THE LEAD
https://theleadpc.com/debtwire-middle-market-3-11-2019/

Leverage ticks higher in 1Q19

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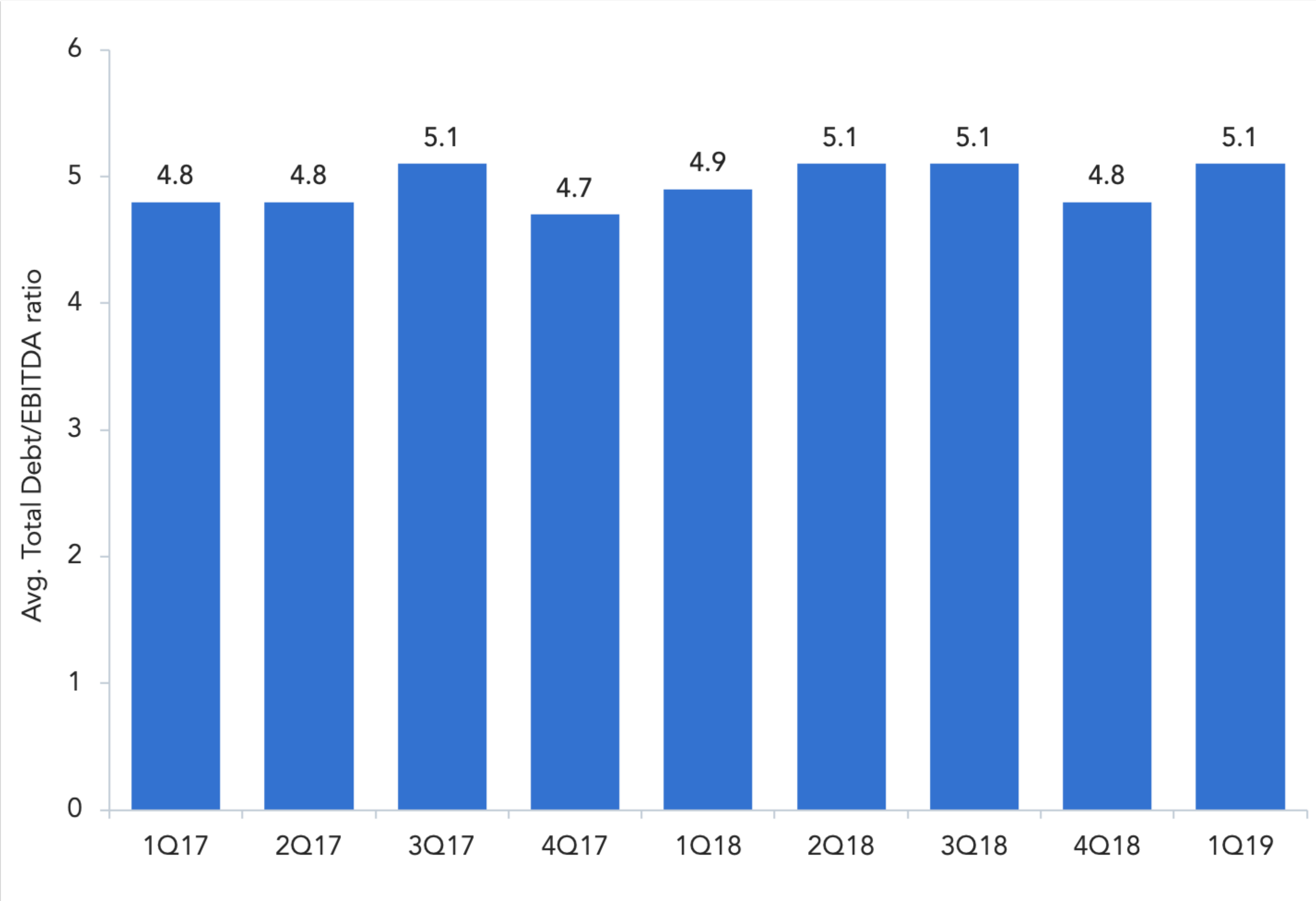

Source: Debtwire Par

Adjusted leverage on new deals has edged higher so far in 1Q19 compared to 4Q18 and 2018 as a whole, averaging 5.1x, aided by a decline in the share of low levered deals and an uptick in the share of deals levered 6x to less than 7x. EBITDA adjustments remain large, with the majority of M&A leveraged loan deals this year having addbacks of greater than 25% of unadjusted EBITDA.

So far in 2019, roughly one-third of leveraged loan deals have been levered 6x or more on an adjusted basis. The largest financing currently in syndication is the cross-border JCI Power Solutions deal, with leverage reportedly at 4.9x secured and 6.1x on a total net basis.

Contact: [Colm (CJ) Doherty]