

18 December 2017

La Trobe Financial announces Strategic Partnership with Blackstone

La Trobe Financial, a leading Australian non-bank lender and award winning fund manager is pleased to announce a strategic partnership with Blackstone, effective immediately. Under the deal, Blackstone, one of the world's leading asset management firms based in New York with over AUD\$521 billion under management, will take an 80% equity stake in the La Trobe Financial group in partnership alongside the existing shareholder for an undisclosed sum.

This partnership aims to accelerate La Trobe Financial's recent strong growth in the Australian credit markets focusing on the \$1.7 trillion Australian mortgage loan market and servicing small to medium enterprises (SME) and business borrowers who are finding it increasingly difficult to obtain credit from the traditional bank sources. In particular, Blackstone's capital support and global networks will assist La Trobe Financial continue to develop its leading position in these specialist credit market segments.

La Trobe Financial, which has been in existence since 1952, has been the most private of all the largest non-bank players in the country. It has built a reputation for sound management and the quality of its operations, winning many local and international awards. Under the agreement, La Trobe Financial will continue to focus on growing its offerings to its loan and wealth management customers, through its award winning \$2 billion retail Credit Fund, its \$4.6 billion mortgage loan portfolios, its institutional mandates and facilities, and its \$1.1 billion regular debt capital market issuances. In partnering with Blackstone, La Trobe Financial will also look to broaden its base products and services going forward into new market segments.

Greg O'Neill, President & CEO of La Trobe Financial's commented:

"The opportunity to partner with Blackstone was the perfect fit for our staff, business and customers. The specialist credit space is experiencing a defining period of change and growth around the world right now and it is critical that we continue to build on our strong capital position, expand our networks and draw on global best practice. Blackstone is an outstanding counterparty for our business and we are delighted to partner with them. We look forward to working closely with them over the coming years to expand and substantially grow our retail and institutional investment programs and our specialist lending offerings. At a personal level, our executive team look forward to working with Blackstone to maximise the benefits and synergies for all La Trobe Financial customers.

Malcom Jackson, Managing Director – Tactical Opportunities, Blackstone stated:

"Blackstone is pleased to partner with La Trobe Financial at such a pivotal moment in their growth and development. The calibre of the La Trobe management team, combined with their high quality loan origination and underwriting, both in the residential and commercial markets, and a strategy that is focused on realising growth opportunities at this important time in the cycle, means we look forward to a strong and productive partnership."

Under the terms of the agreement, Greg O'Neill will continue as President & Chief Executive Officer, as will the existing management and executive team including Rowan Donohue Chief Operating Officer, Martin Barry Chief Group Treasurer, Chris Andrews Chief Investment Officer, Cory Bannister Chief Lending Officer, Rob Clough Chief Financial Officer, and Randal Williams Chief Risk Officer. La Trobe Financial will retain the existing Board and appoint two additional representatives from Blackstone.

O'Neill further stated:

"We are delighted to welcome Blackstone as a shareholder and their representatives to our Board. Blackstone has a reputation as a strong corporate partner in this market globally and we expect that La Trobe Financial will benefit from Blackstone's strategic and financial expertise. There is a unique opportunity to tap into Blackstone's global platform and its operational support to expand our investment and lending programs globally. The scale of the opportunity is unprecedented, given that Blackstone is larger than its four largest peer

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MEDIA BACKGROUND INFORMATION

About La Trobe Financial

La Trobe Financial is one of Australia's leading Credit Specialists, providing funding and investment solutions to a diverse range of customers since 1952. We are a proven and trusted investment partner for institutional and retail investors alike with over 65 years' experience, managing investment mandates in excess of A\$13 billion, including a retail Credit Fund of almost \$2 billion, and over \$1 billion of public RMBS bonds issued

La Trobe Financial has 225 staff with offices located in Melbourne, Sydney, Shanghai and Hong Kong. It is widely regarded as one of Australia's leading non-banks. The group has annual revenue exceeding \$355m, and 40,000 customers covering both loan and retail investments. La Trobe Financial operates under two separate licences: La Trobe Financial Services Pty Limited – Australian Credit Licence No. 392385 and La Trobe Financial Asset Management Limited – Australian Financial Services Licence and Australian Credit Licence No. 222213.

For further details please visit our website www.latrobefinancial.com. For details of our ratings please view our Awards & Ratings link on our website.

About Blackstone

Blackstone is one of the world's leading investment firms. It seeks to create positive economic impact and long-term value for its investors, the companies it invests in, and the communities in which it works. Blackstone does this by using extraordinary people and flexible capital to help companies solve problems. Its asset management businesses, with over US\$400 billion in assets under management, include investment vehicles focused on private equity, real estate, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at www.blackstone.com. Follow Blackstone on Twitter @Blackstone.

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