

Metro Bank Holdings PLC (LSE: MTRO LN) (“Metro Bank”)

Legal Entity Identifier: 984500CDDEAD6C2EDQ64

First Quarter 2025 Trading Update

Highlights

- Q1 2025 profitable on both an underlying and statutory basis
- Significant increase in Q1 2025 underlying profit versus H2 2024 from structurally higher NIM, driven by continued asset rotation and deposit optimisation
- Corporate/commercial/SME credit approved pipeline as at 31 March 2025 equivalent to >50% of total 2024 lending
- Continued cost reduction in Q1 2025, in line with expectations, reflecting actions taken in 2024
- Capital optimised following the £250 million Additional Tier 1 (AT1) issuance and completion of £584 million unsecured personal loan portfolio sale
- Metro Bank remains confident in meeting guidance¹ given at full year

Daniel Frumkin, Chief Executive Officer at Metro Bank, said:

“During the first quarter of 2025, we have continued to deliver the strategic repositioning of Metro Bank’s business, maintaining strong cost control while driving higher net interest margin by changing the mix of assets and remaining disciplined about deposits.”

“We have seen further growth in our corporate and commercial lending, with Metro Bank’s relationship banking and breadth of services creating differentiation for us in the market.”

“Looking ahead, we will continue to play an important role in supporting our customers as the UK focuses on delivering economic growth. We remain firmly on track to meet our guidance given at full year”.

Key Financials

£ in millions	31 March 2025	31 December 2024	Change from 31 December 2024	31 March 2024	Change from 31 March 2024
Assets	17,074	17,582	(3%)	22,612	(24%)
Loans	8,465	9,013	(6%)	11,820	(28%)
Deposits	13,817	14,458	(4%)	16,210	(15%)
Loan to deposit ratio	61%	62%	(1 ppts)	73%	(12 ppts)

Total net loans as at 31 March 2025 were £8.5 billion, down 6% from 31 December 2024, reflecting the £584 million performing unsecured personal loan portfolio sale. The bank continues to strategically reposition its balance sheet towards higher yielding corporate, commercial and SME lending and specialist mortgages.

1. Our guidance is based on our current expectations of forward-looking interest rates and macroeconomic conditions. We will monitor and react to any changes in global economic market conditions and refine our internal forecasts as this position evolves.

Metro Bank has a strong and high-quality credit approved commercial pipeline, equivalent to greater than 50% of total new lending in 2024, with year-to-date drawdowns already over 40% of total new lending in 2024.

Customer deposits reduced by 4% in Q1 2025 to £13.8 billion, driven by maturities of higher cost fixed-term deposits and continued focus on reducing excess liquidity and cost of deposits.

The underlying service-led core deposit franchise saw continued growth during the quarter, with c.20k new personal and c.10k new business current account openings.

To optimise the capital framework and provide further flexibility for growth, Metro Bank successfully issued £250 million AT1 securities during the period, resulting in a further 31 December 2024 pro forma improvement in Tier 1 capital ratio from 13.4% (post unsecured personal loan portfolio sale) to 17.5%.

Enquiries

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About Metro Bank

Metro Bank provides corporate, commercial and SME banking and specialist mortgage lending, alongside retail and private banking services. Metro Bank offers relationship banking through a network of 75 stores in the UK, telephone banking from UK-based contact centres and digital banking via an award-winning mobile app.

Metro Bank appeared in second place for personal and business service in-store in the Competition and Markets Authority's Service Quality Survey, February 2025.

Metro Bank Holdings PLC (registered in England and Wales with company number 14387040, registered office: One Southampton Row, London, WC1B 5HA) is the listed entity and holding company of the Metro Bank group.

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