

Press Release

The Capital Fund Invests £1/4 Million In Solcara

Solcara Limited - one of the UK's leading information, knowledge and content management software businesses - has secured venture capital investment from The Capital Fund, the Regional Venture Capital Fund for London.

Solcara has developed a unique suite of software solutions that enables all types of organisation to profit in the knowledge economy. With over 80 blue chip clients, Solcara has already demonstrated its ability to deliver a very rapid return on investment. Customers range from the Metropolitan Police to WPP Group, Thomas Cook to Kingfisher, and Novartis to Carlton TV, demonstrating the appeal of Solcara's software products to a very broad range of business sectors.

Founded in March 2001, Solcara has established a solid reputation for the fast and cost-effective delivery of innovative and high quality knowledge management solutions. The company has developed unique information extraction technology which allows Solcara software to easily find that "needle" of pertinent knowledge in an increasingly overloaded "haystack" of information.

According to Solcara's MD, Ray Jackson: *"In the next 12 months, we aim to grow reference sites for Solcara software across a number of key business sectors and to use these reference customers as a springboard for developing export sales. Over the past year, Solcara has been winning an average of two new major customers each month and much of this new business has been a result of existing customer referrals. The investment from The Capital Fund will enable Solcara to enhance our software to meet the developing needs of our customers who operate in increasingly competitive and complex information driven world."*

Jackson continued *"Everyone at Solcara is very excited about the future for our company; we have a fantastic customer base, world leading technology and now the funding which allows us to really focus on growing the business."*

The Capital Fund is managed by London Fund Managers (LFM), a division of Yorkshire Fund Managers Limited, and sponsored by the London Development Agency. Investment Manager Mike Kennedy of LFM comments: *"Solcara has developed some unique technology which demonstrates that UK companies can lead the world in this vitally important area of information management. With an excellent management team and an already impressive client list, Solcara has the capability of becoming a significant player on the world stage. Our investment will help Ray and his team fund on-going development of the software and to ramp up the sales and marketing effort."*

LFM was advised by Charles Severs and Simon Dinning of Shaw Pittman. Charles Severs commented *"LFM has developed a very streamlined and effective process for investing and Shaw Pittman is delighted to be able to work with the LFM team closely to complete transactions quickly and pragmatically."*

Solcara were advised by Denton Wilde Sapte. Denton Wilde Sapte has acted for Solcara since the company's inception in March 2001.

Note to Editors:

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The Capital Fund

The Capital Fund can invest in companies based in the 32 boroughs of London and the City. Initial investments can be up to £250,000 and the fund has the ability to invest a further £250,000 after at least 6 months. Under certain circumstances, the fund can invest up to £5m.

The Capital Fund is a £50m Regional Venture Capital Fund managed by London Fund Managers (LFM). The fund has a mixture of public and private sector investors and is sponsored by the London Development Agency. LFM is investing the fund in high potential London-based SMEs in order to achieve a commercial return for the fund's shareholders. The fund was launched in 2002 and will be invested over a period of six years.

When assessing a company for investment, LFM looks for:

- **strong, balanced management teams**
- **clear customer needs for the product/service offered**
- **convincing sales, marketing and fulfilment strategies**
- **potential for high growth in sales, profits and shareholder value**



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