flow reaches new heights in **DACH*** region

PE ACTIVITY HITS AN EIGHT-YEAR HIGH



84%
INCREASE IN AVERAGE VALUE OF PE-BACKED DEALS

PACE OF M&A ACTIVITY SLOWED IN 2016



Industrial & Chemicals and Technology & Media drove majority of deal flow

ACCOUNTED FOR **58%** OF ALL DEALS

* Region comprises Germany, Austria and Switzerland

China remains an M&A hotspot with a steady pace of cross-border transactions

SECOND-HIGHEST YEAR ON RECORD FOR DEAL VOLUME



MAINTAINED APPETITE FOR OFFSHORE INVESTMENT

GENERATED 23.5% OF THE TOTAL GLOBAL DEAL VALUE



Industrial & Chemicals saw highest annual deal volume



599 TOTAL DEALS
ACCOUNTED FOR **34.4%** OF ALL 2016 TRANSACTIONS

2016 **Technology & Media** megadeals see sky-high valuations

TECH MEGADEALS BREAK RECORDS IN Q4



GLOBAL DEAL VALUE SOARS IN Q4, FAR OUTPACING Q3



ANNUAL GLOBAL TRANSACTION VOLUME MAINTAINS PACE, DESPITE DIP IN TOTAL VALUE

DEAL VALUE DOWN 17% FROM 2015, STILL **42% ABOVE 2014 VALUE LEVELS**

Adapted from BDO Horizons, a quarterly study produced by BDO International using data from Mergermarket to track middle-market transaction trends and developments.

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Scott Hendon, Leader, Private Equity Practice, BDO USA
shendon@bdo.com / 214-665-0750

