The Sponsor Exit: 2026 Report

Private equity's deal count and its exit problem are the same fact seen twice. PitchBook recorded **9,019** US private equity deals worth **$1,155.5 billion** in 2025, above the 8,519 deals and $847.8 billion of 2024 and the highest value since the 2021 peak. Over the same period the industry held **13,509** unsold US portfolio companies as of the second quarter of 2026 and distributed capital at **14% of NAV**, a rate Bain & Company records as unmatched since 2008. Sponsors have not stopped transacting. They have changed what a transaction is.

The mechanism is the bolt-on. Add-ons were **72.9%** of all US buyouts in 2025, against a five-year average of 72.8%, and roughly three-quarters of buyouts in the second quarter of 2026. An add-on is executed by a portfolio company rather than by a fund, so the acquirer of record is an operating corporation with its own name, management and brand on the announcement. PitchBook's glossary is explicit: a platform company is a private equity backed company that **completes** an add-on, and add-ons are acquisitions by companies with private equity backing. The classification follows the entity that signs.

The consequence runs two ways. Because the acquirer of record is an operating company, every published strategic-versus-sponsor split understates sponsor activity: thousands of sponsor-funded acquisitions a year sit inside the strategic column. The value-weighted headline understates it in the other direction, because add-ons carried only **$350.7 billion**, or **36.3%**, of the $967.3 billion of 2025 US buyout value while making up nearly three-quarters of its count. Count deals and you see consolidation everywhere. Weigh value and you see a few megadeals. Both readings describe one book.

Windsor Drake calls the structure **The Platform Buyer**: sponsor capital that enters the market wearing a portfolio company's name. This report names fourteen sponsor-backed serial acquirers across six unrelated industries with the counting basis stated for each, extracts terms from nine sponsor take-privates filed with the SEC in 2025 and 2026 including KKR's $5.7 billion agreement for Integer Holdings, and sets out the national picture on exits, inventory, distributions and credit. The claim is simple: a seller who cannot name the owner of the buyer is negotiating blind to its cost of capital, hold period and mandate.

Has private equity actually stopped doing deals in 2026?

No, and the aggregate says so plainly. US deal value rose 36.3% in 2025 to $1,155.5 billion on a 5.9% increase in count, and the 150 megadeals of $1 billion or more carried $567.8 billion of it, above the $528.2 billion that bracket carried at the 2021 peak. The first half of 2026 cooled to $461 billion.

What moved is composition. Platform buyout count fell 34% to 289 in the second quarter of 2026 while an estimated 885 add-ons made up about three-quarters of buyout transactions. New platforms are what a sponsor buys when it is starting a hold. Add-ons are what it buys when it cannot end one.

Table 1. US Deal Activity and the Add-On Split

Period	Deal count	Deal value	Add-on share of buyout count
2021	10,315	$1,268.7 billion	71.1%
2022	9,446	$953.3 billion	75.9%
2023	8,153	$733.2 billion	74.7%
2024	8,519	$847.8 billion	73.1%
2025	9,019	$1,155.5 billion	72.9%
H1 2026	2,384 in Q2	$461.0 billion	About three-quarters

Source: Source: PitchBook, US PE Breakdown, 13 January and 6 July 2026.

Why does a record deal count coexist with an exit backlog?

Because both come from the same decision. A sponsor holding an unsold 2021 platform, with capital committed and limited partners waiting, has one use of capital that does not require finding a buyer: acquire something smaller and attach it to what the fund already owns. That decision raises deal count, extends the hold and defers the distribution.

The inventory shows the accumulation. US private equity held 13,509 portfolio companies at the end of the second quarter of 2026, up from 13,143 at the end of 2025. Bain & Company puts the global figure near 32,000 companies carrying about $3.8 trillion of unrealised value, with **39%** of buyout companies held beyond five years in 2025 against 29% in 2019 and an average hold at exit near seven years. McKinsey, on a four-year threshold, finds 52% of global buyout inventory held longer than four years, the highest on record.

The cost lands on the limited partner and then on the next fund. Global distributions ran at 14% of NAV for the twelve months to the third quarter of 2025 and have stayed below 15% for four consecutive years. US fundraising fell to **$308.0 billion across 551 funds** in 2025 from $371.4 billion across 797 in 2024, with $159.6 billion across 223 funds in the first half of 2026. US uncalled capital stood at $1,067.5 billion at 30 September 2025, and more than 40% of deployable dry powder globally has been available for two years or more. Ageing commitments push a sponsor toward the transaction it can always execute.

Table 2. The Liquidity Chain

Measure	2024	2025	2026 to date
US companies still held		13,143	13,509 at Q2
Held over five years	34%	39%	
Distributions, share of NAV	Below 15%	14%	
US PE fundraising	$371.4bn / 797	$308.0bn / 551	$159.6bn / 223 in H1
US uncalled capital		$1,067.5bn	
Global buyout dry powder		About $1.3trn	

Source: Sources: PitchBook, 6 July 2026; Bain & Company, 23 February 2026; McKinsey & Company, 10 February 2026.

Who are the platform buyers, and who owns them?

The pattern is not confined to one sector, which is what makes it a market structure rather than a sector quirk. The table below names fourteen sponsor-backed serial acquirers across insurance distribution, home services, dental and veterinary care, managed IT, professional advisory and vertical software. Every ownership claim traces to a sponsor portfolio page, a platform announcement or a filing, and every count states its basis, with cumulative claims, dated announcement counts and brand or location counts labelled distinctly.

Language is part of the effect. Healthcare and home-services platforms avoid the word acquisition in first-person copy, substituting partnership and affiliation: Heartland Dental publishes affiliations, MB2 Dental describes partners who control their practices. Insurance, IT and software platforms use it freely, so text-mined counts understate the healthcare roll-ups.

Table 3. Named Sponsor-Backed Serial Acquirers

Platform	Sponsor or sponsors	Industry	Acquisitions and counting basis
HUB International	Hellman & Friedman, Altas, Leonard Green	Insurance brokerage	139 brokerages 2019 to 2020; 72 in 2021
Inszone Insurance	BHMS Investments, Lightyear Capital	Insurance brokerage	220+ since 2017; 98 in 2020 to 2023
Keystone Agency Partners	Warburg Pincus, Bain Capital	Insurance brokerage	28 platform partners
Apex Service Partners	Alpine Investors, Apollo funds	HVAC and home services	75 local brands
Sila Services	Goldman Sachs Alternatives	HVAC and home services	More than 40 brands
Any Hour Group	Knox Lane	HVAC and home services	17 businesses, 2022 to 2024
Heartland Dental	KKR, Ontario Teachers'	Dental practices	33 affiliations plus a 60-practice deal
MB2 Dental Solutions	Charlesbank, Warburg Pincus	Dental practices	400th to 800th practice, 2022 to 2025
Mission Pet Health	Silver Lake, Shore Capital	Veterinary	970+ locations
Evergreen Services Group	Alpine Investors	Managed IT	100 MSP acquisitions to June 2025
New Charter Technologies	Oval Partners	Managed IT	23 announced, 2021 to 2026
Ascend	Alpine Investors	Accounting and tax	22+ partner firms
Mercer Advisors	Oak Hill, Genstar, Altas	Wealth advisory	6 firm additions in late 2025
EverCommerce	Providence Strategic Growth, Silver Lake	Vertical software	54 acquisitions to Dec 2025, per 10-K

Source: Sources: company releases, sponsor portfolio pages and SEC filings, accessed 24 August 2026.

Each of these entities appears in a deal database as a corporate acquirer. A financial-sponsor screen returns Hellman & Friedman, Alpine Investors, Silver Lake, Charlesbank and KKR. A corporate screen returns HUB International, Evergreen Services Group, Mission Pet Health and Heartland Dental. The same capital is counted once as fund commitment and again as strategic demand.

What does a sponsor take-private actually cost in 2026?

Merger proxies answer this precisely and for nothing. They disclose the premium and the date it is measured from, the financing commitments, the company and reverse termination fees, the go-shop and its length, how many parties were contacted, and the adviser's selected-transactions multiples. Everything below is quoted from the filings.

The flagship 2026 example is KKR's agreement to acquire Integer Holdings Corporation for **$127.00 per share in cash**, at an enterprise value the announcement states as approximately **$5.7 billion**, agreement dated 2 August 2026 and announced on 3 August. The premium is about **51.8%** to the 29 April 2026 close, the day before Integer disclosed a strategic review, and about 28.8% to the thirty-day volume weighted average price at 31 July 2026. The company termination fee is $154 million and the parent reverse fee $307 million, a ratio of 1.99 to one. There is no go-shop: the word appears nowhere in the executed agreement, whose relevant article is titled No-Shop. The outside date is 2 May 2027.

Table 4. Negotiated Terms in Nine Sponsor Take-Privates

Transaction	Price and premium	Company and reverse fee	Go-shop and process
Integer Holdings / KKR	$127.00, 51.8%	$154m / $307m	None. Outside date 2 May 2027
Hologic / Blackstone and TPG	$76.00 cash, 40%	$540m / $900m	45 days, no proposal received
Dayforce / Thoma Bravo	$70.00, 32%	$351m / $702m	None; comps 18.0x to 22.0x EBITDA
Sealed Air / Clayton, Dubilier & Rice	$42.15 v $29.84	$205m / $426m	30 days; 29 parties contacted
Clearwater Analytics / Permira	$24.55, 47.1%	$242m / $521m	33 days; 44 parties, none bid
Verint / Thoma Bravo via Calabrio	$20.50, 18%	$50m / $113m	Removed by the sponsor
PROS Holdings / Thoma Bravo	$23.25, 41.7%	$40m / none	None; 19 parties
Jamf Holding / Francisco Partners	$13.05, 24%	$68m / $136m	None; 12 of 30 contacted
Heidrick & Struggles / Advent, Corvex	$59.00, 27%	$39m / none	None; 6 sponsors approached

Source: Source: Forms DEFM14A and 8-K as filed with the SEC, 2025 and 2026.

Three patterns run through the set. Company break fees cluster at **3.2% to 3.6%** of equity value, higher on small-cap deals. Reverse fees run at roughly twice the company fee. And every go-shop produced no competing proposal, including the Clearwater process in which 44 parties were contacted; on Verint the sponsor made removal of the go-shop a condition of its final price.

The proxies also publish the reference ranges boards used. Software clears at 18.0x to 25.0x EBITDA in the Clearwater and Dayforce analyses; industrial and services assets clear at 8.0x to 11.0x in the Sealed Air, Verint and Heidrick analyses. That spread is the category premium a seller negotiates over.

Where did the exits go, and who is financing the buyouts?

Corporate acquirers took the largest share of 2025 US exit value at **$299.3 billion**, against $240.8 billion sponsor-to-sponsor and $141.8 billion via public listing, out of $728.1 billion across 1,619 exits. On count the first two routes were level at 587 and 586. EY records trade sales at 71% of first-half 2026 exit value, above a typical 67%. Part of that corporate column is a platform buyer, so the true sponsor-to-sponsor share is understated.

A fourth route has become permanent. Continuation fund related exits rose from 44 globally in 2021 to 128 in 2024 and 158 in 2025, with 69 in the first half of 2026. Coller Capital puts GP-led volume at $108 billion in 2025 against $77 billion in 2024, and Preqin records secondaries trading at discounts under 10%.

Financing has rotated. Direct lenders funded about 60% of US LBO financing across 2025 and the syndicated market took 56% back in the first half of 2026. The Federal Reserve's August 2026 research puts US private credit and the leveraged loan market at about $1.4 trillion each, together roughly 45% of lending to private non-financial corporations, with private credit spreads near S+500 against S+400 on leveraged loans. Policy has held at a **3.50% to 3.75%** federal funds target since 11 December 2025. Purchase price multiples on syndicated US buyouts reset to 9.8x in the first half of 2026 from 11.8x a year earlier.

Table 5. Exit Routes and Financing Channels

Measure	2024	2025	H1 2026
Exit value, corporate acquirers		$299.3bn	
Exit value, sponsor-to-sponsor		$240.8bn	
Exit value, public listing		$141.8bn	
Total exit value and count		$728.1bn / 1,619	$293.7bn
Continuation fund exits, global	128	158	69
LBO financing, syndicated		$59.4bn	$42.6bn
LBO financing, direct lending		$90.8bn	$32.9bn
Purchase price multiple, syndicated	11.0x	11.1x	9.8x

Source: Sources: PitchBook, 6 July 2026; PitchBook LCD, Q2 2026; EY, 28 July 2026; Coller Capital, May 2026. Annual financing totals are Windsor Drake sums of quarterly figures.

The listed managers corroborate this from the inside. KKR called the second quarter of 2026 its strongest monetisation quarter ever, with $18.6 billion of transaction value closed, and still carried $10.2 billion of gross unrealised carried interest at 30 June 2026. Blackstone reported $730.9 million of realised performance revenues against $553.1 million a year earlier, on a $7.5 billion accrued balance. Carlyle reported $6.7 billion of realised carry fund proceeds and $2.4 billion accrued.

Key Takeaways for Founders

1. The buyer's name does not tell you who the buyer is

Fourteen acquirers named here are sponsor-owned operating companies that appear in every database as corporate buyers. Tracing the ownership chain takes minutes per name and changes the posture for a whole process.

2. A platform's cost of capital is a knowable input to its bid

Direct lending LBO spreads averaged S+509 in the second quarter of 2026 against S+474 in the first, and the Federal Reserve documents roughly a 100 basis point premium over the syndicated market.

3. The hold clock is public and it sets urgency

Average hold at exit is near seven years and 39% of buyout companies were held beyond five years in 2025. Sponsor portfolio pages date the original investment, so a seller can tell a hold that is starting from one that is ending.

4. Read the proxies for your category before you price the process

Selected-transactions ranges in 2025 and 2026 filings run 18.0x to 25.0x EBITDA for software and 8.0x to 11.0x for industrial and services assets, filed in full and free.

5. Treat the go-shop as a priced term, not a safety net

Every go-shop in the cohort produced no competing proposal, including one in which 44 parties were contacted. Tension is built before signing, by running platforms and genuine strategics as separate live tracks.

6. The current configuration favours the prepared seller

Record uncalled capital is ageing, strategic buyers led all exit routes on value in 2025, and entry multiples on syndicated deals reset to 9.8x in the first half of 2026. Against 13,509 companies waiting to sell, demand concentrates on assets that are ready.

- PitchBook, US PE Breakdown, Q2 2026 and 2025 Annual
- PitchBook LCD, leveraged finance data

- Bain & Company, Global Private Equity Report 2026
- McKinsey & Company, Global Private Markets Report 2026
- Preqin, secondaries and fundraising data
- Coller Capital, Private Capital Barometer
- EY, Private Equity Pulse
- MSCI, private capital distributions
- Federal Reserve Board, FOMC materials and FEDS Notes
- FRED, ICE BofA US High Yield Index
- Morningstar, LSTA Leveraged Loan Index
- SEC EDGAR
- Integer Holdings, Forms 8-K, August 2026
- Verint Systems, DEFM14A, 20 October 2025
- Dayforce, DEFM14A, 29 September 2025
- Hologic, DEFM14A, 23 December 2025
- Sealed Air, DEFM14A, 23 January 2026
- Clearwater Analytics, DEFM14A, 8 April 2026
- Jamf Holding, DEFM14A, 10 December 2025
- PROS Holdings, DEFM14A, 3 November 2025
- Heidrick & Struggles, DEFM14A, 3 November 2025
- EverCommerce, Form 10-K, FY2025
- KKR, Q2 2026 earnings release, 30 July 2026
- Blackstone, Q2 2026 earnings release, 23 July 2026
- The Carlyle Group, Form 8-K, 4 August 2026

Methodology Note

Framework: The Platform Buyer. Sponsor capital that enters a transaction under a portfolio company's name, so the acquirer of record is an operating company and the deal is classified as strategic. The structure is documented rather than inferred: PitchBook's glossary defines a platform company as a private equity backed company that completes an add-on, and its methodology states that investments made by private equity investors or their portfolio companies are counted.

Source standard. National figures are third-party and each carries a named institution and a date. Inputs are restricted to elite data houses, the major consultancies, primary regulatory sources and company filings. Where a proxy sets out an adviser's analysis, the figure is attributed to the filing. Research published by M&A, secondaries and placement advisory firms is excluded.

How the platform counts were compiled. Counts come from company releases and websites, sponsor portfolio pages and SEC filings, accessed on 24 August 2026, over the period stated in each row. Three bases appear and are labelled distinctly: verbatim cumulative claims published by the platform, counts of dated announcements over a stated window, and brand, partner, firm or location counts. The three are never combined. Where a platform reports affiliations, de novo openings and acquisitions separately, as Heartland Dental does for 2025, they are reported separately.

How ownership was attributed. Each claim traces to a sponsor portfolio page, a platform announcement or a filing. Where several sponsors hold positions, the majority or lead holder is named first. The Verint and Calabrio relationship comes from the merger proxy, which names the Parent as Calabrio, Inc. and states that Parent and Merger Sub are affiliated with Thoma Bravo.

Derived estimates. Two figures are computed by Windsor Drake from published components and labelled wherever they appear: the 2025 add-on share of US buyout value, 36.3%, from PitchBook's add-on value of $350.7 billion against $967.3 billion of buyout value; and the annual LBO financing split, summed from PitchBook LCD quarterly figures. Fee percentages use record-date share counts stated in the filings and are basic rather than diluted.

Attribution and scope. Scope is US private equity, all sectors. Forecast scenarios in the paired deck are the firm's own view. Figures here and in the deck are identical by construction, drawn from one body of research current to 24 August 2026.