

PRESS RELEASE
Immediate release
Date: 24 December 2012



Secure Trust Bank PLC

Acquisition of V12 Group Finance

Following the placing to raise £20 million in November, Secure Trust Bank PLC ("STB") is pleased to announce that it has agreed to acquire the V12 Group. V12 Group Finance Limited and its wholly owned subsidiaries, V12 Retail Finance Limited and V12 Personal Finance Limited (together, "V12", "V12 Group" or the "Business") provide retail point of sale loans, typically for 12 months on an unsecured basis to consumers who are predominantly classified as prime borrowers. The loans are originated through a national network of in store and online retailers using a point of sale technology-based platform. The Business will continue to trade using the V12 brand. This activity is complementary to STB's existing retail finance proposition.

STB has agreed to acquire the entire issued share capital of the V12 Group and the existing loan book which had balances of approximately £35 million as at 30 November 2012. The vendors are private investors including Jon Moulton and the V12 management team. The V12 management team will continue in the business.

The consideration of £3.5 million is payable in cash by STB on completion which is scheduled to take place on 2nd January 2013. Upon acquisition STB will immediately provide funding so that V12 can fully redeem circa £7.0 million of subordinated debt principally held by Jon Moulton. In addition STB will provide funds on completion to enable V12 to repay its existing bank finance from The Royal Bank of Scotland amounting to approximately £28.5 million.

The cash consideration will be funded from STB's existing resources and the additional regulatory capital requirements arising from the enlarged STB balance sheet will be provided from a proportion of the proceeds of the placing undertaken by STB in November. The net assets being acquired are expected to be fair valued at circa £3.4 million in STB's ownership. The costs incurred by STB to complete this transaction are estimated to be approximately £0.7 million.

V12 had a loan book of £33 million as at 31 March 2012 and generated profit before tax and subordinated debt interest under UK GAAP of £0.3 million in its audited statutory accounts for the year ended 31 March 2012. STB will provide V12 with the funding needed to expand organically by deepening relationships with existing retailers, forging relationships with new retailers and expanding the range of products and services it offers to consumers and retailers alike. The acquisition is expected to be earnings enhancing for STB in the 2013 financial year.

Paul Lynam, Chief Executive Officer of Secure Trust Bank PLC, said:

"Over the last three years STB has developed its own retail finance business with lending balances as at the end of September 2012 standing at over £60 million. Despite this rapid growth, the market opportunity remains very significant. The 2012 Finance and Leasing Association data showed that over £237 million of in store finance volumes were written in the month of October alone. The acquisition of V12 gives us greater critical mass and ownership of a technology-based platform necessary to provide consumers with in store and

online point of sale finance. Like many non-bank financial institutions, V12's ambitions have been frustrated by the lack of wholesale funding in the recent past. STB's funding will help to unlock V12's potential and I am delighted that Nick Davies, CEO of V12, and his management team are joining us and warmly welcome them to STB. I look forward to working together to optimise our retail finance proposition going forward."

Chief Executive Officer of V12, Nick Davies, said:

"We are delighted to become part of the STB team and look forward to playing a full part in their exciting future plans for growth. We believe that the benefits of being part of a bigger group will allow us to further enhance our current range of products and services which in turn will improve the service we can offer to our retailers and customers."

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