Key figures (at 31.12.2015)
■ First EIF operation in France: 1994
■ 92 supported private equity funds investing in France
■ 16 partner finance and guarantee providers
■ Over 190,000 French SMEs supported

Equity
EIF investments in France cover a wide range of equity products, some of which also benefit from the support of the European Fund for Strategic Investments (EFSI), which is at the heart of the Investment Plan for Europe. In 2015, EIF committed EUR 450m into 13 funds and an additional EUR 17.7m into 4 co-investments. These 17 transactions are expected to mobilise EUR 2.4bn of additional capital for French entrepreneurs.

As per its lower mid-market (LMM) activities, EIF committed EUR 20m to Artemid, marking it the first investment made by EIF in a senior loan fund and adding a new asset class to the LMM portfolio. EIF’s signature marks the final closing of the fund, which raised commitments from several reputable institutional investors, including Bpifrance. Further investments were made into Abénex V, Acto Mezzanine II, BlackFin Financial Services Fund II, FCDE II, Initiative & Finance II and Nixen III.

As regards new products, EIF has also started to co-invest alongside its portfolio of hybrid debt/equity funds in companies. In the framework of its technology transfer and venture capital activities, EIF invested EUR 20m into Quadriovium and EUR 60m into Sofínova Capital. As regards growth capital, EIF and Bpifrance, together with the German national promotional bank KfW Bankengruppe, made a joint investment of EUR 75m in Partech Growth as part of EIF’s offer to catalyse a pan-European VC growth capital market segment.

Additionally, France remains strongly represented within the Social Impact Accelerator [SIA] portfolio, the first pan-European public-private partnership for social impact investing. The three French social impact funds present in the SIA portfolio are Impact Partenaires III, Citizen Capital II and Phitrust Partenaires Europe.

Guarantees and securitisation
In 2015, EIF continued to actively support French small and medium-sized enterprises (SMEs) and small mid-caps through guarantee and securitisation transactions. In 2015, EIF committed EUR 317m through 11 guarantee, securitisation and microfinance transactions which are expected to generate EUR 2.5bn of further lending for French SMEs and small mid-caps.

Regarding the implementation of European programmes, EIF signed a portfolio guarantee agreement with Bpifrance under the Horizon 2020 initiative InnovFin, allowing increased lending to innovative SMEs and small mid-caps. Under the agreement, Bpifrance is expected to provide EUR 420m of financing over the next two years.

EIF at a glance
The European Investment Fund (EIF) is Europe’s leading risk finance provider for small and medium-sized enterprises (SMEs) and mid-caps, with a central mission to facilitate their access to finance. As part of the European Investment Bank (EIB) Group, EIF designs, promotes and implements equity and debt financial instruments which specifically target the needs of these market segments.

In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment. EIF manages resources on behalf of the EIB, the European Commission, national and regional authorities and other third parties. EIF’s support to enterprises is provided through a wide range of selected financial intermediaries across Europe. Since its inception in 1994, EIF supported over 1.8 million SMEs.

EIF is a public-private partnership whose tripartite shareholding structure includes the EIB, the European Union represented by the European Commission and various public and private financial institutions from EU Member States and Turkey.

Bpifrance Participations and BNP Paribas CIB belong to EIF’s shareholders in France. For further information visit www.eif.org.
Further, under the Programme for the Competitiveness of Enterprises and SMEs (COSME), EIF signed risk-sharing portfolio guarantees with SOCAMA, France Active Garantie and GE Capital Equipment Finance, which is expected to generate in total EUR 1.45bn of new loans and leases to French SMEs.

As part of its securitisation activities, EIF has provided a tranché guarantee cover to a balance sheet SME securitisation transaction of a large financial institution that allowed them to release regulatory capital which is expected to result into more than EUR 500m of additional lending to support French SMEs.

As a new activity, EIF and Banque Populaire (Groupe BPCE) have signed the very first Erasmus+ guarantee agreement in France to provide a total of EUR 30m of loans to mobile Master’s students. This agreement will provide financial support at favourable conditions for students from France taking their Master’s degree in one of the 33 Erasmus+ Programme Countries, or students from these countries moving to France for a Master’s degree.

EIF is also addressing the financing gap faced by micro-entrepreneurs and social enterprises across Europe by managing the Employment and Social Innovation (EaSI) Guarantee Financial Instrument on behalf of the European Commission. In 2015, EIF had signed in France transactions totalling EUR 9.1m with ADIE and La NEF.

Support to SMEs through EU structural funds

In France, under the Joint European Resources for Micro to Medium Enterprises (JEREMIE) initiative, EIF is managing two holding funds at regional level: in Languedoc-Roussillon (EUR 30m) and in Provence-Alpes-Côte d’Azur (EUR 20m). Both holding funds are co-financed by the regions own resources and the European Regional Development Fund (ERDF) and have shown good results. At year-end 2015, about EUR 171m benefitted some 1,350 SMEs in Languedoc-Roussillon through the selected financial intermediaries Créalia, SAS JEREMIE LR and Banque Populaire du Sud. In Provence-Alpes-Côte d’Azur, via the network of the Banques Populaires, approximately EUR 94m reached over 470 SMEs.

Additionally, EIF concluded a new agreement in France: a fund of funds mandate – which combines EUR 52m of new funds co-financed by the ERDF and the region – was signed with the authorities of the Languedoc-Roussillon in November 2015. The agreement ensures loans for innovative SMEs, equity and capped guarantee instruments (notably for SMEs but also for final beneficiaries acting in the agricultural sector).

Medtech is one of the many companies that has benefited from EU support through the JEREMIE initiative in the Languedoc-Roussillon (LR) region. The JEREMIE initiative is co-financed equally by the region Languedoc-Roussillon (own resources) and the European Regional Development Fund (ERDF) and managed by EIF.

Medtech was set up in 2002 by Mr Bertin Nahum and has become very successful in a rather short period of time. The core business of Medtech is to design, develop and market a new generation of robotic assistance to improve surgical techniques. Medtech Robots contribute to safer and more stable implementation of both more effective and less invasive treatment.

Today, Medtech holds the position of market leader in surgical robotics in France thanks, in large part, to its ongoing commitment to continuous innovation.

The subsequent EIF backed co-investment in December 2012, allowed Medtech to develop from a neurosurgical to a spine surgery company. In November 2013, following an IPO on the Paris Euronext, Medtech successfully reached its target by raising EUR 20 million and is now employing around 40 employees. ROSA™ Spine is currently being introduced throughout Europe and at the beginning of 2016 Medtech received FDA clearance which allows marketing the robot in the United States.

Company:
Medtech, Montpellier

Type of business:
Surgical robotics

Co-investment instrument under
JEREMIE LR: EUR 330,000

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