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## **THE CO-OPERATIVE BANK PLC**

6<sup>th</sup> May 2015

### **SECURITISATION OF NON-CORE MORTGAGE ASSETS**

The Co-operative Bank p.l.c. (the "Bank"), has today closed its inaugural whole structure securitisation of part of its non-core Optimum residential mortgages portfolio through the issuance of notes and residual certificates by Warwick Finance Residential Mortgages Number One PLC ("Warwick Finance One").

Warwick Finance One comprises a portfolio of £1.5bn residential mortgages (with a cut-off date of 20th April 2015) issuing rated RMBS and residual certificates to investors. The transaction satisfies risk retention requirements under CRR in relation to the securitised portfolio. In addition the Bank will retain 65% of the Class A Notes on settlement. The Class A Note retention is the only position retained by the Bank within the Warwick Finance One capital structure.

The Warwick Finance One transaction's pro forma impact would have increased the Bank's 31 December 2014 core equity tier one ("CET1") capital position by approximately 0.9%, from 13.0% to 13.9%.

The successful closing of this transaction forms a key component of the Bank's plan to accelerate the de-leveraging of its non-core assets, including Optimum.

Grahame McGirr, Managing Director of CoAM, with responsibility for the Bank's Non-Core businesses, said: "We are pleased with the reception in the market for this inaugural transaction which is the largest fully-marketed placement of UK Non-Conforming RMBS since 2007, and demonstrates the good progress the Bank is making to reduce its risk profile and build resilience."

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**About The Co-operative Bank**

The Co-operative Bank plc provides a full range of banking products and services to almost 5 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 plc customers are protected by the Financial Services Compensation Scheme (FSCS) in the UK.