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First Citizen Finance raises €176m to fund more car loans next year

Link: <https://www.irishtimes.com/business/financial-services/first-citizen-finance-raises-176m-to-fund-more-car-loans-next-year-1.4401385>



Press Release:

Thursday 5th November 2020. First Citizen Finance, one of Ireland's leading finance companies, has successfully raised over €176 million through a securitisation of loans linked to the company's auto finance business. This is the third securitisation deal led by First Citizen and arranged by Deutsche Bank, featured joint lead managers of both Citi and Deutsche Bank. It will provide the company with additional finance to support car buyers and the Irish motor industry in 2021. First Citizen was established in 2012 by Chris Hanlon who led a MBO of Permanent TSB's car finance business, Permanent TSB Finance.

The latest securitisation deal features a 12 month replenishment period, bringing the total loans financed to an expected **€225 Million** over the life of the transaction. The coupon on the senior notes, rated AAA by S&P and Moody's is 1MEuribor+82 bps marginally higher than price guidance.

In addition to car finance, First Citizen provides finance for the Agri and SME sectors and for Commercial Real Estate.

Speaking today, Chris Hanlon, founder and Managing Director, said that the securitisation had been well supported by institutional investors; “The Investors, most of whom had invested in prior placements identified the strong management engagement through the Pandemic. It also attracted interest from larger investors. This is good news for the Irish motor industry and the strong response testifies to the confidence in the underlying strength of that market. There are over 2.2 million passenger cars on the road and they will need replacement over time. The replenishment period means that we can tap into additional funds through next year without having to organise a full new securitisation.”

Issued on behalf of First Citizen by Gordon MRM

Ray Gordon

Ph: 087 241 7373

