

NIF Ventures acquires a stake in Varioptic S.A.

Lyon, June 30 th, 2004 – Varioptic S.A., the Lyon based company, inventor of the Tunable Liquid Lenses, and NIF Ventures Co (Japan) have signed an agreement whereby NIF Ventures acquires a stake in Varioptic S.A.

Sofinnova Partners and PolyTechnos, who jointly led the last round of series B financing last March, welcome the arrival of NIF which will further strengthen Varioptic's financial position and facilitate its entry into the key optical Japanese market.

Mobile phones are the main market for Varioptic's revolutionary lens. Currently, you can rarely find a mobile phone with an auto focus camera, not to mention a zoom feature. But as the quality and the definition of the pictures are evolving rapidly, the trend is to switch from VGA sensors (640 pixels wide by 480 pixels tall) to mega pixels sensors (more than 1200 pixels wide). Auto focus is becoming a necessity and is hardly implementable by using conventional technologies. Varioptic's patented Liquid Lens is a key technology to bring auto focus and then zoom to mobile phones, with huge advantages in terms of dimensions, cost, and power consumption.

"This is a key milestone for Varioptic. The confidence expressed by NIF validates our strategy to deliver innovative products based on our patented electrowetting technology. We will use the resources to further develop Varioptic in Japan, the largest and most innovative market for optical devices," said Etienne Paillard, CEO.

Takashi Hondo, Investment Manager at NIF, added, "We strongly believe that Varioptic's technology is a breakthrough which has a tremendous potential in all optical applications, and especially in camera modules used in cellular phones. We are pleased to expand our portfolio of European companies with such a high potential start-up".

About NIF Ventures Co.

NIF Ventures is one of the leading venture capital company in Japan, listed in JASDAQ. It was founded in 1982 and is associated with the Daiwa Securities Group. NIF Ventures has a portfolio of investments in 35 countries and about 450 invested companies have achieved successful IPOs. Currently, the funds under management is about 800 US dollars. In addition to its network of four branches in Japan, NIF Ventures has offices in Singapore, California, and is linked with Hotung Venture Capital, a leading Taiwanese venture capital firm. NIF Ventures has taken balanced investment style from start-up to later stage and their portfolio including ICT, life science, manufacturing, service industries and so on.

For further information, please visit the website: www.nif.co.jp

About Varioptic

Founded in 2002, Varioptic pioneers the development of electrowetting technology for revolutionary auto focus lenses and zooms with absolutely no moving parts. These products feature several crucial advantages versus traditional technologies in terms of cost, dimensions, power consumption and speed. Varioptic maintains its technology leadership thanks to its heavy investment in R&D. Varioptic is located in Lyon (France) and headed by Etienne Paillard, CEO and founder, and inventor Bruno Berge (CTO). For more information, please visit www.varioptic.com.

About Sofinnova Partners

Founded in Paris in 1972, Sofinnova Partners is one of Europe's leading independent venture capital firms. With EUR 500 million under management, Sofinnova Partners invests in start-ups and early-stage companies in information technology and life sciences. Its investment strategy is based on two principles: Investing early in projects with a high potential; and acting as lead or co-lead investor. Sofinnova's investment team consists of 10 professionals, all recognized experts in their field, who bring valuable market insight and technical expertise to Sofinnova's portfolio companies. Since the firm is increasingly solicited for financing pan-European projects, half of Sofinnova's most recent fund, Sofinnova Capital IV, will be invested outside France. For more information, please visit www.sofinnova.fr.

About PolyTechnos Venture-Partners

PolyTechnos Venture-Partners is an independent European venture capital firm focusing on early to expansion stage, technology and life science investments predominantly in German-speaking Europe. Areas of expertise comprise Information Technology & Communications, Industrial & Engineering, Energy, Drug Development, Diagnostics & MedTech, and the respective interfaces. PolyTechnos helps companies turn technology into business by providing support in areas such as strategy, business development, and organisation building. PolyTechnos, located in Munich, Germany, was founded in 1998 and currently advises funds totalling approximately EUR 200 million. For more information, please visit www.polytechnos.com.

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