LONDON STOCK EXCHANGE
An LSEG Business

HALF-YEAR FINANCIAL REPORT

LEEDS BUILDING SOCIETY

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Leeds Building Society announces 2026 Interim Financial Results

Leeds Building Society has delivered a solid performance in the first half of 2026, supporting its members whilst maintaining financial strength and a disciplined attitude to long-term growth. As a mutual with a strong balance sheet, the Society is focused on investing for the future and enhancing member value.

The UK's fifth largest building society continues to help people to have a place to call home and build financial resilience as savings balances increased to £26.4 billion and gross mortgage lending remained strong at £2.0 billion.

2026 H1 key highlights:

- **Attracting new members to the Society:** supporting 13,000 people onto and up the housing ladder in the first half of the year (H1 2025: 19,400), almost 50% of whom (6,450) were first-time buyers (H1 2025: 9,600). Alongside this, a total of 33,000 new savings members joined the Society in the first half of the year (H1 2025: 55,000)
- **Helping savers make the most of their money**: generating an additional £88.5 million in interest for our members during the first five months of 2026, as a result of paying rates 0.83% above the market average[1] (H1 2025: £88.8m in interest, 0.87% above the market average)
- **Robust lending growth**: gross mortgage lending of £2.0 billion (H1 2025: £2.6 billion)
- **Continued financial strength, enabling investment**: achieving a profit before tax of £70.7 million, in a significant transformation build year for the Society, in line with growth plans and expectations (H1 2025: £104.4 million)
- **Supporting communities across the UK**: in the first half of the year, we have donated £590,670 to charities that align with our purpose, through a combination of direct giving, colleague fundraising, match funding and volunteering incentives.

Annette Barnes, Leeds Building Society's Chief Executive Officer, said:

"I'm proud of all that we have achieved as a Society in the first half of 2026, as we delivered a performance in line with expectations.

"Our rate of growth in the first half of 2026 reflects the deliberate investment choices we have made, including the multi-year modernisation of our core technology platform, which is now in the build phase. We will continue to invest for the future, in line with our plan to enhance member value and set us up for continued success over the long-term.

"Supporting people into homes is central to everything we do, and in the first half of 2026 we helped 13,000 people onto and up the housing ladder, almost half of whom were first-time buyers. I'm delighted that we continued to lend responsibly and launch innovative products to meet members' needs.

"Looking ahead we see significant opportunity, despite economic uncertainty. Our financial strength and focused strategy mean that we are well positioned not only to navigate change, but to pursue opportunities that strengthen the Society and will create lasting value for members for generations to come."

Maintained robust financial performance in line with expectations

- The Society maintained total regulatory capital comfortably above regulatory requirements at £1.8 billion (31 December 2025 £1.7 billion).

- Common Equity Tier 1 (CET1) capital ratio was 24.6% at 30 June 2026 (H1 2025: 25.8%; 31 December 2025: 25.5%).

- The cost to income ratio, after adjusting for transformation costs, is 50.6% (H1 2025: 44.0%; 31 December 2025: 46.1%). The Society continues to operate in a value-conscious way whilst investing into its muti-year technology transformation programme, which will support the needs of members and strengthen long-term resilience.

- The Society maintained low arrears levels at 0.57% (H1 2025: 0.56%; 31 December 2025: 0.57%), a testament to the hard work of its teams to support borrowers facing financial difficulty.

Supporting members and intermediary partners

- New Start mortgage range launched, designed to reduce the affordability barriers faced by first-time buyers by combining a high loan-to-value with competitive income requirements, allowing borrowers to responsibly access loans worth up to five times their income.

- Expanded Income Plus range to help members move up the property ladder, allowing both first-time buyers and next steppers to access six times loan to income, if they have a minimum income of £75,000, subject to responsible lending assessments.

- Broker Net Promoter Score increased to 65 (31 December 2025: 63)

Continued to invest for the future

- Investment into the multi-year modernisation of the Society's core technology platform continues, with mobile app development and testing underway.

- Our branch refurbishment programme continues, with York now refurbished and additional work in Reading and Kendal planned as part of the programme.
- Supported research into the social value of branches with the Building Societies Association, showing that Leeds Building Society branches contribute up to £286 million in wider social value through the communities we serve.[2]

- Our fraud clinics continue to prove extremely popular with members, with over 2,000 families helped since they first launched in 2025.

Supporting our colleagues and communities

- Increased our fundraising target for Barnardo's to £750,000 by the end of 2027.
- Leeds Building Society Foundation supported 14 charities, with £171,000 awarded in large and small grants so far in 2026.
- Listed as 'One to Watch' in The Times Top 50 Employers for Gender Equality, recognised for our commitment to supporting our colleagues to develop.

Ends

Notes to Editors

For more information, please contact the press office at pressoffice@leedsbuildingsociety.co.uk

About Leeds Building Society

- Leeds Building Society is the UK's fifth-largest Building Society with assets of £32.9 billion and a total membership of around 1,000,000 as at the end of July 2026.
- The Society's purpose is putting home ownership within reach of more people, generation after generation.
- It continues to do today what it was set up to do in 1875 - help people save money and buy their own home. The Society operates as a mutual, developing and innovating its product range and service offer to help members achieve their financial goals.
- The Society won the title of Best Shared Ownership Mortgage Lender in the 2026 What Mortgage Awards, its eleventh consecutive year of success in this category.
- The Society employs over 1,800 colleagues, with a head office in the centre of Leeds, a customer contact centre in Newcastle, and a network of 51 branches across the UK.
- The Society has been a Living Wage employer since 2019.
- The Society is committed to the orderly transition to a greener, net zero economy by 2050 and has set science-based targets to reduce our scope 1, 2 and 3 emissions, aligned with the UK's net zero commitments.

For more on what the Society does and how it helps its members, visit Leeds Building Society

GROUP RESULTS FOR THE PERIOD TO 30 JUNE 2026

Summary Consolidated Income Statement

	Period to 30 Jun 2026 (Unaudited) £M	Period to 30 Jun 2025 (Unaudited) £M	Year ended 31 Dec 2025 (Audited) £M
Interest receivable and similar income	**736.9**	792.5	1,572.1

Interest payable and similar charges	**(549.5)**	(591.4)	(1,169.6)
Net interest receivable	**187.4**	201.1	402.5
Fees and commissions receivable	**3.0**	2.5	5.5
Fees and commissions payable	**(0.6)**	(0.6)	(1.1)
Fair value gains/(losses) from financial instruments	**6.5**	(1.0)	(4.9)
Other operating income	**0.9**	8.5	10.5
Total income	**197.2**	210.5	412.5
Administrative expenses	**(109.9)**	(99.2)	(203.6)
Depreciation and amortisation	**(6.1)**	(5.6)	(11.7)
Impairment charge on loans and advances to customers	**(7.3)**	(2.2)	(0.1)
Impairment of property, plant, equipment and intangible assets	**-**	(0.2)	-
Provisions (charge)/release	**(3.2)**	1.1	1.5
Operating profit and profit before tax	**70.7**	104.4	198.6
Tax expense	**(16.4)**	(25.0)	(53.1)
Profit for the period	**54.3**	79.4	145.5

Summary Consolidated Statement of Financial Position

	30 Jun 2026 (Unaudited)	30 Jun 2025 (Unaudited)	31 Dec 2025 (Audited)
	£M	£M	£M
Assets			
Liquid assets	**6,545.2**	5,593.0	5,450.5
Derivative financial instruments	**167.2**	203.3	129.5
Loans and advances to customers	**25,792.7**	25,737.6	25,962.5
Fair value hedge accounting adjustment	**(20.8)**	33.6	75.5
Other assets, prepayments and accrued income	**316.1**	371.2	253.3
Current tax assets	**0.1**	0.1	0.1
Intangible assets	**52.2**	39.4	43.9
Property, plant and equipment	**45.8**	45.1	47.1
Total assets	**32,898.5**	32,023.3	31,962.4
Liabilities			
Shares	**26,394.5**	25,517.9	26,069.9
Fair value hedge accounting adjustment	**(6.8)**	15.9	11.7
Derivative financial instruments	**63.2**	129.6	119.9
Amounts owed to credit institutions	**12.0**	929.5	0.5
Amounts owed to other customers	**143.0**	200.3	138.8
Debt securities in issue	**3,909.5**	2,837.3	3,237.6
Other liabilities and accruals	**156.5**	136.5	77.9
Deferred tax liabilities	**17.2**	25.0	14.9
Provisions for liabilities and charges	**3.7**	1.5	0.6
Retirement benefit obligation	**0.5**	0.5	0.5
Subordinated liabilities	**306.2**	438.0	438.1
Subscribed capital	**8.0**	8.0	8.0
Total equity attributable to members	**1,891.0**	1,783.3	1,844.0
Total liabilities and equity	**32,898.5**	32,023.3	31,962.4

Condensed Statement of Comprehensive Income

	Period to 30 Jun 2026 (Unaudited)	Period to 30 Jun 2025 (Unaudited)	Year ended 31 Dec 2025 (Audited)
	£M	£M	£M
Fair value (losses) recorded in cash flow hedge reserve	**(0.1)**	(10.5)	(9.1)
Gains previously recorded in cash flow hedge reserve amortised through profit or loss	**(14.6)**	(15.1)	(29.6)
Fair value gains on investment securities	**6.6**	8.8	10.5
Actuarial (loss)/gain on retirement benefit scheme	**(1.1)**	-	(3.4)
Revaluation gain on properties	**-**	-	0.3
Tax on items taken directly to equity	**1.9**	0.3	8.7
Other comprehensive income net of tax	**(7.3)**	(16.5)	(22.6)
Profit for the period	**54.3**	79.4	145.5
Total comprehensive income for the period	**47.0**	62.9	122.9

Summary Consolidated Statement of Cash Flows

	Period to 30 Jun 2026 (Unaudited)	Period to 30 Jun 2025 (Unaudited)	Year ended 31 Dec 2025 (Audited)
	£M	£M	£M
Net cash flows from operating activities	584.6	(740.5)	(1,263.1)
Net cash flows from investing activities	(353.6)	(131.9)	47.0
Net cash flows from financing activities	536.2	(236.2)	149.2
Net increase / (decrease) in cash and cash equivalents	**767.2**	**(1,108.6)**	(1,066.9)
Cash and cash equivalents at the beginning of the period	1,528.6	2,595.5	2,595.5
Cash and cash equivalents at the end of the period	**2,295.8**	**1,486.9**	1,528.6

As at 30 June 2026, the Board Directors of Leeds Building Society were as follows:

- Annette Marie Barnes
- Farah Adiba Buckley
- Arlene Cairns
- David Fisher
- Neil Anthony Fuller
- Andrew John Greenwood
- Robert James Howse
- Brendan Eamon McCafferty
- Pamela Elizabeth Rowland
- Anita Tadayon

[1] Source: CACI's CSDB, Stock, January 2026 to May 2026, latest data available. CACI is an independent company that provides financial benchmarking data of the retail cash savings market.

[2] Building Societies Association and RealWorth report into the social value of building society branch networks: The Social Value of the Buildi Society Branch Network

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