

*Transforming Businesses in
the European Financial
Services Sector by Way of
a Strong Analytical and
Operational Approach*

AnaCap buys Cabot Financial from Citi

6 April 2011

AnaCap Financial Partners (“AnaCap”), the European private equity firm that specialises in the financial services sector, acquires Cabot Financial, the consumer debt purchasing firm, from Citi.

The purchase will create the UK’s biggest debt purchasing and collection business as AnaCap will integrate Cabot Financial with Apex Credit Management, another market leading debt purchasing and collections agency that is already owned by AnaCap’s funds.

Cabot Financial purchases consumer debt from financial institutions and other credit providers that no longer wish to manage that debt internally.

Apex manages debt on a contingent basis and also purchases debt from credit providers no longer wanting to manage it internally.

AnaCap is joined in the purchase by Morgan Stanley Alternative Investment Partners and Partners Group.

Fabrizio Cesario, Managing Director, from AnaCap explains: “The UK’s debt management sector is very fragmented and we believe that creating a large scale provider will facilitate a superior level of service for both corporate customers and consumers. A bigger provider can make the substantial investments in IT and staff required to ensure continued excellence in regulatory compliance as well as providing consumers with higher standards of service and support.”

AnaCap describes Cabot Financial and Apex Credit Management as “highly complementary” and notes that the deal will give both organisations the opportunity to provide a wider range of services to their corporate client base.

“Citi is pleased to have entered into this agreement with AnaCap. This transaction demonstrates continued progress in Citi’s strategy to divest the non-core assets in Citi Holdings while focusing on its core banking strategy.” Citi said of the agreed sale.

The debt purchasing and debt collection market is expected to benefit from the long term trend of banks, telecom companies, utilities and other consumer credit providers outsourcing parts of their debt management process. This trend is partly being driven by the realisation that specialist businesses, such as Cabot and Apex can offer a more tailored approach to customers in managing outstanding debt. The sector is also seeing increased demand for its services from public sector clients.

Glen Crawford, Group Managing Director at Cabot Financial, comments: “Both Apex Credit Management and Cabot Financial have an excellent reputation for customer care and we are delighted to be joining forces with them.”

“We are also very pleased to have the backing of AnaCap who, as a specialist investor within the European Financial Services sector has the ambition and requisite expertise to support our growth.”

Both Apex and Cabot have a reputation for helping to improve industry standards and promoting the concept of ethical debt management. The combined business intends to continue this important work and hopes that as the largest player in the sector it will be able to set the benchmark for others to follow.

Neil Clyne, CEO, of Apex Credit Management adds: “Customer care and quality of service is a real differentiator in this sector and that is something that these two companies are committed to building on.”

“We are very excited about combining the talents of our two companies – that is going to offer an especially strong proposition to customers.”

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Apex was recently named as one of the “Times Top 100 companies to work for, 2011” and a “Sunday Times Buyout Track 100” company.

About AnaCap Financial Partners LLP

AnaCap is Europe’s largest specialist private equity investment advisor in the financial services sector.

Based in London and investing across Europe, AnaCap advises funds with more than €1 billion under management.

AnaCap’s funds invest in businesses with high growth potential, strong management teams and/or restructuring needs.

AnaCap’s expertise in the financial services sector allows it to undertake a high level of operational engagement with each of its investee companies. AnaCap works with management teams to improve infrastructure and business processes and create low cost scalable platforms. This day-to-day support allows management to pursue growth strategies in the most efficient and effective manner.

AnaCap’s team of professionals also assists investee companies in assessing and reducing key credit and market risks. This expertise in risk and liability management is a key factor in the strong performance of the AnaCap Debt Opportunities Fund which invests in performing and non-performing debt.

The success of AnaCap’s investment strategy and team has attracted investment from highly regarded global institutional investors including Goldman Sachs, Allianz, Morgan Stanley Alternative Investment Partners, Honeywell, State of New Jersey and Adams Street Partners.

www.anacapfp.com

About Apex Credit Management

Apex Credit Management is a specialist credit management company providing credit management, debt collection and debt purchasing services across the UK.

Apex Credit Management’s expertise supports both financial services and public sector clients who value their highly personal and ethical approach to the potentially complex area of credit management.