

1Q 2022

SpareBank 1 Østlandet NEWSLETTER

Institutional investors and analysts



Highlights

- Return on equity in the quarter was 12.2%, above the financial target of 11.0 % and compared with 10.6 % in the same period in 2021:
 - NII (incl. commission income from the covered bond companies): Up 6.7 % y/y, due in particular to solid lending growth (of 9.4 % y/y)
 - Net commissions and other income (excl. covered bond companies): Growth of 8.9 % y/y, with particularly strong contributions from payment services and insurance and mutual fund commissions
 - Operating expenses: Up 3.9 % y/y, relatively broadly based. Cost inflation in parent bank of 5.6 %, above the cost target for 2022 of 4.0 %
 - Taxes: Tax expenses of NOK 37 mill. compared with NOK 114. mill in the same quarter last year, with the reduction due to different dates for payment of customer dividends
- Cooperation agreement with LO (trade union) extended until autumn of 2024: An important driver of customer growth, retention and cross sales.
- Supervisory Board decided on dividends for 2021, paid in April, including NOK 295 mill. in customer dividends
- Norwegian Financial Supervisory Authority (NFSA) decided on a Pillar 2-requirement of 1.8%, with effect from 30 April 2022 – unchanged from the previous requirement. The NFSA reduced the requirement from its initial assessment of 2.0 %, based on feedback from the bank.

Financial performance 1Q 2022

- ROE 12.2 % (vs. long term target \geq 11 %)
- Dividend of NOK 6.00/ECC for 2021 paid in April (in line with 50% dividend policy)
- CET-1 of 18.0 % (vs. target of regulatory requirement + 100 bps., equiv. to 15.3% in 1Q-22)
- Cost growth in parent bank +5.6 % (vs. target of within 4 %)

Presentation and resources

[Published accounts and presentation 1Q-2022](#)

[Oslo Stock Exchange – Company Announcement](#)

[Investor homepage and webcast 1Q 2022 \(English\)](#)

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