

STOCKHOLM, Sweden--( [BUSINESS WIRE](#) )--Regulatory News:

January - September 2013 in brief:

- Carrying value of purchased debt portfolios: SEK 4.7 bn
- Acquisitions: SEK 1.9 bn
- Gross collections: SEK 1.1 billion
- Operational EBIT: SEK 212 million
- Operating cash flow before portfolio acquisitions: SEK 635 million
- Capital quota: 1.56
- Liquidity ratio: 55 %

The third quarter has been eventful for Hoist Finance from a number of perspectives. At the beginning of August, we completed the acquisition of the Lewis group – a Leeds-based debt collection agency, having a portfolio of 690,000 accounts with a principal value of GBP 1.2 billion. The acquisition, together with the successful purchase of Robinson Way in late 2012, represents a strategically important step into the sizeable and growing UK market.

We have successfully continued to deepen and broaden our relationships with a number of renowned financial institutions. The total acquisition volume of SEK 1.9 billion for the period January – September places Hoist Finance as one of the largest acquirers of non-performing consumer debt in Europe in 2013.

In the past two years, Hoist Finance has pursued an active strategy of growth and balanced geographical diversification. As a result, the total carrying value of our purchased debt portfolios totalled approximately SEK 4.7 billion as of September 30, a doubling from the same period last year. Our new markets, Italy, Poland and the UK, accounted for approximately 90 per cent of the growth on a year-to-year basis and now represent almost half of the total carrying value. Total gross collections on purchased debt portfolios were SEK 1.1 billion in January – September 2013, which is a 74 per cent increase compared to the same period in 2012. In the first nine months of 2013, we increased our operational EBIT to SEK 212 million, despite transaction costs associated with the acquisition of the Lewis group and the costs for the integration of the secured business in Germany.

In early September Hoist Finance successfully issued a 10-year subordinated unsecured bond of SEK 350 million. The offering was significantly oversubscribed, following strong demand from institutional and retail investors. The bond is structured as a Tier 2 capital base instrument and is used to further strengthen and diversify our capital base. On October 11, the bond was listed on NASDAQ OMX. The proactive management of our liquidity position, alongside our strengthened and diversified capital structure, vouches for a continued strong position within the European non-performing debt purchasing market.

Following the close of the quarter, at the beginning of October, Hoist Finance entered into an agreement concerning an acquisition of a landmark portfolio in the Netherlands. This transaction represents the largest acquisition of unsecured consumer receivables in the Netherlands to date, and will add significant scale and further strengthen our presence in the Benelux.

Our performance during the first nine months of 2013 is a testament to our strong commitment to growth and long-term strategies for our established and newly-entered markets. The approaching implementation of a new regulatory environment for banks in 2014 is likely to further enhance the trend of increased outsourcing and divestments of non-performing consumer debt portfolios. Through our committed strategy to be the preferred debt restructuring partner for European banks and financial institutions, it is my firm belief that Hoist Finance is very well positioned to capture the opportunities arising.

Jörgen Olsson

Chief Executive Officer

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