

UNDER THE MICROSCOPE

PRIVATE VS PUBLIC COMPANY OPERATING METRICS FOR US COMPANIES

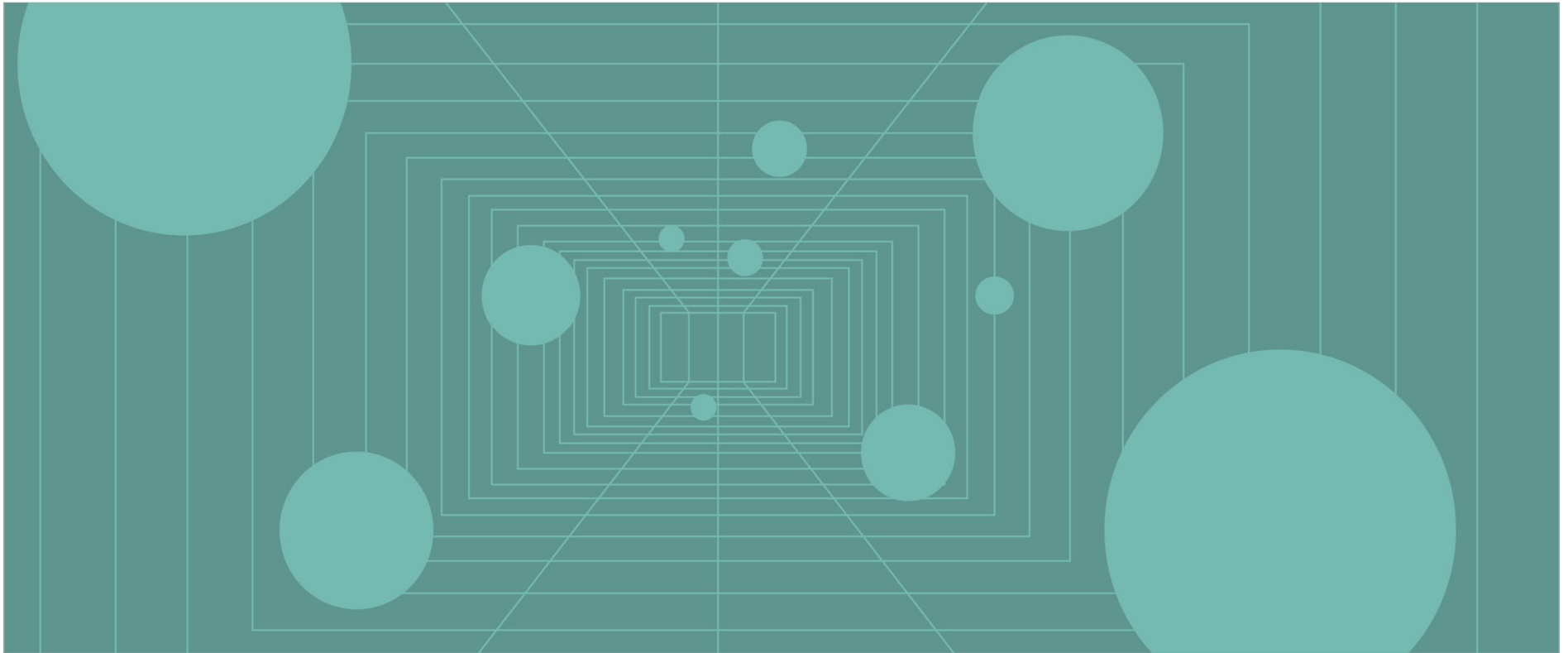


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Introduction to Operating Metrics

- The data in this report on operating metrics provide insights into key parts of the process by which private equity (PE) managers execute their strategy:
 - Purchasing the company and optimizing the capital structure
 - Improving the performance of the company and transforming the business
- PE managers aim to purchase companies at attractive prices, optimize their capital structures, and then—with operational improvements, revenue growth, and/or other acquisitions—seek to sell the company at a higher price.
- Similar metrics can be used to evaluate both private and public companies, though public market analysts typically focus on company earnings and price-earnings ratios rather than EBITDA (earnings before interest, tax, depreciation, and amortization) and use EBITDA multiples as their proxy for cash flow.
- Cambridge Associates has captured and analyzed current and historical data from global PE funds since the year ended December 31, 2011. This year’s report includes data through the period ended December 31, 2023.
- Our analysis allows for the comparison of private and public companies across industry sectors and company sizes for various parts of the investment process. The data shed light on key levers and value drivers in private equity, as well as the risks and returns of private equity versus public equity.

Notes on the Data

- Cambridge Associates collected information from PE firms of all sizes with broad mandates, as well as specialized and sector-focused strategies. The sample of private investments includes 9,000 US-based companies acquired by PE firms from 2000 through 2023 and is subject to change over time. The companies in the universe range in enterprise value from less than \$1 million to more than \$100 billion.
- Within the report, depending on the metric analyzed, the set of companies included will vary. This is due to the acquisition and disposition of companies during the period analyzed. Additionally, this reflects the impact of a statistical tool, an interquartile range, used to screen for outliers as part of each calculation. Lastly, restatements in company data that sometimes occur may lead to changes in historical metrics.
- Operating metrics data were collected directly from investment managers and have not been independently verified.
- Unless specified, the exhibits include unrealized and realized investments.
- For comparisons between the total company universe and public markets, the Russell 2500™ Index was selected based on the market capitalization of the underlying stocks. When breaking down companies by enterprise value, other Russell indexes with more appropriate market cap ranges have been used.
- Deal type categorizations have been made at the company level and reflect information provided by the PE managers.
- Sector classifications are based on the Global Industry Classification Standard (GICS®). GICS® was developed and is the exclusive property and a service mark of MSCI Inc. and S&P Global Market Intelligence LLC and is licensed for use by Cambridge Associates.
- Individual company operating metrics (e.g., revenue and EBITDA) have not been adjusted for acquisitions.
- The analyzed holding period for some companies represented in the dataset is short, and thus EBITDA growth rates may be muted initially, as PE owners do not seek to maximize EBITDA in the first several years of ownership.
- Any company with a negative value for EBITDA, net debt, or revenue was excluded from analysis using that value. In some cases, this will have a substantial impact on sample size and calculated metric averages.
- Company counts for each analysis reflect all submitted transactions, excluding outliers. We eliminate “duplicate” transactions completed by the same firm across funds in a given year. For “club” or syndicated deals that involve two or more separate firms, there are two or more companies in our universe.
- When the operating metrics information is disaggregated into deal type, enterprise value, and sectors, the sample sizes are smaller and may be biased by one or several data points. Time periods with fewer than 15 observations have been marked NA.
- Past results are not an indication of future results, provide no guarantee for the future, and will not be constant over time.

PURCHASE THE COMPANY AND OPTIMIZE CAPITAL STRUCTURE

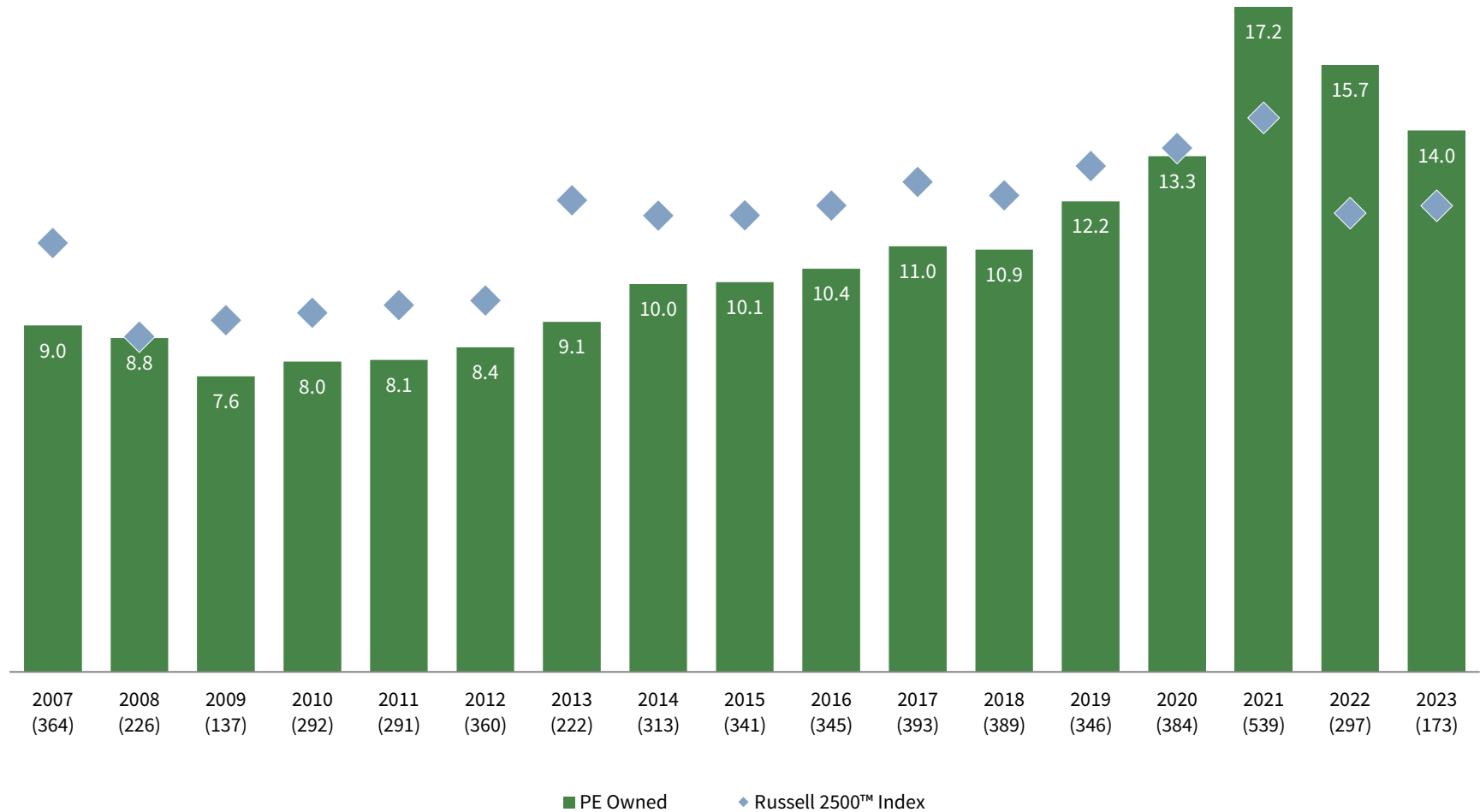
- **EBITDA Purchase Price Multiple**
- Revenue Purchase Price Multiple
- Leverage Multiple

PE PPMs have continued to correct since peaking in 2021

Amid a slower-paced market, PE acquisition multiples remained higher than those of public markets but the delta between them decreased in 2023, coinciding with a rebound in public markets

AVERAGE EBITDA PURCHASE PRICE MULTIPLES AT ACQUISITION OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Enterprise Value/EBITDA

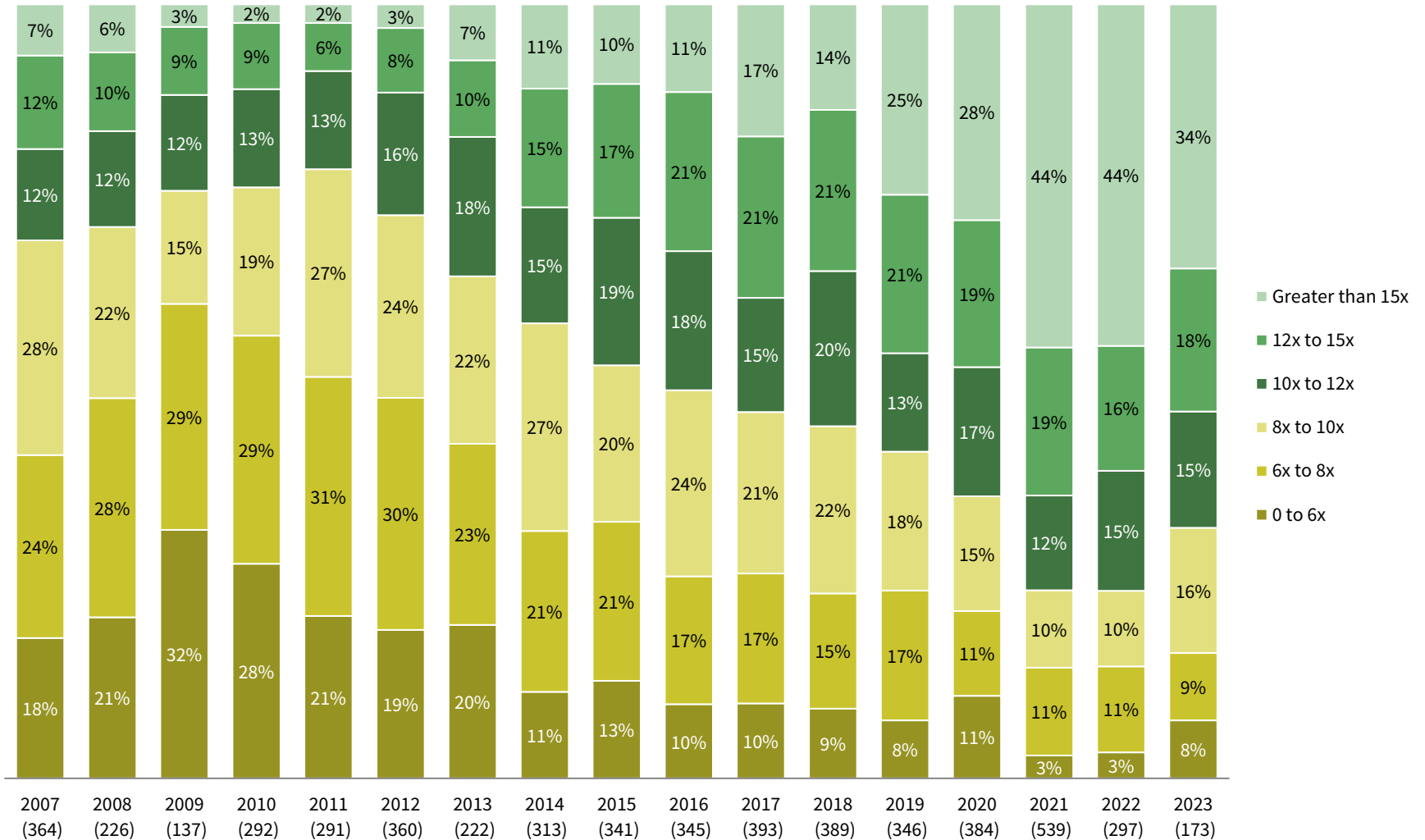


Nearly 40% of deals completed over the last five years transacted at >15x EBITDA

In 2023, one-third of the acquisitions were valued at 10x or lower

EBITDA PURCHASE PRICE MULTIPLE BREAKDOWN OF US PRIVATE EQUITY-OWNED COMPANIES

As of December 31, 2023 • Enterprise Value/EBITDA



Source: Cambridge Associates LLC Private Investments Database (as reported by investment managers).

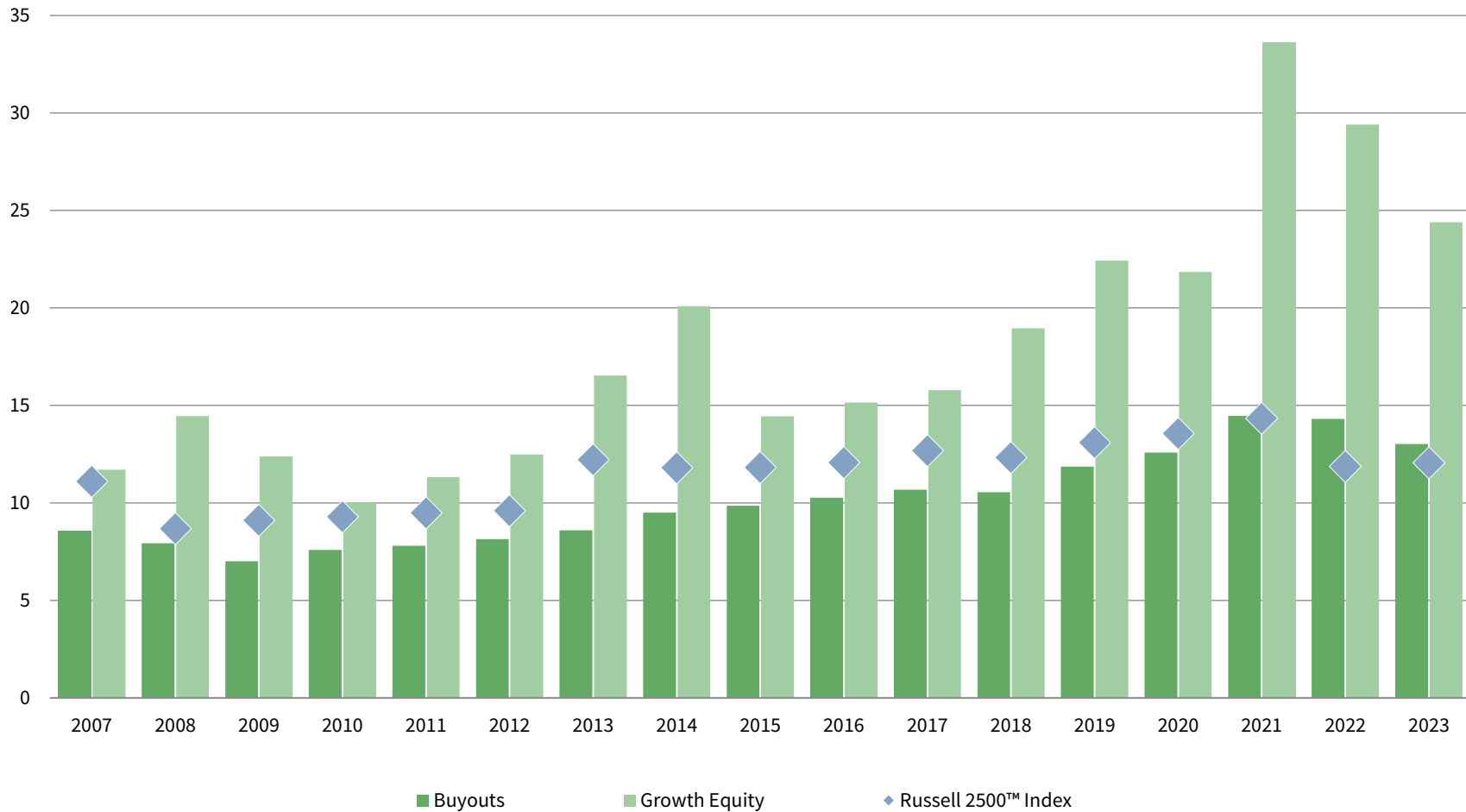
Notes: Outliers were identified and excluded. Numbers in parentheses represent total private companies in a year. Each range includes the lower bound value. For example, the "6x to 8x" range includes companies with reported EBITDA purchase price of exactly 6x. Due to rounding, totals may not sum to 100%.

Buyout PPMs approximated those of public markets in 2023

Growth equity valuations have not been grounded in EBITDA, evidenced by their five-year string of >20x average multiples

AVERAGE EBITDA PURCHASE PRICE MULTIPLES AT ACQUISITION OF US BUYOUT AND GROWTH EQUITY COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Enterprise Value/EBITDA



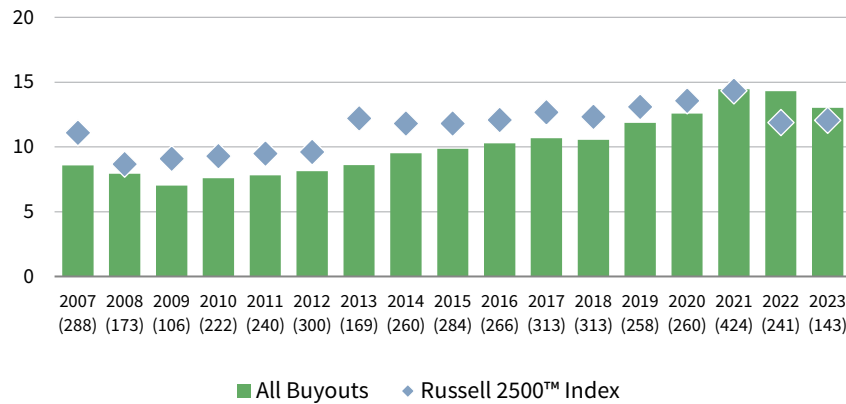
Small-cap buyouts have been the only size segment to persistently transact at lower multiples than public peers

Since 2007, large buyout multiples averaged 12.4x, outpacing the average for public peers by about half a turn of EBITDA

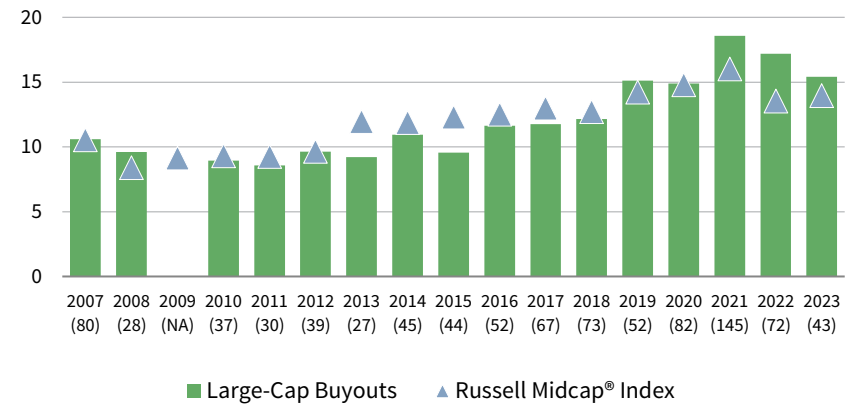
AVERAGE EBITDA PURCHASE PRICE MULTIPLES AT ACQUISITION OF US PRIVATE EQUITY BUYOUT COMPANIES VS PUBLIC COMPANIES BY ENTERPRISE VALUE SEGMENT

As of December 31, 2023 • Enterprise Value/EBITDA

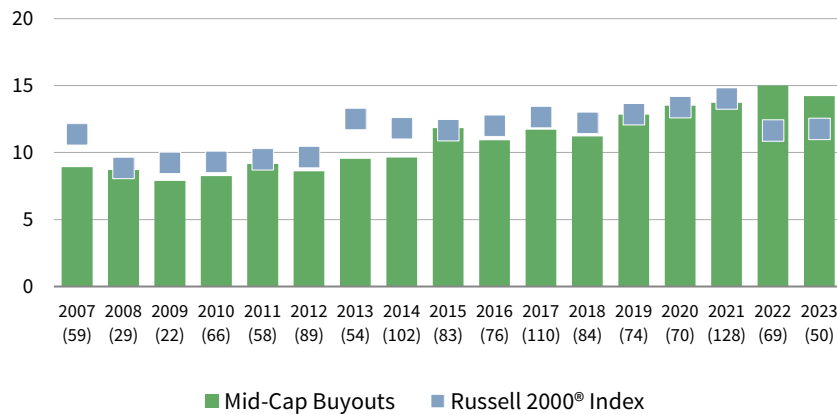
Total Universe



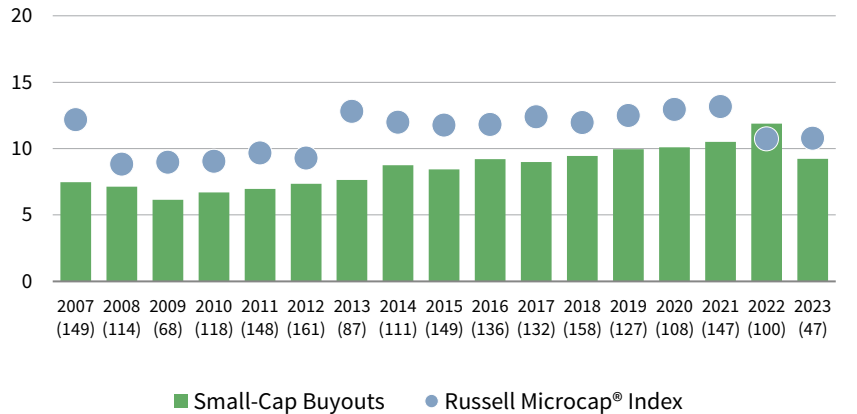
Enterprise Value > \$1 B



Enterprise Value \$250 M – \$1 B



Enterprise Value < \$250 M



Sources: Cambridge Associates LLC Private Investments Database (as reported by investment managers), FactSet Research Systems, and Frank Russell Company.
 Notes: Outliers were identified and excluded, and the same methodology was applied to the private equity and public company universes. Numbers in parentheses represent number of private equity–owned companies in each year.

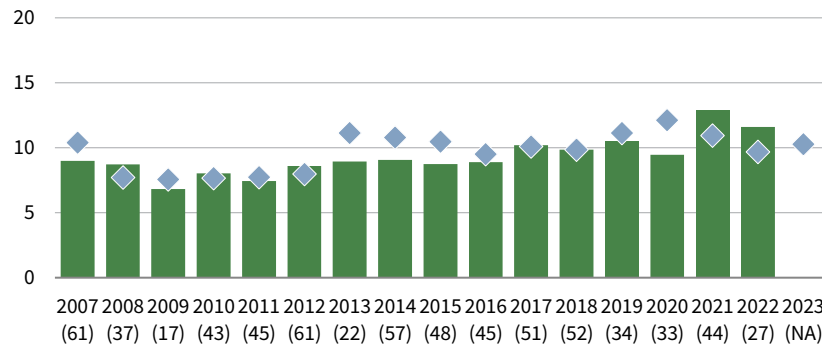
In PE and public universes, healthcare PPMs have fallen the most from 2021 highs

PE acquisition multiples for industrials and IT have dropped but to a lesser degree

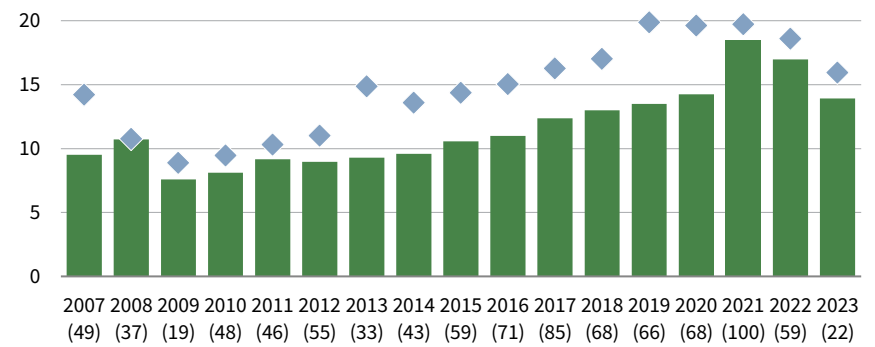
AVERAGE EBITDA PURCHASE PRICE MULTIPLES AT ACQUISITION OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES BY SECTOR

As of December 31, 2023 • Enterprise Value/EBITDA

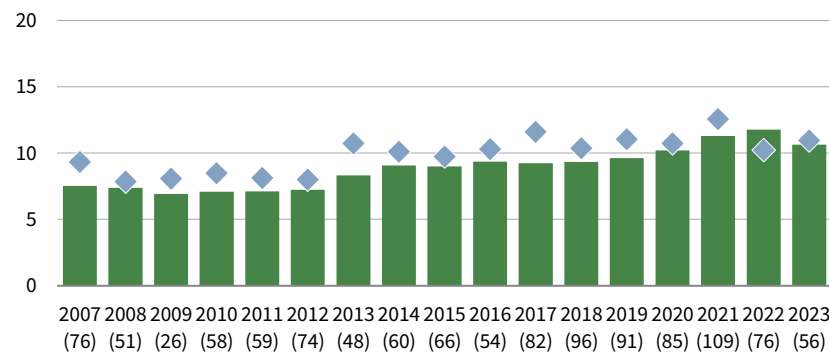
Consumer Discretionary



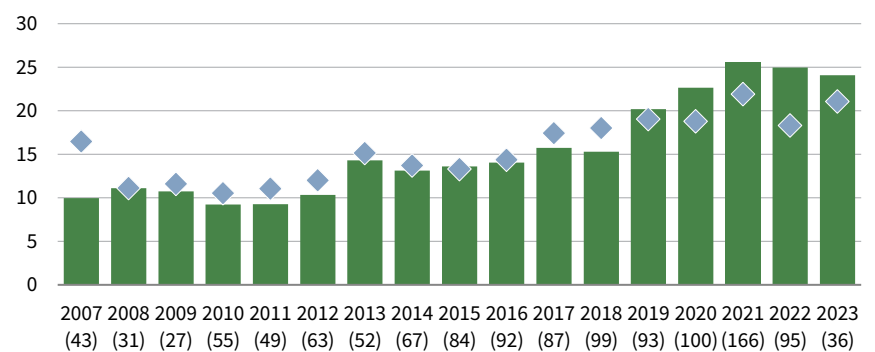
Healthcare



Industrials



Information Technology



■ PE Owned

◆ Russell 2500™ Index

PURCHASE THE COMPANY AND OPTIMIZE CAPITAL STRUCTURE

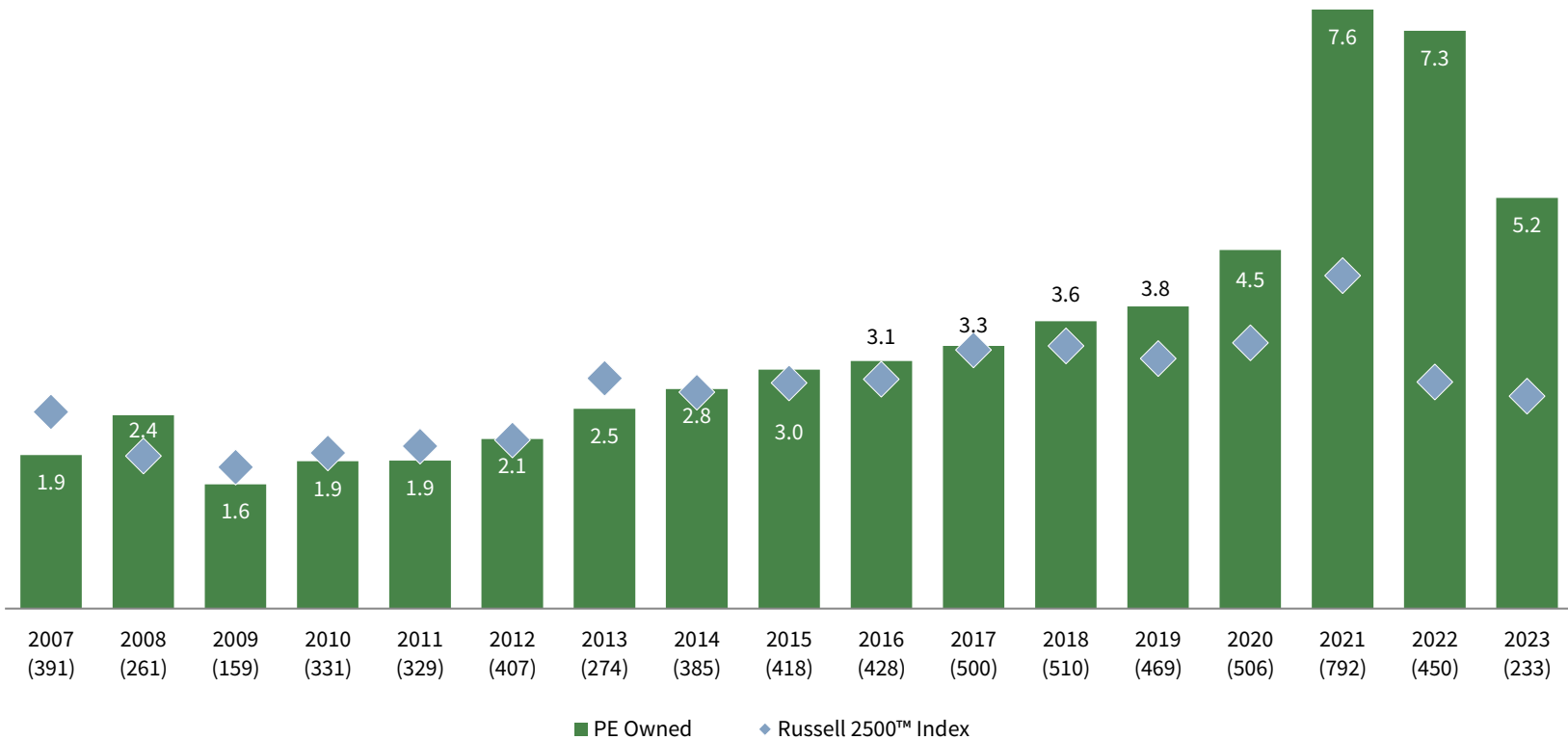
- EBITDA Purchase Price Multiple
- **Revenue Purchase Price Multiple**
- Leverage Multiple

Revenue multiples continued to recede in 2023 but still reflect managers' willingness to "pay up" for growth

Private PPMs have surpassed public ones in every year since 2018

AVERAGE REVENUE PURCHASE PRICE MULTIPLES AT ACQUISITION OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Enterprise Value/LTM Revenue



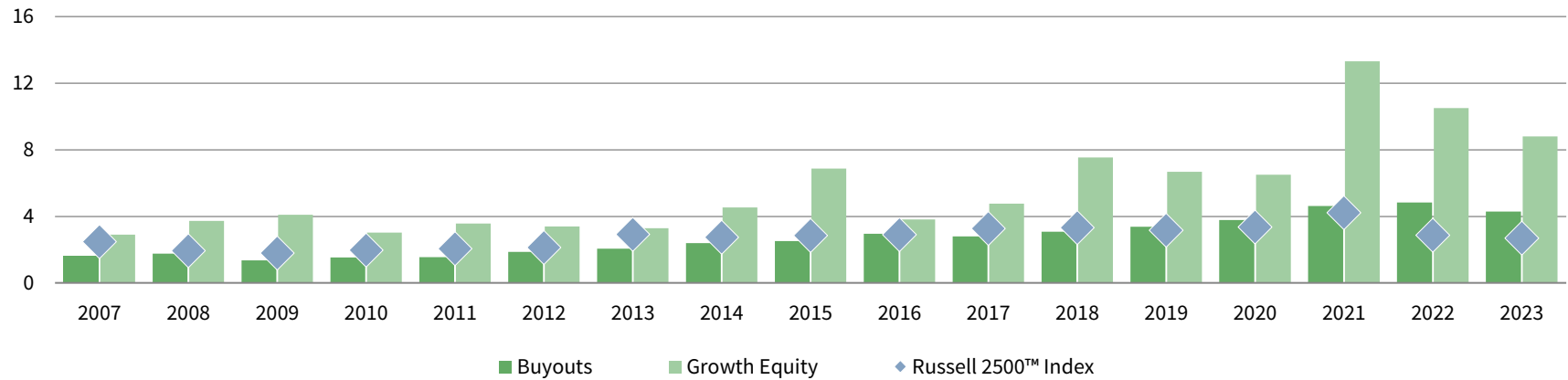
Revenue multiples have declined substantially since 2021 but remained elevated in 2023

Since 2018, IT growth equity acquisitions have transacted at an average multiple of 11.7x revenue

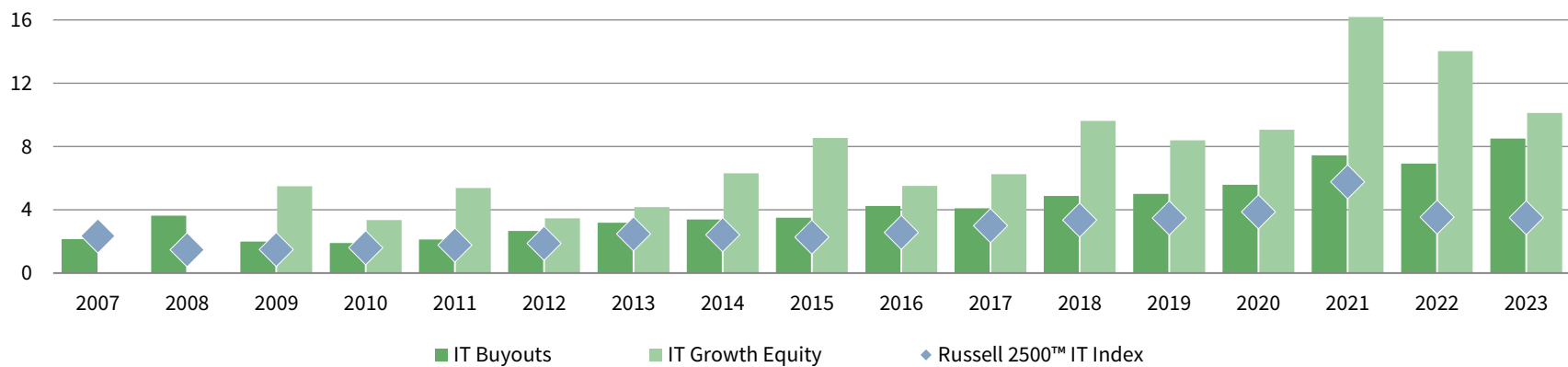
AVERAGE REVENUE PURCHASE PRICE MULTIPLES AT ACQUISITION BY DEAL TYPE AND SECTOR VS PUBLIC COMPANIES

As of December 31, 2023 • Enterprise Value/LTM Revenue

Deal Type: US Companies



Deal Type: US IT Companies



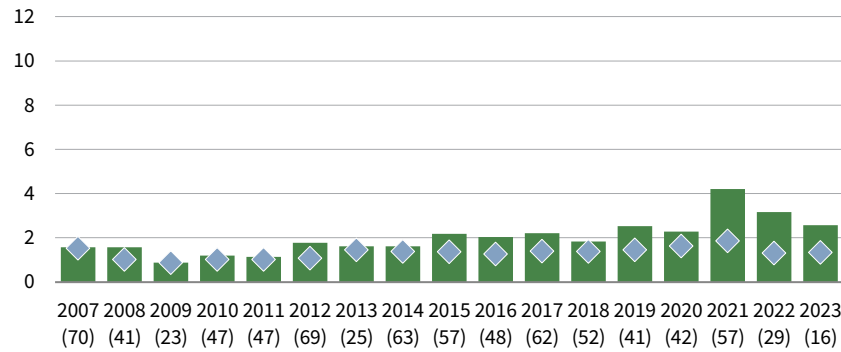
Since 2021, PE revenue PPMs have declined for all sectors, while public valuations have only corrected in healthcare and IT

2022 was the only year analyzed that PE healthcare revenue multiples exceeded those for public companies, and in 2023, the two converged

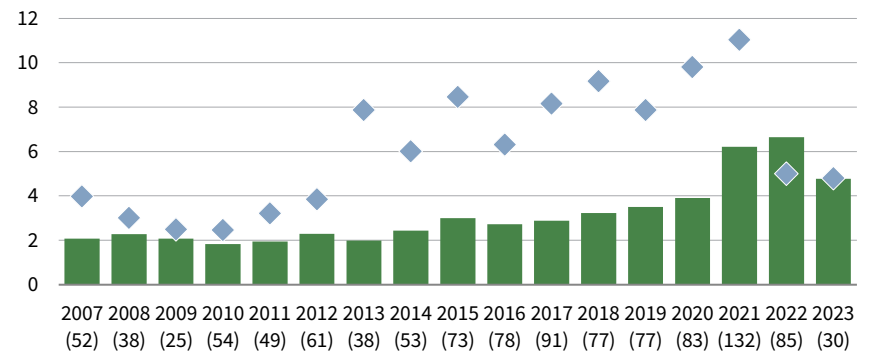
AVERAGE REVENUE PURCHASE PRICE MULTIPLES AT ACQUISITION OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES BY SECTOR

As of December 31, 2023 • Enterprise Value/Revenue

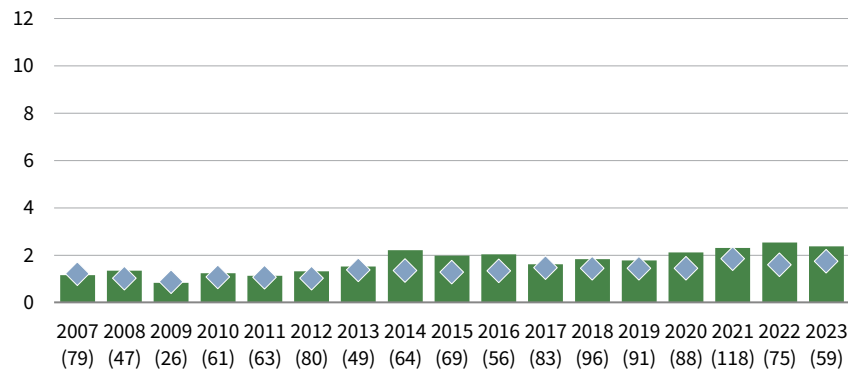
Consumer Discretionary



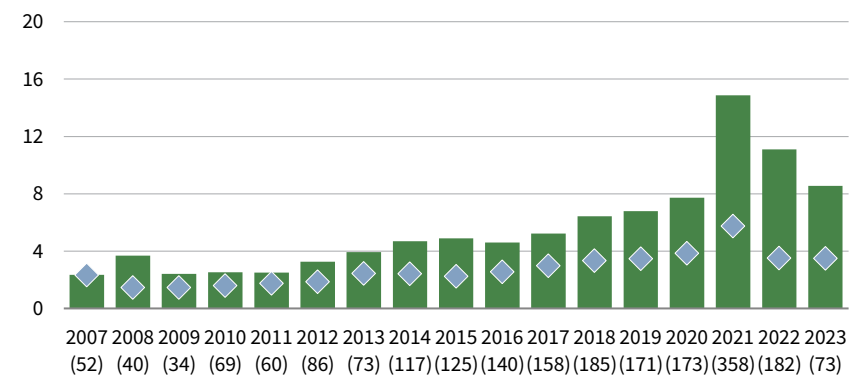
Healthcare



Industrials



Information Technology



■ PE Owned

◆ Russell 2500™ Index

PURCHASE THE COMPANY AND OPTIMIZE CAPITAL STRUCTURE

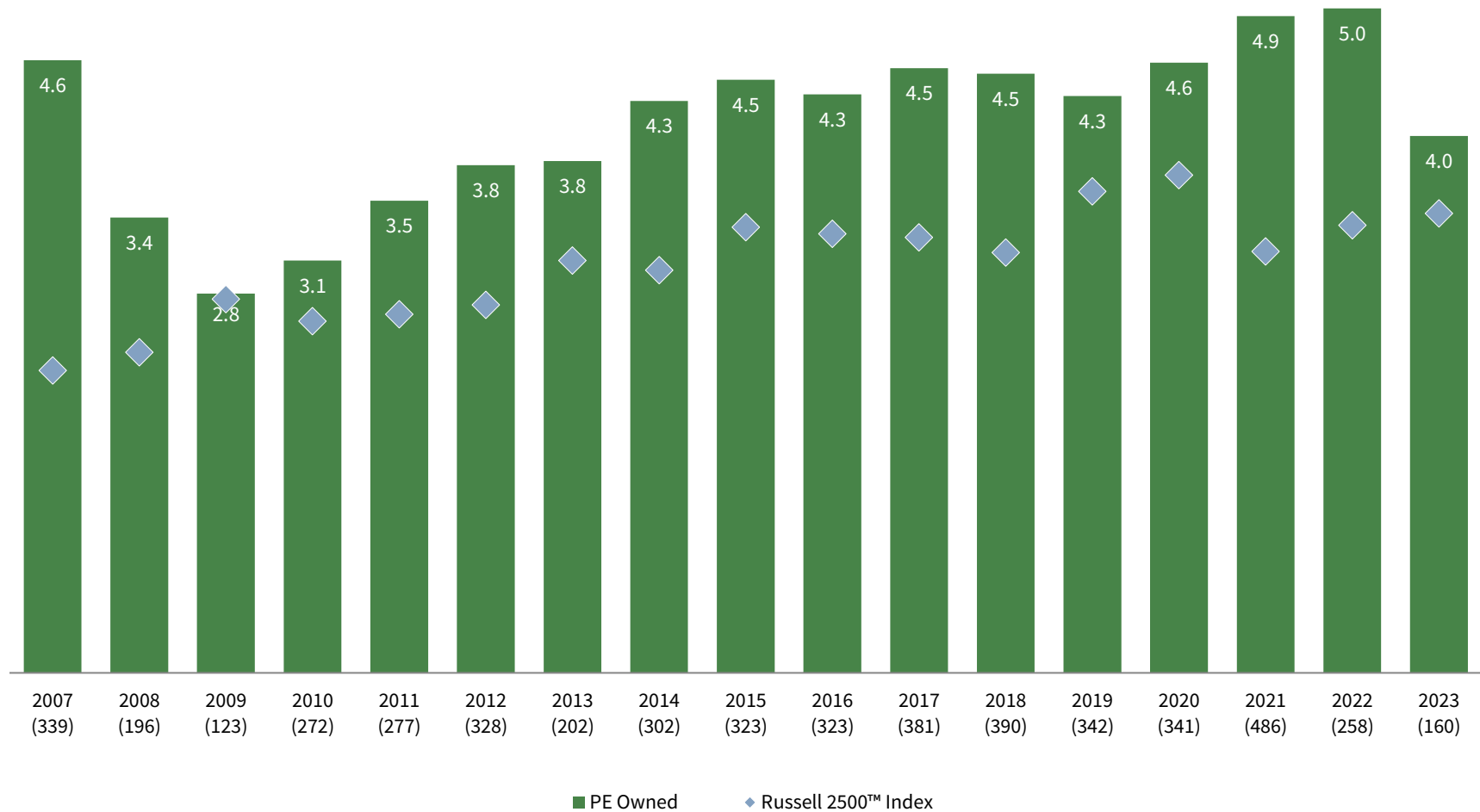
- EBITDA Purchase Price Multiple
- Revenue Purchase Price Multiple
- **Leverage Multiple**

Amid a higher rate environment in 2023, PE leverage multiples at acquisition averaged their lowest level since 2013

Leverage multiples for PE and public companies were more aligned in 2023 than any other year since 2010

AVERAGE EBITDA LEVERAGE MULTIPLES AT ACQUISITION OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Net Debt/EBITDA

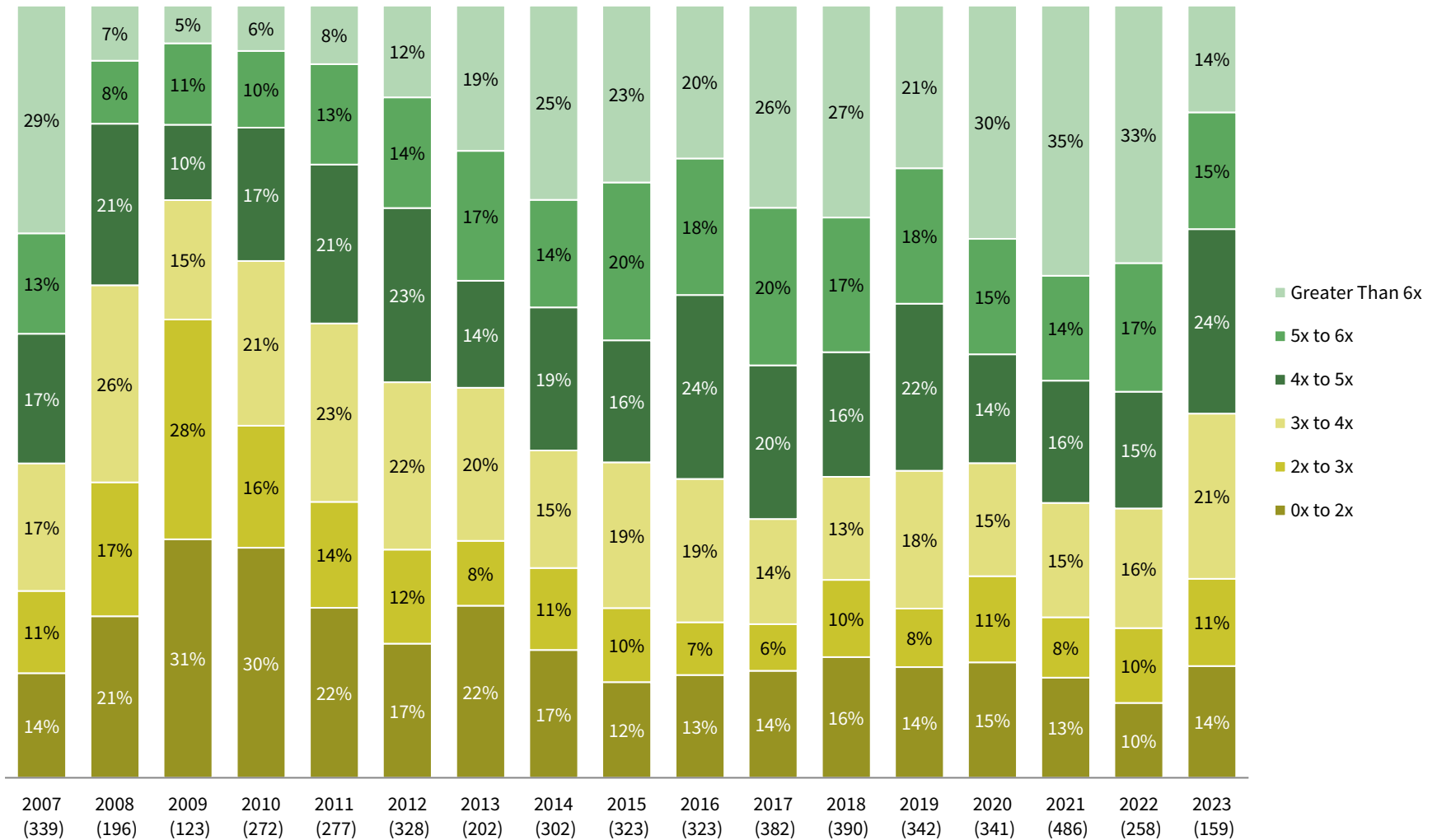


70% of deals completed in 2023 were levered by 5x or less

Higher interest rates in 2023 led to a retrenchment in leverage across the board

LEVERAGE MULTIPLE BREAKDOWN OF US PRIVATE EQUITY-OWNED COMPANIES

As of December 31, 2023 • Net Debt/EBITDA



Source: Cambridge Associates LLC Private Investments Database (as reported by investment managers).

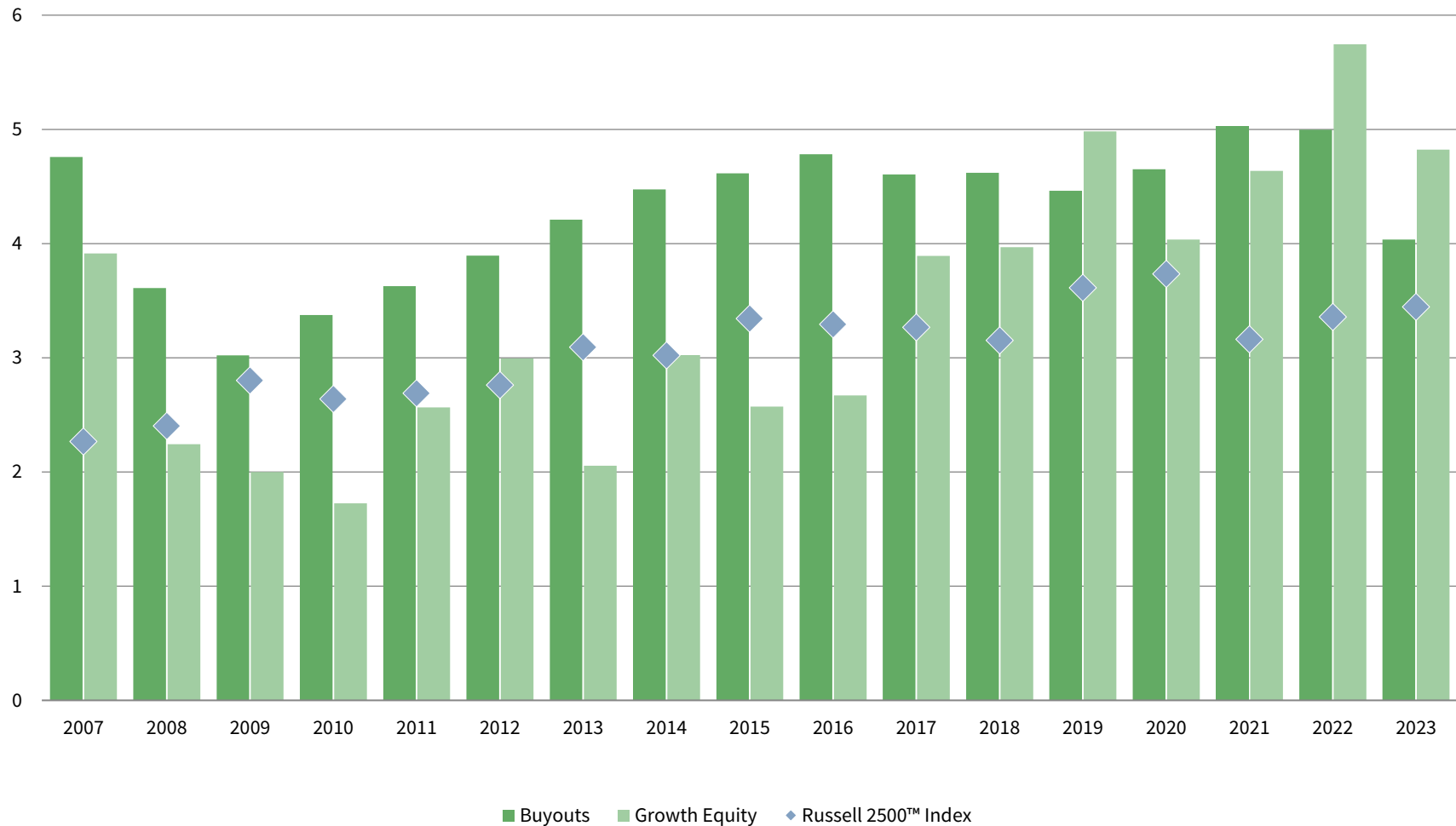
Notes: Outliers were identified and excluded. Numbers in parentheses represent total private companies in a year. Each range includes the lower bound value. For example, the "4x to 5x" range includes companies with reported leverage multiples of exactly 4x. Due to rounding, totals may not sum to 100%.

Buyout leverage multiples fell meaningfully in 2023, averaging the lowest since 2012

While average growth equity leverage multiples appear elevated since 2017, slightly more than half were levered by 2x or less within the universe of companies acquired with leverage and EBITDA

AVERAGE EBITDA LEVERAGE MULTIPLES AT ACQUISITION OF US BUYOUT AND GROWTH EQUITY COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Net Debt/EBITDA



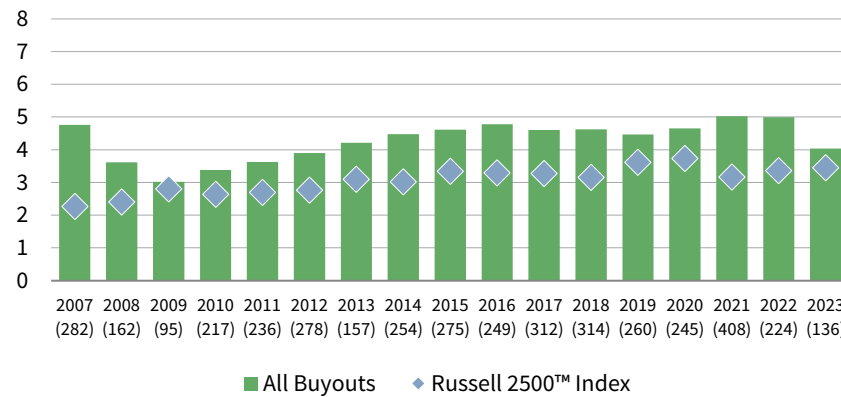
In all size segments, buyout leverage multiples declined by at least a turn of EBITDA in 2023

In the public indexes, leverage multiples increased or stayed the same as in 2022

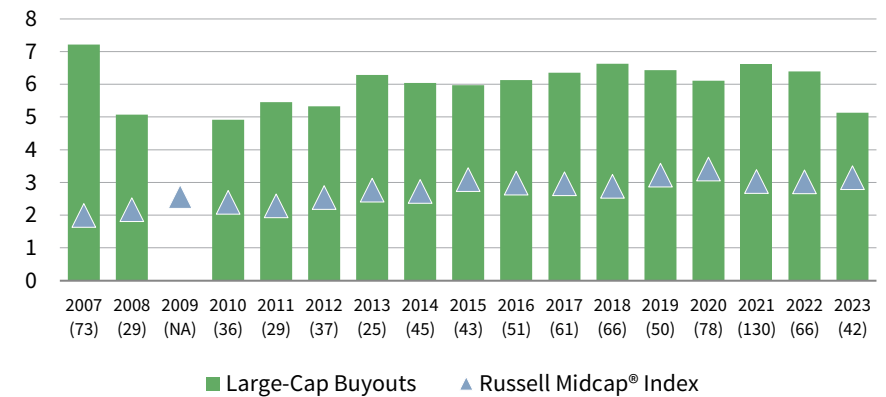
AVERAGE EBITDA LEVERAGE MULTIPLES AT ACQUISITION OF US PRIVATE EQUITY BUYOUT COMPANIES VS PUBLIC COMPANIES BY ENTERPRISE VALUE SEGMENT

As of December 31, 2023 • Net Debt/EBITDA

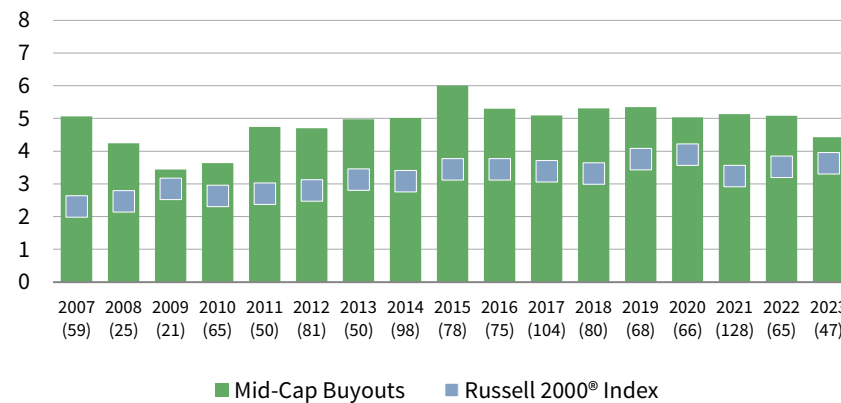
Total Universe



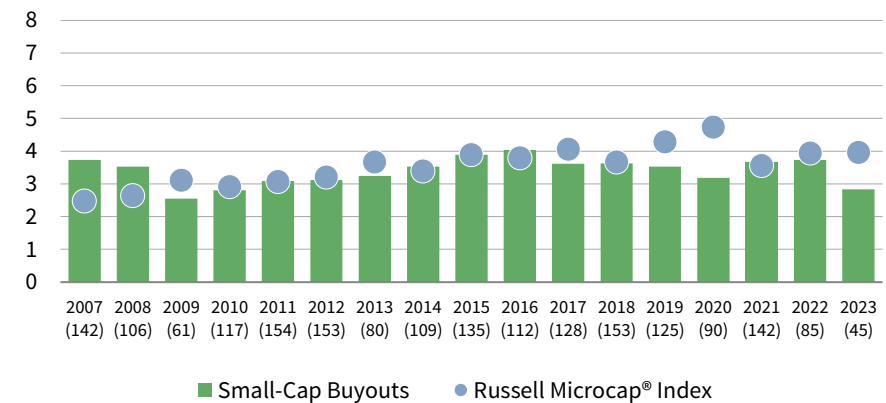
Enterprise Value > \$1 B



Enterprise Value \$250 M – \$1 B



Enterprise Value < \$250 M



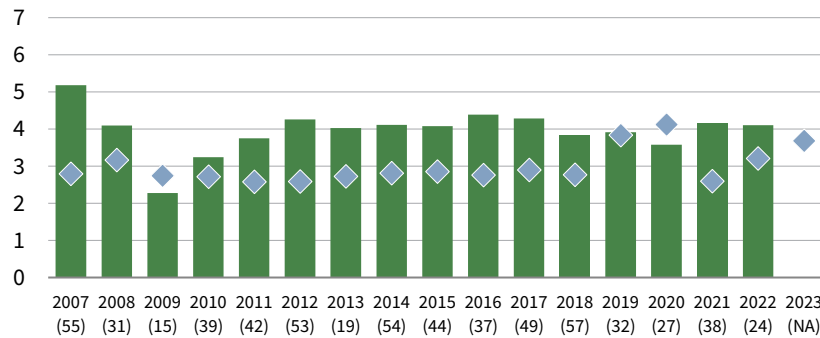
PE leverage multiples at acquisition decreased in all sectors in 2023, while in public markets, they only fell in healthcare

Leverage multiples for PE-backed IT companies have consistently outpaced all others

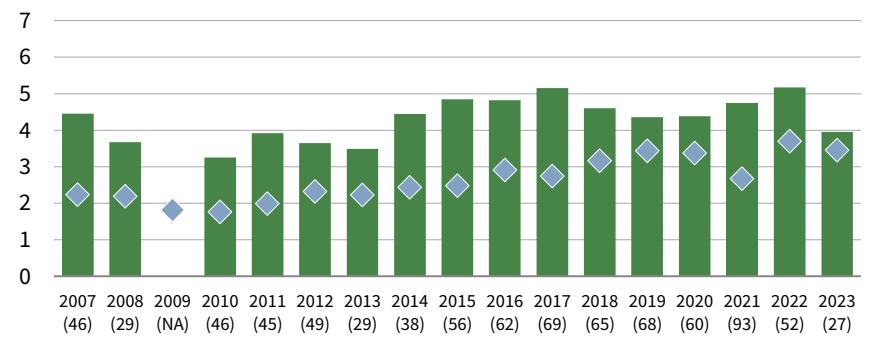
AVERAGE EBITDA LEVERAGE MULTIPLES AT ACQUISITION OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES BY SECTOR

As of December 31, 2023 • Net Debt/EBITDA

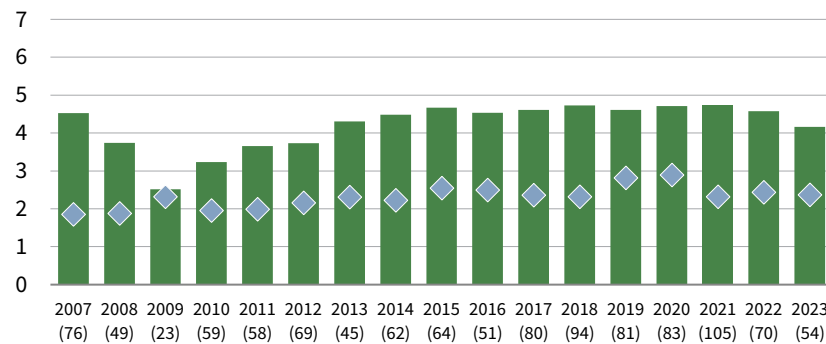
Consumer Discretionary



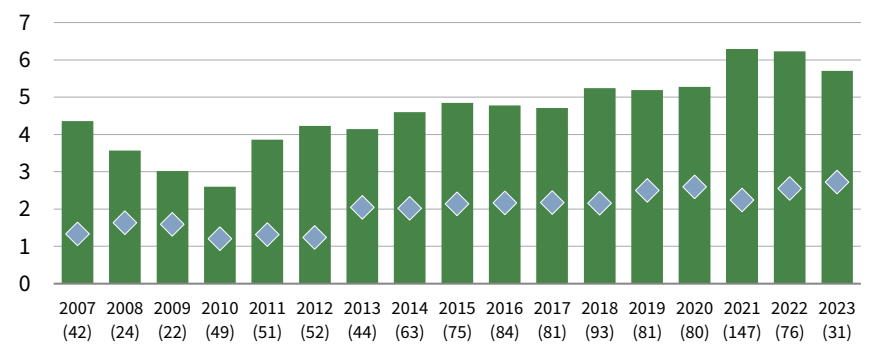
Healthcare



Industrials



Information Technology



■ PE Owned

◆ Russell 2500™ Index

IMPROVE THE PERFORMANCE OF THE COMPANY AND TRANSFORM THE BUSINESS

- **Revenue Growth**
- EBITDA Growth
- EBITDA Margin
- Exit Metrics

PE's 2023 revenue growth trailed its long-term average (13.3%) by less than 1% despite its significant year-over-year decline

Since 2008, PE company average annual revenue growth has outpaced that of public companies by nearly 7% per annum

AVERAGE ANNUAL REVENUE GROWTH OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Annual Growth Rate (%)



Sources: Cambridge Associates LLC Private Investments Database (as reported by investment managers), FactSet Research Systems, and Frank Russell Company.

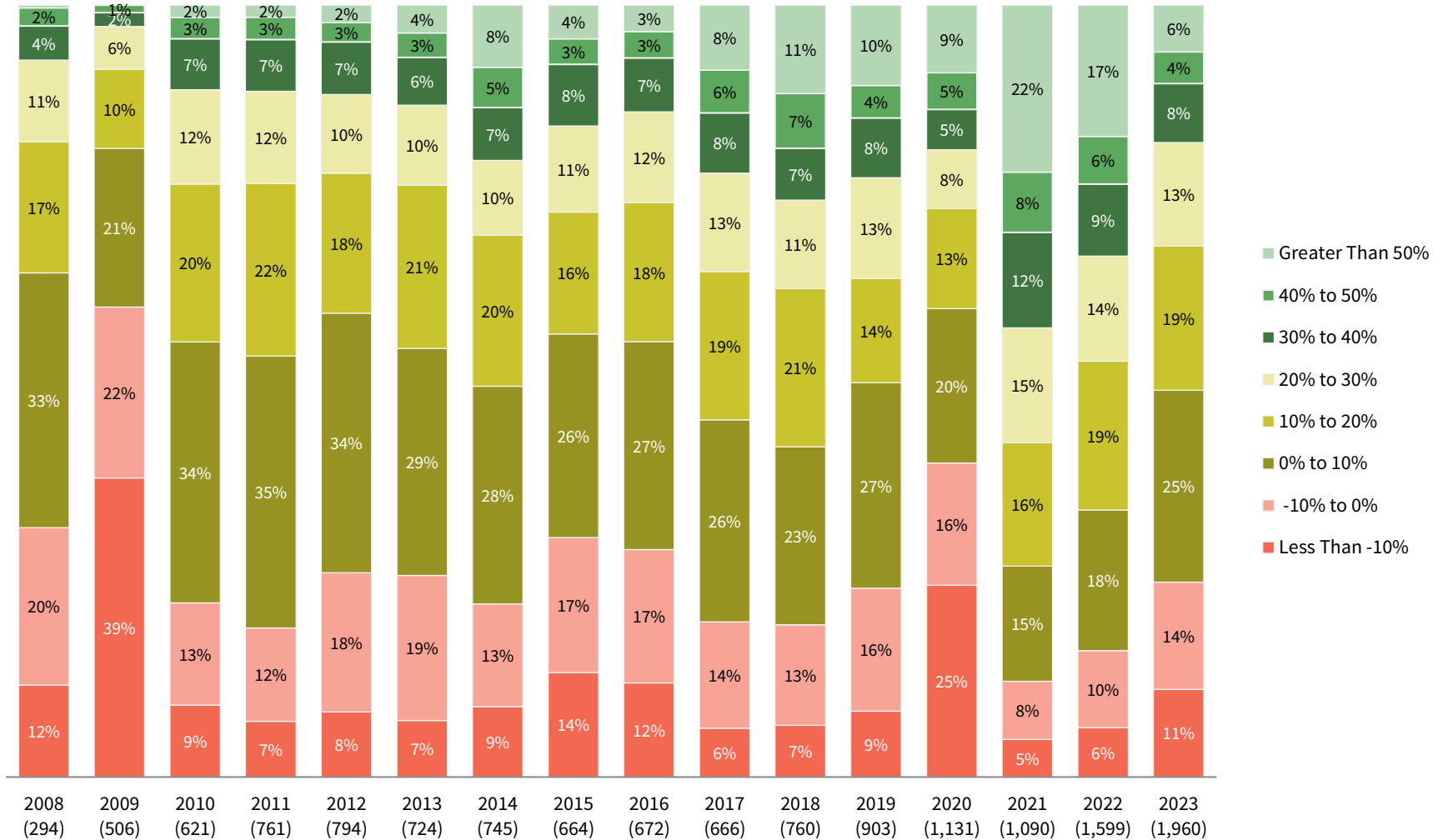
Notes: Outliers were identified and excluded, and the same methodology was applied to the private equity and public company universes. Numbers in parentheses represent number of private equity-owned companies in each year."

Revenue growth distribution in 2023 approximated pre-2020 averages

The 2021 and 2022 “zero interest rate policy” helped motivate top-line growth

ANNUAL REVENUE GROWTH BREAKDOWN OF US PRIVATE EQUITY-OWNED COMPANIES

As of December 31, 2023 • Annual Growth Rate (%)



Source: Cambridge Associates LLC Private Investments Database (as reported by investment managers).

Notes: Outliers were identified and excluded. Numbers in parentheses represent total private companies in a year. Each range includes the lower bound value. For example, the "0%–10%" range includes companies with reported growth of exactly 0%.

For all deal types, average revenue growth was “solid” but much lower than in previous two years

Over the full period, growth equity averaged 21% growth per year, buyouts averaged 9%, and publics averaged 7%

AVERAGE ANNUAL REVENUE GROWTH OF US BUYOUT AND GROWTH EQUITY COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Annual Growth Rate (%)



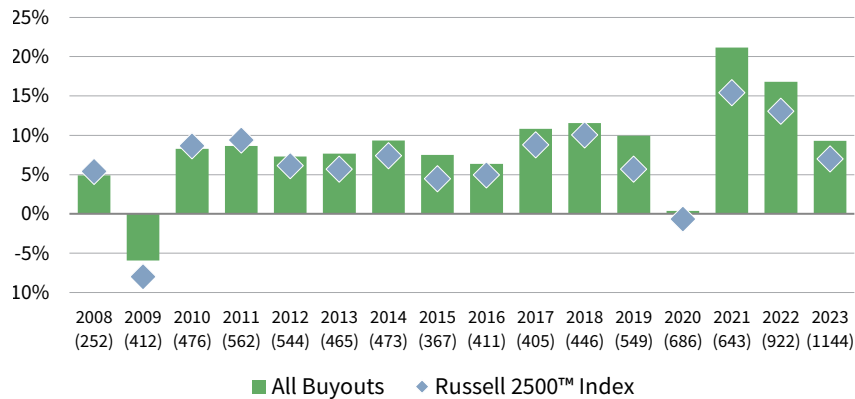
Amid a lower growth environment, buyouts bested public peers across all size segments in 2023

Across all universes, small-cap buyouts averaged the highest growth (11.8%)

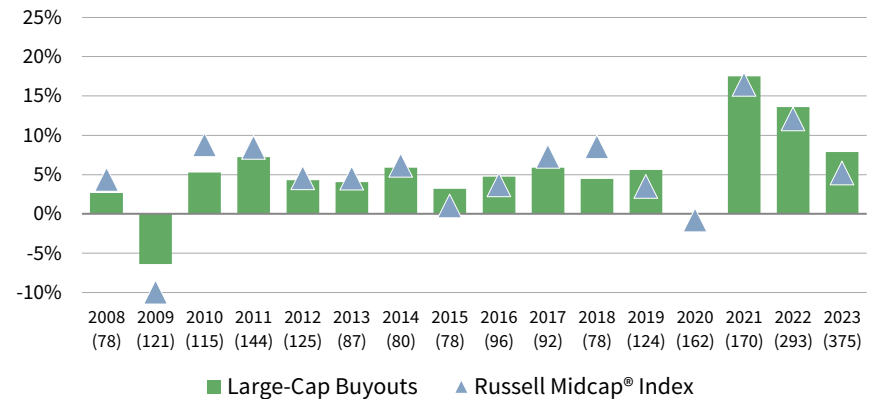
AVERAGE ANNUAL REVENUE GROWTH OF US PRIVATE EQUITY BUYOUT COMPANIES VS PUBLIC COMPANIES BY ENTERPRISE VALUE SEGMENT

As of December 31, 2023 • Annual Growth Rate (%)

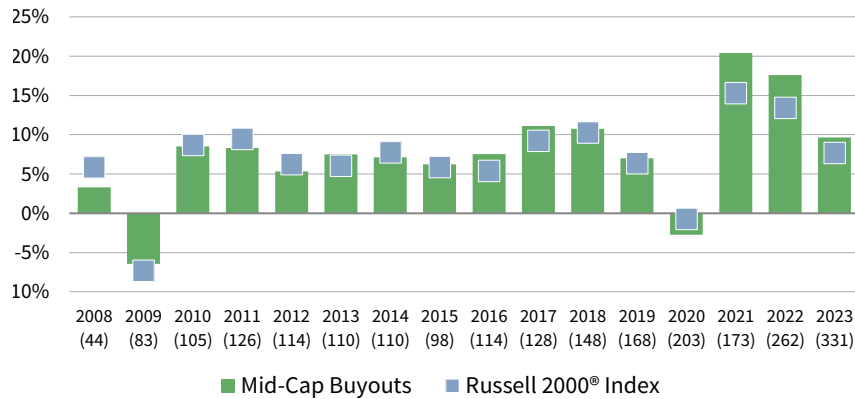
Total Universe



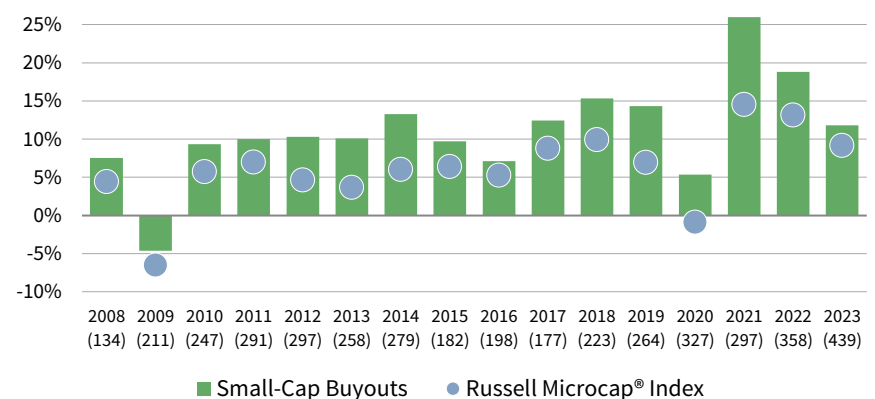
EV > \$1 B



EV \$250 M – \$1 B



EV < \$250 M



Sources: Cambridge Associates LLC Private Investments Database (as reported by investment managers), FactSet Research Systems, and Frank Russell Company. Notes: Outliers were identified and excluded, and the same methodology was applied to the private equity and public company universes. Numbers in parentheses represent number of private equity–owned companies in each year.

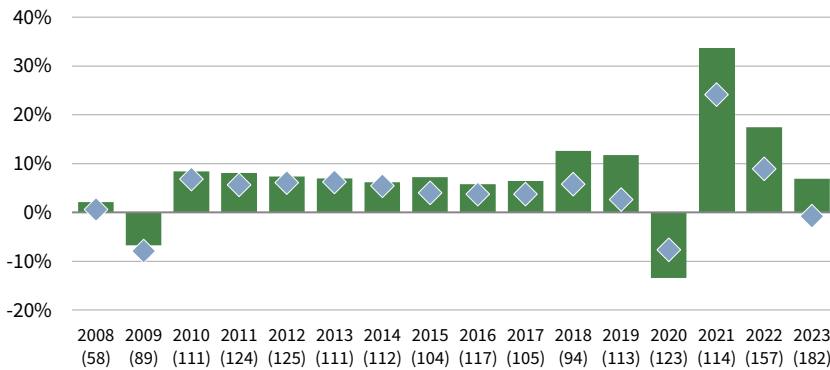
In PE, three of the four sectors averaged revenue growth of at least 10% in 2023

Consumer discretionary was the exception, with revenue growth in both public and PE universes declining substantially in 2023

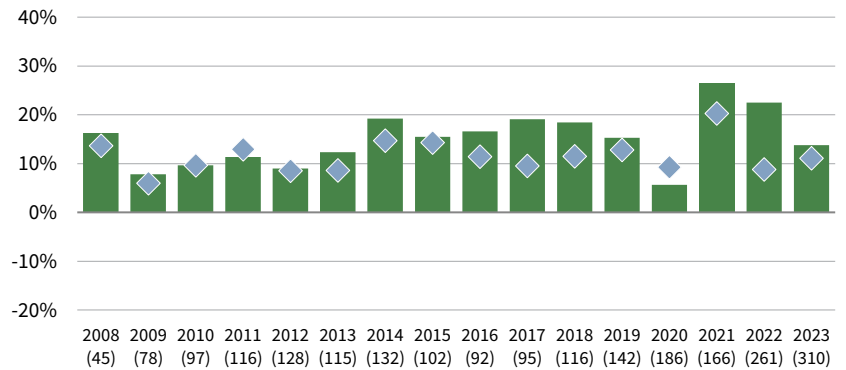
AVERAGE ANNUAL REVENUE GROWTH OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES BY SECTOR

As of December 31, 2023 • Annual Growth Rate (%)

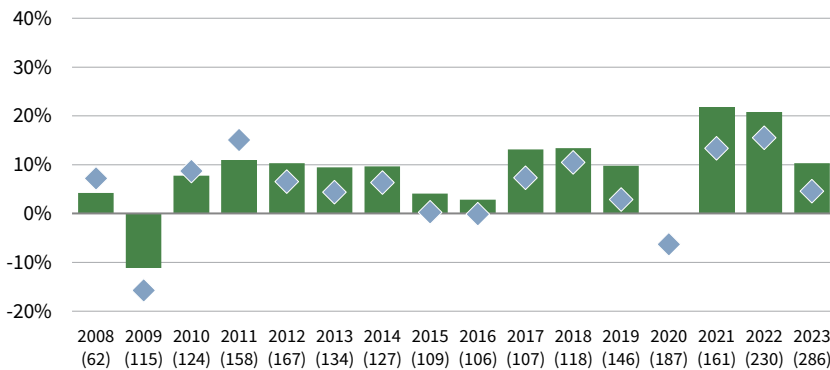
Consumer Discretionary



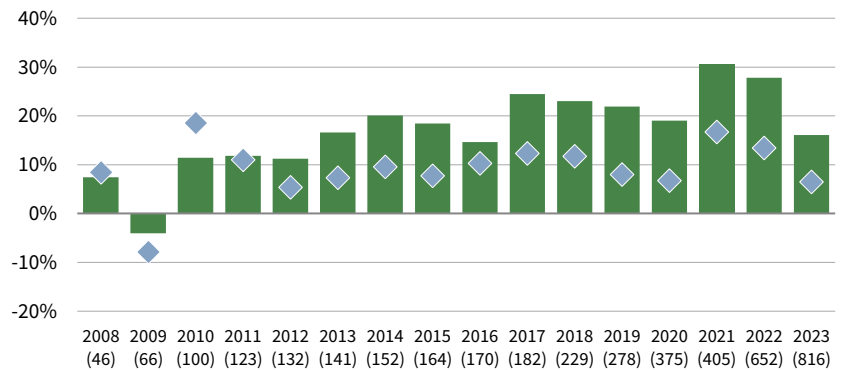
Healthcare



Industrials



Information Technology



■ PE Owned

◆ Russell 2500™ Index

IMPROVE THE PERFORMANCE OF THE COMPANY AND TRANSFORM THE BUSINESS

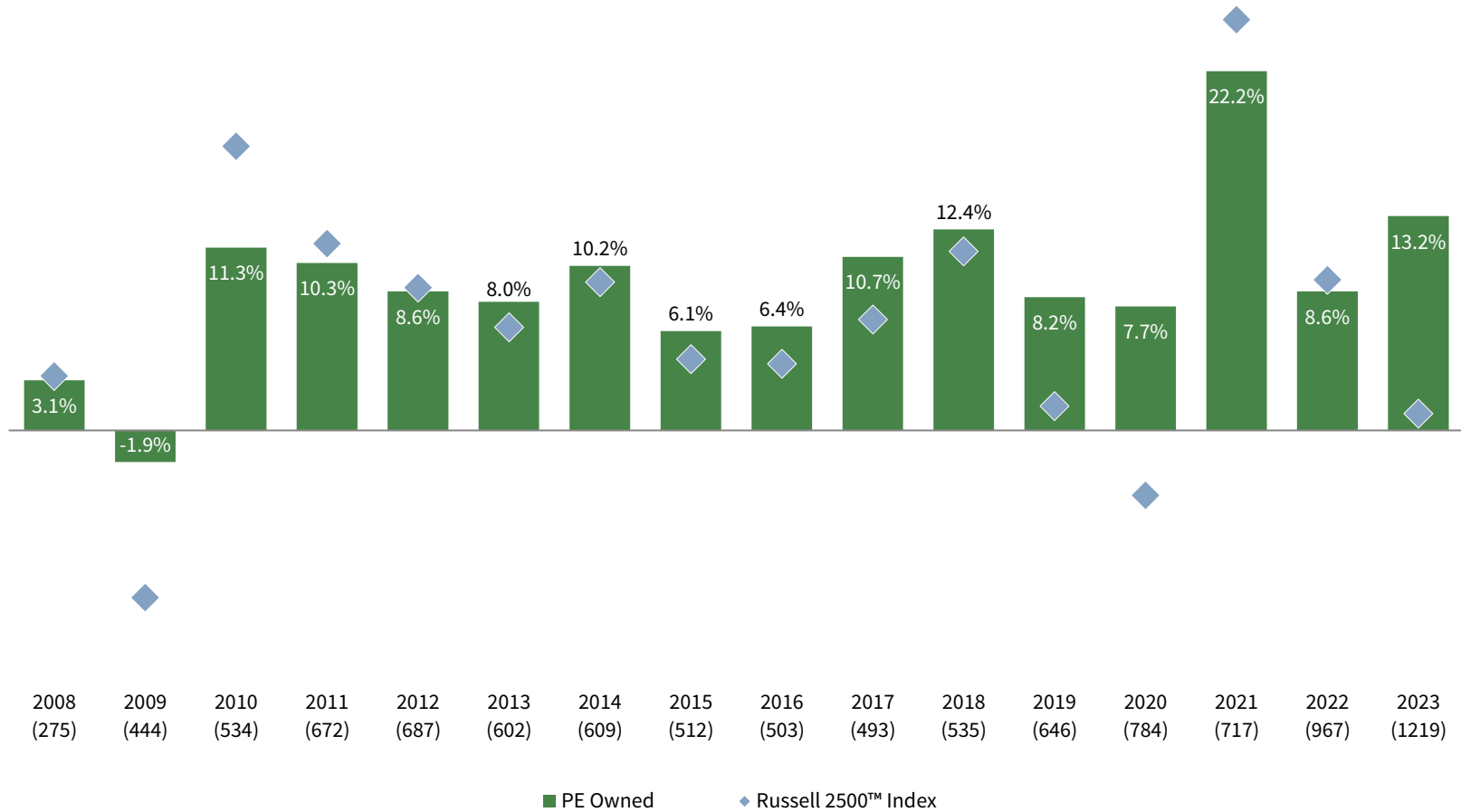
- Revenue Growth
- **EBITDA Growth**
- EBITDA Margin
- Exit Metrics

The 2023 PE average EBITDA growth was the second highest for periods analyzed

PE and public companies were on divergent paths in 2023

AVERAGE ANNUAL EBITDA GROWTH OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Annual Growth Rate (%)

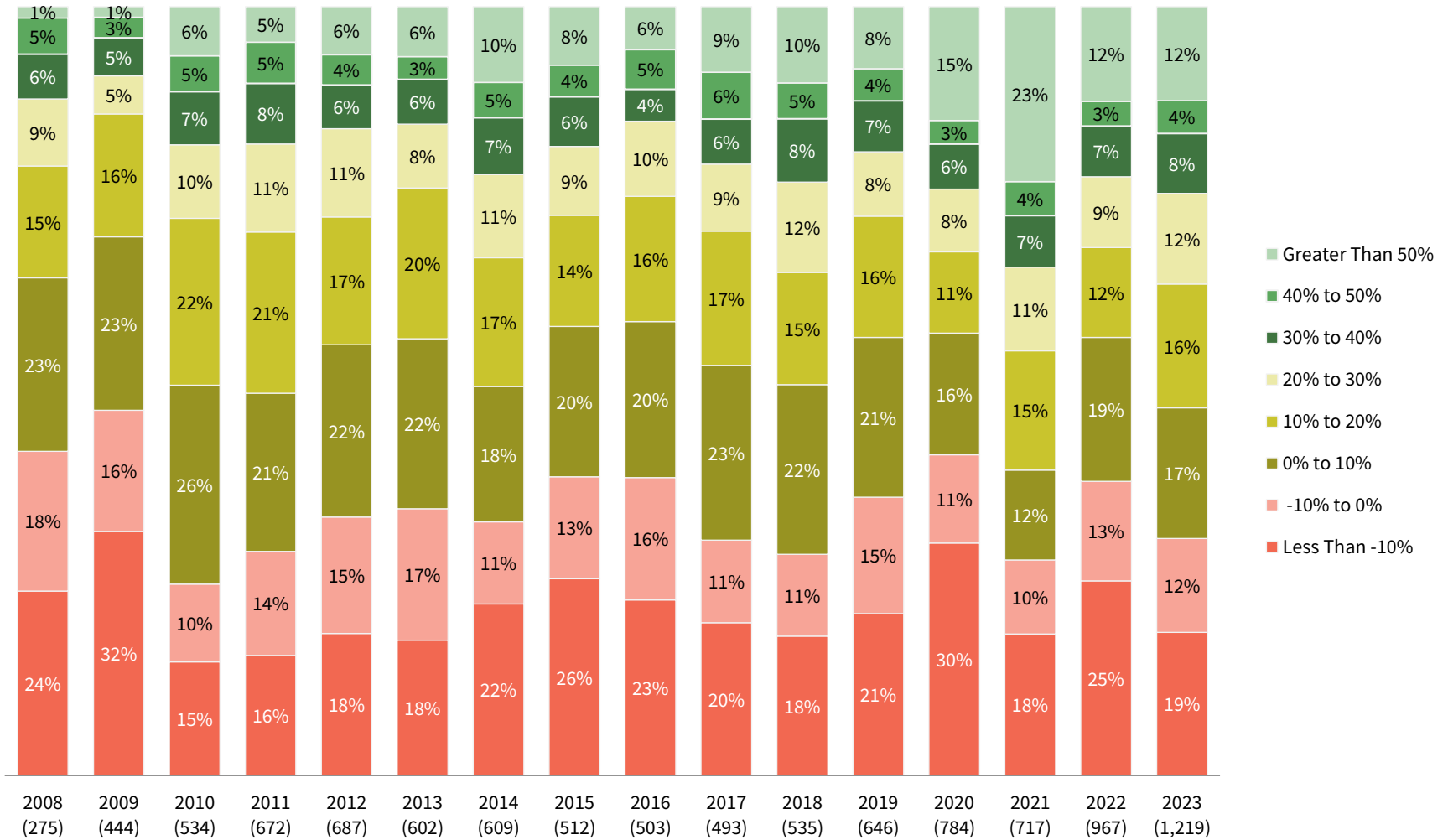


The past two years saw a return to the longer-term EBITDA growth profile

2021 is likely to remain an outlier for strong growth, driven by the COVID-era macro environment

ANNUAL EBITDA GROWTH BREAKDOWN OF US PRIVATE EQUITY-OWNED COMPANIES

As of December 31, 2023 • Annual Growth Rate (%)

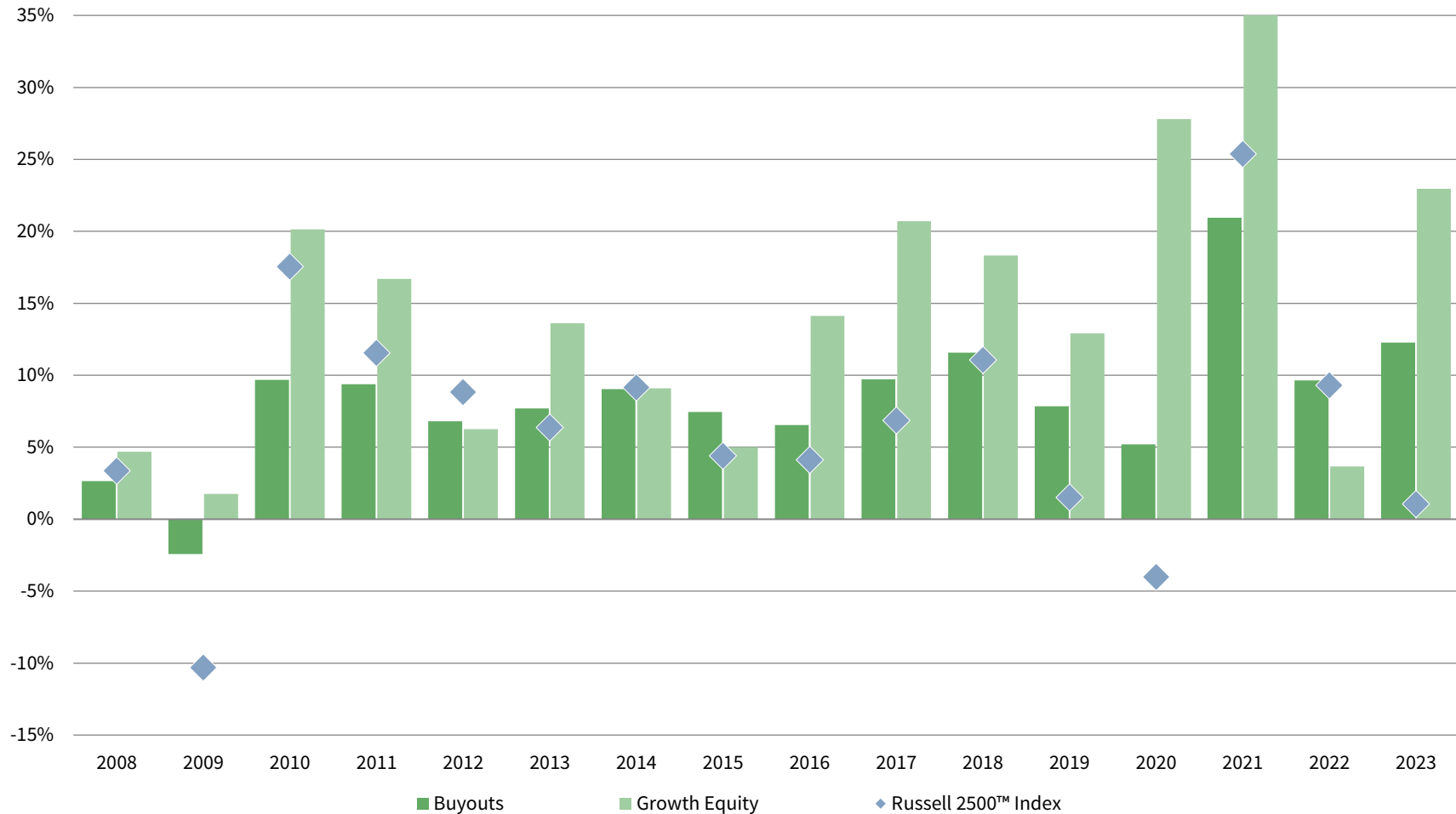


In 2023, growth equity companies averaged their third highest EBITDA of the period, bouncing back from its modest 2022

Buyouts maintained strong growth, while publics faltered

AVERAGE ANNUAL EBITDA GROWTH OF US BUYOUT AND GROWTH EQUITY COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • Annual Growth Rate (%)



Sources: Cambridge Associates LLC Private Investments Database (as reported by investment managers), FactSet Research Systems, and Frank Russell Company.
 Notes: Outliers were identified and excluded, and the same methodology was applied to the private equity and public company universes. Deal type classifications are at company level.

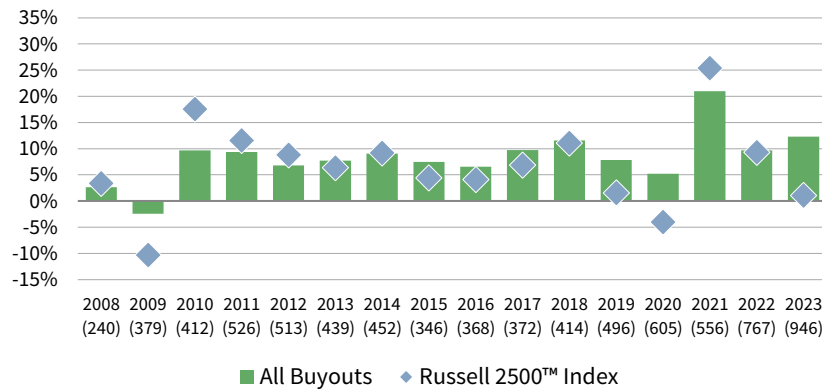
EBITDA growth for buyouts of all sizes averaged at least 10% in 2023

Conversely, public companies across the size spectrum failed to grow EBITDA

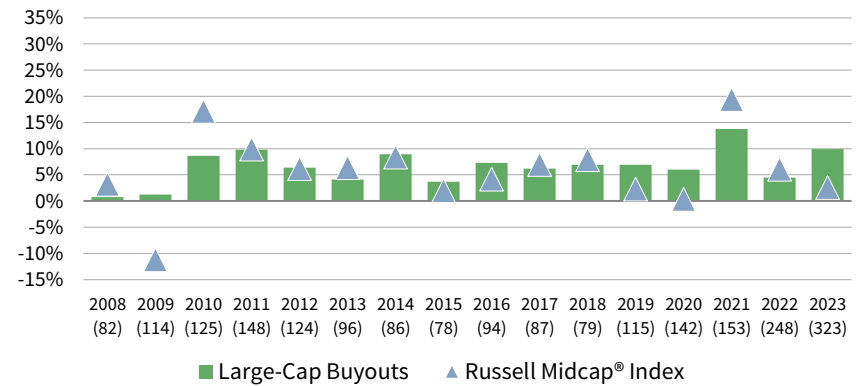
AVERAGE ANNUAL EBITDA GROWTH OF US PRIVATE EQUITY BUYOUT COMPANIES VS PUBLIC COMPANIES BY ENTERPRISE VALUE SEGMENT

As of December 31, 2023 • Annual Growth Rate (%)

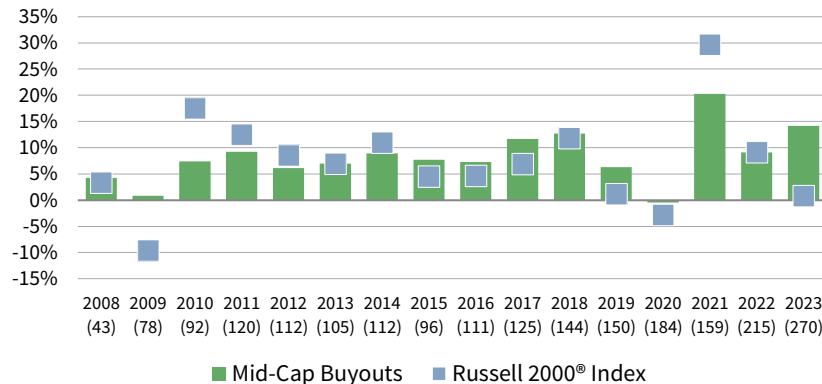
Total Universe



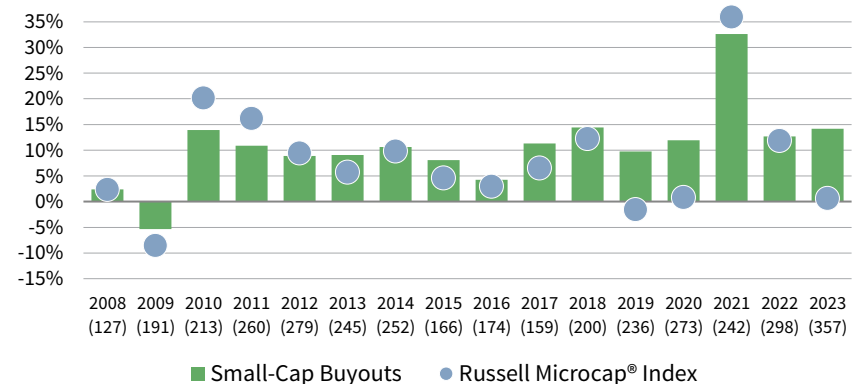
Enterprise Value > \$1 B



Enterprise Value \$250 M – \$1 B



Enterprise Value < \$250 M



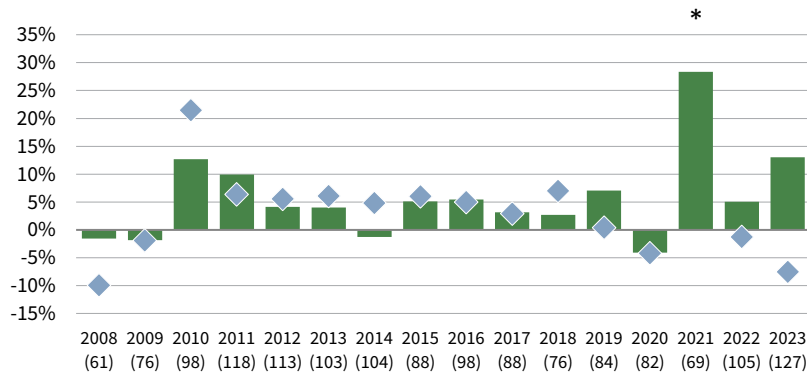
PE consumer discretionary, healthcare, and IT delivered double-digit EBITDA growth in 2023

PE-backed IT companies rebounded dramatically in 2023 from their worst year of the period, surpassing all but two years analyzed

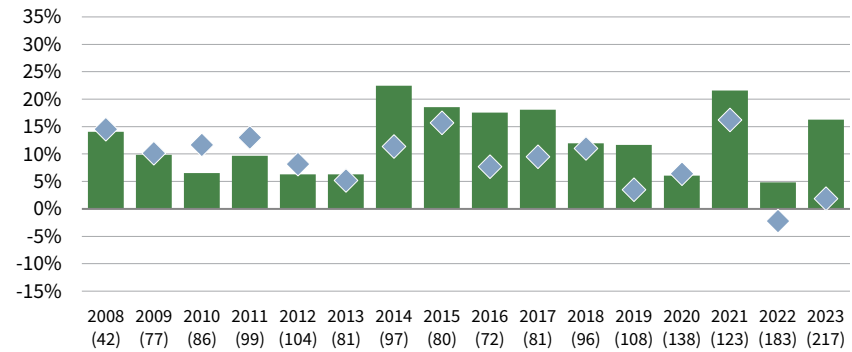
AVERAGE ANNUAL EBITDA GROWTH OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES BY SECTOR

As of December 31, 2023 • Annual Growth Rate (%)

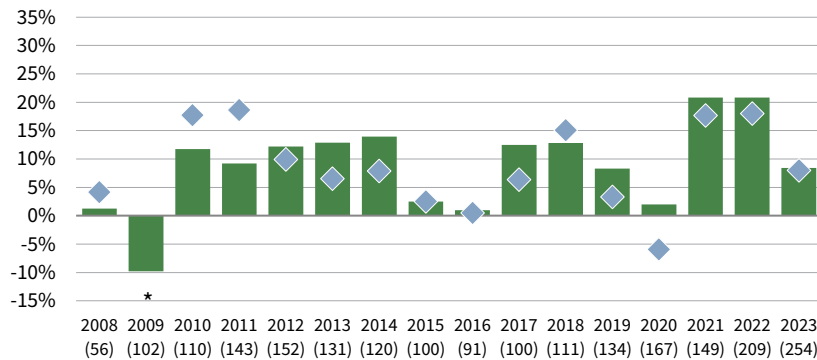
Consumer Discretionary



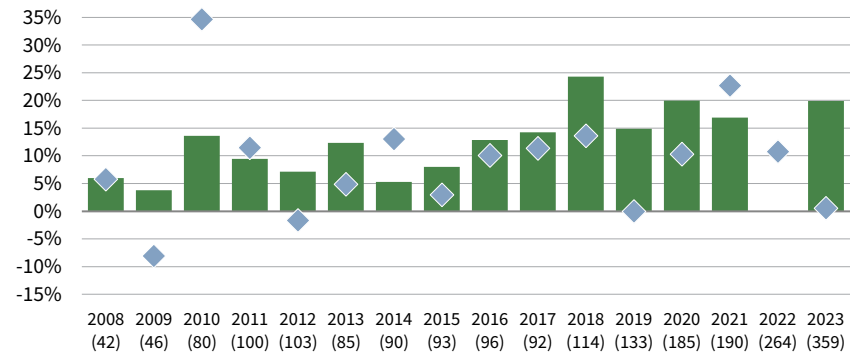
Healthcare



Industrials



Information Technology



■ PE Owned

◆ Russell 2500™ Index

* Axis has been capped at -15% and 35% for scaling purposes. Industrials companies in the Russell 2500™ saw EBITDA growth of -22.7% in 2009. EBITDA growth for consumer discretionary companies in the Russell 2500™ was 62.7% in 2021.

Sources: Cambridge Associates LLC Private Investments Database (as reported by investment managers), FactSet Research Systems, and Frank Russell Company.

Notes: Outliers were identified and excluded, and the same methodology was applied to the private equity and public company universes. Numbers in parentheses represent number of private equity-owned companies in each year.

IMPROVE THE PERFORMANCE OF THE COMPANY AND TRANSFORM THE BUSINESS

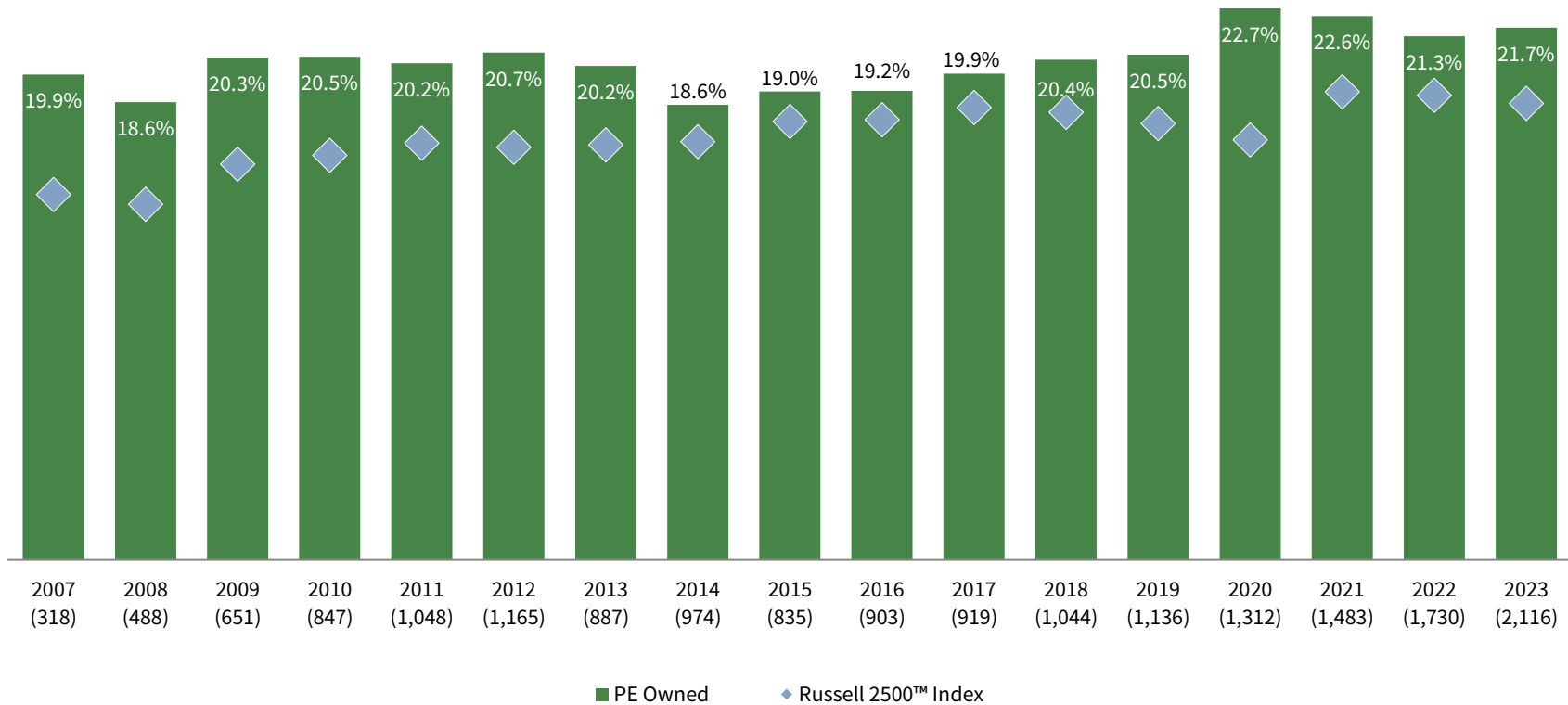
- Revenue Growth
- EBITDA Growth
- **EBITDA Margin**
- Exit Metrics

Despite varying macro environments since 2007, PE EBITDA margins have been resilient

PE businesses consistently operated at higher margins than public companies

AVERAGE ANNUAL EBITDA MARGIN OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • EBITDA/Revenue (%)

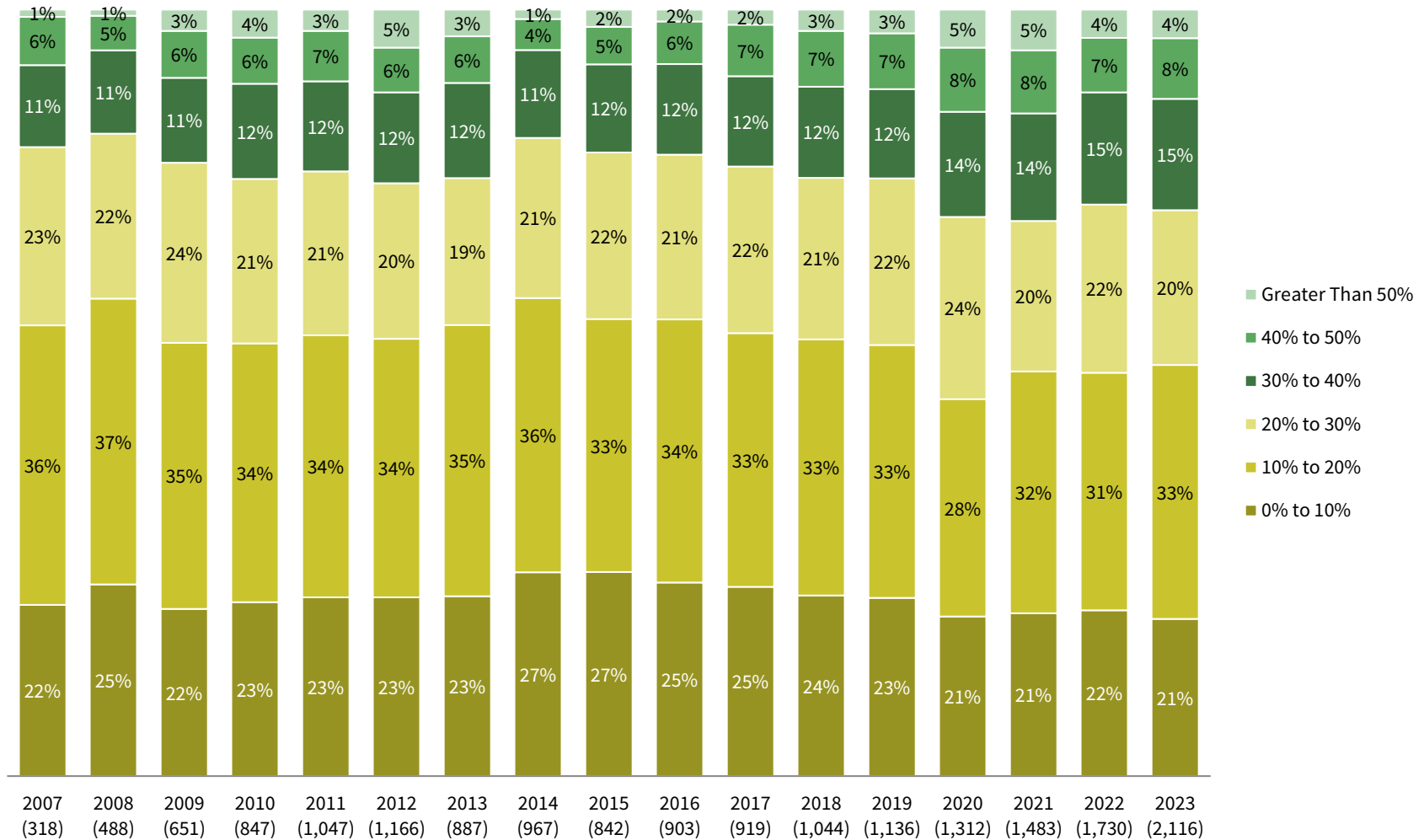


At least 25% of PE companies operated at 30%+ margins in 2020–23

A slightly lower percentage of PE companies in the sample operated at margins of less than 10%

ANNUAL EBITDA MARGIN BREAKDOWN OF US PRIVATE EQUITY-OWNED COMPANIES

As of December 31, 2023 • EBITDA/Revenue (%)



Buyout margins improved and maintained their “lead” over public companies in 2023

EBITDA margins for growth equity companies decreased for the first time since 2017

AVERAGE ANNUAL EBITDA MARGIN OF US BUYOUT AND GROWTH EQUITY COMPANIES VS PUBLIC COMPANIES

As of December 31, 2023 • EBITDA/Revenue (%)



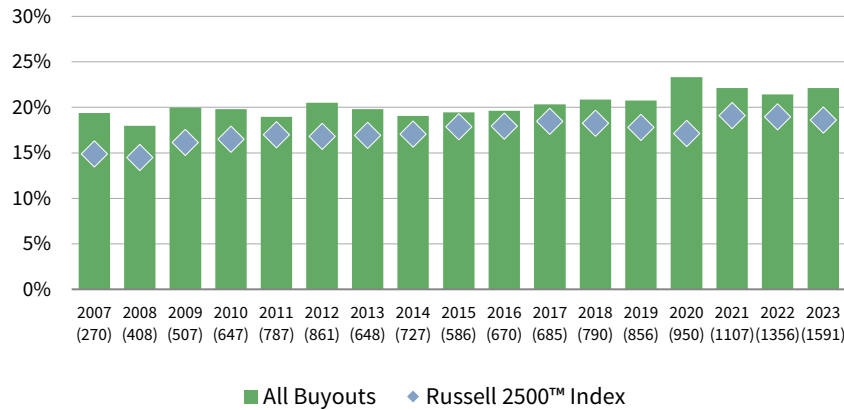
Large buyouts historically operated at highest margins, besting public peers in 2020–23

Small and mid-sized buyouts have consistently exhibited more attractive margin profiles than their public peers

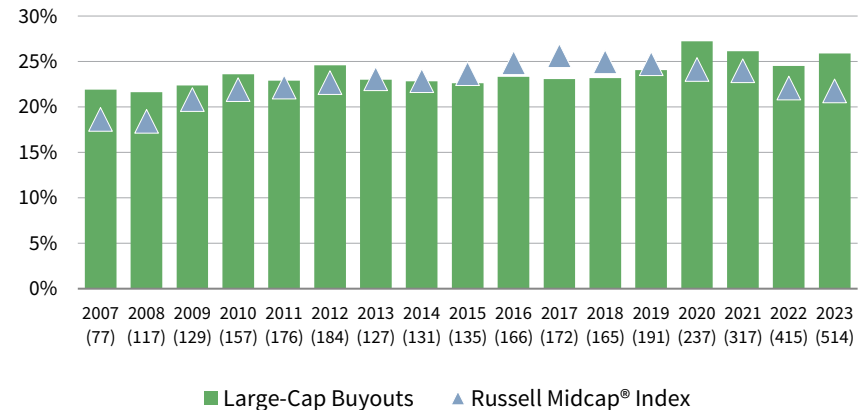
AVERAGE ANNUAL EBITDA MARGIN OF US PRIVATE EQUITY BUYOUT COMPANIES VS PUBLIC COMPANIES BY ENTERPRISE VALUE SEGMENT

As of December 31, 2023 • EBITDA/Revenue (%)

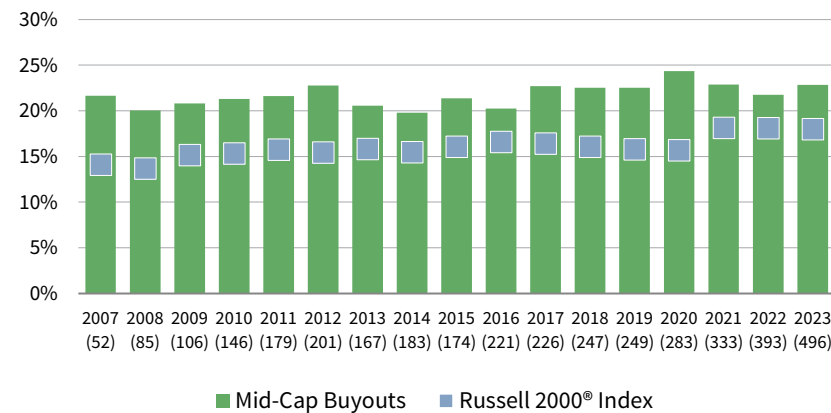
Total Universe



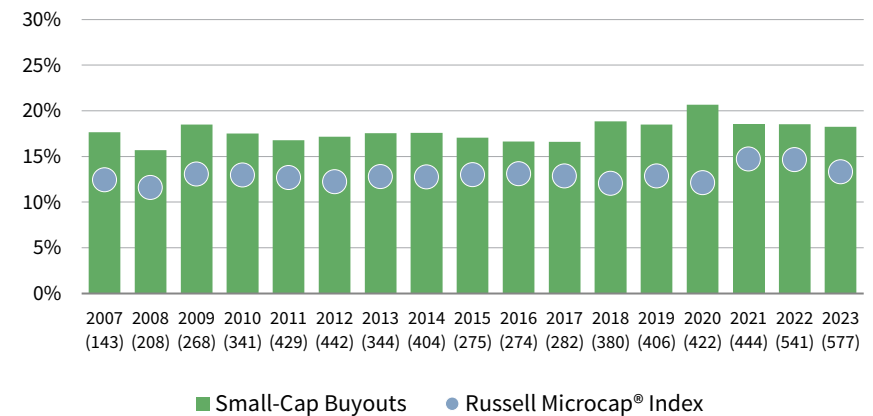
Enterprise Value > \$1 B



Enterprise Value \$250 M – \$1 B



Enterprise Value < \$250 M



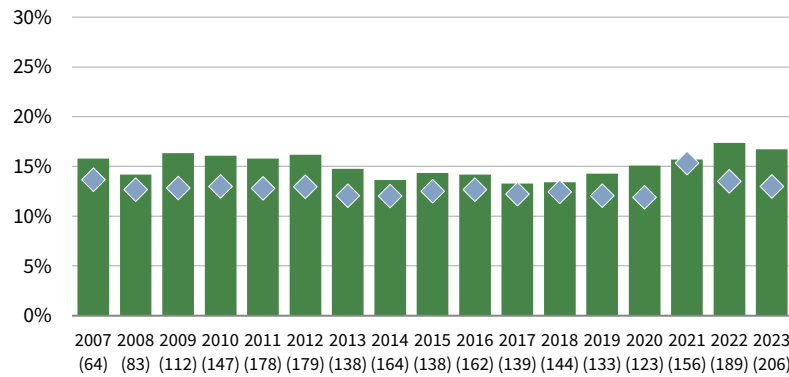
PE-backed consumer discretionary companies were the only ones to operate at lower margins in 2023 than 2022

Since 2007, PE-backed IT companies have operated at the highest margins relative to other sectors and have outpaced their public peers by the widest margin of all sectors

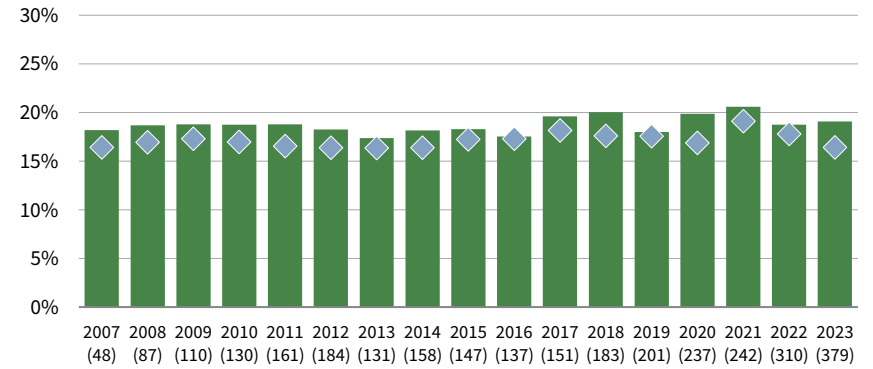
AVERAGE ANNUAL EBITDA MARGIN OF US PRIVATE EQUITY-OWNED COMPANIES VS PUBLIC COMPANIES BY SECTOR

As of December 31, 2023 • EBITDA/Revenue (%)

Consumer Discretionary



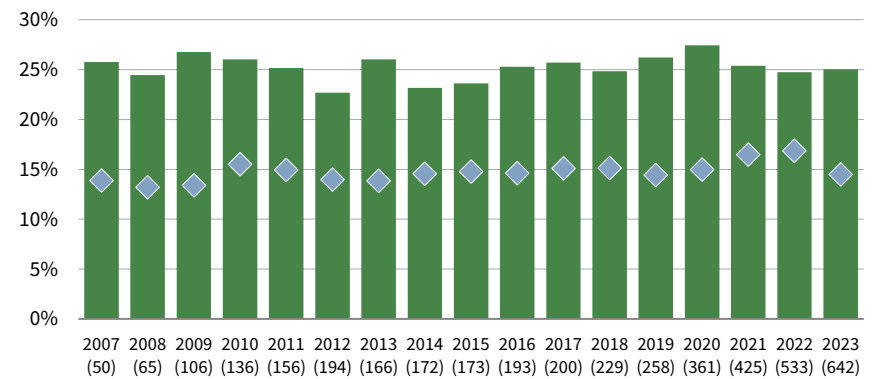
Healthcare



Industrials



Information Technology



■ PE Owned

◆ Russell 2500™ Index

IMPROVE THE PERFORMANCE OF THE COMPANY AND TRANSFORM THE BUSINESS

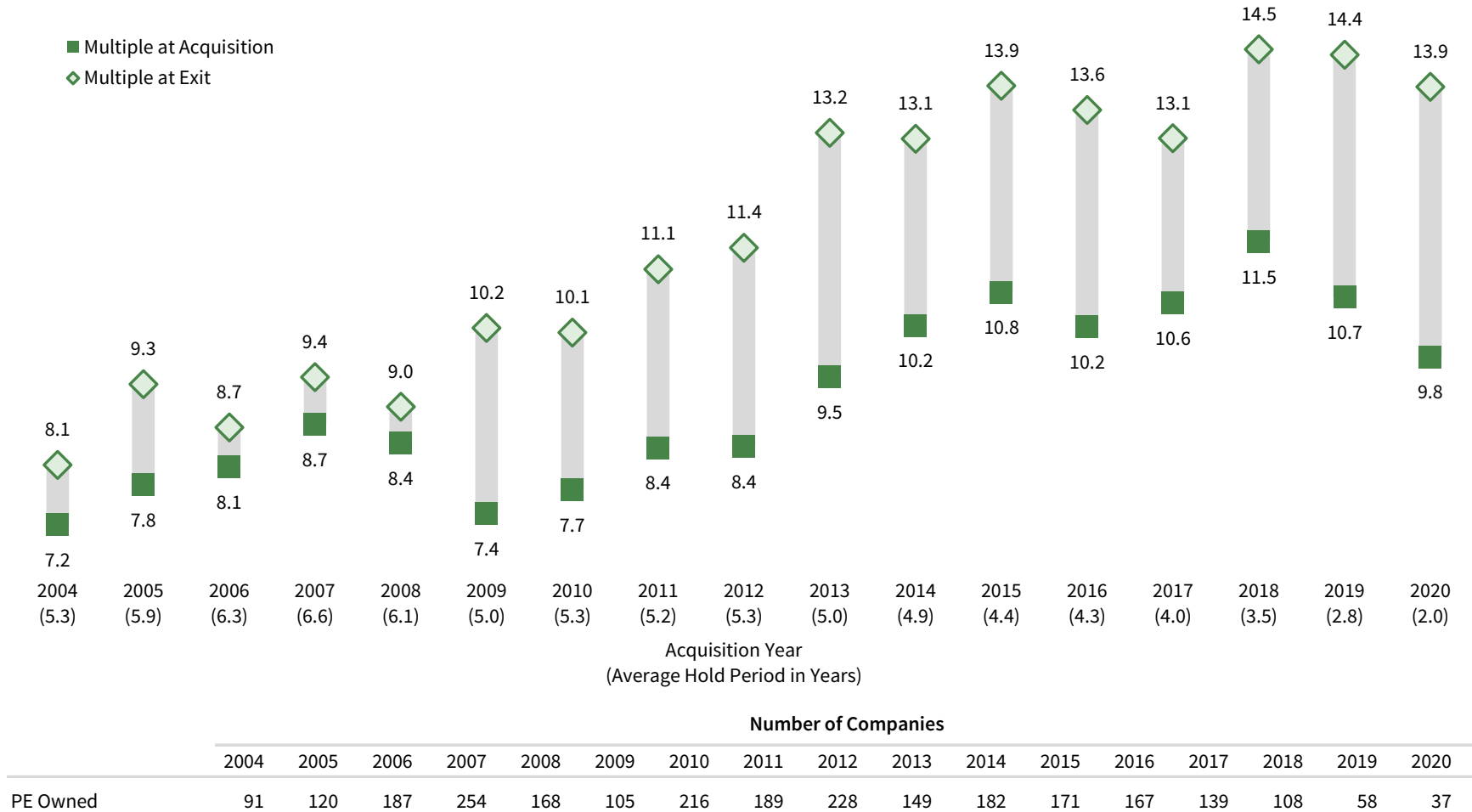
- Revenue Growth
- EBITDA Growth
- EBITDA Margin
- **Exit Analyses**

Exited companies acquired since 2009 have achieved significant multiple expansion at exit

2020 acquisitions exited as of 2023 transacted at the lowest PPMs since exited companies acquired in 2013

MEDIAN EBITDA MULTIPLE EXPANSION OF EXITED US PRIVATE EQUITY-OWNED COMPANIES BY ACQUISITION YEAR

As of December 31, 2023 • Enterprise Value/EBITDA

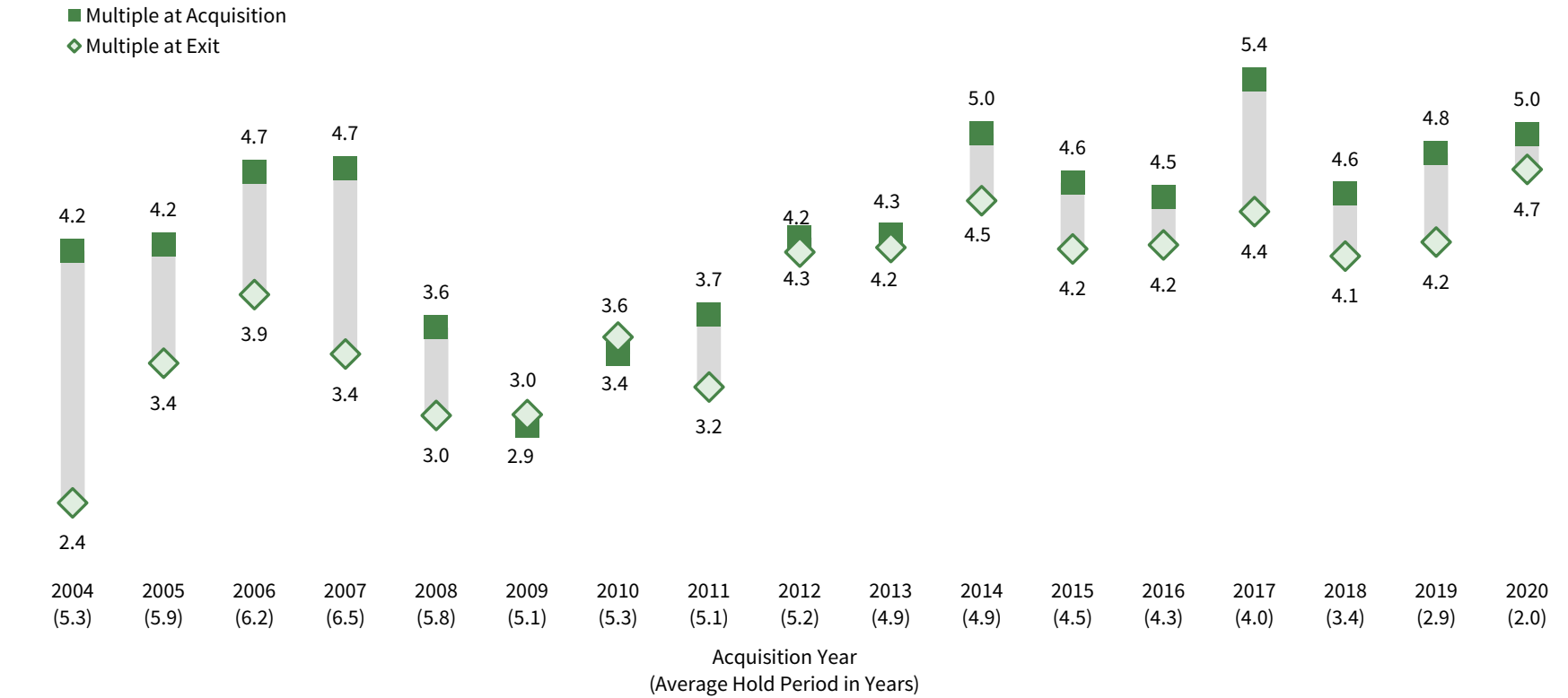


Median leverage multiples for exited companies acquired in 2014 to 2020 were 0.6x lower at exit than at entry

The 2017 acquisitions had the biggest drop in leverage multiples since those transacted in the pre-GFC era

MEDIAN EBITDA LEVERAGE MULTIPLE COMPRESSION OF US PRIVATE EQUITY-OWNED COMPANIES BY ACQUISITION YEAR

As of December 31, 2023 • Net Debt/EBITDA



Number of Companies

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PE Owned	87	109	164	229	134	82	189	171	198	115	154	149	144	120	100	57	36



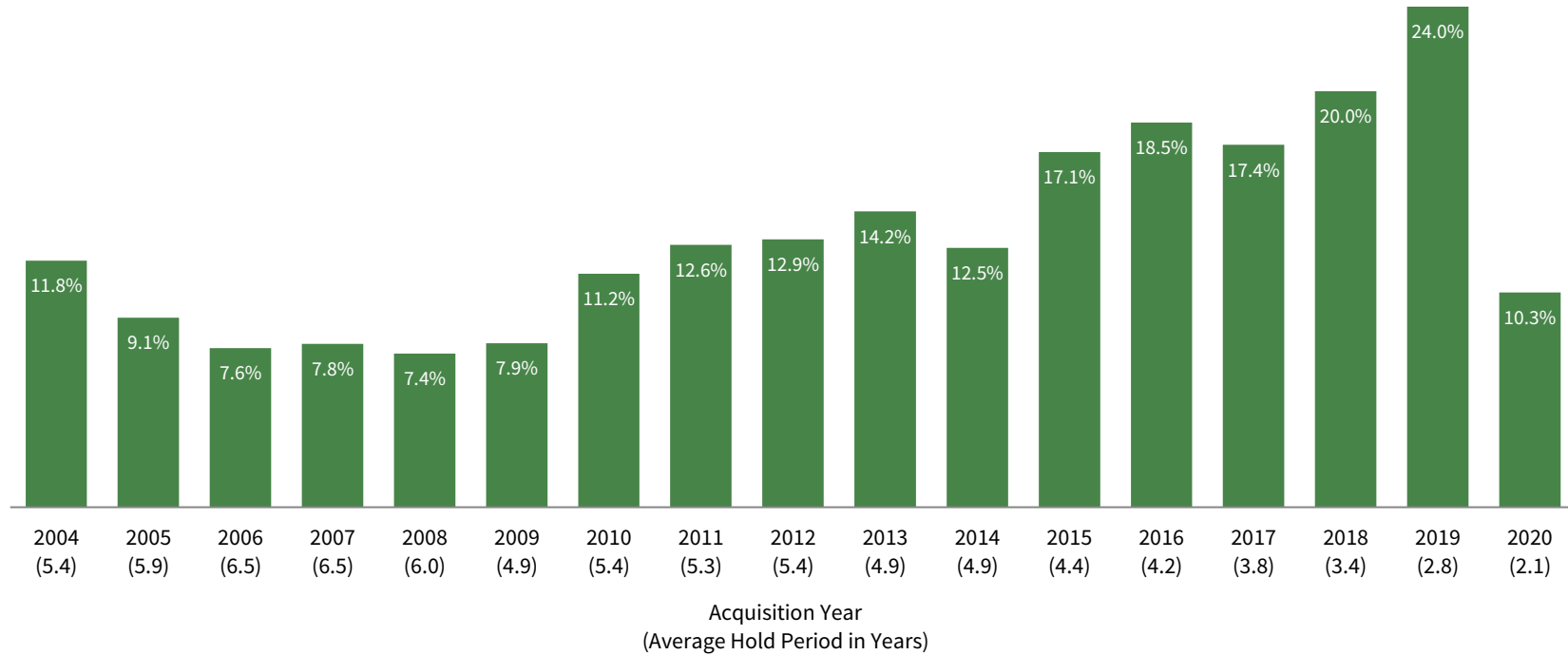
Source: Cambridge Associates LLC Private Investments Database (as reported by investment managers).
Note: Analysis only includes companies that have both acquisition and exit data.

The 17.9% median revenue CAGR for realized companies acquired in 2015 to 2019 exceeds those of other vintages

The median CAGR across all other acquisition years analyzed was 10.7%

MEDIAN REVENUE CAGR OF EXITED US PRIVATE EQUITY-OWNED COMPANIES BY ACQUISITION YEAR

As of December 31, 2023 • Compound Annual Growth Rate (%)



Number of Companies

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PE Owned	119	147	236	309	203	139	265	231	271	191	252	253	220	198	154	80	62

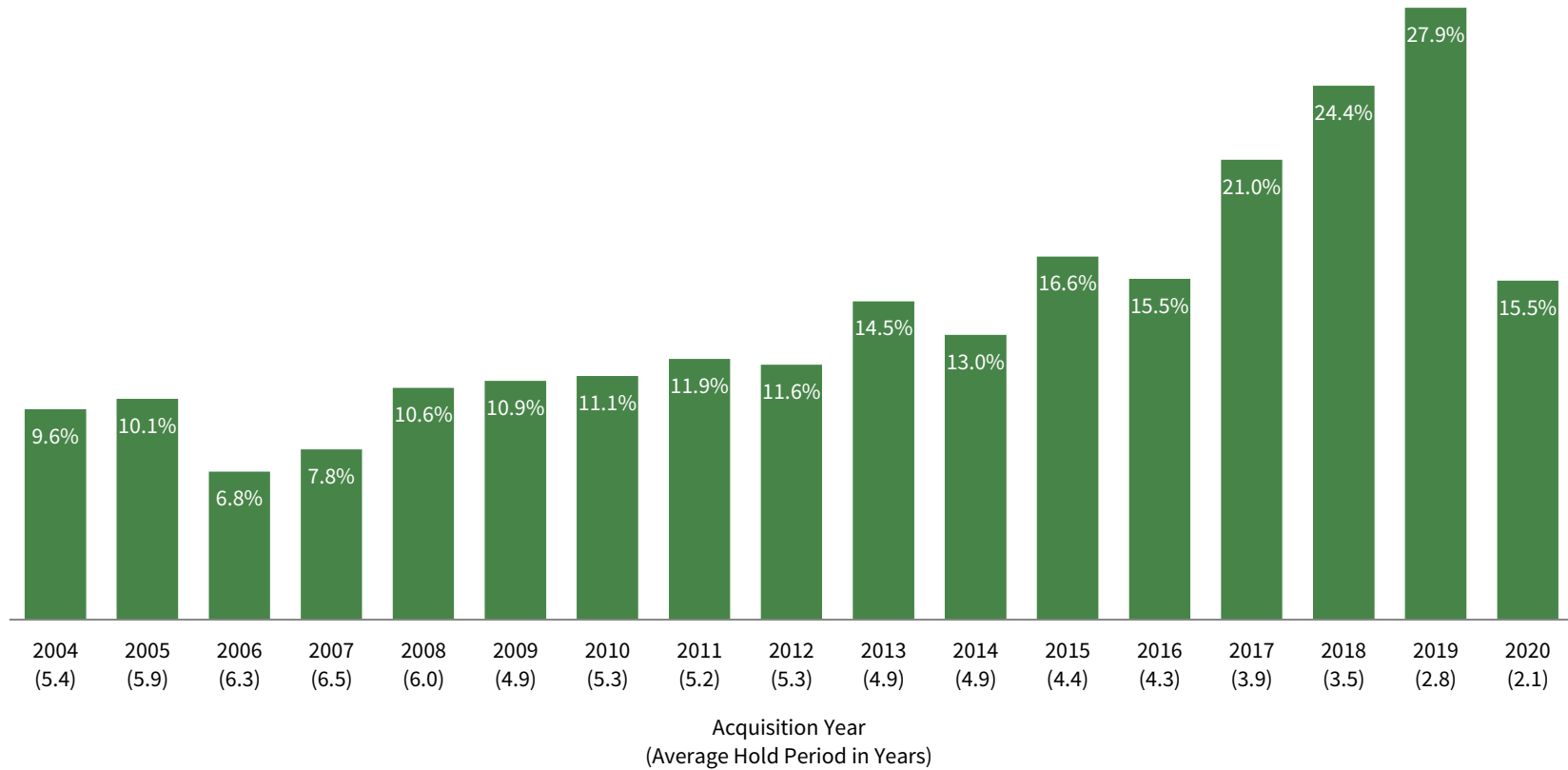
Source: Cambridge Associates LLC Private Investments Database (as reported by investment managers).

Relatively quick exits into the high growth environment in 2021 helped drive EBITDA CAGRs for 2017–19 vintage investments

The median EBITDA CAGR for exited buyouts acquired in 2004–20 was 12.2%; for growth equity, it was 16.8%

MEDIAN EBITDA CAGR OF EXITED US PRIVATE EQUITY-OWNED COMPANIES BY ACQUISITION YEAR

As of December 31, 2023 • Compound Annual Growth Rate (%)



	Number of Companies																
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PE Owned	101	131	198	272	179	110	226	197	233	152	194	185	173	148	111	61	44

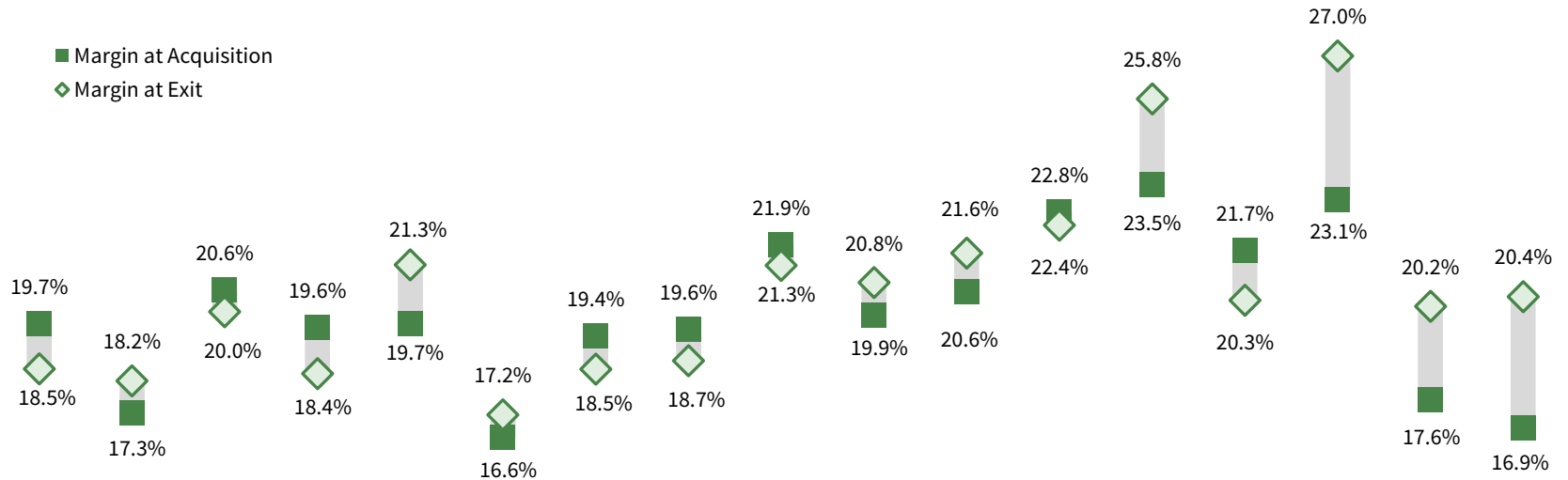
Source: Cambridge Associates LLC Private Investments Database (as reported by investment managers).

There does not appear to be a consistent theme around change in margin during PE ownership

Four of the five most recent acquisition years indicate margin improvement during PE ownership, with the median margin at exit surpassing that at entry by nearly 2%

MEDIAN EBITDA MARGIN EXPANSION OF EXITED US PRIVATE EQUITY-OWNED COMPANIES BY ACQUISITION YEAR

As of December 31, 2023 • EBITDA/Revenue (%)



Acquisition Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
(Average Hold Period in Years)	(5.4)	(5.9)	(6.3)	(6.6)	(6.0)	(4.9)	(5.3)	(5.2)	(5.3)	(4.9)	(4.9)	(4.4)	(4.3)	(3.9)	(3.5)	(2.8)	(2.1)

Acquisition Year
(Average Hold Period in Years)

Number of Companies

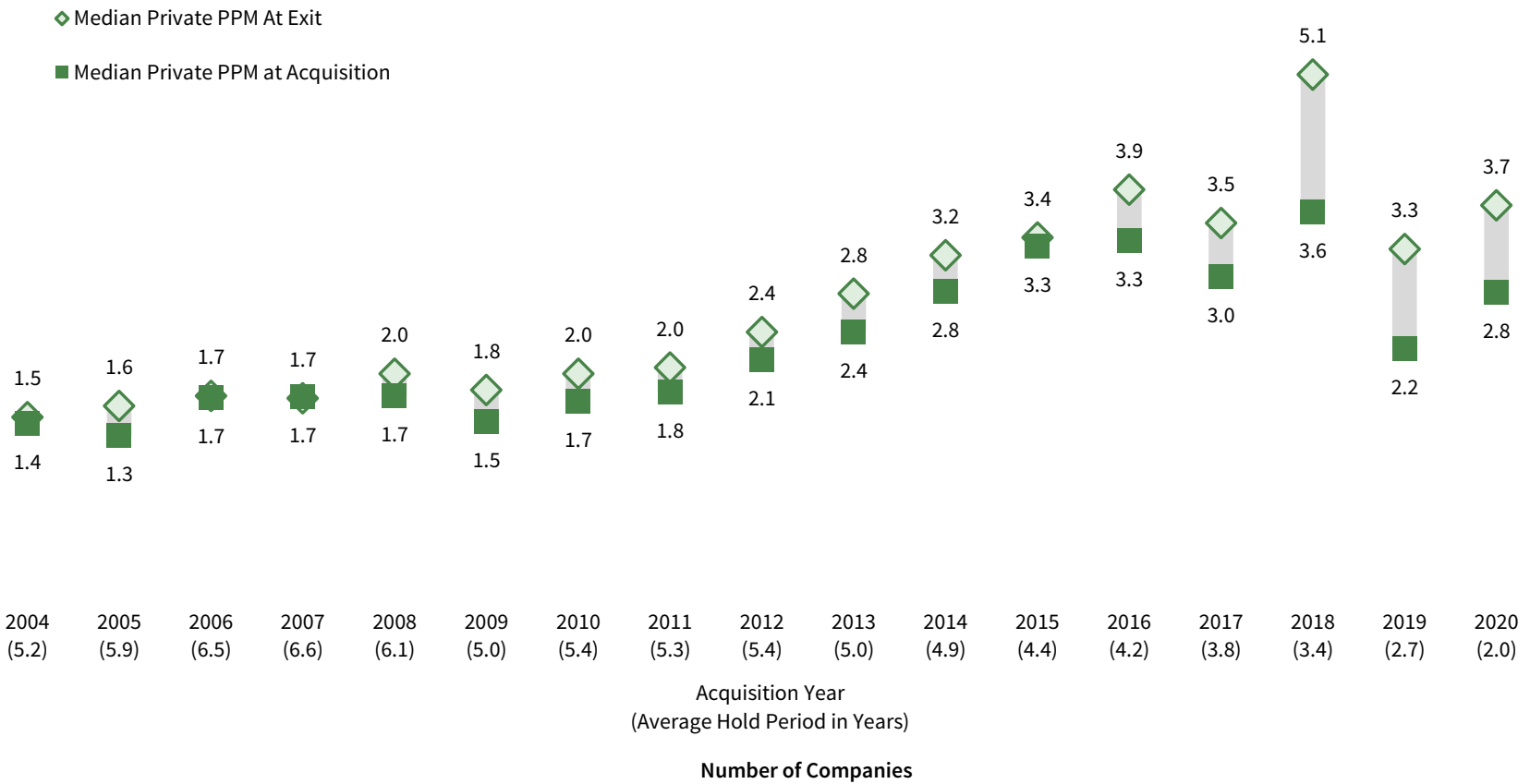
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PE Owned	98	128	191	260	177	109	223	196	229	150	191	182	168	145	108	59	44

For all but two acquisition years analyzed, median exit revenue multiples exceeded those at acquisition

Companies acquired in 2016–20 have achieved almost a full turn of multiple expansion, with a median acquisition multiple of 3.1x and a median exit of 3.9x

MEDIAN REVENUE MULTIPLE EXPANSION OF EXITED US PRIVATE EQUITY-OWNED COMPANIES BY ACQUISITION YEAR

As of December 31, 2023 • Enterprise Value/EBITDA



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PE Owned	105	134	222	282	191	128	253	219	264	187	232	229	207	181	147	75	52



Source: Cambridge Associates LLC Private Investments Database (as reported by investment managers).
 Note: Analysis only includes companies that have both acquisition and exit data.



CAMBRIDGE
ASSOCIATES

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