



International Personal Finance plc

(incorporated with limited liability in England and Wales with registered number 06018973)

unconditionally and irrevocably guaranteed by:

IPF Holdings Limited

(incorporated with limited liability in England and Wales with registered number 01525242)

International Personal Finance Investments Limited

(incorporated with limited liability in England and Wales with registered number 00961088)

IPF International Limited

(incorporated with limited liability in England and Wales with registered number 00753518)

EUR 1,000,000,000

Euro Medium Term Note Programme

This supplement (the “**Supplement**”, which definition shall also include all information incorporated by reference herein) to the base prospectus dated 22 March 2016 (the “**Prospectus**”, which definition includes the base prospectus as supplemented, amended or updated from time to time and includes all information incorporated by reference therein) constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (“**FSMA**”) and is prepared in connection with the EUR 1,000,000,000 Euro Medium Term Note Programme established by International Personal Finance plc (the “**Issuer**”, or “**IPF**”) and guaranteed by IPF Holdings Limited, International Personal Finance Investments Limited and IPF International Limited (each a “**Guarantor**”). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, updates, must be read in conjunction with and forms part of the Prospectus and any other supplements to the Prospectus issued by the Issuer.

This Supplement has been approved by the United Kingdom Financial Conduct Authority (“**FCA**”), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and relevant implementing measures in the United Kingdom, as a supplement to the Prospectus. The Prospectus constitutes a base prospectus prepared in compliance with the Prospectus Directive and relevant implementing measures in the

United Kingdom for the purpose of giving information with regard to the issue of Notes under the Programme.

Investors should be aware of their rights under sections 87Q(4)-(6) of FSMA. In accordance with Section 87Q(4) of FSMA, investors who have agreed to purchase or subscribe for transferrable securities before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances. Investors who wish to withdraw their acceptances should contact their broker.

The Issuer and each Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer and each Guarantor (which have taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

1. Purpose

The purpose of this Supplement is to incorporate by reference into the Prospectus certain sections of, and the unaudited consolidated financial statements (as at and for the six month financial period ended 30 June 2016) from, IPF's unaudited half yearly report and financial statements 2016 as released on 28 July 2016 (the "**2016 Interim Report**") (which 2016 Interim Report has been previously published and which has been filed with the FCA).

The parts of the 2016 Interim Report that are incorporated by reference into the Prospectus by this Supplement are the third, fourth and fifth paragraphs of the "Regulatory update" (on page 6 of the 2016 Interim Report), the section entitled "Key highlights" (on page 3), the sections entitled "Group performance overview" and "Market overview" (on page 4), the section entitled "Strategy update" (commencing on page 5), the section entitled "Performance review" (commencing on page 7) and the section entitled "Dividend" (on page 14).

The unaudited consolidated financial statements (and related report and notes) that are incorporated by reference into the Prospectus appear on pages 15 to 37 (inclusive) of the 2016 Interim Report.

The purposes of this Supplement may be further summarised as follows:

- (i) to incorporate the unaudited consolidated financial statements (as at and for the six month financial period ended 30 June 2016) from the 2016 Interim Report (see the section entitled '2. Incorporation of the 2016 Interim Report's financial statements' below);
- (ii) to update section B.12 of the Summary section commencing on page 8 of the Prospectus with reference to the unaudited consolidated financial statements (as at and for the six month financial period ended 30 June 2016) from the 2016 Interim Report and the regulatory information contained in the 2016 Interim Report (see the section entitled '3. Supplementing section B.12 of the Summary section of the Prospectus' below);
- (ii) to update the Risk Factors section commencing on page 21 of the Prospectus with reference to information contained in the 2016 Interim Report relating to the recent UK

referendum vote to leave the European Union (see the section entitled '4. Supplementing the Risk Factors section of the Prospectus' below);

- (iv) to update the Business Description of International Personal Finance plc and the Group section commencing on page 50 of the Prospectus with reference to information contained in the 2016 Interim Report concerning IPF's performance in the first half of the financial year ending 31 December 2016 (see the section entitled '5. Supplementing the Business Description of International Personal Finance plc and the Group section of the Prospectus' below); and
- (v) to update the Regulatory Information section commencing on page 87 of the Prospectus with reference to the regulatory developments in a number of IPF's markets including Romania's proposed regulatory changes to bring the practices of non-banking financial institutions ("NBFIs") closer to those which apply to banks, the Czech Republic's proposed new legislation, including requirements for NBFIs to obtain licences, agents to have particular qualifications and the separation of duties between sales and credit teams, and Mexico's new collection regulations banning weekend and late hour home collections (see the section entitled '6. Supplementing the Regulatory Information section of the Prospectus' below).

2. Incorporation of the 2016 Interim Report's financial statements

On 28 July 2016, IPF released its unaudited consolidated financial statements for the six month financial period ended 30 June 2016 (together with the review report thereon prepared by the auditors and notes thereto) as set out on pages 15 to 37 (inclusive) of the 2016 Interim Report. By virtue of this Supplement, pages 15 to 37 (inclusive) of the 2016 Interim Report are incorporated in and form part of the Prospectus.

3. Supplementing section B.12 of the Summary section of the Prospectus

Section B.12 of the Summary, which commences on page 8 of the Prospectus, shall be supplemented to reflect the publication of the 2016 Interim Report. Section B.12 as so supplemented is set out below:

B.12	Key Historical Financial Information: Issuer	Issuer Consolidated Income Statement	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited Year</i>	<i>Audited Year</i>
			<i>Six months</i>	<i>Six months</i>	<i>ended 31</i>	<i>ended 31</i>
			<i>ended 30</i>	<i>ended 30</i>	<i>December</i>	<i>December</i>
			<i>June 2016</i>	<i>June 2015</i>	<i>2015</i>	<i>2014</i>
			<i>£M</i>	<i>£M</i>	<i>£M</i>	<i>£M</i>
		<i>Revenue</i>	364.4	372.9	735.4	783.2
		<i>Impairment</i>	<u>(102.8)</u>	<u>(112.6)</u>	<u>(188.9)</u>	<u>(220.0)</u>
		<i>Exceptional impairment</i>	-	-	(10.3)	

Revenue less impairment	<u>261.6</u>	<u>260.3</u>	<u>536.2</u>	<u>563.2</u>
Finance costs	(21.8)	(21.5)	(41.6)	(45.3)
Other operating costs	(59.2)	(57.3)	(116.8)	(120.0)
Administrative expenses	<u>(149.9)</u>	<u>(138.2)</u>	<u>(272.0)</u>	<u>(274.4)</u>
Exceptional administrative expenses	-	(4.7)	(5.6)	
Total costs	<u>(230.9)</u>	<u>(221.7)</u>	<u>(436.0)</u>	<u>(439.7)</u>
Profit before taxation & exceptional items	30.7	43.3	116.1	123.5
Exceptional items	-	(4.7)	(15.9)	(23.3)
Profit before taxation	30.7	38.6	100.2	100.2
Tax (expense)/income				
- UK	-	-	(1.5)	2.5
- Overseas	<u>(9.1)</u>	<u>(11.7)</u>	<u>(36.2)</u>	<u>(30.9)</u>
Total tax expense	<u>(9.1)</u>	<u>(11.7)</u>	<u>(37.7)</u>	<u>(28.4)</u>
Profit after taxation attributable to owners of the parent	<u>21.6</u>	<u>26.9</u>	<u>62.5</u>	<u>71.8</u>
Consolidated Balance Sheet				
	Unaudited	Unaudited	Audited 31	Audited 31
	30 June	30 June	December	December
	2016	2015	2015	2014
Assets	£M	£M	£M	£M
Non-current assets				
Goodwill	22.9	19.5	20.1	-
Intangible assets	31.2	19.2	25.6	10.1
Property, plant and equipment	22.9	25.0	24.3	28.2
Deferred tax assets	87.3	66.5	82.2	73.7
Retirement benefit asset	-	0.1	-	-
	<u>164.3</u>	<u>130.3</u>	<u>152.2</u>	<u>112.0</u>
Current assets				
Amounts receivable from customers				
- due within one year	752.3	686.0	718.9	723.9
- due in more than one year	<u>122.4</u>	<u>65.7</u>	<u>83.5</u>	<u>36.6</u>
	<u>874.7</u>	<u>751.7</u>	<u>802.4</u>	<u>760.5</u>
Derivative financial instruments	<u>19.9</u>	<u>8.4</u>	<u>11.5</u>	<u>5.8</u>
Cash and cash equivalents	<u>42.1</u>	<u>51.7</u>	<u>39.9</u>	<u>68.8</u>
Other receivables	<u>32.4</u>	<u>27.5</u>	<u>14.8</u>	<u>14.1</u>
Current tax assets	<u>3.9</u>	-	<u>1.3</u>	-
	<u>973.0</u>	<u>839.3</u>	<u>869.9</u>	<u>850.8</u>
Total assets	<u>1,137.3</u>	<u>969.6</u>	<u>1,022.1</u>	<u>962.8</u>

	Unaudited 30 June 2016 £M	Unaudited 30 June 2015 £M	Audited 31 December 2015 £M	Audited 31 December 2014 £M
Liabilities				
Current liabilities				
Borrowings	(17.8)	(35.2)	(22.3)	(73.7)
Derivative financial instruments	(6.1)	(3.0)	(2.8)	(2.7)
Trade and other payables	(120.1)	(93.3)	(95.5)	(95.3)
Current tax liabilities	<u>(16.7)</u>	<u>(14.8)</u>	<u>(30.9)</u>	<u>(22.9)</u>
	<u>(160.7)</u>	<u>(146.3)</u>	<u>(151.5)</u>	<u>(194.6)</u>
Non-current liabilities				
Retirement benefit obligation	<u>(4.7)</u>	-	<u>(0.2)</u>	<u>(2.0)</u>
Deferred tax liabilities	<u>(6.1)</u>	-	<u>(8.6)</u>	
Borrowings	<u>(584.6)</u>	-	<u>(534.6)</u>	<u>(404.6)</u>
	<u>(595.4)</u>	<u>(477.5)</u>	<u>(534.4)</u>	<u>(406.6)</u>
Total liabilities	<u>(756.1)</u>	<u>(623.8)</u>	<u>(694.9)</u>	<u>(601.2)</u>
Net assets	<u>381.2</u>	<u>345.8</u>	<u>327.2</u>	<u>361.6</u>
Equity attributable to owners of the parent				
Called-up share capital	23.4	24.0	23.4	24.0
Other reserves	(22.5)	(22.5)	(22.5)	(22.5)
Foreign exchange reserve	(4.3)	(61.6)	(56.4)	(32.5)
Hedging reserve	(1.2)	0.5	(0.3)	0.4
Own shares	(55.2)	(37.1)	(58.9)	(43.1)
Capital redemption reserve	2.3	1.7	2.3	1.7
Retained earnings	<u>438.7</u>	<u>440.8</u>	<u>439.6</u>	<u>433.6</u>
Total equity	<u>381.2</u>	<u>345.8</u>	<u>327.2</u>	<u>361.6</u>
Consolidated Statement of Cash flows				
	Unaudited Six months ended 30 June 2016 £M	Unaudited Six months ended 30 June 2015 £M	Audited Year ended 31 December 2015 £M	Audited Year ended 31 December 2014 £M
Net cash generated from/(used in) operating activities	0.8	<u>4.5</u>	<u>22.4</u>	<u>33.9</u>
Net cash used in investing activities	(10.2)	(32.4)	(47.7)	(20.6)
Net cash generated from financing activities	<u>8.1</u>	<u>13.1</u>	(1.4)	<u>31.8</u>
Net increase/(decrease) in cash and cash equivalents	(1.3)	(14.8)	(26.7)	45.1
Cash and cash equivalents at the start of the period	39.9	68.8	68.8	24.6

	<i>Exchange (losses)/gains on cash and cash equivalents</i>	3.5	(2.3)	(2.2)	(0.9)
	<i>Cash and cash equivalents at the end of the period</i>	42.1	51.7	39.9	68.8

4. Supplementing the Risk Factors section of the Prospectus

By virtue of this Supplement, the following sections of the 2016 Interim Report are hereby incorporated in and form part of this Supplement, and are thereby incorporated in and form part of the following sections, as follows:

- The 'Economic and political risks' sub-section of the Risk Factors section, which commences on page 21 of the Prospectus shall be supplemented and updated by the second paragraph of the Market overview section on page 4 of the 2016 Interim Report. This paragraph relates to risk factors concerning the result of the recent UK referendum vote to leave the European Union.
- The 'Legal, regulatory and tax risks' sub-section of the Risk Factors section, which commences on page 24 of the Prospectus shall be supplemented and updated by the third, fourth and fifth paragraphs on page 6 of the 2016 Interim Report (which form part of the section of the 2016 Interim Report entitled "Regulatory update"). These paragraphs relate to risk factors concerning prospective regulatory or legislative changes in Romania, the Czech Republic and Mexico respectively.

5. Supplementing the Business Description of International Personal Finance plc and the Group section of the Prospectus

By virtue of this Supplement, the following sections of the 2016 Interim Report are hereby incorporated in and form part of this Supplement, and are thereby incorporated in and form part of the 'Business Description of International Personal Finance plc and the Group' section of the Prospectus, which commences on page 50 of the Prospectus:

- the section entitled "Key highlights" on page 3 of the 2016 Interim Report;
- the section entitled "Group performance overview" on page 4 of the 2016 Interim Report;
- the section entitled "Market overview" on page 4 of the 2016 Interim Report;
- the section entitled "Strategy update" commencing on page 5 of the 2016 Interim Report;
- the section entitled "Performance review" commencing on page 7 of the 2016 Interim Report; and
- the section entitled "Dividend" on page 14 of the of the 2016 Interim Report.

The "annualised impairment % revenue" and "annualised cost-income ratio" measures from the section entitled "Key highlights" on page 3 of the 2016 Interim Report have been calculated

excluding the relevant figures from Slovakia (as that business is being wound down) and on an annualised basis (by combining the H1 2016 and the H2 2015 (i.e. Y 2015 less H1 2015) figures.

“Impairment”, which is expressed in the “annualised impairment % revenue” measure as a percentage of revenue, is the reduction in assets recorded in the consolidated income statement as a result of customers defaulting on their contracted loan payments. This measure can be used to compare performance between different finance businesses or to compare different markets, with profitability maximised by balancing growth and credit quality. The figures used to calculate this are:

	(£M, year to H1 2016)	(£M, year to H1 2015)
Impairment	(179.10)	(202.40)
Slovakia impairment	(3.00)	13.50
Impairment excluding Slovakia	(182.10)	(188.90)
Revenue	726.90	762.00
Slovakia revenue	22.80	43.20
Revenue excluding Slovakia	704.10	718.80
Impairment % Revenue excluding Slovakia	25.9%	26.3%

The costs included in “annualised cost-income ratio” are direct expenses (including administrative, marketing and FX costs but excluding agents’ commission). These are compared with revenue when calculating the ratio. This measure can be used to compare performance and cost efficiency between different finance businesses or to compare different markets. The figures used to calculate this are:

	(£M, year to H1 2016)	(£M, year to H1 2015)
Costs	(318.60)	(307.70)
Slovakia costs	(20.20)	(17.30)
Costs excluding Slovakia	(298.40)	(290.40)
Revenue	726.90	762.00
Slovakia revenue	22.80	43.20
Revenue excluding Slovakia	704.10	718.80
Cost-Income Ratio excluding Slovakia	42.4%	40.4%

6. Supplementing the Regulatory Information section of the Prospectus

In addition, by virtue of this Supplement, the third, fourth and fifth paragraphs on page 6 of the 2016 Interim Report (which form part of the section of the 2016 Interim Report entitled “Regulatory update”) are hereby incorporated in and form part of this Supplement, and are thereby incorporated in and form part of the ‘Regulatory Information’ section of the Prospectus, which commences on page 87 of the Prospectus.

7. Statement of No Significant Change and No Material Adverse Change

There has been no significant change in the financial or trading position of the Issuer, any of the Guarantors or of the Group since 30 June 2016.

There has been no material adverse change in the prospects of the Issuer, any of the Guarantors or of the Group since 31 December 2015.

8. General

Copies of all documents incorporated by reference in the Prospectus and this Supplement may be obtained (without charge) from the website of the Regulatory News Service operated by the London Stock Exchange at: <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

Any information contained in any of the documents incorporated by reference which is not incorporated in and does not form part of this Supplement is either not relevant for investors or is covered elsewhere in the Prospectus.

If documents which are incorporated by reference in this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference or attached to this Supplement.

To the extent that there is any inconsistency between: (a) any statement in this Supplement or any statement incorporated by reference in the Prospectus by this Supplement; and (b) any other statement in or incorporated by reference into, the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since the publication of the Prospectus.