

N+1

Results presentation for the first 9 months of 2015

13<sup>th</sup> November 2015

## Disclaimer

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*“The information contained herein has to be interpreted on the basis of the merger between Dinamia Capital Privado SCR, S.A. and N más Uno IBG, S.A., completed and with accounting effects as from 9th July 2015 (“the Merger”).*

*The Merger was carried out by the absorption of N más Uno IBG, S.A. (the absorbed company) by Dinamia Capital Privado SCR, S.A. (the absorbing company) with extinguishment, through dissolution without liquidation, of the former and transfer of all its assets to the latter, which acquired all the absorbed company´s rights and obligations by universal succession. Simultaneously to the merger, the absorbing company changed its name to Nmás1 Dinamia, S.A.*

*Due to the Merger, the information published by Nmás1 Dinamia, S.A. in this presentation corresponding to the 3rd quarter 2015 is not completely comparable to the information published in previous periods.”*

# I. Executive summary

## I. Key highlights

### 1 Solid financial performance in the first 9 months

- **€45.1 Mn of consolidated revenues for the first 9 months of 2015**, which is a **6.1% increase** over the same period last year
- **€9.5 Mn of attributable net profit in the fee business**, which is a **6.7% increase** over the same period of last year and a **margin of 21.1%**

### 2 Strong balance sheet to support the Group strategy

- **€173.2 Mn of Shareholders Equity**, of which **€110.6 Mn<sup>1</sup>** are cash and **€31.7 Mn<sup>1</sup>** investments. **No financial debt**
- **Cash to be invested in the asset management products of the group and the expansion of the fee business** (Investment Banking and Asset Management)

### 3 Well performing operating business

- **66 closed deals in Investment Banking until October**
- **€2.7 Bn of assets under management as of September**

### 4 Sale of 70.6% of an investment portfolio to funds managed by Access Capital Partners for €57.2 Mn<sup>2</sup> and divestiture of Bodegas Arco for €2.0 Mn

- **This divestiture follows the rationale of the merger between N+1 and Dinamia, which is to convert an illiquid portfolio of Spanish mid market companies into a fee generating business**

# I. Executive summary

## II. Other significant events (i)

### Group

- 1 **Merger between N+1 and Dinamia completed.** New shares of the combined entity started trading on 29<sup>th</sup> of July
- 2 Execution of **the separation right. Payment of €33 Mn** to former Dinamia shareholders
- 3 **Payment of €34.5 Mn in dividends.** €26.3 Mn of ordinary dividends and €8.2 Mn of extraordinary dividends paid only to shareholders coming from Dinamia due to the sale of two portfolio companies

### Investment Banking

- 1 **Mark Pensaert appointed as Head of Investment Banking**
- 2 **Incorporation of N+1 France and closing of its first two transactions**
- 3 **Independent advisor to Enaire on the privatization process of AENA, the biggest IPO in Spain since 2007.** AENA's market capitalization on the date of the IPO amounted to €8.7 Bn

# I. Executive summary

## II. Other significant events (ii)

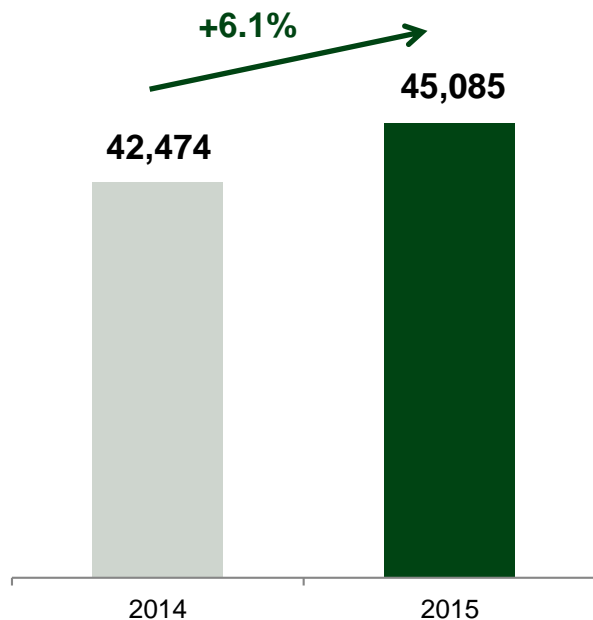
### Asset Management

- 1 **Launch of a €150 Mn Private Debt Fund, with a first closing of €100 Mn in July**
- 2 **Divestment of a €325 Mn portfolio of prime offices in Germany with a combined gross IRR of 5.71%<sup>1</sup>**
- 3 **Launching of project Phoenix, whereby N+1 together with McKinsey manage a portfolio of viable but overleveraged companies for Spain's 6 largest banks**
- 4 **Completion of the sale of EYSA, a portfolio company of N+1 Private Equity Fund II and Dinamia, to a financial investor generating €18.1 Mn of cash for the Group<sup>2</sup>**

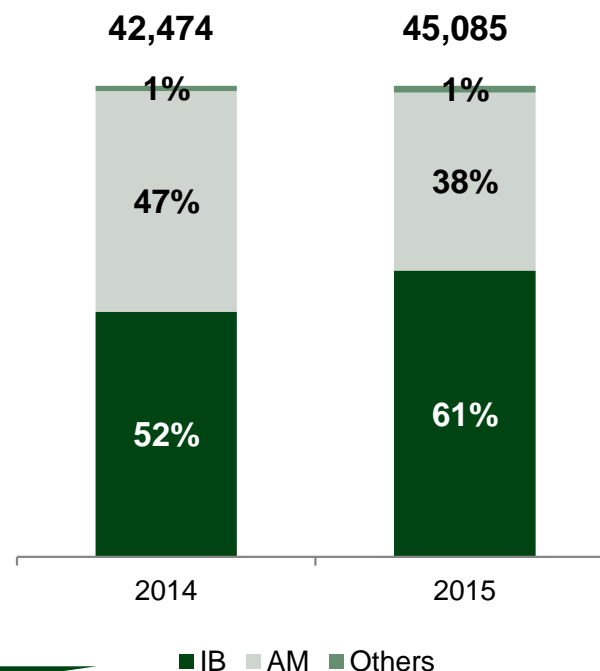
## II. Solid financial performance in the first 9 months

### I. Consolidated revenues

Consolidated revenues<sup>1</sup> for the first 9 months (€'000)



Consolidated revenues by division<sup>1</sup> for the first 9 months (€'000)

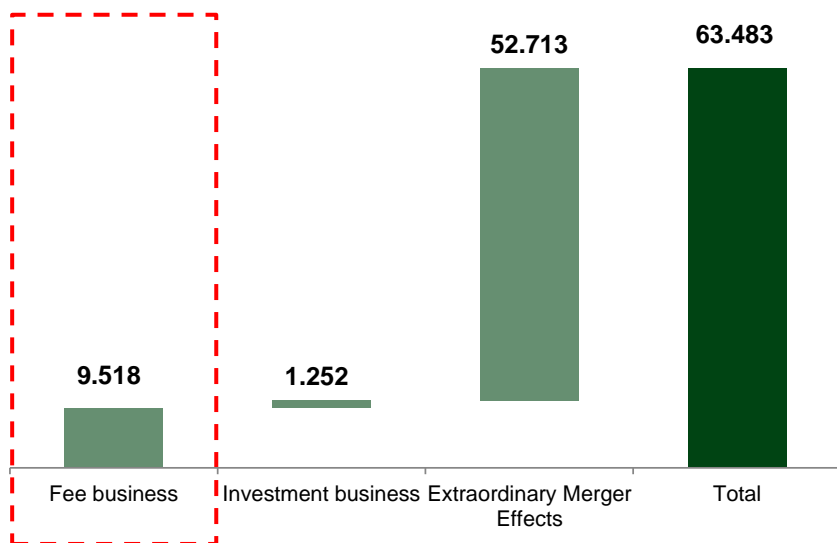


- **In the first 9 months of 2015 consolidated revenues of the Group reached €45.1 Mn**, which represents an increase of 6.1% versus the same period of 2014
- **The Investment Banking division represents 61% of the consolidated revenues** in 2015 and the Asset Management division 38%

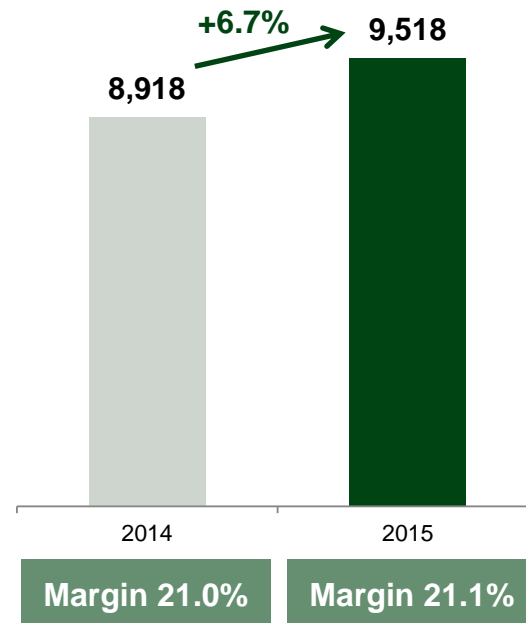
## II. Solid financial performance in the first 9 months

### II. Attributable net profit

Attributable net profit breakdown for the first 9 months of 2015 (€'000)



Attributable net profit of the fee business for the first 9 months (€'000)



- The **attributable net profit of the fee business reached €9.5 Mn**, which is an increase of 6.7% over last year
- The **attributable net profit of the investment business reached €1.3 Mn**
- The **accounting of the merger of N+1 and Dinamia generated an extraordinary P&L gain of €52.7 Mn**, which elevated the Group's attributable net profit to €63.5 Mn

## II. Solid financial performance in the first 9 months

### III. Other relevant non consolidated businesses

N+1 Singer: Research and Brokerage in the UK (accumulated 9 months figures)

1 Shareholding: 28.16%<sup>1</sup>

2 Revenues of €25.9 Mn<sup>2</sup>

3 Net profit of €4.6 Mn<sup>2</sup>

4 68 professionals

5 €21.1 Mn shareholders' funds of which €14.3 Mn are cash<sup>2</sup>

N+1 Syz: Wealth Management in Spain (accumulated 9 months figures)

1 Shareholding: 25%<sup>1</sup>

2 Revenues of €4.0 Mn

3 Net profit of (€0.5 Mn)

4 34 professionals

5 €1,095 Mn in AuM

➤ **N+1 Singer**, the Group's Research and Brokerage division in the UK, **reached €25.9 Mn of revenues** during the first 9 months of 2015 and **has 68 professionals**

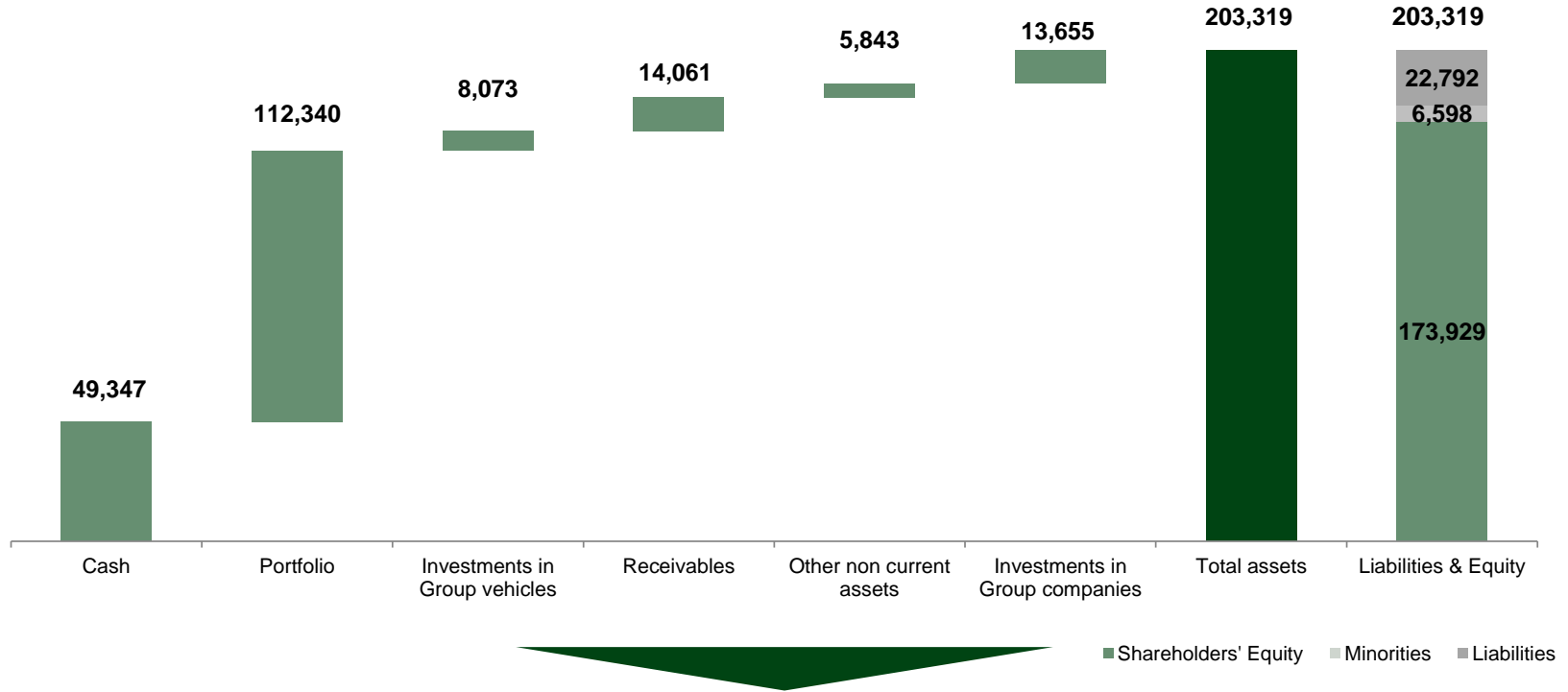
➤ **N+1 Syz**, the Group's Wealth Management division, reached €4.0 Mn of revenues during the first 9 months of 2015 and has **surpassed €1.0 Bn of assets under management**



### III. Strong balance sheet to support the Group strategy

#### IV. Balance sheet as of 30<sup>th</sup> September

€'000



- Execution of the separation right. **Payment of €33 Mn to former Dinamia Shareholders**
- **Payment of €34.5 Mn in dividends.** €26.3 Mn of ordinary dividends and €8.2 Mn of extraordinary dividends paid to shareholders coming from Dinamia due to the sale of two portfolio companies
- **€49.3 Mn of cash and no financial debt**
- **Investment portfolio valued at €112.3 Mn<sup>1</sup>**

### III. Strong balance sheet to support the Group strategy

#### V. Subsequent events to Q3 with significant impact on the balance sheet

##### 1 Sale of the investment portfolio (November 2015)<sup>1</sup>

- N+1 has **agreed to sell 70.6% of an investment portfolio coming from Dinamia for €57.2 Mn to funds managed by Access Capital Partners**
- **Dinamia has historically traded at a 23% discount vs. NAV**
- **N+1 will receive €40 Mn in 2015** and the remainder in 2016 and 2017
- Separately, **Access Capital Partners will invest €35 Mn in the next PE fund** N+1 is currently raising

##### 2 Closing of the sale of EYSA (October 2015)

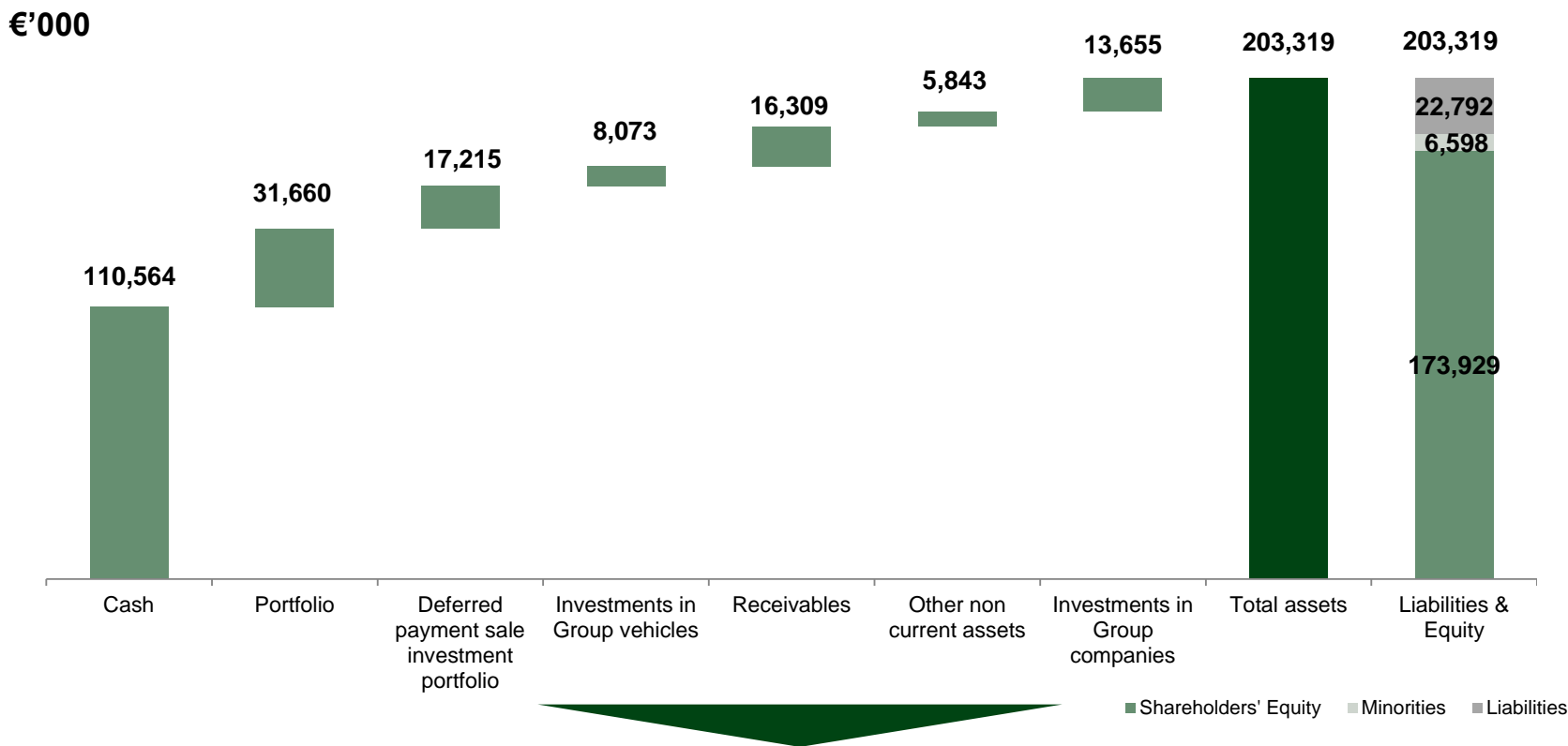
- **Divestiture of EYSA** to a financial investor generating a return on invested capital above 2.0x
- The **net cash in flow** for N+1 of this transaction amounts to **€18.1 Mn**

##### 3 Sale of Arco (October 2015)

- **Divestiture of Bodegas Arco** generating a **net cash in flow** for N+1 of **€1.9 Mn**

### III. Strong balance sheet to support the Group strategy

#### VI. Proforma Balance Sheet taking into account the subsequent events



➤ Taking into account the sale of the investment portfolio<sup>1</sup>, the sale of EYSA and the sale of Arco the cash increases to €110.6 Mn

➤ There are another €17.2 Mn of outstanding payments from the sale of the investment portfolio<sup>1</sup>

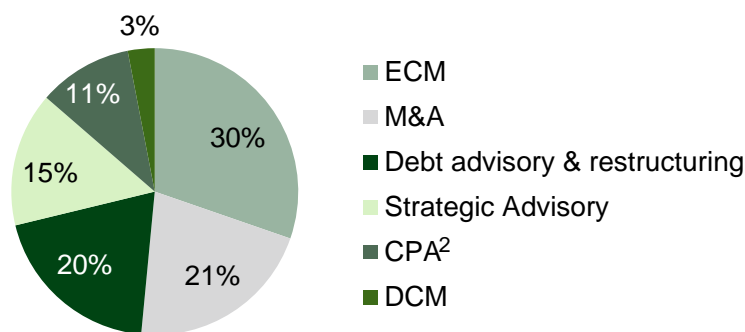
➤ The remaining portfolio has a value of €31.7 Mn

## IV. Well performing operating business

### I. Investment Banking division - Activity

- **66 closed deals by the Group until October**
- **€434 Mn<sup>1</sup> raised in the UK capital markets** in 2015 YTD
- **Closing of the second Debt Capital Markets (DCM) transaction.** N+1's DCM practice started operations in September 2014 and has already advised in the placing of two bonds on MARF (Spain's alternative fixed income market) with an aggregate value of €110 Mn
- **The corporate portfolio advisory team has closed 7 transactions** in 2015 YTD with an **aggregate transaction value of €1.5 Bn**

#### Closed transactions 2015 YTD



**66 closed transactions**

#### Selected recent transactions

 <p>Advisor and sole bookrunner on Sugal's €80 Mn bond issue on MARF (Spain's alternative fixed income market) <b>October 2015</b></p>	 <p>Advisor to financial investors and management on the sale of DSO Interactive to Montefiore Investment <b>July 2015</b></p>	 <p>Advisor on the sale of a €505 Mn unsecured loan portfolio <b>June 2015</b></p>
 <p>Advisor to Austrian industrial holding Tyrol Equity on the sale of a majority stake in BBS (German manufacturer of alloy wheels) to Korean listed Nice Holdings <b>June 2015</b></p>	 <p>Pinewood Group plc Placing of €83 Mn NOMAD and Sole Broker <b>April 2015</b></p>	 <p>Advisor to the shareholders of Golden Goose Deluxe Brand on the sale of a majority stake <b>April 2015</b></p>

## IV. Well performing operating business

### II. Investment Banking division - Highlights

#### 1 Mark Pensaert appointed as Head of Investment Banking

- Mark Pensaert is a highly-reputed investment banker in Europe. Until January 2015 he was **CEO of Leonardo & Co. Europe**. Before that, he was **Managing Director at Lazard**, where he **set up the Benelux business** for the firm
- In recent years, Mr. Pensaert has been **closely involved in the origination and execution of high-profile mandates in Europe**, building noteworthy expertise in the banking & insurance and industrial sectors

#### 2 Incorporation of N+1 France

- **Closing of the first two deals by the French Corporate Finance team**, which started operations in January 2015 and has already grown to **11 professionals**
- **Recently 2 additional Managing Director's have joined the company**

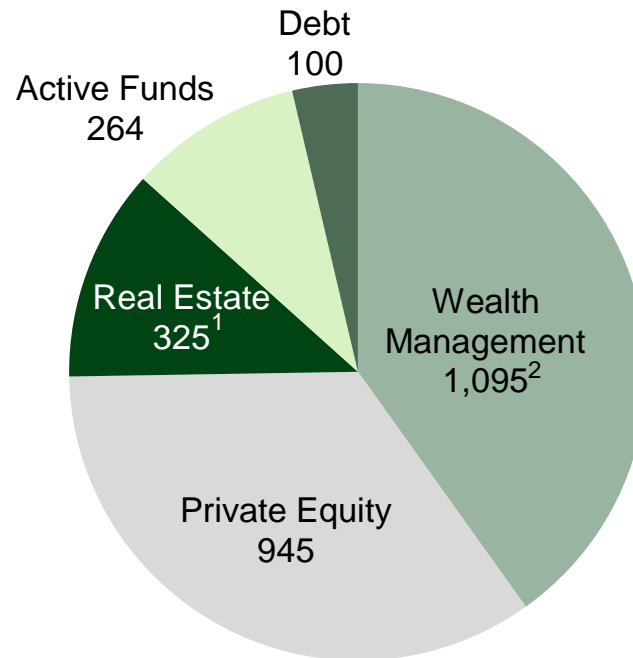
#### 3 N+1 Equities ranked as best independent broker in Iberia in Extel<sup>1</sup> 2015 brokers ranking

- N+1 Equities was ranked 3<sup>rd</sup> behind the two biggest commercial banks in Spain, for the second year in a row

## IV. Well performing operating business

### I. Asset Management division - Assets under management

Assets under management<sup>1</sup> (€ Mn)



**Total AuM: €2.7 Bn**

**Total fee-earning AuM €2.3 Bn**

## IV. Well performing operating business

### II. Asset Management division – Highlights (i)

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#### 1 Active Funds

- **EQMC Fund was ranked 1<sup>st</sup> by profitability** among 110 funds globally by Barclay Hedge<sup>1</sup> in the event-driven category, with **28.4% IRR** in the last 3 years

#### 2 Private Debt

- **First closing of €100 Mn** achieved by our Private Debt Fund

#### 3 Wealth Management

- Our wealth management division (N+1 SYZ) **surpassed €1.0 Bn of assets under management** (as of September AuM of this division are **€1,095 Mn**)

## IV. Well performing operating business

### II. Asset Management division – Highlights (ii)

#### 4 Private Equity

- **Completion of the sale of Estacionamientos y Servicios, S.A (EYSA)**, a portfolio company of N+1 PEF II and Dinamia, to a financial investor. Net proceeds from this transaction have been **€18.1 Mn and return on invested capital above 2.0x<sup>1</sup>**
- **Completion of the sale of Teltronic, a subsidiary of Tryo Communication Technologies**, a portfolio company of N+1 PEF II and Dinamia, valued at €133 Mn, **obtaining a return on invested capital of 6.0x**

#### 5 Real Estate

- **Divestment of a €325 Mn portfolio of prime offices in Germany.** The two funds (Alpina I and Alpina II) that owned the assets obtained a combined **gross IRR of 5.71%<sup>2</sup>**

#### 6 Project Phoenix

- **Launching of project Phoenix, whereby N+1 together with McKinsey manage a portfolio of viable but overleveraged companies for Spain's 6 largest banks**





## Annex

## I. P&amp;L - detail

€ Thousand	30/09/2015	30/09/2014	Dif. (%)
Investment banking	27.409	22.101	24, %
Asset Management <sup>1</sup>	17.039	19.905	(14,4%)
Other income	637	468	
<b>TOTAL</b>	<b>45.085</b>	<b>42.474</b>	<b>6,1%</b>
<b>Ordinary expenses</b>			
Staff costs <sup>2</sup>	(23.659)	(21.728)	8,9%
Other operating expenses	(9.922)	(8.145)	21,8%
<b>TOTAL</b>	<b>(33.581)</b>	<b>(29.873)</b>	<b>12,4%</b>
<b>Share of gain/(loss) of investments accounted for by the equity method</b>	<b>1.800</b>	<b>2.520</b>	<b>(28,6%)</b>
<b>Minority interests</b>	<b>(1.086)</b>	<b>(2.896)</b>	<b>(62,5%)</b>
<b>Taxes</b>	<b>(2.700)</b>	<b>(3.307)</b>	<b>(18,4%)</b>
<b>Fee business attributable net profit</b>	<b>9.518</b>	<b>8.918</b>	<b>6,7%</b>
Impairment losses and unrealized financial results	(357)	171	N/A
Amortization and gains/losses on disposal of financial assets	1.609	(14)	N/A
<b>Investment portfolio attributable net profit</b>	<b>1.252</b>	<b>157</b>	<b>697,5%</b>
Gains on bargain purchases arising on business combinations	53.556		
Net expenses from corporate transactions	(843)		
<b>Net profit impact from the merger</b>	<b>52.713</b>		
<b>Net profit attributable to the parent</b>	<b>63.483</b>	<b>9.075</b>	<b>599,5%</b>

## Annex

## II. Balance sheet - detail

## ASSETS

€ Thousand

<b>NON-CURRENT ASSETS</b>	<b>131,838</b>
Intangible assets	3,699
Property, plant and equipment	1,800
Investments accounted for by the equity method	13,655
Non-current financial assets	112,340
Deferred tax assets	49
Other non current assets	295
<b>CURRENT ASSETS</b>	<b>71,481</b>
Available for sale financial assets	8,073
Trade and other receivables	12,523
Current financial assets	-
Other current assets	1,538
Cash and cash equivalents	49,347
<b>TOTAL ASSETS</b>	<b>203,319</b>

## LIABILITIES &amp; EQUITY

<b>EQUITY</b>	<b>180,527</b>
<b>SHAREHOLDERS EQUITY</b>	<b>173,220</b>
Capital	101,011
Share premium	105,492
Reserves	(93,545)
Treasury shares	(366)
Net profit attributable to the parent	63,483
Interim dividend	(2,855)
<b>VALUATION ADJUSTMENTS</b>	<b>709</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>	<b>173,929</b>
<b>NON-CONTROLLING INTERESTS</b>	<b>6,598</b>
<b>NON-CURRENT LIABILITIES</b>	<b>1,814</b>
Non-current provisions	222
Deferred tax liabilities	975
Other non-current liabilities	617
<b>CURRENT LIABILITIES</b>	<b>20,978</b>
Other creditors	12,418
Other current liabilities	8,560
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>203,319</b>

## Contact information

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