

Virgin Money Holdings (UK) plc

Virgin Money announces Executive Director change

Virgin Money Holdings (UK) plc (the "Company") announces that Lee Rochford is to stand down as Chief Financial Officer (CFO) and as an Executive Director of the Company.

Lee joined the Company to lead it through its Initial Public Offering which completed successfully in November 2014, and the business has performed strongly since then.

Having achieved this objective, Lee and the Company have agreed that now is the right time to develop his career outside Virgin Money. As a result, Lee will step down as CFO and as an Executive Director of the Company with immediate effect and Dave Dyer (currently Strategy Director, and previously CFO of Virgin Money) will undertake the role of CFO for an interim period. Dave will be supported, as necessary, by Lee who remains available to the Company until the end of his notice period.

The Company is undertaking a search for a replacement for Lee, and will update the market when a permanent successor has been found.

The Board recognises the contribution made by Lee through a significant period of growth and development for the Company.

Glen Moreno, Chairman of Virgin Money said: "I would like to thank Lee for his contribution, both to the Board and as Chief Financial Officer, and wish him well for the future. We are well-placed to find a talented successor to take the business forward".

Chief Executive Jayne-Anne Gadhia said: "I have known Lee for many years, and together we achieved the successful listing of Virgin Money on the London Stock Exchange. Lee made an invaluable contribution to our IPO and to our first year as a listed business."

Lee Rochford said: "I am proud of what we have delivered together at Virgin Money in the past two years, and I have achieved what I set out to do when I joined the business. I am ready now for a new challenge outside of Virgin Money and I wish Jayne-Anne and all of the team every success for the future."

ENDS

Notes:

Key compensation arrangements for Lee Rochford

Mr Rochford is being treated in accordance with the terms of his service agreement and the Company's remuneration policy. Mr Rochford's notice period is 12 months starting from 31 August 2015. Mr Rochford will remain under contract until 31 August 2016, continuing to receive salary (£475,000 per annum), pension (£71,250) and other benefits (estimated at £7,121). If Mr Rochford chooses to take employment with another organisation during this period, this remuneration would cease or be reduced.

The Company's Remuneration Committee (the Committee) is treating Mr Rochford as set out in the Directors' Remuneration Report, as approved by shareholders at the 2015 AGM. This means that there will be no early vesting of awards, performance conditions will continue to apply, the principle of time pro-rating of awards will be applied where applicable, and all awards will remain subject to malus and clawback.

As a good leaver under the Company's variable pay plans, Mr Rochford will retain previously made awards as set out within the Company's Annual Report and Accounts, together with an award over 52,094 shares granted under the 2015 long term incentive plan which will remain subject to the pre-vesting performance condition and has been pro-rated for time served; and a deferred award over 51,614 shares in respect of the 2014 annual bonus, which has also been pro-rated for time served and will be released on the previously set dates. All awards will remain subject to malus and clawback.

The Committee has determined that Mr Rochford will remain eligible to be considered for a pro-rated 2015 annual bonus award for time in role as Chief Financial Officer, subject to an assessment of the relevant performance measures relating to his 2015 annual bonus and the general discretion of the Committee.

Mr Rochford will not be eligible to be considered for a 2016 annual bonus or 2016 long term incentive award.

Biography for Dave Dyer

Dave Dyer has worked in financial services for over 20 years, much of it as CFO or Strategy Director of Virgin Money and the Virgin One Account. Dave qualified as an accountant whilst employed by Citibank. Following his MBA, Dave worked at Touche Ross, before joining Somerfield Supermarkets as Commercial Director, moving to RBS in 1994. At RBS, Dave played a central role in the creation of the Virgin One account and in 1999 became its Finance Director. In 2006, Dave became Finance Director of the RBS mortgage business. In 2007 Dave joined Virgin Money as Chief Financial Officer before taking on the role of Strategy Director. Dave has an MA from Peterhouse, Cambridge.

Forward looking statements

This document contains certain forward looking statements with respect to the business, strategy and plans of Virgin Money Group and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about Virgin Money Group's or its directors' and/or management's beliefs and expectations, are forward looking statements. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will or may occur in the future. Factors that could cause actual business, strategy, plans and/or results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements made by the Group or on its behalf include, but

are not limited to: general economic and business conditions in the UK and internationally; inflation, deflation, interest rates and policies of the Bank of England, the European Central Bank and other G8 central banks; fluctuations in exchange rates, stock markets and currencies; changes to Virgin Money's credit ratings; changing demographic developments, including mortality and changing customer behaviour, including consumer spending, saving and borrowing habits; changes in customer preferences; changes to borrower or counterparty credit quality; instability in the global financial markets, including Eurozone instability and the impact of any sovereign credit rating downgrade or other sovereign financial issues; technological changes; natural and other disasters, adverse weather and similar contingencies outside Virgin Money's control; inadequate or failed internal or external processes, people and systems; terrorist acts and other acts of war or hostility and responses to those acts; geopolitical, pandemic or other such events; changes in laws, regulations, taxation, accounting standards or practices; regulatory capital or liquidity requirements and similar contingencies outside Virgin Money's control; the policies and actions of governmental or regulatory authorities in the UK, the European Union, the US or elsewhere; the implementation of the EU Bank Recovery and Resolution Directive and banking reform, following the recommendations made by the Independent Commission on Banking; the ability to attract and retain senior management and other employees; the extent of any future impairment charges or write-downs caused by depressed asset valuations, market disruptions and illiquid markets; market relating trends and developments; exposure to regulatory scrutiny, legal proceedings, regulatory investigations or complaints; changes in competition and pricing environments; the inability to hedge certain risks economically; the adequacy of loss reserves; the actions of competitors, including non-bank financial services and lending companies; and the success of Virgin Money in managing the risks of the foregoing.

Any forward-looking statements made in this document speak only as of the date they are made and it should not be assumed that they have been revised or updated in the light of new information of future events. Except as required by the Prudential Regulation Authority, the Financial Conduct Authority, the London Stock Exchange plc or applicable law, Virgin Money expressly disclaims any obligation or undertaking to release publicly any updates of revisions to any forward-looking statements contained in this document to reflect any change in Virgin Money's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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Company Secretary
1 September 2015

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