



3TS CAPITAL PARTNERS

The Growth Capital Investor for Central and Eastern Europe

www.3tscapital.com





3TS Cisco Growth Fund

Growing Successful Ventures

iVCi Strategic Network Breakfast Meeting
3 November 2009



3TS Capital Partners

- 3TS Capital Partners is one of the leading **Private Equity and Venture Capital** firms in Central and Eastern Europe with the following regional funds
 - **Fund I - € 66 million** Tech Growth Fund (since 1999)
 - **Fund II - € 130 million** Private Equity Growth Fund (since 2005)
 - **3TS Cisco Fund - € 34 million** Tech Growth Fund (since 2007)
 - **Fund III - € 200 million** Private Equity Growth Fund (planned for 2010)
- Investors include 3i, Cisco, EBRD, SITRA, KfW, 5E Alpha Associates and MPC Global Vision
- **One Team – Multiple Locations**
 - 18 persons in Warsaw, Prague, Vienna, Budapest and Bucharest
- **Active Investing**
 - Hands-on board and business development work



3TS-Cisco Growth Fund

Investment Focus: **high** Growth VC Fund - expansion capital for growth TMT companies

Portfolio Size: **12** Currently 4+2 companies (target 10-12)

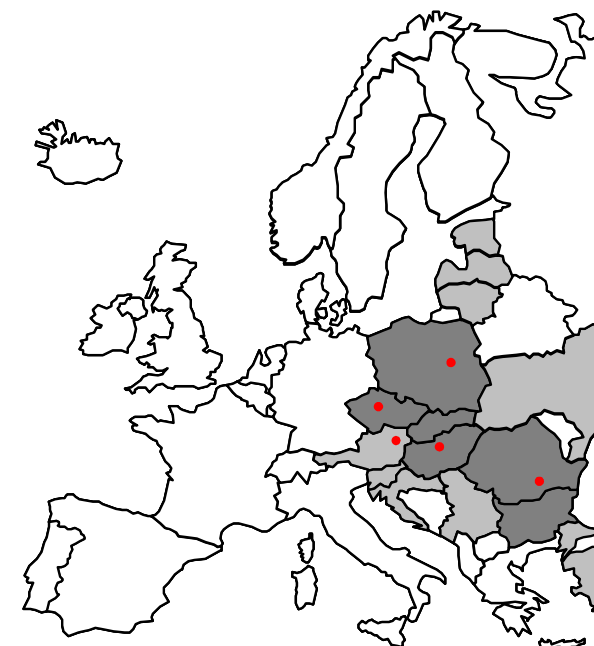
Target markets: **Central and Eastern Europe ("CEE")**

Investment Amounts: **€ 1 – 5 million/company**

Portfolio Mix: **Balanced mix of countries, sub-sectors, stages and investment types; both local leaders and global challengers**

3TS Team: **in by** Core team of four senior professionals offices across the CEE region. Support broader 3TS team of 18 persons.

Track Record: **current** Fund I est. cash-on-cash 2.7-3.1 x for growth capital investments by the 3TS team



■ Primary countries
■ Secondary countries
● 3TS offices



Focus on TMT Growth Opportunities

1. Expansion capital into smaller, high growth TMT companies

- Companies beyond "proof of concept" stage with existing revenues (exceptional early stage investments possible)
- Typical investment € 2-4 million/company
- Higher amounts possible
- Minimum initial amount € 1 million (except for micro investments)

2. Co-Investments into larger TMT companies





- To date the 3TS Cisco Fund has made two co-investments in larger businesses

3. In order to catch exceptional early stage opportunities there is a fast track **micro investment facility**

- € 100-300k per exceptional company possible
- Simplified, faster investment process



3TS-Cisco Fund Current Portfolio

Company	Date	Business	Comment
Investor.bg (Bulgaria) 	02/09	Online Media	Leading Bulgarian online media company
BKS Cable (Nej-TV) (Czech Republic) 	06/08	Cable TV	Czech CATV consolidation, 7 acquisitions, 70k RGUs; plans for 100k
Internet Mall (Czech Republic) 	05/08	Internet Retail	Leading regional online retailer (CZ, SK, HU, PL)
GeCAD / Axigen (Romania) 	11/07	Email Server Software	Exceptional early stage opportunity with a serial entrepreneur

Sample 3TS TMT Investments



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Web Services Software



Remote Access SaaS



Mobile Operator



E-Business Solutions



Mobile Content Solutions



CATV Hardware



Online Media Agency



FSO Communication Lasers



CATV Operator



Document Management



Mobile Operator



FX Trading Platform



Online Media



Online HR Services



Mobile Phone Repair



Mail Server Software



Online Retailer



CATV Operator

Company

Country:	Hungary (HQ in Boston, USA)	Revenue:	2007 € 19.3 M, 2008 € 36.1 M
Sector:	T&T – Remote Access SaaS	EBITDA:	2007 € -4.5 M, 2008 € -5.3 M
Web:	www.logmein.com	Employees:	210

- LogMeIn develops and markets innovative remote control, productivity, management and security products that serve mobile professionals and system administrators. Its brands include LogMeIn, an on-demand access service, and the RemotelyAnywhere line of software.



Investment

Fund:	TCEE Fund I	Amount:	€3.3 M	Co-Investor:	Prism, Polaris, Integral, Intel	Exit:	Nasdaq IPO 2009
Date:	Sept 2004	Share:	13.22%			Returns:	8.5 x (plus upside potential)
Type:	Expansion						

- Investment in 2004 to support the international expansion of the company including relocation of the headquarters to the USA.
- Has already become one of the most successful SaaS companies in the world,
- Nasdaq IPO in July 2009 - \$ 123 M offering, 8.5 x return for 3TS Fund I (plus further upside potential in listed stock)

3TS Impact

- Support in initial strategy formulation and the planning of the US expansion
- First institutional investor giving financing and credibility to attract US venture capitalists
- Active board work especially in the early years to strike a balance between high growth and profitability
- Strategic branding and marketing advise (including corporate identity design)
- Introductions to some large technology companies (EMC, Cisco, etc.) in the pre-exit phase
- Driving exit timing





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CEE originated Tech VC success stories



(2000-2009)



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Turkey – Promising Opportunity for 3TS

- Talented entrepreneurs
- Good deal flow
- iVCi co-investment agreement
- Cisco partnership
- Limited VC competition
- International quality engineering, sales and management skills available
- Both domestic and international businesses are attractive
- Providing CEE and global markets access and know how
- The VC potential of Turkey is already proven by a few success stories





More Information

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