



JZ CAPITAL PARTNERS LTD

Interim Results Presentation
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US Micro Cap



European Micro Cap



Outlook



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HIGHLIGHTS

Performance

- 12th consecutive quarter of NAV growth
- Total NAV return of 2.9%
- NAV per share up US\$0.16 to US\$9.09
- Dividend of 3.5c per share and a Special Dividend of 3c
- 74% of micro cap companies had YoY EBITDA growth

Portfolio

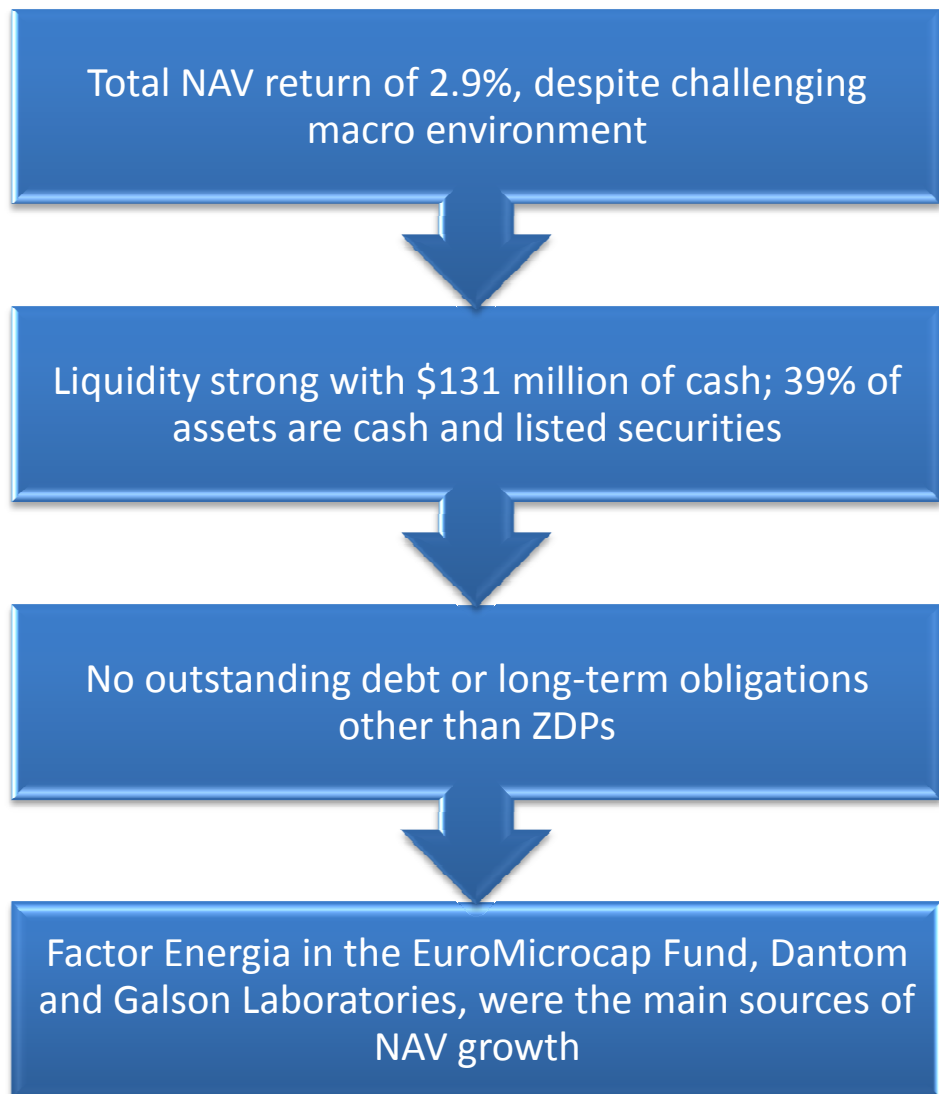
- Outperformance despite the challenging environment
- US\$57.3 million invested in US and Europe
- Conservatively valued US micro-cap portfolio at 6.9x

Outlook

- Healthy pipeline of potential investments in US and Europe
- Potential for significant cash realisations
- Well positioned with significant balance sheet liquidity



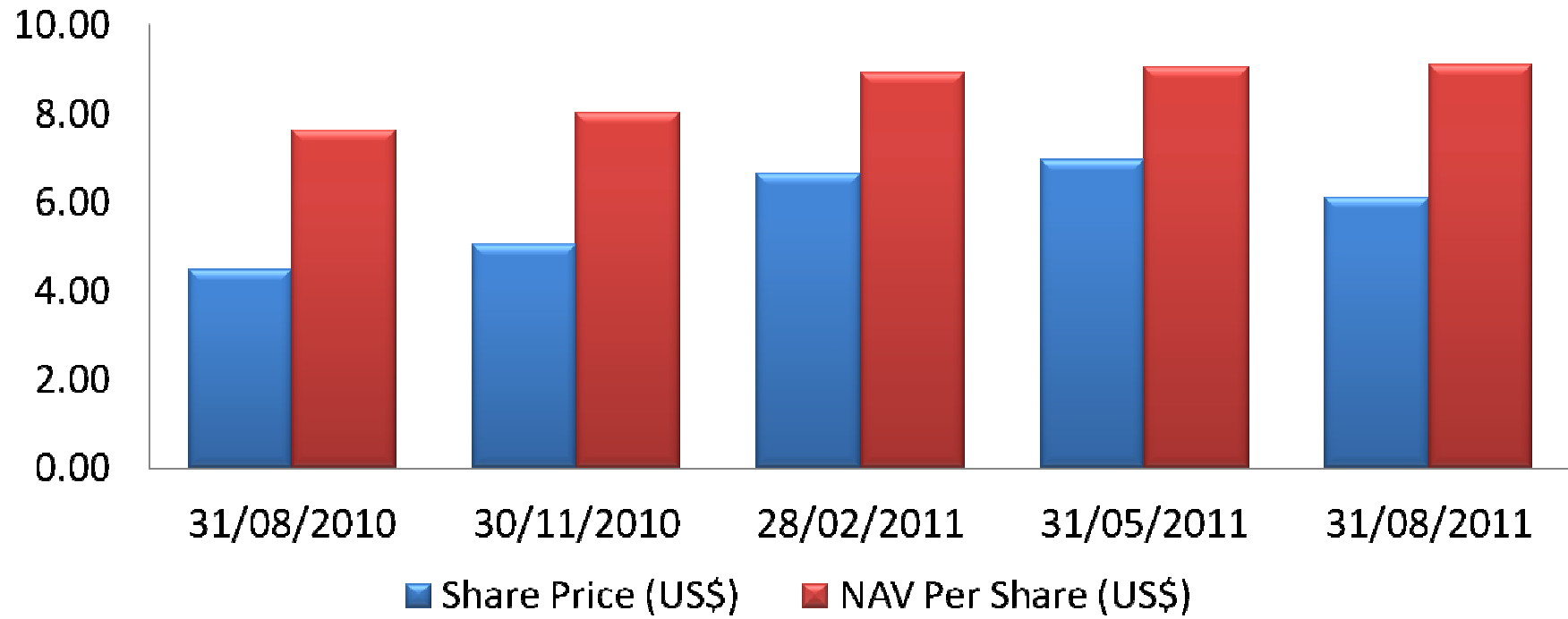
FINANCIAL PERFORMANCE



	31.08.11	28.02.11
	US' \$000	US' \$000
Investments	527,572	493,757
Cash and cash equivalents	155,565	172,267
Other liabilities-net	-6,326	-2,895
Zero Dividend Preference Shares	-85,718	-82,341
Net asset value	591,092	580,788
Number of Ordinary Shares (000's)	65,019	65,019
Net asset value per Ordinary Share	US\$9.09	US\$8.93
Market price per Share	US\$6.10 ¹	US\$6.64 ²
NAV to market price discount	33%	26%
¹ JZCP closing share price at 31 August 2011 was GBP3.75 this has been translated using the exchange rate at this date		
² JZCP closing share price at 28 February 2011 was GBP4.12 this has been translated using the exchange rate at this date		



SHARE PRICE VS NAV PERFORMANCE



Date	Share Price	NAV per Share	NAV per Share w/o Div
31/08/2010	4.50	7.62	7.68
30/11/2010	5.05	8.03	8.09
28/02/2011	6.64	8.93	9.15
31/05/2011	6.96	9.06	9.37
31/08/2011	6.10	9.09	9.40



PORTFOLIO UPDATE

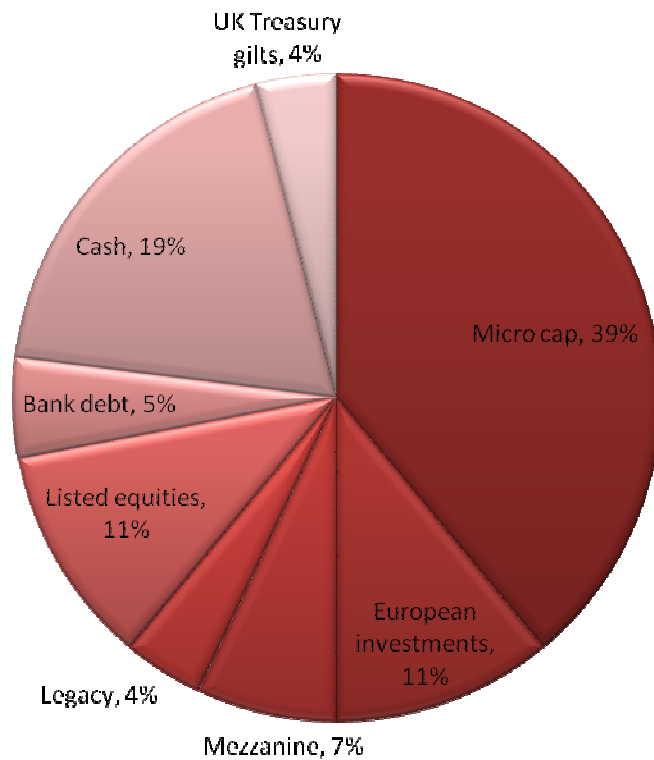
Total amount invested during the period was US\$57.3 million

Liquid, diversified portfolio combining equity and interest earning assets

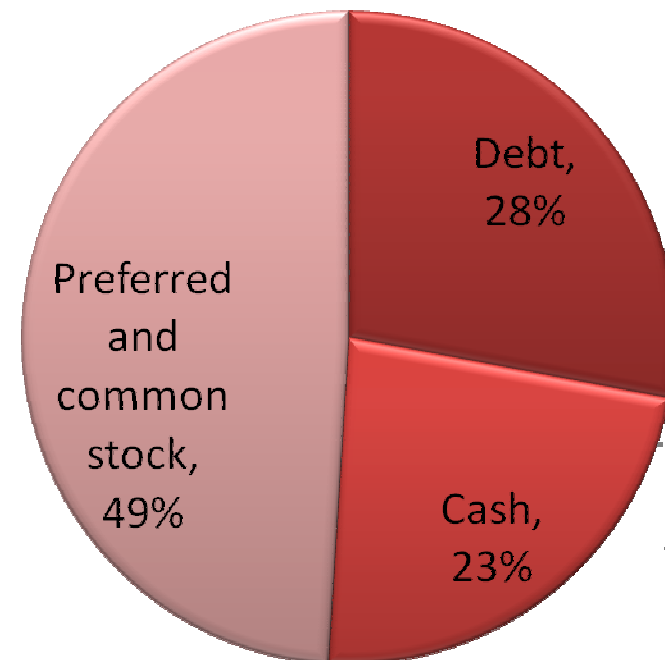
Portfolio mix remains consistent

European investments constitute 9% of NAV

Investment types



Securities Breakdown



INVESTMENT AND REALISATION HIGHLIGHTS

Investments

Total : US\$57.3
million

- **US Micro Cap**
- US\$7 million for 41.5% of Southern Parts and Engineering Company
- US\$7.7 million for 40% of Nashville Chemical
- US\$4.5 million for 16% of Justrite
- An additional US\$3.8 million in Milestone Aviation
- **European Micro Cap**
- €21.3 million for 75% of Grupo Ombuds
- €13 million for 70% of Docout

Realisations

Total : US\$59.2
million

- AC TECH – net proceeds of US\$18.2m, earning a multiple of capital invested of 5.6x and an IRR of 34.6%
- Realisations challenging due to upheaval in the capital markets – but we hope to have some good news within the year

US MICRO CAP



YoY EBITDA growth for 74% of our investments



Despite challenging environment \$23m put to work



Conservatively valued portfolio – low average multiple of 6.9x



JZCP has low leverage at 1.3x



Two investments written up: Dantom (\$5.3m) and Galson Laboratories (\$1.4m)

EUROPEAN MICRO CAP



JZCP is investing up to 20% of its NAV in Europe to diversify its portfolio and enhance shareholder value



FACTOR ENERGIA

- A leading business in Spain which provides energy services to SMEs
- Invested €10.1m to acquire 65% stake
- Paid 6.5x 2009 EBITDA, 2.2x 2010 EBITDA
- EBITDA in 2010 reached €9.7m with strong cash generation in excess of €17m at July 2011
- Factor has stopped distributing energy to the public administration and will launch a gas distribution service and tap the mass consumer market
- Growth rate year to date in excess of 40% and more than 17,200 clients



XACOM

- A major firm involved in the development, manufacture and distribution of wireless and mobile telephone equipment
- Acquired 60% of Xacom for €10m
- Represents 3.3x 2010 EBITDA purchase multiple
- Xacom has started its international expansion into South America with new offices in Chile and Mexico
- Successfully launched mobile payment technology to be used by a large telecoms business and a bank
- Sales growth year on year in excess of 40% maintaining gross margin levels

EUROPEAN MICRO CAP



DOCOUT

- Docout is a provider of digitalization, document processing and storage services
- Acquired 38% for €11m
- Represents an 8.8x 2010 EBITDA purchase multiple and a cash multiple of 6.0x
- Docout is trading close to plan with top line growth of 40%, expecting a 2011 EBITDA close to €6.5m, 3.1x purchase multiple
- The company expects to double recurring quarterly top line revenue in 2011
- JZCP provided a €2m working capital facility
- Currently negotiating with strategic clients to extend the operating activities to Mexico and the United Kingdom



GRUPO OMBUDS

- Provider of security, surveillance and facility services to public sector and blue-chip clients
- Ombuds' success is due to strong organic growth and a focused buy-and-build strategy in the Spanish security market
- Acquired 75% of Ombuds for €12.7m, 2.4x 2010 EBITDA with net cash included and 2.5x 2011 expected EBITDA.
- JZCP provided a senior loan of €5m and a subordinated loan of €3.5m
- Advanced negotiations with first add-on

OUTLOOK

Strong financial condition

Healthy pipeline

**Consistent Value Orientated
Approach**

- Well positioned with significant balance sheet liquidity
- Continued active investment across verticals in US and in Europe
- Ongoing NAV appreciation
- Progressive dividend policy





JZ CAPITAL PARTNERS LTD

Appendix



ABOUT US

- JZ Capital Partners Limited is one of the oldest closed ended investment companies listed on the Main Market of the London Stock Exchange
- Approximately \$700m of 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 – 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 teams, in US and Europe, dedicated to building micro cap portfolios
- The European team includes Jock Green-Armytage and Miguel Rueda who have worked together for ten years



WHAT IS OUR INVESTMENT STRATEGY?

- Strategic build-ups in the inefficient micro cap market in the US and Europe
- JZCP buys at reasonable entry multiples and modest leverage
 - Average micro-cap purchase multiple of 6.0x trailing EBITDA
 - Average debt multiple senior to JZCP is 1.3x for the micro-cap portfolio
 - Will add leverage to enhance returns with well performing investments
- In the US, JZCP has senior operating executives that provide supervision and strategic advice
 - Five executives to date – hands-on operating industry professionals
- Co-investments with well-known, successful micro cap private equity firms
- Significant proprietary deal flow
 - Large network of long-term sourcing relationships
 - No auctions

INVESTMENT CASE

- 30 year track record in the micro cap buy out market
- Over 70 realisations, 3.7x multiple of capital invested and 40% IRR
- Offer shareholders access to US and European micro cap market
- Exceptionally strong balance sheet with large cash reserves for investment
- Diversified, liquid and conservatively valued portfolio
 - 42 companies, 8 industries
 - \$270m cash and liquid securities
 - Micro cap investments valued under 6.9x EBITDA
- Benefitting from return profile of small cap funds versus larger cap funds
- Consistent NAV growth
- Trading at a significant discount - 33%

MAJOR HOLDINGS

Company	Type	Value (US\$'000s)	% of Total
Safety Insurance Group, Inc.	Listed equities	45,093	9%
Wound Care Solutions, LLC	Micro cap	42,943	8%
Accutest Holdings, Inc.	Micro cap	42,160	8%
Dantom Systems, Inc.	Micro cap	40,266	8%
TAL International Group, Inc.	Listed equities	31,130	6%
Continental Cement Company, LLC	Mezzanine	28,564	5%
Factor Energia, S.A.	European	27,733	5%
Dental Services Group, Inc.	Micro cap	24,852	5%
BG Holdings, Inc.	Micro cap	24,822	5%
Healthcare Products Holdings, Inc.	Legacy	22,458	4%
Top 10 Holdings		330,021	63%

JZCP's 10 largest investments account for approximately 63% of the portfolio on 31 August 2011