

## **The Co-operative Bank p.l.c.**

22 June 2016

### **Confirmation of proceeds from the sale of Visa Europe Limited to Visa Inc.**

On 2 November 2015, Visa Inc. ("VI") announced the acquisition of Visa Europe Limited ("VE") to create a single global payments business under the VISA brand. On the same date, The Co-operative Bank p.l.c. (the "Bank") released an announcement providing initial details on the structure and quantum of sale proceeds. The Bank's preliminary share of the sale proceeds was expected to comprise a mix of cash (approximately €56 million), Series B Preferred Stock in VI convertible into Class A Common Stock in VI (approximately €35 million) (the "Preferred Stock"), and contingent earn-out consideration (the "Earn Out").

As confirmed in an announcement published by VI yesterday, this transaction has now closed. Accordingly, the Bank's share of the sale proceeds has now been confirmed as a mix of cash (approximately €54 million), 38,847 Preferred Stock (with a current value of approximately €37 million), and deferred cash consideration (approximately €5 million) payable on the third anniversary of closing.

The original cost to the Bank of the VE member share was €10. The overall gain which the Bank will recognise from this transaction in its 2016 interim financial report is approximately £62m, of which £51m was already recognised in capital resources as at 31 December 2015 within the available for sale reserve.

As previously advised by VI in its Form 8-K released on 10 May 2016, the Earn Out has been removed from the transaction and replaced by increased cash consideration. The existing Loss Sharing Agreement ("LSA") is not affected by the changes to consideration. For further detail on the Preferred Stock and the LSA, please refer to VI's SEC filings made in connection with the transaction.

#### Note

Calculated by reference to the initial conversion rate, the Bank's share of Preferred Stock will be convertible into an aggregate of 541,993 shares of VI class A common stock which was valued at USD77.34 per share as at market close on 20 June 2016, and by reference to a USD/EUR exchange rate of 1.1317.

#### **Investor enquiries:**

Jonathan Berger, Head of Investor Relations: +44 (0) 7595 567 502

#### **Media enquiries:**

David Masters: +44 (0) 7825 427 514

Tony Langham: +44 (0) 7979 692 287

#### **About The Co-operative Bank**

The Co-operative Bank p.l.c. provides a full range of banking products and services to almost 4 million retail and SME (Small and Medium Sized Enterprises) customers. The Bank is committed to values and ethics in line with the principles of the co-operative movement. The Co-operative Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Co-operative Bank p.l.c. customers are protected by the Financial Services Compensation Scheme (FSCS) in the UK.