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

28 July 2017

### **Outcome of Court Hearing and Publication of Additional Documentation**

The Co-operative Bank p.l.c. (the "Bank") announced on 28 June 2017 its support for the equity capital raise and recapitalisation proposal (the "Restructuring") from an ad hoc committee consisting of certain existing Tier 2 noteholders and shareholders. On 14 July 2017, the Bank announced the launch of the creditors' scheme of arrangement and the members' scheme of arrangement through the publication of the Practice Statement Letter.

The Bank is pleased to confirm that, on 27 July 2017, the High Court of Justice granted the Bank permission to convene meetings of the Bank's Tier 2 noteholders and shareholders, in order to allow them to consider the creditors' and members' schemes of arrangement relating to and implementing the Restructuring. Accordingly, the Bank has today published the following documents (the "Documents"):

- Members' Scheme Circular (in relation to all existing shareholders of the Bank);
- Creditors' Scheme Circular (in relation to holders of the Bank's £206m 11.0% Fixed Rate Notes due December 2023 (the "2023 Notes") which are not Retail Noteholders and all holders of the Bank's £250m 8.5% Fixed Rate Notes due July 2025 (the "2025 Notes" and, together with the 2023 Notes, the "Notes")); and
- Consent Solicitation Memorandum (in relation to all holders of the 2023 Notes).

The Documents each contain an indicative timetable of principal events relating to the Restructuring, together with detailed information on the Restructuring, the actions to be taken by a holder of the Notes or the ordinary shares and the following notices of meeting:

- Notice convening a Members' Scheme Court Meeting of the ordinary shareholders, to be held at 9:15 am on 21 August 2017;
- Notice convening a General Meeting of the ordinary shareholders, to be held at 9:30 am on 21 August 2017 (or as soon thereafter as the Members' Scheme Court Meeting has concluded or adjourned);
- Notice convening a Creditors' Scheme Court Meeting of the holders of the Notes which are not Retail Noteholders, to be held at 9:45 am on 21 August 2017 (or as soon thereafter as the General Meeting has concluded or adjourned). The notice is available for inspection at [http://www.rns-pdf.londonstockexchange.com/rns/4006M\\_-2017-7-28.pdf](http://www.rns-pdf.londonstockexchange.com/rns/4006M_-2017-7-28.pdf) and
- Notice convening a 2023 Noteholders Meeting of the holders of 2023 Notes, to be held at 10:00 am on 21 August 2017 (or as soon thereafter as the Creditors' Scheme Court Meeting has concluded or adjourned).

All of the above meetings will be held at 10 Upper Bank Street, London, E14 5JJ.

Holders of the 2023 Notes who consider that they are, or may be, Retail Noteholders must follow the procedure set out in the Consent Solicitation Memorandum in order to be validly confirmed as such. Recent exercises to identify the holders of the 2023 Notes made on behalf of the Bank have indicated a worst case outcome for Retail Noteholders in respect of the Retail Cash Consideration of approximately £3 per £10 principal amount of

2023 Notes. This assumes that all those holders of the 2023 Notes who have not acceded to the Lock-Up Agreement, as at the date of this announcement, are Retail Noteholders, which the Bank believes to be unlikely. The identification exercises suggest that a more likely outcome for Retail Noteholders is that the amount payable will be closer to the maximum aggregate cash amount of £4.50 per £10 principal amount of 2023 Notes. The deadline to participate and vote on the proposals as a Retail Noteholder is 18 August 2017. The deadline to take action to identify as a Retail Noteholder is 30 August 2017. Further information for Retail Noteholders is available at <http://www.co-operativebank.co.uk/retailnoteholders>.

Existing shareholders are still able to accede to the Lock-Up Agreement until 4pm on 28 July 2017 in order to become Early Bird Consenting Members. There will be a further announcement regarding the overall level of support obtained from investors after close of business on 28 July 2017.

The Documents and associated notices are available on the Bank's website - <http://www.co-operativebank.co.uk/investorrelations>. Non-Retail Noteholders can request hard copies of these documents, free of charge, from:

Lucid Issuer Services Limited  
Tankerton Works  
12 Argyle Walk  
London WC1H 8HA.  
Attention: David Shilson / Sunjeeve Patel  
Telephone: +44 (0) 20 7704 0880  
Email: [co-op@lucid-is.com](mailto:co-op@lucid-is.com)

Retail Noteholders or existing shareholders can request hard copies of these documents from:

Computershare  
Corporation Actions Projects  
Bristol  
BS99 6AH  
Helpline: +44 (0) 370 889 3293  
Email: [co-op@computershare.co.uk](mailto:co-op@computershare.co.uk)

Implementation of the Restructuring remains subject to conditions including the approval of the requisite majorities of Tier 2 noteholders and shareholders, the sanction of the Creditors' Scheme and the Members' Scheme by the Court and obtaining regulatory approvals, as further set out in the Documents.

This announcement contains inside information. The person responsible for arranging the release of this announcement on behalf of the Bank is John Worth, Chief Financial Officer.

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

The Co-operative Bank p.l.c. provides a full range of banking products and services to almost 4 million retail and 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 p.l.c. 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.'s eligible customers are protected by the Financial Services Compensation Scheme in the UK, in accordance with its terms.

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