



Bank 1 Oslo Akershus

Presentation 1st quarter 2016



Oslo, April 15th 2016

Highlights

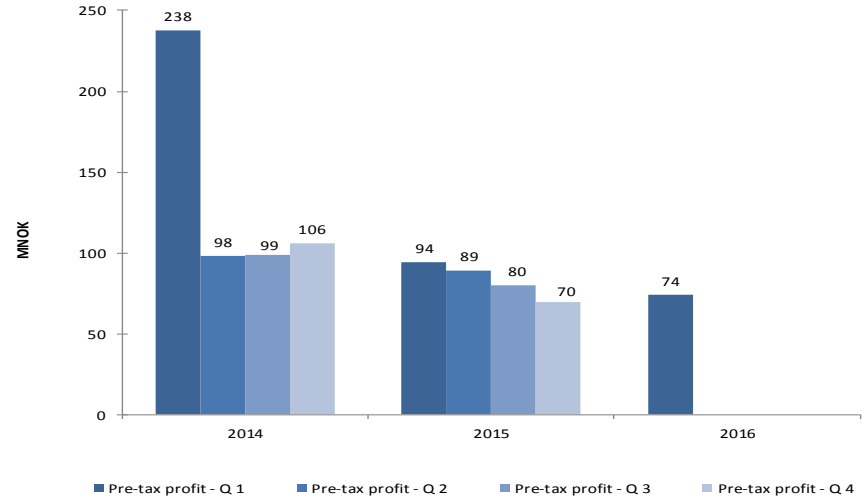
Bank 1 Oslo Akershus (group)

- Net profit: NOK 57 million (NOK 76 million)
- Return on equity: 7.3 % (10.4 %)
- Net interest income: NOK 120 million (NOK 112 million)
- Net commissions and other operating income: NOK 126 million (NOK 142 million)
- Net income from financial investments: NOK 10 million (NOK 13 million)
- Operating costs: NOK 183 million (NOK 181 million)
- Losses on loans and guarantees: net recoveries on losses of NOK 0,1 million (net recoveries on losses of NOK 7 million)
- Lending growth over last 12 months, incl. SpareBank 1 Boligkreditt: 11.4% (8.6 %)
- Growth in deposits over last 12 months: 15.0 % (14.2 %)
- Common equity tier 1 capital ratio: 13.7 % (14.0 %)

Highlights

Bank 1 Oslo Akershus (group)

- Pre-tax profit of MNOK 74 (MNOK 94) in Q1 2016.
- Profits decreased due to the lower commissions from SpareBank 1 Boligkreditt and real estate brokerage (EiendomsMegler 1).
- Pre-tax profit from real estate broker EiendomsMegler 1 was MNOK -4,1 (MNOK -0,3).



Profits and ratios

Bank 1 Oslo Akershus (group)

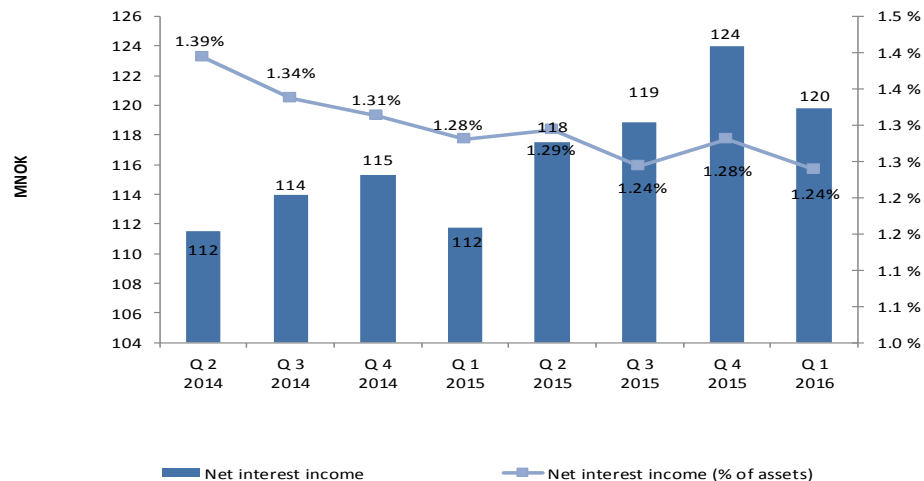
<i>MNOK</i>	Q 1	Q 1	Year	
	2016	2015	2015	2014
Net interest income	120	112	472	459
Other operating income	136	156	579	783
Operating expences	183	181	737	719
Operating profit before losses	74	87	314	523
Loan losses	0	-7	-18	-18
Operating profit before tax	74	94	333	541
Tax	16	18	79	89
Net profit	57	76	254	452

Key figures	Q 1	Q 1	Year	
	2016	2015	2015	2014
Net interest income	1.24 %	1.28 %	1.27 %	1.39 %
Cost-income ratio (Parent)	70.6 %	63.8 %	62.0 %	58.6 %
Cost-income ratio (Group)	71.3 %	67.5 %	70.1 %	57.9 %
Return on equity (Parent)	5.9 %	6.7 %	7.2 %	15.3 %
Return on equity (Group)	7.3 %	10.4 %	8.4 %	16.2 %
Deposit to loan ratio (Group)	75.7 %	73.4 %	73.9 %	79.1 %
Capital adequacy ratio (Group)	17.0 %	17.0 %	17.8 %	16.5 %
Core capital adequacy ratio (Group)	14.8 %	14.9 %	15.9 %	15.0 %
Core tier one (Group)	13.7 %	14.0 %	15.3 %	14.6 %

Lending and net interest income

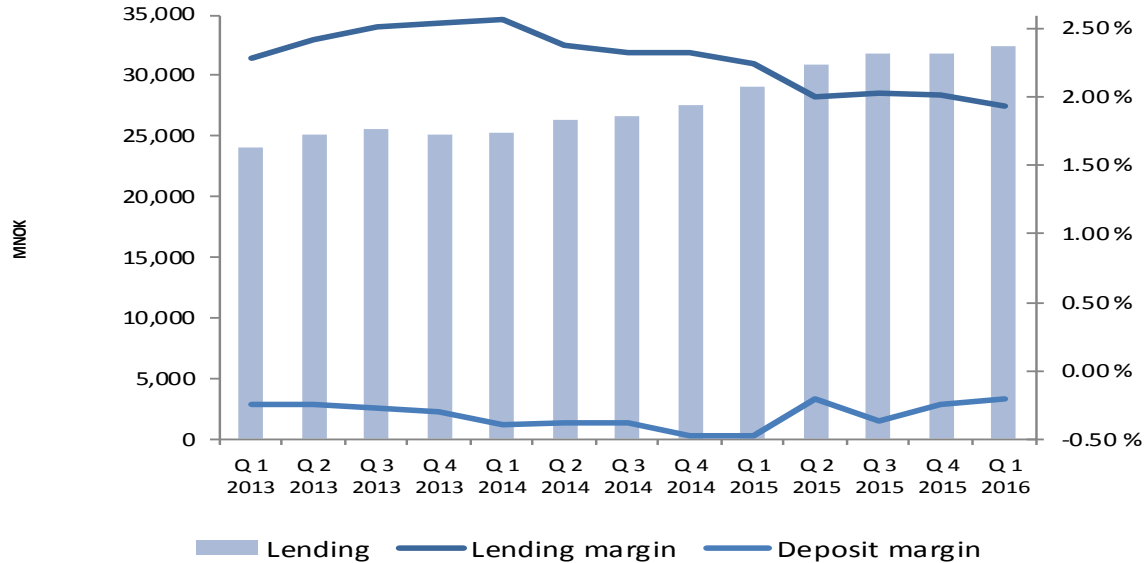
Bank 1 Oslo Akershus (group)

- Lending incl. mortgages transferred to SpareBank 1 Boligkreditt grew by 11.4 % (Billion NOK 5.0) the last 12 months.
- Year to date lending increased by Billion NOK 0.8. Retail market (RM) lending increased by billion NOK 0.9 (2.5 %) and Corporate market (CM) decreased by billion NOK 0.1 (-1.1 %).
- Year to date net interest income was MNOK 120 (MNOK 112).
- Net interest income year to date was 1.24% (1.28 %) of average assets.



Margin development

Bank 1 Oslo Akershus (parent)



The reference interest rate used in the margin calculation is average 3 months NIBOR

Commissions

Bank 1 Oslo Akershus (group)

MNOK	31.03.2016	31.03.2015	Change
Net money transfer fees	15	14	1
Commissions revenues from insurance and savings	29	29	0
SpareBank 1 Boligkreditt	36	45	-9
Real estate agency commission	41	49	-8
Guarantee commissions/other income	5	5	0
Total commission and other income	126	142	-16

- Commissions and other income amounted to MNOK 126 in Q1-2016 (MNOK 142).
- The decrease is mainly due to lower commissions from SpareBank 1 Boligkreditt and EiendomsMegler 1.

Contributions from equity stakes

Bank 1 Oslo Akershus (group)

MNOK	31.03.2016	31.03.2015	Change
Dividend	1	-1	2
Fixed income securities/derivatives	-6	-14	8
Net gain from financial assets	-5	-15	10
SpareBank 1 Gruppen	4	4	0
SpareBank 1 Boligkreditt	10	22	-12
SpareBank 1 Kredittkort	3	2	1
SpareBank 1 Mobilbetaling	-2	0	-2
Net gain from ownership interests	15	28	-13
Net return on financial investments	10	13	-3

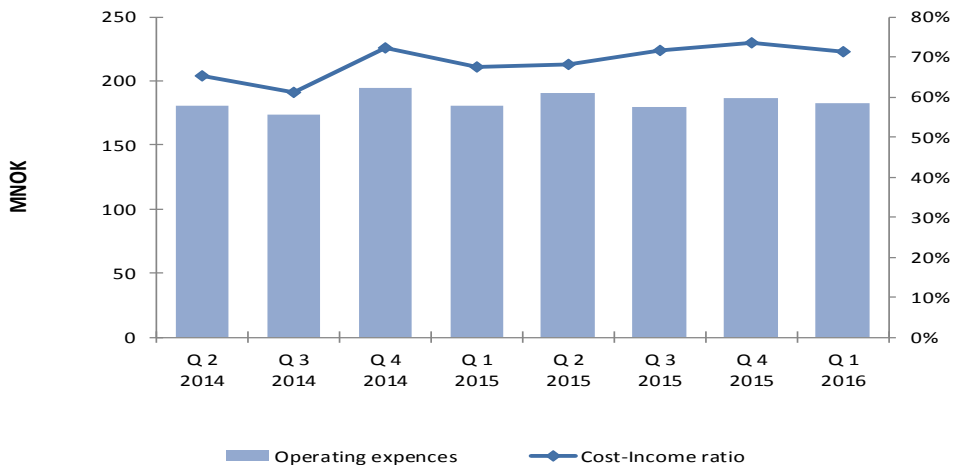
- Net income from financial investments year to date amounted to MNOK 10 (MNOK 13).
- Net gain from financial assets was MNOK -5 in Q1-2016 an increase of MNOK 10 compared to Q1-2015.
- Reduced results in SpareBank 1 Boligkreditt due to significant positive currency effects (basis swap effects) in Q1-2015 leads to reduced Net gain from ownership interests by MNOK 13.

Operating costs

Bank 1 Oslo Akershus (group)

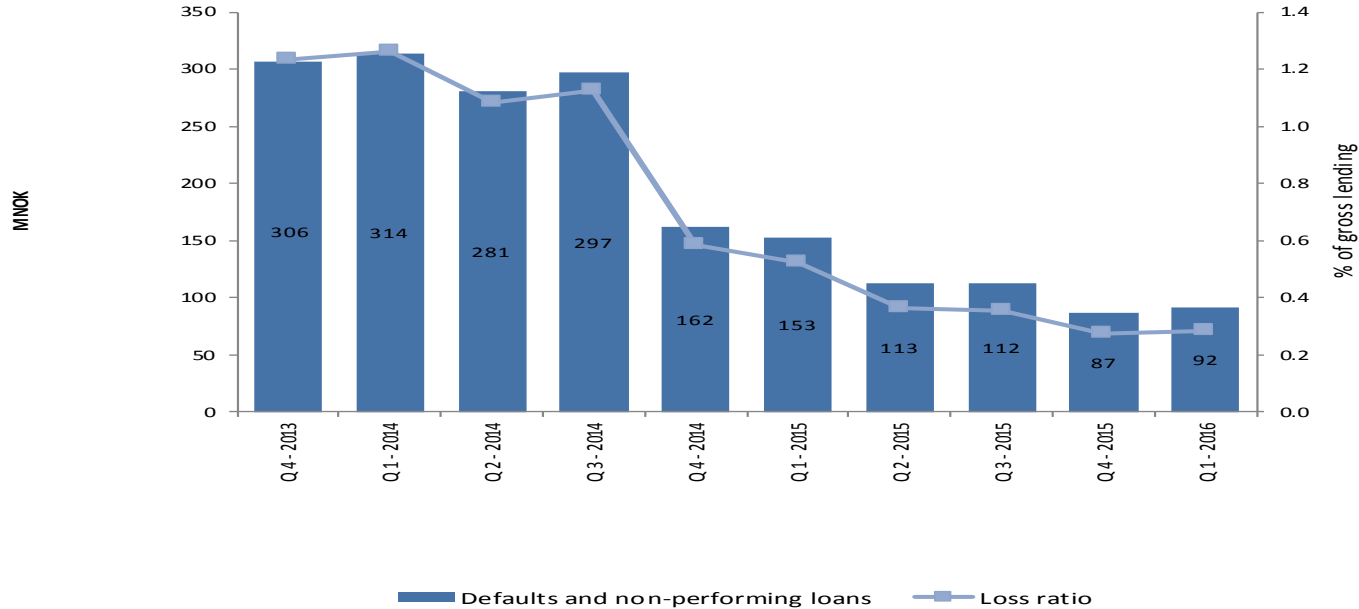
- Operating expenses in Q1 2016 were MNOK 183 (MNOK 181) an increase of 1,1 %.
- The increase in expenses is mainly due to costs linked to common IT-development the SpareBank 1 – Alliance and marketing costs.
- The Group has a continued focus regarding the level of cost. In January 2016 the Group started implementing the new deployment strategy including the scope and content of the branches, call center and self-service solutions. This will lead to a more effective organization and lower cost in the time to come.

Operating expences, quarterly



Defaults and doubtful commitments

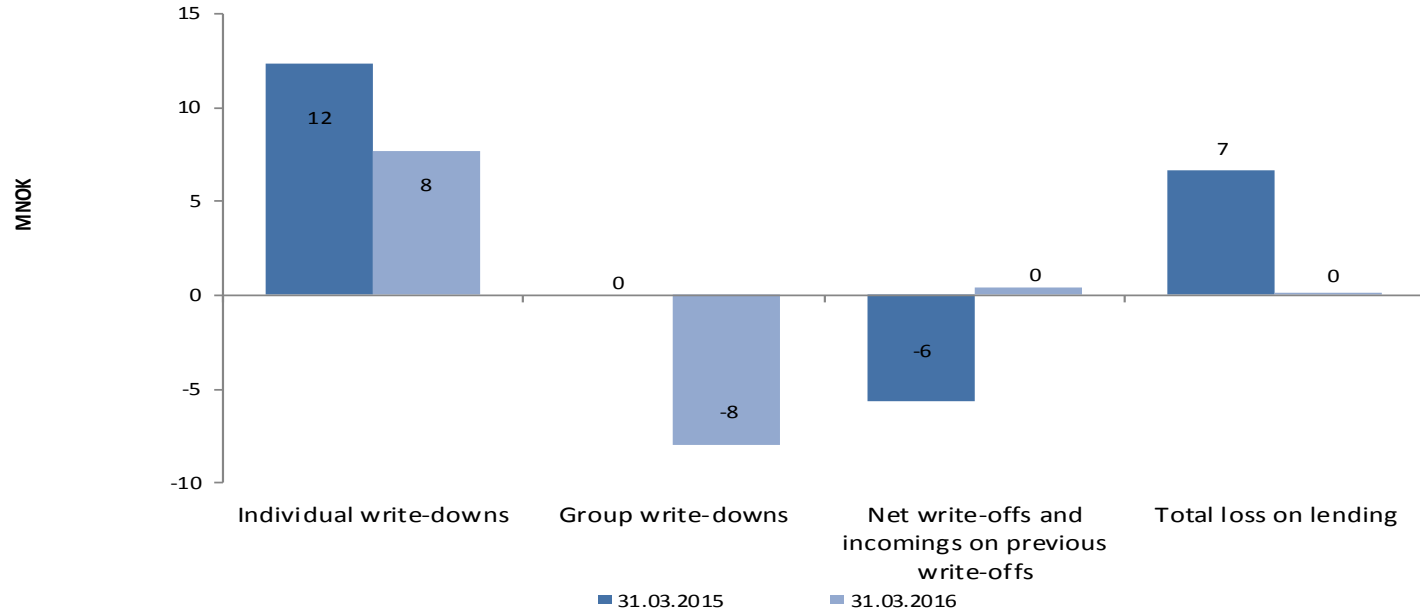
Bank 1 Oslo Akershus (group)



Defaulted commitments are loans that have been in default for more than 90 days, and other commitments that are not in default but where loan loss provisions have been made.

Lending losses

Bank 1 Oslo Akershus (group)



Key figures and ratios

Bank 1 Oslo Akershus (group)

Key figures	Q 1 2016	31.12. 2015	Q 1 2015	31.12. 2014	Q 1 2014	31.12. 2013	Q 1 2013	31.12. 2012	Q 1 2012	31.12. 2011	Q 1 2011
Return on equity after tax (%)	7.3 %	8.4 %	10.4 %	16.2 %	32.0 %	14.0 %	13.4 %	6.2 %	8.1 %	6.5 %	5.2 %
Net interest margin (%)	1.24 %	1.27 %	1.28 %	1.39 %	1.52 %	1.63 %	1.50 %	1.56 %	1.51 %	1.48 %	1.57 %
Cost/Income ratio (%)	71.3 %	70.1 %	67.5 %	57.9 %	41.4 %	61.3 %	66.2 %	67.3 %	73.6 %	77.0 %	80.1 %
Impairment losses on loans and guarantees in % of gross loans	0.00 %	-0.06 %	-0.02 %	-0.06 %	0.01 %	0.07 %	-0.04 %	0.64 %	0.07 %	0.24 %	0.04 %
Non-performing and other problem commitments in % of gross loans	0.29 %	0.27 %	0.52 %	0.65 %	1.26 %	1.21 %	1.32 %	1.50 %	1.36 %	1.45 %	2.93 %
Annual growth in loans to customers, gross (incl. SpareBank 1 Boligkreditt)	11.4 %	15.2 %	8.6 %	5.1 %	9.3 %	13.6 %	19.7 %	18.6 %	12.6 %	11.5 %	11.1 %
Annual growth in deposits from customers	15.0 %	7.7 %	14.2 %	14.8 %	12.8 %	4.6 %	-1.2 %	10.1 %	4.0 %	4.6 %	7.0 %
Deposit coverage	75.7 %	73.9 %	73.4 %	79.1 %	75.1 %	76.7 %	69.8 %	77.9 %	76.7 %	75.1 %	72.5 %
Total assets, MNOK	40,691	38,980	35,415	35,573	31,766	31,711	29,253	29,204	27,701	28,220	26,780
Mortgage loans transferred to SpareBank 1 Boligkreditt, MNOK	16,478	16,271	14,769	14,833	15,543	15,599	13,264	12,199	9,038	7,955	5,193
Total assets including mortgages transferred to SpareBank 1 Boligkreditt, MNOK	57,169	55,251	50,185	50,407	47,308	47,310	42,517	41,403	36,739	36,175	31,973
Capital adequacy ratio	17.0 %	17.8 %	17.0 %	16.5 %	13.3 %	14.9 %	13.1 %	12.8 %	13.2 %	13.3 %	13.4 %
Core capital ratio	14.8 %	15.9 %	14.9 %	15.0 %	13.0 %	14.0 %	13.1 %	10.9 %	10.9 %	10.9 %	10.8 %
Core tier one	13.7 %	15.3 %	14.0 %	14.6 %	11.1 %	13.1 %	12.1 %	9.9 %	9.9 %	9.9 %	9.7 %