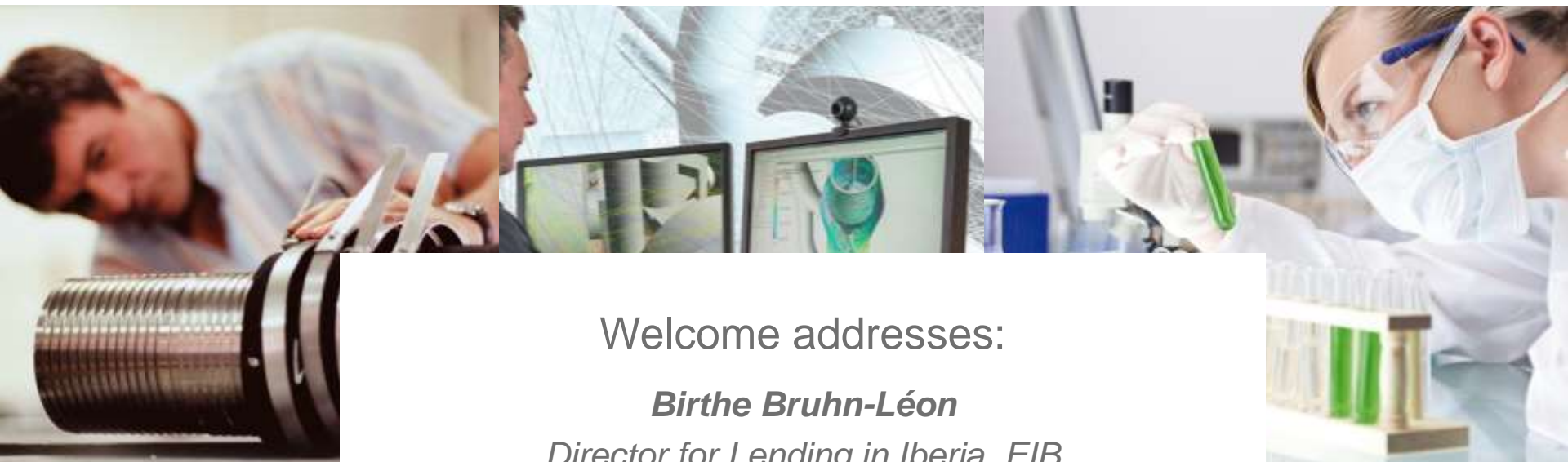




Supporting Innovation in Portugal

Lisbon, 27 February 2015



Welcome addresses:

Birthe Bruhn-Léon

Director for Lending in Iberia, EIB

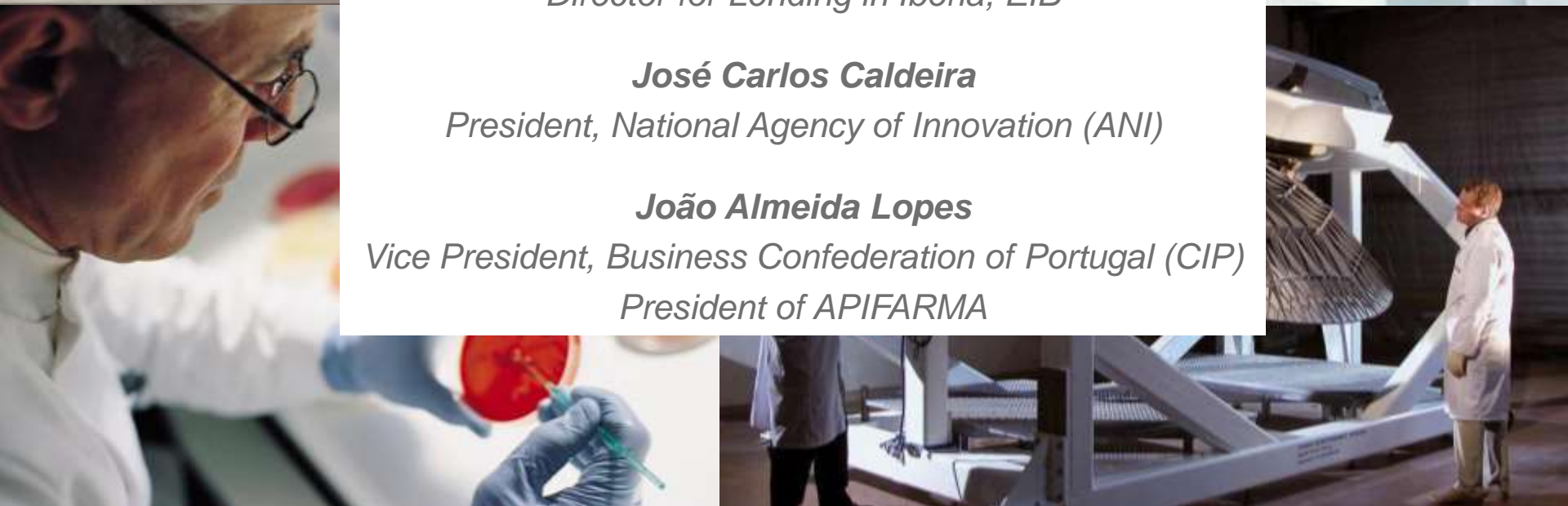
José Carlos Caldeira

President, National Agency of Innovation (ANI)

João Almeida Lopes

Vice President, Business Confederation of Portugal (CIP)

President of APIFARMA





Overview of the EIB Group financing options

Manuel Neto Pinto

Deputy Head of Division, Lending Operations in Portugal, EIB

Stefano Bragoli

Structured Finance Manager, EIF

The EIB Group



provides finance and expertise for sound and sustainable investment projects

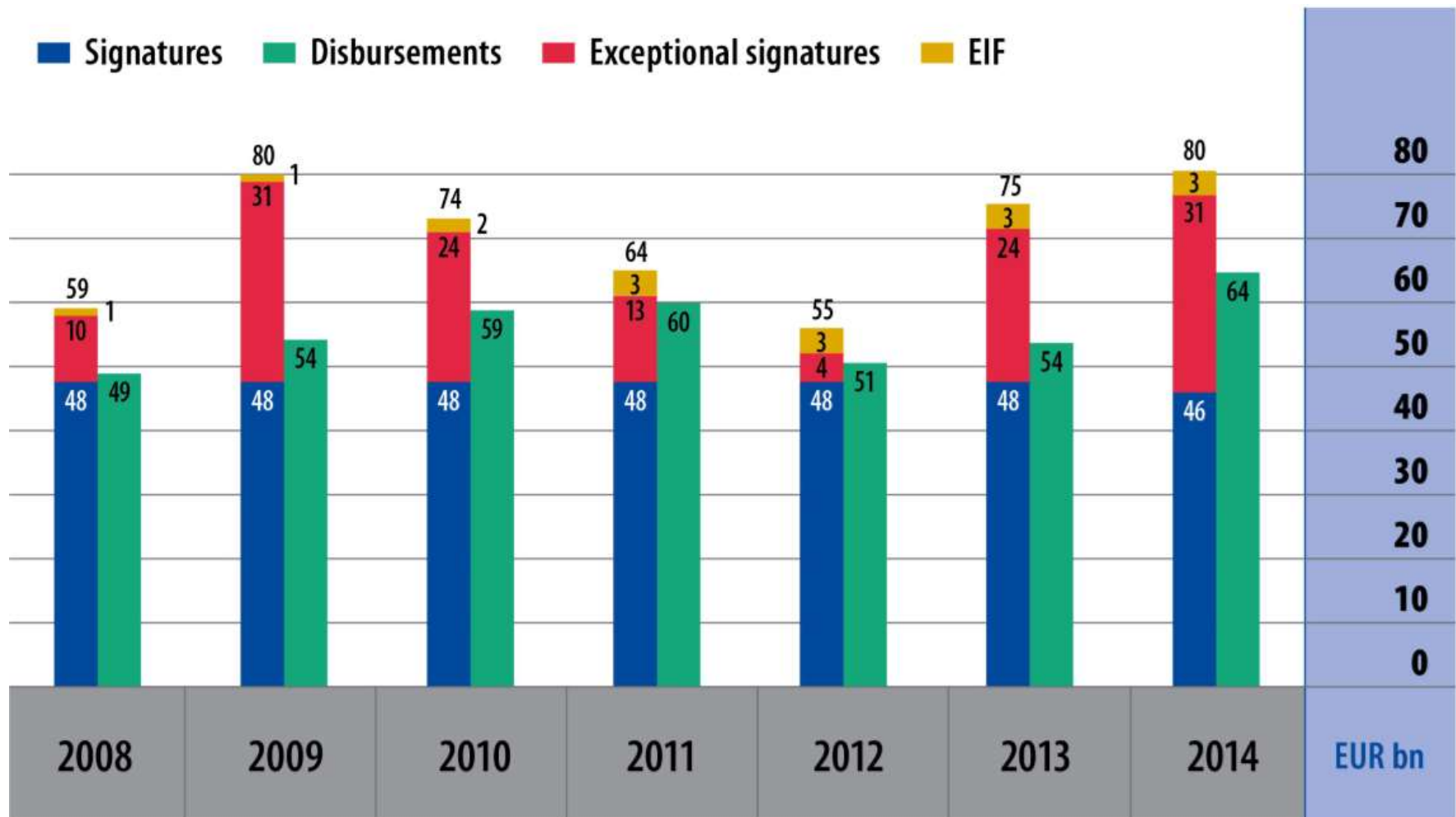


specialist provider of risk finance to benefit innovative SMEs

Priorities



A Strong Response to the Crisis



Our Products

We help catalyse investment

LENDING	BLENDING	ADVISING
<p>Loans But also:</p> <p>Guarantees and Risk Sharing</p> <p>Equity participation</p>	<p>Combining EIB finance with EU budget</p> <p>Higher risk projects for innovation (RSFF / InnovFin)</p>	<p>Prepare & implement projects (JASPERS)</p> <p>Support for public / private partnerships (EPEC)</p>

Attracting FUNDING for long-term growth

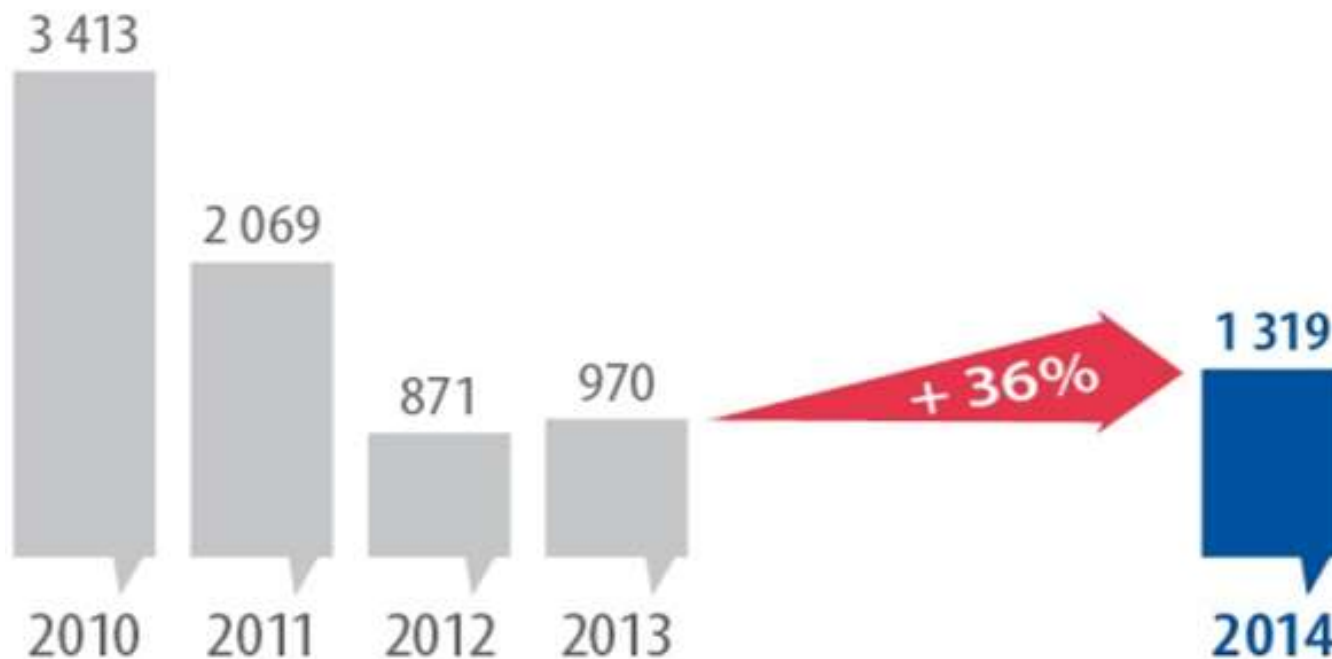
EIB Group Products for SMEs and Midcaps



EIB - Activity in Portugal

Signatures in Portugal 2010-2014

(in EUR m)



*Total of
EUR 8.6bn
during last 5
years*

Corticeira Amorim RDI

EIB provided a loan of EUR 35 million to Corticeira Amorim supporting its RDI programme in the field of cork-based products. The EIB funds will contribute to the financing of the RDI investment programme for research innovation and product development, including energy efficiency, environmental protection and safety and will be carried out at Corticeira Amorim's technology centres and production plants in Portugal in cooperation with universities and research centres.



BIAL RDI

The European investment Bank provided a loan of EUR 50 million to Bial, the leading independent pharmaceutical company in Portugal. The loan was dedicated to research and development activities on drugs for epilepsy, cardiovascular affections and Parkinson's disease in the 2010-2013 period, allowing Bial to further expand the application of Zebinix® to include paediatric treatment and neuropathic pain; as well as the development of new drugs for the treatment of Parkinson's disease, hypertension and pain.

Boosting research and cloud computing

The EIB supports Portugal Telecom's research, development and innovation to develop new services, while contributing to a stronger knowledge economy. This includes new telecom network investment, including a data centre and network optimisation.



Enhancing mobile broadband services in Portugal

The EIB is seeking to give a boost to the high-speed mobile broadband network in Portugal with a EUR 110m loan to NOS. The loan supports investments necessary for the roll-out of mobile network equipment and systems for the current 3G and new 4G technologies. This has helped to improve access to broadband services for consumers, increasing operating efficiency and reducing costs as well as fostering competition in the telecoms sector.

The new mobile platform deployed enabled NOS to start offering mobile broadband with speeds of up to 150 Mbps across its 4G network, thereby vastly exceeding the 30 Mbps EU target for 2020. Especially in rural areas, mobile networks are often the only practical solution to achieving full broadband internet coverage.

What is the EIF?

“ We provide **risk financing** to stimulate **entrepreneurship and innovation** in Europe ”



Making
finance more
accessible and
helping SMEs to
innovate and grow

Offering
a large array of
targeted products
to support **SMES**
ranging from
venture capital to
guarantees and
microfinance to
SMEs

Working
with financial
intermediaries
across the **EU-28**
EFTA countries,
candidate &
potential candidate
countries

Supporting
the market in a
countercyclical
way

EIF's Counterparts

“ We work with a wide range of counterparts to support SMEs ”



Resources and Mandators

- European Investment Bank
- EIF own resources
- European Commission
- Member States/regions
- Managing Authorities
- Corporates/private
- Public institutions
- Other third parties



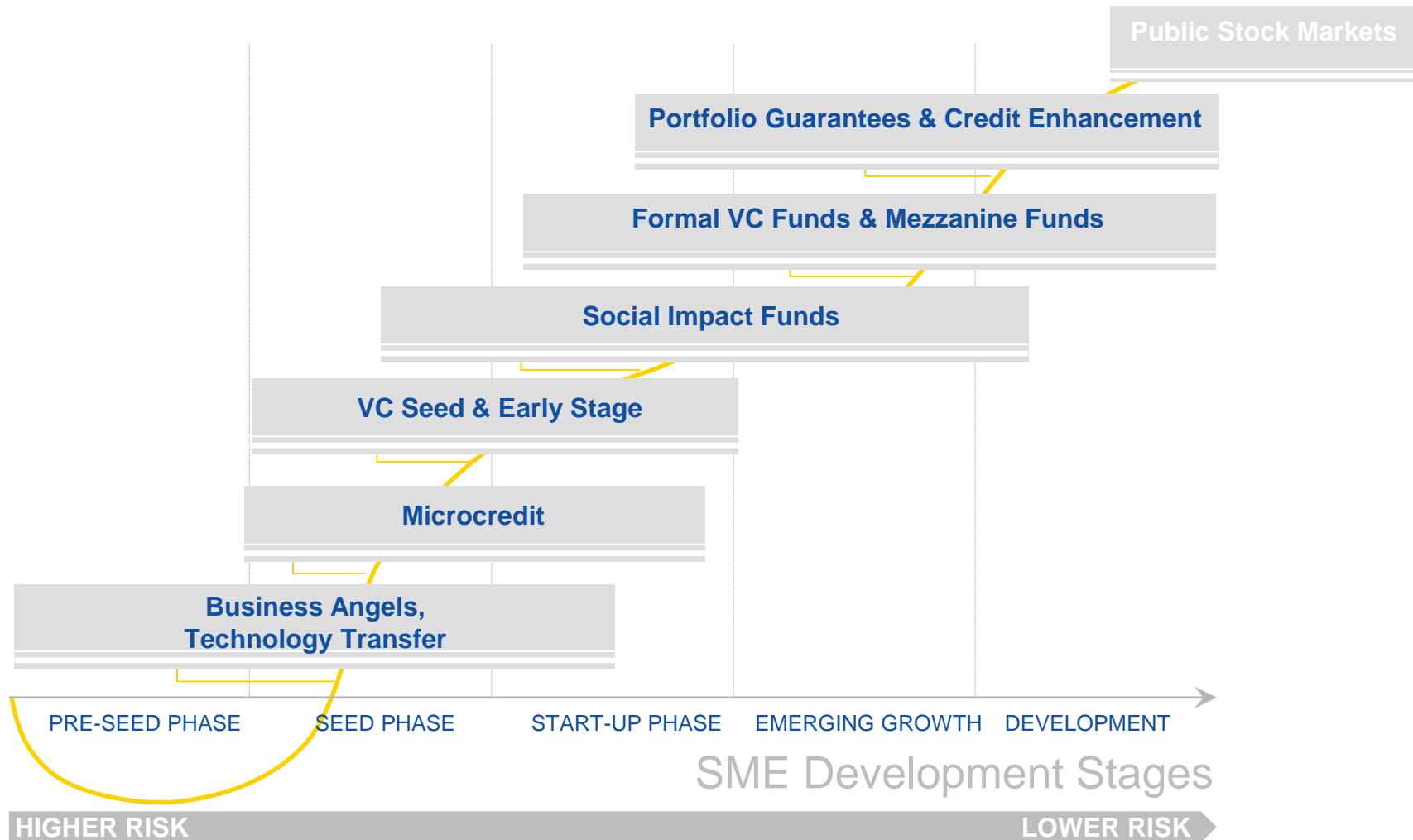
Intermediaries and counterparts

- Fund Managers
- Commercial Banks
- Development & Promotional Banks
- Guarantee Institutions
- Leasing Companies
- Corporates
- Business Angels
- Microfinance Institutions

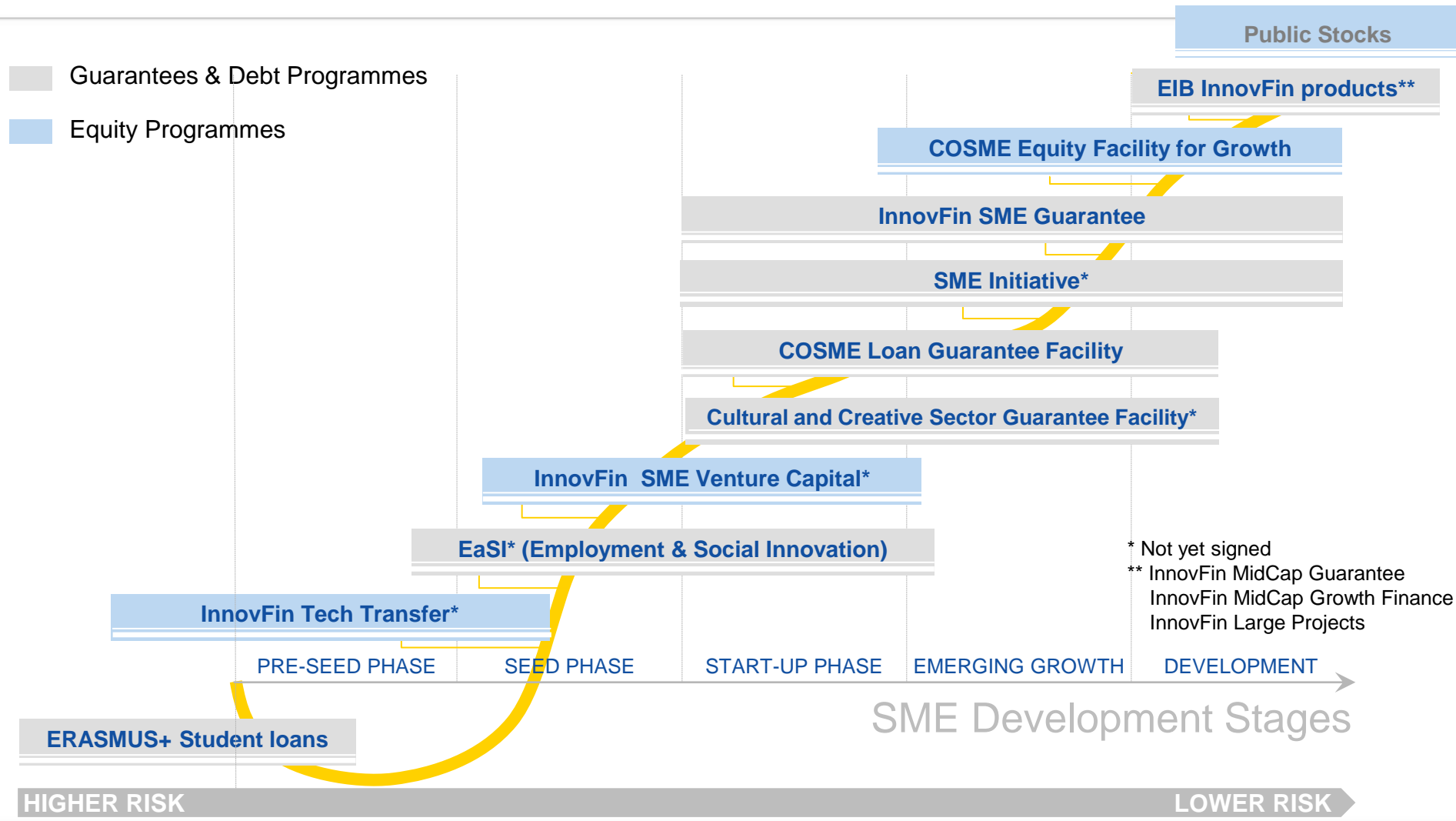


micro-
enterprises,
SMEs
and small
mid-caps

Helping Businesses at every Stage of their Development



New EU Programmes helping Businesses at every Stage

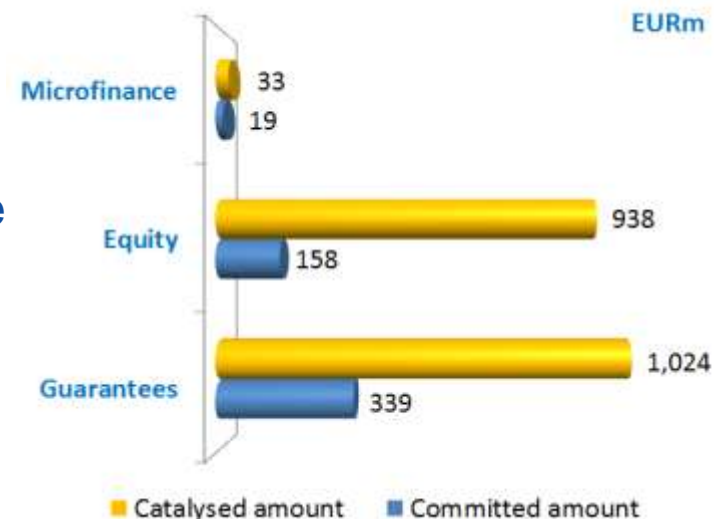


* Not yet signed
 ** InnovFin MidCap Guarantee
 InnovFin MidCap Growth Finance
 InnovFin Large Projects

EIF's Exposure in Portugal

“ Notable success stories exist both in **Equity** and **Guarantees** and we are open and ready for more to come... ”

- First EIF operation in Portugal: **1998**
- 11 private equity funds supported which have invested in Portuguese SMEs
- 9 financial partners and guarantee providers



Guarantees transactions and Equity Funds in Portugal





Scope and Opportunities of the InnovFin Programme

Samuel Maenhout

Policy Officer, DG Research and Innovation, EC

Stefano Bragoli

Structured Finance Manager, EIF

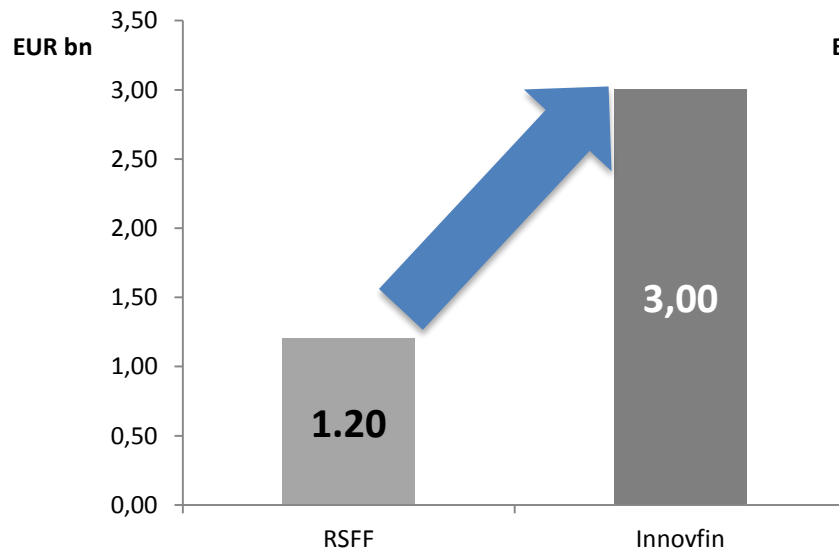
Christoph Kuhn

Head of Division, New Products and Special Transactions, EIB

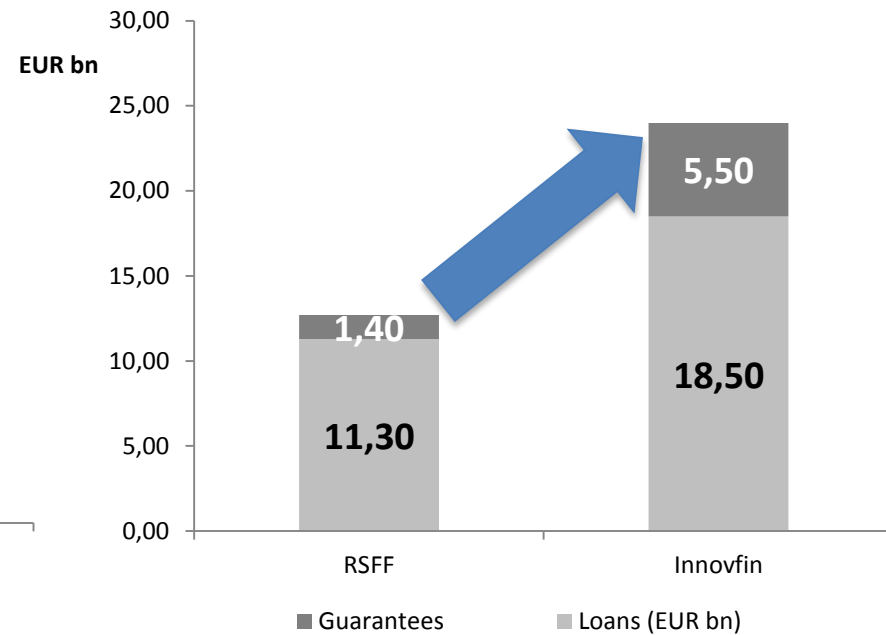
InnovFin: A Quantum Leap

InnovFin builds on the success of RSFF but will be much larger and broader.

EU and EIB Group Contributions



Loans and Guarantees



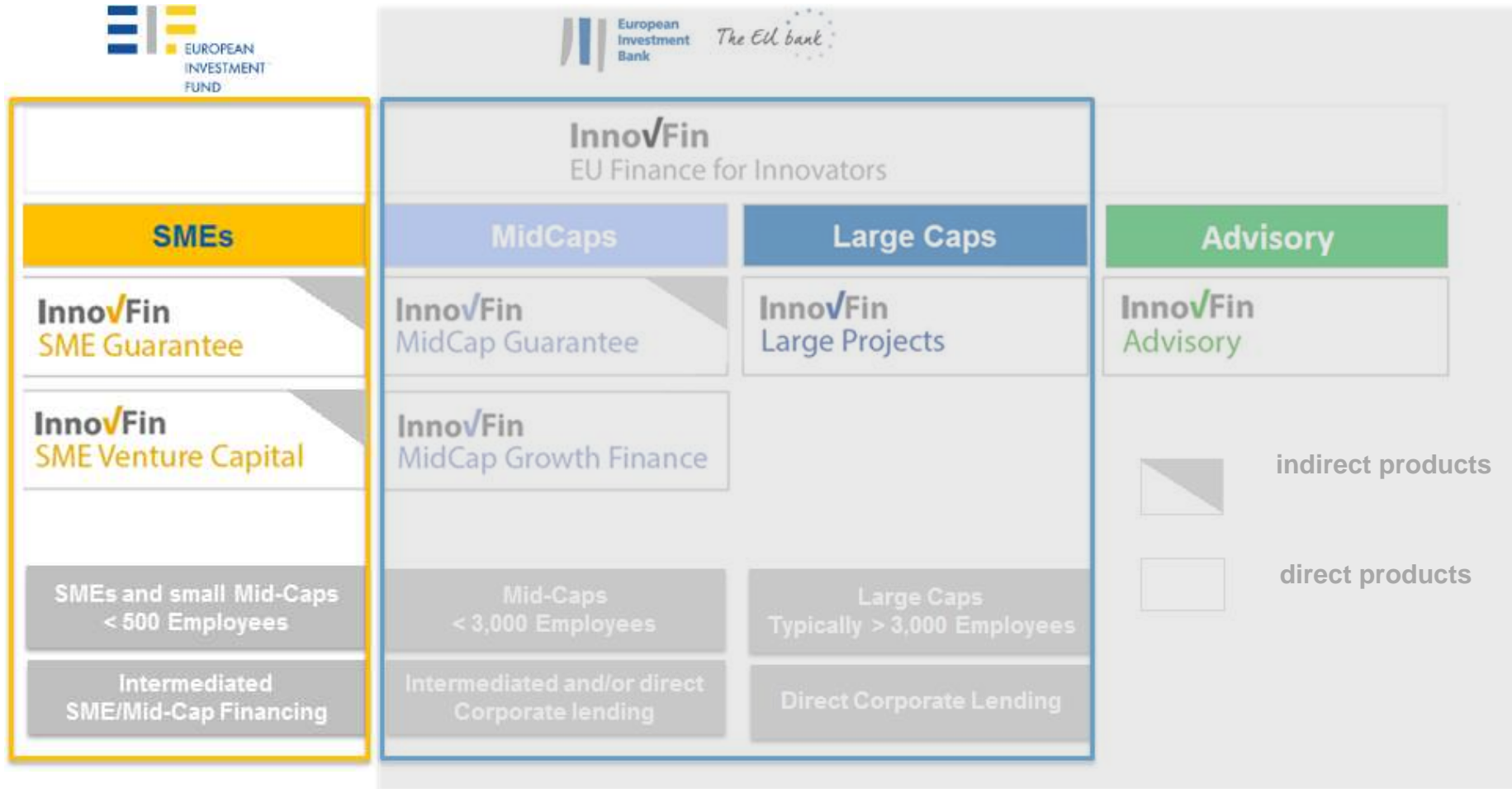
InnovFin Product Overview



SMEs	Mid-Caps	Large Caps	Advisory
InnovFin SME Guarantee	InnovFin MidCap Guarantee	InnovFin Large Projects	InnovFin Advisory
InnovFin SME Venture Capital	InnovFin MidCap Growth Finance		
SMEs and small Mid-Caps < 500 Employees	Mid-Caps < 3,000 Employees	Large Caps Typically > 3,000 Employees	
Intermediated SME/Mid-Cap Financing	Intermediated and/or direct Corporate lending	Direct Corporate Lending	

 direct products
 indirect products

InnovFin Product Overview



InnovFin SME Guarantee

This guarantee instrument covers the risk related to losses of a portfolio

**Up to 50% loss
coverage
(Principal +
Interest 90D)**

**Full Delegation
to Financial
Intermediaries**

**Automatic
Coverage/Inclusion**

**Attractive
Guarantee
Terms**

**Favourable
Capital
Treatment**

**Guarantee
and
Counter-Guarantee**

What Transactions can be supported?

Purpose of Financing: Loans, Credit Lines, Leases and Bonds

**Tangible &
Intangible
Assets**

**Working
Capital**

**Business
Transfers**

- Loan amount: min **EUR 25k** – max **EUR 7.5m** (only Senior Debt)
- Loan maturity: min **1 year** – max **10 years**
- Currency: **EUR and local currency**
- Max Portfolio: EUR 400m per intermediary – EUR 1bn per intermediary group

Key Guarantee Terms



- Financial Intermediaries are required to transfer the Financial Benefit to SMEs & Small Mid-caps
- Financial Intermediaries are selected on a “first come, first processed” basis

InnovFin Product Overview



Two Products for Innovative Mid-Caps

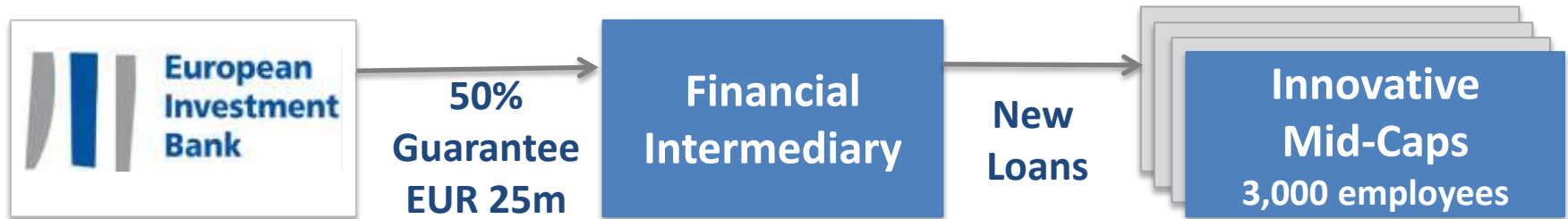
1. Indirect Financing (Risk Sharing) for Senior Loans: Mid-Cap Guarantee



2. Direct Growth Financing (Mezzanine): Mid-Cap Growth Finance



How does MCG work?



- 50% loss coverage for new mid-cap loans of up to EUR 50m not covered under InnovFin SME Guarantee
- Can be complemented with EIB funding (global loan)
- Pari-passu sharing of risk and pricing
- Full delegation to financial intermediaries
- Favourable capital treatment, English law

How does MGF work?



- Direct long term debt and mezzanine finance: EUR 7.5m – EUR 25m
- Loans can be structured as economic equity (silent participation)
- For innovative Mid-Caps and SMEs (eligible counterparty concept)
- EIB can finance up to 50% of all investments over 3 years
- Streamlined EIB approval process & English law

Mid-Cap Product Advantages

No crowding out. Complementary finance to house banks

EIB signalling effect to attract other banks & investors (quality stamp)

Long-term lending at attractive terms (no subsidised)

Growth finance without dilution of shareholders

InnovFin Product Overview



How does InnovFin Large Projects work?



- Senior debt (pari-passu with other senior lenders)
- Eligible project required. EIB can only finance 50% of R&D and innovation investments
- Comprehensive due diligence including project due diligence
- EIB standard documentation under English or Luxembourgish law

Large Projects Advantages

Long term loans at attractive terms (pari-passu)

Signalling effect and quality stamp (technical expertise)

Co-financing with house-banks preferred

No cross selling & hold to maturity strategy

InnovFin Product Overview



Facilitate Access to RDI Finance

Project advisory work

- Improve the bankability and investment readiness of large, complex R&I projects
- Advise specific public-private consortia, R&I driven companies (midcaps or larger), Joint Technology Initiatives, PPPs, R&I clusters, EC and MS

Horizontal activities

- Improve framework conditions for access to finance (web-based portal, criteria notes)
- Prepare studies to improve effectiveness of H2020 FI to address specific sectors/R&I projects needs
- Develop “business case” for new financing mechanisms to support specific R&I policy objectives

New web tool

Helping you estimate

1

How many employees do you have? Please select one

0 - 499 employees

Between 500 - 499 employees

Between 500 - 999 employees

Over 1,000 employees

Next step

Helping you estimate

1 2

Loan amount needed Please select one

EUR 25,000 to EUR 7.5m

EUR 7.5m to EUR 12.5m

EUR 12.5m to EUR 25m

Next step

Helping you estimate

1 2 3

Are you an unlisted innovative SME or small Mid-Cap business? Please select all that apply

I am an SME and I will invest for research or developing new or substantially improved products, processes or services that are innovative and which have a role in technological or scientific research or innovation, or essential support to innovation

I am a "fast growing enterprise". That is, I've been operating in a market for less than 10 years following the first commercial sale and turnover or staff has grown exponentially on average at least 10% a year over a three-year period (with at least 10 employees at the beginning of the reference period)

I have been operating in a market for less than 7 years following the first commercial sale and R&D costs represent at least 1% of the total operating costs in at least one of past three years or in the current one, as certified by an external auditor in the case of a start-up enterprise

I am an "innovative enterprise" as administered by at least one of the following

Next step

Helping you estimate

1 2 3 4 5 6

Please contact me

Please provide your contact information for follow-up

Name:

Email address:

Telephone:

Send enquiry

Helping you estimate

1 2 3 4 5 6

Please select a country

EU or non-EU country to which funds will provide support for SME investment requests

Map of Europe with countries highlighted

Helping you estimate

1 2 3 4 5 6

What's available to me? Please select one

InnovFin SME Guarantee

Provide guarantees and counter-guarantees on debt financing of between €25,000 and €500,000 in order to support access to new finance for innovative small and medium-sized enterprises and start-ups (up to 499 employees). This facility is implemented by the EBF and will be rolled out through financial intermediaries, i.e. banks and other financial institutions.

InnovFin Mid-Cap Growth Finance

Available already from the EBF

Find out more



Case study:
Matching the needs of growth
companies

Francisco Catalão
Head of Treasury, Novabase



Case study:
Supporting SMEs via local banks

Maria de Lurdes Pinho
*Deputy Director, Special Operations Department,
North Region, Banco BPI*



Conclusions

Pedro Carneiro

*Vice President, Foundation for Science and
Technology*