

Frank T.L. Pho, C.A.

Frank leads a team of Directors focused on Information Technology investments across Canada. He has national responsibility over a portfolio of IT companies currently worth $90 million at cost. Frank and his team have produced 10 profitable exits including two over 30x return.

Prior to BDC, Frank was with the Corporate Finance Group at CP Rail where he reviews projects greater than $25 million. Prior to CP Rail, he was with Ernst & Young where he successfully turned around a division of Procter & Gamble. While at E&Y, Frank was also involved in planning, design and implementation of Strategic Information Technology plan, Systems Conversion, and Management Information Systems for the manufacturing, banking and insurance industries.

Frank has been a guest lecturer at SFU for the Executive MBA Program and MBA Information Technology and is the former Chairman and current Board Member of Monte Jade Science and Technology Association (Canada).

Frank Pho holds a Bachelor of Commerce degree graduate Degree in Accountancy from Concordia University and is a Chartered Accountant.

Some of Frank's and his IT team's winners

Creo Products Inc.	IT	IPO on TSE, NASDAQ
Next Generation Inc.	IT	Strategic acquisition by Burntsand Inc.
Ledalite	Advanced Technologies	Strategic acquisition by Genlyte Thomas Group
Ecolux Inx.	Advanced Technologies	Strategic acquisition by GELcore L.L.C.
Tarian Software Inc.	IT	Strategic acquisition by IBM
Telos	IT	Strategic acquisition by UTStarcom
Xantrex	Advanced technologies	IPO on TSE
Octiga Bay	IT	Strategic acquisition by Cray Inc.

Banque de développement du Canada
Business Development Bank of Canada

BDC Venture Capital is a major venture capital investor in Canada, active at every stage of the company's development cycle, from seed through expansion, with a focus on technology-based businesses that have high growth potential and that are positioned to become dominant players in their markets.

BDC Venture Capital has been involved in venture capital since 1975 and has to date invested in more than 400 different companies. It currently manages approximately $400 million in venture capital assets invested in the areas of Life Sciences, Telecommunications, Information Technology and Advanced Technologies.

Our typical Venture Capital investments

Our typical initial investments range from $500,000 to $3,000,000 as part of a financing round in the $1,000,000 to $10,000,000 range. If existing portfolio companies continue to develop and create value, we reinvest to maintain our pro-rata share of the investment along with other existing investors. We lead transactions and participate in syndicates led by other venture capital funds. As a rule, we seek representation on the Board of Directors of our investee companies. We encourage the creation of a strong and well-balanced Board of Directors that works in the best interest of the company and its shareholders.

Our sector focus

Advanced Technologies

The "Fabless" business model, systems-on-a-chip, and applications-specific integrated circuits have demonstrated high growth rates and have created value for investors. We continue to look at new discoveries in alternative energy sources, advanced materials, and industrial technologies. Intellectual property and knowledge continue to attract us to this area.

Information Technology

Software such as enterprise-wide applications, targeted vertical markets, networking/communications, operating systems, as well as collaborative applications are examples of key areas that present interesting investment opportunities.

Life Sciences

Long-term demographic trends, the full sequencing of the human genome, and the convergence of technologies such as bioinformatics and proteomics are driving a surge of
medical discoveries in diagnostics, preventive medicine and therapeutics, ultimately creating
new investment opportunities.

Telecommunications

New applications in the optical and wireless networking, photonics and fibre-optics, broadband
transmission, bandwidth and network optimization continue to attract our attention.

Our performance

	10-year internal rate of return (IRR)n in %					
Year ending March 31	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**
Direct investments	13.5	24.8	26.9	26.1	19.2	14.3