

1 March 2019

Coventry Building Society announces robust 2018 results

Coventry Building Society has announced robust annual results for 2018 continuing its track record of growing mortgages and savings faster than the market, and paying savers more than the market average. The UK's second largest building society has more than 1.9 million members and total assets of over £46 billion.

Highlights include:

- **Strong growth in mortgages:** Mortgage assets increased by £3.4 billion to £39.3 billion, representing growth of 9%, three times faster than the market¹.
- **Strong growth in savings:** Savings deposit balances grew by £2.3 billion to £33.3 billion, representing growth of 7%, more than two and a half times the rate of the market¹.
- **Giving value to members:** Our average savings rate in 2018 was 1.50% compared with a market average of 0.78%. This represents value returned to members of £227 million (2017: £210 million)².
- **Delivering the right member outcomes:** The Society works hard to sustain and improve the service it provides to members. It measures this using the common metric of Net Promoter Score³ and in 2018 achieved a very high and increased score of +75, representing a strong endorsement from our members.
- **Leading cost-efficiency:** At 0.50% the Society continues to report the lowest cost to mean asset ratio of any UK building society⁴, whilst investing significantly in its technology infrastructure and branch network. Without the significant increase in investment spend, cost to mean asset ratio was maintained at 0.41%⁵.
- **Low risk:** The Society is a low risk lender, which protects individual borrowers and the Society alike. During the year, mortgage arrears fell and were only a seventh of the industry average⁶.
- **Maintained capital strength:** Common Equity Tier 1 ratio was maintained at 35%, the highest reported by any top 20 lender⁷ and Leverage ratio was over 4%.
- **Leading colleague engagement:** Excellent service is delivered by our colleagues, who are proud to Put Members First. In 2018, the Society was again rated one of the 100 Best Companies to Work For in the UK.
- **Supporting local communities:** In 2018, 79% of colleagues were actively involved in volunteering, fundraising or raising awareness for local charities and community groups.

Commenting on today's results, Coventry's Chief Executive Mark Parsons said: "We're doing what we're here to do – giving real benefits to our members through higher than average savings rates, competitive mortgages and fantastic service, whilst investing for their future and retaining the right amount of profit to stay safe and secure."

¹ Source: Bank of England.

² Based on the Society's average month end savings rate compared to the Bank of England average rate for household interest-bearing deposits on the Society's mix of products.

³ A measure of customer advocacy that ranges between -100 and +100 which represents how likely a customer is to recommend our products and services.

⁴ Administrative expenses, depreciation and amortisation/Average total assets.

⁵ Administrative expenses, depreciation and amortisation less increase in strategic investment costs compared to 2017/Average total assets.

⁶ Source: Percentage of mortgages in arrears by 2.5% or more – Prudential Regulation Authority latest available information at 30 September 2018.

⁷ Common Equity Tier 1 ratio for the UK Finance 2017 top 20 mortgage lenders (balance outstanding) – latest published CET1 data as at 28 February 2019.

For more information or additional comment please contact: the press office on **0800 121 6868**
or email **media@thecoventry.co.uk**

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Calls to 0800 numbers are free when made from the UK. You may be charged for calls to all other numbers, please contact your service provider for further details.

For full details visit <https://www.coventrybuildingsociety.co.uk/consumer/our-performance/financial-results.html>

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All information correct on the date of issue unless otherwise stated.

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