

RNS Number : 2600H
BCA Marketplace PLC
30 November 2015

30 November 2015

BCA Marketplace plc

("BCA" or "the Group" and formerly Haversham Holdings plc)

Interim Report for the nine months ended 4 October 2015

HIGHLIGHTS

BCA Marketplace plc, Europe's largest used vehicle marketplace, announces its results for the nine months ended 4 October 2015, reflecting the six month trading period following the acquisition of the BCA Group.

FINANCIAL HIGHLIGHTS¹

- Statutory revenue of £546.3m
 - o BCA Group revenue of £525.8m, up 20.8% from £435.4m
- Adjusted EBITDA² of £49.2m
 - o BCA Group Adjusted EBITDA of £47.1m, up 14.0% from £41.3m
- Statutory operating profit of £1.3m
 - o Stated after acquisition costs (£22.7m), amortisation of acquired intangibles (£17.0m) and other non-recurring costs (£1.3m)
- Net Debt³ of £156.5m

- Statutory loss per share of 1.4p and adjusted earnings per share of 3.6p
- Maiden interim dividend of 2.0p per share to be paid on 18 December 2015

OPERATIONAL HIGHLIGHTS¹

- Completed equity raise of £1.0bn enabling the successful completion of the acquisition of the BCA Group and transfer to a standard listing on the main market
- Successful refinancing of the acquired business with a five year facility
- Additional acquisitions of SMA and BCA Automotive
- UK Remarketing volume up 10.0% on prior period
- International Remarketing volume up 9.7% on prior period
- 16.9% increase in vehicles sold by Vehicle Buying division
- BCA Partner Finance penetration increased from 3.6% to 5.0% of vehicles sold in the UK

Avril Palmer-Baunack, Executive Chairman, commented

"We are pleased to announce that we have delivered organic growth in volume and a trading performance at the upper end of market expectations. Our aim is to deliver cash-generative earnings growth and maintain a strong and sustainable dividend pay-out ratio and today we announce our maiden interim dividend of 2.0p per share. The interim dividend will be paid on 18 December 2015 to those shareholders on the register at 11 December 2015.

"This is our first set of interim results and covers the period to 4 October 2015. These results reflect the six month trading period of the BCA Group following its acquisition on 2 April, together with the post-acquisition results of SMA and BCA Automotive, acquired on 1 June and 25 August respectively.

"New initiatives, services and capacity will continue to bring incremental volume and value to the business which, along with the continued development of auction awareness and remarketing services in Europe, will drive the Group's volumes, revenues and profits. The complementary acquisitions completed to date, allied with future plans will enable us to deliver an enhanced package of services to our customers and will fuel the future growth of the business in line with our

stated strategy.

"All of the acquired businesses have experienced and dedicated operational management and we will continue to integrate and develop these teams as we build the business.

"Second half trading has started well, a new OEM tender has been won, and with the continued focus on organic and strategic growth, alongside improvements in operational efficiency, the Board remains confident that this will continue for the full year and into the next financial year.

"We would like to thank all of our employees for their continued hard work, loyalty and commitment to delivering the highest standards of service and performance to our valued customer base as the Group continues to grow."

Enquiries:

Square1 Consulting (PR advisers) +44 (0)20 7929 5599

David Bick, Brian Alexander

Cenkos Securities plc (Financial adviser and joint broker) +44 (0)20 7397 8900

Ian Soanes, Liz Bowman

Zeus Capital Limited (joint broker) +44 (0)20 7533 7727

John Goold, Nick Cowles

Notes:

¹ *Prior period comparatives relate to the acquired BCA Group and have been prepared on a proforma basis for the equivalent prior year period to provide a context for the Group results. The figures are unreviewed and unaudited.*

² *Adjusted EBITDA is at average exchange rates for the respective periods and represents the continuing earnings before interest, tax, depreciation and amortisation, and excludes acquisition*

and pre-acquisition costs.

³ The Group definition of Net Debt excludes the BCA Partner Finance funding and finance leases - see Cash Flow and Net Debt section for further details.

OPERATING AND FINANCIAL REVIEW

Introduction

On 2 April 2015, BCA Marketplace plc ("the Group") completed the acquisition of the BCA Group of companies ("BCA Group"), the market leader in the European vehicle remarketing sector. The BCA Group, comprising UK and International Remarketing and Vehicle Buying divisions, provides a pivotal liquidity service to the automotive market in the UK and across Europe. Its strong vendor and buyer relationships and integral market position offer the potential to increase not only trading volumes but also the penetration of direct, vehicle-related value-added services and complementary services in the automotive sector.

BCA Group's physical infrastructure of auction branches is at the core of our business, providing the logistical ability to store, remarket and transport large volumes of vehicles quickly, placing the Group at the centre of the automotive value chain in the UK. We see our role increasing as we develop remarketing solutions for the major vehicle fleets, dealers, car manufacturers and finance companies. We are continuing to see growth in our Vehicle Buying division, WeBuyAnyCar.com ("WBAC") which is now well established in the minds of the public as a consumer car disposal channel.

We are very pleased with the progress made in the UK and International Remarketing divisions during the period. Volumes have increased in line with our expectations and the financial performance was strong. As a result of the increasing number of vehicles passing through our auction sites we have taken the opportunity to acquire additional land adjacent to our sites in Bedford and Manchester Belle Vue, extended our capacity at Blackbushe and started development on our existing brownfield site in Birmingham Perry Barr.

As part of the strategy to accelerate the growth of the Group's auction exchange and support services, the SMA Group of companies ("SMA") was acquired on 1 June 2015. SMA operates from 5 sites in the UK and will help us to meet the increased demand that we are experiencing for core auction services. The acquisition is currently subject to a phase 1 review by the Competition and Markets Authority ("CMA"). On 17 November 2015 the CMA decided that this acquisition may result in a substantial lessening of competition, but within just one geographical area in which both SMA and BCA operate. We are working with the CMA to identify undertakings to address these

competition concerns.

On 25 August 2015, the Group completed the acquisition of a UK automotive logistics business. The acquired business, renamed BCA Automotive, operates approximately 480 vehicle transporters with strong, long-term relationships with the majority of the leading OEMs and vehicle leasing companies. Through the acquisition of BCA Automotive, we have added a new revenue stream to the Group from the delivery of new vehicles throughout the UK. Arising from this, we believe there are natural logistics synergies and customer service improvements that will benefit both the UK Remarketing and Vehicle Buying divisions. We expect to see these benefits delivered over the course of the next financial year.

The Group intends to move up to the Premium segment of the Official List within six months of the period ended 3 April 2016.

Results Summary ¹

Group statutory revenue was £546.3m (2014: £nil) in the period. Excluding the £20.5m of revenue from SMA/BCA Automotive, the BCA Group increased revenue by 20.8% on the comparative period in 2014. Remarketing division revenue of £182.4m (2014: £164.3m) represents growth of 15.6% from the UK and 0.4% from the International division (including the impact of adverse exchange rate movements). Vehicle Buying division revenue increased by £72.3m, an increase of 26.7%.

Adjusted EBITDA in the period was £49.2m. This figure includes a £2.1m contribution from SMA/BCA Automotive and £0.9m of trading losses from our closed WBAC operations in Europe. The growth in adjusted EBITDA came from Remarketing (UK 23.2%; International 16.0%) with Vehicle Buying in the UK in line with last year.

¹ *With the exception of Group statutory revenue, prior period comparatives relate to the acquired BCA Group and have been prepared on a proforma basis for the equivalent prior year period to provide a context for the Group results. The figures are unreviewed and unaudited.*

UK Remarketing

Volumes of vehicles traded through our UK auction operations have been strong, supporting our view that structural changes in the market would provide increasing volumes into our Remarketing division. As supply has increased, our conversion rates have also improved. UK auction volume

sold of 394,000 units showed an increase of 10.0% compared to the same period in 2014 producing adjusted EBITDA growth of 23.2%.

Highlights	6 months ended 4 October 2015	6 months ended 5 October 2014 ¹	Change (%)
Vehicles sold ('000)	394	358	+10.0%
Revenue per vehicle sold (£)	337	321	+5.0%
Revenue (£m)	132.9	115.0	+15.6%
Adjusted EBITDA (£m)	35.1	28.5	+23.2%
Adjusted EBITDA per vehicle sold (£)	89	80	+11.3%
Adjusted EBITDA margin (%)	26.4	24.8	

1 Prior period comparatives relate to the acquired BCA Group and have been prepared on a proforma basis for the equivalent prior year period to provide a context for the Group results. The figures are unreviewed and unaudited.

Structural changes in the UK automotive market, including the continued recovery in corporate/fleet sales and the increasing proportion of retail sales using finance schemes, is generating greater volumes of vehicles through our Remarketing channels, as witnessed in our recent results. Our product mix is getting younger, and with the Vehicle Buying division's diverse range of vehicles, we are able to present a more attractive product range to our buyer base, therefore increasing demand.

BCA's focus on value added services, optimum stock availability and online sales channels have contributed to the increased volume sold. In particular, the investment made in vehicle appraisal, imagery and the BCA Assured service is increasing the confidence buyers have in purchasing at BCA - reflected in the increased penetration of Live Online (BCA's online platform) purchases and an increase in Live Online bids. This increases the number of buyers participating in each auction and therefore drives better price performance and higher conversion rates.

As a result, the division has seen volume growth of 10.0% with this growth reflected across all customer groups. The increased penetration of the online and value add services - BCA Assured, Appraisal Post-Valet and BCA Partner Finance - has also generated average revenue per unit growth of 5.0%, driving strong overall revenue growth, period on period of 15.6%.

BCA Partner Finance is strategically important for the Remarketing division as it adds liquidity and

transaction volume into the marketplace. The number of vehicles financed has shown significant growth over this period and penetration has now increased to 5.0% of all BCA vehicles sold as at the period end, resulting in a loan book of £41m (up from 3.6% and £28m respectively as at the point of acquisition on 2 April 2015) and there is significant scope for further growth as the product is made available to a wider buyer base in a structured roll-out.

Adjusted EBITDA margin in the UK improved as a result of improved operating leverage and a focus on operating costs in the auctions business, which was partly offset by cost pressures in the logistics business. This translated to period on period adjusted EBITDA growth of 23.2%.

UK logistics services, as highlighted in our trading update, were affected by the increase in volumes and a lack of available bought-in capacity to sustain customer service levels. Work is being undertaken to review and redesign the logistics network with a greater emphasis on the logistical needs of the vendors and buyers of the remarketing operation, through utilising the assets acquired within the BCA Automotive business.

To enable the division to process the increased volume growth expected in the future, we have continued to invest in additional auction capacity with expansion plans in progress at current sites including Manchester Belle Vue, Bedford and Blackbushe, as well as developing our 20 acre brownfield site at Birmingham Perry Barr, all of which are expected to become operational in 2016. In addition the business has increased its investment programme in site efficiencies across the network, which will include more technical services and defleet initiatives.

The investment in BCA's service offering, as well as continued positive trends in the market, gives the UK Remarketing business a solid foundation for growth in the remainder of the financial year and beyond.

International Remarketing

Our International Remarketing division has also performed well in the period, recording volumes of 159,000 units, an increase of 9.7% compared to the same period in 2014, and new initiatives to create more marketplace auction awareness have shown encouraging early results. Despite adverse currency movements, this division improved adjusted EBITDA by 16.0%.

Highlights ¹	6 months ended 4 October 2015	6 months ended 5 October 2014 ²	Change (%)
-------------------------	--	---	------------

Vehicles sold ('000)	159	145	+9.7%
Revenue per vehicle sold (£)	311	340	-8.5%
Revenue (£m)	49.5	49.3	+0.4%
Adjusted EBITDA (£m)	8.7	7.5	+16.0%
Adjusted EBITDA per vehicle sold (£)	55	52	+5.8%
Adjusted EBITDA margin (%)	17.6	15.2	

1 Financial measures stated at actual average exchange rates of €1.375:£1 in the interim period (prior period €1.245:£1)

2 Prior period comparatives relate to the acquired BCA Group and have been prepared on a proforma basis for the equivalent prior year period to provide a context for the Group results. The figures are unreviewed and unaudited.

Foreign exchange rates experienced a 10% adverse movement compared to the prior period; if measured at constant exchange rates, adjusted EBITDA per unit for the period would have been £60. The average exchange rate for this interim period was €1.375:£1, compared to a rate of €1.245:£1 in the prior period.

The auction penetration of used car remarketing in Europe is significantly lower than the UK. We are focused on increasing the awareness of remarketing services and introducing new flexible auction sites as key initiatives to further develop the auction business in Europe. Along with these, targeted new initiatives such as the trial of a Partner Finance solution in France and a corporate vehicle buying solution in Germany ("CarTrade2B") are expected to drive further growth of auction volumes.

Throughout Europe, awareness of remarketing is being driven through customer workshops (Dealer Days), to raise the profile of auction as both a source of vehicles and a disposal route for surplus stock.

In order to expand the geographic reach of our European operations efficiently, new smaller, flexible local sites are being rolled out closer to our vendors and buyers. These sites support the inspection, storage and delivery of vehicles in an optimal way, whilst making them available to a wide number of buyers through online platforms, electronic and physical auctions.

Adjusted EBITDA has improved by 16.0% period on period and 5.8% on a per unit basis. If viewed on a constant currency basis, the improvements are 28.1% and 16.2% respectively. The improved adjusted EBITDA has been driven by a combination of volume increases through our existing infrastructure and advances in achieving a more flexible cost basis.

We will continue to implement new initiatives and mature those successfully trialled.

Vehicle Buying

The Vehicle Buying division incorporates WeBuyAnyCar ("WBAC") in the UK and CarTrade2B, our new vehicle buying initiative in Germany. During the period, management took the strategic decision to cease operating the WBAC model in Europe.

Highlights - UK	6 months ended 4 October 2015	6 months ended 5 October 2014 ¹	Change (%)
Vehicles sold ('000)	83	71	+16.9%
Revenue per vehicle sold (£)	4,081	3,796	+7.5%
Revenue (£m)	338.7	269.5	+25.7%
Adjusted EBITDA (£m)	8.3	8.2	+1.2%
Adjusted EBITDA per vehicle sold (£)	100	115	-13.0%
Adjusted EBITDA margin (%)	2.5	3.0	

Highlights - International	6 months ended 4 October 2015	6 months ended 5 October 2014 ¹	Change (%)
Vehicles sold ('000)	2.1	0.3	+600.0%
Revenue (£m)	4.7	1.6	+193.8%
Adjusted EBITDA (£m)	(0.9)	(1.2)	+25.0%

1 Prior period comparatives relate to the acquired BCA Group and have been prepared on a proforma basis for the equivalent prior year period to provide a context for the Group results. The figures are unreviewed and unaudited.

WBAC in the UK continues to deliver strong volume growth into our Remarketing division. WBAC increased volumes by 16.9% in the period to 83,000 units sold. Revenue was £338.7m (up 25.7%) driven by increased volume and a higher average selling price of vehicles (up 7.5%) as we expand

the marketing to a wider audience to increase the range and volume of vehicles. The Vehicle Buying margin (which excludes any Remarketing contribution generated by selling the vehicle) produced an adjusted EBITDA of £8.3m which was in line with the previous period, with the benefit of significant volume growth substantially offset by the costs of strategic branch realignment. We see WBAC as a key driver of auction volumes going forward as the proportion of vehicles sold through this disposal channel gains market share.

WBAC continues to develop in the UK market as the third disposal channel, providing the consumer with the alternative to private sale or part exchange. The safe and convenient nature of the process enables the consumer to sell their vehicle more quickly and in turn speed up the process of buying their next new or used vehicle from a franchised or independent dealership. The process also brings incremental volume into BCA from the consumer market, further supports dealers by increasing the range and variety of vehicles in the wholesale market and increases the volume of consumers who will purchase their next vehicle from a dealership by offering an alternative to private sale.

WBAC aims to deliver the best possible service for our customers. A new initiative offering a 'premier payment' service where customers selling their vehicles can choose to have payment for their vehicle in as little as 30 minutes has been launched. Whilst at an early stage, this has so far been well received by our customers.

In International, management have taken the strategic decision to cease operating the WBAC model in Europe. The trading loss incurred prior to closure was £0.9m and further closure costs of £0.8m are included within significant or non-recurring items.

The new car buying initiative, CarTrade2B, commenced a trial in Germany in June focusing on purchasing batches of vehicles direct from corporate entities and remarketing these vehicles through our auction. This has delivered promising early results.

Other

This includes the recently acquired businesses, SMA and BCA Automotive, and Group costs.

Highlights

From
acquisition to
4 October
2015
£m

Revenue - SMA	12.4
Revenue - Automotive	8.1
Other revenue	20.5
Adjusted EBITDA - SMA	1.7
Adjusted EBITDA - Automotive	0.4
Group costs	(4.1)
Other adjusted EBITDA	(2.0)

SMA is currently included in this division as although it is a UK Remarketing business, it has been subject to a UK CMA hold separate order during the period, and has therefore been managed on a standalone basis.

BCA Automotive was acquired on 25 August 2015 and during the short period to 4 October 2015, has been managed as a separate business whilst the plans are prepared for its future integration into the Group.

Financial performance

The divisional operating reviews are focused on adjusted EBITDA in order to provide more meaningful analysis. The following table reconciles adjusted EBITDA to the statutory operating profit.

	9 months ended 4 October 2015	5 months ended 30 September 2014
	£m	£m
UK Remarketing	35.1	-
International Remarketing	8.7	-
Vehicle Buying - WBAC	8.3	-
Vehicle Buying - International	(0.9)	-
Other	(2.0)	(0.1)
Total Adjusted EBITDA	49.2	(0.1)
Less:		
Depreciation and amortisation	(6.9)	-
Significant or non-recurring items	(41.0)	-
Statutory operating profit		1.3 (0.1)

Significant or non-recurring costs of £41.0m consist predominantly of the acquisition costs (£22.7m) of BCA, SMA and BCA Automotive. Also included are the closure costs of WBAC Netherlands £0.8m, non-recurring costs of £0.5m, and £17.0m in respect of the ongoing amortisation of acquisition related intangible assets.

Cash flow and Net debt position

During the period, the Group completed a capital reduction which facilitates the payment of dividends and also completed a successful syndication of the Group's financing facilities. The Group received strong lender support and increased its facilities by an additional term loan of £75m, to a total term loan of £275m which, together with a £100m revolving facility funded at competitive interest rates, provides additional headroom for future projects.

The Group definition of Net debt excludes the debts relating to finance leases and BCA Partner Finance, as these are funded under separate asset-backed lending agreements and therefore, in the Group's view, both balances are treated as components of working capital, and are excluded from Net debt.

Acquisition accounting

As a result of the acquisitions of BCA, SMA and BCA Automotive, the Group has recognised intangible assets in respect of trade names, customer relationships and software, together with the associated deferred tax liability. The excess of consideration over the fair value of acquired assets represents goodwill arising on the acquisitions and are discussed further in note 4.

Earnings per share and dividends

Adjusted basic and diluted earnings were 3.6 pence per share. Earnings per share has been adjusted by using adjusted earnings and calculating the weighted average number of shares in issue for the six month period from the date of the Placing and acquisition of the BCA Group. Statutory basic and diluted losses were 1.4 pence per share.

Given the strong cash flow characteristics of the Group, we are committed to paying a significant proportion of after-tax profits as dividends. We are pleased to announce a maiden interim dividend of 2.0 pence per share, payable to shareholders on the register on 11 December 2015 and which,

given the longer interim period of nine months will, in this instance, be paid on 18 December 2015. Interim dividends in the future will be paid in January.

Related party transactions

Related party transactions are disclosed in note 15.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties affecting the Group's business can be summarised as follows:

The Group's business is dependent on the supply of vehicles to its sales platforms, including its physical auction sites, Live Online and BCA Online (together, the "Exchange"), which in turn depends on a variety of factors such as demand in the automotive industry, macroeconomic conditions and the Group's vendors continuing to provide it with a supply of vehicles.

The Group's future operating results are dependent, in part, on its success in implementing its strategic initiatives. The Group's strategic initiatives are focused on expanding its vehicle remarketing operations and platforms, its Vehicle Buying division and its buyer finance business together with expanding the Group's services businesses. These initiatives require extensive planning and management attention and entail execution risk. The Group's growth has been, in part, attributable to the acquisition of other businesses, and the Group may continue to expand its business through acquisitions and other business combinations in the future. The success of the Group's acquisition strategy will depend on its ability to identify suitable acquisition candidates, and to integrate the operations of such businesses, once acquired.

The Group's business and financial performance depend on the effective operation of its information and technology systems. Any issues with the reliability, availability or security of the Group's systems and online service offerings could impact the Group's reputation, the number of buyers or vendors or necessitate additional costs.

The Group's intellectual property rights include proprietary technology relating to online auction systems as well as trademarks of the Group's brands, trade secrets and copyrights. The Group protects its intellectual property rights, where possible, in every country in which the Group's

products and services are distributed, deployed or made available.

There is competition for both the supply of vehicles and for the buyers of those vehicles. Due to the increasing use of technology as remarketing and distribution channels there is also competition from other online platforms of wholesalers and vendors.

The Group's senior management have extensive experience in the industry in which the Group operates and have skills that are critical to the operation of the Group's business, including their relationships with, and understanding of the requirements of, the relevant regulatory authorities in the industry in which the Group operates. The loss of services from certain of the Group's senior management staff could significantly weaken the Group's management expertise and ability to deliver its services efficiently and effectively.

The Group's largest cost is payroll, driven primarily by the number of employees in the Group and their wages and salaries. The Group competes with other service providers to recruit and retain employees. An increase in the wages and salaries necessary to attract and retain suitable employees may be necessary in the future. In addition, future legislative changes relating to the minimum wage could necessitate an increase in payroll costs. The Group also undertakes significant marketing activities, in particular for its Vehicle Buying division, and any increase in television, radio and Internet advertising rates could increase the Group's operating expenses. In addition the Group incurs significant fuel costs that may escalate and thus increase operating expenses. If the Group is unable to pass on future cost increases to its buyers or vendors, its operating profit margin could be impacted.

The Group's operations are subject to compliance with extensive laws and regulations, both in the UK and across continental Europe, including laws relating to vehicle brokerages and auctions, currency reporting obligations, data protection, competition, consumer protection, advertising, the Internet, property usage, money laundering, bribery and taxation. Non-compliance with or a change in these laws and regulations could adversely affect the ability of the Group to conduct its business and its profitability.

The Group reports its results in pound sterling, and pound sterling is also its functional currency. However, the Group conducts operations in the UK, continental Europe and a small operation in Brazil. The Group's results of operations may therefore be affected by both the transaction and translation effects of foreign currency exchange rate fluctuations when it incurs costs or earns revenue in a currency other than the pound sterling.

The Group's failure to comply with current or future environmental, health or safety laws or to obtain and comply with permits required under such laws, could subject the Group to significant

liability or require costly investigative, remedial or corrective actions.

Extreme weather, such as hail storms and flooding, which has in the past damaged vehicles in the Group's possession, or other catastrophic events (such as terrorism and large-scale accidents) may impact the Group's physical auction facilities or damage vehicles awaiting sale. Whilst the Group maintains insurance cover for such risks, claims not covered by the Group's insurance or in excess of the Group's insurance coverage may arise, such as from a natural disaster or other causes outside the Group's control.

Further details of principal risks and uncertainties were disclosed in the prospectus prepared in connection with the offer of ordinary shares of the Company on the Main Market of the London Stock Exchange (the "Prospectus"). A copy of the Prospectus is available from the investors section of the Company's website at www.bcmarketplace.com. The risks identified above remain relevant for the second half of the financial year.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE INTERIM FINANCIAL REPORT

Each of the directors confirms that to the best of their knowledge:

- The condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union;
- The interim management report includes a fair review of the information required by:
 - a. DTR 4.2.7R of the Disclosure and Transparency Rules (DTR), being an indication of important events that have occurred during the first nine months of the financial period and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the period; and
 - b. DTR 4.2.8R of the DTR, being related party transactions that have taken place in the first nine months of the current financial period and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions

described in the last annual report that could do so.

For and on behalf of the directors:

A Palmer-Baunack

Executive Chairman

T Lampert

Chief Financial Officer

27 November 2015

Directors

M Brangstrup Watts | P Coelewij | J Corsellis | S Gutteridge | J Kamaluddin | T Lampert | A Palmer-Baunack

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

	Note	For the 9 months ended 4 October 2015 £m	For the 5 months ended 30 September 2014 ¹ £m
Revenue	3	546.3	-
Cost of sales		(399.2)	-
Gross profit		147.1	-

Operating costs		(145.8)	(0.1)
Operating profit/(loss)	3	1.3	(0.1)
Adjusted EBITDA		49.2	(0.1)
Less: - Depreciation and amortisation	3	(6.9)	-
- <i>Acquisition costs</i>	3	(22.7)	-
- <i>Business closure costs</i>	3	(0.8)	-
- <i>Amortisation of acquired intangibles</i>	3	(17.0)	-
- <i>Non-recurring items</i>	3	(0.5)	-
Operating profit/(loss)		1.3	(0.1)
Finance income		0.1	-
Finance costs	5	(6.5)	-
Loss before income tax		(5.1)	(0.1)
Income tax charge	7	(2.7)	-
Loss for the period		(7.8)	(0.1)
Attributable to:			
Owners of the parent		(7.7)	(0.1)
Non-controlling interests		(0.1)	-
		(7.8)	(0.1)

Earnings per share from continuing operations
attributable to the equity holders of the parent
during the period
(expressed in pence per share)

Basic and diluted earnings per share	6	(1.4)	(253.9)
--------------------------------------	---	-------	---------

1 Prior period comparatives relate to BCA Marketplace plc only for the unaudited and unreviewed five month period from incorporation, which during that period was known as Haversham Holdings Ltd.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	For the 9 months ended 4 October 2015	For the 5 months ended 30 September 2014
	£m	£m
Loss for the period	(7.8)	(0.1)

Other comprehensive income:

Items that will not be reclassified to the income statement

Remeasurements on defined benefit schemes	0.6	-
Deferred tax on net movements in pension liability	(0.1)	-
Items that may be subsequently reclassified to the income statement		
Foreign exchange translation	0.2	-
Total other comprehensive income	0.7	-
Total comprehensive loss for the period, net of tax	(7.1)	(0.1)

Attributable to:

Owners of the parent	(7.0)	(0.1)
Non-controlling interests	(0.1)	-
	(7.1)	(0.1)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Attributable to equity owners of the parent						Non-controlling interests	Total equity
		Share capital	Share premium	Foreign exchange reserve	Accumulated deficit / Retained profit	Total			
		£m	£m	£m	£m	£m	£m	£m	£m
Balance on incorporation at 30 April 2014		-	-	-	-	-	-	-	-
Total comprehensive income for the period									
Loss for the period		-	-	-	(0.1)	(0.1)	-	(0.1)	
Total comprehensive loss for the period					(0.1)	(0.1)	-	(0.1)	
Contributions and distributions									
Net proceeds from shares issued	13	0.1	-	-	-	0.1	-	0.1	
Total transactions with owners		0.1	-	-	-	0.1	-	0.1	
Balance at 30 September 2014		0.1	-	-	(0.1)	-	-	-	

Total comprehensive income for the period								
Loss for the period	-	-	-	(0.2)	(0.2)	-	(0.2)	
Total comprehensive loss for the period	-	-	-	(0.2)	(0.2)	-	(0.2)	
Contributions and distributions								
Net proceeds from shares issued	1 3	0.2	28.7	-	-	28.9	-	28.9
Total transactions with owners		0.2	28.7	-	-	28.9	-	28.9
Balance at 31 December 2014		0.3	28.7	-	(0.3)	28.7	-	28.7
Total comprehensive income for the period								
Loss for the period	-	-	-	(7.7)	(7.7)	(0.1)	(7.8)	
Other comprehensive income	-	-	0.2	0.5	0.7	-	0.7	
Total comprehensive income/(loss) for the period	-	-	0.2	(7.2)	(7.0)	(0.1)	(7.1)	
Contributions and distributions								
Net proceeds from shares issued	1 3	7.5	1,090.2	-	-	1,097.7	-	1,097.7
Capital reduction	1 3	-	(1,118.9)	-	1,118.9	-	-	-
Share based payments	-	-	-	0.1	0.1	-	0.1	
Changes in ownership interests								
Acquisition of subsidiary with NCI	-	-	-	-	-	(0.2)	(0.2)	
Total transactions with owners	7.5	(28.7)	-	1,119.0	1,097.8	(0.2)	1,097.6	
Balance at 4 October 2015	7.8	-	0.2	1,111.5	1,119.5	(0.3)	1,119.2	

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

	Note	As at 4 October 2015	As at 31 December 2014
		£m	£m
Assets			
Non-current assets			
Intangible assets	8	1,421.2	-
Property, plant and equipment	8	98.1	-

Deferred tax asset		20.0	-
Total non-current assets		1,539.3	-
Current assets			
Inventories		23.1	-
Trade and other receivables	9	166.3	-
Cash and cash equivalents		112.1	28.8
Assets held for sale		1.6	-
Total current assets		303.1	28.8
Total assets		1,842.4	28.8
Non-current liabilities			
Borrowings	10	(268.6)	-
Trade and other payables		(77.6)	-
Pension deficit	12	(7.8)	-
Provisions		(18.8)	-
Deferred tax liabilities		(119.6)	-
Total non-current liabilities		(492.4)	-
Current liabilities			
Buyer finance borrowings	11	(32.6)	-
Trade and other payables		(197.2)	(0.1)
Current tax		(0.3)	-
Provisions		(0.7)	-
Total current liabilities		(230.8)	(0.1)
Total liabilities		(723.2)	(0.1)
Net assets		1,119.2	28.7
Equity shareholders' funds			
Share capital	13	7.8	0.3
Share premium	13	-	28.7
Foreign exchange reserve		0.2	-
Retained profit/ (accumulated deficit)		1,111.5	(0.3)
Equity shareholders' funds		1,119.5	28.7
Non-controlling interests		(0.3)	-
Total shareholders' funds		1,119.2	28.7

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

	Note	For the 9 months ended 4 October 2015 £m	For the 5 months ended 30 September 2014 £m
Cash flows from operating activities			
Loss for the period		(7.8)	(0.1)
Adjustments for:			
Taxation expense	7	2.7	-
Finance income		(0.1)	-
Finance costs		6.5	-

Depreciation	8	3.1	-
Amortisation	8	20.8	-
Loss on sale of property, plant & equipment		0.4	-
Share based payments		0.1	-
Retirement benefit obligations		0.2	-
Acquisition related costs		22.7	-
Other		0.1	-
Changes in working capital:			
Increase in inventories		(11.7)	-
Increase in trade and other receivables		(8.2)	-
(Decrease)/Increase in trade and other payables		(7.7)	0.1
Decrease in provisions		(0.4)	-
Cash generated from operations		20.7	-
Interest paid		(3.6)	-
Interest received		0.1	-
Tax paid		(1.0)	-
Net cash inflow from operating activities before acquisition related costs		16.2	-
Acquisition related costs		(47.6)	-
Net cash outflow from operating activities		(31.4)	-
Cash flows from investing activities			-
Purchase of property, plant and equipment		(8.6)	-
Purchase of intangible assets		(5.8)	-
Proceeds from sale of property, plant and equipment		0.7	-
Acquisition of subsidiary undertaking, net of cash acquired		(677.2)	-
Net cash outflow from investing activities		(690.9)	-
Cash flows from financing activities			
Proceeds of share issue	13	993.4	0.1
Proceeds of borrowings		275.0	-
Repayments of borrowings		(468.6)	-
Financing fees paid		(7.9)	-
Increase in buyer finance borrowings		12.9	-
Net cash inflow from financing activities		804.8	0.1
Net increase in cash and cash equivalents		82.5	0.1
Foreign exchange		0.8	-
Cash and cash equivalents at period start		28.8	-
Cash and cash equivalents at period end		112.1	0.1

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

BCA Marketplace plc (the "Group" or the "Company"), formerly Haversham Holdings plc, was incorporated on 30 April 2014 with the aim to acquire and manage companies in the UK and European automotive sector. On 2 April 2015, BCA Marketplace plc acquired the BCA Group ("BCA Group"). This was followed by the acquisitions of SMA Vehicle Remarketing Limited ("SMA") on 1 June 2015 and Stobart Automotive Limited ("BCA Automotive") on 25 August 2015. Acquisitions are discussed further in note 4.

BCA Marketplace plc has changed its year end from 31 December to 31 March in order to present its financial position in the most meaningful way. Whilst this is a fifteen month period, it represents twelve months of trading since the BCA Group acquisition. This also means that these condensed consolidated interim financial statements represent a nine month period that includes six months of the BCA Group's trading results from 2 April to 4 October 2015. The comparative period includes no trading activities.

BCA Marketplace plc is incorporated and domiciled in the UK. The address of the Company's registered office is 20 Buckingham Street, London WC2N 6EF.

2. ACCOUNTING POLICIES

(a) Basis of preparation

These condensed consolidated interim financial statements for the period ended 4 October 2015 do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. They have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union and the Disclosure and Transparency Rules of the Financial Conduct Authority.

The annual financial statements of BCA Marketplace plc are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The condensed consolidated set of financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the period ended 31 December 2014. They should also be read in conjunction with the Haversham Holdings plc Prospectus dated 26 March 2015, which contains the BCA Group's historical financial information. These condensed consolidated interim financial statements and notes to the accounts disclose only those material changes in balances and accounting policies by reference to both of these documents.

The comparative figures as at 31 December 2014 are extracted from the Haversham Holdings plc statutory accounts. Those accounts have been reported on by the auditor and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498 (2) and (3) of the Companies Act 2006.

These condensed consolidated interim financial statements were approved for issue on 27 November 2015. The interim results for the current and comparative period are unaudited. The auditor, PricewaterhouseCoopers LLP, has carried out a review of the condensed consolidated

interim financial statements and their report is set out at the end of this document.

The financial statements and the notes to the financial statements are presented in millions of pounds sterling ("£m") except where otherwise indicated.

2. ACCOUNTING POLICIES *(continued)*

(b) Going concern

At the start of the period the Group had no debt. When the Group acquired the BCA Group it also agreed new finance facilities, as discussed in note 10.

The Group now maintains a mixture of medium-term debt, committed credit facilities, lease finance arrangements and cash reserves, which together are designed to ensure that the Group has sufficient available funds to finance its operations. The Board reviews forecasts of the Group's liquidity requirements based on a range of scenarios to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

After making appropriate enquiries and having considered the business activities and the Group's principal risks and uncertainties, the directors are satisfied that the Company and the Group as a whole have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the condensed consolidated interim financial statements have been prepared on a going concern basis.

(c) Basis of consolidation

The condensed consolidated interim financial statements have been prepared under the historical cost convention. The same accounting policies, presentation and methods of computation have been applied in these condensed consolidated interim financial statements as were applied in the consolidated financial statements of the Group as at and for the period ended 31 December 2014 and the Haversham Holdings plc Prospectus dated 26 March 2015, which contains the BCA Group's historical financial information.

In the application of the Group's accounting policies the directors are required to make judgements, estimates and assumptions about the carrying value of the assets and liabilities that are not readily apparent from the other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision

affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgements affecting the Group's interim financial statements are acquisition accounting (including the fair value of acquired assets and liabilities and the valuation of acquired intangible assets), accruals for taxation, provisions for onerous leases, and the capitalisation and determination of the useful economic life of intangible assets including own work.

The only accounting policy that differs relates to taxes on income, which in the interim period are accrued using the effective tax rate that would be applicable to the expected total annual earnings.

(d) New standards, amendments and interpretations

There are no new standards or amendments that are mandatory for the first time for the financial year beginning 1 January 2015 that have an impact on the Group financial statements.

3. SEGMENTAL REPORTING

Management has determined the operating segments based on the operating reports reviewed by the Board of Directors that are used both to assess performance and make strategic decisions. Management has identified that the Board of Directors is the chief operating decision maker in accordance with the requirements of IFRS 8 'Operating Segments'.

The Board of Directors consider the business to be split into three main segments generating revenue: Vehicle Remarketing, comprising the UK and International segments, and Vehicle Buying. "Other" comprises central head office functions and costs not directly attributable to the segments, as well as recently acquired businesses.

	For the 9 months ended 4 October 2015					
	UK	Vehicle Remarketing International	Total	Vehicle Buying	Other	Total
	£m	£m	£m	£m	£m	£m
Revenue						
Total revenue	134.5	49.7	184.2	343.4	20.6	548.2
Inter-segment revenue	(1.6)	(0.2)	(1.8)	-	(0.1)	(1.9)
Total revenue from external customers	132.9	49.5	182.4	343.4	20.5	546.3
Adjusted EBITDA	35.1	8.7	43.8	7.4	(2.0)	49.2
Depreciation and amortisation	(4.8)	(1.3)	(6.1)	(0.5)	(0.3)	(6.9)

Adjusted operating profit	30.3	7.4	37.7	6.9	(2.3)	42.3
Significant or non-recurring costs:						
Acquisition costs						(22.7)
Business closure costs						(0.8)
Amortisation of acquired intangibles						(17.0)
Non-recurring items						(0.5)
Operating profit						1.3
Finance income						0.1
Finance cost						(6.5)
Loss before taxation						(5.1)
Capital expenditure	11.2	1.5	12.7	0.7	1.8	15.2

Acquisition costs of £22.7 million relate to the acquisition of the BCA Group (£20.4m), SMA (£1.4m), and BCA Automotive (£0.3m) and further due diligence costs of transactions not completed (£0.6m), which have been charged to operating costs.

The segments identified above represent segments that were formed following the acquisition of the BCA Group. As a result there is no comparative available within BCA Marketplace plc. The following segmental table shows a proforma comparative of the BCA Group during the equivalent period in the prior year from April to September 2014. This does not include BCA Marketplace plc, SMA or BCA Automotive. The proforma information does not include finance income/expense as this related to the previous debt structure and is not comparable to the current period.

3. SEGMENTAL REPORTING *(continued)*

	Proforma BCA Group for the 6 months ended 5 October 2014					
	UK	Vehicle Remarketing International	Total	Vehicle Buying	Other	Total
	£m	£m	£m	£m	£m	£m
Revenue						
Total revenue	116.1	49.4	165.5	271.1	-	436.6
Inter-segment revenue	(1.1)	(0.1)	(1.2)	-	-	(1.2)
Total revenue from external customers	115.0	49.3	164.3	271.1	-	435.4
Adjusted EBITDA	28.5	7.5	36.0	7.0	(1.7)	41.3

Depreciation and amortisation	(3.3)	(2.4)	(5.7)	(0.4)	-	(6.1)
Adjusted operating profit	25.2	5.1	30.3	6.6	(1.7)	35.2
Significant or non-recurring costs:						
Impairment of property, plant and equipment						(4.8)
Amortisation of acquired intangibles						(1.8)
Management fees to private equity investor						(0.2)
Aborted IPO costs including management incentives						(6.7)
Onerous lease provision						(19.6)
New business start-up costs						(0.6)
Operating profit						1.5
Capital expenditure	7.1	3.2	10.3	1.1	0.4	11.8

4. ACQUISITIONS

The following acquisitions have been made by the Group in the period.

BCA Group

On 2 April 2015 the Group acquired 100% of the ordinary shares in the BCA Group for £815.5 million satisfied by £711.2 million in cash and £104.3 million by the issue of 69,535,522 ordinary shares. The fair value of the ordinary shares issued was based on the placing share price of the Company at 2 April 2015 of £1.50 per share. The company acquired was CD&R Osprey Investment S.à.r.l., the immediate parent of the BCA Group. The BCA Group is the number one vehicle remarketing business in Europe, as well as owning the market leading vehicle buying business in the UK. This acquisition is part of the Group's strategy of acquiring and developing substantial businesses in the automotive sector. The fair values of the assets and liabilities (excluding cash and borrowings) have been determined on a provisional basis whilst being formally reviewed, and will be finalised within 12 months of acquisition.

	Fair value £m
Intangible assets: - Brand	158.9
- Vendor Relationships	329.0
- Buyer Relationships	61.3
- Software fair value uplift	22.5
- Software net book value	21.0
Property, plant and equipment	53.9
Inventories	14.8
Trade and other receivables	146.0

Cash and cash equivalents	73.9
Trade and other payables	(298.6)
Provisions	(20.0)
Pension liability	(5.0)
Deferred tax liability	(96.9)
Borrowings	(451.9)
Net assets acquired	8.9
 Goodwill	 806.4
 Consideration	 815.5
NCI	(0.2)
	815.3

Goodwill has arisen on the acquisition due to the unique position that the BCA Group has in the automotive sector. The BCA Group has created a marketplace and a proposition with an assembled workforce, significant barriers to entry and geographical presence generating a value that cannot be defined and measured as an intangible asset. As such the excess over the identified net assets has been recognised as goodwill.

The fair value of acquired receivables was £128.9 million. The gross contractual amounts receivable are £130.4 million and, at the acquisition date, £1.5 million of contractual cash flows were not expected to be received.

4. ACQUISITIONS *(continued)*

SMA

On 1 June 2015 the Group acquired 100% of the shares in SMA for £29.8 million, satisfied in cash. The company acquired was SMA Vehicle Remarketing Limited, the immediate parent of the acquired group. SMA operates within the vehicle remarketing sector of the automotive industry and therefore complements the acquisition of the BCA Group. The fair values of the assets and liabilities (excluding cash and borrowings) have been determined on a provisional basis whilst being formally reviewed, and will be finalised within 12 months of acquisition.

	Fair value £m
Intangible assets: - Trade name	1.4
- Vendor relationships	6.1
- Buyer relationships	1.1

Property, plant and equipment	21.0
Inventories	0.5
Trade and other receivables	12.5
Cash and cash equivalents	3.9
Trade and other payables	(17.1)
Deferred tax liability	(1.7)
Borrowings	(16.7)
Net assets acquired	11.0
Goodwill	18.8
Consideration	29.8

Goodwill represents the assembled workforce and geographic coverage which are not identified as intangible assets in their own right. The acquisition is currently subject to a review by the Competition and Markets Authority.

The fair value of acquired receivables was £10.8 million. The gross contractual amounts receivable are £10.9 million and, at the acquisition date, £0.1 million of contractual cash flows were not expected to be received.

4. ACQUISITIONS *(continued)*

BCA Automotive

On 25 August 2015 the Group acquired 100% of the shares in BCA Automotive for £16.0 million satisfied in cash. The company acquired was Stobart Automotive Limited, the parent company of the acquired group. BCA Automotive operates approximately 480 vehicle transporters in the UK, and therefore complements the acquisition of the BCA Group and SMA through the additional logistics expertise and geographical coverage. The fair values of the assets and liabilities (excluding cash) have been determined on a provisional basis whilst being formally reviewed, and will be finalised within 12 months of acquisition.

	Fair value £m
Intangible assets: - Trade name	0.5
- Vendor relationships	3.1
Property, plant and equipment	18.3
Trade and other receivables	18.3
Cash and cash equivalents	2.0
Trade and other payables	(29.3)
Deferred tax asset	0.3
Pension liability	(3.2)

Net assets acquired	10.0
Goodwill	6.0
Consideration	16.0

Goodwill arising on the acquisition represents the assembled workforce, logistics capabilities and buyer synergies arising from the combining of the operations of BCA Automotive with the logistics businesses within the BCA Group and SMA.

The fair value of acquired receivables was £17.3 million. The gross contractual amounts receivable are £17.5 million and, at the acquisition date, £0.2 million of contractual cash flows were not expected to be received.

Impact of acquisitions

Note 3 shows the contribution of the acquisitions from the date of the respective transactions to 4 October 2015. Had all the acquisitions occurred on 1 January 2015, Group revenue and profit before tax for the 9 months to 4 October 2015 would have been an estimated £903.4 million and £3.3 million respectively. In determining these amounts management has assumed that the fair value adjustments that arose on the date of acquisition and all costs of acquisition would have been the same if the acquisitions had occurred on 1 January 2015.

5. FINANCE COSTS

	For the 9 months ended 4 October 2015 £m	For the 5 months ended 30 September 2014 £m
Interest payable on borrowings	4.3	-
Net interest expense on retirement benefit obligations	0.5	-
Unwinding of discount on provisions	1.2	-
Foreign exchange losses	0.5	-
Finance costs	6.5	-

6. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

	For the 9 months ended 4 October 2015	For the 5 months ended 30 September 2014
Loss for the period attributable to equity shareholders (£m)	(7.7)	(0.1)
Weighted average number of shares used in calculating basic earnings per share (millions)	531.2	-
Basic and diluted loss per share (pence)	(1.4)	(253.9)

As the potential ordinary shares relating to employee share schemes do not increase the loss per share from continuing operations they are not treated as dilutive.

An adjusted diluted earnings per share has been calculated using the weighted average number of shares in issue for the 6 month period from the date of the Placing and acquisition of the BCA Group on 2 April 2015. Management believe this adjustment to the weighted average number of shares is consistent with the earnings of the BCA Group which are included for the same period.

	For the 9 months ended 4 October 2015 £m	For the 5 months ended 30 September 2014 £m
Loss for the period attributable to equity shareholders	(7.7)	(0.1)
Add back:		
Significant or non-recurring costs (see note 3)	41.0	-
Tax on significant or non-recurring costs	(4.9)	-
Adjusted earnings	28.4	(0.1)
	m	m
Weighted average number of shares used in calculating adjusted basic earnings per share	780.2	-
Incremental shares in respect of employee share schemes	9.6	-
Weighted average number of shares used in	789.8	-

calculating adjusted diluted earnings per share

Adjusted basic earnings/(loss) per share (pence)	3.6	(253.9)
Adjusted diluted earnings/(loss) per share (pence)	3.6	(253.9)

7. TAXATION

The income tax charge is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the loss before tax for the interim period.

The income tax charge of £2.7 million on the loss before tax of £5.1 million reflects a proportion of acquisition costs that are disallowable for tax purposes. After adjusting for the effects of these acquisition costs, the effective tax rate is 21%.

8. NON-CURRENT ASSETS

	Intangible assets £m	Property, plant and equipment £m	Total £m
Net book value at 1 January 2015	-	-	-
Acquired through business combinations	1,436.1	93.2	1,529.3
Additions	6.1	9.1	15.2
Disposals	(0.2)	(1.1)	(1.3)
Depreciation and amortisation charge	(20.8)	(3.1)	(23.9)
Net book value at 4 October 2015	1,421.2	98.1	1,519.3

9. TRADE AND OTHER RECEIVABLES

As at 4 October 2015 £m	As at 31 December 2014 £m
----------------------------------	------------------------------------

Amounts falling due within one year:

Trade receivables due but not past due	123.2	-
Trade receivables past due	9.7	-
Group provision for impairment	(1.6)	-
Trade receivables - net	131.3	-
Other receivables	10.7	-
Accrued income	10.0	-
Prepayments	14.3	-
	166.3	-

Within the net trade receivables balance is £43.1 million that relates to the buyer finance business.

10. BORROWINGS

	As at 4 October 2015 £m	As at 31 December 2014 £m
Non-current Bank borrowings	268.6	-

Carrying amounts are stated net of unamortised issue costs. The fair value of bank borrowings represents the nominal value of the bank loan as the impact of discounting is not significant.

As part of the acquisition of the BCA Group on 2 April 2015 the pre-acquisition debt structure within the BCA Group was settled in full. The debt structure had consisted of payment in kind loan notes, a balance due to the ultimate controlling party and a multi-currency term and revolving facility. This has been replaced with the debt facility below.

In April 2015, the Group entered into a five year committed £300 million multi-currency facility, including a £100 million revolving facility and £200 million term facility, which was drawn down, net of issue costs of £7.0 million, and used as financing to repay the previous debt facility within the BCA Group of companies.

In June 2015, the term facility was increased by £75 million to a principal amount of £275 million for further issue costs of £0.9 million, with no change to the maturity date. The additional drawdown was primarily used to fund the purchase of SMA and BCA Automotive. The total issue costs of £7.9 million, together with the interest expense, are being allocated to the income statement over the term of the facility at a constant rate on the carrying amount.

The Group's principal bank loans at 4 October 2015 were denominated in sterling (£231.3 million) and euros (€60.0 million), and bear variable interest based on LIBOR and EURIBOR respectively. They were secured by a fixed and floating charge over the Group's present and future assets.

At 4 October 2015, the Group had issued letters of credit in the ordinary course of business of £6.0 million and had the following undrawn borrowing facilities:

	As at 4 October 2015 £m	As at 31 December 2014 £m
Floating rate:		
Expiring beyond one year	94.0	-

11. BUYER FINANCE BORROWINGS

On acquisition by the Group the BCA Group had an asset-backed finance facility to fund the buyer finance business. This is a revolving facility that allows BCA to draw down up to £45 million. The amount is advanced solely to a buyer finance subsidiary in respect of specific receivables. Interest is charged on the drawn down element of the facility at a variable interest rate based on LIBOR. At 4 October 2015 the borrowings were £32.6 million.

12. PENSIONS AND OTHER POST-RETIREMENT BENEFITS

The Group participates in defined contribution schemes and two defined benefit schemes ("BCA Pension Plan" within the BCA Group and "Automotive Plan" within BCA Automotive).

The BCA Pension Plan provides benefits based on final pensionable salary. The plan is closed to new members. The valuation used for these accounts is based on the results of an actuarial valuation carried out as of 5 April 2014 and updated to the date of acquisition, on 2 April 2015, and at the period end date by Capita, independent consulting actuaries, in accordance with IAS19 Revised. As at 4 October 2015 the net pension liability was £4.7 million.

The Automotive Plan provides benefits based on final pensionable salary. The plan closed to future accrual from 1997. The valuation used for these accounts is based on the results of a draft actuarial valuation carried out as of 6 April 2013 and updated to the date of acquisition of the BCA Automotive business, on 25 August 2015, and at the period end date by Broadstone, independent consulting actuaries, in accordance with IAS19 Revised. As at 4 October 2015 the net pension liability was £3.1 million. Further information about the Automotive Plan is disclosed in the tables below:

The principal assumptions used for the Automotive Plan are as follows:

	As at 4 October 2015
Rate of increase in pensions	Either fixed or 3%
Rate of increase in pensions in deferment:	
Retail price index	3.3%
Consumer price index	2.3%
Discount rate	3.6%
Rate of inflation:	
Retail price index	3.3%
Consumer price index	2.3%

Assumptions regarding future mortality experience are set based on published statistics and experience.

The mortality assumptions imply the following expected future lifetimes from age 65:

	As at 4 October 2015	
	Age (current 65 year olds)	Increase over next 20 years
Males	22.1	1.3
Females	24.4	1.5

The assumptions used by the actuary are best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

The Automotive Plan liability recognised in the consolidated balance sheet is determined as follows:

As at 4

	October 2015 £m
Present value of funded obligations	(13.7)
Fair value of plan assets	10.6
Net pension liability	(3.1)

13. SHARE CAPITAL & SHARE PREMIUM

	Number of ordinary shares	Nominal value per share	Nominal value £m	Share premium £m
Issued and fully paid:				
Issued at incorporation on 30 April 2014	1	£1.00	-	-
Issued in relation to plc share capital requirement	49,999	£1.00	0.1	-
Issued in relation to share reorganisation	4	£1.00	-	-
Reduction following share reorganisation	(8,334)	£0.01	-	-
Issued in connection with Placing	25,000,000	£0.01	0.2	29.8
Shares issue costs relating to equity	-	-	-	(1.1)
As at 31 December 2014	25,041,670	£0.01	0.3	28.7
Issued in connection with the acquisition of BCA Group	755,205,522	£0.01	7.5	1,125.3
Shares issue costs relating to equity	-	-	-	(35.1)
Capital reduction	-	-	-	(1,118.9)
As at 4 October 2015	780,247,192	£0.01	7.8	-

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company. The movements in share capital are described below:

- The Company issued 1 ordinary share of £1 upon incorporation.
- On 10 July 2014, the Company issued 49,999 ordinary shares of £1.00 each to Marwyn Investment Management LLP bringing the total issued share capital to 50,000 ordinary shares of £1.00 each.
- On 23 October 2014, the Company allotted 4 ordinary shares of £1.00 each (the "Allotment"). Immediately following the Allotment, the following steps took place:

§ the entire issued share capital of the Company, being 50,004 ordinary shares of £1.00 each, was subdivided into 41,670 ordinary shares of £1.20 each ("First Subdivision");

§ immediately following the First Subdivision the entire issued share capital of the Company was further subdivided and reclassified into 41,670 ordinary shares of £0.01 each and 41,670 deferred shares of £1.19 each.

- On 10 November 2014, the Company issued 25,000,000 shares for the Placing at a placement price of £1.20 each. All 25,000,000 ordinary shares were admitted to AIM for trading and the Company was gifted the 41,670 deferred shares by the holder of the deferred shares, which were subsequently cancelled, creating a capital redemption reserve.
- On 2 April 2015, the Company issued 755,205,522 shares for the Placing as part of the acquisition of BCA. 685,670,000 were issued for cash at a price of £1.50 each and 69,535,522 were issued as consideration for shares in BCA at a fair value of £1.50 each. On the same date, all 780,247,192 ordinary shares in issue were admitted to the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange.
- On 3 June 2015, the Company cancelled its share premium account by Special Resolution as confirmed by an Order of the High Court of Justice, Chancery Division.

14. DIVIDENDS

After the balance sheet date dividends of 2.0p per qualifying ordinary share were declared by the directors payable on 18 December 2015 to shareholders on the Register on 11 December 2015. The dividend has not been provided for.

15. RELATED PARTY TRANSACTIONS

As disclosed in the Prospectus a bonus was paid to Avril Palmer-Baunack and a corporate finance fee was paid to Marwyn Capital LLP on completion of the acquisition of the BCA Group. These fees will be included as part of the full disclosure of directors remuneration in the Annual Report and Accounts for the 15 months ending 3 April 2016. A further corporate finance fee of £250,000 was paid to Marwyn Capital LLP on completion of the acquisition of SMA. There were no further transactions with related parties which had a material effect on the financial position or performance of the Company during the period covered by this interim report.

16. EVENTS AFTER THE REPORTING PERIOD

On 24 November 2015 freehold land and buildings in Newport were sold for proceeds of £3.0 million.

INDEPENDENT REVIEW REPORT TO BCA MARKETPLACE PLC

Our conclusion

We have reviewed BCA Marketplace plc's condensed interim financial statements (the "interim financial statements") in the interim report of BCA Marketplace plc for the 9 month period ended 4 October 2015. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are 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.

What we have reviewed

The interim financial statements comprise:

- the condensed consolidated interim balance sheet as at 4 October 2015;
- the condensed consolidated interim income statement and condensed consolidated interim statement of comprehensive income for the period then ended;
- the condensed consolidated interim cash flow statement for the period then ended;
- the condensed consolidated interim statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the interim report have been prepared 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.

As disclosed in note 2 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The interim report, including the interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the interim report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

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' issued by the Auditing Practices Board for use in the United Kingdom. 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.

We have read the other information contained in interim report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP

Chartered Accountants

St Albans

27 November 2015

For more information

bcamarketplaceplc.com

This information is provided by RNS
The company news service from the London Stock Exchange

END

IR FMMZMKNZGKZM