

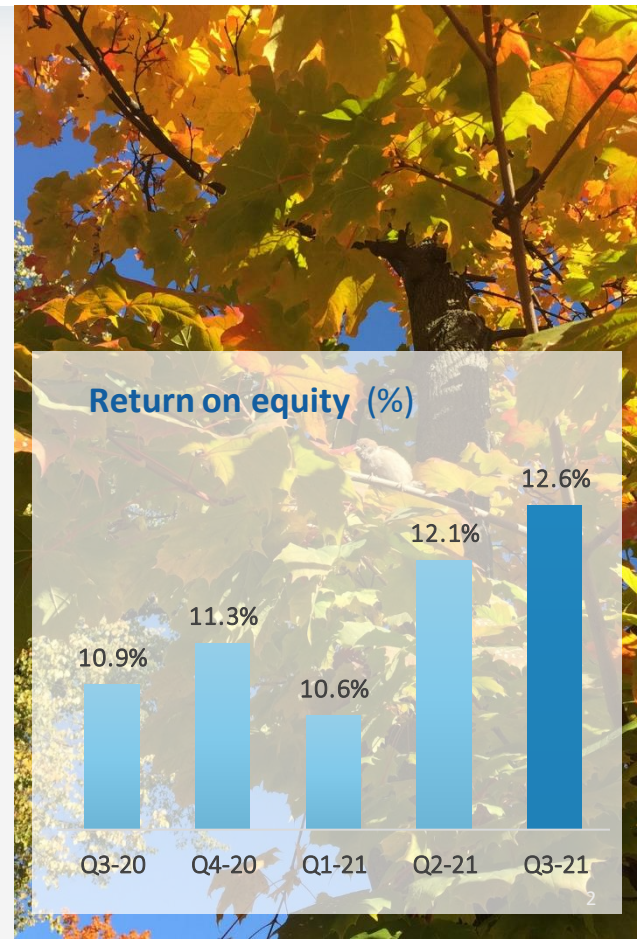
2021 **Q3**

COMPANY PRESENTATION

Highlights in Q3 2021

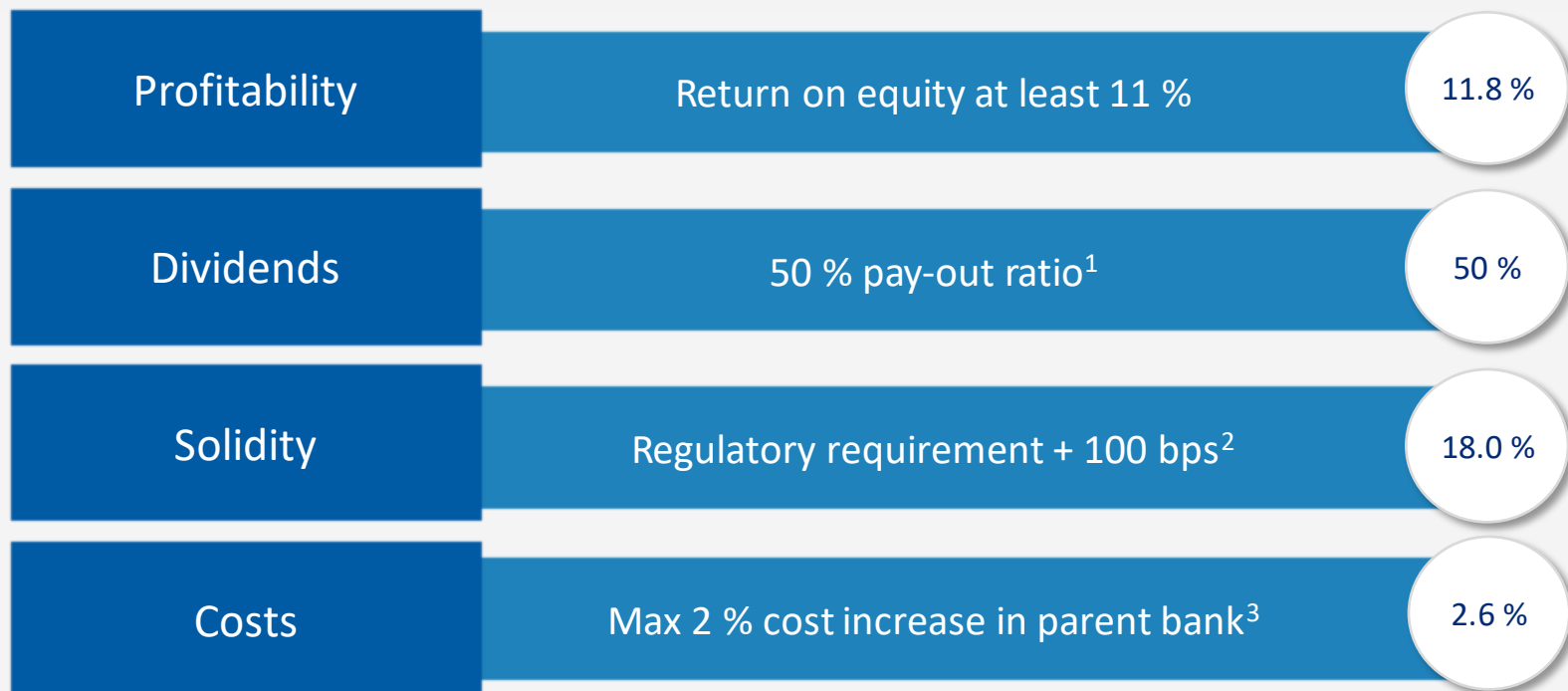
Summary

- Another strong quarter with a high return on equity.
- Decision made regarding payment of remaining owner and customer dividends for 2020.
- All major income items contributed positively compared to last year:
 - Higher NII due to volume growth. Higher deposit margins partly offset lower lending margins.
 - Higher commission income from the covered bond companies, payments, and insurance & savings, lower from real estate brokerage and accounting services.
 - Still good contributions from ownership interests and financial items.
- Cost growth somewhat higher than target, measures implemented continuously.
- Net reversals on loan loss provisions in Q3.
- Positive macroeconomic backdrop both regionally and nationally, with prospects for more interest rate hikes from Norges Bank.



Strong financial performance so far in 2021

Long term financial targets and actual performance as of Q3 2021

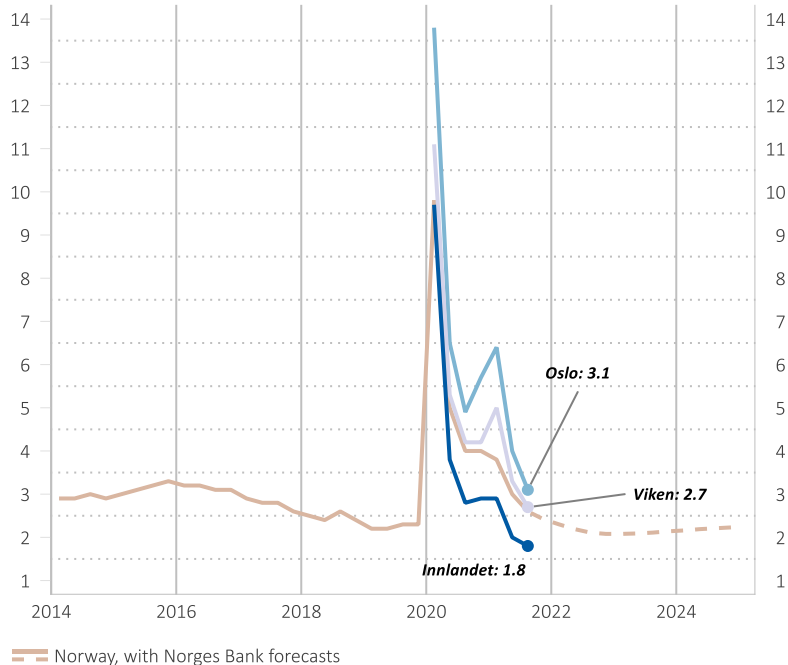


1. Out of profits after taxes taking into account non-controlling ownership interest and interest on hybrid capital.
2. Regulatory requirement currently 14.2 %. Capital planning takes into account future planned regulatory changes.
3. Year to date in 2021. The Board of Directors has set a target for 2021 of cost growth within 2 % (ex restructuring costs) in the parent bank.

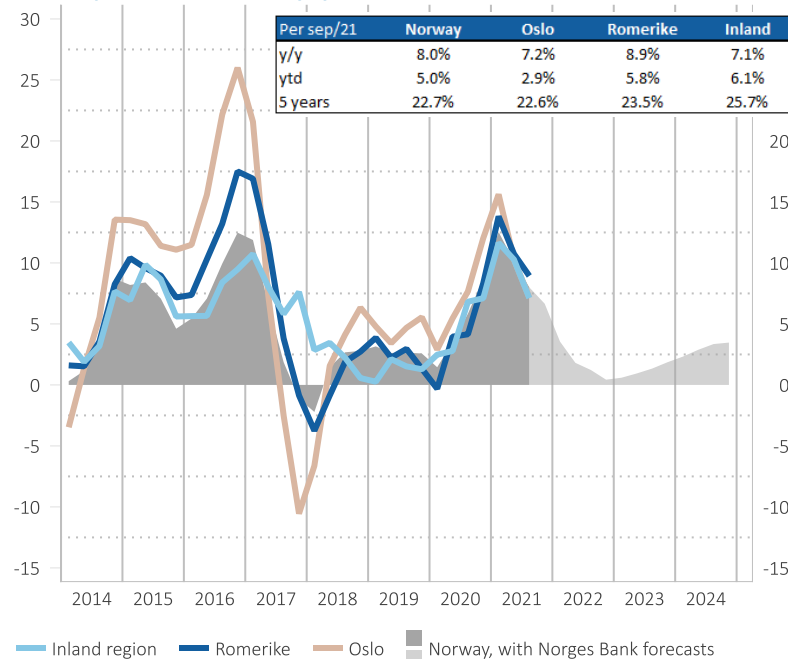
Solid labour market improvements, but somewhat slower housing market

Signs of more normal economy. Largest fluctuations in Oslo, both for labour and housing markets

Unemployment (registered), %



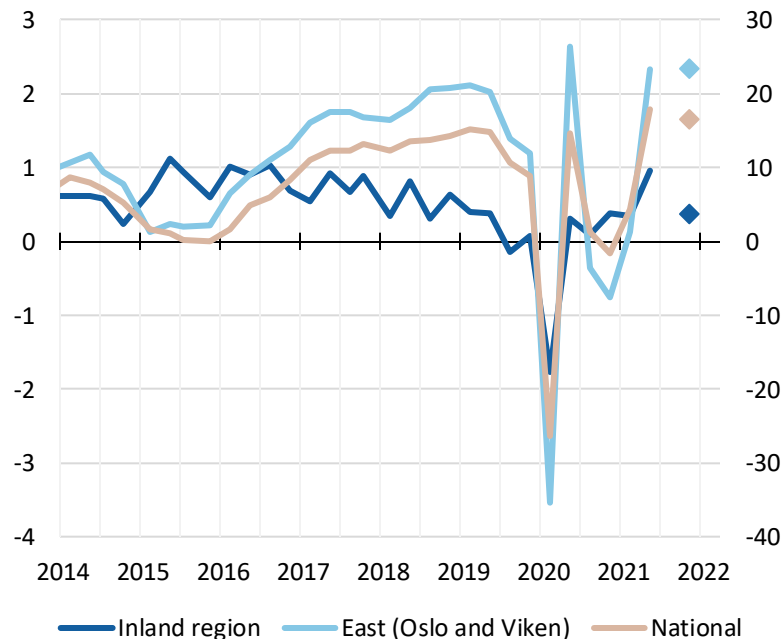
House price inflation, % y/y



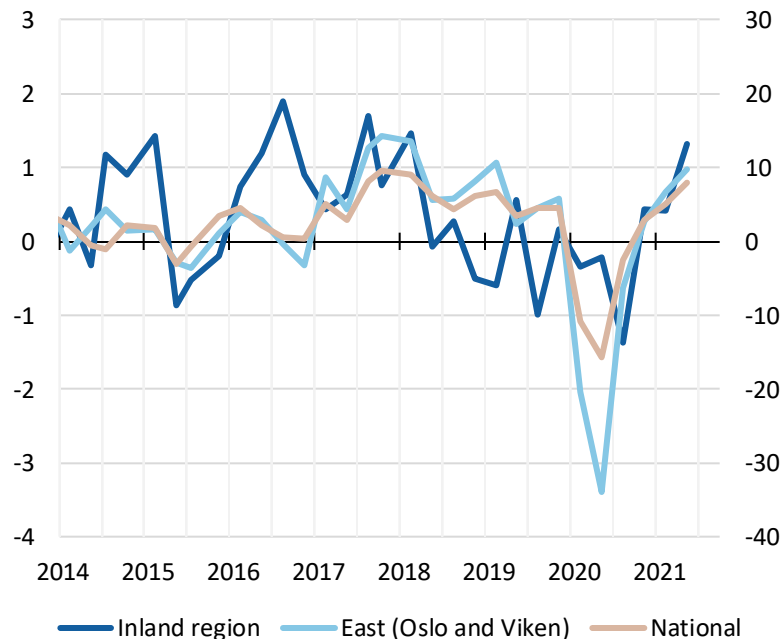
Strong production growth, higher business investments

Strong improvement in East. Lower production growth in Inland, but high investment growth

Regional network: Production*



Regional network: Investments*



Creating together: Customer dividends for 2020

Payment around 19 November. Up to NOK 231 mill.*



Eksempel på kundeutbytte



Familie - felles lån

Lån: kr 4 millioner
Innskudd: kr 75 000

Kundeutbytte
kr 6 014*



Singel

Lån: kr 2 millioner
Innskudd: kr 600 000

Kundeutbytte
kr 3 838*



Student

BSU: kr 300 000
Innskudd: kr 50 000

Kundeutbytte
kr 517*



Bedrift

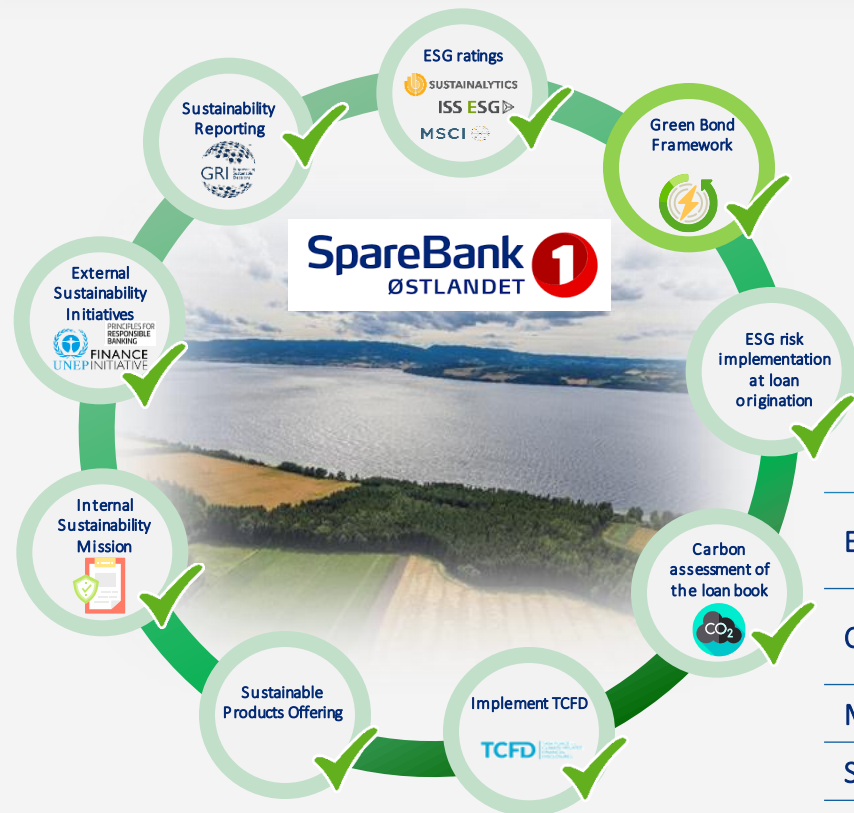
Lån: kr 2 millioner
Innskudd: kr 1,2 millioner

Kundeutbytte
kr 4 723*

* Forutsetter at du har hatt samme lånebeløp og innskudd på konto gjennom hele året. Eksemplet gjelder for opptjeningsåret 2020. Merk at dette kun er et eksempel og at den faktiske utbetalingen kan skille seg fra eksemplene.

ESG: Holistic approach and encouraging feedback

A broad framework for ESG, providing external stakeholders with insight into the bank's work with ESG



ESG 100 – Oslo Stock Exchange

- A
- #1 among savings banks

NEW!

CDP – Carbon disclosure project

- A
- 1 of 9 Norwegian companies

MSCI

- AA

Sustainalytics

- 12.3 ESG Risk Rating ("Low Risk")

Fair Finance Guide

- #3 Overall
- #1 Among Norwegian listed banks

ESG: Going forward we aim to support customers in their green transition

Green products and working together with our customers

The image displays three overlapping screenshots of the SpareBank 1 Østlandet website. The top-left screenshot shows the 'Grønt boliglån' (Green mortgage) page, which features a house icon and text explaining the benefits of green mortgages, such as lower interest rates. The top-right screenshot shows the 'Bærekraft - en enkel guide for bedrifter' (Sustainability - a simple guide for businesses) page, which includes a landscape illustration and a list of topics like energy efficiency and green financing. The bottom screenshot shows the 'Bærekraftsveileder' (Sustainability guide) page, which provides information on how to get started with sustainability and includes links to various guides and webinars.

Grønt boliglån

Eier du, eller skal du kjøpe bolig med energimerke A eller B? Da får du ekstra god rente med grønt boliglån.

Grønt lån til energieffektiv bolig

Ta grønne valg og få bedre rente på boliglånet

Få tilbud på grønt boliglån

For å få tilbud på grønt boliglån, fyller du ut lånesøknaden i neste steg. Bruk fristekstfeltet på slutten av søknaden til å skrive at du søker om grønt boliglån.

Bærekraft - en enkel guide for bedrifter

Her kan du lese om hva som menes med bærekraft

4 trinn til hvordan du starter med bærekraft

Verktøy du kan bruke i bærekraftsarbeidet

Bærekraftsveileder

Vi har laget en superenkel veileder for bedrifter uten egen bærekraftsveileder. Eller for deg som er nyansatt innen bærekraft og ikke helt vet hvor du skal starte. Veilederen gir deg en oversikt, en innføring i hvor du skal starte, den hjelper deg i gang og henviser til ulike smarte kilder.

Bærekraftsveilederen - del 1

Bærekraftsveilederen - del 2

Opptak av webinarer

Karoline Bakka Hjertø, bærekraftsansvarlig i SpareBank 1 Østlandet, holder i høst et 4-delt webinar om bærekraftsveilederen. [Meld deg på her.](#)

Opptakene gjøres tilgjengelig her fortløpende.

- [Se opptak webinar 1 \(21. oktober 2021\)](#)
- [Se opptak av webinar 2 \(28. oktober 2021\)](#)
- [Se opptak av webinar 3 \(4. november 2021\)](#)
- [Se opptak av webinar 4 \(11. november 2021\)](#)
- [Se opptak av seminar lansering \(7. oktober 2021\)](#)
- [Se opptak av foredrag lansering \(7. oktober 2021\)](#)



Another strong quarter

Financial accounts Q3 2021 (same quarter last year in brackets)

Strong profit after tax

- Profit after tax in Q3-21 NOK 561 million (NOK 438 million)

High return on equity

- ROE in Q3-21 of 12.6 % (10.9 %)

Solid capitalization

- CET 1 ratio 18.0 % (17.3%)

High lending growth

- Lending growth 1.8 % in 2Q-21 (1.9 %), incl. covered bond companies
- Lending growth 5.8 % (9.3 %) (incl. covered bond companies) last 12 months

Balanced deposit growth

- Deposit growth of minus 1.4 % in Q3-21 (0.0 %)
- Deposit growth 6.7 % (11.2 %) last 12 months

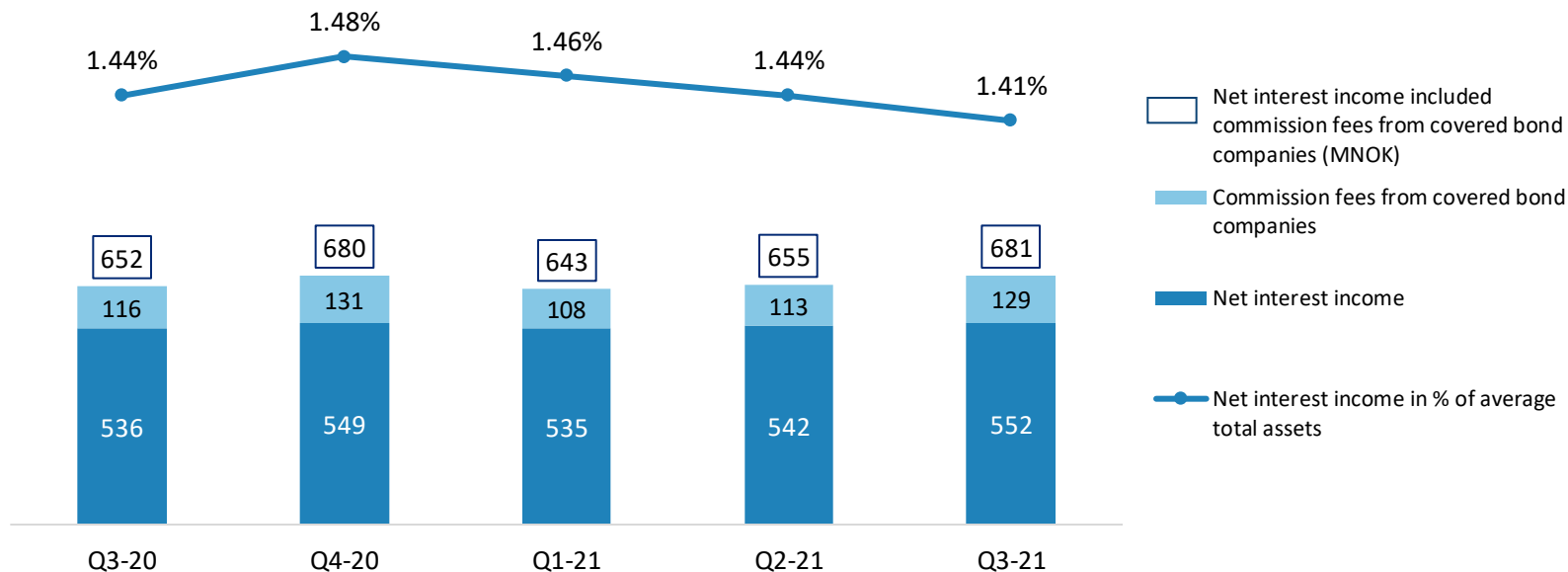
Net reversals on losses

- Net reversal of losses of NOK 16 million in Q3-21 (losses of NOK 47 million).

Higher net interest income

Largely due to growth in volumes

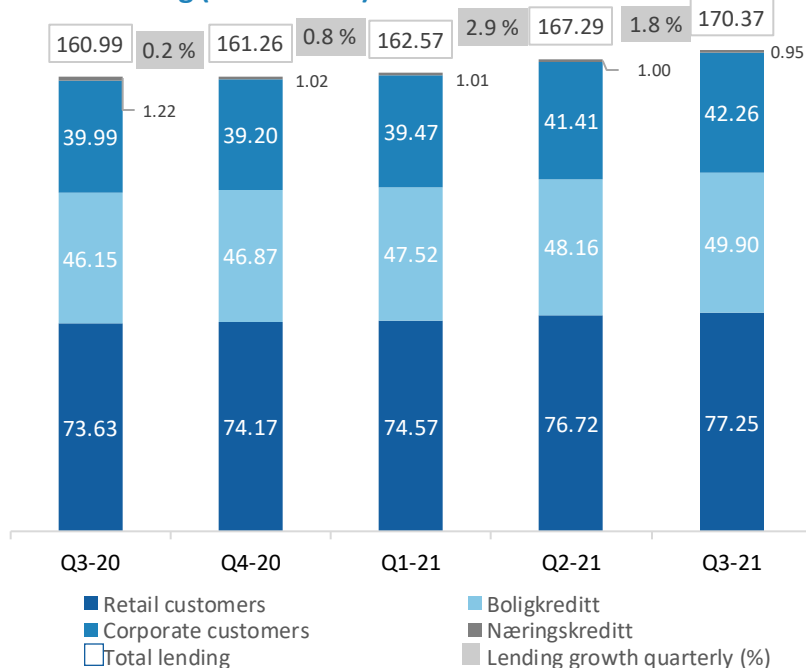
Net interest income incl. commissions from covered bond companies (MNOK and %)



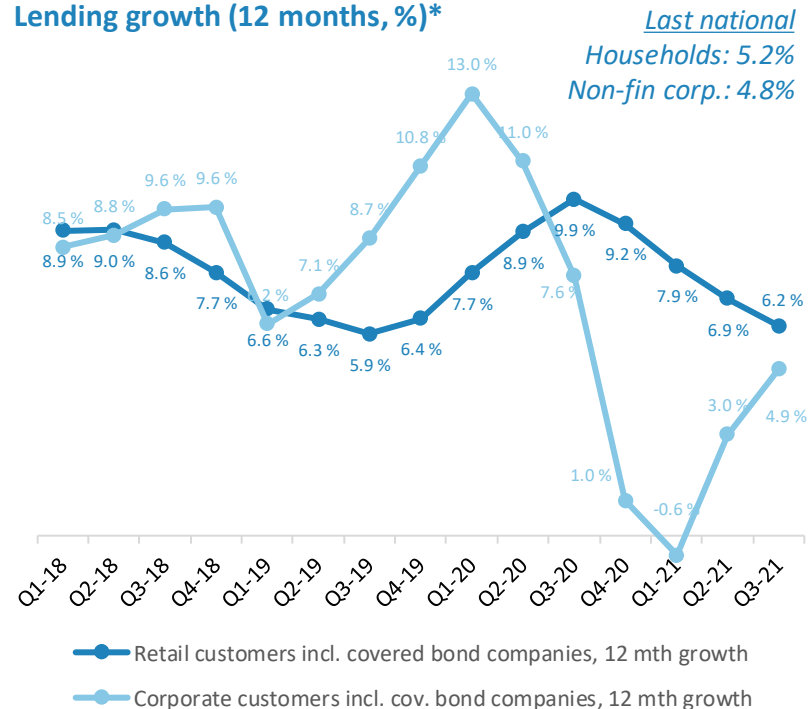
Healthy lending growth in both retail and corporate segments

Increasing corporate growth. Slower activity in retail, from very high growth in previous quarters

Gross lending (NOK billion)*



Lending growth (12 months, %)*

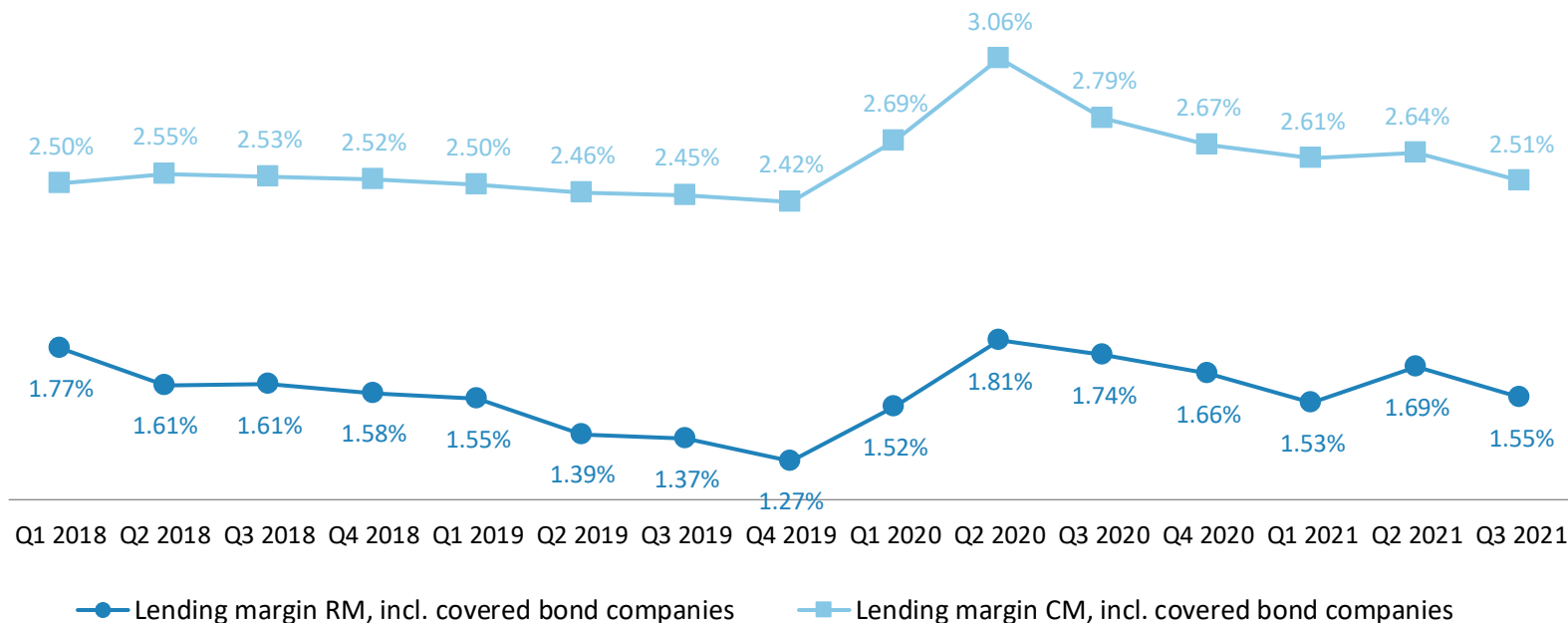


* Based on allocation of customer loans between retail and corporate divisions, respectively.

Lower lending margins in third quarter

Primarily due to higher money market (Nibor) interest rates through the quarter

Lending margins, parent bank (%)*

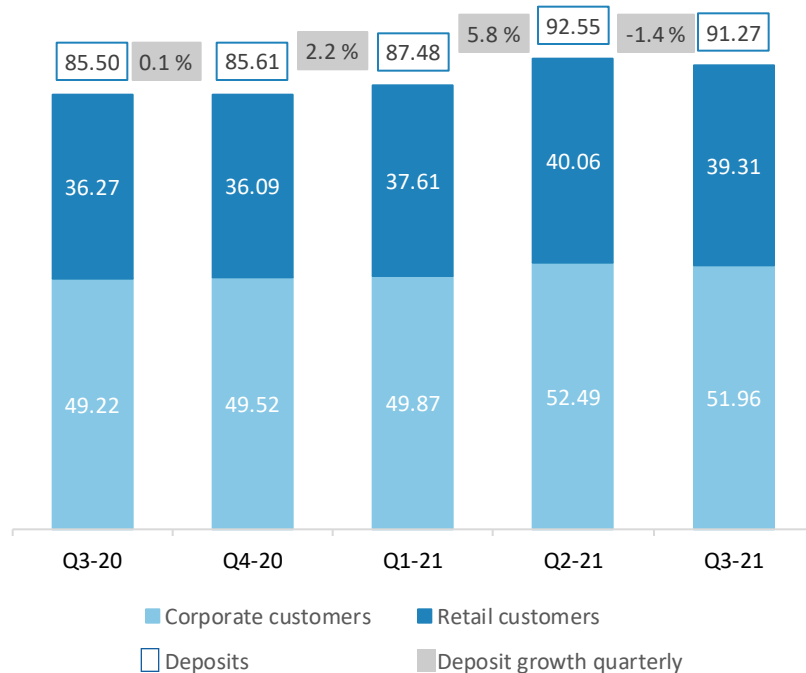


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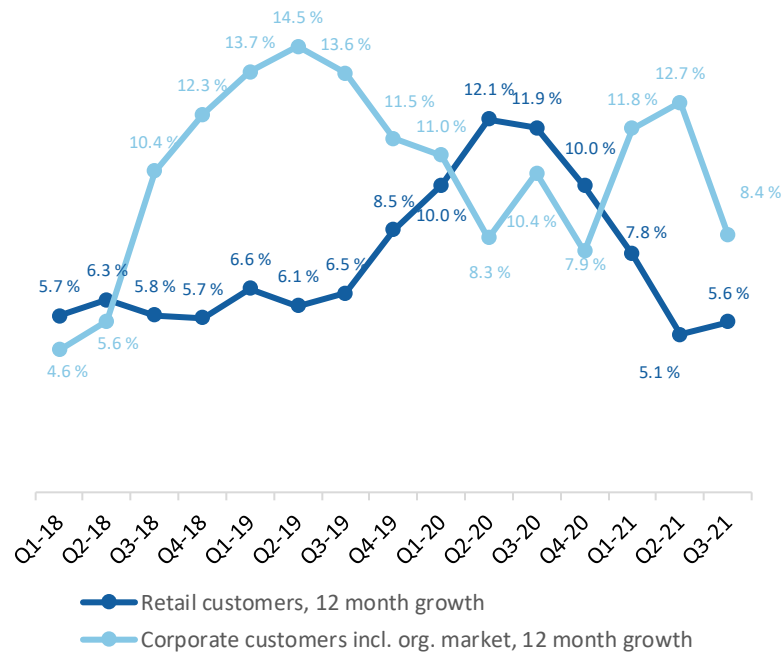
Lower deposit volumes in third quarter, following strong growth in 2Q

Still healthy growth on an annual basis

Deposits (NOK billion)*



Deposit growth 12 months (%)*

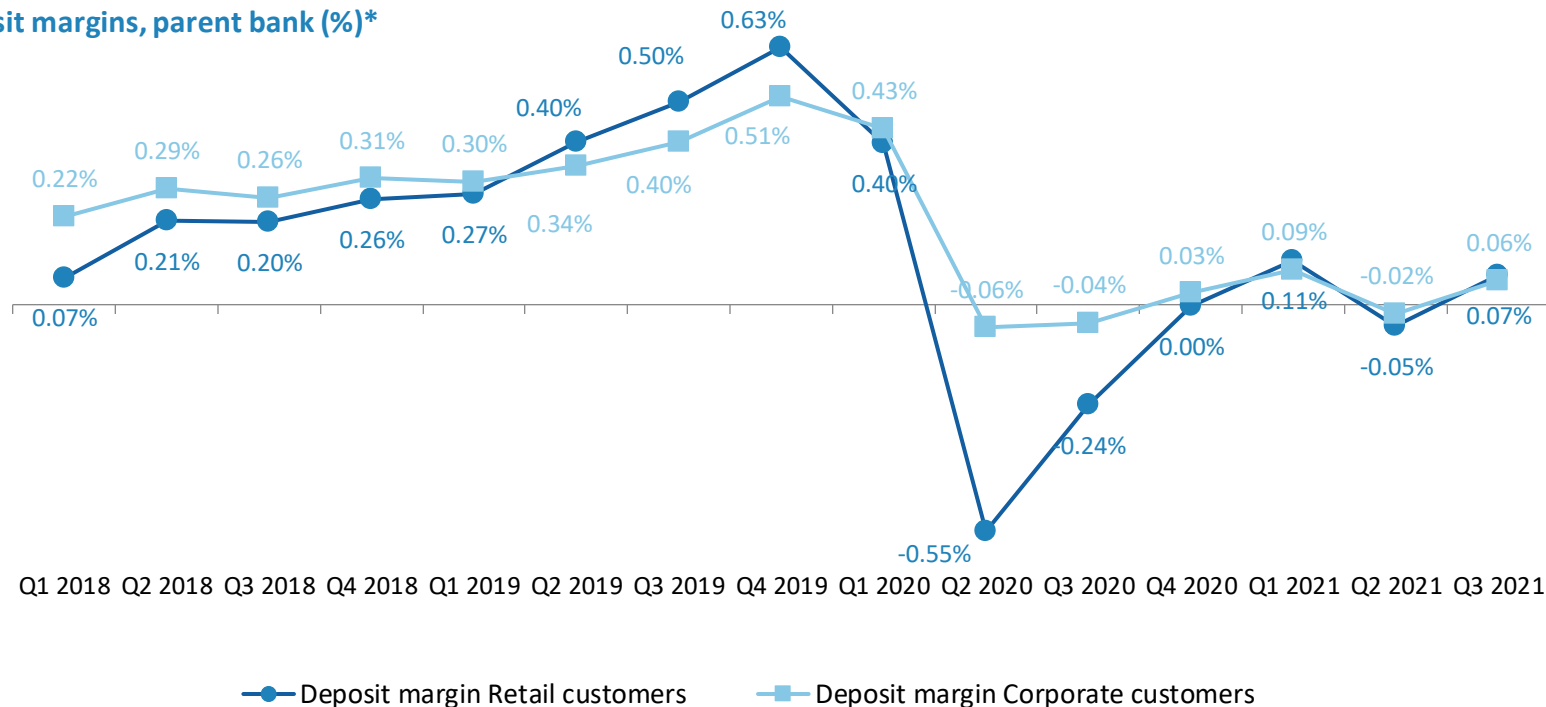


* Based on allocation of customer loans between retail and corporate divisions, respectively.

Higher deposit margins

Deposit margins rise when money market rates (Nibor) increase

Deposit margins, parent bank (%)*

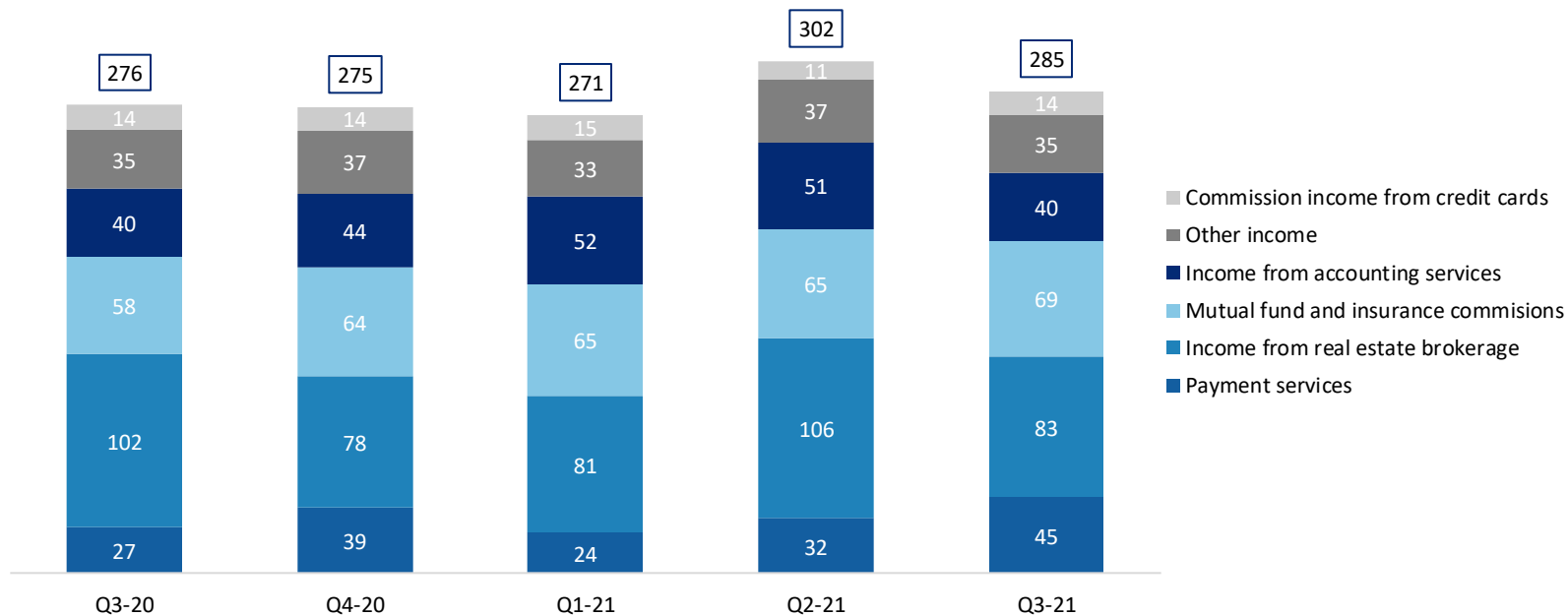


* Based on allocation of customer loans between retail and corporate divisions, respectively.

High commission income

Commission income from real estate brokerage more normal compared to previous quarter

Commision income and other income, excluding covered bond companies (NOK million)



Profits in subsidiaries

Profit Q3-2021 (same quarter last year in brackets)

▲ **NOK 47 million** (NOK 39 million)

SpareBank 1 Finans Østlandet AS

- Low loan losses and healthy margins.
- Lending growth 2.8 % (-0.3 %) last quarter.

▼ **NOK 0 million** (NOK 1 million)

SpareBank 1 Østlandet VIT AS - Group

- Profit after taxes of 0 MNOK (1 MNOK).
- Income of NOK 42 million (NOK 40 million).

▼ **NOK 1 million** (NOK 6 million)

EiendomsMegler 1 Innlandet AS

- Signs of lower activity in Q3.
- Income of NOK 34 million (NOK 40 million).

▼ **NOK 2 million** (NOK 6 million)

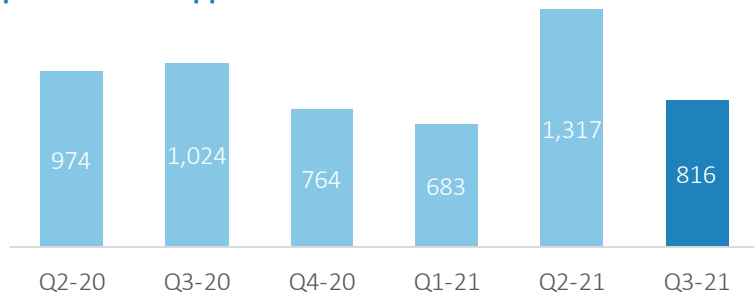
EiendomsMegler 1 Oslo Akershus AS - Group

- Lower activity in Q3 compared to last year.
- Income of NOK 50 million (NOK 62 million).

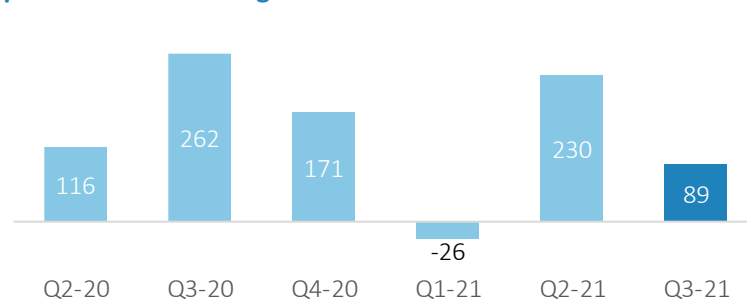
A good third quarter for SpareBank 1 Gruppen

Quarterly pre-tax profits (NOK million). SpareBank 1 Gruppen and selected subsidiaries

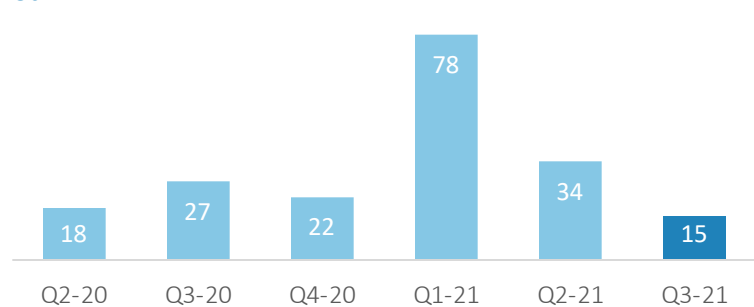
SpareBank 1 Gruppen



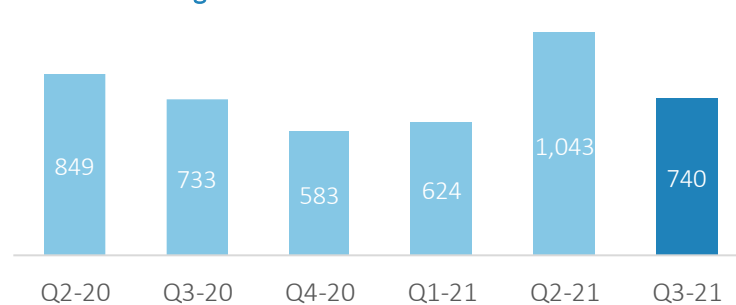
SpareBank 1 Forsikring



Modhi



Fremtind Forsikring



Profits in joint ventures

Profit Q3-2021 (same quarter last year in brackets)

▲ NOK 87 million

SpareBank 1 Forvaltning AS

- Founded on 1 May 2021
- Ownership 6.37 %.

▲ NOK 53 million (NOK -2 million)

SpareBank 1 Kreditt AS

- Reduced loan loss provisions.
- Ownership 19.09 %.

▼ NOK 58 million (NOK 67 million)

SpareBank 1 Boligkreditt AS

- Higher commission expenses to owner banks.
- Ownership 22.45 %.

▲ NOK -2 million (NOK -5 million)

SpareBank 1 Betaling AS

- Improved core operations.
- Ownership 18.74 %.

▲ NOK 17 million (NOK 15 million)

SpareBank 1 Næringskreditt AS

- Restructured ownership. BN Bank bought B-shares.
- Ownership 10.65 %.

▲ NOK 118 million (NOK 100 million)

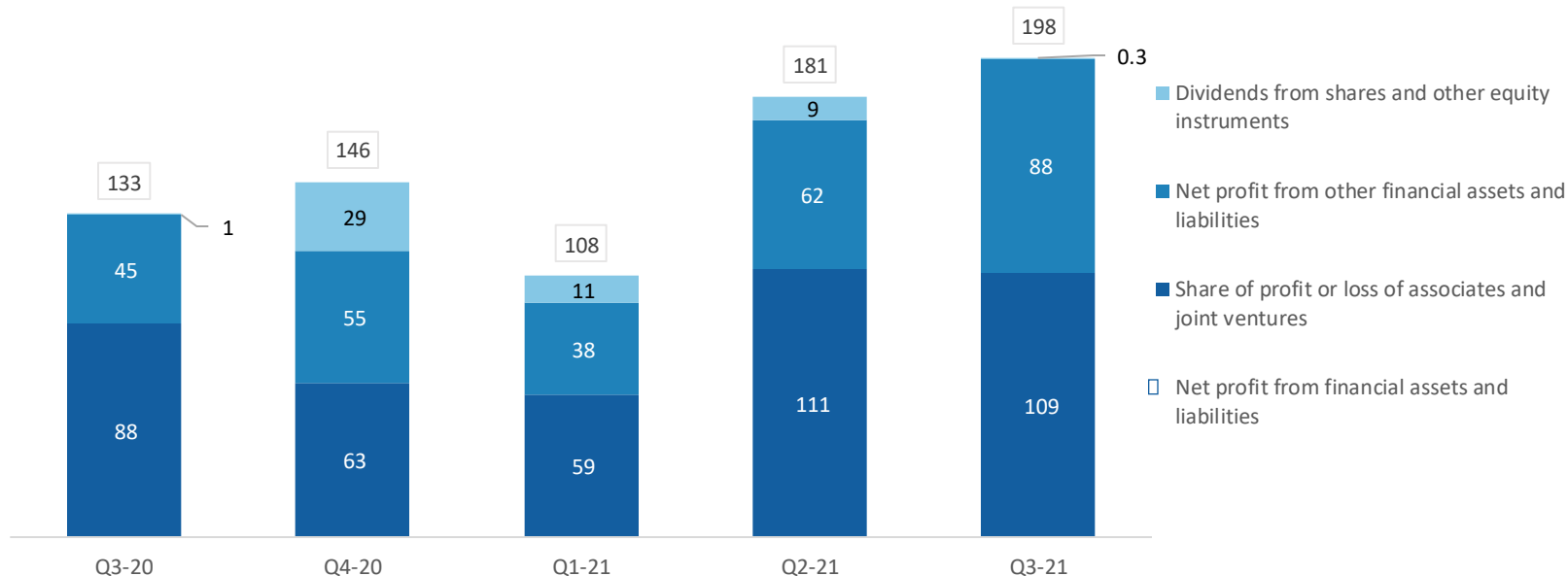
BN Bank ASA

- Higher NII, lower costs, loan loss reversals.
- Ownership 9.99 %.

Solid contributions from financial items

Healthy profits in joint ventures

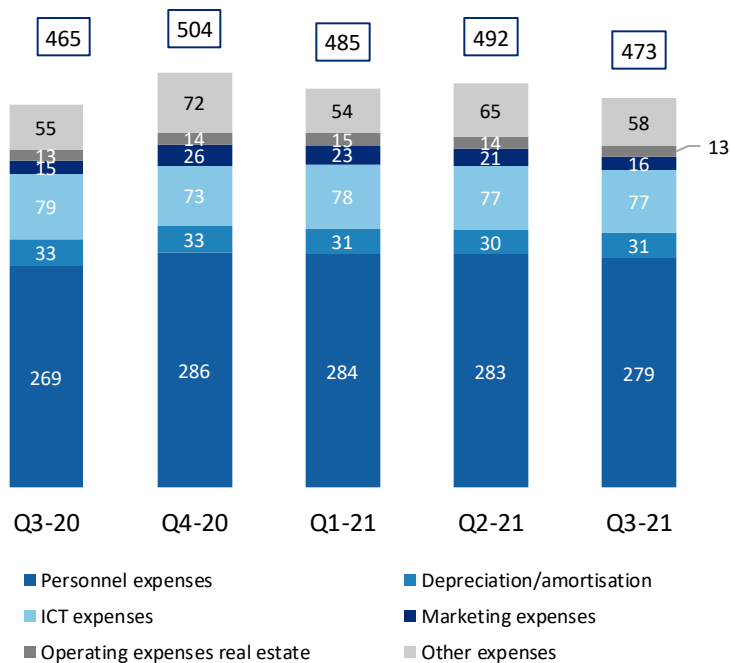
Net income from financial assets and liabilities, NOK million



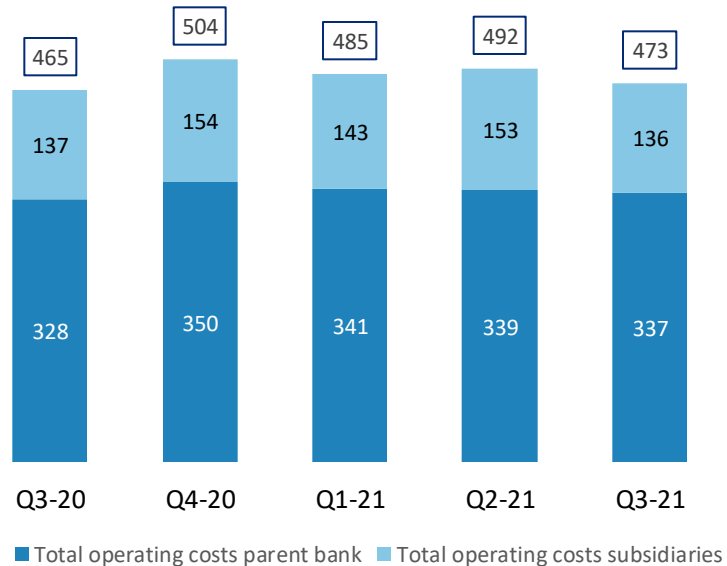
Lower cost growth

Seasonally lower costs and staffing

Operating costs by item (NOK million)



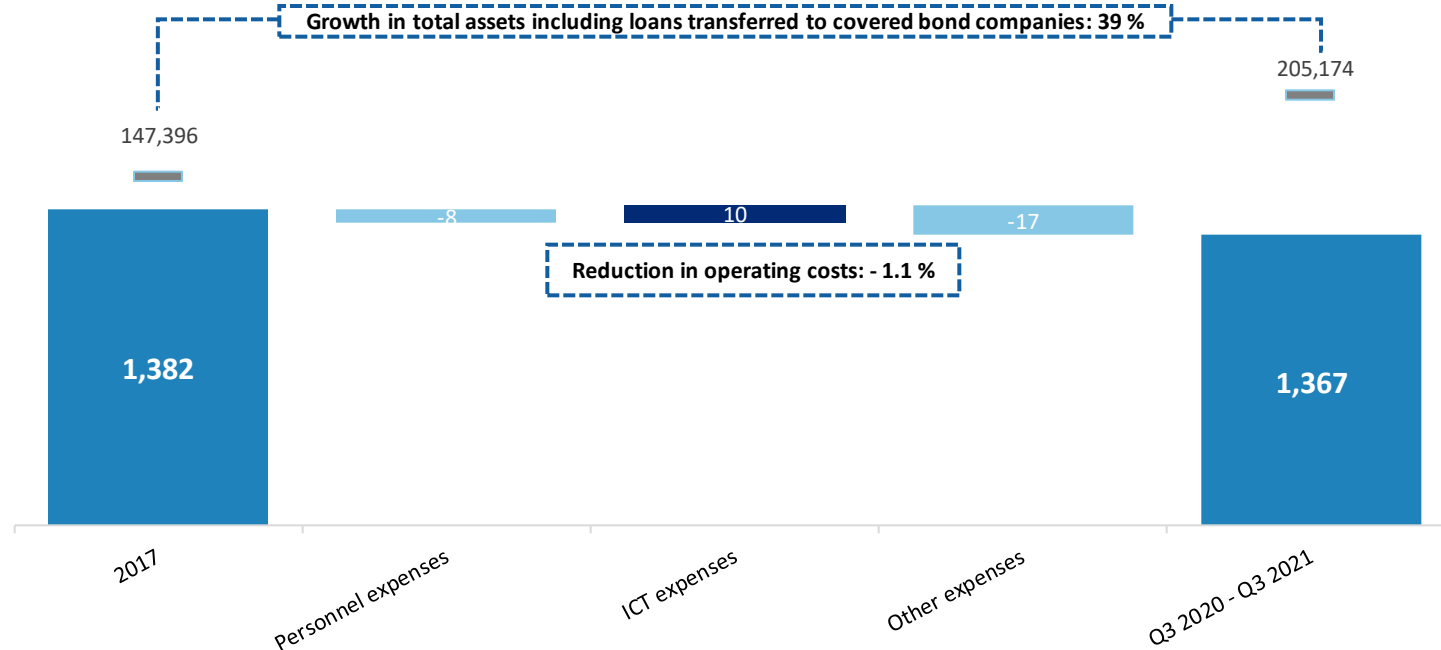
Operating costs, parent and subsidiaries (NOK mill.)



Increasing economies of scale

Significant asset growth, stable costs over time

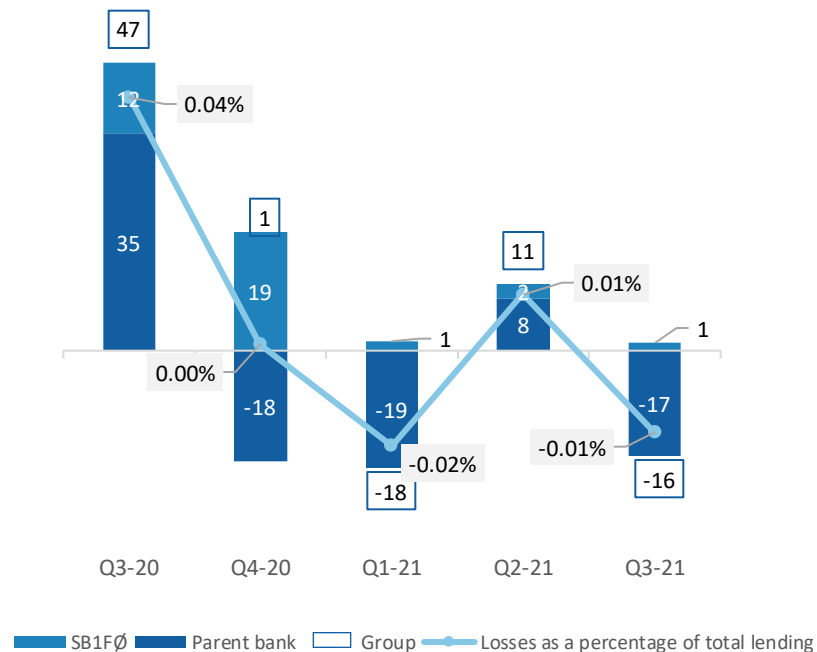
Operating costs, parent bank, contributions to changes (NOK million)



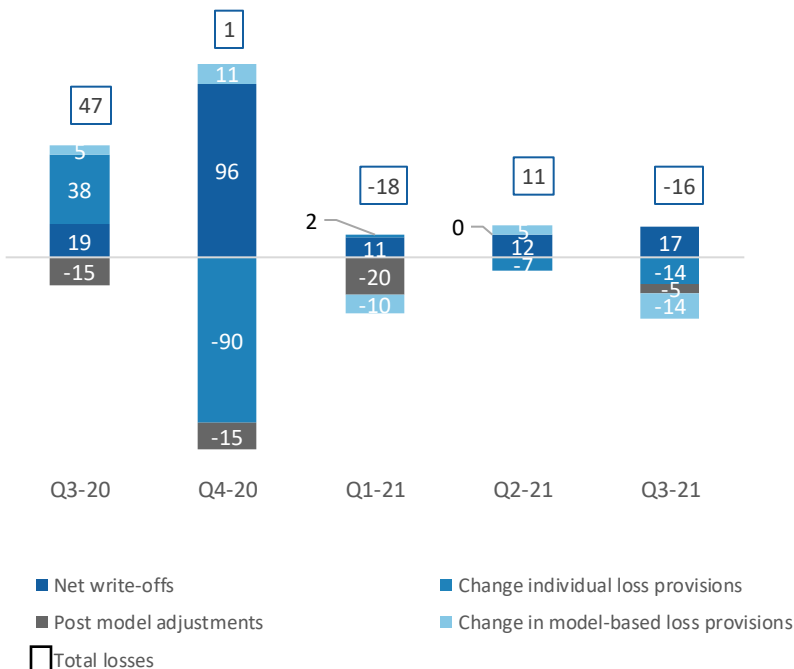
Net reversals of loan loss provisions

Improved macro outlook warrants lower need for model-based loss provisions

Loan loss provisions (NOK million)



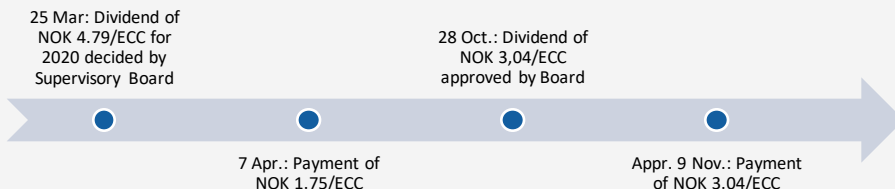
Loan loss provisions (NOK million)



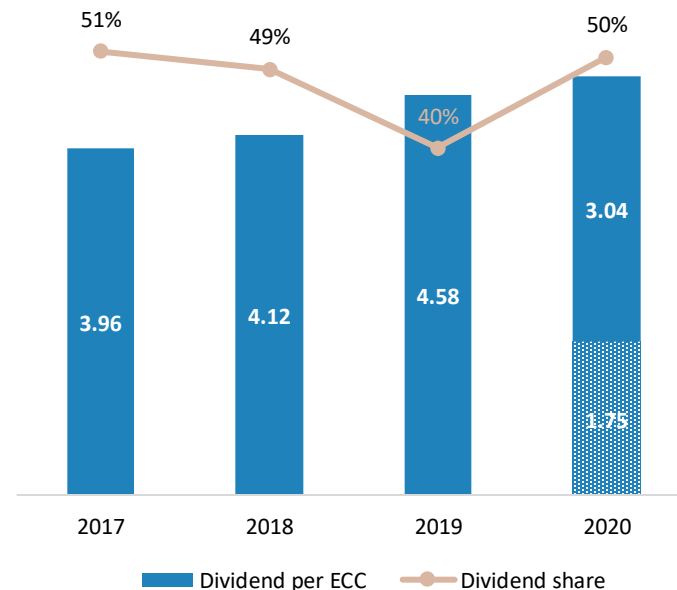
Payment of remaining dividend for 2020

Total dividends for 2020 financial year will be in line with the bank's dividend policy

- On 28 Oct, Board approved payment of remaining 2020 dividends to ECC-holders.
- NOK 3.04 per ECC to be paid appr. 9 Nov.
NOK 1.75 per ECC was paid in April.
- Long-term dividend target of 50 % holds.
Bank is well placed to meet this target.



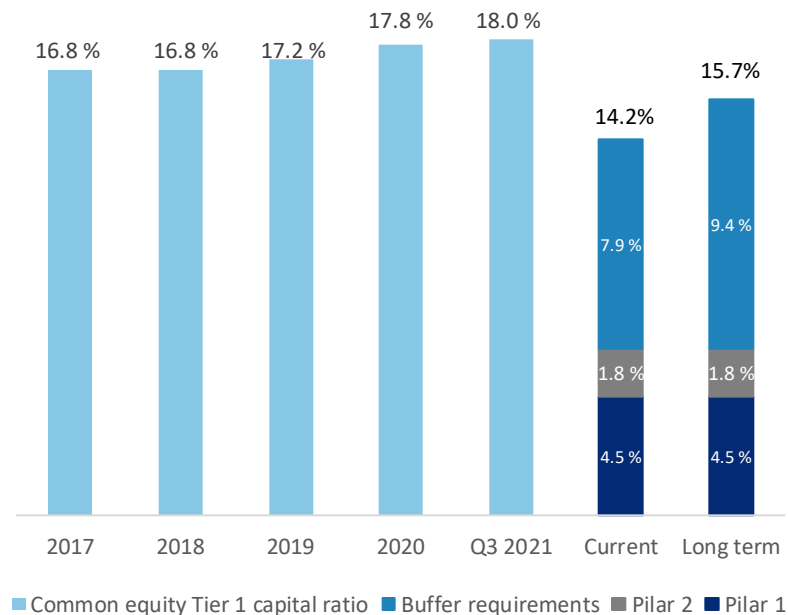
Dividend (NOK/ECC) and dividend share (%)



High CET-1 capital ratio

Well above regulatory requirements now and longer term

CET-1 capital ratio (actual and required), Group

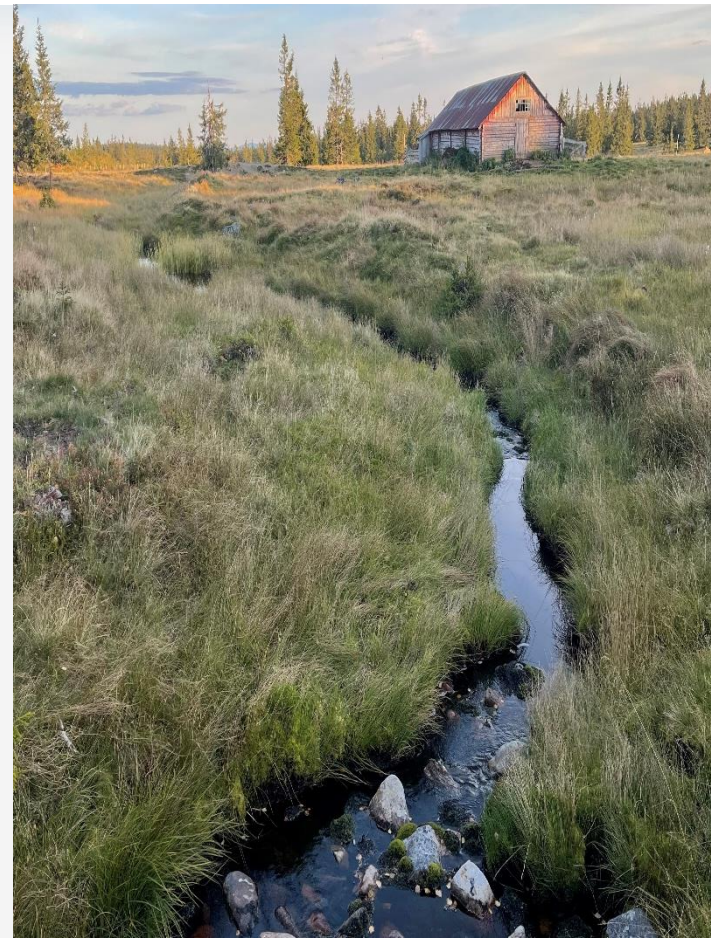


- In Q3, the Group's CET-1 capital ratio was 18.0 %.
- The Group's long-term CET 1-target is the regulatory requirement with an added management buffer of 100 bps:
 - Equivalent to 15.2 % in Q3 2021.
 - Assumed normalization of the countercyclical capital buffer is taken into account in the Group's capital planning.
 - Solid capital position paves way for healthy growth and stable dividend policy.

Highlights in Q3 2021

Summary

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- All major income items contributed positively compared to last year:
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2021 Q3

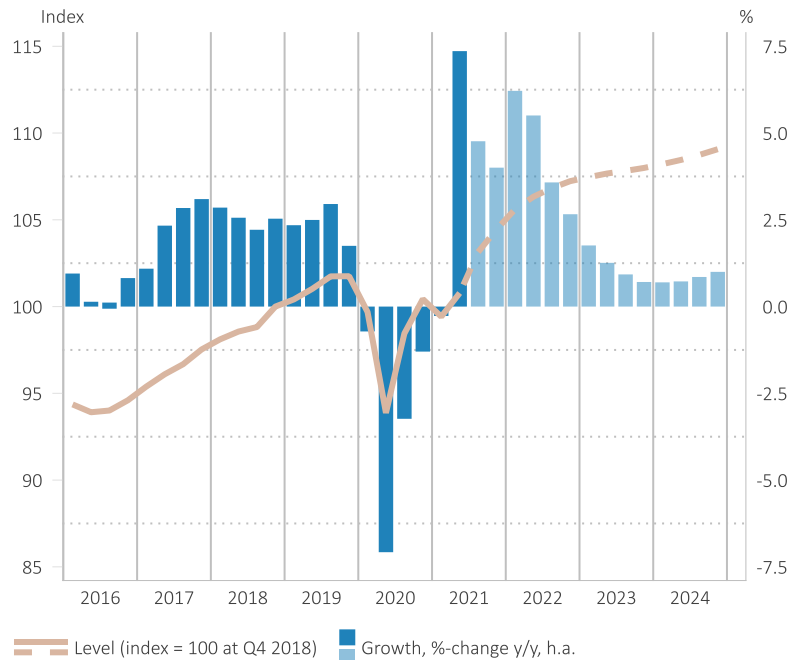
APPENDIX

Macro/Financials/ECC

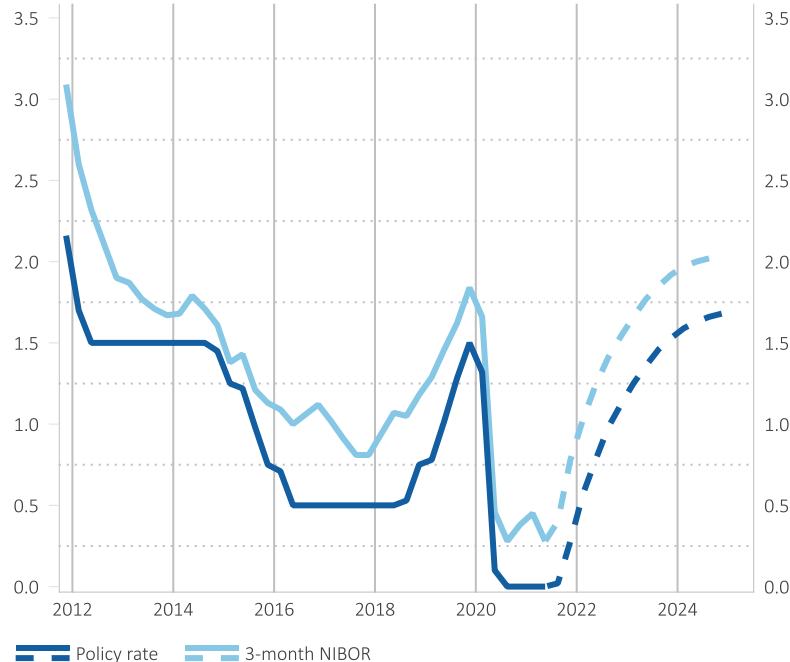
Norges Bank forecasts a continued economic upswing

With gradual increases in the policy rate

Norway: Mainland-GDP (constant, seas. adj., w/NB forecasts)



Norges Bank policy rate and 3-month NIBOR, % (NB forecasts)

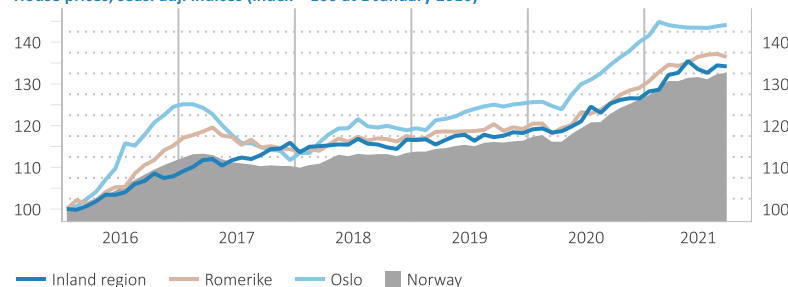


More balanced housing market, with gradually lower activity in 2021

House prices in bank's market areas vs Norway as a whole

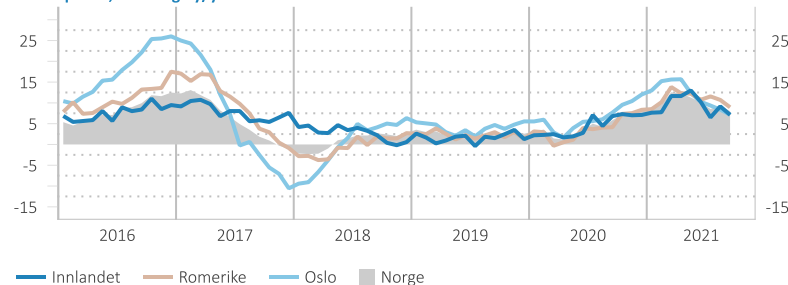
- Continued flattening of house prices in Q3 2021, in Norway and market areas.
- Rate hikes from Norges Bank weigh on house prices, but lower unemployment and relatively low supply of housing contributes positively.
- Slowdown more apparent in Oslo than in surrounding cities. Areas around Oslo benefit from strong net migration, a trend that has probably strengthened following the pandemic.
- Lower housing sales in Q3 2021 compared to same quarter last year: Down 11 % nationally, 14 % in Oslo.
- Somewhat lengthier turnover times in Q3 2021 than in previous quarter:
 - Norway: from 34 to 38 days
 - Oslo: From 16 to 24 days
 - Romerike: From 27 to 29 days
 - Innlandet: From 41 to 42 days

House prices, seas. adj. indices (index = 100 at 1 January 2016)



Per sep/21	Norway	Oslo	Romerike	Inland
y/y	8.0%	7.2%	8.9%	7.1%
ytd	5.0%	2.9%	5.8%	6.1%
5 years	22.7%	22.6%	23.5%	25.7%

House prices, %-change y/y

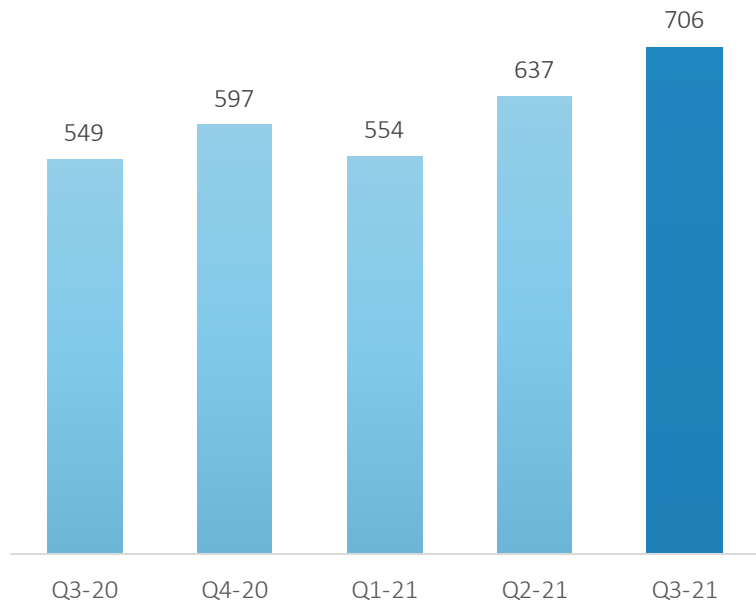


Income statement

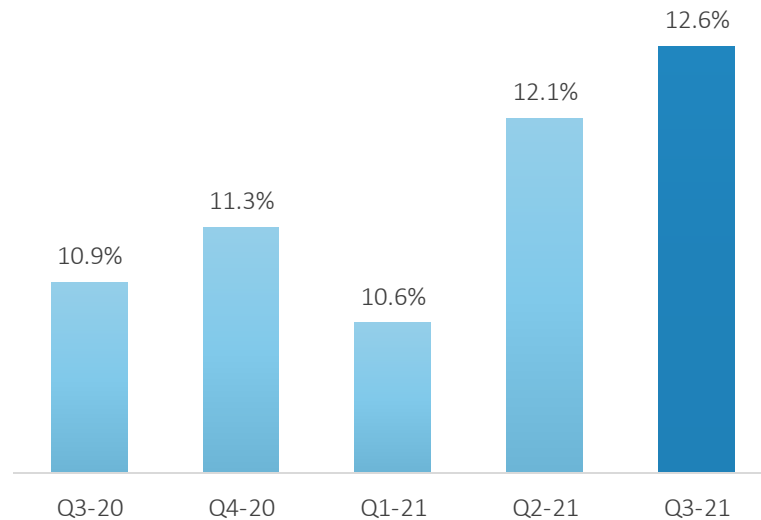
Group

	3Q-2021	3Q-2020	01.01.2021- 30.09.2021	01.01.2020- 30.09.2020	2020
Net interest income	552	536	1,628	1,628	2,177
Net commission income	364	343	1,034	866	1,215
Other income	50	49	174	169	226
Dividends	0	1	21	13	41
Net profit from ownership interest	109	88	278	331	394
Net income from financial assets/liabilities	88	45	188	55	109
Total operating expenses	473	465	1,450	1,399	1,902
Operating profit before losses on loans and guarantees	690	596	1,873	1,663	2,262
Impairment on loans and guarantees	-16	47	-23	328	330
Pre-tax operating profit	706	549	1,896	1,335	1,932
Tax expense	144	111	379	193	323
Profit/loss after tax	561	438	1,517	1,142	1,608
Return on equity	12.6 %	11.3 %	11.8 %	9.7 %	10.1 %
Cost/income ratio	40.7 %	40.2 %	43.6 %	45.7 %	45.7 %
Losses on loans as a percentage of gross loans	-0.1 %	0.5 %	0.0 %	0.4 %	0.3 %

Pre-tax profits (NOK mill.)



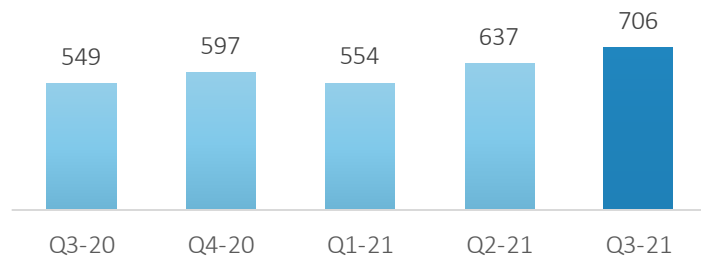
Return on equity (%)



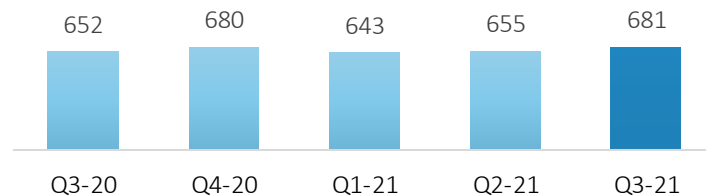
Key financials - quarterly

(1)

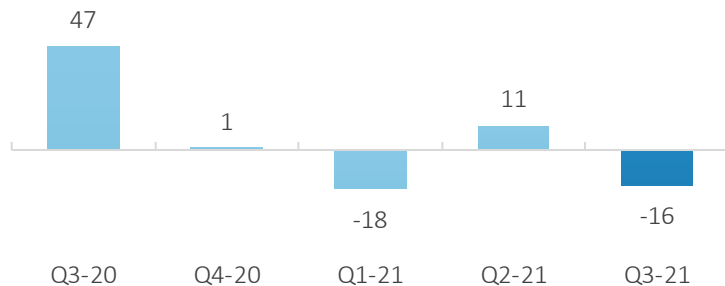
Pre-tax profit (NOK million)



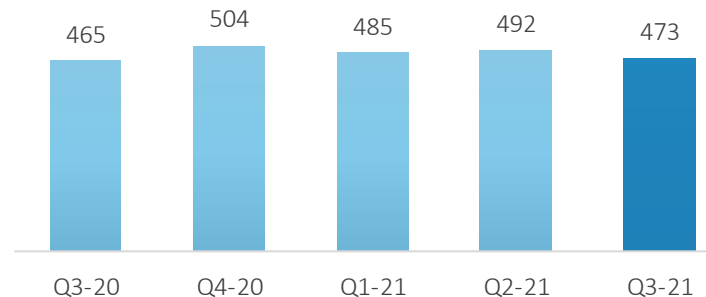
Net interest income and commission fees from covered bond companies (NOK million)



Impairments on loans and guarantees (NOK million)



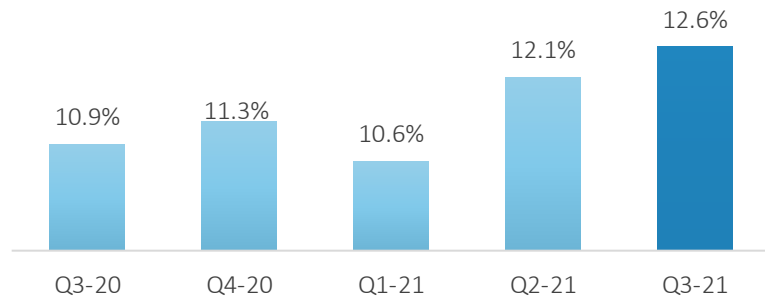
Driftskostnader (MNOK)



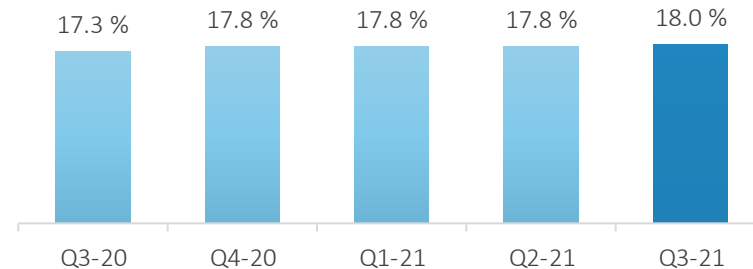
Key financials - quarterly

(2)

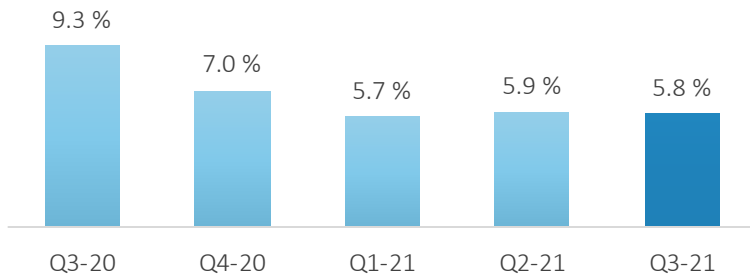
Return on equity



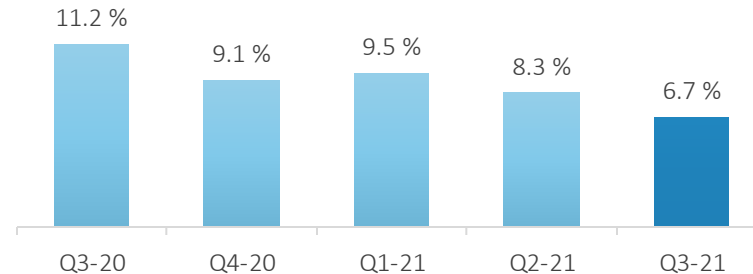
CET-1 ratio



Lending growth last 12 months, inc. transferred loans

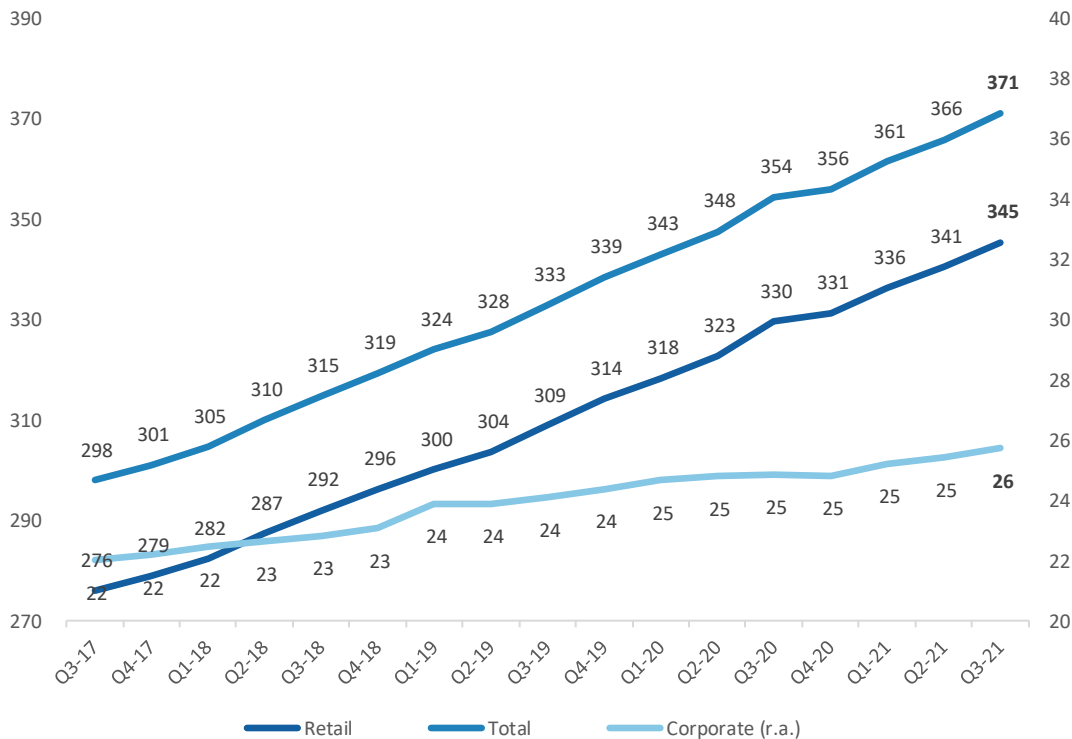


Deposit growth last 12 months



Customer growth continues

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

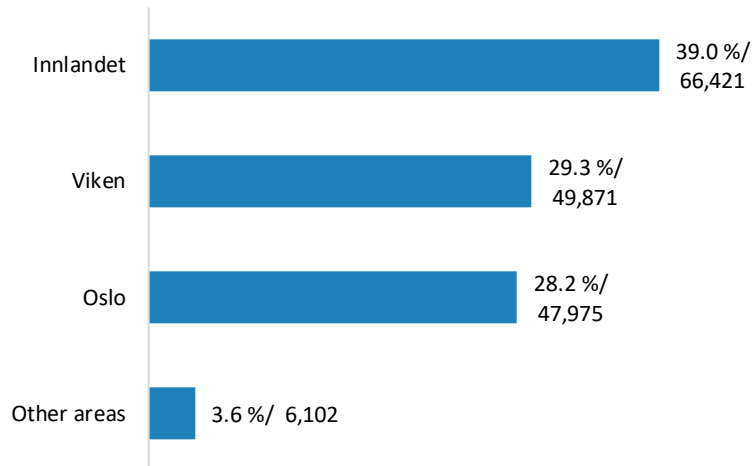


- Strong customer growth in Q3-21, with 4,875 new customers.
- Net customer growth in the bank was 4.7 % y/y.
 - Retail: 4.8 %
 - Corporate: 3.4 %

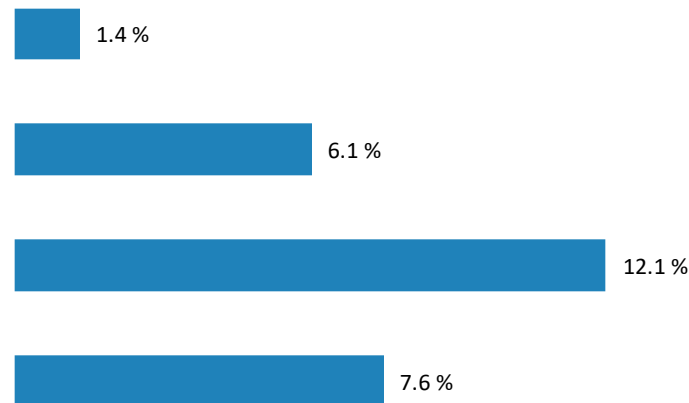
The Group's lending by geography

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

Lending to customers per county (share in %/NOK million)



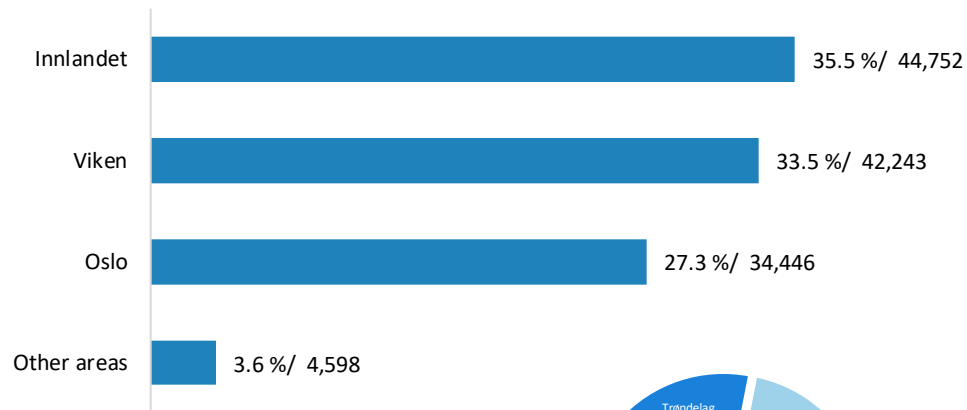
Change last 12 months



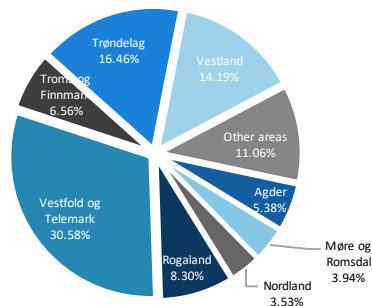
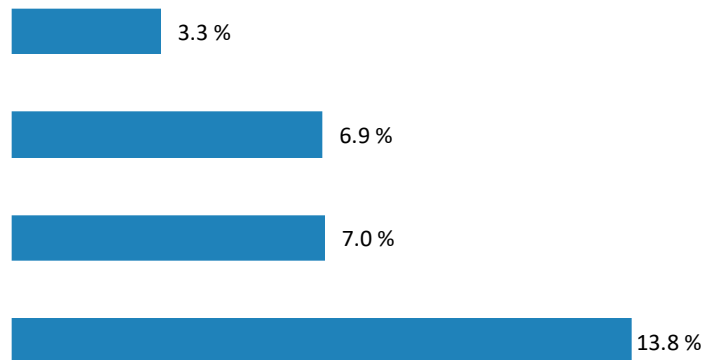
Mortgage loan growth by geography

Retail lending per geographic area and change last 12 months (% and NOK million)

Retail lending by county (share in %/NOK million)



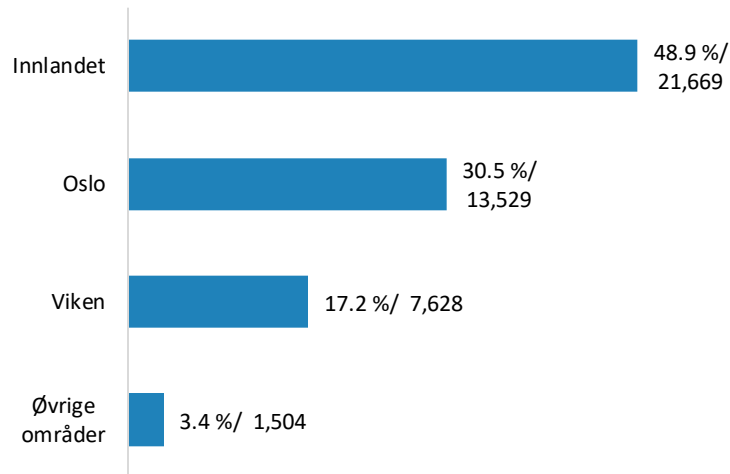
Change last 12 months



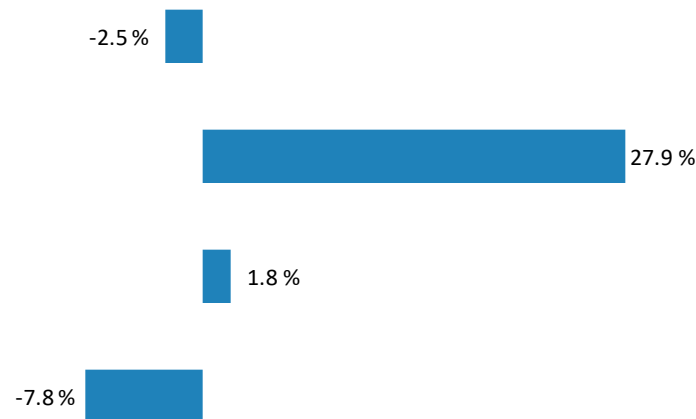
Large single exposures driving geographic allocation of CM growth

Corporate lending per geographic area and change last 12 months (% and NOK million)

Corporate lending by county (share in %/NOK million)

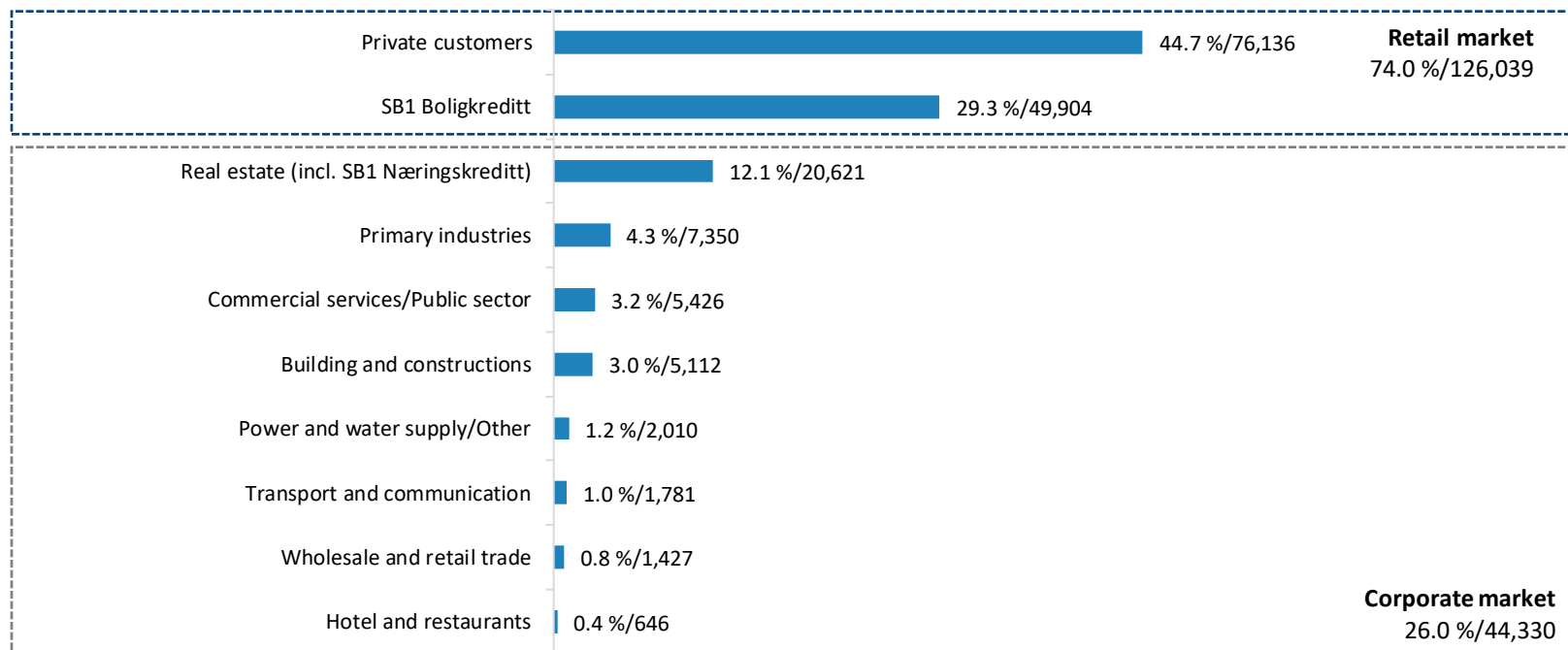


Change last 12 months



Cyclically stable loan portfolio, limited exposures to sectors hit by pandemic

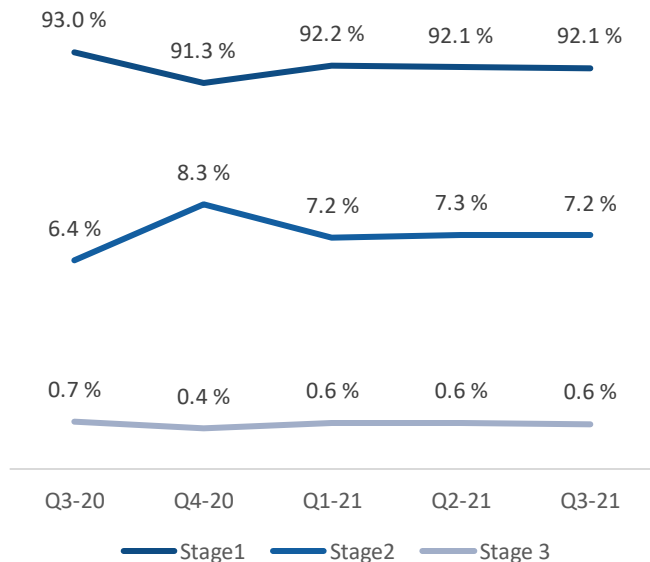
Lending to customers per sector (% and NOK million)



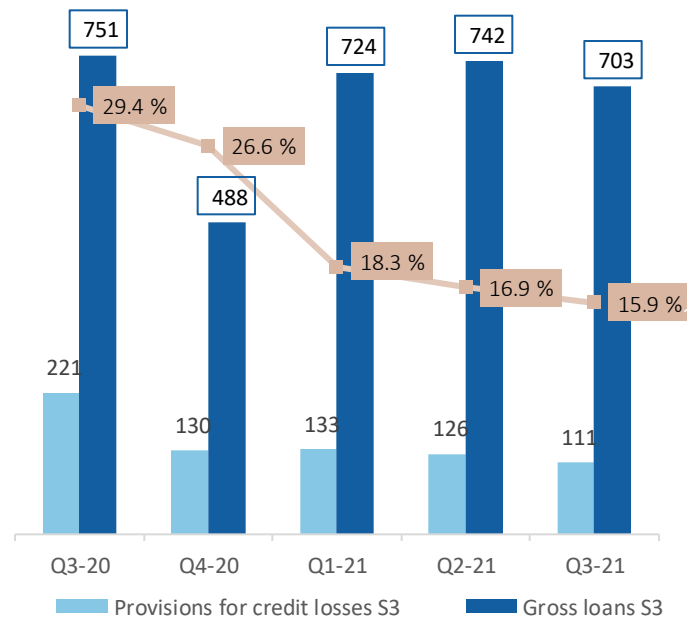
Lower levels of non-performing loans

Reduced credit loss provision ratio in Stage 3

Exposure by stages, (% of gross loans)

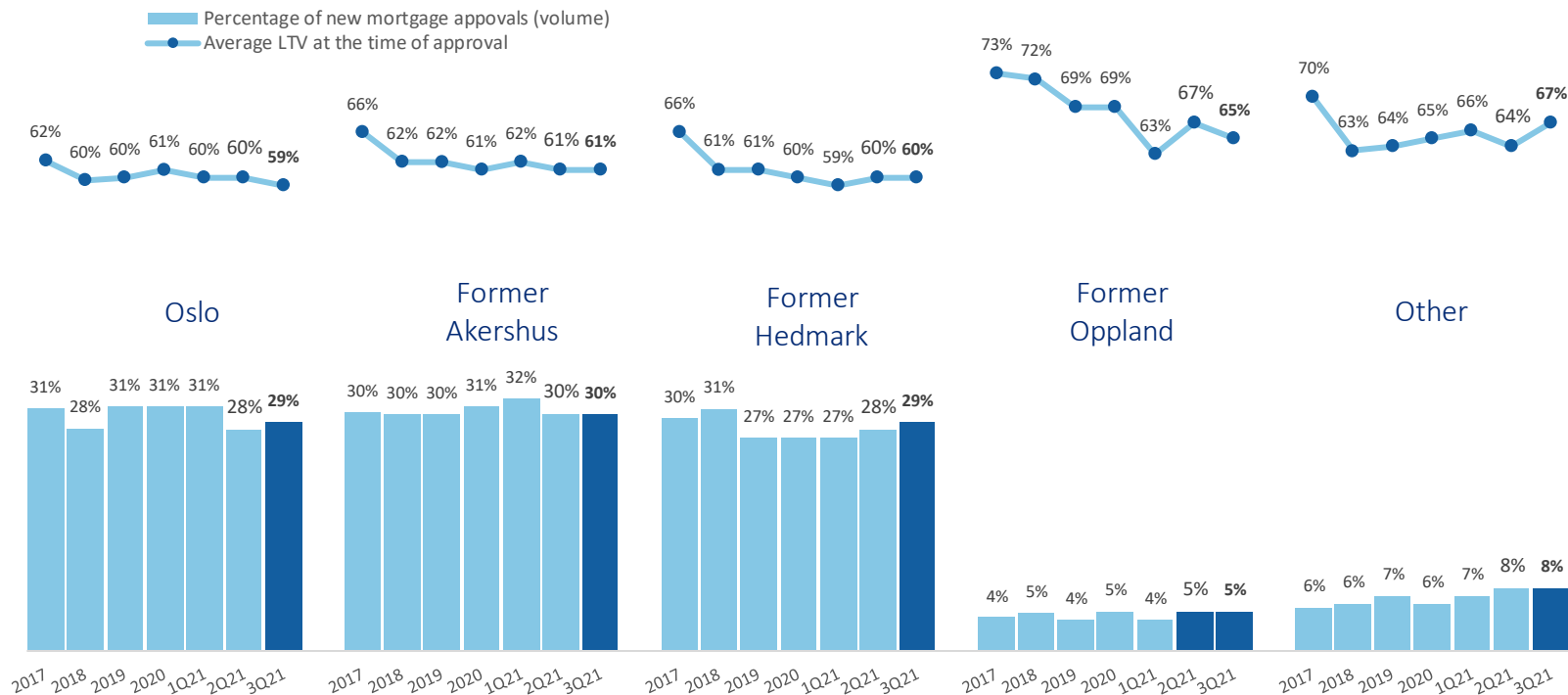


Loans in Stage 3 (NOK mill.)



Stable low LTV in new mortgage approvals

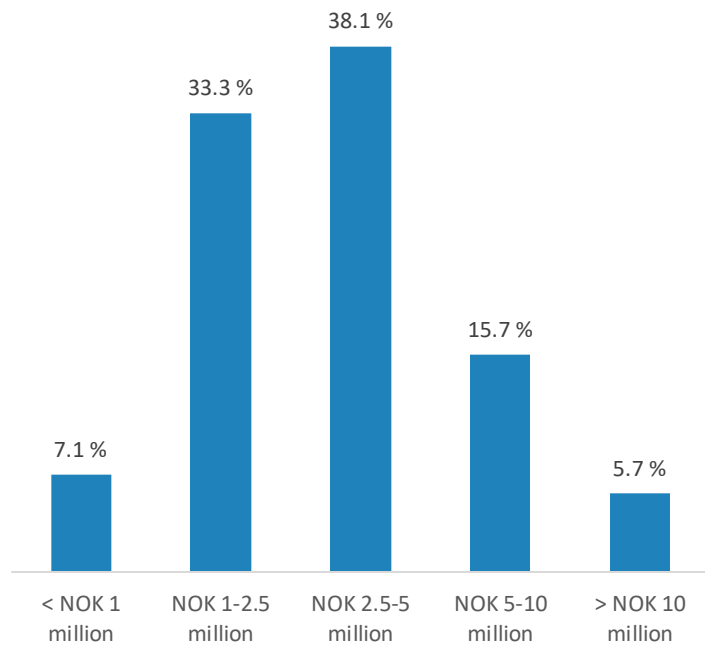
Share of new mortgage approvals and average LTV per period and county



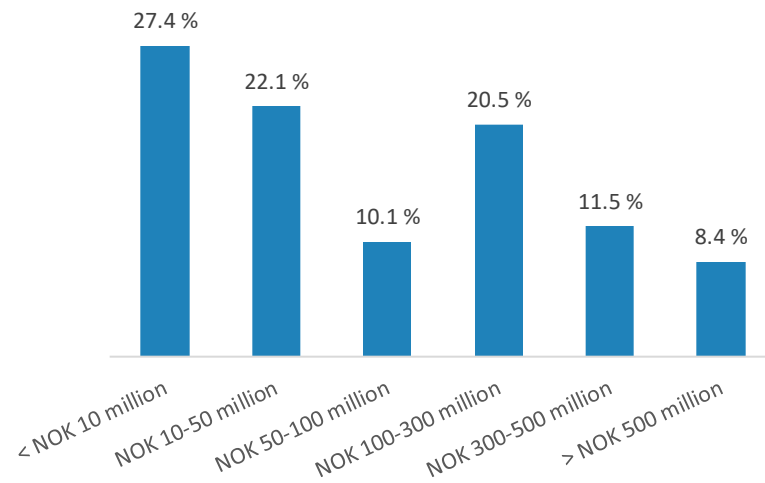
Size concentration risk in the lending book is low

Retail and corporate loans by size (% share)*

Retail market



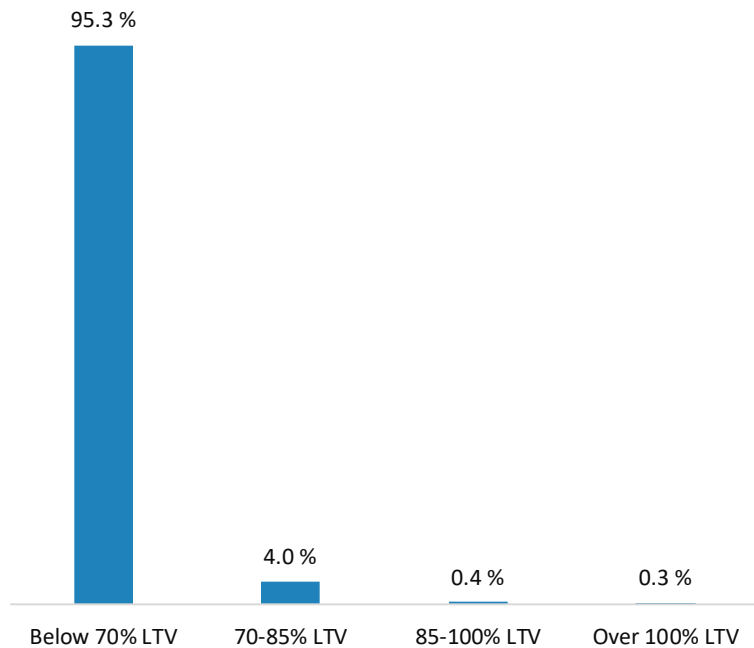
Corporate market



The use of the flexibility quota is targeted at priority customers

Exposure per LTV bucket in the residential mortgage portfolio

LTV by exposure**



Mortgages – Utilisation of flexibility quota in Q3-21:

City of Oslo
7.8 % (8 % quota)

Other areas
8.3 % (10 % quota)

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

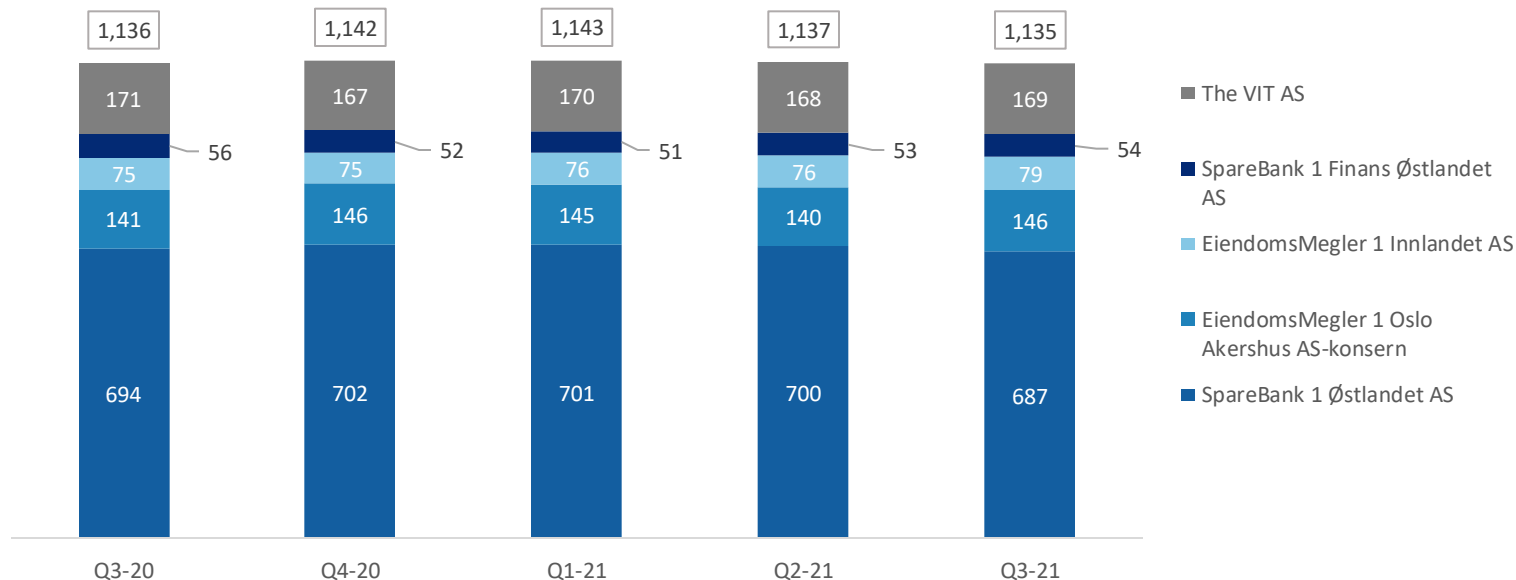
- Debt servicing capacity
 - Stress test of a sudden 5 % mortgage rate increase
- Maximum loan to value
 - Max 85 % LTV on new lending
 - (A stricter 75 % LTV legal requirement in the SB1 Boligkreditt cover pool)
- Gearing
 - Total debt must not exceed five times gross annual income
- Requirement of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

Exceptions 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"

** Inclusive of loans transferred to SpareBank 1 Boligkreditt.

Full-time equivalents in parent bank and subsidiaries

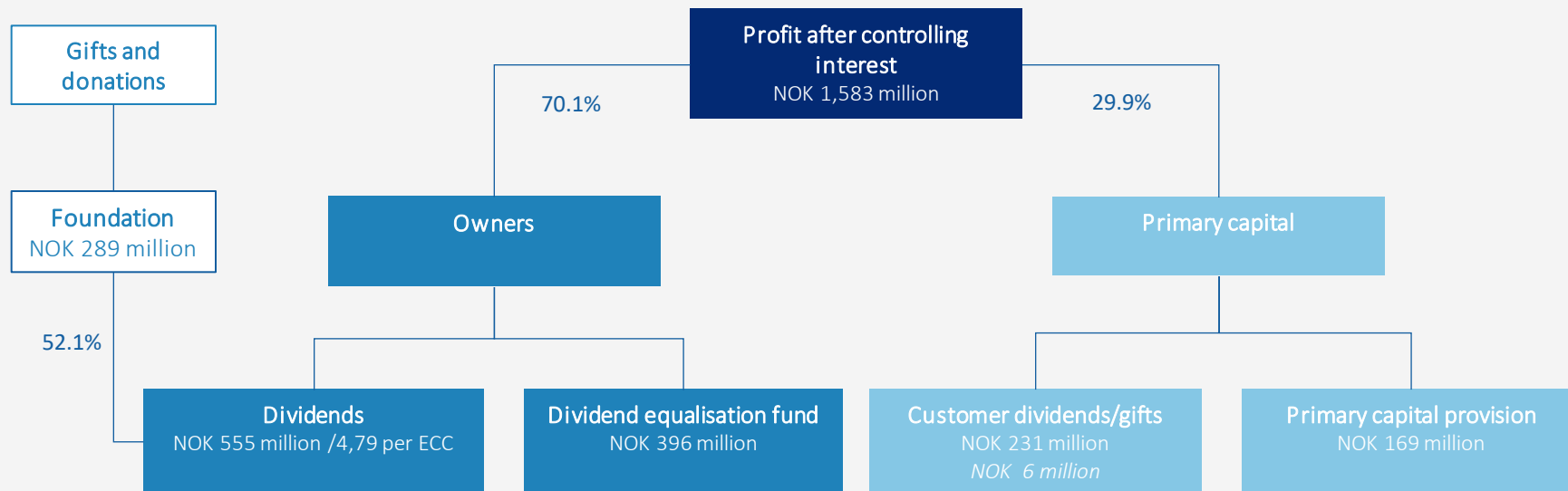


Capital structure and allocation of 2020 profit

In line with target of 50 % dividend share, for owners and society (through primary capital)

- NOK 1.75 per equity certificate and MNOK 6 gifts was paid in April, based on the MoF's recommendation .
- In November 2021, the bank will pay NOK 3.04 per ECC and up to NOK 231 mill. in customer dividends.

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.

	30.09.2021	30.09.2020
Market price (NOK)	129.60	87.70
Market capitalisation (NOK million)	15,012	10,158
Book equity per ECC ¹⁾	105.82	96.00
Earnings per ECC, NOK ²⁾	8.96	6.80
Price/Earnings per ECC ³⁾	10.82	9.66
Price/book equity ⁴⁾	1.22	0.91

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 31.12.2020

- SPOL return:
 - Return Q3-21⁵ + 8.9 %
 - Return y/y⁵ + 50.2 %
- Higher liquidity in Q3-21 than in same period in 2020.
 - Average daily transaction volume in 2021 so far is 34,127 ECCs.
 - Daily average turnover: NOK 3.9 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.