

NOTTINGHAM BUILDING SOCIETY HITS NEW ASSET MILESTONE

- ***Total assets are nearly £4 billion as saving balances and mortgage lending increase***
 - ***The Nottingham focused on delivering unique strategy***

Embargoed until 9am, 27 July 2018 – Nottingham Building Society has today announced its half year results and revealed its total assets have grown to a new milestone of nearly £4 billion, as its unique ‘all under one roof’ advice and service proposition continues to deliver strong financial performance for members and customers.

Gross lending in the six months to 30 June was £465 million as the mortgage book grew by 3.7% while branch savings balances increased by 7.4% in the period at the UK’s eighth largest building society.

Members have shared in the success of The Nottingham – its innovative member rewards scheme has paid out almost £400,000 in cashback and rewards to more than 7,000 members in its first year of operation.

More than 13,000 new members joined the society in the six months as its branch network expanded to 67 following the addition of seven new branches at the end of 2017. Its focus on world-class service is delivering with the Net Promoter Score increasing to 79.1%.

The strategy already underway to strengthen its service for members and customers has seen one of the most significant investments in the Society’s history which has increased operating and strategic investment costs. This, along with sharing our success with our members through the reward scheme has inevitably resulted in a reduced surplus before tax, despite an rising income profile yet still enables the society to strongly meet requirements on capital sustainability and securing a strong independent future. Group profit before tax for the period was £6 million compared with £7.6 million in the previous period (to June 2017).

David Marlow, Chief Executive of The Nottingham, said: “Cementing our relevance and appeal to members both now and in the future, has been a key focus throughout the first half. In the face of increasingly rapid societal change we are investing heavily to develop our

digital capabilities and longer term aspiration to deliver a true Omni-channel experience where our members have the control and convenience of choosing how and when they interact with us.

“Underpinned by our strategic pillars of growing and rewarding membership; delivering strength in financial adequacy; striving to deliver first class service across our operations; and continuing to support our people and communities, our mid-year results are a positive reflection of this strategy.

“I’m particularly proud that our Net Promotor Score remains consistently high at 79%. Coupled with recent FCA recognition for our best in class customer complaint metrics is further evidence that we are building strong relationships with our members and delivering exceptional levels of service so warm thanks to all our people who have made this possible. We are looking forward to building on our successes with some exciting launches during the second half.”

The Nottingham will launch a cash Lifetime ISA later this summer, initially in branches and then online as it expands its digital platform, opening its services to a wider group of potential new members.

The Society’s customers and members will see the benefit of the investment in the second half of 2018 as The Nottingham plans to replace its current web portals for online savings and intermediary mortgages with enhanced functionality and improved user experience.

Arrears remain at an historic low level while strong capital ratios were delivered with a Common Equity Tier I ratio of 14.7% and a leverage ratio of 5.2%.

ENDS

Notes to editor: About The Nottingham

The Nottingham is an award-winning building society and estate agency operating online and via its network, spanning 67 branches across 11 counties. The eighth largest building society in the UK by assets, with the fifth biggest branch presence, The Nottingham offers a broad range of building society services such as mortgages and savings as well as independent financial planning, whole-of-market mortgage advice and local estate agency services.

Founded in 1849, The Nottingham is a mutual building society owned by its members with a long and proud history of offering financial support and advice to local communities. Through its Doing Good Together programme, the Society has donated over £800,000 to help communities in its heartland prosper.

www.thenottingham.com