



JZ CAPITAL PARTNERS LIMITED



2012 Preliminary Results Presentation



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Our investment strategy

- Focus on strategic build-ups in the inefficient micro cap market in the US and Europe
- Team with experienced management and seasoned senior operating executives that provide supervision and strategic advice
- Five executives to date – hands-on operating industry professionals
- Significant proprietary deal flow
 - Large network of long-term sourcing relationships
 - Very limited use of auctions
- JZCP buys at reasonable entry multiples with modest leverage
 - Average US micro cap purchase multiple of 6.0x trailing EBITDA
 - Average debt multiple senior to JZCP is 1.2x for the US micro-cap portfolio
 - Will add leverage to enhance returns with well performing investments
- Co-investments with well-known, successful micro cap private equity firms



Highlights

Performance

- Total shareholder return of 43% driven by stock price increase and dividends paid
- NAV discount narrowed from 38% to 18% (30 April 2013)
- NAV per share increased to US\$10.02 before dividends of 32.5 cents; US\$9.69 after
 - Total NAV return of 6% (including dividend payments)
- NAV growth in 15 of the last 16 quarters, now exceeding US\$630 million

Investment Activity

- Deployed US\$200.7 million in new investments
- Proceeds of US\$145.9 million from realisations

Portfolio

- Continued focus on US micro cap companies
- Healthy pipeline of opportunities in the US and Europe
- New opportunities in real estate to drive NAV growth
- Exceptional balance sheet strength

Strategic Initiatives

- Listing move to the LSE's Specialist Fund Market
- Increase in shares available for investment outside the US



Financial performance

NAV per share of US\$9.69 (FYE 2/12 : US\$9.47)
Total shareholder return for the period of 43%

Record full year distribution 32.5 cents per share
(FYE 2/12: 25.0 cents per share)

Exceptionally strong and liquid balance sheet to
take advantage of further investment
opportunities

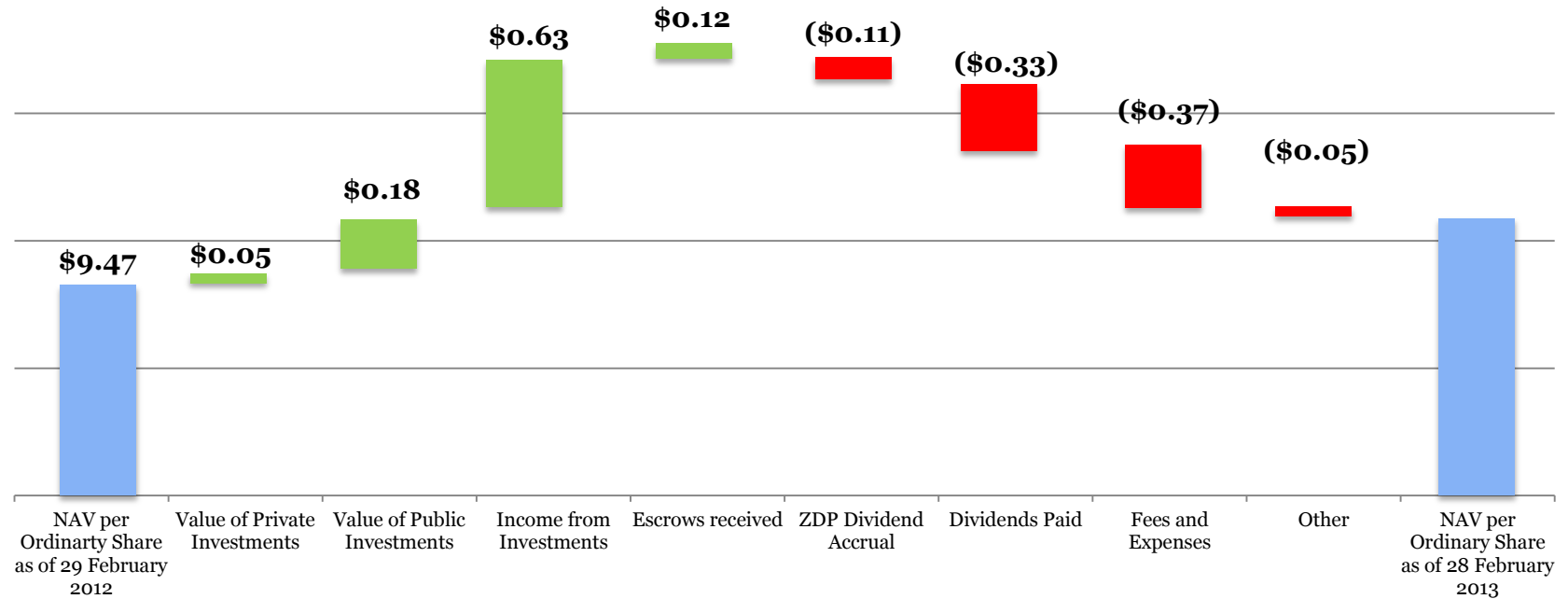
Significant narrowing of the discount from 38%
to 18% on 30 April 2013

	US\$ 000 FYE 2/13	US\$ 000 FYE 2/12
Investments	596,473	493,757
Cash and cash equivalents	134,549	235,948
Other liabilities-net	11,553	8,662
Zero Dividend Preference Shares (000's)	89,839	87,281
Number of Ordinary Shares	65,019	65,019
Net asset value per Ordinary Share	9.69	9.47
NAV to market price discount	22%	38%



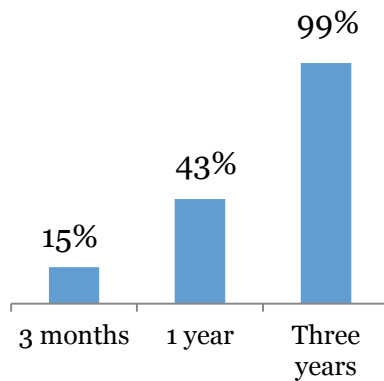
Net asset value development

Investment performance has driven NAV growth

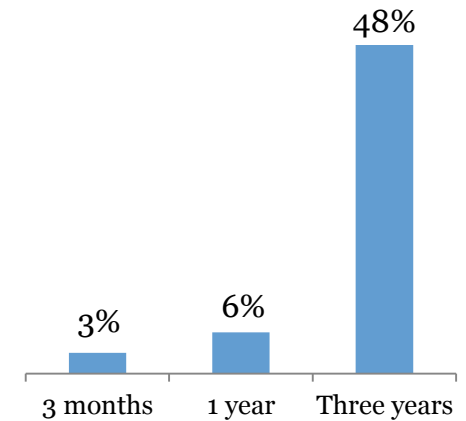


Share price and NAV per share performance

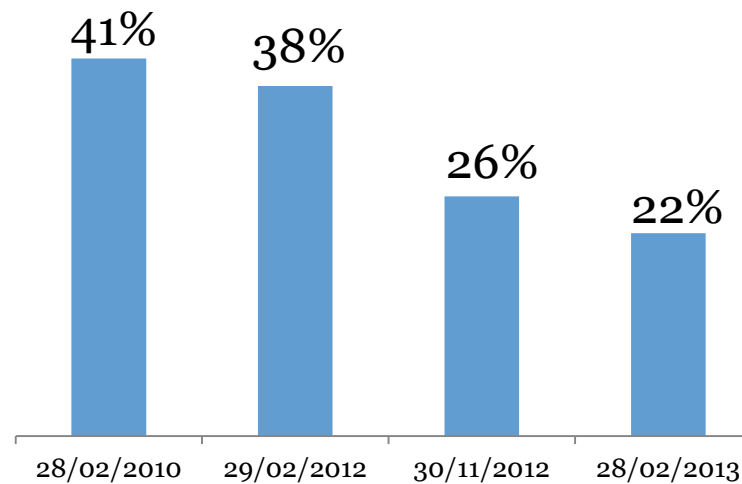
Total shareholder returns



NAV total returns



NAV to market price discount



Investment activity

Since 29 February 2012

US\$ million

Invested in 11 businesses in our existing 5 US Verticals	90.8
Made investments in 4 co-investment businesses	40.0
Invested in properties in Brooklyn, NY	38.1
Invested in European Micro Cap businesses	17.1
Other	14.7
	<hr/>
	200.7

Realisation activity

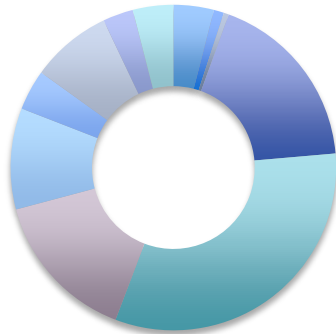
Since 29 February 2012

US\$ million

Sale of Horsburgh and Scott	33.7
TAL secondary sale	42.1
Refinancing of current portfolio company debt	11.8
Redemption of bank debt portfolio	23.9
Redemption of mezzanine portfolio	28.9
Warrants, escrows, other	5.5
	<hr/>
	145.9

Portfolio review

Industry



- Real estate - 4%
- Gaming - 1%
- Financial services - >1%
- Cash & cash equivalents - 18%
- Industrial - 32%
- Service - 15%
- Healthcare - 10%
- Banking - 4%
- Insurance - 8%
- Transportation/ logistics - 3%
- Consumer - 4%

Geography



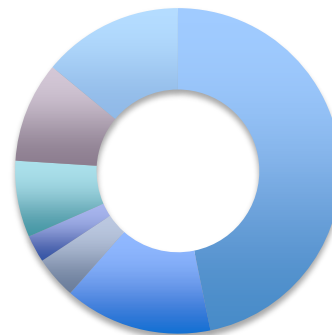
- Brazil - 1%
- Cash & cash equivalents - 18%
- US - 66%
- Europe - 15%

Vintage



- >10 years - 4%
- 5-10 years - 14%
- 3-5 years - 1%
- 1-3 years - 41%
- <1 year - 40%

Asset type



- US micro cap - 47%
- European micro cap - 15%
- Real estate - 4%
- Mezzanine/ other - 3%
- Listed equities - 8%
- Listed debt - 10%
- Cash & cash equivalents - 14%



US micro cap verticals

Verticals are sector driven “build ups” created to add value through operational synergies across businesses and through exit multiple expansion

Industrial Services Solutions (ISS), a build up of industrial equipment services, repair and sales businesses

- Managed by Jim Rogers, a GE veteran
- Consists of:
 - Mid American Machine (June 2011)
 - Southern Parts (August 2011)
 - Bay Valve (April 2012)
 - Gator Compressors (May 2012)
 - Pennsylvania Electric Motor Services (June 2012)
 - National Compressor (June 2012)
 - Madison Smith (December 2012)
 - RAM Industrial Services (February 2013)
- For FYE 2/13, \$130.1 million of revenues and \$20.3 million of EBITDA, currently valued at a 5.0x multiple



US micro cap verticals

Bolder Healthcare, a revenue cycle management business for hospitals and doctors' offices

- Managed by Mike Shea, a seasoned individual who has done this before successfully
- Currently consists of MEDS, a patient qualification business for hospitals
- For FYE 2/13, \$17.8 million of revenues and \$6.6 million of EBITDA, currently valued at a 7.4x multiple

Sensors Solutions, a specialised (non-commodity) sensors business

- Managed by Gerry Posner, who has managed and sold several similar businesses
- Consists of:
 - Amptek (December 2011)
 - Nielsen Kellerman (December 2010)
- For FYE 2/13, \$43.4 million of revenues and \$14.6 million of EBITDA, currently valued at a 8.6x multiple



US micro cap verticals

Testing Services, a laboratory and laboratory services business

- Managed by Phil Rooney, an experienced executive in a wide variety of industries
- Consists of :
 - Accutest (April 2007)
 - Argus Group (July 2012)
 - Galson Labs (May 2010)
- For FYE 2/13, \$112.2 million of revenues and \$19.2 million of EBITDA, currently valued at a 7.1x multiple

Water Services, a water infrastructure repair and water treatment business

- Managed by Mike Reardon, with extensive experience in buying, integrating and managing water businesses
- Consists of:
 - Nashville Chemical (March 2011)
 - Klenzoid Canada (December 2012)
 - LMK Enterprises (July 2012)
 - Perma-Liner Industries (December 2012)
- For FYE 2/13, \$71.3 million of revenues and \$10.5 million of EBITDA, currently valued at a 6.8x multiple



US micro cap co-investments

New Vitality (April 2010), a vitamin and supplements business

- Co-Investment with Baird Capital Partners

MedPlast/ UPG (April 2012), a precision plastics moulding business

- Co-Investment with Baird

PC Helps (September 2012), a provider of “how to” support for software users

- Co-Investment with Baird

Suzo-Happ (July 2012), a designer, manufacturer and distributor of parts for gaming and amusement outlets

- Co-Investment with ACON Investments



European micro cap

- Strategically important region for JZCP, now representing 14.7% of gross assets
- Healthy investment pipeline across Europe

Team & Experience

- Offices in London and Madrid led by Jock Green -Armytage and Miguel Rueda
- Outstanding team with over twelve years of investing with David Zalaznick and Jay Jordan in European micro cap deals (UK, Italy, Holland, Scandinavia and Spain)

Strategy

- Identical value-orientated investment approach
- Targeting good quality micro cap companies for strategic build ups
- Investments across a variety of industry sectors



European micro cap investments

Factor Energia, a energy/utility distribution and reselling business which focuses on SMEs in Spain

- For FYE 2/13, €254m of revenues and €10.3m of EBITDA

Xacom, a telecoms products business in Spain

- For FYE 2/13, €9.3m of revenues and €2.0m of EBITDA

Docout, a provider of document processing and storage services to financial institutions, utilities, telecoms and insurance companies in Spain

- For FYE 2/13, €15.2m of revenues and €3.7m of EBITDA

Grupo Ombuds, a provider of personal security and asset protection to blue-chip companies in Spain

- For FYE 2/13, €60.3m of revenues and €4,0m of EBITDA

Oro direct, a buyer of precious metals in Spain which also sells investment grade gold and silver

- For FYE 2/13, €1.108m of revenues and €10.2m of EBITDA

Real estate

- Similar to our micro cap business, invests with a proven entrepreneurial management team
- Purchases properties in negotiated (vs auctioned) sales
- Four properties at year end
 - Almost a square block on Bedford Street in the Williamsburg sector of Brooklyn. Retail and residential space
 - Two adjacent properties in the Fulton Mall section of Brooklyn, a high traffic section of Brooklyn
 - A building across the street from an entrance to the recently opened Barclay's Centre, a well received 19,000 person sports and events team
- Enhanced returns though low-cost leverage



Outlook

Financial condition remains strong

Healthy pipeline

Increasingly Diversified Portfolio

Consistent Value Orientated Approach

- 
- Trifecta achieved of higher share price, NAV and narrowed discount
 - New dividend policy provides more predictable dividends
 - Simplification of capital structure and SFM listing to increase access for US investors
 - Positive outlook - well positioned with significant balance sheet liquidity
 - Build out platform in Europe to pursue microcap diversification
 - Use existing skills to leverage new opportunities in real estate and fiduciary management services
 - On-going NAV appreciation



Appendix



About us

- JZ Capital Partners Limited is one of the oldest closed ended investment companies listed on the Specialist Fund Market of the London Stock Exchange
- Approximately \$730 million of gross assets
- Principally invests in US and European micro cap companies
- Guernsey resident – tax efficient vehicle
- Two classes of shares in issue – Zero Dividend Preference and Ordinary Shares
- Advisor is Jordan/Zalaznick Advisers, Inc. – founded in 1986
 - Led by Jay Jordan and David Zalaznick – invested together for 30 years
 - Gordon Nelson (CIO) – worked with Jay and David for 20 years
 - Todd Hamilton – Managing Director of Bolder Capital, the driver of micro cap strategy
- Two distinct investment teams, in US and Europe, dedicated to building micro cap portfolios
- The European team includes Jock Green-Armytage and Miguel Rueda, with over twelve years of investing together in European Microcap deals (UK, Italy, Holland, Scandinavia and Spain), including David Zalaznick and Jay Jordan



Major holdings

Company	Type	Value (US\$ 000)	% of gross assets
Safety Insurance Group, Inc.	Listed equities	54,292	7%
Factor Energia, S.A.	European micro cap	52,032	7%
BG Holdings, Inc.	Micro cap	33,884	5%
Accutest Holdings, Inc.	Micro cap	26,169	4%
Dental Services Group, Inc.	Micro cap	26,097	4%
Amptek, Inc.	Micro cap	21,248	3%
Bay Valve Service & Engineering, Inc.	Micro cap	19,768	3%
TWH Water Treatment Industries, Inc.	Micro cap	19,636	3%
Healthcare Products Holdings, Inc.	Legacy	19,241	3%
Medplast/UPG Holdings	Micro cap	17,914	2%
Top 10 Holdings		290,281	40%

