

GEIF VENTURES MAKES ITS FIRST CO-INVESTMENT

Reality Telecom benefits from £100,000 match funding.

GEIF Ventures, a major new investment fund set up in April 2003 and officially launched in Cambridge today by Nigel Griffiths MP, Minister for Small Business to match the investments made by business angels has announced that it has made its first investment. Reality Telecom, which develops call handling products for SMEs and already has over 1000 users in the UK, has received £100,000 as part of a £225,000 second seed funding round to develop its business.

The GEIF Ventures Fund will provide investments in young companies matching the investments made by business angels. The aim is to help early stage companies seeking to attract small scale private finance and to give investors a greater level of comfort as their risk is shared. Additionally, the investment power of business angels is increased allowing them spread their capital and expertise to a larger portfolio of companies.

Applications to the £2.5 million GEIF Venture Fund can only be made after an offer for investment is made by members of the Great Eastern Investment Forum (part of N W Brown Group), one of the country's foremost early-stage investment networks.

Reality Telecom designs, builds and markets call handling services to smaller businesses. The company's first product Call Navigator® provides SMEs with the "virtual switchboard" services enjoyed by larger organisations but in a simple, inexpensive and controllable way.

Simon Slater-Thomas founder and CEO of Reality Telecoms says "Call Navigator is a terrific product and is already bringing many benefits to many growing businesses, by helping them to enhance their image and service. We've spent the past year developing

and refining it with our original private funding, and needed a new boost of cash to allow us to market it effectively. The GEIF Venture Fund will enable us to exceed our growth goals for the year and build presence in our target markets. We're delighted to be the first investment made by the GEIF Venture Fund and look forward to feeding back the success story which this investment will enable, as it unfolds."

Reality Telecom presented to members of the Great Eastern Investment Forum in March 2003 and immediately drew considerable interest from its business angel members.

Nigel Brown, Chairman of NW Brown Group of which the GEIF Venture Fund and Great Eastern Investment Forum are part says:

"I am delighted that the Fund has made its first investment and in a business with such good growth potential as Reality Telecom. I am convinced that match funding is the way forward for early-stage investment groups and that The Great Eastern Investment Forum and the GEIF Ventures Fund is helping to pioneer that concept."

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June 2003

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