



Shape the future
with confidence

What can private
equity do now to
finish strong?



The better the question.
The better the answer.
The better the world works.

Private Equity Exit Readiness Study 2025

Overview and highlights

Exits are a top priority for PE firms. With more than US\$1.6 trillion in portfolio assets aged four years or more, firms are laser-focused on returning capital to their investors.

In an uncertain market, firms must be flexible and able to respond quickly when windows open and exit opportunities present themselves. That means taking steps today to develop and maintain a clear exit roadmap that leads to optimized valuations.

The EY Private Equity Exit Readiness Study 2025 provides insights into PE firms' current exit preparation practices, greatest exit readiness challenges and their impact on exit valuation. It highlights specific PE portfolio company exit case studies to better understand decisions around holding assets and how readiness activities impacted exit valuations.

About the study

EY teams surveyed 100 PE professionals (47% Vice President deal professionals, 2% Managing Directors, 24% Operating Partners) and held interviews March-April 2025. Respondents were from firms headquartered in the Americas (6%) and EMEA (3%) ranging from US\$5 billion to US\$100 billion+ AUM.

Survey questions focused on current exit readiness practices, key challenges to the exit process, and specific exited and held asset case studies.

Exit readiness activities were defined as those including, but not limited to, considering potential exit routes, enhancing the equity story, addressing potential bidder challenges and data granularity, improved systems, processes, controls and governance. It did not include preparation by way of a vendor due diligence.

Highlighted findings

Exit activity

Muted exit activity has GPs focused more than ever on driving liquidity.

78%

of firms report **holding assets beyond their typical investment horizon**.

88%

of firms **aim to exit a given asset within a year (33%) or 1 to 2 years (55%)**.

Other topics explored include:

- The impact of market conditions on exit trends
- Reasons for delaying sales

Exit challenges

Key challenges to exits are capturing value creation, data readiness and management preparation.

72%

of firms report **having robust data and KPIs are the biggest issue facing the finance function**.

66%

of firms report that **when exits didn't go well, they would focus on preparing management better in the future**.

65%

of firms find capturing **value creation initiatives in exit EBITDA to be the greatest exit challenge**.

Other topics explored include:

- Differences in exit challenges between sales that did and did not meet target returns
- Capital market strategy challenges

Exit preparation practices

Firms recognize the importance of exit readiness activities on valuations.

93%

of firms report **exit preparation initiatives led to some, much, or a great deal of improvement to exit valuations on average**.

88%

of firms report **undertaking targeted exit initiatives using both house (42%) and asset-specific (46%) approaches**.

58%

of respondents **plan to conduct early diagnostics of exit or data readiness** and work to close the gaps when preparing an asset for sale.

Other topics explored include:

- How far in advance of sale firms begin exit readiness activities
- Actions undertaken to prepare for sale

Explore related EY Private Equity viewpoints at ey.com/privateequity