

Results for Q3 2024:

Milestone passed as total assets top NOK 100 billion

Good growth and higher income delivered a solid quarter for the largest bank in our region, Nordvestlandet, which now has more than NOK 100 billion in total assets.

The bank's total lending growth for the past 12 months of 8.2 per cent was more than twice as high as the market growth. Sparebanken Møre is starting the autumn with good results and the third quarter in isolation, saw a total increase in lending of more than NOK 1.2 billion.

- "We saw a strong increase in new mortgage customers and a good increase in the volume of lending to the corporate sector. Norges Bank's reports highlight that the market outlook for Nordvestlandet in particular is positive, and our advisers are forward-leaning and close to our customers," says Trond Lars Nydal, CEO of Sparebanken Møre.

Profit after tax for the third quarter ended at NOK 280 million, which is NOK 27 million higher than for the same quarter last year. This represents a return on equity for the third quarter of 13.8 per cent compared with 13.1 per cent for the third quarter of 2023. Costs in the quarter amounted to 38.7 per cent of income, which is 2.5 percentage points up from last year. The bank's losses remain low.

At the end of the third quarter, the Common Equity Tier 1 capital ratio was 17.3 per cent, down from 18.1 per cent compared with the same point in 2023.

Sustainability award for the fourth year in a row

Customers named Sparebanken Møre Norway's most sustainable bank in this year's EPSI survey. According to EPSI, the bank retained its position because it manages to adapt its sustainability work to its various customer segments.

- "We gained this recognition from customers for the fourth year in a row. We know that this is an area that many people find challenging and therefore it motivates us to know that our knowledge and engagement are having an impact," says Nydal.

Positive prospects for Nordvestlandet

A weak Norwegian krone exchange rate is probably a contributory factor in Norges Bank sticking to its message that there will be three to four interest rate cuts next year. While the prospects for growth in the Norwegian economy remain subdued, the weak Norwegian krone is helping to support the level of activity in high export regions such as Møre og Romsdal. It looks like the level of activity in Nordvestlandet will remain high, with low levels of unemployment also going forward.

Status re the advance notice of instructions from the Financial Supervisory Authority of Norway

At the beginning of July, the bank received provisional notice of instructions from the Financial Supervisory Authority of Norway (FSA) concerning our current accounting practice of recording unpaid gifts for non-profit purposes as other liabilities in the bank's accounts. Sparebanken Møre submitted its response before the deadline of 26 August, and the matter is being considered by the FSA. Please also see our stock exchange notification dated 5 July 2024.

Key figures – Q3 2024

- Net interest income: NOK 523 million/2.08 per cent (NOK 487 million/2.05 per cent)
- Profit before loss: NOK 383 million (NOK 367 million)
- Profit after tax: NOK 280 million (NOK 253 million)
- Return on equity: 13.8 per cent (13.1 per cent)
- Cost/income ratio: 38.7 per cent (36.2 per cent)
- Earnings per equity certificate (Group): NOK 2.66 (NOK 2.42)

Comparable figures for Q3 2023 in brackets.

Key figures as at the end of Q3 2024

- Net interest income: NOK 1,549 million/2.09 per cent (NOK 1,394 million/1.96 per cent)
- Profit before loss: NOK 1,092 million (NOK 1,001 million)
- Profit after tax: NOK 835 million (NOK 715 million)
- Return on equity: 14.0 per cent (12.5 per cent)
- Cost/income ratio: 39.7 per cent (38.1 per cent)
- Earnings per equity certificate (Group): NOK 7.92 (NOK 6.84)
- Common Equity Tier 1 capital ratio: 17.3 per cent (18.1 per cent)
- Lending growth in the past 12 months: 8.2 per cent (8.2 per cent)
- Deposit growth in the past 12 months: 5.5 per cent (4.4 per cent)

Comparable figures as at the end of Q3 2023 in brackets.

Contacts

- Trond Lars Nydal, CEO, Mobile: +47 951 79 977
- John Arne Winsnes, CFO, Mobile: +47 462 80 999
- Trine Kvalheim, Chief Information Officer, Mobile: +47 454 65 680