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FOR IMMEDIATE RELEASE

BDC Venture Capital & GrowthWorks Winner of CVCA's 2014 Venture Capital 'Deal of the Year' Award

OTTAWA: CVCA - Canada's Venture Capital & Private Equity Association, is pleased to announce that BDC Venture Capital and GrowthWorks are the joint recipients of the CVCA's 2014 Deal of the Year Award for the venture capital category.

Established in 1998, the purpose of the CVCA's Deal of the Year Award competition is to promote, highlight and celebrate the achievements of CVCA members who have had outstanding investment successes. The selection process focused on CVCA members with the most significant investment return realized primarily during calendar 2013. The CVCA celebrates Deal of the Year awards for both venture capital and private equity.

It is my pleasure to announce that BDC and GrowthWorks have won this year's venture capital category award for their successful realization of Layer7 Technologies, said Sandra Bosela, Chair of CVCA's Awards Committee and Managing Director, OPTrust Private Markets Group. The company and its investors showed a great deal of patience and although the company was approached by potential buyers several times over the course of its 12 years of existence, it chose not to sell until it had established itself as a market leader and had achieved the value enhancing milestones of sustained profitability and revenue growth. In 2013, Layer7 was sold to CA Technologies. On their US\$17.7 investment, BDC and GrowthWorks realized cash proceeds of US\$77.7 million to date, with further proceeds to come out of escrow in November 2014. The multiple of capital on the original investment on a cash realized basis is 4.4x, or a 23.2% IRR and is expected to be 5.2x on a total basis once all proceeds are released from escrow, for a 25.6% IRR.

The honour was accepted by Andrew Lugsdin, Partner of BDC Venture Capital's IT Fund and Joe Timlin of GrowthWorks at the CVCA's Annual Conference in Ottawa, Ontario on Wednesday, May 21, 2014. We are honoured to be recognized by the CVCA for this deal. It is the result of patient investment, value-added support and significant collaboration between BDC Venture Capital, GrowthWorks, Layer 7 management and private sector investors, stated Lugsdin. This transaction is proof that Canada's IT sector is ripe with innovative entrepreneurs looking to transform their ideas into companies that generate growth and prosperity. BDC Venture Capital first invested in Layer 7 in 2003. In 2011, Layer 7 was named the 71st fastest-growing private or public technology company in North America on the Deloitte Fast 500 list.

"I'd like to congratulate our Deal of the Year Venture Capital Award winners, BDC and GrowthWorks, who, along with an outstanding management team, showed patience in building Layer7 into a successful company and ultimately a highly desirable acquisition target," said Mike Woollatt, Chief Executive Officer of the CVCA. This transaction highlights the role and value of venture capital as dedicated, experienced, and highly motivated venture partners, taking a long term perspective on both company and value creation and working closely with management to achieve that success.



About Layer7

Layer7 correctly identified how the web and SOA would increase the demands for security and identity management as companies moved towards internet based business communication strategies. Layer 7 later built on its success in providing security and management to large enterprise customers, successfully establishing itself as a leader in the emerging API management space. This enabled Layer7 to successfully establish partnerships with several large players who would ultimately decide whether they would develop API management solutions of their own or acquire this capability through M&A. For more information, please visit www.layer7tech.com.

About BDC Venture Capital

With more than \$1 billion under management and more than 25 years of industry experience, BDC Venture Capital is an investor of choice focusing on IT, health and energy/cleantech companies, as well as venture funds, with high growth potential. From seed through expansion to exit, BDC's mandate is to help build outstanding Canadian companies, while working to create a sound financial ecosystem for Canadian technology ventures. Find out more at www.bdc.ca/vc or on Twitter @BDC_VC.

About GrowthWorks Capital

GrowthWorks managed funds provide investment capital for Canadian companies and tax-advantaged investment opportunities for Canadian investors through the Working Opportunity Fund (EVCC) Ltd., GrowthWorks Atlantic Venture Fund Ltd., and GrowthWorks Commercialization Fund Ltd. Building on more than 20 years of venture capital investment expertise, GrowthWorks is a leader in Canadian venture capital management. Visit www.growthworks.ca for more information.

About CVCA

The CVCA is the voice of Canada's venture capital and private equity industry. The CVCA's members manage the vast majority of private capital that is designated to grow Canadian businesses. The CVCA fosters professional development, networking, communication, research and education, and represents the venture capital and private equity industry in public policy matters. The CVCA was founded in 1974. For more information, please visit www.cvca.ca.

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