

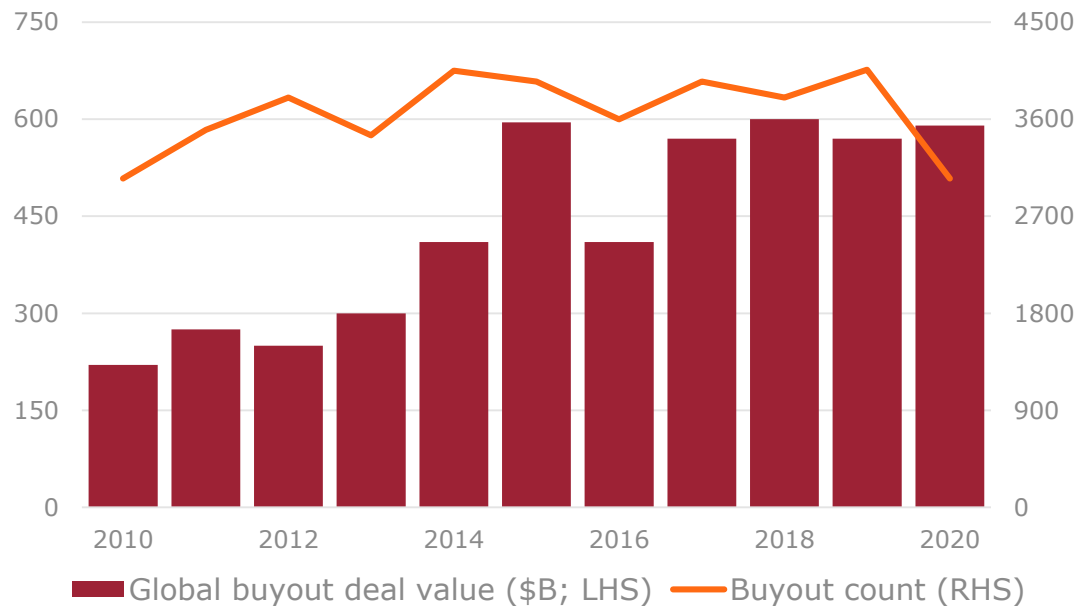


PRIVATE EQUITY

PROF. DR. SOPHIE MANIGART, VLERICK BUSINESS SCHOOL

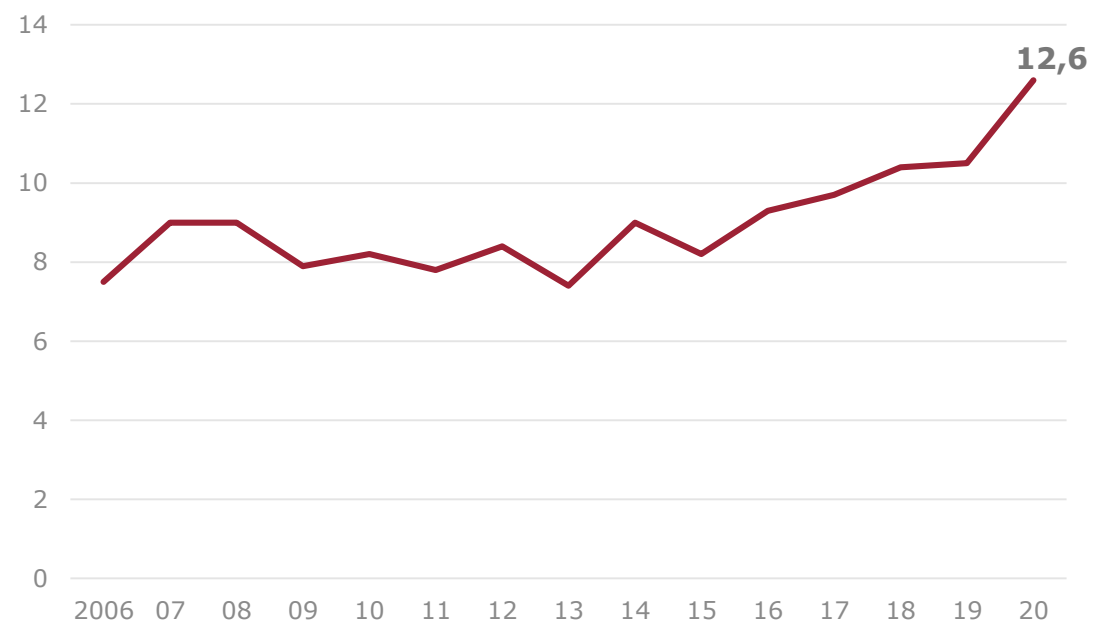
EUROPEAN PRIVATE EQUITY ACTIVITY

Global buyout deal value and count



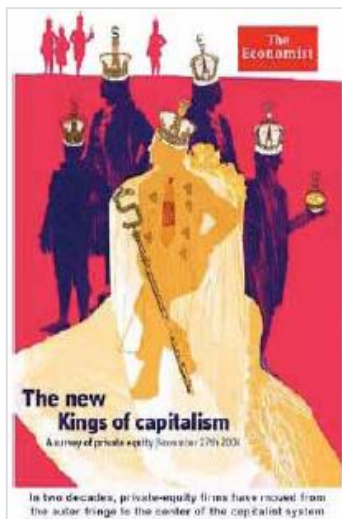
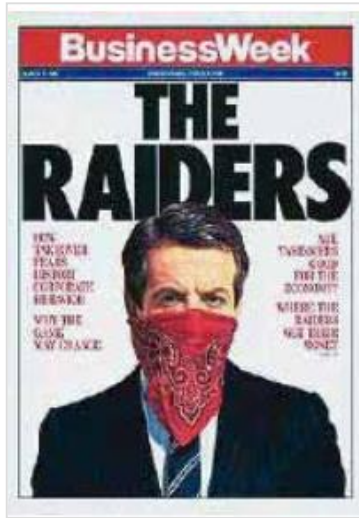
Source: Bain, Global Private Equity Report, 2021

Average EBITDA purchase price multiple for European leveraged buyout transactions

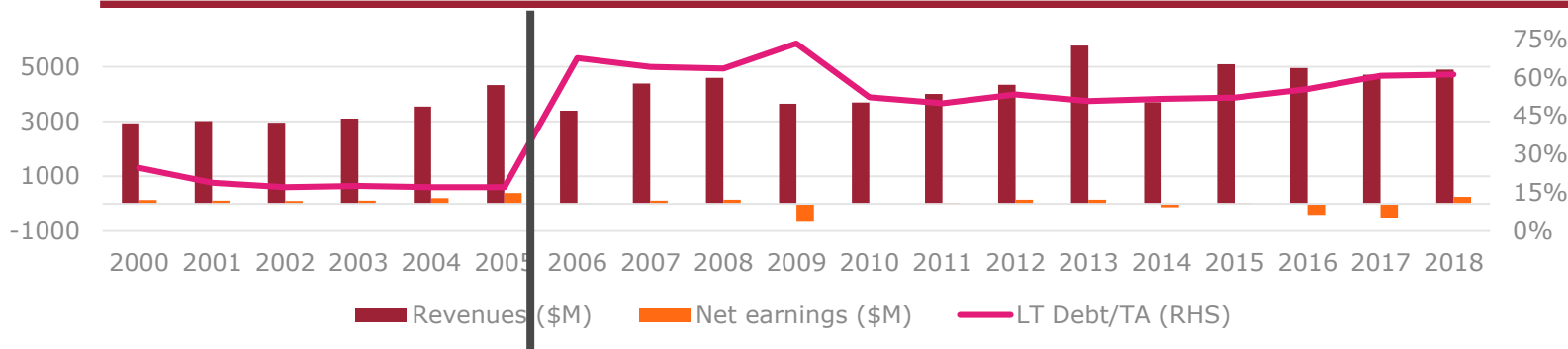


Source: Bain, Global Private Equity Report, 2021

PE: A BADLY REGARDED ASSET CLASS



NEIMAN MARCUS: PTP TRANSACTION

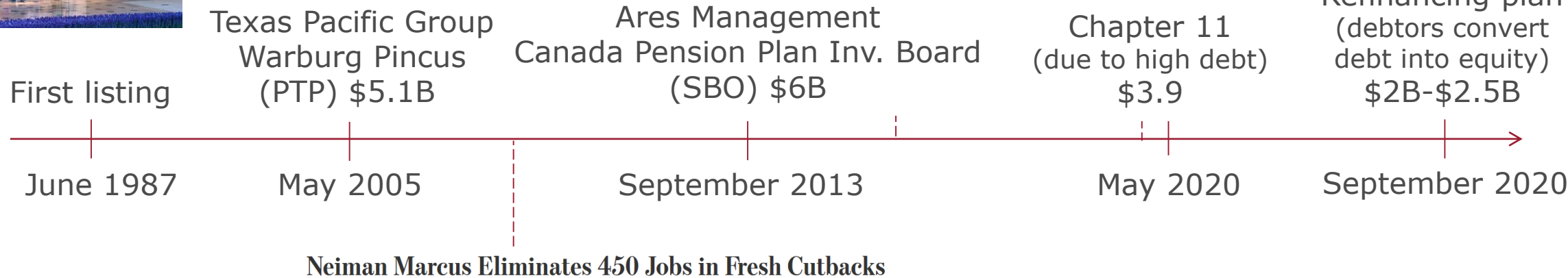


Neiman Marcus emerges from bankruptcy with \$4bn debt-busting strategy



The future of Neiman Marcus: When private equity debt meets a pandemic

Debt-laden Neiman Marcus readies for IPO



TAMINCO: UCB SELLS ITS CHEMICALS DIVISION (MBO)

Bidders vie for CVC's Taminco stake

Anousha Sakoui and Daniel Schäfer in London OCTOBER 23 2011



Alpinvest (MBO)
€ 115M

October 2003

CVC (buyout)
€800M

July 2007

Apollo (buyout)
€ 1.1B

December 2011

IPO
€ 700M

April 2013

Delisting by
Eastman Chemical
Company
€2.2B

December 2014

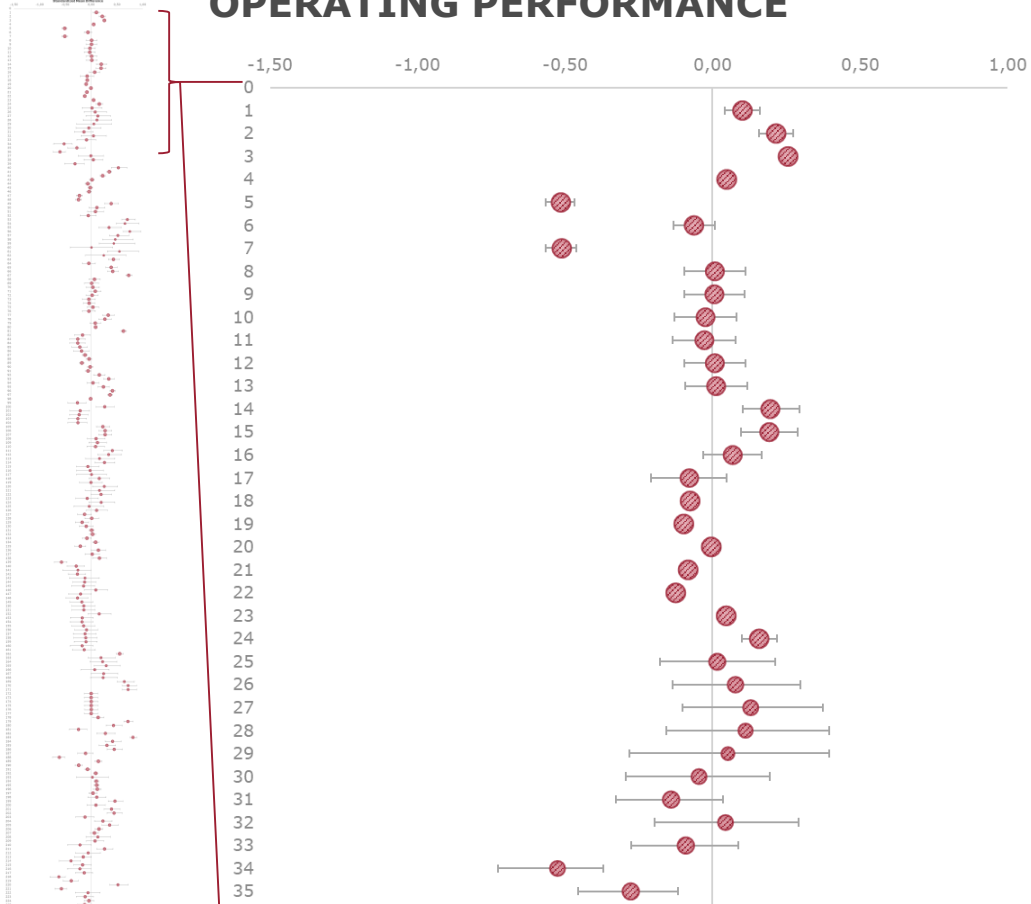
THE REAL EFFECTS OF PRIVATE EQUITY BUYOUTS: A META-ANALYSIS

1. METHOD

	Operating performance	Employment	TOTAL
Number of studies	56	29	60
Number of samples	255	75	330
Number of portfolio firms	326.970	76.850	403.820
Measures	Growth (in sales, cashflow...)	Number of employees	
	Efficiency/Productivity (e.g., Sales/total assets)	Wages	

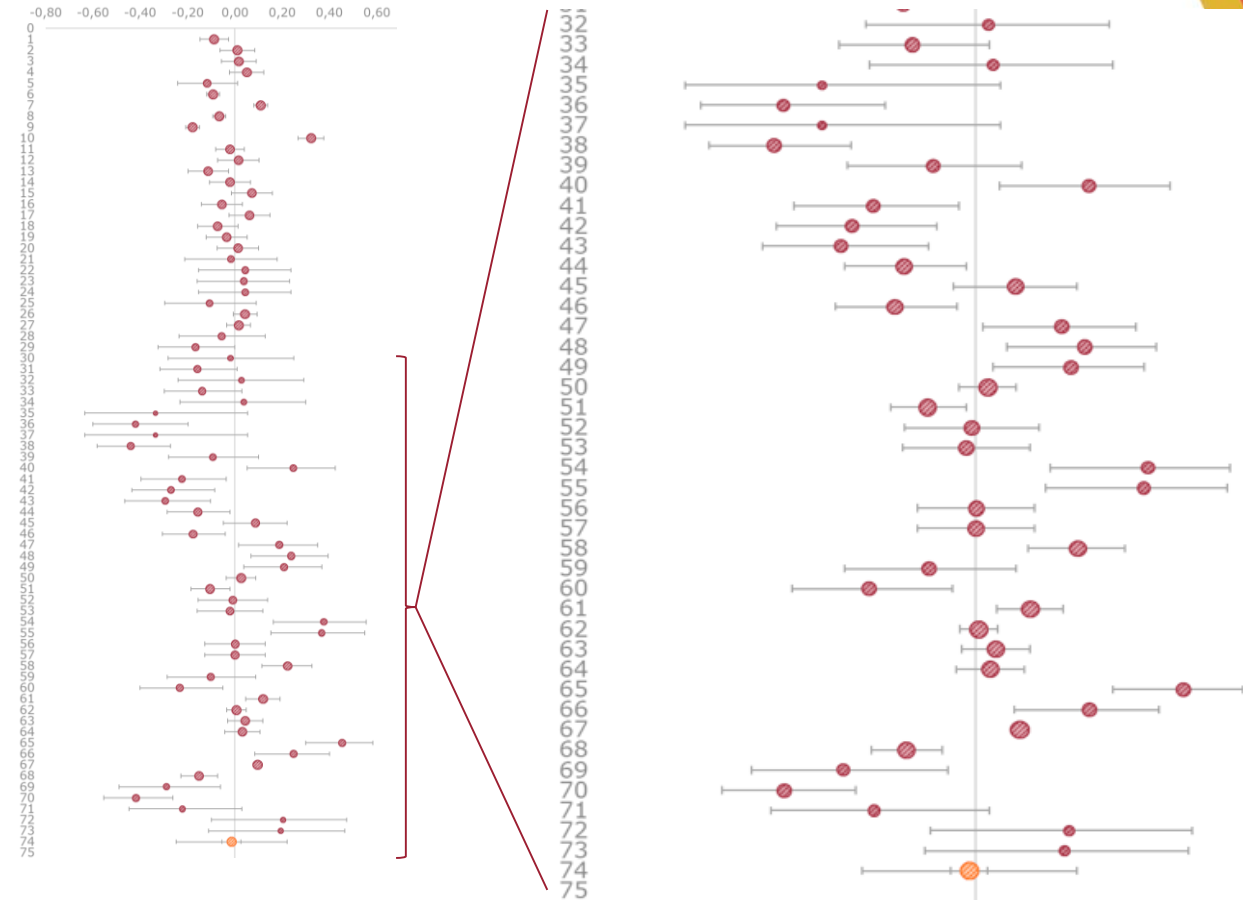
CONTRADICTING ACADEMIC EVIDENCE

OPERATING PERFORMANCE



45% of samples have negative effect sizes
55% of samples have positive effect sizes

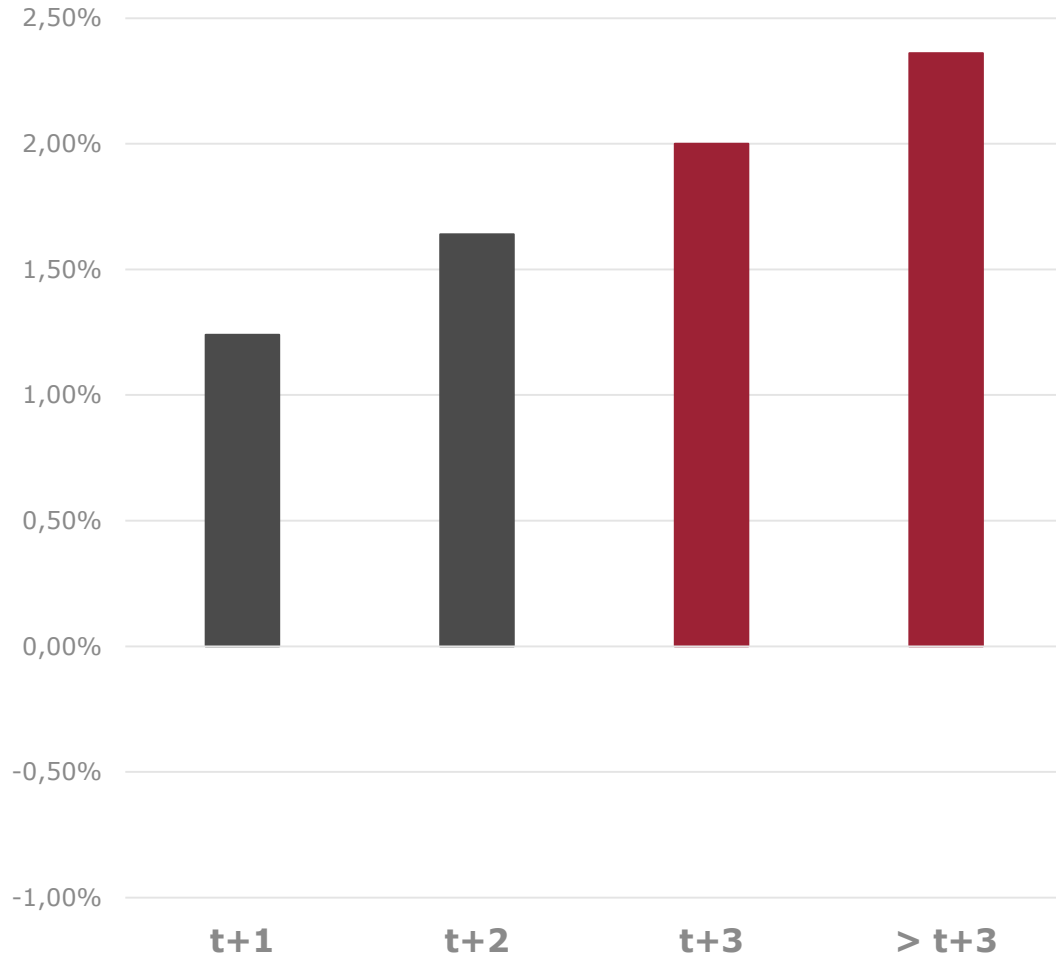
EMPLOYMENT



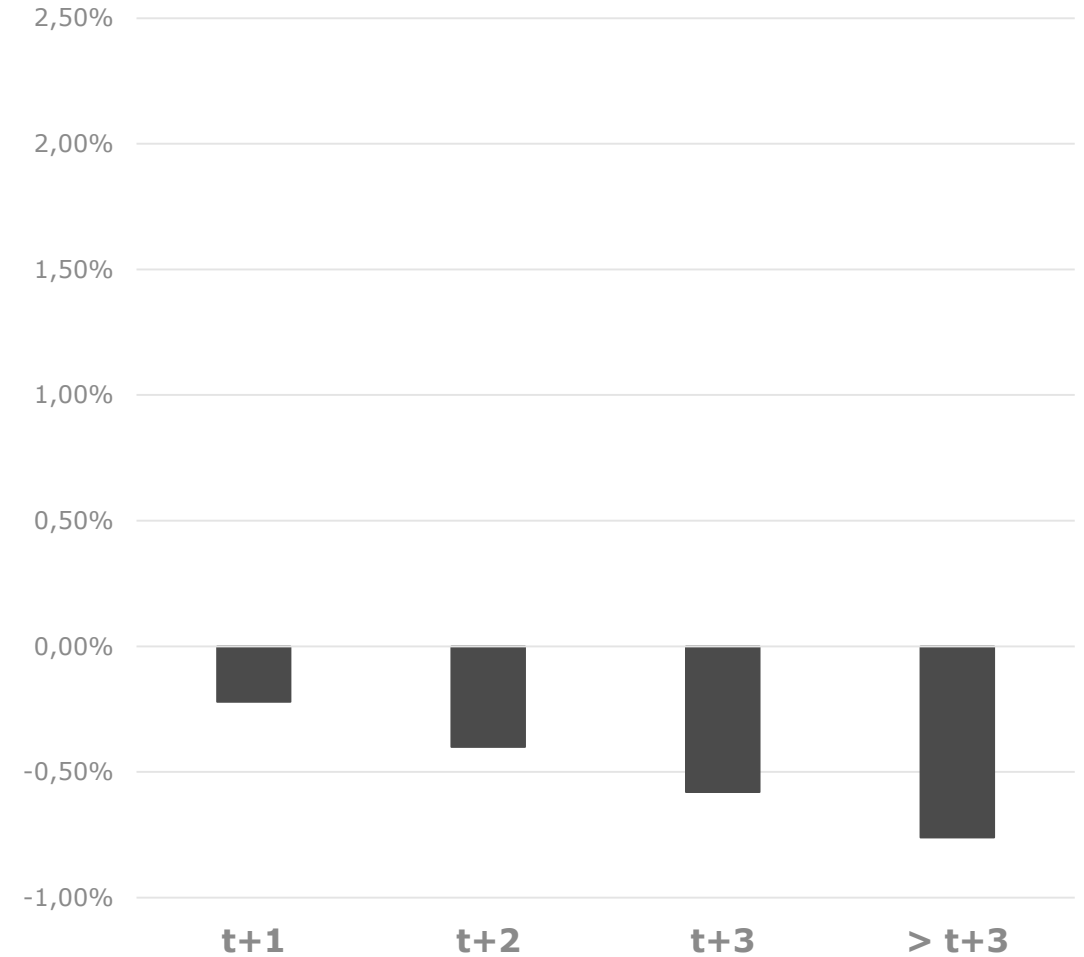
52% of samples have negative effect sizes
48% of samples have positive effect sizes

OPERATING PERFORMANCE IMPROVES NO IMPACT ON EMPLOYMENT

Average relative change in operating performance after PE buyout

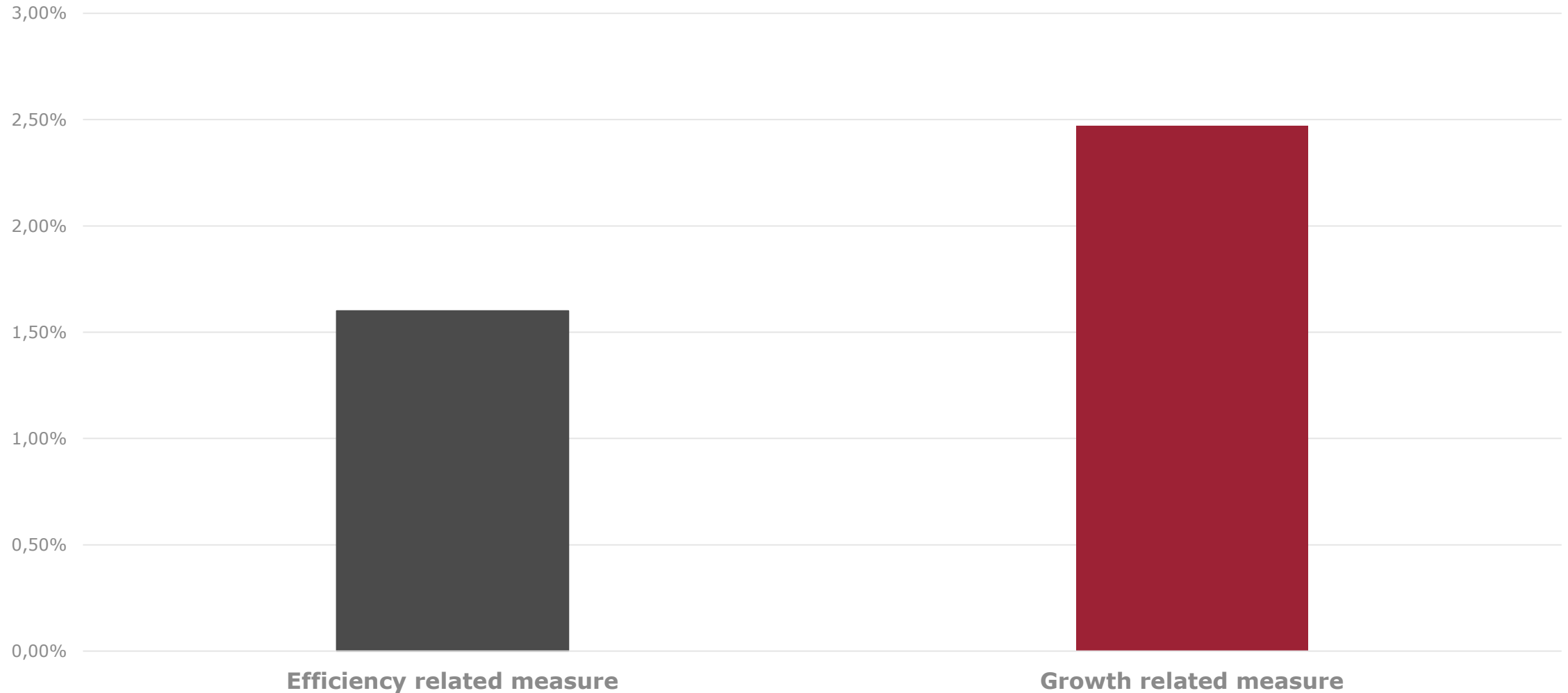


Average relative change in employment after PE buyout



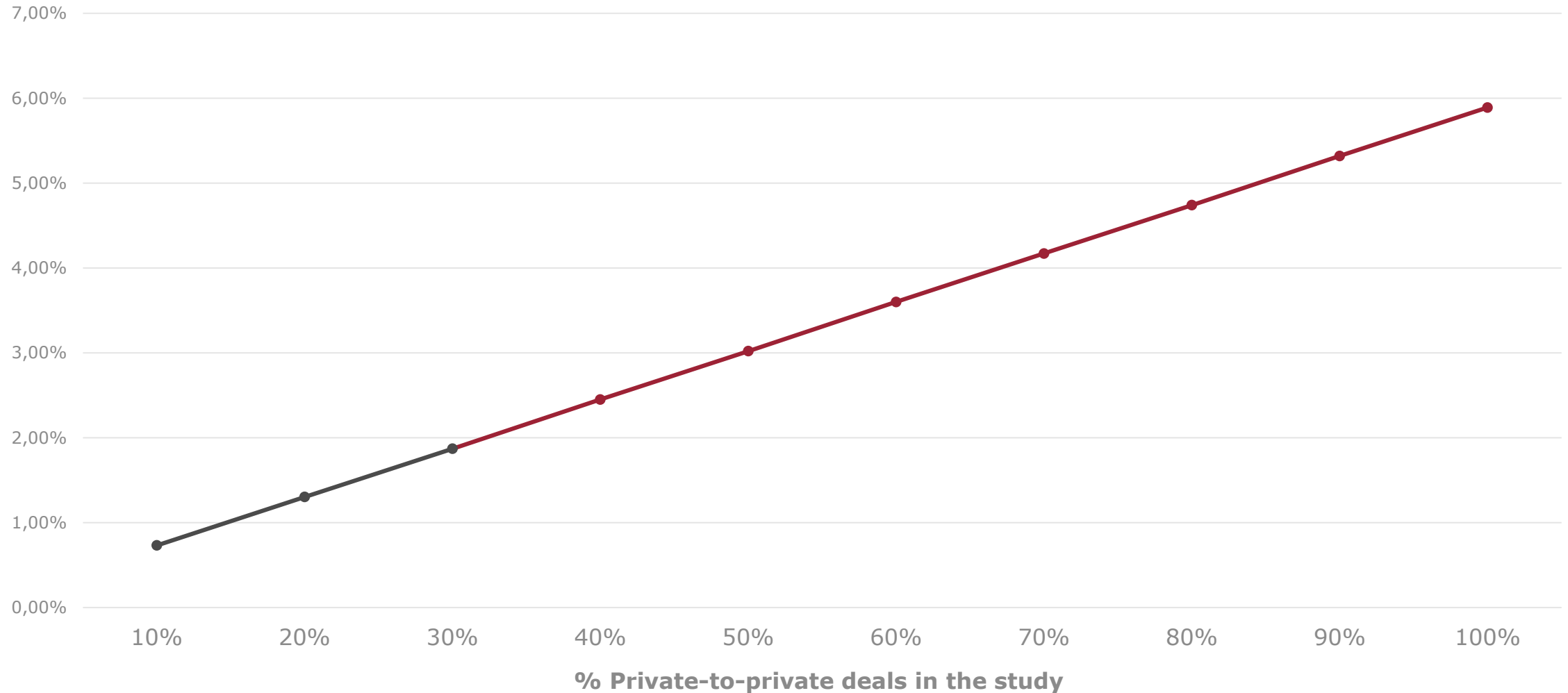
PRIVATE EQUITY INVESTORS MAINLY GROW PORTFOLIO COMPANIES

Average relative change in operating performance after PE buyout

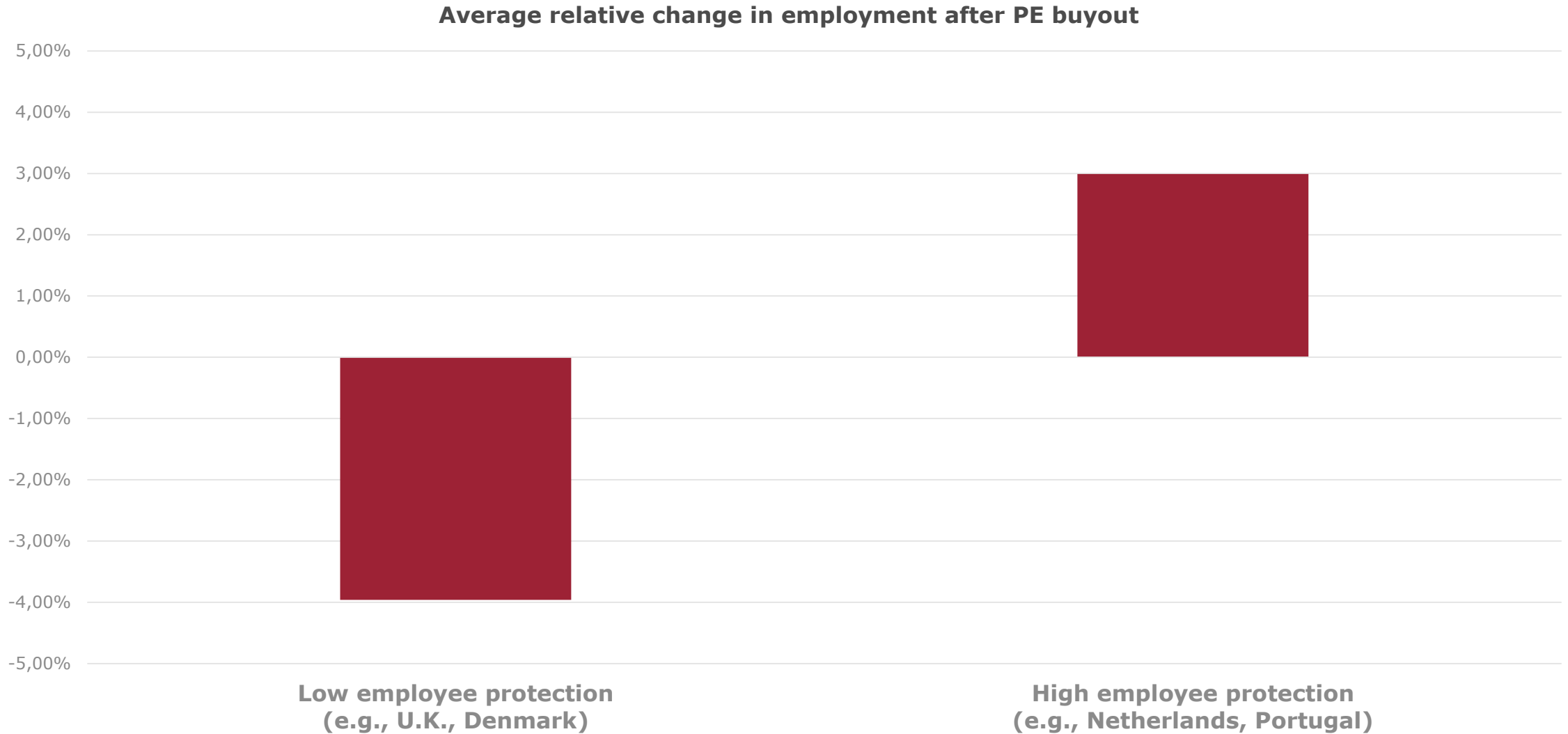


PRIVATE-TO-PRIVATE DEALS SHOW HIGHER OPERATING PERFORMANCE GAINS

Average relative change in operating performance after PE buyout

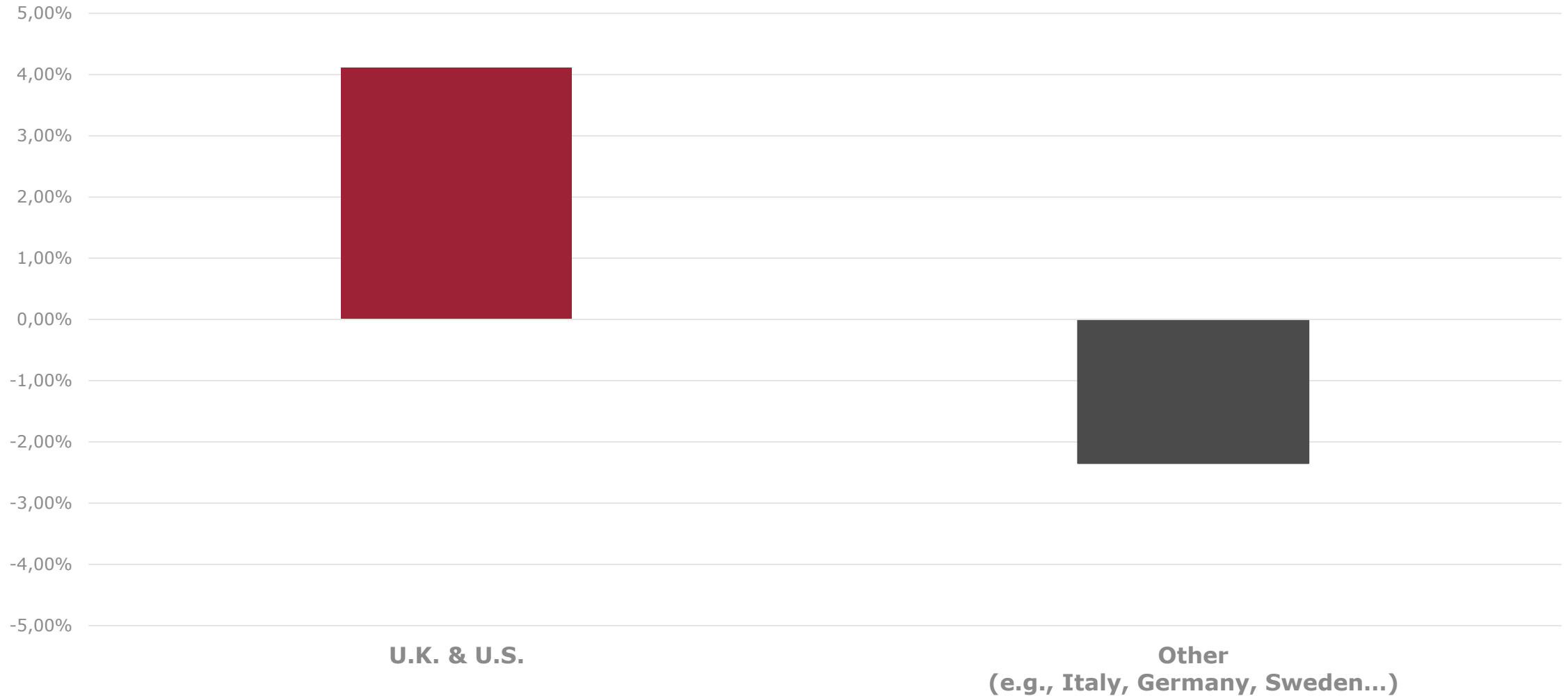


HIGH EMPLOYEE PROTECTION ENHANCES EMPLOYEE OUTCOMES



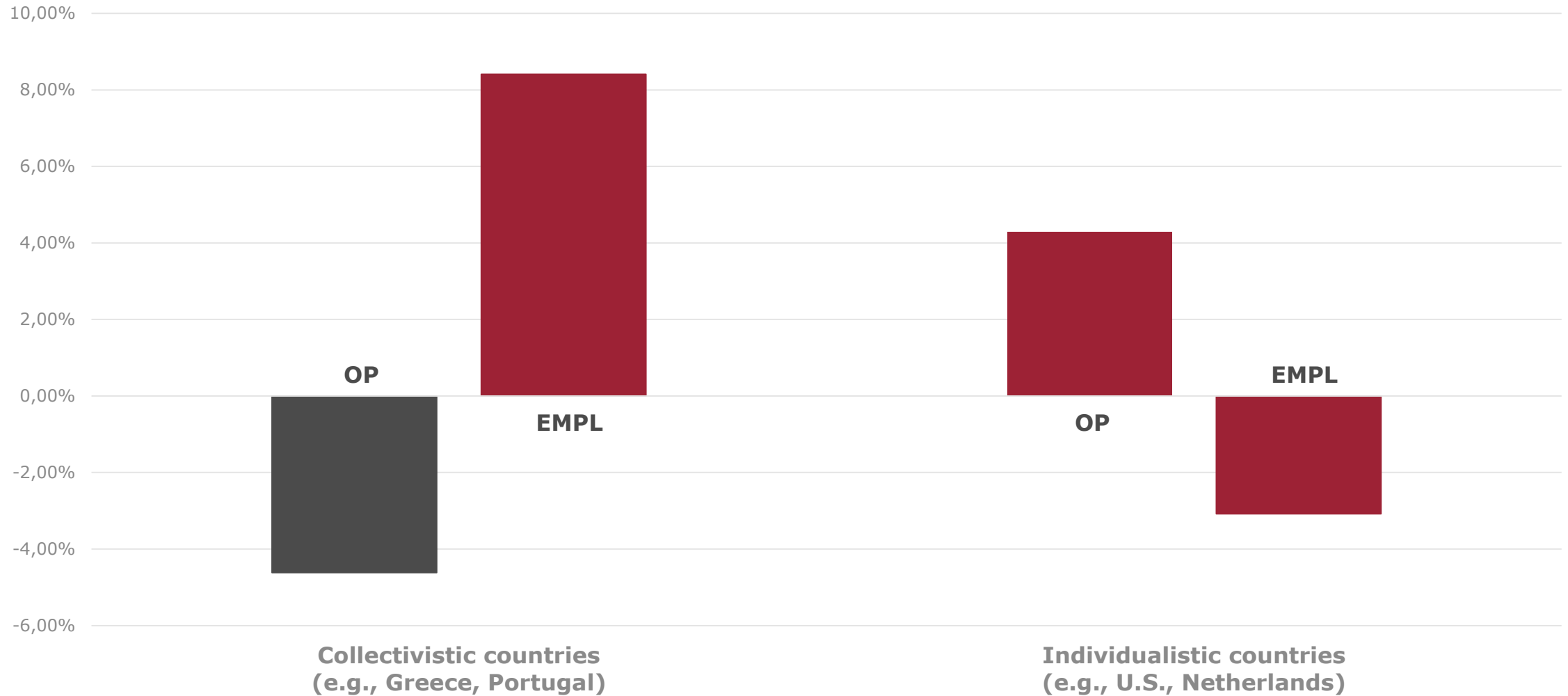
HIGH INVESTOR PROTECTION ENHANCES OPERATING PERFORMANCE OUTCOMES

Average relative change in operating performance after PE buyout



INDIVIDUALISTIC CULTURES SHOW HIGHER OPERATING PERFORMANCE GAINS, BUT LOWER EMPLOYMENT EFFECTS

Average relative change in operating performance (OP) and employment (EMPL) after PE buyout



THANK YOU
ANY QUESTIONS?