



The Royal Bank of Scotland completes the purchase of Euro Sales Finance

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The Royal Bank of Scotland has completed the £68 million purchase of Euro Sales Finance. The Bank had already declared the cash offer for the entire issued and to be issued ordinary share capital of Euro Sales Finance unconditional as to acceptances and now the OFT have confirmed that the purchase does not raise any competition issues, the deal has been completed.

Euro Sales Finance was formed in March 1995 and has grown quickly to become a leading provider of invoice discounting and factoring services for small and medium-sized companies. It operates from fifteen offices of which four are in the UK, six in France, four in Germany and one in the Netherlands. It employs 259 people.

Euro Sales Finance will become part of The Royal Bank of Scotland's existing successful invoice finance business, The Royal Bank of Scotland Commercial Services. The acquisition of Euro Sales Finance will provide RBS Commercial Services with an additional business stream in the UK and an immediate foothold in France, Germany and the Netherlands.

Stuart Holloway, Managing Director, RBS Commercial Services, said: "I am delighted that we have completed the purchase and we can now get on with running the business. Euro Sales Finance is a strong brand and one we intend to keep and strengthen. The acquisition fits well with our strategy to seek new markets for growth at home and in Europe.

Colin Rutherford, Executive Chairman, Ian Fitz-Harris, Group Development Director, David Totney, Chief Executive, UK and the other members of the Euro Sales Finance Board resigned on completion of the acquisition. Stuart Holloway will take over as Chief Executive as Euro Sales Finance management is transferred to RBS Commercial Services.

In Europe, RBS Commercial Services will retain Patrice Coulon, Gerd Georg and Edward Koenen as Country Managing Directors for France, Germany and the Netherlands respectively. They will report directly to Stuart Holloway. All Euro Sales offices across the UK and mainland Europe will remain open.

The process of integrating the Euro Sales Finance business with RBS Commercial Services will start immediately with the introduction of the bank's proven credit processes. The priority then will be to give the Euro Sales Finance business access to RBS Commercial Services' operations and IT expertise.

Stuart Holloway, concluded: "Having successfully brought together the old Royal Bank Invoice Finance and Lombard NatWest Commercial Services businesses earlier this year we are confident of bringing Euro Sales Finance into the business smoothly over the next 12 months.

"When completed, the combination of our balance sheet strength, risk management, operations and IT expertise will complement Euro Sales Finance's approach to business and allow us to unlock the real potential the business has here and across Europe."

Notes to Editors:

About The Royal Bank of Scotland Commercial Services

The Royal Bank of Scotland Commercial Services is the Invoice Finance arm of The Royal Bank of Scotland. It offers a comprehensive service to businesses with an annual turnover ranging from £50k to £10m+. With over 5000 clients, RBS Commercial Services operates in all main industry sectors ranging from manufacturing and distribution through to employment agencies and computer services companies.

Invoice finance gives companies the opportunity to transform their unpaid invoices into working capital - to help them take control of their cashflow, expand the business, finance organic growth or fund acquisitions. RBS Commercial Services forwards up to 90% of the invoice immediately, and the balance (minus charges) when the invoice is paid.