

# THE EVOLUTION OF THE VENTURE CAPITAL MARKET

## Italy, Europe and USA at a glance

Such presentation does not pretend to offer an analysis of the economic data reported herein but it intends to give evidence of such data with the purpose to help understanding the trends of the venture capital market in Italy, Europe and US and give the opportunity to discuss about the main legal issues relating to such sector

## 2013-2019: a «never-ending» growth



At the end of the last quarter of 2018, there were **9,758** innovative start-ups enrolled in the special section of the Register of Enterprises.

On July 1, 2019, the number of innovative start-ups was equal to **10,426; 668** units more than the end of 2018.

# Start-up in Italy: Distribution by sectors

## Industry 2° quarter of 2019

COMPARTO	Dettaglio principali DIVISIONI	N. startup innovative 2° trim2019	% rapporto startup innovative del comparto sul totale del territorio	% rapporto startup innovative sul totale nuove società di capitali del comparto
Agricoltura e attività connesse	TOTALE	72	0,69	1,04
Attività manifatturiere, energia, minerarie	C 26 Fabbricazione di computer e prodotti di elettronica e ott...	305	2,93	35,34
	C 28 Fabbricazione di macchinari ed apparecchiature nca	328	3,15	13,38
	C 32 Altre industrie manifatturiere	168	1,61	12,64
	TOTALE	1886	18,09	5,00
Costruzioni	TOTALE	95	0,91	0,18
Commercio	TOTALE	369	3,54	0,45
Turismo	TOTALE	56	0,54	0,14
Trasporti e Spedizioni	TOTALE	29	0,28	0,22
Assicurazioni e Credito	TOTALE	21	0,20	0,26
Servizi alle imprese	J 62 Produzione di software, consulenza informatica e attività...	3609	34,62	36,15
	J 63 Attività dei servizi d'informazione e altri servizi infor...	962	9,23	13,22
	M 72 Ricerca scientifica e sviluppo	1432	13,73	68,22
	TOTALE	7617	73,06	8,06
Altri settori	TOTALE	252	2,42	0,95
Non Classificate	TOTALE	29	0,28	7,92
Totale complessivo	TOTALE	10426	100,00	2,88



Source: Ministero dello Sviluppo Economico

# Start-up in Italy: Geographical distribution

## Geographical distribution

Top 10 cities of 2019

Classifica	Provincia	N. startup innovative 2° trim 2019	% rapporto startup innovative sul totale nazionale startup innovative
1	MILANO	1860	17,84
2	ROMA	1037	9,95
3	NAPOLI	380	3,64
4	TORINO	338	3,24
5	BOLOGNA	322	3,09
6	PADOVA	246	2,36
7	BARI	191	1,83
8	BERGAMO	186	1,78
9	SALERNO	180	1,73
10	TRENTO	178	1,71

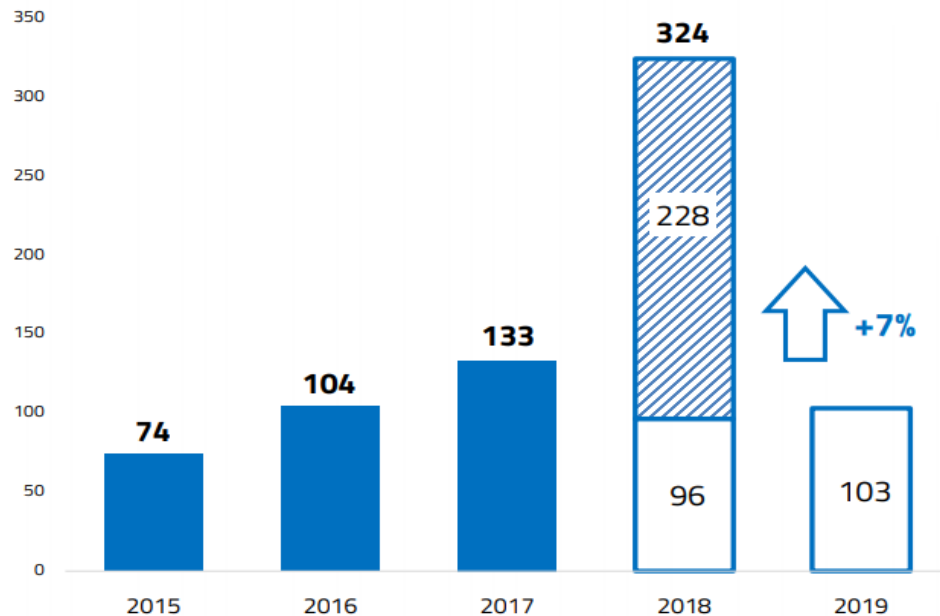
Source: Ministero dello Sviluppo Economico

# Italian Venture Capital: Volume of investments



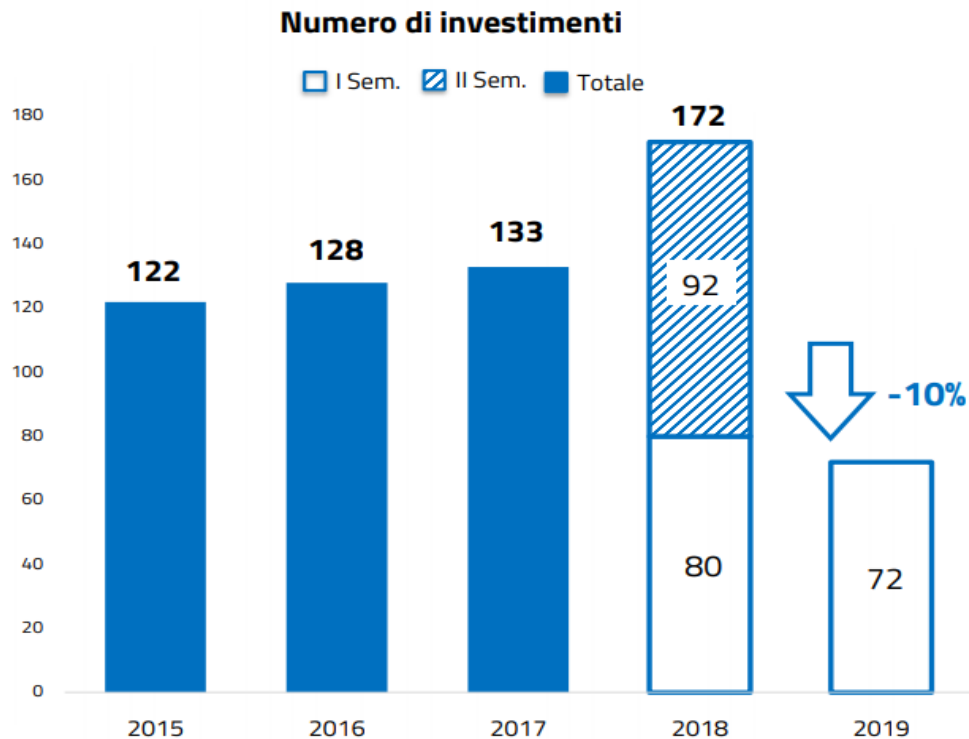
**Ammontare investito (Euro Mln)**

□ I Sem.    ▨ II Sem.    ■ Totale



Source: Il Mercato del Private Equity e del Venture Capital nel primo semestre del 2019 – Report: AIFI –Pwc

## Italian Venture Capital: Number of investments



Source: Il Mercato del Private Equity e del Venture Capital nel primo semestre del 2019 – Report: AIFI-Pwc

# Italian Venture Capital: Geographical distribution of the investments in the first half of 2019

## Distribuzione geografica del numero di investimenti (prime regioni)

1°  Lombardia **57,1%**

2°  Lazio **11,1%**

3°  Emilia Romagna **6,3%**

3°  Toscana **6,3%**

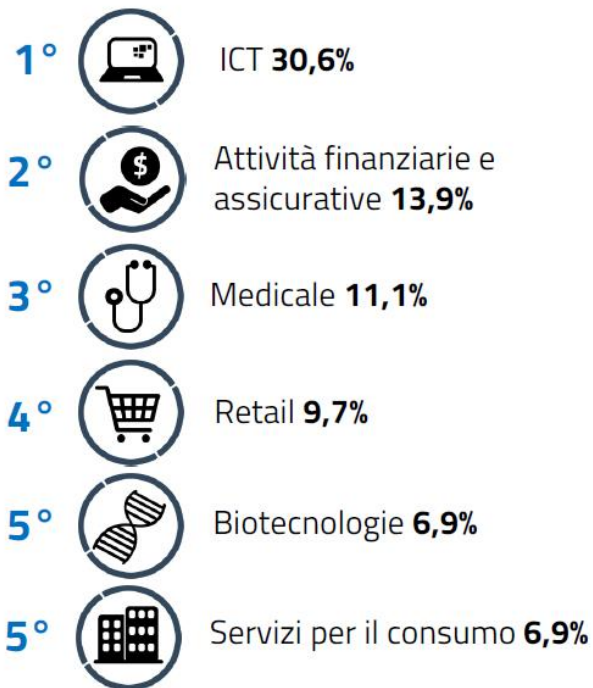
5°  Calabria **4,8%**

5°  Sardegna **4,8%**

Source: Il Mercato del Private Equity e del Venture Capital nel primo semestre del 2019 – Report: AIFI –PwC

# Italian Venture Capital: Distribution by sectors (first half of 2019)

## Distribuzione settoriale del numero di investimenti (primi settori)

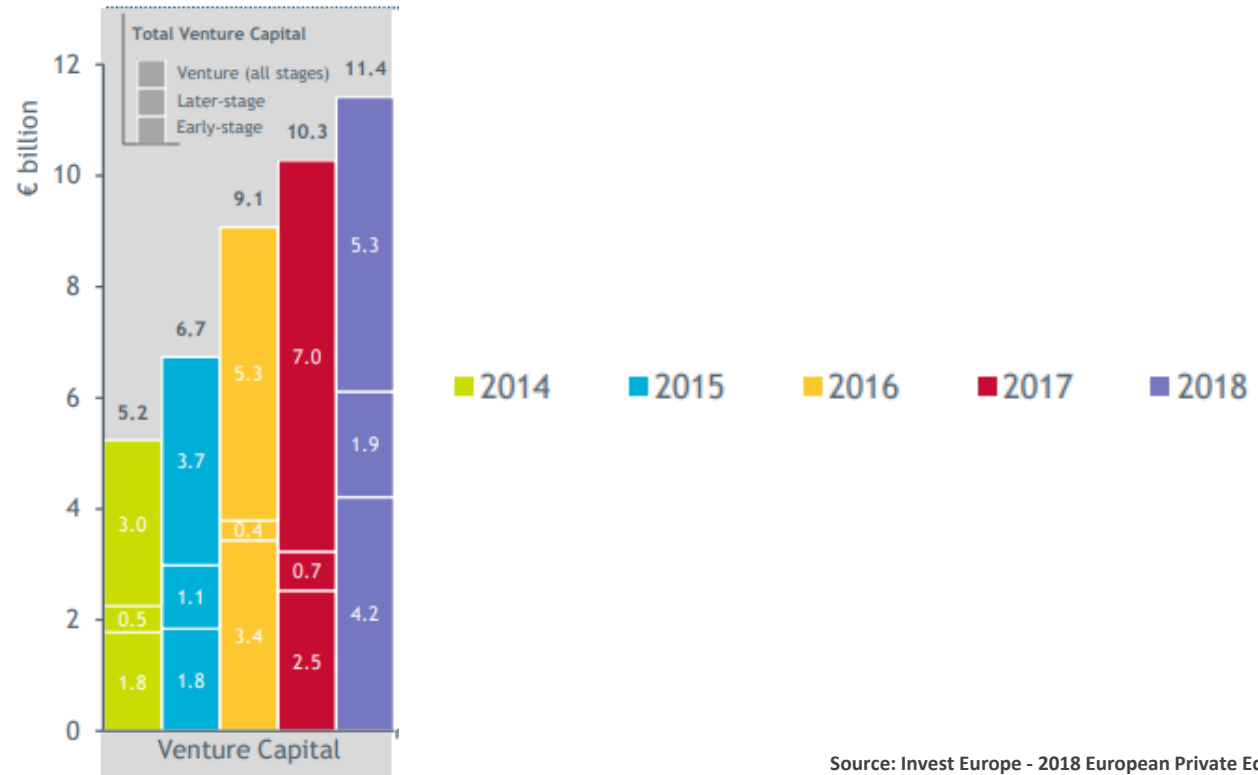


Source: Il Mercato del Private Equity e del Venture Capital nel primo semestre del 2019 – Report: AIFI–Pwc



# EU Venture Capital: Fundraising

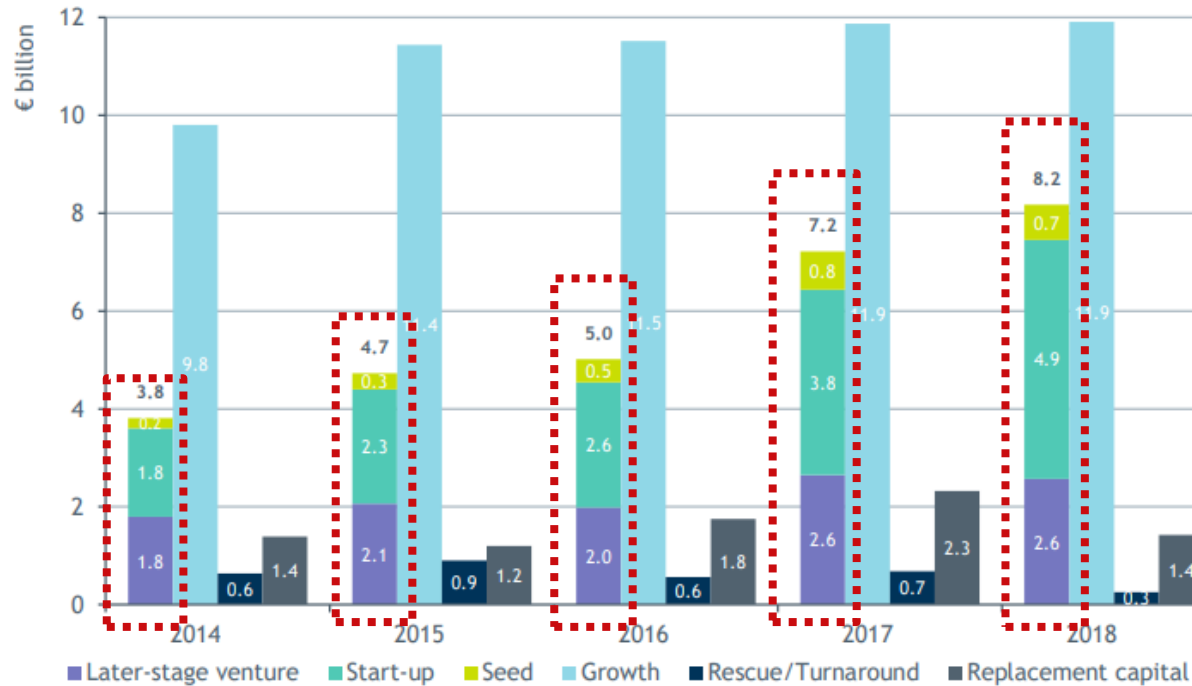
**Funds raised by funds stage focus**  
2014-2018 – Incremental amount raised during the year



Source: Invest Europe - 2018 European Private Equity Activity

# EU Venture Capital : Investments

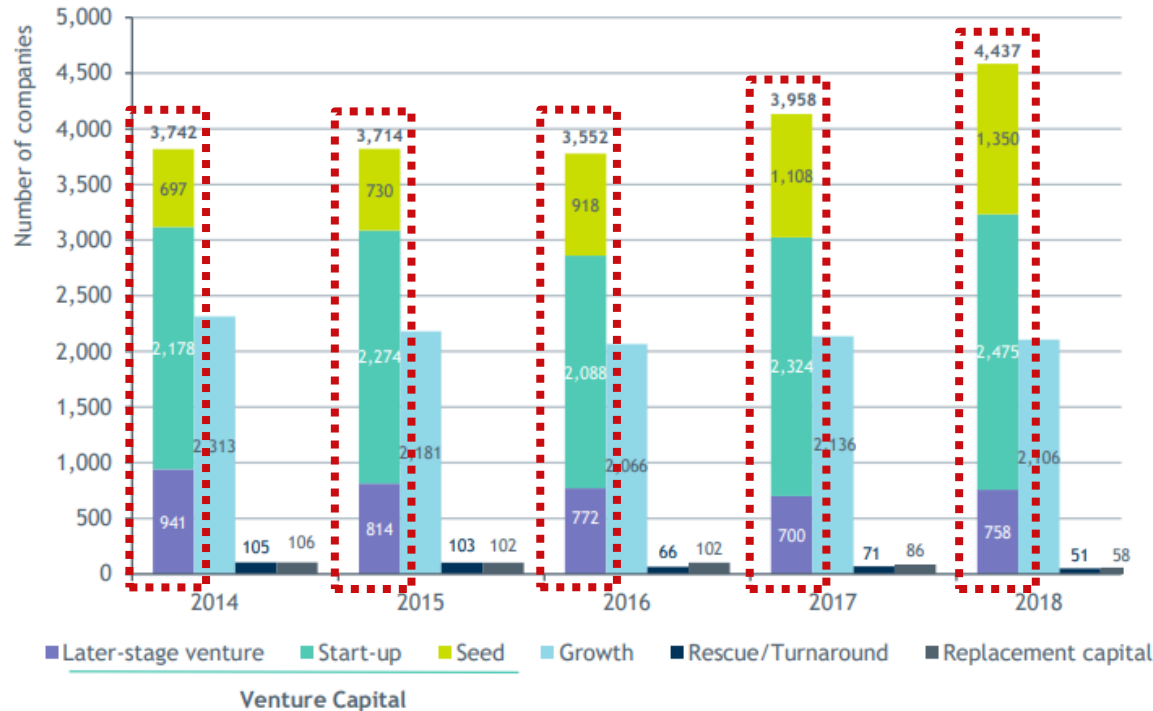
Investments by stage  
2014-2018 – Market statistics - Amount



Source: Invest Europe - 2018 European Private Equity Activity

# EU Venture Capital : Investments

**Investments by stage**  
2014-2018 – Market statistics – Number of companies

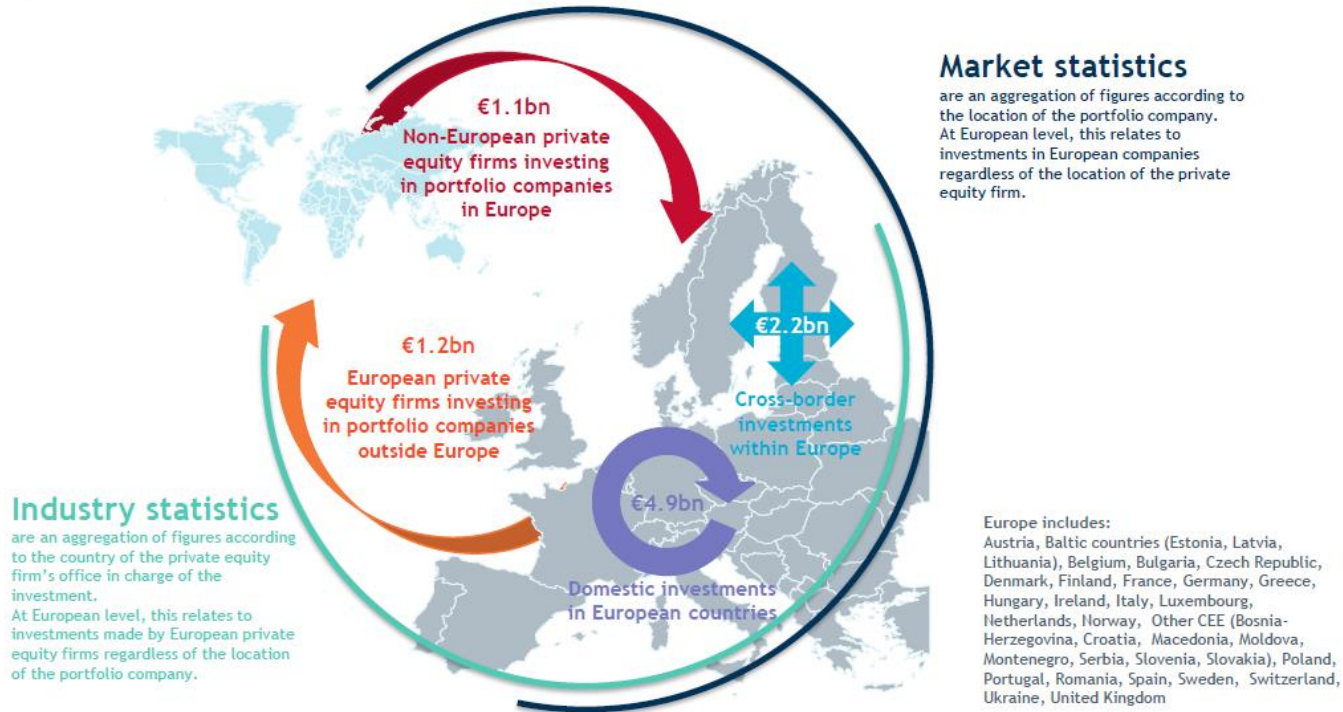


Source: Invest Europe - 2018 European Private Equity Activity

# EU Venture Capital: Geographical investments flows

## Geographical investment flows

2018 – Industry vs. Market statistics - Amount



### Industry statistics

are an aggregation of figures according to the country of the private equity firm's office in charge of the investment. At European level, this relates to investments made by European private equity firms regardless of the location of the portfolio company.

### Market statistics

are an aggregation of figures according to the location of the portfolio company. At European level, this relates to investments in European companies regardless of the location of the private equity firm.

#### Europe includes:

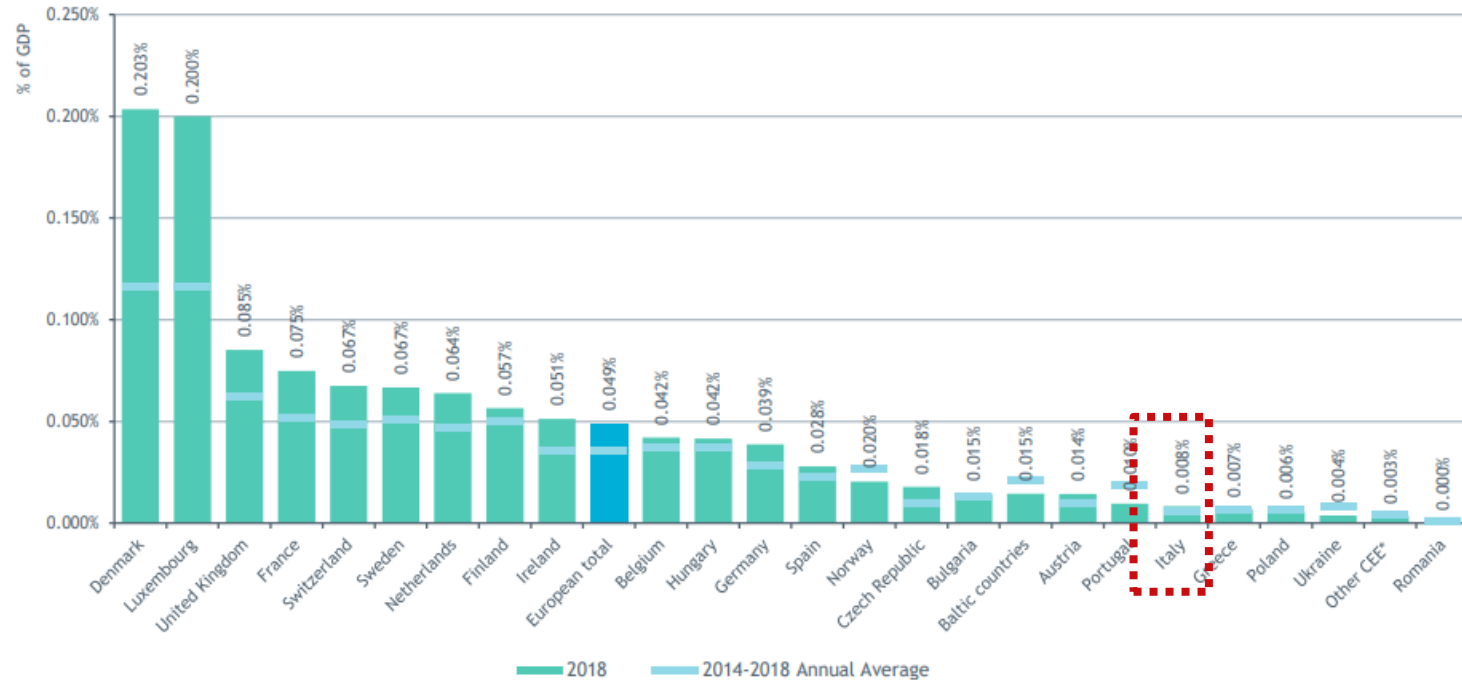
Austria, Baltic countries (Estonia, Latvia, Lithuania), Belgium, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Netherlands, Norway, Other CEE (Bosnia-Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, Slovenia, Slovakia), Poland, Portugal, Romania, Spain, Sweden, Switzerland, Ukraine, United Kingdom

Source: Invest Europe - 2018 European Private Equity Activity

# EU Venture Capital: Investments

## Investments as % of GDP

2018 – Industry statistics: Location of the PE firm

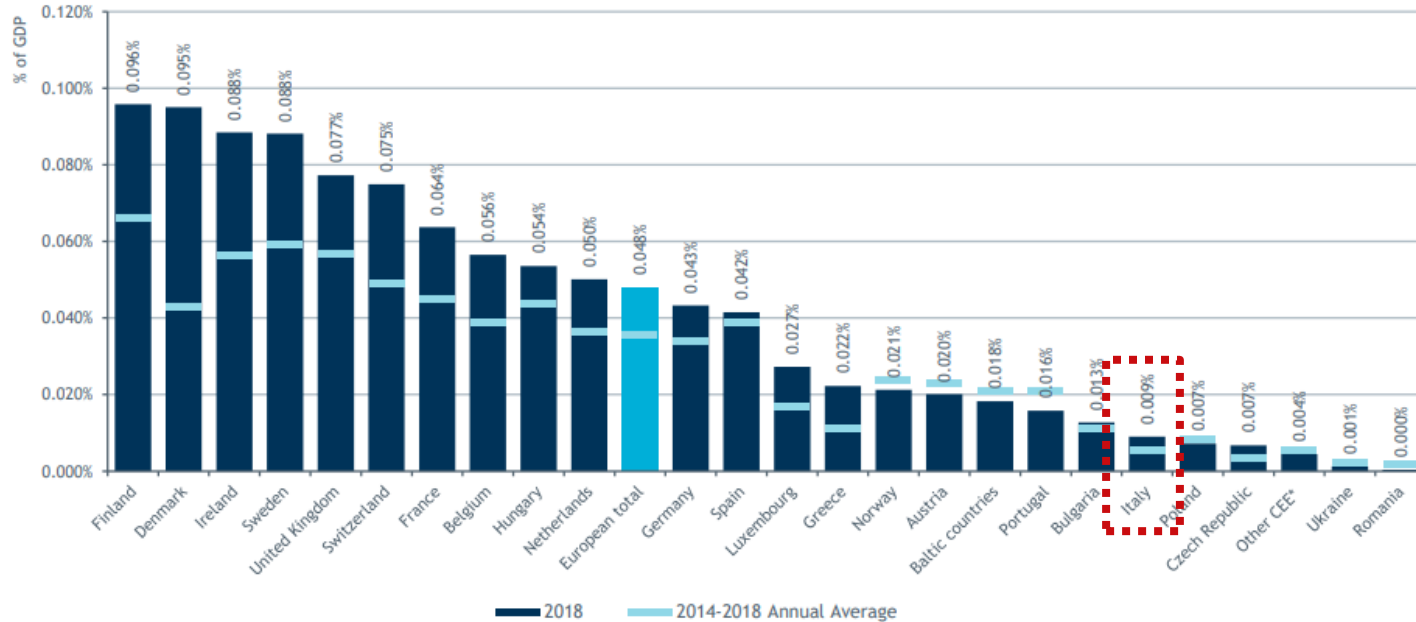


Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

# EU Venture Capital: Investments

## Investments as % of GDP

2018 – Market statistics: Location of the portfolio company



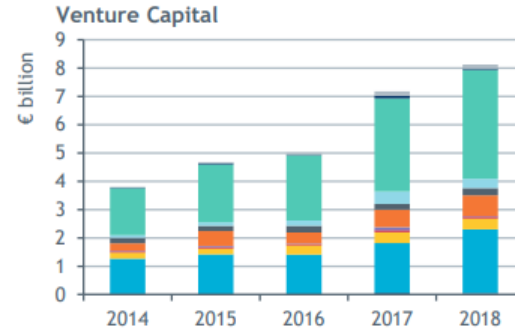
Source: IMF, World Economic Outlook Database (GDP) / Invest Europe / EDC

# EU Venture Capital: Investments

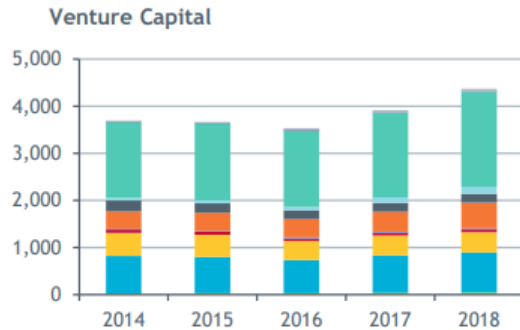
## Investments by sector 2014-2018 – Market statistics

- Transportation
- Real estate
- ICT
- Financial & insurance activities
- Energy & environment
- Consumer goods & services
- Construction
- Chemicals & materials
- Business products & services
- Biotech & healthcare
- Agriculture

### Amount



### Number of companies



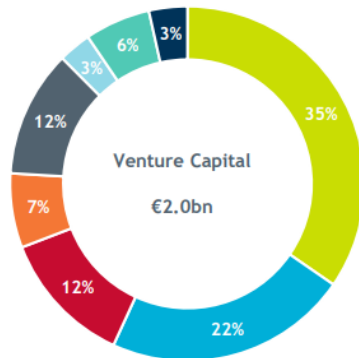
Source: Invest Europe - 2018 European Private Equity Activity

# EU Venture Capital: Divestments

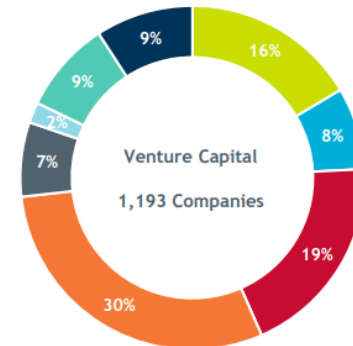
## Divestments at cost by exit route 2018 – Market statistics

- Trade sale
- Public offering
- Write-off
- Repayment of preference shares / loans or mezzanine
- Sale to another private equity firm
- Sale to financial institution
- Management / Owner buy-back
- Other means

Amount



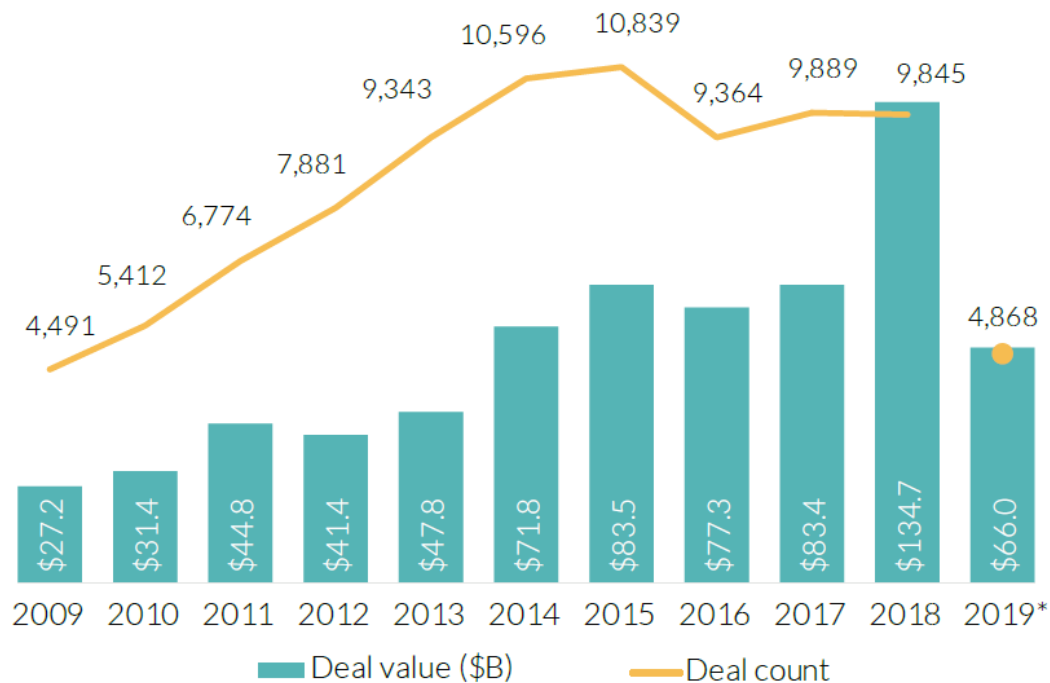
Number of companies



Source: Invest Europe - 2018 European Private Equity Activity



US VC deal activity

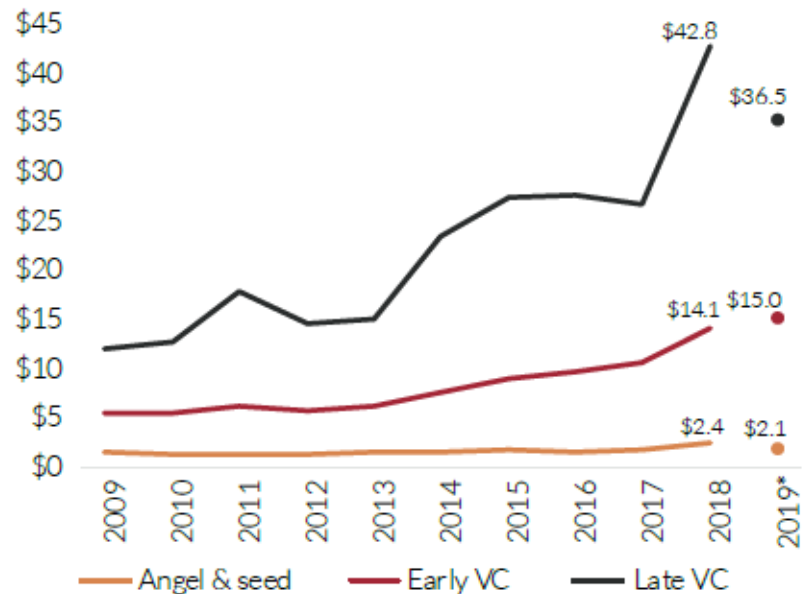


PitchBook-NVCA Venture Monitor

\*As of June 30, 2019

## Average early-stage deal sizes plateau in 1H 2019

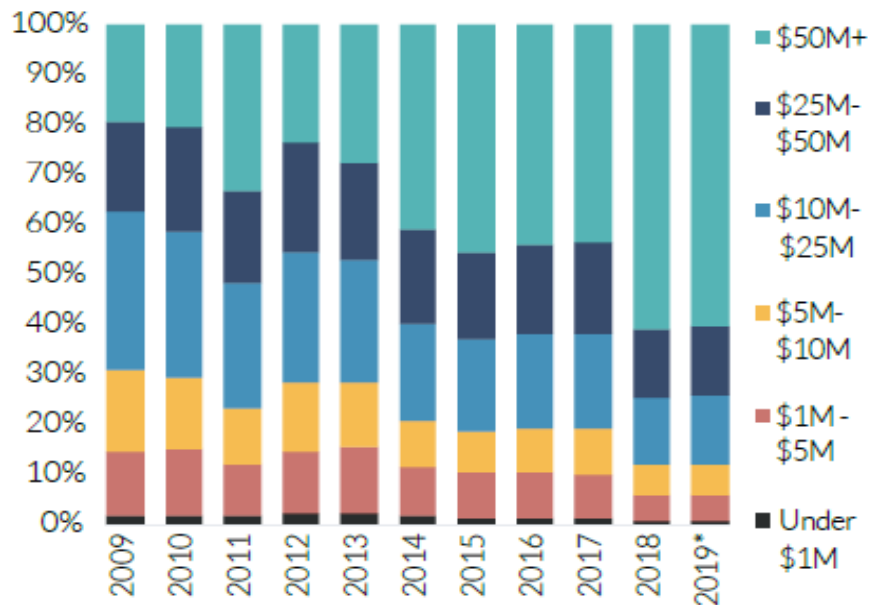
Average US VC deal size (\$M) by stage



PitchBook-NVCA Venture Monitor  
\*As of June 30, 2019

## Large deals dominate VC investment totals

US VC deals (\$) by size

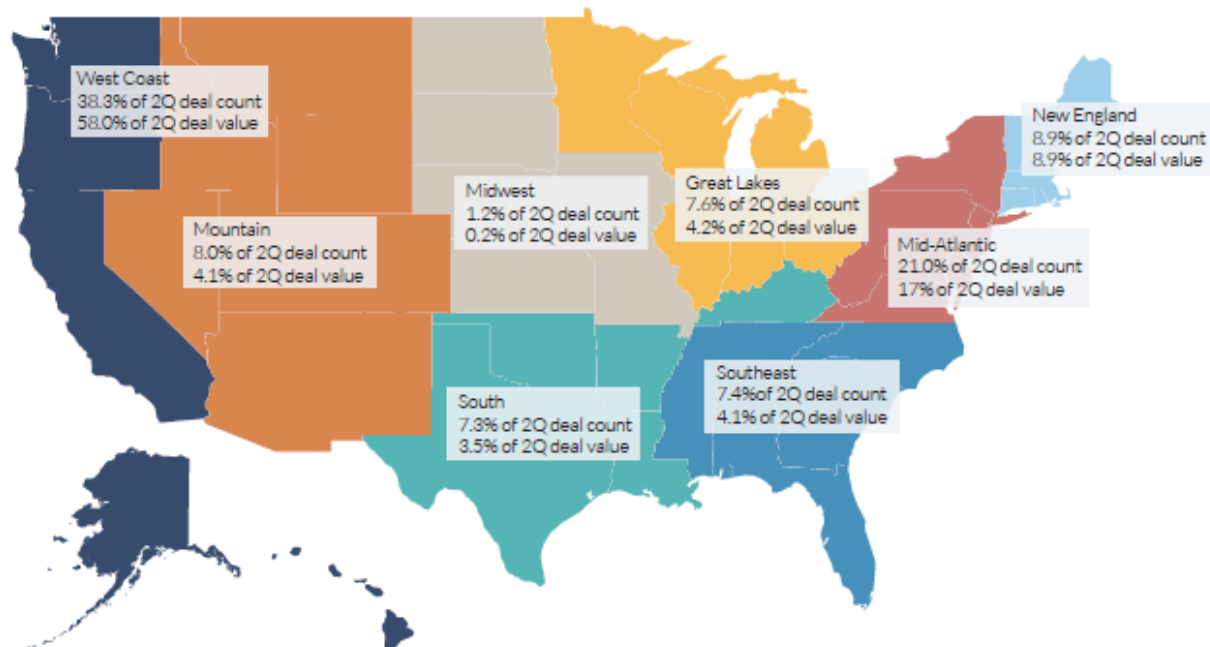


PitchBook-NVCA Venture Monitor  
\*As of June 30, 2019

## Deals by region

*West Coast again comprises more than half of all VC invested*

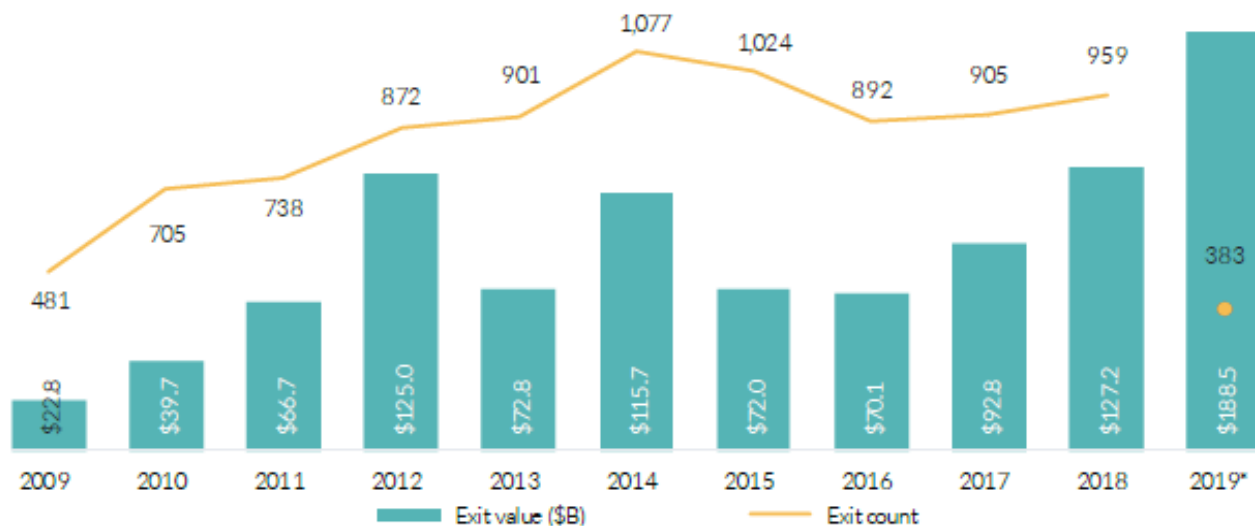
US VC deals by region



Source Pitchbook-NVCA – Venture Capital Monitor, as of June 30, 2019

## Massive exits push value to new heights despite tepid counts

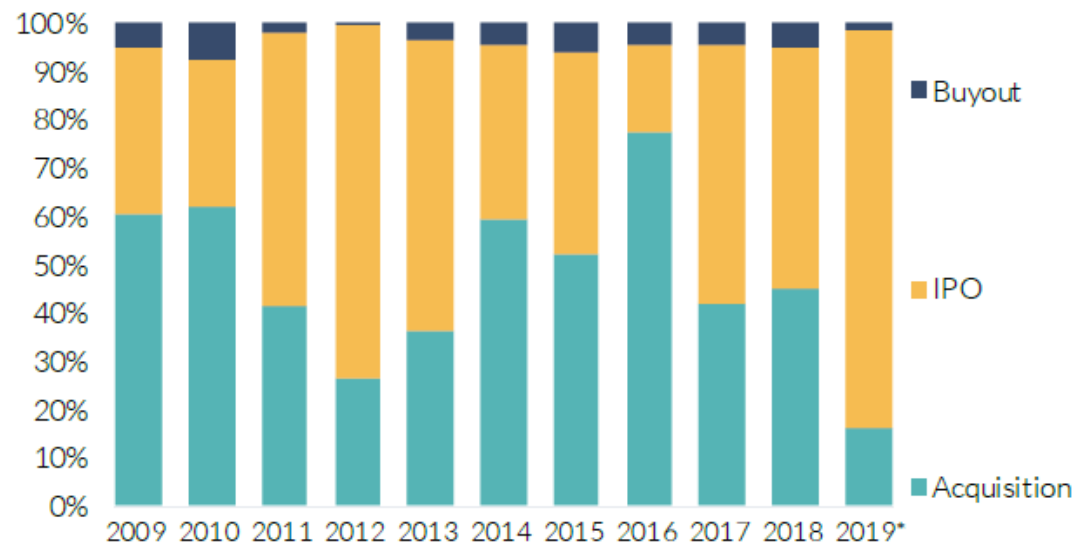
USVC exit activity



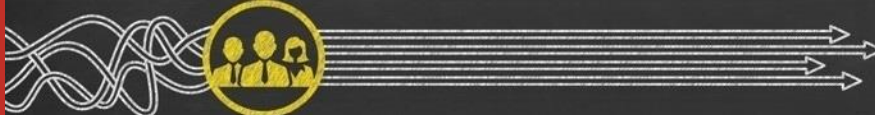
PitchBook-NVCA Venture Monitor  
\*As of June 30, 2019

## *IPO proportion of exit value moves to new record high*

US VC exits (\$) by type



PitchBook-NVCA Venture Monitor  
\*As of June 30, 2019



Antonia is a partner of the firm which joined in 2008. She has more than 20 years of experience assisting Italian and foreign clients mostly in **mergers and acquisitions**, **joint venture agreements** and **venture capital operations**.

Antonia is a regular speaker at conferences and seminars on **venture capital investments** and **startups**. Antonia has authored various articles on the above subject matters, which have appeared in a number of newsletters and online magazines.

She acts as **mentor** for some startup programs such as those organized by Unicredit StartLab, Bheroes, Zcube e Endeavour.

She is an active member of the International Bar Association (**IBA**) being part of the organizing committee of the **IBA Startup Annual Conference**.

She is also member of the European Women Lawyers Association (**EWLA**) where she has been entrusted with the role of treasurer and she is in charge of a startups program aimed at supporting female entrepreneurs around Europe.