

Intertrust N.V. acquires Elian Group Specialist in Capital Markets and Private Equity & Real Estate Fund Administration

Amsterdam - June 6, 2016 - Intertrust N.V. ("Intertrust" or "Company") [ticker symbol INTER] a leading global provider of high-value trust and corporate services, announces it has signed an agreement to acquire Elian Group ("Elian", the "Company") from Elian's management and funds managed by Electra Partners LLP ("Electra").

Elian is a high growth, regional Trust & Corporate Services leader with an excellent management team and 615¹ dedicated, highly qualified employees. The Company has the number one leadership position in Jersey and a strong presence in the UK and 13 other jurisdictions, 10 of which overlap with Intertrust. Elian is particularly strong in services for Capital Markets, having acquired SFM in 2015, and for Private Equity & Real Estate Fund Administration, serving a similar blue chip client base comprising alternative investment funds, financial institutions, corporate and private clients. Elian has stringent compliance and KYC standards, comparable to Intertrust's. For FYE January 2017, Elian is expected to generate Revenue of £96 million and EBITDA of £36 million (37.4% margin), representing a CAGR of 9% and 12%, respectively, on Revenue and EBITDA since FYE January 2015 (pro forma for the acquisitions of Allied Trust and SFM, including FX).

The transaction has a strong strategic rationale, supported by attractive financial metrics and an excellent cultural fit, with approximately 40 of Elian's management team and key employees re-investing £26 million of proceeds into Intertrust shares. The acquisition of Elian reinforces Intertrust's global leadership position, increases diversification across jurisdictions and clients, and aligns perfectly with Intertrust's three strategic M&A pillars:

- Significantly increases Intertrust's scale in the UK (London), Ireland and Spain, and further consolidates Intertrust's market leading positions in Cayman, Guernsey, Luxembourg and the Netherlands;
- Adds high-value complementary services for Capital Markets and Private Equity & Real Estate Fund Administration; and
- Expands Intertrust's footprint with the number one leadership position in the attractive jurisdiction of Jersey.

The total consideration to be paid for the acquisition is £435 million (€557 million), implying an EV/EBITDA CY 2016E² of 9.5x taking into account identified run-rate synergies of £10.4 million³. Pre-synergies, EV/EBITDA CY 2016E² is 12.3x, in line with recent sector transactions. Synergies will come from a reduction in overlapping support functions; savings on insurance policies, regulatory costs and professional services; rationalization of duplicate locations and cross-selling across client networks.

The transaction is expected to yield approximately 10% accretion on a pro forma basis excluding synergies to CY 2016E adjusted net income per share⁴ guidance of minimum €1.30,

Note: £ financials converted to € at FX rate of 1.28 on 3-Jun-16

¹ As of 29-Feb-16, excludes JV employees

² CY 2016E EBITDA of £35m (€45m), calendarised by taking 1/12 of FYE Jan-16 EBITDA and 11/12 of FYE Jan-17 EBITDA

³ Expected to be achieved by CY 2018E

⁴ Adjusted net income per share is calculated as adjusted EBITA less net interest costs and less tax costs calculated at the applicable effective tax rate divided by the number of shares outstanding

approximately 20% accretion to adjusted net income per share by CY 2018E including synergies⁵ and a double-digit ROIC by CY 2018E including synergies.

The acquisition will be funded through €100 million in cash, €315⁶ million in debt and €155 million in equity. £26 million⁷ (€33 million) of the consideration will be re-invested by management and key employees. Closing of the transaction is expected by Q3 / Q4 2016 and is conditional upon shareholder approval in an Extraordinary General Meeting approval and customary regulatory approvals. The Board of Intertrust has approved the transaction and a majority of Intertrust's shareholders have provided undertakings to vote in favour of the transaction. At closing of the transaction, Intertrust expects pro forma leverage to be up to a maximum of 4.0x LTM net debt/EBITDA (including run-rate synergies in compliance with covenant) and to decrease to the medium term target range of 2.0 – 2.5x net debt/EBITDA by CY 2018E absent further M&A.

Commenting on the transaction, David de Buck, CEO of Intertrust said *"The acquisition of Elian presents a great opportunity for Intertrust to significantly expand its Capital Markets and Private Equity & Real Estate Fund Administration services. Consolidation in our industry continues, and the ability of global trust and corporate services providers to acquire high quality companies will determine their success going forward. Against this backdrop, I am especially pleased to announce the addition of Elian to the Intertrust family. Our similar cultures and the emphasis both our companies place on integrity and high-value service delivery will form a strong basis for successful integration. The inclusion of Elian's capabilities and geographic presence will consolidate Intertrust's position in Capital Markets and Private Equity & Real Estate Fund Administration, add scale to our operations in several important jurisdictions, and bring us the leadership position in Jersey. With Elian on board, we will be able to offer more to our clients and investors worldwide. I look forward to working with Elian's excellent team."*

Commenting on the transaction, Paul Willing, CEO of Elian said *"Our combined service offering and network of offices globally will broaden and strengthen our capabilities to support our clients in all key international business locations. We know Intertrust shares our belief that our people are our most valuable asset. The opportunities for career development, as well as the leadership and international mobility programs will make our tie-up with Intertrust especially interesting for our employees. We are truly creating the global leader in our industry with this transaction – very exciting."*

In connection with the acquisition of Elian, Intertrust is updating its outlook and medium term objectives:

- Approximately 10% accretion on a pro forma basis excluding synergies to CY 2016E adjusted net income per share guidance of minimum €1.30 and approximately 20% accretion to adjusted net income per share by CY 2018E⁵ including synergies;
- Guidance reiterated of an adjusted net income per share of minimum €1.30 for Intertrust stand-alone in CY 2016E before the impact of the acquisition; this takes into account the expectation that Q2 2016 organic growth will be below Q1's, with a solid recovery in Q3 and Q4;
- For the medium term, objective reiterated of organic revenue growth slightly above market growth of 5%⁸;

⁵ Compared to Bloomberg consensus on 3-Jun-16

⁶ Including revolver drawdown of approximately €50 million and €265 million in new facilities

⁷ For which they will receive shares 12 months and 10 business days post closing of the acquisition; such shares may be provided through new issuance by Intertrust or by delivery of treasury stock by Intertrust

⁸ Estimated market CAGR for CY 2015 – 2018E

- Adjusted EBITA margin improvement objective increased by 100bps to 300 – 350bps by CY 2018E over the Intertrust stand-alone CY 2015 pro forma adjusted EBITA margin of 40.4%⁹;
- Cash conversion to continue to be in line with historical rates;
- Effective tax rate lowered to approximately 16%;
- Dividend payout in the range of 40% to 50% of adjusted net income including for CY 2016E the expected positive contribution of Elian post closing; and
- Leverage of 2.0 – 2.5x net debt/EBITDA by CY 2018E absent further M&A.

The following parties have advised Intertrust on the transaction: Deutsche Bank acted as financial adviser and Simmons & Simmons and Stibbe have acted as legal counsel. Deutsche Bank and HSBC have provided committed debt financing in support of the transaction. Deutsche Bank has been appointed as Sole Bookrunner for the placement of newly issued shares for Intertrust. Lazard acted as financial adviser to Elian and Electra Partners.

Intertrust will host a press conference call on 6 June 2016 at 7:30 AM CET. Furthermore, an investor webcast and conference call will be hosted on 6 June 2016 at 8:00 AM CET. The presentation and playback of the webcast and call will be made available on the website <https://investors.intertrustgroup.com/>.

For further information

Intertrust N.V.
Anne Louise Metz
Director Investor Relations, Marketing and Communications

annelouise.metz@intertrustgroup.com
Tel: +31 (0)6 1371 7755

About Intertrust

Intertrust is a leading global provider of high-value trust and corporate services, with a network of 37 offices in 26 jurisdictions across Europe, the Americas, Asia and the Middle-East. The Company focuses on delivering high-quality tailored services to its clients with a view to building long-term relationships. Intertrust's business services offering comprise corporate services, fund services, capital market services, and private client services. Intertrust has leading market positions in selected key geographic markets of its industry, including the Netherlands, Luxembourg, the Cayman Islands and Guernsey.



About Elian

Elian is a specialist in capital market solutions; private equity, real estate and fund administration; corporate services; private client solutions, Elian has a clear, uncompromising vision: to continually deliver more value by raising the bar in trust and corporate services.

Elian works with global law firms and accountancy firms, multi-national corporations, financial institutions, fund managers, high net worth individuals and family offices and believes that the best can always be better.

With over 600 professionals across a network of 15 international offices, covering a wide range of time zones and key financial centres, Elian is expert in handling large, demanding and complex engagements. From its technical skills and market understanding, to the personalised service given to clients, Elian is always looking to set new industry standards by challenging standard practice.

Elian's network of offices comprises of Amsterdam, Bahrain, the British Virgin Islands, the Cayman Islands, Dublin, Frankfurt, Guernsey, Hong Kong, Jersey, Lisbon, London, Luxembourg, Madrid, Milan and Tokyo.

⁹ Previous guidance of EBITA margin improvement post CY 2015 of 200 – 250 bps by CY 2018E