

Appendix 1

Yorkshire Building Society

Reconciliation of Core Operating Profits

	6 months to 30 June 2015 £m	6 months to 30 June 2014 £m	Year to 31 December 2014 £m
Statutory Profit before Tax	111.2	117.1	188.2
Reverse out the following items:			
FSCS levy	11.5	15.5	12.4
Non-core investments	(0.5)	(13.1)	(11.2)
Timing differences - fair value volatility	(1.3)	0.5	22.1
Mergers - adjustments to balances acquired	(5.0)	(11.4)	(32.8)
Mergers and acquisitions - costs	-	0.1	0.1
Other non-core items	-	(1.2)	-
Core Operating Profit	115.9	107.5	178.8

Yorkshire Building Society

Group Income Statement
for the half year ended 30 June

	6 months to 30 June 2015	6 months to 30 June 2014	Year to 31 December 2014
Net interest income	276.0	276.7	549.2
Other income and charges	10.9	15.1	25.6
Net gains/(losses)from fair value volatility	1.8	12.6	(10.9)
Net realised profits	2.2	0.9	1.3
	290.9	305.3	565.2
Administrative expenses	(165.0)	(162.5)	(331.0)
Operating profit before provisions	125.9	142.8	234.2
Provisions	(14.7)	(25.7)	(46.0)
Profit before tax	111.2	117.1	188.2
Taxation	(22.8)	(25.5)	(40.8)
Profit for the period	88.4	91.6	147.4

Yorkshire Building Society

Group Statement of Comprehensive Income
for the half year ended 30 June

	6 months to 30 June 2015 £m	6 months to 30 June 2014 £m	Year to 31 December 2014 £m
Net profit	88.4	91.6	147.4
Items that may subsequently be reclassified to profit and loss			
Available-for-sale investments:			
Valuation gains/(losses)taken to equity	14.5	(3.8)	(3.1)
Amounts transferred to income statement	(13.6)	(3.5)	(3.2)
Cash Flow hedges:			
Gains/(losses)taken to equity	13.4	(1.4)	(43.4)
Amounts transferred to income statement	3.1	1.7	3.6
Tax relating to items that may be reclassified	(3.5)	1.5	9.3
Items that will not be reclassified subsequently to profit and loss			
Remeasurement of net retirement benefit obligations	(42.2)	16.1	50.3
Tax relating to items not reclassified	8.4	(3.2)	(10.0)
Total comprehensive income for the year	68.5	99.0	150.9

Yorkshire Building Society

Group Statement of Financial Position as at 30 June

	30 June 2015 £m	30 June 2014 £m	31 December 2014 £m
ASSETS			
Liquid assets	5,234.8	4,638.1	4,794.7
Loans to customers	32,836.2	30,773.2	32,234.1
Derivative financial instruments	140.1	212.9	214.3
Other assets	273.5	262.2	328.9
Total Assets	38,484.6	35,886.4	37,572.0
LIABILITIES			
Shares	27,451.1	26,479.4	27,241.4
Borrowings	8,105.7	7,087.0	7,502.5
Derivative financial instruments	472.9	176.5	413.6
Other liabilities	126.5	178.7	147.8
Subordinated liabilities	292.8	49.6	299.5
Subscribed capital	6.8	6.8	6.9
Reserves	2,028.8	1,908.4	1,960.3
Total Liabilities	38,484.6	35,886.4	37,572.0

Key ratios

	30 June 2015 %	30 June 2014 %	31 December 2014 %
Group net interest margin	1.45	1.57	1.52
Group management expenses/mean assets	0.87	0.92	0.92
Group asset growth	2.4	4.2	9.1
Group loans and advances growth	1.9	4.3	9.2
Member savings balances growth	0.8	0.7	3.6
Liquidity ratio	14.7	13.8	13.8
Funding ratio	22.8	21.1	21.6
Gross capital ratio	6.55	5.85	6.52
Free capital ratio	6.08	5.38	6.05
Total capital ratio	16.6	14.0	16.1
Common Equity Tier 1 capital ratio	14.3	13.6	13.8
Leverage ratio	4.9	4.5	4.8
Cost : income ratio	56.7	53.2	58.6