

Welcome to our December newsletter.

We are currently investing our Venture Fund, the Bridges Social Entrepreneurs Fund and the newly-launched Bridges Sustainable Property Fund. If you know of suitable opportunities, we would love to hear from you.



Venture Funds

Invests up to £10m in growth businesses based in regeneration areas and sustainable business sectors such as education, healthcare or the environment.



Sustainable Property Fund

Invests in properties in regeneration areas and environmentally sustainable buildings.



Social Entrepreneurs Fund

Invests in social enterprises with a clear mission to create social impact which may lead to reduced shareholder returns.

NEW INVESTMENT FOR VENTURE FUND

Babington Business College

Bridges Ventures has backed the management buy-in of Babington Business College, an East Midlands based vocational training company with a turnover of £2.4m.

The College has seven training centres and will provide Bridges Ventures with an opportunity to build on our strategy of pursuing investments in the education sector, along with the healthcare and environmental sectors, in under invested areas. Over two thirds of Babington's current training centres are based in Bridges Ventures' target areas.

Babington provides Learning & Skills Council funded apprenticeship training in accountancy, business administration and financial advice and has a diverse employer base. The company attains high learner achievement rates and strong Ofsted ratings.

Chris Payne, the new Managing Director of the company, is highly experienced in the government-funded training sector and he will be joined by Frank Lord as Executive Chairman, who is currently Chair of the Derbyshire Education Business Partnership and of the North Nottinghamshire and North Derbyshire Skills Board.

Anne-Marie Harris, Investment Director at Bridges Ventures said:

"Babington Business College offers us the perfect opportunity to build on our strategy of pursuing educational investments. This investment allows us to make a substantial commitment in the vocational training sector which has significant growth opportunities."

"We have invested to acquire Babington with a commitment to invest further when appropriate consolidation opportunities are identified. We look forward to working with the new management team."



PORTFOLIO NEWS

The Gym opens in Liverpool and Manchester

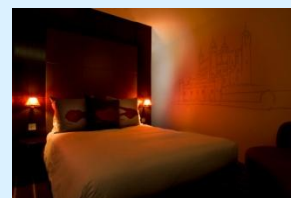
The Gym provides low cost health and fitness facilities in purpose-built gyms which are open 24 hours a day.

The Gym has recently opened in Liverpool and Manchester, bringing its affordable gym facilities to the North! The Gym now has five sites nationwide, with many more in the pipeline.



The Hoxton is awarded Best UK Hotel at Guardian and Observer Travel Awards

The Hoxton Hotel, a high quality, limited service boutique hotel, has won the prestigious Best UK Hotel Award at the 2009 Guardian and Observer Travel Awards.



BRIDGES VENTURES NEWS

Sustainable Property Fund launched

Last month, we announced the first closing of our new Sustainable Property Fund with initial equity commitments of £26m. With the use of gearing, this gives the Fund an immediate investment capacity of over £50m.



Simon Ringer, Managing Director, Sustainable Property Fund commented:

“The financial backing that we have received from a wide range of investors at this first closing demonstrates that there is demand from an increasing range of investors who seek to support property projects that generate positive environmental and regeneration impact, without compromising financial returns.”

For more information, visit www.bridgesventures.com.

Social Entrepreneurs Fund makes first investment

Call Britannia is a pioneering UK contact centre business that aims to provide sustainable employment for the long-term unemployed, as well as a high-quality service to customers.



The Bridges Social Entrepreneurs Fund has committed to invest £500k alongside investments from Big Issue, the Future Jobs Fund and the management team.

For more information, visit www.callbritannia.com.

New Investment Director joins Venture Funds team



We are pleased to welcome Stewart Baird to the Venture Funds team. Stewart joined Bridges Ventures from the Virgin Travel Group where he managed a portfolio of specialist businesses, created from a combination of start ups, acquisitions and joint ventures.

Stewart has a wealth of experience managing businesses in e-commerce, retail and broader consumer propositions across both SME and blue chip organisations. He joins us to focus on the Leisure and Consumer sectors.

Bridges Ventures becomes a signatory to the UN Principles of Responsible Investment



Bridges Ventures has recently become a signatory to the United Nations Principles for Responsible Investment. The voluntary principles provide a useful framework for incorporating environmental, social and governance (ESG) issues into mainstream investment decision-making and ownership practices.

The Principles are very much aligned with Bridges Ventures' investment philosophy and we believe that it is vital to be part of this ground-breaking effort to promote sustainable investing.

For more information, visit www.unpri.org.

We are keen to meet corporate financiers, private equity houses, banks and entrepreneurs who may have deals now or in the future. If you would like to meet one of the team, please contact the appropriate person below by email or call 020 7262 5566. We would welcome the opportunity to discuss investment opportunities within our key regions and/or sectors.

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