

PRESS RELEASE

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Release

Immediate

The Capital Fund Invests £100,000 in
Quotient Diagnostics Ltd



*“The diagnosis, treatment and management of diabetes
and associated diseases”*

The Capital Fund, the Regional Venture Capital Fund for London, which is sponsored by the London Development Agency (“LDA”) has today announced that it has invested £100,000 in Quotient Diagnostics (“Quotient”), creators and manufacturers of diagnostic tools for assisting the treatment of diabetes.

Quotient, which was incorporated in December 2002, is developing an instrument to provide low-cost, immediate and accurate measurement of glycated haemoglobin in blood samples. The diagnosis, treatment and management of diabetes and associated diseases can be significantly improved by using the information provided from the measurement of glycated haemoglobin levels in blood samples.

Current techniques require the separation of haemoglobin into glycated and non- glycated fractions before taking measurements. This is a complex procedure that can easily lead to errors. Quotient’s method uses the fluorescent

properties of a patented reagent to pinpoint the glycated fraction without the need for a separation method.

Diabetes is becoming a worldwide epidemic, now known to affect around 150 million people, and rising inexorably. It is strongly associated with obesity and increasingly affects children and adolescents. Over half the diabetics in the world are believed to be undiagnosed.

David Chatterton, Chief Executive of Quotient commented today:

“We are delighted to have been given this level of support by The Capital Fund and believe that this level of funding will allow us the opportunity to continue the successful development of our product”

The Capital Fund, which is managed by London Fund Managers (“LFM”), will be investing in Quotient alongside two other financial institutions, NESTA, the National Endowment for Science, Technology and the Arts (www.nesta.org.uk), the organisation that champions UK creativity and innovation, and GEIF Ventures (www.geifventures.co.uk), a £2.5 million co-investment fund within the NW Brown Group. A number of private individuals will also be investing.

Ian Cameron, Investment Director of LFM said today:

“We are delighted to be taking part in this exciting new phase in the growth of Quotient, which is a company we believe has huge growth potential. We believe that the Management team at Quotient has the experience and commitment to realise the full potential of the opportunity.”

ENDS

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Note to Editors:

London Fund Managers

The Capital Fund is operated by venture capitalists, London Fund Managers (LFM), a division of Yorkshire Fund Managers Limited (YFM). YFM is authorised by the Financial Services Authority and is a member of the British Venture Capital Association. The Capital Fund is sponsored by the London Development Agency (LDA). The Fund's investors include the European Investment Fund, Barclays, Royal Bank of Scotland, local pension funds and the Department of Trade and Industry's Small Business Service. The fund will be invested over a period of up to five years in fast-growing SME businesses based in Greater London.

The Capital Fund

The Capital Fund (www.thecapitalfund.co.uk) can make an initial investment of up to £250,000, usually for a minority equity stake in the companies backed. The fund is a key element in the Government's Regional Development Funds initiative aimed at stimulating private sector investment at the smaller end of the venture capital market. Whilst there is no shortage of venture capital in the UK to fund major deals, there are only a handful of funds willing and able to invest under £1 million.

LDA

As one of nine Regional Development Agencies in England, the LDA is playing a pivotal role in ensuring the success of the Capital Fund. As well as sponsoring the Capital Fund, the LDA is developing networks and providing links to organisations that can deliver key skills and experience to promote the growth of the businesses once they have received investment.