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Loans, mortgages & finance.

2016/17 Q1 Results
Investor Presentation
1 December 2016

Management Team Participants

Gary Beckett - Group CFO

- Gary is one of the longest serving colleagues at Together, joining the Group in 1994, Gary has overseen much of the organic growth of the Group undertaking a number of roles within the Finance, Operations and Risk and Compliance functions
- Appointed Group CFO in 2001 contributing to the strategic development of the Group, with specific responsibility for financial reporting, taxation, treasury and investor relations
- Gary created the group structure in 1996, led the original private equity buy in during 2006, and arranged the Groups inaugural RCF Syndication, Securitisation Programme and Senior Note issuance facilities
- In October 2016 Gary successfully led the refinancing of the Senior Notes and in November 2016 executed the PIK Toggle Notes issuance to acquire the Equistone interests
- Gary is a qualified Chartered Accountant

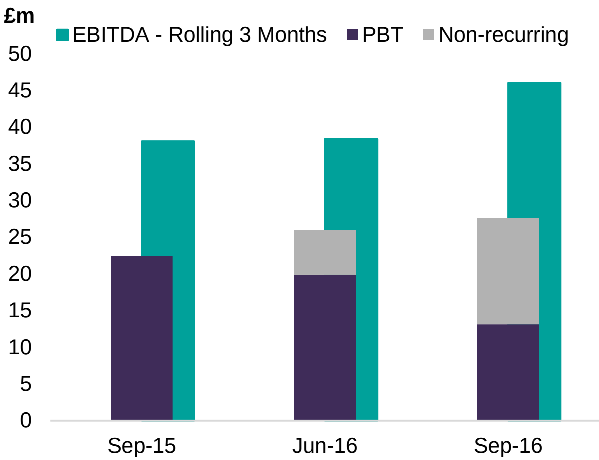
Matt Blake – Head of Treasury

- Matt joined Together in 2003 and has managed a number of roles within the Finance function
- Matt has played a lead role in executing the upsizing of the Charles Securitisation programme to £1bn in March 2016, the £255m Lakeside Asset Backed Securitisation programme in August 2015 and the additional £100m Senior Notes Issuance in April 2015
- More recently, Matt was instrumental in delivering the recent refinancing of the Senior Secured Notes and the PIK Toggle Notes Issuance
- Matt is a Chartered Management Accountant, holds Treasury qualifications and a BSC Hons in Finance and Accounting

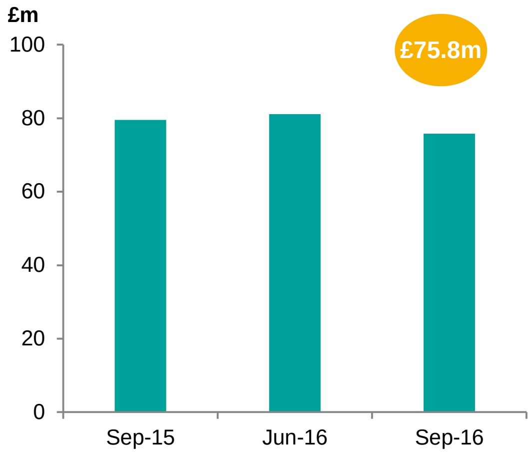
Agenda

Consistently Stronger Performance

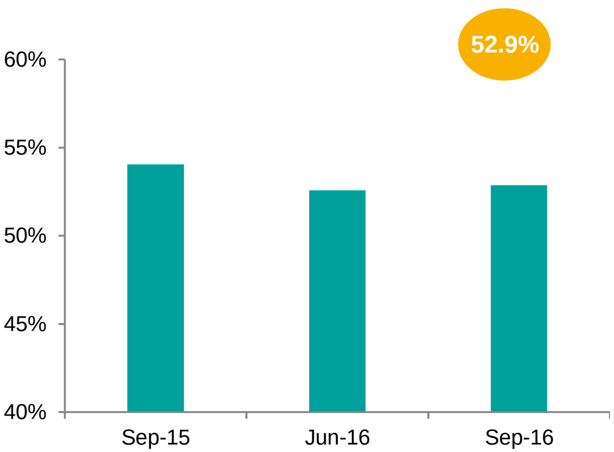
Strong growth in EBITDA,



Robust Lending Volumes



Low LTVs



- Strong quarterly growth in EBITDA of £46.1m (prior quarter £38.4m)
- PBT decreased to £13.1m in the quarter, primarily due to a non-recurring £14.5m increase in interest payable and similar charges, in relation to the early refinancing of the Senior Secured Notes, which has led to an accelerated release of debt issue costs and call premium net of the release of the debt issue premium. Financial measures elsewhere in this presentation are reported as adjusted for these non-recurring items
- Senior secured note issuance of £375m at a reduced coupon of 6.25% and a maturity of 2021
- Equistone exit completed post quarter end supported by the issuance of £220m Senior PIK Toggle Notes and £100m Vendor Notes
- Temporary reduction in new origination volumes during the quarter with average monthly originations of £75.8m (prior quarter £81.1m). Volumes have returned to growth in October at £101.5m
- Loans and Advances grew by £54.6m during the quarter and now stands at £1.86bn (up 21.9% on prior year) with the weighted average indexed LTV remaining stable at a prudent 52.9% (prior quarter 52.6%)

Shareholder Update

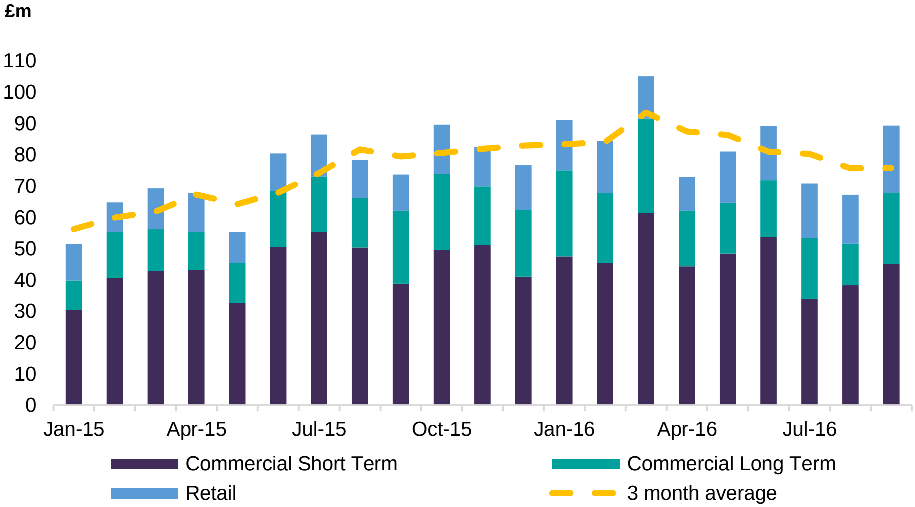
- Equistone Partners and Standard Life Investments (the “Funds”) have been supportive partners of Jerrold Holdings Limited since they made their minority investment in 2006.
- In line with the typical tenure and nature of such investments, the Funds exited their equity position on 2 November 2016. The transaction was financed by the Issuance of £220m Senior PIK Toggle Notes due 2021 from a new parent holding company of Jerrold Holdings Limited and £100m of Vendor Notes from a parent holding company of the PIK Issuer
- The existing £60m Subordinated Shareholder Loan Notes of Jerrold Holdings Limited have been partially repaid and £43m of such notes transferred through intragroup loans to a parent holding company of the issuer of the Vendor Notes
- Rating agencies have assigned corporate ratings of B+ (S&P) and BB- (Fitch) to Jerrold Holdings Limited, B+ (S&P) and BB- (Fitch) to the Senior Secured Notes and assigned a B (S&P) and B- (Fitch) rating to the PIK Toggle Notes

Agenda

Growth in Profits and Lending Volumes

	Sept-15	Jun-16[1]	Sept-16[2]
Income	50.0	55.6	59.4
Impairment Losses £m	3.2	4.2	2.1
EBITDA £m	38.1	38.4	46.1
Interest Costs £m	15.4	18.1	18.0
PBT £m	22.4	19.9	13.1
Adjusted PBT £m	22.4	26.0	27.6
Net Interest Margin[3]	9.1%	8.9%	8.9%
Cost / Income Ratio [4]	27.9%	28.7%	29.1%
	Sept-15	**Jun-16**	**Sept-16**
Cash Receipts £m	184.5	231.7	225.5
Originations £m	238.5	243.2	227.4
Origination LTV [5]	56.4%	58.0%	54.5%
Nominal Interest	11.2%	10.9%	10.7%

Monthly Loan Advances



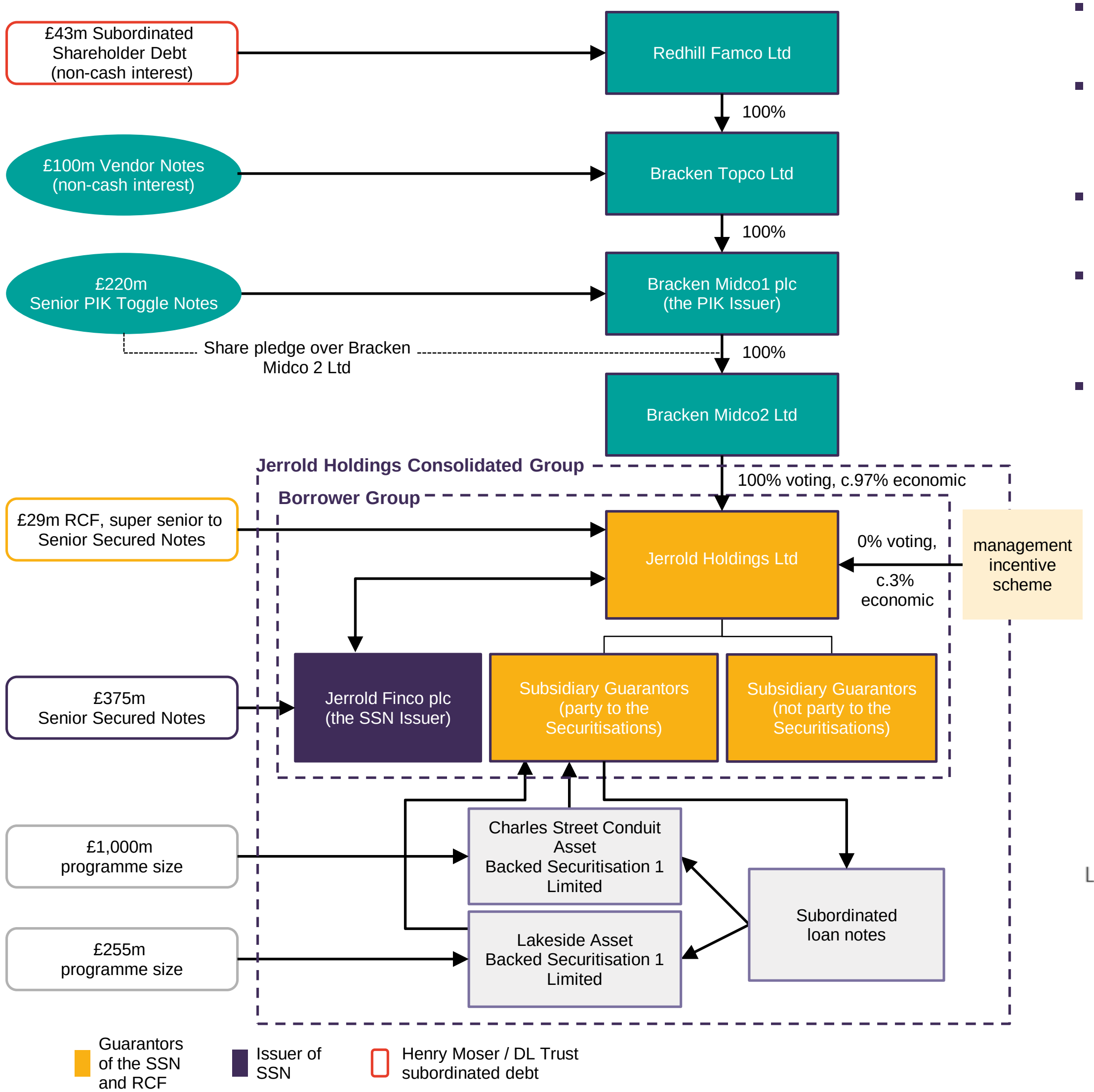
Small amount of development loan advances included in Commercial totals

- Income increased in the period reflective of the growth in the loan book
- Impairment charge of £2.1m represents just 0.1% of the loan book at September 2016
- Maintaining stable net interest margin and low cost base, resulting in adjusted PBT of £27.6m up 6.2% on prior quarter (June 2016) and 23.2% on comparable prior year quarter (September 2015)
- A temporary reduction in monthly origination volumes, following the referendum vote and the holiday period. Q1 monthly originations averaged £75.8m versus Q4 15/16 monthly average originations of £81.1m. Return to growth in October 2016 with originations of £101.5m
- Conservative approach to LTV has been maintained with quarterly originations at 54.5% down from 58.0% in the prior quarter
- Nominal rates have reduced slightly during the quarter to 10.7% (prior quarter 10.9%)

1 Adjustment for £6.1m non recurring year end charges
2 Adjusted for £14.5m of costs associated with the early refinancing of the £300m Senior Secured Notes
3 Calculated as LTM net interest income / average opening and closing loan assets
4 Operating expenses excluding impairment, financing costs, and tax / Net operating income
5 Excludes Further Advances

Corporate funding structure

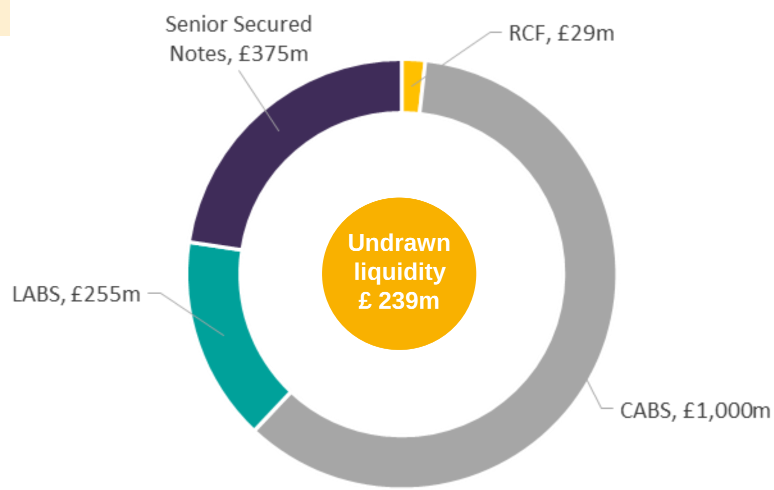
Group Legal & Finance Structure as at 25 November 2016



Liquidity and Funding

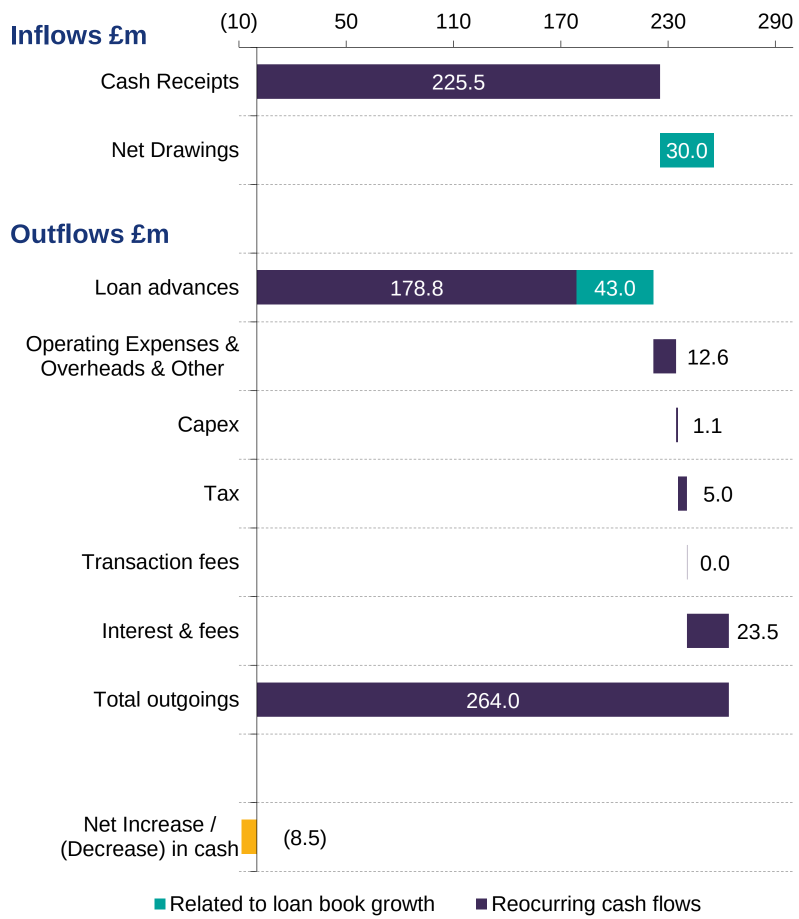
- Senior Notes programme refinanced and increased to £375m with a reduction in coupon form 9.75% to 6.25%
- Senior PIK Toggle Notes issuance of £220m, issued above Jerrold Holdings Limited, supporting the purchase of Equistone' and Standard Life' shares
- Diversified funding structure with average maturity of 4.1 years (as at 31 October 2016)
- The Group continues to explore further diversification of the funding platform with consideration being provided to RMBS, CMBS structures and private securitisations
- As at 25 November 2016, the Group has undrawn committed funding of £239m and circa unrestricted cash of £35m, available to fund new lending activity

Diversified Funding Base as at 25 November 2016



Highly Cash Generative

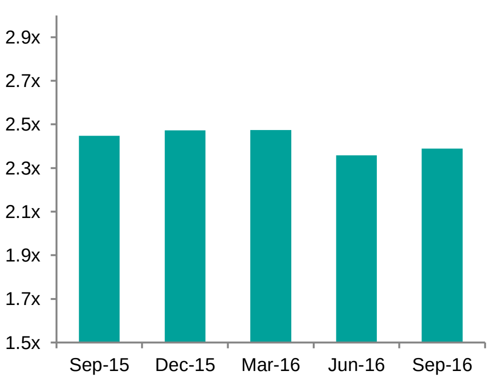
Quarterly Cash-flow



High Levels of Cash Generation

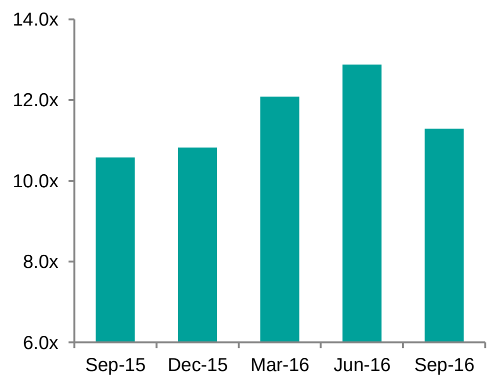
- Quarterly consolidated group cash receipts of £225.5m
- Net increase in outstanding debt of £30m in the period being additional drawings under the Charles Street securitisation programme
- New originations, excluding upfront fees, of £221.8m with £43.0m related to loan book growth (prior quarter £243.2m)
- Expenses including overheads, capex and tax has increased by £800k to £18.7m (prior quarter £17.9m)
- Quarterly cash interest of £23.5m up from £8.9m due to the half yearly Senior Secured Notes coupon payment
- Interest cover stable and above 2x and significantly higher on a cash basis

EBITDA / Interest Cover[1]



[1]Sept-16 Adjusted for £14.5m of costs associated with the early refinancing of the £300m Senior Secured Notes

Cash Interest Cover



Calculated on a 12 month basis using cash available for debt service (prior to new advances) and excluding upfront fees

Low Levels of Gearing and Strong Asset Backing

Key Credit Metrics	Consolidated Group			Borrower Group		
	Sept-15	Jun-16[8]	Sept-16[7]	Sept-15	Jun-16[8]	Sept-16[7]
Loan Ledger after impairment (£m)	1,521.5	1,800.7	1,855.3	598.9	606.4	615.7
Shareholder funds (£m) (1)	519.9	574.9	585.7	295.3	273.2	276.5
WA Indexed LTV (5)	54.1%	52.6%	52.9%	62.5%	58.4%	57.5%
Gearing (2)	65.3%	67.3%	67.5%	50.5%	54.3%	53.0%
Underlying Asset Cover (3)	35.3%	35.4%	35.7%	31.6%	31.6%	30.4%
EBITDA margin(4)	75.2%	74.0%	74.5%	n/a	n/a	n/a
Net Debt : EBITDA (1) (4)	7.30x	7.61x	7.49x	2.64x	2.54x	2.42x
Gross debt : Shareholder funds	1.96x	2.24x	2.25x	1.02x	1.20x	1.19x
ROE % (1) (4)	13.2%	13.6%	14.0%	14.5%	14.9%	15.8%
Interest Cover (4) (6)	2.76x	2.56x	2.46x	4.10x	4.02x	3.79x
Net Interest Margin (4)	9.1%	8.9%	8.9%	n/a	n/a	n/a

Notes

1 Subordinated shareholder loans treated as equity

2 Ratio of net borrowings to the value of the Consolidated Group loan ledger after impairment & Ratio of net senior secured borrowings to the value of the Borrower Group loan ledger after impairment

3 Ratio of net borrowings to the value of the Consolidated Group underlying security valuation & Ratio of net senior secured borrowings to the value of the Borrower Group underlying security valuation

4 Calculated on 12 month basis

5 Indexed LTVs are calculated after impairment provisions under IFRS

6 Excludes debt issuance costs

7 Adjusted for the £14.5m refinancing cost of the £300m Senior Secured Notes

8 Adjusted for £6.1m non recurring year end charges

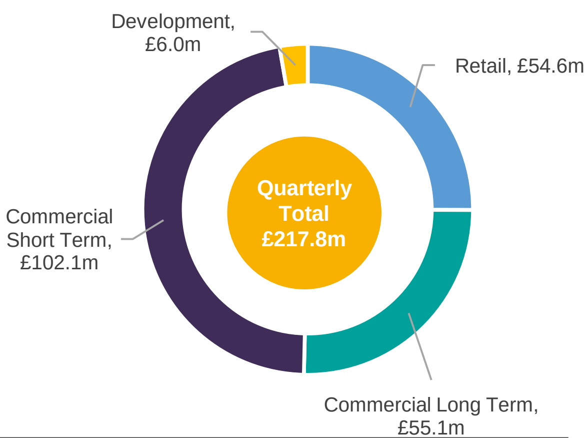
Low Levels of Financial Gearing

- Shareholder funds stand at £585.7m up £10.8m on the prior quarter
- Significant asset backing - low levels of financial gearing and high level of equity in underlying properties
- Low Gearing levels at 67.5% for the Group and 53.0% for the Borrower Group
- Prudent underlying asset cover at 35.7% for the Group and 30.4% for the Borrower Group
- Attractive profit margins, underlying EBITDA margin maintained above 70% and low cost base
- Net senior secured leverage of 7.5x for the Group and 2.4x for the Borrower Group

Agenda

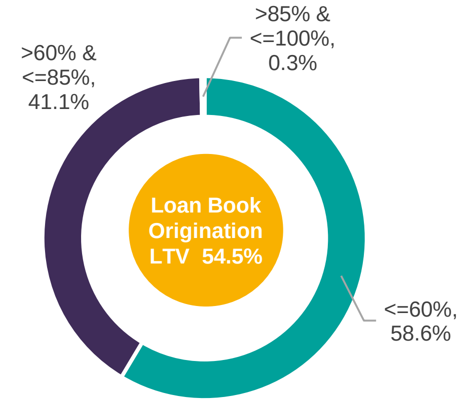
High Quality Underwriting Focused on Low LTVs and Residential Security

New Business Loan Purpose - Quarter



This total excludes £9.6m of further advances

Origination LTVs LTM



% Customers Not Credit Impaired

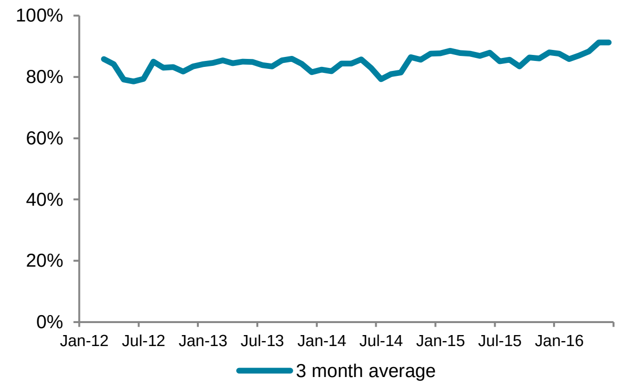
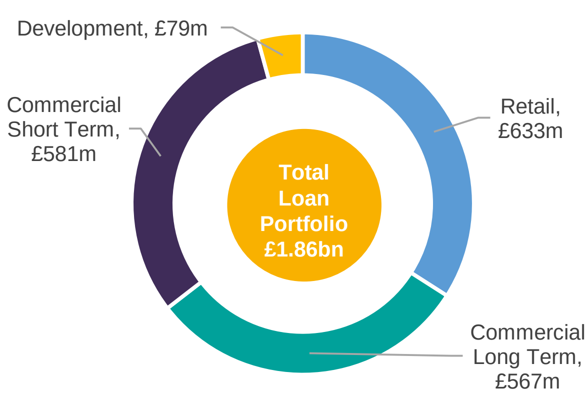
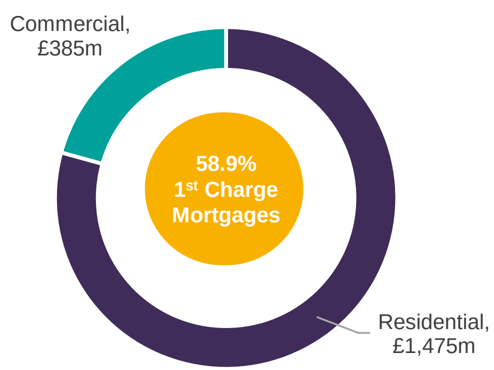


Chart shows non credit impaired customers as % of total new business written since Jan 2012 using FCA definition of credit impaired

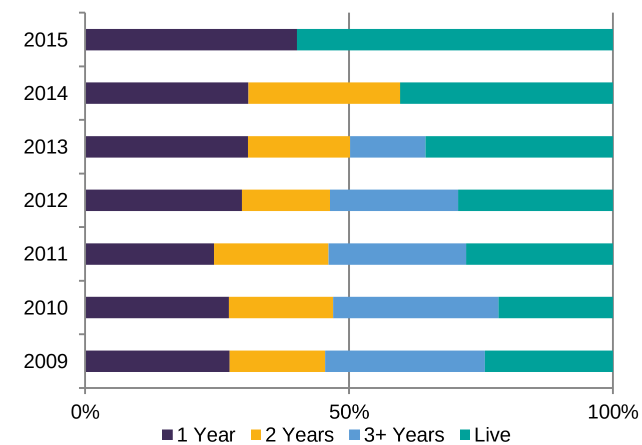
Loan Portfolio Breakdown by Loan Purpose



Loan Portfolio: 79% Residential Security



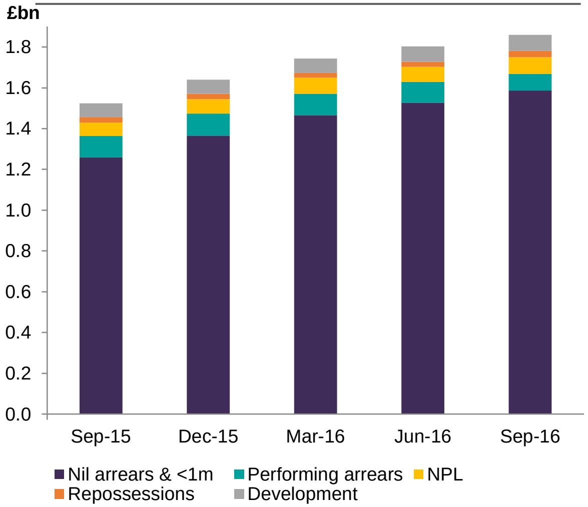
Redemption Rates (by loan vintage)



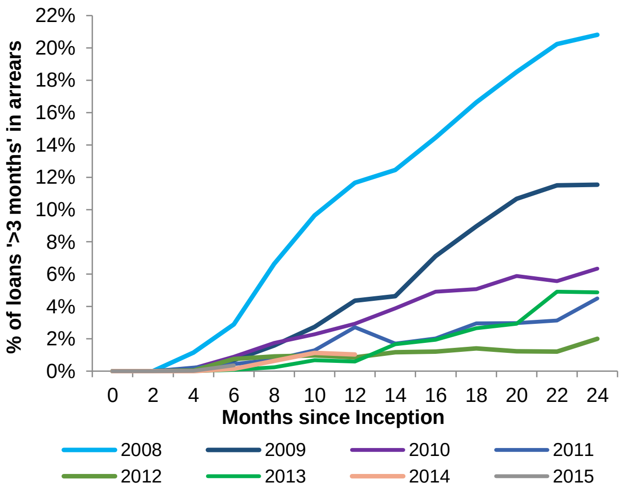
Redemption rates for loans written in 2015, show YTD redemptions as not all loans have been live for 12 months

Continued Improvement in Loan Book Quality

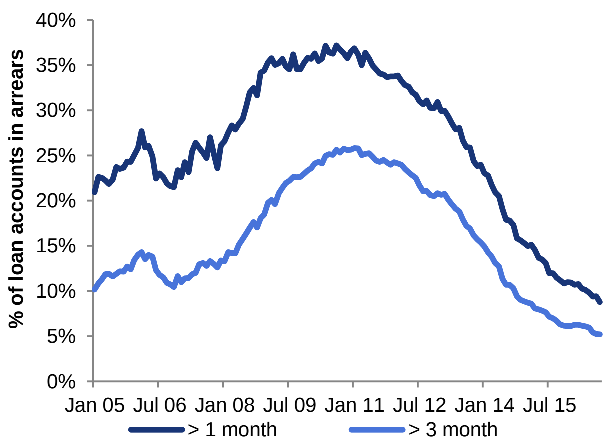
Loan Book Segmentation



>3m Arrears (by annual vintage)



Accounts in Arrears (by value)



- Arrears peaked in Q1 2009 as consequence of recession and rising unemployment
- Tightening of credit policy and enhancements to collection process have reduced vintage delinquency
- Group proactively engages with customers in arrears agreeing appropriate payment plans
- Accounts in arrears are now fewer in number and value than at any point previously
- Percentage of performing loans for the Consolidated Group increased from 78.9% in June 2013 to 90.3% in September 2016 and has been consistently at circa 90% for the last 12 months and the Borrower Group has increased from 57.6% to 72.4%over the same period
- Dedicated team established to actively reduce the old development portfolio (funded prior to 2010) by looking to dispose of properties while maximising value. Exposure to older development loans net of impairment provisions reduced from £90m in June 2012 to £36.8m at September 2016

Low LTV provides significant downside protection

Overall LTVs

- The WA indexed LTV of the total loan portfolio is 52.9% and 57.5% for the Borrower Group
- Percentage of loans in the Borrower Group with an origination LTV of > 75% is 6.8% reflecting the very conservative approach to loan origination

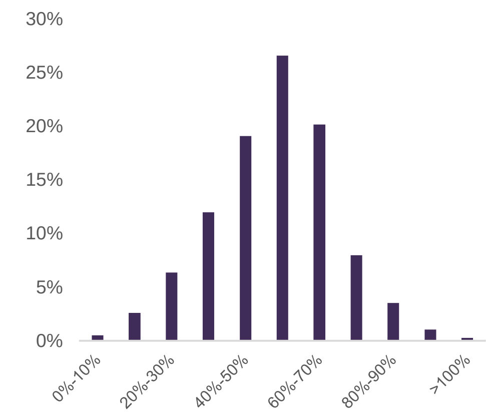
Loans in Negative Equity

- The Group had negative equity exposure of £22.6m and £22.5m for Borrower Group. This exposure is supported by £33.1m of provisions (£31.6m for Borrower Group)
- The Group's provisioning policy under IFRS requires the discounting of Indexed property values at the Effective Interest Rate (EIR) to achieve a present value based on an expected realisation period

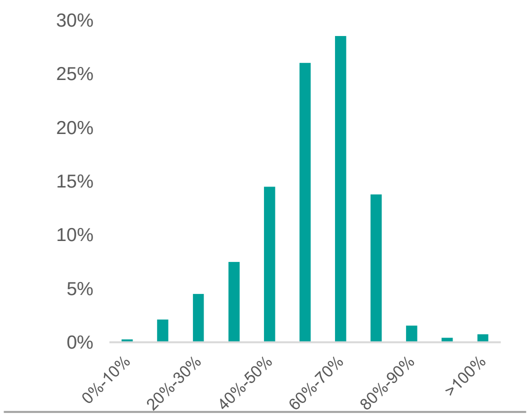
Downside Scenario Analysis

- We estimate that for the Group 10% and 20% falls in property values would result in additional exposure to negative equity of £7.4m and £19.7m respectively
- We estimate for the Borrower Group 10% and 20% falls in property values would result in additional exposure to negative equity of £7.2m and £18.7m respectively
- This does not include the excess impairment provisions held of £10.5m for the Group and £9.1m for the Borrower Group

Loan Book by Indexed LTV



Borrower Group Indexed LTV



Estimated Impact of Declining Security Valuations

Does not incorporate increased provision levels or defaulted loans under IFRS

Agenda

Planning for the Future

Continued significant investment in people, governance, products and distribution, information technology and operational infrastructure to support our strategic growth objectives

- Good progress has been made on operationalising the governance project with retail and commercial boards and risk and compliance committees now fully effective
- Continued build out of divisional management teams in progress
- Significant investment continues in enhancing our core IT platforms using our joint on-shore / off-shore development team to support our strategic growth plans
- Further significant IT releases include the implementation of a new Loan Origination System for both the retail and commercial divisions with full integration with our Microsoft Dynamics CRM system, along with a significant upgrade to the Application Programme Interface (API) within the broker portal to facilitate greater integration of the brokers' CRM systems
- A suite of product changes launched in retail including new fixed rate products, residential bridging and right to buy products
- Further development of distribution channels including appointments to Sesame (network mortgage advisors) lender panel and go live of RBS Capital Connections referral programme
- Launch of the "Together DNA" initiative to ensure promotion of our vision, mission and values
- Further investment and development of our customer and colleague insight programme

Agenda

Strategic Growth Objectives and Positive Outlook

Strategic Objectives

Deliver value to key stakeholders. Enhancing our position as a respected specialist secured lender. Operating in niche market segments. Offering a balanced and diversified loan product portfolio and service tailored to meeting our customers' needs. Earning a commensurate return "fair value exchange", prudently managing risk within an efficient, compliant and inspiring environment.

Key Considerations

- Focus – on underserved segments of the secured mortgage market
- Diversification - loan book composition to remain diversified with potential to add new products and leverage existing service platform
- Investment – continuing investment in people, technology, products, distribution and governance
- Risk management - continued attention to affordability assessments, repayment strategies and low LTV's
- Resource - retained earnings and extended debt facilities with potential to further upsize provide financial capability to support growth plans
- Strong Platform – £1.86bn loan book at 52.9% weighted average indexed LTV and 8.9% net interest margin provide a high degree of visibility on future base case earnings and cash-flow
- Outlook – positive growth. Whilst uncertainties over Brexit could slow economic growth, we are financially and operationally well positioned to take advantage of the anticipated greater opportunities expected in the specialist finance sector
- Experience – proven business model with 42 years of successful trading through economic cycles

Agenda

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Questions and Answers Session

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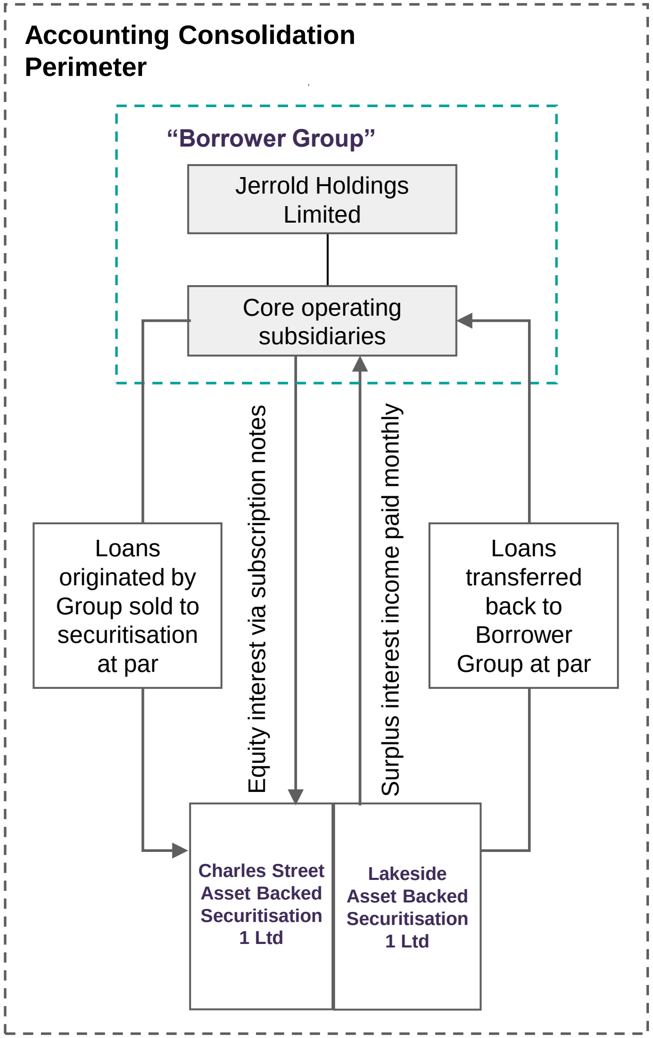
Overview of securitisation structure

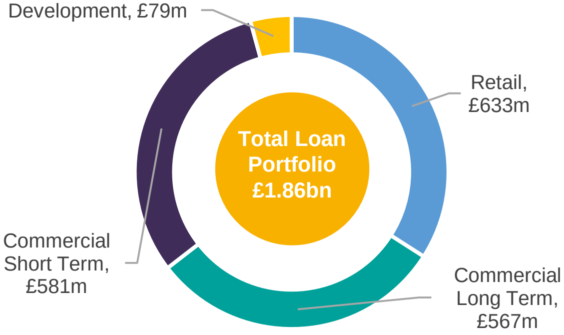
Issuer	Charles Street Asset Backed Securitisation	Lakeside Asset Backed Securitisation
Note purchasers	▪ Barclays, HSBC, Lloyds, Natixis and HSBC	▪ Lloyds, Natixis and HSBC
Facility size	▪ £1,000m facility size ▪ £790m issued	▪ £255m facility size ▪ £200m issued
Maturity	▪ Revolving period January 2020 ▪ Full repayment January 2021	▪ Full repayment August 2018
Rating	▪ Rated Aa2 (sf) by Moody's and AA (sf) by and DBRS	▪ Not rated
Structure	▪ Loan pool collateral £1,000.2m ▪ Jerrold subordinated loan notes ▪ Net advance rate 76%	▪ Loan pool collateral £243.5m ▪ Jerrold subordinated loan notes ▪ Net advance rate 74%
Facility purpose	▪ Flexible facility to fund all asset types ▪ Concentration limits on % of short term commercial purpose loans	▪ Primarily to fund new short term commercial purpose loans and loans secured on commercial property
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 and loss rate	▪ Delinquency rate (arrears > 1m) 3.1% ▪ LTM £31.3m of loans were repurchased	▪ Delinquency rate (arrears > 1m) 0.3% ▪ LTM £6.8m of loans were repurchased

Securitisation Interaction with Jerrold Group

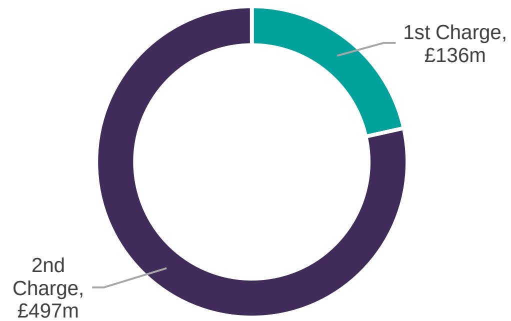


Diversified loan book – consolidated group

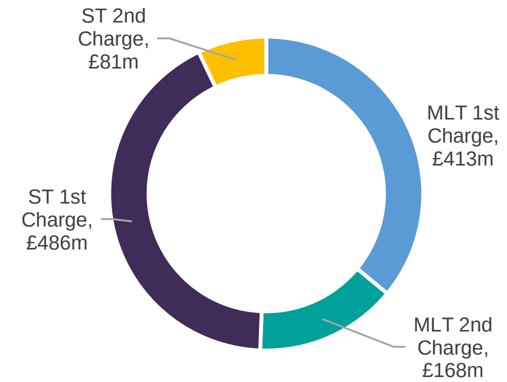
Loan Book Breakdown by Loan Purpose



Retail Loan Book Breakdown



Commercial Loan Book Breakdown



79% secured on residential property

Total Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
Retail	31.6	10.0%	49.2%
Commercial	133.0	11.6%	53.3%
Development	422.5	12.6%	75.8%
Total	64.5	11.1%	52.9%

100% secured on residential property

Retail Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
1st Charge	58.1	8.8%	43.6%
2nd Charge	28.1	10.3%	50.7%

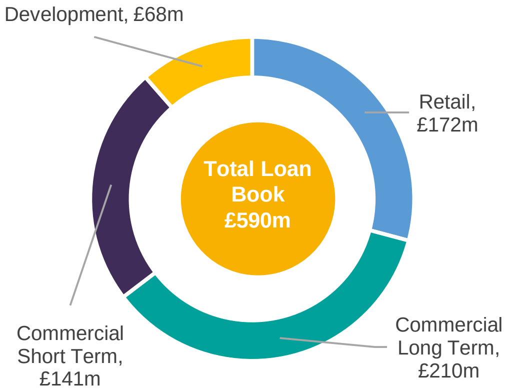
70% secured on residential property

Commercial Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
ST 1st Charge	273.5	13.5%	56.4%
ST 2nd Charge	204.6	14.1%	54.1%
MLT 1st Charge	107.4	9.8%	49.6%
MLT 2nd Charge	64.3	9.5%	53.2%

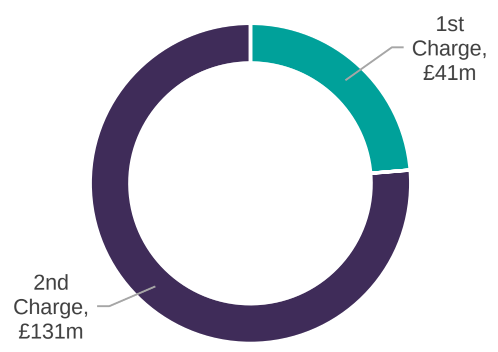
Note:
ST = Short term.
MLT = Medium + Long term.

Diversified Loan Book – Borrower Group

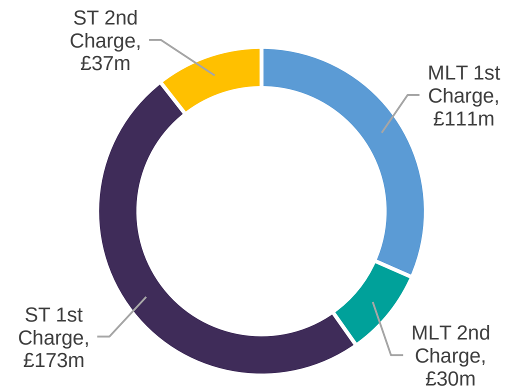
Loan Book Breakdown by Loan Purpose



Retail Loan Book Breakdown



Commercial Loan Book Breakdown



69% secured on residential property

Total Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
Retail	26.6	10.6%	52.2%
Commercial	179.7	11.9%	56.1%
Development	405.2	12.4%	78.0%
Total	68.8	11.6%	57.5%

100% secured on residential property

Retail Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
1st Charge	62.8	8.8%	47.1%
2nd Charge	22.6	11.1%	53.8%

54% secured on residential property

Commercial Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
ST 1st Charge	445.9	13.1%	57.8%
ST 2nd Charge	182.7	14.1%	54.3%
MLT 1st Charge	131.1	9.7%	54.7%
MLT 2nd Charge	58.7	10.1%	54.0%

Note:

ST = Short term.

MLT = Medium + Long term.