

10 September 2018

CYBG PLC ("CYBG") **Results of General Meeting**

Offer for Virgin Money Holdings (UK) plc ('Virgin Money') gains CYBG shareholder approval

The Board of CYBG is pleased to announce that the resolutions proposed at the General Meeting of CYBG held earlier today, seeking approval for, amongst other things, the recommended all-share offer for Virgin Money (the "**Offer**"), as described in the circular to shareholders dated 31 July 2018 (the "**Circular**"), were duly passed by shareholders. Full details of the poll results are set out below.

The Offer is also subject to approval by Virgin Money shareholders at the Court Meeting and the Virgin Money General Meeting being held today.

Engagement with the PRA and the FCA is ongoing and completion remains subject to the satisfaction or, where permitted, waiver of the Conditions set out in the Scheme Document and approval of the Court.

CYBG and Virgin Money remain confident that completion of the Offer will occur in calendar Q4 2018.

Resolution	Votes For	% For	Votes Against	% Against	Total Votes Validly Cast	Votes Withheld
1. To: (i) approve the Offer and authorise the directors of the Company to take all such action as they consider necessary, expedient or appropriate in connection with the Offer; and (ii) authorise the directors of the Company to create and allot the New CYBG Shares pursuant to the Offer.	601,261,624	99.93	408,136	0.07	601,669,760	175,678
2. To authorise the directors of the Company to create and allot shares in the Company in connection with: (i) the conversion of the Virgin Money AT1 Securities into ordinary shares of the Company; and (ii) the issue of additional AT1 securities.	581,804,958	96.69	19,917,888	3.31	601,722,846	111,156
3. To authorise the directors of the Company to disapply pre-emption rights in connection with	579,595,597	96.35	21,968,046	3.65	601,563,643	264,492

CYBG PLC is registered in England and Wales (company number: **09595911**) and as a foreign company in Australia (**ARBN 609 948 281**) and has its registered office at 20 Merrion Way, Leeds, West Yorkshire LS2 8NZ

the Virgin Money AT1 securities, in respect to the authority to allot shares granted under Resolution 2.						
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Votes 'For' and 'Against' are expressed as a percentage of the total votes received.

'Votes Withheld' are not a vote in law and have not been counted in the calculation of the 'Votes For' and 'Votes Against' the resolutions or the total number of votes validly cast.

The total number of CYBG shares in issue as at close of business on Friday 7 September 2018, being the latest practicable business day prior to the General Meeting, was 886,051,176 ordinary shares of 10 pence, carrying one vote each.

A copy of the resolutions passed at the General Meeting has been submitted to the National Storage Mechanism in accordance with 9.6.2 of the Listing Rules and will be available for inspection at www.morningstar.co.uk/uk/NSM.

The voting results will also shortly be available on CYBG's website at www.cybg.com

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Clifford Chance LLP is retained as legal adviser to CYBG.

Terms used but not defined in this Announcement have the meaning set out in the Circular.

Further information

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer will be implemented solely by means of the Scheme Document and/or the Circular and Prospectus, which contain the full terms and conditions of the Offer, including details of how to vote in respect of the Offer. Any vote or other response to the Offer should be made only on the basis of the information in the Scheme Document and/or the Circular and Prospectus as appropriate. This announcement does not constitute a prospectus or prospectus equivalent document.

Important notices relating to financial advisers and corporate brokers

*Morgan Stanley & Co. International plc ("**Morgan Stanley**") which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the UK is acting as financial adviser exclusively for CYBG and no one else in connection with the matters set out in this announcement. In connection with such matters, Morgan Stanley, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in connection with the contents of this announcement or any other matter referred to herein.*

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under statute or otherwise) to any person who is not a client of Deutsche Bank in connection with the matters set out in this announcement, any statement contained herein or otherwise.

Macquarie Capital (Europe) Limited ("**Macquarie**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for CYBG and no-one else in connection with the matters set out in this announcement and will not be responsible to anyone other than CYBG for providing the protections afforded to customers of Macquarie or for providing advice in relation to the matters set out in this announcement.

Restricted Jurisdictions

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their Virgin Money Scheme Shares in respect of the Scheme at the court meeting, or to execute and deliver forms of proxy appointing another to vote at the court meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. This announcement has been prepared for the purpose of complying with English law and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

No person has been authorised to make any representations on behalf of Virgin Money or CYBG (or any of their respective affiliates) concerning the Scheme or the Offer which are inconsistent with the statements contained herein, and any such representations, if made, may not be relied upon as having been so authorised. Copies of this announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any restricted jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any restricted jurisdiction. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction and, to the fullest extent permitted by applicable law, Virgin Money and CYBG (and their respective affiliates) disclaim any responsibility or liability for the violation of such restrictions by any person.

No person should construe the contents of this announcement as legal, financial or tax advice and any interested person should consult its own advisers in connection with such matters.

Forward-looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Offer, and other information published by CYBG and Virgin Money contain statements which are, or may be deemed to be, "forward-looking statements". All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on assumptions, expectations, valuations, targets, estimates, forecasts and projections of CYBG and Virgin Money about future events, and are therefore subject to risks and uncertainties which could cause actual results, performance or events to differ materially from those expressed or implied by the forward-looking statements. The forward-looking statements contained in this announcement include statements relating to the expected effects of the Offer on the CYBG Group, the Virgin Money Group and the Combined Group, the expected timing and scope of the Offer and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects", "budget", "targets", "aims", "scheduled", "estimates", "forecast", "intends", "anticipates", "seeks", "prospects", "potential", "possible",

"assume" or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although CYBG and Virgin Money believe that the expectations reflected in such forward-looking statements are reasonable, CYBG and Virgin Money can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risks (known and unknown) and uncertainties (and other factors that are in many cases beyond the control of CYBG and/or Virgin Money) because they relate to events and depend on circumstances that may or may not occur in the future.

There are a number of factors that could affect the future operations of the CYBG Group, the Virgin Money Group and/or the Combined Group and that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction (or, where permitted, waiver) of the Conditions, as well as additional factors, such as: domestic and global business and economic conditions; asset prices; market related risks such as fluctuations in interest rates and exchange rates, industry trends, competition, changes in government and regulation, changes in the policies and actions of governments and/or regulatory authorities (including changes related to capital and tax), changes in political and economic stability (including exposures to terrorist activities, the repercussions of the UK's referendum vote to leave the European Union (EU), the UK's exit from the EU (including any changes to the UK currency), Eurozone instability, any referendum on Scottish independence), disruption in business operations due to reorganisation activities, interest rate, inflation, deflation and currency fluctuations, the timing impact and other uncertainties of future or planned acquisitions or disposals or offers, the inability of the Combined Group to realise successfully any anticipated synergy benefits when the Offer is implemented (including changes to the board and/or employee composition of the Combined Group), the inability of the CYBG Group to integrate successfully the Virgin Money Group's operations and programmes when the Offer is implemented, the Combined Group incurring and/or experiencing unanticipated costs and/or delays (including IT system failures, cyber-crime, fraud and pension scheme liabilities), or difficulties relating to the Offer when the Offer is implemented. In particular, the capital position of the Combined Group is subject to confirmation of the regulatory treatment of the existing capital instruments issued by CYBG and Virgin Money post completion of the Offer, which is dependent on the final legal structure of the Combined Group. Other unknown or unpredictable factors could affect future operations and/or cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.

Each forward-looking statement speaks only as of the date of this announcement. Neither CYBG Group nor Virgin Money Group, nor any of their respective associates or directors, officers or advisers, provides any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Forward looking statements involve inherent risks and uncertainties. All forward-looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the Takeover Code, the Listing Rules and the Disclosure Guidance and Transparency Rules), neither the CYBG Group nor the Virgin Money Group is under or undertakes any obligation, and each of the foregoing expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Publication on a website

A copy of this announcement will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on CYBG's website at <https://www.cybg.com/cybg-update/> promptly and in any event by no later than 12 noon on the business day after the date of this

announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Registration

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