

# SpareBank 1 Østlandet - approval of the 2019 annual financial statements

The Supervisory Board of SpareBank 1 Østlandet met on 26 March. Because of the Corona situation the meeting was held electronically. The supervisory board approved the financial statements presented with notes and reports as the group's annual report for 2019. See additional information in supervisory board's minutes (separate note).

The cash dividend on the bank's equity certificates for 2019 was, according to stock exchange announcement published 19 March 2020, reduced from 5.72 NOK to 4.58 NOK. The dividend is payable on 7 April 2020.

In its meeting the Supervisory Board also decided to reduce the customer dividends from 266 million MNOK to 208 MNOK for 2019, according to the stock exchange announcement of 19 March. The customer dividends are distributed among customers with loans and/or deposits in the bank, and was reduced proportionate with the owners' dividends enabling a stable ownership ratio. The payment date will be 24 April 2020. Furthermore NOK 737 million and NOK 271 million were added to the dividend equalization fund and the primary capital respectively, in addition to a provision of NOK 26 million for gifts.

The Supervisory Board considers that the bank as per tradition has a strong capital and liquidity position considerably above regulatory requirements going into the crisis. This gives the bank a strong basis to endure simultaneous increased delinquencies, increased losses and credit growth.

The Supervisory Board is focused on serving the owners of the bank. They constitute both community-oriented institutions like the savings bank foundation and LO (Norwegian confederation of trade unions), which themselves provide strong support in the local community and to the union members through a difficult time. In addition, the bank has a large base of retail investors who have invested their savings in the SPOL equity certificate with confidence in the bank through a conservative lending practice, solid capital situation and profitable operations will provide a stable cash dividend.

Sparebankstiftelsen Hedmark ("the Foundation") is the owner of 52.1 % of SpareBank 1 Østlandet's listed equity capital certificates. In addition, the Foundation has a liquidity reserve of approximately NOK 1.9 billion. As a long-term owner and regional community developer, the Foundation is committed to minimizing the human and economic impact of the crisis they are part of. SpareBank 1 Østlandet is an important capital source for businesses and households in the region. To ensure the bank's purpose and soundness in the demanding time ahead of us, the Foundation's Board of Directors has decided that the entire dividend The Foundation receives for the financial year 2019 will be set aside as a reserve in case of any need for new capital injection to SpareBank 1 Østlandet. In this way, the Foundation wants to contribute to SpareBank 1 Østlandet being even better equipped to assist companies and private customers in the region through a difficult time. The Foundation will at the same time continue its support for charitable causes throughout the crisis.

This information is subject of the disclosure requirements acc. to § 5-12 vphl (Norwegian Securities Trading Act).

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