

EXPONENT PRIVATE EQUITY ACQUIRES LOWELL HOLDINGS

7th April 2008

Exponent Private Equity and existing management have acquired Lowell Holdings Limited, the specialist debt purchasing company, from a fund managed by Cabot Square Capital for an undisclosed value.

Adrian Hill, formerly CEO of HFC Bank and General Manager Direct Businesses at HSBC has been appointed as Non-executive Chairman.

Lowell Group buys consumer debts from a range of blue-chip organisations and then manages the recovery of those debts, working closely with debtors to help them resolve their financial difficulties and pay off what they owe.

Lowell Chief Executive, James Cornell commented, "We are delighted to have completed this deal and look forward to our partnership with Exponent which has a great track record for working with management teams."

Exponent said, "We're very pleased to be backing James and his team and Adrian Hill whose extensive experience in UK consumer lending will make an important contribution to Lowell's future. We think the business has great potential and look forward to working alongside the management team in the next stage of its growth."

Cabot Square Capital said, "It has been a pleasure working with the Lowell team. We wish them and Exponent the best of success in this next stage of ownership for the Lowell Group."

A senior debt facility of £100m on a 3 year term has been provided by a syndicate led by Europe Arab Bank with Lloyds TSB Corporate Markets and nabCapital (a division of National Australia Bank). A further £30m of mezzanine financing has been provided by GSC Group and DE Shaw & Co.