

Global Mid-Market Private Equities Annual Market Report 2025

A publication of Altius

Authors

Gowri Anupama
Shubhant Gupta
Kapil Kachru

Analyst Team

Amarjit Singh

Table of Contents

Preface	.	.	.	.	.	2
2025 Mid-Market Deals at a Glance	.	.	.	.	.	2
Key Take-Aways (2025)	.	.	.	.	.	3
2025 Summary	.	.	.	.	.	3
H2 2025 Summary	.	.	.	.	.	5
H1 2024 v H1 2025	.	.	.	.	.	6
H2 2024 v H2 2025	.	.	.	.	.	7
H1 2025 v H2 2025	.	.	.	.	.	8
Fund Level Analysis	.	.	.	.	.	8
Looking Ahead	.	.	.	.	.	10
Conclusion	.	.	.	.	.	13
Appendix	.	.	.	.	.	14
About Altius	.	.	.	.	.	16

Preface

The Global Mid-Market¹ Private Equities Annual report for 2025 analyzes the market trends in Private Equity (PE) Merger & Acquisition (M&A) deals through calendar year 2025. A publication from Altius², the report highlights how PE deals and operations teams differentiate themselves from their peers to generate higher returns through operational excellence. The report analyzes different Mid-Market (MM) sub-segments by region, fund-type, industry segment and deal economics.

2025 Mid-Market Deals at a Glance

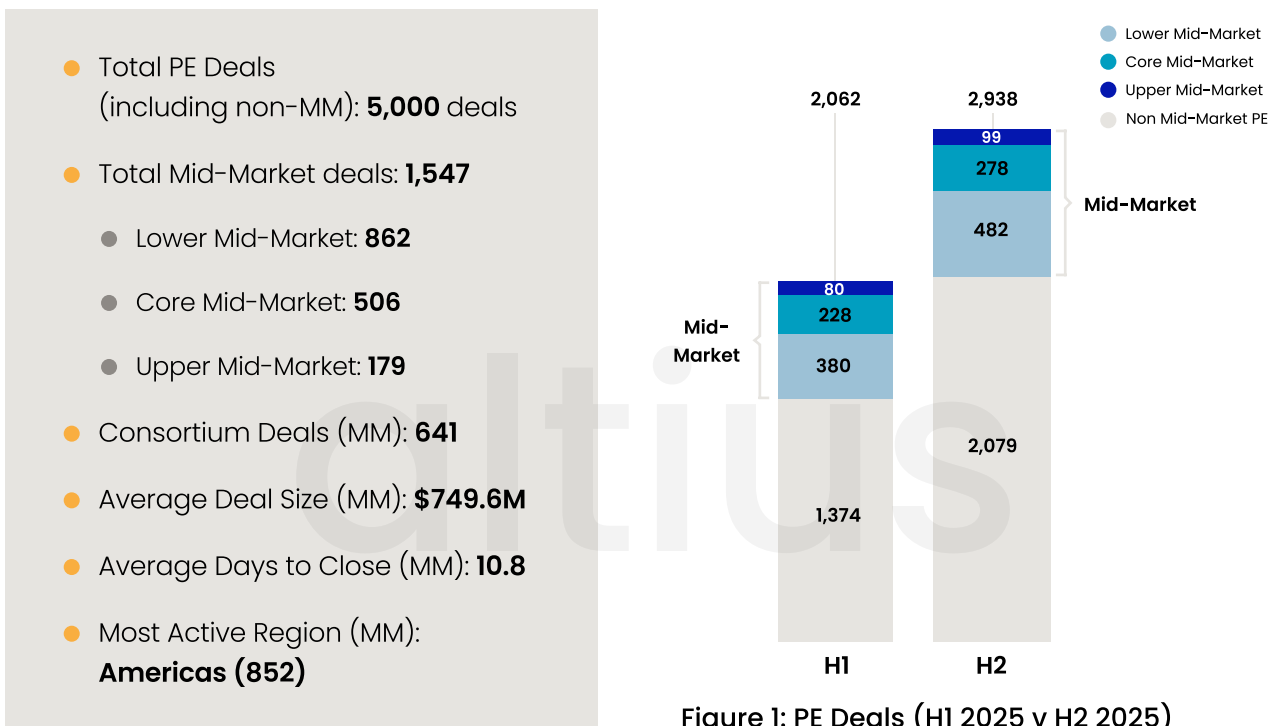


Figure 1: PE Deals (H1 2025 v H2 2025)



Figure 2

[1] Globally, the Mid-Market segment is categorized based on annual revenue of portfolio companies, with three distinct tiers. The Lower Mid-Market (LMM) is companies with revenues between \$25 million to \$100 million. The Core Mid-Market (MM) ranges from \$100 million to \$500 million, and Upper Mid-Market (UMM) ranges from \$500 million to \$2 billion.

[2] Altius is a Mid-Market Private Equity advisory firm, with offices in US, UK and India. Established in 2019, the firm focuses on funds and Mid-Market portfolio companies globally, working with deals and operations teams to deliver EBITDA.

Key Take-Aways (2025)

Overall Deal Market

For 2025, there were **5,000 PE deals**, of which the Mid-Market sub-segment contributed **1,547 deals, representing 31%** of the total PE deals.

Geographic Performance

Americas (852) and EMEA (510) led the Mid-Market activity regionally, continuing the trend from previous years.

Top Industry Performance

Commercial and Professional Services (261), Software and Services (250), and Financial Services (141) have continued to be the leading industries in 2025, accounting for 42% of the overall Mid-Market deal activity.

Mid-Market Deal Volumes

2024 v 2025 Total Mid-Market deals:

- 2025 – 1,547 total Mid-Market deals
- 2024 – 1,423 total Mid-Market deals

Most Active Sponsors

Contribution of Top Five sponsors to overall Mid-Market deal volume in 2025

- Top Five sponsors – 58 Mid-Market deals for 2025
 - 3.7% of overall Mid-Market deals
- KKR & Co. (17), Apollo Global Management (11), Blackstone Group (10), Goldman Sachs Alternatives (10), Warburg Pincus (10)

2025 Summary

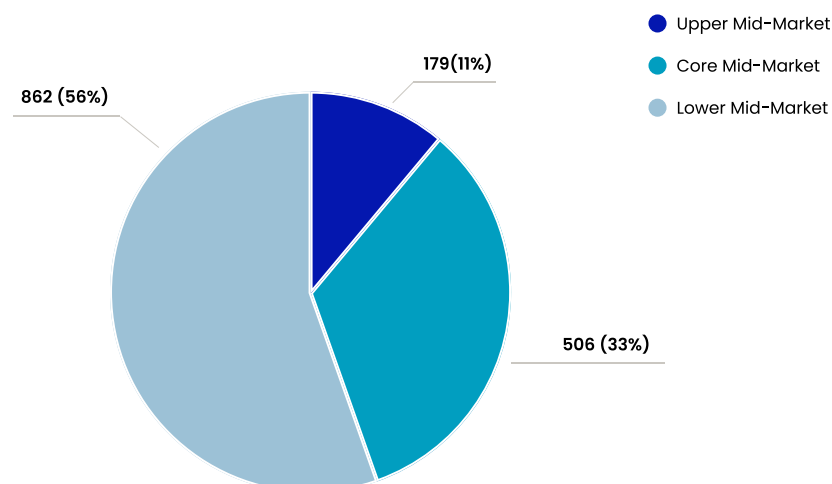


Figure 3: 2025 – Deals by Segment

Private Equity Mid-Market deal activity is rebounding, with a noticeable recovery in buyout volumes by the end of 2025. Despite temporary tariff disruptions in the second quarter that set the rates to a record high in the post WWII period, deal activity is accelerating again, fueled by normalizing interest rates and public market volatility.

The year was characterized by a tale of two halves. The first half of 2025 saw cautious deal-making, with 688 Mid-Market transactions, as sponsors navigated interest rate volatility and macroeconomic headwinds. On the other hand, the second half witnessed a strong rebound with a 24.9% increase, making it the strongest H2 performance in recent years.

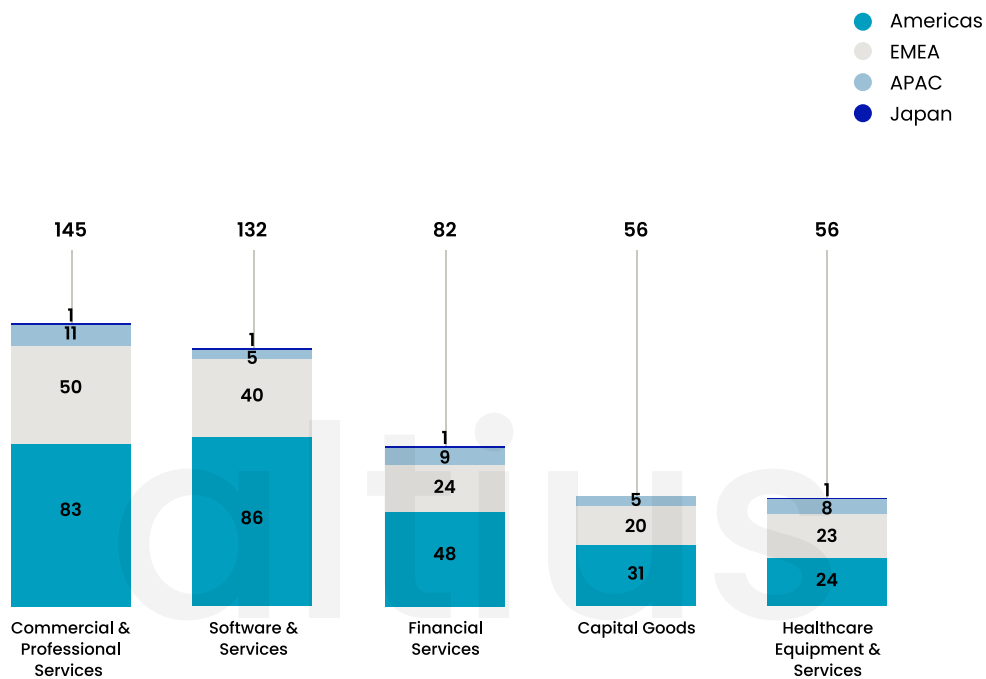


Figure 4: 2025 - Deals by Region and Industry

The Americas continued to dominate with 55% of all Mid-Market deals driven by robust economic fundamentals and deep capital markets. EMEA accounted for a third of all Mid-Market activity, showing resilience despite macroeconomic challenges, while APAC recorded 11%, and Japan added 1% to the overall Mid-Market deals.

Commercial and Professional Services (17%), Software and Services (16%), and Financial Services (9%) together accounted for 42% of all Mid-Market activity, reflecting investor confidence for scalable and service-oriented business models.

Consortium deal activity reached 641 transactions, representing an increase from prior years and indicating a strategic shift toward collaborative investing and risk-sharing in an environment characterized by economic uncertainty.

H2 2025 Summary

Mid-Market deals reached multiperiod highs in H2 2025, showing signs of strong recovery, potentially extending into 2026. The turnaround was led by Commercial and Professional Services (17%) followed by Software and Services (15%) and Financial Services (9%).

The composition of deal flow in H2 2025 underscores this shift toward a higher volume of 'smaller, more deliberate' transactions. Mid-Market volume rose even as average deal size declined, reflecting a recalibration of valuations, an increased focus on platform and add-on opportunities in the Lower Mid-Market, and a bias toward structures that preserve downside protection in an uncertain macro environment.

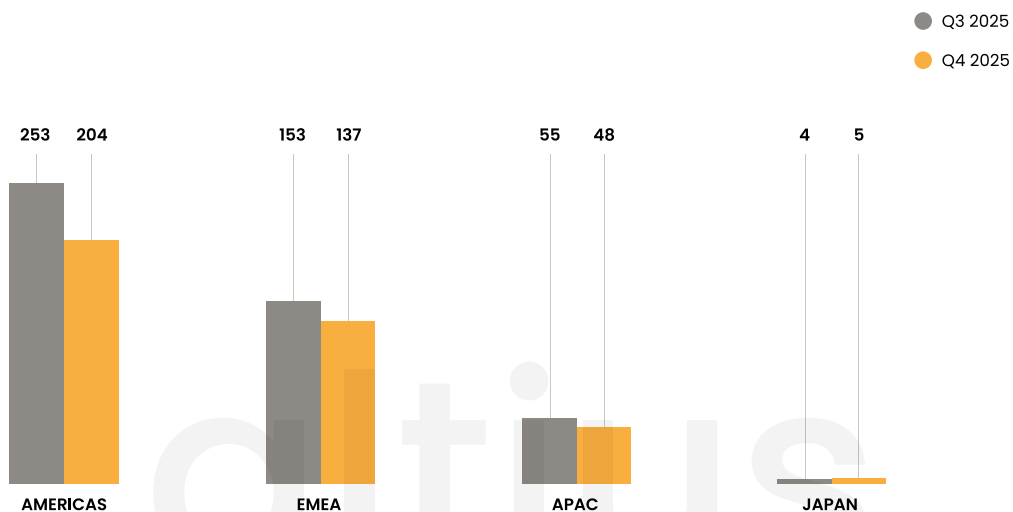


Figure 5: H2 2025 – Deals by Region

Regionally, the Americas continued to be the primary driver of deal volume, accounting for 53.2% of Mid-Market deals in H2, while EMEA accounted for 33.8% and APAC 12.0%.

Warburg Pincus emerged as the most active PE firm with 9 Mid-Market deals. KKR & Co. (8) and TPG Capital (7) continued to be top performers.

Looking ahead, the strong finish to 2025 positions the Mid-Market favorably for continued growth, with momentum expected to carry into 2026, as sponsors deploy committed capital, exit pipelines accelerate, and market conditions stabilize.

H1 2024 v H1 2025

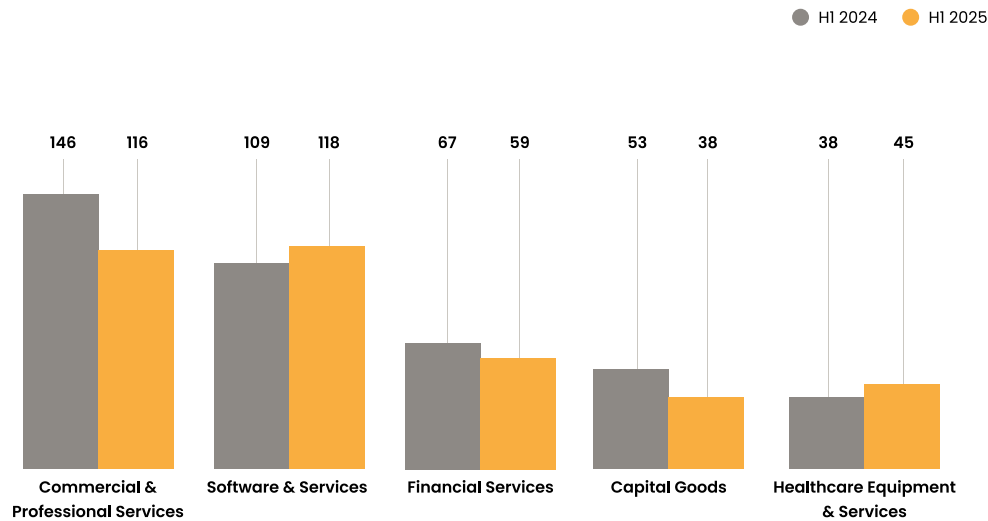


Figure 6: H1 2024 v H1 2025 – Deals by Industry

With a 24.9% increase in total Mid-Market deals, the second half of 2025 demonstrated renewed momentum across all Mid-Market segments, in comparison with the first half of the year. While average deal size declined by 38.1%, the increase in deal volume points to sustained Private Equity engagement in the Mid-Market. It suggests a shift toward smaller, more frequent transactions rather than an overall pullback in activity. During this period, execution dynamics also evolved, with the average days to close increasing by 33%, from 9.1 days to 12.1 days. The longer timelines likely reflect heightened deal complexity, a more rigorous diligence process, and an increasingly cautious investment environment amid macroeconomic uncertainty. Collectively, these trends indicate a market that remains active but increasingly deliberate, with investors prioritizing risk management over speed in deal making. The past few quarters have indicated that investors value certainty and protection, especially in the PE space.

Although deal activity increased in H2 2025, growth in consortium transactions outpaced this trend, rising 27.3% over H1 2025 levels. This notable shift in deal structure suggests a growing preference for risk-sharing through collaborative investing, particularly in transactions characterized by longer closing timelines or increased complexity. The prevalence of consortium deals will be important to monitor in upcoming quarters, as it may signal a more structural change in how Mid-Market PE transactions are executed.

While the top industries remained consistent, Financial Services stood out as one of the fastest growing industries with a 39% increase in deal activity from H1 to H2 2025. Strong investor appetite for the Financial Services industry may be driven by a variety of factors. In some cases, the highly fragmented industry created opportunities for PE firms to engage in add-on acquisitions and consortium deals. This industry also remains at lower volatility in the Mid-Market, as opposed to some other industries, which investors may have turned to during periods of longer deal closings and smaller deal sizes. A combination of these factors may have made Financial Services particularly attractive to Mid-Market investors.

From a geographic perspective, deal activity rebounded and expanded across all regions in H2 2025. While at first glance it is evident that APAC (49.3%) and Japan (125%) outsized growth rates in the Americas (15.7%) and EMEA (31.8%), it is important to note that the overall volume of deal activity remains highest in the Americas and EMEA. The elevated growth rates in APAC and Japan do not indicate a shift in regional leadership but rather can be interpreted in the context of a much smaller base volume of deals. Accelerating momentum in the APAC markets will be worth watching as 2026 deal activity begins. Sustained growth may signal increasing investor confidence and a more durable expansion of Mid-Market deal activity in this region.

H2 2024 v H2 2025

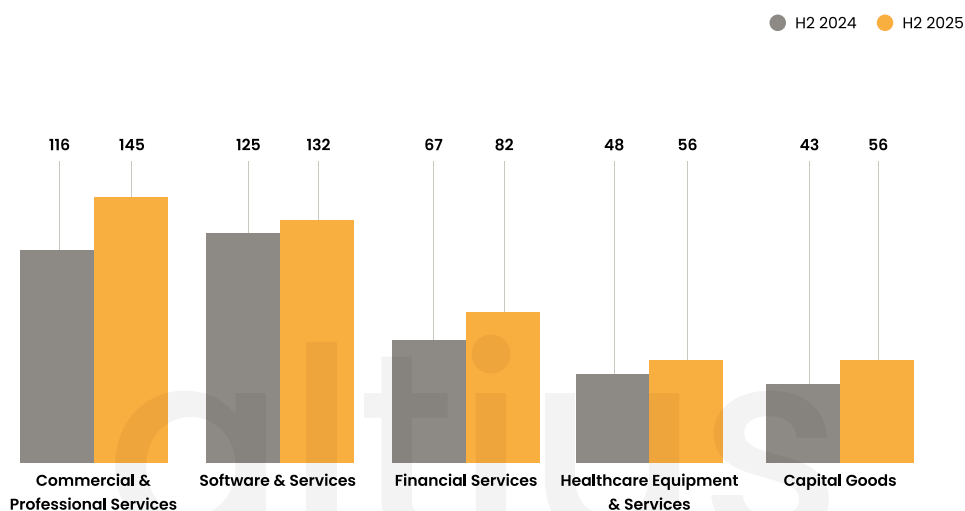


Figure 7: H2 2024 v H2 2025 – Deals by Industry

Total PE deals declined from 2,339 transactions in H1 2024 to 2,062 in H1 2025, while overall, Mid-Market activity decreased more modestly from 714 deals to 688 deals.

The most significant contraction was in the Upper Mid-Market (80), declining 34.4%, the Core Mid-Market (228) remained relatively stable with a modest 2.6%, and the Lower Mid-Market (380) saw a 6.2% increase.

Commercial and Professional Services retained the leading spot, but the sector experienced a 20.5% decline. Software and Services bucked the broader trend with an 8.3% increase, reflecting sustained investor confidence in technology-driven business models. Healthcare Equipment and Services, an emerging area for PE investment, grew 18.4%.

Average deal size increased from \$773.3 million in H1 2024 to \$934 million in H1 2025, while average days to close declined from 15.4 days in H1 2024 to 9.1 days in H1 2025.

The Americas experienced a modest 1.3% increase in deal volumes, reflecting relative stability. On the other hand, EMEA saw a 5.6% decrease, and APAC declined 8.0%. Consortium activity decreased from 298 deals in H1 2024 to 282 deals in H1 2025. Despite that, consortia maintained a consistent 41% share of total Mid-Market deals.

H1 2025 v H2 2025

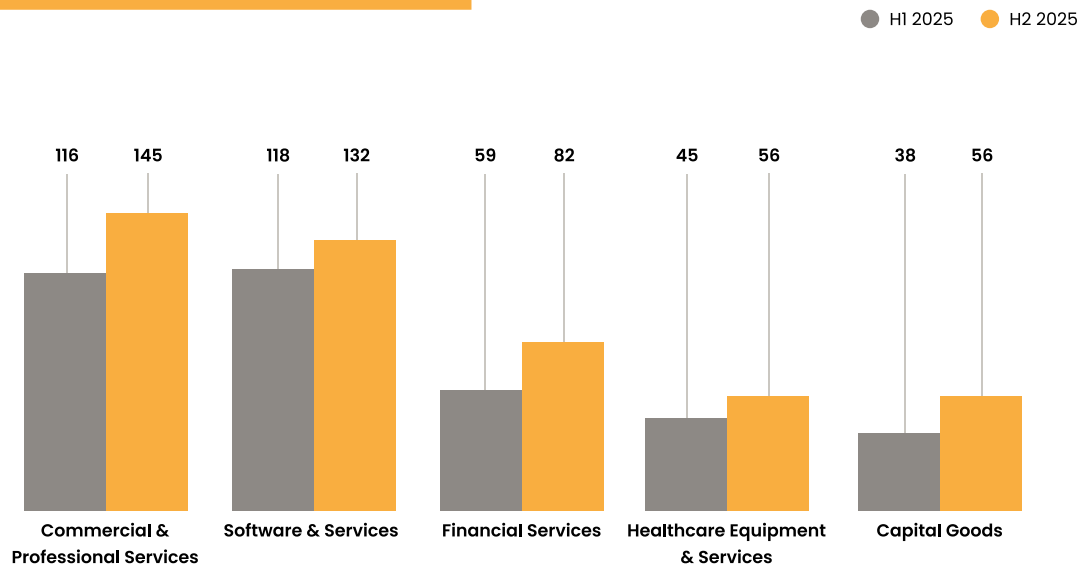


Figure 8: H1 2025 v H2 2025 – Deals by Industry

Mid-Market activity demonstrated momentum, increasing 21.2% to 859 deals, though its share of total PE activity decreased somewhat from 33.3% to 29.2%.

The Upper Mid-Market contracted 18.2% to 99 deals in H2 2025, suggesting continued caution at the higher end. In stark contrast, the Lower Mid-Market surged by 39.3% to 482 deals. The Core Mid-Market grew at a healthy 14.9% to 278 deals, indicating balanced growth across the middle tier and providing optimal risk-adjusted opportunities.

Average deal size declined from \$779.7 million in H2 2024 to \$578.3 million in H2 2025. This decrease reflected the compositional shift toward smaller transactions, signaling the normalization of the elevated valuations. Average days to close stood at 12.1 days in H2 2025.

Fund Level Analysis

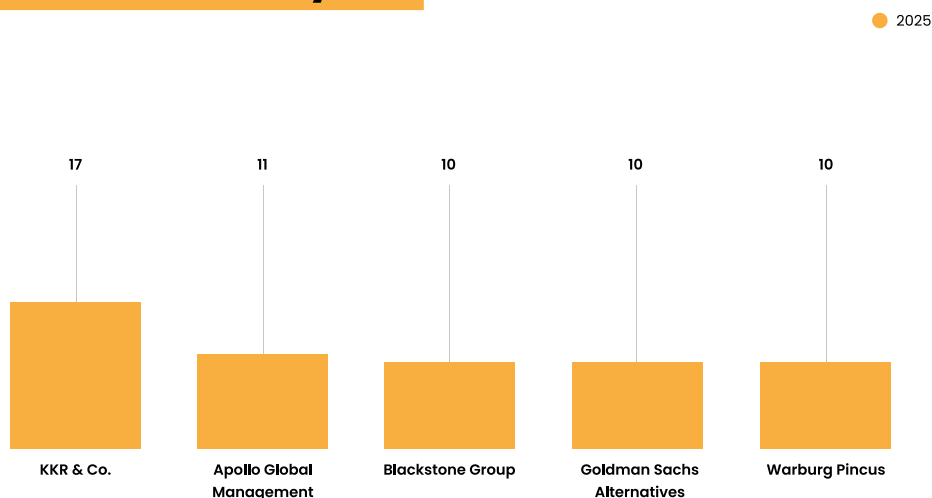


Figure 9: 2025 – Deals by Sponsor

In 2025, the top 5 sponsors by number of deals represented just 3.8% of the overall volume of Mid-Market deals. Although KKR & Co. was a leading sponsor in 2024 as well, their Mid-Market deal activity fell by 43%, from 30 to 17 deals. While no notable Mid-Market focused funds were closed in 2025, these leading sponsors remained active in the M&A space, beyond Mid-Market investments.

Some significant transactions of note include KKR's acquisition of Cheongna Logistics Center³ in South Korea, marking the firm's largest asset logistics transaction in the region. KKR had high fundraising activity throughout the year, along with positive sentiment being reported by the S&P Global Analysis, regarding asset growth in current market conditions⁴.

In Japan, another growing market, Blackstone Group has made their mark with an agreement to acquire Tokyo C-NX⁵, a logistics asset in central Tokyo, through their real estate funds. This was the largest transaction of 2025 in the logistics segment in Japan, but Blackstone has been actively building partnerships in the region for the past few years. As a strong global investor in logistics, Blackstone's deal activity in Japan significantly strengthens the growing market of the region.

Another leading firm, Apollo Global Management, leveraged its Apollo Sports Capital division to become a minority investor in Wrexham AFC⁶, a Welsh professional football club. This partnership aligns with the club's growth ambitions and long-term brand building initiatives. Investments like this are appealing to investors in the PE space, as the sports segment offers several opportunities for revenue streams and seeks financing for infrastructure.

These leading sponsors have continued to expand across industries, including sports, logistics, and real estate, underscoring the importance of diverse investments and positioning for long-term growth. Dedicated funds and investment platforms for specific segments have allowed these sponsors to set focused targets for their capital.

[3] https://media.kkr.com/news-details?news_id=e9e99e35-8dda-490f-b682-16e264b2e722

[4] <https://www.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/3508505>

[5] <https://www.blackstone.com/news/press/blackstone-announces-agreement-to-acquire-a-landmark-japan-logistics-asset-marking-the-largest-logistics-transaction-in-the-country-this-year/>

[6] <https://ir.apollo.com/news-events/press-releases/detail/596/wrexham-afc-welcomes-apollo-sports-capital-as-a-minority>

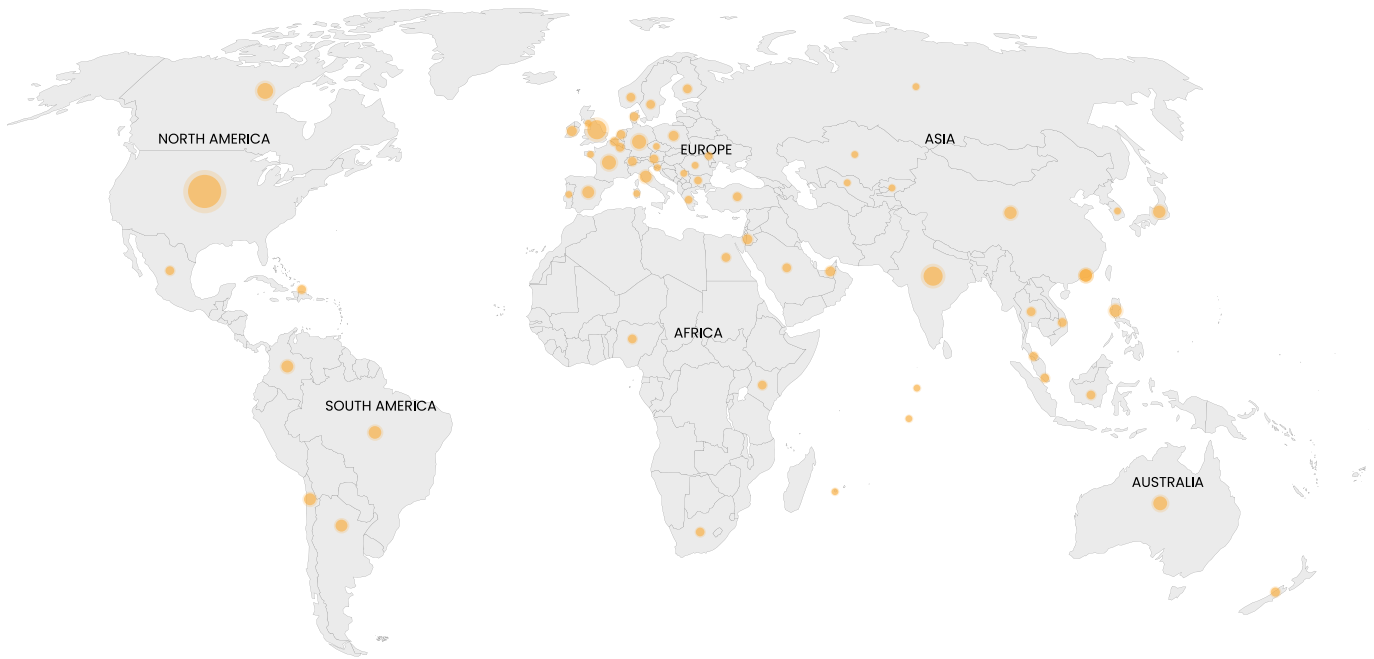


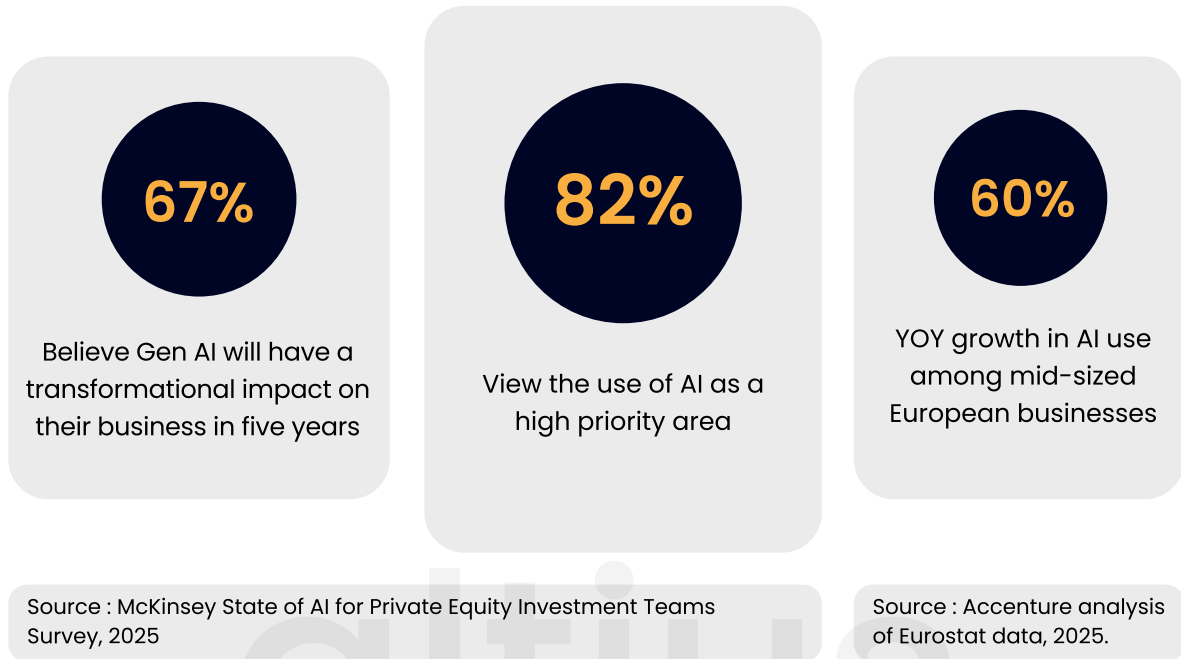
Figure 10: 2025 – Deals by Geography

Looking Ahead

- Market Overview:** Global growth proved resilient in 2025, and the macroeconomic outlook for 2026 is optimistic, but conditional. Policy support remains critical heading into the new year. At the same time, inflation has been moderated but not fully normalized.
- Investment Insights:** The Mid-Market segment is particularly well positioned, benefiting from improved financing conditions, stabilizing interest rates, and renewed buyer confidence after the strong rebound in H2 2025.
- Headwinds:** Key risks to monitor include geopolitical flashpoints, inflation, the US midterm elections, and the transition of leadership at the US Federal Reserve. Stability seems to be returning to trade policy. The US deals with the UK, EU, Japan, and India provide some certainty after the tariff shock last April.
- Lower Mid-Market Gateway:** The composition of Mid-Market activity has shifted noticeably toward the Lower and Core Mid-Market segments of the PE market, offering investors attractive ways to access high-growth opportunities at more reasonable valuations.
- Operational Diligence:** As diligence standards get more stringent, operating teams should plan for deeper reviews of technology infrastructure, cybersecurity, AI-adoption readiness, working-capital dynamics, and customer concentration.
- Exit Market Recovery and Liquidity:** The exit environment, among the most constrained aspects of the Mid-Market PE cycle, showed meaningful signs of improvement in the second half of 2025 and is expected to continue recovering in 2026. Normalizing interest

rates have narrowed the bid-ask spread between buyers and sellers, making sponsor-to-sponsor exits more viable, while an improving IPO pipeline in key markets such as the US and UK creates opportunities for acquiring larger Mid-Market assets.

- **AI and Technology as Value Creation Levers:** As with the rest of the business landscape, AI is emerging as a key pillar for all segments of Private Equity, including the Mid-Market.



AI use within PE can be broadly split into two parts:

- **PE Funds – Buy/Sell side:** PE firms and funds use AI for an entire gamut of core activities on both acquisitions and exits. Examples include sectoral opportunity spotting, portfolio management, capital allocation, due diligence, deal sourcing and closure, valuations, financials, governance and compliance, etc..
- **Portfolio Companies – Operational side:** PE-owned Portfolio companies leverage AI for value creation through operational efficiencies that deliver improved EBITDA by reducing cost and growing revenue. Examples include data analytics and insights, document management, sales and marketing (Gen AI-led campaigns, customer analytics, etc.), finance (cash flow forecasts, books management, etc.), HR management (payroll, labor scheduling, etc.), inventory management, and so forth.

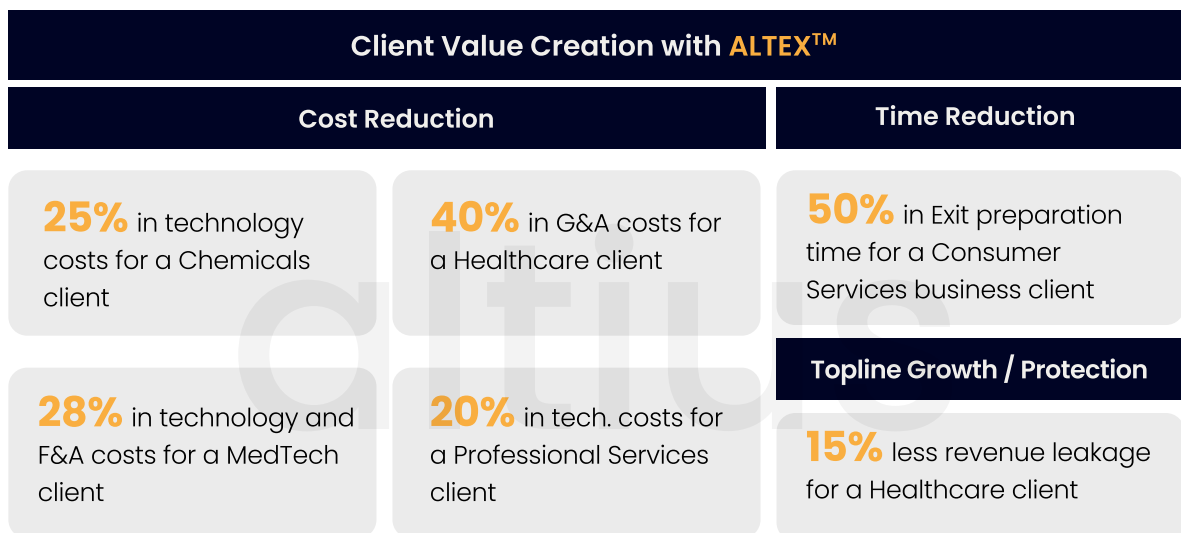
Businesses still grapple with a host of issues ranging from an understanding of AI and pinpointing exactly how it can be leveraged for value creation to developing an effective, calibrated roadmap that encompasses the journey from initial setup to deployment at scale. Including related factors such as governance and compliance. Further, adoption and development vary by both industry and function.

While these issues will drive the evolution and pace of AI adoption into 2026 and beyond, the first steps towards using AI as a value creation lever have been implemented with tools such as ALTEX™ from Altius.

ALTEX™ : Contract-Management Tool from Altius

ALTEX™ is our proprietary, AI-driven tool for automated contract data extraction, analytics and reporting. It identifies key contractual Terms and Conditions, applies analytics to assess risk profile and identify cost saving and value realization opportunities. It does so with a sequential modular flow comprising setup, document ingestion, data extraction, review and annotation, risk analysis, and reporting and analytics. The tool can be used for several types of contracts – legal, commercial, technology, vendor, outsourcing, employment, lease, etc. – across a variety of structured and unstructured formats.

ALTEX™ lowers processing time, reduces the manual effort of reviewing contracts, enhances accuracy, and reduces risks by minimizing human error. It enables faster decision making for quicker negotiations and approvals while also improving compliance and governance. Since we rolled it out in mid-2025, it has already delivered substantive value for our clients.



ALTEX™ is part of Altius's suite of digital products, platforms and accelerators that leverage digital technology and AI to create value for our Private Equity and portfolio company clients. Strategically positioned to address various business use cases across the M&A lifecycle, these digital offerings codify learnings from our collective experience of delivering transformation projects at scale for Mid-Market firms. An overview of our complete suite of digital offerings is in the [Appendix](#).

Conclusion

In 2025, there was an increase in overall PE deal activity. The Lower Mid-Market, in particular, accounted for a greater share of Mid-Market deals than in 2024. The geographic and industry distributions of deal activity remained stable, with the top 3 industries and top 3 regions unchanged. Some sponsors did change, but the top Private Equities were consistent in 2025. These trends suggest a gradual recovery of the Mid-Market from challenging economic conditions. That said, transaction times did slightly increase over the year, while the average transaction value was reduced, signaling the continuation of cautious investments in a recovering, yet unpredictable, market. As seen in prior quarters, the impact of AI in dealmaking and value creation has continued to expand. Expectations for continued growth in the PE Mid-Market, paired with increased AI adoption, make for an interesting year ahead.

altius

Appendix

Mid-Market

- Globally, the Mid-Market segment is categorized based on the annual revenue of portfolio companies, with three distinct tiers.
 - The Lower Mid-Market (LMM) comprises companies with revenues between \$25 million and \$100 million
 - The Core Mid-Market (CMM) ranges from \$100 million to \$500 million
 - The Upper Mid-Market (UMM) ranges from \$500 million to \$2 billion.

Currency

- All financial data in the report is denominated in US Dollars (USD). Data aggregated from international sources, and reported in non-USD currencies, have been converted using spot rates to equivalent USD.

Reporting Period

- Quarters (Q1, Q2, Q3, Q4) and Halves (H1, H2) of the given year, for example:
 - Q1 – January through March
 - H1 – January through June

Sources

- Revenue: ZoomInfo⁷ – last updated January 14, 2026
 - About 5.7% of deals in H2 2025 did not have revenue information. We excluded them from Mid-Market deals, and categorized them as “Others”
- Deal Data: MergerLinks⁸ – last updated January 13, 2026
- Industry Classification: GICS Industry Standards⁹ – last updated August 2024
- Fund Level Analysis:
 - KKR & Co.¹⁰
 - Blackstone¹¹
 - Apollo Global Management¹²

Notes

- Elements with insufficient or unavailable data were omitted from the graphs to ensure accurate analysis.
- All percentages in the report were rounded to whole numbers.

[7] <https://www.zoominfo.com/>

[8] <https://mergerlinks.com/>

[9] <https://www.msci.com/our-solutions/indexes/gics>

[10] <https://www.kkr.com/>

[11] <https://www.blackstone.com/>

[12] <https://eqtgroup.com/>

Altius's Suite Of Digital Offerings For Private Equity Clients

OFFERING	DESCRIPTION	IMPACT	
		Ops. Efficiency	Revenue Growth
ACE™	A set of pre-established curated partnerships, with software, hardware, SIs, and hyper-scalers at a global level to deploy at-close, and execute efficient carve-outs.	●	
ACTIVO™	A suite of intelligent process automation Low Code-No Code (LCNC) solutions to accelerate adoption of digital solutions for front-, mid-, and back-office operations.	●	
ALIGN™	A suite of Operational Governance tools with intuitive and user-friendly Excel interface for strategic IT cost management, SLA tracking and credit management.	●	
ALTEX™	AI-driven tool for automated contracts data extraction, analytics and reporting.	●	
AURA™	An organizational performance management tool aligned with the Harvard Business School Balanced Scorecard* framework to manage multi-sourcing delivery models.	●	●
ARISE™	Integrated Business and Technology operations platform as managed services for Enterprise Applications, Cybersecurity, Infrastructure, and BPO as a managed service.	●	●
AI Transformation	Industry specific AI/deep-tech use-cases covering enterprise-wide transformation, implementation services, and curated applications.	●	
Robotic Transformation	Advanced robotics-driven automation, delivering connected solutions that enhance operational efficiency, drive innovation, and transform industries.	●	●

[13] <https://online.hbs.edu/blog/post/balanced-scorecard>

About Altius

Founded in 2019, by Big Four management consultancy professionals, Altius is a premier global advisory firm to Private Equity funds and their portfolio companies in the Mid-Market. From due diligence to value creation and from strategy through execution, Altius delivers sustained impact with velocity, precision and expertise at every stage of the M&A lifecycle. We are thought leaders in carve-outs, integration and value creation using levers such as Global Capability Centers, Global Business Services, Zero-Based Design and Digital Transformation. We support PE Deal and Operations teams from due diligence to exits, across asset-intensive and information-intensive industries in America, Europe, and Asia with a global footprint of practitioners.

altius

Copyright © 2026 Altius Strategic Consulting LLC. All rights reserved. Altius Strategic Consulting and the Altius Strategic Consulting Logo are trademarks or registered trademarks of Altius Strategic Consulting LLC. or its affiliates in the U.S. and other countries. Other names may be trademarks of their respective owners.

This work is based on secondary market research, analysis of financial and operational information available or provided to Altius Strategic Consulting LLC. and its subsidiaries. Altius Strategic Consulting LLC. and its subsidiaries has not independently verified any such information provided or available to Altius and makes no representation or warranty, express or implied, that such information is accurate or complete. Projected market, operational and financial information, analyses and conclusions contained herein are based on the information described above and on Altius Strategic Consulting LLC. and its subsidiaries judgment and should not be construed as definitive forecasts or guarantees of future performance or results. The information and analyses herein do not constitute advice of any kind, are not intended to be used for investment purposes, and neither Altius Strategic Consulting LLC. nor any of its subsidiaries or their respective advisors, officers, directors, shareholders, contractors, employees or agents accept any responsibility or liability with respect to the use of or reliance on any information or analyses contained in this document. This work is copyright Altius Strategic Consulting LLC. and may not be published, transmitted, broadcast, copied, reproduced or reprinted in whole or in part without the explicit written permission of Altius Strategic Consulting LLC.