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## **M&G acquires major stake in Ireland’s leading non-bank lender Finance Ireland**

M&G plc (“M&G”), the international savings and investments business, announces it has acquired a 41% stake in Finance Ireland, Ireland’s largest non-bank lender. The investment is on behalf of the £143 billion Prudential With Profits Fund and external client funds managed by M&G Investments.

Finance Ireland is the most diversified lender in the market, providing residential mortgages, commercial property, car finance, leasing, SME financing and lending to the agricultural sector. In 2021, the company’s lending figure passed €1 billion for the first time and the new €50 million equity raised will underpin future lending growth and expansion.

In 2018, Finance Ireland entered the residential mortgage market and has become a material player in its domestic market, with M&G having purchased around €1 billion of these mortgages in the past three years for the benefit of its clients. Last year, the company [introduced](#) long-dated fixed rate mortgages with terms of up to 25 years, supported by an existing funding agreement with M&G Investments.

The company, founded in 2002 by Chief Executive Billy Kane, now employs 170 people and in many cases provides innovative products such as the long-dated fixed rate mortgages and its award winning MilkFlex loan, which has lent more than €250 million to Irish dairy farmers.

The investment is managed by M&G’s dedicated speciality finance and consumer loans team which was formed in 2017 and is part of the firm’s £72 billion Private & Alternative Assets division.

**Will Nicoll, Chief Investment Officer of M&G’s Private & Alternative Assets division**, says: “Finance Ireland is the largest non-bank lender within the Irish market and is well positioned to take advantage of favourable structural changes as some banks withdraw for core areas of lending. In addition to the growth potential of the business, the investment provides us with long-term funding opportunities as we continue to partner with the team to bring innovative financing solutions to Irish businesses and consumers.”

**Billy Kane, Founder and Chief Executive of Finance Ireland**, says: “This transaction is a huge vote of confidence not just in Finance Ireland but in the Irish economy, providing us with long-term investors to grow and expand our customer offering and execute our long-term growth strategy.



“M&G know our business well as funders of our residential mortgage book and we are delighted that they have taken this step to take a substantial equity position in our business at this time. The timing is also significant given the exit of Ulster Bank and KBC from the market as customers look for a new provider for their mortgage and for their business financing.”

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**Notes to Editors:**

M&G’s Private & Alternative Assets division is £72 billion, as at 31 December 2021.

The Prudential With Profits Fund is £143 billion, as at 31 December 2021.

Consumer lending across Europe is dominated by retail banks, but wide-ranging regulatory changes have encouraged banks to find ways to manage their capital and balance sheets more efficiently. Over recent years, asset managers such as M&G, have stepped up to provide long-term capital to this market on behalf of institutional investors seeking long-term income and diversification with a return premium to the public markets. This has resulted in banks transferring residential mortgages and consumer loan portfolios to carefully selected institutional investors from time to time, while still servicing the loans and maintaining relationships with the end-consumers.

**About M&G plc**

M&G plc is an international savings and investments business, managing money for around 5 million retail customers and more than 800 institutional clients. As at 31 December 2021, assets under management and administration were £370 billion. Within this, institutional asset management accounts for £103 billion, and retail asset management £53 billion. M&G manages £72 billion of private and alternative assets, making it one of the largest alternative asset managers in Europe. With a heritage dating back more than 170 years, M&G plc has a long history of innovation in savings and investments, combining asset management and insurance expertise to offer a wide range of solutions. The Company serves its savings and insurance customers under the Prudential brand in the UK and Europe and under the M&G Investments brand for asset management clients globally.