



Press release:

SINTEF establishes seed investment fund to develop new companies

SINTEF has launched a new NOK 209m seed investment fund to enable the development of new, viable technology-driven SME. The fund is established with support from the European Investment Fund (EIF) and SpareBank1 SMN who both join SINTEF as investors in the fund.

The new seed investment fund, SINTEF Venture IV (“SV IV”) will help promote the commercialisation of research and development results. It will invest in – and develop – new SME whose activities are based on technology originating from the research centres at SINTEF and the Norwegian University of Science and Technology (NTNU), both based in Trondheim. It is the fourth, and largest fund to date managed by SINVENT, the Technology Transfer Office of SINTEF.

At least 50% of the fund’s investments are foreseen to be directed towards innovations that have a positive environmental impact. The research centres at SINTEF and NTNU hold a strong position in this field.

An important part of SINTEF’s social mission

SINTEF Chief Executive Unni Steinsmo said “New technology must be brought into practical use and create value. The commercialisation of research results and the development of new companies and jobs is part of our social mission. This is the background for a new initiative in this area.” She is very pleased that the EIF and SpareBank 1 SMN are making major, long-term investments in the new fund. “We regard this as recognition of the work we do and the potential in our research centres.”

SINTEF shall invest NOK 100m into SV IV, the EIF NOK 94m, and Sparebank1 SMN investing NOK 15 million.

EIF’s first investment in Norway

EIF, with its headquarters in Luxembourg is the EU’s specialist provider of risk finance for SMEs across the EU and in EFTA countries. The investment into SV IV is a landmark for EIF since it represents its first ever investment into a Norwegian fund made possible with resources from the European Commission’s Competitiveness and Innovation Programme (“CIP”) which supports innovation activities.

Piyush Unalkat, Principal (Equity Investments) who lead the investment on behalf of EIF said, “SINTEF and NTNU are two leading research organisations in Norway and we have been impressed not only with the commercial mindset of striving to bring research results to the marketplace as quickly as possible across both organisations, but also by the access to excellent researchers across the ecosystem, both of which are essential ingredients for an EIF investment.”

Early stage investments in start-up companies

SV IV will invest in seed capital, which is defined as early-stage investment in start-up companies. This stage in the commercialisation process is challenging and critical for companies, with few parties involved and high risks, and they usually find it difficult to find investment capital. In order to ensure that the knowledge and technology being developed in research and development projects is put to use, SINTEF has chosen to invest its own funds in this specific stage, in order to create jobs and viable companies based on ideas from research activities.

Development of knowledge-based companies

SpareBank1 SMN Invest is putting NOK 15 million into the fund. "As a large regional savings bank, one of our main objectives is to contribute to the future development of the business sector in this region. Through participation in SINTEF Venture IV, we will contribute to realizing ideas from the technology community that we hope will lay the basis for healthy and viable businesses, thereby contributing to knowledge-based jobs and regional value creation," says Reidar Stokke in SpareBank1 SMN Invest AS.

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About SINTEF

SINTEF is the largest independent research organization in Scandinavia. Our vision is “Technology for a better society”. Headed from Trondheim, Norway SINTEF employs 2,000 staff, from 70 different countries. SINTEF is a broadly based, multidisciplinary research group that possesses international top-level expertise in technology, medicine and the social sciences. SINTEF is an independent, non-commercial organization. The profits of contract research projects are invested in new research, scientific equipment and competence development. Turnover in 2012 was Euro 380 million.

www.sintef.com

About the EIF

EIF's central mission is to support Europe's micro, small and medium-sized businesses (SMEs) by helping them to access finance. EIF designs and develops venture capital, guarantees and microfinance instruments which specifically target this market segment. In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment. EIF's total net commitments to private equity funds amounted to over EUR 6.9bn at end 2012. With investments in over 435 funds, EIF is a leading player in European venture due to the scale and the scope of its investments, especially in high-tech and early-stage segments. EIF's guarantees loan portfolio totalled over EUR 4.7bn in close to 255 operations at end 2012, positioning it as a major European SME guarantees actor and a leading micro-finance guarantor.

www.eif.org

About the Competitiveness and Innovation Programme (“CIP”)

The Competitiveness and Innovation Framework Programme (CIP) is a EUR 1.1bn facility managed by EIF, which is split between Venture Capital and Guarantees. It covers the period 2007- 2013. CIP's objectives are to generate economic growth and create more jobs as well as boost productivity, competitiveness and innovation in the EU, optimising the use of European Union funds to support SME's access to finance.

About SpareBank1 SMN Invest

SpareBank1 Invest AS is a wholly owned subsidiary of SpareBank1 SMN and is the bank's tool for investments in regional seed, venture and private equity funds as well as direct investments in growth companies with national and international market potential. The company is a significant investor in local seed funds and venture funds. In addition, SpareBank1 Invest AS contributes to increasing the amount of risk willing capital in the region in cooperation with the bank's business department and SpareBank1 Markets.

The company has an investment portfolio of NOK 530m.

www.smn.no

