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CV finance specialist Asset Alliance Group targets further growth and acquisition after securing £75m bank funding

Asset Alliance Group, specialists in commercial vehicle contract hire, finance and sales, is poised for significant growth and future acquisitions after securing a £75m revolving Asset Based Lending deal led by Royal Bank of Scotland and supported by HSBC.

The agreement strengthens the Group's unique approach to purchasing, refinancing and procuring vehicles and trailers for its clients – using its own funds and buying power to supply multi-brand assets on any combination of contract hire, operating lease, finance lease or hire purchase.

Willie Paterson, Asset Alliance Group CEO, says: "Our approach is unique and proving incredibly popular, making us one of the fastest growing companies in our sector. Thanks to this considerable finance package, our initial rapid development is set to continue apace, through both organic growth and potentially further acquisitions.

"An initial panel of more than 12 banks competed to secure our business, and the winning pairing of Royal Bank of Scotland and HSBC – as two of the largest – demonstrates the robust, reliable and fit-for-purpose nature of our business model – and the financial stability our customers can expect."

Paterson adds: "The package uniquely strengthens and supports all areas of the Group's businesses, underpinning our operations in the form of both increased stock of new and used assets to be sold and rented, and a stronger financial offering for customers needing a larger volume of assets.

"Also, the funding facility allows the Group to operate with increased efficiency, meaning faster quotations for our customers – and vehicles on the road quicker."

The deal will benefit all corners of the Group's business, including contract hire and leasing specialist Asset Alliance, temperature-controlled contract hire and leasing specialist Total Reefer, and ATE Truck and Trailer Sales, a major retailer of new and used commercial vehicles. It will also aid the continued growth and development of bus and coach sector specialist Forest Asset Finance, which the Group acquired in January 2016.

"By adding bus and coach finance to our services we can widen our client base and our portfolio of products and services. This ABL funding is helping to support our future growth strategy and diversification into new sectors," Paterson adds.

The ABL facility is structured against Asset Alliance Group's large portfolio of vehicle assets. Ernst & Young's Manchester-based Capital & Debt Advisory team, led by Jashen Josson, supported the transaction throughout the process.

Matt Broomfield, Business Development Director for Royal Bank of Scotland Asset Based Lending in the Midlands, says: "I am delighted that we have been able to support Asset Alliance Group and its hugely experienced management team with this significant ABL facility. The company has achieved impressive growth during the last five years, and provision of this revolving facility will allow further development of their successful growth plans."

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About the Asset Alliance Group

Asset Alliance Limited was founded by Willie Paterson, former Managing Director of Alliance & Leicester Commercial Finance PLC with investment capital from one of the UK's leading private equity companies, Cabot Square Capital LLP.

In early 2010, a number of senior managers from within the commercial vehicle industry, who share a passion for delivering a high quality service designed to meet the individual needs of customers, were recruited and the company began trading in May 2010.

Sales and administration offices were quickly established in Scotland and then Wolverhampton, where the Asset Alliance Group was established in 2011 following a merger with ATE Truck and Trailer Sales Ltd, the UK's leader in used trailer and truck sales. In September 2013, the group purchased refrigerated trailer specialist, Total Reefer, and in January 2016 added specialist bus and coach finance intermediary Forest Asset Finance to the group portfolio.

Today Asset Alliance Group is financially robust and accesses its own funds provided by independent investors. With a strong client base, the number of assets under management has grown rapidly in recent years as the group provides flexible finance and funding solutions at times when other lenders are withdrawing such support the industry.

For more information please visit www.assetallianceltd.com

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