

Newcastle Building Society

Executive directors

Jim Willens, Chief Executive, 0191 244 2448,
jim.willens@newcastle.co.uk
Angela Russell, Finance Director, 0191 244 1593,
angela.russell@newcastle.co.uk
John Warden, Operations Director, 0191 244 2433,
john.warden@newcastle.co.uk
Gillian Tiplady, Business Services Director, 0191
244 1825, gillian.tiplady@newcastle.co.uk

Non-Executive directors

David Holborn, Chairman
Ron McCormick, Deputy Chairman and Senior
Independent Director,
David Buffham, Richard Mayland, Nigel Westwood,
Kate Avery

Other principal executives

Patrick Ferguson, Group Risk Executive, 0191 244
1816, patrick.ferguson@newcastle.co.uk
Chris Jopling, HR & Training Executive, 0191 244
2250, chris.jopling@newcastle.co.uk
Phil Grand, Customer Services Executive, 0191 244
2227, phil.grand@newcastle.co.uk
Steve Urwin, Sales & Marketing Executive, 0191 244
2412, steve.urwin@newcastle.co.uk
Steven Mark, Intermediary Services Executive, 0191
244 2490, steven.mark@newcastle.co.uk
Steve Watchman, IT Executive, 0191 244 8422,
steve.watchman@newcastle.co.uk
Peter Green, Treasurer, 0191 244 2217,
peter.green@newcastle.co.uk

Associated companies

Kings Manor Properties Limited
Newcastle Card Solutions Limited
Newcastle Commercial Lending Limited
Newcastle Financial Services Limited
Newcastle Mortgage Loans (Jersey) Limited
Newcastle Portland House Limited
Newcastle Strategic Solutions Limited
Newton Facilities Management Limited

Sales distribution channels for mortgages

Branches: 10%, Telephone: 20%, Intermediaries:
70%

About the society

Newcastle Building Society is the biggest building society based in the North East and one of the top ten societies in the country, and is firmly committed to remaining a mutual. With assets under management of over £4.418bn, we are certainly large enough to cope but small enough to care about the needs of our members. Our aim is to be the first choice for customers in our region looking for mortgages and savings. Our strategy is twofold; firstly, to continue to develop our traditional business and provide good value mortgage, savings and insurance products, and trusted advice to our members. Secondly, by diversifying around our core skills, our Solutions business continues to provide a range of services to third parties, including fully managed savings and mortgage services.

Tied agent: Openwork

Head office:

Portland House, New Bridge Street,
Newcastle upon Tyne NE1 8AL
Phone: 0191 244 2000
Fax: 0191 244 2001
Website: www.newcastle.co.uk
Email: sales@newcastle.co.uk

FSA Reg. No: 156058
Established: 1863
Incorporated: 1874
Auditor: PricewaterhouseCoopers LLP
Solicitor: Eversheds/Dickinson
Dees/Addleshaw
Goddard/Michelmores/Muckles/Watson
Burton
No. of branches: 31
No. of agents: 10
No. of estate agency branches: 0
No. of ATMs: 0
No. of F/T staff: 694
No. of P/T staff: 193
No. of borrowing members: 34,091
No. of investing members: 397,897
Total members: 421,905
No. of depositors: 4609

Financial position as at 31 December 2010

Assets

| | £m |
|----------------------------------------|----------------|
| Liquid assets | 823.9 |
| Mortgages | 3,264.7 |
| Fair value adjustments for hedged risk | 50.8 |
| Other loans | 60.4 |
| Derivative financial instruments | 34.2 |
| Fixed and other assets | 184.8 |
| Total assets | 4,418.8 |

Results for the year

| | £m |
|----------------------------------------------------------------------|--------------|
| Net interest receivable | 17.8 |
| Other income and charges | 18.8 |
| Gains less losses from financial instruments and hedge accounting | - |
| Administrative expenses and depreciation | (36.9) |
| Impairment (loss)/credit and other provisions | (0.4) |
| Repositioning programme | (4.0) |
| FSCS levy | - |
| (Loss)/profit for the year before taxation | (4.7) |
| Taxation credit/(expense) | 1.0 |
| (Loss)/profit for the year | (3.7) |

Liabilities

| | £m |
|----------------------------------------|----------------|
| Shares | 3,593.0 |
| Fair value adjustments for hedged risk | 20.8 |
| Borrowings | 457.4 |
| Derivative financial instruments | 54.2 |
| Other liabilities | 29.1 |
| Subordinated liabilities | 58.6 |
| Subscribed capital | 29.6 |
| Reserves | 176.1 |
| Total liabilities | 4,418.8 |

Financial ratios

| | % |
|------------------------------------------------------------|--------------|
| As a percentage of shares and borrowings - | |
| Gross capital | 6.65 |
| Liquid assets | 25.21 |
| As a percentage of mean total assets - | |
| (Loss)/profit for the year | (0.08) |
| Management expenses (Excluding Repositioning Programme) | 0.82 |
| Management expenses (Including Repositioning Programme) | 0.91 |
| Lending Limit | 17.56 |
| Funding Limit | 9.53 |
| Percentage increase in total assets during the year | -4.36 |