

CPPGROUP PLC  
20 December 2013  
Pre Close Announcement & Board Changes

CPPGroup Plc ("CPP" or the "Group") today publishes the following statement prior to entering its close period for the year ended 31 December 2013.

#### **Group review**

Underlying operating performance for the Group has continued in line with the trends outlined in the Group's Interim Management Statement, published on 30 October 2013. As previously stated, the operating environment continues to be challenging and the Group's performance for 2013 remains in line with previous guidance.

The Group is in the early stages of repositioning the business and remains focused on realigning the business model and cost-base whilst successfully completing the proposed Scheme of Arrangement ("Scheme") to review claims and, where appropriate, pay redress to customers. Significant risks and uncertainties remain in the short to medium term, particularly in relation to the Scheme, liquidity and the on-going challenges of the operating environment.

Total costs and provisions made in the Group's financial statements for customer redress and associated costs have increased by £10.0 million to £65.8 million. This additional provision reflects the Group's latest estimate of customer redress and associated costs.

Progress is being made by the new leadership team developing the Group's longer-term strategy, details of which will be communicated with the Group's 2013 preliminary results and the process of improving the operational capability and controls required to return the Group to a position of stability and strength.

#### **Board changes**

Charles Gregson, Non Executive Chairman, has notified the Group of his intention to step down from the Board in due course. Charles will remain in post until an orderly succession and an appropriate handover has been completed. A process to identify a new Non Executive Chairman for the Group will commence immediately.

Charles was appointed Non Executive Chairman of CPP in January 2010 and has been instrumental in supporting the Group during a period of immense challenge and much change. The Group has been well served during his four year tenure and the Board wishes to express its sincere thanks to Charles for his service, leadership and guidance.

Charles Gregson, Non Executive Chairman, commented:

"2013 has been an important year of progress, challenge and change. The foundations have been laid to stabilise the business and we have in place a strong and experienced Board and management team. It is therefore, appropriate for me to step down in due course and hand over to a successor who will guide the Group through the next phase of its development. I am especially grateful for the strong support that I have received from my Board colleagues over the years and thank everyone at CPP for their on-going hard work."

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**Notes to Editors**

CPPGroup Plc (CPP) is an International Assistance business operating in the UK and overseas with more than 200 Business Partners worldwide. Via its Business Partners, CPP provides Life Assistance products to consumers, which includes annually renewed and packaged products that provide assistance and insurance across a wide range of market sectors designed to make everyday life easier to manage.

For more information on CPP visit [www.cppgroupplc.com](http://www.cppgroupplc.com)

**Cautionary statement**

This trading statement contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of approval of the trading statement but such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information. Subject to the requirements of the UK Listing Authority's Disclosure and Transparency Rules and Listing Rules, CPPGroup Plc undertakes no obligation to update these forward-looking statements and it will not publicly release any revisions it may make to these forward-looking statements that may result from events or circumstances arising after the date of this trading statement.