

FIRST INVESTMENT

BGF makes first investment in fast growing software company

Business Growth Fund (BGF), established to help Britain's fast growing smaller and medium sized businesses, has made its first investment in Benefex, a software company providing online employee reward and benefit schemes. Benefex enables organisations to tailor their rewards and benefit packages to individual employees, communicate effectively online with staff, and outsource the administration and support of their schemes.

BGF invested £4.2m of growth capital in Benefex for a minority stake. With over 50% growth year on year, Benefex continues to expand rapidly with turnover approaching £10m in 2012.

The company currently provides services to over 500 clients, managing online benefits schemes for over 1 million employees in more than 40 countries.

Its clients include the AA, Coca Cola, Bank of America, De Beers, E.ON, Philips, MTV and Centrica.

This market is worth in the region of £100m and is growing at about 9%. Service providers offering a fully outsourced solution based on leading edge technology, as Benefex does, are growing at an even faster rate.

As a result of this investment, Benefex expects to create a further 70 jobs in Southampton, Marlow and London. ■

- New pensions auto-enrolment product to be launched in 2012.
- Continued investment in people and infrastructure needed to meet demand.
- Opportunities to expand into the US with existing customers.



INVESTMENT DATE

6 October 2011

OFFICE

Bristol

PEOPLE

Paul Oldham
Erin Hallock
Rodney Appiah

SECTOR

Software

EQUITY INVESTMENT

£4.2m

NUMBER OF EMPLOYEES

60

TURNOVER

£5-10m

COMPANY LOCATION

Southampton



Paul Oldham, BGF Regional Director (left) and Matt Waller, CEO Benefex (right).

“We are entrepreneurial and ambitious, and we recognised that the business had reached the point where we needed external capital to take it to the next level and invest in key areas. Having grown the business from startup, it was critical for us to find the right partner. We chose to work with BGF because we felt that they shared our enthusiasm and ambition and offered more than just money. Advice, guidance and contacts will be invaluable.” **Matt Waller**, CEO Benefex

GET IN TOUCH

The Business Growth Fund has been established to help Britain's fast growing smaller and medium sized businesses. Growth potential is the key criteria. The BGF will invest between £2m and £10m per business in return for a minimum 10 per cent equity stake and a seat on the board for a BGF director. BGF has up to £2.5bn to make long-term equity investments in many growing companies across the UK that today do not have access to this source of capital.

The BGF is an independent company, backed by five of the UK's main banking groups – Barclays, HSBC, Lloyds, RBS and Standard Chartered. The BGF also works closely with other key business organisations.

The BGF has specifically been set up on a local basis to be close to the businesses we invest in. If you want to understand more or talk about how we might support your business or your clients please get in touch. ■

TELEPHONE

Birmingham 0845 266 8862

Bristol 0845 266 8864

Edinburgh 0845 266 8863

London 0845 266 8860

Manchester 0845 266 8861

WEBSITE

www.bgf.co.uk

EMAIL

enquiries@bgf.co.uk

TWITTER

Twitter @bgf_team

The BGF is one of a range of initiatives designed to forge a new relationship between the banking sector and UK businesses, and the BGF works in close collaboration with the British Bankers' Association as well as other key business organisations and government across the UK.