



**SPAREBANKEN MØRE**

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## Press release

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Results for first quarter 2018:

### **A good start to the year for Sparebanken Møre**

**Growth, strong cost control and low level of losses describe the situation for Sparebanken Møre in the first quarter of 2018.**

Profit after tax was NOK 141 million, an increase of NOK 10 million compared with the same quarter last year.

– We have had a good start to the year and deliver a solid result for the first quarter. The development is positive for important key figures and the economic outlook for our county, Møre og Romsdal, is good. This makes us optimistic about the prospects for the rest of 2018, states Trond Lars Nydal, CEO of Sparebanken Møre.

#### **Equipped for further growth**

Sparebanken Møre has had a good and balanced growth over time, which continued into the first quarter of 2018. Over the last 12 months we have had a growth in loans of 7.8 per cent, while growth in deposits has been 2.7 per cent. With a CET1 ratio of 15.1 per cent by the end of first quarter, the bank can also demonstrate solid capital.

- This gives us a good starting point for further growth. We experience that the combination of competent employees who adapt well to changes, close proximity to our customers and knowledge of the market give us an advantage in most areas. These factors continue to strengthen our market position in spite of tough competition, says Nydal.

At the end of the first quarter, loans to customers totalled NOK 58.2 billion, while deposits from customers totalled NOK 33.5 billion. The bank has a high deposit to loan ratio of 57.6 percent.

#### **Efficient operations**

The net interest income is at a good and stable level, amounting to NOK 289 million in first quarter. This is an increase both in NOK and percentage compared to the same period last year. Other operating income was NOK 13 million lower than the first quarter of last year, mainly due to value changes in the bond portfolio. Income from customer operations shows a positive development.

- We run the bank profitably and efficiently, while at the same time investing in both competence and technology. At the end of first quarter, the cost income ratio was 43.6. This is a decrease of 2.3 p.p. compared with the same period last year, says Nydal.

Sparebanken Møre has also experienced low losses over time. This also became apparent in the first quarter, when losses recorded on loans and guarantees amounted to NOK 2 million. The losses are also expected to remain at a low level for the remainder of 2018.

#### **Celebrating 175 Years**

With total assets of NOK 68.6 billion, Sparebanken Møre is the 8th largest savings bank in Norway. The history of the bank started in 1843, when Herrøe og Røvde Sognes Savings Bank opened its doors in Herøy. This was the first of many banks which subsequently formed Sparebanken Møre. For 175 years, the bank has been a major contributor and driving force in the development of Møre og Romsdal.

– Sparebanken Møre has a long and strong history. We have been bankers for generations, and we have been through countless restructuring phases over the years. Continuous improvement and innovation for the benefit of our customers has been – and always will be – high on our agenda. Today, we have an organization that is well equipped to maintain this work, Nydal states.

The 175th anniversary will be celebrated in various ways during the year.

**Key figures - first quarter 2018**

- Profit before losses: MNOK 193 (MNOK 177)
- Profit after tax: MNOK 141 (MNOK 131)
- Return on equity: 10.1 % (10.1 %)
- Net interest income: MNOK 289 /1.73 % (MNOK 261/1.69 %)
- Costs income ratio: 43.6 % (45.9 %)
- CET1: 15.1 % (14.9 %)
- Earnings per equity certificate (group): NOK 7.00 (NOK 6.55)
- Annual lending growth: 7.8 % (5.0 %)
- Annual deposit growth: 2.7 % (9.8 %)

*Comparable figures for first quarter 2017 in brackets.*

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