



**2ND FRENCH PRIVATE
EQUITY BREAKFAST
PARIS
MARCH 2025**

Key Takeaways of 2nd French Private Equity Breakfast in Paris

Pedersen & Partners, in collaboration with **CMS**, hosted the **2nd French Private Equity Breakfast** in **Paris**. The audience comprised senior decision-makers from private equity and venture capital firms, asset managers, financial institutions, advisory firms, family offices, and portfolio companies.

The panel discussion was co-chaired by: **Alvaro Arias**, Partner & Head of Private Equity Practice at Pedersen & Partners and **Alexandre Delhaye**, Partner, CMS Francis Lefebvre.

It was a pleasure for us to host this event. In particular, we would like to thank our panellists for their valuable insights:

Rémi Berteloot – Managing Director, Development Capital Funds, Bpifrance, **Bertrand Boré** – CEO, Creadev, **François Candelon** – Partner Value Creation & Portfolio Monitoring, Seven2, **Charles-Henri Clappier** – Partner, Head of KSO France & Business Development, Kartesia, **François Dunoyer de Segonzac** – Partner, Accuracy, **Caroline Folleas** – Partner, Cathay Capital Private Equity, **Jaana Grüter** – Partner, Mérieux Equity Partners, **Isa Schulz** – Investment Director, Lower-Mid Cap, idiCo.

Their contributions were greatly appreciated by all participants.

Below are the key takeaways of the event.

Market Outlook & Investment Strategies

- Low access to fundraising has driven innovation, professionalization, and democratization in the sector.
- LPs have professionalized their approach, leading to consolidation and increased retailisation.
- Strong personal relationships and stability of teams contribute to trust building with LPs.
- Value creation is now critical, as external market factors no longer provide the same level of growth.
- ESG is now considered a prerequisite but no longer a central focus, particularly in Europe where it has normalized.
- Differentiated pitches are required for U.S. vs. European LPs.

Emerging Trends & Innovation

- Fundraising remains challenging, with a shift in power dynamics between GPs and LPs. GPs must better address LPs' needs and concerns.
- Fundraising is increasingly performance-driven, with growing interest from Asian LPs as U.S. uncertainty rises and Europe becomes more attractive.
- Clear investment strategies are crucial for smaller GPs, as many LPs have predefined investment categories.

Operational Best Practices & Value Creation

- Resilience is key in deal-making, with more complex transactions taking longer to complete.
- Small-cap investments remain less impacted than larger deals.
- Dedicated teams for value creation are essential, incorporating "tool kits" internationalization, strategic M&A, and operational improvements, etc.
- Value creation needs to be planned during the due diligence phase, as achieving results in 3–5 years is challenging without proper preparation.
- Senior advisors should be closely integrated with executive teams to drive excellence.
- Private equity firms need to be deeply involved in management, particularly in CEO and CFO selection.
- Value creation strategies must align with an "exit vision" to ensure a clear roadmap for growth.
- Talent retention is crucial throughout the investment period. Alignment through incentive packages and shared strategic roadmaps helps retain key individuals.
- Building a strong brand for the next generation enhances retention and long-term success.

Geographic Focus

- Six months ago, the U.S. was the preferred market, but focus has now shifted to Europe.
- Southern Europe and Germany remain key areas of interest: Spain and Italy are catching investments, while Germany is expected to see significant growth. Over 30% of Germany's Mittelstand business owners are over 60 years old, creating succession-driven investment opportunities.
- Government investment packages in Germany are expected to support further opportunities.

Conclusion

More than ever, private equity remains a people-driven business, where relationships, expertise, and trust play a crucial role in long-term success.

Pedersen & Partners & CMS Francis Lefebvre thanks the co-hosts, speakers, and attendees for contributing to a timely and relevant exchange.