

## Mizzen Mezzco Limited

### Results for the quarter ended June 30, 2014

#### Key Financials

(£ in millions, except percentages)	For the quarter ended June 30, 2013	For the quarter ended June 30, 2014	% Increase/ (Decrease)
	(unaudited)	(unaudited)	(unaudited)
Group Turnover	27.2	28.5	4.7%
Group Operating profit	14.5	13.8	(4.8%)
EBITDA	15.4	15.1	(2.0%)
Adjusted EBITDA	16.7	18.1	8.3%
Adjusted EBITDA Margin	61.3%	63.4%	2.1%
Adjusted Pro Forma Post-Securitisation EBITDA	10.5	10.9	3.7%
Adjusted Pro Forma Post-Securitisation EBITDA Margin	38.5%	38.1%	(0.4%)

#### Highlights for the Quarter

The key trading highlights for continuing operations for the quarter ended June 30, 2014 were as follows:

- Quarter ended June 30, 2014 has seen a continuation of the company's solid financial performance since acquisition by GTCR. Adjusted pro forma post-securitisation EBITDA of £10.9 million increased by £0.4 million, or 3.7% over the quarter ended June 30, 2013, with the business continuing to generate healthy cash flow. The main driver of profit growth has been the acquisition of new broker relationships and increased penetration within the existing intermediary base.
- During the quarter ended June 30, 2014 we increased the overall size of our net advances by 1.1%, from £799.4 million for the quarter ended June 30, 2013 to £808.5 million for the quarter ended June 30, 2014.
- Group turnover increased by £1.3 million, or 4.7%, from £27.2 million for the quarter ended June 30, 2013 to £28.5 million for the quarter ended June 30, 2014. This increase is due to the combination of relationships established with new intermediaries, greater penetration with our existing intermediaries and new fee initiatives.
- Administrative expenses increased by £2.0 million, or 15.5%, from £12.7 million (£1.8m bad debts / £10.8m other expenses) for the quarter ended June 30, 2013 to £14.7 million (£1.6m bad debts / £13.1m other expenses) for the quarter ended June 30, 2014. This increase is primarily driven by our investment in growth with emphasis on enhancing our Information Technology infrastructure and Sales Organisation. We have also incurred implementation costs of £1.0 million on SEPA (Ireland collection system) and invested further £0.5 million in non-recurring IT upgrades through convert & add roadmap program during this quarter. As a percentage of gross turnover, administrative expenses increased from 46.6% for the quarter ended June 30, 2013 to 51.5% for the quarter ended June 30, 2014.
- Pro forma securitisation funding cost increased by £1.0 million, or 16.1%, from £6.2 million for the quarter ended June 30, 2013 to £7.2 million for the quarter ended June 30, 2014. This increase is due to increased loan book resulting from additional volumes and higher non-utilised facility charges.

Andrew Doman, Chief Executive Officer of Mizzen Mezzco Limited commented:

*"The Group delivered a solid underlying performance, Adjusted Pro Forma Post Securitisation EBITDA increased by 3.7% as we continue to grow turnover."*