

# ***Oslo Børs VPS Holding ASA 1st Quarter 2015***

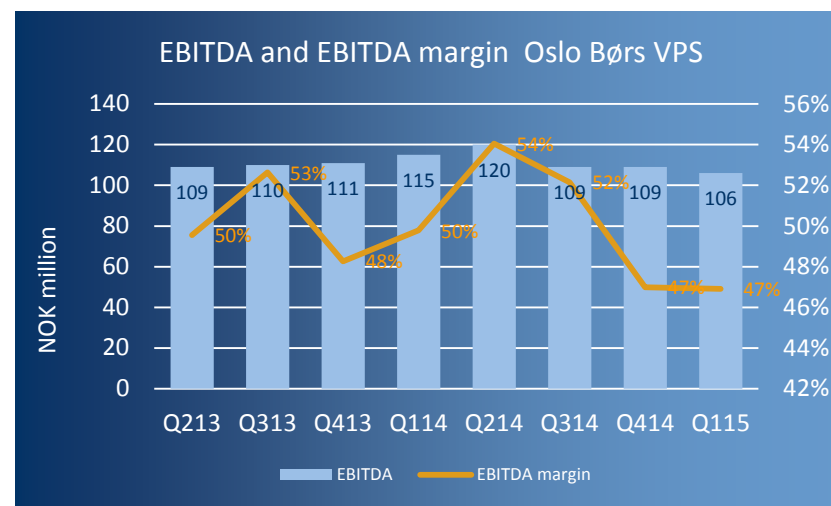
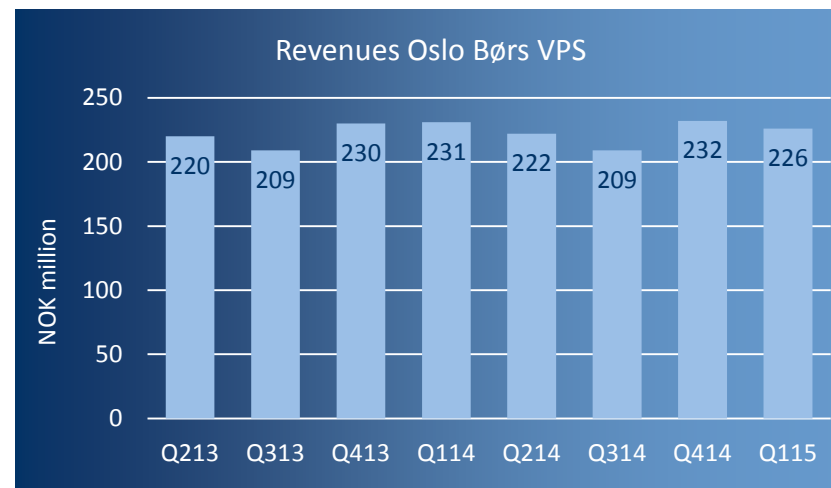
30 April 2015

## *1st quarter at a glance*

- Good level of trading activity continued in the first quarter
- Share trading volume up by 16% from the first quarter of 2014
- Continuing strong interest in admission of both shares and bonds to stock exchange listing
- Three new companies admitted to listing in the quarter
- New record set for the number of listed bonds and certificates
- Launch of 20 new bond indices
- Planned launch of Oslo Børs Mid Cap Index
- Launch of North Sea dark pool in April
- Oslo Børs has launched list for green bonds
- Trading on Burgundy to be discontinued as of May 1
- Intention to make dividend payments twice a year (June and December)

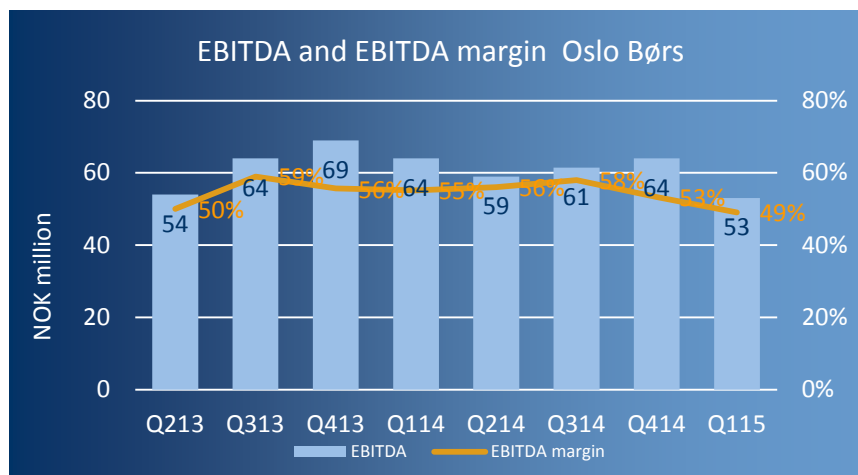
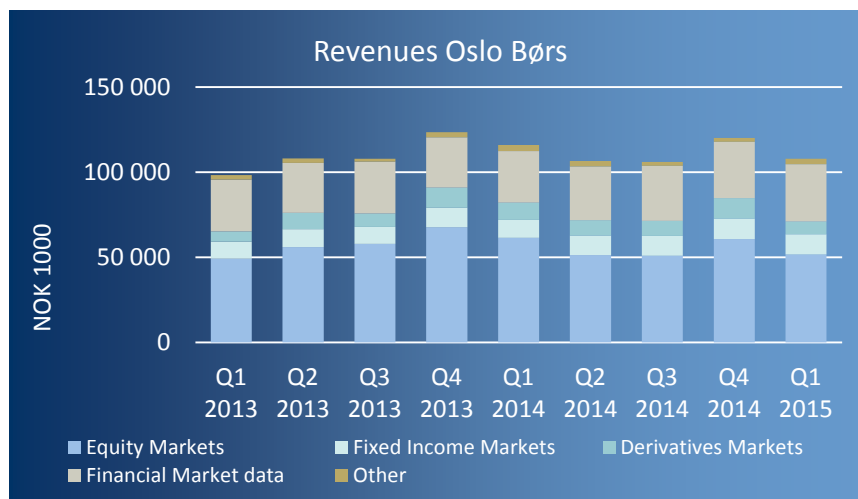
# 1st quarter at a glance

- Revenues down NOK 5 million to NOK 226 million from Q114
  - After correction for Burgundy – organic growth NOK 2 million
- Expenses up NOK 5 million to NOK 121 million from Q114
  - Salary and price increases
  - Technology upgrades
- EBITDA down NOK 10 million from Q114
  - After correction for Burgundy – down NOK 3 million



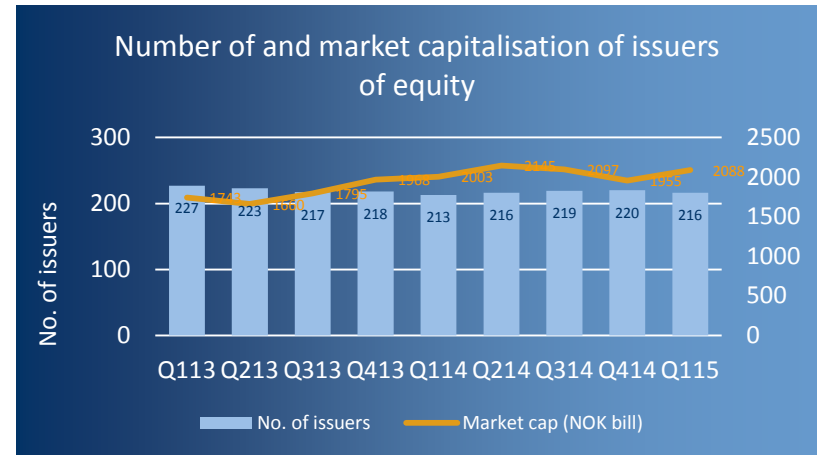
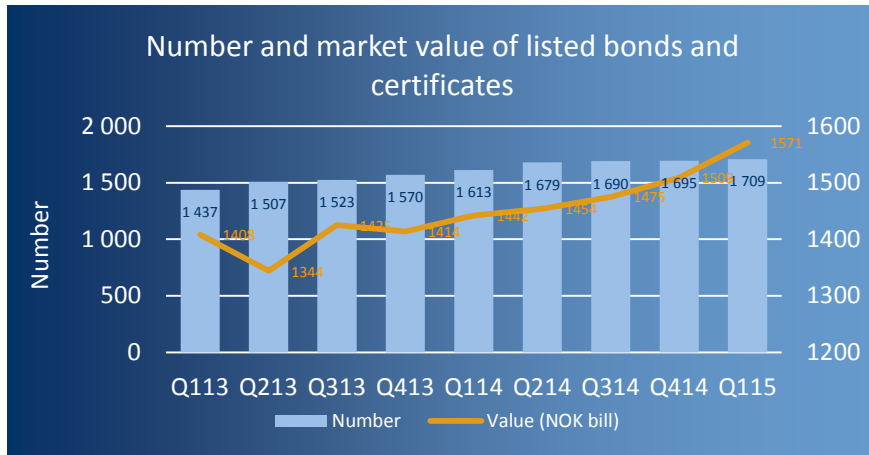
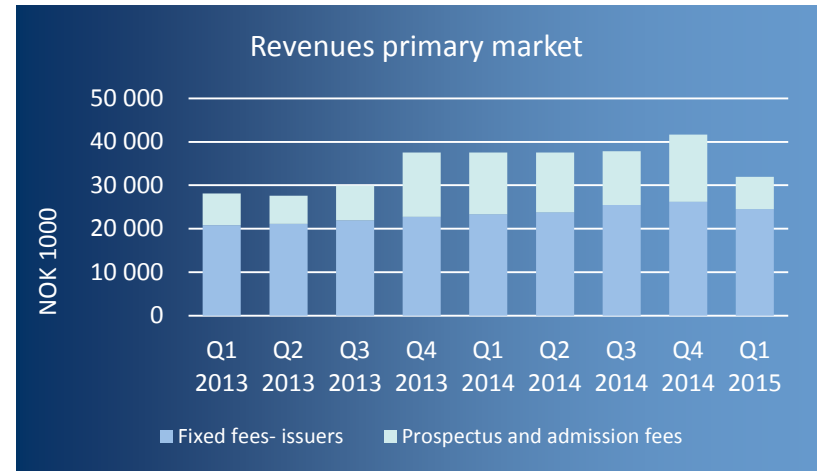
# Oslo Børs

- Revenues down 7% or NOK 8 million to NOK 108 million from Q114
  - Down 1% or NOK 1 million adjusted for Burgundy
- EBITDA down 17% or NOK 11 million to NOK 53 million from Q114
  - Down 7% or NOK 4 million adjusted for Burgundy



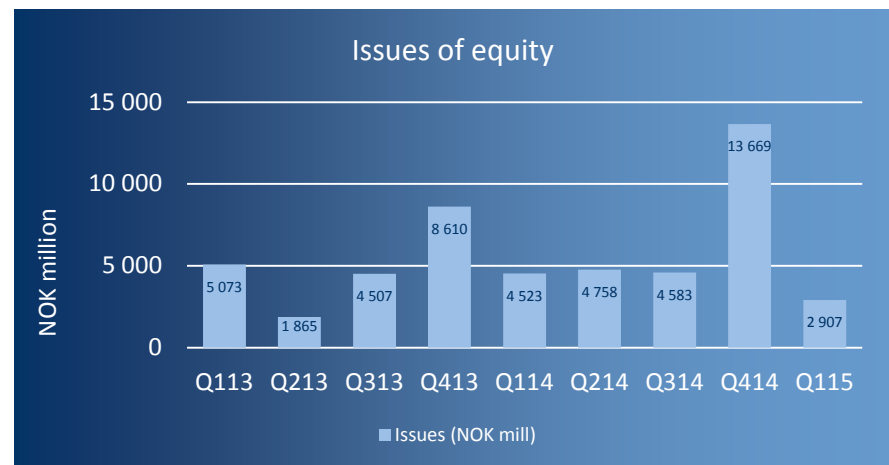
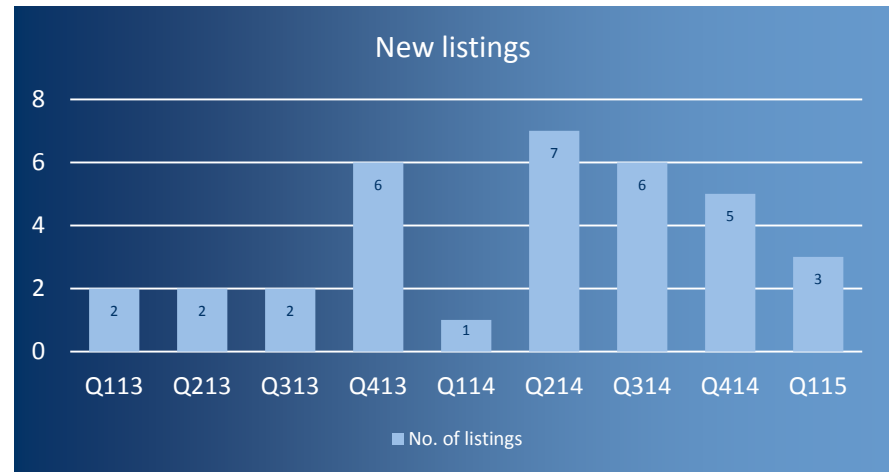
# Oslo Børs – primary market

- Steady increase in number of listed bonds and certificates
- Fixed fees from issuers up 5% from Q114
- Fixed fees driven by number of issuers and market capitalisation January 1
- Market cap. issuers 2015 down 1% from 2014



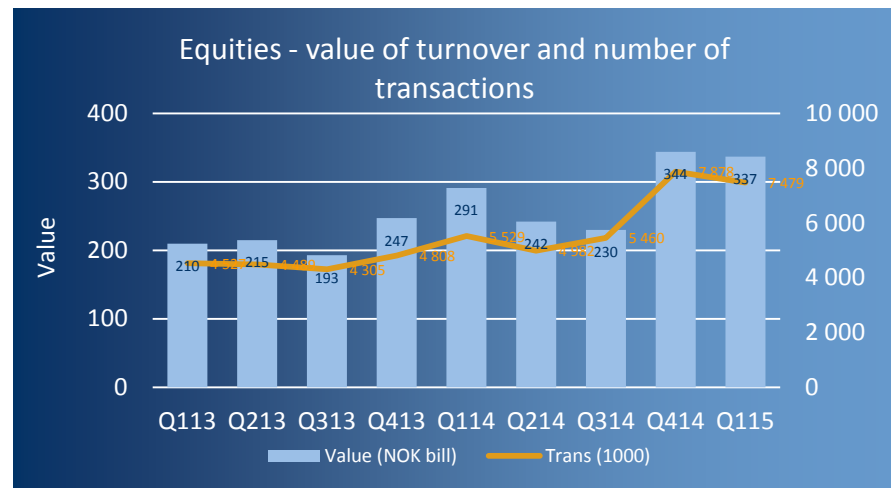
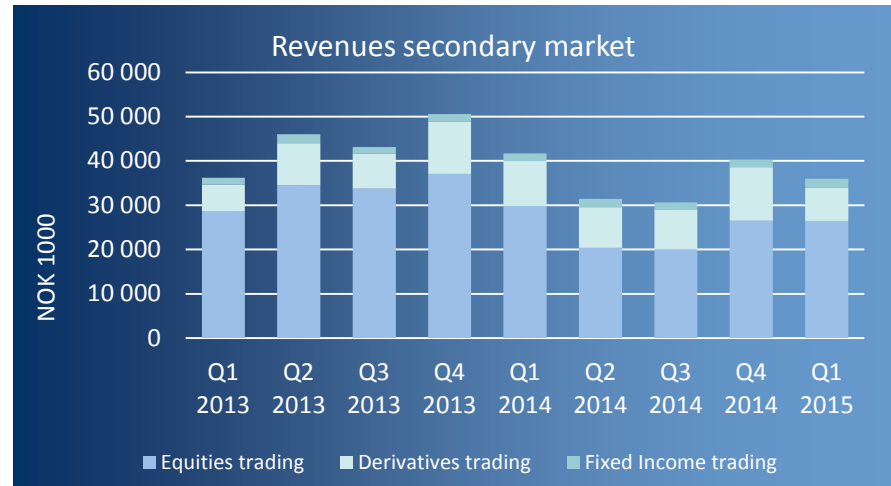
## Oslo Børs – primary market

- Prospectus and admission fees down NOK 7 million to NOK 7 million in Q115
- Revenues driven by number and size of IPOs and issues
- Three new listings in Q115
- Continued interest for listing of both equities and fixed income



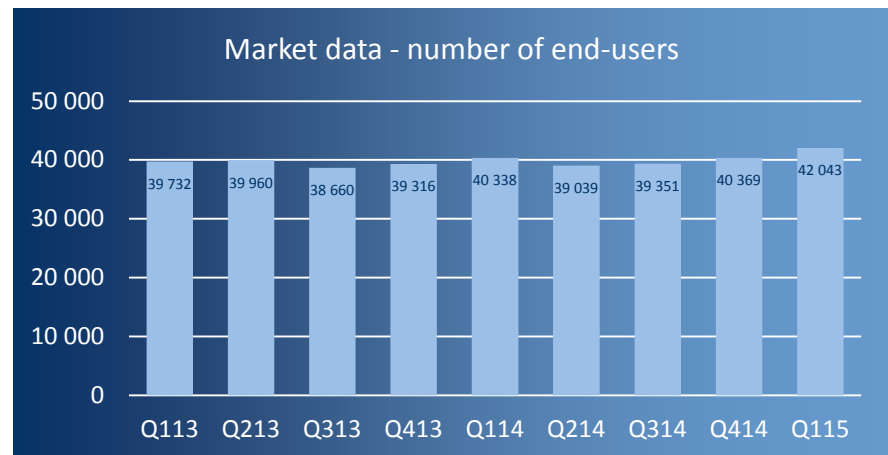
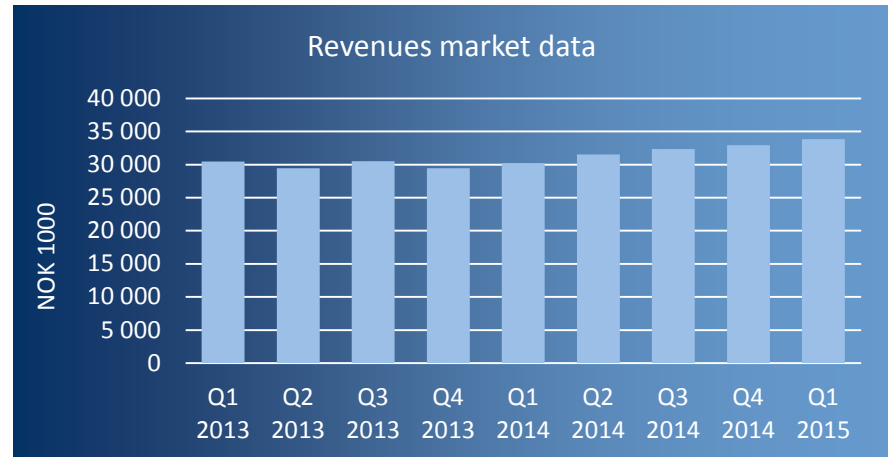
# Oslo Børs – secondary market

- Revenues from trading on Oslo Børs and Fish Pool up NOK 1 million from Q114
- Revenues from Burgundy NOK 7 million in Q114
- Value of equity turnover on Oslo Børs up 16% from Q114
  - Revenues up NOK 4 million
- Derivatives revenues driven by activity level and composition of derivatives trading
  - No of contracts on Oslo Børs down 26% from Q114
  - Volume on Fish Pool down 90% from Q114
  - Revenues down 25% or NOK 3 million from Q114



## Oslo Børs – market data

- Revenues up NOK 4 million or 12% from Q114
- Revenues primarily driven by number of professional end users of data from Oslo Børs
- Professional users estimated up 10% from Q114





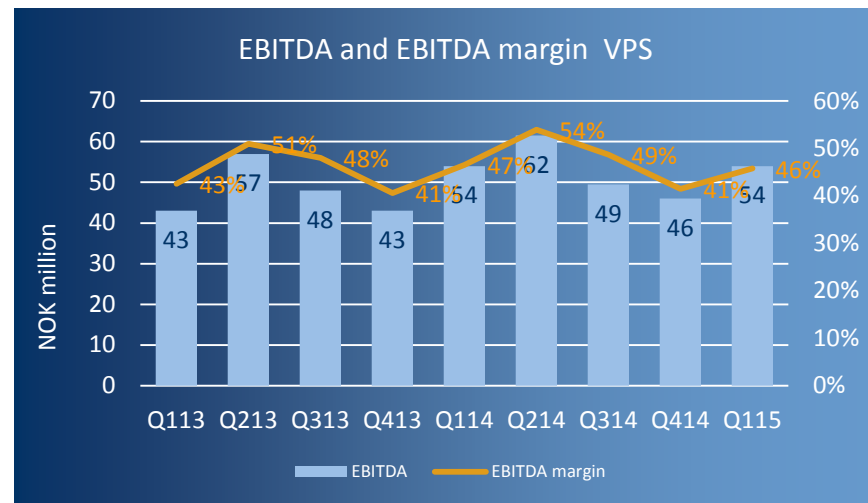
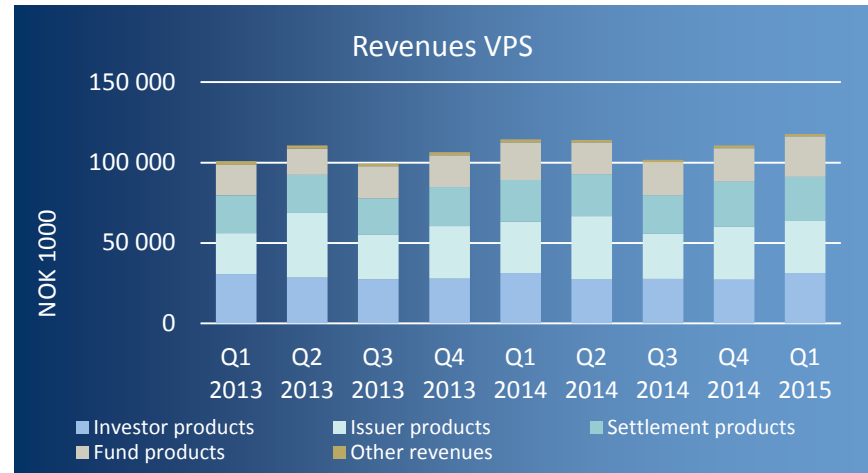
# Key market activities

- Market activities to attract issuers
  - Domestic and international
  - Equities and fixed income
  - MIFID II – opportunity for new products and services
- Common marketing activities with Fish Pool
  - Listings on Oslo Børs
  - Trading on Fish Pool
- Nordic ABM
  - Nordic bond offering for high yield bonds
- Continuous improvement of microstructure
  - Marketplace rules, pricing structure, technology, networks and products
- Efficient post trade
  - Choice of Oslo Clearing and LCH.Clearnet as clearing provider



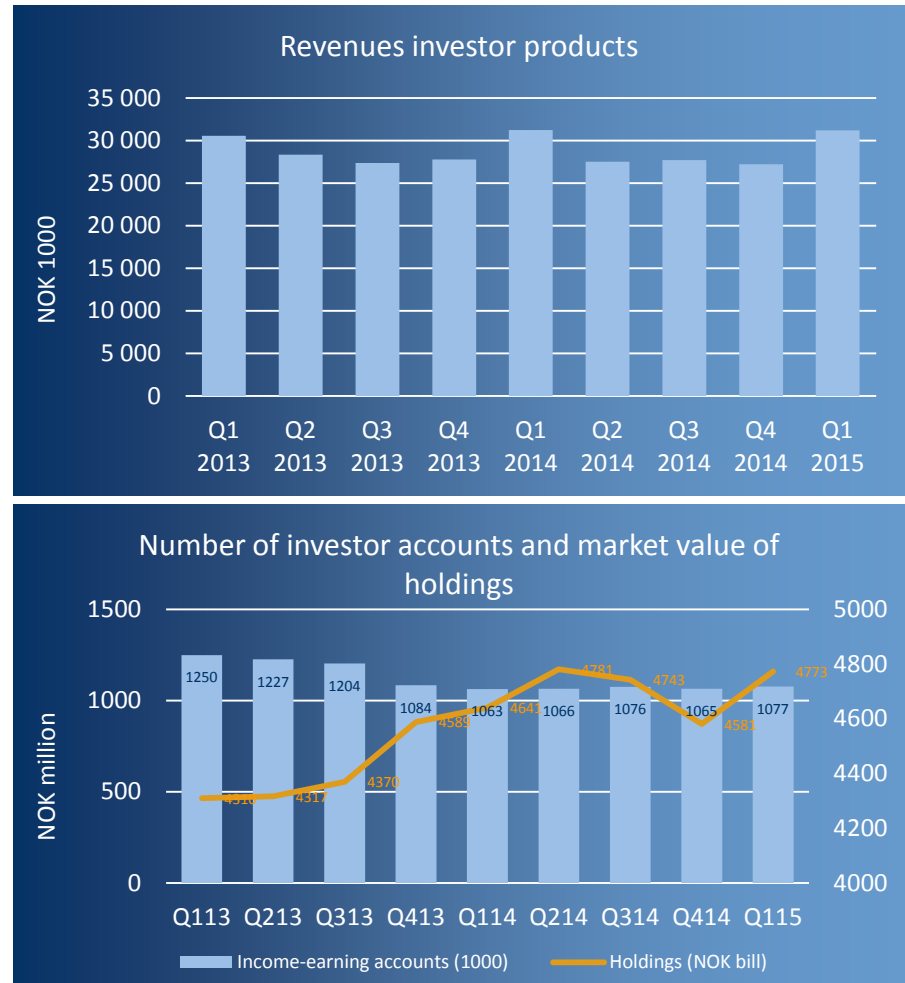
# VPS

- Revenues up NOK 3 million or 3% to NOK 118 million from Q114
- EBITDA up NOK 1 million or 1% to NOK 54 million from Q114
- Modernisation of core IT-system on track



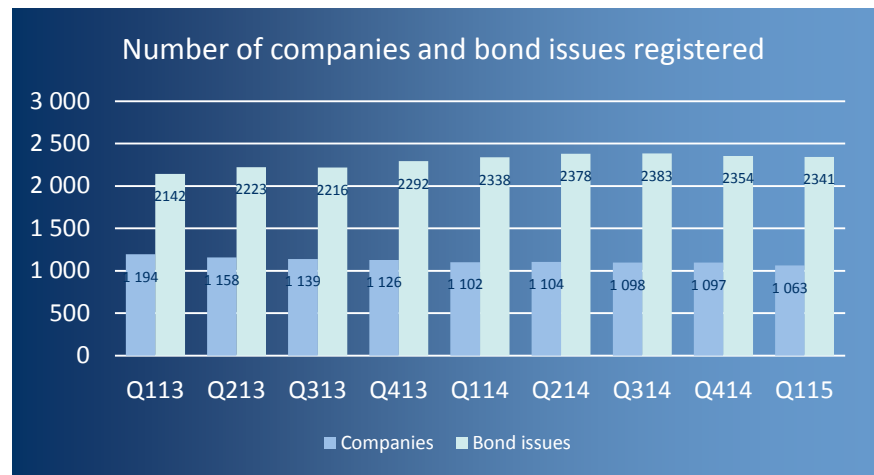
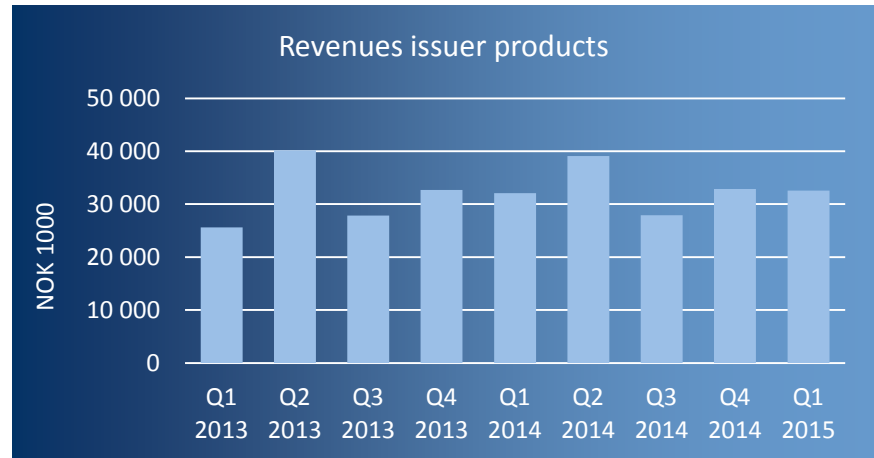
# VPS – investor products

- Revenues in line with Q114
- Revenues primarily driven by number of VPS accounts and market value of holdings  
January 1
  - Accounts and holdings in level with 2014



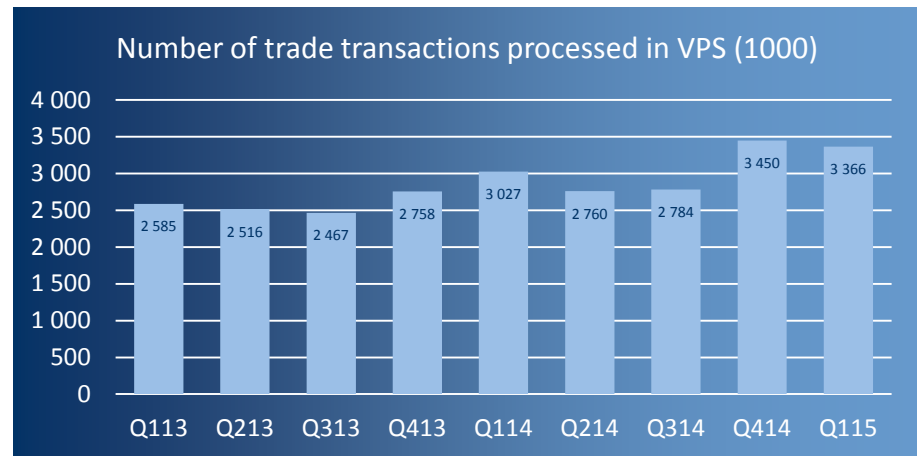
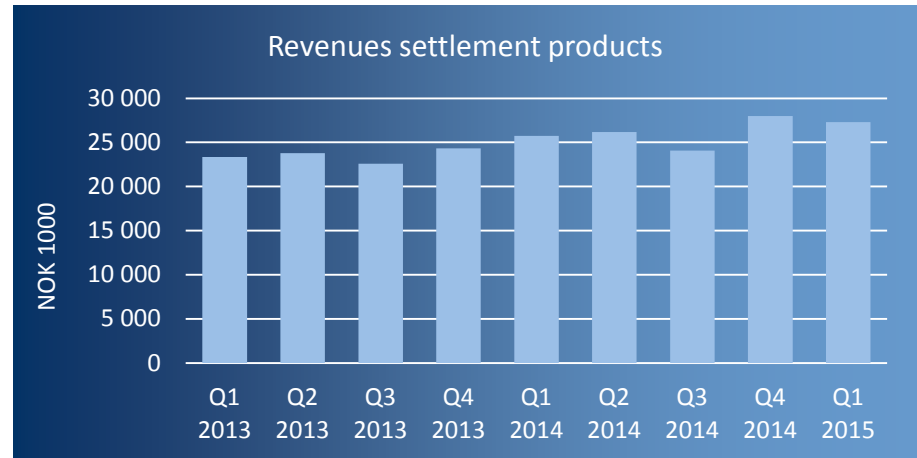
# VPS – issuer products

- Revenues in line with Q114
- 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



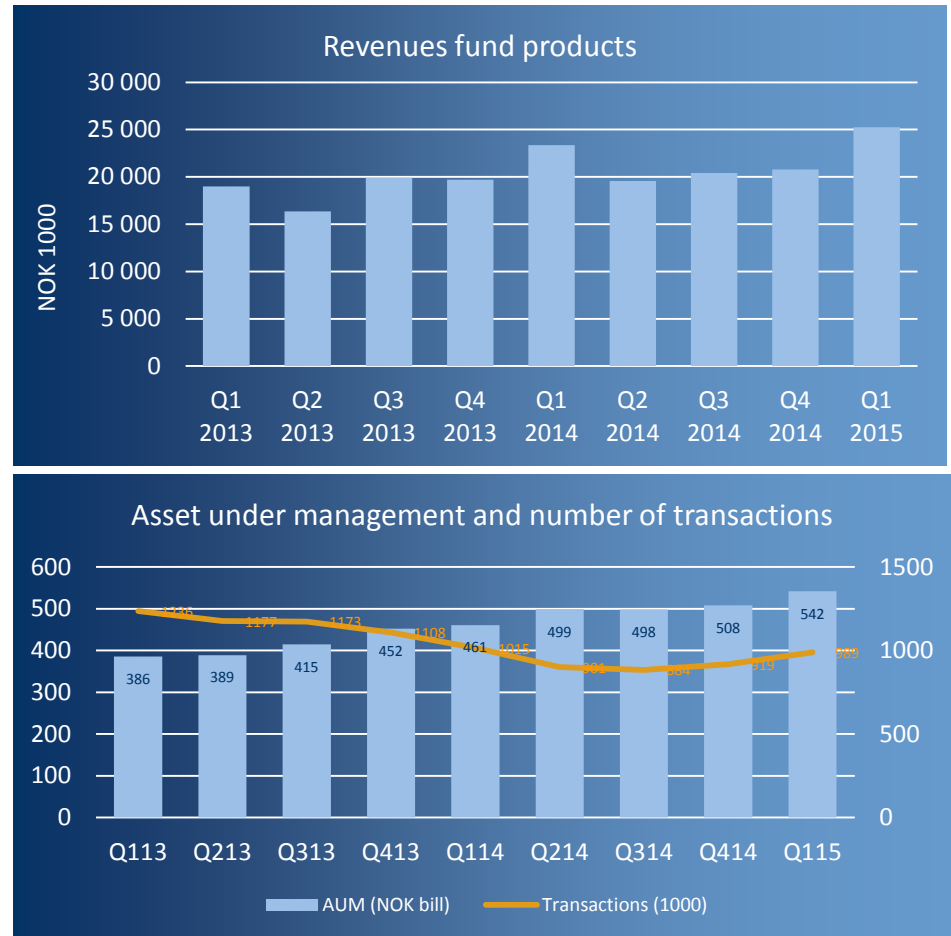
## VPS – settlement products

- Revenues up 6% to NOK 27 million in Q115
- Revenues driven by number of participants and number of settlement transactions



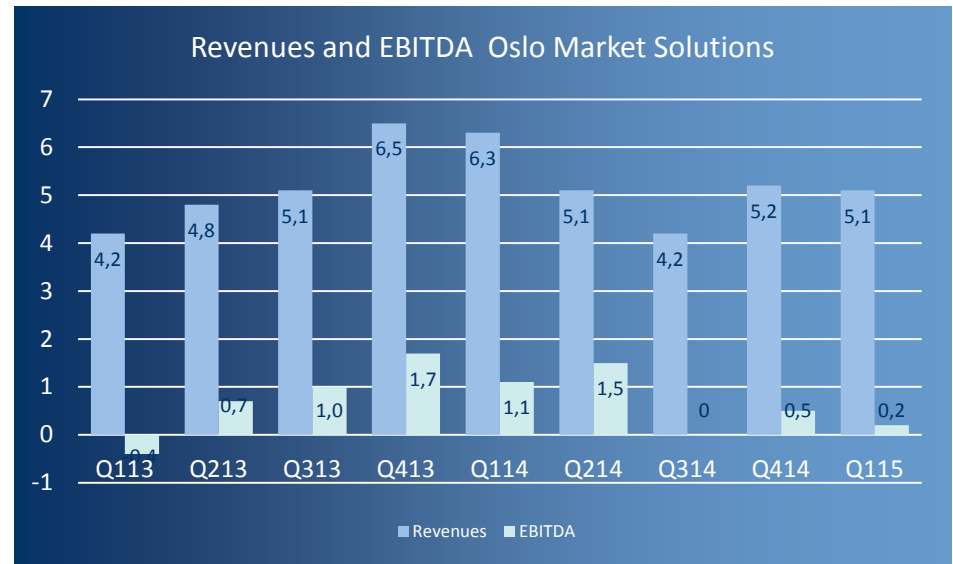
## VPS – fund products

- Revenues in Q115 up NOK 2 million from Q114
- Evolution up NOK 2 million
- Revenues in VPS primarily driven by assets under management and number of transactions
- Nordic Fund Managers and distributors still attractive customers for VPS
- However, strong competition from international providers and internal IT in targeted 14 markets



# Oslo Market Solutions

- Revenues down NOK 1.2 million from Q114
- EBITDA down NOK 1 million from Q114



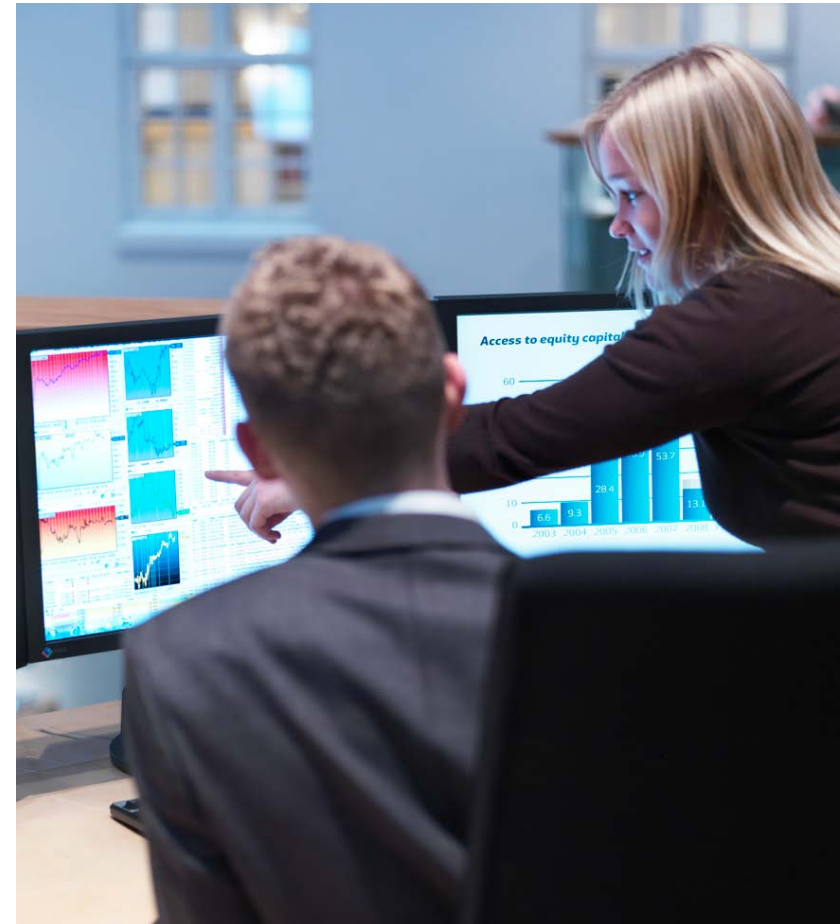
# *European regulation – implications*

- MiFID II and MiFIR
  - More level playing field and increased transparency – expected into force January 2017
- CSD-Regulation
  - Published in Official Journal in September
  - CSDs must comply with regulation and apply for authorisation in 2016
  - Increased competition cross-border



# Summary

- Continued good activity in the capital markets
- Continued 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, e.g. Cairo in Norway
  - Strengthen competitive position in secondary market
  - Successful execution of projects
    - modernisation of VPS IT



# *Appendix*

# P&L

	1st Quarter 2015	1st Quarter 2014	Change in %	2014
		<i>Restated</i>		
<b>Operating revenues</b>	<b>226 231</b>	<b>230 839</b>	<b>-2 %</b>	<b>892 742</b>
<b>Operating expenses</b>				
Capitalisation of internal resources	0	-1 451		-1 709
Salary and other personnel expenses	71 214	68 420		261 573
Other operating expenses	49 379	47 196		178 252
Depreciations and write-downs	13 178	12 134		47 527
Amortisations	815	20 963		83 853
<b>Operating expenses before capitalisation of internal resources, depreciations and amortisations</b>	<b>120 593</b>	<b>115 616</b>	<b>4 %</b>	<b>439 825</b>
<b>Total operating expenses</b>	<b>134 586</b>	<b>147 262</b>	<b>-9 %</b>	<b>569 496</b>
<b>EBITDA</b>	<b>105 638</b>	<b>115 223</b>	<b>-8 %</b>	<b>452 917</b>
<b>Operating profit (EBIT)</b>	<b>91 645</b>	<b>83 577</b>	<b>10 %</b>	<b>323 246</b>
Net financial items	3 650	2 562		19 284
<b>Ordinary pre-tax profit</b>	<b>95 295</b>	<b>86 139</b>		<b>342 530</b>
Tax	25 088	23 039		90 482
<b>Earnings for the period - continued operations</b>	<b>70 207</b>	<b>63 100</b>	<b>11 %</b>	<b>252 048</b>
Earnings for the period - discontinued operations	0	3 366	-100 %	52 078
<b>Earnings for the period</b>	<b>70 207</b>	<b>66 466</b>	<b>6 %</b>	<b>304 126</b>
Actuarial gains/losses defined benefit pension plans	0	0		-21 055
Tax-effect	0	0		5 685
<b>Total comprehensive income</b>	<b>70 207</b>	<b>66 466</b>	<b>6 %</b>	<b>288 756</b>
Earnings per share (NOK) - continued operations	1,63	1,47	11 %	5,86
Diluted earnings per share (NOK) - continued operations	1,63	1,47	11 %	5,86
Earnings per share (NOK) - discontinued operations	0,00	0,08	-100 %	1,21
Diluted earnings per share (NOK) - discontinued operations	0,00	0,08	-100 %	1,21
Earnings per share (NOK) before amorisations	1,65	1,90	-13 %	8,50

## Breakdown revenues – Oslo Børs segment

### OSLO BØRS

Revenues per area	Q1 2015	Q1 2014	2014
Equity Markets	51 816	61 549	224 887
Fixed Income Markets	11 791	10 552	45 419
Derivatives Markets	7 539	10 104	40 262
Financial Market data	33 580	30 229	127 074
Other	3 244	3 627	11 373
<b>Total Oslo Børs</b>	<b>107 971</b>	<b>116 061</b>	<b>449 014</b>

Revenues per category	Q1 2015	Q1 2014	2014
Fixed fees- issuers	24 510	23 314	98 746
Trading fees	35 987	41 687	144 004
Prospectus and admission fees	7 400	14 193	55 696
Financial market data	33 580	30 229	127 074
Other income	6 494	6 638	23 496
<b>Total Oslo Børs</b>	<b>107 971</b>	<b>116 061</b>	<b>449 014</b>

## *Breakdown revenues – VPS segment*

<b>VPS</b>	<b>Q1 2015</b>	<b>Q1 2014</b>	<b>2014</b>
Investor products	31 211	31 256	113 739
Issuer products	32 558	32 061	131 920
Settlement products	27 293	25 753	104 003
Fund products	25 262	23 349	84 137
Other revenues	1 530	2 070	6 970
<b>Total VPS</b>	<b>117 854</b>	<b>114 489</b>	<b>440 769</b>

# Balance sheet

	31 March 2015	31 March 2014	31 Dec 2014
<b>Fixed assets</b>			
IT-systems	87 942	159 190	89 082
Customer relations	-	11 604	-
Registrations	9 700	13 500	9 700
Goodwill	500 988	498 381	500 988
Deferred tax assets	59 580	59 307	59 580
Tangible assets	57 773	55 128	59 120
Financial fixed assets	18 034	15 645	18 034
<b>Current assets</b>			
Market value of outstanding derivatives	-	373 353	-
Receivables	106 312	123 635	93 903
Treasury bills and bonds	-	446 524	-
Cash and cash equivalents	937 725	1 992 274	781 217
<b>Assets</b>	<b>1 778 054</b>	<b>3 748 541</b>	<b>1 611 624</b>
<b>Equity</b>			
Contributed equity	1 246 137	1 448 257	1 176 298
Non-controlling interests	603	1 126	1 132
Total equity	1 246 740	1 449 383	1 177 430
<b>Liabilities</b>			
Pension liabilities	167 832	146 354	167 711
Deferred tax liabilities	4 772	23 336	4 951
Cash collateral	-	1 420 352	-
Market value of outstanding derivatives	-	373 353	-
Current liabilities	358 710	335 763	261 532
<b>22 Equity and liabilities</b>	<b>1 778 054</b>	<b>3 748 541</b>	<b>1 611 624</b>

# Cash flow

	1st Quarter 2015	1st Quarter 2014	2014
<b>Cash flow from</b>			
- <i>operational activities</i>	164 901	174 669	382 344
- <i>investment activities</i>	-7 776	247 487	-676 373
- investments in systems and tangible assets	-11 506	-5 418	-33 343
- investments in subsidiaries	0	0	62 588
- investments in treasury bills and bonds	0	-83 612	362 912
- received cash collateral from members	0	330 277	-1 090 075
- financial income	3 730	6 240	21 545
- <i>financing activities</i>	-617	-1 172	-496 044
<b>Cash and cash equivalents at period's start</b>	<b>781 217</b>	<b>1 571 290</b>	<b>1 571 290</b>
Change in cash and cash equivalents	156 508	420 984	-790 073
<b>Cash and cash equivalents at period's end</b>	<b>937 725</b>	<b>1 992 274</b>	<b>781 217</b>
<b>Cash flow per share (NOK)</b>	<b>3,64</b>	<b>9,79</b>	<b>-18,37</b>
Treasury bills, bonds and bank deposits	937 725	2 438 798	781 217
Cash collateral from members	0	1 420 352	0
Net after deduction for cash collateral from members	937 725	1 018 446	781 217

# Equity

	31 Mar 2015	31 Mar 2014	2014
<b>Equity at period's start</b>	1 177 430	<b>1 382 670</b>	<b>1 382 670</b>
Total comprehensive income	70 207	66 466	304 126
Dividends	0	0	-494 504
Purchase of own shares	-537	356	196
Actuarial gains/losses in the period	0	0	-15 370
Change in non-controlling interests	-360	-110	312
<b>Equity at period's end</b>	<b>1 246 740</b>	<b>1 449 383</b>	<b>1 177 430</b>



# Largest shareholders 20 April 2015

Investor	Number of shares	% of top 20	% of total	Type	Country
DNB LIVSFORSIKRING ASA	8,522,045	24.88%	19.82%	Comp.	NOR
KOMMUNAL LANDSPENSJONSKASSE	4,300,200	12.56%	10.00%	Comp.	NOR
PARETO AS	3,662,230	10.69%	8.52%	Comp.	NOR
RBC INVESTOR SERVICES TRUST	2,403,396	7.02%	5.59%	Nom.	GBR
JP MORGAN CLEARING CORP.	2,125,809	6.21%	4.94%	Nom.	USA
ARENDALS FOSSEKOMPANI ASA	1,996,000	5.83%	4.64%	Comp.	NOR
THE NORTHERN TRUST CO.	1,181,214	3.45%	2.75%	Nom.	GBR
THE BANK OF NEW YORK MELLON	1,115,601	3.26%	2.59%	Nom.	USA
ARMOR QUALIFIED, LP	998,901	2.92%	2.32%	Comp.	USA
FRANKLIN MUTUAL SERIES FUNDS - FRA	911,000	2.66%	2.12%	Comp.	USA
TAIGA INVESTMENT FUNDS PLC-TAIGA F	879,521	2.57%	2.05%	Comp.	IRL
ARMOR CAPITAL PARTNERS, LP	872,327	2.55%	2.03%	Comp.	USA
ARMOR CAPITAL OFFSHORE MASTER, LTD	763,874	2.23%	1.78%	Comp.	CYM
MUST INVEST AS	708,520	2.07%	1.65%	Comp.	NOR
MORGAN STANLEY & CO. INTERNATIONAL	701,306	2.05%	1.63%	Nom.	GBR
SPAREBANKEN VEST	700,000	2.04%	1.63%	Comp.	NOR
SUNDT AS	657,500	1.92%	1.53%	Comp.	NOR
J.P. MORGAN BANK LUXEMBOURG SA	622,000	1.82%	1.45%	Nom.	LUX
NORDEA NORDIC SMALL CAP FUND	594,841	1.74%	1.38%	Comp.	FIN
UBS AG, LONDON BRANCH	530,000	1.55%	1.23%	Nom.	GBR
<b>Total number owned by top 20</b>	<b>34,246,285</b>	<b>100%</b>	<b>79.64%</b>		
<b>Total number of shares</b>	<b>43,004,000</b>		<b>100%</b>		

# Share price Oslo Børs VPS Holding ASA



