

MATRIX PRIVATE EQUITY PARTNERS BACKS IGLU.COM SECOND DEAL IN 4 DAYS

The small buyout market is open for business for Matrix Private Equity Partners (Matrix) which just has completed its second new investment in 4 days – its fifth deal since the summer!

Matrix has invested £4.3m in the management buyout and recapitalisation of Iglu.com, the UK's largest specialist ski and fastest growing cruise holiday travel agent. Matrix provided both the equity and the debt for the transaction.

Iglu.com founder and managing director, Richard Downs, identified the potential for an internet travel agency specialising in ski holidays in 1998. In 2005 Iglu.com entered the cruise holiday sector, where it saw a growing niche market that lacked specialist, independent agents and a high quality online offer.

Mark Wignall, chief executive of Matrix Private Equity Partners said: "Amidst a dearth of M&A activity the small buyout market wheel keeps on turning. Businesses in the UK need the funding to grow and MPEP is finding that there is huge opportunity within the small buyout space, having completed three investments and two exits since the summer."

Guy Blackburn at Matrix who led the deal, commented: "MPEP specialises in backing quality companies with quality management teams. We invested in Iglu.com because it is solid and cash generative, with a strong management team that have a successful track record of building a profitable, niche business.

"Already very successful in the ski market, Iglu.com is increasing market share in the high growth cruise sector due to its unrivalled, high quality service and fast sustainable growth. It is now one of the top 10 cruise providers in the UK."

Richard Downs commented: "There was significant interest in our business from both trade and private equity. We chose Matrix because of their collegiate approach and for their pragmatic, strategic advice. It is also for this reason that substantially all of our existing investors have decided to retain some level of shareholding in the business. We all look forward to developing Iglu.com to its full potential in the next few years."

Based in Wimbledon, South London, Iglu.com employs more than 95 people. Iglu.com's cruise sales have doubled year on year and this growth looks set to continue. Overall, repeat businesses and referrals from satisfied customers, plus an increasing share of the growing cruise market, are helping Iglu.com secure total sales of £45m this year, up from £38m last year.

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Matrix Private Equity Partners LLP ['Matrix']

Matrix is a leading VCT Manager in the UK, advising £115 million VCT Funds under Management across five Income & Growth VCTs. Its MBO focus and success was recognised at the unquote” British Private Equity Awards 2008, where Matrix won the award for “VCT Manager of the Year”. MATRIX is a stable, experienced team with an excellent record of realisations. Over the past two and a half years, eight separate cash realisations have been achieved by MATRIX, returning £41.5m, a 3.1 X multiple of the £13.3m cost. They are Holloway White Allom (5.0x), BBI (3.3x), Ministry of Cake (2.5x), Ruskin (3.0x), Apollo Lifts (3.0x), Gyro (3.0x), Tottel (4.0x) and Pasta King (3.2x).

Since 2004, Matrix has raised £85m for its Income & Growth VCTs. Matrix Private Equity Partners LLP is jointly owned by its investment team and Matrix Group.

Matrix Group

Matrix Group is a privately owned financial services business founded in 1987 whose areas of expertise include Asset Management, Corporate Capital, Property and Specialised Finance.

Matrix Group Limited is the holding company for the following business activities:

ASSET MANAGEMENT

Alternative Funds of Funds

Cash Funds

Hedge Funds

Private Client Investment Management

Private Equity

VCT Services

CORPORATE CAPITAL

Broking

Corporate Finance

Market Making

Primary and Secondary Issues

Research

PROPERTY

Development

Investment

Management

SPECIALISED FINANCE

Alternative Energies

Private Equity Fund Placement

Project Finance

Structured Finance

To date, Matrix has raised around £7.5 billion for its investment products and currently has over £2.5 billion of funds under management.

Matrix's staff of around 200 are based in the West end of London, at One Vine Street, W1.