

28 February 2020

Coventry Building Society beats market for 15 consecutive years

Coventry Building Society has announced its annual results for 2019, with mortgage growth outpacing the market for the 15th year in a row. The UK's second largest building society grew mortgage balances by 8% and savings balances by 9% last year, compared with market growth of 3% and 4% respectively. It now has more than two million members and total assets of £49.5 billion.

Highlights include:

Providing value to members: Our average savings rate in 2019 was 1.49% compared with a market average of 0.84%. This represents value returned to members of £228 million¹ (2018: £227 million).

Delivering growth in mortgages: Mortgage assets increased by £3.0 billion to £42.2 billion, representing growth of 8%, more than twice the rate of the market².

Delivering growth in savings: Savings deposit balances grew by £2.9 billion to £36.2 billion, representing growth of 9%, more than twice the rate of the market².

Providing excellent service: We work hard to sustain and improve the service we provide to members. We measure this using the common metric of Net Promoter Score³ and in 2019 we maintained a very high score of +74 (2018: +75), representing a strong endorsement from our members.

Being safe and secure: We are a low risk lender, which protects both individual borrowers and the Society. During the year, mortgage arrears fell and were only an eighth of the industry average⁴.

Maintaining capital strength: Common Equity Tier 1 ratio remained strong at 32% which is amongst the highest in the sector. Leverage ratio was also maintained at over 4%.

Spending money carefully: Our cost to mean assets ratio of 0.48%⁵ (2018: 0.50%) remains one of the lowest in the sector. During 2019 we have continued our strategic investment programmes which improve our technology infrastructure and branch network. Our operational cost to mean assets ratio, which does not include change and depreciation, was 0.31%⁶ (2018: 0.32%).

Leading colleague engagement: Excellent service is delivered by our colleagues, who are proud to Put Members First. We have recently been ranked second in The Sunday Times 25 Best Big Companies to Work For list.

Supporting local communities: In 2019, 82% 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 are a growth business and we've continued to outpace a highly competitive market in both mortgages and savings. I've no doubt that engaged colleagues, very high customer satisfaction levels and strong growth are connected and was really pleased when we were ranked second in the Sunday Times Best Big Companies to Work For survey last week. Everyone at the Society is focused on putting members first and providing superior value, simple, transparent products and excellent service – it's our winning formula."

For full details visit www.coventrybuildingsociety.co.uk

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

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Notes for Editors

Coventry Building Society

Coventry Building Society is the UK's second largest building society and a top ten UK savings and mortgage provider, with total assets exceeding £49.5 billion and over two million members.

It is proud to have been independently rated number one for savings by Fairer Finance since Autumn 2016.

Coventry Building Society is committed to making financial services simple and open for its members. Its website allows savers to compare the Coventry's savings accounts with similar products across the whole of the market.

Footnotes:

1. The Society's average month end savings rate compared with the Bank of England average rate for household interest-bearing deposits on the Society's mix of products.
2. Source: Bank of England.
3. Net Promoter Score (NPS) is 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. Source: PRA – latest available information September 2019. Percentage of mortgages in arrears by 2.5% or more.
5. Administrative expenses, depreciation and amortisation/Average total assets.
6. Administrative expenses less change costs, depreciation and amortisation/Average total assets.