

Lessons learned VC Investment Erfahrungen

Venture Capital Club

München, 24.10.2007

Bernd Seibel
General Partner

Key TVM Capital information

Investorenkreis

Gesellschafterkreis

Investment Konditionen

Kapitalkosten

Service Partner

-
- Leading German-American venture capital firm
 - Founded by Siemens and TA Associates in 1983 in Munich; Boston office opened 1985
 - More than € 1.3 billion raised
 - Team: rich operating, research, venture capital and corporate finance experience
 - Network: top industry and academic advisors; strong links to Corporations in Germany and America
 - Private Equity Online Award: “German VC company of the year 2002”
 - AltAssets Research “The Limited Partner Perspective”: “Leading European Venture Firm”, Sep 2003
-

Short History: The First 10 Years

Surviving a difficult German VC market & starting the U.S.

TVM | Capital

Year	Milestones
1983	TVM Capital founded in Germany as Techno Venture Management by Siemens. Opening of first office in Munich
1984	First fund, TVM I (€87million) is raised, mostly from German corporate investors
1986	Boston office opens and U.S. investment activity starts as a small co-investor with local firms
1996	TVM Capital lead investment Qiagen first German company to go public on NASDAQ.

Short History: The Second 10 Years

An era of growth and success, followed by adversity

TVM | Capital

Year	Milestones
1997	TVM lead investment SCM Microsystems first company to have a dual listing on NASDAQ and Neuer Markt/Frankfurt. Closing of third fund, TVM III. Formation of new management company. TVM Capital becomes a fully independent VC company.
2001	TVM Capital's fifth fund generation consists of two dedicated industry-specific fund entities: <ul style="list-style-type: none">• TVM V Life Science Ventures, raised in 2001, and• TVM V Information Technology, raised in 2002
2002	TVM Capital surpasses €1bn (\$1.25bn) in investment funds raised and under management
2006	Firm changes its name to " TVM Capital ", enabling the company to marry its brand heritage with its current position as a leading venture capital investor in Europe and the U.S.

TVM Capital Funds

Six generations since inception

TVM | Capital

Fund	Vintage	Size	Pre-set LS Allocation	LS Investments	Status
TVM I	1984	€87M	--	10	liquidated
TVM II	1989	€92M	--	20	liquidated
TVM III	1997	€93M	€34M	11	fully invested
TVM Medical Ventures	1998	€63M	€63M	18	fully invested
TVM IV	2000	€300M	€150M	24	LS: fully invested
TVM V Life Science Ventures	2001	€336M	€336M	28	fully allocated
TVM V Information Technology	2002	€128M	--	0	fully allocated
TVM Life Science Ventures VI	2005	€240M	€240M	8	investing

- Langfristigkeit und Verlässlichkeit
- Genügend Finanzierungsreserven
- Erfahrung im Sektor
- Kongruenz business Strategie
- Exit Erwartungen

- Anzahl von Gesellschaftern
- Handhabung von Gesellschafterversammlungen
- Kooperation oftmals notwendig:
 - Stock Option Plan
 - schwierige Kapitalmaßnahmen
 - Neue Verträge in neuen Finanzierungsrunden

Wann steigt der shareholder Value???

in Mio. Euro	2006	2007	2008	2009	...	2012
Investment/New Capital	10		40			
Pre-Money-Valuation	10		31,25			
Derived Post-Money-Bewertung	20	25,00	71,25	89,06	...	173,95
Cost of Capital (25% p.a.)	5,00	6,25	17,81	22,27	...	43,49

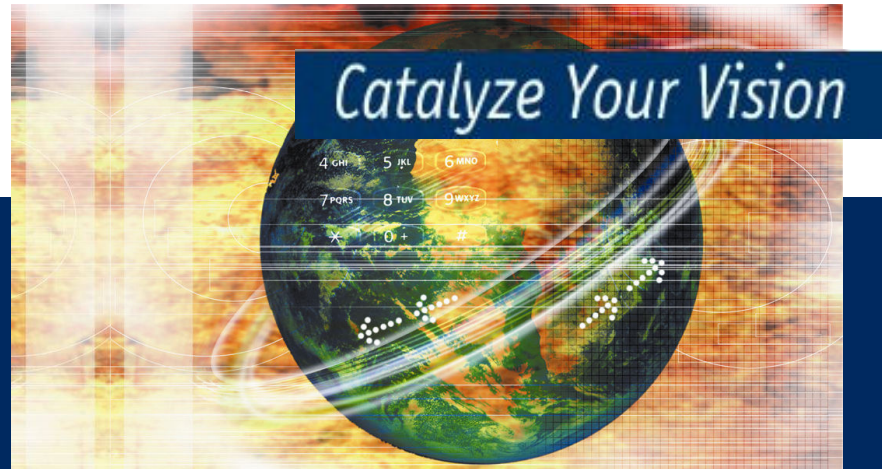
Kapitalkosten sind essentiell für das Verständnis mit Investoren

- Liquidationspräferenz
 - Gesamtvolumen
 - Incentive für neue Investoren/Manager
- Anti-Dilution
 - Teilw. mathematische Unmöglichkeiten
- Drag-along/tag-along
 - Entscheidungsfähigkeit für Exit
 - Verhandlungsmacht für kleine Anteilseigner

- Im Rahmen der Finanzierungsrunden
- Operatives Geschäft
- Exit
- Anwälte, IP, Wirtschaftsprüfer, Buchhaltung, PR und Marketing, IT
- Abwägen zwischen Qualität und Kosten
- Genaues Anforderungsprofil

Sparen ist loblich, Qualität ist nötig

TVM | Capital



Vielen Dank für Ihre Aufmerksamkeit

seibel@tvm-capital.de

Munich – Boston

www.tvm-capital.com