Powering Forward
in a New Era

Global Private Equity Report 2026

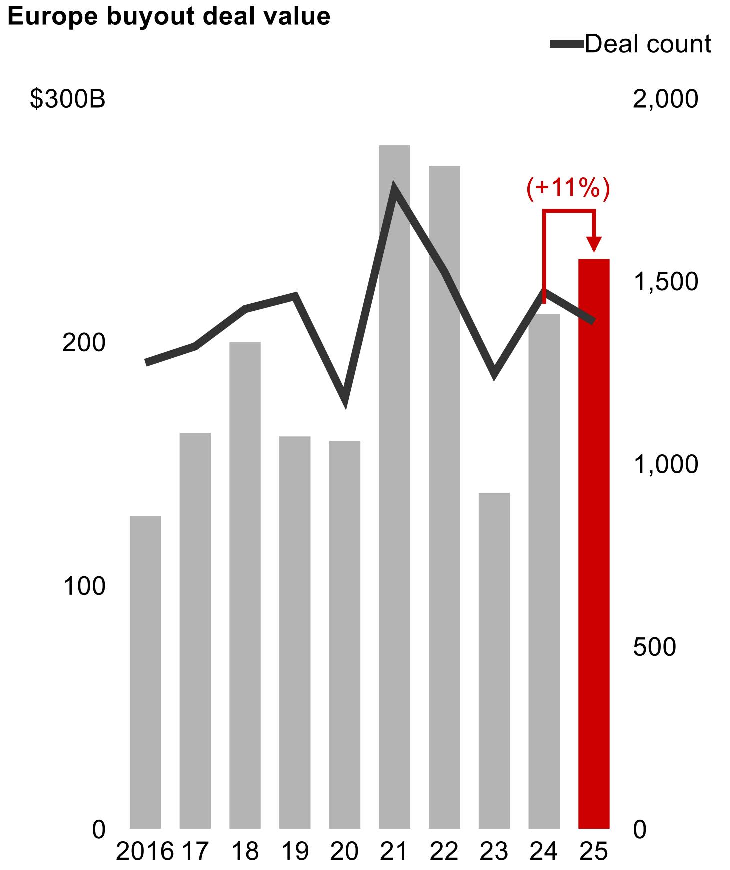
European fact base

Summary

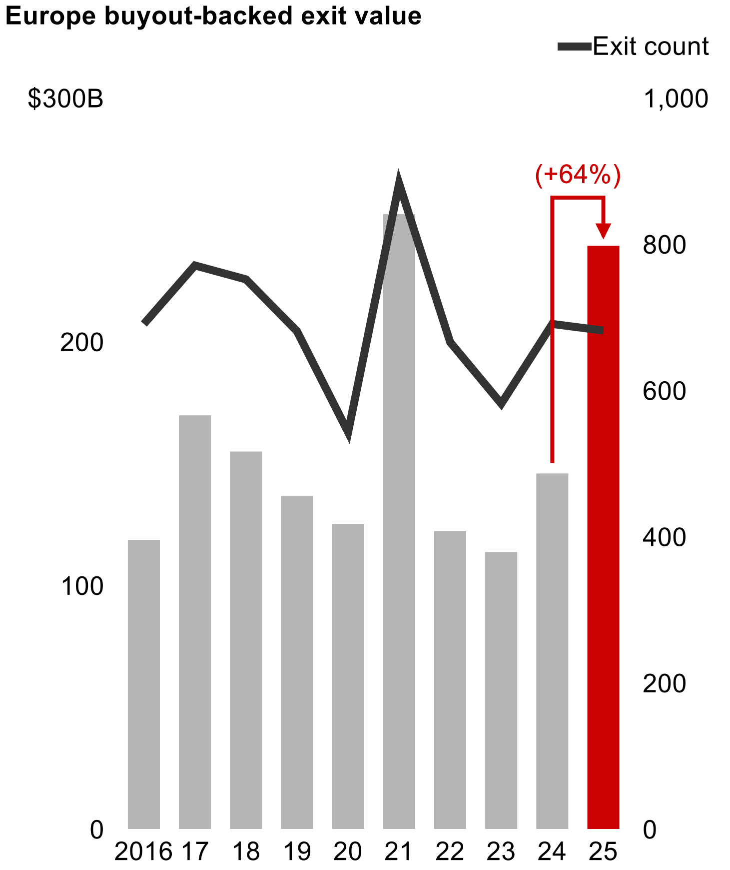
- **Buyout private equity remains a secular long-term growth industry**, with returns outperforming public markets in Europe for 5+ year timelines
- While European **buyout deal and exit values continued to rebound** in 2025 following a particularly weak 2023, **buyout fund-raising lagged**, and was substantially below the two very strong years 2023 and 2024
- **Investments continued to rebound in 2025** (+11% YoY to $235B), with momentum building in H2, but activity remains below 2021/ 2022 peak
  - **Size mix:** Deal value growth was driven by deals in the size buckets $1B-$5B (+42% YoY) and $5B-$10B (+17% YoY); $10B+ deals fell sharply (-56% YoY), reflecting one deal (TenneT Germany) vs. two in 2024
  - **Sector mix:** Shift towards growth pockets, e.g., healthcare (+174% YoY) and utilities and energy (+39% YoY), while Technology declined (-25% YoY)
  - **Country mix:** Growth was led by DACH (+136%) and Nordics (+124%), while the UK (-30%) and France (-12%) were down year-over-year
  - **Deal multiples:** Remained largely stable at ~11x versus 2024
- **Exits rebounded sharply in 2025** (+64% YoY), with momentum accelerating in H2
  - Value growth was led by sponsor-to-strategic up 82% YoY to $134B and sponsor-to-sponsor up 56% to $96B
  - Exit count remained broadly flat (-1% YoY), indicating the rebound was driven by larger transactions rather than more deals
  - Liquidity remained constrained and stock of unrealized assets grew to ~15,000 companies (~$850B value), with average holding periods at exit nearing ~7 years in 2025 (vs. ~5 years in 2010) and ~39% of buyout-backed assets now held for more than 5 years
- Overall **European private capital fund-raising edged up** to $338B in 2025 (+4% YoY), but the **mix shifted away from buyout**
  - European buyout fund-raising dropped to ~$89B in 2025 (-43% YoY)
  - The decline in buyout was primarily due to the absence of raises greater than $5B, a segment that contributed ~45% of buyout capital in 2024 but saw no closures in 2025

2025 investments and exits continued rebound from 2023 troughs, while buyout fund-raising declined significantly versus 2024

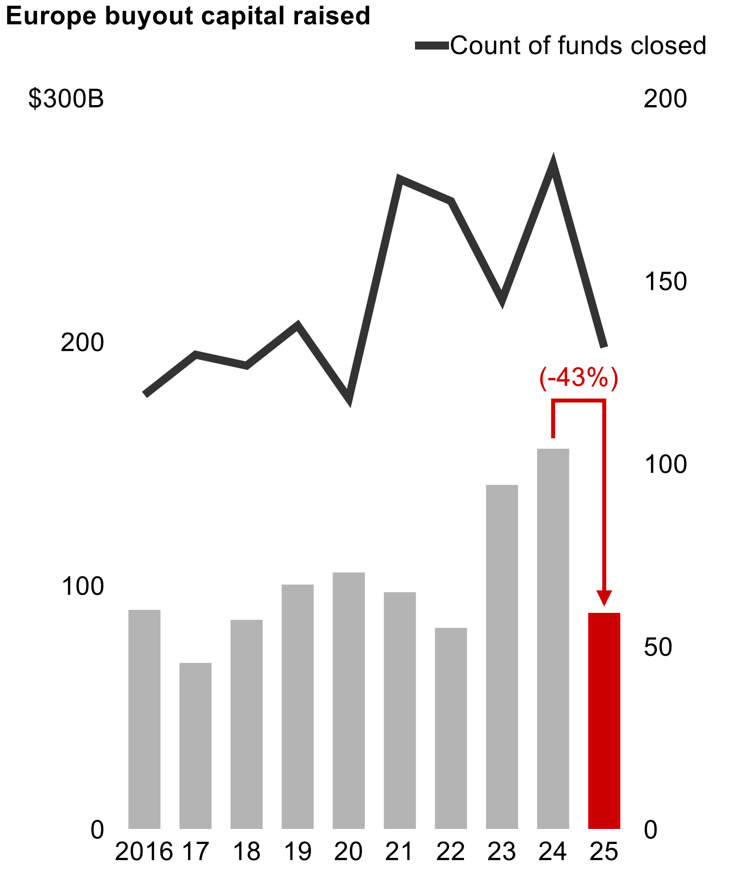
Investments



Exits



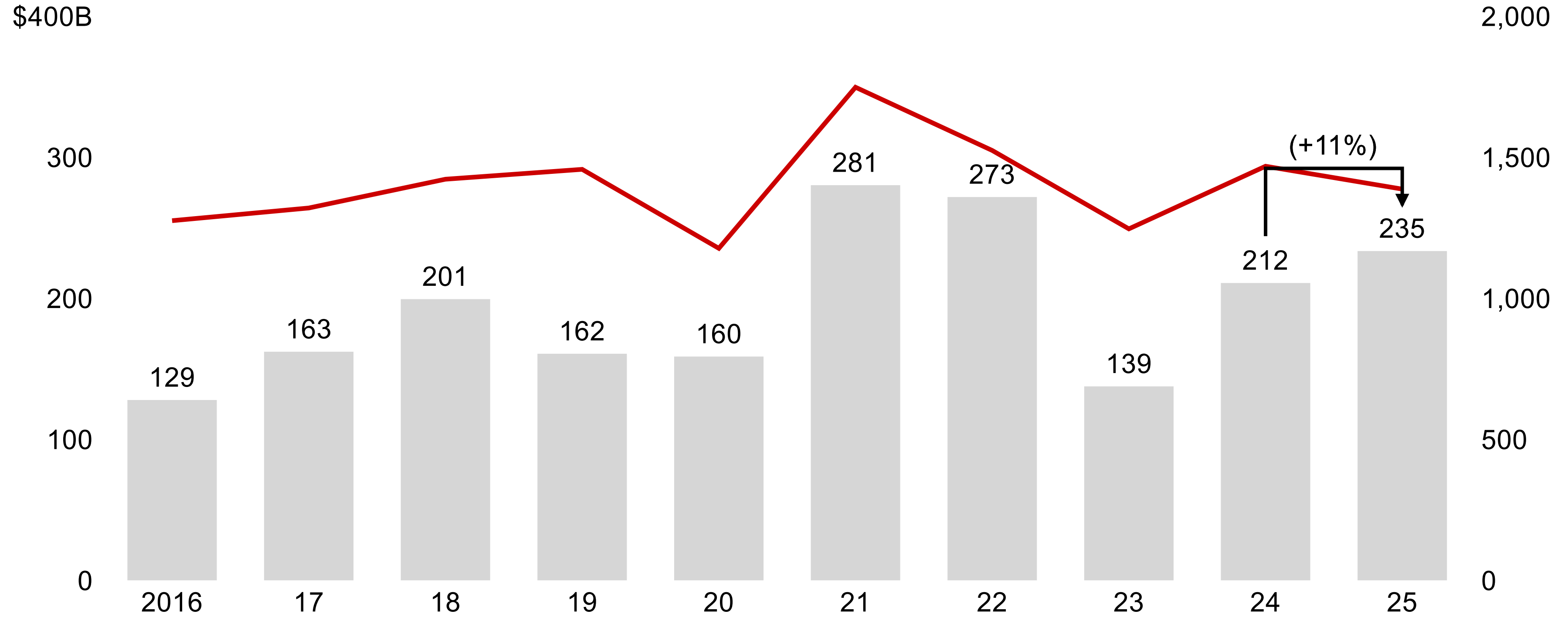
Fund-raising



Notes: Based on announcement date, including announced deals that are completed or pending, with data subject to change; value includes deals/ exits with disclosed value only; count includes deals/ exits with disclosed and undisclosed value; Investments – excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; deal value includes net debt where relevant; geography based on target's location; Exits – includes partial and full exits; excludes SPACs and bankruptcies; IPO value represents offer amount and not market value of company; geography based on company's location; Fundraising - includes closed-ended and commingled funds only; buyout funds include buyout, balanced, co–investment, and co–investment multi manager fund types; "buyout capital raised" includes only funds with final close data; "count of buyout funds closed" includes all buyout funds closed, including those for which the value of final funds raised is not available; geography based on primary investment focus | Sources: Dealogic; Preqin

European buyout deal value increased 11%, whereas count decreased 6% year-over-year

Europe buyout deal value



Change in deal value/ count

	2025 vs. 2024	2025 vs. 5-yr avg.
Deal count	-6%	-3%
Deal value	11%	10%

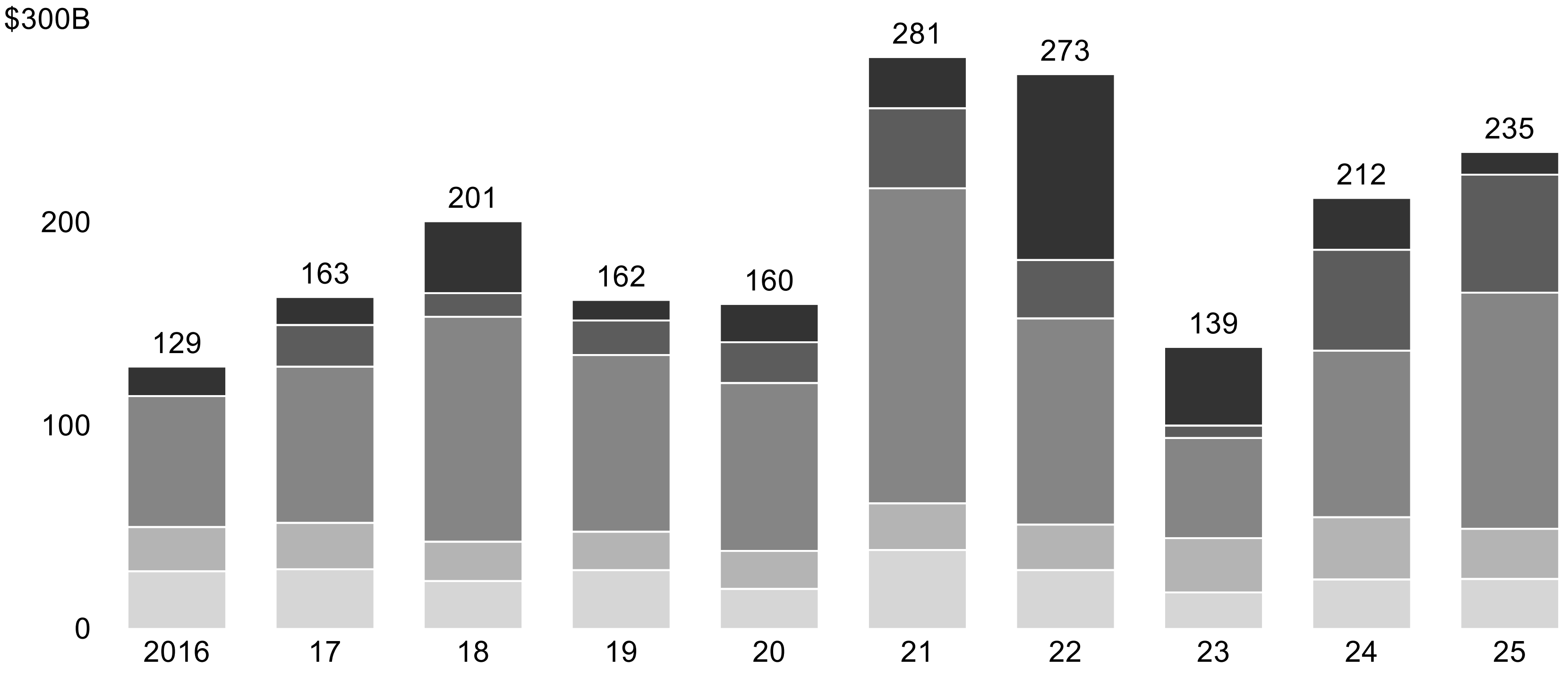
	2016	17	18	19	20	21	22	23	24	25
Average deal size ($M)	318	422	495	392	519	705	796	581	726	876

	2025 vs. 2024	2025 vs. 5-yr avg.
Average deal size	21%	32%

Notes: Excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; based on announcement date; includes announced deals that are completed or pending, with data subject to change; deal value and average deal size include deals with disclosed value only and net debt where relevant; deal count includes deals with disclosed and undisclosed value; geography based on target's location
Source: Dealogic

Size mix: European buyout deal value spiked for deals ranging from $1B-$10B

Europe buyout deal value, by deal size



Change in deal value

	2025 vs. 2024	2025 vs. 5-yr avg.
$10B+	-56%	-72%
$5B-$10B	17%	102%
$1B-$5B	42%	24%
$500M-$1B	-19%	2%
$0-$500M	1%	-5%
Total	**11%**	**10%**

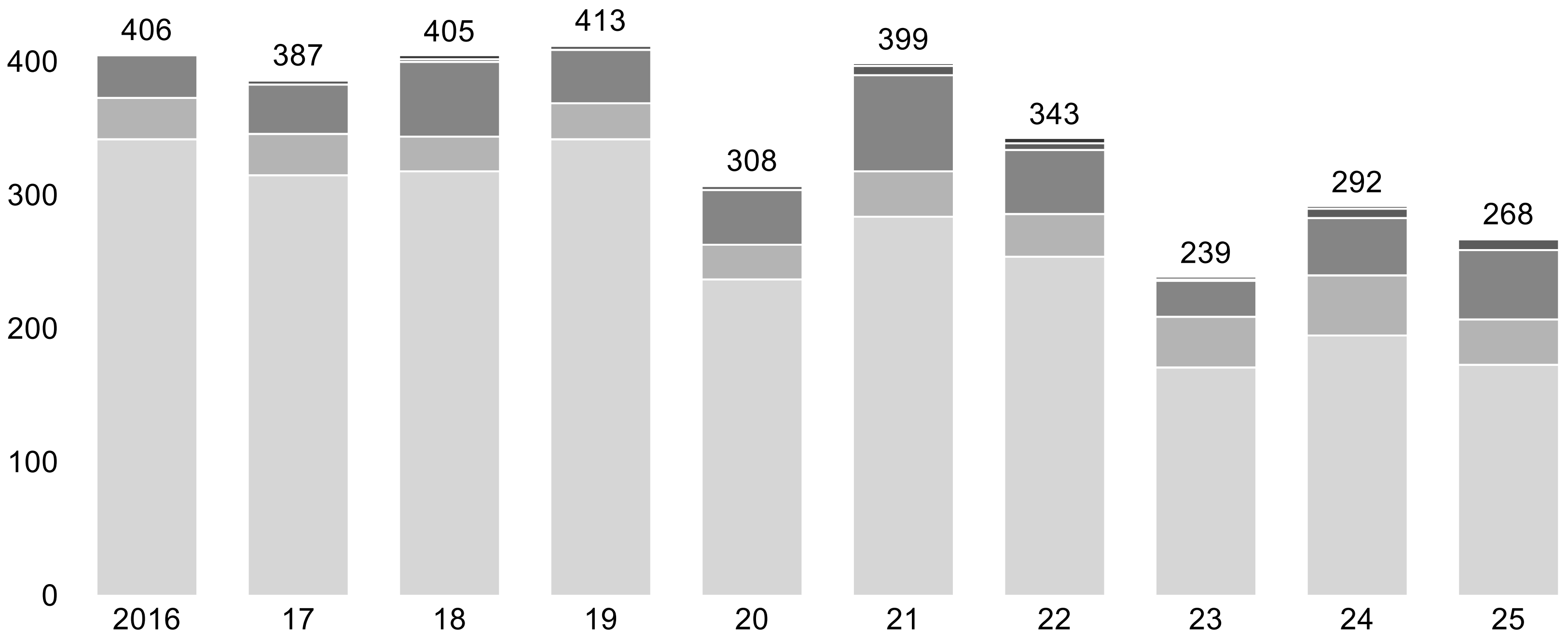
	2016	17	18	19	20	21	22	23	24	25
Share of $10B+ deals	11%	8%	18%	6%	12%	9%	33%	28%	12%	5%

Notes: Excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; based on announcement date; includes announced deals that are completed or pending, with data subject to change; deal value includes deals with disclosed value only and net debt where relevant; deal count includes deals with disclosed and undisclosed value; geography based on target's location
Source: Dealogic

Size mix: $1B+ deals account for 23% of total deal count among transactions with disclosed values

Only includes deals w/ disclosed value

Europe buyout deal count, by deal size



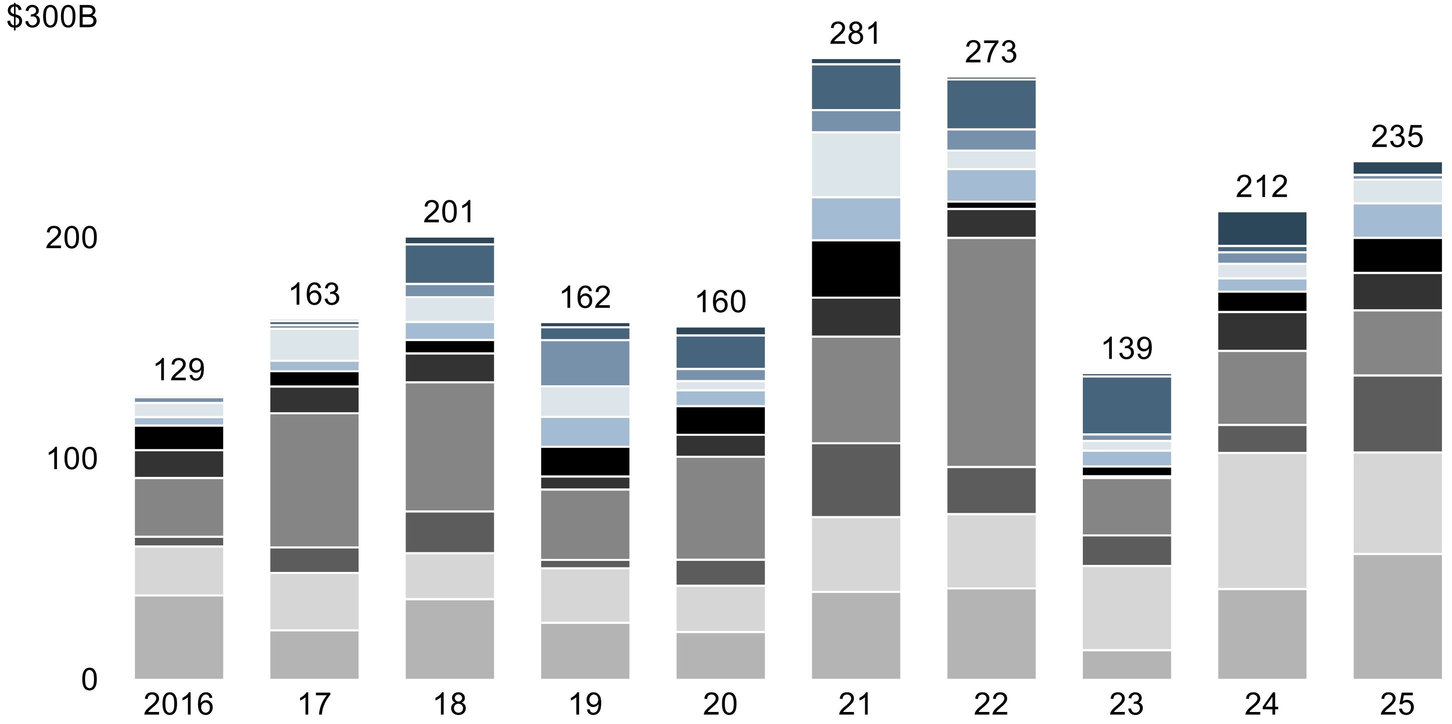
	Change in deal count: 2025 vs. 2024	Change in deal count: 2025 vs. 5-yr avg.
$10B+	-50%	-55%
$5B-$10B	14%	74%
$1B-$5B	21%	13%
$500M-$1B	-24%	-3%
$0-$500M	-11%	-24%
Total	**-8%**	**-15%**

	2016	17	18	19	20	21	22	23	24	25
Share of $1B+ deals	8%	11%	15%	11%	15%	20%	17%	13%	18%	23%

Notes: Excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; based on announcement date; includes announced deals that are completed or pending, with data subject to change; deal count includes deals with disclosed value only; geography based on target's location
Source: Dealogic

Sector mix: Utilities & energy and healthcare contributed strongly to 2025 deal value growth

Europe buyout deal value, by sector



	Change in deal value: 2025 vs. 2024	Change in deal value: 2025 vs. 5-yr avg.
Other	-61%	21%
Media and entertainment	-60%	-99%
Telecommunications	-97%	-69%
Consumer products	63%	1%
Services	159%	43%
Retail	72%	42%
Financial services	-4%	43%
Industrials	-12%	-43%
Healthcare	174%	87%
Technology	-25%	22%
Utilities and energy	39%	81%
Total	**11%**	**10%**

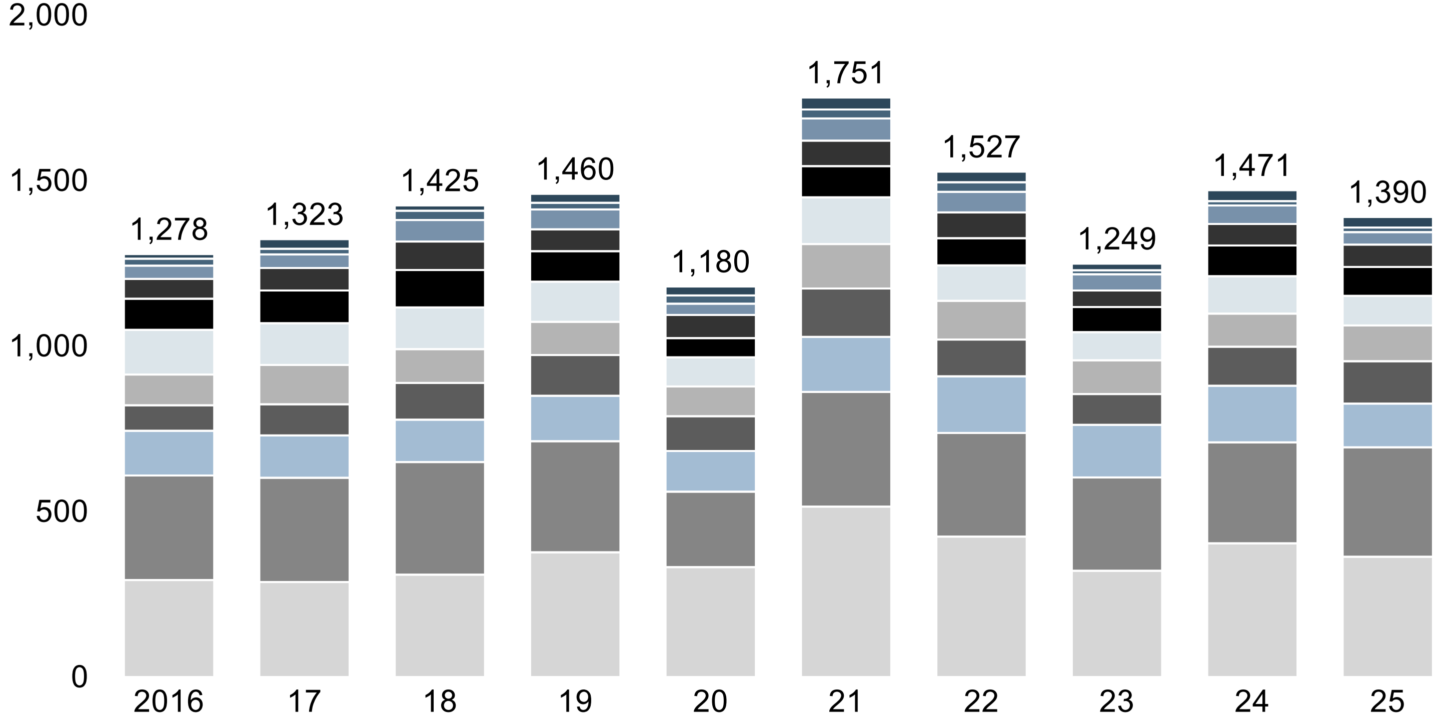
	2016	17	18	19	20	21	22	23	24	25
Technology share of deals (%)	17%	16%	10%	15%	13%	12%	12%	27%	29%	20%
Energy share of deals (%)	30%	14%	18%	16%	14%	14%	15%	10%	19%	17%
Industrials share of deals (%)	21%	37%	29%	20%	29%	17%	38%	19%	16%	13%

Notes: Excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; based on announcement date; includes announced deals that are completed or pending, with data subject to change; deal value includes deals with disclosed value only and net debt where relevant; geography based on target's location; other includes financial investors, conglomerates, and public sector

Source: Dealogic

Sector mix: 2025 deal count was down in most sectors, including technology

Europe buyout deal count, by sector



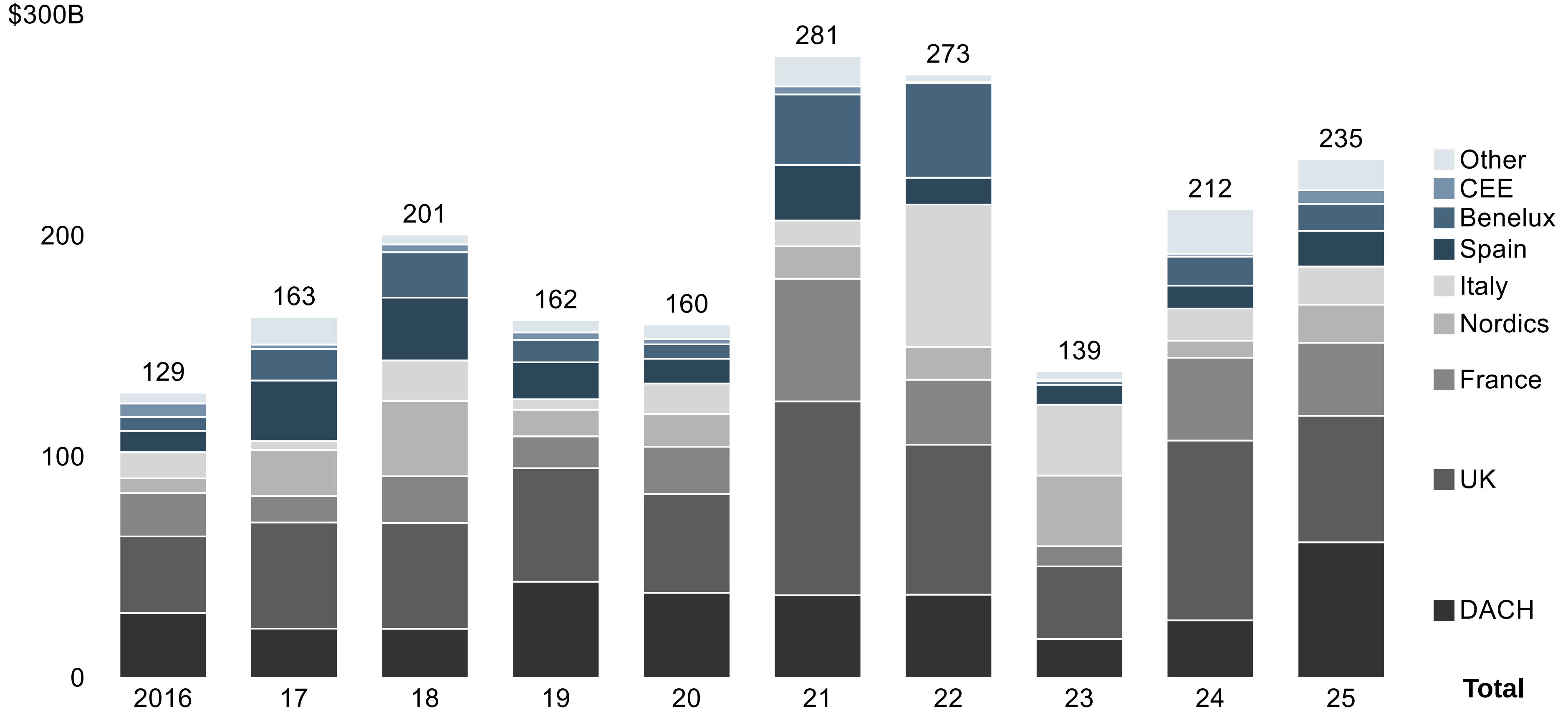
	Change in deal count	
	2025 vs. 2024	2025 vs. 5-yr avg.
Other	-4%	7%
Telecommunications	7%	-34%
Media and entertainment	-33%	-30%
Financial services	4%	-1%
Retail	-6%	8%
Consumer products	-21%	-16%
Utilities and energy	8%	0%
Healthcare	9%	12%
Services	-23%	-16%
Industrials	8%	12%
Technology	-10%	-9%
Total	**-6%**	**-3%**

	2016	17	18	19	20	21	22	23	24	25
Technology share of deals (%)	23%	22%	22%	26%	28%	29%	28%	26%	27%	26%
Energy share of deals (%)	7%	9%	7%	7%	8%	8%	8%	8%	7%	17%
Industrials share of deals (%)	25%	24%	24%	23%	19%	20%	21%	23%	21%	24%

Notes: Excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; based on announcement date; includes announced deals that are completed or pending, with data subject to change; deal count includes deals with disclosed and undisclosed value; geography based on target's location; other includes financial investors, conglomerates, and public sector
Source: Dealogic

Country mix: Buyout deal value in DACH and Nordics has picked up in 2025

Europe buyout deal value, by country



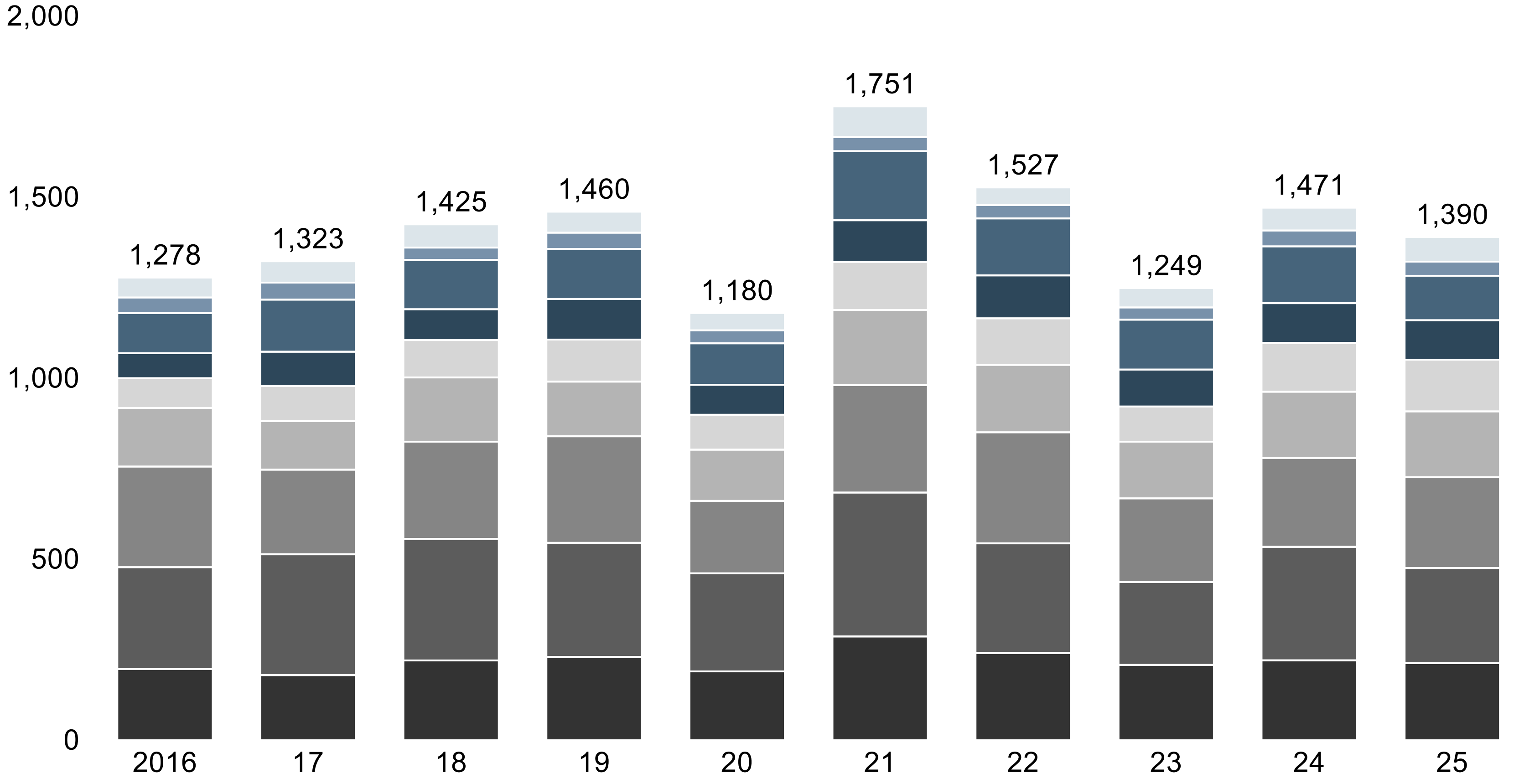
Change in deal value

	2025 vs. 2024	2025 vs. 5-yr avg.
Other	-30%	48%
CEE	369%	252%
Benelux	-7%	-36%
Spain	56%	19%
Italy	18%	-37%
Nordics	124%	3%
France	-12%	8%
UK	-30%	-9%
DACH	136%	95%
Total	**11%**	**10%**

Notes: Excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; based on announcement date; includes announced deals that are completed or pending, with data subject to change; deal value includes deals with disclosed value only and net debt where relevant; geography based on target's location; CEE includes Poland, Romania, Slovenia. Slovakia, Bulgaria, Czechia, Estonia, Hungary, Lithuania, Latvia; DACH includes Germany, Austria, Switzerland; Nordics includes Sweden, Denmark, Norway, Finland; Benelux includes Belgium, Netherlands, Luxembourg | Source: Dealogic

Country mix: Buyout deal count declined across most countries

Europe buyout deal count, by country

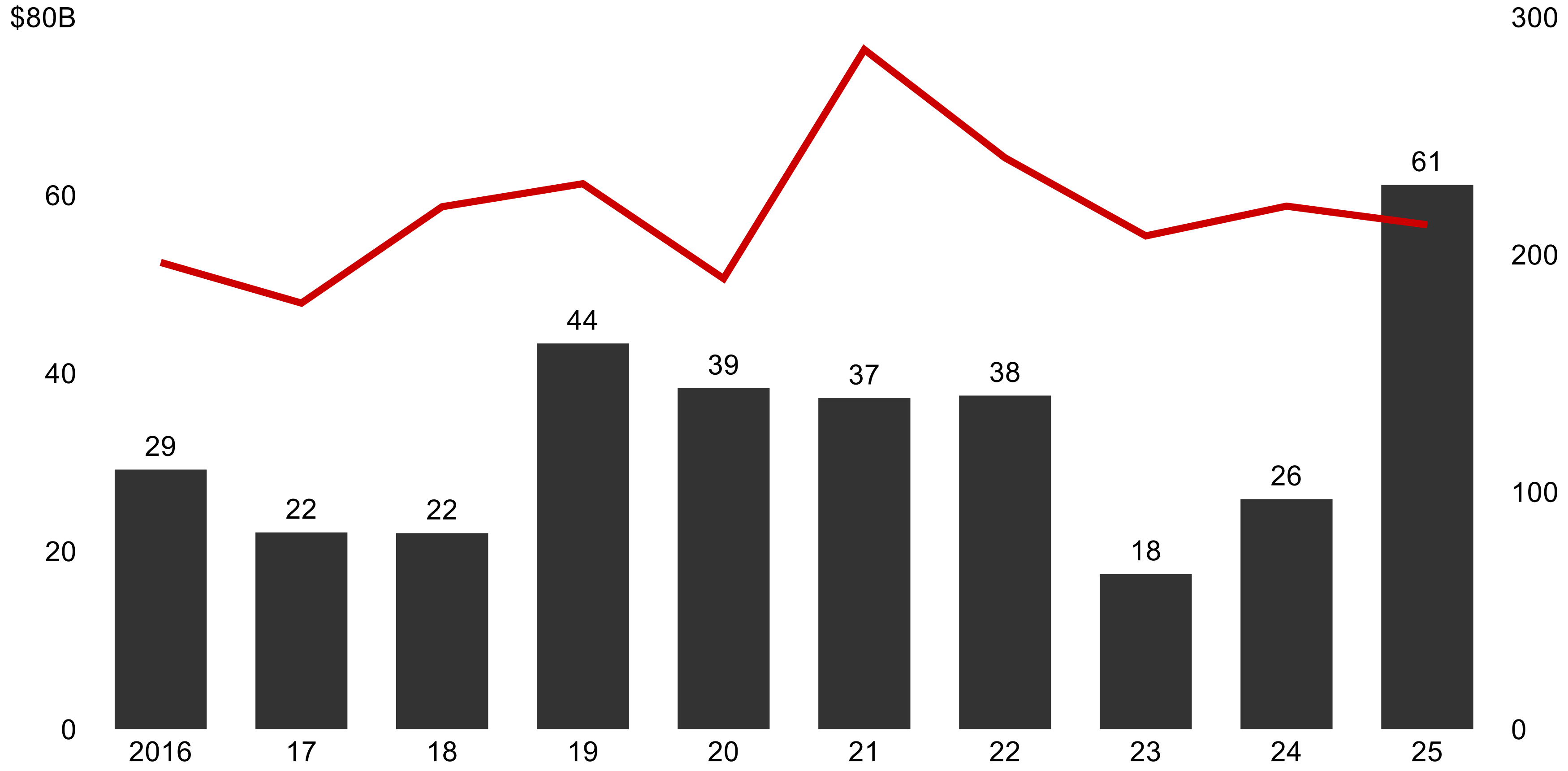


	Change in deal count: 2025 vs. 2024	Change in deal count: 2025 vs. 5-yr avg.
Other	8%	14%
CEE	-11%	3%
Benelux	-22%	-19%
Spain	-1%	3%
Italy	6%	21%
Nordics	0%	4%
France	2%	-2%
UK	-16%	-13%
DACH	-4%	-7%
Total	**-6%**	**-3%**

Notes: Excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; based on announcement date; includes announced deals that are completed or pending, with data subject to change; deal count includes deals with disclosed and undisclosed value; geography based on target's location; CEE includes Poland, Romania, Slovenia. Slovakia, Bulgaria, Czechia, Estonia, Hungary, Lithuania, Latvia; DACH includes Germany, Austria, Switzerland; Nordics includes Sweden, Denmark, Norway, Finland; Benelux includes Belgium, Netherlands, Luxembourg | Source: Dealogic

DACH: Strong uptick in deal value; deal count more flat

DACH buyout deal value



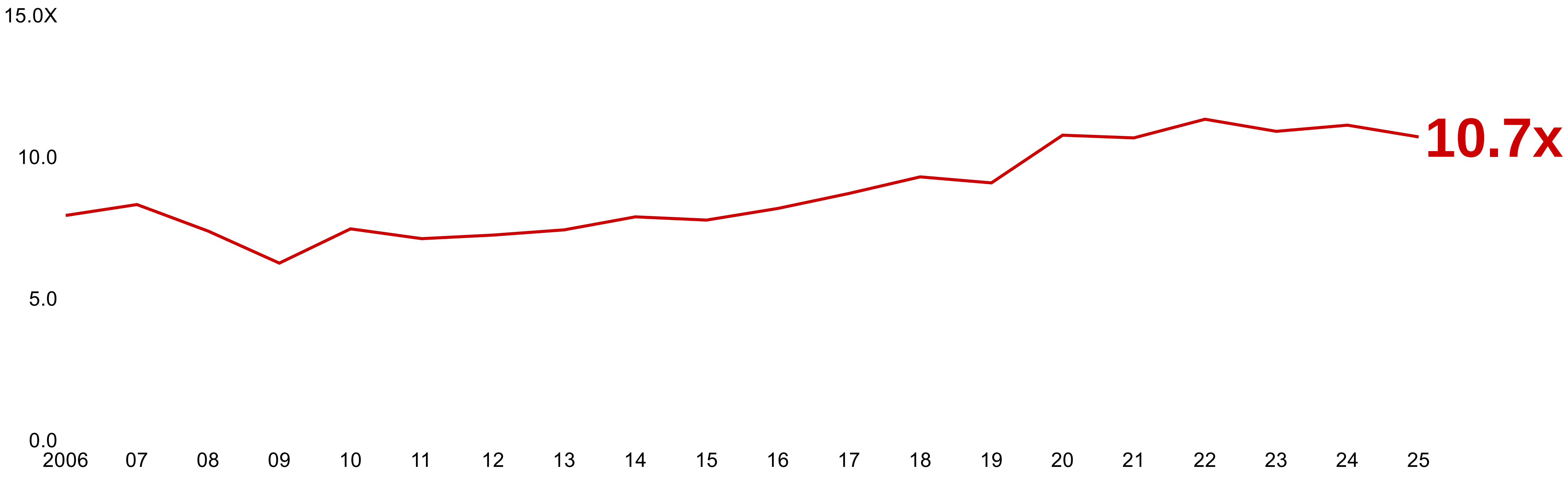
Change in deal value/ count

	2025 vs. 2024	2025 vs. 5-yr avg.
Deal count	-4%	-7%
Deal value	136%	95%

Notes: Excludes add-ons, special-purpose acquisition companies (SPACs), loan-to-own transactions, and acquisitions of bankrupt assets; based on announcement date; includes announced deals that are completed or pending, with data subject to change; deal value includes deals with disclosed value only and net debt where relevant; deal count includes deals with disclosed and undisclosed value; geography based on target's location; DACH includes Germany, Switzerland and Austria
Source: Dealogic

Deal multiples remained largely stable

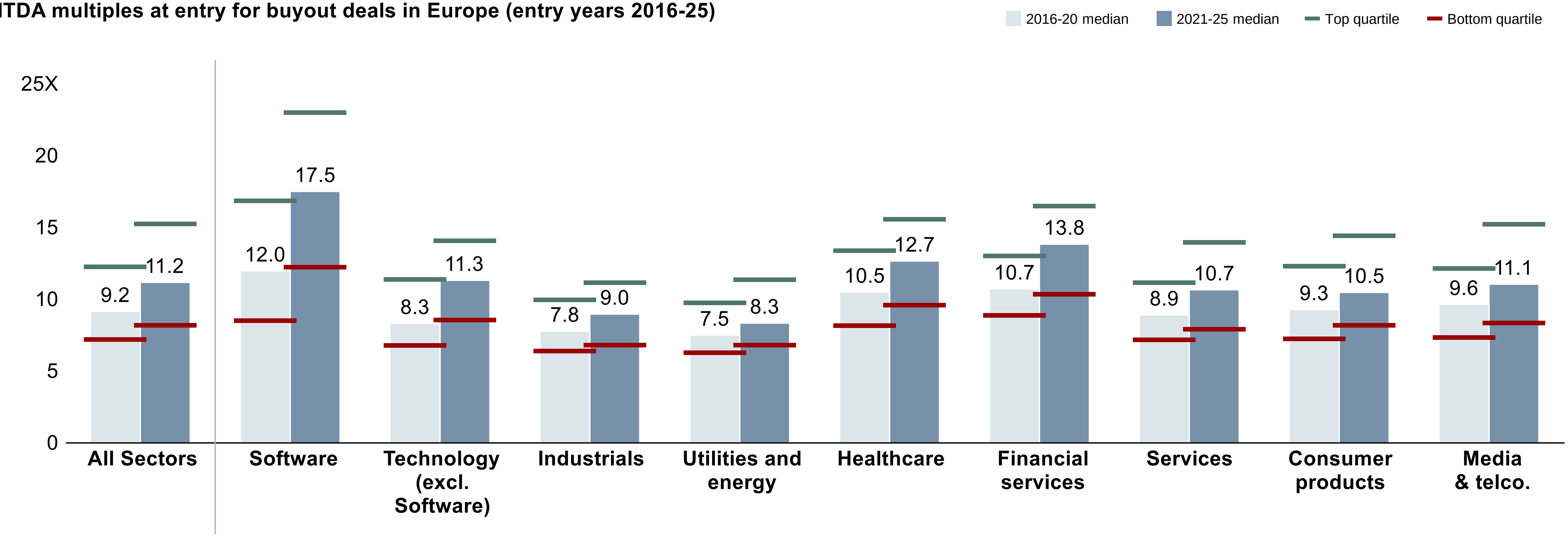
Median TEV / EBITDA purchase price multiple for private equity buyout transactions



Note: Data is as of September 30, 2025
Source: SPI by StepStone

Median multiples in Europe have increased by ~22% over the last five years

EBITDA multiples at entry for buyout deals in Europe (entry years 2016-25)

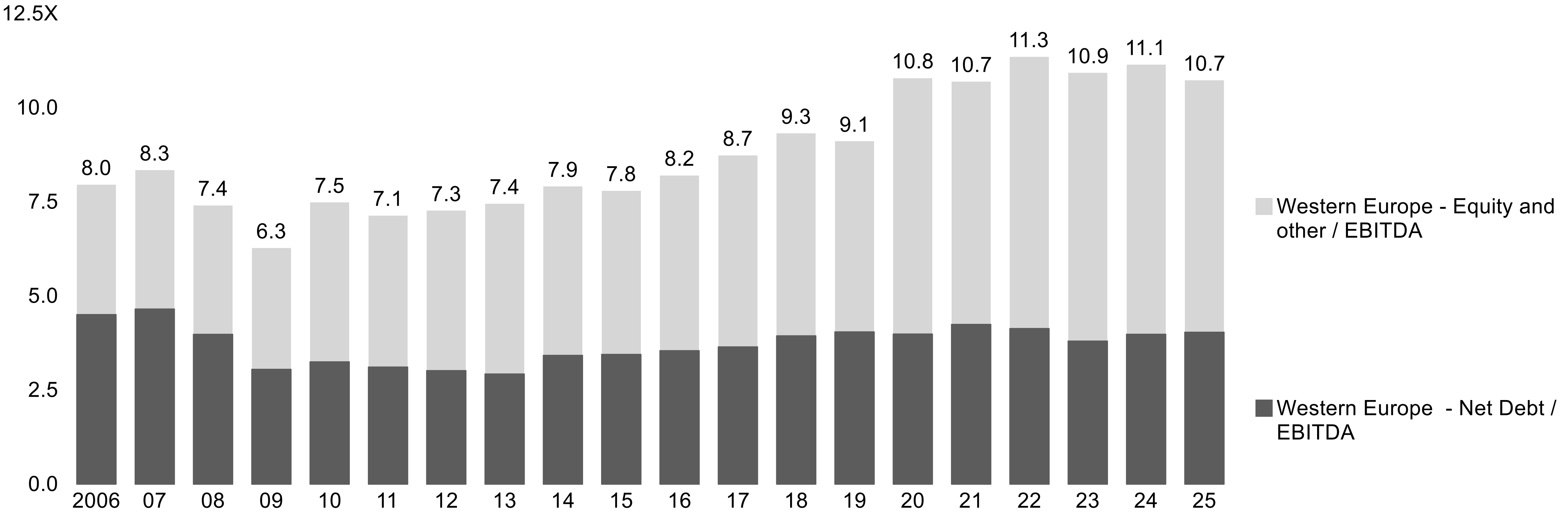


	All Sectors	Software	Technology (excl. Software)	Industrials	Utilities and energy	Healthcare	Financial services	Services	Consumer products	Media & telco.
Growth in median	22%	46%	36%	15%	11%	21%	29%	20%	13%	15%

Notes: All calculations in USD; deal universe includes fully, partially and not realized deals with initial investments in 2016-2025 in Europe; includes all equity check sizes
Sources: SPI by StepStone; Bain analysis

Purchasing debt-to-equity ratio remained <40% in 2025

Median EBITDA purchase price multiple for leveraged buyout transactions in Western Europe



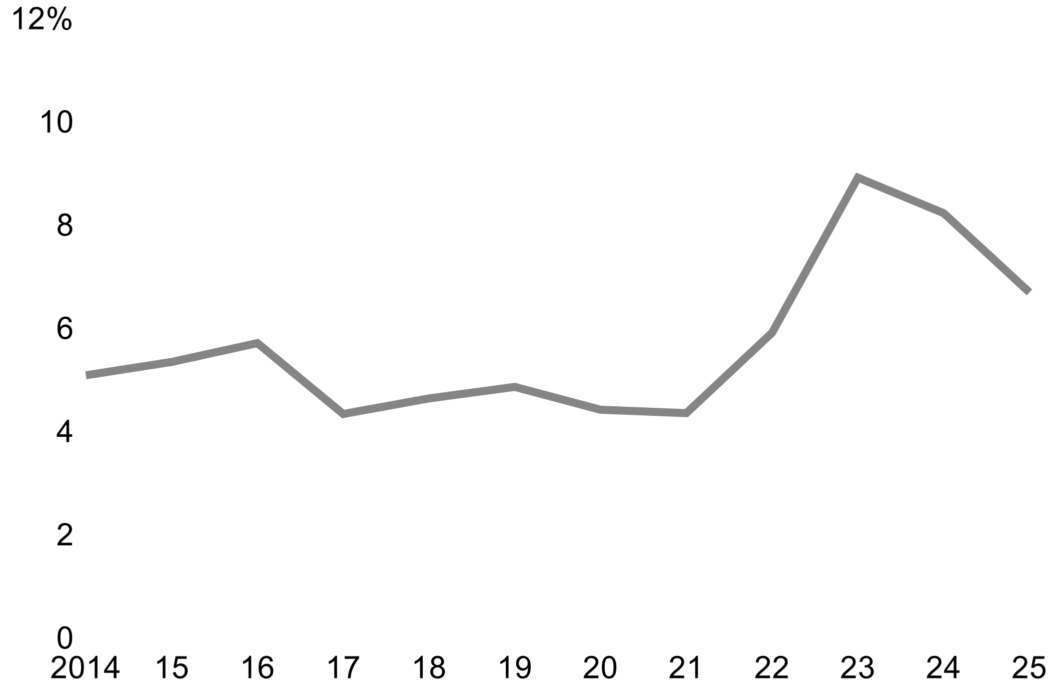
	2006	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Leverage ratio	57%	56%	54%	49%	43%	43%	41%	39%	43%	44%	43%	42%	42%	44%	37%	40%	36%	35%	36%	38%

Notes: Data as of Q3 2025; Equity and other / EBITDA taken to be the difference between TEV / EBITDA multiples and net debt / EBITDA multiples; “Other” may include any non–debt or non–equity financing; leverage ratio is defined as debt divided by enterprise value
Source: SPI by Stepstone

Syndicated loans have opened again, recouping share from direct lending

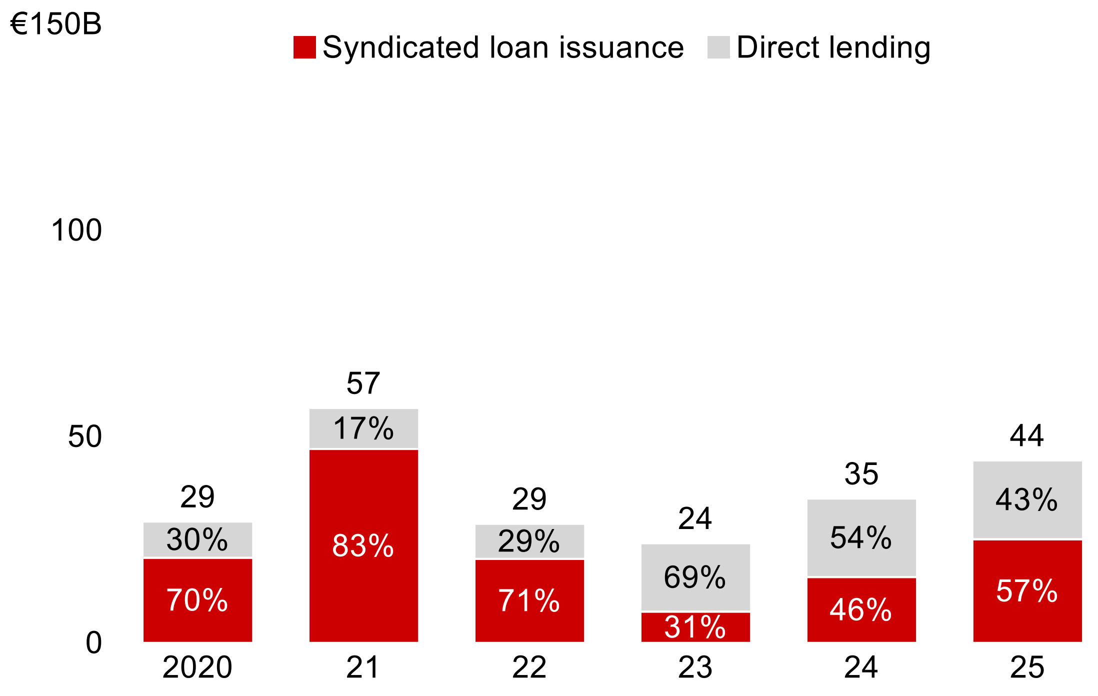
Cost of debt is going down

Euro institutional leveraged buyout loan yield



Syndicated loans opened up

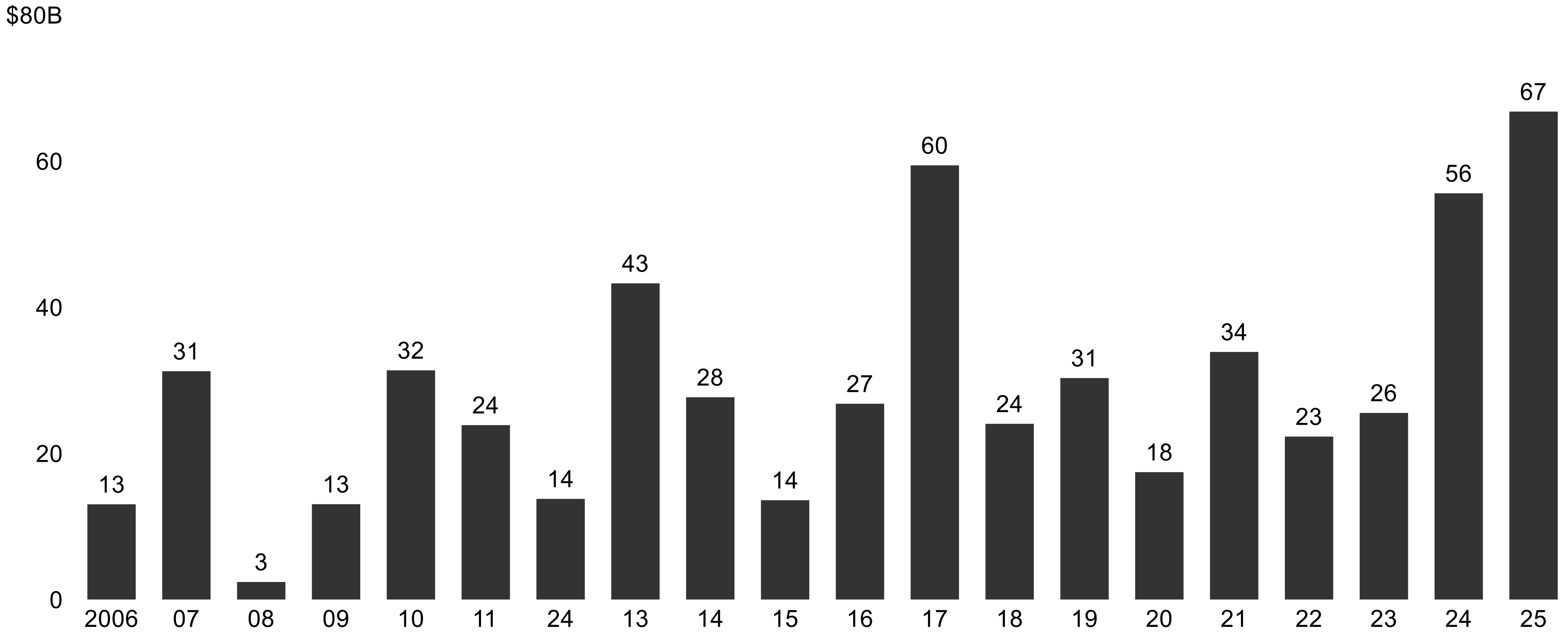
Value of new-issue LBO financing in syndicated loans vs direct lending market



Notes: Euro institutional yield includes all tracked LBO deals, regardless of size; LBO excludes recapitalizations, refinancings, and follow-on acquisitions; direct lending is defined as directly originated loans to corporate borrowers that are not broadly syndicated
Sources: Pitchbook; LSEG

Refinancing loans continued the rebound in 2025, increasing 20% year-over-year

Europe refinancing loan value



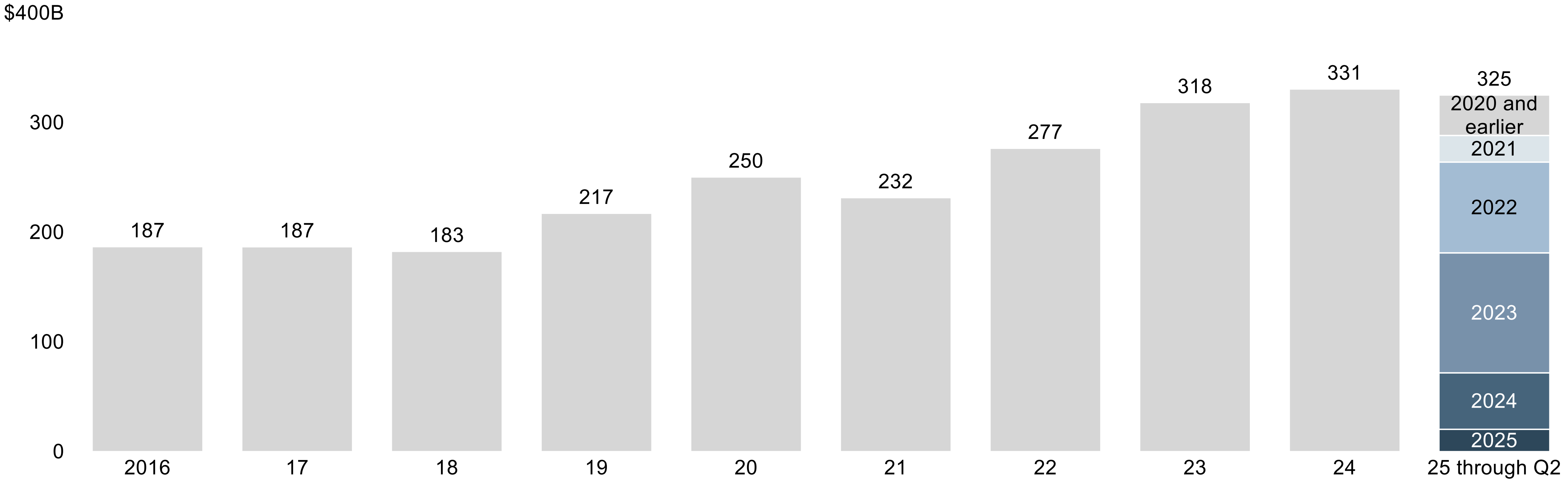
Change in value

2025 vs. 2024	2025 vs. 5-yr avg.
20%	115%

Note: Europe refinancing loan converted to USD
Source: Pitchbook

Dry powder has plateaued, with the majority of capital concentrated in the sizeable 2022-23 cohorts

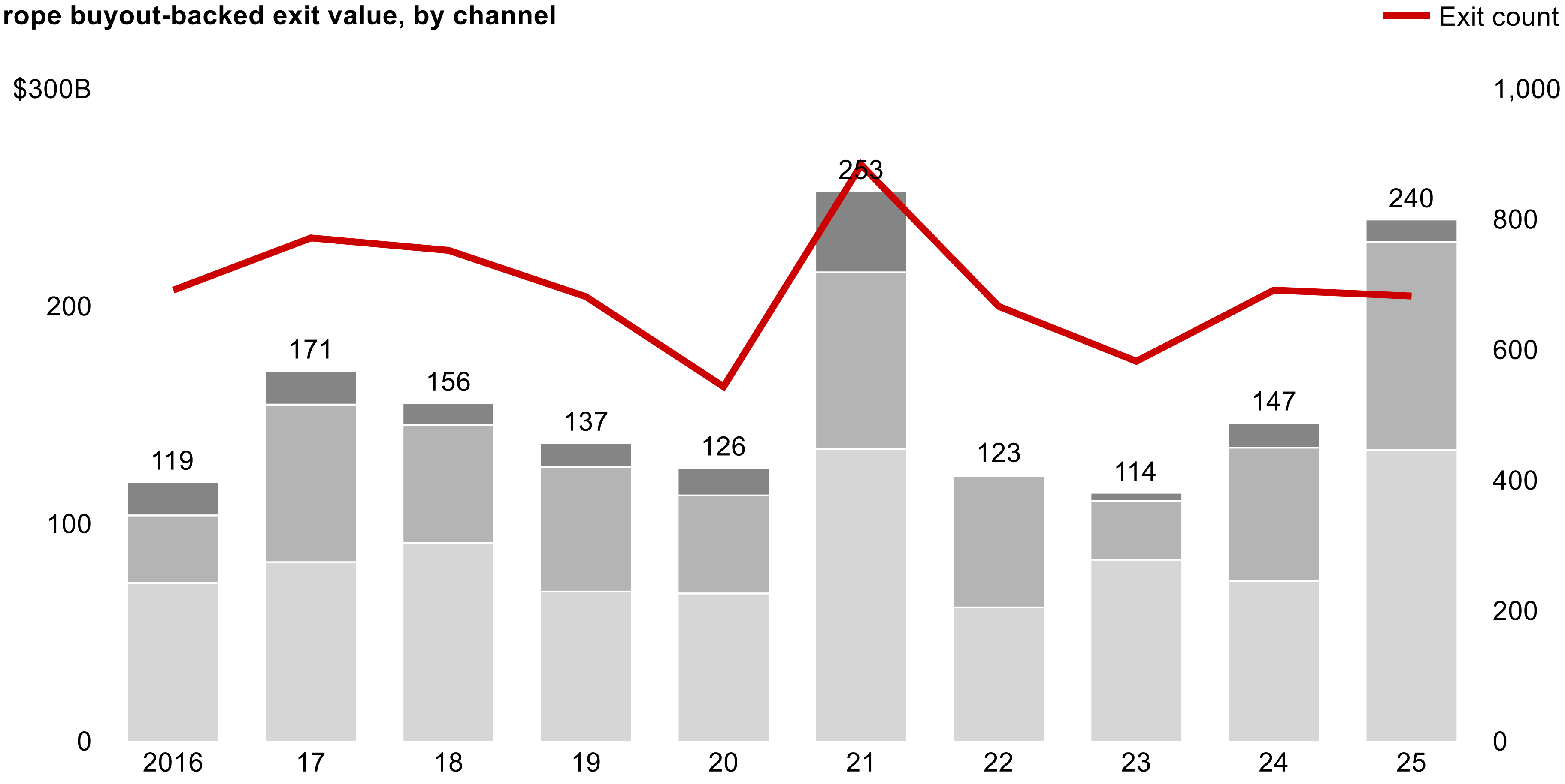
European buyout fund dry powder, by vintage



Notes: Buyout funds include buyout, balanced, co-investment, and co-investment multi manager fund types; 2016-24 based on full-year data, total and split of capital by vintage in 2025 based on data through June 2025; vintage is defined as the first year of investment/ drawdown of capital from limited partners for investment purposes; discrepancies in bar heights displaying the same value are due to rounding differences; geography based on funds primary investment region focus
Source: Preqin

Exit value rebounded strongly in 2025, making it the second-highest exit year on record by value with the strategic exit channel driving growth

Europe buyout-backed exit value, by channel



Change in exit value/ count

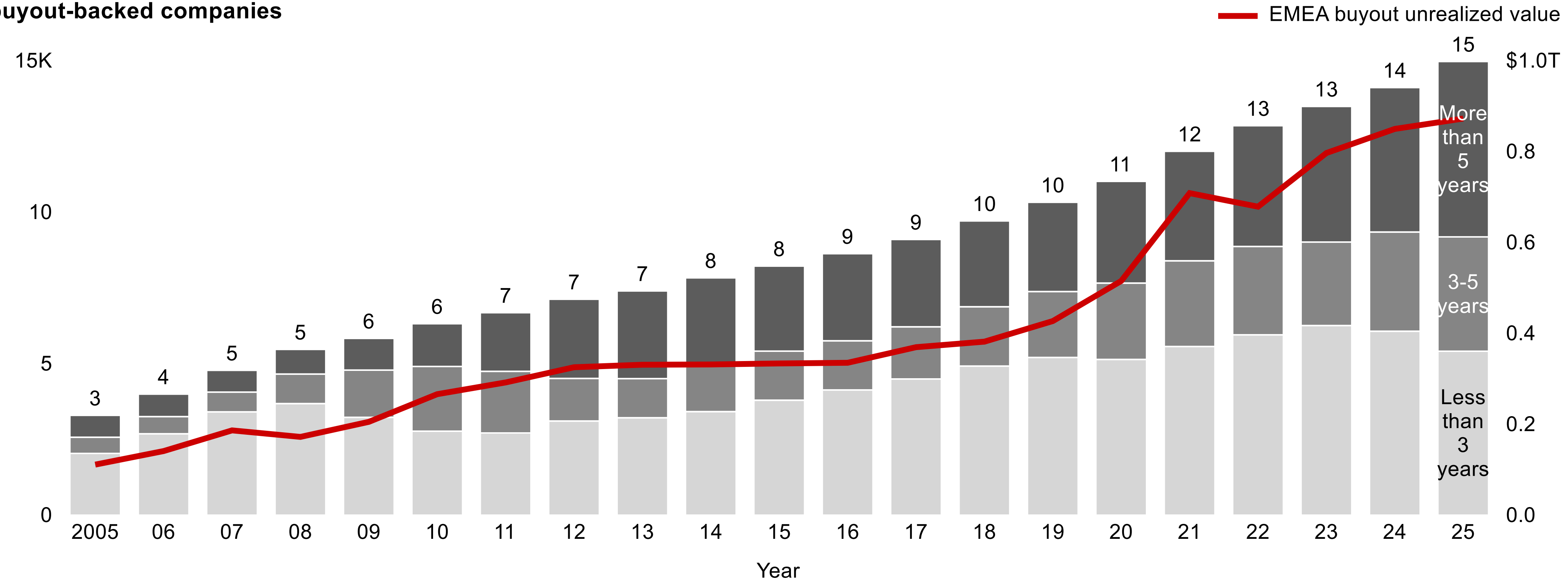
	2025 vs. 2024	2025 vs. 5-yr avg.
IPO	-10%	-22%
Sponsor to Sponsor	56%	74%
Sponsor to Strategic	82%	59%
Total	**64%**	**57%**

Notes: Includes partial and full exits; excludes special-purpose acquisition companies and bankruptcies; strategic and sponsor exits include announced deals that are completed or pending, with data subject to change; IPO includes completed transactions only; year refers to announcement date (sponsor, strategic) or pricing date (IPO); value includes exits with disclosed value only and net debt where relevant; count includes exits with disclosed and undisclosed value; IPO value represents offer amount and not market value of company; geography based on company's location
Source: Dealogic

Stock of portfolio companies is ageing, with average holding period at exit nearing ~7 years vs. ~5 years in 2010

EMEA data

EMEA active buyout-backed companies

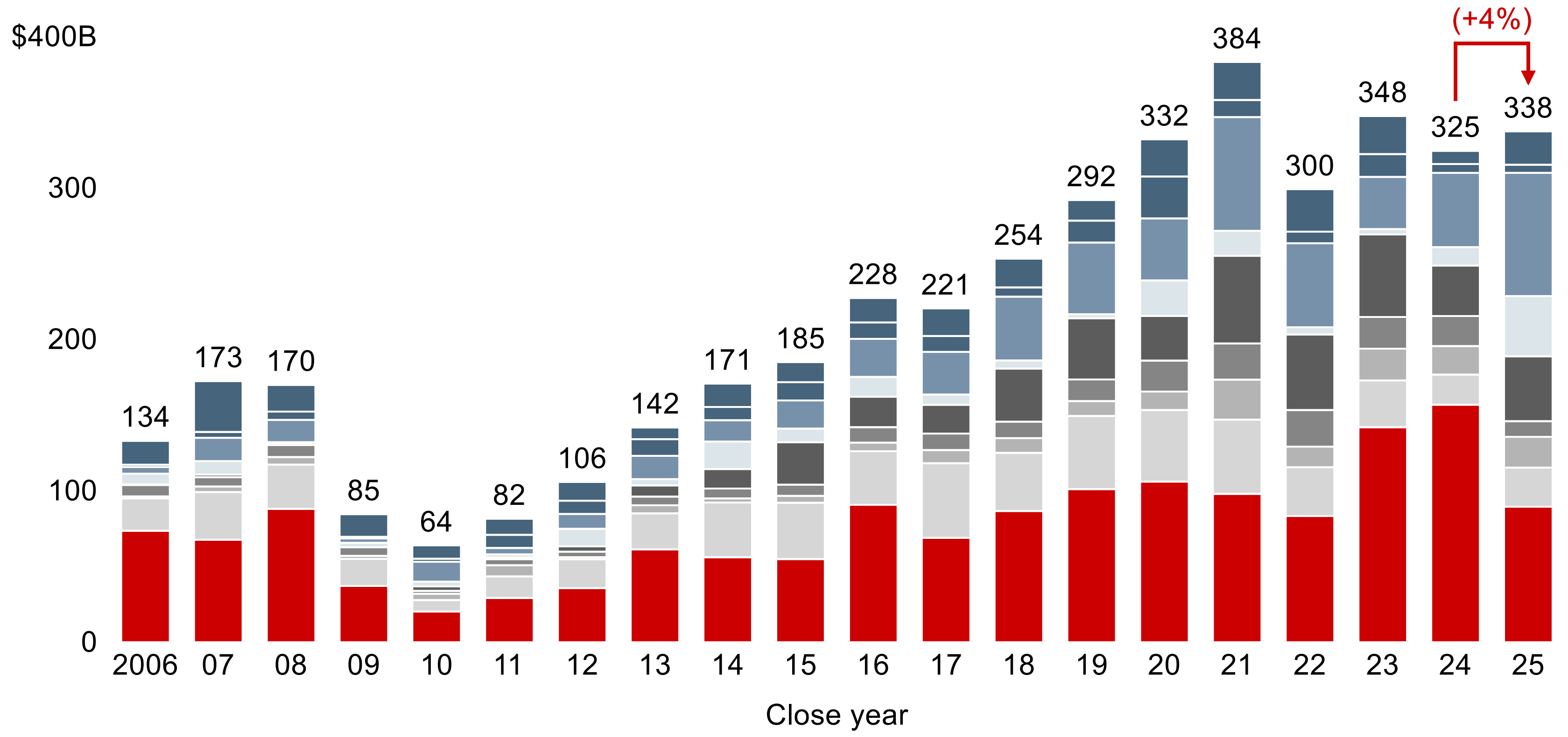


	2005	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Share of companies that is held more than 5 years (%)	22%	19%	15%	15%	18%	22%	29%	37%	39%	36%	34%	33%	32%	29%	29%	30%	30%	31%	33%	34%	39%
Average hold period at exit (years)	4.6	4.3	4.3	4.1	4.2	4.7	4.9	5.5	5.8	6.1	6.3	6.2	6.2	6.3	6.2	6.1	6.3	6.7	7.0	6.9	n/a

Notes: Excludes add-ons; buyout includes buyout, balanced, co–investment, and co–investment multi managers; EMEA buyout unrealized value data as of June 2025; EMEA includes Europe, Africa, Middle East & Israel; discrepancies in bar heights displaying the same value are due to rounding differences; in 2025, less than 3 years bucket includes investments made in 2023, 2024, and 2025, 3-5 years bucket includes investments made in 2021 and 2022, and more than 5 years bucket includes investments made in 2020 or prior; the average hold period at exit reflects companies exited in the respective year and excludes assets still held in the portfolio | Sources: PitchBook; Preqin

Private capital fund-raising saw a marginal increase versus 2024, however, buyout decreased by 43% from a strong previous year

Europe private capital raised, by fund type



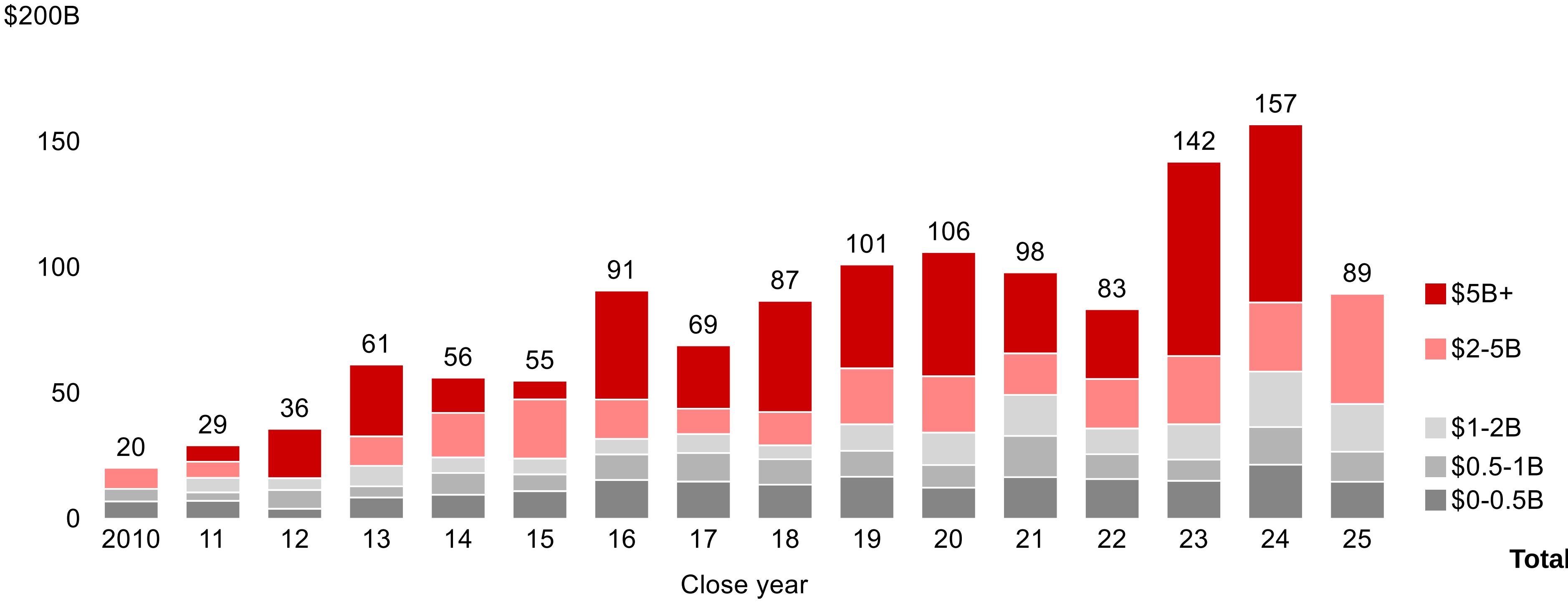
	Change in capital raised	
	2025 vs. 2024	2025 vs. 5-yr avg.
Other	153%	-1%
Distressed PE	-8%	-60%
Infrastructure	66%	60%
Secondaries	227%	229%
Direct Lending	29%	-5%
Venture	-48%	-53%
Growth	8%	10%
Real Estate	30%	-28%
Buyout	-43%	-24%
Total	**4%**	**0%**

	2006	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Buyout as % of total	55%	39%	52%	44%	32%	36%	34%	43%	33%	30%	40%	31%	34%	35%	32%	26%	28%	41%	48%	27%

Notes: Includes closed ended and commingled funds only; buyout includes buyout, balanced, co-investment, and co-investment multi manager fund types; includes only funds with final close and attributes funds to the year in which they held their final close; excludes funds denominated in RMB; distressed PE includes distressed debt, special situations, and turnaround; other includes fund of funds, mezzanine, natural resources; geography based on primary investment focus
Source: Preqin

The decline in buyout fund-raising is driven primarily by the absence of raises greater than $5B in 2025

Europe buyout capital raised, by fund size



Change in capital raised	2025 vs. 2024	2025 vs. 5-yr avg.
$5B+	-100%	-100%
$2-5B	60%	94%
$1-2B	-14%	26%
$0.5-1B	-20%	2%
$0-0.5B	-32%	-10%
Total	**-43%**	**-24%**

	2010	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Share of buyout capital raised by funds $5B+	0%	22%	55%	47%	25%	14%	48%	37%	51%	41%	47%	33%	33%	54%	45%	0%
Count of funds $5B+	0	1	2	3	2	1	5	2	6	5	4	3	3	6	6	0

Notes: Includes closed ended and commingled funds only; buyout includes buyout, balanced, co-investment, and co-investment multi manager fund types; includes only funds with final close and attributes funds to the year in which they held their final close; excludes funds denominated in RMB; geography based on primary investment focus
Source: Preqin