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Indiana Future Fund I makes first-round investments

Local, national VC's make the cut for Indiana "fund of funds".

(INDIANAPOLIS, Ind., April 12, 2004) – The Indiana Future Fund I, a \$73 million “fund of funds” designed to attract more venture capital to Indiana life sciences opportunities, has announced its first round of investments in local and national VC funds.

The Indiana Future Fund, which was organized through BioCrossroads (the Indiana life sciences consortium) and boasts investments from many of Indiana’s leading public, corporate and academic institutions, will invest a portion of its capital in a first round of four funds. In turn, these funds will explore Indiana-based investment opportunities in the life sciences; the funds are:

- **REI**, a joint venture between Terre Haute, Indiana-based **Rose-Hulman Ventures** and **EDF Ventures**, a venture capital firm with offices in Terre Haute and Ann Arbor, MI.
- **Pearl Street Venture Funds**, a joint venture between Indianapolis advisory and management firm **Barnard Associates** and California-based **Coastview Capital**.
- **A.M. Pappas & Associates**, an early- to late-stage life sciences investor with offices in Indiana and North Carolina (Research Triangle).
- **Burrill & Company**, a life sciences merchant bank with offices in Indiana and San Francisco.

“The Indiana Future Fund was formed through a unique collaboration among our state pension funds, key university partners and leading companies, who coalesced around the idea that we need to attract more attention and resources to worthy life sciences investments here in Indiana,” said Charles E. Schalliol, President and CEO of BioCrossroads and Chairman of the Future Fund Advisory Board. “These great investments are an important step towards realizing those goals.”

Representatives from Credit Suisse First Boston (CSFB), the Indiana Future Fund’s professional manager, stressed the balance between local and national perspectives in selecting the fund partners.

“Indiana has a unique mix of life sciences assets, with global companies like Eli Lilly, Roche Diagnostics, Guidant, Cook Group and Dow AgroSciences undertaking billions of dollars in corporate R&D annually side-by-side with nationally-known institutions like Indiana University, Purdue University and the Rose-Hulman Institute of Technology,” said Michael Arpey, CSFB’s Managing Director. “To fully evaluate the entrepreneurial

opportunities that come out of this great environment, we looked for a mix of local knowledge and global perspective. This group of funds delivers.”

“This is the initial round of investments, each specifically designed to capture and capitalize on our most promising early Indiana life sciences opportunities,” said David Johnson, a member of the BioCrossroads Board of Directors and Baker & Daniels partner. “The Fund has resources available for additional investments and will continue to evaluate local and national VC funds.”

The Indiana Future Fund includes investments by Indiana’s public pension funds, Eli Lilly and Company, Anthem Blue Cross and Blue Shield, Indiana University, Indiana University Foundation, Purdue University, Ball State University Foundation, American United Life Insurance Company, Indiana State University Foundation and Guidant Corporation.

Indiana Governor Joe Kernan praised the Future Fund as key to the state's burgeoning life sciences industry. “For too long, Indiana has been an under-served venture capital market – the Future Fund is a perfect incentive to attract attention and dollars to deserving life sciences start-ups,” said Kernan. “We’re proud that our pension funds can help make this day a reality.”

Mayor Bart Peterson, a BioCrossroads co-founder, said that national VCs would find a deep investment pipeline in Central Indiana. “For the past year, BioCrossroads has deployed teams of academic and industry experts to find entrepreneurial opportunities within key life sciences sectors,” said Mayor Peterson. “They’ve found a wealth of potential, and efforts like the Future Fund are key to turning that potential into viable businesses and jobs for Hoosiers.”

More details on Indiana Future Fund I are available at www.indianafuturefund.com.

About BioCrossroads

BioCrossroads, the Indiana life science consortium, is a public-private collaboration that supports the region’s research and corporate strengths while encouraging new business development. With government, industry and academic resources aligned to accelerate business growth, the region is fertile ground for investors and entrepreneurs to build new ventures. Learn more at www.biocrossroads.com.