

All-Time Investment Record for Venture Capital and Private Equity in Spain

2017 estimates show investment volume close to €5,000M

- **Total investment volume** reached a record high in 2017 thanks to:
 - ✓ The significant number of **megadeals** closed during this period (11 investments of >€100M in equity)
 - ✓ The intense activity of **international funds** (75% of total investment volume), showcasing the continued strong interest of foreign investors in Spanish companies
 - ✓ Record high performance of the **middle market**, totaling €1,468M in 55 investments
- Fundraising by private domestic firms was very significant, with **€1,861M in new funds**
- **Divestment** volume remains very high, totaling €3,478 (at price cost) in a total of 317 divestments

Madrid. January 16, 2018. According to initial estimates obtained by the Spanish Venture Capital & Private Equity Association (ASCRI) through the European EDC Platform, investment volume in Spain last year totaled **€4,900M** in **679** investments. The return of large transactions to the domestic market following an initial strengthening during the first nine months of 2017 stands out, closing **11 megadeals** (transactions > €100M).

By type of investor, **international funds** continue to show significant interest in Spain, accounting for **75% of total investment volume** in a total of **99** investments. **Private domestic investors** made a total of **449** investments, with **public domestic investors** making **131** investments.

By investment size, the **middle market** (transactions with an equity investment between €10M and €100M) reached record highs, raising a total of **€1,468M** in **55** investments. By total number of investments, **86.7%** received **less than €5M** in equity. Furthermore, a total of **11 megadeals** were closed, totaling **€2,864M (60% of total volume invested)**.

By stage of development, investments in **buy outs** stood out, totaling **€3,103M** in **51** transactions. **Growth capital** received **91 deals totaling €448.5M**.

Record High in Venture Capital

Investments by Venture Capital funds remained high for the second year in a row, totaling **€494M** in a total of **519** investments. Private domestic and international Venture Capital funds closed out the year with a record high number of transactions: **345 investments were made by private domestic funds**, 111 by public funds and 63 by international funds.

Including both Spanish Venture Capital & Private Equity, the **sectors** with the highest investment **volume** were primarily Consumer Goods (26%), Leisure (18.5%) and Transportation/Logistics (14.6%). By **number of investments**, the best-performing sectors were IT (40%), Consumer Goods (9%) and Healthcare (8.7%).

Fundraising

Fundraising by **private domestic investors** totaled **€1,861M**. Investment by **private international investors** in Spain reached a record high: funds totaling **€3,605M** were raised. Between €3,500M and €4,000M are already available for investment in Spanish companies.

International institutional investors remain confident in the Spanish market, and the environment for raising new funds remains favorable: liquidity, low interest rates and continuity of the public Funds of Funds programs, Fond-ICO Global and Innvierte.

Divestment

Estimated divestment volume for 2017 totals €3,478M in 317 investments.

Divestments were made as follows: **46%** by "**Trade Sale**," **26%** by "**IPO**" and **17%** by "**Secondary Buyout (SBO)**."

Note:

The Spanish Venture Capital & Private Equity Association (ASCRI) represents the Venture Capital & Private Equity industry in Spain. Chaired by Juan Luis Ramírez, it brings together over 100 domestic and international Venture Capital & Private Equity firms, 70 service providers and 10 institutional investors. Its purposes include representing the sector before the Government and other institutions, releasing up-to-date statistical information and spreading the sector's contribution to the Spanish SMEs.

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