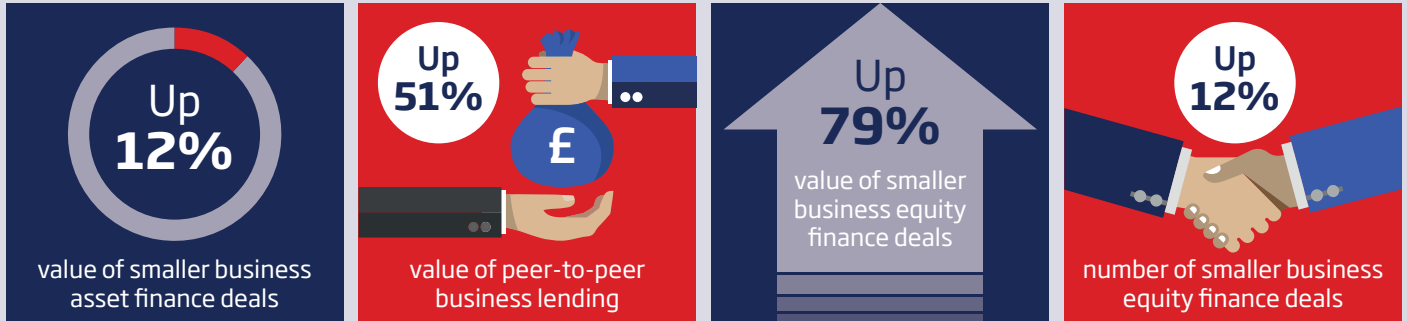


SMALL BUSINESS FINANCE MARKETS REPORT 2017/2018



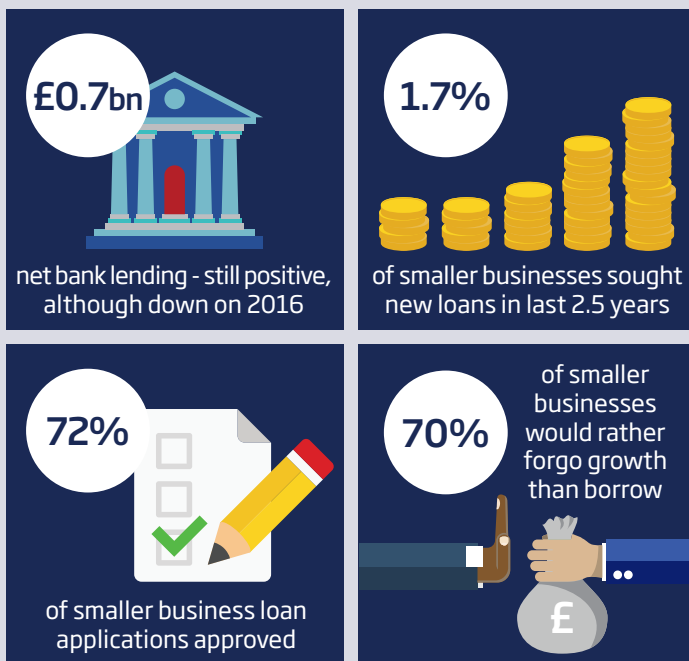
SMALLER BUSINESSES' USE OF FINANCE DIVERSIFYING IN 2017/18



A THRIVING START-UP CULTURE



THE BANK LENDING PICTURE



REGIONAL IMBALANCES IN EQUITY INVESTMENT



SCALE-UP BUSINESSES NEED MORE LONG-TERM PATIENT CAPITAL



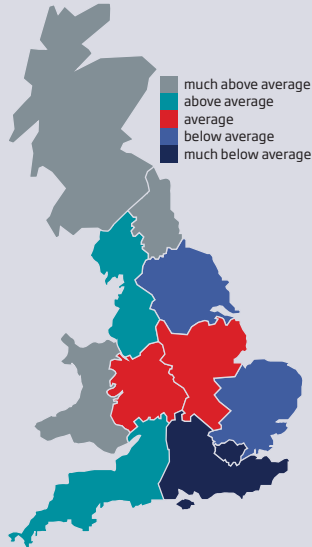
A full list of sources is provided in the **Small Business Finance Markets Report 2017/18**, available from the British Business Bank website

SMALL BUSINESS FINANCE MARKETS REPORT 2018 - THE REGIONAL PICTURE



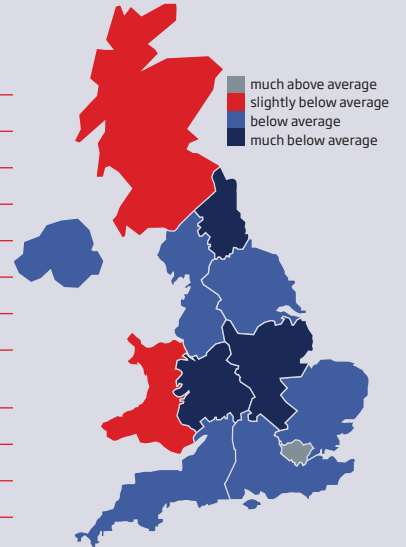
SHARE OF BANK BUSINESS LOANS (NUMBER) PER REGION RELATIVE TO BUSINESS POPULATION

	% of loan facilities approved	% of GB business population 2017
London	13.3	19.1
South East	11.8	16.7
South West	12.7	9.6
East Midlands	6.4	6.7
West Midlands	7.6	8.1
East of England	8.9	10.3
Yorkshire and Humberside	6.2	7.5
North East	4.2	2.6
North West	12.1	9.5
Wales	6.3	3.8
Scotland	10.5	6.2



SHARE OF EQUITY DEALS (NUMBER), RELATIVE TO NUMBER OF HIGH-GROWTH FIRMS

	% of total number of UK Equity Deals (Q4 2016-Q3 2017)	% of total number of UK HGB (2015)
London	52.1	19.8
South East	10.7	15.0
Scotland	6.5	6.8
East of England	6.0	8.7
North West	5.6	10.5
South West	5.4	8.5
Wales	3.0	3.6
Yorkshire and Humberside	2.9	7.6
West Midlands	2.6	7.4
North East	2.1	3.0
Northern Ireland	1.6	2.2
East Midlands	1.4	7.0



THE UK'S EQUITY INVESTMENT HOTSPOTS

- Software
- Business and Professional Services
- Life Science
- Industrials



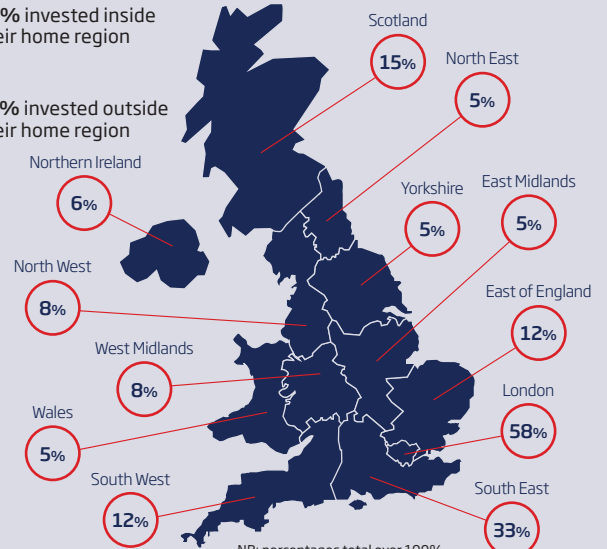
LOCATIONS INVESTED IN BY BUSINESS ANGELS



69% invested inside their home region



59% invested outside their home region



NB: percentages total over 100% as some angels report investing in more than one region

BRITISH BUSINESS BANK REGIONAL FUNDS

NORTHERN POWERHOUSE INVESTMENT FUND REGION

MIDLAND ENGINE INVESTMENT FUND REGION

CORNWALL AND ISLES OF SCILLY INVESTMENT FUND (TO BE LAUNCHED)



FUTURE DEVELOPMENTS FOR THE REGIONS

In response to the government's Industrial Strategy, we are developing an investment programme to support the growth of clusters of business angels outside London, and putting in place a network of British Business Bank regional managers.

A full list of sources is provided in the **Small Business Finance Markets Report 2017/18**, available from the British Business Bank website