

Statement regarding Supreme Court judgment

The Supreme Court has today handed down its decision in the case of *Manchester Building Society v Grant Thornton UK LLP*

The case related to audit services provided by Grant Thornton UK LLP (“Grant Thornton”), former auditors of Manchester Building Society (“the Society”).

The Supreme Court has overturned the decision of the lower courts and awarded damages of approximately £13.4m to the Society.

Costs and interest on damages have not yet been assessed. Until a determination is made, it is not possible to assess fully the impact on the Society’s capital position.

The Society will assess its ability to make coupon payments on its Permanent Interest Bearing Shares (“PIBS”) closer to the date of payment and, in respect of the 2005 PIBS, no more than 30 days prior to the coupons becoming due, in line with the Condition 3(3) of the conditions of issue of the 2005 PIBS.

David Harding, the Society’s Chairman, commented: “It was always clear to the Society that our claim had merit and that it was in the interests of our members to pursue the claim up to the highest Court to recover compensation from Grant Thornton. We will now work with our advisers and the regulators to establish what the judgment will mean for the Manchester, our members and other stakeholders.”

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“UK MAR”), and is disclosed in accordance with the Company’s obligations under Article 17 of UK MAR.

The person responsible for arranging the release of this announcement on behalf of Manchester Building Society is Mark Winterbottom, Society Secretary.

Enquiries

Sam Cartwright – Maitland/AMO

07827 254 561

scartwright@maitland.co.uk