

Press release

8 October 2019

Strong growth in French private equity activity in the first half of 2019

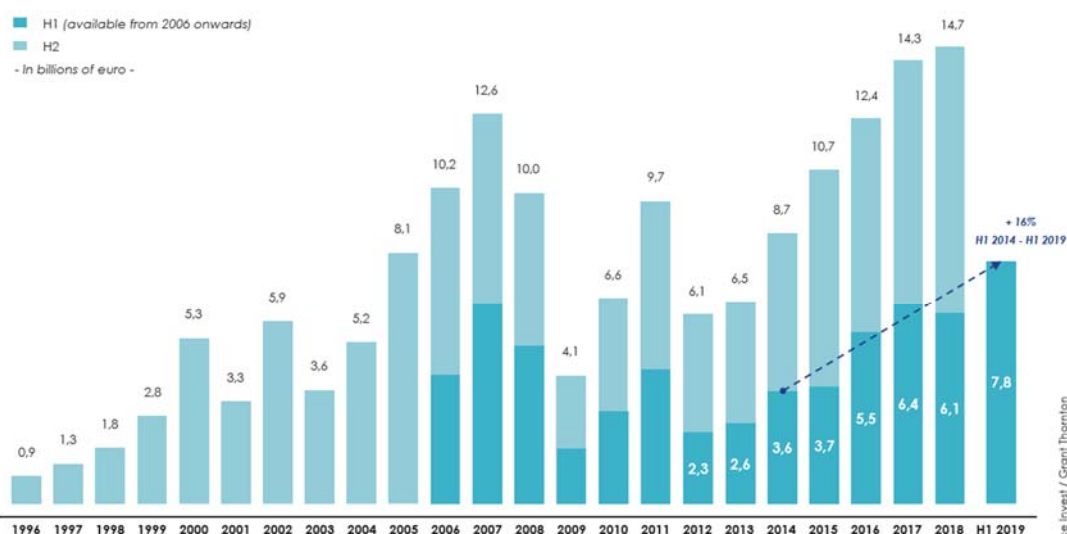
- **€7.8 billion invested in nearly 1,200 start-ups, SMEs and mid-caps**
- **€8.0 billion raised, with nearly 50% from international investors**
- **Nearly 750 companies were divested, in whole or in part**

France Invest (Association of Investors for Growth) and Grant Thornton are today presenting the 31st edition of the activity report on French private equity companies for the first half of 2019.

With 90% of respondents out of the 269 members of France Invest surveyed, this study is the benchmark for monitoring over a long period the trends in French private equity, a contributor to the growth of start-ups, SMEs and mid-caps.

Dominique Gaillard, Chairman of France Invest, emphasises: *"In the first half of 2019, the two main indicators of French private equity activity, the capital raised that will be invested over the next five years in companies and the investments made in start-ups, SMEs and mid-caps, grew sharply. This development reflects a positive environment driven by the reforms carried out by the government, which is very perceptible among foreign long-term investors who accounted for 50% of the fundraising in the first half. While the financing of start-ups continues to grow, the government's announcement in mid-September that €5 billion will be made available by French institutional investors will provide a welcome boost for high-potential French tech companies. We are still waiting for stimulation from the stock market, which registered only one of the nearly 750 divestments in the first half."*

➤ Sharp increase in investments to €7.8 billion in nearly 1,200 companies

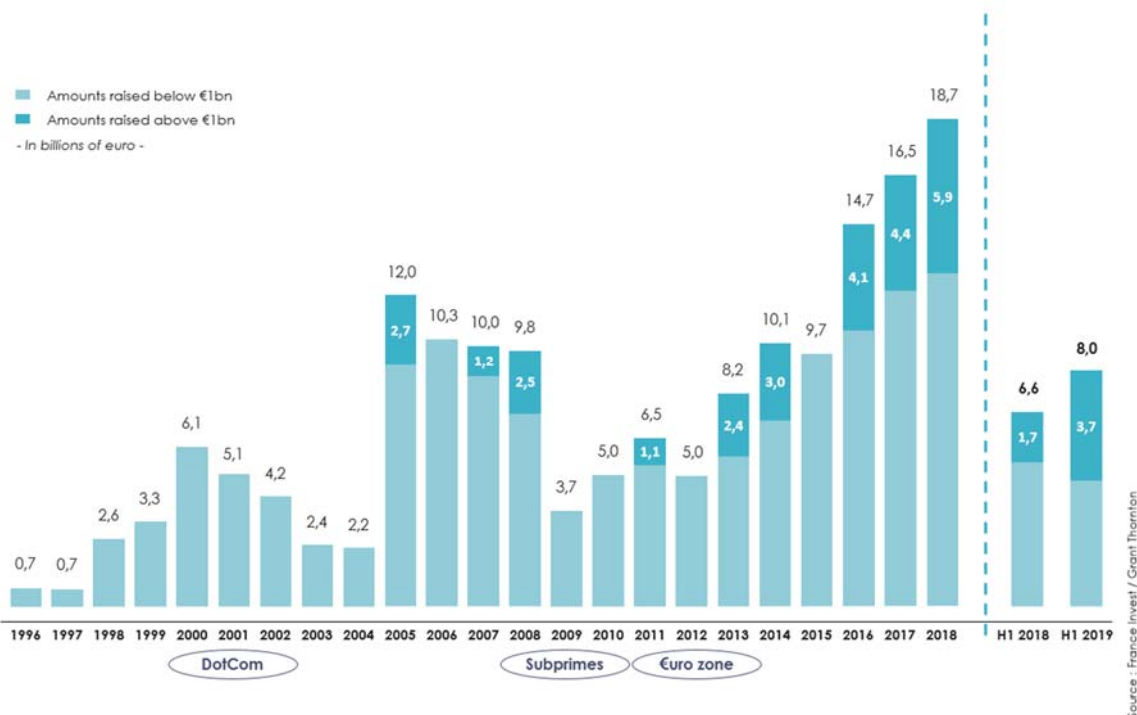




As for investments in the first half of 2019:

- They amounted to **€7.8 billion** allocated to **1,180 start-ups, SMEs and mid-caps**. Since 2014, at an annual average in the first half, investments have been increasing markedly by 16%, while the number of companies has increased by 6%. **The amount invested has more than doubled in six years;**
- **In terms of amount, 27% was invested in Europe (excluding France)**, i.e. a near doubling from the first half of 2018;
- **I.e. an increase** across all segments and especially **for venture capital** (the amount was up 23% compared with the first half 2018, to €996 million), for which the average unit ticket investment was up 7% from the first half of 2018, to nearly €2 million.

➤ **€8.0 billion raised, with nearly 50% from international investors**



As for fundraising in the first half of 2019:

- It amounted to **€8.0 billion**, i.e. a 21% increase from the first half of 2018, driven by fundraisings over €1 billion;
- It increased for virtually all types of subscribers, with very strong growth for the public sector (+87%) and sovereign funds (+81%) compared with the first half of 2018;
- **International investors accounted for 49% of the amount.**

➤ **Nearly 750 companies were divested, in whole or in part**

The liquidity of unlisted shares is confirmed and remains at a high level. In the first half of 2019, nearly **750 companies** were divested, in part or in full.

Thierry Dartus, Partner, Director of the Transaction Advisory Service Department at Grant Thornton specifies: "With €8 billion in inflows and a virtually identical amount invested in the first half, French private equity continues to play a key role in the development and financing of business growth. France remains particularly attractive for foreign investors, who account for nearly half of the amounts raised. The recent government



measures aimed at promoting access to unlisted shares, as well as a favourable environment for financing, are likely to maintain this trend in the coming months."

All statistics on the activity of French private equity players in the first half of 2019 are available on www.franceinvest.eu, *Médiathèque / Études* section.

Press Contacts

France Invest - Antoinette Darpy - +33 (0)6 72 95 07 92 - a.darpy@franceinvest.eu

Grant Thornton - Agnès de Ribet and Loïc Djaffardjee - +33 (0)1 41 25 85 65 - loic.djaffardjee@fr.gt.com

About France Invest

France Invest comprises almost all the private equity teams operating in France. It has over 315 active members and almost 200 associate members. Through its compliance, control and best practices development mission, it is one of only two associations recognised by the French financial markets authority (AMF), and membership in the association by asset management companies is one of the conditions for authorisation. It is the only industry association specialising in private equity. France Invest's priorities include promoting the position and role of private equity, actively participating in its development by serving as a hub for the entire industry and establishing best practices, methods and tools for professional and responsible shareholder conduct. For more information: France Invest's website: www.franceinvest.eu.

About Grant Thornton France

Grant Thornton, a leading Audit and Advisory firm, has 1,800 employees in France, including 111 partners in 23 offices, and is positioned in five business lines: Audit, Appraisal Advisory, Financial Advisory, Operational & Outsourcing Advisory, and Legal and Tax Advisory.

Grant Thornton supports dynamic companies (listed companies, public- and private-sector companies), enabling them to free up their growth potential through the efforts of partners who are available and actively engaged, backed by teams delivering high-value-added expertise. The members of Grant Thornton International Ltd make up one of the leading Audit and Advisory firms in the world. Each member of the network is independent from a financial, legal and managerial standpoint.

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