

RNS Number : 5703O
Paragon Group Of Companies PLC
23 September 2013

**RNS ANNOUNCEMENT
THE PARAGON GROUP OF COMPANIES PLC
23 September 2013**

Completion of securitisation

The Paragon Group of Companies PLC ("Paragon"), through a special purpose vehicle Paragon Mortgages (No.18) PLC ("PM18"), has completed a £273 million securitisation transaction consisting exclusively of buy-to-let assets.

PM18 comprises £238.1 million of AAA rated notes at a margin of 115 basis points over three month LIBOR, £15.7 million of AA rated notes at a margin of 170 basis points over three month LIBOR and £13.7 million of A rated notes at a margin of 240 basis points over three month LIBOR. £5.5 million of subordinated notes were retained by Paragon and it also invested £8.19 million in the First Loss Fund, bringing its total investment in PM18 to £13.69 million, or 5% of the issue amount.

Nigel Terrington, chief executive, said: "PM18 marks further progress in Paragon's buy-to-let funding strategy. This deal is particularly positive as we have increased our transaction size, reduced pricing and we have broadened our investor base."

"We are seeing positive improvements generally in the buy-to-let market following renewed confidence from landlords and we will continue to grow this area of the business in the next 12 months."

Paragon will be announcing its full-year results for the 12 months to 30 September 2013 on Tuesday 26 November 2013.

For further information, please contact:

Nigel Terrington, Chief Executive, 0121 712 2000
Nick Keen, Finance Director, 0121 712 2060
Paul Farrow, Fishburn Hedges, 0207 544 3040/3042

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