

OSLO BØRS VPS

4th quarter 2017

Oslo Børs VPS Holding ASA

15 FEBRUARY 2018

2017 as a whole

OSLO BØRS VPS

- Best year ever for the primary market
- Traded value and number of settled transactions up 5% and 15% respectively
- VPS combined its fund and asset management services
- New CEO for VPS
- Oslo Børs acquired the remaining 50% of NOTC AS
- Oslo Børs and the Stock Exchange of Thailand have signed a MoU
- Share savings accounts available from 1 September 2017 - 173,000 share savings accounts set up in VPS as of end of 2017
- New tax-efficient scheme for individual pension saving from 1 November 2017
- Successful launch of Millennium Exchange 9.1 and implementation of MiFID II
- VPS' roadmap according to plan

4th quarter at a glance

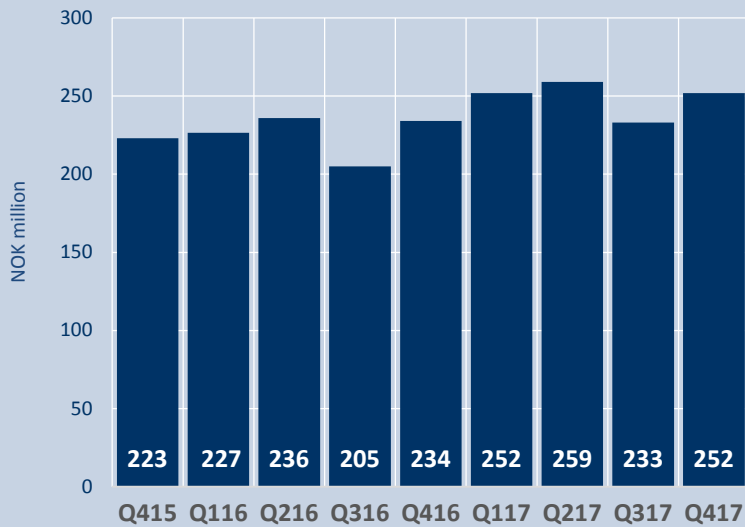
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- Continued high level of activity in both the primary and secondary markets
- Eight companies admitted to listing on Oslo Børs/Oslo Axess/Merkur Market, one new company registered on the NOTC list and 56 new equity issuers registered with VPS
- 150 new fixed income issues admitted to listing and 400 new fixed income issues registered with VPS
- The Board will increase the interest-bearing debt during the first six months of 2018, with subsequent payment to shareholders.
- Proposal to pay a dividend of NOK 4.20 per share, in addition to NOK 4.00 paid in December 2017

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Revenues Oslo Børs VPS

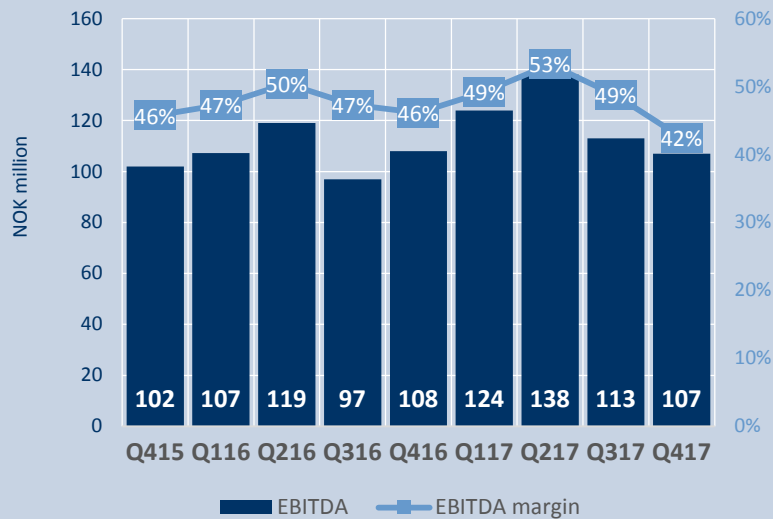


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4th quarter at a glance

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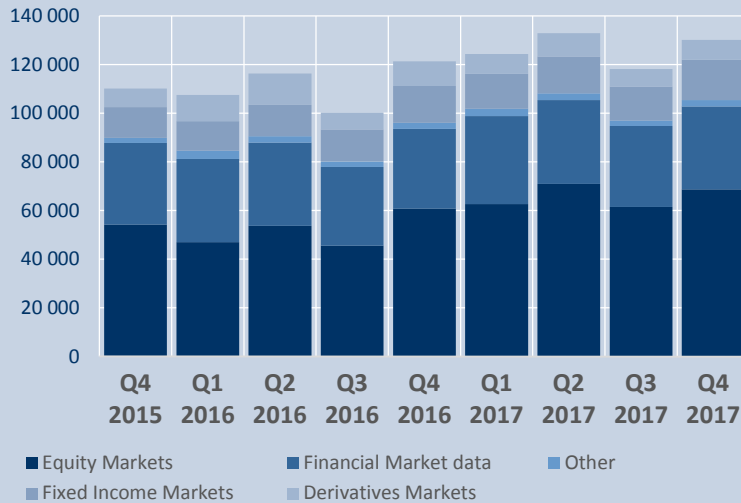
EBITDA and EBITDA-margin Oslo Børs VPS



- Revenues up NOK 18 million to 252 million from Q416
- Expenses up NOK 19 million to NOK 145 million from Q416
- EBITDA down NOK 1 million to NOK 107 million from Q416

Oslo Børs

Revenues Oslo Børs, NOK 1000

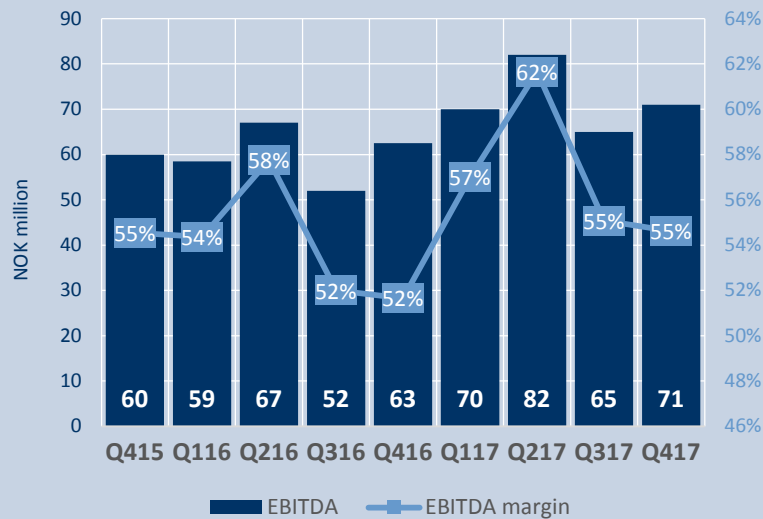


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Revenues and EBITDA

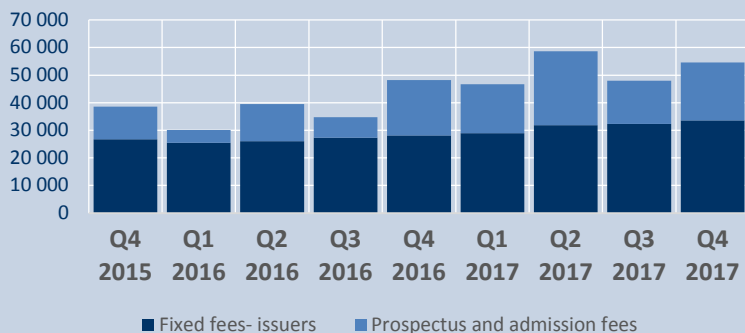
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EBITDA and EBITDA-margin Oslo Børs



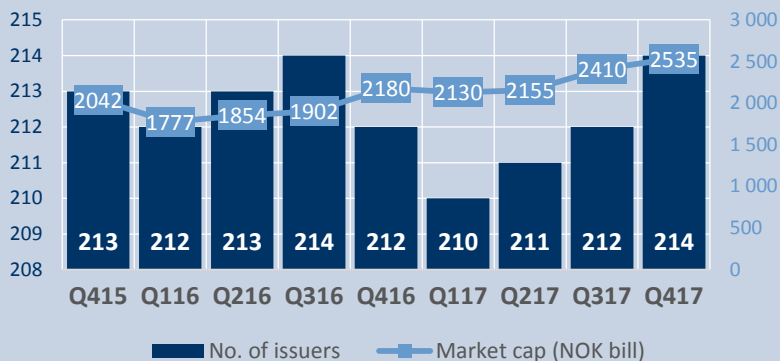
- Revenues up NOK 9 million to NOK 130 million from Q416
- EBITDA up NOK 8 million to NOK 71 million from Q416

Revenues primary market, NOK 1000



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Listed equities

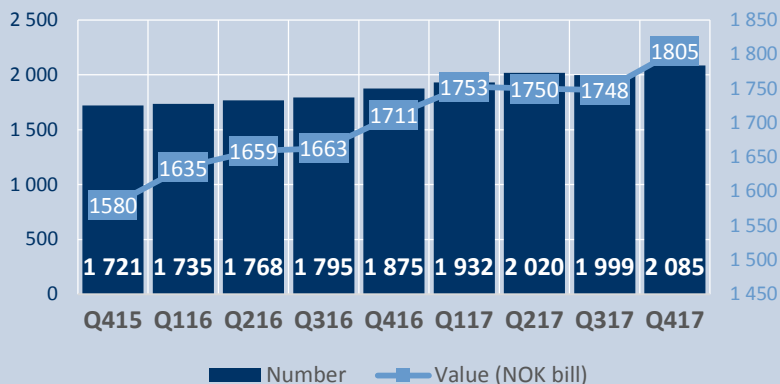


Primary market

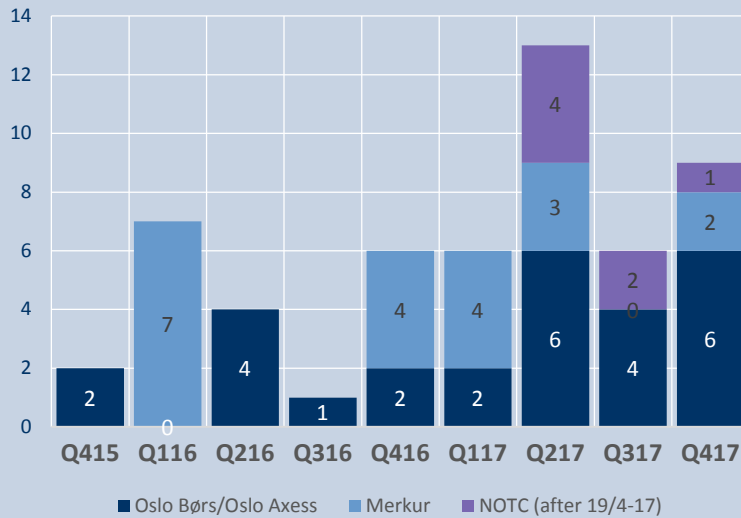
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- Steady increase in number of listed bonds and certificates
- Fixed fees from issuers NOK 34 million – up NOK 5 million from Q416
- Fixed fees driven by number of issuers and market capitalisation January 1
- Market cap. equity issuers 1 January 2018 up 16% from 2017

Listed bonds and certificates



New listings

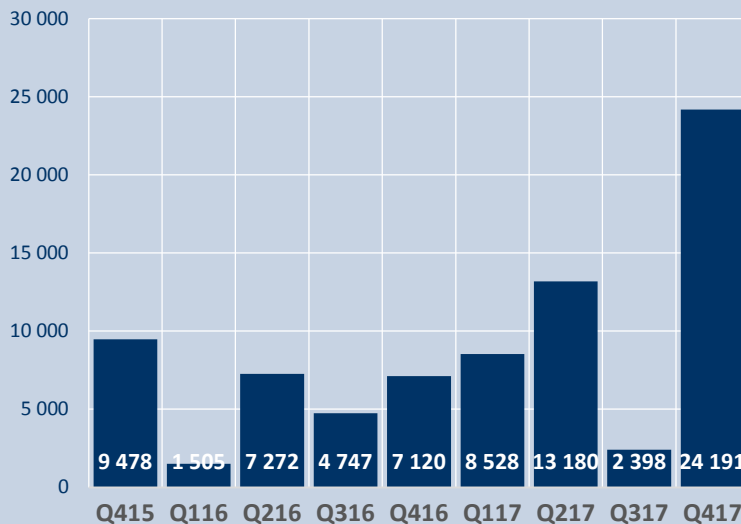


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Primary market equities

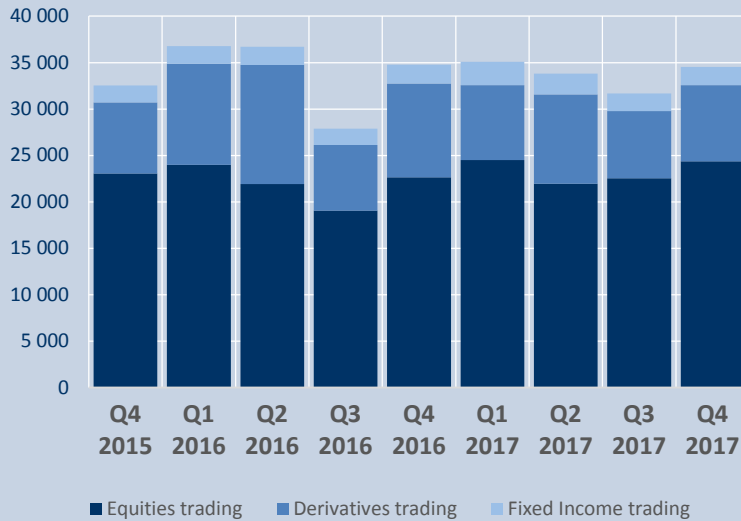
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Issues of equity, NOK mill

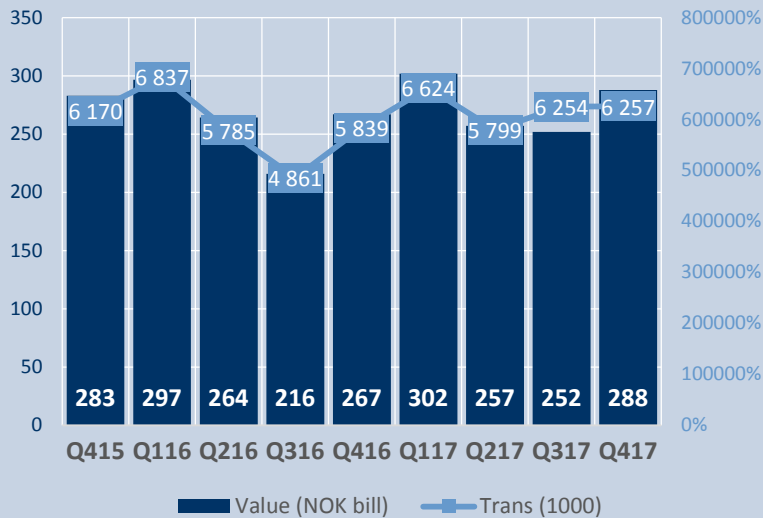


- Prospectus and admission fees up NOK 1 million to NOK 21 million from Q416
- Revenues driven by number and size of IPOs and issues
- Eight new equity listing processes on Oslo Børs, Oslo Axess and Merkur Market in Q417
- One new equity registered on NOTC
- Continued interest for listing of both equities and fixed income

Revenues secondary market



Equities: turnover and transactions



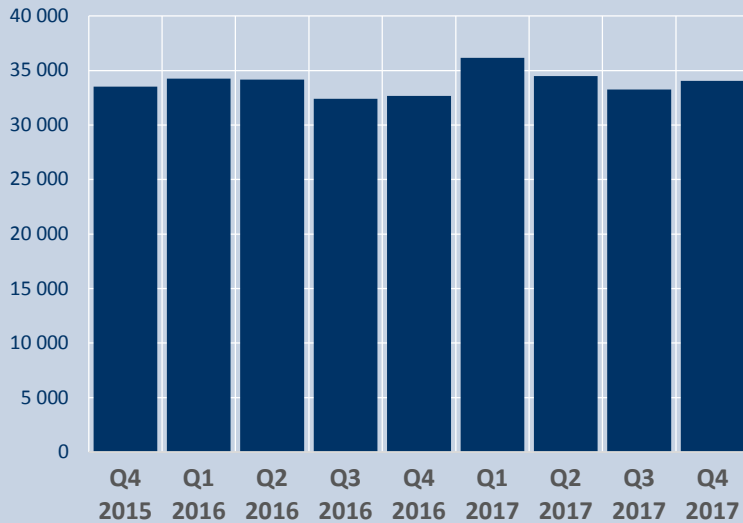
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Secondary market

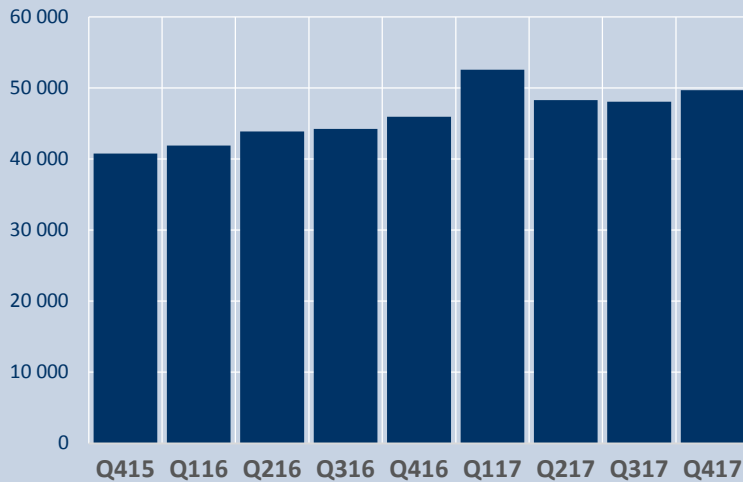
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- Revenues from trading on Oslo Børs and Fish Pool NOK 35 million – in line with Q416
- Value of equity turnover on Oslo Børs up 8% from Q416
- Revenues up NOK 2 million
- Derivatives revenues driven by activity level and composition of derivatives trading
- No of contracts on Oslo Børs down 20% from Q416
- Volume on Fish Pool down 30% from Q416
- Revenues down NOK 2 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 1 million to NOK 34 million from Q416
- Revenues primarily driven by number of professional end users of data from Oslo Børs
- Reduction in number of professional users
- Increase in non-display use of data



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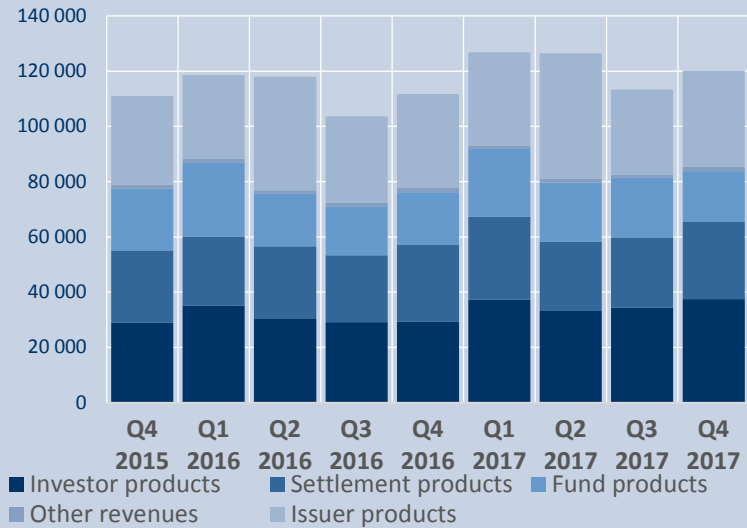
Key market activities

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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

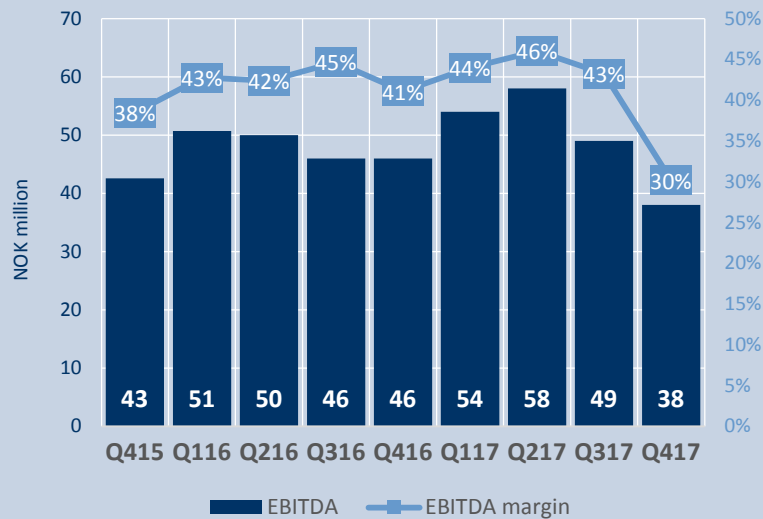


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Revenues and EBITDA

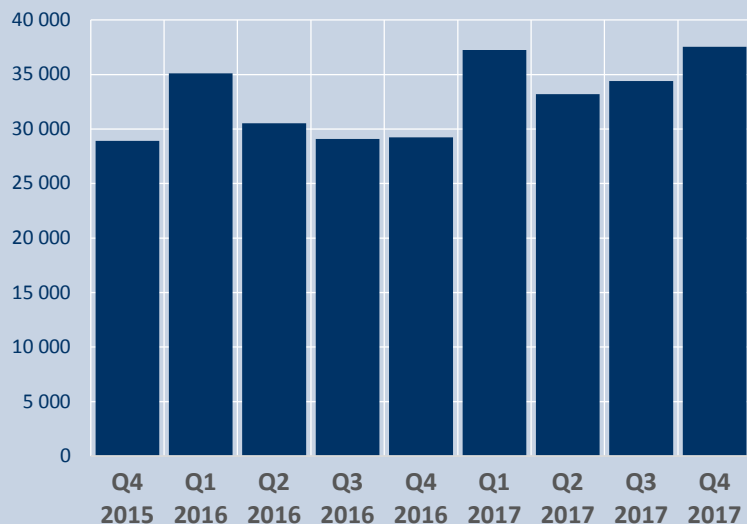
VPS

EBITDA and EBITDA-margin VPS

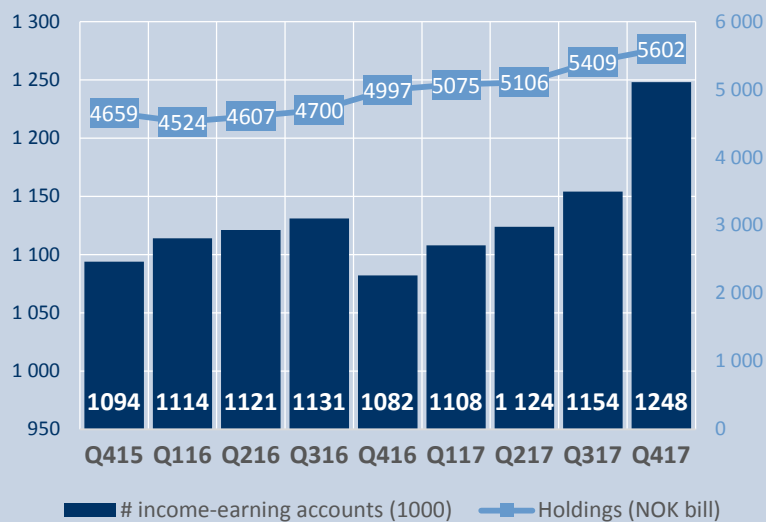


- Revenues up NOK 9 million to NOK 120 million from Q416
- EBITDA down NOK 8 million to NOK 38 million from Q416

Revenues investor products, NOK 1000



Investor accounts and value of holdings



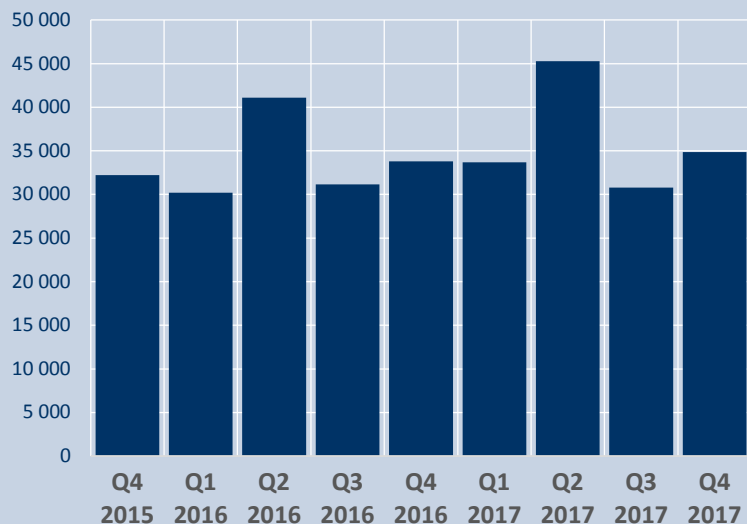
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Investor products

VPS

- Revenues up NOK 8 million to NOK 37 million from Q416
- Revenues primarily driven by number of VPS accounts and market value of holdings January 1
- Share savings account from 1 September
 - Approximately 173.000 accounts established in VPS

Revenues issuer products, NOK 1000

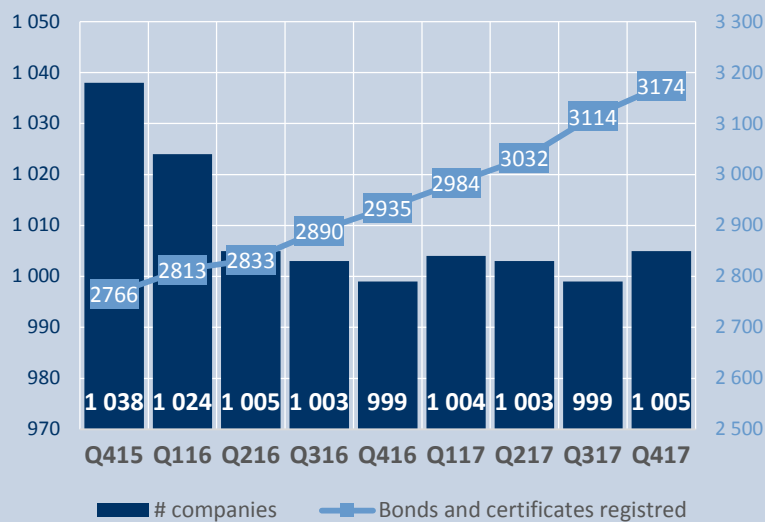


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Issuer products

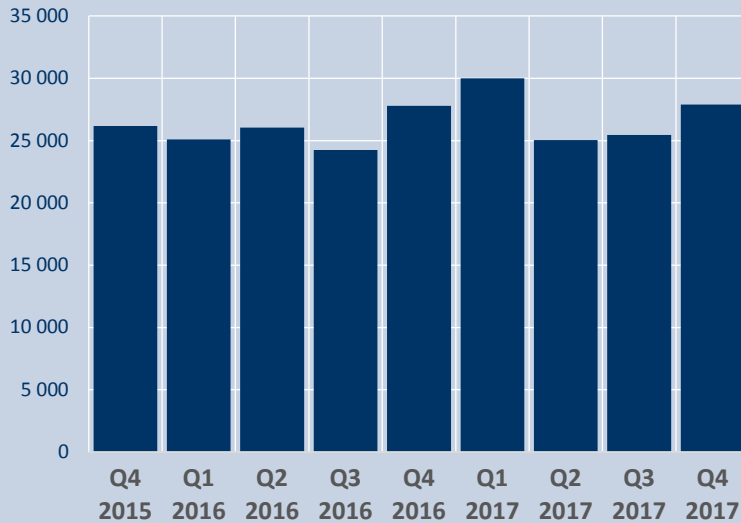
VPS

Number of companies and issues

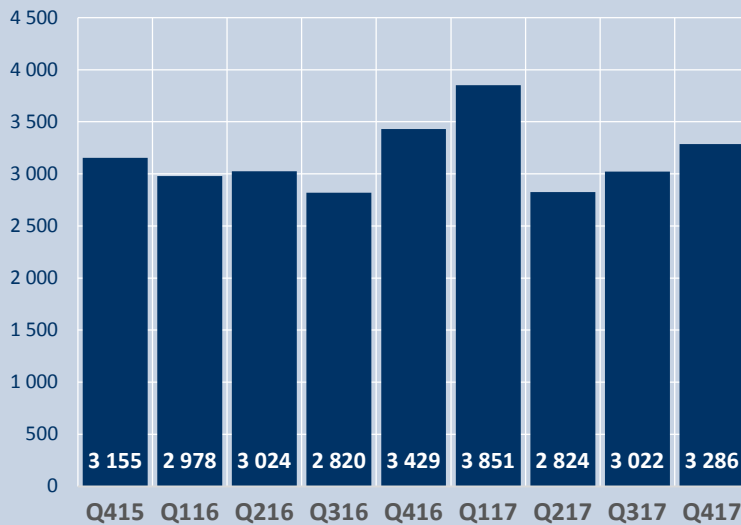


- Revenues up NOK 1 million to NOK 35 million from Q416
- Revenues driven by number and composition of issuers and level and composition of corporate activity
 - AGM-season in Q2
- Additional revenue from value added products
 - AGM-services
 - Bond holders' meeting
 - Stock purchase programs
 - Nominee-ID

Revenues settlement products, NOK 1000



Number of trade transactions (1000)



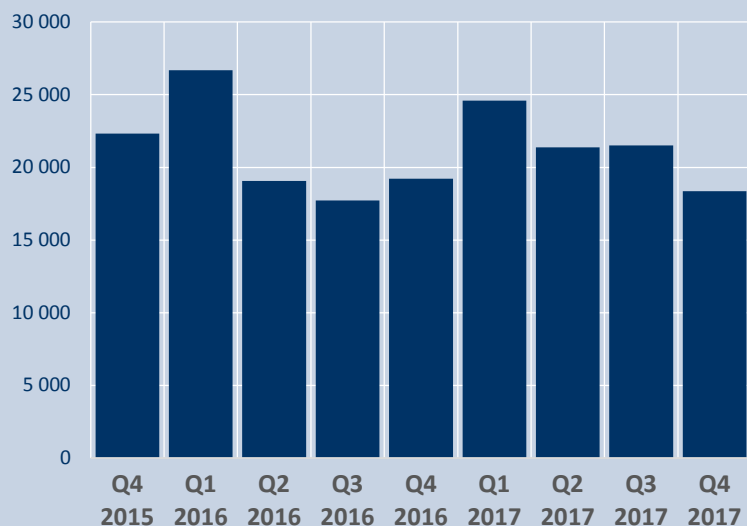
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Settlement products

VPS

- Revenues in line with Q416 – NOK 28 million
- Revenues driven by number of participants and number of settlement transactions
- No of transactions processed down 4% from Q416

Revenues fund products, NOK 1000

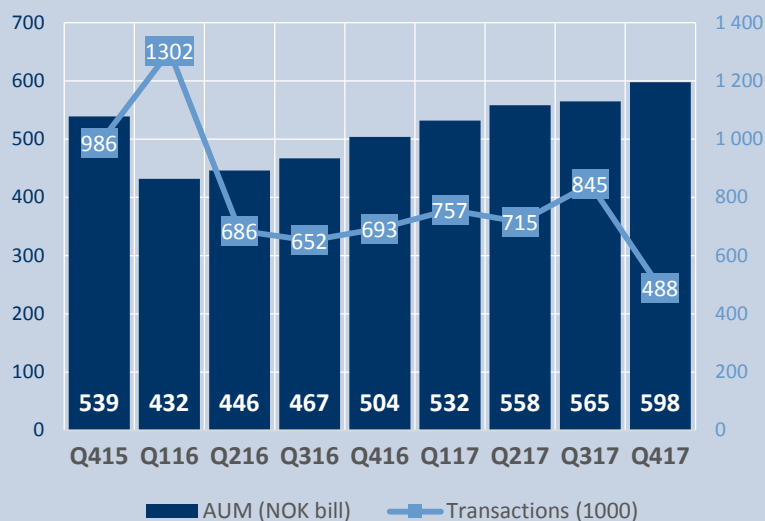


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Fund products

VPS

Asset under management and transactions



- Revenues down NOK 1 million to NOK 18 million from Q416
- 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

VPS

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- Market activities to attract settlement participants - domestic and international
- Capitalise on growth in and new regulation for savings market
- Realisation of VPS Road Map
 - Q417 milestones delivered according to plan
- Preparing for CSDR
 - VPS expects to file application for authorization during 2. half of 2018
- Preparing for modernization of core system
- VPS has started the development of a new Issuer Portal

OMS

Oslo Market Solutions



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Revenues and EBITDA

OSLO MARKET SOLUTIONS

- Revenues up NOK 1.1 million from Q416
- EBITDA up NOK 0.2 million from Q416

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 ny regulation for savings market
 - Preparing for modernisation of core systems VPS

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Appendix

P&L


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	4th Quarter 2017	4th Quarter 2016	Change in %	31 Dec 2017	31 Dec 2016	Change in %
Operating revenues	251 781	233 631	8 %	995 091	901 052	10 %
Operating expenses						
Salary and other personnel expenses	87 060	76 501		305 706	278 304	
Other operating expenses	57 961	49 542		207 899	192 571	
Depreciations and write-downs	7 282	12 236		30 596	77 248	
Amortisations	940	940		3 759	3 759	
Operating expenses before capitalisation of internal resources, depreciations and amortisations	145 021	126 043	15 %	513 605	470 875	9 %
Total operating expenses	153 243	139 218	10 %	547 960	551 881	-1 %
EBITDA	106 760	107 587	-1 %	481 486	430 177	12 %
Operating profit (EBIT)	98 538	94 412	4 %	447 131	349 171	28 %
Net financial items	2 583	3 498		23 366	9 507	
Ordinary pre-tax profit	101 121	97 910		470 497	358 678	
Tax	25 107	24 255		113 680	89 257	
Earnings for the period	76 014	73 655	3 %	356 817	269 421	32 %
Actuarial gains/losses defined benefit pension plans	123	-7 665		123	-7 665	
Tax-effect	-31	1 916		-31	1 916	
Total comprehensive income	76 106	67 906	12 %	356 909	263 672	35 %
Earnings per share (NOK)	1,77	1,71	3 %	8,30	6,27	32 %
Diluted earnings per share (NOK)	1,77	1,71	3 %	8,30	6,27	32 %
Earnings per share (NOK) before amortisations and write-down	1,78	1,73	3 %	8,36	6,93	21 %

Breakdown revenues – Oslo Børs segment

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Revenues per area	Q4 2017	Q4 2016	31.12.2017	31.12.2016
Equity Markets	68 681	60 891	263 832	207 195
Fixed Income Markets	16 564	15 156	60 047	53 221
Derivatives Markets	8 199	10 082	33 130	40 832
Financial Market data	34 061	32 680	137 945	133 518
Other	2 705	2 530	10 683	10 776
Total Oslo Børs	130 209	121 339	505 637	445 542
Revenues per category	Q4 2017	Q4 2016	31.12.2017	31.12.2016
Fixed fees- issuers	33 563	28 148	126 802	107 138
Trading fees	34 550	34 771	135 142	136 174
Prospectus and admission fees	21 082	20 017	81 125	45 361
Financial market data	34 061	32 680	137 945	133 518
Other income	6 952	5 723	24 622	23 351
Total Oslo Børs	130 209	121 339 	505 637	445 542

Breakdown revenues – VPS segment

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VPS	Q4 2017	Q4 2016	31.12.2017	31.12.2016
Investor products	37 541	29 233	142 379	123 976
Issuer products	34 846	33 783	144 592	136 225
Settlement products	27 882	27 789	108 365	103 157
Fund products	18 375	19 217	85 861	82 682
Other revenues	1 631	1 684	5 702	5 838
Total VPS	120 275	111 706	486 899	451 878

Balance sheet

OSLO BØRS VPS

	31 Dec 2017	31 Dec 2016
Fixed assets		
IT-systems	25 277	41 235
Registrations	6 200	6 200
Goodwill	534 459	491 569
Deferred tax assets	49 565	53 413
Tangible assets	50 789	40 261
Financial fixed assets	8 896	18 913
Current assets		
Receivables	106 612	106 524
Cash and cash equivalents	629 255	603 862
Assets	1 411 053	1 361 977
Equity		
Contributed equity	1 008 923	989 916
Non-controlling interests	483	459
Total equity	1 009 406	990 375
Liabilities		
Pension liabilities	162 551	164 348
Deferred tax liabilities	2 377	3 204
Current liabilities	236 719	204 050
Equity and liabilities	1 411 053	1 361 977

Cash flow

OSLO BØRS VPS

	4th Quarter 2017	4th Quarter 2016	31 Dec 2017	31 Dec 2016
Cash flow from				
- <i>operational activities</i>	87 097	67 008	397 333	323 844
- <i>investment activities</i>	766	-1 436	-32 687	-6 819
- investments in systems and tangible assets	-1 311	-3 703	-29 119	-17 650
- investments in subsidiaries	0	0	-16 206	0
- financial income	2 077	2 267	12 638	10 831
- <i>financing activities</i>	-172 911	-112 935	-339 253	-291 645
Cash and cash equivalents at period's start	714 303	651 225	603 862	578 482
Change in cash and cash equivalents	-85 048	-47 363	25 393	25 380
Cash and cash equivalents at period's end	629 255	603 862	629 255	603 862
Cash flow per share (NOK)	-1,98	-1,10	0,59	0,59

Equity

OSLO BØRS VPS

	4th Quarter 2017	4th Quarter 2016	31 Dec 2017	31 Dec 2016
Equity at period's start	1 105 821	1 034 585	990 375	1 018 111
Total comprehensive income	76 014	73 655	356 817	269 421
Dividends	-172 000	-111 776	-337 535	-290 170
Purchase of own shares	-766	-523	-666	-284
Actuarial gains/losses in the period	92	-5 749	92	-5 749
Change in non-controlling interests	245	183	323	-953
Equity at period's end	1 009 406	990 375	1 009 406	990 375
Equity ratio	72 %	73 %	72 %	73 %

Largest shareholders 8 February 2018

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Investor	Number of shares	% of top 20	% of total	Type	Country
DNB LIVSFORSIKRING ASA	8,522,045	25.33%	19.82%	Comp.	NOR
KOMMUNAL LANDSPENSJONSKASSE	4,300,200	12.78%	10.00%	Comp.	NOR
PARETO AS	3,662,230	10.88%	8.52%	Comp.	NOR
MORGAN STANLEY & CO. INT. PLC.	2,111,666	6.28%	4.91%	Nom.	GBR
ARENDALS FOSSEKOMPANI ASA	1,996,000	5.93%	4.64%	Comp.	NOR
STATE STREET BANK AND TRUST COMP	1,790,121	5.32%	4.16%	Nom.	USA
UBS AG	1,312,519	3.90%	3.05%	Nom.	GBR
ARMOR QUALIFIED, LP	1,118,926	3.33%	2.60%	Comp.	USA
THE NORTHERN TRUST COMP, LONDON BR	1,045,452	3.11%	2.43%	Nom.	GBR
J.P. MORGAN SECURITIES LLC	947,819	2.82%	2.20%	Nom.	USA
FRANKLIN MUTUAL FIN SERV FUND	911,000	2.71%	2.12%	Comp.	USA
ARMOR CAPITAL OFFSHORE MASTER, LTD	720,733	2.14%	1.68%	Comp.	CYM
MUST INVEST AS	708,520	2.11%	1.65%	Comp.	NOR
SPAREBANKEN VEST	700,000	2.08%	1.63%	Comp.	NOR
GOTHIC CORPORATION	693,778	2.06%	1.61%	Comp.	USA
ARMOR CAPITAL PARTNERS, LP	691,833	2.06%	1.61%	Comp.	USA
BNP PARIBAS SECURITIES SERVICES	636,871	1.89%	1.48%	Nom.	LUX
MP PENSJON PK	632,389	1.88%	1.47%	Comp.	NOR
NORDEA NORDIC SMALL CAP FUND	594,841	1.77%	1.38%	Comp.	FIN
J.P. MORGAN BANK LUXEMBOURG S.A.	550,007	1.63%	1.28%	Nom.	LUX
Total number owned by top 20	33,646,950	100%	78.24%		
Total number of shares	43,004,000		100%		

Share price Oslo Børs VPS Holding ASA

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