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REGULATORY NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

6 APRIL 2018

WEST BROMWICH BUILDING SOCIETY¹ INDICATIVE RESULTS OF LIABILITY MANAGEMENT EXERCISE

This announcement contains inside information.

In an announcement dated 8 March 2018 (the “**March Announcement**”), West Bromwich Building Society (the “**Society**”) announced the launch of its liability management exercise (the “**Liability Management Exercise**” or “**LME**”) in relation to its 3,650 Profit Participating Deferred Shares (the “**PPDS**”) and its £75 million 6.15 per cent. Permanent Interest Bearing Shares (the “**PIBS**”).

The LME consists of the PPDS Exchange Offer and the PIBS Exchange Offer (together, the “**Exchange Offers**”), the PIBS Tender Offer (together with the Exchange Offers, the “**Offers**”) and the Variations, in each case as defined in the March Announcement. The full terms of the Exchange Offers are set out in a Consent and Exchange Offer Memorandum (the “**CEOM**”) and the full terms of the PIBS Tender Offer are set out in a Consent and Tender Offer Memorandum (the “**CTOM**”), in each case dated 8 March 2018. Defined terms used and not otherwise defined in this announcement have the meanings given in the March Announcement, the CEOM or the CTOM.

Indicative Results of the LME

The offer period for each of the Offers expired at 3.00 p.m. (London time) on 5 April 2018 (the “**Participation Deadline**”).

As at the Participation Deadline:

- (i) a total of 3,650 PPDS (representing 100 per cent. of the total number of PPDS outstanding) had been validly Offered for Exchange pursuant to the PPDS Exchange Offer;
- (ii) £58,032,000 in aggregate nominal amount of the PIBS (representing 77.38 per cent. of the aggregate nominal amount of the PIBS outstanding) had been validly Offered for Exchange pursuant to the PIBS Exchange Offer; and
- (iii) £8,067,000 in aggregate nominal amount of the PIBS (representing 10.76 per cent. of the aggregate nominal amount of the PIBS outstanding) had been validly tendered for purchase pursuant to the PIBS Tender Offer.

The PPDS Written Resolutions, as set out at Annex B to the CEOM, were passed on 5 April 2018 with the consent in writing of the holders of more than three-quarters of the PPDS. The Society expects to implement the PPDS Written Resolutions and vary the PPDS Conditions accordingly, subject to

¹ LEI: 45WSBJJYVGC91LG3H515

receiving final approvals for the LME from the Prudential Regulation Authority (“**PRA**”).

Next steps

The PIBS Meeting is scheduled for 5.30 p.m. on 9 April 2018. Following conclusion of the PIBS Meeting, the Society intends to inform the PRA of the final outcome of the LME and to seek the necessary final approvals for the LME. Settlement of the LME will be conditional upon such final approvals being granted.

The Society expects to announce the final results of the LME on or around 10 April 2018.

Further information

The Society appointed **Lucid Issuer Services Limited** as Information Agent in respect of the LME, as exchange agent for the Exchange Offers and as tabulation agent for the PPDS Written Resolutions and the PIBS Meeting (the “**Exchange Agent**”).

Lucid Issuer Services Limited
Tankerton Works, 12 Argyle Walk
London WC1H 8HA
United Kingdom

Tel: +44 20 7704 0880
Attention: Yves Theis / David Shilson
email: westbrom@lucid-is.com

The Society appointed **Equiniti Limited** as tender agent for the PIBS Tender Offer (the “**PIBS Tender Agent**”):

Equiniti Limited
Corporate Actions
Aspect House
Spencer Road
Lancing
West Sussex, BN99 6DA
United Kingdom

Evercore Partners International LLP is acting as financial adviser to the Society and Allen & Overy LLP is acting as legal adviser to the Society.

Market Abuse Regulation

This announcement is released by West Bromwich Building Society and contains information that qualifies or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (“**MAR**”), encompassing information relating to the Liability Management Exercise described above. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, the person responsible for arranging the release of this announcement on behalf of West Bromwich Building Society is Ashraf Piranie, Group Finance & Operations Director.

Forward-Looking Statements

This announcement and documents referred to in it contain “forward-looking statements” concerning the Society and the Liability Management Exercise. Words such as (without limitation) “expects” and “intends” identify forward-looking statements. There can be no assurance that the matters which are the subject of such forward-looking statements will materialise and no reliance should be placed thereon.

DISCLAIMER

The offer period for each of the Offers has now expired. The Offers have been made outside the United States and otherwise subject to offer restrictions in South Africa, Japan, Hong Kong, Singapore, Italy, Switzerland, Canada and elsewhere.

MiFID II product governance - professional investors and ECPs only target market / PRIIPs Regulation - prohibition of sales to EEA retail investors / COBS 22.2 - restriction on marketing and sales to retail investors

*The securities which may be issued pursuant to the LME have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws. Accordingly, the securities are and will be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and other applicable securities laws, pursuant to an exemption from registration. Registration rights will not be granted in favour of the securities and they may not be offered, sold, pledged or otherwise transferred except outside the United States in accordance with Rule 903 or Rule 904 of Regulation S.*

This announcement and any other materials relating to the Offers may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

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