

PRESS CUTTINGS

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Nexus picks peach of a deal

An initial investment of £1.57 million could transform the fortunes of **Nexus Management (NXS:AIM)**, as the IT managed services expert has forged a presence in the massive US consumer market.

In October, the £6.1 million company snapped up a near 24% stake in California-based PD Financial, which under its Peach brand sells electronic items to consumers, backed by the muscle of GE's credit financing arm.

Under an exclusive three-year deal, PD

will sell Nexus' IT services in a package with branded PCs. Consumers pay \$120 up front for 120 minutes of support a year, with an option to renew the service when it expires.

Peach sold nearly 1,400 PCs alone and around a third took the package option, so the cash is already rolling in.

'Our first goal is 1,000 customers,' CEO Roger Richardson tells *Shares*. 'Then we can measure what we need in terms of sales, service and marketing, and we will provide updates on our progress in January [full-year numbers] and at February's AGM'.

Nexus will bag 24% of all of PD's sales and earnings, and this should neatly supplement Nexus's core expertise in the small and medium enterprise market. The company, which has a data centre in Maine and a callcentre in Scotland, provides helpdesk facilities, but has also developed email, file sharing and call recording and storage facilities for its customer base, who pay £20 per user per month.

■ **Shares says: PD could throw off huge amounts of cash and leave Nexus looking very cheap.**