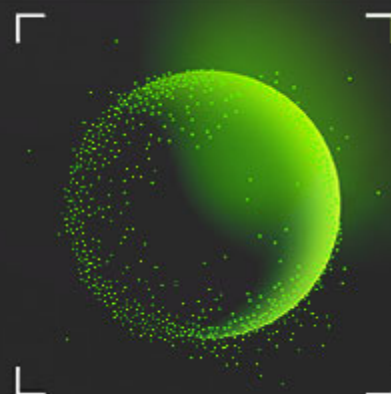




Turnaround & Restructuring Newsletter

July/August 2025



Views from our leaders

Ryan Maupin, Principal

Deloitte Turnaround & Restructuring (Deloitte T&R)

Deloitte Transactions and Business Analytics LLP

The restructuring market entered 2025 with a noticeably different tone from the cautious optimism that characterized the post-pandemic period. Persistently higher interest rates, continued cost increases, and a pronounced pull-back in traditional lending and consumer spending have squeezed liquidity across the credit spectrum, propelling a steady rise in both formal insolvencies and out-of-court workouts and culminating in downward revisions to Q1-25 GDP. Distress is not confined to single sectors; it now extends from discretionary retail, to health care—particularly rural medical centers—to high burn-rate leveraged technology and life-sciences businesses that have historically relied on inexpensive venture capital (VC) to fund growth.



Several themes are shaping deal dynamics. First, liability-management transactions (LMTs or LMEs)—drop-downs, up tiers and recapitalizations—are proliferating as sponsors seek to protect value ahead of a refinancing wall expected to start in late 2025.¹ Second...

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[1.High yield market bounces back, but maturity wall looms](#)

Our latest eminence



2025 MarginPLUS global cost study

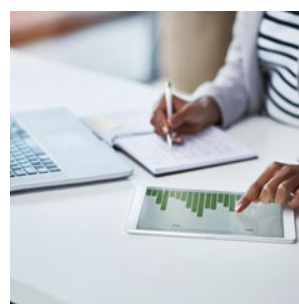
Explore the latest from Deloitte to learn how industry leaders are driving efficiency and growth through digital technology, targeted cost reduction, and robust governance.

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Recent engagements

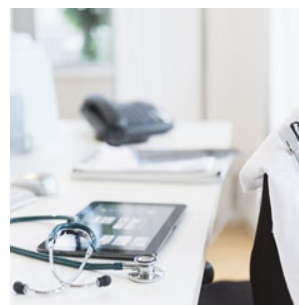
Deloitte T&R provided guidance on due diligence

Deloitte T&R's Cash & Working Capital team was engaged by a foreign governmental agency to assist in a diligence effort. Deloitte's team focused on providing guidance on short-term operational cash flow requirements, impact on credit ratings of a potential investment, and understanding of historical working capital trends.



Deloitte T&R offered insights to a PE-owned health care company

Deloitte T&R's Cash & Working Capital team performed an order-to-cash and procure-to-pay assessment for a prominent PE-owned health care technology company, identifying a significant amount in cash improvement opportunities. The company had staffing shortages, invoicing issues, and challenges identifying root causes for the delays in customer collections. Deloitte subsequently executed a "dash for cash" program to help the client prioritize collection efforts, clean up aged receivables, and support implementing leading collections practices.



Upcoming Dbriefs Webcast



2025 Midyear economic outlook: Trends and policy impacts for private companies

July 22, Tuesday | 2:00 PM ET

Participants will identify insights into economic trends most relevant to private companies, helping them to drive strategic growth.

[Register](#) to learn more.

Additional insights

Curious to find out more about Deloitte T&R? [Read our latest insights](#) to find out.

About Deloitte T&R

Deloitte T&R is a leading provider of financial and operational restructuring services, turnaround and performance management, and bankruptcy administrative services to underperforming companies and their advisers, lenders, investors, courts, and other stakeholders. We specialize in helping both large multinational organizations and midmarket companies overcome challenges, from enhancing the performance of healthy companies to complex bankruptcy reorganizations.

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