LONDON STOCK EXCHANGE
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NS Half-year/Interim Report

HALF-YEAR REPORT

LEEDS BUILDING SOCIETY

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Leeds Building Society 2025 Interim Financial Results

- **Membership grows to over one million**
- **Society continues to support those buying their first home with record-breaking month of first time buyer completions**
- **Equivalent of £199.9 million additional annual interest was generated for members as a result of the Society paying 0.85% above the market average on savings rates[1]**

Leeds Building Society has delivered a strong performance in the first half of its 150th year, growing membership to over one million and supporting 9,600 first time buyers, according to its latest interim financial results.

The UK's fifth largest building society has lived up to its purpose of putting home ownership within reach of more people, generation after generation, and continued to support savers by generating the equivalent of £199.9 million in additional interest for members, as a result of paying 0.85% above the market average on savings rates[2].

2025 H1 key highlights:

- **New membership record:** attracting thousands of new customers to push membership to over one million.
- **Strong lending performance:** total lending in H1 of £2.6 billion (H1 2024: £2.6 billion).
- **Robust savings growth**: savings balances have reached £25.5 billion (Dec 2024: £24.5 billion).
- **Putting purpose into action:** increasing the number of first time buyers being supported into their first home to 9,600 (H1 2024: 7,800) while welcoming 19,400 new borrowers overall (H1 2024: 17,500).
- **Supporting savers:** generating the annual equivalent of £199.9 million in additional interest for members as a result of paying 0.85% above the market average on savings rates[3].
- **Continued financial strength:** achieving a profit before tax of £104.4 million (H1 2024: £86.4 million[4]), reinforcing its ability to invest in the future
- **Championing mutual values through action:** donating a share of £150,000 to five organisations across the country that are supporting individuals in need of safe and secure housing

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

"I'm proud of what we have delivered as a Society in the first half of 2025. I'm grateful to all of our colleagues, our members, and our intermediary partners for their contribution to our continued success, particularly in our 150th year.

"In the first half of 2025 we grew our membership to over one million; a significant milestone that reflects continued confidence in our mutual model. We've remained focused on our purpose of putting homeownership within reach of more people, generation after generation, by helping 9,600 people realise the dream of buying their first home.

"We've also continued to return value to our savings members through competitive and above average interest rates, equating to an extra £199.9 million annually in their pockets. As a mutual, we are only ever as strong as the relationship we hold with our members.

"We have continued to advocate on the issues our members care about. As a Society, we have been vocal about the value of Cash ISAs, which provide certainty for people in retirement, those buying their first home, or those saving for major life events.

"I was reassured to hear the Chancellor's commitment to supporting the right balance between saving and investing to encourage economic growth in her Mansion House speech. We have supported calls for an industry-led campaign to promote the value of investing and believe this will be an important step in improving public awareness. People should have the knowledge and confidence to make the right decisions for them and their circumstances.

"While reforms to ISAs aren't completely off the table, we'll work with the Government and the wider sector to highlight the importance of cash savings and giving people a fair choice in where they keep their money.

"In this milestone year we have continued to live our mutual values through action, donating a share of £150,000 to five organisations across the UK that applied for a programme of grant funding aligning with the Society's aim of supporting vulnerable people in need of a safe and secure home.

"Whilst the savings and mortgage markets have become increasingly competitive, our strong and consistent performance, coupled with our accomplished team, gives me real confidence in both our short-term future and in our long-term vision to guide the Society forwards for generations to come."

Maintained strong financial performance

- The Society demonstrated its continued financial strength through achieving a profit before tax of £104.4 million (H1 2024: £86.4 million[5])
- The Society maintained a strong capital and liquidity position, with all capital ratios materially more than the regulatory minima. Our Common Equity Tier 1 (CET1) capital ratio was 25.8% at 30 June 2025 (31 December 2024: 25.7%).
- The cost to income ratio, after adjusting for transformation costs, continues to be among the lowest in the sector at 44.0% (H1 2024: 47.3%) demonstrating a commitment to balancing members' needs and long-term financial sustainability.
- The Society's savings balances increased to £25.5 billion (Dec 2024: £24.5 billion)
- The Society maintained low arrears levels at 0.56% (Dec 2024: 0.61%), a testament to the hard work of its teams to support borrowers facing financial difficulty.

Supported new and existing borrowers

- Through investment in its digital capability, the Society has worked to make customer and broker journeys easier and is making good progress on transforming its core IT infrastructure.
- Broker net promotor score has improved from 55 to 67 out of 100 in the first half of the year.
- The Society helped 9,600 first time buyers secure a mortgage (H1 2024: 7,800). March was a standout month, with a record-breaking 2,700 first time buyer completions.
- It reduced its mortgage affordability stress testing to responsibly increase the amount it will lend to borrowers following updates in regulatory lending guidance which support UK growth

Supported members and communities when they needed us

- The Society exceeded £240,000 in fundraising for Barnardo's, the UK's largest children's charity, to build brighter futures for young people leaving the care system.
- The Society announced a programme of grant funding linked to projects in support of safe and secure housing, inviting charities to apply for the programme and subsequently choosing to fund five organisations across the UK.
- In its 150th year, the Society has committed to supporting communities around it by allowing colleagues to volunteer an additional seven hours in a skills-based volunteering role.

Ends

For the Society's Interim Financial Report, follow the link:

http://www.rns-pdf.londonstockexchange.com/rns/4706T_1-2025-7-31.pdf

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 £32.0 billion and a total membership of 1,000,000 as at the end of June 2025.
- 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 2025 What Mortgage Awards, its tenth 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 a second ambitious target to reduce its scope 1 and 2 location-based emissions by 60% by 2030, aligning with the UK's net zero commitments.

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

GROUP RESULTS FOR THE PERIOD TO 30 JUNE 2025

Summary Consolidated Income Statement

	Period to 30 Jun 2025 (Unaudited)	Period to 30 Jun 2024 (Unaudited)	Year ended 31 Dec 2024 (Audited)
	£M	£M	£M
Interest receivable and similar income	**792.5**	773.0	1,592.1
Interest payable and similar charges	**(591.4)**	(602.1)	(1,229.2)
Net interest receivable	**201.1**	170.9	362.9
Fees and commissions receivable	**2.5**	2.4	5.1
Fees and commissions payable	**(0.6)**	(0.3)	(0.6)
Fair value (losses)/gains from financial instruments	**(1.0)**	4.6	10.3
Other operating income/(expense)	**8.5**	(23.1)	(22.1)
Total income	**210.5**	154.5	355.6
Administrative expenses	**(99.2)**	(88.2)	(185.4)
Depreciation and amortisation	**(5.6)**	(5.1)	(10.6)
Impairment (charge)/release on loans and advances to customers	**(2.2)**	1.8	5.7
Impairment of property, plant, equipment and intangible assets	**(0.2)**	-	(17.5)
Provisions release/(charge)	**1.1**	(12.5)	(10.3)
Operating profit and profit before tax	**104.4**	50.5	137.5
Tax expense	**(25.0)**	(12.3)	(37.6)
Profit for the period	**79.4**	38.2	99.9

Summary Consolidated Statement of Financial Position

	30 Jun 2025 (Unaudited)	30 Jun 2024 (Unaudited)	31 Dec 2024 (Audited)
	£M	£M	£M
Assets			
Liquid assets	**5,593.0**	6,235.5	6,545.5
Derivative financial instruments	**203.3**	445.1	371.1
Loans and advances to customers	**25,737.6**	23,102.5	24,550.5
Fair value adjustment for portfolio hedged risk on loans and advances to customers	**33.6**	(234.5)	(173.1)
Other assets, prepayments and accrued income	**371.2**	332.6	238.1
Current tax assets	**0.1**	14.7	-
Intangible assets	**39.4**	31.9	35.1
Property, plant and equipment	**45.1**	63.7	45.4
Retirement benefit surplus	**-**	2.1	-
Total assets	**32,023.3**	29,993.6	31,612.6
Liabilities			
Shares	**25,517.9**	22,380.2	24,529.8
Fair value adjustment for portfolio hedged risk on shares	**15.9**	1.2	8.8
Derivative financial instruments	**129.6**	144.4	98.0
Amounts owed to credit institutions	**929.5**	1,288.4	1,244.2

Amounts owed to other customers	**200.3**	137.8	159.3
Debt securities in issue	**2,837.3**	3,588.5	3,131.7
Other liabilities and accruals	**136.5**	392.9	347.3
Current tax liabilities	**-**	-	0.6
Deferred tax liabilities	**25.0**	34.1	25.6
Provisions for liabilities and charges	**1.5**	13.8	4.2
Retirement benefit obligation	**0.5**	-	0.5
Subordinated liabilities	**438.0**	326.3	334.2
Subscribed capital	**8.0**	8.0	8.0
Total equity attributable to members	**1,783.3**	1,678.0	1,720.4
Total liabilities and equity	**32,023.3**	29,993.6	31,612.6

Condensed Statement of Comprehensive Income

	Period to 30 Jun 2025 (Unaudited)	Period to 30 Jun 2024 (Unaudited)	Year ended 31 Dec 2024 (Audited)
	£M	£M	£M
Profit for the period	**79.4**	38.2	99.9
Items that may subsequently be reclassified to profit and loss:			
Fair value (losses)/gains recorded in cash flow hedge reserve	**(10.5)**	16.2	19.1
Gains previously recorded in cash flow hedge reserve amortised through profit or loss	**(15.1)**	(14.7)	(27.9)
Fair value gains/(losses) on investment securities measured at fair value through other comprehensive income	**8.0**	(5.2)	(18.1)
Losses/(gains) on investment securities measured through other comprehensive income reclassified to profit or loss on disposal	**0.8**	(0.6)	(1.3)
Tax relating to items that may subsequently be reclassified	**0.3**	1.3	7.0
Effect of change in corporation tax rate	**-**	-	0.8
Items that may not subsequently be reclassified to profit and loss:			
Actuarial gain/(loss) on retirement benefit surplus	**1.3**	(0.8)	0.7
Change in asset ceiling on retirement benefits	**(1.3)**	-	(4.2)
Tax relating to items that may not be reclassified	**-**	0.2	0.9
Effect of change in corporation tax rate	**-**	-	0.1
Total comprehensive income for the period	**62.9**	34.6	77.0

Summary Consolidated Statement of Cash Flows

	Period to 30 Jun 2025 (Unaudited)	Period to 30 Jun 2024 (Unaudited)	Year ended 31 Dec 2024 (Audited)
	£M	£M	£M
Net cash flows from operating activities	(762.5)	(70.2)	723.5
Net cash flows from investing activities	(131.9)	108.2	(1,450.4)
Net cash flows from financing activities	(214.2)	827.6	356.5
Net increase / (decrease) in cash and cash equivalents	**(1,108.6)**	865.6	(370.4)
Cash and cash equivalents at the beginning of the period	2,595.5	2,965.9	2,965.9
Cash and cash equivalents at the end of the period	**1,486.9**	3,831.5	2,595.5

Leeds Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority. Leeds Building Society is registered on the Financial Services Register under number 164992.You can check this on the FCA website at https://register.fca.org.uk/s/ or by calling 0800 111 6768. Leeds Building Society head office: 26 Sovereign Street, Leeds, West Yorkshire, LS1 4BJ.

As at 30 June 2025, the Board Directors of Leeds Building Society were as follows:

- Annette Marie Barnes
- Farah Adiba Buckley
- Andrew Peter Conroy
- Richard Guy Fearon
- David Fisher
- Neil Anthony Fuller
- Andrew John Greenwood
- Robert James Howse
- Brendan Eamon McCafferty
- Pamela Elizabeth Rowland
- Anita Tadayon

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[1] The Society paid an average of 4.11% to our savers compared to the Rest of Market average of 3.26%, which equates to an annual benefit to our savers of £199.9r Source: CACI's CSDB, Stock, June 2024 to May 2025, latest data available. CACI is an independent company that provides financial benchmarking data of the retail cash savings market.

[2] See note 1

[3] See note 1

[4] Based on underlying profit before tax at 30 June 2024. Statutory profit before tax at 30 June 2024 was £50.5m including one-off items. There have been no one-off items during the first six months of 2025.

[5] Based on underlying profit before tax at 30 June 2024. Statutory profit before tax at 30 June 2024 was £50.5m including one-off items. There have been no one-off items during the first six months of 2025.

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