

For immediate release: Thursday 9th May

Cabot Credit Management Continues to Deliver a Strong Performance as Market Conditions Improve

Financial Results for three months ending 31 March 2019

Cabot Credit Management (Cabot), a market leader in European credit management services, today announced the financial results for three months ending 31 March 2019.

Key Financials	Three months ended 31 March 2018	Three months ended 31 March 2019	% Change
Adjusted EBITDA	£79.6	£90.1m	+13%
120 month ERC*	£2.4bn	£2.7bn	+13%
Debt Purchase Collections	£109.1m	£117.5m	+8%
Servicing Revenue	£19.8m	£21.6m	+9%
Leverage	4.1x	3.9x	-0.2x

*Estimated Remaining Collections

Highlights

- Leverage trending in line with prior commitments – down to 3.9x at Q1'19
- Adjusted EBITDA margin improving to 64%
- Collections performing at 101% of prior ERC forecasts
- Recent FCA and FOS data confirms Cabot Credit Management is outperforming industry with respect to customer metrics - from 1 July to 31 December 2018 there were only 0.77 complaints per 1000 accounts.
- Digital deployment of services to customers continues to expand with positive customer feedback
- Benefits of acquisition by Encore last year materializing with improvement in collections performance in our Spanish business resulting from best practice sharing

Ken Stannard, Chief Executive Officer, Cabot Credit Management, said:

"Cabot has continued to deliver on our commitments to customers, clients and investors through Q1'19.

Internal and external customer satisfaction data is at record levels and both FCA and FOS data confirms that our UK debt purchase business continues to outperform the industry in terms of complaint handling. Our UK debt collection service is also continuing to receive extremely low levels of FOS complaints in relation to the size of its business.

We continued to grow our pipeline of Business Process Outsourcing opportunities as a result of the provision of our bespoke credit management solutions to help address our clients escalating needs.

Towards the end of 2018, we have started on the journey to delivery upon our previously communicated deleveraging commitment. At the end of Q1'19, our leverage has been successfully brought down to 3.9x."

Ends

At 14:00 hours BST on Thursday 9th May 2019, Cabot Credit Management will hold an audio conference presentation on the company's performance and Encore transaction. For further details, please visit the Cabot investor website at www.cabotcm.com/investors.

For further information, please contact:

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Note to editors

Cabot Credit Management (www.cabotcm.com) is one of the largest credit management services providers in Europe and the market leader in the UK and Ireland, based on expected future gross cash collections. Cabot provides a range of

credit management services across a broad client base that includes some of the largest credit providers in Europe. These services include debt servicing offerings such as early stage collections, business process outsourcing, contingent collections, trace services and litigation activities. Cabot has credit management experience across a range of both credit providers (including consumer finance, telecommunications companies, retailers, utilities companies and government agencies) and asset classes (including secured consumer debt, small and medium-sized enterprise debt, and high-value accounts).

Between Cabot's inception in 1998 to 31 March 2019, it has invested a combined total of c£2.7 billion in the acquisition of over £26.8 billion in face value of purchased loan portfolios and has received £3.2 billion in cumulative collections from purchased loan portfolios. As at 31 March 2019, Cabot's 120-month estimated remaining collections was £2.7 billion, and Cabot's 180-month estimated remaining collections was £3.1 billion.

With 21 years of debt purchase and debt servicing experience, Cabot was one of the first companies to engage in the credit management services market in the United Kingdom. In March 2016, Cabot became the first large credit management service company in the United Kingdom to be authorised by the FCA, and in May 2017 Cabot became the first credit management service company in Ireland to be authorised by the Central Bank of Ireland.

Customer service and regulatory compliance are at the core of Cabot's business and culture and are implemented through its collections strategy. Cabot seeks to treat its customers fairly and offer affordable payment solutions, often through long-term payment plans. Cabot has customer satisfaction scores in excess of all UK banking and building society benchmarks and many leading high street banks, and Cabot believes that it has one of the lowest rates of complaints in the debt collection industry referred to the UK Financial Ombudsman Service. Cabot has won numerous industry accolades, including 2018 Credit Excellence awards for Best Use of Technology and Best Law Firm, 2018 Utilities and Telecoms Awards for Best Outsourced Call Centre Operation, 2017 UK Customer Satisfaction Award from the Institute of Customer Service, Credit Excellence Awards 2016 for Compliance and the Credit Today Award 2016 for Treating Customers Fairly.