Proskauer

Proskauer Releases 15th Annual Private Credit Insights Report

February 9, 2026

Firm Analyzed Data From More Than 450 Deals Over the Course of 2025

NEW YORK, LONDON AND PARIS, February 9, 2026 – Proskauer, a leading international law firm, today released its 15th annual Private Credit Insights Report (the "Report"), an analysis of market trends based on the Firm's work for private credit clients across the globe. The Report analyzed data from more than 450 deals which occurred between January 1, 2025 and December 31, 2025, representing nearly 120 private equity sponsors and a total transaction value of $123.6 billion.

This year's findings showed trends on U.S. transactions including:

- Our clients continued to move up market and offer larger loans. 39% of loans were made to companies with at least $50mm of EBITDA, continuing a trend from last year's report, which showed 35% of deals with EBITDA greater than $50mm.
- The top industries for deals remained consistent year-over-year, with Health Care/Life Sciences, Manufacturing, Software/Technology and Business Services, as the top four sectors for dealmakers. Together, these industries accounted for 57% of deals in 2025.
- Average closing leverage increased to 5.1x, a modest increase from 4.8x in 2024. Average debt capacity was 6.3x, demonstrating clients are permitting 1.2x turns of additional debt after closing.
- Equity contribution as a percentage of total capitalization declined to 46% in 2025, down from 47% in 2024. The decrease was driven by a significant decrease in equity contributions greater than 50%.
- After increasing slightly in 2024, the share of deals that included unrestricted subsidiaries remained consistent in 2025.
- 21% of deals were covenant lite. However, 91% of covenant lite deals had EBITDA greater than $50mm.
- In European deals, the findings showed a general decrease in pricing, in particular with cash margins dropping to an average of 5%. Deals also saw an increased flexibility of EBITDA adjustments, with a majority of deals (57%) now including

revenue adjustments and related director certification and independent due diligence certifications reducing.

“The private credit market continued to recalibrate in 2025, with lenders moving up market while maintaining a disciplined approach to leverage, documentation and downside protection,” said Stephen A. Boyko, a private credit partner and co-founder of Proskauer’s Private Credit Group. “Our data reflects a more balanced market, one that remains competitive on pricing, but increasingly focused on credit quality and structural protections. I expect, based on this data and our other reports, that 2026 will be another positive year of growth for the market and our clients, with lenders responding to broader economic uncertainty with a disciplined and selective approach to underwriting.”

“Our findings underscore that private credit is not just growing, it’s maturing both in the U.S. and Europe,” said Alex Griffith, a private credit partner based in London. “Larger EBITDA profiles, more flexible pricing and a general acceptance that creativity is key if you are going to deploy in a super-competitive market. The trends clearly demonstrate private credit managers’ ability to adjust, evolve and diversify as the market’s need for intelligent capital intensifies.

About Proskauer

The world’s leading organizations and global players choose Proskauer to represent them when they need it the most. With 800+ lawyers in key financial centers around the world, we are highly regarded for our expertise combined with our pragmatic and commercial approach. Proskauer is the place to turn when a matter is complex, innovative and game-changing. We work seamlessly across practices, industries and jurisdictions with asset managers, private equity and venture capital firms, Fortune 500 and FTSE companies, major sports leagues, entertainment industry legends and other industry-redefining companies.

The Firm’s Private Credit Group is made up of cross-disciplinary finance and restructuring experts exclusively dedicated to private credit investors. It includes over 110 finance and restructuring lawyers focused on representing credit funds, business development companies, and other direct lending funds in the restructuring of “clubbed” and syndicated credits, preferred equity, special situations and alternative investments. Over the past five years, Proskauer has been involved in over 1,900 deals for more than 100 private credit clients across the U.S. and Europe with an aggregate transaction value exceeding $475 billion.

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