

## Coventry Building Society

### Head office:

Economic House  
High Street  
Coventry  
CV1 5QN  
Phone: 0845 7665522  
Website: www.thecoventry.co.uk  
DX No: 18855 COVENTRY 2

FSA Reg. No: 150892  
Established: 1884  
Incorporated: 1884  
Auditor: Ernst & Young LLP  
Solicitor: Various  
No. of branches: 48  
No. of agents: 0  
No. of estate agency branches: 0  
No. of ATMs: 71  
No. of F/T staff: 978  
No. of P/T staff: 431  
No. of borrowing members: 243,000  
No. of investing members: 996,000  
Total members: 1,160,000  
No. of depositors: 8,357

### Executive directors

Chief Executive: David Stewart  
Finance Director: Rob Green  
Sales & Marketing Director: Colin Franklin  
Chief Operating Officer: Phil Vaughan

### Non-Executive directors

Chairman: David Harding, Deputy Chairman:  
Bridget Blow, Roger Burnell, Ian Geden, Ian  
Pickering, Fiona Smith

### Other principal executives

Julian Atkins, Rachel Haworth, Darin Landon, John  
Lowe, Nailesh Rambhai, Sally Wrigglesworth

### Associated companies –

Godiva Mortgages Limited.

Coventry Building Society Covered Bonds LLP.

### Sales distribution channels for mortgages

Branches, telephone, internet and intermediaries.

### About the society

The mission of Coventry Building Society is to Put Members First. This simple commitment guides the actions of the Society and has provided stability, security and long-term value to members during difficult economic conditions.

In 2008 the Society remained strongly profitable, attracting new members and record new savings balances for the second year running. The Society also achieved record share of the mortgage market, with all growth funded from savings balances.

Our investment in a wide range of channels, including telephone, internet, postal, intermediary and the branch network, together with a commitment to service that has resulted in our call centre being rated amongst the UK's Top 20, has helped contribute to this growth.

We retain a prudent approach to lending and risk management consistently reporting lower arrears levels than other larger lenders.

The Society's engagement with Members has been enhanced by a Members' Council in addition to existing Member Roadshows, surveys and eForum. The Council meets quarterly and offers insight and challenge to the activities of their Society.

Our ground-breaking Poppy Bond delivered excellent value to members together with a donation of £1.6 million to The Royal British Legion Poppy Appeal. In addition, our staff remain active in helping local community groups, supporting financial education, and we raised over £75,000 for our charity of the year, Macmillan Cancer Support. In 2009, the Members' Council and members of staff jointly chose Age Concern and Help the Aged as our new corporate charity. The Coventry – Putting Members First

**Tied agent:** Introducer to Aviva

## Financial position as at 31 December 2008

### Assets

	£m
Liquid assets	3,873.2
Derivative financial instruments	160.6
Loans and advances to customers	13,172.8
Hedge accounting adjustment	96.4
Fixed and other assets	61.4
<b>Total assets</b>	<b>17,364.4</b>

### Results for the year

	£m
Net interest income	116.2
Other income and charges	18.4
Net gains from derivative financial items	1.8
Total income	136.4
Administrative expenses	(64.7)
Operating profit before impairments and exceptional items	71.7
Impairment on loans and advances to customers	(8.4)
Operating profit before exceptional items	63.3
Provisions for FSCS levies	(11.4)
Provision for impairment of debt securities	(23.9)
Profit after impairments and exceptional items	28.0
Charitable donation to Poppy Appeal	(1.6)
Profit on ordinary activities before tax	26.4
Tax on profit on ordinary activities	(7.6)
<b>Profit for the year</b>	<b>18.8</b>

### Liabilities and equity

	£m
Shares	12,386.1
Borrowings	4,052.5
Derivative financial instruments	93.9
Subordinated liabilities	70.7
Other liabilities	49.0
Subscribed capital	161.1
Total liabilities	16,813.3
Equity – reserves	551.1
<b>Total liabilities and equity</b>	<b>17,364.4</b>

### Financial ratios

	%
As a percentage of shares and borrowings -	
Gross capital	4.76
Liquid assets	23.56
As a percentage of mean total assets -	
Profit for the year	0.12
Management expenses	0.40
Lending limit	2.28
Funding limit	24.90
Percentage increase in total assets during the year	16.47