



## Private equity invests in record 566 CEE companies in 2020

- Second-best year for VC investment and private equity exits across the region

**Brussels, Belgium - 29 June 2021** Private equity firms invested in a record 566 companies in Central and Eastern Europe in 2020, as the industry supported dynamic SMEs and start-ups that will fuel the recovery from the impact of COVID-19 and underpin long-term economic and social development across the region.

Invest Europe, the association representing Europe's private equity, venture capital and infrastructure sectors, as well as their investors, today released its 2020 Central and Eastern Europe Private Equity Statistics. The report shows that the number of companies receiving private equity investment increased by 15% on the previous year's record and beat the five-year average by 46%.

Venture capital was the driving force for company investments in 2020 as firms backed 474 start-ups and scale-ups with total investment of €358 million - just 4% below the all-time high achieved in 2019. Overall private equity investment slipped to €1.7 billion in 2020, mainly due to the absence of large buyout transactions involving equity commitments exceeding €300 million during the period.

Poland was the leading destination with a quarter of the region's total investment value (€431 million) and home to almost a fifth of the companies receiving funding. By investment value, it was followed by Estonia with 21% of the CEE total, the Czech Republic (17%), Hungary (14%) and Croatia (9%). Hungary was the leading destination for investment by deal number with 236 companies receiving €226 million in funding, 220 of those were venture capital. Poland reported a total of 105 new investments, of which 82 were venture deals. Across the region and all investments, Information and Communication Technology was the leading sector, accounting for almost half of companies backed, while Consumer Goods and Services ranked second.

Bill Watson, Chair of Invest Europe's Central and Eastern Europe Taskforce, commented: *"Private equity is supporting more companies than ever across Central and Eastern Europe. These are fast-growing businesses that can help drive the region's recovery from the effects of the pandemic, as well as its long-term economic and social development. CEE is on a path that converges with the rest of Europe and private equity can play an essential role in enabling companies in the region to achieve their full potential."*

Eric de Montgolfier, CEO of Invest Europe, added: *"Private equity backed companies in CEE are developing into local, regional and global champions. They are highlighting not only the talent, skills and entrepreneurship inherent in the region, but also the vast opportunity still to come as experienced managers work with businesses to take them to the next level."*

Public offerings fuelled a strong year from private equity exits in 2020, drawing attention to the strength and potential of companies being created in CEE. Exits increased by 47% to €1.4 billion, measured at historical investment cost, with public listings hitting a record of €690 million. The statistics show that the CEE region more than doubled its proportion of European exit value to 5.8% in 2020.



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# PRESS RELEASE

Private equity fundraising for investment in CEE dropped to €1 billion as fundraising cycles meant that the region's large fund managers were not in the market raising new funds. But, the venture capital sector raised €667 million in 2020, the second-highest total on record, positioning the sector for a sustained high level of investment activity in the coming years.

The 2020 Central and Eastern Europe Private Equity Statistics are available to download from Invest Europe's website, [investeurope.eu](http://investeurope.eu). Please click [here](#) to access the full [report](#).

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## NOTES TO EDITORS

### About Invest 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 26 employees in Brussels, Belgium.

For more information visit [www.investeurope.eu](http://www.investeurope.eu)