

COMPANY REGISTRATION NUMBER 118803

MERCURY ABC CAPITAL LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 2015

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FINANCIAL STATEMENTS
PERIOD ENDED 31 DECEMBER 2015

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MERCURY ABC CAPITAL LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

Mandar Kulkarni (appointed 18th June 2015)
Justin Nuccio (appointed 18th June 2015)
Stefano De Giorgis (appointed 15th October 2015)
Pietro Marini (appointed 15th October 2015)

COMPANY SECRETARY

Crestbridge Corporate Services Limited (appointed 23rd June 2016)

REGISTERED OFFICE

47 Esplanade,
St Helier
Jersey
JE1 0BD
Channel Islands

REGISTERED NUMBER

118803

AUDITOR

KPMG LLP
15 Canada Square
London
E14 5GL

MERCURY ABC CAPITAL LIMITED

DIRECTORS' REPORT

PERIOD ENDED 31 DECEMBER 2015

The Directors have pleasure in presenting their report and the financial statements of the Company for the period ended 31 December 2015.

INCORPORATION

Mercury ABC Capital Limited (the 'Company') was incorporated in Jersey, Channel Islands on 18 June 2015.

On December 18, 2015, Mercury Italy S.r.L. ("Bidco"), a special purpose vehicle, (indirectly owned by the funds Advent International, Bain Capital and Clessidra SGR) acquired control of Istituto Centrale delle Banche Popolari Italiane S.p.A. ("ICBPI"), with 88.95% of share capital.

The investment in ICBPI has been made through a new structure and the Mercury Group ("The Group"). The Group consists of Mercury UK Holdco Ltd ("Holdco"), Mercury Italy S.r.L., ICBPI, Mercury A Capital Ltd, Mercury B Capital Ltd, Mercury ABC Capital Ltd ("Sponsors") and Mercury Bondco Plc ("Bondco").

PRINCIPAL ACTIVITIES

The principal activity of the Company is to fund Holdco by means of equity received from ultimate parent company and debt advanced by Bondco, by way of intercompany loans, to provide such funding to enable it to make acquisitions. The Directors anticipate that the current activities will continue unchanged for the foreseeable future.

The Company is a wholly owned subsidiary of Fides S.p.A. Italy, and its ultimate parent company is Clessidra Capital Partners 3 Funds.

RESULTS AND DIVIDENDS

The trading results for the period and the financial position at the end of the period are shown in the attached financial statements.

The Directors do not recommend the payment of a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The objective of the Board is to manage risk across the Company enabling the Company to achieve its business objectives. The business objective is to support the activities of the Group's financing and the acquisitions.

Changes in key business objectives which may alter the risks faced by the Company are monitored closely by the Board throughout the period to ensure that the necessary changes to internal controls or procedures are implemented. The main risks arising from the Company's financial instruments are credit risk and liquidity risk.

An overview of capital risk management is given in note 9.

DIRECTORS

The Directors who served throughout the period ended 31 December 2015 and up to date of this report were:

Mandar Kulkarni (appointed 18th June 2015)
Justin Nuccio (appointed 18th June 2015)
Stefano De Giorgis (appointed 15th October 2015)
Pietro Marini (appointed 15th October 2015)

The Directors have no interest in the shares of the Company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Companies (Jersey) Law 1991 requires the Directors to prepare financial statements for each financial year. The financial statements of the Company are required by law to give a true and fair view of the state of affairs of the Company at the period end and of the profit or loss of the Company for the period then ended. In preparing these financial statements, the Directors should:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm they have complied with all the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm to the best of their knowledge, that:

- the financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company.

Statement of disclosure of information to auditors

The Directors in office at the date of this report have each confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

MERCURY ABC CAPITAL LIMITED

DIRECTORS' REPORT *(continued)*

PERIOD ENDED 31 DECEMBER 2015

GOING CONCERN

The Group cash flow forecast is prepared on an annual basis.

The forecast demonstrates that the Group has sufficient cash resources and finance facilities available to allow it to continue in business for a period of at least 12 months from the date of approval of the financial statements.

In addition to this, Group relies on:

- €55million undrawn Revolving Credit Facility;
- PIK feature that is at the option of the borrower to account for any delay or shortfall in available cash flow, giving management significant operating flexibility;
- available liquid funds in the Group undertakings.

Mercury ABC Capital Limited will continue to be supported by the wider Group, and ultimate parent company, Clessidra Capital Partners 3 Funds.

On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis.


AUDITORS

KPMG LLP were appointed in April 2016 and have expressed their willingness to continue in office as auditors.

SECRETARY

The Secretary of the Company who had been Secretary for the whole period under review was Crestbridge Corporate Services Limited.

On behalf of the Board on 24th May 2016



Justin Nuccio
Director
24th May 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERCURY ABC CAPITAL LIMITED

We have audited the financial statements of Mercury ABC Capital Limited (the "Company") for the period ended 31 December 2015 which comprise the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the EU.

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

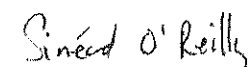
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Sinead O'Reilly (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canade Square
London
E14 5GL

24 May 2016

MERCURY ABC CAPITAL LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME

PERIOD ENDED 31 DECEMBER 2015

	Notes	Period ended 31 Dec 2015 €000's
Revenue		-
Cost of sales		-
Gross profit/(loss)		-
Administrative expenses		(101)
Operating loss	2	(101)
Share of loss form equity accounted investment		(3,853)
Finance costs		(1,097)
Loss before tax		(5,051)
Income tax expense	3	-
Loss for the period		(5,051)

There were no other components of comprehensive income in the period and all items of income and expenditure are included in arriving at the loss for the period.

MERCURY ABC CAPITAL LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Notes	At 31 Dec 2015 €000's
Non-current assets		
Investment	4	617,516
		617,516
Current assets		
Trade and other receivables	5	5
Cash and cash equivalents		10
		15
Total assets		617,531
Current liabilities		
Loans and borrowings	6	(367,097)
Trade and other payables	7	(96)
Total liabilities		(367,193)
Net assets		250,338
Equity		
Share capital	11	255,389
Retained earnings		(5,051)
Total equity		250,338

These financial statements were approved by the Board of Directors and authorised for issue on 24th May 2016.

Company number 118803

Signed on behalf of the Board by:



Mercury ABC Capital Limited
Justin Nuccio
Director

MERCURY ABC CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY

PERIOD ENDED 31 DECEMBER 2015

	Share capital €000's	Retained earnings €000's	Total €000's
Opening Balance	-	-	-
Issue of Share Capital	255,389	-	255,389
Loss for the period	-	(5,051)	(5,051)
At 31 December 2015	255,389	(5,051)	250,338

MERCURY ABC CAPITAL LIMITED

STATEMENT OF CASH FLOWS

PERIOD ENDED 31 DECEMBER 2015

	Notes	Period ended 31 Dec 2015 €000's
Cash flow from operating activities		
Operating loss		(101)
Adjustments for:		
Increase in receivables	5	(5)
Increase in payables	7	96
Cash used in operating activities		(10)
Interest paid		-
Taxation paid		-
Net cash used in operating activities		(10)
Net (decrease)/ increase in cash and cash equivalents		-
Total cash flows used in operating activities		(10)
Investing activities		
Purchase of investment		(621,269)
Cash flow used in investing activities		(621,269)
Financing activities		
Proceeds from issue of share capital		255,289
Proceeds from issue of loan		366,000
Cash flow from financing activities		621,289
Net increase in cash and cash equivalents		10
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		10

The accompanying accounting policies and notes form part of these financial statements

1. ACCOUNTING POLICIES

Nature of operations

The principle activity of Mercury ABC Capital Limited ('the Company') is to fund Holdco by means of equity received from the ultimate parent company and debt advanced by Bondco, by way of intercompany loans, to provide such funding to enable it to make acquisitions.

The Company is incorporated in Jersey, domiciled in Jersey and its registered office is 47 Esplanade, St Helier, Jersey JE1 0BD. The registered number of the Company is 118803.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC Interpretations as adopted by the European Union and with those parts of the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS.

These financial statements are presented in Euro (€) which is also the functional currency of the Company.

These financial statements have been approved for issue by the board of Directors.

Accounts are rounded to the nearest thousand, unless otherwise stated.

Going concern

The Company has received confirmation from the ultimate parent company, Clessidra Capital Partners 3 Funds, that sufficient financial support will be provided for the foreseeable future. The Directors of Mercury ABC Capital Ltd have prepared cash flow forecasts which take account of expected trading in the Group's businesses. The forecasts demonstrate that the Group has sufficient cash resources and finance facilities available to allow it to continue in business for a period of at least 12 months from the date of approval of the financial statements.

On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis.

Standards and interpretations not yet applied by the Company

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

- IFRS 9 Financial Instruments (IASB effective date 1 January 2018)
- Annual Improvements to IFRSs 2010-2012 Cycle (IASB effective date generally 1 July 2014) (Endorsed)
- Annual Improvements to IFRSs 2012-2014 Cycle (effective 1 January 2016) (Endorsed)
- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception (effective 1 January 2016)
- Disclosure Initiative: Amendments to IAS 1 Presentation of Financial Statements (effective 1 January 2016) (Endorsed)
- Disclosure Initiative: Amendments to IAS 7 Statement of Cash Flows (effective 1 January 2017)
- Amendments to IAS 12: Recognition of Deferred Tax assets for Unrealised Losses (effective 1 January 2017)

It is anticipated that there will be minimal impact on the financial statements from the adoption of these new and revised standards.

1. ACCOUNTING POLICIES (continued)

Investments in Associates

Investments are accounted for using the equity method. They are initially recognised at cost and subsequent to initial recognition include the Company's share of the profit or loss of the investee.

Revenue

Revenue is measured at the fair value of consideration received or receivable and comprises amounts derived from services performed by the Company during the period.

Provisions

A provision is recognised in the statement of financial position when the Company has a legal obligation or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle that obligation, and a reliable estimate of the amount can be made. Provisions are discounted.

Foreign currencies

These financial statements have been presented in Euro which is the functional currency of the Company. Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date and differences reflected in the Profit and Loss Account accordingly.

Taxation

Current tax is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the Profit and Loss Account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

No deferred tax asset has been recognised as the Company does not expect to generate profits in the future years.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Profit and Loss Account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt within equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and where they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Classification as equity or financial liability

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to equity.

Financial assets

Financial assets are divided into loans and receivables and financial assets at fair value through the Profit and Loss Account. The designation of financial assets is re-evaluated at every reporting date at which a choice of classification or accounting treatment is available.

All financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables and other receivables are classified as loans and receivables. Loans and receivables are measured subsequent to initial recognition at amortised cost using the effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the Profit and Loss Account. Discounting, however, is omitted where the effect of discounting is immaterial.

Provision against trade receivables is made when there is objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows. An assessment for impairment is undertaken at least at each balance sheet date.

A financial asset is derecognised only where the contractual rights to the cash flows from the asset expire or the financial asset is transferred and that transfer qualifies for derecognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the Company retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients. A financial asset that is transferred qualifies for derecognition if the Company transfers substantially all the risks and rewards of ownership of the asset, or if the Company neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

Financial liabilities

The Company's financial liabilities consist of trade and other payables, and loans and borrowings.

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities categorised as at fair value through profit or loss are recorded initially at fair value, all transaction costs are recognised immediately in the Profit and Loss Account. All other financial liabilities are recorded initially at fair value, net of direct issue costs.

1. ACCOUNTING POLICIES (continued)**Financial liabilities (continued)**

The Company carries financial liabilities recorded at fair value then amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Profit and Loss Account. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to the Profit and Loss Account on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, bank overdrafts as well as short term highly liquid investments such as bank deposits.

Equity

Share capital is determined using the nominal value of shares that have been issued. Premiums received on the initial issuing of share capital are credited to share premium account. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings include all period results as disclosed in the Profit and Loss Account.

2. OPERATING LOSS

Operating loss is stated after charging:

	Period Ended 31 Dec 2015 €000's
Audit Fee	14

3. INCOME TAX

The tax credit/ (expense) for the Company comprises:

	Period Ended 31 Dec 2015 €000's
Current tax	
Current period charge	-
Deferred tax	
Current period credit/(expense)	-
Income tax credit/ (expense)	-

The income tax credit/ (expense) is reconciled to the standard corporation tax rate applicable in the UK as follows:

	Period Ended 31 Dec 2015 €000's
Loss on ordinary activities before tax from continuing operations	(1,198)
Tax at the UK corporation tax rate of 20%	(239)
<i>Effects of:</i>	
Adjust closing deferred tax to average rate of 20%	24
Deferred tax not recognised	215
Income tax credit/ (expense)	-

4. INVESTMENTS IN ASSOCIATES

	31 Dec 2015 €000's
Cost	621,369
Share of loss from equity accounted investment	(3,853)
Net book value	617,516

	Country of incorporation and principle place of business	Class of shares	% of equity owned by the Company	Nature of business
Mercury Holdco UK Limited	England and Wales	Ordinary	33.33	Holding

At 31 December 2015 the aggregate loss in capital and reserves of Mercury Holdco UK Ltd Consolidated Accounts was €11,558,226.

5. TRADE AND OTHER RECEIVABLES

	31 Dec 2015 €000's
Prepayments	5
	5

The carrying values are considered to be a reasonable approximation of fair value.

6. LOANS AND BORROWINGS

31 Dec 2015

€000's

Amounts owed to related parties (see note 10)	367,097
	367,097

The Directors consider the carrying amount of loan payables approximates to their fair value.

Loan Facility Agreements*The Acquisition*

In December 2015, Bidco, an entity indirectly owned by the Sponsors, entered into the Acquisition agreement relating to the purchase of the majority share capital of ICBPI.

The Acquisition was financed as follows:

- On December 18, 2015, Bondco (the "Issuer") on-lent a portion of the proceeds from the Offering of the Notes in a gross aggregate principal amount of €1,100,000,000 million to the Sponsors via intercompany loans (the "Proceeds Loans");
- the Sponsors, in turn, then contributed the proceeds received under the Proceeds Loans (less a certain amount held at the Sponsors for purposes of paying a deferred consideration and the first interest payment in respect of the Notes), together with the proceeds of the equity contributions received from the Sponsors, to Holdco's equity; and
- Holdco, in turn, then contributed such proceeds to Bidco's and ICBPI's equity.

Certain Terms of the Notes

The Notes were issued by Bondco. The Notes bear cash and PIK interest at the rates per annum stated below. The maturity date of the Notes is May 30, 2021.

The Notes are guaranteed on a several, but not joint, basis by each of the Sponsors, which guaranteed the Notes pursuant to their respective guarantee agreement with effect as of the Issue Date. Each Sponsor guarantees 33.33% of the obligations under the Indenture (governs the issue of Notes) and Notes, which percentage is equivalent to its shareholding in Holdco.

The Notes and the Notes Guarantees are secured on a first-priority basis by certain collateral including (i) (until the Completion Date) the Escrow Charge, (ii) pledges of the shares of the Issuer, Holdco and the Sponsors, (iii) pledges of the bank accounts of the Issuer and each Sponsors and (iv) pledges over the Proceeds Loans (each term as defined herein). The Notes and the Notes Guarantees are governed by New York law.

Certain Terms Specific to the Senior Secured Fixed Rate PIK Toggle Notes

The Senior Secured Fixed Rate PIK Toggle Notes were issued by the Issuer in an aggregate principal amount of €900,000,000. The Fixed Rate Notes bear a fixed interest rate of 8.25% per annum with respect to interest payments in cash or 9.0% per annum with respect to any interest paid in kind by increasing the principal amount equal to such interest, payable semi-annually in arrears, on each May 30 and November 30 of each year, beginning on May 30, 2016.

Certain Terms Specific to the Senior Secured Floating Rate PIK Toggle Notes

The Senior Secured Floating Rate PIK Toggle Notes were issued in an aggregate principal amount of €200,000,000. The Senior Secured Floating Rate PIK Toggle Notes will accrue at a rate per annum, reset semi-annually, and bear a floating interest rate equal to the sum of EURIBOR plus 8.0%, with respect to interest payments paid in cash, or equal to the sum of EURIBOR plus 8.75%, with respect to interest payments paid in kind by increasing the principal amount of the outstanding Senior Secured Floating Rate PIK Toggle Notes in a principal amount equal to such interest, payable semi-annually in arrears, on each May 30 and November 30 of each year, beginning on May 30, 2016.

Revolving Credit Facility

In connection with the issuance of the Notes, the Issuer and the Sponsors, among others, entered into the Revolving Credit Facility Agreement. The Revolving Credit Facility Agreement provides for a Revolving Credit Facility in a principal amount of up to €55,000,000. Loans under the Revolving Credit Facility Agreement bear interest at a rate per annum equal to LIBOR or, for borrowings in euro, EURIBOR, plus an opening margin of 3.50% per annum. The margin may be reduced by way of a margin ratchet to 2.50% per annum by reference to the consolidated senior secured leverage ratio and the satisfaction of certain other conditions.

The Issuer is required to pay a commitment fee, quarterly in arrears, on available but unused commitments under the Revolving Credit Facility at a rate of 35% of the applicable margin and on the date on which the Revolving Credit Facility is cancelled in full or on the date on which a lender cancels its commitment.

The Revolving Credit Facility is guaranteed by each Guarantor, severally in proportion to that respective Guarantor's proportionate shareholding in Holdco. The Revolving Credit Facility is secured by the same security interests as for the Notes.

As at 31st December 2015, The Revolving Credit Facility remains undrawn.

Intercreditor Agreement

In connection with the entry into the Revolving Credit Facility and the Indenture, the Issuer, the Guarantors and the Sponsors entered into the Intercreditor Agreement.

The Intercreditor Agreement sets forth the relative ranking of certain indebtedness, the relative ranking of certain security granted to secure such indebtedness, when payments can be made in respect of certain indebtedness, when enforcement actions can be taken in respect of such indebtedness, the terms pursuant to which certain indebtedness will be subordinated upon the occurrence certain insolvency events, turnover provisions, and when security and guarantees will be released to permit a sale of any assets subject to transaction security.

Under the Intercreditor Agreement, obligations under the Notes, the Revolving Credit Facility Agreement and certain hedging arrangements rank pari passu, except that in the event of a realization or enforcement of all or any part of the Transaction Security the holders of the Notes will receive the proceeds from such realization or enforcement only after the lenders under the Revolving Credit Facility and certain hedging arrangements have been repaid in full.

7. TRADE AND OTHER PAYABLES

	31 Dec 2015
	€000's
Amounts owed to related parties (see note 10)	24
Accruals and deferred income	72
	96

The Directors consider the carrying amount of trade payables approximates to their fair value.

8. FINANCIAL INSTRUMENTS**Financial assets and liabilities**

The IAS 39 categories of financial assets and liabilities included in the balance sheet are as follows:

31 December 2015	Loans and receivables €000's	Other Liabilities €000's	Total €000's
<i>Current assets</i>			
Other receivables	5	-	5
<i>Current liabilities</i>			
Amounts owed to related parties	-	367,121	367,121
Accruals	-	72	72

The Company has exposure to the following risks arising from financial instruments:

1. Credit Risk
2. Liquidity Risk
3. Market Risk
4. Foreign Currency Risk

The Company uses financial instruments comprising cash and bank overdrafts, and various items such as intercompany loans.

1. Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty to the financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable and investment securities.

In the normal course of its business, the Company incurs credit risk from cash. The Company has a credit policy that is used to manage this exposure to credit risk.

The Company's bank accounts are subject to credit risk. The Company does not hold any collateral over these amounts. The cash is held with HSBC, which is rated AA- as per S&P's rating.

2. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

3. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to Currency risk on purchases that are denominated in the currency other than the respective functional currency of the Company.

4. Foreign currency risk

The Company has a GBP Bank account which is used to make purchases and pay invoices in sterling. The GBP bank account balance at the period end was immaterial.

Exposures to foreign exchange rates vary during the period depending on the volume of overseas payments. At the date of this report the overseas transactions represent only a small proportion of the Company's overall activity and therefore exposure to fluctuations in foreign currencies is not considered significant to the Company.

The Company's exposure to foreign currencies arising from financial instruments is:

31 December 2015	GBP €000s	EUR €000s	Other €000s	Total €000s
<i>Exposures</i>				
Cash	-	10	-	10
Net balance sheet exposure	-	10	-	10

9. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to provide returns to shareholders, and reduce the cost of capital.

10. RELATED PARTIES

The following transactions were carried out with related parties:

	31 Dec 2015 €000's
Management charges	
Mercury UK Holdco Limited	24

The Company had the following balances with group undertakings and related parties at the period end:

	31 Dec 2015 €000's
Investment in Mercury UK Holdco Ltd	617,516

Mercury A Capital Ltd owns 33.33% of the share capital of Mercury UK Holdco Ltd.

Cost of investment amounts to €621,369, and the share of Holdco's loss for period ended 31st December 2015 is €3,853.

Amount owned to related parties

	31 Dec 2015 €000's
Loans and Borrowing	
Mercury Bondco Plc	367,097
Trade and Other Payables	
Mercury UK Holdco Limited	24

Loan is advanced by Bondco in the amount of €366,000,000. Under the terms of Proceeds Agreement, accrued interest is calculated as the amount of Fixed Rate PIK Toggle Notes (8.25%) on the first €300 million and Floating Rate PIK Toggle Notes on the remaining loan amount of €66 million. The accrued interest at the period end amounted to €1,096,270.

Holdco is responsible for day to day management of Sponsors and Bondco. Under the terms of Management Agreement, Holdco charges its services as cost plus method of 10%. The outstanding amount at the period end was €23,738.

MERCURY ABC CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2015

11. SHARE CAPITAL AND RESERVES

	31 Dec 2015
Authorised share capital:	€000's
2,000,000,000 Ordinary shares of €1 each	2,000,000
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Allotted, called up and fully paid:	
255,389,010 Ordinary shares of €1 each	255,389

12. CONTINGENT LIABILITIES

There are no contingent liabilities at 31 December 2015.

13. ULTIMATE PARENT COMPANY

Clessidra Capital Partners 3 Funds are the ultimate controlling party. As at 31st December 2015, Clessidra Capital Partners 3 Funds owned 100% of the shareholding of Fides S.p.A. Italy, and Fides S.p.A. Italy owned 100% of the shareholding of Mercury ABC Capital Ltd.