Private Equity Pulse 2026

Turning the tide: How Ireland is gaining an edge through discipline, value creation and execution

April 2026

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Foreword

Welcome to our Grant Thornton Ireland Private Equity Pulse, our survey which lifts the lid on what General Partners (GPs) are really thinking. Ireland punches above its weight, with strong fundamentals underpinning resilience. This will be key in weathering the ongoing market shocks and geopolitical uncertainty.

Irish firms remain very active, taking opportunities for divestment where sectoral dynamics are right, but appear less reliant on pure market timing and more focused on growing value within their portfolio companies through operational improvements, talent development, technology adoption and strategic expansion.

Read on to discover what your peers and our experts have to say.

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Private Equity in 2026: value creation in a more demanding environment

Ireland enters 2026 in the same unsettled global environment as its peers. Geopolitical uncertainty persists, capital markets remain uneven, and exit routes continue to be constrained. Many international firms stepped back last year. Irish managers didn't. They kept doing deals, looked harder for value and focused on improving the companies they already own.

That came through clearly in this survey. Irish respondents were far less likely to pause investments than peers in the UK or globally, and were less constrained by valuations or the availability of finance. Instead, they concentrated on areas they can control: sourcing deals, building talent and lifting performance inside their portfolios.

This discipline is paying off. Ireland saw steady deal flow in 2025, supported by more assets coming to market and a narrowing gap in valuation expectations. Fundraising conditions have also improved relative to peer markets, helped by a broader LP base and managers with a track record of developing strong mid-market businesses.

Exits remain the hard part. In some cases, holding periods are lengthening, IPOs are limited and buyers are more selective. That means realisation now depends on preparation and operational progress rather than timing. The message from investors is simple: value has to be created early and demonstrated clearly. Ireland's managers appear well placed to meet that expectation.

2025 Recap:

Irish private equity stayed active in 2025. Deal flow held up, exits continued despite tight liquidity, and international investors remained engaged with the Irish market.

137 DEALS

160 INVESTORS

34 EXITS

€1.8bn CAPITAL INVESTED

Source: Pitchbook

2026 according to Private Equity firms

Methodology

Research was conducted by Censuswide with 550 partners and investment directors across private equity firms in the UK, Singapore, Ireland, China, Australia, the Netherlands, Western Europe, the USA, India and Africa (50 per region). Fieldwork ran from 5-26 November 2025. This presentation highlights the view of Irish, UK and global respondents, with UK included due to its close links to the Irish market.

25%

cite sectoral focus and strategic LP partnerships as key differentiators

39%

see the strongest opportunity in financial services

27%

say operational improvements will be biggest driver of successful exits

59%

say AI is already having an impact on their firm

Source: Pulse Survey

Chapter 2: Growth and activity drivers

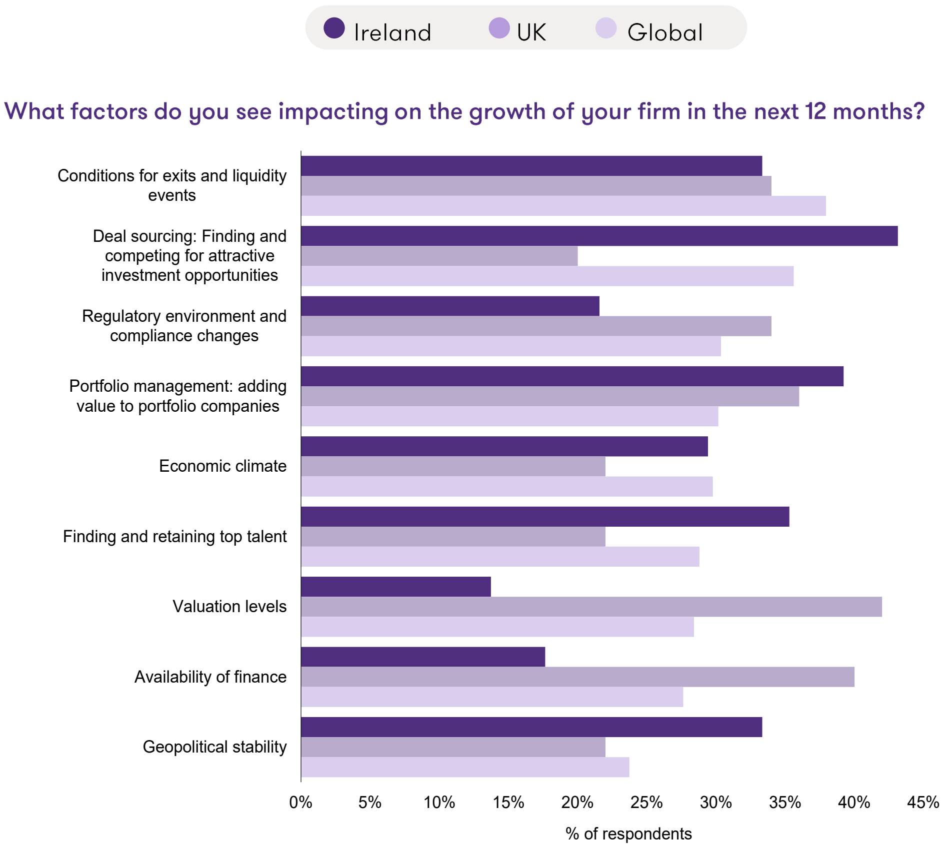
Growth expectations
Irish PE leans into what it can control

Exit and liquidity constraints remain a concern everywhere, but the Pulse implies that Irish managers are focused on levers inside their control rather than waiting for market conditions to turn.

While geopolitical stability is a clear concern in an open economy like Ireland, firms here put more weight on finding deals (43%), improving portfolio companies (39%) and keeping talent (35%) than peers elsewhere.

In contrast, UK respondents were more driven by external factors. They are more likely to flag valuation levels (42%) and the availability of finance (40%) as the key influences on growth.

It suggests a model in Ireland which currently leans more on what firms can control at a time when external market conditions are volatile.



Deal volume drivers - Ireland stays active as peers hit pause

Ireland is punching above its weight in an international context. The market stayed active in 2025 and Irish managers kept doing deals when others stepped back. Only 51% paused investments last year, compared with 82% in the UK and 60% globally.

The biggest driver is supply. 45% of Irish firms say more assets coming to market is the main catalyst for activity this year, compared with 34% globally. A narrowing valuation gap (37%) is also helping buyers and sellers meet.

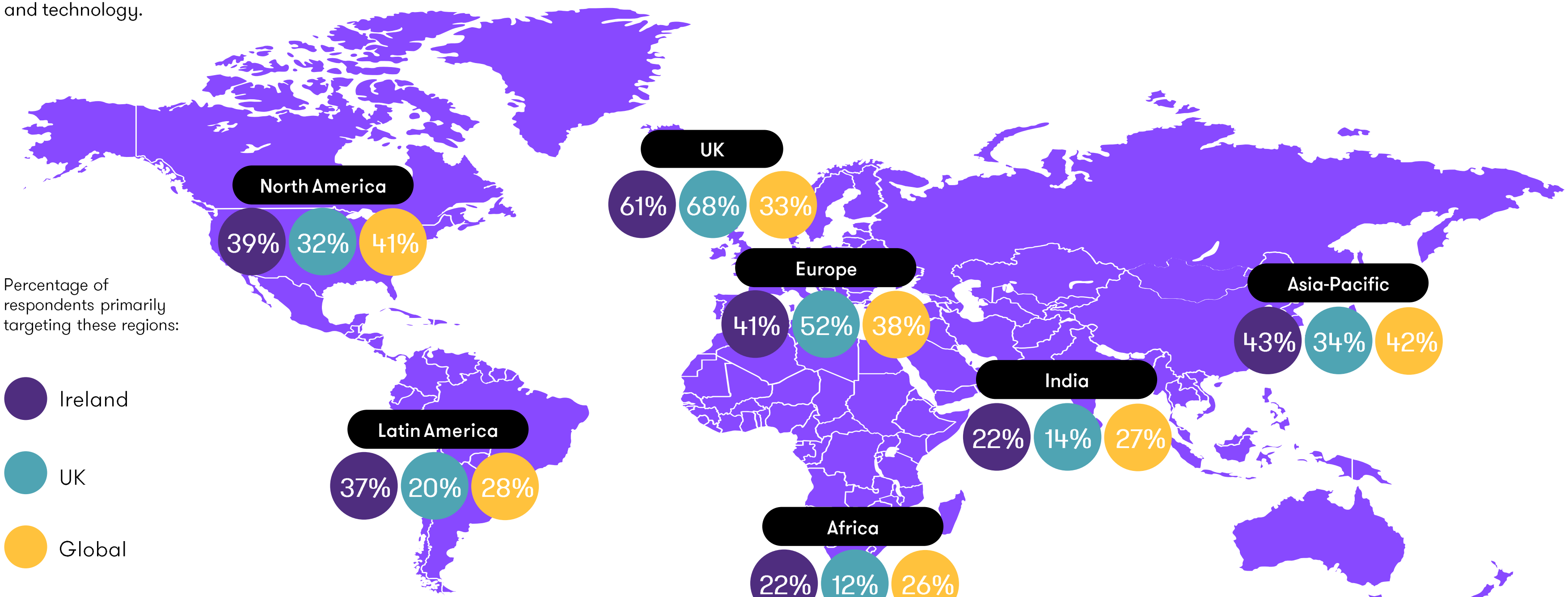
We have already seen that momentum continue. Early 2026 brought a run of Irish deal announcements, with more assets expected to come to market over the coming months.

Exit and liquidity conditions remain the main brake on growth across all regions. Firms point to limited liquidity for ageing assets and a static IPO market. Longer holding periods are likely, and more deals may go through secondary routes.

Chapter 3: Internationalisation

The international picture: Irish firms scale through selective expansion

For Ireland, international trade and investment are structural realities. As a relatively small island economy, growth often requires outward expansion. The UK is a natural first step, reflecting long-standing trade relationships and post-Brexit supply chain considerations. Many Irish businesses have strengthened their UK footprint in recent years to secure market access and manage trade barriers. Interest in Asia-Pacific likely reflects broader macroeconomic dynamics and supply chain considerations, particularly in sectors such as industrials and technology.



* 2% of UK respondents and 1% of Global respondents are not targeting any regions in particular.

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Chapter 4: Fundraising

Fundraising – concerns ease as fundamentals shine through

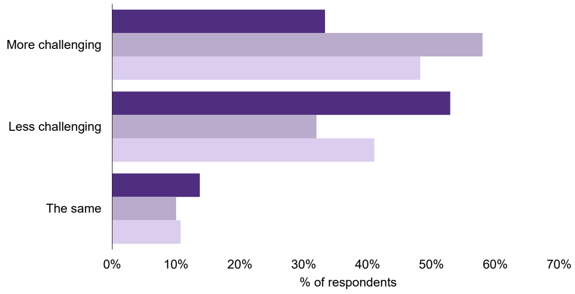
Irish firms say fundraising is less challenging than it was a year ago – likely due to a buoyant domestic economy and a strong pool of founder-owned businesses that continue to attract both international private equity and strategic investors.

Irish managers have widened their LP base, introduced new fund structures and focused on clearer reporting. That combination has helped them raise capital even as global fundraising remains tight.

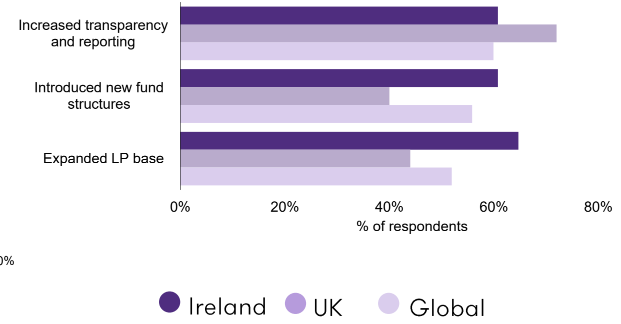
Several Irish PE houses are back in the market with new funds, which points to ongoing confidence in the Irish mid-market. International LPs remain active here because the underlying businesses are well run and have room to grow.

The data shows that private equity firms are seeing around 55% of existing investors commit again, which is consistent with UK and global trends. LPs are staying with managers they trust and who have shown they can lift performance in the businesses they own.

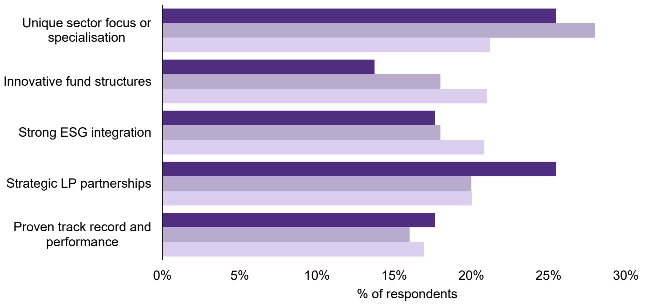
Is fundraising more or less challenging than 12 months ago?



How has your firm adapted its fundraising strategy in the past 12 months?



What do you believe will be the most effective way to differentiate your fund in the next fundraising cycle?



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LP expectations – trust, transparency and technology

Irish LPs are reducing the number of managers they back. 47% prefer to work with fewer GPs, and they want clearer reporting and a straight account of how value is created inside portfolio companies.

Trust and transparency now matter as much as performance. LPs are concentrating capital with managers who understand their sectors and can show real progress in the businesses they own.

Irish and global respondents also expect AI-driven deal sourcing and due diligence to shape how firms work. UK respondents put more weight on real-time portfolio monitoring tools. Retail investor platforms also feature as a possible shift in how private markets raise money.

Financial Services Tax Viewpoint

"In a tax context, LPs equate trust and transparency with robust structuring. There is a clear preference for simplified fund structures that provide line-of-sight on return mechanics, tax outcomes, and risk sharing, enabling investors to commit capital with a high degree of confidence"

Robert Fitzgerald

Partner | Financial Services Tax

Debt

Following a phase of debt market pricing stabilisation, 2025 experienced heightened competition from both banks and private credit providers for high-quality transactions amid reduced deal volume, resulting in loan margin compression.

As we look ahead to 2026, increased competition persists, particularly from private credit sources. This is continuing to produce improved margins for sponsor-backed deals, greater leverage, and more flexible structures.

"In 2025, banks and private credit providers collaboratively supported private equity activity within the Irish market. Local banks offered disciplined senior debt to high quality sponsors for mid-market transactions, while larger deals frequently involved partnerships between local banks and private credit entities. This collaboration facilitated access to operational and working capital facilities to drive target growth. Private credit continued to supply flexible unitranche and tailored solutions, enabling deal execution, refinancing, and portfolio support, with readiness to allocate capital further within the capital structure as necessary"

Ken Brady
Head of Debt | Deal Advisory

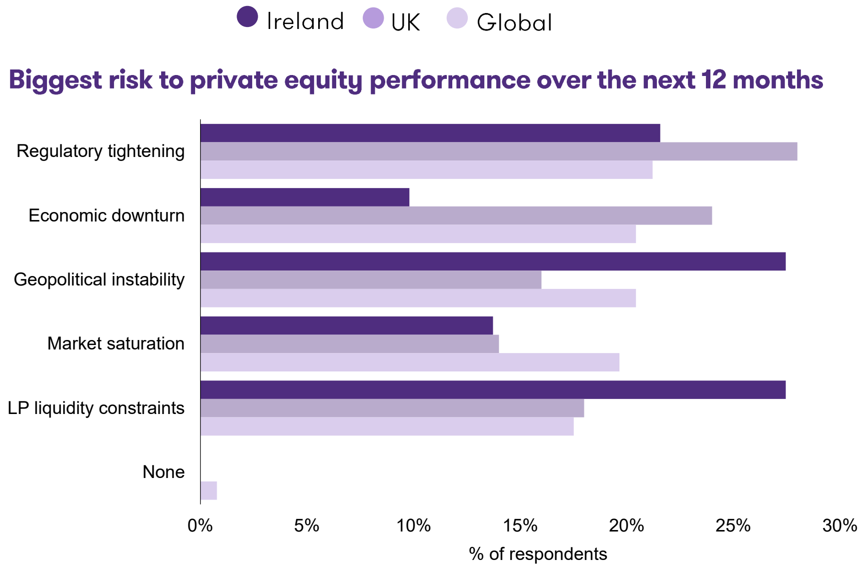
Chapter 5:
Portfolio management and exits

Risks - liquidity and geopolitics

Inflation, higher input costs and uneven demand are still squeezing margins. Forecasting has become harder and regulatory requirements keep rising, which adds cost and complexity for many businesses. Digitalisation and AI bring longer-term benefits but require investment now, especially in sectors with thin operating teams.

The Pulse data shows that liquidity and geopolitics remain the biggest risks for Irish private equity. Limited liquidity for ageing assets is a particular friction here, although fears around an economic downturn are notably lower than the UK or global average.

Investors everywhere are watching how regulation evolves. The UK and EU are reviewing non-bank stress testing and valuation practices, both of which could influence private markets. These changes may affect how managers monitor risk and how they report to LPs.



"Regulators are watching closely the recent turbulence in the private credit markets (e.g. certain trade receivable defaults) and will be concerned about any contagion within private platforms or to the wider financial system. This turbulence may impact the flow of credit and/ or investment from such houses"

Dwayne Price
Partner | Head of Risk

Regulation to watch in 2026

CBI CP162 (AIF Rulebook modernisation)
CBI CP162 proposes significant amendments to the AIF Rulebook to align Ireland's private funds framework with AIFMD II and to enhance the QIAIF regime for private assets. For PE sponsors, the most practical impacts are increased flexibility for "below-the-fund" structuring (intermediary investment vehicles/SPVs via disclosure + AIFM oversight), expanded share class/participation features commonly used in private funds (including management participation arrangements), improved capital commitment mechanics, and greater facilitation of fund financing/guarantee arrangements.

AIFMD II (Substance, Delegation & Liquidity)
AIFMD II significantly strengthens oversight of delegation arrangements, an area of particular focus for the CBI given Ireland's role as a global funds hub. Irish AIFMs will face enhanced expectations around local substance, liquidity management tools and supervisory reporting, with transposition required by April 2026.

Loan-Originating & Private Credit Funds
AIFMD II introduces a harmonised EU framework for loan-originating AIFs, directly relevant to Ireland's fast-growing private credit and PE-linked lending structures. New requirements cover leverage, risk retention, concentration limits and liquidity alignment.

SFDR & ESG
SFDR remains a key pressure point for AIFMs, particularly for Article 8 and 9 private equity funds. Data quality, portfolio-company ESG information and anti-greenwashing controls are under scrutiny, with further reform ("SFDR 2.0") expected to reshape classifications and disclosures.

EU AML Package & Beneficial Ownership
The new EU AML Regulation introduces stricter and more harmonised beneficial ownership identification and verification requirements. This will materially affect complex PE fund, holding company and SPV structures commonly across Europe, with higher expectations ahead of full application in 2027.

OECD Pillar Two (Global Minimum Tax)
Pillar Two is now in force in Ireland for in-scope groups, with potential implications for portfolio companies, management entities and Irish holding structures. While most PE funds are excluded, careful assessment of consolidation, thresholds and reporting obligations remains essential.

US SEC – Private Fund Adviser Rules
The US SEC adopted extensive private fund adviser rules covering investor reporting, audits, preferential treatment and adviser-led secondaries, although key elements were vacated by the US Fifth Circuit in 2024. Despite this, SEC examination intensity and investor expectations around transparency, governance and conflicts remain elevated, particularly for AIFMs with US advisers, US investors or US-marketed structures.

"PE sponsors that engage early with these changes can turn regulation into a competitive advantage, aligning enhanced flexibility with rising investor and supervisory expectations"

David Lynch
Partner | Head of Financial Services Audit

Value creation – controlling the controllables

OPERATIONAL EFFICIENCY AND AI ADOPTION

Irish private equity firms continue to focus on work inside the business. 55% say operational improvements and cost control are their main levers for driving growth and protecting margins.

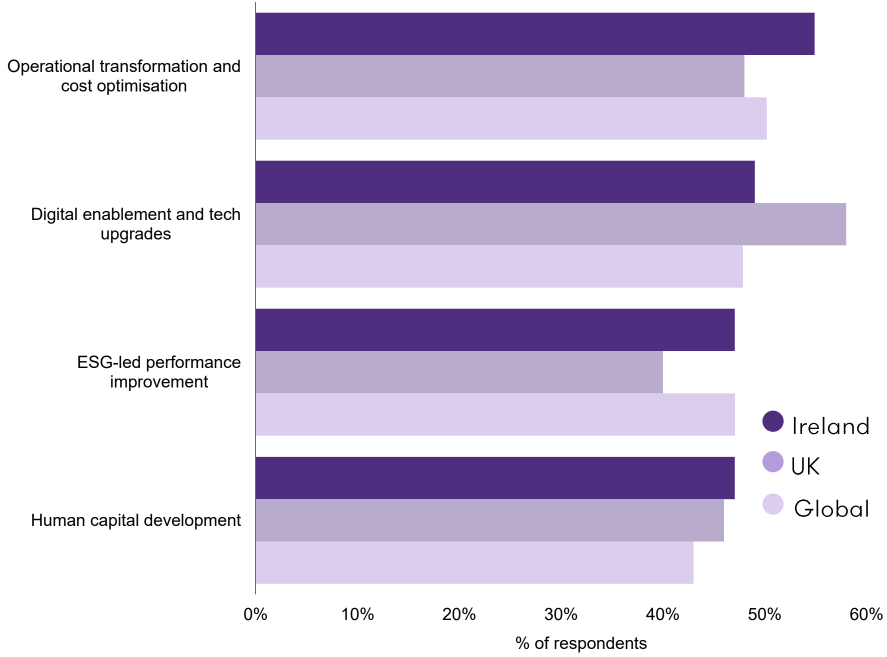
Technology is the next focus area. Many firms are using digital tools to speed up reporting, automate processes and create cleaner data. The potential for AI is now part of diligence, especially in business support and professional services.

Only 49% of Irish respondents think AI is more hype than impact. That compares with 72% in the UK and 61% globally, which suggests Irish managers are more open to using AI where it can make a clear difference.

"We increasingly see operational risk and value creation as two sides of the same coin. The portfolio companies that strengthen process discipline, reporting and cost control are often the ones best positioned to protect margins during the hold period and exit from a position of strength"

Paul Edwards, Partner & Global Practice Lead | Deal Advisory for Grant Thornton Stax

How are you evolving your value creation strategy?



Exit environment – limited liquidity points to a long game

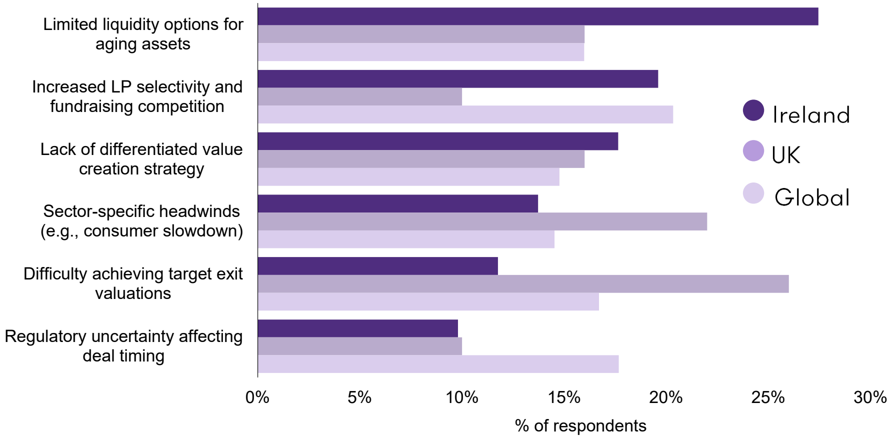
The exit market remains relatively slow. IPOs have stalled and liquidity for ageing assets is limited, which is keeping holding periods long for certain assets. The number of companies listed on Euronext Dublin continues to shrink as firms delist or move to larger exchanges.

Value is being realised, but it takes more preparation and more evidence of operational progress. Buyers are cautious, and secondary transactions are becoming a more common route internationally.

Investors in Ireland and the UK see operational improvement as one of the biggest drivers of successful exits over the next two years. More work is being done on integration, cost control and systems before a sale process begins.

Across regions, the main challenges are the same: meeting valuation expectations and finding liquidity for older assets. Irish respondents place the liquidity point particularly high, given the limited exit routes available.

Main factor affecting exit strategies and consequent fundraising



Chapter 6:
Our team and deals

2025 deals highlights

75
deals

€5bn
total deal value

31%
deals involving private equity

56%
cross-border transactions

experian.

Consistently top tier ranking
Experian Financial Advisor quarterly league tables
Republic of Ireland and Northern Ireland

PitchBook

Ranked #2 overall
PitchBook M&A Advisor quarterly league tables
UK and Ireland

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