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FOR IMMEDIATE RELEASE

### **MINDBODY Receives \$14 Million Boost from Two Venture Capital Firms**

SAN LUIS OBISPO – MINDBODY, Inc., the industry leader in cloud-based, business management software for health and wellness organizations worldwide, has received a major investment from two of the country's most respected venture capital firms, [Bessemer Venture Partners](#) and [Catalyst Investors](#). The infusion of private equity, totaling \$14 million, includes an initial tranche of \$11 million, with an additional \$3 million option that may be exercised at anytime within the next 36 months.

Named the 21<sup>st</sup> fastest growing software by *Inc.* magazine's 2009 Inc.500 list, MINDBODY has capitalized on its successful Software as a Service (SaaS) solution, which includes Web-based scheduling, e-commerce, integrated payment processing and reporting capabilities, as well as a low monthly subscription cost. "To some degree, the recession has worked in our favor, as small and medium-sized businesses search for innovations to help them cut costs and increase revenues," said Rick Stollmeyer, founder and CEO of MINDBODY. "They're also realizing that in the face of rapid technological innovation, they can no longer afford to do business on paper."

Following 60 percent growth and nearly \$10 million in revenue in 2009, MINDBODY has accelerated substantially in recent months. The company increased its subscriber base 72 percent year-over-year in the first half of 2010, and is presently serving 9,300 businesses in 62 countries.

"One of the most powerful trends in the software industry is the adoption of Web-based automation by small businesses. With its base fitness, spa, salon and wellness business customers, MINDBODY is already the clear leader in driving this adoption and should continue to experience extraordinary growth," said Jeremy Levine, a partner with Bessemer Venture Partners (BVP) and newly appointed MINDBODY board member. BVP manages more than \$2 billion of venture capital invested in more than 130 companies located around the world.

Catalyst Investors, which first contributed \$5.6 million to MINDBODY in March 2009, increased their position with a second round of investment. "MINDBODY has demonstrated outstanding performance since our investment last year. We are excited to be 'doubling down' so the company can accelerate its growth going forward," said Tyler Newton, Partner and Research Director at Catalyst Investors. Catalyst makes private equity investments in high-growth, lower middle market companies including SaaS, digital media, internet infrastructure and wireless communications sectors.

“This investment will further accelerate the pace of our product development. Our aim is to meet or exceed best of breed capabilities in every market we serve, while providing game-changing innovations that help our businesses boost their bottom lines, simplify their lives and better focus on the health and wellness of their customers,” said Stollmeyer.

The funds will also be used to expand the company’s global reach. “We’re planning to increase our sales, marketing and support capabilities around the world, with expanded presence in our New York, UK, EU and Australian offices,” said Robert Murphy, partner and Chief Sales & Marketing Officer for MINDBODY. “We fully expect these strategic improvements will help us grow another 60 percent in the coming year.”

### **About MINDBODY**

MINDBODY delivers innovative business management software to the wellness industry, including fitness, yoga, Pilates, salons, spas and martial arts businesses. In 2009, the company was ranked 370<sup>th</sup> on *Inc. Magazine’s* 500 fastest growing companies and 21<sup>st</sup> in the software industry. It was recently named among the most innovative 100 technology companies in North America by Red Herring 100 and by *Outside Magazine* as among The 50 Best Places to Work. In 2010 MINDBODY expanded its offerings to include mobile applications and a powerful new web technology called MINDBODY Finder that enables consumers to find, book and pay for wellness-oriented classes and appointments through their mobile devices, high-traffic media sites and [www.mindbodyfinder.com](http://www.mindbodyfinder.com).

Founded in 2001, the company’s early investors include the Pasadena Angels [www.pasadenaangels.com](http://www.pasadenaangels.com), Tech Coast Angels [www.techcoastangels.com](http://www.techcoastangels.com) and Frontera Capital [www.fronteracapital.com](http://www.fronteracapital.com). The company presently serves nearly 10,000 clients in 62 countries and maintains offices in San Luis Obispo, CA, New York and the United Kingdom. [mindbodyonline.com](http://mindbodyonline.com).

### **About Bessemer Venture Partners**

Bessemer Venture Partners is a global investment group with offices in Silicon Valley, Boston, New York, Mumbai and Tel Aviv. One of the oldest venture-capital practices in the United States, BVP has partnered as an active, hands-on investor in Ciena, LinkedIn, Postini, Skype, Staples, VeriSign, W.R. Grace and Yelp. More than 100 Bessemer-funded companies have gone public on exchanges in Canada, India, London and the United States. [www.bvp.com](http://www.bvp.com)

### **About Catalyst Investors**

Catalyst Investors is a growth private equity fund founded in 2000 that employs a rigorous top-down research focus to identify investment opportunities in companies and industries that will exhibit strong revenue and margin growth. The firm works in true partnership with talented management teams to

build long-term value. Catalyst has consistently achieved superior returns with disciplined risk management and a commitment to investor transparency. [catalystinvestors.com](http://catalystinvestors.com)

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