



# Switzerland

## Background

Switzerland has shown an impressive GDP growth rate in 2007, at 3.1%, combined with a low unemployment rate 2.8% and a very low inflation rate 0.7%. This healthiness of the economy was reflected in the Swiss private equity scene. Despite a slight drop in fundraising, investments and divestments by Swiss private equity houses went up, and Swiss companies attracted a high amount of investments from foreign private equity players.

Switzerland slowly imposes itself as an entry door to old Europe for foreign investors, as well as an active private equity market for innovation (notably in high-tech) and for mid-market buyouts. Being a mature market, with large and powerful corporations, it not only provides exit paths for private equity houses, but is also a source for corporate venturing (notably in life sciences).

In spite of the density of its industrial landscape and the number of large to very large companies headquartered in Switzerland, the country still hosts only few large buyouts.

## Sources of capital

Funds raised decreased slightly (-9.7%) in 2007, from €1.6 billion to €1.5 billion, driven by the slight drop in funds raised by independents which gathered €154.3 million less than in 2006. Nevertheless, they still represented 97.0% of the total amount raised.

Allocations in Switzerland was reshuffled, as buyout allocation halved to €723.1 million and venture capital allocation tripled from €231.5 to €690.7 million. A large majority of this subtotal is expected to be allocated to early (€379.3 million) and later stage (€260.2 million) high-tech. The remaining venture funds are expected to be allocated to later stage non high-tech investments (€51.1 million).

Banks and corporations multiplied their commitment between three and four times, from €100.0 million to €332.2 million and from €28.5 million to €101.7 million respectively, while funds of funds decreased their commitments to the Swiss private equity sector from €267.0 million to €174.1 million. Private individuals and family offices contributed more actively, with an increase from €46.2 million to €228.8 million. Government agencies reduced their support from €391.6 million to €3.2 million, as well as insurance companies, from €351.8 to €201.5 million.

Switzerland continued to attract strong flows of foreign capital, notably through its strong fund of funds industry. More than 90.0% of the funds raised came from outside Europe, while the share of domestic funds slightly decreased from 20.4% to 9.6%.

## Investment patterns

Stability best describes the evolution of Swiss private equity investments, with a slight rise of 8.2% from 2006 to 2007 to €904.9 million. The rise was driven by a strong increase in early-stage investments from €72.4 million to €171.1 million. Altogether, 69 early-stage companies were financed. Expansion capital investments decreased from €329.2 million to €273.4 million, but continued to be the prime investment stage by number of deals, while buyouts stabilised at €434.2 million, thanks to a strong increase in the average buyout size.

In 2007, computer and consumer electronics was the leading sector as regards the amount invested, reaching €312.3 million (up from €37.0 million), even though the number of companies financed roughly remained the same (31 versus 30 companies in 2006). Life sciences, one of the core Swiss sectors, was remarkably stable in terms of amount invested and companies financed. Consumer goods and retail also remained one of the most financed sectors with €141.8 million. Energy and environment emerged from scratch as a significant sector of investment with €70.0 million invested in ten companies. Overall, high-tech confirmed its position as a major trend of investments at 18.3% of the total amount.

The vast majority of deals were syndicated (89 companies), even if amounts allocated to syndicated and non-syndicated deals are at par, at €411.8 million. Follow-on investments retained the majority of deals and investments. However, initial investments increased in amount and number of companies invested in.

Investments in Swiss companies reached €1.3 billion, of which €1.1 billion were invested by foreign private equity firms. Indeed, out of the €904.9 million invested by Swiss private equity firms, close to €700.0 million were invested abroad.

Most of the investments by foreign private equity firms into Swiss companies were buyouts, both by amount (€674.9 million) and by number of deals (41 out of 84). Early-stage deals came second by number, with 29 deals registered. German private equity firms represented close to one third of the total amount, followed by US-based private equity firms with about 25.0% of the total.

Altogether, by number of companies invested, investments into Swiss companies focused mainly on life sciences and computer and consumer electronics. However, most of these investments were registered on the venture side, while on the buyout side, the leading sector invested in by number of companies was business and industrial products.

### Exiting

Divestments by Swiss players rose sharply in 2007, to €367.7 million from €151.0 million in 2006, driven by trade sales and initial public offerings which both more than doubled at respectively €130.5 million and €35.2 million. MBOs emerged as an exit route, with four companies being sold to their management at €11.8 million.

Divestments from Swiss companies reached €357.4 million. Trade sales were the main exit path with €202.3 million divested at cost from 14 companies, followed by initial public offerings as for the number of companies (six). By amount, repayment of principal loans came second with €105.8 million divested at cost. The fact that the six companies which went public were venture-backed shows that the Swiss venture capital model is efficient and fruitful.

## Funds raised - industry statistics

Amount (in € x 1,000)	2006		2007			
	Amount	%	Amount	%		
<b>ALL CLOSINGS IN THE YEAR - INCREMENTAL AMOUNTS RAISED</b>						
<b>Private equity raised by source</b>						
Independent funds raised in year	1,588,244	97.1	1,433,889	97.0		
Amount raised by captives	8,850	0.5	0	0.0		
<b>Subtotal new funds raised</b>	<b>1,597,094</b>	<b>97.6</b>	<b>1,433,889</b>	<b>97.0</b>		
Realised capital gains	39,187	2.4	43,900	3.0		
<b>Total funds raised</b>	<b>1,636,281</b>	<b>100.0</b>	<b>1,477,789</b>	<b>100.0</b>		
<b>Expected allocation of funds raised</b>						
High-tech early-stage	0	0.0	379,263	25.7		
Non high-tech early-stage	0	0.0	0	0.0		
High-tech expansion/development	157,368	9.6	260,262	17.6		
Non high-tech expansion/development	74,155	4.5	51,140	3.5		
<b>Venture capital</b>	<b>231,523</b>	<b>14.1</b>	<b>690,665</b>	<b>46.8</b>		
Buyout	1,404,758	85.9	723,124	48.9		
Unknown	0	0.0	64,000	4.3		
<b>Total funds raised</b>	<b>1,636,281</b>	<b>100.0</b>	<b>1,477,789</b>	<b>100.0</b>		
<b>Private equity raised by type of investor</b>						
Corporate investors	28,511	1.8	101,725	7.1		
Private individuals	46,267	2.9	76,645	5.3		
Government agencies	391,572	24.5	3,174	0.2		
Banks	100,046	6.3	332,154	23.2		
Pension funds	299,372	18.7	288,151	20.1		
Insurance companies	351,792	22.0	201,515	14.1		
Fund of funds	266,977	16.7	174,124	12.1		
Academic institutions	0	0.0	0	0.0		
Capital markets	0	0.0	0	0.0		
Endowments & foundations	-	-	92,931	6.5		
Family offices	-	-	152,195	10.6		
Other asset managers (including private equity houses other than fund of funds)	-	-	11,275	0.8		
Unknown	112,557	7.1	0	0.0		
<b>New funds raised</b>	<b>1,597,094</b>	<b>100.0</b>	<b>1,433,889</b>	<b>100.0</b>		
<b>Geographic breakdown of sources of private equity funds raised</b>						
Domestic	334,242	20.4	141,886	9.6		
Other European countries	882,641	54.0	638,294	43.2		
Non-European countries	419,398	25.6	697,609	47.2		
<b>Total funds raised</b>	<b>1,636,281</b>	<b>100.0</b>	<b>1,477,789</b>	<b>100.0</b>		
	Amount	Number of funds	Average fund size	Amount	Number of funds	Average fund size
<b>FINAL CLOSINGS IN THE YEAR BY INDEPENDENT FUNDS - CUMMULATIVE AMOUNT RAISED SINCE INCEPTION</b>						
<b>Fundraising by fund stage focus</b>						
Early-stage	-	-	-	0	0	0
Development/expansion	-	-	-	0	0	0
Balanced	-	-	-	546,300	3	182,100
<b>All venture</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>546,300</b>	<b>3</b>	<b>182,100</b>
Buyouts	-	-	-	576,000	2	288,000
Mezzanine	-	-	-	0	0	0
Generalist	-	-	-	0	0	0
<b>Independent funds raised</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,122,300</b>	<b>5</b>	<b>224,460</b>
<b>Fundraising by fund sectoral focus</b>						
Agriculture, chemicals and materials	-	-	-	0	0	0
Business and industrial products and services	-	-	-	0	0	0
Consumer products, services and retail	-	-	-	0	0	0
Energy and environment	-	-	-	151,300	1	151,300
Financial services	-	-	-	0	0	0
ICT	-	-	-	0	0	0
Life sciences	-	-	-	45,000	1	45,000
Generalist	-	-	-	926,000	3	308,667
<b>Independent funds raised</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,122,300</b>	<b>5</b>	<b>224,460</b>

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	%
<b>Stage distribution of investments</b>												
Seed	581	0.1	1	0.6	1	0.8	15,282	1.7	27	19.0	26	20.8
Start-up	71,821	8.6	35	21.1	30	23.1	155,830	17.2	48	33.8	43	34.4
Expansion	329,245	39.4	99	59.6	74	56.9	273,355	30.2	50	35.2	42	33.6
Expansion by buyout firms	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Rescue/turnaround	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Replacement capital	2,036	0.2	4	2.4	4	3.1	26,154	2.9	1	0.7	1	0.8
Buyout	432,940	51.7	27	16.3	21	16.1	434,249	48.0	16	11.3	13	10.4
<b>Total investment</b>	<b>836,623</b>	<b>100.0</b>	<b>166</b>	<b>100.0</b>	<b>130</b>	<b>100.0</b>	<b>904,870</b>	<b>100.0</b>	<b>142</b>	<b>100.0</b>	<b>124</b>	<b>100.0</b>
<b>Sectoral distribution of investments</b>												
Agriculture	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Chemicals & materials	176	0.0	1	0.6	1	0.8	6,957	0.8	4	2.8	2	1.6
Life sciences	229,664	27.4	65	39.3	47	36.2	248,421	27.5	54	38.0	47	37.9
Computer & consumer electronics	37,079	4.5	34	20.5	30	23.1	312,265	34.5	35	24.7	31	25.0
Communications	41,911	5.0	15	9.0	12	9.2	41,443	4.6	14	9.9	12	9.7
Consumer goods & retail	163,011	19.5	5	3.0	5	3.8	141,789	15.7	8	5.6	8	6.5
Consumer services: other	-	-	-	-	-	-	4,704	0.5	1	0.7	1	0.8
Business & industrial products	264,032	31.6	17	10.2	15	11.5	50,832	5.6	6	4.2	6	4.8
Business & industrial services	5,482	0.7	11	6.6	8	6.2	23,728	2.6	6	4.2	4	3.2
Transportation	85,704	10.2	9	5.4	5	3.8	4,450	0.5	2	1.4	2	1.6
Construction	0	0.0	3	1.8	3	2.3	305	0.0	1	0.7	1	0.8
Energy & environment	0	0.0	0	0.0	0	0.0	69,976	7.7	11	7.8	10	8.1
Financial services	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Real estate	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Unknown	9,564	1.1	6	3.6	4	3.1	0	0.0	0	0.0	0	0.0
<b>Total investment</b>	<b>836,623</b>	<b>100.0</b>	<b>166</b>	<b>100.0</b>	<b>130</b>	<b>100.0</b>	<b>904,870</b>	<b>100.0</b>	<b>142</b>	<b>100.0</b>	<b>124</b>	<b>100.0</b>
<b>Subtotal high-tech</b>	<b>110,971</b>	<b>13.3</b>	<b>74</b>	<b>44.6</b>	<b>58</b>	<b>44.6</b>	<b>165,983</b>	<b>18.3</b>	<b>60</b>	<b>42.3</b>	<b>55</b>	<b>44.4</b>
<b>Syndication of investments</b>												
No syndication	744,911	89.1	113	68.1	96	73.8	411,853	45.5	37	26.1	35	28.0
Syndication	91,712	10.9	53	31.9	34	26.2	438,417	48.5	104	73.2	89	71.2
Unknown	0	0.0	0	0.0	0	0.0	54,600	6.0	1	0.7	1	0.8
<b>Total investment</b>	<b>836,623</b>	<b>100.0</b>	<b>166</b>	<b>100.0</b>	<b>130</b>	<b>100.0</b>	<b>904,870</b>	<b>100.0</b>	<b>142</b>	<b>100.0</b>	<b>124</b>	<b>100.0</b>
<b>Initial vs follow-on</b>												
Initial for the company	542,386	64.8	44	26.3	40	30.8	350,905	38.8	56	39.4	47	37.9
Follow-on investment for the company	294,237	35.2	122	73.7	90	69.2	310,254	34.3	63	44.4	54	43.6
Unknown	0	0.0	0	0.0	0	0.0	243,711	26.9	23	16.2	23	18.5
<b>Total investment</b>	<b>836,623</b>	<b>100.0</b>	<b>166</b>	<b>100.0</b>	<b>130</b>	<b>100.0</b>	<b>904,870</b>	<b>100.0</b>	<b>142</b>	<b>100.0</b>	<b>124</b>	<b>100.0</b>
<b>Initial for the private equity firm</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>356,765</b>	<b>39.4</b>	<b>57</b>	<b>40.1</b>	<b>58</b>	<b>46.8</b>
<b>Geographic distribution of investments</b>												
Domestic	538,262	64.3	83	50.0	67	51.6	211,606	23.4	53	37.3	42	33.9
Other European countries	205,079	24.5	32	19.3	28	21.5	520,033	57.5	54	38.0	49	39.5
Non-European countries	93,282	11.2	51	30.7	35	26.9	173,231	19.1	35	24.7	33	26.6
<b>Total investment</b>	<b>836,623</b>	<b>100.0</b>	<b>166</b>	<b>100.0</b>	<b>130</b>	<b>100.0</b>	<b>904,870</b>	<b>100.0</b>	<b>142</b>	<b>100.0</b>	<b>124</b>	<b>100.0</b>
<b>Distribution of investments by investor type</b>												
Independent	836,623	100.0	166	100.0	130	100.0	817,094	90.3	99	69.7	83	66.4
Captive	0	0.0	0	0.0	0	0.0	87,776	9.7	43	30.3	42	33.6
Public sector	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total investment</b>	<b>836,623</b>	<b>100.0</b>	<b>166</b>	<b>100.0</b>	<b>130</b>	<b>100.0</b>	<b>904,870</b>	<b>100.0</b>	<b>142</b>	<b>100.0</b>	<b>124</b>	<b>100.0</b>

Source: PEREP\_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).  
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## 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	%
<b>Stage distribution of investments</b>												
Seed	-	-	-	-	-	-	14,105	1.1	25	18.3	23	27.4
Start-up	-	-	-	-	-	-	95,231	7.3	37	27.0	18	21.4
Expansion	-	-	-	-	-	-	419,369	32.2	33	24.1	19	22.6
Expansion by buyout firms	-	-	-	-	-	-	203,628		1		1	
Rescue/turnaround	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Replacement capital	-	-	-	-	-	-	8	0.0	1	0.7	1	1.2
Buyout	-	-	-	-	-	-	772,603	59.4	41	29.9	23	27.4
<b>Total Investment</b>	-	-	-	-	-	-	<b>1,301,316</b>	<b>100.0</b>	<b>137</b>	<b>100.0</b>	<b>80</b>	<b>100.0</b>
<b>Sectoral distribution of investments</b>												
Agriculture	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Chemicals & materials	-	-	-	-	-	-	1,670	0.1	4	2.9	2	2.5
Life sciences	-	-	-	-	-	-	174,303	13.4	42	30.7	24	30.0
Computer & consumer electronics	-	-	-	-	-	-	84,031	6.5	42	30.7	22	27.5
Communications	-	-	-	-	-	-	26,993	2.1	5	3.7	5	6.2
Consumer goods & retail	-	-	-	-	-	-	358,009	27.5	7	5.1	6	7.5
Consumer services: other	-	-	-	-	-	-	280,890	21.6	10	7.3	3	3.7
Business & industrial products	-	-	-	-	-	-	298,012	22.9	14	10.2	9	11.3
Business & industrial services	-	-	-	-	-	-	25,733	2.0	6	4.4	4	5.0
Transportation	-	-	-	-	-	-	20,000	1.5	1	0.7	1	1.3
Construction	-	-	-	-	-	-	305	0.0	1	0.7	1	1.3
Energy & environment	-	-	-	-	-	-	31,370	2.4	5	3.6	3	3.7
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
<b>Total investment</b>	-	-	-	-	-	-	<b>1,301,316</b>	<b>100.0</b>	<b>137</b>	<b>100.0</b>	<b>80</b>	<b>100.0</b>
<b>Subtotal high-tech</b>	-	-	-	-	-	-	<b>72,049</b>	<b>5.5</b>	<b>53</b>	<b>38.7</b>	<b>32</b>	<b>40.0</b>
<b>Syndication of investments</b>												
No syndication	-	-	-	-	-	-	385,159	29.6	55	40.1	43	53.1
Syndication	-	-	-	-	-	-	619,825	47.6	77	56.2	33	40.7
Unknown	-	-	-	-	-	-	296,332	22.8	5	3.7	5	6.2
<b>Total investment</b>	-	-	-	-	-	-	<b>1,301,316</b>	<b>100.0</b>	<b>137</b>	<b>100.0</b>	<b>80</b>	<b>100.0</b>
<b>Initial vs follow-on</b>												
Initial for the company	-	-	-	-	-	-	899,645	69.1	47	34.3	29	35.4
Follow-on investment for the company	-	-	-	-	-	-	383,532	29.5	66	48.2	30	36.6
Unknown	-	-	-	-	-	-	18,139	1.4	24	17.5	23	28.0
<b>Total investment</b>	-	-	-	-	-	-	<b>1,301,316</b>	<b>100.0</b>	<b>137</b>	<b>100.0</b>	<b>80</b>	<b>100.0</b>
<b>Initial for the private equity firm</b>	-	-	-	-	-	-	<b>977,228</b>	<b>75.1</b>	<b>51</b>	<b>37.2</b>	<b>30</b>	<b>37.5</b>
<b>Buyouts split by investment size</b>												
Small	-	-	-	-	-	-	113,803	13.4	26	63.4	12	46.2
Mid-market	-	-	-	-	-	-	436,702	60.4	14	34.2	13	50.0
Large	-	-	-	-	-	-	222,098	26.2	1	2.4	1	3.8
Mega	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
<b>Total buyout</b>	-	-	-	-	-	-	<b>772,603</b>	<b>100.0</b>	<b>41</b>	<b>100.0</b>	<b>23</b>	<b>100.0</b>

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

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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	%
<b>Sectoral distribution of investments</b>												
<b>VENTURE DEALS</b>												
Agriculture	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Chemicals & materials	-	-	-	-	-	-	1,662	0.3	3	3.1	1	1.8
Life sciences	-	-	-	-	-	-	142,233	26.9	40	42.1	22	39.2
Computer & consumer electronics	-	-	-	-	-	-	61,988	11.7	39	41.0	20	35.7
Communications	-	-	-	-	-	-	9,149	1.7	4	4.2	4	7.1
Consumer goods & retail	-	-	-	-	-	-	278,629	52.7	2	2.1	2	3.6
Consumer services: other	-	-	-	-	-	-	106	0.0	1	1.1	1	1.8
Business & industrial products	-	-	-	-	-	-	11,960	2.3	1	1.1	1	1.8
Business & industrial services	-	-	-	-	-	-	304	0.1	2	2.1	2	3.6
Transportation	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Construction	-	-	-	-	-	-	305	0.1	1	1.1	1	1.8
Energy & environment	-	-	-	-	-	-	22,369	4.2	2	2.1	2	3.6
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
<b>Total investment</b>	-	-	-	-	-	-	<b>528,705</b>	<b>100.0</b>	<b>95</b>	<b>100.0</b>	<b>56</b>	<b>100.0</b>
<b>Subtotal high-tech</b>	-	-	-	-	-	-	<b>72,049</b>	<b>13.6</b>	<b>53</b>	<b>55.8</b>	<b>32</b>	<b>57.1</b>
<b>Sectoral distribution of investments</b>												
<b>BUYOUT DEALS</b>												
Agriculture	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Chemicals & materials	-	-	-	-	-	-	8	0.0	1	2.4	1	4.2
Life sciences	-	-	-	-	-	-	32,070	4.1	2	4.8	2	8.3
Computer & consumer electronics	-	-	-	-	-	-	22,043	2.9	3	7.1	2	8.3
Communications	-	-	-	-	-	-	17,844	2.3	1	2.4	1	4.2
Consumer goods & retail	-	-	-	-	-	-	79,381	10.3	5	11.9	4	16.7
Consumer services: other	-	-	-	-	-	-	280,783	36.3	9	21.4	2	8.3
Business & industrial products	-	-	-	-	-	-	286,052	37.0	13	31.0	8	33.3
Business & industrial services	-	-	-	-	-	-	25,430	3.3	4	9.5	2	8.3
Transportation	-	-	-	-	-	-	20,000	2.6	1	2.4	1	4.2
Construction	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Energy & environment	-	-	-	-	-	-	9,000	1.2	3	7.1	1	4.2
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
<b>Total investment</b>	-	-	-	-	-	-	<b>772,611</b>	<b>100.0</b>	<b>42</b>	<b>100.0</b>	<b>24</b>	<b>100.0</b>
<b>Subtotal high-tech</b>	-	-	-	-	-	-	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>

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	%
<b>Divestment at cost by exit routes</b>												
<b>VENTURE DEALS</b>												
Divestment by trade sale	-	-	-	-	-	-	9,984	15.3	4	19.0	3	18.7
Divestment by public offering	-	-	-	-	-	-	18,271	27.9	9	42.9	6	37.5
Divestment on flotation (IPO)	-	-	-	-	-	-	7,141		3		1	
Sale of quoted equity	-	-	-	-	-	-	11,130		6		5	
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	-	-	-	-	-	-	12,957	19.8	4	19.0	3	18.7
Sale to another private equity house	-	-	-	-	-	-	1,211	1.4	3	14.3	3	18.7
Sale to financial institution	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Sale to management (MBO)	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Divestment by other means	-	-	-	-	-	-	5,002	7.6	1	4.8	1	6.4
<b>Total divestment in year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,425</b>	<b>100.0</b>	<b>21</b>	<b>100.0</b>	<b>16</b>	<b>100.0</b>
<b>Divestment at cost by exit routes</b>												
<b>BUYOUT DEALS</b>												
Divestment by trade sale	-	-	-	-	-	-	174,018	59.6	13	65.0	11	64.7
Divestment by public offering	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Divestment on flotation (IPO)	-	-	-	-	-	-	0		0		0	
Sale of quoted equity	-	-	-	-	-	-	0		0		0	
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	-	-	-	-	-	-	92,864	31.8	4	20.0	3	17.6
Sale to another private equity house	-	-	-	-	-	-	25,045	8.6	2	10.0	2	11.8
Sale to financial institution	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Sale to management (MBO)	-	-	-	-	-	-	47	0.0	1	5.0	1	5.9
Divestment by other means	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
<b>Total divestment in year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>291,974</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>17</b>	<b>100.0</b>

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.

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## 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	%
<b>Divestment at cost by exit routes</b>												
<b>ALL PRIVATE EQUITY</b>												
Divestment by trade sale	50,998	33.8	9	28.1	7	25.9	130,469	48.7	15	45.4	14	45.2
Divestment by public offering	15,046	9.9	12	37.5	11	40.8	35,207	13.2	4	12.1	4	12.9
Divestment on flotation (IPO)	6,694		5		5		5,085		1		1	
Sale of quoted equity	8,352		7		6		30,122		3		3	
Divestment by write-off	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Repayment of silent partnerships	0	0.0	0.0	0.0	0.0	0.0	0	0.0	0	0.0	0	0.0
Repayment of principal loans	41,630	27.6	4	12.5	3	11.1	75,749	28.3	2	6.1	2	6.4
Sale to another private equity house	14,932	9.9	1	3.1	1	3.7	14,509	5.4	7	21.2	7	22.6
Sale to financial institution	26,708	17.7	1	3.1	1	0.0	0	0.0	0	0.0	0	0.0
Sale to management (MBO)	140	0.1	3	9.4	3	11.1	11,759	4.4	5	15.2	4	12.9
Divestment by other means	1,566	1.0	2	6.3	2	7.4	0	0.0	0	0.0	0	0.0
<b>Total divestment in year</b>	<b>151,020</b>	<b>100.0</b>	<b>32</b>	<b>100.0</b>	<b>28</b>	<b>100.0</b>	<b>267,693</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>28</b>	<b>100.0</b>

## 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	2,150,677			2,836,280		
Total investment in year	836,623	166	130	904,870	142	124
Total divestment in year	(151,020)	32	27	(267,693)	33	28
<b>Portfolio at cost 31st Dec</b>	<b>2,836,280</b>			<b>3,473,457</b>		

## Geographic flows of private equity

Amount (in € x 1,000)	2006	2007
	Amount	Amount
Investments by local private equity houses	836,623	904,870
(-) Foreign investments by local private equity houses	(298,361)	(693,264)
(+) Local investments by foreign private equity houses	316,554	1,089,710
<b>Total investment in country</b>	<b>854,816</b>	<b>1,301,316</b>

Source: PEREP\_Analytics for 2007 data, EVCA/Thomson Reuters/PricewaterhouseCoopers for data of the previous year(s).  
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## 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	%
<b>Divestment at cost by exit routes</b>												
<b>ALL PRIVATE EQUITY</b>												
Divestment by trade sale	-	-	-	-	-	-	202,271	56.6	18	42.9	14	43.7
Divestment by public offering	-	-	-	-	-	-	18,271	5.1	9	21.4	6	18.8
Divestment on flotation (IPO)	-	-	-	-	-	-	7,141		3		1	
Sale of quoted equity	-	-	-	-	-	-	11,130		6		5	
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	-	-	-	-	-	-	105,821	29.6	8	19.0	3	9.4
Sale to another private equity house	-	-	-	-	-	-	26,255	7.3	5	11.9	5	15.6
Sale to financial institution	-	-	-	-	-	-	0	0.0	0	0.0	0	0.0
Sale to management (MBO)	-	-	-	-	-	-	47	0.0	1	2.4	1	3.1
Divestment by other means	-	-	-	-	-	-	5,003	1.4	1	2.4	3	9.4
<b>Total divestment in year</b>	-	-	-	-	-	-	<b>357,668</b>	<b>100.0</b>	<b>42</b>	<b>100.0</b>	<b>30</b>	<b>100.0</b>

## Macro economic indicators

	2006	2007
Number of private equity firms in existence	-	113
Number of private equity firms with headquarter in country	-	95
Private equity investment as % of GDP		
Investments under market statistics as % of GDP	0.282%	0.421%
Investments under industry statistics as % of GDP	0.276%	0.292%
GDP (€ billions)*	303.0	309.4
Private consumption*	181.4	180.5
Public consumption*	33.5	33.4
Consumer prices (Dec. 2005=100)*	100.5	101.2
Producer prices (May 2003=100)*	104.2	104.6
Interest rates (3-month)*	0.91%	2.02%
Interest rates (10-year)*	1.89%	2.99%
Retail sales (1949=100)*	887.9	919.7
Unemployment rate*	3.3%	2.8%
M&A		
Value (€ million)	13,640	21,977
Number of completed deals	225	284
IPOs		
Value (€ million)	3,420	1,512
Number of listings	10	11

\* National source

\*\* European Banking Federation &amp; Financial Market Association

\*\*\* European Central Bank &amp; EUROSTAT

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

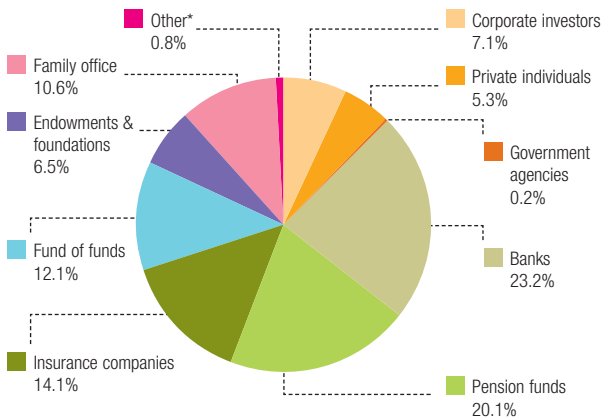
Number and amount of IPOs are split per country based on the location of the issuer.

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).

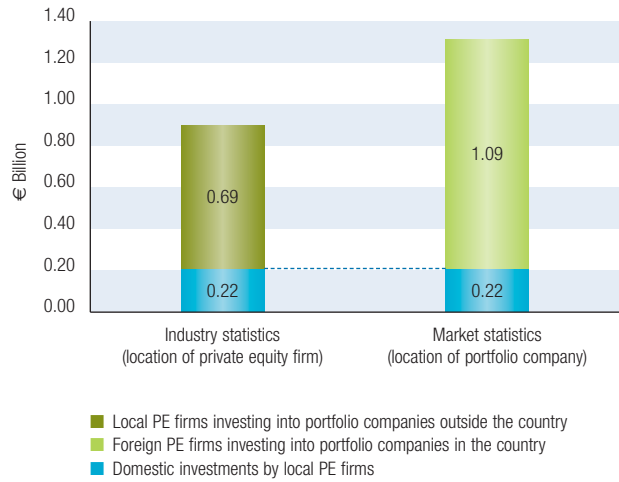
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Private equity raised by type of investor in 2007

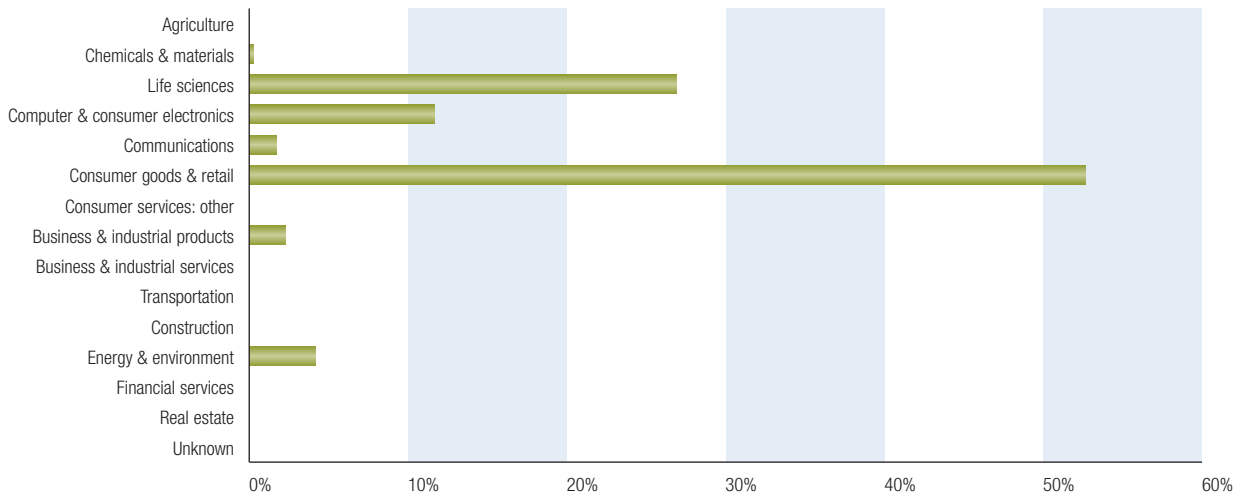


\* Other asset managers (including private equity houses other than fund of funds)

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)

