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

19 October 2017

### **Securitisation of £1.84bn of Optimum Mortgage Assets**

The Co-operative Bank p.l.c. (the "Bank") announces the completion of its third whole structure securitisation of part of its Optimum residential mortgages portfolio via Warwick Finance Residential Mortgages Number Three PLC ("Warwick Finance Three"). This de-leveraging activity formed part of the updated assumptions underlying the Bank's 2017–2021 strategic plan, announced on 26 June 2017.

The successful closure of this transaction means the Bank's residual Optimum exposure is £0.6bn as at 30 September 2017. Warwick Finance Three has issued rated RMBS and residual certificates backed by a portfolio of £1.84bn residential mortgages. The Bank has retained a vertical 5% of each Note tranche and residual certificate position upon settlement.

The Warwick Finance Three transaction's pro forma impact would have increased the Bank's 30 June 2017 CET1 ratio by approximately 1.6%, from 9.8% to 11.4%.

The Bank's 2017 outlook and longer term targets, published on 10 August 2017, remain unchanged.

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#### **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 small and medium sized enterprise 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. eligible customers are protected by the Financial Services Compensation Scheme in the UK, in accordance with its terms.