

Funding • Virtualization • Open source • Digital sovereignty • International growth

PRESS RELEASE

Paris, October 6, 2026

Vates raises €30 million from IRIS and Bpifrance to become a global leader in virtualization

Profitable and self-funded since 2016, European open-source virtualization vendor Vates is announcing a €30 million funding round. Already adopted by more than 1,000 customers across around 100 countries, the company plans to accelerate its technology investments and international expansion at a time of major transformation in the global virtualization market.

Vates announces a **€30 million funding round from IRIS' Growth fund and Bpifrance, through its Large Venture fund**, against the backdrop of a profound reshaping of the global virtualization market.

As organizations increasingly seek more open, sovereign and reversible technology solutions, this investment will enable Vates to **accelerate its development and strengthen its position among the global players in the virtualization industry.**

A reshaping market creating a strategic opportunity

Broadcom's acquisition of VMware has accelerated a transformation that was already underway across the virtualization market. Faced with evolving licensing models, rising infrastructure costs and increasingly complex architectures, organizations are reassessing their technology choices. They are looking for platforms that combine performance, cost control, interoperability, sovereignty and reversibility.

Vates aims to play a major role in this new market landscape with **an open-source platform that enables organizations to retain control over their infrastructure, reduce technological dependency and preserve their freedom of architecture.**

In 2025, the company recorded growth of more than 65%, demonstrating the strength of its model even before this funding round. Vates now has customers in **100 countries and generates 90% of its revenue outside France. North America alone accounts for close to 50% of its business.**

In 2026, Vates was also included for the first time in **Gartner's Magic Quadrant for virtualization, one the few European vendor represented** alongside the world's major virtualization players.



« We are not raising funds to change our strategy, but to accelerate the one we have pursued from the beginning. Today, we have the technology, the teams, an international presence and recognition from the market. This funding gives us the resources to execute much faster and operate at an entirely different scale, without compromising our independence or the open-source principles that have driven our success. » **Olivier Lambert, CEO and co-founder of Vates.**

€30 million to accelerate three strategic priorities

This funding will enable Vates to focus its investments on **three key priorities**:

- **Accelerating technology investments**, particularly in the next generation of the Vates platform, with a strong focus on performance, storage, security, automation and the management of large-scale virtualization infrastructures, including to support evolving workloads and new requirements driven by AI;
- **Accelerating the company's international expansion**, particularly in North America and its key European markets, by strengthening its sales and marketing capabilities to expand Vates' presence among large enterprises, public-sector organizations and service providers;
- **Scaling its partner ecosystem**, by strengthening its network of distributors, integrators, service providers and technology partners in order to accelerate platform adoption and support increasingly large transformation and migration projects internationally.

Vates' founders retain control of the company

Following the transaction, the **co-founders will remain majority shareholders**.

The arrival of IRIS and Bpifrance will support Vates as it scales its organization while preserving its **strategic independence and the technological principles** on which the company was built.

Open source also remains at the heart of the Vates model. The company will continue to invest in open technologies and in the principles that have shaped its platform since its inception: **interoperability, reversibility and customer freedom of choice**.

European capital supporting global ambitions

With **IRIS** and **Bpifrance**, Vates is partnering with investors with proven international expertise and experience supporting companies through high-growth phases, in line with its European roots and its commitment to strategic independence.

Beyond the post-VMware market context, Vates aims to establish itself as one of the key players shaping the global virtualization market. The company intends to **build a global virtualization leader from Europe, turning openness, reversibility and technological control** into genuine competitive advantages.

*« Vates demonstrates that open source can meet the highest requirements of the market. Its virtualization platform is now adopted by organizations of all sizes around the world, including large enterprises operating critical environments where security requirements are particularly demanding. We are proud to support Olivier and his team in this new stage of their development and to actively contribute to making Vates a global reference in virtualization », **Nicolas Herschtel, Partner at IRIS***

« We are delighted to support Vates in this new stage of its development and to back its ambition to scale internationally. We were impressed by the quality of its teams, the relevance of its open-source model and the strategic importance of its technology in a key segment of digital infrastructure. At a time of profound transformation in the virtualization market, Vates has the strengths required to establish itself as a leading global player. This investment fully reflects Bpifrance's commitment to supporting the emergence of a French and European technology champion capable of strengthening the continent's digital sovereignty, securing critical infrastructure and contributing to the development of

a European industrial ecosystem around strategic technologies.» **Cindy Ung, Investment Director, Large Venture, Bpifrance**

About Vates

Founded in Grenoble, France, in 2012, Vates is a French technology company specializing in **open-source virtualization and infrastructure management solutions for hybrid cloud environments**.

Its flagship products, **XCP-ng** and **Xen Orchestra**, enable public and private organizations around the world to gain greater autonomy and sustainably optimize their IT environments.

Fully open source and developed in France, Vates' solutions offer **broad compatibility, ease of integration** and capabilities designed to **meet the needs of critical environments**. They enable customers to preserve their technological independence while benefiting from enterprise-grade professional support.

With more than **10 years of expertise**, a proven profitable business model and the trust of more than 1,000 customers worldwide, Vates aims to establish itself as a key player in the virtualization market.

Key facts

- Founded: 2012
- Headquarters: Grenoble, France
- Downloads: 2M+
- Employees: 150

Website: <https://vates.tech/>

About Iris

IRIS is a European venture capital and growth equity firm specializing in technology, investing from seed and Series A through late stage and growth.

With teams in Berlin, Munich and Paris, IRIS combines in-depth knowledge of its markets with a powerful international network. The firm partners with promising scale-ups and future technology leaders, supporting them in **expanding their visibility, commercial development and impact worldwide**.

IRIS has notably invested in Adjust, Brainscube, Escape, Exotec, Kyriba, Jedox, Implicity, LeanIX, LumApps, Open-Xchange, pyck, Shift Technology, Spinergie, SurePay, Talend, Talon.one and Zeta Global.

For more information, visit www.iris.vc.

About BPI

Bpifrance's equity investments are operated by Bpifrance Investissement.

Bpifrance finances companies at every stage of their development through loans, guarantees and equity investments. It supports companies in their innovation and international expansion projects and also provides export financing through a broad range of solutions.

Advisory services, training, networking and acceleration programs for startups, SMEs and mid-sized companies are also part of Bpifrance's offering. Through Bpifrance and its 50 regional offices, entrepreneurs benefit from a local, single and effective point of contact to help them address their business challenges.

More information: www.bpifrance.fr

Press: <https://presse.bpifrance.fr>

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With €2.5 billion under management, Large Venture is Bpifrance's venture growth fund dedicated to high-potential technology companies, with the objective of supporting the emergence of French champions capable of becoming global leaders in their markets.

Since its creation in 2013, the fund has invested in more than 80 companies across healthcare and life sciences, digital technologies and greentech.