Special Report

Private Equity Factbook – Q4 2025

Focus: Global

Feb 2026

Private equity (PE) investments strengthened in Q4 2025 as apprehensions over rate hikes subsided and macroeconomic conditions stabilized

Q3 2025		Q4 2025	
2,139 Deals Completed	**USD 771 Bn** Capital Invested	**2,543** Deals Completed	**USD 771 Bn** Capital Invested
USD 360 Mn Average Deal Size	**835** Number of Exits	**USD 303 Mn** Average Deal Size	**763** Number of Exits

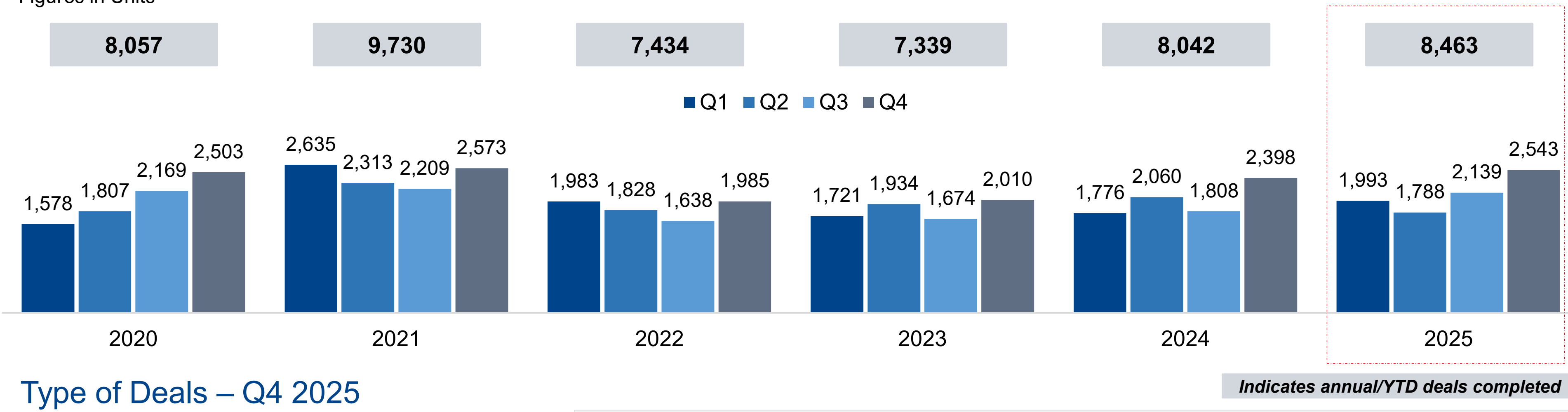
Source: *Pitchbook, Aranca Analysis*

Note: Quarter represents the calendar year.

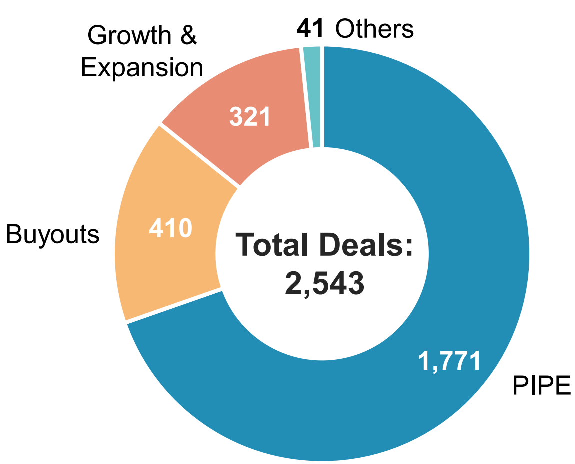
Q4 2025 witnessed a rebound in PE deal activity, driven by improved market conditions and renewed capital deployment

Number of Deals

Figures in Units



Type of Deals – Q4 2025



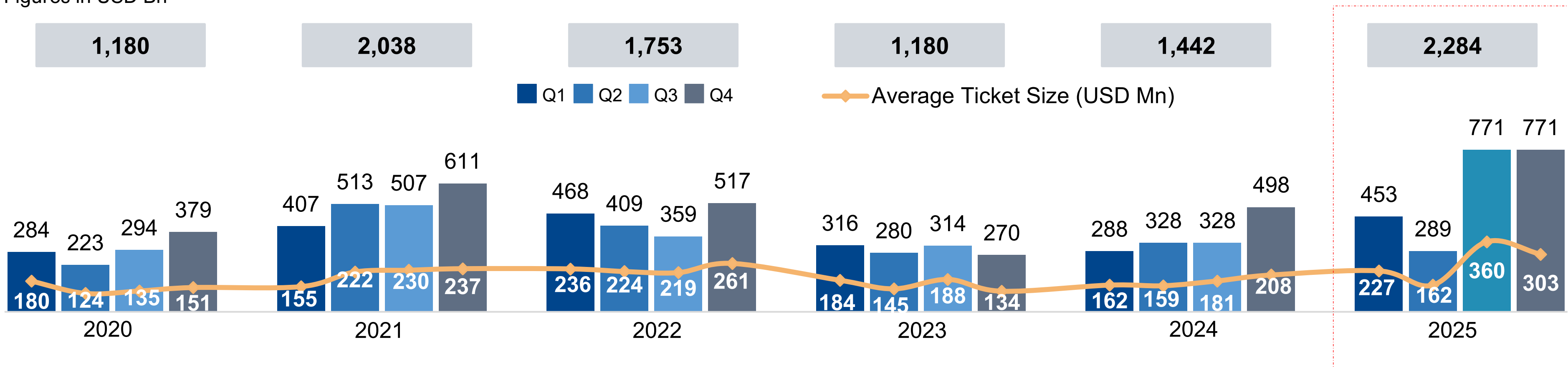
- *After several quarters of subdued PE activity, deal volumes increased by 19% QoQ in Q4 2025, supported by improving financial conditions, strong investor sentiment, and a rise in high-value exits led by strategic acquirers, which facilitated new investments.*
- *Sponsors also accelerated the deployment of accumulated dry powder as macroeconomic conditions stabilized.*
- *The rebound reflected the pent-up demand from 2023–2024 when elevated interest rates, valuation gaps between buyers and sellers, limited exit activity, and broader macroeconomic uncertainty constrained dealmaking.*
- *Growth in the quarter was further supported by continued momentum in buyouts and PIPE transactions, which increased by 44% and 25%, respectively.*

Source: *Pitchbook, Aranca Analysis*

PE investments remained consistent with the previous quarter, while the average ticket size declined by 16%, reflecting a reduction in large and mega-deals

Capital Invested

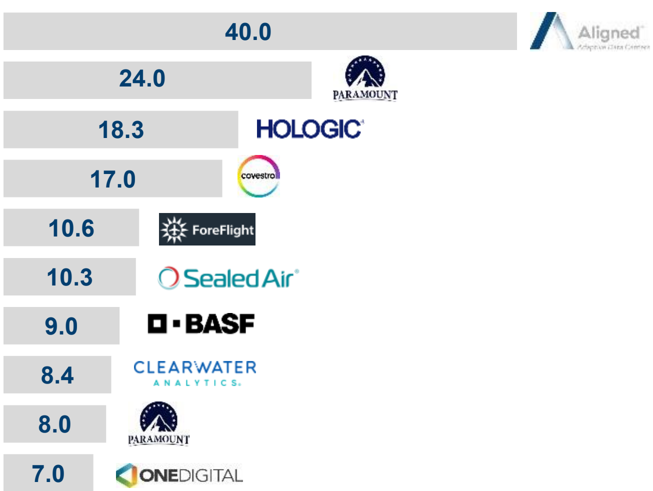
Figures in USD Bn



Indicates annual/YTD capital invested

Top 10 Deals – Q4 2025

Deal Value in USD Bn

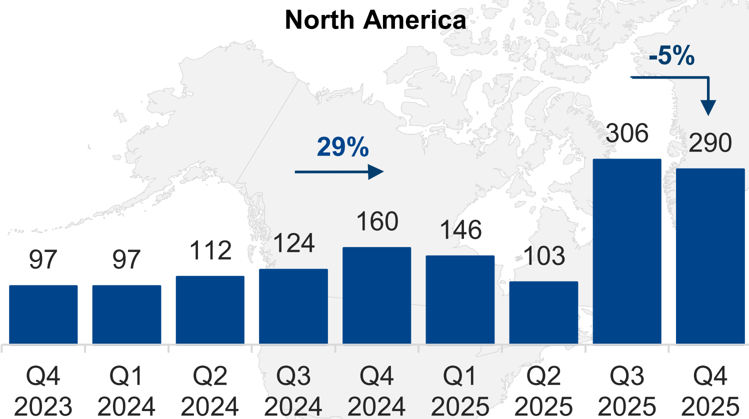


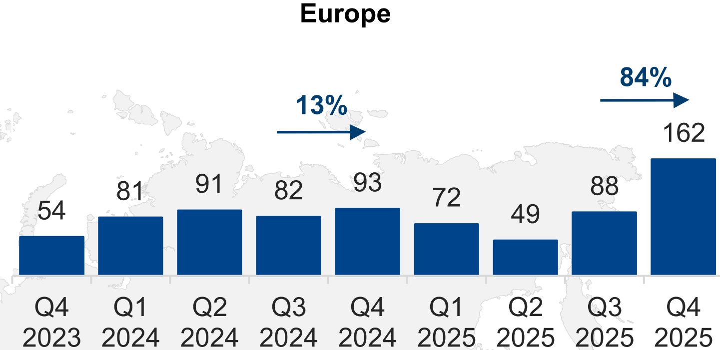
- *Total capital invested in PE deals remained stable in the quarter, as higher deal volumes and increased mid-market activity helped offset the impact of fewer large-cap transactions.*
- *Improved credit conditions, supported by easing interest rates, moderating inflation, and narrowing buyer–seller valuation gaps, facilitated steady deal closures without significant fluctuations in aggregate invested capital.*
- *Across deal types, transaction values in secondary buyouts and growth/expansion deals recorded strong growth, rising by 98% and 11%, respectively. In contrast, public-to-private transactions declined by 48% during the quarter.*

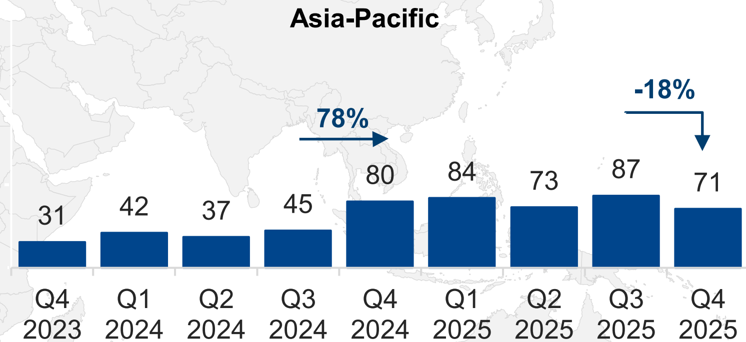
Source: *Pitchbook, Aranca Analysis*

While PE investments gained momentum in Europe, Latin America, and the MENA region, activity in North America and APAC declined in the quarter

Key Geographies







Other Geographies	Q3 2025 (In USD Bn)	Q4 2025 (In USD Bn)	Growth
Latin America	4	8	83%
MENA	8	13	65%

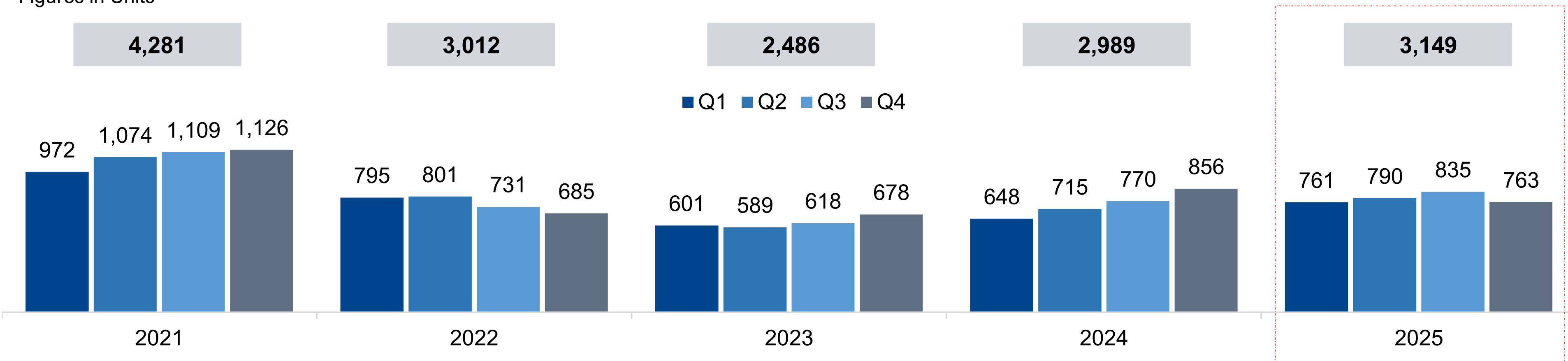
Capital Invested (USD Bn)

Source: *Pitchbook, Aranca Analysis*

Global PE exits grew in 2025, but Q4 saw softer volumes as activity became concentrated in large deals amid selective buyer demand and uneven market recovery

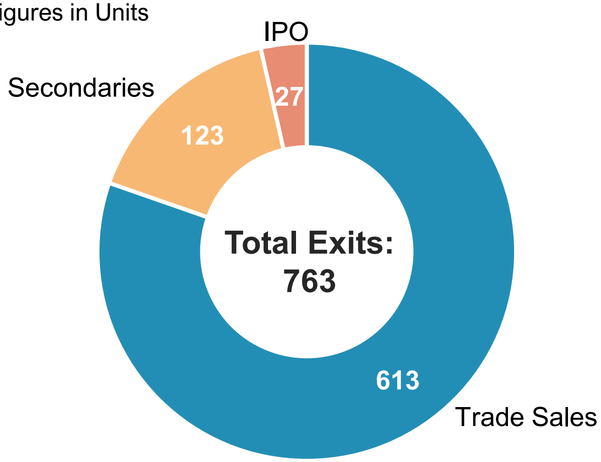
Number of Exits

Figures in Units



Key Exit Routes – Q4 2025

Figures in Units



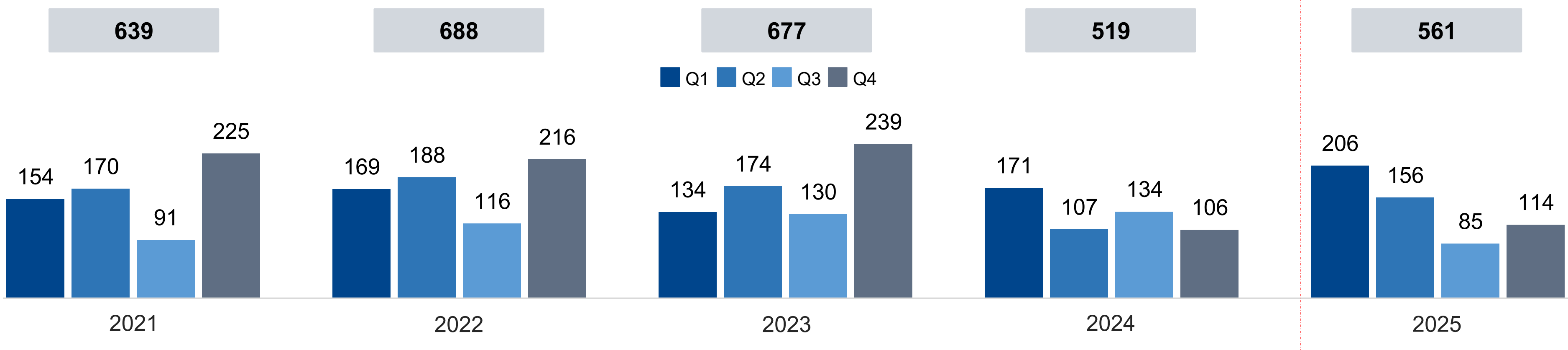
- *PE exit volume rose 5.4% in 2025, reaching 3,149 global exits compared with 2,989 in 2024. However, activity softened in Q4, with transactions increasingly concentrated in a smaller number of large deals.*
- *The late-year moderation reflected selective buyer demand and fewer deals closing toward the year-end.*
- *Trade sales remained the dominant exit route, as strategic buyers were more active than IPO and secondary channels. Nonetheless, acquirers stayed selective and IPO markets faced temporary disruptions, limiting a broader-based recovery in exit volumes.*

Source: *S&P Global, Aranca Analysis*

PE fundraising strengthened in Q4 2025 amid improving sentiment and LP confidence, while exit activity remained concentrated in large deals despite softer volumes

Capital Raised

Figures in USD Bn



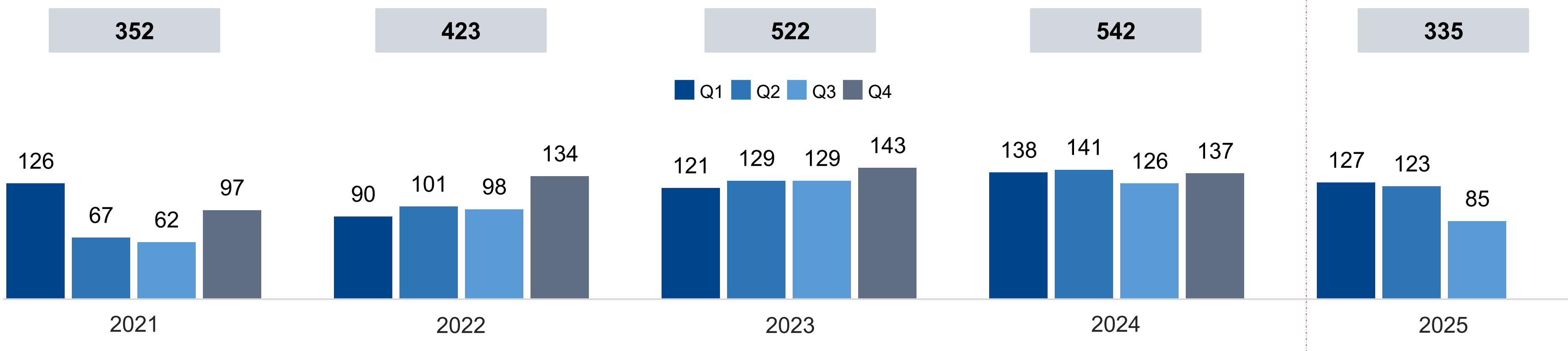
- *PE fundraising showed renewed momentum in Q4 2025, as general partners successfully closed a greater number of funds, including several large flagship and continuation vehicles. The improvement reflected strengthening market sentiment, growing investor confidence, and increased appetite for established managers.*
- *A rebound in deal activity in the second half of the year, coupled with expectations of a supportive interest rate environment, further reinforced LP commitment levels.*
- *Meanwhile, exit activity moderated in Q4 in terms of deal count, despite overall exit value remaining elevated, supported by a limited number of large and mega-sized transactions. This divergence between value and volume underscores the uneven nature of the exit recovery, with activity concentrated in high-quality assets while broader mid-market exits remained relatively subdued.*

Source: *Pitchbook, Aranca Analysis*

Global dry powder declined ~31% amid accelerated capital deployment and slow fundraising replenishment

Dry Powder*

Figures in USD Bn



- *Dry powder declined in the quarter as PE firms accelerated capital deployment amid improving market conditions, particularly into large and equity-intensive transactions.*
- *Although fundraising activity showed signs of stabilization, new capital commitments were insufficient to fully offset the pace of deployment, resulting in a net reduction in uncalled capital.*
- *The rebound in deal activity further supported higher GP capital utilization, contributing to the decline in overall dry powder levels.*

"Funders have significant dry powder, and private equity continues to face pressure to invest."

– Andy Killick (Partner and Head of Corporate Finance), PKF Francis Clark

"Private credit remains one of the top-performing asset classes in private markets, with assets under management (AUM) reaching $1.6 trillion in 2023, while managers hold $520.2 billion in dry powder."

– Adams Street Partners

**Note: Dry powder data is as of October 2025*
Source: *Pitchbook, Aranca Analysis*

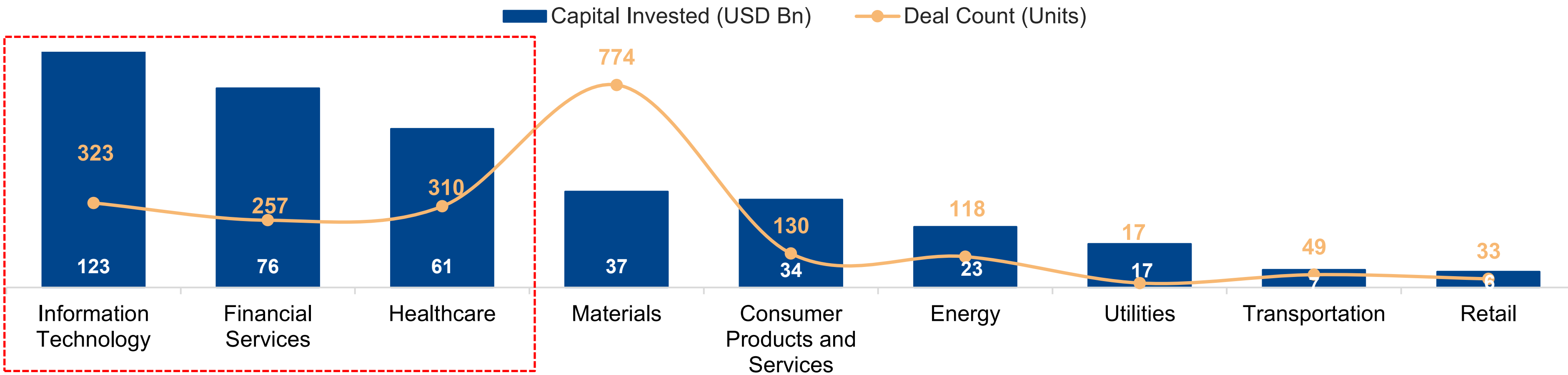
Top 15 PE firms (based on available dry powder) *(Illustrative)*

Investors	Geography	Dry Powder (USD Bn) As of Oct 2025	Last Investment			Investments (Last 6 Months)	Investment Targets
			Target	Deal Value (USD Bn)	Date		
Blackstone	The US	141.9	NCB Foodservice	-	Feb 2026	61	Real estate, public debt, infrastructure, life sciences, and growth equity
Ardian	France	64.3	VTG	-	Feb 2026	35	Food value chain, food & beverage, ingredients, agribusinesses, food safety, healthcare, and life science services
Kohlberg Kravis Roberts	The US	63.6	ST Telemedia Global Data	5.1	Feb 2026	48	B2B, B2C, energy, financial services, semiconductors, and infrastructure
TPG	The US	51.9	Sabre Industries	-	Feb 2026	45	Consumer, healthcare, business services, internet, digital media & communications, software, and enterprise technology sectors
EQT	Sweden	49.3	Mainswest	-	Jan 2026	33	Healthcare, technology, services, and industrial Tech sectors
Permira	The UK	47.9	American Sprinkler Company	-	Jan 2026	8	Technology, consumer, healthcare, and service sectors
ICG	The UK	45.0	Magellan Partners	-	Jun 2026 (Expected)	13	B2B and infrastructure sectors
Thoma Bravo	The US	42.4	Dayforce	12.4	Feb 2026	18	B2B, financial services, healthcare, information technology, infrastructure and cybersecurity sectors
The Carlyle Group	The US	38.7	Logmi	-	Feb 2026	39	Aerospace, government services, consumer, media, retail, financial services, aviation finance, and energy sectors
Bain Capital	The US	35.2	GAT Airline Ground Support	-	Feb 2026	26	Small B2B, B2C, retail, non-financial services, transportation, energy, healthcare, information technology, and SaaS
Apollo Global Management	The US	33.0	Bucket Listers	-	Feb 2026	31	A private equity firm
Partners Group	Switzerland	26.3	Efficient Insurance Solutions	-	Dec 2025	14	Private equity, infrastructure, real estate, private credit, and royalties' investments
Hellman & Friedman	The US	23.0	AIG Classic	-	Jan 2026	12	Consumer services, retail, energy, industrials, financial services, technology, information, content and insurance service sectors
Clearlake Capital Group	The US	21.9	Pretium Packaging	0.6	Jan 2026	6	Small and medium-sized companies operating in technology, industrials, and consumer sectors
HPS Investment Partners	The US	19.7	In & Out Car Wash	-	Feb 2026	7	Small to large companies through syndicated leveraged loans, high-yield bonds, privately negotiated senior secured debt, and subordinated debt

***Source:** Pitchbook, Aranca Analysis*

IT, financial services, and healthcare services account for ~48% of the total capital invested by PE firms

Top Sectors* – Q4 2025



*Note: *Only includes deals for which sector-level information is available. Deals include those completed and announced.*

"India's financial services and IT sectors will be the most attractive areas for private equity buyouts this year."

–Vice President, India's Representative Body for Private Capital Investors

"Healthcare private equity delivered a record performance last year as large deals spiked and deal count rose across all tiers, with the biopharma and provider segments leading the way, driven by healthcare IT activity."

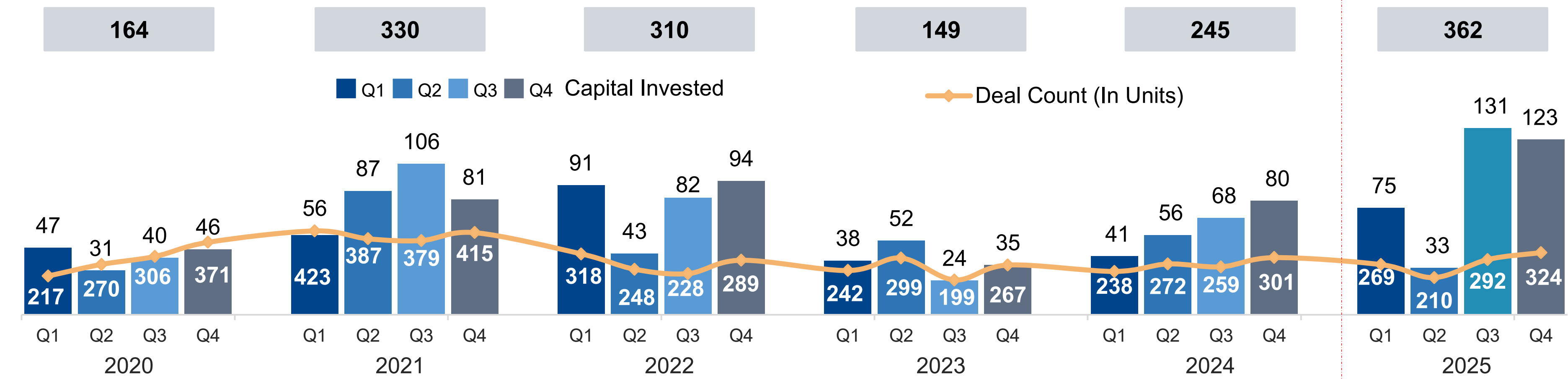
–A Private Equity Advisory Firm

Source: *Pitchbook, Aranca Analysis*

Deal activity in the IT sector declined in Q4 2025, with deal value down 6% QoQ, while volume increased 11%, driven primarily by software investments

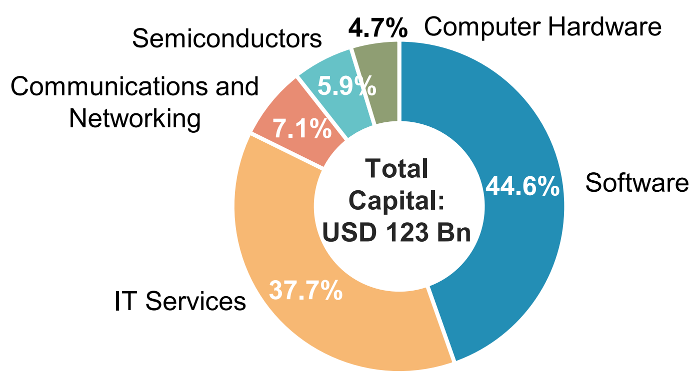
Top Sectors – IT

Figures in USD Bn



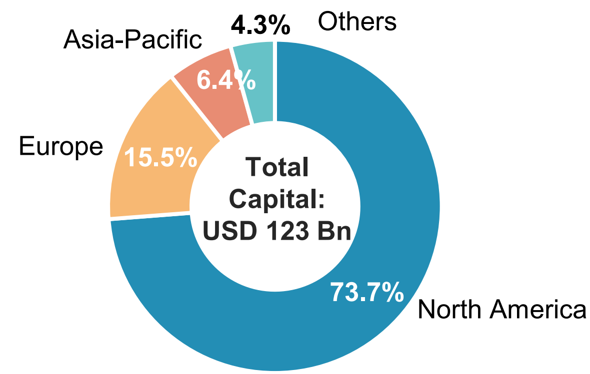
IT by Primary Sectors in Q4 2025

Figures in Percentage and USD Bn



IT by Geography in Q4 2025

Figures in Percentage and USD Bn



***Source:** Pitchbook, Aranca Analysis*

**Note: Deals include completed and announced*

Top PE investments in the IT sector in Q4 2025 *(Illustrative)*

IT Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD Mn)	Deal Type	Investors
IT Services	IT Consulting and Outsourcing	Aligned Data Centers	Provider of modular, scalable data center and cloud infrastructure solutions	The US	40,000	Buyout/ LBO	BlackRock, Global Infrastructure Partners, Kuwait Investment Authority, MGX, Microsoft, Nvidia, Temasek Holdings, xAI
		Wireless Logic	Provider of internet of things and managed services	The UK	2,327	Buyout/ LBO	Montagu Private Equity
Software	Business/Productivity Software	ForeFlight	Developer of digital flight navigation software	The US	10,550	Buyout/ LBO	Thoma Bravo
	Financial Software	Clearwater Analytics Holdings	Provider of investment management platform	The US	8,400	Buyout/ LBO	Francisco Partners Permira, Temasek Holdings, Warburg Pincus
Semiconductors	Application Specific Semiconductors	Intel	Designer, manufacturer and seller of computer components	The US	5,000	PIPE	Goshawk Asset Management, Nvidia
	Production	ESWIN Material	Manufacturer of silicon wafers used for semiconductor production	China	650	IPO	Beijing Electric Control Industry Investment, Changan Huitong, Chengdu Venture Capital Group, China Electronics Technology Investment, China Insurance Investment
Computer Hardware	Other Commercial Products/Hardware	CompoSecure	Designer and manufacturer of premium metal cards	The US	1,961	PIPE	-
	Computers, Parts and Peripherals	Moore Threads	Developer of graphic processing unit	China	1,126	IPO	Beijing Electric Control Industry Investment, China Insurance Investment, China Structural Reform Fund, Citic Securities Investment, Hefei Innovation Technology Venture Capital
Communications and Networking	Telecommunications Service Providers	Eutelsat Communications	Provider of commercial satellite	France	1,579	PIPE	Bharti Space, CMA CGM, French Government, ISALT- Strategic Long Term Equity Investments
		WideOpenWest	Cable operator and broadband service provider	The US	1,500	Buyout/ LBO	Crestview Partners, Digital Bridge Group

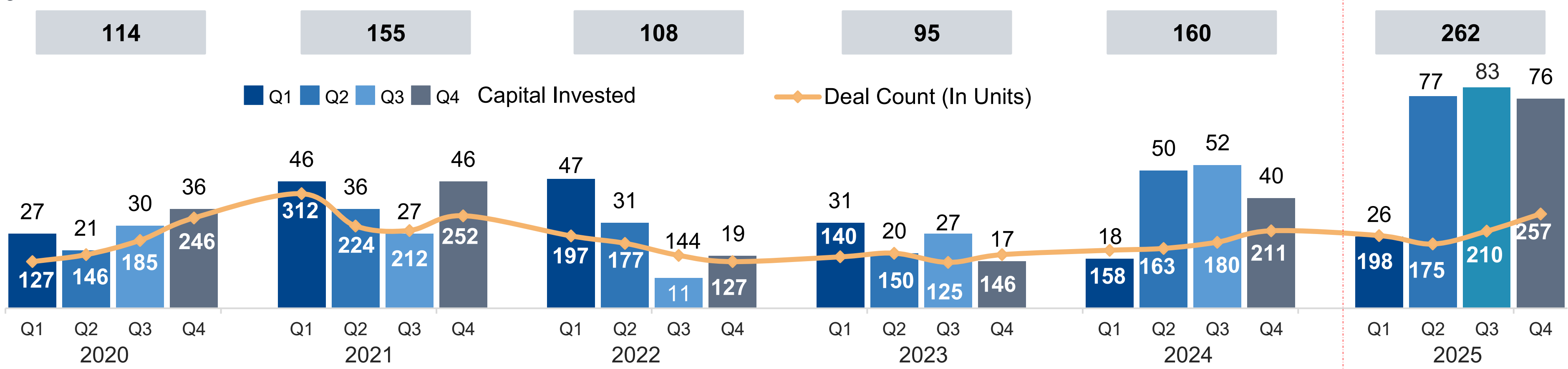
Source: *Pitchbook, Aranca Analysis*

**Note: Deals include completed and announced*

Investments in the financial services sector declined 8% QoQ in deal value, with most capital deployed in other financial services and capital markets/institutions

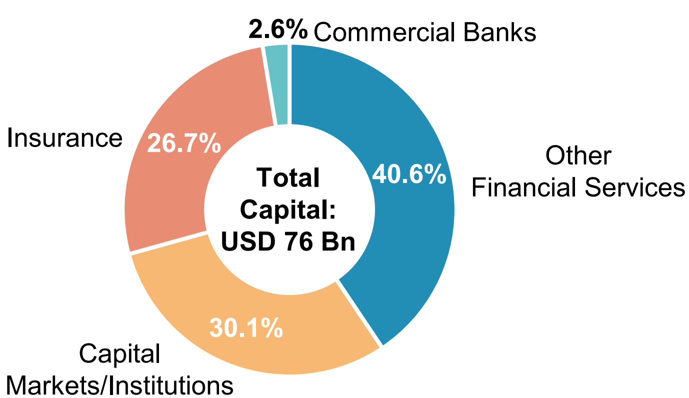
Top Sectors – Financial Services

Figures in USD Bn



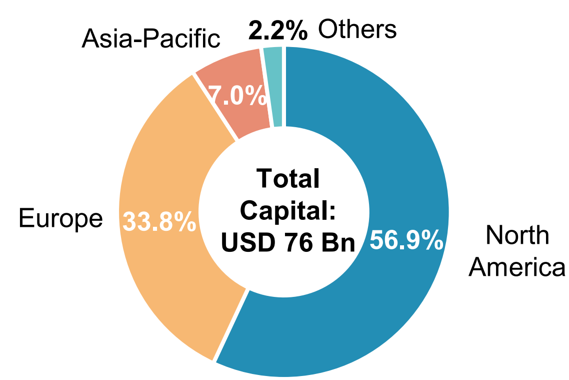
Financial Services by Primary Sectors in Q4 2025

Figures in Percentage and USD Bn



Financial Services by Geography in Q4 2025

Figures in Percentage and USD Bn



Source: *Pitchbook, Aranca Analysis*

**Note: Deals include completed and announced*

Top PE investments in the financial services sector in Q4 2025 *(Illustrative)*

Financial Services Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD Mn)	Deal Type	Investors
Insurance	Commercial/ Professional Insurance, and Re-Insurance	Convex Insurance	Operator of a specialty insurer and reinsurer firm	The UK	7,000	Buyout/ LBO	American International Group, Onex
	Life and Health Insurance, and Multi-line Insurance	Utmost Life & Pensions	Provider of pension and life insurance	The UK	6,649	Buyout/ LBO	JAB Holding Company
Other Financial Services	Other Financial Services	OneDigital	Provider of employee benefit services	The US	7,000	Buyout/ LBO	CPP Investments, Stone Point Capital
	Financial Software	OSTTRA Group	Developer trade processing and workflow software	The UK	3,100	Buyout/ LBO	Kohlberg Kravis Roberts
Capital Markets/ Institutions	Asset Management	JTC Group	Provider of fund administration and private client solutions	The UK	6,579	Buyout/ LBO	Permira
		NFP	Provider of corporate benefits, insurance, and wealth management services	The US	2,700	Buyout/ LBO	Madison Dearborn Partners
Commercial Banks	Regional Bank	Heritage Commerce	Provider of commercial banking services	The US	811	Buyout/ LBO	Citizens Business Bank
	International and National Bank	Unicaja Banco	Provider of retail banking services	Spain	347	PIPE	Santa Lucía

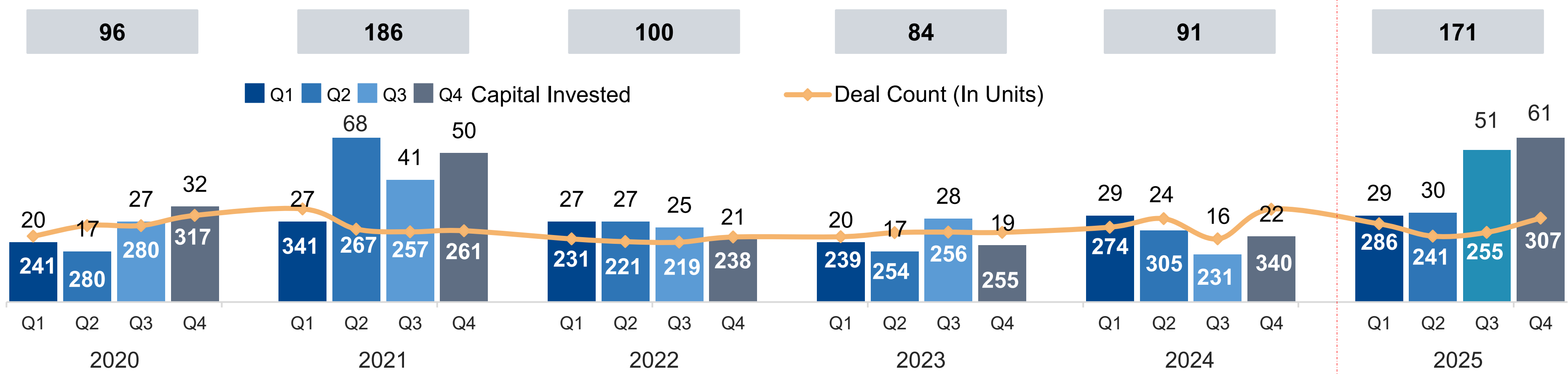
Source: *Pitchbook, Aranca Analysis*

**Note: Deals include completed and announced*

PE firms injected significant capital into healthcare deals in Q4 2025, driven by heightened investments in healthcare devices and supplies, and healthcare services

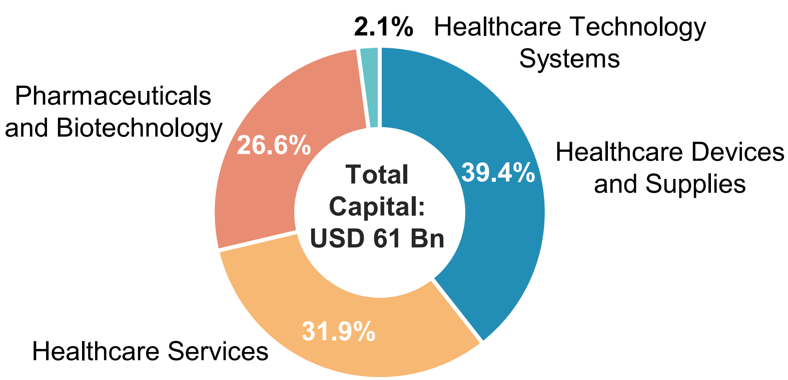
Top Sectors – Healthcare

Figures in USD Bn



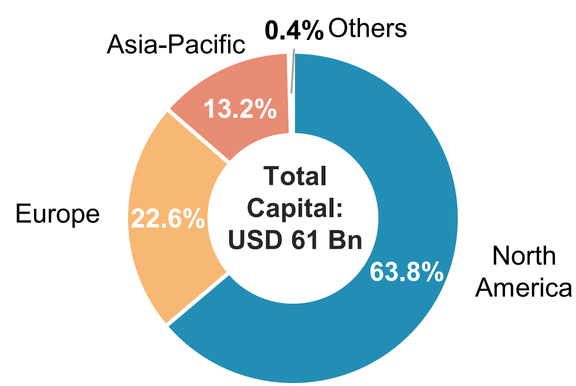
Healthcare by Primary Sectors in Q4 2025

Figures in Percentage and USD Bn



Healthcare by Geography in Q4 2025

Figures in Percentage and USD Bn



Source: *Pitchbook, Aranca Analysis*

**Note: Deals include completed and announced*

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Top PE investments in the healthcare sector in Q4 2025 *(Illustrative)*

Healthcare Sectors	Subsectors	Company Name	Company Description	Geography	Deal Size (USD Mn)	Deal Type	Investors
Healthcare Devices and Supplies	Diagnostic and Monitoring Equipment	Hologic	Manufacturer of devices for diagnostics, surgery, and medical imaging for women's health	The US	18,300	Buyout/ LBO	Abu Dhabi Investment Authority, Blackstone, GIC Private, TPG
	Surgical and Therapeutic Device	Teleflex Medical OEM	Manufacturer of medical-device components and interventional systems	The US	1,500	Buyout/ LBO	Kohlberg & Company, Montagu Private Equity
Healthcare Services	Elder and Disabled Care	Barchester Healthcare	Operator of care home facilities	The UK	6,840	Buyout/ LBO	Welltower OP
		Amica Senior Lifestyles	Provider of retirement residences	Canada	3,331	Buyout/ LBO	Welltower OP
Pharmaceuticals and Biotechnology	Biotechnology	Polaris Group	Developer of anti-cancer therapies	Taiwan	4,500	PIPE	-
		Swixx Biopharma	Provider of commercialization services for biopharma companies	Switzerland	1,742	PE Growth/ Expansion	HBM Healthcare Investments, Merieux Equity Partners, SK Capital Partners
Healthcare Services	Other Healthcare Technology System	Assembled Intelligence	Operator of a unified healthcare communications platform	The US	864	PE Growth/ Expansion	Amulet Capital Partners
		Freenome	Developer of a multi-omics platforms	The US	240	PIPE	ADAR1 Capital Management, Bain Capital Life Sciences, Farallon Capital Management, Perceptive Advisors, RA Capital Management

Source: *Pitchbook, Aranca Analysis*

**Note: Deals include completed and announced*

Aranca View

- **Low financing costs and improved credit conditions are expected to support higher sponsor-led and strategic M&A volumes**
- **LP liquidity constraints will continue to favor large, established managers with strong track records**
- **Capital is likely to concentrate in technology, healthcare, and AI-driven businesses with resilient, scalable models**
- **High public market valuations and increased corporate and secondary activity should support a steady recovery in exits**

Source: *Aranca Analysis*

500+
Strong team of professionals across multi-disciplinary domains

2500+
Global clients

120+
Sectors and sub-sectors researched by our analysts

80+
Countries where we have delivered projects

ABOUT ARANCA

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