

PRESS CUTTINGS



SIMPSON
FINANCIAL &
TECHNOLOGY
PUBLIC RELATIONS

THE IRISH TIMES Business This Week, Friday, December 14, 2007

FINANCE TECHNOLOGY

Venture capital thrives

JOHN COLLINS

Over €75 million was invested in 33 local technology, life science and media companies in the four months to October last, according to the Irish Venture Capital Association (IVCA).

This suggests a substantial increase in activity - 27 deals worth just over €66 million were tracked by the IVCA in the first six months of 2007.

"The fact that this growth occurred during a period when many venture capital firms were in the middle of raising new capital ... suggests that there is a momentum building which augurs well for the future," commented Prof Michael Donnelly, chairman of the IVCA.

The average amount invested in the four-month period was €1.795 million.

In the first half of the year about one-third of investments were in previously unfunded companies, but this fell to one quarter in the following four months according to Regina Breheny, director general of the IVCA.

The largest single transaction was technically an expansion capital deal - the €15.5 million invested in publicly quoted anti-fraud software firm Norkom by TVC Holdings (formerly Trinity Venture Capital). The other major deal was €14.8 million raised by fibre optic equipment provider Intune Networks, which was led by London-based Balderton Capital.

Not all of the deals between June and October were in the high-tech sectors normally favoured by Irish VCs. For example Delta Partners and ACT Venture Capital put €1.3 million into TV station Channel 6. Those involved in nine of the 42 investments also chose not to disclose any details.

The data shows there is money available from alternative sources. Fraudhalt, a company using machine vision technology to develop anti-counterfeit products, received €1.3 million from undisclosed private investors, while Sentemial, a developer of software to manage direct debit services raised €630,000 without recourse to VCs.

State agencies continue to play

a key role. The Western Development Commission, which manages the €32 million Western Investment Fund, took part in seven of the 32 disclosed fundings, while Enterprise Ireland backed eight transactions.

Corporate finance and private equity house Ion Equity previously produced the quarterly *Tech Pulse* but ceased publication at the end of 2005. Ms Breheny said the IVCA had taken on the mantle of publishing the quarterly survey as it was felt international studies, such as that published by Ernst & Young and Dow Jones Venture One, were under-reporting activity. For the third quarter this year that study tracked just five deals with a total value of almost €30 million.

Seafield House
23 Seafield Road
Blackrock

Co. Dublin

Telephone 01 260 5300

Facsimile 01 260 5305

Web www.simpsonftpr.ie

Winner 2005 PRCA Award for Excellence in B2B PR

Simpson Financial and Technology Public Relations Limited
Directors: Ronnie Simpson BBS, MPRII (Managing), G.Simpson.
Reg. No. 234163.