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Shawbrook Group PLC
05 August 2026

Shawbrook Group plc - Interim Results for the period ended 30 June 2026

Shawbrook Group plc ('Shawbrook' or the 'Group') today issues its Interim Results for the six months ended 30 June 2026 ('H1 2026') and reiterates guidance for FY 2026.

Marcelino Castrillo, Chief Executive Officer, commented:
"Shawbrook delivered a strong first half, with disciplined execution across our specialist markets. We maintained credit resilience, focused new lending on the most valuable opportunities, and optimised our capital position. Underlying profit before tax rose by 16% to £195.5 million, while underlying return on tangible equity was 18.1%[1], reflecting the quality and resilience of the platform we have built.

Our investment in digital and technology provides us with a platform to deliver efficient growth. The underlying cost to income ratio improved to 36.4% in H1 2026 from 40.0% a year earlier, as income continues to significantly outpace cost growth. This reflects deliberate choices across organisational design, our estate footprint and technology stack, increasingly enhanced by AI, with the benefits compounding over time.

We remain focused on delivering sustainable returns for shareholders. These results reinforce our confidence in meeting our FY 2026 guidance and paying a maiden ordinary dividend in FY 2027 in respect of FY 2026 earnings."

H1 2026 highlights

- **Strong profitability and attractive returns:** Underlying profit before tax of £195.5 million, up 16.0% (H1 2025: £168.6 million), and underlying return on tangible equity of 18.1%[1] (H1 2025: 18.3%).
- **Disciplined growth across specialist markets:** Loan book (including originate-to-distribute (OTD)) grew to £20.1 billion[2] (FY 2025: £19.2 billion), a 10% increase on an annualised basis, driven by selective origination across our specialist segments and inclusive of £1.3 billion of OTD activity in the period.
- **Tech-driven efficiency:** Continued investments in technology and efficiency improvements; with underlying cost to APE efficiency ratio improving 15bps to 1.59% (H1 2025: 1.74%) and underlying cost to income ratio of 36.4% (H1 2025: 40.0%). We are on track towards our medium-term guidance of mid-30s%.
- **Disciplined capital management:** CET1 accretion of c.60bps to 13.0% (31 December 2025: 12.4%), tracking towards FY 2026 guidance of greater than 13.2% pre-Basel 3.1[3]. In May, the Group issued a £250 million AT1 instrument alongside a tender of the existing £124 million instrument at a materially lower coupon, increasing the total capital ratio to 16.4% (31 December 2025: 14.8%).
- **Capital markets execution:** Took advantage of favourable capital market conditions and completed two OTD transactions totalling £1.3 billion. This included the £0.8 billion Aldbrook Mortgage Transaction 2026-1 in May, our thirteenth securitisation and the disposal of the retained notes in the £0.5 billion Lanebrook 2024-1 transaction, resulting in a £25.8 million gain on sale.
- **Resilient credit quality:** The overall quality of our loan book remains resilient, with cost of risk consistent with the Group's historical level of credit performance. Impairments of £50.7 million (H1 2025: £32.6 million) reflect further provisioning taken against a small legacy development finance cohort. The arrears ratio was 1.7%, consistent with Q1 2026 (FY 2025: 1.6%) and the portfolio continues to perform in line with expectations.
- **Diversified deposit funding:** Customer deposits increased to £18.8 billion (31 December 2025: £18.4 billion), reflecting continued growth across multiple channels, with the stock cost of deposits reducing to 3.80% (31 December 2025: 3.92%)[4] and the loan-to-deposit ratio reducing to 93.9% (31 December 2025: 96.8%), providing flexibility to moderate the pace of deposit growth in H2.
- **Scalable platform, enabled by AI:** Our scalable technology platform is increasingly enhanced by AI, deployed at each stage of the lending cycle to augment our people's judgement, freeing them to focus on the more sophisticated, higher-value work where their expertise matters most. In Real Estate, for example, AI-assisted underwriting is targeting a reduction in preparation time of up to 50%.

FY 2026 guidance

The Group reiterates its FY 2026 guidance across all metrics, with medium-term guidance[5] remaining unchanged.

Metric	FY 2026 guidance
Loan book (including OTD)	c.£21 billion
Cost to income ratio	<38%
CET1 ratio	>13.2% (pre-Basel 3.1)[3]
Underlying return on tangible equity[6]	c.17%
Dividend policy	Maiden ordinary dividend in respect of FY 2026 results, payable in FY 2027

Summary financial information including key performance indicators
All figures below are presented on an underlying basis. The Change column compares H1 2026 with H1 2025; ratio movements are shown in percentage points.

Underlying income statement (£m)	H1 2026	H2 2025	H1 2025	Change (%)
Interest income and similar income	744.4	727.2	694.7	*7.2*
Interest expense	(389.8)	(388.9)	(383.8)	*1.6*
Net interest income	**354.6**	**338.3**	**310.9**	***14.1***
Other income	32.6	10.6	24.6	*32.5*

Net operating income	**387.2**	**348.9**	**335.5**	***15.4***
Administrative expenses	(141.0)	(133.1)	(134.3)	*5.0*
Impairment losses	(50.7)	(44.1)	(32.6)	*55.5*
Provisions	-	0.2	-	-
Underlying profit before tax	**195.5**	**171.9**	**168.6**	***16.0***

Key performance indicators	**H1 2026**	**H2 2025**	**H1 2025**	***Change (%)***
Profitability (%)				
Gross asset yield	8.8	8.7	9.3	*(0.5)*
Liability yield	(4.4)	(4.6)	(5.0)	*0.6*
Net interest margin	4.38	4.12	4.35	*0.03*
Net interest margin (excl. gain on sale)	*4.09*	*3.98*	*4.05*	*0.04*
Cost to income ratio	36.4	38.1	40.0	*(3.6)*
Cost to APE efficiency ratio	(1.59)	(1.57)	(1.74)	*0.15*
Cost of risk	(0.57)	(0.52)	(0.42)	*(0.15)*
Return on lending assets before tax	2.2	2.0	2.2	-
Return on tangible equity	18.1	16.8	18.3	*(0.2)*
Balance sheet (£m)				
Loan book[2]	17,672.4	17,794.7	15,833.9	*11.6*
Loan book including OTD assets[2]	20,133.7	19,167.2	17,024.9	*18.3*
Average principal employed[2]	17,828.5	16,813.6	15,550.8	*14.6*
Capital and liquidity (%)				
CET1 ratio	13.0	12.4	13.1	*(0.1)*
Total capital ratio	16.4	14.8	15.8	*0.6*
Liquidity coverage ratio	165.9	147.2	130.0	*35.9*

Footnotes:

1. Underlying return on tangible equity excludes the £8.4 million premium and the £1.9 million release of transaction costs (and associated tax impacts) arising from the May 2026 tender of the Group's existing AT1 issuance. Statutory return on tangible equity includes a deduction of £16.8 million in respect of AT1 whilst underlying return on tangible equity includes an AT1 coupon of £6.5 million.
2. Includes Blue Motor Finance loans classified as assets held for sale of £276.9 million. On 4 August the Group signed a contract to sell the portfolio.
3. The CET1 ratio guidance includes the foreseeable dividend expected to be paid in 2027.
4. Stock cost of deposits includes partner commissions.
5. Medium-term guidance: Loan book growth of low double digits (based on a CAGR from FY24); Cost to income ratio of mid 30s; Underlying profit before tax growth of mid-high teens; Underlying return on tangible equity of high-teens; progressive build of ordinary dividend and a CET1 ratio of 12-13%.
6. RoTE computed on CET1 assuming a Target CET1 Ratio of 12.5%.

Visit https://www.shawbrook.co.uk/investors/ to download the Group's 2026 Interim Financial Report and Results Presentation.

Presentation

The Group will be holding a results presentation at 7:45AM BST on 5th August 2026. The presentation will be webcast live at https://brrmedia.news/SHAW_HY26

Presentation materials, including a replay of the event will be available at: https://www.shawbrook.co.uk/about-us/investors/results-centre/

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About Shawbrook
Shawbrook is a UK bank providing specialist lending and savings products to consumers, SMEs and professional real estate investors. Our business model combines specialist lending expertise with a scalable, technology-enabled platform and disciplined credit underwriting. Shawbrook serves approximately 600,000 customers through its portfolio of brands. Shawbrook Group plc is listed on the London Stock Exchange and is a constituent of the FTSE 250 Index.

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