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Press Release

Every fifth European borrows money to pay bills

- **In the wake of a long period of a rising economy in Europe, savings have gone up – but so has indebtedness. And a growing number of people are struggling: every fifth European needs to borrow in order to pay bills. That group has increased from 15% three years ago to 20% this year.**
- **Parents struggle the most. More than one in four (27%) of consumers with children under 18 have recently needed to borrow to pay bills.**
- **28% of all parents in Europe have recently borrowed money in order to buy something for their children – an increase from 25% last year.**

Intrum, Europe's largest credit management firm, has presented a new European Consumer Payment Report based on a survey with responses from 24 398 European consumers. Intrum, who are in contact with 250 000 indebted consumers around Europe every day, sees a widening gap in the wake of a rising economy.

While more and more people are able to save money every month, the group that needs to borrow to pay bills or buy things for their children is also growing.

- The reality of household life across Europe varies. The UK hold the largest share of people in debt: 29% state that they have borrowed money to pay bills, while only 12% of the Estonians state the same. The latter may also be linked to the fact that Estonia together with its Baltic neighbours, are among the countries where people are the most positive about the development of their household economy, said Mikael Ericson, President & CEO of Intrum.

The amount of every-month-savers has gone up from 50 to 59% in two years (2018 compared with 2016), while the minority who needs to borrow in order to pay bills has grown every year since 2015, from 15 to 20%.

Factors behind the development include growing e-commerce and pressure from social media to consume more. One in three (31%) agree that the ease of shopping online makes them shop more in total. And an increasing number of people, 42% in 2018, report that social media creates a pressure to consume more than they should.

The results also show that more than half of the consumers surveyed for the report wish they had learned more about household finances in school, and more than 7 out of 10 parents with minor children at home say that schools should teach children more about how to manage their household finances.

- Credits are a prerequisite for a growing society, which is also why it is natural that both businesses and consumers take on more credit when the economy grows. But the system in which these credits are granted needs to work in favor of all parties involved, said Mikael Ericson, President & CEO of Intrum.
- Our daily experience and findings in this survey show that the financial sector can do more to support financially sound choices, for example through financial education initiatives, said Mikael Ericson.

About Intrum European Consumer Payment Report 2018

The answers of 24 398 respondents, between the ages of 18-65 in 24 European countries, were collected in total. The survey featured questions concerning household finances and was conducted during September 2018.

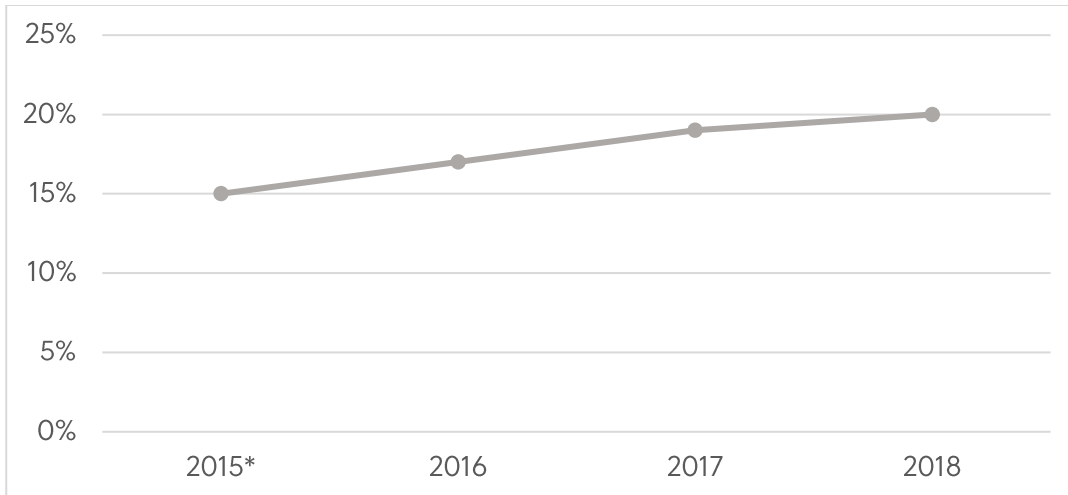
For access to the full Consumer Payment Report, please go to intrum.com

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Q: In the past 6 months, have you borrowed money, apart from mortgages, or maxed out your credit card in order to pay bills?



Base: 24 398

* During the 2015 CPR survey this question read as follows:

"In the past 6 months, have you borrowed money, apart from mortgages, in order to pay bills?"