



Voyage Care

Investor Presentation

Q3 2014

Disclaimer

Forward Looking Statements

Various statements contained in this document constitute “forward-looking statements”. Words like “believe,” “anticipate,” “should,” “intend,” “plan,” “will,” “expects,” “estimates,” “projects,” “positioned,” “think,” “strategy,” and similar expressions identify these forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, regulatory matters affecting our businesses and changes in law. These forward-looking statements speak only as of the date of this presentation, and we assume no obligation to update our forward-looking statements to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Additional Information

This presentation includes the consolidated financial information (unaudited) of Voyage BidCo Limited and its subsidiaries for the three months ending 31 December 2013 (“Q3 2014”). All comparisons of financial and operating statistics are for the three months ending 31 December 2012 (“Q3 2013”), unless otherwise stated. Movements and percentages have been calculated using the underlying number to one decimal place of the number presented in this document.

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Executive Summary

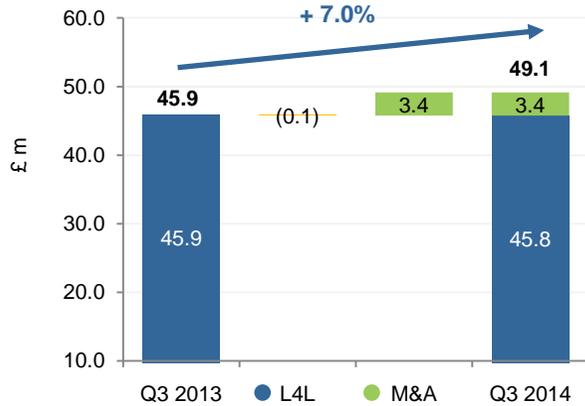
Q3 2014 Highlights

- Satisfactory performance in challenging operating conditions
- Turnover up by 7.0% to £49.1m
- EBITDA before exceptional items in line with expectations at £10.0m
- CQC quality scores remain high, exceeding 90% (4 & 5 ticks) at December 2013
- Cash conversion 72.5%, pre M&A catch-up capex (YTD 2014: 80.9%)
- Net debt at December 2013 is £254.3m
- LTM EBITDA leverage (before pro-forma adjustments) at December 2013 is 6.16x (September 2013: 6.09x)

Financial Highlights

Key Business Streams - Turnover

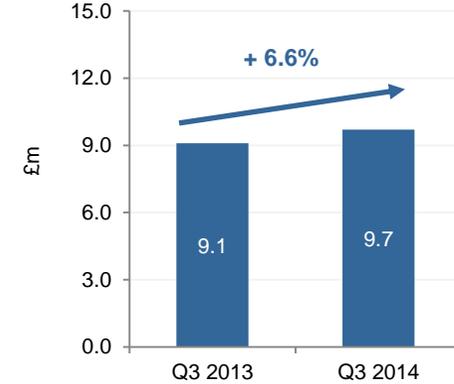
Q3 2013 to Q3 2014



Registered



Supported Living (and Outreach)



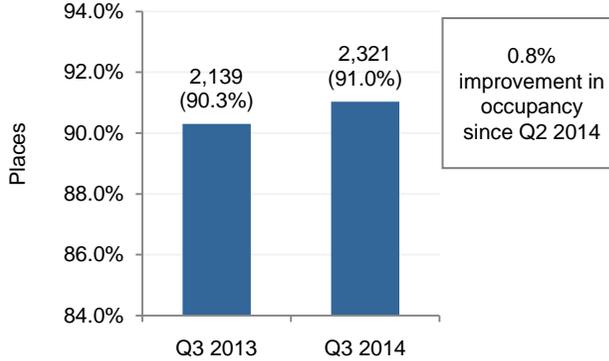
Comments

- Like-for-like turnover (which now includes Solor Care) broadly flat
- M&A turnover up +7.2%
- Turnover increase across the Registered services is +6.9%, mainly due to the acquisition of ILG
- Turnover increase across Supporting Living and Outreach is +6.6%; part M&A, part tender wins

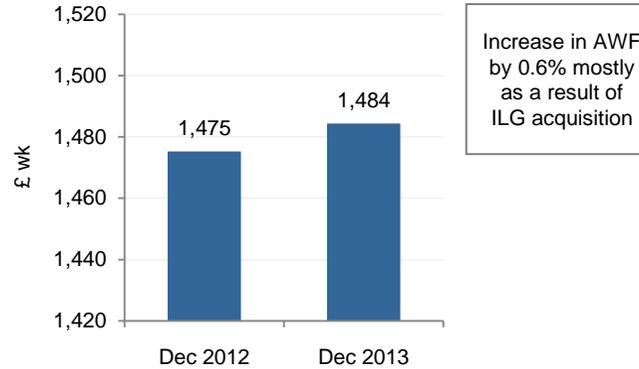
Financial Highlights

Key Operating Metrics

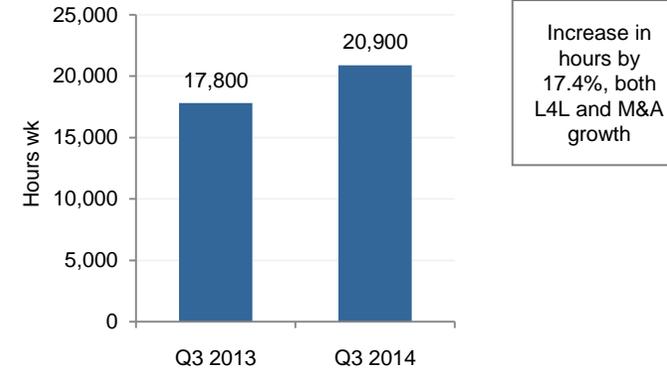
Average Occupancy



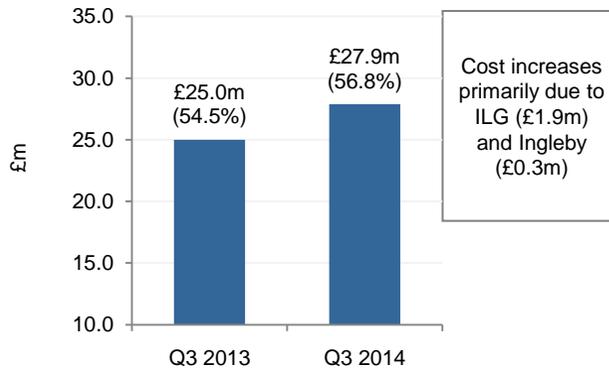
Residential Average Weekly Fee (LTM)



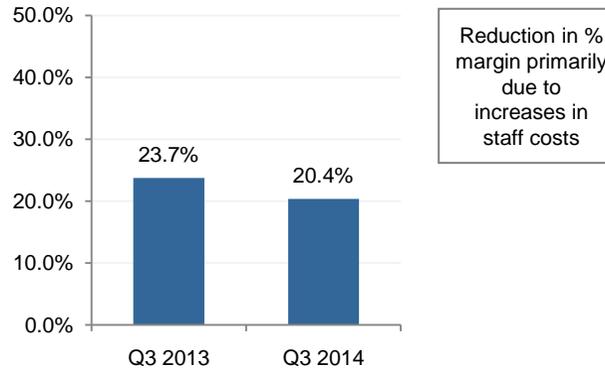
Average Weekly Outreach Hours



Unit Level Staff Costs (% Turnover) *



EBITDA pre exceptionals (% Margin)



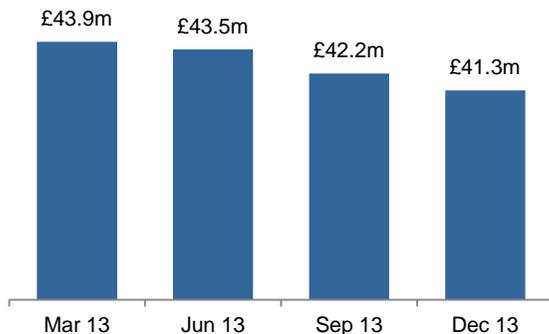
Agency costs reduced in Q3 2014 by £0.4m (since Q2 2014), and by £0.1m (since Q3 2013)

* Excludes agency costs

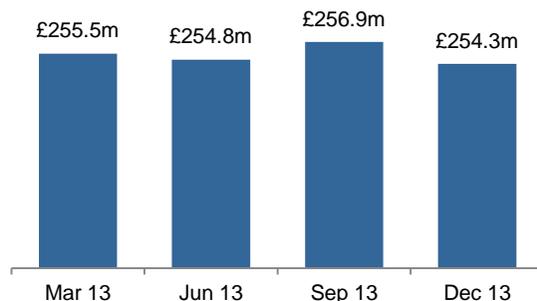
Financial Highlights

LTM performance

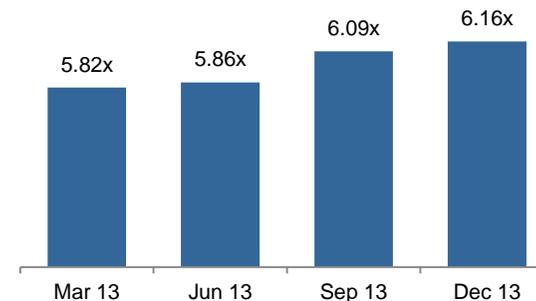
EBITDA pre exceptionals (before pro-forma adjustments)



Net Debt



Leverage (net) (before pro-forma adjustments)



Gross Debt	£272.0m	£272.0m	£272.0m	£272.0m
Cash	(£15.8m)	(£16.6m)	(£14.4m)	(£17.1m)
OID	(£0.7m)	(£0.7m)	(£0.7m)	(£0.6m)
Net Debt	£255.5m	£254.8m	£256.9m	£254.3m

Comments

- LTM to December 2013 includes Ingleby for the first time
- December 2013 Net Debt is calculated as £272.0m Gross Debt, less £17.1m cash, less £0.6m of unamortised Original Issue Discount (OID) on 2nd Lien Notes = £254.3m.
- Debt service costs c.£20.4m per annum (RCF undrawn)

Financial Highlights

Cash flow

£ millions	Q3		YTD		Comments
	2014	2013	2014	2013	
EBITDA before exceptional items	10.0	10.9	30.0	32.6	<ul style="list-style-type: none"> Maintenance % turnover for Q3 2014 was 5.6% (Q3 2014: 2.9%), YTD 2014 was 3.9% (YTD 2013: 2.4%), in line with expectations
Maintenance capex	(2.8)	(1.3)	(5.7)	(3.2)	
Operating cash flow	7.3	9.6	24.3	29.4	
<i>Cash conversion %</i>	<i>72.5%</i>	<i>88.0%</i>	<i>80.9%</i>	<i>90.2%</i>	
Debt service costs	(0.1)	(6.1)	(10.6)	(17.9)	<ul style="list-style-type: none"> Debt service costs include RCF commitment fee
Taxation	0.1	(0.4)	0.5	(0.4)	
Other cash flow items before acquisitions and financing	1.2	3.3	(4.7)	(2.4)	<ul style="list-style-type: none"> Other cash flow items relate to working capital, exceptional items, development capex & asset sale proceeds
FCF before acquisitions and financing	8.4	6.3	9.5	8.7	
Acquisition	(5.5)	0.0	(5.5)	(28.2)	<ul style="list-style-type: none"> £28.2m relates to the acquisition of Solor Care. £5.5m relates to the acquisition of Ingleby Care (including cash balances acquired).
Acquisition funding	0.0	0.0	0.0	18.1	
Acquisition integration costs	(0.1)	(0.2)	(0.6)	(0.6)	
Acquisition catch-up capex	(0.1)	(0.4)	(2.2)	(0.7)	<ul style="list-style-type: none"> Equity contribution of £18.1m from Hg Capital, Standard Life Capital Partners and management for Solor Care acquisition
FCF before acquisitions and financing	2.6	5.7	1.2	(2.7)	
Financing	(0.0)	(0.0)	(0.0)	(3.0)	<ul style="list-style-type: none"> ILG £0.1m one-off integration costs ILG catch-up capex of £0.1m
Increase / (decrease) in cash for the period	2.6	5.7	1.2	(5.7)	
Opening cash	14.4	12.0	15.8	23.3	
Closing cash	17.1	17.6	17.1	17.6	

Outlook & Recent Developments

- Operating conditions remain challenging
- Quality remains high
- Local Authority funding pressures unabated
- 'Grip' on agency costs
- Ingleby integration progressing to plan
- Fundamental review of cost base to remain competitive & lean
- Next update 29 July 2014

Q & A

Further questions can be addressed to investorrelations@voyagecare.com

Also please visit our investor relations web site investors.voyagecare.com