INVESTING IN EUROPE:
PRIVATE EQUITY ACTIVITY 2022

Statistics on Fundraising, Investments, & Divestments
Disclaimer
The information contained in this report has been produced by Invest Europe, based on data collected as part of the European Data Cooperative (EDC) and other third-party information. While Invest Europe has made every effort to ensure the reliability of the data included in this report, Invest Europe cannot guarantee the accuracy of the information collected and presented. Therefore, Invest Europe cannot accept responsibility for any decision made or action taken based upon this report, or the information provided herein.

This report is for the exclusive use of the persons to whom it is addressed and is intended for general information purposes only. It is not intended to constitute legal or other professional advice and should not be treated as such. Appropriate legal advice must be sought before making any decision, taking any action or refraining from taking any action in reliance on the information contained in this report. Invest Europe does not assume any responsibility for any person’s reliance upon the information contained herein.

In furnishing this report, Invest Europe undertakes no obligation to provide any additional information or to update this report or any additional information or to correct any inaccuracies which may become apparent.

Unless otherwise specified, this report is confidential and may not be distributed, published, reproduced or disclosed to any other person or used for any other purpose, without the written permission of Invest Europe.

Copyright information
No part of this publication may be reproduced by any process except in accordance with the provisions of the Copyright Act 1968.

Copyright enquiries should be directed to Invest Europe.
Tel: + 32 2 715 00 20.
© Copyright Invest Europe May 2023

Version
Presentation as of 01/05/2023
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 27 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 which is owned & operated by Invest Europe and its national association partners to collect Europe-wide private equity and venture capital industry data.

> The EDC serves as a single data entry point for members of private equity and venture capital associations and other contributors across the continent.

> Using one platform with a standardised methodology allows us to have consistent, robust pan-European statistics that are comparable across the region.

> Audit efforts are conducted in close coordination with data contributors and partnering national associations to ensure the best coverage and consistent application of methodology.

> 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.

> 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](http://www.investeurope.eu/research)) or by contacting the research team ([research@investeurope.eu](mailto: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.
European Data Cooperative

What is the EDC?

1,170+ fund managers across Europe contributed to 2022 data collection effort

94% of the €846bn in capital under management in Europe covered (as of end-2021)
### Investing in Europe:
Private Equity Activity 2022

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
</tr>
<tr>
<td>Divestments</td>
<td></td>
</tr>
<tr>
<td>Methodology &amp; Glossary</td>
<td></td>
</tr>
<tr>
<td>Acknowledgements</td>
<td></td>
</tr>
</tbody>
</table>

#### What’s inside?

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreword</td>
<td>7</td>
</tr>
<tr>
<td>Executive Summary</td>
<td>9</td>
</tr>
<tr>
<td>Methodology &amp; Glossary</td>
<td>75</td>
</tr>
<tr>
<td>Acknowledgements</td>
<td>80</td>
</tr>
<tr>
<td>About Invest Europe Research</td>
<td>82</td>
</tr>
</tbody>
</table>

#### Fundraising

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>At a Glance</td>
<td>12</td>
</tr>
<tr>
<td>Incremental Fundraising</td>
<td></td>
</tr>
<tr>
<td>By Fund Stage Focus</td>
<td>14</td>
</tr>
<tr>
<td>Concentration of Capital</td>
<td>16</td>
</tr>
<tr>
<td>First-Time &amp; Follow-On Funds</td>
<td>17</td>
</tr>
<tr>
<td>By Region of Management</td>
<td>19</td>
</tr>
<tr>
<td>Investors by Type</td>
<td>21</td>
</tr>
<tr>
<td>Investors by Geography</td>
<td>26</td>
</tr>
<tr>
<td>Final Closing</td>
<td></td>
</tr>
<tr>
<td>By Fund Stage Focus</td>
<td>29</td>
</tr>
<tr>
<td>Concentration of Capital</td>
<td>31</td>
</tr>
<tr>
<td>Median and Interquartile</td>
<td>32</td>
</tr>
</tbody>
</table>

#### Investments

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>At a Glance</td>
<td>37</td>
</tr>
<tr>
<td>By Investment Stage</td>
<td></td>
</tr>
<tr>
<td>All Private Equity</td>
<td>39</td>
</tr>
<tr>
<td>Buyout by Equity Bracket</td>
<td>42</td>
</tr>
<tr>
<td>By Geography</td>
<td>44</td>
</tr>
<tr>
<td>Investments as % of GDP</td>
<td></td>
</tr>
<tr>
<td>Location of the PE Firm</td>
<td>49</td>
</tr>
<tr>
<td>Location of the Portfolio Company</td>
<td>54</td>
</tr>
<tr>
<td>By Sector</td>
<td>58</td>
</tr>
<tr>
<td>Investments in SMEs</td>
<td>61</td>
</tr>
</tbody>
</table>

#### Divestments

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>At a Glance</td>
<td>63</td>
</tr>
<tr>
<td>By Exit Route</td>
<td>65</td>
</tr>
<tr>
<td>By Sector</td>
<td>70</td>
</tr>
<tr>
<td>By Region</td>
<td>73</td>
</tr>
<tr>
<td>Holding Period</td>
<td>74</td>
</tr>
</tbody>
</table>

[www.investeurope.eu/research]
Foreword

After the high-water mark of the immediate recovery from COVID in 2021, and amid growing economic challenges, few could have expected European private equity and venture capital to set new records. But that is exactly what the industry did in 2022.

European private equity and venture capital fundraising surged to €170 billion, 30% above the previous peak in 2021. Europe's burgeoning venture capital industry raised a record €23 billion to back start-ups, while buyout specialists raised €111 billion to transform and expand mature European companies - 50% more than the average of the last five (already strong) fundraising years.

These figures reflect the confidence of long-term investors in the ability of European managers to generate returns that can grow the pensions and savings of citizens globally. Over a quarter of all funds came from pension funds, with strong support from funds of funds which act as conduits for smaller pension funds, insurance groups and sovereign wealth funds.

Rather than sitting on the sidelines, these funds - along with operational expertise - are already flowing into more than 9,000 companies, where they can make a real difference by driving innovation, job creation, growth and the transition to a greener and more sustainable economy. Private equity and venture capital firms across Europe invested €130 billion in 2022, below last year's record but still 30% above the average of the last five years.

This investment goes to companies that are writing Europe's future. The Information & Communication Technology sector received over €43 billion of investment, followed by Consumer Goods & Services and Biotech & Healthcare.

This year - for the first time - Growth investments have been split into “VC-backed” & “Non-VC-backed”, the former referring to investments with continued VC fund participation. This new split aims to more accurately reflect the market and provide a new perspective to our audience.

Growth investment in total reached €29 billion and venture capital investment exceeded €18 billion in 2022 - in double-digit decline compared to the record levels reached in 2021 but both comfortably ahead of pre-2021 levels - with funds mainly targeting SMEs, which are Europe's growth engine and economic backbone. Buyout investments, which revitalise larger and more mature companies, exceeded €80 billion.

There are still tough challenges ahead. Yet amidst the uncertainty, European private equity and venture capital continue to rise to the occasion, supporting investors and businesses when they need it most.

Eric de Montgolfier, CEO, Invest Europe
Executive Summary

**FUNDRAISING**

Total fundraising in Europe during 2022 reached €170bn, 30% above 2021’s figure and the highest level ever recorded. 801 funds raised capital during the year, the second highest number of funds ever recorded. This number is also 13% above the average number of funds raising capital over the previous five years.

Pension funds provided 27% of funds raised, followed by Fund of funds & Other asset managers (18%). Capital from North America accounted for the highest proportion of fundraising (24%), followed by Asia & Australia (22%).

276 funds reached their final closing during 2022, raising a total amount of €102bn since inception. This is the second highest number of funds reaching a final closing in any year ever recorded.

Venture fundraising saw a record year in 2022, with €23bn raised during the year. Funds focusing on all stages of Venture & those focused on Early-stage both raised 42% of the total for the year. 343 venture funds raised capital in 2022 - 81 of them were first-time funds. The top source of funds was corporate investors (31%). The France & Benelux region continued to be the principal source of capital.

Buyout fundraising reached €111bn in 2022, 51% above the average for the previous five years. 151 buyout funds raised capital in 2022, in line with the average for the previous five years. Pension funds provided the most capital (34%). Capital from North America was the most important source (31%).

Growth fundraising reached the second highest level ever recorded (€21bn) during the year, 42% above the average for the past five years. 200 growth funds raised capital in 2022. Funds of funds & other asset managers provided the most capital for the year (25%).

**INVESTMENTS**

The total equity amount invested in European companies in 2022 - €130bn - is the second highest level in any year recorded and is 30% over the average for the previous five years. 9,033 companies received investment, 7% above the average for the previous five years, 87% of which were SMEs. ICT received over €43bn of investments and combined with consumer goods & services accounted for more than 50% of investments by amount.

Venture capital investment reached €18bn in 2022. This is almost 50% more than the average for the past five years. 5,435 companies received a venture investment in 2022 - 98% of these being SMEs - representing around 60% of the total number of companies backed during the year. This year in terms of amount the Start-up stage within Venture received the most amount of investment: €9bn, or 50% of the total. By sector, ICT remains key (almost half of Venture capital investment).

Buyout investments reached €81bn in 2022, 23% above the average for the past five years, with the category representing just over 60% of total investment for 2022. This year the Mega buyout segment saw the highest amount of investments within buyout throughout the year (51% of total buyout amount). By sector, ICT received the most investment (€23bn).

Growth investments saw their second highest levels ever recorded in 2022, reaching €29bn for the year. This is 50% above the average for the previous five years. Non-VC-backed growth investments received 72% of the total (€21bn), whilst VC-backed growth investments received the remainder (€8bn)*. The number of companies receiving growth investment reached 2,208. ICT received the highest level of investment (41%).

Investments by European Private Equity & Venture capital funds reached 0.62% of European GDP in 2022, the second highest level on record following 2021’s extraordinary investment levels.

**DIVESTMENTS**

Divestments at cost in 2022 reached €33bn, down roughly 27% from the year before and possibly due to difficult macro-economic conditions during the year. 3,340 European companies were exited during the year, a 17% decrease from 2021. The main exit route by amount was sale to another private equity firm (41%).

Venture divestments in 2022 reached €2.7bn at cost divested, representing an 11% decrease from the year before. This is also 6% above the average for the past five years: €2.5bn. 1,352 companies were exited, roughly in line with numbers seen over the recent past (apart from 2021’s record year). The main exit route by a significant amount was by trade sale (46%), 42% of exited companies were in the ICT sector.

Buyout divestments saw a 31% year-on-year decrease, reaching €2.5bn in 2022. 750 companies were divested, down 23% from 2021. The main exit route by both amount & number of companies was sale to another private equity firm (47% & 25% respectively). Business products and services was the sector with most exits by amount (25%), as well as in terms of number of companies (31%).

Growth divestments amounted to €7.2bn in 2022, 13% decrease from 2021 and above the average for the previous five years (€6.8bn). 1,354 growth companies were divested. The main exit route by amount was sale to another private equity firm (32%). Companies in the consumer goods & services sector (27%) saw the most exits, also in terms of value this was the most important sector (22%).

* See methodology for a description of this new Growth split
Overview - All Private Equity - Fundraising, Investments, & Divestments
Amount over time (€ billion)

FUNDRAISING

INVESTMENTS

DIVESTMENTS

Source: Invest Europe / EDC
www.investeurope.eu/research
ACTIVITY 2022

FUNDRAISING
Fundraising at a glance
2022 - Analysis

> Total fundraising in Europe during 2022 reached €170bn, 30% above 2021’s figure and the highest level ever recorded. 801 funds raised capital during the year, the second highest number of funds ever recorded. This number is also 13% above the average number of funds raising capital over the previous five years.

> Pension funds provided 27% of funds raised, followed by Fund of funds & Other asset managers (18%), and Sovereign wealth funds (15%). Capital from North America accounted for the highest proportion of fundraising (24%), followed by Asia & Australia (22%). In total, 48% was committed by investors from outside Europe.

> 276 funds reached their final closing during 2022, raising a total amount of €102bn since inception. This is the second highest number of funds reaching a final closing in any year ever recorded. The 17 funds raising more than €1bn on final closing represented more than 60% of the total amount raised.

> Venture fundraising saw a record year in 2022, with €23bn raised during the year. This amount is 13% above the €20bn seen in 2021. Funds focusing on all stages of Venture & those focused on Early-stage both raised 42% of the total for the year. 343 venture funds raised capital in 2022 - 81 of them were first-time funds. The top three sources of funds were corporate investors (31%), Family offices & Private individuals (18%), and Fund of funds & Other asset managers (14%). The France & Benelux region continued to be the principal source of capital, with 32% of funds committed coming from the region.

> Buyout fundraising reached €111bn in 2022, 51% above the average for the previous five years. 151 buyout funds raised capital in 2022, in line with the average for the previous five years. Pension funds provided the most capital (34%), followed by Funds of funds & other asset managers (18%), and sovereign wealth funds (18%). Capital from North America was the most important source (31%), followed by Asia & Australia (26%) and the UK & Ireland (11%).

> Growth fundraising reached the second highest level ever recorded (€21bn) during the year, 42% above the average for the past five years. 200 growth funds raised capital in 2022. Funds of funds & other asset managers provided the most capital for the year (25%), followed by family offices & private individuals (18%), and Government agencies (18%).

**All Private Equity**

<table>
<thead>
<tr>
<th></th>
<th>Amount raised</th>
<th>by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount raised</td>
<td>€170bn</td>
<td>801</td>
</tr>
<tr>
<td>Final amount raised</td>
<td>€102bn</td>
<td>276</td>
</tr>
</tbody>
</table>

**Venture Capital**

<table>
<thead>
<tr>
<th></th>
<th>Amount raised</th>
<th>by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount raised</td>
<td>€23bn</td>
<td>343</td>
</tr>
<tr>
<td>Final amount raised</td>
<td>€14bn</td>
<td>122</td>
</tr>
</tbody>
</table>

**Buyout**

<table>
<thead>
<tr>
<th></th>
<th>Amount raised</th>
<th>by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount raised</td>
<td>€111bn</td>
<td>151</td>
</tr>
<tr>
<td>Final amount raised</td>
<td>€62bn</td>
<td>67</td>
</tr>
</tbody>
</table>

**Growth**

<table>
<thead>
<tr>
<th></th>
<th>Amount raised</th>
<th>by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount raised</td>
<td>€21bn</td>
<td>200</td>
</tr>
<tr>
<td>Final amount raised</td>
<td>€14bn</td>
<td>61</td>
</tr>
</tbody>
</table>

NB: Amount raised represents incremental amount raised. Final closing represents cumulative amount raised.
Fundraising at a glance
Europe - Incremental amount raised during the year

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

www.investeurope.eu/research
Funds raised by fund stage focus
Incremental amount raised during the year

Source: Invest Europe / EDC
www.investeurope.eu/research
Funds raised by fund stage focus
Number of funds that reached first, intermediate or final closing during the year

Source: Invest Europe / EDC

www.investeurope.eu/research
All Private Equity - Concentration of capital
Incremental fundraising by amount bracket per fund during the year

Source: Invest Europe / EDC
www.investeurope.eu/research
All Private Equity - Funds raised by first-time and follow-on funds

Incremental amount raised during the year

Source: Invest Europe / EDC
All Private Equity - Funds raised by first-time fund and follow-on fund

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

Source: Invest Europe / EDC

www.investeurope.eu/research
All Private Equity - Funds raised by region of management
Incremental amount raised during the year - € billion

Source: Invest Europe / EDC
www.investeurope.eu/research
All Private Equity - Funds raised by region of management and investor type
2022 - Incremental amount raised during the year - % of total amount

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

www.investeurope.eu/research
### Funds raised by type of investor

2022 - Incremental amount raised during the year - % of total amount

<table>
<thead>
<tr>
<th>Type of Investor</th>
<th>All Private Equity (801 funds, 518 firms)</th>
<th>Venture Capital funds (343 funds, 255 firms)</th>
<th>Buyout funds (151 funds, 124 firms)</th>
<th>Growth funds (200 funds, 127 firms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic institutions</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Banks</td>
<td>4%</td>
<td>7%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Capital markets</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Corporate investors</td>
<td>5%</td>
<td>31%</td>
<td>1%</td>
<td>6%</td>
</tr>
<tr>
<td>Endowments and foundations</td>
<td>3%</td>
<td>2%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Family offices</td>
<td>6%</td>
<td>7%</td>
<td>5%</td>
<td>9%</td>
</tr>
<tr>
<td>Fund of funds</td>
<td>11%</td>
<td>8%</td>
<td>11%</td>
<td>18%</td>
</tr>
<tr>
<td>Government agencies</td>
<td>5%</td>
<td>14%</td>
<td>1%</td>
<td>18%</td>
</tr>
<tr>
<td>Insurance companies</td>
<td>10%</td>
<td>6%</td>
<td>9%</td>
<td>12%</td>
</tr>
<tr>
<td>Other asset managers</td>
<td>7%</td>
<td>6%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Pension funds</td>
<td>27%</td>
<td>6%</td>
<td>34%</td>
<td>9%</td>
</tr>
<tr>
<td>Private individuals</td>
<td>7%</td>
<td>10%</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>Sovereign wealth funds</td>
<td>15%</td>
<td>1%</td>
<td>18%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: Invest Europe / EDC

www.investeurope.eu/research
All Private Equity - Funds raised by type of investor
Incremental amount raised during the year - % of total amount

Source: Invest Europe / EDC
www.investeurope.eu/research
Venture Capital - Funds raised by type of investor
Incremental amount raised during the year - % of total amount

Source: Invest Europe / EDC
www.investeurope.eu/research
Buyout - Funds raised by type of investor
Incremental amount raised during the year - % of total amount

Source: Invest Europe / EDC
www.investeurope.eu/research
Growth - Funds raised by type of investor
Incremental amount raised during the year - % of total amount

Source: Invest Europe / EDC
www.investeurope.eu/research
All Private Equity - Fundraising geographic breakdown
2022 (2021) - Source of funds - % of total amount

North America
24.5% (17.2%)

Australia & Asia
22.0% (14.5%)

Rest of the world
1.8% (1.9%)

Unclassified Europe
4.3% (7.0%)

4.1% (5.1%)

8.1% (9.4%)

9.8% (9.9%)

19.2% (28.0%)

5.8% (6.1%)

0.4% (0.9%)

Source: Invest Europe / EDC
www.investeurope.eu/research
Venture Capital - Fundraising geographic breakdown
2022 (2021) - Source of funds - % of total amount

Source: Invest Europe / EDC
www.investeurope.eu/research
Buyout - Fundraising geographic breakdown
2022 (2021) - Source of funds - % of total amount

North America 30.7% (21.3%)
Australia & Asia 26.5% (20.4%)
Rest of the world 2.2% (2.4%)
Unclassified Europe 4.7% (8.9%)

Source: Invest Europe / EDC
www.investeurope.eu/research
Final closing - Funds raised by fund stage focus

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.
Final closing - Funds raised by fund stage focus

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
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.

www.investeurope.eu/research
Final closing - All Private Equity - box-and-whisker plot

Final closing during the year - Median & Interquartile range

Third Quartile (Q3)
75% of data are ≤ than the upper box value

Median
50% of data are ≤ than this value

First Quartile (Q1)
25% of data are ≤ than the lower box value

Source: Invest Europe / EDC

www.investeurope.eu/research
Final closing - Venture Capital - box-and-whisker plot

Final closing during the year - Median & Interquartile range

Third Quartile (Q3)
75% of data are ≤ than the upper box value

Median
50% of data are ≤ than this value

First Quartile (Q1)
25% of data are ≤ than the lower box value

Source: Invest Europe / EDC

www.investeurope.eu/research
Final closing - Buyout - box-and-whisker plot

Final closing during the year - Median & Interquartile range

Third Quartile (Q3)
75% of data are ≤ than the upper box value

Median
50% of data are ≤ than this value

First Quartile (Q1)
25% of data are ≤ than the lower box value

Source: Invest Europe / EDC

www.investeurope.eu/research
Final closing - Growth - box-and-whisker plot

Final closing during the year - Median & Interquartile range

Third Quartile (Q3)
75% of data are ≤ than the upper box value

Median
50% of data are ≤ than this value

First Quartile (Q1)
25% of data are ≤ than the lower box value

Source: Invest Europe / EDC
www.investeurope.eu/research
## Investments at a glance

### 2022 Analysis

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
<th>Number of Companies</th>
<th>Firms</th>
<th>Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All Private Equity</strong></td>
<td>€130bn</td>
<td>9,033</td>
<td>1,605</td>
<td>3,289</td>
</tr>
<tr>
<td><strong>Venture Capital</strong></td>
<td>€18bn</td>
<td>5,435</td>
<td>1,077</td>
<td>1,911</td>
</tr>
<tr>
<td><strong>Buyout</strong></td>
<td>€81bn</td>
<td>1,335</td>
<td>469</td>
<td>849</td>
</tr>
<tr>
<td><strong>Growth</strong></td>
<td>€29bn</td>
<td>2,208</td>
<td>707</td>
<td>1,429</td>
</tr>
</tbody>
</table>

> The total equity amount invested in European companies in 2022 - €130bn - is the second highest level in any year recorded and is 30% over the average for the previous five years. 9,033 companies received investment, 7% above the average for the previous five years, 87% of which were SMEs. 62% of equity invested was domestic (within the country), 30% was intra-European, and the remainder was from non-European sources. Investments (by number of companies) were concentrated in four sectors: ICT (37%), consumer goods & services (16%), biotech & healthcare (15%), and business products & services (14%). ICT received over €43bn of investments and combined with consumer goods & services accounted for more than 50% of investments by amount.

> Venture capital investment reached €18bn in 2022. This is almost 50% more than the average for the past five years. 5,435 companies received a venture investment in 2022 - 98% of these being SMEs - representing around 60% of the total number of companies backed during the year. This year in terms of amount the Start-up stage within Venture received the most amount of investment: €9bn, or 50% of the total. By sector, ICT remains key (almost half of Venture capital investment), followed by biotech & healthcare (18%), and Financial & insurance activities (10%).

> Buyout investments reached €81bn in 2022, 23% above the average for the past five years, with the category representing just over 60% of total investment for 2022. This year the Mega buyout segment saw the highest amount of investments within buyout throughout the year (51% of total buyout amount). Within the Mid-Market, investments in the €15m - €50m range accounted for just over 40% of total amount into the space (in terms of number of companies, the percentage was 74%). By sector, ICT received the most investment (€23bn), followed by Business products & services (€18bn), and Consumer goods & services (€17.8bn).

> Growth investments saw their second highest levels ever recorded in 2022, reaching €29bn for the year. This is 50% above the average for the previous five years. Non-VC-backed growth investments received 72% of the total (€21bn), whilst VC-backed growth investments received the remainder (€8bn)*. The number of companies receiving growth investment reached 2,208. ICT received the highest level of investment (41%), followed by biotech & healthcare (12%), and consumer goods & services (12%).

> Investments by European Private Equity & Venture capital funds reached 0.62% of European GDP in 2022, the second highest level on record following 2021’s extraordinary investment levels.

* See methodology for a description of this new Growth split
Investments at a glance
Europe - Market statistics - Amount & Number of companies

Source: Invest Europe / EDC. Note: Other includes Turnaround/Rescue and Replacement capital

www.investeurope.eu/research
Investments by stage

2022 - Market statistics - Amount & Number of companies

€130bn invested in European companies

9,033 European companies invested with Private Equity

Source: Invest Europe / EDC

www.investeurope.eu/research
Investments by stage
Market statistics - Amount

Source: Invest Europe / EDC
www.investeurope.eu/research
Investments by stage

Market statistics - Number of companies

Source: Invest Europe / EDC

www.investeurope.eu/research
### Buyout - Investments by equity bracket

#### Market statistics - Amount & Number of companies

<table>
<thead>
<tr>
<th>Year</th>
<th>Mega (&gt; €300m)</th>
<th>Large (€150m - €300m)</th>
<th>Mid-market (€15m - €150m)</th>
<th>Small (&lt;€15m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>20.2</td>
<td>22.7</td>
<td>25.5</td>
<td>35</td>
</tr>
<tr>
<td>2019</td>
<td>11.8</td>
<td>14.7</td>
<td>10.3</td>
<td>64</td>
</tr>
<tr>
<td>2020</td>
<td>23.6</td>
<td>24.8</td>
<td>22.4</td>
<td>43</td>
</tr>
<tr>
<td>2021</td>
<td>32.6</td>
<td>16.5</td>
<td>30.6</td>
<td>73</td>
</tr>
<tr>
<td>2022</td>
<td>41.4</td>
<td>8.8</td>
<td>25.2</td>
<td>62</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>€ billion</th>
<th>Number of companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>826</td>
<td>52</td>
</tr>
<tr>
<td>2019</td>
<td>856</td>
<td>64</td>
</tr>
<tr>
<td>2020</td>
<td>629</td>
<td>43</td>
</tr>
<tr>
<td>2021</td>
<td>833</td>
<td>73</td>
</tr>
<tr>
<td>2022</td>
<td>875</td>
<td>62</td>
</tr>
</tbody>
</table>

Source: Invest Europe / EDC

www.investeurope.eu/research
Mid-market buyout - Investments by equity bracket

Market statistics - Amount & Number of companies

Source: Invest Europe / EDC

www.investeurope.eu/research
All Private Equity - Geographical investment flows
2022 - Domestic vs. International investments - Amount

- €7.7bn: European private equity firms investing into portfolio companies outside Europe
- €10.7bn: Non-European private equity firms investing into portfolio companies in Europe
- €80.2bn: Domestic investments in European countries
- €38.8bn: Cross-border investments within Europe

Source: Invest Europe / EDC
www.investeurope.eu/research
Venture Capital - Geographical investment flows
2022 - Domestic vs. International investments - Amount

- **Cross-border investments within Europe**: €6.6bn
- **Domestic investments in European countries**: €9.4bn
- **Non-European private equity firms investing into portfolio companies in Europe**: €2.2bn
- **European private equity firms investing into portfolio companies outside Europe**: €2.3bn

Source: Invest Europe / EDC

www.investeurope.eu/research
All Private Equity - Investments by region
2022 - Industry vs. Market statistics - Amount

Industry statistics
Investments according to the Private Equity firm’s location

Market statistics
Investments according to the portfolio company’s location

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

www.investeurope.eu/research
Investments by stage and region

2022 - Market statistics - Amount

- **UK & Ireland**: Seed (0.4), Start-up (0.4), Later-stage venture (0.4), VC-backed Growth (2.3), Non-VC-backed Growth (0.7), Turnaround/Rescue (0.1), Replacement capital (0.1), Buyout (6.5), Total (10.6)
- **France & Benelux**: Seed (1.2), Start-up (1.2), Later-stage venture (0.6), VC-backed Growth (2.9), Non-VC-backed Growth (0.4), Turnaround/Rescue (0.1), Replacement capital (0.1), Buyout (5.3), Total (7.8)
- **DACH**: Seed (0.4), Start-up (0.1), Later-stage venture (1.8), VC-backed Growth (2.7), Non-VC-backed Growth (0.7), Turnaround/Rescue (0.2), Replacement capital (0.2), Buyout (4.0), Total (5.3)
- **Southern Europe**: Seed (0.1), Start-up (0.9), Later-stage venture (0.7), VC-backed Growth (0.2), Non-VC-backed Growth (0.1), Turnaround/Rescue (0.1), Replacement capital (0.1), Buyout (2.0), Total (2.6)
- **Nordics**: Seed (0.1), Start-up (0.9), Later-stage venture (0.7), VC-backed Growth (0.9), Non-VC-backed Growth (0.7), Turnaround/Rescue (0.1), Replacement capital (0.1), Buyout (1.5), Total (2.7)
- **CEE**: Seed (0.8), Start-up (0.7), Later-stage venture (0.3), VC-backed Growth (0.4), Non-VC-backed Growth (0.5), Turnaround/Rescue (0.1), Replacement capital (0.1), Buyout (0.8), Total (1.2)

Source: Invest Europe / EDC

www.investeurope.eu/research
Investments by stage and region
2022 - Market statistics - Number of companies

Source: Invest Europe / EDC
www.investeurope.eu/research
All Private Equity - Investments as % of European GDP

Industry statistics - Location of the private equity firm


www.investeurope.eu/research
All Private Equity - Investments as % of GDP

2022 - Industry statistics - Location of the private equity 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
2022 - Industry statistics - Location of the private equity 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

www.investeurope.eu/research
Buyout - Investments as % of GDP
2022 - Industry statistics - Location of the private equity 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

www.investeurope.eu/research
Growth - Investments as % of GDP
2022 - Industry statistics - Location of the private equity 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

www.investeurope.eu/research
All Private Equity - Investments as % of GDP
2022 - 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

www.investeurope.eu/research
Venture Capital - Investments as % of GDP
2022 - 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

www.investeurope.eu/research
Buyout - Investments as % of GDP

2022 - 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

www.investeurope.eu/research
Growth - Investments as % of GDP
2022 - 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

www.investeurope.eu/research
All Private Equity - Investments by sector
2022 - Market statistics - % of Amount & Number of companies

Source: Invest Europe / EDC
Investments by sector
Market statistics - Amount

All Private Equity

Venture Capital

Buyout

Growth

Source: Invest Europe / EDC

www.investeurope.eu/research
Investments by sector

Market statistics - Number of companies

All Private Equity

<table>
<thead>
<tr>
<th>Year</th>
<th>Transportation</th>
<th>Real estate</th>
<th>ICT</th>
<th>Financial &amp; insurance activities</th>
<th>Energy &amp; environment</th>
<th>Consumer goods &amp; services</th>
<th>Construction</th>
<th>Chemicals &amp; materials</th>
<th>Business products &amp; services</th>
<th>Biotech &amp; healthcare</th>
<th>Agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2019</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2020</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2021</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2022</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
</tbody>
</table>

Venture Capital

<table>
<thead>
<tr>
<th>Year</th>
<th>Transportation</th>
<th>Real estate</th>
<th>ICT</th>
<th>Financial &amp; insurance activities</th>
<th>Energy &amp; environment</th>
<th>Consumer goods &amp; services</th>
<th>Construction</th>
<th>Chemicals &amp; materials</th>
<th>Business products &amp; services</th>
<th>Biotech &amp; healthcare</th>
<th>Agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2019</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2020</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2021</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2022</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
</tbody>
</table>

Buyout

<table>
<thead>
<tr>
<th>Year</th>
<th>Transportation</th>
<th>Real estate</th>
<th>ICT</th>
<th>Financial &amp; insurance activities</th>
<th>Energy &amp; environment</th>
<th>Consumer goods &amp; services</th>
<th>Construction</th>
<th>Chemicals &amp; materials</th>
<th>Business products &amp; services</th>
<th>Biotech &amp; healthcare</th>
<th>Agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2019</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2020</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2021</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2022</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
</tbody>
</table>

Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Transportation</th>
<th>Real estate</th>
<th>ICT</th>
<th>Financial &amp; insurance activities</th>
<th>Energy &amp; environment</th>
<th>Consumer goods &amp; services</th>
<th>Construction</th>
<th>Chemicals &amp; materials</th>
<th>Business products &amp; services</th>
<th>Biotech &amp; healthcare</th>
<th>Agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2019</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2020</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2021</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
<tr>
<td>2022</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
<td>800</td>
<td>1,000</td>
<td>200</td>
</tr>
</tbody>
</table>

Source: Invest Europe / EDC

www.investeurope.eu/research
Investments in SMEs
2022 - Market statistics - % of Number of companies & Amount

Source: Invest Europe / EDC. Note: SMEs = companies with fewer than 250 full-time equivalent staff
DIVESTMENTS

ACTIVITY 2022
## Divestments at a glance

### 2022 Analysis

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Companies</th>
<th>Firms</th>
<th>Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Private Equity</td>
<td>€33bn</td>
<td>3,340</td>
<td>735</td>
<td>1,831</td>
</tr>
<tr>
<td>Venture Capital</td>
<td>€2.7bn</td>
<td>1,352</td>
<td>393</td>
<td>831</td>
</tr>
<tr>
<td>Buyout</td>
<td>€22bn</td>
<td>750</td>
<td>294</td>
<td>571</td>
</tr>
<tr>
<td>Growth</td>
<td>€7bn</td>
<td>1,354</td>
<td>282</td>
<td>773</td>
</tr>
</tbody>
</table>

Note: the stages relate to the initial investment stage of the portfolio company

> Divestments at cost in 2022 reached €33bn, down roughly 27% from the year before and possibly due to difficult macro-economic conditions during the year. 3,340 European companies were exited during the year, a 17% decrease from 2021. The main exit route by amount was sale to another private equity firm (41%), followed by trade sale (29%) and then repayment of preference shares / loans or mezzanine (10%). By number of companies, repayment of preference shares / loans or mezzanine was the most popular exit route (31%), followed by trade sale (20%) and Management buy-back (13%). Average holding period for companies divested during the year was in a range of 5.2-6.7 years for all strategies.

> Venture divestments in 2022 reached €2.7bn at cost divested, representing an 11% decrease from the year before. This is also 6% above the average for the past five years: €2.5bn. 1,352 companies were exited, roughly in line with numbers seen over the recent past (apart from 2021’s record year). The main exit route by a significant amount was by trade sale (46%), this was followed by repayment of preference shares / loans or mezzanine and sale to another private equity firm (11% of amount for both). 42% of exited companies were in the ICT sector, followed by biotech and healthcare (19%), and business products and services (13%).

> Buyout divestments saw a 31% year-on-year decrease, reaching €22.5bn in 2022. 750 companies were divested, down 23% from 2021. The main exit route by both amount & number of companies was sale to another private equity firm (47% & 25% respectively). Following this was by trade sale (30% in terms of amount, 25% in terms of number of companies). Business products and services was the sector with most exits by amount (25%), as well as in terms of number of companies (31%).

> Growth divestments amounted to €7.2bn in 2022, a 13% decrease from 2021 and above the average for the previous five years (€6.8bn). 1,354 growth companies were divested. The main exit route by amount was sale to another private equity firm (32%), followed by trade sale (20%). Companies in the consumer goods & services sector (27%) saw the most exits, also in terms of value this was the most important sector (23%).
Divestments at cost at a glance

Market statistics - Amount & Number of companies

Source: Invest Europe / EDC. NB: Other includes Turnaround/Rescue and Replacement capital

www.investeurope.eu/research
Divestments at cost by exit route - All Private Equity
2022 - Market Statistics - % of Amount

Source: Invest Europe / EDC
www.investeurope.eu/research
Divestments at cost by exit route - Venture Capital / Buyout / Growth
2022 - Market Statistics - % of Amount

Venture Capital

€2.7bn divested at cost

- 5% Trade sale
- 3% Public offering
- 3% Write-off
- 11% Repayment of preference shares / loans or mezzanine
- 11% Sale to another private equity firm
- 11% Sale to financial institution
- 9% Management / Owner buyback
- 10% Other means

Buyout

€22.5bn divested at cost

- 30% Trade sale
- 4% Public offering
- 7% Write-off
- 15% Repayment of preference shares / loans or mezzanine
- 5% Sale to another private equity firm
- 5% Sale to financial institution
- 6% Management / Owner buyback
- 13% Other means

Growth

€7.2bn divested at cost

- 32% Trade sale
- 5% Public offering
- 7% Write-off
- 20% Repayment of preference shares / loans or mezzanine
- 13% Sale to another private equity firm
- 15% Sale to financial institution
- 5% Management / Owner buyback
- 3% Other means

Source: Invest Europe / EDC

www.investeurope.eu/research
Divestments at cost by exit route - Venture Capital / Buyout / Growth
2022 - Market Statistics - % of Number of companies

Source: Invest Europe / EDC
All Private Equity - Divestments at cost by exit route

Market statistics - Amount at cost

Source: Invest Europe / EDC  
www.investeurope.eu/research
All Private Equity - Divestments at cost by exit route

Market statistics - Number of companies

Source: Invest Europe / EDC

www.investeurope.eu/research
All Private Equity - Divestments at cost by sector
2022 - Market statistics - Amount & Number of companies (excluding write-offs)

Source: Invest Europe / EDC

www.investeurope.eu/research
Divestments at cost by sector - Venture Capital / Buyout / Growth
2022 - Market statistics - Amount (%, excluding write-offs)

Source: Invest Europe / EDC

www.investeurope.eu/research
Divestments at cost by sector - Venture Capital / Buyout / Growth
2022 - Market statistics - Number of companies (%), excluding write-offs

Source: Invest Europe / EDC
www.investeurope.eu/research
All Private Equity - Divestments at cost by region
2022 - Industry vs. Market statistics - Amount

Source: Invest Europe / EDC
www.investeurope.eu/research
All Private Equity - Average Holding Period

Average holding period in years

Source: Invest Europe / EDC

www.investeurope.eu/research
ACTIVITY 2022

METHODOLOGY & GLOSSARY
**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 turnaround/rescue 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, accelerator/incubator funds, business angel activity.

**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**

- **Banks (excl. feeder funds)**: Capital committed by banks, excluding by feeder funds (funds that invest in private equity funds on behalf of bank customers via private banking products). Capital from feeder funds is registered in the category corresponding to the type of investors investing into the bank’s feeder fund.
- **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.).
- **Fund of funds**: A private equity fund that primarily takes equity positions in other funds.
- **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 its own charitable activities.
- **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. The category may include private equity direct funds that occasionally do indirect investments but excludes fund of funds that are a standalone option.
- **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 investor. In the following presentation, unclassified figures concerning the type of investor have been extrapolated. More comprehensive data is available here: [www.investeurope.eu/research](http://www.investeurope.eu/research)
Investments

INVESTMENT 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 a company. 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 turnaround/rescue 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, accelerator/incubator funds, business angel activity.

INVESTMENTS STAGES

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 use 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. Such companies will not be generating a profit yet.

Later-stage venture: Financing provided for an operating company, which may or may not be profitable. Later-stage venture tends to involve 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.

Within Growth, type of investment is further split into “VC-backed growth” & “Non-VC-backed growth”. The former refers to Growth investments made with either continued participation by at least one VC fund at the time of the investment round, or else full divestment by the involved VC fund(s) at the time of the Growth round. The latter refers to Growth investments where VC funds had either fully divested prior to the Growth round, or else had never backed the company in question before.

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

Turnaround / Rescue: 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.
**Methodology & Glossary**

**Divestments**

---

**DIVESTMENT 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 turnaround/rescue 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, accelerator/incubator funds, business angel activity.

---

**EXIT ROUTE**

**Management / Owner buyback:** 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:
- Depositary 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.
Methodology and glossary

MARKET STATISTICS

A Domestic investments / divestments in European countries

B Cross-border investments / divestments within Europe

C Non-European private equity firms investing in / divestng portfolio companies in Europe

INDUSTRY STATISTICS

A Domestic investments / divestments in European countries

B Cross-border investments / divestments within Europe

D European private equity firms investing in / divesting portfolio companies outside Europe

Non-European private equity firms investing in / divestng portfolio companies in Europe
ACKNOWLEDGEMENTS
Acknowledgements

We are grateful for the generous support of General Partners representing private equity and venture capital firms across Europe who provided us with their activity data. These comprehensive and verified pan-European statistics would not be possible without their ongoing commitment.

We also thank all the regional and national private equity associations formally partnering with Invest Europe as part of the European Data Cooperative (EDC):

Active Owners Denmark - Denmark
AIFI - Italy
BVA - Belgium
BVCA - Bulgaria
BVCA - UK
BVK - Germany
CVCA - The Czech Republic
France Invest - France
FVCA - Finland
LPEA - Luxembourg
NVCA - Norway
NVP - The Netherlands
PSIK - Poland
ROPEA - Romania
SECA - Switzerland
SPAINCAP - Spain
SVCA - Sweden
About Invest Europe Research

Invest Europe is recognised as the authoritative data source for European private equity and venture capital by institutions including the European Commission and OECD (Organisation for Economic Co-operation and Development).

Rigorous research has underpinned Invest Europe’s work with policymakers, media, fund managers, and other stakeholders since 1984. To deliver this robust, trusted research data and insight, Invest Europe collects data on more than 1,750 firms.

INVEST EUROPE
RESEARCH TEAM

Research Director
Julien Krantz
Research Manager
Daniel Irwin-Brown
Research Officers
Lucrezia Lo Sordo
Francesco Lappano
research@investeurope.eu
www.investeurope.eu

PEREP_ANALYTICS
AUTHORISED STATISTICS PROVIDER FOR INVEST EUROPE

Statistics Manager
Iuliana Furica
Statistics Leads
Adriana Süket (Craciun) – Report Dedicated Lead
Alexandra Ehupov
Cristina Porumboiu
Statistics Team
Alexandra Bogomazova
Alexandra Ionescu
Andreea Anca
Andrei Apostol
Angela Sapun-Cucu
Bianca Ostropet
Dragos Tanasescu
George Radulescu
Georgiana Firdea
Luiza Dima - Report Dedicated Coordinator
Renata Sandulache
Silvia Costea
Tiberiu Mihallescu
Valentin Lepadat

info@perepanalytics.eu

www.investeurope.eu/research