



YDreams closes €8.5 million round of funding led by Grupo Espírito Santo

Portuguese technology solution provider YDreams announced today that the company closed a 8.5 million Euro round of venture capital funding led by *Grupo Banco Espírito Santo* (BES). BES acquired a 15% stake in YDreams and will detain two non-executive chairs on the company's board, which consists of a total of seven directors. The investment, funded by ES Tech Ventures, a wholly-owned subsidiary of Grupo BES, follows shortly after YDreams increased its start-up capital and aims to strengthen the potential the company has demonstrated characterized by world-leading technical expertise and conceptual innovation in high-growth markets. American venture capital fund Herrick Partners, headed by Edward D. Herrick and focused on IT and biotech, has joined BES in this round of funding with a smaller stake in YDreams. The total funding will support product development, marketing, sales and international expansion into new strategic territories, namely Europe, China, the United States and South America.

YDreams develops pioneering products, customized solutions and services for four major markets, through independent divisions:

YDreams Advertising focuses on new interactive advertising platforms which enhance brand experience by strengthening product perception and brand value. Solutions include interactive store shelves, virtual walkways and a pioneering line of outdoor interactive displays.

YDreams Entertainment has released a series of industry-first mobile games and applications, including *Undercover* (the world's first mobile location-based MMOG), *Undercover 2: Merc Wars*, *Spooks Mobile* (breakthrough mobile online game based on the hit BBC UK series), *Lex Ferrum* (massively multiplayer online game using Bluetooth), and *The Cube*, an award-winning solution allowing real-time interaction between mobile phones and giant outdoor displays.

YDreams Education & Culture specializes in innovative products and applications for museums, cultural institutions, heritage and educational services. Products include wireless solutions for museums, interactive installations and *Virtual Sightseeing*, a patent-pending scenic viewer with Augmented Reality features, allowing seamless exploration of virtual elements over real environments.

YDreams Environment develops technology-based products and services that allow companies in environmental sectors to improve processes and facilitate access to relevant information in real-time. The division's flagship product is ***I-Garment***, a full-bodied suit developed for the European Space Agency to enhance security for fire brigades. The suit is equipped with sensors that monitor fire fighters' individual location, position, vitals signs and deliver information in real-time via satellite to a remote command center.

Product development is supported by YLabs, the company's Research and Development unit, which specializes in ubiquitous computing, augmented reality, image processing, geographic information systems and environmental engineering, among other innovative research fields.

ES Tech Ventures' investment in YDreams is part of the group's ongoing strategy to support entrepreneurship and innovation within the fabric of the Portuguese economy. The venture capital firm specializes in funding cutting-edge ventures and in 2005 launched a program involving nine of Portugal's most renowned educational institutions, which foster academic involvement in five pivotal sectors of strategic activity for the nation's development.