

Oslo Børs VPS Holding ASA 4th Quarter 2016

16 February 2017

2016 as a whole

- 18 new shares on Oslo Børs, Oslo Axess and Merkur Market
 - 223 shares with a value of NOK 2,180 billion as of 31.12.16
 - 1,181 instruments with a value of NOK 2,480 billion registered in VPS as of 31.12.16
- 572 new fixed income issues admitted to listing and 1,725 new issues registered in VPS
 - 1,875 issues with value of NOK 1,710 billion listed as of 31.12.16
 - 2,935 issues with a value of NOK 2,012 billion registered as of 31.12.16
- As for Europe in general – trading and settlement activity reduced compared to 2015 – traded value down 10%, settled transactions down 1%
- Oslo Børs launched a new tradable seafood index
- Oslo Børs extended its technology partnership with the London Stock Exchange Group

2016 as a whole

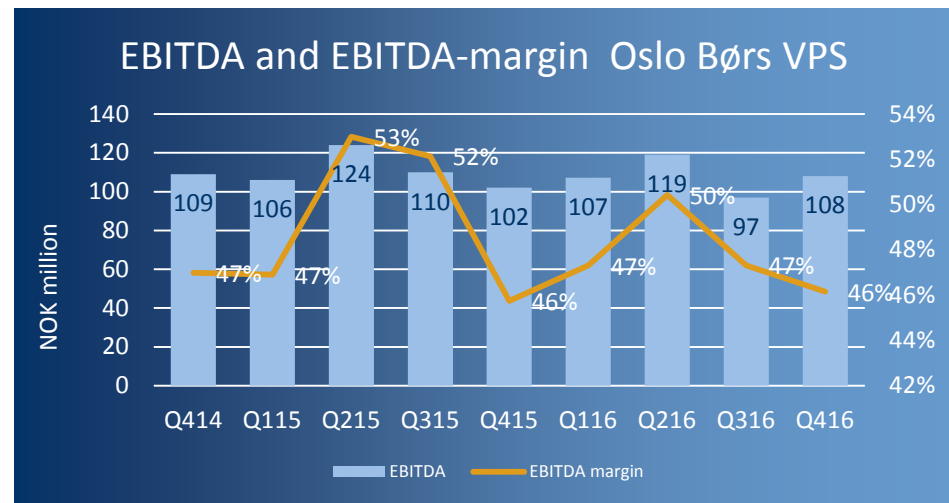
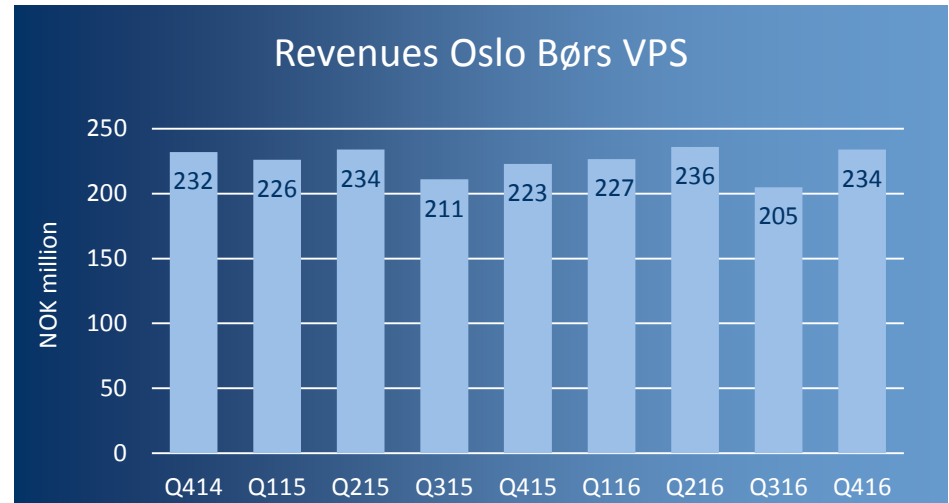
- Oslo Børs launched the marketplace Merkur Market for smaller and medium-sized companies in January
- The Financial Supervisory Authority of Norway concluded that Oslo Børs VPS Holding should not be admitted to trading on Merkur Market
- VPS launched new industry solution for scrip dividend programs
- VPS launched Road Map 1.0 – an overview of developments in the period 2016-2018 to make the Norwegian market compliant with new regulation
- Oslo Børs launched new tradable shipping index
- Oslo Børs one of the first stock exchanges in the world to publish guidance on the reporting of corporate responsibility
- Share savings account to be introduced in 2017

4th quarter at a glance

- Six new companies on Oslo Børs and Merkur Market in the quarter
- Continued growth in listing and registration of fixed income issues – 189 new issues admitted to listing and 427 new issues registered in VPS in the quarter
- High corporate actions activity in VPS within the equity space in the quarter – 51 new ISINs registered in VPS in the quarter
- Higher trading and settlement activity in the quarter than previous quarters
- VPS is developing solutions for Share savings account
- Proposal to the Annual General Meeting to pay a dividend of NOK 3.85 per share – a total of NOK 6.45 for the 2016 financial year

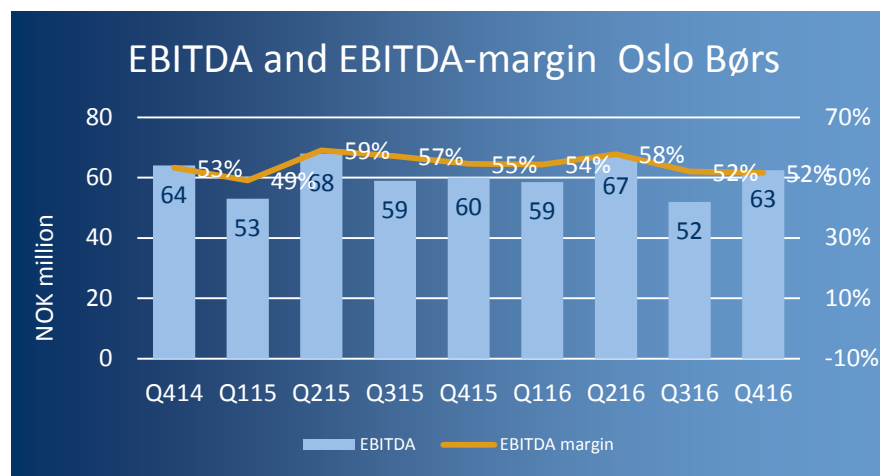
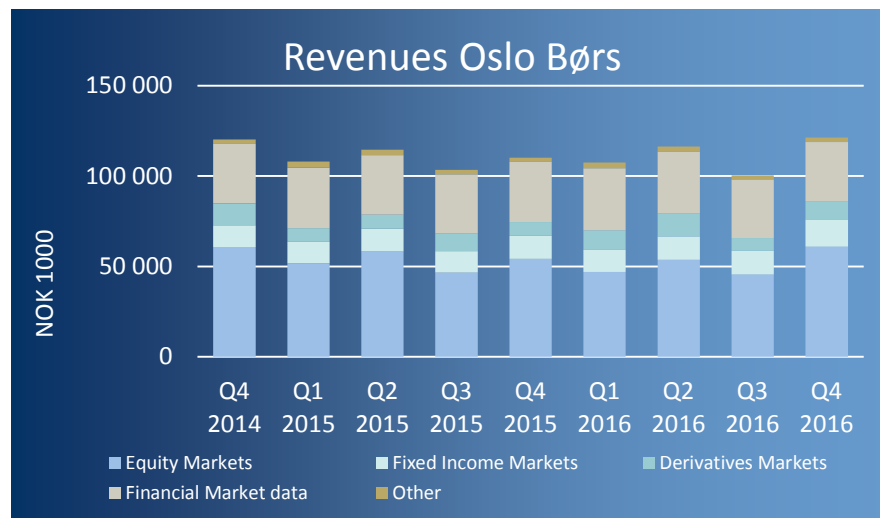
4th quarter at a glance

- Revenues up NOK 11 million to 234 million from Q415
- Expenses up NOK 5 million to NOK 126 million from Q415
- EBITDA up NOK 6 million to NOK 108 million from Q415



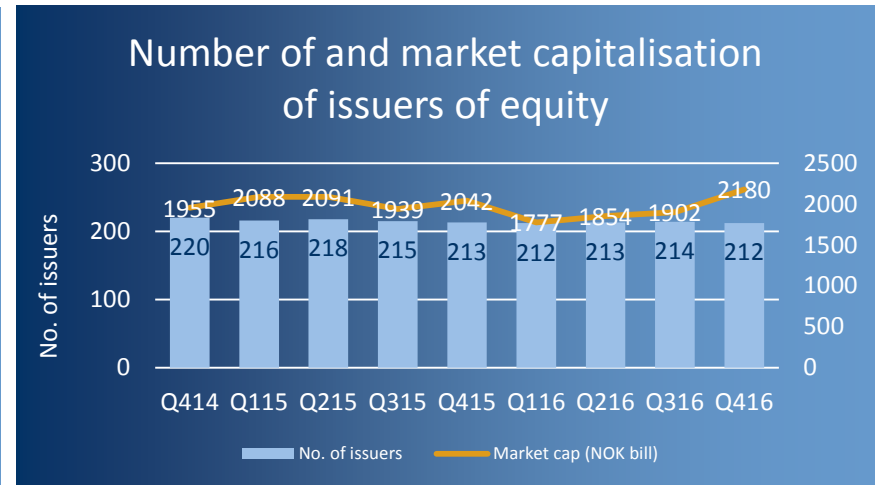
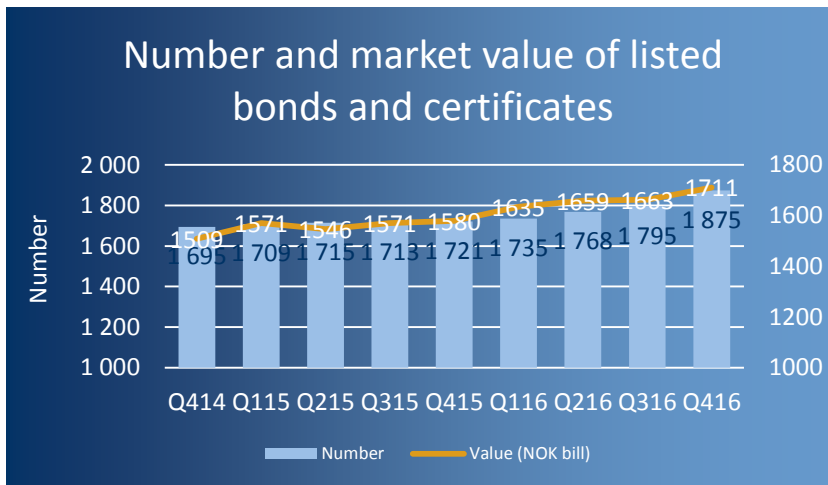
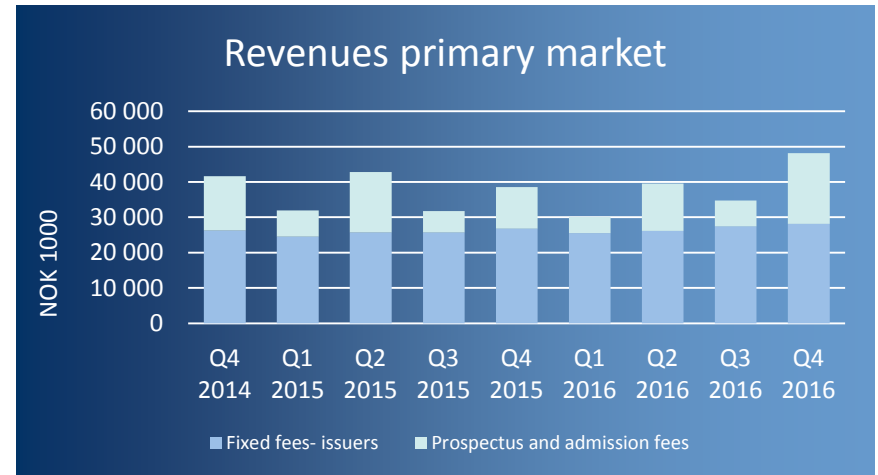
Oslo Børs

- Revenues up NOK 11 million to NOK 121 million from Q415
- EBITDA up NOK 3 million to NOK 63 million from Q415



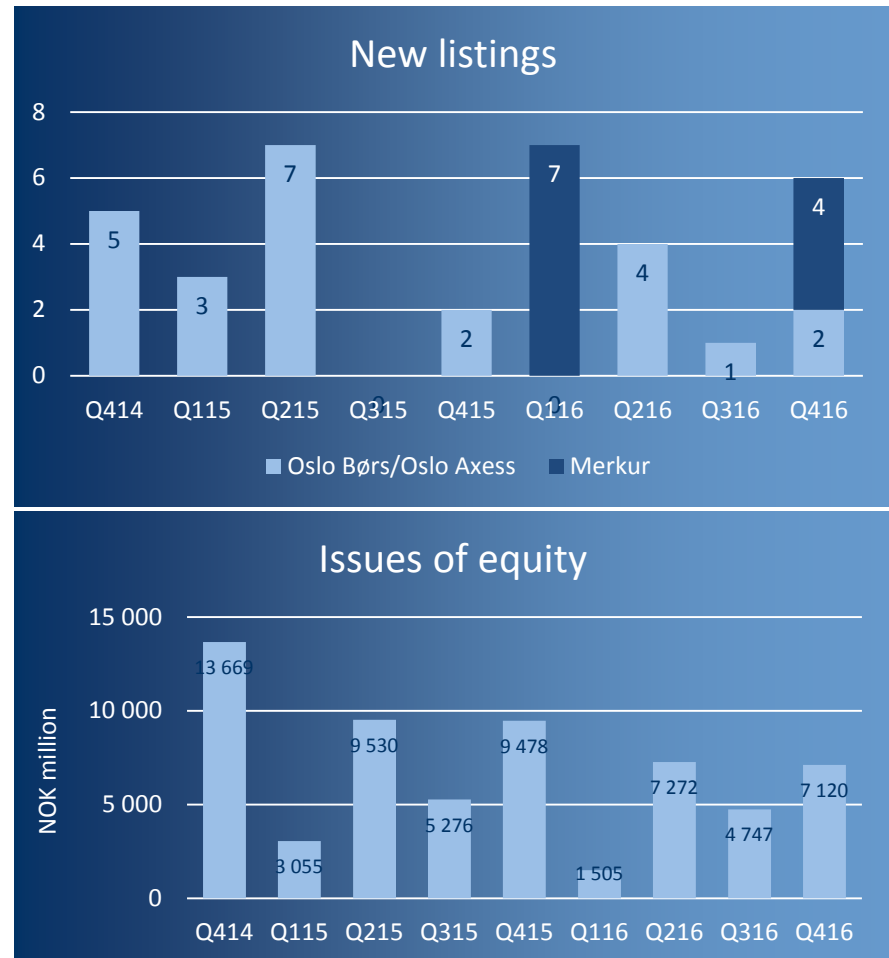
Oslo Børs – primary market

- Steady increase in number of listed bonds and certificates
- Fixed fees from issuers NOK 28 million – up NOK 1 million from Q415
- Fixed fees driven by number of issuers and market capitalisation January 1
 - Market cap. equity issuers 1 January 2017 up 7% from 2016



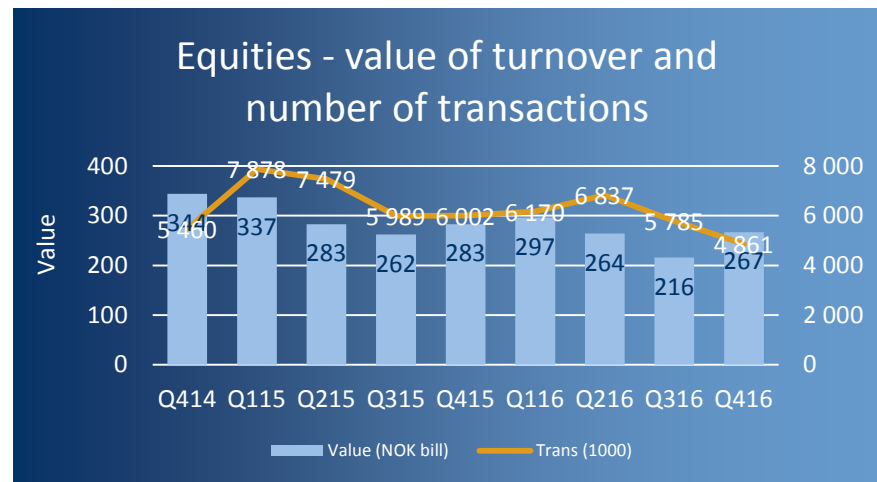
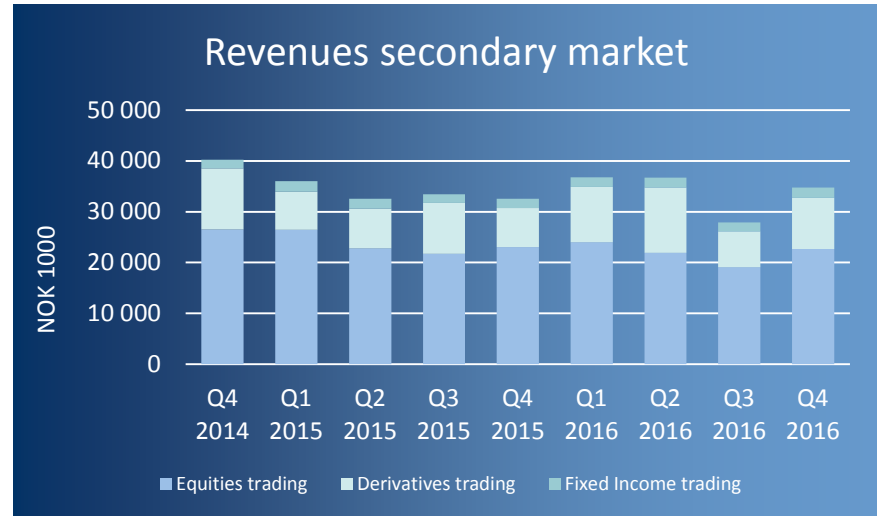
Oslo Børs – primary market

- Prospectus and admission fees up NOK 8 million to NOK 20 million from Q415
- Revenues driven by number and size of IPOs and issues
- Two new equity listings on Oslo Børs and Oslo Axess in Q416
- Four new equities admitted to trading on Merkur Market in Q416
- Continued interest for listing of both equities and fixed income



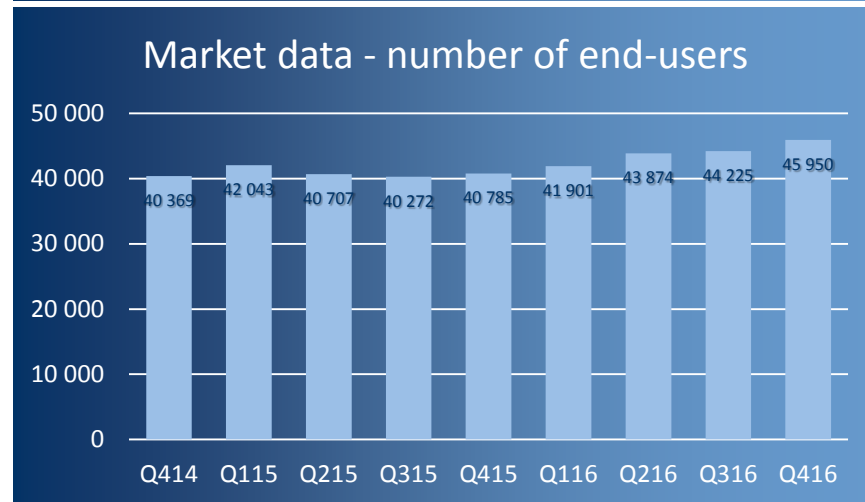
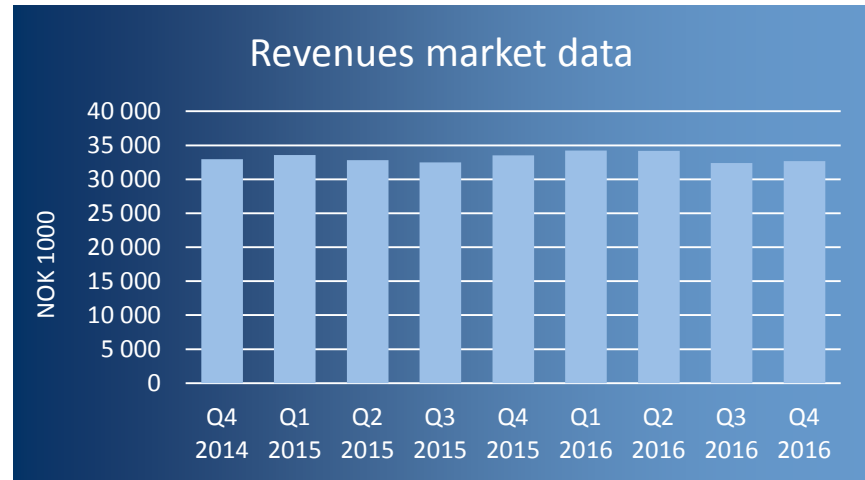
Oslo Børs – secondary market

- Revenues from trading on Oslo Børs and Fish Pool up NOK 2 million to NOK 35 million from Q415
- Value of equity turnover on Oslo Børs down 6% from Q415
 - Revenues in line with Q415
- Derivatives revenues driven by activity level and composition of derivatives trading
 - No of contracts on Oslo Børs down 5% from Q415
 - Volume on Fish Pool up 133% from Q415 – up 62% YTD
 - Revenues up NOK 2 million from Q415



Oslo Børs – market data

- Revenues down NOK 1 million to NOK 33 million from Q415
- Revenues primarily driven by number of professional end users of data from Oslo Børs
- Underlying number of professional users estimated down 6% from Q415



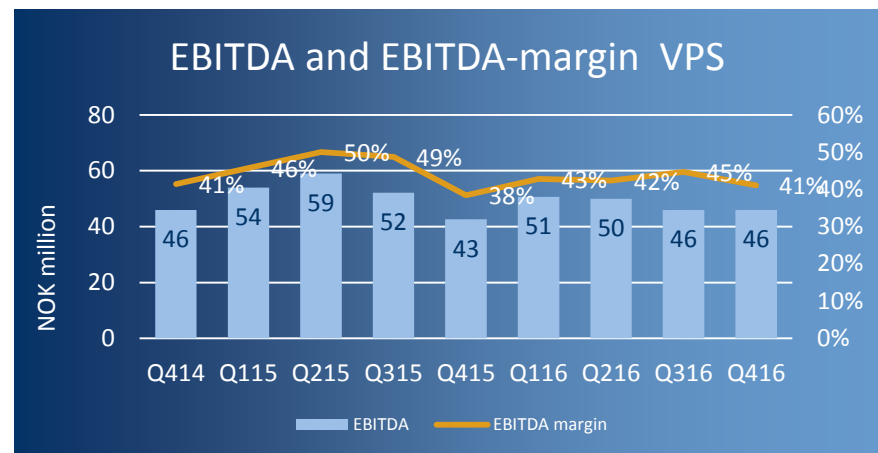
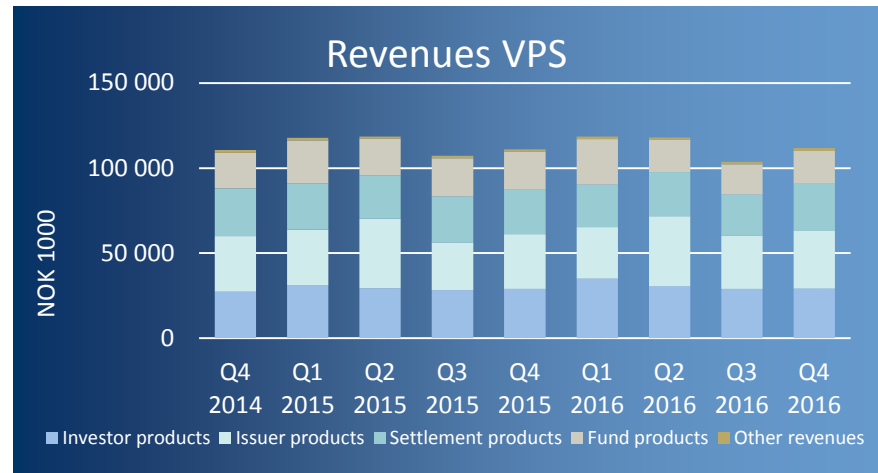
Key market activities

- Market activities to attract issuers on all listing venues
 - Domestic and international
 - Equities and fixed income
- Market activities to attract new trading members and increase market share in trading
 - Continuous improvement of microstructure
 - Efficient post trade
- Millennium release 9.1 – Q1 2017
- Millennium MiFID 2 release – Q4 2017
- Preparing for MiFID 2 and MAD/MAR



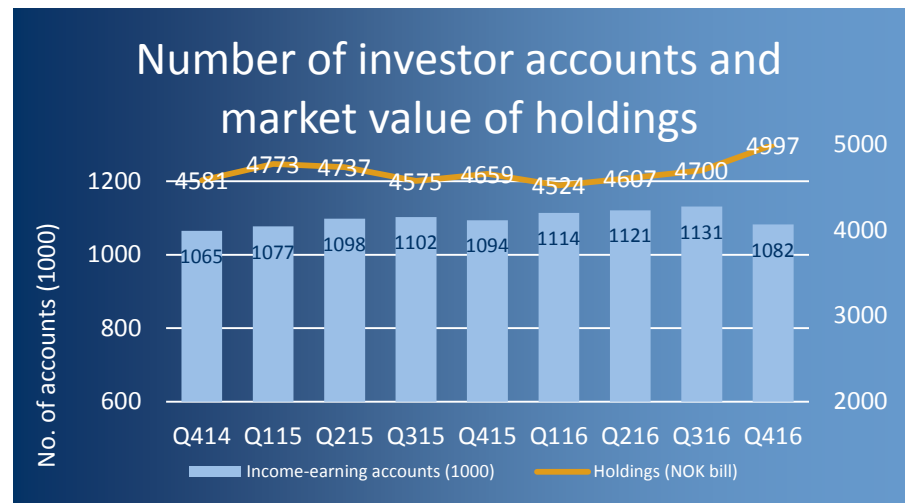
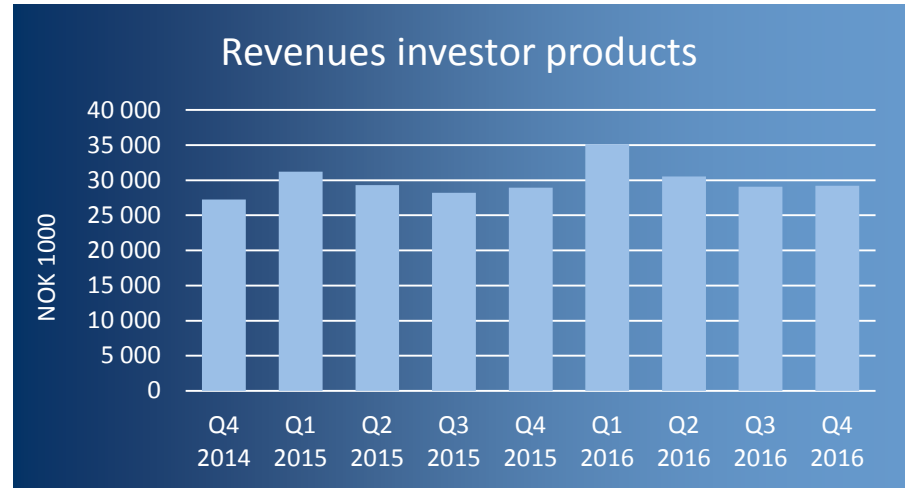
VPS

- Revenues up NOK 1 million to NOK 111 million from Q415
- EBITDA up NOK 3 million to NOK 46 million from Q415



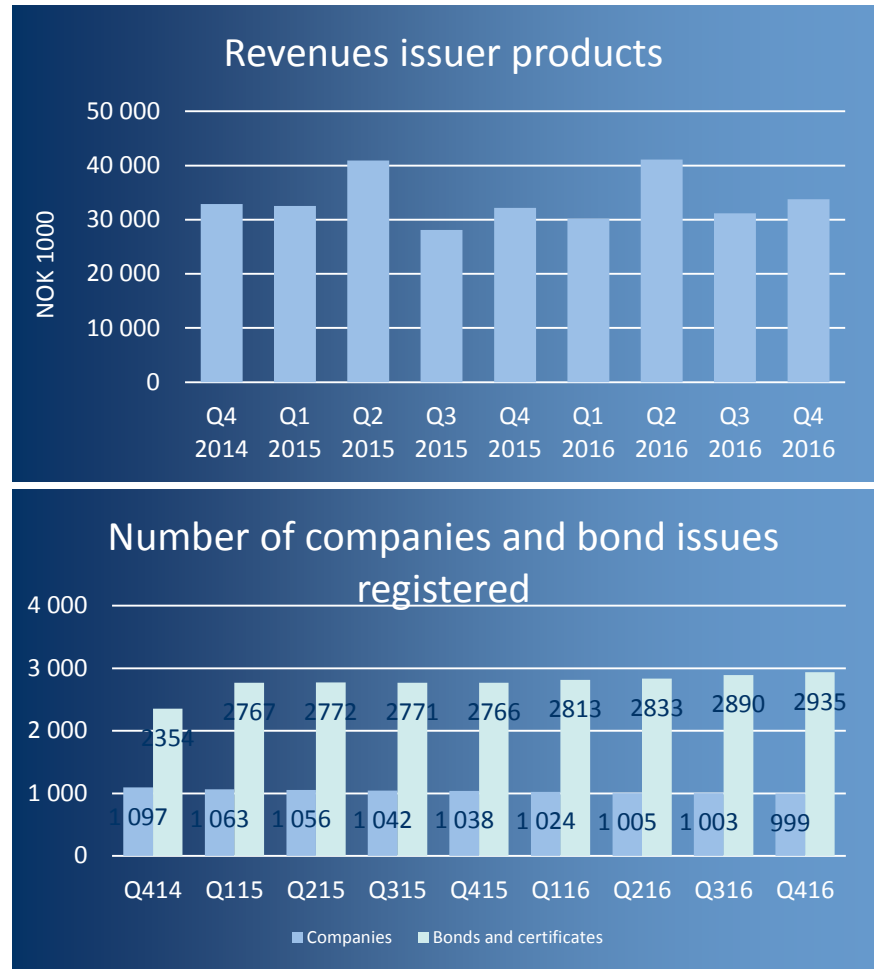
VPS – investor products

- Revenues NOK 29 million – in line with Q415
- Revenues primarily driven by number of VPS accounts and market value of holdings
January 1



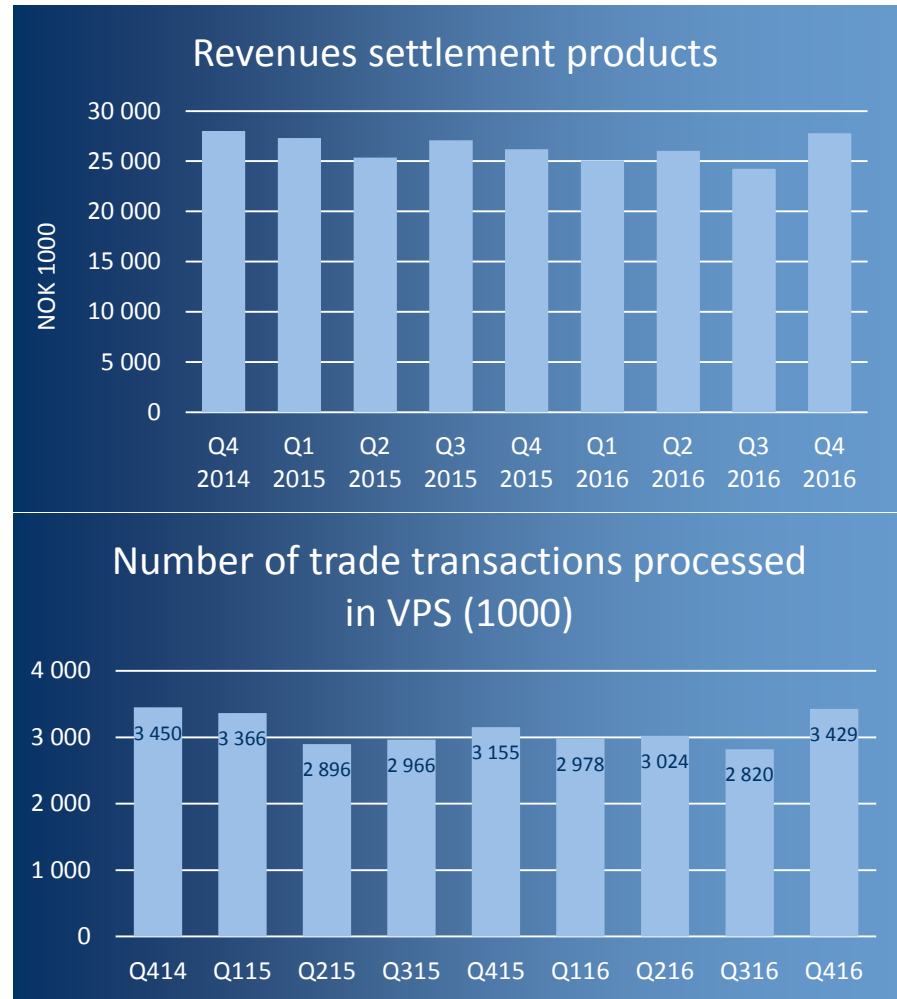
VPS – issuer products

- Revenues up NOK 2 million to NOK 34 million from Q415
 - Mainly as a result of increased corporate activity
- Revenues driven by number and composition of issuers and level and composition of corporate activity
 - AGM-season in Q2
- Additional revenue from value added products
 - AGM-services
 - Bond holders' meeting
 - Stock purchase programs
 - Nominee-ID



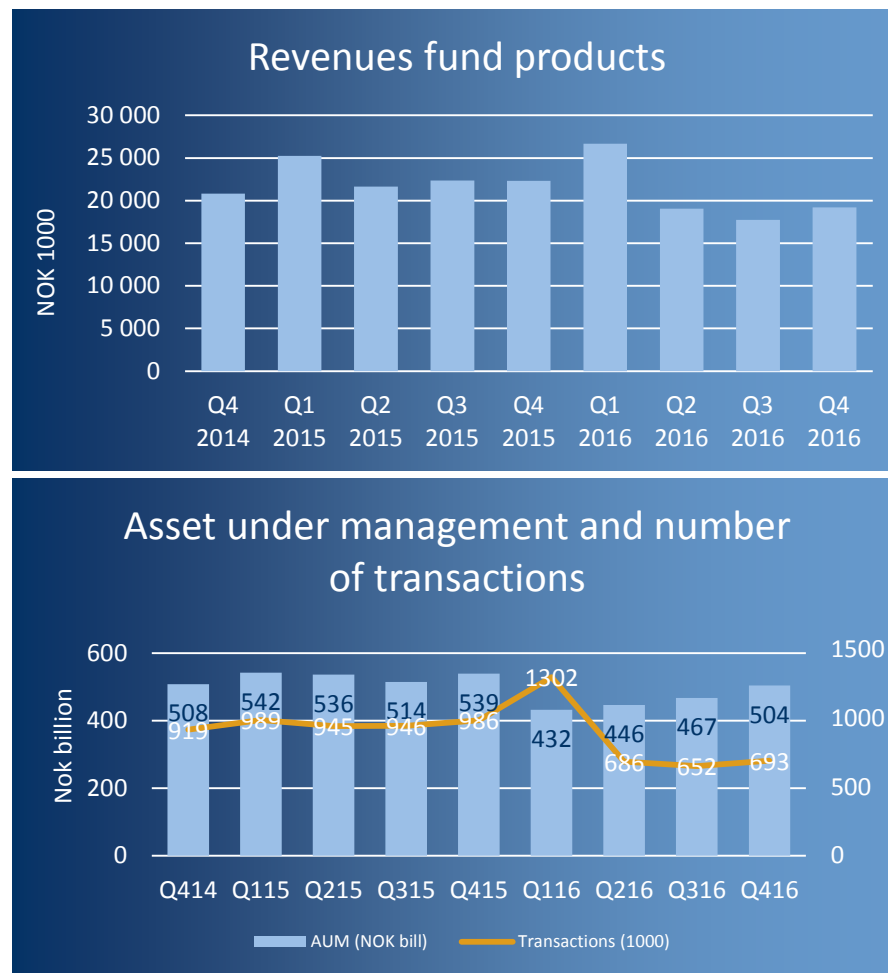
VPS – settlement products

- Revenues up NOK 2 million to NOK 28 million from Q415
- Revenues driven by number of participants and number of settlement transactions
- No of transactions processed up 9% from Q415



VPS – fund products

- Revenues down NOK 3 million to NOK 19 million from Q415
- Evolution in line with Q415 – NOK 6 million
- Revenues in VPS primarily driven by assets under management and number of transactions
- Strong competition from international providers and internal IT in targeted markets

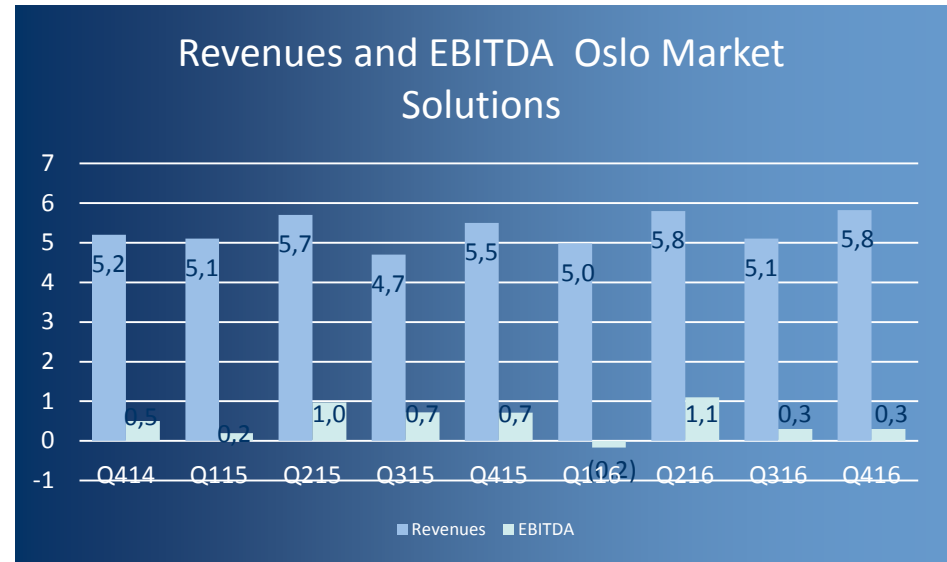


Key market activities

- Market activities to attract settlement participants
 - Domestic and international
 - Focus on low risk and efficient settlement (settlement rate)
- Marketing Tax Services
 - FATCA and CRS Reporting
- Realisation of VPS Road Map going well
 - Q4 milestones delivered according to plan
- Preparing for the introduction of Share Savings Account with tax incentives for Norwegian retail investors in 2017
- Preparing for CSDR

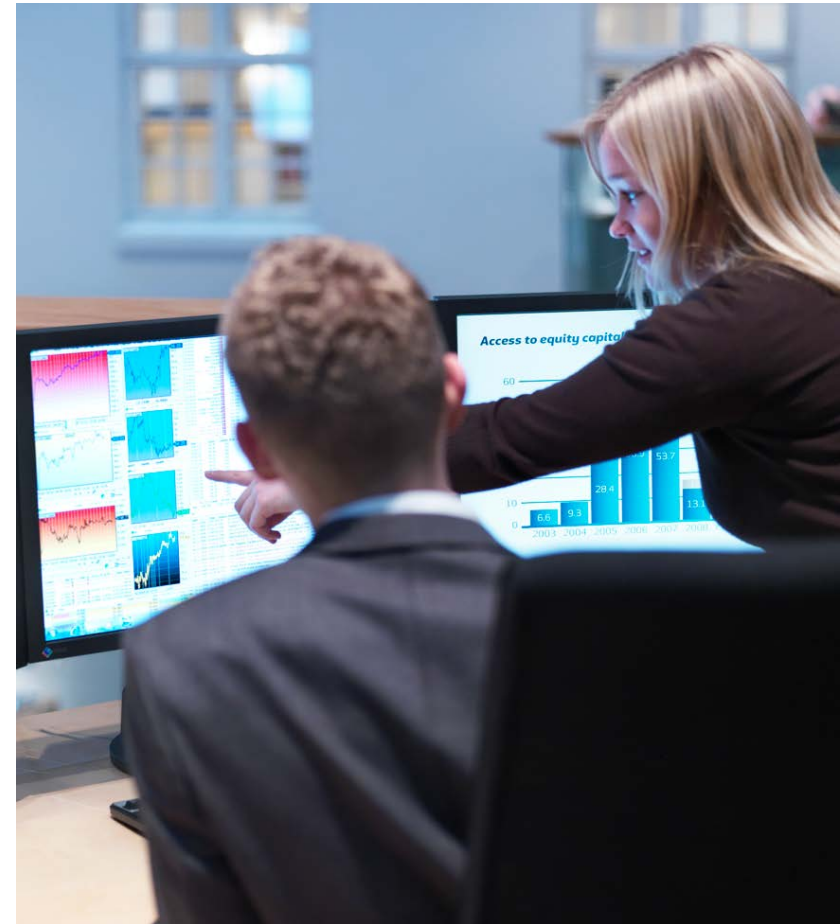
Oslo Market Solutions

- Revenues up NOK 0.3 million from Q415
- EBITDA down NOK 0.4 million from Q415



Summary

- Relatively good activity in the capital markets
- Intense competition and pressure on market share
- Continuous focus on operating costs
- Continuous assessment of new products and new positions in order to adapt to challenging competitive environment
- Focus forward
 - Attract new listings/registrations and members
 - Increased sale to existing customers
 - Strengthen competitive position in secondary market
 - Deliver VPS Road Map 1.0
 - Implementation of new regulation



Appendix

P&L

| | 4th Quarter 2016 | 4th Quarter 2015 | Change in % | 31 Dec 2016 | 31 Dec 2015 | Change in % |
|--|---------------------|---------------------|----------------|----------------|----------------|----------------|
| Operating revenues | 233 631 | 222 930 | 5 % | 901 052 | 894 858 | 1 % |
| Operating expenses | | | | | | |
| Capitalisation of internal resources | 0 | 0 | | 0 | 0 | |
| Salary and other personnel expenses | 76 501 | 72 378 | | 278 304 | 267 094 | |
| Other operating expenses | 49 542 | 48 611 | | 192 571 | 186 563 | |
| Depreciations and write-downs | 12 236 | 13 342 | | 77 248 | 49 267 | |
| Amortisations | 940 | 815 | | 3 759 | 3 261 | |
| Write-downs | 0 | 15 093 | | 0 | 15 093 | |
| Operating expenses before capitalisation of internal resources, depreciations and amortisations | 126 043 | 120 989 | 4 % | 470 875 | 453 657 | 4 % |
| Total operating expenses | 139 218 | 150 239 | -7 % | 551 881 | 521 278 | 6 % |
| EBITDA | 107 587 | 101 941 | 6 % | 430 177 | 441 201 | -2 % |
| Operating profit (EBIT) | 94 412 | 72 691 | 30 % | 349 171 | 373 580 | -7 % |
| Net financial items | 3 498 | 4 922 | | 9 507 | 14 382 | |
| Ordinary pre-tax profit | 97 910 | 77 613 | | 358 678 | 387 962 | |
| Tax | 24 255 | 4 298 | | 89 257 | 89 269 | |
| Earnings for the period | 73 655 | 73 315 | 0 % | 269 421 | 298 693 | -10 % |
| Actuarial gains/losses defined benefit pension plans | -7 665 | 8 025 | | -7 665 | 8 025 | |
| Tax-effect | 1 916 | -2 167 | | 1 916 | -2 167 | |
| Total comprehensive income | 67 906 | 79 173 | -14 % | 263 672 | 304 551 | -13 % |
| Earnings per share (NOK) | 1,71 | 1,70 | 0 % | 6,27 | 6,95 | -10 % |
| Diluted earnings per share (NOK) | 1,71 | 1,70 | 0 % | 6,27 | 6,95 | -10 % |
| Earnings per share (NOK) before amorisations and write-down | 1,73 | 2,07 | -16 % | 6,93 | 7,35 | -6 % |

Breakdown revenues – Oslo Børs segment

OSLO BØRS

| Revenues per area | Q4 2016 | Q4 2015 | 31.12.2016 | 31.12.2016 | 2015 |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| Equity Markets | 60 891 | 54 287 | 207 195 | 211 071 | 211 071 |
| Fixed Income Markets | 15 156 | 12 604 | 53 221 | 48 707 | 48 707 |
| Derivatives Markets | 10 082 | 7 653 | 40 832 | 33 025 | 33 025 |
| Financial Market data | 32 680 | 33 520 | 133 518 | 132 393 | 132 393 |
| Other | 2 530 | 2 165 | 10 776 | 10 867 | 10 867 |
| Total Oslo Børs | 121 339 | 110 229 | 445 542 | 436 063 | 436 063 |
| Revenues per category | Q4 2016 | Q4 2015 | 31.12.2016 | 31.12.2016 | 2015 |
| Fixed fees- issuers | 28 148 | 26 743 | 107 138 | 102 665 | 102 665 |
| Trading fees | 34 771 | 32 547 | 136 174 | 134 526 | 134 526 |
| Prospectus and admission fees | 20 017 | 11 802 | 45 361 | 42 372 | 42 372 |
| Financial market data | 32 680 | 33 520 | 133 518 | 132 393 | 132 393 |
| Other income | 5 723 | 5 617 | 23 351 | 24 107 | 24 107 |
| Total Oslo Børs | 121 339 | 110 229 | 445 542 | 436 063 | 436 063 |

Breakdown revenues – VPS segment

| VPS | Q4 2016 | Q4 2015 | 31.12.2016 | 31.12.2016 | 2015 |
|---------------------|----------------|----------------|-------------------|-------------------|----------------|
| Investor products | 29 233 | 28 924 | 123 976 | 117 669 | 117 669 |
| Issuer products | 33 783 | 32 205 | 136 225 | 133 760 | 133 760 |
| Settlement products | 27 789 | 26 182 | 103 157 | 105 923 | 105 923 |
| Fund products | 19 217 | 22 331 | 82 682 | 91 576 | 91 576 |
| Other revenues | 1 684 | 1 451 | 5 838 | 5 770 | 5 770 |
| Total VPS | 111 707 | 111 093 | 451 878 | 454 698 | 454 698 |

Balance sheet

| | 31 Dec 2016 | 31 Dec 2015 |
|-------------------------------|------------------|------------------|
| Fixed assets | | |
| IT-systems | 41 235 | 93 143 |
| Registrations | 6 200 | 6 200 |
| Goodwill | 491 569 | 491 551 |
| Deferred tax assets | 53 413 | 52 496 |
| Tangible assets | 40 261 | 51 745 |
| Financial fixed assets | 18 913 | 18 989 |
| Current assets | | |
| Receivables | 106 524 | 97 480 |
| Cash and cash equivalents | 603 862 | 578 482 |
| Assets | 1 361 977 | 1 390 086 |
| Equity | | |
| Contributed equity | 989 916 | 1 017 774 |
| Non-controlling interests | 459 | 337 |
| Total equity | 990 375 | 1 018 111 |
| Liabilities | | |
| Pension liabilities | 164 348 | 158 265 |
| Deferred tax liabilities | 3 204 | 4 031 |
| Current liabilities | 204 050 | 209 679 |
| Equity and liabilities | 1 361 977 | 1 390 086 |

Cash flow

| | 4th Quarter 2016 | 4th Quarter 2015 | 31 Dec 2016 | 31 Dec 2015 |
|--|---------------------|---------------------|----------------|----------------|
| Cash flow from | | | | |
| - <i>operational activities</i> | 67 008 | 29 200 | 323 844 | 298 307 |
| - <i>investment activities</i> | -1 436 | -13 435 | -6 819 | -37 620 |
| - investments in systems and tangible assets | -3 703 | -15 606 | -17 650 | -51 370 |
| - financial income | 2 267 | 2 171 | 10 831 | 13 750 |
| - <i>financing activities</i> | -112 935 | -112 522 | -291 645 | -463 422 |
| Cash and cash equivalents at period's start | 651 225 | 675 239 | 578 482 | 781 217 |
| Change in cash and cash equivalents | -47 363 | -96 757 | 25 380 | -202 735 |
| Cash and cash equivalents at period's end | 603 862 | 578 482 | 603 862 | 578 482 |
| Cash flow per share (NOK) | -1,10 | -2,25 | 0,59 | -4,71 |

Equity

| | 4th Quarter 2015 | 4th Quarter 2014 | 31 Dec 2016 | 31 Dec 2015 |
|--------------------------------------|---------------------|---------------------|----------------|------------------|
| Equity at period's start | 1 034 585 | 1 050 402 | 1 018 111 | 1 177 430 |
| Total comprehensive income | 73 655 | 73 315 | 269 421 | 298 693 |
| Dividends | -111 776 | -111 780 | -290 170 | -462 975 |
| Purchase of own shares | -523 | -454 | -284 | 9 |
| Actuarial gains/losses in the period | -5 749 | 5 858 | -5 749 | 5 858 |
| Change in non-controlling interests | 183 | 770 | -953 | -904 |
| Equity at period's end | 990 375 | 1 018 111 | 990 375 | 1 018 111 |
| Equity ratio | 73 % | 73 % | 73 % | 73 % |

Largest shareholders 13 February 2017

| Investor | Antall aksjer | % av 20 største | % av total | Type | Land |
|--|-------------------|-----------------|---------------|-------|------|
| DNB LIVSFORSIKRING ASA | 8 522 045 | 25,49% | 19,82% | Sels. | NOR |
| KOMMUNAL LANDSPENSJONSKASSE | 4 300 200 | 12,86% | 10,00% | Sels. | NOR |
| PARETO AS | 3 662 230 | 10,96% | 8,52% | Sels. | NOR |
| ARENDALS FOSSEKOMPANI ASA | 1 996 000 | 5,97% | 4,64% | Sels. | NOR |
| STATE STREET BANK AND TRUST COMP | 1 789 300 | 5,35% | 4,16% | Nom. | USA |
| J.P. MORGAN SECURITIES LLC | 1 599 809 | 4,79% | 3,72% | Nom. | USA |
| MORGAN STANLEY & CO. INT. PLC. | 1 529 727 | 4,58% | 3,56% | Nom. | GBR |
| ARMOR QUALIFIED, LP | 1 207 019 | 3,61% | 2,81% | Sels. | USA |
| THE NORTHERN TRUST COMP, LONDON BR | 1 159 242 | 3,47% | 2,70% | Nom. | GBR |
| FRANKLIN MUTUAL FIN SERV FUND | 911 000 | 2,73% | 2,12% | Sels. | USA |
| ARMOR CAPITAL PARTNERS, LP | 821 306 | 2,46% | 1,91% | Sels. | USA |
| JPMORGAN CHASE BANK, N.A., LONDON | 758 877 | 2,27% | 1,76% | Nom. | GBR |
| ARMOR CAPITAL OFFSHORE MASTER, LTD | 745 177 | 2,23% | 1,73% | Sels. | CYM |
| MUST INVEST AS | 708 520 | 2,12% | 1,65% | Sels. | NOR |
| SPAREBANKEN VEST | 700 000 | 2,09% | 1,63% | Sels. | NOR |
| SUNDT AS | 657 500 | 1,97% | 1,53% | Sels. | NOR |
| MP PENSJON PK | 632 389 | 1,89% | 1,47% | Sels. | NOR |
| NORDEA NORDIC SMALL CAP FUND | 594 841 | 1,78% | 1,38% | Sels. | FIN |
| GOTHIC CORPORATION | 581 731 | 1,74% | 1,35% | Sels. | USA |
| J.P. MORGAN BANK LUXEMBOURG S.A. | 550 007 | 1,65% | 1,28% | Nom. | LUX |
| Antall aksjer hos de 20 største | 33 426 920 | 100% | 77,73% | | |
| Totalt antall aksjer | 43 004 000 | | 100% | | |

Share price Oslo Børs VPS Holding ASA



