

NPRF makes fifth investment in support of Innovation Fund Ireland

- **NPRF commits €10m to Highland Europe, a leading European venture capital investor in growth stage technology companies**

8 March 2013 - The National Pensions Reserve Fund (NPRF) today announced its fifth investment in support of **Innovation Fund Ireland** with a €10 million commitment to a fund managed by Highland Europe, a leading venture capital investor.

The Innovation Fund Ireland programme is a Government initiative - led by Enterprise Ireland and the NPRF - to attract leading international venture capital fund managers to Ireland and to increase the availability of capital to Irish early-stage and high-growth companies. The NPRF has committed €125 million to the Innovation Fund Ireland initiative and its five investment commitments to date amount to a total of €86 million.

The Highland Europe Technology Growth Fund will focus on making venture capital investments in existing technology companies which are at an expansion stage of development. The NPRF's commitment is alongside a €20 million investment commitment by Enterprise Ireland. Highland Europe also announced today that it plans to establish a presence in Dublin, which will be led by Highland Partner Tony Zappalà.

Speaking today, **National Pensions Reserve Fund Chairman Paul Carty** said: "Highland Europe is a firm led by a seasoned investment team, with a strong brand, reputation and track record. The NPRF is pleased to be able to support Innovation Fund Ireland while investing in a way that meets our commercial investment criteria."

Highland Europe Managing Partner Fergal Mullen said: "We are delighted to have won the support of NPRF and Enterprise Ireland. Irish technology companies are among the very best that we see and those that we back may benefit greatly from our investment capital and company building expertise. Ireland's entrepreneurs and technology oriented employees are world class by any measure. The fact that Google, Facebook, Intel, Salesforce and many other technology giants have key offices here supports this view and adds to the richness of the ecosystem. Tony will contribute enormously to the local investor community and we look forward to delivering strong returns for all our investors."

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Editor's Notes

About the National Pensions Reserve Fund

The National Pensions Reserve Fund (NPRF) was established in 2001 to meet as much as possible of the costs of Ireland's social welfare and public service pensions from 2025 until at least 2055. The NPRF's Discretionary Portfolio is currently invested globally across a diversified range of asset classes including quoted equities, bonds, property, private equity and commodities.

The commitments to the Innovation Fund Ireland programme have been made under the existing NPRF mandate which is due to be amended by legislation to facilitate the redeployment of the NPRF towards commercial investment in the Irish economy. By committing its resources as a cornerstone minority investor, the NPRF's assets can act as catalyst for attracting additional investment from third-party investors into funds targeted at areas that will support economic growth and employment.

The NPRF also has investments in Bank of Ireland and Allied Irish Banks, made at the direction of the Minister for Finance in order to recapitalise these institutions. The NPRF's total value (comprising the Discretionary Portfolio of €6.1 billion and Directed Banking Investments of €8.6 billion) at end 2012 was €14.7 billion.

About Innovation Fund Ireland

Innovation Fund Ireland is an Irish Government initiative designed to attract leading international venture capital fund managers to Ireland. Innovation Fund Ireland funding comprises three elements. The first is Exchequer funding of €125 million, which will be managed by Enterprise Ireland. The second allows the NPRF to invest a similar amount providing its commercial investment criteria are met. The balance will be raised privately by participating venture capital managers. More information is available at <http://www.innovationfundireland.com>

About Highland Europe

Through a dedicated pan-European growth equity technology fund, Highland Capital Partners Europe embraces Highland Capital Partners' global mission of helping great people build great companies. Highland Capital Partners was founded in 1988 and has raised over \$3 billion of committed capital. Highland has backed a number of companies that have been recognised as leaders within their industry categories, including: Altiga Networks, Avid Technology, CheckFree, Conor Medsystems, eToys, lululemon athletica, Lycos, MapQuest, Ocular Networks, Qihoo 360, Quattro Wireless, Quigo Technologies, Starent Networks, Sybase, Telica, Vertica Systems and VistaPrint. For more information, visit <http://www.hcp.com>.