



Press Information

Embargoed until: 26th October 2006

PARAGON COMPLETES ITS 50th SECURITISATION

The Paragon Group of Companies PLC has today completed its 50th securitisation. This £1.5 billion transaction, Paragon Mortgages (No.13) PLC, is backed by prime buy-to-let mortgages and brings total issuance by the group to £16.5 billion.

Once again, PM13 has achieved exceptionally good pricing for the Group, reflecting the quality of Paragon's buy-to-let mortgage books. This is the 3rd securitisation of buy-to-let assets in 2006, with total issuance this year standing at £4 billion.

Nick Keen, Finance Director said: "I am delighted to announce the successful completion of our fiftieth securitisation and our third transaction of 2006. Once again, we have been able to achieve exceptionally competitive terms, reflecting Paragon's reputation as the most regular issuer of mortgage-backed securities in the UK market, together with the outstanding credit quality of our buy-to-let portfolios."

PM13 notes, issued in three tranches, rated by Standard & Poor's, Moody's and Fitch were offered in multi-currencies; Sterling, Euros and US Dollars.

The details of the transaction are as follows:

- The £1,500,190,204 (sterling equivalent) of Notes are issued by Paragon Mortgages (No.13) PLC in 8 classes and in three currencies.
 - The Class A1 senior notes are issued in US Dollars \$1,500,000,000

- The A2 senior notes in three currencies: Sterling £125,000,000 Euro €315,000,000 and US Dollars \$350,000,000
- The Class B Notes are issued in two currencies: Sterling £56,000,000 and Euro €84,000,000
- The Class C Notes are issued in two currencies: Sterling £13,000,000 and Euro €81,000,000
- The Class A1 remarketable 2a-7 have been assigned a rating of P-1, A-1+, F-1+ by Moody's, Standard & Poor's and Fitch respectively. The ratings agencies have assigned ratings of Aaa, AAA and AAA respectively to the Class A2 notes
- Although all classes of Notes share the same security, the Class A1 Notes rank pari passu with the Class A2 notes, which have priority over the Class B Notes and the Class B Notes have priority over the Class C Notes as to quarterly payments of interest and as to principal in the event of enforcement
- The margins over the relevant currency reference rate for each of the tranches of the Notes are: -1bp for the Class A1; 12bp for the Class A2a and A2b; 9bp for the Class A2c; 20bp for the Class B1a and 19bp B1b notes; and 40bp for the Class C1a and 39bp C1b notes.
- The Notes are secured by a pool of prime buy-to-let mortgages, as well as a cash fund of 1.90% of the aggregate current balances of the Notes.
- Paragon Finance PLC and Mortgage Trust Services PLC are the administrators for the issue.

- ENDS -

For further information, please contact:

Nick Keen

Finance Director, The Paragon Group of Companies PLC

Tel: 0121 712 2060

Brian Thorn

Director, The Wriglesworth Consultancy

020 7845 7900 / 07712 188812

NOTES TO EDITORS

1. The Paragon Group of Companies PLC is one of the UK's largest independent specialist lenders offering buy-to-let mortgages, personal loans, retail and vehicle finance, with over £6 billion of assets under management.
2. In its interim results for the year ended 31 March 2006, pre-tax profits rose 16.2% to £39.0 million (2005 H1: £33.5 million), with buy-to-let mortgages outstanding up 18.8% to £7,232.9 million (2005 H1: £6,087.0 million) and provisions for losses at £2.1 million (2005 H1: £2.4 million).