

Results for Q1 2023:

Increased market shares ensure a strong start to 2023

Sparebanken Møre started the year strongly with customer growth and strengthened profitability.

Profit after tax amounted to NOK 207 million after the first three months of the year, and the Return on Equity was 11 per cent.

“The quarter just ended was one of high activity and strong growth. Lending growth in the quarter of NOK 1 billion for retail customers and NOK 0.8 billion for corporate customers confirms that the bank is attractive and competitive, and that our business model is sound,” says CEO Trond Lars Nydal of Sparebanken Møre.

To further develop the bank’s competitiveness and contribute to achieve return targets, the bank has initiated a process for applying for IRB Advanced status. It is currently estimated that an application will be submitted to the Norwegian FSA in the latter half of 2025.

Strengthening position and planning for further growth

The bank continues to strengthen its market position in our region Nordvestlandet and can point to lending growth of 10.6 per cent in the past 12 months. The total growth in deposits from the retail and corporate markets was 1.7 per cent at the end of the quarter.

Good activity and growth, rising interest rates and the composition of the bank’s balance sheet are helping to strengthen net interest income. The cost income ratio was 39.7 per cent for the first quarter.

“We see clear potential for further growth in our market area and have strengthened our branches to ensure good availability for even more customers. We are also finding that many people outside Nordvestlandet appreciate being a customer of a bank that offers a high level of service, competitive terms and personal advice from advisers with local knowledge. The bank is therefore opening an advisory office in the centre of Oslo, and we are in the process of recruiting new staff,” says Nydal.

“Møremegling, our real estate brokerage company, is also experiencing good demand and saw an increase of 46,5 per cent in signed assignments compared with the same period last year. Developments within all customer related areas of the Group were positive. It is very clear to us that being close to our customers, short decision-making paths, and local knowledge are helping us strengthen our market position, both for the bank and for real estate brokerage,” says Nydal.

Proximity and innovations for business

The bank is growing well on existing customers and has at the same time experienced good access to new corporate customers in the first quarter.

“We follow up all our corporate customers closely and saw healthy, profitable growth in the first quarter. However, going forward, we are expecting the growth rate to decline somewhat,” says Nydal.

In January, Sparebanken Møre launched a partnership with the software company Conta designed to make starting a business faster and simpler. The new service offers company set-up, banking and accounting all together and halves the time it takes to start a business.

“The partnership enables the bank to offer personal advice to start-ups via the ‘Næringsbasen’ business service. These are expert advisers and specialists who follow up small and medium-sized companies,” says Nydal.

Good advice is crucial in more demanding times

Higher interest rates combined with a higher cost of living is resulting in a greater need for advice. The bank is finding that more people are contacting us to review their personal finances.

"At Sparebanken Møre, we are close to our customers, and we make decisions locally. This puts us in a better position to exercise discretion and find good solutions for our customers. All of our advisers are available to assist both individuals and companies in difficult financial situations. Close follow-up and acting early are top priorities at times like this," says Nydal.

Sparebanken Møre follows the rules for Good Practice that ensure high quality, trust and security, whether customers are helped in person or digitally.

Key figures – Q1 2023

- Profit before loss: NOK 302 million (NOK 209 million)
- Profit after tax: NOK 207 million (NOK 163 million)
- Return on equity: 11 per cent (9.3 per cent)
- Net interest income: NOK 445 million/1.98 per cent (NOK 334 million/1.62 per cent)
- Cost/income ratio: 39.7 per cent (46.0 per cent)
- Common Equity Tier 1 capital ratio: 17.7 per cent (17.2 per cent)
- Earnings per equity certificate (Group): NOK 1.96 (NOK 1.57*)
- Lending growth in the past 12 months: 10.6 per cent (3.9 per cent)
- Deposit growth in the past 12 months: 1.7 per cent (7.9 per cent)

Comparable figures for Q1 2022 in brackets.

**Earnings per equity certificate after split on 1 April 2022*

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