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The Norwegian SpareBank 1 Østlandet can look back on a history of more than 175 years and currently serves around 365,000 customers in the regions Oslo, Viken and Innlandet in the east of Norway. In recent quarters, the bank has steadily expanded its customer base, which is divided into retail customers (340,000 customers) and corporate customers (25,000). The operational units comprise the Retail and Corporate segments as well as the Organizations & Capital Markets and Administration & Support units. The institution is part of the SpareBank 1 Alliance, which is composed of 14 independent savings banks and has 301 branches and is the second largest financial group in the country in terms of total assets. The aim of the Alliance is to strengthen the individual savings banks through synergy effects. This is achieved, for example, through joint ventures that offer non-core banking products. Nevertheless, each bank is to maintain its regional connection and thus its proximity to the customer. SpareBank 1 Østlandet holds a 12.4% share in the SpareBank 1 Alliance. In terms of funding, customer deposits dominate (46% share). Covered bonds account for a share of 25%, with placement here exclusively via SpareBank 1 Boligkreditt AS (SPABOL). The issuer plans to increase the share of senior bonds in the funding mix and has a green bond issuance framework. In terms of capital adequacy, a CET1 ratio of 17.8% was reported at group level for Q4/2020, significantly above the regulatory requirement of 14.1%.

Ratings SPOLNO*

	Rating	Outlook
Moody's	Aa3	Stable

*Senior Unsecured Rating

Homepage

<https://www.sparebank1.no>

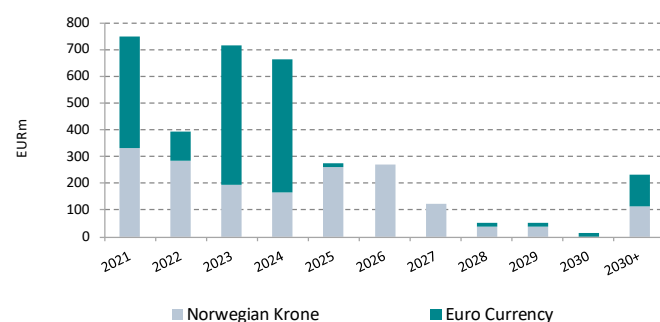
Balance Sheet

(EURm)	2018Y	2019Y	2020Y
Net Loans to Customers	9,937	10,818	10,767
Total Securities	1,598	1,906	2,273
Total Deposits	7,205	7,957	8,166
Tier 1 Common Capital	1,266	1,361	1,367
Total Assets	12,443	13,663	13,932
Total Risk-weighted Assets	6,803	7,894	7,673

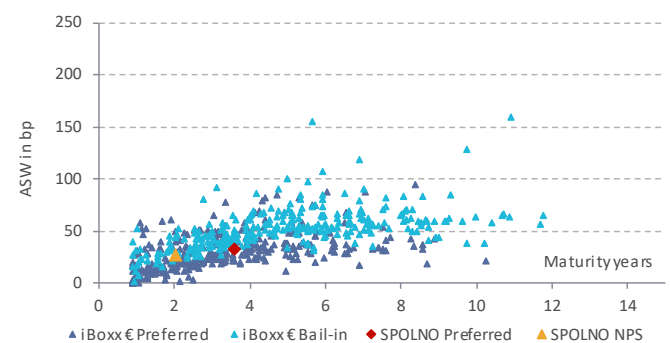
Income Statement

(EURm)	2018Y	2019Y	2020Y
Net Interest Income	216	220	203
Net Fee & Commission Income	115	117	113
Net Trading Income	2	20	10
Operating Expense	195	195	177
Credit Commitments Impairment	4	3	31
Pre-tax Profit	181	236	180

Redemption Profile



Senior Unsecured Bonds



Company Ratios

	2018Y	2019Y	2020Y		2018Y	2019Y	2020Y
Net Interest Margin	1.86	1.75	1.58	Liquidity Coverage Ratio	150.66	170.61	140.60
ROAE	10.43	12.68	9.91	IFRS Tier 1 Leverage Ratio	10.24	10.02	9.89
Cost-to-Income	52.06	48.15	48.19	NPL/ Loans at Amortised Cost	0.89	1.02	0.81
Core Tier 1 Ratio	18.62	17.25	17.82	Reserves/NPLs	0.94	0.78	1.19

As of: 23.02.2021; Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research

Strengths / Opportunities

- Funding basis due to large volume of deposits
- Capital ratios

Risks / Weaknesses

- Regional focus
- Margin pressure

Appendix

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