



PENSION INSURANCE
CORPORATION

PIC INVESTS £145 MILLION IN DURHAM UNIVERSITY

London, 30 August 2018 – Pension Insurance Corporation plc (“PIC”), a specialist insurer of defined benefit pension funds, has invested £145m in debt issued by Durham University (“Durham”). PIC secured the largest allocation of a total debt issuance of £225m, and was able to offer very long-dated funding with £70m maturing in 2058 and £75m maturing in 2067, to match PIC’s pension payments. PIC has now invested more than £500m in the UK’s universities.

These funds, which are unrelated to the recently announced, and separately financed, £90m Durham student accommodation deal, will be used to support the delivery of the University Strategy, 2017-2027. The strategy aims to ensure Durham can extend its mission to contribute to society by delivering world-class research and education and an unmatched wider student experience. The strategy includes an extensive Estate Masterplan, with proposals to develop new buildings while delivering significant refurbishment to existing University buildings.

Examples of how the University is developing its estate under its Estate Masterplan include:

- The creation of a £40m [Teaching and Learning Centre](#), with state-of-the-art teaching and learning facilities;
- Investing £31m in an integrated [Maiden Castle Sports and Wellbeing Park](#);
- Investing in Colleges, including developing two new College facilities as part of the £85m [Mount Oswald project](#); and
- Constructing a £40m new home for its [Mathematical Sciences and Computer Science](#) departments.

Durham is ranked in the top five universities in the UK and top 100 universities globally, and is a Gold Teaching Excellence and Student Outcomes Framework (TEF) education provider.

Professor Stuart Corbridge, Vice-Chancellor of Durham University, said: “We are pleased to have worked with PIC on this debt issuance. The PIC team has a very good understanding of the needs of universities as a result of their extensive experience of investing in this sector and were flexible and responsive in helping us achieve our aims.

“Durham University is performing extremely well and will now further enhance its position as the number one UK university combining excellence in research, education and the wider student experience.”

Elizabeth Cain, Senior Debt Origination Manager at Pension Insurance Corporation, said: “We are delighted to have been able to work with Durham on this transaction, helping to fund the University’s Estate Masterplan. The private nature of the transaction means we were able to develop a maturity profile which works for both institutions. This is our single largest investment in the university sector and its very long-term maturity date reflects the strength of the university, a high-quality institution with an outstanding reputation, as well as the long-term nature of our business.”

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Notes to Editors:

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About Pension Insurance Corporation

The purpose of Pension Insurance Corporation plc (“PIC”) is to pay the pensions of its policyholders. PIC provides secure and stable retirement incomes through leading customer service, comprehensive risk management and excellence in asset and liability management. At year-end 2017, PIC had insured 151,600 pension scheme members and had £25.7 billion

in financial investments, accumulated through the provision of tailored pension insurance buyouts and buy-ins to the trustees and sponsors of U.K. 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