THE FRENCH TECH JOURNAL

Quarterly Funding Report · Q2 2026

QUARTERLY INTELLIGENCE BRIEFING · APRIL–JUNE 2026

Top-Heavy

In the second quarter of 2026, French tech startups raised **€2.09 billion — up 16% on a year ago**, with four rounds above €100 million, compared with just one in Q2 2025. On paper, the long-awaited rebound has finally arrived.

It took one company to make it happen. Alan, the Paris health-insurance unicorn, raised **€480 million in June** — nearly a quarter of all funding raised that quarter. Take that single deal out, and French tech funding didn't rise at all. It *fell* about 11%.

That gap between an encouraging headline and a market that's actually thinning underneath is the story of Q2 2026. It wasn't even 2026's strongest quarter: Q1 raised 23% more. Fewer deals, bigger checks, and *a five-year narrowing of deals that this quarter highlights.*

Q2 2026 AT A GLANCE

TOTAL RAISED
€2.09B
+15.7% vs Q2 2025

DEALS CLOSED
139
−16.8% vs Q2 2025

AVERAGE ROUND
€16.5M
+52.8% vs €10.8M

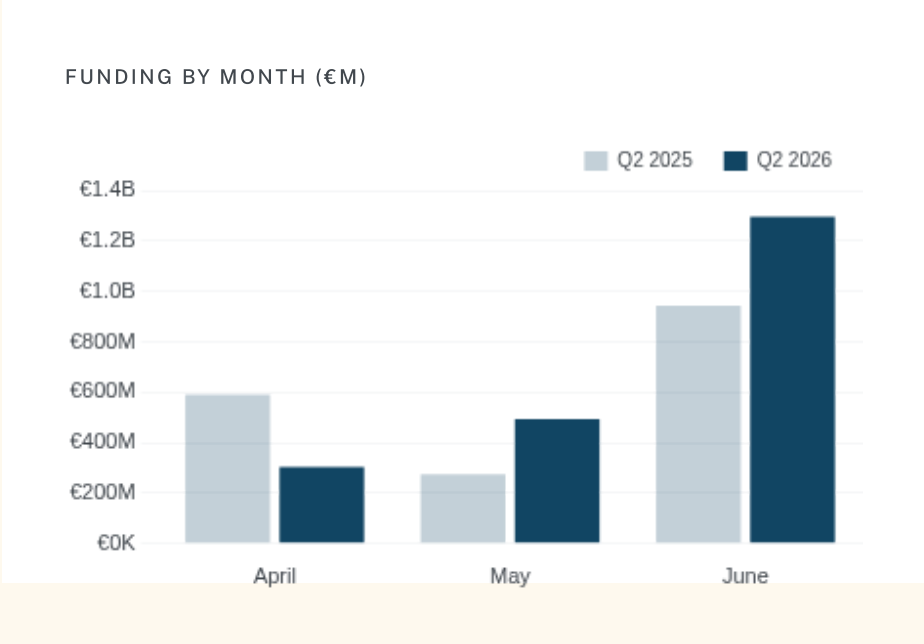
MEDIAN ROUND
€5.0M
+42.9% vs €3.5M

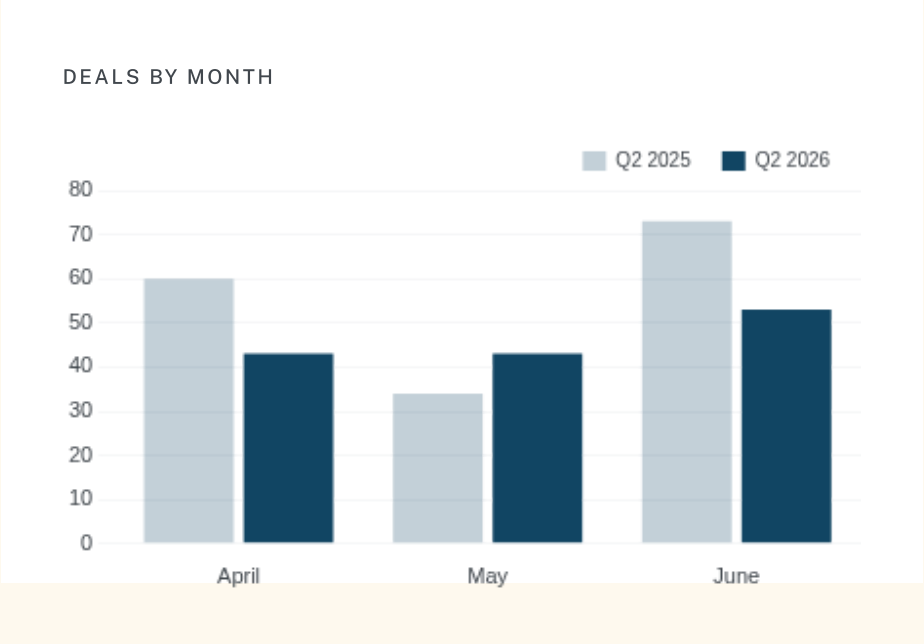
MEGA-ROUNDS (€100M+)
4
Alan, Morpho, Bionyra, Quobly

MONTHLY RHYTHM

June Did the Heavy Lifting

April opened weak — €305M, roughly half of April 2025. Then June carried the quarter: €1.30 billion, 62% of the total, as Alan, Morpho Labs and Bionyra Pharma all landed in the same four weeks.


FUNDING BY MONTH (€M)

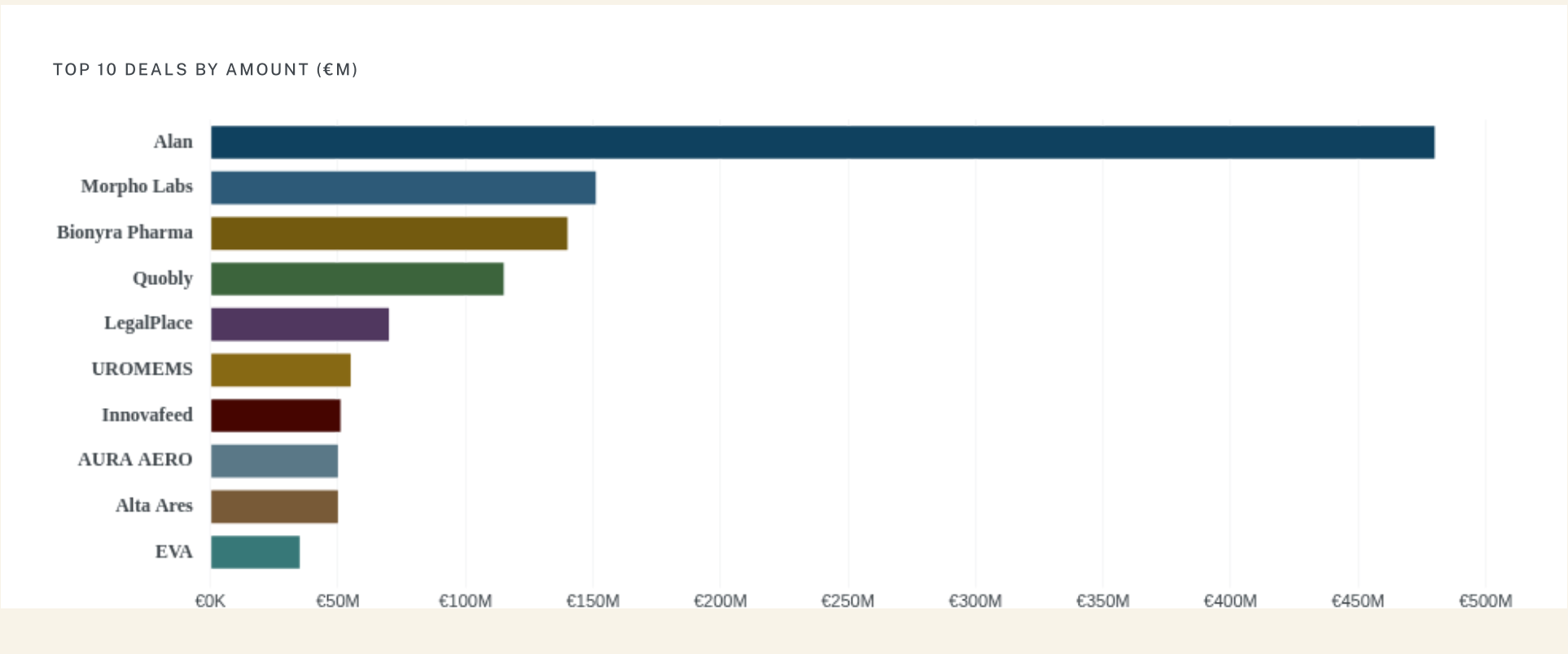

DEALS BY MONTH

The Sequential Read

Q1 and Q2 posted *identical* deal counts — 139 each — yet Q2 raised 23% less. The difference is one quarter having AMI's €890M round and the other having Alan's €480M. Even setting both mega-deals aside, Q2 was still down ~12% on Q1. And yet the median round *rose*, from €4.6M to €5.0M — the middle of the market kept getting bigger even as the top thinned.

LANDMARK DEALS

The 15 Largest Rounds of Q2 2026


TOP 10 DEALS BY AMOUNT (€M)

#	COMPANY	AMOUNT	ROUND	MONTH	CITY	SECTORS
1	Alan	€480M	Growth	June	Paris	FINTECH HEALTHTECH
2	Morpho Labs	€151M	Growth	June	Paris	FINTECH CRYPTO
3	Bionyra Pharma	€140M	Series A	June	Paris	BIOTECH
4	Quobly	€115M	Series A	June	Grenoble	QUANTUM DEEPTECH
5	LegalPlace	€70M	Growth	May	Paris	SAAS LEGALTECH
6	UROMEMS	€55M	Growth	May	Grenoble	HEALTHTECH MEDTECH
7	Innovafeed	€51M	Growth	June	Paris	AGRITECH CLEANTECH
8	AURA AERO	€50M	Series B	April	Cugnaux	AEROTECH CLEANTECH
9	Alta Ares	€50M	Series A	June	Romainville	BIOTECH
10	EVA	€35M	Growth	April	Montreuil	MOBILITY
11	Dust	€35M	Series B	May	Paris	AI
12	Pivot	€35M	Series B	May	Paris	SAAS AI
13	Comand AI	€32M	Series A	June	Paris	DEFENSETECH AI
14	Mantle8	€31M	Series A	May	Grenoble	DEEPTECH
15	Tsuga	€30M	Series A	June	Paris	DEEPTECH

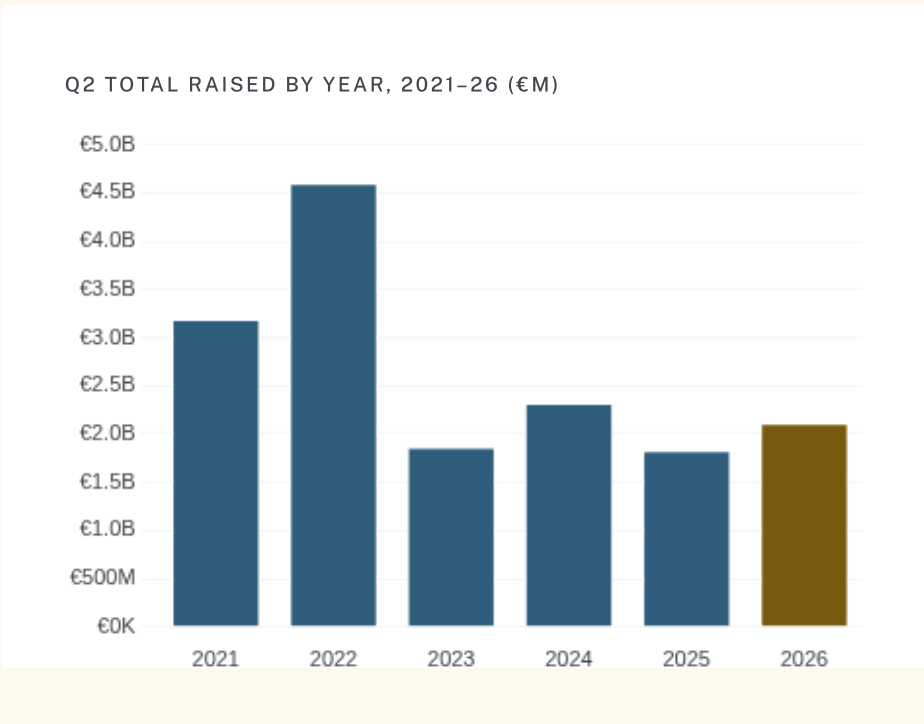
The Alan Asterisk

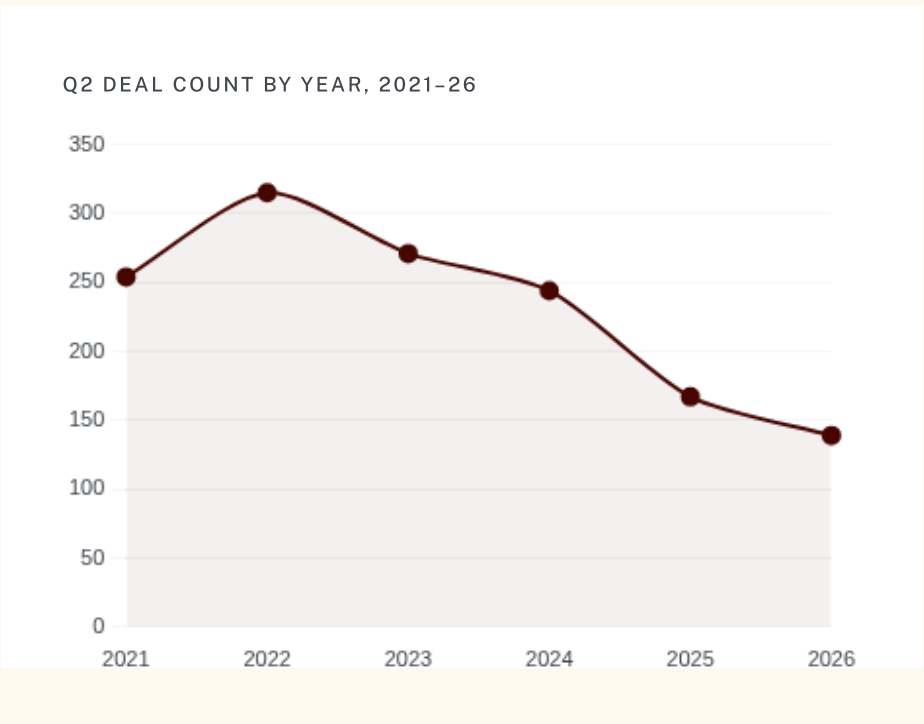
Alan's €480M round — from Index Ventures, Prosus, Dara Holdings and Teachers' Venture Growth — is **22.9% of the entire quarter's disclosed total**, the highest single-deal share in six years. Strip it out and Q2 funding *fell* ~11% year-on-year. Every number that follows should be read twice: with the outlier, and without it. Note too that two of the top four rounds (Bionyra, Quobly) are Series A — unusually large for the stage, another sign of top-heavy capital.

THE LONG VIEW

The Boom Hasn't Come Back

At €2.09B, Q2 2026 is 54% below the Q2 2022 peak (€4.58B). Deal count has fallen every year since — 315 down to 139 — even as the median check has more than doubled to a six-year high of €5.0M. The boom is not back. It's a market that has been quietly restructuring for four years.


Q2 TOTAL RAISED BY YEAR, 2021–26 (€M)


Q2 DEAL COUNT BY YEAR, 2021–26

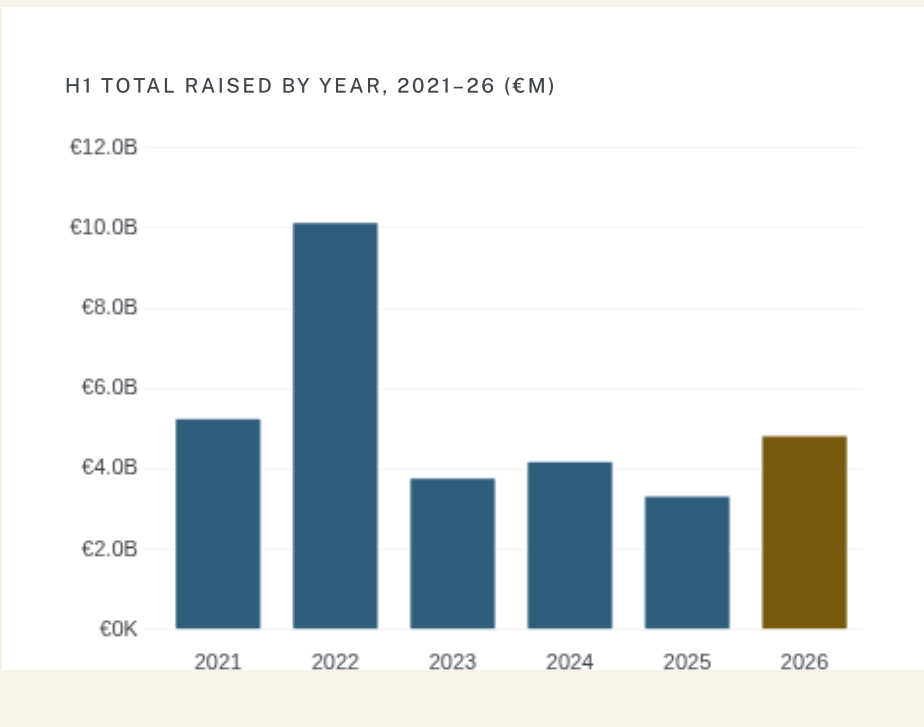
The Recurring Giant

Every Q2 has one defining round — Contentsquare (2021), EcoVadis (2022), Ynsect (2023), Mistral AI (2024), Knave (2025), now Alan. What changed in 2026 isn't that there's a giant; it's how much the quarter *leans* on it. Alan is 22.9% of the quarter — against Mistral's 20.3% in 2024 and just 5.5% for Knave in 2025.

MID-YEAR RUN-RATE

Halfway to a Comeback — With an Asterisk

By June, 2026 had raised €4.83 billion — already 61% of *all* of 2025, and up 46% on the first half of 2025. On any reasonable run-rate (~€9.3–9.7B), 2026 clears both 2025 and 2024 to become the strongest year since the 2022 peak.


H1 TOTAL RAISED BY YEAR, 2021–26 (€M)

H1 2026 VS H1 2025

RAISED BY JUNE 2026
€4.83B
+45.5% vs H1 2025 (€3.32B)

SHARE OF 2025'S FULL-YEAR TOTAL
61%
€4.83B of 2025's €7.88B, in half the time

H1 DEAL COUNT
278
−19% vs H1 2025 (343) · fewest in six years

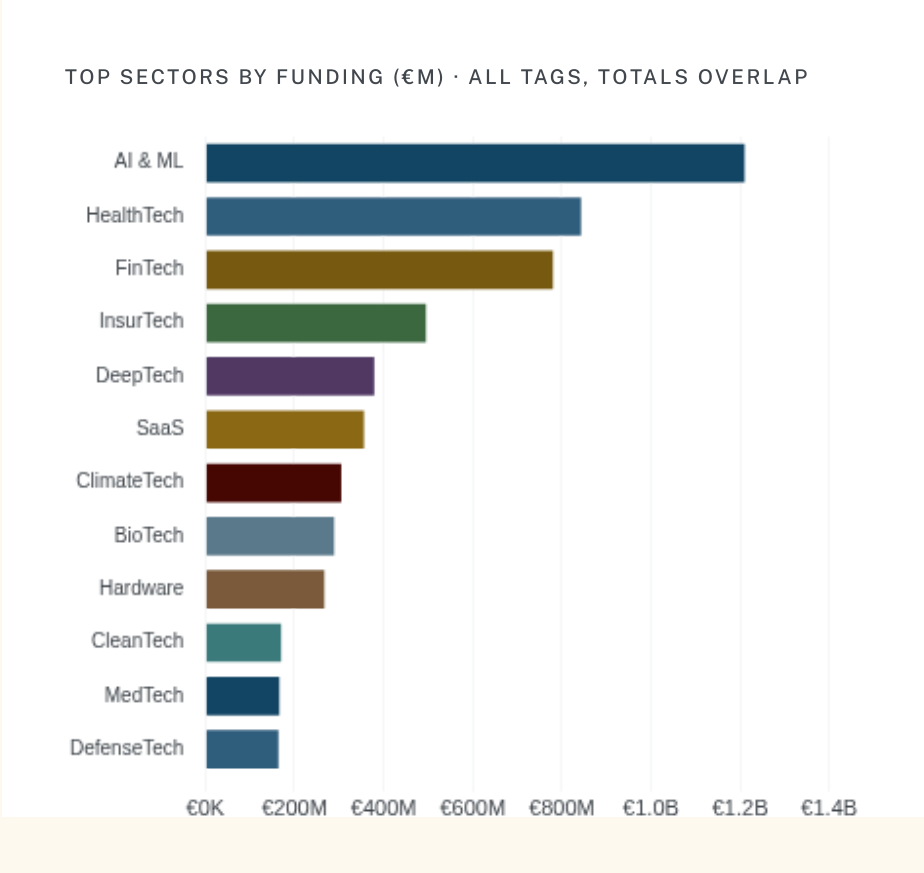
Flat Underneath

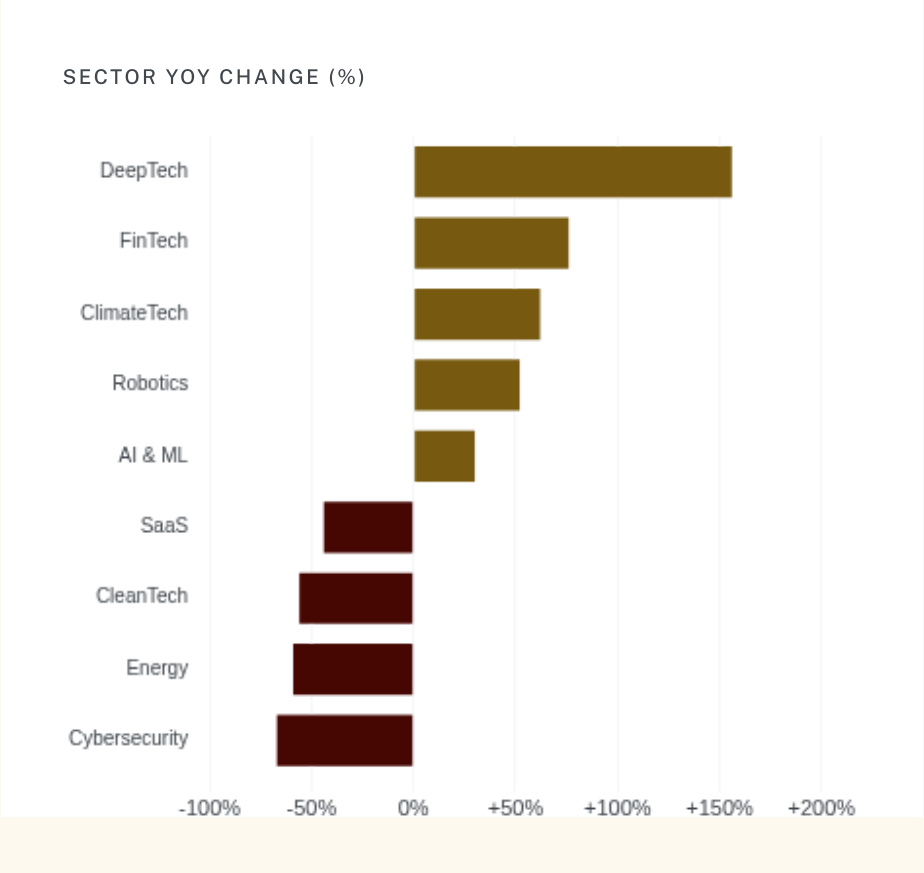
The rebound is two deals. AMI (€890M, Q1) and Alan (€480M, Q2) are €1,370M — 28% of H1 2026 and about **91% of the entire year-on-year gain** over H1 2025. Strip both out and H1 2026 (€3.46B) is only ~4% ahead of H1 2025 — essentially flat, on the fewest H1 deals in the six-year series.

SECTOR INTELLIGENCE

AI Still Eats Everything

Counting every deal under *all* its sector tags, AI is the quarter's dominant sector by a wide margin — **€1.21B, about 58% of all value, a six-year high, up 30% year-on-year**. But the same concentration runs through the sectors: Alan alone — tagged AI, HealthTech, FinTech *and* InsurTech — lifts four sector lines at once. Strip it out and AI is €730M, down ~21%. The headline is bigger than ever; the underlying market softened beneath it.


TOP SECTORS BY FUNDING (€M) · ALL TAGS, TOTALS OVERLAP


SECTOR YOY CHANGE (%)

SECTOR HIGHLIGHTS

DOMINANT · SIX-YEAR HIGH
Artificial Intelligence
€1,210M
+30% YoY
70 deals · ~58% of the quarter · ex-Alan −21%

ALAN-INFLATED
HealthTech
€843M
+319% YoY
€480M is Alan · ex-Alan €363M (+80%)

ALAN + MORPHO
FinTech
€780M
+76% YoY
14 deals · Alan €480M, Morpho €151M

GENUINE RISER
DeepTech
€379M
+156% YoY
26 deals · Quobly, quantum · six-year high

STRUCTURAL DECLINE
SaaS
€356M
−44% YoY
the 2021–22 engine (€2.1B), still shrinking

FADED
Cybersecurity
€54M
−67% YoY
7 deals · Q1's hot sector cooled

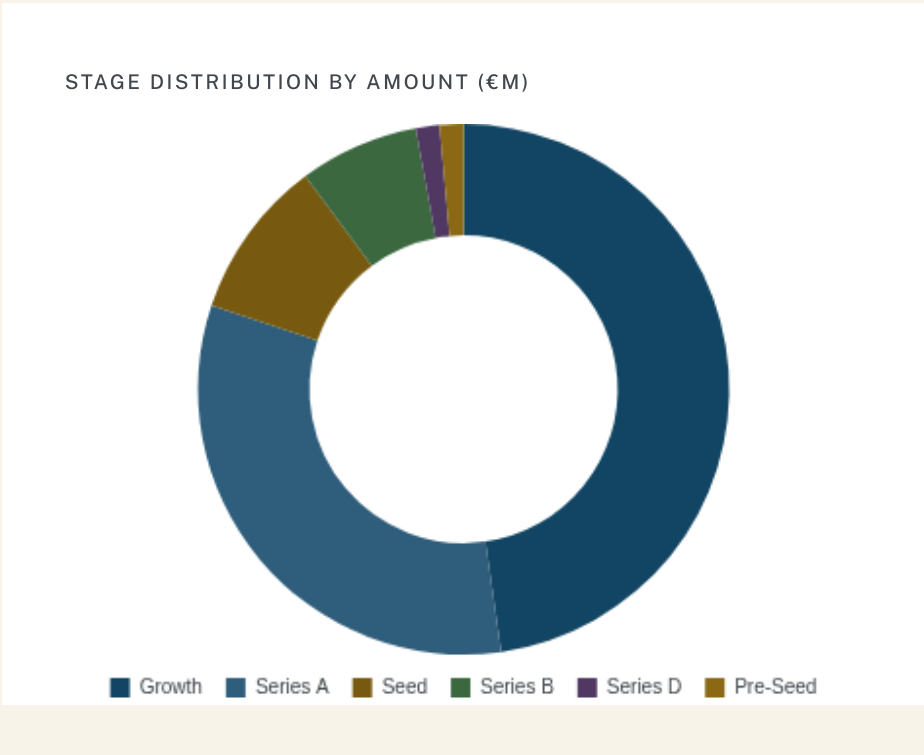
The Concentration, Not a Rotation

AI is bigger than ever: €1.21B this quarter (a six-year high) and €3.1B across the half-year. The softness only appears once you remove the giants. Strip Alan and Q2 AI is down ~21%; but over H1, even setting aside *both* mega-rounds (AMI €890M + Alan €480M), AI is still up ~39%. The real signal isn't capital rotating out of AI — it's that a handful of enormous, multi-tagged rounds now carry whole sector narratives at once. The genuine, non-mega riser is **deeptech & quantum** (Quobly), with health ex-Alan (+80%) the second engine.

STAGE STRUCTURE

Fewer Doors In

Seed and pre-seed rounds fell from 91 to 57 deals year-on-year — and from a Q2 2022 peak of 196 to just 71, a 64% collapse in early-stage deal-making. Meanwhile Series A checks grew 80% and Growth is near a six-year high. The top is swelling as the base thins.


STAGE DISTRIBUTION BY AMOUNT (€M)

STAGE COMPARISON (VS Q2 2025)

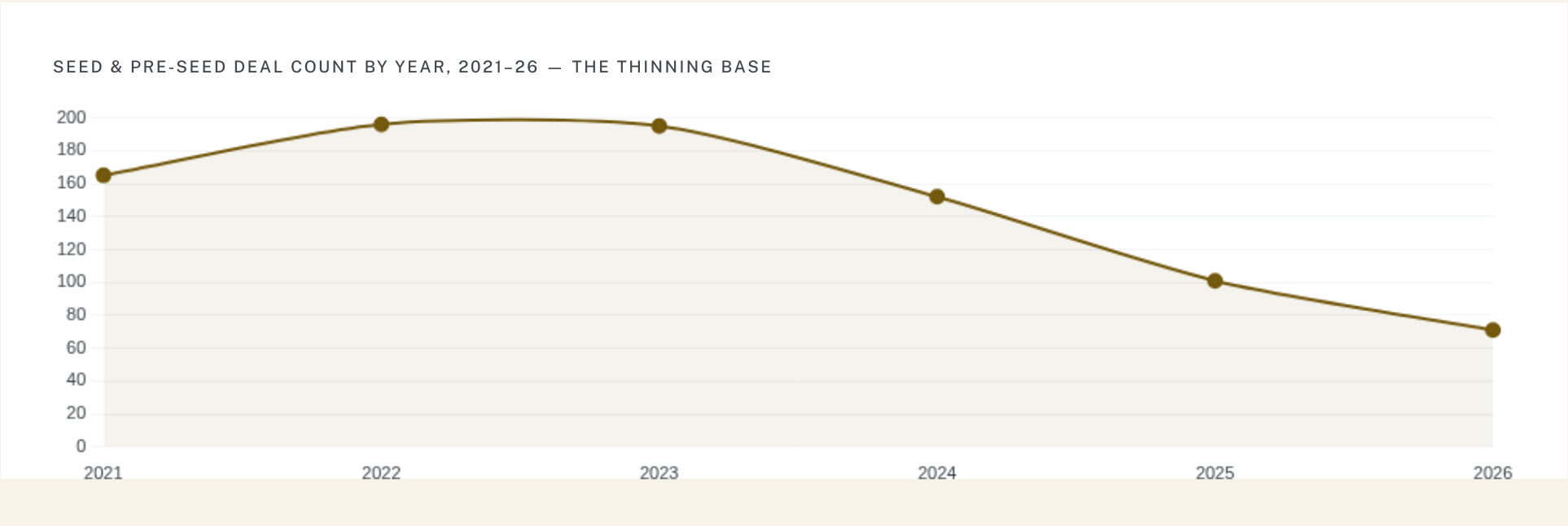
Growth €992M
27 deals · +53% YoY · Alan, Morpho, LegalPlace lead

Series A €673M
29 deals · +80% YoY · Bionyra €140M, Quobly €115M

Seed €202M
57 deals · −31% YoY · down from 91 deals

Series B €151M
6 deals · −47% YoY · Dust, Pivot

Pre-Seed €30M
14 deals · +36% YoY · formation still active


SEED & PRE-SEED DEAL COUNT BY YEAR, 2021–26 — THE THINNING BASE

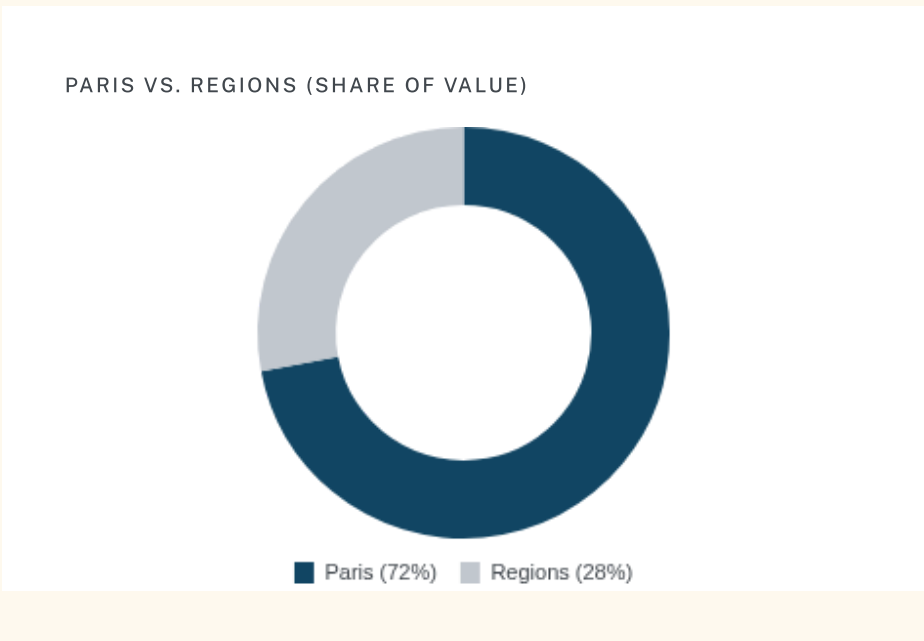
The Pipeline Problem

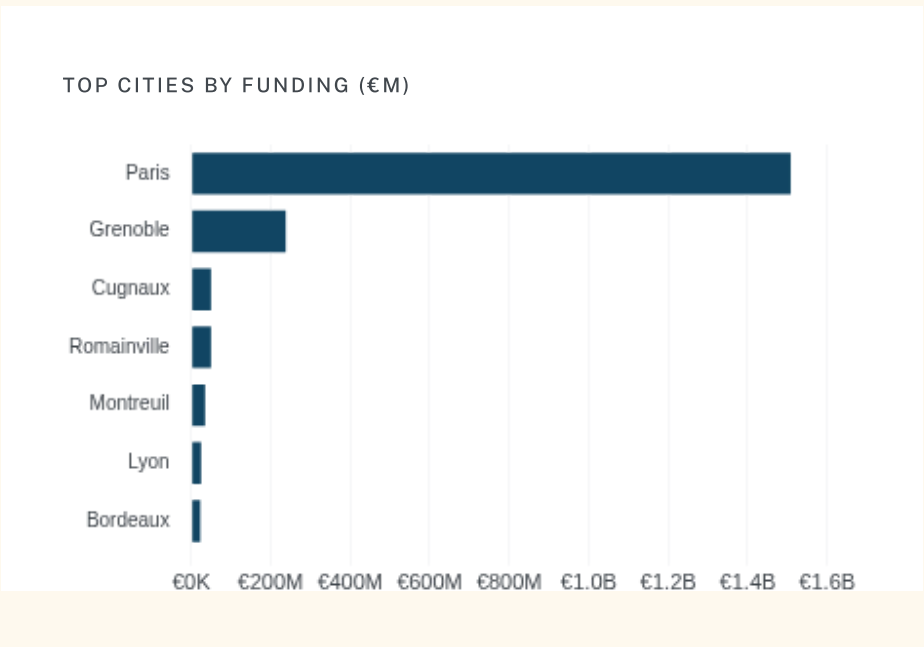
The funnel that feeds tomorrow's Series A and B is contracting fast. Late-stage is near a six-year high (Growth €992M); the base that should refill it is at a six-year low (71 seed/pre-seed rounds, down from 196 in 2022). That's what "top-heavy" means structurally. It is a critical trend in the data that could have long-term implications.

GEOGRAPHIC INTELLIGENCE

Paris Reclaims the Center — and Grenoble Arrives

Paris took 72% of value (up from 59%), lifted by Alan; regional funding fell 20% in absolute terms. But Grenoble stands out — €238M across five deeptech, quantum and medtech deals, second only to Paris this quarter.


PARIS VS. REGIONS (SHARE OF VALUE)


TOP CITIES BY FUNDING (€M)

REGIONAL SPOTLIGHTS

Grenoble
€238M
5 deals. Quobly (€115M), UROMEMS (€55M) and Mantle8 (€31M) anchor a genuine deeptech, quantum and medtech cluster — the region's standout.

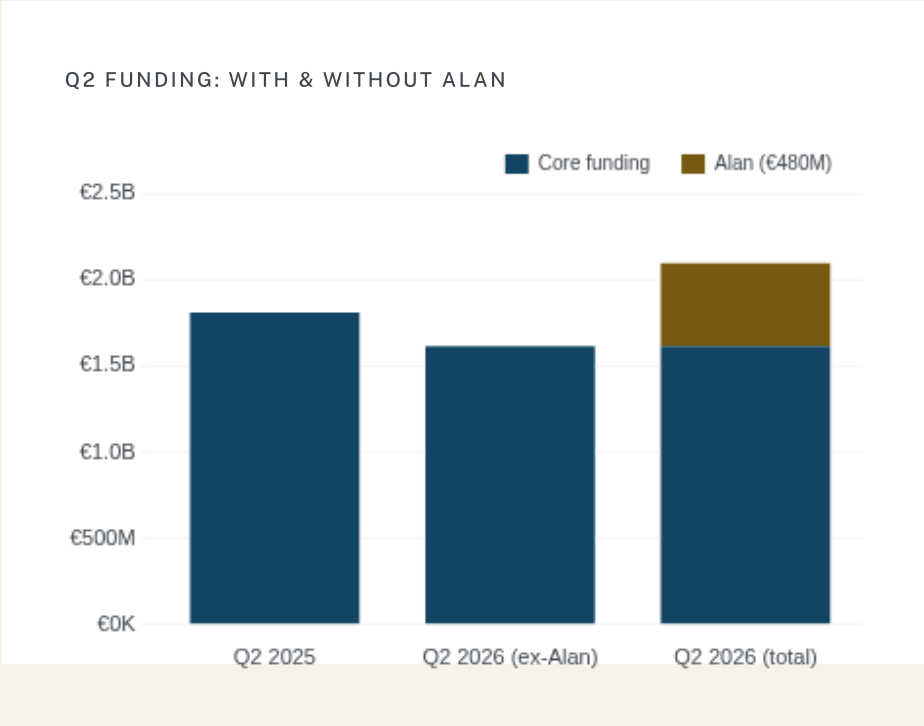
Cugnaux
€50M
AURA AERO's €50M Series B for regional electric aircraft keeps the Toulouse-area aerospace corridor on the map.

Romainville
€50M
Alta Ares's €50M Series A adds to the Greater-Paris biotech belt just outside the capital's city limits.

THE UNDERLYING TREND

With & Without Alan: What's the Real Picture?

Alan's €480M growth round dominates Q2's headline numbers. Strip it out and the entire year-on-year *gain* disappears — the underlying market didn't grow at all. This is the single most important comparison in the report.


Q2 FUNDING: WITH & WITHOUT ALAN

THE NUMBERS WITHOUT ALAN

TOTAL FUNDING (EX-ALAN)
€1.61B
−10.8% vs Q2 2025

AVERAGE ROUND (EX-ALAN)
€12.5M
vs €16.5M with Alan

ALAN AS SHARE OF QUARTER
22.9%
highest single-deal share in six years

The Entire Gain Was One Deal

French tech's "+16% year-on-year" headline rests entirely on Alan. Without it, funding *fell* ~11% against Q2 2025. That is the report's central sentence: the record quarter and the shrinking market are the same quarter, viewed with and without a single round.

This isn't a market in free-fall — the median round rose and late-stage capital is plentiful. But it is a market that has stopped widening. Fewer companies are raising, and the ones that do increasingly sit at the top of the stack. The concern is the base: a 64% fall in early-stage deals since 2022 is what makes "top-heavy" a structural description, not a one-quarter mood.

THE QUARTER IN STORIES

A Q2 Timeline

APRIL

APR 1
Mistral's "Big Spring"
Nvidia partnership, $830M debt for data centers

APR 7
Q1 2026 Report: "The Great Concentration"
€2.73B / +79% — the thesis Q2 deepens

APR 9
French cyber funding tops all of 2025
Still hot — before its Q2 fade to €54M (−67% YoY)

APR 22
C12's carbon-nanotube qubit roadmap
The deeptech/quantum rotation begins

APR 24
The Great Sovereignty Paradigm
Data centers, electrification, self-reliance

MAY

MAY 8
The Atlantic Tightrope
French cyber founders selling to America First, Inc.

MAY 18
UROMEMS €55M leads a €147.6M week
The health-cluster surge takes shape

MAY 19
Mensch: "Europe has two years"
Mistral CEO warns the National Assembly

MAY 29
MistralMania: a full-stack ambition
Chips, data centers, agents, defense

JUNE

JUN 8
Quobly €115M — Grenoble's quantum bet
Paris No. 8; €200.7M funding week

JUN 15
Next 40/120: deeptech takes over
Mistral, quantum and robotics remake the elite

JUN 21
Macron's VivaTech victory lap
The president's start-up-decade farewell

JUN 29
Alan €480M closes the quarter
16 deals, €748.5M — the outlier lands

THE VC LANDSCAPE

The State Is the Floor

As private money pulled back from the early stage, public capital held the line. Bpifrance touched 22 of the quarter's 139 deals — more than four times any private fund — and is disproportionately present in exactly the seed rounds that thinned.

Bpifrance
22 deals · 16% of the quarter
The public backbone. Present across seed and growth alike, and the most-cited investor in our own coverage — 33 of 86 Q2 articles.

Kima · daphni
5 deals each
The most active *private* seed funds, alongside Y Combinator (4) and Blast Club (4) — still writing early cheques where the base thinned.

Lauxera
€520M healthtech fund
An oversubscribed second close on a pointed thesis: Europe invents world-class healthtech, but America still controls the scale-up game.

Key Ecosystem Data Points from Q2

€480M — Alan's round, 22.9% of the quarter, the highest single-deal share in six years

4 rounds ≥ €100M vs just one (Knave) a year ago

−64% — fall in seed/pre-seed deal count since the Q2 2022 peak

€238M across five deals makes Grenoble the region's No. 2 hub

Health cluster +57% YoY — the quarter's genuine, broad-based winner

AI −54% YoY in value, −42% in deals — the engine cooled

FORWARD LOOK

Can the Base Refill? What We're Watching in H2

Does the Deal Count Stop Falling?

The single metric that decides whether the thinning is cyclical or structural. It has dropped every Q2 since 2022.

Is Alan a One-Off or a Signal?

Watch whether more €300M+ growth rounds follow — late-stage may be genuinely reopening at home.

Where Does AI Settle?

After the AMI and Mistral spikes, find AI's real, ex-mega-deal baseline. It has fallen two years running.

Health & Biotech Follow-Through

Does Bionyra's €140M A-round mark a durable pipeline, or a spike? The cluster is the quarter's real winner.

Grenoble's Second Act

Can the quantum/deeptech cluster produce a second breakout quarter, or was Q2 a Quobly-driven one-off?

The Full-Year Number

Will 2026 clear €9B — its best since 2022 — and how much of that will be a handful of giants?

Q2 2026 COVERAGE

86 Articles Published This Quarter

Three columns ran weekly for all 13 weeks of the quarter — the Funding Wire, La Machine, and the French Tech Wire — alongside dozens of reported features. Subscribe to The French Tech Journal for weekly funding wires, La Machine AI analysis, and deep-dive company profiles.

13
WEEKLY FUNDING WIRES
Every deal, every week. Data-driven recaps that build to the €748.5M Alan-led finale.

13
LA MACHINE AI COLUMNS
Issues #70–#82. Policy, startups, sovereignty — the AI revolution through a French lens.

60
FEATURES & DEEP DIVES
French Tech Wires, company profiles, founder interviews, data drops and sector investigations.

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Data: French Tech Funding Tracker · **frenchtechjournal.com**
Q2 2026 (April–June): 139 rounds, €2.09B raised across the French tech ecosystem.
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