



## **Manchester Building Society Group Results for the Half Year Ended 30 June 2014**

Manchester Building Society Group ("the Society") today releases its financial results for the half year ended 30 June 2014.

### **Key points:**

- Total income of £6.1m
- Profit before tax of £1.6m
- Profit after tax of £0.6m

A reduction in the Society's level of administrative overheads, following the organisational restructure in early 2013, had a favourable impact on profitability, and the Society remains well positioned in its core business areas of mortgage lending and retail deposit taking.

The profit before tax figure of £1.6m (2013: £1.2m restated) includes a full year's charge for the Financial Services Compensation Scheme Levy.

### **David Harding, Chairman of the Society, said:**

*"I am pleased to report that the Society has delivered a steady level of profitability for the first half of 2014.*

*The Society continues to serve its members as effectively as possible within the constraints of the current low interest rate environment."*

### **Enquiries**

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## Key Financial Information

	<i>unaudited</i> 6 months to 30 June 2014 £M	<i>unaudited</i> 6 months to 30 June 2013 £M restated	<i>audited</i> 12 months to 31 December 2013 £M
Net interest income	5.9	5.8	14.4
Other income and charges	0.2	0.3	0.5
<b>Total Income</b>	<b>6.1</b>	<b>6.1</b>	<b>14.9</b>
Profit/(loss) on derivatives	-	0.5	(0.3)
Net loss on financial assets designated at fair value through profit or loss	(0.3)	(0.8)	(1.1)
<b>Total operating income</b>	<b>5.8</b>	<b>5.8</b>	<b>13.5</b>
Administrative expenses	(2.9)	(3.8)	(5.9)
<b>Operating profit before impairment and provisions</b>	<b>2.9</b>	<b>2.0</b>	<b>7.6</b>
Impairment losses	(0.7)	(0.3)	(8.7)
Financial Services Compensation Scheme Levy	(0.6)	(0.5)	(0.5)
<b>Profit for the period before taxation</b>	<b>1.6</b>	<b>1.2</b>	<b>(1.6)</b>
Taxation	(1.0)	(0.3)	(5.5)
<b>Profit after tax</b>	<b>0.6</b>	<b>0.9</b>	<b>(7.1)</b>
Total Assets	545.3	761.3	646.4
Total Equity	23.5	31.5	23.2

### Notes to Editors:

- Manchester Building Society is the UK's 19<sup>th</sup> largest building society.
- Based in Manchester City Centre, the Society has over 20,000 investing members and 3,600 borrowing members.