



**Steven Joyce**

13 JULY, 2015

## **NZVIF support for early stage investment extended**

Economic Development Minister Steven Joyce today announced that the Government is extending its underwrite of the New Zealand Venture Investment Fund (NZVIF) through to 2022.

“NZVIF plays an important role in developing the start-up and growth capital markets for New Zealand-originated companies with high-growth potential,” says Mr Joyce.

“It has been instrumental in building up New Zealand’s angel and venture capital investor markets from small beginnings to the point where private and public venture capital investment since 2003 has reached \$1.1 billion. The angel investment formal market has provided a further \$353 million since it started in 2006.

“The \$100 million underwrite facility from the Crown will be extended until 2018, and will then continue at a reduced figure of \$60 million until 2022, as returns to NZVIF from earlier investments become available for reinvestment.”

This will give NZVIF the flexibility and confidence to continue to make co-funding commitments into new venture capital funds and partnerships, Mr Joyce says.

To meet high demand for NZVIF’s Seed Co-investment Fund, the Government is also transferring \$12 million within NZVIF from the Venture Capital Fund to the Seed Co-investment Fund, which has helped to start more than 115 companies.

“NZVIF has made and continues to make an important contribution towards the diversification of the New Zealand economy, and the development of exciting new companies and industries,” Mr Joyce says.

“The Government expects NZVIF to become self-sustaining over time, and the extension of this guarantee will give the fund the time to make that adjustment.”

Mr Joyce today also announced the reappointment of directors Roger Bridge and Richard Hughes to the Board.

Since its establishment as a government-owned and funded company, NZVIF has invested \$147 million, alongside private investors, into 187 of New Zealand’s most promising growth companies including Xero, Orion Health, PowerbyProxi, Vend and Booktrack.

Those companies have raised total investment capital of more than \$1.4 billion. Four NZVIF-backed companies have market capitalisations of more than \$50 million and seven have listed on stock exchanges.

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