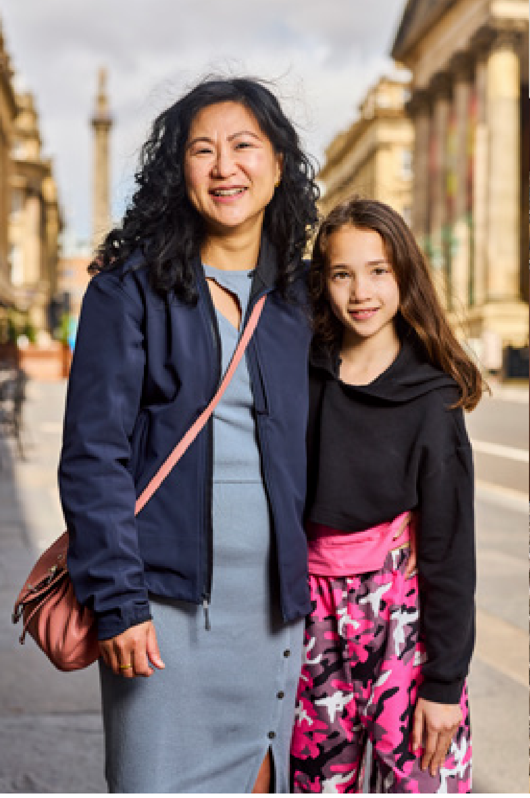

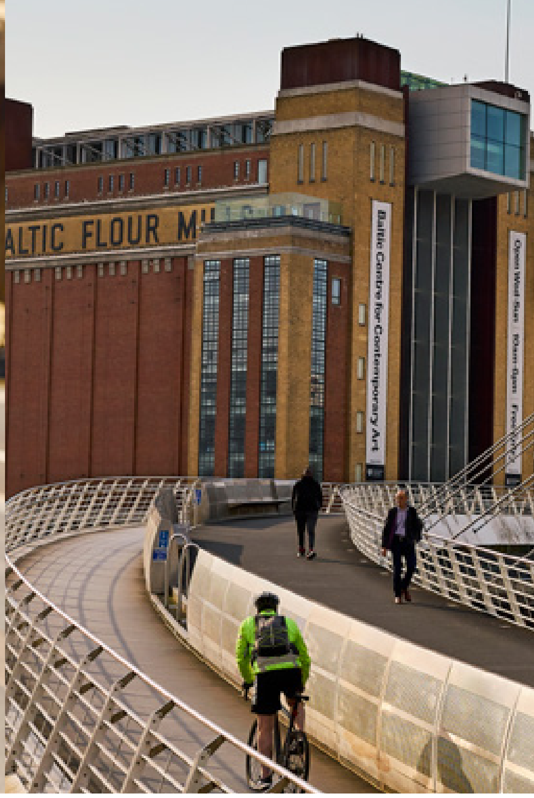

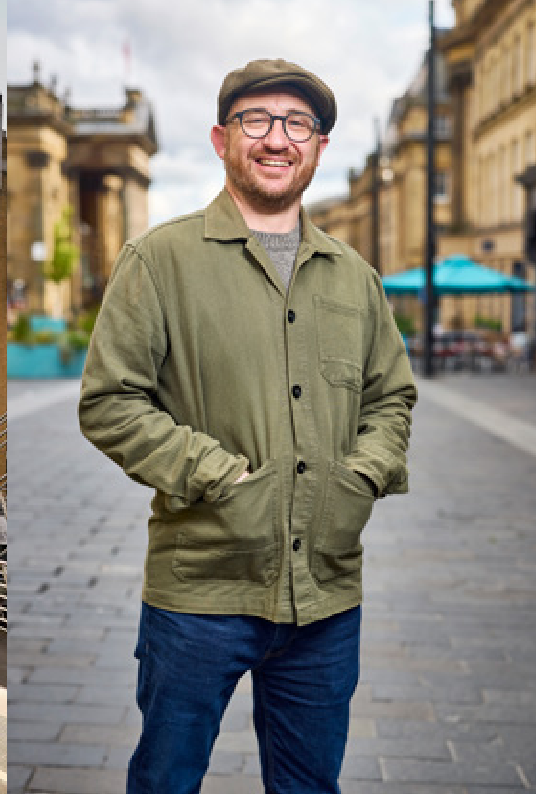

Connecting our communities with a better financial future

Newcastle Building Society Group Half-Yearly Financial Information 2026

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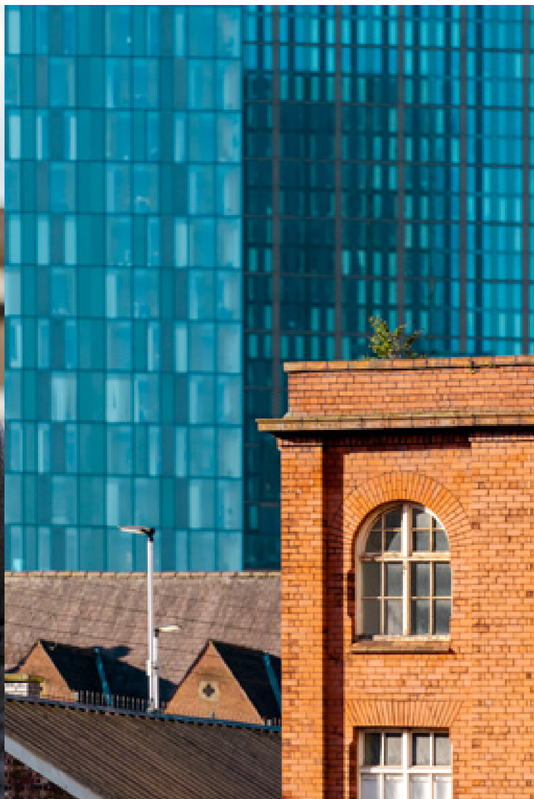
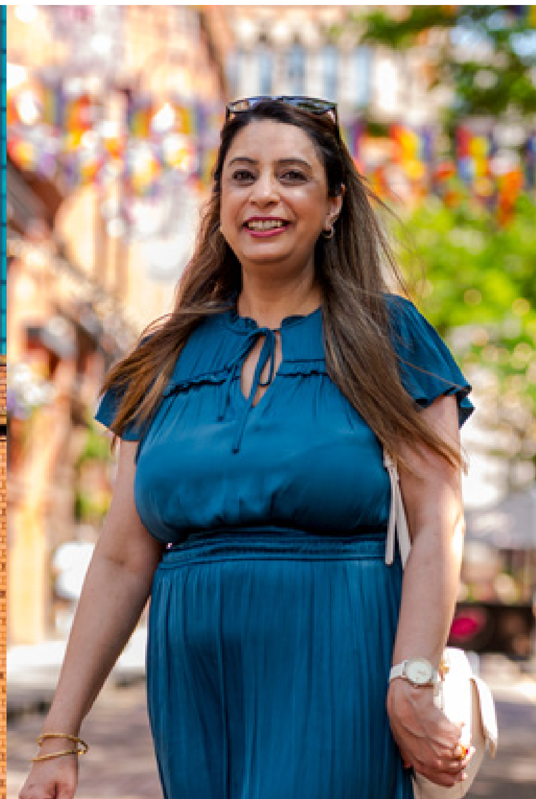
Building Society





Performance Highlights 2026

£6.2bn
Savings balances
(YE 2025: £5.9bn)

£15.1m
Profit before tax
(HY 2025: £10.8m)

1,900+
Colleague volunteering hours
(HY 2025: 4,000+)

£623m
Gross residential lending
(HY 2025: £570m)

£14.9m
Underlying profit
(HY 2025: £15.9m)

£16.7m
Operating profit before impairments and provisions
(HY 2025: £10.5m)

11.7%
Common Equity Tier 1
(YE 2025: 11.7%)

+38
Colleague engagement score
(YE 2025: +48%)

97%
Overall customer satisfaction
(YE 2025: 97%)

At the heart of our Society is a clear and compelling purpose: "Connecting our communities with a better financial future."

This guiding principle continues to shape every decision we make and every service we deliver.

In the first half of 2026, we have continued to operate in a fast-moving and often uncertain external environment. Against this backdrop, our focus has remained on building resilience, investing in the long-term strength of the Group, and delivering meaningful value for our members and the communities we serve.

Andrew Haigh
Chief Executive

Delivering value for our members

We continue to use the Mutual Value Measurement framework to guide our approach to creating and measuring value. This has led us to make a series of member value commitments, which can be broadly grouped into three areas:

- The products and consistent approach to pricing we offer to members, together with our commitment to face-to-face service and accessibility within the communities we serve
- The long-term relationships we build with members and their communities, often across generations
- The strategic partnerships we build with like-minded organisations seeking to bring positive change across our regions, particularly in areas such as employability and financial inclusion

In addition, our 'mutual mindset' leads us to think differently about how we might bring long term value for members and to work in ways which go against industry trends; for example, through our continued commitment to our branch presence in addition to investment in our digital services.

Product, pricing, service and accessibility

The continued decline of financial services presence on UK high streets has seen bank branches continue to close in the first half of the year, further reducing access for many communities. We remain committed to maintaining a strong physical presence and providing face-to-face services where they are needed most.

This commitment was demonstrated by the opening of our newest branch in Guisborough. Located on the high street, the branch brings a full range of services to a site previously occupied by a former competitor agency, the branch provides continuity and reassurance to local residents. Since opening, the branch has performed strongly, demonstrating the ongoing demand for people-first financial services and the value of investing in the communities we serve.

Alongside this visible commitment to access face-to-face financial services, we continue to offer consistently competitive rates of interest to our savers. Over the period January – May 2026 (the latest data available), our savings rates were 0.56% higher than the market average (same period in 2025: 0.62%), meaning our members earned more than £13.4m in additional interest (same period in 2025: £13.8m).

In a challenging market environment, we have also continued to offer good value to borrowers. Our standard variable rate (SVR) averaged 6.34% during the first half of 2026 (first half of 2025: 6.81%), compared to a market average of 7.15%, meaning members on SVR products saved approximately £790,000 in interest charges (first half of 2025: £850,000).

Accessible and trusted financial advice remains a core part of our proposition available to all members regardless of investment levels, and delivered through our subsidiary, Newcastle Financial Advisers Limited. Demand for advice continues to be strong, with more than 6,000 advice appointments conducted in the first half of 2026 (first half of 2025: 6,100+), highlighting the importance of our place-based and authentic advisory service. We are pleased that Newcastle Financial Advisers has been recognised with the VouchedFor Client Impact Award for the fifth year running, reflecting the continued positive customer experience and the impact financial advice provides to our members.

Membership and community

As a member-owned organisation, how we listen to our members and customers is central to how we create value.

During the first half of the year, members of the executive leadership team hosted a listening event at our King Street branch in Manchester, providing an opportunity to engage directly with members and gain a better understanding of their needs, priorities and feedback.

Further listening events are planned across the Society in the second half of 2026, enabling more members to have their voices heard. New Directors joining the Society took part in immersion visits to ensure they had the opportunity to meet members and strategic partners at an early stage in their tenure and see first hand how the Society engages with and supports our members and communities.

Customer feedback continues to demonstrate the strength of our service. Our customer satisfaction score for the first half of 2026 was 97% (2025: 97%), with a customer net promoter score of +85 (2025: +87), reflecting consistently high levels of service delivery across the Group.

How we engage with and support our communities is fundamental to delivering our purpose.

Through the Newcastle Building Society Community Fund, we continue to support charities and organisations aligned to our core priorities. In the first half of 2026, the fund issued 14 grants to charities, totalling £85,738, including 3 grants of £10,000 or more to support employability skills and help people get into work (first half of 2025: 20 grants totalling £100,000). In the North West, we partner with Forever Manchester to bring local expertise and knowledge to extend our charitable support into the region.

We continue to provide free-to-use community spaces in around half of our branch network, supporting local organisations with meeting, event and collaboration space. In the first half of 2026, these spaces were used for more than 3,100 hours, demonstrating the practical support we provide to the communities we serve.

Colleagues across the Group also continue to give their time generously, with over 1,934 hours of volunteering recorded in the first half of the year.

Partnerships and employment

We achieve greater impact through collaboration, and partnerships remain central to how we deliver value.

Our ongoing partnership with the Newcastle United Foundation ('the Foundation') reflects our shared commitment to supporting community resilience and opportunity.

In the first half of the year, we announced an extension to our partnership with the Foundation for a further three years, investing an additional £500,000 to support the Foundation's work across three community hubs in Howdon, Ashington, and the MetroCentre. Our work with the Foundation will enable hundreds of young people across the region to access support around gaining skills and confidence for work, alongside the wellbeing offering from the Foundation.

These hubs play a vital role in supporting wellbeing, building skills and confidence, and enabling access to education and employment. Working alongside our branch network, they also strengthen our presence in communities and create further opportunities to deliver meaningful impact for members.

Creating an environment where colleagues can thrive and realise their full potential remains fundamental to delivering our purpose. As a major employer in the North East, and as we expand our presence in the North West, we continue to prioritise building a diverse workforce that reflects the communities we serve, alongside fostering a culture of inclusion and belonging.

During the first half of the year, we were recognised as a Top 30 employer in the Investing in Ethnicity Maturity Matrix, a UK benchmark developed in partnership with a parliamentary group to measure progress on race equality in the workplace. We were also awarded Advanced level accreditation through the SHINE North East Combined Authority programme and achieved membership of the Greater Manchester Good Employment Charter. Together, these recognitions reinforce our continued commitment to fostering fair, inclusive, and responsible employment practices.

In 2026, we have continued to embed our 'Be the Change' culture programme while progressing changes to our operating model to support long-term success, efficiency and sustainability. As anticipated during a period of transformation, this has had some impact on colleague sentiment, with our colleague Net Promoter Score at +38 at the end of June 2026 (FY 2025: +48). We remain focused on supporting colleagues through this transition and strengthening engagement over time.

Financial Performance

The Group delivered a resilient performance in the first half of 2026, with continued balance sheet growth supporting our members amid an increasingly uncertain environment.

Profit before tax of £15.1m, was up from £10.8m in the same period last year. This increase was primarily driven by £1. 8m of net fair value and hedge accounting gains compared with £5.6m of fair value losses in the first half of 2025 the key driver. However, as anticipated, further investment in the business to support long-term sustainable value, alongside ongoing margin pressure in a competitive market, resulted in an overall reduction in underlying operating profit.

Total assets grew to £7.4bn (31 December 2025: £7.0bn), with net mortgage growth of £235m (six months to 30 June 2025: £138m), alongside growth in savings balances to £6.2bn from £5.9bn.

Despite growth in mortgages and savings balances, net interest income decreased from £51.0m for the six months to 30 June 2025 to £48.3m, as margin pressure continued in a highly competitive retail market and wholesale funding costs increased.

As a result, underlying operating profit reduced to £14.9m compared to £15.9m for the first half of 2025, primarily reflecting lower net interest income, partly offset by modest growth in other income. Administrative expenses remained broadly unchanged, with lower colleague costs and reduced strategic investment costs offsetting inflationary cost pressures.

Further details of our financial performance are set out in the business review.

Solutions – powering the savings industry

Our Newcastle Strategic Solutions ('Solutions') business continues to play an important role in income generation and diversification across the Group.

Solutions manages 1.8 million accounts (31 December 2025: 1.8 million) across 16 clients as at June 2026 (31 December 2025: 16) with balances of £52.0bn, down marginally from December 2025 (£52.3bn). This reflects increased volatility within the UK savings market during the first half of the year and in the face of increasing and diversified competition.

The Solutions business contributed £27.9m of client income from savings management during the period (six months to 30 June 2025: £28.0m), demonstrating stable income generation for the Group.

Solutions is undergoing significant transformation, requiring investment which is also impacting short term profitability. As a result of the investment in a new technology architecture, new functionality is now available to clients, including app-based customer onboarding and the deployment of a new knowledge management solution.

The enhanced features available through the new architecture will ensure Solutions has the required capabilities to maintain a competitive proposition for clients in the years ahead, as well as delivering improvements to service and efficiency.

Summary and outlook

The first half of 2026 has demonstrated the resilience of our business model and the continued importance of our purpose-led approach.

Despite an evolving external environment and continued global and UK political uncertainty, we have remained focused on supporting our members, investing in our communities and strengthening the long-term sustainability of the Group.

We will continue to build on this momentum in the second half of the year, with a clear focus on long term member value, supporting the sustainability of the communities we serve and maintaining the high levels of service and value our members expect.

As always, I would like to thank our members for their continued support and our colleagues for their ongoing commitment and dedication.

Andrew Haigh | Chief Executive
30 July 2026

Business review
Group financial performance

Newcastle Building Society is the largest building society based in the North East of England and the seventh largest building society in the UK, with assets of £7.4bn (31 December 2025: £7.0bn).

Profitability is one of the key performance measures the Board monitors closely. The Society seeks to generate sufficient profit in order to invest in and grow the business for the benefit of its current and future members.

The Board views the alternative performance measure of underlying operating profit as a clearer view of the performance of the business for our members, which is reported alongside the operating profit before impairments and provisions measure.

Underlying operating profit of the Group is determined by removing income or expenses arising from events or transactions distinct from the core activities of the Group which do not represent the Group's true performance.

Underlying Group Income Statement	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Net interest income	48.3	51.0	101.4
Other income and charges	30.9	30.1	60.4
Underlying operating income	79.2	81.1	161.8
Administrative expenses and depreciation	(64.3)	(65.2)	(132.1)
Underlying operating profit before impairments and provisions	14.9	15.9	29.7

The Group has delivered a robust half year performance against an increasing volatile and competitive economic market environment, which has driven compressed net interest margin returns combined with cost inflationary pressures.

Underlying operating profit reduced to £14.9m during the period compared to £15.9m for the six months to 30 June 2025. This primarily reflects lower total operating income arising from reduced net interest income, while the cost base remained broadly unchanged due to continued investment in colleagues and technology to support service delivery and future operational needs.

Net interest income

Net interest income was £48.3m (30 June 2025: £51.0m), with a net interest margin of 1.35% at 30 June 2026 (30 June 2025: 1.57%). The reduction in net interest margin in the first half of the year reflected margin compression on new mortgages amid market competition. In addition, interest expense on wholesale funding increased following the issuance of £350m of external loan notes as part of the July 2025 securitisation. This replaced less expensive funding following repayment of the drawings previously made under the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME) in the second half of 2025 and provided stable long term funding to support a more resilient funding structure.

Other income and charges

Other income and charges, which includes income from Solutions and Newcastle Financial Advisers, was £30.9m for the six months ended 30 June 2026, broadly in line with the first half of 2025.

Solutions delivered a resilient underlying income performance in the first half of 2026 of £27.9m, compared to £28.0m in the first half of 2025, supported by stable balances under management and account opening levels, despite volatility within the savings market.

Newcastle Financial Advisers has again delivered strong year-on-year income growth increasing by 19% compared to the six months ending June 2025, led by new funds invested as well as growth in total funds held.

Administrative expenses and depreciation

Underlying administrative expenses and depreciation decreased by £0.9m from £65.2m for the six months to June 2025 to £64.3m for the six months to June 2026. Colleague headcount fell, reflecting progress towards the Society target operating model, broadly offset by additional costs incurred through our commitment as an employer to paying our colleagues the real living wage as a minimum.

Our underlying cost to income ratio increased to 81% (30 June 2025: 80%) primarily reflecting lower net interest income return and our continued repositioning of the Group cost base.

Following significant investment in key systems and processes, costs have fallen in the first half of 2026, as spend transfers to the ongoing operations of the Group.

Reshaping our cost base and maximising efficiency continues to be a key strategic focus in the short and medium term, with the benefits of recent investment expected to increase further during the remainder of 2026 and in future years, providing the right platform to maximise profit returns for the benefit of our members and other mutual stakeholders.

The following table presents the reconciliation from underlying operating profit before impairment and provisions to reported profit before tax:

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Underlying operating profit before impairments and provisions	14.9	15.9	29.7
Net gain / (loss) in fair value of equity release mortgages and associated derivative financial instruments	3.0	(2.9)	(1.9)
Hedge ineffectiveness and fair value movements on other financial instruments	(1.3)	(2.6)	(4.5)
Revaluation loss on equity investments	-	(0.2)	-
Foreign exchange movements	0.1	0.1	(0.1)
Investment distribution	-	0.8	0.8
IT transformation costs	-	(0.6)	(0.6)
Reported operating profit before impairments and provisions	16.7	10.5	23.4
Impairment on loans and advances to customers	(0.7)	-	0.7
Provisions for liabilities and charges	(0.8)	-	(1.3)
(Loss) / gain on disposal of non-current assets	(0.1)	0.3	(0.2)
Reported profit before tax	15.1	10.8	22.6

Reported operating profit before impairments and provisions increased during the period to £16.7m compared to £10.5m for the six months to 30 June 2025, with the first half of 2026 benefiting from fair value gains in the period of £1.8m (first half of 2025: £5.6m losses).

Profit before taxation was £15.1m, compared to £10.8m for the first half of 2025, and includes an increased impairment charge following changes to the macroeconomic scenarios and scenario weightings to reflect a more negative short-term outlook, as well as restructure costs associated with the implementation of the target operating model.

Segmental information is available in note 9 to the financial information and details the Member business and Solutions business segments.

Fair value movements on equity release mortgages

The Society's equity release mortgages are held at fair value and so any changes in the value of these mortgages are recognised in the Income Statement. The value of the equity release mortgages is impacted by a number of factors used to estimate the future expected cashflows; the most significant of which is market interest rates.

During the six months to June 2026, market interest rates increased significantly, reflecting heightened volatility and upward pressure following the recent Iran conflict. As a result, movements in interest rates were the predominant driver of the £3.0m gain recognised on these mortgages during the period (six month period to 30 June 2025: £2.9m loss).

Hedge accounting and movement in financial instruments

The Society mitigates its exposure to interest rate risk using interest rate swaps. This significantly reduces the effect of changes in market interest rates on net interest income.

Interest rate swaps are held at fair value and therefore the value of the swap changes when market interest rates move. In the six month period to June 2026, the elevated interest rate environment resulted in net gains on interest rate swaps of £33.6m (six month period to 30 June 2025: £44.5m loss).

This was largely offset by gains on the Society's hedge adjustments on mortgages and savings, resulting in a net loss of £1.2m during the period (30 June 2025: £2.7m loss).

Additional information on derivative and fair value movements is provided in notes 10 and 11 to the financial information.

Impairment on loans and advances to customers

During the six months to 30 June 2026, a net impairment charge of £0.7m was recognised on loans and advances to customers (six months to 30 June 2025: no charge).

The prime residential book has grown by £0.3bn in the six months to 30 June 2026. Borrower arrears remained broadly static however, macroeconomic scenarios have been updated to reflect a more negative short-term outlook contributing to an increase in prime portfolio provisions of £1.4m. Provisions against our legacy loans decreased by £2.0m, mainly driven by borrower redemptions.

Additional information on impairment provisions is found in note 13 to the financial information.

Balance Sheet

A consolidated Balance Sheet is set out below with key Balance Sheet items discussed in further detail within this report.

Summary Balance Sheet	Unaudited 30 Jun 26 £m	Unaudited 30 Jun 25 £m	Audited 31 Dec 25 £m
Assets			
Liquid assets	1,351.3	1,002.3	1,182.7
Derivatives and hedged risk adjustments	23.9	39.5	33.5
Loans and advances to customers	5,948.7	5,427.7	5,714.2
Other assets	74.5	80.9	81.5
Total assets	7,398.4	6,550.4	7,011.9
Liabilities			
Shares	6,236.3	5,663.5	5,882.7
Deposits and debt securities	691.5	412.7	646.1
Derivatives and hedged risk adjustments	27.2	46.8	46.1
Other liabilities	44.5	45.8	49.2
Capital and reserves	398.9	381.6	387.8
Total liabilities and equity	7,398.4	6,550.4	7,011.9

Liquid assets

The Society has continued to maintain sufficient levels of high quality liquid assets. The Society's liquid assets comprise of assets held in cash or that can be easily convertible to cash through treasury markets (repo) or via various Bank of England liquidity schemes. All the liquid assets are placed with institutions with investment grade credit ratings, and 100% of the Society's liquid assets are with institutions rated AA- or higher by Fitch (31 December 2025: 100%).

The liquidity coverage ratio (LCR) measures unencumbered high quality liquid assets as a percentage of net cash outflows over a 30 day stress period. The LCR at 30 June 2026 was 189% (31 December 2025: 180%), comfortably in excess of the minimum regulatory limit of 100%.

Loans and advances to customers

Loans and advances to customers increased by £235m net of provisions in the first half of the year (six months to 30 June 2025: £138m), with total mortgage balances rising to £5.9bn at 30 June 2026 (31 December 2025: £5.7bn). Net core residential lending, including buy-to-let, was £289m in the period, compared with £156m in the six months to 30 June 2025.

The higher net mortgage growth compared with the prior period reflects higher retention in 2026, with 80% of mortgage maturities retained in the first six months of 2026 compared to 64% in the first six months of 2025. In addition, there was a deliberate moderation of new lending in the first half of 2025 to manage overall balance sheet growth in conjunction with savings inflows and wholesale funding. New mortgage lending in the first half of 2026 was £623m, compared to £570m for the same period in 2025. Lending in 2026 has returned to levels broadly consistent with those achieved in 2024.

The percentage of mortgages in arrears by three months or more was 0.8% (31 December 2025: 0.8%). Movement in the Group's mortgage provisions are outlined earlier in this report.

There were 19 properties in possession at 30 June 2026 (31 December 2025: 24). The number of properties in possession remains low relative to the total volume of our mortgage balances. The Society seeks to ensure repossession is used only as a last resort.

Funding

The Society is predominantly funded by retail savings with wholesale funding providing a diversified funding source. The Society manages carefully its level, mix and duration of funding to ensure it has the required resources in place to meet its liquidity and lending targets.

Retail savings balances were £6.2bn at 30 June 2026 (31 December 2025: £5.9bn), increasing by £354m during the first half of 2026 (six months to 30 June 2025: £231m), as savings volumes were carefully managed to balance with mortgage volumes and other funding sources.

The ratio of shares and deposits to wholesale funding was 90% / 10% at 30 June 2026 (31 December 2025: 90% / 10%).

Wholesale funding, which is made up of deposits and drawdowns on Bank of England Funding Schemes, increased by £45m during the first half of the year to £691m (31 December 2025: £646m). The growth in the period primarily reflects increased utilisation of Bank of England schemes, including the Indexed Long Term Repo scheme, to support liquidity management.

Provisions for liabilities

During the six months to 30 June 2026, a charge of £0.8m (six months to June 2025: charge of £nil) was recognised in relation to restructuring costs associated with the continued implementation of the Group's target operating model, reflecting ongoing activity to reshape the cost base and support long-term efficiency and sustainability. In the six months to 30 June 2025, a net charge of £nil was recognised as restructuring costs of £0.6m and other provisions of £0.3m were offset with recoveries in relation to Philips trust of £0.9m.

In addition, provisions of £1.0m remain in respect of the voluntary support scheme committed to in 2024 to assist members whose trusts were affected by the collapse of Philips Trust, which is expected to be utilised for final payments under the scheme.

Capital

Total capital resources increased from £389m at 31 December 2025 to £404m in the six months to 30 June 2026 primarily as a result of profitability in the period. In the same period, risk weighted assets increased from £2,566m to £2,648m reflecting growth of the Society's residential mortgage portfolio.

As a result, capital ratios remained broadly stable as the Group continues to utilise the capital raised in 2024. The total capital ratio (solvency) was 15.3% as at 30 June 2026 (31 December 2025: 15.2%) and the common equity tier 1 ratio was 11.7% (31 December 2025: 11.7%). The regulatory minimum is 8.0% and 4.5% for total capital ratio and common equity tier 1 ratio respectively. The Group's UK leverage ratio was 4.8% at 30 June 2026 (31 December 2025: 4.9%). The Prudential Regulatory Authority (PRA) expects UK firms to maintain their leverage ratio above 3.25%.

Key performance indicators

The Board regards key performance indicators (KPIs) as an important way of monitoring achievement of short term objectives and progress against the strategic plan. The KPIs that are reported to the Board monthly are detailed below and are consistent with the prior year.

Please refer to the Strategic Report in the 2025 Annual Report & Accounts for further details on our KPIs.

Key performance indicators	6 months to 30 Jun 26	6 months to 30 Jun 25	12 months to 31 Dec 25
Financial			
Sustainable business			
Profit before taxation	£15.1m	£10.8m	£22.6m
Underlying operating profit	£14.9m	£15.9m	£29.7m
Operating profit before impairments and provisions	£16.7m	£10.5m	£23.4m
Common equity tier 1 ratio	11.7%	12.1%	11.7%
Leverage ratio	4.8%	5.0%	4.9%
Liquidity coverage ratio	189%	179%	180%
Efficiency			
Reported cost to income ratio	79%	86%	85%
Underlying cost to income ratio	81%	80%	82%
Lending and saving			
Net interest margin	1.35%	1.57%	1.49%
Lending			
Gross mortgage lending	£623m	£570m	£1,219m
Net core residential lending	£289m	£156m	£444m
Savings			
Savings balances	£6,236m	£5,664m	£5,883m
Non-financial measures			
Service quality and customer experience			
Customer satisfaction	97%	97%	97%
Customer engagement score (NPS)	+85	+87	+87
People, leadership and culture			
Colleague engagement score (eNPS)	+38	+50	+48

Income Statements
Condensed Consolidated Income Statement

	Note	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Interest receivable and similar income	7	164.9	167.0	335.1
Interest payable and similar charges		(116.6)	(116.0)	(233.7)
Net interest income		48.3	51.0	101.4
Other income and charges		30.9	30.9	61.2
Fair value gains less losses on financial instruments and hedge accounting	10	1.8	(5.6)	(6.5)
Total operating income		81.0	76.3	156.1
Administrative expenses		(60.1)	(61.9)	(124.3)
Depreciation and amortisation		(4.2)	(3.9)	(8.4)
Operating profit before impairments and provisions		16.7	10.5	23.4
Impairment (charges) / reversals on loans and advances to customers		(0.7)	-	0.7
(Loss) / gain on disposal of non-current assets		(0.1)	0.3	(0.2)
Provisions for liabilities and charges		(0.8)	-	(1.3)
Profit before taxation		15.1	10.8	22.6
Taxation	5	(2.3)	(1.9)	(4.6)
Profit after taxation for the financial period		12.8	8.9	18.0

The notes on pages 19 to 39 form an integral part of this condensed consolidated half-yearly financial information.

Condensed Consolidated Statement of Comprehensive Income

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Profit for the period	12.8	8.9	18.0
Other comprehensive income			
Items that may be reclassified to income statement			
Cash flow hedges			
Fair value movements recognised in equity	1.1	(3.9)	(3.8)
Amounts transferred to income statement	(0.4)	(2.1)	(2.7)
Tax on net amounts recognised in equity	(0.2)	1.6	1.6
Financial assets measured at fair value through other comprehensive income			
Fair value movements recognised in equity	0.8	-	0.1
Tax on net amounts recognised in equity	(0.2)	-	-
Total items that may be reclassified to income statement	1.1	(4.4)	(4.8)
Items that will not be reclassified to income statement			
Remeasurement of defined benefit obligation	-	-	0.4
Total other comprehensive income / (expense)	1.1	(4.4)	(4.4)
Total comprehensive income for the financial period	13.9	4.5	13.6

The notes on pages 19 to 39 form an integral part of this condensed consolidated half-yearly financial information.

Condensed Consolidated Balance Sheet

	Note	Unaudited 30 Jun 26 £m	Unaudited 30 Jun 25 £m	Audited 31 Dec 25 £m
ASSETS				
Liquid assets		1,351.3	1,002.3	1,182.7
Derivative financial instruments		33.6	27.5	16.9
Loans and advances to customers	13	5,948.7	5,427.7	5,714.2
Fair value adjustments for hedged risk		(9.7)	12.0	16.6
Intangible assets		10.4	13.0	11.7
Property, plant and equipment		34.7	36.9	36.6
Other assets		29.4	31.0	33.2
TOTAL ASSETS		7,398.4	6,550.4	7,011.9

	Note	Unaudited 30 Jun 26 £m	Unaudited 30 Jun 25 £m	Audited 31 Dec 25 £m
LIABILITIES AND EQUITY				
Shares		6,236.3	5,663.5	5,882.7
Fair value adjustments for hedged risk		(0.1)	2.0	1.6
Deposits and debt securities in issue		691.5	412.7	646.1
Derivative financial instruments		27.3	44.8	44.5
Provisions for liabilities	14	2.0	2.8	2.2
Other liabilities		22.1	22.7	27.4
Subordinated liabilities		20.4	20.3	19.6
Subscribed capital		34.7	34.8	34.7
TOTAL LIABILITIES		7,034.2	6,203.6	6,658.8
Reserves		364.2	346.8	353.1
TOTAL LIABILITIES AND EQUITY		7,398.4	6,550.4	7,011.9

The notes on pages 19 to 39 form an integral part of this condensed consolidated half-yearly financial information.

Condensed Consolidated Statement of Movement in Members' Interests

For the 6 months ended 30 June 2026 (Unaudited)

	General reserve	Fair value through other comprehensive income	Cash flow hedge reserve	Other equity instruments	Total reserves
	£m	£m	£m	£m	£m
At 1 January 2026	312.6	0.3	0.2	40.0	353.1
Profit for the period	12.8	-	-	-	12.8
Other comprehensive income					
Net movement in fair value through other comprehensive income	-	0.6	-	-	0.6
Net movement in cash flow hedge reserve	-	-	0.5	-	0.5
Total other comprehensive income	-	0.6	0.5	-	1.1
Total comprehensive income	12.8	0.6	0.5	-	13.9
Distribution to Additional Tier 1 capital holders	(2.8)	-	-	-	(2.8)
At 30 June 2026	322.6	0.9	0.7	40.0	364.2

For the 6 months ended 30 June 2025 (Unaudited)

	General reserve	Fair value through other comprehensive income	Cash flow hedge reserve	Other equity instruments	Total reserves
	£m	£m	£m	£m	£m
At 1 January 2025	299.8	0.2	5.1	40.0	345.1
Profit for the period	8.9	-	-	-	8.9
Other comprehensive income					
Net movement in fair value through other comprehensive income	-	-	-	-	-
Net movement in cash flow hedge reserve	-	-	(4.4)	-	(4.4)
Total other comprehensive income	-	-	(4.4)	-	(4.4)
Total comprehensive income	8.9	-	(4.4)	-	4.5
Distribution to Additional Tier 1 capital holders	(2.8)	-	-	-	(2.8)
At 30 June 2025	305.9	0.2	0.7	40.0	346.8

The notes on pages 19 to 39 form an integral part of this condensed consolidated half-yearly financial information.

For the year ended 31 December 2025 (Audited)

	General reserve	Fair value through other comprehensive income	Cash flow hedge reserve	Other equity instruments	Total reserves
	£m	£m	£m	£m	£m
At 1 January 2025	299.8	0.2	5.1	40.0	345.1
Profit for the period	18.0	-	-	-	18.0
Other comprehensive income					
Net movement in fair value through other comprehensive income	-	0.1	-	-	0.1
Net movement in cash flow hedge reserve	-	-	(4.9)	-	(4.9)
Remeasurement of retirement benefit obligation	0.4	-	-	-	0.4
Total other comprehensive income	0.4	0.1	(4.9)	-	(4.4)
Total comprehensive income	18.4	0.1	(4.9)	-	13.6
Distribution to Additional Tier 1 capital holders	(5.6)	-	-	-	(5.6)
At 31 December 2025	312.6	0.3	0.2	40.0	353.1

The notes on pages 19 to 39 form an integral part of this condensed consolidated half-yearly financial information.

Condensed Consolidated Cash Flow Statement

	Note	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Net cash flows from operating activities	15	240.5	(151.5)	(282.5)
Taxation paid		(2.1)	(3.3)	(5.0)
Cash flows from operating activities		238.4	(154.8)	(287.5)
Purchases of property, plant and equipment		(0.2)	(4.2)	(6.5)
Purchase of intangible assets		(1.2)	(1.1)	(2.5)
Sales of property, plant and equipment		-	1.4	1.4
Acquisition of trade and assets		(0.1)	(0.2)	(0.2)
Purchase of debt securities		(271.4)	(230.4)	(432.2)
Sale and maturity of debt securities		81.0	91.9	182.0
Net cash flows from investing activities		(191.9)	(142.6)	(258.0)
Interest paid on subscribed capital and subordinated liabilities		(2.9)	(2.9)	(5.9)
Interest paid on debt securities in issue		(6.7)	-	(6.3)
Distribution to Additional Tier 1 capital holders		(2.8)	(2.8)	(5.6)
Proceeds on issue of debt securities in issue		-	-	349.3
Principal repayments of debt securities in issue		(26.4)	-	(27.0)
Capital and interest payments for lease arrangements		(0.8)	(0.9)	(1.5)
Net cash flows from financing activities		(39.6)	(6.6)	303.0
Net increase / (decrease) in cash and cash equivalents		6.9	(304.0)	(242.5)
Cash and cash equivalents at the start of period		230.2	472.7	472.7
Cash and cash equivalents at the end of the period	15	237.1	168.7	230.2

Interest received was £155.6m (6 months to 30 Jun 25: £157.9m, year to 31 Dec 25 £317.7m) and interest paid was £105.7m (6 months to 30 Jun 25: £101.1m, year to 31 Dec 25 £213.9m).

The notes on pages 19 to 39 form an integral part of this condensed consolidated half-yearly financial information.

Notes

1. General information

1.1. The half-yearly financial information set out above, which was approved by the Board of Directors ('the Directors'), does not constitute accounts within the meaning of the Building Societies Act 1986.

1.2. The financial information for the 12 months to 31 December 2025 has been extracted from the accounts for that year. The Auditors gave an unqualified opinion on the accounts for the 12 months to 31 December 2025, and they have been filed with the Financial Conduct Authority and the Prudential Regulation Authority.

1.3. The half-yearly financial information for the six months to 30 June 2026 and the six months to 30 June 2025 is unaudited.

1.4. The half-yearly financial information is presented on a Group basis, unless otherwise stated, which comprises Newcastle Building Society and its subsidiary undertakings, principally, Newcastle Strategic Solutions Limited and Newcastle Financial Advisers Limited. Details on the subsidiary undertakings of the Group are found in note 15 to the 2025 Annual Report & Accounts.

1.5. The announcement is available at www.newcastle.co.uk.

2. Basis of preparation

The condensed consolidated financial information for the half year ended 30 June 2026 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with International Accounting Standard (IAS) 34, 'Interim financial reporting' as applicable in the United Kingdom. It does not include all the information required by International Financial Reporting Standards (IFRSs). The half-yearly financial information should be read in conjunction with the Annual Report & Accounts for the year ended 31 December 2025, which have been prepared in accordance with IFRSs as applicable in the United Kingdom.

The Directors are required to satisfy themselves that it is appropriate to adopt the going concern basis of accounting when preparing the financial statements in accordance with IAS 1 'Presentation of Financial Statements' and guidance from the Financial Reporting Council.

The Directors' going concern review considered the Group's forecasts including different plausible scenarios based on possible internal and external developments and emerging risks. Together with regular stress testing, the Group's forecasts show that the Group will be able to maintain adequate levels of both liquidity and capital for at least the next 12 months while meeting all relevant regulatory requirements.

After making enquiries, the Directors are therefore satisfied that the Group has adequate resources to continue in business for at least the next 12 months and therefore it is appropriate to adopt the going concern basis of accounting in preparing the half-yearly financial information. The Directors have concluded that there are no material uncertainties that may cast significant doubt upon the Group's ability to continue to apply the going concern basis of accounting.

3. Accounting policies

The half-yearly financial information has been prepared on the basis of the accounting policies adopted for the year ended 31 December 2025.

4. Critical accounting estimates and judgements in applying accounting policies

The Group has to make judgements in applying its accounting policies, which affect the amounts recognised in the half-yearly financial information. These judgements are based on management's best knowledge, but the eventual outcome may differ from them. In addition, estimates and assumptions are made that could affect the reported amounts of assets and liabilities within the following year. Whilst there have been no changes to the accounting areas in which the most significant estimates and judgements are applied, an overview of the impact that changes in the economic environments, or external developments, have had on these is provided below.

Estimates

Fair value of the equity release mortgage assets
The valuation of the Group's equity release mortgage assets depends on a range of assumptions, including the most appropriate discount rate, property price growth rates and volatility. Key assumptions and sensitivity analysis are outlined in note 12, Equity release mortgages.

Impairment of financial assets
The impairment of mortgage assets is determined by a weighted average of the expected credit losses of four different economic scenarios. Each scenario is based on a range of assumptions, including property price growth rates and unemployment rates. The scenarios are weighted based on management's current expectation about the future probability of each economic scenario. Economic scenarios and scenario weightings are outlined in note 13, Credit risk.

Pensions
At 31 December 2025, the pension scheme was valued using a range of assumptions including the most appropriate discount rate, mortality rates, inflation, future salary increases and take up of the Pension Increase Exchange (PIE) offer . Management received independent external advice from its actuarial consultants in arriving at the scheme assumptions which were outlined together with sensitivity analysis in note 19, Retirement benefit obligations, of the 2025 Annual Report & Accounts. Detailed sensitivity analysis and stress testing performed at year end showed that the probability of the pension surplus becoming a deficit was remote. As a result, no revaluation of the pension scheme surplus was considered necessary at the half year.

In addition, the Society is aware of the 2023 ruling in the Virgin Media vs NTL Pension Trustee legal case and the subsequent Court of Appeal ruling published in July 2024. Since the 2025 year end, the legislative remedy announced by the UK government has been enacted through the Pension Schemes Act 2026, which received Royal Assent on 29 April 2026. This provides a statutory process that may allow historic amendments to be retrospectively validated through actuarial confirmation where the relevant conditions are met, and related guidance for trustees and actuaries has now been issued.

The Society continues to assess whether any historic amendments affecting the pension scheme fall within the scope of the remedy and whether any further action is required. While this development is expected to materially reduce uncertainty for affected schemes, the Society cannot yet conclude with certainty that there will be no impact on the defined benefit obligation and, accordingly, a sufficiently reliable estimate of any effect cannot currently be made. It remains possible that the defined benefit pension obligation could increase if any historic amendments were ultimately found not to satisfy the conditions for validation.

Judgements

Fair value of derivatives and financial assets
Fair values of derivatives and financial assets are determined by the three tier valuation hierarchy as defined within IFRS 13 'Fair Value Measurement'. There have been no significant changes to valuation methodologies applied since the publication of the 2025 Annual Report & Accounts.

Impairment of financial assets
The modelling of impairment of mortgage assets includes a range of management judgements, including the Society's definition of default, significant increase in credit risk and the use of post model adjustments. See note 13, Credit risk for details.

5. Taxation

The tax charge in the period of £2.3m (six months to 30 June 2025: £1.9m; 12 months to 31 December 2025: £4.6m) has been calculated to approximate the expected full year tax rate and includes an adjustment to deferred tax assets.

The effective rate of tax for the six months to 30 June 2026 was 15.2% and is lower than the standard rate of corporation tax due to adjustments for allowable distributions to Additional Tier 1 capital holders.

6. Related party transactions

The Society receives managed IT, property and business support services from Newcastle Strategic Solutions, a wholly owned subsidiary of the Society. The Society provides financial and administrative services to Newcastle Strategic Solutions and Newcastle Financial Advisers.

During the year, the following transactions were carried out with related parties:

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
a) Sales of financial and administrative services			
Newcastle Financial Advisers Limited	0.6	-	1.5
Newcastle Strategic Solutions Limited	6.5	8.0	14.9
b) Purchase of business support services			
Newcastle Financial Advisers Limited	0.1	-	-
Newcastle Strategic Solutions Limited	6.5	6.8	14.4

7. Interest receivable and similar income

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Interest income on assets held at amortised cost	137.0	130.4	267.6
Interest income on assets held at fair value through profit or loss	6.1	5.6	11.2
Interest income on assets held at fair value through other comprehensive income	19.5	15.9	33.3
Net income on derivatives used for hedging purposes	2.3	15.1	23.0
Interest receivable and similar income	164.9	167.0	335.1

8. Revenue from contracts with customers

In accordance with IFRS 8, 'Operating Segments', the Group reports the following segments: Member business and Solutions business. When the Group prepares financial information for management, it disaggregates revenue by segment and service type.

The table below illustrates the disaggregation of revenue in scope of IFRS 15, 'Revenue from Contracts with Customers'. Revenue from contracts with customers generated by the Solutions business and the Member business is included in 'Other income and charges' within note 9, Segment information.

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Revenue from contracts with customers			
Solutions business:			
Savings management services	24.7	24.3	48.9
Savings management project and change services	1.1	0.9	1.6
IT services	-	0.3	0.5
Member business:			
Regulated advice services	5.0	4.2	8.7
Third party services	0.4	0.6	0.8
Other services	-	-	0.1
Total revenue from contracts with customers	31.2	30.3	60.6

9. Segment information

The chief operating decision maker has been identified as the Board of Directors. The Directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. Following the management approach of IFRS 8, 'Operating Segments' are reported in accordance with the internal reporting provided to the Directors. The operating segments used by the Group meet the definition of a reportable segment under IFRS 8.

The 'Member' business segment provides mortgage, savings, investment and insurance products to members and customers. The 'Solutions' business segment (also referred to as Newcastle Strategic Solutions Limited) provides business to business services through people, processes and technology. The Directors assess performance based on profit before tax after the allocation of all central costs. Operating profit before impairments and provisions is also assessed as this provides information on underlying business performance.

Income and directly attributable costs are allocated to each segment and support costs are apportioned, based on direct salary costs and detailed allocations by budget holders.

6 months to 30 June 2026 - Unaudited	Member	Solutions	Consolidation Adjustments	Total
	£m	£m	£m	£m
Net interest income / (expense)	49.1	(0.8)	-	48.3
Other income / (charges)	12.5	34.9	(16.5)	30.9
Fair value gains less losses on financial instruments and hedge accounting	1.8	-	-	1.8
Administrative expenses	(42.7)	(33.9)	16.5	(60.1)
Depreciation and amortisation	(2.0)	(2.2)	-	(4.2)
Operating profit / (loss) before impairments and provisions	18.7	(2.0)	-	16.7
Impairment charge on loans and advances to customers	(0.7)	-	-	(0.7)
Loss on disposal of non-current assets	-	(0.1)	-	(0.1)
Provisions for liabilities and charges	(0.6)	(0.2)	-	(0.8)
	17.4	(2.3)	-	15.1
Profit before taxation				15.1
Taxation				(2.3)
Profit after taxation for the financial period				12.8

6 months to 30 June 2025 – Unaudited	Member	Solutions	Consolidation Adjustments	Total
	Restated*	Restated*	Restated*	Restated*
	£m	£m	£m	£m
Net interest income / (expense)	52.2	(1.2)	-	51.0
Other income / (charges)	13.3	34.8	(17.2)	30.9
Fair value gains less losses on financial instruments and hedge accounting	(5.6)	-	-	(5.6)
Administrative expenses	(45.1)	(34.0)	17.2	(61.9)
Depreciation and amortisation	(1.4)	(2.5)	-	(3.9)
Operating profit / (loss) before impairments and provisions	13.4	(2.9)	-	10.5
Gain on disposal of non-current assets	0.3	-	-	0.3
Provisions for liabilities and charges	0.1	(0.1)	-	-
	13.8	(3.0)	-	10.8
Profit before taxation				10.8
Taxation				(1.9)
Profit after taxation for the financial period				8.9

* During 2025 the Group revised its segmental reporting structure to present the Member and Solutions segments excluding intra-group eliminations and consolidation adjustments to better reflect the performance of the individual segments, consistent with management reporting. Comparative information for 30 June 2025 has been restated on a consistent basis to reflect this revised presentation. The restatement has no impact on the Group's consolidated results or financial position.

Year to 31 December 2025 - Audited	Member	Solutions	Consolidation Adjustments	Total
	£m	£m	£m	£m
Net interest income / (expense)	103.8	(2.4)	-	101.4
Other income and (charges)	26.6	71.3	(36.7)	61.2
Fair value gains less losses on financial instruments and hedge accounting	(6.5)	-	-	(6.5)
Administrative expenses	(92.3)	(68.7)	36.7	(124.3)
Depreciation and amortisation	(3.0)	(5.4)	-	(8.4)
Operating profit / (loss) before impairments and provisions	28.6	(5.2)	-	23.4
Impairment reversals on loans and advances to customers	0.7	-	-	0.7
Gain / (loss) on disposal of non-current assets	0.4	(0.6)	-	(0.2)
Provisions for liabilities and charges	(0.9)	(0.4)	-	(1.3)
	28.8	(6.2)	-	22.6
Profit before taxation				22.6
Taxation				(4.6)
Profit after taxation for the financial period				18.0

10. Fair value gains less losses on financial instruments and hedge accounting

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Fair value movement on loans and advances to customers held at fair value through profit and loss	(0.9)	(3.0)	(1.3)
Fair value movement on derivatives held to economically hedge loans and advances to customers held at fair value through profit and loss	4.1	0.1	(0.6)
Economically offsetting fair value movements on loans and advances to customers held at fair value and associated derivatives	3.2	(2.9)	(1.9)
Interest expense on derivatives in economic but not accounting hedge relationships	(0.9)	(0.5)	(1.3)
Fair value movement on equity instruments	-	(0.2)	(0.1)
Hedge ineffectiveness	(0.5)	(2.0)	(3.2)
Fair value gains less losses on financial instruments and hedge accounting	1.8	(5.6)	(6.5)

11. Fair value measurement

The following table summarises the fair value measurement basis used for assets and liabilities held on the Balance Sheet at fair value at 30 June 2026.

	Level	Unaudited 30 Jun 26 £m	Unaudited 30 Jun 25 £m	Audited 31 Dec 25 £m
Financial assets				
Debt securities – fair value through other comprehensive income	1	1,050.2	745.8	859.2
Equity investments	1	0.2	0.1	0.2
Fair value adjustments for hedged risk	2	(9.7)	12.0	16.6
Derivative financial instruments	2	25.1	22.7	12.7
Derivative financial instruments	3	8.5	4.8	4.2
Equity investments	3	1.2	1.3	1.2
Loans and advances to customers held at fair value	3	157.4	164.6	162.9
Financial liabilities				
Fair value adjustment for hedged risk	2	(0.1)	2.0	1.6
Derivative financial instruments	2	18.8	39.9	40.3
Derivative financial instruments	3	8.5	4.9	4.2

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as price) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Loans and advances to customers held at fair value

The Group's equity release mortgage assets are accounted for as fair value through profit or loss. The fair value of the equity release portfolio is calculated using a model that estimates the future cash flows expected from the portfolio. The timing of those cash flows is determined with reference to mortality tables overlaid by expected prepayments.

The model discounts these cash flows to their present value, using a discount rate based on interest rates for new equity release mortgages available at the balance sheet date, adjusted for the specific characteristics of the Society's portfolio. The model further calculates a value for the 'no-negative equity guarantee' provided to the customer using an option pricing method.

The valuation uses a number of inputs which require estimation, such as the mortality and prepayment rates, the discount rate, property price volatility and the haircut applied to individual sales prices.

The key estimates used in the model and the basis of estimation are summarised below:

Assumption	Basis of estimation
Discount rate	Interest rates for equity release mortgages available at the balance sheet date, adjusted for specific characteristics of the Society's portfolio
Long term property price growth	Analysis of historic long term property price growth
Sales discount on collateral	Analysis of historic sales discounts
Property price volatility	Analysis of historic property price volatility and third party research

At 30 June 2026 the fair value of the mortgage assets held at fair value was £157.4m (December 2025: £162.9m). The sensitivity of this value to the estimates shown above is as follows:

Assumption	Change in assumption	(Decrease) / increase in fair value £m
Discount rate	+ / - 1.0%	(8.1) / 9.0
Long term property price growth	+ / - 2.0%	3.1 / (3.4)
Sales discount on collateral	+ / - 2.5%	(1.6) / 1.5
Property price volatility	+ / - 3.0%	(2.7) / 2.3

The following table provides a reconciliation of the equity release portfolio's opening and closing fair value.

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
At 1 January	162.9	171.6	171.6
Interest accrued	5.9	5.9	8.8
Redemptions	(11.4)	(11.3)	(18.1)
Changes in property price assumptions – recorded in profit and loss	1.2	0.5	3.5
Changes in discount rate – recorded in profit and loss	(1.4)	(2.9)	(4.2)
Changes in exchange rates – recorded in profit and loss	0.2	0.8	1.3
At 30 June / 31 December	157.4	164.6	162.9

Derivative financial instruments

The Group's securitisation programme involves the transfer of beneficial ownership of pools of mortgage loans to securitisation Special Purpose Vehicles (SPVs) which are controlled by the Society. The transactions creates interest rate risk in the Society and SPVs, which is hedged with balance guarantee swaps with external counterparties. The notional amount of the balance guarantee swaps adjusts to match the outstanding balance of the transferred mortgage loans as the mortgage loans are repaid by the borrower.

The fair value of the balance guarantee swaps is calculated using a model that estimates the future cash flows from the swaps. The timing and amount of those cash flows are uncertain but are estimated with reference to expected prepayments of the mortgages, retention rates of maturing mortgages and future expected interest rates applied to the retained mortgages, to determine the future expected notional profile of the mortgages within the pools used as collateral for the securitisation. The model applies the overnight indexed swap yield curve to discount these cash flows to their present value. The model further calculates a value for the optionality inherent in the adjustable notional profile of the balance guarantee swaps applying an option pricing method.

The key estimates used in the model and the basis of estimation are summarised below:

Assumption	Basis of estimation
Prepayments	Analysis of historic customer behaviour
Retention rate	Analysis of historic customer behaviour
Future mortgage interest rates	Analysis of historic mortgage and swap rates
Interest rate volatility	Analysis of historic interest rate volatility

At 30 June 2026 the fair value of the balance guarantee swaps in respect of the Group's securitisation issuances was £8.5m (December 2025: £4.2m). The sensitivity of this value to the estimates shown above is as follows:

Assumption	Change in assumption	(Decrease) / increase in fair value £m
Prepayments	+ / - 5.0%	(0.7) / 0.2
Retention rate	+ / - 10.0%	0.2 / (0.4)
Future mortgage interest rates	+ / - 0.1%	(0.9) / 0.8
Interest rate volatility	+ / - 3.0%	(0.2) / 0.1

The following table provides a reconciliation of the balance guarantee swaps opening and closing fair value.

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
At 1 January	4.2	8.8	8.8
Interest accrued	(0.1)	(0.1)	0.1
Changes in fair value	4.4	(3.9)	(4.7)
At 30 June / 31 December	8.5	4.8	4.2

12. Equity release mortgages

The gross mortgage balances and fair value adjustment relating to the equity release mortgage portfolio are as follows:

Denominated in £	Unaudited 30 Jun 2026 £m	Unaudited 30 Jun 2025 £m	Audited 31 Dec 2025 £m
Gross mortgage balances	132.5	140.1	137.5
Fair value adjustment	(2.1)	0.6	(0.1)
Fair value presented on Balance Sheet	130.4	140.7	137.4

Denominated in €	Unaudited 30 Jun 2026 £m	Unaudited 30 Jun 2025 £m	Audited 31 Dec 2025 £m
Gross mortgage balances	42.1	41.1	42.0
Fair value adjustment	(15.1)	(17.2)	(16.5)
Fair value presented on Balance Sheet	27.0	23.9	25.5

Combined	Unaudited 30 Jun 2026 £m	Unaudited 30 Jun 2025 £m	Audited 31 Dec 2025 £m
Gross mortgage balances	174.6	181.2	179.5
Fair value adjustment	(17.2)	(16.6)	(16.6)
Fair value presented on Balance Sheet	157.4	164.6	162.9

The gross mortgage balances above reflect the Group's maximum pre-collateral exposure to credit risk at the balance sheet date. The Group typically expects its equity release mortgages to be repaid through sale of the underlying properties. In all instances, the Group holds the contractual right to sale proceeds required to repay a borrower's mortgage at the time of sale. By their nature, equity release mortgages are not considered to hold a pre-determined maturity date.

The Group recognises interest income on a per asset basis using the effective interest rate (EIR) method. For equity release mortgages, the EIR is considered to be the contractual fixed rate of interest detailed in the mortgage contracts. The gross mortgage balances, as presented above, reflect both the amortised cost and contractual balance of the Group's equity release mortgages.

The fair value adjustment decreased by £0.6m during the period. Provisions of £0.3m were utilised against losses of £0.3m, resulting in no impairment charge being recognised in the Income Statement. In addition, £0.6m of EIR adjustments were reclassified from fair value gains and losses to interest income, resulting in a net fair value loss of £0.6m being recognised in the Income Statement.

The main source of the change in fair value was a change in market interest rates, as well as the impact of the illiquidity premium applied to the discount rate used to value the loans, driven by movements in market mortgage rates.

The Society hedges fair value movements on the equity release portfolio due to market interest rate movements using interest rate swaps. The value of these swaps increased by £3.6m, resulting in a net movement of £3.0m in the period (see also note 10, Fair value gains less losses on financial instruments and hedge accounting).

13. Credit risk

Loans and advances to customers consist of the following balances:

Product	Unaudited 30 Jun 2026	Unaudited 30 Jun 2025 Restated*	Audited 31 Dec 2025
	£m	£m	£m
Prime residential	5,286.3	4,685.1	4,990.2
Buy to let	353.3	375.2	360.1
Legacy books:			
Legacy lending	19.1	22.5	20.8
Purchased credit impaired lending	2.1	5.3	4.1
Housing association	128.5	171.6	171.3
Equity release mortgages	157.4	164.6	162.9
Provisions	(6.7)	(6.6)	(6.3)
Micro fair value hedge adjustments	0.4	2.9	2.9
Effective interest rate adjustments	7.5	6.8	7.7
Fair value adjustments	0.8	0.3	0.5
Total	5,948.7	5,427.7	5,714.2

* The above balances have been re-presented since 30 June 2025 to reclassify £3.3m of gross loan balances, resulting in a £1.0m and £2.3m decrease to prime residential and buy to let mortgages respectively and a £2.5m and £0.8m decrease in legacy lending and purchased credit impaired lending respectively. There is no impact on total gross mortgage balances.

EIR adjustments include a £0.6m liability relating to the fair value discount applied to acquired credit impaired books (31 December 2025: £0.9m).

Loans and advances to customers are accounted for under IFRS 9, 'Financial Instruments'. This note provides an overview of changes in credit risk since December 2025 for all books held at amortised cost.

Prime residential and retail buy to let portfolios

Under IFRS 9, scenario analysis is used to assess and provide for expected credit losses. Please see the 2025 Annual Report & Accounts for details of the Group's methodology of this assessment.

No changes were made to the provisioning methodology since the December 2025 accounts. However, scenarios have been updated to reflect the current economic outlook. A summary of each of the macroeconomic scenarios is as follows:

- Base scenario – references the average HM Treasury short term forecast over the first two years and then the medium term forecasts for 2028 onwards for the UK economy
- Upside scenario – references the most positive HM Treasury short and medium term forecasts for the UK economy
- Downside scenario –references the most negative short and medium term HM Treasury forecasts for the UK economy
- Stress scenario – uses guidance issued by the Bank of England for stress testing purposes.

The Group's final expected credit losses are the losses calculated under each discrete scenario, multiplied by a 'likelihood factor', or 'scenario weighting'. The scenario weightings remain unchanged since the December 2025 accounts (10% / 40% / 40% / 10%).

The following tables summarise the house price growth (HPI) and unemployment assumptions used, which are the most significant assumptions to determine the provision. A 5% increase / decrease to house price growth assumptions over the next five years would result in a £0.7m / £(0.8)m decrease / increase on the residential and buy-to-let provisions balances 30 June 2026. A 2% increase / decrease to unemployment rate assumptions over the next year would have a £0.7m / £(0.7)m increase / decrease on the residential and buy-to-let provisions balances at 30 June 2026. HPI is provided as annual percentage growth or contraction compared to the previous year.

30 June 2026

Scenario		2026	2027	2028	2029	2030
Upside	Unemployment %	4.8	4.1	3.9	3.8	3.9
	HPI % pa	3.9	5.9	5.6	5.0	4.5
Base	Unemployment %	5.3	5.4	5.2	4.9	4.7
	HPI % pa	1.3	1.1	2.8	4.3	4.7
Downside	Unemployment %	6.0	6.6	6.4	6.0	5.8
	HPI % pa	(2.9)	(5.4)	(3.8)	2.2	6.2
Stress	Unemployment %	6.0	8.8	8.4	7.2	6.6
	HPI % pa	(9.2)	(13.0)	(5.6)	6.3	5.7
Weighted	Unemployment %	5.5	6.0	5.7	5.4	5.1
	HPI % pa	(0.8)	(1.8)	0.3	3.9	5.2

30 June 2025

Scenario		2025	2026	2027	2028	2029
Upside	Unemployment %	4.2	3.7	3.7	3.7	3.7
	HPI % pa	4.5	5.7	5.4	4.4	4.0
Base	Unemployment %	4.7	4.7	4.6	4.6	4.5
	HPI % pa	2.6	1.7	2.4	2.9	3.4
Downside	Unemployment %	5.3	6.4	6.2	5.9	5.7
	HPI % pa	(3.7)	(6.1)	(2.0)	3.9	4.5
Stress	Unemployment %	6.0	8.7	8.4	7.4	6.7
	HPI % pa	(11.5)	(15.5)	(2.0)	6.5	5.8
Weighted	Unemployment %	5.0	5.7	5.5	5.3	5.1
	HPI % pa	(1.1)	(2.7)	0.5	3.8	4.1

31 December 2025

Scenario		2025	2026	2027	2028	2029
Upside	Unemployment %	4.6	4.1	3.7	3.6	3.6
	HPI % pa	3.6	3.6	5.5	7.6	6.5
Base	Unemployment %	4.7	5.0	4.9	4.8	4.7
	HPI % pa	3.0	1.7	2.6	3.1	3.8
Downside	Unemployment %	5.3	6.3	6.8	6.7	6.4
	HPI % pa	-	(5.2)	(1.8)	1.9	7.0
Stress	Unemployment %	6.0	6.7	7.4	7.3	7.0
	HPI % pa	(1.2)	(8.5)	(4.8)	(0.4)	7.3
Weighted	Unemployment %	5.1	5.6	5.8	5.7	5.5
	HPI % pa	1.5	(1.9)	0.4	2.7	5.7

Sensitivity

The 30 June 2026 provisions are reflective of the likelihood factor applied to the different scenarios. The analysis below demonstrates the impact of a 100% weighting to each scenario.

	Upside	Base	Downside	Severe downside	Provision
Provision £m	3.1	4.2	7.9	12.7	6.4

Post model adjustments

Climate change

Whilst the Group has not observed any loan defaults directly attributed to climate change, climate related events are becoming more frequent. The Group has recognised £0.2m (31 December 2025: £0.2m) to reflect the potential impact of these risks over the short and medium term. This has been done by adjusting property values using the modelling output from third-party suppliers which quantify physical risks.

IFRS 9 staging and expected credit loss provisioning

The impact of IFRS 9's staging and loss provisioning to the Group's closing 30 June 2026 Balance Sheet was as follows (payment holidays are not considered to be arrears):

IFRS 9 Gross Exposure

	Stage 1 Of which months in arrears			Stage 2 Of which months in arrears			Stage 3 Of which months in arrears			Total
	< 1	1-3	> 3	< 1	1-3	> 3	< 1	1-3	> 3	
					£m					
Prime residential	4,512.5	-	-	648.9	36.9	-	25.5	18.3	44.2	5,286.3
Buy to let	311.3	-	-	34.1	3.1	-	1.4	0.8	2.6	353.3
Total	4,823.8	-	-	683.0	40.0	-	26.9	19.1	46.8	5,639.6

Expected Credit Losses

	Stage 1 Of which months in arrears			Stage 2 Of which months in arrears			Stage 3 Of which months in arrears			Total
	< 1	1-3	> 3	< 1	1-3	> 3	< 1	1-3	> 3	
					£000					
Prime residential	586.0	-	-	2,275.5	359.5	-	662.4	392.2	1,820.9	6,096.5
Buy to let	35.1	-	-	83.7	21.1	-	11.7	12.6	149.9	314.1
Total	621.1	-	-	2,359.2	380.6	-	674.1	404.8	1,970.8	6,410.6

The impact of IFRS 9's staging and loss provisioning to the Group's closing 30 June 2025 Balance Sheet was as follows (payment holidays are not considered to be arrears):

IFRS 9 Gross Exposure (Restated*)

	Stage 1 Of which months in arrears			Stage 2 Of which months in arrears			Stage 3 Of which months in arrears			Total
	< 1	1-3	> 3	< 1	1-3	> 3	< 1	1-3	> 3	
					£m					
Prime residential	3,939.3	-	-	639.9	31.1	-	18.7	15.2	40.9	4,685.1
Buy to let	303.9	-	-	62.9	4.5	-	1.6	0.4	1.9	375.2
Total	4,243.2	-	-	702.8	35.6	-	20.3	15.6	42.8	5,060.3

* The above balances have been re-presented since 30 June 2025 to reclassify £3.3m of gross loan balances, resulting in a £1.0m and £2.3m decrease to prime residential and buy to let mortgages, as outlined on page 30.

Expected Credit Losses

	Stage 1 Of which months in arrears			Stage 2 Of which months in arrears			Stage 3 Of which months in arrears			Total
	< 1	1-3	> 3	< 1	1-3	> 3	< 1	1-3	> 3	
					£000					
Prime residential	597.4	-	-	2,143.7	240.5	-	390.1	288.6	1,249.8	4,910.1
Buy to let	25.7	-	-	109.7	6.2	-	3.6	10.8	184.9	340.9
Total	623.1	-	-	2,253.4	246.7	-	393.7	299.4	1,434.7	5,251.0

The impact of IFRS 9's staging and loss provisioning to the Group's closing 31 December 2025 Balance Sheet was as follows (payment holidays are not considered to be arrears):

IFRS 9 Gross Exposure

	Stage 1 Of which months in arrears			Stage 2 Of which months in arrears			Stage 3 Of which months in arrears			Total
	< 1	1-3	> 3	< 1	1-3	> 3	< 1	1-3	> 3	
					£m					
Prime residential	4,262.0	-	-	622.4	29.5	-	19.8	16.1	40.4	4,990.2
Buy to let	319.4	-	-	34.5	3.0	-	1.1	0.4	1.7	360.1
Total	4,581.4	-	-	656.9	32.5	-	20.9	16.5	42.1	5,350.3

Expected Credit Losses

	Stage 1 Of which months in arrears			Stage 2 Of which months in arrears			Stage 3 Of which months in arrears			Total
	< 1	1-3	> 3	< 1	1-3	> 3	< 1	1-3	> 3	
					£000					
Prime residential	579.2	-	-	1,659.1	267.6	-	504.6	271.7	1,662.0	4,944.2
Buy to let	26.9	-	-	35.6	13.8	-	3.2	-	19.3	98.8
Total	606.1	-	-	1,694.7	281.4	-	507.8	271.7	1,681.3	5,043.0

Prime residential mortgage book

The prime residential mortgage book consists of traditional residential loans. No sub-prime or self-certification lending has been undertaken.

Loan to value (indexed)	30 Jun 2026		30 Jun 2025 Restated*		31 Dec 2025	
	£m	%	£m	%	£m	%
<70%	2,804.9	53.1	2,622.9	56.0	2,698.7	54.2
70% - <80%	988.2	18.7	774.0	16.5	880.4	17.6
80% - <90%	1,001.2	18.9	950.6	20.3	1,004.8	20.1
>90%	492.0	9.3	337.6	7.2	406.3	8.1
	5,286.3	100.0	4,685.1	100.0	4,990.2	100.0

* The above balances have been re-presented following the reclassification £3.3m of gross loan balances as outlined on page 30.

At the end of June 2026, the Group had 18 properties in possession in relation to prime residential loans (December 2025: 16). No loans that are past due or impaired have had their terms renegotiated.

The Group offers a range of forbearance measures to support customers experiencing financial difficulty including payment breaks and reductions, transfers to interest only products and other support.

The Group granted forbearance against 250 residential loans in the six months to 30 June 2026 (31 December 2025: 154). No alteration was made to the contractual rates of interest with balances totalling £42.0m at 30 June 2026 (31 December 2025: £27.4m), this did not lead to any modification gain or loss as a result of short term forbearance granted. Provisions of £1.0m (31 December 2025: £0.4m) are held against residential mortgages that were granted forbearance during the period.

Retail buy to let mortgage book

The retail buy to let mortgage book consists of individual buy to let customers with borrowing of less than £1m.

Loan to value (indexed)	30 Jun 2026		30 Jun 2025 Restated*		31 Dec 2025	
	£m	%	£m	%	£m	%
<70%	242.7	68.7	291.8	77.8	266.1	73.9
70% - <80%	90.9	25.7	75.9	20.2	82.1	22.8
80% - <90%	19.6	5.5	6.5	1.7	11.7	3.2
>90%	0.1	0.1	1.0	0.3	0.2	0.1
	353.3	100.0	375.2	100.0	360.1	100.0

* The above balances have been re-presented following the reclassification £3.3m of gross loan balances as outlined on page 30.

At the end of June 2026, the Group had no buy to let properties in possession (31 December 2025: none). No loans that would be past due or impaired have had their terms renegotiated.

The Group offers a range of forbearance measures to support customers experiencing financial difficulty including such as payment breaks and reductions, transfers to interest only products and other support.

The Group granted forbearance against five buy to let loans in the six months to 30 June 2026 (31 December 2025: three), of which no alteration was made to the contractual rates of interest with balances totalling £1.0m (31 December 2025: £0.9m) and no provisions were held against these loans.

Geographical split of lending

The table below provides a breakdown of the geographic concentration of the Group's prime residential and retail buy to let mortgage portfolio. The Group's mortgage portfolio is diversified across the UK.

Region	Prime residential £m	Buy to let £m	30 Jun 2026 Total £m	30 Jun 2026 Total %	31 Dec 2025 Total £m	31 Dec 2025 Total %
North East	503.7	7.6	511.3	9.1	502.2	9.4
East of England	445.8	38.6	484.4	8.6	453.3	8.5
East Midlands	371.2	14.5	385.7	6.8	365.4	6.8
Northern Ireland	1.4	0.1	1.5	-	1.5	-
North West	613.9	21.7	635.6	11.3	602.0	11.3
Scotland	585.4	8.2	593.6	10.5	566.3	10.6
South East	715.3	63.7	779.0	13.8	735.7	13.7
South West	443.5	22.6	466.1	8.3	436.8	8.2
Wales	179.1	6.8	185.9	3.3	174.9	3.3
West Midlands	404.8	18.0	422.8	7.5	389.1	7.3
Yorkshire	446.0	12.8	458.8	8.1	434.7	8.1
London	572.5	138.7	711.2	12.6	684.2	12.7
Other	3.7	-	3.7	0.1	4.2	0.1
Total	5,286.3	353.3	5,639.6	100.0	5,350.3	100.0

Legacy portfolios

The Group's legacy portfolio is secured on commercial property, loans secured against serviced apartments, housing association properties and buy-to-let customers which would now be outside of the Group's lending policy. The provisioning methodology for commercial, legacy buy to let, and serviced apartments exposures follows that outlined in the 2025 Annual Report & Accounts. Economic scenarios have been updated to correspond with the scenarios used for residential mortgages and the same scenario weightings are used for these books as are used for the core books above. The following sector specific discounts and uplifts have been used, compared to current collateral valuations:

Sector	Upside	Base	Downside	Stress
Retail	90%	80%	70%	40%
Leisure	60%	50%	45%	35%
Residential	100%	100%	88%	73%
Serviced apartments	106%	85%	70%	40%

These discounts and uplifts are applied to the latest valuation of the property serving as collateral. No losses are expected on exposures to housing associations and policy loans. The resulting gross balances and corresponding provisions are as follows:

Product	30 Jun 2026		30 Jun 2025		31 Dec 2025	
	Exposure	Provision	Exposure	Provision	Exposure	Provision
			Restated*			
	£m	£m	£m	£m	£m	£m
Legacy lending	19.1	0.5	22.5	1.3	20.8	1.3
Purchased credit impaired lending	2.1	(0.2)	5.3	-	4.1	(0.1)
Housing associations	128.5	-	171.6	-	171.3	-
Total	149.7	0.3	199.4	1.3	196.2	1.2

* The above balances have been re-presented following the reclassification £3.3m of gross loan balances as outlined on page 30.

Sensitivity

The 30 June 2026 provisions are sensitive to the likelihood factor applied to the different scenarios. The analysis below demonstrates the impact of a 100% weighting to each scenario.

	Upside	Base	Downside	Severe downside	Provision
Provision £m	(0.1)	0.2	0.4	1.0	0.3

At the end of June 2026, the Group had one property in possession or subject to Law of Property Act (LPA) receivership in relation to legacy loans (31 December 2025: three). One legacy borrower was in arrears of three months or more with exposures of £0.2m (31 December 2025: three legacy borrowers, £1.0m).

The Group did not grant forbearance against legacy loans in the six months to 30 June 2026 (31 December 2025: none). No alteration was made to the contractual rates of interest at 30 June 2026 (31 December 2025: £nil), this did not lead to any modification gain or loss as a result of short term forbearance granted. There are no provisions (31 December 2025: £nil) held against legacy mortgages that were granted forbearance during the period.

14. Provisions for liabilities

	Unaudited 6 months to 30 Jun 26 £m	Unaudited 6 months to 30 Jun 25 £m	Audited 12 months to 31 Dec 25 £m
Opening provision at 1 January	2.2	11.2	11.2
New provisions in the year	0.8	1.0	2.3
Amounts utilised during the year	(1.0)	(9.4)	(11.3)
Closing provision at 30 June / 31 December	2.0	2.8	2.2

Closing provisions includes £1.0m in relation to the voluntary support committed to in 2024 to help customers whose trusts were affected by the actions and subsequent collapse of Philip's Trust (30 June 2025: £1.8m; 31 December 2025: £1.0m). Included within the remaining £1.0m of provisions is an estimate of £0.5m of the costs of potential consumer redress costs.

In the 6 months to 30 June 2025, £1.0m was received from the administrators of Philips Trust. The amount received as recoveries are recognised within "Provisions for liabilities and charges" within the Income Statement but does not reduce the provision for liabilities held on the Balance Sheet.

15. Notes to the Cash Flow Statement

	Unaudited 30 Jun 26 £m	Unaudited 30 Jun 25 £m	Audited 31 Dec 25 £m
Reconciliation of profit before taxation to net cash flows from operating activities			
Profit before taxation	15.1	10.8	22.6
Depreciation and amortisation	4.2	3.9	8.4
Interest on subscribed capital and subordinated liabilities	2.9	2.9	6.0
Interest on debt securities in issue	8.2	-	8.0
Interest on finance lease arrangements	0.2	0.2	0.4
Movement in fair value of derivative financial instruments	(32.8)	40.6	51.0
(Gain) / loss on disposal of non-current assets	(0.1)	-	0.2
Net cash flows before changes in operating assets and liabilities	(2.3)	58.4	96.6
Increase in loans and advances to customers	(232.9)	(139.9)	(428.3)
Decrease / (increase) in fair value adjustments for hedged risk	24.6	(31.9)	(36.9)
Decrease / (increase) in cash collateral pledged	29.3	(7.2)	(12.7)
Increase in shares	353.6	230.8	450.0
Increase / (decrease) in amounts due to other customers and deposits from banks	72.3	(245.9)	(335.9)
Decrease / (increase) in other assets, prepayments and accrued income	0.8	0.6	(0.8)
(Decrease) / increase in other liabilities	(5.0)	(2.2)	1.0
Decrease in provisions	(0.2)	(9.4)	(9.0)
Other non-cash movements	0.3	(4.8)	(6.5)
Net cash flows from operating activities	240.5	(151.5)	(282.5)
Cash and cash equivalents			
Cash and balances with the Bank of England	183.1	149.4	177.3
Loans and advances to banks repayable on demand	54.0	19.3	52.9
At 30 June / 31 December	237.1	168.7	230.2

Cash and cash equivalents comprise cash in hand, balances with the Bank of England, loans and advances to banks available on demand or with original maturities of three months or less and investment securities with a maturity period of three months or less i.e. highly liquid assets readily convertible into cash.

Statement of Directors' responsibilities

The Directors confirm that this condensed consolidated half-yearly financial information has been prepared in accordance with IAS 34 as applicable in the United Kingdom, and that the half-yearly management report included in this announcement includes a true and fair review of the information required by the Disclosure Guidance and Transparency Rules (DTR 4.2.4, DTR 4.2.7 and DTR 4.2.8).

The Directors of Newcastle Building Society are listed in the 2025 Annual Report & Accounts (page 181), with the exception of:

- Lucy Winskell, who was appointed as a Non-Executive Director on 1 May 2026;
- Bryce Glover, who stepped down as a Non-Executive Director at the AGM on 28 April 2026;
- Christopher Keay, who stepped down as an Executive Director on 31 March 2026; and
- Anne Shiels, who stepped down as a Non-Executive Director at the AGM on 28 April 2026.

On behalf of the Board

Andrew Haigh | Chief Executive
30 July 2026

Conclusion

We have been engaged by the Society to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2026 which comprises the income statement, the balance sheet, the statement of movement in members' interests, the cash flow statement and related notes 1 to 15.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2026 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the Society are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the Society's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the Society a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Society in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the Society those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP | Statutory Auditor
Leeds, United Kingdom
30 July 2026