

# UK Financial Investments Ltd

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## Press Release

1 January 2012

### UKFI confirms completion of Northern Rock sale to Virgin Money

UK Financial Investments Ltd (“UKFI”) today confirms the completion of the sale of 100% of the share capital of Northern Rock plc (“Northern Rock”) by HM Treasury to Virgin Money Holdings (UK) Limited (“Virgin Money”).

Completion follows approval of the transaction by the Financial Services Authority and receipt of European Commission merger clearance. Further details about the transaction can be found in UKFI’s press release of 17 November 2011 covering the agreement to sell Northern Rock to Virgin Money.

**Ends**

### About UKFI:

UKFI is responsible for managing the Government’s shareholdings in The Royal Bank of Scotland Group plc and Lloyds Banking Group plc, collectively the “Market Investments”. UKFI is also responsible for managing the Government’s 100% shareholding and loans in UK Asset Resolution Ltd (“UKAR”). UKAR was formed during 2010 to integrate the activities of Northern Rock (Asset Management) plc and Bradford & Bingley plc, collectively the “Wholly-Owned companies”. UKFI managed the Government’s 100% shareholding in Northern Rock plc from Northern Rock plc’s formation on 1 January 2010 and up to its sale to Virgin Money on 1 January 2012.

UKFI’s overarching objective is to manage these shareholdings commercially to create and protect value for the taxpayer as shareholder and to devise and execute a strategy for realising value for the Government’s investments in an orderly and active way over time within the context of protecting and creating value for the taxpayer as shareholder and where applicable, as provider of financial support, paying due regard to the maintenance of financial stability and acting in a way that promotes competition.