



Friday 14 September 2018

## Together Financial Services Limited

### Together successfully increases Charles Street securitisation to £1.25bn

Together Financial Services Limited (“Together” or “the Group”), one of the UK's leading specialist mortgage lenders, is pleased to announce that it has successfully refinanced its revolving Charles Street securitisation programme (“CABS”) by increasing the size of the facility, significantly improving the terms and extending its maturity from January 2021 to September 2023. The refinancing increases the AA rated senior facility commitments from £1bn to £1.15bn and adds a further £104.5m through two fully drawn tranches of mezzanine finance, both rated by Moody’s and DBRS, bringing the total facility size to £1.25bn.

The senior advance rate has been increased, with the rating of the senior notes reaffirmed at AA. The total facility advance rate also increased, through the addition of £69.7m of BBB+ and £34.8m of BB+ rated mezzanine notes provided by institutional investors. This provides for the immediate release of up to £140m of equity to be used to support the Group’s continued growth strategy.

The extension in maturity to 2023 provides substantial depth to the Group’s funding profile, increasing the weighted average maturity from 3.3 years to 4.2 years on amounts currently drawn, and up to 4.6 years on a fully drawn basis. In addition, the significant reduction in all-in margin is reflective of the performance and mix of assets supported by the CABS facility. The Group also has the ability to upsize the CABS facility by £110m to £1.36bn.

A new senior lender has also been added to the CABS facility increasing the number of senior lenders to six banks. This is the third senior lender to join in the last four years, demonstrating continuing ongoing support for this long-established programme.

The refinancing further simplifies and aligns the Group’s funding structure, with the CABS facility now solely financing loans secured against residential property and therefore more closely aligned to Together’s residential mortgage backed securitisation (“RMBS”) programme. Commercial loans will continue to be financed through the Group’s other securitisations and Senior Secured Note programmes, including the recently completed £525m Highfield commercial securitisation programme established in contemplation of the refinancing of the CABS facility, along with the Lakeside and Delta securitisation programmes.

CABS was first launched in 2007 as a £500m revolving securitisation facility. In 2014, the facility was increased to £675m and obtained AA ratings from Moody’s and DBRS, before being further extended to £1bn in 2016.

Over the last 12 months, Together has raised or refinanced over £2.5bn of facilities, including its £275m inaugural public RMBS (September 2017), £150m increase to its 2024 Senior Secured Notes (January 2018), refinancing its £255m Lakeside securitisation programme (January 2018), upsizing its RCF to £72m (April 2018) and completing the £525m Highfield securitisation programme (June 2018). Together recently announced its full year results to 30 June 2018, showing a 40% growth in originations to £1.7bn, bringing its loan book to a new high of £3.0bn, and a record profit before tax of £121.7m.



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Commenting on the transaction, Gary Beckett, Group Managing Director and Chief Treasury Officer of Together, said: "We are delighted to announce the successful extension and expansion of our long established CABS securitisation facility on significantly improved terms and with the addition of over £100m of rated mezzanine notes into the structure. Today's refinancing further simplifies and aligns our funding structure, increasing the scale, diversity and maturity of our funding platform to support our continued growth strategy."

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### Together Financial Services

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### About Together

Established in 1974, Together has been bringing common sense to the UK specialist secured lending market for over 40 years.

Our expertise in lending means we can look beyond mainstream lending criteria to take an individual view of customers' needs and treat each application on its own merits.

We offer a wide range of specifically designed products, including short-term finance, auction finance, residential, buy-to-let and commercial mortgages and secured loans through our established distribution network.

In the full year to 30 June 2018, our 700+ colleagues advanced £138.3m per month, an increase of 40% year-on-year, growing our loan book to £3.0bn with new originations remaining at a very conservative loan to value of just 58.0%. Additionally, the Group generated £121.7m underlying profit before tax.

In 2018 we placed 34th in the Sunday Times Top 100 Best Companies to Work for, and received its special award for "Giving something back", placing 9th for charity and 10th for community in the UK. We were also named in the Sunday Times 2017 Top Track 250 awards.