

AnaCap Financial Europe delivers strong profit growth and significant deleveraging

Financial results for three months ended 31 March 2018

22 May 2018

AnaCap Financial Europe S.A. SICAV-RAIF ("AFE" or the "Company") has today announced the financial results for the three months ended 31 March 2018.

Strong growth in profitability with significant deleveraging

	3mth to 31 March 2018	3mth to 31 March 2017 ¹	Growth
Revenue	€17.9m	€18.7m	- 4.2%
Core Collections	€32.8m	€22.7m	+44.1%
Normalised Adjusted EBITDA	€24.3m	€16.8m	+44.7%
Normalised Adjusted EBITDA Margin ²	74.1%	73.8%	+30 bps
Total Operating Cost Ratio ³	22.8%	24.6%	- 180 bps

Other highlights:

- 84-month ERC⁴ at 31 March 2018 was €410.0m (€508.0m at March 2017);
- Leverage ratio at 31 March 2018 was 2.68x (3.71x at March 2017) reflecting the strong adjusted EBITDA growth;
- LTM adjusted EBITDA up to €97.7m an increase of 51.5% compared to March 2017 (€64.5m)

Justin Sulger

Partner, Head of Credit at AnaCap Financial Partners

"AFE has delivered strong financial performance on a like-for-like basis for the period. Strong profit growth was driven by better than expected collections as well as further improvement to our market leading cost structure, resulting in a significant further de-leveraging of the business. After a period of consolidation, we are expecting a significant increase in capital deployment in the near term on the back of a large pipeline from which we remain highly selective across geographies and asset types.

¹ Results of the Portfolio Business used for comparative purposes only (as defined in the Company's annual report)

² Based on normalised adjusted EBITDA as a percentage of core collections

³ Total Operating Cost Ratio represents the ratio of total operating expenses (excluding non-recurring costs) divided by core collections

⁴ 84 Month Estimated Remaining Collections. "ERC"

We are also pleased to announce that Ed Green, an 11 year veteran of AnaCap, will assume responsibility for all operational areas within AFE to drive further performance improvement, leveraging our proprietary Minerva IT platform and network of servicing partners. After joining AnaCap from Oliver Wyman in 2007, Ed's primary responsibility has been driving the operational transformation of numerous portfolio companies in our Private Equity business. This includes building Cabot Credit Management into the UK's leading debt purchasing company, following the merger of Apex Credit Management and Cabot Financial, as well as First Names Group, which more than trebled its revenues under AnaCap's ownership through both organic and inorganic growth in the trust and corporate services sector, and Brightside, which was transformed from a traditional analogue UK insurance broker into a digital platform."

Teleconference

At 14.00 hours BST on 22 May 2018, an audio Conference Presentation will be held on the results for the three months to 31 March 2018. For further details please visit the AFE website at:

www.anacapfe.com

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