

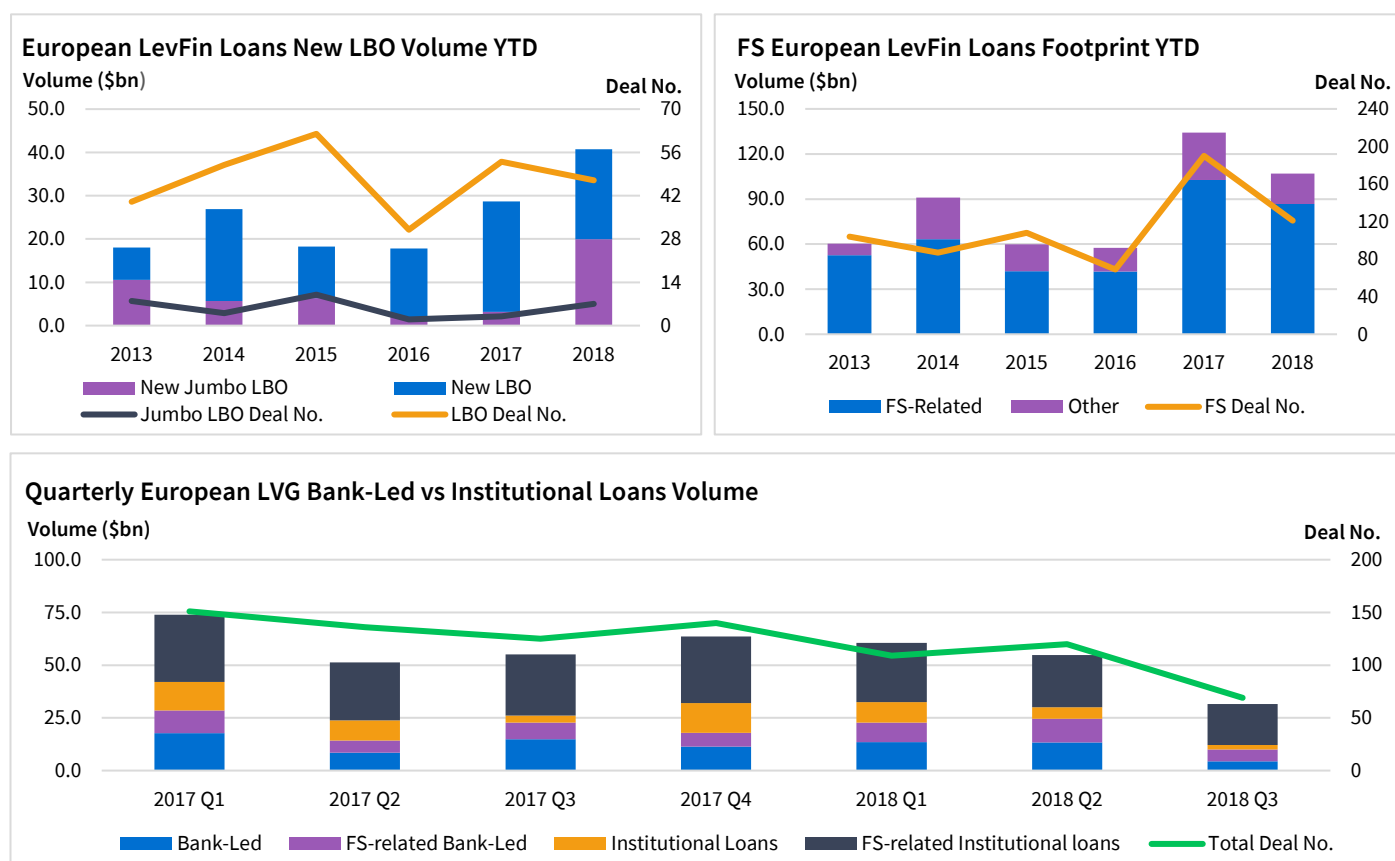
# Financial sponsors reign over European LevFin

## Jumbo LBOs are still driving revenue in the region

### European LevFin gaining momentum

Though European leveraged loan volume and activity is down 23% and 32% year-on-year to \$157.1bn via 247 deals, the European LevFin market is still gaining momentum. LevFin loan volume now accounts for 68.0% of total leveraged transaction volume in Europe—the highest YTD share since 2014. Financial sponsor-related loans have been a main driver, representing 81.2% of total European LevFin loan volume in 2018 YTD—the highest YTD share since 2013.

European LevFin loan revenue has seen a year-on-year increase of 34% to \$1.5bn in 2018 YTD, helped by new jumbo LBO transactions.<sup>1</sup> New jumbo LBO loans have generated \$643m in revenue this year (\$236m in 2017 YTD).



### Financial sponsors tighten their grip on institutional loans

The volume drop has also been mirrored in European institutional and bank-led leveraged loans transactions, sliding to \$92.4bn and \$57.3bn respectively so far this year (\$123.4bn and \$71.1bn in 2017 YTD).<sup>2</sup> The lackluster environment has not hindered financial sponsors, who have remained active in their approach. Financial sponsor-related transactions have dominated both segments this year, accounting for 81.1% of European institutional loans and 45.6% of bank-led transactions—up 4.2 and 6.9 percentage points respectively from the same period last year. With a healthy pipeline of approximately \$20bn worth of leveraged deals, financial sponsors will continue to play a significant role in European LevFin this year.

Please contact us at [DealogicCortexSupport@dealogic.com](mailto:DealogicCortexSupport@dealogic.com) if you have any questions or comments.

<sup>1</sup> Jumbo loans are facilities which are greater or equal to \$1bn

<sup>2</sup> Institutional leveraged loans are distributed to at least 75% to investors

Data source: Dealogic, as of October 23, 2018