



AIB Seed Capital Funds records level of activity in 2012

1st January 2013

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- By the end of 2012 the AIB Seed Capital Funds invested €6.1 million in 21 early stage new businesses
- The total cumulative investments by the AIB Seed Capital Funds since they were created are €27.2m in 72 companies
- The 72 investments to date support 700 jobs

In its end of year review, the AIB Seed Capital Funds confirmed 21 new investments for 2012 which secured €6.1m in new Seed Capital Funding. The total amount invested by the Funds since they were launched in 2007 is €27.2m for first and subsequent funding rounds. The total portfolio at the year end consists of 72 early stage innovative businesses. More than 700 high quality and sustainable jobs are being supported directly by investments made by the AIB Seed Capital Funds.

AIB facilitates the provision of such finance through two dedicated Seed Capital Funds which have a combined total of €75m available for investment, making AIB the largest provider of seed capital funding in Ireland.

The funds are two of four specialist Seed Capital Funds, totalling €124m, formed with Government support as part of the bank recapitalisation mandate.

The two AIB Seed Capital Funds are:

- AIB Seed Capital Fund which has a total of €53m under management by Enterprise Equity Venture Capital and Dublin Seed Capital Fund, €23m of which is provided by Enterprise Ireland
- AIB Start-up Accelerator Fund which manages a total of €22m, of which €2m was contributed by Enterprise Ireland. This fund is managed by ACT Venture Capital.

The portfolio of companies has a strong regional balance with Dublin being the most frequent source of both enquiries and investments. There were also investments in Cork, Donegal, Galway, Clare, Kerry while Limerick in particular has secured funding for seven businesses. The pipeline of enquiries remains strong with on average one enquiry daily being received by the funds. Demand for funding is dominated by the software, life sciences, healthcare and energy sectors and the recipients of funding to date are mainly high growth, export oriented businesses.

John Kelly, Senior Manager with Business Banking at AIB, said: “Access to capital from all sources plays an important role in supporting the recovery of the indigenous SME base. Seed capital in particular is pivotal in funding opportunities for innovative businesses that create high quality job opportunities.”

-Ends-

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Notes to editors:

The AIB Seed Capital Fund was established in 2007 to provide venture capital for companies at the seed and early stages of development across a range of sectors throughout the Republic of Ireland. The Fund was established under the Enterprise Ireland Seed and Venture Capital Programme 2007-2012.

The Fund has a total of €53m under management with AIB committing €30m and Enterprise Ireland €23m. It is managed by experienced managers with extensive expertise in making seed and early stage investments, adding value and facilitating business success.

The Fund managers are empowered to make seed investments of up to €500,000. Furthermore, the Fund has the capacity to make investments in later rounds to support the continued growth of investee companies.