

For Release at 0700hrs on 12 December 2019

UPP BOND 1 ISSUER PLC

Results for the year ended 31 August 2019

UPP Bond 1 Issuer PLC is pleased to announce that the Consolidated Report and Accounts of UPP Bond 1 Holdings Limited ('Holdco'), the reporting Parent undertaking of UPP Bond 1 Issuer PLC, for the year ended 31 August 2019. The 2019 Investor Report and the Results Presentation are available on the Investor website at: www.upp-ltd.com/investor-centre/announcements

Business highlights include:

- Occupancy for 2018/19 of 99.2% (2017/18: 100.0%)
- Turnover up by 3.2% to £66.4m, reflecting RPI-linked annual term rental income increases
- Increase in gross profit of 4.0% to £47.1m and EBITDA of 5.1% to £44.5m
- EBITDA margin increase of 1.2% year on year to 67.0%
- Strong demand has continued into 2019/20 with projected occupancy across all AssetCos in excess of 99.8%
- Shareholders elected to fund an additional investment of £2.9m in the accommodation at Plymouth over three years resulting in a Trigger Level 2, Phase 1 Monitoring Event and, as required by the Monitoring Services Agreement, the AssetCo has developed a remedial plan in full consultation with the Monitoring Adviser
- Term rental income predicted to increase by 2.6% compared to 2019

Richard Bienfait, Chief Executive Officer, commented;

"Once again, the results for UPP Bond 1 Holdings Limited for the financial year ended 31 August 2019 underline the attractiveness of UK higher education (HE) as a sector offering opportunities for investors seeking stable, long-term returns based on accretive, asset-backed and RPI-linked revenues.

The unique models of partnership developed by UPP over the last two decades are testament to the mutual benefits available to all parties where the interests of each are genuinely aligned over the long-term. Evidence from UCAS continues to suggest that, despite the uncertainties of Brexit, demand from EU and international students remains robust and levels of participation of young people from the UK remain at a record high.

May 2019 saw the publication of the Independent panel report to the Review of Post-18 Education and Funding. Whilst the Report makes numerous recommendations in relation to the level of tuition fee and maintenance loan arrangements, the implementation of any changes to existing policy is highly uncertain and rests on the outcome of current political uncertainty.

It is highly unlikely that any of these proposals will impact negatively on academic demand or result in universities choosing to ignore the benefits of providing students with the best facilities developed alongside expert partners."

For further information please email UPP Investor Relations at investor.relations@upp-ltd.com or call +44 (0)20 7398 7200.