

**Half year  
financial results**  
30 September 2025

# Our key highlights for the six months to 30 September 2025



## £5.31 billion

### in savings balances

Savers' balances increased to £5.31bn (31 March 2025: £5.07bn), an uplift of 5%.



## Supporting first-time buyers

# 71%

Homeowner lending of £527m (30 September 2024: £646m) in the first half of the financial year. 71% (30 September 2024: 66%) of new mortgages were to first-time buyers, with 54% (30 September 2024: 50%) of these through our 95% mortgage and shared ownership deals.

## Award winning

Recognised as Best Variable Rate Cash ISA provider at the Moneyfacts Awards, highlighting our dedication to helping savers make the most of their tax-free allowance.



## Profit before tax

Profit before tax grew to £17.4m (30 September 2024: £17.2m) helped to maintain a strong Common Equity Tier 1 capital ratio of 16.9% (31 March 2025: 17.1%). This is important as it means we can support more people to buy their own home, and invest for our customers.



2024

## £17.2m

2025

## £17.4m

## The Sunday Times Best places to work 2025

Named in the Sunday Times Best Places to Work 2025, an achievement that reinforces our commitment to creating a positive, supportive, and rewarding culture for colleagues.





**Jonathan Westhoff**  
Chief Executive Officer

## CEO's review

We're pleased to report a strong set of half-year results that reflect the difference we continue to make for our members, at a time when households continue to feel the strain of limited disposable income and high living costs.

During the six months, we increased the proportion of new mortgages to first-time buyers from 66% to 71% and continued to deliver value to savers, with savings balances growing to £5.31bn (31 March 2025: £5.07bn). Pre-tax profits of £17.4m (30 September 2024: £17.2m) helped to maintain a strong capital base to protect and support customers, and to invest in the future.

# Delivering our strategy

Our strategy is based on a plan built around five pillars:



## We'll help our customers achieve a more secure future

**We offer products and services, underpinned by a great customer experience that helps customers to achieve their goals.**

In the first half of the year, we lent £527m for homeownership (30 September 2024: £646m), of which 71% (30 September 2024: 66%) of mortgages were to first-time buyers, almost double the wider market proportion of 37%<sup>1</sup>, with 54% (30 September 2024: 50%) of these through our 95% mortgage and shared ownership propositions.

Our lending balances were supported by strong retention, where mortgage holders chose to stay with us at the end of their initial deal. This helped to maintain growth in our residential mortgage book, which now stands at £5.4bn (30 September 2024: £5.3bn).

Through our market first approach to our Standard Variable Rate (SVR), customers with more equity in their homes pay a lower rate at the end of their initial deal. Our average SVR stood at 5.78%, compared with an industry average of 7.47%, meaning mortgage customers on our SVR paid £1.8m less interest than if they'd paid the average rate offered by the market<sup>2</sup> at the end of their mortgage deal (30 September 2024: £1.9m).



We're delighted to welcome 8,998 new savers to the Society (30 September 2024: 7,640). Many were drawn to our popular savings products such as the Four Access Saver and Double Access ISA, which give customers flexibility and competitive rates. Despite growing competition in the savings market, our average savings rates remain above the market average, meaning savers earned a total of £18.9m in interest over the average savings rates in the market<sup>3</sup> (30 September 2024: £21.8m).

Our digital channels continue to play an increasingly important role, with 4,296 (30 September 2024: 4,505) new online accounts opened in the first half of the year.

In recognition of our customer service quality, we're delighted to have earned a 4.8 (31 March 2025: 4.7) out of 5-star rating from Feefo, an independent online review platform.

<sup>1</sup> UK Finance Regulated Mortgage Survey - September 2025.

<sup>2</sup> Weighted average market reversion rates sourced from Moneyfacts April 25 to September 25.

<sup>3</sup> Weighted average market rates sourced from Bank of England Bankstats table A6.1 April 25 to September 25.



We've supported more than 30 local charities through fundraising, grants and donations and have contributed over 1,380 (30 September 2024: 790) volunteering hours.

Community events are proving popular and we've 'popped up' at 22 events across the West Midlands in libraries, festivals, and shopping centres, delivered 17 fraud and scam prevention presentations, and held 11 mortgage clinics in our branches. We've also opened community rooms in five branches which can be used by local community groups free of charge.

Through the West Bromwich Building Society Foundation, we launched the Safe Space Social Café in partnership with YMCA Black Country. The Café is a welcoming space for young people to socialise, develop new skills, and access the support of a dedicated youth social worker.

## **3** We're customer centric and purpose driven

**Our culture supports our people to be their best and do the right thing for our customers.**

A great colleague experience and culture are the foundation for delivering great customer experiences. That's why we're committed to building a positive, rewarding and inclusive workplace - and we were delighted to be recognised in the Sunday Times Best Places to Work 2025.

We recently launched the Women's Inclusive Network (WIN), a platform for women and their allies to connect, share experiences, and support each other's wellbeing. The network has organised sessions open to all colleagues covering a wide range of topics. WIN is part of our Connect group, a colleague-led group that champions equity, inclusion, and diversity across the Society.

During the first half of the year, we launched Perkbox, our new reward and recognition platform driven by colleague feedback, providing a meaningful way to celebrate exceptional work, as well as recognising the support colleagues show one another across the Society.

## **2** We'll strengthen our communities

**We support customers in our region and play an active role in helping communities thrive.**

As a regional building society, we're proud to champion the people and places of the West Midlands. This year we've continued to make a difference through our community partnerships and volunteering efforts. Since April 2025, we've delivered financial education sessions to more than 1,700 (30 September 2024: 750) students across 21 (30 September 2024: 18) schools, helping young people build vital money management skills and confidence for the future.

**4**

## We'll modernise our digital and technology estate

**We'll embrace sustainable and reliable technology to stay up to date with the increasingly digital world and meet customers' expectations to serve them how and when they want.**

The digital transformation programme is now well underway, with good progress being made against our plan. We're working at pace with our technology providers to deliver a new digital savings app, which we're aiming to launch in the next financial year. This forms part of the first stage of our transition to a more modern technology platform that will significantly enhance customer experience and efficiency. As well as delivering new digital options for our customers, we remain committed to giving customers choice by continuing to offer in person services through our branches and on the phone.

Cyber threats are becoming more advanced, and financial services remain a prime target. As the Society modernises and makes greater use of cloud services and third parties, our exposure is increasing, and stronger resilience is needed.

We've continued to invest in the resilience and security of our technology, with stronger access controls and enhanced 24/7, all year round, monitoring of our systems, to ensure customers can access our digital services with confidence, knowing their data is protected to the highest standards.

To stay ahead, the Society has a clear, phased improvement plan, strengthening threat-led defences, improving response speed, and embedding strong governance and continuous assurance. This approach is supporting secure digital growth, and the Society experienced no cyber incidents that affected services during the period.

**Profit before tax**

**£17.4m**

(30 September 2024: £17.2m)

**5**

## We'll keep our business secure and sustainable for the future

**We remain financially strong and committed to social and environmental sustainability.**

A strong set of financial results for the six months up to 30 September 2025 means we've the financial strength to offer existing and future customers products and services that work for them. Profit before tax for the first six months was £17.4m (30 September 2024: £17.2m).

Net interest income for the six months has increased by £3.2m, due to growth in mortgage lending. Fair value losses reduced by £0.7m to £0.2m. These fair value losses will reverse over time, being temporary differences on financial instruments used to protect our net interest income against unexpected changes in interest rates.

Administrative expenses have increased by 6%, in the six months to 30 September 2025 to £30.8m (30 September 2024: £29.1m). This reflects the rise in National Insurance rates, the ongoing costs of implementing our strategy and continuing inflationary pressures. This meant that our management expense ratio increased from 1.04%, at 30 September 2024, to 1.08%.

Continued uncertainty in the economic outlook and flat valuations led to a £0.4m charge for credit losses on residential loans (30 September 2024: release of £1.0m). We've also recognised an impairment charge of £1.1m against the closed commercial lending book (30 September 2024: £1.7m).

Given the resilience of the house prices, our investment in residential property saw a small revaluation gain of £0.7m (30 September 2024: £1.1m).

We remain committed to supporting homeowner mortgage customers who are struggling with payments, helping them stay in their homes, with repossession always a last resort. We offer forbearance support, going beyond Financial Conduct Authority requirements, and we continue to develop our approach to support homeowner mortgage customers in or facing financial difficulty.

The number of mortgage customers three or more months behind with payments, as measured by our core Society arrears of 0.82% (31 March 2025: 0.93%), is similar to the industry average of 0.83% (31 March 2025: 0.89%)<sup>4</sup>. The Society's arrears figure is inflated by relatively higher arrears in our closed buy to let lending book of 1.79% (31 March 2025: 2.00%) against an industry average of 0.64% (31 March 2025: 0.70%)<sup>4</sup>. Our homeowner lending portfolio has a current arrears rate of 0.60% (31 March 2025: 0.66%), significantly lower than the industry average of 0.87% (31 March 2025: 0.93%)<sup>4</sup>.

Our closed commercial lending book remains susceptible to changes in the wider economy, and we hold significant loss provisions, equivalent to 48.4% (31 March 2025: 44.8%) of balances to reflect this risk.

At the end of September 2025, we reported a Common Equity Tier 1 capital ratio of 16.9% (31 March 2025: 17.1%) showing our financial strength. This allows us to invest in the digital programme we're undertaking and to support more customers with mortgage lending in the future.

## Regulatory capital resources

	Including unaudited interim profit <sup>1</sup> 30 Sep 25 £m	Excluding unaudited interim profit <sup>1</sup> 30 Sep 25 £m	31 Mar 25 £m
<b>Capital resources</b>			
Common Equity Tier 1 capital	429.4	416.4	420.4
Total Tier 1 capital	429.4	416.4	420.4
Total Tier 2 capital <sup>2</sup>	2.0	2.0	2.0
<b>Total regulatory capital resources</b>	<b>431.4</b>	<b>418.4</b>	<b>422.4</b>
<b>Risk weighted assets (RWA)</b>	<b>2,534.5</b>	<b>2,534.5</b>	<b>2,455.5</b>
<b>Leverage ratio exposure</b>	<b>6,362.5</b>	<b>6,362.5</b>	<b>6,148.2</b>
<b>Capital and leverage ratios</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Common Equity Tier 1 (as a percentage of RWA)</b>	<b>16.9</b>	<b>16.4</b>	<b>17.1</b>
<b>Tier 1 (as a percentage of RWA)</b>	<b>16.9</b>	<b>16.4</b>	<b>17.1</b>
<b>Total capital (as a percentage of RWA)</b>	<b>17.0</b>	<b>16.5</b>	<b>17.2</b>
<b>Leverage ratio</b>	<b>6.7</b>	<b>6.5</b>	<b>6.8</b>

1 For regulatory reporting purposes, profit is not recognised as capital until audited.

2 Tier 2 capital comprises subordinated liabilities excluding accrued interest.

4 As reported by UK Finance a trade association for the UK banking and financial services sector.



# Principal risks and uncertainties

Whilst our Society remains financially strong, the economy and the wider world remain highly uncertain. Below we provide an update on the principal risks and uncertainties set out on pages 30 to 49 of the 2025 Annual Report and Accounts.

## Business conditions and the economic environment

The UK economy is expected to deliver modest but stable growth, though the outlook remains clouded by global conflicts, rising protectionism and domestic policy uncertainty.

The Bank of England has lowered interest rates to 4% this year, but is likely to maintain a cautious stance towards monetary policy going forward, as it balances the risks of above target inflation against a slowdown in the jobs market.

Despite an uncertain backdrop, the housing market has shown resilience, as lower mortgage rates and rising real wages have helped to ease affordability constraints, as well as a limited supply of new affordable homes coming to market.



## Principal risks

The principal risks affecting our Society remain consistent with those included in the 2025 Annual Report and Accounts and are shown in the table below. The Board monitors these areas closely using our risk management framework.

### Principal risk category

<b>Business risk</b>	The risk of the Society failing to meet its business objectives through the inappropriate selection or implementation of strategic plans; inadequate assessment and mitigation of climate change related risks; and/or failure to implement a diverse and inclusive culture.
<b>Capital risk</b>	The risk that the Society has insufficient capital to cover stressed losses or to meet regulatory requirements.
<b>Conduct risk</b>	The risk that Society action or behaviour results in poor customer outcomes.
<b>Credit risk</b>	The risk that losses may arise as a result of the Society's borrowers, debtors or market counterparties failing to meet their obligations to repay.
<b>Cyber risk</b>	The potential for financial loss, operational disruption, reputational damage or legal consequences arising from the compromise, failure or misuse of the Society's information systems, technology infrastructure or digital assets.
<b>Liquidity risk</b>	The risk that the Society either does not have sufficient financial resources to enable it to meet its obligations as they fall due or can secure such resources only at excessive cost.
<b>Margin compression risk</b>	The risk of a margin squeeze caused by having limited ability to increase margins on the mortgage book if the Society were to experience a relative increase in funding costs affecting variable rate retail funding and in particular the administered rate retail balances.
<b>Market risk</b>	The risk of changes in the value of, or income arising from, the Society's assets and liabilities as a result of unexpected changes in financial prices, primarily interest rates, property prices, bond yields and inflation.
<b>Operational risk</b>	The risk of loss and/or negative impact to the Society resulting from inadequate or failed internal processes, systems or people, or from external events.

## Outlook

Our focus remains on delivering for our members and maintaining the Society's strong financial foundations. Despite ongoing challenges in the housing and savings markets, we continue to perform well and remain true to our purpose - helping people to save for their future and to buy their own home.

We're committed to supporting first-time buyers and enabling homeownership in all its forms, including shared ownership, low deposit mortgages, and other accessible options. Intense competition for mortgages and savings will continue to put pressure on margins.

During the period we've campaigned on issues that matter to our members, and we continue to engage with policymakers and sector partners to ensure the value of saving and the role of building societies remain firmly on the agenda. Our digital transformation programme is a key priority, helping us improve efficiency and enhance member experience. The next phase will focus on expanding our digital savings capability to better support savers across generations and meet the evolving needs of future customers, whilst continuing to offer traditional services through branches and on the phone.

### Jonathan Westhoff

Chief Executive Officer

## Forward-looking statements

Certain statements in this half-yearly report are forward-looking. Although the West Brom believes that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to be an accurate reflection of actual results.

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are beyond our control. As a result, our actual future financial condition, business performance and results may differ materially from the plans, goals and expectations expressed or implied in these forward-looking statements. Due to such risks and uncertainties the West Brom cautions readers not to place undue reliance on such forward-looking statements. We undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

## Condensed consolidated half-yearly Income Statement

for the six months ended 30 September 2025

		6 months ended 30 Sep 25 unaudited	6 months ended 30 Sep 24 unaudited	Year ended 31 Mar 25 audited
	Notes	£m	£m	£m
Interest receivable and similar income				
Calculated using the effective interest method		144.5	135.8	279.9
On instruments measured at fair value through profit or loss		9.8	21.2	36.5
<b>Total interest receivable and similar income</b>		<b>154.3</b>	157.0	316.4
Interest expense and similar charges		(103.7)	(109.6)	(220.2)
<b>Net interest receivable</b>		<b>50.6</b>	47.4	96.2
Fees and commissions receivable		0.5	0.4	0.7
Other operating income		2.2	2.1	4.2
Fair value (losses)/gains on financial instruments		(0.2)	(0.9)	4.4
<b>Total income</b>		<b>53.1</b>	49.0	105.5
Administrative expenses		(30.8)	(29.1)	(57.6)
Depreciation and amortisation	10	(4.0)	(3.2)	(7.0)
<b>Operating profit before revaluation gains, impairment and provisions</b>		<b>18.3</b>	16.7	40.9
Gains on investment properties	11	0.7	1.1	2.4
Impairment on loans and advances	6	(1.5)	(0.7)	(6.9)
Provisions for liabilities	7	(0.1)	0.1	0.1
<b>Profit before tax</b>		<b>17.4</b>	17.2	36.5
Taxation		(4.4)	(4.3)	(6.9)
<b>Profit for the period</b>		<b>13.0</b>	12.9	29.6

## Condensed consolidated half-yearly Statement of Comprehensive Income

for the six months ended 30 September 2025

	6 months ended 30 Sep 25 unaudited	6 months ended 30 Sep 24 unaudited	Year ended 31 Mar 25 audited
	£m	£m	£m
<b>Profit for the period</b>	<b>13.0</b>	12.9	29.6
<b>Other comprehensive income/(expense)</b>			
<b>Items that may subsequently be reclassified to profit or loss</b>			
Fair value through other comprehensive income investments			
Valuation gains/(losses) taken to equity	0.3	-	(0.6)
Taxation	(0.1)	-	0.2
<b>Items that will not subsequently be reclassified to profit or loss</b>			
Actuarial losses on defined benefit obligations	-	(4.3)	(4.5)
Taxation	-	1.0	1.1
<b>Other comprehensive income/(expense) for the period, net of tax</b>	<b>0.2</b>	(3.3)	(3.8)
<b>Total comprehensive income for the period</b>	<b>13.2</b>	9.6	25.8

## Condensed consolidated half-yearly Statement of Financial Position

at 30 September 2025

	Notes	30 Sep 25 unaudited £m	30 Sep 24 unaudited £m	31 Mar 25 audited £m
<b>Assets</b>				
Cash and balances with the Bank of England		122.9	547.3	159.8
Loans and advances to credit institutions		85.2	71.0	88.8
Investment securities		503.4	376.2	467.6
Derivative financial instruments		27.7	46.5	44.9
Loans and advances to customers	8	5,533.7	5,159.3	5,398.1
Deferred tax assets		9.3	15.7	12.9
Trade and other receivables		6.6	4.2	4.3
Intangible assets	10	29.8	17.6	20.7
Investment properties	11	141.9	145.1	143.2
Property, plant and equipment	10	20.6	21.4	20.3
Retirement benefit assets	9	1.0	1.6	1.2
<b>Total assets</b>		<b>6,482.1</b>	<b>6,405.9</b>	<b>6,361.8</b>
<b>Liabilities</b>				
Shares		5,312.7	4,933.6	5,071.6
Amounts due to credit institutions		348.7	627.4	459.1
Amounts due to other customers		29.0	36.2	29.1
Derivative financial instruments		16.7	27.8	16.8
Debt securities in issue	12	268.7	300.4	289.8
Current tax liabilities		0.7	0.9	-
Deferred tax liabilities		13.0	13.1	12.9
Trade and other payables		18.6	16.2	18.8
Provisions for liabilities	7	0.4	0.3	0.4
Subordinated liabilities	16	2.1	2.1	2.1
<b>Total liabilities</b>		<b>6,010.6</b>	<b>5,958.0</b>	<b>5,900.6</b>
<b>Members' interests and equity</b>				
Core capital deferred shares	13	127.0	127.0	127.0
Subscribed capital	15	3.9	3.9	3.9
General reserves		336.6	312.8	326.5
Revaluation reserve		3.2	3.2	3.2
Fair value reserve		0.8	1.0	0.6
<b>Total members' interests and equity</b>		<b>471.5</b>	<b>447.9</b>	<b>461.2</b>
<b>Total members' interests, equity and liabilities</b>		<b>6,482.1</b>	<b>6,405.9</b>	<b>6,361.8</b>

## Condensed consolidated Statement of Changes in Members' Interests and Equity

for the six months ended 30 September 2025

6 months ended 30 September 2025 (unaudited)						
	Core capital deferred shares	Subscribed capital	General reserves	Revaluation reserve	Fair value reserve	Total
	£m	£m	£m	£m	£m	£m
At 1 April 2025	127.0	3.9	326.5	3.2	0.6	461.2
Profit for the period	-	-	13.0	-	-	13.0
<b>Other comprehensive income for the period (net of tax)</b>						
Fair value through other comprehensive income investments	-	-	-	-	0.2	0.2
<b>Total other comprehensive income</b>	-	-	-	-	0.2	0.2
<b>Total comprehensive income for the period</b>	-	-	13.0	-	0.2	13.2
Distribution to the holders of core capital deferred shares	-	-	(2.9)	-	-	(2.9)
<b>At 30 September 2025</b>	<b>127.0</b>	<b>3.9</b>	<b>336.6</b>	<b>3.2</b>	<b>0.8</b>	<b>471.5</b>

6 months ended 30 September 2024 (unaudited)						
	Core capital deferred shares	Subscribed capital	General reserves	Revaluation reserve	Fair value reserve	Total
	£m	£m	£m	£m	£m	£m
At 1 April 2024	127.0	7.8	305.7	3.2	1.0	444.7
Profit for the period	-	-	12.9	-	-	12.9
Other comprehensive income - Retirement benefit obligations	-	-	(3.3)	-	-	(3.3)
<b>Total comprehensive income for the period</b>	-	-	9.6	-	-	9.6
Distribution to the holders of core capital deferred shares	-	-	(2.9)	-	-	(2.9)
Buyback and cancellation of subscribed capital	-	(3.9)	0.4	-	-	(3.5)
<b>At 30 September 2024</b>	<b>127.0</b>	<b>3.9</b>	<b>312.8</b>	<b>3.2</b>	<b>1.0</b>	<b>447.9</b>

Year ended 31 March 2025 (audited)						
	Core capital deferred shares	Subscribed capital	General reserves	Revaluation reserve	Fair value reserve	Total
	£m	£m	£m	£m	£m	£m
At 1 April 2024	127.0	7.8	305.7	3.2	1.0	444.7
Profit for the financial year	-	-	29.6	-	-	29.6
<b>Other comprehensive expense for the year (net of tax)</b>						
Retirement benefit assets	-	-	(3.4)	-	-	(3.4)
Fair value through other comprehensive income investments	-	-	-	-	(0.4)	(0.4)
<b>Total other comprehensive expense</b>	-	-	(3.4)	-	(0.4)	(3.8)
<b>Total comprehensive income/(expense) for the year</b>	-	-	26.2	-	(0.4)	25.8
Distribution to the holders of core capital deferred shares	-	-	(5.8)	-	-	(5.8)
Buyback and cancellation of subscribed capital	-	(3.9)	0.4	-	-	(3.5)
<b>At 31 March 2025</b>	<b>127.0</b>	<b>3.9</b>	<b>326.5</b>	<b>3.2</b>	<b>0.6</b>	<b>461.2</b>

## Condensed consolidated half-yearly Statement of Cash Flows

for the six months ended 30 September 2025

	6 months ended 30 Sep 25 unaudited	6 months ended 30 Sep 24 unaudited	Year ended 31 Mar 25 audited
	£m	£m	£m
<b>Net cash inflow/(outflow) from operating activities (below)</b>	<b>29.2</b>	<b>(300.4)</b>	<b>(491.7)</b>
<b>Cash flows from investing activities</b>			
Purchase of investment securities	(110.4)	(142.3)	(333.6)
Proceeds from disposal of investment securities	96.5	165.4	256.8
Proceeds from disposal of investment properties	2.9	5.4	8.5
Purchase of property, plant and equipment, intangible assets and investment properties	(12.9)	(7.2)	(6.3)
<b>Net cash flows from investing activities</b>	<b>(23.9)</b>	<b>21.3</b>	<b>(74.6)</b>
<b>Cash flows from financing activities</b>			
Net (repayment)/issuance of debt securities	(21.1)	300.4	286.9
Interest paid on subordinated liabilities	(0.1)	(0.1)	(0.2)
Payment of lease liabilities	(0.2)	(0.2)	(0.5)
Distribution to the holders of core capital deferred shares	(2.9)	(2.9)	(5.8)
Repurchase of subscribed capital	-	(3.9)	(3.4)
<b>Net cash flows from financing activities</b>	<b>(24.3)</b>	<b>293.3</b>	<b>277.0</b>
Net (decrease)/increase in cash	(19.0)	14.2	(289.3)
Cash and cash equivalents at beginning of period	248.6	640.4	537.9
<b>Cash and cash equivalents at end of period</b>	<b>229.6</b>	<b>654.6</b>	<b>248.6</b>

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances with maturities of three months or less from the date of acquisition:

	30 Sep 25 unaudited	30 Sep 24 unaudited	31 Mar 25 audited
	£m	£m	£m
<b>Cash and cash equivalents</b>			
Cash in hand (including Bank of England Reserve account)	122.9	547.3	159.8
Loans and advances to credit institutions	85.2	71.0	88.8
Investment securities	21.5	36.3	-
	<b>229.6</b>	<b>654.6</b>	<b>248.6</b>

The Group's loans and advances to credit institutions include £29.2m (30 September 2024: £nil and 31 March 2025: £28.3m) of balances belonging to the Society's structured entities which are not available for general use by the Society.

	6 months ended 30 Sep 25 unaudited	6 months ended 30 Sep 24 unaudited	Year ended 31 Mar 25 audited
	£m	£m	£m
<b>Cash flows from operating activities</b>			
Profit before tax	17.4	17.2	36.5
<b>Adjustments for non-cash items included in profit before tax</b>			
Impairment on loans and advances	1.5	(1.2)	6.9
Depreciation and amortisation	4.0	3.2	7.0
Disposal of property, plant and equipment	-	-	0.4
Revaluation gains on investment properties	(0.7)	(1.1)	(2.4)
Changes in provision for liabilities	-	(0.2)	-
Interest on subordinated liabilities	0.1	0.1	0.2
Fair value (gains)/losses on equity release portfolio	(0.3)	-	0.1
Interest paid on lease liabilities	-	-	0.1
Changes in fair value on hedged items in fair value hedge relationships	(15.0)	(26.1)	(20.0)
	<b>7.0</b>	<b>(8.1)</b>	<b>28.8</b>
<b>Changes in operating assets and liabilities</b>			
Loans and advances to customers	(122.0)	(347.0)	(599.9)
Derivative financial instruments	17.1	30.3	20.9
Shares	241.1	263.0	401.0
Deposits and other borrowings	(110.5)	(161.6)	(334.1)
Trade and other receivables	(2.3)	(0.3)	(0.4)
Trade and other payables	(1.4)	(75.1)	(5.5)
Retirement benefit obligations	0.2	1.2	0.4
Tax paid	-	(2.8)	(2.9)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>29.2</b>	<b>(300.4)</b>	<b>(491.7)</b>

# Notes to condensed consolidated half-yearly financial information

for the six months ended 30 September 2025

## 1. General information

These half-yearly financial results do not constitute statutory accounts within the meaning of the Building Societies Act 1986. A copy of the statutory accounts for the year ended 31 March 2025 has been delivered to the Financial Conduct Authority and the relevant information in this report has been extracted from these statutory accounts. The statutory accounts for the year ended 31 March 2025 have been reported on by the Group's auditor and the report of the auditor was (i) unqualified, and (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report.

The consolidated half-yearly financial information for the six months to 30 September 2025 and 30 September 2024 is unaudited and has not been reviewed by the Group's auditor.

## 2. Basis of preparation

This condensed consolidated half-yearly financial report for the six months ended 30 September 2025 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and in accordance with the UK adopted International Accounting Standards (IAS 34 'Interim Financial Reporting'). The half-yearly condensed consolidated financial report should be read in conjunction with the Annual Report and Accounts for the year ended 31 March 2025, which have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

## 3. Going concern and business viability statement

Details of the Group's objectives, policies and processes for managing its exposure to risk are contained in the Risk Management Report in the Annual Report and Accounts for the year ended 31 March 2025.

The Directors also include statements in the Directors' Report in respect of going concern and longer-term business viability on pages 80 and 81 of the Annual Report and Accounts for the year ended 31 March 2025.

The Directors have reviewed the latest plans and forecasts for the Group considering liquidity and capital adequacy. They are satisfied that the Group has adequate resources to meet both the normal demands of the business and the requirements which might arise in stressed circumstances for the next 12 months and that the longer-term business viability statement in the Annual Report and Accounts for the year ended 31 March 2025 remains appropriate. Accordingly, they continue to adopt the going concern basis in preparing these half-yearly financial results.

## 4. Accounting policies

The accounting policies adopted by the Group in the consolidated half-yearly information are consistent with those disclosed in the Annual Report and Accounts for the year ended 31 March 2025 (details provided on pages 100 to 110).

### Critical accounting estimates and judgements in applying accounting policies

In the process of applying accounting policies, the Group makes various judgements, estimates and assumptions which affect the amounts recognised in the financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the half year accounts, tax has been charged on the statutory profit before tax at the UK standard rate of 25%. A full review of the tax position of the Society and its subsidiaries will be carried out at the year end date. The significant judgements in applying accounting policies and key sources of estimation uncertainty at 30 September 2025 are unchanged from those existing at 31 March 2025.

## 5. Business segments

Operating segments are reported in accordance with the internal reporting provided to the Group Board (the chief operating decision maker), which is responsible for allocating resources to the reportable segments and assessing their performance.

The Group has three main business segments:

- Retail - incorporating residential lending, savings, investments and protection;
- Commercial real estate - primarily representing loans for commercial property investment; and
- Property - a portfolio of residential properties for rent.

Central Group operations have been included in Retail and comprise risk management, finance, treasury services, human resources and computer services, none of which constitute a separately reportable segment.

There were no changes to reportable segments during the period.

Transactions between the business segments are carried out at arm's length. The revenue from external parties reported to the Group Board is measured in a manner consistent with that in the consolidated Income Statement.

## 5. Business segments (continued)

Funds are ordinarily allocated between segments, resulting in funding cost transfers disclosed in inter-segment net interest income. Interest charged for these funds is based on the Group's cost of capital. Central administrative costs are also allocated between segments and are disclosed in inter-segment administrative expenses. There are no other material items of income or expense between the business segments.

The Group does not consider its operations to be cyclical or seasonal in nature.

### 6 months ended 30 September 2025 (unaudited)

	Retail £m	Commercial real estate £m	Property £m	Consolidation adjustments £m	Total Group £m
Interest receivable and similar income					
Calculated using the effective interest method	149.1	3.6	-	(8.2)	144.5
On instruments measured at fair value through profit or loss	9.8	-	-	-	9.8
<b>Total interest receivable and similar income</b>	<b>158.9</b>	<b>3.6</b>	<b>-</b>	<b>(8.2)</b>	<b>154.3</b>
Interest expense and similar charges	(107.8)	(3.0)	(1.1)	8.2	(103.7)
<b>Net interest receivable/(expense)</b>	<b>51.1</b>	<b>0.6</b>	<b>(1.1)</b>	<b>-</b>	<b>50.6</b>
Fees and commissions receivable	0.5	-	-	-	0.5
Other operating income	-	-	2.2	-	2.2
Fair value gains/(losses) on financial instruments	0.7	(0.9)	-	-	(0.2)
<b>Total income</b>	<b>52.3</b>	<b>(0.3)</b>	<b>1.1</b>	<b>-</b>	<b>53.1</b>
Administrative expenses	(30.0)	(0.4)	(0.4)	-	(30.8)
Depreciation and amortisation	(4.0)	-	-	-	(4.0)
<b>Operating profit/(loss) before revaluation gains, impairment and provisions</b>	<b>18.3</b>	<b>(0.7)</b>	<b>0.7</b>	<b>-</b>	<b>18.3</b>
Gains on investment properties	-	-	0.7	-	0.7
Impairment losses on loans and advances	(0.4)	(1.1)	-	-	(1.5)
Provisions for liabilities	(0.1)	-	-	-	(0.1)
<b>Profit/(Loss) before tax</b>	<b>17.8</b>	<b>(1.8)</b>	<b>1.4</b>	<b>-</b>	<b>17.4</b>
<b>Total assets</b>	<b>6,582.7</b>	<b>121.2</b>	<b>145.6</b>	<b>(367.4)</b>	<b>6,482.1</b>
<b>Total liabilities</b>	<b>6,145.6</b>	<b>346.8</b>	<b>107.2</b>	<b>(589.0)</b>	<b>6,010.6</b>

## 5. Business segments (continued)

6 months ended 30 September 2024 (unaudited)

	Retail £m	Commercial real estate £m	Property £m	Consolidation adjustments £m	Total Group £m
Interest receivable and similar income					
Calculated using the effective interest method	139.4	4.9	-	(8.5)	135.8
On instruments measured at fair value through profit or loss	21.2	-	-	-	21.2
Total interest receivable and similar income	160.6	4.9	-	(8.5)	157.0
Interest expense and similar charges	(109.7)	(7.2)	(1.2)	8.5	(109.6)
Net interest receivable/(expense)	50.9	(2.3)	(1.2)	-	47.4
Fees and commissions receivable	0.4	-	-	-	0.4
Other operating income	0.2	-	1.9	-	2.1
Fair value gains/(losses) on financial instruments	0.2	(1.1)	-	-	(0.9)
Total income	51.7	(3.4)	0.7	-	49.0
Administrative expenses	(28.7)	(0.2)	(0.2)	-	(29.1)
Depreciation and amortisation	(3.2)	-	-	-	(3.2)
Operating profit/(loss) before revaluation gains, impairment and provisions	19.8	(3.6)	0.5	-	16.7
Gains on investment properties	-	-	1.1	-	1.1
Impairment on loans and advances	1.0	(1.7)	-	-	(0.7)
Provisions for liabilities	0.1	-	-	-	0.1
Profit/(Loss) before tax	20.9	(5.3)	1.6	-	17.2
Total assets	6,510.7	145.2	148.5	(398.5)	6,405.9
Total liabilities	6,100.0	368.7	113.1	(623.8)	5,958.0

## 5. Business segments (continued)

Year ended 31 March 2025 (audited)

	Retail £m	Commercial real estate £m	Property £m	Consolidation adjustments £m	Total Group £m
Interest receivable and similar income					
Calculated using the effective interest method	290.2	8.0	-	(18.3)	279.9
On instruments measured at fair value through profit or loss	36.5	-	-	-	36.5
Total interest receivable and similar income	326.7	8.0	-	(18.3)	316.4
Interest expense and similar charges	(228.0)	(8.1)	(2.4)	18.3	(220.2)
Net interest receivable/(expense)	98.7	(0.1)	(2.4)	-	96.2
Fees and commissions receivable	0.7	-	-	-	0.7
Other operating income	0.3	-	3.9	-	4.2
Fair value gains/(losses) on financial instruments	5.9	(1.5)	-	-	4.4
Total income	105.6	(1.6)	1.5	-	105.5
Administrative expenses	(56.4)	(0.7)	(0.5)	-	(57.6)
Depreciation and amortisation	(7.0)	-	-	-	(7.0)
Operating profit/(loss) before revaluation gains, impairment and provisions	42.2	(2.3)	1.0	-	40.9
Gains on investment properties	-	-	2.4	-	2.4
Impairment on loans and advances	0.5	(7.4)	-	-	(6.9)
Provisions for liabilities	0.1	-	-	-	0.1
Profit/(Loss) before tax	42.8	(9.7)	3.4	-	36.5
Total assets	6,456.9	132.5	146.8	(374.4)	6,361.8
Total liabilities	6,043.5	357.7	109.6	(610.2)	5,900.6

## 6. Allowance for losses on loans and advances to customers

	6 months ended 30 Sep 25 unaudited	6 months ended 30 Sep 24 unaudited	Year ended 31 Mar 25 audited
	£m	£m	£m
Impairment charge for the period	1.5	0.7	6.9
<b>Impairment provision at end of period</b>			
Loans fully secured on residential property	10.7	10.1	10.3
Loans fully secured on land	90.1	91.7	89.1
<b>Total</b>	<b>100.8</b>	<b>101.8</b>	<b>99.4</b>

In accordance with IFRS 9, 'Financial instruments', forecasts of future economic conditions are integral to the Expected Credit Loss (ECL) calculations. At 30 September 2025, the Group modelled four forward-looking macroeconomic scenarios: central, upside, downside and severe with the respective probability weightings the same as those applied at 31 March 2025 following review. The Group's scenario weightings as at 30 September 2025 are 50% for the central scenario, 5% for the upside scenario, 30% for the downside scenario and 15% for the severe scenario (31 March 2025 and 30 September 2024: central scenario 50%, upside scenario 5%, downside scenario 30% and severe scenario 15%). Individual economic variables within the scenarios are regularly reviewed and updated to reflect the current economic outlook.

In addition to the scenario weightings and account-specific factors that impact cashflows, the key model assumption for commercial provisioning is considered to be the exit yield requirement, which is used to estimate the cash flows arising from realisation of the property values on sale. While interest rates also have a significant impact on the ECL, via the discount factor applied in the model, compensating economic hedge arrangements would substantially offset the movement in profit or loss terms with an opposing fair value movement. Compared with the central economic forecast, the exit yield requirement for each loan increases by 1.3% and 2.9% in the downside and severe scenarios respectively and reduces by 0.3% in the upside scenario. This compares to an average exit yield of 12%.

Presented below is the sensitivity to the total residential and commercial ECL provision arising from the application of 100% weighting to each scenario.

	Scenario weighting	Current scenario (%)			(Decrease) / Increase in provision with		
		2025/26	2026/27	5 year average	100% scenario weighting (£m)	10% increase in weighting* (£m)	
<b>Central scenario</b>	50%	Bank Rate	3.8	3.5	3.7	(9.2)	-
		HPI	1.8	2.5	2.9		
		Unemployment	4.8	4.9	4.8		
		GDP	1.2	1.1	1.3		
<b>Upside scenario</b>	5%	Bank Rate	3.8	3.5	3.5	(11.5)	(0.3)
		HPI	3.8	5.0	4.7		
		Unemployment	4.6	4.5	4.3		
		GDP	1.5	1.6	1.7		
<b>Downside scenario</b>	30%	Bank Rate	5.0	5.5	4.2	5.7	1.5
		HPI	(2.8)	(5.2)	(1.9)		
		Unemployment	5.3	6.2	5.9		
		GDP	0.1	(0.2)	0.6		
<b>Severe scenario</b>	15%	Bank Rate	6.5	0.5	2.2	23.1	3.2
		HPI	(3.9)	(11.2)	(4.3)		
		Unemployment	5.7	8.4	7.3		
		GDP	(1.4)	(2.7)	-		

\*10% increase in weighting with a corresponding reduction to the central scenario weighting.

## 6. Allowance for losses on loans and advances to customers (continued)

The tables below analyse the movement in residential impairment provisions by IFRS 9 stage.

	6 months ended 30 September 2025 (unaudited)				6 months ended 30 September 2024 (unaudited)				Year ended 31 March 2025 (audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Residential expected credit loss allowance</b>												
At start of period	1.4	5.5	3.4	10.3	1.1	6.1	3.7	10.9	1.1	6.1	3.7	10.9
Transfers due to increased credit risk:												
From stage 1 to stage 2	(0.1)	0.7	-	0.6	(0.1)	0.9	-	0.8	(0.1)	2.3	-	2.2
From stage 1 to stage 3	-	-	0.1	0.1	-	-	0.1	0.1	(0.1)	-	0.3	0.2
From stage 2 to stage 3	-	(0.1)	0.2	0.1	-	(0.1)	0.2	0.1	-	(0.2)	0.4	0.2
Transfers due to decreased credit risk:												
From stage 2 to stage 1	0.2	(0.7)	-	(0.5)	0.1	(0.1)	-	-	0.1	(0.3)	-	(0.2)
From stage 3 to stage 2	-	0.1	(0.1)	-	-	-	(0.1)	(0.1)	-	-	(0.1)	(0.1)
Remeasurement of expected credit losses with no stage transfer	0.3	(0.6)	0.7	0.4	0.1	(0.5)	0.3	(0.1)	0.7	-	1.0	1.7
Redemptions	(0.1)	(0.1)	(0.4)	(0.6)	(0.1)	(0.1)	(0.6)	(0.8)	(0.2)	(0.1)	-	(0.3)
Amounts written off	-	-	(0.4)	(0.4)	-	-	-	-	-	-	(1.2)	(1.2)
Other movements	-	-	0.1	0.1	(0.1)	(0.2)	(0.5)	(0.8)	(0.1)	(0.3)	(0.7)	(1.1)
Movement in provision overlays	-	0.6	-	0.6	(0.1)	0.1	-	-	-	(2.0)	-	(2.0)
<b>At end of period</b>	<b>1.7</b>	<b>5.4</b>	<b>3.6</b>	<b>10.7</b>	<b>0.9</b>	<b>6.1</b>	<b>3.1</b>	<b>10.1</b>	<b>1.4</b>	<b>5.5</b>	<b>3.4</b>	<b>10.3</b>

The tables below analyse the movement in commercial impairment provisions by IFRS 9 stage.

	6 months ended 30 September 2025 (unaudited)				6 months ended 30 September 2024 (unaudited)				Year ended 31 March 2025 (audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Commercial expected credit loss allowance</b>												
At start of period	0.4	-	88.7	89.1	0.1	1.1	90.9	92.1	0.1	1.1	90.9	92.1
Transfers due to decreased credit risk:												
From stage 2 to stage 1	-	-	-	-	0.9	(1.0)	-	(0.1)	0.4	(0.4)	-	-
Remeasurement of expected credit losses with no stage transfer	0.3	-	0.7	1.0	0.1	-	1.6	1.7	(0.1)	-	5.9	5.8
Redemptions	-	-	-	-	-	-	-	-	-	(0.2)	(0.1)	(0.3)
Amounts written off	-	-	-	-	-	-	(2.0)	(2.0)	-	(0.5)	(9.5)	(10.0)
Movement in provision overlays	-	-	-	-	-	-	-	-	-	-	1.5	1.5
<b>At end of period</b>	<b>0.7</b>	<b>-</b>	<b>89.4</b>	<b>90.1</b>	<b>1.1</b>	<b>0.1</b>	<b>90.5</b>	<b>91.7</b>	<b>0.4</b>	<b>-</b>	<b>88.7</b>	<b>89.1</b>

## 7. Provisions for liabilities

	6 months ended 30 Sep 25 unaudited	6 months ended 30 Sep 24 unaudited	Year ended 31 Mar 25 audited
	£m	£m	£m
At beginning of period	0.4	0.4	0.5
Utilised in the period	(0.1)	-	-
Charge/(release) for the period	0.1	(0.1)	(0.1)
<b>At end of period</b>	<b>0.4</b>	<b>0.3</b>	<b>0.4</b>

### Provisions for liabilities

Provisions for liabilities represent the Group's best estimate regarding various provisions, none of which are individually significant. The calculation is based on a series of assumptions, including, for example, the number of affected accounts, appropriate level of remediation and resulting administrative costs.

## 8. Loans and advances to customers

	30 Sep 25 unaudited	30 Sep 24 unaudited	31 Mar 25 audited
	£m	£m	£m
<b>Amortised cost</b>			
Loans fully secured on residential property	5,449.8	5,055.6	5,316.2
Loans fully secured on land	185.5	214.0	196.5
	<b>5,635.3</b>	<b>5,269.6</b>	<b>5,512.7</b>
<b>Fair value through profit or loss</b>			
Loans fully secured on residential property	5.2	6.4	5.6
	<b>5,640.5</b>	<b>5,276.0</b>	<b>5,518.3</b>
Fair value adjustment for hedged risk	(6.0)	(14.9)	(20.8)
Less: impairment provisions	(100.8)	(101.8)	(99.4)
	<b>5,533.7</b>	<b>5,159.3</b>	<b>5,398.1</b>

Included within loans and advances to customers are £187.6m (31 March 2025: £198.8m) of commercial lending balances of which £4.3m (31 March 2025: £4.5m) have been sold by the Group to bankruptcy remote structured entities.

The tables below illustrate the IFRS 9 staging distribution of residential and commercial loans and advances to customers held at amortised cost and related expected credit loss provisions. Stage 2 loans have been further analysed to show those which are more than 30 days past due, the IFRS 9 backstop for identifying a Significant Increase in Credit Risk (SICR) and those which meet other SICR criteria. For the purposes of this disclosure, gross exposures and expected credit loss provisions are rounded to the nearest £0.1m whereas the provision coverage percentages are based on the underlying data prior to rounding.

### At 30 September 2025 (unaudited)

	Gross exposure £m	Expected credit loss provision £m	Provision coverage %
<b>Residential loans held at amortised cost</b>			
Stage 1	4,526.1	1.7	0.04
Stage 2			
> 30 days past due	17.8	0.2	1.12
Other SICR indicators	816.1	2.8	0.34
Provision overlays	-	2.4	-
Stage 3	89.2	3.6	4.04
	<b>5,449.2</b>	<b>10.7</b>	<b>0.20</b>

### At 30 September 2024 (unaudited)

	Gross exposure £m	Expected credit loss provision £m	Provision coverage %
<b>Residential loans held at amortised cost</b>			
Stage 1	4,288.3	0.9	0.02
Stage 2			
> 30 days past due	17.2	0.3	1.74
Other SICR indicators	661.1	1.8	0.27
Provision overlays	-	4.0	-
Stage 3	88.4	3.1	3.51
	<b>5,055.0</b>	<b>10.1</b>	<b>0.20</b>

## 8. Loans and advances to customers (continued)

At 31 March 2025 (audited)

	Gross exposure £m	Expected credit loss provision £m	Provision coverage %
Residential loans held at amortised cost			
Stage 1	4,395.3	1.4	0.03
Stage 2			
> 30 days past due	16.9	0.2	1.18
Other SICR indicators	813.4	3.5	0.43
Provision overlays	-	1.8	-
Stage 3	90.0	3.4	3.78
	5,315.6	10.3	0.19

At 30 September 2025 (unaudited)

	Gross exposure £m	Expected credit loss provision £m	Provision coverage %
Commercial loans held at amortised cost			
Stage 1	17.3	0.7	4.05
Stage 2			
Other SICR indicators	0.1	-	-
Stage 3			
Other defaults	168.7	87.9	52.10
Provision overlays	-	1.5	-
	186.1	90.1	48.41

At 30 September 2024 (unaudited)

	Gross exposure £m	Expected credit loss provision £m	Provision coverage %
Commercial loans held at amortised cost			
Stage 1	33.6	1.1	3.27
Stage 2			
Other SICR indicators	1.3	0.1	7.45
Stage 3	179.7	90.5	50.36
	214.6	91.7	42.73

At 31 March 2025 (audited)

	Gross exposure £m	Expected credit loss provision £m	Provision coverage %
Commercial loans held at amortised cost			
Stage 1	27.7	0.4	1.44
Stage 3			
Other defaults	171.1	87.2	50.99
Provision overlays	-	1.5	-
	198.8	89.1	44.84

## 9. Retirement benefit obligations

	6 months ended 30 Sep 25 unaudited £m	6 months ended 30 Sep 24 unaudited £m	Year ended 31 Mar 25 audited £m
<b>Group</b>			
Net defined benefit pension scheme asset	1.0	1.6	1.2

During the period, the Society recovered £0.5m following negotiations to recover costs associated with rectification of historic documentation.

Following a case brought against the Virgin Media pension scheme, a potential liability was noted as a result of documentation issues with respect to previous amendments to scheme rules in the year ended 31 March 2025 accounts.

In June 2025 the Government announced that they intend to introduce legislation allowing pension schemes to retrospectively obtain written actuarial confirmation of previous amendments where original Section 37 certifications could not be found. In September 2025, proposed draft legislation was published, which confirmed the Government intent. While the final wording of the legislation is yet to be confirmed, the proposed legislation would further minimise the impact on West Bromwich Building Society Staff Retirement Scheme and Society liabilities in relation to this matter.

## 10. Property, plant, equipment and intangible assets

### 6 months ended 30 September 2025 (unaudited)

	Intangible assets £m	Property, plant and equipment £m
Net book value at 1 April 2025	20.7	20.3
Additions	12.0	1.4
Depreciation, amortisation and other movements	(2.9)	(1.1)
<b>Net book value at 30 September 2025</b>	<b>29.8</b>	<b>20.6</b>

### 6 months ended 30 September 2024 (unaudited)

	Intangible assets £m	Property, plant and equipment £m
Net book value at 1 April 2024	13.9	21.8
Additions	5.9	0.6
Depreciation, amortisation and other movements	(2.2)	(1.0)
<b>Net book value at 30 September 2024</b>	<b>17.6</b>	<b>21.4</b>

### Year ended 31 March 2025 (audited)

	Intangible assets £m	Property, plant and equipment £m
Net book value at 1 April 2024	13.9	21.8
Additions	11.8	0.7
Disposals	-	(0.2)
Depreciation, amortisation and other movements	(5.0)	(2.0)
<b>Net book value at 31 March 2025</b>	<b>20.7</b>	<b>20.3</b>

### Capital commitments

The Group has placed contracts amounting to a total of £7.2m (30 September 2024: £1.3m, 31 March 2025: £1.5m) for future expenditure that was not provided in the financial statements.

## 11. Investment properties

	6 months ended 30 Sep 25 unaudited £m	6 months ended 30 Sep 24 unaudited £m	Year ended 31 Mar 25 audited £m
<b>Valuation</b>			
At beginning of period	143.2	148.7	148.7
Additions	0.9	0.3	0.7
Disposals	(2.9)	(5.0)	(8.6)
Revaluation gains	0.7	1.1	2.4
<b>At end of period</b>	<b>141.9</b>	<b>145.1</b>	<b>143.2</b>

## 12. Debt securities in issue

	30 Sep 25 unaudited £m	30 Sep 24 unaudited £m	31 Mar 25 audited £m
Non-recourse finance on securitised advances	268.7	300.4	289.8
	<b>268.7</b>	<b>300.4</b>	<b>289.8</b>

The non-recourse finance comprises mortgage backed floating rate notes (the Notes) secured over portfolios of mortgage loans secured by first charges over residential properties in the United Kingdom.

## 13. Core capital deferred shares (CCDS)

	Number of shares	CCDS nominal amount £m	Share premium £m	Total £m
At 30 September 2025 (unaudited)	1,288,813	1.3	125.7	127.0
At 30 September 2024 (unaudited)	1,288,813	1.3	125.7	127.0
At 31 March 2025 (audited)	1,288,813	1.3	125.7	127.0

Core capital deferred shares (CCDS) are perpetual instruments and a form of Common Equity Tier 1 (CET 1) capital.

CCDS are the most junior-ranking capital instrument of the Society, ranking behind the claims of all depositors, payables and investing members.

Each holder of CCDS has one vote, regardless of the number of CCDS held.

The CCDS holders are entitled to receive a distribution at the discretion of the Society. The total distribution paid on each CCDS in respect of any given financial year of the Society is subject to a cap provided for in the Rules of the Society and adjusted annually for inflation.

A final distribution of £2.25 per CCDS in respect of the period to 31 March 2025 was paid in August 2025. This distribution has been recognised in the Statement of Changes in Members' Interests and Equity.

Subsequent to the balance sheet date, the Directors have announced their intentions to declare an interim distribution of £2.25 per CCDS in respect of the period to 30 September 2025 which would be paid in February 2026. The interim distribution is not reflected in the members' reserves of these financial statements as distributions to the CCDS holders are recognised with reference to the date they are declared, although they are accrued for in capital calculations.

## 14. Related party transactions

Related party transactions for the six months to 30 September 2025 are within the normal course of business and of a similar nature to those for the last financial year, full details of which are disclosed in the Annual Report and Accounts for the year ended 31 March 2025.

## 15. Subscribed capital

	30 Sep 25 unaudited £m	30 Sep 24 unaudited £m	31 Mar 25 audited £m
Permanent Interest Bearing Shares			
At beginning of period	3.9	7.8	7.8
Purchase and cancellation of PIBS	-	(3.9)	(3.9)
At end of period	3.9	3.9	3.9

The 6.15% Permanent Interest Bearing Shares (PIBS) comprise 3,938 PIBS of £1,000 each issued at a price of 99.828% of their principal amount, with the issue premium amortised. In August 2024 the Society purchased and cancelled 3,909 of its remaining PIBS.

A resolution was passed in September 2025 to make an interest payment on the PIBS of 1.5414%, which was paid on 5 October 2025. This was in line with the indicative distribution policy, as detailed in the statement issued on 20 January 2020 and available on the Society's website.

## 16. Subordinated liabilities

	30 Sep 25 unaudited £m	30 Sep 24 unaudited £m	31 Mar 25 audited £m
Subordinated notes due 2038 – 11.0%	2.1	2.1	2.1

The Society's subordinated notes rank behind all other creditors of the Society, with the exception of holders of CCDS and PIBS.

## 17. Financial instruments

### Fair values of financial assets and financial liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group determines fair values by the following three tier valuation hierarchy:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Valuation techniques where all inputs are taken from observable market data, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Valuation techniques where significant inputs are not based on observable market data.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and market observable inputs used in valuation techniques include risk-free and benchmark interest rates, equity index prices and expected price volatilities. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length. Observable prices are those that have been seen either from counterparties or from market pricing sources including Bloomberg. The use of these depends upon the liquidity of the relevant market.

## 17. Financial instruments (continued)

### Financial assets and financial liabilities held at amortised cost

The tables below show the fair values of the Group's financial assets and liabilities held at amortised cost in the Statement of Financial Position, analysed according to the fair value hierarchy described above.

#### At 30 September 2025 (unaudited)

	Carrying value £m	Fair value Level 1 £m	Fair value Level 2 £m	Fair value Level 3 £m	Fair value Total £m
<b>Financial assets</b>					
Cash and balances with the Bank of England	122.9	122.9	-	-	122.9
Loans and advances to credit institutions	85.2	-	85.2	-	85.2
Loans and advances to customers	5,528.5	-	-	5,663.1	5,663.1
	5,736.6	122.9	85.2	5,663.1	5,871.2
<b>Financial liabilities</b>					
Shares	5,312.7	-	-	5,273.7	5,273.7
Amounts due to credit institutions	348.7	-	348.7	-	348.7
Amounts due to other customers	29.0	-	24.4	4.5	28.9
Debt securities in issue	268.7	269.5	-	-	269.5
Subordinated liabilities	2.1	-	2.1	-	2.1
	5,961.2	269.5	375.2	5,278.2	5,922.9

#### At 30 September 2024 (unaudited)

	Carrying value £m	Fair value Level 1 £m	Fair value Level 2 £m	Fair value Level 3 £m	Fair value Total £m
<b>Financial assets</b>					
Cash and balances with the Bank of England	547.3	547.3	-	-	547.3
Loans and advances to credit institutions	71.0	-	71.0	-	71.0
Loans and advances to customers	5,152.9	-	-	5,229.9	5,229.9
	5,771.2	547.3	71.0	5,229.9	5,848.2
<b>Financial liabilities</b>					
Shares	4,933.6	-	-	4,923.5	4,923.5
Amounts due to credit institutions	627.4	-	627.4	-	627.4
Amounts due to other customers	36.2	-	31.3	4.8	36.1
Debt securities in issue	300.4	300.1	-	-	300.1
Subordinated liabilities	2.1	-	2.1	-	2.1
	5,899.7	300.1	660.8	4,928.3	5,889.2

## 17. Financial instruments (continued)

At 31 March 2025 (audited)

	Carrying value £m	Fair value Level 1 £m	Fair value Level 2 £m	Fair value Level 3 £m	Fair value Total £m
<b>Financial assets</b>					
Cash and balances with the Bank of England	159.8	159.8	-	-	159.8
Loans and advances to credit institutions	88.8	-	88.8	-	88.8
Loans and advances to customers	5,392.5	-	-	5,503.1	5,503.1
	5,641.1	159.8	88.8	5,503.1	5,751.7
<b>Financial liabilities</b>					
Shares	5,071.6	-	-	5,052.4	5,052.4
Amounts due to credit institutions	459.1	-	459.1	-	459.1
Amounts due to other customers	29.1	-	24.3	4.7	29.0
Debt securities in issue	289.8	290.2	-	-	290.2
Subordinated liabilities	2.1	-	2.1	-	2.1
	5,851.7	290.2	485.5	5,057.1	5,832.8

### a) Cash and balances with the Bank of England

The carrying value of cash and balances with the Bank of England is assumed to approximate their fair value.

### b) Loans and advances to customers

The fair value of loans and advances to customers has been determined taking into account factors such as impairment and interest rates. The fair values have been calculated on a product basis and, as such, do not necessarily represent the value that could have been obtained for a portfolio if it were sold at 30 September 2025.

### c) Shares and borrowings

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits and other borrowings without quoted market price is based on discounted cash flows using interest rates for new deposits with similar remaining maturity. The fair values have been calculated on a product basis and as such do not necessarily represent the value that could have been obtained for a portfolio if it were sold at 30 September 2025.

### d) Debt securities in issue

The aggregate fair values are calculated based on quoted market prices. For those notes where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.

## 17. Financial instruments (continued)

### Financial assets and financial liabilities held at fair value

The tables below show the fair values of the Group's financial assets and liabilities held at fair value in the Statement of Financial Position, analysed according to the fair value hierarchy described previously.

#### At 30 September 2025 (unaudited)

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
<b>Financial assets</b>				
Investment securities				
At fair value through other comprehensive income	503.1	-	-	503.1
At fair value through profit or loss	0.3	-	-	0.3
Derivative financial instruments	-	27.7	-	27.7
Loans and advances to customers	-	-	5.2	5.2
	503.4	27.7	5.2	536.3
<b>Financial liabilities</b>				
Derivative financial instruments				
	-	16.7	-	16.7
	-	16.7	-	16.7

#### At 30 September 2024 (unaudited)

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
<b>Financial assets</b>				
Investment securities				
At fair value through other comprehensive income	375.9	-	-	375.9
At fair value through profit or loss	0.3	-	-	0.3
Derivative financial instruments	-	46.5	-	46.5
Loans and advances to customers	-	-	6.4	6.4
	376.2	46.5	6.4	429.1
<b>Financial liabilities</b>				
Derivative financial instruments				
	-	27.8	-	27.8
	-	27.8	-	27.8

#### At 31 March 2025 (audited)

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
<b>Financial assets</b>				
Investment securities				
At fair value through other comprehensive income	467.3	-	-	467.3
At fair value through profit or loss	0.3	-	-	0.3
Derivative financial instruments	-	44.9	-	44.9
Loans and advances to customers	-	-	5.6	5.6
	467.6	44.9	5.6	518.1
<b>Financial liabilities</b>				
Derivative financial instruments				
	-	16.8	-	16.8
	-	16.8	-	16.8

The table below analyses movements in the level 3 portfolio during the period.

	6 months ended 30 Sep 25 unaudited £m	6 months ended 30 Sep 24 unaudited £m	Year ended 31 Mar 25 audited £m
<b>Equity release portfolio</b>			
At beginning of period	5.6	7.0	7.0
Items recognised in the Income Statement			
Interest receivable and similar income	0.4	0.4	0.8
Fair value gains/(losses) on financial instruments	0.3	-	(0.1)
Redemptions	(1.1)	(1.0)	(2.1)
At end of period	5.2	6.4	5.6

There have been no transfers of financial assets or liabilities between levels of the valuation hierarchy in the period.

## 18. Statement of Directors' responsibilities

The Directors confirm that this condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting', and that the interim management report herein includes a fair review of the information required by:

- DTR 4.2.7R of the *Disclosure and Transparency Rules*, being an indication of important events during the first six months of the financial year and the description of principal risks and uncertainties for the remaining six months of the financial year; and
- DTR 4.2.8R of the *Disclosure and Transparency Rules*, being an indication of any material related party transactions that have taken place in the first six months of the financial year and any material changes in the related party transactions described in the last annual report.

The Directors of West Bromwich Building Society are listed in the West Bromwich Building Society Annual Report for the year ended 31 March 2025.

Signed on behalf of the Board of Directors:

**Jonathan Westhoff**  
Chief Executive Officer

**Alex Pawley**  
Chief Financial Officer

26 November 2025



# Glossary

Set out below are the definitions of the terms used within the half year financial results to help the reader and to facilitate comparison with other financial institutions:

## **Capital and leverage ratios**

A capital ratio is a measure of financial strength that compares capital to risk-weighted assets or, in the case of the leverage ratio, to the leverage ratio exposure.

## **Closed commercial lending book**

Up to 2008 we provided mortgages on commercial properties. Our 'closed commercial lending book' is made up of the mortgages that are still open today.

## **Common Equity Tier 1 (CET 1) capital**

Common Equity Tier 1 (CET 1) capital is the highest quality of regulatory capital as it will fully absorb losses that the Society makes. Most of our CET1 comes from retained profits the Society has made in the past.

## **Common Equity Tier 1 ratio**

Common Equity Tier 1 (CET 1) ratio is the CET 1 capital shown as a percentage of risk-weighted assets, showing the financial strength of the Society.

## **Credit risk**

This is the risk that a mortgage customer may not repay all or part of their mortgage, causing the Society financial loss.

## **Cyber risk**

The risk that our IT and communications systems come under threat, causing disruption or loss.

## **Deferred tax assets**

Deferred tax assets can be used to reduce our tax charges in future years. They come from timing differences between accounting and tax rules but do not count towards regulatory capital so must be subtracted when calculating regulatory capital resources.

## **Forbearance**

This is where the Society agrees temporary measures to support a mortgage customer because they are experiencing financial difficulty. This can take several forms such as temporarily reducing mortgage payments.

## **Impairment provisions**

Where we believe we may not receive the full amount due on a mortgage back from the borrower, an impairment provision is created for the expected shortfall. The creation, or increase, in our impairment provision is an impairment cost to the Society.

## **Intangible assets**

Intangible assets have value but no physical substance. For the Society, intangible assets are purchased and internally-developed software. They do not count towards regulatory capital so must be subtracted when calculating regulatory capital resources.

## **Leverage ratio**

Tier 1 capital shown as a percentage of the leverage ratio exposure, showing the financial strength of the Society without measuring risk.

## **Leverage ratio exposure**

The value of our assets, including off-balance sheet items (like mortgage offers) and regulatory adjustments but without any adjustment for risk.

## **Management expense ratio**

This is the cost of running the Society (our administrative expenses plus depreciation and amortisation) compared to our average assets.

## **Net interest receivable**

This is the difference between the interest earned by the Society (mainly the interest we receive on mortgage lending) less the interest paid on our funding (mainly the interest paid to savers).

## **Permanent interest bearing shares (PIBS)**

PIBS are a type of share issued by building societies. Our PIBS do not count towards our regulatory capital resources.

**Principal risks**

Principal risks are the categories of risk that have the potential to have the greatest impact on the Society.

**Provision coverage**

Provision coverage is the impairment provision (see definition) compared to the value of the asset.

**Regulatory capital resources**

The total value of Tier 1 and Tier 2 capital.

**Retirement benefit asset**

The assets of the Society's defined benefit pension scheme are higher than its liabilities. The difference is shown as a retirement benefit asset on the balance sheet but does not count towards regulatory capital so must be subtracted when calculating regulatory capital resources.

**Revaluation gain**

The increase in the market value of our investment properties during the financial period.

**Risk weighted assets**

Risk-weighted assets are the value of our assets (mainly mortgages) adjusted for risk using percentages set by the Prudential Regulation Authority for each asset type. The higher the risk of loss, the higher the percentage.

**Subordinated liabilities**

For the Society, subordinated liabilities are unsecured notes that pay a fixed rate of interest until 2038. They count as Tier 2 capital.

**Tier 1 capital**

Tier 1 capital is the total of Common Equity Tier 1 (CET 1) and Additional Tier 1 (AT 1) capital. As we currently have no AT1 capital, our Tier 1 capital is the same as our CET 1 capital.

**Tier 1 ratio**

Tier 1 capital shown as a percentage of risk-weighted assets, showing the financial strength of the Society.

**Tier 2 capital**

This is a type of debt that, in certain circumstances is available to absorb losses, therefore protecting savers of the Society. This is part of the Society's regulatory capital.

**West Bromwich Building Society Foundation**

The West Bromwich Building Society Foundation was set up in 2023 to provide funding to support our local people and communities. The foundation runs independently from the Society and is not a subsidiary of the Society.

**Braille, audio and large print versions of this document are available upon request. Please contact us on 0345 241 3784.**

Head Office: 2 Providence Place, West Bromwich B70 8AF  
[www.westbrom.co.uk](http://www.westbrom.co.uk)

Calls and electronic communications may be monitored and/or recorded for your security and may be used for training purposes. Your confidentiality will be maintained.

West Bromwich Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Register No: 104877. 'the West Brom' and 'West Brom Building Society' are trading names of West Bromwich Building Society.