

30 January 2025

Results for Q4 2024/preliminary full year results for 2024:

Increased market shares for Sparebanken Møre

The bank enjoyed a year of good lending growth and increased market shares. The preliminary financial figures for 2024 show a profit after tax for the year of NOK 1,086 million. The return on equity was 13.7 per cent and the bank is financially solid with a Common Equity Tier 1 capital ratio of 17.2 per cent.

The Board of Directors is planning to propose a cash dividend per equity certificate for the 2024 financial year of NOK 6.25, NOK 311 million in total. The corresponding provisions for dividend funds for local communities will amount to NOK 332 million.

Increased market shares

Sparebanken Møre is a market leader in our region Nordvestlandet and further strengthened its position in 2024. Its share of the county's retail market had increased to 26.2 per cent at the end of 2024.

"We have left behind a busy year with solid increases in market shares in the region. While a steadily increasing number of people are comfortable using our digital solutions, our frontline consists of committed and knowledgeable advisers. Rapid response times and good expertise are noticed by everyone and appreciated by customers," says Nydal, pointing out that in 2024 the bank won the national Customer Service Award for banking for the sixth year in a row.

The bank's overall lending growth remains satisfactorily high and is markedly above the national market growth rate. The 12-month growth rate was 6.5 per cent at the end of 2024, while the deposit growth was 4.5 per cent.

Low losses and credit-impaired commitments

Compared with 2023, the number of payment deferrals in the retail market decreased in 2024. The 'Grep' unit was established in 2023 to assist mortgage customers who require closer follow-up in order to sort out their personal finances. Losses and credit-impaired commitments were low and stable in most sectors in the corporate market. The total loss figure for the year was low at NOK 20 million.

"Close follow-up from advisers with specialist expertise in both the retail and corporate markets contribute to low level of losses and credit-impaired commitments" says Nydal.

Efficient operations

Using digital solutions and more AI in routine tasks are important areas for streamlining processes and reducing expenses. Operating expenses were lower in the fourth quarter than in the corresponding period in 2023.

"At the end of the year, around half of our customers were applying for loans digitally. We will continue to simplify solutions that provide value for customers and streamline operations in the future," says Nydal.

High levels of activity in Nordvestlandet

The overall picture for the Norwegian economy remains relatively solid, and the levels of activity in Nordvestlandet are relatively high compared with other parts of the country. This is in part due to the weak Norwegian krone exchange rate, which has boosted activity in export industries and tourism.

Gradually falling interest rates combined with better household purchasing power are expected to contribute to a modest rise in the growth rate over the next few years. At the same time, there is some uncertainty surrounding the international picture. However, the outlook for the Norwegian economy, and not least Nordvestlandet, is still considered good.

Increases long-term profitability target

For the strategy period up to 2028, the Board of Directors of Sparebanken Møre increases the long-term target of Return on Equity from 12 to 13 per cent, while other long-term financial targets are kept unchanged.

Key figures – Q4 2024

- Net interest income: NOK 522 million/2.04 per cent (NOK 506 million/2.11 per cent)
- Profit before loss: NOK 354 million (NOK 335 million)
- Profit after tax: NOK 251 million (NOK 340 million)
- Return on equity: 12.2 per cent (17.8 per cent)
- Cost income ratio: 40.0 per cent (42.0 per cent)
- Earnings per equity certificate (Group): NOK 2.03 (NOK 3.28)

Comparable figures for Q4 2023 in brackets.

Key figures – preliminary financial statements for 2024

- Net interest income: NOK 2,071 million/2.08 per cent (NOK 1,900 million/2.02 per cent)
- Profit before loss: NOK 1,446 million (NOK 1,336 million)
- Profit after tax: NOK 1,086 million (NOK 1,055 million)
- Return on equity: 13.7 per cent (14.0 per cent)
- Cost/income ratio: 39.8 per cent (39.2 per cent)
- The earnings per equity certificate (Group): NOK 9.95 (NOK 10.12).
- Common Equity Tier 1 capital ratio: 17.2 per cent (18.2 per cent)
- Lending growth in the past 12 months: 6.5 per cent (7.2 per cent)
- Deposit growth in the past 12 months: 4.5 per cent (8.0 per cent)

Comparable figures for 2023 in brackets.

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