

2 November 2017

Lowell to acquire carve-out business from Intrum

Lowell, a European leader in credit management services backed by the Permira funds and Ontario Teachers' Pension Plan, has today entered into a definitive agreement to acquire the carve-out business from Intrum. The carve-out comprises Lindorff's entire business in Denmark, Estonia, Finland and Sweden as well as Intrum Justitia's entire business in Norway and was specified by the European Commission as a condition of the combination of the two companies earlier this year.

The transaction is valued at EUR 730 million on an enterprise value basis and is subject to the approval of Lowell as purchaser by the European Commission, as well as customary competition and regulatory approvals. It is expected to close in H1 2018. The acquisition is expected to be funded through a combination of new debt issuance and equity.

Combining the two businesses fits well with Lowell's strategic objective to develop sustainable competitive advantage across Europe in chosen markets and to support continued growth. The transaction will create one of the largest credit management service providers in Europe and make Lowell a market leader across the Nordic region.

Lowell's expertise, management and financial resources, alongside this group's strong business mix, rich talent and regional reach, provide the combined group with excellent opportunities to drive further growth and diversification in a highly developed, data-rich credit market.

The combined business will benefit from greater scale and diversification in terms of broader geographic reach and a more balanced revenue mix together with a complementary and client-focused product offering.

Lowell and the carve-out business share an overarching commitment to a fair and principled business approach that puts people at the heart of the culture, whether that is clients, consumers or colleagues. This shared, values-based approach will be central to our integration and provide consistency to our vision: to be the best in our field. For clients. For consumers. Europe-wide.

James Cornell, CEO Lowell, said:

"I'm pleased to be extending the Lowell family today. Our shared commitment to innovation and best practice for consumers and clients alike, will significantly strengthen our service proposition across the credit management value chain.

"I believe that the combination of our operations and cultures is highly compelling and, together, I am convinced that we can continue to drive growth across one of Europe's most sophisticated credit markets through our combined expertise and experience."

Trond Brandsrud, CEO carve-out business, said:

“We are excited to welcome our new owners and to become part of Lowell. This means getting an owner with deep expertise and a strong standing within our industry. The combination of the two of us will be extremely compelling.”

Note to Editors**About Lowell:**

Lowell is one of Europe’s largest credit management companies with operations in the UK, Germany, Austria and Switzerland and a vision to be the best in its field in Europe. For clients. For consumers. Europe-wide. Lowell combines its principled approach, international experience, deep understanding of data analytics and operational efficiency to serve every part of the credit management value chain, with expertise in debt purchasing, third party collections, business process outsourcing, credit management and e-commerce.

Previously named Lowell GFKL Group, Lowell was formed in 2015 following the merger of the UK and German market leaders: the Lowell Group and the GFKL Group. It is backed by global private equity firm Permira – whose funds first invested in 2015, backing the Lowell-GFKL merger - and Ontario Teachers’ Pension Plan.

Lowell is headquartered in both Leeds (UK) and Essen (Germany). For more information on Lowell, please visit our investor website: www.lowellgroup.com

About the Carve-out Business:

The carve-out business comprises Lindorff’s businesses in Denmark, Estonia, Finland and Sweden as well as Intrum Justitia’s business in Norway and has been divested to address potential competition concerns raised by the European Commission following its investigation into the combination between Lindorff and Intrum Justitia. It is a full-service credit management service provider, offering services within debt collection and debt purchase as well as payment and invoicing services with approximately 900 colleagues. For the last twelve months to September 30, 2017, the carve-out business estimated revenues amount to approximately EUR 190 million. As of September 30, 2017, the carve-out business had purchased debt portfolios with a book value of approximately EUR 400 million.

Q3-17 Bond Call 23 November

Further information regarding the acquisition will be shared during our Q3-17 results call scheduled for Thursday November 23.

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