

The logo for Invest Europe, featuring the words "INVEST" and "EUROPE" stacked vertically in a bold, white, sans-serif font, set against a dark blue square background.

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EUROPE**

**THE VOICE OF
PRIVATE CAPITAL**
VENTURE CAPITAL
PRIVATE EQUITY
INFRASTRUCTURE
LONG TERM INVESTORS

The background of the entire page is a complex network of thin, light blue lines connecting numerous small, dark blue circular nodes. The nodes are scattered across the frame, with a higher density in the upper right and lower right areas, creating a sense of interconnectedness and data flow.

European Private Equity Activity **2018**

Statistics on Fundraising,
Investments &
Divestments

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Version

Presentation as of 29/04/2019



Introduction to Invest Europe

Invest Europe is the **voice of investors** in privately-held companies in Europe.

- > Invest Europe is the association representing Europe's private equity, venture capital and infrastructure sectors, as well as their investors.
- > Our members take a long-term approach to investing in privately held companies, from start-ups to established firms. They inject not only capital but dynamism, innovation and expertise. This commitment helps deliver strong and sustainable growth, resulting in healthy returns for Europe's leading pension funds and insurers, to the benefit of the millions of European citizens who depend on them.
- > Invest Europe aims to make a constructive contribution to policy affecting private capital investment in Europe. We provide information to the public on our members' role in the economy. Our research provides the most authoritative source of data on trends and developments in our industry.
- > Invest Europe is the guardian of the industry's professional standards, demanding accountability, good governance and transparency from our members.
- > Invest Europe is a non-profit organisation with 25 employees in Brussels, Belgium.
- > For more information please visit www.investeurope.eu

European Data Cooperative

What is the EDC ?

The EDC is the **most comprehensive database** of European private equity and venture capital statistics.

- > The European Data Cooperative (EDC) is a joint initiative developed by Invest Europe and its national association partners to collect Europe-wide industry activity on fundraising, investments and divestments.
- > The EDC serves as the single data entry point for members of private equity and venture capital associations and other contributors across Europe.
- > The EDC platform is jointly owned and operated by the private equity and venture capital associations across Europe.
- > Using one platform with a standardised methodology allows us to have consistent, robust pan-European statistics that are comparable across the region.
- > As a result we produce the most comprehensive overview of Europe's private equity and venture capital markets available, allowing us to better inform fund managers, investors, policymakers, regulators and other stakeholders.
- > These efforts enhance Invest Europe's goal to be the most trusted and comprehensive source of European private equity and venture capital market data.

European Data Cooperative

Data restatements & research support

The EDC database

brings together:

- ✓ 3,300 firms
- ✓ 9,000 funds
- ✓ 70,000 portfolio companies
- ✓ 255,000 transactions

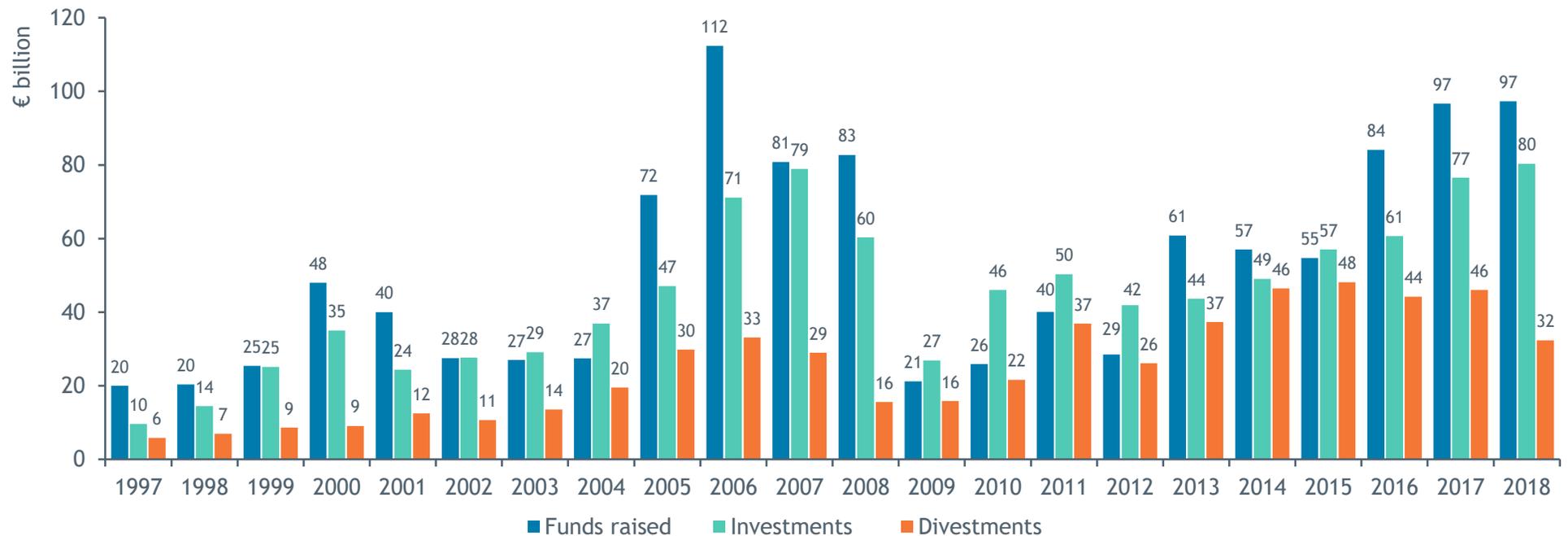
EuropeanDataCooperative

- > The EDC replaces Invest Europe's previous database PEREP_Analytics. All relevant historic data was migrated to the EDC system.
- > All data since 2007 was restated and complemented with additional information. Audit efforts are conducted in close coordination with data contributors and partnering national associations to ensure the best coverage and consistent application of methodology and definitions.
- > Improved coverage on a regional level mostly impacts the number of companies reported compared to earlier publications. Extensive audit efforts ensure that syndicated investments are not double-counted.
- > Invest Europe processes all available information at the time of the data collection cut-off to produce its annual statistics. Any differences between Invest Europe's statistics and those of other associations partnering in the EDC may be related to different reporting approaches, restatements and timing of data collection cut-offs.
- > The most recent data publications are always available on Invest Europe's website (www.investeurope.eu/research) or by contacting the research team (research@investeurope.eu).
- > Invest Europe members and data contributors are eligible to receive dedicated research and data support from our research team. Please contact us at research@investeurope.eu to find out more about how to use this service.

Overview - All Private Equity - Fundraising, Investments & Divestments

1997-2018 - Industry statistics - Amount

With data on more than **1,400** European private equity firms, the 2018 statistics cover **89%** of the **€688bn** in capital under management in Europe.



Invest Europe statistics explained: This graph shows ‘industry statistics’ capturing activity by private equity firms’ European offices. In the following presentation most statistics on investments and divestments are reported as ‘market statistics’. These capture activity based on the location of portfolio companies in Europe. This data is available from 2007.

Source: Invest Europe / Thomson Reuters (2000-2006) & Invest Europe / EDC (2007-2018)

2018 European Private Equity Activity

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Executive summary

1 FUNDRAISING

Total fundraising for Europe reached €97.3bn in 2018, narrowly exceeding the level of 2017 which was restated upwards to €96.6bn on the availability of new data. Venture fundraising achieved €11.4bn, the highest level recorded to date.

Pension funds provided 31% of all capital raised, followed by funds of funds & other asset managers (18%), family offices & private individuals (11%), insurance companies (11%) and sovereign wealth funds (9%). Institutional investors from outside of Europe contributed 46%, led by North America (25%) and Asia (15%).

Buyout fundraising decreased by 8% to €66.5bn. A total of 55% came from investors from outside of Europe. North America accounted for 28%, followed by Asian LPs on 19%, the region's highest ever contribution.

Venture fundraising increased by 11% to €11.4bn. Government agencies committed 18% of the total, their lowest proportion in ten years. Family offices & private individuals (20%) were the largest contributor, followed by funds of funds & other asset managers (19%), corporate investors (12%) and pension funds (9%). A record 20% was raised outside of Europe.

Growth capital fundraising increased by 5% to €7.8bn, reaching the highest level recorded to date.

2 INVESTMENTS

The total equity amount invested in European companies increased by 7% in 2018 to €80.6bn, the highest level recorded to date. The number of companies receiving investment also increased by 7% to over 7,800 - another record level - with 86% of them SMEs.

Buyout investment amount increased by 10% to €58.8bn, and by number of companies increased 3% to 1,285. Large transactions of more than €150m in equity totalled €31.4bn in 2018, surpassing the previous year by 14%. They represented a 53% share of the buyout market. Mid-market buyouts (€15m-€150m in equity) increased by 8% to €23.1bn, with a 39% market share.

Venture capital investment achieved a new high of €8.2bn, exceeding 2017's prior record by 13%. Over 4,400 companies were venture backed, a 12% increase.

Growth capital investments remained stable at €11.9bn, with 2,106 companies receiving investment.

By sector, business products and services received most investment (22% by amount; 16% by number of companies) followed by ICT (21%; 33%) and consumer goods and services (19%; 19%).

3 DIVESTMENTS

3,750 European companies were exited in 2018, a 3% decrease on 2017. Divestments at cost (or by amount of initial equity invested) declined by 28% to €32bn.

Buyout divestment amount decreased 34% in 2018 to €22.4bn, and 12% by number of companies to 863. The decline was caused by a fall in activity across the three main exit routes - trade sale, sale to another private equity firm, and public offering. Buyout divestments represented 70% by amount and 23% by number of company exits in 2018.

Venture divestments decreased 5% by amount to €2bn, while by number of companies remained stable at 1,193. Public offerings achieved a 22% share of divestment amount, a ten-year high, following year-on-year growth of over 39%. The most prominent exit route by amount remained trade sales, accounting for 35%, despite an 8% year-on-year decrease. They represented 6% by amount and 32% by number of companies.

Growth divestments by amount decreased 15% to €5.8bn and 2% by number of companies to 1,571. The main exit routes were trade sale and sale to another private equity firm. Growth divestments represented 18% of all exits by amount and 42% by number of companies.

Write-offs recorded their lowest level in ten years for amount and number companies divested.

1. FUNDRAISING

Fundraising statistics explained

Direct private equity investment funds that primarily focus on investments in Europe are monitored.

Funds raised are recorded in the country of the advisory team that is raising/managing the fund ('industry statistics').

The funds included in the statistics are: private equity funds making direct private equity investments, mezzanine private equity funds, co-investment funds and rescue/turnaround funds.

The following funds are excluded from the statistics: infrastructure funds, real estate funds, private debt funds, distressed debt funds, primary funds of funds, secondary funds of funds.

Glossary

Fund stage focus

Buyout fund: Funds acquiring companies by purchasing majority or controlling stakes, financing the transaction through a mix of equity and debt.

Generalist fund: Funds investing in all stages of private equity.

Growth fund: Funds that make private equity investments (often minority investments) in relatively mature companies that are looking for primary capital to expand and improve operations or enter new markets to accelerate the growth of the business.

Mezzanine fund: Funds using a hybrid of debt and equity financing, comprising equity-based options (such as warrants) and lower-priority (subordinated) debt.

Venture Capital

Early-stage fund: Venture capital funds focused on investing in companies in the early stages of their lives.

Later-stage fund: Venture capital funds providing capital for an operating company which may or may not be profitable. Typically in C or D rounds.

Venture fund (all stages): Venture capital funds focused on both early and later stage investments.

Types of investors

Corporate investor: Corporations manufacturing products or delivering non-financial services.

Endowment: An investment fund established by a foundation, university or cultural institution providing capital donations for specific needs or to further a company's operating process. They are generally structured so that the principal amount invested remains intact (for perpetuity, for a defined period of time or until sufficient assets have been accumulated to achieve a designated purpose).

Family office: An entity that provides services to one or more affluent families, including investment management and other services (accounting, tax, financial and legal advice etc.).

Foundations: A non-profit organisation through which private wealth is distributed for the public good. It can either donate funds and support other organisations, or provide the sole source of funding for their own charitable activities.

Fund of funds: A private equity fund that primarily takes equity positions in other funds.

Government agencies: Country, regional, governmental and European agencies or institutions for innovation and development.

Other asset manager: A financial institution (other than a bank, endowment, family office, foundation, insurance company or pension fund) managing a pool of capital by investing it across different asset classes with the purpose of generating financial returns. It may include private equity direct funds that occasionally do indirect investments, but excludes fund of funds that are a standalone option.

Pension funds: A pension fund that is regulated under private or public sector law.

Sovereign wealth funds: State-owned investment funds investing in foreign direct private equity funds to diversify their portfolio.

Note: Fundraising amounts include capital gains except when reporting fundraising by type of investors. In the following presentation, unclassified figures concerning the type of investors have been extrapolated. More comprehensive data is available here: www.investeurope.eu/research/

2018 Fundraising at a glance

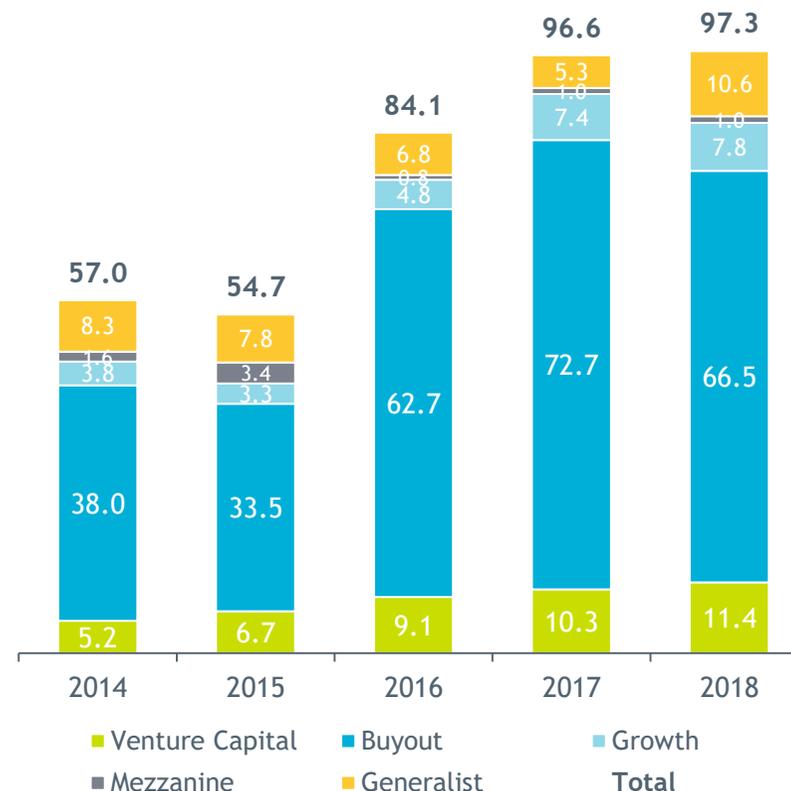
- Total fundraising for Europe in 2018 reached €97.3bn, narrowly ahead of 2017's total of €96.6bn, which was revised upwards on the availability of new data. The total was the highest of the current decade and only exceeded in 2006. The number of funds raising new capital dropped by 5% to 581, but still remained 13% above the annual average of the previous five years.
- Pension funds provided 31% of all capital raised, followed by funds of funds & other asset managers (18%), family offices & private individuals (11%), insurance companies (11%) and sovereign wealth funds (9%). Institutional investors from outside Europe contributed 46% of total fundraising, led by LPs from North America (25%) and Asia (15%).
- Buyout fundraising decreased by 8% to €66.5bn. Pension funds remained the most significant investor group in buyout funds, accounting for 37% of the total, followed by funds of funds & other asset managers (19%), sovereign wealth funds (11%) and insurance companies (11%). A record of 55% was committed by investors from outside of Europe, with those from North America representing 28%, followed by Asian LPs at 19% their highest ever contribution.
- Venture fundraising increased 11% compared with 2017's restated level to a record €11.4bn. The majority of capital was committed by private investors, including family offices & private individuals (20%), funds of funds & other asset managers (19%), government agencies (18%), corporate investors (12%) and pension funds (9%). A record of 20% was raised from LPs outside of Europe.
- Growth capital fundraising increased by 5% to €7.8bn, reaching the highest level recorded to date. The strategies of these funds range from scaling up venture capital-backed companies, to making minority equity investments in mature SMEs, or pursuing regional development policies with the backing of banks or public institutions. Generalist funds, which pursue investments across buyout, venture and growth strategies, raised €10.6bn in 2018, their highest level since 2007.

2018	All Private Equity	Venture Capital ⁽¹⁾	Buyout ⁽¹⁾	Growth ⁽¹⁾
Incremental - Amounts raised	€97.3bn	€11.4bn	€66.5bn	€7.8bn
Incremental - No. of funds	581	229	108	110
Final closings - Cumulative amount since inception	€89.1bn	€8.6bn	€72.0bn	€3.4bn
Final closings - No. of funds	199	93	57	27

Source: Invest Europe / EDC
Note: (1) relates to fund focus

2018 European Private Equity Activity

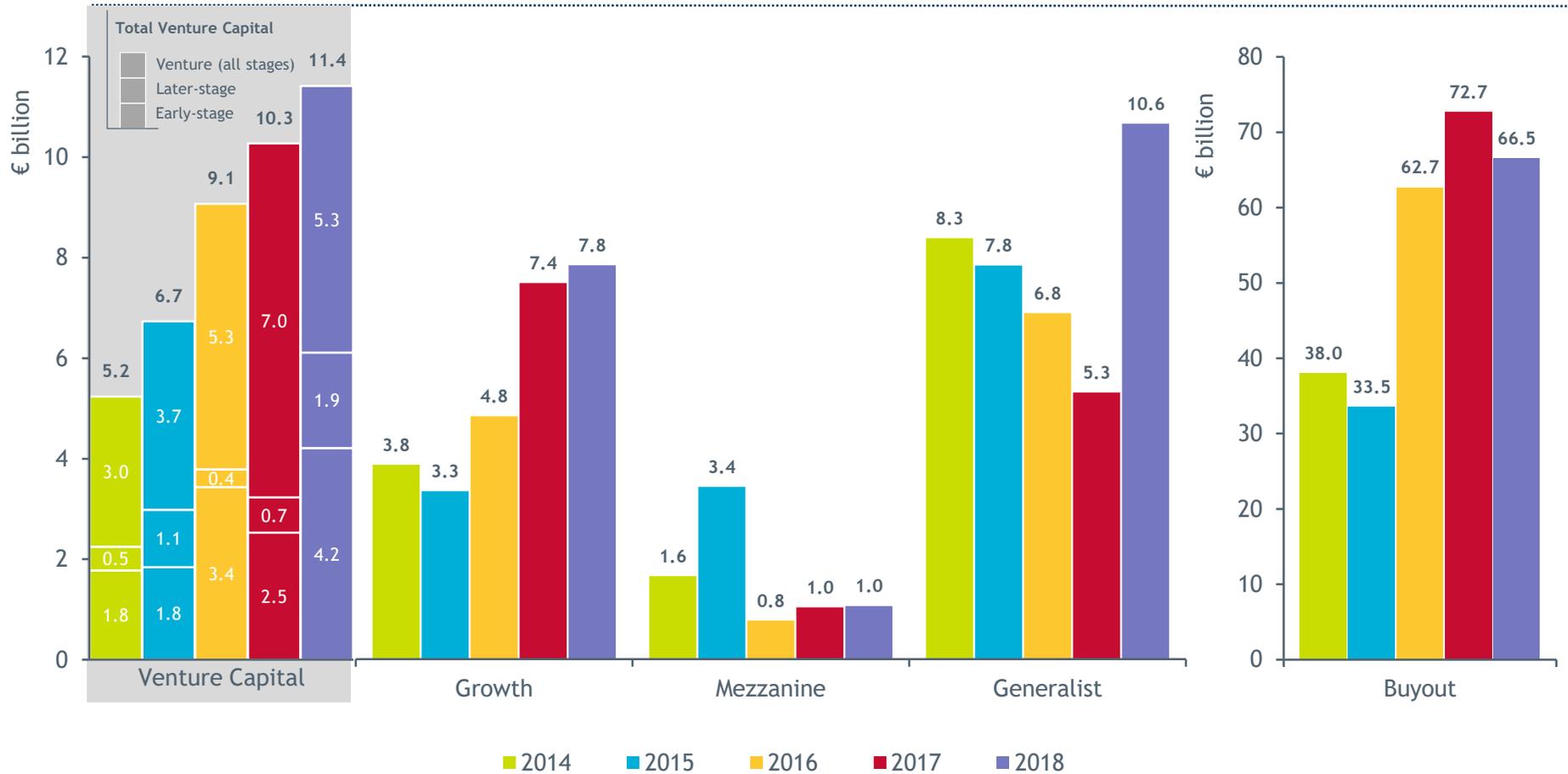
Incremental amount raised during the year (€ billion)



Source: Invest Europe / EDC
Note: Buyout includes rescue/ turnaround and replacement capital funds

Funds raised by fund stage focus

2014-2018 - Incremental amount raised during the year

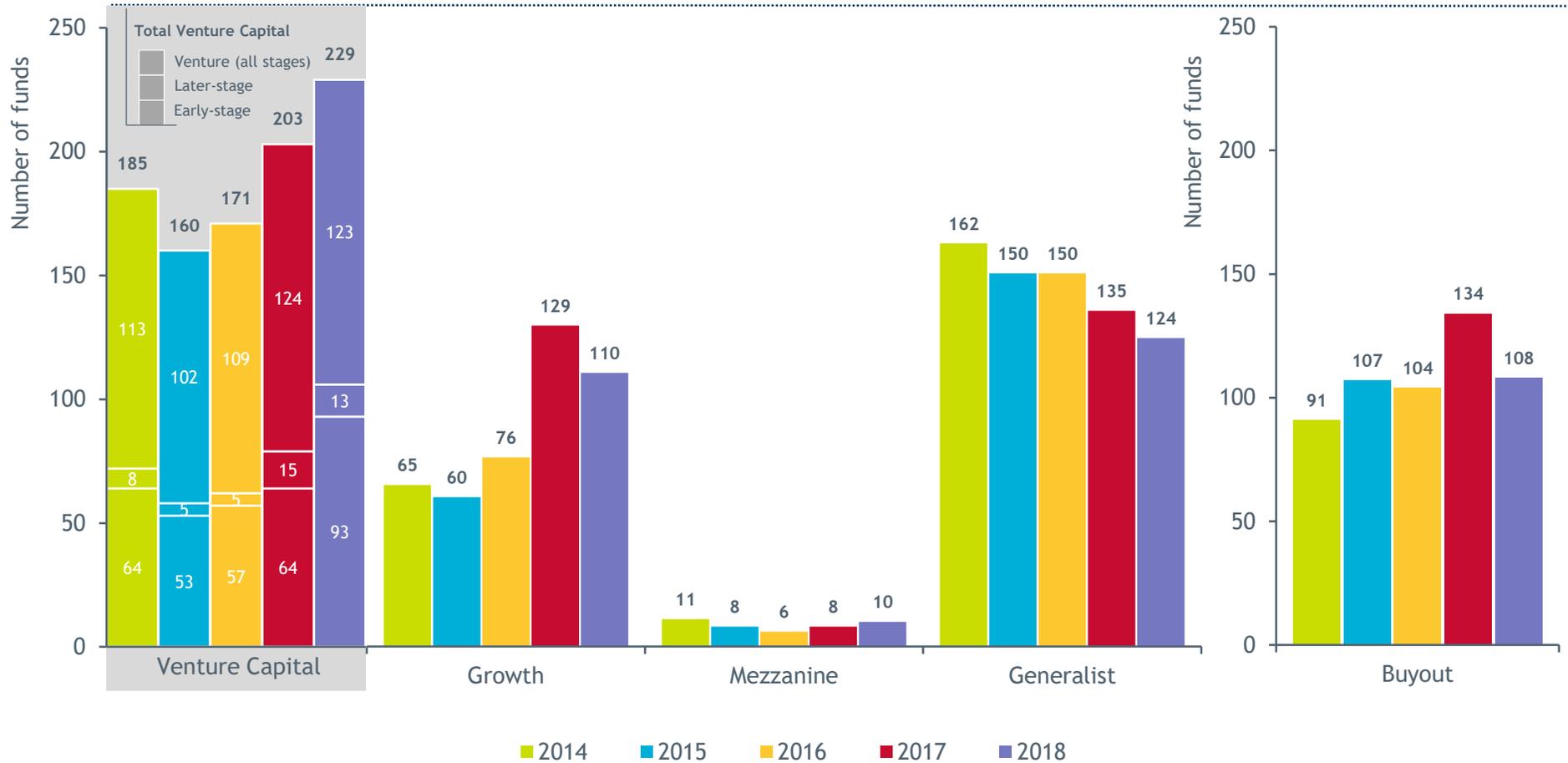


Source: Invest Europe / EDC

2018 European Private Equity Activity

Funds raised by fund stage focus

2014-2018 - Number of funds that reached first, intermediate or final closing during the year

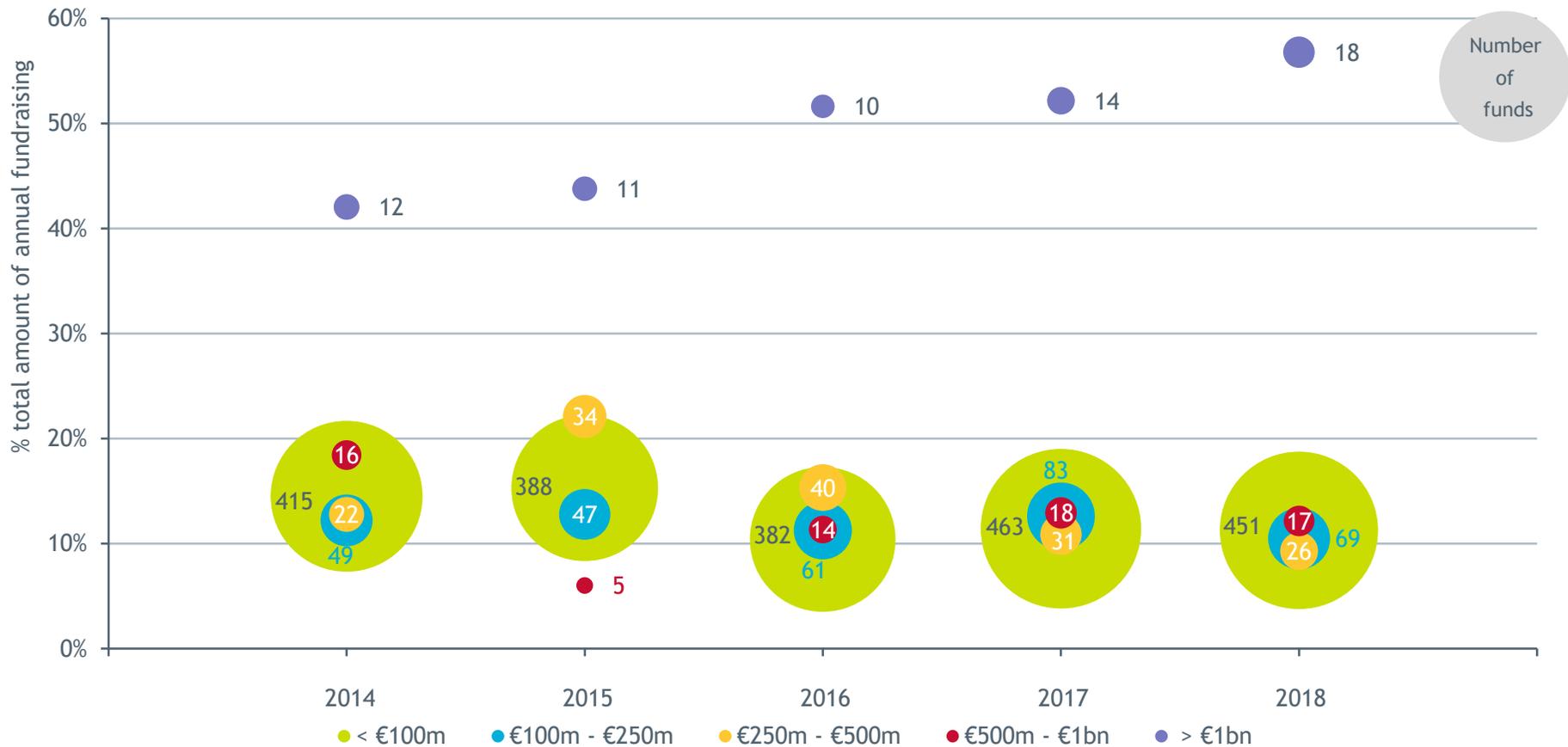


Source: Invest Europe / EDC

2018 European Private Equity Activity

All Private Equity - Concentration of capital

2014-2018 - Incremental fundraising by amount bracket per fund during the year

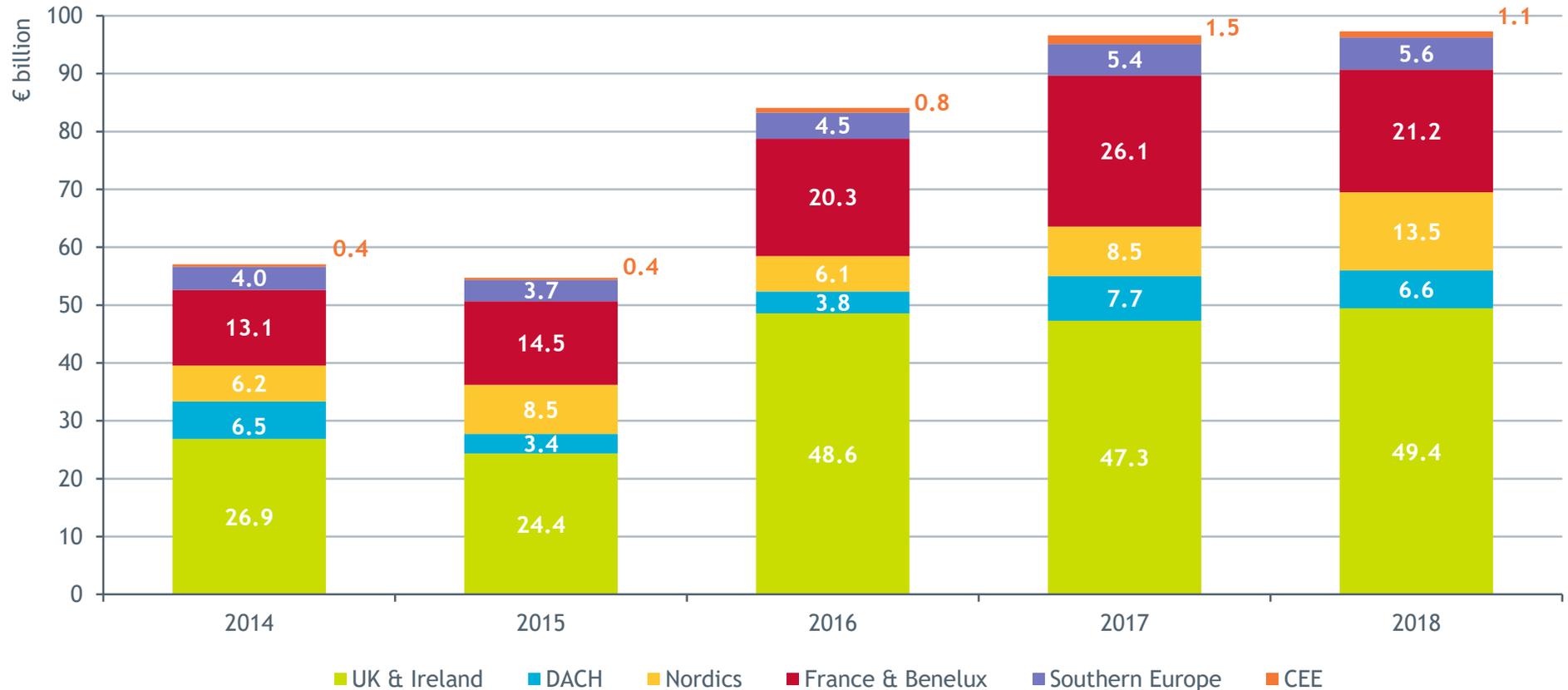


Source: Invest Europe / EDC

2018 European Private Equity Activity

All Private Equity - Funds raised by region of management

2014-2018 - Incremental amount raised during the year



Source: Invest Europe / EDC

DACH: Austria, Germany, Switzerland / Southern Europe: Greece, Italy, Portugal, Spain / Nordics: Denmark, Finland, Norway, Sweden / CEE: Central Eastern Europe



2018 European Private Equity Activity

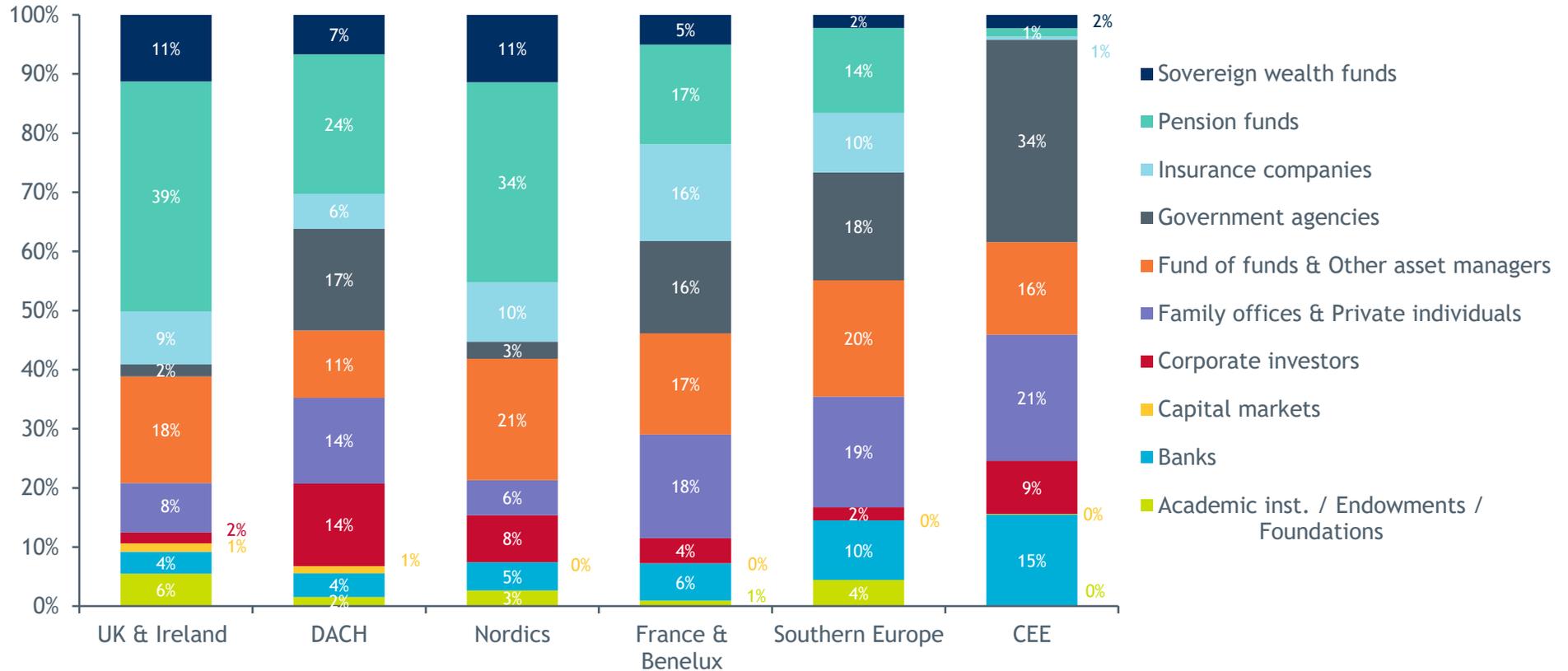
FUNDRAISING

INVESTMENTS

DIVESTMENTS

All Private Equity - Funds raised by region of management and investor type

2018 - Incremental amount raised during the year



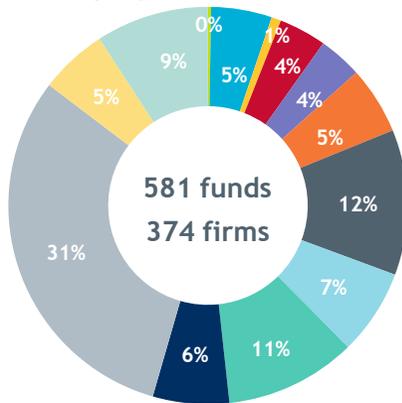
Source: Invest Europe / EDC

DACH: Austria, Germany, Switzerland / Southern Europe: Greece, Italy, Portugal, Spain / Nordics: Denmark, Finland, Norway, Sweden / CEE: Central Eastern Europe

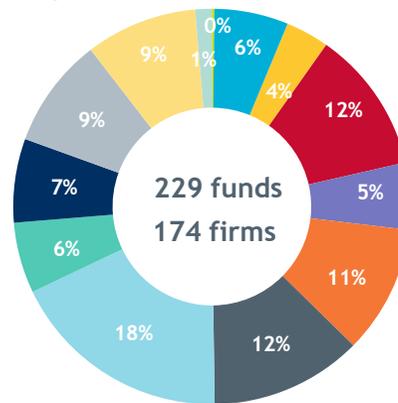
Funds raised by type of investor

2018 - Incremental amount raised during the year - % of total amount

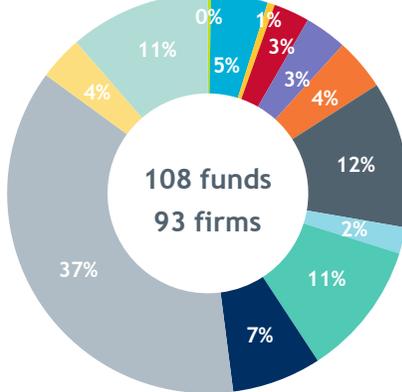
All Private Equity funds



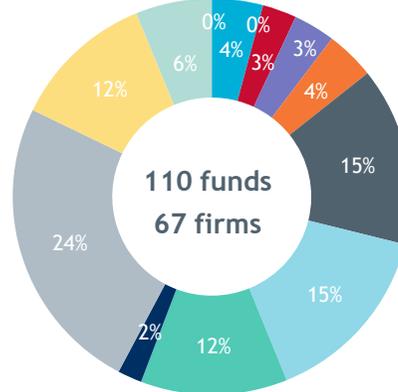
Venture Capital funds



Buyout funds



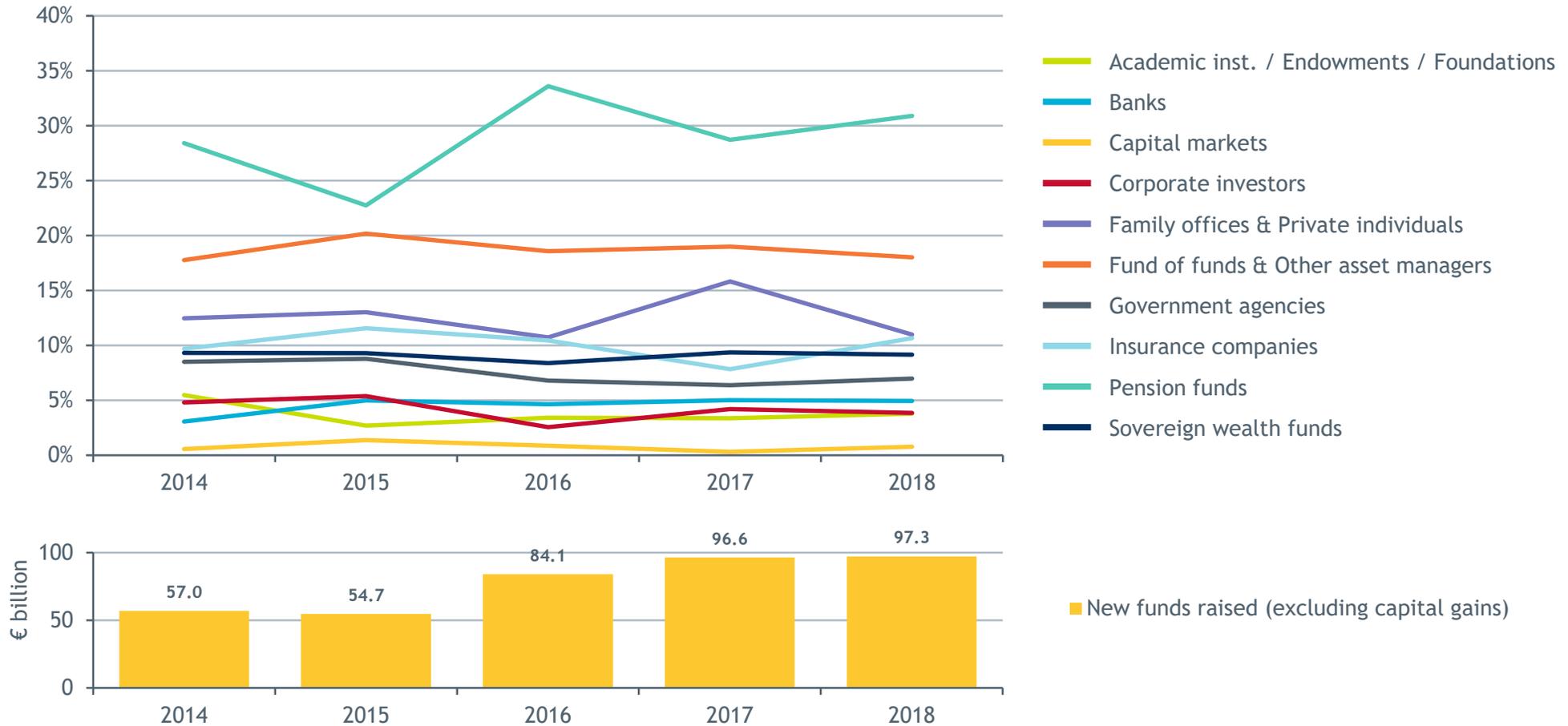
Growth funds



- Academic institutions
- Banks
- Capital markets
- Corporate investors
- Endowments & Foundations
- Family offices
- Fund of funds
- Government agencies
- Insurance companies
- Other asset managers
- Pension funds
- Private individuals
- Sovereign wealth funds

All Private Equity - Funds raised by type of investor

2014-2018 - Incremental amount raised during the year - % of total amount

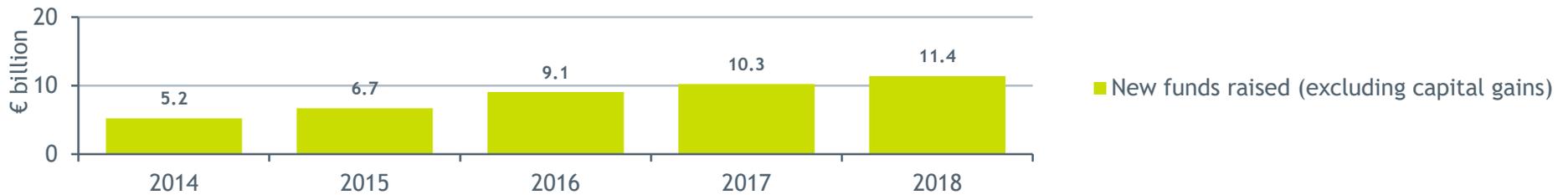
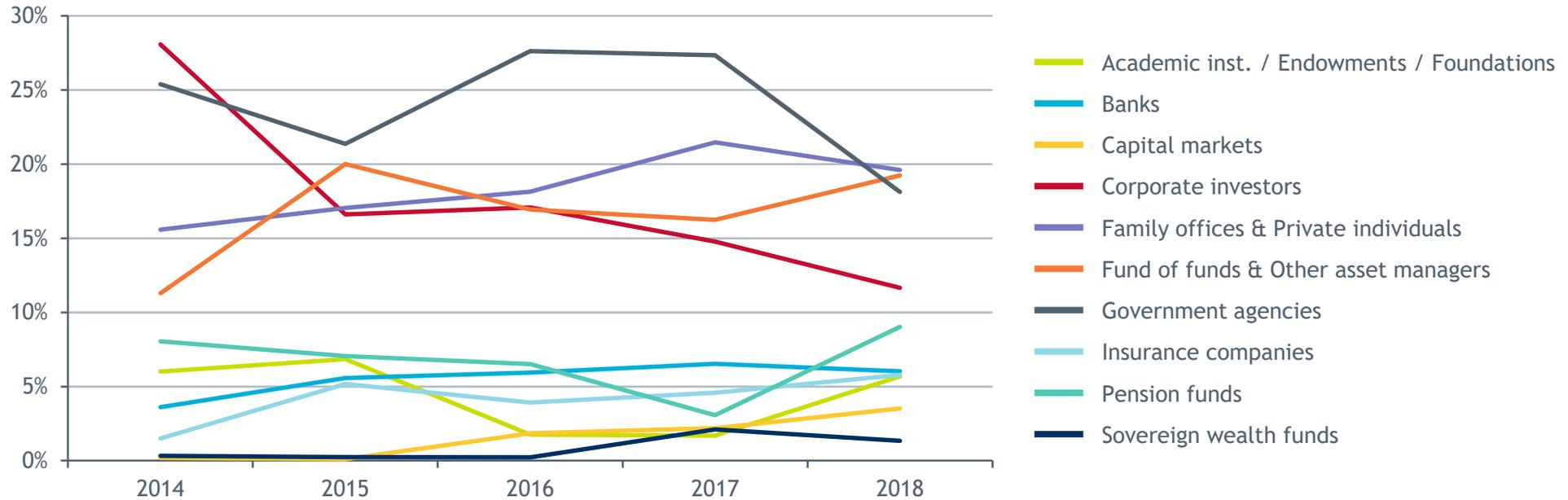


Source: Invest Europe / EDC

2018 European Private Equity Activity

Venture Capital - Funds raised by type of investor

2014-2018 - Incremental amount raised during the year - % of total amount

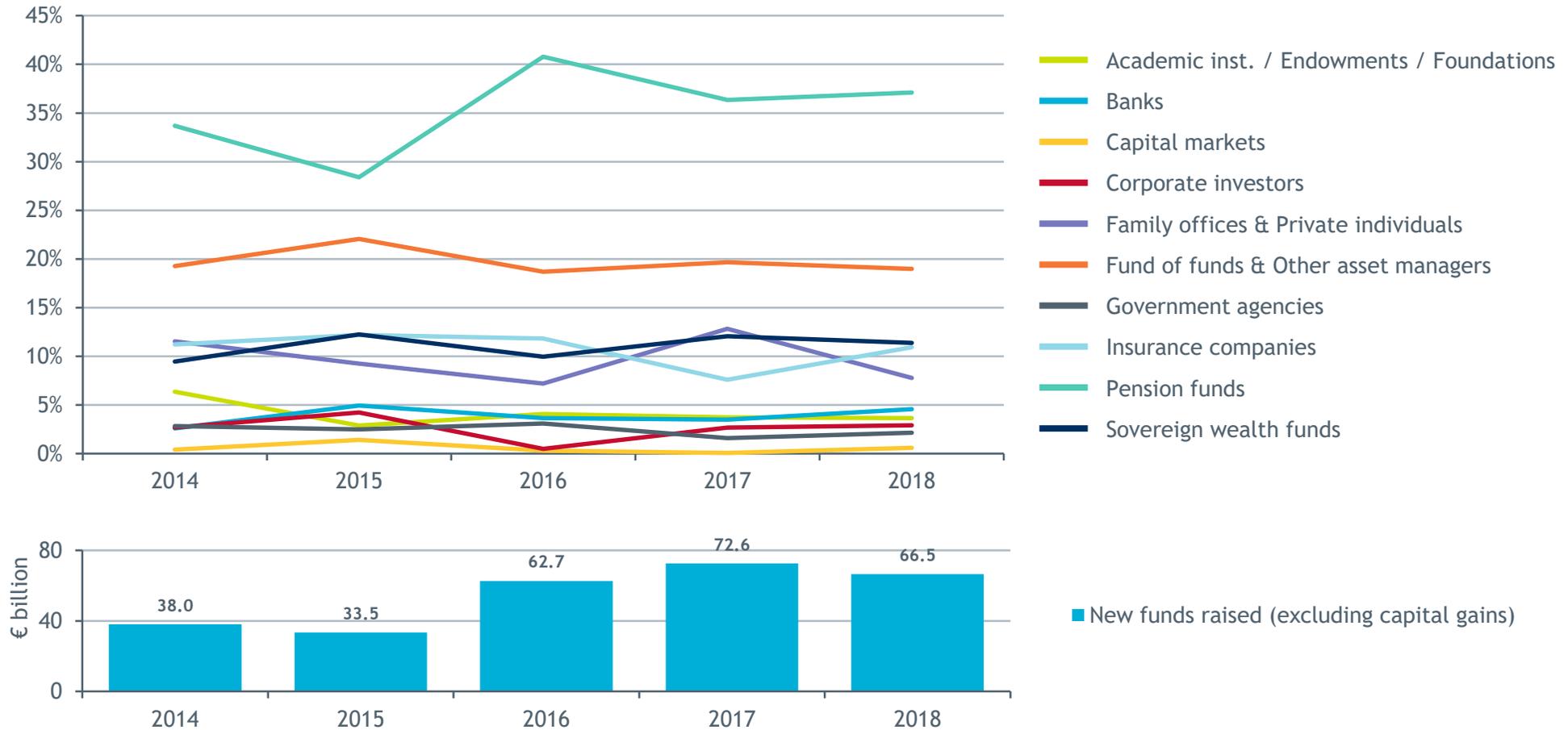


Source: Invest Europe / EDC

2018 European Private Equity Activity

Buyout - Funds raised by type of investor

2014-2018 - Incremental amount raised during the year - % of total amount

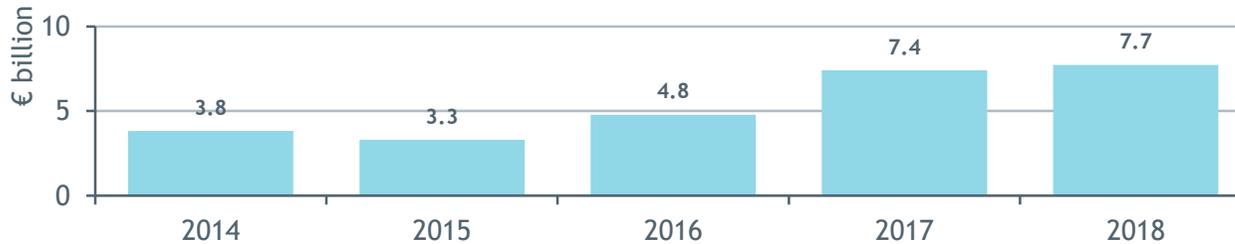
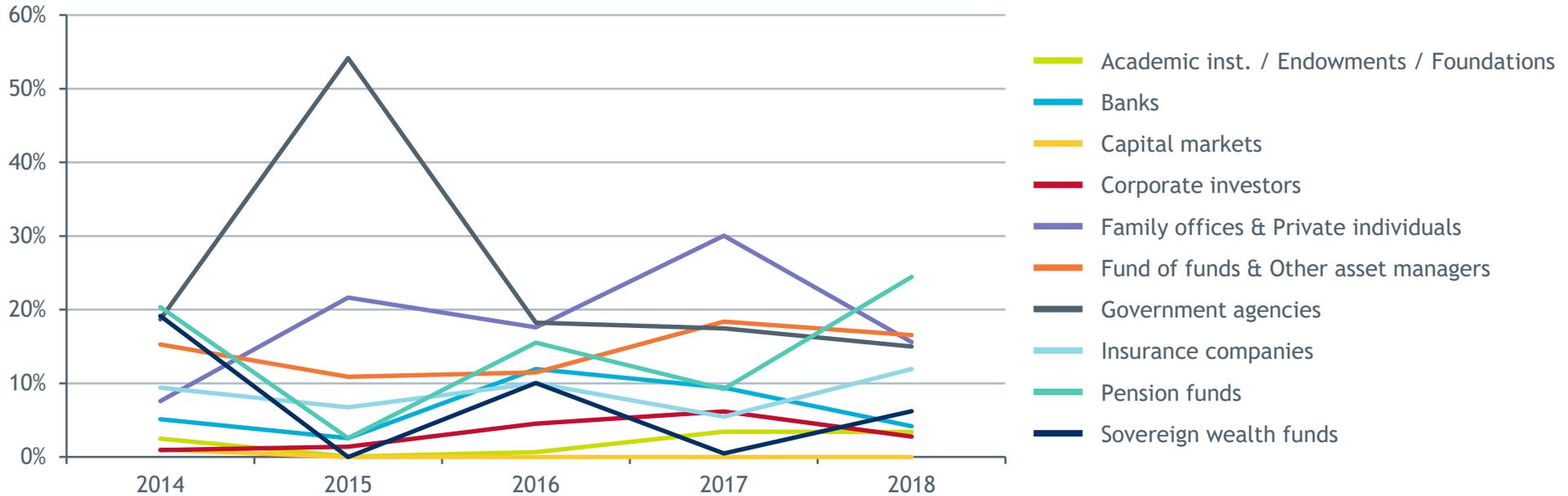


Source: Invest Europe / EDC

2018 European Private Equity Activity

Growth - Funds raised by type of investor

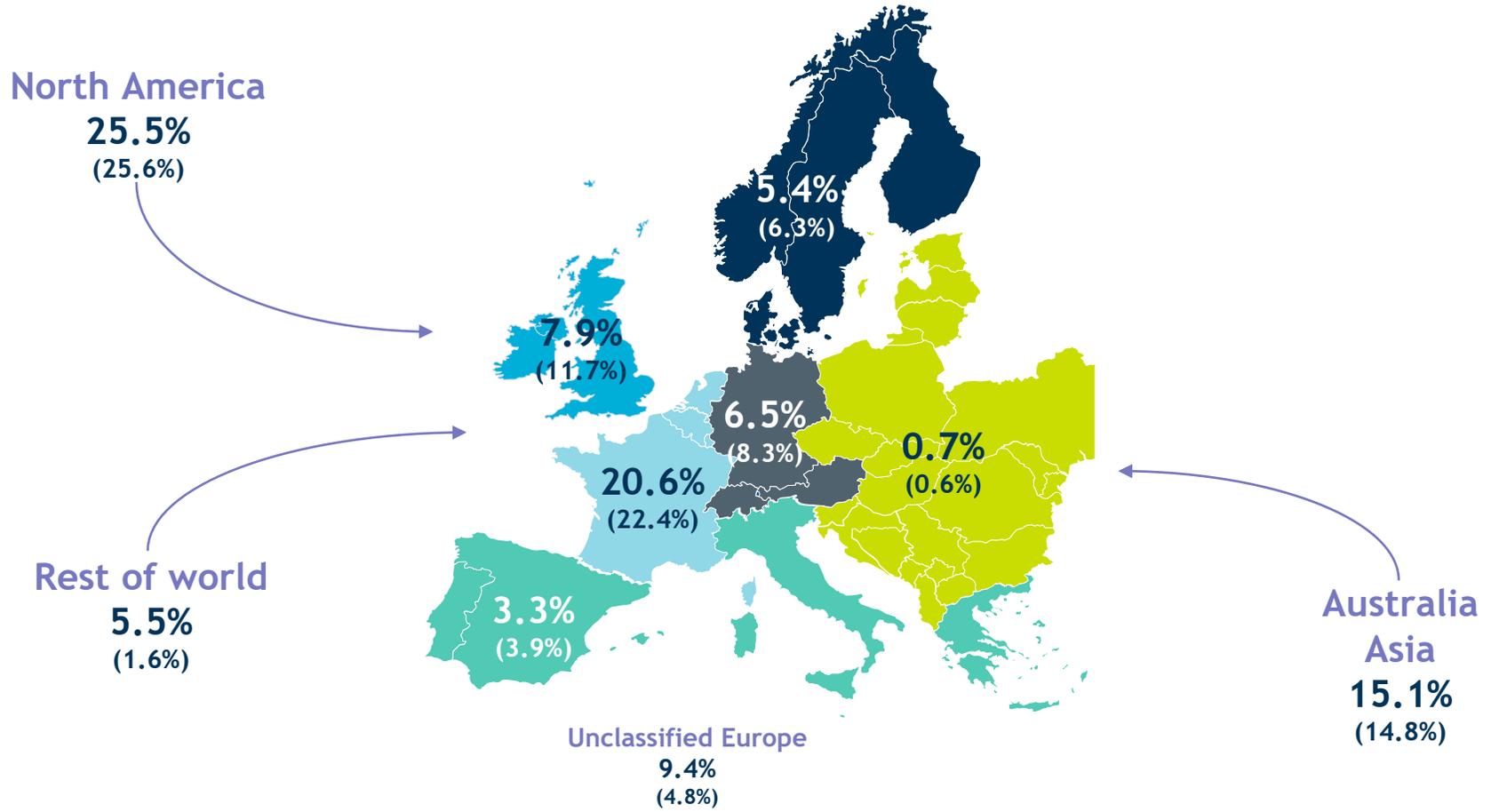
2014-2018 - Incremental amount raised during the year - % of total amount*



* Due to the comparatively small number of growth funds raised and the extent of extrapolation of missing data single-year data in this part of the market segment should be used cautiously. Long term trends should be used to identify the structures of investors in this market segment.

All Private Equity - Fundraising geographic breakdown

2018 (2017) - Source of funds - % of total amount

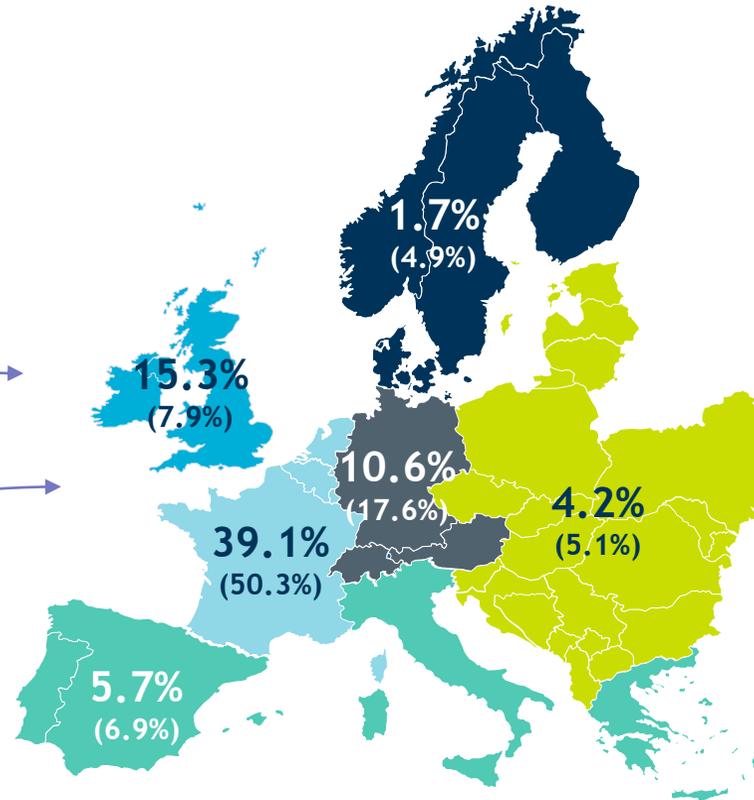


Venture Capital - Fundraising geographic breakdown

2018 (2017) - Source of funds - % of total amount

North America

16.5%
(3.3%)



Rest of world

0.2%
(0.2%)

Unclassified Europe

3.6%
(0.6%)

Australia

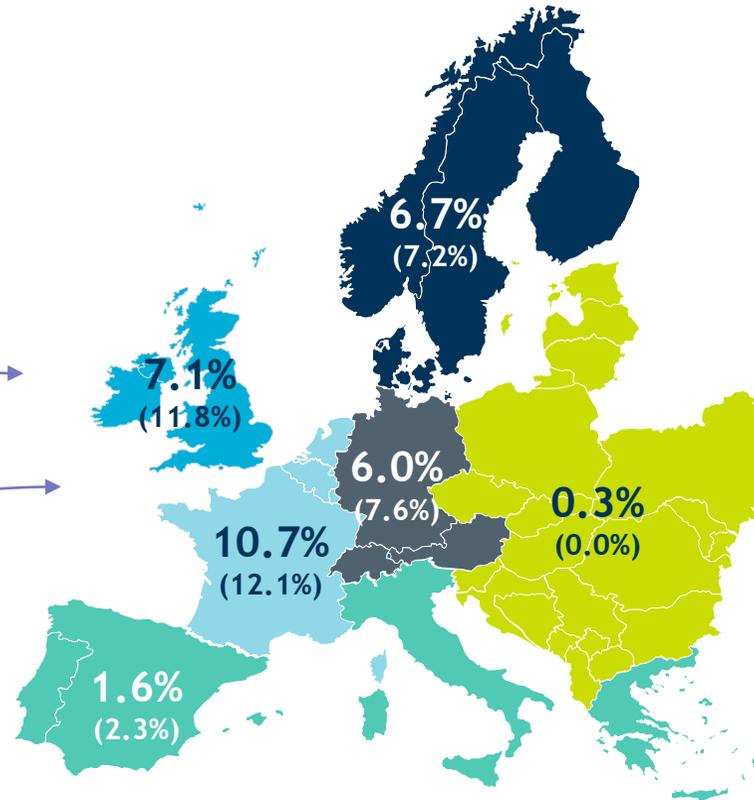
Asia
3.0%
(3.3%)

Buyout - Fundraising geographic breakdown

2018 (2017) - Source of funds - % of total amount

North America

28.5%
(32.4%)



Rest of world

7.5%
(2.0%)

Unclassified Europe

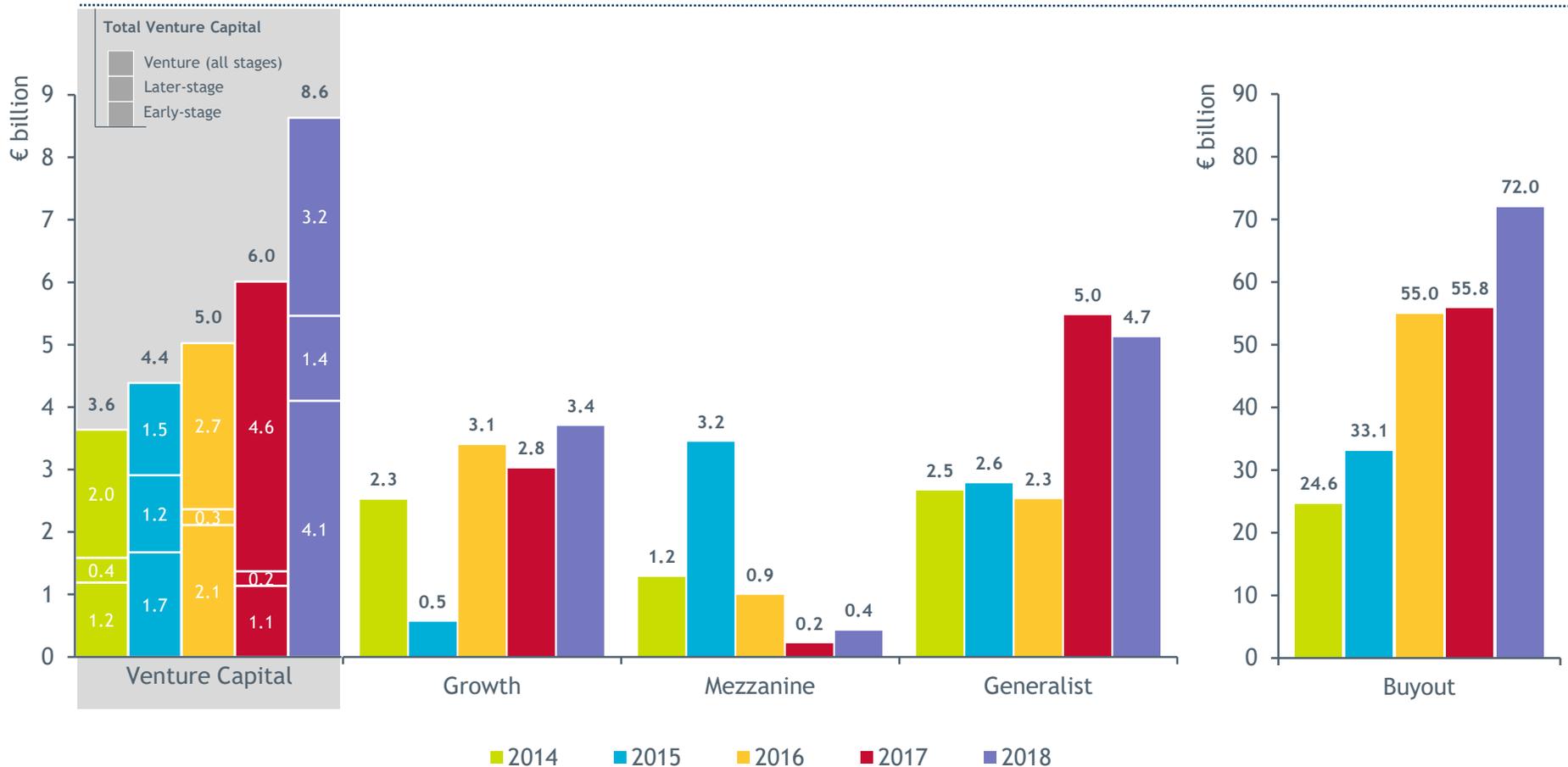
12.5%
(5.9%)

Australia

Asia
19.1%
(18.7%)

Final closing - Funds raised by fund stage focus

2014-2018 - Final closing during the year - Amount⁽¹⁾



Source: Invest Europe / EDC

Note: (1) The total amount raised by funds that reached a final closing in the year. Amounts from previous incremental fundraising rounds and years are aggregated to the final amount.

2018 European Private Equity Activity



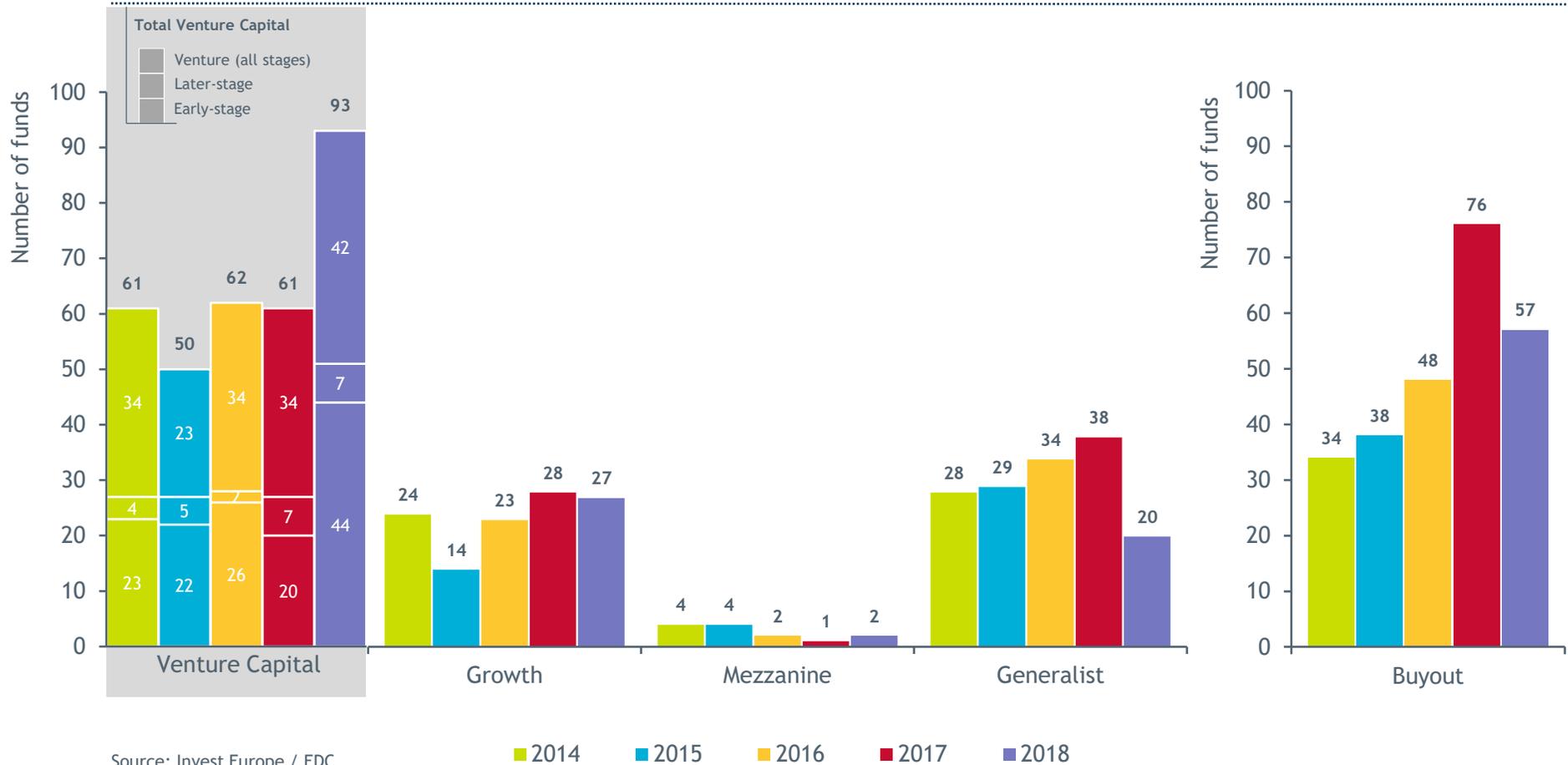
FUNDRAISING

INVESTMENTS

DIVESTMENTS

Final closing - Funds raised by fund stage focus

2014-2018 - Final closing during the year - Number of funds⁽¹⁾

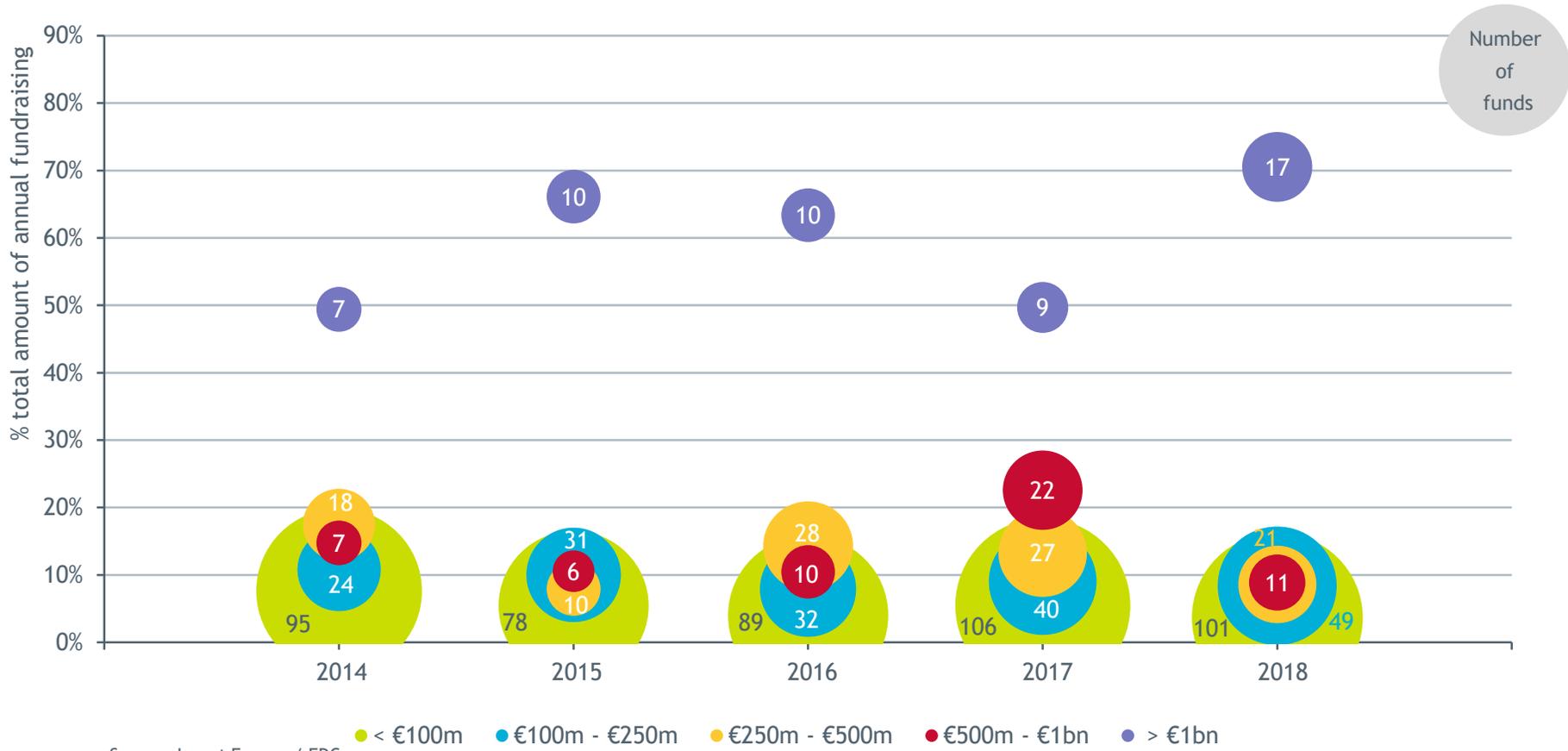


Source: Invest Europe / EDC

Note: (1) The number of funds that reached a final closing in the year. Each fund is captured only once, when the full amount has been raised.

Final closing - All Private Equity - Concentration of capital

2014-2018 - Final closing during the year - Amount⁽¹⁾ & Number of funds⁽²⁾



Source: Invest Europe / EDC

Note: (1) The total amount raised by funds that reached a final closing in the year. Amounts from previous incremental fundraising rounds and years are aggregated to the final amount.

(2) The number of funds that reached a final closing in the year. Each fund is captured only once, when the full amount has been raised.

2. INVESTMENTS

Investments statistics explained

Industry statistics are an aggregation of figures according to the country of the private equity firm's office in charge of the investment. At European level, this relates to investments made by European private equity firms regardless of the location of the portfolio company.

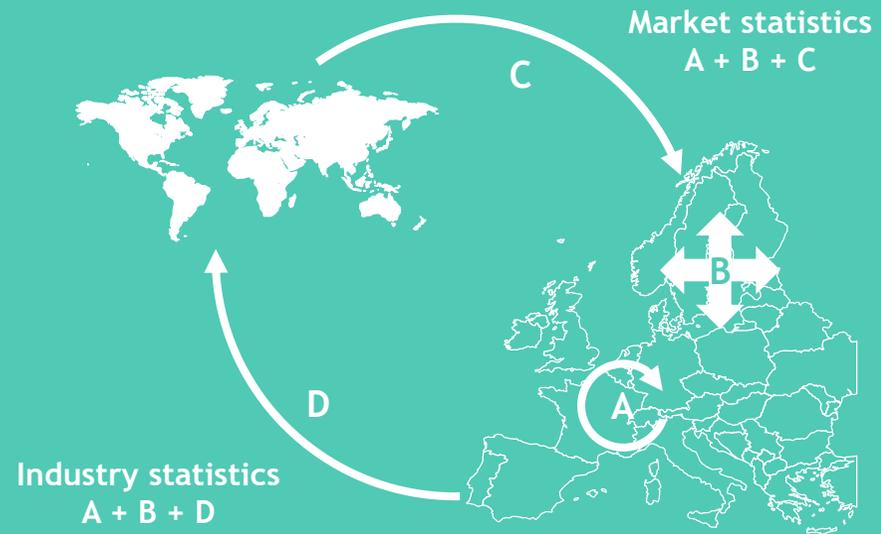
Market statistics are an aggregation of figures according to the location of the portfolio company. At European level, this relates to investments in European companies regardless of the location of the private equity firm.

Equity value: The amount of capital invested to acquire shares in an enterprise. The equity value includes equity, quasi-equity, mezzanine, unsecured debt and secured debt provided by the private equity firm.

The funds included in the statistics are: private equity funds making direct private equity investments, mezzanine private equity funds, co-investment funds and rescue/turnaround funds.

The following funds are excluded from the statistics: infrastructure funds, real estate funds, private debt funds, distressed debt funds, primary funds of funds, secondary funds of funds.

Market versus industry statistics



- A Domestic investments in European countries
- B Cross-border investments within Europe
- C Non-European private equity firms investing in portfolio companies in Europe
- D European private equity firms investing in portfolio companies outside Europe

Glossary

Venture capital

Seed: Funding provided before the investee company has started mass production/distribution with the aim to complete research, product definition or product design, also including market tests and creating prototypes. This funding will not be used to start mass production/distribution.

Start-up: Funding provided to companies, once the product or service is fully developed, to start mass production/distribution and to cover initial marketing. Companies may be in the process of being set up or may have been in business for a shorter time, but have not sold their product commercially yet. The destination of the capital would be mostly to cover capital expenditures and initial working capital.

This stage contains also the investments reported as “**Other early stage**” which represents funding provided to companies that have initiated commercial manufacturing but require further funds to cover additional capital expenditures and working capital before they reach the break-even point. They will not be generating a profit yet.

Later-stage financing: Financing provided for an operating company, which may or may not be profitable. Late stage venture tends to be financing into companies already backed by VCs. Typically in C or D rounds.

Growth

A type of private equity investment (often a minority investment) in relatively mature companies that are looking for primary capital to expand and improve operations or enter new markets to accelerate the growth of the business.

Buyout

Financing provided to acquire a company. It may use a significant amount of borrowed capital to meet the cost of acquisition. Typically by purchasing majority or controlling stakes.

Rescue / Turnaround

Financing made available to an existing business, which has experienced financial distress, with a view to re-establishing prosperity.

Replacement capital

Minority stake purchase from another private equity investment organisation or from another shareholder or shareholders.

2018 Investments at a glance

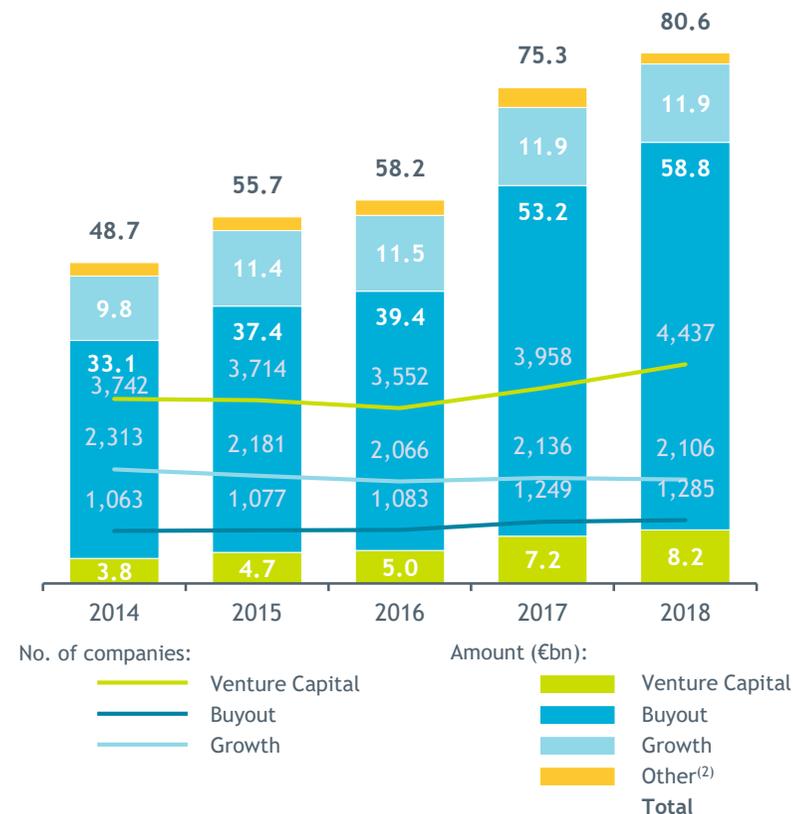
- The total equity amount invested in European companies increased by 7% year-on-year to €80.6bn in 2018, the highest level recorded to date. The number of companies receiving investment also achieved a new record, increasing by 7% to over 7,800, 86% of which were SMEs.
- Buyout investment increased by 10% year-on-year to €58.8bn, while the number of companies backed in buyout transactions rose by 3% to 1,285. Larger transactions of more than €150m in equity surpassed the previous year by 14% at €31.4bn, representing a 53% share of the buyout market in 2018. Mid-market buyouts (€15m-€150m in equity) increased by 8% to €23.1bn, taking a 39% market share. By sector, business products and services received 26% of total buyout investment, followed by consumer goods and services (20%), ICT (15%) and biotech and healthcare (14%).
- Venture capital investment surpassed the 2017 record by 13%, reaching a new high of €8.2bn in 2018. The number of companies backed by venture funds increased 12% to over 4,400. Start-up investments rose by 29% to €4.9bn, with 2,475 companies backed, a 6% increase. Seed investments declined by 7% to €721m, but by number of companies increased 22% to 1,350. Later-stage investments reduced by 3% to € 2.6bn, but increased 8% by number of companies to 758. ICT was the largest sector for venture investment, receiving 47% of the total, followed by biotech and healthcare (28%) and consumer goods and services (9%).
- Growth capital investments remained at a record level of €11.9bn, with 2,106 companies financed. Venture-backed companies secured around 18% of the growth investment amount to enable them to scale-up their activities. European companies operating in the ICT sector received one third of the investment amount, followed by consumer goods and services (21%), business products and services (18%) and biotech and healthcare (9%).

2018 - Market statistics	All Private Equity	Venture Capital ⁽¹⁾	Buyout ⁽¹⁾	Growth ⁽¹⁾
Amount	€80.6bn	€8.2bn	€58.8bn	€11.9bn
No. of companies	7,816	4,437	1,285	2,106
No. of firms	1,392	855	498	476
No. of funds	2,718	1,506	793	1,053

Source: Invest Europe / EDC

Note: (1) relates to the investment stage of the portfolio company

Investments - Market statistics - Amount & No. of companies



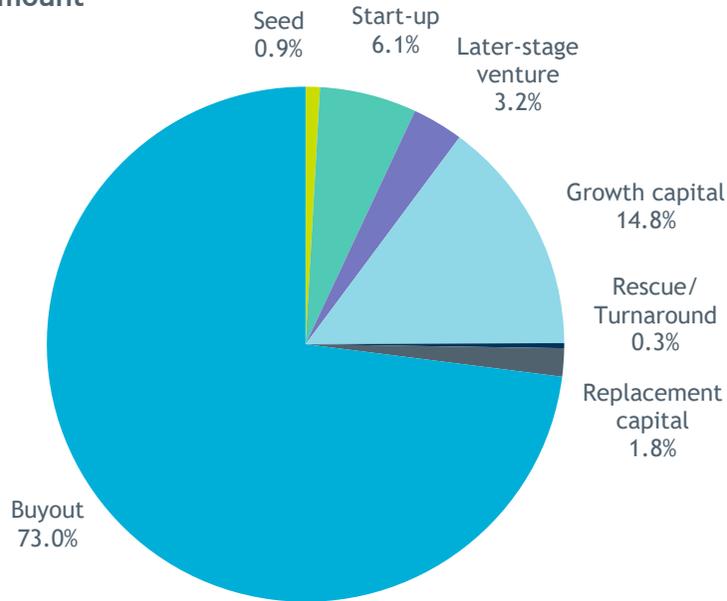
Source: Invest Europe / EDC

Note: (2) Other includes Rescue/Turnaround and Replacement capital

Investments by stage

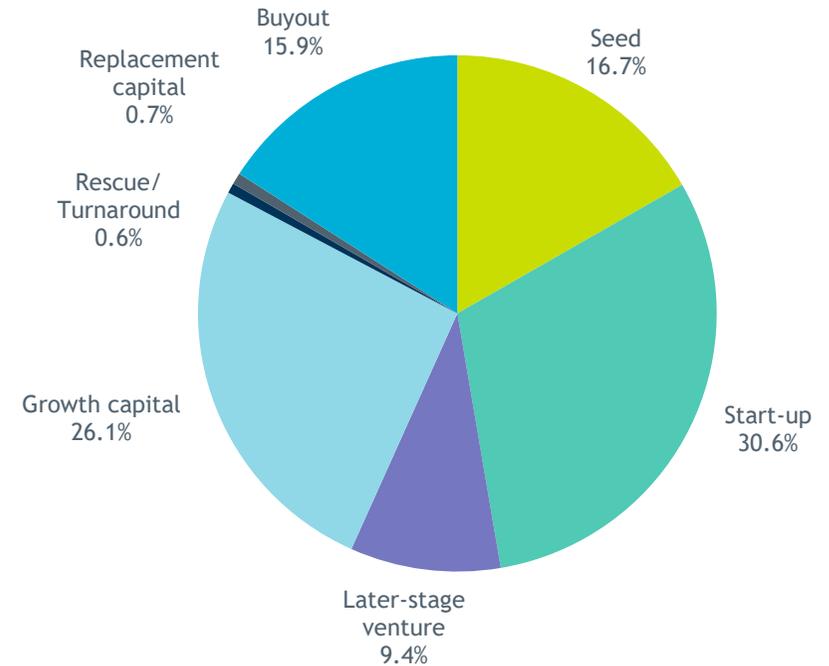
2018 - Market statistics - % of Amount & Number of companies

% of Amount



Venture Capital	€8.2 bn
Buyout	€58.8 bn
Growth	€11.9 bn

% of Number of companies



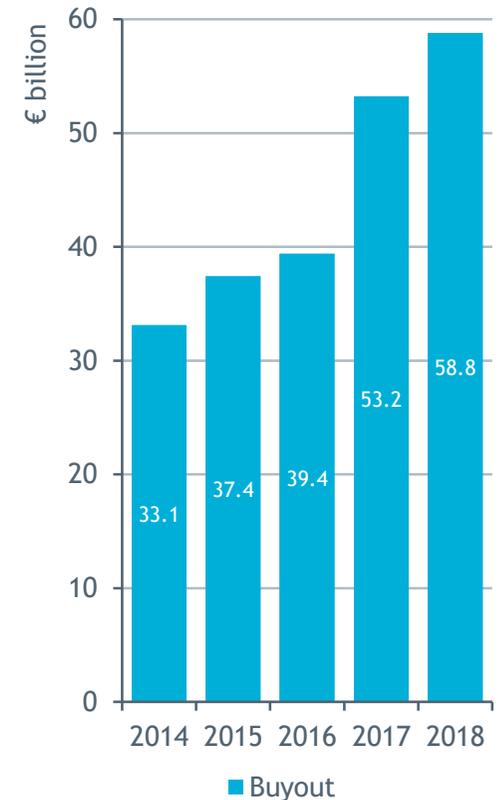
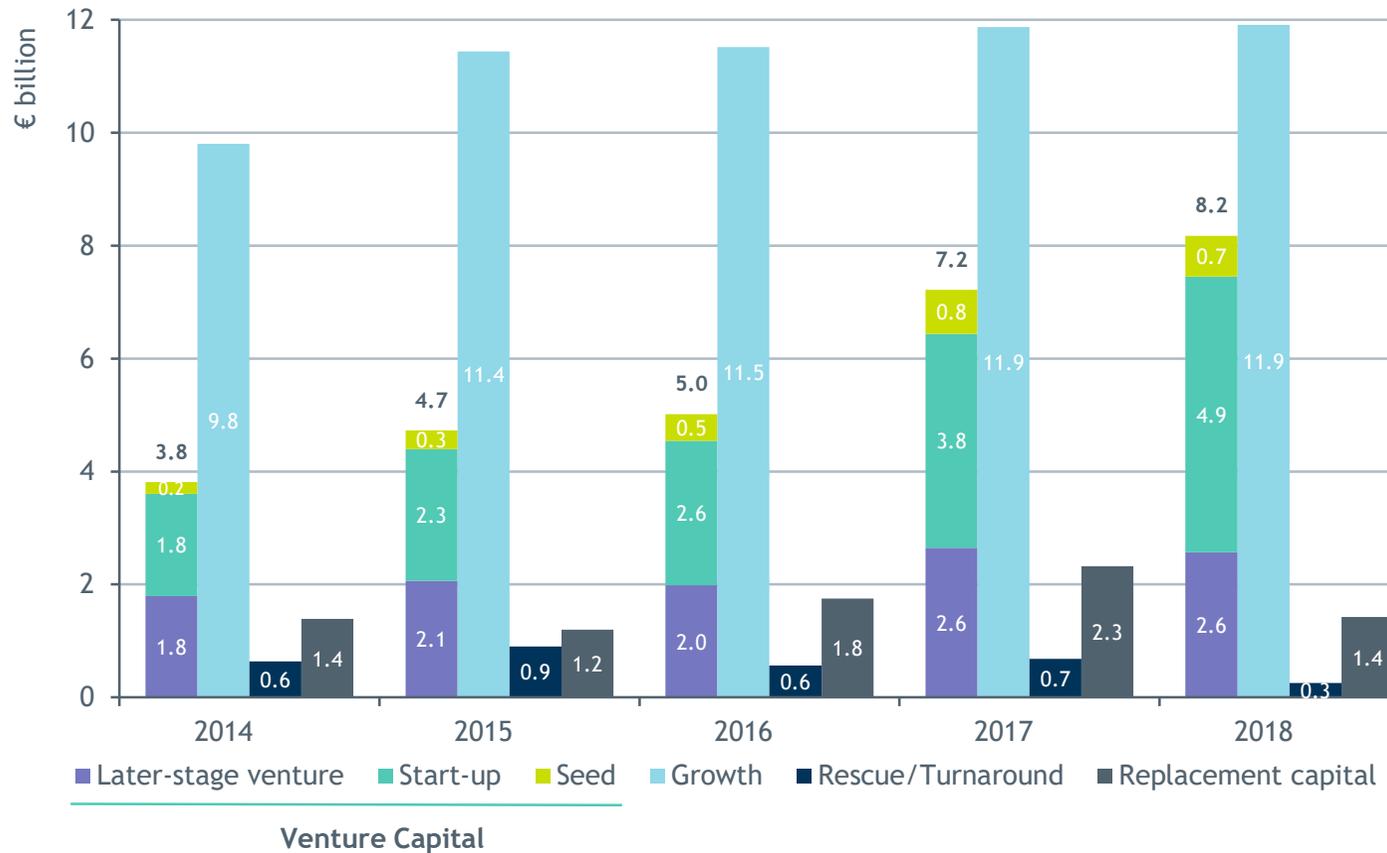
Venture Capital	4,437 Companies
Buyout	1,285 Companies
Growth	2,106 Companies

Source: Invest Europe / EDC

2018 European Private Equity Activity

Investments by stage

2014-2018 - Market statistics - Amount

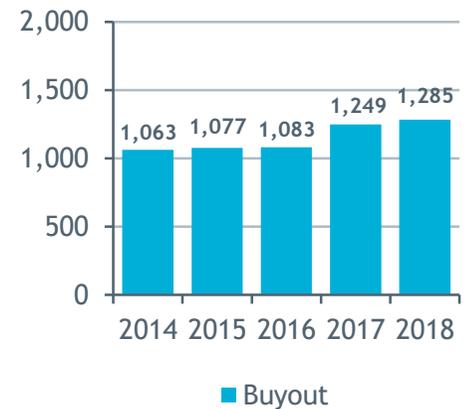
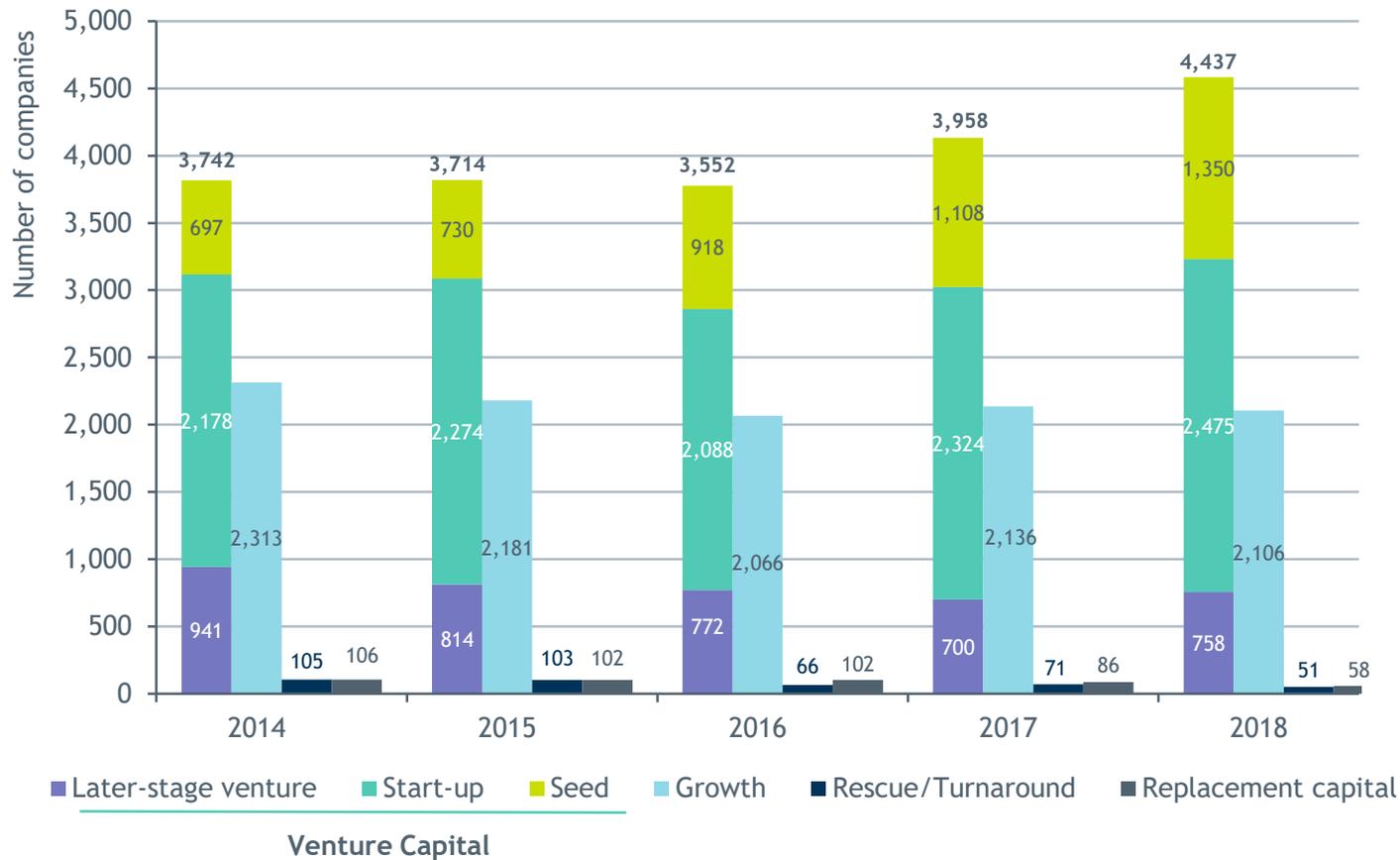


Source: Invest Europe / EDC

2018 European Private Equity Activity

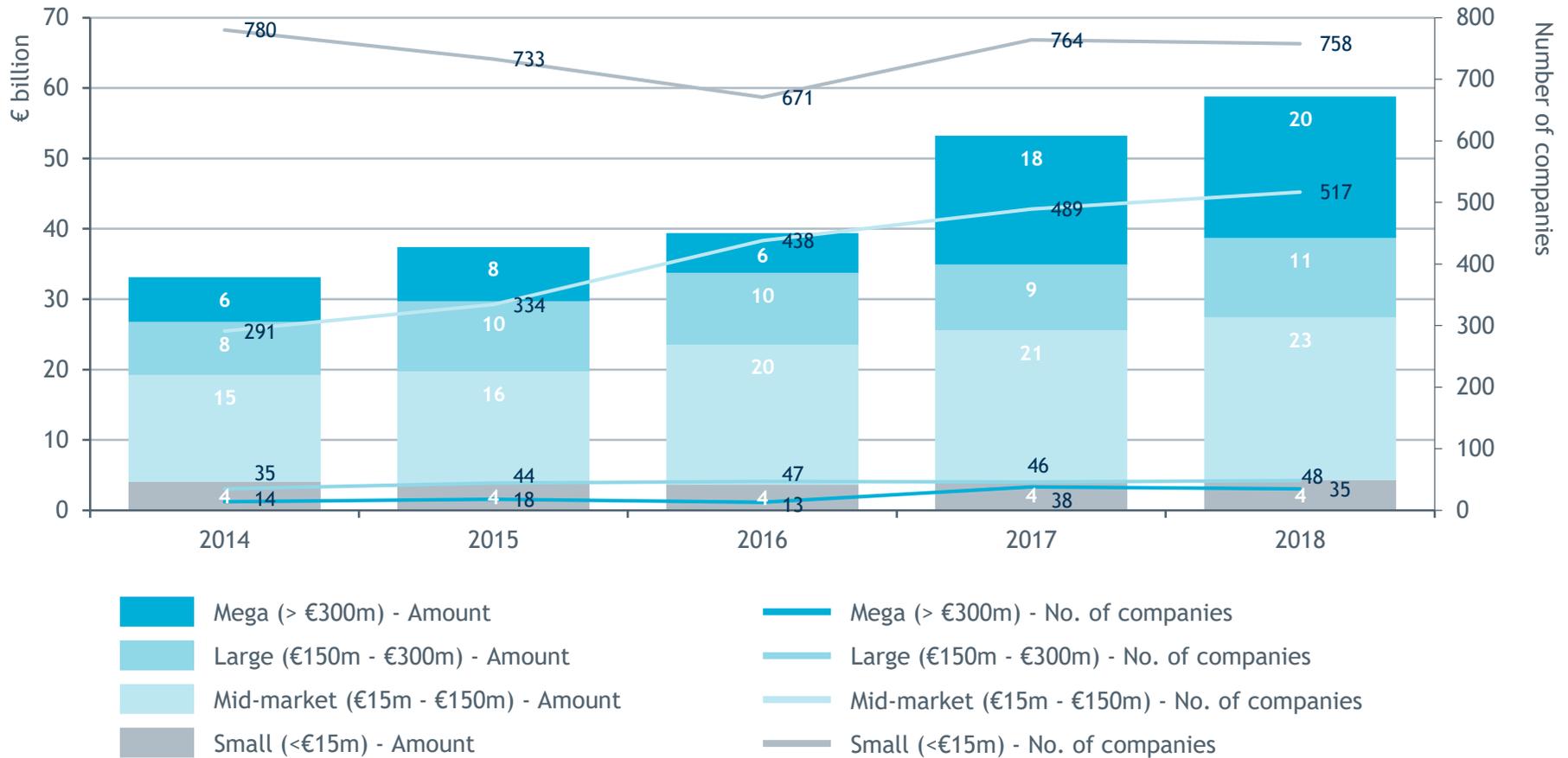
Investments by stage

2014-2018 - Market statistics - Number of companies



Buyout - Investments by equity bracket

2014-2018 - Market statistics - Amount & Number of companies



Source: Invest Europe / EDC

2018 European Private Equity Activity

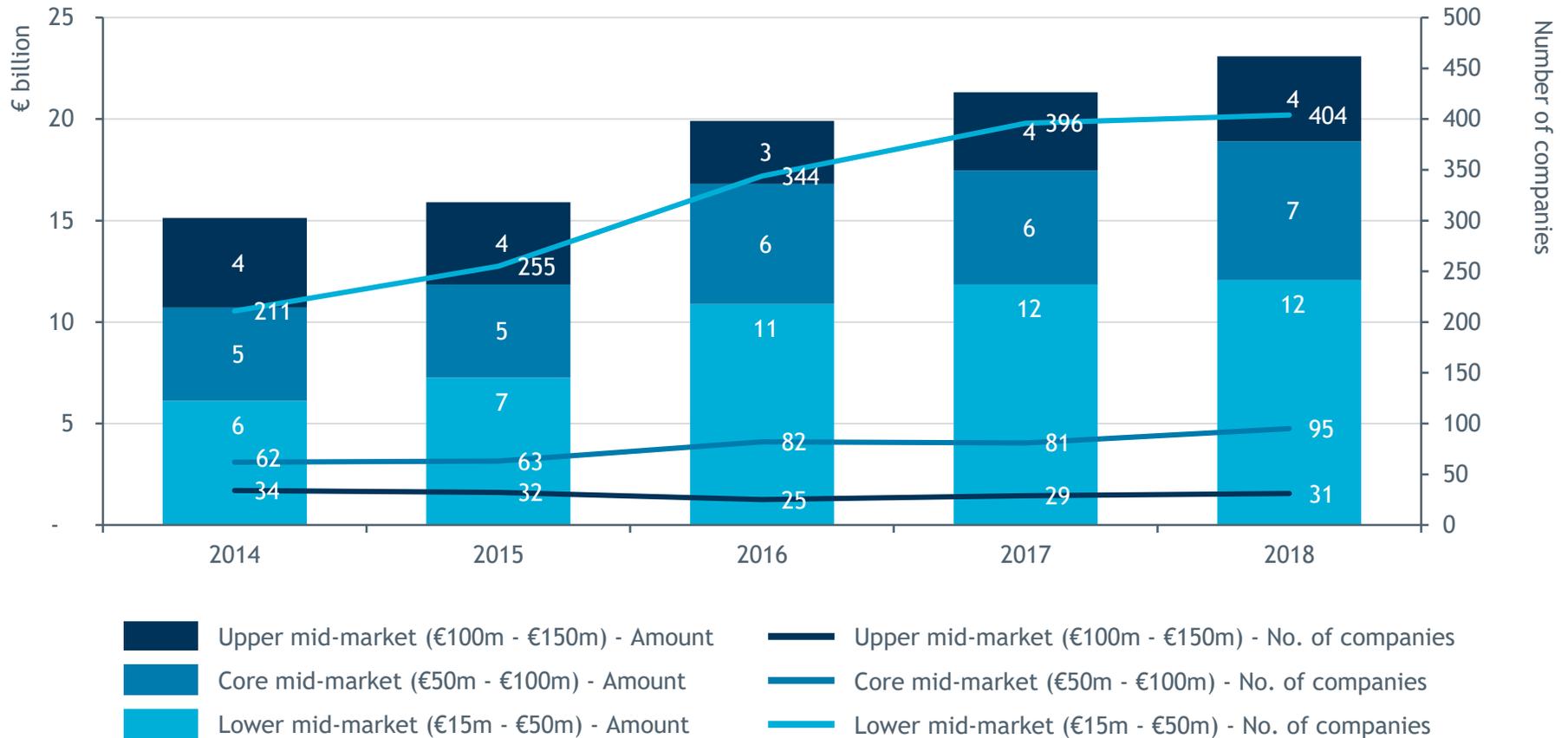
FUNDRAISING

INVESTMENTS

DIVESTMENTS

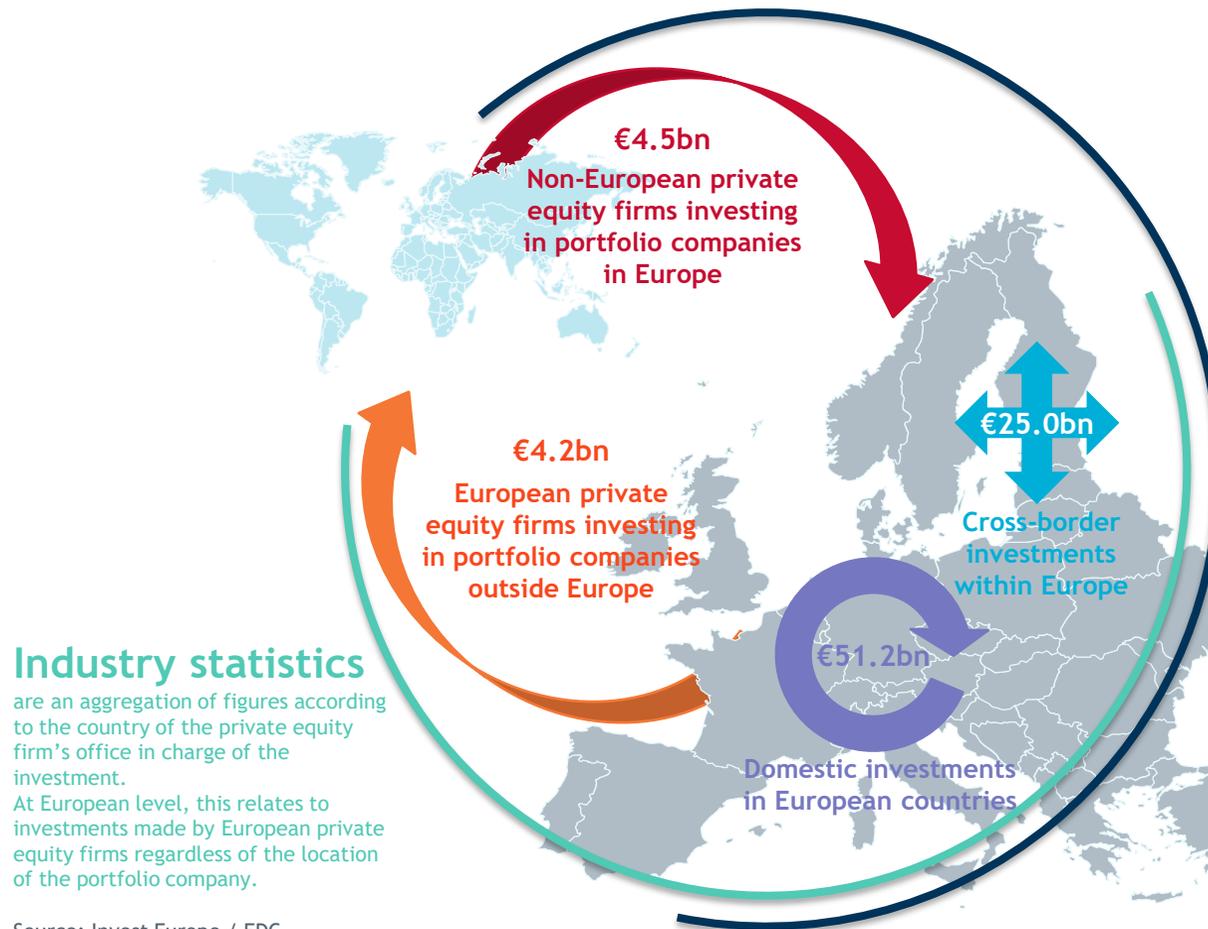
Mid-market buyout - Investments by equity bracket

2014-2018 - Market statistics - Amount & Number of companies



All Private Equity - Geographical investment flows

2018 - Industry vs. Market statistics - Amount



Industry statistics

are an aggregation of figures according to the country of the private equity firm's office in charge of the investment. At European level, this relates to investments made by European private equity firms regardless of the location of the portfolio company.

Market statistics

are an aggregation of figures according to the location of the portfolio company. At European level, this relates to investments in European companies regardless of the location of the private equity firm.

Europe includes:

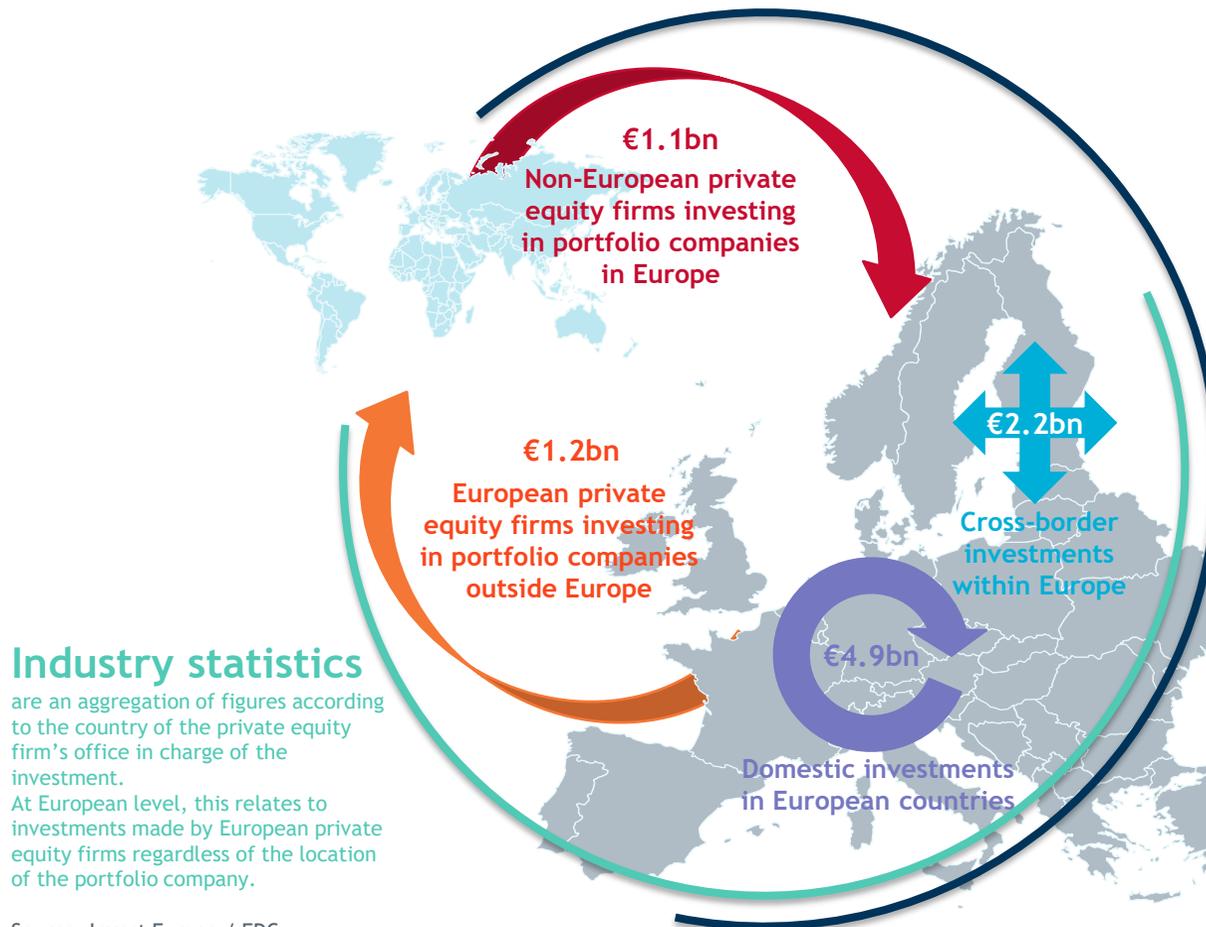
Austria, Baltic countries (Estonia, Latvia, Lithuania), Belgium, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Netherlands, Norway, Other CEE (Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovenia, Slovakia), Poland, Portugal, Romania, Spain, Sweden, Switzerland, Ukraine, United Kingdom

Source: Invest Europe / EDC

2018 European Private Equity Activity

Venture Capital - Geographical investment flows

2018 - Industry vs. Market statistics - Amount



Industry statistics

are an aggregation of figures according to the country of the private equity firm's office in charge of the investment.
At European level, this relates to investments made by European private equity firms regardless of the location of the portfolio company.

Market statistics

are an aggregation of figures according to the location of the portfolio company.
At European level, this relates to investments in European companies regardless of the location of the private equity firm.

Europe includes:

Austria, Baltic countries (Estonia, Latvia, Lithuania), Belgium, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Netherlands, Norway, Other CEE (Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovenia, Slovakia), Poland, Portugal, Romania, Spain, Sweden, Switzerland, Ukraine, United Kingdom

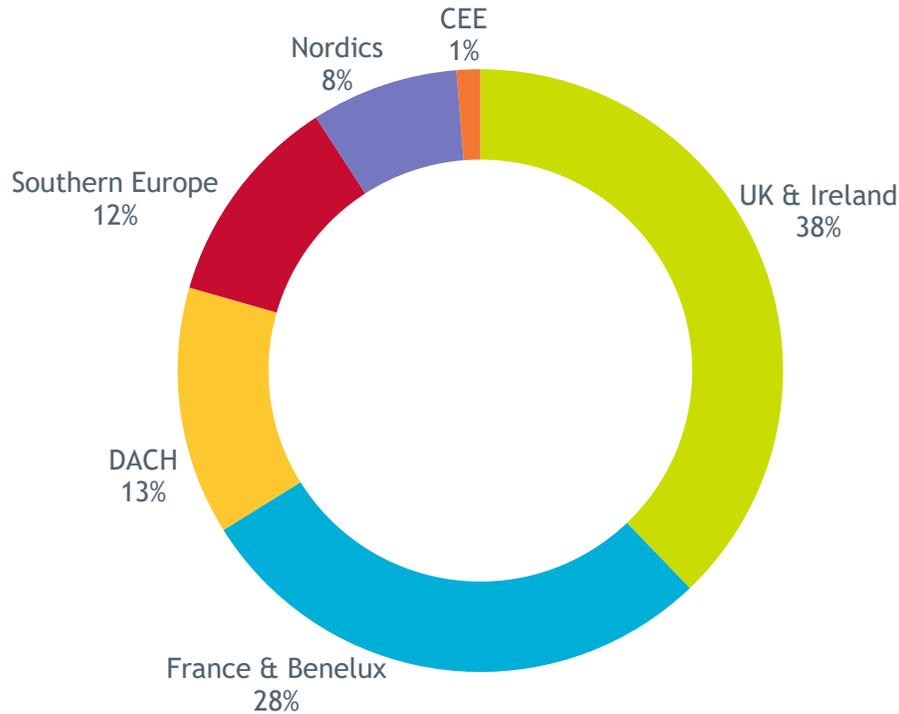
Source: Invest Europe / EDC

2018 European Private Equity Activity

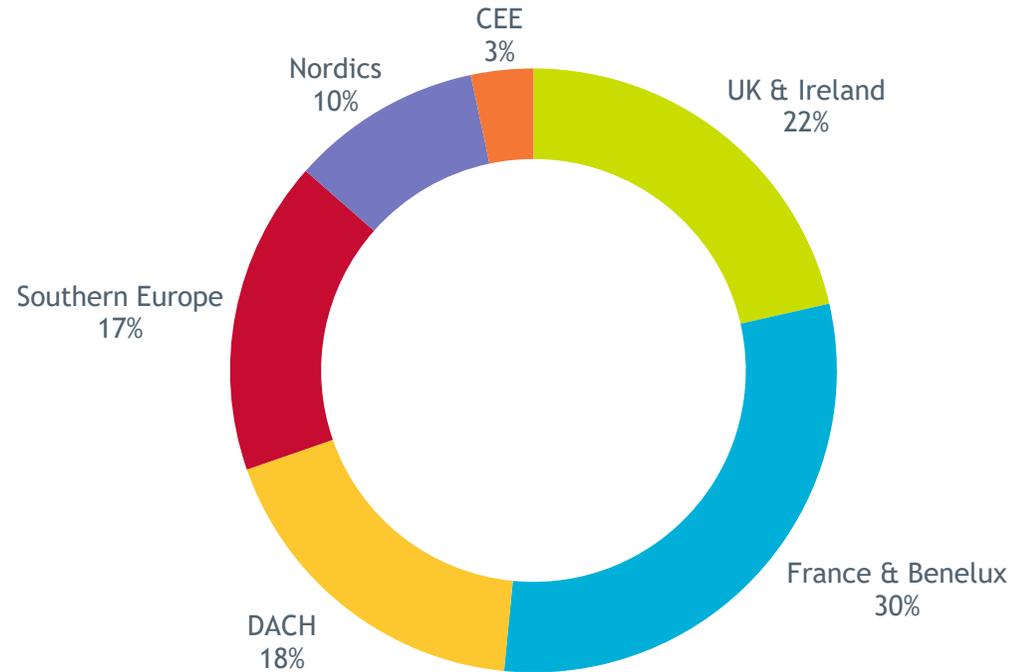
All Private Equity - Investments by region

2018 - Industry vs. Market statistics - Amount

Industry statistics



Market statistics



Source: Invest Europe / EDC

DACH: Austria, Germany, Switzerland / Southern Europe: Greece, Italy, Portugal, Spain / Nordics: Denmark, Finland, Norway, Sweden / CEE: Central Eastern Europe

2018 European Private Equity Activity

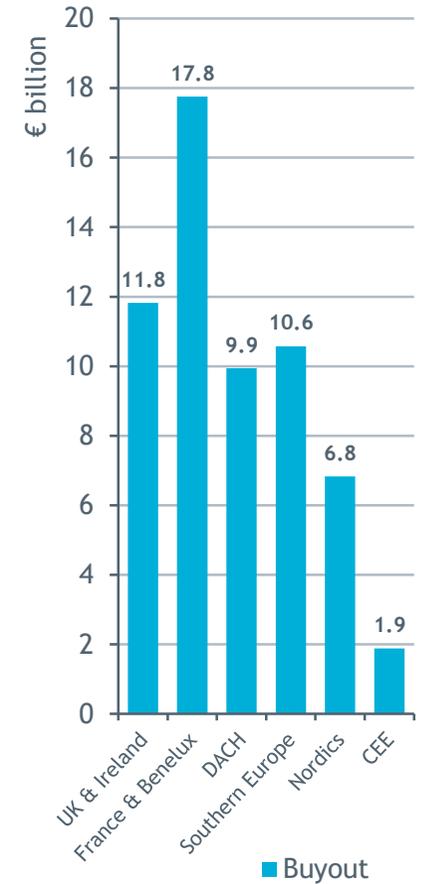
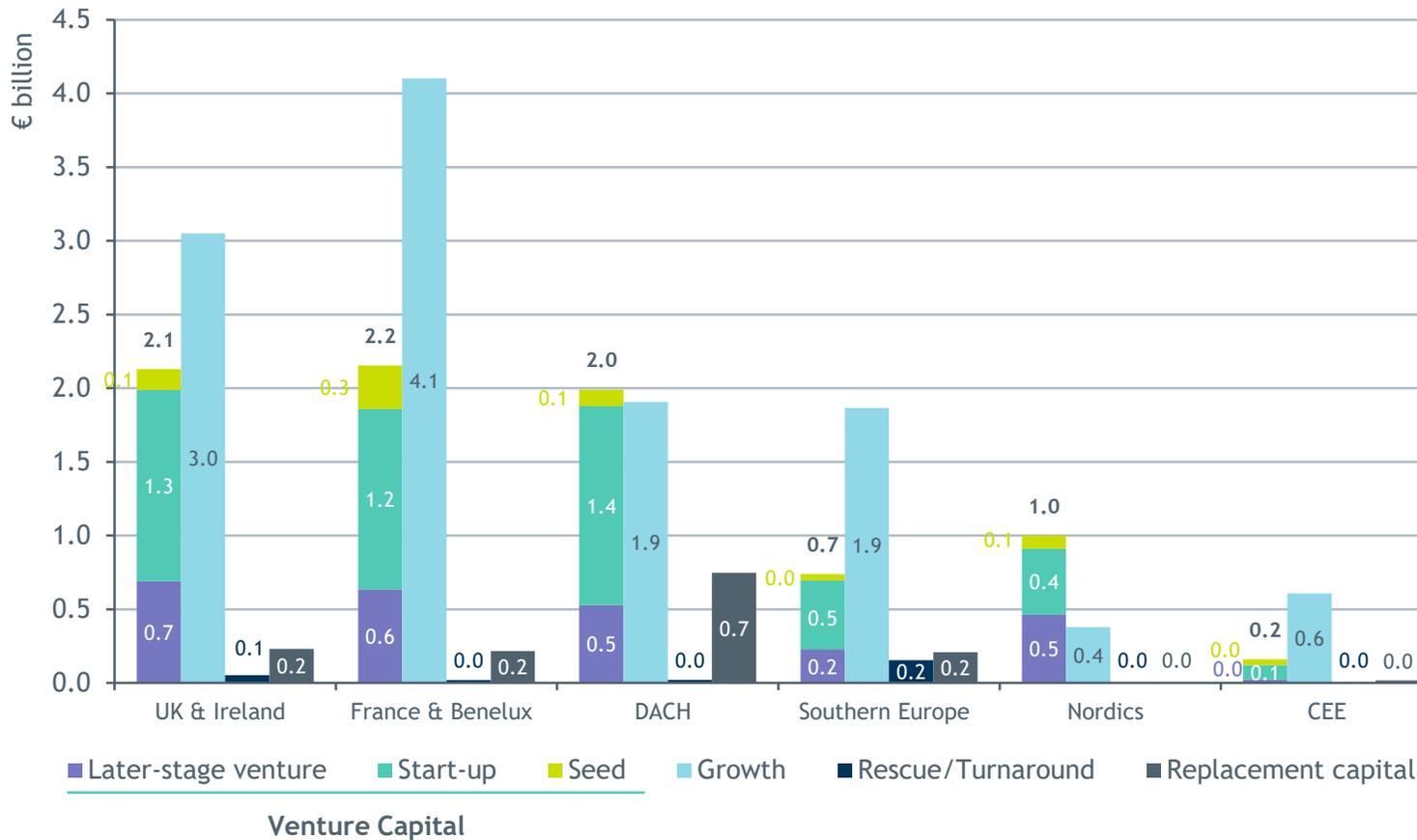
FUNDRAISING

INVESTMENTS

DIVESTMENTS

Investments by stage and regions

2018 - Market statistics - Amount

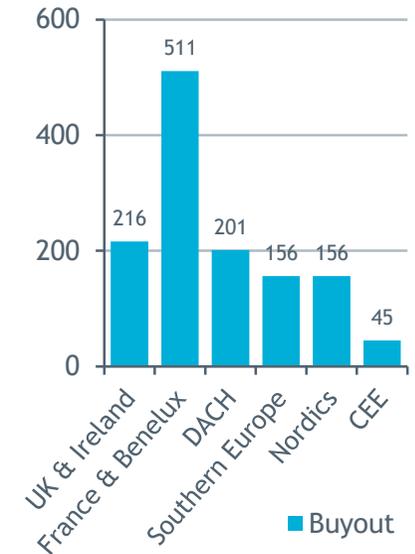
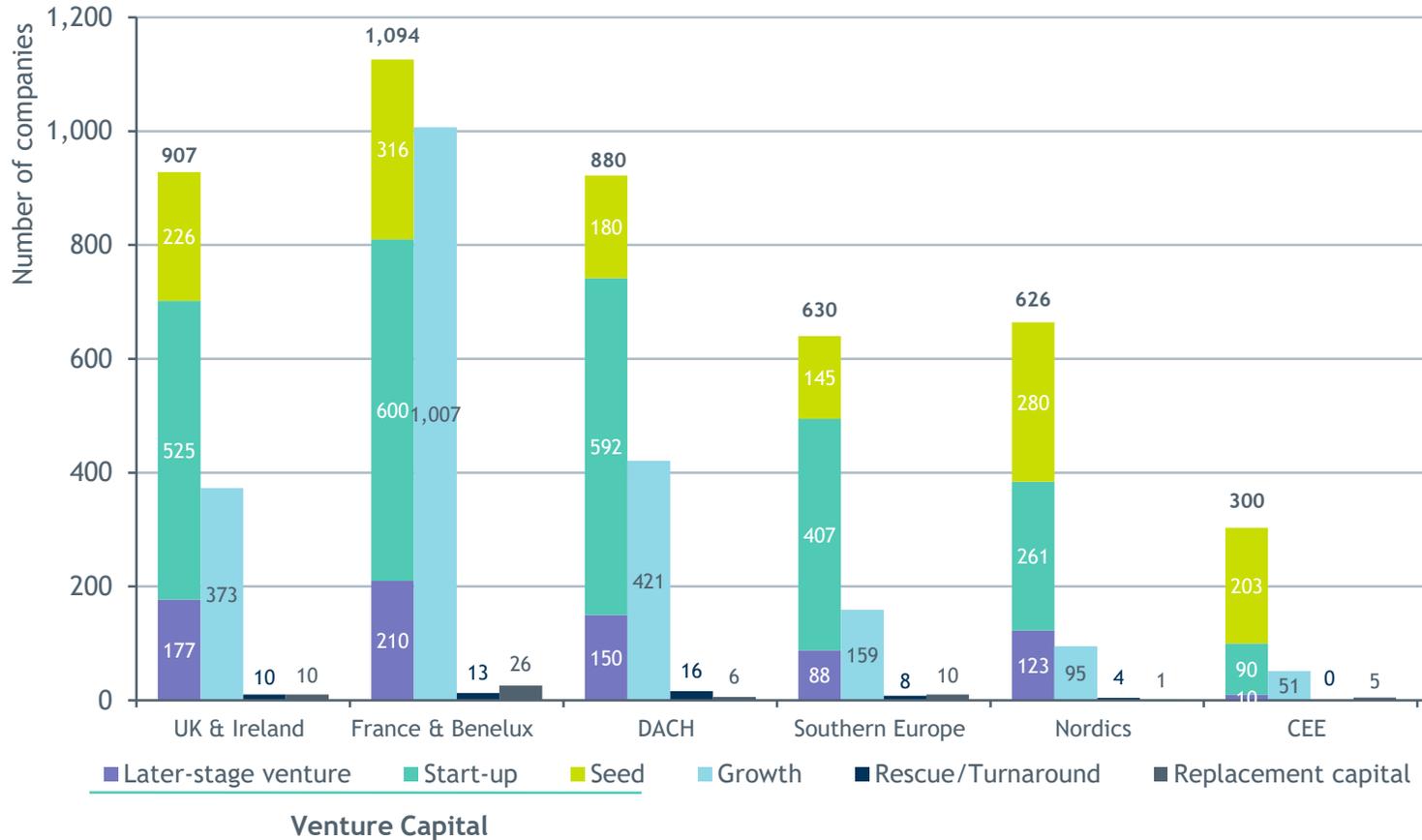


Source: Invest Europe / EDC

2018 European Private Equity Activity

Investments by stage and regions

2018 - Market statistics - Number of companies



Source: Invest Europe / EDC

2018 European Private Equity Activity

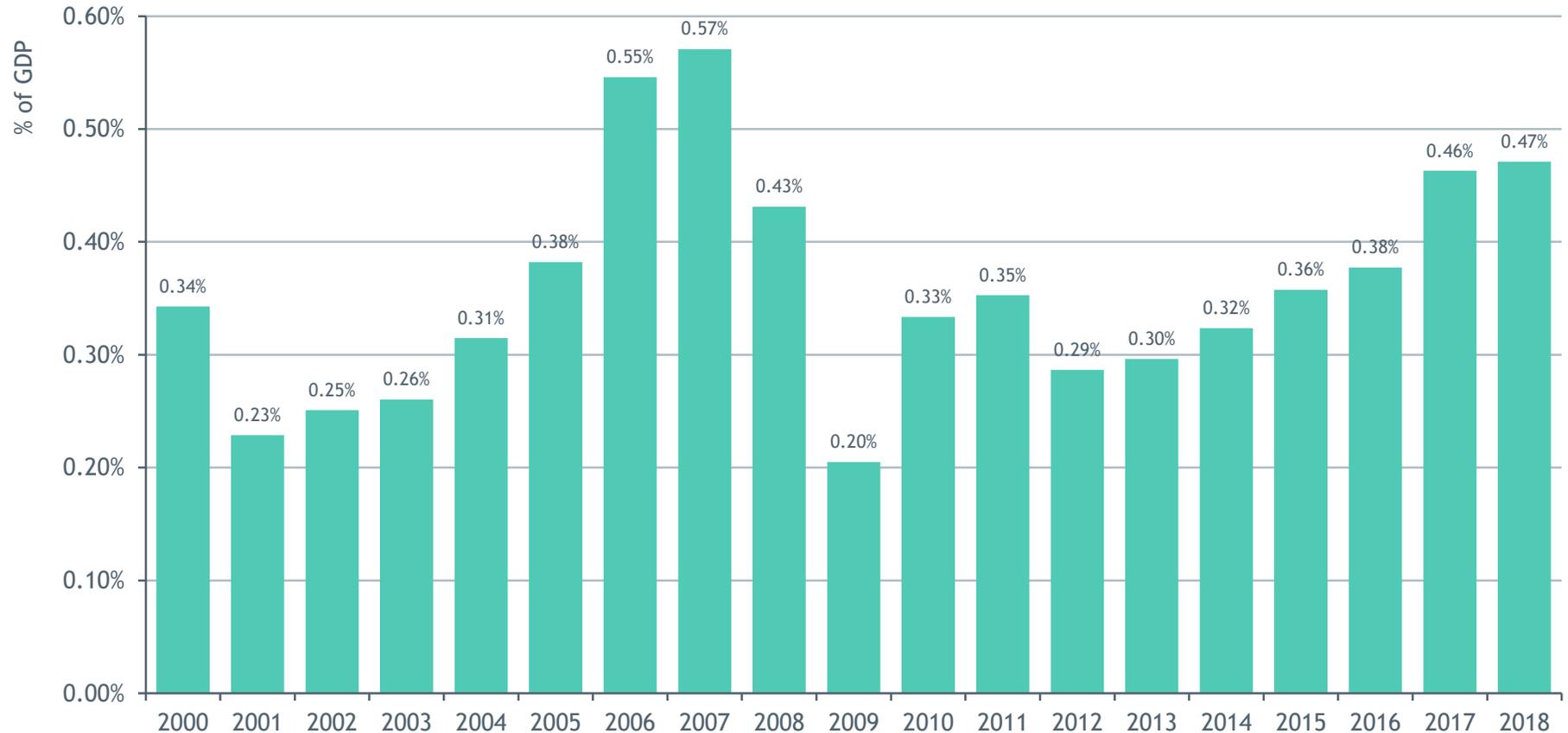
FUNDRAISING

INVESTMENTS

DIVESTMENTS

All Private Equity - Investments as % of European GDP

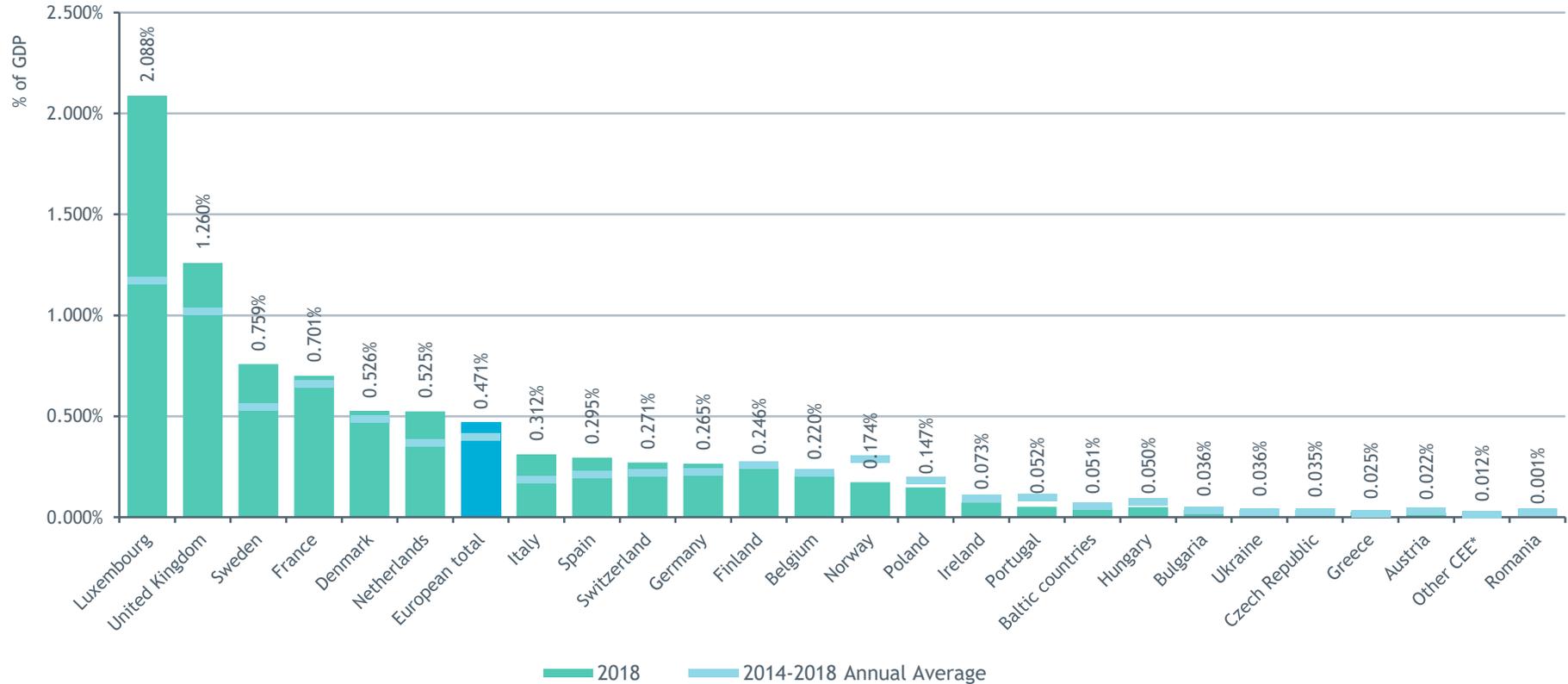
2000-2018 - Industry statistics: Location of the PE firm



Source: IMF, World Economic Outlook Database (GDP) / Thomson Reuters (2000-2006) & Invest Europe / EDC (2007-2018)

All Private Equity - Investments as % of GDP

2018 - Industry statistics: Location of the PE firm



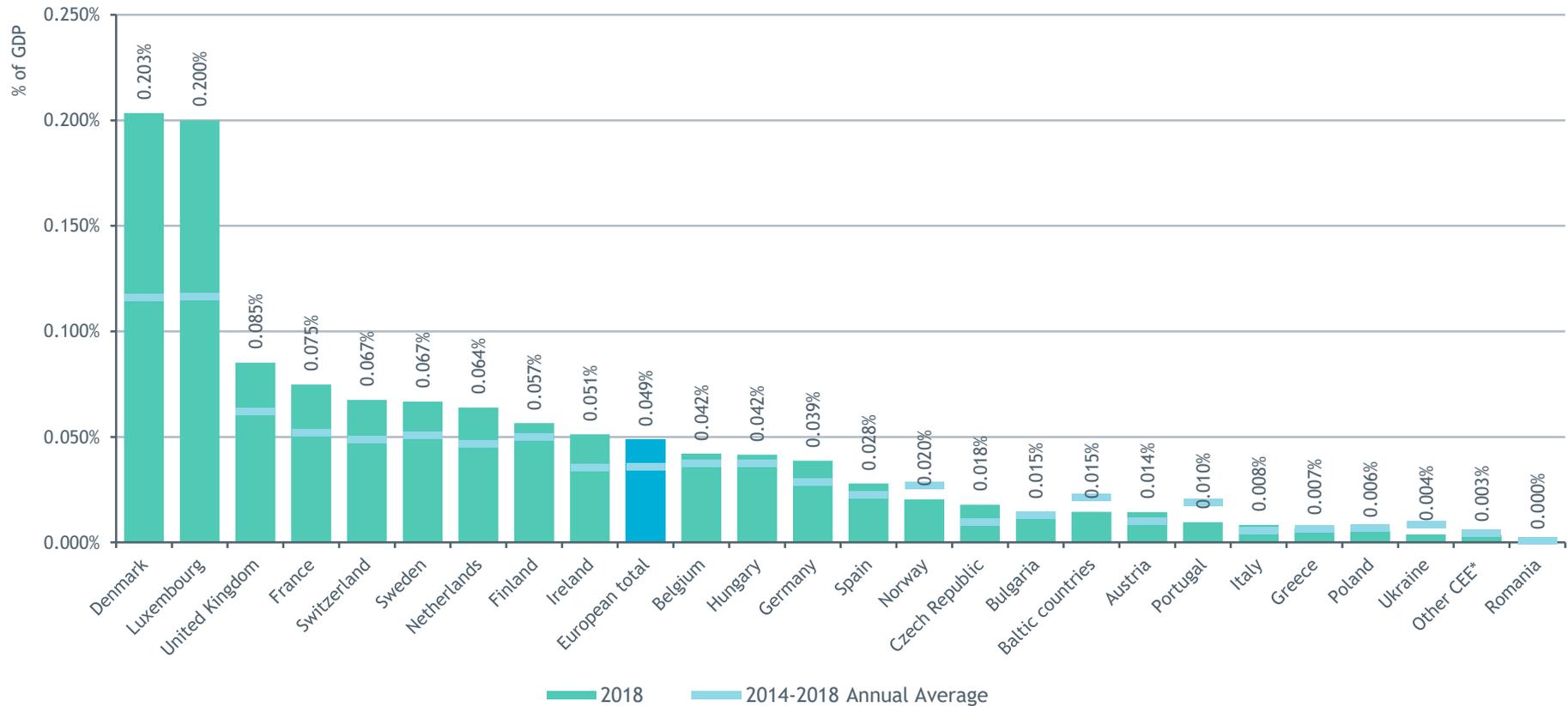
Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

Note: *Other CEE consists of Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovakia, Slovenia



Venture Capital - Investments as % of GDP

2018 - Industry statistics: Location of the PE firm

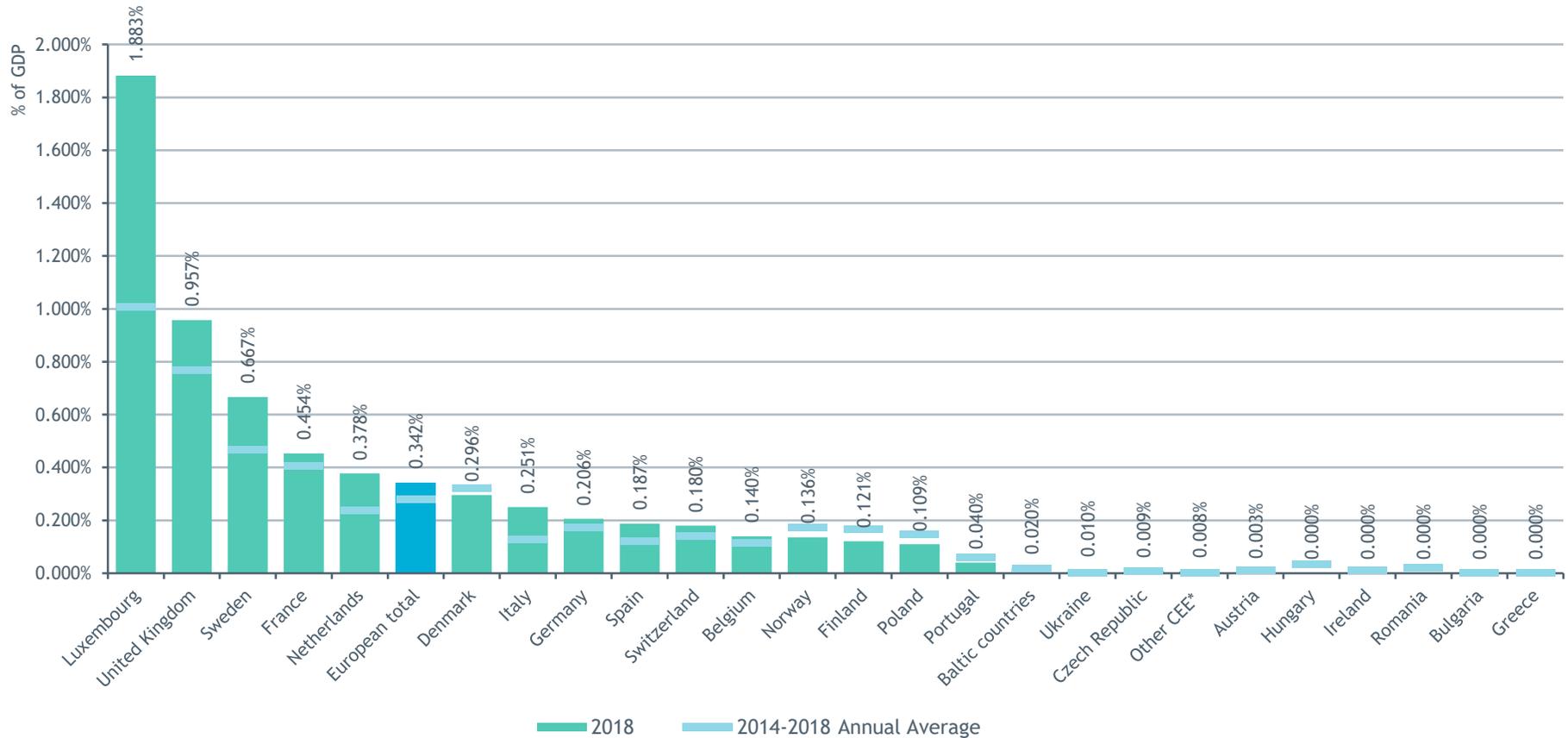


Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

Note: *Other CEE consists of Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovakia, Slovenia

Buyout - Investments as % of GDP

2018 - Industry statistics: Location of the PE firm

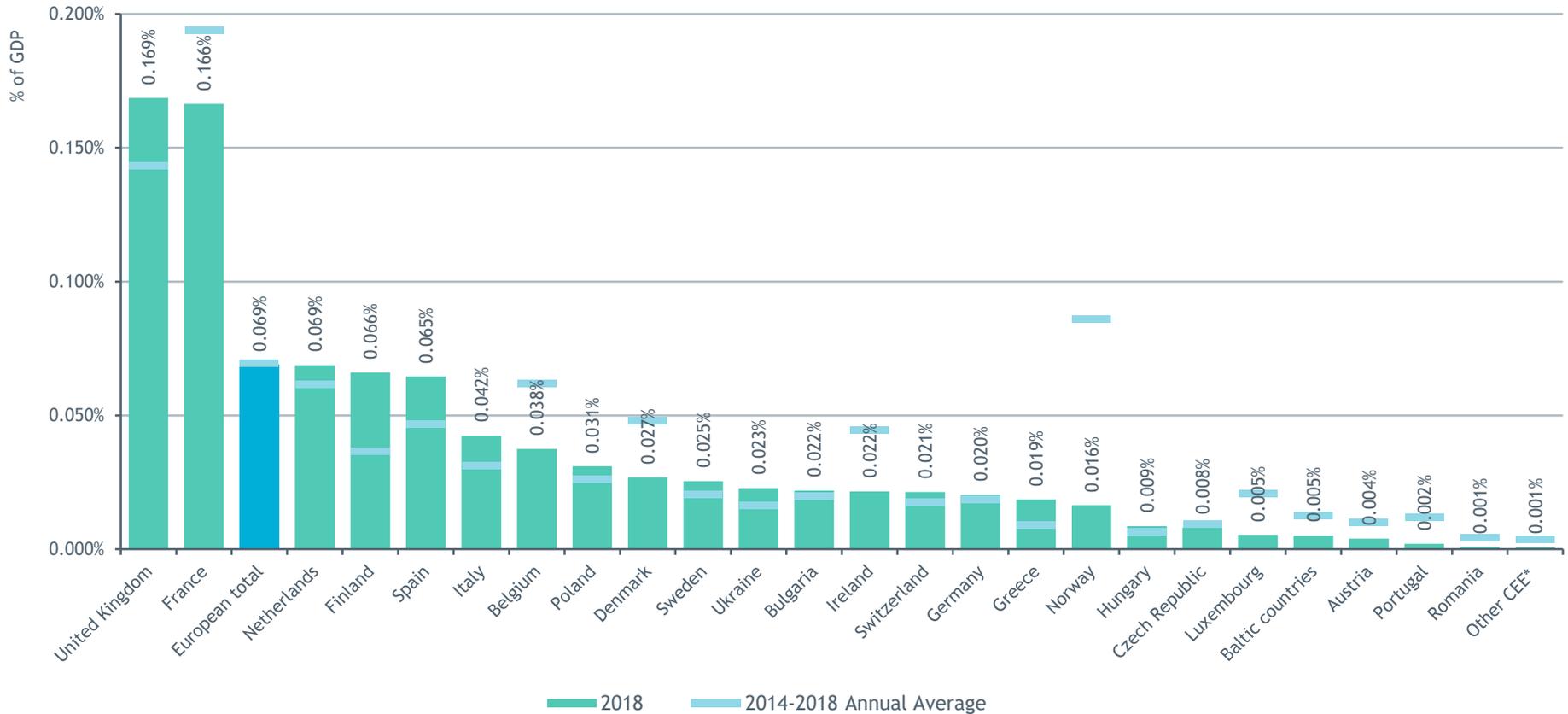


Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

Note: *Other CEE consists of Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovakia, Slovenia

Growth - Investments as % of GDP

2018 - Industry statistics: Location of the PE firm

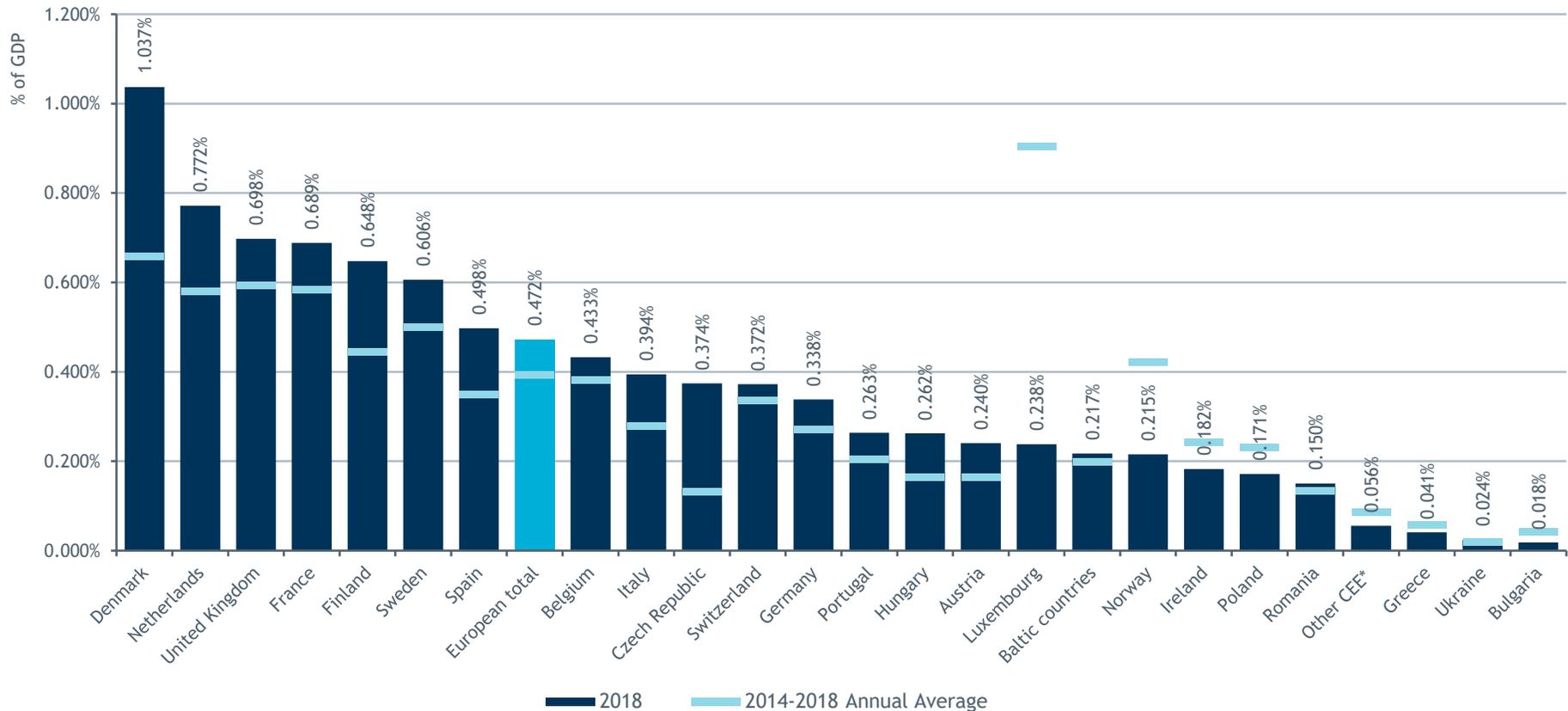


Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

Note: *Other CEE consists of Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovakia, Slovenia

All Private Equity - Investments as % of GDP

2018 - Market statistics: Location of the portfolio company

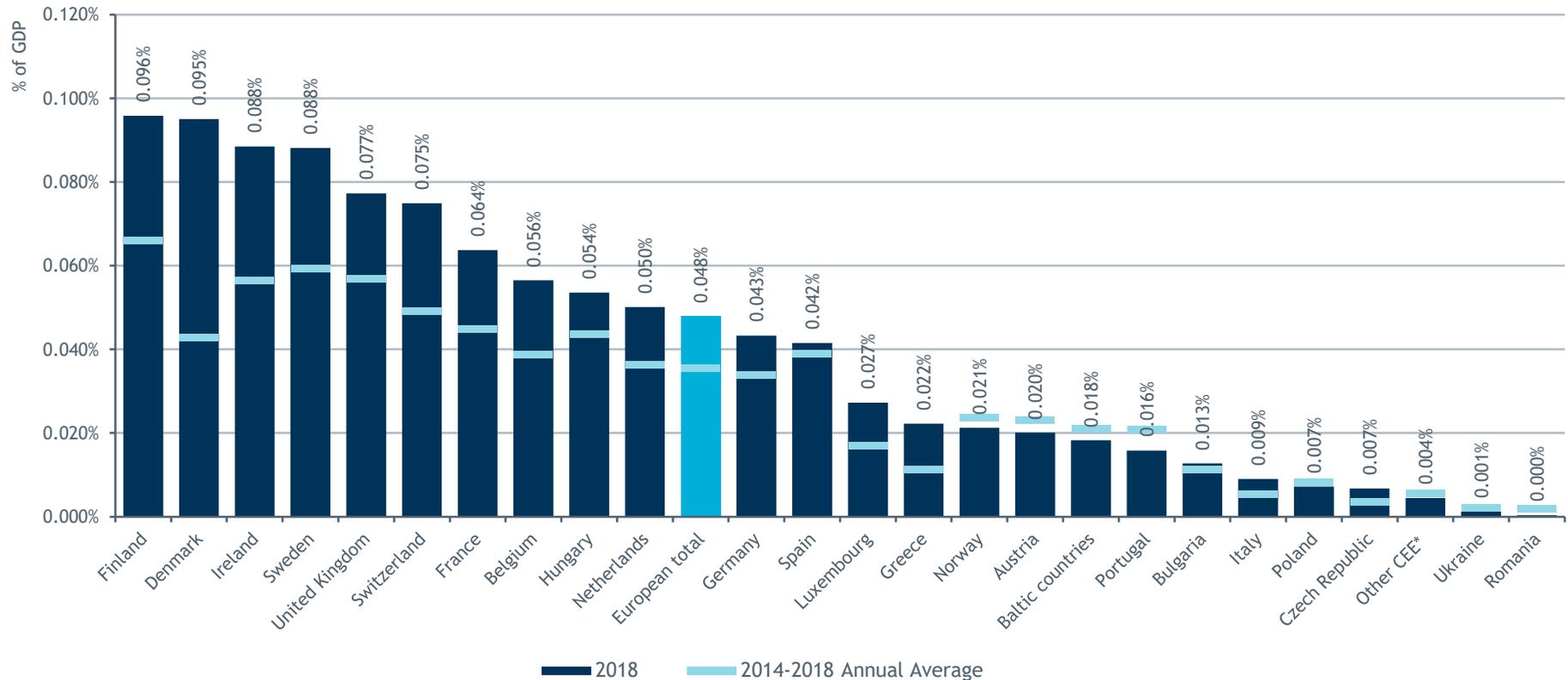


Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

Note: *Other CEE consists of Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovakia, Slovenia

Venture Capital - Investments as % of GDP

2018 - Market statistics: Location of the portfolio company

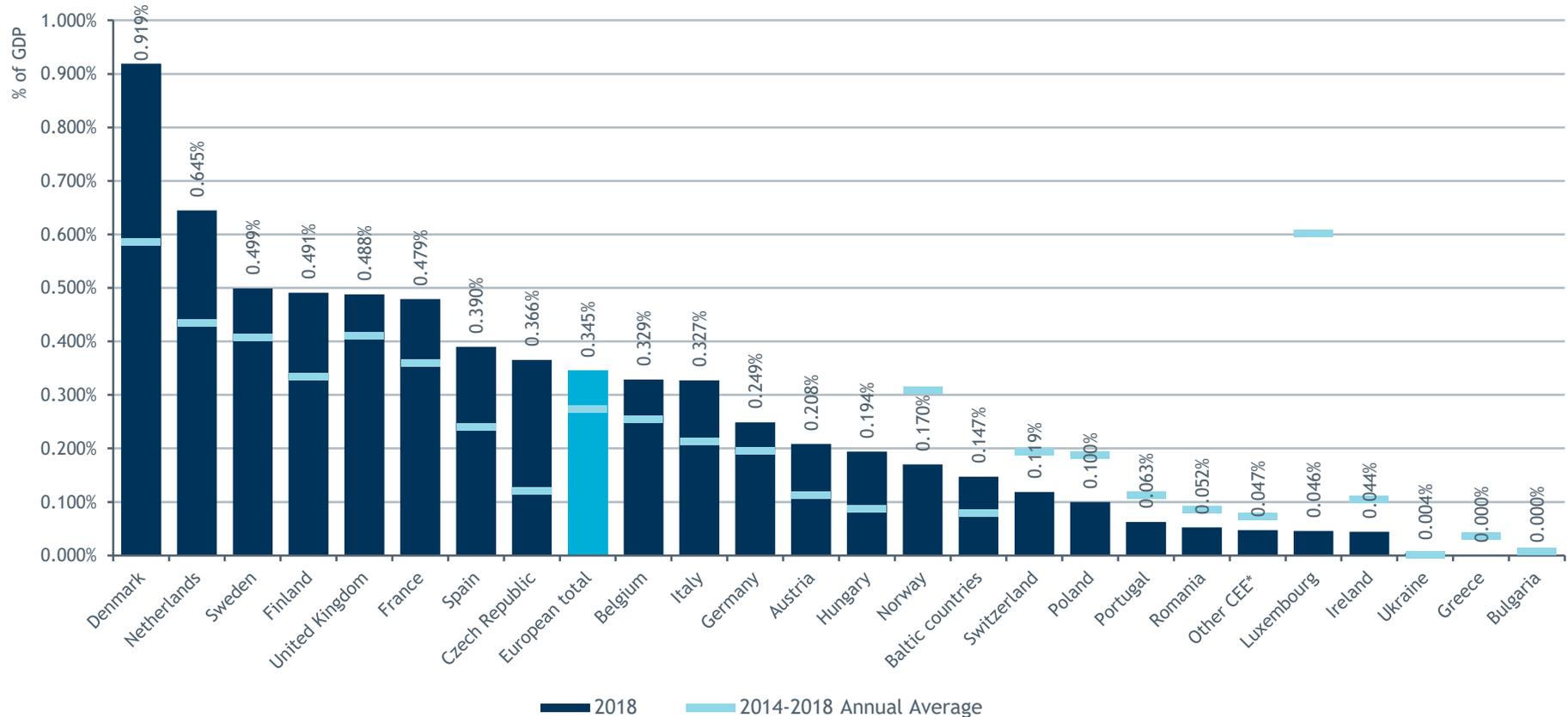


Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

Note: *Other CEE consists of Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovakia, Slovenia

Buyout - Investments as % of GDP

2018 - Market statistics: Location of the portfolio company

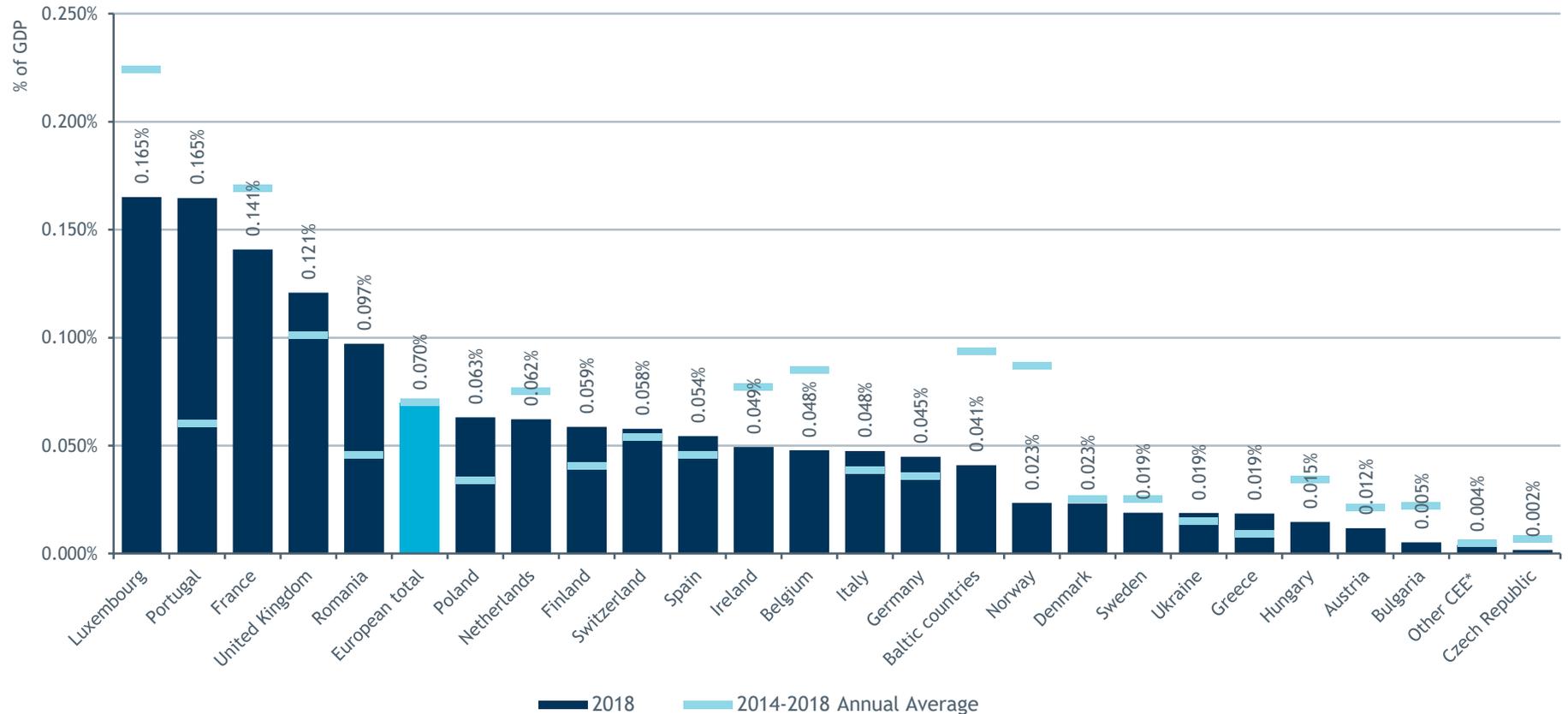


Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

Note: *Other CEE consists of Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovakia, Slovenia

Growth - Investments as % of GDP

2018 - Market statistics: Location of the portfolio company

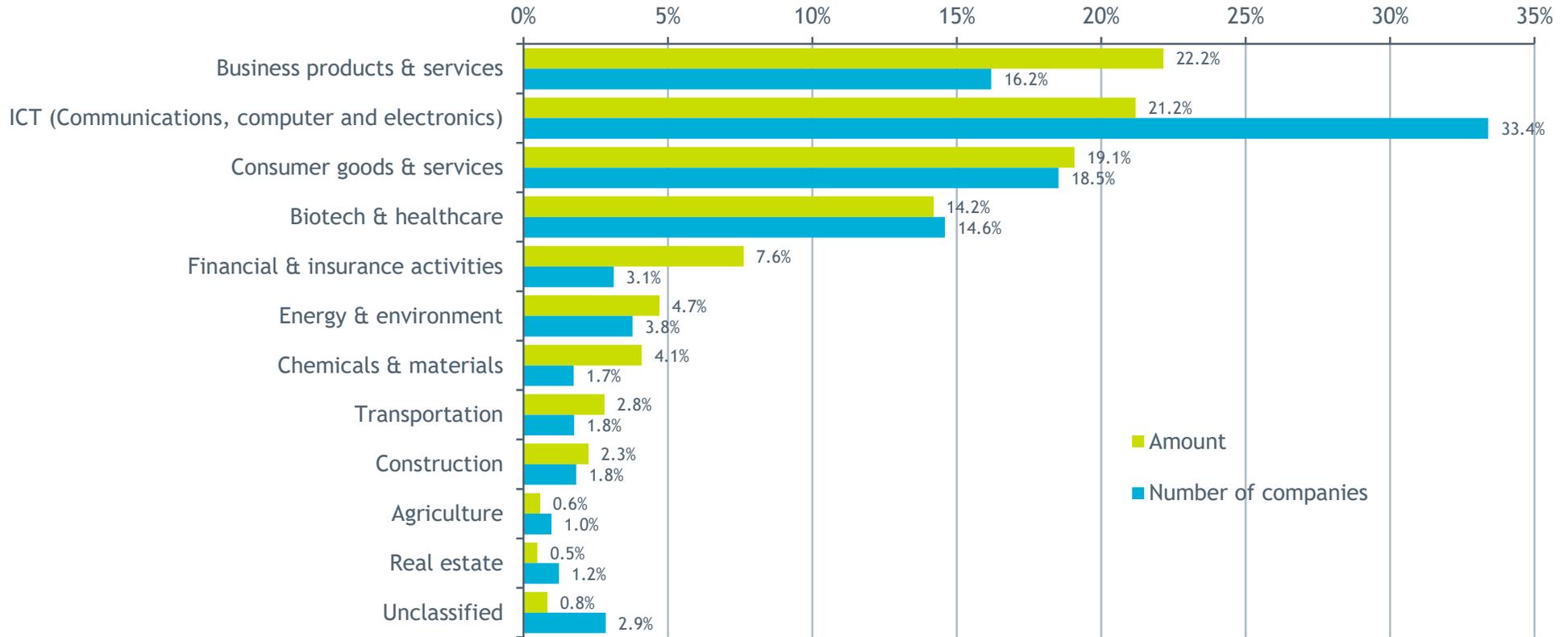


Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

Note: *Other CEE consists of Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovakia, Slovenia

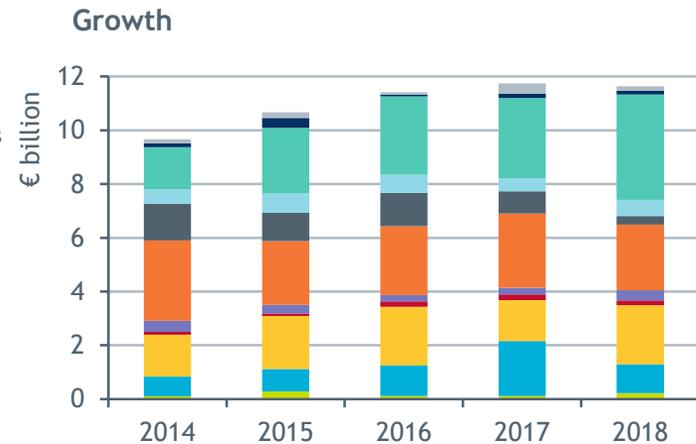
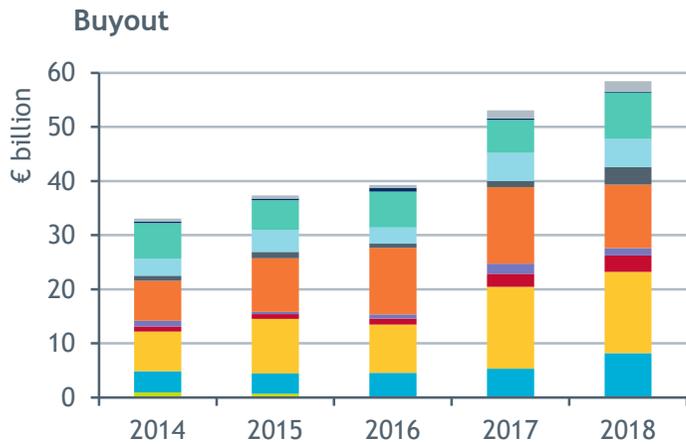
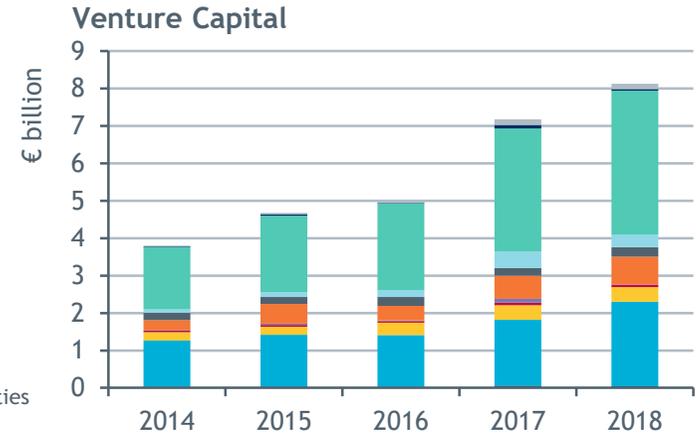
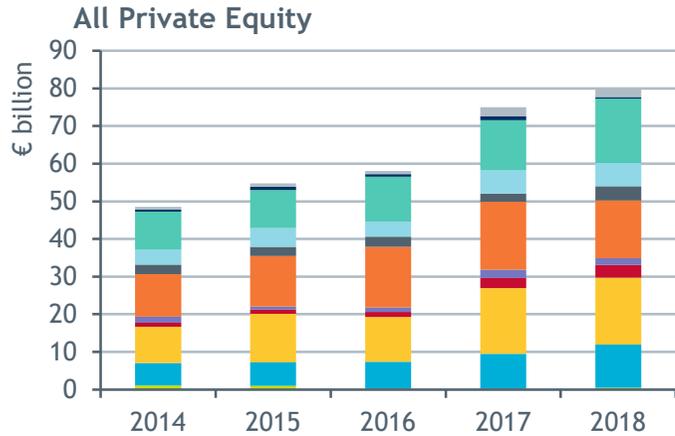
All Private Equity - Investments by sector

2018 - Market statistics - % of Amount & Number of companies



Investments by sector

2014-2018 - Market statistics - Amount



Source: Invest Europe / EDC

2018 European Private Equity Activity



FUNDRAISING

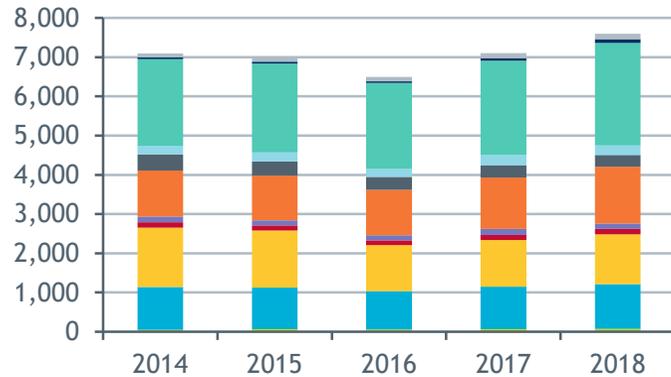
INVESTMENTS

DIVESTMENTS

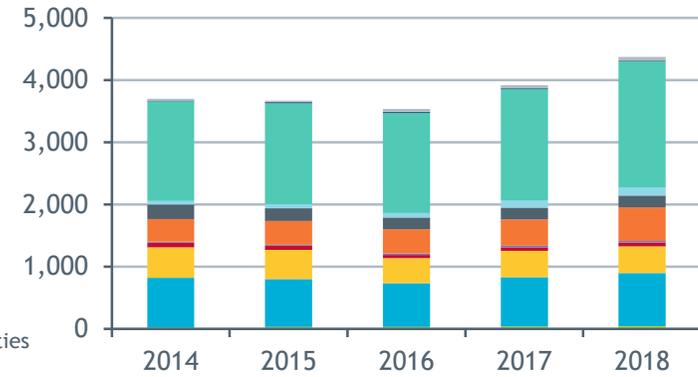
Investments by sector

2014-2018 - Market statistics - Number of companies

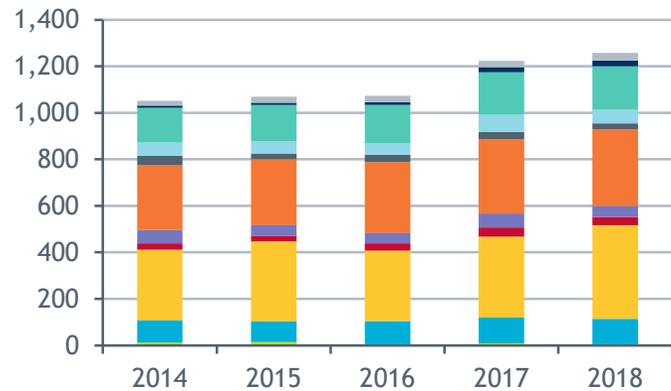
All Private Equity



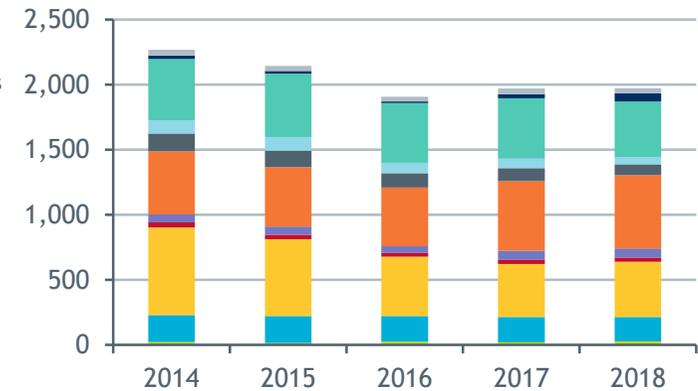
Venture Capital



Buyout

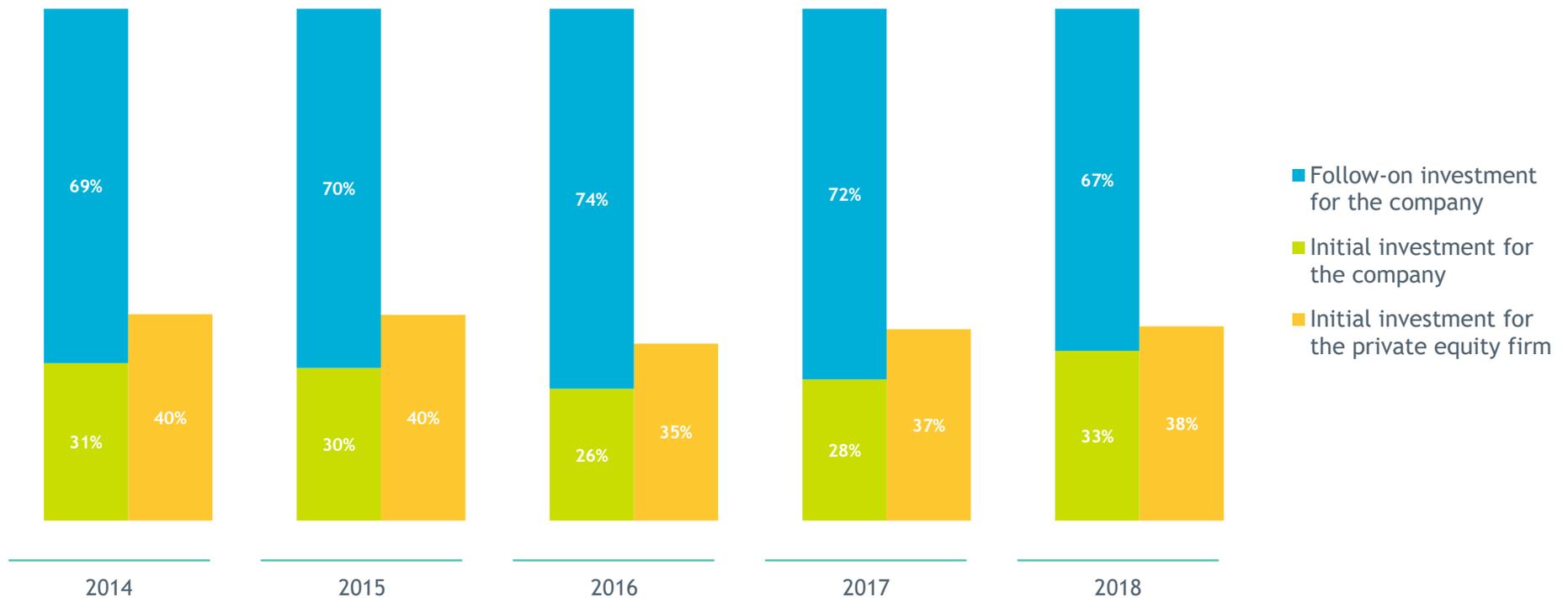


Growth



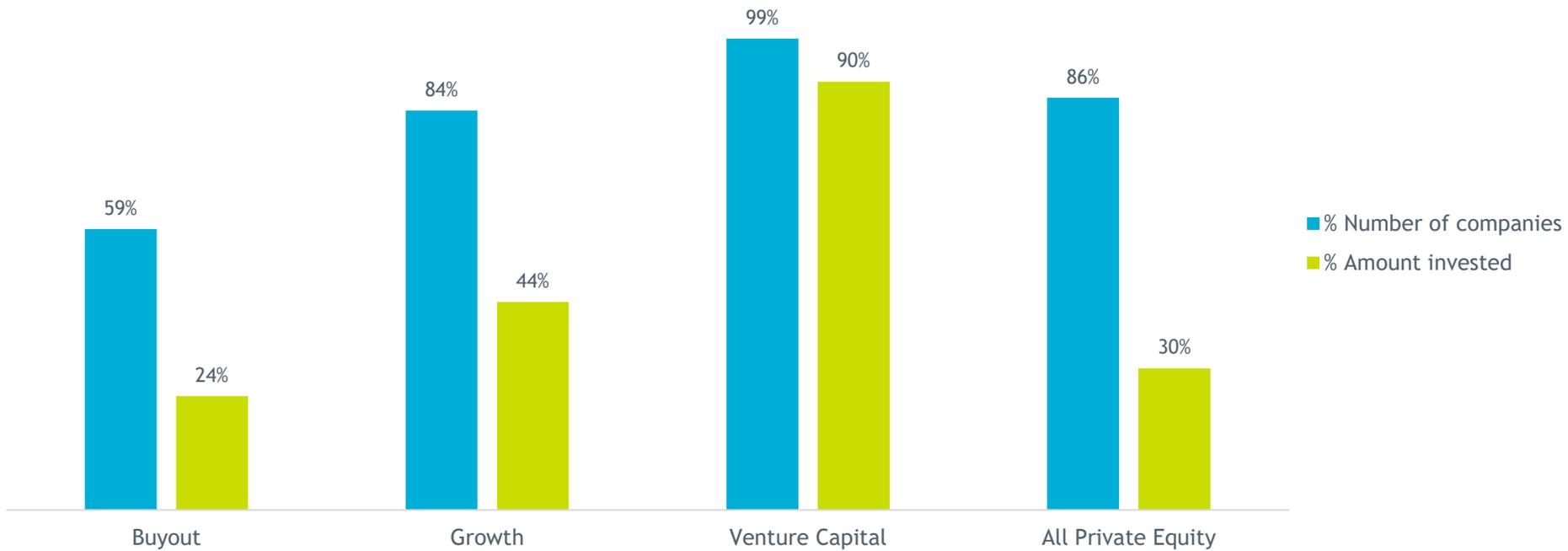
All Private Equity - Initial / Follow-on investments

2018 - Market statistics - % of Number of companies



Investments in SMEs

2018 - Market statistics - % of Number of companies & Amount



Source: Invest Europe / EDC

Note: SMEs = companies with less than 250 full-time equivalent staff

2018 European Private Equity Activity

FUNDRAISING

INVESTMENTS

DIVESTMENTS

3. DIVESTMENTS

Divestments statistics explained

Industry statistics are an aggregation of figures according to the country of the private equity firm's office in charge of the divestment. At European level, this relates to divestments made by European private equity firms regardless of the location of the portfolio company.

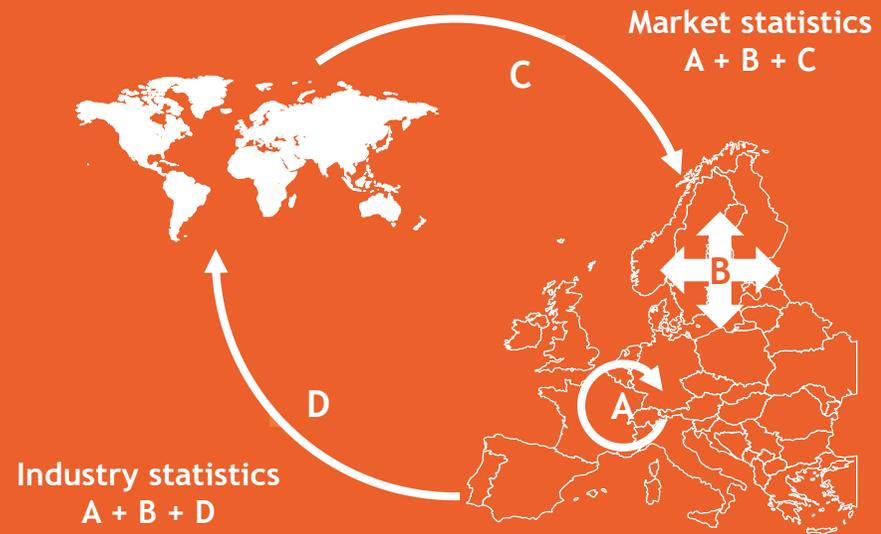
Market statistics are an aggregation of figures according to the location of the portfolio company. At European level, this relates to divestments of European companies regardless of the location of the private equity firm.

Divestment amounts (including write-offs) are recorded at cost (i.e. the total amount divested is equal to the total amount invested before).

The funds included in the statistics are: private equity funds making direct private equity investments, mezzanine private equity funds, co-investment funds and rescue/turnaround funds.

The following funds are excluded from the statistics: infrastructure funds, real estate funds, private debt funds, distressed debt funds, primary funds of funds, secondary funds of funds.

Market versus industry statistics



- A Domestic divestments in European countries
- B Cross-border divestments within Europe
- C Non-European private equity firms divesting portfolio companies in Europe
- D European private equity firms divesting portfolio companies outside Europe

Glossary

Exit route

Management/ Owner buy-back: The buyer of the company is its management team.

Public offering:

- First divestment following flotation (IPO): The sale or distribution of a private company's shares to the public for the first time by listing the company on the stock exchange.
- Sale of quoted equity post flotation: It includes sale of quoted shares only if connected to a former private equity investment, e.g. sale of quoted shares after a lock-up period.

Repayment of preference shares / loans or mezzanine:

If the private equity firm provided loans or bought preference shares in the company at the time of investment, then their repayment according to the amortisation schedule represents a decrease of the financial claim of the firm into the company, and hence a divestment.

Sale to another private equity firm: The buyer of the portfolio company is a private equity firm.

Sale to financial institution: A financial institution is an entity that provides financial services for its clients:

- Depository Institutions: deposit-taking institutions that accept and manage deposits and make loans, including banks, building societies, credit unions, trust companies, and mortgage loan companies
- Contractual Institutions: Insurance companies and pension funds
- Investment Institutions other than direct private equity firms.

Trade sale: The sale of a company's shares to industrial investors.

Write-off: The value of the investment is eliminated and the return to investors is zero or negative.

Note: Recapitalisations are not considered in the divestment statistics.

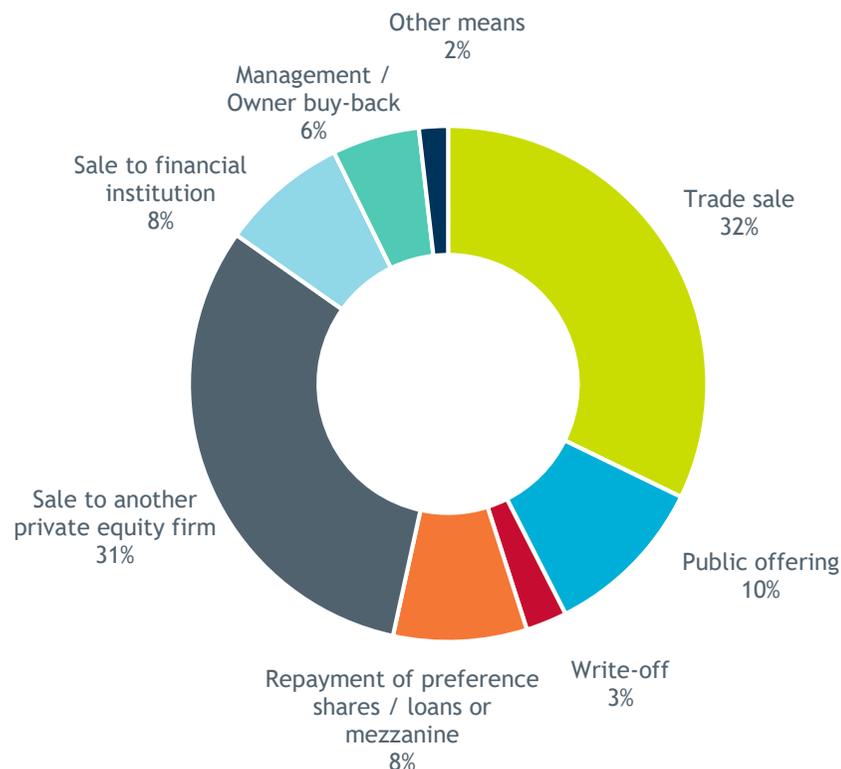
2018 Divestments at a glance

- 3,750 European companies were exited in 2018, a 3% decrease on the previous year. By amount of former equity investment (divestment at cost), the total value was €32bn, a year-on-year decrease of 28%. The most prominent exit routes by amount at cost were trade sale (32%), sale to another private equity firm (31%) and public offering (10%).
- Buyout divestments represented 70% by amount at cost and 23% of exits by number of companies. They decreased 34% by amount to €22.4bn and 12% by number of companies to 863. The decline was due to falls in activity across the three main exit routes: trade sale, sale to another private equity firm and public offering. Most companies that were exited operated in the business products and services sector, followed by consumer goods and services, and ICT.
- Venture divestments represented 6% by amount at cost and 32% by number of companies. They decreased 5% by amount at cost to €2bn, while 1,193 companies were exited, a 1% decline. Trade sale was the most prominent exit route accounting for 35% by amount at cost, despite an 8% year-on-year decrease. Public offerings rose 39% to a ten-year high, representing a 22% share of amount at cost. Most companies exited operated in the ICT sector, followed by biotech and healthcare, and business products and services.
- Growth divestments represented 18% of all exits by amount at cost and 42% by number of companies. They decreased 15% by amount to €5.8bn and 2% by number of companies to 1,571. The main exit routes were trade sale and sale to another private equity firm. Most companies exited operated in the business products and services sector, followed by consumer goods and services, and ICT.
- Write-offs recorded their lowest level in ten years by amount and number of companies divested.

2018 - Market statistics	All Private Equity	Venture Capital ⁽¹⁾	Buyout ⁽¹⁾	Growth ⁽¹⁾
Divestments - Amount	€32.0bn	€2.0bn	€22.4bn	€5.8bn
Divestments - No. Companies	3,750	1,193	863	1,571
Number of Firms	756	344	354	303
Number of Funds	1,899	772	645	881

Source: Invest Europe / EDC
 Note: (1) relates to the investment stage of the portfolio company

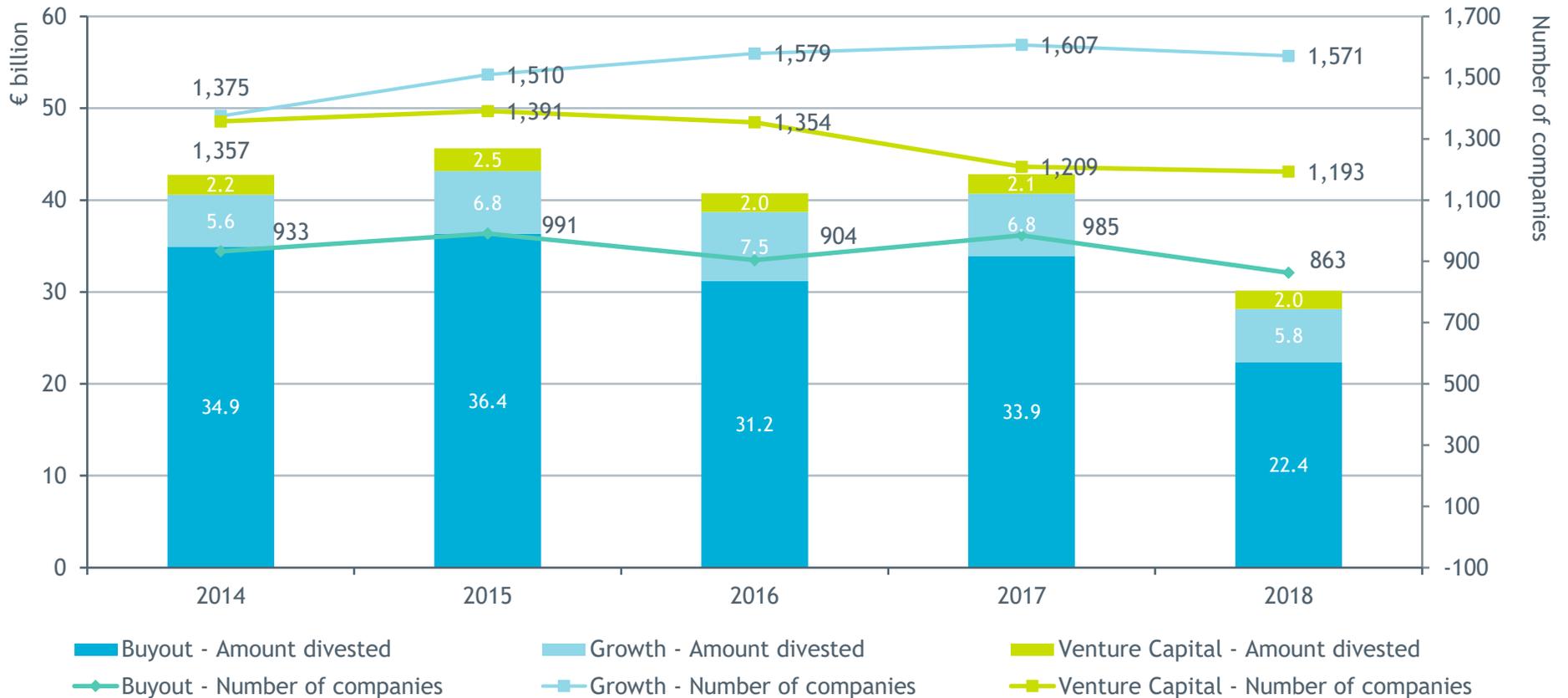
Divestments - Market statistics - % total amount divested at cost



Source: Invest Europe / EDC

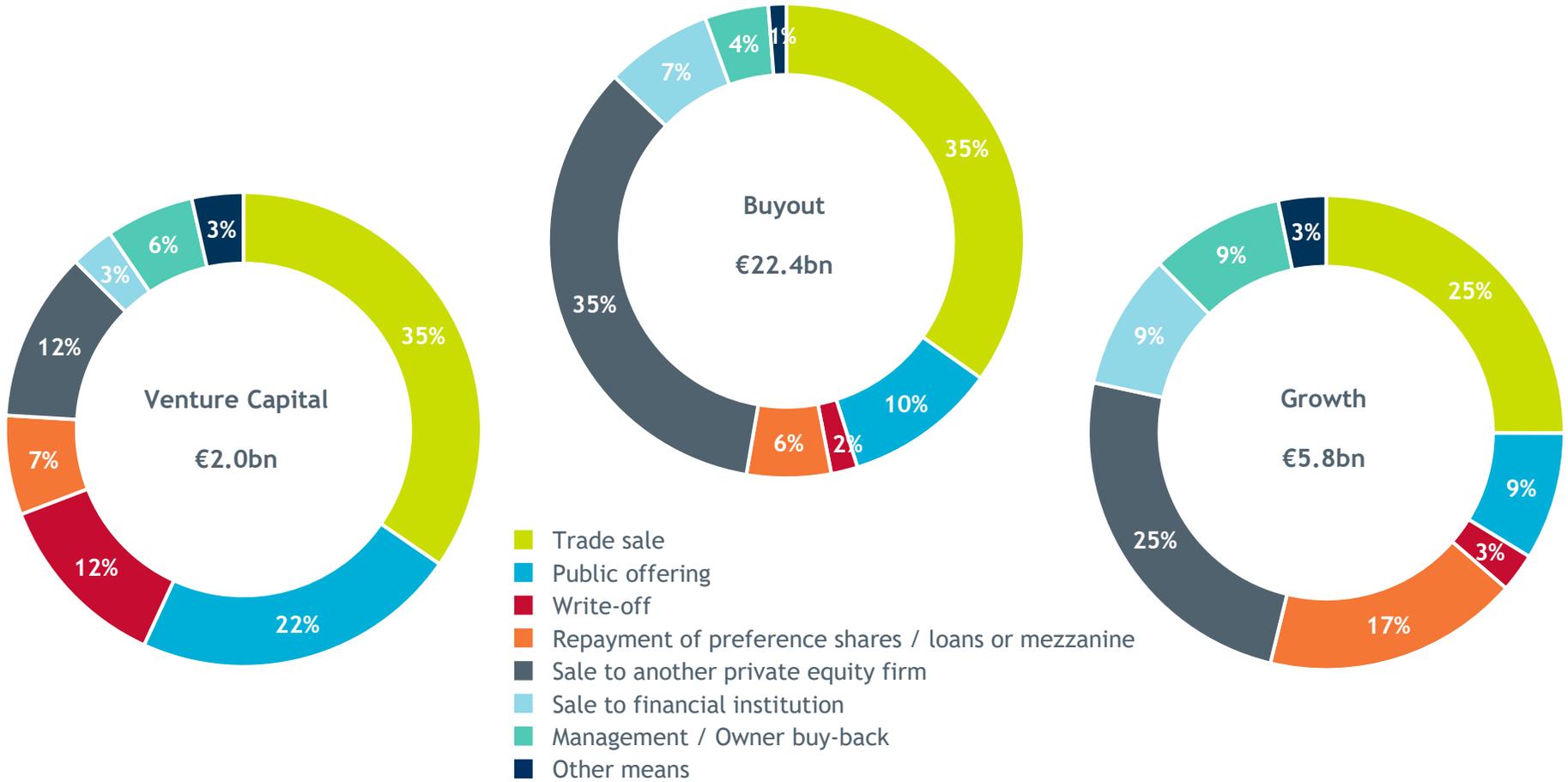
Divestments at cost - Venture Capital / Buyout / Growth

2014-2018 - Market statistics - Amount & Number of companies



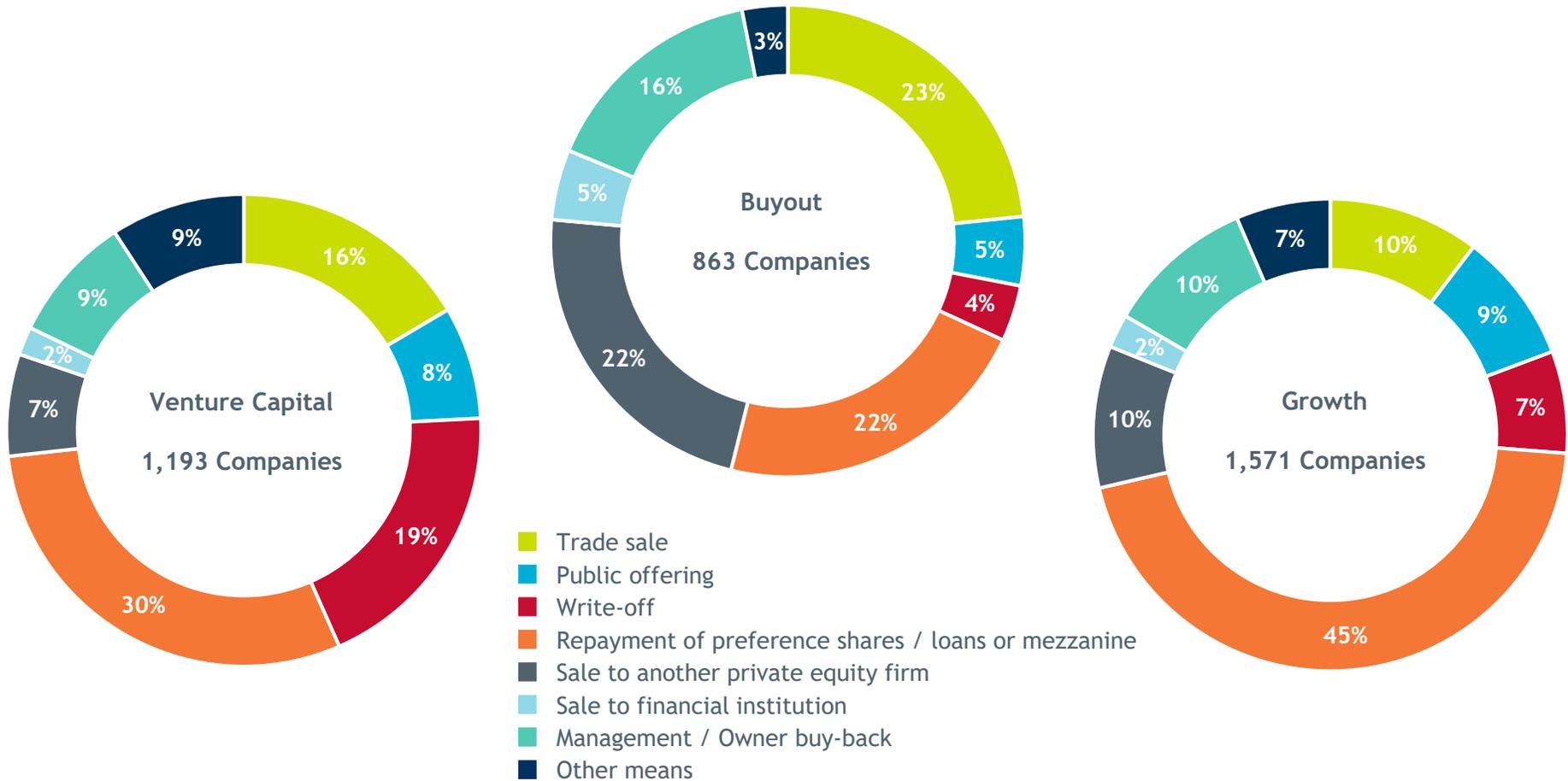
Divestments at cost by exit route - Venture Capital / Buyout / Growth

2018 - Market Statistics - % of Amount



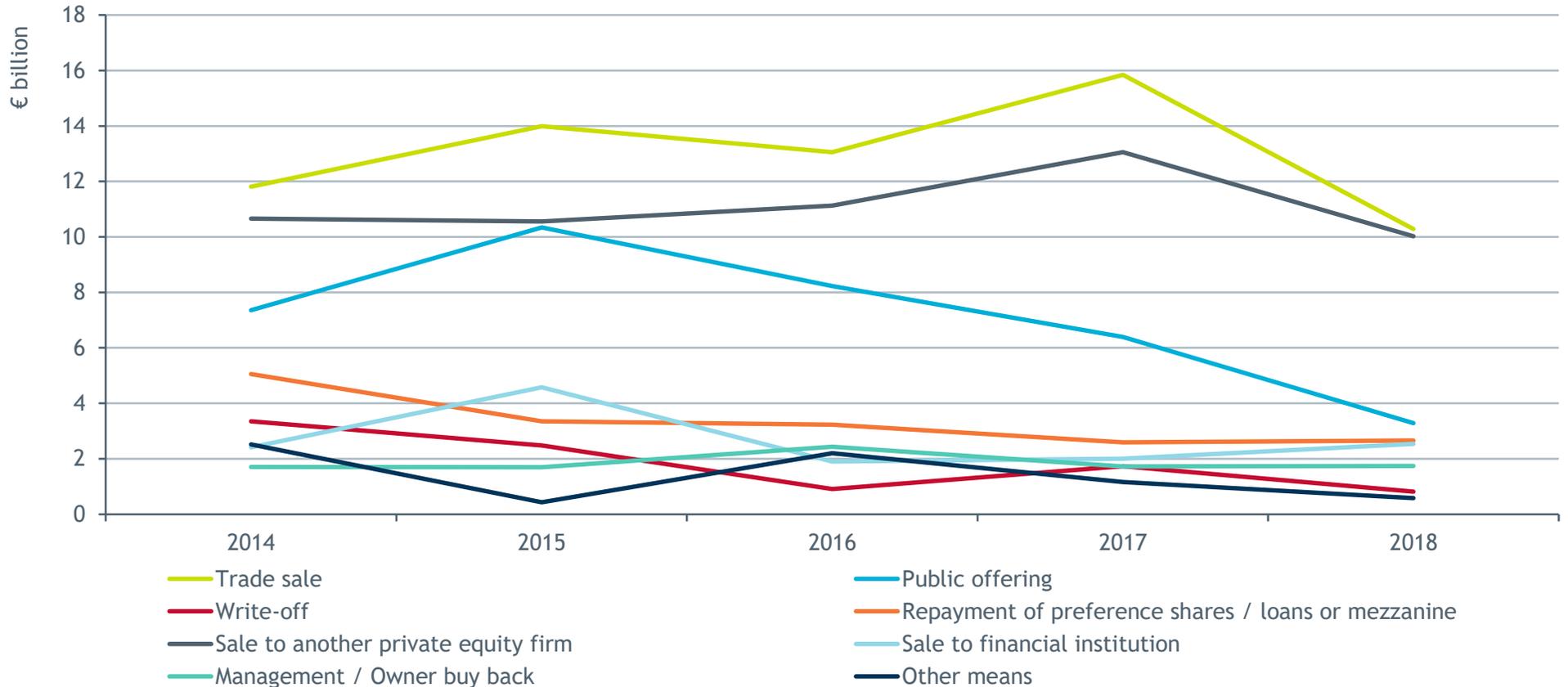
Divestments at cost by exit route - Venture Capital / Buyout / Growth

2018 - Market Statistics - % of Number of companies



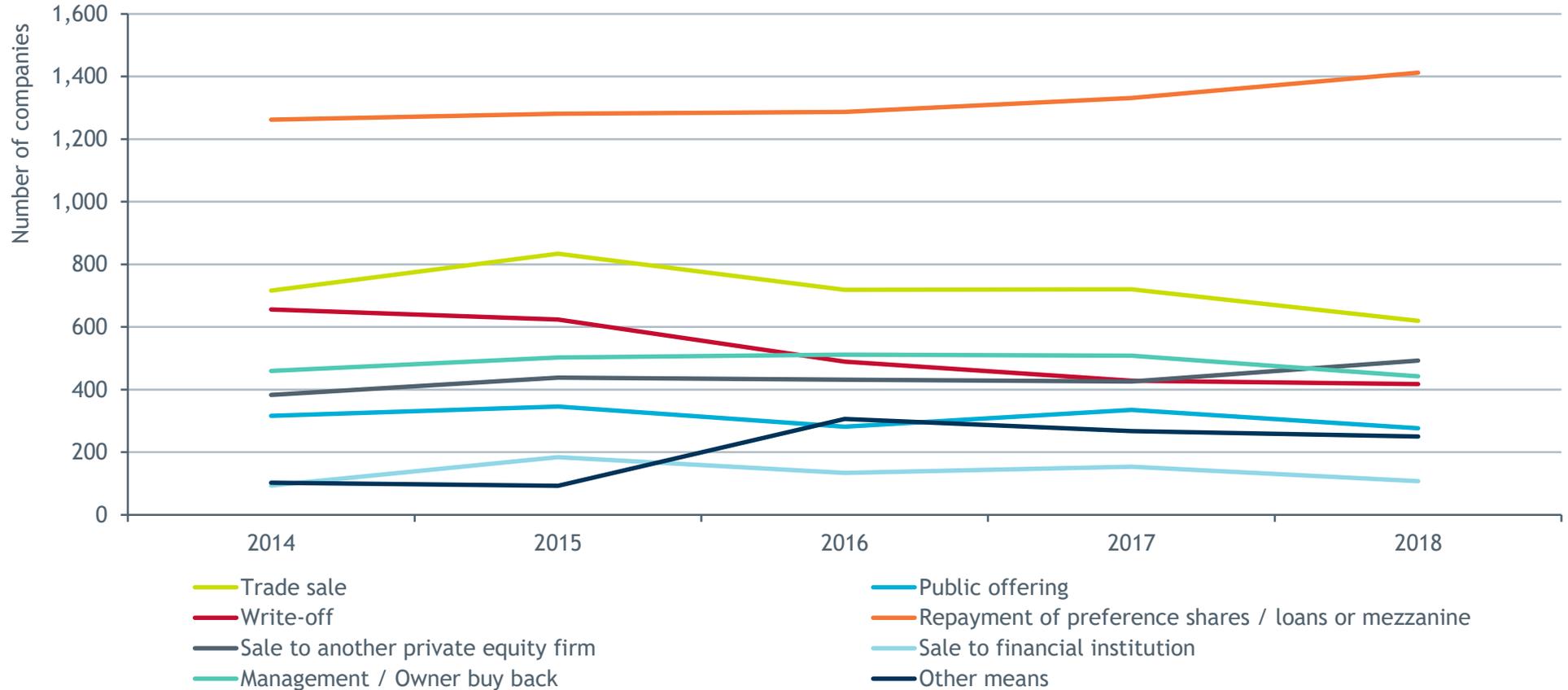
All Private Equity - Divestments at cost by exit route

2014-2018 - Market statistics - Amount at cost



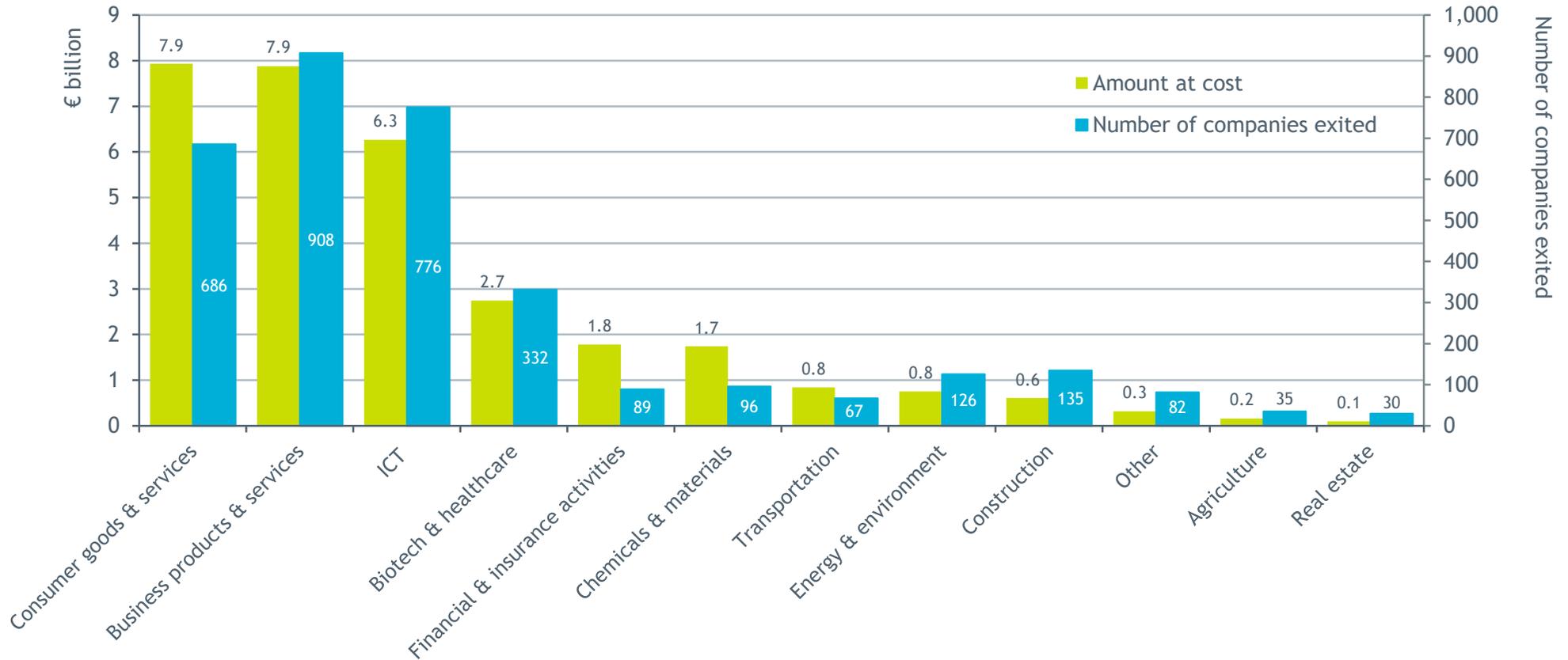
All Private Equity - Divestments at cost by exit route

2014-2018 - Market statistics - Number of companies



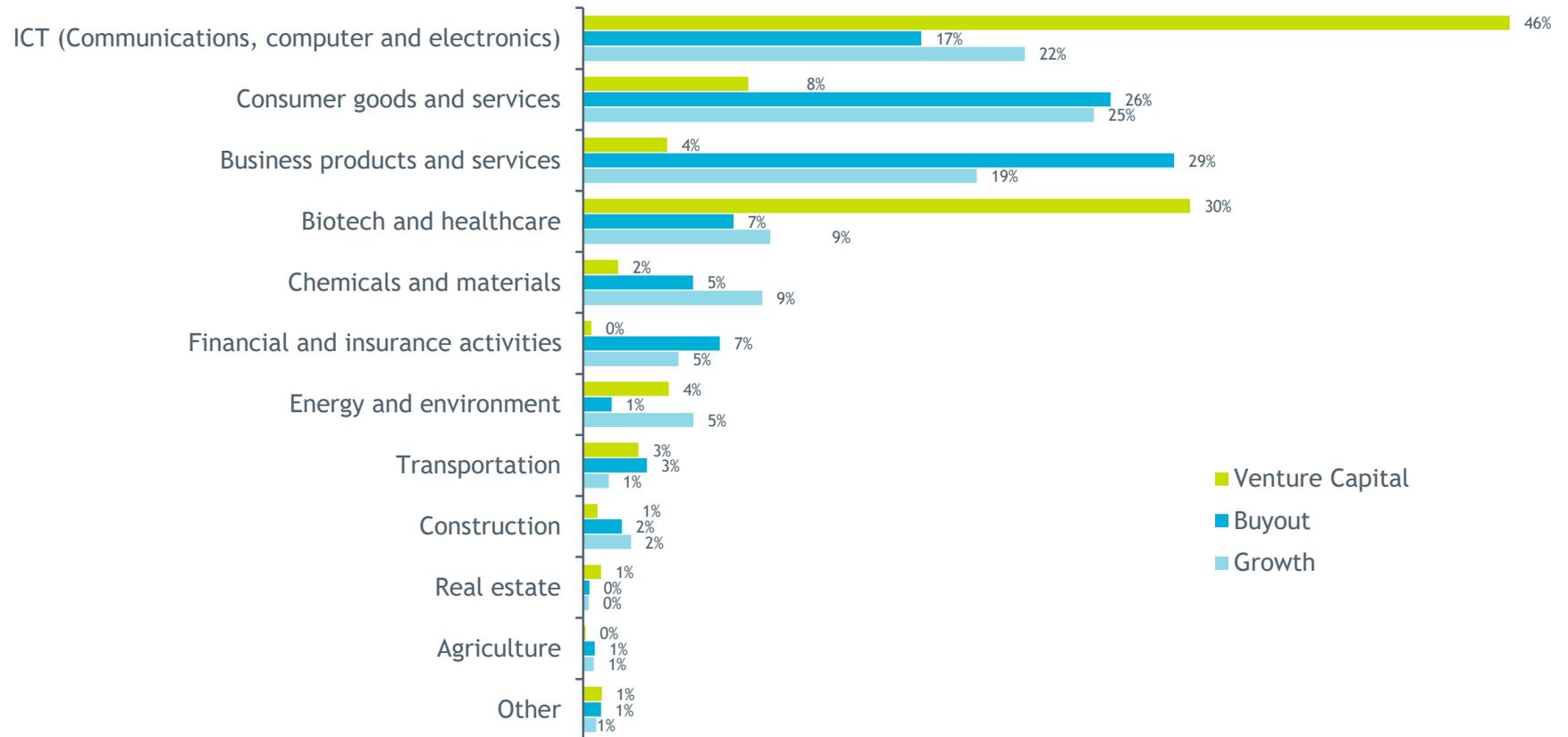
All Private Equity - Divestments at cost by sector

2018 - Market statistics - Amount & Number of companies (excluding write-offs)



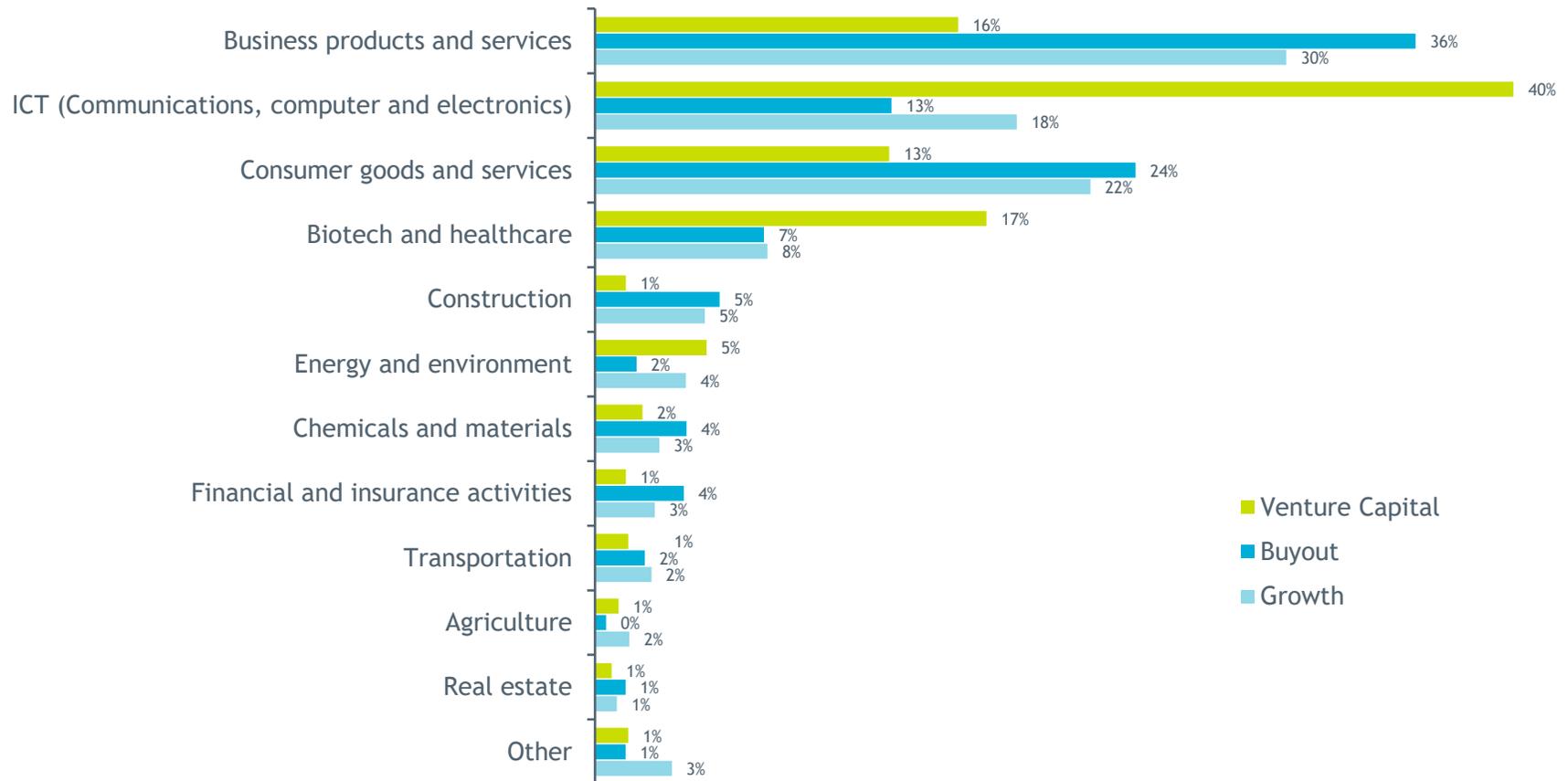
Divestments at cost by sector - Venture Capital / Buyout / Growth

2018 - Market statistics - Amount (excluding write-offs)



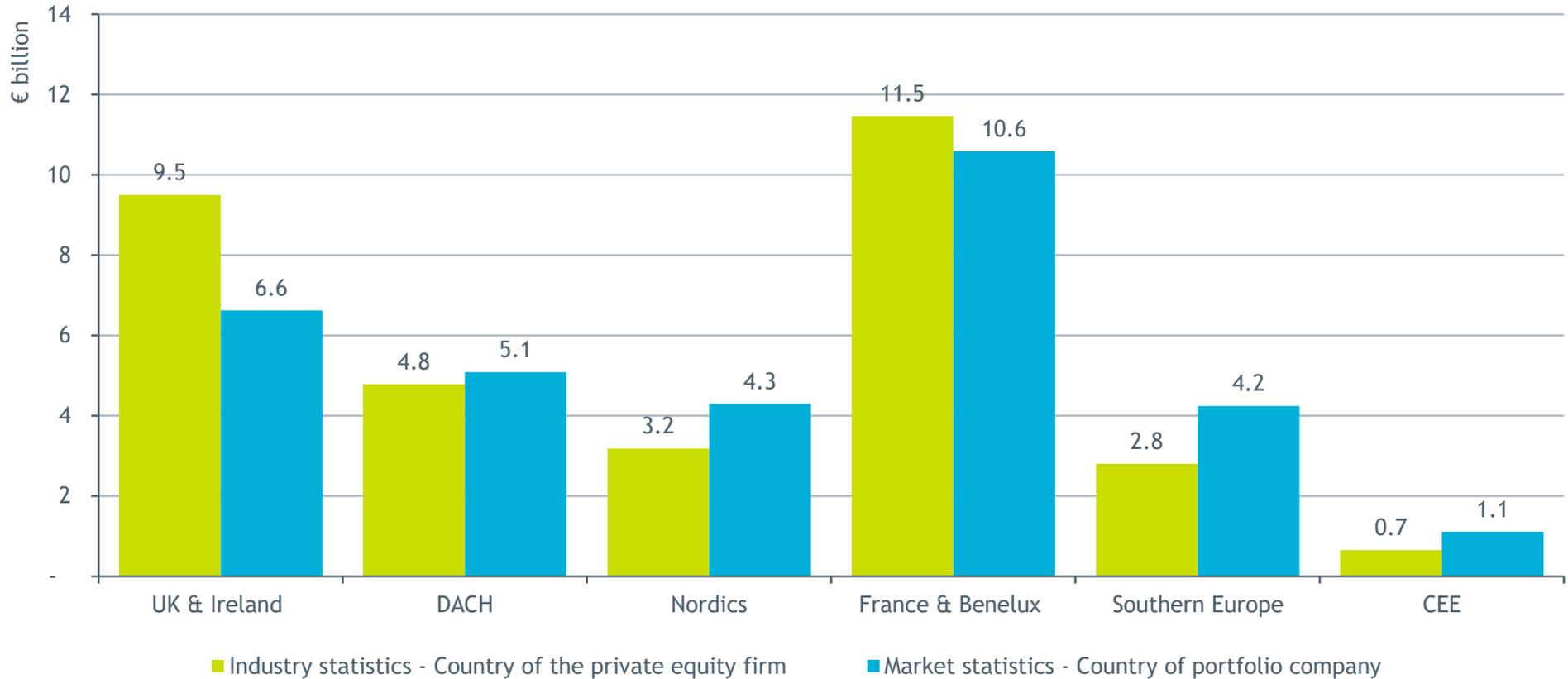
Divestments at cost by sector - Venture Capital / Buyout / Growth

2018 - Market statistics - Number of companies (excluding write-offs)



All Private Equity - Divestments at cost by region

2018 - Industry vs. Market statistics - % of Amount



Source: Invest Europe / EDC

DACH: Austria, Germany, Switzerland / Southern Europe: Greece, Italy, Portugal, Spain / Nordics: Denmark, Finland, Norway, Sweden / CEE: Central Eastern Europe



ACKNOWLEDGEMENTS

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