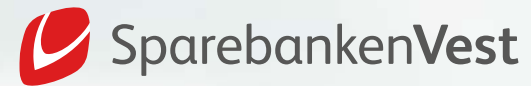


# Presentation of accounting figures Q4 2024

**Bergen, 7 February 2025**

JAN ERIK KJERPESETH





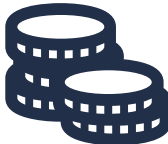







## **Presentation of accounting figures, Q4 2024**

**Questions will be addressed after the presentation.  
Please send questions to: [investorrelations@spv.no](mailto:investorrelations@spv.no)**



# All financial targets achieved in 2024

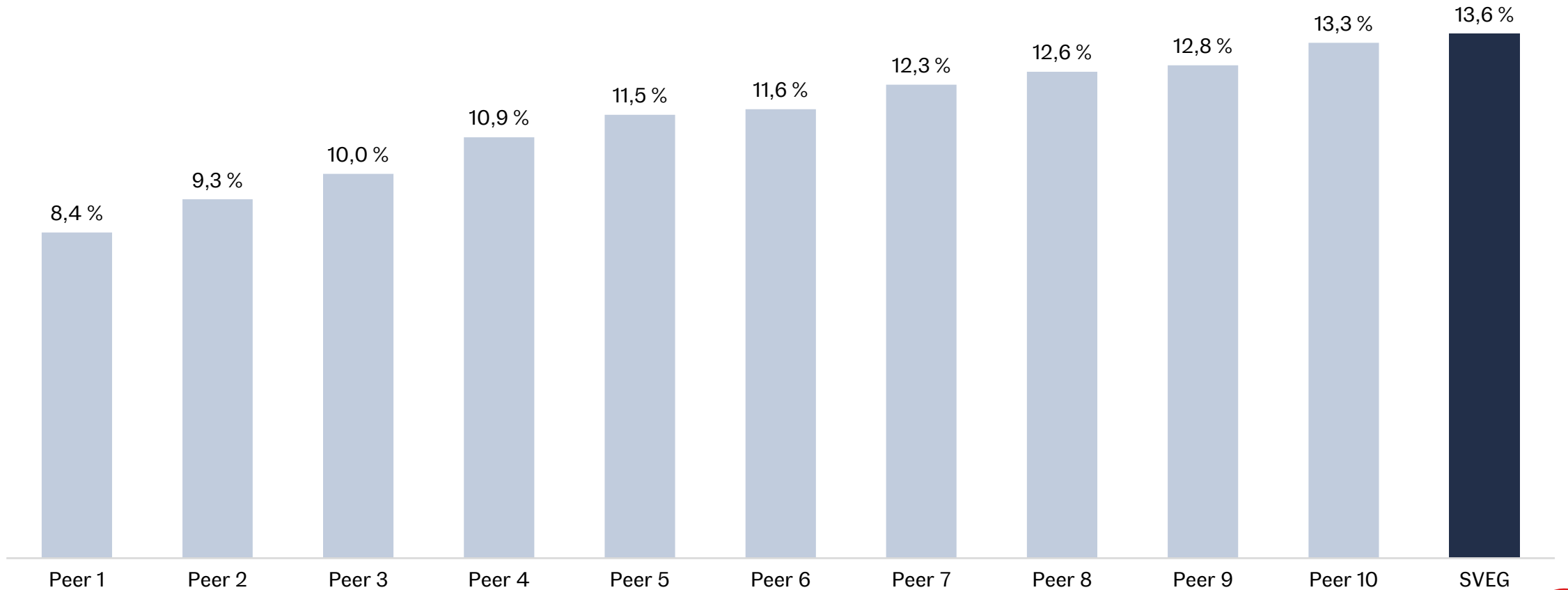
		Target	Result	
	ROE after tax	> 13.0 %	20.1 %	
	Dividend as a per cent of result	Approx. 50 %	51.0 %	
	Common Equity Tier 1 (CET1) ratio	> 16.05 %*	17.7 %	
	Cost-to-income ratio	< 30 %	24.8 %	



\* 16,05 % is the sum of all CET1 minimum, buffer and pillar 2 requirements in addition to 1.25 percentage points pillar 2 guidance

# Leading the field in ROE over time

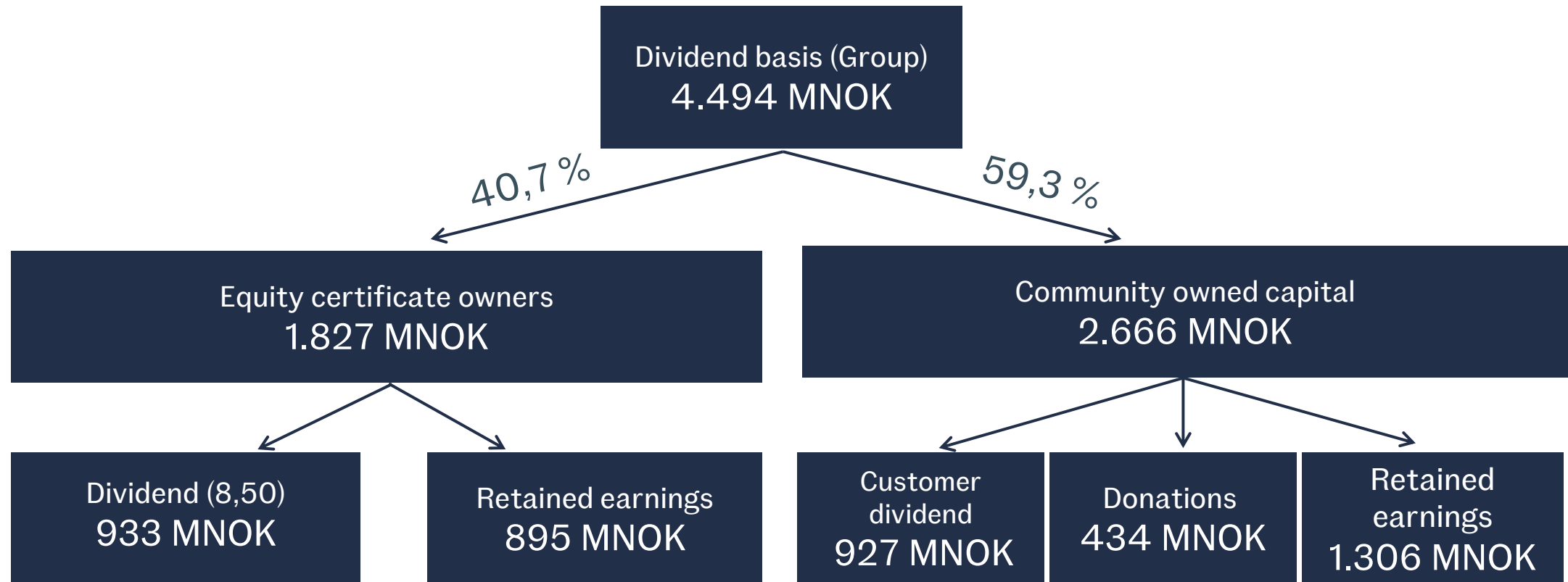
The target is to be among the two best savings banks on ROE over time



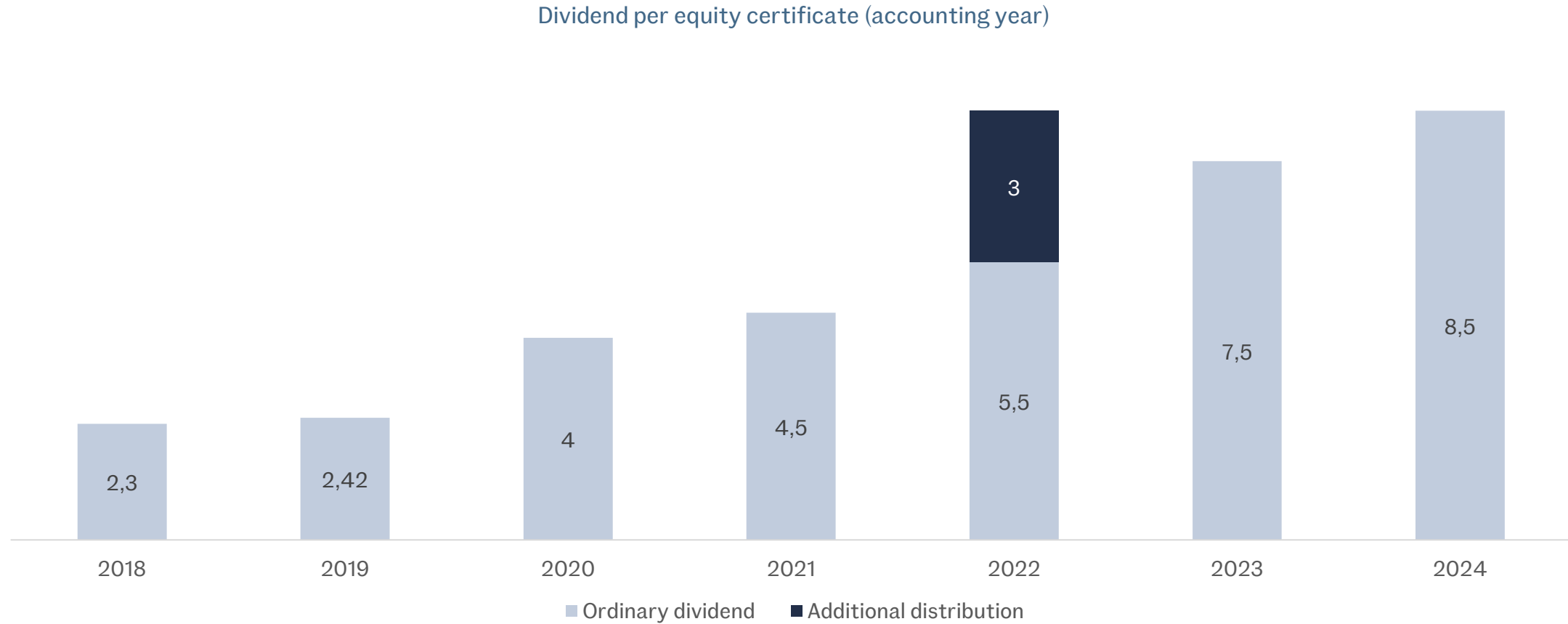


# BoD's profit distribution proposal for accounting year 2024

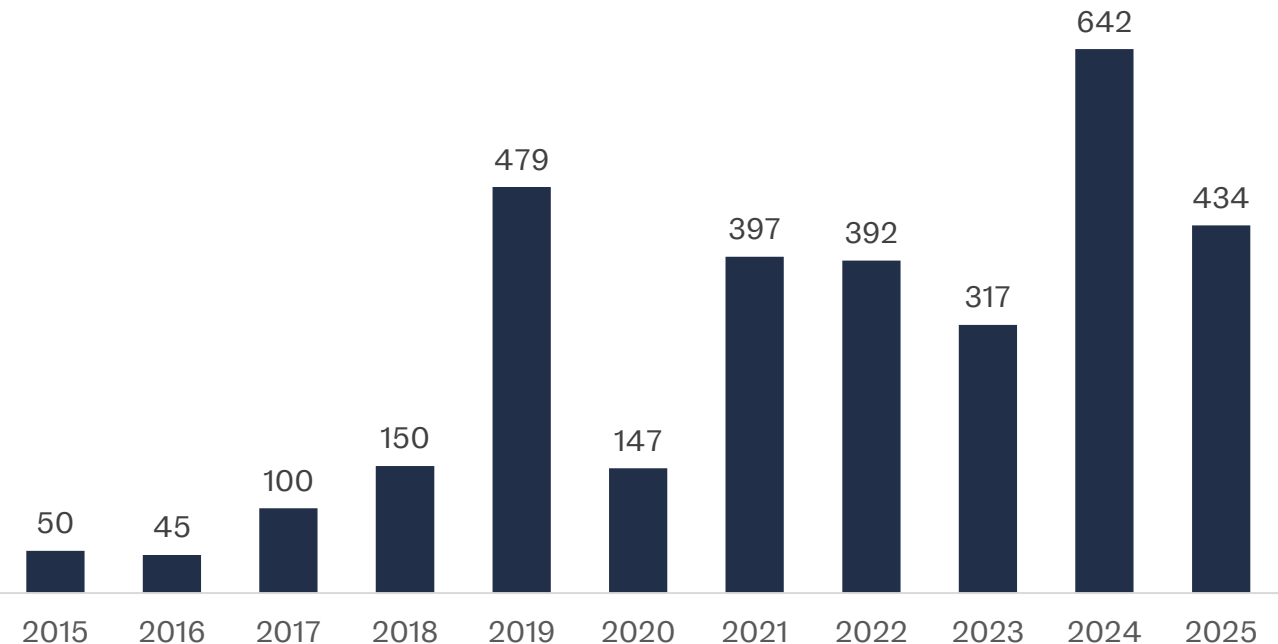
The distribution is coordinated with Sparebanken Sør in accordance with the merger plan



# Increased nominal dividend per equity certificate over time



# More than NOK 3.1 billion in donations since 2015



\* The figures show the year of allocation, which is one year after the accounting year for which the allocation applies. Allocation 2024 includes NOK 482 million in gifts based on accounting year 2022, which were allocated in November 2023. The figures include donations given by the bank and Sparebankstiftelsen Sparebanken Vest.



# 533 girls' teams received a total of NOK 10.6 million in support in 2024

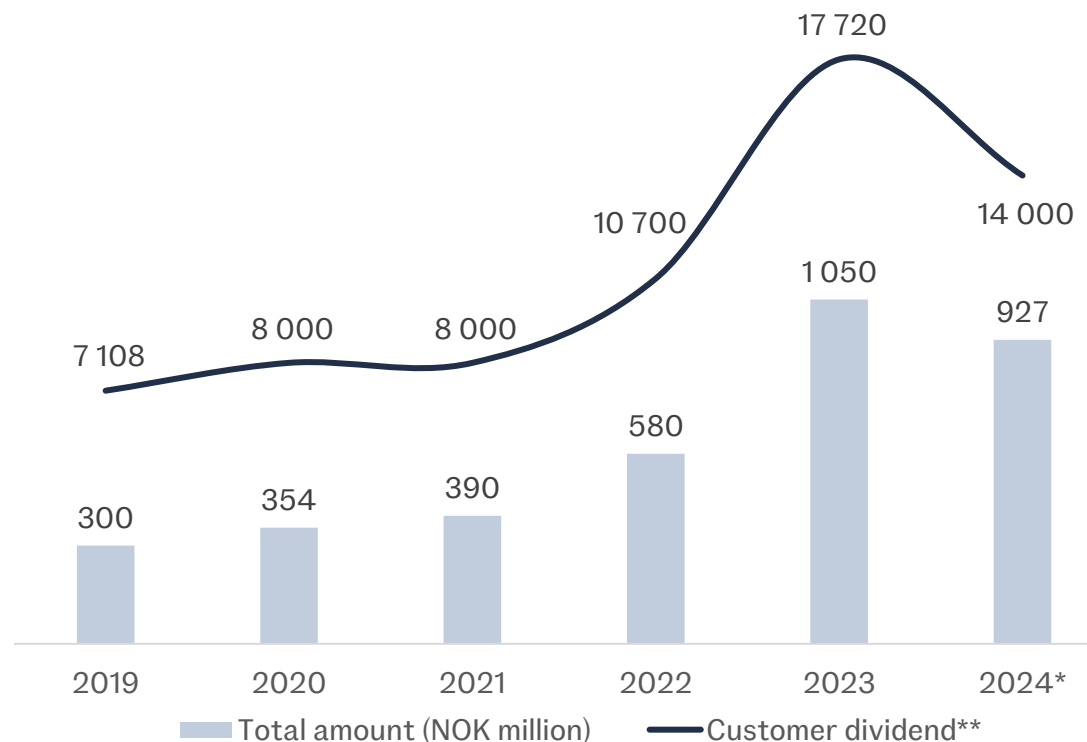
The campaign has received international attention and has been nominated for European Championship gold in the European Sponsorship Association Awards.





# I 2025 we will pay out customer dividend of NOK 927 million\*

With payouts in 2025, Sparebanken Vest's customers have received approximately NOK 3.6 billion in customer dividends over the past six years



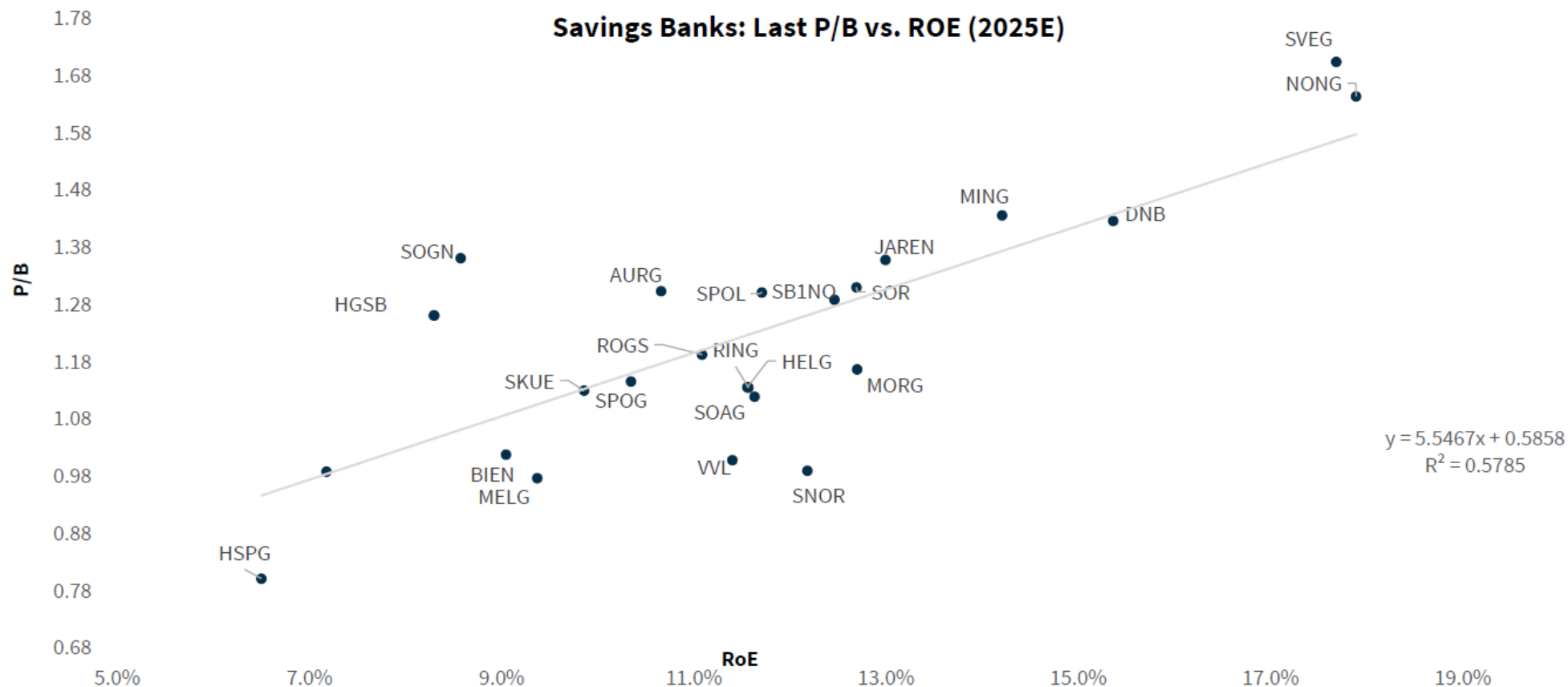
\*The Board's proposal for customer dividends for the 2024 financial year. Subject to resolution at the General Meeting in March 2025.

\*\* The customer dividend amounts indicate what a borrower and co-borrower with a total of NOK 4 million in qualifying mortgages has received or will receive\* as customer dividends.



# The equity certificate has a strong position in the capital market

Differences in pricing between banks are due to expected return on equity, not instrument type





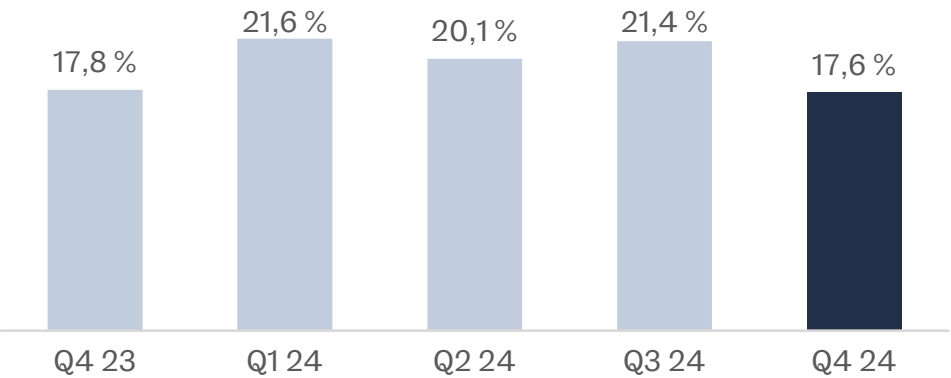
# Agenda

- Sound banking operations
- Conservative loan book
- Bulder
- The Savings Bank Committee's derailment
- Sparebanken Norge

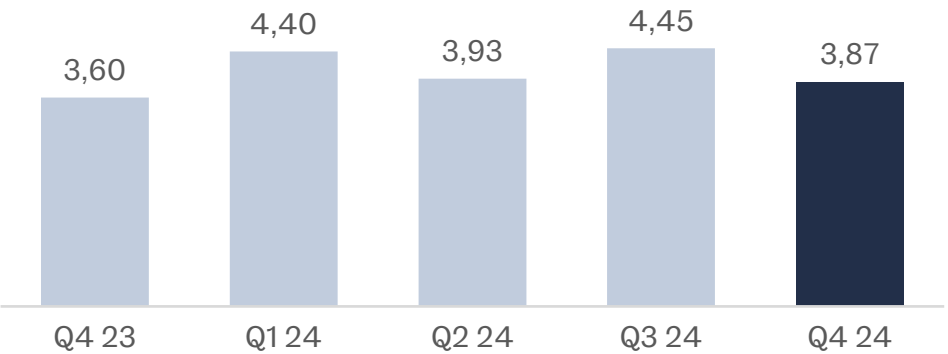


# Strong ROE and solid CET1 ratio

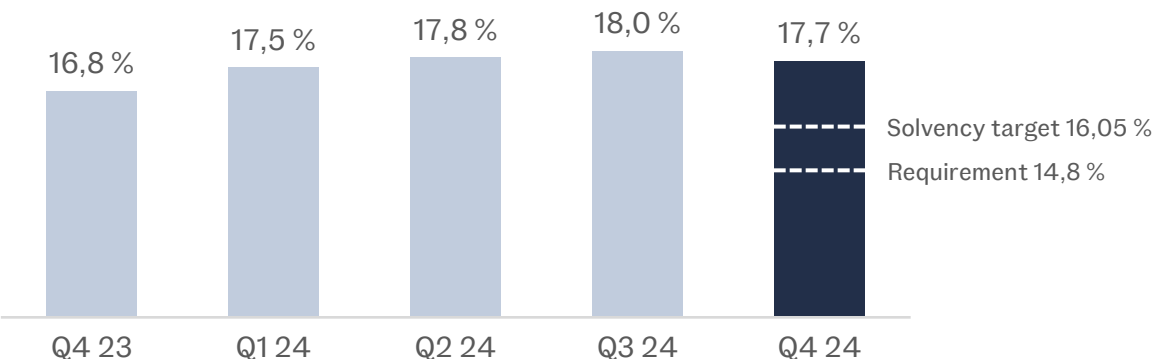
ROE



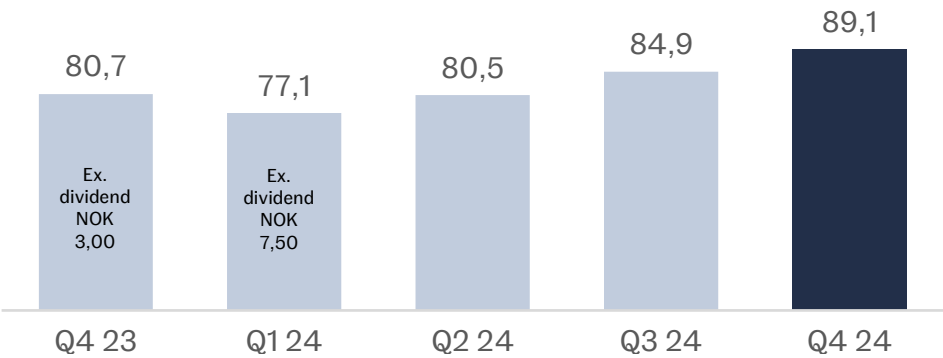
Profit per equity certificate (NOK)



CET1 ratio

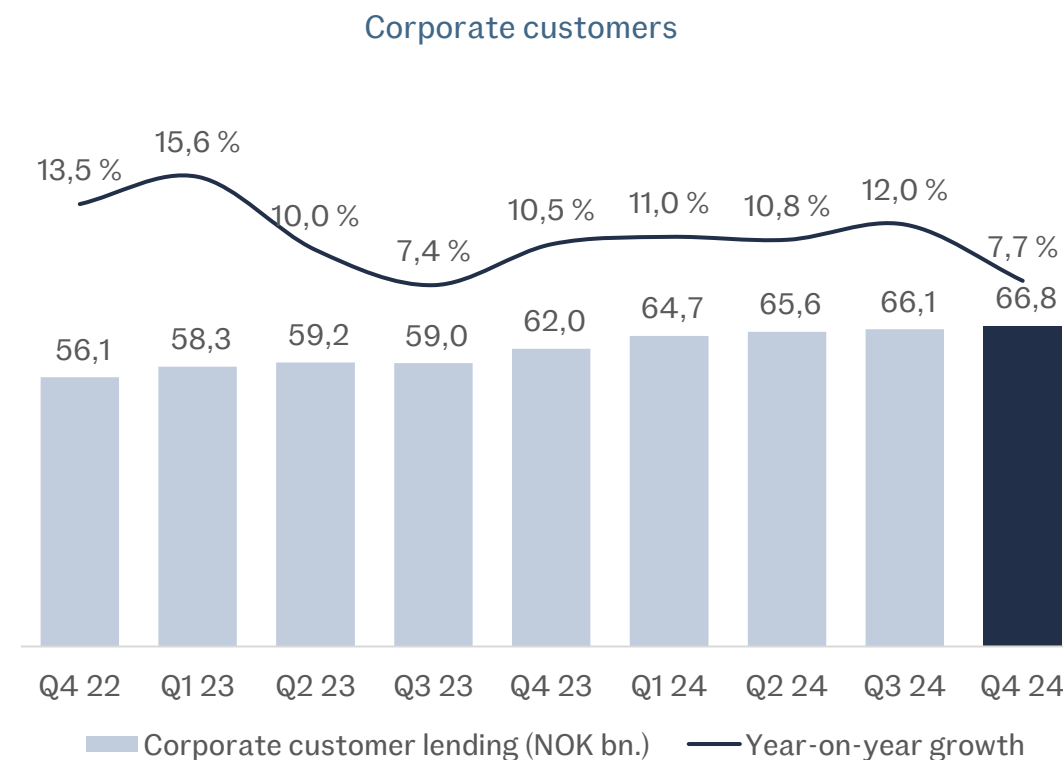
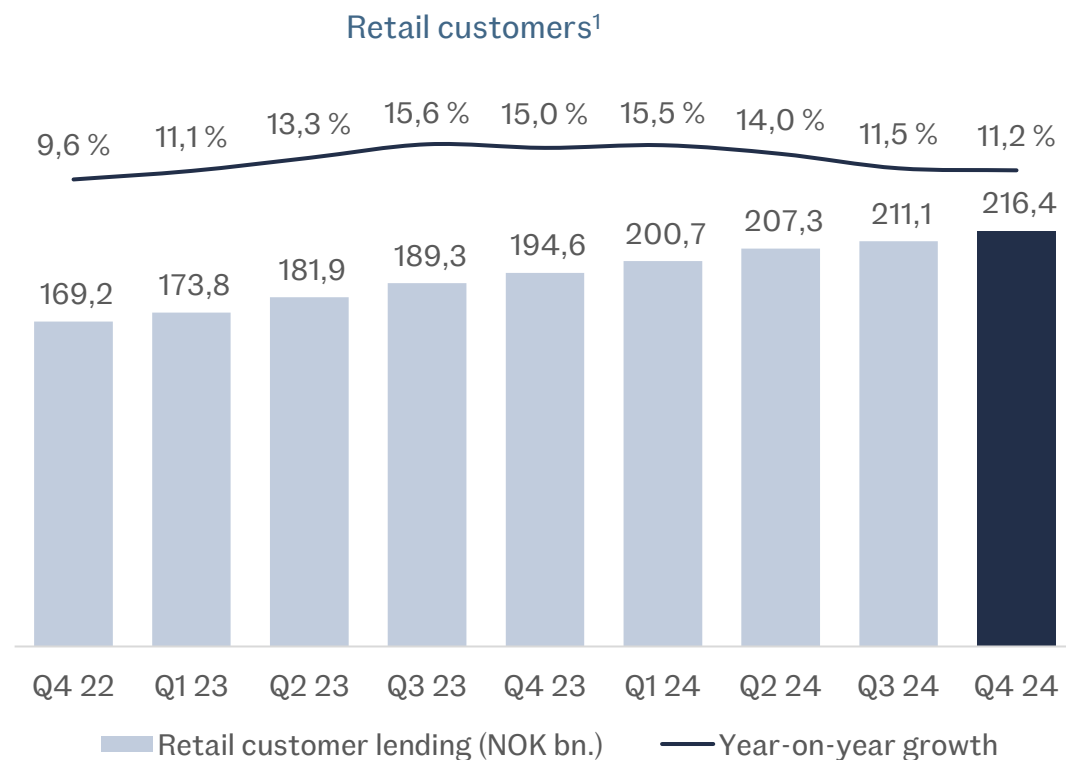


Book value per equity certificate (NOK)





# Solid lending growth to both retail and corporate customers

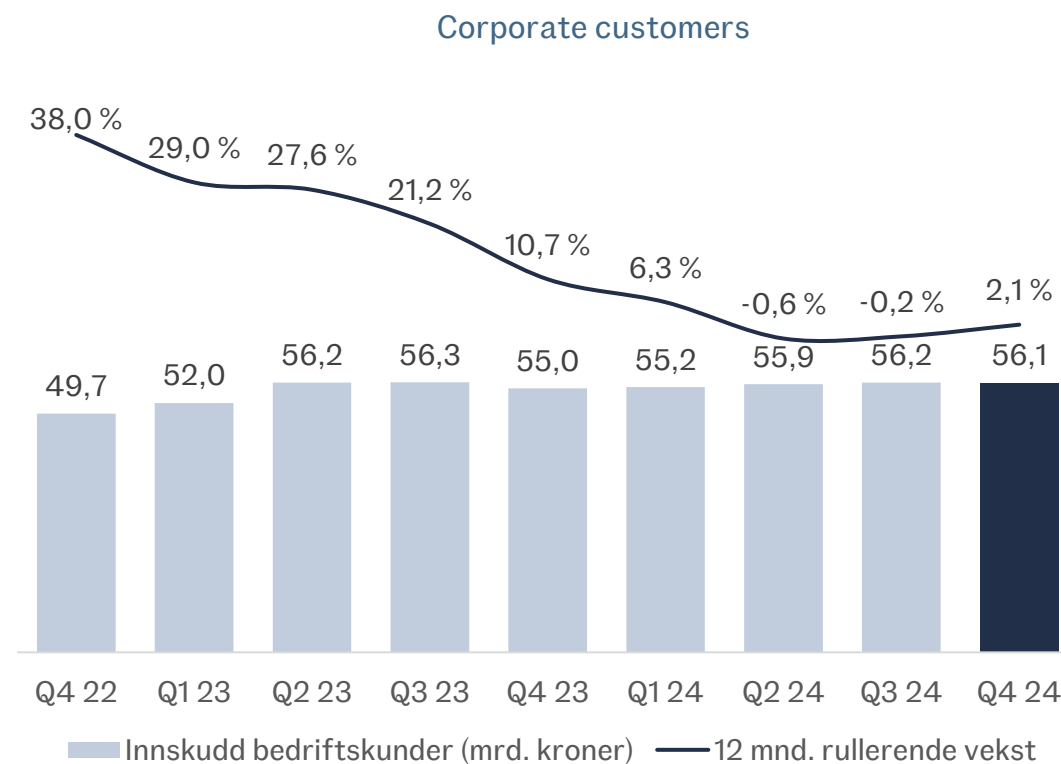
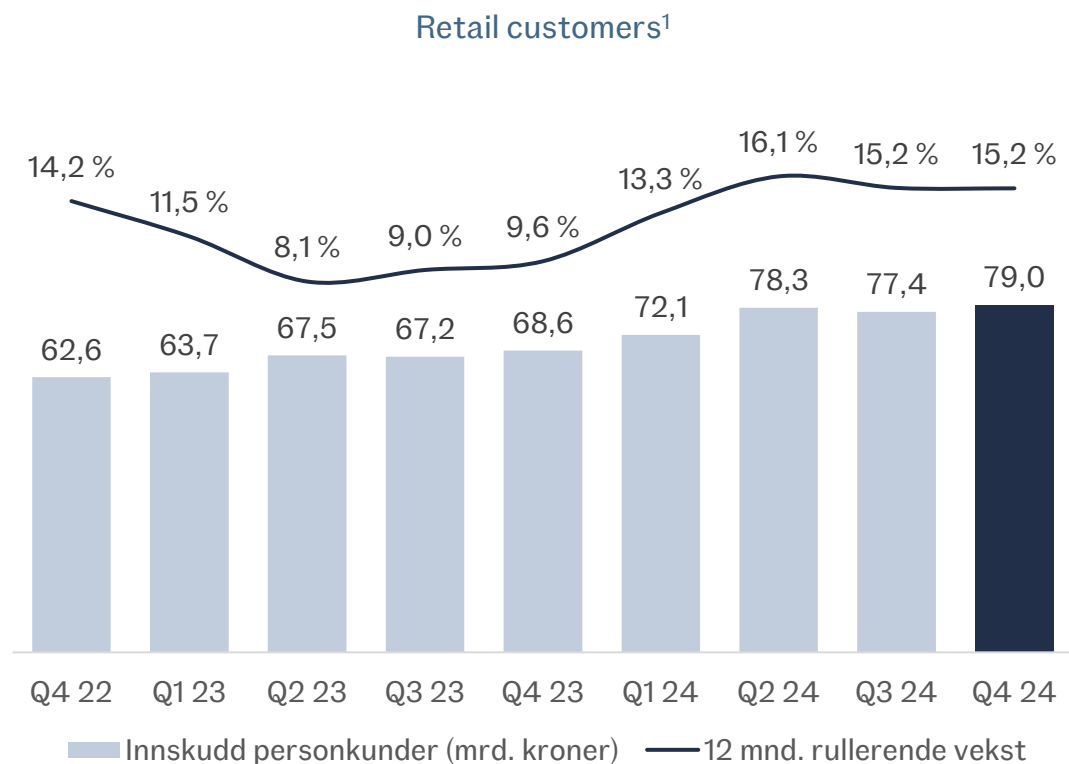


<sup>1</sup> Year-on-year growth in lending excluding Bulder is about 5.1%



# Good growth in deposits within the personal customer segment

Due to lower credit spreads capital market financing is more attractive

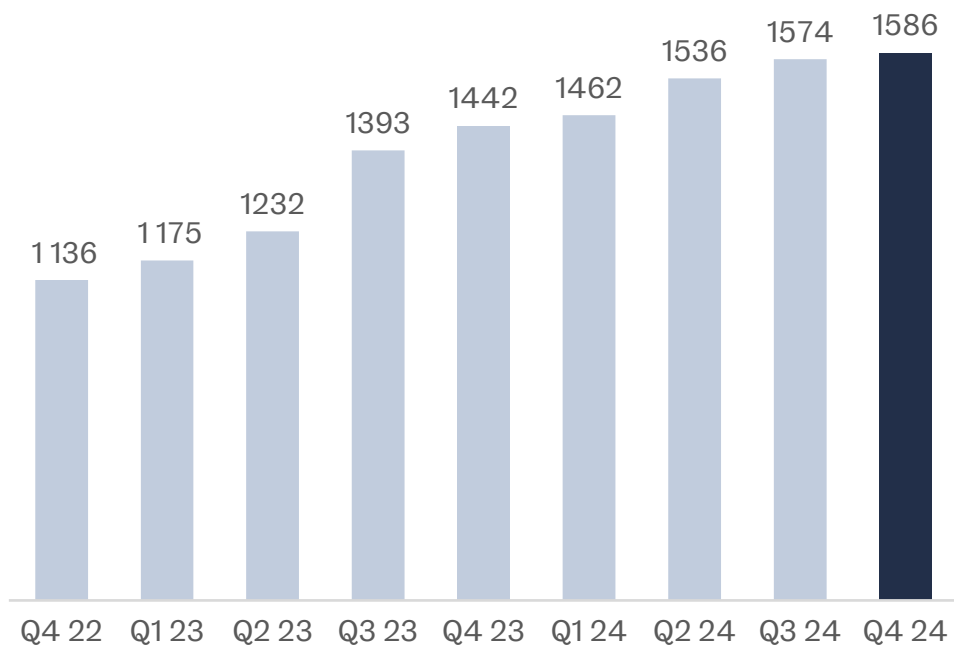


<sup>1</sup> Year-on-year growth in deposits from personal customers excluding Bulder is about 5.3%

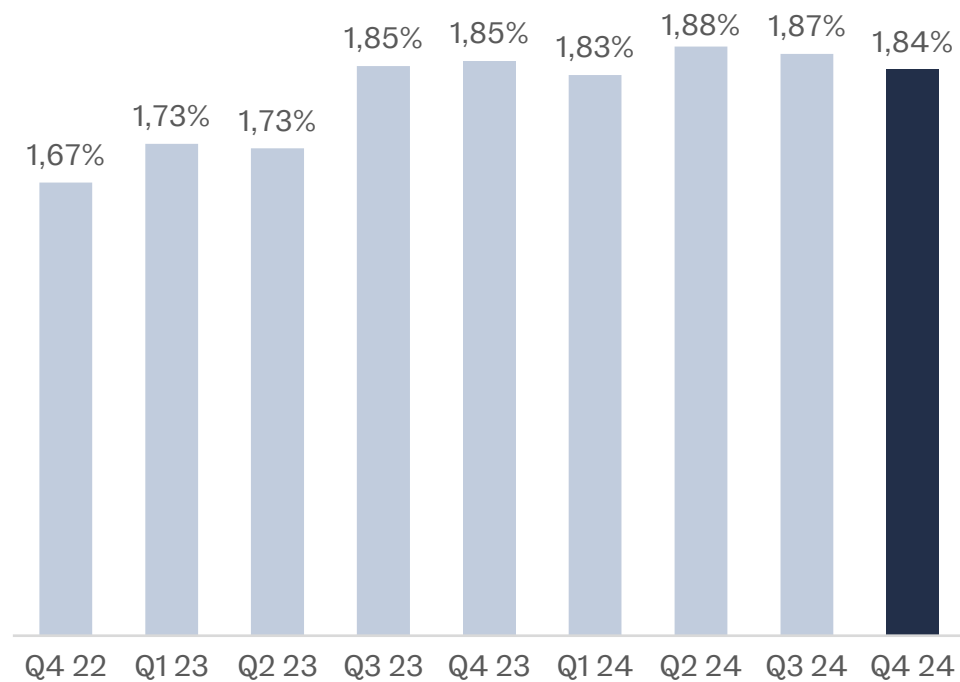


# Good lending and deposit growth improves net interest income

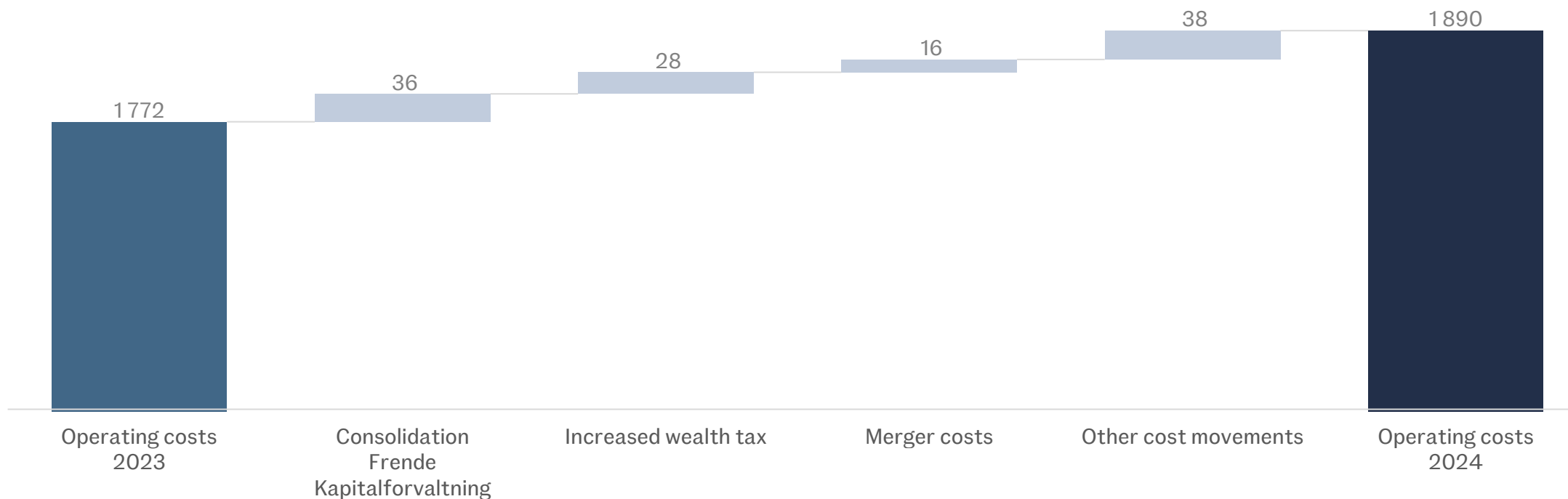
Nominal net interest income (NOK million)



Net interest income as % of total assets

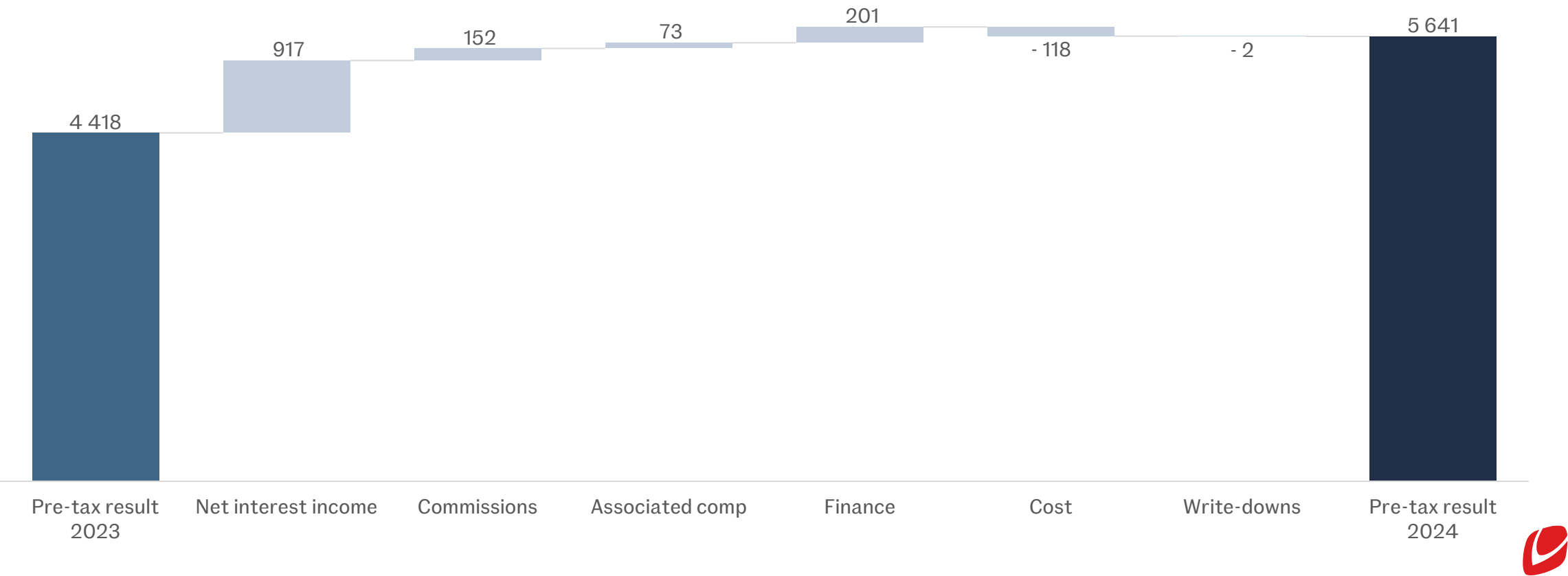


## 2.1% underlying cost growth corrected for Frende Kapitalforvaltning, increased wealth tax and merger costs





**Significant profit improvement in 2024 due to increased net interest income, strengthened commission income, increased contribution from associated companies and improved financial result**



# Agenda

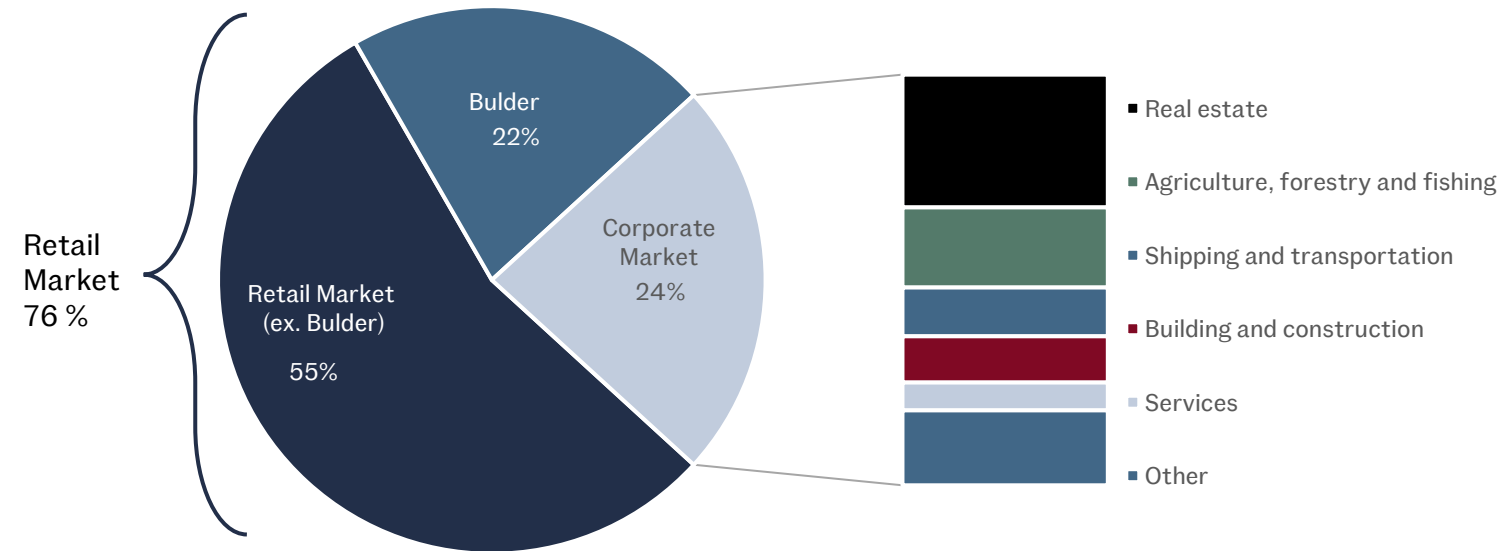
- Sound banking operations
- Conservative loan book
- Bulder
- The Savings Bank Committee's derailment
- Sparebanken Norge



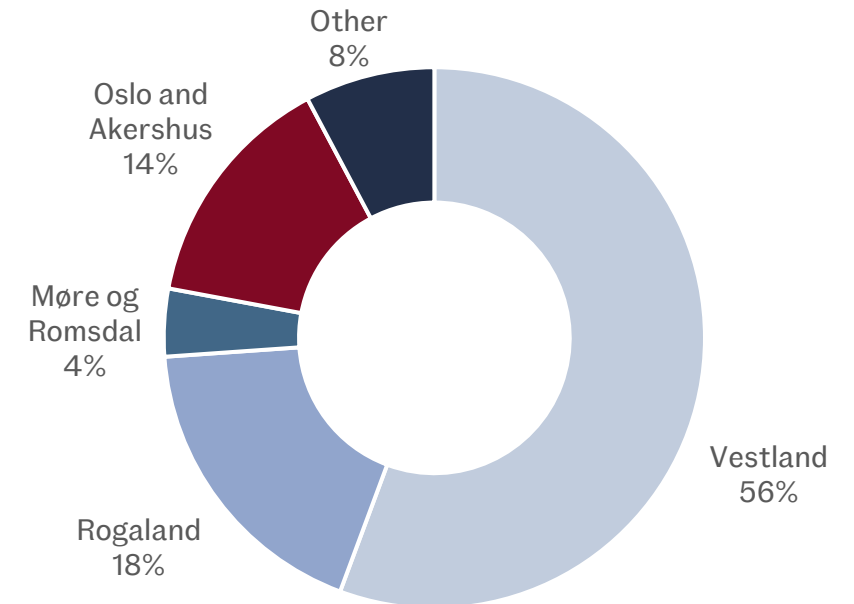
# Conservative loan portfolio dominated by retail customers

99.6% of retail portfolio is mortgages

Low-risk loan book consisting of residential mortgages and a diversified CM portfolio



Our customers come from our primary market area<sup>1</sup>. Other exposures are primarily in Bulder-segment

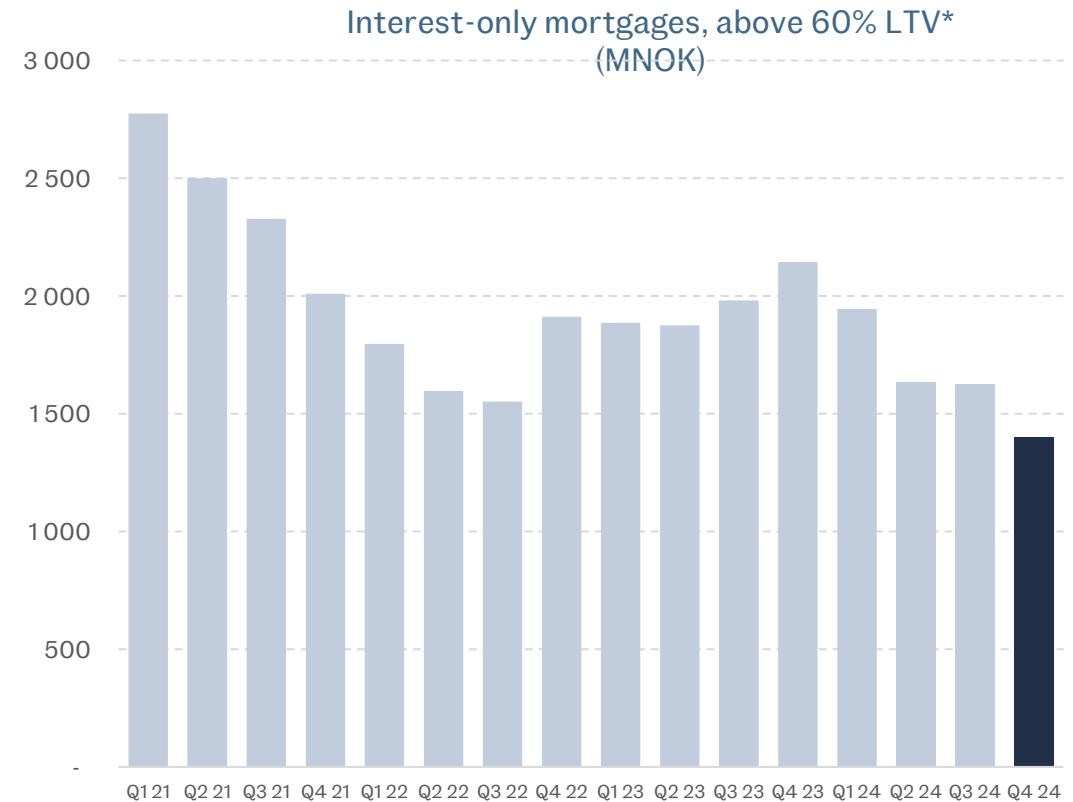
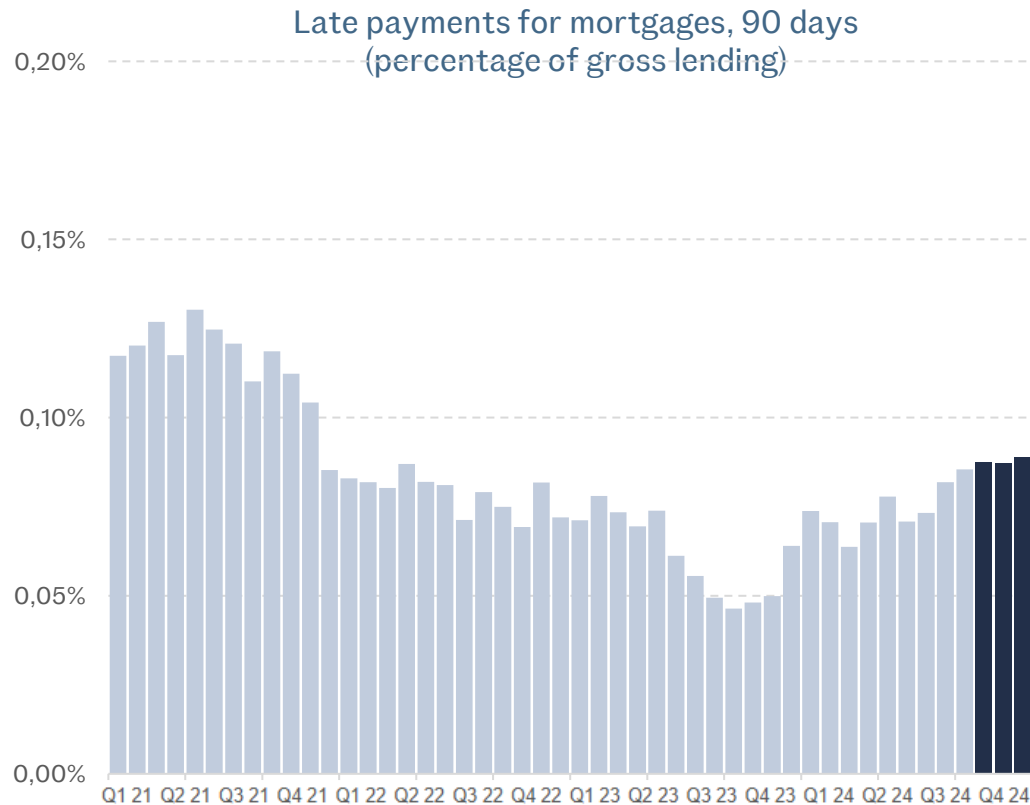


<sup>1</sup>Within exposure in Oslo og Akershus, Bulder represents 73 % of loans. Bulder represents 79 % of the Other category.



# Low payment defaults on private customers

Stable development in overdrafts in Q4 2024, the need for installment exemptions is at moderate levels



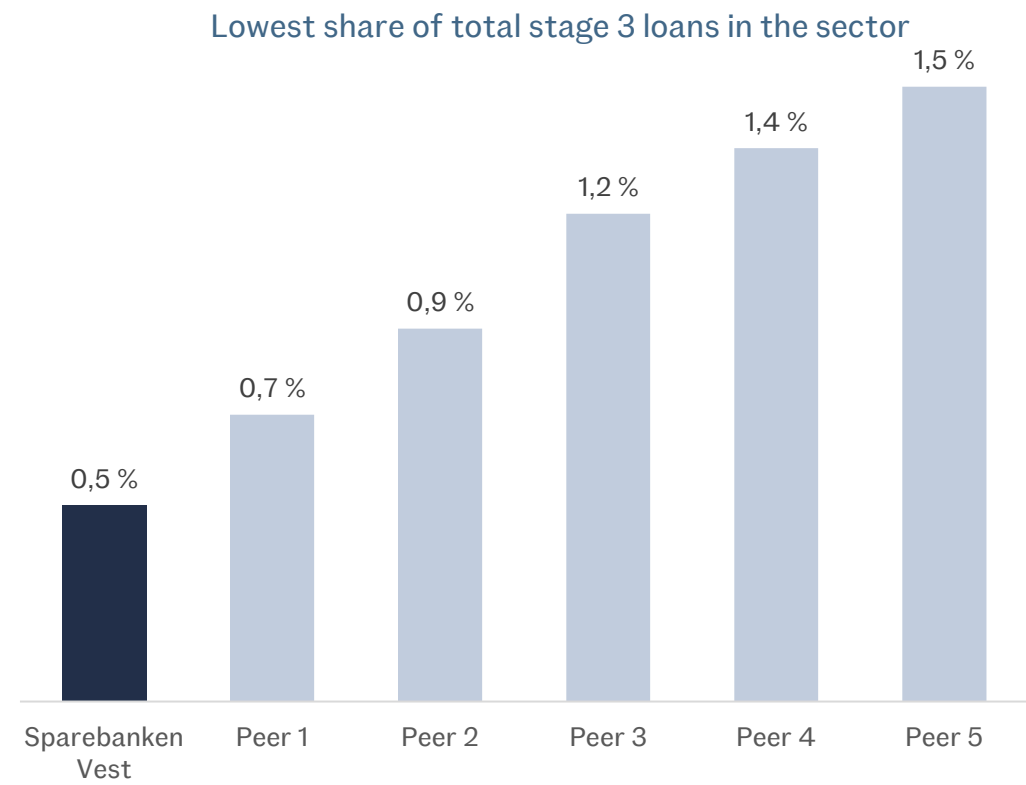
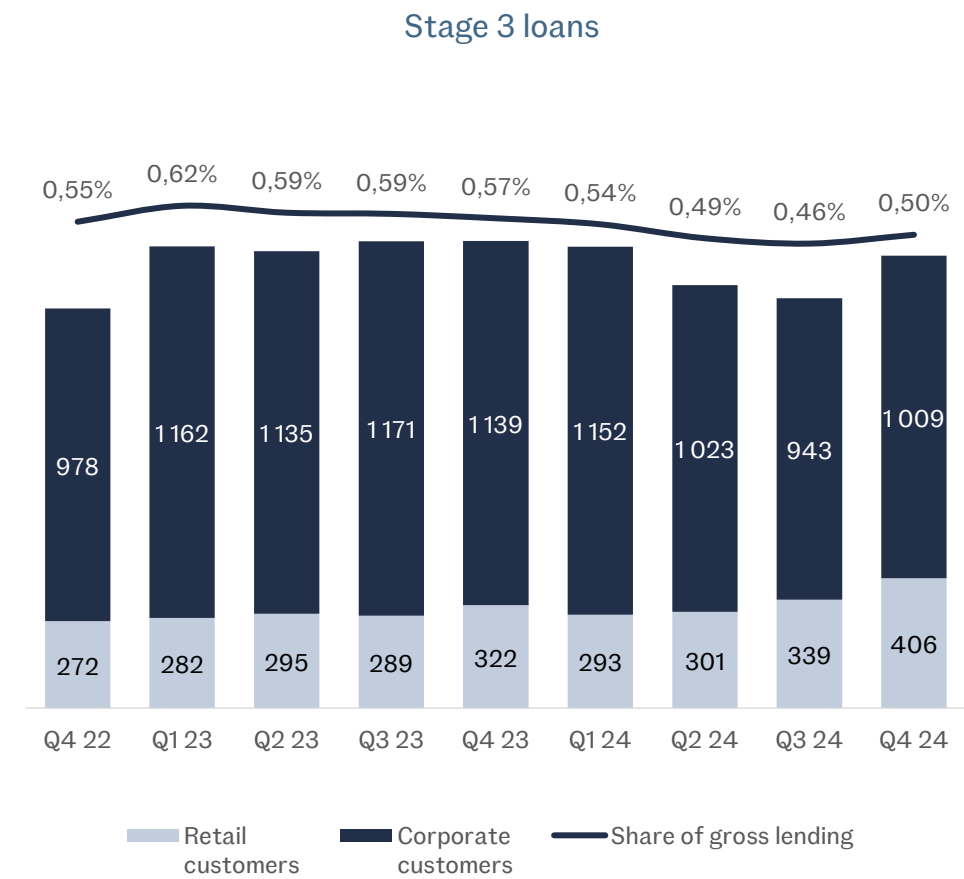
\*Loans where installment profile changes took place at a later stage





# Defaults at a low level

Together with robust provisions, this provides a good starting point for continued low losses



The sample consists of DNB, SB1 SNN, SB1 SMN, SB1 Sør-Norge (SB1 SR-Bank) and SB1 Østlandet (Q3 2024)



# Agenda

- **Sound banking operations**
- **Conservative loan book**
- **Bulder**
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- **Sparebanken Norge**



# Lending growth in Bulder of NOK 14.1bn last 12 months<sup>1</sup>

**61.6 bn.**

Housing loan volume (NOK)

**42%**

Average loan-to-value

**63%**

Knowledge of the concept

**111 700**

Total number of  
customers

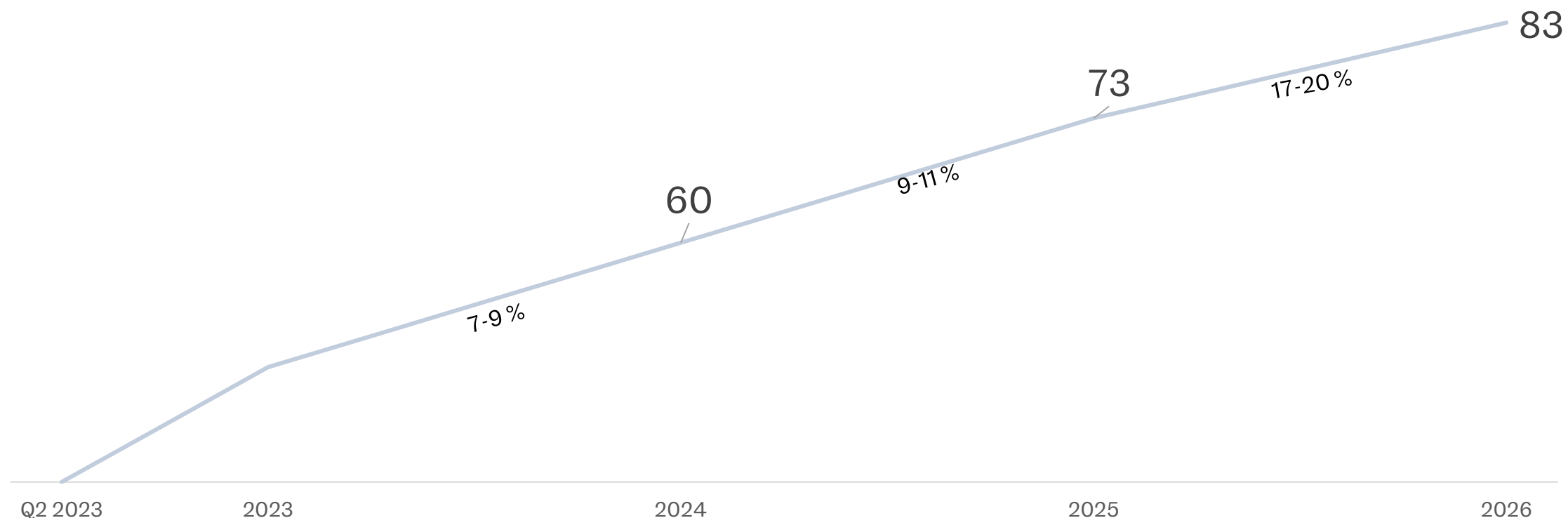
**25.6%**

Deposits-to-loans ratio

# Good growth combined with good profitability

Marginal return on equity is approx. 12% in 2024 – compared to a target of 7-9%

Targeted lending development (NOK billion) and targeted  
marginal return on equity in the Bulder concept (in percent)

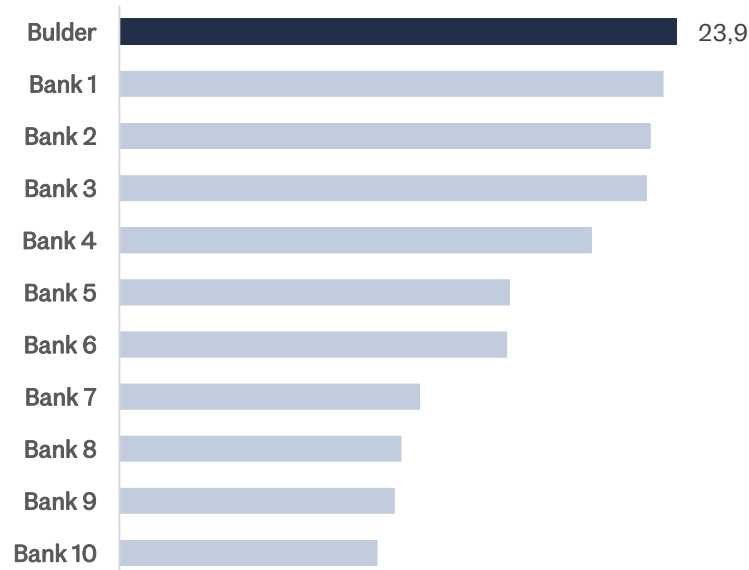




# Bulder is well positioned for further growth

## Most attractive as Norwegians' "next bank"\*

Average in Q4 2024



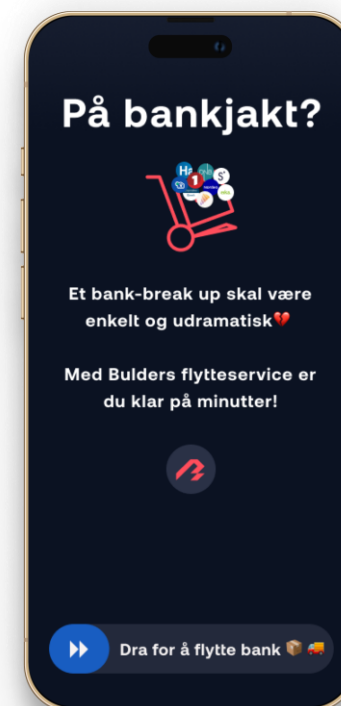
## Norway's most satisfied customers

EPSI Survey 2024



## High pace in development of the service

Both the "Moving Machine" for daily banking and a completely new mortgage journey will come in the spring of 2025. We will make it significantly easier for both the customer and the bank to move customer relationships.



\* KANTAR: Imagine you were going to change your mortgage provider. Which providers would be suitable for you?

# Leading digital services for corporate and retail customers

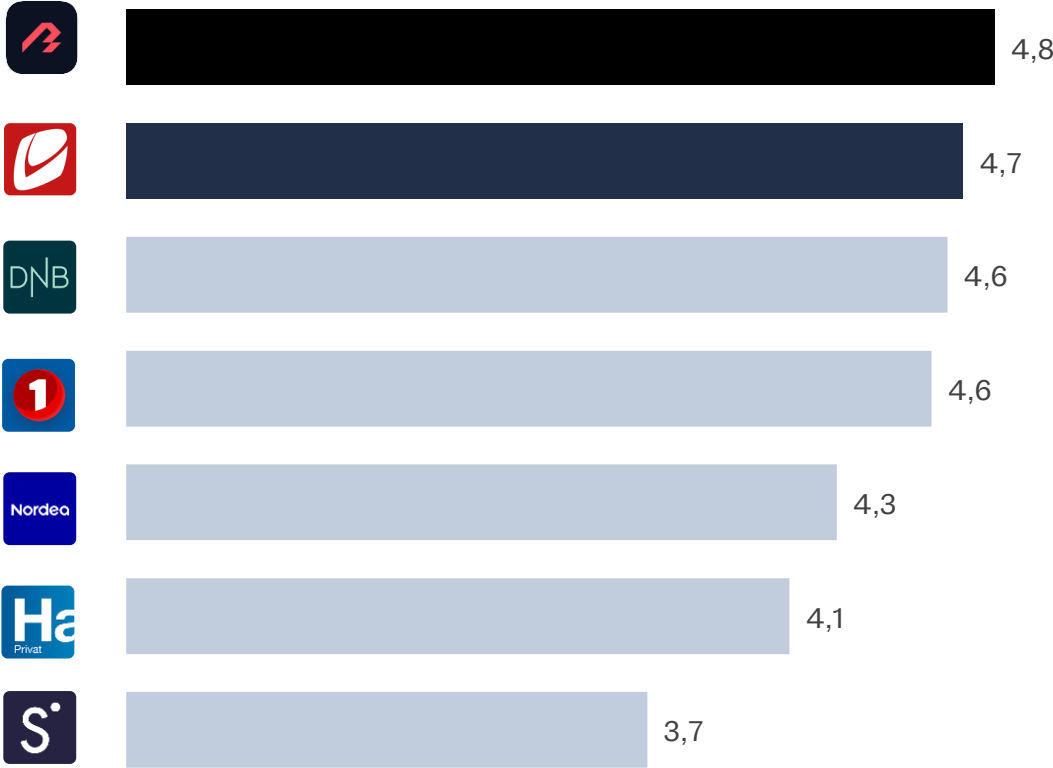
Norway's best mobile apps for both segments

Corporate market



Average App Store Ratings (iPhone)  
Figures as of January 3, 2025

Retail market



Average ratings on the App Store and Google Play  
Figures as of January 3, 2025





# Agenda

- Sound banking operations
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# **The Savings Bank Committee puts the savings bank model into play**

The result of the Savings Bank Committee's recommendation will be a stronger concentration of power in the banking sector, less local ownership and less value creation in the rural areas. This will be a loss for both customers and diversity in the Norwegian banking sector.





# The Savings Bank Committee's mandate and background

"The Savings Bank Committee shall (...) examine the capital structure in connection with the possibilities for safeguarding the savings banks' unique character and social function.

The government's goal is that the Savings Bank Committee's investigation shall contribute to solutions and ensure good and profitable savings banks also in the future, while safeguarding the savings banks' unique character and important social function."

*Former Minister of Finance Trygve Vedum to the Parliament, March 2024*



# The Savings Bank Association is clear that the proposals must be rejected



**Sparebankforeningen:**  
**– Ingen grunn til å endre**  
**egenkapitalbeviset eller**  
**kapitalstrukturen til**  
**sparebankene**

“There is no reason to change the equity certificate or the capital structure of the savings banks. We still believe that the current arrangement is fully compliant with EU capital requirements rules. Unnecessary changes could create uncertainty and weaken a model that has worked excellently for a long time.”

*Therese Riiser, CEO in The Savings Bank Association (Sparebankforeningen)*



## **The Banking Law Commission recommended strengthening the savings bank model and the specific characteristics of savings banks - Introduction of customer dividend opportunity**

«If dilution effects are to be eliminated or at least kept to a relatively modest level, savings banks must be guaranteed a relatively high degree of freedom of action when it comes to the distribution of the portion of the determined dividend funds that is allocated to the primary capital.»

*Banking Law Commission NOU 2009:2*

**NOU**

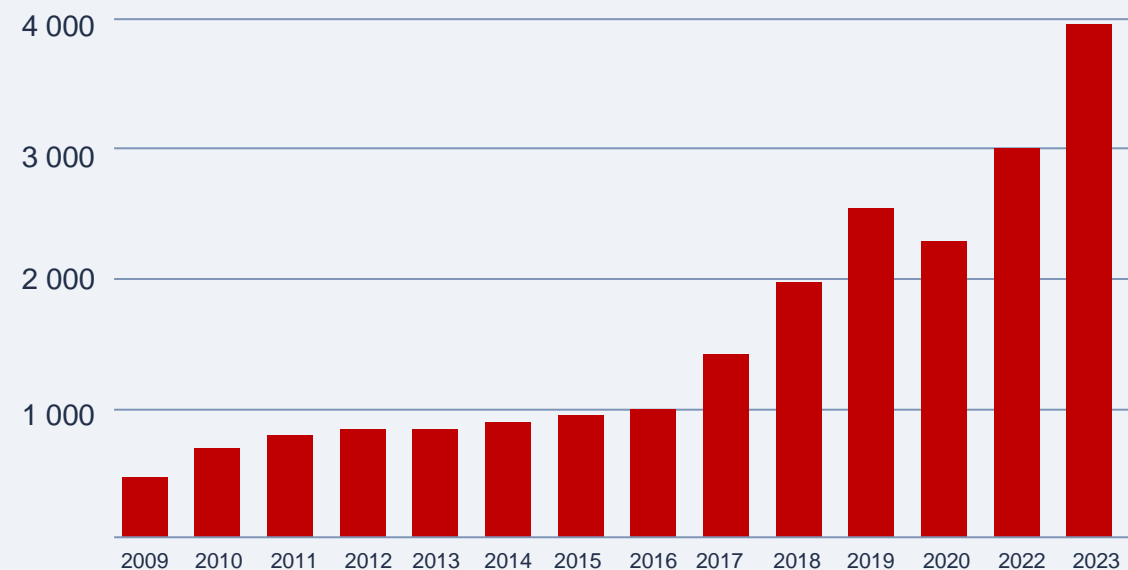
Norges offentlige utredninger 2009:2

### **Kapital- og organisasjonsformer i sparebanksektoren mv.**

Utredning nr. 22 fra Banklovkommisjonen

**Donations to charitable causes have increased significantly since customer dividends were introduced.**

**Donations 2009 – 2023**



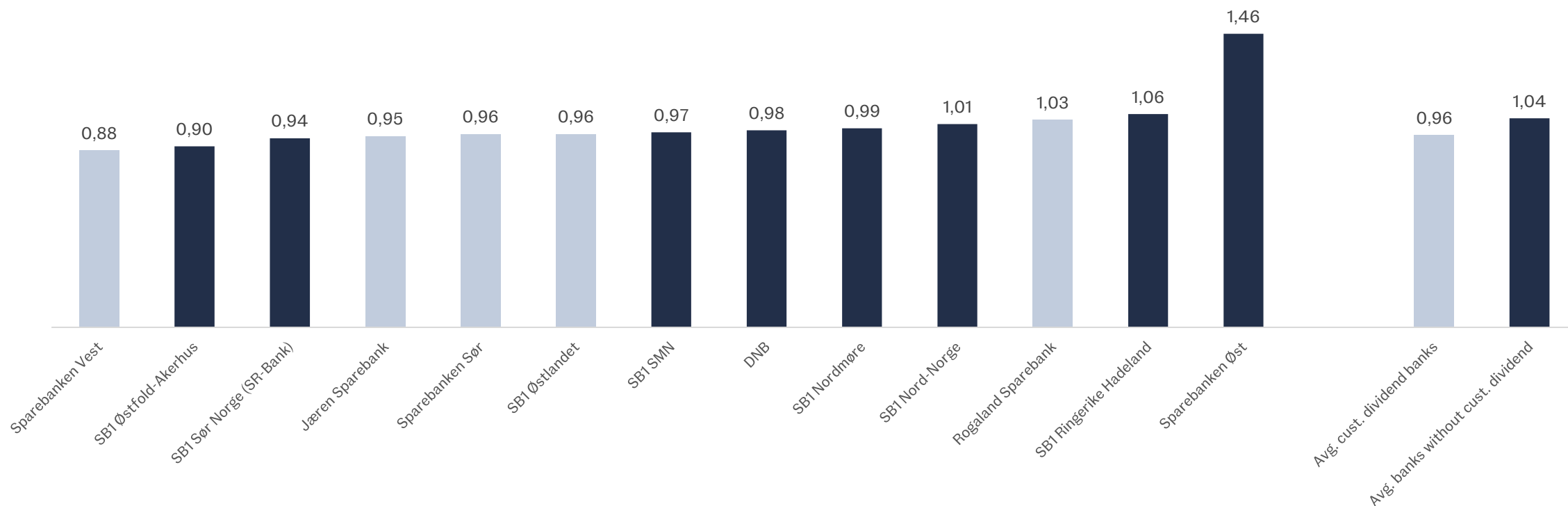
Source: Sparebankforeningen





# Customer dividend banks are competitive

Reported lending margins for retail customers for Norwegian banks Q3 2024



Source: Banks' quarterly reports / quarterly presentations as of Q3 2024. Reported lending margins from all Norwegian banks on the Oslo Stock Exchange (OSEBX) and the Oslo Stock Exchange Equity Certificate index (OSEEX) that reported lending margins per segment. Other banks on OSEEX and OSEBX do not report lending margins per segment and are not included in the overview.





# Experiences from Europe:

**- Liquidation of the savings banks' traditional ownership structure has weakened the savings bank sector**

- In several countries (especially Spain and Italy) savings banks have been forced to become equity banks
- The result is significant pressure for structural changes, weakening of local affiliation and significantly greater bank concentration
- Our European colleagues find it a mystery that Norwegian politicians have been so passive in such an important issue for savings banks, when one sees the consequences in other countries



# The proposals from the Savings Bank Committee must be rejected

- The Savings Bank Committee has not submitted a recommendation that responds to the mandate that the government had set for the committee
- The committee shows that it does not understand the unique role of the Norwegian savings banks
- The committee has made proposals that no party in the parliament has advocated
- Norway cannot facilitate large international commercial banks buying up the Norwegian savings banks over time





# Agenda

- **Sound banking operations**
- **Conservative loan book**
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- **Sparebanken Norge**







# Sparebanken Norge

Customers

786 000

FTEs

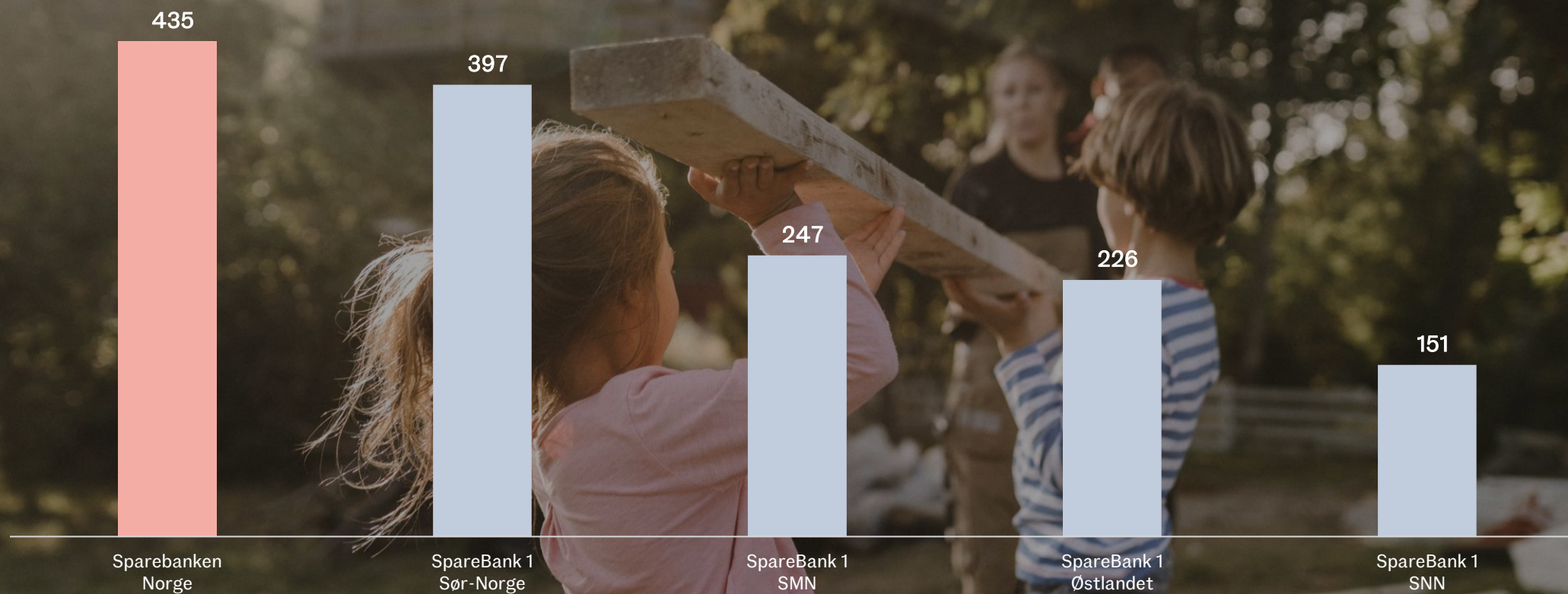
1 614

Gross loans

444 bn.



# Norway's largest savings bank



Gross lending (billion) as of the third quarter of 2024, including Brage Finans



# National ambitions for Sparebanken Norge – Arild Andersen leads Oslo initiative

We will become the first savings bank to take a nationwide position, with the goal of being present in the largest Norwegian city centers within 5-10 years.

This will happen through both structural and organic growth, with the Oslo area being an important market area.





# We become bigger and stronger, but will remain just as local

In 2025, NOK 434 million in donations will contribute to strengthening local communities

## Bergens Tidende

Kjempegave gjør at hun kan doble kapasiteten

Bergen Kjøtt får endelig en skikkelig konsertsal.

Lytt til saken • 4 minutter



## Stavanger Aftenblad

Sandnes: Bank støtter havnebad med 15 millioner kroner

Sparebanken Vest gir 15 millioner kroner til havnebadet i Sandnes. Dermed er 65 millioner på plass.



Konserndirektør i Sparebanken Vest Simen Løland Aarskog, ordfører Kenny Rettore, kommunedirektør Bodil Sivertsen, banksjef i Sparebanken Vest Eirik Nebdal Haver og havnesjef Thor Thingbø. Foto: Camilla Bjørheim

## nh nordhordland 50

Han tar turen ut av kontoret for å møte opp og gi viktig støtte



OPNA: Inne på klubbhuset sit det folk og ventar på han. Foto: Kasper Valestrand

Av Kasper Valestrand Publisert: 17.01.25 05:31 Del

Den lokale banksjefen til Sparebanken Vest startar opp bilen og køyrer ut frå parkeringsplassen i Knarvik. Bergensaren skal ut og bli betre kjent med dei som bur i distriktet.

## Os & Fusaposten



- Kjem ikkje til å bidra mindre i lokalsamfunnet sjølv om me skiftar namn



# Significant cost and capital synergies

## Cost synergies

Estimated to 350-400 million annually from 2027-2028

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## Capital synergies

Estimated at net NOK 2 billion. In addition, there is the effect of Basel IV of NOK 2.1 billion.

Increased risk weight floor on mortgages reduces the estimate by NOK 0.7 billion.

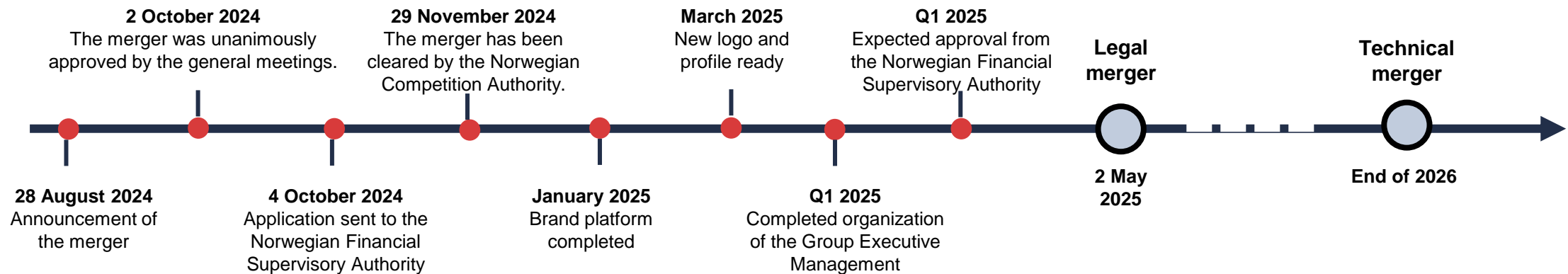
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## Transaction and integration costs

250-300 million



# Process towards legal merger on May 2, 2025





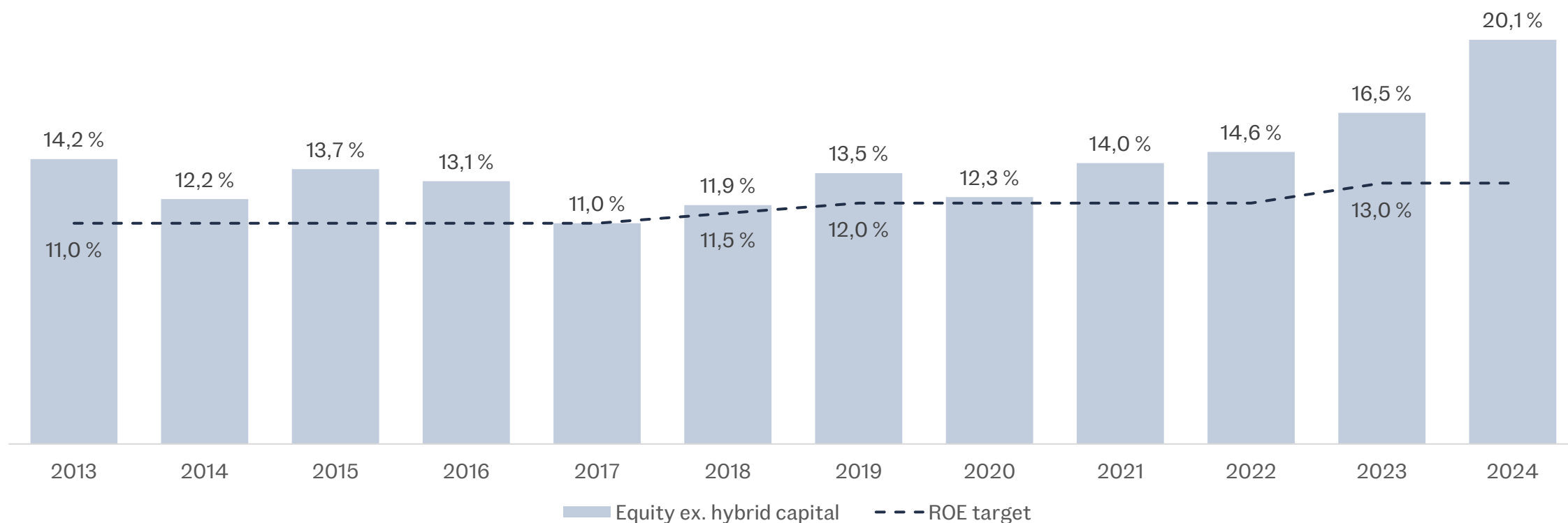
# Agenda

- **Sound banking operations**
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# High return on equity above target in the entire period

ROE target has been increased from 11 to 13 percent during the period





# Together we will build Norway's best savings bank

- ✓ Leading in customer satisfaction
- ✓ Low complexity and low risk in the loan portfolio
- ✓ Proud performance culture and two strong headquarters
- ✓ New strong brand built on savings bank values
- ✓ Significant gifts and high customer dividends
- ✓ Leading the field on digital development
- ✓ Among the best in terms of return on equity



# Investor contacts

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CFO / EVP

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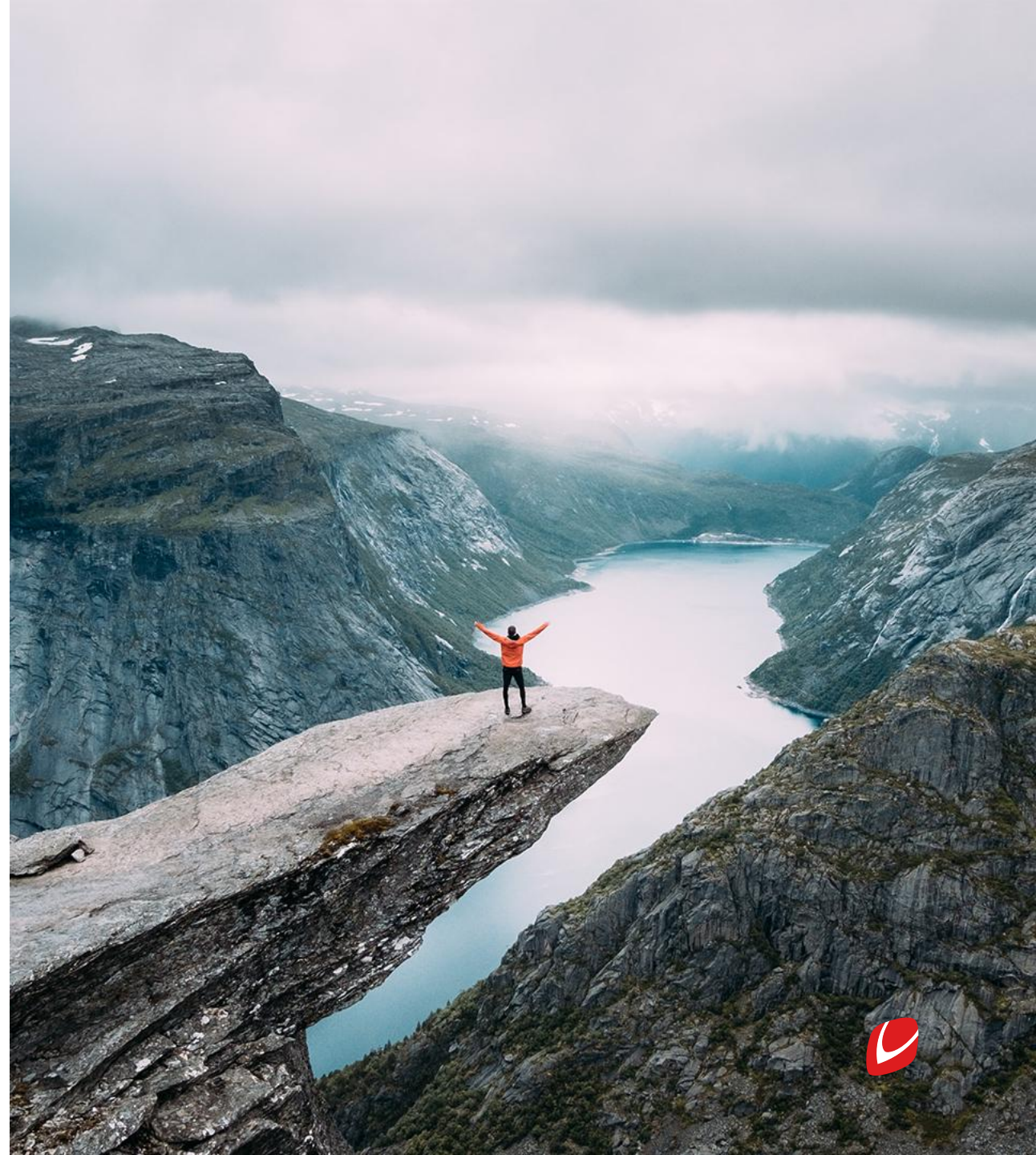
frank.johannesen@spv.no

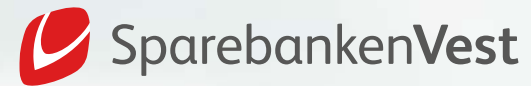
**Brede Borgen Kristiansen**

Director Finance, Operations  
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brede.kristiansen@spv.no





**Questions may be sent to:  
[investorrelations@spv.no](mailto:investorrelations@spv.no)**





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Although Sparebanken Vest believes that the expectations reflected in such forward-looking statements are reasonable, we cannot guarantee that they will turn out to be correct.

Actual results, performance and events may deviate significantly from that indicated or suggested in forward-looking statements. Important factors that may lead to such deviations include but are not limited to: (i) the general economic situation, (ii) developments in the financial market, including volatility and liquidity, (iii) scope of credit default, (iv) interest rate levels, (v) exchange rates, (vi) changes in the competition climate, (vii) changes in laws and regulations, (viii) changes in the policy of central banks and/or foreign authorities, or supranational entities.

Sparebanken Vest is not obliged to update forward-looking statements.

