



Presentation of accounting figures Q3 2024

Bergen, 31 October 2024

JAN ERIK KJERPESETH



Presentation of accounting figures, Q3 2024

**Questions will be addressed after the presentation.
Please send questions to: investorrelations@spv.no**

First major milestone passed with unanimous decisions in the banks' general meetings on 2 October



Target of legal merger on 1 May 2025

Very positive response to the merger internally and externally - also to the name Sparebanken Norge



DN



Gjør alvor av «Sparebanken Norge»

Fusjonspartnerne i Sør og Vest gjør alvor av «Sparebanken Norge»

Fusjonspartnerne Sparebanken Sør og Sparebanken Vest med nybrottsarbeid regionkonseptet på sjøen og satser nasjonalt.



DN

Mener bankfusjon gir Bulder ny fart: - Kan doubles både en og to ganger til

At Bulder-eier Sparebanken Vest finner en fusjonspartner, kan gi Bulder et større hus å vokse i, sier bankanalytiker.





Sparebanken
Vest



SPAREBANKEN
SØR

National ambitions for Sparebanken Norge

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

This will happen through both structural and organic growth.



21.4 %

ROE after tax in the quarter

21.4 %

Cost-to-income in the quarter

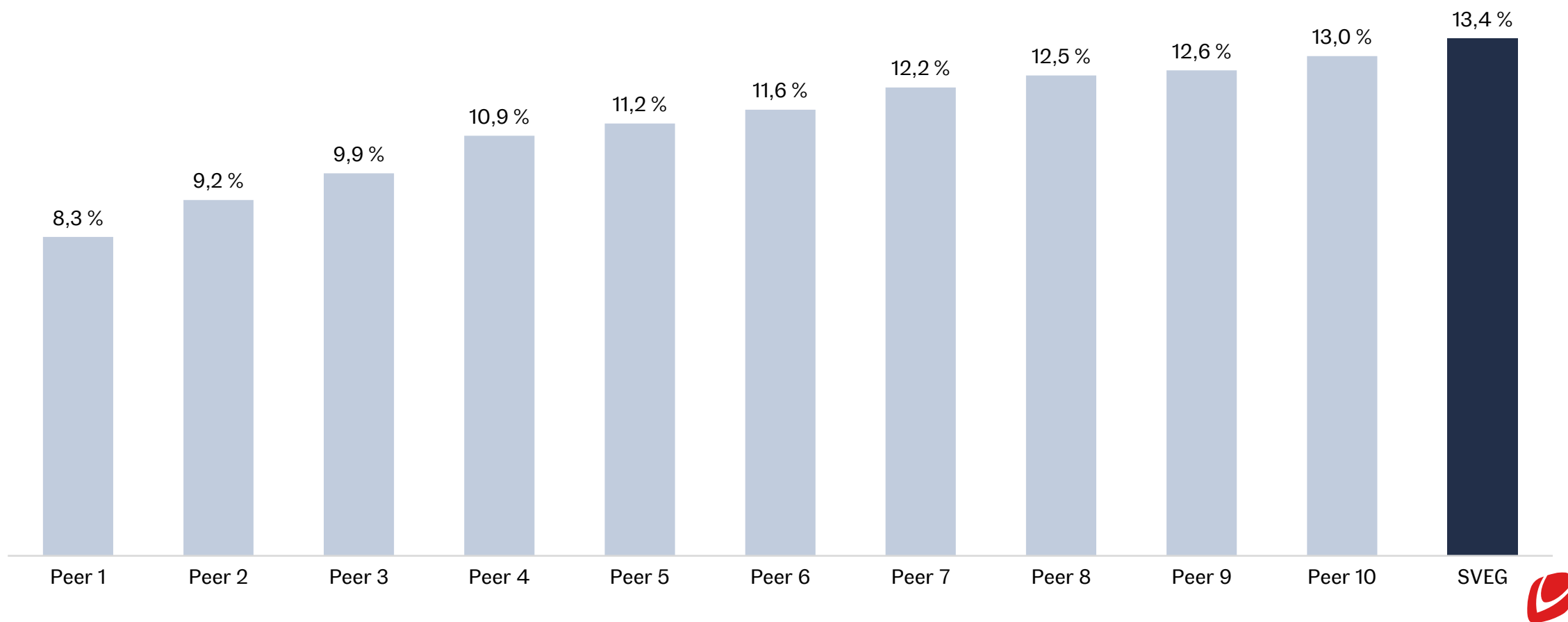
18.0 %

CET1 ratio



Leading the field in ROE over time

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



Sparebanken Vest og Bulder has Norway's most satisfied business and personal customers

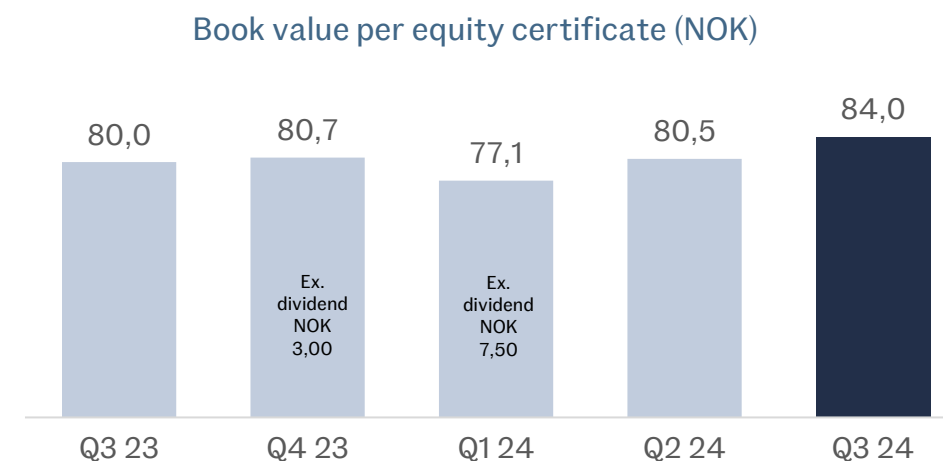
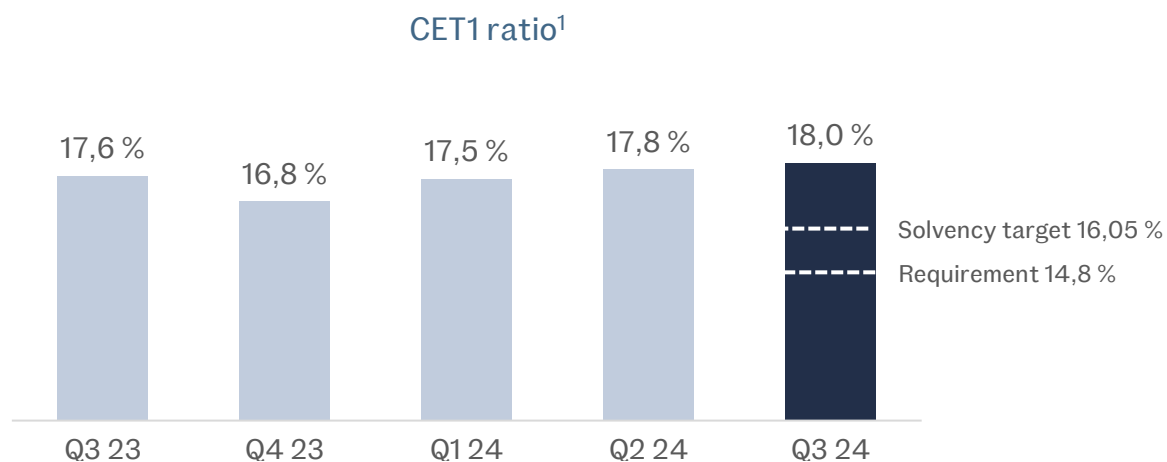
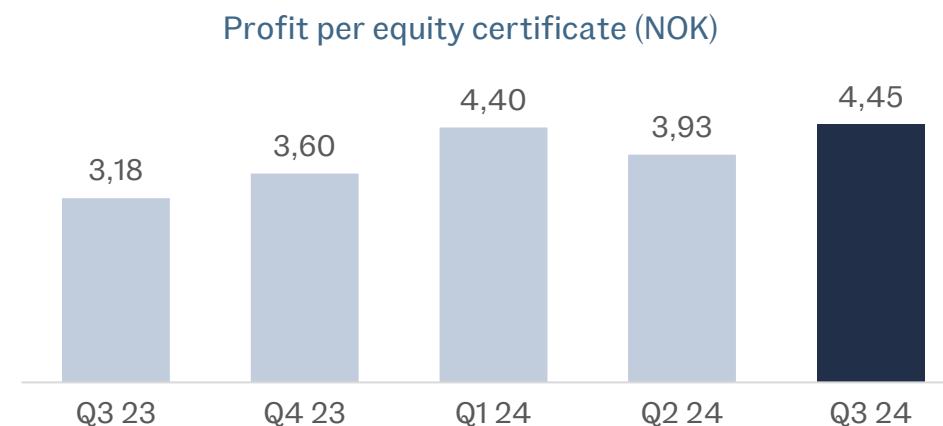
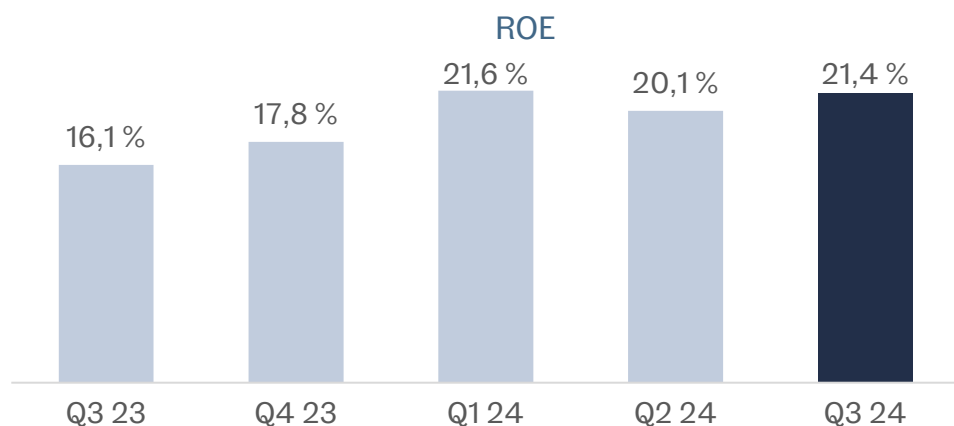


Agenda

- Sound banking operations
- Conservative loan book
- Bulder in good development
- Sparebanken Norge



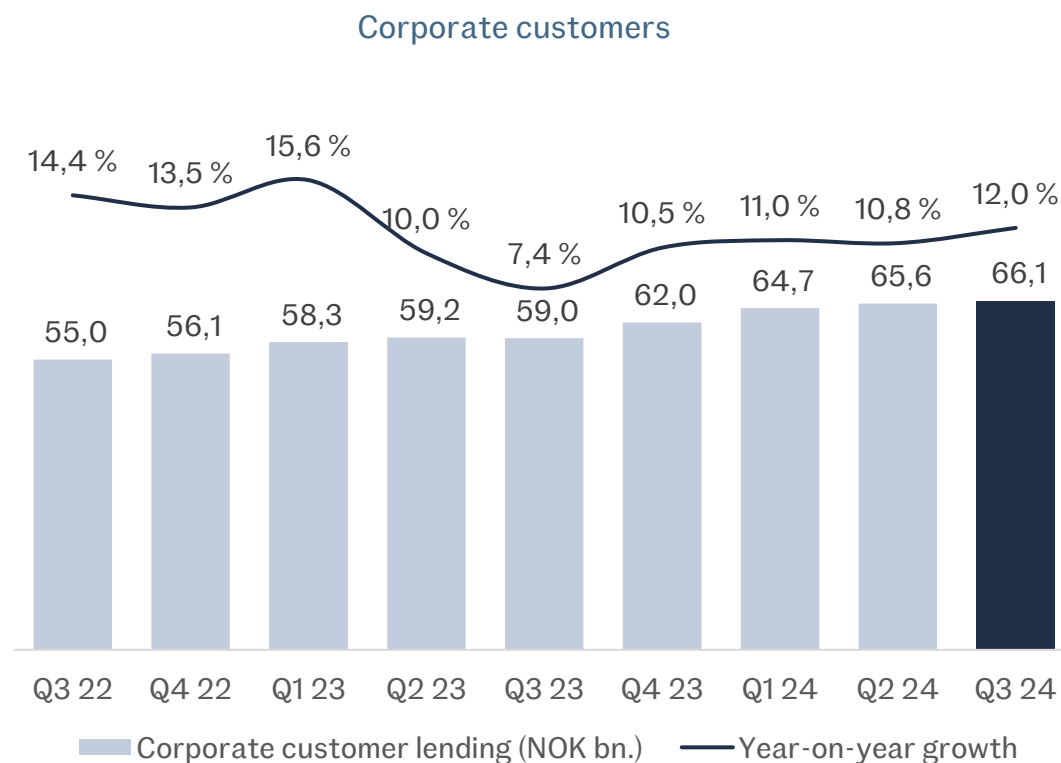
Strong ROE and solid CET1 ratio



¹ The CET1 ratio at the end of the third quarter 2023/2024 includes 50% of the profit year to date in line with the dividend policy. The CET1 ratio without profit accumulation was 16.4% (17.4%).



Solid lending growth to both retail and corporate customers



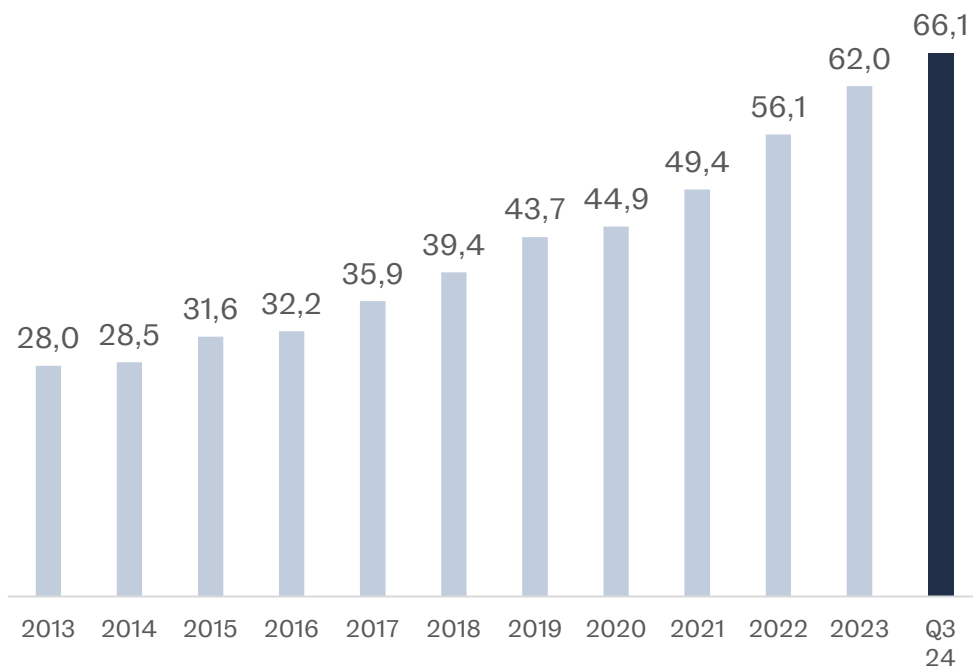
¹ Year-on-year growth in lending excluding Bulder is about 4.3 %



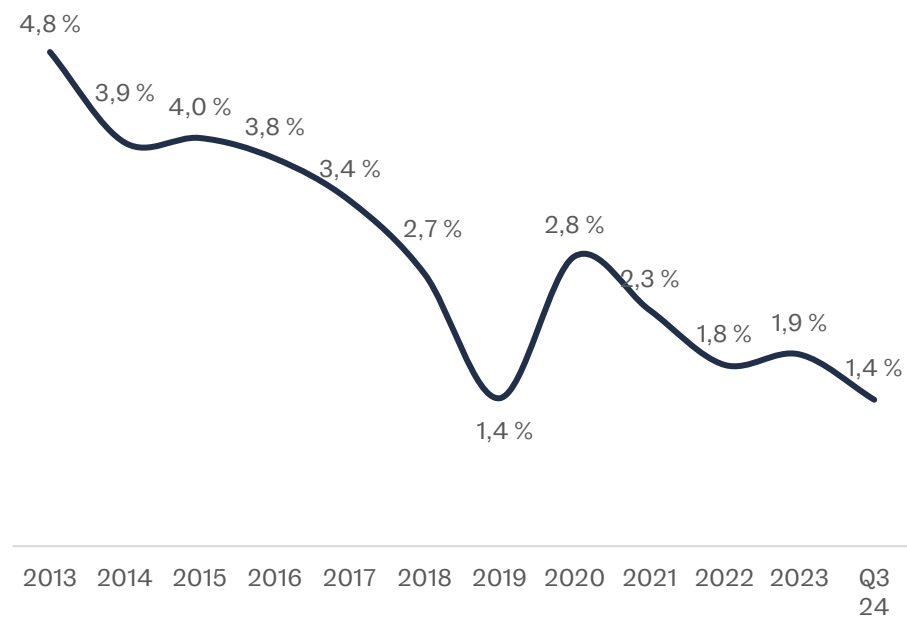
Strong position in the corporate market

Good growth and significantly improved credit quality over time

Gross lending corporate customers (NOK bn.)



Proportion of defaulted and other potential bad debt corporate customers



Sparebanken Vest has Norway's most satisfied business customers!

Back on top - strong customer orientation and good online banking are highlighted in the report



Kundetilfredshet Bank Bedriftsmarked 2024

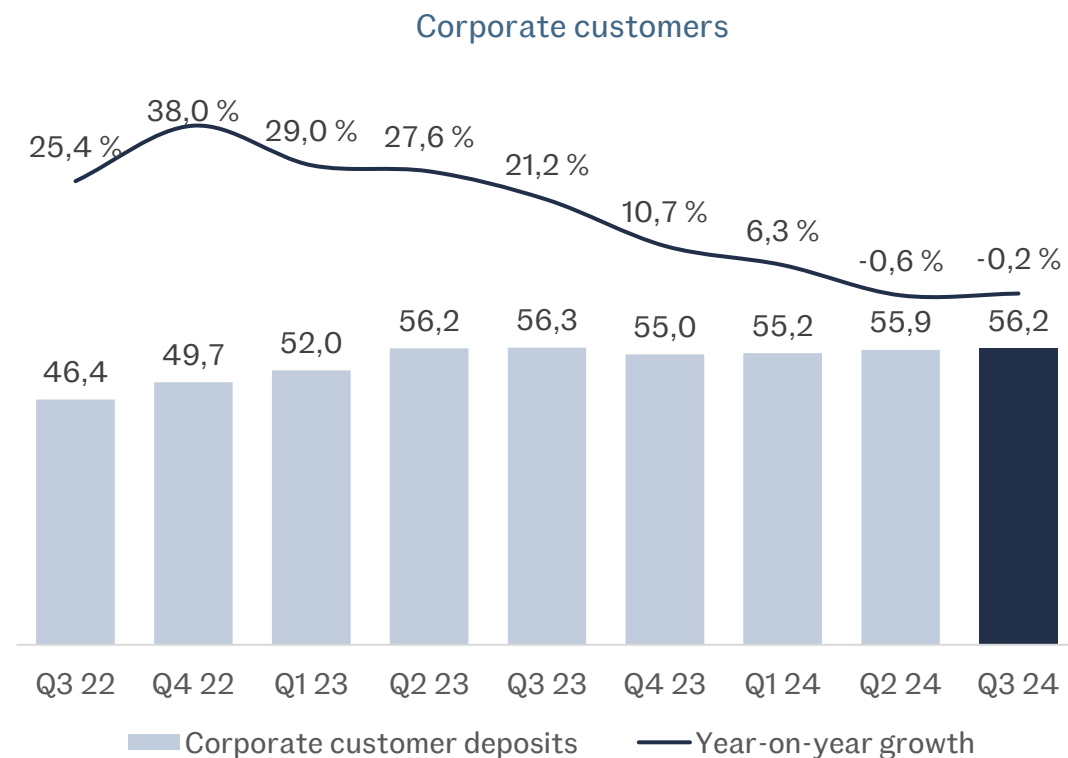
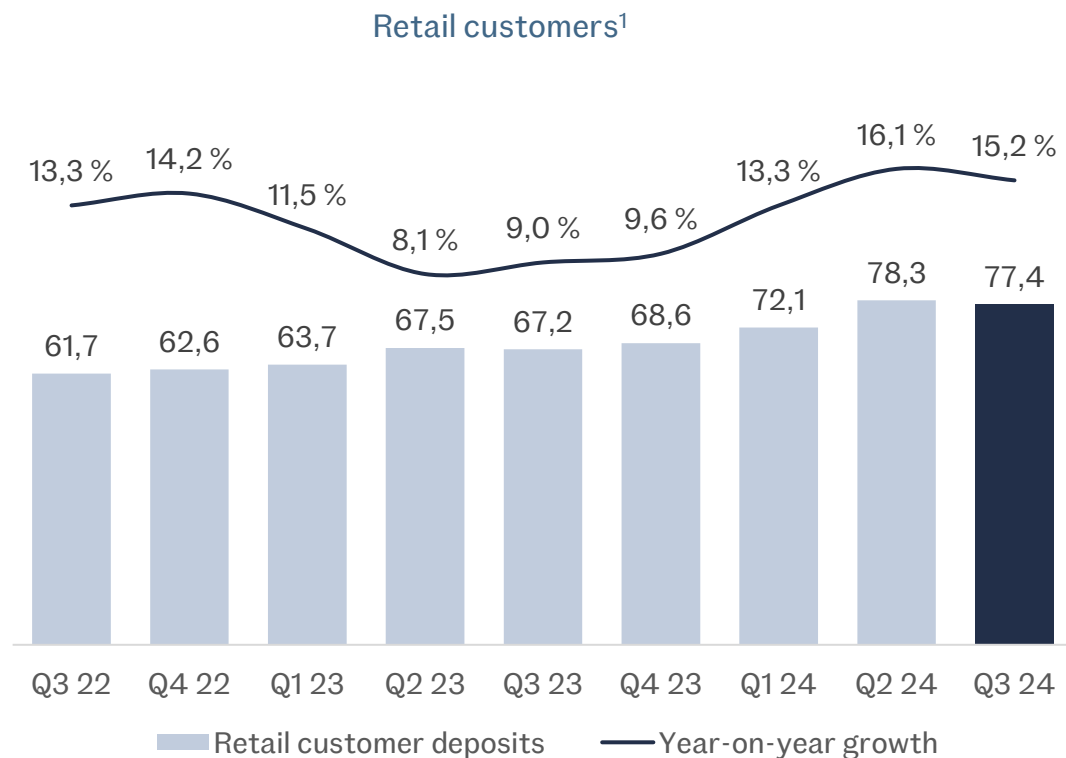


*Øvrige banker innebærer kunder av andre banker enn de i oversikten, for eksempel Sparebanken Sogn og Fjordane, Folio, Landkreditt og Sparebanken Øst.



Good growth in deposits within the personal customer segment

Due to lower credit spreads capital market financing is more attractive

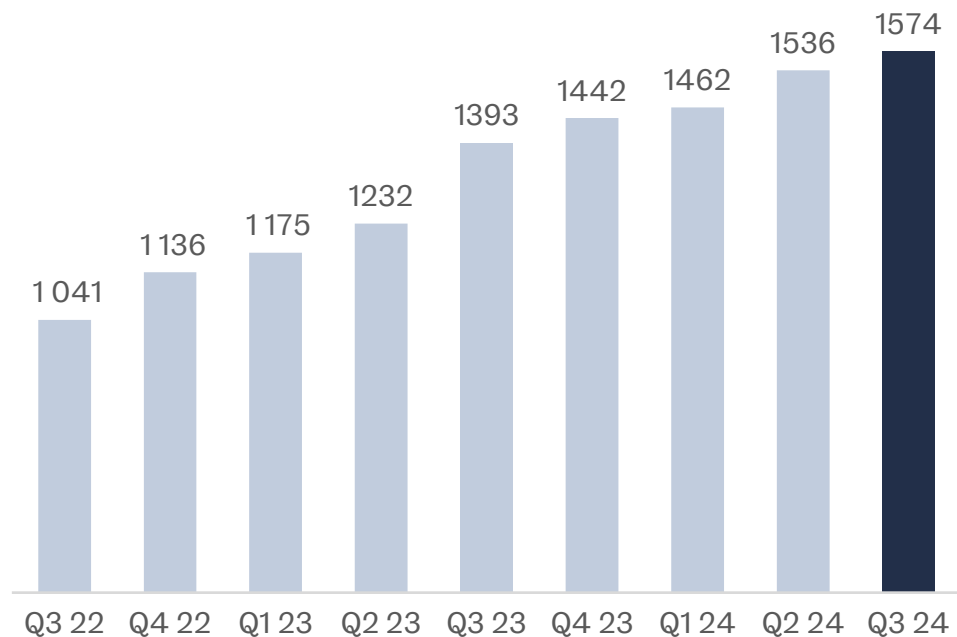


¹ Year-on-year growth in deposits from personal customers excluding Bulder is about 4.9 %

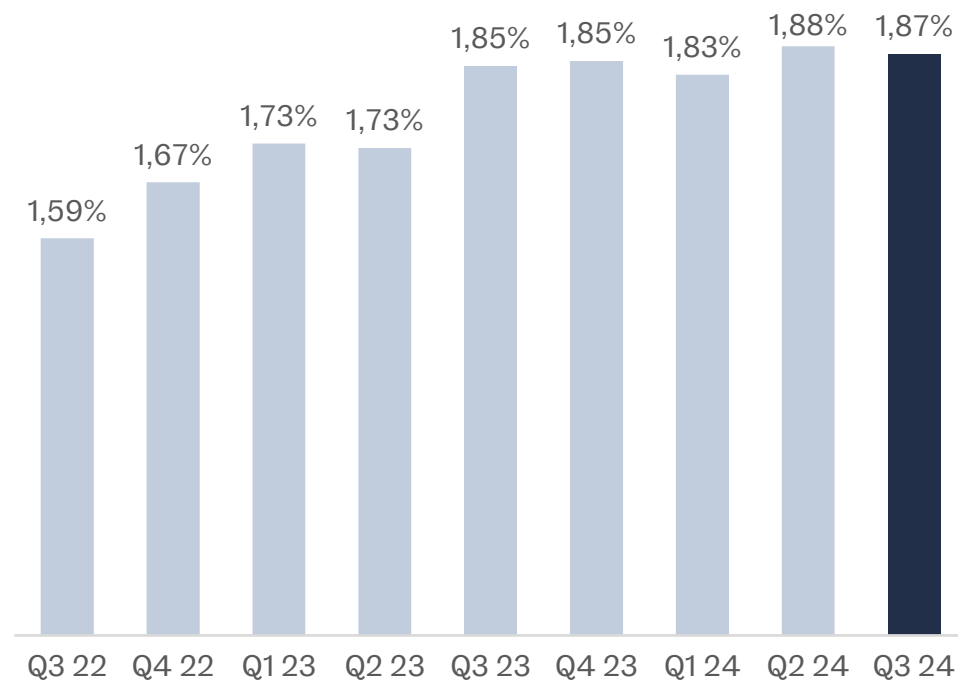


Growth and higher interest rates improves net interest income

Nominal net interest income (NOK million)

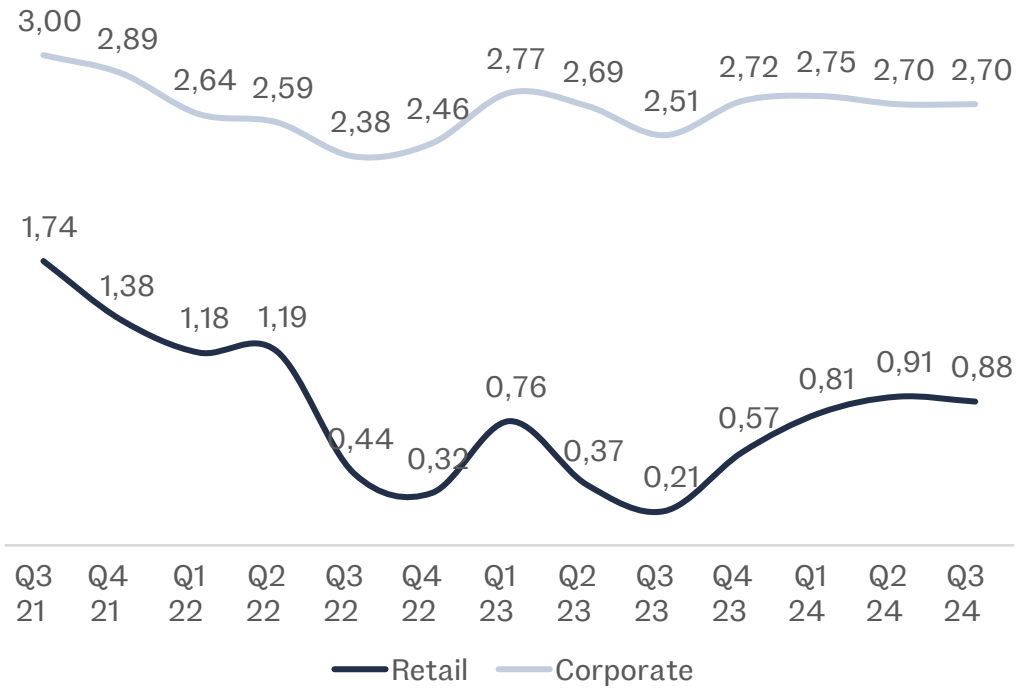


Net interest income as % of total assets



A significantly changing margin picture

Lending margins



Deposit margins



Good cost development – considerable reduction in external fees



Improvement in the profit contribution from both Brage Finans and Frende Holding

Frende Holding

- If the budget is achieved in the fourth quarter, the estimated ROE 2024 is 16.9%
- Total premium growth within life and non-life insurance is approx. 9.7% last 12 months

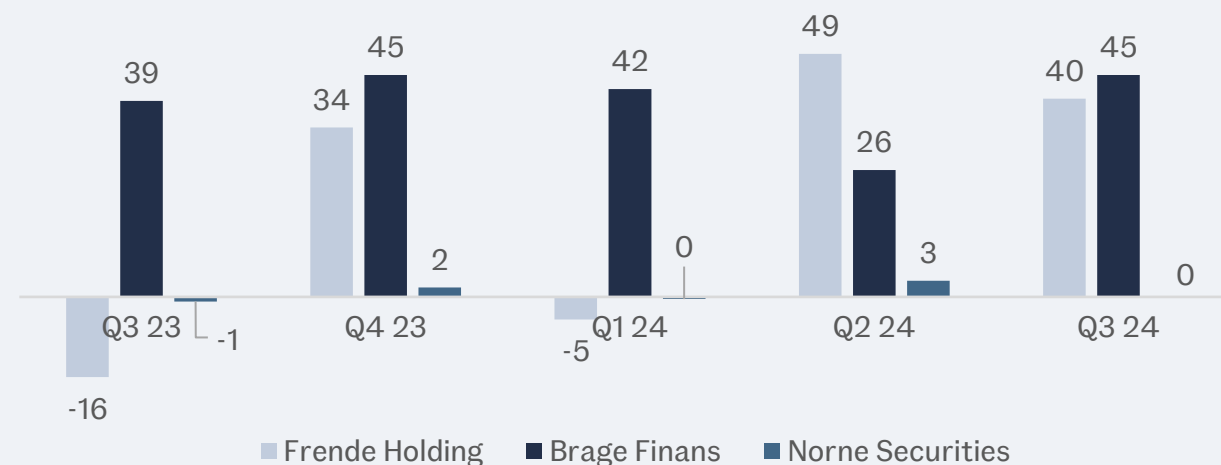
Brage Finans

- ROE in the quarter of 9.5%. Total profit contribution so far in 2024 is somewhat characterized by provision for losses on a single commitment
- The market position has been further strengthened with portfolio growth of 10% over the past 12 months. Rogaland Sparebank into the distributor and owner side

Norne Securities

- The third quarter is a quarter with seasonally low activity, but new and important projects have been started in the quarter which are expected to be completed during the year.

Profit contributions from associated companies (NOK mill.)



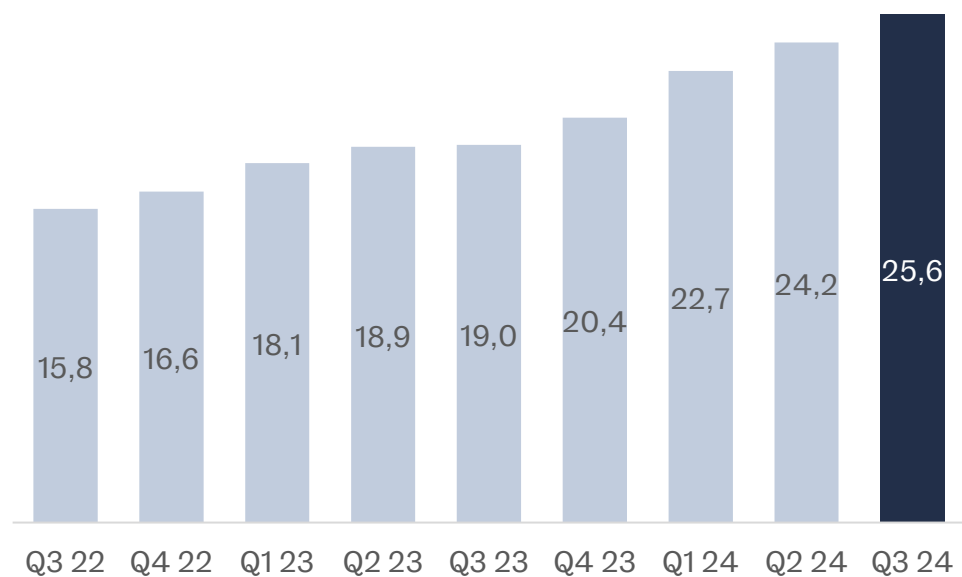
Eiendomsmegler Vest with good results in the quarter

- Strong activity in the housing market also in Q3 2024, with approximately 10% more sales than in Q3 2023 in the primary market area
- Estate agent Eiendomsmegler Vest sold approximately 14.0% more homes, and had a market share in the quarter of 12.9%, compared to 12.4% in Q3 2023
- Increased sales and implemented organizational measures result in an operating margin in the quarter of 13 (2) % and a profit before tax of NOK 10 (1) million in the quarter

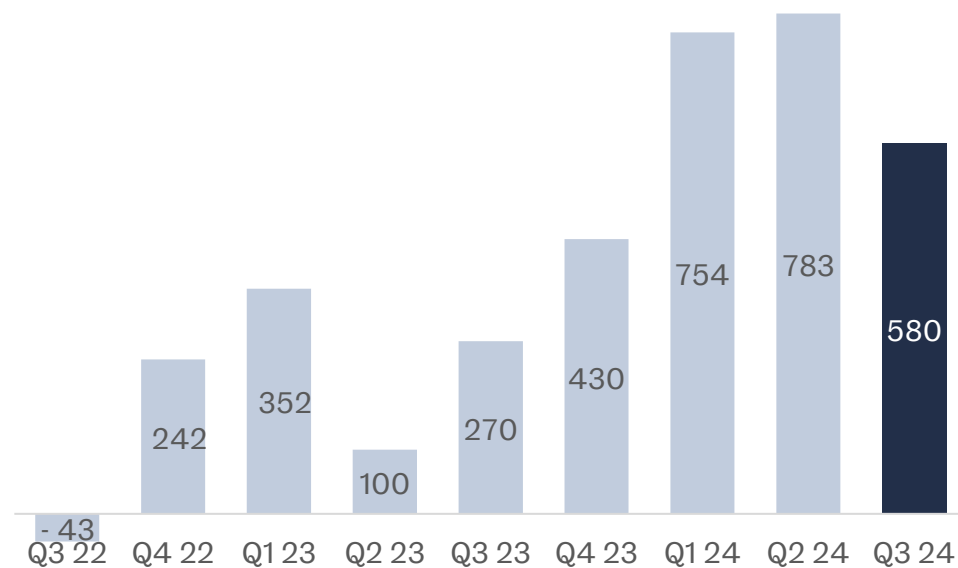


Another quarter with high net new subscriptions of funds

Assets under Management, AuM (NOK bn.)



Net new subscriptions (NOK mill.)



Borea Asset Management is now part of Frendegruppen

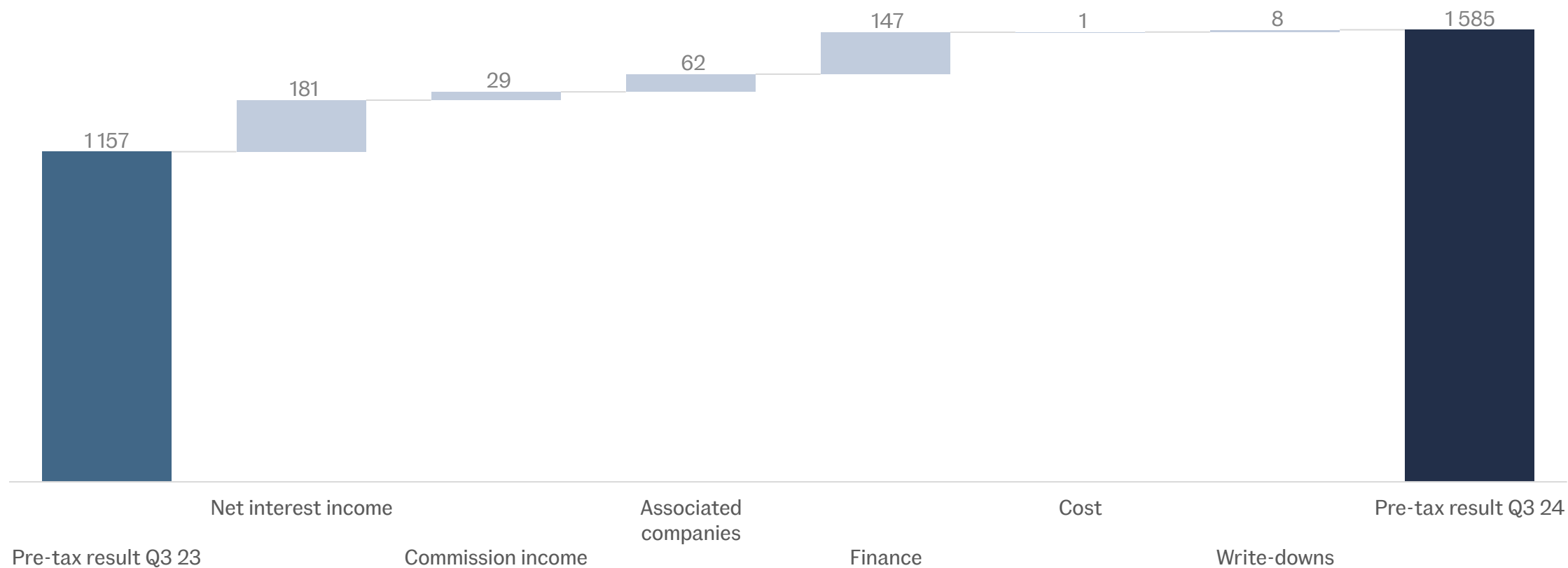
- The acquisition of 70% of the shares in Borea Asset Management was approved by the Norwegian Financial Supervisory Authority and completed
- Sparebanken Norge will own approximately 90% of the shares in Frende Kapitalforvaltning, which in turn owns 70% of the shares in Borea Asset Management
- The company is now being strengthened both operationally and on the portfolio management side, with two new portfolio managers who joined in October 2024 - Jon Fredrik Hille-Walle and Audhild Asheim Aabø
- On the agenda now is the expansion of the fund spectrum and related processes



The portfolio management team in Borea

From the left Magnus Vie Sundal, Jon Fredrik Hille-Walle, Iselin Ahmer Solberg, Peer Hastrup Thorsheim, Willy Helleland and Audhild Asheim Aabø

Positive development in all areas lifts the result



Agenda

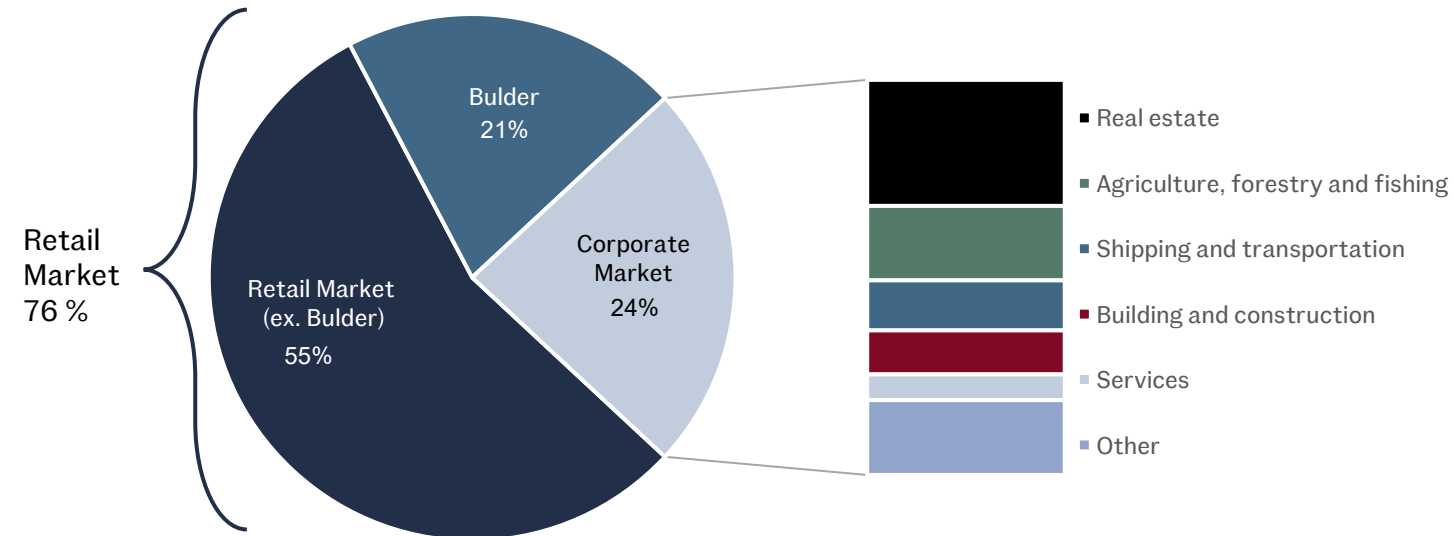
- **Sound banking operations**
- **Conservative loan book**
- **Bulder in good development**
- **Sparebanken Norge**



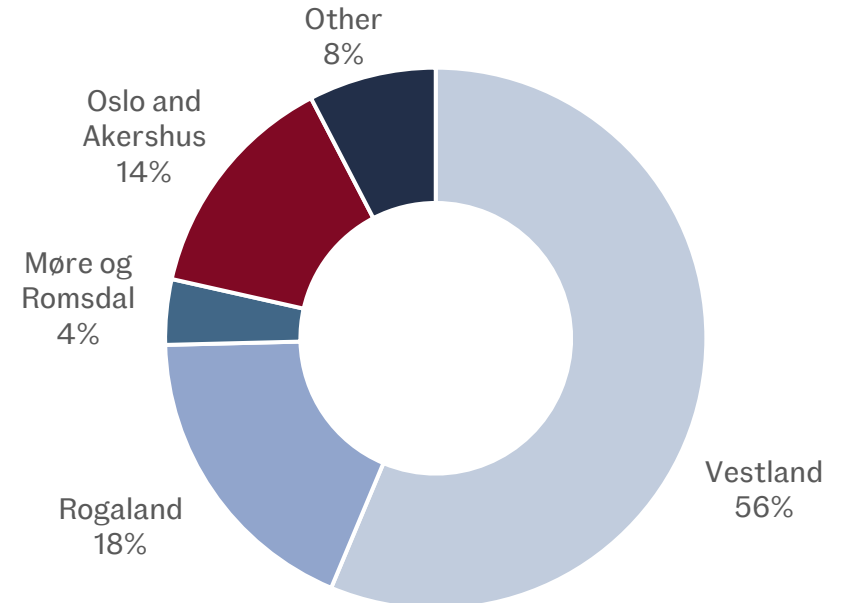
Conservative loan portfolio dominated by retail customers

99 % 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 area¹. Other exposures are primarily in Bulder-segment

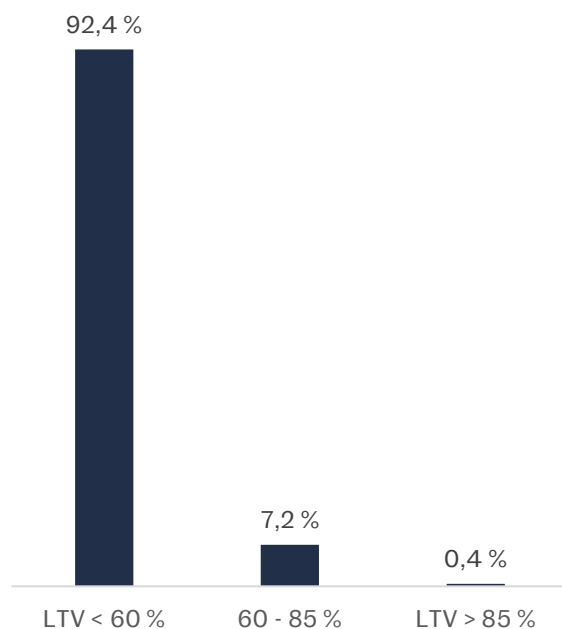


¹Within exposure in Oslo og Akershus, Bulder represents 73 % of loans. Bulder represents 78 % of the Other category.

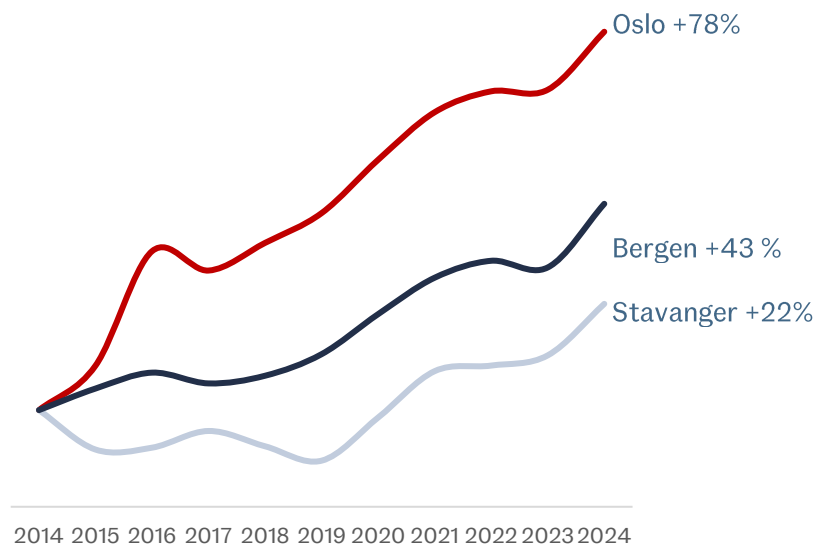


A well-secured mortgage portfolio and lower house price increases in our region reduce the risk

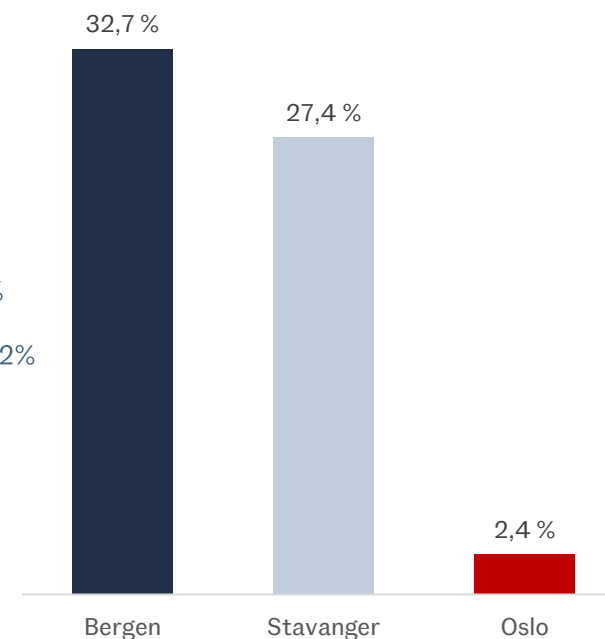
Low LTV¹ in the portfolio



..in combination with moderate price increases over time reduce the risk of severe price falls



..outlook is further illustrated by the Home Affordability Index for Single Nurses²

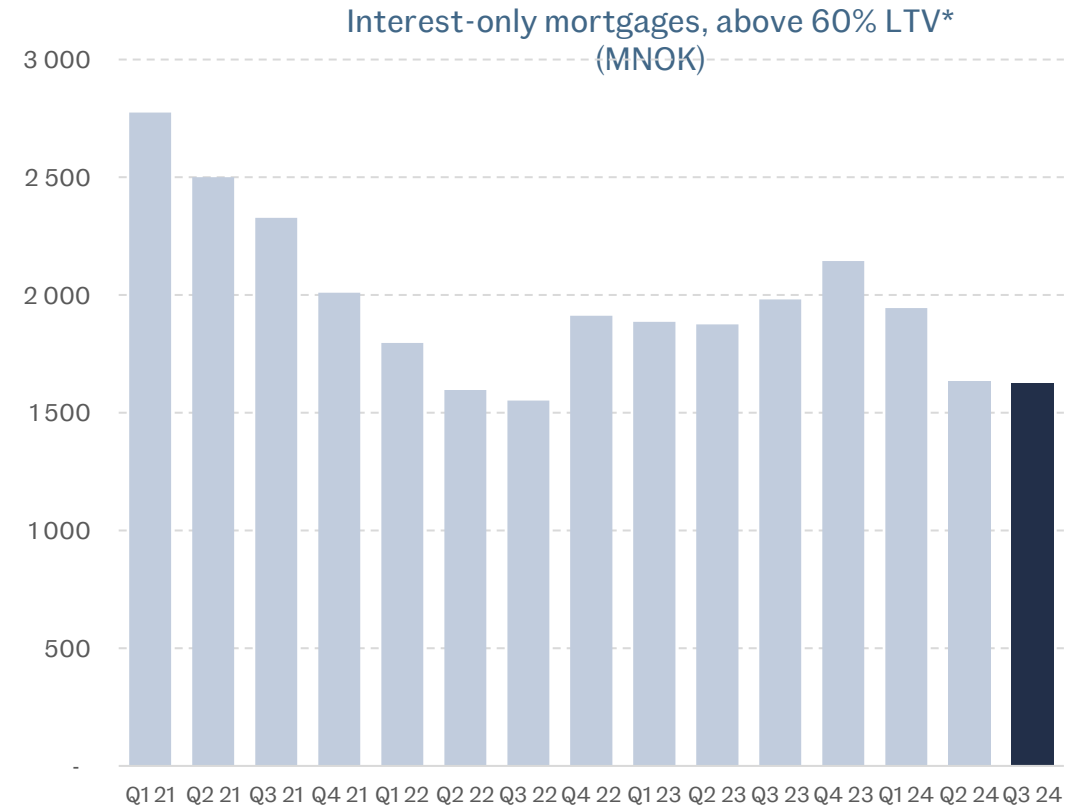
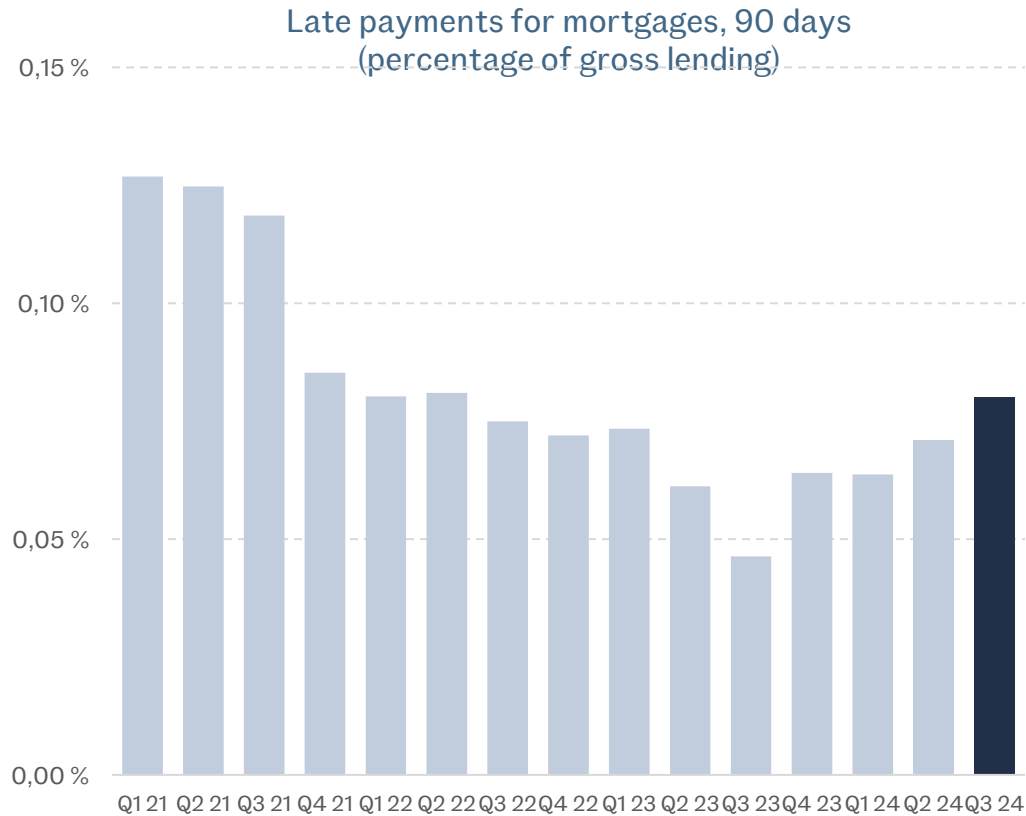


¹ Only loans that exceed the LTV threshold are shown in a higher LTV-interval

² Home Affordability Index for Single Nurses (Sykepleierindeksen) shows a share of homes that a single nurse could afford in the area



Mortgage defaults increase in 3Q, but still at a low level

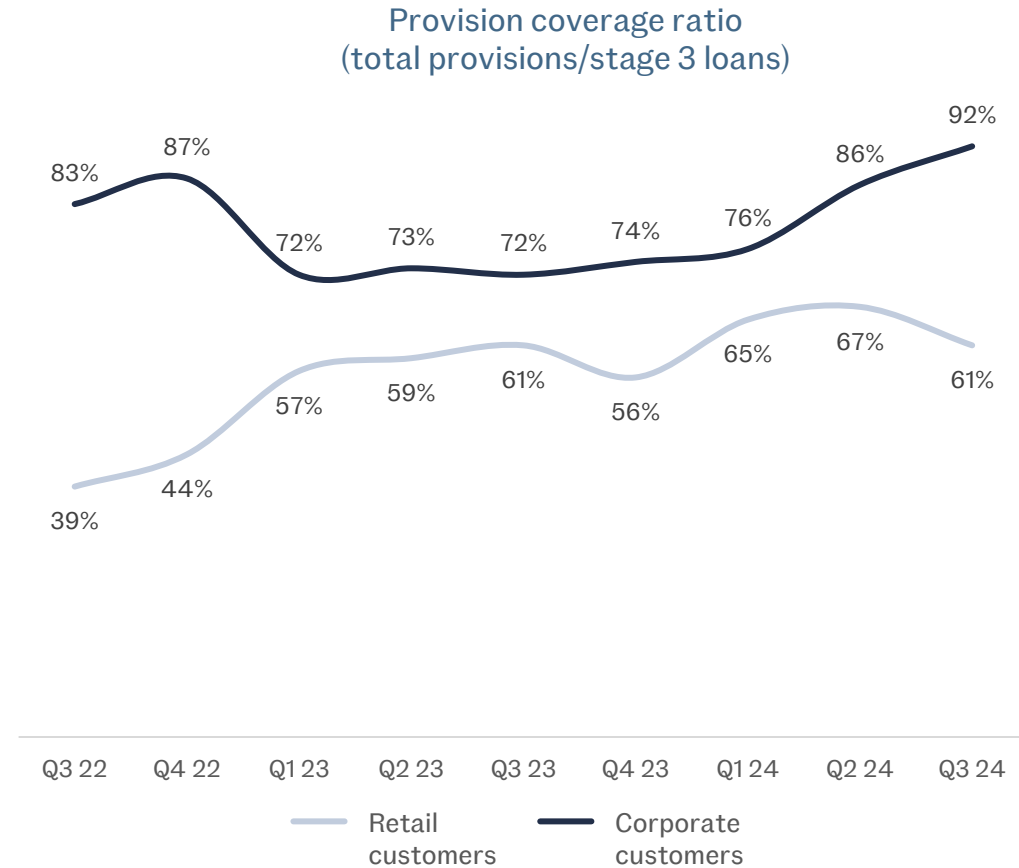
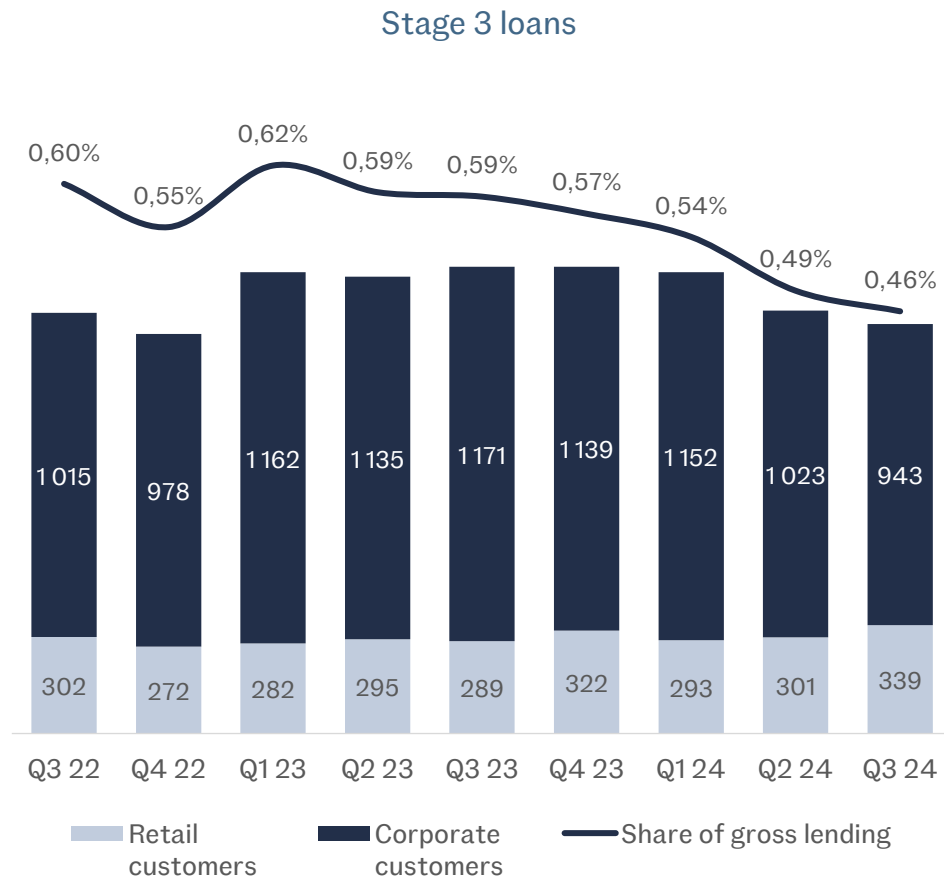


*Loans where installment profile changes took place at a later stage



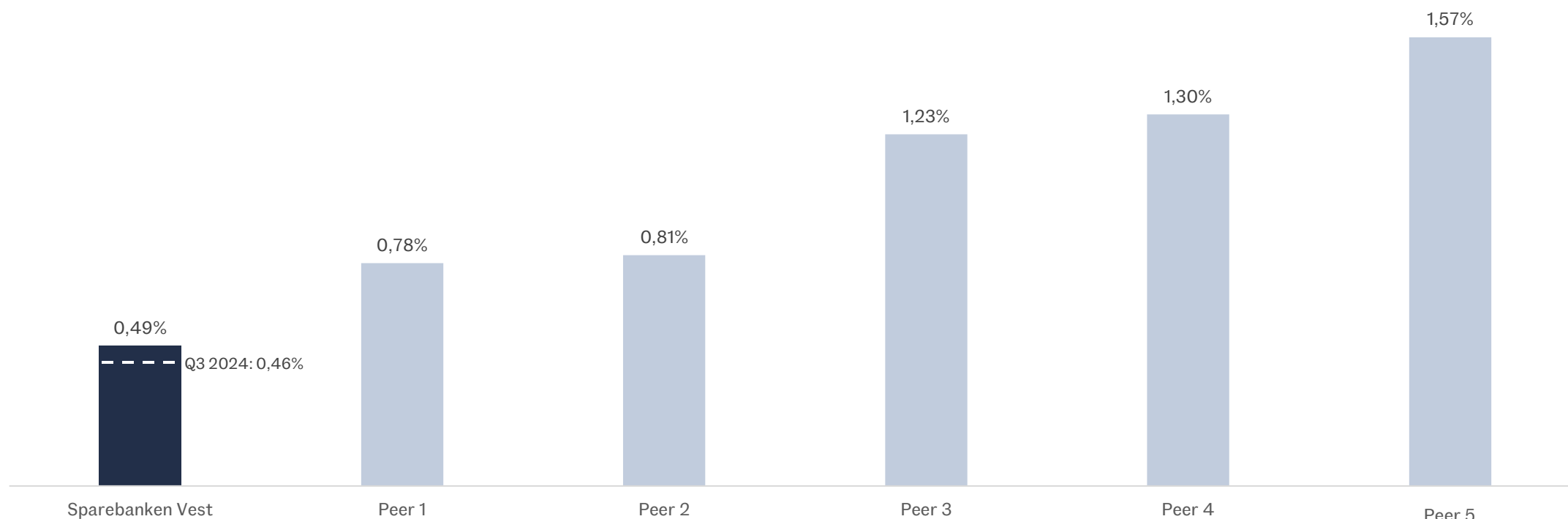
Defaults at low level and further reduced in the quarter

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



Sparebanken Vest with lowest total default rate

Substantiates low risk in loan portfolio



Per Q2 2024. Sample consists of SMN, Sør Norge, DNB, Nord-Norge and Østlandet



Agenda

- **Sound banking operations**
- **Conservative loan book**
- **Bulder in good development**
- **Sparebanken Norge**



Lending growth in Bulder of NOK 15.5bn last 12 months¹

59.1 bn.

Housing loan volume (NOK)

42 %

Average loan-to-value

62 %

Knowledge of the concept

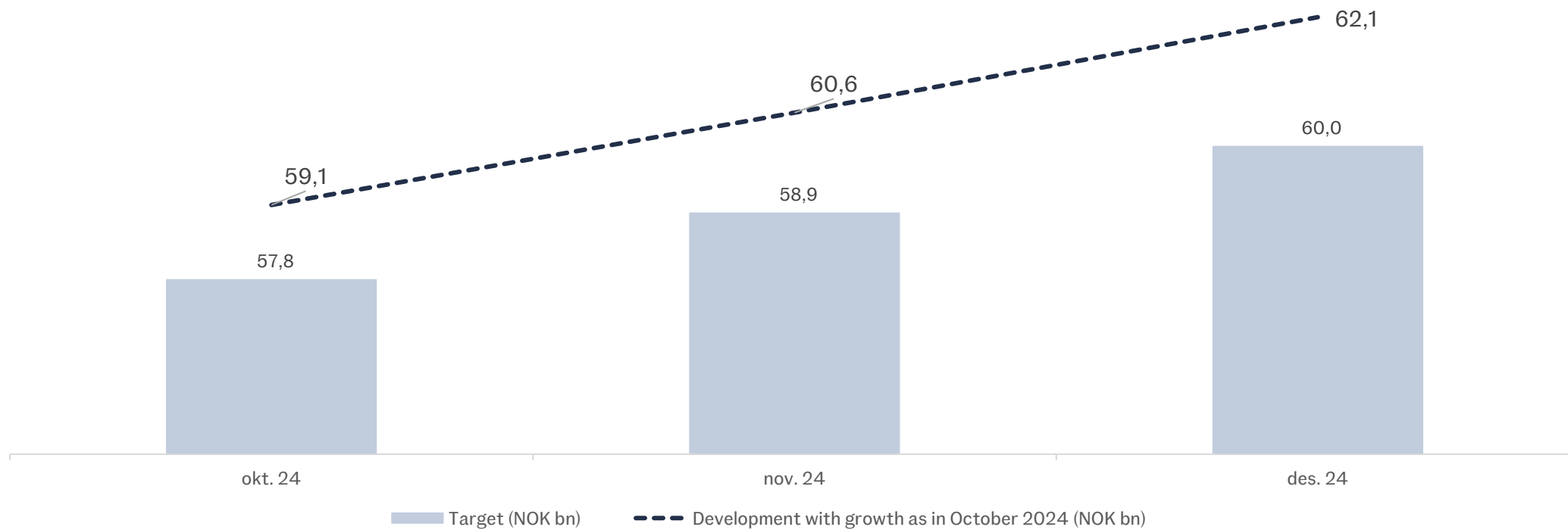
104 800

Total number of
customers

24.9 %

Deposits-to-loans ratio

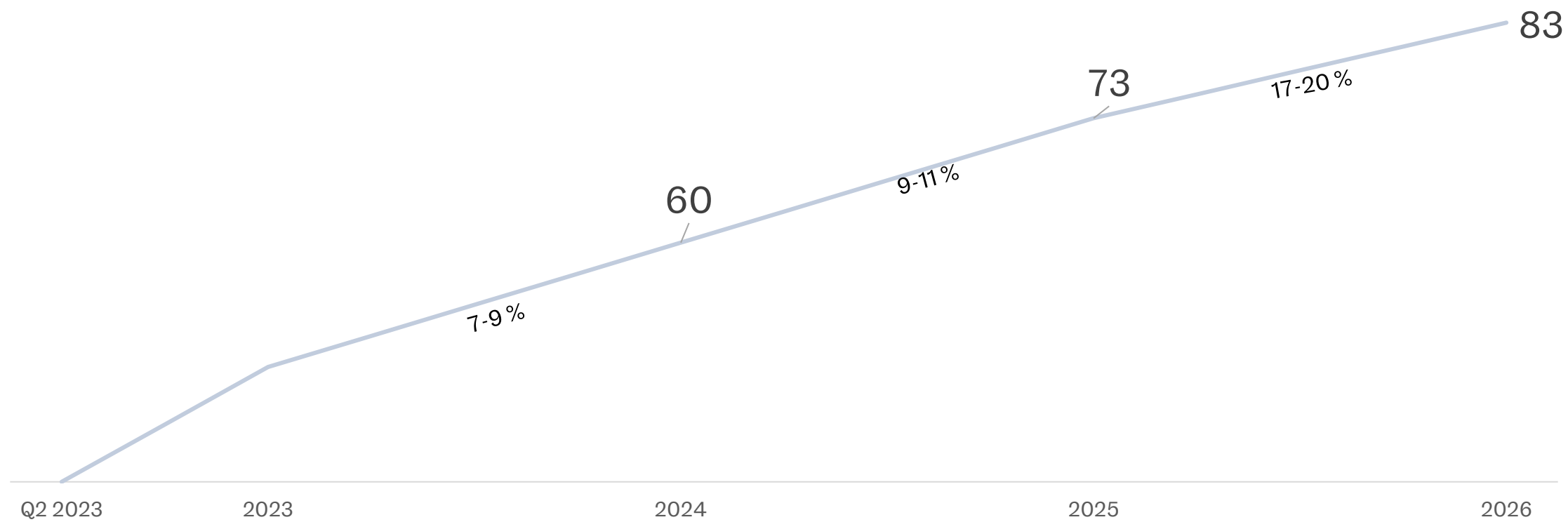
Bulder is on track to reach the very ambitious goal of 60 billion in lending



Good growth combined with good profitability

Marginal return on equity is between 12-13% in the quarter – compared to a target of 7-9% for 2024

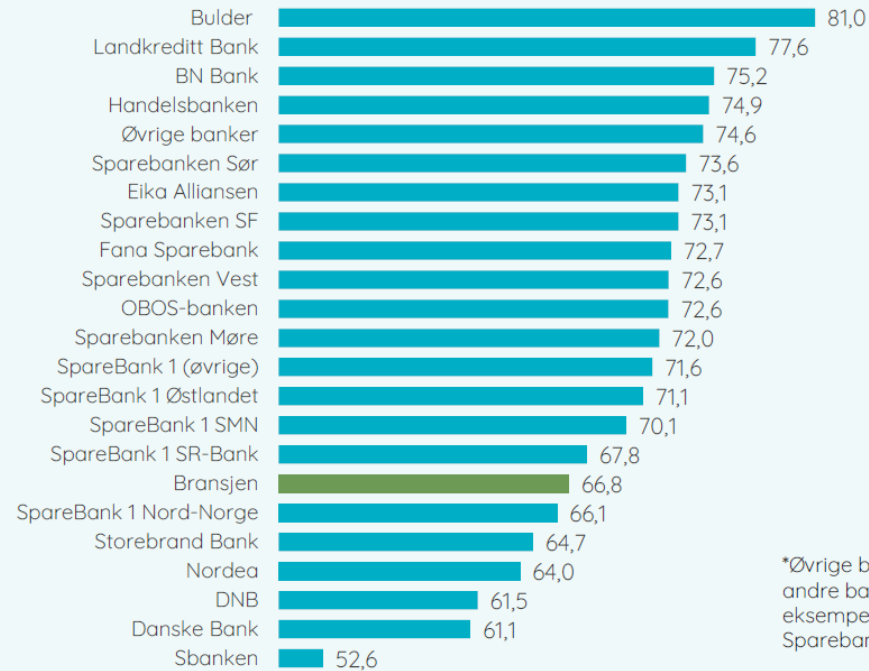
Targeted lending development (NOK billion) and targeted marginal return on equity in the Bulder concept (in percent)



Bulder with Norway's most satisfied personal customers



Kundetilfredshet Bank Privatmarked 2024

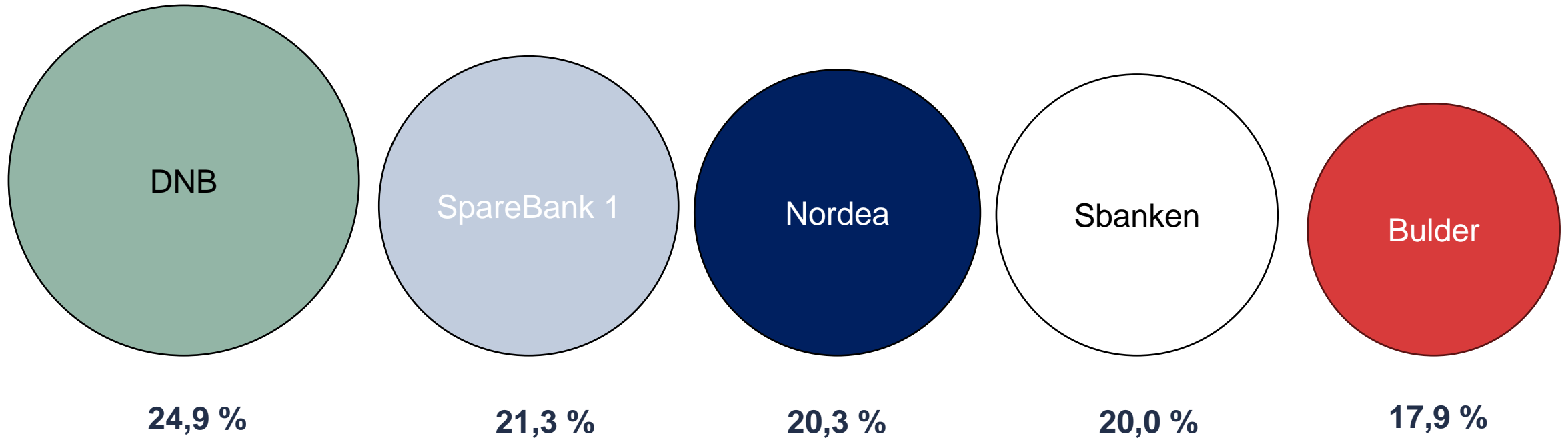


*Øvrige banker innebærer kunder av andre banker enn de overnevnte, for eksempel JBF, KLP Banken, Sparebanken Øst, og LOKALBANK

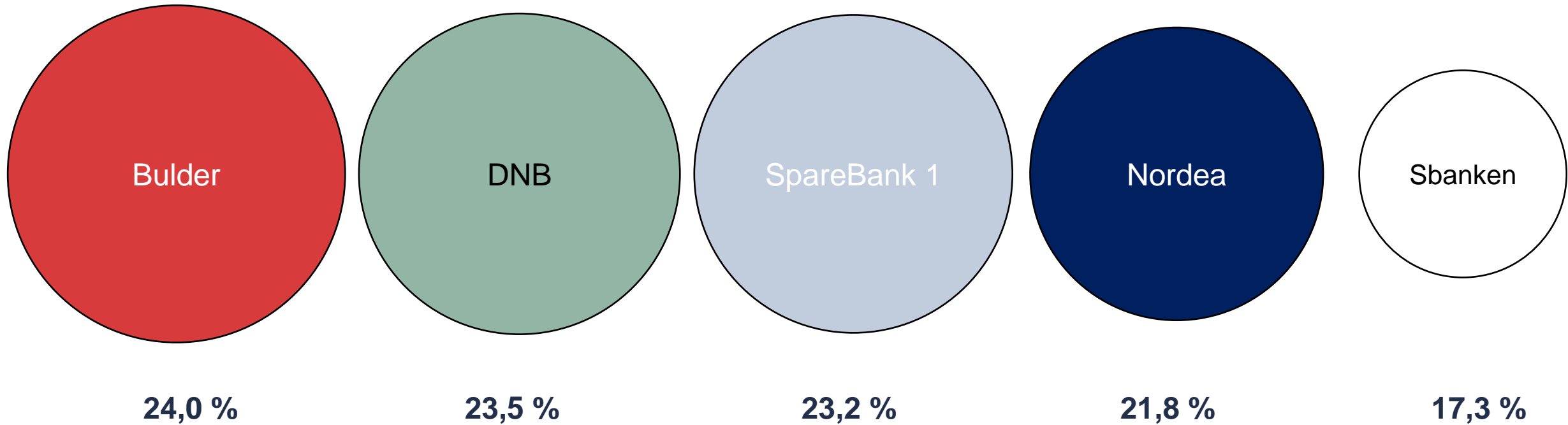
Imagine that you have to change your mortgage provider. Which providers would be relevant for you?

Age group 30-60 years

August 2023



Q3 2024



Still strong momentum in Bulder

Norway's most satisfied personal customers two years in a row
EPSI measurement



Good progress in developing the app
Home sales in the local area



Mortgages for the young and loan-to-value ratio up to 85%
Provides growth in the segment of younger customers



Norway's best mortgage credit process - an efficient everyday life for customers and employees

Strong collaboration across Sparebanken Vest and Bulder ensures innovation and pace



Jan Erik Kjerpeseth • 1st

CEO at Sparebanken Vest. Lidenskapelig opptatt av å bygge en bank for fremt...
3w • Edited • 🌐

Demo for konsernledelsen av Norges mest sømløse låneprosess for kunde og rådgivere! 🔥

Det siste året har vi samlet noen av **Bulder** og **Sparebanken Vest** sine dyktigste ressurser, som sammen har arbeidet for å sette en ny standard for låneflyt i bank. 🙌

Prosjektet sjøsettes i disse dager, og ingen tvil om at ledergruppen i dag ble mektig imponert. 🙌

Agenda

- **Sound banking operations**
- **Conservative loan book**
- **Bulder in good development**
- **Sparebanken Norge**





Norway's biggest savings bank

Customers

760 000

FTEs

1 543

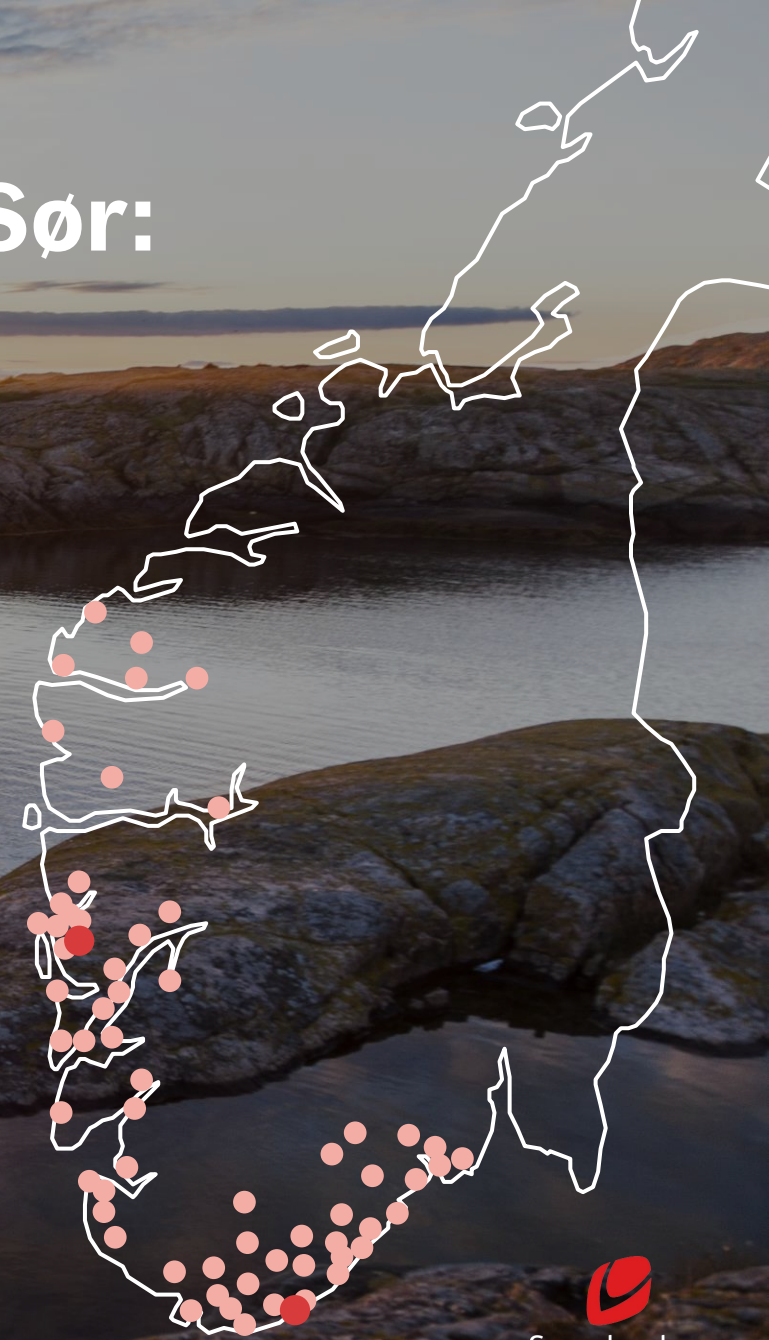
Gross loans

429 bn.

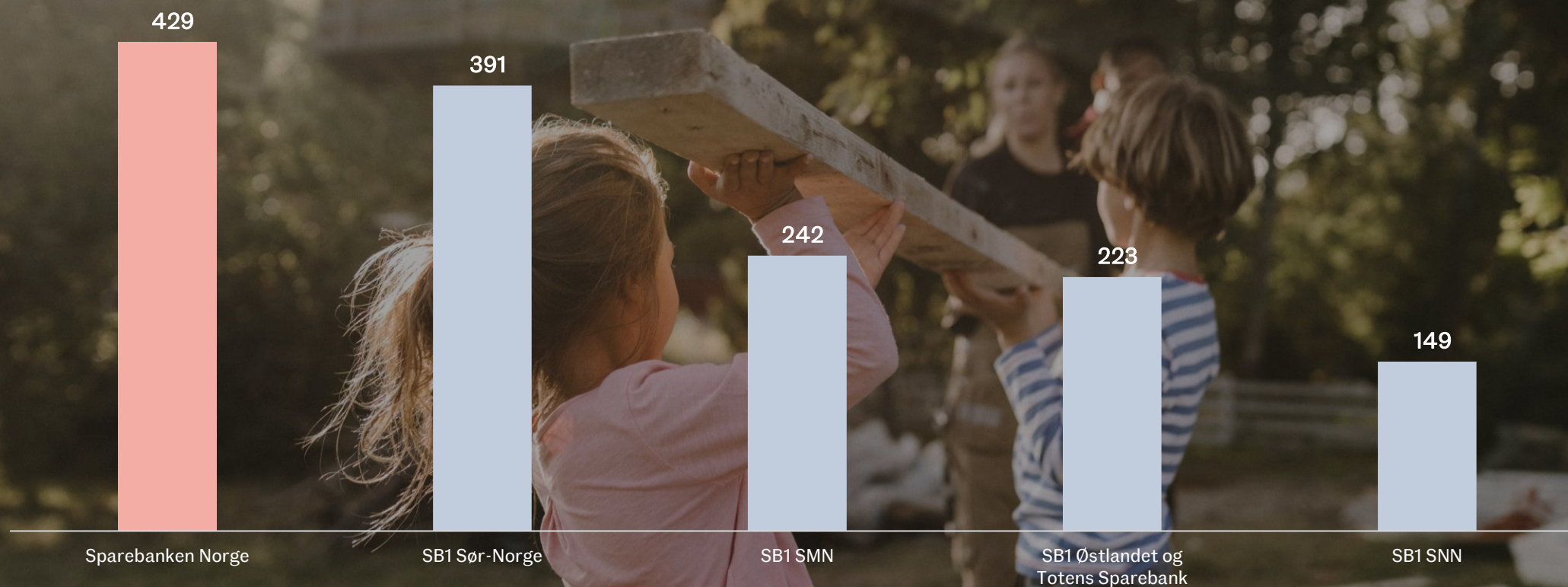
Sparebanken Vest and Sparebanken Sør: A perfect match

The banks have a strong common value base: Both are equity certificate banks with the same ownership fraction, a common focus on customer dividends and we have developed a number of joint product companies.

Our local power will be strengthened by a total of 68 offices, none of which overlap geographically



Norway's biggest savings bank



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

An attractive and liquid equity capital certificate

75 %
of employees own
equity certificates

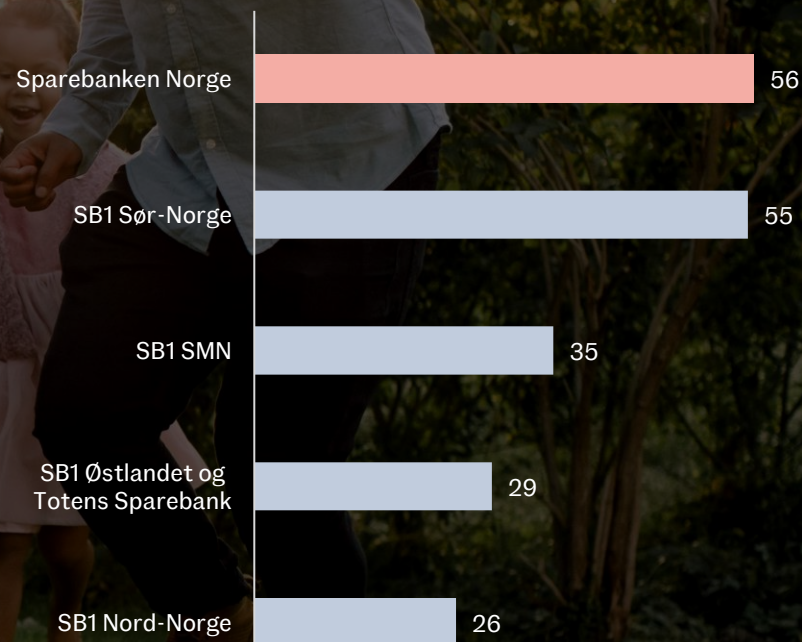
28 %
International ownership

20 %
Savings bank foundations

Pro forma 10 major owners

Aksjonær	Eierandel
Sparebankstiftelsen Sparebanken Sør	9,3 %
Sparebankstiftinga Hardanger	7,0 %
Skandinaviska Enskilda Banken AB	5,9 %
Geveran Trading Company	4,2 %
Eika Kapitalforvaltning	3,5 %
Alfred Berg Kapitalforvaltning	3,3 %
Kommunal Landspensjonskasse (KLP)	2,9 %
Borea Asset Management	2,9 %
Sparebanken Vest	2,0 %
JP Morgan Securities LLC	2,0 %

Market value billion NOK (100 % basis)



As of 24 October 2024

Significant cost and capital synergies

Cost synergies

Estimated to 350-400 million annually from 2027-2028

Capital synergies

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

Transaction and integration costs

250-300 million



Sparebanken Norge will over time take a national position

DN

Fusjonspartnerne i Sør og Vest gjør alvor av «Sparebanken Norge»

Fusjonspartnerne Sparebanken Sør og Sparebanken Vest med nybrottsarbeid: Kaster regionkonseptet på sjøen og satser nasjonalt.



Gjør alvor av «Sparebanken Norge»



Tor Wallin Andreassen, professor ved Norges Handelshøyskole, sier til KOM24 at fusjonen var nødvendig for å ikke miste fotfeste i Norge og kaller det et strategisk riktig trekk.

Han er og godt fornøyd med navnet.

– Sparebanken Norge er et klart signal om at man forlater regioner, noe som gir rom for ytterligere ekspansjon. Nå er man ikke låst til regioner, nå er det Norge og så Manhattan, sier han og tror vi vil se at flere sparebanker blir fusjonert inn på sikt.

KOM24



Frendegruppen and product companies



Strengthened partner and driving force for a proactive Frende group



A strong and long term owner for the product companies that provide predictability



A partner that contributes with technology and knowledge in order to make the Frende group attractive for other savings banks

Time line for merger



Integration program: Strategic and operational management towards becoming Norway's best savings bank



HORISONT – A greater day!

Our annual strategy meeting sets the direction for the autumn - this time with guests from Sparebanken Sør



HORISONT



Together we will build Norway's best savings bank

- ✓ Low complexity
- ✓ 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 yields
- ✓ Among the best in terms of return on equity



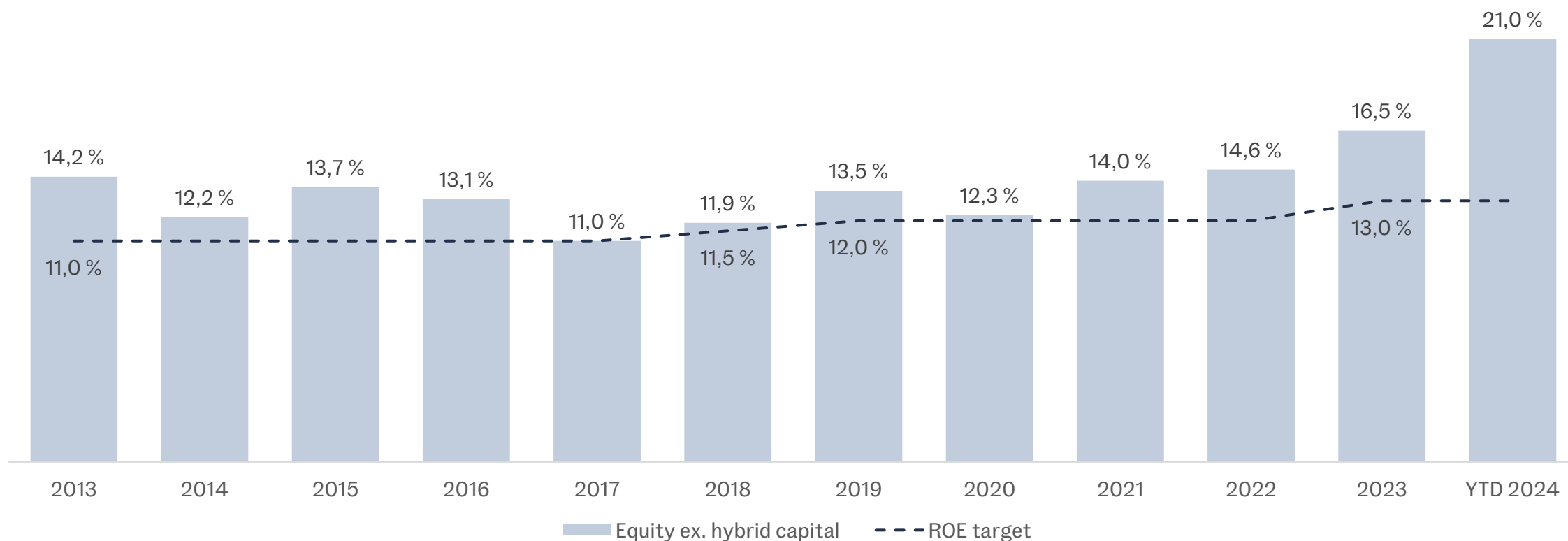
SPAREBANKEN
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Sparebanken
Vest

High return on equity above target in the entire period

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



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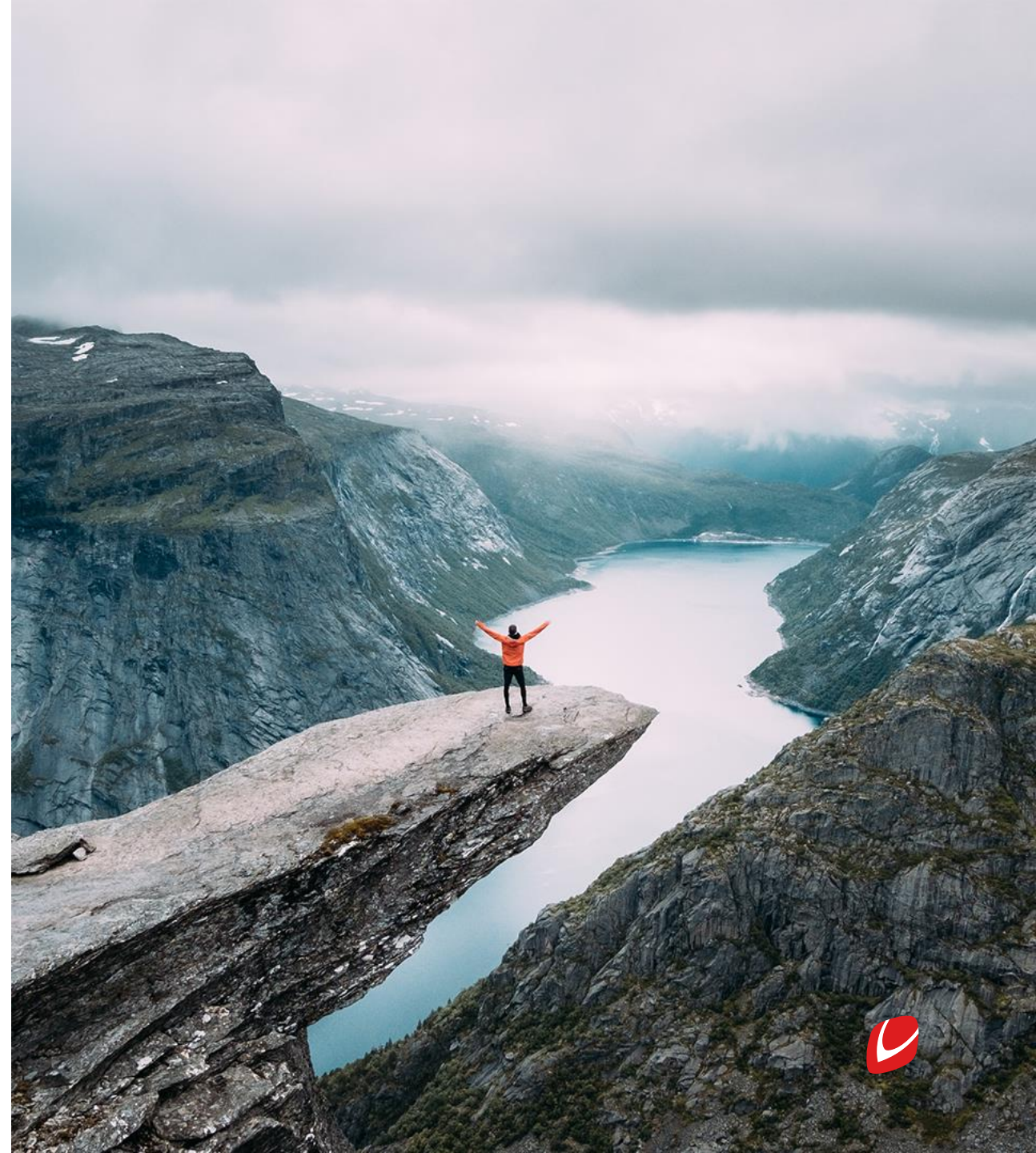
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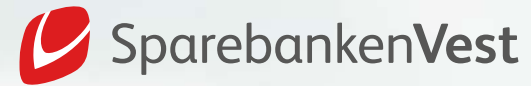
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Although Sparebanken Vest believes that the expectations reflected in such forward-looking statements are reasonable, we cannot guarantee that they will turn out to be correct.

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.

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