

2021 **1**

COMPANY PRESENTATION

Highlights in 1Q 2021

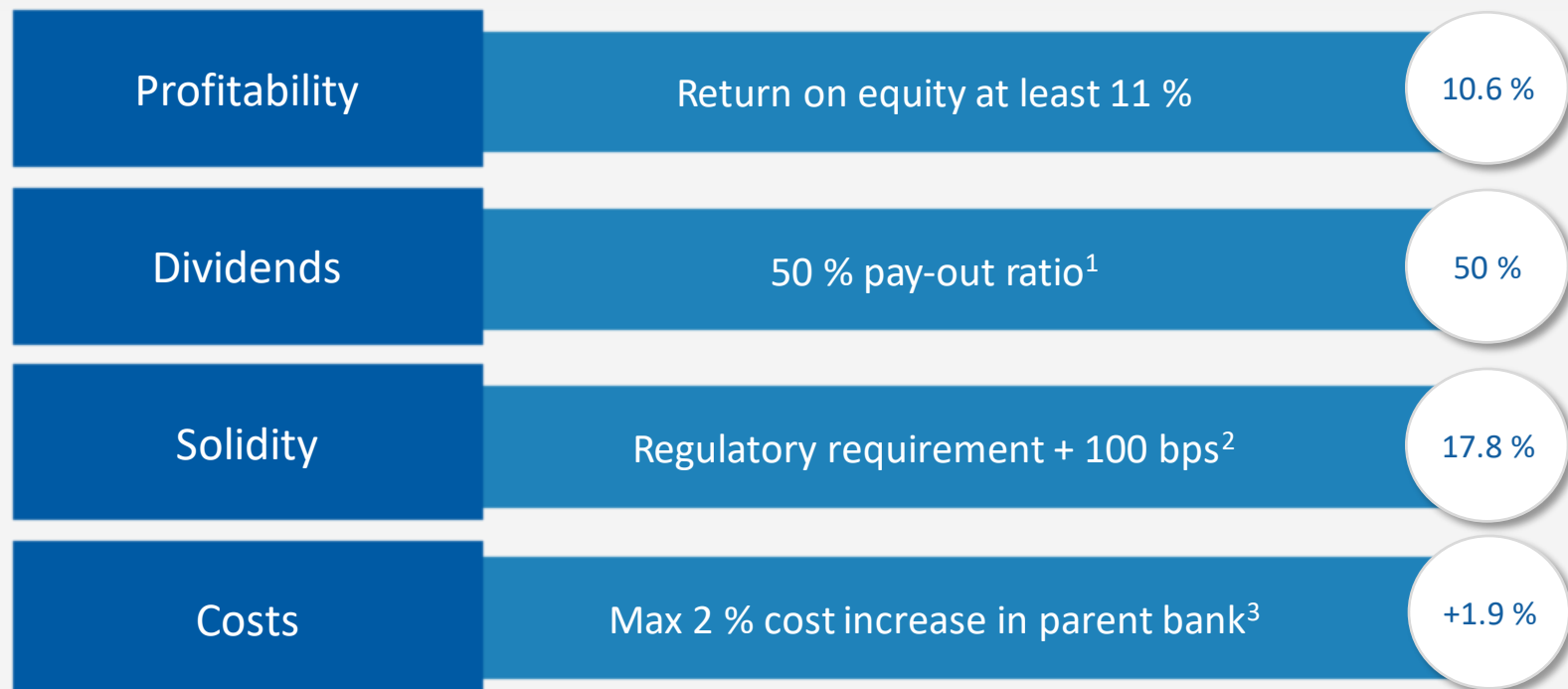
Summary

- High lending growth in the Retail Division and increased activity among corporate customers.
- Strong cost control - costs in line with financial targets for the year.
- Strong start to the year for real estate brokerage.
- Solid profit contributions from ownership interests and financial items.
- Improved macro economic forecasts and reversal of loss provisions.
- Solid CET 1 and a strong liquidity position, significantly above regulatory requirements and internal targets in a normal situation.
- The Supervisory Board decided on dividends in line with the recommendation. The dividend payments in April followed the Ministry of Finance's guidelines.
- The bank issued its first green bond and received an improved ESG Risk Rating from Sustainalytics (score 17.7 – “low risk”).



Strong performance in 1Q 2021

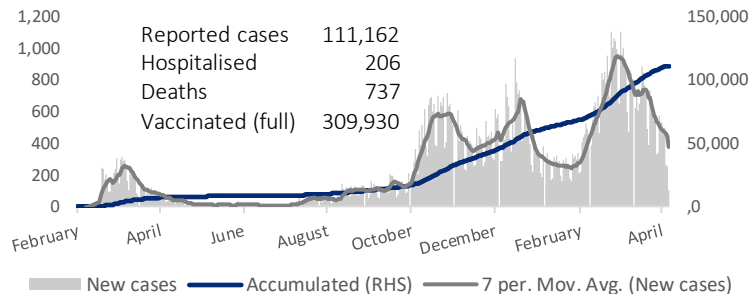
Long term financial targets and actual performance as of 1Q 2021



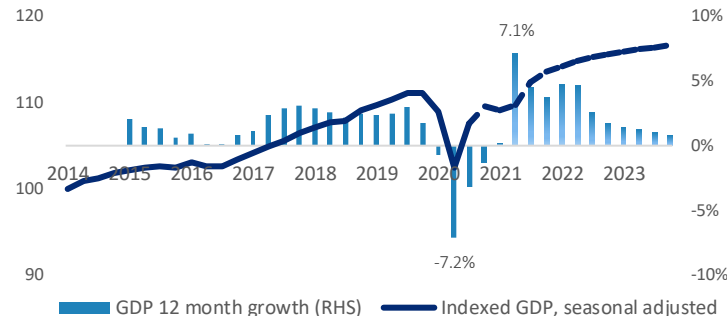
1. The Board of Directors proposal to the Supervisory Board is "50 % payout ratio, according to the bank's long-term dividend policy" for the accounting year 2020
2. Regulatory requirement currently 14.3 %
3. The Board of Directors has set a target for 2021 of cost growth within 2 % (ex restructuring costs) in the parent bank.

Infection control measures are slowing economic recovery – but the Central Bank expects a significant rebound in 2H 2021

Low levels of reported COVID-19 cases in Norway



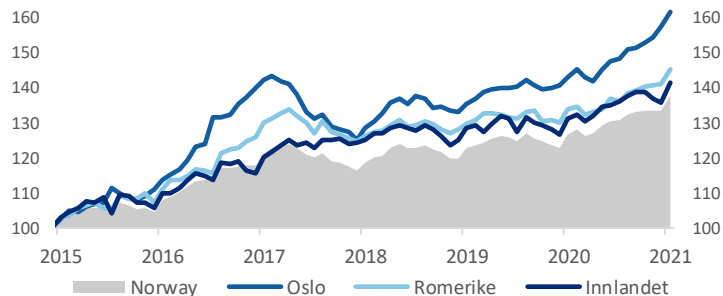
Expected significant rebound in activity in 2H 2021



Improvement in the labour market postponed to 2H 2021 – higher unemployment in exposed industries



The housing market only temporarily affected by COVID-19

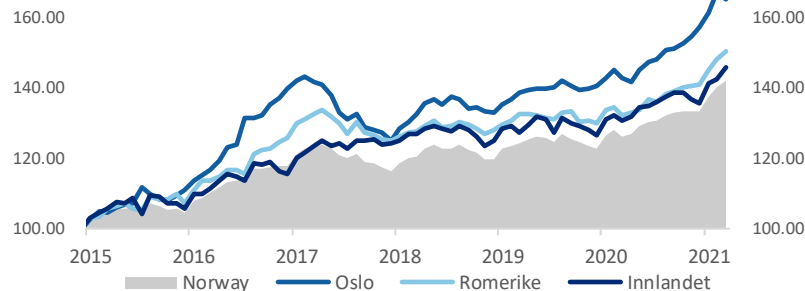


Continued strong housing market in 1Q 2021

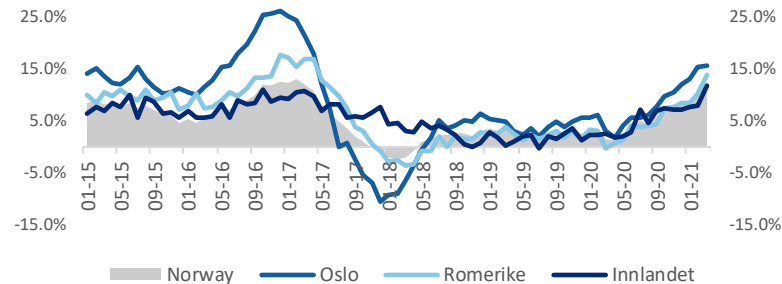
Housing price development by market area

- The national YoY growth in the housing market, is at the same level as for the record year 2016.
 - Highest growth in Oslo, while the Innlandet region is at all time high.
- Low supply has been a price driver, but the supply side is improving.
- The turnover is significantly higher than the same period last year.
 - Very low time-to-sale in Oslo with 14 days.
 - National average time-to-sale: 43 days.
- Growth in housing prices Norway YoY + 12.5 %
 - Oslo: + 15.6 %
 - Inland: + 11.6 %

Housing prices - indexed



Housing prices by area, YoY (per cent)

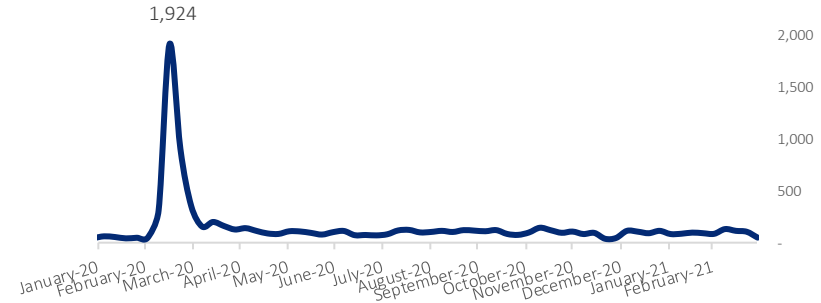


Customer activity normalising

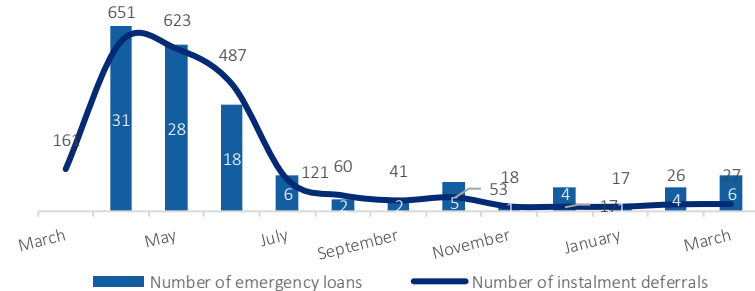
COVID-19 – Customer activity and effects

- The need for renewed instalment deferrals have been low in the parent bank.
 - Retail :
 - The Bank received a peak in applications for instalment deferrals after the COVID-lockdown in March 2020. These deferrals were given for a few months.
 - In the following quarters – included 1Q 2021 - the number of applications have reached normal levels.
 - Corporates:
 - Instalment deferrals NOK 465 million.
 - Liquidity loans with government guarantee NOK 16 million.
 - No emergency loans in the quarter.
- Pre-Covid-19 levels for deferrals in SpareBank 1 Finans Østlandet
 - Retail: Instalment deferrals 5.8 % in 1Q 21.
 - Corporates: Instalment deferrals 2.0 % in 1Q 21.
- Diverse and normalised demand for banking services
 - Continued high growth in investments in mutual and pensions funds.

Retail customers – normalization in application for instalment deferrals

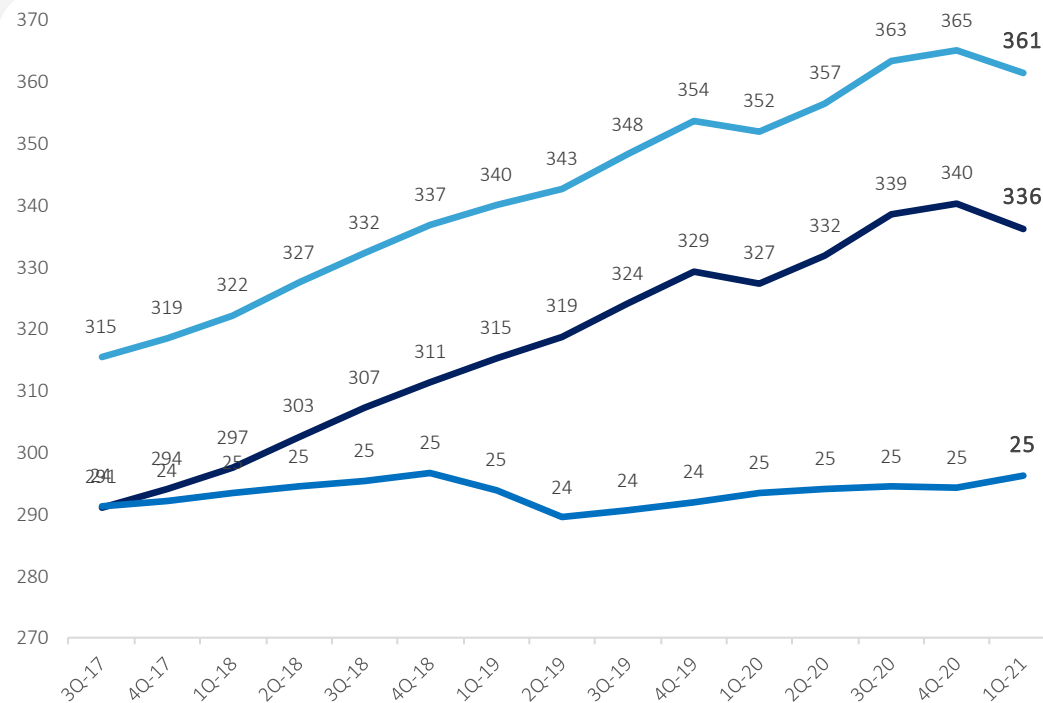


Corporate markets – low demand for instalment deferrals and liquidity loans



Continued customer growth

Numbers of customers in parent bank (in 1,000x)



- Solid retail customer growth 1Q 2021 with app. 5,000 new customers.
- Off-boarding of 9,000 previously noticed retail customers resulted in a decrease in net active customers. These were mainly customers with small deposits.
- Net customer growth in the Bank YoY was 5.4 %¹.
 - Retail customers: 5.6 %¹
 - Corporate customers: 2.2 %

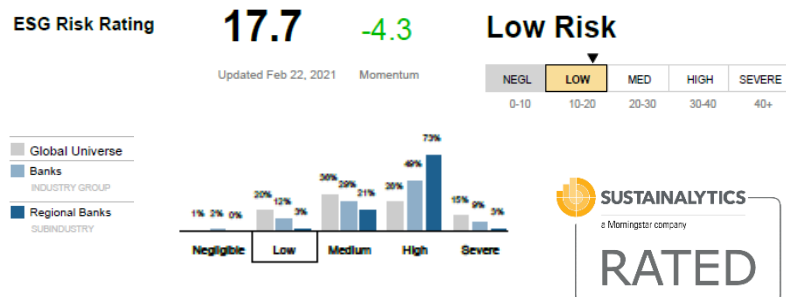
An eventful quarter for ESG in SpareBank 1 Østlandet

ESG in SpareBank 1 Østlandet

- SpareBank 1 Østlandet launched an ambitious green bond framework in February.
 - Follows best market practice and in line with the ICMA Green Bond Principles. Cicero have made an assessment on the framework vs. EU Taxonomy Eligibility.
- The Bank issued its inaugural EUR 500 million green senior preferred bond, with very good reception in the market.
 - High number of investors with broad regional diversification and granularity. High share of green accounts.
- The Bank received an updated ESG rating from Sustainalytics – “LOW”.
- SpareBank 1 Østlandet is one out of 43 banks internationally to join the Net-Zero Banking Alliance, convened by UNEF PI.
 - the banks are committed to aligning lending and investment portfolios with net-zero emissions by 2050.



Bankens bærekraftsarbeid gjenspeiles i god rating fra Sustainalytics



2021 **1**

FINANCIAL ACCOUNTS

A good start to the year

Financial accounts 1Q 2021 (1Q 2020)

Good profit after tax

- Profit after tax in 1Q-21 NOK 439 million (NOK 266 million).

High profitability

- ROE in 1Q-21 10.6 % (6.9 %).

Solid capitalization

- CET 1 ratio 17.8 % (17.0%).
- Leverage ratio 7.1 % (7.0 %).

Stable lending growth

- Lending growth 0.6 % in 1Q-21 (1.7 %).
- Lending growth 5.7 % (9.0 %) (incl. covered bond companies) last 12 months

Strong deposit growth

- Deposit growth in 1Q-21 2.2 % (1.8 %).
- Deposit growth 9.5 % (10.4 %) last 12 months

Net reversals on losses

- Net reversals on loans and guarantees NOK 18 million in 1Q-21 (charge of NOK 151 million).

Income statement 1Q 2020 (1Q 2019) and 2020

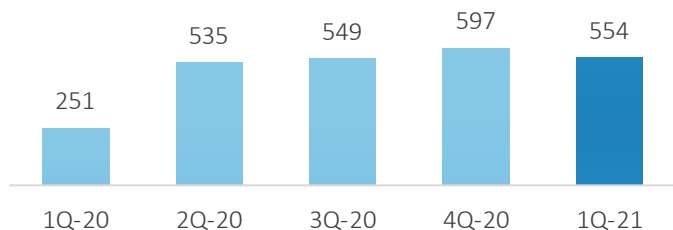
Group

	1Q-2021	1Q-2020	2020
Net interest income	535	594	2,177
Net commission income	316	278	1,215
Other income	62	64	226
Dividends	11	12	41
Net profit from ownership interest	59	115	394
Net income from financial assets/liabilities	38	175	109
Total operating expenses	485	487	1,902
Operating profit before losses on loans and guarantees	536	402	2,262
Impairment on loans and guarantees	-18	151	330
Pre-tax operating profit	554	251	1,932
Tax expense	114	-16	323
Profit/loss after tax	439	266	1,608
Return on equity capital after tax	10.6 %	6.9 %	10.1 %
Total operating costs in relation to total income	47.5 %	54.7 %	45.7 %
Impairment on loans as a percentage of gross loans	-0.1 %	0.6 %	0.3 %

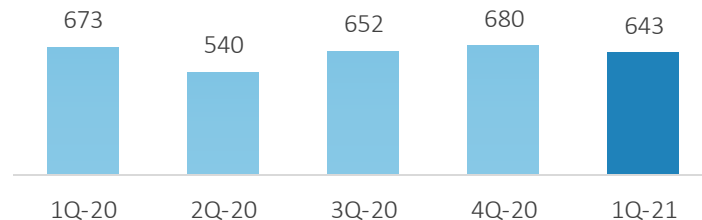
Key financials - quarterly

(1)

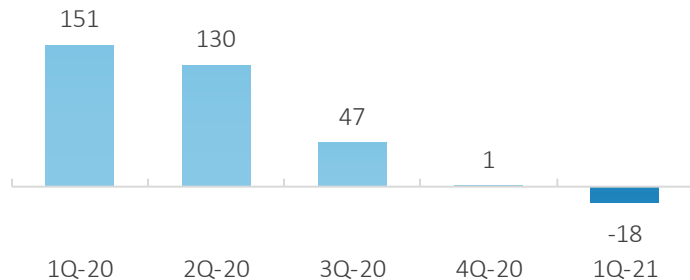
Pre-tax profit (NOK million)



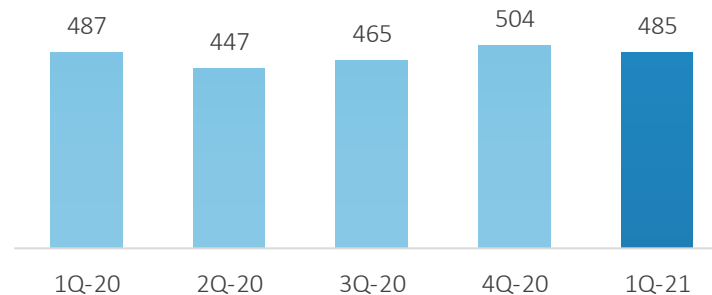
Net interest income and commission fees from covered bond companies (NOK million)



Impairments on loans and guarantees (NOK million)



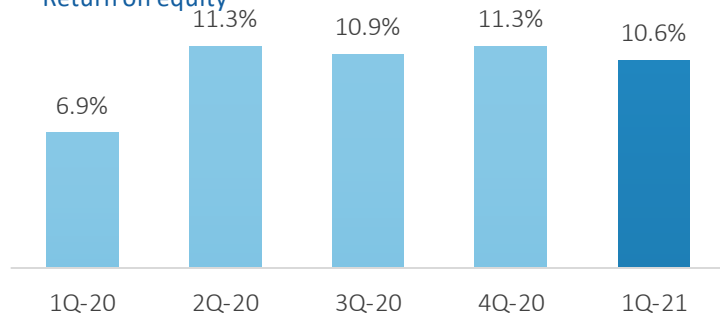
Total operating costs (NOK million)



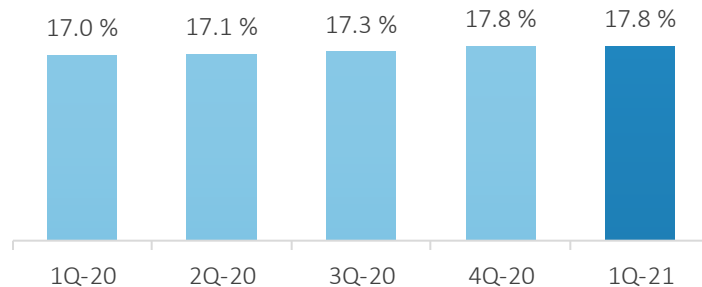
Key financials - quarterly

(2)

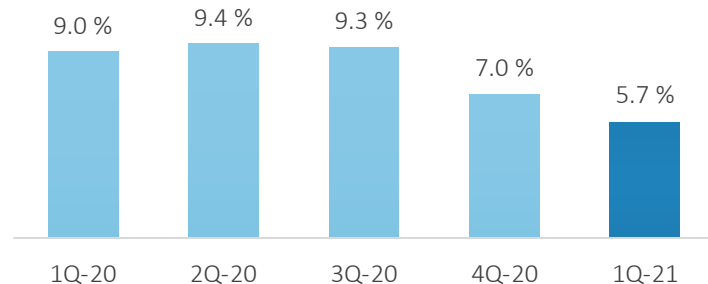
Return on equity



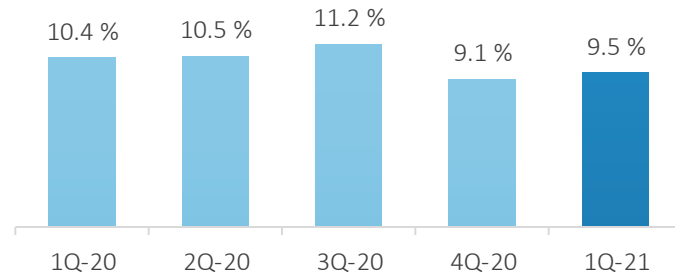
CET 1 ratio



Lending growth last 12 months



Deposit growth last 12 months



Profit contributions from subsidiaries

Profit contribution 1Q 2021 (1Q 2020)

▲ **NOK 48 million** (NOK 29 million)

SpareBank 1 Finans Østlandet AS

- Profit after tax NOK 48 NOK (NOK 29 million).
- Lending growth 1.1 % (7.6 %) last 12 months.

▲ **NOK 1 million** (NOK 0 million)

SpareBank 1 Østlandet VIT AS - group

- Profit after tax NOK 1 million (NOK 0 million).
- Revenue NOK 52 million (NOK 53 million).

▼ **NOK -1 million** (NOK 0 million)

EiendomsMegler 1 Innlandet AS

- Profit after tax NOK -1 million (NOK 0 million).
- Income NOK 29 million (NOK 28 million).

▲ **NOK 3 million** (NOK -1 million)

EiendomsMegler 1 Oslo Akershus AS - group

- Profit after tax NOK 3 million (NOK -1 million).
- Income NOK 52 million (NOK 48 million).

Profits in joint ventures

Profits 2021 (2020)

▲ **NOK 507 million*** *NOK (-780 million)*

SpareBank 1 Gruppen AS

- Profit after tax NOK 507 million (NOK -780 million).
- The controlling interest's share of profit 344 million (-591 million)
- Ownership 12.40 %.

▲ **NOK 26 million** *(NOK -132 million)*

SpareBank 1 Boligkreditt AS

- Profit after tax NOK 26 million (NOK -132 million).
- Ownership 22.45 %.

▲ **NOK 12 million** *(NOK 8 million)*

SpareBank 1 Næringskreditt AS

- Profit after tax NOK 12 million (NOK 8 million).
- Ownership 15.02 %.

▶ **NOK 2 million** *(NOK 2 million)*

SpareBank 1 Kreditt AS

- Profit after tax NOK 2 million (NOK 2 million).
- Ownership 19.09 %.

▲ **NOK -4 million** *(NOK -11 million)*

SpareBank 1 Betaling AS

- Profit after tax NOK -4 million (NOK -11 million).
- Ownership 18.74 %.

▲ **NOK 117 million** *(NOK 69 million)*

BN Bank ASA

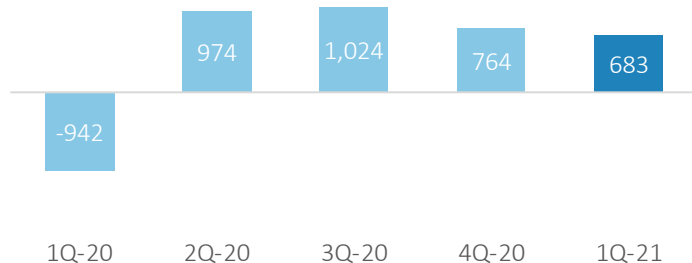
- Profit after tax NOK 117 million (NOK 69 million).
- Ownership 9.99 %.

* The profit contribution from SpareBank 1 Gruppen was NOK-73 million in 1Q 20. Of this, SpareBank 1 Østlandet's share of the gain in SpareBank 1 Gruppen from the transfer of the personal risk area from SpareBank 1 Forsikring AS to Fremtind Forsikring AS amounted to NOK 217 million.

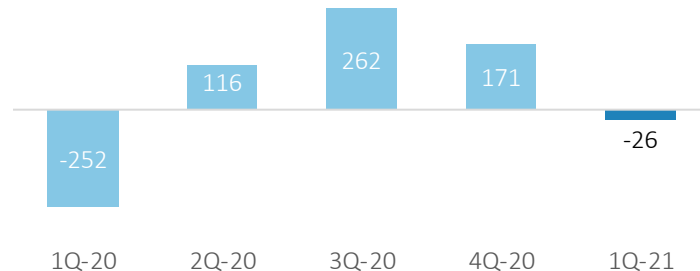
Historically good first quarter for SpareBank 1 Gruppen

SpareBank 1 Gruppen

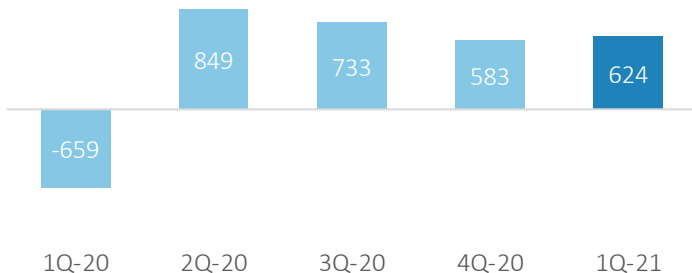
SpareBank 1 Gruppen – Pre-tax profit (NOK million)



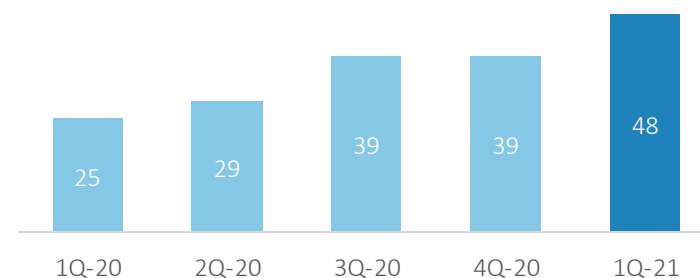
SpareBank 1 Forsikring – Pre-tax profit (NOK million)



Fremtind Forsikring – Pre-tax profit (NOK million)

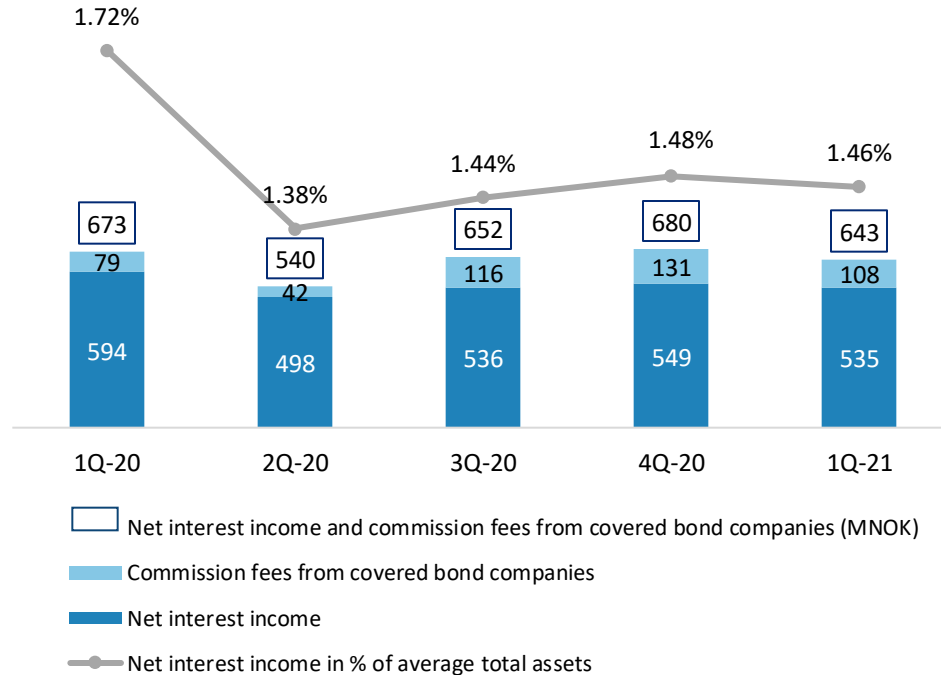


ODIN Forvaltning – Pre-tax profit (NOK million)



Net interest income

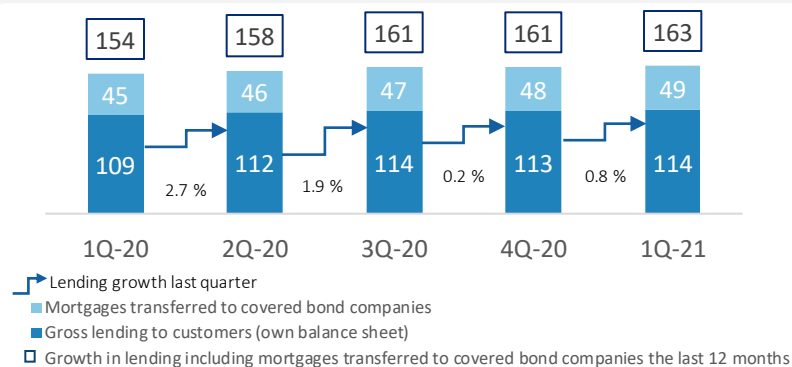
Net interest income incl. commissions from covered bond companies



- Reduced net interest income in 1Q-21 from previous quarter.
- The reduction was due to fewer interest days and a lower lending margin as a result of an increase in the 3 months Nibor from the previous quarter.

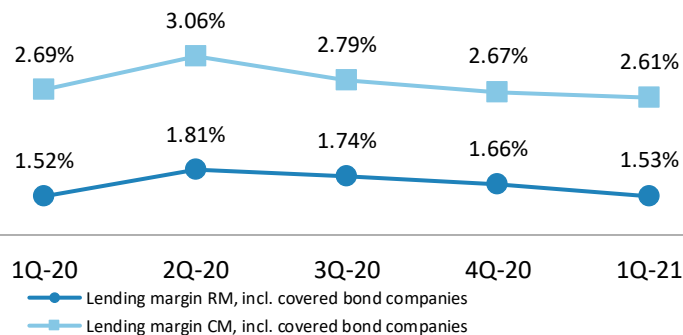
Good lending growth in the retail market

Lending volume (Group, NOK billion)



- Total lending in the Group, including mortgages transferred to covered bond companies, increased by NOK 1.3 billion in 1Q-21. Equivalent to a 0.8 % lending growth in the quarter.

- Lending growth last 12 months was 5.7 % (9.0 %).
 - Retail lending growth 7.7 %.
 - Corporate lending growth 0.2 %.

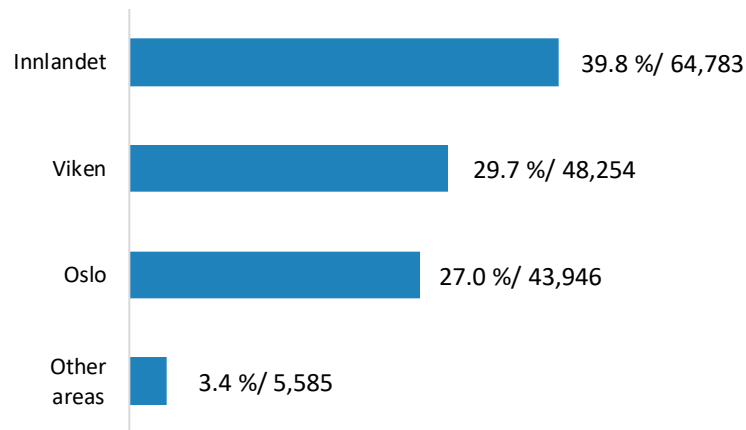


- Credit growth in Norway last 12 months
 - Households 4.9 %
 - Non-financial corporations 4.5 %
- Lending margins in the parent bank – both within retail and corporate markets – showed a reduction in 1Q-21 following the increased Nibor.

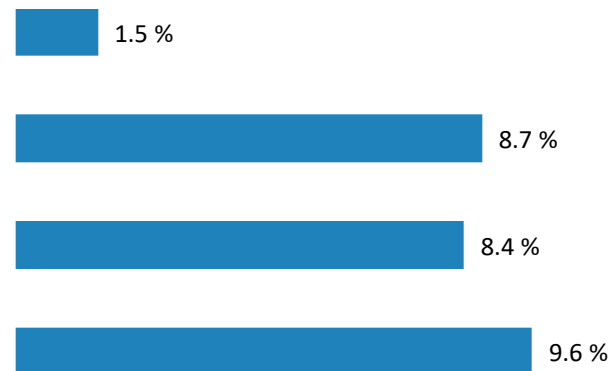
The Bank's lending growth is geographically diverse, but negative growth for corporate lending in Innlandet

Lending to customers per geographic area and change last 12 months (% and NOK million)

*Lending to customers per county (share in %/volume)**



Change last 12 months

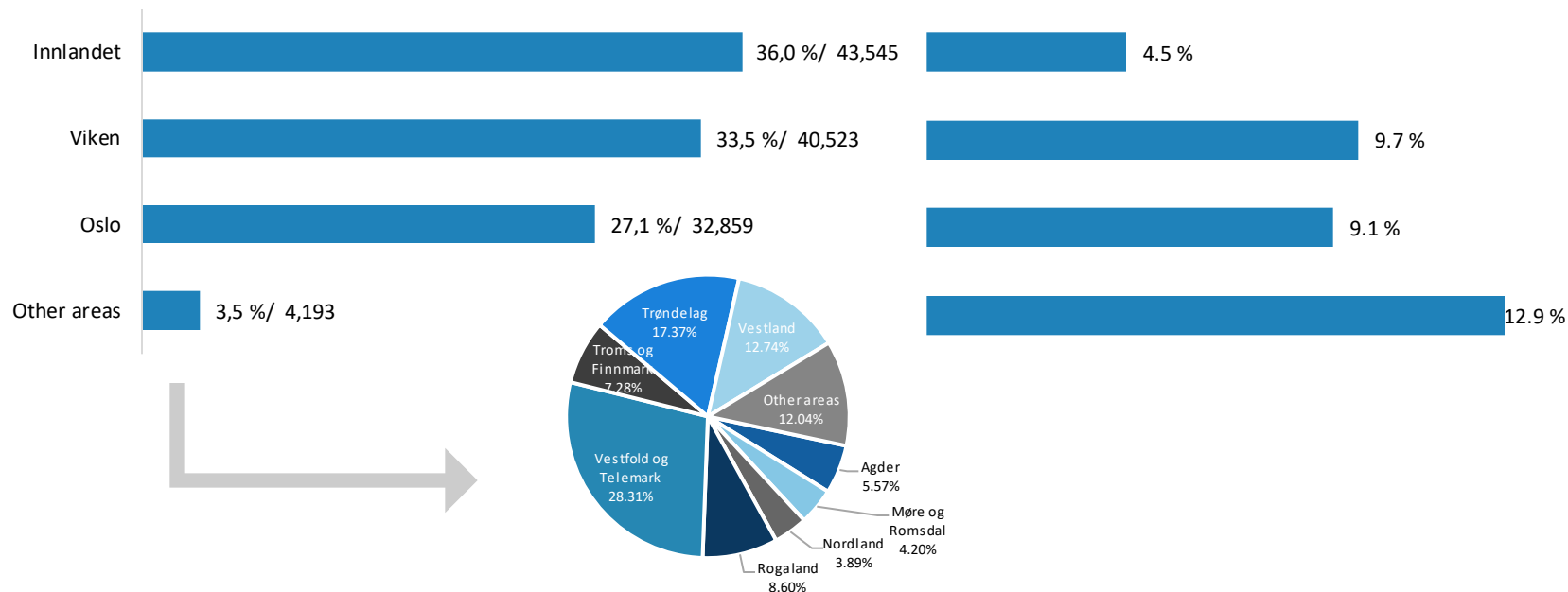


Broad based retail lending growth

Lending to retail customers per geographic area and change last 12 months (% and NOK million)

Lending to retail customers by county (share in %/volume)

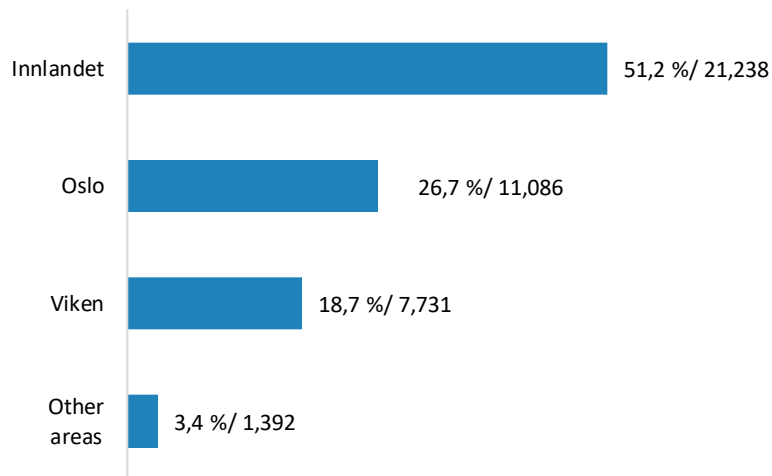
Change last 12 months



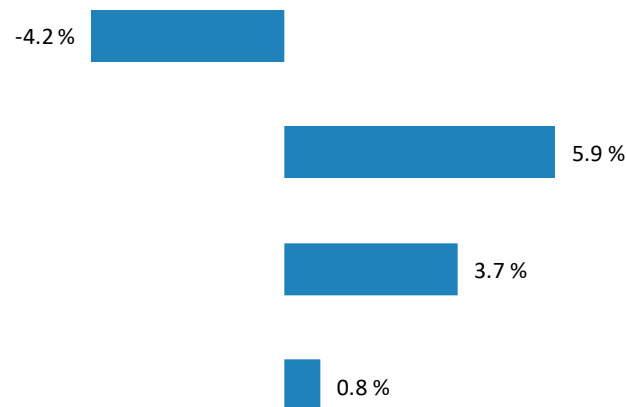
The corporate lending growth marked by repayments

Lending to corporate customers per geographic area and change last 12 months (% and NOK million)

Lending to corporate customers by county (share in %/volume)

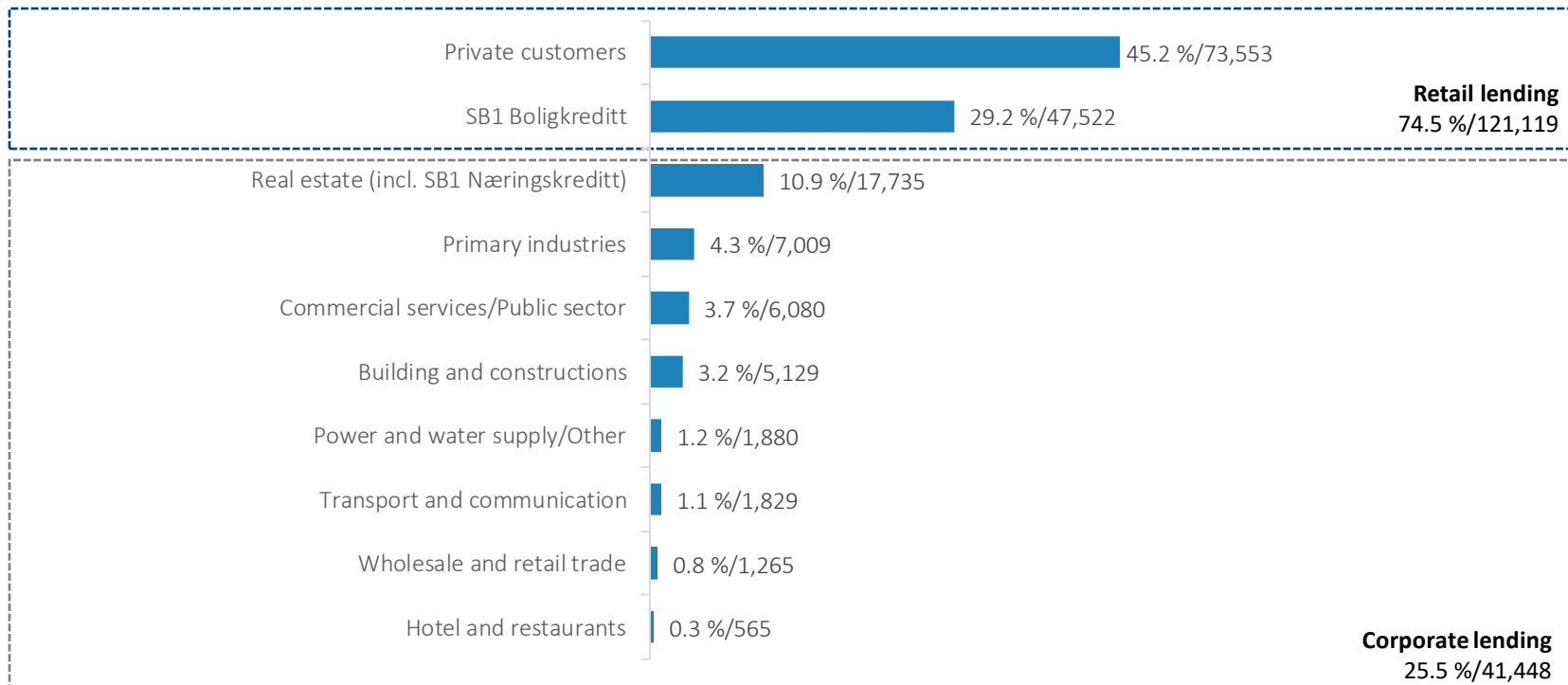


Change last 12 months



Low risk and diverse lending portfolio

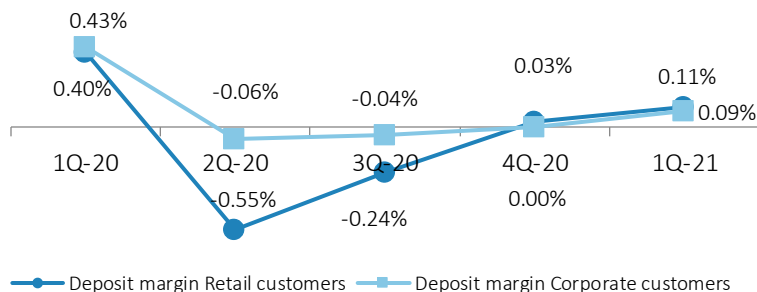
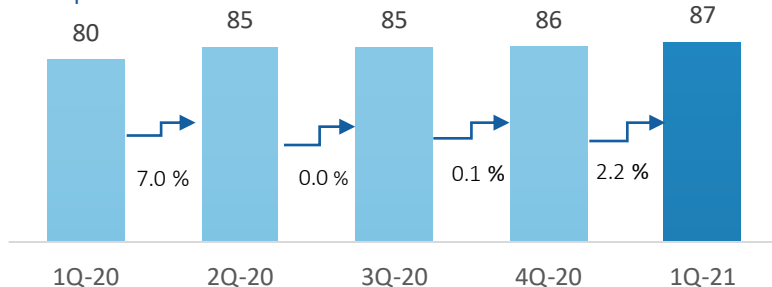
Lending to customers per sector (% and NOK million)



Solid deposit growth and increasing deposit margins

Deposit volume and deposit growth (Group – NOK billion)

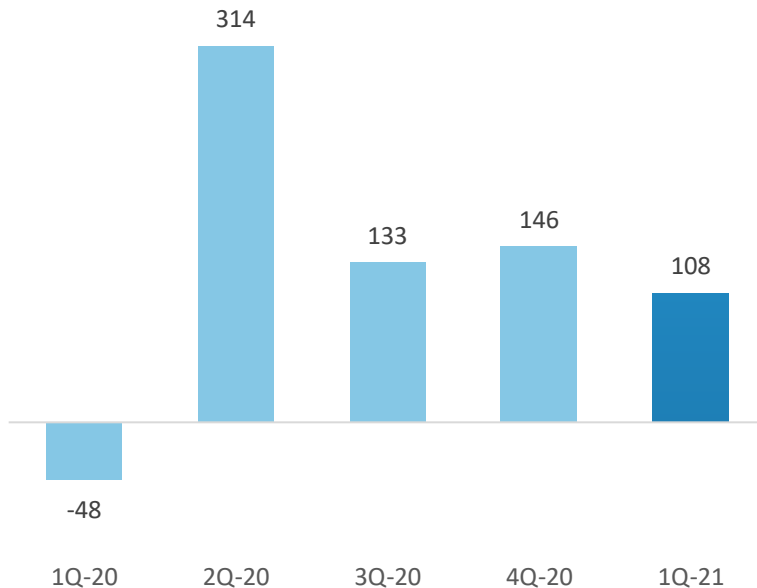
Deposits from customers



- Deposit growth of 2.2 % (1.8 %) in 1Q-21.
- Deposit growth last 12 months: 9.5 % (10.4 %).
 - Retail deposit growth 8.5 %.
 - Corporate deposit growth 10.7 %.
- Deposit coverage ratio 76.7 % (73.4 %).
- Deposit coverage ratio - including mortgages transferred to the covered bond companies 53.8 % (51.9 %).
- The deposit margins in the parent bank improved following the increase in 3-month Nibor.

Solid contribution from financial items

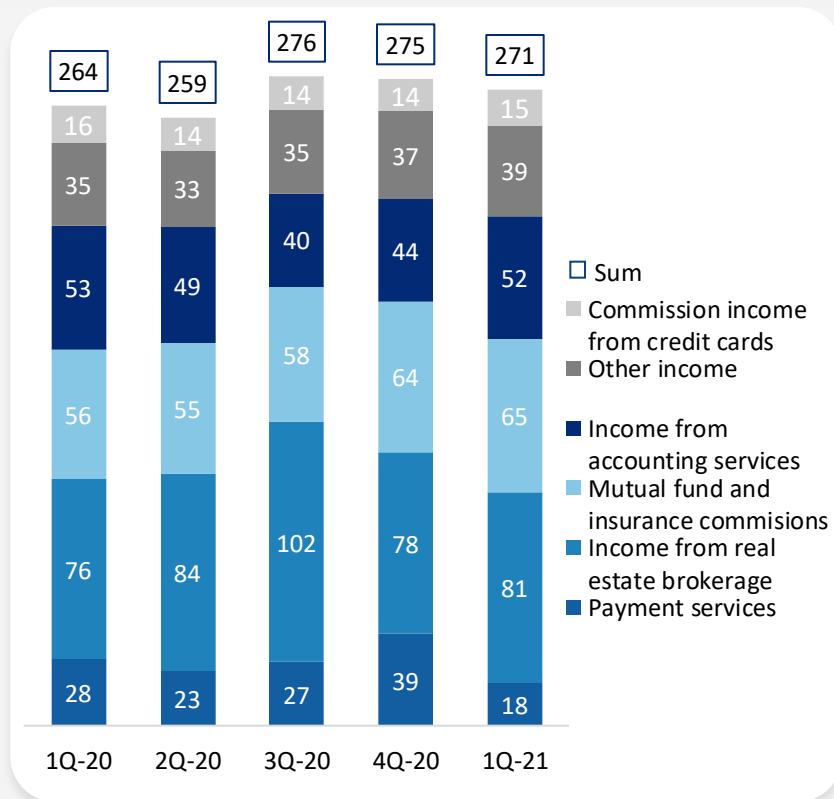
Net income from financial assets and liabilities (NOK millions)



- Net income from financial assets and liabilities was NOK 108 million in 1Q-21 (NOK 48 million).
 - Net profit from ownership interests amounted to NOK 59 million (NOK 115 million).
 - Net income from other financial assets and liabilities was NOK 38 million (NOK -175 million).
 - Dividends of NOK 11 million (NOK 12 million) was mainly due to dividends from Totens Sparebank of NOK 10 million (NOK 11 million).
 - In the first quarter of 2020, the bank recognized profit related to the Fremtind transaction of NOK 217 million.

Increased commission fees and other income from last year

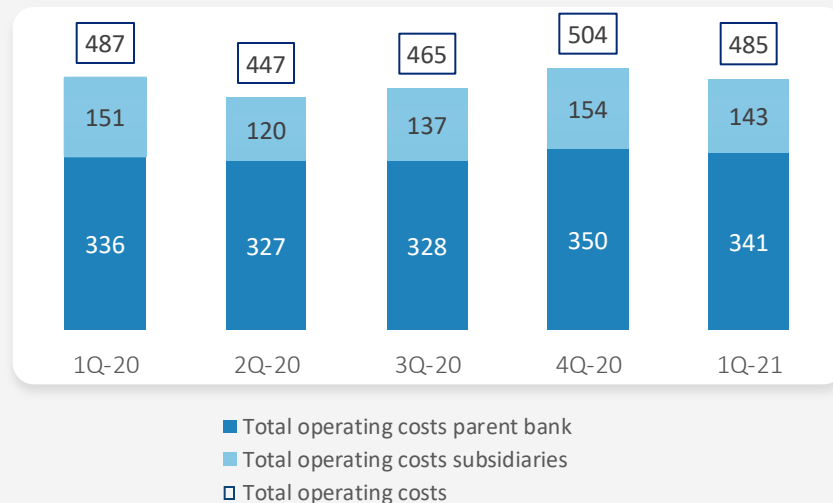
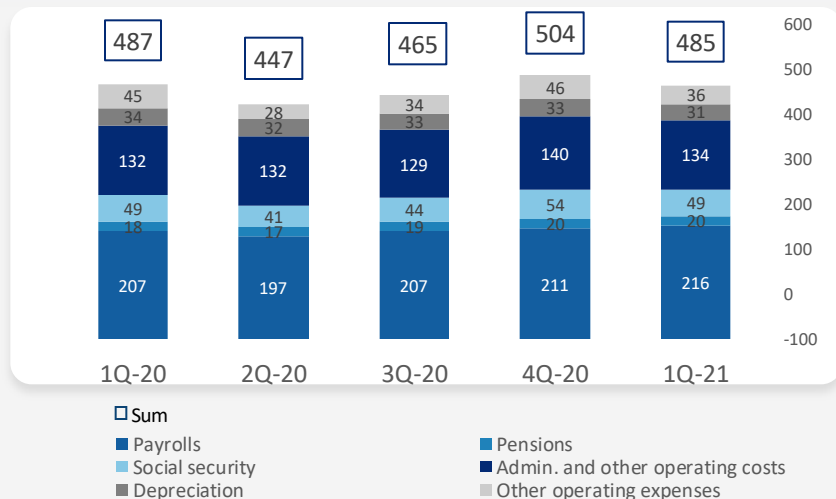
Net commissions and other income (NOK million)



- Commission fees and other income was NOK 271 million in 1Q-21 (NOK 264 million)
- Commission fees from real estate brokerage was NOK 81 million in 1Q-21 (NOK 76 million)
- Commission fees from mutual funds and insurance products continues to show good development and was NOK 65 million in 1Q-21 (NOK 56 million)
- Commissions from accounting services was NOK 52 million in 1Q-21, MNOK 1 million down from 1Q-20.
- Decrease in commission fees from payment services the compared to 1Q-20, while commission fees from credit cards shows a stable trend.

Satisfactory cost development

Operating costs per quarter (NOK million)

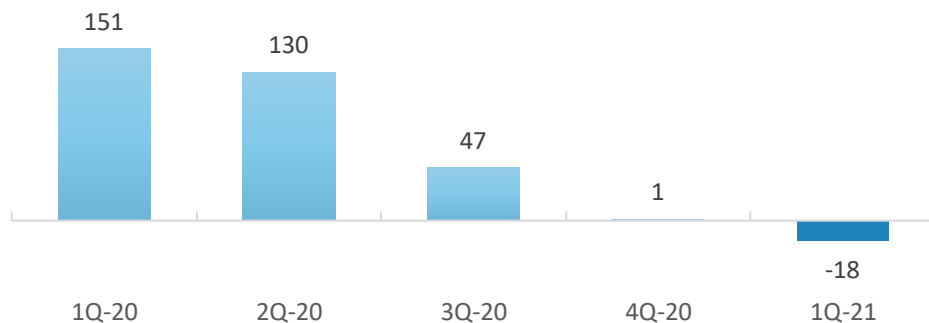


- Group operating costs in Q1-21 were NOK 485 (487) million.
- Operating costs accounted for 47.5 (54.7) percent of net revenues.
- The operating costs in the parent bank in 1Q-21 was NOK 341 (336) million
- The board has stated an ambition of «cost growth in the parent bank for 2021 within 2%, taking into account restructuring costs»
 - As of 31 March 2021, the increase was 1.9 per cent

Net reversals on loan losses

Impairment losses on loans and guarantees (NOK million)

Impairment losses on loans and guarantees (NOK million)



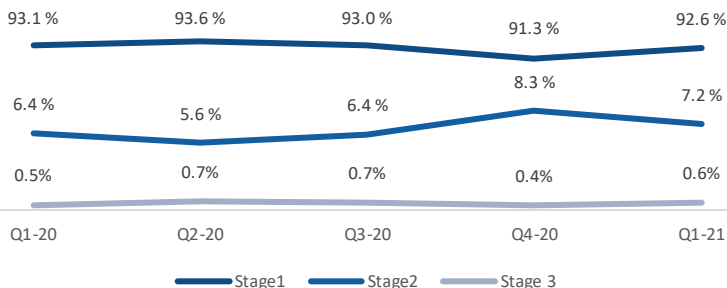
Isolated loss effects	Retail division	Corporate division	Parent bank	SB1FØ	Group
Change ECL due to period growth and migration	1	5	6	-3	3
Change ECL due to adjusted key assumptions (PD / LGD)	-2	-12	-13	0	-13
Change ECL due to changed scenario weighting	0	0	0	0	0
Change in model-based loss provisions	-1	-7	-7	-3	-10
Post model adjustments	0	-20	-20	0	-20
Change individual loss provisions	1	2	3	-1	2
Net write-offs	1	4	5	6	11
Total losses	1	-20	-19	2	-18

- Credit losses in 1Q-21 were NOK -18 million.
 - Parent bank -19 MNOK
 - SB1 Finans Østlandet 2 MNOK
- Model based provisions were reduced by NOK 10 million due to adjusted key assumptions (PD / LGD) related to improved economic outlook.
- Post model adjustments (PMAs) for assumed, but not observed, migration from Stage 1 to Stage 2 of NOK 20 million has been removed.
 - Replaced by individual assessments

New default definition

Specification of impairments and net exposure (NOK million)

Exposure in stages, percentage of gross loans

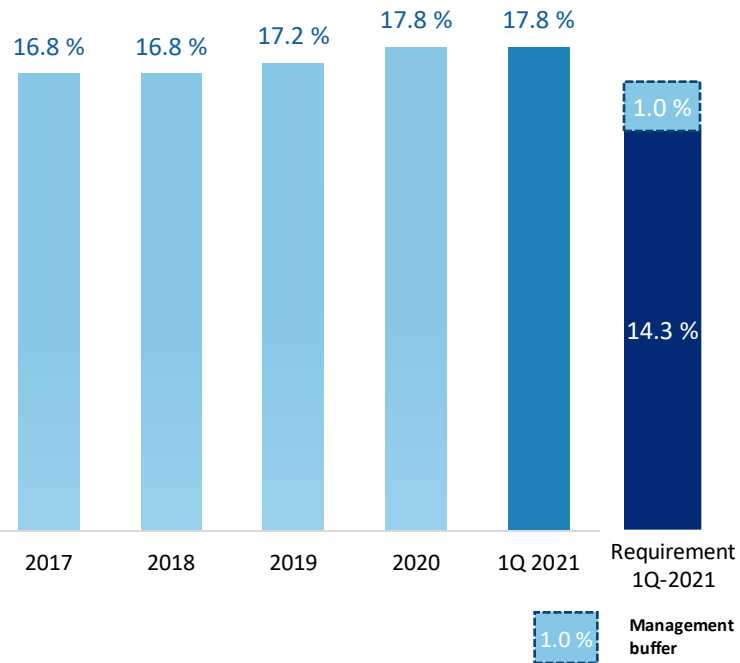


- The proportion of loans in Stage 3 increased in 1Q-2021.
 - The increase from the beginning of the year is mainly due to SpareBank 1 Østlandet adopting a new default definition on 1 January 2021.
 - New default definition follows from EBA's GL 2016-07
- Loans defined as Stage 3 were NOK 724 million (NOK 518 million).
 - This is equivalent to 0.6 % (0.5 %) of gross loans.
 - Provisions for credit losses in Stage 3 were NOK 133 million (NOK 101 million).
- The proportion of loans in Stage 2 is reduced in 1Q-2021.
- Total provisions for credit losses were NOK 520 (507) million
 - The total provision ratio was 0.5 % (0.5 %).

		1Q-20	2Q-20	3Q-20	4Q-20	1Q-21
Stage 1	Gross loans	101 276	105 223	105 656	103 458	105 159
	Provisions for credit losses	184	198	185	173	174
	Credit loss provision ratio	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %
Stage 2	Gross loans	7 017	6 332	7 217	9 422	8 179
	Provisions for credit losses	223	233	236	244	213
	Credit loss provision ratio	3.2 %	3.7 %	3.3 %	2.6 %	2.6 %
Stage 3	Gross loans	518	826	751	488	724
	Provisions for credit losses	101	183	221	130	133
	Credit loss provision ratio	19.5 %	22.2 %	29.4 %	26.6 %	18.3 %
Total	Gross loans	108 811	112 381	113 624	113 368	114 062
	Provisions for credit losses	507	614	642	547	519
	Credit loss provision ratio	0.5 %	0.5 %	0.6 %	0.5 %	0.5 %

Stable solidity

Common Equity Tier 1 ratio (Group)



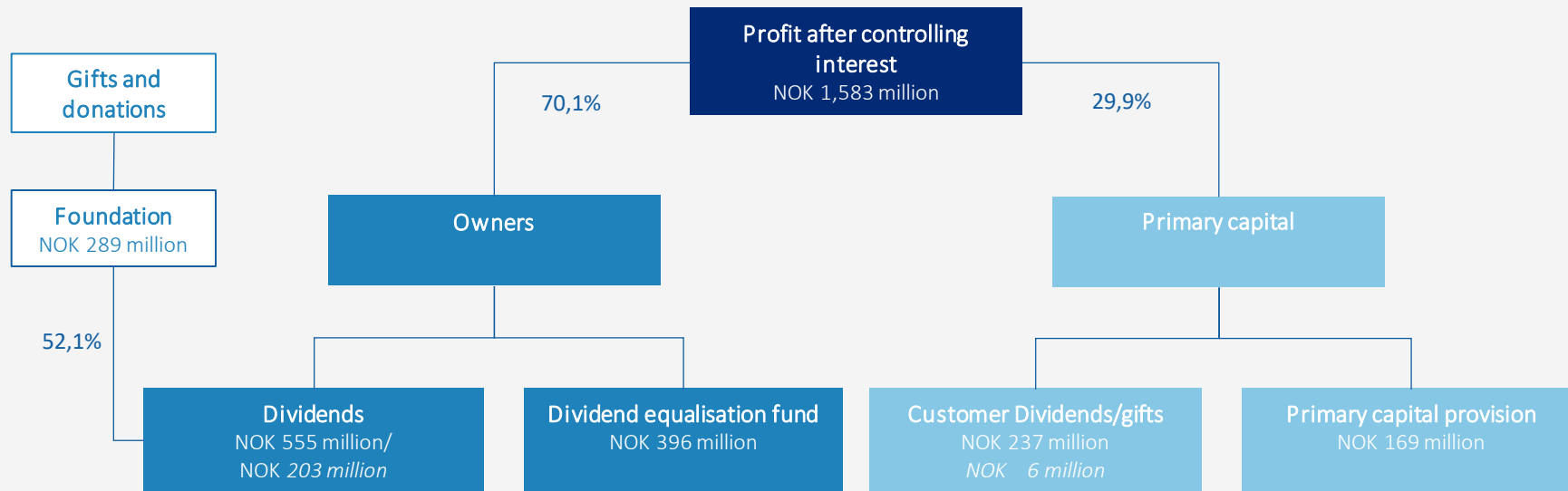
- The Group's long-term CET 1-target is the regulatory requirement with an added management buffer of 100 bps.
 - The regulatory requirement, incl. the 1.8 %-point Pillar 2 requirement, is currently 14.3 %.
- The Ministry of Finance announced on 26 March 2021 that the EU banking package will not come into force in Norway in June.
 - The date of coming into force has not been determined.
 - Implementation of the expanded SMB discount is estimated to strengthen the CET 1 of approximately 0.4%.
- The CET 1 ratio was 17.8 % as at 31.03.2021
 - The assumed normalization of the countercyclical capital buffer is taken into account in the Group's capital planning.
- The leverage ratio was 7.1 %.

Dividend for owners and customers

The Board of Directors' proposed allocation of profit (*italic: paid out in April*)

- NOK 1.75 per equity certificate and MNOK 6 gifts was paid in April, based on the MoF's recommendation
- The Board of Directors got authorization to pay an additional NOK 3.04 per equity certificate and NOK 231 million in customer dividends after 30 September, if conditions permit

ILLUSTRATION



Dividends for the owners and customers equal 50 % of the Group's profit after tax¹⁾

1) The figures in the statement do not add up to 100% because the results in subsidiaries, profit contributions, Bank's donation provisions, fund for unrealised gains and minority interests have been excluded

2021 **Q1**

APPENDIX

Financials/ECC

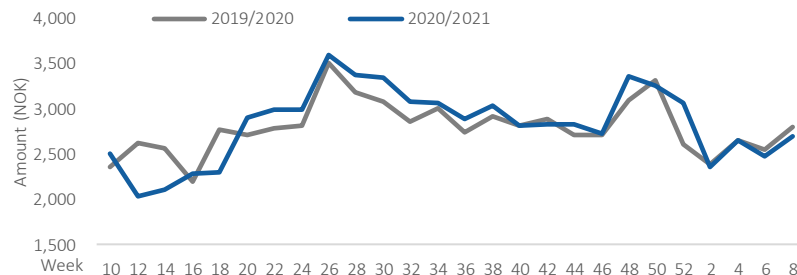
The consumers have better personal economy

- Lower interest rates have increased disposable income during the pandemic.
- Increased savings.
- Increased average consumption.
 - On total, average debit/credit card use increased 0.8 % per customer during the last year.

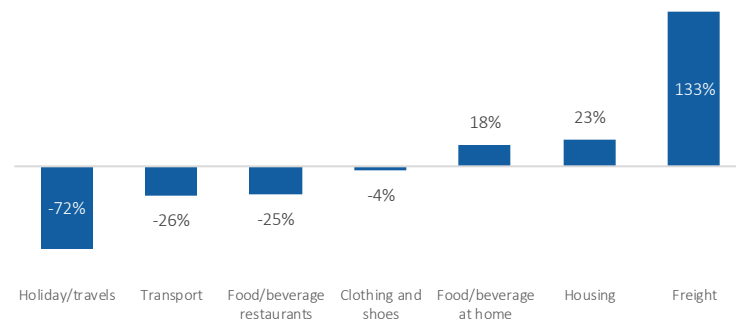
Significant changes in consumer behaviour

- Categories as refurbishment, housing, groceries and alcohol have the highest increased card use.
- Higher freight consumption due to e-commerce.
- Holidays and travel, transport (car, public transport), nightlife and restaurant, as well as cultural life have a marked decline.

Average card use – customer/week

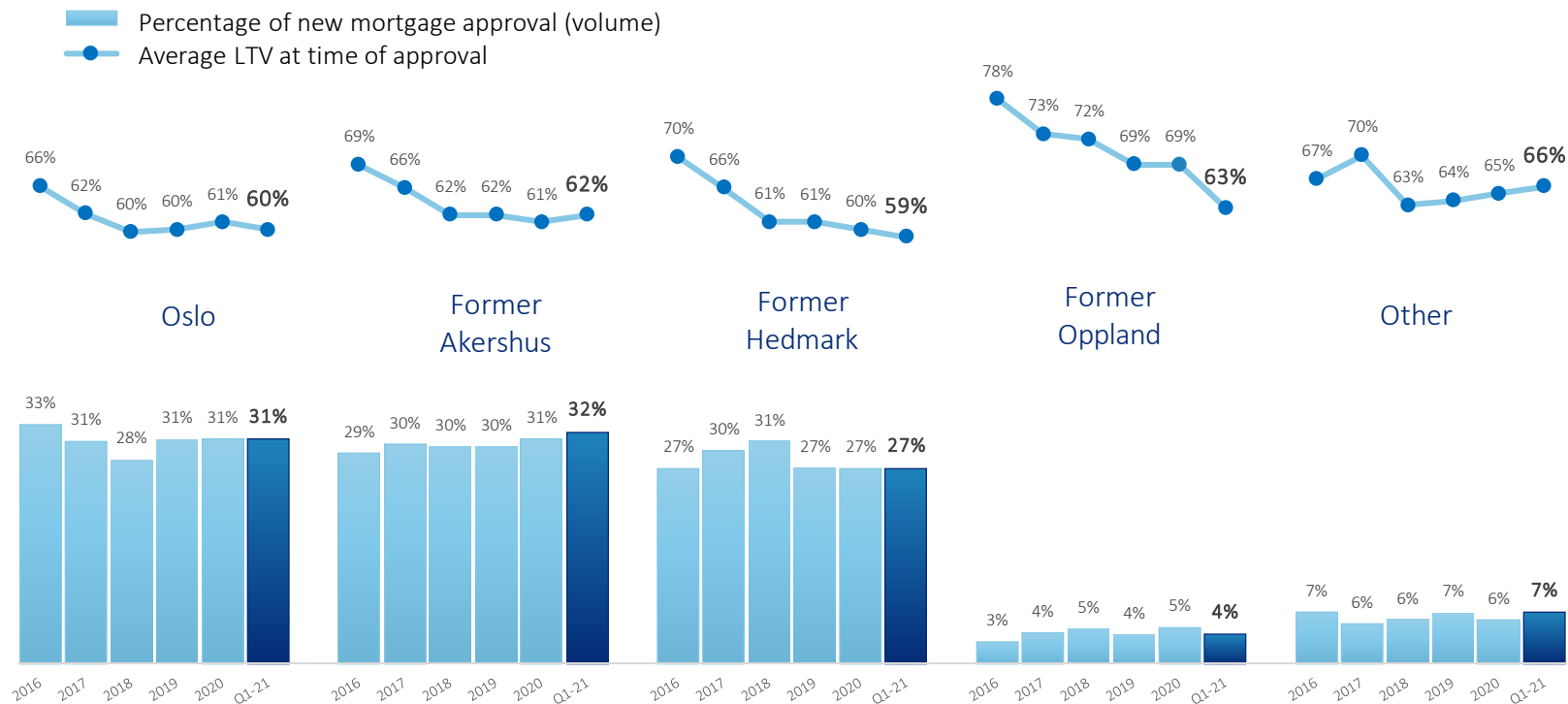


Selected categories – change in average consumption per customer



Continued stable and low LTV in new mortgage approvals

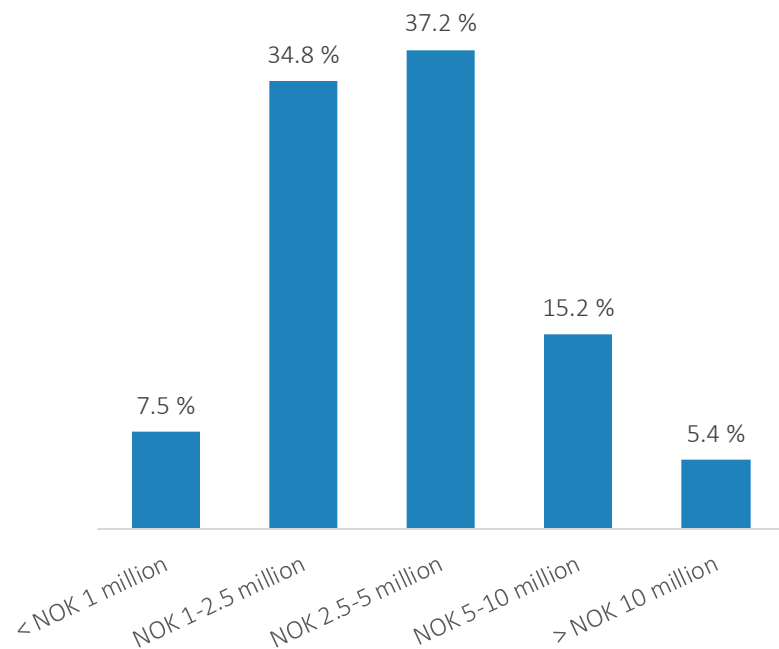
Percentage of new mortgage approvals and average LTV per period and county



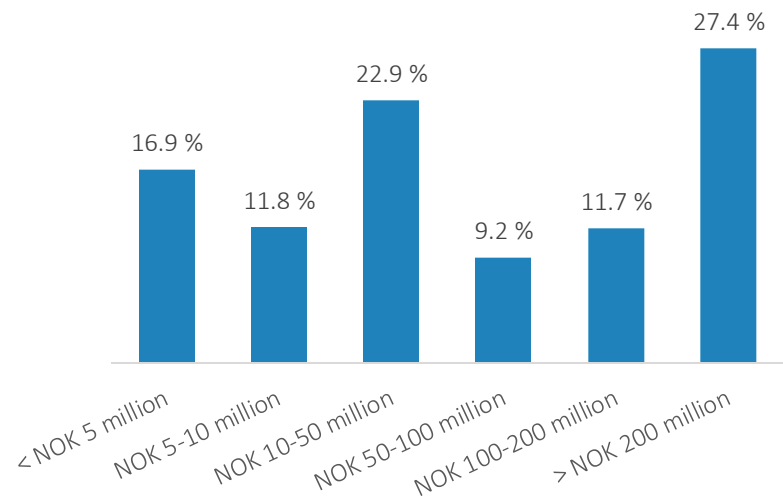
Size concentration risk in the lending book is low

Retail and corporate loans by size (% share)*

Retail lending

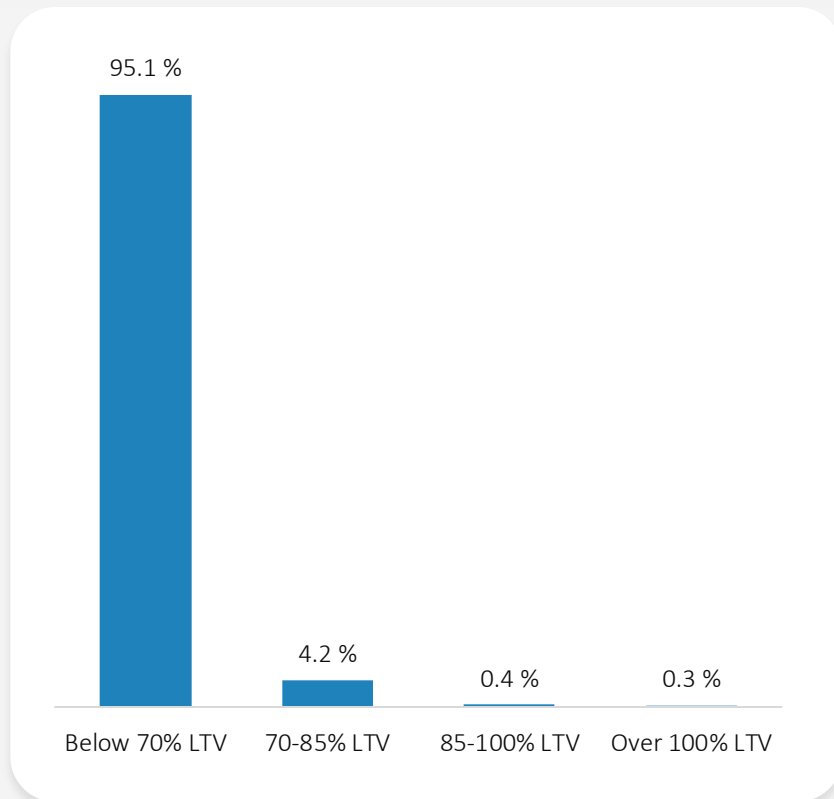


Corporate lending



The use of the flexibility quota is targeted at priority customers

Exposure per LTV bucket in the residential mortgage portfolio



Mortgages – Utilisation of flexibility quota in 1Q-21:

City of Oslo
6.6 % (8 % quota)

Other areas
6.0 % (10 % quota)

The mortgage regulation* constrains housing mortgage lending through defined requirements:

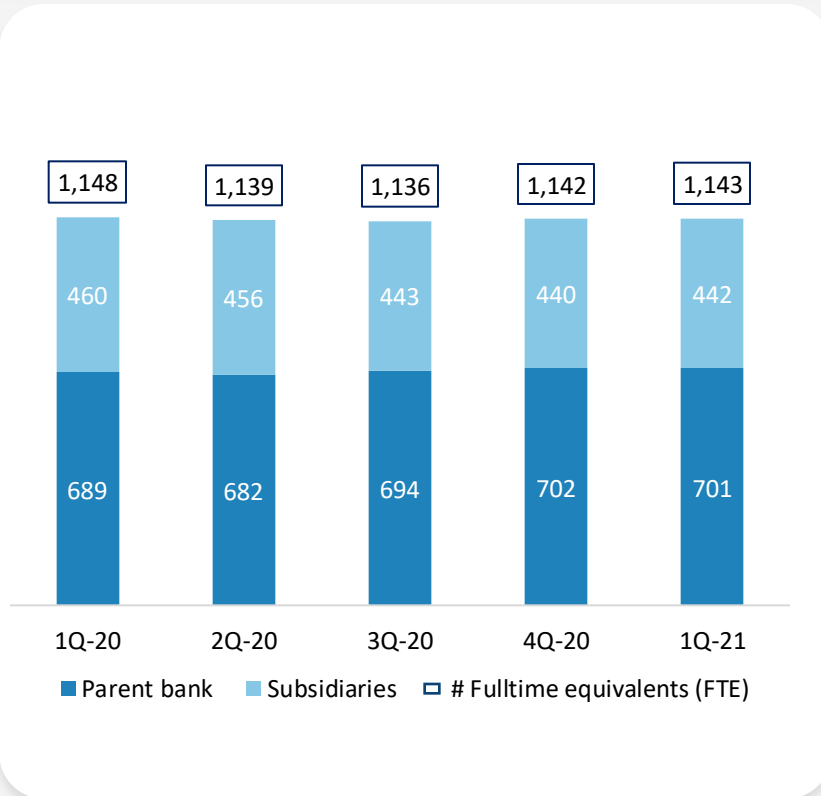
- Debt servicing capacity
 - Stress test of a sudden 5 % mortgage rate increase
- Maximum loan to value
 - Max 85 % LTV on new lending
 - (A stricter 75 % LTV legal requirement in the SB1 Boligkreditt cover pool)
- Gearing
 - Total debt must not exceed five times gross annual income
- Requirement of installment payment

Exemptions are permitted within 10 % (8% for Oslo) of the total granted volume each quarter (the «Flexibility Quota»).

* "Regulation on the requirements for new lending with collateral in housing"

Headcount

Headcount (FTE)



- Reduced Group headcount of 5 FTEs in last 12 months.
- The staffing in the parent bank is at the same level as in the previous quarter.
- Reduction of 18 FTEs in subsidiaries from 1Q-20.

	31.03.2021
Market price (NOK)	111.40
Market capitalisation (NOK million)	12,903
Book equity per ECC ¹⁾	99.28
Earnings per ECC, NOK ²⁾	2.59
Price/Earnings per ECC ³⁾	10.61
Price/book equity ⁴⁾	1.12

1) Group book equity without hybrid capital, minority interest and provision for gifts x ownership interest* / number of ECC's

2) Profit after tax for controlling interests x Equity capital certificate ratio* / number of ECC's.

3) Market price in NOK/annualized earnings per ECC.

4) Market price in NOK*nu of ECC's /book equity (parent bank) x equity capital certificate ratio*

5) Dividend adjusted return

*Equity capital certificate ratio as at 31.12.2019

- SPOL return:
 - Return 1Q-21⁵ + 15.8 %
 - Return YoY⁵ + 50.9 %
- Marginally lower liquidity in 1Q-21 than in corresponding quarter last year.
 - 1Q-20 was affected by high transaction volume during the first COVID-lockdown.
 - Average daily transaction volume was 44,385 ECCs
 - Daily average turnover: NOK 4.6 million.

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This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although SpareBank 1 Østlandet believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for SpareBank 1 Østlandet are, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

This presentation does not imply that SpareBank 1 Østlandet has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.