

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

Legal Entity Identifier: 984500CDDEAD6C2EDQ64

Results for the year ended 31 December 2025

A year of strong growth and operational delivery

- **Underlying profit before tax of £98 million**, the highest in Metro Bank’s history
- **22% increase in Net Interest Income driving 16% increase in underlying Revenue**
- **Generated highest NII and Revenue** in history of Metro Bank
- **Continued NIM expansion**, with exit NIM at December 2025 of 3.17%, in line with guidance
- **67% record growth in new corporate, commercial and SME lending** as Metro Bank wins market share
- **Beat cost guidance** (7% reduction versus 4-5% guidance), and **delivered on all other guidance**
- **Return on Tangible Equity¹ of 6.4%** continues to increase in line with guidance
- **Opened new stores in Chester, Salford and Gateshead**, new leases signed in Newcastle and Leeds
- **Reclassified as a Transfer firm under MREL regime**, releasing significant capacity for growth
- **2028 guidance to deliver greater than 18% RoTE**, almost trebling 2025 RoTE, firmly positioning Metro Bank as one of the UK market leaders

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

“2025 was a year of strong growth and successful delivery for Metro Bank. Through focused execution of our strategy and pivot to higher margin business, we have boosted underlying profits to £98 million, the highest in our 15-year history, whilst reducing operating costs ahead of target. Metro Bank expects to more than double returns in 6 months and nearly treble them in 18 months through the ongoing execution of our clear strategy.

Metro Bank stands out for our focus on relationship banking, our full service-offer to SMEs and store presence. We are capturing market share in our target segments and have a deep pipeline of attractive lending opportunities. We lent a record £2 billion to companies up and down the UK, supporting growth and creating jobs.

Looking forward, we have a clear strategy and resilient business model that will support profitable growth against a changing market backdrop. Our revised guidance shows we expect to more than double RoTE throughout the fourth quarter of this year and nearly treble it to greater than 18% for 2028. This will see us delivering one of the highest returns of any UK High Street bank.”

1. Statutory profit after tax attributable to shareholders as a percentage of average tangible equity (equity excluding other equity instruments, intangible assets and deferred tax assets)

Key Financials

<i>£ in millions</i>	FY 2025	FY 2024	Change from FY 2024	H1 2025	Change from H1 2025
Assets	£16,475	£17,582	(6%)	£16,428	0%
Loans	£8,823	£9,013	(2%)	£8,715	1%
Deposits	£13,445	£14,458	(7%)	£13,363	1%
Loan to deposit ratio	66%	62%	4pp	65%	1pp
CET1 capital ratio	12.5%	12.5%	0bps	12.8%	(30bps)
Total capital ratio (TCR)	18.4%	14.9%	350bps	18.9%	(50bps)
Total capital plus MREL ratio	26.1%	23.0%	310bps	27.0%	(90bps)
Liquidity coverage ratio	306%	337%	(31pp)	315%	(9pp)

<i>£ in millions</i>	FY 2025	FY 2024	Change from FY 2024	H2 2025	H1 2025	Change from H1 2025
Total underlying revenue ²	£585.1	£503.5	16%	£299.0	£286.1	5%
Underlying profit/(loss) before tax ³	£98.1	(£14.0)	>100%	£53.0	£45.1	17%
Statutory profit/(loss) before tax	£87.2	(£212.1)	>100%	£44.1	£43.1	2%
Statutory profit after tax ⁴	£69.7	£42.5	64%	£39.3	£30.4	29%
Net interest margin	2.98%	1.91%	107bps	3.10%	2.87%	23bps
Lending yield	5.69%	5.33%	36bps	5.71%	5.67%	4bps
Cost of deposits	1.06%	1.95%	(89bps)	0.96%	1.16%	(20bps)
Cost of risk	0.16%	0.06%	10bps	0.18%	0.14%	4bps
Earnings per share	7.8p	6.3p	1.5p	3.3p	4.5p	(1.2p)
Book value per share	£2.20	£1.76	£0.44	£2.20	£2.17	£0.03
Tangible net asset value per share	£1.63	£1.57	£0.06	£1.63	£1.61	£0.02

2. Underlying revenue excludes grant income recognised relating to the Capability & Innovation fund and net profit/(loss) on portfolio sales

3. Underlying profit/(loss) before tax is an alternative performance measure and excludes impairment and write-off of property, plant & equipment (PPE) and intangible assets, transformation costs, remediation costs, net profit/(loss) on portfolio sales and costs associated with capital raise

4. 2024 profit after tax reflects recognition of Deferred Tax Asset in the period

Investor presentation

A presentation for investors and analysts will be held at 9AM (UK time) on 4 March 2026. The presentation will be webcast on:

<https://webcast.openbriefing.com/metrobank-fy25/>

For those wishing to dial-in:

From the UK dial: +44 808 189 0158

From the US dial: +1 855 979 6654

Access code: 284804

Other global dial-in numbers: <https://www.netroadshow.com/events/global-numbers?confId=67110>

Financial performance for the year ended 31 December 2025

Deposits

<i>£ in millions</i>	FY 2025	FY 2024	Change from FY 2024	H1 2025	Change from H1 2025
Demand: current accounts	£5,862	£5,791	1%	£5,682	3%
Demand: savings accounts	£6,901	£7,534	(8%)	£6,991	(1%)
Fixed term: savings accounts	£682	£1,133	(40%)	£690	(1%)
Deposits from customers	£13,445	£14,458	(7%)	£13,363	1%

Deposits from customers includes:

Retail customers (excluding retail partnerships)	£4,765	£5,968	(20%)	£5,000	(5%)
SMEs ⁵	£4,734	£4,442	7%	£4,492	5%
	£9,499	£10,410	(9%)	£9,492	0%
Retail partnerships	£1,832	£1,785	3%	£1,913	(4%)
Commercial customers (excluding SMEs ⁵)	£2,114	£2,263	(7%)	£1,958	8%
	£3,946	£4,048	(3%)	£3,871	2%

5. SME defined as enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding €50 million, and/or an annual balance sheet total not exceeding €43 million and have aggregate deposits less than €1 million.

- **Underlying momentum in the franchise remains strong**, with over 32,000 new business current accounts and over 77,000 new personal current accounts opened in the year.
- **Excess liquidity has been successfully managed down**, with high-cost fixed term deposits now comprising just 5% of the book. **Total customer deposits ended FY 2025 at £13.4 billion** (FY 2024: £14.5 billion). The core customer deposit base continues to be predominantly Retail, with growth in SMEs in line with the Group's strategy.
- **Cost of deposits for FY 2025 was 1.06% (FY 2024: 1.95%), with an exit cost of deposits at December 2025 of 0.94% - the lowest of any UK High Street bank.**
- **Stores remain a key element to the Group's service offering and strategy, as an enabler of our relationship-based approach.** Metro Bank opened three new stores in 2025, in line with our plan - Chester, Salford and Gateshead, with new leases signed in Newcastle and Leeds. All locations were selected to support our growing corporate, commercial and SME banking offer and local communities.

Loans

<i>£ in millions</i>	FY 2025	FY 2024	Change from FY 2024	H1 2025	Change from H1 2025
Gross loans and advances to customers	£8,993	£9,204	(2%)	£8,882	1%
Less: allowance for impairment	(£170)	(£191)	(11%)	(£167)	2%
Net loans and advances to customers	£8,823	£9,013	(2%)	£8,715	1%
Gross loans and advances to customers consists of:					
Commercial lending ⁶	£3,570	£2,661	34%	£3,083	16%
Specialist Mortgages lending	£1,657	£700	137%	£1,247	33%
Target segments	£5,227	£3,361	56%	£4,330	21%
Government-backed lending ⁷	£369	£653	(43%)	£514	(28%)
Consumer lending	£114	£745	(85%)	£133	(14%)
Prime Mortgages lending	£3,283	£4,445	(26%)	£3,905	(16%)
Total run-off books	£3,766	£5,843	(36%)	£4,552	(17%)

6. Includes corporate, commercial, SME and CLBLS.

7. BBLs, CBILs and RLS.

- **Balances in the Group's target lending segments of corporate, commercial and SME, and specialist mortgages grew by 56% year-on-year, to £5.2 billion.** Together with legacy books in run-off, which at FY 2025 totalled £3.8 billion, total gross loans at FY 2025 were £9.0 billion. **Total net loans at FY 2025 were £8.8 billion.**
- **Loan to deposit ratio at FY 2025 was 66%**, providing capacity for growth.
- **Commercial lending (excluding BBLs, CBILs and RLS) increased by 34% at FY 2025 to £3.6 billion** (FY 2024: £2.7 billion) **following £2 billion of new gross lending in FY 2025 - a Metro Bank record.** Growth in new corporate, commercial and SME lending continues to be offset by attrition, particularly in commercial real estate and portfolio buy-to-let. The DTV of the portfolio at FY 2025 was 67% (FY 2024: 56%) and the portfolio has a coverage ratio of 2.07% (FY 2024: 1.98%).
- **Specialist Mortgages increased by 137% year-on-year to £1.7 billion (FY 2024: £0.7 billion). Together with the Prime Mortgage book in run-off, total retail mortgages were £4.9 billion at FY 2025** and remain the largest component of the lending book at 55% (FY 2024: 56%). The Debt to Value (DTV) of the portfolio at FY 2025 was 60% (FY 2024: 59%). Metro Bank's operating model is tailored to more complex underwriting which enables the Group to meet the needs of more customers and scale underserved markets whilst offering improved risk-adjusted returns.
- **Cost of risk for FY 2025 remained low, at 0.16% (FY 2024: 0.06%).** The credit quality of new lending continues to be strong and the Group retains its prudent approach to provisioning.
- **Overall arrears rates have improved and non-performing loans have reduced.** Arrears levels have decreased to 4.7% at FY 2025 (FY 2024: 5.6%) and non-performing loans have reduced to 5.14% at FY 2025 (FY 2024: 5.48%).
- **The loan portfolio remains appropriately provisioned.** The ECL provision at FY 2025 was £170 million with a coverage ratio of 1.89%.

Profit and Loss Account

- **Underlying profit before tax of £98 million for FY 2025, the highest in Metro Bank's history, £112 million higher than FY 2024**, driven by continued improvements in net interest income and further cost reductions (FY 2024: underlying loss of £14 million).
- **Net interest margin for FY 2025 was 2.98% (FY 2024: 1.91%), with an exit net interest margin of 3.17%, in line with guidance (FY 2024 Exit NIM: 2.65%)**. Structural improvements to net interest margin reflect lower cost of deposits and increased asset yields.
- **Underlying net interest income increased by 22% year-on-year to £460 million (FY 2024: £378 million)**, reflecting the continued transition towards higher yielding assets and a reduction in cost of deposits.
- **Underlying net fee and other income remained flat year-on-year at £125 million (FY 2024: £126 million)**.
- **Underlying operating costs reduced 7% year-on-year, to £473 million- ahead of guidance (FY 2024: £510 million)**.
- **Expected credit loss expense was £14 million for FY 2025 (FY 2024: £7 million)** reflecting a continued benign credit environment.
- **Statutory profit after tax for FY 2025 was £69.7 million (FY 2024: £42.5 million, following £255 million Deferred Tax Asset recognition)**.

Capital, Funding and Liquidity

	Position FY 2025 ⁸	At 31 December 2025		From 1 January 2026	
		Minimum requirement including buffers ⁹	Minimum requirement excluding buffers ⁹	Minimum requirement including buffers ⁹	Minimum requirement excluding buffers ⁹
Common Equity Tier 1 (CET1)	12.5%	9.7%	5.2%	9.7%	5.2%
Tier 1	16.1%	11.4%	6.9%	11.4%	6.9%
Total Capital	18.4%	13.7%	9.2%	13.7%	9.2%
Total Capital plus MREL	26.1%	22.9%	18.4%	13.7%	9.2%
Risk Weighted Assets (£ million)	6,711	-	-	-	-

8. Capital figures as at 31 December 2025 are presented on a proforma basis, including our profit for the year. The profit will only be eligible to be included in our capital resources following the completion of our audit and publication of our Annual Report and Accounts

9. CRD IV buffers

- **Capital position is well optimised for growth** following the £250 million AT1 securities issuance and completion of £584 million unsecured personal loan portfolio sale in 2025.
- **Effective 1 January 2026, the Group was reclassified as a Transfer firm under the MREL regime, with MREL set equal to minimum capital requirements**. The Group continues to review its liability structure on an economic basis in the context of its ongoing regulatory and liquidity needs.
- **Metro Bank's Total Capital plus MREL ratio at FY 2025 was 26.1%, a 310bps improvement year-on-year (FY 2024: 23.0%), and 320bps above regulatory minimum requirements as at FY 2025 (including buffers)**.
- **The Bank remains focused on optimising risk-adjusted returns on regulatory capital**.
- **Total RWAs increased year-on-year to £6.7 billion (FY 2024: £6.4 billion)**, reflecting continued asset rotation into higher-density corporate, commercial and SME lending. **RWA density at FY 2025 was 41% (FY 2024: 37%)**.

- **Strong liquidity and funding position maintained** with all customer loans fully funded by customer deposits. **Loan to deposit ratio at FY 2025 was 66%.**
- **Liquidity Coverage Ratio (LCR) at FY 2025 was 306%** (FY 2024: 337%), with cash balances in excess of £2 billion.
- **Net Stable Funding Ratio (NSFR) at FY 2025 was 161%** (FY 2024: 169%).
- The Treasury portfolio of £6.3 billion includes £4.2 billion of investment securities, of which **75% are rated AAA and 25% are rated AA.** Of the total investment securities, 95% is held at amortised cost and 5% is held at fair value through other comprehensive income.
- Over the **next 2 years approximately £1.5 billion of fixed rate treasury assets will mature** at an average blended yield of just over 1%. These will be replaced by asset with yields in line with or greater than the prevailing base rate.

Guidance

RoTE	<ul style="list-style-type: none"> • RoTE to be 13% or greater in Q4 2026, 15% or greater for 2027, and 18% or greater for 2028
NIM	<ul style="list-style-type: none"> • Exit NIMs to be between 3.40-4.00% for 2026 and 3.75%-4.50% for 2027
Costs	<ul style="list-style-type: none"> • Cost income ratio to be between 75-70% for 2026, 65-65% for 2027, and 55-50% for 2028 • Costs for 2026 flat versus 2025

Metro Bank Holdings PLC

Summary Balance Sheet and Profit & Loss Account

(Unaudited)

Balance Sheet

£ in millions

Assets

	YoY change	FY 2025	H1 2025	FY 2024
Loans and advances to customers	(2%)	£8,823	£8,715	£9,013
Treasury assets ¹⁰	(13%)	£6,345	£6,386	£7,301
Other assets ¹¹	3%	£1,307	£1,327	£1,268
Total assets	(6%)	£16,475	£16,428	£17,582

Liabilities

Deposits from customers	(7%)	£13,445	£13,363	£14,458
Deposits from central banks	-	£400	£400	£400
Debt securities	1%	£684	£685	£675
Other liabilities	(47%)	£462	£522	£866
Total liabilities	(9%)	£14,991	£14,970	£16,399
Total equity	25%	£1,484	£1,458	£1,183
Total equity and liabilities	(6%)	£16,475	£16,428	£17,582

10. Comprises investment securities and cash & balances with the Bank of England.

11. Comprises property, plant & equipment, intangible assets and other assets.

Profit & Loss Account

£ in millions

	YoY change	FY 2025	FY 2024
Underlying net interest income	22%	£460.3	£377.9
Underlying net fee and other income	(1%)	£124.8	£125.6
Underlying net gain on sale of assets		£0.0	£0.0
Total underlying revenue	16%	£585.1	£503.5
Underlying operating costs	(7%)	(£472.7)	(£510.4)
Expected credit loss expense	101%	(£14.3)	(£7.1)
Underlying profit/(loss) before tax	>100%	£98.1	(£14.0)
Impairment and write-off of property plant & equipment and intangible assets		(£0.7)	(£44.0)
Transformation costs		(£14.4)	(£31.1)
Remediation costs		(£1.2)	(£21.3)
Portfolio sales		£5.4	(£101.6)
Cost associated with capital raise		-	(£0.1)
Statutory profit/(loss) before tax	>100%	£87.2	(£212.1)
Statutory taxation	>(100)%	(£17.5)	£254.6
Statutory profit after tax	64%	£69.7	£42.5

Key metrics

	FY 2025	FY 2024
Earnings per share	7.8p	6.3p
Net interest margin (NIM)	2.98%	1.91%
Lending yield	5.69%	5.33%
Cost of deposits	1.06%	1.95%
Cost of risk	0.16%	0.06%
Arrears rate	4.7%	5.6%
Underlying cost: income ratio	81%	101%
Book value per share	£2.20	£1.76
Tangible net asset value per share	£1.63	£1.57
Risk weighted assets (RWAs)	£6,711	£6,442
Risk weight density (RWAs / total assets)	41%	37%
Loan to deposit ratio	66%	62%

Profit & Loss Account	HoH change	Half year ended		
		31 Dec 2025 £'million	30 Jun 2025 £'million	31 Dec 2024 £'million
Underlying net interest income	7%	£237.4	£222.9	£206.0
Underlying net fee and other income	(3%)	£61.4	£63.4	£63.4
Underlying net gains on sale of assets	(183%)	£0.2	(£0.2)	£0.1
Total underlying revenue	5%	£299.0	£286.1	£269.5
Underlying operating costs	1%	(£238.0)	(£234.7)	(£255.8)
Expected credit loss expense	22%	(£8.0)	(£6.3)	(£0.9)
Underlying profit before tax	18%	£53.0	£45.1	£12.8
Impairment and write-off of property plant & equipment and intangible assets		(£0.6)	(£0.1)	(£43.7)
Transformation costs		(£6.7)	(£7.8)	(£26.6)
Remediation costs		(£1.6)	£0.4	(£19.5)
Portfolio sales		-	£5.5	(£101.6)
Statutory profit/(loss) before tax	2%	£44.1	£43.1	(£178.6)
Statutory taxation	(62%)	(£4.8)	(£12.7)	£254.2
Statutory profit after tax	29%	£39.3	£30.4	£75.6

Key metrics

	H2 2025	H1 2025	H2 2024
Earnings per share	3.3p	4.5p	1.9p
Net interest margin (NIM)	3.10%	2.87%	2.22%
Lending yield	5.71%	5.67%	5.48%
Cost of deposits	0.96%	1.16%	1.72%
Cost of risk	0.18%	0.14%	0.01%
Arrears rate	4.7%	4.9%	5.6%
Underlying cost: income ratio	80%	82%	95%
Book value per share	£2.20	£2.17	£1.76
Tangible net asset value per share	£1.63	£1.61	£1.57
Risk weighted assets (RWAs)	£6,711m	£6,437m	£6,442m
Risk weight density (RWAs / total assets)	41%	39%	37%
Loan to deposit ratio	66%	65%	62%

Enquiries

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ENDS

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 78 stores in the UK, telephone banking from UK-based contact centres and digital banking via mobile app and online.

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.

Metro Bank PLC (registered in England and Wales with company number 6419578, registered office: One Southampton Row, London, WC1B 5HA) is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. 'Metrobank' is a registered trademark of Metro Bank PLC. Eligible deposits are protected by the Financial Services Compensation Scheme. For further information about the Scheme, refer to www.fscs.org.uk.

Metro Bank is an independent UK bank – it is not affiliated with any other bank or organisation. Please refer to Metro Bank using the full name.

Metro Bank Holdings PLC
Preliminary Announcement
(Unaudited)
For the year ended 31 December 2025

Chief Executive Officer's statement

2025 has been a year of strong growth with successful operational delivery, culminating in an underlying profit for the year of £98 million, the highest in Metro Bank's history. We have seen a 22% increase in Net Interest income driving 16% in Revenue increase. We have beat cost guidance (7% reductions versus 4-5% guidance) and delivered on all our other guidance.

Our local, relationship-led service model is a unique structural advantage which positions the bank to deliver best-in-class risk adjusted returns. As we celebrated our 15-year anniversary in 2025, our unwavering commitment to relationship banking is what sets us apart from other banks; deepening connections with customers, communities and increasing market share. We continue to grow our store network to continue to deliver for clients in person, while also improving customer experience through investing in AI and digital technology.

We continue our strategic shift to corporate, commercial, and SME lending, and specialist mortgages at pace. We delivered record growth in gross new lending in corporate, commercial and SME of £2 billion in 2025, almost twice the lending originated in 2024. Alongside this, we built a credit approved pipeline for corporate, commercial and SME of £800 million.

Alongside this record growth, we have maintained our focus on costs, delivering a 7% reduction year-on-year, ahead of guidance. Our strategic partnership with Infosys continues to enhance digital capabilities, improve automation, and embed further AI capabilities, allowing the bank to scale in an efficient manner.

As we focus on optimising the balance sheet and increasing returns, we have successfully managed down excess liquidity, particularly expensive fixed-term deposits (FTD), resulting in a cost of deposits that is now the lowest of any UK High Street bank. NIBLs remain double the market average and FTD/ cash ISAs comprise only one fifth of the market average, providing an enduring strategic advantage. We are also seeing increased deposit inflows from SME clients, deepening these valued relationships beyond the loan book.

We have optimised our capital position providing capacity for further growth following the £250 million Additional Tier 1 (AT1) securities issuance and completion of the £584 million unsecured personal loan portfolio sale in the first half of 2025. Both transactions were key milestones in our strategy to reposition the balance sheet, actively manage asset rotation and enhance risk-adjusted returns on capital.

Effective 1 January 2026, the Group was reclassified as a Transfer firm under the MREL regime, with MREL requirements set equal to minimum capital requirements providing further capacity for growth in corporate, commercial and SME lending, and specialist mortgages.

Momentum in the underlying franchise remains strong, giving us confidence to enhance RoTE guidance for 2026 as well as introducing new RoTE targets for 2028:

- RoTE to be greater than 13% by Q4 2026, greater than 15% for 2027 and greater than 18% for 2028, one of the highest of any UK High Street bank.
- Continued NIM expansion driven by asset rotation and management of cost of deposits, with 2026 exit run-rate expected to be between 3.40%-4.00% and 3.75%-4.50% in 2027, respectively.
- Continued cost discipline and control, with cost to income ratios for 2026, 2027 and 2028 to be between 75%-70%, 65%-60%, and 55%-50%, respectively.

Progress on strategic priorities

Revenue: Driving record new lending

We delivered record new lending growth of £2 billion in 2025, across our corporate, commercial and SME portfolios. This strong performance is further underscored by a credit approved pipeline of £800 million to date. Combined, this new lending and credit approved pipeline, are equal to all new originations in the last two years. Our relationship managers organically generated 88% of new Corporate lending, helping to maintain our strong asset quality. Portfolio remains highly collateralised and prudently provisioned. We remain focused on pricing discipline ensuring we maintained an average margin in excess of 350 bps over base rate, driving year-on-year improvements in yield.

There has been strong progress in specialist mortgage originations, with Metro Bank firmly established as a specialist mortgage provider of choice. We continue to enhance our specialist proposition and launched additional products (House in Multiple Occupancy "HMOs", Multi-Unit Freehold Blocks "MUFB" and affordability enhancements) in 2025.

We successfully managed down excess liquidity throughout 2025, in particular expensive fixed-term deposits, significantly lowering our cost of funding. An exit cost of deposits at December 2025 of 0.94% means Metro Bank has the lowest cost of deposits of any UK High Street bank. NIBLs remain double the market average, providing a lasting strategic advantage.

The combined impact of increased lending yields and a lower cost of deposits has resulted in an exit NIM of 3.17% in December 2025, in line with guidance. Overall revenue increased 16% year-on-year, despite 125 bps year-on-year reduction in Bank of England base rate and a meaningfully smaller balance sheet following the c.£584 million asset sale in the period. Strong revenue performance gives us confidence in our guidance.

Cost: Improving efficiency

We continue to take a disciplined approach to costs and have reduced underlying costs by 7% in the year, ahead of guidance. Our strategic partnership with Infosys continues to enhance digital capabilities, improve automation, and embed further AI capabilities, allowing the bank to scale in an efficient manner. Operating costs are already below the level needed to meet 2027 guidance and costs in 2026 will remain flat compared to 2025.

Infrastructure: Building the future

Over the year, we have continued to invest in platforms and capabilities to support growth momentum and deliver even better customer experiences. Our strategic partnership with Infosys continues to improve our digital capabilities. It includes the provision of actionable data analytics, automated processes, and enhanced digital platforms. Significant upgrades to financial crime and fraud infrastructure have helped protect our customers, and our upgraded call centre has improved customer experience while also driving efficiency.

Stores remain a key element to the Group's service offering and strategy, as an enabler of our relationship-based approach. Metro Bank opened three new stores in 2025, in line with our plan - Chester, Gateshead and Salford, with new leases signed in Newcastle and Leeds. Our Gateshead store was our first in the North East. All locations were selected to support our growing corporate, commercial and SME banking offer and local communities. All these improvements ensure we continue to build capability for the future.

Balance sheet optimisation: Maximising opportunities

We have optimised our capital position for growth following the inaugural £250 million AT1 securities issuance, followed by the completion of £584 million unsecured personal loan portfolio sale in the first half of the year. Both transactions were in line with our strategy to reposition and strengthen the balance sheet, creating additional capacity for growth to enable the bank to continue its rotation towards higher yielding assets.

Effective 1 January 2026, the Group was reclassified as a Transfer firm under the MREL regime, with MREL requirements set equal to minimum capital requirements. The Group continues to review its liability structure on an economic basis in the context of its ongoing regulatory and liquidity needs.

Metro Bank's MREL ratio at FY 2025 was 26.1%, a 310bps improvement year-on-year (FY 2024: 23.0%), and 320bps above regulatory minimum requirements (including buffers). This reflects our ongoing focus on capital management while optimising risk-adjusted returns on regulatory capital.

Excess liquidity has been successfully managed down, with high-cost fixed term deposits now comprising just 5% of the book. Total customer deposits ended FY 2025 at £13.4 billion (FY 2024: £14.5 billion), with the core customer deposit base continuing to be predominantly Retail, with growth in SMEs in line with the Group's strategy.

Cost of deposits for FY 2025 was 1.06% (FY 2024: 1.95%), with an exit cost of deposits at December 2025 of 0.94% - the lowest of any UK High Street bank. All the actions taken to optimise the balance sheet have created capacity for future growth momentum.

Communications: Empowering our colleagues and communities

In our 15th year, Metro Bank's inclusive culture remains central to our value proposition and plays a fundamental role in driving colleague engagement. After a period of business transformation, our annual Voice of the Colleague survey saw a significant 7-point uplift in satisfaction, reflecting positive engagement and confidence in the direction of the bank. We maintained a strong focus on colleague development and mobility, with almost 300 colleagues promoted during the year.

Our strategic growth in Corporate, Commercial and SME lending saw us appoint new regional heads of Corporate Banking for the Midlands, Wales and the South West as well as new Commercial Lending Directors for the North West, Wales and the South West, positioning us for the next stage of growth across the breadth of the UK.

In January 2025, we launched new brand positioning highlighting our relationship banking specialism, increasing awareness and putting in-person experience at the forefront of our customer service. This was brought to life further by our regional growth and expansion with the opening of new stores in Gateshead, Salford Quays and Chester. Our partnership with Covecta, an AI platform for financial services, was deployed across our corporate and commercial credit businesses, freeing up more time for our experts to engage with customers.

In support of our ongoing efforts to prevent fraud, we launched the Metro Bank Scam Checker in 2025, becoming the first UK bank to partner with award winning AI firm Ask Silver – allowing customers to spot scams more easily. We also partnered with the charity Victim Support to provide an independent support service for customers who have been victims of fraud.

Our ongoing commitment to community impact continued through our partnership with the England and Wales Cricket Board and the Metro Bank Girls in Cricket Fund. By removing barriers to participation and promoting the visibility of women and girls in cricket through our Seeing is Believing campaign, the number of girls' teams has increased by 32%.

Outlook: Operational execution and strong momentum allow for ongoing delivery of our strategy

Metro Bank is well placed to continue its strategic delivery and growth trajectory in the year ahead and over the medium term. We have a clear strategy and resilient business model that will support profitable growth in line with our plans against a changing market backdrop. Metro expects to more than double returns in 6 months and nearly treble them in 18 months through the ongoing execution of our clear strategy.

Finance review

Summary of the Year

2025 was another strong year as the Bank executed on its strategy and delivered across all aspects of market guidance.

We recognised an underlying profit before tax of £98.1 million, the highest in the Bank's history. We reduced underlying operating costs by a further 7%, actively managed down liquidity to reduce cost of deposits, and continued to strategically rotate assets to higher-yielding corporate, commercial and SME lending, and specialist mortgages.

We recorded a statutory profit before tax of £87.2 million, £299.3 million more than the £212.1 million statutory loss before tax in the prior year, driven by one-off transactions in 2024 that provided the foundation for growth in 2025.

Income Statement

	2025 £m	2024 £m	Change %
Underlying net interest income	460.3	377.9	22%
Underlying net non-interest income	124.8	125.6	(1%)
Total underlying revenue	585.1	503.5	16%
Underlying operating costs	(472.7)	(510.4)	(7%)
Expected credit loss expense	(14.3)	(7.1)	101%
Underlying profit/(loss) before tax	98.1	(14.0)	-
Non-underlying items	(10.9)	(198.2)	(95%)
Statutory profit/(loss) before tax	87.2	(212.1)	-

Net interest income

Net interest income increased by 22% to £460.3 million despite a lower average base rate and a smaller balance sheet following the £584 million unsecured personal loan sale during the year, reflecting the continued transition towards higher-yielding assets and a reduction in cost of deposits.

Net interest margin for the year was 2.98%, up 107bps, with an exit net interest margin of 3.17%, in line with guidance. Structural improvements to net interest margin reflect increased asset yields and lower cost of deposits. We ended the year with cost of deposits at December 2025 of 0.94%, the lowest of any UK high street bank.

Operating expenses

	2025 %	2024 %
Underlying cost:income ratio	81%	101%
Statutory cost:income ratio	83%	151%

Underlying operating costs reduced 7% year-on-year, to £473 million. We continue to take a disciplined approach to costs, allowing the Bank to scale in an efficient manner. We are focused on enhancing our digital capabilities, improving automation and embedding further AI capabilities across the Bank to drive cost efficiencies. Combined with growth in underlying income, our underlying cost to income ratio reduced to 81%. On a statutory basis, cost to income ratio reduced from 151% in 2024 to 83% in 2025, reflecting convergence between our underlying and statutory results.

Non-underlying items

	2025 £m	2024 £m	Change %
Impairment and write-off of property, plant, equipment and intangible assets	(0.7)	(44.0)	(98%)
Transformation costs	(14.4)	(31.1)	(54%)
Remediation costs	(1.2)	(21.3)	(94%)
Portfolio sales	5.4	(101.6)	(105%)
Cost associated with capital raise	-	(0.1)	(100%)
Non-underlying items	(10.9)	(198.1)	(94%)

Included in our statutory results are £10.9 million of non-underlying items (2024: £198.1 million), reflecting a year of execution and focus on our target market. These include £5.4 million net proceeds from the £584 million unsecured personal loan portfolio in H1 2025 and £14.4 million of transformation costs incurred following localised restructuring activities.

Expected credit losses

	ECL Allowance £m	Coverage ratio %	Non-performing loan ratio %
31 December 2025			
Retail mortgages	16	0.32%	4.45%
Consumer	67	58.77%	64.91%
Corporate and commercial	87	2.21%	4.27%
Total lending	170	1.89%	5.14%
31 December 2024			
Retail mortgages	15	0.29%	3.95%
Consumer	108	14.43%	13.02%
Corporate and commercial	68	2.05%	6.16%
Total lending	191	2.07%	5.48%

We recognised an expected credit loss expense of £14.3 million in 2025, with a cost of risk of 0.16%. We continue to observe a benign credit environment with resilient credit performance across all portfolios.

Our lending portfolio remains appropriately provisioned. As at 31 December 2025, our coverage ratio was 1.89% (31 December 2024: 2.07%) with non-performing loans reducing to 5.14% of the book.

Balance sheet

Lending

	2025 £m	2024 £m	Change %
Retail mortgages	4,940	5,145	(4%)
Consumer lending	114	745	(85%)
Corporate and commercial	3,939	3,314	19%
Gross lending	8,993	9,204	(2%)
ECL allowance	(170)	(191)	(11%)
Net lending	8,823	9,013	(2%)

Net loans and advances to customers ended the year at £8,823 million, down 2% from the prior year (2024: £9,013 million) as the Bank continues to actively rotate assets into target segments of corporate, commercial and SME lending and specialist mortgages. In particular, we saw a 19% increase in the gross loans and advances to commercial customers to £3,939 million at 31 December 2025 (31 December 2024: £3,314 million), driven by a record £2.0 billion gross new lending in the year.

The consumer portfolio decreased from £745 million as at 31 December 2024 to £114 million as at 31 December 2025 due to the sale of the £584 million unsecured personal loan portfolio. This sale was in line with our strategic priorities and allows us to prioritise lending in target segments.

Retail mortgages decreased from £5,145 million to £4,940 million, as we continue to actively attrite the low-yielding prime residential back-book, replaced with higher-yielding specialist mortgages.

Treasury Portfolio

Over the year, we have continued to optimise our treasury portfolio to maximise our risk adjusted return on regulatory capital, particularly as rates have fallen. We ended the year with £6,345 million of treasury assets (31 December 2024: £7,301 million), comprising £4,160 million investment securities and £2,185 million cash and balances with other banks (31 December 2024: £4,490 million and £2,811 million respectively). Our investment securities remain high quality and liquid with 75% being AAA-rated and 25% AA- to AA+ rated, the AA portion being predominantly Gilts (31 December 2024: 75% AAA, 25% AA- to AA+).

Over the next 2 years approximately £1.5 billion of fixed rate treasury assets will mature at an average blended yield of just over 1%. These will be replaced by asset with yields in line with or greater than the prevailing Base Rate.

Other Assets

Other assets remained relatively flat year on year, at £1.3 billion (31 December 2024: £1.3 billion). Other assets include property, plant & equipment, intangible assets and deferred tax assets.

Deposits

	2025 £m	2024 £m	Change %
Retail customer (excluding retail partnerships)	4,765	5,968	(20%)
Retail partnership	1,832	1,785	3%
Commercial customers (excluding SMEs)	2,114	2,263	(7%)
SMEs	4,734	4,442	7%
Total customer deposits	13,445	14,458	(7%)
<i>Of which:</i>			
Demand: current accounts	5,862	5,791	1%
Demand: savings accounts	6,901	7,534	(8%)
Fixed term: savings accounts	682	1,133	(40%)

In 2025, our overall deposits reduced to £13,445 million, a 7% decrease from £14,458 million in 2024 as we continued to manage down excess liquidity, particularly expensive fixed-term deposits. We are committed to our relationship banking model, having opened three new stores in 2025, and with 44% of total deposits coming from current accounts, we have exited the year with the lowest cost of deposits of any UK High Street Bank. We also saw a 7% increase in SME deposits in line with the Bank's strategy.

Liquidity

Our liquidity position remains strong and comfortably in excess of regulatory minimum requirements. We ended the year with a liquidity coverage ratio of 306% (31 December 2024: 337%) and a net stable funding ratio of 161% (31 December 2024: 169%). We hold large amounts of high-quality liquid assets totalling £5,459 million (2024: £6,071 million).

Capital

	2025 £m	2024 £m	Change %
CET1 capital ¹	840	808	4%
RWAs	6,711	6,442	4%
CET1 ratio ¹	12.5%	12.5%	0bps
Total capital ratio ¹	18.4%	14.9%	350bps
Total capital plus MREL ratio ¹	26.1%	23.0%	310bps
UK leverage ratio ¹	7.8%	5.6%	220bps

1. Capital figures as at 31 December 2025 are presented on a proforma basis, including our profit for the year. The profit will only be eligible to be included in our capital resources following the completion of our audit and publication of our Annual Report and Accounts

Throughout the year, the Group maintained a strong capital position, ending the period with CET1, total capital and total capital plus MREL ratios of 12.5%, 18.4% and 26.1% respectively (31 December 2024: 12.5%, 14.9%, 23.0%), all comfortably above minimum regulatory requirements including applicable buffers.

Our capital position is well optimised for growth, with increases across all capital ratios driven by profit generation, the successful issuance of £250 million of Additional Tier 1 securities, and the sale of the unsecured personal loan portfolio.

Risk weighted assets increased to £6,711 million (31 December 2024: £6,442 million) reflecting the portfolio sale, offset by continued asset rotation into higher-density corporate, commercial and SME lending, and specialist mortgages.

Overall, the year-end capital and RWA profile reflects proactive management of the balance sheet to preserve resilience, optimise capital resources, and position the Group for sustainable future growth.

Looking Ahead

As we look ahead to 2026, we are committed to continued delivery against market guidance and delivering sustained growth in underlying profitability. Growth in RoTE is largely mechanical from hereon in, with a notable tailwind from treasury asset maturities in 2026.

Risk summary

2025 has been a year of growth and delivery. We are executing our strategy and delivering for our customers and shareholders whilst building a bank set up for sustained growth. Continued management of existing risks as well as those associated with a high pace and scale of change remain clear management priorities.

Approach to risk management

Our risk management framework underpins our ability to safely deliver, ensuring risks are carefully considered when making decisions and are managed within acceptable limits on an ongoing basis. The Board sets its appetite for risk and puts in place tools and resources to manage each of our principal risks inside this appetite.

Risk management is part of every colleague's objectives and is embedded within our scorecard, against which performance is measured. Colleagues are able and encouraged to raise concerns, we take steps to ensure all applicable legal and regulatory requirements are met and we seek to maintain constructive and transparent relationships with our regulators.

We operate a 'three lines of defence' model of risk management and by leveraging well-defined governance structures and processes, promote individual accountability and action in mitigating our risk exposures.

Risk environment in 2025

Throughout 2025, our focus remained on supporting the Bank's strategic growth while operating within our defined risk appetite.

Credit portfolio performance has remained resilient, with ECL stock, coverage ratio, and arrears reducing in the year driven by debt sales and partially offset by corporate and commercial portfolio growth. ECL stock reduced by £21 million to £170 million at 31 December 2025 (31 December 2024: £191 million) and coverage ratio reduced by 0.18% to 1.89% at 31 December 2025 (31 December 2024: 2.07%). We continue to monitor economic uncertainty and maintain prudent provisions. Our credit policy, risk appetite, and control frameworks have been updated to reflect the strategic growth areas in retail mortgages and corporate and commercial, and are accompanied by increased technical capability in underwriting, recoveries, and portfolio oversight.

Capital strength was further supported by the sale of an unsecured personal loan portfolio and the successful issuance of £250m of AT1 instruments, keeping all key ratios above regulatory requirements. Liquidity has remained robust throughout the year.

Maintaining and enhancing operational resilience continued to be a priority in 2025. During the year, the Bank deepened its strategic partnership with Infosys, expanding the outsourcing of business processes. This transition was supported by detailed planning and strong third-party engagement, ensuring our control environment developed in step with new operating models.

The number of high-impact cyber incidents across the UK this year has underscored the potential severity of disruption from a cyber event. Strengthening our cyber security posture remains fundamental to our overall resilience. We have continued to invest in modern, scalable defences informed by penetration testing and external expert assessments, working closely with regulators. Embedding threat-led intelligence and resilience by design across our critical services and extended supply chain remains a core commitment.

Financial crime risk management remains a top priority for the Bank. During the year, we strengthened our control environment by recruiting highly experienced colleagues, optimising our operating model and integrating our financial crime and fraud risk management capabilities. We have invested further in our systems, completing the re-platforming of our core financial crime management solution and deploying new fraud payment profiling tools that are helping us limit losses. The Bank also launched a UK-first Scam Checker tool, developed with AI scam detection specialist Ask Silver, helping customers stay safe by analysing suspicious messages, emails, websites or documents. We launched a Financial Crime Intelligence Unit to strengthen our response to complex investigations, and, together with other UK banks, contributed to the Data Fusion pilot organised by the National Economic Crime Centre to combat serious organised crime.

Wider adoption of AI has created opportunities for improved efficiency and customer experience, balanced by the need for strong governance over data use, fairness, and model integrity. This year, we implemented policies and enhanced governance for AI risk management and as adoption scales, we remain focused on robust model risk management, transparency, explainability, and maintaining a consistent focus on good customer outcomes.

Principal risk exposures

On an ongoing basis, we assess our risks against risk appetite, including those that could result in events or circumstances that might threaten our business model, future performance, solvency or liquidity, and reputation.

We consider the potential impact and likelihood of internal and external risk events and circumstances, and the timescales over which they may occur.

We identify, define and assess a range of principal risks to which we are exposed, for which risk appetite is set and monitored via key risk indicators. They are consistent with those set out in last year's annual report and comprise:

- credit risk
- capital risk
- liquidity and funding risk
- market risk
- financial crime risk
- operational risk
- conduct risk
- regulatory risk
- legal risk
- model risk
- strategic risk.

Amongst these, certain risks have been considered most material over the course of the year.

Most material risks

Risk	Exposure	Response	Outlook
Credit risk	<p>Our primary source of credit risk is through the loans, limits and advances we make available to our customers. We have exposures across three key areas: corporate and commercial, retail mortgages, and consumer lending.</p> <p>Over the course of 2025, the macroeconomic environment has been stable but subdued, although uncertainty remains over the future path with inflation remaining above target levels and wider global political instability. Total ECL stock and coverage ratio have both decreased following the sale of the unsecured personal loan book with underlying changes in retail mortgages and corporate and commercial reflecting the growth in strategic areas.</p>	<p>We have an appetite and credit criteria appropriate for managing lending through an economic cycle. We are delivering the Bank's strategy to grow corporate and commercial lending, and specialist mortgage lending, through our credit risk appetite, framework, and policies, managing exposure to risk to minimise losses.</p> <p>We support customers who are in arrears, have payment shortfalls, or are in financial difficulties, to obtain the most appropriate outcome for both the Bank and the customer. Our policy and processes ensure that appropriate mechanisms and tools are in place to support customers during periods of financial difficulty and to minimise the duration of the difficulty and the consequence, costs and other impacts arising.</p>	<p>We remain in a strong position to support the Bank's strategy for growth, maintaining our risk appetite and policies as this develops, in a way that appropriately manages credit risk.</p> <p>Within the macroeconomic outlook, risks remain as central banks manage the course of interest rates in response to inflation whilst geopolitical risk continues from conflicts.</p> <p>We utilise forward looking macroeconomic scenarios provided by Moody's Analytics in the assessment of provisions. The use of an independent supplier for the provision of scenarios helps to ensure that the estimates are unbiased. The macroeconomic scenarios are assessed and reviewed monthly to ensure appropriateness and relevance to the ECL calculation.</p>
Capital risk	<p>Capital risk exposures arise from the depletion of our capital resources which may result from:</p> <ul style="list-style-type: none"> increased RWAs losses changes to regulatory minima or other regulatory rules. <p>Our capital risk management approach is centred around ensuring we can maintain appropriate levels of capital to meet regulatory minima, including changes, and support our strategic objectives.</p> <p>In December, the Bank of England confirmed that the Bank will be treated as a transfer firm under its MREL-related resolution framework, effective 1 January 2026.</p>	<p>Our capital risk mitigation is focused on three key components:</p> <ul style="list-style-type: none"> sustainable profitability that allows us to generate organic capital growth the continued optimisation of our balance sheet to ensure we are utilising our capital stack efficiently continuing to assess the raising of external debt capital, as and when market conditions and opportunities allow. <p>The Board is committed to these principles and took steps through 2025 to strengthen the capital base.</p>	<p>The focus for 2026 remains on supporting the Bank's strategy through an appropriate and efficient capital stack that allows us to lend in our target market whilst maintaining ratios above our regulatory minima. We continue to prepare for the implementation of Basel 3.1 from 1 January 2027.</p>
Financial crime risk	<p>As a participant in the interconnected global financial system, the Bank's financial crime exposure arises where customer accounts or infrastructure are leveraged to facilitate the flow of illicit funds - including money laundering, terrorist financing, proliferation financing, bribery and corruption, and tax evasion - or to process transactions and maintain relationships that would contravene applicable sanctions obligations.</p>	<p>We are committed to safeguarding both ourselves and our customers from financial crime. Our strategic response centres on continuously maturing our financial crime framework, prioritising sustained investment in advanced detection technologies and regular review of our operating model's adequacy.</p> <p>We prioritise targeted recruitment of high-skilled specialists to ensure our control</p>	<p>Recognising the evolving landscape of financial crime risk against the backdrop of increasing regulatory focus, we continue to invest in our financial crime control environment to prevent financial crime. We will continue to strengthen our control framework to ensure systems and controls are adequate and effective to mitigate the risks we are exposed to, and remain aligned to our legal and regulatory requirements.</p>

Without an adequate and proportionate financial crime framework, risks may go unaddressed and business activities may take place in contravention of financial crime law and regulatory requirements.

environment and expertise evolve with increasingly sophisticated financial criminal typologies, and proactively integrate emerging threat intelligence into our response.

In addition, an inability to conduct appropriate oversight may affect the Bank's ability to operate effectively, with potential impacts to both customer and own objectives, exposing the Bank to increased reputational risk.

<p>Fraud risk</p>	<p>The Bank's fraud exposure primarily arises from the exploitation of our payment infrastructure and digital channels by external actors, through sophisticated social engineering, mandate fraud, and cyber-enabled account takeover, or the use of our credit facilities for fraudulent gain.</p> <p>We identify and assess fraud risk as a subset of operational risk.</p>	<p>We prioritise sustained investment in advanced detection technologies and regular review of our operating model's adequacy, including targeted recruitment of high-skilled specialists to ensure our control environment and expertise evolve with increasingly sophisticated financial criminal typologies. This allows us to proactively enhance existing controls based on emerging intelligence and the shifting typologies of global fraud networks.</p>	<p>Recognising the evolving landscape of fraud risk against the backdrop of increasing regulatory focus, we continue to invest in our control environment to prevent fraud and remain aligned to our legal and regulatory requirements.</p>
<p>Information security and cyber</p>	<p>Information Security and Cyber risk arises from potential compromise of critical systems and data. The external threat environment has intensified, with ransomware, service disruption and data theft activity widespread and a volatile geopolitical environment potentially increasing the threat to the UK. Attacks are becoming more sophisticated, increasingly leveraging automation and targeting operational vulnerabilities, contributing to a rise in significant incidents across the UK.</p> <p>We identify and assess information security and cyber risk as a subset of operational risk.</p>	<p>We have continued to enhance the Bank's security controls including those related to vulnerability management, identity and access management and endpoint detection.</p> <p>Informed by penetration testing and expert reviews, we are making significant investments in future-ready cyber defences, applying advanced threat intelligence throughout business and risk activities, as well as applying the principal of cyber resilience by design across all our critical services including our supply chain.</p>	<p>Cyber risk is expected to remain elevated as threat actors adopt increasingly advanced techniques and organisations increase their dependence on digital services. Broader technology trends suggest that cyber incidents will continue to be a top operational risk and will continue to evolve our security posture to ensure our controls remain proportionate and effective against emerging threats.</p>

Consolidated statement of comprehensive income

	Notes	Years ended 31 December	
		2025 £'million	2024 £'million
Interest income	2	725.4	935.4
Interest expense	2	(265.1)	(557.5)
Net interest income		460.3	377.9
Fee and commission income	3	96.7	98.0
Fee and commission expense	3	(5.6)	(4.8)
Net fee and commission income		91.1	93.2
Net gains on sale of assets	4	5.2	(101.4)
Other income	5	36.7	35.6
Total income		593.3	405.3
General operating expenses	6	(429.4)	(489.0)
Depreciation and amortisation		(61.7)	(77.3)
Impairment and write-offs of property, plant, equipment and intangible assets		(0.7)	(44.0)
Total operating expenses		(491.8)	(610.3)
Expected credit loss expense	13	(14.3)	(7.1)
Profit/(loss) before tax		87.2	(212.1)
Taxation	7	(17.5)	254.6
Profit for the year		69.7	42.5
Profit attributable to ordinary shareholders		52.4	42.5
Profit attributable to other equity holders		17.3	-
Profit for the year		69.7	42.5

Consolidated statement of comprehensive income

	Notes	Years ended 31 December	
		2025 £'million	2024 £'million
Profit for the year		69.7	42.5
Other comprehensive income for the year			
Items which will be reclassified subsequently to profit or loss:			
Movement in respect of investment securities held at FVOCI (net of tax):			
changes in fair value		4.2	3.4
Total other comprehensive income		4.2	3.4
Total comprehensive income for the year		73.9	45.9
Total comprehensive income attributable to ordinary shareholders		56.6	45.9
Total comprehensive income attributable to other equity holders		17.3	–
Total comprehensive income for the year		73.9	45.9
Earnings per share			
Basic (pence)	16	7.8	6.3
Diluted (pence)	16	7.7	6.3

Consolidated balance sheet

	Notes	Years ended 31 December	
		2025 £million	2024 £million
Cash and balances with the other banks		2,185	2,811
Loans and advances to customers	9	8,823	9,013
Investment securities held at fair value through other comprehensive income	10	218	377
Investment securities held at amortised cost	10	3,942	4,113
Derivative financial assets		23	16
Property, plant and equipment		705	711
Intangible assets		143	127
Prepayments and accrued income		81	93
Deferred tax assets (net)	7	230	240
Other assets		125	82
Total assets		16,475	17,582
Deposits from customers		13,445	14,458
Deposits from central banks		400	400
Debt securities		684	675
Repurchase agreements		73	391
Derivative financial liabilities		-	1
Lease liabilities	11	185	205
Deferred grants		10	13
Provisions		6	11
Other liabilities		188	245
Total liabilities		14,991	16,399
Called-up share capital and share premium	12	146	144
Retained earnings		1,075	1022
Other equity instruments	12	242	-
Other reserves		21	17
Total equity		1,484	1,183
Total equity and liabilities		16,475	17,582

Consolidated statement of changes in equity

For the year ended 31 December 2025

	Called up share capital and share premium £'million	Merger reserve £'million	Retained earnings £'million	FVOCI reserve £'million	Share option reserve £'million	Other equity instruments £'million	Total equity £'million
Balance as at 1 January 2025	144	–	1,022	(7)	24	–	1,183
Profit for the year	–	–	52	–	–	17	69
Other comprehensive expense (net of tax) relating to investment securities designated at fair value through other comprehensive income	–	–	–	4	–	–	4
Total comprehensive income	–	–	52	4	–	17	73
Issuance of shares under existing employee schemes	2	–	–	–	(2)	–	–
Issuance of other equity instruments (net of costs)	–	–	–	–	–	242	242
Equity-settled share-based payment charges	–	–	–	–	3	–	3
Distributions on equity instruments	–	–	–	–	–	(17)	(17)
Other movements in share option charges	–	–	1	–	(1)	–	–
Balance as at 31 December 2025	146	–	1,075	(3)	24	242	1,484
Balance as at 1 January 2024	144	–	978	(11)	23	–	1,134
Profit for the year	–	–	43	–	–	–	43
Other comprehensive income (net of tax) relating to investment securities designated at fair value through other comprehensive income	–	–	–	4	–	–	4
Total comprehensive income	–	–	43	4	–	–	47
Equity-settled share-based payment charges	–	–	–	–	2	–	2
Other movements in share option charges	–	–	1	–	(1)	–	–
Balance as at 31 December 2024	144	–	1,022	(7)	24	–	1,183

Consolidated cash flow statement

	Notes	Years ended 31 December	
		2025 £'million	2024 £'million
Reconciliation of profit/(loss) before tax to net cash flows from operating activities:			
Profit/(loss) before tax		87	(212)
Adjustments for non-cash items	17	(392)	(359)
Interest received		749	948
Interest paid		(320)	(585)
Changes in other operating assets		113	3,320
Changes in other operating liabilities		(1,325)	(4,497)
Net cash (outflows) from operating activities		(1,088)	(1,385)
Cash flows from investing activities			
Sales, redemptions and paydowns of investment securities		1,154	1,017
Purchase of investment securities		(816)	(630)
Purchase of property, plant and equipment		(34)	(41)
Purchase and development of intangible assets		(48)	(19)
Net cash inflows from investing activities		256	327
Cash flows from financing activities			
Repayment of capital elements of leases	11	(19)	(22)
Issuance of shares and other-equity instruments (net of costs)	12	242	–
Distributions on equity instruments	12	(17)	–
Net cash inflows/(outflows) from financing activities		206	(22)
Net (decrease) in cash and cash equivalents		(626)	(1,080)
Cash and cash equivalents at start of year		2,811	3,891
Cash and cash equivalents at end of year		2,185	2,811

1. Basis of preparation and significant accounting policies

Basis of preparation

The financial information in this document is unaudited and does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2024 have been filed with the Registrar of Companies. The report of the auditor on those statutory accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Act. The statutory accounts for the year ended 31 December 2025 will be filed with the Registrar of Companies in accordance with section 441 of the Act. The auditor has not yet reported on these accounts.

2. Net interest income

Interest income

	2025 £'million	2024 £'million
Cash and balances held with other banks	93.8	193.1
Loans and advances to customers	507.9	586.2
Investment securities held at amortised cost	113.4	126.1
Investment securities held at FVOCI	3.9	18.3
Interest income calculated using the effective interest rate method	719.0	923.7
Derivatives in hedge relationships	6.4	11.7
Total interest income	725.4	935.4

Interest expense

	2025 £'million	2024 £'million
Deposits from customers	143.2	303.6
Deposits from central banks	17.0	124.2
Debt securities	85.0	84.8
Lease liabilities	10.5	12.4
Repurchase agreements	7.6	26.5
Interest expense calculated using the effective interest rate method	263.3	551.5
Derivatives in hedge relationships	1.8	6.0
Total interest expense	265.1	557.5

3. Net fee and commission income

	2025 £'million	2024 £'million
Service charges and other fee income	38.3	38.6
Safe deposit box income	20.1	19.0
ATM and interchange fees	38.3	40.4
Fee and commission income	96.7	98.0
Fee and commission expense	(5.6)	(4.8)
Total net fee and commission income	91.1	93.2

4. Net gain/(loss) on sale of assets

	2025 £'million	2024 £'million
Loan portfolios	5.2	(101.4)
Total net gain/(loss) on sale of assets	5.2	(101.4)

5. Other income

	2025 £'million	2024 £'million
Foreign currency transactions	27.0	29.7
Rental income	0.8	1.3
Deferred grant income	2.8	3.4
Gains on lease modification	5.0	–
Other income	1.1	1.2
Total other income	36.7	35.6

6. General operating expenses

	2025 £'million	2024 £'million
People costs	197.8	209.6
Information technology costs	56.4	60.1
Occupancy costs	30.2	30.9
Money transmission and other banking-related costs	43.2	49.3
Transformation costs	14.4	31.1
Remediation costs	1.2	21.3
Capability and Innovation Fund costs	2.7	3.4
Legal and regulatory fees	9.2	9.0
Professional fees	35.4	27.7
Printing, postage and stationery costs	5.5	7.5
Travel costs	1.5	1.4
Marketing costs	6.7	9.4
Other	25.2	28.3
Total general operating expenses	429.4	489.0

7. Taxation

Tax (expense)/credit

	2025 £'million	2024 £'million
Current tax		
Current tax	(9.2)	–
Total current tax (expense)	(9.2)	–
Deferred tax		
Origination and reversal of temporary differences	(12.4)	254.1
Adjustment in respect of prior years	4.1	0.5
Total deferred tax (expense)/credit	(8.3)	254.6
Total tax (expense)/credit	(17.5)	254.6

Reconciliation of the total tax expense

	2025 £'million	Effective tax rate %	2024 £'million	Effective tax rate %
Accounting profit/(loss) before tax	87.2		(212.1)	
Tax (expense)/credit at statutory tax rate of 25% (2024: 25%)	(21.8)	25.0%	53.0	25.0%
Tax effects of:				
Non-deductible expenses – depreciation on non-qualifying fixed assets	(3.0)	3.4%	(3.0)	(1.4%)
Non-deductible expenses – other	(0.1)	0.1%	(7.7)	(3.6%)
AT1 interest	4.3	(5.0%)	–	–
Share-based payments	(1.0)	1.2%	(0.2)	(0.1%)
Adjustment in respect of prior years	4.1	(4.5%)	0.6	0.3%
Movement in recognised deferred tax asset for unused tax losses	–	–	211.9	99.9%
Tax (expense)/credit reported in the consolidated income statement	(17.5)	20.2%	254.6	120.0%

Deferred tax assets

A deferred tax asset must be regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable tax profits from which the future of the underlying timing differences can be deducted.

The following table shows deferred tax recorded in the statement of financial position and changes recorded in the tax expense:

	31 December 2025					
	Unused tax losses £'million	Investment securities and impairments £'million	Share-based payments £'million	Property, plant and equipment £'million	Intangible assets £'million	Total £'million
Deferred tax assets	259	1	–	–	–	260
Deferred tax liabilities	–	1	–	(30)	(1)	(30)
Deferred tax assets (net)	259	2	–	(30)	(1)	230
1 January 2025	269	4	1	(31)	(3)	240
Prior year movement	–	–	–	2	2	4
Income statement	(10)	(1)	(1)	(1)	–	(13)
Other comprehensive income	–	(1)	–	–	–	(1)
31 December 2025	259	2	–	(30)	(1)	230

	31 December 2024					
	Unused tax losses £'million	Investment securities and impairments £'million	Share-based payments £'million	Property, plant and equipment £'million	Intangible assets £'million	Total £'million
Deferred tax assets	269	1	1	–	–	271
Deferred tax liabilities	–	3	–	(31)	(3)	(31)
Deferred tax assets (net)	269	4	1	(31)	(3)	240
1 January 2024	14	6	1	(29)	(5)	(13)
Prior year movement	(1)	(1)	–	–	1	(1)
Income statement	256	–	–	(2)	1	255
Other comprehensive expense	–	(1)	–	–	–	(1)
31 December 2025	269	4	1	(31)	(3)	240

Offsetting of deferred tax assets and liabilities

We have presented all the deferred tax assets and liabilities above on a net basis within the balance sheet. This is on the basis that all our deferred tax assets and liabilities relate to taxes levied by HMRC and we have a legally enforceable right to offset these.

Deferred Tax on unused Tax losses

We have recognised deferred tax assets on all tax losses. Metro Bank has forecasts showing an expectation of future profit which support recognition of the deferred tax asset.

9. Loans and advances to customers

	31 December 2025			31 December 2024		
	Gross carrying amount £'million	ECL allowance £'million	Net carrying amount £'million	Gross carrying amount £'million	ECL allowance £'million	Net carrying amount £'million
Consumer lending	114	(67)	47	745	(108)	637
Retail mortgages	4,940	(16)	4,924	5,145	(15)	5,130
Corporate and commercial lending	3,939	(87)	3,852	3,314	(68)	3,246
Total loans and advances to customers	8,993	(170)	8,823	9,204	(191)	9,013

Gross loans and advances by product category

	31 December 2025 £'million	31 December 2024 £'million
Overdrafts	33	39
Credit cards	13	20
Term loans	63	679
Consumer auto-finance	5	7
Total consumer lending	114	745
Residential owner occupied	3,500	3,692
Retail buy-to-let	1,440	1,453
Total retail mortgages	4,940	5,145
Total retail lending	5,054	5,890
Professional buy-to-let	177	283
Bounce back loans	185	346
Coronavirus business interruption loans	18	47
Recovery loan scheme ¹	166	260
Core corporate and commercial lending	2,363	1,599
Corporate and commercial term loans	2,909	2,535
Overdrafts and revolving credit facilities	221	220
Credit cards	10	7
SME Asset Finance Ltd and SME Invoice Finance Ltd	799	552
Total corporate and commercial lending	3,939	3,314
Gross loans and advances to customers	8,993	9,204

1. Recovery loan scheme includes £45 million acquired from third parties under forward flow arrangements (31 December 2024: £45 million). The loans are held in a trust arrangement in which we hold 99% of the beneficial interest, with the issuer retaining the remaining 1% (the trust retains the legal title loans).

10. Investment securities

	31 December 2025 £'million	31 December 2024 £'million
Investment securities held at FVOCI	218	377
Investment securities held at amortised cost	3,942	4,113
Total investment securities	4,160	4,490

Investment securities held at FVOCI

	31 December 2025 £'million	31 December 2024 £'million
Sovereign bonds	62	149
Covered bonds	31	83
Multi-lateral development bank bonds	125	145
Total investment securities held at FVOCI	218	377

Investment securities held at amortised cost

	31 December 2025 £'million	31 December 2024 £'million
Sovereign bonds	982	875
Residential mortgage-backed securities	935	876
Covered bonds	438	478
Multi-lateral development bank bonds	1,273	1,576
Asset backed securities	314	308
Total investment securities held at amortised cost	3,942	4,113

11. Leases

Lease liabilities

	2025 £'million	2024 £'million
1 January	205	234
Additions and modifications	1	1
Disposals	(13)	(20)
Lease payments made	(19)	(22)
Interest on lease liabilities	11	12
31 December	185	205

Minimum lease payments

	31 December 2025 £'million	31 December 2024 £'million
Within one year	19	20
Due in one to five years	68	74
Due in more than five years	80	101
Total	167	195

12. Share capital, share premium and other equity

Called-up ordinary share capital, issued and fully paid

	2025				
	Number of shares £'million	Share capital £'million	Share premium £'million	Total share capital and share premium £'million	Other equity instruments £'million
At 1 January	673.0	–	144.4	144.4	–
Issued to staff under existing employee share schemes	0.3	0.2	1.4	1.6	–
AT1 securities issuance	–	–	–	–	241.8
At 31 December	673.3	0.2	145.8	146.0	241.8

	2024				
	Number of shares £'million	Share capital £'million	Share premium £'million	Total share capital and share premium £'million	Other equity instruments £'million
At 1 January	672.7	–	144.4	144.4	–
Issued to staff under existing employee share schemes	0.3	–	–	–	–
At 31 December	673.0	–	144.4	144.4	–

Other equity instruments

Other equity instruments of £242 million (31 December 2024: Nil) include AT1 securities issued by Metro Bank Holdings PLC. The AT1 securities are perpetual securities with no fixed maturity or redemption date and are structured to qualify as AT1 instruments under prevailing capital rules applicable as at the relevant issue date.

In 2025, there was one issuance of AT1 instruments, in the form of Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities, for £250 million (2024: Nil). These AT1 securities are classified as an equity instrument under IAS 32 "Financial Instruments: Presentation" with the proceeds recognised in equity net of transaction costs of £8 million. Interest payments on these securities are recognised as distributions from equity in the period in which they are paid.

AT1 equity instruments

	Initial call date	2025 £'million
At 1 January		–
Issued during the year:		
13.875% Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities	26-Mar-30	250
Cost of issuance		(8)
Profit for the year attributable to other equity holders		17
Distributions on other equity instruments		(17)
At 31 December		242

The principal terms of the AT1 securities are described below:

The securities rank behind the claims against Metro Bank PLC of:

- unsubordinated creditors;
- claims which are expressed to be subordinated to the claims of unsubordinated creditors of Metro Bank PLC but not further or otherwise; or
- claims which are, or are expressed to be, junior to the claims of other creditors of Metro Bank PLC, whether subordinated or unsubordinated, other than claims which rank, or are expressed to rank, pari passu with, or junior to, the claims of holders of the AT1 securities.

The securities are undated and are redeemable, at the option of Metro Bank PLC, in whole on:

- the initial reset date, or on any fifth anniversary after the initial reset date; or
- any day falling in a named period ending on the initial reset date, or on any fifth anniversary after the initial reset date. In addition, the AT1 securities are redeemable, at the option of Metro Bank PLC, in whole in the event of certain changes in the tax or regulatory treatment of the securities. Any redemptions require the prior consent of the PRA.

Interest on the securities will be due and payable only at the sole discretion of Metro Bank PLC, and Metro Bank PLC has sole and absolute discretion at all times and for any reason to cancel (in whole or in part) any interest payment that would otherwise be payable on any interest payment date.

13. Expected credit losses and credit risk

Expected credit loss expense

	2025 £'million	2024 £'million
Retail mortgages	1	(4)
Consumer lending ¹	(9)	–
Commercial lending	19	(4)
Write-offs and other movements	3	15
Total expected credit loss expense	14	7

1. Consumer lending and write-offs has been adjusted for the £584 million sale of unsecured personal loans.

Loss allowance

Total loans and advances to customers

£million	Gross carrying amount					Loss allowance					Net carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
1 January 2025	7,723	978	504	(1)	9,204	(39)	(29)	(124)	1	(191)	7,684	949	380	-	9,013
Transfers to/(from) Stage 1 ¹	301	(288)	(13)	-	-	(8)	7	1	-	-	293	(281)	(12)	-	-
Transfers to/(from) Stage 2	(281)	285	(3)	-	1	2	(2)	-	-	-	(279)	283	(3)	-	1
Transfers to/(from) Stage 3	(111)	(37)	148	-	-	-	3	(4)	-	(1)	(111)	(34)	144	-	(1)
Net remeasurement due to transfers ²	-	-	-	-	-	7	(8)	(23)	-	(24)	7	(8)	(23)	-	(24)
New lending ³	2,227	94	2	-	2,323	(14)	(1)	(1)	-	(16)	2,213	93	1	-	2,307
Repayments, additional drawdowns and interest accrued	(384)	(36)	(20)	-	(440)	-	-	-	-	-	(384)	(36)	(20)	-	(440)
Derecognitions ⁴	(1,656)	(283)	(156)	-	(2,095)	15	10	33	-	58	(1,641)	(273)	(123)	-	(2,037)
Changes to model assumptions ⁵	-	-	-	-	-	5	2	(3)	-	4	5	2	(3)	-	4
31 December 2025	7,819	713	462	(1)	8,993	(32)	(18)	(121)	1	(170)	7,787	695	341	-	8,823
Off-balance sheet items															
Commitments and guarantees ⁶					718					-					718

£million	Gross carrying amount					Loss allowance					Net carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
1 January 2024	10,596	1,511	389	-	12,496	(63)	(43)	(93)	-	(199)	10,533	1,468	296	-	12,297
Transfers to/(from) Stage 1 ¹	385	(368)	(17)	-	-	(11)	10	1	-	-	374	(358)	(16)	-	-
Transfers to/(from) Stage 2	(409)	416	(7)	-	-	2	(2)	-	-	-	(407)	414	(7)	-	-
Transfers to/(from) Stage 3	(192)	(100)	292	-	-	4	7	(11)	-	-	(188)	(93)	281	-	-
Net remeasurement due to transfers ²	-	-	-	-	-	9	(13)	(40)	-	(44)	9	(13)	(40)	-	(44)
New lending ³	1,717	147	-	-	1,864	(11)	(3)	(1)	-	(15)	1,706	144	(1)	-	1,849
Repayments, additional drawdowns and interest accrued	(619)	(121)	(32)	(1)	(773)	-	-	-	-	-	(619)	(121)	(32)	(1)	(773)
Derecognitions ⁴	(3,755)	(507)	(121)	-	(4,383)	11	11	20	-	42	(3,744)	(496)	(101)	-	(4,341)
Changes to model assumptions ⁵	-	-	-	-	-	20	4	-	1	25	20	4	-	1	25
31 December 2024	7,723	978	504	(1)	9,204	(39)	(29)	(124)	1	(191)	7,684	949	380	-	9,013
Off-balance sheet items															
Commitments and guarantees ⁶					718					-					718

1. Represents stage transfers prior to any ECL remeasurements.

2. Represents the remeasurement between the 12 month and lifetime ECL due to stage transfer. In addition, it includes any ECL change resulting from model assumptions and forward-looking information on these loans.

3. Represents the increase in balances resulting from loans and advances that have been newly originated, purchased or renewed as well as any ECL that has been recognised in relation to these loans during the year.

4. Represents the decrease in balances resulting from loans and advances that have been fully repaid, sold or written off.

5. Represents the change in ECL to those loans that remain within the same stage through the year.

Retail mortgages

£million	Gross carrying amount					Loss allowance					Net carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
	1 January 2025	4,358	584	203	-	5,145	(4)	(4)	(7)	-	(15)	4,354	580	196	-
Transfers to/(from) Stage 1	212	(202)	(10)	-	-	(1)	1	-	-	-	211	(201)	(10)	-	-
Transfers to/(from) Stage 2	(142)	145	(3)	-	-	-	-	-	-	-	(142)	145	(3)	-	-
Transfers to/(from) Stage 3	(48)	(24)	72	-	-	-	1	(1)	-	-	(48)	(23)	71	-	-
Net remeasurement due to transfers	-	-	-	-	-	1	(1)	(2)	-	(2)	1	(1)	(2)	-	(2)
New lending	605	66	1	-	672	(1)	-	-	-	(1)	604	66	1	-	671
Repayments, additional drawdowns and interest accrued	(107)	(9)	1	-	(115)	-	-	-	-	-	(107)	(9)	1	-	(115)
Derecognitions	(654)	(64)	(44)	-	(762)	-	-	2	-	2	(654)	(64)	(42)	-	(760)
31 December 2025	4,224	496	220	-	4,940	(5)	(3)	(8)	-	(16)	4,219	493	212	-	4,924

£million	Gross carrying amount					Loss allowance					Net carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
	1 January 2024	6,887	784	146	-	7,817	(7)	(6)	(6)	-	(19)	6,880	778	140	-
Transfers to/(from) Stage 1	146	(138)	(8)	-	-	(1)	1	-	-	-	145	(137)	(8)	-	-
Transfers to/(from) Stage 2	(171)	173	(2)	-	-	-	-	-	-	-	(171)	173	(2)	-	-
Transfers to/(from) Stage 3	(53)	(46)	99	-	-	-	1	(1)	-	-	(53)	(45)	98	-	-
Net remeasurement due to transfers	-	-	-	-	-	1	(1)	(2)	-	(2)	1	(1)	(2)	-	(2)
New lending	728	126	-	-	854	(1)	(2)	-	-	(3)	726	124	-	-	851
Repayments, additional drawdowns and interest accrued	(113)	(13)	1	-	(124)	-	-	-	-	-	(113)	(12)	1	-	(124)
Derecognitions	(3,066)	(303)	(33)	-	(3,402)	3	2	2	-	7	(3,063)	(301)	(31)	-	(3,395)
Changes to model assumptions	-	-	-	-	-	1	1	-	-	2	1	1	-	-	2
31 December 2024	4,358	584	203	-	5,145	(4)	(4)	(7)	-	(15)	4,354	580	196	-	5,130

Consumer lending

£million	Gross carrying amount					Loss allowance					Net carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
1 January 2025	496	153	97	(1)	745	(12)	(9)	(88)	1	(108)	484	144	9	-	637
Transfers to/(from) Stage 1	7	(6)	(1)	-	-	(2)	1	1	-	-	5	(5)	-	-	-
Transfers to/(from) Stage 2	(1)	1	-	-	-	-	-	-	-	-	(1)	1	-	-	-
Transfers to/(from) Stage 3	(1)	(4)	5	-	-	-	1	(1)	-	-	(1)	(3)	4	-	-
Net remeasurement due to transfers	-	-	-	-	-	2	-	(3)	-	(1)	2	-	(3)	-	(1)
New lending	4	-	-	-	4	-	-	-	-	-	4	-	-	-	4
Repayments, additional drawdowns and interest accrued	(12)	-	(5)	-	(17)	-	-	-	-	-	(12)	-	(5)	-	(17)
Derecognitions	(456)	(140)	(22)	-	(618)	11	6	20	-	37	(445)	(134)	(2)	-	(581)
Changes to model assumptions	-	-	-	-	-	1	-	4	-	5	1	-	4	-	5
31 December 2025	37	4	74	(1)	114	-	(1)	(67)	1	(67)	37	3	7	-	47

£million	Gross carrying amount					Loss allowance					Net carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
1 January 2024	906	314	77	-	1,297	(26)	(16)	(66)	-	(108)	880	298	11	-	1,189
Transfers to/(from) Stage 1	80	(79)	(1)	-	-	(3)	3	-	-	-	77	(76)	(1)	-	-
Transfers to/(from) Stage 2	(74)	74	-	-	-	1	(1)	-	-	-	(73)	73	-	-	-
Transfers to/(from) Stage 3	(27)	(14)	41	-	-	1	4	(5)	-	-	(26)	(10)	36	-	-
Net remeasurement due to transfers	-	-	-	-	-	2	(4)	(25)	-	(27)	2	(4)	(25)	-	(27)
New lending	4	-	-	-	4	-	-	-	-	-	4	-	-	-	4
Repayments, additional drawdowns and interest accrued	(226)	(83)	(10)	(1)	(320)	-	-	-	-	-	(226)	(83)	(10)	(1)	(320)
Derecognitions	(167)	(59)	(10)	-	(236)	4	2	9	-	15	(163)	(57)	(1)	-	(221)
Changes to model assumptions	-	-	-	-	-	9	3	(1)	1	12	9	3	(1)	1	12
31 December 2024	496	153	97	(1)	745	(12)	(9)	(88)	1	(108)	484	144	9	-	637

Corporate and commercial lending

£million	Gross carrying amount					Loss allowance					Net carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
1 January 2025	2,869	241	204	-	3,314	(23)	(16)	(29)	-	(68)	2,846	225	175	-	3,246
Transfers to/(from) Stage 1	82	(80)	(2)	-	-	(5)	5	-	-	-	77	(75)	(2)	-	-
Transfers to/(from) Stage 2	(138)	139	-	-	1	2	(2)	-	-	-	(136)	137	-	-	1
Transfers to/(from) Stage 3	(62)	(9)	71	-	-	-	1	(2)	-	(1)	(62)	(8)	69	-	(1)
Net remeasurement due to transfers	-	-	-	-	-	4	(7)	(18)	-	(21)	4	(7)	(18)	-	(21)
New lending	1,619	28	1	-	1,648	(13)	(1)	(1)	-	(15)	1,606	27	-	-	1,633
Repayments, additional drawdowns and interest accrued	(265)	(27)	(16)	-	(308)	-	-	-	-	-	(265)	(27)	(16)	-	(308)
Derecognitions	(547)	(79)	(90)	-	(716)	4	4	11	-	19	(543)	(75)	(79)	-	(697)
Changes to model assumptions	-	-	-	-	-	4	2	(7)	-	(1)	4	2	(7)	-	(1)
31 December 2025	3,558	213	168	-	3,939	(27)	(14)	(46)	-	(87)	3,531	199	122	-	3,852

£million	Gross carrying amount					Loss allowance					Net carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
1 January 2024	2,803	413	166	-	3,382	(30)	(21)	(21)	-	(72)	2,773	392	145	-	3,310
Transfers to/(from) Stage 1	159	(151)	(8)	-	-	(7)	6	1	-	-	152	(145)	(7)	-	-
Transfers to/(from) Stage 2	(164)	169	(5)	-	-	1	(1)	-	-	-	(163)	168	(5)	-	-
Transfers to/(from) Stage 3	(112)	(40)	152	-	-	3	2	(5)	-	-	(109)	(38)	147	-	-
Net remeasurement due to transfers	-	-	-	-	-	6	(9)	(13)	-	(16)	6	(9)	(13)	-	(16)
New lending	984	21	1	-	1,006	(10)	(1)	(1)	-	(12)	974	20	-	-	994
Repayments, additional drawdowns and interest accrued	(279)	(26)	(24)	-	(329)	-	-	-	-	-	(279)	(26)	(24)	-	(329)
Derecognitions	(522)	(145)	(78)	-	(745)	4	7	9	-	20	(518)	(138)	(69)	-	(725)
Changes to model assumptions	-	-	-	-	-	10	1	1	-	12	10	1	1	-	12
31 December 2024	2,869	241	204	-	3,314	(23)	(16)	(29)	-	(68)	2,846	225	175	-	3,246

Credit risk exposures

Retail mortgages

£million	31 December 2025				31 December 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	POCI Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	POCI Lifetime ECL
	Up to date	4,221	450	59	–	4,356	504	57
1 to 29 days past due	3	17	9	–	2	21	11	–
30 to 89 days past due	–	29	31	–	–	59	21	–
90+ days past due	–	–	121	–	–	–	114	–
Gross carrying amount	4,224	496	220	–	4,358	584	203	–

Consumer lending

£million	31 December 2025				31 December 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	POCI Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	POCI Lifetime ECL
	Up to date	36	2	4	–	496	141	2
1 to 29 days past due	–	1	–	–	–	2	1	–
30 to 89 days past due	1	1	1	–	–	10	5	–
90+ days past due	–	–	69	(1)	–	–	89	–
Gross carrying amount	37	4	74	(1)	496	153	97	1

Corporate and commercial lending

£million	31 December 2025				31 December 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	POCI Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	POCI Lifetime ECL
	Up to date	3,544	176	78	–	2,842	204	86
1 to 29 days past due	14	28	5	–	27	16	2	–
30 to 89 days past due	–	9	5	–	–	21	60	–
90+ days past due	–	–	80	–	–	–	56	–
Gross carrying amount	3,558	213	168	–	2,869	241	204	–

Credit risk concentration

Retail mortgage lending by repayment type

	31 December 2025 £'million			31 December 2024 £'million		
	Retail owner occupied	Retail buy-to-let	Total retail mortgages	Retail owner occupied	Retail buy-to-let	Total retail mortgages
Interest only	1,180	1,378	2,558	1,330	1,398	2,728
Capital and repayment	2,320	62	2,382	2,362	55	2,417
Total retail mortgage lending	3,500	1,440	4,940	3,692	1,453	5,145

Retail mortgage lending by geographic exposure

	31 December 2025 £'million			31 December 2024 £'million		
	Retail owner occupied	Retail buy-to-let	Total retail mortgages	Retail owner occupied	Retail buy-to-let	Total retail mortgages
Greater London	1,211	776	1,987	1,324	808	2,132
South-east	919	286	1,205	975	283	1,258
South-west	299	66	365	313	63	376
East of England	364	115	479	379	114	493
North-west	156	47	203	155	44	199
West Midlands	147	53	200	154	47	201
Yorkshire and the Humber	117	25	142	107	25	132
East Midlands	103	42	145	104	40	144
Wales	65	12	77	67	13	80
North-east	34	7	41	34	7	41
Scotland	85	11	96	80	9	89
Total retail mortgage lending	3,500	1,440	4,940	3,692	1,453	5,145

Retail mortgage lending by DTV

	31 December 2025 £'million			31 December 2024 £'million		
	Retail owner occupied	Retail buy-to-let	Total retail mortgages	Retail owner occupied	Retail buy-to-let	Total retail mortgages
Less than 50%	1,140	212	1,352	1,282	263	1,545
51-60%	489	182	671	601	210	811
61-70%	603	394	997	611	417	1,028
71-80%	771	628	1,399	761	543	1,304
81-90%	438	23	461	397	16	413
91-100%	58	-	58	39	3	42
More than 100%	1	1	2	1	1	2
Total retail mortgage lending	3,500	1,440	4,940	3,692	1,453	5,145

Corporate and commercial lending – excluding BBLs by repayment type

	31 December 2025 £'million			31 December 2024 £'million		
	Professional buy-to-let	Other term loans	Total corporate and commercial term loans	Professional buy-to-let	Other term loans	Total corporate and commercial term loans
Interest only	172	650	822	270	393	663
Capital and repayment	5	1,897	1,902	13	1,513	1,526
Total corporate and commercial term loans	177	2,547	2,724	283	1,906	2,189

Corporate and commercial term lending – excluding BBLs by geographic exposure

	31 December 2025 £'million			31 December 2024 £'million		
	Professional buy-to-let	Other term loans	Total corporate and commercial term loans	Professional buy-to-let	Other term loans	Total corporate and commercial term loans
Greater London	100	1,025	1,125	181	813	994
South-east	42	442	484	48	334	382
South-west	7	122	129	10	90	100
East of England	10	224	234	20	200	220
North-west	4	101	105	7	115	122
West Midlands	3	273	276	3	185	188
Yorkshire and the Humber	2	56	58	2	11	13
East Midlands	5	64	69	6	55	60
Wales	2	24	26	2	4	6
North-east	1	71	72	2	73	75
Scotland	–	67	67	–	3	3
Northern Ireland	1	1	2	1	1	2
National	–	77	77	1	22	23
Total corporate and commercial term loans	177	2,547	2,724	283	1,906	2,189

Corporate and commercial term lending – excluding BLS by sector exposure

	31 December 2025 £million			31 December 2024 £million		
	Professional buy-to-let	Other term loans	Total corporate and commercial term loans	Professional buy-to-let	Other term loans	Total corporate and commercial term loans
Real estate (rent, buy and sell)	177	486	663	283	414	697
Hospitality	–	736	736	–	442	442
Health and social work	–	584	584	–	430	430
Legal, accountancy and consultancy	–	254	254	–	207	207
Retail	–	208	208	–	122	122
Real estate (develop)	–	14	14	–	14	14
Recreation, cultural and sport	–	74	74	–	82	82
Construction	–	24	24	–	36	36
Education	–	7	7	–	13	13
Real estate (management of)	–	4	4	–	5	5
Investment and unit trusts	–	48	48	–	6	6
Other	–	108	108	–	135	135
Total corporate and commercial term loans	177	2,547	2,724	283	1,906	2,189

14. Legal and regulatory matters

As part of the normal course of business we are subject to legal and regulatory matters. It is not always practicable to predict the outcome, if any, of certain matters or reliably estimate any financial impact, and in such cases, a provision may not be recognised in the financial statements but a contingent liability disclosed. Any inclusion does not constitute an admission of wrongdoing or legal liability. As at 31 December 2025, we do not have any material contingent liabilities.

15. Fair value of financial instruments

	31-Dec-25				
	Carrying value £'million	Quoted market price Level 1 £'million	Using observable inputs Level 2 £'million	With significant unobservable inputs Level 3 £'million	Total fair value £'million
Assets					
Loans and advances to customers	8,823	–	–	8,867	8,867
Investment securities held at fair value through other comprehensive income	218	218	–	–	218
Investment securities held at amortised cost	3,942	2,641	1,250	–	3,891
Derivative financial assets	23	–	23	–	23
Liabilities					
Deposits from customers	13,445	–	–	13,444	13,444
Deposits from central banks	400	–	–	400	400
Debt securities	684	–	780	–	780
Repurchase agreements	73	–	–	73	73
	31-Dec-24				
	Carrying value £'million	Quoted market price Level 1 £'million	Using observable inputs Level 2 £'million	With significant unobservable inputs Level 3 £'million	Total fair value £'million
Assets					
Loans and advances to customers	9,013	–	–	8,981	8,981
Investment securities held at fair value through other comprehensive income	377	377	–	–	377
Investment securities held at amortised cost	4,113	2,857	1,122	–	3,979
Derivative financial assets	16	–	16	–	16
Liabilities					
Deposits from customers	14,458	–	–	14,458	14,458
Deposits from central banks	400	–	–	400	400
Debt securities	675	–	711	–	711
Derivative Financial Liabilities	1	–	1	–	1
Repurchase agreements	391	–	–	391	391

Information on how fair values are calculated are explained below:

Loans and advances to customers

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date, adjusted for future credit losses and prepayments, if considered material.

Investment securities

The fair value of investment securities is based on either observed market prices for those securities that have an active trading market (fair value Level 1 assets) or using observable inputs (in the case of fair value Level 2 assets).

Deposits from customers

Fair values are estimated using discounted cash flows, applying current rates offered for deposits of similar remaining maturities. The fair value of a deposit repayable on demand is approximated by its carrying value.

Debt securities

Fair values are determined using the quoted market price at the balance sheet date.

Deposits from central banks/repurchase agreements

Fair values are estimated using discounted cash flows, applying current rates. Fair values approximate carrying amounts as their balances are either short-dated or are on a variable rate which aligns to the current market rate.

Derivative financial assets

The fair values of derivatives are obtained from discounted cash flow models as appropriate.

16. Earnings per share

Basic earnings per share ('EPS') is calculated by dividing the profit/(loss) attributable to ordinary shareholders of Metro Bank by the weighted average number of ordinary shares in issue during the period.

Diluted EPS has been calculated by dividing the profit attributable to our ordinary shareholders by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares that would be issued on the conversion to shares of options granted to colleagues.

	2025	2024
Profit/(loss) attributable to ordinary shareholders (£'million)	52.4	42.5
Weighted average number of ordinary shares in issue (thousands)		
Basic	673,151	672,784
Adjustment for share awards	7,979	2,466
Diluted	681,130	675,250
Earnings per share (pence)		
Basic	7.8	6.3
Diluted	7.7	6.3

17. Non-cash items

	2025 £'million	2024 £'million
Interest receivable	(725)	(935)
Interest payable	265	558
Depreciation and amortisation	62	77
Impairment and write-offs of property, plant, equipment and intangible assets	1	44
Expected credit loss expense	14	7
Share option charge	3	2
Grant income recognised in the income statement	(3)	(3)
Amounts provided for (net of amounts released)	(4)	(8)
Gain/(loss) on sale of assets	(5)	(101)
Total adjustments for non-cash items	(392)	(359)

18. Post balance sheet events

There are no post balance sheets to note.

Reconciliation from statutory to underlying results

Year ended 31 December 2025	Statutory basis £'million	Impairment and write-off of property, plant, equipment and intangible assets £'million	Net C&I costs £'million	Transformation costs £'million	Remediation costs £'million	Portfolio Sales £'million	Cost associated with capital raise £'million	Underlying basis £'million
Net interest income	460.3	-	-	-	-	-	-	460.3
Net fee and commission income	91.1	-	-	-	-	-	-	91.1
Net gains on sale of assets	5.2	-	-	-	-	(5.2)	-	-
Other income	36.7	-	(2.8)	-	-	(0.2)	-	33.7
Total income	593.3	-	(2.8)	-	-	(5.4)	-	585.1
General operating expenses	(429.4)	-	2.8	14.4	1.2	-	-	(411.0)
Depreciation and amortisation	(61.7)	-	-	-	-	-	-	(61.7)
Impairment and write-offs of PPE and intangible assets	(0.7)	0.7	-	-	-	-	-	-
Total operating expenses	(491.8)	0.7	2.8	14.4	1.2	-	-	(472.7)
Expected credit loss expense	(14.3)	-	-	-	-	-	-	(14.3)
Profit before tax	87.2	0.7	-	14.4	1.2	(5.4)	-	98.1

Year ended 31 December 2024	Statutory basis £'million	Impairment and write-off of property, plant, equipment and intangible assets £'million	Net C&I costs £'million	Transformation costs £'million	Remediation costs £'million	Portfolio Sales £'million	Cost associated with capital raise £'million	Underlying basis £'million
Net interest income	377.9	-	-	-	-	-	-	377.9
Net fee and commission income	93.2	-	-	-	-	-	-	93.2
Net loss on sale of assets	(101.4)	-	-	-	-	101.4	-	-
Other income	35.6	-	(3.4)	-	-	0.2	-	32.4
Total income	405.3	-	(3.4)	-	-	101.6	-	503.5
General operating expenses	(489.0)	-	3.4	31.1	21.3	-	0.1	(433.1)
Depreciation and amortisation	(77.3)	-	-	-	-	-	-	(77.3)
Impairment and write-offs of PPE and intangible assets	(44.0)	44.0	-	-	-	-	-	-
Total operating expenses	(610.3)	44.0	3.4	31.1	21.3	-	0.1	(510.4)
Expected credit loss expense	(7.1)	-	-	-	-	-	-	(7.1)
Loss before tax	(212.1)	44.0	-	31.1	21.3	101.6	0.1	(14.0)

Capital information

Key metrics

	31 December 2025 £'million	31 December 2024 £'million
Available capital		
CET1 capital	840	808
Additional Tier 1 capital	242	-
Tier 1 capital	1,082	808
Total capital	1,232	958
Total capital plus MREL	1,754	1,479
Risk-weighted assets		
Total risk-weighted assets	6,711	6,442
Risk-based capital ratios as % of risk-weighted assets		
CET1 ratio	12.5%	12.5%
Tier 1 ratio	16.1%	12.5%
Total capital ratio	18.4%	14.9%
Total capital plus MREL ratio	26.1%	23.0%
Additional CET1 buffer requirements as % of risk-weighted assets		
Capital conservation buffer requirement	2.5%	2.5%
Countercyclical buffer requirement	2.0%	2.0%
Total of bank CET1 specific buffer requirements	4.5%	4.5%
Leverage ratio		
UK leverage ratio	7.8%	5.6%
Liquidity coverage ratio		
Liquidity coverage ratio	306%	337%

Leverage ratio

The table below shows our Tier 1 Capital and Total Leverage Exposure that are used to derive the UK leverage ratio. The UK leverage ratio is the ratio of Tier 1 Capital to Total Leverage exposure.

	31 December 2025 £'million	31 December 2024 £'million
Common equity tier 1 capital	840	808
Additional tier 1 capital	242	-
Tier 1 capital	1,082	808
UK leverage exposure	13,837	14,417
UK leverage ratio	7.8%	5.6%

Liquidity coverage ratio

The table below shows the bank's Total HQLA and total net cash outflow that are used to derive the liquidity coverage ratio.

	31 December 2025 £'million	31 December 2024 £'million
Total high-quality liquid assets	5,459	6,071
Total net cash outflow	1,782	1,799
Liquidity coverage ratio	306%	337%

Capital resources

The table below summarises the composition of regulatory capital on a proforma basis, including the profit for the year.

	31 December 2025 £'million	31 December 2024 £'million
Share capital and premium	146	144
Retained earnings	1,075	1,022
Other reserves	21	18
Intangible assets	(143)	(127)
Other regulatory adjustments	(259)	(249)
CET 1 capital	840	808
Additional Tier 1 capital	242	–
Tier 1 capital	1,082	808
Tier 2 capital	150	150
Total capital resources	1,232	958
MREL eligible debt	522	521
TCR + MREL	1,754	1,479

Risk-weighted assets

	31 December 2025 £'million	31 December 2024 £'million
Credit Risk	5,947	5,703
Operational Risk	759	720
Counterparty Credit Risk	5	19
Total risk-weighted assets	6,711	6,442

Our capital adequacy was in excess of the minimum required by the regulators at all times.