



Lowell. a better way forward



PERMIRA

## Permira funds complete Lowell acquisition and merger with GFKL

### Successful secured notes offer sees strong demand from investors

**London, 23 October, 2015** – Permira, the international private equity firm, today announces that a company backed by the Permira funds has completed the acquisition of the Lowell Group as well as a successful offer of £555.0 million senior secured notes and £240.0 million senior notes. The proceeds will be used to repay amounts outstanding from the acquisition of the Lowell Group and to extend the maturity of the current debt profile. The offer saw a strong demand from investors, which not only highlights the confidence the market holds in the new Group, but also provides a strong financial position, both now and in the future.

The combination of Lowell and GFKL, markets leaders in the UK and Germany respectively, creates one of the largest credit management businesses in Europe. With the backing of the Permira funds, the new Group is well positioned to capitalise on the strong growth opportunities by taking advantage of the complementary skill sets and their collective breadth and expertise. The Group will be jointly led by James Cornell, formerly CEO of Lowell Group, and Kamyar Niroumand, formerly CEO of GFKL. Together the company will create a ‘one stop shop’ able to provide extensive recoverables management services.

Commenting on the announcement, James Cornell, co-CEO, said:

“The combination of Lowell’s debt purchasing prowess with GFKL’s strength in Business Process Outsourcing will provide the platform for a dynamic partnership that will be mutually beneficial and deliver commercial advantages within their own local markets in the UK and Germany.

We were also delighted to have once again successfully utilised the bond market, where our secured notes offering was significantly oversubscribed. More than anything this demonstrates the faith and confidence shown by major investors in our combined Group and our future ambitions.”

Kamyar Niroumand, co-CEO, added:

“We are very excited by the merger. There is a very significant opportunity in the European financial services marketplace and this combination will create a leading pan-European credit management business. This is a perfect strategic fit driven by tremendous growth potential.”

Alongside Ontario Teachers’ Pension Plan – which rolled over the whole of its investment into the new venture – members of Lowell Group and GFKL management team remain shareholders.

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## **About Lowell Group**

Founded in 2004 and headquartered in Leeds, Lowell Group is one of the UK's largest receivables management companies, employing over 1,200 people. It comprises two distinct businesses, Lowell Financial and Fredrickson. Lowell Financial, based in Leeds, specialises in investing in defaulted consumer debt portfolios and their recovery, while Fredrickson, based in Surrey, is a multi-award winning Debt Collection Agency (DCA). The business has deep relationships with a diversified, blue-chip customer base, across various industries, incl. financial services, communications, home retail credit and utilities. Established in 2004, Lowell has acquired in excess of 17 million accounts and has nine million customers, which represents a significant proportion of the UK's credit active population.

For further information visit [www.lowellgroup.co.uk](http://www.lowellgroup.co.uk)

## **About GFKL Financial Services**

Headquartered in Essen, Germany, GFKL is the largest non-captive receivables management company in Germany. It employs 950 people and manages a receivables portfolio of EUR 16.6 billion for clients from various industries, including banks, insurance companies, online retailers and telecommunications companies. The company is one of the very few service providers in the market that has a high-quality professional receivables management offering, servicing not only major corporations but also medium-sized companies. GFKL has a huge growth potential in Germany and worldwide. An increasing number of companies are outsourcing their receivables management today, particularly small and medium-sized businesses which often lack the resources to do it themselves. GFKL's competency in receivables management comprises a wide portfolio and high quality standards. GFKL has repeatedly been awarded Standard & Poor's best possible servicer rating "Strong, Outlook Stable".

For further information visit [www.gfkl.com](http://www.gfkl.com)

## **About Permira**

Permira is a global investment firm that finds and backs successful businesses with ambition. Founded in 1985, the firm advises funds with a total committed capital of approximately €25 billion. The Permira funds make long-term investments in companies with

the objective of transforming their performance and driving sustainable growth. In the past 30 years, the Permira funds have made over 200 private equity investments in five key sectors: Consumer, Financial Services, Healthcare, Industrials and Technology. Permira employs over 200 people including 120 investment professionals in 14 offices across North America, Europe, the Middle East and Asia.

The Permira funds have a strong track record of successfully investing in financial services companies. Current portfolio companies include Saga, Just Retirement, Tilney Bestinvest and GFKL/Lowell.

For further information visit: [www.permira.com](http://www.permira.com)