

RNS Number : 7761C
Close Brothers Group PLC
09 October 2025

This announcement contains inside information

Update in relation to motor finance commissions

9 October 2025

Following publication of the Financial Conduct Authority's consultation paper on 7 October 2025, Close Brothers ("the group") is continuing to assess the potential impact and implications of the proposed redress scheme in respect of motor finance commissions.

While uncertainty in relation to the outcome of the consultation remains, the group's initial assessment is that if implemented in its current form, the proposed scheme is likely to result in a material increase in its existing provision of £165 million. This remains subject to ongoing review of the proposal and analysis of its potential impact on the group.

The group remains confident in its capital strength, with a Common Equity Tier 1 ratio of 13.8% (14.3% on a pro-forma basis)¹ at 31 July 2025, significantly above our applicable requirement of 9.7%.

The group will continue to update the market as and when appropriate.

Footnote

1 Pro-forma as at 31 July 2025, reflecting the estimated CET1 benefit from the sale of Winterflood. The recently announced sale of Winterflood Securities is expected to increase the group's CET1 capital ratio by c.55 basis points on a pro-forma basis, of which c.30 basis points will be recognised upon completion, with a further c.25 basis points expected in due course from the reduction in operational risk weighted assets.

Inside information

This announcement contains information which is deemed by the Company to constitute inside information within the meaning of the UK version of the European Union's Market Abuse Regulation ((EU) No. 596/2014). Upon the publication of this announcement via the Regulatory Information Service, the inside information is now considered to be in the public domain. The person responsible for arranging the release of this information on behalf of the Company is Sarah Peazer-Davies, Group General Counsel and Company Secretary.

Enquiries

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About Close Brothers

Close Brothers is a UK specialist banking group providing lending, deposit taking and securities trading. We employ approximately 3,000 people, principally in the United Kingdom and Ireland. Close Brothers Group plc is listed on the London Stock Exchange and is a constituent of the FTSE 250.

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Certain statements included or incorporated by reference within this announcement may constitute "forward-looking statements" in respect of the group's operations, performance, prospects and/or financial condition. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as "anticipates", "aims", "due", "could", "may", "will", "should", "expects", "believes", "intends", "plans", "potential", "targets", "goal" or "estimates". By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. There are also a number of factors that could cause actual future operations, performance, financial conditions, results or developments to differ materially from the plans, goals and expectations expressed or implied by these forward-looking statements and forecasts. These factors include, but are not limited to, those contained in the group's annual report (available at: <https://www.closebrothers.com/investor-relations>). Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future.

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