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MATRIX PRIVATE EQUITY PARTNERS LAUNCH NEW £21 MILLION VCT FUNDRAISING

- ***Advantageous time in the economic cycle to be making venture capital investments***
- ***Lower risk investment strategy***
- ***Dividends provide attractive tax-free income***

Matrix Private Equity Partners (Matrix) launches a new £21 million linked fundraising across three VCTs it manages. The offer has similar attractions to the first Matrix linked offer last year, which proved to be popular with investors and raised, in aggregate, £16.2 million.

Mark Wignall, CEO believes that Matrix is well placed to benefit from improved investing conditions; making this offer an interesting and lower risk proposition for VCT investors: "The VCTs have a target annual dividend of 4 pence which is tax-free. From time to time, investment realisations can produce much higher dividends and our Income & Growth VCT is paying a market leading 24 pence dividend this year."

2011 was a very good year for Matrix, which saw the team complete 7 transactions. These include Motorclean, a car valeting company operating at around 300 sites in the UK, Equip Outdoor Technologies, owners of the RAB outdoor equipment and clothing brand, EMaC the UK's leading provider of car service plans, Original Additions, a leading beauty accessories business which sells eyelash collections including those designed by Girls Aloud and software firm App-DNA which generated a return of over 30 times the original investment.

The linked offer is open for investments of between £5,000 and £200,000 to be divided equally across the three VCTs: Matrix Income & Growth VCT, Matrix Income & Growth 4 VCT and The Income & Growth VCT. The linked offer provides access to the established portfolios of all three Companies, which represents a significant asset pool of approximately £125 million with a portfolio of over 50 companies. The VCTs' established portfolio offers a greater likelihood of a better dividend flow sooner.

Wignall believes that Matrix's generalist approach to investing; coupled with a focus on MBO transactions will make the issue an attractive proposition to investors. "The leading generalist VCTs will be popular this year because they can demonstrate good performance track records, significantly increased levels of tax free dividends and they actively manage their buy back and discount policies. Generalists are getting much better at ensuring that continuing and departing customers have a good experience with this product."

Matrix has a proven track record of investing successfully. Previous fundraisings for the three linked VCTs have provided annual returns for investors in excess of 8.9% per annum.

Matrix is offering an incentive for 'early bird' investors, whereby the first £4 million of applications will receive additional shares of an extra 1.25% for investors who invest before 29 February 2012.

The launch follows the announcement last week that the executive partners of Matrix have reached agreement to acquire Matrix Group's interest in the business which will result in the executive partners acquiring control of Matrix to create a fully independent firm. There will be no change to the existing VCT team, investment strategy or any impact on existing VCT shareholders.

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- Ends -

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Matrix Private Equity Partners LLP ['Matrix']

Matrix is a leading VCT Manager in the UK and has a focus on MBO transactions. Matrix advises four Income & Growth VCTs with £140 million Funds under Management. Matrix is a stable, experienced team with an excellent record of realisations. In recent years, cash realisations achieved by Matrix have included App DNA (32x), DiGiCo (4.4x), Original Additions (4.2x cost), Holloway White Allom (5.2x), 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).

Matrix Group

Matrix Group is an established, privately owned and independent financial services business founded in 1987. Matrix is focused on advising clients, raising funds and management of assets. Matrix's range of activities encompasses hedge funds, UCITS, private equity and property. In addition, Matrix provides specialist corporate finance and fund raising advice primarily concentrating on energy, clean tech, renewables and real estate clients, as well as a fully integrated service to investment funds clients (market making, sales, research, corporate broking and corporate finance). For more information, visit www.matrixgroup.co.uk.