

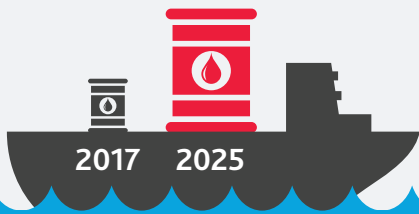
PERSPECTIVE IN NATURAL RESOURCES

WILL PRIVATE EQUITY FUND THE U.S. SHALE REVOLUTION?



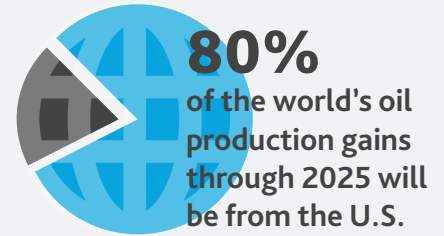
INVESTORS LIKELY TO BET BIG ON SHALE AS U.S. PRODUCTION BOOMS

The U.S. is on track to become a net exporter of oil



U.S. shale production totaled **6.17M** barrels per day (bpd) in 2017

Forecasted to increase by **8M** bpd by 2025



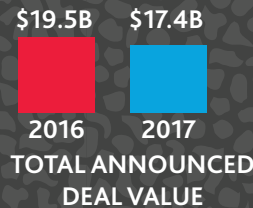
TIPPING THE SCALES: DEBT MARKET OUTWEIGHS EQUITY FINANCING

U.S. Exploration & Production (E&P) companies raised about \$60B in bond sales in 2017, the highest amount raised since 2014 and a 28% increase from 2016.

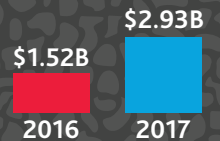


YEAR IN REVIEW: BY THE NUMBERS

Private Equity investment in the E&P sector declined in 2017



U.S. oil & gas IPOs raised more capital in 2017

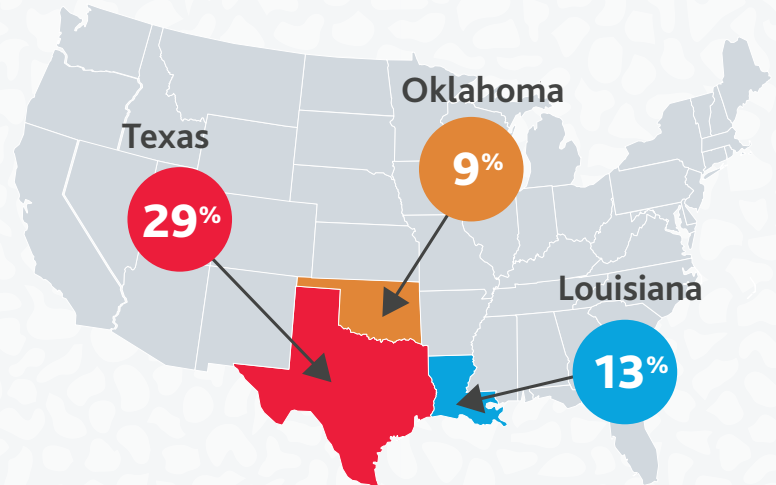


LARGEST PE-BACKED U.S. ENERGY DEALS OF 2017

| DEAL VALUE | TARGET | ACQUIRER |
|---------------|---|---|
| \$3.0B | ConocoPhillips natural gas-heavy assets in San Juan Basin | Hilcorp Energy backed by The Carlyle Group and ACE & Company |
| \$2.3B | Anadarko Petroleum's Western Eagle Ford Assets | Blackstone and Sanchez Energy |
| \$2.1B | Williams Olefins a subsidiary of Williams Partners | Nova Chemicals backed by International Petroleum Investment Company |

MAPPING PRIVATE EQUITY DEALFLOW IN ENERGY

U.S. states that saw the most deals include...



Sources: PitchBook, Thomson Reuters, Dealogic, International Energy Agency



People who know Natural Resources, know BDO.

For more information, visit <http://www.bdo.com/privateequity> or contact:

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