



Belgium

Background

Belgium's real GDP growth rate was 2.8% in 2007, which is above the Eurozone average (2.1%). This healthy rhythm, especially for a Western European country is also reflected in the private equity market activity. Belgian independent funds have set a new record of fundraising. Venture capital flows are stable, which gives solid perspectives to the country's emerging companies as Belgian investors are focusing mainly on their domestic market.

Belgian investments remained rather stable, but Belgium is attracting a certain interest from foreign investors, notably in the large buyout sector and through secondary deals. Syndications are emerging as a new trend, notably because Belgian investors have been doing substantial follow-on investments. Trade sales and secondary deals were a major exit route in 2007, even though listing on public markets was still a credible perspective.

Sources of capital

Fundraising slowed down in Belgium, mainly because of the activity of captives being nonexistent compared to 2006 (€478.9 million). Independent funds raised 91.4% of the funds in 2007, which is an all-time high both in percentage and amounts (€547.0 million). Realised capital gains decreased substantially, to €51.3 million, the lowest level since 2002. New funds raised in 2006 and 2007 were in line with the levels of years 1998-2000.

Fundraising for venture capital seems to have stabilised above €200 million per year since 2003, with a remarkable stability in the dispatch between early and later stage. As usual, non high-tech later stage takes the lion's share with €135.0 million out of €209.0 million allocated to venture capital. High-tech early-stage attracted more interest, raising €57.6 million, compared to only €29.2 million in 2006.

Although still the main source of fundraising, banks halved their contribution in 2007. Corporate investors came second with €217.7 million, or 39.8% of the total raised, followed by government agencies providing 11.0% of the total.

Investment patterns

Belgian private equity houses saw their investment activity decrease only slightly. The main investment stage undergoing a change was expansion, as the number of companies financed dropped from 135 to 72. Subsequently, amounts invested decreased from €491.0 million to €217.7 million, €66.0 million being expansion investments by buyout firms.

Over the same period, start-up investments more than doubled (from €39.0 million to €99.0 million), with 58 companies (versus 30 companies in 2006). Notably, 17 companies in the seed stage attracted €9.7 million, which shows that early-stage investments from Belgian private equity houses picked up again after a very low activity in 2006.

Replacement capital increased substantially in terms of amount (€120.7 million in 2007 compared to €3.2 million in 2006), if not in number of companies (12 in 2007 compared to only 4 in 2006). Buyouts maintained a level of €490.8 million, which is well above the €406.9 million invested in 2006. However, the number of companies being acquired decreased from 72 to 36, hence indicating an increase of the average deal size per acquired company.

High-tech investments decreased sharply from €112.3 million (in 98 companies) to €33.1 million (in 30 companies).

The sectoral focus of local players shifted from consumer goods and retail (37.8% of the total amount) as the leading sector in 2006, to business and industrial products (21.9% of the total) in 2007. In terms of number of deals, life sciences attracted the lion's share with 52 deals (21.6% of the total number of deals) in 2007, taking over from computer and consumer electronics, which saw 90 deals (25.8% of the total number of deals) in 2006.

Shifting away from a domination of non-syndicated deals in 2006, the number of syndicated and non-syndicated operations, as well as amounts invested, are almost at par in 2007. Furthermore, follow-on investments increased from €292.7 million in 2006 to €399.6 million in 2007, taking up a 42.6% share in the total amount invested. Nevertheless, 104 companies were backed for the first time by Belgian private equity firms, whereas only 66 companies received a follow-on investment, indicating the higher average amounts invested through follow-on rounds rather than in a first-time investment.

Belgian private equity houses have further developed their presence out of Belgium as amounts invested abroad rose from €85.5 million to €204.9 million and the number of companies financed more than doubled from 22 to 51. The split of investments as regards the type of investors was static compared to 2006.

Market activity in Belgium amounted to €2.1 billion, which is due to the intense activity of buyouts, which accounted for €1.5 billion. Three large buyouts, of which one a secondary operation, accounted for half of the total buyouts in 2007. Apart from this, the picture of the Belgian market statistics fits with the activity of Belgian private equity houses.

When looking at the sectoral breakdown of the venture and buyout segment, it becomes clear that each segment had a different top three of preferred sectors in 2007. Venture investments mainly went to life sciences (28.2% of the total amount), followed by business and industrial products (15.3%), and consumer services (10.4%).

Buyouts, on the other hand, primarily backed chemicals & materials (20.2% of the total amount), followed by consumer goods and retail (16.9%) and computer and consumer electronics (16.4%).

Exiting

Amounts divested by Belgian private equity players in 2007 increased by 54.5%, while the number of companies sold dropped from 102 to 74. Only two write-offs occurred in 2007 (compared to 12 write-offs in 2006). Trade sales became the main exit channel in terms of number of companies sold, rising from 15 to 42. They represented 35.7% of the total amount divested, just before sales to other private equity houses (29.9%). The number of companies going public grew from six companies in 2006 to nine companies in 2007.

Divestments of Belgian portfolio companies amounted to €980.6 million, considerably more exits than those exited by only local players. Trade sales were also dominating the scene in terms of the number of companies divested (40 out of 70 companies), but it was secondary deals which were leading the way in terms of amounts (€401.0 million).

Funds raised - industry statistics

Amount (in € x 1,000)	2006		2007			
	Amount	%	Amount	%		
ALL CLOSINGS IN THE YEAR - INCREMENTAL AMOUNTS RAISED						
Private equity raised by source						
Independent funds raised in year	135,403	18.8	547,000	91.4		
Amount raised by captives	478,864	66.3	0	0.0		
Subtotal new funds raised	614,267	85.1	547,000	91.4		
Realised capital gains	107,419	14.9	51,333	8.6		
Total funds raised	721,686	100.0	598,333	100.0		
Expected allocation of funds raised						
High-tech early-stage	29,167	4.0	57,642	9.6		
Non high-tech early-stage	0	0.0	16,358	2.7		
High-tech expansion/development	9,129	1.3	0	0.0		
Non high-tech expansion/development	168,278	23.3	135,000	22.6		
Venture capital	206,574	28.6	209,000	34.9		
Buyout	515,112	71.4	338,000	56.5		
Unknown	0	0.0	51,333	8.6		
Total funds raised	721,686	100.0	598,333	100.0		
Private equity raised by type of investor						
Corporate investors	19,204	3.1	217,749	39.8		
Private individuals	4,267	0.7	3,461	0.6		
Government agencies	73,934	12.0	60,265	11.0		
Banks	484,235	78.8	242,061	44.3		
Pension funds	0	0.0	0	0.0		
Insurance companies	869	0.2	406	0.1		
Fund of funds	31,323	5.1	22,855	4.2		
Academic institutions	435	0.1	203	0.0		
Capital markets	0	0.0	0	0.0		
Endowments & foundations	-	-	0	0.0		
Family offices	-	-	0	0.0		
Other asset managers (including private equity houses other than fund of funds)	-	-	0	0.0		
Unknown	0	0.0	0	0.0		
New funds raised	614,267	100.0	547,000	100.0		
Geographic breakdown of sources of private equity funds raised						
Domestic	721,686	100.0	190,957	32.0		
Other European countries	0	0.0	203,688	34.0		
Non-European countries	0	0.0	203,688	34.0		
Total funds raised	721,686	100.0	598,333	100.0		
	Amount	Number of funds	Average fund size	Amount	Number of funds	Average fund size
FINAL CLOSINGS IN THE YEAR BY INDEPENDENT FUNDS - CUMMULATIVE AMOUNT RAISED SINCE INCEPTION						
Fundraising by fund stage focus						
Early-stage	-	-	-	31,000	1	31,000
Development/expansion	-	-	-	0	0	0
Balanced	-	-	-	0	0	0
All venture	-	-	-	31,000	1	31,000
Buyouts	-	-	-	320,000	1	320,000
Mezzanine	-	-	-	0	0	0
Generalist	-	-	-	0	0	0
Independent funds raised	-	-	-	351,000	2	175,500
Fundraising by fund sectoral focus						
Agriculture, chemicals & materials	-	-	-	0	0	0
Business & industrial products & services	-	-	-	0	0	0
Consumer products, services & retail	-	-	-	0	0	0
Energy & environment	-	-	-	0	0	0
Financial services	-	-	-	0	0	0
ICT	-	-	-	31,000	1	31,000
Life sciences	-	-	-	0	0	0
Generalist	-	-	-	320,000	1	320,000
Independent funds raised	-	-	-	351,000	2	175,500

Source: PEREP_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).

Investments - industry statistics (by country of private equity firm)

Amount (in € x 1,000)	2006						2007					
	Amount	%	Number of investments	%	Number of companies	%	Amount	%	Number of investments	%	Number of companies	%
Stage distribution of investments												
Seed	126	0.0	4	1.0	3	1.2	9,650	1.0	21	8.8	17	8.7
Start-up	39,049	4.2	38	10.9	30	12.3	99,008	10.5	69	28.7	58	29.6
Expansion	490,987	52.2	201	57.5	135	55.2	217,690	23.2	93	38.7	72	36.7
Expansion by buyout firms	-	-	-	-	-	-	65,996	-	6	-	6	-
Rescue/turnaround	-	-	-	-	-	-	685	0.1	1	0.4	1	0.5
Replacement capital	3,161	0.3	5	1.5	4	1.7	120,696	12.9	16	6.7	12	6.1
Buyout	406,928	43.3	101	29.0	72	29.4	490,789	52.3	40	16.7	36	18.4
Total investment	940,251	100.0	349	100.0	244	100.0	938,518	100.0	240	100.0	192	100.0
Sectoral distribution of investments												
Agriculture	0	0.0	4	1.2	4	1.5	2,875	0.3	2	0.8	1	0.5
Chemicals & materials	749	0.1	4	1.2	4	1.5	117,403	12.5	9	3.8	6	3.1
Life sciences	158,021	16.8	68	19.6	50	20.3	155,124	16.6	52	21.6	39	20.3
Computer & consumer electronics	59,224	6.3	90	25.8	62	25.2	40,289	4.3	30	12.5	23	12.0
Communications	38,171	4.1	42	12.0	19	7.7	39,825	4.2	30	12.5	30	15.6
Consumer goods & retail	354,980	37.8	42	12.0	30	12.3	161,635	17.3	21	8.8	18	9.4
Consumer services: other	-	-	-	-	-	-	76,562	8.2	14	5.8	14	7.3
Business & industrial products	26,537	2.8	55	15.7	49	20.0	205,264	21.9	33	13.7	29	15.1
Business & industrial services	276,985	29.5	18	5.2	5	2.2	54,579	5.8	27	11.3	18	9.4
Transportation	2,856	0.3	8	2.4	8	3.1	30,471	3.2	6	2.5	4	2.1
Construction	6,737	0.7	8	2.4	8	3.1	48,030	5.1	3	1.3	3	1.6
Energy & environment	0	0.0	0	0.0	0	0.0	6,061	0.6	7	2.9	5	2.6
Financial services	0	0.0	0	0.0	0	0.0	400	0.0	6	2.5	2	1.0
Real estate	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Unknown	15,990	1.7	8	2.4	8	3.1	0	0.0	0	0.0	0	0.0
Total investment	940,251	100.0	349	100.0	244	100.0	938,518	100.0	240	100.0	192	100.0
Subtotal high-tech	112,257	11.9	164	47.0	98	40.0	33,149	3.5	33	13.8	30	15.6
Syndication of investments												
No syndication	902,866	96.0	295	84.5	219	89.6	311,377	33.2	88	36.7	88	45.8
Syndication	37,385	4.0	38	10.9	25	10.4	386,105	41.1	104	43.3	72	37.5
Unknown	0	0.0	0	0.0	0	0.0	241,036	25.7	48	20.0	32	16.7
Total investment	940,251	100.0	349	100.0	244	100.0	938,518	100.0	240	100.0	192	100.0
Initial vs follow-on												
Initial for the company	647,564	68.9	109	31.3	98	40.1	456,071	48.6	123	51.3	104	53.6
Follow-on investment for the company	292,687	31.1	240	68.7	146	59.9	399,617	42.6	92	38.3	66	34.0
Unknown	-	-	-	-	-	-	82,830	8.8	25	10.4	24	12.4
Total investment	940,251	100.0	349	100.0	244	100.0	938,518	100.0	240	100.0	192	100.0
Initial for the private equity firm	-	-	-	-	-	-	494,844	52.7	134	55.8	113	58.9
Geographic distribution of investments												
Domestic	854,789	90.9	311	89.1	222	91.0	733,585	78.2	176	73.3	141	73.4
Other European countries	70,907	7.5	24	6.9	12	4.9	181,051	19.3	55	22.9	43	22.4
Non-European countries	14,555	1.6	14	4.0	10	4.1	23,882	2.5	9	3.8	8	4.2
Total investment	940,251	100.0	349	100.0	244	100.0	938,518	100.0	240	100.0	192	100.0
Distribution of investments by investor type												
Independent	754,409	80.2	274	78.5	175	71.7	773,592	82.4	214	89.1	174	87.0
Captive	150,379	16.0	35	10.0	31	12.7	156,481	16.7	10	4.2	10	5.0
Public sector	35,463	3.8	40	11.5	38	15.6	8,445	0.9	16	6.7	16	8.0
Total investment	940,251	100.0	349	100.0	244	100.0	938,518	100.0	240	100.0	192	100.0

Source: PEREP_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).
Disclaimer: Data is continuously updated and therefore subject to change.

Investments - market statistics (by country of portfolio company)

Amount (in € x 1,000)	2006						2007					
	Amount	%	Number of investments	%	Number of companies	%	Amount	%	Number of investments	%	Number of companies	%
Stage distribution of investments												
Seed	-	-	-	-	-	-	8,425	0.4	17	7.6	13	7.7
Start-up	-	-	-	-	-	-	79,836	3.8	58	25.8	46	27.2
Expansion	-	-	-	-	-	-	277,478	13.1	89	39.6	62	36.7
Expansion by buyout firms	-	-	-	-	-	-	96,777		7		7	
Rescue/turnaround	-	-	-	-	-	-	685	0.0	1	0.4	1	0.6
Replacement capital	-	-	-	-	-	-	245,176	11.5	12	5.3	11	6.5
Buyout	-	-	-	-	-	-	1,509,406	71.2	48	21.3	36	21.3
Total Investment	-	-	-	-	-	-	2,121,006	100.0	225	100.0	162	100.0
Sectoral distribution of investments												
Agriculture	-	-	-	-	-	-	2,875	0.1	2	0.9	1	0.6
Chemicals & materials	-	-	-	-	-	-	353,268	16.6	10	4.4	5	3.1
Life sciences	-	-	-	-	-	-	135,044	6.4	38	16.9	26	16.0
Computer & consumer electronics	-	-	-	-	-	-	311,040	14.7	26	11.6	18	11.1
Communications	-	-	-	-	-	-	80,919	3.8	28	12.4	27	16.7
Consumer goods & retail	-	-	-	-	-	-	331,196	15.6	21	9.3	18	11.1
Consumer services: other	-	-	-	-	-	-	305,212	14.4	11	4.9	11	6.8
Business & industrial products	-	-	-	-	-	-	237,380	11.2	26	11.6	21	13.0
Business & industrial services	-	-	-	-	-	-	205,431	9.7	29	12.9	20	12.3
Transportation	-	-	-	-	-	-	81,214	3.8	17	7.6	5	3.1
Construction	-	-	-	-	-	-	48,030	2.3	3	1.3	3	1.9
Energy & environment	-	-	-	-	-	-	29,397	1.4	14	6.2	7	4.3
Financial services	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Real estate	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Unknown	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Total investment	-	-	-	-	-	-	2,121,006	100.0	225	100.0	162	100.0
Subtotal high-tech	-	-	-	-	-	-	92,856	4.4	23	10.2	19	11.7
Syndication of investments												
No syndication	-	-	-	-	-	-	1,039,926	49.0	93	41.3	90	53.2
Syndication	-	-	-	-	-	-	834,641	39.4	99	44.0	54	32.0
Unknown	-	-	-	-	-	-	246,439	11.6	33	14.7	25	14.8
Total investment	-	-	-	-	-	-	2,121,006	100.0	225	100.0	162	100.0
Initial vs follow-on												
Initial for the company	-	-	-	-	-	-	947,580	44.7	122	54.2	97	60.0
Follow-on investment for the company	-	-	-	-	-	-	904,671	42.6	91	40.4	56	34.6
Unknown	-	-	-	-	-	-	268,755	12.7	12	5.4	12	7.4
Total investment	-	-	-	-	-	-	2,121,006	100.0	225	100.0	162	100.0
Initial for the private equity firm												
Initial for the private equity firm	-	-	-	-	-	-	958,130	45.2	125	55.6	100	61.7
Buyouts split by investment size												
Small	-	-	-	-	-	-	177,953	11.8	32.0	66.7	26	68.4
Mid-market	-	-	-	-	-	-	590,753	39.1	13.0	27.1	9	23.7
Large	-	-	-	-	-	-	740,700	49.1	3.0	6.3	3	7.9
Mega	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Total buyout	-	-	-	-	-	-	1,509,406	100.0	48.0	100.0	36	100.0

Source: PEREP_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).
Disclaimer: Data is continuously updated and therefore subject to change.

Investments - market statistics (by country of portfolio company)

Amount (in € x 1,000)	2006						2007					
	Amount	%	Number of investments	%	Number of companies	%	Amount	%	Number of investments	%	Number of companies	%
Sectoral distribution of investments												
VENTURE DEALS												
Agriculture	-	-	-	-	-	-	2,875	0.8	2	1.2	1	0.9
Chemicals & materials	-	-	-	-	-	-	399	0.1	3	1.8	1	0.9
Life sciences	-	-	-	-	-	-	103,557	28.2	34	20.6	22	18.9
Computer & consumer electronics	-	-	-	-	-	-	23,429	6.4	24	14.5	16	13.8
Communications	-	-	-	-	-	-	27,707	7.6	25	15.1	24	20.6
Consumer goods & retail	-	-	-	-	-	-	35,316	9.6	11	6.7	11	9.5
Consumer services: other	-	-	-	-	-	-	37,979	10.4	9	5.5	9	7.8
Business & industrial products	-	-	-	-	-	-	56,023	15.3	18	10.9	14	12.1
Business & industrial services	-	-	-	-	-	-	19,881	5.4	13	7.9	8	6.9
Transportation	-	-	-	-	-	-	29,511	8.1	11	6.7	2	1.7
Construction	-	-	-	-	-	-	350	0.1	1	0.6	1	0.9
Energy & environment	-	-	-	-	-	-	29,397	8.0	14	8.5	7	6.0
Financial services	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Real estate	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Unknown	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Total investment	-	-	-	-	-	-	366,424	100.0	165	100.0	116	100.0
Subtotal high-tech	-	-	-	-	-	-	20,856	5.7	22	13.3	18	15.5
Sectoral distribution of investments												
BUYOUT DEALS												
Agriculture	-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0
Chemicals & materials	-	-	-	-	-	-	352,869	20.2	7	11.7	4	8.7
Life sciences	-	-	-	-	-	-	31,487	1.8	4	6.7	4	8.7
Computer & consumer electronics	-	-	-	-	-	-	287,611	16.4	2	3.3	2	4.3
Communications	-	-	-	-	-	-	53,214	3.0	3	5.0	3	6.5
Consumer goods & retail	-	-	-	-	-	-	295,880	16.9	10	16.7	7	15.3
Consumer services: other	-	-	-	-	-	-	267,233	15.2	2	3.3	2	4.3
Business & industrial products	-	-	-	-	-	-	181,356	10.3	8	13.3	7	15.3
Business & industrial services	-	-	-	-	-	-	185,550	10.6	16	26.7	12	26.1
Transportation	-	-	-	-	-	-	51,702	2.9	6	10.0	3	6.5
Construction	-	-	-	-	-	-	47,680	2.7	2	3.3	2	4.3
Energy & environment	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Financial services	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Real estate	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Unknown	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Total investment	-	-	-	-	-	-	1,754,582	100.0	60	100.0	46	100.0
Subtotal high-tech	-	-	-	-	-	-	72,000	4.1	1	1.7	1	2.2

The sum of venture and buyout invested/divested amounts and number of deals is equal or less than the total private equity table for investment/divestments. The latter happens if certain deals by generalist funds have not been classified as venture or buyout. The sum of venture and buyout number of companies invested in/divested from can also be higher than the total private equity number of companies if companies have been invested initially by some players at the venture stage, while by others at the buyout stage.

Source: PEREP_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).
Disclaimer: Data is continuously updated and therefore subject to change.

Divestments - by country of portfolio company

Amount (in € x 1,000)	2006						2007					
	Amount	%	Number of divestments	%	Number of companies	%	Amount	%	Number of divestments	%	Number of companies	%
Divestment at cost by exit routes												
VENTURE DEALS												
Divestment by trade sale	-	-	-	-	-	-	40,712	12.9	22	43.1	22	43.1
Divestment by public offering	-	-	-	-	-	-	184,782	58.4	14	27.5	14	27.5
Divestment on flotation (IPO)	-	-	-	-	-	-	77,097		8		8	
Sale of quoted equity	-	-	-	-	-	-	107,685		6		6	
Divestment by write-off	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Repayment of silent partnerships	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Repayment of principal loans	-	-	-	-	-	-	604	0.2	2	3.9	2	3.9
Sale to another private equity house	-	-	-	-	-	-	77,710	24.5	3	5.9	3	5.9
Sale to financial institution	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Sale to management (MBO)	-	-	-	-	-	-	16	0.0	3	5.9	3	5.9
Divestment by other means	-	-	-	-	-	-	12,745	4.0	7	13.7	7	13.7
Total divestment in year	-	-	-	-	-	-	316,570	100.0	51	100.0	51	100.0
Divestment at cost by exit routes												
BUYOUT DEALS												
Divestment by trade sale	-	-	-	-	-	-	86,290	16.1	13	39.4	13	39.4
Divestment by public offering	-	-	-	-	-	-	18,717	3.5	3	9.1	3	9.1
Divestment on flotation (IPO)	-	-	-	-	-	-	17,077		1		1	
Sale of quoted equity	-	-	-	-	-	-	1,640		2		2	
Divestment by write-off	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Repayment of silent partnerships	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Repayment of principal loans	-	-	-	-	-	-	97,756	18.3	4	12.1	4	12.1
Sale to another private equity house	-	-	-	-	-	-	323,251	60.4	7	21.2	7	21.2
Sale to financial institution	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Sale to management (MBO)	-	-	-	-	-	-	9,312	1.7	4	12.1	4	12.1
Divestment by other means	-	-	-	-	-	-	0	0.0	2	6.1	2	6.1
Total divestment in year	-	-	-	-	-	-	535,326	100.0	33	100.0	33	100.0

The sum of venture and buyout invested/divested amounts and number of deals is equal or less than the total private equity table for investment/divestments. The latter happens if certain deals by generalist funds have not been classified as venture or buyout. The sum of venture and buyout number of companies invested in/divested from can also be higher than the total private equity number of companies if companies have been invested initially by some players at the venture stage, while by others at the buyout stage.

Source: PEREP_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).

Disclaimer: Data is continuously updated and therefore subject to change.

Divestments - by country of private equity firm

Amount (in € x 1,000)	2006						2007					
	Amount	%	Number of divestments		Number of companies		Amount	%	Number of divestments		Number of companies	
Divestment at cost by exit routes												
ALL PRIVATE EQUITY												
Divestment by trade sale	26,760	6.8	15	13.8	15	14.7	215,780	35.7	43	40.2	42	46.1
Divestment by public offering	89,415	22.8	15	13.8	15	14.7	146,372	24.2	14	13.1	12	13.2
Divestment on flotation (IPO)	74,514		6		6		39,472		10		9	
Sale of quoted equity	14,901		9		9		106,900		4		3	
Divestment by write-off	33,449	8.6	12	11.0	12	11.8	3,324	0.5	2	1.9	2	2.2
Repayment of silent partnerships	-	-	-	-	-	-	3,600	0.6	16	15.0	3	3.3
Repayment of principal loans	48,804	12.5	14	12.8	9	8.8	14,206	2.3	12	11.2	12	13.2
Sale to another private equity house	34,388	8.8	5	4.6	5	4.9	180,977	29.9	8	7.4	8	8.8
Sale to financial institution	26,342	6.7	21	19.3	21	20.6	433	0.1	1	0.9	1	1.1
Sale to management (MBO)	101,964	26.0	14	12.8	12	11.8	12,054	2.0	6	5.6	6	6.6
Divestment by other means	30,520	7.8	13	11.9	13	12.7	28,266	4.7	5	4.7	5	5.5
Total divestment in year	391,642	100.0	109	100.0	102	100.0	605,011	100.0	107	100.0	74	100.0

Portfolio at cost

Amount (in € x 1,000)	2006			2007		
	Amount	Number of investments/divestments	Number of companies	Amount	Number of investments/divestments	Number of companies
Portfolio at cost 1st Jan	2,320,779			2,869,388		
Total investment in year	940,251	349	244	938,518	240	192
Total divestment in year	(391,642)	109	102	(605,011)	107	74
Portfolio at cost 31st Dec	2,869,388			3,202,895		

Geographic flows of private equity

Amount (in € x 1,000)	2006	2007
	Amount	Amount
Investments by local private equity houses	940,251	733,585
(-) Foreign investments by local private equity houses	(85,462)	(204,933)
(+) Local investments by foreign private equity houses	543,482	1,592,354
Total investment in country	1,398,271	2,121,006

Source: PEREP_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).
Disclaimer: Data is continuously updated and therefore subject to change.

Divestments - by country of portfolio company

Amount (in € x 1,000)	2006						2007					
	Amount	%	Number of divestments	%	Number of companies	%	Amount	%	Number of divestments	%	Number of companies	%
Divestment at cost by exit routes												
ALL PRIVATE EQUITY												
Divestment by trade sale	-	-	-	-	-	-	214,651	21.9	42	42.9	40	48.8
Divestment by public offering	-	-	-	-	-	-	203,499	20.8	17	17.3	8	9.8
Divestment on flotation (IPO)	-	-	-	-	-	-	94,174		9		3	
Sale of quoted equity	-	-	-	-	-	-	109,325		8		5	
Divestment by write-off	-	-	-	-	-	-	3,365	0.3	3	3.1	3	3.7
Repayment of silent partnerships	-	-	-	-	-	-	0	0.0	0	0	0	0
Repayment of principal loans	-	-	-	-	-	-	102,360	10.4	7	7.1	7	8.5
Sale to another private equity house	-	-	-	-	-	-	400,961	40.9	10	10.2	9	11.0
Sale to financial institution	-	-	-	-	-	-	433	0.0	1	1.0	1	1.2
Sale to management (MBO)	-	-	-	-	-	-	11,636	1.2	8	8.2	6	7.3
Divestment by other means	-	-	-	-	-	-	43,719	4.5	10	10.2	8	9.7
Total divestment in year	-	-	-	-	-	-	980,624	100.0	98	100.0	70	100.0

Macro economic indicators

	2006	2007
Number of private equity firms in existence	-	77
Number of private equity firms with headquarter in country	-	70
Private equity investment as % of GDP		
Investments under market statistics as % of GDP	0.445%	0.641%
Investments under industry statistics as % of GDP	0.299%	0.284%
GDP (€ billions)*	314.1	330.8
Private consumption*	166.0	173.3
Public consumption*	70.9	74.0
Consumer prices (2004=100)*	104.6	106.5
Producer prices (2000=100)*	112.8	116.5
Interest rates (3-month)**	2.49%	3.73%
Interest rates (10-year)**	3.81%	4.33%
Retail sales (1995=100)*	138.0	139.9
Unemployment rate*	11.7%	10.8%
M&A		
Value (€ million)	5,508	17,430
Number of completed deals	196	217
IPOs		
Value (€ million)	819	2,787
Number of listings	14	14

* National source

** European Banking Federation & Financial Market Association

*** European Central Bank & EUROSTAT

Note: Number and amount of M&A deals are split per country based on the location of the target.

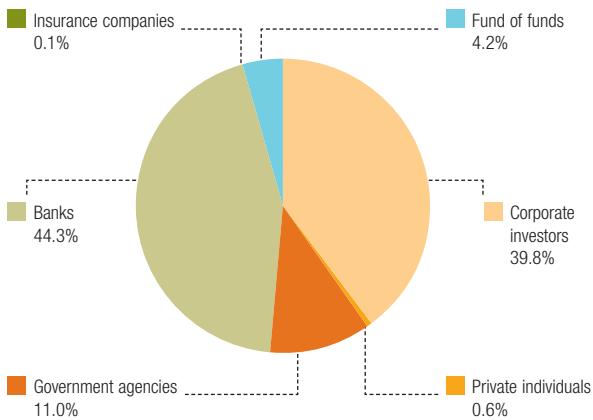
Number and amount of IPOs are split per country based on the location of the issuer.

Number of private equity firms in existence: firms with at least one office in Europe, and that manage at least one direct investment programme/fund.

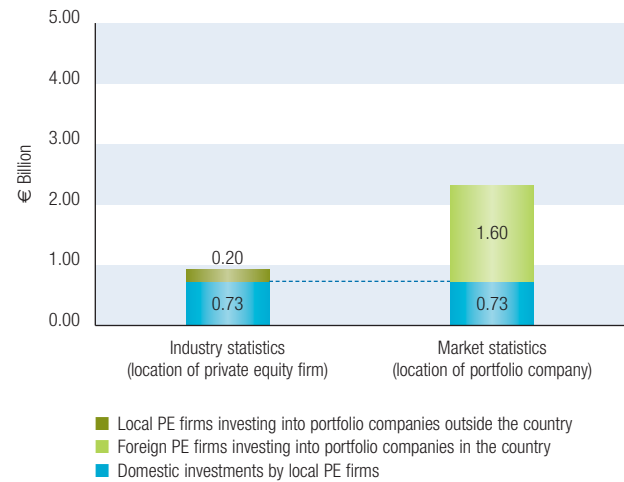
Source: PEREP_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).

Disclaimer: Data is continuously updated and therefore subject to change.

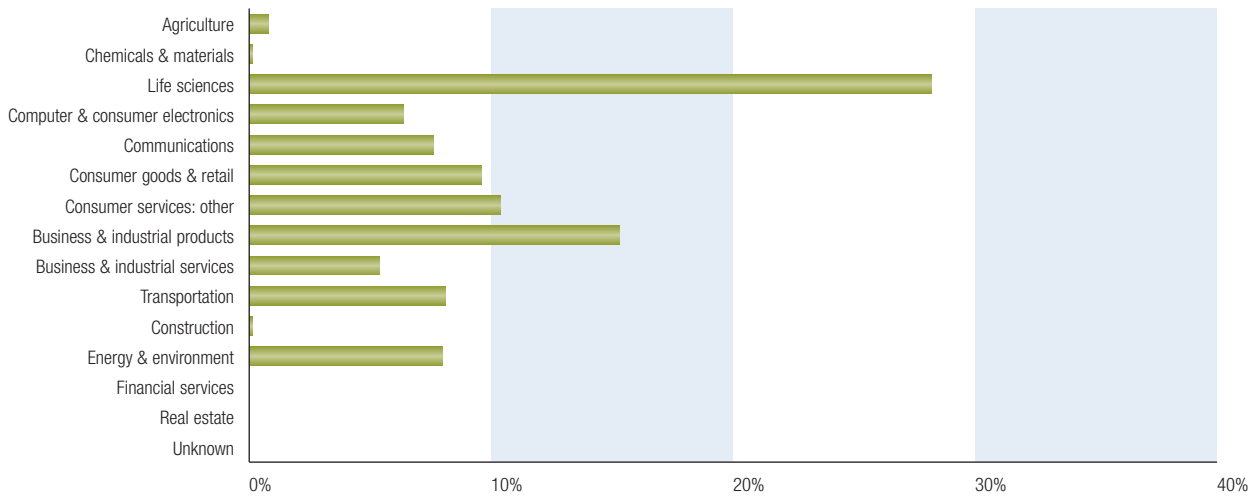
Private equity raised by type of investor in 2007



Investments in 2007



Market statistics - venture investments by sector in 2007
(percentage of total amount invested in venture capital)



Market statistics - buyout investments by sector in 2007
(percentage of total amount invested in buyouts)

