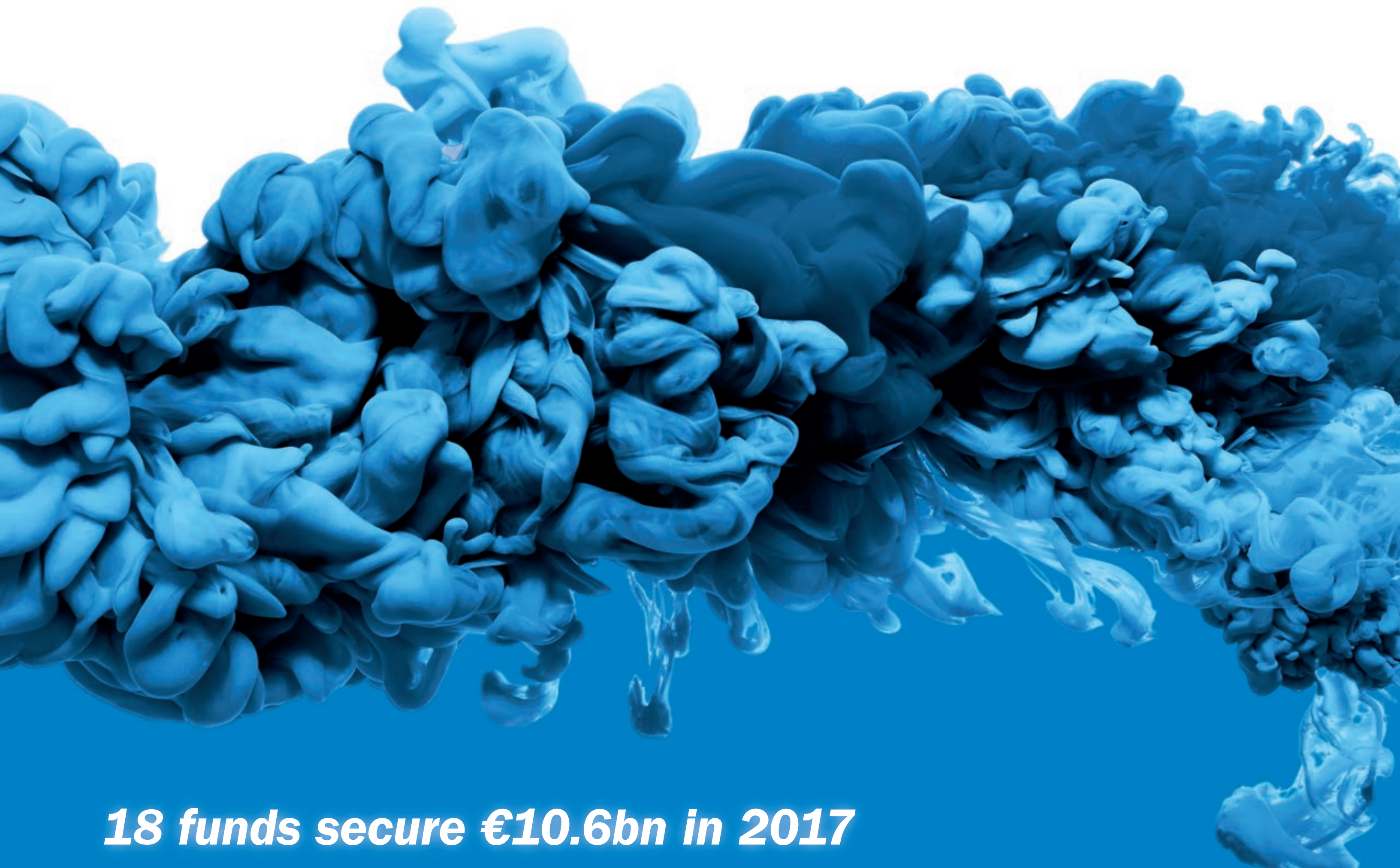
unquote

DACH FUNDRAISING REPORT 2017



18 funds secure €10.6bn in 2017

Entry multiples ramping up

Mittelstand access issues explored

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DATA METHODOLOGY

The data used in this report is primarily drawn from *unquote" data*, the longest running European private equity and venture capital database available. The database holds information dating back to the late 1980s and covers more than 40,000 private-equity-backed deals, as well as almost 4,000 funds that have collectively raised in excess of €2tn.

Over the last 25-plus years, the *unquote" data* team of journalists and specialist researchers has collected information on 3,200 international LPs that have committed capital to European private equity and venture funds. Although there are some exceptions, *unquote" data* coverage is as follows:

- Venture/private equity investments of all sizes and types, as long as there is backing from institutionally funded investors;
- Funds covered are generally raised from institutional investors, though there are examples of state- or European-sponsored vehicles held in the database too. Retail funds are generally not covered;
- Investments on the database all involve Europe-headquartered companies, irrespective of where the investing fund is domiciled or managed from;
- Institutional coverage is global, where LPs have an appetite for investment in European-managed vehicles, though there is a strong bias towards those LPs with a decision-making capacity in Europe.

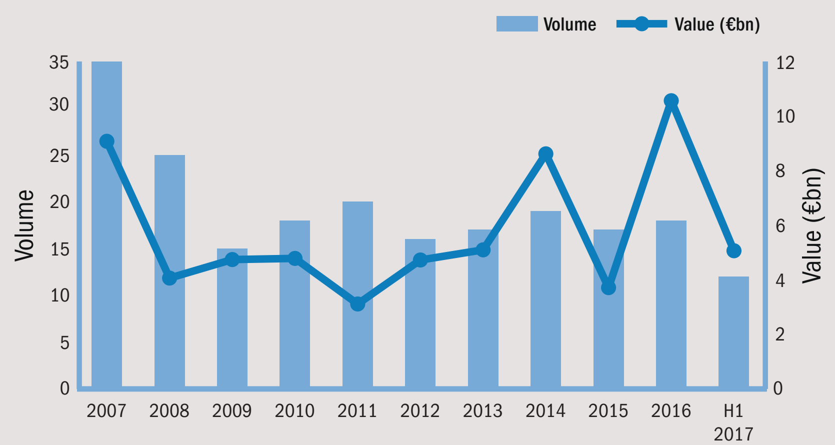
Direct contact between our editors/researchers and private equity deal-doers, advisers, fundraisers and institutional investors is at the heart of the division's research methodology. The strong relationships that this direct contact has enabled us to build has ensured a high-quality flow of qualitative information in our database and published products.

Statistical overview

As dealflow continues to rise, Gareth Morgan delves into the data to find a fundraising landscape in rude health. But with average entry multiples rising, can 2017 dealflow keep pace with a boisterous 2016

Private equity fundraising in the DACH region, as in the rest of Europe, is seeing continued strength, raising the most capital last year since the global financial crisis. A total of €10.6bn was raised by 18 funds managed in the DACH region that held a final close in 2016. This is more than double 2015's tally, and the most raised over a 12-month period on record. H1 2017 has seen a continuation of this buoyancy, with €5.1bn secured by 12 funds holding a final close in the six months to July.

DACH private equity fund final closes



Source: *unquote" data*

Gaining access

Drivers behind strong private equity fundraising globally also apply to the DACH region. As Europe's largest economy, LPs are eager to gain exposure to Germany, which has not been easy to access historically, and they are keen to deploy capital in funds that have access to the region.

"LPs are generally short DACH exposure, in that their portfolios are structurally underweight relative to the country's GDP," say Mounir Guen, CEO of MVision Private Equity Advisors. "Statistically, the volume of potential opportunities in Germany is very large, but as an investor looking to capture the market, access can be difficult as there's a limited domestic head-count of GPs."

For fund managers active in the region, this demand facilitates quick fundraising for products with access to DACH dealflow. This is increasingly the case recently, with political uncertainty around the UK's decision to leave the EU causing some institutional investors to rethink their allocation to the country.

Deal activity ramping up

The increasing interest in DACH is reflected in the significant jump in deal volume in 2016, a year-on-year increase of 44%, as reported in the *unquote" 2017 Annual Buyout Review*. The DACH region also

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"DACH is a great market as far as well-rounded businesses, international products and international consumers are concerned. But the biggest issue with this market is unlocking its opportunities"
Kathleen Bacon, HarvourVest Partners

saw the second highest increase in year-on-year deal value across Europe in 2016, with €25.8bn deployed in buyout deals, a jump of 39.9% from 2015's total.

A significant statistic highlighted in the *2017 Annual Buyout Review* is in the sourcing of deals from family and private vendors, which jumped to 55 in 2016 from 37 in 2015, and increased 268% in terms of value year-on-year. This growth illustrates the increasing openness of entrepreneurs to financial sponsors, but market participants continue to view the DACH market as underperforming relative to its potential. Kathleen Bacon, managing director at HarvourVest Partners, says: "DACH is a great market as far as well-rounded businesses, international products and international consumers are concerned. But the biggest issue with this market is unlocking its opportunities. There is still a perception that owners tend to sell to industrials rather than financial players. The dealflow is good, but underweight given the actual opportunity set and size of the economy."

Going local

Looking in depth at *unquote" data*'s deal information for the region reveals a clear distinction between the sources of capital across size bands. Taking average DACH-region deal size for GPs over the last five years, DACH-based managers are significantly more active than their pan-European counterparts at the lower end of the spectrum, accounting for around 70% of GPs with an average deal value of less than €50m in the region. This percentage falls to around 40% of GPs with an average deal size between €50-250m, and 10% of GPs with an average deal size of more than €250m.

This pattern is in part due to the fact that lower

Fund final closes 2016 (>€150m)

Fund	Total raised
Partners Group Secondary 2015	€2.50bn
Crown Global Secondaries IV	€2.49bn
DBAG Fund VII	€1.00bn
MF Venture Private Investments Infinity	€837m
Crown Europe Middle Market III	€500m
Adveq Europe VI	€462m
Golding Private Debt VIII	€413m
Genui Fund I	€407m
Adveq Specialized Investments	€323m
German Access Fund	€260m
CMP German Opportunity Fund III	€250m
Endeavour Medtech Growth	€250m
Ufenau V German Asset Light	€227m
Coparion	€225m
Cherry Ventures II	€150m

Source: *unquote" data*

Funds final closes H1 2017 (>€150m)

Fund	Total raised
Rocket Internet Capital Partners	€917m
Asia-Germany Industrial Promotion Capital 1	€894m
Monte Rosa IV	€748m
DPE Deutschland III	€575m
Euro Choice VI	€410m
EMH Digital Growth Fund	€350m
European Special Situations Venture Partners IV	€320m
PE Invest 3	€312m
Pinova Capital Fund 2	€180m

Source: *unquote" data*

Total capital raised by GP since 2007 (>€350m)

Fund	Number of funds	Total raised (€m)
Partners Group	14	13,822.0
LGT Capital Partners	9	8,311.8
DB Private Equity	4	2,596.9
Akina Partners	5	2,011.6
Deutsche Beteiligungs AG	3	1,942.0
Index Ventures	4	1,600.0
SwanCap Partners	2	1,514.6
Portfolio Advisors	2	1,474.0
Schroder Adveq	5	1,360.0
Capvis Equity Partners	2	1,320.0
Quadriga Capital Eigenkapitalservices	2	1,054.1
Capiton	3	1,040.0
Deutsche Private Equity	2	925.0
Rocket Internet	1	916.9
Agic Capital	1	893.6
Medici Firma Venture	1	836.6
Odewald & Compagnie	2	800.0
Invision Private Equity	3	791.3
MIG	9	770.0
Pictet & Cie	1	748.3
Afinum Management	3	720.0
Holtzbrinck Ventures	3	637.0
Paragon Partners	2	632.0
Golding Capital Partners	2	625.0
Ventizz Capital Partners	2	565.0
Orlando Management	2	551.0
Unigestion Capital Partners	2	502.0
Montana Capital Partners	2	500.0
T-Venture Holding	1	500.0
Lakestar	2	485.0
Mezzanine Management Central Europe	2	461.0
HQ Capital	2	450.0
Wellington Partners	3	428.0
Riverside Company	1	420.0
Genui Gmbh	1	407.0
Argos Soditic	1	400.0
Endeavour Vision	2	350.0
European Media Holding	1	350.0
Emeram Capital Partners	1	350.0

Source: *unquote" data*

mid-market and small cap GPs typically operate very locally, relying on their local network for sourcing and execution (*see page* 6).

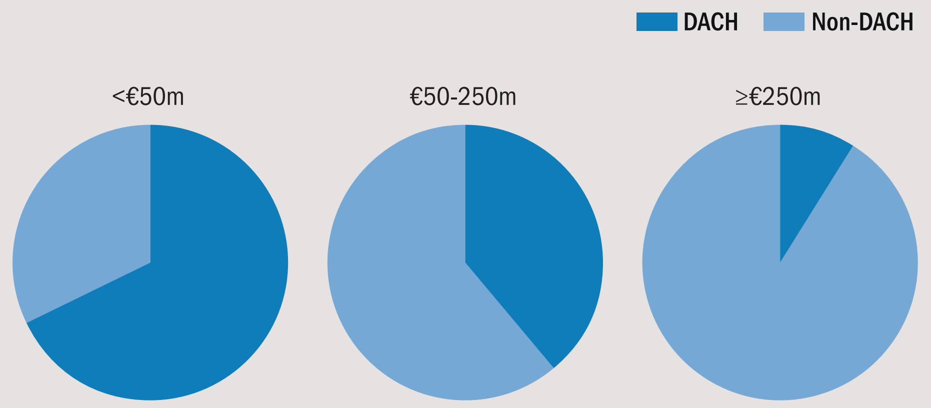
H1 2017

The first six months of 2017 have seen 51 buyout deals in the region, with an aggregate deal value of €6.8bn, according to *unquote" data*. The same period in 2016 saw €11.1bn deployed through 49 buyout transactions, and so 2017 is so far struggling to keep pace with what was a record-breaking year.

This could be a function of the elevated pricing seen in the market. Clearwater International's *Multiples Heatmap*, published in association with *unquote"*, saw average entry multiples in the DACH region at 11.2x EBITDA in Q1 2017, and 11.1x in Q2, significantly above the region's long-term average of 9.8x. In this environment, many GPs are becoming wary when it comes to deploying capital, and this appears to be confirmed by the fall in deal value.

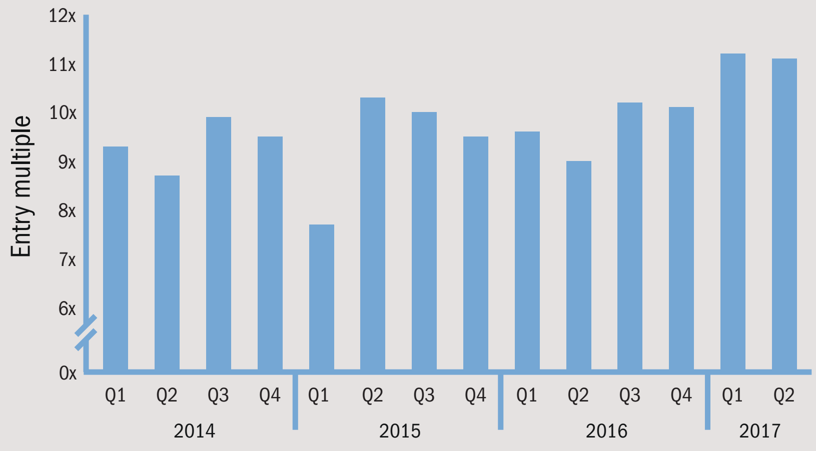
2017's *Annual Buyout Review* noted the pick-up in deals during H2 2016, which took the year to record-breaking levels of buyout activity. With fundraising in the region over H1 2017 continuing at the strength seen in 2016, it will be interesting to see if H2 deal activity picks up where 2016 left off. ■

Average DACH deal size by GP location



Source: *unquote" data*

Average entry multiples in the DACH Region



Source: *Clearwater International*

Picking a mid-cap master

The Mittelstand in Germany remains the driving force behind private equity dealflow in the region, but with so many proponents of the mid-cap space, Oscar Geen finds out how LPs decide on their allocations

The DACH buyout market is driven by Germany's Mittelstand, generating most of its transactions in the <€500m range, and, in the first half of 2017, the majority of its value as well.

The region, and Germany specifically, has a strong reputation for research and development, and high productivity companies. According to *unquote" data*, more than half of buyout transactions in H1 2017 were in the industrials or technology sectors. The target companies are supported by strong infrastructure and a favourable regulatory environment. Market participants often refer to good German companies as "hidden champions" and this term highlights the main problem investors in the region encounter, good opportunities are hard to source and even harder to win.

For this reason LPs need to allocate to managers that can find opportunities in this notoriously competitive space. Torsten Krumm of HQ Equita explains that LPs are attracted to the region because of its SMEs but these companies are historically family-owned and can be difficult to get access to. "LPs want to allocate to DACH-based GPs because we are native German speakers with local knowledge and we know how to win the hearts and minds of German entrepreneurs," says Krumm.

Citizens of the world

Mounir Guen of MVision Private Equity Advisors tells *unquote"* he expects the regional idiosyncrasies of private equity to decline. This is because there are many opportunities in the DACH region, and especially Germany, but the PE groups are small in size and therefore larger pan-European or international funds take the majority of the larger deals. "Regional definitions were arbitrarily created by private equity and they are becoming increasingly less relevant," he says.

> **"Family offices are very much a part of the European fabric. [In Germany] they are sophisticated institutional investors and have a lot of breadth"**
> *Mounir Guen, MVision Private Equity Advisors*

Equistone's Dirk Schekerka agrees with this to an extent. He explains that within Equistone there is a strong trend towards consolidating the marketing and fundraising activities of the firm but less so on the deal side. "We manage our regions from our regional offices. Pan-European has always been a key word for marketing but I would emphasise the need for a strong local presence to do deals in this region, especially in the lower-mid-cap space," he says, adding that he has never encountered any issues regarding the firm's German credentials when dealing with business owners.

Family affair

There is a certain distrust of PE among some business owners in the region, especially proprietors of long-established family businesses. Flexibility of financing arrangements can be key to winning this trust. Christian Böhler, head of DACH fund investments for Akina Partners says flexibility is a key differentiator when choosing managers "We like funds that can also take minority positions because some of the best entrepreneurs prefer to retain some control."

Many of the businesses that attract interest from private equity are family-owned. Having access to networks of German business families is therefore very important and is part of the reason for the increasing importance of family offices. “Family offices are very much a part of the European fabric.” says Guen, and specifically in Germany where “they are sophisticated institutional investors and have a lot of breadth”, referring to the increasing trend of family offices investing in businesses directly.

However, Schekerka is not convinced that family offices are in PE as deal-doers for the long haul, “In the early 2000s we saw a lot of family offices getting into venture but many ended up closing down,” he says. Although he does acknowledge that they have become part of the competition. Equistone no longer takes investments from LPs that have their own direct investment arm. Bregal, the family office of the Dutch-German Brenninkmeijer family, was previously an investor in Equistone funds but since the launch of its direct investment teams, Bregal Unternehmerkapital in Germany and Bregal Freshstream in the UK, it has lost access.

Käpplinger thinks that because of issues of this kind, many family offices are turning to funds-of-funds. “Family offices will try to invest in the big funds but if they can’t they’d rather take funds-of-funds than a second tier buyout fund,” he says. Finding the right fund manager can be a headache for an LP, so from a technical point of view it is much easier to use a fund-of-funds manager that can choose the top tier PE funds.

Big hitters

Large-cap deals remain elusive in the region and this is partly due to the legal framework. Schekerka highlights a lack of listed companies as one key reason: “There are only around 300 listed companies in Germany, compared to several thousand in the UK, and there are strong limitations on squeeze out.” This refers to the process by which a private equity firm takes publicly listed companies private in Germany, first acquiring an agreed majority of shares in an initial acceptance period, before entering into further negotiations until it owns 95% of shares, at which point it can “squeeze out” remaining shareholders.

International PE firms Bain Capital and Cinven Partners have experienced first-hand the difficulties involved in this process in the first eight months of 2017 as they initially had a management-approved €5.3bn bid for German pharmaceutical company Stada rejected by shareholders in June. The consortium then finally gained the required number of shares on the final day of the acceptance period with an improved offer taking the enterprise value to €5.4bn in mid-August. In the case of Stada it was likely opportunistic financial investors that caused the delays, but another common problem is that the larger family offices build up positions in public companies, and act as blocks on a successful take-private.

> **“LPs want to allocate to DACH-based GPs because we are native German speakers with local knowledge and we know how to win the hearts and minds of German entrepreneurs”**
> *Torsten Krumm, HQ Equita*

Priced out of the market

Because of this lack of larger deals, Schekerka believes there is a natural limit to the size of purely DACH-focused funds: “I think the maximum size is around €600-800m. There are not many funds above €800m-1bn because of the structure of the market.” Krumm agrees on this point and thinks the optimum size is perhaps a bit lower: “The ideal size for this market is up to €500m fund size with around 10-12 portfolio companies. Some DACH-based GPs are pricing themselves out of the market by raising larger funds and then they have to compete with pan-Europeans.”

Deutsche Beteiligungs AG has found what it considers a novel solution to this problem. Its latest buyout fund, a €1bn vehicle that closed in September 2016, is structured as an €800m main fund with a €200m top-up fund for larger equity tickets. Management fees are only charged on deployed capital for the top-up vehicle, which takes away some of the pressure to deploy. Krumm acknowledges this but believes it reasserts his point: “The existence of a top-up fund proves that investors would rather stick to smaller tickets.” ■

In Profile: Deutsche Beteiligungs AG

Deutsche Beteiligungs AG has deployed around 20% of its latest fund and made numerous exits in 2017. CEO Torsten Grede talks to Oscar Geen about the firm's place in the development of the German LBO market

When Torsten Grede joined Deutsche Beteiligungs AG (DBAG) in 1990 there was no such thing as a DACH mid-market buyout firm. Even if there had been, he might not have joined one: "I wanted to go into early-stage intervention capital, but I settled for later-stage private equity," he says. But he explains that the influence of the anglo-saxon capital markets on the buyout model in the 1990s made things more interesting and kept him around: "We did 10 buyouts between 1996-2000 and this enabled us to raise our first LP fund in 2002. This development kept me in the industry and in the company."

The first LP fund, DBAG Fund IV, was a €228m vehicle that completed 11 investments in total and performed well enough that most of the investors came back for Fund V. The GP easily surpassed the target of €375m for the successor, holding a final close on €434m in November 2005. After the financial crisis, Grede finally got his wish to be involved in early-stage intervention capital as DBAG raised a €242m expansion capital fund. This fell short of its €250m target, but was considered a "big success" at the time, says Grede, due to the difficult fundraising environment.

> **"One of the main issues we have previously had with being competitive for larger tickets in auctions is having to consult with so many co-investment committees"**
> *Torsten Grede, Deutsche Beteiligungs AG*

The next buyout fund was the largest raised by a German private equity company. DBAG VI closed on its hard-cap of €700m in April 2012 and is now more than 90% invested, with the remaining dry powder being retained for add-ons. However, deploying this much capital is never easy, and the prospect of a 25% increase for the next fund was daunting. Grede explains that a top-up fund structure helped ease the pressure to deploy for their most recent and largest fund to date. The €1bn vehicle, which closed in July 2016, is structured as an €800m main fund with an extra €200m top-up fund available for larger transactions. This allows the fund to underwrite equity tickets of up to €200m without the same deployment pressures associated with a straight €1bn fund because the management fee is only charged on deployed capital for the top-up vehicle.

Easing the process

Not only does this give the manager flexibility to pursue larger tickets with less pressure on deployment, Grede says it also eases the auction/purchase process. Previously, the GP relied on LPs making co-investments to boost the size of the equity investment. "One of the main issues we have previously had with being competitive for larger tickets in auctions is having to consult with so many co-investment committees," he says. Being able to top the equity ticket up themselves makes this process simpler.

Nonetheless, DBAG avoids the larger auctions where possible. "We have a very good network in Germany, which gives us access to good, family-owned Mittelstand companies. This helps us to find situations where the competitive situation is not full-blown," says Grede. He describes the success rate in auctions as fair, explaining that the GP looks at around 200 investments per year, conducts further analysis on around 50 and then makes indicative offers on around 20. In the past three years, DBAG has been the most active mid-market investor in the DACH region, according to *unquote" data*, completing 15 buyout transactions between June 2014 and June 2017.

Racking up exits

To date, 2017 has been a good year for exits as well. So far, DBAG has made four exits from Fund V and one from Fund VI. These divestments give an average capital multiple of 3.94x, above the company's average of 2.6x due largely to the 5.5x recorded on both the sales of Formel D to 3i and Proxes to Capvis Equity Partners. Because DBAG also co-invests from its balance sheet in all its buyouts, this has meant a €47.7m contribution to the GP in the first half of the 2016/17 financial year.

Unusually for DBAG, four of these have been secondary buyouts whereas 75% of all of the GP's exits are trade sales. "This is not typical in the market but it's typical for us. We invest in interesting business models and focus on B2B businesses. These are very attractive for strategic acquirers," says Grede, adding that in the past 10 years this has not changed very much. "For the past decade we've been talking about Europe, the US and Japan, now we would also include China." This was highlighted in the sale of Romaco to China-based engineering firm Truking group in May 2017. This was another successful exit, generating a multiple of 2.4x and contributing €6m to DBAG's balance sheet.

Results in and above this range in the past five years have kept DBAG's average capital multiple high at 2.6x and led to what Grede describes as a "very good demand situation" when it comes to fundraising. A high proportion of LPs have reinvested in the new fund making up 80% of commitments. Geographically, the largest group is from neighbouring European countries and the UK, the second largest group is from the US, the third largest is German investors and a few Asian LPs make up the difference. By investor type, this is split with 38% of commitments coming from pension funds, 17% from funds-of-funds, 10% from insurance companies, 10% from banks and 10% from elsewhere.

DBAG expects to be fundraising again in the next two years, but has some dry powder to deploy first. At the time of writing, DBAG Fund VII was already around 20% deployed after completing three buyouts in the first half of 2017, and has a strong pipeline lined up for the second half. ■

"We have a very good network in Germany, which gives us access to good, family-owned Mittelstand companies. This helps us to find situations where the competitive situation is not full-blown"
Torsten Grede, Deutsche Beteiligungs AG

■ ***To view our full range of GP profiles, go to www.unquote.com/3001126***

Key team members

Torsten Grede

Torsten Grede, CEO, joined DBAG in 1990 and has been a member of the board of management since 2001. He is responsible for strategy and business development, investment business, fund investor relations, corporate communications, compliance and ESG.

Rolf Scheffels

Rolf Scheffels joined DBAG in 1997 and has been a member of the board since January 2004. He began his career with the audit firm C&L Deutsche Revision in 1992 before earning his doctorate in 1996. Responsibilities include investment business and investment team development.

Susanne Zeidler

Susanne Zeidler, CFO, joined DBAG in 2012 after 25 years in corporate finance and auditing. She began her career in 1987 and moved to KPMG in 1990. Zeidler is a board member of LPEQ. Her responsibilities at DBAG include finance and accounting, stock market investor relations, investment controlling, legal, tax, risk management, internal audit, HR, IT and general organisation.

Location, location, location...

Picking a fund domicile is one of the first decisions a GP has to make when launching a fund, and with the impact of Brexit so uncertain, making that choice is even harder. Gareth Morgan examines the options

With the UK's impending split from the European Union, general partners across the continent are considering their options for domiciling their funds should the worst happen and UK-domiciled products lose passporting rights. With little clarity being provided from politicians involved in the negotiations, there is the potential that what has historically been the largest fund centre in Europe will no longer be a realistic option for GPs looking to market to institutional investors within the EU.

Approaches to the uncertainty vary, with some GPs willing to ride the situation out, some carefully considering their options, and others making efforts to reorganise and bring their operations onshore.

Weighing it up

"Some German GPs register funds in Luxembourg, some in the Channel Islands and some in Germany, and all of these options have advantages and disadvantages," says P+P Pöllath + Partners fund structuring specialist Sebastian Käpplinger. Domestic funds in Germany, in contrast to other fund jurisdictions, face a VAT burden on management fees, but domiciling elsewhere for German GPs does increase the cost of establishing a fund. "Offshore funds are not charged VAT on management fees, where Germany charges 19%. But these structures come with additional costs: you have to have staff in the jurisdiction; and incorporate additional regulatory considerations in your German operations," says Käpplinger.

Zurich-based manager Akina Partners, which offers funds-of-funds and secondaries fund products, is one GP that has transitioned away from the UK recently. "Our latest fund is structured as a Luxembourg SCS, where previously we have used Scottish Limited Partnerships," says Akina principal David Schoch. "The shift was motivated by the uncertainty around the post-Brexit status of the UK. We don't see much difference between the UK, Channel Islands and Luxembourg for domiciling funds, but need to continue to be able to market our offerings to investors across Europe. Luxembourg offers convenience, it is a quick and simple process to set up a fund there."

Tax, trust and uncertainty

Factors influencing the decision to domicile in Germany go beyond just cost. "Our HQ Equita vehicles are registered as a KG here in Germany," says HQ Equita managing partner Torsten Krumm. "One disadvantage of domiciling funds in Germany, however, is paying VAT on management fees." Primary fund managers looking to source deals in the region also face additional concerns around domiciling when it comes to building trust with the management teams of potential acquisitions: "We are often asked by family owners, 'Who is taking the investment decision?', and it can be important to them to have a local management company," says Krumm.

Along with an extra tax burden, GPs domiciling in Germany also take on other risks not associated with more common international fund structures. "There is a certain level of uncertainty around structuring funds as GmbH & Co KG in Germany, as international investors are often not wholly familiar with the structure, and this can slow down the fundraising process. There are also additional potential tax liabilities on management fees for the GP, and as Germany is not traditionally a hub for fund domiciling, there is higher political uncertainty around the treatment of funds compared with other jurisdictions," says Christian Böhler, partner at Akina Partners.

A quirk of the GmbH & Co KG structure is that, in principle, these entities are operating companies, and for them to qualify as funds GPs must apply for a qualification and register with the authorities. The risk associated with this is that if the regulator decides management is too active in its portfolio companies, the fund designation can be stripped, and there are significant tax implications of this for the GP.

There is another solution a GP can choose to pursue to limit the VAT tax liabilities, and that is to use a priority profit share scheme (PPS). A GP employing a PPS structure can exempt their management fees from VAT, but in doing this they incur other potential clawback liabilities, and Käpplinger explains how this is dependent on the risk appetite of the manager: "Managers with strong confidence in their operations can use a real priority profit share, on which VAT is not charged. There are risks associated with this, though, because if the fund is not profitable enough over the fund's term to 'carry' the PPS, the GP can end up having to pay money back to the fund."

Regulators

For marketing and management purposes, the EU-wide AIFMD regulation that came into force in 2013 makes products domiciled anywhere in the bloc equivalent, and grants rights to market the product to qualified EU-based institutional investors. "The AIFM framework is well-aligned and has no advantages or disadvantages beyond the previous regulatory system, and funds are tax transparent," says HQ Equita's Krumm.

A current blind-spot in the AIFM regime is that private equity firms are currently restricted in marketing funds across Europe if they are managers below a certain threshold. This will improve later this year, as the EUVECA regulation that sits alongside the AIFM regime is broadened in its scope. "EUVECA for venture funds sits alongside the AIFM regime for private equity firms, and has two advantages: EUVECA means you can market to all EU countries while keeping light-touch regulation. Currently small managers can't market funds all across Europe easily, particularly in countries such as France, Norway, Sweden, Belgium, Spain and Austria," says P+P's Käpplinger.

"We don't see much difference between the UK, Channel Island and Luxembourg for domiciling funds, but need to continue to be able to market offerings to investors across Europe"

David Schoch, Akina Partners

GPs establishing funds under this regime will avoid the high capital requirements, obligation to appoint a depositary and other requirements associated with AIFMD that are unsuitable for venture capital funds. The revised EUVECA regime also broadens its scope to include funds targeting more established businesses, and Käpplinger predicts that this could lead to lower-mid-cap buyout firms exploring it as an option: "The second advantage will come into play in October, as currently only VC firms that focus on very small startups are covered. This will change when the new EUVECA comes into effect, and will extend to mid-sized/mid-cap companies with up to 500 employees."

With the defeat of Marine Le Pen in France and of Geert Wilders' PVV (Party for Freedom) in the Netherlands, domestic politics is resisting destabilisation across western Europe in 2017. The upcoming German elections on 24 September look set to further reinforce the theme of stability, and GPs in the region will hope that this stability can provide reassurances around the treatment of private equity in Europe's largest economy. Harmonised EU-wide legislation for the fund industry means that German GPs are offered a range of options around fund domiciling with little impact on their investment activities. It also means that GPs in the DACH region can offer products that are convenient to establish, and well-known across the global institutional investor community, as well as offering attractive taxation obligations for managers. ■

Advisory league tables

These tables list the most active corporate finance houses and legal firms in the DACH region since 2012, according to *unquote" data*

Top 10 most active corporate finance advisers 2012-YTD

Fund	Number of deals advised upon	Value of deals advised upon	Average value of deals advised upon
Altium Capital	23	€4.7bn	€203m
Rothschild	15	€11.3bn	€751m
Alantra	13	€2.0bn	€154m
William Blair	12	€2.2bn	€181m
Goldman Sachs London	12	€18.7bn	€1.6bn
Lincoln International	11	€487m	€44m
DC Advisory Partners	10	€2.9bn	€294m
Macquarie Corporate Finance	10	€8.4bn	€835m
Global M&A	10	€4.1bn	€409m
EY – Transaction Advisory Services	10	€2.3bn	€228m

Top 10 most active legal advisers 2012-YTD

Fund	Number of deals advised upon	Value of deals advised upon	Average value of deals advised upon
CMS Hasche Sigle	38	€2.8bn	€74m
P+P Pöllath + Partners	35	€8.5bn	€243m
Latham & Watkins	33	€13.5bn	€410m
Ashurst	28	€3.6bn	€129m
Clifford Chance	24	€7.7bn	€322m
Willkie Farr & Gallagher	23	€5.7bn	€248m
King & Wood Mallesons	21	€768m	€37m
Freshfields Bruckhaus Deringer	21	€18.9bn	€900m
Milbank Tweed Hadley & McCloy	19	€6.3bn	€330m
Hengeler Mueller	17	€11.3bn	€667m

Source: *unquote" data*

To submit deals your firm has worked on, please email gareth.morgan@acuris.com.

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