



PIC AND ALDWYCK COMPLETE £40 MILLION INVESTMENT DEAL

London, 12 April 2017 – Pension Insurance Corporation (“PIC”), a specialist insurer of defined benefit pension funds, has invested £40 million in secured debt issued by Aldwyck Housing Group, a housing association providing more than 11,000 homes and management services for around 25,000 people. The debt, which has a fixed rate, matures in 2033 matching PIC’s pension liability cash flows. It will be used to refinance existing debt and build new homes. The debt is secured on Aldwyck’s social housing properties. The transaction was arranged by NatWest Markets as sole agent.

To date, PIC has invested c. £2.5 billion in directly sourced debt investments, including with providers of student accommodation, universities, renewables and over £700 million in social and affordable housing across the UK.

Ian McDermott, Group Chief Executive of Aldwyck Housing Group, said: “Aldwyck is delighted to have secured this £40m Private Placement. It signals an important chapter in our history as we strengthen our financial profile in support of our ambitious growth plans. Completion of the transaction, launched nine weeks ago, represents a broadening of our funding relationships and demonstrates investor confidence.

“We have a long and successful track record in development and over the next four years will be building over 800 much needed new homes to meet the needs of local communities.

“We are very pleased to work with PIC, who have a strong understanding of the needs of social housing providers and a demonstrable commitment to the sector.”

Liz Cain, Debt Origination Manager at Pension Insurance Corporation, said: “Aldwyck Housing Group have been great to work with on this investment which was tailored to suit the needs of all parties. They have a strong management team and we are delighted to have been able to partner with another social housing provider with whom our values are aligned. Investing in these long-term assets not only matches our long-dated pension liabilities, but is beneficial for the economy and should help to provide more accommodation in areas of high demand. We are very pleased to have been able to deploy more long-term capital in this way.”

Siobhan Duffy, Head of Private Placements, NatWest Markets, said: “We’re really pleased the Private Placements team at NatWest Markets was able to support Aldwyck Housing Group on this debut capital markets transaction. The transaction illustrates the ability of the Private Placement market to provide tailored funding solutions to match the needs of issuers and investors.”

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About Pension Insurance Corporation

The purpose of Pension Insurance Corporation plc ("PIC") is to pay the pensions of its

policyholders. At year end 2016, PIC had insured 134,900 pension fund members and had £22.6 billion in financial investments, accumulated through the provision of tailored pension insurance buyouts and buy-ins to the trustees and sponsors of UK defined benefit pension schemes. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 454345). For further information please visit www.pensioncorporation.com

About Aldwyck Housing Group

Aldwyck Housing Group owns and manages around 11,000 properties across Hertfordshire, Bedfordshire, Buckinghamshire, Cambridgeshire, Northamptonshire and North London and provides general needs rented property, affordable homes to buy, key worker housing, supported housing for the young, elderly and care for people with specific needs. It has a turnover of over £70 million

For further information on Aldwyck visit: www.aldwyck.co.uk

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