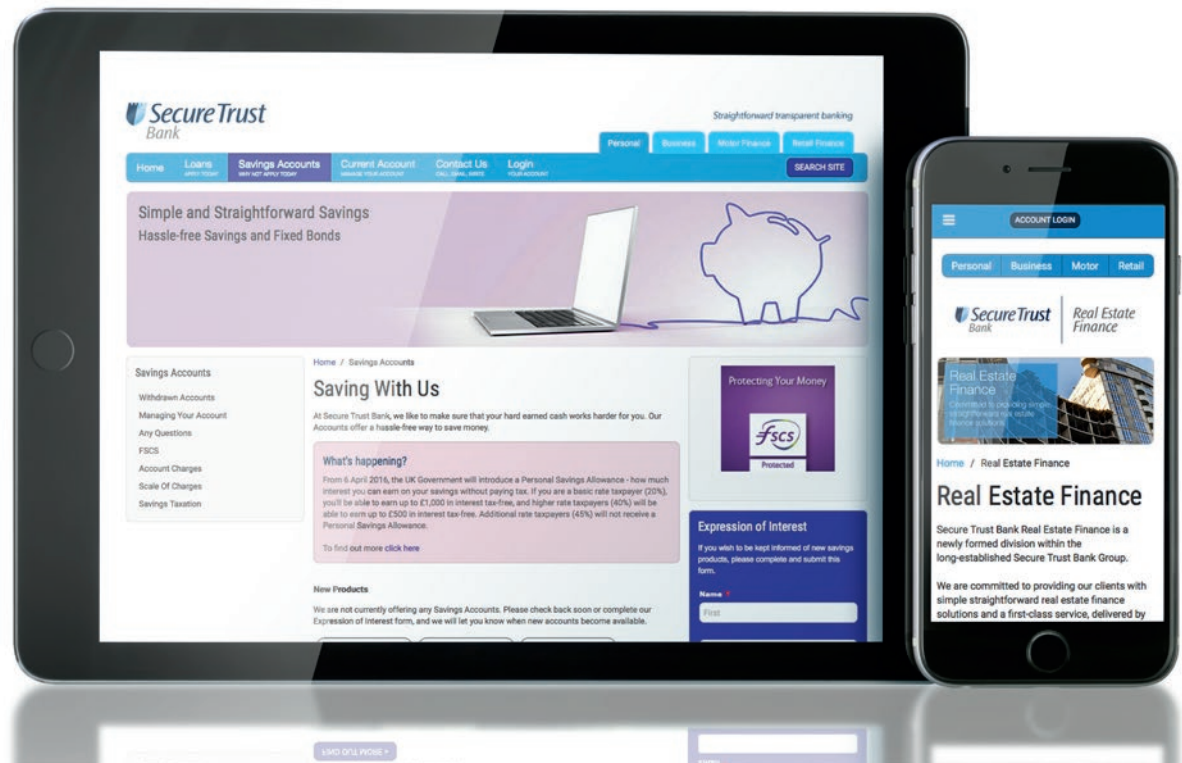


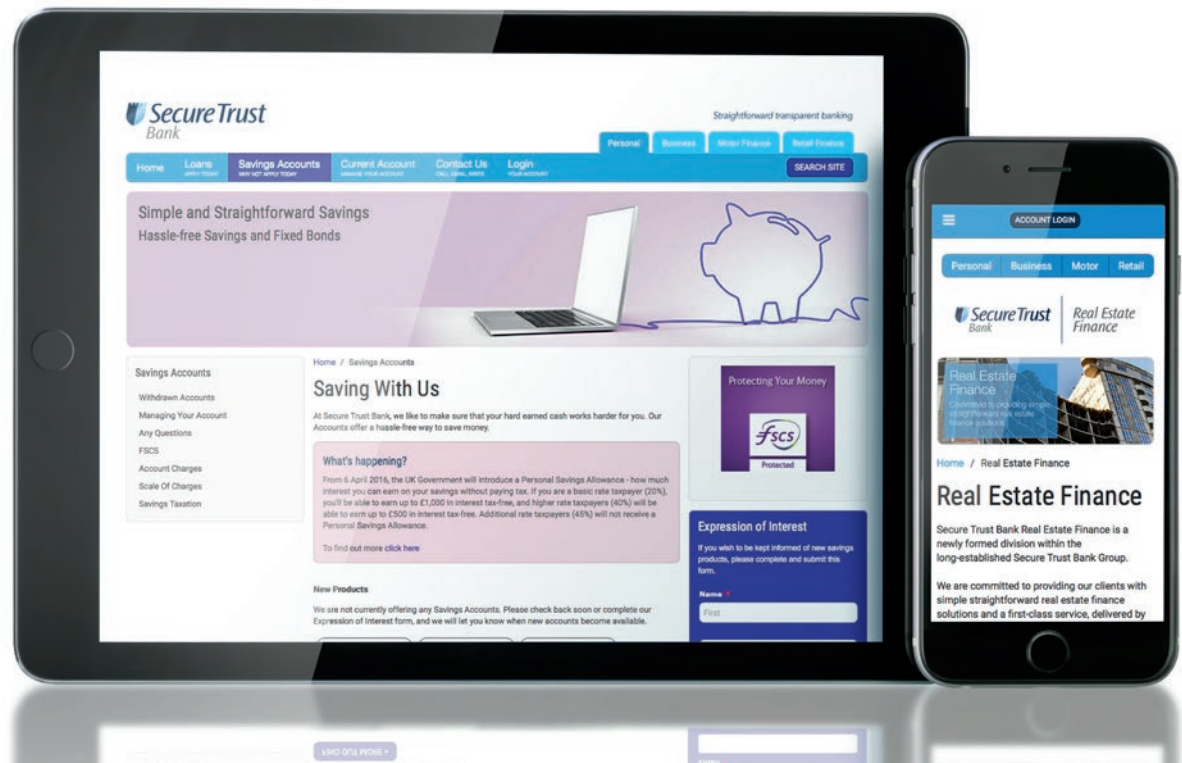
Secure Trust Bank PLC

2015 YEAR END RESULTS
17th March 2016



Introduction & business review

PAUL LYNAM
Chief Executive Officer



FY 2015 Highlights*

Proven strategy, successfully delivering

Continued to deliver on proven strategy

- ✓ Loan book up **73%** and now exceeds £1bn
- ✓ Book diversified by expanding SME lending business
- ✓ Customer numbers **exceed 0.5m**

Strong returns and shareholder value

- ✓ PBT up **40%** to £36.5m
- ✓ Underlying return on required equity at **31%****
- ✓ **6%** growth in full year dividends to 72p***
- ✓ **£78m** capital generated since IPO (**c. £163m** assuming completion of ELG sale)

Sale of Everyday Loans Group (ELG) successfully negotiated

- ✓ Supports ongoing capital generation
- ✓ Broadens range of strategic options

* Results include ELG as at 31 December 2015. Refer to slide 13 for further information.

** Return on required equity (required equity is calculated to achieve a CET1 ratio of 12%).

*** Includes proposed final dividend of 55 pence per share, excludes proposed special dividend of 165 pence per share.

Sale of Everyday Loans Group (ELG)

Broadens the range of strategic options available and accelerates organic growth in Motor, Retail and SME lending books*

- ✓ Expected post tax profit of sale **estimated at £115m**
- ✓ Special dividend proposed 165 pence per share **£30m total cost**
- ✓ **Substantial increase** in capital resources and opportunity to invest in accelerating growth in existing and new income streams
- ✓ An attractive option to accelerate our strategy of proportionately reducing our exposure to personal unsecured loan products
- ✓ Underlying earnings expected to reduce in the short term, given disposal of ELG profit streams
- ✓ Confident that proceeds after special dividend can be reinvested to accelerate growth prospects and secure new strategic income streams

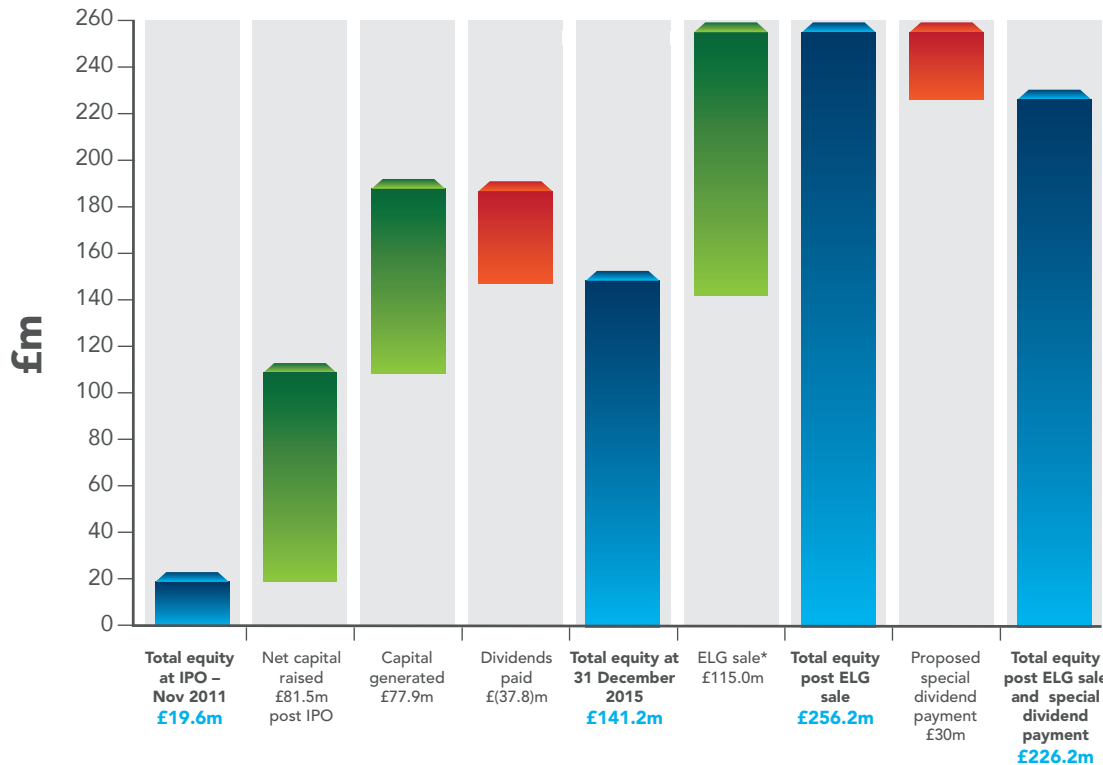
*The disposal has received NSF shareholder approval and is subject only to regulatory approval which is expected during April 2016. Full details of the transaction are set out in the announcement made on 4th December 2015.

Strategic goals

1. Organic growth
2. Diversification
3. M&A activity

Strategy

Very significant shareholder value created



- ✓ **£78m** capital generated since IPO growing to **c. £163m** post **ELG sale** and payment of proposed special dividend
- ✓ Consistently strong dividend payment pattern
- ✓ Capital remains healthy with Common Equity Tier 1 ratio of **13.6%**
- ✓ Leverage ratio of **10.4%** well above the PRA minimum of **4.0%**
- ✓ Estimated impact of the ELG sale is to increase the CET1 ratio to **24.1%** and the leverage ratio to **17.9%**

*Expected profit on disposal.

Continued growth in loan book with increased diversity

	Consumer Finance 53% of loan book (FY 2014 70%)			Business Finance 44% of loan book (FY 2014 23%)		
	Personal Lending (inc. ELG)	Motor Finance	Retail Finance	Real Estate Finance	Asset Finance	Commercial Finance
STB product offering	Fixed rate, fixed term unsecured personal loans to customers in employment	Prime and non-prime lending in the used car market	Prime credit portfolio customers across a range of retail sectors including cycle, leisure and furniture	Residential and commercial investment and development lending	Hire purchase and finance leases	Invoice discounting and debt factoring
% Increase	4%	20%	89%	175%	1471%	486%
Loan book* 2015 £m	188.6m	165.7m	220.4m	368.0m	70.7m	29.3m
Loan book* 2014 £m	181.4m	137.9m	116.7m	133.8m	4.5m	5.0m
Average monthly growth in new business volumes** £m 2015 Vs 2014	0.7m	1.2m	11.6m	11.6m	5.7m	1.9m

* Loan book excludes Debt Collection and Other.

** Average monthly new business volumes for the period January to December 2015 vs 2014.

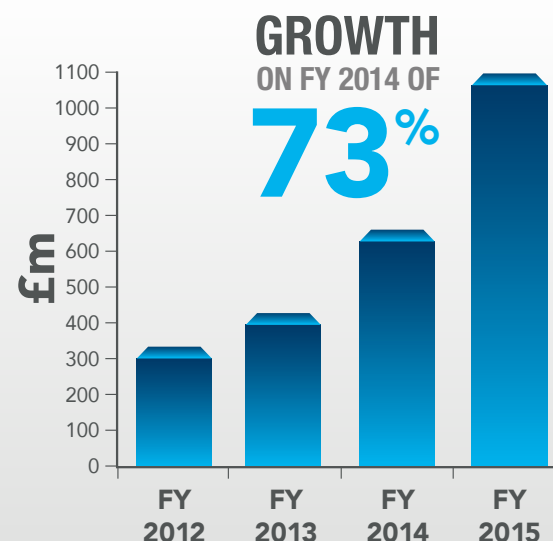
Sustainable positive progress

	FY 2015	FY 2014
	£m	£m
Gross interest income	139.6	93.5
Interest expense	(21.6)	(14.2)
Net interest income	118.1	79.4
Impairment losses	(24.3)	(15.3)
Reported PBT	36.5	26.1
Underlying PBT	39.3	33.3
Basic EPS (pence)	157.8	122.3
Underlying EPS (pence)	170.4	155.8
Annualised underlying ROAA	3.0%	4.1%
Annualised underlying ROAE	23.6%	29.5%
Annualised underlying RORE*	30.9%	44.8%
Loan book (£m)	1,074.9	622.5
Loan to deposit ratio	104%	102%
Customers	570,759	429,507
Common Equity Tier 1** (CET1) Ratio	13.6%	18.7%

*Return on required equity (required equity is calculated to achieve a CET1 ratio of 12%).

**Solo consolidated statutory basis.

Lending assets £m



Customer feedback and awards

Motor Finance

Customer feedback from **feefo**^{👍*}
(currently 94% positive 6 month score)

- “ Prompt, customer friendly company. Never had any issues with them and would happily recommend Moneyway to friends and family. ”
- “ Great company and easy to get help if you need it.....well recommended. ”
- “ Great service. Without you guys I wouldn't have a car or a business. ”

V12

Consumer feedback from **feefo**^{👍*}
(currently 99% positive)

- “ Easy, straightforward and quick decision, thank you very much! ”
- “ Excellent and straightforward with no hiccups. Probably the best finance company I have dealt with, no surprises and very well explained. ”
- “ V12 finance is wonderful I've used it twice to get stuff, so easy and would highly recommend it. ”



*Correct as at March 2016.

Business to business feedback

Motor Finance

Louis Rix, director of Carfinance247, said:

“During the pilot scheme, Moneyway’s prime product has been received extremely well by both our internal sales teams and consumers alike. It offers competitive terms, high approval rates and strong commercials, whilst also resulting in quick and efficient payouts. The new product strengthens Moneyway’s offering in the space, as it enables us to cover customers from a wide range of the risk curve, and we look forward to continuing our relationship with the firm in the coming months.”



Business Finance

Chris Davies, finance director of the Great British Card Company

confirmed that the Secure Trust bankers knew exactly what to offer. To get Davies to sever a funding relationship with Lloyds that began in the 1990s, they had to make it worthwhile. Just before they left, they promised to increase the company’s lending limit by £500,000.

“That made all the difference, said Davies. Lloyds wasn’t as flexible when it came to funding, though we did keep them on for clearing.”



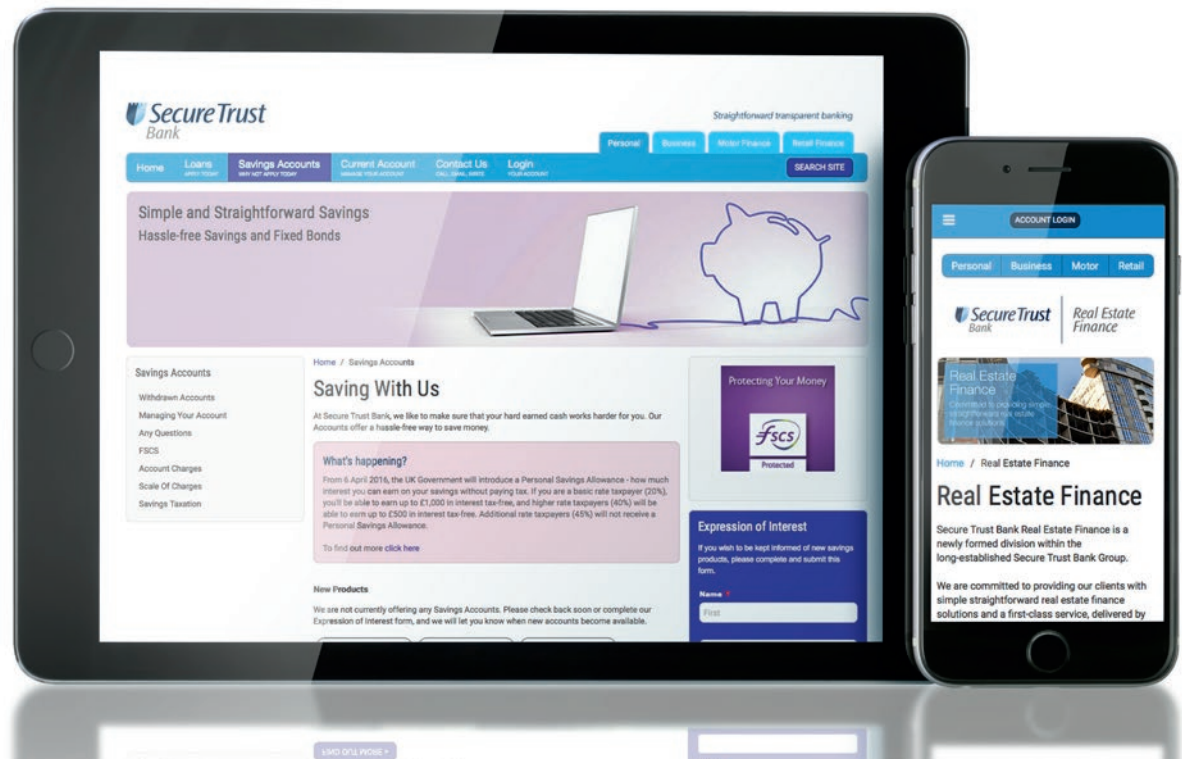
Retail Finance

Jonathan Blanchard CFO at Evans Cycles:

“Evans have been partnering with V12 Retail Finance for the provision of finance for some time now and we are more than happy with the service they provide not just us, but our customers as well. For us to service the nation’s cycling needs, we need a reliable, efficient service and V12 always fulfil that, whether it’s online or instore. We look forward to continuing our relationship with V12 and going from strength to strength.”

Financial review

NEERAJ KAPUR
Chief Financial Officer



Summary income statement

Strong growth in earnings and dividend

£m	FY 2015	FY 2014	% change
Net interest income	118.1	79.4	49%
Net fee, commission and other income	14.4	18.5	-22%
Operating income	132.5	97.9	35%
Impairment losses	(24.3)	(15.3)	59%
Operating expenses	(68.0)	(50.3)	35%
Other operating expenses*	(3.7)	(6.2)	-40%
Profit before tax	36.5	26.1	40%
Basic EPS (pence)	157.8	122.3	29%
Underlying EPS (pence)	170.4	155.8	9%
Full year dividend per share (pence)**	72	68	6%
Cost: income ratio	51.3%	51.4%	
Underlying RORE	30.9%	44.8%	
Dividend payout ratio**	44.6%	59.4%	

- ✓ **49% increase** in net interest income
 - Strong growth in Consumer lending and new SME lending businesses
- ✓ **Operating expenses up 35%**
 - Reflecting investment in new businesses, control functions and product marketing
 - Cost: income ratio held flat despite substantial investment in new platforms
- ✓ **29% increase** in basic EPS
- ✓ **6% growth** in full year dividend to **72p****

* Includes non-recurring costs, provision for option costs, acquisition costs, intangible amortisation and recharges.

**Includes proposed final dividend of 55 pence per share, excludes proposed special dividend of 165 pence per share.

Sale of Everyday Loans Group (ELG)

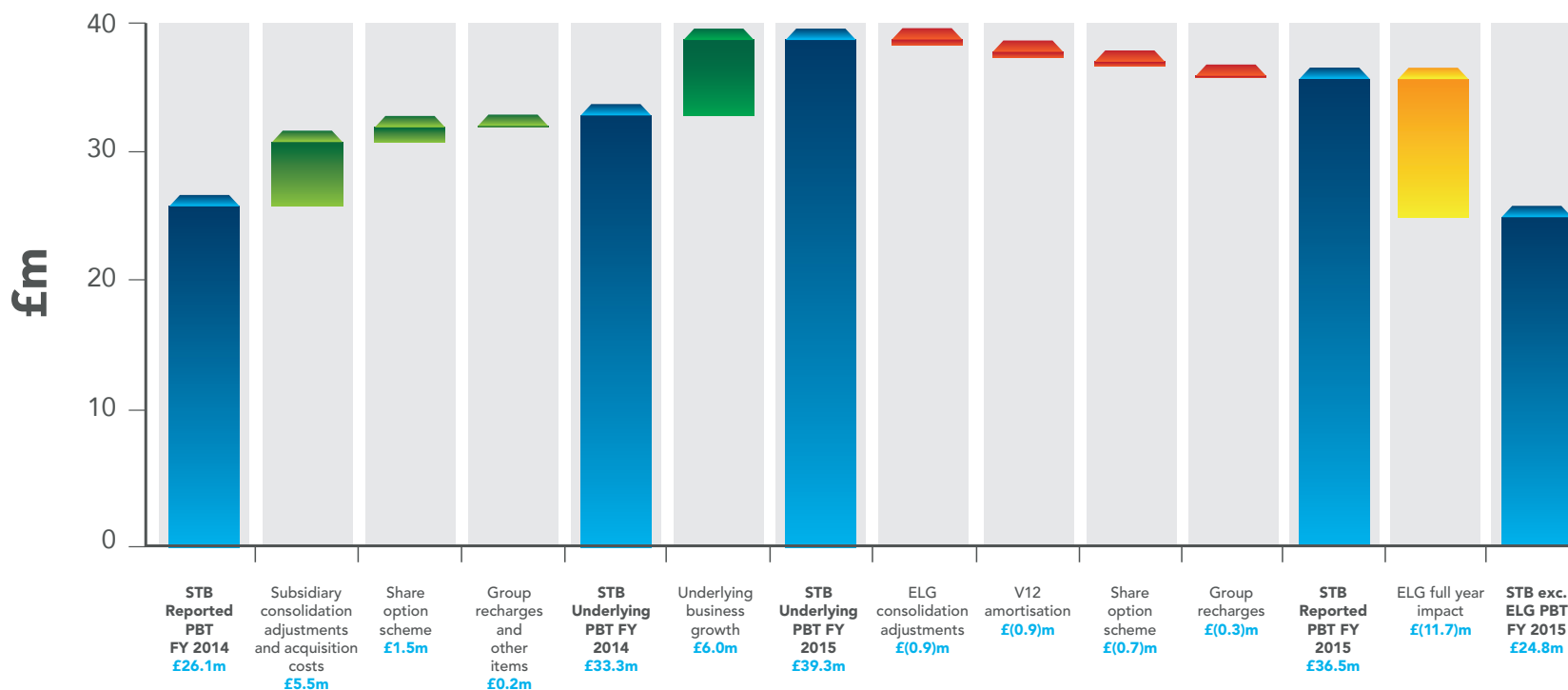
Impact of the sale

	STB FY 2015	ELG FY 2015	Adj. STB FY 2015
Profit & Loss £m			
Interest income	139.7	39.2	100.5
Interest expense	(21.6)	-	(21.6)
Net fee income	14.4	1.2	13.2
Total revenues	132.5	40.4	92.1
Loan impairment charges	(24.3)	(7.5)	(16.8)
Managed costs	(68.0)	(20.3)	(47.7)
BAU PBT	40.2	12.6	27.6
Non-recurring costs	(0.9)	-	(0.9)
Underlying PBT	39.3	12.6	26.7
Statutory adjustments	(2.8)	(0.9)	(1.9)
Statutory PBT	36.5	11.7	24.8
Loan book £m	1,074.9	114.3	960.6
NAV £m	141.2	1.7	139.5

The economic risks and rewards of the ELG business generated after 30 November 2015 will pass to NSF on completion of the transaction. The table sets out key financial data for ELG for 2015 for comparative purposes

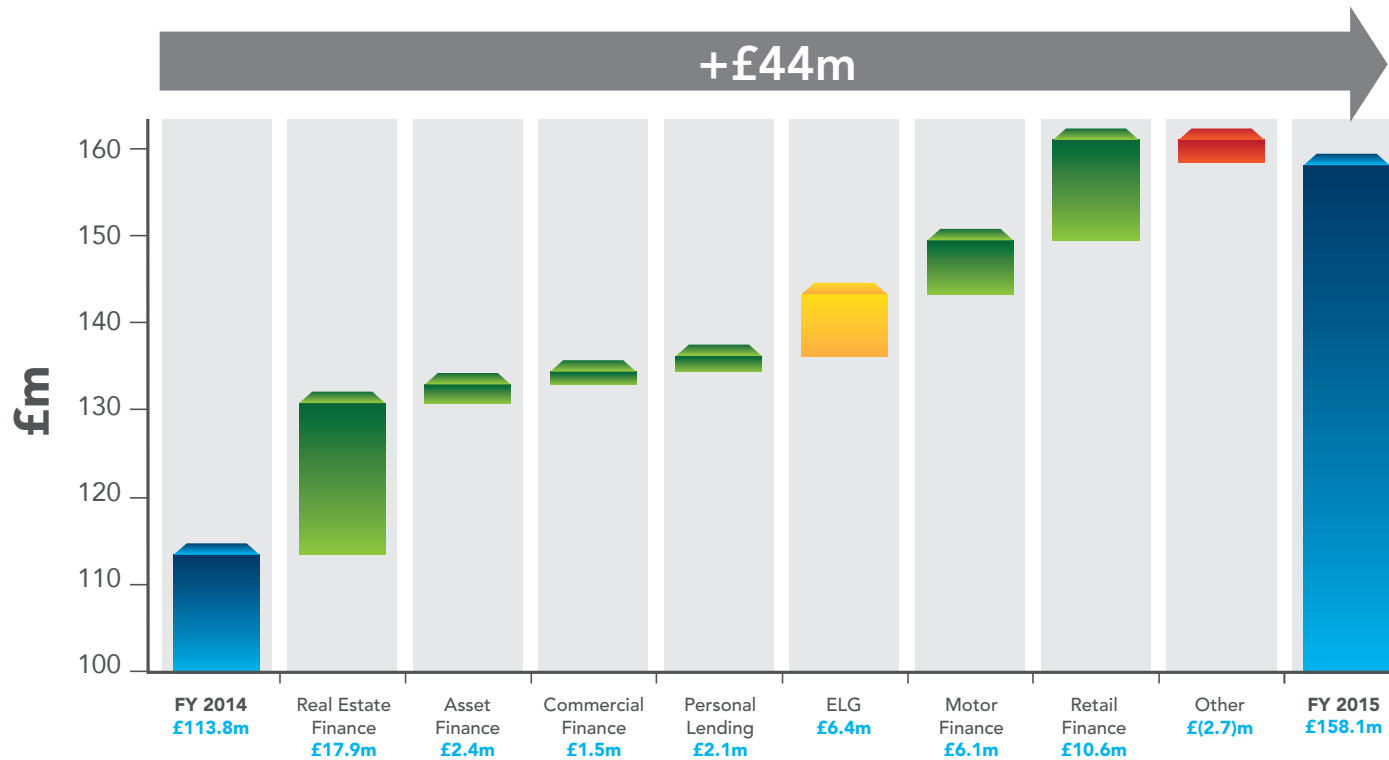
Profit bridge

Underlying PBT of £39m, an increase of 18% on FY 2014



Income bridge*

Increase on FY 2014 of £44m



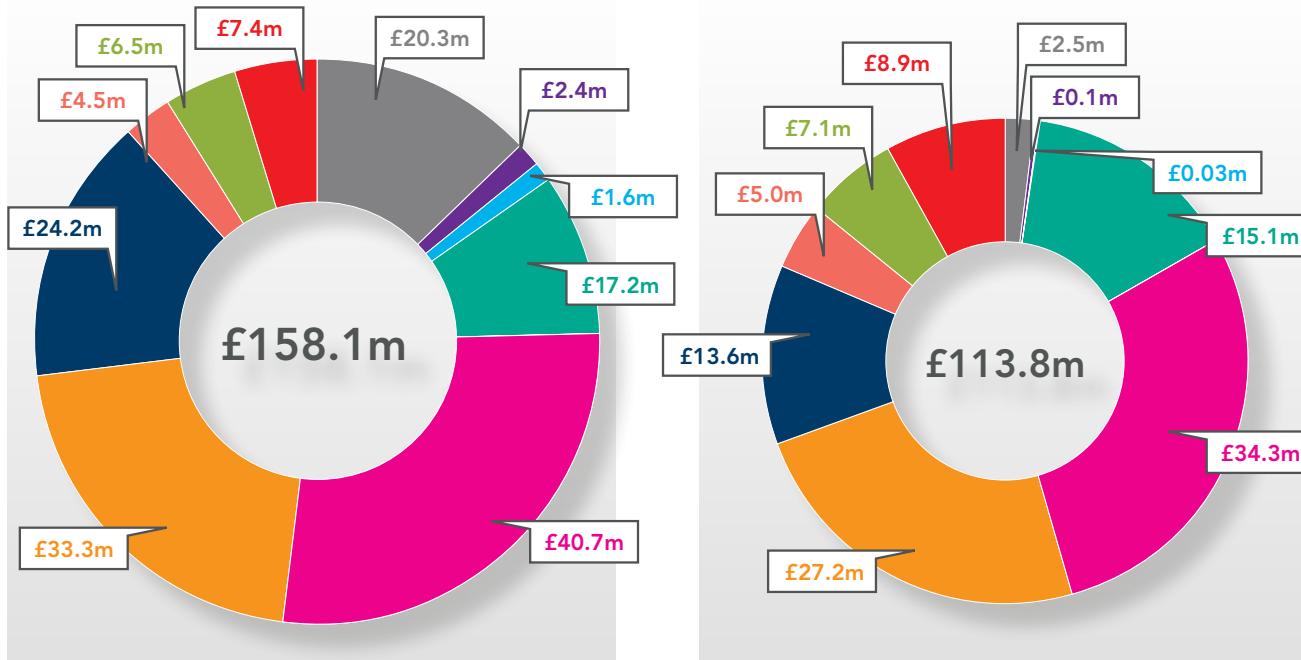
* Income before interest expense, commission expense and impairment losses

Income analysis

Total income through lending and transactional channels is analysed as follows:

FY 2015

FY 2014



- Real Estate Finance
- Asset Finance
- Commercial Finance
- Personal Lending
- Everyday Loans Group
- Motor Finance
- Retail Finance
- Current Account
- OneBill
- Central and Other

Balance sheet summary

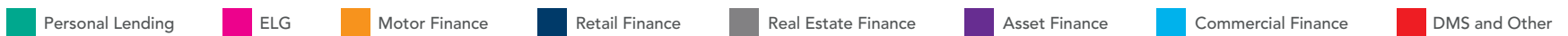
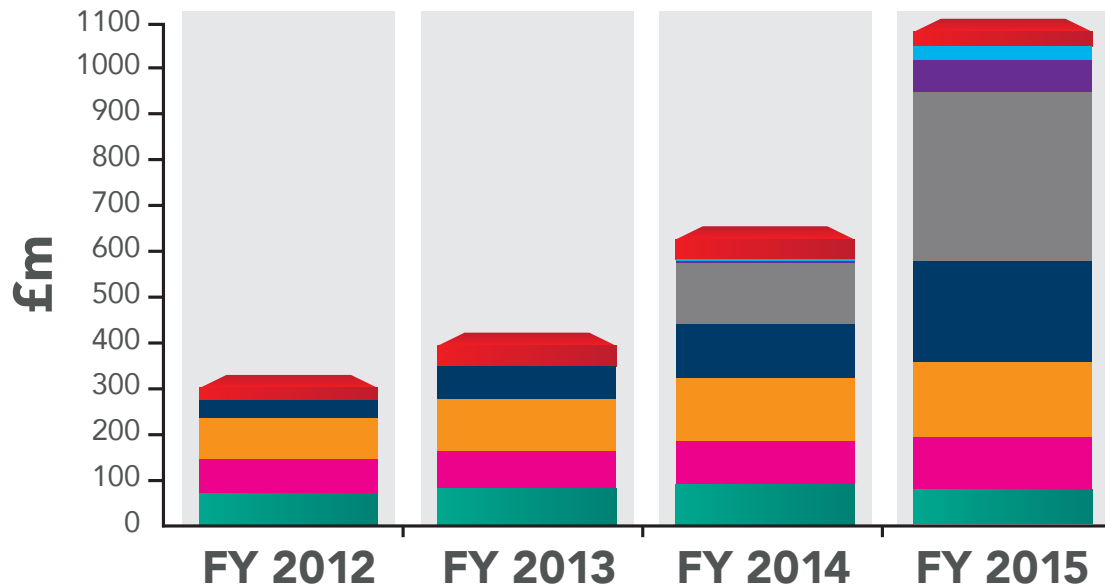
Projected impact of the sale

£m	FY 2014 Statutory	FY 2015 Statutory	ELG	ELG Sale Transaction	FY 2015 Post ELG Sale
Cash and balances at central banks	81.2	131.8	-	174.8	306.6
Loans and advances to banks	39.8	11.5	(1.7)	-	9.8
Debt securities held to maturity	16.3	3.8	-	-	3.8
Investment in NSF	-	-	-	20.0	20.0
Loans and advances to customers	622.5	1,074.9	(114.3)	30.0	990.6
Other assets	22.5	25.4	(2.5)	-	22.9
Total assets	782.3	1,247.4	(118.5)	224.8	1,353.7
Deposits from customers	608.4	1,033.1	-	-	1,033.1
Inter-company balance	-	-	(108.1)	108.1	-
Wholesale funding	15.9	35.0	-	-	35.0
Other liabilities	33.1	38.1	(8.7)	-	29.4
Total liabilities	657.4	1,106.2	(116.8)	108.1	1,097.5
Total shareholders' equity	124.9	141.2	(1.7)	116.7	256.2
Total liabilities and shareholders' equity	782.3	1,247.4	(118.5)	224.8	1,353.7
Loan to deposit ratio	102%	104%	N/A	N/A	96%
Customer numbers	429,507	570,759	(38,481)	N/A	532,278

- ✓ Customer loans (including ELG) up 73% to £1.1bn
- ✓ Customer deposits up 70% to £1.0bn
- ✓ Customer numbers (including ELG) up 33% to 571k

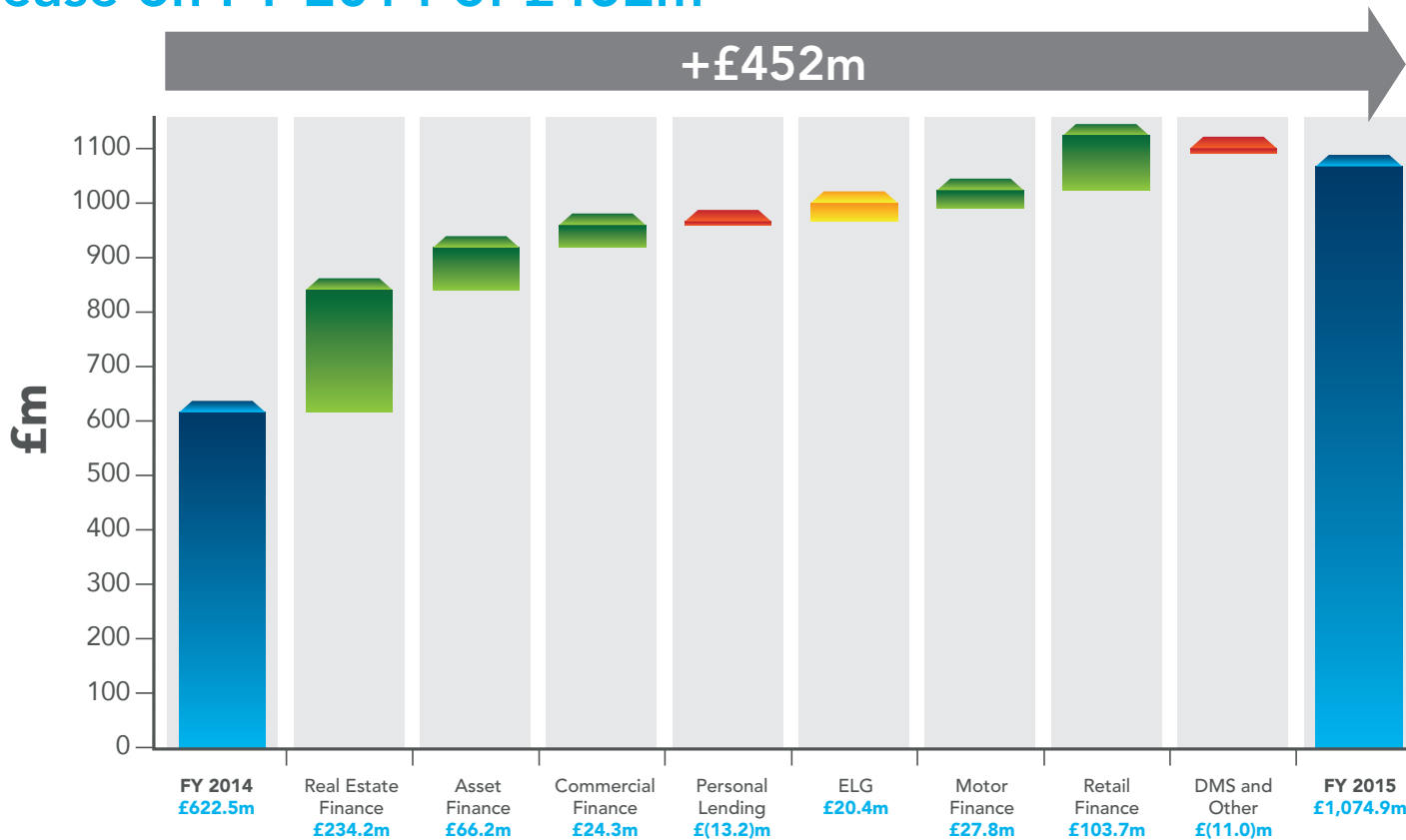
Customer loan progression

Increase on FY 2014 of £452m, representing growth of 73%



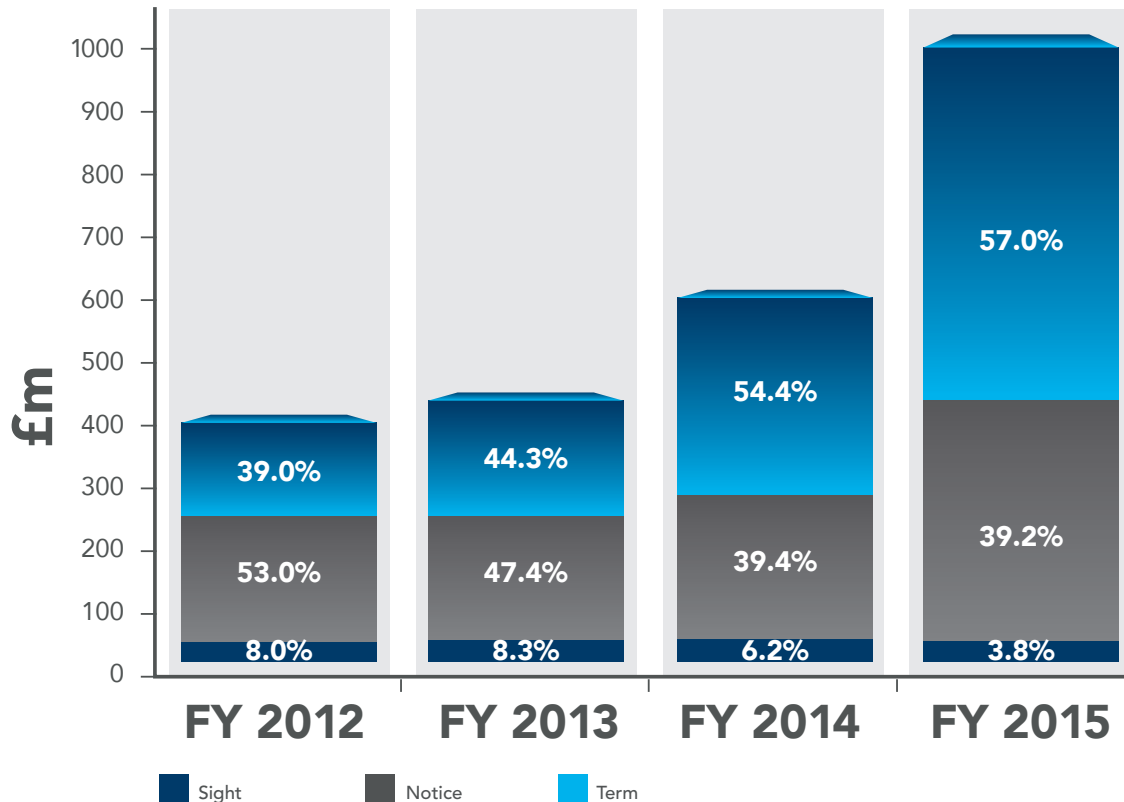
Lending bridge

Increase on FY 2014 of £452m



Deposit progression

Increase on FY 2014 of £425m, weighted towards Term deposits



Competitor analysis

	STB 2015	SHAWBROOK 2015	ALDERMORE 2015
Underlying PBT / Loan book (1)	4.6%	3.0%	1.8%
Common Equity Tier 1 (CET) ratio	13.6%	14.4%	11.8%
ROTE (2)	25.1%	27.9%	20.6%
Price to tangible NAV (3)	2.4	2.4	1.7
Dividend yield (4) (5)	2.2%	0.0%	0.0%
Loan to deposit ratio	104%	104%	107%
Loan book (£m)	1,075	3,361	6,145

(1) Shawbrook: pre-tax return on loan book. Aldermore: calculated from publicly available information.

(2) STB and Shawbrook: underlying return on tangible equity. Aldermore: underlying return on equity.

(3) STB: calculated. Aldermore: price to NAV.

(4) No dividend details published for Shawbrook or Aldermore.

(5) STB figures include proposed final dividend of 55 pence per share, excludes proposed special dividend of 165 pence per share.

2016 Outlook



- ✓ **Continued sustainable growth accelerated by ELG sale**
 - SME businesses – accelerate growth and further develop Asset Finance business partnership with Haydock
 - Motor Finance – accelerate growth in all sectors including Prime
 - Retail Finance – sustain year on year lending growth trajectory
 - Pursue new business opportunities that align with our strategy and risk appetite
- ✓ **Investment driving efficiencies and supporting volume growth**
 - STB will continue to invest in the quality and development of our teams across the group
 - Significant investment in internal systems to ensure sustainable growth and customer experience
- ✓ **Successful funding strategy leveraged**
 - STB will continue to be funded by deposits with demand remaining strong for fixed rate products and notice accounts
 - New deposit products to be launched 2016/2017
 - Increase use of FLS but still modest
- ✓ **Regulatory and economic challenges managed**
 - STB's strong capital and liquidity position will safeguard the Bank against actual and potential external challenges including:
 - UK Bank Surcharge Tax
 - EU referendum
 - Basel Committee credit risk consultations
 - IFRS 9
 - More cautious stance in certain sectors ahead of EU referendum
- ✓ **Well positioned to make further progress during 2016**

Summary

Continued to deliver on proven strategy in 2015

- ✓ 73% loan book increase (inc. ELG)
- ✓ Strong PBT and dividend growth
- ✓ Business Finance division now established, providing diversification and growth potential

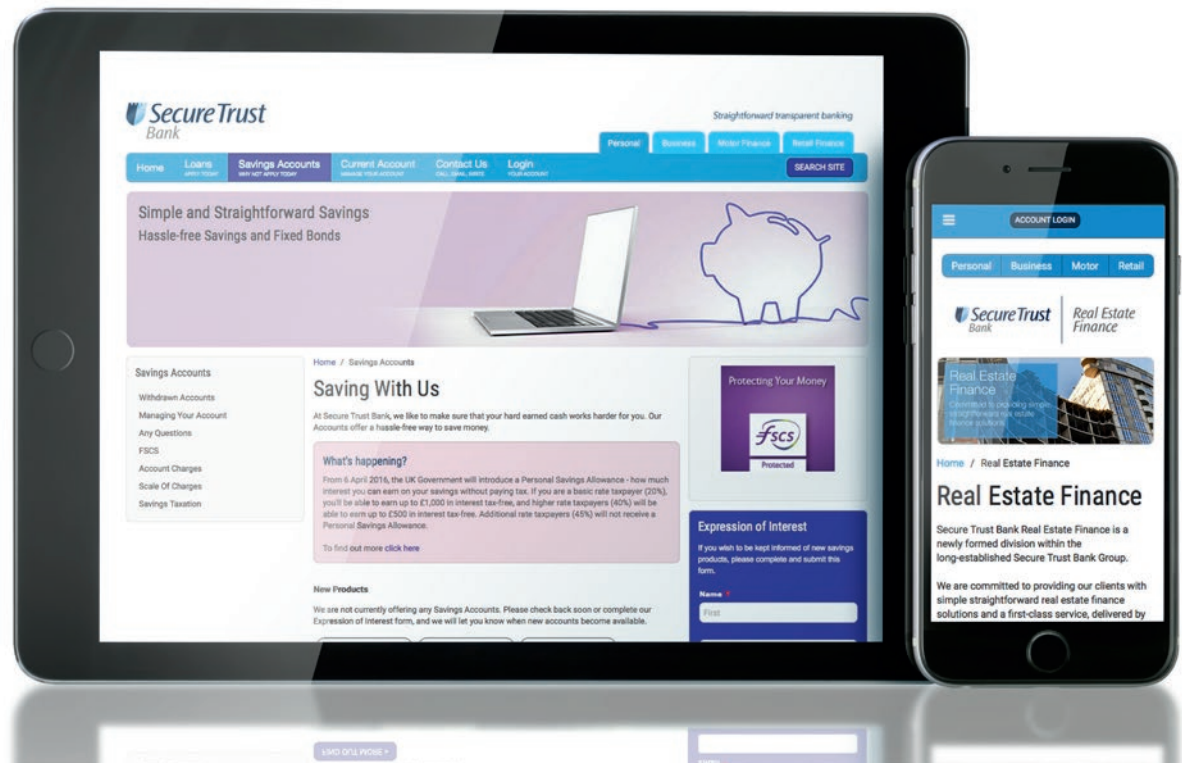
Ongoing commitment to sustainable growth

- ✓ Continued investment in our team and our systems
- ✓ Prudent approach to capital and liquidity to withstand regulatory and economic challenges
- ✓ Successful retail funding strategy, supported by new deposit products in 2016/2017

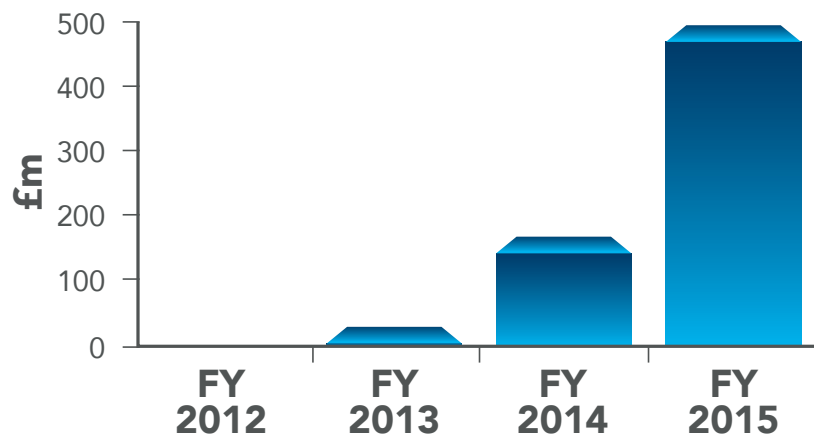
Future growth opportunities, accelerated by ELG sale

- ✓ Supports growth in existing businesses
- ✓ Flexibility to take advantage of strategic opportunities
- ✓ Proven track record of generating capital since IPO
- ✓ Remain committed to three strategic goals set at IPO

Appendices



Business finance



■ Loan book

Business Finance	FY 2012	FY 2013	FY 2014	FY 2015
Revenue £m	-	0.1	2.6	24.3
Impairments £m	-	-	-	(0.3)
Loan book £m	-	1.8	143.3	468.0

Business finance

Business overview – Real Estate Finance

- ✓ Commenced operation in **H2 2013**
- ✓ **Five main products** available; residential development, commercial development, residential investment, commercial investment and mixed development
- ✓ Route to market via introducers served by a team of Real Estate Finance regional managers
- ✓ No geographic or individual counterparty concentration risk

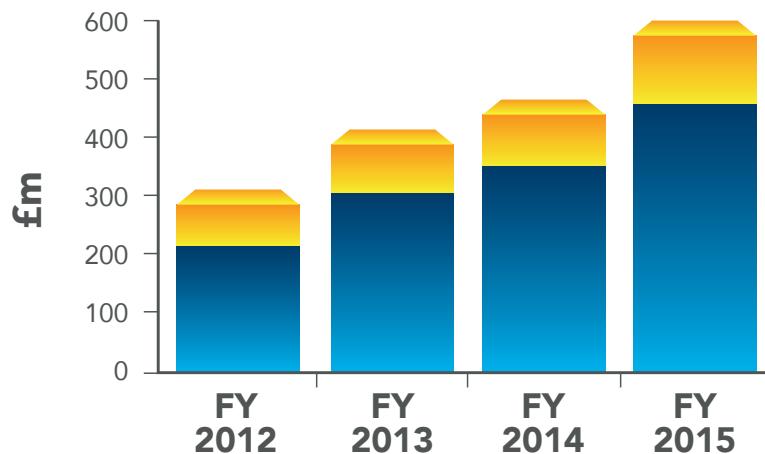
Business overview – Commercial Finance

- ✓ Launched in **Q3 2014**
- ✓ Offer invoice discounting and factoring
- ✓ Operates from premises in **Manchester** with teams operating out of all **key regions** across the country
- ✓ Market has seen **rapid growth** over last **20 years** with over **43,000** users with advances in excess of **£15bn**



Business overview – Asset Finance

- ✓ Launched in **Q4 2014**
- ✓ Hire purchase and finance lease arrangements up to **5 years**
- ✓ **Financing assets** such as commercial vehicles and manufacturing equipment
- ✓ Operates via a **partnership** with Haydock Finance, a **well established** asset finance company operating across the UK
- ✓ Route to market via introducers supported by internal marketing and a targeted web and social media presence

Consumer finance



Consumer Finance	FY 2012	FY 2013	FY 2014	FY 2015
Revenue £m	44.0	73.1	90.2	115.4
Impairments £m	(8.7)	(15.0)	(15.0)	(24.8)
Loan book (exc. ELG) £m	196.1	262.6	342.1	460.4
ELG loan book £m	74.1	81.4	93.9	114.3
Total loan book £m	270.2	344.0	436.0	574.7

 Loan book
 Loan book (exc. ELG)

Consumer finance



Business overview – Personal Lending

- ✓ **Fixed rate, fixed term** unsecured personal loans, with a **12-60 months** duration
- ✓ Advances from **£500 to £15,000**
- ✓ Only lend to people in **employment**
- ✓ **Moneyway** brand offers loans via internet or telephone
- ✓ Growth opportunities include new bank referrals and digital marketing

Business overview – Retail

- ✓ Targeting **Prime Credit Portfolio Customers**
- ✓ **Active across a range of retail markets** including cycle retailers, season tickets, jewellery and art
- ✓ Term ranges from **6-84 months**, loan size from **£250 to £25,000**
- ✓ Growth opportunities include entry into new sectors and the ability to pitch for full national retailer contracts

Business overview – Motor

- ✓ New **Prime lending product** launched in **April 2015** offering greater participation across the risk curve
- ✓ Maximum loans of **£25,000** over **5 years**
- ✓ Grown from a standing start in 2008 – **20% growth** on 2014
- ✓ Growth driven by:
 - speed and quality of service
 - relationships with introducers
 - product and channel distribution innovation

Strategy continues to deliver

Maximise shareholder value:



grow

To maximise shareholder value through strong lending growth by delivering great customer outcomes in both our existing and new markets.



sustain

To protect the reputation, integrity and sustainability of the Bank for all of our customers and stakeholders via prudent balance sheet management, investment for growth and robust risk and operational control. Controlled growth is one of the top strategic priorities for the Bank.



love

To ensure that the fair treatment of customers is central to corporate culture and that the Bank is a highly rewarding environment for all staff and one where they can enjoy progressive careers.

Forward looking statements

This document is a **summary only** of certain information contained in the announcement dated **17th March 2016** and should be read in conjunction with the full text of the announcement.

This document contains forward looking statements with respect to the business, strategy and plans of Secure Trust Bank PLC and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about Secure Trust Bank PLC's or management's beliefs and expectations, are forward looking statements. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Secure Trust Bank PLC's actual future results may differ materially from the results expressed or implied in

these forward looking statements as a result of a variety of factors. These include UK domestic and global economic and business conditions, risks concerning borrower credit quality, market related risks including interest rate risk, inherent risks regarding market conditions and similar contingencies outside Secure Trust Bank PLC's control, any adverse experience in inherent operational risks, any unexpected developments in regulation or regulatory and other factors. The forward looking statements contained in this document are made as of the date hereof, and Secure Trust Bank PLC undertakes no obligation to update any of its forward looking statements.