

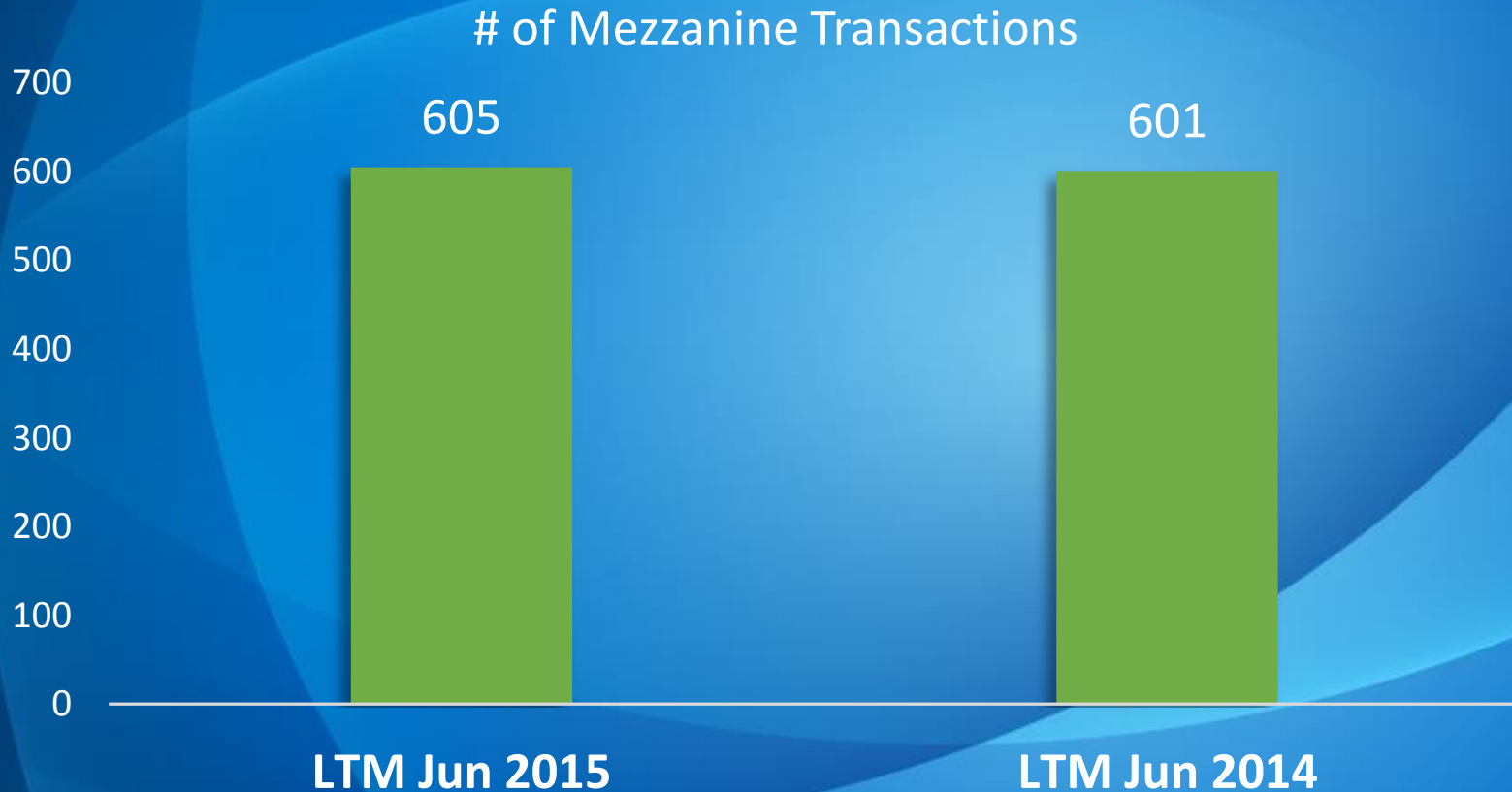
The graphic features a blue circular background with a stylized mountain range on the left and several white and blue curved lines on the right. The text is centered in the upper half of the circle.

National
Summit for
**Middle
Market Funds**

STATE OF THE MARKETS ADAPT OR DIE, PART IV

DATA ANALYSTS EXPLAIN TRENDS AND MAKE BOLD PREDICTIONS

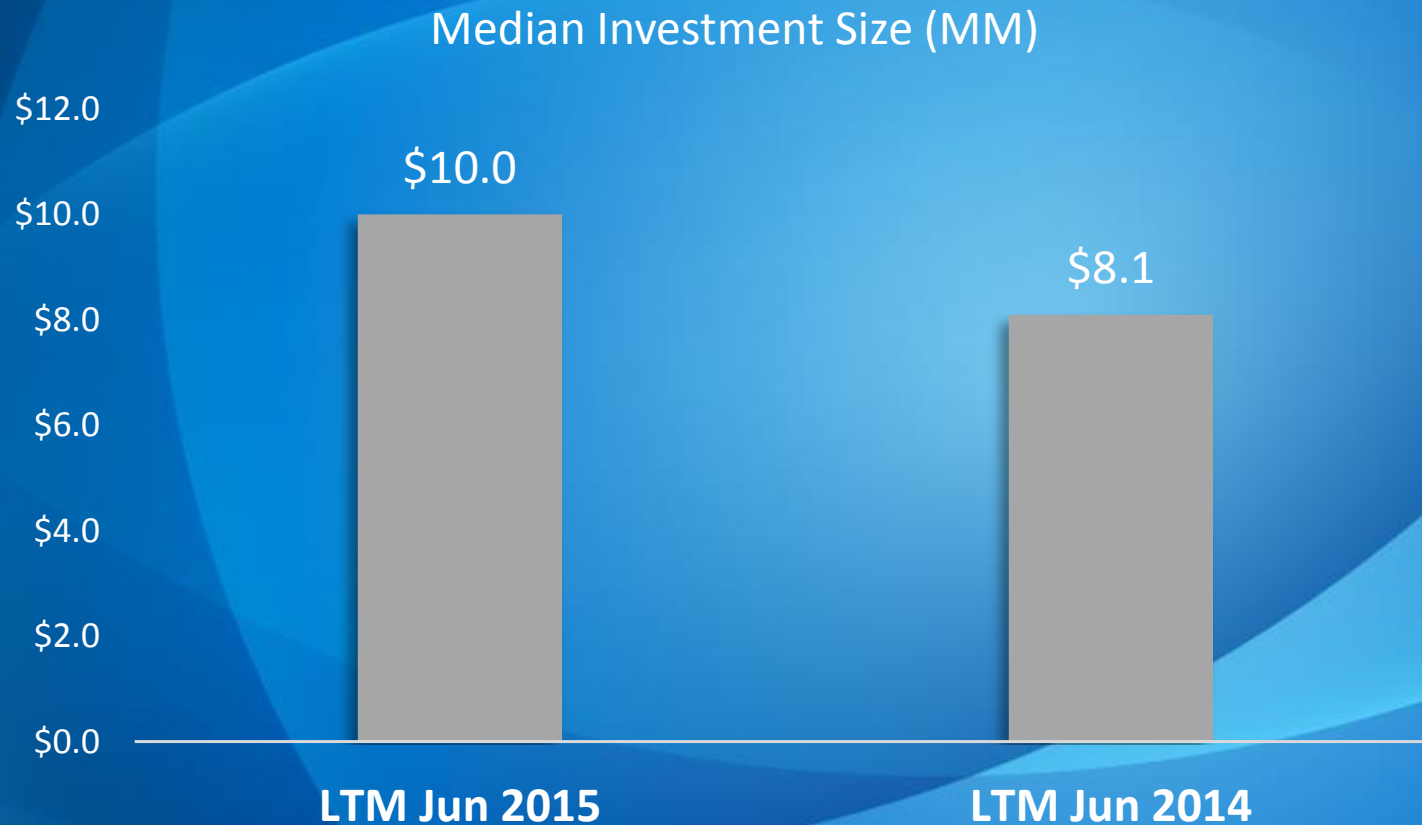
Mezzanine Transaction Activity



The Number of Mezzanine Transactions Is Up Slightly Year-Over-Year

*Includes completed mezzanine transactions \$3 MM or greater with the target located in the U.S. or Canada.

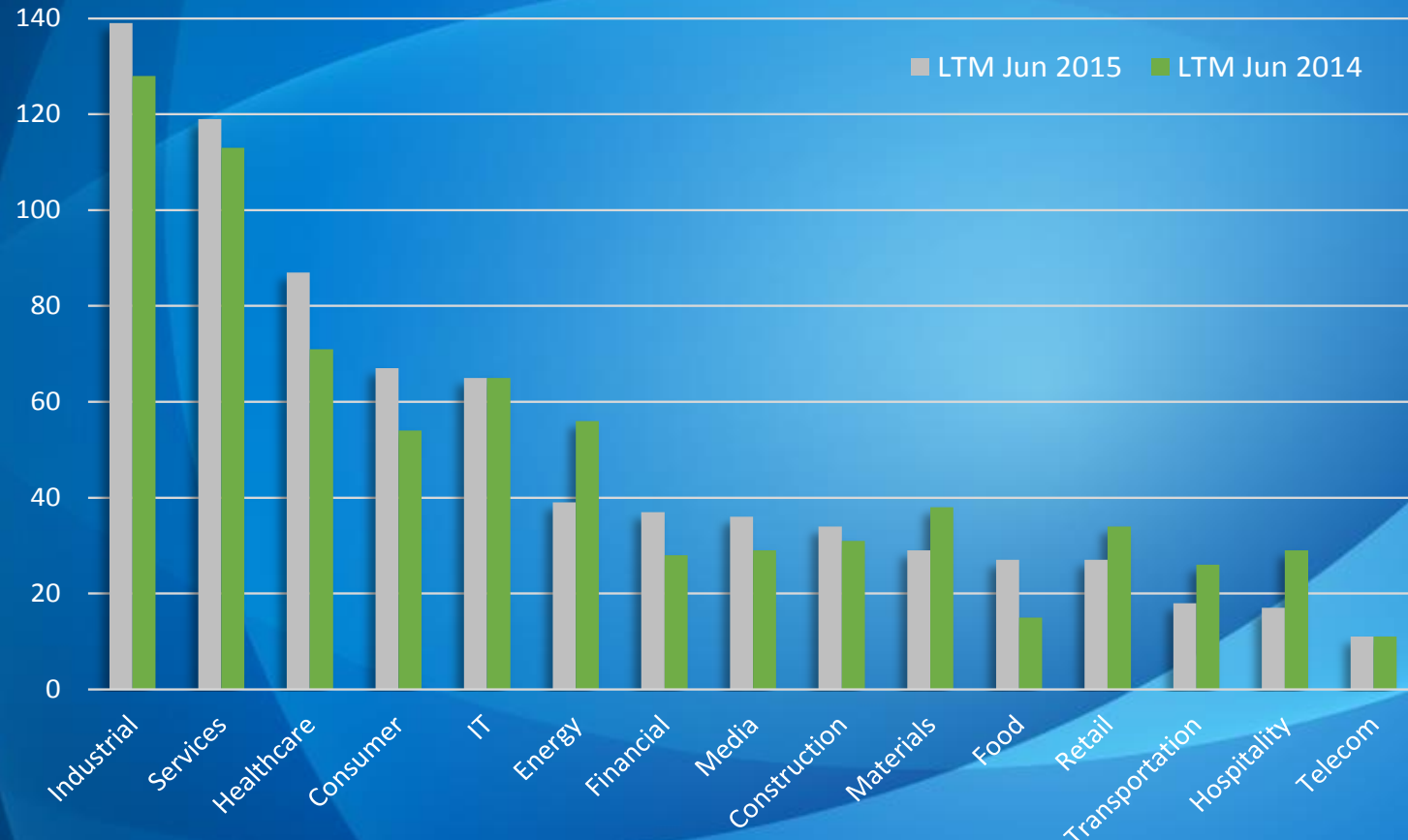
Mezzanine Investment Size



Median Mezzanine Amount Has Increased Year-Over-Year

*Includes completed mezzanine transactions \$3 MM or greater with the target located in the U.S. or Canada.

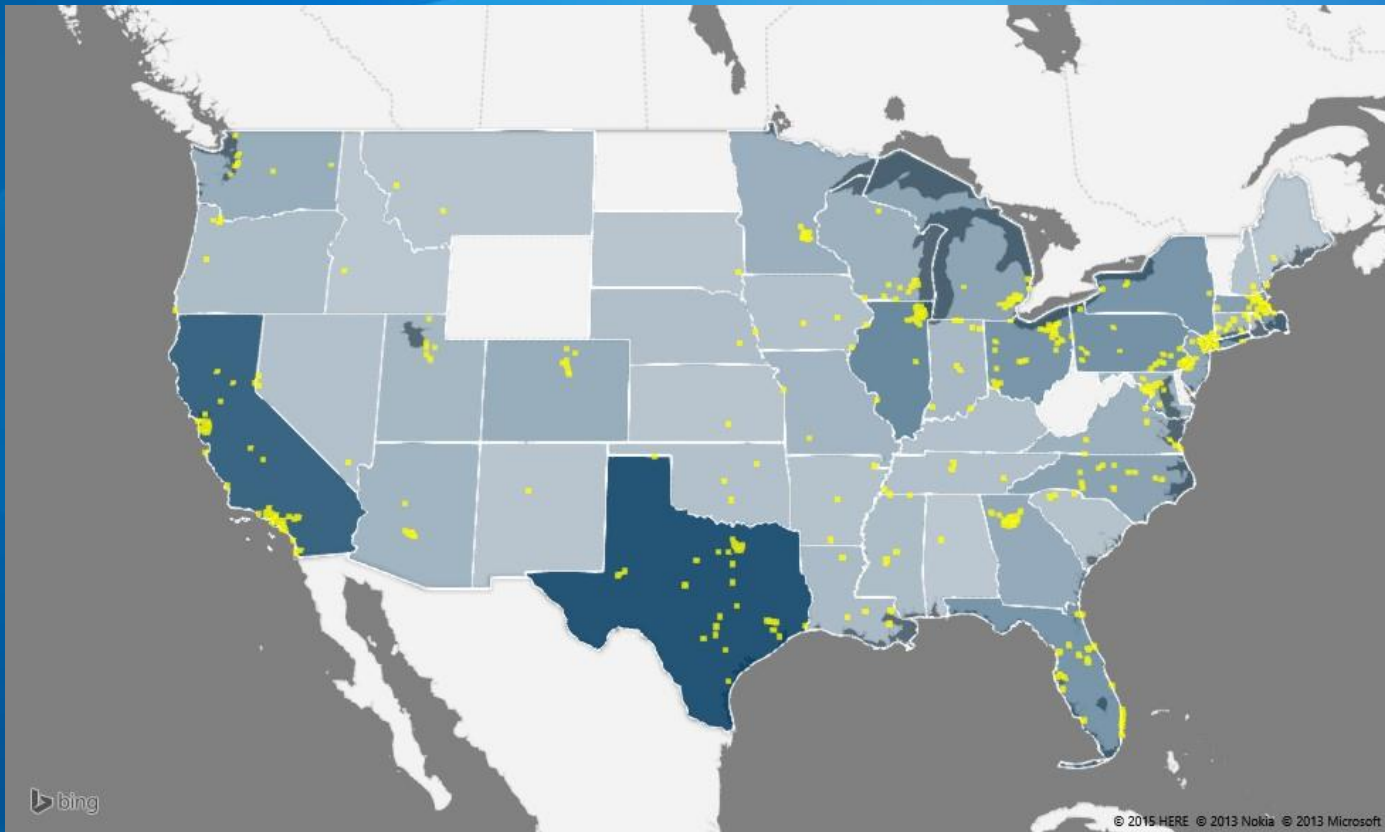
Mezzanine Investment By Industry



The Industrials Sector Continues To See The Greatest Activity

*Includes completed mezzanine transactions \$3 MM or greater with the target located in the U.S. or Canada; sum of deals by sector is greater than total number of transactions due to multiple sectors assigned to certain deals.

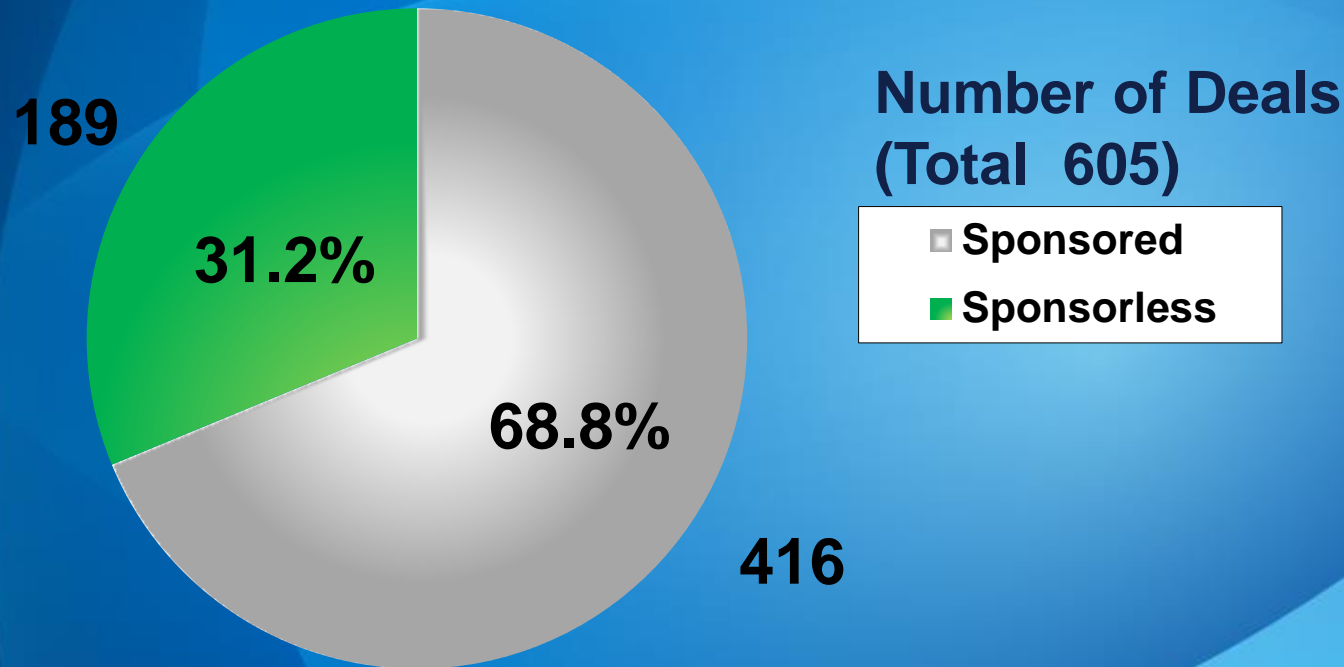
Mezzanine Investments By Target Location



Texas And California Have The Most Number Of Deals

*Includes completed mezzanine transactions \$3 MM or greater with the target located in the U.S. or Canada.

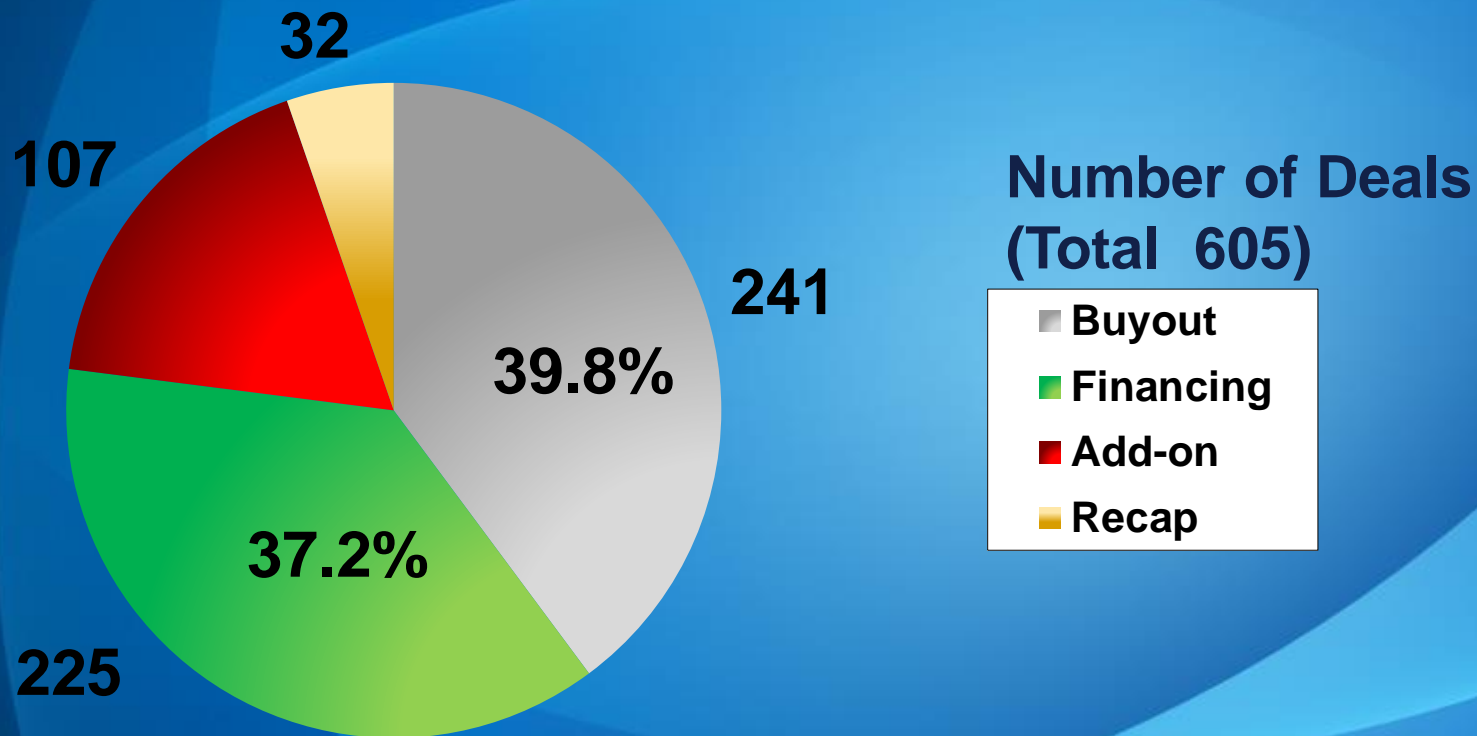
Mezzanine Transactions LTM June 2015 Sponsored vs. Sponsorless



68.8% Of Mezzanine Investments Involved A Sponsor

*Includes completed mezzanine transactions \$3 MM or greater with the target located in the U.S. or Canada.

Mezzanine Transactions LTM June 2015 Breakdown By Deal Type

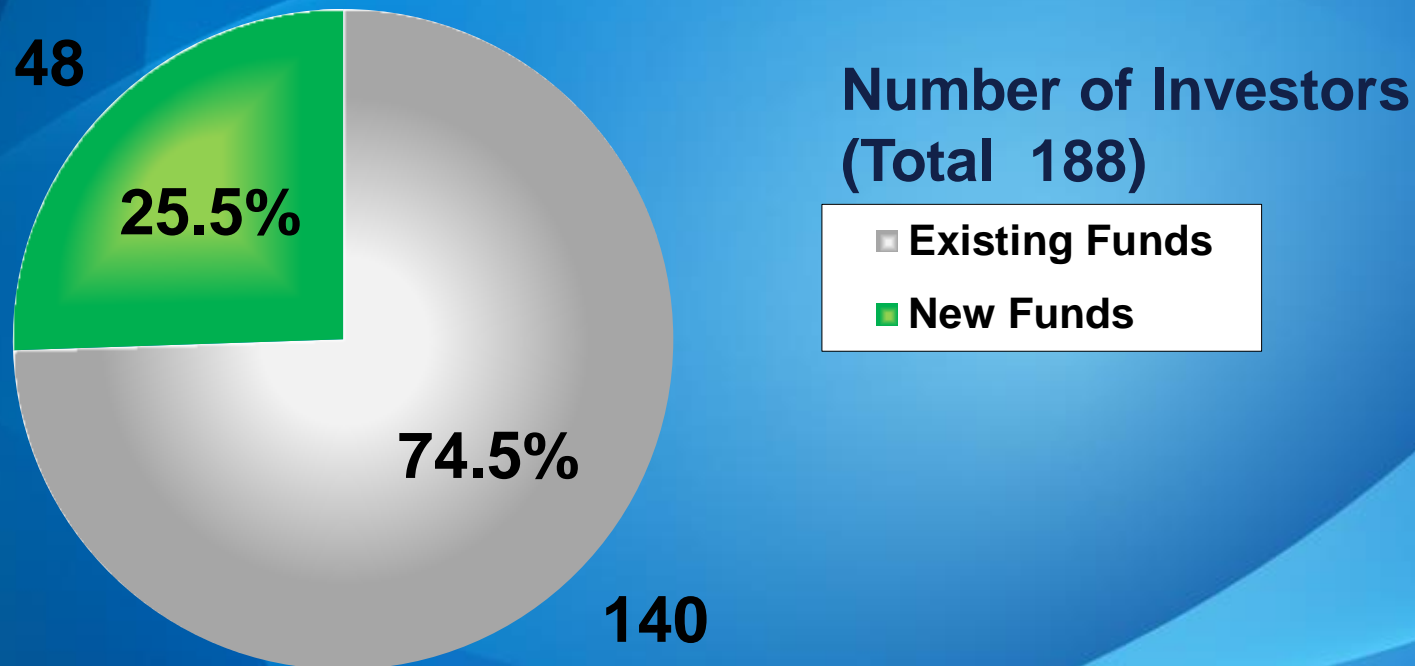


Approximately 40% of Mezzanine Investments Were Part Of A New Platform Acquisition By A Private Equity Firm

*Includes completed mezzanine transactions \$3 MM or greater with the target located in the U.S. or Canada.

Mezzanine Transactions LTM June 2015

New Participants



There Were 48 New Mezzanine Investors Active In The Period

*Includes completed mezzanine transactions \$3 MM or greater with the target located in the U.S. or Canada.

PE Middle Market: Deal Origination

PE Deal Origination Market Coverage Statistics

	Average	Max	Min	Top Quartile
Market Coverage ¹	18.6%	55.3%	2.8%	42.2%
Market Coverage Boutique Intermediaries	12.0%	47.2%	1.5%	35.8%
Market Coverage Most Active Intermediaries	21.8%	59.8%	1.0%	45.1%
Generalist PE Firms Market Coverage	17.0%	31.1%	5.5%	24.7%
Quasi-Generalist PE Firms Market Coverage	17.1%	41.3%	3.1%	33.8%
Sector Focused PE Firms Market Coverage	22.5%	55.3%	7.5%	43.4%
Upper Middle Market PE Firms Market Coverage	38.3%	50.2%	27.6%	44.6%
Lower Middle Market PE Firms Market Coverage	9.3%	26.3%	2.8%	20.4%

¹Percentage of completed PE transactions with a sell-side advisor in relevant size ranges and sectors reviewed by a PE firm.

*As of June 2015, based on SPS' 99 clients that qualified for the annual Deal Origination Benchmark Report (DOBR).

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