

MIDDLE MARKET M&A ACTIVITY IN Q2 2015 BUILT ON Q1'S MOMENTUM

Transaction Levels Still Trailed 2014's Successes

MIDDLE MARKET DEAL ACTIVITY SAW SOLID Q2 2015

Volume and value grew...

DEAL VOLUME:
+4.3%
FROM Q1 2015



DEAL VALUE:
+15.6%
FROM Q1 2015

...but couldn't match Q2 2014 levels

DEAL VOLUME:
-20.2%



DEAL VALUE:
-14.6%

Global private equity reaped the benefits of a promising deal environment

200
TRANSACTIONS

\$25.2^B
IN TOTAL VALUE



CANADIAN OPPORTUNITIES HAVE PROVEN ATTRACTIVE

Since July 2014,
Canada has seen

757
CLOSED
TRANSACTIONS



\$86^B
IN INVESTMENTS



Materials (161 deals)
and **Financial Services (156 deals)**
have been
leading sectors in
DEAL VOLUME.

Private equity is poised
to drive future deal
activity, thanks to



\$467^B

IN GLOBAL DRY POWDER
AS OF Q2 2015

MIDDLE MARKET DEAL FLOW STRONG IN LATIN AMERICA, BUT PE LAGGED

Q2 2015 saw 59 deals totaling
\$5.2 billion

DEAL VOLUME:
+17%
FROM Q1 2015



DEAL VALUE:
+8.2%
FROM Q1 2015

Only 4 PE deals were closed in
Q2 2015, totaling

\$494^M



PE'S Foothold IN THE U.K. AND IRELAND SLIPPED

MIDDLE MARKET
TRANSACTIONS TOTALED

126

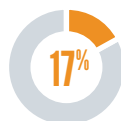
IN Q2 2015, WITH A
VALUE OF

\$10.7^B

PE REPRESENTED ONLY ABOUT
**20% OF VOLUME AND LESS
THAN 17% OF VALUE, LOWER
THAN IN ANY QUARTER IN 2014**



VOLUME



VALUE

ONLY 3 OF THE 10
LARGEST DEALS WERE
LED BY PE FIRMS



DEAL ACTIVITY – AND PRIVATE EQUITY – HEATED UP IN ISRAEL

Israel saw 22 deals valued
at a total of \$2.3 billion in
Q2 2015

+84%
FROM Q2 2014



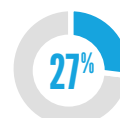
+86%
FROM Q2 2015

Average deal size in
Israel reached

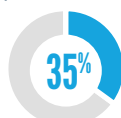
\$104^M



PE FIRMS ACCOUNTED FOR
**27% OF VOLUME AND 35%
OF VALUE**
6 DEALS TOTALING \$806 MILLION



VOLUME



VALUE

Adapted from BDO HORIZONS, a quarterly study produced by BDO International using data from Mergermarket to track middle market transaction trends and developments. All monetary values are in USD. Additional sources: Private Equity Growth Capital Council, Reuters

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For more information, please contact:
TODD KINNEY, New York, 212-885-7485 / tkinney@bdo.com
LENNY DACANAY, Chicago, 312-730-1305 / ldacanay@bdo.com
JOE GORDIAN, Dallas, 214-969-7007 / jgordian@bdo.com
TUAN HOANG, Los Angeles, 310-557-0300 / tmhoang@bdo.com
www.bdo.com/privateequity

