

06 April 2017

## **News Release – Update on FCA authorisation of Caversham Finance Limited trading as BrightHouse (“BrightHouse”)**

BrightHouse Group Plc announces that it has received notification from the Financial Conduct Authority (“FCA”) that the FCA is minded to authorise BrightHouse, subject to compliance with the general standard for authorisation and all of the following conditions as detailed by the FCA being met by 15 May 2018:

1. BrightHouse Group Plc has re-structured its existing debt such that by 15 May 2018 BrightHouse can demonstrate that it is a financially sustainable business for the foreseeable future (being at least the 3 years following that re-structure) – this will include BrightHouse demonstrating that it is balance sheet and cashflow solvent in that period and that the inter-group funding (including any guarantees and other commitments) do not adversely impact BrightHouse’s balance sheet and cashflow solvency.
2. BrightHouse’s business plan to 30 April 2021 is suitable for a firm that is complying with the threshold conditions and treating customers fairly and/or that there is no material change to BrightHouse’s business plan to 30 April 2021.
3. Save for unforeseen circumstances, BrightHouse will adhere to the business plan referred to in (2) above.
4. There are no grounds for concern in relation to any shareholder of BrightHouse following the restructure referred to in (1) or, alternatively, that such concerns are not material for the purposes of its s55B(3) FSMA assessment.
5. Neither the debt restructuring in (1) above nor business plan in (2) above incentivise BrightHouse or any of its employees/agents to act contrary to the interest of BrightHouse’s customers (or that any such risk is appropriately mitigated).

We are pleased to have successfully reached this important milestone and that the FCA is minded to authorise our business, subject to all of the above conditions being met by 15 May 2018 – primarily regarding refinancing our corporate bond. That refinancing is due by May 2018 and we are confident this will happen before then.

BrightHouse has worked closely with the FCA during their rigorous and thorough examination of our business. We have worked to address their concerns and we are pleased that, save for satisfying the conditions set out above, BrightHouse meets the standard for authorisation.

We look forward to continue serving our customers across the UK.

**Media:****For all general media enquiries please contact CNC:**

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**Investor Relations:**

**Contact:** [investor.relations@brighthouse.co.uk](mailto:investor.relations@brighthouse.co.uk)

This News Release is to clarify that the FCA's indication that it is minded to authorise BrightHouse (as defined above) subject to all the above conditions being met by 15 May 2018 is in relation to BrightHouse and it supercedes the News Release posted earlier today.

**About BrightHouse**

BrightHouse is the UK's leading rent-to-own retail chain, providing quality branded domestic appliances, technology products and household furniture to customers on affordable weekly payments. A major employer in local communities, BrightHouse has some 280 stores nationwide and 3,000 colleagues.

Since 2010, BrightHouse has supported the NSPCC, the UK's leading children's charity that specialises in child protection and the prevention of cruelty to children.

More information about the business can be found on the BrightHouse Group website: [www.brighthousegroup.co.uk](http://www.brighthousegroup.co.uk).