

## Press Release

Paris – January 7, 2025

### Flexstone Partners' Mid-Market Secondaries III<sup>1</sup> Fund Raises €200 M

The secondary private equity fund focused on small and mid-cap has successfully completed its fundraising at the targeted amount of €200 M

Flexstone Partners announces that it has raised €200 million for its Mid Market Secondaries III (MMS III) fund, which was the goal set by the company when launching this third vintage. The final closing of the fund, which took place on December 19, 2024, represents an important milestone for Flexstone's development strategy. As an affiliate management company of Natixis Investment Managers, one of the largest asset managers in the world with \$1,427 billion in assets under management (AUM), <sup>2</sup>Flexstone is a leading player specializing particularly in investments in the global market for small and mid-cap private assets, managing or advising over \$10.6 billion in assets.<sup>3</sup>

The Mid Market Secondaries III fund aims to make approximately twenty secondary private equity investments in the small and mid-cap market, which is Flexstone's core market. Unlike most secondary funds in the market, MMS III does not utilize bank debt to finance its acquisitions. It follows the same strategy and the extremely rigorous investment selection process that have made Flexstone's previous funds successful, achieving performance equal to or exceeding expectations while aiming to significantly control risks.

**Eric Deram, Managing Partner and CEO at Flexstone Partners**, states: "With MMS III, Flexstone continues its development in the fast-growing secondary market while capitalizing on our expertise in small and mid-cap investments across fund of funds, management mandates, emerging managers, and co-investment funds. The fund is already over 40% deployed with a good balance between LP stakes and GP-led deals. It currently shows very solid performance.<sup>4,5</sup>"

**Kristof Van Overloop, Managing Director in charge of the secondary activity at Flexstone Partners**, adds: "Flexstone follows a distinctly differentiated investment strategy by investing solely in the attractive and less competitive segment of the small and mid-market in private equity. Thanks to our numerous relationships with fund managers active in this segment, we are very well positioned to continue capitalizing on this rapidly growing market segment, whether for traditional LP stake transactions or GP-led continuation vehicle operations."

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<sup>1</sup> The Mid-Market Secondaries III fund includes several parallel LP vehicles. The fund is now closed to any new subscriptions.

<sup>2</sup> Assets under management or advisement of affiliated entities calculated as of September 30, 2024.

<sup>3</sup> Assets under management or advisement as of September 30, 2024.

<sup>4</sup> Past performance does not predict future returns. Performance shown are net of fees.

<sup>5</sup> All securities are subject to investment risk including possible loss of principal, liquidity, valuation, currency effect, sustainability

Flexstone boasts solid experience in secondary private equity, particularly in the small and mid-cap segments, which are its core targets. The success of its operations attests to the quality of its portfolio and the robustness of its investment process.

Since 2008, Flexstone has completed 70 secondary private equity transactions, demonstrating its ability to generate attractive risk-adjusted returns throughout various market cycles.

### **About Flexstone Partners**

*Flexstone Partners ("Flexstone")<sup>6</sup> is an affiliate of Natixis Investment Managers, one of the largest asset managers in the world with over \$1,427 billion in assets under management. The company manages \$10.6 billion in assets<sup>7</sup> and offers institutional investors worldwide tailored investment and advisory services in private equity. Flexstone's strategies in co-investment and the secondary market primarily focus on small and mid-cap segments, growth equity, and emerging managers in the United States, Europe, and Asia. With over 56 experts based in New York, Paris, Geneva, and Singapore, Flexstone's international team addresses the needs of its clients around the globe. Composed of a team of specialists with complementary profiles, Flexstone has in-depth market knowledge and unique expertise in private equity. It is present in the most promising markets across North America, Europe, and Asia. For more information: [www.flexstonepartners.com](http://www.flexstonepartners.com)*

### **About Natixis Investment Managers**

*Natixis Investment Managers' multi-affiliate approach connects clients to the independent thinking and focused expertise of more than 15 active managers. Ranked among the world's largest asset managers<sup>8</sup> with more than \$1.4 trillion assets under management<sup>9</sup> (€1.2 trillion), Natixis Investment Managers delivers a diverse range of solutions across asset classes, styles, and vehicles, including innovative environmental, social, and governance (ESG) strategies and products dedicated to advancing sustainable finance. The firm partners with clients in order to understand their unique needs and provide insights and investment solutions tailored to their long-term goals. Headquartered in Paris and Boston, Natixis Investment Managers is part of the Global Financial Services division of Groupe BPCE, the second-largest banking group in France through the Banque Populaire and Caisse d'Epargne retail networks. Natixis Investment Managers' affiliated investment management firms include AEW; DNCA Investments<sup>10</sup>; Dorval Asset Management; Flexstone Partners; Gateway Investment Advisers;*

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<sup>6</sup> Flexstone is the name that collectively identifies Flexstone and its affiliated entities.

<sup>7</sup> As of September 30, 2024.

<sup>8</sup> Survey respondents ranked by Investment & Pensions Europe/Top 500 Asset Managers 2024 ranked Natixis Investment Managers as the 19th largest asset manager in the world based on assets under management as of December 31, 2023.

<sup>9</sup> Assets under management (AUM) of current affiliated entities measured as of September 30, 2024, are \$1,427.2 billion (€1,279.0 billion). AUM, as reported, may include notional assets, assets serviced, gross assets, assets of minority-owned affiliated entities and other types of nonregulatory AUM managed or serviced by firms affiliated with Natixis Investment Managers.

<sup>10</sup> A brand of DNCA Finance.

*Harris | Oakmark; Investors Mutual Limited; Loomis, Sayles & Company; Mirova; MV Credit; Naxicap Partners; Ossiam; Ostrum Asset Management; Seventure Partners; Thematics Asset Management; Vauban Infrastructure Partners; Vaughan Nelson Investment Management; and WCM Investment Management. Additionally, investment solutions are offered through Natixis Investment Managers Solutions and Natixis Advisors, LLC. Not all offerings are available in all jurisdictions. For additional information, please visit Natixis Investment Managers' website at [im.natixis.com](http://im.natixis.com) | LinkedIn: [linkedin.com/company/natixis-investment-managers](https://linkedin.com/company/natixis-investment-managers). Natixis Investment Managers' distribution and service groups include Natixis Distribution, LLC, a limited purpose broker-dealer and the distributor of various US registered investment companies for which advisory services are provided by affiliated firms of Natixis Investment Managers, Natixis Investment Managers International (France), and their affiliated distribution and service entities in Europe and Asia.*

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