

Profitable investments on the leading edge of innovation



«When in October 2003 the Bank of Attica established Attica Ventures, no one would have believed that two-and-a-half years later the company would have reached the point of being considered one of the most active venture capital fund management companies in Greece».

*newspapers: Imerisia (7-8-2005), Eleftherotyia (19-2-2006), Kosmos tou Ependyti (17-6-2006)

The strategic choice for the creation of the company from its establishment until the present day, according to Mr. **Giannis Papadopoulos**, Managing Director of Attica Ventures, “was based on the need to adopt alternative forms of investment, with higher returns. It was also based on the observation of international trends, which led to banks and insurance companies becoming the biggest investors of venture capital funds, as well as the improvement of the economic climate in Greece and the intent of the European Union to direct substantial funds under the Fourth Framework Programme to the venture capital sector”.

In March 2004, Attica Ventures started managing its first venture capital mutual fund (Zaitech Fund), in which both the Bank of Attica and TANEQ (New Economy Development Fund) have invested, with the aim of investing in Greek SME's. As the Chief Financial Officer of the company, Mr. Sotiris Chinos characteristically stressed “we have already examined more than 600 business plans and made contact with the majority of innovative small and medium Greek enterprises, we extensively investigated and analyzed markets, their trends and characteristics, we participated in all the different sectoral exhibitions and conventions and came into contact with all the Universities and research centres where research and innovation are being promoted, searching for possibilities of transforming them in entrepreneurship”.

Today, Attica Ventures has invested - or committed for investment - 40% of the capital of Zaitech Fund in 6 innovative

Greek businesses, all of which seem to be growing vigorously.

1. Attica Ventures invested

in Doppler SA, a company dedicated to the construction of lifting machinery integrated systems (elevators and freight elevators). Doppler was founded in 2000 and in only 6 years managed to secure a substantial share of the market, presenting impressive sales figures and substantial profits. **After the investment by Attica Ventures**, Doppler almost doubled its turnover and profits, managed to carry out an investment of more than 3 million € eligible under the Development Law, which doubled its productive capacity. At the same time, 40% of its turnover comes from exports.

- In January 2005, a research by Statbank showed Doppler to be one of the 100 “business diamonds” of Greece. Recently, a study by INR (June 2006) placed Doppler among the 50 fastest-growing companies in Greek industry from a sample of 2,000 companies.

2. Mediterra SA, the company which manages the successful **mastihashop**, is the best known investment of the company. Mediterra SA was founded in 2002 and was able to exploit the comparative advantages of the product, display its many uses and developed a line of products for everyday use, which resulted in the boosting of the only branded gum mastic in the world not only in



Greece but also internationally to the benefit of approximately 5,000 producers and the economy of the island. **After the investment by Attica Ventures**, Mediterra opened 6 new shops in Greece, one shop in Cyprus and in the months to come it will secure its presence in Paris, New York, Tokyo and Jeddah. With the support of the Development Law, it built a modern factory on Chios producing gourmet products, and developed more than 200 new product codes. The company's products, which stand out for their packaging, quality and high level of diversification, have to date won more than 14 awards.

- In a recent study by the Panteion University, mastihashop was shown to be one of the 10 most innovative Greek businesses on the basis of spontaneous responses from 500 senior business executives, next to companies such as Intracom, DELTA and 3E. It is worth mentioning that Attica Ventures is the only venture capital management company whose investment is included on this list.

3. It invested in e-Global, a company which became active in 2001 and manages both corporate and franchise internet community stations. The internet community stations of the e-Global chain, in contrast to internet cafés as we have come to know them in Greece today, provide a unique environment for communication and recreation by means of the web. More specifically, the internet community stations of e-Global focus on a dynamic developing world market, that of on-line gaming. **After the investment by Attica Ventures**, e-Global developed more than 20 new shops (Athens and elsewhere), increased its turnover sixfold, made substantial profits, and in the coming months it will secure a presence in the largest Greek cities, proving to be a dynamic meeting-information-entertainment network, essentially a community hub for young people.



4. In September 2005, Attica Ventures invested in a company in the sector of IT services, a company which is active in the Data Storage and Business Continuity market. **After the investment by Attica Ventures**, the company increased its turnover by 50%, substantially strengthened its portfolio of customers by attracting very large companies and organizations, and has already concluded agreements with countries of North-Eastern Europe so as to shortly secure an important presence there.



5. ANTCOR is its most recent investment, completed at the end of June 2006. The company was founded in Patra in November 2004 by five softwear engineers with previous service in multinationals in the sector (ATMEL, ByteMobile, etc.) As noted by **Akis Markatos**, Director of Investments at Attica Ventures, "the company, aiming at the development of softwear for integrated wireless broadband networking systems (Wi-Fi, Wi-Max), managed to produce a globally competitive product called Ikarus OS. Participating in exhibitions of international repute and advertising campaigns over the internet, it has managed to attract a large number of customers, especially from the USA, Asia and Europe. In this context, it has signed 22 agreements with foreign companies, among which are Ubiquiti Networks (in which leading US VCs have invested) and Globetel Wireless (listed in AMEX), fast-developing companies which dominate the heart of the technological economy – Silicon Valley."



6. The sixth participation of the company concerns the sector of renewable energy sources, where the company is expecting to shortly complete its investment in a company together with a large institutional investor listed on the Athens Stock Exchange.

The presence and development of investments by Attica Ventures indicate that venture capital companies can constitute a significant development tool for SME's and the further support of this institution, which was and continues to be a powerful driver for development in the developed economies of the USA and Europe (for example, 20% of the work force in Great Britain is employed in businesses in which VC funds have invested!) appears imperative, even more so if one takes into account the political choices of the European Union, which is expected to promote venture capital funds as one of the basic means of SME funding for the period 2007-2013.