

# AnaCap Financial Europe Announces Financial Results for Nine Months Ended 30 September 2017

**28 November 2017**

AnaCap Financial Europe S.A. SICAV-RAIF ("AFE" or the "Company") has today announced the financial results of the Portfolio Business and AFE, combined for the nine months ended 30 September 2017.

## **Incorporation of AFE and Acquisition of the Portfolio Business**

AFE was incorporated on the 28 June 2017 to acquire from AnaCap Credit Opportunities II, L.P. and AnaCap Credit Opportunities III, L.P. or their directly controlled subsidiaries (together with their affiliates, the "Funds Group") several direct and indirect subsidiaries and the majority of their assets (the "Acquisition"), including their interests in several loan portfolios (together, the "Portfolio Business").

On 21 July 2017, AFE completed the Acquisition and issued Senior Secured Floating Rate Notes for a value of €325.0m (the "Notes"). AFE also entered into a Super Senior Revolving Credit Facility Agreement (the "Facility") on 7 July 2017 which provides a facility of €45.0m, which can be increased up to an amount equal to the higher of €90m or 17.5% of ERC.

## **Financial highlights for the Portfolio Business**

The Financial Statements of AFE cover the period from incorporation to 30 September 2017 and as such form the first set of interim accounts of AFE. As the acquisition of the Portfolio Business was completed on the 21 July 2017, the Financial Statements account for the results of the Portfolio Business from that date.

In order to provide true comparative data for the 9 months to 30 September, the results below reflect the full nine months of the Portfolio Business and AFE on a combined basis.

### **Key financial highlights:**

#### **Strong momentum & growth in key financial metrics:**

	9mth to 30 September 2016	9mth to 30 September 2017	Growth
Revenue <sup>1</sup>	€49.0m	€60.0m	+ 22.4%
Core Collections	€58.2m	€75.8m	+30.3%
Normalised Adjusted EBITDA	€35.6m	€53.4m	+50.1%
Normalised Adjusted EBITDA Margin <sup>2</sup>	61.1%	70.6%	+950 bps
Total Operating Cost Ratio <sup>3</sup>	32.0%	27.6%	- 440 bps

<sup>1</sup> 2016 excludes revenue and profit from sales of portfolios.

<sup>2</sup> Based on normalised EBITDA as a percentage of Core Collections.

<sup>3</sup> Total Operating Cost Ratio represents the ratio of total operating expenses (excluding non-recurring costs) divided by Core Collections.

**Other highlights:**

- 84-month ERC at 30 September 2017 was €464.5m (€473.4m at September 2016);
- Leverage ratio was 3.64x reflecting the strong adjusted EBITDA growth; and
- Subsequent to 30 September 2017, AFE has agreed to purchase a portfolio of Spanish secured SME and real estate assets for a total consideration of c€34m. The transaction completes in two tranches, the first £27m completed on 24 November 2017 and a further £7m is expected to complete in early 2018.

**Justin Sulger****Partner, Head of Credit at AnaCap Financial Partners**

“AFE has delivered strong financial performance on a like-for-like basis for the year to date. As usual, we are seeing a particularly active last quarter, with a very strong pipeline across Italy, Spain, Portugal and Romania. We have already closed one portfolio acquisition since 30 September 2017 and signed another for completion early in 2018. Whilst the market remains competitive, we are seeing continued growth in the pipeline of non-core disposal activity across Europe, and believe our diversity across geographies and asset types allow us to remain highly selective in the deployment of capital, at attractive risk adjusted returns.”

**Teleconference**

At 14.00 hours GMT on 28 November 2017, an audio Conference Presentation will be held on the results for the nine months to 30 September 2017. For further details please visit the AFE website at: [www.anacapfe.com](http://www.anacapfe.com)

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