

PRESS RELEASE

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ACCELERATION IN THE GROWTH OF FRENCH PRIVATE EQUITY IN 2016

- **€14.7 BN IN FUNDS RAISED, UP 51%**
- **45% RAISED FROM INTERNATIONAL SAVINGS**
- **1,900 START-UPS, SMES RECEIVED EQUITY FINANCING
TOTALING €12.4 BN (+15%) TO PREPARE FOR THE FUTURE**
- **1,400 COMPANIES CHANGED THEIR OWNERSHIP STRUCTURE**

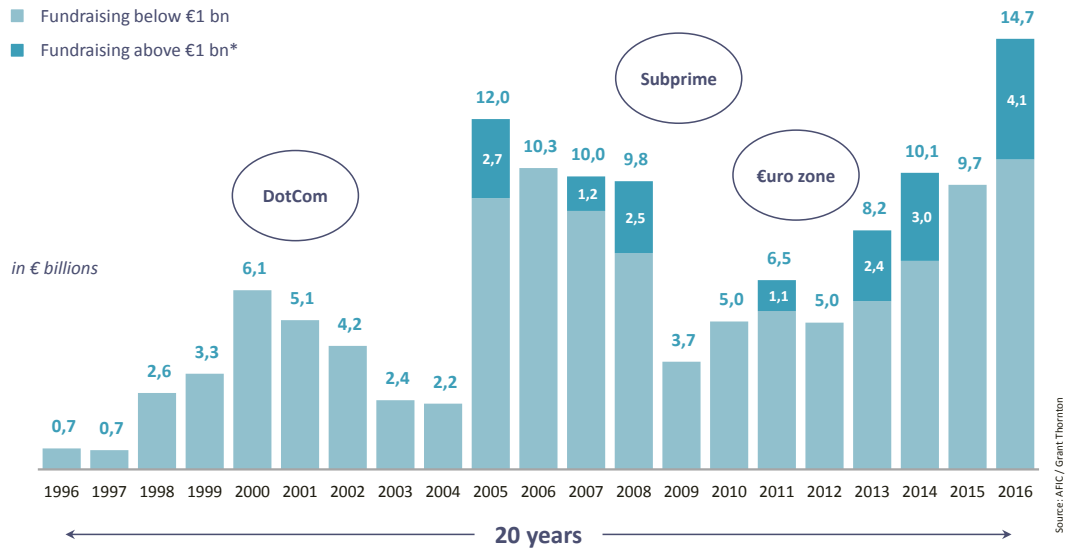
Today, the French Private Equity Association (*Association Française des Investisseurs pour la Croissance - AFIC*) and Grant Thornton present their report on the activity of French private equity market participants in 2016.

Olivier Millet, Chairman of AFIC, comments: *“All of the indicators – total funds raised, the number of companies receiving financing, market liquidity through successfully completed exits – demonstrated an acceleration in the growth of French private equity in 2016. This excellent news shows that French and international investors foresee growth for French unlisted companies financed through private equity. It is also a positive sign of closer ties between entrepreneurs and private equity firms. In this year of Brexit and French elections, our industry has a five-year horizon during which it can redouble its efforts to help companies grow and strengthen them for global competition. AFIC’s 16 proposals published last January identify the measures at hand to continue the positive trend already begun.”*

€14.7 BN RAISED, **MOST OF WHICH WILL BE INJECTED INTO THE FRENCH ECONOMY**

+51% relative to 2015

In 2016, French private equity market participants raised €14.7 billion in global savings, up 51% relative to 2015. These funds will be largely invested in French companies over the next five years. This trend demonstrates the confidence of both institutional and private investors in the ability of French private equity firms to support the growth of unlisted companies.



Of this total €14.7 billion raised, €4.1 billion came from just one Paris-based private equity firm, which demonstrates that the French private equity market has gained world-class players.

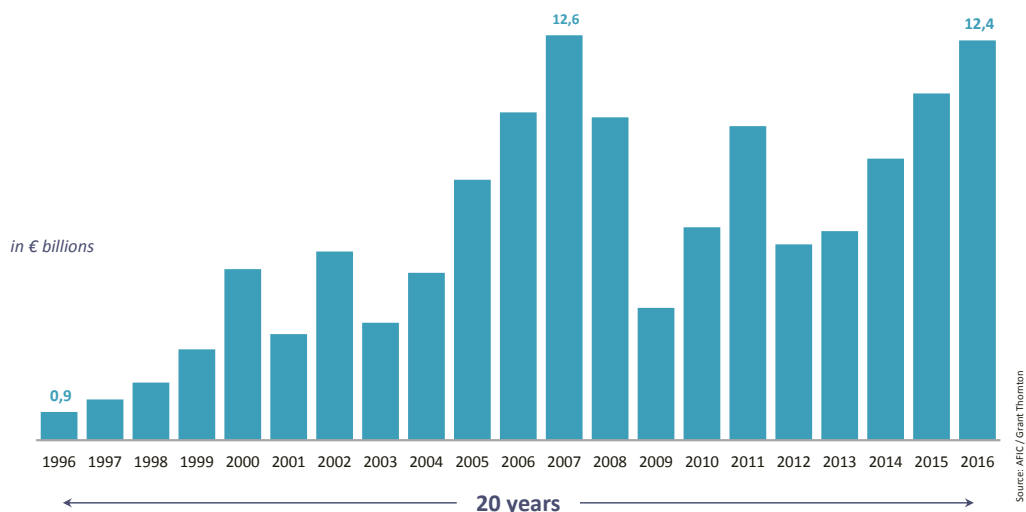
45% from abroad – a notable return of French institutional investors

The share of foreign investors increased relative to the 10-year average. They accounted for 45% of total fundraising in 2016 (compared with 37% from 2006 to 2015). In 2016, foreign pension funds, funds of funds and sovereign funds represented a significant and rapidly growing share of the overall total. French banks and insurance companies made a notable return and posted sharp increases.

€12.4 BILLION INVESTED IN 1,900 COMPANIES THAT CHOSE TO STRENGTHEN THEIR GROWTH

Fourth consecutive year of investment growth

In 2016, French private equity firms invested €12.4 billion to support and accelerate the growth of companies engaged in growth projects. This marks the fourth consecutive year of growth, up 15% relative to 2015. Some 54% of these investments were made in new companies accepting new shareholders for the first time.



Record number of companies choosing private equity

A record number of companies (1,893) chose to receive private equity financing from AFIC members, compared with an average of around 1,600 over the past 10 years. The number of companies receiving venture capital financing marked another record. France is the European leader in terms of the number of unlisted companies receiving equity financing from private equity firms.

French companies make up 85% of the total, with industry as the leading investment sector

The stability of company locations remained unchanged, with 85% of them based in France. Information and digital technology companies led the way in terms of the overall number, while industrial companies received the bulk of the investment amounts.

CHANGING SHARE OWNERSHIP IN 1,400 COMPANIES

Greater liquidity for unlisted companies

In 2016, 1,376 companies prepared or completed changes in their ownership structure, a 14% increase relative to 2015, which confirms and strengthens the liquidity of this asset class. The market for exits was sustained among strategic buyers and private equity firms.

Thierry Dartus, partner and Head of the Transaction Advisory Services department at Grant Thornton, notes: *“The results of this annual survey confirmed the trends observed at the end of the first half of 2016, which showed a bump in activity across all private equity market segments. Fund-raising totals were significant, with a noteworthy return of certain financial institutions and an increase in the number of foreign investors. The number of companies receiving financing reached new highs, marked by a sharp increase in investments in the venture capital and buyout capital segments. With key upcoming elections marking the European environment, private equity firms have the necessary resources as we begin this year to support the financing of French companies for their growth and buyout projects.”*

All of the French private equity industry statistical information on 2016 activity is available at www.afic.asso.fr/statistiques.

ABOUT AFIC

AFIC includes nearly all of the active private equity firms in France and has more than 290 active members. Through its compliance, control and best practices development functions, it is one of two associations recognized by the French Financial Markets Authority (AMF), and membership in the association by management companies is one of the conditions for authorization. It is the only industry association specializing in private equity.

AFIC'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,** see the [AFIC](http://www.afic.asso.fr) website.

ABOUT GRANT THORNTON FRANCE

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