

Preliminary Results

Year ended
31 March 2026

CEO's review

Delivering our Purpose with focus and resilience

Our Society once again performed strongly, delivering a sustainable, member-owned business model while remaining steadfast in our commitment to our Purpose. We are proud to have helped thousands move into homeownership, while delivering meaningful value to the savers who continue to place their trust in us.

We helped 5,509 (2024/25: 6,267) first-time buyers purchase their own homes, with 1,407 (2024/25: 2,075) choosing shared ownership, a flexible and increasingly important route for those building equity at their own pace. We also continued offering our low deposit mortgage for new build homes, providing another way for first-time buyers to access the housing market with a smaller upfront deposit.

For savers, we continued to deliver excellent value. With our average savings rates sitting above those of the wider market, our savers earned a total of £37.4m (2024/25: £41.8m) more interest than if they'd received the market average¹ savings rate. 21,119 (2024/25: 13,706) new savers joined us this year, a clear demonstration of trust in both our products and our approach.

We welcome the launch of the Government's new Social and Affordable Homes Programme (SAHP), designed to increase the supply of social and affordable homes over the coming decade. Its long-term structure provides welcome clarity for housing providers, and we look forward to seeing how it develops in practice. Yet affordability remains a significant hurdle for many aspiring homeowners, and it is here that our Purpose has the greatest impact, helping people overcome these barriers and take their first steps into a home of their own.

Delivering sustainable financial strength

Despite external pressures in the market, we delivered a strong financial performance. Homeownership lending of £1.1bn (2024/25: £1.3bn) was supported by a 10% increase in savings balances from £5.1bn to £5.6bn. Profit before tax of £33.6m (2024/25: £36.5m) has helped maintain our capital strength and enables us to continue to help more people own their own home.



New residential mortgage lending

£1.1bn



Our savers' balances grew to

£5.6bn



Profit before tax

£33.6m

Putting customers first

Our continued focus on supporting aspiring homeowners and delivering excellent service has been recognised once again. We received the First Time Mortgage Buyers' Choice award for the third year running and were highly commended as ISA Provider of the Year at the Moneyfactscompare.co.uk Awards 2026. We were also named Best Variable Rate Cash ISA Provider at the Moneyfacts Awards, reinforcing our commitment to helping savers make the most of their tax-free allowance.

Customer experience remains central to our approach. Our combination of competitive products, strong service and our mutual ethos continues to resonate with both members and brokers, which is demonstrated by our retention of the Feefo Gold Trusted Service Award for a second consecutive year.

Strengthening communities

With strong local roots, we remain committed to supporting the communities across our heartlands. This year we strengthened our local presence by opening five branch spaces to groups, enabling events such as financial education sessions, wellbeing support and activities including weekly meet ups hosted by Talkin' Tables, a discussion group aimed at reducing loneliness and building social connection.

We also used our branch network to deliver fraud and scam awareness sessions, helping us connect more effectively with the diverse communities we serve.

Our longstanding partnership with Jericho Foundation, a charity that supports those facing extreme barriers to employment, continues to make a meaningful difference. Through the generosity of colleagues and customers, we raised over £12,600 to support employment programmes that help those facing these barriers to build a more secure future. This was part of over £30,300 donated to charities, community groups and local causes by our Society, colleagues and customers. Additionally, through the Mercian Community Trust grant scheme, we awarded over £19,400 to more than 50 organisations, supported by our Community Account holders.

We were also named in the Sunday Times Best Places to Work 2026, recognition that reflects our commitment to creating a positive, supportive and rewarding culture for our colleagues.

Recognised for being a 'better business' - becoming a B Corp™

This year we achieved B Corp certification, an independent recognition of being a purpose-driven business, reflecting our high standards in social and environmental responsibility, transparency and accountability. Becoming a B Corp reflects who we are as a mutual: an organisation focused on long-term value for members, colleagues and communities, not shareholders. It marks an important milestone for our Society and strengthens the principles that guide how we operate and the impact we aim to have.



Driving our technology transformation

We have made significant progress with our technology transformation programme over the past 12 months. Working with Deloitte and 10x, we moved from planning into delivery. Our priority is the launch of a new 'digital app' for savings later this year, enabling customers to manage their savings more easily and giving us a flexible foundation for introducing new products in the future.

This marks an important step in our investment programme to modernise our technology and build a capability that will support better service, greater choice and stronger operational resilience in the years ahead.

Moving forward

Looking ahead, competitive and economic pressures are likely to continue, including cost pressures that are largely outside our direct control, at a time when we are investing heavily in a more sustainable future.

However, as a mutual organisation, not driven by short-term returns for shareholders, we do not need to scale back investment or constrain our growth. Doing so might deliver a short-term gain, but at a long-term cost. While this approach may reduce the capital generated through profit in the near term, our financial strength, rooted in mutuality, gives us the confidence to make decisions for the long term, focused on the years ahead, not just the next 12 months.

Our strategy remains consistent, to support the financial wellbeing of our customers by offering security and a competitive return on the savings they entrust to us, and by promoting homeownership in all its forms.

I would like to thank all our colleagues across the Society, and our Member and Employee Councils, for their continued dedication and hard work. Above all, I would like to thank our members for their ongoing trust and support.

Jonathan Westhoff
Chief Executive Officer
28 May 2026

¹ Average market rates sourced from Bank of England Bankstats table A6.1 March 2026



Income Statement

for the year ended 31 March 2026

	Group 2026 £m	Group 2025 £m
Interest receivable and similar income		
Calculated using the effective interest method	289.2	279.9
On instruments measured at fair value through profit or loss	14.4	36.5
Total interest receivable and similar income	303.6	316.4
Interest expense and similar charges	(199.5)	(220.2)
Net interest receivable	104.1	96.2
Fees and commissions receivable	1.1	0.7
Other operating income	4.5	4.2
Fair value gain on financial instruments	0.8	4.4
Total income	110.5	105.5
Administrative expenses	(64.0)	(57.6)
Depreciation and amortisation	(8.6)	(7.0)
Operating profit before revaluation gains, impairment and provisions	37.9	40.9
Gains on investment properties	0.7	2.4
Impairment on loans and advances	(5.0)	(6.9)
Provisions for liabilities	-	0.1
Profit before tax	33.6	36.5
Taxation	(10.2)	(6.9)
Profit for the financial year	23.4	29.6

Statement of Comprehensive Income

for the year ended 31 March 2026

	Group 2026 £m	Group 2025 £m
Profit for the financial year	23.4	29.6
Other comprehensive (expense)/income		
Items that may subsequently be reclassified to profit or loss		
Fair value through other comprehensive income investments		
Valuation losses taken to equity	(0.5)	(0.6)
Taxation	0.1	0.2
Items that will not subsequently be reclassified to profit or loss		
Actuarial losses on defined benefit assets	(0.1)	(4.5)
Taxation	-	1.1
Other comprehensive expense for the financial year, net of tax	(0.5)	(3.8)
Total comprehensive income for the financial year	22.9	25.8

Statement of Financial Position

at 31 March 2026

	Group 2026 £m	Group 2025 £m
Assets		
Cash and balances with the Bank of England	179.6	159.8
Loans and advances to credit institutions	93.3	88.8
Investment securities	515.4	467.6
Derivative financial instruments	44.1	44.9
Loans and advances to customers	5,583.4	5,398.1
Deferred tax assets	8.7	12.9
Trade and other receivables	9.8	4.3
Intangible assets	33.1	20.7
Investment properties	137.9	143.2
Property, plant and equipment	21.3	20.3
Retirement benefit asset	0.1	1.2
Total assets	6,626.7	6,361.8
Liabilities		
Shares	5,560.0	5,071.6
Amounts due to credit institutions	273.2	459.1
Amounts due to other customers	24.7	29.1
Derivative financial instruments	8.9	16.8
Debt securities in issue	238.1	289.8
Current tax liabilities	1.7	-
Deferred tax liabilities	16.3	12.9
Trade and other payables	23.0	18.8
Provisions for liabilities	0.4	0.4
Subordinated liabilities	2.1	2.1
Total liabilities	6,148.4	5,900.6
Members' interests and equity		
Core capital deferred shares	127.0	127.0
Subscribed capital	3.9	3.9
General reserves	344.1	326.5
Revaluation reserve	3.1	3.2
Fair value reserve	0.2	0.6
Total members' interests and equity	478.3	461.2
Total members' interests, equity and liabilities	6,626.7	6,361.8

Statement of Changes in Members' Interests and Equity

for the year ended 31 March 2026

	Core capital deferred shares	Subscribed capital	General reserves	Revaluation reserve	Fair value reserve	Total
	£m	£m	£m	£m	£m	£m
Group						
At 1 April 2025	127.0	3.9	326.5	3.2	0.6	461.2
Profit for the financial year	-	-	23.4	-	-	23.4
Other comprehensive expense for the year (net of tax)						
Retirement benefit assets	-	-	(0.1)	-	-	(0.1)
Realisation of previous revaluation gains	-	-	0.1	(0.1)	-	-
Fair value through other comprehensive income investments	-	-	-	-	(0.4)	(0.4)
Total other comprehensive expense	-	-	-	(0.1)	(0.4)	(0.5)
Total comprehensive income for the year	-	-	23.4	(0.1)	(0.4)	22.9
Distribution to the holders of core capital deferred shares	-	-	(5.8)	-	-	(5.8)
At 31 March 2026	127.0	3.9	344.1	3.1	0.2	478.3

for the year ended 31 March 2025

	Core capital deferred shares	Subscribed capital	General reserves	Revaluation reserve	Fair value reserve	Total
	£m	£m	£m	£m	£m	£m
Group						
At 1 April 2024	127.0	7.8	305.7	3.2	1.0	444.7
Profit for the financial year	-	-	29.6	-	-	29.6
Other comprehensive expense for the year (net of tax)						
Retirement benefit assets	-	-	(3.4)	-	-	(3.4)
Fair value through other comprehensive income investments	-	-	-	-	(0.4)	(0.4)
Total other comprehensive expense	-	-	(3.4)	-	(0.4)	(3.8)
Total comprehensive income for the year	-	-	26.2	-	(0.4)	25.8
Distribution to the holders of core capital deferred shares	-	-	(5.8)	-	-	(5.8)
Buyback and cancellation of subscribed capital	-	(3.9)	0.4	-	-	(3.5)
At 31 March 2025	127.0	3.9	326.5	3.2	0.6	461.2

Statement of Cash Flows

for the year ended 31 March 2026

	Group 2026	Group 2025
	£m	£m
Net cash inflow/(outflow) from operating activities	135.3	(491.7)
Cash flows from investing activities		
Purchase of investment securities	(356.1)	(333.6)
Proceeds from disposal of investment securities	314.2	256.8
Proceeds from disposal of investment properties	7.5	8.5
Purchase of property, plant and equipment, intangible assets and investment properties	(14.1)	(6.3)
Net cash outflow from investing activities	(48.5)	(74.6)
Cash flows from financing activities		
Net (repayment)/issuance of debt securities	(51.1)	286.9
Interest paid on subordinated liabilities	(0.2)	(0.2)
Payment of lease liabilities	(0.4)	(0.5)
Distribution to the holders of core capital deferred shares	(5.8)	(5.8)
Repurchase of subscribed capital	-	(3.4)
Net cash (outflow)/inflow from financing activities	(57.5)	277.0
Net increase/(decrease) in cash	29.3	(289.3)
Cash and cash equivalents at beginning of year	248.6	537.9
Cash and cash equivalents at end of year	277.9	248.6

For the purposes of the statements of cash flows, cash and cash equivalents comprise the following balances with up to 90 days original maturity:

	Group 2026	Group 2025
	£m	£m
Cash in hand (including Bank of England Reserve account)	179.6	159.8
Loans and advances to credit institutions	93.3	88.8
Investment securities	5.0	-
	277.9	248.6

The Group's loans and advances to credit institutions include £28.8m (2024/25: £28.3m) of balances belonging to the Society's structured entities which are not available for general use by the Society.

Ratios

At 31 March

Current period	Group 2026	Statutory limit
	%	%
Proportion of business assets not in the form of loans secured on residential property	3.6	25.0
Proportion of shares and borrowings not in the form of shares held by individuals	5.1	50.0

	Group 2026	Group 2025
	%	%
As a percentage of shares and borrowings:		
Gross capital	7.88	7.92
Free capital	4.73	4.77
Liquid assets	12.93	12.24
As a percentage of mean total assets:		
Profit for the financial year	0.36	0.48
Net interest margin	1.60	1.56
Management expenses	1.12	1.05

	Group 2026	Group 2025
	%	%
Common Equity Tier 1 capital ratio	17.2	17.1

Forward-looking statements

Certain statements in this preliminary report are forward-looking. Although the West Brom believes that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to be an accurate reflection of actual results. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are beyond our control. As a result, our actual future financial condition, business performance and results may differ materially from the plans, goals and expectations expressed or implied in these forward-looking statements. Due to such risks and uncertainties the West Brom cautions readers not to place undue reliance on such forward-looking statements. We undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

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Head Office: 2 Providence Place, West Bromwich B70 8AF
www.westbrom.co.uk

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West Bromwich Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Register No: 104877. 'the West Brom' and 'West Brom Building Society' are trading names of West Bromwich Building Society.