

## HgCapital Trust plc Final results for the year ended 31 December 2013

**London, 10 March 2014:** HgCapital Trust plc ("the Trust"), which provides investors with a listed vehicle to invest in all private equity deals managed by HgCapital, today announces its full year results to 31 December 2013.

### Summary performance

	28 February 2014	31 December 2013	31 December 2012	% Total return* 2013
Share price	1,068.5p	1,010.0p	1,016.0p	+1.4%
NAV per share (diluted)	1,180.6p	1,180.4p	1,221.7p	-1.6%
FTSE All-Share Index				+20.8%
				<b>2013 Movement</b>
Net Asset Value	£440.7m	£440.6m	£438.0m	+£2.6m

\* Assuming reinvestment of all dividends

### Financial Highlights

- Share price +1.4% on a total return basis to 1,010.0p.
- NAV per share -1.6% on a total return basis to 1,180.4p.
- Proposed final dividend for the year of 29.0 pence per ordinary share (2012: 23.0 pence) to be paid on 16 May 2014, subject to shareholder approval.
- Strong revenue growth of 9% (2012: 9%) and EBITDA growth of 9% (2012: 6%) across the top 20 buyout investments over the last twelve months to 31 December 2013, with an improving trend in the second half of the year.
- An EV/EBITDA valuation multiple of 11.6x and debt/EBITDA multiple of 4.3x as at 31 December 2013.
- Net liquid resources available for deployment were £95m (22% of NAV) with outstanding commitments of £279m (63% of NAV).
- +16.0% p.a. 10-year compound annual growth rate of the share price vs. +8.8% p.a. from the FTSE All-Share Index, both calculated on a total return basis to 31 December 2013.

### Investment Activity

- £80m invested over the year, principally in five new buyout investments (P&I, Nair & Co, Leasedrive, e-conomic and Intelliflo).
- £66m of cash returned to the Trust including three full buyout exits (Epyx, ATC and CSH) at a 20% aggregate uplift to the 31 December 2012 book value.

### Events since 31 December 2013

- The acquisition of Zenith, one of the UK's largest independent leasing, fleet management and vehicle outsourcing businesses, completed in February. As planned, Zenith and Leasedrive (acquired in December 2013) started operating as a single entity at the beginning of March. The Trust's share of the combined investment is £24.0 million.

- Completed IPO of Manx on AIM in February at a market capitalisation of £160 million. The proceeds to the Trust were £13.1m, a £3 million uplift to the book value at 31 December 2013, representing an investment multiple of 2.1x and gross IRR of 26% p.a.
- In February, the Mercury Fund announced an investment in Relay Software, a provider of software to insurance brokers, underwriters and insurers in the Republic of Ireland. The Trust contributed a total of £2.2 million to this investment.
- Also, in February, HgCapital agreed the sale of Americana, An apparel company, to EMERAM Capital Partners, a Munich-based private equity fund. As a result of difficult trading, a full provision had been taken against the investment in June 2013, but the sale has returned immediate proceeds of £0.6 million to the Trust, with a continuing interest in the ongoing recovery of the business.
- In March, the TMT team agreed the acquisition of Ullink, a leading global provider of electronic trading applications and connectivity to the financial community. The Trust's share of this investment is £7.7 million.
- Adjusting for these transactions, net liquid resources are estimated to be £85m (19% of NAV) and outstanding commitments of £253m (57% of NAV), all as at 28 February 2014.

## Manager Outlook

- We have made a number of new investments over the last nine months and would expect to see some further deployment of capital in the next six months.
- On the existing portfolio:
  - We are happy with the level of revenue growth, and are starting to see the benefit that we would expect from operational leverage coming through from portfolio companies where we have made substantial investment;
  - We see opportunities to put further capital to work through bolt-on acquisitions; and
  - We will continue to work alongside the management of our portfolio companies in order to increase efficiency and deliver growth.
- We believe that the above, together with consistently realising investments for good value, will deliver steady NAV progression over the next couple of years and therefore we are confident that we will continue to reward our investors with long-term superior returns.

## Roger Mountford, Chairman of the Trust, commented:

*"The store of value that continues to be created within the Trust is the foundation for attractive long-term returns, and diversification from listed equities, as an element of the portfolio of a patient, long-term investor".*

- Ends -

The Trust's 2013 Annual Report and a webcast from the Manager to accompany the results are available to view at: <http://www.hgcapitaltrust.com/>.

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**About HgCapital Trust plc**

HgCapital Trust plc is an investment trust whose shares are listed on the London Stock Exchange. The Trust gives investors exposure, through a liquid vehicle, to a portfolio of high-growth private companies, managed by HgCapital, an experienced and well-resourced private equity firm with a long-term track record of delivering superior risk-adjusted returns for its investors.

For further details, see [www.hgcapitaltrust.com](http://www.hgcapitaltrust.com) and [www.hgcapital.com](http://www.hgcapital.com)

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