ISRAEL HIGH-TECH & INVESTMENT REPORT

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A Flood of Investment Capital

Since 2000, the dot com era, Israel has not experiencd such a massive flood of investment funds, as seen in the past half a year. At mid-year \$8.0 billion has entered the country's high tech economy. The number of exits continues to encourage new funds fom entering the country. Israeli companies have also invested outside the country's shores. Teva headed the list with a multi-billion investment.

The prospects remain good as overseas investors are encouraged by this and other previous successes. Recently foreign investment funds have also injected substantial sums of money.

The Tel-Aviv Stock Exchange has flourished and the Israeli shekel has experienced strength.

All of these factors continue to point to further prosperity.

Axel Springer's yad2 buys Israeli jobs website Drushim

Israel's leading online classified ads site yad2, a subsidiary of Axel Springer Digital Classifieds, has acquired 70% of Saknai Net Ltd., the operator of Drushim. Drushim, which means "jobs" in Hebrew, is one of the leading Israeli portals for job classifieds. With the acquisition, yad2 strengthens its position in the online jobs classified ads market. This deal is the first acquisition by yad2 under the ownership of Axel Springer Digital Classifieds. Financial details about the deal were not disclosed but

sources in the sector say the stake was bought for tens of millions of shekels.

yad2 already has its own jobs site and this will now be merged with Drushim. The online jobs classified ads market in Israel is highly competitive with Yediot Ahronot's AllJobs leading the field (according to Similarweb analytics) followed by JobMaster and JobNet.



In this issue

- A Flood of Investment Capital
 - Axel Springer's yad2 buys Israeli jobs website Drushim
- HeartWare buys Israel Valtech Cardio for \$860m.
 - Elbit Systems wins \$78m contract in Europe
 - Private equity investment in Israel quadruples
- Forbes: Israel has 100 billionaires, in shekel terms
- Patrick Drahi's Altice to buy Cablevision for \$17.7b
 - Kyma Medical Technologies sold for \$35m
 - Philips CEO: Israel has major role in our vision
 - AmTrust buys Delek's Republic Insurance stake for \$140m
 - Teva acquires Gecko Health Innovations

HeartWare buys Israel Valtech Cardio for \$860m.

iThe acquisition of the Or Yehuda valve repair device company includes shares and milestone payments.

HeartWare International Inc. (NASDAQ: HTWR) announced that it has entered into a definitive agreement to acquire Valtech Cardio Inc. in a share and milestone payments deal that could reach \$860 million. Valtech is a privately held company that specializes in the development of innovative, non-invasive surgical and transcatheter valve repair and replacement devices for the treatment of the most prevalent heart valve diseases mitral valve regurgitation (MR) and tricuspid valve regurgitation (TR).

The Israeli company was founded in 2006 and has 50 employees. The company was founded by CEO Amir Gross, Yossi Gross, and Peregrine Ventures headed by Eyal Lifshitz and Boaz Lifshitz. Based in Or Yehuda near Tel Aviv, the company has raised \$70 million to date.

Valtech was founded in the Incentive technological incubator in Ariel, which is managed by Peregrine, where it received a grant from the Office of the Chief scientist. Peregrine subsequently invested in Valtech and other investors included OXO Capital Valve Ventures LLC, NGN Biomed Opportunity II LP, as well as other investors, whose names it did not disclose.

Amir Gross said, "Valtech has benefited significantly from HeartWare's early investment in our company. Since then, we have developed a strong relationship based on a shared mission to deliver transformative products to patients with advanced heart failure and degenerative heart conditions. By joining HeartWare, we can more quickly and fully realize the potential of our pipeline technologies and further influence the underpenetrated markets that we serve.

HeartWare's existing market development experience and commercial infrastructure provide a compelling platform from which to launch multiple products worldwide, including a near-term launch of Cardioband in international markets following anticipated CE Mark approval this year. Together, we can offer clinical heart failure teams a compelling portfolio of surgical and interventional technologies to serve the advanced heart failure population."

According to the terms of the agreement, Valtech shareholders will receive an up-front consideration of 4.4 million shares of HeartWare common stock; 800,000 shares of HeartWare common stock, contingent upon CE Mark approval for Cardioband; and 700,000 shares of HeartWare common stock upon the earlier of first-in-man implants for either Cardioband tricuspid or CardioValve. The transaction also includes warrants to purchase 850,000 shares of HeartWare common stock at an exercise price of \$83.73 per share (based on a volume weighted average price of HeartWare shares)

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Publisher and Editor in Chief Joseph Morgenstern, B.A. Chem.

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Subscription Inquiries

E-mail: htir_1@netvision.net.il

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exercisable upon attainment of \$75 million in net sales (trailing 12 months) of Valtech products, and an earn-out payment of \$375 million (payable in cash or stock, at the discretion of HeartWare), upon attainment of \$450 million of net sales (trailing 12 months) of Valtech products.

Elbit Systems wins \$78m contract in Europe

The contract is for an Unmanned Aircraft System-based intelligence solution.

Elbit Systems Ltd.

(Nasdaq: ESLT; TASE: ESLT) has been awarded a contract from a European country to supply an Unmanned Aircraft System (UAS)-based intelligence solution. The contract is worth some \$78 million. It will be performed over a two-year period by Elbit Systems' ISTAR Division, established a few months months ago through the combination of Elbit Systems' Electro-optics - Elop and UAS Divisions.

The Elbit Systems solution will consist, among other elements, of AMPS (Advanced Multi-Sensor Payload System) - a multi-sensor electro-optics system capable of long-range visual intelligence for both day and night. The system is adaptable for a large variety of airborne applications and serves as an important building block for the integrated intelligence solution.

Elbit Systems ISTAR Division general manager Elad Aharonson said, "We are proud of this contract award to supply a solution that answers the current and future requirements of the high level intelligence systems' market. We develop and tailor end-to-end solutions that meet the demands and specific expectations of our customers. I believe that our systematic capabilities, that enable an optimal integration between UAS and our intelligence systems, will enhance our position as a world leader in ISTAR activities resulting in further achievements in the international market."

ironSource buys Supersonic for \$150m

Both app discovery companies are Israeli and the merged firm will have \$450 million revenue in 2015.

App discovery company ironSource has finally confirmed reports from July that it is buying Israel company, Supersonic, which has developed a mobile monetization platform. No financial details were disclosed but ironSource, which is also an Israeli company, is believed to be paying about \$150 million in cash and shares.

The agreement, ironSource says, will enable a world-class product offering with massive scale, providing developers and advertisers the industry's most complete end-to-end solution for mobile monetization and marketing.

ironSource has developed a software engine that matches download recommendations based on programs already installed on the user's computer.

ironSource CEO Tomer Bar Zeev said, "There are many inconsistencies in the mobile industry that we are poised to solve with this merger. Issues such as cross screen tracking, mobile targeting and reporting. Together, our companies will become the go-to platform for mobile developers and advertisers. We believe that combining Supersonic's strengths with ironSource's data, scale and technology will position us to be the market leader in providing mobile analytics, distribution and monetization solutions. With Supersonic, we are significantly adding to our reach to make us one of the largest players in the industry."

Supersonic CEO Gil Shoham said, "While our businesses complement each other perfectly, the real driving force behind this deal was a shared vision. Today, mobile developers and advertisers are forced to work with multiple partners in order to achieve their goals.

Our combined product offering will now provide developers the most complete independent platform at scale. By joining forces, we will be able to bring more value to our customers and accelerate the investment in our technology."

The merged company will have 800 employees - 550 from ironSource and 250 from Supersonic and revenue for the merged company in 2015 should be about \$450 million.

Business loan co Fundbox raises \$50m

Investors in the latest financing round include actor Ashton Kutcher and Amazon.com CEO Jeff Bezos.

Less than six months after raising \$40 million, Fundboxtoday announced another financing round, in which it has raised \$50 million. Fundbox has now raised \$108 million within 18 months.

The Spark Capital Growth fund led the current round. Other investors in the current round included well-known names like actor Ashton Kutcher, Amazon.com CEO Jeff Bezos, and producer Guy Oseary. Sound Ventures and General Catalyst also participated in the round.

Fundbox operates a website that provides direct financing to small businesses. The current financing round will enable the company to continue its business and help businesses maintain a positive cash flow.

Headquartered in San Francisco and with its development offices in Tel Aviv, Fundbox bills itself as a cash flow optimization tool for small businesses by providing loans for outstanding invoice payments. The company was founded by CEO Eyal Shinar and CTO Yuval Ariav.

Shinar said, "The strong market demand for our product, coupled with the interest from the investment community, highlights that Fundbox is solving one of the most significant problems faced by the 29 million small businesses nationwide."

Private equity investment in Israel quadruples

In the first half of 2015, 44 deals totaled \$2.1 billion, according to the latest IVC-Shibolet report.

Private equity investment in Israeli companies climbed to a quarterly record in the second quarter of 2015 according to the latest report by IVC Research Center and Shibolet & Co... There were 29 investment deals in the second quarter of 2015 totaling \$1.67 billion. The quarter ended with the largest number of Israeli PE deals in comparison to the 5-year quarterly average of 17 deals and the quarterly amount invested in PE deals was the highest in three years, far above the \$145 million and the \$385 million invested in the corresponding quarter of 2014 and the preceding quarter of 2015.

In the first half of 2015, 44 PE deals totaled \$2.1 billion - the strongest first half-year since 2011, quadrupling the first half of 2014 when \$592 million was invested in 44 deals. The average private equity deal reached \$46.8 million in the first half of 2015 compared with \$13.5 million in the corresponding period of 2014.

In the first half of 2015, Israeli private equity fund investments accounted for \$447 million (22%) of total investments. This compares with \$355 million (60%) invested in the first half of 2014 and \$208 million (23%) in the first half of 2013. The largest deal by an Israel PE fund was the \$97 million buyout of paper manufacturer Hadera Paper by FIMI in the second quarter of 2015.

The bulk of PE investments were made by foreign PE funds, which dramatically increased their activity in Israel in the second quarter

of 2015 with \$1.3 billion, capturing 78% of all investments. The amount was only marginally lower than the \$1.4 billion (83%) invested in the third quarter of 2014 - the strongest quarter for foreign PE fund activity to date. Moreover, in the first half of 2015, foreign PE fund investments accounted for 77% of all investments, compared to the first half of 2014, when they captured just 37%.

Foreign PE funds were responsible for the top four deals in 2015, exceeding \$100 million each, together amounting to nearly \$1.3 billion, or 62%, of total PE transactions in the first half of 2015. The buyout of Lumenis, a medical device company by XIO Group, a Chinese PE fund, amounted to \$510 million, 30% of total PE deals in Q2/2015. The buyout of ClickSoftware, an enterprise software company by Francisco Partners, a global private equity firm, followed closely, with \$438 million. Two additional straight equity deals were under \$200 million each: \$175 million investment in Ormat by Northleaf, and \$150 million invested in Infinidat by TPG Growth.

In the second quarter of 2015, 11 buyout transactions led all Israeli private equity deal-making with \$1.3 billion, or 80%, of total investments. In comparison, straight equity deals dominated both in the preceding and corresponding quarters, with 89% and 59% of total dollar investments, respectively.

Shibolet & Co. partner Omer Ben-Zvi said, "The last quarter manifests a continuous growth of the Israeli private equity industry, despite the relatively low number of transactions in the previous two quarters. The year's second quarter demonstrates the stability of the local market with two big buyouts alongside a larger number of medium sized deals."

He added, "In addition to the reinforcement of the Israeli PEs activity, we are also seeing a continuing trend of high-tech buyouts by foreign PE funds, further attesting the maturity of the local tech industry and its global integration. Foreign PE funds already active in Israel have been accelerating their deal making for some time now, and new PEs, including Chinese investors, are more and more active."

IVC Research Center research manager Marianna Shapira said, "Israeli high-tech companies appealed to many private equity investors, leading with \$1.4 billion in capital. We've observed this rapidly growing interest in local high-tech, as the sector's share in PE investments grew constantly from quarter to guarter, starting in the end of 2013, and peaking at 81% of total investments in Q2/2015. n comparison, the Israeli high-tech captured 78% and 54% in Q1/2015 and Q2/2014, respectively. While in both previous guarters technology deals led in share, with an upward trend, technology investments leaped from \$80 million in Q2/2014 when this trend first started, to current levels at multiples of nearly 18 times that amount. Judging from the current development trend in Israeli high-tech and our conversations with investors, PE funds suppose that Israeli technology sector offers various engagement opportunities."

Ben-Zvi believes this trend has not capped just yet, "From our perspective of the market, we expect these trends to continue or even increase in the near future, with a growing number of deals by foreign PE investors from the US, China and other countries. We believe such buyouts and PE investment in Israeli technology companies will play an important role in supporting and building the sustainable, stable companies we all wish to see growing in Israel." Software led all private equity transactions both in the first half of 2015 and the first half of 2014, with 33% and 23% of total dollar investments; life sciences stood out in the first half of 2015 with 28%, compared with just 9% in the same period of 2014. In terms of the number of PE deals, the services industry had an unusual number of deals: 11, mostly

due to the new Israeli private equity fund active in the television field.

Israeli big data co Optimal+ raises \$42m

The Tel Aviv-based manufacturing intelligence startup will use the funds for global expansion in the semiconductor sector.

Israeli manufacturing intelligence firm Optimal+ raised \$42 million for its global expansion plans from a growth equity investment led by KKR. The US global investment firm made its commitment alongside the lead investors, Carmel Ventures and Pitango Venture Capital.

Optimal+, founded in 2005 by CEO Dan Glotter, provides actionable business intelligence to clients in the semiconductor industry by employing big data solutions that analyze more than 25 billion chips per year.

"KKR is the perfect partner for Optimal+ as we look to accelerate our global growth and expand the capabilities of our platform beyond semiconductor into the electronics market segment. Our technology delivers huge ROI to customers through increased product yield, higher quality and greater manufacturing efficiency. We are seeing very strong demand for the actionable intelligence that our solutions provide," said Glotter.

The company has been rolling out its current product suite over the last four years. Optimal+promises its clients a high ROI through significant cost savings with software that aggregates vast amounts of data from multiple manufacturing locations. The software provides the customers with insights that can help them mprove product yield, quality, and processing times while maintaining a full picture of their supply chain.

"We are very proud to partner with a world-class founder like Dan and some of Israel's smartest investors to further accelerate the global development of Optimal+. As chips become ever more embedded in our daily lives and the number of mobile and IoT devices continues to skyrocket, Optimal+ is performing a critical function to help its clients attain ever higher quality standards. KKR's deep experience in semiconductors & electronics, combined with our strong B2B software investment track-record and our global network, gives us a unique position to help Optimal+ write the next chapter of its story. We are also very excited to make our second tech investment in the world-class technology hub of Israel this year," said KKR director Lucian Schönefelder.

Automotive cyber security co Argus raises \$26m

The Israeli startup provides anti-hacking solutions for vehicles, as cars become ncreasingly connected to the internet.

Israeli startup Argus Cyber Security, which develops cyber systems for the smart car sector, has raised \$26 million. The funds will be used to accelerate the development of its cyber security products and to expand its workforce.

The latest round of funding included new three new investors: Canadian firm Magna International, which is one of the largest manufacturers of automotive parts; Munich-based Allianz, the largest insurer in the world; and Japanese financial conglomerate SBI Group.

The initial investors in Argus' first round of funding Magma Venture Partners, Vertex Venture Capital, and Zohar Zisapel also participated.

Much like watches, which have become 'smarter' in the past two years by being connected to the internet, the automotive industry has been preparing for the coming

connectivity. The "Connected Cars" category includes a variety of products which collect and analyze data on driver and vehicle behavior, calculate fuel consumption, and report on the vehicle's condition. But the integration of connected tech carries a significant risk, allowing for cyber attacks to target vehicles and even to control them.

Argus operates in this new sector, providing cyber security for critical automotive systems, like braking and steering, which are integrated into the production lines of various vehicles.

Argus was founded in 2013 by CEO Ofer Ben-Noon, CTO Yaron Galula, and VP R&D Oron Lavi.

Forbes: Israel has 100 billionaires, in shekel terms

Patrick Drahi is again the wealthiest Israeli with NIS 60 billion, followed by Eyal Ofer.

Patrick Drahi is the wealthiest person in Israel with NIS 60 billion, according to a 2015 ranking of the wealthiest Israelis by Forbes Magazine. For the first time since the list was published, all of the top 100 on the list are billionaires in shekel terms. The aggregate wealth of the 100 richest Israelis totals NIS 500 billion.

In 2001, when Forbes first published the list of the 100 wealthiest Israelis, NIS 250 million was enough for a place on the list.

Last year's threshold for the Forbes list was NIS 850 million.

Drahi also headed last year's list. His wealth surged by NIS 25 billion this year, following a 150% leap in the share price of Altice, the communications company he controls that is listed on the stock exchange in the Netherlands.

In second place is Eyal Ofer with NIS 34.3 billion, followed by the Wertheimer family with NIS 21.8 billion.

Rounding out the list of the top 10 are; Shari Arison with NIS 19.9 billion Arnon Milchan - NIS 19.9 billion Teddy Sagi - NIS 16.8 billion Idan Ofer - NIS 14.7 billion Yitzhak Tshuva - NIS 14.1 billion Haim Saban - NIS 13.6 billion Eddie and Sol Zakay - NIS 12.8 billion.

Patrick Drahi's Altice to buy Cablevision for \$17.7b

Israel's wealthiest citizen and Hot owner is now a big player in the US cable TV market.

Luxembourg headquartered telecom have confirmed. The share price of Cablevision jumped 16% in after-market trading.

Patrick Drahi, who also holds French nationality, is Israel's wealthiest citizen and his global telecom and media interests include Israeli communications company Hot and TV station i24.

Altice, which has a market cap of €24.6 billion, has been on something of a spending spree this year. Three months ago the company bought a stake in Numerical-SFR for \$4.4 billion and offered €10 billion in a failed bid to buy Bouygues Telecom. But Altice did get a foothold in the US market by acquiring Suddenlink, the seventh largest regional cable TV station for \$9.1 billion. Forbes named Drahi as the wealthiest Israeli for the second successive year, with estimated wealth of NIS 60 billion (\$15.5 billion).

Kyma Medical Technologies sold for \$35m

In January 2015, the μ Cor System Kyma received the EU CE Mark approval for monitoring thoracic fluid content, ECG, heart rate, respiration rate, activity, and posture.

With offices in California and Kfar Saba, Kyma was founded in 2008 by CTO & GM Uriel

Weinstein, former CEO Assaf Bernstein and VP Medical Affairs Dr. Michal Shohat. of ZOLL's LifeVest division.

ZOLL LifeVest president Jason T. whiting said, "The acquisition of Kyma Medical will allow ZOLL to broaden its product offerings with additional technologies designed to improve outcomes for heart failure patients with fluid management problems, with the goal of reducing hospitalizations. With the acquisition, Kyma's technology will be able to better reach global markets through ZOLL's existing network. Additionally, we expect to leverage Kyma's strong R&D capabilities as well as the broader research talent available in Israel."

Kyma president & CEO Murali Srivathsa said, "ZOLL provides Kyma with an increased infrastructure of clinical and commercial resources that will enable our technology to reach a greater number of clinicians and patients. This agreement gives Kyma the opportunity to become part of a company with a long and sustained commitment to improving patient outcomes."

Kyma chairman Guy Katsav said, "We are very proud of Kyma's technological achievements and are extremely pleased that ZOLL has decided to acquire Kyma. The strategic and cultural fit between ZOLL and Kyma represents the best opportunity to bring Kyma's innovative technologies to patients worldwide. The company began by merging with a Wall Street stock exchange shell, which acquired the patents from Hadasit the Technology Transfer Company of Hadassah Medical Organization. The company marked time on the OTC exchange for a few years. Following the breakthrough by companies like Pluristem Therapeutics Ltd. (Nasdag:PSTI).

Philips CEO: Israel has major role in our vision

Frans van Houten tells "Globes" that Philip's focus on technology for medicine means Israel will become one of its main centers.

Royal Philips will spin off a substantial part of its business in 2016. The giant concern, with annual revenue of €21 billion and a €23 billion market cap, plans to offer shares in its lighting division, which accounts for a quarter of its business. This measure is another step in the change the company has been undergoing in recent years from dealing in industrial and household electronic products (such as TVs and electric razors) to a company with a special focus on health.

Philips's products are designed to create a continuity of treatments from the hospital (where the company operates imaging systems, medical devices, and large systems for managing all of a hospital's information) to the patient's home (where the company offers home medical devices, but also consumer health products, such as a toothbrush that measures the health of a person's mouth and a refrigerator that monitors food consumption). Through this change and integration, Philips hopes to dominate the growing and flourishing digital health sector.

"The measure that we have announced splitting the company into two is dictated by our strategy," Royal Philips president and CEO Frans van Houten said in an exclusive "Globes" interview during his recent visit to Israel. "Philips today is a decentralized company, and lighting and health don't have much in common. We realized more investors could be brought by two separate companies, because they will both be large companies with a great future. At the company that will remain under the name 'Philips,' we'll focus on health from the hospital by closing the circle between treating the healthy person at his

home and integrative treatment he will get at hospitals."

The vision of integrative medicine
Israel plays a key role in this new vision
of van Houten and Philips. Philips has a
development center in Israel with 850
employees, including a CT division, but also
a medical information management division
designed to facilitate continuous monitoring of
a patient's treatment. Philips and
Teva Pharmaceutical Industries Ltd.
(NYSE: TEVA; TASE: TEVA) recently launched
a joint technology incubator, Sanara Ventures,
in which medical devices and digital medical
capabilities will be developed.

"We are already seeing how the information systems can improve efficiency at hospitals by distributing information and generating better cooperation between doctors and between doctors and patients. At a later stage, more information can make it possible to change the patient's behavior at home, and keep him from returning to the hospital. Philips is already an important player in this field, but we want to be twice as big, and to provide a complete solution."

van Houten: "Not that far. We're already carrying out pilots with several hospitals for this activity, including home support with regular monitoring of the patient, including consumption of medications and video calls with a doctor when necessary, and transferring information to the hospital about the patient's condition. Figures show a 50% drop in patients returning to the hospital, the total cost of the patient's treatment went down 30%, and patients are more satisfied. At the same time, there's no doubt that at most hospitals, even in this plan, things should be better organized, so that all the digital systems affecting the patient are better coordinated."

What will the significance of digital medicine in our lives 20 years from now?

"We will be measured in all sorts of ways such as continuous measurement of cholesterol, blood pressure, and calorie consumption, for example, including intervention by a coacher. We'll also be able to check if you have allergies, and to use our devices to purify the room in which the allergen bothering you is found. This will all happen through the presence of Philips in the home, the bath, and the kitchen. This information can be put on the cloud, and they you'll get a phone call from the doctor, who will prescribe preventative treatment for you, if necessary.

"We're already working now on products that predict a heart attack eight hours before the symptoms appear. The goal is to enable people, especially chronic and elderly patients, to live better lives. My mother is 86, and has had three strokes, because she didn't take care of herself. Today, we, her children, can keep track of her everywhere.

"Another change that will take place is that medicine will be more personalized. We'll know everything about your genome, and we'll add this information to the information we get from the monitoring devices. Philips won't be the company that decodes the your genome, but we'll be the ones to integrate your genetic information, the information from your imagining pictures, the information from the pathological analysis of a biopsy taken from you, and the information from your regular monitoring devices in order to achieve new insights about your condition."

For example, in the case of cancer, the imaging pictures can show how a malignant tumor with certain genetic characteristics develops gradually, and compare the results obtained following treatment with various drugs. An algorithm can also be used for all the genetic information, all the imaging information, and all the information about the prescribing of drugs at a given hospital. It can be seen within minutes how the tumor of a patient whose cancer reflects gene

X and has been treated with drug Y has shrunk, and which other drugs did not affect it, but did affect tumors with different genetic and clinical characteristics. The challenge is use all this information to create a picture of the situation with real significance for medical treatment. The doctors tell us, 'Don't flood me with information; give me what I need."

"Excellent knowledge of both the patient and the doctor"

Are the doctors afraid that you'll take away part of their job?

"Absolutely not, and we don't intend to.
If a doctor is keeping track of a tumor, and wants to know how it's growing, today he has to do all sorts of measurements and calculations by hand. We can make it easier for him by doing the measurement automatically, and tell him the rate of change in the tumor in a logical way, instead of simply swamping him with data."

Philips, of course, is not the only company playing in this market. Almost all the medical companies, pharmaceutical companies, and medical device companies, as well as non-medical companies such chip companies and communications companies, want to take part in the game, and they all say that their platform will lead the revolution.

Who will eventually manage the solution?

"They'll all cooperate, be we'll be the ones to coordinate the solution. We have unique capabilities in this sphere, because Philips has excellent knowledge of both the patient and the doctor. We have both a medical equipment division and a consumer products division.

"Hospitals sometimes ask us to teach them about what happens to the patient in other words, what the patient goes through from the moment he decides to go to the hospital, what happens when he gets there, his treatment, and his ensuing follow-up treatment at home. We know a lot about this because of our information systems. We already know how to make a big improvement in the process by which the patient goes through a various hospital waiting lines and waiting rooms, and to enable him to get as many services as possible in as short a time as possible, without having to go home and come back, and with having to go between departments in which he has to introduce himself again each time, and get in a new waiting line. These delays occur only because the information about managing the waiting lines is unavailable to anyone at the hospital who can use it. Shortening waiting times prevents the waste of resources and facilitates quicker medical decisions, and that's medically significant.

"Because we manage the information at hospitals and also know how to connect with the home, we believe that we'll be the ones to offer the overall solution in which the technologies of other companies will be assimilated. There's no doubt that as soon as you want to offer a complete solution, you need cooperation."

What technologies will you want to include, but don't plan to develop by yourselves?

"Sensors, miniaturization of sensors, and miniaturization in general, algorithmics, deep machine learning, new methods of drug delivery, new treatment methods for chronic diseases.

"It's also important to think about the patient's convenience. Future devices will be constantly on and connected, but also less intrusive, so many design changes are necessary. We're also cooperating with cloud computing companies - they're good at it, and we have no desire or need to reinvent the cloud. We can add our ideas to it, and applications developed by doctors.

"Just like the smartphone platform brought the world a lot of innovation from various sources, we hope to be the basis for innovation by doctors and patients. During the year, we'll present a system that will facilitate development by various parties."

AmTrust buys Delek's Republic Insurance stake for \$140m

Delek Group CEO Asi Bartfeld: This deal is another stage in the Group's strategy of focusing on the energy sector.

Delek Group Ltd. (TASE: DLEKG), controlled by Yitzhak Tshuva, has signed an agreement to sell its remaining 66% stake in US company Republic Insurance for \$140 million (about NIS 540 million).

The buyer of Texas company Republic insurance is US insurance company AmTrust Financial Services, Inc. (Nasdaq:AFSI), which will also acquire the 34% stake held by other US shareholders.

The purchase price will be a combination of \$113 million in upfront cash, a \$105 million note issued by AmTrust to Delek Group Ltd bearing annual interest of 5.75% with a four year maturity, and cash payments to be made over five years. Pending regulatory approval, the parties anticipate closing will occur during the first half of 2016.

Delek, which formerly owned 100% of Republic, received NIS 310 million several months ago for its 34% stake. Thus when the deal is completed, Delek would have received NIS 860 million for the sale of Republic, which will be recorded as capital gains in the Israeli company's financial report.

Delek Group CEO Asi Bartfeld said, "This deal is another stage in the Group's strategy of focusing on the energy sector, and selling assets not in our core operations.

Completing the deal will increase even more the cash in the company's coffers and the financing flexibility in a period of opportunity in the international energy field."

Teva acquires Gecko Health Innovations

Teva Pharmaceutical Industries Ltd. (NYSE: TEVA; TASE: TEVA) has entered into a definitive agreement to acquire Gecko Health Innovations Inc. Based in Cambridge, Massachusetts, Gecko is a privately-held company, which develops software and product solutions to aid in compliance and adherence improvement in the management of respiratory diseases. No financial details about the acquisition were disclosed.

Through the agreement, Teva will acquire CareTR, a cloud-based solution developed by Gecko Health Innovations, designed to simplify chronic respiratory disease management, connecting patients and caregivers through remote monitoring and real-time adherence tools.

Teva president of global R&D and Chief Scientific Officer Dr. Michael Hayden said, "Teva is committed to optimizing respiratory care through the development of new therapies and novel delivery systems to better serve patients living with respiratory conditions."

Teva Global Specialty Medicines president and CEO Rob Koremans said, "The acquisition of Gecko Health Innovations further enhances Teva's ability to develop and deliver truly patient-centered solutions by utilizing eConnected, data-driven technology to improve the management of respiratory diseases."

Together with Gecko Health Innovations founders, Mark Maalouf and Dr. Yechiel Engelhard, Teva will explore innovative ways to apply the CareTRx technology to its pipeline and portfolio of respiratory products to enhance clinical outcomes for patients. CareTRx is a

solution comprised of a hardware device which attaches to most metered-dose inhalers (MDIs) as well as a software program which synchronizes and stores data through an app-based user interface.

Gecko CEO and founder Engelhard said, "During the last three years, we have designed and built a system to support respiratory disease management by intuitively connecting caregivers, patients, and families. In founding Gecko Health Innovations, our vision was to connect chronic medication management into one platform, leveraging this information to support and empower patients by partnering with leading players in the healthcare and pharmaceutical industries. We are very excited to realize this vision as it aligns to Teva's focus on innovative patient solutions."

Israel's JVP raises \$80m growth fund

Jerusalem Venture Partners has raised eight funds totaling \$1.1 billion to date and was Israel's most active fund last year.

A year after completing a \$160 million financing round for its two funds, one for cyber investments and one early-stage investment fund, Jerusalem Venture Partners (JVP) is now completing another financing round totaling \$80 million - this one for JVP Opportunity VII. According to JVP's report to the US Securities and Exchange Commission (SEC), the new fund is a continuation of the previous fund raised in 2011, which is also designated for investing in mature companies on a consistent growth track.

In contrast to the fund for investing in earlystage companies, JVP managing partners Kobi Rosengarten, Gadi Tirosh, and Raffi Kesten are hoping for a quicker return on the investment, as do other recent growth funds, such as Moshe Lichtman and Haim Shani's srael Growth Partners (IGP), which raised \$250 million.

JVP has raised eight funds totaling \$1.1 billion to date. The company has scored a number of successes in recent years, including two substantial ones from the first Opportunity fund, which has made back its investment several times over by selling CyOptics to Avago Technologies for \$400 million. The fund owned over 50% of CyOptics at the time of the transaction, and therefore received a majority of the proceeds. One year later, the fund led the offering by CyberArk, which is now traded at a \$1.5 billion market cap. JVP was the also the most active Israeli fund over the past year.



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