

## **Private equity and venture capital market: investments grow 40% to EUR 4.5 billion in the first half of the year**

- *Fundraising: EUR 2.8 billion, +43% compared to the first half of 2023*
- *Investments: amount at EUR 4.5 billion, +40%; number of deals at 299, -14%.*
- *Segments: venture capital marks the largest number of deals, 193; followed by buyout with 69 deals*
- *Buyout first for invested amount, EUR 2.5 billion, followed by infrastructure with EUR 0.6 billion*
- *Divestments: EUR 2.4 billion, +137%; number of exits at 70, +30%.*

Milan, 16 September 2024 - Figures on the Italian private equity and venture capital market in the first half of 2024 were presented today; the results of the analysis conducted by **AIFI**, in collaboration with **PwC Italia**, show that the first half of the year recorded total **inflows** (on the market and captive, i.e. from the parent company) of 2,831 million euros, up 43% compared to the first half of 2023, thanks also to a number of significantly sized closings. There were 18 operators who raised in the period (20 in the same period of the previous year). Market funding amounted to EUR 2,755m, more than doubling compared to the same period last year. The main **sources of** market funding were: pension funds and provident funds, 24%, public sector and institutional funds of funds, 15%, and sovereign wealth funds, 13%. Geographically, 66% of capital came from domestic investors. With regard to the investment target, 43% of the total capital raised is expected to be invested in expansion deals and 35% in buyouts.

"In the first half of the year we are seeing a return of large investments that bring the amount to EUR 4.5 billion," says **Innocenzo Cipolletta**, **president of AIFI**. "The role of international operators is consolidating, playing an increasingly strategic role for Italian companies and the real economy".

The **amount invested** was EUR 4,459 million, up 40% from EUR 3,189 million in the first half of 2023. It is worth noting the presence of 7 deals in excess of EUR 150m, compared to 3 in the same period last year. If only investments of less than EUR 150m are taken into account, the figure for the first half of 2024 is in line with the same period last year (EUR 2,364m, compared with EUR 2,329m in 2023). The **number of** deals stood at 299, down 14% compared to the first half of 2023 (346 investments), distributed over 227 companies.

In detail, **venture capital** deals (investments in early stage, seed, start-up, later stage companies) decreased by 17% in terms of number (193), while the amount invested increased by 21% (EUR 494m), indicating a larger average size of investments. **Buyouts** (acquisitions of majority or 100% stakes) increased by 14% in terms of amount, to EUR 2,528m, while the number, at 69, decreased by 8%. **Expansion** (minority investments in capital increases aimed at company growth), on the other hand, was characterised by a 76% increase in amount, amounting to EUR 370 million, and a 28% increase in number, with 23 deals. With regard to **infrastructure**, there were 7 investments, compared to 14 in the previous year, but the amount increased by 146% (EUR 649 million). **Turnaround** deals (aimed at supporting companies in difficulty) amounted to only 5 (4 in the same period last year), for an amount of EUR 48 million (+66%).

## Evolution of private equity and venture capital investments

	Number	Amount (million euro)
First half 2020	125	1.880
First half-year 2021	253	4.549
First half-year 2022	338	10.863
First half-year 2023	346	3.189
First half-year 2024	299	4.459

Source: AIFI - PwC

"The first half of 2024 saw a rebound in the amount invested compared to the same period in 2023, with a reduction in the number of investments more than offset by the increase in the average ticket," commented Francesco Giordano, Private Equity Leader at PwC Italia. "A positive sign is the growth in initial investments, while follow-on investments remain more or less stable in value. Interesting is the increase in divestments (+137% in amount and +30% in number) certainly a good sign for the health of our market."

## Breakdown of private equity and venture capital investments in the first half of 2024

	Number of deals	%	Amount (million euro)	%
Venture capital	193	64,5%	494	11,1%
Expansion	23	7,7%	370	8,3%
Turnaround	5	1,7%	48	1,1%
Replacement	2	0,7%	370	8,3%
Infrastructure	7	2,3%	649	14,5%
Buyout	69	23,1%	2.528	56,7%
<b>Total</b>	<b>299</b>	<b>100,0%</b>	<b>4.459</b>	<b>100,0%</b>

Source: AIFI - PwC

Also on the investment side, from the point of view of **company size**, companies with less than 50 million turnover once again prevail, accounting for 79% of the total number (87% in 1H2023).

As far as the **sectoral distribution** is concerned, in terms of numbers, 93 deals were made in the ICT sector (31% of the total), in the medical sector 51 (17%) and in industrial goods and services 49 (16%).

## Distribution of private equity and venture capital investments by sector (top 6)

	Number of deals	%	Amount (million euro)	%
ICT	93	31,1%	930	20,9%
Medical	51	17,1%	286	6,4%
Industrial goods and services	49	16,4%	744	16,7%
Biotechnology	21	7,0%	57	1,3%
Energy and the environment	13	4,3%	705	15,8%
Consumer Services	13	4,3%	752	16,9%

Source: AIFI - PwC

In terms of **geographical distribution**, 75 per cent of the 267 deals carried out in Italy in the first half of the year were in the North (amounting to 199 investments), 18 per cent in the Centre (49) and the remaining 7 per cent in the South and Islands, which

totalled 19 investments. At regional level, in line with previous years, Lombardy ranked first in terms of number of deals (120, or 45% of the total), followed by Friuli-Venezia Giulia and Lazio (both 21, 8%).

With regard to **divestments**, 70 were made in the first half of 2024 (spread over 51 companies), a number that marks a 30% increase compared to the first half of 2023, when there were 54. The **amount divested**, calculated at historical acquisition cost, came to EUR 2,363 million, compared to EUR 996 million in the first half of 2023 (+137%).

## Evolution of private equity and venture capital divestments

	Number	Amount (million euro)
First half 2020	30	395
First half-year 2021	43	697
First half-year 2022	49	1.483
First half-year 2023	54	996
First half-year 2024	70	2.363

Source: AIFI - PwC

In the **distribution of divestments by type**, sales to industrial entities prevailed in the first half of the year both in terms of the number of companies divested, 24, or 47% of the total number, and the amount divested, (EUR 963 million, 41%).

## Breakdown of private equity and venture capital divestments in the first half of 2024

	Number of companies	%	Amount (million euro)	%
Buy back (entrepreneur or management)/Other	7	13,7%	70	3,0%
Sale to private individuals/families financial offices/institutions	4	7,8%	767	32,5%
Sale to industrial entities	24	47,1%	963	40,7%
Sale to another private operator equity	9	17,7%	435	18,4%
IPO/Post IPO/Market disposal equity/SPAC	5	9,8%	3	0,1%
Write off	2	3,9%	125	5,3%
<b>Total</b>	<b>51</b>	<b>100,0%</b>	<b>2.363</b>	<b>100,0%</b>

Source: AIFI - PwC

### For more information:

#### AIFI Press Office

Annalisa Caccavale  
Tel: 02 76075324  
[a.caccavale@aifi.it](mailto:a.caccavale@aifi.it)

#### PwC Press Office

Barabino & Partners  
Tel: 02 72023535  
Alice Brambilla  
[a.brambilla@barabino.it](mailto:a.brambilla@barabino.it)  
Cell. 328/266.81.96  
Letizia Castiello  
[l.castiello@barabino.it](mailto:l.castiello@barabino.it)  
Cell. 348/62.37.666