FY 2018 19 Results

Investor Presentation

12th September 2019

THE SUNDAY TIMES 100 BEST COMPANIES TO WORK FOR 2019

THE SUNDAY TIMES TOP TRACK 250 Grant Thornton An instinct for growth

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Management team participants

Gary Beckett, Group Managing Director and Chief Treasury Officer

- Gary is one of the longest serving colleagues at Together, joining the Group in 1994. He has overseen much of the organic growth of the Group, undertaking a number of roles within the Finance, Operations and Risk functions
- Group CFO between 2001 and February 2018, Gary contributed to the strategic development of the Group, with specific responsibility for financial reporting, taxation and treasury. From 1st March 2018 he took on the role of Group Managing Director and Chief Treasury Officer, and along with continuing to oversee Treasury and Investor Relations, will additionally support the Group CEO in developing and implementing the Group's strategy as Together continues to expand
- Gary created the group structure in 1996, led the original private equity buy in during 2006 and buy out in 2016, and arranged the Group's inaugural RCF Syndication, Securitisation Programme, RMBS, Senior Note issuance facilities and PIK Toggle Note issuance
- Gary is a qualified Chartered Accountant

Mike Davies, Director of Corporate Affairs

- Mike joined Together in 2017 to lead the Group's Investor Relations Programme
- He was previously Managing Partner of the Financial Institutions Group at international communications consultancy, Instinctif Partners, where his experience included advising Shawbrook, Arrow Global, Hastings and Pollen Street Capital
- Earlier in his career, Mike led Investor Relations at 3i Group, The Rank Group and Invensys, during the group's £2.7bn equity, debt and bond refinancing in 2004
- Mike is a former investment banker and a qualified Chartered Accountant

Jordan Foster, Director of Strategic Finance

- Jordan joined Together in 2014, providing corporate finance expertise and leading strategic projects across the business
- Jordan has played a key role in the last three Senior Secured Notes issuances as well as the PIK Toggle Notes issuance to support the buy back of the minority private equity investment in 2016 and the subsequent refinancing of the PIK Toggle Notes in 2018
- Previously, he has 10 years M&A experience at KPMG
- Jordan is a qualified Chartered Accountant

Agenda

Key annual highlights [1]

Continued growth in loan book and profitability driven by strong lending volumes

- Average monthly lending up 19.4% to £165.2m (FY '18: £138.3m) at a conservative 58.0% WA LTV, with a high of £197.4m in May '19
- Loan book up 24.9% to £3.7bn (FY '18: £3.0bn)
- EBITDA up 14.7% to £251.5m (FY '18: £219.2m) and PBT up 7.1% to £130.3m (FY '19: £121.7m)

Further enhanced operations and governance

- Continued to improve customer journey, using feedback from customers, brokers and our internal reviews to identify areas for improvement and enhancement including processes, products and propositions
- Second successive year in The Sunday Times 100 Best Companies to Work For
- Appointed Richard Gregory as Chairman and Liz Blythe as NED of Together Personal Finance

Increased scale and diversity of funding on improved terms and extended maturities

- Refinanced CABS facility to £1.25bn, releasing £145m of equity to reduce Borrower Group gearing
- Issued £350m Senior PIK Toggle Notes [2] to refinance former Senior PIK Toggle and Vendor Notes
- Completed second public RMBS ('TABS 2') raising £272.6m against a portfolio of £286.9m
- Refinanced Delta ABS, increasing commitments from £90m to £200m
- Awarded overall 'Securitization Issuer of the Year' at the inaugural Global Capital European Securitization Awards

£2.0bn
Originations
+19.4%
(FY '18: £ 1.7bn)

58.0%
Weighted average Origination LTV
(FY '18: 58.0%)

£3.7bn
Loan Book
+ 24.9%
(FY '18: £**3.0bn**)

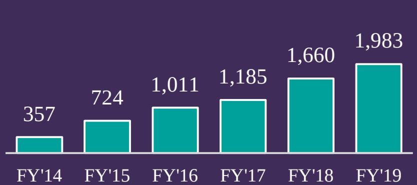
£251.5m
EBITDA
+ 14.7%
(FY '18 : £219.2m)

£130.3m
PBT
+ 7.1%
(FY '18: £121.7m)

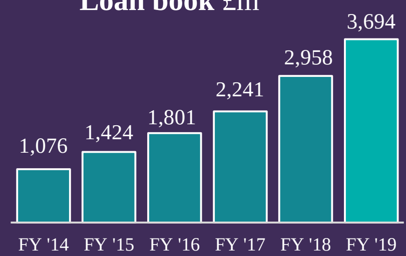
6.8%
Net interest margin
(FY '18: 7.7%)

£3.4bn
Total facility size
+ 18.8%
(FY '18 : £2.9bn)

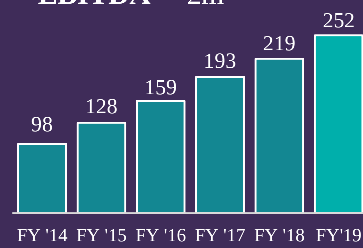
Originations £m



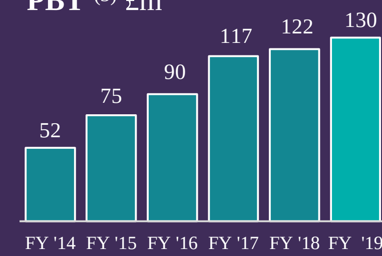
Loan book £m



EBITDA [3] £m



PBT [3] £m



(1) All figures from 1 July 2018 are presented on an IFRS 9 basis. Prior to this figures are presented on an IAS 39 basis.

(2) Transaction at Bracken Midco1 Plc

(3) FY '17 EBITDA and PBT adjusted for £8.2m and £23.0m, respectively, of exceptional costs in respect of the acquisition of the minority interest (£8.2m) and the refinancing of the Senior Secured Notes (£14.8m)

Agenda

A unique and successful model based on 45 years' experience

Objective

- Build long-term value by helping individuals, families and businesses to achieve their financial ambitions

Strategic focus

- Increase secured lending to underserved customers in attractive growing markets
- Deliver positive customer outcomes with flexible products, experienced underwriters and high levels of service
- Maintaining high asset quality with prudent underwriting based on security, low LTVs, affordability and appropriate risk adjusted margins
- Increase scale and diversity of funding and reinvest profits to support future growth ambitions

Our customers

- Owner Occupiers
- Landlords
- Businesses and the self employed
- Developers

Our products

- 1st and 2nd charge mortgages
- Short-term finance
- Buy-to-let mortgages
- Commercial term loans
- Development finance

Established multichannel distribution

- Mortgage intermediaries
- Professional networks
- Direct sales and repeat customers

Our service

- In-house originations and servicing
- Speed and flexibility
- High quality service
- Continuous investment

Compelling investment case

- 45 year through-the-cycle track record
- Privately owned with emphasis on long-term value focus
- Focus on low LTVs and affordable, sustainable lending
- Diversified loan book
- Creating value for our customers
- Experienced senior management and high quality Board
- Strong growth and industry leading returns

Deep and diverse funding platforms

- Senior secured notes
- Private securitisations
- Public securitisations (RMBS)
- Revolving credit facility
- PIK toggle notes (Bracken Midco1)
- Shareholder funds

Continued evolution and growth supported by ongoing investment into platform and governance

Distribution, products and marketing

- Launched Together+, including strategic partnerships with 39 key packaging brokers
- Extended reach to 90% of UK mortgage networks and clubs (1) as of September 2019
- Corporate Relationship team launched to support larger customers

Customer and intermediary experience

- Continued investment in intermediary platform and distribution channels to further improve user experience, based on direct feedback
- Maintained proactive customer review programme to enhance the customer journey, improve processes and products and identify and address areas for improvement
- Conducted Google "design sprint" workshop to create new template for streamlined customer and intermediary experience

Culture, governance and systems

- Maintained investment in governance, appointing Richard Gregory and Liz Blythe, as Chair and NED of Personal Finance respectively
- Further enhanced risk management frameworks and well prepared for introduction of SM&CR on 9th December
- Ongoing system enhancements including using end user data analytics to improve service and delivery and ensuring information security and disaster recovery systems remain robust

Regulatory update

Background:

Internal reviews in our regulated division (April '19) identified instances where:

- Some of our past written communications with customers should have been clearer and more complete in respect of customer balances not expected to be repaid by their contractual maturity date
- For certain customers in arrears, the outcome of our forbearance may have been improved if different forbearance measures had been applied

Actions taken:

- Notified FCA of these findings in line with our reporting obligations and providing regular updates
- Assessing impact of such findings including appointment of experienced third party consultancy to provide help and assistance in identifying customers who have been adversely affected
- Improved clarity of communications of customer balances and enhanced colleague training and quality assurance processes in relation to selection of forbearance measures
- Disclosed contingent liability in our financial statements as not able to quantify level of provisions at this early stage

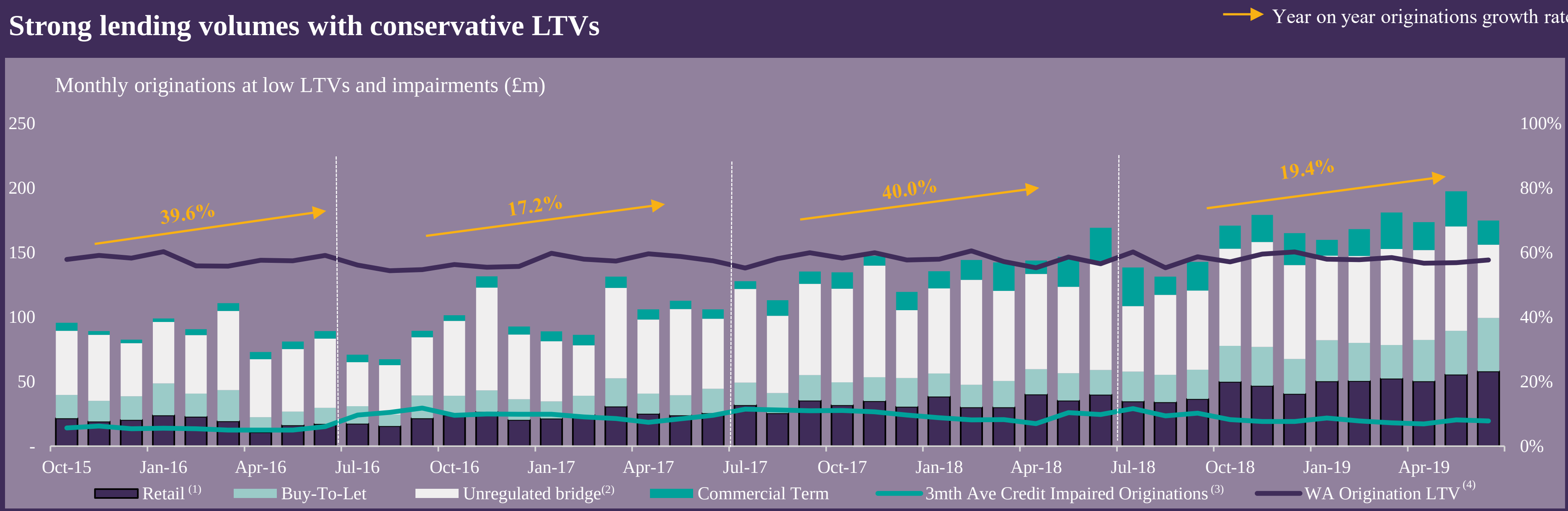
Awards and recognition

- Together named as one of the UK's 'Best Companies To Work For' in The Sunday Times list for second year in a row
- Together included in the Top Track 250 league table for the third consecutive year
- Overall 'Securitization Issuer of the Year' at inaugural Global Capital European Securitization Awards', and shortlisted for two further awards

(1) As of 30 June 2019, Together traded with 14 Networks & clubs whilst this number has risen to 20 per September 2019

Agenda

Strong lending volumes with conservative LTVs

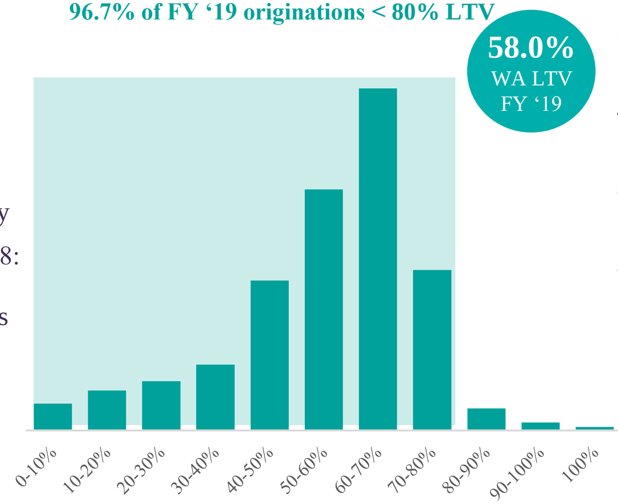


Strong lending volumes

- Originations up 19.4% to £2.0bn (FY ’18: £1.7bn)
- Robust credit quality maintained
  - Weighted average origination LTVs remain very conservative at 58.0% (FY ‘18: 58.0%)
  - Credit impaired originations [3] remain low, with recent vintage arrears showing no deterioration in credit quality
- FY ‘19 new business nominal rates reduced to 8.0% (FY ‘18: 9.1%), due to increased competition and slight shift in product mix towards lower yielding retail and BTL products

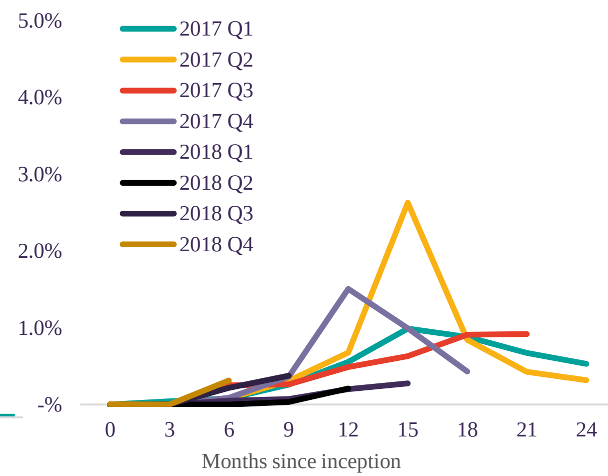
Conservative origination LTVs [4]

96.7% of FY ‘19 originations < 80% LTV



Strong recent vintage performance [5] [6]

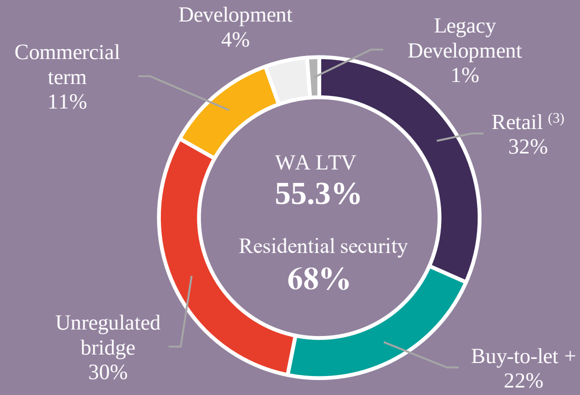
(>3m arrears by quarterly vintage)



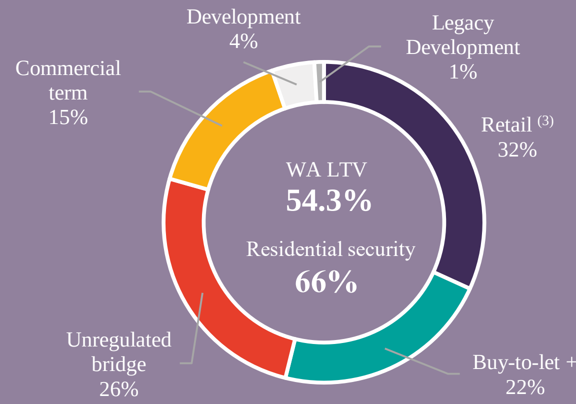
(1) Includes CBTL and Regulated Bridge accounting for £31m and £174m of FY ‘19 originations, respectively, compared to £32m and £151m, respectively, in FY ’18
(2) Includes development loans
(3) 3-month rolling average of credit impaired customers as % of total new business written, using FCA definition of ‘credit impaired’
(4) This analysis is prepared on a loan-by-loan basis, and as such does not take into account any cross-charges which provide additional security
(5) Origination balance of loans > 3months arrears / total originated in the quarter
(6) Based on calendar year

High quality portfolio focused on affordability and low LTVs (1)(2)

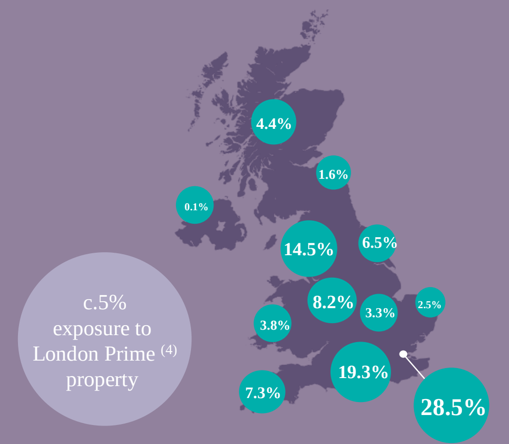
Loan book at Jun '18: £3.0bn



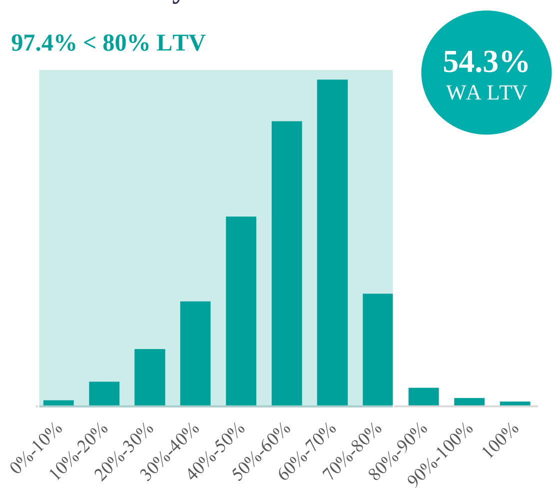
Loan book at Jun '19: £3.7bn



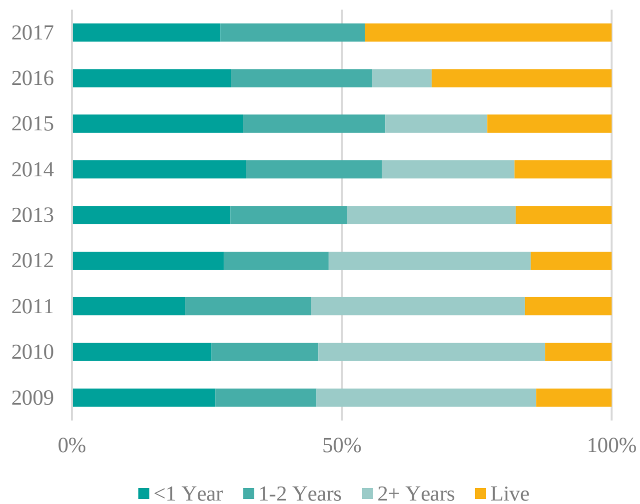
Loan book diversified across geography



Loan book by indexed LTV at Jun '19



Redemption rates (5) (by loan vintage)



Declining Arrears (6)

(1) All FY '19 figures are presented on an IFRS 9 basis. Prior year figures are presented on an IAS 39 basis
(2) Loan book analysis for core operating subsidiaries is presented after loss allowances
(3) Includes CBTL and Regulated Bridge, accounting for £70.9m and £161.2m as at 30 June '19 compared to £55.6m and £126.5m at 30 June '18.
(4) As defined by the Coutts London Prime Index – residential property only
(5) Based on calendar year
(6) Analysis presented as loans in arrears >3 months divided (including whether classed as performing or non performing arrears) as a percentage of total loan book excluding development loans, repossession, loans past term and non serviced loans

Low LTVs provide significant downside protection (1)

LTVs remain conservative at 54.3%

- Weighted average indexed LTV of total loan portfolio 54.3% (55.9% for the Borrower Group)
- Percentage of loans with indexed LTV of > 80% is 2.6% (7.3% for the Borrower Group)

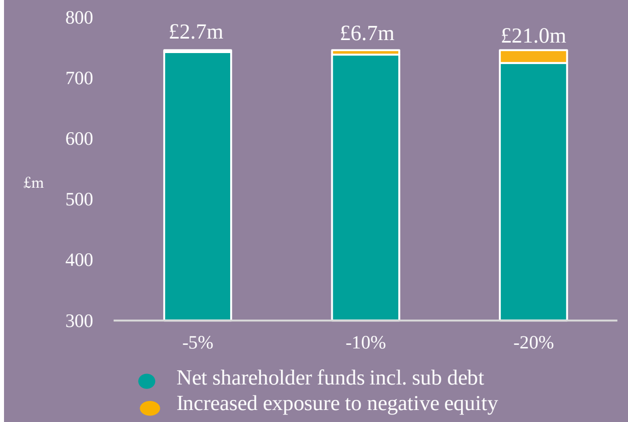
Loans in negative equity

- Group had negative equity exposure of £19.3m
- Compared to £49.9m of IFRS9 impairment loss allowances (2) for total loan portfolio

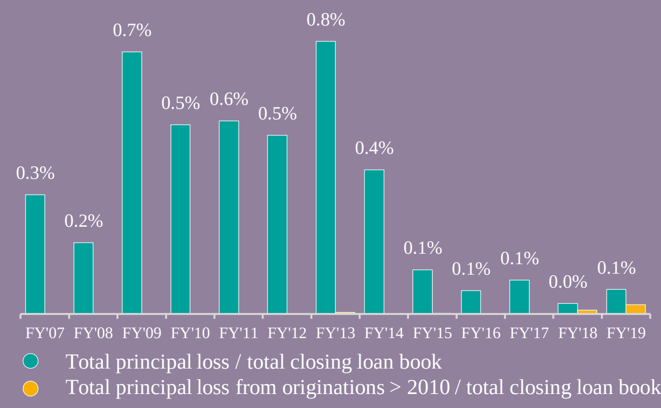
Downside scenario analysis

- Additional Group exposure to negative equity from falls in property values: 10% = £6.7m and 20% = £21.0m
- Additional Borrower Group exposure to negative equity from falls in property values: 10% = £6.3m and 20% = £19.5m
- Peak principal loss ratio only 0.8% during financial crisis, reducing to 0.1% in recent years. Since we tightened our underwriting policies in 2010, loss ratios have consistently been below 0.03%

Estimated impact of declining security valuations



Principal loss ratios (3)

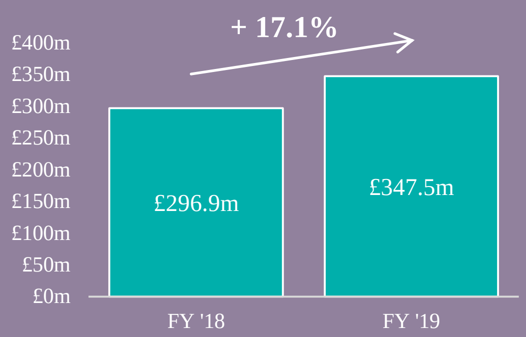


(1) All FY '19 figures and KPIs are presented on an IFRS 9 basis. Prior year figures and KPIs are presented on an IAS 39 basis
(2) IFRS9 provisions excludes impairment allowance for shortfalls fully provided for
(3) Principal losses = total principal advances + 3rd party costs (i.e. foreclosure costs) less total receipts

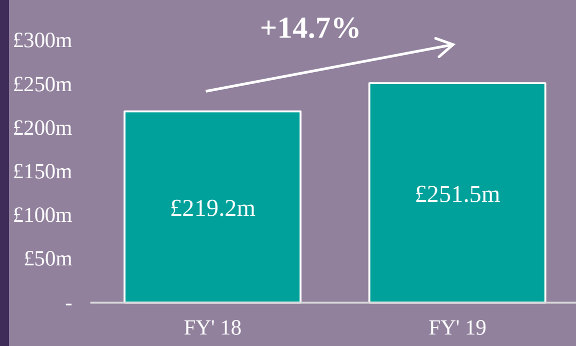
Agenda

Continued growth in income and EBITDA (1)

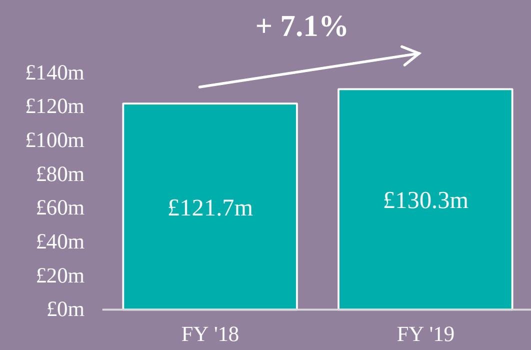
Income (2) £m



EBITDA £m



PBT £m



Income & expenditure

	Q3 '19 (IFRS 9)	Q4 '19 (IFRS 9)	FY '18 (IAS 39)	FY '19 (IFRS 9)
Income(2) £m	87.4	91.7	296.9	347.5
Impairment Charge £m	3.1	4.1	11.4	15.4
EBITDA £m	61.9	69.4	219.2	251.5
Interest Payable £m	29.4	30.8	92.8	116.8
PBT £m	31.4	37.3	121.7	130.3
NIM(3)	7.1%	6.8%	7.7%	6.8%
Cost / Income Ratio(4)	37.8%	36.2%	34.2%	36.2%
Return on Equity(5)	14.8%	14.9%	15.6%	14.9%

- Strong earnings performance while maintaining significant investment in colleagues, governance and systems improvements to support future growth
- Income increased by 17.1% to £347.5m (FY '18: £296.9m) reflecting continued loan book growth
- FY '19 impairment charge £15.4m (IFRS 9), compared with £11.4m in FY '18 (IAS 39). Q4 '19 impairment charge £4.1m, compared to £3.1m in Q3 '19 (both IFRS 9)
- PBT increased in FY '19 by 7.1% to £130.3m (FY '18: £121.7m)
- Q4 '19 PBT up to £37.3m (Q3 '19 £31.4m) including certain year end beneficial adjustments of £3.9m
- NIM lower at 6.8% (FY '18: 7.7%), reflecting lower yield due to increased competition, product mix and higher gearing, partly mitigated by lower costs of funds
- Cost / income ratio of 36.2% remains very low compared with peers
  - Increase vs. FY '18 reflects impact of upfront loan on-boarding-costs of growing loan book and full year costs of prior year step change in investment in infrastructure, governance and people, along with expansion of loan portfolio at lower margins

(1) All FY '19 figures and KPIs presented on an IFRS 9 basis. Prior year figures and KPIs presented on an IAS 39 basis
(2) Includes fees & commission receivables
(3) Calculated as rolling 12 month net interest income / average opening and closing loan assets
(4) Rolling 12 months operating expenses excluding impairment, financing costs, and tax / rolling 12 months net operating income
(5) Calculated as rolling last 12 months PAT / average of opening and closing shareholder funds (including subordinated debt)

Strong balance sheet and attractive credit metrics [1]

- Robust loan growth with stable and low LTVs
- Prudent capitalisation and conservative levels of gearing relative to peers
- Strong underlying asset cover
- Cost of risk remains broadly consistent with FY '18 and LTM Q3 '19 despite the change to IFRS9

		Consolidated Group			Borrower Group		
		FY '18 (IAS 39)	Q3 '19 (IFRS 9)	**FY '19 (IFRS 9)**	FY '18 (IAS 39)	Q3 '19 (IFRS 9)	**FY '19 (IFRS 9)**
Balance sheet / asset quality	Net loan book (£m)	2,958.2	3,470.7	**3,694.5**	1,077.2	1,195.0	**1,189.3**
	Shareholder funds (£m) [2]	737.0	773.6	**789.9**	316.8	432.9	**416.9**
	Weighted average indexed LTV of portfolio	55.3%	55.1%	**54.3%**	58.8%	57.4%	**55.9%**
	Cost of risk [3]	0.4%	0.5%	**0.5%**	n/a	n/a	**n/a**
Key credit metrics	Gearing [2][4]	74.6%	77.4%	**78.0%**	70.2%	63.5%	**63.7%**
	Underlying asset cover [5]	41.3%	42.6%	**42.3%**	41.2%	36.4%	**35.6%**
	Net debt : EBITDA	10.1x	11.2x	**11.5x**	4.3x	4.1x	**4.0x**
	Gross debt : shareholder funds	3.1x	3.6x	**3.8x**	2.1x	1.7x	**1.9x**
	Interest cover[7]	2.4x	2.2x	**2.2x**	4.4x	4.0x	**4.1x**
	Tangible equity [2] / tangible assets	24.5%	21.9%	**20.4%**	n/a	n/a	**n/a**

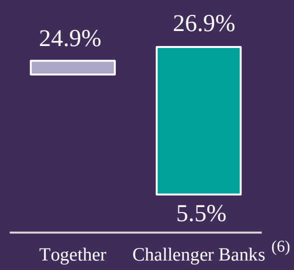
24.9%
Growth in loan book to £3.7bn
(FY '18 £3.0bn)

WA indexed LTV at FY '19
54.3%
(FY '18: 55.3%)

£789.9m
Shareholder funds[2]
(FY '18: £737.0m)

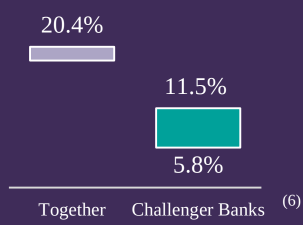
Underlying asset cover [5]
42.3%
(FY '18: 41.3%)

Loan growth
(LTM)



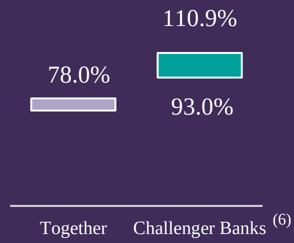
Median: 19.5%

Tangible equity / tangible assets



Median: 7.5%

Net debt / net book value of loans on balance sheet



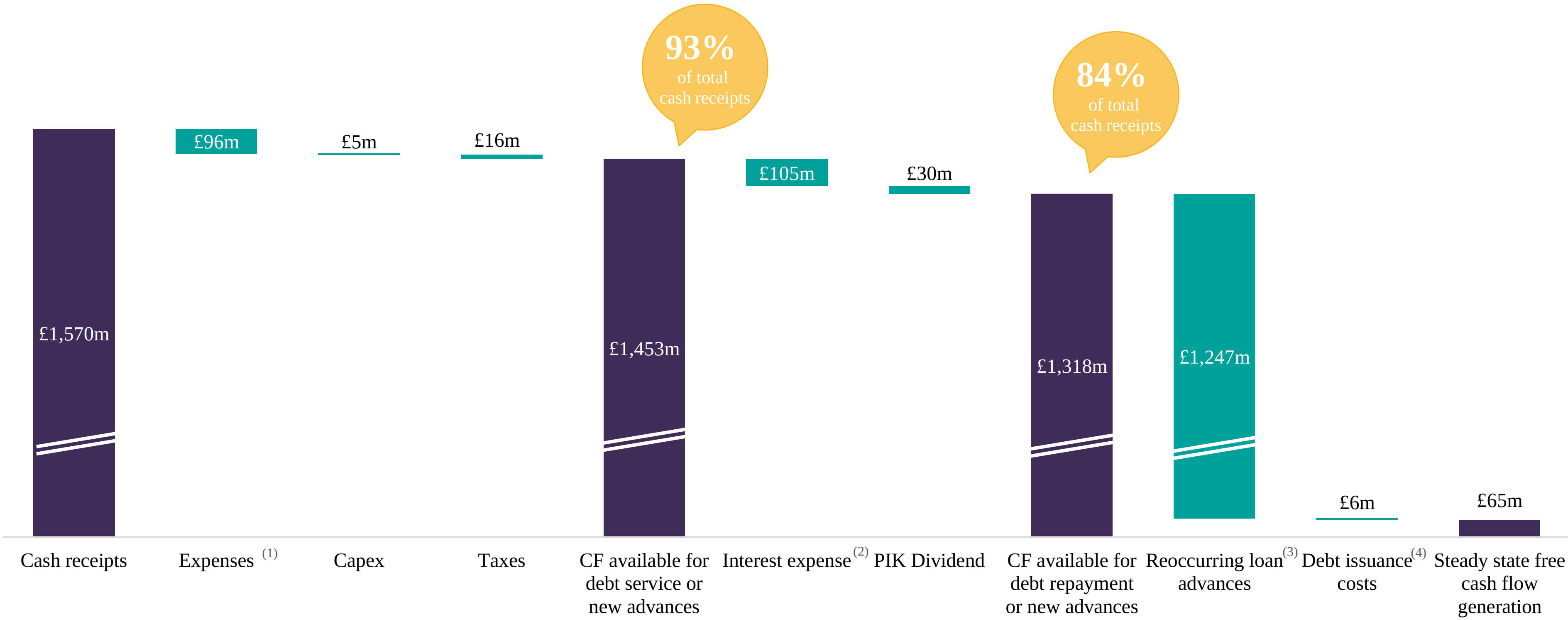
Median: 104.7%

(1) All figures from 1 July 2018 are presented on an IFRS 9 basis. Prior to this figures are presented on an IAS 39 basis
(2) Subordinated shareholder loans and notes treated as equity
(3) Based on rolling 12 months impairment charge / average of net loan book
(4) Ratio of net borrowings to the value of the net loans and advances to customers of the consolidated group and Borrower Group, respectively
(5) Ratio of net borrowings to the value of the underlying security valuation of the consolidated group and borrower group, respectively
(6) Challenger Banks consist of Charter Court Financial Services, Close Brothers, One Savings Bank, Paragon, Secure Trust and Shawbrook. Data based upon latest available public figures as at 25th July, 2019.
(7) In respect of the Borrower Group represents Borrower Group EBITDA divided by cash interest payable on the senior secured notes and the RCF

Consistently high levels of cash generation

Annual cash flows (FY '19)

- Consolidated group cash receipts up 25.8% to £1,570.1m (FY '18 of £1,248.3m), representing 47.2% of average loan assets (FY '18 48.1%)
- Cash available for debt service and new advances of £1,453.2m (FY '18 £1,139.5m), cash available for debt repayment of £1,318.2m (FY'18 £1,038.6m)
- Interest cover of 2.2x on a consolidated basis and 4.1x at the Borrower Group level. Much higher on cash basis
- Attractive free cash flow generation supporting growth



Strong cash flow profile underpinned by secured property lending

(1) Principally represents staff costs and overheads
(2) Excludes debt issuance costs
(3) Reoccurring loan advances are loan advances required to maintain the size of the loan book at the beginning of period. Calculated as loans originated in the last twelve months less growth in loans & advances over the last twelve months
(4) Debt issuance costs adjusted proportionately to reflect costs associated with reoccurring loan advances only

Agenda

1. Key highlights
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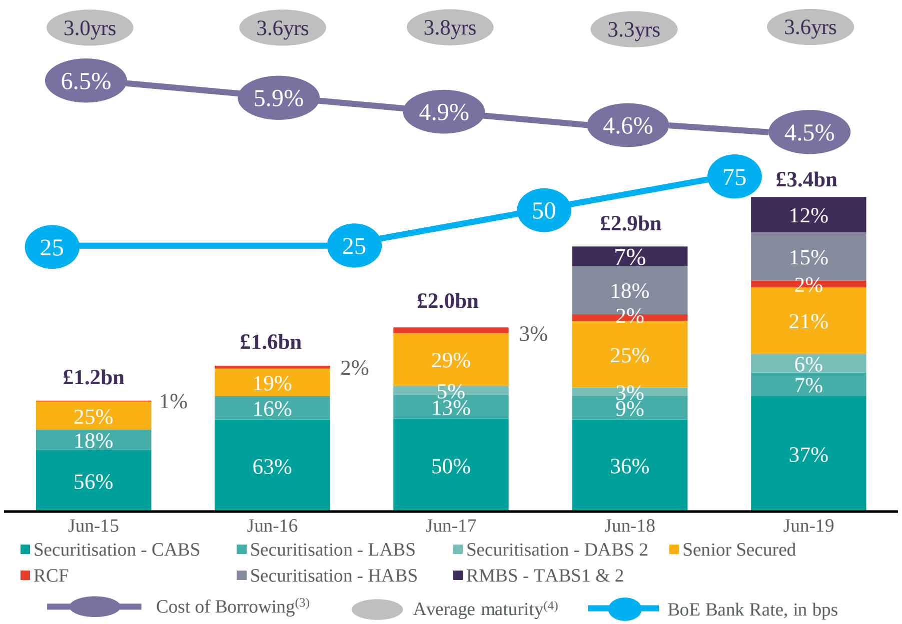
Significant additional funding to support growth ambitions

- Refinanced or raised £2.1bn, reducing pricing, keeping the average maturity over 3 years and more closely aligning facilities to our products to improve cost efficiencies
  - AA rated CABS facility increased to £1.25bn and extended to Sept. 2023
  - Issued £350m Senior PIK Toggle Notes[1] and extended maturity to 2023
  - Completed second public RMBS raising £272.6m against £286.9m portfolio
  - Refinanced Delta ABS, extending maturity to 4 years, reducing pricing and increasing commitments from £90m to £200m
  - High liquidity to support originations: £425m total undrawn committed funding plus £55.1m of drawn accessible cash across the structures as at 30 June 2019

Diversified funding base as at 30 June 2019 [2]



Bracken Midco1 Plc
Senior PIK Toggle Notes 2023
£350m
5yr NC2
S&P: B+; Fitch: B

Together Financial Services Limited
Loan book £3.7bn

Commercial Finance (unregulated)
BTL+, Commercial term, Bridging Loans, Developments

Personal Finance (FCA regulated)
1st & 2nd Lien Mortgages, Regulated Bridging Loans, Consumer BTL

Bonds

SSN 2021
£375m
5yr NC2
S&P: BB-; Fitch: BB

SSN 2024
£350m
7yr NC3
S&P: BB-; Fitch: BB

Bank Facilities

RCF 2021
£71.9m Commitment

Private Securitisations

Charles St ABS "CABS" 2023
£1,255m Commitment
Moody's: Aa2 (sf); DBRS: AA (sf)[5]

Lakeside ABS "LABS" 2021
£255m Commitment

Delta ABS 2 "DABS 2" 2023
£200m Commitment
Refinanced March 2019

Highfield ABS "HABS" 2022
£525m Commitment

Public Securitisation

Together ABS "TABS 1"
RMBS
£155.1m rated notes in issue[6]
81% rated Aaa/AAA[7]

Together ABS 2 "TABS 2"
RMBS
£230.0m rated notes in issue [6]
78.5% rated AAA[7]

Total shareholder funding £789.9m [8]
(Borrower Group: £416.9m) [8]

As at June 30th 2019

(1) Issued at Bracken Midco1 Plc to refinance previous Senior PIK Toggle and Vendor Notes
(2) Presented based on total facility size
(3) Cost of Borrowing is calculated as total interest payable on an LTM basis (excluding interest on subordinated debt) divided by opening and closing gross debt. Total interest payable includes core interest, non-utilisation fees and fee amortisation. FY17 adjusted for exceptional interest payable of £14.8m
(4) Based on drawn balances
(5) Rating in respect to the senior notes only
(6) As at June 2019, net of cash receipts received in the month to be applied to reduce notes
(7) Based upon rated notes at time of issuance
(8) Includes shareholder debt

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Summary and outlook (1)

£2.0bn
Originations
+19.4%
(FY '18: £1.7bn)

58.0%
WA origination LTV
(FY '18: 58.0%)

£3.7bn
Loan Book
+24.9%
(FY '18: £3.0bn)

£251.5m
EBITDA
+ 14.7%
(FY '18 : £219.2m)

£130.3m
PBT
+ 7.1%
(FY '18: £121.7m)

6.8%
Net interest margin
(FY '18: 7.7%)

£3.4bn
Total facility size
+18.8%
(FY '18: £2.9bn)

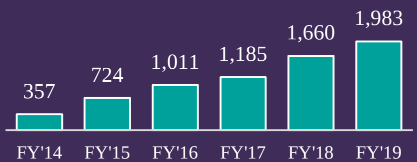
Summary

- Robust performance in FY '19, with continued growth in loan book, profitability and cash generation driven by strong lending volumes at conservative LTVs
- Continued strong performance into July 2019 and August 2019 with monthly originations of £185.1m and £162.6m respectively
- Further enhanced operations and governance to improve customer experience and support long-term sustainable growth
- Second year running in The Sunday Times '100 Best Companies to Work For'
- Increased scale, diversity and maturity of funding to more closely align with loan products and support growth ambitions

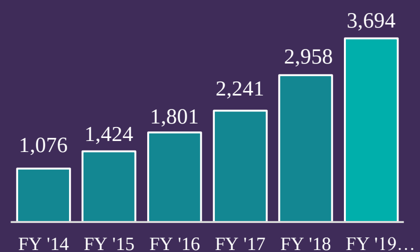
Outlook

- UK's economic outlook remains uncertain with lead indicators continuing to be mixed and 31 October Brexit deadline approaching
- Together continues to see strong demand from customers and along with strong asset quality, high levels of liquidity and diversified funding with long maturity, it remains well placed to deliver on its growth plans

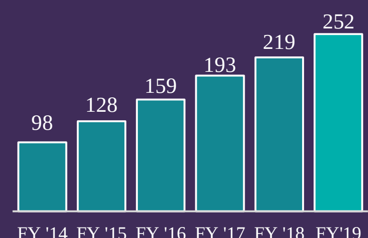
Originations £m



Loan book £m



EBITDA (2) £m



PBT (2) £m

(1) All FY '19 figures are presented on an IFRS 9 basis. Prior year figures presented on an IAS 39 basis
(2) FY '17 EBITDA and PBT adjusted for £8.2m and £23.0m, respectively, of exceptional costs in respect of the acquisition of the minority interest (£8.2m) and the refinancing of the Senior Secured Notes (£14.8m)

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Q&A
session

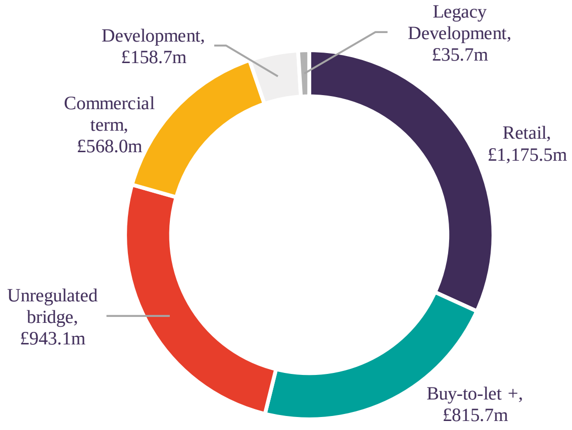
Appendix: additional information

Agenda

Diversified loan book – consolidated group [1][2]

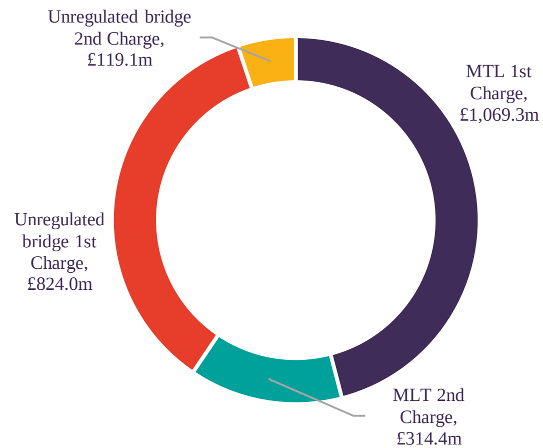
Loan portfolio breakdown by loan purpose

Total [1] £3,696.6m



Retail loan book breakdown

Commercial loan book breakdown [3]



66% secured on residential security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
Retail	56.2	7.7%	49.6%
Commercial	167.3	9.1%	55.5%
Development	823.4	11.1%	68.0%
Total	**105.4**	**8.8%**	**54.3%**

100% secured on residential security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
1st Charge	102.5	6.6%	47.1%
2nd Charge	38.8	8.7%	52.0%

49% secured on residential security

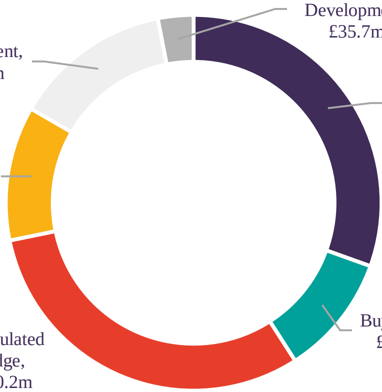
Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
Unregulated bridge 1st Charge	335.6	10.7%	55.9%
Unregulated bridge 2nd Charge	271.2	11.6%	60.4%
MLT 1st Charge	151.3	7.9%	54.4%
MLT 2nd Charge	79.6	8.2 %	56.6%

Note: MLT = Medium + Long term which includes BTL+ and Commercial term loans
(1) Loan book analysis for core operating subsidiaries is presented after allowances for impairments.
(2) All figures are presented on an IFRS 9 basis
(3) Excludes development loans

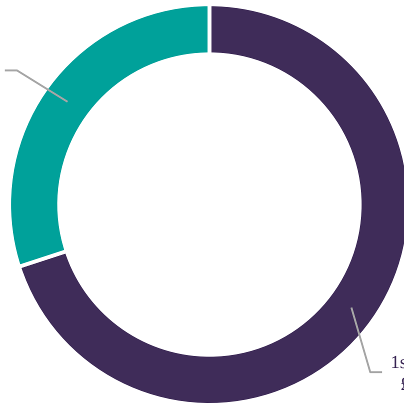
Diversified loan book – borrower group (1)(2)

Loan portfolio breakdown by loan purpose

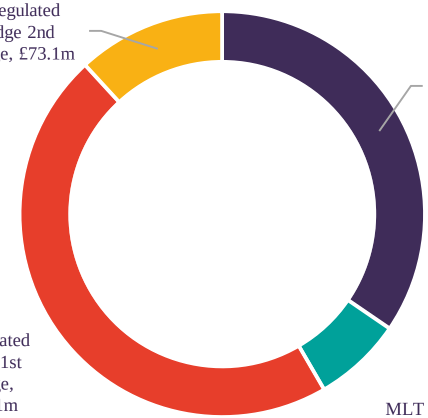
Total (1) £1,167.0m



Retail loan book breakdown



Commercial loan book breakdown (3)



55% secured on residential security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
Retail	60.0	7.4%	49.9%
Commercial	273.1	10.0%	55.5%
Development	823.4	11.1%	68.0%
Total	**138.5**	**9.4%**	**55.9%**

100% secured on residential security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
1st Charge	146.1	6.2%	49.3%
2nd Charge	25.3	10.3%	51.5%

32% secured on residential security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
Unregulated bridge 1st Charge	506.4	11.1%	54.1%
Unregulated bridge 2nd Charge	351.4	11.7%	60.7%
MLT 1st Charge	218.3	8.2%	59.9%
MLT 2nd Charge	86.0	8.8%	54.2%

Note: ST = Short term; MLT = Medium + Long term. which includes BTL+ and Commercial security term .
(1) Loan book analysis for core operating subsidiaries is presented after allowances for impairments
(2) All figures presented are on an IFRS 9 basis.
(3) Excludes development loans

Overview of private securitisation structures

Issuer	Charles Street Asset Backed Securitisation	Lakeside Asset Backed Securitisation	Delta Asset Backed Securitisation 2	Highfield Asset Backed Securitisation
Structure	• Class A - RBS, Barclays, Lloyds, Natixis, HSBC, BNPP • Class B / C - 5 investor's • Sub Note – Together Financial Services	• Senior - Lloyds, Natixis and HSBC • Sub Note – Together Financial Services	• Senior - Goldman Sachs Private Capital • Sub Note – Together Financial Services	• Senior - Barclays, Natixis, HSBC, Citi Group • Sub Note – Together Financial Services
Facility size	• £1,254.5m facility size • £1,092.2m issued	• £255.0m facility size • £199.4m issued	• £200.0m facility • £200.0m issued	• £525.0m facility size • £335.0m issued
Maturity	• Revolving period September 2022 • Full repayment September 2023	• Full repayment January 2021	• Revolving period March 2022 • Full repayment March 2023	• Revolving Period June 2021 • Full Repayment June 2022
Rating	• Rated by Moody's and DBRS Class A – Aa2 / AA Class B – Baa1 / BBB (high) Class C – Ba1 / BB (high)	• NR	• NR	• NR
Facility purpose	• Flexible facility to fund residential property for retail and commercial purpose loans • Concentration limits on % of short term loans	• Primarily to fund unregulated bridge loans	• Primarily to fund unregulated bridge loans and commercial term loans	• To fund term loans backed by small balance commercial real estate
Purchase & recycling of assets	• Beneficial interest in qualifying loans transferred to Securitisation on a random basis in consideration for full principal balance • The Borrower Group buys back assets that no longer meet the eligibility criteria. Primarily this is where a loan no longer meets the relevant arrears criteria (3–5 months)			
Delinquency[1] and loss rate	• Delinquency rate (arrears >1m) 3.35% • Rolling 3 month average default rate 0.19%	• Delinquency rate (arrears >1m) 3.60% • Rolling 3 month average default rate 0.72%	• n/a • Rolling 3 month average default rate 0.04%	• Delinquency rate (arrears >1m) 2.52% • Rolling 3 month average default rate 0.38%
Excess spread and subordinated debt interest (LTM)	• Average monthly excess spread of £5.4m • Average monthly subordinated debt interest of £0.4m	• Average monthly excess spread of £2.7m • Average monthly subordinated debt interest of £0.2m	• Average monthly excess spread £1.1m • Average monthly subordinated debt interest £0.1m	• Average monthly excess spread of £1.3m • Average monthly subordinated debt interest of £0.1m

Note: Data as at June 30, 2019.
(1) Delinquency rate includes technical arrears

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