

Press Release

Wellington Partners and Munich Business Angels agree to partner

First-ever partnership between venture capital fund and Business Angels

Munich, October 25, 2002. In the future, Munich Business Angels (MBA) AG and Wellington Partners will be specifically collaborating to select, support and fund technology start-ups and potentially deploy their combined resources. Between them, the new partners have more than € 300 million in capital and over 40 managers with long years of technology experience. The Munich Business Angels network includes the most prominent Business Angels in the technology and life-Sciences sectors of the Munich area, including many former executives of leading corporates, such as Microsoft and Cisco. This kind of partnership between a business angel network and a venture capitalist is unique in Germany. For the first time, this move will enable start-ups to benefit from the combined know-how and financial resources of an established venture capitalist and seasoned entrepreneurs.

New opportunities for start-ups

The new partnership offers advantages to everyone involved: In making their investment decisions, the angels will be able to draw upon the Wellington venture capital professionals and their network, while Wellington will be able to offer the entrepreneurial experience of the business angels to its portfolio companies. This means that start-ups will be able to find investors who can provide major early-stage added value. Wellington Partners and the Munich Business Angels will be informing one another about interesting investment opportunities on a case-by-case basis and will jointly evaluate promising start-ups.

A model for VC-business angel collaboration

This kind of collaboration in which business angels and venture capitalists specifically look for joint investment opportunities and then go on to make a joint investment has never before been seen in Germany and is intended to serve as a model for further partnerships. Wellington Partners and the Munich Business Angels would like to integrate further partners in this non-exclusive arrangement in order to make the often-cited competitive situation between venture capital funds and business angels a thing of the past.

About Munich Business Angels AG

The Munich Business Angels AG network is an informal, regional platform for start-up entrepreneurs and business angels whose aim is to strengthen fast-growing technology and innovative service provider start-ups during the early stage. MBA AG is one of the projects launched by Munich Network - Netzwerk München e.V., whose mission is to support technology-based growth companies along the way from the initial idea right through to success in the marketplace. In addition to MBA AG, further projects include the Munich Business Plan Competition, the Munich Entrepreneur Academy and the Munich Network Conferences. They interact to mobilize entrepreneurship, to afford hands-on continuing management education, to network know-how, do-how and venture capital, to provide entrepreneurial experience and to assure early-stage funding. Munich Network is organized in the form of a not-for-profit association supported by over 550 members from industry, venture capital organizations, banks, consulting firms, scientific research institutions and personal entrepreneurs.

About Wellington Partners

Formed in 1991, Wellington Partners invests venture capital in young start-ups throughout Europe in the fields of information and communication technology and life science and numbers among Europe's most successful early-stage financiers. To date, the Wellington Partners I fund has already returned 1.66 times its subscribed capital. The Munich-based company today manages a total fund volume of € 265 million, with € 85 million of this funding available for new investments.

Wellington Partners is presently invested in over 20 companies, including Codetoys (Finland), Covast (Netherlands), EnOcean (Germany), Garderos (Germany) and Maxxio (Germany). Serving as the lead or co-lead investor, the company has already accompanied such successful technology vendors as Chipbroker ACG or biotech player Actelion in going public. www.wellington.de

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