CREDIT OPINION

10 September 2026

Update

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RATINGS

SpareBank 1 Ostlandet

Domicile	Hamar, Norway
Long Term CRR	Aa3
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Aa3
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	Aa3
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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SpareBank 1 Ostlandet

Update to credit analysis

Summary

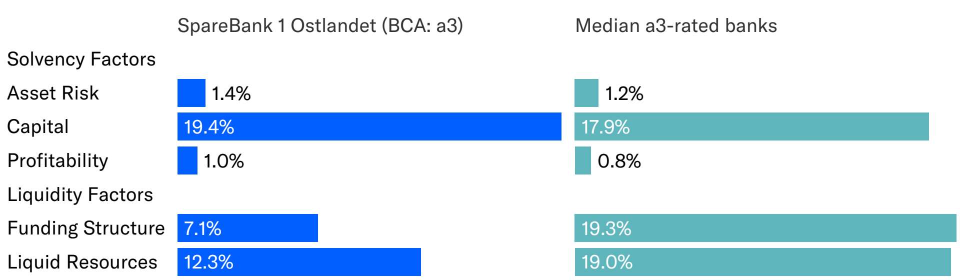
SpareBank 1 Ostlandet's (Ostlandet) long-term deposit, issuer and senior unsecured debt ratings of Aa3 reflect the bank's Baseline Credit Assessment (BCA) of a3 and our forward-looking Loss Given Failure (LGF) analysis which leads to three notches of rating uplift from the BCA. Ostlandet's ratings do not benefit from any government support.

Ostlandet's BCA of a3 reflects our view of the bank's strong capitalisation, sound profitability and resilient asset quality underpinned by its low-risk retail portfolio, representing about 70% of its loan book, combined with a well-laddered debt maturity profile.

These strengths are balanced against the bank's relatively high exposure to the commercial real estate sector and geographical concentration in the Inland region in eastern Norway and the Oslo-Akershus area, which could make the bank's credit profile vulnerable to a severe shock in these regions.

Exhibit 1

Rating Scorecard - Key Financial Ratios



The scorecard ratio calculations are presented in the "Rating methodology and scorecard factors" section.
Source: Moody's Ratings

Credit strengths

» Strong capital levels provide a good loss absorbing buffer

» Sound asset quality underpinned by a relatively low-risk retail mortgage portfolio

» Robust profitability on the back of recurring earnings

Credit challenges

» Moderate credit concentration in commercial real estate (CRE)

» Limited geographic diversification

Outlook

The stable outlook on the bank's long-term deposit, issuer and senior unsecured debt ratings reflect our expectation that Ostlandet's financial performance will remain robust and consistent with current levels in the next 12 to 18 months. The stable outlook on the long-term issuer and senior unsecured debt ratings also reflects our expectation that the bank will issue sufficient volumes of junior senior unsecured debt to support the current rating uplift from the BCA according to our Advanced LGF analysis.

Factors that could lead to an upgrade

Ostlandet's BCA and long-term ratings could be upgraded if the bank materially increases its regional and sector diversification, displayed stronger earnings generation, while maintaining strong asset quality, capital and liquidity levels.

Factors that could lead to a downgrade

The BCA and long-term ratings could be downgraded if the bank's problem loan ratio increases significantly above its similarly-rated peers, if the profitability weakened materially, and if financing conditions became more difficult, impairing its ability to raise low-cost market funding. The issuer and senior unsecured debt ratings could also be downgraded should the bank issue significantly lower-than-expected volumes of bail-in-able debt.

Key indicators

Exhibit 2
SpareBank 1 Ostlandet (Consolidated Financials) [1]

	06-26[2]	12-25[2]	12-24[2]	12-23[2]	12-22[2]	CAGR/Avg.[3]
Total Assets (NOK Billion)	298.3	292.3	282.4	241.3	228.3	7.9[4]
Tangible Common Equity (NOK Billion)	23.1	23.9	22.2	18.5	17.7	8.0[4]
Problem Loans / Gross Loans (%)	1.4	1.4	1.1	1.0	0.4	1.0[5]
Tangible Common Equity / Risk Weighted Assets (%)	19.4	20.3	18.7	18.5	19.4	19.3[6]
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	13.7	13.3	10.9	10.1	4.0	10.4[5]
Net Interest Margin (%)	1.6	1.8	1.8	1.7	1.4	1.6[5]
PPI / Average RWA (%)	2.7	3.2	3.4	3.2	2.5	3.0[6]
Net Income / Tangible Assets (%)	1.1	1.1	1.0	0.9	0.8	1.0[5]
Cost / Income Ratio (%)	50.1	45.0	42.1	41.8	48.2	45.4[5]
Gross Loans / Due to Customers (%)	170.9	176.4	180.2	186.5	191.0	181.0[5]
Core Banking Liquidity (HQLA) / Tangible Banking Assets (%)	--	12.3	11.5	--	--	--
Less-stable Funds (LCR) / Tangible Banking Assets (%)	--	7.1	7.4	--	--	--

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.
Further to the publication of our revised methodology in November 2025, only ratios from annual 2024 onwards included in this report apply reported risk weights for all exposures, discontinuing our previously applied standard adjustment for certain government securities.
Sources: Moody's Ratings and company filings

Profile

SpareBank 1 Ostlandet (Ostlandet) is a leading Norwegian regional savings bank that provides retail and corporate financial products and services, from loans and deposit facilities to insurance, pension, payment, leasing, real estate brokerage and accounting services. As of June 2026, it had consolidated assets (including loans transferred to covered bond companies) of NOK298 billion (or around €26 billion).

Ostlandet is the fourth-largest savings bank in Norway, with presence in the Inland region in eastern Norway, as well as in the most important and economically developed region of Oslo-Akershus. The bank is part of the SpareBank 1 Alliance.

Detailed credit considerations

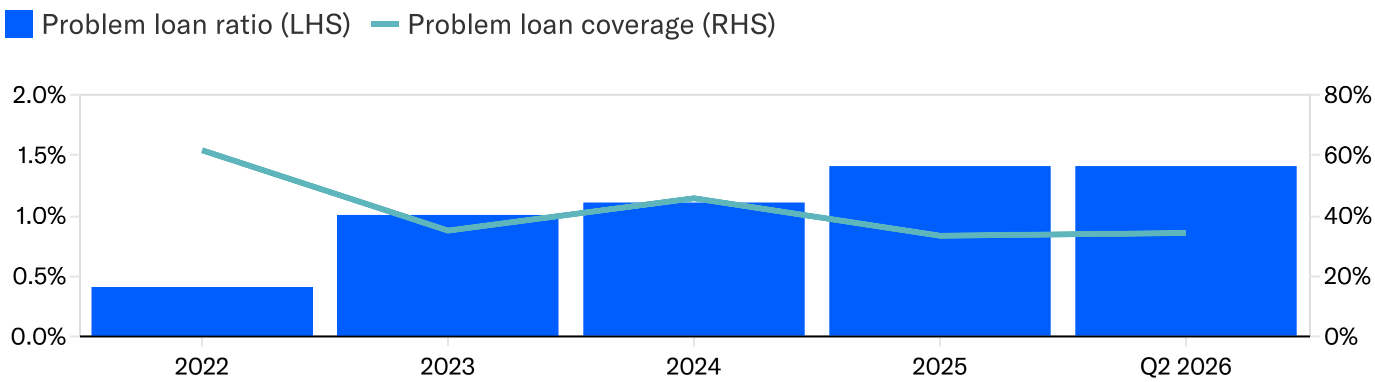
Asset quality remains resilient, supported by a predominantly retail mortgage portfolio

We assign an a2 asset risk score that reflects our Problem Loans to Gross Loans ratio of 1.4%, which we consider to be Strong, and is adjusted for the bank's moderate sector concentrations and somewhat more volatile asset risk metrics compared to its larger regional peers in Norway.

The CRE sector accounts for around 15% of gross loans (including transferred loans), and around 1% of gross loans were concentrated in the building and construction sector as of 30 June 2026. Following a slight deterioration in the problem loans ratio over 2025 and 2026, as a result of a small number of larger exposure defaults, we expect asset quality to stabilise at the current levels over the coming 12 to 18 months.

The bank's total loan book is geared towards retail borrowers, mostly residential mortgages, accounting for around 73% of gross loans, including loans transferred to the covered bond companies, with no exposure to the oil sector as of 30 June 2026. This supports the bank's asset quality, limiting the risks from credit impairments, given the traditionally very low loss rates for residential mortgages in Norway. Around 95% of its book has an LTV below 70%, compared with 90% maximum LTV allowed by the mortgage regulation and 80% LTV legal requirement for a covered bond pool.

Exhibit 3
Asset quality stabilises following earlier deterioration



Notes: Problem loan coverage: loan loss reserves % problem loans.
Source: Company filings and Moody's Ratings

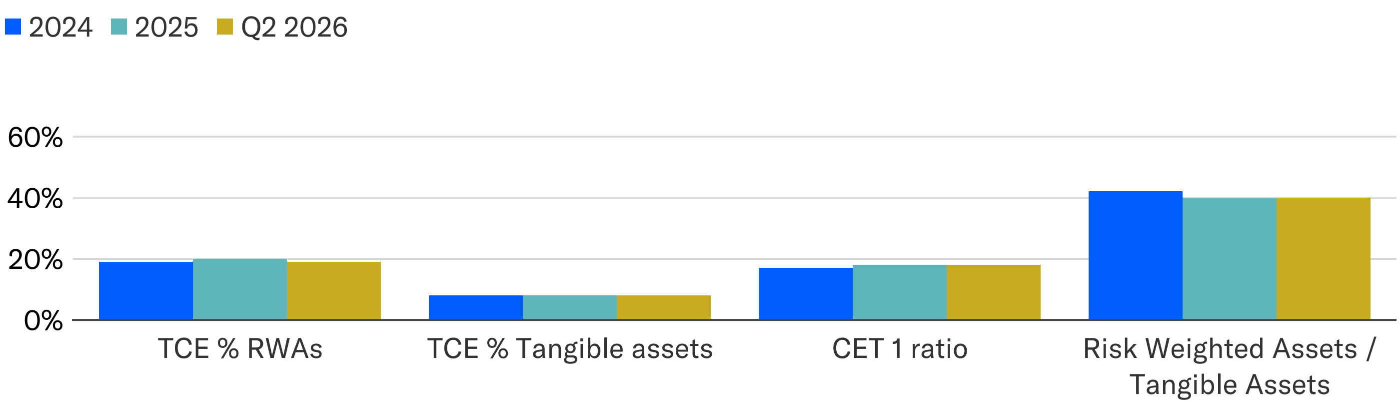
Capitalisation supported by strong regulatory buffers

We assign an a1 score for capital that reflects our Tangible Common Equity to Risk Weighted Assets ratio of 19.4%, which we consider to be Strong, and is adjusted for the bank's use of advanced Internal Ratings-Based (IRB) approach, which leads to lower risk weights compared to peers that use the standardised approach. The score is also adjusted for the bank's equity certificate certificates (ECC) structure as the bank may face challenges in raising new equity in case of need during difficult market conditions. This is in line with the adjustment we make for other Norwegian savings banks with a similar ownership structure.

Ostlandet maintains strong capitalisation, with a tangible common equity (TCE) ratio of 19.4% and a reported Common Equity Tier 1 (CET1) ratio of 17.8% in June 2026, which is down from 18.3% a year earlier, mainly reflecting the Ministry of Finance's increase of the Internal Ratings Based (IRB) risk weight floor for residential mortgages to 25% from 20% effective 1 July 2025. That said, the bank maintains a comfortable buffer above its CET1 requirement of 14.9%, including a 2.5% countercyclical buffer and a 0.9% Pillar 2 requirement (see Exhibit 4). Ostlandet also reported a robust leverage ratio of 7.3% as of 30 June 2026, above the internal target of 6%.

We expect the bank to maintain its solid capital position, supported by strong retained earnings and in line with the bank's target to maintain a management buffer of 100 basis points (bps) above the minimum regulatory CET1 requirement.

Exhibit 4
Capital buffers remain comfortable
Stable CET1 ratio supports loss-absorption capacity



Notes: TCE: Tangible Common Equity/Risk weighted assets and is calculated as ((Tangible common equity – Deferred tax assets) + minimum (Deferred tax assets, 11.1% * (Tangible common equity – Deferred tax assets))) / Risk-weighted assets TCE/Tangible assets or Nominal leverage: tangible common equity % of tangible assets. Tangible assets = Total assets minus goodwill and other intangible assets
Common Equity Tier 1 (CET1) ratio is reported regulatory capital ratio
Sources: Company filings and Moody's Ratings

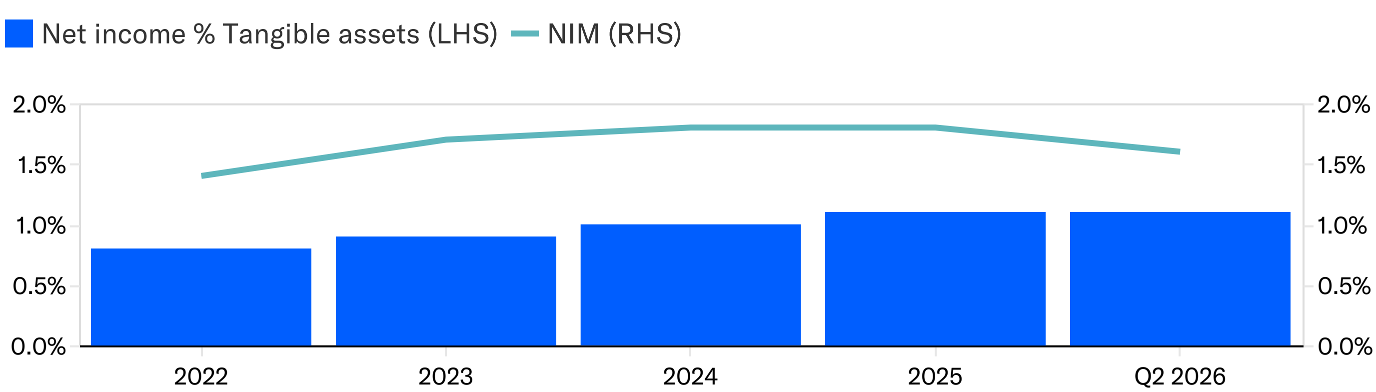
Profitability remains robust despite margin and integration pressures

We assign an a3 score for profitability that reflects our Net Income to Tangible Assets ratio of 1.0%, which we consider to be Moderate, and is adjusted for our expectations for continued pressure on net interest margins in light of intense competition, especially in the retail segment.

Ostlandet benefits from shared services provided through the SpareBank 1 Alliance, notably in IT, marketing and branding.

The bank reported profit after tax decreased to NOK1,653 million in the first six months of 2026, with a Moody's-adjusted return on tangible assets of 1.1%, compared to NOK1,784 million for the same period in 2025. The decline primarily reflected lower net interest income, higher merger-related costs and increased loan-loss provisions, partly offset by stronger contributions from jointly owned companies and lower tax expense. We expect margin pressure to persist, while completion of the technical integration should gradually reduce merger-related costs.

Exhibit 5
Profitability remains strong despite lower margins
NIM moderated in Q2 2026, while returns remained robust



Notes: NIM: net interest margin
Sources: Company filings and Moody's Ratings

Funding supported by a stable and granular deposit base

We assign an a1 score for funding structure that reflects our Less Stable Funds to Tangible Banking Assets ratio of 7.1%, which we consider to be Strong, and is adjusted for upcoming maturities in the jointly owned covered bond entity, not captured in the initial aa2 score, and somewhat weaker access to wholesale markets compared to larger peers with more frequent issuance activity.

The bank's funding position is underpinned by a substantial deposit base, which accounts for around 53% of total non-equity funding (including covered bonds issued through SpaBol and SpaCom), and 57% of the bank's deposits are from the retail sector. This high share of granular, stable deposits supports the bank’s relatively low Less Stable Funds ratio. For its senior funding, the bank participates in the jointly owned SpareBank 1 Alliance’s €10 billion Euro Medium-Term Note (EMTN) program with euro-denominated bond issues, contributing to a more diversified funding profile.

Ostlandet uses covered bond funding through specialised companies it jointly owns, together with the other members of SpareBank 1 Alliance, SpareBank 1 Boligkreditt (SpaBol) for residential mortgages and SpareBank 1 Næringskreditt (SpaCom) for commercial mortgages. As of 30 June 2026, Ostlandet had transferred retail mortgages worth NOK79.0 billion to SpaBol and NOK0.7 billion commercial mortgages to SpaCom (that is, equivalent to around 33% of total gross loans, including loans transferred to covered bond companies).

Liquidity supported by a high-quality liquid asset buffer

We assign a baa2 score for liquid resources that reflects our Core Banking Liquidity to Tangible Banking Assets ratio of 12.3%, which we consider to be Moderate, and is adjusted for expected trend as the bank continues to grow.

The liquidity reserves consist of cash and deposits with the central bank, senior bonds, government guaranteed bonds, covered bonds (mostly rated Aaa) and limited equity investments. The holdings are mostly Norwegian securities, which could be a source of vulnerability from a concentration risk point of view, but are positive in terms of currency risk. In addition, the bank reported a high liquidity coverage ratio (LCR) of 183% as of 30 June 2026 compared with the 100% requirement.

Liquidity is further supported by liquid assets held by SpaBol and SpaCom.

Macro Profile

We assign a Very Strong - Macro Profile to Ostlandet reflecting its complete exposure to home market Norway (100%).

Qualitative Adjustment

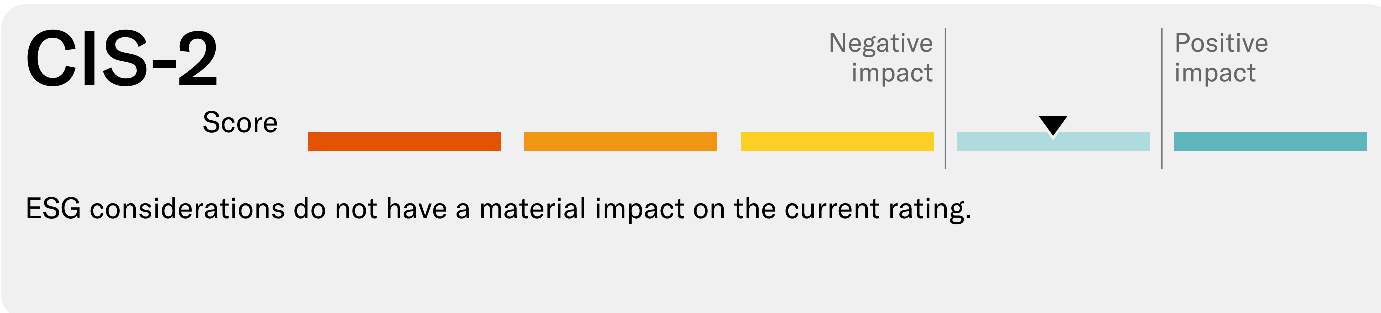
Business and geographic diversification

We assign a BCA of a3 that includes a minus one qualitative adjustment for business and geographic diversification because Ostlandet's operations are concentrated in Innlandet county and surrounding areas. The bank derives the majority of its business from traditional retail and commercial banking activities within its local market. However, concentration risks are partly mitigated by the bank's presence across the broader Innlandet region, which benefits from exposure to several productive industries. In addition, Norway's coordinated policy framework provides support to regional economic resilience. A bank with concentrated business activities and geographic exposure is more vulnerable to an adverse event because it cannot rely on the same degree of diversification across earnings streams and markets. Hence, we consider SpareBank 1 Ostlandet to be weaker than a bank with more diversified businesses and geographic exposure. These factors position its a3 BCA one notch below the a2 Financial Profile.

ESG considerations

SpareBank 1 Ostlandet's ESG credit impact score is CIS-2

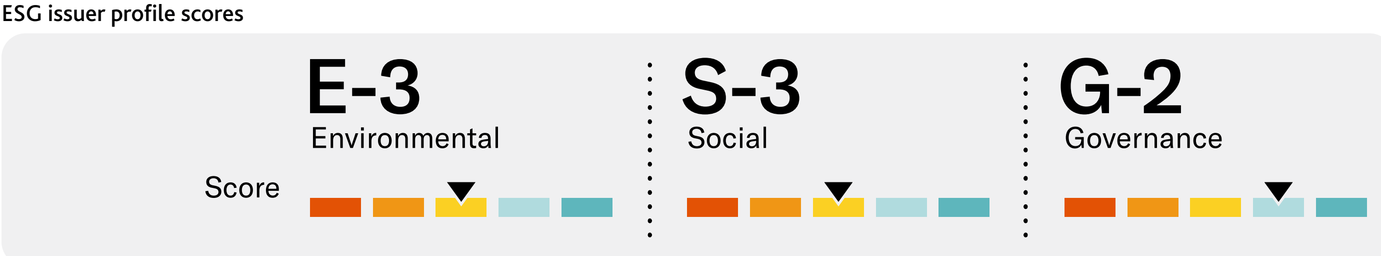
Exhibit 6
ESG credit impact score



Source: Moody's Ratings

SpareBank 1 Ostlandet's **CIS-2** indicates that ESG considerations do not have a material impact on current ratings. This reflects the limited credit impact of environmental and social risk factors on the ratings to date, and the low governance risks.

Exhibit 7
ESG issuer profile scores



Source: Moody's Ratings

Environmental

SpareBank 1 Ostlandet faces moderate environmental risks primarily because of its portfolio exposure to carbon transition. These risks are primarily related to its corporate portfolio through the commercial real estate sector. In line with its peers, the bank is facing mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, the bank is developing its climate risk and portfolio management capabilities.

Social

SpareBank 1 Ostlandet faces moderate social risks related to regulatory and litigation risks, requiring high compliance standards. The exposure to customer relation risks is lower than its international peers, given the bank's untarnished customer conduct track record supported by the social mandate of the Savings Bank's model. SpareBank 1 Ostlandet is a digitally advanced bank in Norway, with a robust IT infrastructure and strong capabilities to mitigate cyber and personal data risks, supported by its cooperation within the SpareBank 1 Alliance.

Governance

SpareBank 1 Ostlandet's governance risks are low. Despite sectoral and geographical concentrations, due to its limited reach, the bank benefits from strong underwriting standards which mitigate some of these concerns. The bank has a track record of sound capital and liquidity management and earnings stability while losses have been low, even at times of market turbulence. Being a regional savings bank, 27% of the equity base is owned by the bank in the form of primary capital, and 73% of the equity capital is owned by equity certificate (EC) holders. The foundation Sparebankstiftelsen Hedmark is the largest shareholder with 44.5% of the ECs and the foundation Totens Sparebankstiftelse has a 8.6% stake. Other owners are private investors which hold listed equity certificates, with the Norwegian confederation of trade unions being the largest. The bank's Supervisory Board comprises of representatives of EC holders, the foundation, and employees. Related governance risks are mitigated by Norway's developed institutional framework.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations

Loss Given Failure (LGF) analysis and additional notching

SpareBank 1 Ostlandet is domiciled in Norway, which we consider an operational resolution regime (ORR). Accordingly, we apply our advanced Loss Given Failure (LGF) analysis, using our standard assumptions.
Our LGF analysis indicates that the bank's senior unsecured debt is likely to face extremely low loss-given-failure, resulting in a three-notch uplift from the bank's Adjusted BCA. This reflects the substantial volume of instruments subordinated to senior unsecured debt in the bank's liability structure.

Government support considerations

We incorporate a Low probability of government support for Ostlandet's deposits and senior unsecured debt, which results in no notches of uplift. This reflects our view of the bank's limited systemic importance and the reduced likelihood of government support following the implementation of the BRRD law in Norway.

About Moody's Bank Scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by unadjusted accounting data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 8
Rating Factors

Macro Factors							
Weighted Macro Profile	**Very Strong -**	**100%**					
Factor		**Historic Ratio**	**Initial Score**	**Expected Trend**	**Assigned Score**	**Key driver #1**	**Key driver #2**
Solvency							
Asset Risk							
Problem Loans / Gross Loans		1.4%	aa2	↔	a2	Asset Composition	Sector concentration
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)		19.4%	aa2	↔	a1	Recognition of risk-weighted assets	Access to capital
Profitability							
Net Income / Tangible Assets		1.0%	a2	↔	a3	Expected Trend	
Combined Solvency Score			aa3		a2		
Liquidity							
Funding Structure							
Less-stable Funds / Tangible Banking Assets		7.1%	aa2	↔	a1	Expected Trend	
Liquid Resources							
Core Banking Liquidity / Tangible Banking Assets		12.3%	baa1	↓	baa2	Expected trend	
Combined Liquidity Score			a1		a3		
Financial Profile			aa3		a2		
Qualitative Adjustments					Adjustment		
Business and Geographic Diversification					-1		
Complexity and Opacity					0		
Strategy, Risk Appetite and Governance					0		
Total Qualitative Adjustments					-1		
Sovereign or Affiliate constraint					Aaa		
BCA Scorecard-indicated Outcome - Range					a2 - baa1		
Assigned BCA					a3		
Affiliate Support notching					0		
Adjusted BCA					a3		

Balance Sheet	**in-scope (NOK Million)**	**% in-scope**	**at-failure (NOK Million)**	**% at-failure**
Other liabilities	100,989	34.0%	115,558	38.9%
Deposits	142,838	48.1%	128,269	43.2%
Preferred deposits	105,700	35.6%	100,415	33.8%
Junior deposits	37,138	12.5%	27,853	9.4%
Senior unsecured bank debt	28,589	9.6%	28,589	9.6%
Junior senior unsecured bank debt	10,824	3.6%	10,824	3.6%
Dated subordinated bank debt	2,628	0.9%	2,628	0.9%
Preference shares (bank)	2,170	0.7%	2,170	0.7%
Equity	8,908	3.0%	8,908	3.0%
Total Tangible Banking Assets	296,946	100.0%	296,946	100.0%

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	27.3%	27.3%	27.3%	27.3%	3	3	3	3	0	aa3
Counterparty Risk Assessment	27.3%	27.3%	27.3%	27.3%	3	3	3	3	0	aa3 (cr)
Deposits	27.3%	8.3%	27.3%	17.9%	3	3	3	3	0	aa3
Senior unsecured bank debt	27.3%	8.3%	17.9%	8.3%	3	3	3	3	0	aa3
Junior senior unsecured bank debt	8.3%	4.6%	8.3%	4.6%	0	0	0	0	0	a3
Dated subordinated bank debt	4.6%	3.7%	4.6%	3.7%	-1	-1	-1	-1	0	baa1

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	aa3	0	Aa3	Aa3
Counterparty Risk Assessment	3	0	aa3 (cr)	0	Aa3(cr)	
Deposits	3	0	aa3	0	Aa3	Aa3
Senior unsecured bank debt	3	0	aa3	0	Aa3	Aa3
Junior senior unsecured bank debt	0	0	a3	0	(P)A3	(P)A3
Dated subordinated bank debt	-1	0	baa1	0		(P)Baa1

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
Source: Moody's Ratings

Ratings

Exhibit 9

Category	Moody's Rating
SPAREBANK 1 OSTLANDET	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	Aa3/P-1
Baseline Credit Assessment	a3
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Issuer Rating	Aa3
Senior Unsecured	Aa3
Junior Senior Unsecured MTN	(P)A3
Subordinate MTN	(P)Baa1

Source: Moody's Ratings

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