

For release at 0700hrs 17 July 2017.

UPP Bond 1 Issuer PLC

Update on latent defect at Exeter accommodation.

Following the update issued 28 April 2016 and those in subsequent annual and half year Investor Reports, UPP Bond 1 Issuer PLC can now confirm that UPP (Exeter) Limited has entered into Deeds of Settlement and Remediation with the contractor, relating to a latent defect identified in newly built accommodation at the AssetCo providing accommodation for the University of Exeter.

With the completion of these Deeds, the contractor accepts full responsibility for the remediation of the defects identified. The contractor will carry out the works solely at its own cost and will not seek to recover any costs relating to these or specified defects whether arising before or after the date of the Settlement and Remediation Deed. The contractor shall, in addition, bear all costs associated with the appointment of the Independent Certifier.

Mobilisation of the works programme commenced 03 July 2017 and is expected to last for 43 months (i.e. 3.6 years).

It remains the case that the defect identified and the programme established, will not affect the operation of the accommodation which to date has been fully occupied at modelled rents.

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For further information, please contact UPP Investor Relations:

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