



5 Hercules Way  
Leavesden Park  
Watford  
Hertfordshire WD25 7GS  
Tel 01923 488200

24 October 2017

**BrightHouse Group plc (the “Company”)  
Update to Bondholders on agreement with FCA of a customer redress scheme of  
Caversham Finance Limited trading as BrightHouse (“BrightHouse”)**

BrightHouse, the UK’s leading rent-to-own retailer, has today announced a customer redress scheme following a review of past business practices. BrightHouse has worked closely with the Financial Conduct Authority (FCA) for more than two years to address issues identified with some of its legacy processes.

The cost of the scheme has already been extensively provisioned for in the Company’s accounts as the “affordability action plan”.

In the Company’s quarterly results for Q1 2017/18, published on 22 August 2017, this provision was £8.2m. The total cash cost, including the administration of the scheme, is expected to be £9.5m. This amount includes repayments to customers of £6.5m. These cash costs were covered within the “exceptional cash outflows” in the business update presentation published by the Company on 12 October 2017.

The total value of the scheme to customers is £14.8m. This includes not only the cash repayments to customers of £6.5m as set out above, but also the £8.3m value of interest and fees on balances which have already been written-off in the normal course of business and hence do not have a cash impact on BrightHouse going forward.

BrightHouse has made significant improvements over the last 18 months as recognised by the FCA when they confirmed in April that they are minded to authorise BrightHouse, subject to specific conditions.

**ENDS**

**For further information, please contact BrightHouse Group plc:**  
[investor.relations@brighthouse.co.uk](mailto:investor.relations@brighthouse.co.uk).

**For financial media enquiries please contact Brunswick Group:**  
Azadeh Varzi / Oliver Hughes on 020 7404 5959 or [brighthouse@brunswickgroup.com](mailto:brighthouse@brunswickgroup.com).

**About BrightHouse:**

BrightHouse is the UK's leading rent-to-own retail chain, providing quality branded domestic appliances, technology products and household furniture to customers on affordable weekly payments. A major employer in local communities, BrightHouse has some 280 stores nationwide and 2,800 colleagues.

More information about the business can be found on the Company's website:

[www.brighthousegroup.co.uk](http://www.brighthousegroup.co.uk).

**Disclaimers:**

This announcement has been prepared by the Company exclusively for information purposes. It does not constitute or include any advice or recommendation by the Company (or any other person) regarding the securities of the Company or as to the merits of any transaction or the making of any investment decision. It does not constitute or include any confirmation or commitment by the Company (or any other person) regarding the present or future value of the business of the Company, its securities, its affiliates or any of the Company's or their assets.

This announcement does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company or any other person in the United States or any other jurisdiction. This announcement is not directed at, or intended for distribution, publication, availability to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law or regulation, or which would require any registration or licensing within such jurisdiction.

This announcement includes statements, estimates, opinions and projections with respect to anticipated future performance of BrightHouse ("forward-looking statements") which reflect various assumptions concerning anticipated results taken from BrightHouse's current business plan or from public sources, which may or may not prove to be correct. Such forward-looking statements reflect the Company's expectations as of the date of this announcement, based on BrightHouse's then current business plan and various other assumptions and involve significant risks and uncertainties and should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved.

Although the Company believes that the expectations reflected in the forward-looking statements were reasonable at the time they were made, the Company can give no assurances that they will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements. Some of such risks and uncertainties are identified in the "Forward-Looking Statements" and "Risk Factors" sections of the Listing Particulars in relation to the Notes dated 16 May 2013 and the sections describing material risk factors and material recent developments contained in the reports prepared by the Company in compliance with the reporting undertakings under the Notes. It is up to the recipient of this announcement to make its own assessment of the validity of such forward-looking statements and assumptions and no liability is accepted by the Company, BrightHouse, or any director, officer, employee, agent, partner, affiliate, manager or adviser of the Company or BrightHouse or any other person in respect of the achievement of such forward-looking statements and assumptions. In particular, the Company and BrightHouse do not accept any liability whatsoever to any person, regardless of the form of action, including for any lost profits or lost opportunity, or for any indirect, special, consequential, incidental or punitive damages arising from any use of announcement, its contents or preparation or otherwise in connection with it, even if the Company and BrightHouse have been advised of the possibility of such damages.