

*Not for distribution in or into the United States, Australia, Canada, Japan or any other jurisdiction in which such distribution would be unlawful.*

## NORDIC CAPITAL

Press release, November 14, 2016

### **Nordic Capital-backed Lindorff to combine with Intrum Justitia, creating the industry's leading provider of credit management services**

#### **- Continued high activity in 2016 for the Nordic Capital Funds**

**Nordic Capital Fund VIII-owned Lindorff and Intrum Justitia have announced their intention to combine to create the industry's leading provider of credit management services ("CMS"). The combined entity is, through its scale and diversification, ideally positioned to capture the strong market growth in the CMS industry. The combination is expected to provide material benefits for all stakeholders and create significant shareholder value through annual cost synergies estimated at SEK 0.8bn (EUR 80mn) and significant further revenue synergies. Based on Intrum Justitia's closing share price at Nasdaq Stockholm as of November 11, 2016, the transaction values Lindorff at an enterprise value of SEK 40.5bn (EUR 4.1bn). Nordic Capital Fund VIII will become the largest indirect shareholder controlling approximately 45.5% of the shares in the combined entity.**

The combination of Intrum Justitia and Lindorff creates the industry leading CMS company with net revenues of SEK 12.2bn (EUR 1.3bn), local presence in 23 markets across Europe and a team of more than 8,000 professional, committed and caring employees. By joining forces, both local and global clients will benefit from a strong pan-European platform, enhanced service offering, innovative solutions and best in class compliance.

The combination is a logical response to client requirements and industry developments, including the significant market opportunity presented by developments in the banking sector, increasing importance of data analytics and increased focus on compliance and collection practices. The industry remains fragmented at a time when clients need strong, reputable partners.

*"We are really excited about this combination of the two longest standing credit management companies in Europe and recognize the strength of the companies and the opportunities in the industry. Given the growth trajectory of both businesses and the benefits that will come from the combination, Nordic Capital looks forward to continue supporting the combined business as a listed company and sees significant potential for further value creation," says Kristoffer Melinder, Managing Partner, NC Advisory AB, advisor to the Nordic Capital Funds.*

The transaction is unanimously recommended by the Board of Directors of Intrum Justitia and Lindorff and is expected to close in the second quarter of 2017. The transaction is subject to Intrum Justitia shareholder approval as well as regulatory and competition authority approvals. More details about the combination will be available at [investor.lindorff.com](http://investor.lindorff.com).

## **High activity for the Nordic Capital Funds**

Today's news follow a busy year for Nordic Capital with three significant transactions announced in Q3 2016 alone. At the end of October, ConvaTec Group Plc, a portfolio company of Nordic Capital Fund VI and VII, completed a successful listing of its shares on the London Stock Exchange, valuing the company at GBP 4.4bn in the UK's biggest IPO this year and the largest European healthcare IPO in more than 20 years.

In October Nordic Capital Fund VIII also announced its participation, through NNB Intressenter AB, in a cash offer to the shareholders of Nordnet to acquire all shares in Nordnet AB (publ). Nordnet is a regulated online investments and savings platform, serving over 550,000 retail clients in Sweden, Denmark, Finland and Norway and is currently listed on the Nasdaq Stockholm Mid Cap segment. The settlement of the offer is expected to take place in early 2017.

On November 11, 2016, Nordic Capital Fund VII announced the sale of further shares in Tokmanni Group Plc, a discount retailer based in Finland, which listed in April 2016. Gross proceeds of the share sale amounted to EUR 74.7mn.

*"Nordic Capital is one of the most active private equity players in the Nordic markets and 2016 has been a very busy year. In addition to today's announcement on the combination of Lindorff and Intrum Justitia, we are proud of the recently completed listing of ConvaTec, the largest European healthcare IPO in more than 20 years. This IPO is a testimony to Nordic Capital's ability to undertake large transactions despite more volatile markets. In addition, we were pleased with the successful listings of Resurs Holding and Tokmanni in April this year. All these transactions have been the result of focused efforts put in place to deliver on each company's own value creation plan"* comments Kristoffer Melinder, Managing Partner, NC Advisory AB, advisor to the Nordic Capital Funds.

### **For UK-based media, please contact:**

#### **Equity Dynamics**

Corinna Osborne: +44 (0)7825 326 440

e-mail: [corinna@equitydynamics.co.uk](mailto:corinna@equitydynamics.co.uk)

Emily Weston: +44 (0)7967 838 205

e-mail: [emily@equitydynamics.co.uk](mailto:emily@equitydynamics.co.uk)

### **For Nordic Region media please contact:**

#### **JKL**

Maria Grimberg: +46 708 961 288

e-mail: [maria.grimberg@jklgroup.com](mailto:maria.grimberg@jklgroup.com)

### **About Nordic Capital**

Nordic Capital private equity funds have invested in mid-market companies primarily in the Nordic region since 1989. Through committed ownership and by targeting strategic development and operational improvements, Nordic Capital enables value creation in its investments. Nordic Capital Funds invest in companies in northern Europe and in selected investment opportunities internationally. The most recent fund is Nordic Capital Fund VIII with EUR 3.5bn in committed capital, principally provided by international institutional investors such as pension funds. Nordic Capital Funds are based in Jersey, Channel Islands, and are advised by the NC Advisory companies in Sweden, Denmark, Finland, Norway, Germany and the UK. For further information about Nordic Capital please see [www.nordiccapital.com](http://www.nordiccapital.com)

### **About Lindorff**

Founded in 1898, Lindorff is the leading full-service European credit management service provider, offering services within debt collection and debt purchase as well as payment and invoicing services. The company has 4,400 employees in 13 countries with headquarters in Oslo, Norway. In 2015, Lindorff generated EUR 534mn in net revenue. Lindorff is majority owned by Nordic Capital Fund VIII. For further information, please visit [www.lindorff.com](http://www.lindorff.com)

### **About Intrum Justitia**

Intrum Justitia is Europe's leading credit management services group, offering comprehensive services, including purchase of receivables, designed to measurably improve clients' cash flows and long-term profitability. Founded in 1923, Intrum Justitia has about 4,000 employees and operations in 20 markets. Consolidated revenues amounted to about SEK 5.6bn in 2015. Intrum Justitia AB is listed on Nasdaq Stockholm since 2002. For further information, please visit [www.intrum.com](http://www.intrum.com)

## **IMPORTANT INFORMATION**

**Not for distribution in or into the United States, Australia, Canada, Japan or any other jurisdiction in which such distribution would be unlawful.**

This announcement is not and does not form a part of any offer for sale of securities. Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Canada, Japan or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

This announcement is for information purposes only and does not constitute a prospectus or any offer to sell or the solicitation of an offer to buy any security in the United States or any other jurisdiction. Any securities that may be issued in connection with the transactions referred to in this announcement will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and accordingly will not be offered or sold in the United States.

This announcement is not a prospectus for the purposes of Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "**Prospectus Directive**").

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe," "expect," "anticipate," "intend," "estimate," "will," "may," "continue," "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although Intrum Justitia believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.

The presented unaudited financial information relates to information extracted from each company's financial reporting and differences in accounting policies may occur. The combined financial information is only an aggregation of this financial information for the various businesses for the different time periods in order to provide an indication of the combined entity's sales and earnings under the assumption that the activities were included in the same group from the beginning of each period. The aggregation is based on a hypothetical situation and should not be viewed as pro forma since adjustments for the effects of future acquisitions analyses, various accounting standards and transaction costs have not yet been possible to make. Future synergies have not been taken into account. The financial information has not been audited or otherwise reviewed by Intrum Justitia's or Lindorff's auditors.