



## MEDIA RELEASE

Cambridge – 3rd December 2008

### **Digital Healthcare raises further £2.6million funding**

Digital Healthcare today announced the acquisition of a further £2.6million in funding from its venture capital backers to fund expansion of its core products and services in its existing markets and to broaden the Company's International presence.

Alliance Trust, a British investment firm, led this third round of funding from existing investors. YFM Private Equity and the Noble Group, both also based in Great Britain, and Paris-based Elaia Partners joined in the round. The Company has raised nearly £7.2 million to date.

John Morrison, Director of Alliance Trust Equity Partners, commented "The problems that Digital Healthcare's products address are clearly global ones, we're looking for the company to grow and develop and become a major international player."

Mike White, Investment Director YFM Group says "As the original backers of Digital Healthcare, YFM has seen the business develop to become the leading provider of diabetic screening software to the National Health Service. Following its success in the UK, the company is now rapidly building a position in the emerging and much larger US diabetic retinopathy screening market. With a world class management team and software to match, we are confident that Digital Healthcare has a very bright future ahead."

Digital Healthcare provides software and related services for very large scale population eye screening and technology to manage information and images in clinical ophthalmology. In the UK care of over 1million diabetic patients is managed using Digital Healthcare's OptoMize product with 39 regional Diabetic Retinal Screening Schemes providing screening to their patient populations to detect early and previously undiagnosed signs of diabetic retinopathy and other causes of blindness.

In the US the Company's Retasure service to detect signs of retinopathy in diabetic patients is used by nearly 900 physicians in 19 states. Digital Healthcare's OcuLab product is used by some of the World's

leading Ophthalmology Departments, including The Wilmer Institute in Baltimore MD, to integrate clinical instruments and distribute information across their institutions.

Digital Healthcare's award winning products are built on Microsoft's .Net and SQL Server technologies delivering powerful, scalable functionality in a secure and future proof environment.

This additional funding from the existing investors will allow Digital Healthcare to capitalize on its core product functionality and platform flexibility to position itself for the delivery of services used in the screening and diagnosis of other major conditions.

Mike O'Leary, Chief Executive of Digital Healthcare, commented "The Company's success to date in developing functionally rich software solutions based on leading edge Microsoft technology has been proven by the many implementations that we have. This additional investment will allow us to grow and develop into other territories and sectors of the healthcare market internationally"

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**About Alliance Trust Equity Partners:**

ATEP is the private equity arm of Alliance Trust PLC and invests Alliance Trust's assets in line with its private equity strategy. ATEP is looking to build a diversified portfolio of quality European private equity assets. ATEP benefits from the permanent source of capital on the Alliance Trust balance sheet and is seeking to invest up to £500m in private equity funds in the UK and Europe. The total level of commitment to private equity funds will be driven by the drawdown profile of the funds and Alliance Trust's asset allocation to private equity.

ATEP has an experienced investment team with nearly 50 years combined private equity experience and believes it offers a differentiated fund investment and co-investment strategy through its proactive manager identification and the team's direct private equity background. ATEP currently has a total exposure of c£250m to private equity with a mix of private equity funds and quoted private equity holdings.

For further information visit [www.alliancetrust.co.uk/equitypartners](http://www.alliancetrust.co.uk/equitypartners)

**About YFM Group:**

From ten regional offices the YFM Group, through its two FSA regulated investment arms YFM Venture Finance and YFM Private Equity, manage over £300 million of funds for both institutional and retail clients. Investors include UK clearing banks, pension funds, private individuals, large corporates, the European Investment Fund and local, national and European governments combined with the Regional Development Agencies.

**YFM Group is the growth business investment specialist and has been the UK's most active investor in SMEs over the last 5 years** (as verified by the Venture Capital Report).

YFM Group in the last 12 months invested £42m in 112 businesses across the UK

For further information visit [www.yfmgroup.co.uk](http://www.yfmgroup.co.uk)

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## **E**laia Partners

Elaia Partners is a French independent private equity boutique with a special focus on software technologies.

Elaia Partners currently manages €50 million through Elaia Ventures, a French FCPR fund backed by a diverse range of LPs – financial institutions, industrials and family offices. We typically invest between €1 and €2 million, alone or through syndicated rounds, allocating some additional financing to the future financing needs of the company. We invest mainly in France, Spain and the UK.

Since 2002, Elaia has been run by its founding team, four professionals with over forty years of cumulative experience in technology private equity or in operational roles in technology companies. Elaia currently holds sixteen companies in its portfolio.

For further information, visit [www.elaia.com](http://www.elaia.com)