



JZ CAPITAL PARTNERS LIMITED



2015 Interim Results Presentation



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HY 15 Highlights

Pre-dividend NAV of US\$10.84

- NAV of \$693.7 million (28/02/14: \$705.5 million)
- Pre-dividend NAV per share steady at \$10.84 (28/02/15: \$10.85)

Strong shareholder return

- Strong three-year cumulative total shareholder return of 40.5%
- Interim dividend of 16.0 cents per share declared for the period (HY15: \$0.15 per share)
- Implied dividend yield of 5.0%

Significant investment activity

- Deployed \$124.3 million in new investments
 - \$59.6M in US micro cap, \$12.5M in European micro cap, \$50.7M in real estate and \$1.5M in other investments
- Proceeds of \$29.9 million from realizations

Diverse portfolio across geography, industry & asset class

- 61 micro cap businesses in total across eight industries
 - 48 in the US, 12 in Europe, 1 in Brazil
- 36 properties located in Brooklyn, NY and Miami, FL



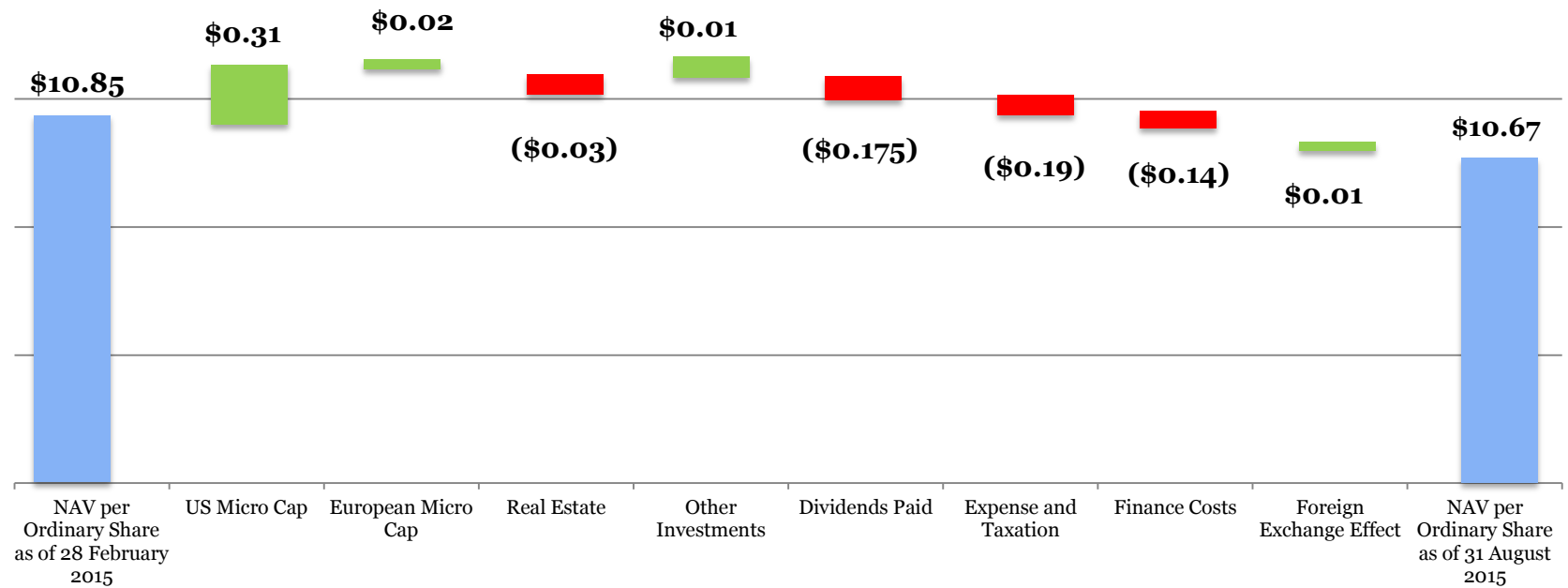
Balance sheet summary

Investments	\$ 000 31/08/15	\$ 000 28/02/15
US Micro cap	353,530	297,340
European Micro cap	258,753	245,884
Real Estate	260,914	216,781
Other Investments	65,076	66,541
Cash and Liquid Investments	88,523	164,728
Total Assets	1,038,477	995,677

Investments	\$ 000 31/08/15	\$ 000 28/02/15
Total Assets	1,038,477	995,677
- Liabilities	(167,112)	(115,791)
- ZDP's	(110,474)	(106,813)
- CULS	(67,239)	(67,563)
Net Assets	693,652	705,510

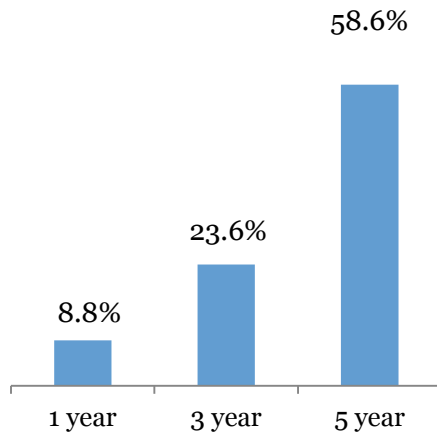


Net asset value

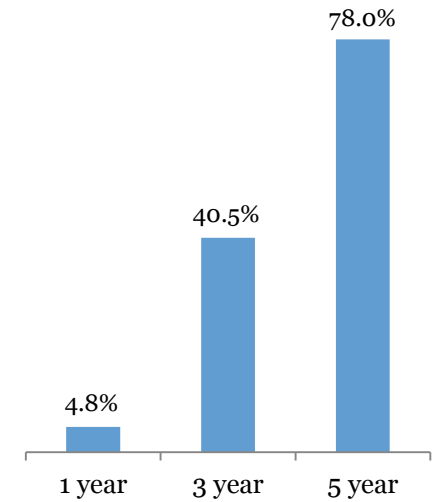


Share price and NAV per share performance

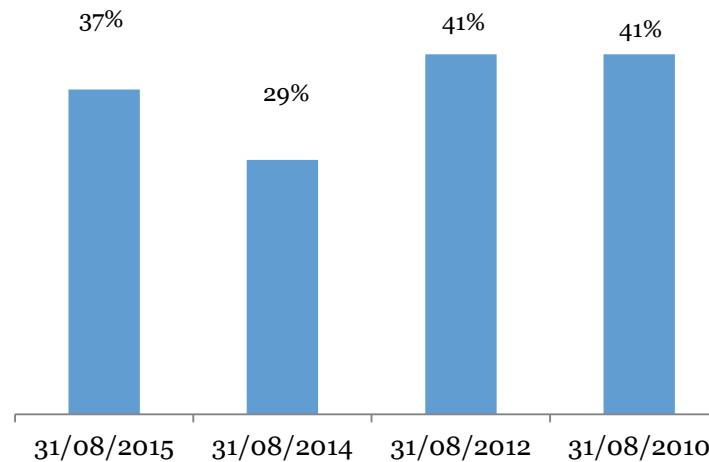
Cumulative NAV total returns*



Cumulative total shareholder returns*



NAV to market price discount





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Strategic Initiatives: Capital Raise and ZDP Rollover



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Capital Raise and Rollover of ZDPs

Transaction Overview

- Successful completion, post period end, of initiatives designed to take advantage of a healthy investment pipeline and improve the efficiency of the Company's balance sheet, including:
 - **Placing and Open Offer of Ordinary Shares:** Total net proceeds after transaction costs of approx. £77 million
 - **Rollover of ZDP Shares:** Rollover of £41.6 million of 8% ZDPs due June 2016 into 4.75% ZDPs due October 2022

Transaction Rationale

- New capital enables the Company to pursue attractive investment opportunities
- Enables the Company to lower its cost of capital and rebalance the debt maturity profile
 - Original ZDP Shares (8%, maturity Jun. 2016); New ZDP shares (4.75%, maturity Oct. 2022)
- Further aligns interests, as significant investment by principals
 - David Zalaznick and Jay Jordan invest a further £35.5m into the Company

Capital Management

- **July 2014: US\$65 million issuance of Convertible Unsecured Loan Stock (“CULS”) due June 2021 (if not converted)**
 - Provide more flexible capital structure, additional capital for investments and greater liquidity in advance of repayment of ZDPs
 - Potential to increase shareholder base and market for shares
- **September 2015: US\$100 million six-year loan facility with Guggenheim (Libor (1.00% Floor) + 5.75%)**
 - Enhance long term liquidity position and used to pay down entire Jefferies US\$50 million one-year loan facility
 - Plan to repay this loan with proceeds from US and European realizations
- **June 2016: Repayment of ZDPs**
 - Rolled over approximately £41.6 million of our original 8% ZDPs into a longer-dated ZDP (2022) with a much lower 4.75% gross yield
 - Plan to repay remaining ZDP liability due June 2016 (£32.9 million) through liquidity provided by realizations

Balance Sheet Summary	US\$ 000 31/08/15	US\$ 000 28/02/15
Total Assets	1,038,477	995,677
- Liabilities	(167,112)	(115,791)
- ZDPs	(110,474)	(106,813)
- CULS	(67,239)	(67,563)
Net Assets	693,652	705,510





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Portfolio Review – Real Estate



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Real estate

Strategy

- Developing and repositioning retail, residential and office properties in Brooklyn and Miami
 - Strong demographics
 - Value-oriented prices in off-market, negotiated sales
 - Large value-added component

Portfolio

- Portfolio expected to contribute significant value in the future
- Nine new real estate investments during the period (one additional post-period)
- As of October 21, 2015, JZCP has invested appx. \$210.9 million in 37 properties with an appx. total capitalization of \$796 million

Portfolio	At 12/2012	At 12/2013	At 12/2014	At 10/2015
Current Residential (sq. ft.)	40,762	72,540	95,340	96,340
Current Retail (sq. ft.)	66,723	286,315	424,015	523,268
Additional Buildable (sq. ft.)	107,640	751,602	808,960	1,483,029



Real estate – investment lifecycle

Identification

- Identify undervalued and underutilized, off-market properties in prime locations in communities that are undergoing significant positive demographic changes

Value Add

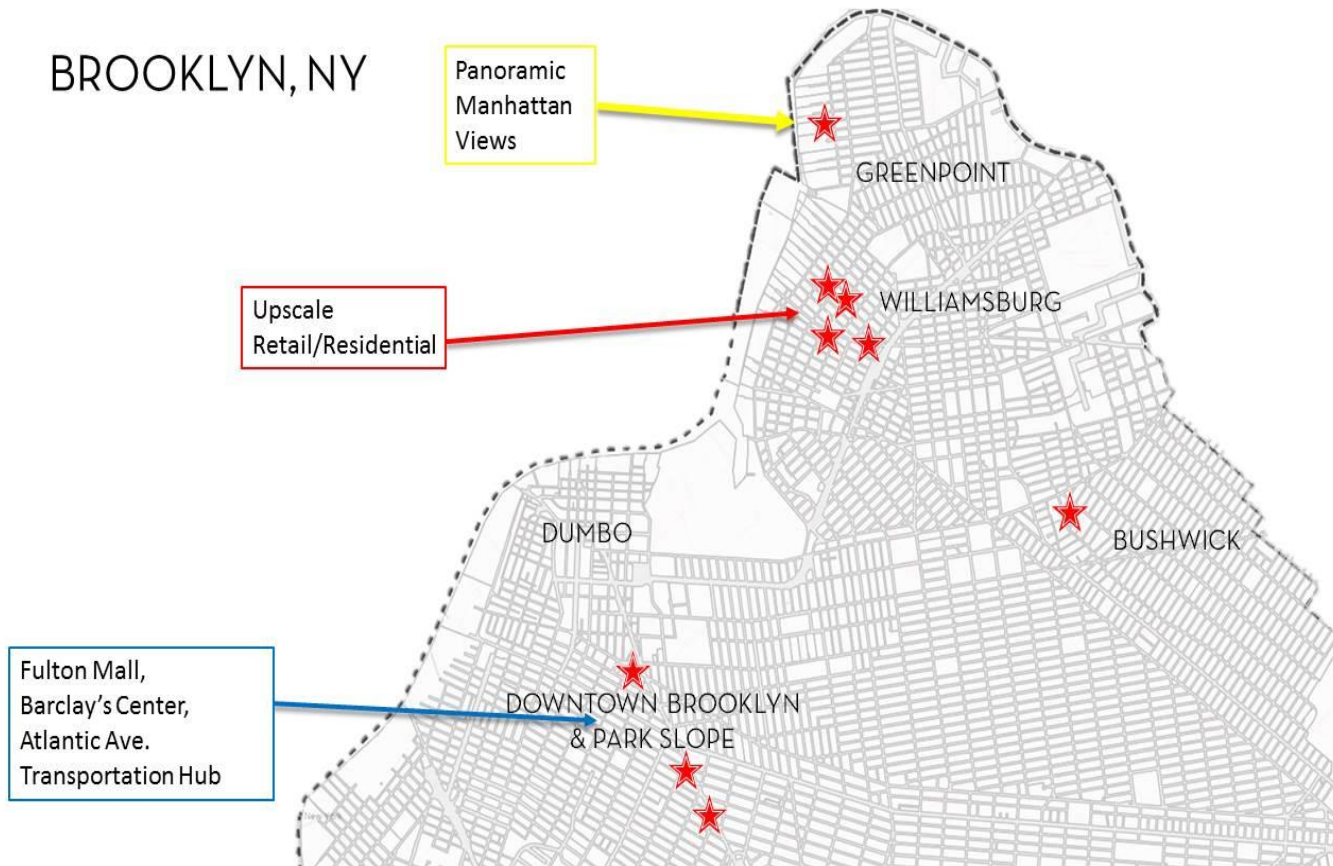
- Reposition:
 - Vacate under-market units through lease workouts/expiration and tenant buyouts
 - Design, market, renovate and lease properties to best-in-class user
- Assemble: Assemble contiguous, separately-owned parcels to increase size and value of development sites and frontage on major thoroughfares
- Develop: Develop prime sites in Brooklyn and Miami

Realization

- Refinance and/or sell properties at opportune moments throughout lifecycle to return capital to investors



Real estate: portfolio by neighbourhood



JZCP's current real estate portfolio: Brooklyn, NY

What we've purchased:

- **Williamsburg:** Epicenter of positive shifting demographics in North Brooklyn
 - 11 mixed-use properties, located on most trafficked retail corridors
 - 55,000 sq. ft. residential / 274,000 sq. ft. retail
 - Two development sites situated at key neighborhood junctions: 40,000 sq. ft. buildable
- **Greenpoint:** Dynamic, waterfront neighborhood with panoramic Manhattan views
 - Top waterfront development site: 650,000 sq. ft. buildable
- **Downtown Brooklyn:** Revitalization centered around Barclay's Center and Atlantic Ave. transportation hub
 - Top development site - significant frontage on most highly trafficked retail corridor in Brooklyn
 - 344,000 sq. ft. buildable
 - One of the most iconic retail spaces near Barclay's Center
 - Redeveloped, cash flowing mix-used facility: 24,000 sq. ft. residential/ 20,000 sq. ft. retail
- **Bushwick:** Young, progressive neighborhood just east of Williamsburg
 - Unique, loft building in an unbeatable location: 17,000 sq. ft. residential, 21 residential units



Recent real estate acquisitions: Brooklyn, NY

192 Bedford Ave.

Prime retail development site featuring 6,000 sq. ft. of build to suit multi-level retail on Williamsburg's most highly trafficked corridor

Date Acquired: April 2015
Total Cap: \$14.2M
Total Equity: \$9.2M
JZCP equity: \$7.0M

585 & 547-553 Fulton St.

4 properties totaling 85,000 buildable sq. ft. on our Fulton Mall Assemblage

Date Acquired: 2012-2015*
Total Cap: \$140M*
Total Equity: \$40.3M*
JZCP equity: \$31M*



Case study: Redbridge Bedford



Original Thesis (Acquired April 2012)

Redevelop and re-tenant commercial and residential spaces into a class A mixed use property

Asset Description

120,000 sq. ft. mixed use facility on one of the most desirable blocks in Williamsburg, Brooklyn

Value Add

- Transform building into two floors of retail plus apartments
- Signed lease with AAA credit multi-national tenant for Bedford Ave. prime retail unit
- Leased three retail spaces on North 4th St. to boutique high-end tenants
- Closed \$70 million bank loan in July 2014



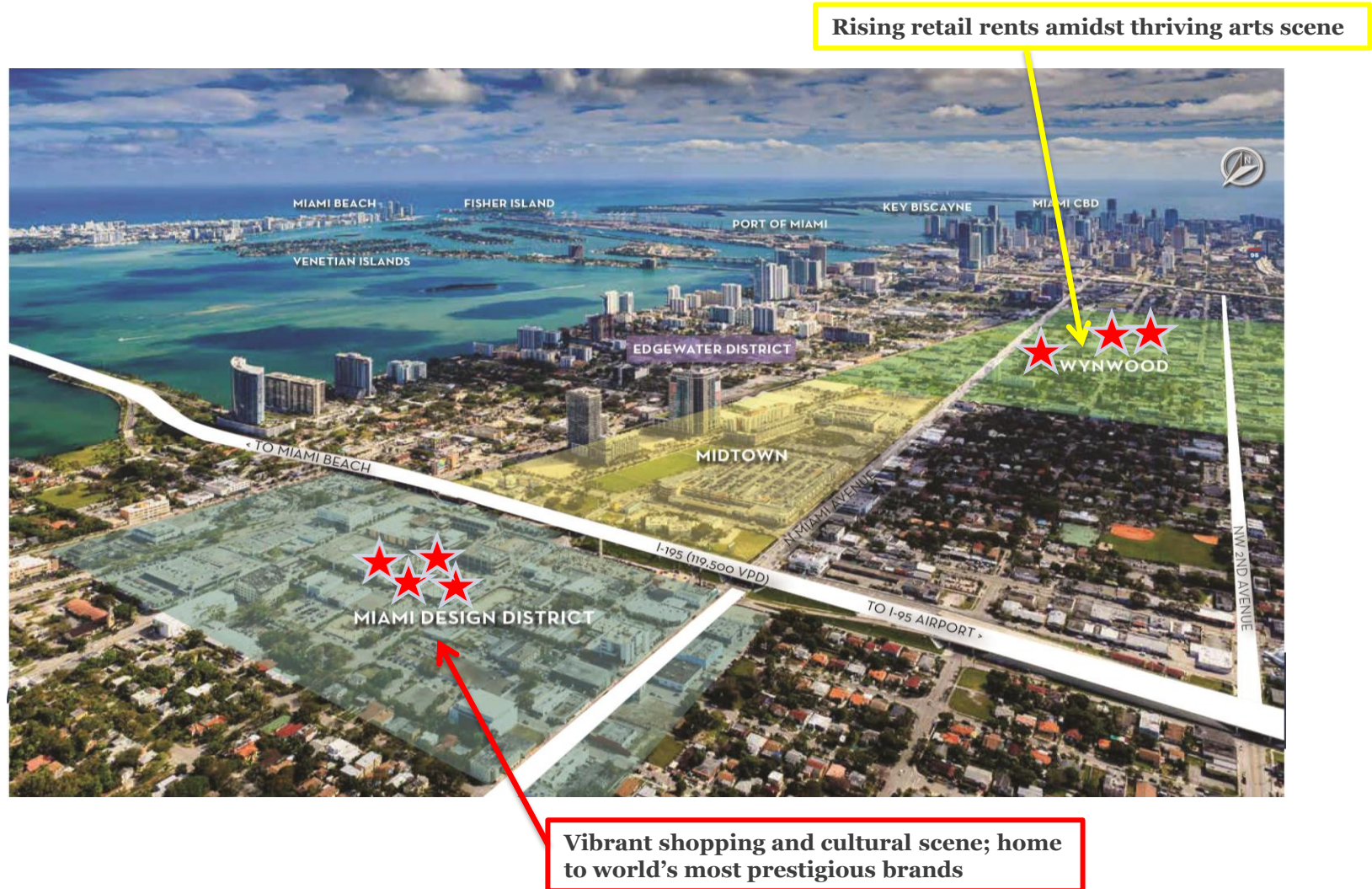
JZCP's current real estate portfolio: Miami, FL

What we've purchased:

- **Wynwood:** rapidly increasing retail rents amid a thriving arts scene
 - Top development site: 60,000 sq. ft. buildable
 - Cash flowing Class-A retail property with substantial air rights
 - Prime retail redevelopment site with substantial air rights
- **Design District:** innovative fashion, design and architecture attracting some of the world's most prestigious brands and retailers
 - Four highly visible retail properties with significant frontage on the neighborhood's prime retail corridor and substantial air rights



Real estate: portfolio by neighbourhood (Miami)



Recent real estate acquisitions: Miami, FL

**2501
NW 5th Ave.**

Prime retail re-development site in Miami's Wynwood neighborhood

Date Acquired: June 2015
Total Cap: \$6.5M
Total Equity: \$6.5M
JZCP equity: \$5M

**21
NE 39th St.**

Highly visible property in Miami's Design District, adjacent to our other properties in the neighborhood

Date Acquired: June 2015
Total Cap: \$28.5M
Total Equity: \$11.7M
JZCP equity: \$8.9M

**45
NE 39th St.**

Highly visible property in Miami's Design District, adjacent to our other properties in the neighborhood

Date Acquired: Sept. 2015*
Total Cap: \$26.2M
Total Equity: \$10M
JZCP equity: \$7.6M





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Portfolio Review – Micro cap



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US micro cap

Strategy: Verticals

- Identify and purchase smaller businesses in “verticals” where an industry executive can add value via organic growth and cross company synergies
- Sell “agglomerated” companies as one entity for a significant multiple expansion

Strategy: Co-investments

- Co-invest with known private equity groups to leverage our infrastructure
- Jordan Healthcare Products (JII Healthcare) established to invest principally in the United States and primarily in buyouts and build-ups of companies in the micro cap healthcare equipment sales, service and installation arenas.

Portfolio

- Verticals consist of 33 entities across four industries
- 13 separate co-investments alongside seven co-invest partners



US micro cap verticals

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

	Industrial Services Solutions (ISS)	Healthcare Revenue Cycle Management	Testing Services	Water Services
	Industrial equipment maintenance, repair and service	Revenue cycle management for hospitals and doctors' offices	Environmental testing services and equipment	Infrastructure repair, water treatment and filtration
Companies	<ul style="list-style-type: none"> • 19 companies across five platforms (1) 	<ul style="list-style-type: none"> • MEDS • MedFin Bodhi Tree • PPMIS • ROI • Avectus 	<ul style="list-style-type: none"> • Accutest • Argus Group • Premier Safety 	<ul style="list-style-type: none"> • LMK Enterprises • Perma-Liner • APMCS • Nashville Chemical • Klenzoid Company/Eldon Water • Paragon
Manager	Jim Rogers	Mike Shea	Scott Temple	Mike Reardon
Revenues	\$293.5M (1)	\$96.7M	\$106.7M	\$144.0M
Adj. EBITDA	\$47.8M (1)	\$15.2M	\$6.6M	\$23.3M
Invested	\$33.2M (1)	\$28.9M	\$44.2M	\$27.7M

(1) Includes All-Pump & Equipment Co., which was acquired post-period



Significant US micro cap co-investments

<p>Global Medical Imaging</p> <p>Sells, repairs and installs new and refurbished medical imaging equipment</p> <p>August 2015</p> <p>Invested: \$12.5M</p> <p>Partner: JII Healthcare</p>	<p>K2 Towers</p> <p>One of the largest private cell phone tower companies in North America</p> <p>April 2015</p> <p>Invested: \$22.0M</p> <p>Partner: Orangewood Partners</p>	<p>Sloan LED</p> <p>Designer and manufacturer of LED lights and lighting systems</p> <p>April 2015</p> <p>Invested: \$4.9M</p> <p>Partner: Baird Capital Partners</p>	<p>TierPoint</p> <p>Provider of IT and data centre colocation services</p> <p>June 2014</p> <p>Invested: \$25.3M</p> <p>Partner: RedBird Capital Partners</p>
<p>DRE*</p> <p>Sells, repairs and installs new and refurbished medical imaging equipment</p> <p>September 2015</p> <p>Invested: \$5.5M</p> <p>Partner: JII Healthcare</p>	<p>Vitalyst</p> <p>Provider of “how to” support for software users</p> <p>September 2012</p> <p>Invested: \$9.0M</p> <p>Partner: Baird Capital Partners</p>	<p>MedPlast/UPG</p> <p>Precision plastics moulding business</p> <p>April 2012</p> <p>Invested: \$18.0M</p> <p>Partner: Baird Capital Partners</p>	<p>Salter Labs</p> <p>Manufacturer of disposable respiratory products for acute care facilities and home healthcare</p> <p>October 2010</p> <p>Invested: \$19.2M</p> <p>Partner: Round Table Healthcare</p>



European micro cap

First Close of Fund III

- Our European team raised €237 million in the first round of fundraising for JZI Fund III, L.P. (“Fund III”), the successor fund to the EuroMicrocap Fund 2010, L.P. (“EMC 2010”)
- JZCP has committed €75 million to Fund III, which will enable JZCP to continue to expand and diversify its investment portfolio in Western Europe.
- David Zalaznick, Jay Jordan and the European management team have committed €25 million to Fund III

Strategy

- Value-oriented investment approach targeting high quality micro cap companies
- Investment focus on financial services outsourcing

Management

- Strategy coordinated by an experienced management team
- The management team has invested in European micro cap deals (UK, Italy, Holland, Scandinavia, Germany and Spain) for more than 14 years, the last five of which have been through JZCP’s EMC 2010
- Offices in London and Madrid led by Jock Green-Armytage and Miguel Rueda

Portfolio

- Strategically important region for JZCP, now represents 27.3% of JZCP’s portfolio
- Portfolio consists of eight Spanish companies and one company each based in the UK, Germany, Italy and Denmark, across four industries
- One new company (Collingwood) acquired by Fund III post period



European micro cap

JZCP invests in the European micro cap sector through its 75% ownership of EMC 2010 and its 32% ownership of Fund III.

Main Investments:

- Petrocorner: A strategic build-up to acquire 2-3% of Spain's petrol station market (Annualized HY15 Revenue €95.4m, Annualized HY15 EBITDA €6.1m).
- Factor Energia: Energy/utility distribution and resale to SMEs and consumers in Spain (Revenue €397.3m, LTM EBITDA €10.6m).
- Toro Finance: Short term financing platform to top 4,000 Spanish companies (Revenue €525.5m, LTM EBITDA €7.3m).
- Ombuds: Personal protection and asset protection to blue chip companies in Spain (Revenue €90.3m, LTM EBITDA €5.6m).
- Winn Group: UK legal services and claim management business (Revenue £41.4M and LTM EBITDA £9.3M).
- Fidor Bank: Social media innovative online German bank (Total income €23.6M, €4.1m net profit).
- Other investments: S.A.C (operational van leasing business), One World Packaging (biodegradable packaging for the food industry), Docout (document processing and storage services), Oro Direct (wholesaler of precious metals in Spain) and Xacom (telecom and payment terminals distributor).



Recent European micro cap acquisitions



S.A.C



Fincontinuo

A leading independent distribution, servicing and lending platform for salary loans in Italy.

Date Acquired: Oct 2014

Equity: €3.2 million through EMC 2010 alongside Avenue Capital

Additional €3.8 million through EMC 2010 to fund a lending vehicle for Fincontinuo in March 2015

Investment transferred to Fund III post period end

S.A.C

Operational van leasing (lease & service) company in Denmark, specialized in larger engineering companies.

Date Acquired: Mar 2015

Equity: €7.6 million (€2.8 million in equity through EMC 2010 and €4.8 million directly as mezzanine lender)

Both JZCP's investment through EMC 2010 and JZCP's direct investment transferred to Fund III post period end

Collingwood*

Niche auto insurer in the UK, specialising in taxi and learner driver insurance.

Date Acquired: Oct 2015

Equity: £15 million in equity (through Fund III)

Investment acquired directly by Fund III



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Portfolio Review – Spruceview



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Spruceview Capital Partners

Background

- Recently established asset management business
- Experienced management team led by Richard Sabo, former Chief Investment Officer of Global Pension and Retirement Plans at JPMorgan
- In July 2014, the **Bright Spruce Fund, LP** was launched with a US\$50 million investment from JZCP and US\$25 million each from David Zalaznick and Jay Jordan
- In September 2015 (post-period), JZCP increased its commitment by US\$15 million
- Bright Spruce Fund, LP is up .23% in the year to 31 August 2015 and down 2.24% in the period from inception (1 July 2014) through 31 August 2015

Objective

- To address the growing demand from endowments, foundations and corporate pension funds for fiduciary management services
- To provide capital appreciation while mitigating risk

Investment Strategy

- Global asset allocation for large foundations, corporate pensions, endowments and family offices
- Long-term investment approach
- Investing in a portfolio that is diversified across asset classes



Summary & Outlook

Long-term track record of NAV growth

Enhanced growth prospects through completed Strategic Initiatives

High level of investment activity

Consistent value orientated approach

- 
- Positive outlook - sustained global recovery taking place
 - More capital to put to work to add to increasingly diversified portfolio
 - ZDP rollover improves the efficiency of the company's balance sheet
 - Better positioned for attractive realization opportunities in US and acquisitions in Europe
 - Continued progress redeveloping US real estate portfolio

Appendix



About us

- JZ Capital Partners Limited is one of the oldest closed-end investment companies listed on the Specialist Fund Market of the London Stock Exchange
- Approximately US\$1.0 billion of gross assets
- Principally invests in US and European micro cap companies and US real estate
- Guernsey resident – tax efficient vehicle
- Three classes of shares in issue – Ordinary Shares and Zero Dividend Preference Shares (due 2016 and 2022)
- Adviser is Jordan/Zalaznick Advisers, Inc. – founded in 1986
 - Led by Jay Jordan and David Zalaznick – invested together for more than 30 years
 - Gordon Nelson (CIO) – worked with Jay and David for more than 20 years
- Two experienced investment teams in US and Europe
- The European team includes Jock Green-Armytage and Miguel Rueda, who have been investing for more than 13 years together in European micro cap deals (UK, Italy, Holland, Scandinavia and Spain). David Zalaznick works with the European team extensively.



JZCP investment activity

Since February 28, 2015	(\$ millions)
Jordan Healthcare Products	12.5
ROI & Avestus	19.6
K2 Towers	22.0
Sloan LED	4.9
S.A.C	5.2
Fincontinuo	4.5
547-553 Fulton St.	11.2
21 NE 39 th St.	8.9
2501 NW 5 th Ave.	5.0
192 Bedford Ave.	5.8
Others	24.7
Total*	124.3



JZCP realisation activity

Since February 28, 2015	Gross Proceeds (\$ millions)
Southern Petroleum Laboratories	1.3
Healthcare Revenue Cycle Management Vertical Refinancing	15.9
Salter Labs	3.4
Driggs Ave. Refinancing**	4.6
Others	4.7
Total*	29.9



Top 10 major holdings

Company	Type	Value (\$ 000) (31/8/2015)	% of net assets
Industrial Services Solutions	US micro cap	84,271	12.1
Factor Energia	European micro cap	70,682	10.2
Fulton	Real estate	54,244	7.8
Bright Spruce Fund	Other	48,880	7.0
Greenpoint	Real estate	47,392	6.8
Toro Finance	European micro cap	44,384	6.4
Grupo Ombuds	European micro cap	39,096	5.6
Williamsburg Retail	Real Estate	27,791	4.0
TierPoint	US micro cap	25,335	3.7
MedPlast	US micro cap	25,159	3.6
Top 10 Holdings*		467,233	67.4

