

# Italy recovering economy is looking with more trust towards foreign investors.

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The first quarter of 2018 marks a record high for private equity, as reported by Gatti Pavesi Bianchi in their report. This trend shows how the Italian brand is attracting more and more foreign investors. The offers' total value amounts to 4.7 billion euros, with seven operations breaking the 100 million mark. These numbers are also symbolic of a nationwide change: Italian companies, a majority of which family owned, are overcoming their historical concern over the entry of private equity funds in their capital. Italian companies are looking more favourably to these operations as other financing options are more difficult to access.

Carlo Pavesi says that "private equity provides capital and skills for the growth of companies, acting as an accelerator of innovation". Not only traditional private equity funds but also many other means of financing Italian companies are taking hold in the country: listed or unlisted holding companies; listed funds; SPAC; co-investment agreements; club deal; direct investments by family offices (also associated with each other) and sovereign wealth funds; evergreen funds; umbrella fund, Sst; hybrid funds in their various forms, up to the emerging (in Italy) and interesting class of the so-called private debt, often organized by private equity operators themselves. All these instruments available to entrepreneurs are a guarantee of the much needed normative flexibility for entrepreneurs looking to invest in Italy.

In 2017, private equity investments offered an Internal Rate of Return (IRR) of 12.5%, and the market is still looking up. «Aside from the average results, which remain high, the best quartile has achieved returns of over 40%: which shows that in our country we can find extraordinary opportunities» explains Anna Gervasoni, Director General of Aifi (Italian Association of Private Equity, Venture Capital, and Private Debt). Even "early stage" operations, historically characterized by high volatility and negative returns, in 2017 yielded an IRR at a positive rate of 2.1%, for the second consecutive year.

These encouraging data on the options available to potential investors add to the appeal of Italian companies. The disposition towards internationalization and the opening to foreign capital show how the Italian economy is regaining momentum and looking abroad with more optimism and trust. Investorvisa.it is the one-stop shop for any non-EU entrepreneur intending to invest in the best industrial projects that Made in Italy offers and request the new investor visa.

Sources: Corriere della Sera, Sole 24 Ore, Sole 24 Ore