

23 January 2019

METRO BANK PLC

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METRO BANK ANNOUNCES FY 2018 RESULTS PREVIEW AND TRADING UPDATE

FY 2018 results preview (unaudited)

	FY 31 December 2018 (unaudited)	FY 31 December 2017 (audited)	Change From Full Year 2017
Assets	£21.7bn	£16.4bn	32%
Loans	£14.2bn	£9.6bn	48%
Deposits	£15.7bn	£11.7bn	34%
Loan to Deposit ratio	91%	82%	
Underlying¹ profit before tax	£50m	£21m	138%
Underlying¹ EPS (basic)	40p	19p	111%

1. Underlying excludes Listing Share Awards, impairment of property, plant & equipment ("PPE") and intangible assets and costs relating to the RBS alternative remedies package application

Recent trading

Trading in the fourth quarter continued the trends witnessed in the first three quarters led by over 100,000 new customer accounts joining the bank. During the fourth quarter we opened stores in Bath, Crawley, Northampton, Putney, Ashford, and Piccadilly and neared completion of Moorgate, which opened in early January. Metro Bank now has 66 stores ranging from Canterbury in the East to Bristol in the West of England with a further seven stores in advanced planning stages or under construction.

Deposits reached £15.7bn as at 31 December 2018, an increase of 34% vs 2017, following quarterly growth of £848m. Deposit growth per store per month for 2018 was £5.9m (2017 £6.3m). Customer loans totaled £14.2bn, an increase of 48% vs 2017, following quarterly growth of £1.1bn. Total assets were £21.7bn, an increase of 32% vs 2017. Risk weighted assets at full year are expected to be approximately £8.9bn with the increase driven by both net loan growth and an adjustment in the risk weighting of certain commercial loans secured on property and certain specialist BTL loans to large portfolio landlords. Total capital ratio is expected to be approximately 15.8% as at December 31 2018.

Underlying profit before tax of £50m for 2018 grew by 138% vs 2017, but softened as the last quarter progressed. Management intends to give an update on outlook at the full year results on 27 February 2019.

Commenting on today's announcement, Craig Donaldson, CEO, said:

"2018 was another strong year of growth for Metro Bank as we continued to invest in both new stores and digital capabilities to win customers, deposits, assets and to create FANS. Metro Bank remains well positioned to support our growth strategy as we navigate an uncertain period for the UK."

Investor and analyst conference call

Metro Bank will host a conference call for analysts and investors at 7.30am (GMT) today to discuss this update. Please dial +44 333 300 0804 to access the call, using PIN 13872129#. A recording of this conference call will be available using the same dial-in details.

This is a trading update containing unaudited results and estimates subject to finalisation in conjunction with the full year results.

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future performance, anticipated events or trends and other matters that are not historical facts. These forward-looking statements, which sometimes use words such as "aim", "anticipate", "believe", "intend", "plan" "estimate", "expect" and words of similar meaning, include all matters that are not historical facts and reflect the directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. These statements are subject to unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Statements contained in this Announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this Announcement is subject to change without notice and, except as required by applicable law, the Company does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. You should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement. No statement in this announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company. The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares. Past performance is no guide for future performance and persons reading this announcement should consult an independent financial adviser.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR") and was authorised for release by David Arden, Chief Financial Officer.

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About Metro Bank

Metro Bank is the revolution in British banking. It is celebrated for its exceptional customer experience and was awarded 'Best All Round Personal Finance Provider' at the Moneynet Personal Finance Awards 2019, as well as 'Most Trusted Financial Provider' at the Moneywise Customer Service Awards in 2016 and 2017 and 'Best Financial Provider' at the Evening Standard Business Awards 2017. It is also recognised by Glassdoor in its 'Best Place to Work UK 2019' top 50 list.

Offering retail, business, commercial and private banking services, it prides itself on using technology to give customers the choice to bank however, whenever and wherever they choose. Whether that's through its growing network of stores open seven days a week, from early in the morning to late at night, 362 days a year; on the phone through its UK-based 24/7 contact centres manned by people not machines; or online through its internet banking or award-winning mobile app: the bank offers customers real choice.

The bank employs over 3,900 colleagues and is headquartered in Holborn, London.

Metro Bank PLC. Registered in England and Wales. Company number: 6419578. Registered office: One Southampton Row, London, WC1B 5HA. 'Metrobank' is the registered trade mark of Metro Bank PLC.

It is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Most relevant deposits are protected by the Financial Services Compensation Scheme. For further information about the Scheme refer to the FSCS website www.fscs.org.uk.

All Metro Bank products are subject to status and approval.

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