



PENSION INSURANCE
CORPORATION

PIC INVESTS £60 MILLION IN YARLINGTON SOCIAL HOUSING GROUP

London, 19 September 2017 – Pension Insurance Corporation plc (“PIC”), a specialist insurer of defined benefit pension funds, has invested £60 million in long-dated, senior secured debt issued by Yarlington Social Housing Group, a regulated housing association with over 10,000 properties across Somerset, Devon and Dorset. The majority of the funds will be used to finance new housing. TradeRisks acted as arranger and dealer for the bond issue. In total PIC has invested almost £1 billion in social and affordable housing across the UK.

Key points of the transaction:

- £60 million in size, with deferred drawdown, reducing the cost of carry
- The maturity profile is sculpted to match PIC’s pension liabilities
- The funds will be used by Yarlington to finance new housing development and to refinance existing debt

Gary Orr, CEO, at Yarlington Housing Group said: “We are delighted to have secured this additional long-term funding. The bond issue, and our financial results, places Yarlington in a strong and secure position to deliver our ambitious commitments set out in our Next-Gen corporate strategy. It reflects the confidence by the capital markets in Yarlington’s strategic and financial plans. Underpinned by our strong governance, consistent operating margins and dedicated staff, this financing arrangement will play a major role in delivering our strategy, at a time when affordable housing is needed across the south west.”

Allen Twyning, Head of Debt Origination at Pension Insurance Corporation, said: “We are very pleased to have worked with Yarlington Housing Group on this transaction. The investment provides an attractive risk profile in an area of high demand for social housing. In addition the maturity profile is well-suited to our liabilities. The team at Yarlington impressed

us with its expertise, knowledge and strong governance and we are delighted to continue our commitment to supporting social and affordable housing.”

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Notes to Editors:

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About Pension Insurance Corporation

Pension Insurance Corporation plc (“PIC”) is a leading provider of buy-ins and buyouts to the trustees and sponsors of UK defined benefit pension schemes. At half year 2017, PIC had insured 145,400 pension fund members and had £24.2 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 Yarlington Housing Group

Yarlington Housing Group is one of the leading affordable housing providers in the south west with over 10,000 properties across Somerset, Devon and Dorset. The business has a commitment to solving the housing crisis through its new corporate strategy Next-Gen.

With a proven track record in Development, Property Services and Property Management, Yarlington has demonstrated its ability to develop affordable, quality homes which range in tenure and are suitable for a variety of customers.

Yarlington is a Times Top 100 organisation and has achieved Investors In People Gold Standard.