

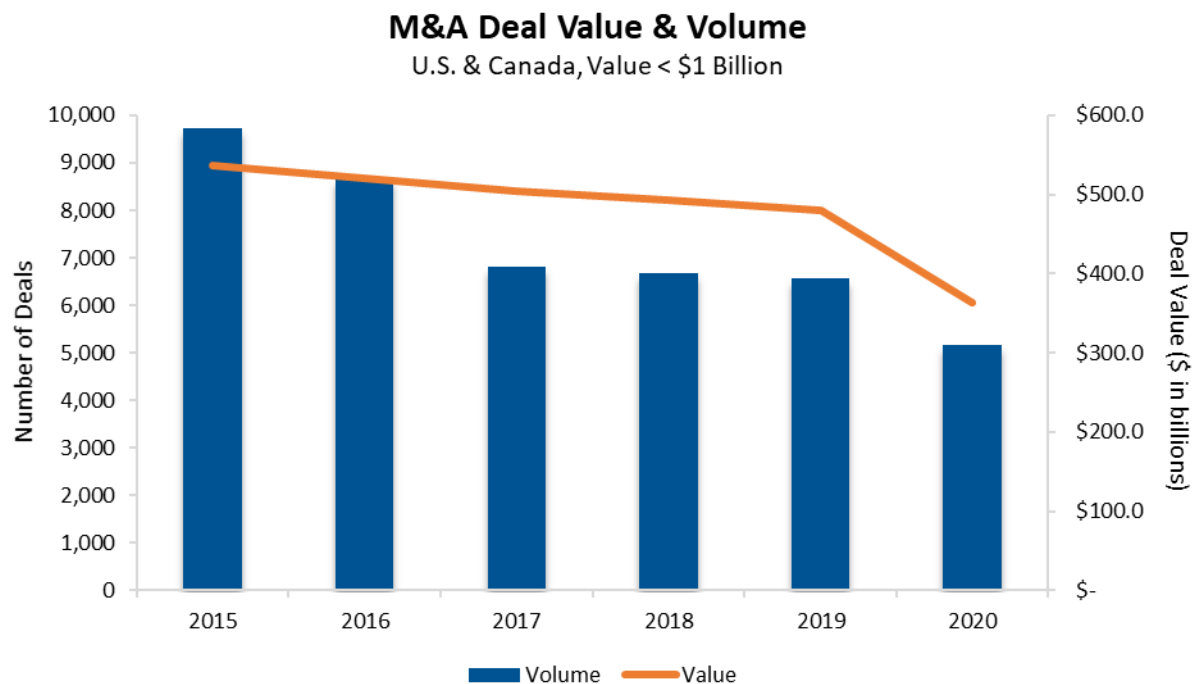
# Capital Markets Update

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2020

# Capital Markets Update

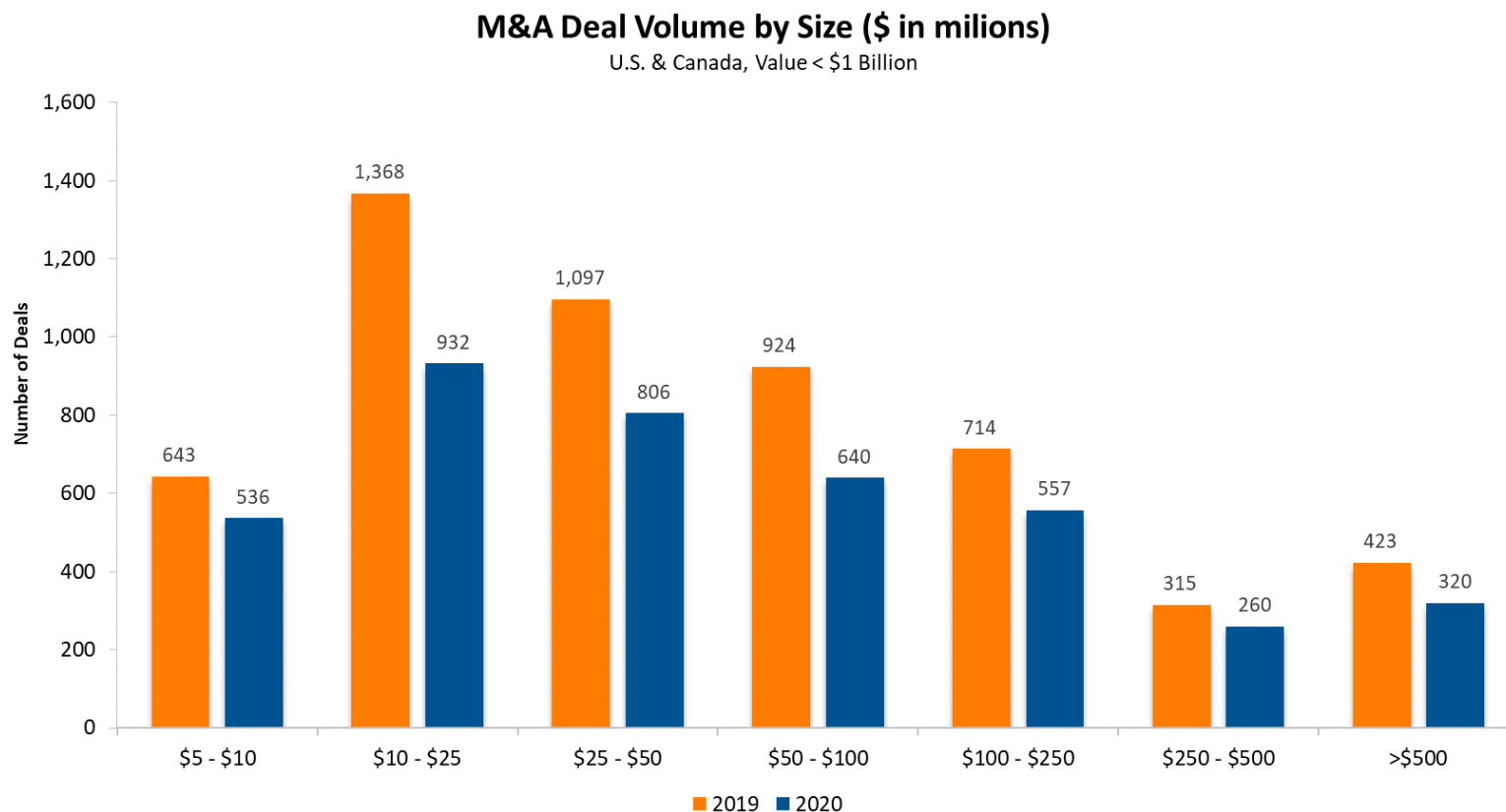
- Merger and Acquisition activity has been on a downward trend since 2015.
- Overall transaction volume decreased by 21.4% in 2020, while the total dollar value declined 24.2%, from approximately \$480.4 billion in 2019 to approximately \$364.1 billion in 2020.



Source: Capital IQ

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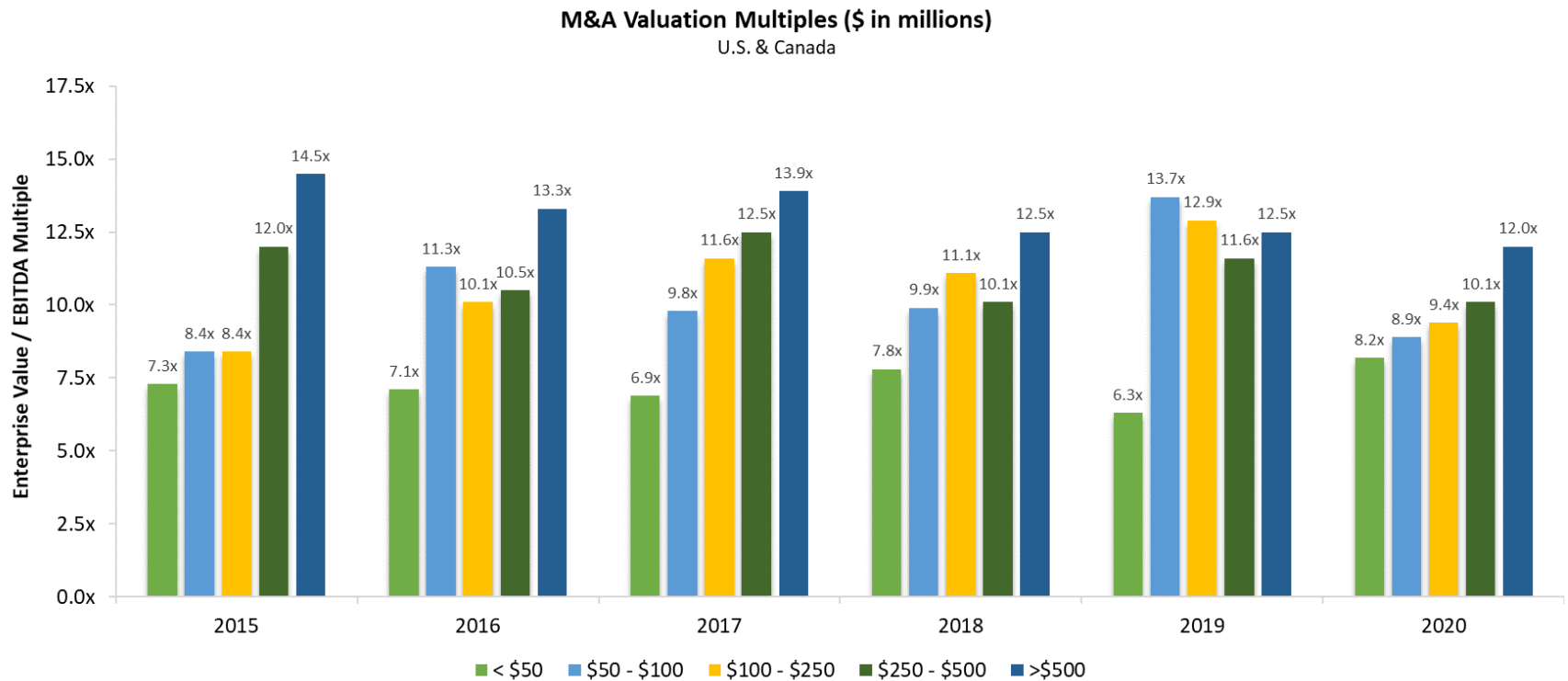
- Total transaction volume decreased for all deal size categories under one billion dollars over the period.



Source: Capital IQ

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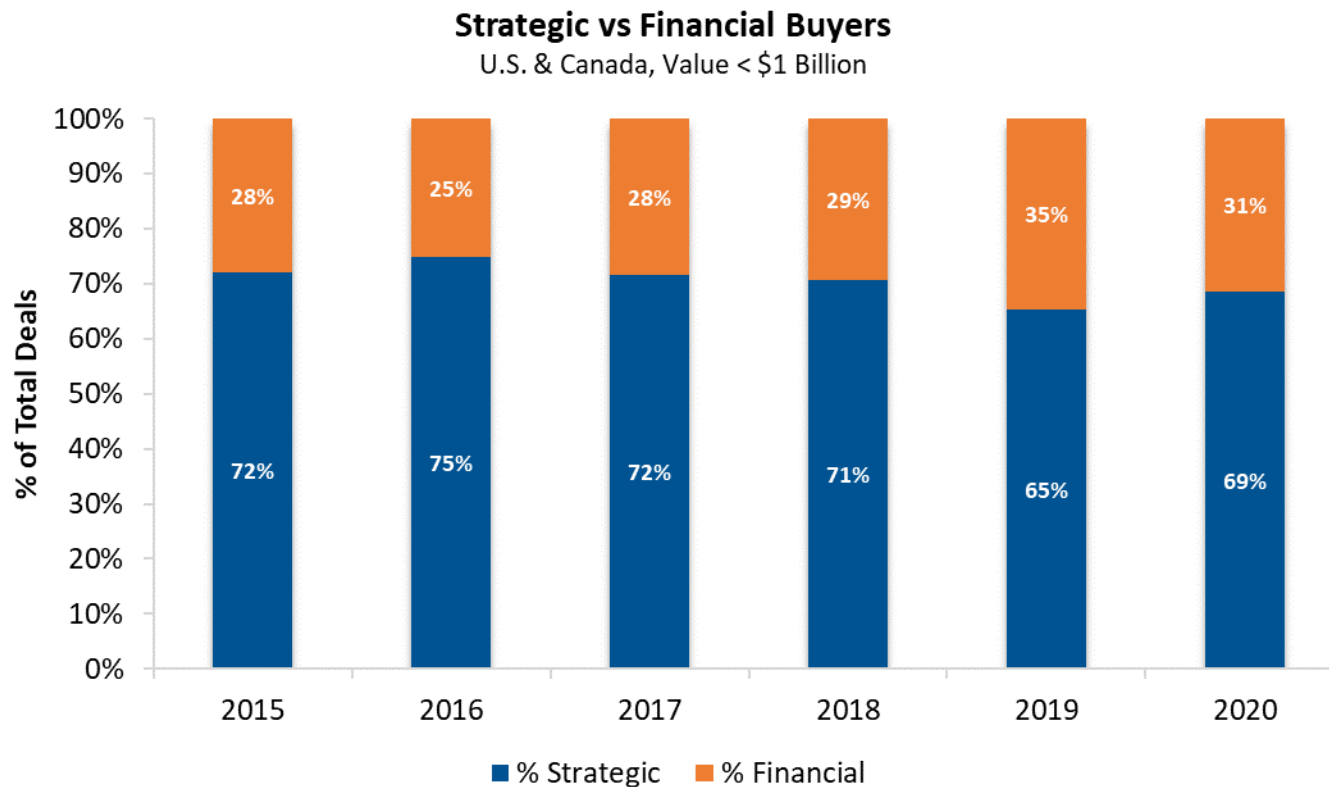
- Median multiples of EBITDA for transactions under \$50.0 million in value reached a multi-year high during 2020. However, the median multiple of EBITDA for transactions valued above \$50.0 million were below recent year highs.
- Generally, higher multiples continued to be placed on larger transactions, reflecting a size premium.



Source: Capital IQ

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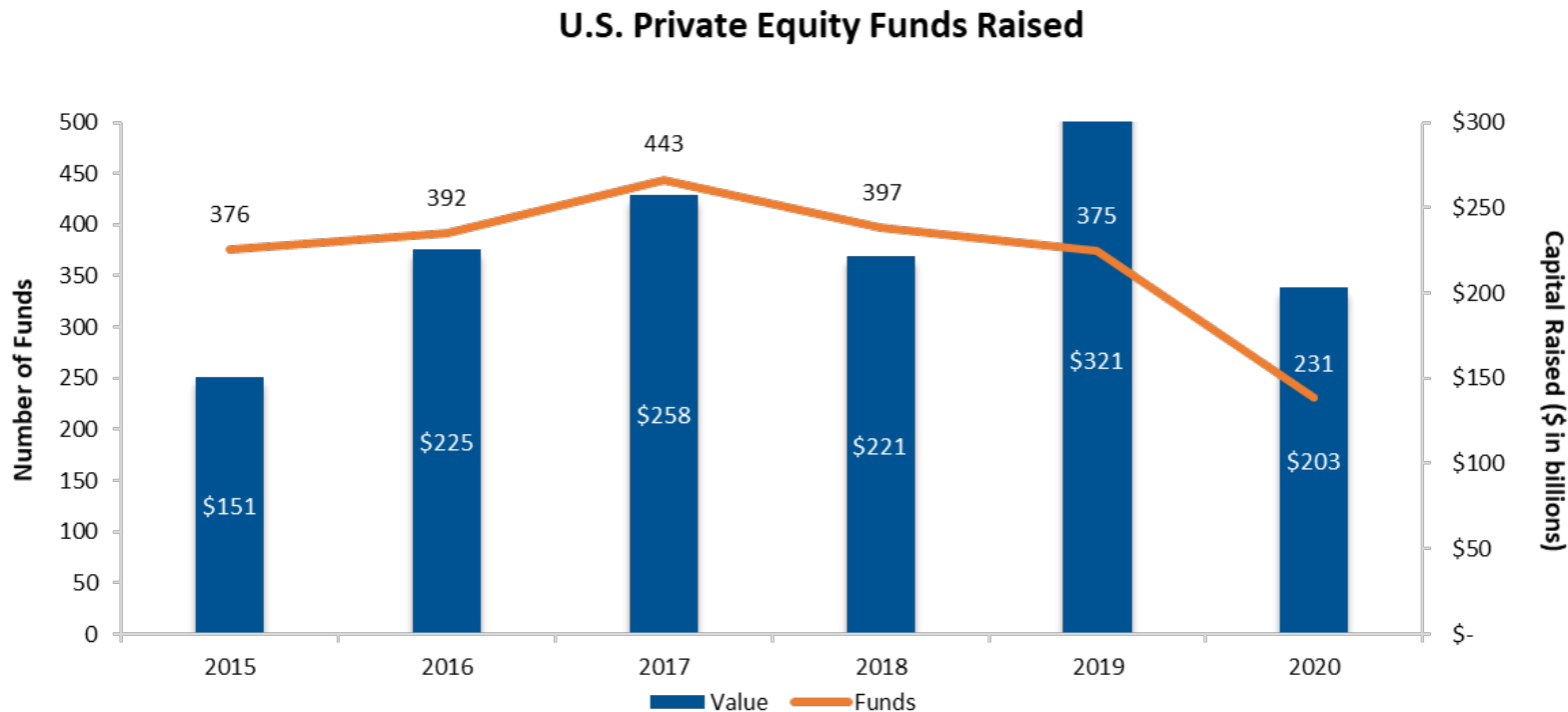
- Transactions with strategic buyers accounted for approximately 69% of transactions under \$1.0 billion in value in 2020.



Source: Capital IQ

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- U.S. private equity funds raised the lowest amount of capital in the last five years during 2020, and well below the recent highs reached in 2019. In addition, the number of U.S. private equity funds raised has trended down in each of the last few years.



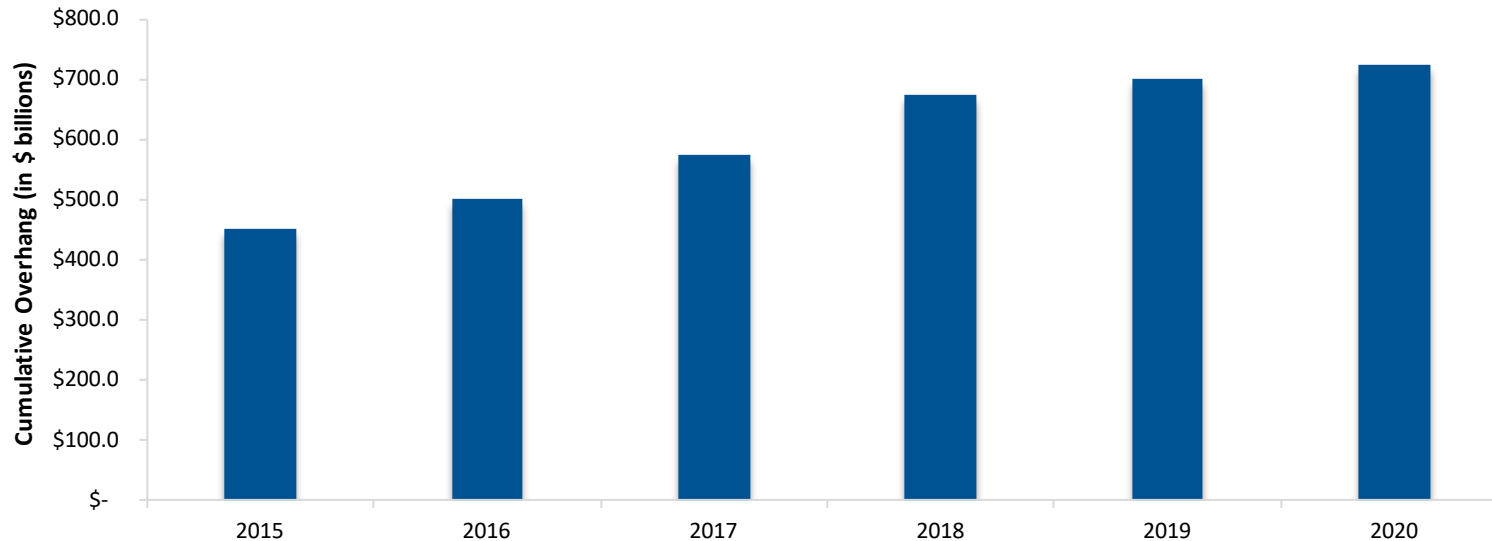
Source: PitchBook

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- Increased fundraising and a slowdown in transaction activity led to the private equity capital overhang in the U.S. market continuing to rise through the first quarter of 2020.
- In the first quarter of 2020, U.S. private equity dry powder was over \$700 billion.

### U.S. Private Equity Dry Powder



Note: 2020 information is as of March 31, 2020.

Sources: PitchBook