



Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency

Ciste Infheistíochta Straitéisi d'Éirinn
Ireland Strategic Investment Fund

Strategic Investment Fund has committed €2bn to Irish investments

- *New update shows a total of €4.9 billion committed to Irish projects by the Fund and its co-investment partners*
- *€613 million committed by the Fund to Irish investments so far in 2015, bringing total to €2.0 billion*
- *Fund has laid necessary groundwork for multi-year investment programme and reports healthy and diverse pipeline of opportunities – Eugene O’Callaghan, Director*

21 December 2015

The Ireland Strategic Investment Fund, managed by the National Treasury Management Agency (NTMA), has now committed €2.0 billion to investments in Ireland, an update published today shows.

The Fund, established to invest on a commercial basis to support economic activity and employment in Ireland, committed €613 million to Irish projects between January and November 2015 which are in addition to previous commitments of approximately €1.4 billion by its predecessor the National Pensions Reserve Fund (NPRF) prior to 2015.

When combined with third-party capital, Ireland Strategic Investment Fund-backed companies, projects and funds have attracted total investment commitments amounting to €4.9 billion.

In addition, the Fund is close to completing negotiations in respect of six additional investments which are expected to reach a successful conclusion in the coming weeks with a combined value of approximately €200 million, and is actively working on 44 investment proposals with a combined value of €1.4 billion.

Ireland Strategic Investment Fund Director Eugene O’Callaghan said the Fund’s latest figures are encouraging:

“Our first full year of operations has been a productive one. We have made sizeable commitments to investment opportunities that meet our dual mandate. Just as importantly however, the intensive market awareness and engagement undertaken in 2015 has laid the necessary groundwork for an investment programme that will span several years and we are very satisfied with the commitments made to date and with the quality of the active investment pipeline,” said Mr O’Callaghan.

“The major advantages of the Ireland Strategic Investment Fund are its ability to provide long-term “patient capital” and its flexibility to consider a wide range of transaction types and sectors. We are also an attractive local partner for third-party investors interested in the Irish market. We intend to capitalise on these advantages as we deploy the Fund’s resources in the years ahead.”

A schedule of investment commitments undertaken by the Fund during 2015 is set out at Note 1.

Economic Impact Report for half year to June 2015

The Fund has separately published its semi-annual update of the economic impact of its investments.

Its latest Economic Impact Report, for the period 1 January to 30 June 2015, shows:

- Over 12,000 jobs are supported directly and indirectly by the Fund’s investments (see note 2)
- The Fund’s Irish investments are split approximately 50/50 between Dublin and the rest of Ireland.
- 85 Irish companies backed by the Fund generated turnover of €645 million in the first half of 2015.
- 35% of their turnover comes from exports.
- €218 million was earned in wages/salaries in the first half of 2015 by employees of these companies.
- Gross Value Add from the Fund’s investments was €276 million (see note 3)

Other developments

During the fourth quarter of 2015 the proceeds of €335 million from the sale of the State’s stake in Aer Lingus were allocated to a new Connectivity Fund within the Ireland Strategic Investment Fund and have been earmarked for investment on a commercial basis in projects that enhance Ireland’s physical, virtual or energy connectivity.

During the second half of 2015 the Fund also tendered for investment management firms to help manage the multi-year transition from a globally-invested portfolio to one that is focused on Ireland. The Fund expects to appoint managers in the first quarter of 2016.

Notes to editors

Note 1: Investment commitments undertaken by the Fund during 2015:

- Activate Capital (€325 million) – housebuilding finance joint venture with investment group KKR
- Irish Water (€150 million) - senior debt to fund the capital programme
- Malin Corporation plc (€50 million) – 15% stake in one of Europe’s biggest life sciences IPOs

- Quadrant Real Estate (€50 million) – platform for financing Irish office development projects.
- Swrve (not disclosed) – leader in the mobile marketing engagement market
- AMCS (not disclosed) – global leader in end-to-end, integrated software solutions for the waste and recycling industry
- Highland Europe II (€10 million) – a growth equity fund managed by a longstanding firm that supports rapidly growing European technology businesses from its offices in Geneva, London and Dublin
- Frontline Ventures I (€11 million) – a leading venture capital fund focused on supporting promising early stage software companies primarily in Ireland, and the UK

Note 2: In line with industry standards, an indirect employment multiplier is applied to direct jobs. The NTMA calculation of employment multipliers is based on Central Statistics Office methodology and verified by the CSO.

Note 3: Gross Value Add is a standard method to measure economic impact.