together. Common sense lending

600+
employees

43
years of experience

30,000+
customers

Investor Presentation
Q1 2018 Results

16th November 2017

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 and treasury
- Gary created the group structure in 1996, led the original private equity buy in during 2006 and buy out in 2016, and arranged the Groups inaugural RCF Syndication, Securitisation Programme, RMBS 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

Mike Davies – Director of Corporate Affairs

- Mike joined Together in 2017 to lead the Group's Investor Relations Programme
- He was previously Managing Partner of the Financial Institutions Group at international communications consultancy, Instinctif Partners, where his experience included floating and advising Shawbrook Group, Arrow Global and Hastings Group
- Earlier in his career, Mike led Investor Relations at 3i Group, The Rank Group and Invensys, during the group's £2.7bn equity, debt and bond refinancing in 2004
- Mike is a former investment banker and a qualified Chartered Accountant

Agenda

1. **Key Highlights**
2. Financial Review
3. Loan Book Analysis
4. Operating Review
5. Summary and Outlook
6. Q & A
7. Appendix

Key highlights for the period

Underlying EBITDA	Underlying PBT	Originations	Loan Book
+ 14.7%	+ 12.2%	+ 65.4%	+ 27.7%
£52.8m (Q1 '17: £46.1m)	**£31.0m** (Q1 '17 : £27.6)	**£376m** (Q1 '17 : £227m)	**£2.4bn** (Q1 '17 : £1.9bn)

Continued growth in underlying EBITDA and PBT

- Underlying EBITDA up 2.2% compared with Q4'17 and up 14.7% compared with Q1'17
- Underlying PBT increased by 2.9% compared with Q4'17 and up 12.2% compared with Q1'17

Strong lending volumes at conservative LTVs drive further loan book growth

- Ave. monthly lending £125.4m, up 15.8% on Q4'17: (£108.3m) and up 65.4% on Q1'17 (£75.8m)
  - WA OLTV 57.8% (Q4'17: 58.7%; Q1'17: 55.1%)
- Loan book £2.37bn, up 5.7% compared with Q4'17 (£2.24bn) and up 27.7% compared with Q1'17 (£1.86bn)
- Net Interest Margin(1) maintained at 8.5% (Q4'17: 8.5%)
- Net impairment charge £1.6m, compared with £0.4m in Q4'17 and £2.1m Q1'17

Diversification and significant additional liquidity to support lending

- £275m debut public RMBS transaction, compromising 1st lien & 2nd lien retail & BTL loans

Accelerated strategic investment to build platform to support future growth ambitions

- Investment in people, systems, distribution and marketing

(1) Rolling 12 month

Agenda

1 Key Highlights

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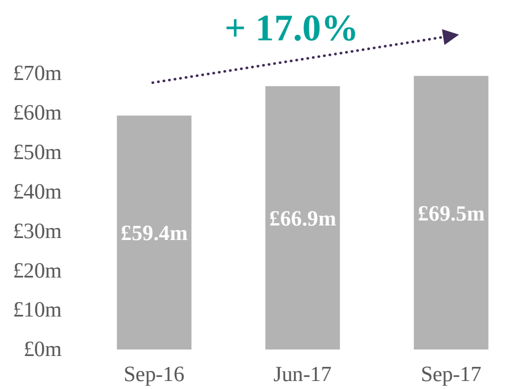
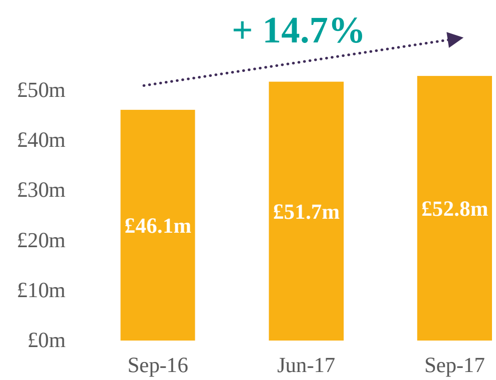
7 Appendix

Continued growth in underlying EBITDA & PBT

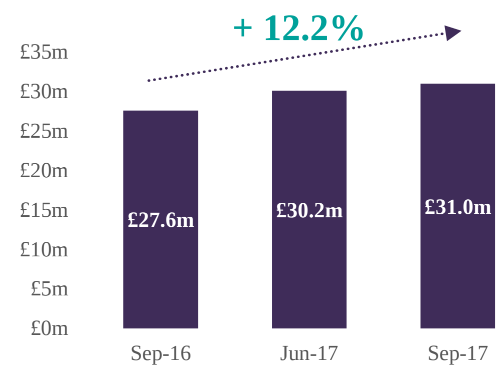
Income[4] £m



Underlying EBITDA £m



Underlying PBT £m



	Sep-16	Jun-17	Sep-17
Income[4] £m	59.4	66.9	69.5
Impairment Charge £m	2.1	0.4	1.6
EBITDA £m	46.1	51.7	52.8
Underlying EBITDA £m	46.1	51.7	52.8
Interest Payable £m[1]	18.0	20.7	21.1
PBT £m	13.1	30.4	31.0
Underlying PBT £m	27.6	30.2	31.0
Net Interest Margin[1][2]	8.9%	8.5%	8.5%
Cost / Income Ratio[1][3][5]	29.1%	28.7%	29.8%

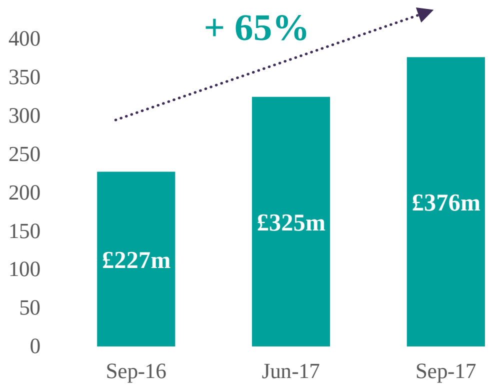
Income & Expenditure

- Income increased in the period by £2.6m to £69.5m (Q4'17: £66.9m) reflecting growth in the loan book
- Impairment charge of £1.6m represents just 0.07% of the loan book
- LTM NIM remained at 8.5% at September '17, we expect there to be some compression over the coming year
- LTM Cost / income ratio increased by 1.1% to 29.8% as costs increase as Together invests in its infrastructure over the coming year. Remains comparably low.

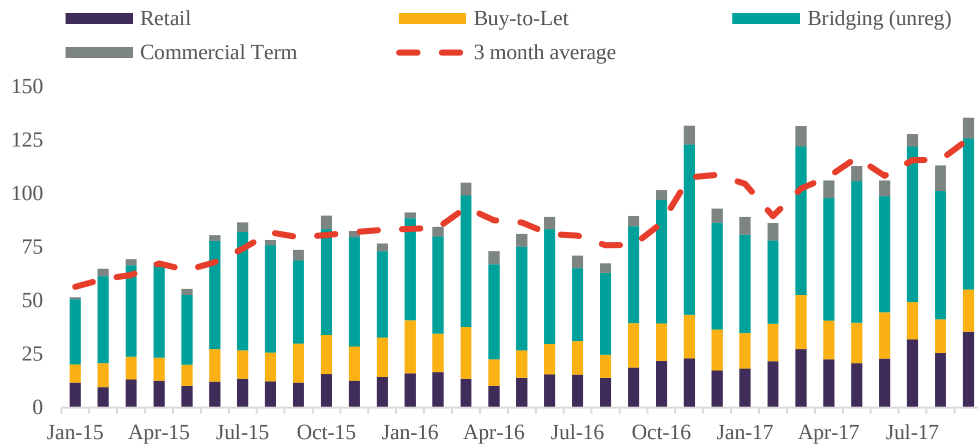
(1) Sep-16 adjusted for £14.5m of exceptional costs relating to the refinancing of the senior secured notes
(2) Calculated as LTM net interest income / average opening and closing loan assets
(3) Operating expenses excluding impairment, financing costs, and tax / Net operating income
(4) Includes Other Income and Fees & Commission receivable
(5) Based on rolling 12 months

Strong lending volumes at conservative LTV's

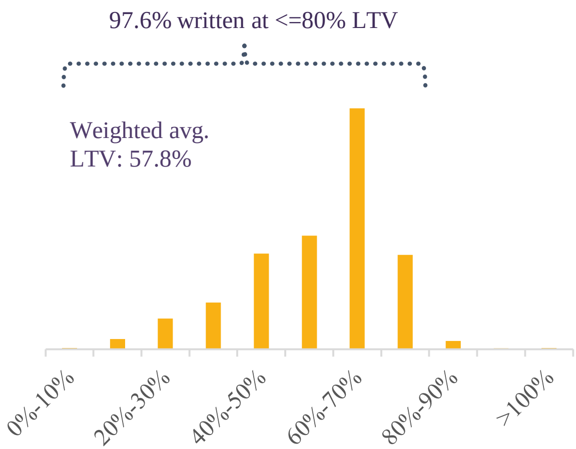
Quarterly Originations £m



Monthly Advances £m



Sep 2017 Origination LTV Bandings - Quarterly

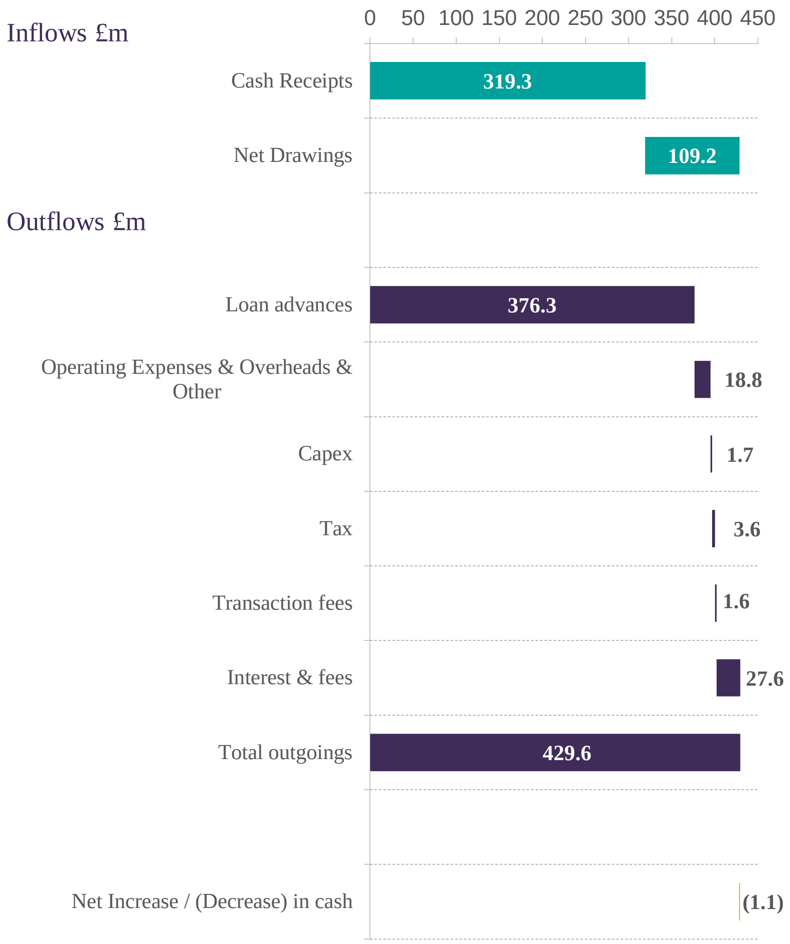


Lending Volumes

- New originations volumes remain strong with an increase of 15.8% to £376m on the prior quarter and 65.4% on the same quarter last year.
- Nominal rates reduced slightly during the quarter to 9.6% (prior quarter: 9.9%), mainly due to a change in mix towards Retail and Buy-to-Let business along with some rate compression as we expand our product set
- Weighted average LTV's have reduced by 0.9% to 57.8% over the quarter (prior quarter: 58.7%)

High levels of cash generation

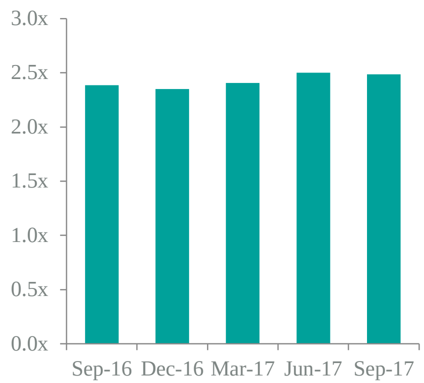
Quarterly Cash Flows



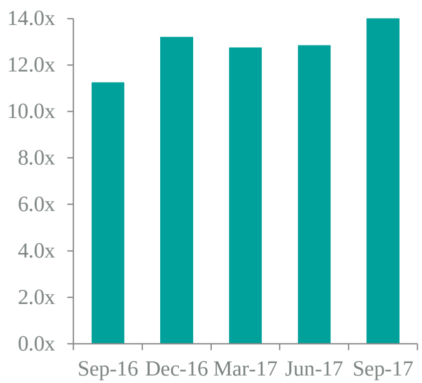
Cash Flows

- Consolidated group cash receipts £319.3m, up 13% on prior quarter reflecting increased loan book growth. (Prior quarter: £282.7m)
- Net increase in outstanding debt of £109.2m (prior quarter £109.7m)
- New advances of £376m (Prior quarter: £325m)
- Expenses including overheads, capex, tax and transaction fees totalled £25.7m in the quarter compared to £23.6m last quarter.
- Cash interest increased by £18.4m to £27.6m of which £17.8m related to both OpCo high yield issuances bi-yearly coupons.
- Interest cover at c2.5x and significantly higher on a cash basis

EBITDA / Interest Cover



Cash Interest Cover[1]



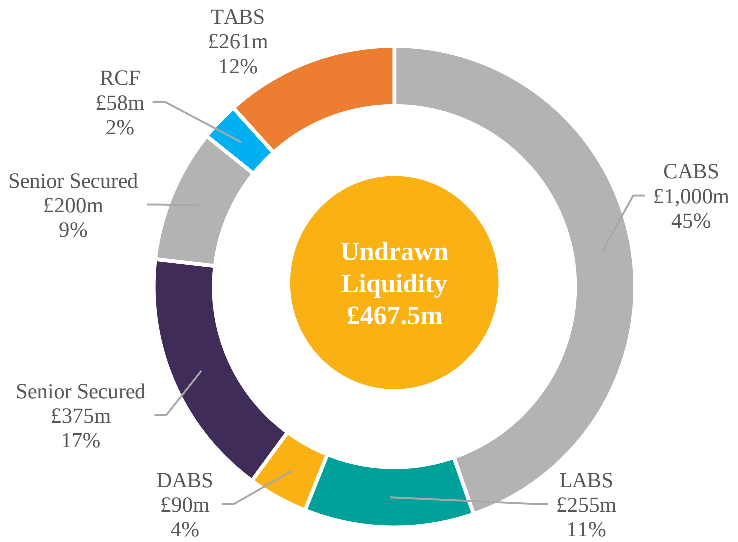
(1) Calculated on a 12 month basis using cash available for debt service (prior to new advances) and excluding upfront fees

Significant additional liquidity to support growth ambitions

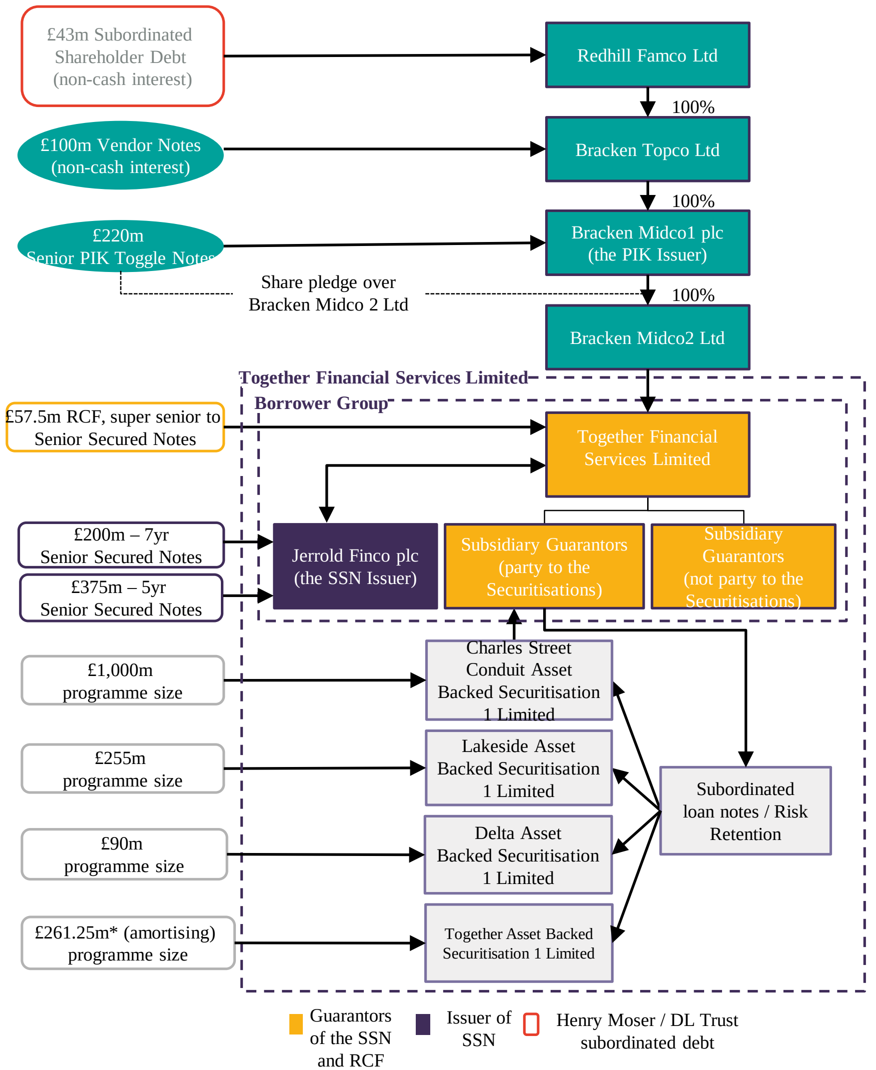
Liquidity & Funding

- Successful £275m inaugural RMBS issuance with advance rate of 93% and coupon of 1.19% + 3mL
- Diversified funding structure with average maturity of 3.7 years (at September 30, 2017)
- High level of liquidity: £467.5m total undrawn committed funding and £48.8m unrestricted cash (at September 30, 2017) and £267.6m free cash flow generated after paying expenses and interest for the quarter

Diversified Funding Base as at September 30, 2017



Group Legal & Finance Structure as September 30, 2017



 *RMBS: Rated and issued notes

Low levels of gearing & strong asset backing

together. Common sense lending

	Consolidated Group			Borrower Group		
	Sep-16	Jun-17	Sep-17	Sep-16	Jun-17	Sep-17
Loan Ledger after impairment (£m)	1,855.3	2,240.9	2,369.4	615.7	877.4	924.1
Shareholder funds (£m) (1)	585.8	651.6	678.7	276.5	315.2	384.1
WA Indexed LTV (5)	52.9%	53.4%	54.4%	57.5%	57.1%	59.1%
Gearing (2)	67.5%	70.5%	71.3%	53.0%	63.6%	60.5%
Underlying Asset Cover (3)	35.7%	37.6%	38.8%	30.4%	36.3%	35.7%
EBITDA margin (4) (8)	74.5%	77.1%	76.6%	n/a	n/a	n/a
Net Debt : EBITDA (1) (4) (7)	7.48x	8.17x	8.45x	2.42x	3.72x	3.60x
Gross debt : Shareholder funds	2.25x	2.56x	2.61x	1.19x	1.82x	1.50x
ROE % (1) (4) (9)(10)	13.7%	15.8%	16.2%	15.8%	19.9%	18.8%
Interest Cover (4) (6)	2.39x	2.50x	2.49x	4.17x	5.06x	5.28x
Net Interest Margin (4)(10)	8.9%	8.5%	8.5%	n/a	n/a	n/a

Low levels of financial gearing

- Significant asset backing - low levels of financial gearing and high level of equity in underlying properties
- Low Gearing levels at 71.3% for the Group and 60.5% for the Borrower Group
- Prudent underlying asset cover at 38.8% for the Group and 35.7% for the Borrower Group
- Attractive profit margins, underlying EBITDA margin above 75% and low cost base
- Net senior secured leverage of 8.45x for the Group and 3.60x for the Borrower Group

Notes

1 Subordinated shareholder notes 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 IFRS impairment provisions

6 Excludes debt issuance costs

7 Reflects the £200m issuance on a non pro-forma basis

8 Adjusted for £8.2m of exceptional costs on completion of the acquisition of the minority interest shares

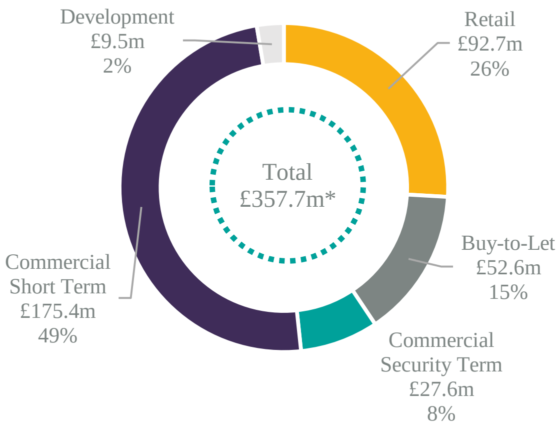
9 PAT adjusted to add back associated interest to shareholder intercompany loans

10 Quarter ended Sept 17 adjusted for £0.3m & quarter ended September 16 adjusted for £14.5m costs relating to the refinancing of the secured notes.

Agenda

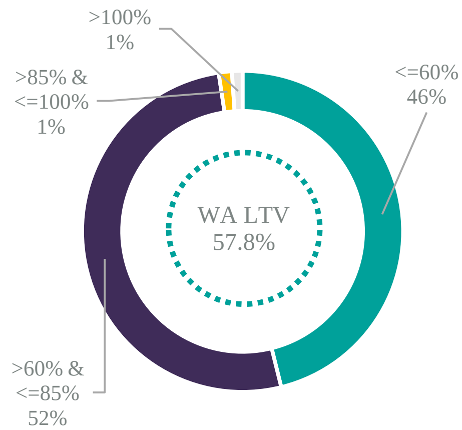
High quality underwriting focused on low LTV's & residential security

New Business Loan Purpose Quarter

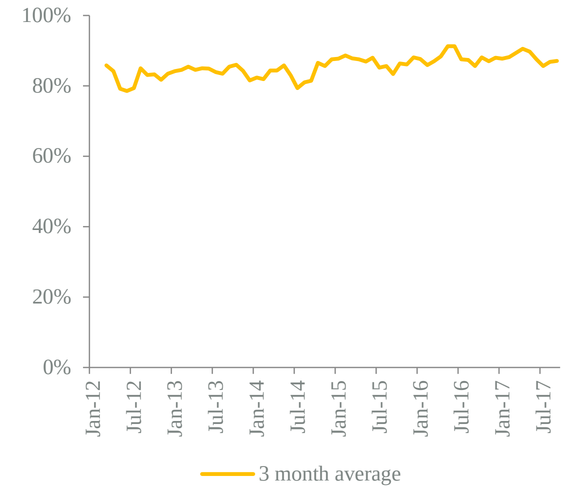


*Excludes £18.5m of further advances

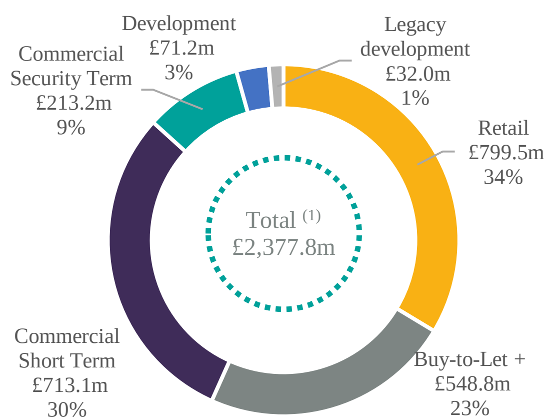
Origination LTV's Quarter



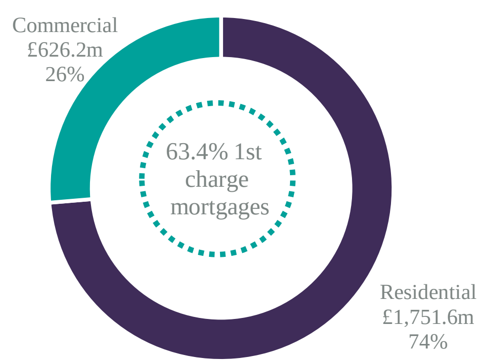
% Non Credit Impaired Customers



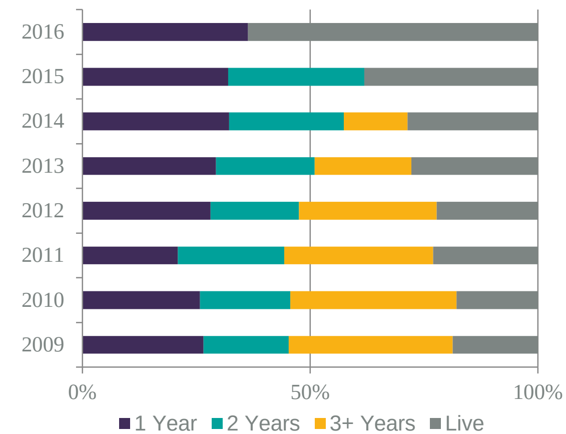
Loan Portfolio Breakdown by Loan Purpose



Loans Portfolio: 74% Residential Security



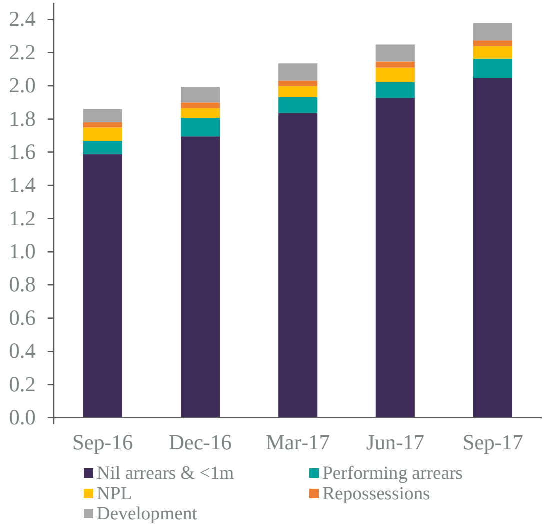
Redemption Rates (by Loan vintage)



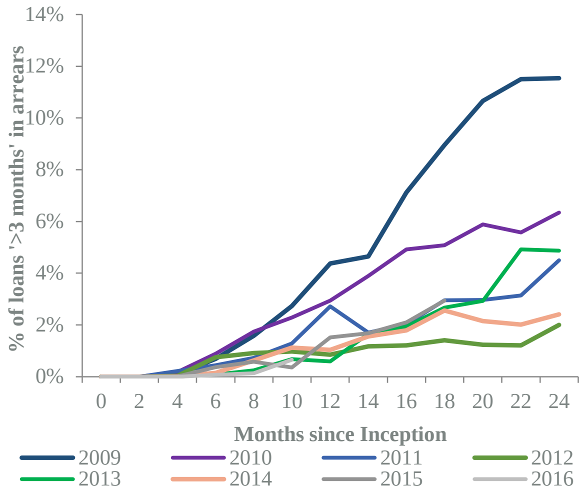
(1) Loan book analysis for core operating subsidiaries is presented after allowances for impairments and before certain accounting adjustments required to comply with the income recognition requirements of IFRS

Continued improvement in loan book quality

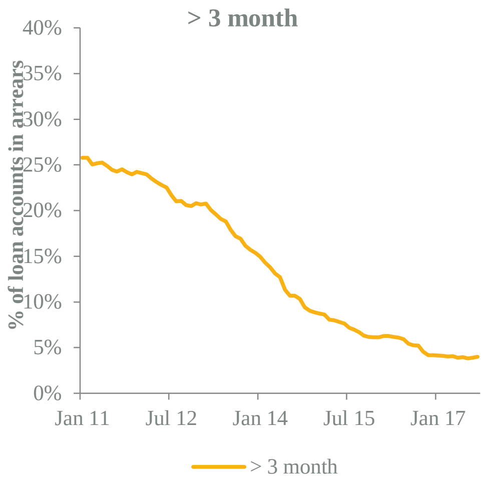
Loan Book Segmentation



> 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
- Between June 2013 and September 2017, percentage of performing loans increased from 78.9% to 96.5% for Consolidated Group (excluding development loans) and from 57.6% to 91.0% for Borrower Group (excluding development loans)
- Development loan book, reported net of impairment provisions, was £103m (June 2017: £102m) given a number of new loans written at conservative LTV's representing good lending opportunities. Overall we can show a healthy reduction to £32.0m of legacy loans written pre 2010, down from £90m in June 2013

Low LTV provides significant downside protection

LTV's Remain Conservative at 54.4%

- WA indexed LTV of total loan portfolio 54.4%; Borrower Group: 59.1%
- Percentage of loans in Borrower Group with origination LTV of > 75% is 10.5% reflecting very conservative approach to loan origination

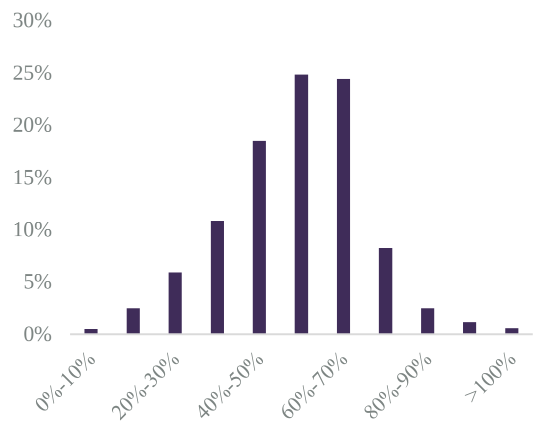
Loans in Negative Equity

- Group had negative equity exposure of £22.8m, supported by £26.3m of provisions
- Group's provisioning policy under IFRS requires discounting of Indexed property values at the Effective Interest Rate (EIR) to achieve a present value based on an expected realisation period

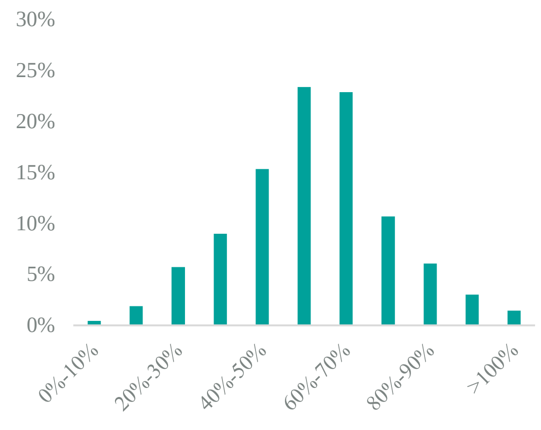
Downside Scenario Analysis

- Additional Group exposure to negative equity from 10% and 20% falls in property values estimated to be £7.2m and £20.0m respectively
- Additional Borrower Group exposure to negative equity from 10% and 20% falls in property values estimated to be £7.1m and respectively £19.3m

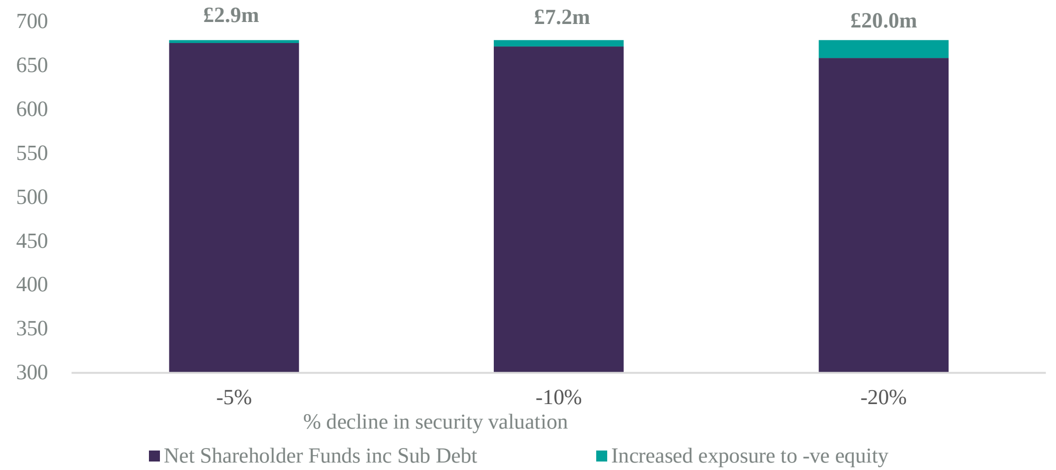
Loan Booked by Indexed LTV



Borrower Group Indexed LTV



Estimated Impact of Declining Security Valuations



Agenda

The 43 year Together story…

We have been bringing common sense to the UK specialist secured lending market for over 40 years, looking beyond mainstream lending criteria to find the best solution for our customers

Strategy	Focusing on profitable underserved market segments	Increasing lending volumes and growing loan book	Generating increased returns while maintaining prudent risk profile

43 year profitable, through the cycle track record

Unique, proven and scalable business model driving **industry leading margins** and cash flow

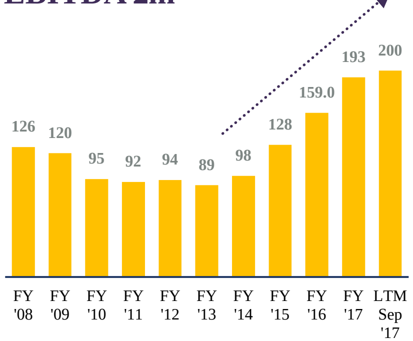
High quality, diversified and growing asset base

Established, strong and conservative funding structure

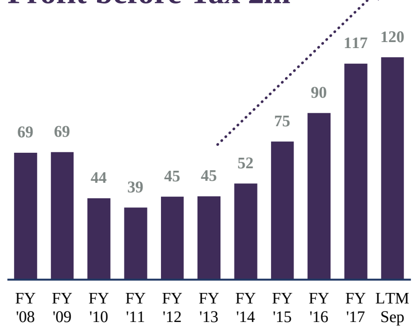
Dynamic and **proven management team**

Modern inhouse operating platform created from the ground up

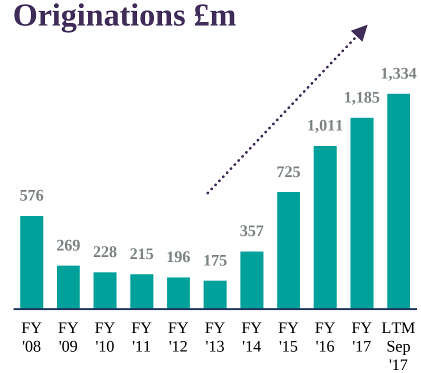
EBITDA £m [1]



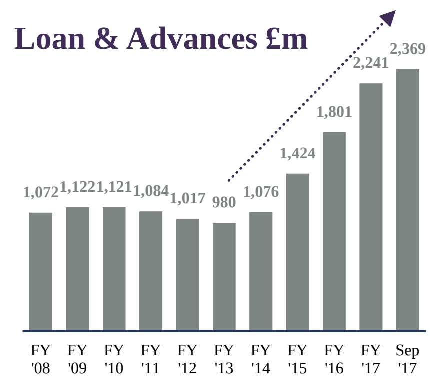
Profit before Tax £m [1]



Originations £m



Loan & Advances £m



(1) Underlying PBT & EBITDA

Building the platform to support our growth ambitions

Accelerated strategic investment programme

People

Investing to ensure we have the right people in the right place at the right time

- Group Intermediary Relationship Director appointed to oversee broker and introducer relationships
- Appointment of permanent Marketing Director (started in November)
- Expanded Compliance, Advisory and Monitoring teams to embed new compliance structures into operations

Sales, Marketing & Distribution

Extending our distribution capabilities, enhancing our brand and improving our digital presence

- Extended distribution into retail broker networks and mortgage clubs across the UK
- Launched additional functionality to further enhance broker portal
- Sponsorship of Sale Sharks

Technology, Systems and Innovation

Enhancing the speed, capacity, resilience, flexibility and security of our platform

- New Commercial Finance CRM system for collections automating workflow and enhancing customer contact strategies
- Replaced all infrastructure servers leading to significant increase in capacity to support future growth
- Introducing new machine learning cyber security tool
- Conducted first Innovation Hackathon resulting in six innovation streams – two already introduced
  - Digital customer sentiment analysis, utilising multiple sources of data and channels to turn weeks of analysis into minutes
  - Predictive analytics, including ‘*what if*’ analysis
- Running prototypes for application of FinTech solutions

Agenda

Summary & outlook

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Another quarter of strong growth

- Significantly increased lending volumes at conservative LTVs
- Continued growth in underlying EBITDA and PBT

Further diversification of funding to support lending

- £275m debut public RMBS transaction, compromising retail 1st lien & 2nd lien retail & BTL reducing our cost of funding

Accelerated strategic investment programme

- Investment in people, systems, distribution and marketing to build the platform required to support our future growth ambitions

Outlook

- Detailed Brexit negotiations may increase market volatility and the UK economic outlook remains mixed
- This may create further opportunities for specialist lenders
- Together is well placed to benefit from these conditions and to deliver on our ambitious growth plans

Agenda

Questions & answer session

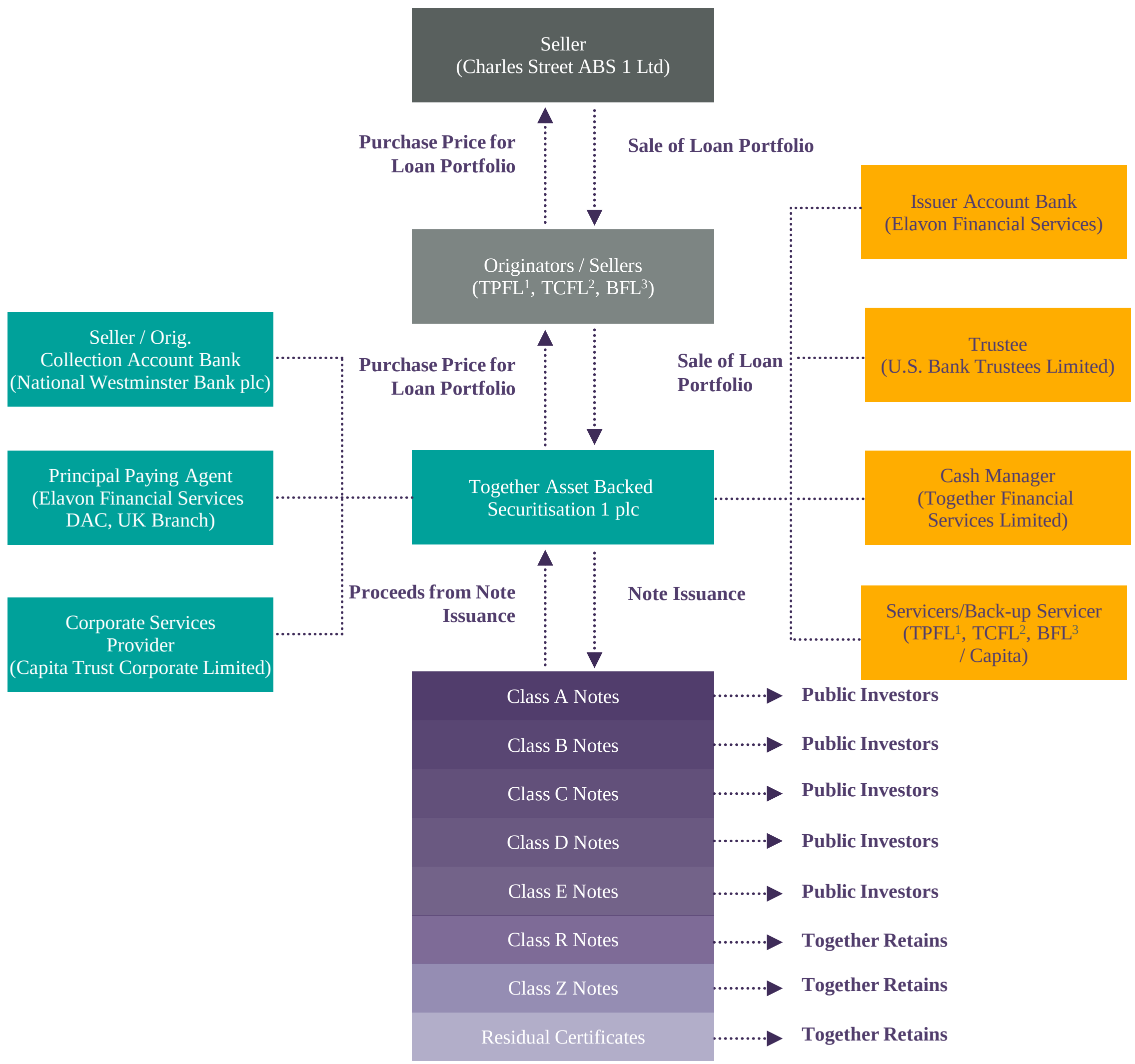
Agenda

Overview of securitisation structure

Issuer	Charles Street Asset Backed Securitisation	Lakeside Asset Backed Securitisation	Delta Asset Backed Securitisation
Note purchasers	• RBS, Barclays, Lloyds, Natixis and HSBC	• Lloyds, Natixis and HSBC	• Goldman Sachs Private Capital
Facility size	• £1,000m facility size • £720m issued	• £255m facility size • £145m issued	• £90m facility • £70m issued
Maturity	• Revolving period January 2020 • Full repayment January 2021	• Full repayment August 2018	• Revolving period January 2020 • Full repayment January 2021
Rating	• Rated Aa2 (sf) by Moody's and AA (sf) by and DBRS	• Not rated	• Not rated
Structure	• Loan pool collateral £897.1m • Together Financial Services subordinated loan notes	• Loan pool collateral £192.2m • Together Financial Services subordinated loan notes	• Loan pool collateral £82.7m • Together Financial Services subordinated loan notes
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	• 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(1) and loss rate	• Delinquency rate (arrears >1m) 4.43% • Rolling 3 month average default rate 0.28% • LTM £36.3m of loans were repurchased	• Delinquency rate (arrears >1m) 1.80% • Rolling 3 month average default rate 0.72% • LTM £11.2m of loans were repurchased	• Delinquency rate (arrears >1m) 5.5% • Rolling 6 month average default rate 0.5% • LTM £1.2m of loans were repurchased

Note: Data as at 30th September 2017
(1) Delinquency rate includes the technical arrears

Overview of Inaugural RMBS (1/2)



[1] Together Personal Finance Limited
[2] Together Commercial Finance Limited
[3] Blemain Finance Limited

Overview of Inaugural RMBS (2/2)

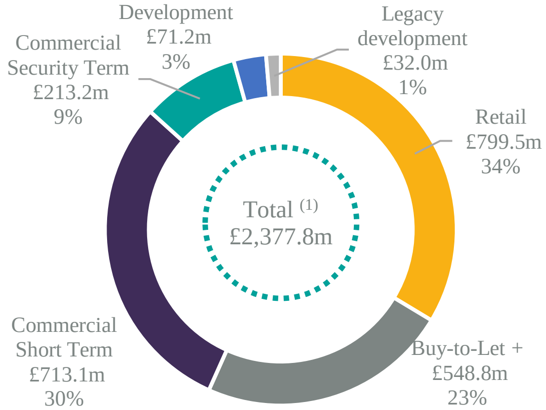
Notes	Currency	Principal (£)	Principal (%)	Credit Enhancement[1]	Index	Margin (Pre Step-up)	Step-Up Margin	WAL[2]	Ratings (Moody's/DBRS)	Status
Class A	GBP	£222,750,000	81.0%	19.0%	3m£L	1.0%	2.0x	2.52	Aaa(sf) / AAA(sf)	Offered
Class B	GBP	£11,000,000	4.0%	15.0%	3m£L	1.5%	+100bps	3.96	Aa2(sf) / AA(sf)	Offered
Class C	GBP	£11,000,000	4.0%	11.0%	3m£L	2.0%	+100bps	3.96	A2(sf) / A(hi)(sf)	Offered
Class D	GBP	£11,000,000	4.0%	7.0%	3m£L	2.4%	+100bps	3.96	Baa3(sf) / BBB(sf)	Offered
Class E	GBP	£5,500,000	2.0%	5.0%	3m£L	4.0%	+125bps	3.96	B2(sf) / BB(hi)(sf)	Offered
Class R	GBP	£5,225,000	2.0%	N/a	0%	0%	0%	N/a	NR / NR	Retained
Class Z	GBP	£13,787,000	5.0%	N/a	0%	0%	0%	N/a	NR / NR	Retained
Residual Certificates	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a	NR / NR	Retained

- **Interest Payment Dates:** 12th of each month
- **First Interest Payment Date:** October 2017
- **Legal Final Maturity**: March 2049
- **Optional Redemption Date / Call Date**: September 2021. Should the Notes not be redeemed on the Call Date, the Rated Notes will have the right to a step-up in interest payments.
- **Turbo Amortisation Mechanism:** On and from the Call Date (if the call option is not exercised) excess spread will be used to amortise the Notes sequentially (following the principle priority of payments).
- **Reserve Fund:** Funded from the Class R note proceeds, resulting in a reserve of 2.0% of the Rated Notes (1.9% of the portfolio balance).
- **Hedging: N**o hedging included as all loans are floating rate and GBP denominated
- **Listing:** Irish Stock Exchange
- **Cash Reserve:** Class R Notes

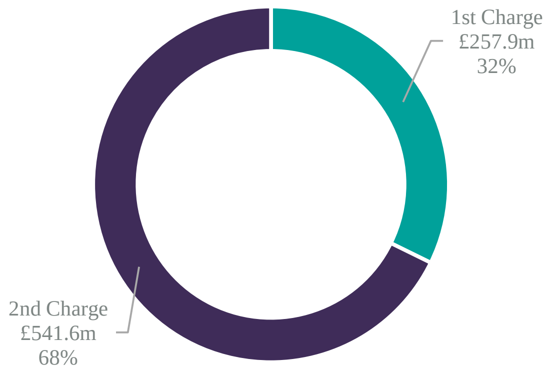
[1] Exclusive of 2.0% Reserve Fund Balance, which can be used as credit enhancement following a post-enforcement event
[2] Based on 15% CPR, and call option exercised in full on the Call Date. Full assumptions available in the prospectus

Diversified loan book – Consolidated group

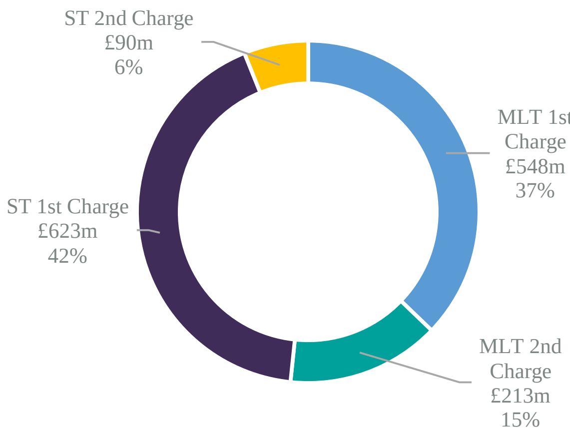
Loan Portfolio Breakdown by Loan Purpose



Retail Loan Book Breakdown



Commercial Loan Book Breakdown



74% Secured on Residential Security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
Retail	39.6	9.1%	49.3%
Commercial	145.6	10.7%	54.8%
Development	382.1	11.8%	87.0%
Total	77.7	10.2%	54.4%

100% Secured on Residential Security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
1st Charge	77.6	8.0%	45.8%
2nd Charge	32.1	9.6%	51.0%

61% Secured on Residential Security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
ST 1st Charge	316.9	12.5%	57.5%
ST 2nd Charge	213.6	13.0%	58.2%
MLT 1st Charge	117.2	9.1%	51.2%
MLT 2nd Charge	69.5	8.9%	54.9%

(1) Loan book analysis for core operating subsidiaries is presented after allowances for impairments and before certain accounting adjustments required to comply with the income recognition requirements of IFRS

Note:

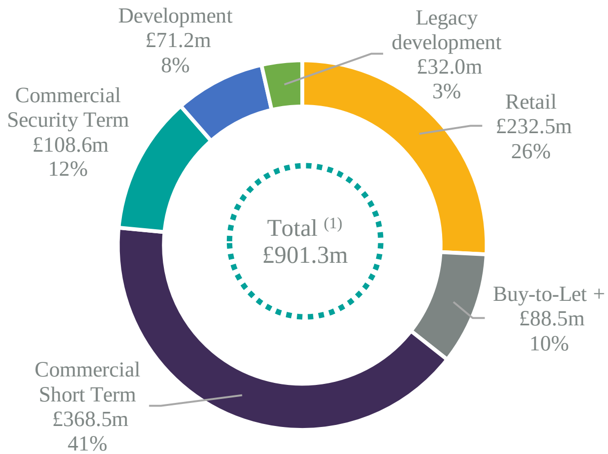
ST = Short term.

MLT = Medium + Long term

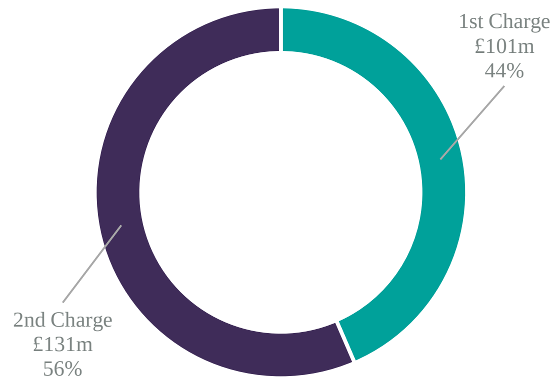
Diversified loan book – Borrower group

together. Common sense lending

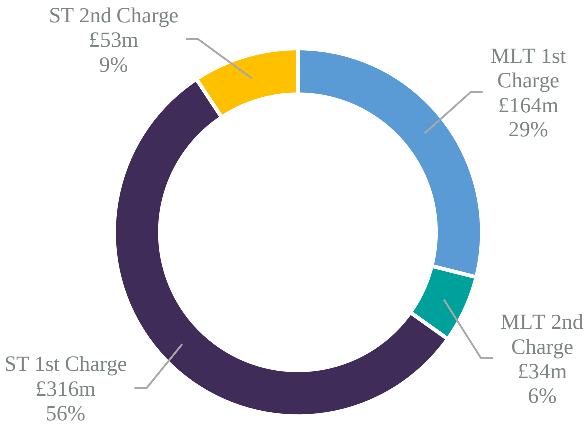
Loan Portfolio Breakdown by Loan Purpose



Retail Loan Book Breakdown



Commercial Loan Book Breakdown



58% Secured on Residential Security

100% Secured on Residential Security

41% Secured on Residential Security

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
Retail	33.8	9.3%	49.3%
Commercial	213.3	11.2%	57.9%
Development	382.1	11.8%	87.0%
Total	92.0	10.8%	59.1%

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
1st Charge	80.2	7.4%	45.1%
2nd Charge	23.4	10.8%	52.5%

Total Loan Book	Average Loan Size £k	WA Nominal Rate	WA Indexed LTV
ST 1st Charge	488.9	12.0%	59.9%
ST 2nd Charge	216.7	13.0%	62.0%
MLT 1st Charge	133.5	9.3%	53.7%
MLT 2nd Charge	62.4	9.9%	52.9%

(1) Loan book analysis for core operating subsidiaries is presented after allowances for impairments and before certain accounting adjustments required to comply with the income recognition requirements of IFRS

Note:

ST = Short term.

MLT = Medium + Long term