

Investment Record for Venture Capital & Private Equity in Spain

2018 estimates show investment volume close to €6,000M

- **Total investment volume** reached another record high in 2018 thanks to:
 - ✓ The significant number of **megadeals** closed during this period (8 investments of >€100M in equity)
 - ✓ The intense activity of **international funds** (77% of total investment volume)
 - ✓ Record high performance of the **middle market**, totaling €1,467M in 56 investments
- Fundraising by private domestic firms was very significant, with **€1,861M in new funds**
- **Divestment** registered €2,049 (at price cost) in a total of 295 divestments

Madrid. January 16, 2019. 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 **€5,843.5M** in **670** investments, record for the second consecutive year.

According to the **ASCRI Chairman, Miguel Zurita**, “we have had two consecutive years of record investment volume, which is great news not only for the Venture Capital & Private Equity sector, but for the Spanish economy as a whole. Even so, the dependency of international investors is still very high; therefore, it is important to move forward in the development of a competitive legal and fiscal framework with the rest of Europe that facilitates the access of national institutional investors to the "asset class" and that allows the development and growth of national managers. From ASCRI, we are working hard to achieve these improvements, convinced that they would have a positive impact beyond our sector, also in the business sector and in Spanish savers”.

By type of investor, **international funds** continue to show significant interest in Spain, accounting for **77% of total investment volume** in a total of **118** investments. **Private domestic investors** made a total of **454** investments, with **public domestic investors** making **98** investments.

By investment size, the **middle market** (transactions with an equity investment between €10M and €100M) reached record highs, raising a total of **€1,467M** in **56** investments. By total number of investments, **84%** received **less than €5M** in equity. Furthermore, a total of **8 megadeals** were closed, totaling **€3,697M (63% of total volume invested)**.

By stage of development, investments in **buy outs** stood out, totaling **€3,529M** in **50** transactions. **Growth capital** received **96 deals totaling €606M**.

Venture Capital

Investments by Venture Capital funds remained high for the second year in a row, totaling **€417M** in a total of **510** investments. International Venture Capital funds closed out the year with a record high number of transactions (84). 340 investments were made by private domestic funds and 86 by public funds.

Including both Spanish Venture Capital & Private Equity, the **sectors** with the highest investment **volume** were Energy/Natural Resources (20.4%), Leisure (17.9%) and Communications (17.8%). By **number of investments**, the best-performing sectors were IT (46%), Consumer Goods (9.1%) and Healthcare (7.2%).

Fundraising

Fundraising by **private domestic investors** totaled **€2.151,3M**, which showed the growing interest of the institutional investors for the Spanish Venture Capital & Private Equity industry.

Divestment

Estimated divestment volume for 2018 totaled **€2.049M** in **295 investments**.

Divestments were made as follows: **47%** by "**Sale to another VC&PE firm**", **24%** by "**Trade Sales**" and **22%** by "**Owners Buy Back**".

José Zudaire, CEO of ASCRI, highlighted the great moment in which the Association is, with a record both in number of members (190), and by the different types of firms. He noted: "these data confirm the good health of the sector. On the other hand, it is important that, in addition to its contribution to the businesses in the form of generators of employment and creation of wealth for the economy as a whole, this industry is firmly committed to be part of a code of good practices and to be socially responsible". In this sense, ASCRI presented on December 11th, in collaboration with Cuatrecasas, the [Guide of Good Practices between LPs and GPs for the Spanish Market](#).

Note:

The Spanish Venture Capital & Private Equity Association (ASCRI) represents the Venture Capital & Private Equity industry in Spain. Chaired by Miguel Zurita, it brings together over 110 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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