

## Global Financial Sponsor Review | First Quarter 2013

- Financial Sponsor IB Fees Paid Up 25% to \$3.5bn in 1Q 2013
- Financial Sponsors Share of Total IB Revenue Increased to 20%
- Goldman Sachs Captured Leading Share of Financial Sponsor Wallet

### Financial Sponsor IB Fees Paid

**Financial sponsor IB fees** paid totaled \$3.5bn in 1Q 2013, up 25% compared to \$2.8bn in 1Q 2012. Financial Sponsors accounted for 20% of total IB revenue in the first quarter of 2013, up from 17% in 1Q 2012

The **US** was the leading nation in 1Q 2013 with \$2.4bn and a 69% share of global financial sponsor revenue, down from a 70% share in 1Q 2012. **EMEA** revenue of \$724m was up 25% while **Asia-Pacific** revenue of \$265m was up 55% on 1Q 2012 (\$171m)

**Loan financing** accounted for 43% of financial sponsor fees in 1Q 2013 (\$1.5bn), up from 34% in 1Q 2012 (\$960m). Fees from **DCM** rose to \$753m, up 19% on 1Q 2012

**ECM** fees were \$796m in 1Q 2013, up 20% on the \$665m paid in 1Q 2012 and the highest quarter since 2Q 2011. **M&A** fees, however, fell 7% on the same quarter last year, generating just \$510m

### Financial Sponsor Rankings

**Goldman Sachs** captured the leading share of wallet with \$367m in fees paid by financial sponsors. **Bank of America Merrill Lynch** followed with \$307m

**Carlyle Group** led the financial sponsor revenue ranking in 1Q 2013, with fees paid totaling \$293m

### Financial Sponsor M&A

**Global financial sponsor (FS) entry** volume reached \$101.4bn in 1Q 2013, up threefold on 1Q 2012 (\$33.8bn) and the highest quarterly volume since 3Q 2007 (\$114.8bn). Volume was driven by two FS competing bids for **Dell** and the \$27.5bn buyout of **HJ Heinz**. Despite the volume increase, activity of 373 deals was down from 500 deals in 1Q 2012

### Financial Sponsor ECM

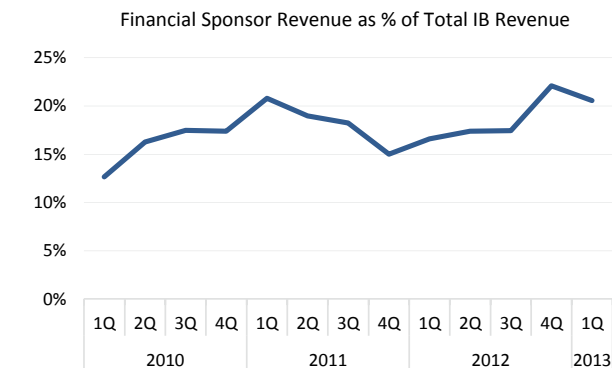
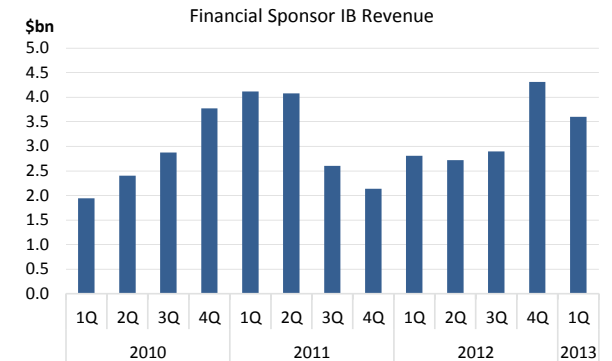
**Financial sponsor ECM** volume totaled \$41.7bn in 1Q 2013, up 69% on the \$24.6bn recorded in 1Q 2012 and up 46% from \$28.4bn in 4Q 2012

**Follow-on** volume reached a quarterly record high of \$33.4bn in 1Q 2013, beating the prior record set just three months ago by 55%. 4Q 2012 follow-on volume reached \$21.6bn

### Financial Sponsor Fixed Income

**Financial sponsor** related loan volume totaled \$151.4bn in 1Q 2013, up 42% on 1Q 2012 (\$106.6bn) and accounted for 39% of all leveraged loan volume, compared to 36% in the same period last year

**LBO** loan volume reached \$23.4bn in 1Q 2013, a 26% decrease on 1Q 2012 (\$31.5bn), and is the lowest 1Q since 2010





# Dealogic Financial Sponsor Review | First Quarter 2013

Press Release | Final Results – For immediate release

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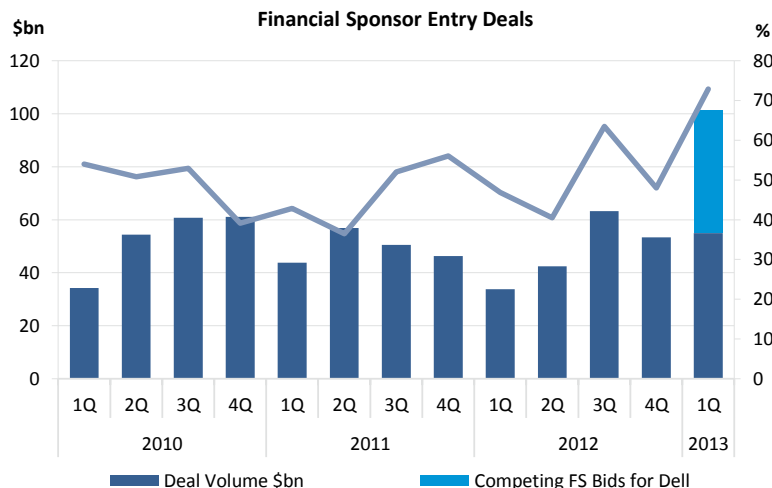
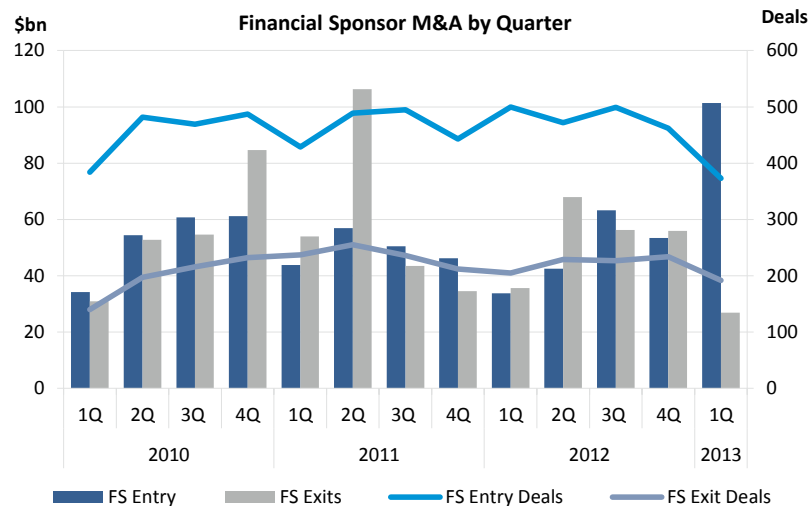
## Financial Sponsor M&A

### Entry

- **Global financial sponsor (FS) entry** volume reached \$101.4bn in 1Q 2013, up threefold on 1Q 2012 (\$33.8bn) and the highest quarterly volume since 3Q 2007 (\$114.8bn)
  - **Activity** was made up of 373 deals, down from 500 deals in 1Q 2012 and the lowest first quarter activity since 1Q 2009 (344 deals). The largest drop in activity was in EMEA with 105 fewer deals than 1Q 2012
- **Global FS entry** volume was driven by two FS related competing bids for **Dell**. The first bid for \$20.7bn by **Silver Lake Management** announced in February 5<sup>th</sup> and the second bid by **Blackstone Group** for \$25.7bn, announced on March 25<sup>th</sup>
  - These competing bids made up 46% of global FS entry volume in 1Q 2013
- As a result of these transactions **Technology** was the most targeted sector with \$47.8bn via 77 deals, followed by **Food & Beverage** with \$29.5bn via 10 deals primarily driven by the \$27.5bn buyout of **HJ Heinz Co** by **Berkshire Hathaway & 3G Capital**, announced in February 2013
  - **Retail** came third with \$6.1bn via 33 deals, up 67% on 4Q 2012 and the highest first quarter since 1Q 2007 (\$46.1bn), mainly driven by the \$3.3bn buyout of **New Albertson** by an investor group led by **Cerberus Capital Management** announced in January 2013
- **Loans** provided \$20.9bn of FS entry funding in 1Q 2013, down 34% from 1Q 2012 (\$31.5bn) and the lowest quarter since 2Q 2010 (\$13.8bn)

### Exit

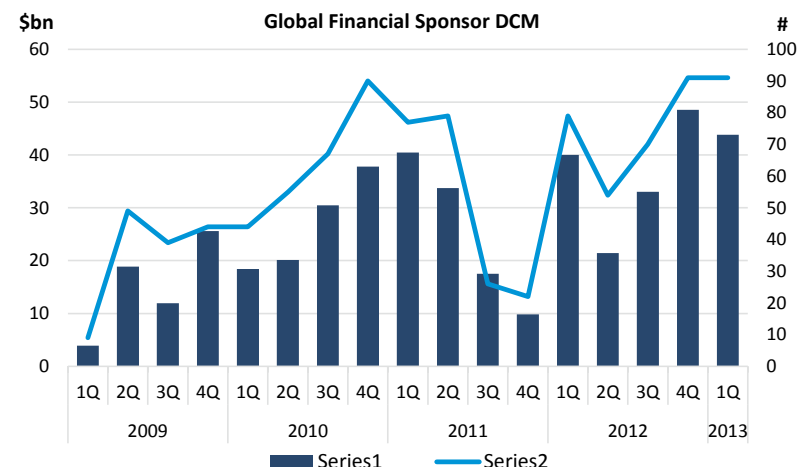
- **Global financial sponsor (FS) M&A exit** volume was \$26.9bn via 192 deals in 1Q 2013, down 25% on 1Q 2012 (\$35.7bn), and the lowest first quarter since 2009 (\$5.1bn)
- **Trade Sales** accounted for 90% (\$24.3bn via 142 deals) of FS exit volume, the highest quarterly percentage share since 2Q 2009
- **Secondary buyouts** in 1Q 2013 saw a 64% decrease to \$2.6bn from \$7.2bn in 1Q 2012, marking the lowest quarterly volume since 2Q 2009 (\$1.7bn)



## Financial Sponsor Fixed Income & ECM

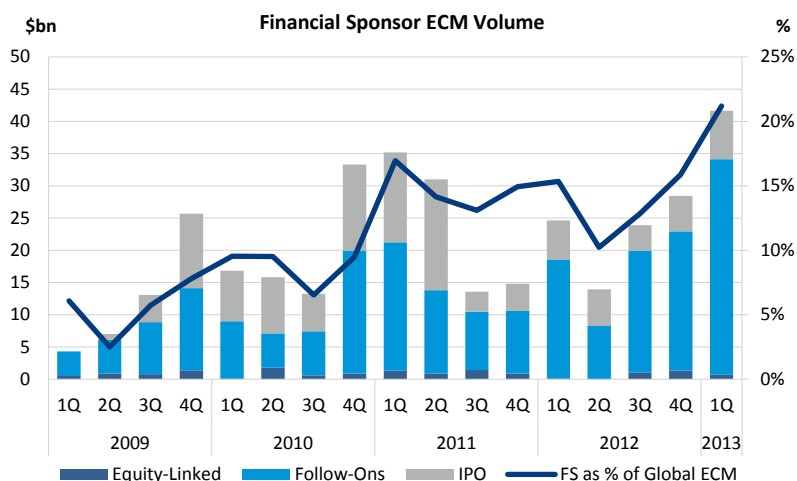
### Financial Sponsor Fixed Income

- **Financial sponsor** loan volume totaled \$151.4bn in 1Q 2013, up 42% on 1Q 2012 (\$106.6bn) and accounted for 39% of all leveraged loan volume, compared to 36% in the same period last year
- **LBO** loan volume reached \$23.4bn in 1Q 2013, a 26% decrease on 1Q 2012 (\$31.5bn) and the lowest 1Q since 2010
- **US** borrower's share of global financial sponsor-related loan volume reached a record 88% in 1Q 2013 (\$123.2bn), up from 81% in 1Q 2012
- **US financial sponsor DCM** volume reached \$17.9bn in 1Q 2013, down 34% on 1Q 2012's record volume of \$27.0bn
  - **US issuers** accounted for 41% of financial sponsor DCM volume, the second lowest proportion of any quarter on record behind 1Q 2009 (36%)



### Financial Sponsor ECM

- **Global financial sponsor ECM\*** volume totaled \$41.7bn in 1Q 2013, up 69% on the \$24.6bn recorded in 1Q 2012 and up 46% from \$28.4bn in 4Q 2012
  - Global financial sponsor volume accounted for 21% of global ECM volume in 1Q 2013, the highest quarterly share on record
- Financial sponsor backed **follow-on** volume reached a quarterly record high of \$33.4bn in 1Q 2013, beating the prior record set just three months ago by 55%. 4Q 2012 follow-on volume reached \$21.6bn
- **US** issuers led with \$22.3bn raised in 1Q 2013 and accounted for 54% of global market share, with volume up 20% from 4Q 2012 (\$18.6bn). **Japan** volume of \$2.1bn was the highest quarterly total since 4Q 2006 (\$3.7bn)
- The \$1.8bn **HCA Holding** follow-on sell down by **Bain Capital** and **KKR** was the largest financial sponsor deal since the \$2.4bn **Kinder Morgan Inc** follow-on completed in October 2012



\*Includes deals by private equity portfolio companies

### Top Five Financial Sponsor M&A Entry Transactions – First Quarter 2013

Announced	Deal Status	Target	Target Nationality	Financial Sponsor	Financial Sponsor Role	Deal Value (\$m)
14th Feb 2013	Pending	HJ Heinz Co	United States	3G Capital	Acquiror	27,501
25th Mar 2013	Pending	Dell Inc (Bid No 2)	United States	Blackstone Group	Acquiror	25,680
5th Feb 2013	Pending	Dell Inc (84.9553%) (Bid No 1)	United States	Silver Lake Management	Acquiror	20,721
8th Mar 2013	Pending	Gardner Denver Inc	United States	KKR & Co	Acquiror	3,872
10th Jan 2013	Completed	New Alberstons Inc	United States	Cerberus Partners LP	Acquiror	3,300

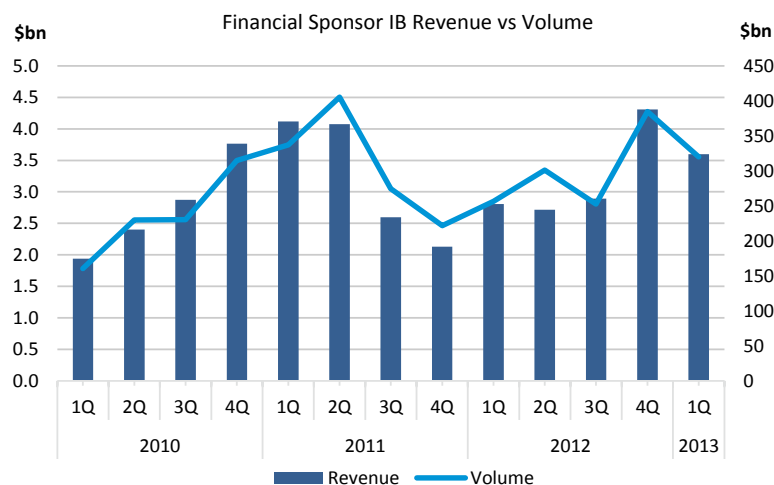
### Top Five Financial Sponsor IPOs – First Quarter 2013

Priced	Issuer	Issue Nationality	Industry	Financial Sponsor	Deal Value (\$m)	Financial Sponsor Entry Date
22nd Mar 2013	esure Group plc	United Kingdom	Insurance	Electra Partners Penta Capital Partners	915	11th Feb 2010
22nd Mar 2013	Pinnacle Foods Inc	United States	Food & Beverage	Blackstone Group LP	667	2nd Apr 2007
17th Jan 2013	Norwegian Cruise Line Holdings Ltd	United States	Transportation	TPG Capital Apollo Global Management	514	7th Jan 2008
21st Mar 2013	West Corp	United States	Technology	Thomas H Lee Partners Quadrangle Group	426	24th Oct 2006
6th Mar 2013	Artisan Partners Asset Management Inc	United States	Finance	Hellman & Friedman	381	5th May 2006

## Financial Sponsors Fees Paid

(Includes ECM, DCM, M&A and Loan transactions)

- **Financial sponsor IB revenue** totaled \$3.5bn in 1Q 2013, up 25% compared with \$2.8bn in 1Q 2012 and the highest first quarter total since 2011 (\$4.1bn)
  - Financial sponsor loan revenue of \$1.5bn in 1Q 2013 accounted for 42% of total financial sponsor revenue, up from 34% in 1Q 2012
- **Financial sponsors** accounted for 20% of total IB revenue in the first quarter of 2013, up from 17% in 1Q 2012
- The **US** was the leading nation in 1Q 2013 with \$2.4bn and a 69% share of global financial sponsor revenue, down from a 70% share in 1Q 2012. **EMEA** revenue of \$724m was up 25% while **Asia-Pacific** revenue of \$265m was up 55% on 1Q 2012 (\$171m)
- **Carlyle Group** led the financial sponsor revenue ranking 1Q 2013, with fees totaling \$293m and a 8.4% wallet share
- **Goldman Sachs** captured the leading share of wallet with \$367m in revenue in 1Q 2013. **Bank of America Merrill Lynch** and **Credit Suisse** followed with \$307m and \$301m, respectively



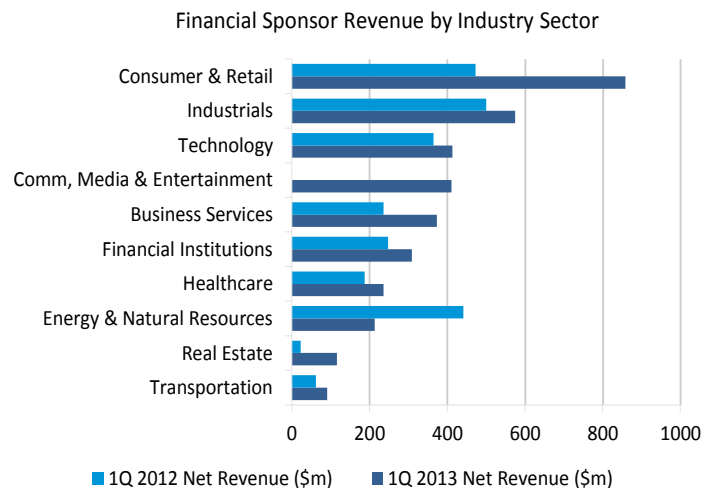
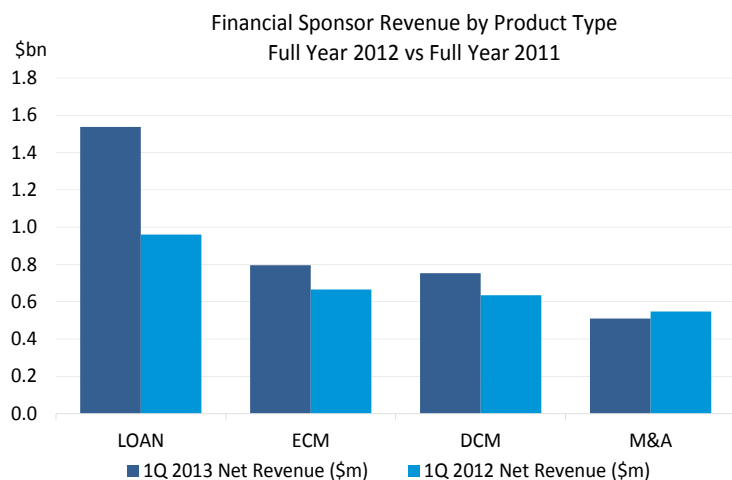
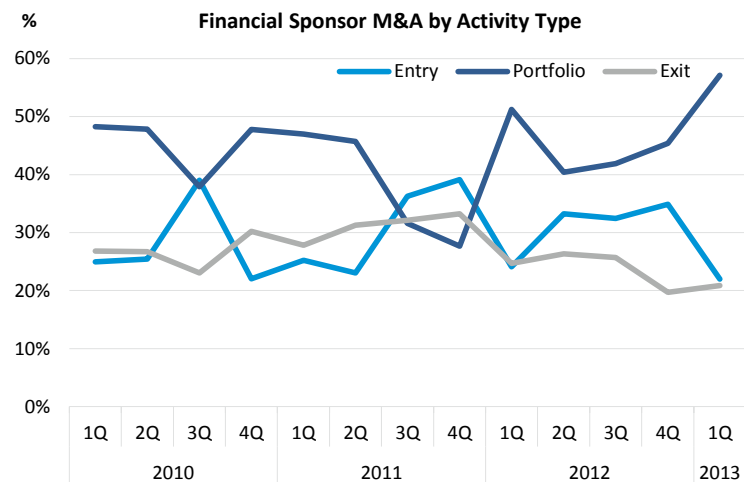
Financial Sponsor Revenue Ranking – First Quarter 2013				
Rank	Financial Sponsor	Fees Paid \$m	% Share	Rank 1Q 2012
1	Carlyle Group	293	8.1	4
2	Apollo Global Management	203	5.6	1
3	Bain Capital Partners	200	5.6	10
4	TPG Capital	157	4.4	9
5	Blackstone	137	3.9	8
5	KKR & Co	144	3.8	3
7	Cerberus Partners	115	3.3	64
10	CVC Capital Partners	108	3.1	7
9	Goldman Sachs Capital Partners	107	3.1	2
10	Clayton Dubilier & Rice	87	2.5	37
Total		3,498	100	

Bank Revenue Ranking - First Quarter 2013 - Fees Paid by Financial Sponsors				
Rank	Bank	Revenue \$m	% Share	FY 11 Rank
1	Goldman Sachs	367	10.5	5
2	Bank of America Merrill Lynch	307	8.8	4
3	Credit Suisse	301	8.6	2
4	Morgan Stanley	285	7.9	7
5	JPMorgan	273	7.6	1
6	Barclays	272	7.6	8
7	Deutsche Bank	266	7.4	3
8	Citi	208	5.8	6
9	UBS	155	4.3	9
10	Jefferies & Company	126	3.5	12
Total		3,498	100	

## Financial Sponsors Fees Paid

(Includes ECM, DCM, M&A and Loan Transactions)

- **Loan financing** accounted for 43% of financial sponsor fees paid in 1Q 2013 with \$1.5bn, up from a 34% share in 1Q 2012 (\$960m). Fees from **DCM** also rose, up 19% year-on-year to \$753m
- **ECM** fees of \$771m in 1Q 2013 were up 20% on the \$665m paid in 1Q 2012, the highest quarter since 2Q 2011. **M&A** fees, however, fell 7% on the same quarter last year, generating just \$510m
- **Consumer & Retail** topped the industry ranking with \$858m in 1Q 2013, the highest quarterly fee total for the sector since 1Q 2007. **Industrials** followed with \$574m and **Technology** with \$413m
- **Portfolio** activity accounted for 57% of total financial sponsor IB fees in 1Q 2013 with \$2.1bn, the third highest quarterly proportion on record
  - **Entry** transactions generated \$790m (22% share) while \$750m in fees came from **Exits** (21% share)



## Global Financial Sponsor M&A Buyout\* Rankings – First Quarter 2013

\*Excludes add-on acquisitions by financial sponsor portfolio companies

Financial Sponsors by Announced M&A Entry Volume			
Rank	Financial Sponsor	Value \$m	Deals
1	3G Capital	27,501	1
2	Blackstone Group	25,686	3
2	Silver Lake Management	20,721	1
4	KKR & Co	3,912	5
5	Cerberus Partners	3,841	3
6	Allianz Capital Partners	2,051	1
7	CVC Capital Partners	1,811	2
8	Rhone Group	1,512	2
9	TPG Capital	1,469	4
10	EQ Partners	1,100	1

Announced Financial Sponsor M&A Entries - Volume Ranking by Advisor			
Rank	Advisor	Value \$m	Deals
1	JPMorgan	55,752	7
2	Bank of America Merrill Lynch	49,168	4
3	Goldman Sachs	35,772	14
4	Lazard	32,509	9
5	Morgan Stanley	29,565	9
6	Moelis & Co	27,561	2
7	Wells Fargo Securities	27,501	2
8	Centerview Partners	27,501	1
9	Barclays	26,564	7
10	Evercore Partners Inc	25,808	6

Financial Sponsor by Completed M&A Entry Volume			
Rank	Financial Sponsor	Value \$m	Deals
1	Apollo Global Management	5,162	4
2	Carlyle Group	4,900	2
3	Cerberus Partners	3,841	3
4	Advent International	3,379	2
5	Oaktree Capital Management	2,402	2
5	MBK Partners	2,005	3
7	CVC Capital Partners	1,981	2
8	Bain Capital Partners	1,605	5
9	TPG Capital	1,015	2
10	Clayton Dubilier & Rice	927	1

Completed Financial Sponsor M&A Entries - Volume Ranking by Advisor			
Rank	Advisor	Value \$m	Deals
1	Goldman Sachs	13,499	10
2	Credit Suisse	12,396	6
2	Barclays	10,476	8
4	Greenhill & Co	9,270	5
5	Jefferies & Company	7,870	4
6	Lazard	5,082	8
7	Morgan Stanley	4,588	9
7	Rothschild	4,578	9
9	Macquarie Group	4,125	4
10	UBS	3,867	6



## Global Financial Sponsor Financing\* Rankings – First Quarter 2013

\*Includes all buyout financings, refinancing, and recapitalizations

Financial Sponsors by Leveraged Loan Volume			
Rank	Financial Sponsor	Value \$m	Deals
1	Carlyle Group	14,450	15
2	TPG Capital	13,669	16
3	Apollo Global Management	8,067	10
4	Bain Capital Partners	7,306	14
5	Blackstone Group	7,162	10
6	Thomas H Lee Partners	5,933	7
7	Cerberus Partners	5,050	4
8	Madison Dearborn Partners	4,639	3
9	Warburg Pincus	4,077	8
10	Clayton Dubilier & Rice	3,897	7

Financial Sponsors by DCM Volume			
Rank	Financial Sponsor	Value \$m	Deals
1	Bain Capital Partners	4,344	11
2	Apollo Global Management	3,996	8
3	Carlyle Group	3,276	10
4	3G Capital	3,100	1
5	CVC Capital Partners	3,064	5
6	KKR & Co	2,715	7
7	TPG Capital	1,849	8
8	Silver Lake Management	1,307	3
9	Clayton Dubilier & Rice	1,286	4
10	BC Partners	1,167	1

Lead Banks by Financial Sponsor Backed Leveraged Loan Volume			
Rank	Lead Bank	Value \$m	Deals
1	Bank of America Merrill Lynch	21,253	77
2	Deutsche Bank	16,786	52
3	Credit Suisse	15,401	58
4	JPMorgan	13,266	53
5	Barclays	12,633	48
6	Goldman Sachs	12,337	43
7	Citi	7,796	34
8	Morgan Stanley	7,478	33
9	Wells Fargo Securities	5,868	26
10	Jefferies & Company	4,580	22

Bookrunners by Financial Sponsor DCM Volume			
Rank	Bookrunner	Value \$m	Deals
1	JPMorgan	5,562	34
2	Goldman Sachs	5,257	37
3	Deutsche Bank	3,858	32
4	Credit Suisse	3,678	31
5	Morgan Stanley	2,934	20
6	Barclays	2,888	22
7	Citi	2,850	21
8	Bank of America Merrill Lynch	2,630	26
9	UBS	2,129	20
10	Wells Fargo Securities	1,771	12

## Global Financial Sponsor ECM\* Rankings – First Quarter 2013

\*Includes all public equity offerings made by financial sponsor portfolio companies, whether the financial sponsor is selling a stake or not

Financial Sponsors by ECM Volume			
Rank	Financial Sponsor	Value \$m	Deals
1	KKR & Co	3,845	10
2	Bain Capital Partners	2,470	8
3	Apollo Global Management	2,453	4
4	Blackstone Group	2,448	8
5	CVC Capital Partners	2,118	3
6	Carlyle Group	2,058	8
7	Warburg Pincus	2,009	7
8	Cerberus Partners	1,643	1
9	Goldman Sachs Capital Partners	1,441	4
10	MerchantBridge & Co	1,350	1

Financial Sponsors by IPO Volume			
Rank	Financial Sponsor	Value \$m	Deals
1	MerchantBridge & Co	1,350	1
2	Blackstone Group	667	1
3	Apollo Global Management	484	2
4	Electra Partners	458	1
5	Penta Capital Partners	458	1
5	Hellman & Friedman	381	1
7	Thomas H Lee Partners	352	1
8	Doughty Hanson	321	1
9	Citigroup Private Equity	315	1
10	Syntegra Capital Advisors	314	1

Bookrunners by Financial Sponsor ECM Volume			
Rank	Bookrunner	Value \$m	Deals
1	Goldman Sachs	7,779	33
2	Citi	5,395	19
3	Barclays	4,950	22
4	Morgan Stanley	4,379	20
5	UBS	3,828	19
6	Deutsche Bank	2,700	15
7	Credit Suisse	2,393	19
8	Bank of America Merrill Lynch	2,036	17
9	JPMorgan	1,984	19
10	Rabee Securities	1,350	1

Bookrunners by Financial Sponsor IPO Volume			
Rank	Bookrunner	Value \$m	Deals
1	Rabee Securities	1,350	1
2	Goldman Sachs	1,074	11
3	JPMorgan	921	7
4	Deutsche Bank	721	5
5	Barclays	413	7
6	Credit Suisse	401	4
7	Bank of America Merrill Lynch	381	5
8	Citi	337	3
9	UBS	308	4
10	Nomura	284	6

## Notes to Editors

### About Dealogic

Dealogic is the platform utilized by investment banks worldwide to optimize performance and improve competitiveness.

Implemented across strategy, capital markets, sales, coverage banking and compliance, firms rely on Dealogic to interconnect their professionals to more effectively identify opportunities, cover the right clients, evaluate investor appetite, execute deals reliably and to ultimately win more business.

Dealogic is the only firm in the world providing the technology, content and consulting used by investment banks to manage and align their core operating units, leading to increased profitability and productivity.

More than 25 years' experience and a deep knowledge of the capital markets has put Dealogic in a unique position to foster numerous long standing relationships and to work in close partnership with investment banks globally.

### Dealogic Publishing

The **Dealogic Financial Sponsor Review** is a quarterly compilation of trends, activity and participant rankings of financial sponsor related transactions

Data, research and rankings used within this report are produced via Sponsor Manager, part of Dealogic's Investment Banking Management Platform.

### Dealogic Sponsor Manager

Sponsor Manager is a competitive benchmarking system that covers the entire spectrum of financial sponsor transactions across equity and debt capital markets underwriting, mergers and acquisitions, and syndicated lending. Sponsor Manager provides analysis on fees paid by financial sponsors to investment banks across industry sectors, regions and product types, providing a platform for strategic decision making.

Sponsor Manager does not include revenue from Derivative positions, Foreign Exchange positions, Non-registered block trades, Portfolio company sell-side fees, fees from business development companies and fees from real estate & property investments.

### Dealogic Revenue Analytics

Dealogic Revenue Analytics creates a single, objective set of standards that allows for direct comparison of trending across, products, regions and industries for all investment banks. In instances where fees are not disclosed, Dealogic projects estimates based on historical disclosed precedent across dozens of statistically tested variables and thousands of individual fee scenarios. Dealogic Revenue Analytics rules are applied to recognition, booking, and classification of deal revenue to provide a standard metric for competitive analysis and benchmarking of investment banks.