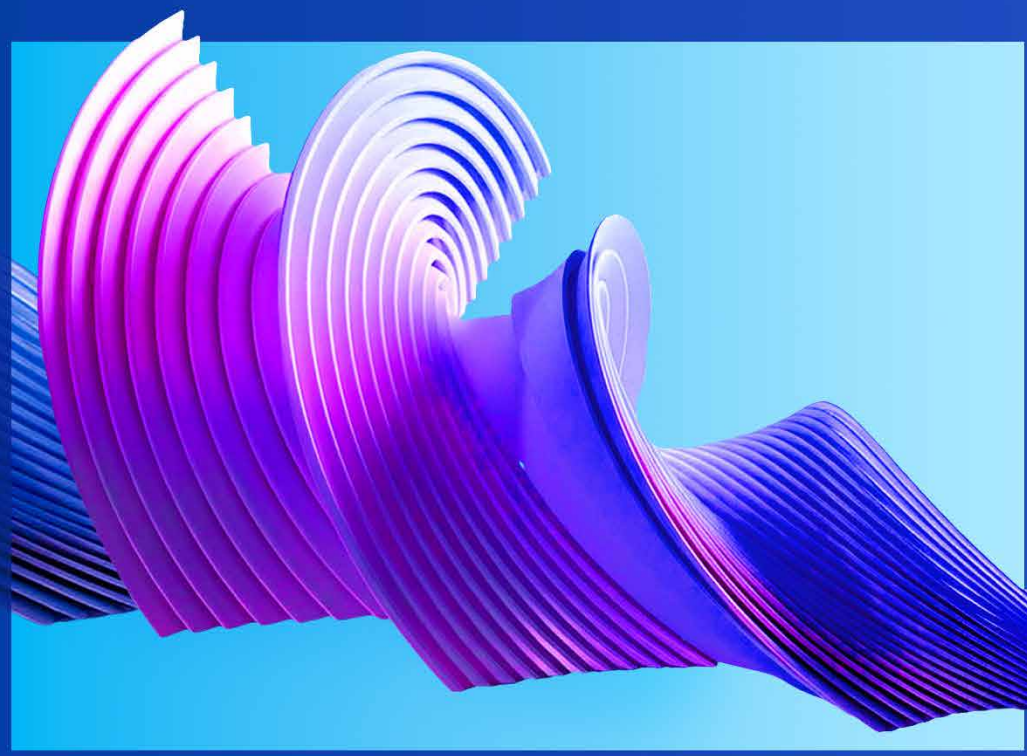
Pulse of private equity Q3'26



AI generated image

A KPMG quarterly analysis of global private equity activity.

kpmg.com/PulseofPE

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October 2026

Welcome

Welcome to the Q3’26 edition of KPMG’s *Pulse of Private Equity*

Our *Pulse of Private Equity* series provides you with quarterly insights into the private equity market globally and in major regions around the world. Our unique methodology aims to go beyond buyouts to capture the broad range of major PE deals activity; we also share perspectives into the market factors influencing key investment trends and look at how key trends might evolve over time.

Selectivity was the dominant theme in the PE market globally during Q3’26 as PE investors continued to focus on high quality assets and strong value creation opportunities in the face of ongoing geopolitical, macroeconomic, and trade uncertainties. The level of PE investment globally remained very strong, with $1.5 trillion at the end of Q3’26 — only slightly off the pace seen in 2025. Deal volume, however, remained very subdued as investment concentrated on a smaller number of larger transactions.

At a regional level, the Americas had attracted $854.6 billion in PE investment across 6,845 deals as of the end of Q3’26, of which the US accounted for $793.4 billion across 6,223 deals; the US also attracted the largest deal globally during Q3’26: the $9.6 billion buyout of the Seattle Seahawks NFL team. The EMA region saw $521.3 billion across 6,249 deals over the same period, with the $7.7 billion take private of Ireland-based off grid energy company DCC Power accounting for the largest deal in Q3’26. While the ASPAC region saw the smallest level of PE investment — $137.8 billion across 1,109 deals — it was the only region on track to see upticks in both deal value and volume by the end of 2026, helped by a number of large megadeals, including the take private of Australia-based Qube Holdings for $8.2 billion in Q3’26.

AI continued to be both a disruptor and an opportunity, with investors continuing to assess the impact of AI on their portfolio companies, while also looking for ways to use AI to create value. PE investors also showed increasing interest in the broader AI infrastructure ecosystem. Energy was a clear winner in this regard; at the end of Q3’26, it was on pace for a record high with $243.3 billion in PE investment.

While exit value was quite solid at the end of Q3’26 ($985.2 billion), it was concentrated on a small pool of exits (2,200). The rolling twelve-month exit values highlighted the dichotomy, with Q3’26 exit value at its highest level since Q1’22 ($1.4 trillion) and exit volume at its lowest level since Q1’21.

Heading into Q4’26, PE investment is expected to remain highly selective, particularly given ongoing geopolitical tensions and conflicts and concerns about inflation, rising interest rates, and the predictability of the cost of capital. AI infrastructure, energy, and industrial manufacturing are expected to remain key sectors for investment, in addition to resilient sectors like healthcare.



Gavin Geminder
Global Private Capital Leader
KPMG International

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Welcome

In this quarter's edition of the *Pulse of Private Equity*, we examine these and a number of other global and regional trends, including:

01

The continued selectivity in the PE market — across deals, exits, and fundraising

02

The growing focus on opportunities across the AI ecosystem

03

The robustness of investment in the energy sector

04

The strengthening investment in industrial manufacturing

We hope you find this edition of the *Pulse of Private Equity* insightful. If you would like to discuss any of the results in more detail, please contact a KPMG professional in your area.

Note: Throughout this report we refer to "announced deals." This encompasses announced/in-progress deals which are combined with completed deals due to the nature of the M&A and PE dealmaking cycle, wherein a transaction may take years to complete, and this is captured by including such announced/in-progress transactions. Announced dates are used in favor of completed dates for deal-timing purposes. Unless otherwise noted, all figures quoted in this report are based on data provided by PitchBook as of 30 September 2026. See page 92 for detailed methodology. All currency amounts are in US$ unless otherwise specified

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About the authors



Gavin Geminder

Global Private Capital Leader
KPMG International

Gavin is the Global Private Capital Leader at KPMG International and the Global Lead Partner for one of the largest and premier global private equity clients in KPMG in the US. Over his nearly 30-year career, he has worked in London, Hong Kong (SAR), China and the US, giving him extensive experience in the private equity space globally. Gavin is responsible for driving the private equity strategy. Gavin previously served as the US Sector Leader for private equity.



Donald Zambarano

US Private Equity Sector Leader
KPMG in the US

Don is the US Private Equity Sector Leader and the Global Lead Partner for one of KPMG's largest and most premier global private equity clients. Don also serves as the Managing Partner of the Providence, RI office and serves on KPMG's US Board of Directors. Don spent 6 years in the audit practice followed by 20 years in the Deal Advisory & Strategy (DAS) practice, holding several national DAS leadership roles, including co-leading the Financial Due Diligence practice and leading the Industrial Markets sector.



Tilman Ost

Global Private Capital Advisory Leader
KPMG International and EMA Private Capital Leader
KPMG in Germany

Tilman leads KPMG's Private Capital practice in both the EMA region and Germany and is the Global Private Capital Advisory Leader for KPMG International. He has over 25 years of experience advising financial investors on major transactions and transformation projects both nationally and internationally. He specializes in large buyouts and has worked with a number of the largest private equity firms in the field.



Andrew Thompson

Asia Pacific Private Capital Leader and Asset Management
KPMG in Singapore

Andrew is based in Singapore and brings over 25 years of experience working around the world, including in London, New York and Sydney. Andrew has acted as the Lead Partner for KPMG in Singapore on more than 350 high-value transactions, totaling over $200 billion, specializing in complex M&A and IPOs, particularly in the energy and industrial sectors.

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Spotlight: The evolution of carve-out opportunities in an increasingly complex world



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Spotlight: The evolution of carve-out opportunities in an increasingly complex world

In our 2026 Global M&A Outlook, we suggested that 2026 was shaping up to be the year of the carve-out. Six months later, that prediction is proving true. From a PE perspective, at the end of Q3'26, global carve-out deal value was $182.2 billion across 1,254 transactions, putting 2026 on track to be second strongest year for carve-outs after 2021. The rolling twelve-month carve-out value showed similar strength relative to historical trends, despite a small dip from $249.6 billion over 1,805 deals in Q2'26 to $247.7 billion over 1,751 deals in Q3'26.

The high deal value amid softening deal volume reflects a broader trend seen in the PE market globally whereby PE investors are being selective, focusing on large, high-quality deals over making a greater number of deals. But it also showcases a trend that has become increasingly noticeable in the carve-out space: carve-outs and corporate divestitures appear to be no longer concentrated on distressed or underperforming business units. Increasingly, they're focused on healthy assets that simply don't align with a company or PE fund's go-forward strategy.

Shifting market dynamics causing corporates and private equity to rethink their portfolios

The global business environment is becoming increasingly complex. Companies are navigating a broad range of challenges, from geopolitical tensions, shifting trade and tariff policies, and a growing focus on sovereignty and regionalization in many jurisdictions to rising inflation, higher interest rates, and the unpredictable cost of capital. And they are doing this while also trying to understand how AI is disrupting business models, industries, and investment strategies so they can seize AI opportunities.

In light of these changing market dynamics, many corporates are working to reshape their portfolios to better align with their strategic objectives and to maximize resilience over efficiency. We observe this has led to more carve-out activity as companies sell off business units that don't fit with their new strategy.

On the PE side, the difficult exit environment, combined with the pressure for sponsors to return DPI to LPs, is also creating carve-out activity of a different kind. In lieu of traditional exits, some sponsors are carving out business units or components of assets that they can monetize now, while holding onto the parts they want to keep investing in.

Americas drives largest share of global carve-out value; EMA sees largest volume of deals

On a rolling twelve month basis, the Americas accounted for the largest share of carve-out deal value as of Q3'26, with $125.5 billion across 675 transactions. This level of investment was slightly off the amount seen in Q2'26 ($133.9) but still strong and consistent with the investment levels seen since the start of 2025, despite seven straight quarters of declining deal volume. Within the Americas, carve-out activity in the US was quite weak, with a rolling twelve-month total of just $18.2 billion in investment across 155 deals. This likely reflects the maturity of the US market, which is seeing carve-out opportunities thinning out compared to what existed in the past.

EMA accounted for the second greatest share of carve-out deal value, with a rolling twelve-month total of $92.7 billion in Q3'26, a fifth straight quarterly increase. At the same time, EMA attracted the greatest number of carve-outs globally, with a rolling twelve-month deal volume total of 883, down slightly from the record high of 918 deals seen in Q2'26.

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Spotlight: The evolution of carve-out opportunities in an increasingly complex world

ASPAC region sets record for carve-out deal value as market continues to mature

While responsible for a much smaller percentage of carve-out activity compared to the Americas and EMA regions, the ASPAC region reached a new rolling twelve-month high of carve-out deal value in Q3'26, with $23.4 billion up from $20.5 billion in Q2'26; the region's twelve-month deal volume also remained high at 131, despite a dip from the record 135 seen in Q2'26. The cultural evolution and growth of PE markets in a number of jurisdictions within the ASPAC region, particularly Japan and South Korea, have likely contributed to both the growing size and volume of carve-out deals in the region. For example, in Japan, large corporates have only recently started to see carve-outs and divestitures as acceptable business practice. Given this, it is likely more carve-out activity will be on the horizon in ASPAC.

Energy sector sees record carve-out deal value at end of Q3'26

At a sector level, energy continued to be a standout for carve-out PE deals globally in 2026. By the end of Q3'26, the energy sector had already attracted a record $56.6 billion in carve-out deal value across 144 deals. The deals in the space were quite diverse, ranging from portfolio relocations, driven by the growing recognition that some energy types are better aligned to different regions, to US-based PE firms teaming up to take public utilities private in order to carve out utility business units.

Interest in carve-outs has come from both corporates and PE firms. On the corporate side, there is growing recognition that private equity has a significant amount of dry powder and diverse capital solutions available that can provide the capital injections needed to drive large, multi-year innovation, transformation, and growth programs within the energy sector. From a PE perspective, energy is viewed as an ideal sector for investment as it includes different assets that drive different valuation and risk profiles that PE funds can get comfortable with.

> "The world is much more complex, so the more exposed to different sectors and geographies you are, the likelier it is that you're going to be driven by the market rather than being able to drive the market. And that's why we're seeing a lot of divestments that are precisely focused on that — corporates divesting perfectly healthy businesses because capital needs to be relocated somewhere else or management needs to be able to focus its attention on other priorities."



Javier Rodriguez Gonzalez
Global Head of Strategy
KPMG International

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Spotlight: The evolution of carve-out opportunities in an increasingly complex world

Automotive sector set for five-year high in carveout deals, driven in part by defense interest

At the end of Q3'26, the automotive sector was already at a five-year high in global carve-out deal value ($8.3 billion), while the number of carve-outs (40) was nearly on pace for the same. The focus on carve-outs in the space reflects two confluent factors. On the one hand, shifting demand for automotive products, particularly in the more developed markets as new generations show less interest in automobile ownership. On the other, the intense focus on the energy transition has driven major investments from OEMs around the world but the demand hasn't yet materialized to the degree needed. Together, these forces have driven some corporates to divest business units in order to better concentrate their efforts and management attention.

On the PE side, several factors have also driven interest in carve-outs. Within the direct automotive sector, PE firms continued to see opportunities to consolidate the last man standing parts market in different regions. At the same time, some have also increasingly focused on the automotive manufacturing sector as an opportunity to pivot capacity to sectors with growing demand. Defense has been a clear winner in this regard; a number of PE firms have already embraced opportunities to buy manufacturing assets in order to repurpose them for sale to defense players.

A bright future ahead for carve-outs as PE firms look to AI to drive value creation

Looking forward, the same headwinds that affected the PE market in 2026 are expected to continue well into 2027, including ongoing geopolitical tensions, trade and tariff concerns, high energy costs, and rising inflation and interest rates. But carve-outs are expected to remain a growing part of the PE market as corporates continue to divest healthy assets, either because they no longer align with corporate strategy or because the capital is needed to fuel strategic activities like, for example, the AI efforts of some large technology companies.

Given the amount of dry powder in the PE market, and the continued selectivity of PE investors given the market uncertainties and the soft exit environment, large-ticket carve-outs of healthy assets will likely continue to be viewed as solid bets. Over the next year, AI is also expected to become a major lever in the toolkits of PE firms undertaking carve-outs, as they look to reimagine corporate functions using AI to improve cost structures, drive efficiencies, and create real value.

> "On the sponsor side of things, we're seeing a lot of — call them mini-carve-outs of good assets. And this aligns with the fact Pes are under pressure to return DPI to their LPs. So they're looking at options. And rather than doing a full exit after five or six years, they're asking themselves whether they can sell of parts of the business in order to provide returns now, even as they continue investing in the other pieces."



Paul Pan
US Deal Advisory & Strategy, Private Equity Leader
KPMG in the US

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01

In Q3'26, global PE-announced four-quarter sums amounted to $2.2T across 20,362 transactions



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Global overview

Global PE market remains selective but strong, with $1.5 trillion invested at end of Q3’26

Selectivity has been the key theme in the global PE market in 2026, and the results as of the of Q3’26 reflect this; after three quarters, global PE investment stood at $1.5 trillion — on pace to be the third best year of PE investment on record after 2021 and 2025, while deal volume was on pace for the slowest year since 2020 at 14,650 deals. The rolling twelve-month totals echoed this trend, with the rolling twelve-month total holding strong at $2.2 trillion in Q3’26, despite a small dip from $2.4 trillion in Q2’26, and deal volume falling to 20,362, the lowest rolling twelve-month total seen since Q1’21.

The continued concentration of capital on high conviction assets reflects a range of factors, from continued exit challenges to ongoing geopolitical tensions and conflicts. Concerns about energy costs, energy availability in some jurisdictions, rising inflation, and interest rate increases have also helped keep PE investors focused on top tier assets and value creation opportunities. During Q3’26, a number of central banks raised interest rates, including the Bank of Japan,[1] the European Central Bank,[2] and the US Federal Reserve.[3]

Americas attracts largest share of global PE investment, but ASPAC on track for best year since 2021

As of the end of Q3’26, the Americas had $854.6 billion in PE investment across 6,845 deals, putting the region well ahead of EMA, which had $521.3 billion across 6,249 deals, and ASPAC, which had $137.8 billion across 1,109 deals. The US accounted for $793.4 billion across 6,223 deals of the Americas’ total at the end of Q3’26; it also attracted the largest PE deal globally during Q3’26: the $9.6 billion buyout of the Seattle Seahawks football team.

While PE investment was solid across all three regions, only ASPAC was on an upward trajectory compared to 2025, with its deal value on pace for its strongest year since 2021 and its deal volume on track to improve slightly. ASPAC’s results were propelled by several large transactions, including the $8.2 billion take private of logistics provider Qube Holdings and the $5.4 billion take private of insurance broker network Steadfast Group in Q3’26.

The regional rolling twelve-month totals showed a similar trend, with PE investment and deals volume in the Americas dropping from $1.4 trillion and 10,115 deals in Q2’26 to $1.2 trillion and 9,414 deals in Q3’26, EMA seeing a decline from $818.2 billion and 9,251 deals in Q2’26 to $764.4 billion and 8,805 deals, and ASPAC seeing an increase in PE investment from $171 billion in Q2’26 to $181.4 billion in Q3’26 while its deal volume dipped slightly from 1,517 deals to 1,504 deals.

AI ecosystem plays see strong PE interest; energy sector on track for new record high of PE investment

Globally, AI has been a major recipient of PE attention and investment for some time now. But over the past few quarters, there has been a notable evolution in the interest of PE investors. While some are still primarily focused on the tech equation, on assessing how companies and industries will be affected by the rapid evolution of AI and on using AI to drive value creation within their portfolio companies, many are now looking at the expansive AI ecosystem for deal opportunities, from data centers and electrical equipment to power generation.

[1] The Guardian, “Japan raises interest rates to 31-year high to curb impact of rising prices.” 18 September 2026.
[2] European Central Bank, “Monetary policy decisions.” 10 September 2026.
[3] Board of Governors of the Federal Reserve System, “Federal Reserve issues FOMC statement.” 16 September 2026.

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Global overview

The energy sector has been a beneficiary of the growing focus in AI given its essential role in fueling AI data centers. As of the end of Q3'26, the energy and natural resources sector was at $243.3 billion in investment, within reach of a new record high. During Q3'26, the sector attracted a number of large deals globally, including the $7.7 billion take private of Ireland-based off grid energy company DCC Power, the $7 billion secondary buyout of US-based energy storage and renewables company Aypa Power, the $3 billion buyout of US-based oil and gas exploration company VTX Energy Partners, the $2.1 billion buyout of Australia-based energy infrastructure firm Plus ES.

Industrial manufacturing and automotive sectors likely benefiting from jurisdictional defense priorities

Outside of energy, only two sectors globally were on track to exceed their 2025 PE investment levels as of the end of Q3'26: industrial manufacturing and automotive. PE investment in the industrial manufacturing sector was particularly notable, with $122.6 billion at the end of Q3'26, putting the sector on pace to match its 2021 record of $163.3 billion. Both sectors have likely benefited from defense becoming a major priority — and focus for increased spending — for governments, particularly those in Europe given the extended conflict in Ukraine and the ongoing conflict in the Middle East. In recent quarters, more PE investors have targeted the defense space, including opportunities to create value by pivoting manufacturing assets towards defense. Growing opportunities related to physical AI and robotics have likely also attracted the attention of PE investors.

Exit volume and backlog of exits remain a challenge

Globally, exit value appeared relatively strong at $985.2 billion as of the end of Q3'26 — on pace for a similar result to 2025, though well below the record $1.7 trillion seen in 2021. The challenge is this robust exit value has been generated by a small number of exits: 2,200 as of Q3'26, far below the pace needed to match 2025's total of 4,184. Rolling twelve-month figures underscore this issue. During Q3'26, rolling twelve-month exit value was $1.4 trillion, the highest level since Q1'22, while exit volume was 3,295, the lowest level since Q1'21. This, despite both AUM and the total global inventory of PE-owned assets being at record highs.

With exit volumes still very soft, LP pressure on PE funds globally has intensified, although perhaps not to the level expected given the increasing use of alternative liquidity avenues, such as continuation vehicles and secondaries. But until a stronger stream of exits materializes, it is likely that PE market activity will remain highly concentrated.

> "Globally, the energy sector is seeing incredible interest from private equity, driven by a combination of rising power consumption, the major demand for energy infrastructure to fuel AI, and the growing focus on energy security in different jurisdictions. And that's on top of the energy transition and the need to upgrade aging infrastructure. As sectors go, it's clearly a standout."



Gavin Geminder
Global Private Capital Leader
KPMG International

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Global overview

Trends to watch for in Q4’26

Heading into Q4’26 and into 2027, PE investment globally is expected to remain highly selective, with PE investors continuing to concentrate on resilient businesses and, sectors relevant to the AI ecosystem — like infrastructure and energy, industrial tech, and healthcare. Take privates will likely remain a major focus for PE investors given the perceived value opportunity there, in addition to carveouts as corporates look to support their AI initiatives.

Exit activity will be critical to watch, although exit volume might not rise substantively without a valuation refinement on the sell-side in order to fully reopen the sponsor-to-sponsor market. IPO markets outside of the US, Hong Kong, and India will likely also need to see a reopening. Although IPO activity in the US could be quite soft given the degree of macroeconomic uncertainty, the number of pulled IPOs late in Q3’26, and the midterm elections scheduled for Q4’26.

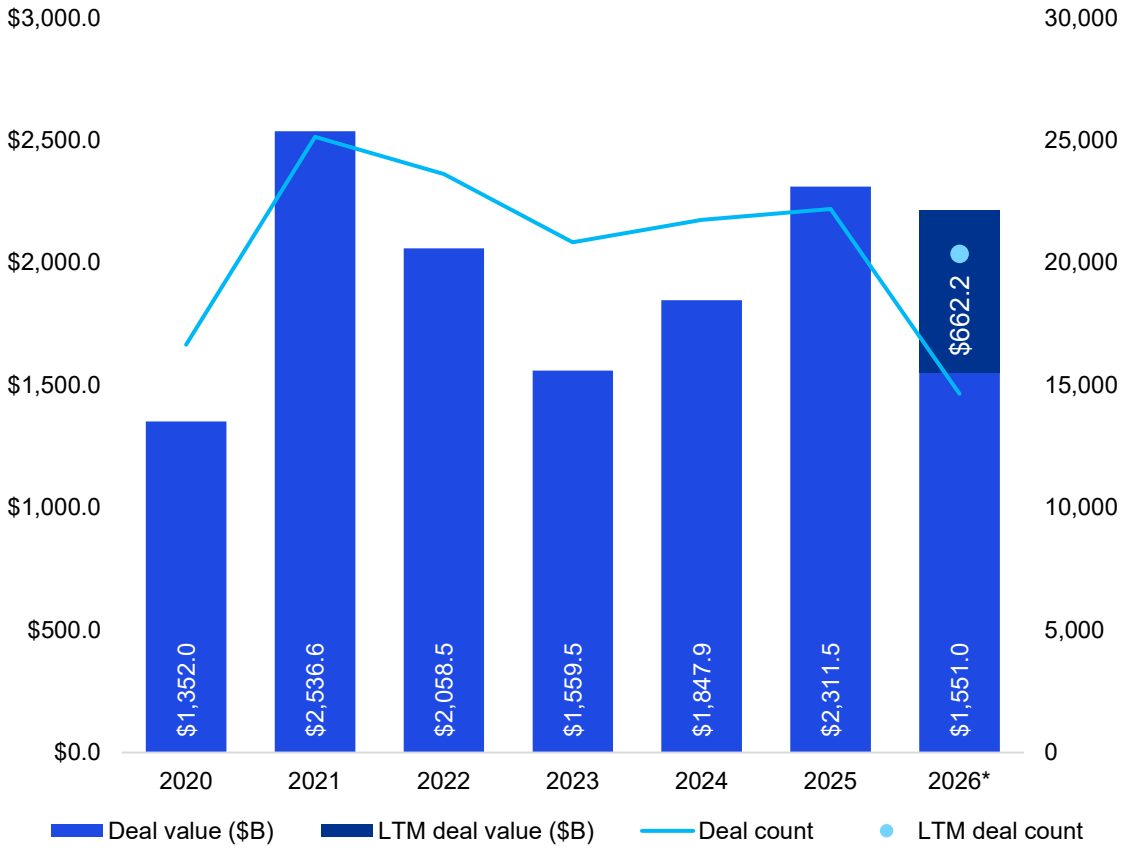
Fundraising will likely remain soft and highly concentrated on large funds and fund managers with established ability to return capital.

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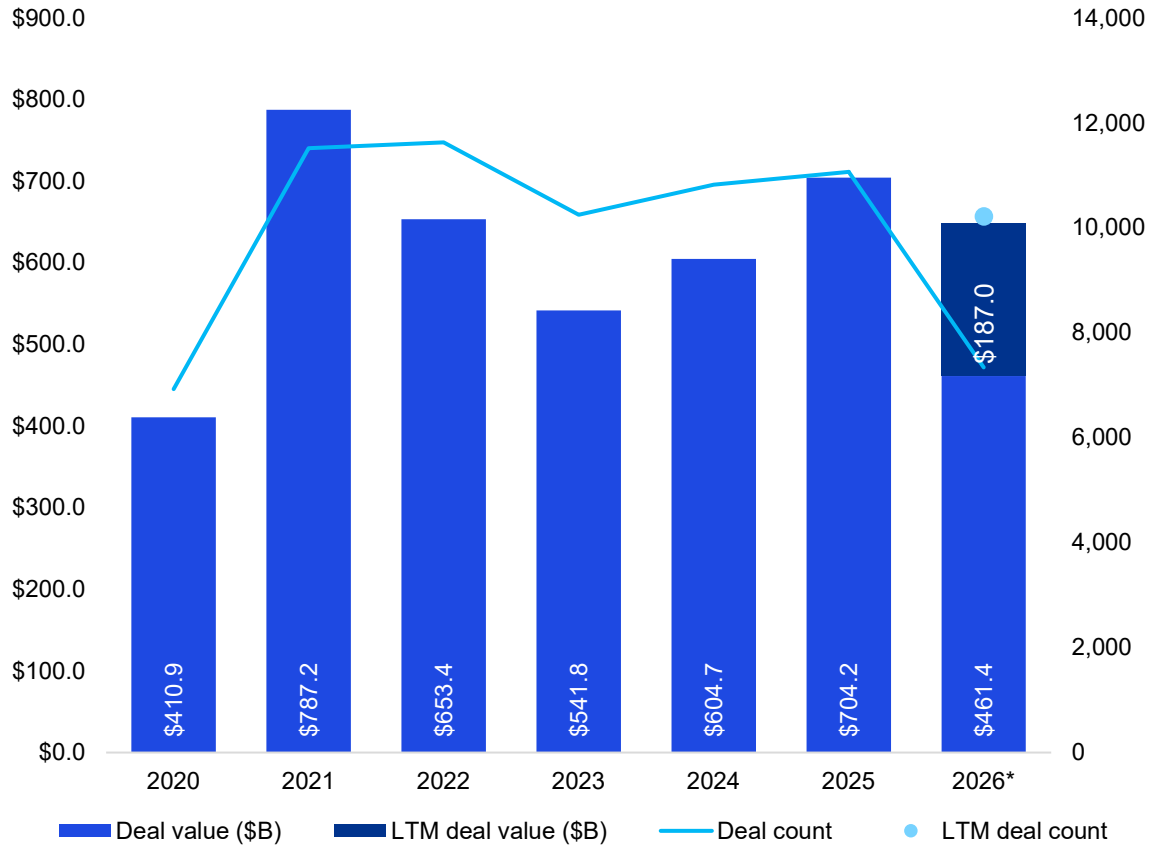
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Bigger deals prop up value as momentum cools

Global PE deal activity



Global PE add-on/bolt-on activity



*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

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LTM dealmaking begins to slip

Global PE deal activity

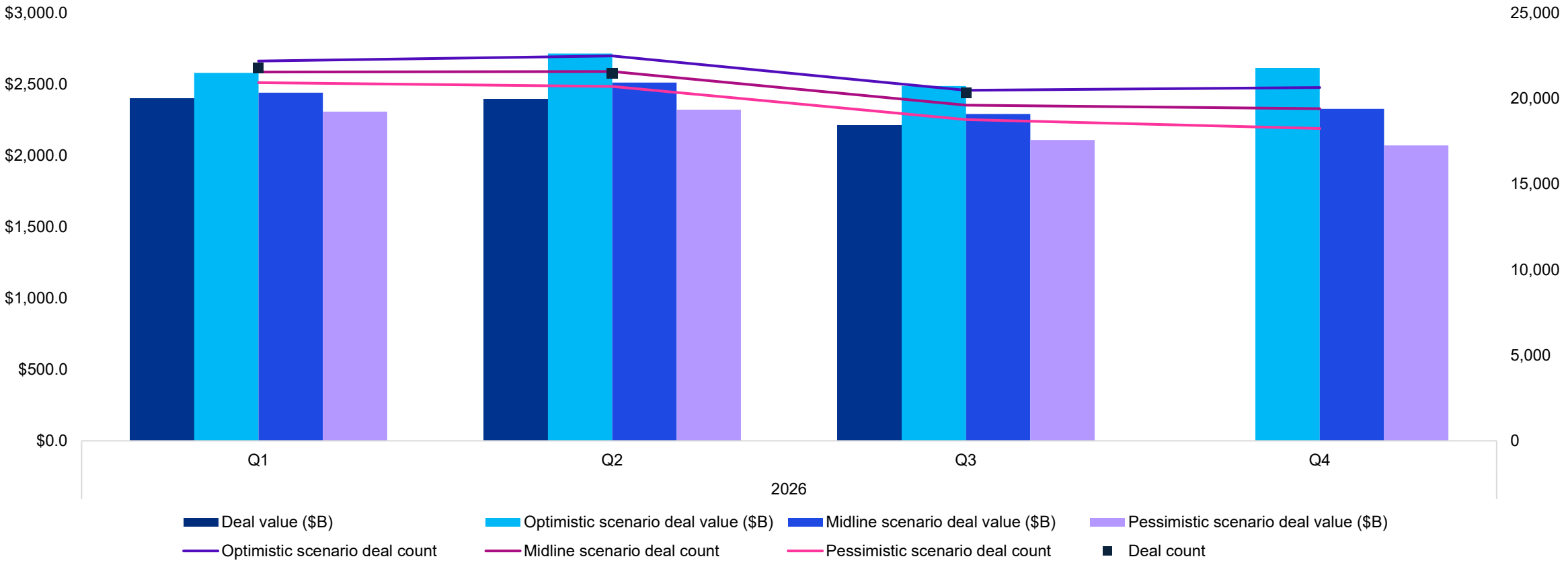


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Dealmaking remains above pessimistic levels

Global PE deal activity forecasts



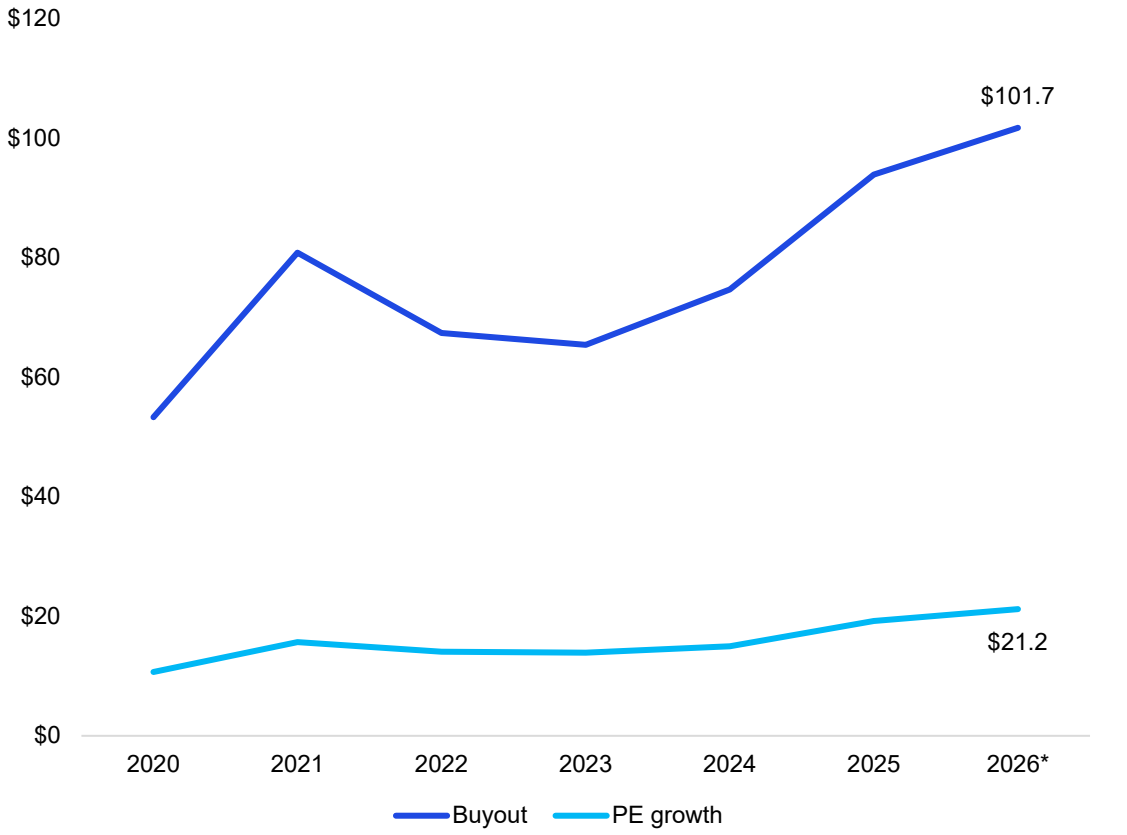
*Source: Pulse of private equity Q3"26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.
Note: The forecast was re-specified and re-estimated on data through September 30, 2026. The prior version fit one eleven-variable vector autoregression, jointly forecasting deal flow, fundraising, and six macroeconomic series from a single lag; this ultimately understated first-half activity due to too much variability in how it treated correlating activity jointly. The updated model treats deal value and deal count separately, each driven by its own prior-quarter growth, prior-quarter equity returns, and the change in corporate credit spreads, now entered as a change rather than a level so that widening spreads correctly depress dealmaking. Macroeconomic conditions enter as exogenous leading indicators rather than being jointly forecast, which stabilizes the estimates. Because an out-of-sample backtest showed the model overshoots at turning points, the scenario bands are set at one and one-half times its historical forecast error, and the midline should be read as a central case, weighted toward the lower half of the range.

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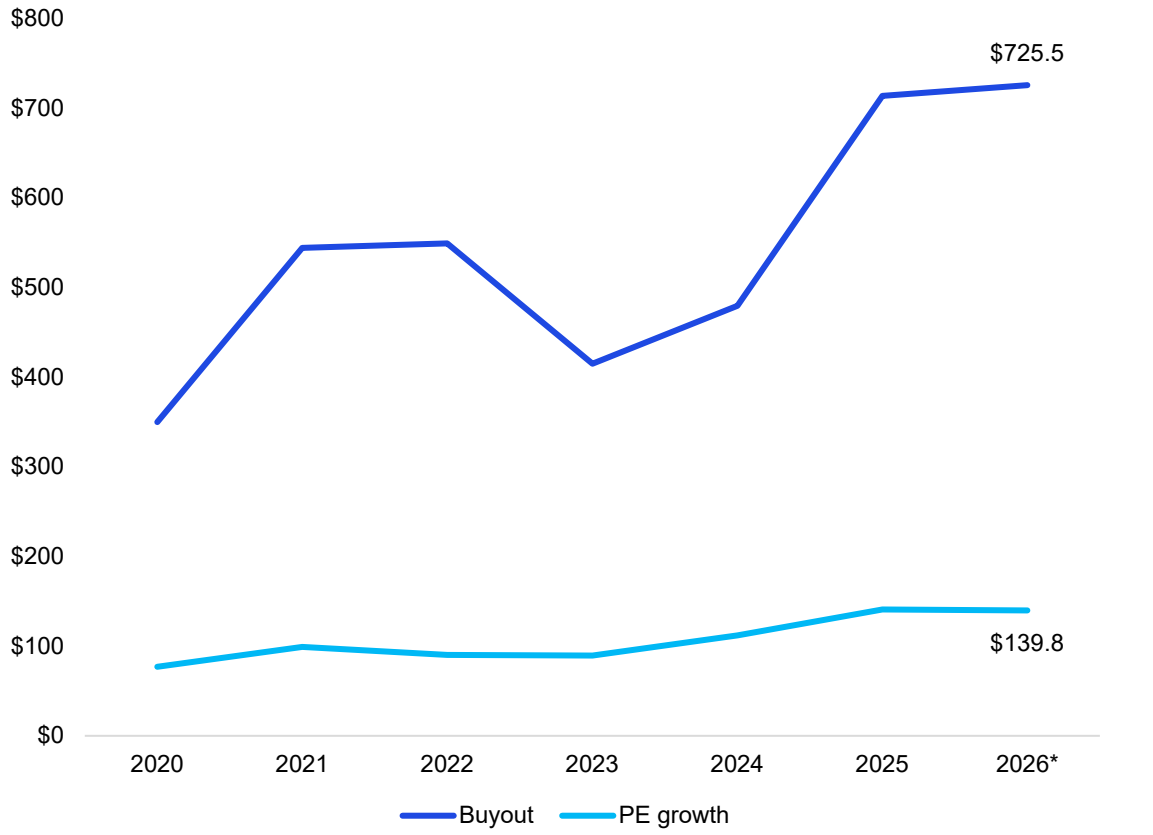
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Deal-size medians remain historically high

Global median PE deal size ($M) by type



Global average PE deal size ($M) by type

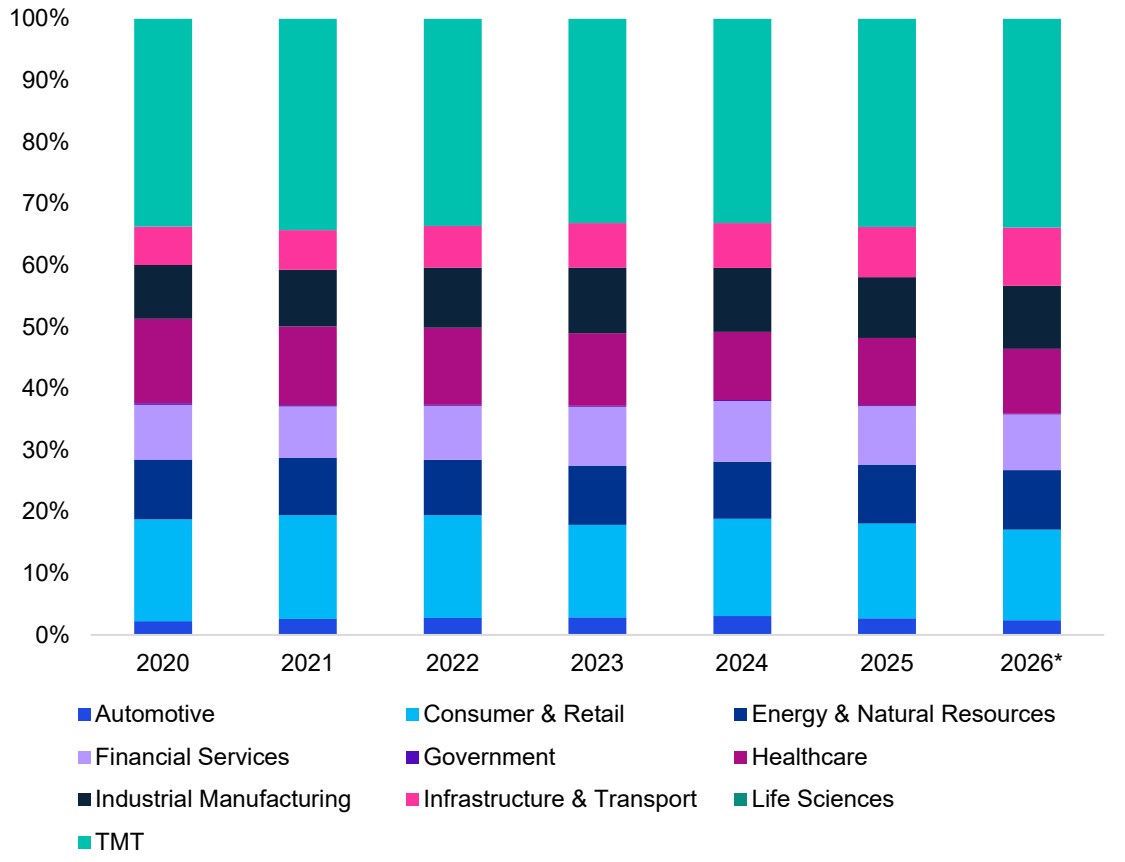


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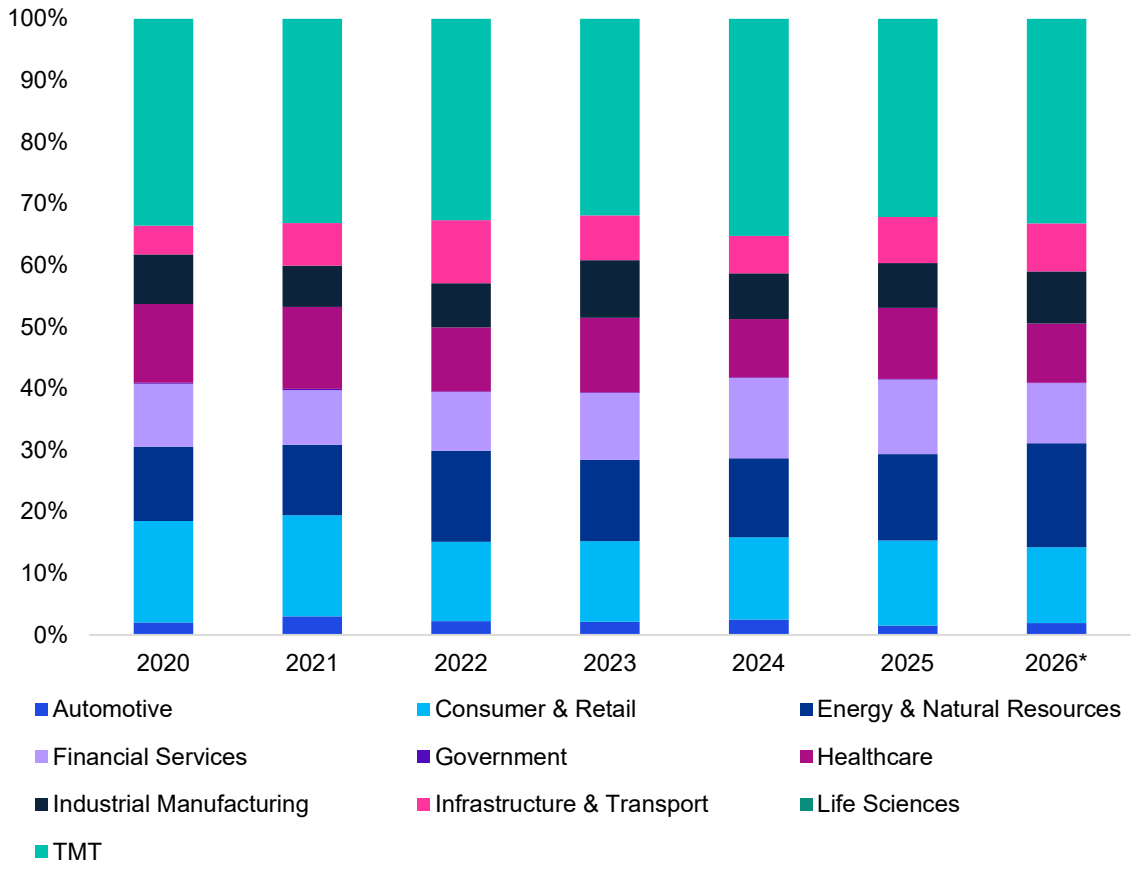
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PE firms target underperforming tech businesses

Global PE deal activity (#) by sector



Global PE deal activity ($B) by sector

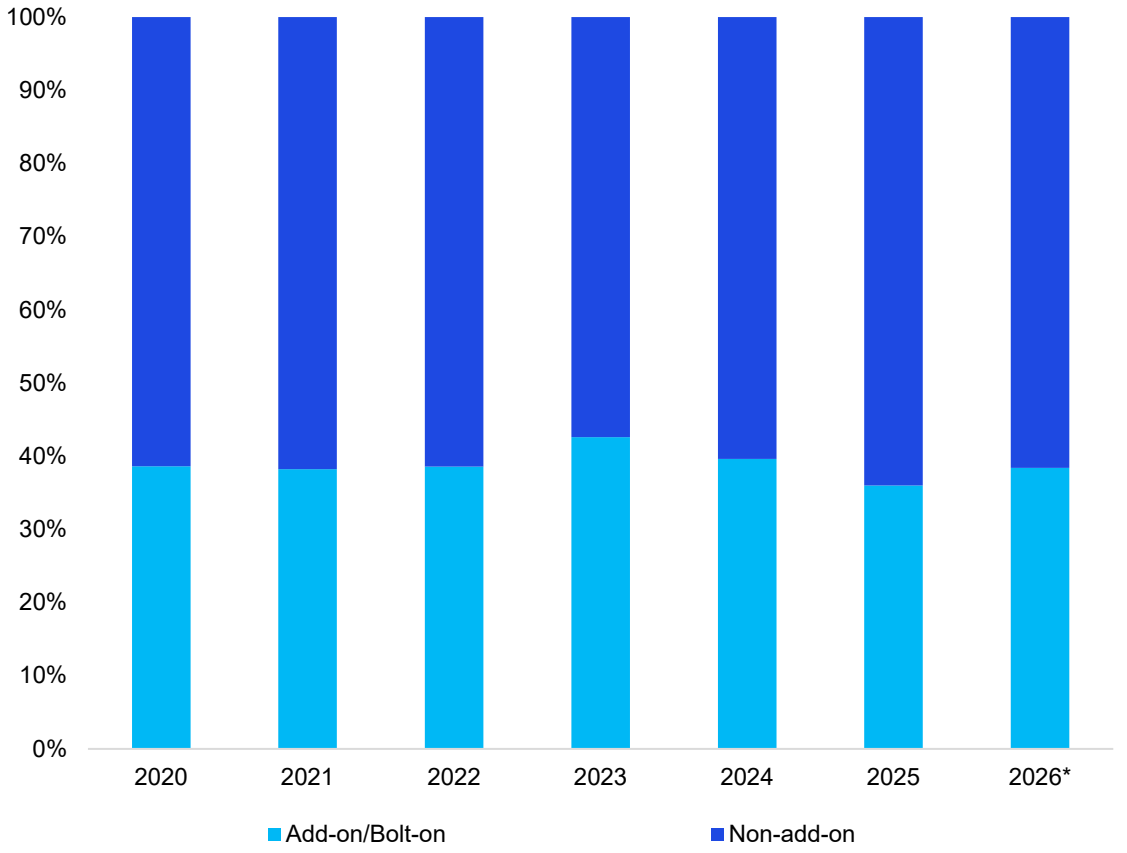


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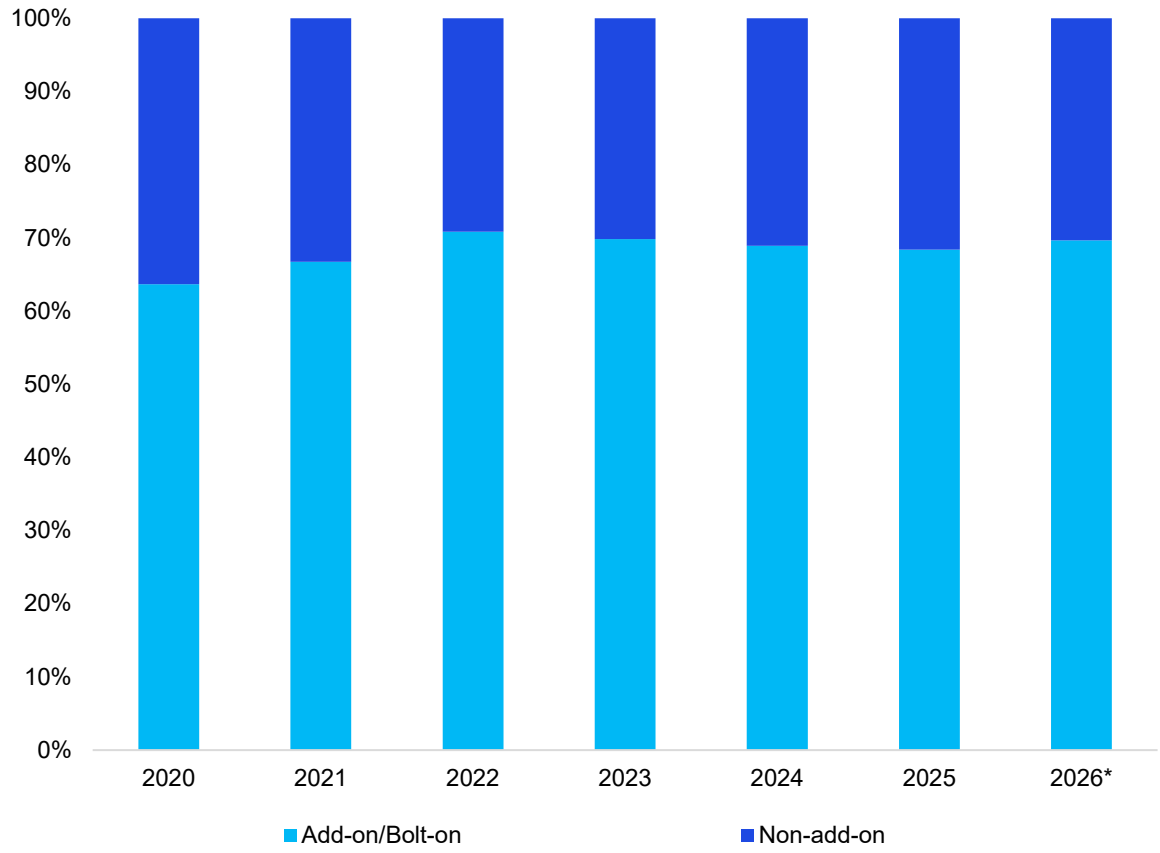
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PE firms utilize add-ons in operational focus

Global PE buyouts (#) by buyout type



Global PE buyouts ($B) by buyout type

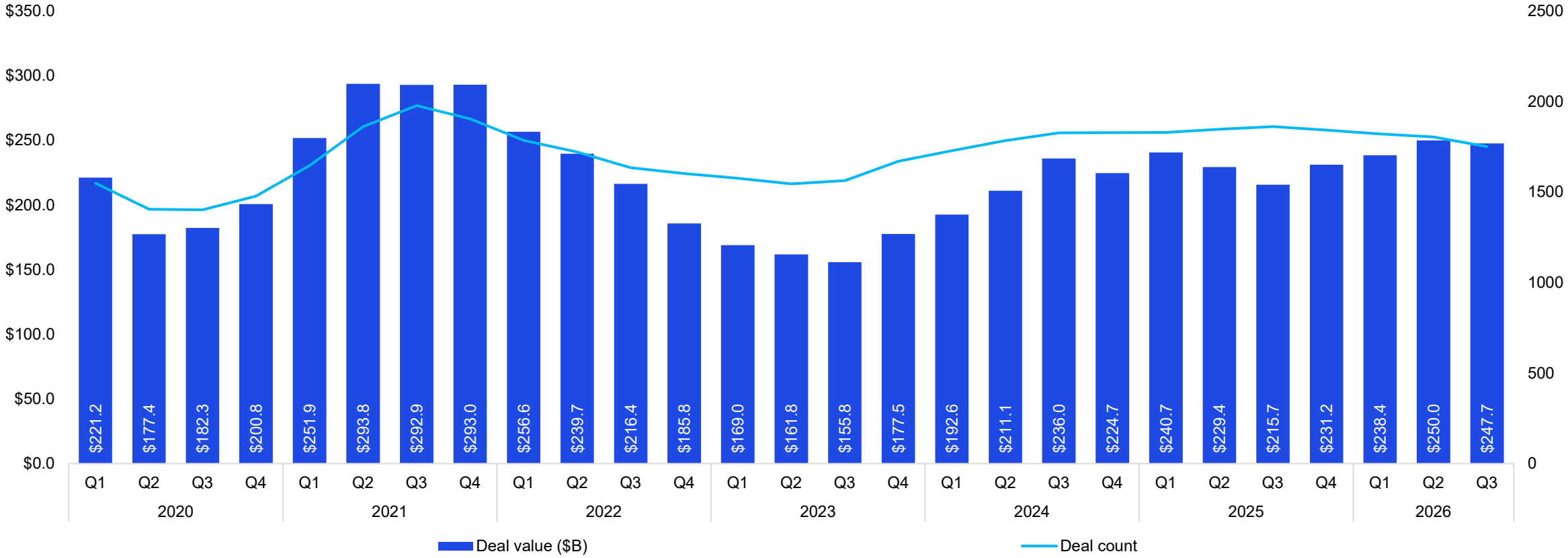


*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.
Note: Non-add-ons are defined as original/platform buyouts.

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Carve-outs continue at a robust pace

Global PE carve-outs/divestitures activity

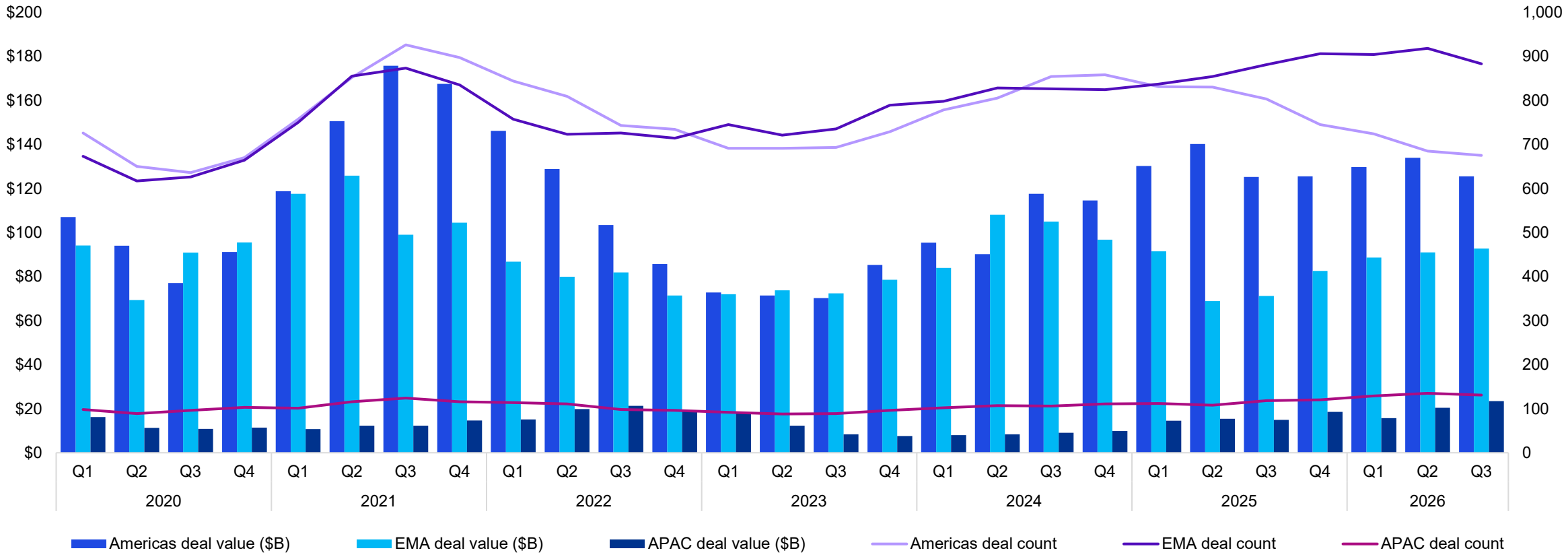


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Carveouts pick up steam in EMA, ASPAC

Global PE carveouts/divestitures activity by region

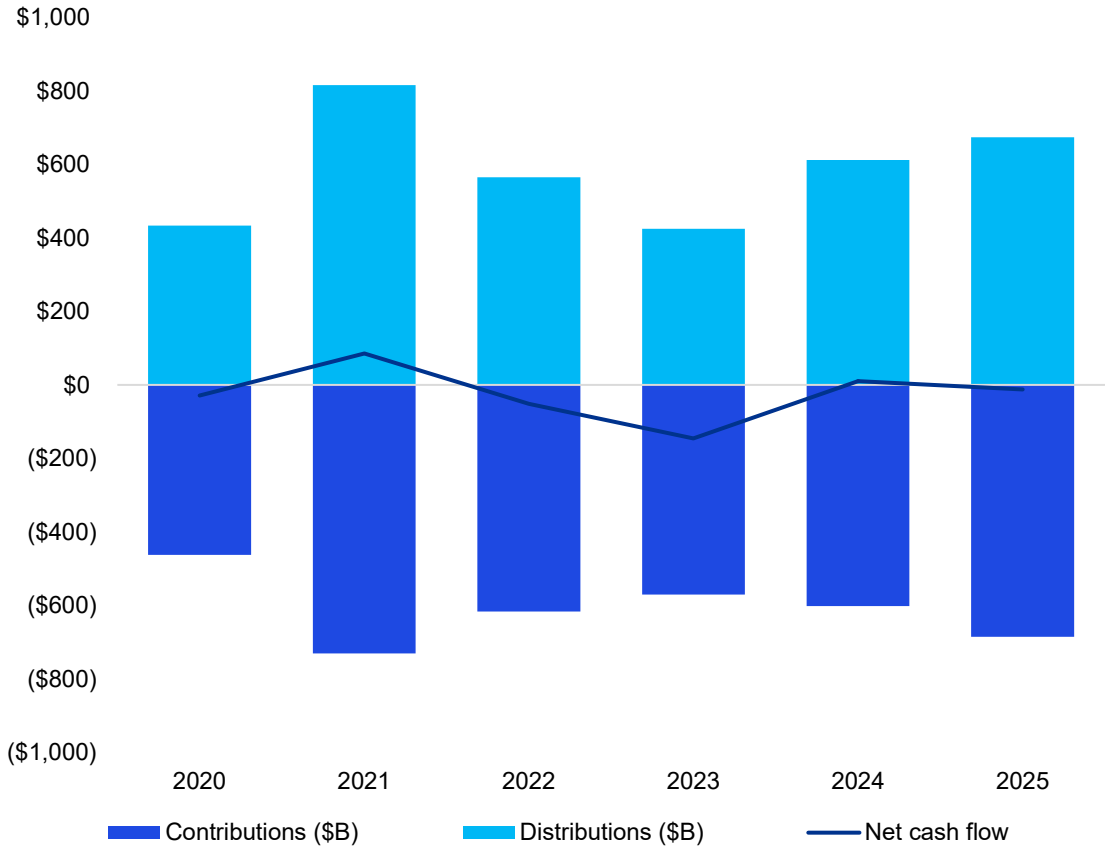


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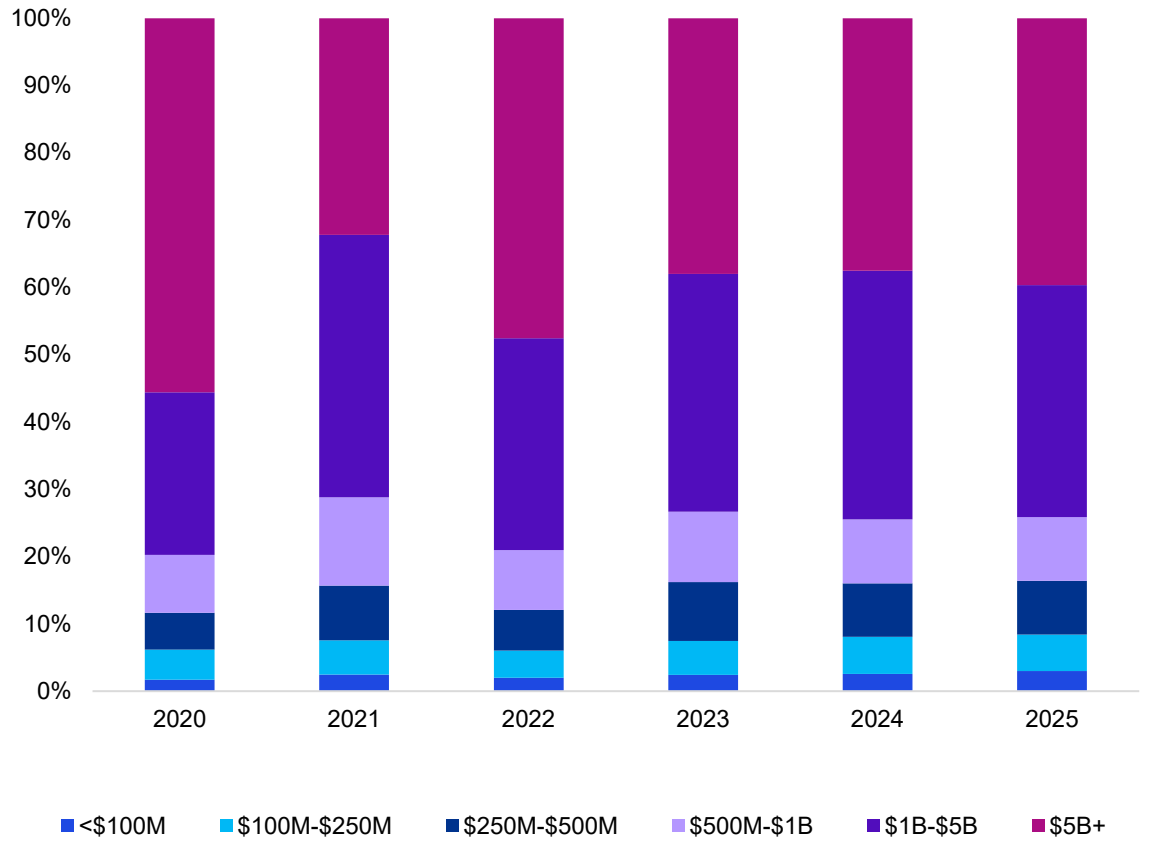
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Cashflows stay flat as dry powder ages

Global PE net cashflows



Global PE capital overhang

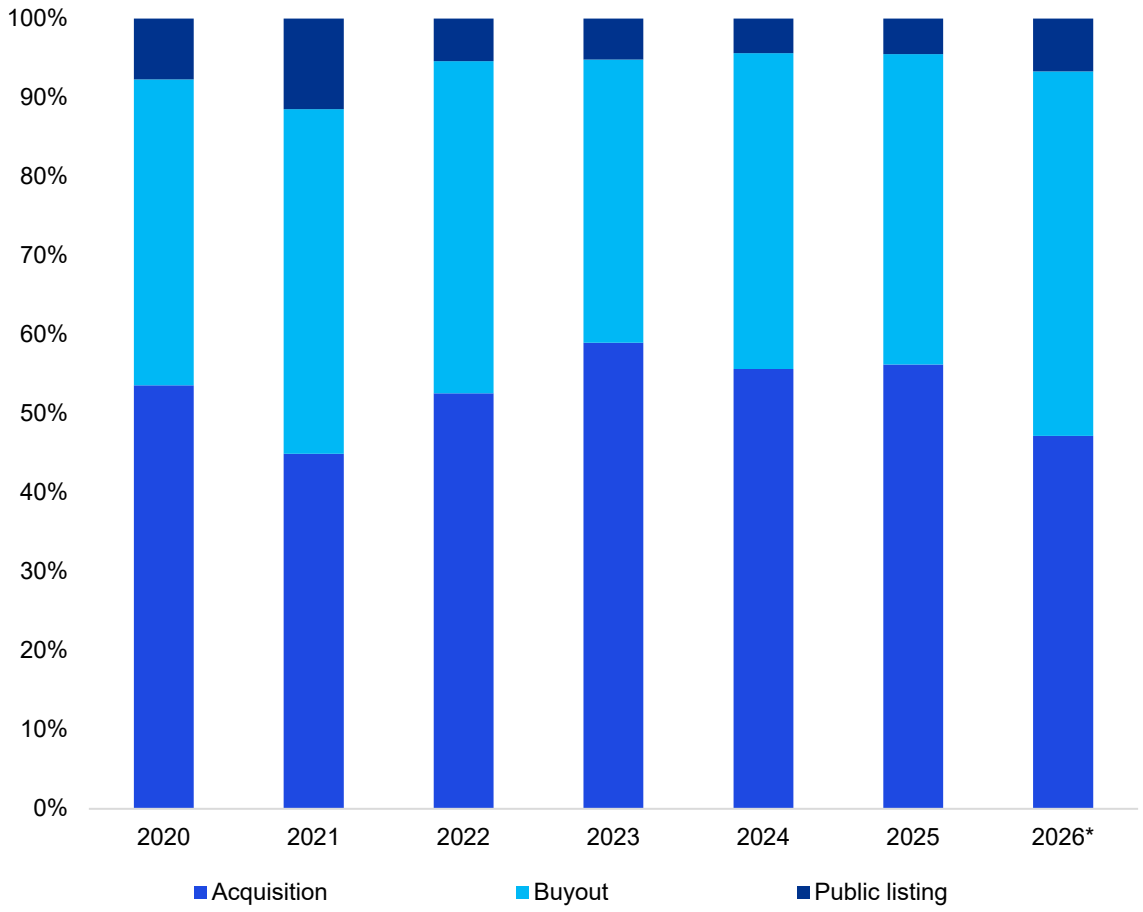


*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Cashflows and overhang data is as of 31 December 2025. Data provided by PitchBook.

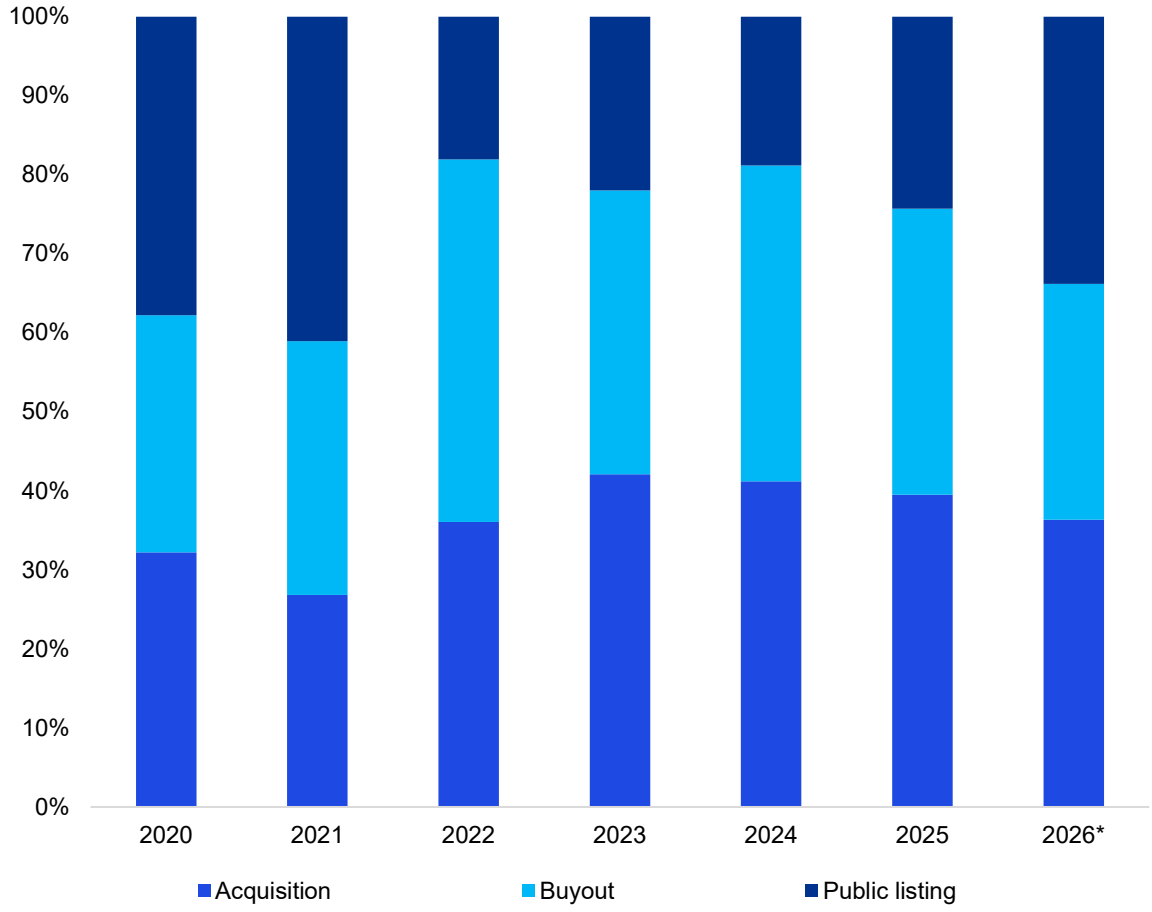
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PE sponsors capitalize on strong if volatile markets

Global PE-backed exit activity (#) by type



Global PE-backed exit activity ($B) by type



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Exit values stay strong despite dipping counts

Global PE-backed exit activity



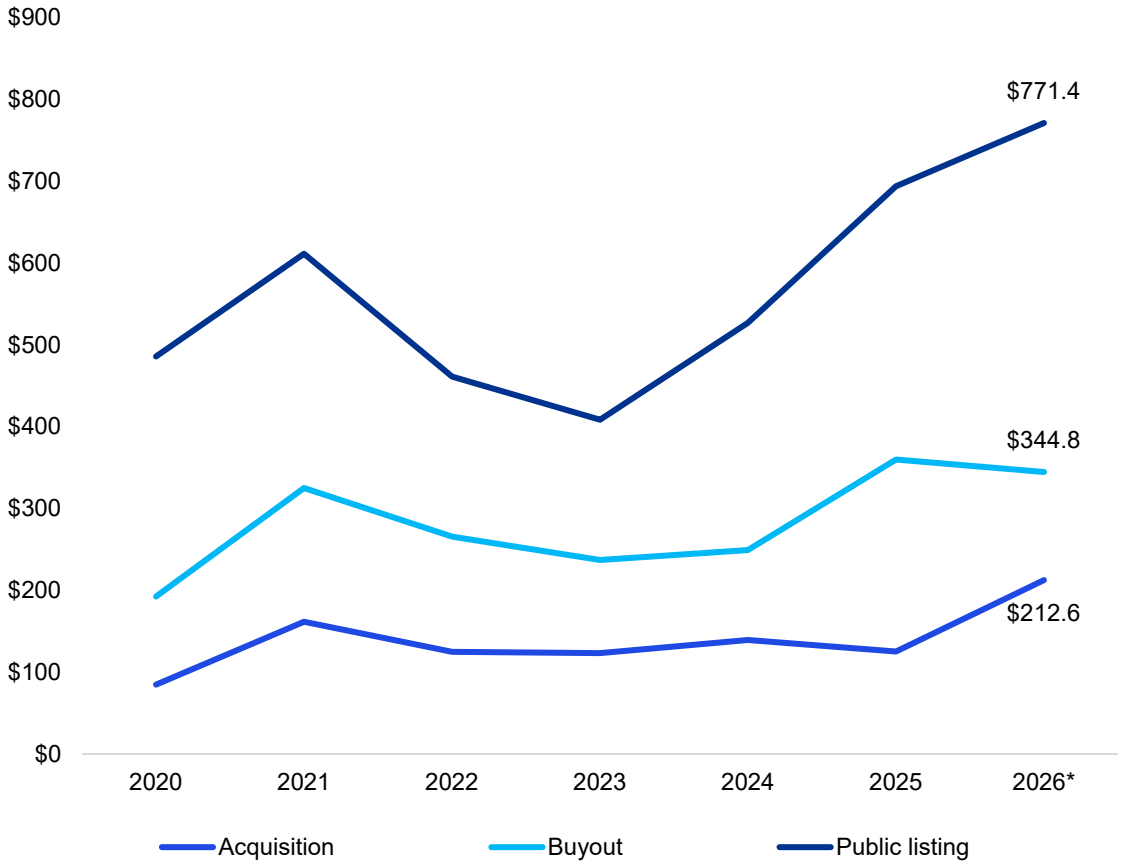
*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

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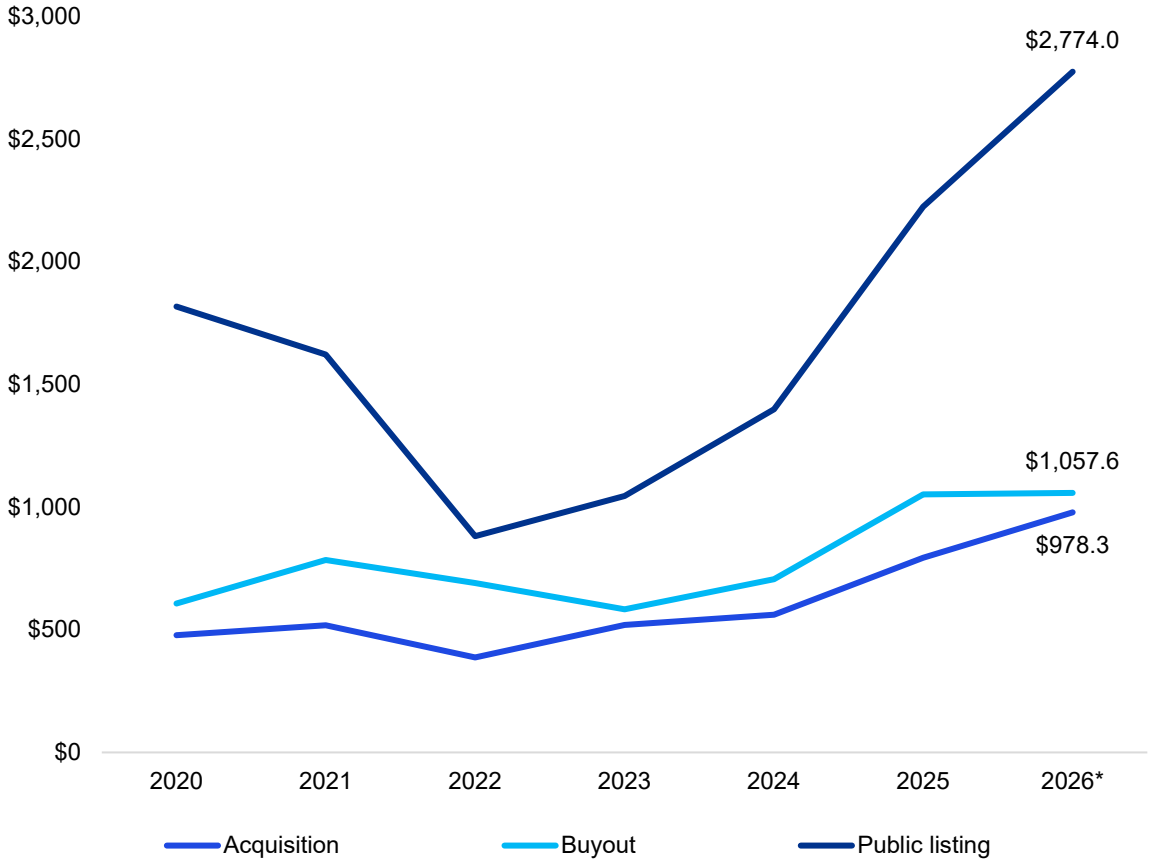
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Exit size metrics remain very high

Global median PE exit size ($M) by type



Global average PE exit size ($M) by type

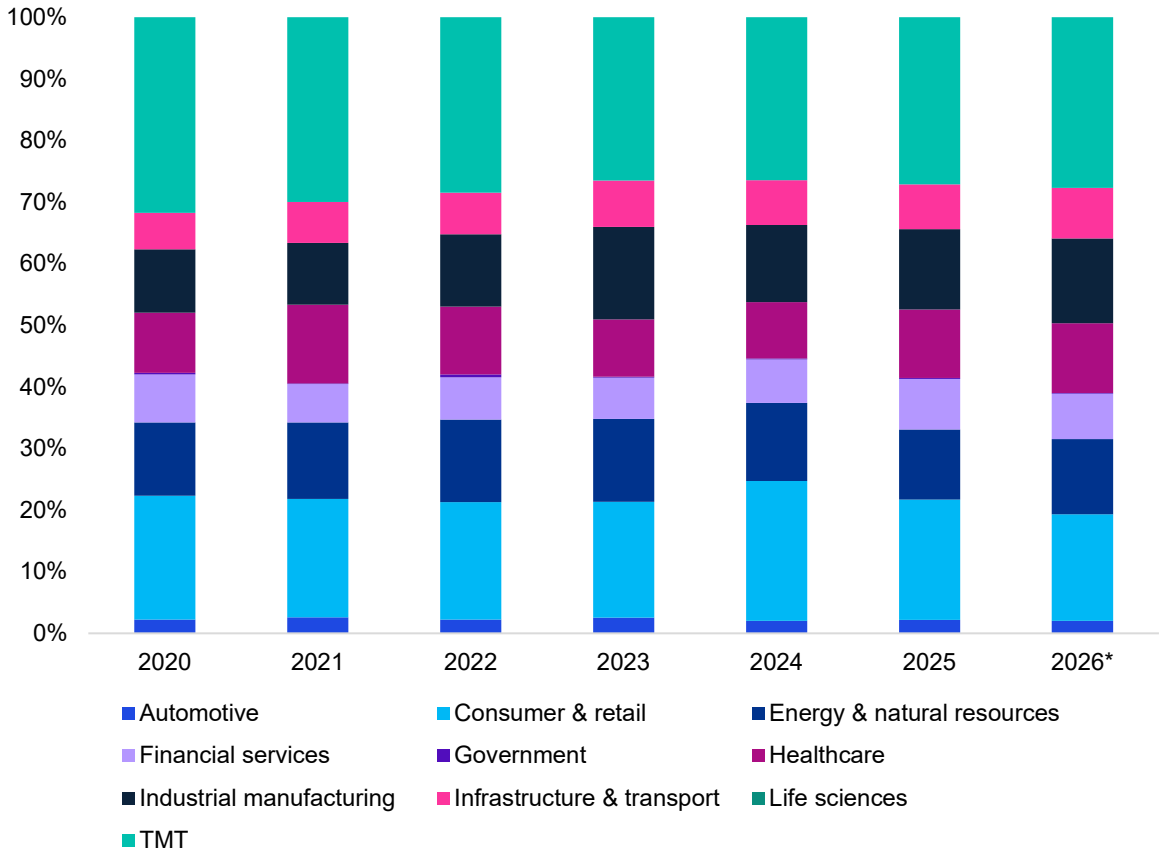


*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

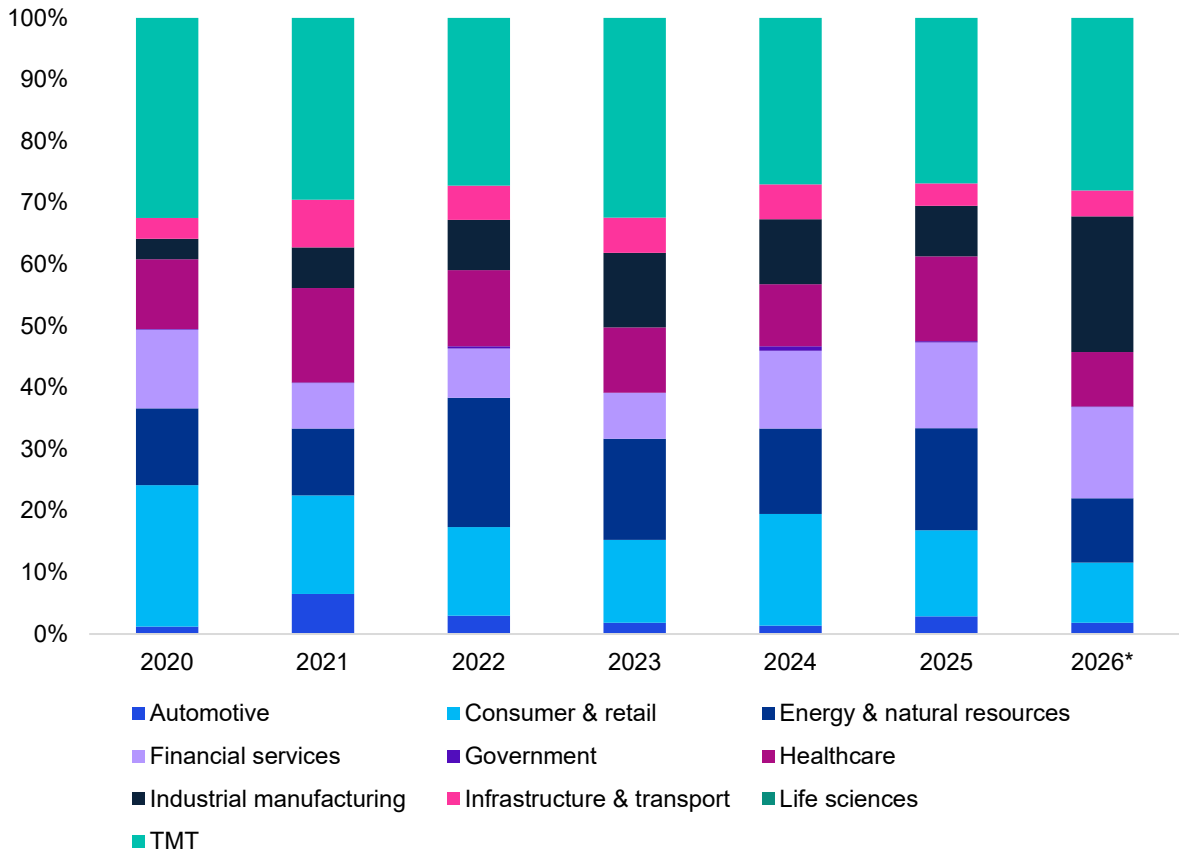
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Industrials climb the global exit rankings

Global PE exit activity (#) by sector



Global PE exit activity ($B) by sector

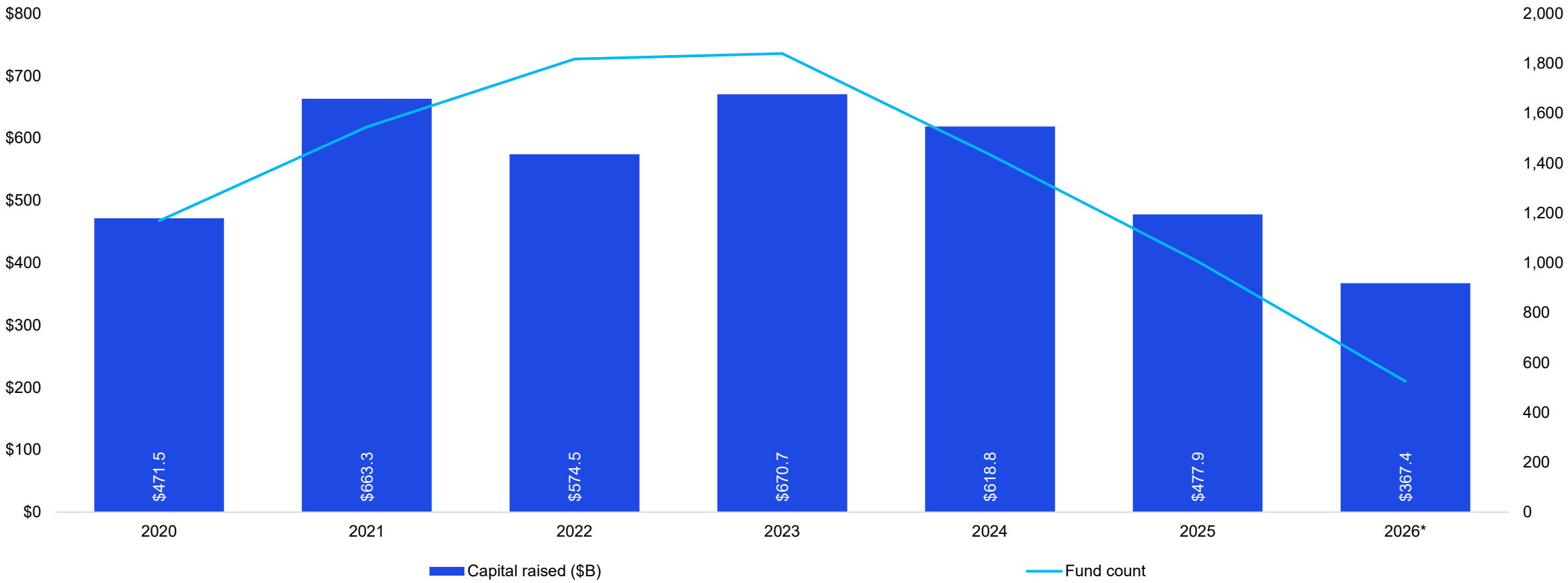


*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.
Note: Public listings for Q1 2026 were n = 25.

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Top firms still raise as GPs look to the retail channel

Global PE fundraising activity

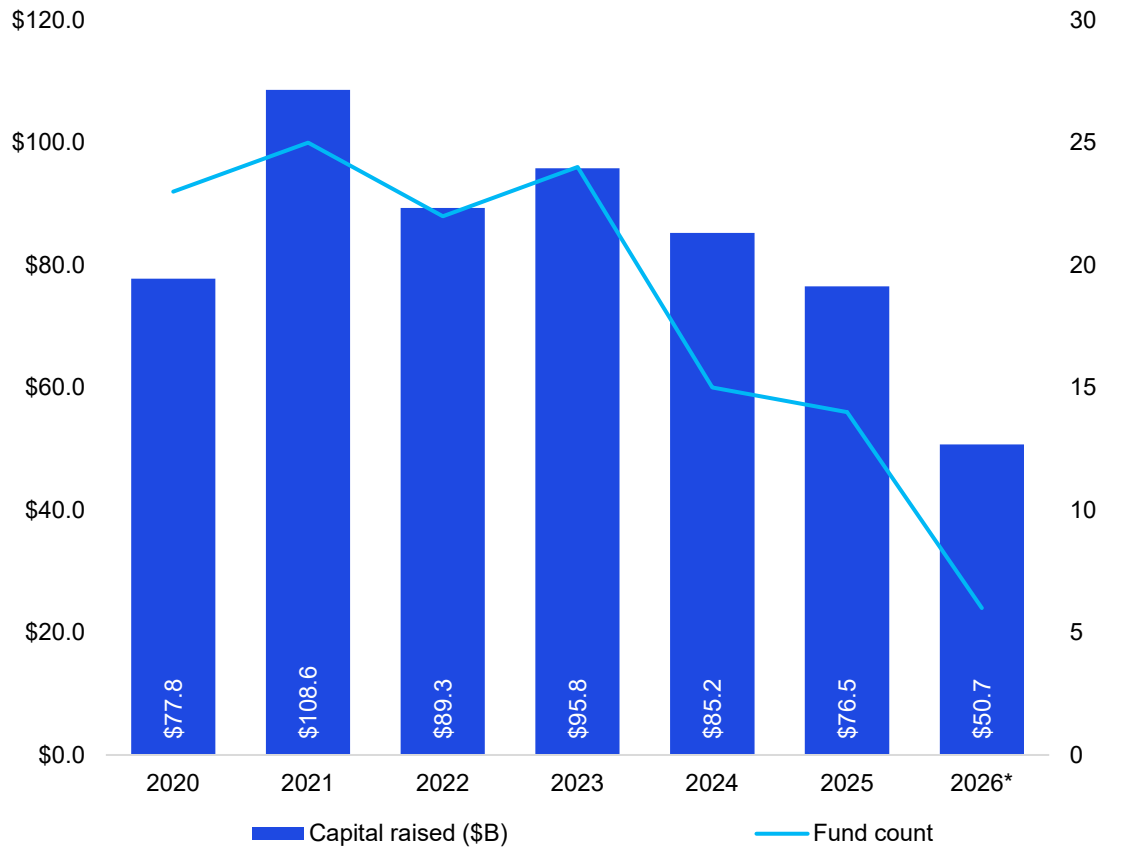


Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

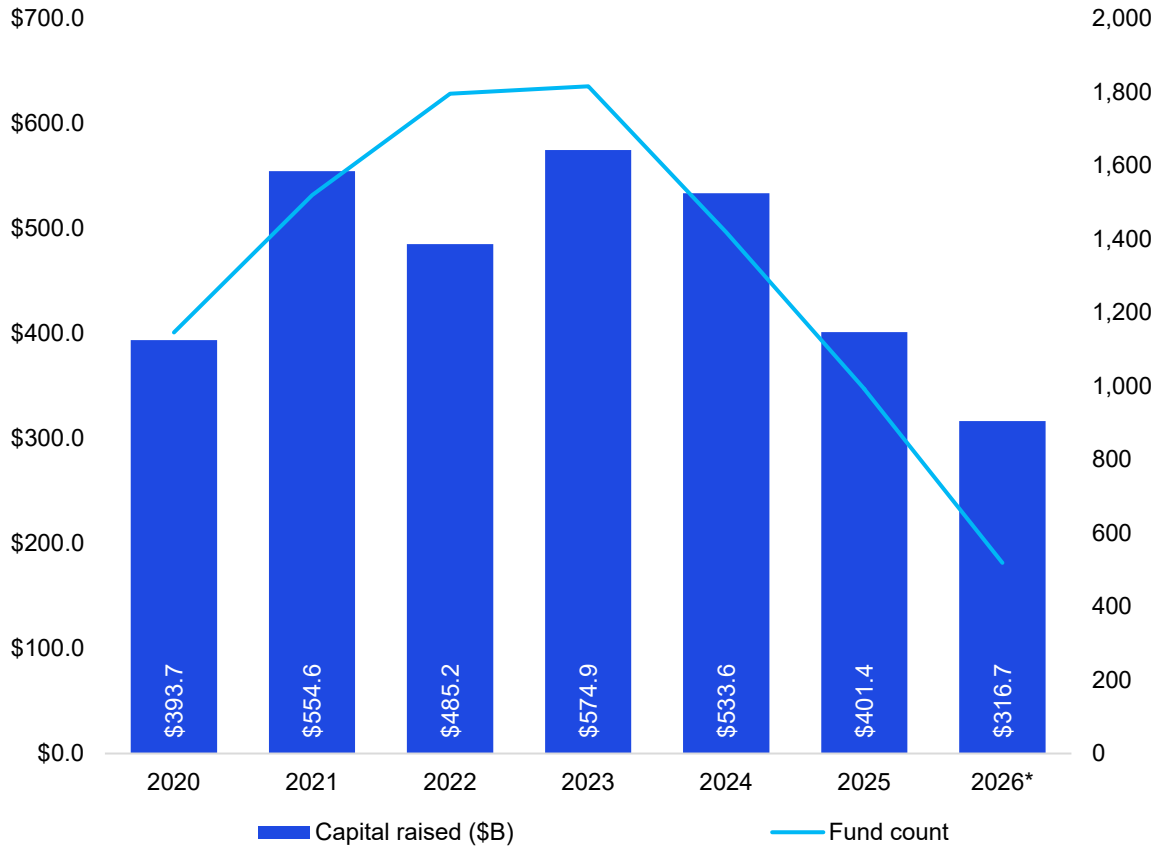
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LPs still prefer top firms, amid a slowing market

Global PE fundraising activity by top 10 firms based on AUM*



Global PE fundraising activity by all other PE firms



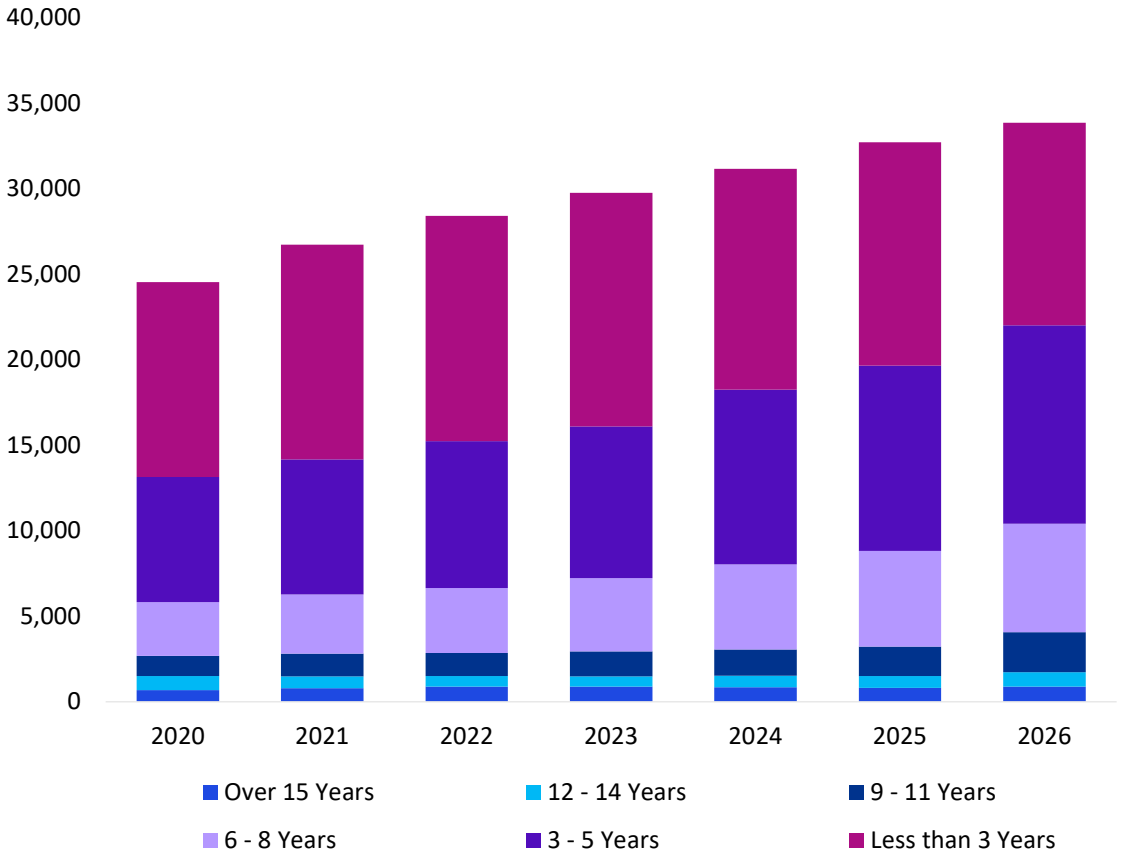
*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.
Note: The top 10 firms by AUM are based on the most recently available or updated AUM figure as recorded in the PitchBook platform.

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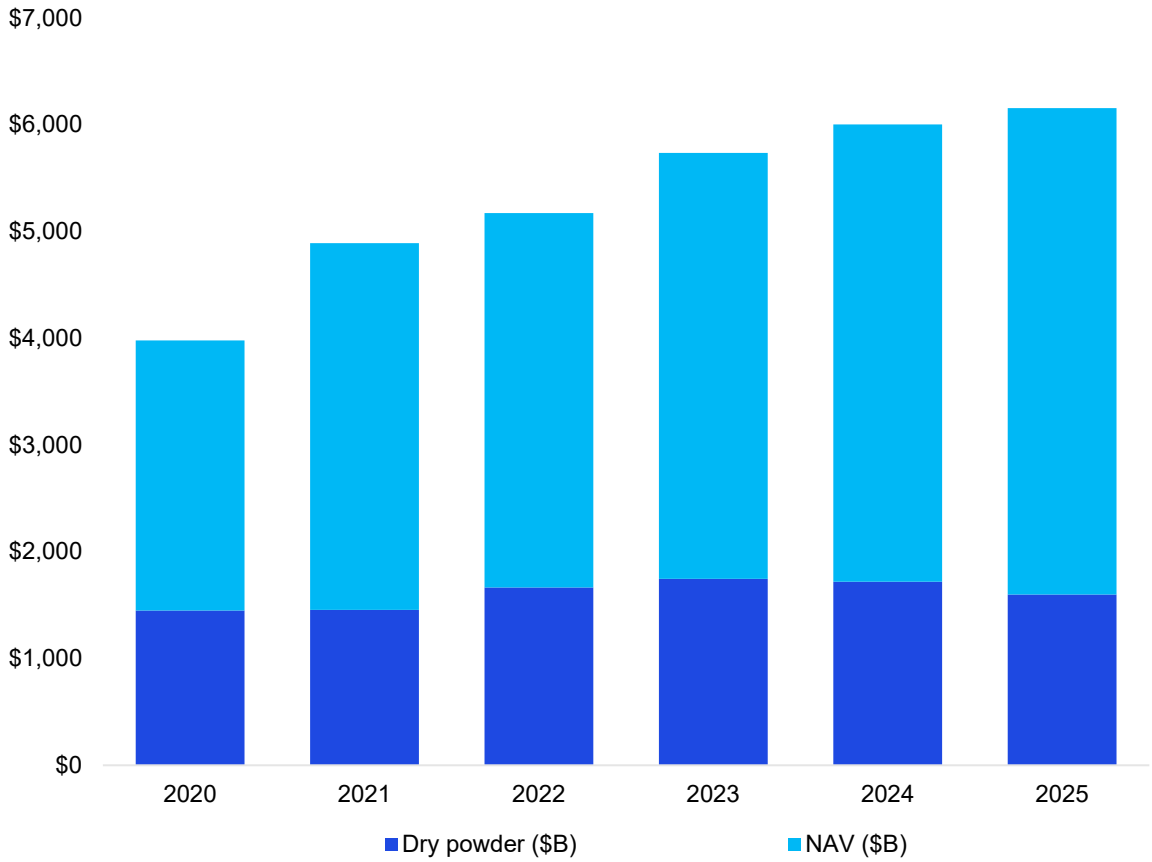
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Record inventory continues to age

Global PE company inventory



Global PE AUM

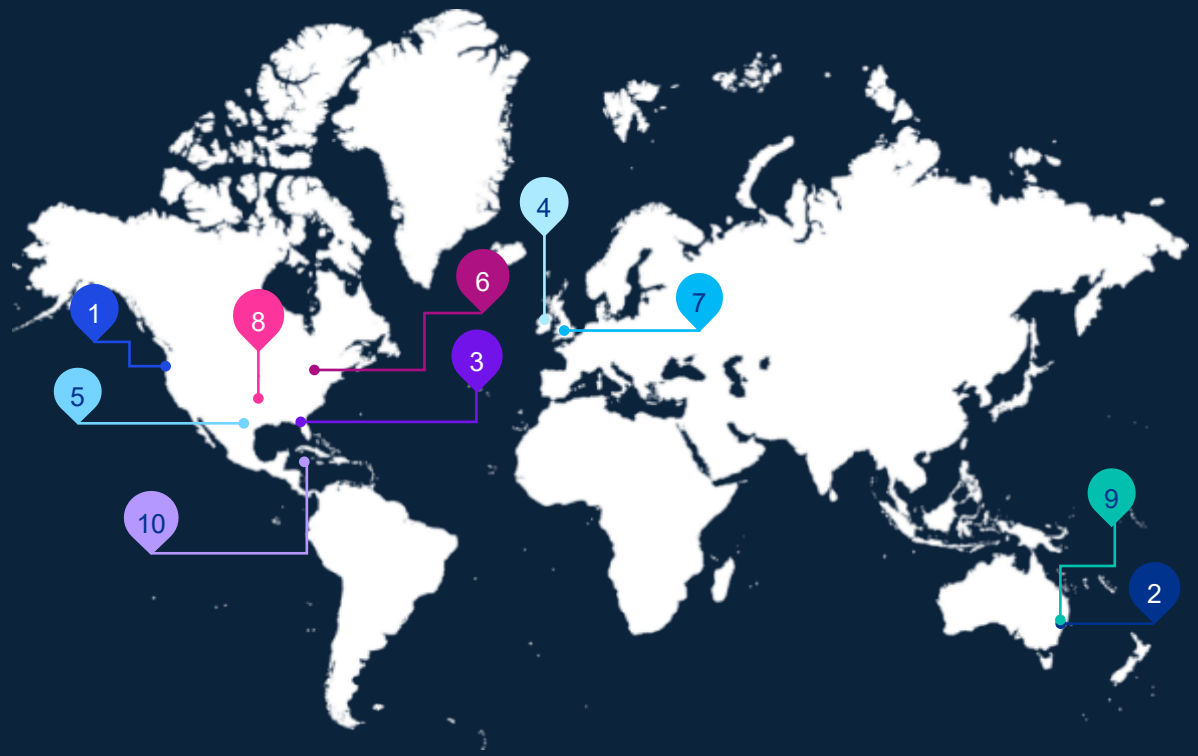


*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. AUM data as of 31 December 2025. Data provided by PitchBook.

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Global insights

Top 10 global deals announced/closed in Q3 2026



1. **Seattle Seahawks** — $9.6B, Renton, US — Buyout, *Sports & leisure*
2. **Qube Holdings** — $8.2B, Sydney, Australia — Public-private, *Commercial services*
3. **The Baldwin Insurance Group** — $7.7B, Tampa, US — Public-private, *Insurance*
4. **DCC Energy** — $7.7B, Dublin, Ireland — Public-private, *Energy*
5. **Aypa Power** — $7.0B, Austin, US — Secondary buyout, *Energy*
6. **PANTHERx Rare** — $7.0B, Pittsburgh, US — Secondary buyout, *Pharmaceuticals*
7. **ATG Entertainment** — $6.0B, Woking, UK — Secondary buyout, *Media*
8. **Integer Holdings** — $5.7B, Plano, US — Public-private, *Medical devices*
9. **Steadfast Group** — $5.4B, Sydney, Australia — Add-on, *Insurance*
10. **Accelerant Holdings** — $5.2B, Cayman Islands — Public-private, *Software*

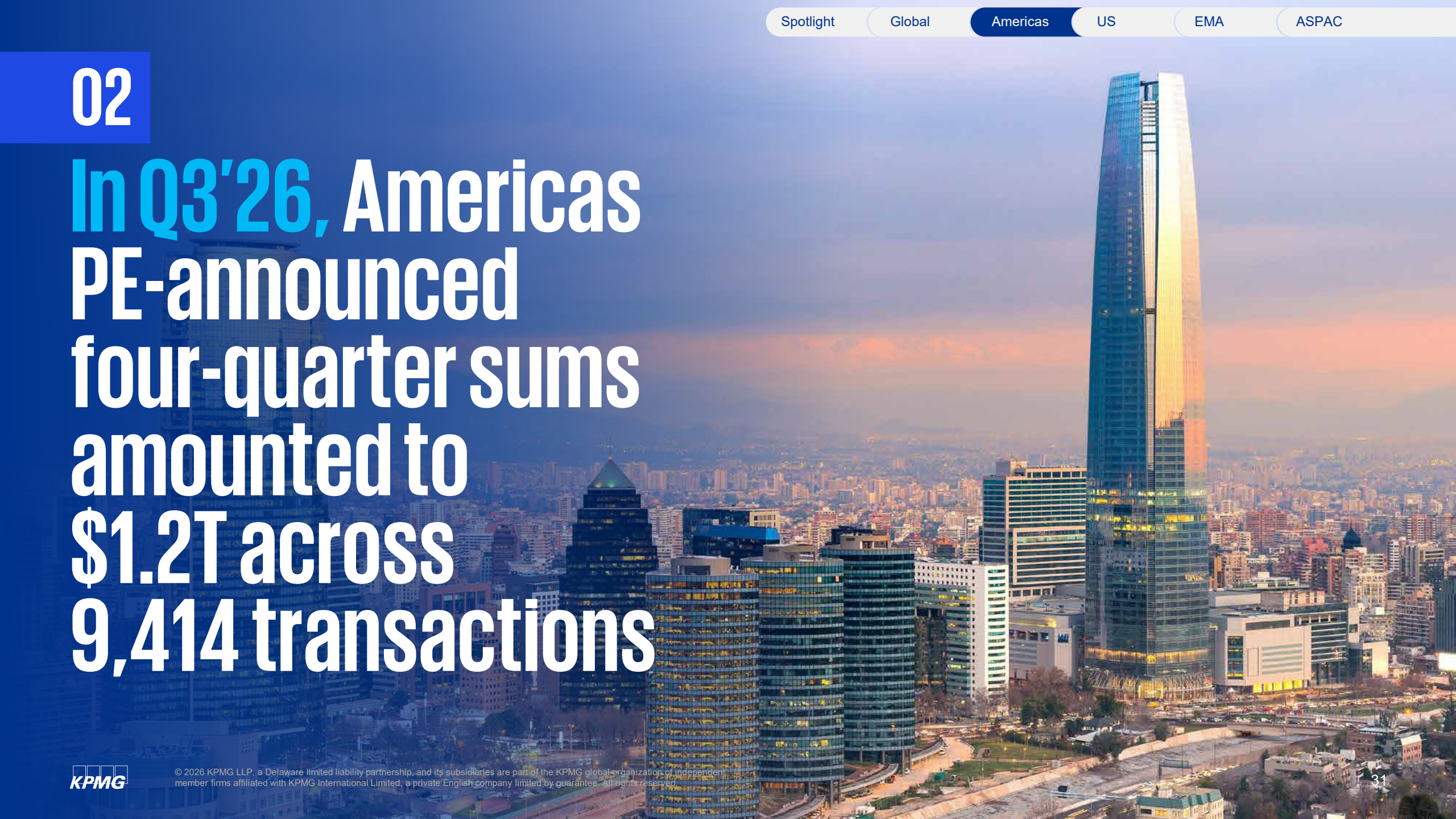
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02

In Q3'26, Americas PE-announced four-quarter sums amounted to $1.2T across 9,414 transactions



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Americas overview

PE investment in the Americas holds strong despite continued selectivity

At the end of Q3'26, the Americas stood at $854.6 billion in PE investment across 6,845 deals. The level of investment fell short of the region's 2025 total but was still solid compared to historical norms. Deal volume, however, remained subdued as investors focused on selective execution, prioritizing capital deployment on high quality assets with strong value creation opportunities.

On a rolling twelve-month basis, the Americas saw PE investment dip from $1.4 trillion in Q2'26 to $1.2 trillion in Q3'26, while deal volume fell more from 10,115 to 9,414.

US drives majority of PE investment in Americas, including nine of the ten largest deals in Q3'26

At the end of Q3'26, the US accounted for the lion's share of both PE investment and deal volume, with $793.4 billion invested across 6,223 deals, while Canada accounted for $45.7 billion across 424 deals, and the rest of the Americas (predominantly Latin America) accounted for $15.5 billion across 198 deals.

During Q3'26, the US accounted for nine of the ten largest deals in the region, led by the $9.6 billion buyout of the Seattle Seahawks football team by a group including the Khosla family, Sixth Street, and an alliance between The Carlyle Group and Dynasty Equity; the $7.7 billion take private of The Baldwin Insurance Group by Sequence Holdings and Dell Family Office;[4] the $7 billion secondary buyouts of renewable energy project developer Aypa Power by Brookfield[5]; and of specialty pharmacy PANTHERx Rare by an investor group led by Warburg Pincus.[6] Canada accounted for the one exception: the $4.8 billion take private of H&R Real Estate Investment Trust by a buyer consortium including Go REIT, Blackstone Real Estate, Crestpoint Real Estate Investments, and others.

Canada PE market sees both headwinds and tailwinds

Canada saw both substantial headwinds and tailwinds during Q3'26. Growing trade tensions with the US drove significant uncertainty, in addition to concerns about inflation and the possibility of rising interest rates. At the same time, the Canadian government made significant moves to diversify Canada's trade relationships and to make Canada an attractive place to invest. During Q3'26, the government, in partnership with the Canada Pension Plan Investment Board and the Public Sector Pension Investment Board, hosted the Canada Investment Summit. The summit's purpose was to showcase opportunities and attract investment to Canada, particularly in sectors like infrastructure, energy, critical minerals, and AI.[7]

> "Things look bullish for Canada coming out the investment summit. Looking ahead to 2027, I'm expecting there to be a lot more M&A activity, including private equity activity. And I think that'll be not just for large-scale deals, but also for mid-market and growth and venture."



John Cho
Partner, National Private Capital Leader in Canada, Global Institutional Investors Group Leader, and Head of Deal Advisory for KPMG in the Americas region
KPMG in Canada

[4] The Baldwin Group, " The Baldwin Group to go private through majority investment by sequence holdings and Dell family office." 14 September 2026.
[5] Brookfield, "Brookfield to Acquire Aypa Power, the leading North American battery storage platform, from Blackstone energy transition partners" 22 July 2026. Brookfield. Accessed 10 October 2026.
[6] Pantherx Rare, "Warburg Pincus-led Investor group agrees to axquire controlling interest in Pantherx Rare." 13 July 2026.
[7] Prime Minister of Canada, " The first Canada investment summit unleashes nearly $500 billion of new investment in Canada." 15 September 2026.

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Americas overview

The Summit included numerous announcements, from the introduction of a productivity mega deduction to allow accelerated expensing of capital expenditures[8] to the launch of the $50 billion Maple Fund by CPP Investments and Brookfield Asset Management, a fund focused on investing in critical infrastructure and strategic industries.[9]

Deal market in Latin America becomes more active

Compared to 2025, the PE deal market in Latin America strengthened over the first three quarters of 2026, helped by an increasing number of secondary transactions, more exits from strategic PE to local strategics, and, in some sectors, a renewed interest in taking companies public following perceived improvements in the IPO market in the US. Following elections in Colombia, there appears to be some optimism around potential investment opportunities, particularly in sectors like fintech and housing.

Demand for AI and power infrastructure driving interest in Mexico

The growing global demand for AI and energy infrastructure, combined with the increasing focus of the Mexican government on infrastructure development, has helped spur the interest of PE firms in Mexico, although it was private credit that took the spotlight in Q3'26, with Apollo Global Management announcing plans to provide up to $20 billion in financing for Mexico-based infrastructure projects as part of its private credit business.

Exit environment remains cautious; Canada sees increasing focus on exit readiness

The exit environment in the Americas was very cautious in Q3'26. While there were signs of recovery, selectivity remained a major theme, both in terms of what assets buyers brought to market and what assets buyers were interested in. As of the end of Q3'26, exit value ($426 billion) and the number of exits (947) were both well off 2025's pace. Rolling twelve-month exit value provided some optimism, rising slightly from $622 billion to $665.7 billion quarter-over-quarter, although the twelve-month rolling deal volume fell to 1,401 — the lowest level seen since Q3'20.

During Q3'26, PE funds in Canada increased their focus on exit preparation and readiness, which could lead to an improvement in exit flow heading into Q4'26 and into 2027.

Fintech a major investment driver in Latin America, but other sectors gaining attention

Over the first three quarters of 2026, fintech continued to be a big bet in Latin America; while much of this investment occurred in the VC market, the reality is that in some jurisdictions, like Mexico, the lines between PE and VC are blurry, with the same firms making both types of deals.

From a growth perspective, in addition to infrastructure, PE firms showed increasing interest in the natural resources sector, driven by the uncertain geopolitical environment and the growing desire globally to diversify supply chains for strategically important materials, like lithium and other critical minerals. This has spurred fresh interest in diversification plays within Latin America, such as mining opportunities in jurisdictions like Chile and Peru.

[8] Prime Minister of Canada, " Prime Minister Carney introduces new productivity mega deduction to boost Canada's advantage as the most competitive G7 country for new business investment." 15 September 2026.
[9] CPP Investments, "CPP investments and Brookfield launch $50 billion Maple Fund to pursue large-scale investments across Canada." 15 September 2026.

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Americas overview

Trends to watch for in Q4’26

Heading into Q4’26, PE investment in the Americas is expected to remain relatively strong, although investment will likely remain highly selective, focused on high-quality assets and growth areas like AI and digital infrastructure and energy. Healthcare is also expected to be a robust area of PE investment across the region.

Despite ongoing trade concerns, KPMG’s outlook suggests there is a significant degree of optimism that PE investment in Canada can rise considerably over the coming quarters, in addition to M&A activity and other forms of investment.

In Latin America, fintech and infrastructure will likely remain key areas of investment. Collaboration between development banks and PE firms will likely also pick up as development banks look to bring in seasoned investors to help with diligence, deal structuring, and negotiations in order to move projects forward.

> “One interesting trend we’ve seen in Latin America is the exits we’re seeing from PE to local strategics. We’ve seen that in financial services. We’ve seen that in pharma. We’ve seen that in the communications industry as well — well, we’ve seen both local and international PE investors there, but the strategic exits are to local companies and strategics — which is great. Part of the reason PE investment in Latin America has been constrained in the past has been concern over exit avenue options. As we see more of these local strategic exits, I think it will increase the confidence of PE investors for making more deals.”

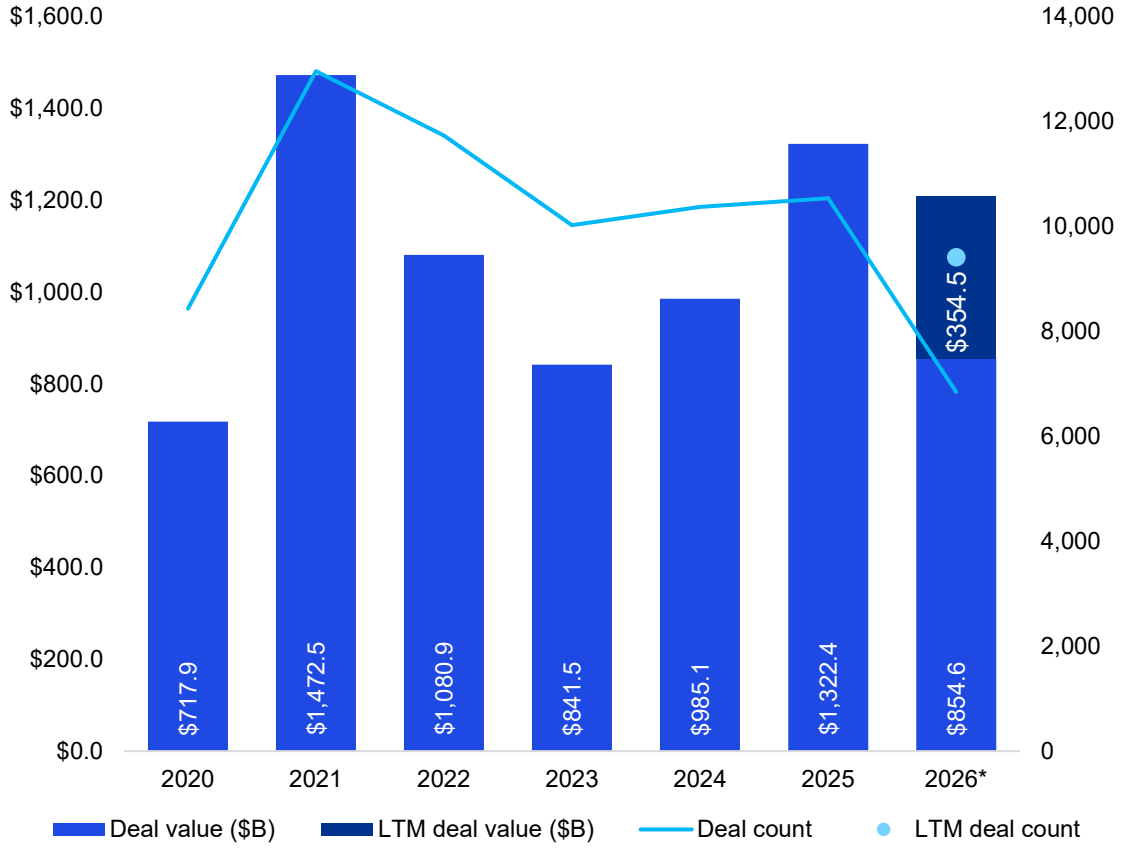


Jean-Pierre Trouillot
Partner, Advisory Leader
for Latin America
KPMG in the US

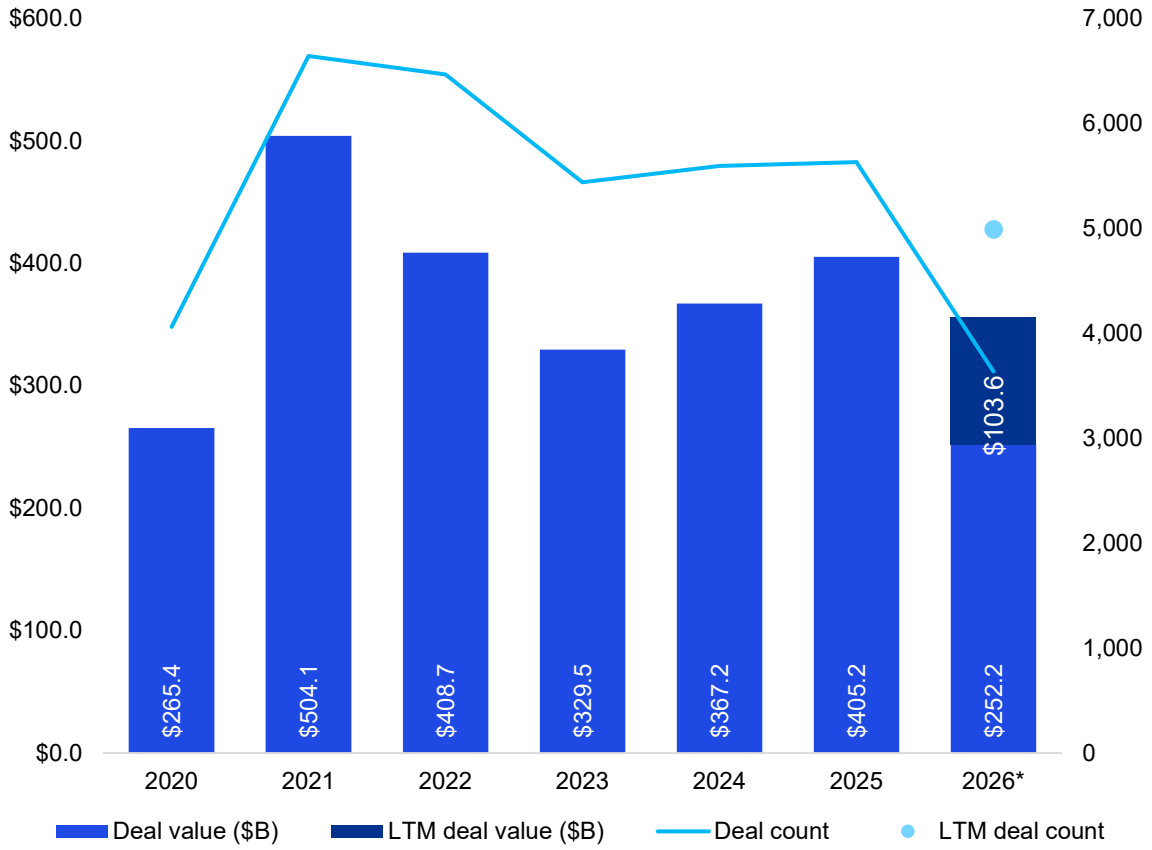
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LTM robustness contrasts with a YTD downturn

Americas PE deal activity



Americas PE add-on/bolt-on activity

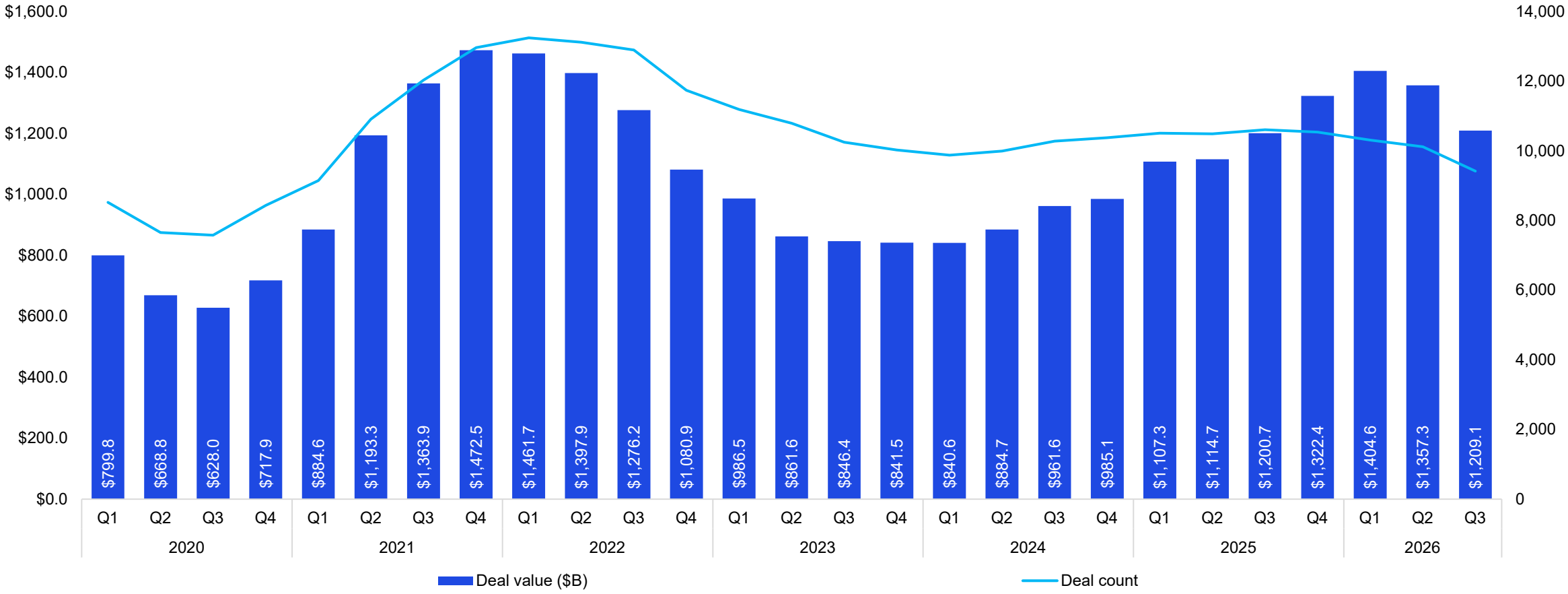


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Dealmaking stays healthy overall, but a dip is clear

Americas PE deal activity



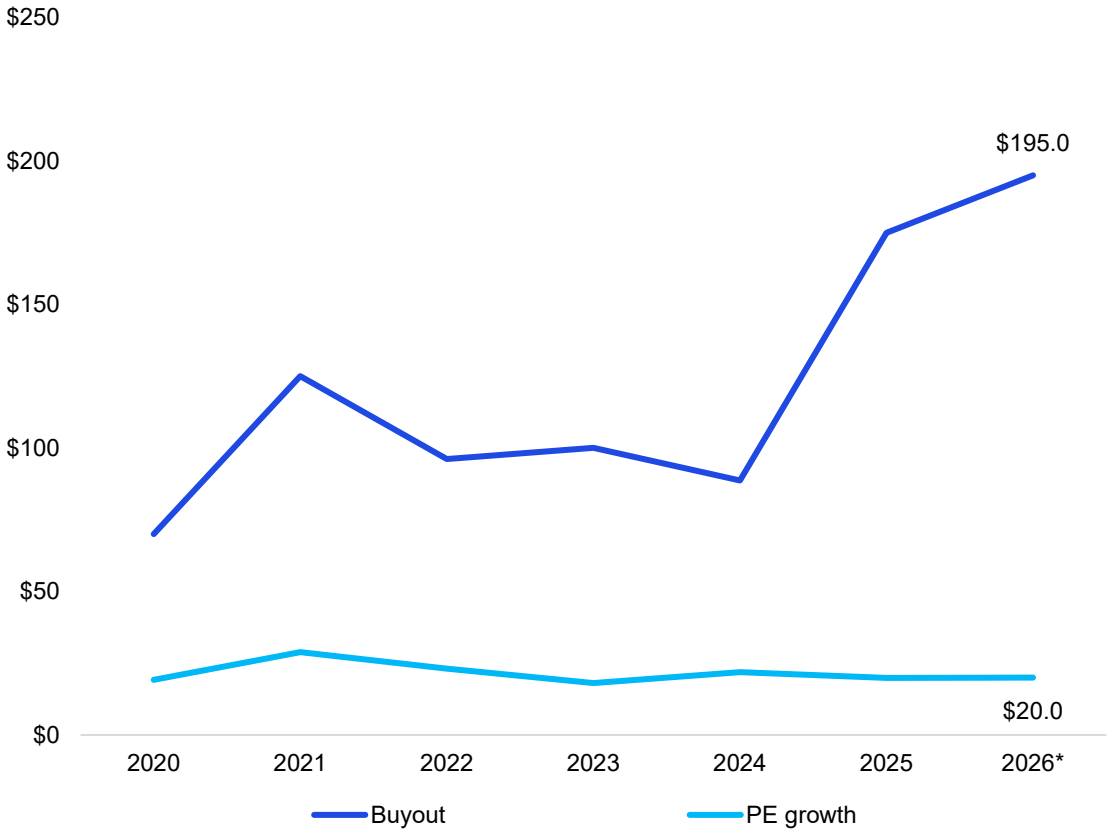
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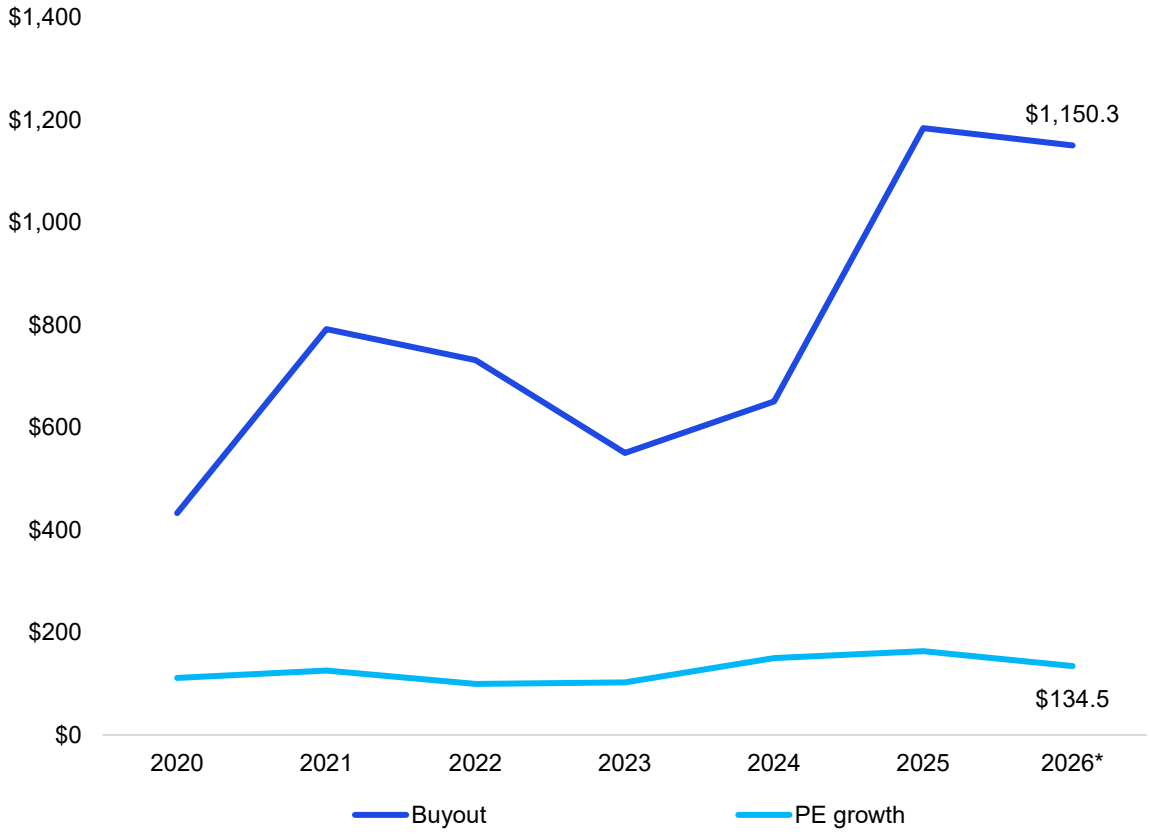
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Deal-size medians stay strong

Americas median PE deal size ($M) by type



Americas average PE deal size ($M) by type



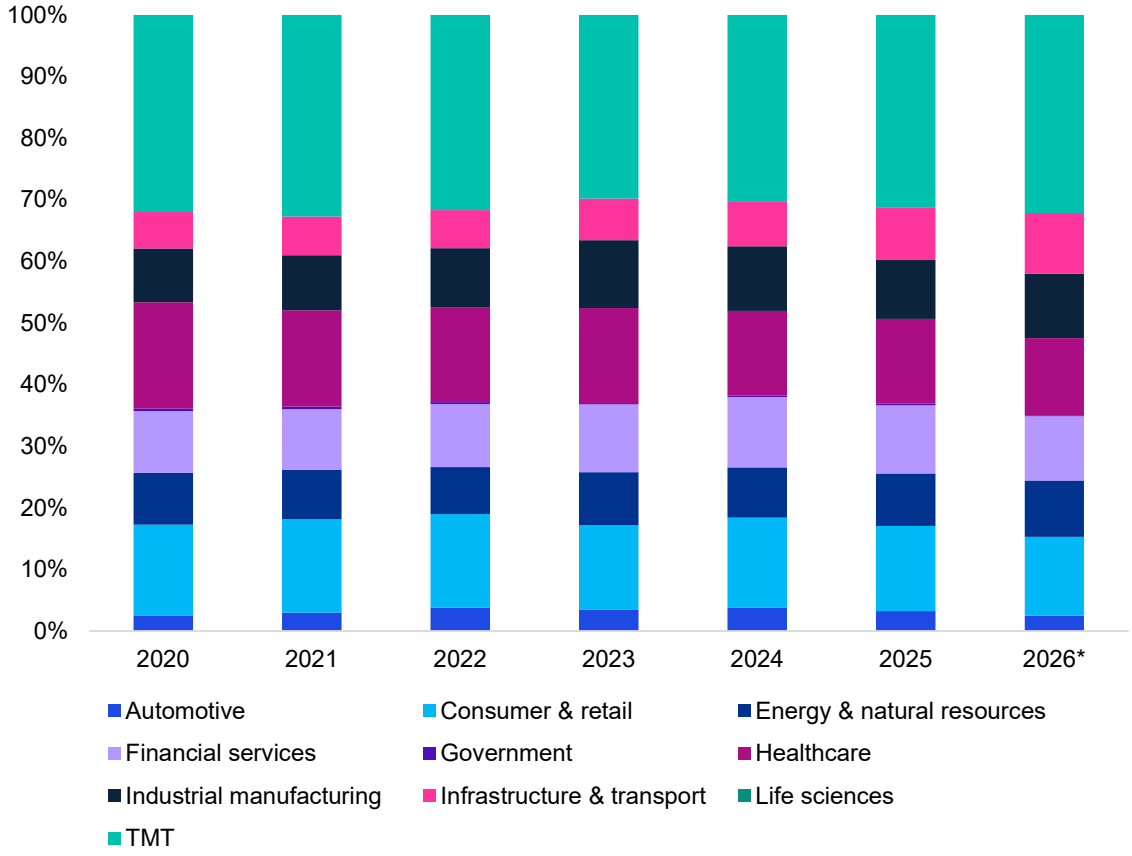
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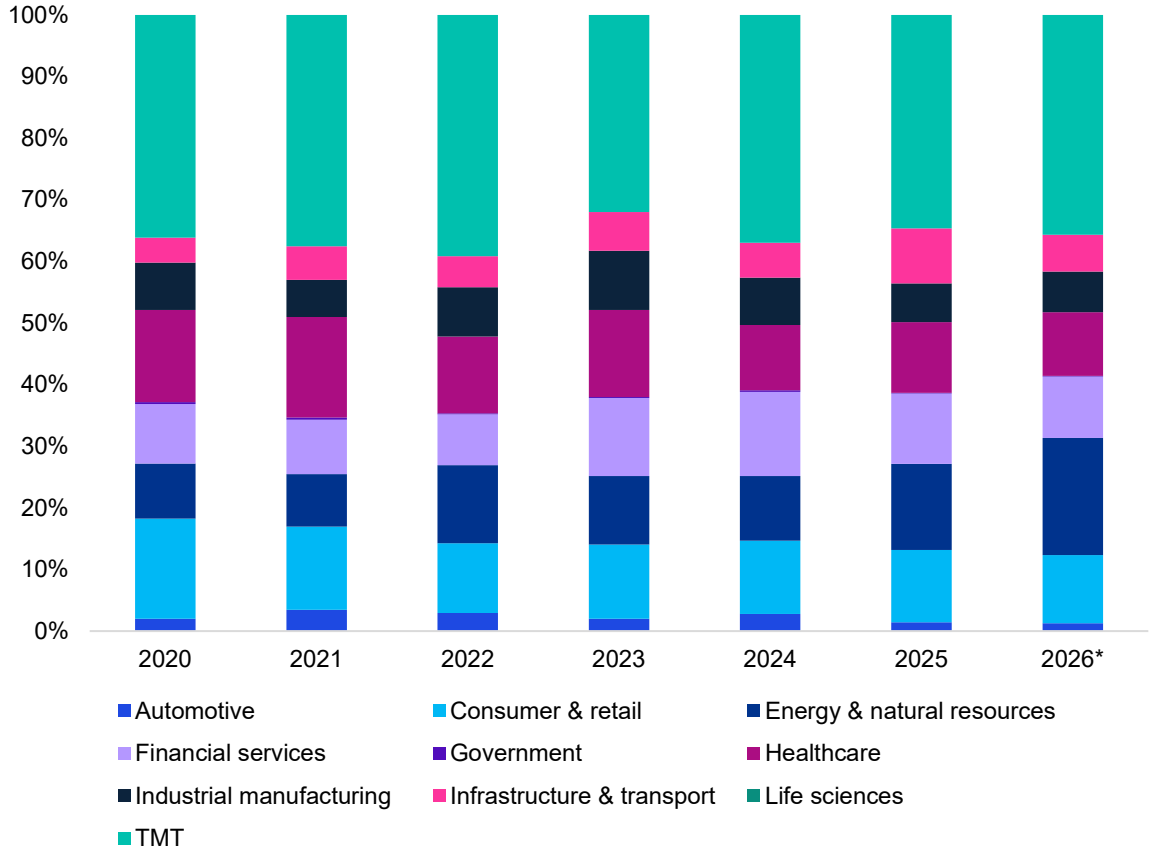
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Software and energy see biggest shifts

Americas PE deal activity (#) by sector



Americas PE deal activity ($B) by sector



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Exits keep chugging, easing some liquidity pressure

Americas PE-backed exit activity

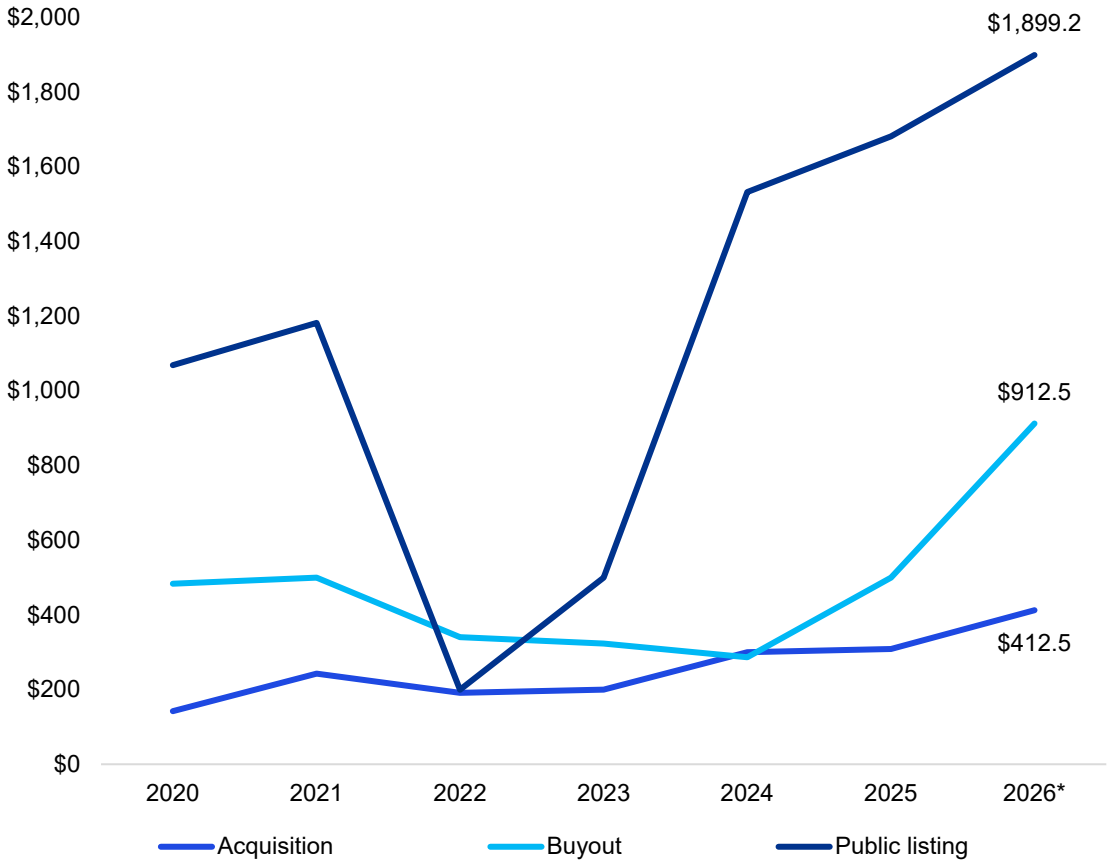


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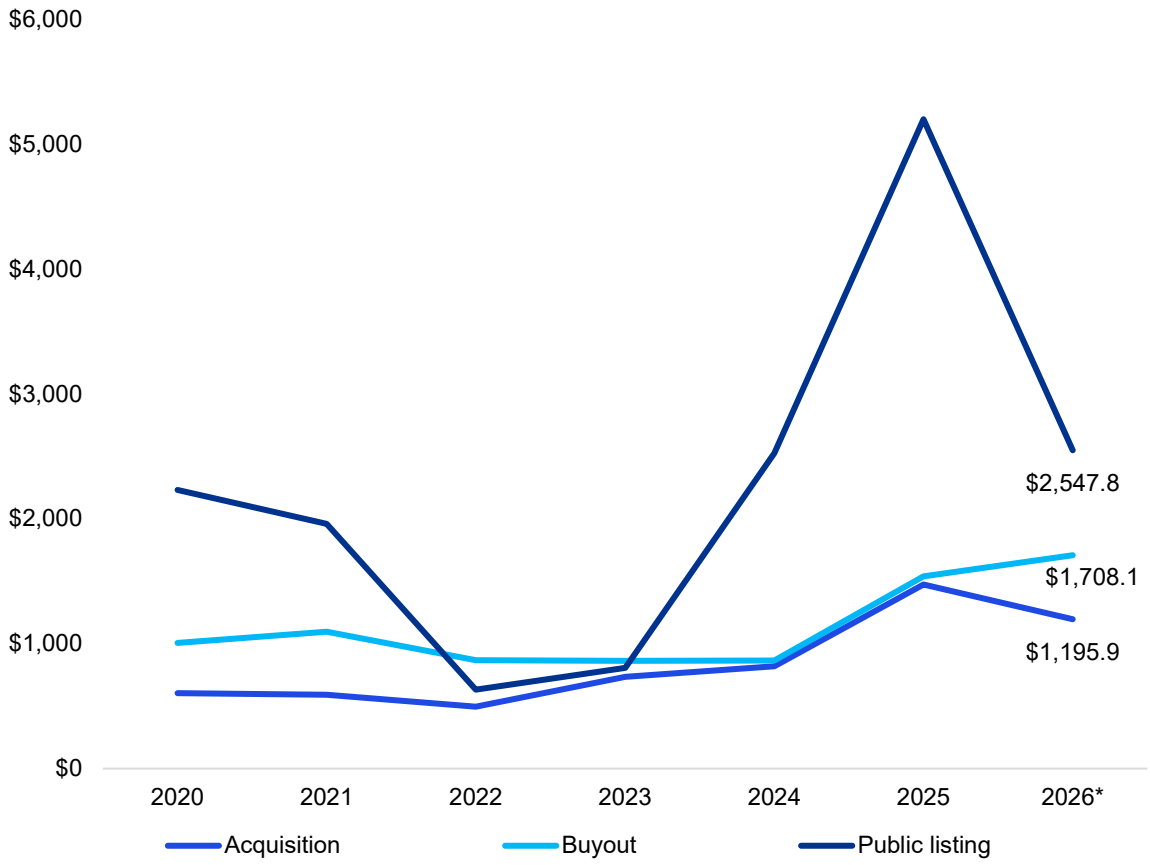
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PE firms maintain strong exit sizes, on average

Americas median PE exit size ($M) by type



Americas average PE exit size ($M) by type



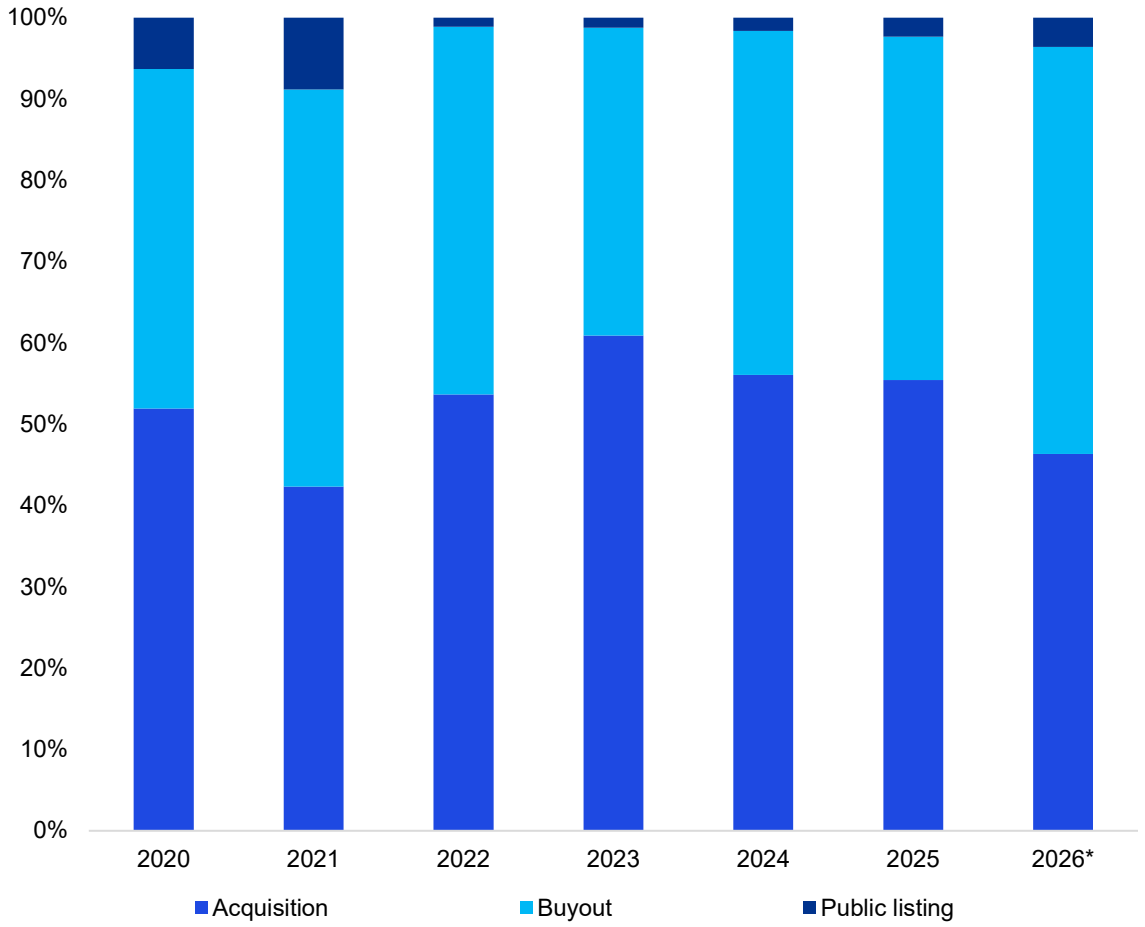
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Note: The 2022-2026* figures for public listings are based on population sizes n < 30.

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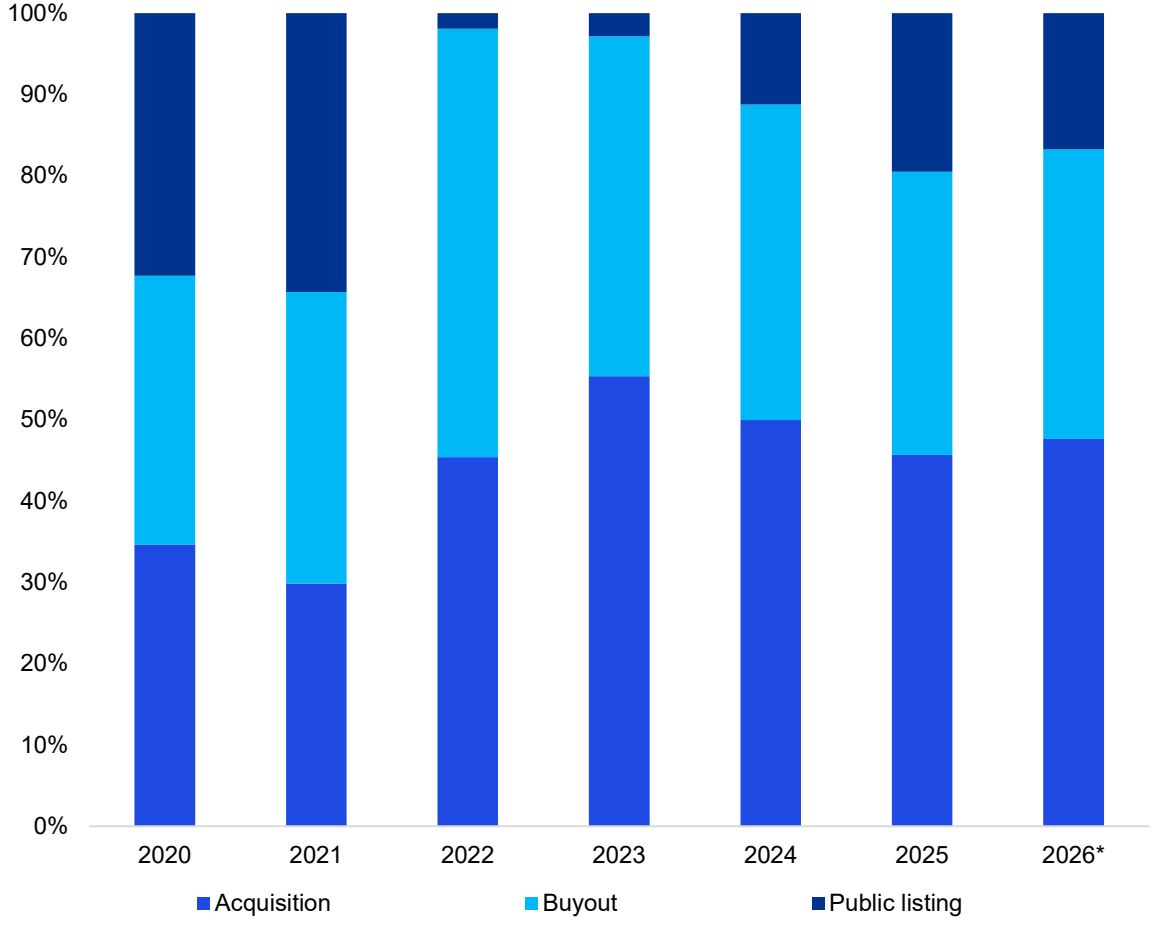
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M&A continues to drive the bulk of exit value

Americas PE-backed exit activity (#) by type



Americas PE-backed exit activity ($B) by type

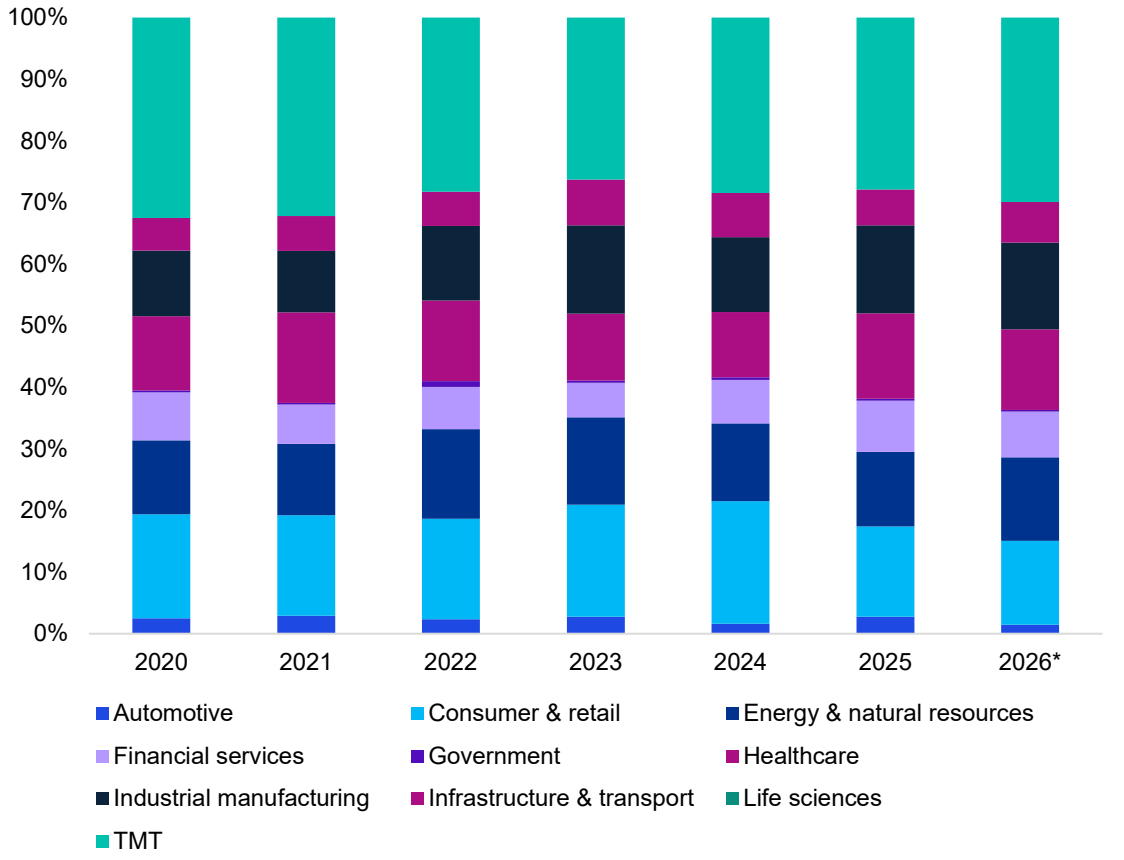


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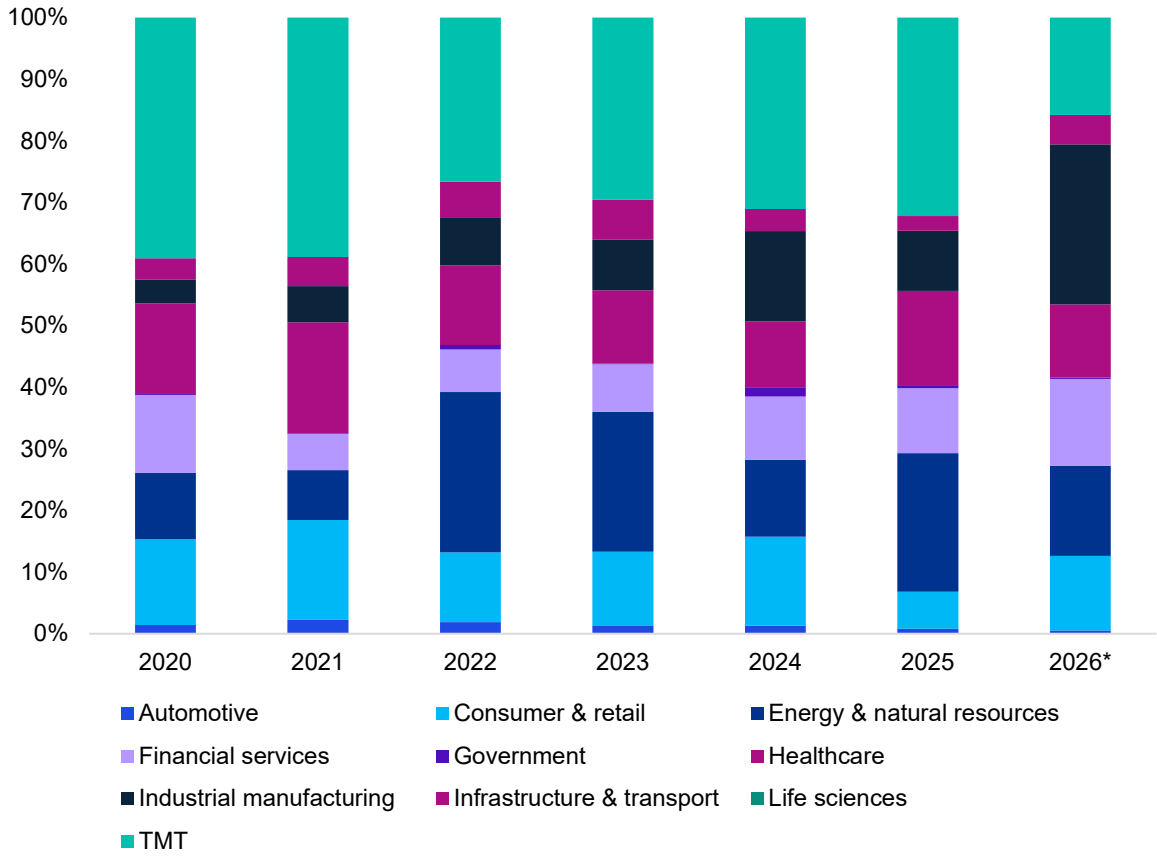
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Industrials surge in exit value

Americas PE exit activity (#) by sector



Americas PE exit activity ($B) by sector

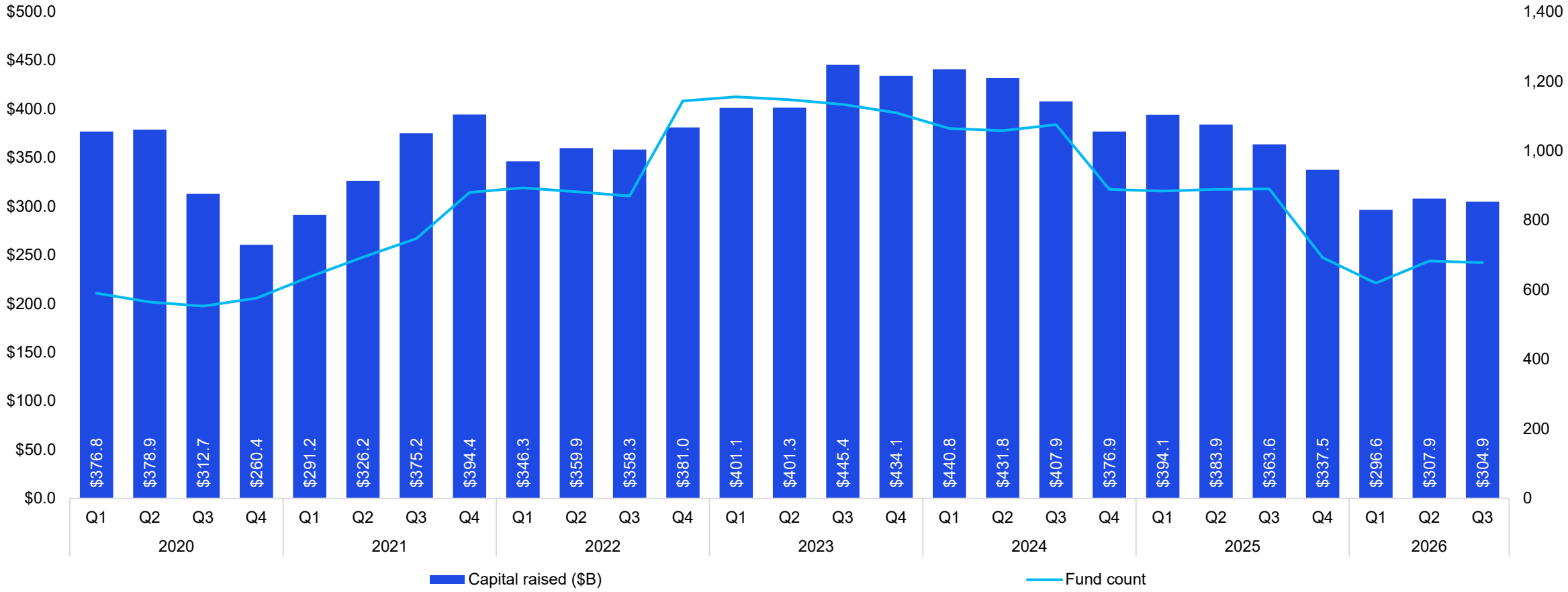


*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

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Allocations could be evening out but pressures remain

Americas PE fundraising activity



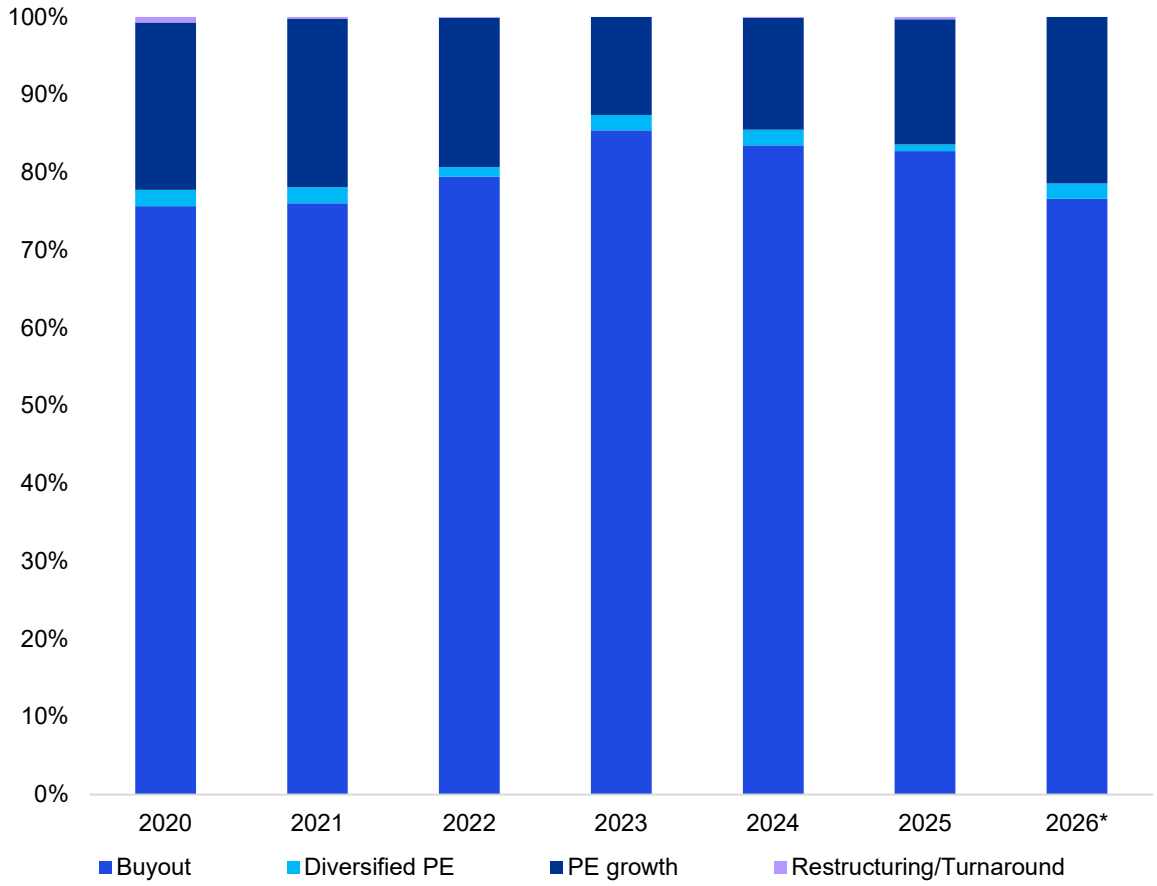
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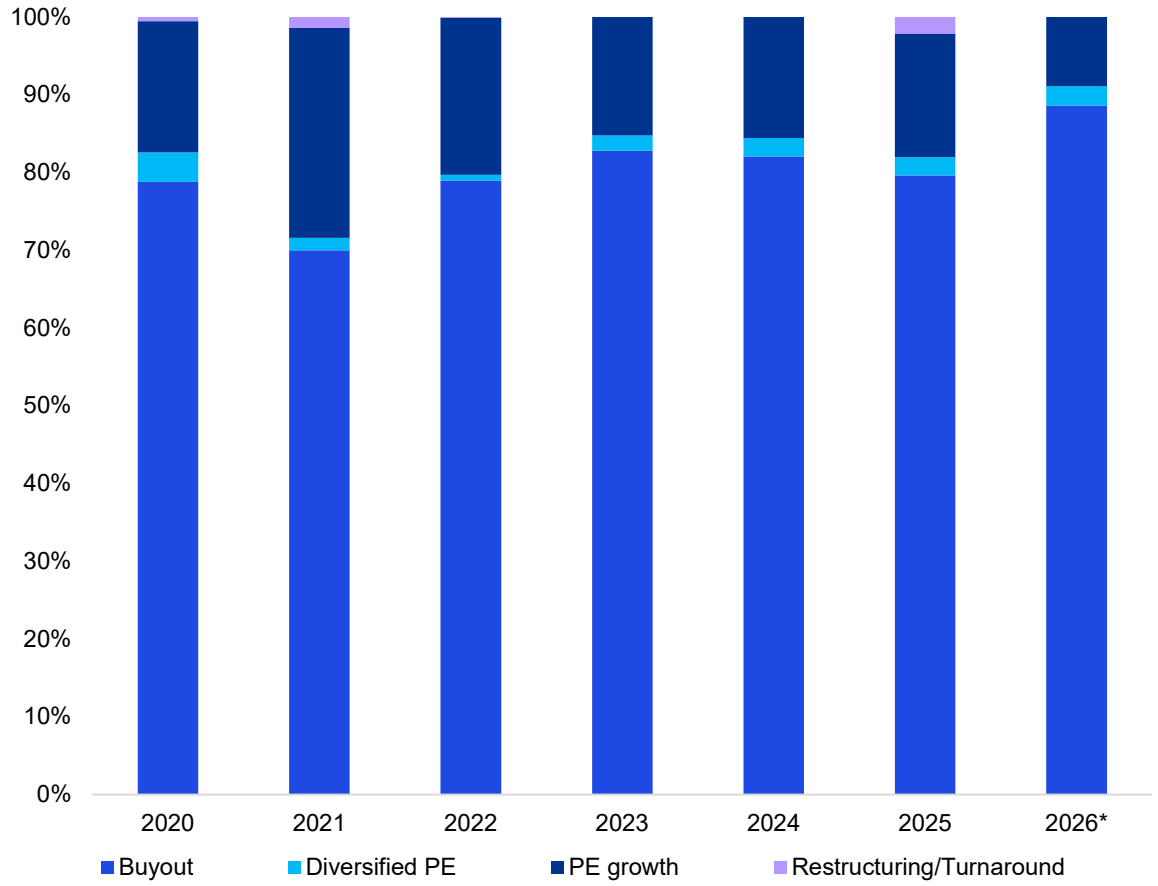
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Growth funds keep up a strong pace

Americas PE fundraising activity (#) by type



Americas PE fundraising ($B) by type

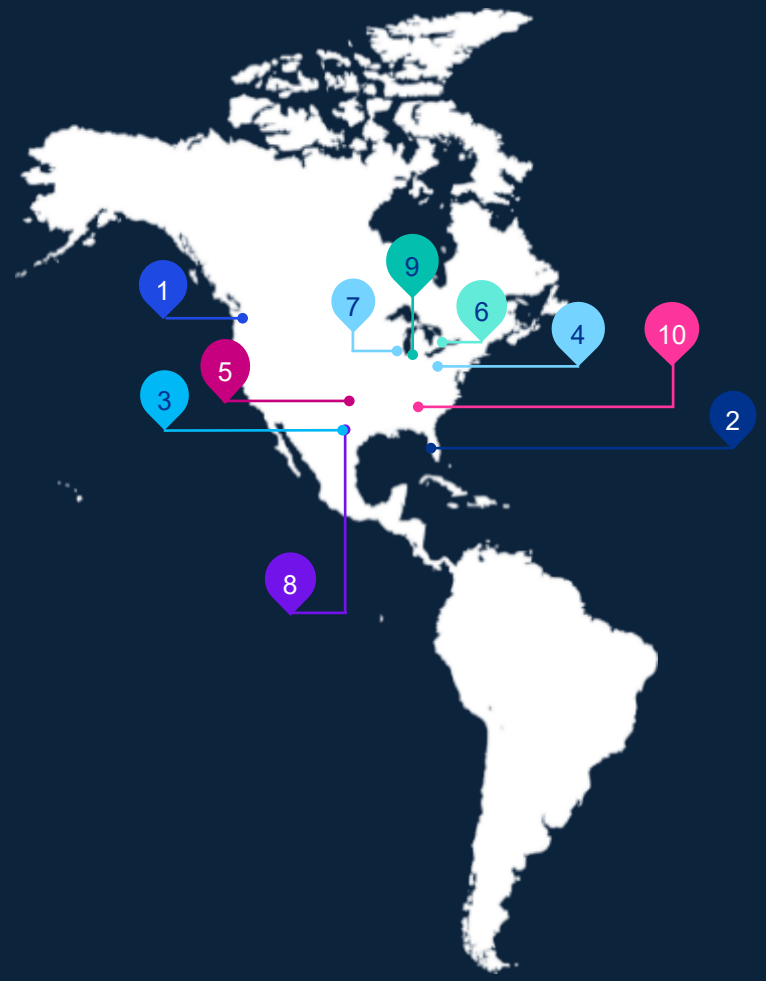


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Americas

Top 10 Americas deals announced/closed in Q3 2026



1. **Seattle Seahawks** — $9.6B, Renton, US — Buyout, *Sports & leisure*
2. **The Baldwin Insurance Group** — $7.7B, Tampa, US — Public-private, *Insurance*
3. **Aypa Power** — $7.0B, Austin, US — Secondary buyout, *Energy*
4. **PANTHERx Rare** — $7.0B, Pittsburgh, US — Secondary buyout, *Pharmaceuticals*
5. **Integer Holdings** — $5.7B, Plano, US — Public-private, *Medical devices*
6. **H&R Real Estate Investment Trust** — $4.8B, Toronto, Canada — Add-on, *Financial services*
7. **Crowe** — $3.0B, Chicago, US — Buyout, *Commercial services*
8. **VTX Energy Partners** — $3.0B, Austin, US — Add-on, *Oil & gas*
9. **CBIZ** — $3.0B*, Cleveland, US — Add-on, *Commercial services*
10. **RWC Global** — $2.9B, Atlanta, US — Public-private, *Industrial goods*

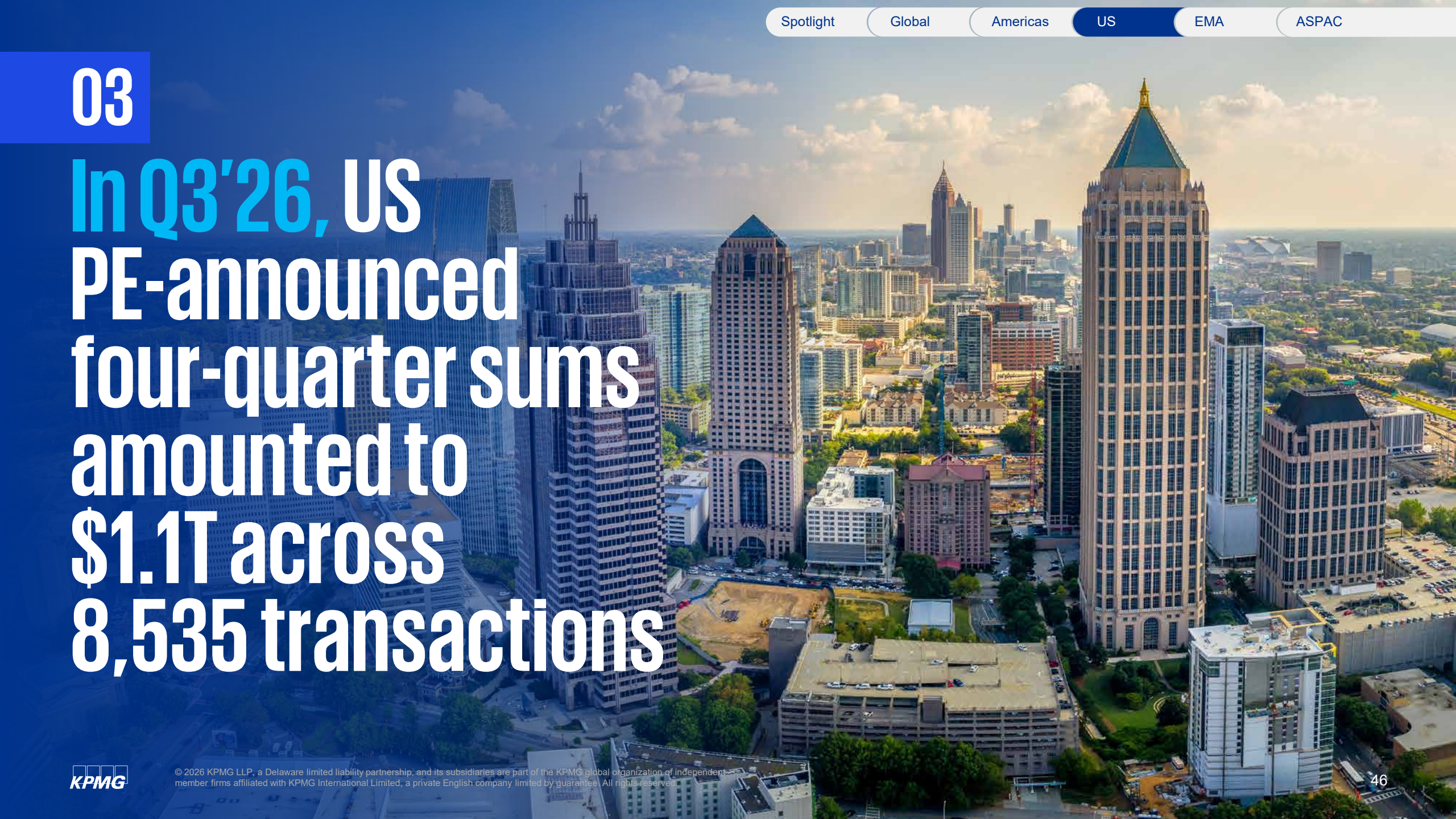
Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.
*Note: CBIZ implied total enterprise value is $4.9 billion pending total debt components of the transaction.

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03

In Q3'26, US PE-announced four-quarter sums amounted to $1.1T across 8,535 transactions



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US overview

PE investment in the US keeps on steady course as PE investors embrace value creation model

Within the US, PE investment followed a steady course, with $793.4 billion invested across 6,223 deals by the end of Q3'26. This put investment just shy of the pace needed to match 2025's $1.2 trillion despite a much slower pace of deals. On a rolling twelve-month basis, PE investment also fell — from $1.3 trillion to $1.1 trillion — although it remained strong compared to historical norms.

The resilient investment value demonstrates that financing continues to be available for some deals. This was evident in the number of large megadeals completed or announced in Q3'26, including the buyout of the Seattle Seahawks for $9.6 billion, the take private of Baldwin Insurance Group for $7.7 billion, and the secondary buyout of Aypa Power for $7 billion. However, given economic and financing uncertainties and the significant backlog in exits, the PE market has remained bifurcated, with a continued flight to quality. Sponsors have continued to prioritize high-quality assets and larger, more resilient businesses with predictable cash flows. Meanwhile, activity across portions of the middle and lower-middle market has remained more subdued.

Liquidity becoming the central challenge for the PE ecosystem in the US

For the PE market in the US, capital availability hasn't been the critical challenge in 2026, but rather the ability to recycle that capital. The constrained exit environment and resulting extension of holding periods has reduced distributions to LPs, limiting their ability to make new commitments. This has created a real pressure within the market for alternative liquidity solutions.

While continuation vehicles and secondaries have been used in the past, they have increasingly become a core component of the PE market, in combination with traditional exits and other liquidity solutions.

Interest in AI rapidly moving beyond the technology space; energy sector sees benefit

AI continued to garner significant attention from PE investors in Q3'26, both as an opportunity and as a source of disruption. Some looked to AI as a means to enhance the value of existing businesses, while others continued to focus on assessing AI's impact on long-held investment assumptions, the competitive advantages of incumbent businesses, and their ability to value future earnings.

But AI also demonstrably moved beyond being a technology investment theme. Skyrocketing demand for AI capacity in the US has spurred an enormous buildout in physical infrastructure and the surrounding development ecosystem, including data centers, power generation and transmission, electrical equipment, water management solutions, engineering and construction, and more. That's why PE investors have increasingly looked at AI from three different angles: investing in AI businesses, investing in the infrastructure that enables AI growth, and using AI as a lever for transforming the performance for their portfolio companies.

The energy sector continued to be a beneficiary of the increasing focus on AI infrastructure; at the end of Q3'26, investment in energy and natural resources was at $138.1 billion, already an eight-year high and well within reach of setting a new investment record.

> "The theme for private equity heading into Q4'26 is adaptation. The industry has already adapted to higher financing costs and longer holding periods. Now it has to adapt to uncertainty around rates, rapidly accelerating AI disruption, and an LP base that increasingly wants distributions. The firms that can generate liquidity while using AI and operational transformation to create real earnings growth will be well positioned for the next phase of the cycle."



Donald Zambarano
US Private Equity Sector Leader
KPMG in the US

KPMG

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US overview

Exit environment remains challenging and highly selective

At the end of Q3'26, PE-backed exit value was $399.4 billion across 842 exits, putting it well behind the pace required to match the $725.2 billion across 1,559 exits in 2025. While the rolling twelve-month total of PE exit activity rose from $580.6 billion in Q2'26 to $626.1 billion in Q3'26, the rolling twelve-month total for exit volume fell to 1,242 — the lowest level seen in six years.

Exit activity remained challenged on a number of fronts, including the uncertain economic environment, sponsors that acquired high-quality companies in a lower-interest rate or higher multiple environment not wanting to sell at a valuation that doesn't reflect the value created, and a high degree of selectivity for IPO exits and strategic sales.

Industrial manufacturing was a standout for exit value in the US, having already reached a more than ten-year high of $106.05 billion by the end of Q3'26, although the sector's exit volume (109) was on track for a six-year low, highlighting a concentration on larger transactions. Financial services was also approaching a strong tally, with $55.45 billion at the end of Q3'26, compared to 2025's peak of $75.7 billion.

PE fundraising in US at lowest level since 2020

PE fundraising was on track for its slowest year since 2020, with just $221.4 billion raised across 350 funds as of the end of Q3'26. The rolling twelve-month PE fundraising total also dipped further, from $300.6 billion to a twenty-two quarter low of $297.4 billion. Fund count remained relatively even at 667, although remained subdued compared to historical trends. Of the fundraising that has occurred, there was a noticeable focus on large funds; as of the end of Q3'26, funds over $1 billion accounted for $185.1 billion in fundraising across 54 funds.

With slower distributions, LP capital has been quite constrained which has led to a flight to scale and demonstrated performance. As a result, available capital has increasingly focused on managers with strong track records, institutional infrastructure, differentiated sourcing, and the proven ability to return capital.

Trends to watch for in Q4'26

Heading into Q4'26 and into 2027, there is some concern around the medium-term cost of capital given the possibility of further interest rate increases which could affect investor confidence and dealmaking. The exit environment will also be important to watch, given the intensifying pressure on sponsors to provide LPs with liquidity.

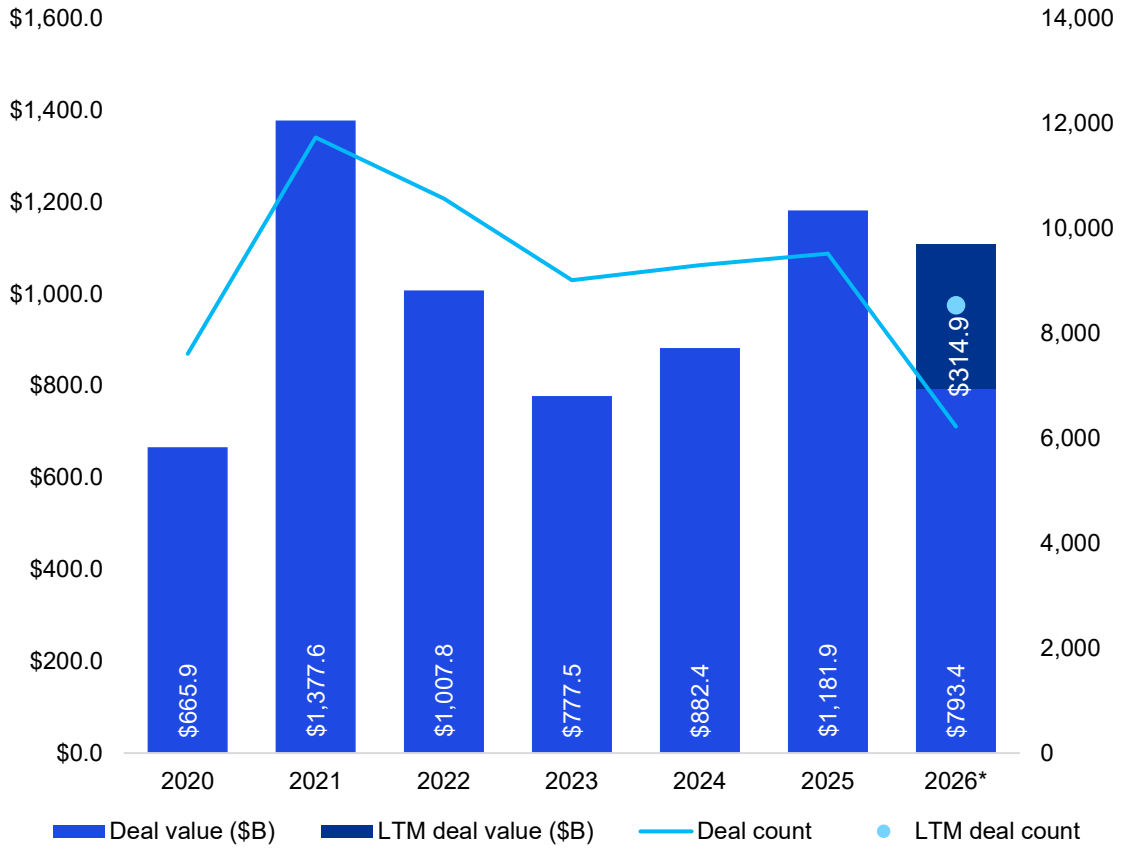
AI is expected to remain a focus for PE investors for the foreseeable future. On the tech side, driving measurable ROI will likely be a priority; for example, by applying AI to portfolio company functional activities like finance, customer service, and procurement. PE investment in the AI ecosystem could grow significantly, with the intersection of AI technology energy, and infrastructure poised to become one of the most significant PE investment themes over the next few years.

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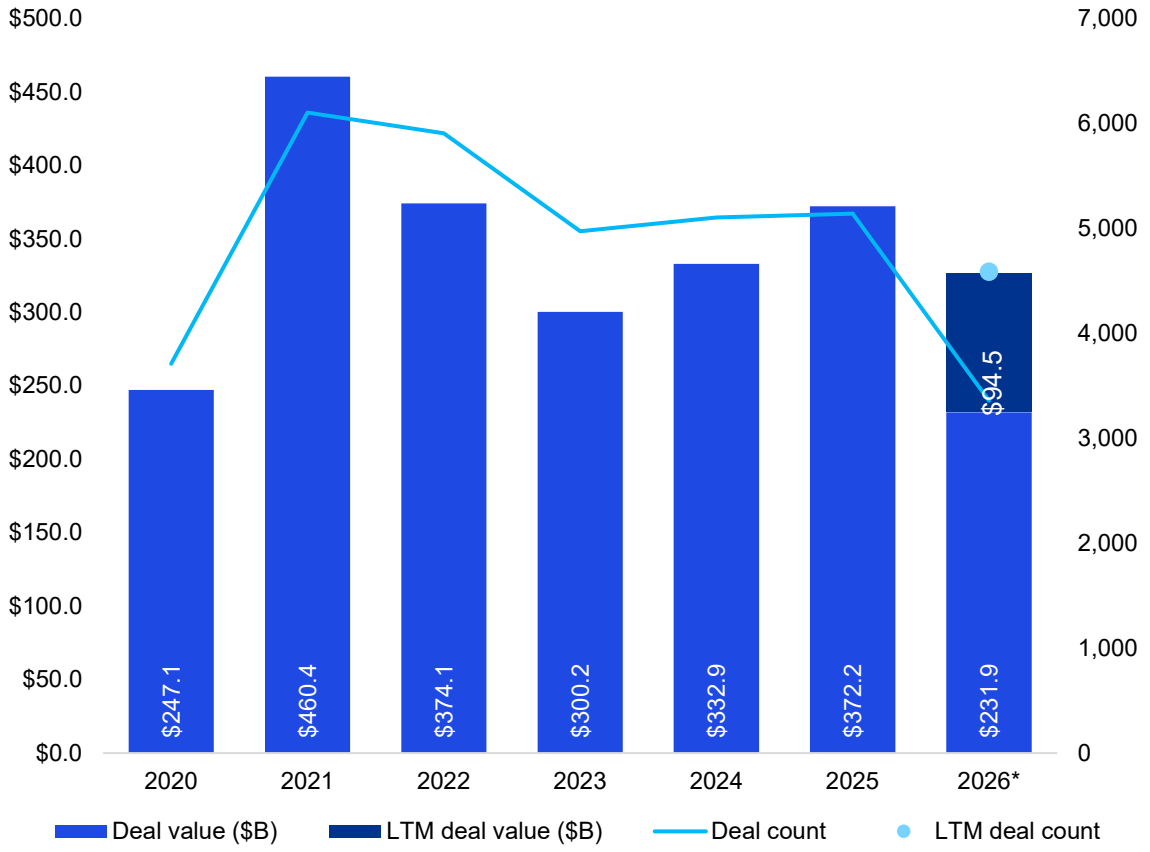
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Add-ons remain popular in a slowing market

US PE deal activity



US PE add-on/bolt-on activity



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Dealmaking remains healthy but caution rises

US PE deal activity

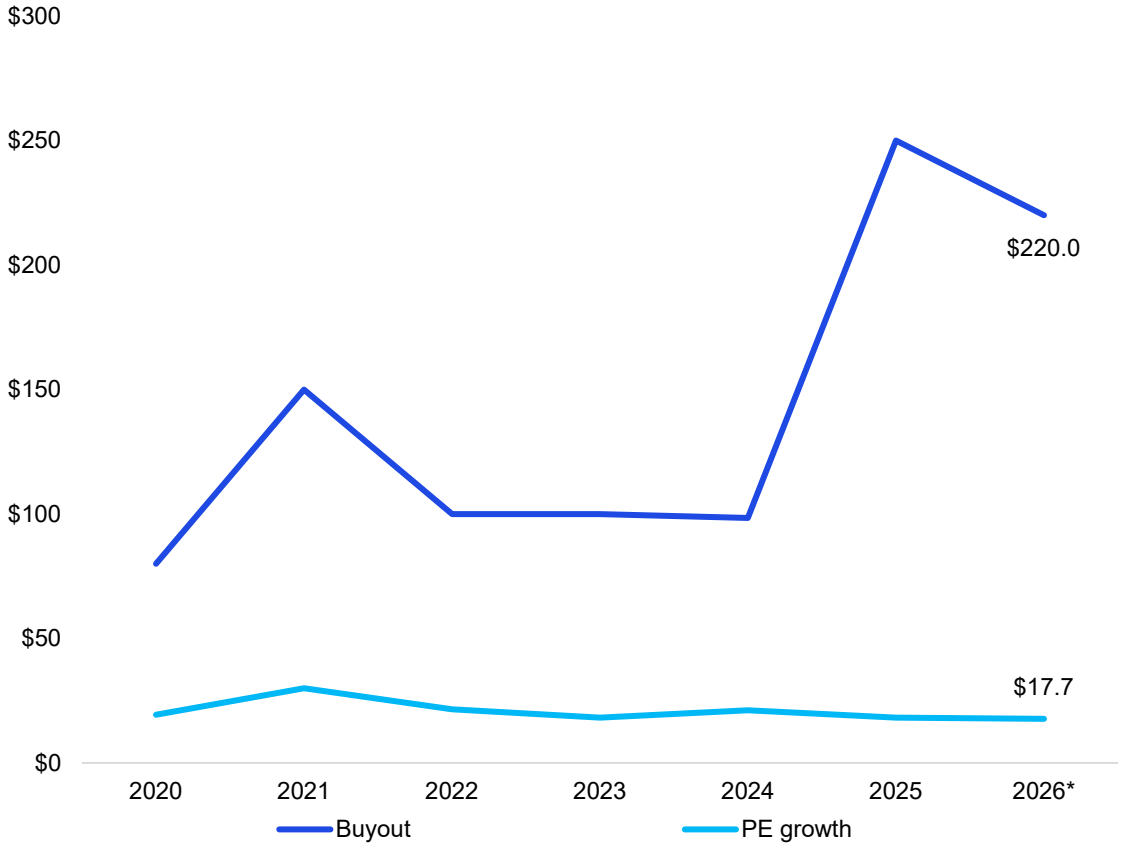


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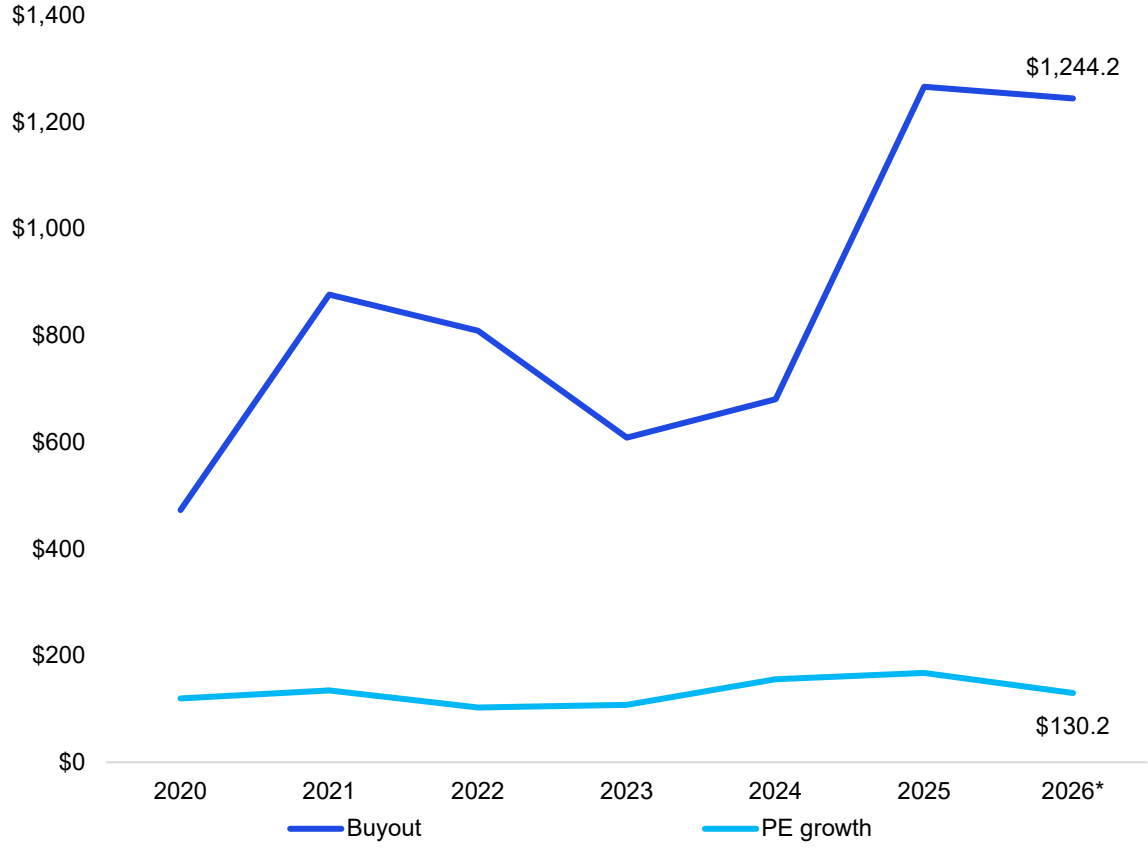
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Value holds up even as caution creeps into counts

US median PE deal size ($M) by type



US average PE deal size ($M) by type

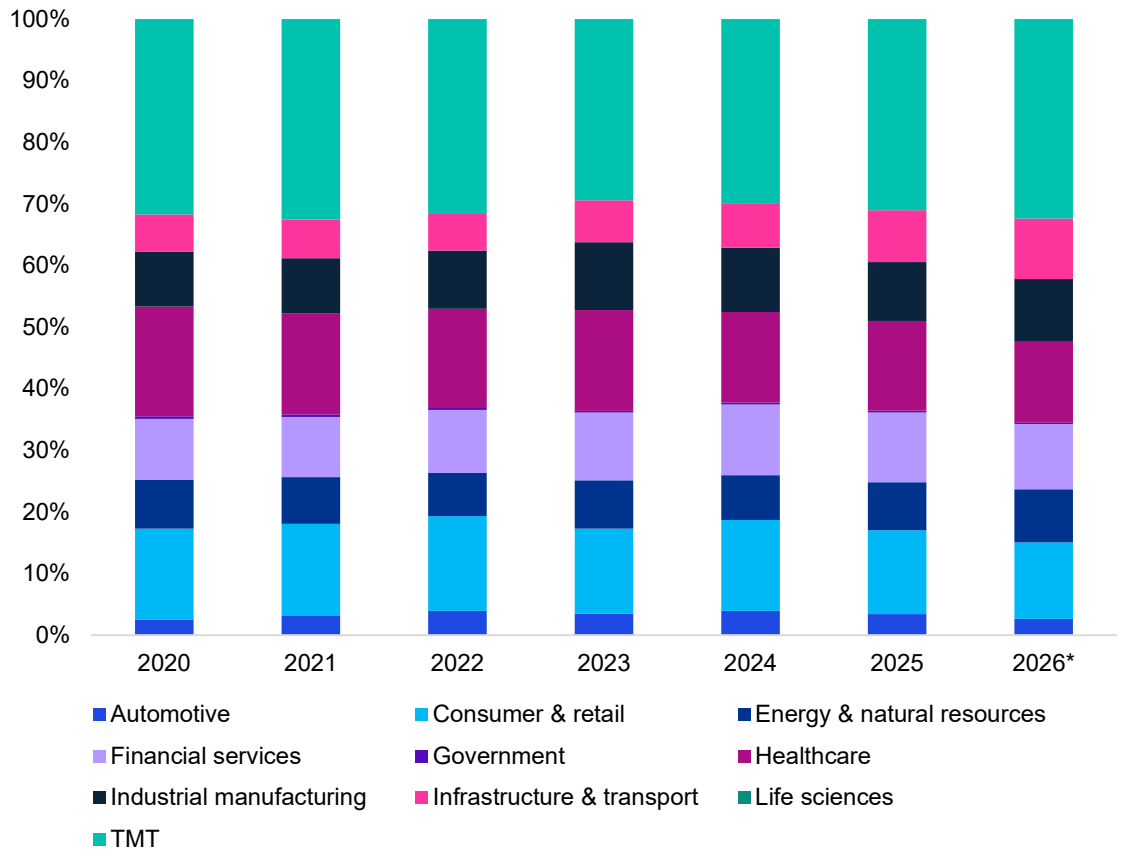


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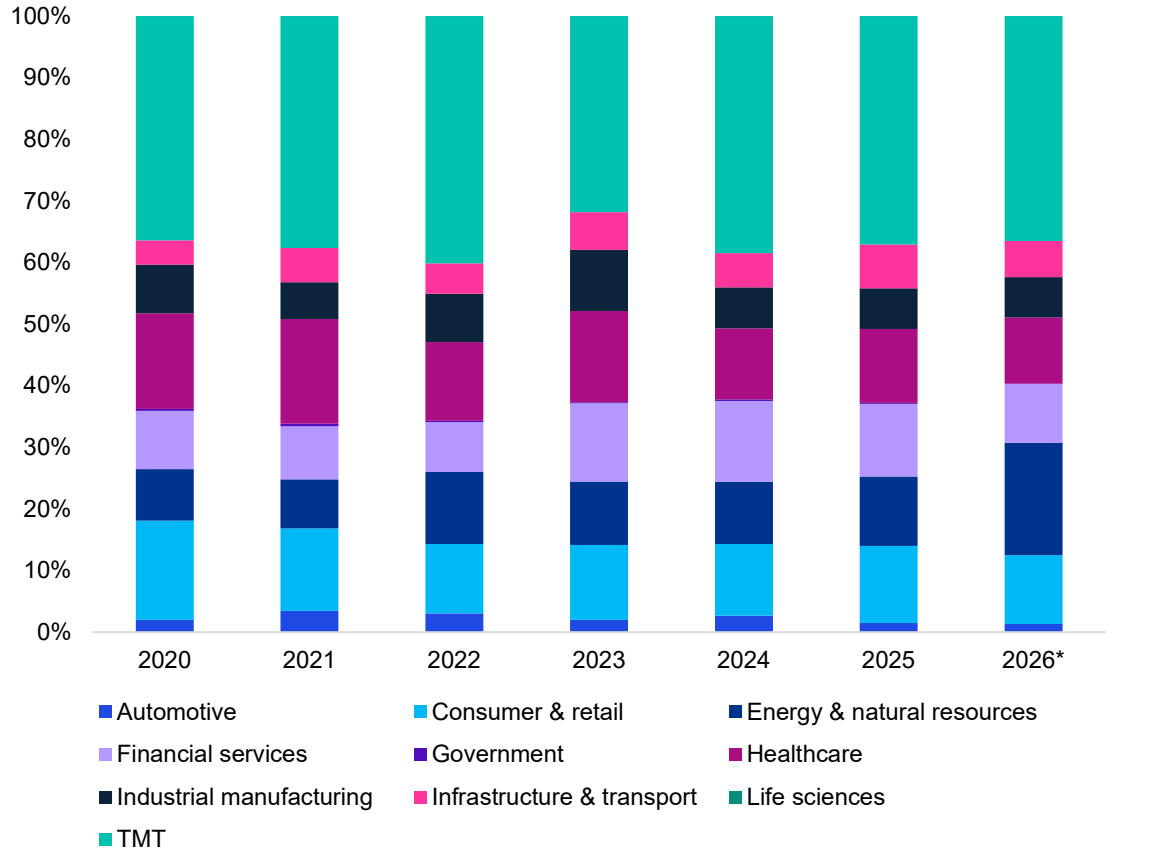
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Large energy deals begin to skew value proportions

US PE deal activity (#) by sector



US PE deal activity ($B) by sector



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Exits stay consistent in value but slide in count

US PE-backed exit activity

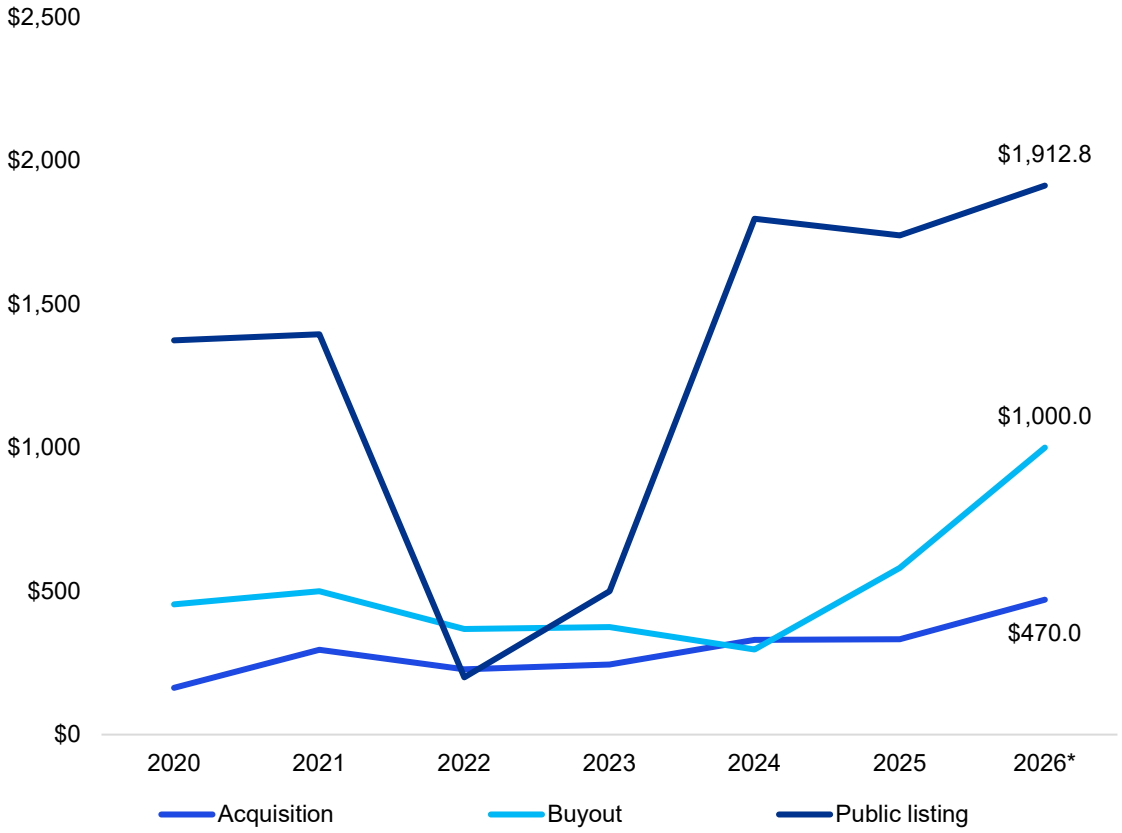


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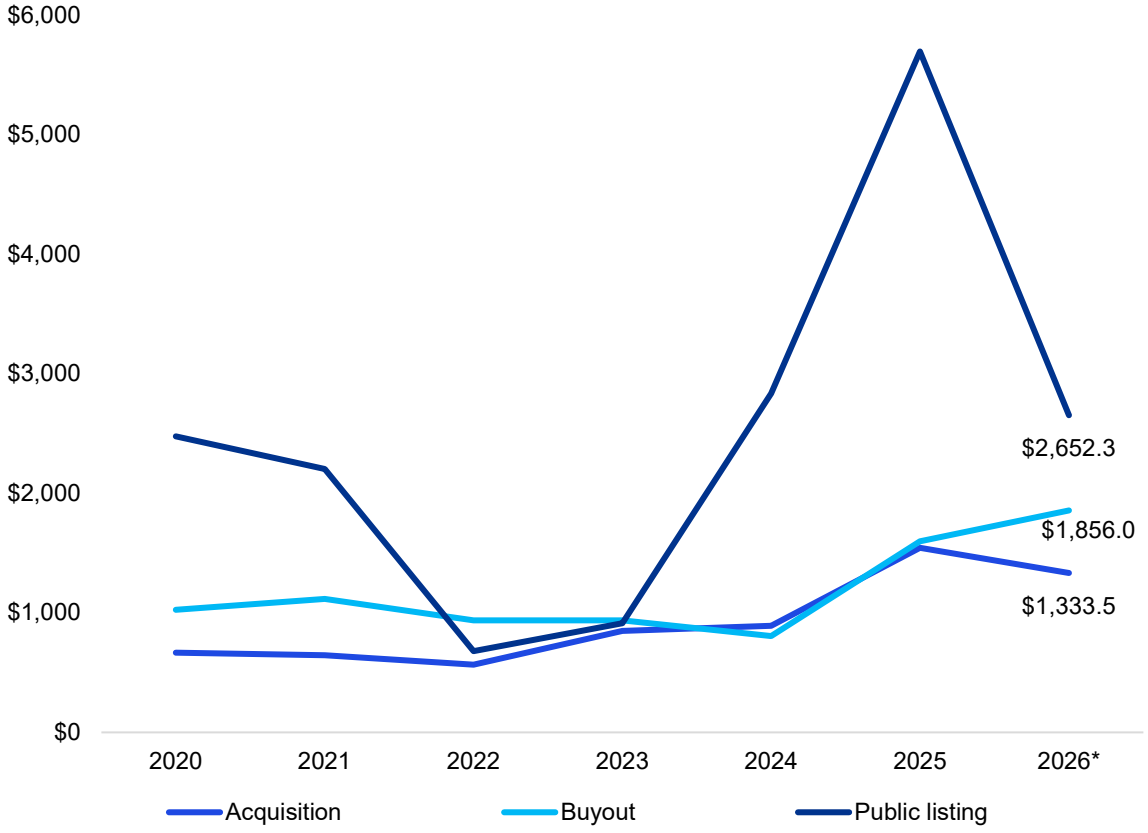
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PE firms keep selling off assets at elevated sizes

US median PE exit size ($M) by type



US average PE exit size ($M) by type



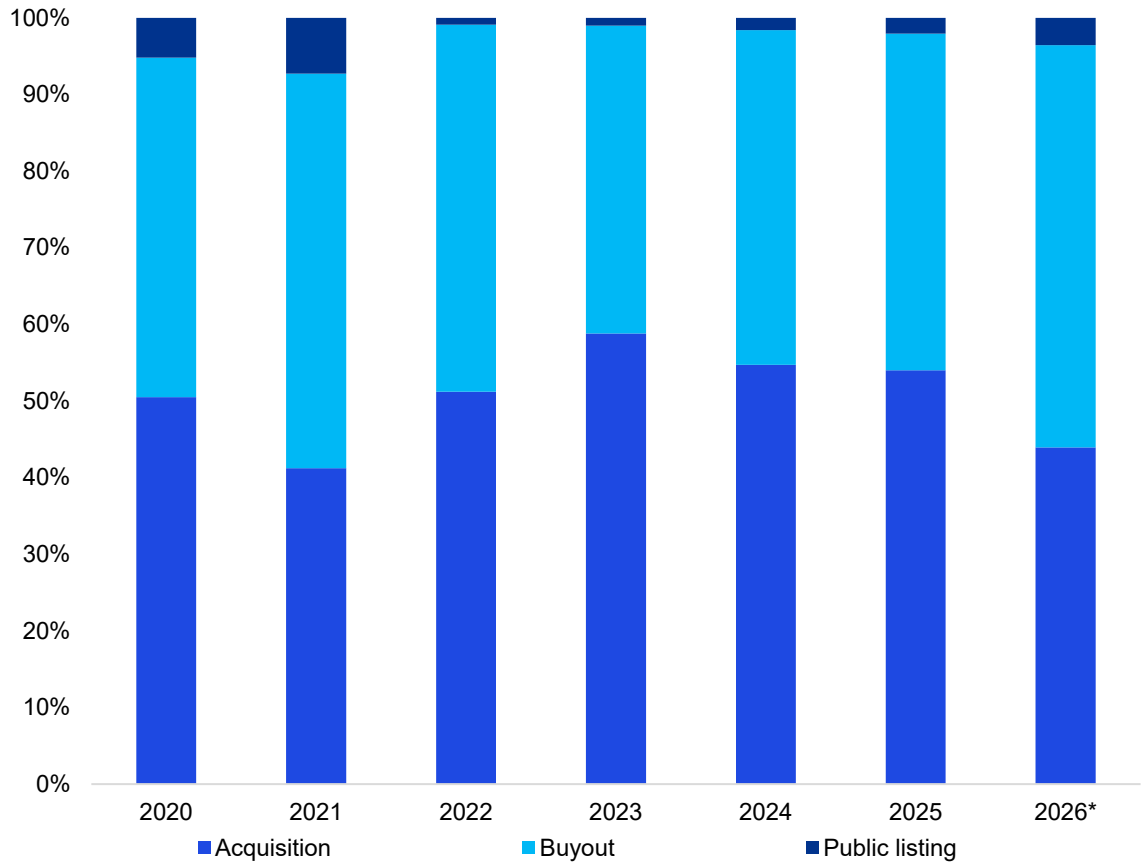
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Note: The 2022-2026* figures for public listings are based on population sizes n < 30; the 2026* figure for secondary buyouts is likewise.

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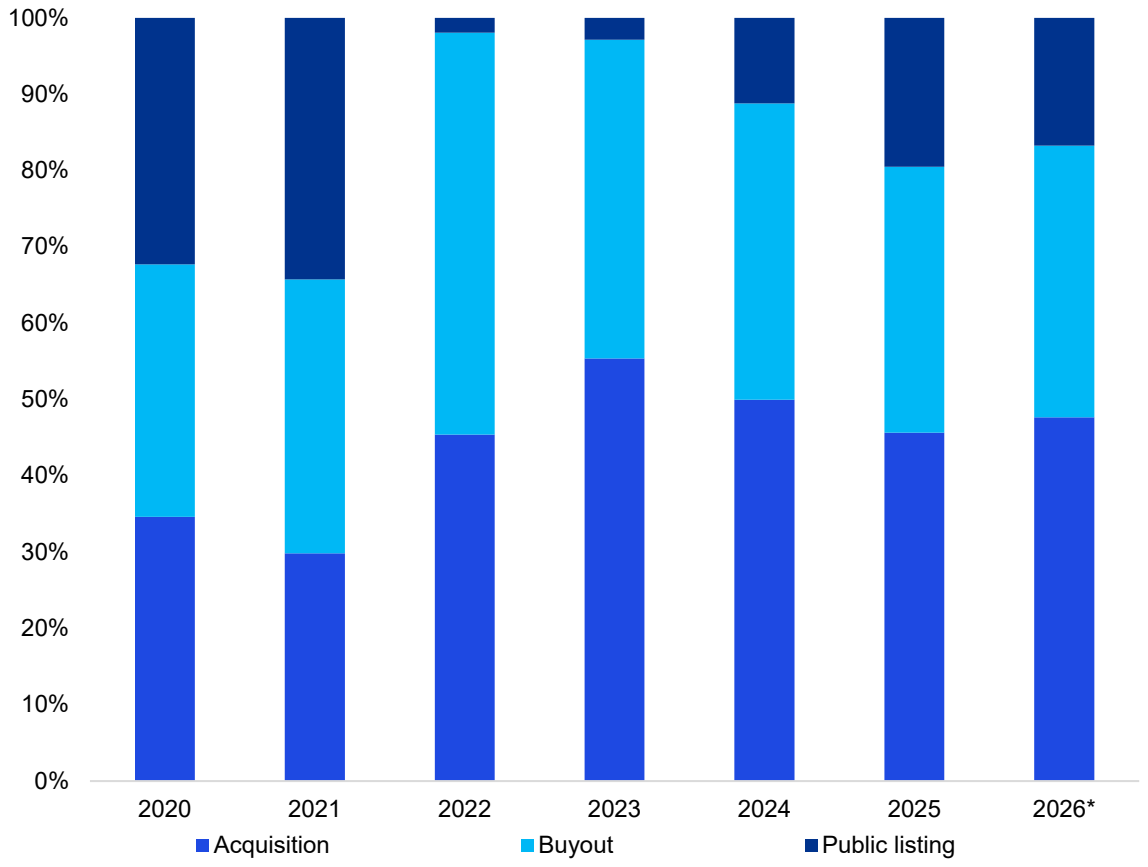
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Secondary buyouts still edge M&A

US PE-backed exit activity (#) by type



US PE-backed exit activity ($B) by type

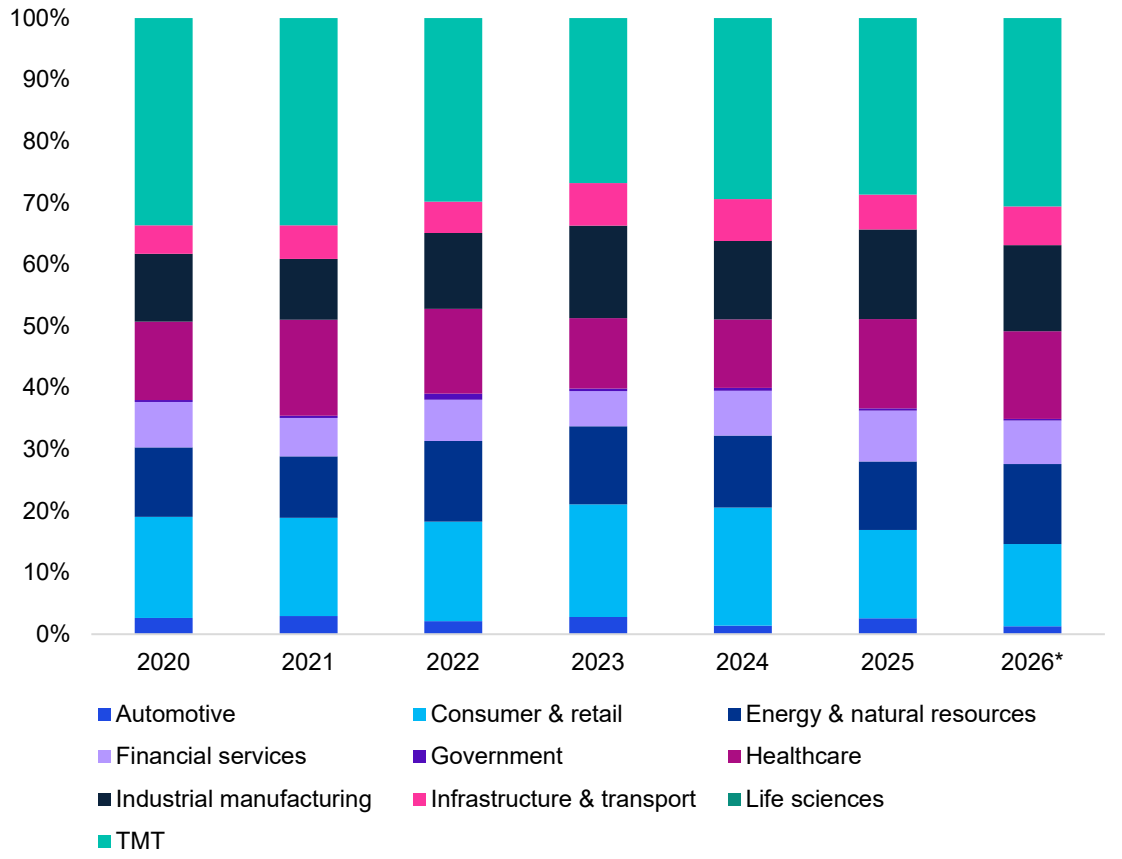


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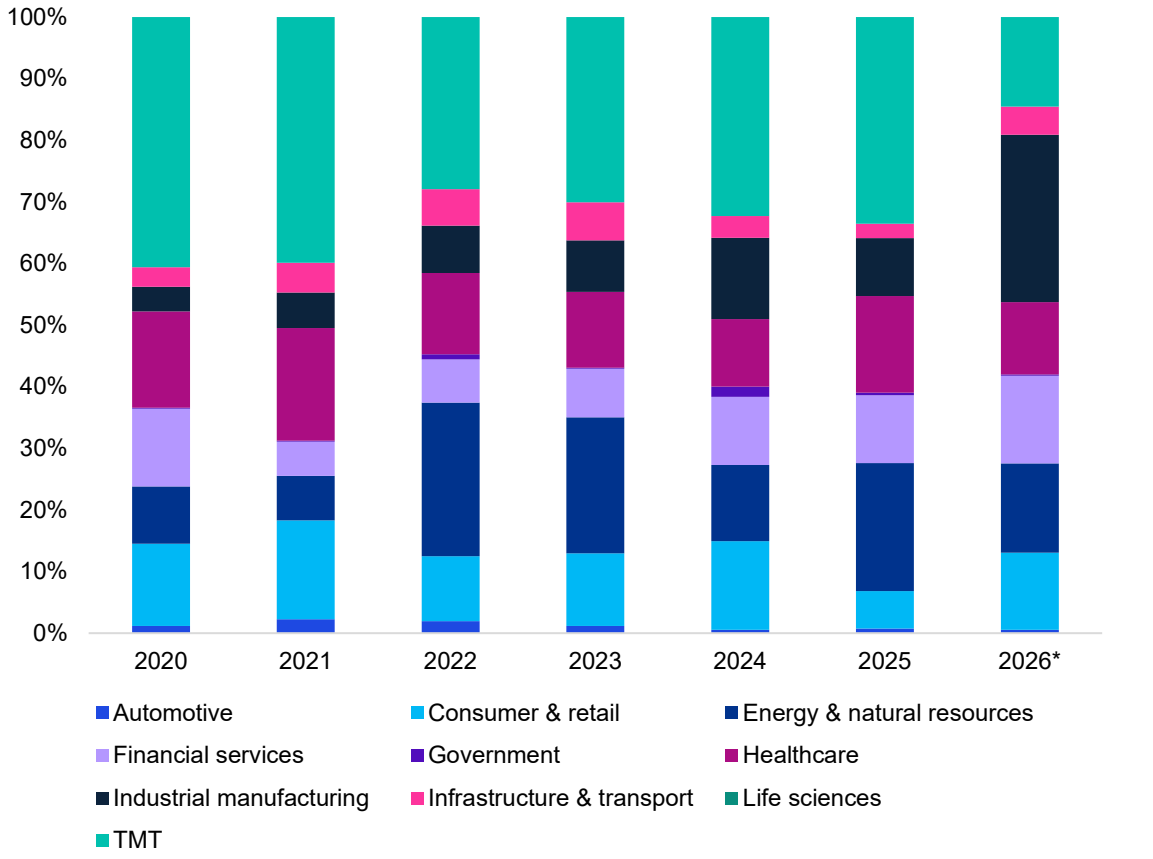
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Industrials and manufacturing surges

US PE exit activity (#) by sector



US PE exit activity ($B) by sector

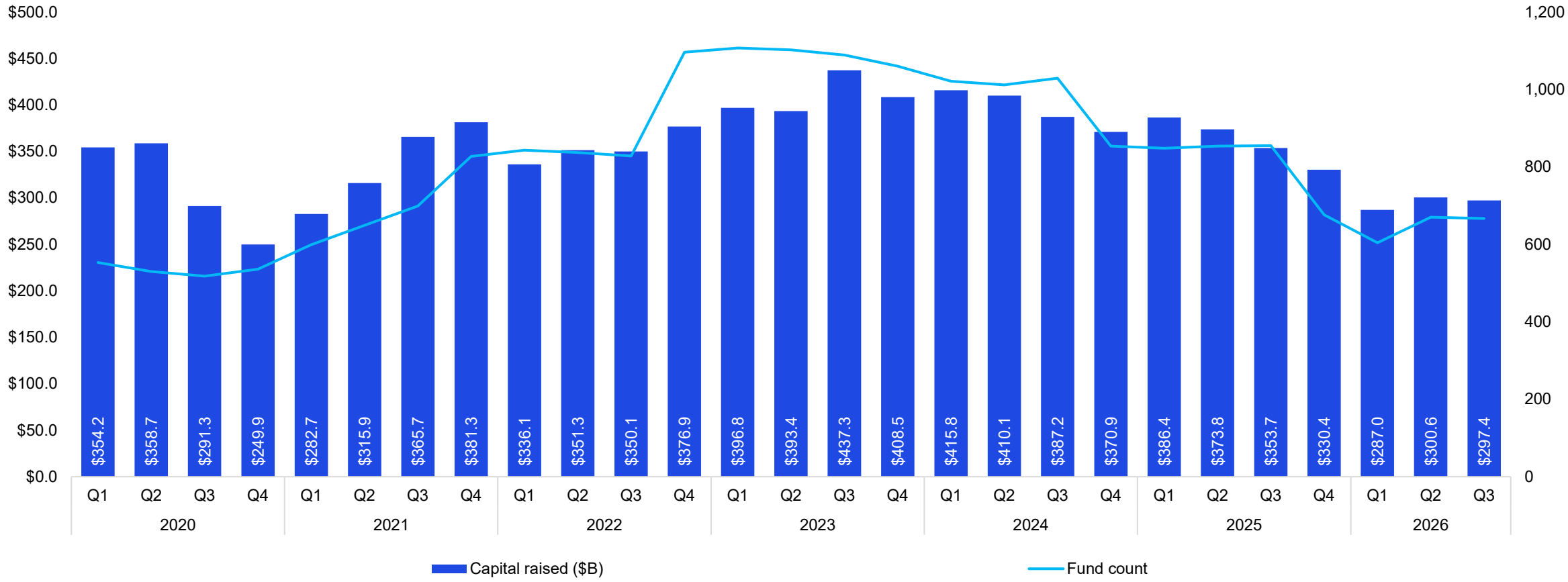


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Fundraising stays at a subdued level

US PE fundraising activity

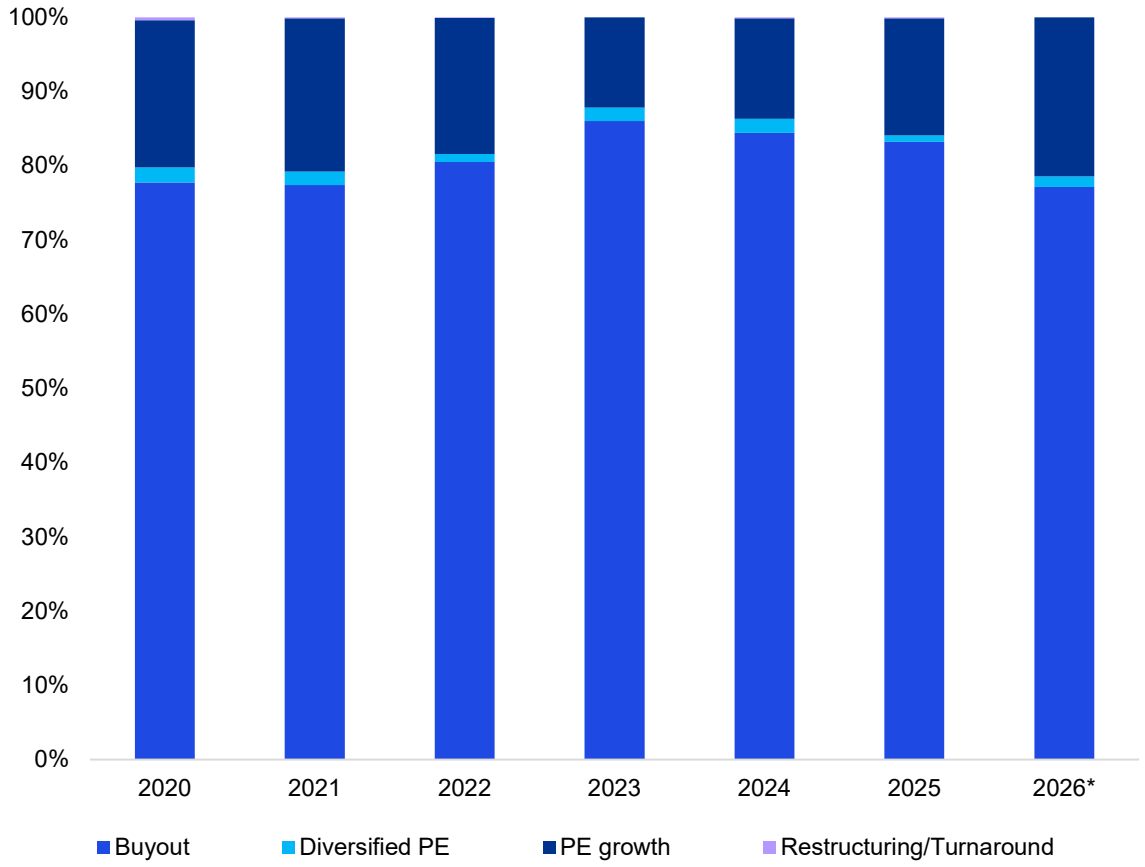


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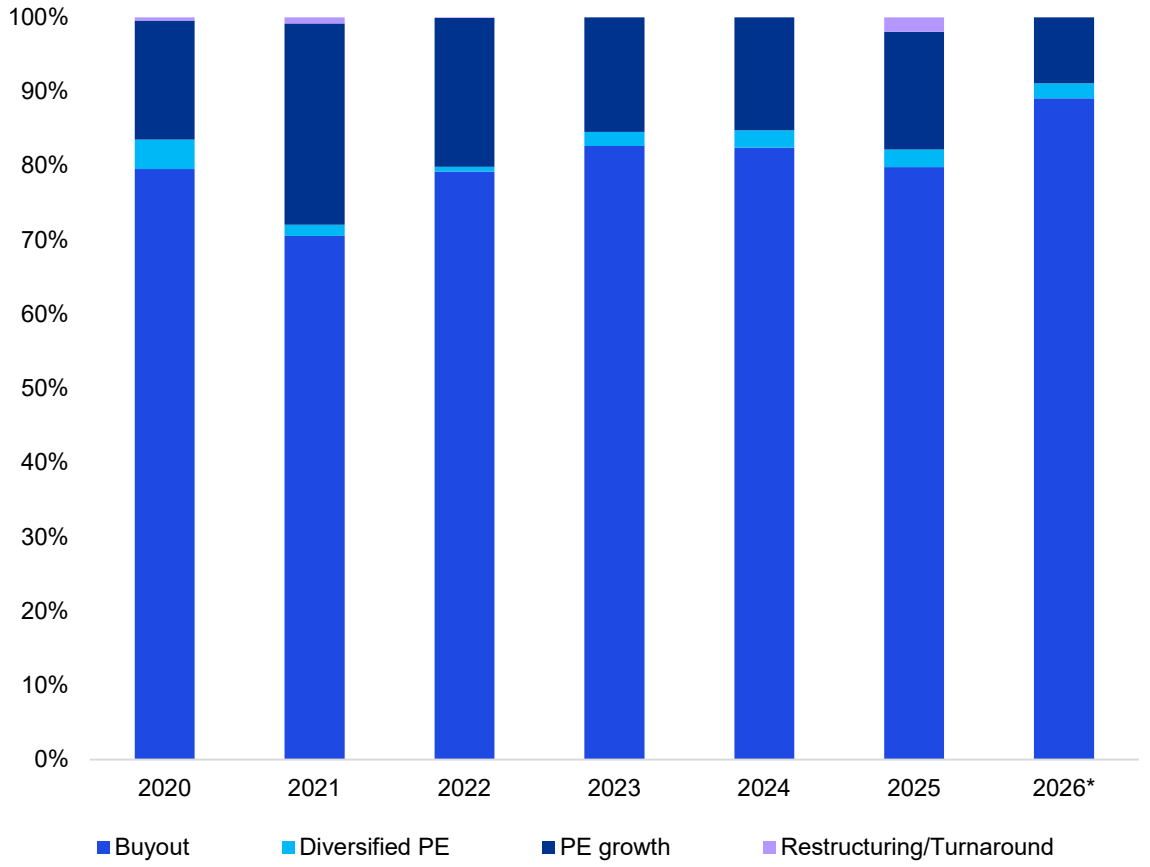
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Amid slowdown, growth funds continue to raise

US PE fundraising activity (#) by type



US PE fundraising ($B) by type

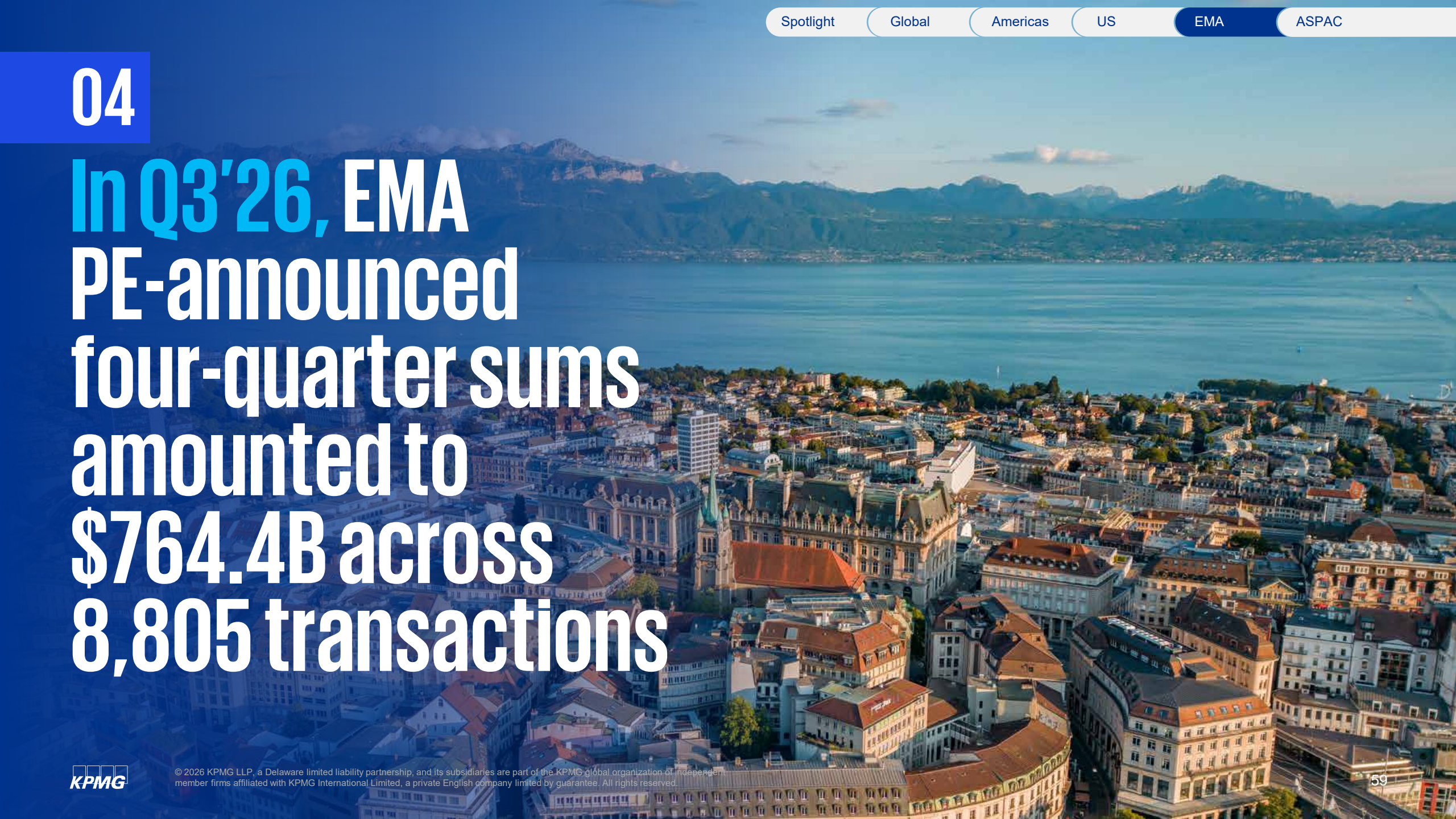


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04

In Q3'26, EMA PE-announced four-quarter sums amounted to $764.4B across 8,805 transactions



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EMA overview

Twelve month rolling total for PE investment falls for first time in over a year

PE investment in the EMA region was $521.4 billion across 6,249 deals at the end of Q3'26, slightly softer than the pace needed to match the level seen in 2025. After rising for four straight quarters, the rolling twelve-month total for PE investment fell noticeably, from $818.2 billion to $764.4 billion quarter-over-quarter. Rolling twelve-month deal volume also declined, from 9,251 in Q2'26 to a nine-quarter-low of 8,805 deals in Q3'26 as PE investors prioritized high-quality deals over quantity.

UK attracts largest share of PE deal activity, including more than half of region's largest deals in Q3'26

The UK showed the most strength in Q3'26, accounting for more than half of the largest deals announced in the region, including the secondary buyout of ATG Entertainment by MARI for $6 billion[10] and the take private of Mitie Group by OCS Group for $4.1 billion — although the take private of Ireland-based DCC Energy by KKR and Energy Capital Partners for $7.7 billion accounted for the largest regional deal of the quarter.

At the end of Q3'26, UK-based PE investment stood at $165 billion, putting it on track for a five year high. While the UK's rolling twelve-month total for investment dipped to $234.2 billion in Q3'26, it also remained high relative to historical trends. It's notable that deal volume in the UK remained relatively steady as well, with 1,510 deals at the end of Q3'26, compared to 2,076 for all of 2025, and a rolling twelve-month deal volume total of 2,090. India also saw robust PE investment, with $25.8 billion invested across 247 deals as of the end of Q3'26 — well on pace for a decade high, despite softer deal volume.

Germany's PE investment edges lower amid softer deal activity

PE investment in Germany has pulled back slightly so far in 2026, reaching $58.1 billion invested across 615 deals as of the end of Q3'26, slightly off the pace needed to match its 2025 total ($85.9 billion). Germany's twelve-month rolling totals also dipped, from $88.35 billion and 949 deals in Q2'26 to $81.9 billion and 877 deals in Q3'26. The largest PE deal in Germany during Q3'26 was the $4.9 billion buyout of Continental AG's material solutions group ContiTech by Lone Star Funds.[11]

Industrial manufacturing, infrastructure and transport, and automotive all see significant interest

The TMT sector continued to attract the largest amount of PE investment in the EMA region, with $128.5 billion across 2,069 deals at the end of Q3'26; however, both investment and deal volume remained soft compared to the levels seen in 2024 and 2025 as PE investors continued to steer clear of software and reassess their portfolios for AI impact. The energy and natural resources sector and consumer and retail sectors also attracted significant investment, with $67.4 billion and $64.6 billion respectively, although both were tracking well short of levels seen over the past two years.

> "What all of the deals we've seen over the last few months have in common is that they are either a strategic deal, such as a PE firm with a platform in a specific sector buying an add-on, or they're an investment into assets where the buyer sees considerable sustainable and long-term value creation potential. This is a major change from the past. We've been predicting it for some time, but now we're seeing it in play. Based on my conversations with clients, PE investors are buying assets that have a robust and sensible value creation story."



Tilman Ost
Global Private Capital Advisory Leader
KPMG International
EMA Head of Private Capital
KPMG in Germany

[10] MARI, "MARI to acquire ATG Entertainment, a global leader in live theatre." 11 August 2026.
[11] Lone Star Funds, " Lone Star Funds announces agreement to acquire ContiTech, the material solutions group of Continental AG." 6 July 2026.

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EMA overview

Sectors on an investment upswing in the EMA region as of the end of Q3’26, and within reach of achieving decade highs, included industrial manufacturing ($56.7 billion), infrastructure and transport ($47.9 billion), and automotive ($14.8 billion). The infrastructure and transport sector was also on pace to eclipse its 2025’s record deal volume, with 558 deals as of the end of Q3’26. All three sectors have likely benefited from rapidly growing interest in AI infrastructure and defense.

Twelve-month exit value continues to climb as deal volume sinks to twenty-two quarter low

Exit value in the EMA region was $320.9 billion as of the end of Q3’26, on track for a five-year high despite seeing only 945 exits over the same time period. The Q3’26 rolling twelve-month totals highlight the counter trends well, with a seventeen-quarter high in exit value of $460.5 billion and a twenty-two-quarter low in exit volume of 1,434. Acquisitions remained the most prominent exit strategy in the EMA region as dealmakers continued to prioritize strategic, add-on investments and high-quality deals viewed as having significant value creation potential. As of the end of Q3’26, acquisitions in the EMA region accounted for $113.1 billion, well within reach of 2021’s record high of $143.5 billion.

Although it has not yet been reflected in the exit numbers, pressure on PE firms to exit older assets has continued to mount, prompting them to put more companies up for sale or to ready them for sale.

Fundraising activity remains soft in EMA region

Fundraising activity in the EMA region remained very subdued, with just 113 funds raised as of the end of Q3’26; at this rate, it will fall short of even the decade-low 208 funds seen in 2025. Fundraising value showed more resilience, with $92.2 billion raised as of the end of Q3’26 — already approaching the $94.7 billion seen in 2025. The soft fundraising volume reflects the protracted weakness in exit activity, with LPs concentrating available capital primarily on very large funds raised by multi-asset managers, and on highly specialized funds from managers with proven track records and the ability to return capital. For example, during Q3’26, ICG announced the completion of fundraising for its ninth European Corporate fund, valued at approximately $14 billion.[12]

Trends to watch for in Q4’26

Heading into Q4’26, a number of uncertainties are expected to continue to affect the EMA region, from ongoing geopolitical tensions and domestic political challenges to the September decision by the European Central Bank to raise interest rates for a second time this year given energy-driven inflation stemming from the ongoing conflict in the Middle East.[13] This continued uncertainty is expected to keep PE investors focused on strategic opportunities, with a laser focus on value creation. PE investments will likely remain highly concentrated, particularly in areas like Physical AI, industrial manufacturing, defense, and AI infrastructure. Buy-and-build strategies are also expected to drive significant deal activity in the coming months, as PE investors look to strengthen and scale existing portfolio companies.

Exit activity will likely remain one of the most critical area to watch over the next few quarters given the significant backlog of exits, increasing pressure on PE funds, and growing recognition that continuation funds are not the solution in all circumstances. Carve-outs are also expected to remain a major opportunity over the coming quarters, as are successions at family-owned businesses.

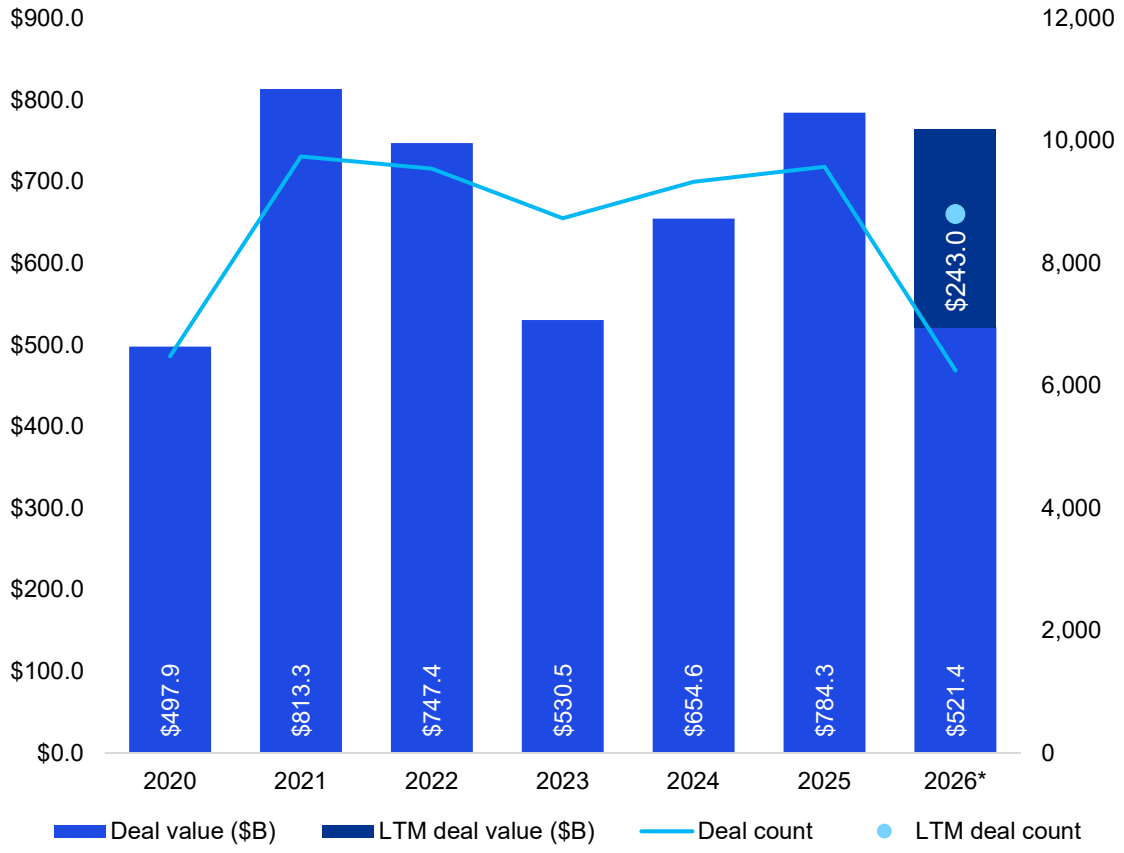
[12] ICG, “ICG announces record fundraise for ninth European corporate fund at 12bn.” 9 September 2026.
[13] The Guardian, “ECB raises interest rates to 2.5% and warns Iran war is fueling inflation.” 10 September 2026.

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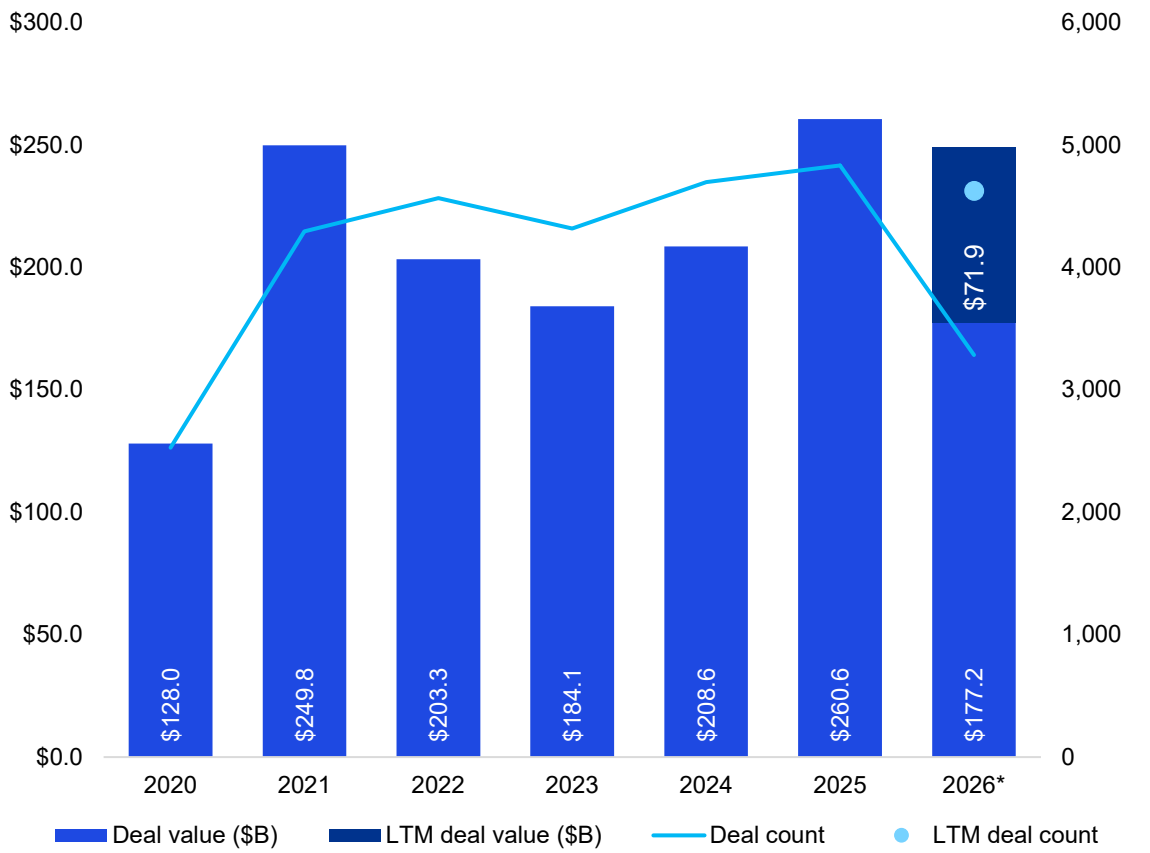
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LTM looks strong, but dealmaking is sliding

EMA PE deal activity



EMA PE add-on/bolt-on activity

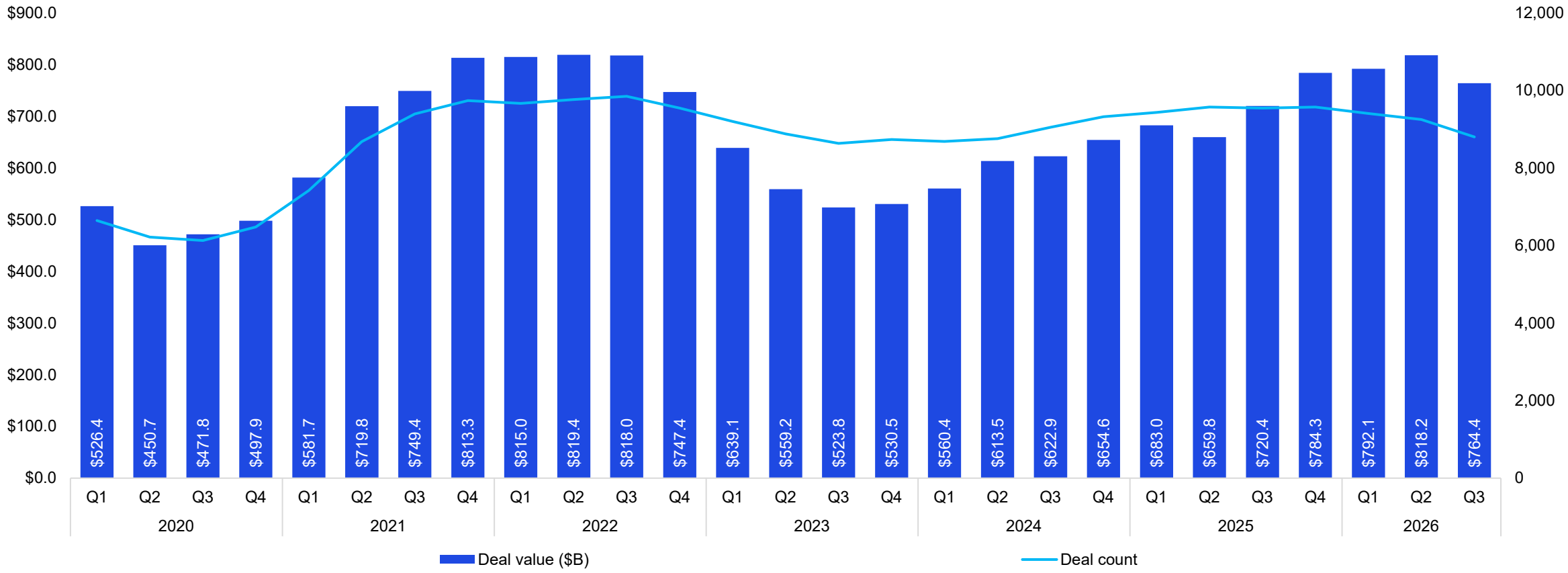


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Past strength continues to bolster trailing tallies

EMA PE deal activity

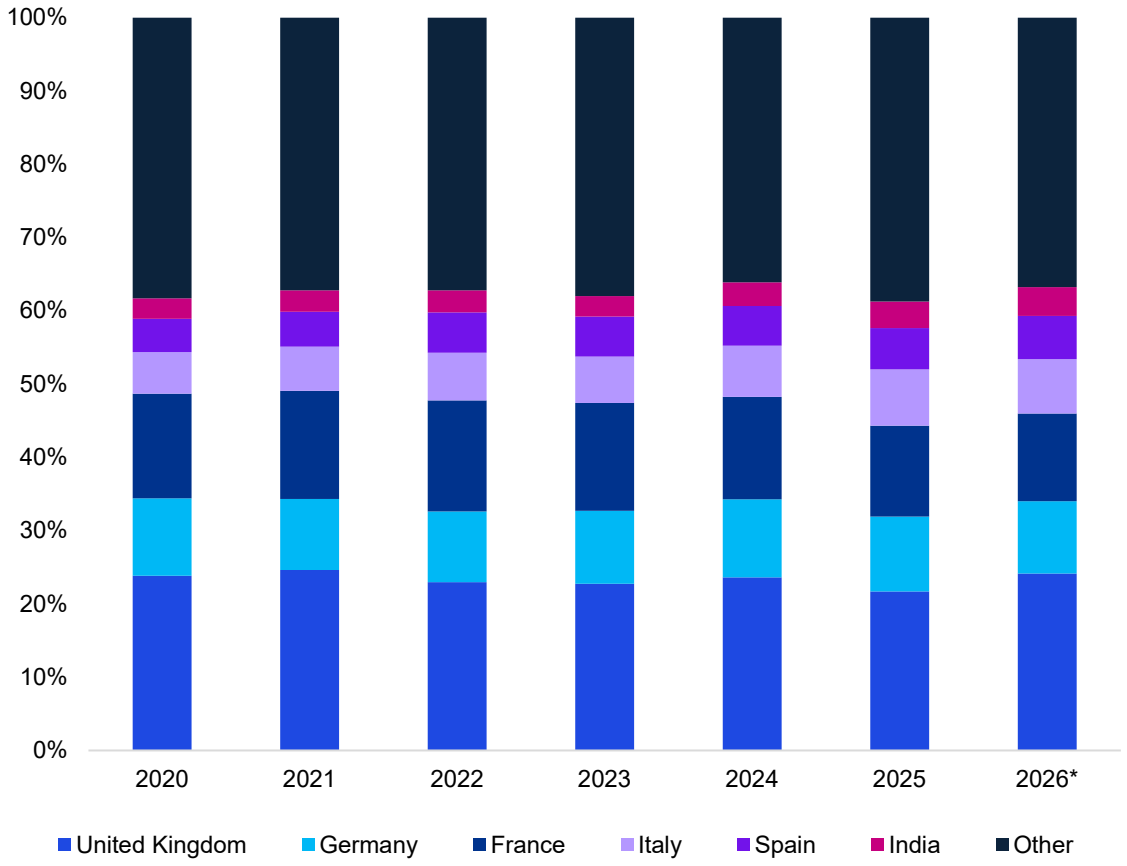


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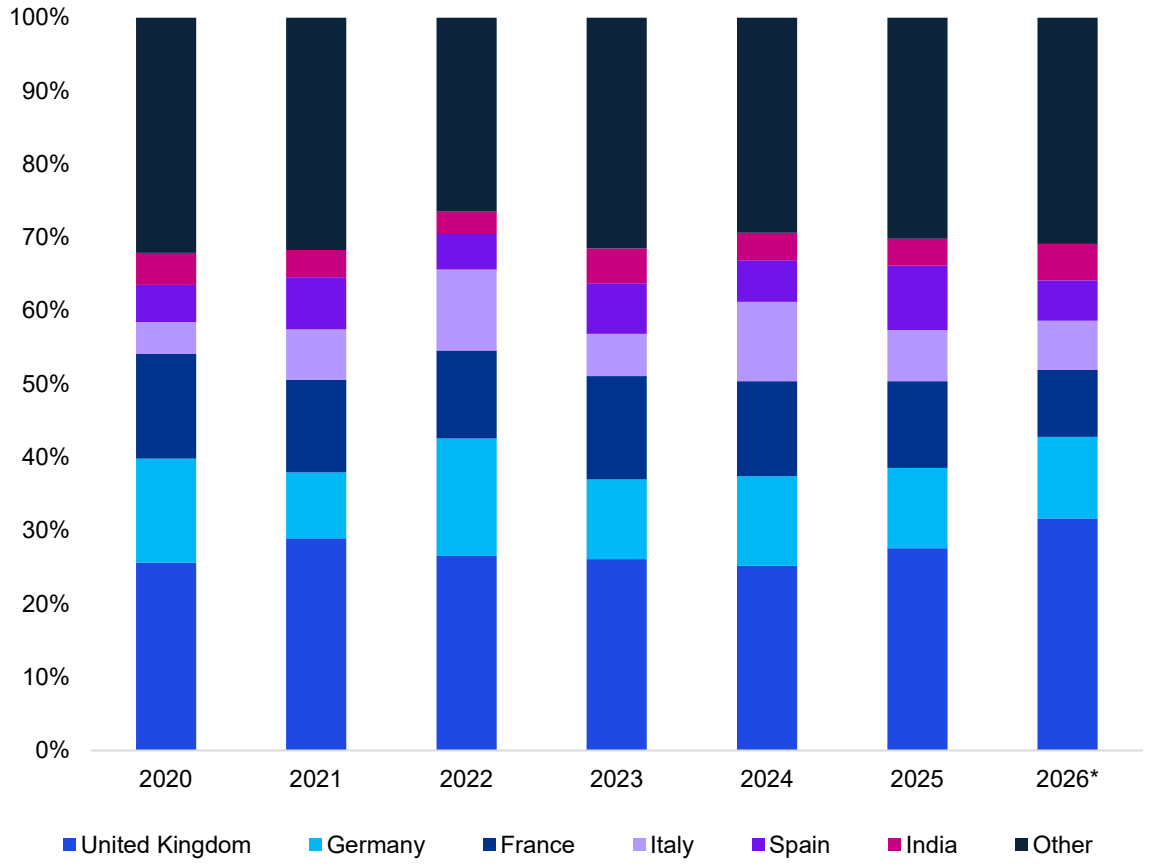
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UK gains in share of overall value

EMA PE deal activity (#) by select countries



EMA PE deal activity ($B) by select countries



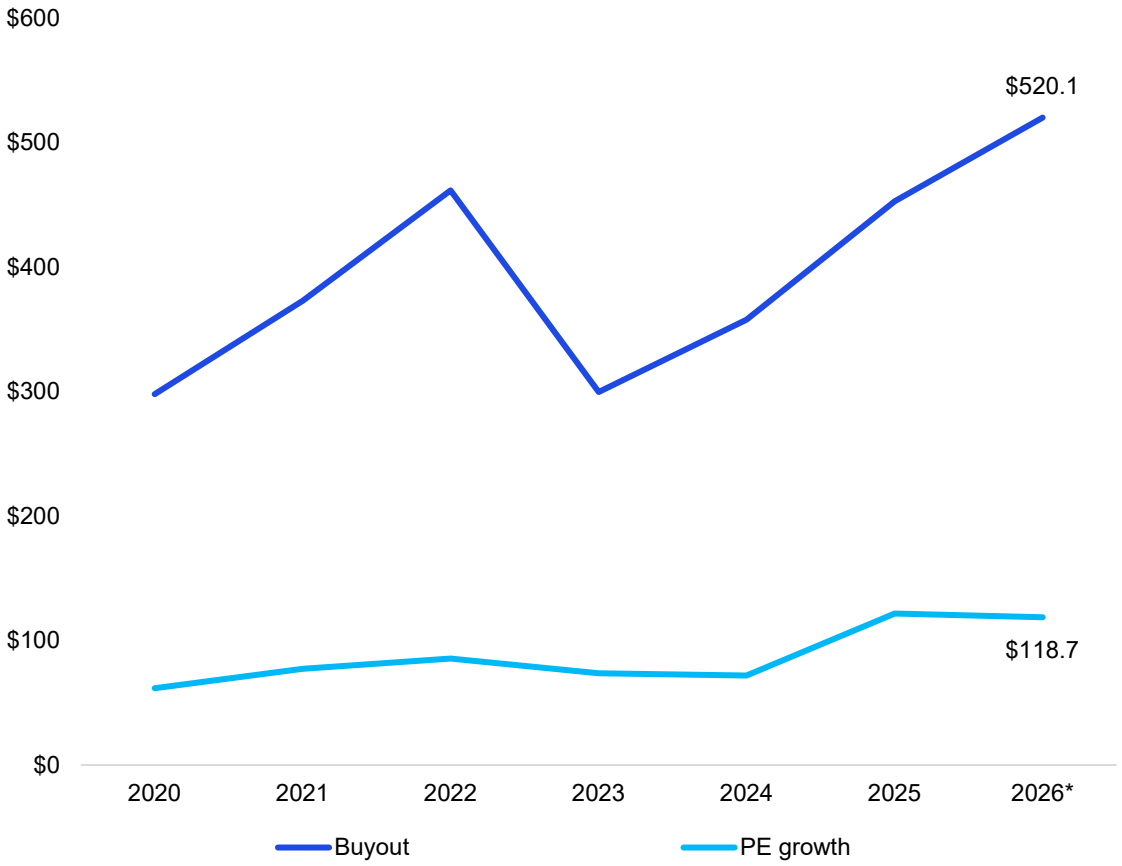
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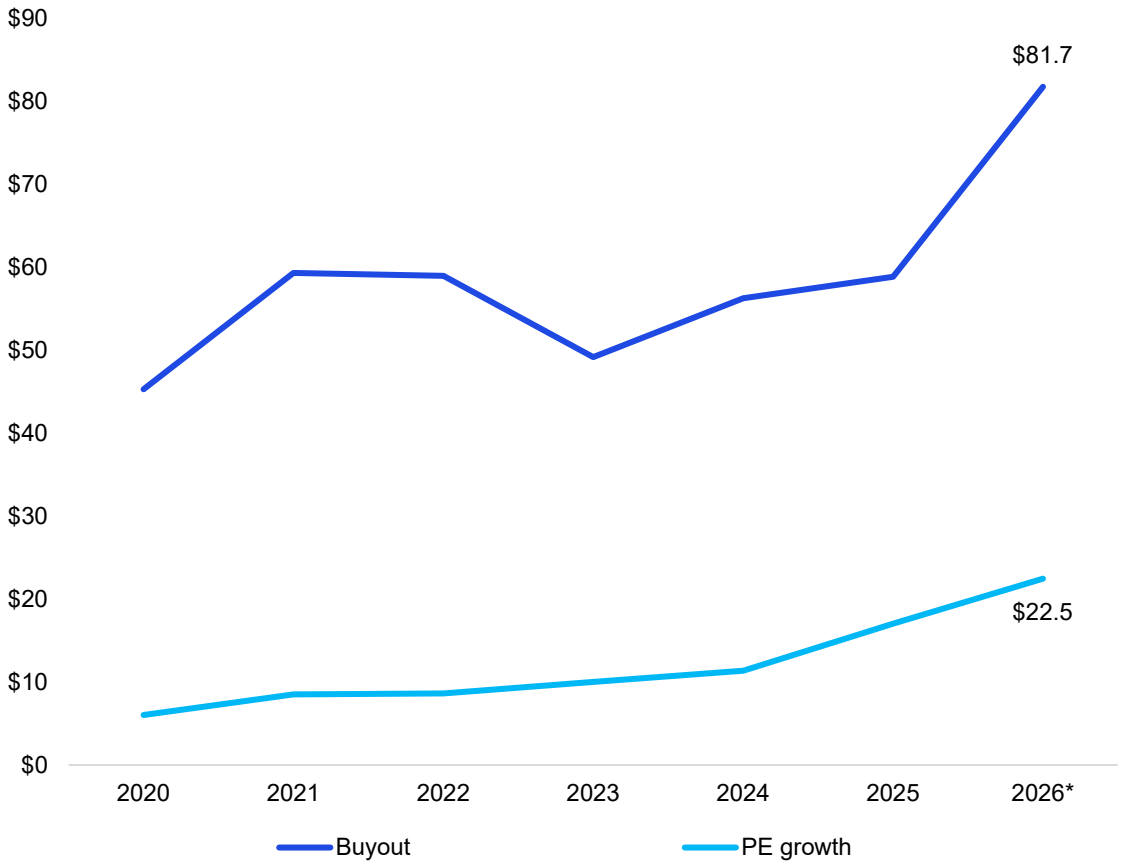
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PE firms keep buying, even at higher sizes

EMA median PE deal size ($M) by type



EMA average PE deal size ($M) by type

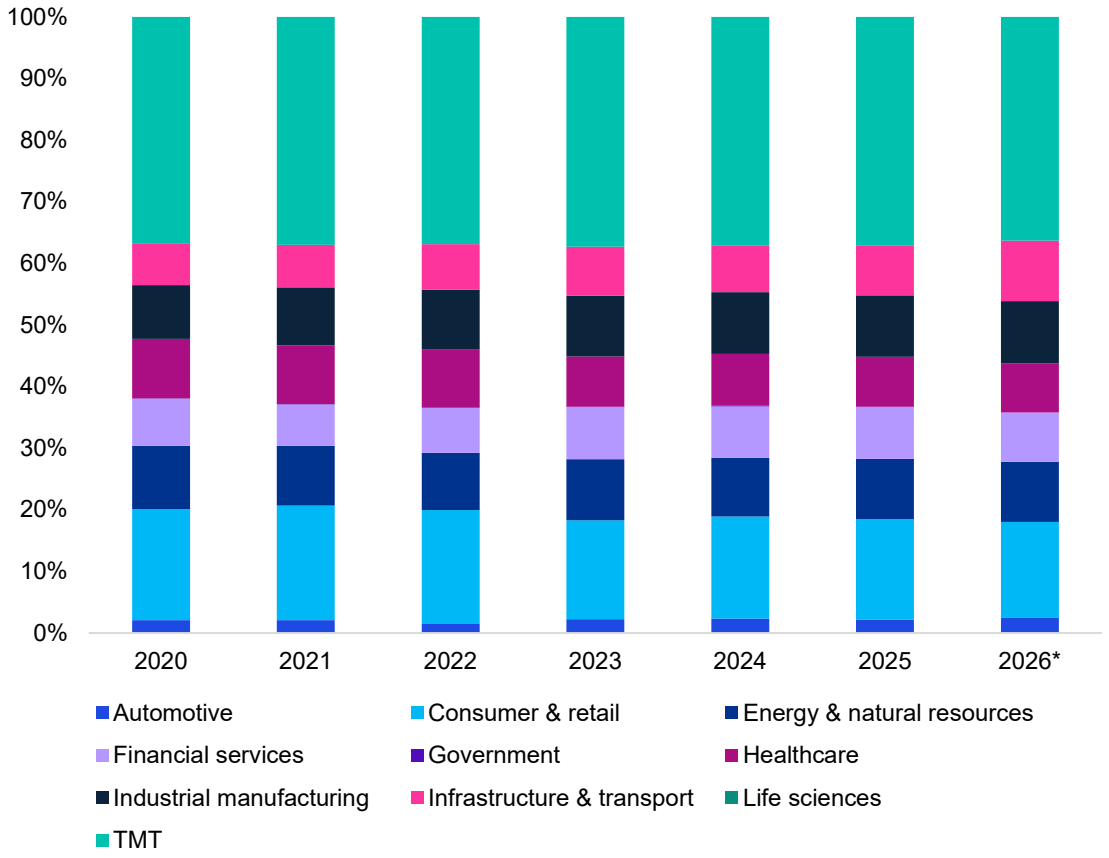


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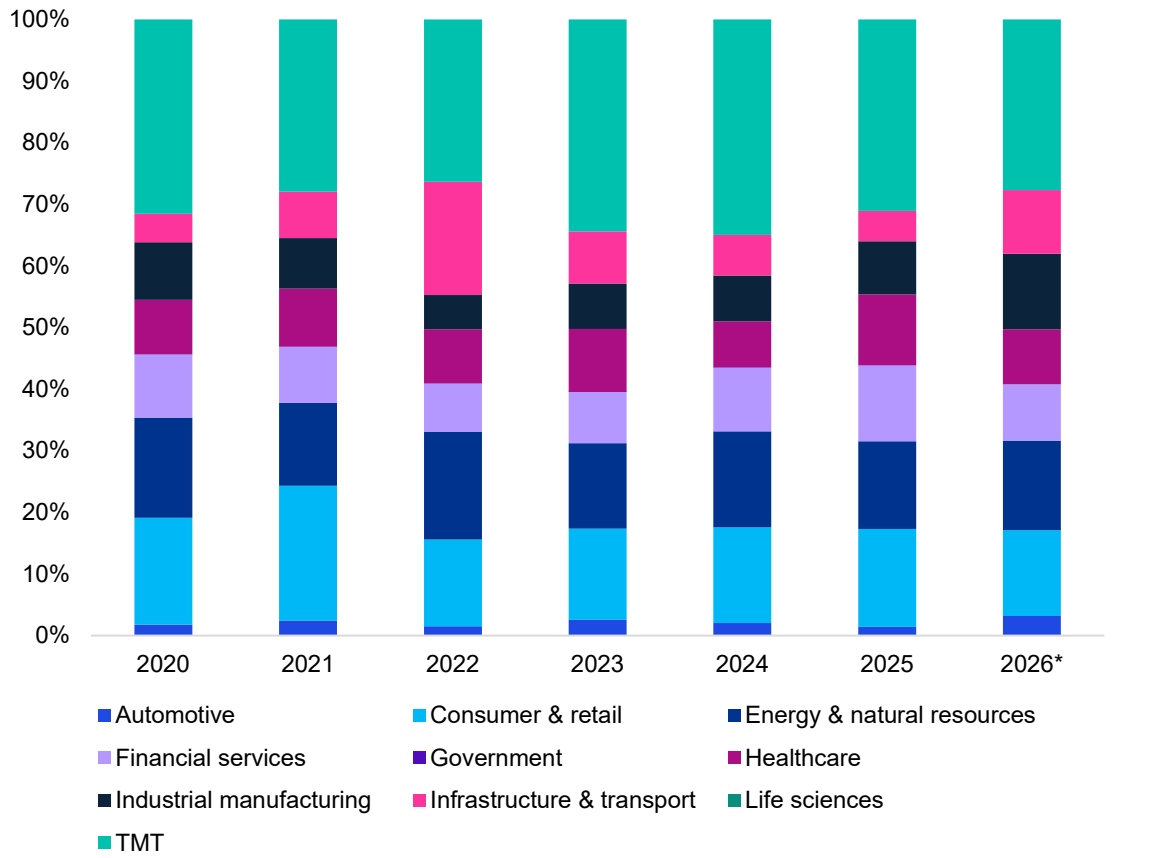
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Sectoral deal flow tilts more to industrials, infrastructure

EMA PE deal activity (#) by sector



EMA PE deal activity ($B) by sector



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Exits rolling tallies remain strong in value

EMA PE-backed exit activity

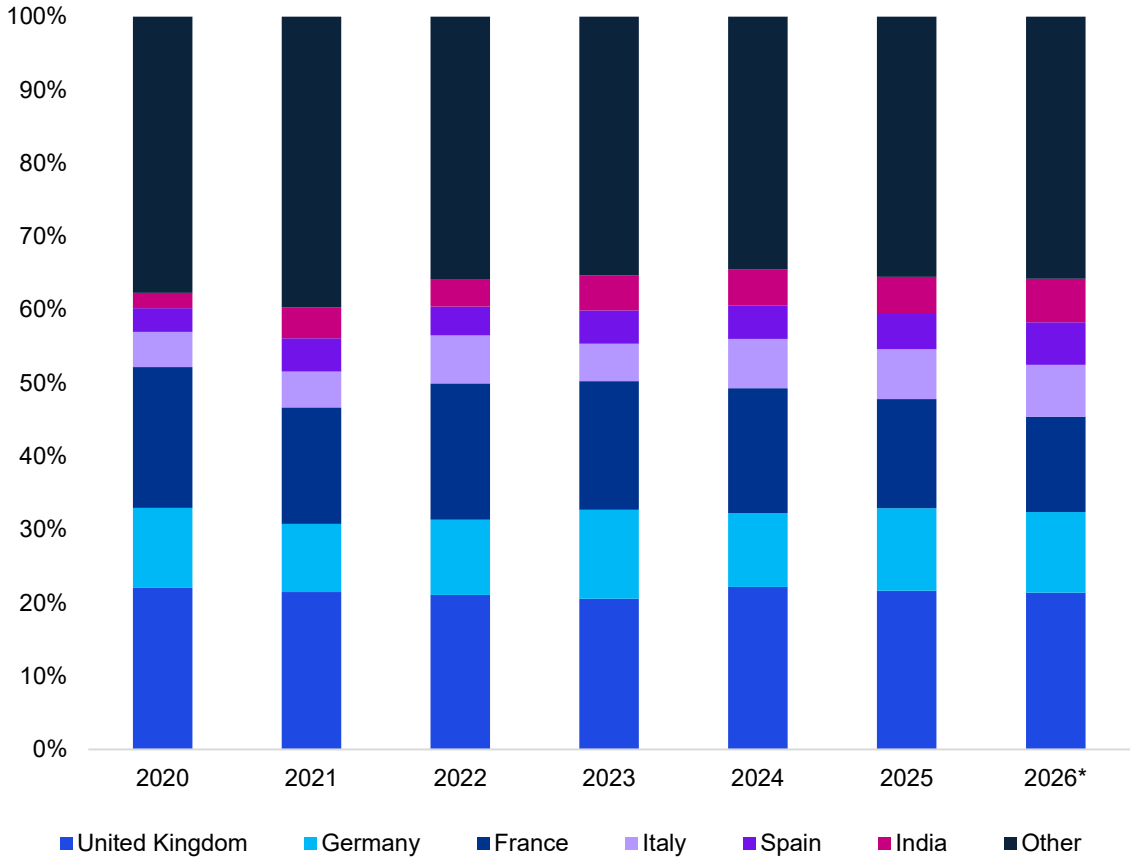


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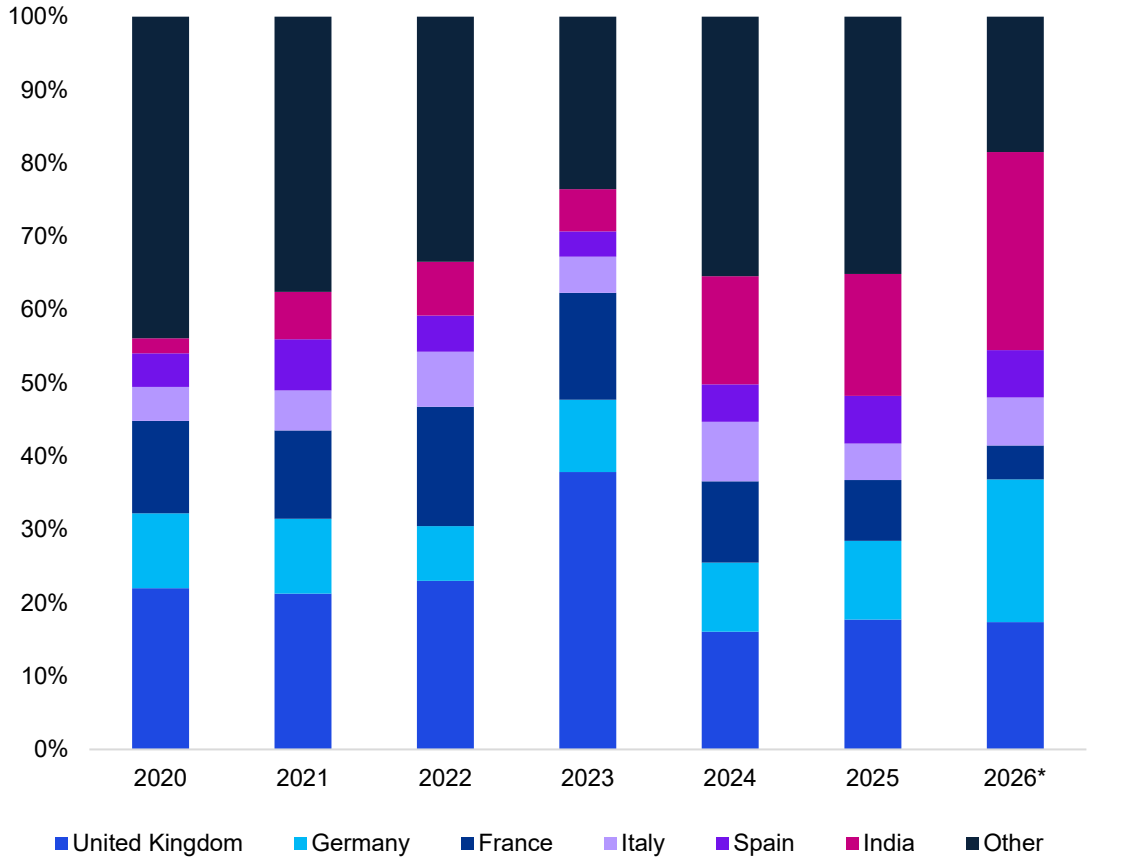
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India sees boost from listings, Germany from mega-deals

EMA PE-backed exit activity (#) by select countries



EMA PE-backed exit activity ($B) by select countries



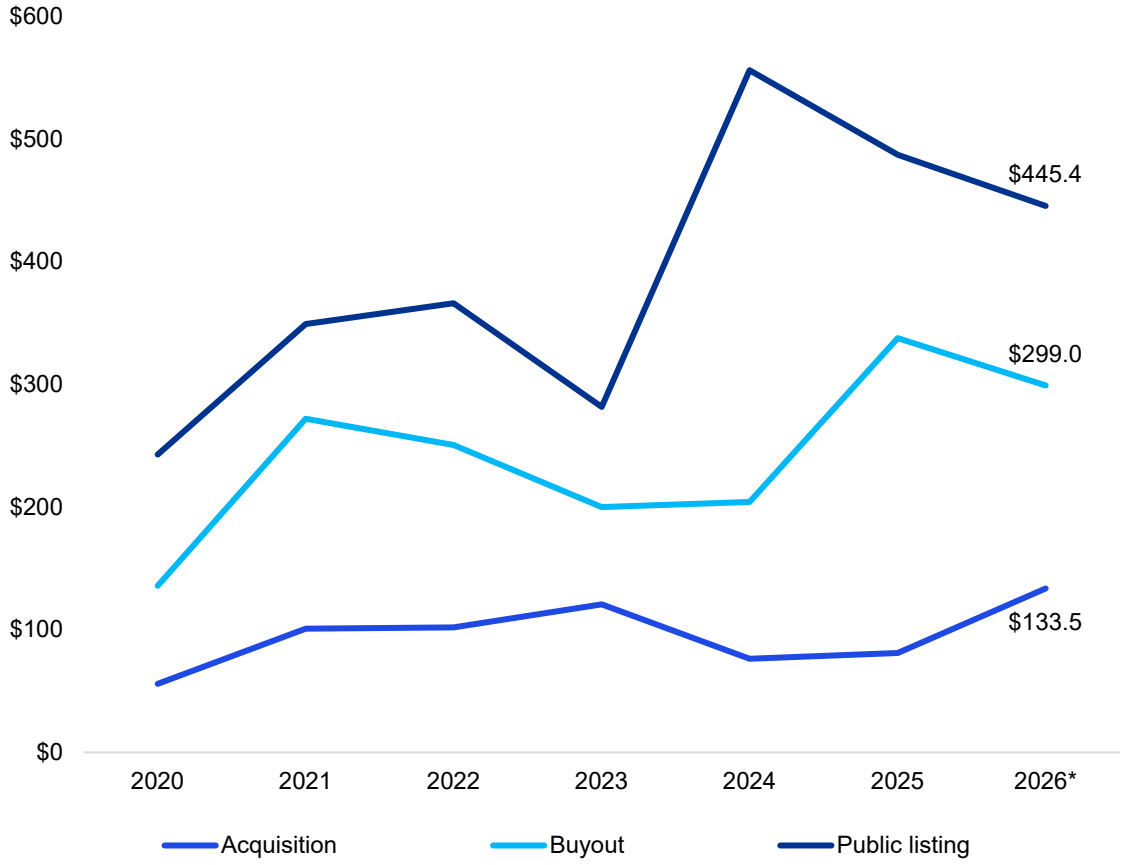
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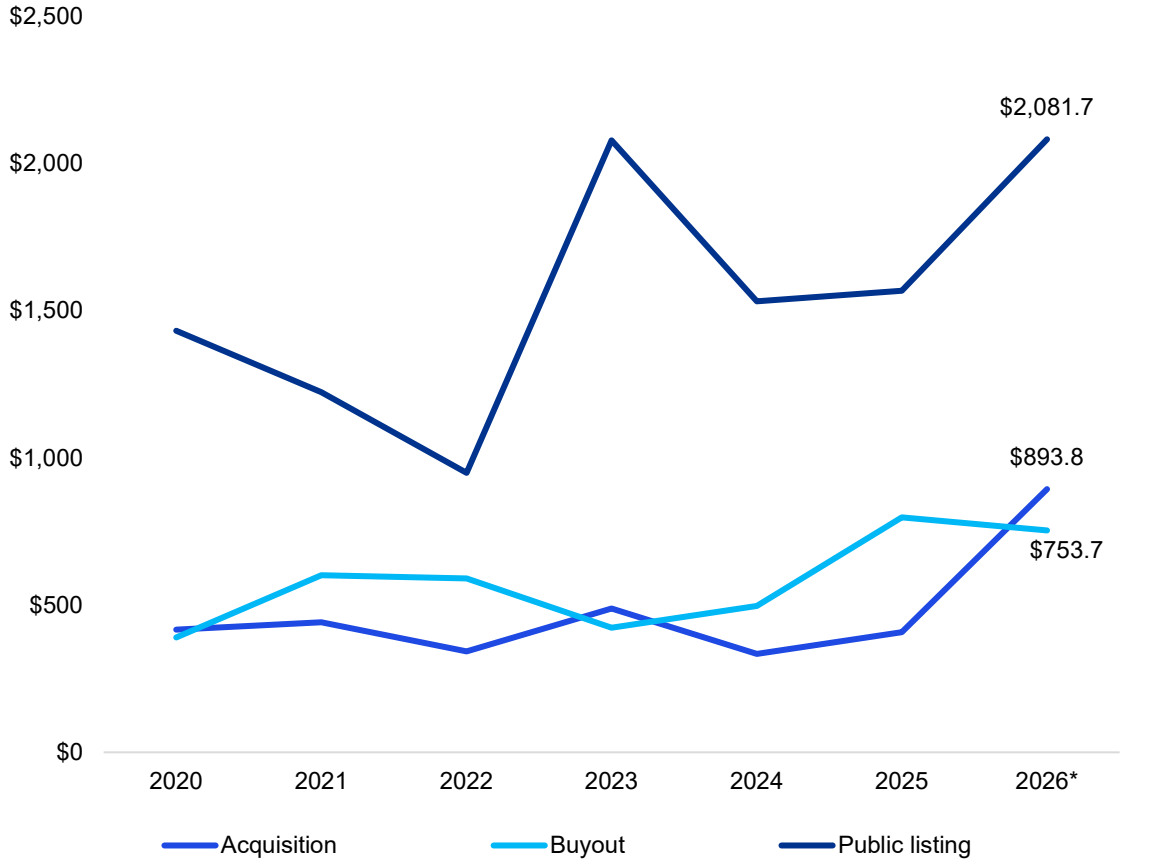
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Opportunistic exits boost averages, as medians fall

EMA median PE exit size ($M) by type



EMA average PE exit size ($M) by type



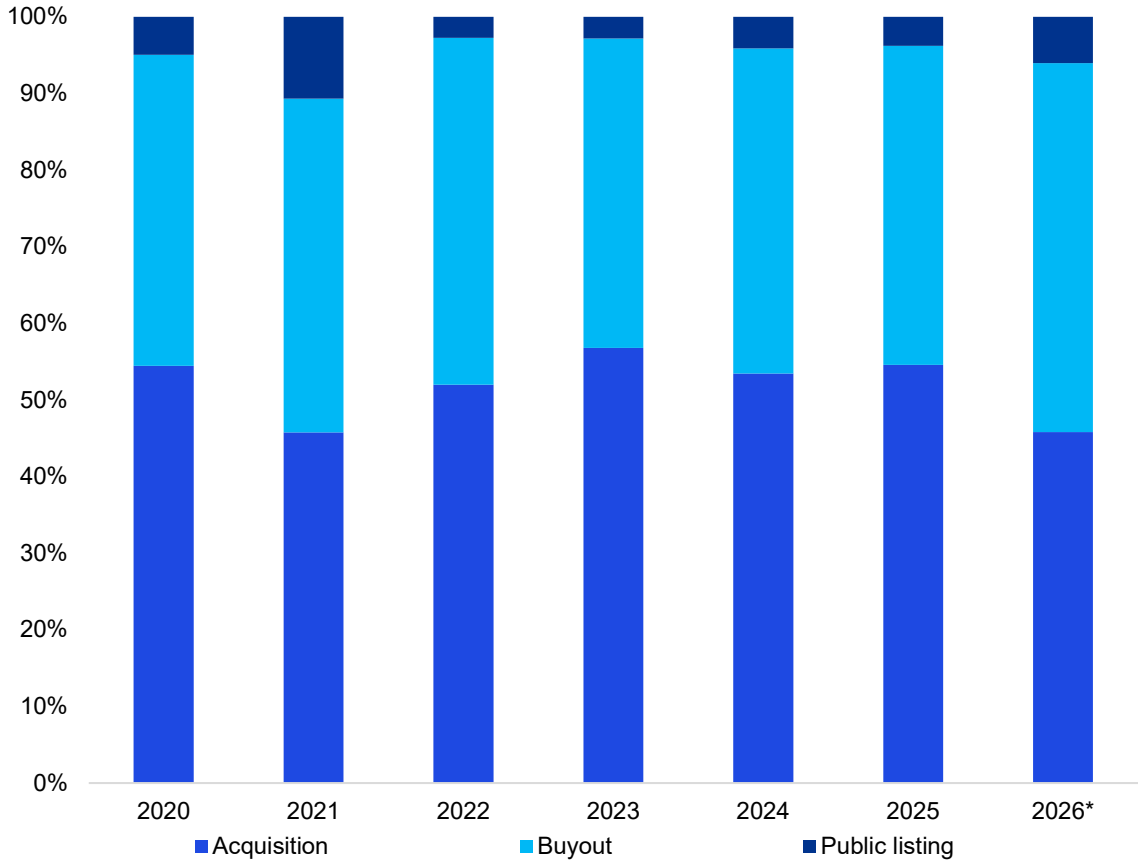
Source: PitchBook, data as of 30 September 2026.

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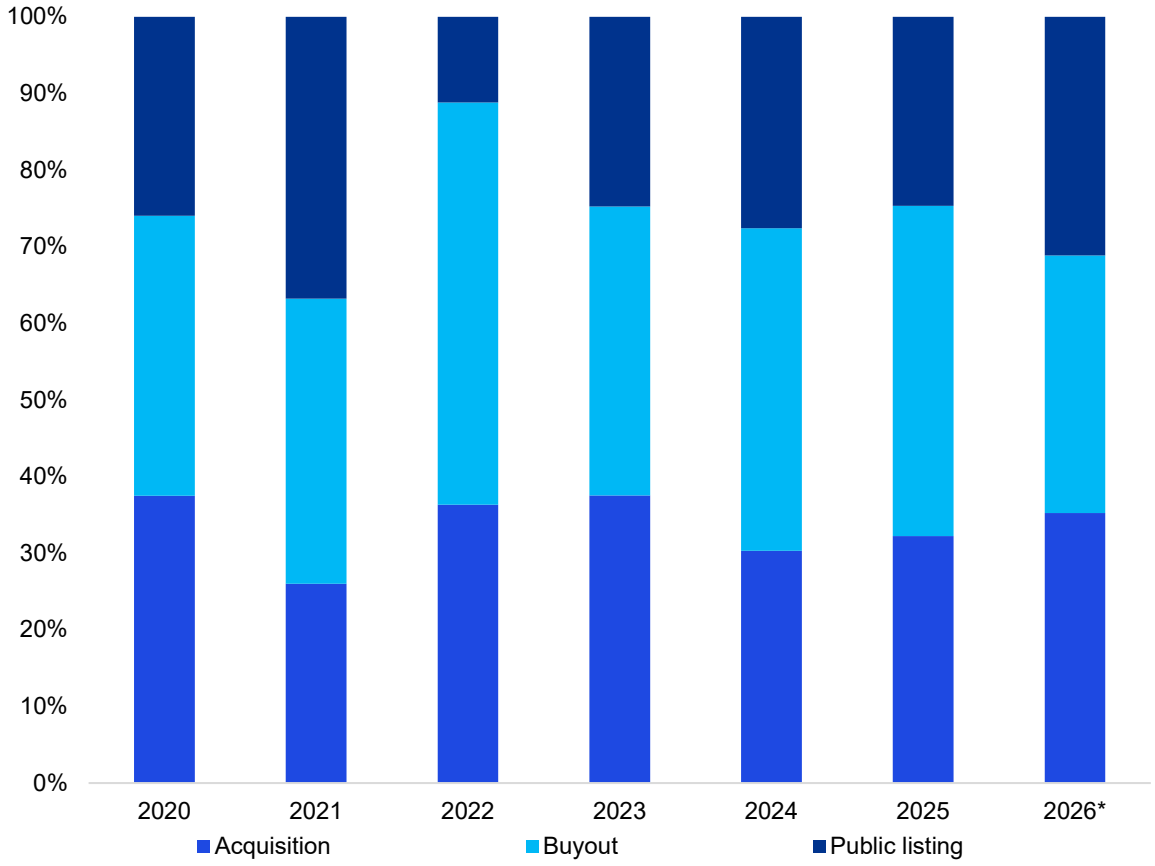
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Listings slow, but other exit avenues remain healthy

EMA PE-backed exit activity (#) by type



EMA PE-backed exit activity ($B) by type

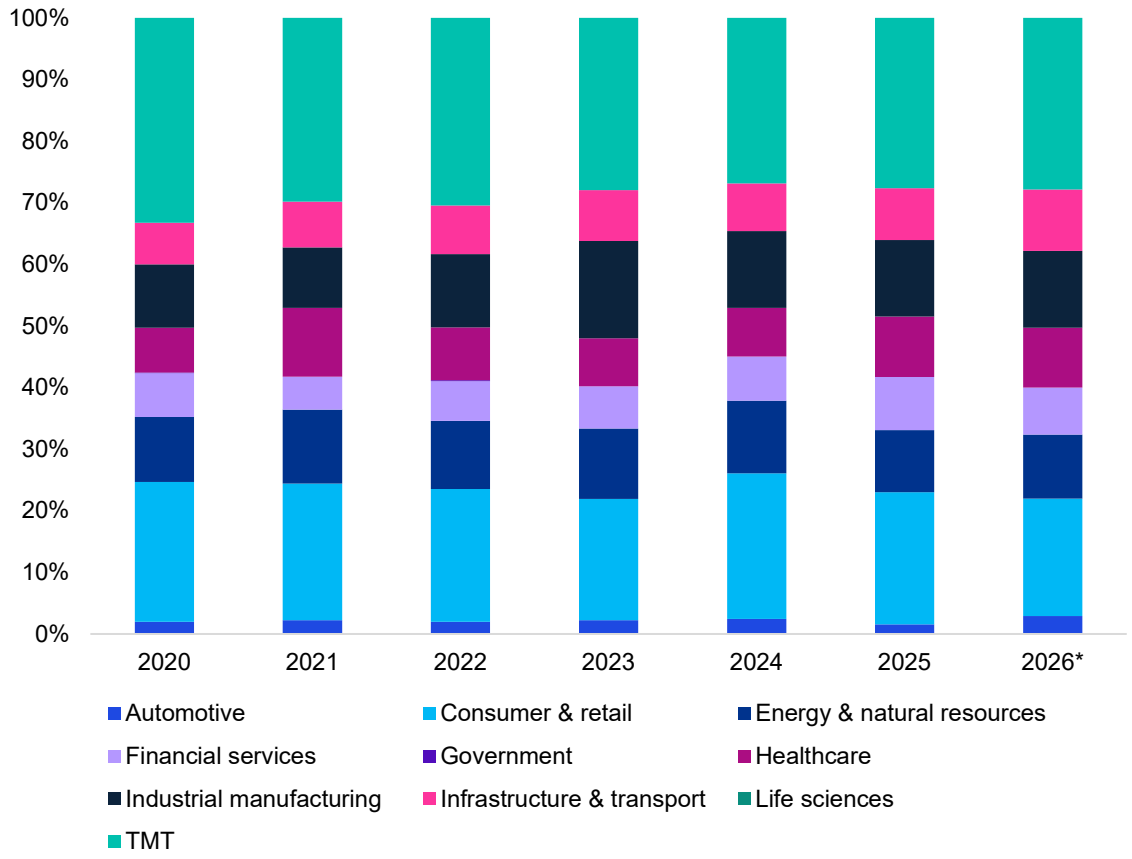


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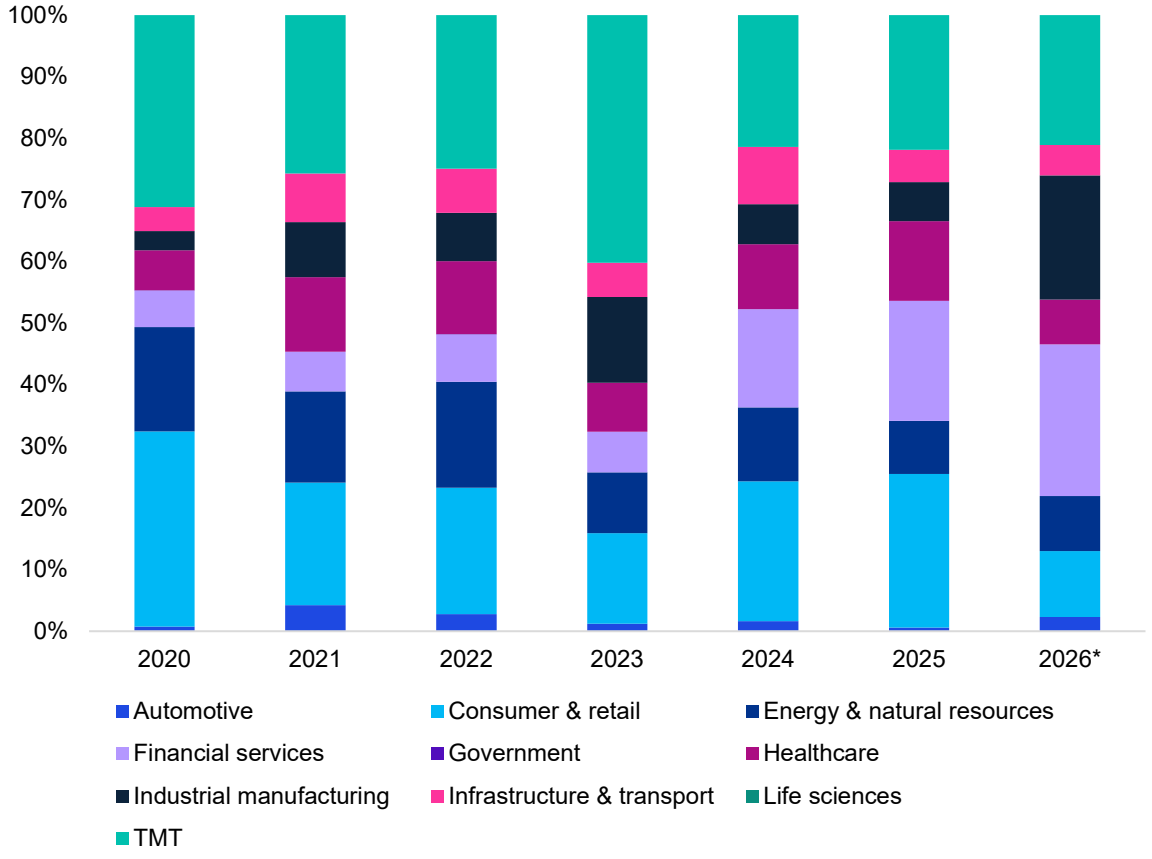
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Tech leads a resilient EMA exit market

EMA PE-backed exit activity (#) by sector



EMA PE-backed exit activity ($B) by sector

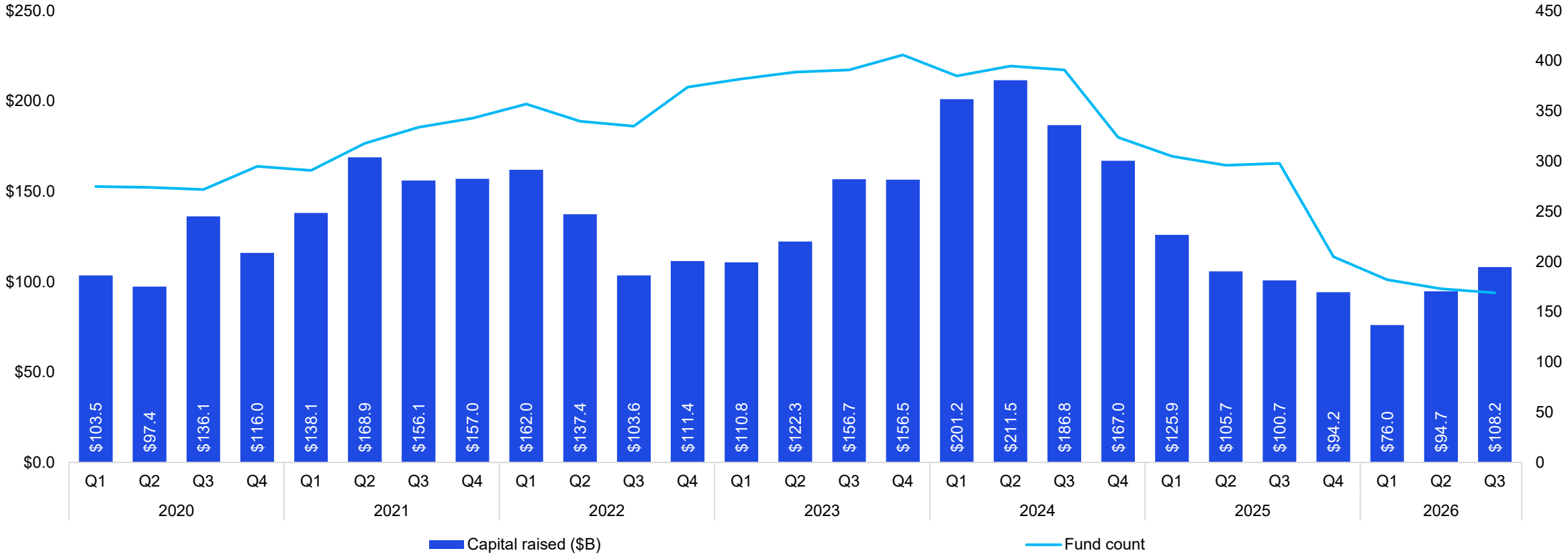


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Fundraising remains compressed

EMA PE fundraising activity

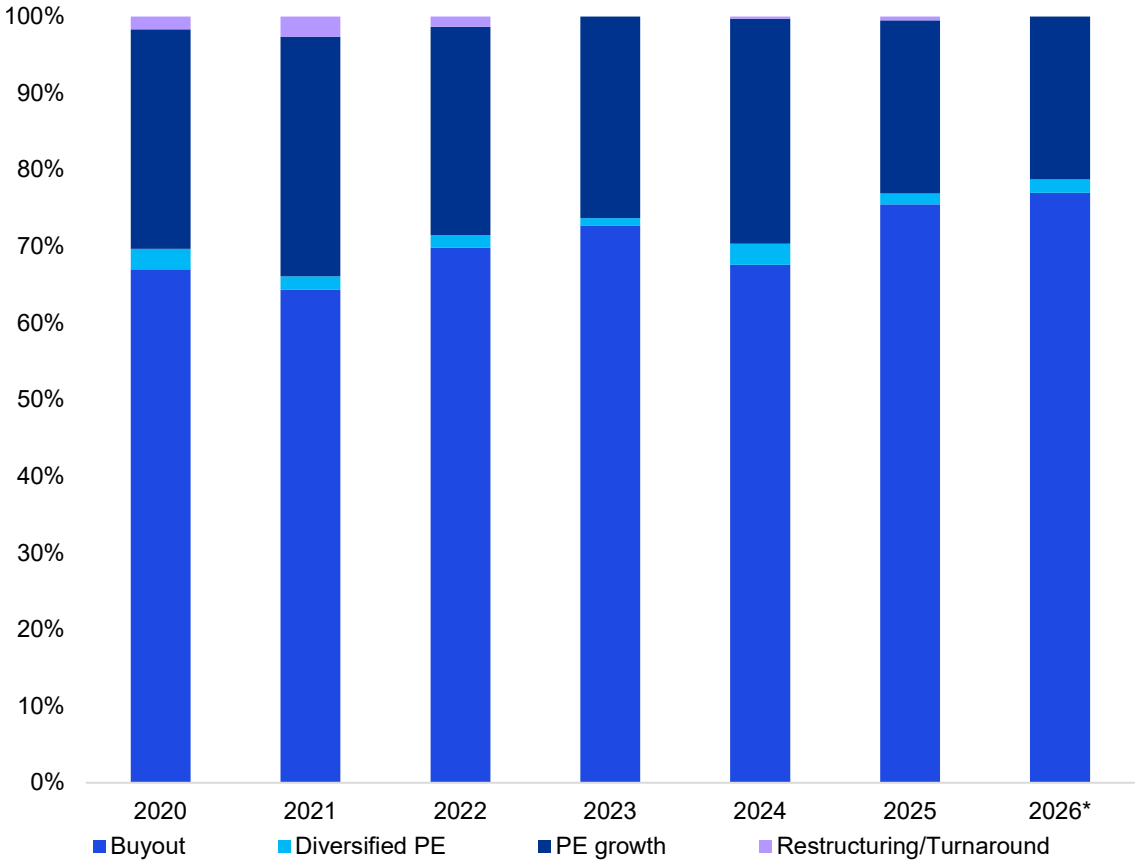


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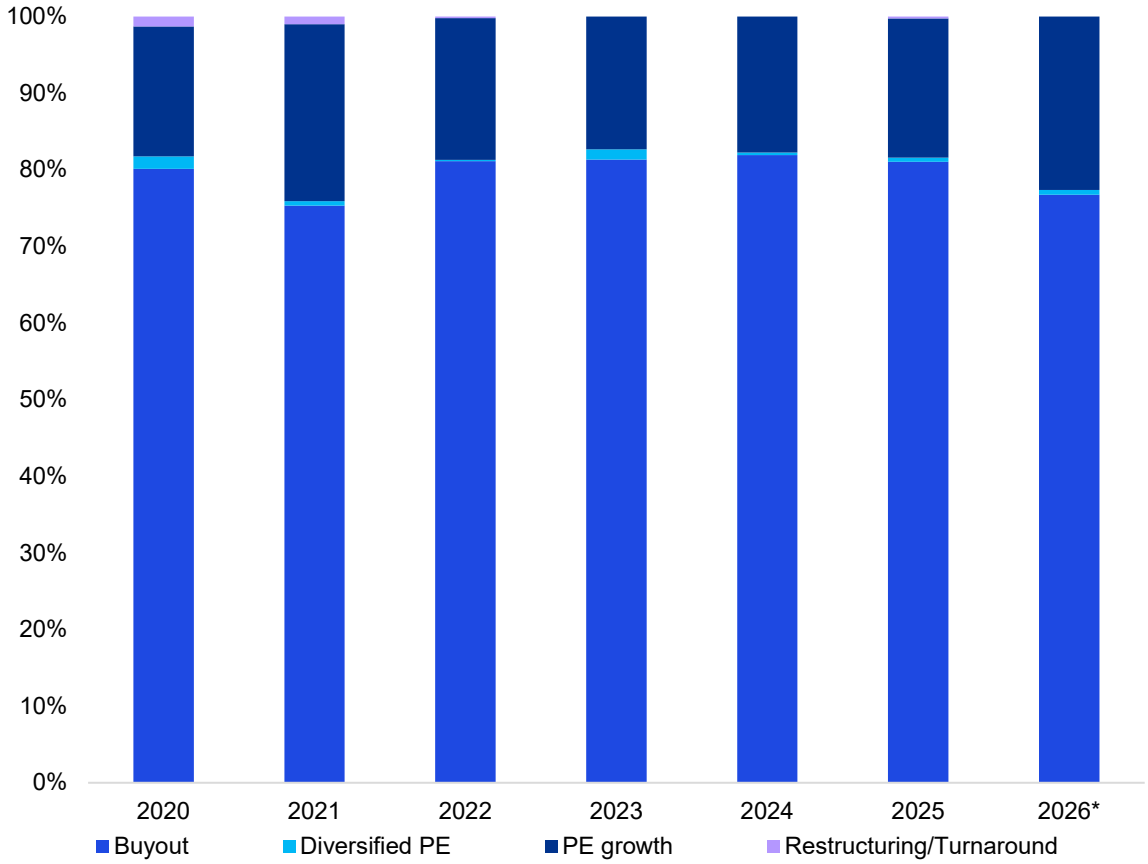
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Fundraising concentrates in proven buyout firms

EMA PE fundraising activity (#) by type



EMA PE fundraising ($B) by type

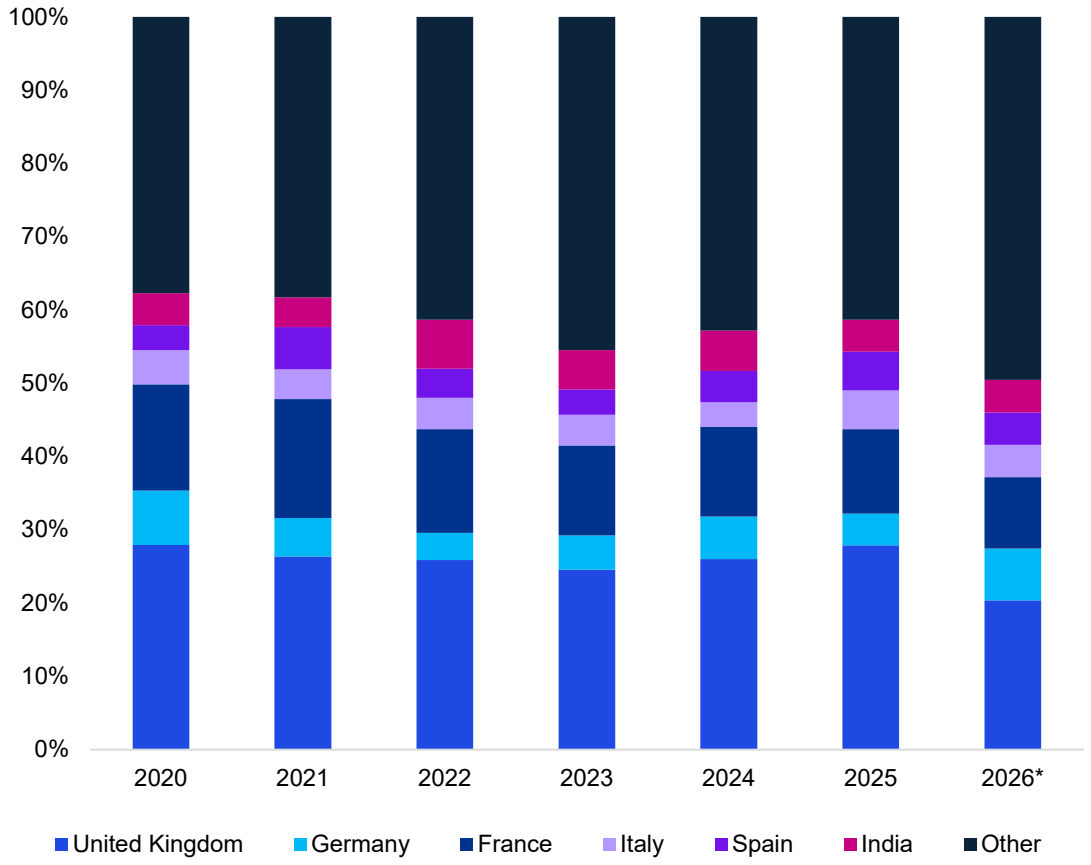


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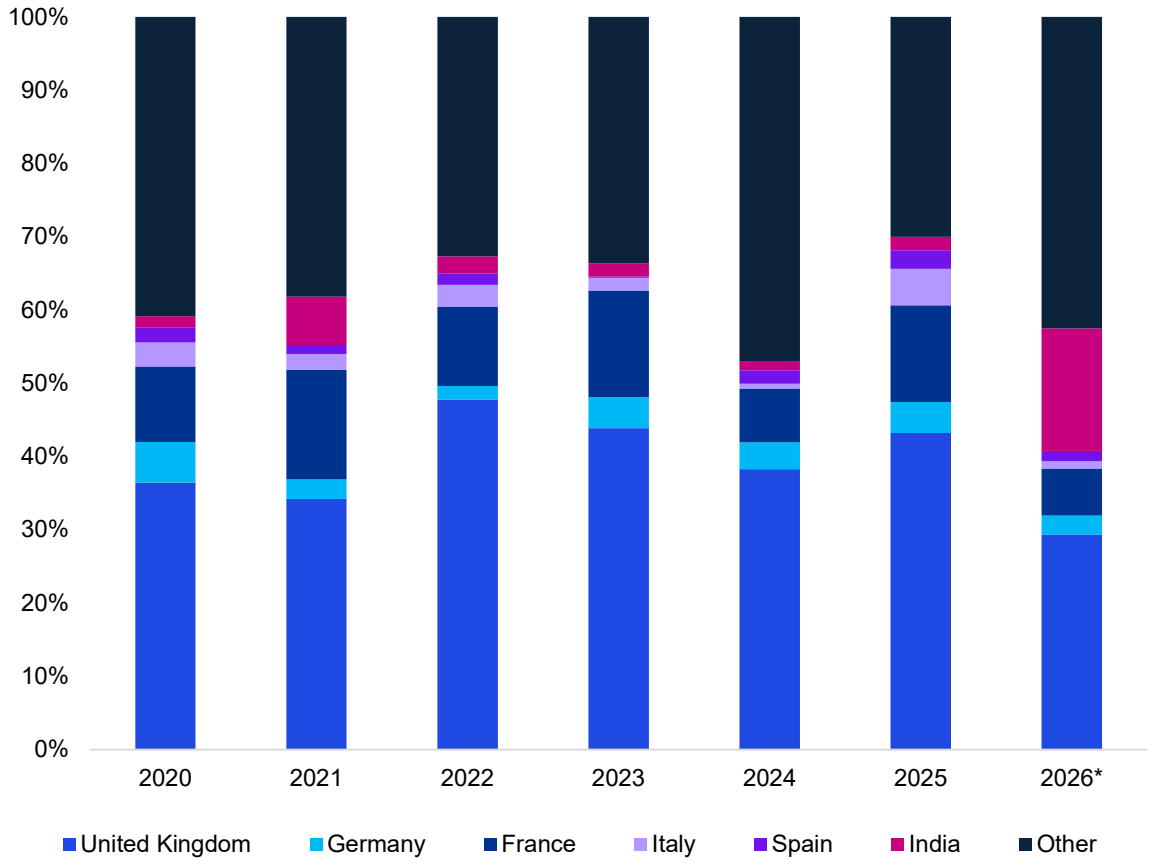
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India and other markets see boost in capital raised

EMA PE fundraising activity (#) by select countries



EMA PE fundraising ($B) by select countries



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EMA

Top 10 EMA deals announced/closed in Q3 2026



1. **DCC Energy** — $7.7B, Dublin, Ireland — Public-private, *Energy*
2. **ATG Entertainment** — $6.0B, Woking, UK — Secondary buyout, *Media*
3. **ContiTech** — $4.9B, Hannover, Germany — Corporate divestiture, *Automotive*
4. **Mitie Group** — $4.1B, London, UK — Add-on, *Commercial services*
5. **Bayer (Long-acting Reversible Contraceptives)** — $3.4B, Germany — PE growth, *Medical devices*
6. **Nestlé Waters France** — $3.4B, Issy-les-Moulineaux, France — Buyout, *Consumer goods*
7. **Standard Life Assurance** — $2.7B, Edinburgh, UK — Acquisition financing, *Insurance*
8. **Bodycote** — $2.5B, Macclesfield, UK — Public-private, *Commercial services*
9. **McGill and Partners** — $2.0B, London, UK — Secondary buyout, *Insurance*
10. **Goodwin Steel Castings** — $1.5B, Stoke-on-Trent, UK — Corporate divestiture, *Metals*

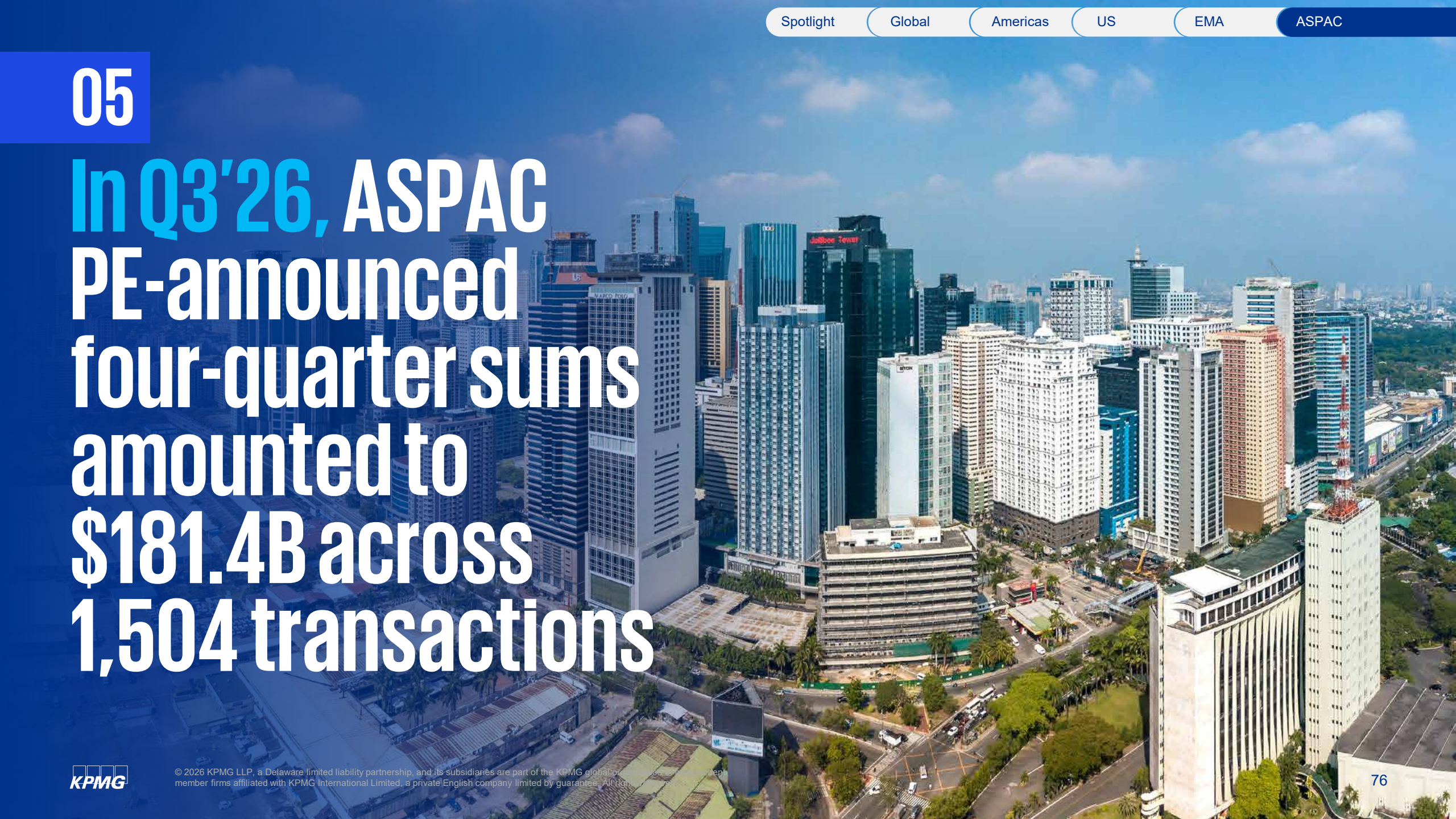
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05

In Q3'26, ASPAC PE-announced four-quarter sums amounted to $181.4B across 1,504 transactions



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ASPAC overview

ASPAC on track for five-year high of PE investment, but market highly selective

The ASPAC region saw $137.8 billion in PE investment across 1,109 deals during the first three quarters of 2026, putting it within reach of a five-year investment high, while its deal volume remained steady, on pace to match its 2025 total. ASPAC's rolling twelve-month figures showed similar trends, with PE investment hitting a six-quarter high of $181.4 billion at the end of Q3'26 and deal volume holding relatively even quarter-over quarter.

While the market is improving, PE investors remain highly selective and focused on managing risk exposure amid high energy costs, interest rate increases, continued tensions in the Middle East, and ongoing concerns over energy availability.

Australia remains steady force within ASPAC's PE market

At the end of Q3'26, Australia was well ahead of other jurisdictions in the ASPAC region, having attracted $42.9 billion in PE investment across 295 deals; four large megadeals during Q3'26 helped push Australia well past the $37.4 billion in investment it saw during all of 2025, led by the $8.2 billion take private of integrated import and export logistics provider Qube Holdings by a consortium including Macquarie Asset Management, UniSuper, and Pontegadea.[14] Australia's steady performance and resilience reflects the significant maturity of its PE market, which resembles the PE market in North America far more than other jurisdictions within the region.

PE activity increasing in China, South Korea and Japan

A notable trend in the ASPAC region at the end of Q3'26 was the fact that deal volumes in China, Japan, and South Korea were all on pace to exceed their 2025 totals at the end of Q3'26 — bucking the downward trend in deal volume seen in Australia and many other jurisdictions globally.

Both China and South Korea were also well positioned to surpass their 2025 investment totals. China stood at $30.9 billion across 297 deals at the end of Q3'26, compared to $34.2 billion across 329 deals during all of 2025; China's largest deal during Q3'26 was the buyout of Alibaba's Lingxi Games by Trustar Capital for $1.4 billion as Alibaba shifted its focus to fueling its AI growth. South Korea's more nascent PE market stood at $11.5 billion across 128 deals, compared to $12.5 billion across 152 deals during all of 2025; its largest deal was TPG's buyout of Lotte Group's rental car platform Lotte Rental for $900.3 million.

> "If you're a large institution, you know liquid markets have their problems and real estate has it problems. Private equity has long been a good default. But now there's this shiny new asset class in AI infrastructure — and its changing he game. We're now at an inflection point where PE either needs to really address its exit backlog or risk losing its luster as investors turn to AI infrastructure."



Andrew Thompson
Asia Pacific Head
of Private Capital and Asset Management
KPMG in Singapore

[14] Qube, "Macquarie asset management-led consortium successfully completes acquisition of Qube." 17 August 2026.

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ASPAC overview

PE investment in Japan stood at $29.1 billion across 260 deals at the end of Q3’26, putting it on track for a small dip in deal value but a stronger number of deals compared to the $43.3 billion across 326 deals it saw in 2025. The year-to-date investment total is somewhat misleading, however; given its relatively small market size, its level of investment can be highly affected by individual deals. Japan’s twelve-month rolling PE investment total highlights its continued strength; as of Q3’26, it stood at $41.6 billion — not far off its record high of $43.3 billion seen in Q4’25. During Q3’26, the largest deal in Japan was the announced take-private transaction involving Leopalace21 for $1.7 billion.

Exit value in ASPAC region nearly double 2025 total at end of Q3’26, despite soft exit volume

Exit value in the ASPAC region was $203.4 billion at the end of Q3’26, nearly double its 2025 annual total of $110 billion despite only seeing 226 exits compared to the 401 seen during 2025. The spike in exit value was particularly clear in the rolling twelve-month total, which surged from $129.2 billion in Q2’26 to $234.5 billion in Q3’26. Rolling twelve-month exit volume showed a relatively soft decline, falling from 344 to 328 quarter-over-quarter.

A deeper dive into the exit data shows that while both acquisition and buyout exit values were already higher than their 2025 totals at the end of Q3’26, at $38 billion and $32.3 billion, respectively, the surge came from the exit value associated with public listings, which reached $132.9 billion at the end of Q3’26, compared to just $60.4 billion during all of 2025.

Fundraising in ASPAC region remains very subdued

Within the ASPAC region, fundraising continued to be very weak, with just $23.8 billion in capital raised across 42 funds at the end of Q3’26. At the current rate, 2026 could be the slowest year for both fundraising and fund value seen in over a decade, although the rolling twelve-month totals suggest that the tide might be starting to turn. While rolling twelve-month deal value fell slightly from $42.3 billion in Q2’26 to $40.8 billion in Q3’26, it remained well ahead of the total seen in Q1’26 ($31.8 billion). Twelve-month rolling deal volume also rose very slightly — from 60 funds in both Q1’26 and Q2’26 to 65 funds in Q3’26. Exits remain the key challenge to a major uptick in fundraising activity, however, as investors look for reliable returns.

Trends to watch for in Q4’26

Looking ahead to Q4’26 and into 2027, exits are likely to receive increasing focus within the PE market in the ASPAC region, particularly given how AI infrastructure is quickly evolving into its own asset class and giving investors an alternative for their investments. While the backlog of exits has been a major theme for a number of quarters, it is set to intensify given the growing competition for capital from AI infrastructure.

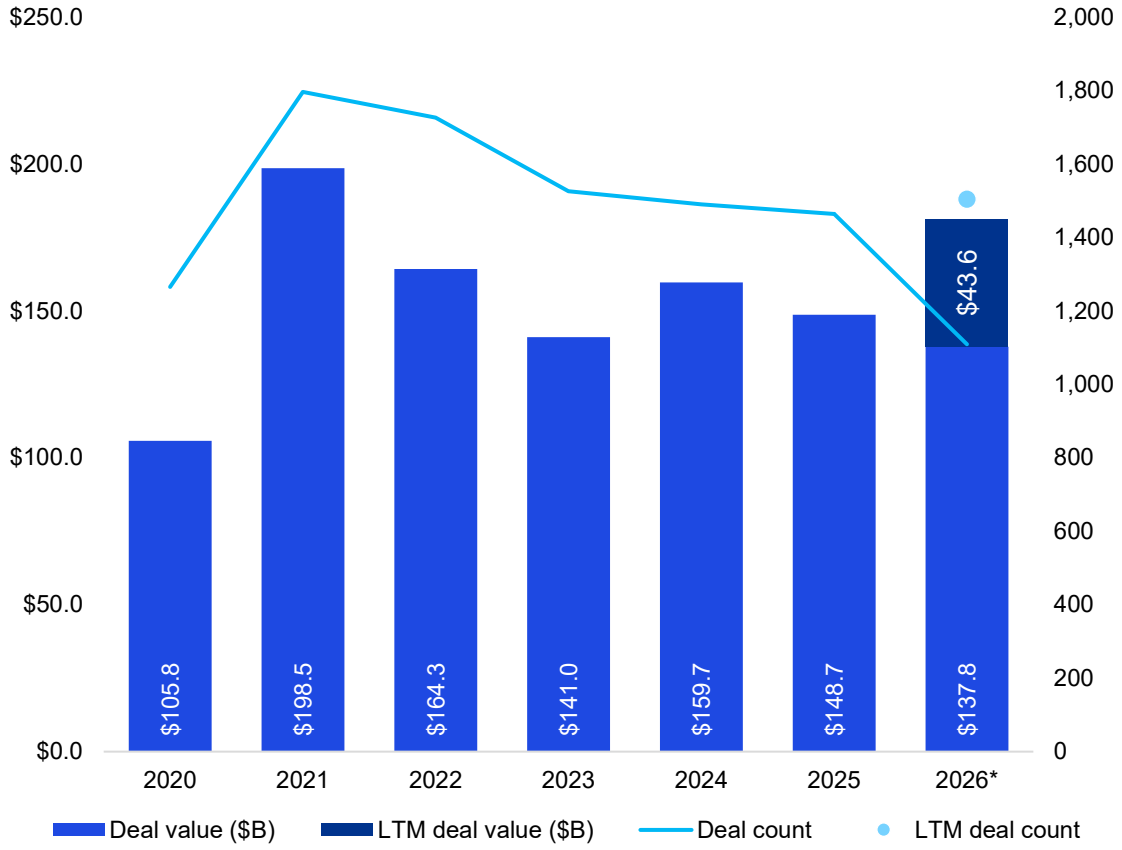
On the investment front, PE investors will likely remain selective given ongoing geopolitical and macroeconomic uncertainties and continued concerns about energy availability.

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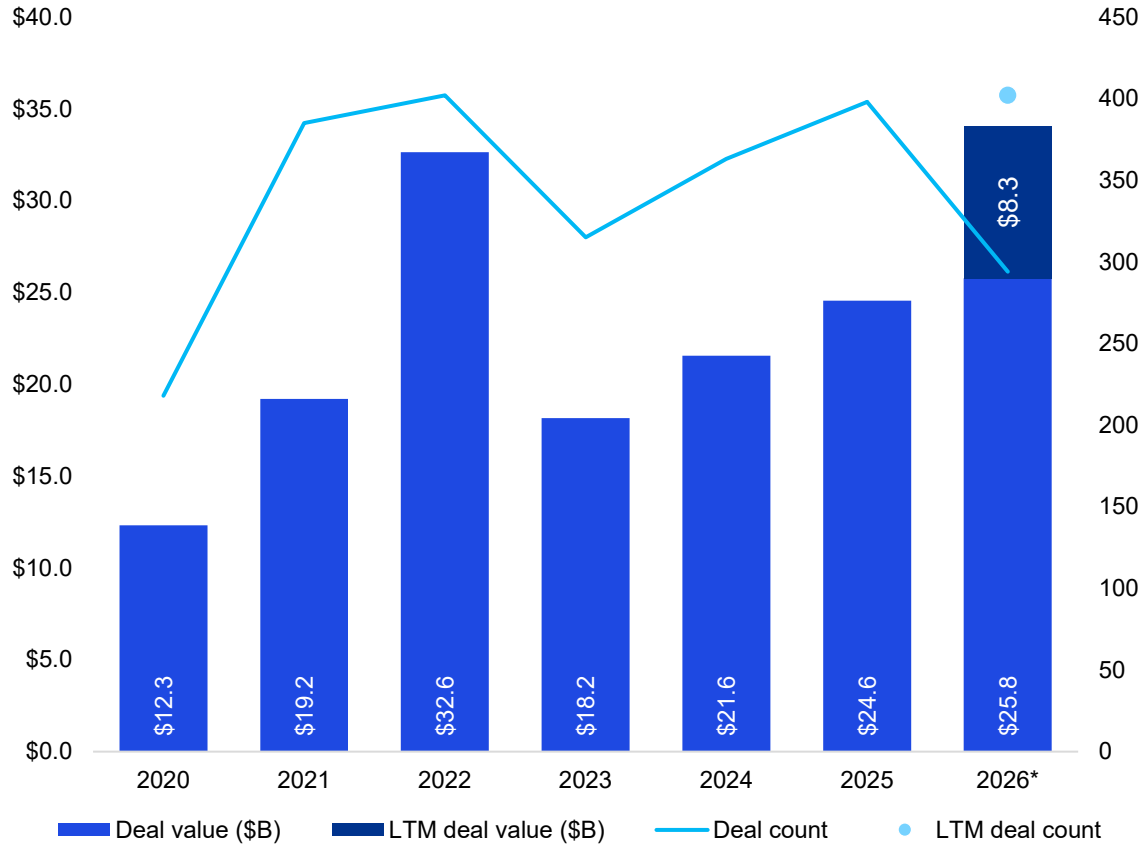
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Despite headwinds, dealmaking stays strong

ASPAC PE deal activity



ASPAC PE add-on/bolt-on activity



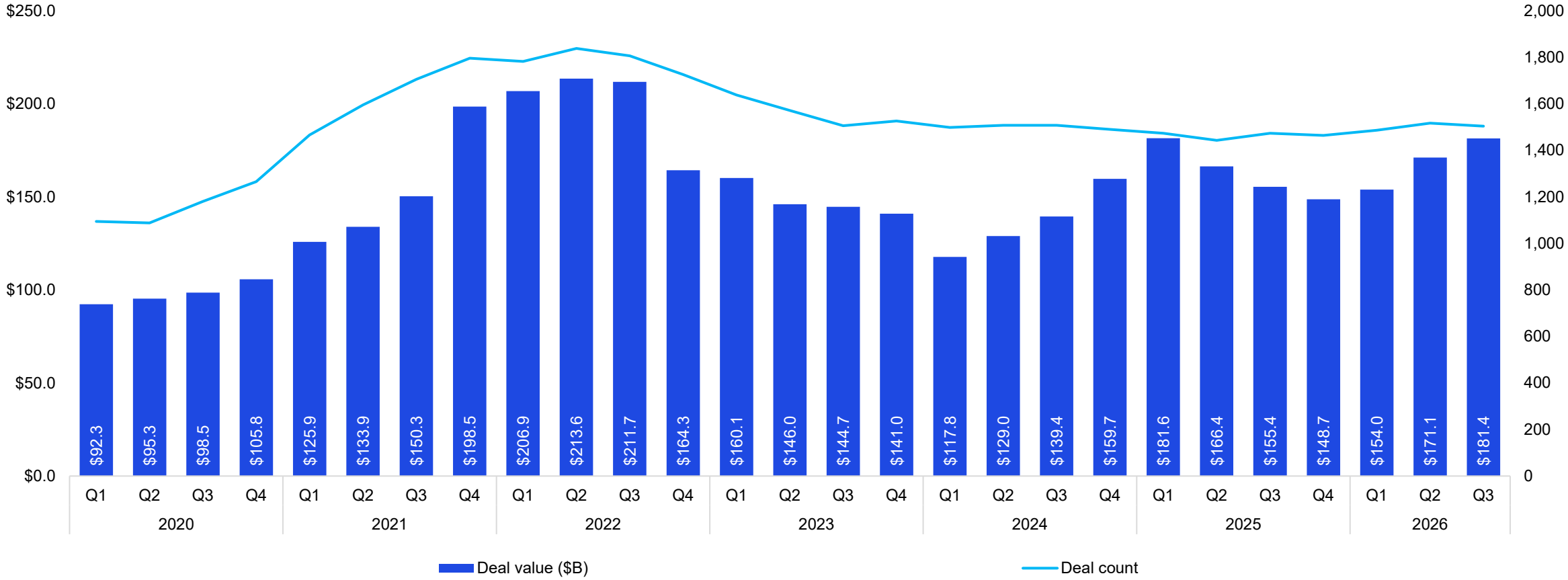
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Deal flow is bolstered by trailing tallies, but is healthy

ASPAC PE deal activity

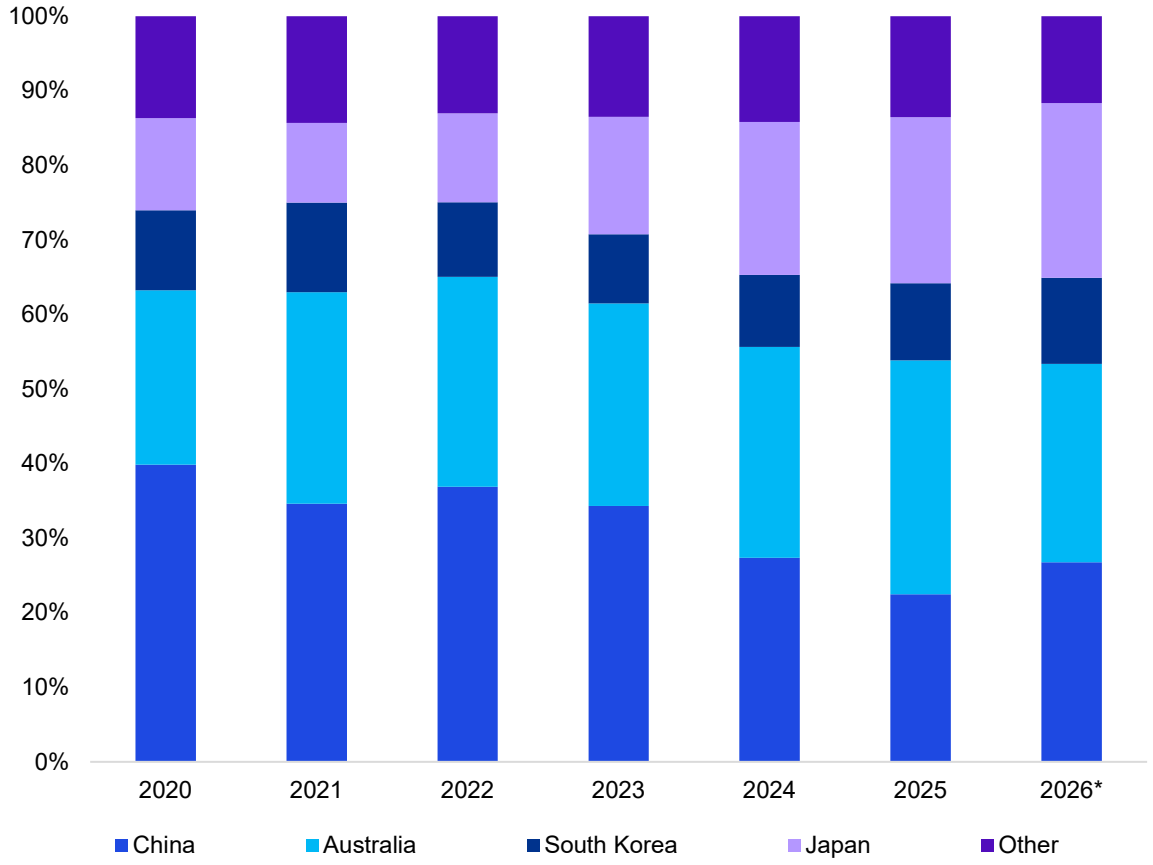


Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

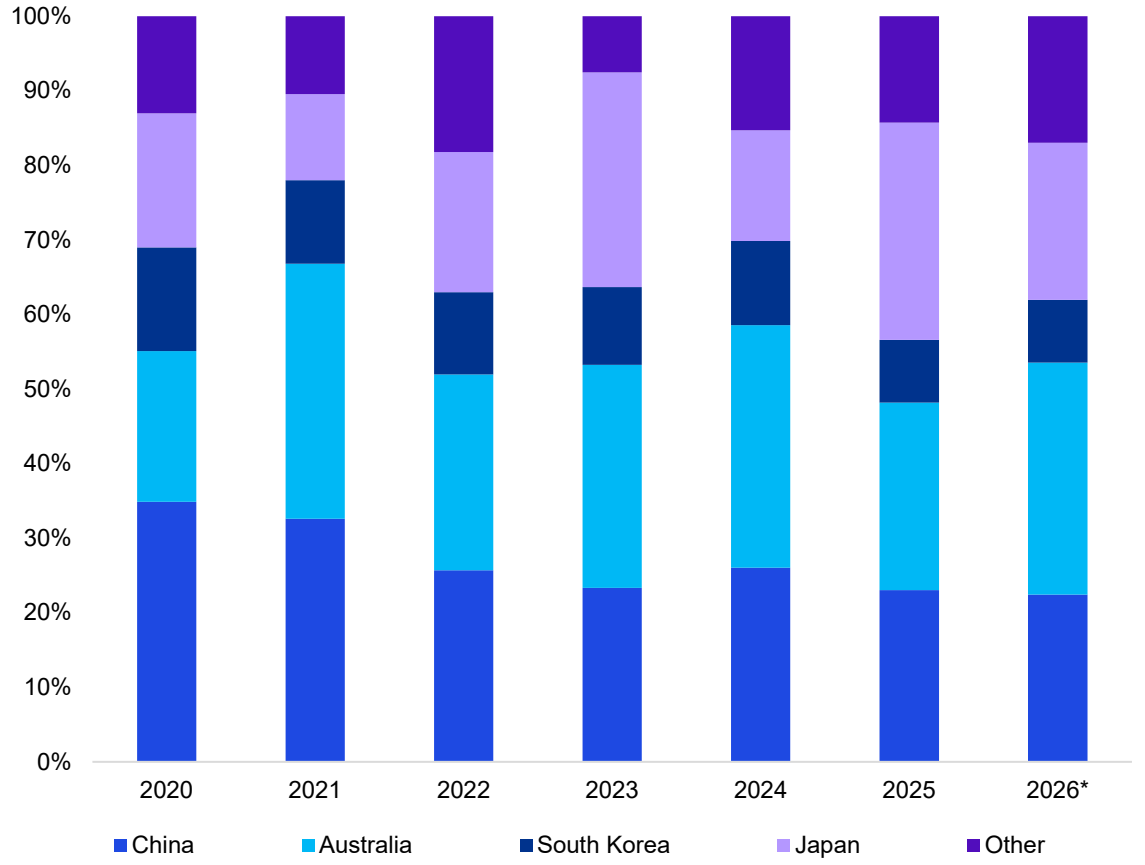
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China sees rebound in proportion of deal counts

ASPAC PE deal activity (#) by select countries



ASPAC PE deal activity ($B) by select countries

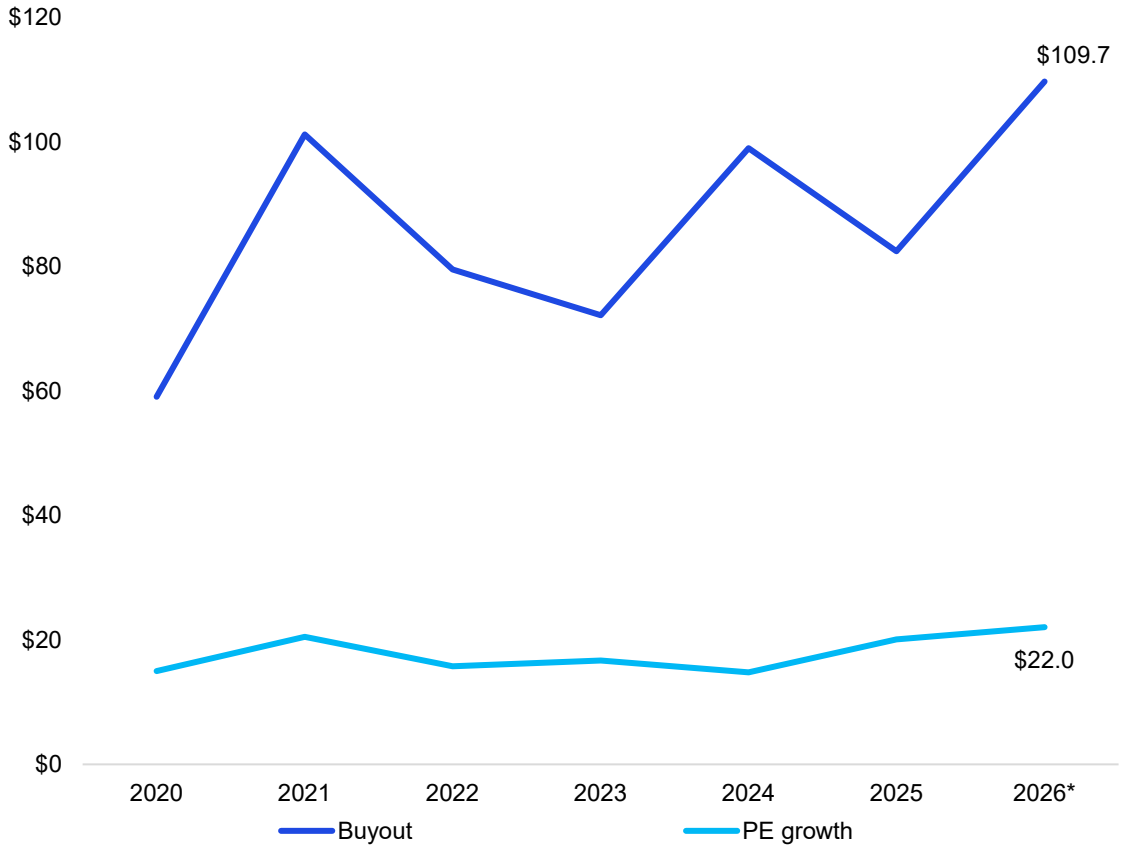


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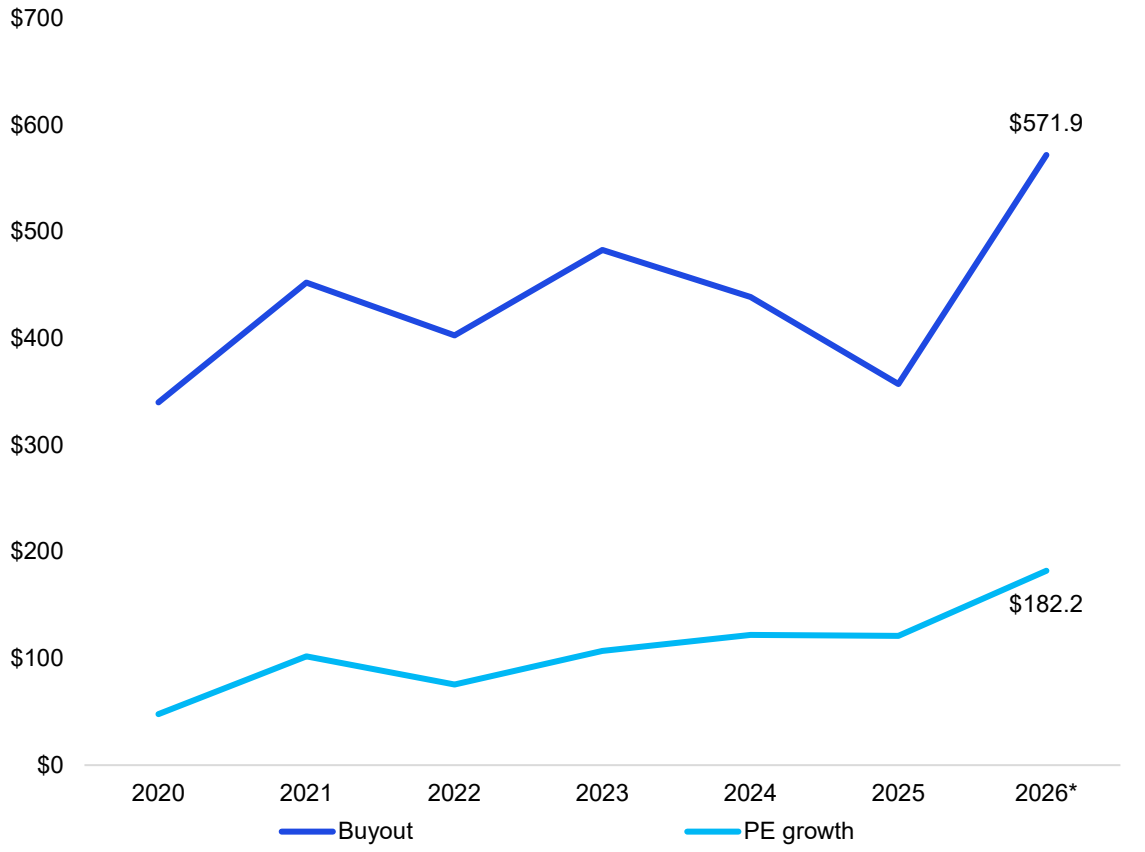
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Buyers pay up as deal-size medians climb

ASPAC median PE deal size ($M) by type



ASPAC average PE deal size ($M) by type



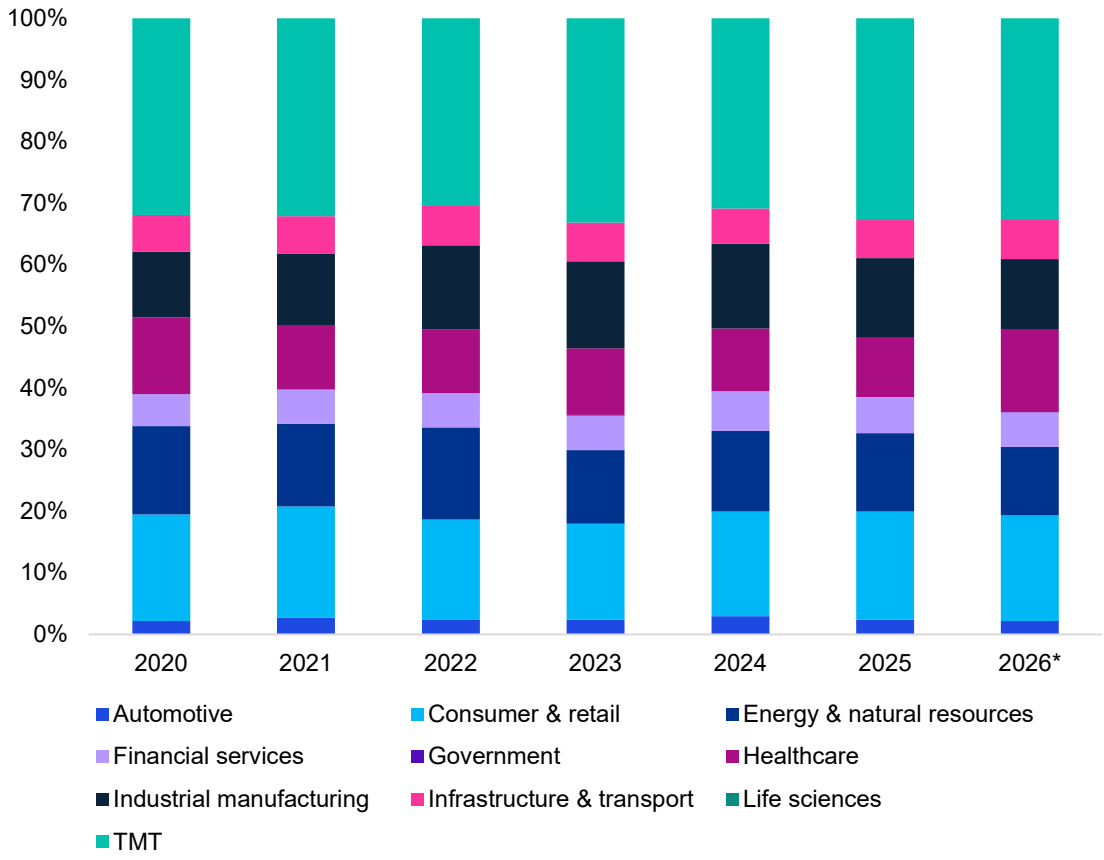
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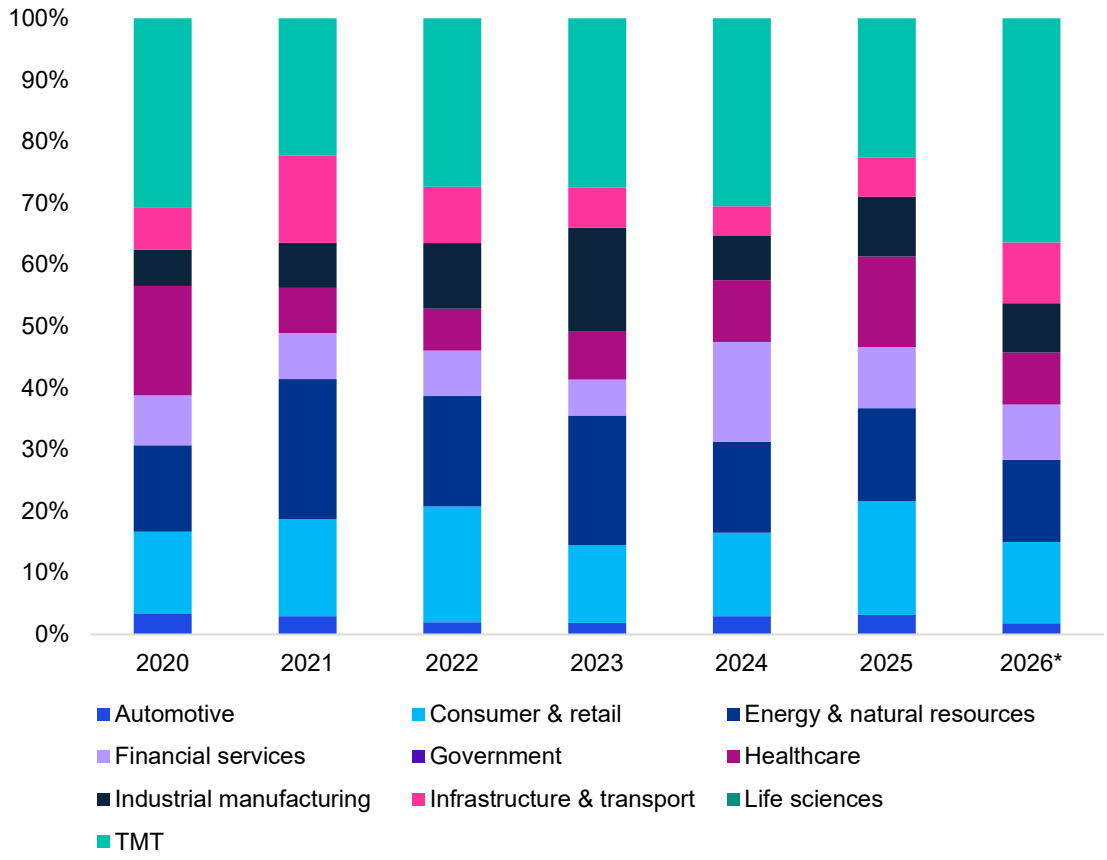
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Tech still dominates deal value

ASPAC PE deal activity (#) by sector



ASPAC PE deal activity ($B) by sector

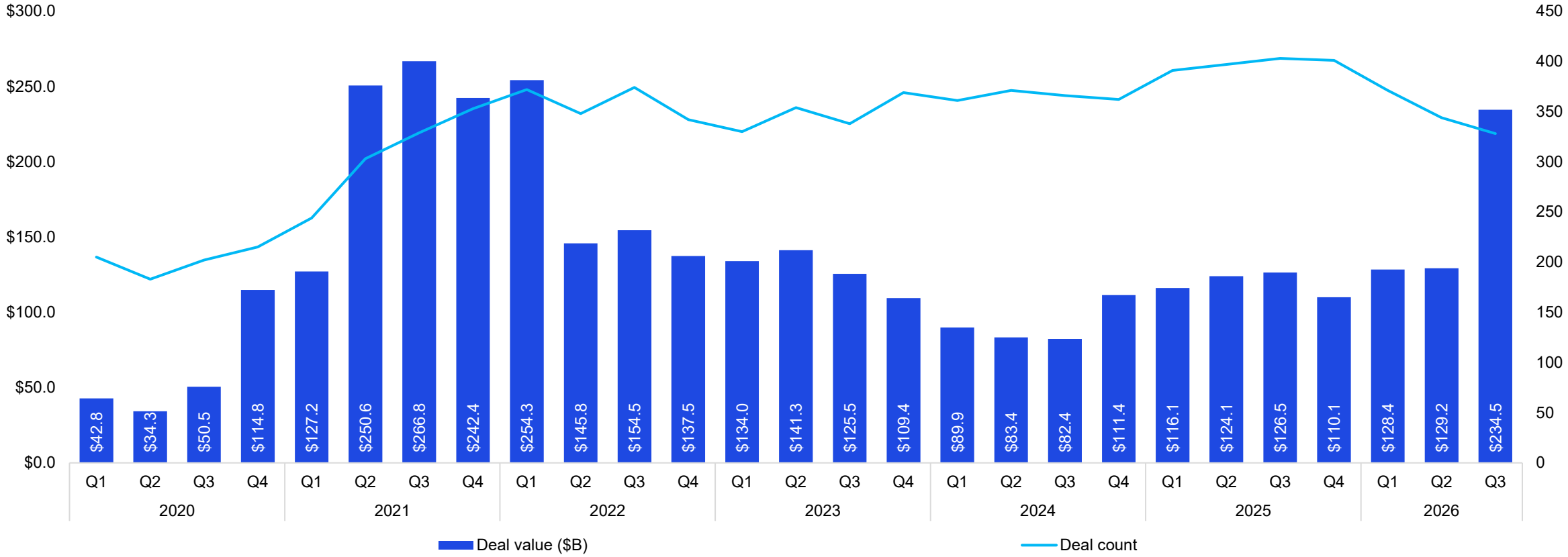


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Exits surge after a slew of public listings

ASPAC PE-backed exit activity

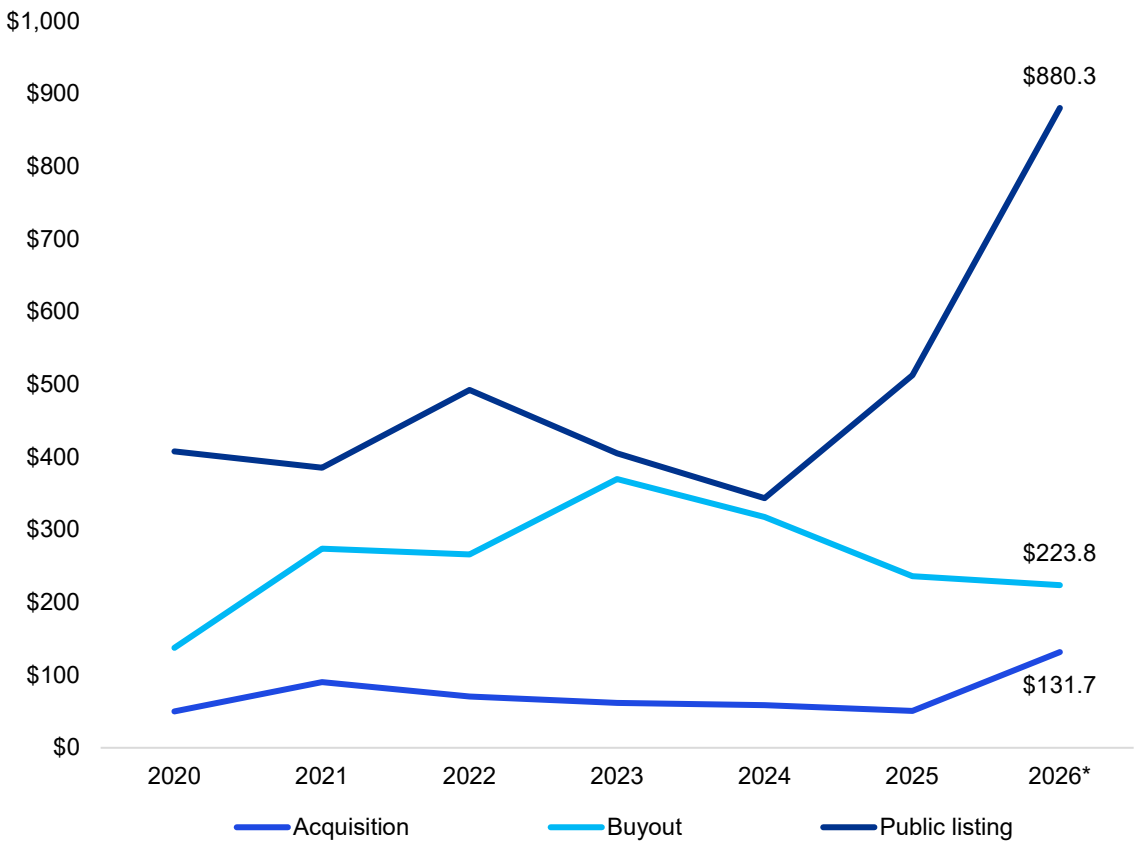


Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

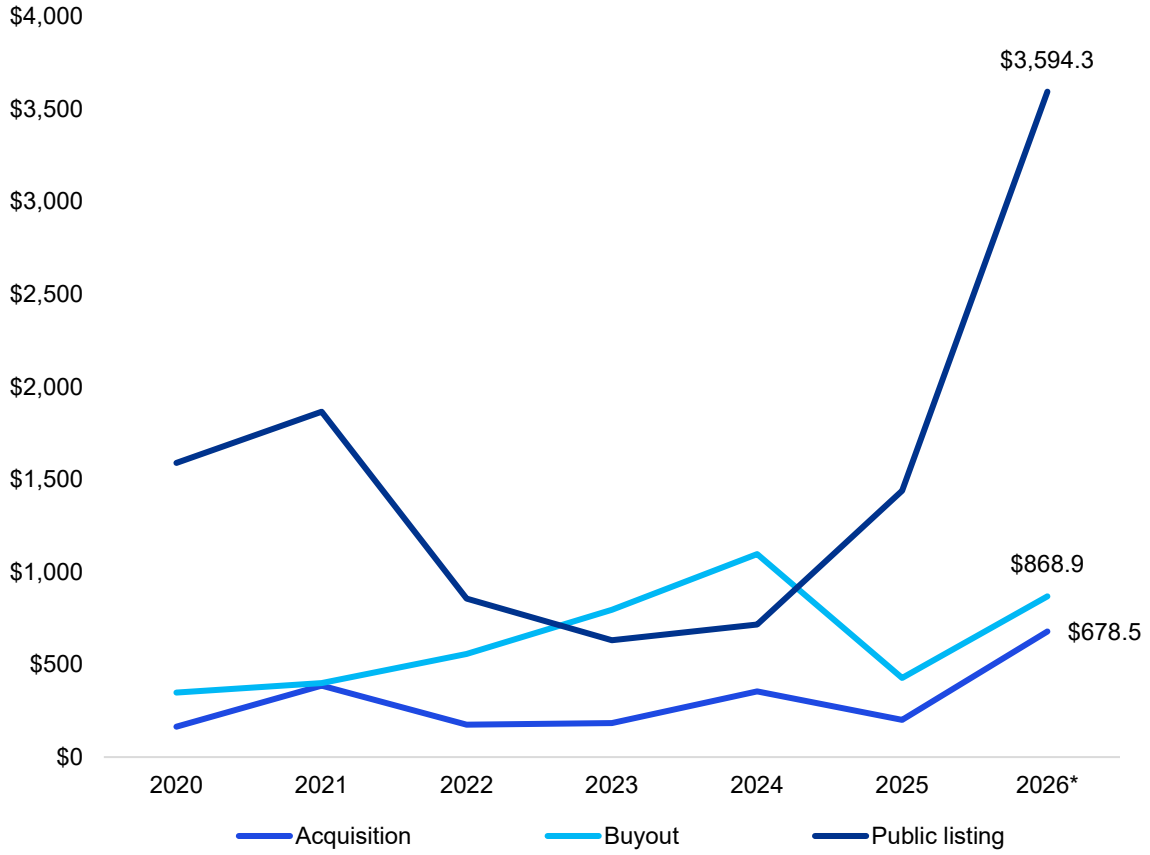
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Listings propel overall exit value

ASPAC median PE exit size ($M) by type



ASPAC average PE exit size ($M) by type



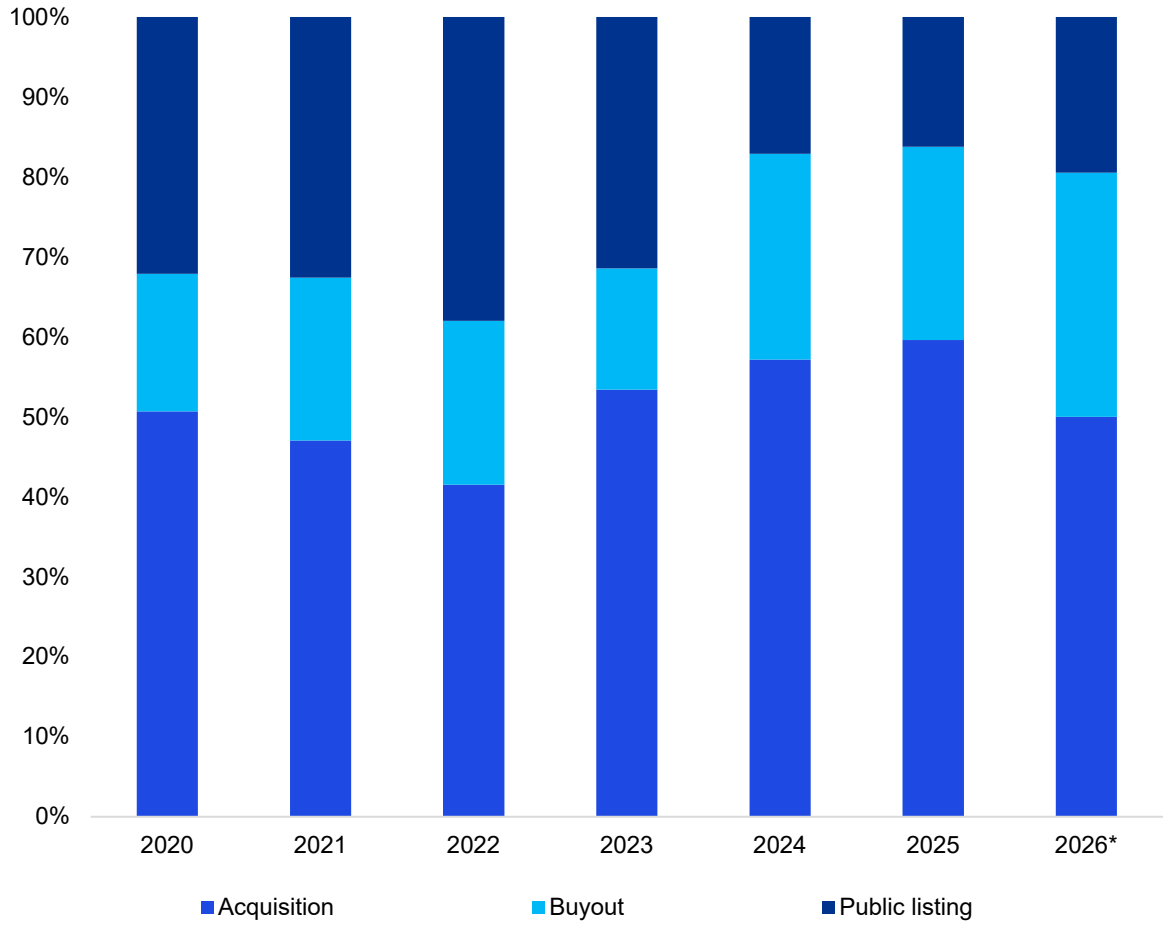
*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook
Note: The 2020 and 2026* figures for secondary buyouts are based on population sizes of n < 30.

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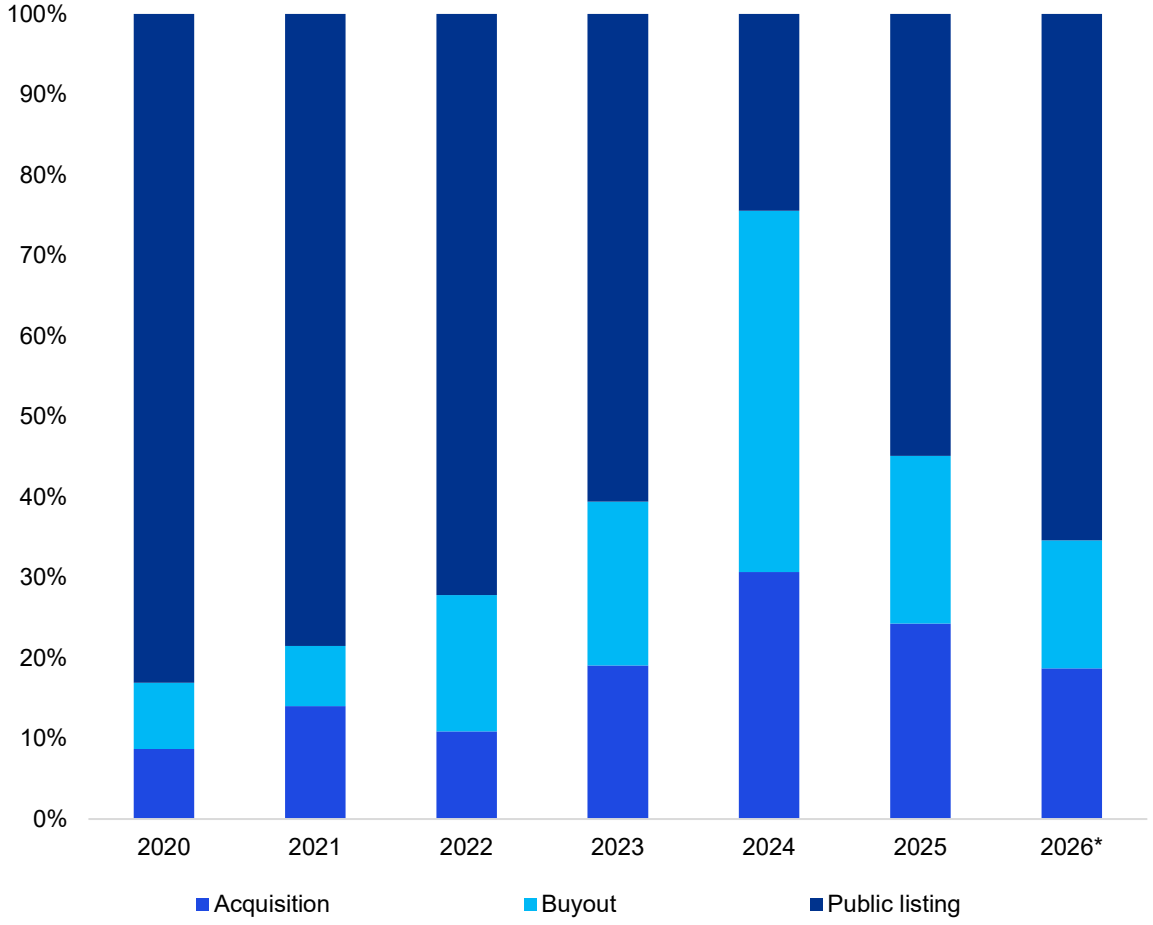
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Listings make major headway in deal value proportion

ASPAC PE-backed exit activity (#) by type



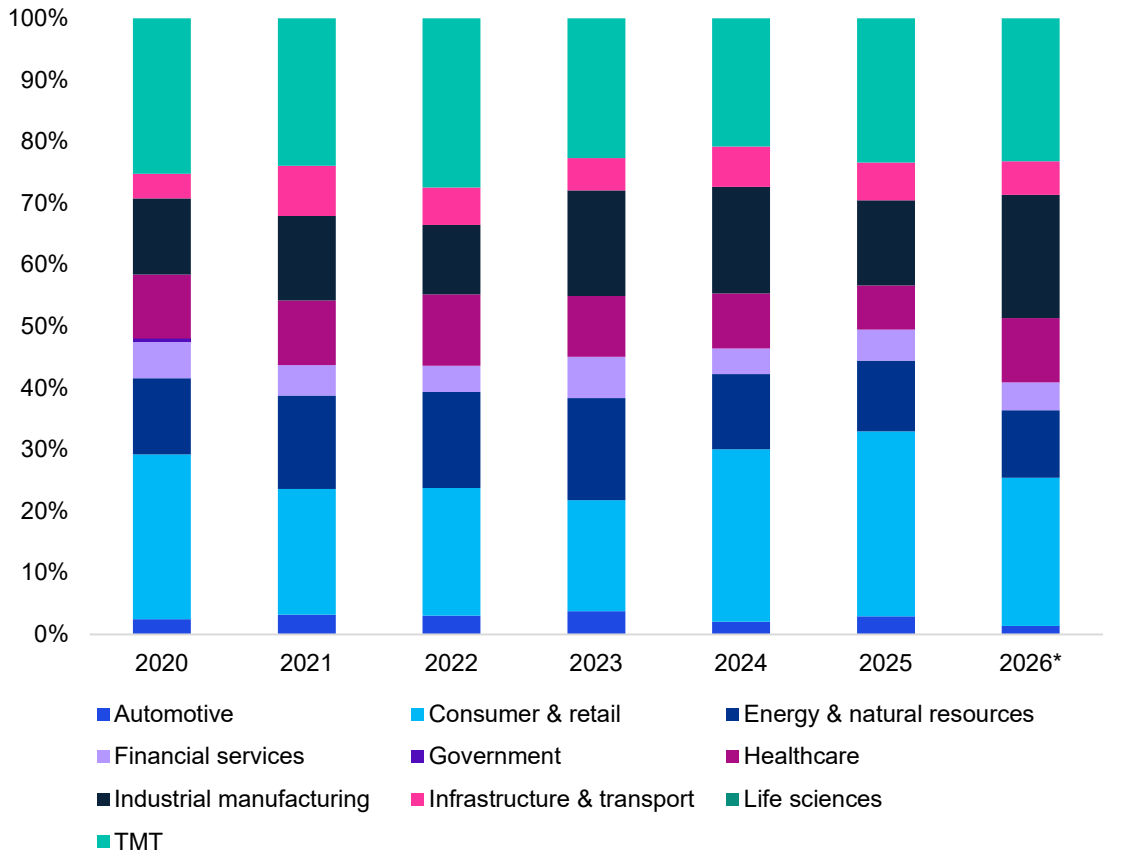
ASPAC PE-backed exit activity ($B) by type



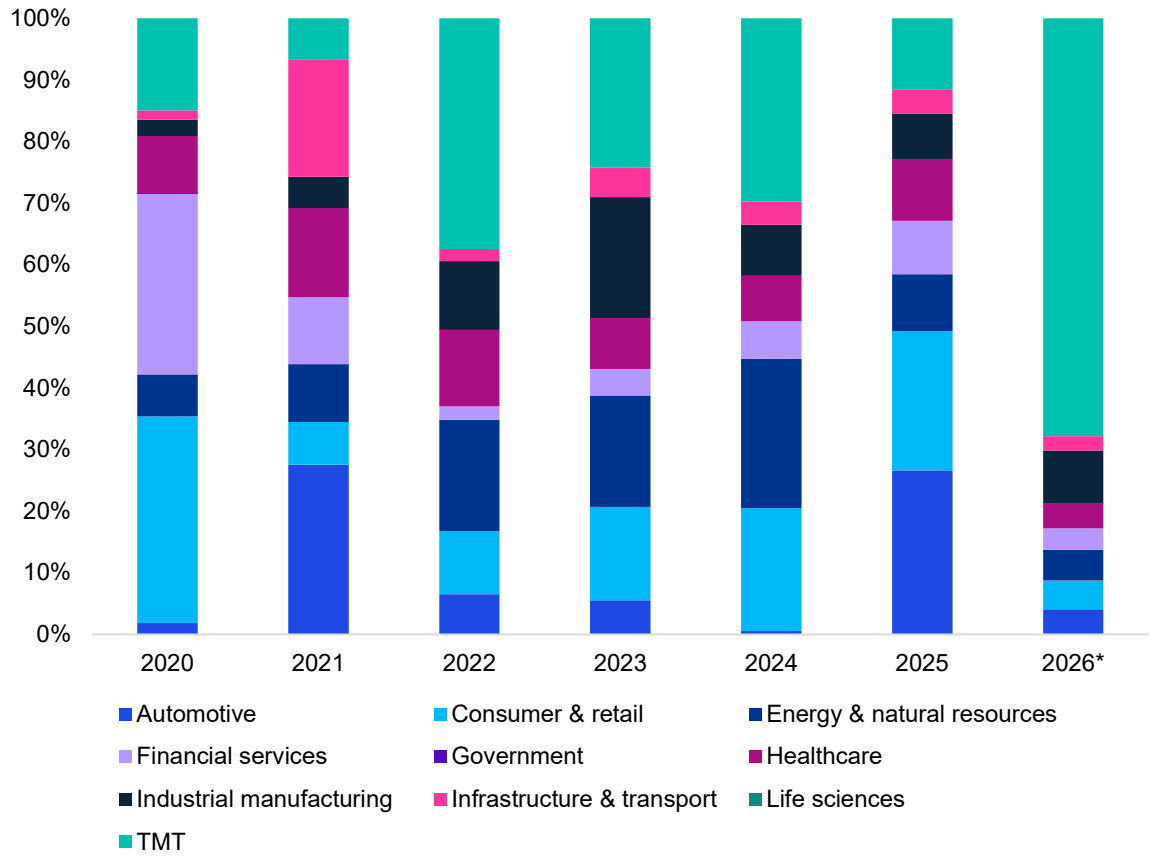
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Tech firm listings predominate value

ASPAC PE-backed exit activity (#) by sector



ASPAC PE-backed exit activity ($B) by sector



*Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

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The fundraising cycle enters a plateau

ASPAC PE fundraising activity



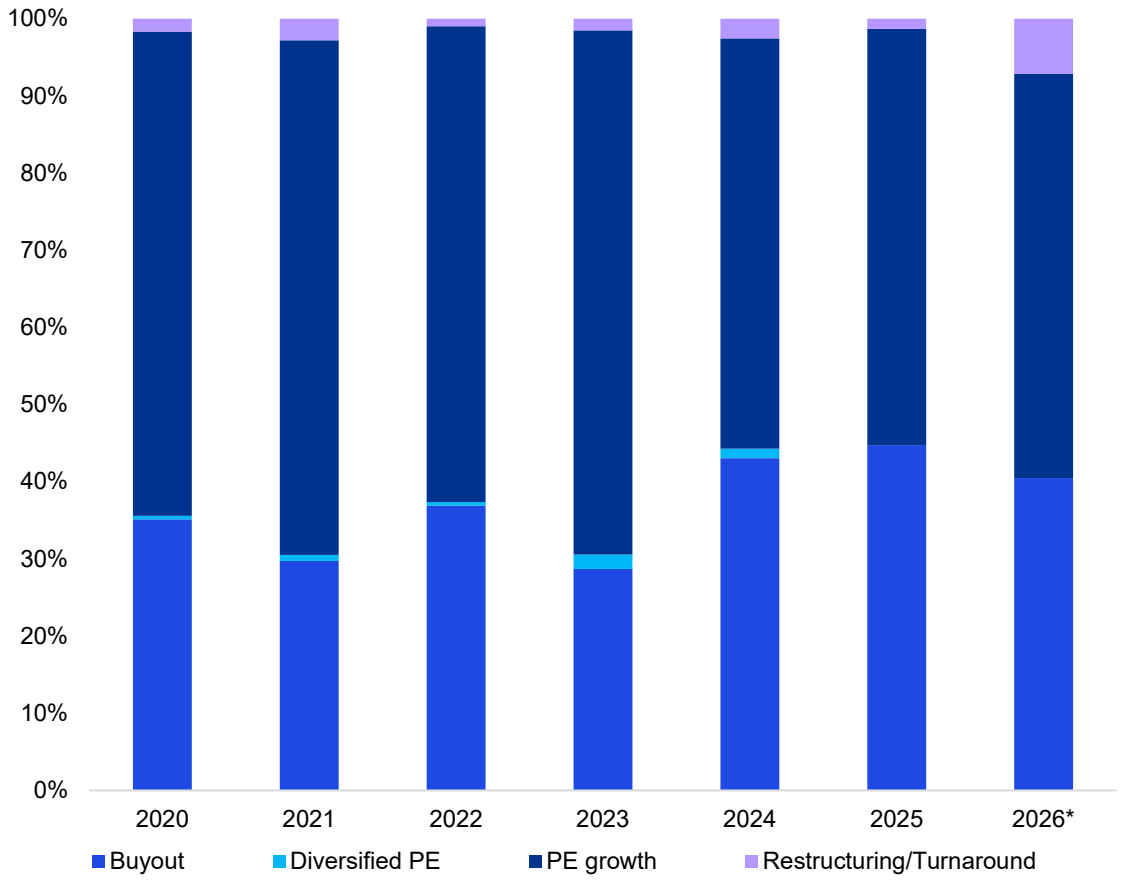
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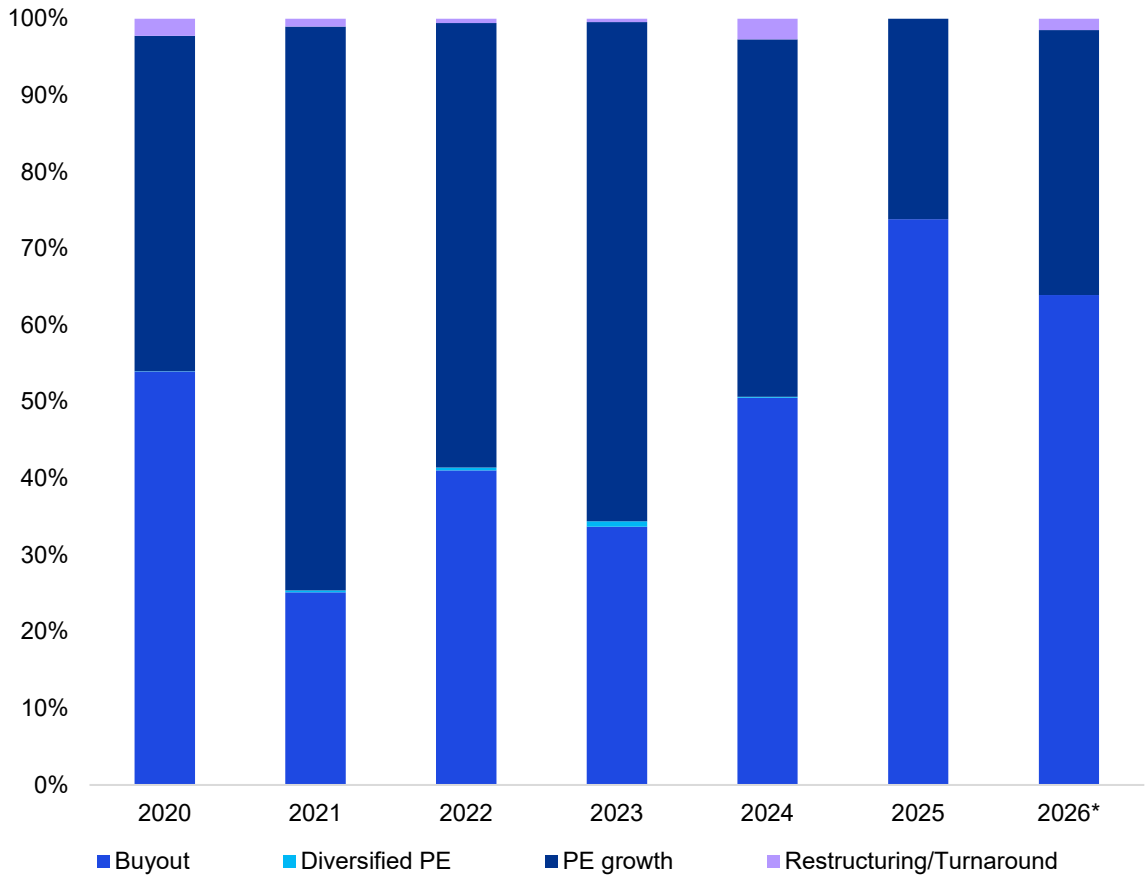
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PE growth fundraising rebounds, somewhat

ASPAC PE fundraising activity (#) by type



ASPAC PE fundraising ($B) by type

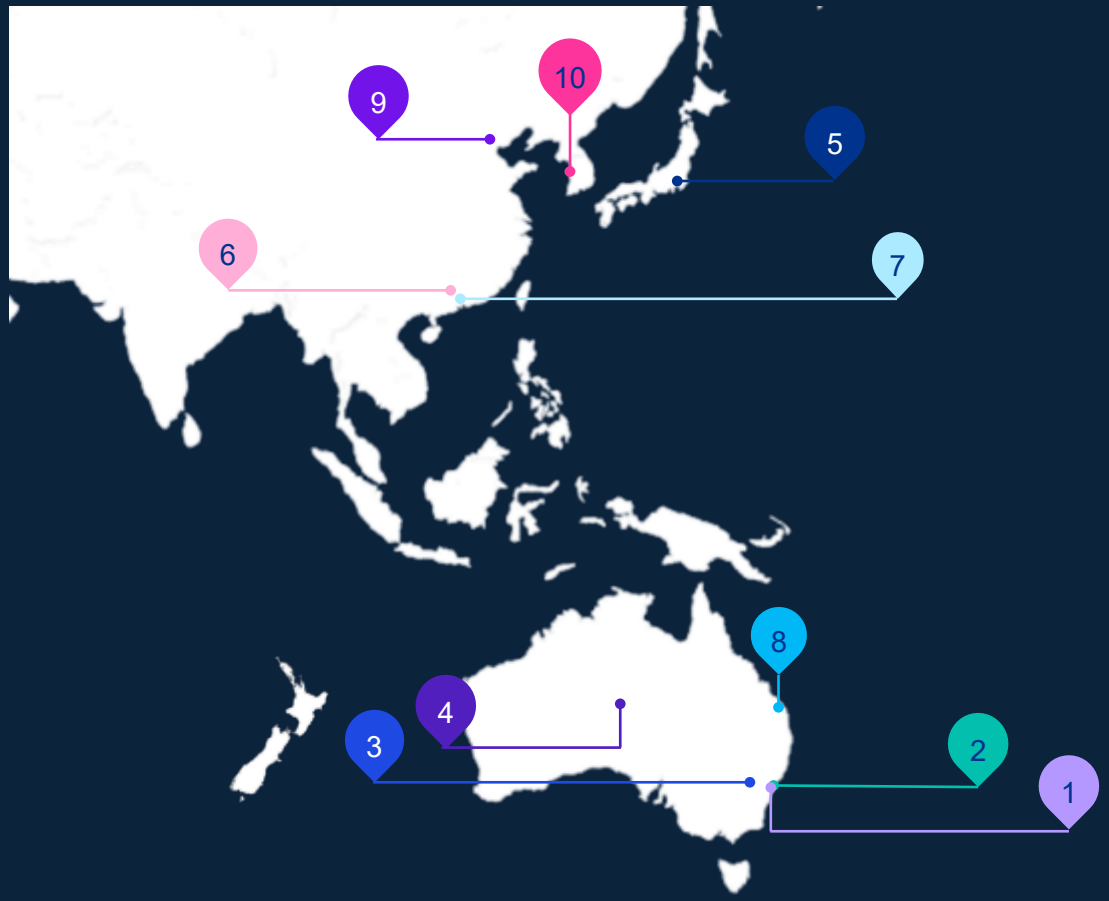


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ASPAC

Top 10 ASPAC deals announced/closed in Q3 2026



1. **Qube Holdings** — $8.2B, Sydney, Australia — Public-private, *Commercial services*
2. **Steadfast Group** — $5.4B, Sydney, Australia — Add-on, *Insurance*
3. **Paraway Pastoral** — $3.0B, Orange, Australia — Secondary buyout, *Agriculture*
4. **Plus ES** — $2.1B, Australia — Corporate divestiture, *Energy*
5. **Leopalace21** — $1.7B, Tokyo, Japan — Public-private, *Services*
6. **Lingxi Games** — $1.5B, Guangzhou, China — Corporate divestiture, *Software*
7. **SUNWODA EVB** — $1.2B, Shenzhen, China — PE growth, *Electrical equipment*
8. **NOJA Power** — $1.0B, Murarrie, Australia — Management buyout, *Electrical equipment*
9. **Luckin Coffee** — $1.0B, Beijing, China — PE growth, *Restaurants*
10. **LOTTE Rental** — $900.3M, Seoul, South Korea — Buyout, *Mobility*

Source: Pulse of private equity Q3'26 KPMG analysis of global private equity activity as of 30 September 2026. Data provided by PitchBook.

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KPMG firms' private equity practice

KPMG firms' private equity practice which sits at the center of our Private Capital business is cross-functional and focused on serving private equity firms and their portfolio companies.

KPMG experienced professionals understand the dynamic nature of the private equity marketplace — domestically and in investment centers around the world — and its growth potential. We appreciate the issues that private equity firms face on local, national and global levels.

KPMG firms aim to offer a fresh approach to the issues that can challenge private equity clients through their entire lifecycle, from structuring funds to realizing value.



KPMG private equity professionals



4,200+
professionals



920+
KPMG partners



Deep industry experience

How KPMG can help

KPMG private equity services are strategically designed to support clients throughout the entire investment lifecycle, helping ensure they effectively navigate the complexities of the private equity market. By leveraging its broad global resources and knowledge, KPMG firms assist clients with various aspects of their investments. This includes fund structuring, where KPMG helps design tailored investment vehicles to meet specific goals, along with detailed due diligence that can assess potential risks and opportunities related to acquisitions or investments. In addition, KPMG places a strong emphasis on performance-improvement initiatives aimed at enhancing the value of portfolio companies. By leveraging advanced technology and market insights, KPMG professionals equip clients to adapt to changing market conditions and seize growth opportunities across various sectors.

KPMG's strategic approach is characterized by a deep understanding of the dynamic nature of the private equity marketplace, as noted by KPMG's experienced professionals. Their knowledge can position clients to make informed investment decisions and capitalize on the growth potential in a rapidly evolving economy. KPMG firms' focus on technology-driven solutions further enhances the ability to support clients in navigating investment strategies effectively, thus enriching the value provided throughout the investment lifecycle.

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About the report

Methodology and data set descriptions

The datasets in this report sourced to PitchBook were pulled per the methodology below, along with the other details noted hereafter. Geographic assignation is based on the headquarters of the target company in each transaction; e.g. a PE buyout firm headquartered in the UK buying a company based in France would see that transaction credited to France based on company headquarters.

Deals

This report series utilizes a methodology and list of datasets by combining the following: PitchBook PE deal types, PitchBook M&A with at least one primary firm type participant designated as PE, other PE deal types (growth/expansion, PIPE, investor buyout by management, GP stakes), asset acquisitions with at least one PE participant or company backed in part by a PE firm. Announced/in-progress deals are combined with completed deals due to the nature of the M&A and PE dealmaking cycle, wherein a transaction may take years to complete and thus is captured by including such announced/in-progress transactions. Announced dates are used in favor of completed dates for deal-timing purposes.

Exits

PitchBook defines exits as any sale of a PE or VC-backed company that results in a change in majority ownership or listing on a public exchange. Public listings include IPOs and reverse mergers. For the purpose of reporting aggregate exit activity, we use the completion date for IPOs and the announced date for buyouts, M&A and reverse mergers. PitchBook only tracks announced or completed exits, not rumored transactions. Exit value, like deal value, includes exit amounts that were not collected by PitchBook but have been extrapolated using a multivariable regression model. Regardless of the extrapolated exit value, exits of unknown size are subsequently distributed into deal size buckets below 1 billion USD or EUR, based on the corresponding proportion of known deal sizes and exit activity capture estimation rates. Unless otherwise noted, initial public offering (IPO) sizes are based on the pre-money valuation of the company at the time of IPO. PitchBook excludes exits in which the only PE backing was a PIPE.

Fundraising

PitchBook's fund returns data is primarily sourced from individual LP reports, serving as the baseline for our estimates of activity across an entire fund. For any given fund, return profiles will vary for LPs due to a range of factors, including fee discounts, timing of commitments and inclusion of co-investments. This granularity of LP-reported returns — all available on the PitchBook Platform — provides helpful insight to industry practitioners but results in discrepancies that must be addressed when calculating fund-level returns.

To be included in pooled calculations, a fund must have at least one LP report within two years of the fund's vintage, and LP reports in at least 45 percent of applicable reporting periods. To mitigate discrepancies among multiple LPs reporting, the PitchBook Benchmarks determine returns for each fund based on data from all LP reports in a given period. For periods that lack an LP report, a straight-line interpolation calculation is used to populate the missing data; interpolated data is used for approximately 10 percent of reporting periods, a figure that has been steadily declining.

Beginning with PitchBook Benchmarks featuring data as of Q4 2019, datasets were expanded to include funds with a reported IRR, even if the fund's cashflow data does not meet the pooled calculation criteria. In our Q2 2021 report, additional improvements were made to the inclusion criteria for reported IRRs, which caused some shifts in vintage year data counts compared with prior iterations.

Due to a lag in reporting for some funds and liquidation causing older funds to no longer report returns, PitchBook pulls forward cash multiples and IRR information from previous quarters under the following stipulations: (i) extend cash multiples and IRR after five years since fund inception if reported NAV was less than 5 percent of commitments; (ii) if NAV is unknown or is greater than 5 percent after five years, extend cash multiples and IRR if the fund is older than eight years as of the last known data; and (iii) for funds less than five years or are less than eight years with NAV greater than 5 percent, extend cash multiples and IRRs from the prior quarter if available. All returns data is net of fees and carry.

Unless otherwise noted, PE fund data includes buyout, diversified PE, growth and restructuring/turnaround funds. PitchBook defines middle-market funds as PE investment vehicles with between 100 million and 5 billion USD or EUR in capital commitments. PitchBook defines private debt funds as pools of capital raised for the purpose of lending to private companies, including those held by PE funds, VC funds (referred to as 'venture debt'), real estate funds (referred to as 'real estate debt') and infrastructure funds (referred to as 'infrastructure debt'). These different types of debt funds are consolidated into the private debt category for our fundraising reports, but in asset class reports such as the Global Real Estate Report and Global Real Assets Reports, the related type of private debt is included in fundraising figures (i.e. real estate debt in the Global Real Estate Report and infrastructure debt in the Global Real Assets Report).

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Contacts

Gavin Geminder

Global Private Capital Leader
KPMG International
ghgeminder@kpmg.com

John Cho

Partner, National Private Capital Leader in Canada, Global Institutional Investors Group Leader, and Head of Deal Advisory for KPMG in the Americas region.
KPMG in Canada
johncho@kpmg.ca

Tilman Ost

Global Private Capital Advisory Leader
KPMG International and
EMA Head of Private Capital
KPMG in Germany
tilmanost@kpmg.com

Andrew Thompson

Asia Pacific Head of Private Capital and Asset Management
KPMG in Singapore
andrewthompson8@kpmg.com.sg

Jean-Pierre Trouillot

Partner, Advisory Leader for Latin America
KPMG in the US
jtrouillot@kpmg.com

Donald Zambarano

US Private Equity Sector Leader
KPMG in the US
dzambarano@kpmg.com

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