

The Van Leer Xenia Incubator is recognized by the Chief Scientist:

Xenia Van Leer Incubator Wins the Chief Scientist's Incubator Tender

Jerusalem, Israel, November 11, 2012, Xenia Venture Capital (TASE:XENA) – the Van Leer Ventures Jerusalem and the Docor Van Leer Fund (of the Netherland based Van Leer Fund), and partners Xenia and Van Leer have announced today their joint win in the Chief Scientist's tender for establishing a technological incubator in Jerusalem.

According to Alon Dumanis, CEO of the Docor Van Leer Fund and Chairman of the partnership: "The Van Leer Xenia partnership's win of Chief Scientist's tender is a vote of confidence in the new partnership, which will open for entrepreneurs the door to the experience, professionalism and business networks – both in Israel and abroad – of the Van Leer and Xenia incubators, as well as to their financial resources. The Van Leer Xenia partnership brings together three experienced and successful partners – Xenia Venture Capital, the Jerusalem Development Authority and the Docor Van Leer Fund, enabling us to offer Israeli entrepreneurs the best opportunity to realize their dream and establish a successful company in an environment of excellence. We will strive to realize our vision to create a leading international center, in Jerusalem, which will nurture global, innovative, high tech companies and become the most powerful center of gravity for any entrepreneur and investor in Israel".

According to Anat Segal, CEO of Xenia and CEO of the Partnership: "I am very proud of the recognition and the significant achievement of our newly formed partnership. I have no doubt that the Chief Scientist has made an in depth evaluation of our achievements future strategic plan. Over the next eight years, as part of the new franchise, we will continue to invest in companies in the fields of medical devices, IT, industrial applications and materials. The partnership between Xenia and Van Leer brings new abilities to the incubator field and represents a refreshing opportunity for the industry and investment sectors, especially for seed stage companies. I believe that the partnership – through its experience, team and financial robustness – will generate an optimal habitat for successful companies, creating value for its shareholders".

The Xenia and Van Leer incubators formed a new partnership, held by the Van Leer incubator – 50% (which is controlled by the Docor Van Leer Fund, together with the Jerusalem Development Authority), and by Xenia Venture Capital – 50%. The partnership placed a bid as part of the competitive procedure for winning a franchise to establish a technological incubator for the Chief Scientist in the Jerusalem district. The new entity has been named Van Leer Xenia. The partnership is part of strategic cooperation between Xenia, the Docor Van Leer Fund and the Jerusalem Development Authority. According to the agreement between the parties, the partnership will operate a technological incubator which will also serve as a seed investment arm for each partner. The partnership will invest in Jerusalem based technological start ups in the fields of ICT (communications, internet, software), medical devices, materials and industrial applications.

The partnership between Xenia and Van Leer will create an experienced consortium of shareholders, a managerial team and experts in various fields, which will cooperate for success. The shareholder consortium includes the Docor Van Leer Fund and the Jerusalem Development Authority, which will jointly control the Van Leer Incubator, as well as the Mer

Group, the Fishman Group and leading institutional investors, which are amongst Xenia's shareholders. These entities will join forces, creating significant power as well as value for shareholders.

About the Docor Van Leer Fund:

The Docor Van Leer Fund is an Israel based investment company for the Van Leer Group, which operates the Van Leer Ventures Jerusalem technological incubator with the Jerusalem Development Authority. The Docor Van Leer portfolio features a varied investment portfolio, which includes companies from the fields of medical devices, biotechnology, communications, software, materials and the internet, in all stages of life – from seed investments to mature companies. The Docor Van Leer fund is based in Jerusalem, where it conducts extensive activity with the Jerusalem Development Authority, the Hebrew University and the Jerusalem College of Engineering. The Docor Van Leer fund is headed by Dr. Alon Dumanis. For more information about Docor, please visit www.docor.com.

About Xenia Venture Capital

Xenia Venture Capital (TASE: XENA) is a publically traded investment company that invests in seed stage startups, nurtures, and escorts –and them through their various stages of development, leading them to become viable, independent and successful high-tech companies in the areas of IT, Internet, mobile and Medical Devices. Xenia invests first via its technological incubator, benefiting of funds from the office of the chief scientist of the State of Israel (OCS), and then via follow on investments in its portfolio companies. Xenia's goal is to increase value of its holdings, to successfully materialize its investments, and to continue to create new startups, in an evergreen model.

Among Xenia's founders and main shareholders C. Mer Industries, Mivne Taasia (of Fishman Group), leading institutional investors including IBI, Menora Insurance Group, Dash Apax, Anat Segal (CEO), and others. Xenia's Board of Directors and Advisory Board comprise of highly successful entrepreneurs, academia and high-tech industry executives, including Tal Menipaz, Haim Mer, Dr. Orna Berry, [Prof. Gaby Barabash](#), Roni Einav, Aki Ratner, Gideon Mantel, Dr. Yafit Stark, [Prof. Yossi Shacham](#), and others

Since its inception in 2003, Xenia Venture Capital has invested in more than twenty five companies, many of which have completed follow-on investment rounds, launched products in global markets, reached significant sales and profitability, and formed valuable strategic partnerships. Leading IT portfolio companies include, among others, [Correlix](#), Arcos, BandWD, Safepeak, Superfish, M-Photo, Intuview, Playcast, SAManage, BookPulse and Saguna. In the medical device field, Xenia has invested in BioProtect, NeatStitch, Medi-tate, Polypid, ActiVein, Xenolith, and OrthoSpace. For more information, Please visit our website at: www.xenia.co.il.