

**SKIPTON BUILDING SOCIETY ANNOUNCES THE PURCHASE AND
CANCELLATION OF £10,000,000 STEP-UP CALLABLE FIXED RATE
SUBORDINATED NOTES DUE 2019**

London - 30 September 2014

NOTICE IS HEREBY GIVEN that pursuant to Condition 6(e) (*Redemption and Purchase - Purchase*) of the terms and conditions (the "**Conditions**") of the £10,000,000 Step-Up Callable Fixed Rate Subordinated Notes due 2019 (ISIN: XS0096217178) (the "**Notes**"), Skipton Building Society purchased all of the outstanding Notes on 30 September 2014. Pursuant to the requirements of Condition 6(f), the Notes will be cancelled.

Holders should contact the following for further information:

Jeremy Helme
Head of Capital Markets
Skipton Building Society
01756 705978
investor.relations@skipton.co.uk