

Mizzen Mezzco Limited

Results for the year ended December 31, 2014

Key Financials

Pro Forma Financial Data	For the twelve months ended December 31, 2013	For the twelve months ended December 31, 2014	Increase / (Decrease)
	(unaudited)	(unaudited)	(unaudited)
Turnover.....	110.7	118.4	7.7
EBITDA.....	68.6	66.7	(1.9)
Adjusted EBITDA.....	72.0	75.2	3.2
Adjusted EBITDA Margin.....	65.1%	63.5%	(1.6%)
Adjusted Pro Forma Post-Securitisation EBITDA.....	46.9	50.9	4.0
Adjusted Pro Forma Post-Securitisation EBITDA Margin.....	42.4%	43.0%	0.6%
Cash conversion.....	99.1%	94.4%	(4.7%)

Highlights for the year ended December 31, 2014

- We have increased the overall size of our net advances by 3.6%, from £3,183.3 million for the year ended December 31, 2013 to £3,296.3 million for the year ended December 31, 2014, due to the combination of relationships established with new intermediaries and greater penetration with our existing intermediaries.
- Group turnover increased by £7.7 million, or 6.9%, from £110.7 million for the year ended December 31, 2013 to £118.4 million for the year ended December 31, 2014. This increase is due to increased net advances of 3.6% and increased cost recovery for specific activities through new fee initiatives.
- Administrative expenses increased by £13.7 million, from £46.5 million (£4.4 million bad debts / £42.1 million other expenses) for the year ended December 31, 2013 to £60.9 million (£4.9 million bad debts / £56.0 million other expenses, including £2.8 million for IT system replacement work) for the year ended December 31, 2014. This increase is primarily driven by our investment in growth with emphasis on enhancing our Information Technology infrastructure and Sales Organisation.
- Pro forma securitisation funding cost decreased by £0.9 million, or 3.7%, from £25.1 million for the year ended December 31, 2013 to £24.2 million for the year ended December 31, 2014, mainly due to favourable terms on extended securitisation facility at the end of September 2014.
- We extended the term of our £1.15 billion securitisation facility at the end of September 2014 to September 2017. As part of this, we took advantage of the favourable capital market environment and reduced the cost of the facility by £7.3 million annually.