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Results for Q3 2021:

A strong quarter and additional dividends from Sparebanken Møre

Sparebanken Møre continues to develop positively and has delivered its second best third quarter ever. The Board of Directors has also decided to pay out an additional dividend based on the financial year 2020.

Profit after tax amounted to NOK 176 million in the third quarter, compared with NOK 153 million for the same quarter last year.

The return on equity was 10.5 per cent, and the Group now has total assets of NOK 84.3 billion.

“The quarter just ended was an active one for both the bank and our region, and we are seeing society return to normality after the Covid-19 pandemic. For the bank, the third quarter can be summed up as one of good growth and strengthened financial key figures,” says CEO Trond Lars Nydal of Sparebanken Møre.

Lending to customers has increased by 6.2 per cent in the past 12 months, while over the same period deposits had grown by 3.7 per cent at the end of the third quarter.

Full service financial group

The bank’s income increased by NOK 8 million compared with the corresponding period last year. Net interest income increased by NOK 14 million, while other operating income, excluding financial instruments, increased by NOK 5 million in the period.

Costs were NOK 11 million higher than in the corresponding quarter last year, due in part to investments in service offerings, user-friendly solutions, sustainability measures and resources.

“In 2021, we consolidated our role as a full service financial group through, among other things, a stronger focus on asset management and real estate brokerage. In addition to this ensuring a complete, high-quality offering for our customers, we can already see that it is contributing to increased income for the bank,” says Nydal.

The level of losses is low with recognised losses of NOK 2 million in the quarter.

A total of NOK 135 million for Nordvestlandet

In September, the Norwegian Ministry of Finance announced that Norwegian banks could apply the normal framework for dividend payments after 30 September. Based on the authorisation from the General Meeting and a completed prudence assessment, the Board has, in connection with the accounts for the third quarter, approved payment of an additional dividend of NOK 9 per equity certificate and NOK 90 million to the local communities based on the financial year 2020.

These amounts are additional to the dividend approved earlier in the year and, when taken together, fulfil payments in line with the bank’s dividend policy. This is based on around 50 per cent of the total profit for the year being paid out as dividends to equity certificate holders and local communities.

A total of NOK 135 million has thus been allocated to good causes in local communities based on the financial year 2020.

“Strong local communities are important for community development and value creation. If we are to succeed in attracting and retaining qualified labour, we must have cities and communities that the inhabitants find attractive. In the last 10 years, Sparebanken Møre has allocated more than NOK 1.2 billion to measures intended to develop Nordvestlandet,” says Nydal.

The most satisfied corporate customers

The analytics company EPSI Rating recently published the results of its annual survey of customer satisfaction in the banking sector. Sparebanken Møre performed strongly in the survey and achieved the best ranking in the corporate market. It also scored highly among retail customers.

“We are both pleased and proud of the results, which first and foremost mean that our employees are doing a phenomenal job of creating good customer experiences. We will now use this feedback to develop even further. Our existence depends upon satisfied customers, and we constantly strive to be an even better bank for our communities,” says Nydal.

Sparebanken Møre also distinguished itself in the areas of sustainability and social responsibility, where the bank achieved the highest scores of everyone in both the retail and the corporate market.

“As a financial institution, we have a great deal of influence in relation to the green shift and are taking a result-oriented approach to sustainability, both internally and outside the organisation. We recently issued a EUR 250 million green bond in the European market, which quickly became heavily oversubscribed. The high level of interest shows that our investors also recognize our sustainability work,” says CEO Trond Lars Nydal of Sparebanken Møre.

Key figures for Q3 2021

- Net interest income: NOK 320 million/1.58 per cent (NOK 306 million/1.54 per cent)
- Profit before losses: NOK 231 million (NOK 234 million)
- Profit after tax: NOK 176 million (NOK 153 million)
- Return on equity: 10.5 per cent (9.4 per cent)
- Cost income ratio: 40.9 per cent (39.0 per cent)
- Earnings per equity certificate (Group): NOK 8.60 (NOK 7.38)

Comparable figures for Q3 2020 in brackets.

Key figures as at the end of Q3 2021

- Net interest income: NOK 932 million/1.55 per cent (NOK 914 million/1.56 per cent)
- Profit before losses: NOK 676 million (NOK 654 million)
- Profit after tax: NOK 489 million (NOK 420 million)
- Return on equity: 9.8 per cent (8.6 per cent)
- Cost income ratio: 41.4 per cent (42.0 per cent)
- Earnings per equity certificate (Group): NOK 23.71 (NOK 20.00)
- Common Equity Tier 1 capital (CET1): 17.1 per cent (17.5 per cent)
- Lending growth in the past 12 months: 6.2 per cent (2.7 per cent)
- Deposit growth in the past 12 months: 3.7 per cent (8.8 per cent)

Comparable figures as at the end of Q3 2020 in brackets.

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