



## BACKGROUND

### Investing in Global Innovation

[Intel Capital](#), Intel's global investment organization, makes equity investments in innovative technology start-ups and companies worldwide. Intel Capital is stage agnostic and invests in a broad range of companies offering hardware, software and services targeting enterprise, digital media, mobility, consumer Internet, and semiconductor manufacturing. As of December 2013, the Intel Capital investment portfolio is valued at approximately US\$1.6 billion.

### Investment Facts

Since 1991, Intel Capital has invested more than US\$11 billion in over 1,373 companies in 56 countries. In that timeframe, 207 portfolio companies have gone public on various exchanges around the world and 354 were acquired or participated in a merger.

**1H 2014**, Intel Capital made 58 investments including 27 new investments and 31 follow-on investments. We have invested about \$162 million, including \$119 million in new investments. Intel Capital has had 11 exits; 1 portfolio company completed an IPO and 10 were acquired, either through a purchase or a merger. Data as of June 30, 2014.

In **2013**, Intel Capital made 146 investments including 63 new investments and 83 follow-on investments. We invested about \$333 million, including \$245 million in new investments. Intel Capital had 33 exits; 6 portfolio companies completed an IPO and 27 were acquired, either through a purchase or a merger.

Intel Capital's goal is to achieve both strategic alignment with Intel Corporation and a strong financial return for its investments. Intel Capital does not disclose specific financial results from its investments, but the program has contributed billions in cash to Intel in its history.

### Notable Investments

Intel Capital has made a number of well-known investments around the globe. These include Actions Semiconductor, AVG, Bellrock Media, Broadcom, CNET, Citrix Systems, Elpida Memory, FPT, Gaijai, India Infoline.com, Inktomi, Insyde Software, Integrand Technologies, Kingsoft, LogMeIn, Mall.cz, Marvell, Mellanox, MySQL, NIIT, PCCW, Red Hat, Rediff.com, Research in Motion (Blackberry), Sasken, SiRF, Smart Technologies, Sonda, Sohu.com, Techfaith, VA Linux, VMware and WebMD.

### International Investing

Intel Capital has dramatically expanded its non-U.S. investing. International investing increased from less than five percent of Intel Capital's investment dollars in 1998 to about 49% in 2013. Intel Capital has invested in companies headquartered in 56 different countries on six continents.

## Investment Categories

Intel Capital typically makes four types of investments:

- **Ecosystem:** A number of Intel Capital investments are made in technologies that support the final products in which Intel's products are used. These companies' products complement and help drive demand for Intel products.
- **Market Development:** Intel Capital invests in companies that help accelerate the adoption of technology in emerging markets.
- **Gap Fillers:** Investments are made in companies that sell technology that Intel needs to help market or produce its products.
- **Eyes and Ears:** Intel Capital makes small investments in emerging technologies that might be useful in three to five years, but are not necessarily related to a current Intel business.

## Investment Funds

To provide investment focus on specific technologies critical to Intel's efforts, several specialized funds have been established:

- The \$100 million **Intel Capital China Smart Device Innovation Fund** (April 2014) invests in smart devices, including tablets, smart phones, PCs, 2in1s, wearables, the Internet of Things, and other related technologies in China.
- The \$100 million **Intel Capital Experiences and Perceptual Computing Fund** (June 2013) invests in software and applications making human-like senses – the ability to see, hear and feel – possible on devices to deliver more natural, intuitive and immersive computing experiences across the spectrum of Intel® architecture platforms.
- The \$100 million **Intel Capital Connected Car Fund** (February 2012) invests in hardware, software and services companies developing technologies to promote new, compelling in-vehicle applications and enable the seamless connection between vehicles and any connected device, including mobile devices and sensors.
- The \$300 million **Intel Capital Ultrabook™ Fund** (August 2011) focuses on technologies that drive innovation in this category of devices. The fund invests in companies building hardware and software technologies that help deliver new and enhanced user experiences, longer battery life and slim component and platform technologies.
- The \$500 million **Intel Capital China Technology Fund II** (April 2008) invests in Chinese companies developing innovative hardware, software, and services to complement Intel's technology initiatives and to further build out Internet infrastructure in China.
- The **Intel Capital Brazil Technology Fund** (March 2006) is a \$50 million fund to promote technology growth in Brazil. Creation of the fund recognizes Brazil's position as South America's largest economy and its increasing importance as a technology leader.
- The **Intel Capital India Technology Fund** (December 2005) is a \$250 million fund that invests in Indian technology companies to help stimulate local technological innovation and the continued growth of India's Information Technology industry.
- The **Intel Capital Middle East and Turkey Fund** (November 2005) is a \$50 million fund for investment in companies developing innovative hardware, software, local content, and services throughout the Middle East and Turkey.

## Intel Capital Differentiated Advantages

What sets Intel Capital apart is a collection of important value-add benefits that other firms are unlikely to match. These differentiating factors enhance our relationships with entrepreneurs, opening doors to new markets, customers, alliances, co-investors, and emerging technologies.

Among the key benefits of working with Intel Capital are:

- **Global Reach:** With offices in more than 20 countries, Intel Capital calls on a vast network of resources in markets around the world. We have insights into these markets, contacts with local customers and suppliers, and the ability to match our portfolio companies with customers across oceans and continents.
- **Worldwide Customer Access:** Through [Intel Capital Technology Days](#) and the [Intel Capital Global Summit](#), Intel Capital facilitates regular, targeted meetings with the right decision makers drawn from Intel's relationships with suppliers, partners and customers in every major market in the world. In 2013, Intel Capital facilitated 4,400+ engagements between portfolio companies and customers from Global 2000 companies. Of those 4,400 engagements, 2300+ came through Connect meetings at the Global Summit and 1700+ came through the 77 Intel Capital Technology Days and related activities held in 2013.
- **Recognized Brand:** Intel is among the most recognized brands in the world. Intel connotes quality, integrity, and innovation. It's a cachet that opens doors for us and our portfolio companies, a sort of coin of the realm in places near and far with customers and co-investors around the globe.
- **Technology Expertise:** Intel plays a lead role in the continued rise of technology around the world. Our portfolio companies are privy to our architecture roadmaps, gain access to our manufacturing and engineering knowledge, and they can benefit from the work of our labs and factories.

#### Recent Awards

- Global Corporate Venturing: Corporate Venture Unit of the Year (2014)
- Global Corporate Venturing: Arvind Sodhani "Powerbroker of the Year" (2014)
- PrivCo: #1 Most Successful Tech Venture Capital Firms of 2013 (2014)
- PitchBook: #1 M&A since 2004 (2014)
- CBInsights: #1 IPO/M&A exits since 2009 (2014)
- International Business Forum (IBF): Achievement Award to Arvind Sodhani (2014)
- Bloomberg: #2 in Tech's Top 10 dealmakers (2014)
- Global Corporate Venturing: Arvind Sodhani ranked #1 on Powerlist 100 - 2013
- Global Corporate Venturing: Corporate Venture Unit of the Year (2013)
- TechCrunch: #1 in corp VC deal activity 2011~2013 and #1 corp VC total funding 2011~2013
- CBInsights: #1 portfolio exit in US and most exit in cybersecurity space (2013)
- CBInsights: The Most Active Venture Capital and Corporate Investors in the Internet of Things (2013)
- Firma.ru: Top International VC Fund in Russia (2013)
- ChinaVenture: Best Strategic Investor in Internet & Mobile Internet (2013)
- Zero2IPO China: Top 20 Foreign VC of the Year (2013)
- Forbes China: Best VC of 2013 (2013)
- PrivCo: Top Technology VC of 2012
- CBInsights: #1 VC for quantity of IPO Pipeline companies in portfolio (2012)
- Global Corporate Venturing: Arvind Sodhani ranked #2 on Powerlist 100 (2012)
- Zero2IPO China: Top 50 VC Fund of the Year (2012)
- ChinaVenture: Top 15 VC Fund (2012)
- VCCircle: Most Active VC Firms in India (2011)
- Dow Jones Private Equity Hall of Fame Award (2011)

- Named VC of the Year by Entrepreneurs Foundation (2010)
- VCCircle: one of the Five Most Active VCs in India (2009)
- Zero2IPO: Top 50 VC 2009 in China (2009)
- CYZ: Top 50 VC/PE Award China (2009)

## Quick Facts

In 2013, Intel Capital made 146 investments including 63 new investments and 83 follow-on investments. We invested about \$333 million, including \$245 million in new investments. Intel Capital had 33 exits; 6 portfolio companies completed IPOs and 27 were acquired, either through a purchase or a merger.

2013 investments were approximately divided regionally by dollars as follows:

- 21% Asia Pacific
- 4% China
- 17% Western Europe & Israel
- 5% Middle East, Central & Eastern Europe, & Russia
- 2% Latin America, Mexico
- 51% North America

### International Investments

Intel Capital has invested in companies based in 56 different countries including: Argentina, Australia, Belgium, Brazil, Canada, China, Chile, Costa Rica, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Ghana, Hungary, India, Ireland, Israel, Italy, Japan, Korea, Lithuania, Luxembourg, Malaysia, Mexico, the Netherlands, Norway, Poland, Portugal, Romania, Russia, Singapore, Spain, Sweden, Switzerland, Taiwan, Ukraine, United Arab Emirates, United Kingdom, and the United States.

### Recent Exits

#### *Initial Public Offerings*

- NetPosa (China) – January 29, 2014
- V-cube (Japan) – December 10, 2013
- FocalTech (Taiwan) – November 8, 2013
- Montage (China) – September 26, 2013
- YuMe (USA) – August 8, 2013
- Aspeed (Taiwan) – April 30, 2013
- Peregrine Semiconductors (USA) – August 8, 2012
- Sinosun (China) – June 28, 2012
- Envivio (USA) – April 25, 2012
- Vocera (USA) – March 28, 2012
- MCX (India) – February 25, 2012
- Synacor (U.S.) – February 9, 2012
- AVG (Czech Republic) – February 2, 2012
- SkyMedi (Taiwan) – November 8, 2011
- Wind Mobile (Poland) – October 19, 2011
- Parade Technologies (China) – September 13, 2011

- Gudeng Precision Industrial (Taiwan) – August 31, 2011
- Phoenix New Media (China) – May 12, 2011
- BCD Semiconductor (China) – January 28, 2011
- Pacific Biosciences (U.S.) – October 26, 2010
- China Cache International (China) – October 1, 2010
- Crucialtec (South Korea) – July 21, 2010
- SMART Technologies (Canada) – July 15, 2010
- China ITS (China) – July 15, 2010
- HiSoft (China) – July 10, 2010
- Motricity (U.S.) – June 22, 2010
- Tobesoft (South Korea) – May 31, 2010
- Intrasoft (India) – April 12, 2010
- Persistent Systems (India) – April 4, 2010
- Calix, Inc. (U.S.) – March 24, 2010
- Financial Engines (U.S.) – March 16, 2010
- Enjoyor Technology Group (China) – October 30, 2009
- LogMeIn (U.S.) – July 01, 2009

### ***Mergers and Acquisitions***

- DSSD (acquired by EMC) – U.S. (May 5, 2014)
- Inktank Storage (acquired by Red Hat) – U.S. (April 30, 2014)
- BASIS Science (acquired by Intel) – U.S. (March 25, 2014)
- Prolexic (acquired by Akamai) – U.S. (February 18, 2014)
- Lumidigm (acquired by HID Global) – U.S. (February 10, 2014)
- Sense Networks (acquired by YP) – U.S. (December 20, 2013)
- Deal Mates (acquired by iBuy Group) – Malaysia (December 19, 2013)
- Virident Systems (acquired by Western Digital) – U.S. (October 17, 2013)
- Tier3 (acquired by CenturyLink) – U.S. (October 1, 2013)
- Omnesys (acquired by Thomson Reuters) – India (September 12, 2013)
- JackBe (acquired by Software AG) – Mexico (August 21, 2013)
- Tribold (acquired by Sigma Systems) - U.K. (July 8, 2013)
- Solera Networks (acquired by Blue Coat) – U.S. (May 31, 2013)
- Enpirion (acquired by Altera) – U.S. (May 21, 2013)
- Pando (acquired by Microsoft) – U.S. (February 4, 2013)
- Crossing Automation (acquired by Brooks Automation) – U.S. (Nov. 1, 2012)
- MicroProbe (acquired by FormFactor) – U.S. (Oct. 16, 2012)
- Perceptive Pixel (acquired by Microsoft) – U.S. (July 30, 2012)
- DynamicOps (acquired by VMWare) – U.S. (July 20, 2012)
- iMall (acquired by Nasper) – Czech Republic (June 29, 2012)
- Aeroscout (acquired by Stanley Black & Decker – Israel (June 4, 2012)
- IPTego (acquired by Acme Packet) – Germany (April 25, 2012)
- Sapato.ru (acquired by Ozon) – Russia (Mar. 5, 2012)
- Anobit (acquired by Apple) – Israel (Jan. 6, 2012)
- Endeca (acquired by Oracle) – U.S. (Dec. 5, 2011)
- 56.com (acquired by RenRen) – China (Nov. 1, 2011)
- Aicent (acquired by TA Associates) – U.S. (Sept. 29, 2011)
- Apache Design Solutions (acquired by Ansys) – U.S. (Aug. 5, 2011)

- Viewhigh Technologies (acquired by Neusoft) – China (July 18, 2011)
- Rapid Bridge (acquired by Qualcomm) – U.S. (July 4, 2011)
- OpenFeint (acquired by GREE) – U.S. (Apr. 21, 2011)
- Beceem Communications (acquired by Broadcom) – U.S. (Nov. 24, 2010)
- Accertify (acquired by American Express) – U.S. (Nov. 10, 2010)
- ArchRock (acquired by Cisco) – U.S. (Sept. 10, 2010)
- Telecomnet (acquired by Euronet) – Brazil (Aug. 31, 2010)
- PGP Corporation (acquired by Symantec) – U.S. (June 04, 2010)
- ClickandBuy (acquired by Deutsche Telekom) – Germany (Mar. 24, 2010)
- Jajah (acquired by Telefonica) – U.S. (Jan. 22, 2010)
- E-Ink (acquired by Prime View International) – U.S. (Dec. 23, 2009)
- Yavox (acquired by Compera nTime) – Brazil (Mar. 05, 2009)
- Jabber (acquired by Cisco) – U.S. (Sept. 19, 2008)
- MySQL (acquired by Sun Microsystems) – Sweden (Feb. 26, 2008)

### **Intel Capital Technology Days**

In 2013, Intel Capital hosted 77 Intel Capital Technology Days (ITDs) with leading customers around the world. The standard ITD model brings about 10 portfolio companies to the host customer's premise for a day of introductions, customer briefings, technology presentations, and demo showcases.

Previous ITD hosts include Aigo, Alcatel, Asustek, AT&T, BMC Software, BMW, BT, CapitalOne, Comcast, CSC, Daimler-Mercedes North America, Flextronics, Founder Group, Fujitsu Electronics, Halliburton, Huawei Technologies, IBM China Lab, Infosys, ITOCHU, Kodak, Lenovo, Microsoft, NASDAQ, NBC Universal, NDS, Paramount Pictures, PCCW, PowerLeader, Procter & Gamble, Quanta, SAIC, Sanyo, Satyam Consulting, SK Telecom, Sony Ericsson, Sprint, Target, Telefonica, TeliaSonera, Time Warner Cable, Turkcell, and Wipro.

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