Quarterly buyout volume reaches new heights in 3Q21

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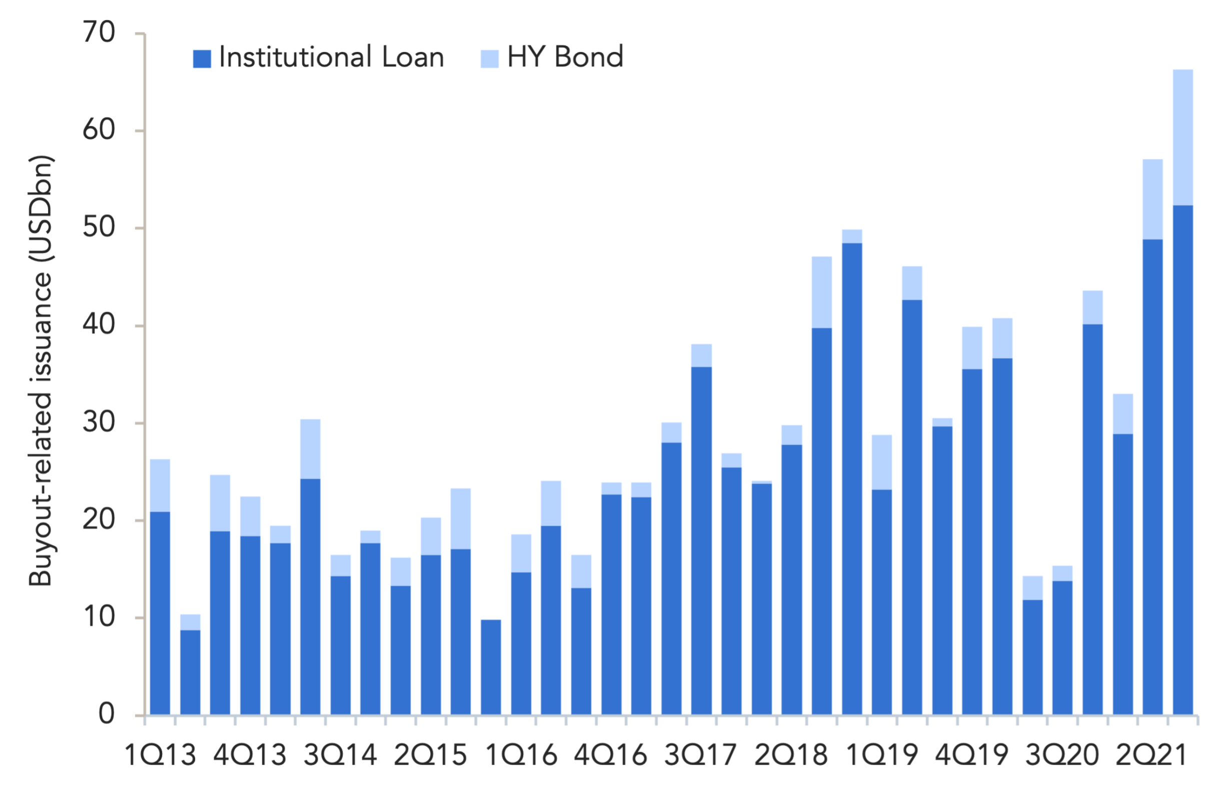

Source: Dealogic, Debtwire Par

Institutional loans supporting buyout activity jumped to USD 21.1bn in September, bringing the quarterly figure to USD 52.4bn and surpassing the previous quarterly high of USD 48.9bn set in 2Q21. High yield bonds similarly saw buyout issuance spike in 3Q21, to USD 13.9bn, with a sizeable USD 11.5bn chunk pricing in September. Notably, many borrowers chose to fund recent buyouts with a combination of loan and bond debt.

Medline Industries led the way, with a USD 7.8bn-equivalent euro-dollar TLB due 2028 and a USD 7bn dual-tranche note offering. Proceeds of the USD 14.8bn financing fund the healthcare company's buyout by Blackstone, Carlyle, and Hellman & Friedman. The buyout financing saw considerable demand during syndication, with investors enticed by attractive pricing and a strong cash flow outlook. The deal is the largest to price this year and amounts to the largest LBO in more than a decade.

Meanwhile, **Solenis** priced a USD 1.7bn-equivalent euro-dollar TLB and USD 2.1bn-equivalent multi-currency note package to support its buyout by Platinum Equity from Clayton, Dubilier & Rice, and subsequent combination with Sigura Water. The USD denominated TLB was upsized during syndication, before pricing tight of initial talk.

(Past performance is no guarantee of future results.)