



## YTD Q3 2017 VC & PE Québec Market Overview: PE Experiences Outstanding Quarter; VC Investment Levels Continue to Rise

*Private equity experiences dramatic 186% increase in invested dollars in Québec; venture capital driven by five mega-deals*

**November 22, 2017 – Montréal, QC** – Private equity in Québec experienced a remarkable Q3 in 2017 with \$3.9B invested over 84 deals; an increase of 186% quarter-over-quarter and a phenomenal 530% increase from Q3 2016. There was \$368M invested in 51 VC deals in Q3, bringing the YTD total to \$900M. Five mega-deals (deals valued at \$50M+) propelled this surge, accounting for 54% (\$484M) of total dollars invested in the province.

“Q3 has been a fantastic quarter for private capital in Québec; particularly for private equity,” said Jack Chadirdjian, President and CEO, Réseau Capital. “The exceptional investment levels are a testament of the healthy ecosystem in the province.”

Although the average deal size in Québec venture capital dropped 20% from the previous quarter to \$7.2M, it was still 35% higher than Q3 2016. The largest deal in 2017 so far, was the \$141M series A round in Montréal-based [Element AI Incorporated](#).

In Q3 2017, the average deal size in Québec private equity was \$46.5M, a staggering 227% increase from the \$14.3M invested in Q2. Québec secured 54% of all Canadian PE deals (242 out of 447) since the beginning of the year which represents three times more than Ontario’s 17% share.

There have been two PE mega-deals (deals valued at \$1B+) in Québec so far in 2017 with total invested dollars hitting \$3.3B or 40% of total PE dollars invested. This included the private placement in [Osisko Gold Royalties Limited](#) by [Caisse de dépôt et placement du Québec \(CDPQ\)](#) and [Fonds de solidarité FTQ](#).

### Québec Venture Capital Highlights:

- Québec captured 29% of the total number of Canadian VC deals (126 out of 431) and 35% of dollars invested (\$900M out of \$2.6B).
- 38% of VC activity in the province was in deal sizes between \$1M-\$5M, followed by deals between \$100K-\$500K; capturing a 25% share.
- Information and communications technology (ICT) companies garnered \$531M, a 59% share of total dollars, up 13% from its 2016 share.
- Life sciences companies received \$269M or 30% of total dollars, down 2% from 2016.
- 73% of all deals in the province were in Montreal-based companies.
- Notable exits included the \$392M Airbnb acquisition of Montreal-based [Luxury Retreats](#) and the \$174M IPO of Montreal-based [Clementia Pharmaceuticals Inc.](#)

### Québec Private Equity Highlights:

- Just over a quarter (28%) of all deals were between \$1M-\$5M, with deals between \$5M-\$25M capturing a 22% share of the province’s deal activity.
- There have been 70 exits involving Québec-based companies this year.



**Digital Resources:**

- [Q3 YTD 2017 VC & PE Québec Market Overview](#)
- [Q3 YTD 2017 VC & PE Canadian Market Overview](#)

**-30-**

**About Réseau Capital**

Réseau Capital, the Québec Venture Capital and Private Equity Association, is the only private equity association that brings together all stakeholders involved in the Québec investment chain. The mission of Réseau Capital is to contribute to the development and efficient operation of the private equity industry, which plays a major role in the development and financing of businesses in Québec.

Founded in 1989, Réseau Capital represents private equity, tax-advantaged and public investment companies as well as banks, accounting and law firms, along with many professionals working in the field. Please visit: <http://www.reseaucapital.com>

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**About the CVCA**

The CVCA is the voice of Canada's venture capital and private equity industry. We are focused on improving the private capital ecosystem by broadening industry awareness and providing market research, networking, and professional development opportunities. We also advocate on behalf of the industry to ensure sound public policy that encourages a favourable investment environment. The CVCA works alongside its members, who represent the vast majority of private capital firms in Canada, to improve the industry and drive innovation and growth. Please visit: <http://www.cvca.ca>.