

For immediate release: Thursday 8th August

Cabot Credit Management Improves Its Margins And Reduces Its Leverage In Line With Prior Commitments

Financial Results for six months ending 30 June 2019

Cabot Credit Management (Cabot), a market leader in European credit management services, today announced the financial results for six months ending 30 June 2019.

| Key Financials | 6 months to June 2019 | 6 months to June 2018 | % Change |
|---------------------------|------------------------------|------------------------------|-----------------|
| Adjusted EBITDA | £187.1m | £163.4m | +15% |
| 120 month ERC* | £2.7bn | £2.5bn | +9% |
| Debt Purchase Collections | £236.5m | £220.1m | +7% |
| Servicing Revenue | £44.9m | £41.1m | +9% |
| Leverage | 3.8x | 4.2x | -0.4x |

*Estimated Remaining Collections

Highlights

- Last twelve month Adjusted EBITDA margin improved to 66%
- Leverage reduced to 3.8x
- Issuance of new five year €400 million floating rate note and redemption of all 2021 debt maturities

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

“Cabot has delivered another strong set of results for the period to 30 June 2019 with our Adjusted EBITDA increasing 15% compared to 2018 as a result of our market leading operation in the UK, improving market conditions, and continued demand from leading financial services institutions for our range of credit management services.

During this half year we have continued to receive public recognition of our customer focus and operational excellence, with our UK legal business (Mortimer Clarke Solicitors) winning law firm of the year and our UK debt purchase business winning the best vulnerable customer strategy provider at the Credit Awards held in May.

Importantly, we have in parallel delivered against our previously communicated commitments. During the first half of 2019, Cabot has demonstrated the strength of our cash generation by deploying £117 million of capital on portfolio purchases whilst keeping our net debt flat. This cash generation capability has enabled us to reduce our leverage from 4.1x to 3.8x over this period and increase our Adjusted EBITDA margin from 64% to 66%.

In June 2019, Cabot successfully issued a new five year €400m floating rate note which enabled us to redeem all of our 2021 maturities and extend our overall debt maturity profile.”

Ends

At 14:00 hours BST on Thursday 8th August 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 30 June 2019, it has invested a combined total of £2.7 billion in the acquisition of over £27.6 billion in face value of purchased loan portfolios and has received £3.4 billion in cumulative collections from purchased loan

portfolios. As at 31 June 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. Cabot has won numerous industry accolades over the years including best law firm of the year and best vulnerable customer strategy provider at the credit awards held recently in London in May 2019.