

OSLO BØRS VPS

1st quarter 2018

Oslo Børs VPS Holding ASA

26 APRIL 2018

1st quarter at a glance

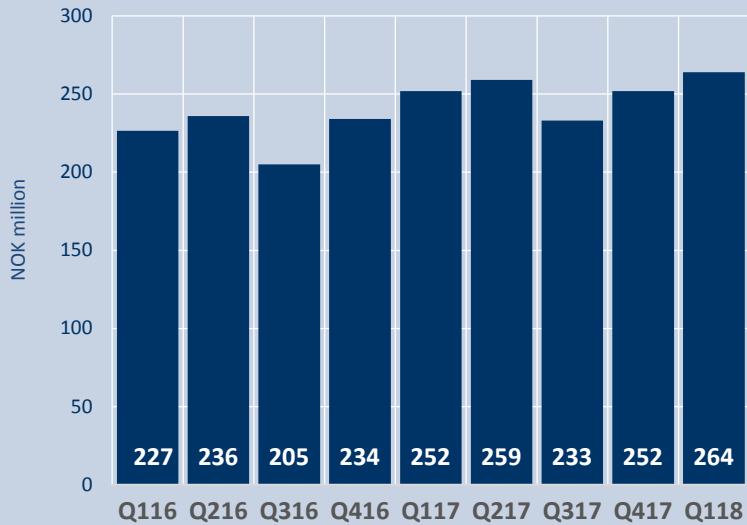
OSLO BØRS VPS

- Continued high level of activity in both the primary and secondary markets
- Six companies admitted to listing on Oslo Børs/Oslo Axess/Merkur Market - 37 new equity issuers registered with VPS
- 143 new fixed income issues admitted to listing and 445 new fixed income issues registered with VPS
- Number of VPS securities accounts up 11% relative to the first quarter of 2017
- Value of shares traded up 11% relative to the first quarter of 2017 – market share in OBX up from 57% to 62%

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Revenues Oslo Børs VPS

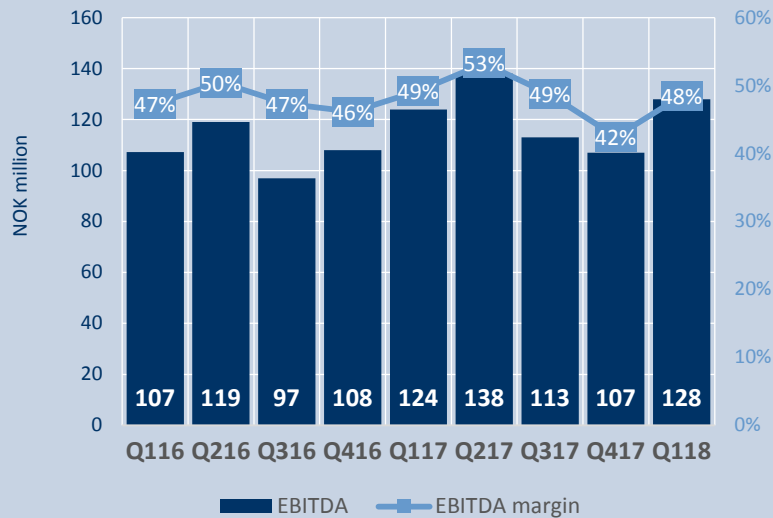


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1st quarter at a glance

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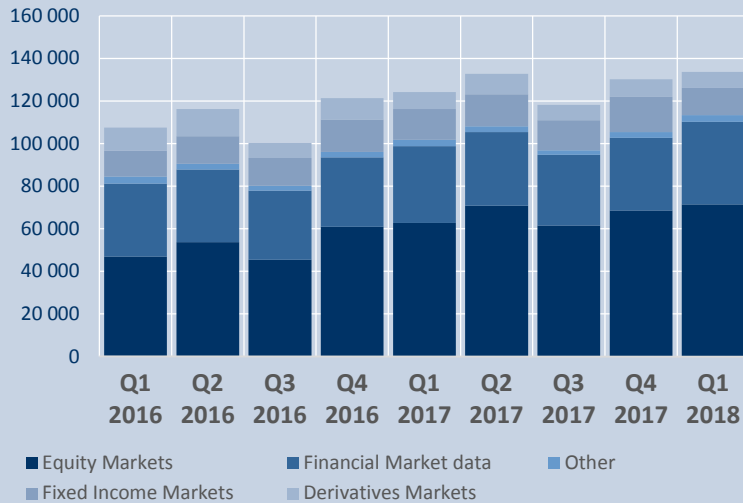
EBITDA and EBITDA-margin Oslo Børs VPS



- Revenues up NOK 12 million to 264 million from Q117
- Expenses up NOK 8 million to NOK 136 million from Q117
- EBITDA up NOK 4 million to NOK 128 million from Q117

Oslo Børs

Revenues Oslo Børs, NOK 1000

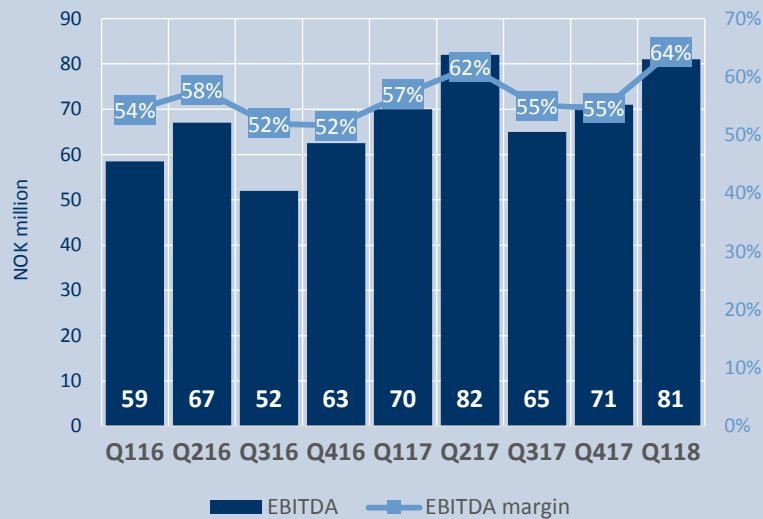


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Revenues and EBITDA

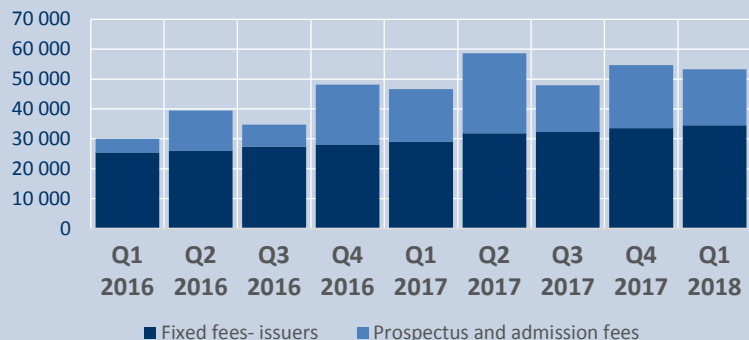
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EBITDA and EBITDA-margin Oslo Børs

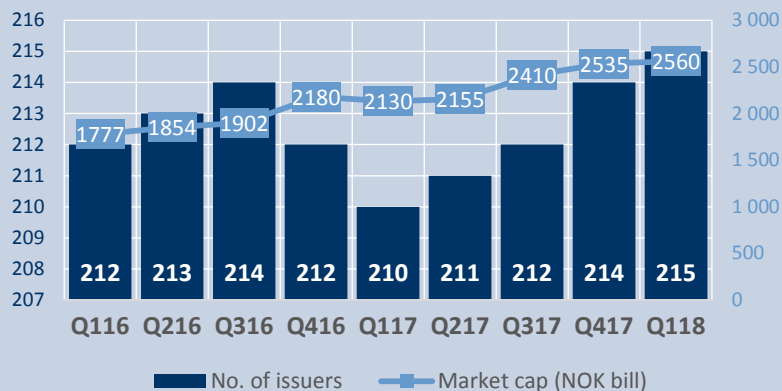


- Revenues up NOK 10 million to NOK 134 million from Q117
- EBITDA up NOK 11 million to NOK 81 million from Q117

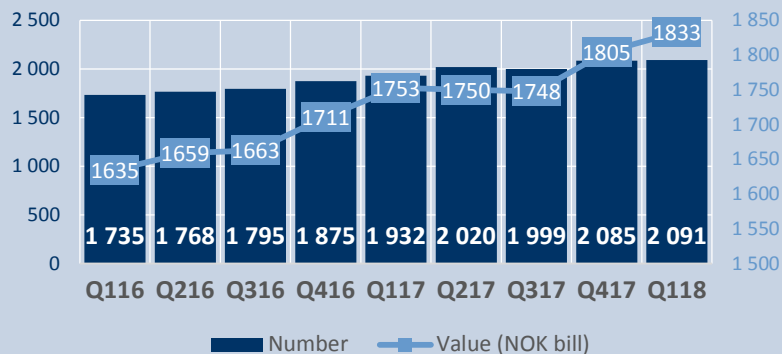
Revenues primary market, NOK 1000



Listed equities



Listed bonds and certificates



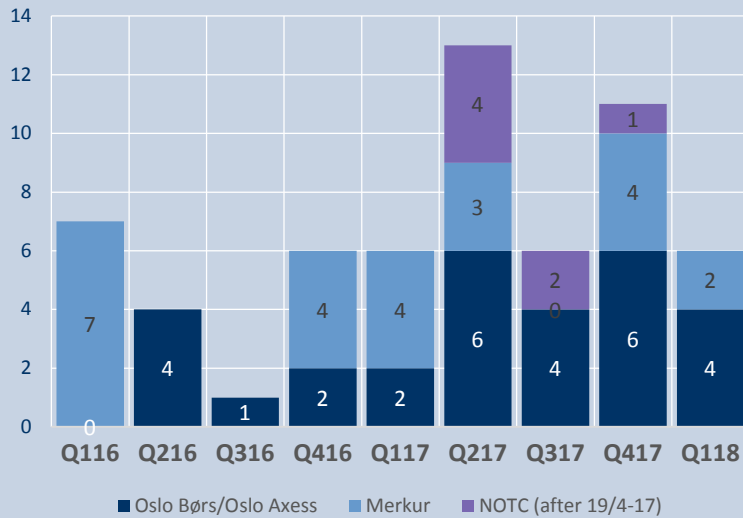
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Primary market

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- Steady increase in number of listed bonds and certificates
- Fixed fees from issuers NOK 35 million – up NOK 6 million from Q117
- Fixed fees driven by number of issuers and market capitalisation January 1
- Market cap. equity issuers 1 January 2018 up 16% from 2017

New listings

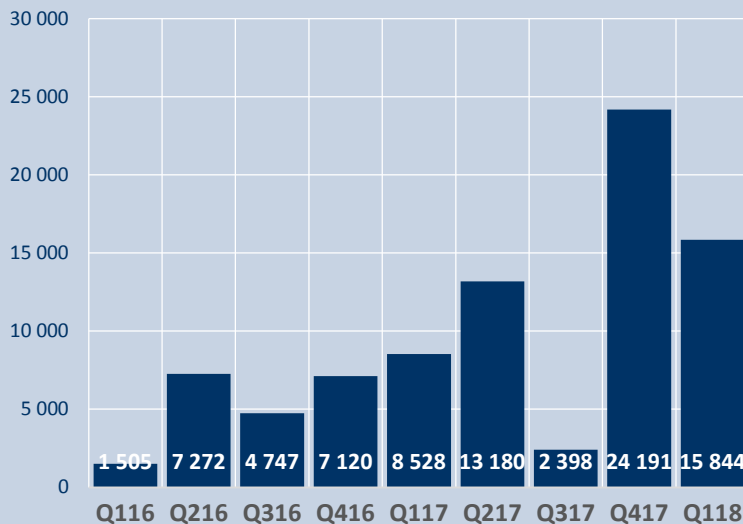


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Primary market equities

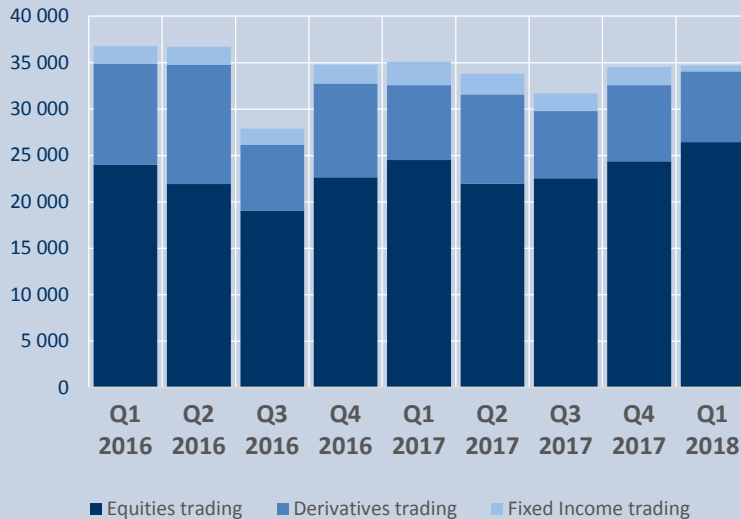
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Issues of equity, NOK mill

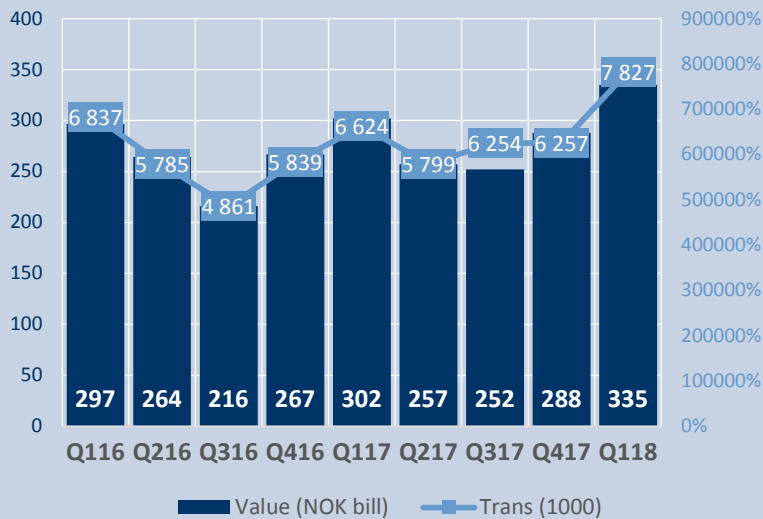


- Prospectus and admission up NOK 1 million to NOK 19 million from Q117
- Revenues driven by number and size of IPOs and issues
- Six new equity listing processes on Oslo Børs, Oslo Axess and Merkur Market in Q118
- Continued interest for listing of both equities and fixed income

Revenues secondary market



Equities: turnover and transactions



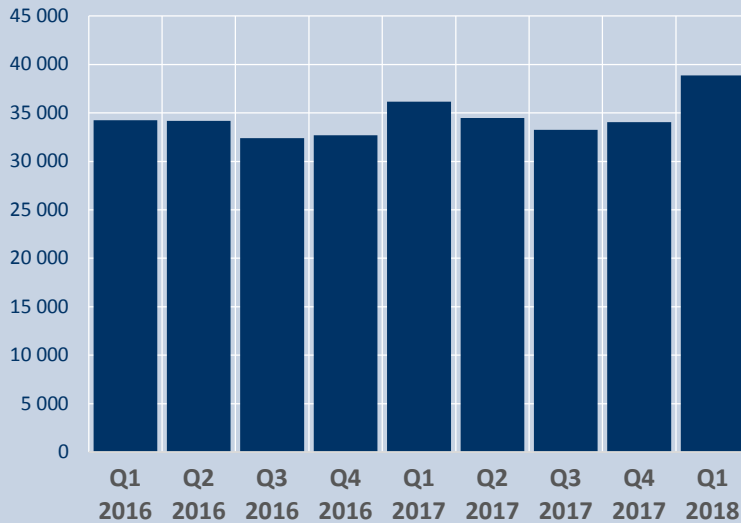
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Secondary market

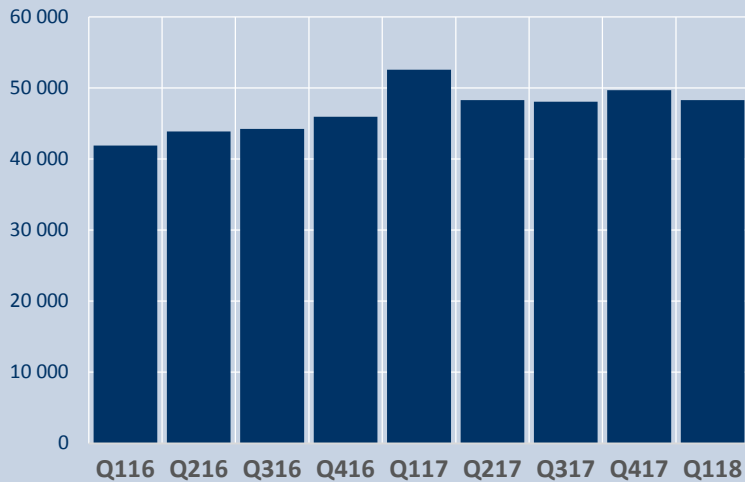
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- Revenues from trading on Oslo Børs and Fish Pool NOK 35 million – down NOK 0.5 million from Q117
- Value of equity turnover on Oslo Børs up 11% from Q117 - revenues up NOK 2 million
- Revenues from trading of bonds down NOK 2 million
- Derivatives revenues driven by activity level and composition of derivatives trading
- No of contracts on Oslo Børs up 23% from Q117
- Volume on Fish Pool down 20% from Q117
- Revenues down NOK 0.5 million

Revenues market data



Market data - number of end-users (professional and private)



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Market data

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- Revenues up NOK 3 million to NOK 39 million from Q117
- Revenues primarily driven by number of professional end users of data from Oslo Børs
- Reduction in number of users – most in number of private users
- Increase in non-display use of data



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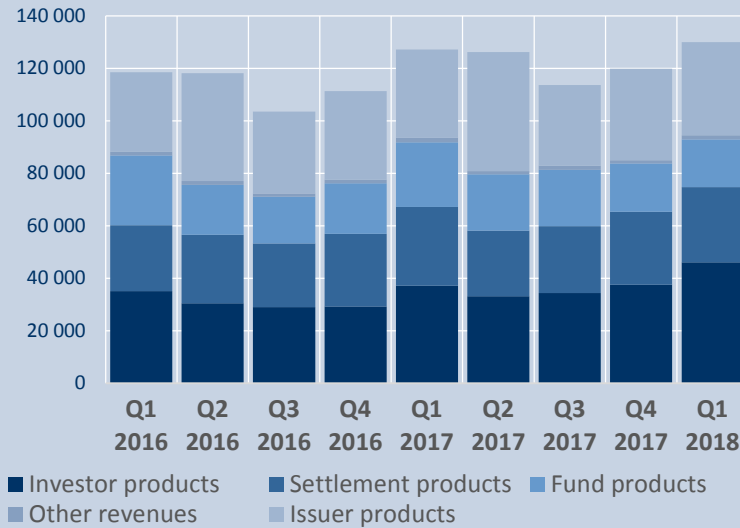
Key market activities

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- 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 Exchange update release 2018
- Modernising Newsweb
- Preparing for MAD/MAR
- EuroCCP will within Q218 be the third CCP clearing trades on Oslo Børs

VPS

Revenues VPS, NOK 1000



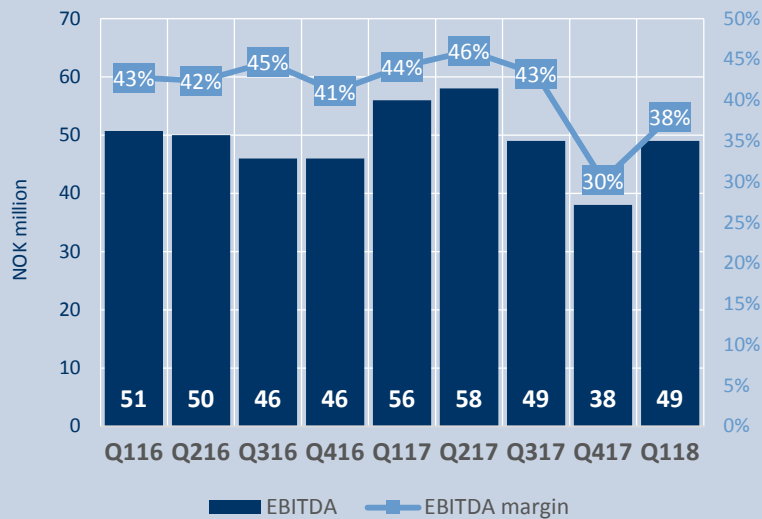
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Revenues and EBITDA

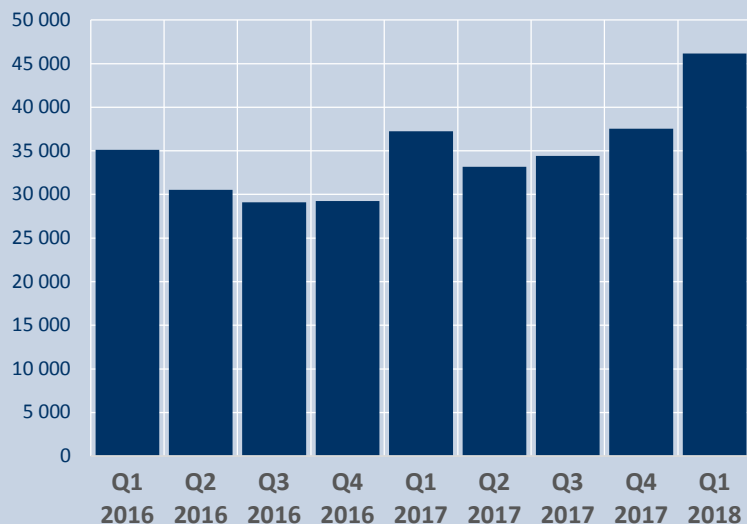
VPS

- Revenues up NOK 2 million to NOK 129 million from Q117
- EBITDA down NOK 6 million to NOK 49 million from Q117

EBITDA and EBITDA-margin VPS



Revenues investor products, NOK 1000

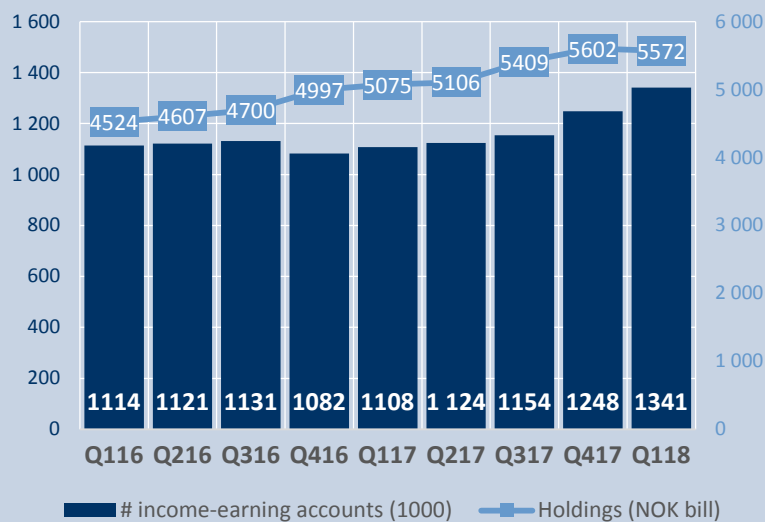


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Investor products

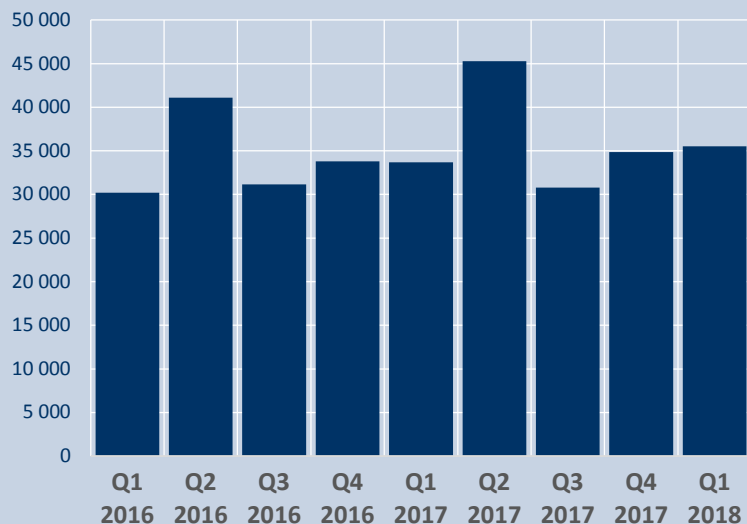
VPS

Investor accounts and value of holdings

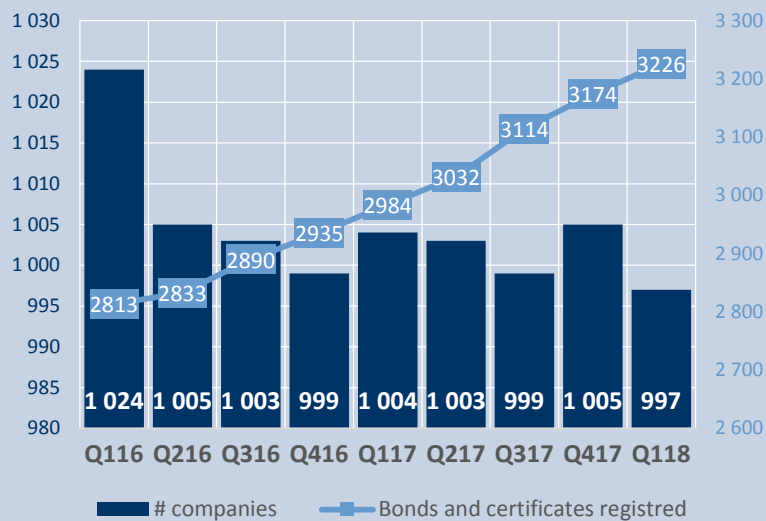


- Revenues up NOK 9 million to NOK 46 million from Q117
- Revenues primarily driven by number of VPS accounts and market value of holdings January 1
- Revenues from mutual funds – NOK 4 million i Q118
- Approximately 200.000 Share Savings Accounts established in VPS as end of Q118

Revenues issuer products, NOK 1000



Number of companies and issues



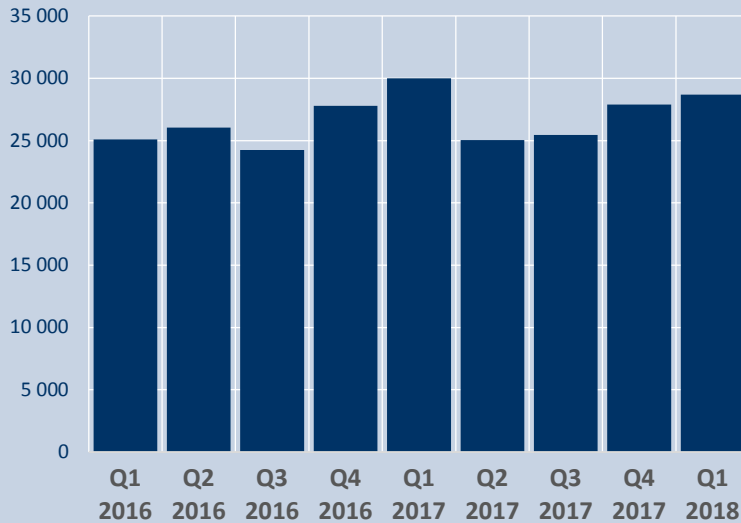
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Issuer products

VPS

- Revenues up NOK 2 million to NOK 36 million from Q117
- Revenues from mutual funds – NOK 1 million i Q118
- 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

Revenues settlement products, NOK 1000

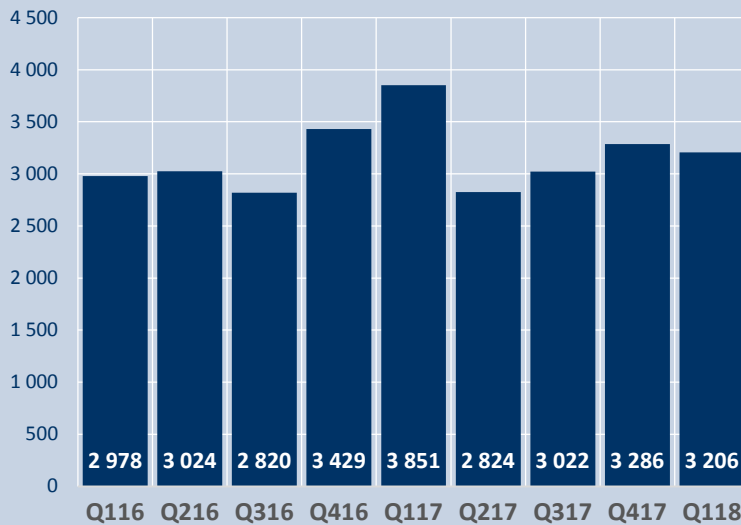


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Settlement products

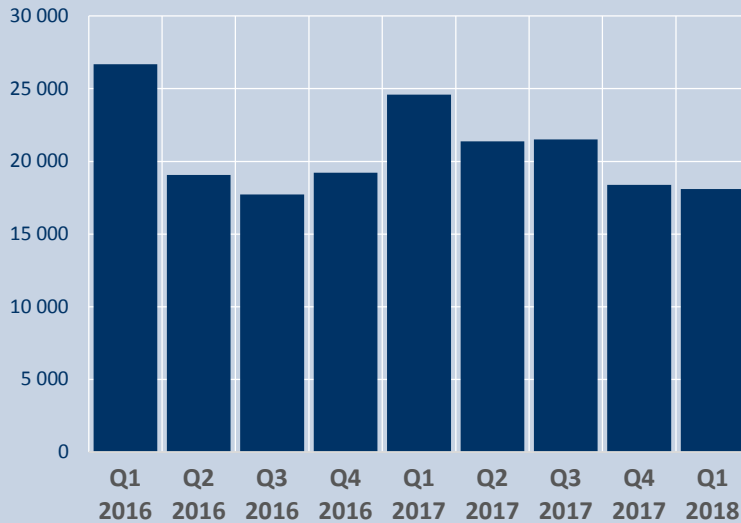
VPS

Number of trade transactions (1000)



- Revenues down NOK 1 million to NOK 29 million from Q117
- Revenues driven by number of participants and number of settlement transactions
- No of transactions processed down 17% from Q117

Revenues Centevo, NOK 1000

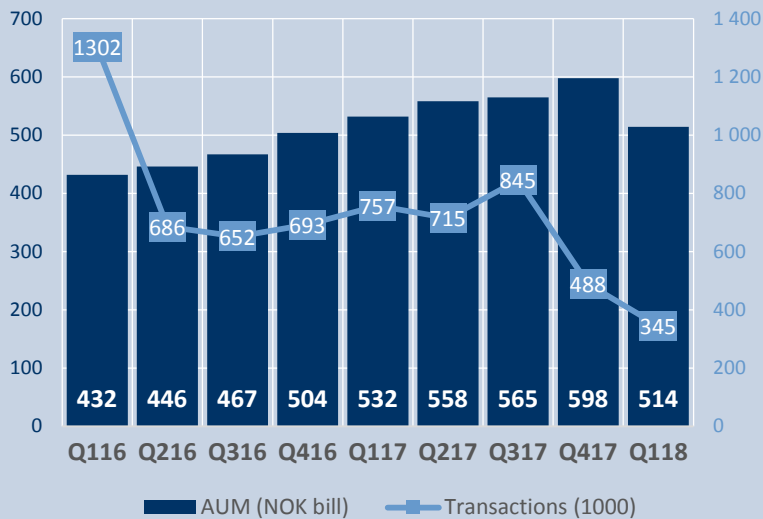


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Centevo

VPS

Asset under management and transactions



- Revenues down NOK 7 million to NOK 17 million from Q117
 - NOK 5 million transferred to investor and issuer
- Reduction in revenues from fund services
- Revenues from portfolio management system in line with Q117
- Strong competition from international providers and internal IT in targeted markets

Key market activities

VPS

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- Market activities to attract settlement participants - domestic and international
 - Increased interest from international participants for direct relationship with VPS
- Capitalise on growth in and new regulation for savings market
 - Approx. 200 000 new Share Saving Accounts in VPS as per end of Q1 2018
- Realisation of VPS Road Map
 - Q118 milestones delivered according to plan
- Preparing for CSDR
 - VPS expects to file application for authorization during 2nd half of 2018
- Preparing for modernization of core system
 - VPS are in the process of evaluating different options
- VPS has started the development of a new Issuer Portal
 - The first phase was delivered in January 2018
 - New functionality are developed and tested with pilot clients (issuers)

OMS

Oslo Market Solutions



OSLO BØRS VPS

Revenues and EBITDA

OSLO MARKET SOLUTIONS

- Revenues up NOK 0.1 million from Q117
- EBITDA down NOK 0.3 million from Q117

Summary



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Summary

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- Relatively good activity in the capital markets
- Intense competition and pressure on market share
- Attract more retail investors to the market providing solutions for Share Savings Account and Individual Pension Savings (IPS)
- 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
 - Implementation of new regulation
 - Capitalise on growth in and new regulation for savings market
 - Preparing for modernisation of core systems VPS

OSLO BØRS VPS

Appendix

P&L

OSLO BØRS VPS

	1st Quarter 2018	1st Quarter 2017	Change in %	2017
Operating revenues	263 891	251 613	5 %	995 091
Operating expenses				
Salary and other personnel expenses	84 427	78 764		305 706
Other operating expenses	51 401	49 059		207 899
Depreciations and write-downs	5 794	8 689		30 596
Amortisations	940	940		3 759
Operating expenses before capitalisation of internal resources, depreciations and amortisations	135 828	127 823	6 %	513 605
Total operating expenses	142 562	137 452	4 %	547 960
EBITDA	128 063	123 790	3 %	481 486
Operating profit (EBIT)	121 329	114 162	6 %	447 131
Net financial items	1 744	1 410		23 366
Ordinary pre-tax profit	123 073	115 572		470 497
Tax	30 903	28 861		113 680
Earnings for the period	92 171	86 711	6 %	356 817
Actuarial gains/losses defined benefit pension plans	0	0		123
Tax-effect	0	0		-31
Total comprehensive income	92 171	86 711	6 %	356 909
Earnings per share (NOK)	2,14	2,02	6 %	8,30
Diluted earnings per share (NOK)	2,14	2,02	6 %	8,30
Earnings per share (NOK) before amortisations and write-down	2,16	2,03	6 %	8,36

Breakdown revenues – Oslo Børs segment

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OSLO BØRS			
Revenues per area	Q1 2018	Q1 2017	2017
Equity Markets	71 464	62 710	263 832
Fixed Income Markets	12 797	14 332	60 047
Derivatives Markets	7 605	8 072	33 130
Financial Market data	38 881	36 158	137 945
Other	3 025	3 040	10 683
Total Oslo Børs	133 772	124 312	505 637
Revenues per category	Q1 2018	Q1 2017	2017
Fixed fees- issuers	34 597	29 004	126 802
Trading fees	34 671	35 093	135 142
Prospectus and admission fees	18 703	17 684	81 125
Financial market data	38 881	36 158	137 945
Other income	6 919	6 373	24 622
Total Oslo Børs	133 772	124 312	505 637

Breakdown revenues – VPS segment

OSLO BØRS VPS

VPS	Q1 2018	Q1 2017	2017
Investor products	46 145	37 240	142 379
Issuer products	35 506	33 669	144 592
Settlement products	28 677	29 985	108 365
Fund products	17 166	24 597	85 861
Other revenues	1 363	1 297	5 702
Total VPS	128 857	126 788	486 899

Balance sheet

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	31 March 2018	31 March 2017	31 Dec 2017
Fixed assets			
IT-systems	21 913	35 690	25 277
Registrations	6 200	6 200	6 200
Goodwill	534 459	491 569	534 459
Deferred tax assets	49 801	51 934	49 565
Tangible assets	48 154	50 269	50 789
Financial fixed assets	8 896	18 913	8 896
Current assets			
Receivables	146 187	125 982	106 612
Cash and cash equivalents	870 688	807 935	629 255
Assets	1 686 298	1 588 492	1 411 053
Equity			
Contributed equity	1 099 493	1 076 674	1 008 923
Non-controlling interests	463	456	483
Total equity	1 099 956	1 077 130	1 009 406
Liabilities			
Pension liabilities	160 218	163 626	162 551
Deferred tax liabilities	2 170	2 997	2 377
Current liabilities	423 954	344 739	236 719
Equity and liabilities	1 686 298	1 588 492	1 411 053

Cash flow

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	1st Quarter 2018	1st Quarter 2017	2017
Cash flow from			
- <i>operational activities</i>	241 344	216 774	397 333
- <i>investment activities</i>	1 067	-12 252	-32 687
- investments in systems and tangible assets	-735	-14 092	-29 119
- investments in subsidiaries	0	0	-16 206
- financial income	1 802	1 840	12 638
- <i>financing activities</i>	-978	-449	-339 253
Cash and cash equivalents at period's start	629 255	603 862	603 862
Change in cash and cash equivalents	241 433	204 073	25 393
Cash and cash equivalents at period's end	870 688	807 935	629 255
Cash flow per share (NOK)	5,61	4,75	0,59

Equity

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	1st Quarter 2018	1st Quarter 2017	31 Dec 2017
Equity at period's start	1 009 406	990 375	990 375
Total comprehensive income	92 171	86 711	356 817
Dividends	0	0	-337 535
Purchase of own shares	-920	-19	-666
Actuarial gains/losses in the period	0	0	92
Change in non-controlling interests	-701	64	323
Equity at period's end	1 099 956	1 077 130	1 009 406
Equity ratio	65 %	68 %	72 %

Largest shareholders 23 April 2018

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Investor	Number of shares	% of top 20	% of total	Type	Country
DNB LIVSFORSIKRING ASA	8,522,045	25.62%	19.82%	Comp.	NOR
KOMMUNAL LANDSPENSJONSKASSE	4,300,200	12.93%	10.00%	Comp.	NOR
PARETO AS	3,662,230	11.01%	8.52%	Comp.	NOR
MORGAN STANLEY & CO. INT. PLC.	2,189,581	6.58%	5.09%	Nom.	GBR
ARENDALS FOSSEKOMPANI ASA	1,996,000	6.00%	4.64%	Comp.	NOR
STATE STREET BANK AND TRUST COMP	1,808,784	5.44%	4.21%	Nom.	USA
UBS AG	1,393,667	4.19%	3.24%	Nom.	GBR
THE NORTHERN TRUST COMP, LONDON BR	1,045,452	3.14%	2.43%	Nom.	GBR
ARMOR QUALIFIED, LP	971,482	2.92%	2.26%	Comp.	USA
FRANKLIN MUTUAL FIN SERV FUND	911,000	2.74%	2.12%	Comp.	USA
RBC INVESTOR SERVICES TRUST	739,647	2.22%	1.72%	Nom.	GBR
MUST INVEST AS	708,520	2.13%	1.65%	Comp.	NOR
GOTHIC CORPORATION	706,802	2.12%	1.64%	Comp.	USA
SPAREBANKEN VEST	700,000	2.10%	1.63%	Comp.	NOR
ARMOR CAPITAL OFFSHORE MASTER, LTD	651,703	1.96%	1.52%	Comp.	CYM
MP PENSJON PK	632,389	1.90%	1.47%	Comp.	NOR
ARMOR CAPITAL PARTNERS, LP	595,898	1.79%	1.39%	Comp.	USA
NORDEA NORDIC SMALL CAP FUND	594,841	1.79%	1.38%	Comp.	FIN
J.P. MORGAN SECURITIES LLC	587,073	1.76%	1.37%	Nom.	USA
J.P. MORGAN BANK LUXEMBOURG S.A.	550,007	1.65%	1.28%	Nom.	LUX
Total number owned by top 20	33,267,321	100%	77.36%		
Total number of shares	43,004,000		100%		

Share price Oslo Børs VPS Holding ASA

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