Press release

For immediate release on 28th August 2015

Candover Investments plc
Interim results for the half year ended 30th June 2015

- Net assets per share of 370p (31st December 2014: 545p) a 32.1% decrease over the six months to 30th June 2015.
- Candover's* investment portfolio decreased in value by £32.8 million, a decrease of 24.2% since the year end. Constant currency valuations decreased by £23.5 million and unfavourable currency movements on investments amounted to £9.3 million as a result of the strength of Sterling.
- Expro's overall valuation reduced by £34.2 million as a consequence of weak trading and, following Expro's refinancing, further dilution for Candover where it was unable to fully follow-on its existing investment. Parques and Technogym valuations benefitted from improved trading.
- Net debt increased to £32.3 million at 30th June 2015 (31st December 2014: £27.3 million) reflecting operating and financing costs. Loan-to-value ratio increased to 31.4% compared to 20.1% at the year end.
- US PP Notes due to mature in December 2015 were successfully refinanced after the period end, strengthening the balance sheet and potentially accelerating the timing of the initial capital return to shareholders.
- Partial realisation of Stork BV announced in July 2015 expected to complete in Q4 and generate proceeds of approximately €9 million, once necessary clearances have been obtained.

Malcolm Fallen, Chief Executive Officer, said:

"The impact of the drop in the oil price on Expro's prospects, and the need to refinance its own balance sheet, has had a material adverse impact on our portfolio valuation, offset only in part by improvement in our other investments. Since the end of the period, we have strengthened Candover's balance sheet and eliminated any debt maturity risk, were future portfolio disposals to be delayed. This has also created a means to accelerate the timing of the initial capital return to shareholders."

Ends.

* Candover means Candover Investments plc and/or one or more of its subsidiaries

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Business and financial review

Overview

Net assets per share decreased by 32.1% or 175p per share during the six months to 30th June 2015 compared to an increase in the FTSE All-Share of 3.0% over the same period. NAV growth is dependent upon the valuation of the portfolio managed by Arle Capital Partners Limited ("Arle") increasing, thereby offsetting the costs of running the business. The portfolio's aggregate value decreased by £23.5 million, on a constant currency basis, which reflects a material write down in the value of Expro of £33.6 million. This was partly compensated by a combined increase in the values of Parques and Technogym of £11.8 million. The impact of foreign currency movements reduced the valuation of the portfolio by a further £9.3 million, reflecting the strength of Sterling relative to both the Euro and the US Dollar.

The decline in Expro reflects the impact of continued weakness in the energy services market which impacted adversely on Expro's trading. As a consequence of this weakness, Expro completed a major refinancing to make its capital structure more resilient to a prolonged downturn. This has resulted in further dilution for Candover because it has not been able to make follow on investments alongside the Candover 2008 Fund since January 2010. The uplift in both Parques and Technogym reflects the continued improvement in the trading performance of both businesses.

Candover's net debt increased to £32.3 million during the first six months, compared to £27.3 million at the year end. The increase reflected the impact of interest paid and operating expenses during a period in which no realisations occurred. The loan-to-value ratio of the Company's net debt increased correspondingly, from 20.1% at the year end to 31.4% at 30th June 2015.

In the Company's 2014 Annual Report and Accounts, the Board noted it was actively considering alternative sources of funding ahead of the 31st December 2015 maturity of Candover's US private placement notes ("US PP Notes"). At 30th June 2015, $83.9 million (£53.1 million) of US PP Notes were outstanding. The review of funding options was undertaken as the repayment of the Company's debt is wholly dependent on the successful and timely realisation of the investment portfolio by Arle.

On 13th July 2015 the Company announced that it had agreed a new term loan facility with 17Capital LLP for up to €52 million (£37.1 million) that, together with available cash balances of £20.8 million, would enable the Company to repay the existing US PP Notes at par and meet future working capital requirements. The US PP Notes were repaid on 13th August 2015.

The terms of the facility allow the Company to return up to £21.8 million (equivalent to 100 pence per share) to shareholders, ahead of any repayment of debt, following the realisation of assets. This is in contrast to the Company's previous debt arrangements. This initial return of cash is subject to a pre-distribution test that the portfolio value is at least twice the level of debt. Debt repayments will commence after this initial return of capital to shareholders, funded from the net proceeds of subsequent realisations.

The new debt facility has a five year maturity, which can be further extended at the Company's option at no cost. The interest charge is payment-in-kind at 13% per annum, which will roll-up and be paid when the loan itself is repaid. The loan is subject to a minimum repayment amount calculated as if the loan had been outstanding for 2.75 years; however, this is reduced to 1.15 years for any amounts repaid within the first 12 months, up to a maximum of €19.4 million.

The facility is denominated in Euros to match the assets in the investment portfolio, the majority of which are valued in Euros.

Net asset value per share

Net assets per share decreased by 32.1% from 545p to 370p over the six months to 30th June 2015. The decrease of 175p per share was split between a decrease in constant currency investment values (107p), overall adverse currency movements (43p), and the impact of on-going business costs (25p). In the first half, these costs comprised loan note interest, the investment manager's fee and general administration costs.

Table 1

	£m	p/share
Net asset value at 31st December 2014 as reported	**119.2**	**545**
Loss on financial instruments and other income[1]	(23.5)	(107)
Recurring administrative expenses	(1.8)	(8)
Finance costs	(2.4)	(11)
Others (including tax)	(1.3)	(6)
Currency impact:		
– Unrealised investments	(9.3)	(43)
– Retranslation of cash and cash equivalents	(0.7)	(3)
– Translation of loan	0.7	3
Net asset value at 30th June 2015 as reported	**80.9**	**370**

[1] Stated before unfavourable currency impact of £9.3 million

Investments

The valuation of investments at 30th June 2015, including accrued loan note interest, was £103.0 million. Valuations decreased for the period by £23.5 million, before currency effects, representing a decrease of 17.3% in the value of these investments over their 31st December 2014 value. The overall decrease in the valuation of the portfolio in the period was £32.8 million representing a decrease of 24.2% which included £9.3 million of unfavourable foreign currency movements. A reallocation of £1.7 million of funds invested by Candover in Stork BV in 2013 was made to meet the Company's £1.9 million co-investment alongside the Candover 2005 Fund in the Expro refinancing.

Table 2

	£m
Investments at 31st December 2014	**135.6**
Disposals at valuation	(1.7)
Additions at cost	1.9
Investments adjusted for additions and disposals	**135.8**
Revaluation of investments:	
– Valuation movements before currency impact	(23.5)
– Currency impact on unrealised investments	(9.3)
Investments at 30th June 2015	**103.0**

Net debt position and loan-to-value covenant

Candover's net debt increased from £27.3 million as at 31st December 2014 to £32.3 million as at 30th June 2015. This reflects the cash outflow relating to interest paid and operating expenses in the period. The loan-to-value ratio of the Company's net debt at 30th June 2015 was 31.4% compared to 20.1% at the year end.

Table 3

	30th June 2015 £m	31st December 2014 £m
Loans and borrowings	**52.6**	52.8
Deferred costs	**0.5**	1.1
Value of bonds	**53.1**	53.9
Cash	**(20.8)**	(26.6)
Net debt	**32.3**	27.3

Profit before and after tax

Net profit before tax and exceptional non-recurring costs for the period was £2.3 million compared to a profit of £8.7 million in the comparable period.

Including capital costs of £1.8 million (2014: £1.8 million), total administrative and finance costs in the period were £4.2 million (2014: £4.5 million), which included £1.1 million (2014: £1.2 million) of management fees payable to Arle, linked to the value of investments managed, and £2.4 million of financing costs (2014: £2.4 million).

The exceptional non-recurring gain of £0.3 million (2014: loss £0.1 million) comprises the effect of the reversal of part of the remaining property provision. The balance of the provision at 30th June 2015 was £0.1 million.

Board

There were no changes to the Board during the period.

Dividend

The Board is not recommending a dividend payment, but the payments of dividends in the future will be reviewed in the context of our focus on delivering a progressive return of cash to shareholders over time.

Outlook

After a difficult first half, we move in to the second half with a little more optimism, albeit mindful that the global economic outlook is fragile. Our financing needs are now settled and the partial realisation of Stork BV provides an initial step towards making the first return of cash to shareholders possible. The improvement in the portfolio's trading performance, other than Expro, is encouraging as our investment manager, Arle, continues to focus on positioning the portfolio companies for realisation.

Manager's report

Arle Capital Partners Limited

Introduction

Arle is the private equity asset manager of the Candover 2005 Fund and Candover 2008 Fund (together 'the Candover Funds' or 'Funds'), as well as special purpose vehicles.

Portfolio Overview

The Candover Funds portfolio has made steady progress in the first half of 2015. Technogym, Parques Reunidos ("Parques") and Stork BV reported strong trading but this was more than offset by Expro International ("Expro"), whose performance has suffered as a direct result of the drop in oil price and the related industry downturn. Excluding Expro, last twelve months' revenues and earnings across the portfolio increased by 3.2% and 8.0% respectively in the six months to 30th June 2015. Including Expro, revenues were flat and earnings down by 2.0% over the period.

Whilst the performance of the Candover Funds managed by Arle was down 4.0%, the valuation of Candover's unrealised portfolio fell by 24.2%. This reflected Candover's inability to follow-on its investment in Expro alongside the Candover 2008 Fund since January 2010 and negative foreign currency movements in the period as Candover reports in Sterling.

Whilst there were no realisations during the first half of the year, Arle continues to make good progress in optimising the operational and financial performance of its portfolio companies in readiness for exit. Post the period end, Stork BV was partially realised with the sale of Fokker Technologies to GKN Aerospace. Completion of the transaction is expected towards the end of 2015.

Expro International

Expro, the international oilfield services company, reported annual results to 31st March 2015 with headline revenue of $1.3 billion, down 5.6%, and earnings down 15.1%, compared to the fiscal year ending 31st March 2014.

Whilst Expro has continued to win a number of valuable new contracts in the first half of 2015 and has worked hard to proactively manage its cost base through the oil sector downturn, trading continues to be weaker as a result of the sharp fall in the price of Brent crude oil last year which has depressed activity across the entire sector.

There were, however, some areas of revenue growth, such as the Middle East and North Africa, which achieved record growth in revenue, up 13.3% on the back of contracts awarded at the end of the last fiscal year. The company also delivered a strong performance in Asia, with new contracts in Australia and Brunei. Revenue earned by Production Testers International (PTI) business was up on higher sales from early production facilities equipment.

In June, Expro raised $334 million of new equity funding to partially repay borrowings under its existing mezzanine facility. This also provided $51 million of additional liquidity for investment in the company.

At the half year, Expro has been written down to reflect the current turbulent market environment, the energy sector downgrade and depressed oil price. The valuation has reduced by £33.6 million or 154p per share and suffered negative currency effects of £0.6 million (total: -156p per share). Whilst the value for the Candover Funds has been reduced by 38% over the period, for Candover this fall is amplified to 78% because of the cumulative dilution suffered from not following on part of its original investment made alongside the Candover 2008 Fund since January 2010.

Parques Reunidos

Parques, a global operator of attraction and water parks, enjoyed strong trading in the first half of 2015, in particular due to renewed consumer confidence in Spain and Italy and positive results from park upgrades.

In April, Parques reported strong results for the full year to 31st December 2014, reporting a 5.8% increase in revenues to €549 million, a 4% increase in earnings to €172 million and a 5.8% increase in visitor numbers to 22.2 million visitors in 2014. In the same month, Parques acquired Faunia in Madrid, having operated the animal park under a management contract for a number of years prior to acquisition.

The valuation has been written up by £5.7 million from 31st December 2014, before negative currency movements of £3.7 million (total: +9p per share).

Stork BV

Stork BV comprises two discrete and separately financed entities: Stork and Fokker Technologies.

Stork

Stork is a global provider of knowledge-based asset integrity services focussing on the oil & gas, chemical and power markets. Stork's performance continued to improve in the first half of 2015 with organic revenue growth of 5.9% reported (€745 million) and earnings growth of €8.7 million to €43.5 million compared to the same period in 2014. This marked the sixth consecutive quarter of earnings growth. Stork reported a solid performance in Continental Europe and particularly strong revenue growth in Colombia. Activities which focus on maintenance, modifications and asset integrity services, have demonstrated resilience in volatile market conditions. However, the UK and Power Services markets continue to be challenging.

Fokker Technologies ("Fokker")

Fokker is an aerospace specialist which designs, develops and manufactures highly engineered aircraft systems and components for aircraft manufacturers and provides through-life aircraft fleet support services for the aerospace industry. Fokker enjoyed positive revenue and earnings growth in the first half of the year and for the year ended 31st December 2014 reported revenue of €758 million, earnings of €76 million and operational EBIT of €53 million.

Post the period end, in July, Fokker was sold to GKN Aerospace for an enterprise value of €706 million representing an exit multiple of 10.0x 2014 normalised earnings. Completion of the transaction is expected towards the end of 2015.

Proceeds from the sale will retire the Fokker debt, repay debt held in Stork BV, and return circa €90 million to Candover Fund investors.

The combined investment was written up by £0.3 million from 31st December 2014 before negative foreign currency movements of £2.9 million (total: -12.0p per share).

Technogym

Technogym is the global leader in premium fitness equipment and wellness solutions. It traded ahead of expectations during the first half of 2015.

The valuation was marked £6.1 million higher than at 31st December 2014, before negative foreign currency movements of £1.6 million (total: +21p per share).

Hilding Anders

Hilding Anders, the leading manufacturer of beds and mattresses in Europe, Russia and Asia, witnessed good trading across its regions during the year, with Russia outperforming. However, the significant depreciation of the Rouble has adversely impacted the company's earnings. Christer Aberg took up his new role as CEO on 1st August 2015 following the resignation of Alex Myers who returned to his former employer, the Getinge Group, as Group CEO. Christer Aberg has the experience of working in both industrial and consumer oriented environments. His previous role was CEO of Orkla Confectionary and Snacks with seven companies in the Nordics and Baltics, and revenues of 5bn NOK.

The valuation was written down from 31st December 2014 by £2.0 million before negative foreign exchange movements of £0.5 million (total: -11.0p per share).

Realisations

There were no realisations during the period. After the period end, a partial realisation of Stork BV was announced following the sale of Fokker Technologies. The transaction is expected to complete in the fourth quarter of 2015.

Valuations

The investments are largely based in Western Europe but their operations extend into more than 150 countries. The investments are in the energy, services and industrial sectors.

The co-investments managed by Arle on behalf of Candover are shown below.

Portfolio valuations

Portfolio company	**Residual cost[1] £m**	**Valuation at 31st December 2014 £m**	**Additions and disposals £m**	**Valuation movement excluding FX[2] £m**	**Valuation movement attributable to FX[2] £m**	**Valuation at 30th June 2015 £m**	**Valuation movement pence per share[2]**
Parques Reunidos	31.8	39.9	-	5.7	(3.7)	41.9	9
Stork Group	43.8	30.9	(1.7)	0.3	(2.9)	26.6	(12)
Technogym	29.2	17.1	-	6.1	(1.6)	21.6	21
Expro International	94.0	41.8	1.9	(33.6)	(0.6)	9.5	(156)
Hilding Anders	24.3	5.3	-	(2.0)	(0.5)	2.8	(11)
Alma	15.3	-		-	-	-	-
All investments	**238.4**	**135.0**	**0.2**	**(23.5)**	**(9.3)**	**102.4**	**(150)**
Other investments[3]	18.0	0.6	-	-	-	0.6	-
Total	**256.4**	**135.6**	**0.2**	**(23.5)**	**(9.3)**	**103.0**	**(150)**

1 Residual cost is original cost less realisations to date
2 Compared to the valuation at 31st December 2014 or acquisition date, if later
3 Represents assets sold in H1 2015 and other co-investments

Outlook

During the remainder of 2015, Arle will continue to focus on optimising performance across the portfolio, ensuring that each business is well positioned to maximise growth. Arle will continue to work towards realising the remaining investments in the Funds at the appropriate time.

Arle Capital Partners Limited
28th August 2015

Candover portfolio

Analysis by value at 30th June 2015

By valuation method

1. Multiple of earnings 100%

By sector

1. Industrials 49.8%
2. Services 40.9%
3. Energy 9.3%

By region

1. Spain 40.9%
2. Benelux 26.0%
3. Italy 21.1%
4. United Kingdom 9.3%
5. Nordic 2.7%

By age

1. Greater than 5 years 100%

Candover portfolio

at 30th June 2015

Investment	Date of investment	Residual cost of investment £m	Directors' valuation £m	Movement from 31st Dec 2014[1] £m	Effective equity interest (fully diluted)	% of Candover's net assets	Basis of valuation
Parques Reunidos Operator of attraction parks	Mar-07	31.8	41.9	2.0	3.9	51.7	Multiple of earnings
Stork Group Engineering conglomerate	Jan-08	43.8	26.6	(2.6)	4.6	32.9	Multiple of earnings
Technogym Premium fitness equipment and wellness products	Aug-08	29.2	21.6	4.5	3.2	26.7	Multiple of earnings
Expro International Oilfield services	Jul-08	94.0	9.5	(34.2)	4.7	11.7	Multiple of earnings
Hilding Anders Bed and mattress manufacturer	Dec-06	24.3	2.8	(2.5)	4.3	3.5	Multiple of earnings
Alma Consulting Group Cost consultancy	Dec-07	15.3	-	-	4.9	-	Multiple of earnings

[1] Adjusted for additions and disposals in the period

Principal risks and uncertainties

Details of the principal risks and uncertainties facing the Group were set out in the Risk review on pages 6 to 8 of the 2014 Report and Accounts, a copy of which is available on our website (www.candoverinvestments.com).

The principal risks and uncertainties identified in the 2014 Report and Accounts, and the policies and procedures for minimising these risks and uncertainties, remain unchanged and each of them has the potential to affect the Group's results during the remainder of 2015. Our views on the current market conditions are reflected in the Business and financial review and the Manager's report.

Statement of Directors' responsibilities

The Directors of Candover Investments plc confirm that, to the best of their knowledge, the condensed set of financial statements in this interim report have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the EU, and give a fair view of the assets, liabilities, financial position and profit or loss of Candover Investments plc, and the undertakings included in the consolidation as a whole, and that the Manager's report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R.

By order of the Board

Ipes (UK) Limited
Company Secretary
28th August 2015

Independent review report to the members of Candover Investments plc

Introduction

We have reviewed the condensed set of financial statements in the half-yearly financial report of Candover Investments plc for the six months ended 30th June 2015 which comprises the Group statement of comprehensive income, Group statement of changes in equity, Group statement of financial position, Group cash flow statement and the related notes. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company's members, as a body, in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our review work, for this report, or for the conclusion we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

Our responsibility

Our responsibility is to express a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30th June 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Grant Thornton UK LLP
Auditor
London
28th August 2015

Group statement of comprehensive income
for the period ended 30th June 2015

£ million	Six months to 30th June 2015 Revenue	Six months to 30th June 2015 Capital Unaudited	Six months to 30th June 2015 Total	Six months to 30th June 2014 Revenue	Six months to 30th June 2014 Capital unaudited	Six months to 30th June 2014 Total	Year to 31st December 2014 Revenue	Year to 31st December 2014 Capital audited	Year to 31st December 2014 Total
Gain/(loss) on financial instruments at fair value through profit and loss									
Realised gains/(losses)	**-**	**0.2**	**0.2**	-	3.5	3.5	-	4.8	4.8
Unrealised (losses)/gains	**-**	**(38.4)**	**(38.4)**	-	(10.3)	(10.3)	-	(39.9)	(39.9)
	-	**(38.2)**	**(38.2)**	-	(6.8)	(6.8)	-	(35.1)	(35.1)
Revenue									
Investment and other income	**4.7**	**-**	**4.7**	11.4	-	11.4	11.3	-	11.3
Recurring administrative expenses	**(1.2)**	**(0.6)**	**(1.8)**	(1.5)	(0.6)	(2.1)	(2.8)	(1.3)	(4.1)
Exceptional non-recurring gains/(losses)	**0.3**	**-**	**0.3**	(0.1)	-	(0.1)	(0.3)	-	(0.3)
Profit/(loss) before finance costs and taxation	**3.8**	**(38.8)**	**(35.0)**	9.8	(7.4)	2.4	8.2	(36.4)	(28.2)
Finance costs	**(1.2)**	**(1.2)**	**(2.4)**	(1.2)	(1.2)	(2.4)	(2.4)	(2.4)	(4.8)
Exchange movements on borrowings	**-**	**0.7**	**0.7**	-	1.4	1.4	-	(3.2)	(3.2)
Profit/(loss) before taxation	**2.6**	**(39.3)**	**(36.7)**	8.6	(7.2)	1.4	5.8	(42.0)	(36.2)
Analysed between:									
Profit/(loss) before exceptional non-recurring costs	**2.3**	**(39.3)**	**(37.0)**	8.7	(7.2)	1.5	6.1	(42.0)	(35.9)
Exceptional non-recurring gains/(losses)	**0.3**	**-**	**0.3**	(0.1)	-	(0.1)	(0.3)	-	(0.3)
Taxation	**(1.6)**	**-**	**(1.6)**	-	-	-	(0.9)	-	(0.9)
Profit/(loss) after taxation	**1.0**	**(39.3)**	**(38.3)**	8.6	(7.2)	1.4	4.9	(42.0)	(37.1)
Total comprehensive income	**1.0**	**(39.3)**	**(38.3)**	8.6	(7.2)	1.4	4.9	(42.0)	(37.1)
Earnings per ordinary share:									
Total earnings per share – basic and diluted	**5p**	**(180p)**	**(175p)**	39p	(32p)	7p	22p	(192p)	(170p)
Dividends paid (£ millions)	**-**	**-**	**-**	-	-	-	-	-	-

The total column represents the Group statement of comprehensive income under IFRS. The supplementary revenue and capital columns are presented for information purposes as recommended by the Statement of Recommended Practice issued by the Association of Investment Companies

All of the gain for the period and the total comprehensive income for the period are attributable to the owners of the Company

No interim dividend is proposed

Group statement of changes in equity
for the period ended 30th June 2015

Unaudited	Called up share capital £m	Share premium account £m	Other reserves £m	Capital reserves – realised £m	Capital reserves – unrealised £m	Revenue reserve £m	Total equity £m
Balance at 1st January 2015	**5.5**	**1.2**	**(0.1)**	**310.4**	**(193.5)**	**(4.3)**	**119.2**
Net revenue after tax	-	-	-	-	-	1.0	1.0
Unrealised loss on financial instruments	-	-	-	-	(38.4)	-	(38.4)
Realised gain/(loss) on financial instruments	-	-	-	0.2	-	-	0.2
Exchange movements on borrowing	-	-	-	-	0.7	-	0.7
Costs net of tax	-	-	-	(1.8)	-	-	(1.8)
Profit/(loss) after tax	-	-	-	(1.6)	(37.7)	1.0	(38.3)
Total comprehensive income	-	-	-	(1.6)	(37.7)	1.0	(38.3)
Balance at 30th June 2015	**5.5**	**1.2**	**(0.1)**	**308.8**	**(231.2)**	**(3.3)**	**80.9**
Unaudited							
Balance at 1st January 2014	**5.5**	**1.2**	**(0.1)**	**318.1**	**(159.2)**	**(9.2)**	**156.3**
Net revenue after tax	-	-	-	-	-	8.6	8.6
Unrealised (loss) on financial instruments	-	-	-	-	(10.3)	-	(10.3)
Realised (loss)/gain on financial instruments	-	-	-	(7.3)	10.8	-	3.5
Exchange movements on borrowing	-	-	-	-	1.4	-	1.4
Costs net of tax	-	-	-	(1.8)	-	-	(1.8)
Profit/(loss) after tax	-	-	-	(9.1)	1.9	8.6	1.4
Total comprehensive income	-	-	-	(9.1)	1.9	8.6	1.4
Balance at 30th June 2014	**5.5**	**1.2**	**(0.1)**	**309.0**	**(157.3)**	**(0.6)**	**157.7**
Audited							
Balance at 1st January 2014	**5.5**	**1.2**	**(0.1)**	**318.1**	**(159.2)**	**(9.2)**	**156.3**
Net revenue after tax	-	-	-	-	-	4.9	4.9
Unrealised (loss) on financial instruments	-	-	-	-	(39.9)	-	(39.9)
Realised (loss)/gain on financial instruments	-	-	-	(4.0)	8.8	-	4.8
Exchange movements on borrowing	-	-	-	-	(3.2)	-	(3.2)
Costs net of tax	-	-	-	(3.7)	-	-	(3.7)
Profit/(loss) after tax	-	-	-	(7.7)	(34.3)	4.9	(37.1)
Total comprehensive income	-	-	-	(7.7)	(34.3)	4.9	(37.1)
Balance at 31st December 2014	**5.5**	**1.2**	**(0.1)**	**310.4**	**(193.5)**	**(4.3)**	**119.2**

Group statement of financial position
at 30th June 2015

£ million	Notes	30th June 2015 unaudited		30th June 2014 unaudited		31st December 2014 audited	
Non-current assets							
Financial investments designated at fair value through profit and loss							
Investee companies	4	**102.4**		173.8		135.0	
Other financial investments	4	**0.6**		2.5		0.6	
			103.0		176.3		135.6
Trade and other receivables		**9.3**		9.0			8.5
Deferred tax asset		**0.5**		3.0			2.1
			112.8		188.3		146.2
Current assets							
Trade and other receivables		**0.1**		0.2		0.1	
Current tax asset		**0.1**		0.1		0.1	
Cash and cash equivalents		**20.8**		18.9		26.6	
			21.0		19.2		26.8
Current liabilities							
Trade and other payables		**(0.2)**		(0.6)		(0.5)	
Provisions		**(0.1)**		(1.4)		(0.5)	
Loans and borrowings		**(52.6)**		-		(52.8)	
			(52.9)		(2.0)		(53.8)
Net current (liabilities)/assets			**(31.9)**		17.2		(27.0)
Total assets less current liabilities			**80.9**		205.5		119.2
Non-current liabilities							
Loans and borrowings			**-**		(47.8)		-
Net assets			**80.9**		157.7		119.2
Equity attributable to equity holders							
Called up share capital			**5.5**		5.5		5.5
Share premium account			**1.2**		1.2		1.2
Other reserves			**(0.1)**		(0.1)		(0.1)
Capital reserve – realised			**308.8**		309.0		310.4
Capital reserve – unrealised			**(231.2)**		(157.3)		(193.5)
Revenue reserve			**(3.3)**		(0.6)		(4.3)
Total equity			**80.9**		157.7		119.2
Net asset value per share							
Basic			**370p**		722p		545p
Diluted			**370p**		722p		545p

Group cash flow statement
for the period ended 30th June 2015

£ million	Notes	**Six months to 30th June 2015 unaudited**	Six months to 30th June 2014 unaudited	Year to 31st December 2014 audited
Cash flows from operating activities				
Cash flow from operations	3	**(3.0)**	0.4	3.6
Interest paid		**(1.9)**	(2.0)	(3.9)
Net cash outflow from operating activities		**(4.9)**	(1.6)	(0.3)
Cash flows from investing activities				
Purchase of financial investments		**(1.9)**	-	-
Sale of financial investments		**1.7**	17.9	24.2
Net cash (outflow)/inflow from investing activities		**(0.2)**	17.9	24.2
Cash flows from financing activities				
Loan notes issued		**-**	-	-
Loan notes repaid		**-**	-	-
Net cash outflow from financing activities		**-**	-	-
(Decrease)/increase in cash and cash equivalents		**(5.1)**	16.3	23.9
Opening cash and cash equivalents		**26.6**	3.0	3.0
Effect of exchange rates and revaluation on cash and cash equivalents		**(0.7)**	(0.4)	(0.3)
Closing cash and cash equivalents		**20.8**	18.9	26.6

Notes to the financial statements
for the period ended 30th June 2015

Note 1 General information

This condensed consolidated half-year financial information does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31st December 2014 were approved on 26th March 2015. Those accounts, which contained an unqualified audit report under Section 498 of the Companies Act 2006 and which did not make any statements under Section 498 of the Companies Act 2006, have been delivered to the Registrar of Companies in accordance with Section 441 of the Companies Act 2006.

Note 2 Basis of accounting

The Group financial statements are prepared under International Financial Reporting Standards ('IFRS') as adopted by the European Union. This statement has been prepared using accounting policies and presentation consistent with those applied in the preparation of the accounts for the Group for the year ended 31st December 2014, and in accordance with IAS 34 'Interim Financial Reporting' (Revised).

Note 3 Reconciliation of operating income to net cash flow from operating activities

£ million	**Six months to 30th June 2015 unaudited**	Six months to 30th June 2014 unaudited	Year to 31st December 2014 audited
Total income	**4.7**	11.4	11.3
Administrative expenses	**(1.8)**	(2.3)	(4.1)
Operating profit	**2.9**	9.1	7.2
Increase in trade and other receivables[1]	**(5.6)**	(7.8)	(1.3)
Decrease in trade and other payables	**(0.3)**	(0.9)	(2.3)
Net cash (outflow)/inflow from operating activities	**(3.0)**	0.4	3.6

[1] Includes accrued portfolio income recognised within Financial investments shown under Non-current assets on the Group statement of financial position.

Note 4 – Financial investments designated at fair value through profit and loss

£ million	**Six months to 30th June 2015 unaudited**	Six months to 30th June 2014 unaudited	Year to 31st December 2014 audited
Opening valuation	**135.6**	191.2	191.2
Disposals at valuation	**(1.7)**	(16.1)	(24.2)
Additions at cost	**1.9**	-	-
Valuation movements	**(32.8)**	1.2	(31.4)
Closing valuation	**103.0**	176.3	135.6

Note 5 Related party transactions

The nature of the Company's interest in the Candover 2005 and 2008 Funds is disclosed in note 9 on page 64 of the 2014 Report and Accounts.

As at 30th June 2015, Candover's investments as a Special Limited Partner in the Candover 2005 Fund were valued at £0.4 million (31st December 2014: £0.4 million).

Note 6 Outstanding commitments

At 30th June 2015, the Company had no outstanding commitment in the Candover 2005 Fund (31st December 2014: £nil).

Note 7 Subsequent events

The partial realisation of Stork BV was announced on 28th July 2015 following the disposal of Fokker Technologies BV. The transaction, subject to concluding the necessary employee consultation processes and receipt of requisite regulatory clearances, is expected to complete in the fourth quarter of 2015. Proceeds are estimated to be €9 million.

On 13th August 2015 the Company utilised €49 million from aggregate facilities of €52 million provided by 17 Capital LLP, together with the Company's surplus cash balances, to repay the US PP Notes in full.