

**MITHRAS**  
INVESTMENT TRUST plc

# **Annual General Meeting**

7 May 2014

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# 2013 Results and Trading Update

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	31.12.12	31.12.13	31.03.14
<b>NAV</b>	143.1p	160.4p	158.1p
<b>Share price*</b>	112.5p	137.5p	141.0p
<b>Discount</b>	21%	14%	11%
<b>Dividends proposed</b>	1.0p	1.0p	N/A

\* Share price 6 May 2014 – 144.5p, discount 9%



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# 2013 Private Equity update

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- Improving macro-environment evidenced by portfolio earnings growth
- Global deal flow for 2013 up by c. 4% indicating improving investor confidence
- Entry multiples (pricing) broadly flat at c. 9x EBITDA
- Strong competition for quality assets, both from PE and corporates
- Attractive financing conditions and improved debt availability for mid and large buyout deals
- Favourable exit environment with private equity firms looking to return capital ahead of fundraising
- Strong IPO market broadens exit route options



# *Impact on Mithras*

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- Near fully invested portfolio well positioned to benefit from improving earnings
- Portfolio companies are benefitting from more attractive debt packages giving lower costs, flexibility and further funding
- Stable pricing and high competition should ensure positive exit values
- Improved fundraising environment will increase dry powder available for secondary deals which supports exits
- Recent vintage funds have been slow in returning capital
- Four MCF exits by IPO – trade / financial buyers key



# Costs - peer group comparison

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- Continue to manage Mithras with low ongoing charges
- Absolute costs for 2013 c. £50k lower than 2012
- Latest available annualised ongoing charges  
Mithras Dec 2013 (2012: 0.97%) 1.02%

## **Peer Group\***

F&C Private Equity (2012)	1.54%
Graphite Enterprise (2013)	1.97%
Standard Life European Private Equity (2013)	0.97%
SVG Capital(2013)	1.76%
Aberdeen Private Equity (2013)	2.41%
Dunedin Enterprise (2013)	1.16%

Source: \*Morningstar



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# Liquidity and outstanding commitments

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	31.12.12	31.12.13	31.03.14
<b>Mithras cash balance</b>	£12.2m	£7.1m	£7.0m
<b><u>MCF position</u></b>			
<b>Cash invested</b>	£46.6m	£48.8m	£50.3m*
<b>Maximum outstanding commitment</b>	£8.4m	£6.2m	£5.3m*
<b>Sensitised outstanding commitment</b>	£7.4m	£4.9m	£3.8m*
<b>Mithras surplus cash</b>			<b>£3.2m</b>

\* Proforma estimate as at 6 May 2014

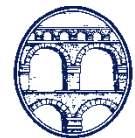


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# MCF – Financial position

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	2012	2013
Percentage of MCF commitment drawn	84.7%	88.8%
Amounts called by MCF since inception	£46.6m	£48.8m
Amounts distributed by MCF since inception	£15.9m	£27.1m
Percentage of drawn capital distributed	34.1%	55.5%
Number of portfolio companies	69	67



# MCF Portfolio as at 31 December 2013

	MIT's share of Commitment via MCF €//\$	% drawn via MCF	Valuation €//\$	Valuation £	NAV PPS
OCM POF IV	\$20.0m	90%	\$11.5m	6.9m	25.1p
Riverside Europe III	€15.0m	100%	€7.4m	6.2m	22.4p
Doughty Hanson V	€15.0m	78%	€8.2m	6.8m	24.7p
CVC Europe V*	€15.0m	78%	€9.6m	8.0m	28.9p
PAI Europe V	€7.5m	93%	€7.1m	5.9m	21.3p
Latest Manager's NAV's				£33.8m	122.4p
Cash held within MCF				£0.7m	2.4p
Fair value (Directors) adjustment				£2.5m	9.0p
Valuation at 31 Dec 2013				£37.0m	133.8p
Cash and other assets				-	26.6p
					<b>160.4p</b>
MCF gross valuation / drawn down capital multiple				1.3x	

\* Investment period extended until  
90% drawn



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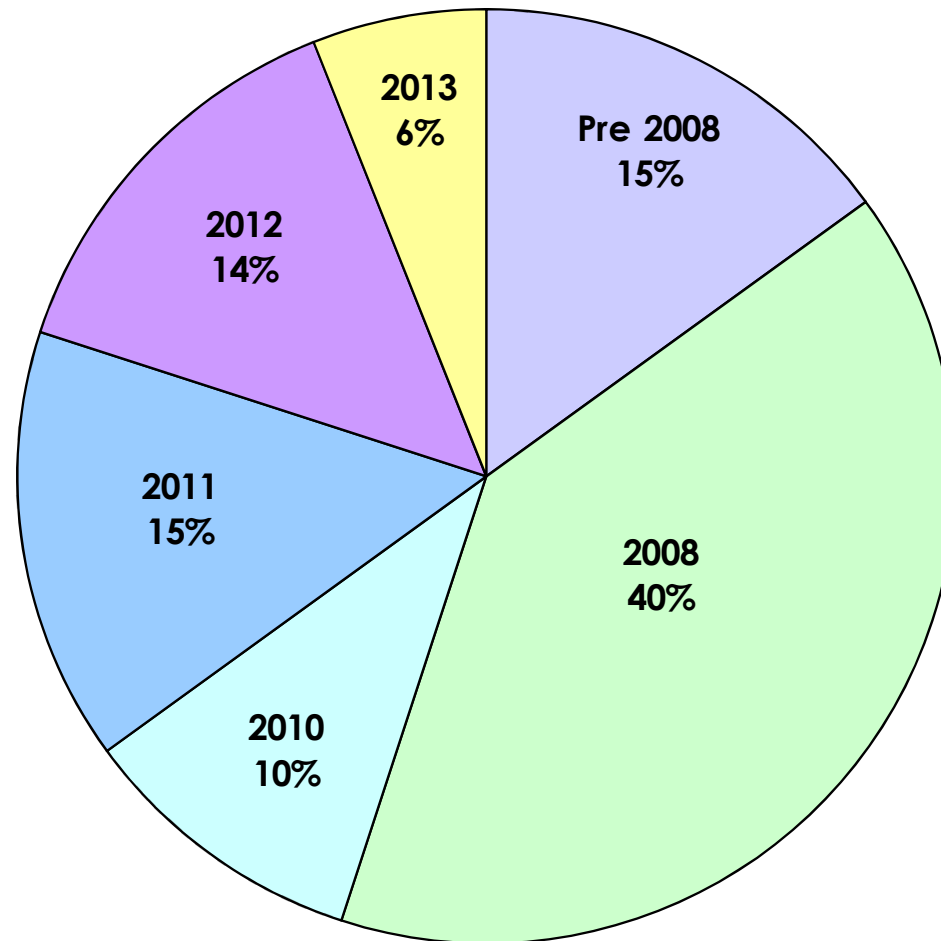
# Mithras portfolio characteristics

	Fund	Strategy	Total number of portfolio companies	Number of exits	Remaining portfolio companies 31 Dec 2013
<b>MCF</b>	OCM POF IV	Distress for control / special sits	25	4	21
	Riverside Europe III	Lower mid market buy & build	14	6	8
	Doughty Hanson V	European upper mid market	8	3	5
	PAI Europe V	European mid market	11	-	11
	CVC Europe V	Large buyout	24	2	22
		<b>MCF Total</b>	<b>82</b>	<b>15</b>	<b>67</b>
	<b>MCF portfolio</b>	Average hold period			<b>4.1 Years</b>



# Mithras Portfolio – Vintage Year Analysis

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Based on underlying portfolio company investments by valuation at 31.12.13

# MCF - Ten largest investments

Portfolio Company	Fund	Sector	Year of Investment	% of Mithras portfolio
TMF	DH V	Services	2008	7%
Quiron	DH V	Healthcare	2012	6%
Diatron	REF III	Healthcare	2005	5%
AdvancePierre Foods	OCM POF IV	Food & Beverage	2008	4%
Eurofiber	DH V	Telecoms	2012	4%
Tensator	REF III	Industrial Goods & Services	2008	4%
Evonik	CVC Europe V	Chemicals	2008	3%
Vokes-Air	REF III	Building Materials	2008	3%
Fu Sheng	OCM POF IV	Basic Resources	2007	3%
Summit Medical	REF III	Healthcare	2008	3%



# *Realisation strategy progress*

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- Completed two tenders during 2013
- Strong level of shareholder support
- Anticipate next tender during 2014
- Seek to return a minimum of £5m



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# *Ultimate exit plan*

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- Continuing to review exit options for Mithras
- Still early in overall realisation strategy
- Prospects for NAV growth remain good
- Focus on costs
  - *Absolute level*
  - *Relative to NAV*
- Remain open to value-enhancing approaches



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# Summary

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- Mature portfolio close to being fully invested
- Cash generation and exit prospects remain positive
- Improving portfolio company earnings should deliver NAV growth
- Continue to return surplus cash to shareholders



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