

## AnaCap Financial Europe Announces Financial Results for Twelve Months Ended 31 December 2017

17 April 2018

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 twelve months ended 31 December 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 €325m (the "Notes"). AFE also entered into a Super Senior Revolving Credit Facility Agreement (the "Facility") on 7 July 2017 which provided a facility of €45m, which can be increased up to an amount equal to the higher of €90m or 17.5% of ERC.

On 26 February 2018 AFE increased the Facility to €90m.

### Financial highlights for the Portfolio Business

The Financial Statements of AFE cover the period from incorporation to 31 December 2017 and as such form the first full set of 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 12 months to 31 December, the results below reflect the full twelve months of the Portfolio Business and AFE on a combined basis.

Key financial highlights:

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

	12mth to 31 December 2016	12mth to 31 December 2017	Growth
Revenue <sup>1</sup>	€67.9m	€78.9m	+ 16.2%
Core Collections	€88.9m	€123.0m	+38.4%
Normalised Adjusted EBITDA	€60.1m	€90.2m	+50.1%
Normalised Adjusted EBITDA Margin <sup>2</sup>	67.6%	73.3%	+570 bps
Total Operating Cost Ratio <sup>3</sup>	27.6%	24.6%	- 300 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 31 December 2017 was €437.9m (€460.0m at December 2016);
- Leverage ratio was 3.1x ( March 2017 3.7x) reflecting the strong adjusted EBITDA growth;

**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. Whilst we remain disciplined in a highly competitive market, we are seeing continued growth in the pipeline of non-core asset disposal activity across Europe. This includes a very strong pipeline in each of our core geographies as well as in new geographies where AnaCap has broader experience. We believe our diversity across geographies and asset types allow us to remain highly selective in the deployment of capital, targeting what we believe to be the most attractive risk adjusted returns.”

**Teleconference**

At 14.00 hours BST on 17 April 2018, an audio Conference Presentation will be held on the results for the twelve months to 31 December 2017. For further details please visit the AFE website at:

[www.anacapfe.com](http://www.anacapfe.com)

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