

OSLO BØRS VPS

4th quarter 2018

Oslo Børs VPS Holding ASA

13 FEBRUARY 2019

2018 as a whole

OSLO BØRS VPS

- Continued high level of activity in both the primary and secondary markets
- 29 new companies admitted to listing or trading – 147 new limited companies registered with VPS
- 599 new fixed income issues admitted to listing and 1769 new fixed income issues registered with VPS
- Value of shares traded up 20% – market share of trading in OBX shares of approximately 62% (58%)
- Number of settled transactions up 2%
- Oslo Børs making preparations to enable listing and trading of shares denominated in currencies other than NOK
- NOTC launched Family & Friends, a list for start-up companies and family businesses
- Håvard S. Abrahamsen to be the new President and CEO of Oslo Børs and Oslo Børs VPS Holding
- Euronext NV and Nasdaq AB have launched offers to acquire all the outstanding shares in Oslo Børs VPS Holding ASA

Strategic update

OSLO BØRS VPS

- Maintain the group's strong position in the Norwegian market and capitalise on expected growth in use of the capital markets
- Continue to develop market places and services to further increase both national and international interest in listing and trading – both within and beyond sectors of particular strength
- VPS to continue to be competitive following the awaited implementation of CSDR in Norway in 2019
- VPS to continue its work to simplify, modernise and standardise its services and technology
- VPS is open to working together with other organisations in order to achieve its strategic goals and thereby increase its competitiveness
- Centevo and OMS will individually and in collaboration with other organisations further develop and grow their service platforms
- Target of over time achieving average annual growth in underlying EBITDA of 5% from 2016
- Operating expenses before depreciation and amortisation expected to be around NOK 540 million in 2018 and to be at the same level in the 2019-2021 period

4th quarter at a glance

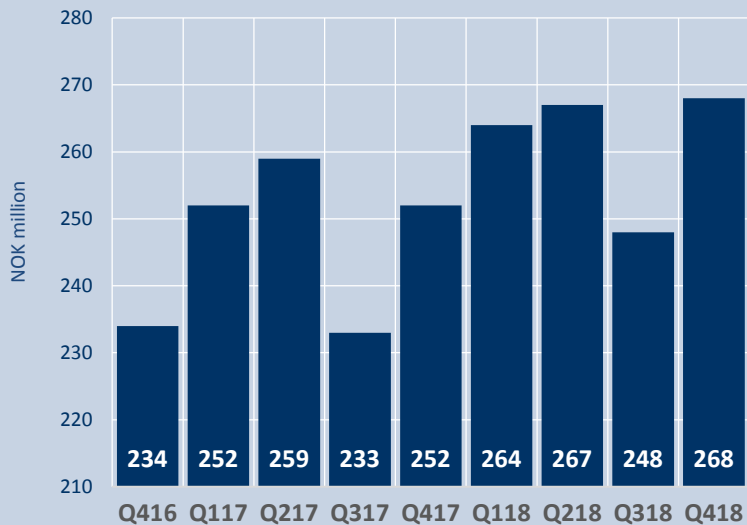
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- Four new companies admitted to listing in the quarter – 53 new companies registered with VPS
- 150 new fixed income issues admitted to listing and 524 new fixed income issues registered with VPS
- Value of shares traded up 16% - market share of trading in OBX shares of approximately 62% (59%) in the quarter
- Number of settlement transactions up 7% from the fourth quarter of 2017
- Three new international customers and direct members of VPS in the fourth quarter
- The Board of Directors will not propose the payment of a further dividend for the 2018 accounting year

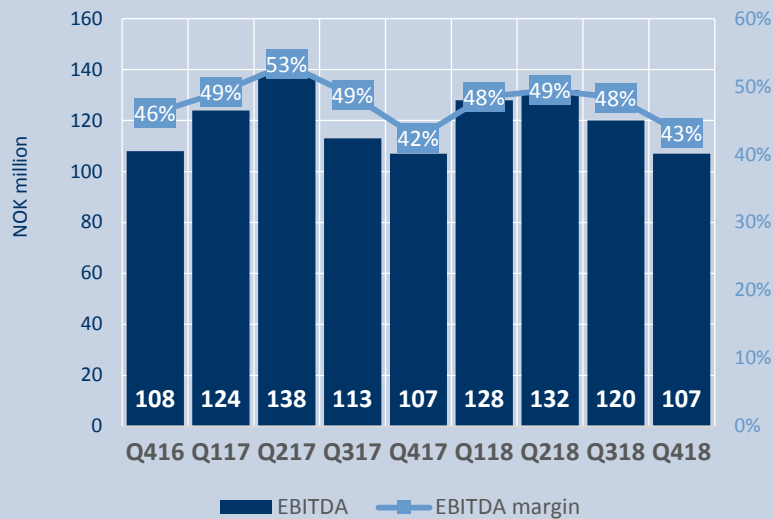
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Revenues Oslo Børs VPS



EBITDA and EBITDA-margin Oslo Børs VPS



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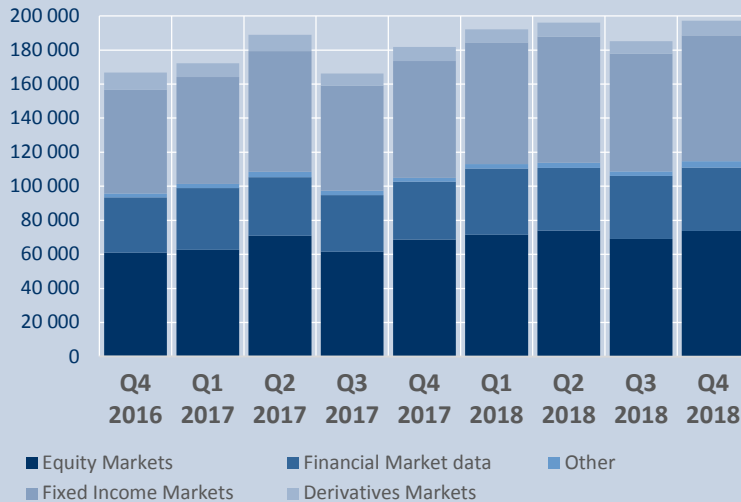
4th quarter at a glance

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- Revenues up NOK 16 million to NOK 268 million from Q417
- Expenses up NOK 15 million to NOK 160 million from Q417
- EBITDA in line with Q417 at NOK 107 million
- Forecast revenues 2019 – up NOK 34 million to NOK 1, 081 million
- Forecast EBITDA 2019 – up NOK 38 million to NOK 525 million

Oslo Børs

Revenues Oslo Børs, NOK 1000

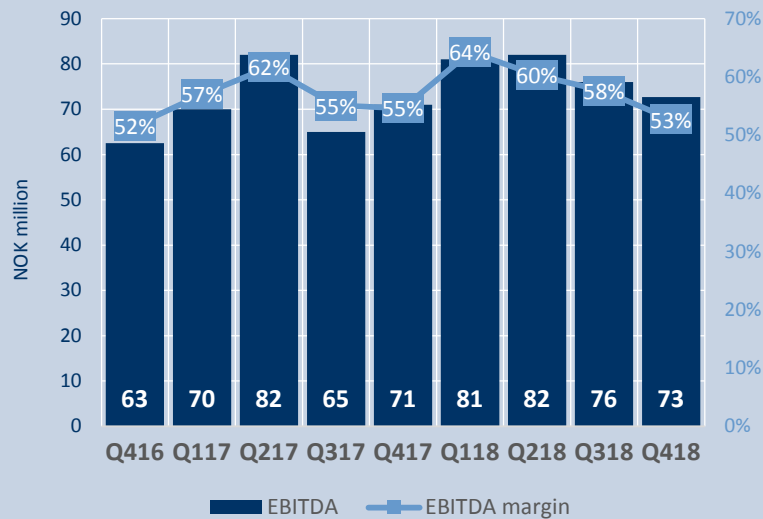


OSLO BØRS VPS

Revenues and EBITDA

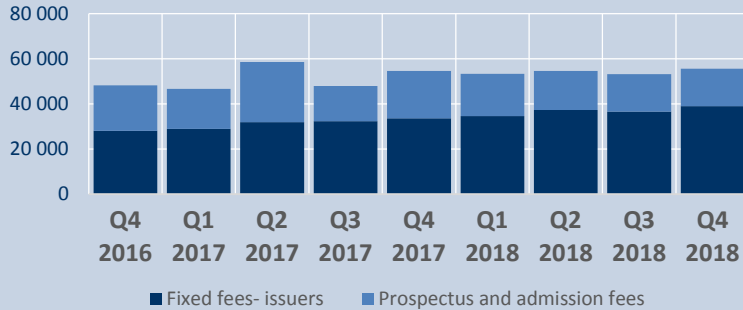
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EBITDA and EBITDA-margin Oslo Børs

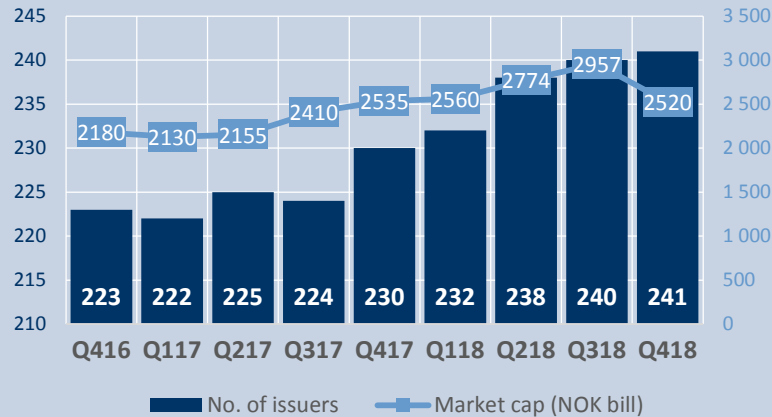


- Revenues up NOK 8 million to NOK 138 million from Q417
- Expenses up NOK 6 million to NOK 65 million from Q417
- EBITDA up NOK 2 million to NOK 73 mill from Q417
- Forecast revenues 2019 – up NOK 19 million to NOK 558 million
- Forecast EBITDA 2019 – up NOK 17 million to NOK 328 million

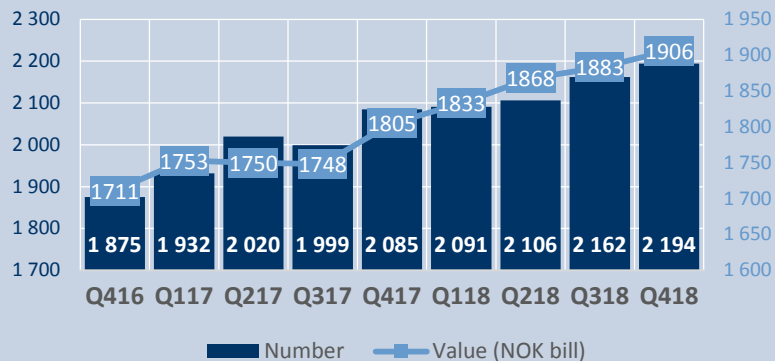
Revenues primary market, NOK 1000



Listed equities - Oslo Børs, Oslo Axess, Merkur Market



Listed bonds and certificates

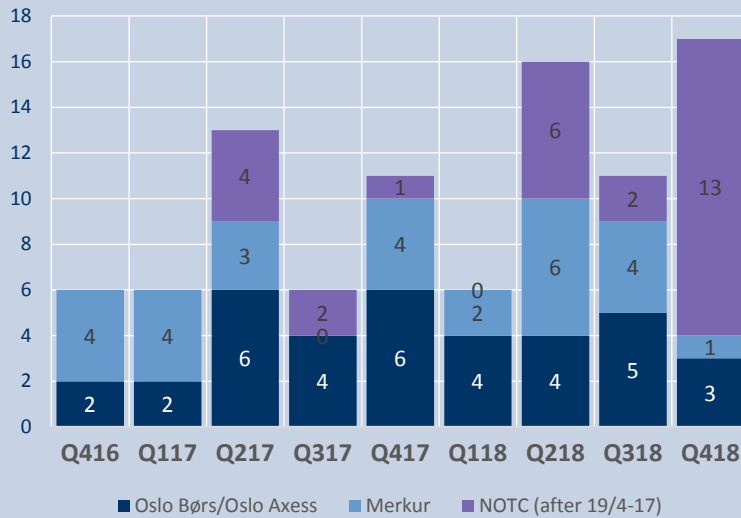


Primary market

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- Steady increase in number of listed bonds and certificates
- Fixed fees from issuers NOK 39 million – up NOK 5 million from Q417
- Fixed fees driven by number of issuers and market capitalisation January 1
- Market cap. equity issuers 1 January 2019 down 1% from 2018
- Forecast revenues 2019 – up NOK 5 million to NOK 152 million

New listings

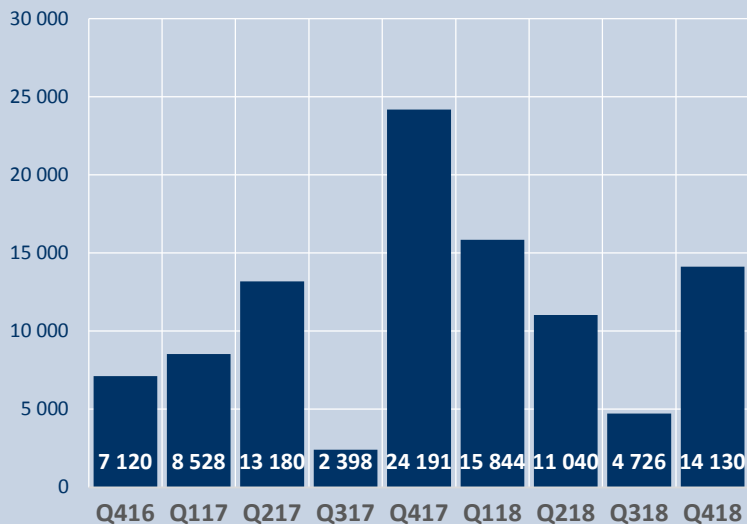


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Primary market equities

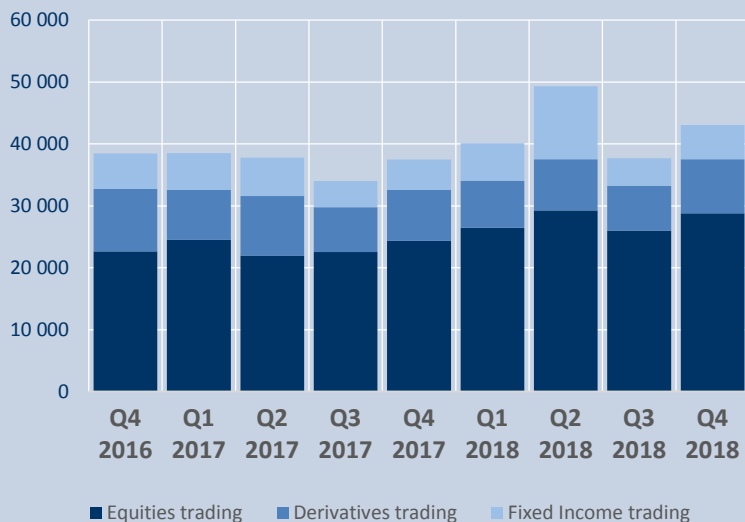
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Issues of equity, NOK mill

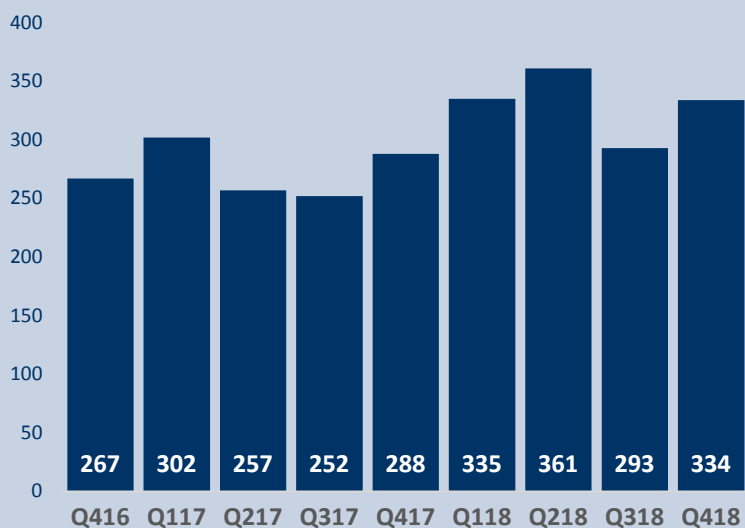


- Prospectus and admission fees down NOK 4 million to NOK 17 million from Q417
- Revenues driven by number and size of IPOs and issues
- Four new equity listing processes on Oslo Børs, Oslo Axess and Merkur Market in Q418
- Continued interest for listing of both equities and fixed income
- Forecast revenues 2019 – up NOK 4 million to NOK 73 million

Revenues secondary market



Equities - value of turnover



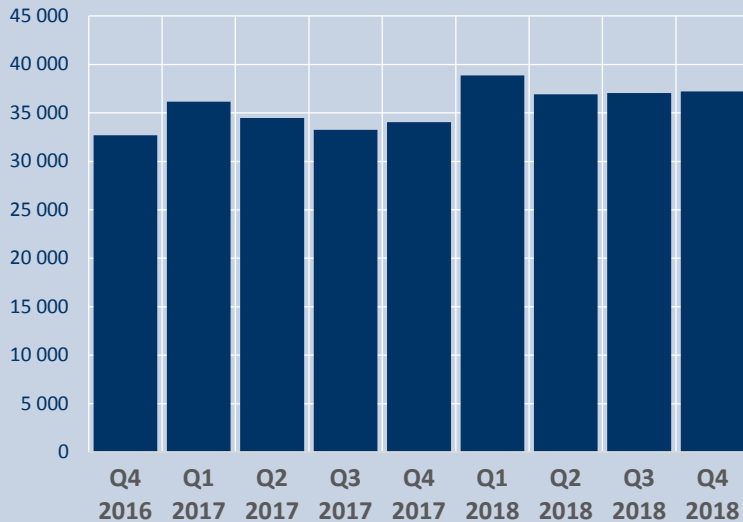
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Secondary market

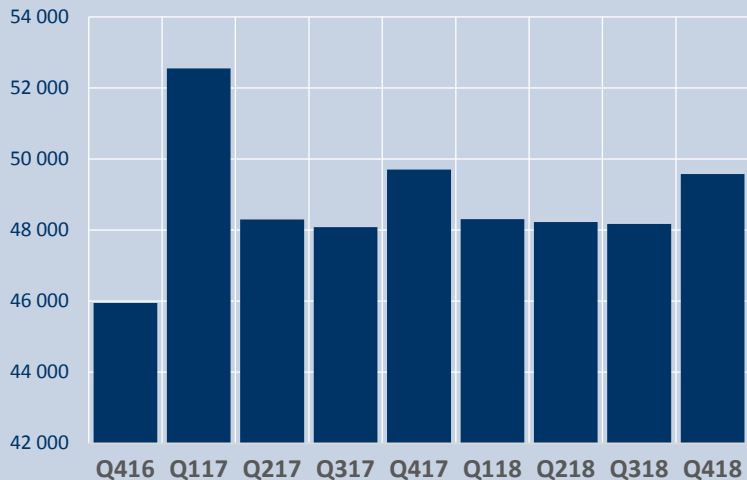
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- Revenues from trading on Oslo Børs and Fish Pool NOK 38 million – up NOK 4 million from Q417
- Value of equity turnover on Oslo Børs up 16% from Q417 - revenues up NOK 4 million
- Revenues from trading of bonds down NOK 1 million
- Derivatives revenues driven by activity level and composition of derivatives trading
- No of contracts on Oslo Børs up 16% from Q417
- Volume on Fish Pool up 10% from Q417
- Revenues up NOK 1 million from Q417
- Forecast revenues 2019 – up NOK 4 million to NOK 149 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 37 million from Q417
- Revenues primarily driven by number of professional end users of data from Oslo Børs
- Number of users in line with Q417 – decreased number of professional users
- Increase in non-display use of data
- Forecast revenues 2019 – up NOK 5 million to NOK 155 million



OSLO BØRS VPS

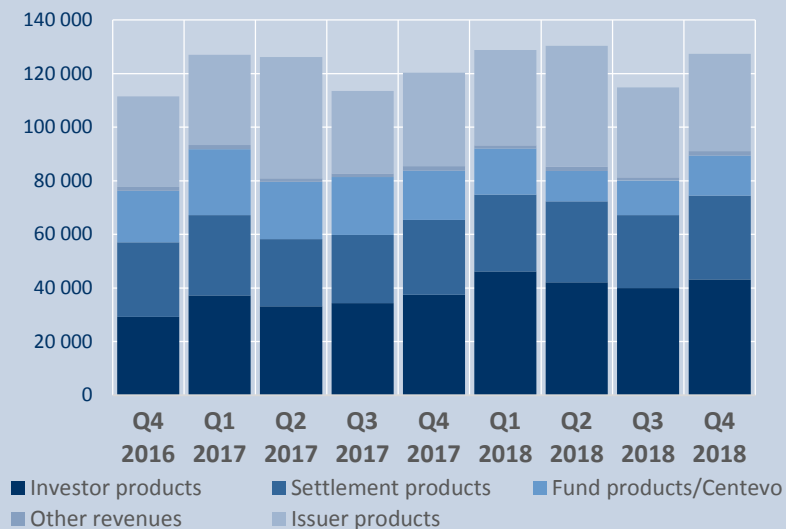
Key market activities

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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
- Listing and trading of shares denominated in currencies other than NOK
- Preparing for MAD/MAR

VPS

Revenues VPS, NOK 1000



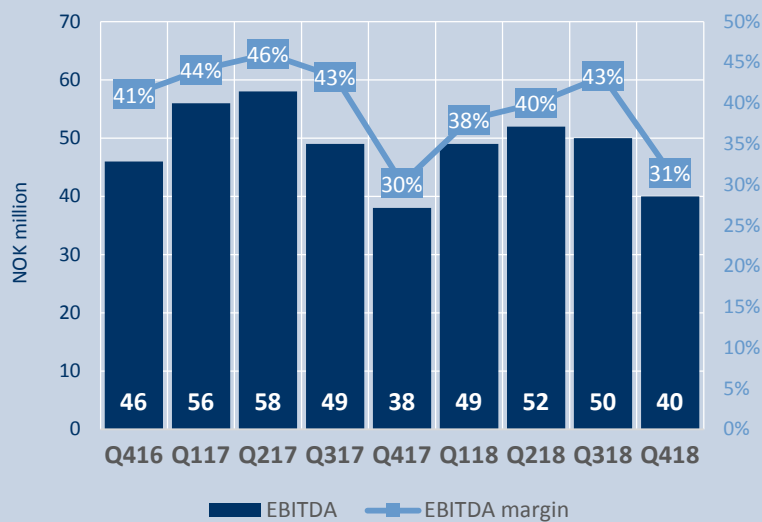
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Revenues and EBITDA

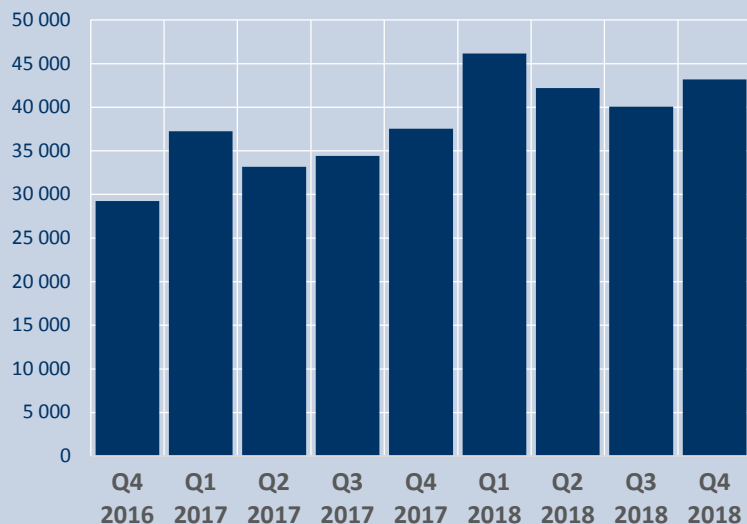
VPS

- Revenues up NOK 7 million to NOK 127 million from Q417
- Expenses up NOK 5 million to NOK 88 million from Q417
- EBITDA up NOK 2 million to NOK 40 million from Q417
- Forecast revenues 2019 – up NOK 14 million to NOK 515 million
- Forecast EBITDA 2019 – up NOK 23 million to NOK 214 million

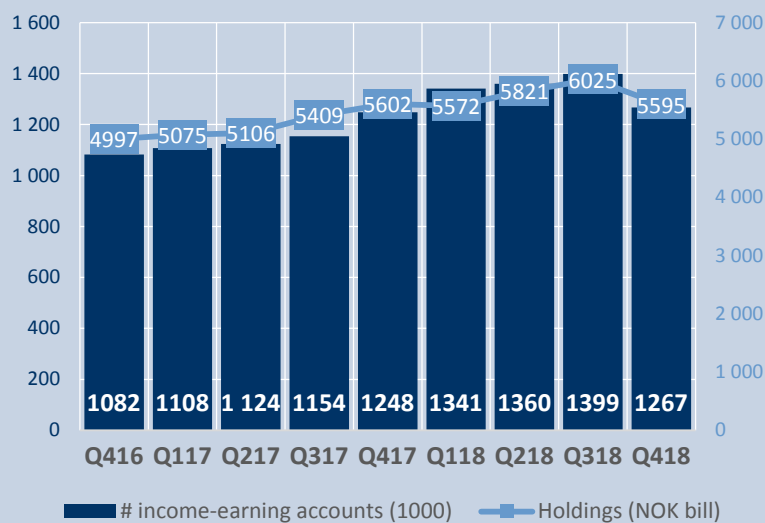
EBITDA and EBITDA-margin VPS



Revenues investor products, NOK 1000



Investor accounts and value of holdings



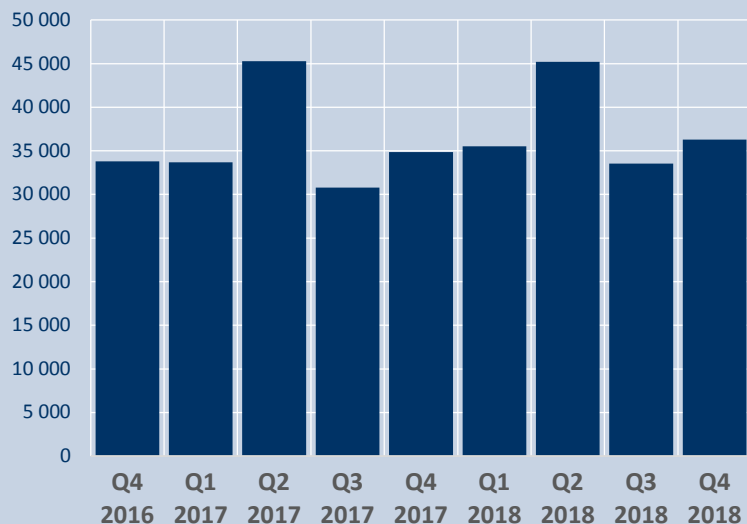
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Investor products

VPS

- Revenues up NOK 2 million to NOK 43 million from Q417
 - Adjusted for revenues from mutual funds
- Revenues primarily driven by number of VPS accounts and market value of holdings January 1
- Market value of registered holdings down 7% to NOK 5,595 billion from Q417
- Approximately 250.000 Share Savings Accounts established in VPS
- Forecast revenues 2019 – up NOK 4 million to NOK 176 million

Revenues issuer products, NOK 1000



Number of companies and issues



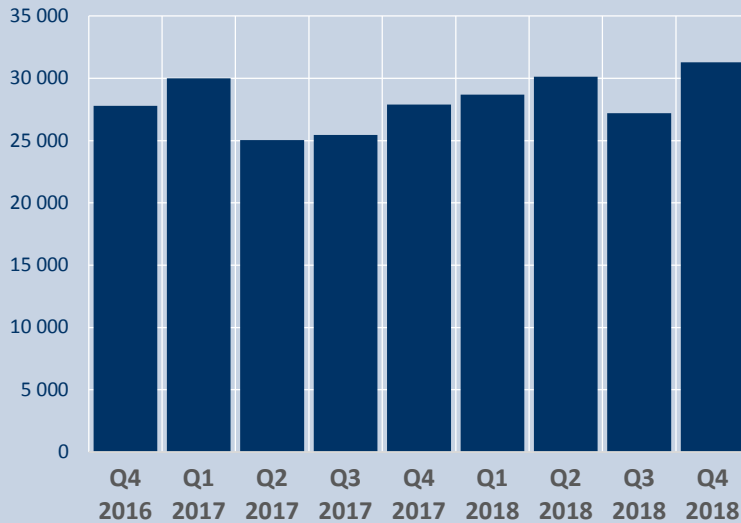
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Issuer products

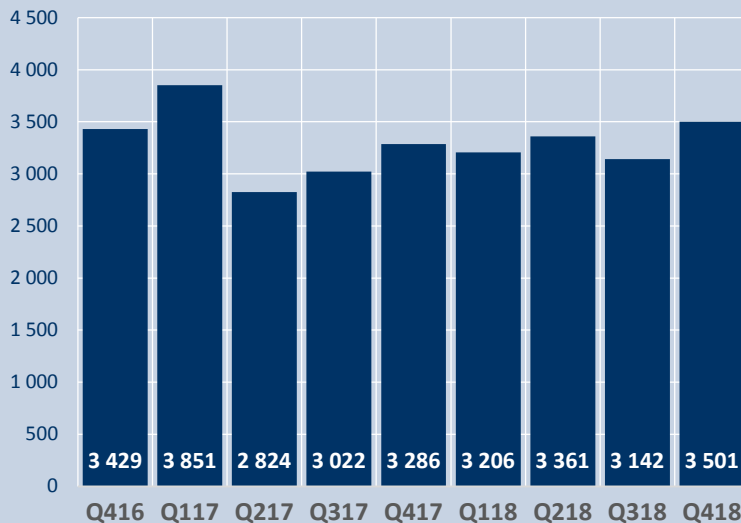
VPS

- Revenues in line with Q417 at NOK 36 million
 - Adjusted for revenues from mutual funds
- 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
- Forecast revenues 2019 – up NOK 3 million to NOK 154 million

Revenues settlement products, NOK 1000



Number of trade transactions (1000)



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Settlement products

VPS

- Revenues up NOK 3 million to NOK 31 million from Q417
- Revenues driven by number of participants and number of settlement transactions
- No of transactions processed up 7% from Q417
- Interest for direct participation from foreign FMIs and banks
- Forecast revenues 2019 – up NOK 1 million to NOK 118 million

Revenues Centevo/fund products, NOK 1000



Asset under management and transactions



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Centevo

VPS

- Revenues up NOK 2 million to NOK 15 million from Q417
 - Adjusted for transfer of revenues to Investor and Issuer products
- Reduction in revenues from fund services due to loss of customers
- Signed one new customer in Q418
- Strong competition from international providers and internal IT in targeted markets
- Forecast revenues 2019 – up NOK 6 million to NOK 62 million

Key market activities

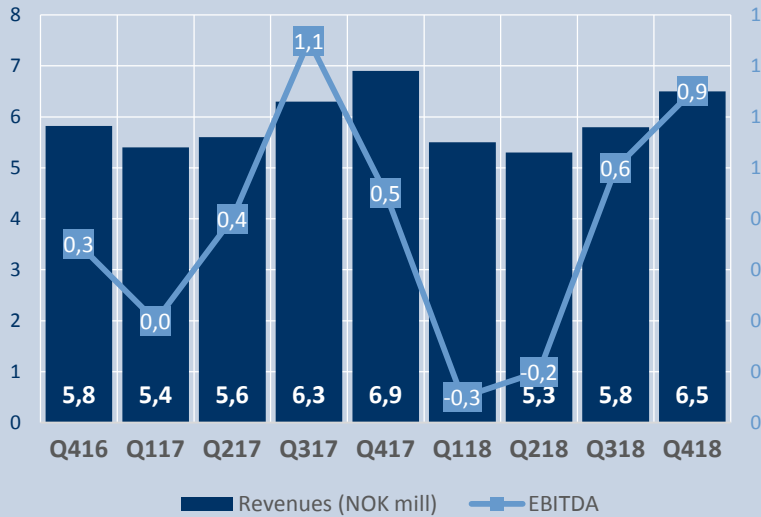
VPS

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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
 - Currently approx. 250 000 new Share Saving Accounts in VPS
- Realisation of VPS Road Map
 - Q418 milestones delivered according to plan
- Preparing for CSDR
 - VPS expects to file application for authorization in 2019
- Simplification, modernisation and standardisation of services and technology continues

OMS

Oslo Market Solutions



OSLO BØRS VPS

Revenues and EBITDA

OSLO MARKET SOLUTIONS

- Revenues down NOK 0.4 million from Q417
- EBITDA up NOK 0.4 million from Q417
- Forecast revenues 2019 – up NOK 4 million to NOK 27 million
- Forecast EBITDA 2019 in line with 2018

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

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Appendix

P&L

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	4th Quarter 2018	4th Quarter 2017	Change in %	2018	2017	Change in %
Operating revenues	267 548	251 781	6 %	1 046 868	995 091	5 %
Operating expenses						
Salary and other personnel expenses	90 430	87 060		323 312	305 706	
Other operating expenses	69 670	57 961		236 733	207 899	
Depreciations and write-downs	5 859	7 282		23 168	30 596	
Amortisations	940	940		3 759	3 759	
Operating expenses before capitalisation of internal resources, depreciations and amortisations	160 100	145 021	10 %	560 045	513 605	9 %
Total operating expenses	166 899	153 243	9 %	586 972	547 960	7 %
EBITDA	107 448	106 760	1 %	486 823	481 486	1 %
Operating profit (EBIT)	100 649	98 538	2 %	459 896	447 131	3 %
Net financial items	971	2 583		3 419	23 366	
Ordinary pre-tax profit	101 620	101 121		463 315	470 497	
Tax	23 951	25 107		116 016	113 680	
Earnings for the period	77 669	76 014	2 %	347 299	356 817	-3 %
Actuarial gains/losses defined benefit pension plans	-4 535	123		-4 535	123	
Tax-effect	1 134	-31		1 134	-31	
Total comprehensive income	74 268	76 106	-2 %	343 898	356 909	-4 %
Earnings per share (NOK)	1,81	1,77	2 %	8,08	8,30	-3 %
Diluted earnings per share (NOK)	1,81	1,77	2 %	8,08	8,30	-3 %
Earnings per share (NOK) before amortisations and write-down	1,82	1,78	2 %	8,14	8,36	-3 %

Breakdown revenues – Oslo Børs segment

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OSLO BØRS				
Revenues per area	Q4 2018	Q4 2017	31.12.2018	31.12.2017
Equity Markets	73 748	68 681	288 217	263 832
Fixed Income Markets	15 303	16 564	56 789	60 047
Derivatives Markets	8 733	8 199	31 867	33 130
Financial Market data	37 203	34 061	150 037	137 945
Other	2 980	2 705	12 549	10 683
Total Oslo Børs	137 967	130 210	539 459	505 637
Revenues per category	Q4 2018	Q4 2017	31.12.2018	31.12.2017
Fixed fees- issuers	38 999	33 563	147 476	126 802
Trading fees	38 147	34 550	144 901	135 142
Prospectus and admission fees	16 616	21 082	69 276	81 125
Financial market data	37 203	34 061	150 037	137 945
Other income	7 002	6 952	27 769	24 622
Total Oslo Børs	137 967	130 210	539 459	505 637

Breakdown revenues – VPS segment

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VPS	Q4 2018	Adjusted Q4 2017	31.12.2018	Adjusted 31.12.2017
Investor products	43 202	41 541	171 597	158 379
Issuer products	36 289	35 846	150 501	148 592
Settlement products	31 289	27 882	117 298	108 365
Fund products/Centevo	14 963	13 375	56 279	65 861
Other revenues	1 591	1 631	5 639	5 702
Total VPS	127 334	120 275	501 314	486 900

As a result of VPS' fund services activities being spun off to Centevo, the registration of funds in the securities register will, with effect from January 2018, lead to revenue for both the issuer and the investor areas. Revenue from the funds area/Centevo will accordingly be similarly lower than in previous periods.

2017 figures are adjusted for this effect and are each product area accordingly not comparable with previously presented figures for these areas.

Balance sheet

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	31st Dec 2018	31st Dec 2017
Fixed assets		
IT-systems	14 312	25 277
Registrations	6 200	6 200
Goodwill	534 459	534 459
Deferred tax assets	48 211	49 565
Tangible assets	43 547	50 789
Financial fixed assets	8 821	8 896
Current assets		
Receivables	102 523	106 612
Treasury bills	149 556	-
Cash and cash equivalents	539 750	629 255
Assets	1 447 379	1 411 053
Equity		
Contributed equity	567 996	1 008 923
Non-controlling interests	484	483
Total equity	568 480	1 009 406
Liabilities		
Pension liabilities	162 369	162 551
Deferred tax liabilities	1 753	2 377
Interest bearing debt	450 000	-
Current liabilities	264 777	236 719
Equity and liabilities	1 447 379	1 411 053

Cash flow

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	4th Quarter 2018	4th Quarter 2017	2018	2017
Cash flow from				
- <i>operational activities</i>	46 002	87 097	398 406	397 333
- <i>investment activities</i>	-49 908	766	-149 094	-32 687
- investments in systems and tangible assets	-3 181	-1 311	-8 720	-29 119
- investments in subsidiaries	0	0	0	-16 206
- investments in treasury bills	-49 839	0	-149 556	0
- financial income	3 112	2 077	9 182	12 638
- <i>financing activities</i>	-172 929	-172 911	-338 817	-339 253
Cash and cash equivalents at period's start	716 585	714 303	629 255	603 862
Change in cash and cash equivalents	-176 835	-85 048	-89 505	25 393
Cash and cash equivalents at period's end	539 750	629 255	539 750	629 255
Cash flow per share (NOK)	-4,11	-1,98	-2,08	0,59

Equity

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	4th Quarter 2018	4th Quarter 2017	2018	2017
Equity at period's start	666 551	1 105 821	1 009 406	990 375
Total comprehensive income	77 669	76 014	347 299	356 817
Dividends	-171 921	-172 000	-782 339	-337 535
Purchase of own shares	1 133	-766	-715	-666
Actuarial gains/losses in the period	-3 401	92	-3 401	92
Change in non-controlling interests	-1 551	245	-1 770	323
Equity at period's end	568 480	1 009 406	568 480	1 009 406
Equity ratio	39 %	72 %	39 %	72 %

Largest shareholders x February 2019

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Share price Oslo Børs VPS Holding ASA

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