

**MITHRAS**  
INVESTMENT TRUST plc

# **Annual General Meeting**

**28 April 2015**

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# 2014 Results and Trading Update

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	31.12.13	31.12.14	31.03.15
<b>NAV*</b>	160.4p	162.1p	159.6p
<b>Share price</b>	137.5p	142.5p	142.5p
<b>Discount</b>	14%	12%	11%
<b>Dividends proposed</b>	1.0p	1.0p	N/A

*Current share price 27 April 2015 – 145.5p, discount 9%*

*\* 31 Dec 2014 NAV excluding currency movements 168.2p*



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# 2014 Private Equity update

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- European buyout market activity and average valuations (entry multiples) increased during 2014
- Competition for assets, both from PE and strategic buyers
- Continuation of supportive debt markets and attractive financing conditions
- Volatility but private equity exit environment remains favourable
- Fundraising environment remains positive

# Impact on Mithras

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- Portfolio well positioned to benefit from sellers market
- Variety of exit routes being used by our underlying funds
- Active debt management including recapitalisations where appropriate to supplement cash generation
- MCF portfolio with average debt less than 4.0x EBITDA\*
- Prospects of further exits from portfolio

\* Excludes OCM POF IV where debt multiples are not disclosed.



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# Costs - peer group comparison

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- Continue to manage Mithras with low ongoing charges
- Total costs £35k lower than 2013 but cost ratio impacted by realisation strategy
- Latest available annualised ongoing charges Dec 2014 - 1.08% (Dec 2013 - 1.02%)

## **Peer Group\***

F&C Private Equity (2013)	1.42%
Graphite Enterprise (2014)	2.05%
Standard Life European Private Equity (2014)	0.95%
SVG Capital(2015)	0.94%
Aberdeen Private Equity (2014)	1.25%
Dunedin Enterprise (2013)	1.16%

Source: \*Morningstar



# Liquidity and outstanding commitments

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	31.12.13	31.12.14	31.03.15
Mithras cash balance	£7.1m	£5.8m	£8.0m
<b><u>MCF position</u></b>			
Cash invested	£48.8m	£50.3m	£50.7m
Maximum outstanding commitment	£6.2m	£4.7m	£4.3m
Sensitised outstanding commitment	£4.9m	£2.0m	£1.6m
Mithras surplus cash			<b>£6.0m</b>



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# MCF – Financial position

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	2013	2014
Percentage of MCF commitment drawn	88.8%	91.4%
Amounts called by MCF since inception	£48.8m	£50.3m
Amounts distributed by MCF since inception	£27.1m	£34.5m
Percentage of drawn capital distributed	55.5%	68.6%
Number of portfolio companies	67	64



# MCF Portfolio as at 31 December 2014

	MIT's share of Commitment via MCF €/ \$	% drawn via MCF	Valuation €/ \$	Valuation £	NAV PPS
<b>CVC Europe V</b>	€15.0m	92%*	€10.3m	8.0m	34.4p
<b>OCM POF IV</b>	\$20.0m	90%	\$9.8m	6.3m	27.1p
<b>PAI Europe V</b>	€7.5m	91%	€7.2m	5.6m	23.9p
<b>Riverside Europe III</b>	€15.0m	96%	€6.8m	5.3m	22.5p
<b>Doughty Hanson V</b>	€15.0m	79%	€6.7m	5.2m	22.4p
<b>Latest Manager's NAV's</b>				£30.4m	130.3p
<b>Cash held within MCF</b>				£0.8m	3.1p
<b>Fair value (Directors) adjustment</b>				£0.8m	3.5p
<b>Valuation at 31 Dec 2014</b>				£32.0m	136.9p
<b>Cash and other assets</b>				-	25.2p
					<b>162.1p</b>
<b>MCF gross valuation / drawn down capital multiple</b>				1.3x	

\* As at 31 March 2015



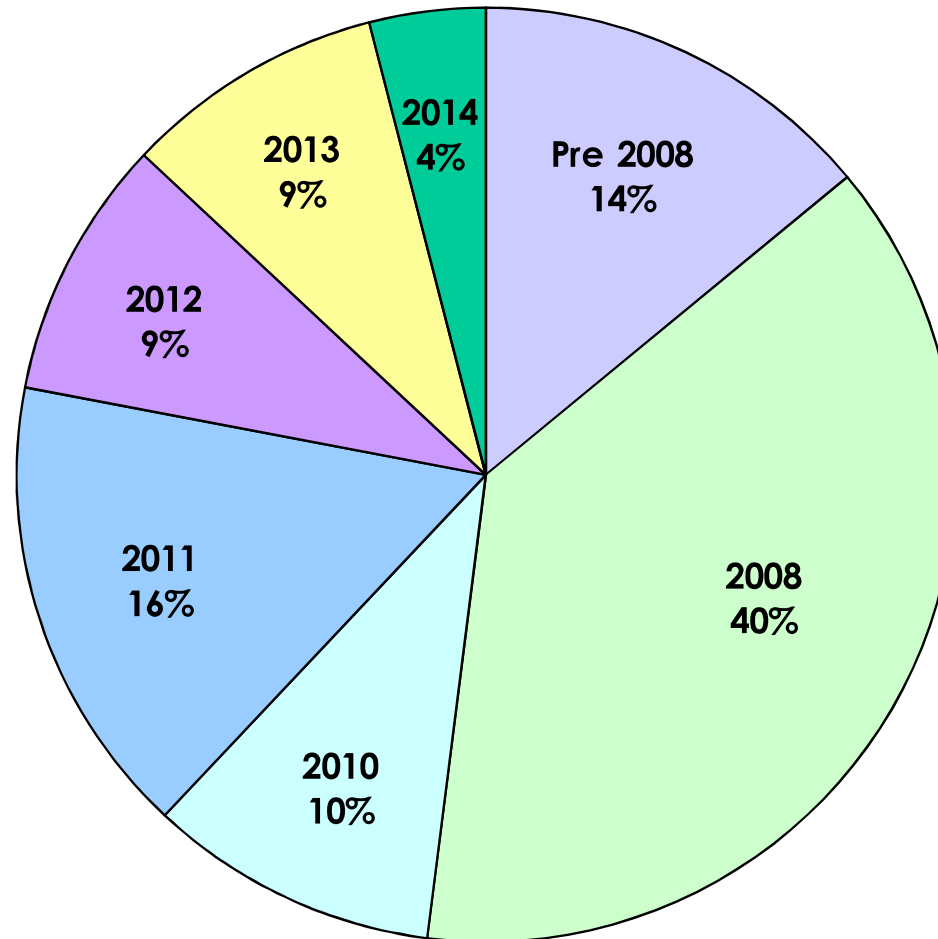
# Mithras portfolio characteristics

Fund	Strategy	Total number of portfolio companies	Number of exits	Remaining portfolio companies 31 Dec 2014	
<b>MCF</b>	OCM POF IV	Distress for control / special situations	25	7	18
	Riverside Europe III	Lower mid market buy & build	14	9	5
	Doughty Hanson V	European upper mid market	8	4	4
	PAI Europe V	European mid market	11	1	10
	CVC Europe V	Large buyout	29	2	27
	<b>MCF Total</b>		<b>87</b>	<b>23</b>	<b>64</b>
<b>MCF portfolio</b>	Average hold period				<b>4.6 Years</b>



# Mithras Portfolio – Vintage Year Analysis

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Based on underlying portfolio company investments by valuation at 31.12.14



# Ten largest investments

Portfolio Company	Fund	Sector	Year of Investment	% of Mithras portfolio
TMF	DH V	Services	2008	8%
Eurofiber	DH V	Telecoms	2012	5%
AdvancePierre Foods	OCM POF IV	Food & Beverage	2008	5%
Diatron	REF III	Healthcare	2005	4%
Summit Medical	REF III	Healthcare	2008	4%
ASCO Group	DH V	Oil, Gas & Chemicals	2011	4%
Tensator	REF III	Industrial Goods & Services	2008	4%
Cyanco Holdings	OCM POF IV	Basic Resources	2008	4%
Xella	PAI Europe V	Building Materials	2008	3%
Fu Sheng	OCM POF IV	Basic Resources	2007	3%



# Realisation strategy update

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- Completed third tender during 2014
- High level of shareholder participation
- Exit pipeline for 2015 is promising
- Prospects for cash returns and NAV growth remain strong

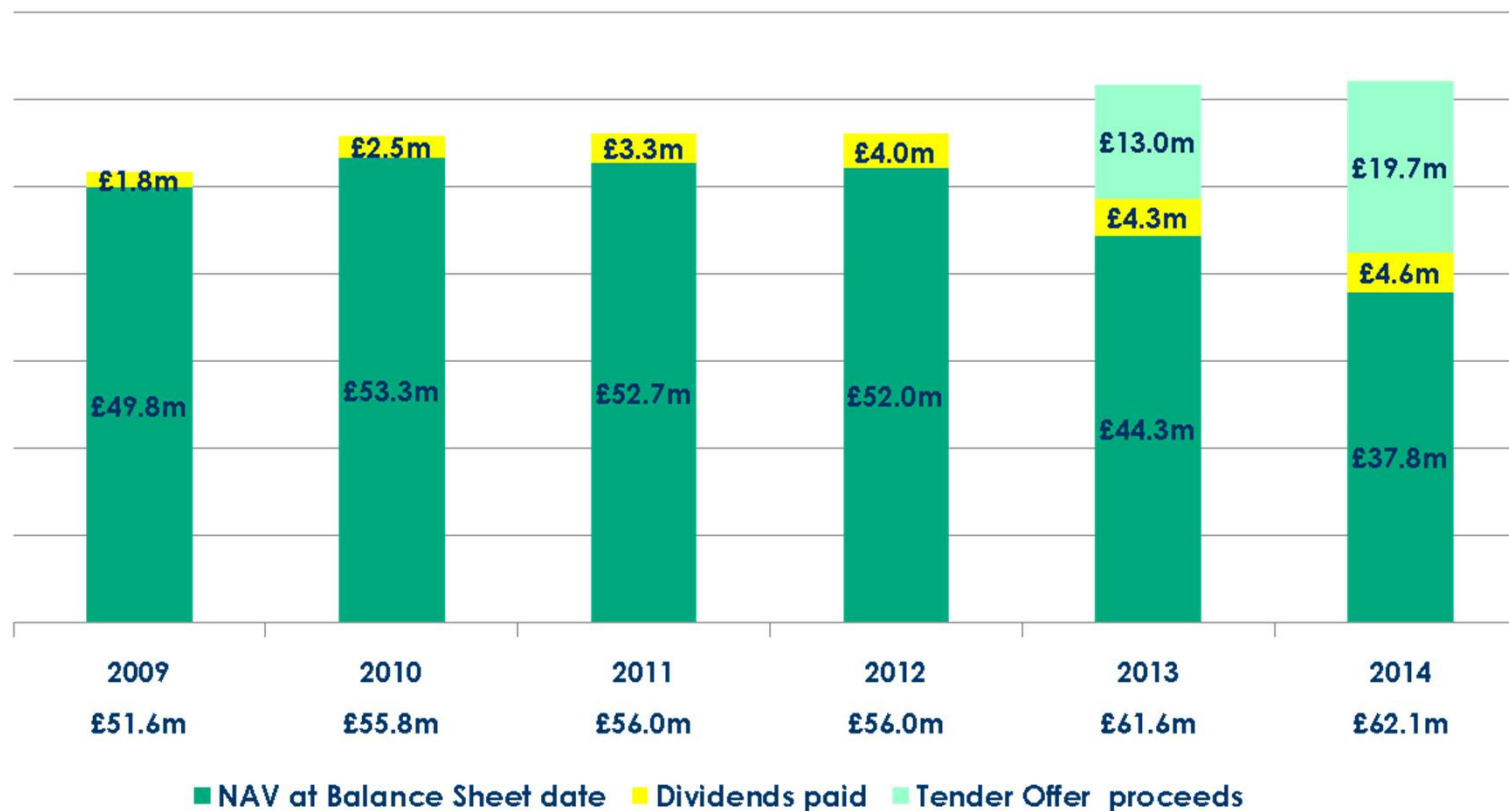
# Ultimate exit plan

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- Conducted review of the realisation strategy with advisers
- Core strategy of tender offers remains best way to maximise value
- Choice of exit methods
- Balance the costs with cash generation and NAV growth
- Still early in overall realisation strategy
- Remain open to value-enhancing approaches

# Realisation strategy performance

Net Assets and Cumulative Distributions to Shareholders since January 2009 (£ millions)



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# Fourth Tender Offer

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- Cash returns during Q1 2015 driven by exit environment
- Pleased to announce preparations for fourth tender offer
- Returning a minimum of £6.0 million
- Tender price is adjusted 31 March 2015 NAV less tender costs
- Documentation to be sent to shareholders late May 2015
- Completion before 30 June 2015



# Summary

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- Fully invested portfolio well positioned
- Macro private equity and underlying portfolio dynamics are positive
- Portfolio company performance encouraging despite likely ongoing currency volatility
- Current realisation strategy will maximise returns for shareholders