

THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.

8 January 2010

RECOMMENDED OFFER

by

Virgin Money Holdings (UK) Limited ("**Virgin Money**")

for the entire issued and to be issued share capital of

Church House Trust Plc ("**Church House Trust**")

Posting of Documents

It was announced today, 8 January 2010, that the boards of Church House Trust and Virgin Money had reached agreement on the terms of a unanimously recommended offer by Virgin Money to acquire the entire issued and to be issued ordinary share capital of Church House Trust.

The boards of Church House Trust and Virgin Money are now pleased to announce that the offer document dated 8 January 2010 (the "Offer Document") in respect of the Offer and the Form of Acceptance are being posted to Church House Trust Shareholders today.

The Offer will initially remain open for acceptance until 1.00 p.m. (London time) on 29 January 2010.

Copies of the Offer Document, the Form of Acceptance and other documents on display for the purposes of the Offer are available for inspection during normal business hours on any business day at the offices of Denton Wilde Sapte LLP, One Fleet Place, London EC4M 7WS throughout the period during which the Offer remains open for acceptance.

Certain terms used in this announcement are defined in the Offer Document.

**Enquiries**

**Virgin Money**

Scott Mowbray

Head of Media & External Affairs, Virgin Money

T: 07834 843 384

[scott.mowbray@virginmoney.com](mailto:scott.mowbray@virginmoney.com)

**Quayle Munro Limited** (financial adviser to Virgin Money)

Andreas Wesemann

Managing Director

T: 020 7907 4200

[andreas.wesemann@quaylemunro.com](mailto:andreas.wesemann@quaylemunro.com)

## **Church House Trust**

David Batten

Chairman

T: 01935 382 630

[d.batten@church-house.co.uk](mailto:d.batten@church-house.co.uk)

**Europa Partners Limited** (financial adviser to Church House Trust)

Ian Macfarlane

Partner

T: 020 7 440 3509

[imacfarlane@europapartners.com](mailto:imacfarlane@europapartners.com)

## **Advisers**

Quayle Munro Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as financial adviser exclusively for Virgin Money in connection with the Offer and no one else and will not be responsible to anyone other than Virgin Money for providing the protections afforded to its clients, or for providing advice in relation to the Offer, the contents of this announcement, the Offer Document or any matter or arrangements referred to herein or therein.

Europa Partners Limited, which is authorised and regulated by the Financial Services Authority, is acting as financial adviser exclusively for Church House Trust in connection with the Offer and no one else and will not be responsible to anyone other than Church House Trust for providing the protections afforded to its clients or for providing advice in relation to Offer, the contents of this announcement, the Offer Document or any matter or arrangements referred to herein or therein.

## **This announcement**

This announcement is not intended to and does not constitute or form any part of, an offer to sell or an invitation to purchase or the solicitation of an offer to subscribe for any securities. The Offer will be made solely by the Offer Document and the Form of Acceptance, which contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. Any acceptance or other response in relation to the Offer should be made only on the basis of the information contained in the Offer Document and the Form of Acceptance.

## **Overseas Jurisdictions**

The Offer referred to in this document is not being made, and will not be made, directly or indirectly, in, into or from any Restricted Jurisdiction and will not be capable of acceptance from within any such jurisdiction. Accordingly, such documents should not be forwarded or transmitted in, into or from any Restricted Jurisdiction or into any other jurisdiction where to do so would constitute a violation of the relevant laws in such jurisdiction.

## **Dealing disclosure requirements**

Under the provisions of Rule 8.3 of the Takeover Code, if any person is, or becomes, "interested" (directly or indirectly) in 1 per cent. or more of any class of "relevant securities" of Church House Trust , all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the Offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the "offer period"

otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of Church House Trust, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Takeover Code, all "dealings" in "relevant securities" of Church House Trust by Virgin Money or Church House Trust, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at <http://www.thetakeoverpanel.org.uk/>.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Takeover Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel on telephone number +44(0)20 7638 0129; fax number +44(0)20 7236 7013.

### **Forward-looking statements**

This document contains "forward-looking statements" concerning Virgin Money and Church House Trust. All statements other than statements of historical facts included in this document may be forward-looking statements.

Often but not always, forward-looking information statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "should", "would", "might", "will" or "continue to" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Virgin Money, Church House Trust and/or their subsidiaries to be materially different from any further results, performance or achievements expressed or implied by the forward-looking statements.

Factors that would cause actual results to differ materially from those described in this document include: costs and terms related to the acquisition, the economic environment of the industries in which Virgin Money and Church House Trust operate; failure to retain management; regulatory change in the industry and/or the general economic environment.

The list is not exhaustive of the factors that may affect the forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. Although Virgin Money has attempted to identify important factors that could cause actual actions, event or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein in respect of Virgin Money are made as of the date of this announcement and the Offer Document based on the opinions and estimates of management. Subject to requirements to update under any applicable regulation or law, Virgin Money disclaims any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise.

Forward-looking statements contained herein in respect of Church House Trust are made as of the date of this announcement and the Offer Document based on the opinions and estimates of management. Subject to requirements to update under any applicable regulation or law, Church House Trust disclaims any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.

