

Eika Boligkreditt

Investor presentation

June 2020



Executive summary

• The economy

- GDP-growth expected -3.9% in 2020, but rebound in 2021
- Corona related measures will weaken budget by NOK 245 billion (7% of GDP) in 2020 financed by increased transfers from Pension Fund Global
- Unemployment rate expected to average 5.1% in 2020 falling to 4.1 % in 2023
- Balanced housing market, expected small correction in house prices (-1% in 2020)
- Lower oil prices will cause lower petroleum investments (-4% in 2020 and -10% in 2021)

• Robust, local saving banks

- 3rd largest Norwegian banking group
- Focus on retail lending
- High asset quality with low levels of doubtful & non-performing loans, low LTV and no direct exposure to oil/offshore
- Strong and diversified deposit base
- Strong capitalization and high level of liquidity buffers
- Strong position in the local markets

• Conservative cover pool

- Maximum 75% LTV for mortgages at origination and strict underwriting criteria
- No arrears or losses since inception
- Prudent risk management with regards to refinancing, liquidity, currency, interest rate and counterparty risk
- Credit guarantees from the distributors and capital and liquidity support agreements with the owners

Agenda

- The Norwegian economy
- Eika Alliance
- Eika Boligkreditt
- ESG in Eika
- Appendix
- Disclaimer

COVID-19 situation – Norway's government increases spending

Estimated changes in non-oil Fiscal Budget for 2020 as a result of economic measures and changed outlook for the economy.

| | NOKbn |
|--|--------------|
| Measures for businesses | 98.2 |
| Mitigating income loss for businesses | 44.1 |
| Compensation (cash pay-out) to enterprises with severe income loss | 30 |
| Aviation sector, including loss provision to guarantee scheme | 14.1 |
| Loss provisioning, government guarantees for bank loans to business | 10 |
| Income protection for persons | 51.2 |
| Extension of income protection schemes (in isolation) | 27.3 |
| Additional increase in spending on unemployment benefits | 23.9 |
| Additional increase in spending on sickness and other social benefits | 0 |
| Other compensation schemes | 7.2 |
| Strengthening of critical infrastructure sectors | 23.3 |
| Other measures | 6.1 |
| Reduced tax revenue from lower activity | 59.4 |
| SUM Weakening of the budget balance | 245.4 |
| Of which: | |
| Discretionary measures | 162.1 |
| Automatic stabilizers | 83.4 |
| Fiscal indicators: | |
| Fiscal impulse (change in non-oil structural budget deficit in % of the trend in mainland GDP) | 5.5 |
| Change in deficit in % of the pension fund, percentage points | 1.6 |
| Structural, non-oil budget deficit in % of the Government Pension Fund Global | 4.2 |

The Norwegian economy – Key indicators

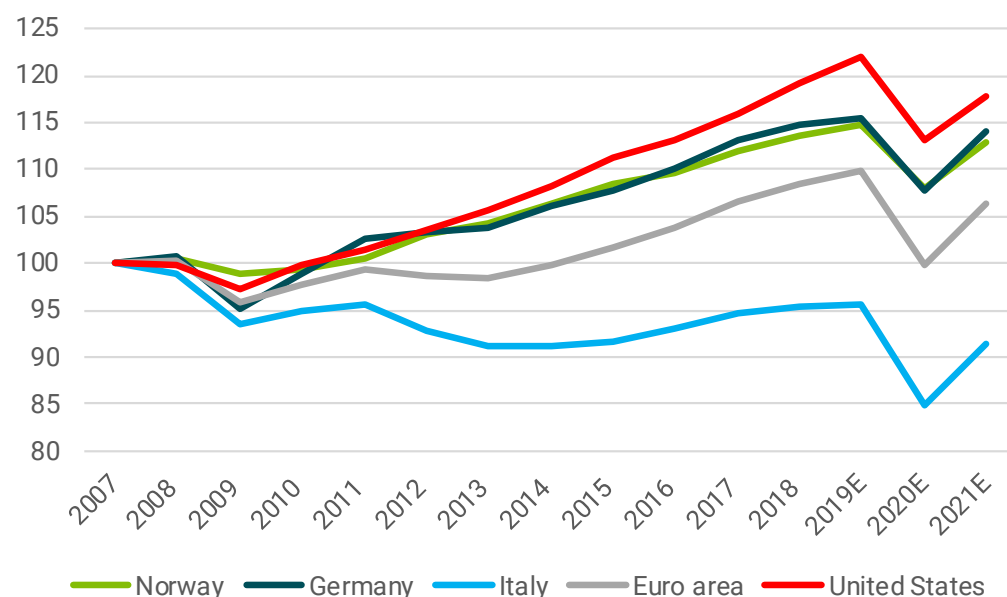
- Constitutional monarchy; Non EU member (EEA member); Population of 5.3 million
- Aaa / AAA / AAA rated country (all with stable outlook)
- GDP per capita amongst the highest in the OECD countries – estimated to be 48% higher than the average in EU (28 countries)
- GDP growth expected to fall by 3.9 % in 2020 driven by reduced private consumption, reduced investments and reduced export.
- Rebound in GDP expected in 2021 with growth of 4.3% driven by a reversal of negative development in private consumption and export in 2020.

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020E | 2021E | 2022E | 2023E |
|------------------------------------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|
| GDP growth (Mainland) | 2.2 % | 1.4 % | 0.9 % | 2.0 % | 2.2 % | 2.3 % | -3.9 % | 4.3 % | 3.2 % | 2.1 % |
| Consumer price inflation | 2.0 % | 2.1 % | 3.6 % | 1.8 % | 2.7 % | 2.2 % | 1.2 % | 3.2 % | 1.9 % | 2.1 % |
| Unemployment | 3.6 % | 4.5 % | 4.7 % | 4.2 % | 3.8 % | 3.7 % | 5.1 % | 4.5 % | 4.3 % | 4.1 % |
| Private Consumption | 2.1 % | 2.7 % | 1.1 % | 2.2 % | 1.9 % | 1.7 % | -6.0 % | 6.6 % | 4.4 % | 2.3 % |
| Household savings rate | 7.7 % | 9.8 % | 6.9 % | 6.6 % | 5.9 % | 8.0 % | 12.5 % | 7.4 % | 5.5 % | 5.0 % |
| Houseprices | 2.7 % | 6.1 % | 7.0 % | 5.0 % | 1.4 % | 2.5 % | -1.0 % | 1.0 % | 3.6 % | 2.9 % |
| Mortgage rate (flexi loans) | 3.9 % | 3.2 % | 2.6 % | 2.6 % | 2.7 % | 3.0 % | 2.4 % | 1.9 % | 2.0 % | 2.3 % |
| Government net lending as % of GDP | 8.6 % | 6.0 % | 4.1 % | 5.0 % | 7.8 % | 6.4 % | -1.4 % | 1.4 % | n/a | n/a |
| Government pension fund / GDP | 204 % | 239 % | 241 % | 257 % | 233 % | 265 % | 287 % | 289 % | 293 % | 303 % |

Source: Statistics Norway – Konjunkturtendensen 2/2020, OECD – Economic Outlook No. 107 single-hit scenario (database), June 2020 and Norges Bank

The Norwegian economy – Solid economic situation

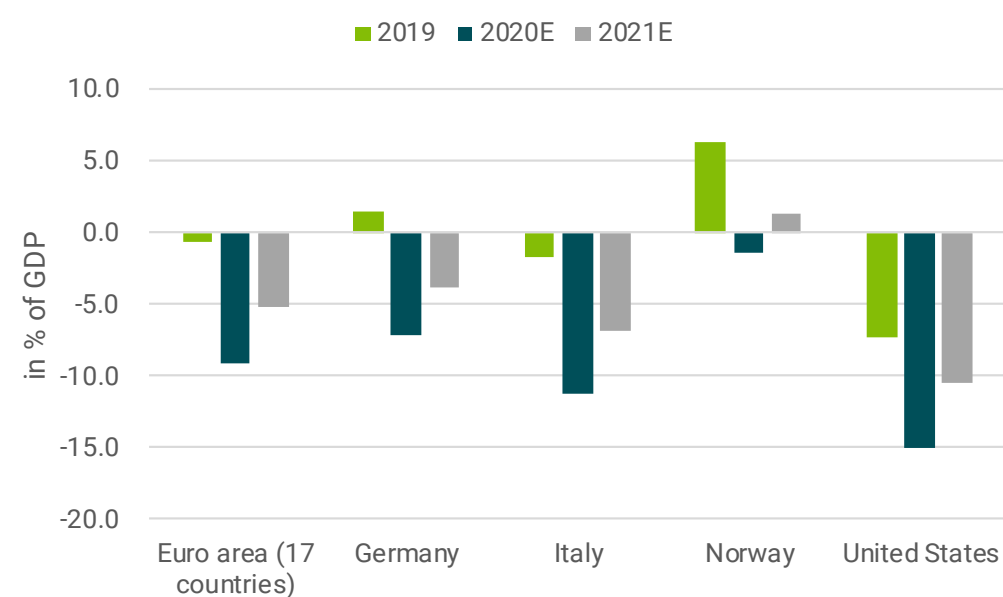
Real GDP growth (rebased to 100 in 2007)



Source: OECD Economic Outlook No. 107 single-hit scenario (database), June 2020

- Economic growth at an annual average of 1.9% for Norwegian mainland GDP last 10 years, but -2.1% in Q1 2020
- Strong current account surplus averaging 8.5% of GDP since 2010

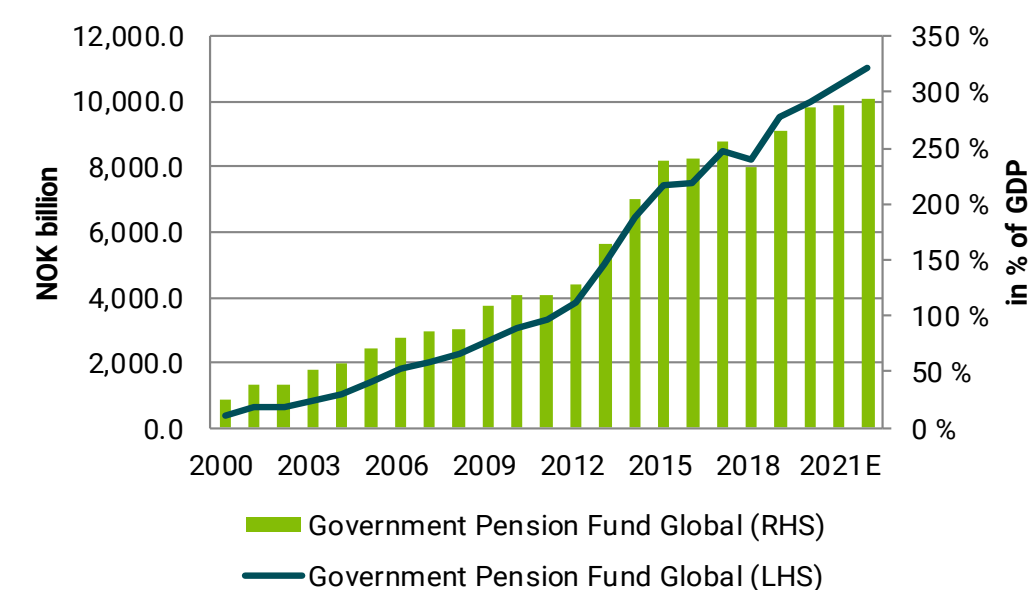
Government net lending



Source: OECD Economic Outlook No. 107 single-hit scenario (database), June 2020

- Significant government net lending (6.4% of GDP in 2019, but OECD expect marginally negative in 2020) and the Government Pension Fund more than twice the size of GDP

Government Pension Fund Global

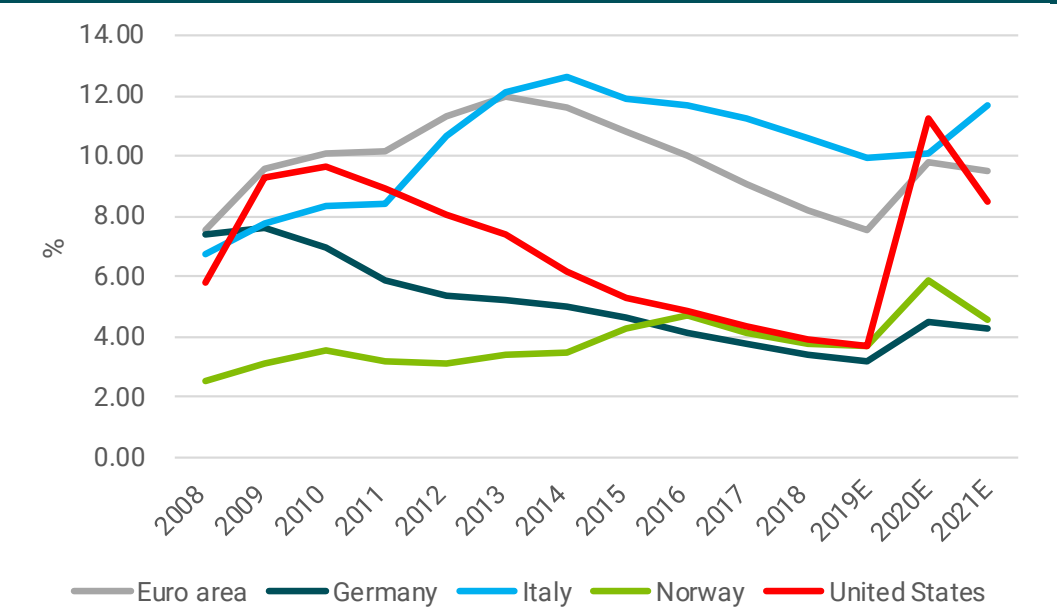


Source : Norges Bank, Statistics Norway

- Norway has a strong balance sheet
- High net central government financial assets (280% of GDP in 2018)

The Norwegian economy – Unemployment

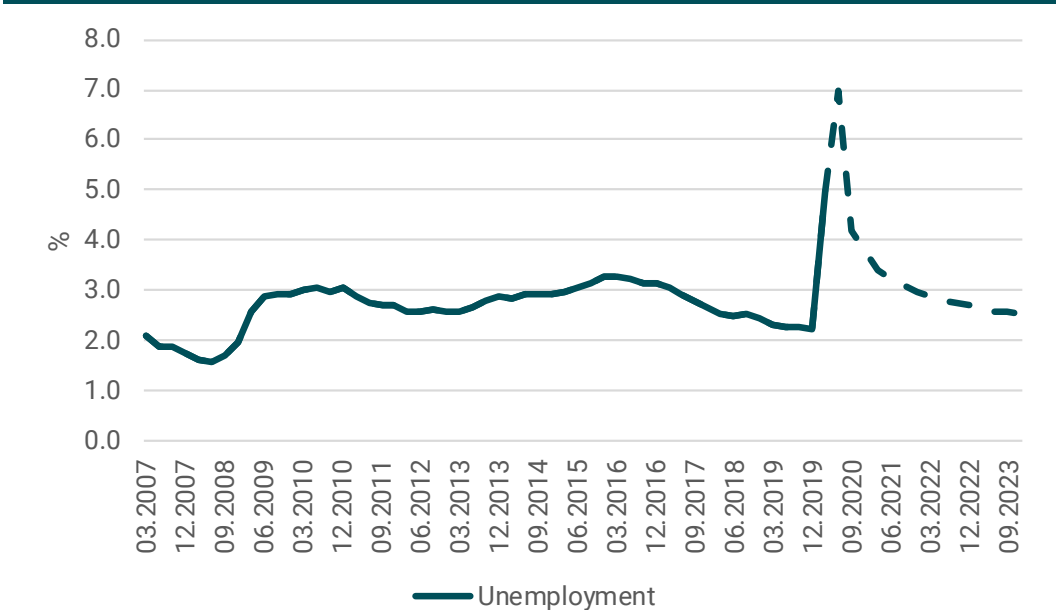
Norway has consistently low unemployment rate historically



Source: OECD Economic Outlook No. 107 single-hit scenario (database), June 2020

- A stable economy has ensured a high rate of employment historically
- After the COVID-19 outbreak unemployment has increased dramatically due to temporary lay-offs, but labour market have improved since primo April

Survey unemployment rate and total employment



Source: NAV and Norges Bank, MPR June 2020

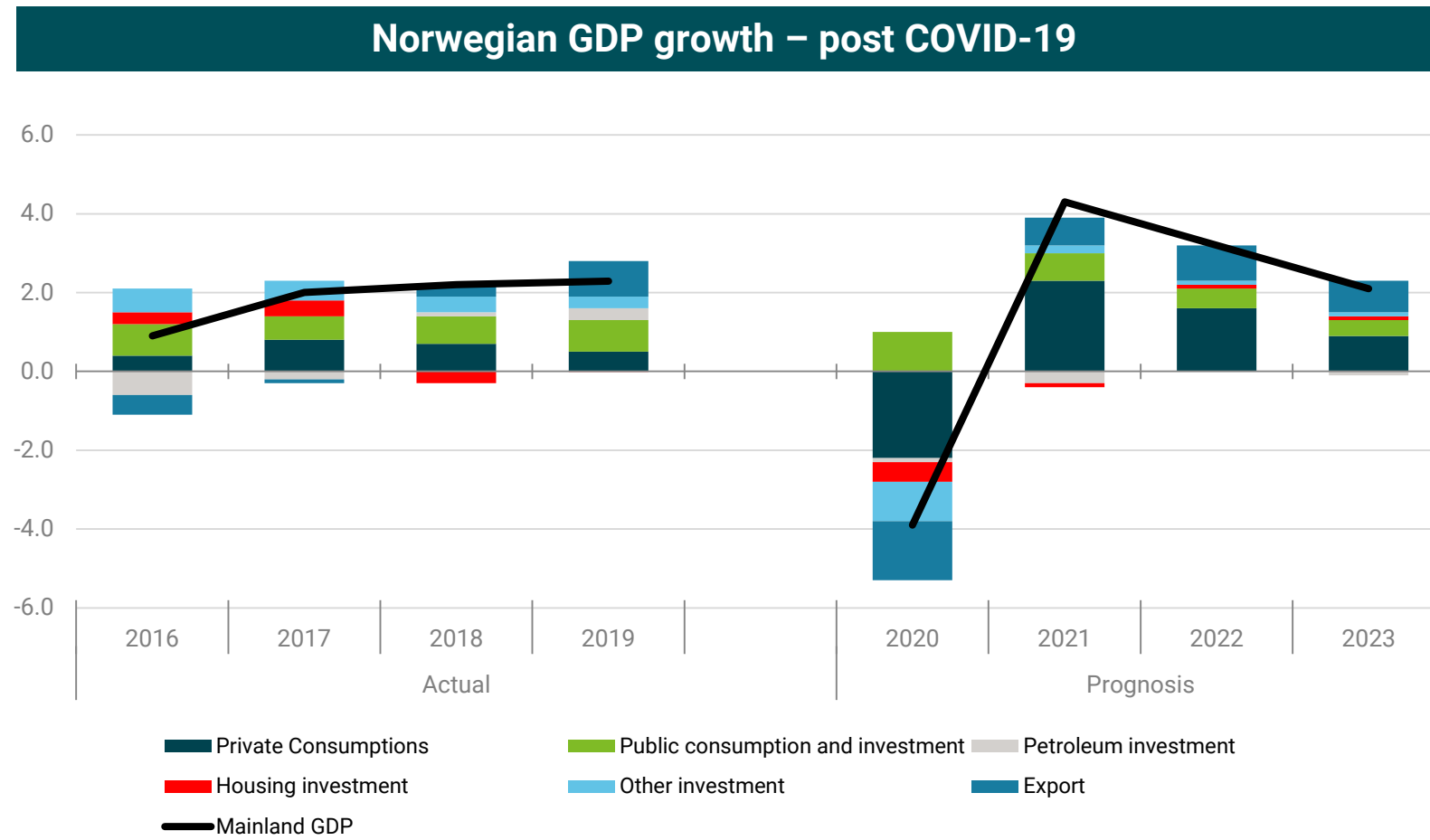
- Significant growth in employment since 2016 until COVID-19
- NAV publish weekly figures because of the COVID-19 outbreak.
- 5.5% unemployment rate June 16th up from 2.3% before COVID-19 measures implemented, but down from local high of 10.4% March 24th

Registered unemployment in % of labor force and # by profession after COVID-19 outbreak (Source: NAV)

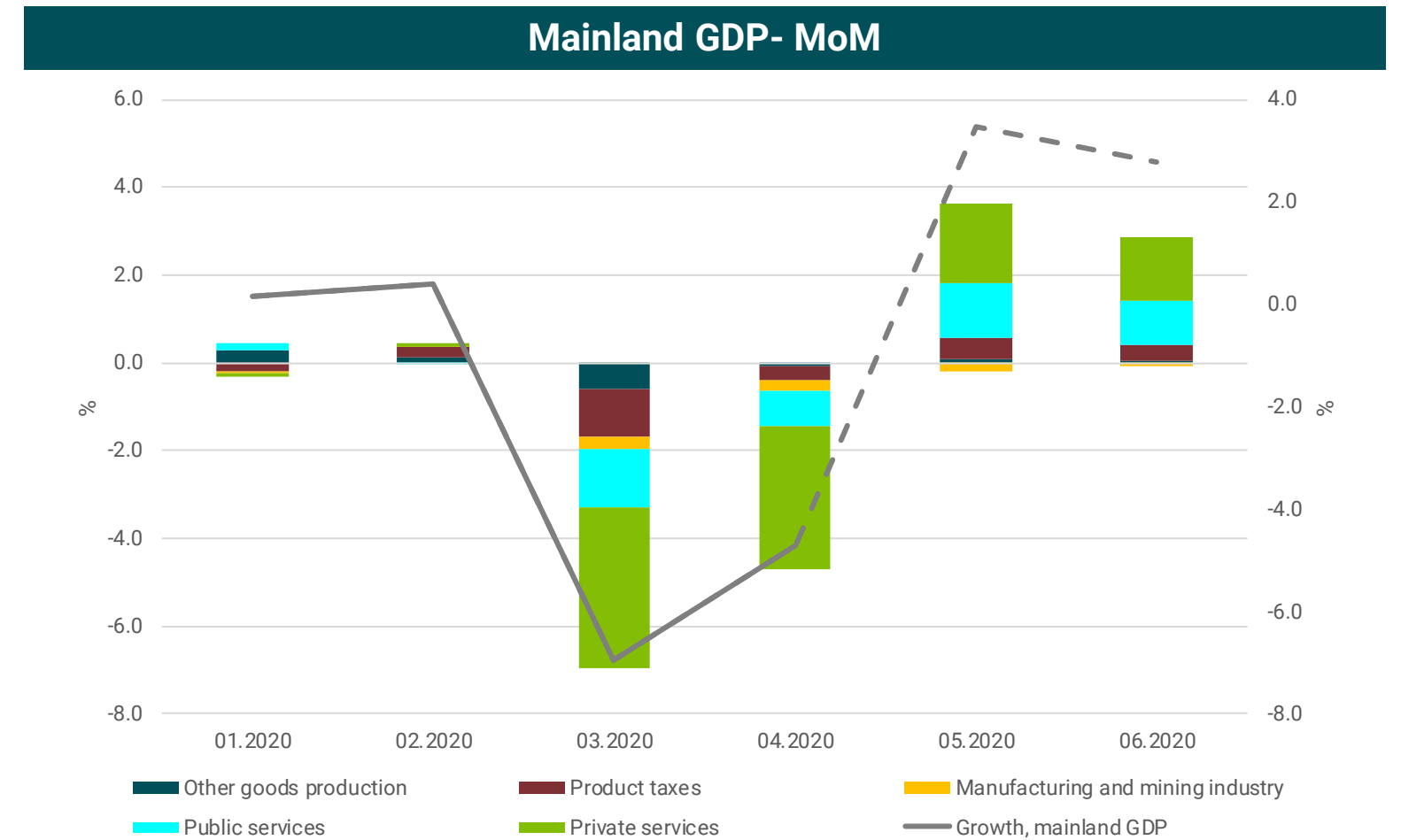
| Profesions | 10.03.2020 | 17.03.2020 | 24.03.2020 | 19.05.2020 | 16.06.2020 | # |
|-----------------------------------|------------|------------|------------|------------|------------|---------|
| All | 2.3 | 5.3 | 10.4 | 7.2 | 5.5 | 151,470 |
| Managers | 2.4 | 8.7 | 20.1 | 9.5 | 6.9 | 6,677 |
| Engineers & IT | 1.1 | 1.8 | 4.3 | 3.3 | 2.8 | 8,062 |
| Teaching | 0.7 | 1.8 | 2.5 | 1.9 | 1.4 | 2,993 |
| Academical profesions | 0.8 | 1.3 | 2.5 | 2.0 | 1.8 | 2,314 |
| Health and care services | 1.0 | 1.9 | 3.5 | 1.8 | 1.5 | 6,192 |
| Child and youth work | 2.5 | 4.7 | 6.6 | 4.8 | 3.9 | 4,293 |
| Brokers & consultants | 1.3 | 2.5 | 6.2 | 3.6 | 3.0 | 4,489 |
| Office workers | 3.2 | 7.1 | 13.6 | 10.7 | 7.9 | 14,367 |
| Store and sales work | 2.9 | 7.7 | 19.4 | 9.8 | 6.9 | 18,710 |
| Agriculture, forestry and fishery | 2.3 | 2.6 | 3.6 | 2.7 | 2.4 | 1,285 |
| Construction & building | 3.8 | 5.8 | 11.3 | 8.3 | 6.2 | 13,550 |
| Industrial work | 3.2 | 4.9 | 11.0 | 8.8 | 7.4 | 14,013 |
| Tourism & transportation | 3.5 | 13.9 | 25.2 | 21.0 | 14.5 | 26,826 |
| Services & other employment | 2.7 | 8.6 | 13.6 | 9.5 | 6.9 | 17,514 |
| No profession or unknown | * | * | * | * | * | 10,185 |

- A strong welfare system provides significant income protection: unemployment benefit is 62.4% of salary (capped at NOK 599,148) for a minimum of 104 weeks. COVID-19 related measure is to increase benefit to 80% of first NOK 300,000

The Norwegian economy – post COVID-19 outbreak



- GDP growth expected to fall by 3.9 % in 2020 driven by reduced private consumption, reduced investments and reduced export.
- Rebound in GDP expected in 2021 with growth of 4.3% driven by a reversal of negative development in private consumption and export in 2020.



- The Norwegian economy contracted in March (MoM -6.9%) and April (MoM -4.7%), but is expected to show a strong rebound in May and June

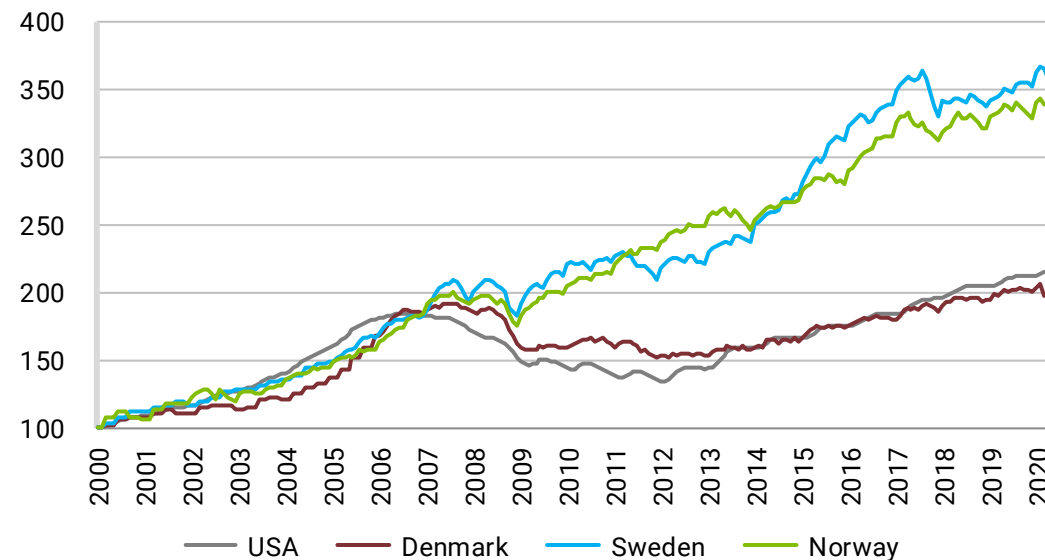
The housing market characteristics in Norway

| | | | |
|--------------------------------|---|---------------------------|--|
| Home ownership | <ul style="list-style-type: none">• Among the highest in the world – 76.8% are owner-occupied households• Total size of the mortgage market NOK 2,851 bn (EUR 288 bn) | Personal liability | <ul style="list-style-type: none">• Borrowers personally liable for their debt – also following foreclosures and forced sales• Prompt and efficient foreclosure process upon non-payment• Strong incentives to service debt reflected in low arrears• Transparent and reliable information about borrowers available to the lenders |
| MoF lending regulation* | <ul style="list-style-type: none">• Mortgages maximum LTV 85% (60% for secondary homes in Oslo)• Mortgages with an LTV > 60% are required to be amortizing• Debt service ability is stress tested for a 5% - point increase in interest rates• Total debt over gross income less than 5• Flexibility quota per quarter 10% (8% in Oslo) | Mortgage lending | <ul style="list-style-type: none">• Typical legal maturity 25-30 years, on average 22-23 years• 93.3% of residential mortgages have variable interest rate (Q3 2019)• Lenders allowed to adjust interest rates with a six week notice• No “sub-prime” market in Norway• Very limited buy-to-let market |
| Tax incentives | <ul style="list-style-type: none">• All interest expenses are tax deductible in Norway at capital gains tax rate (22%)• Preferential treatment of properties when calculating the wealth tax (0.85%)• Capital gain on a dwelling tax-free after one year of occupancy by the owner | | |

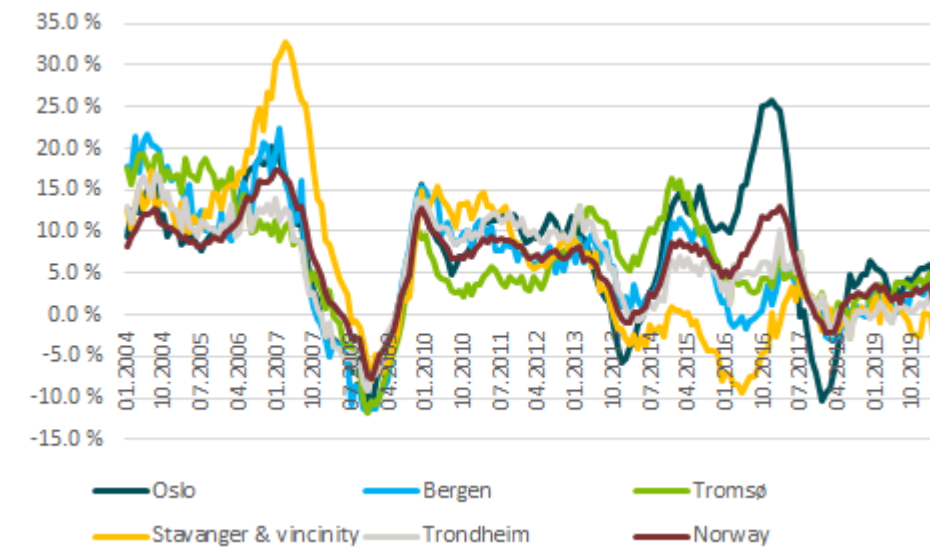
* November 15th 2019 the Ministry of Finance decided to continue the current mortgage regulation unchanged with effect from January 1st 2020. Current regulation expired 31 December 2019. Renewed regulation expires December 31st 2020. Due to Covid 19 the flexibility quota was increased to 20 percent on March 23rd for Q2 and June 11th the increased flexibility quota of 20 percent was extended for Q3

The housing market – Price development

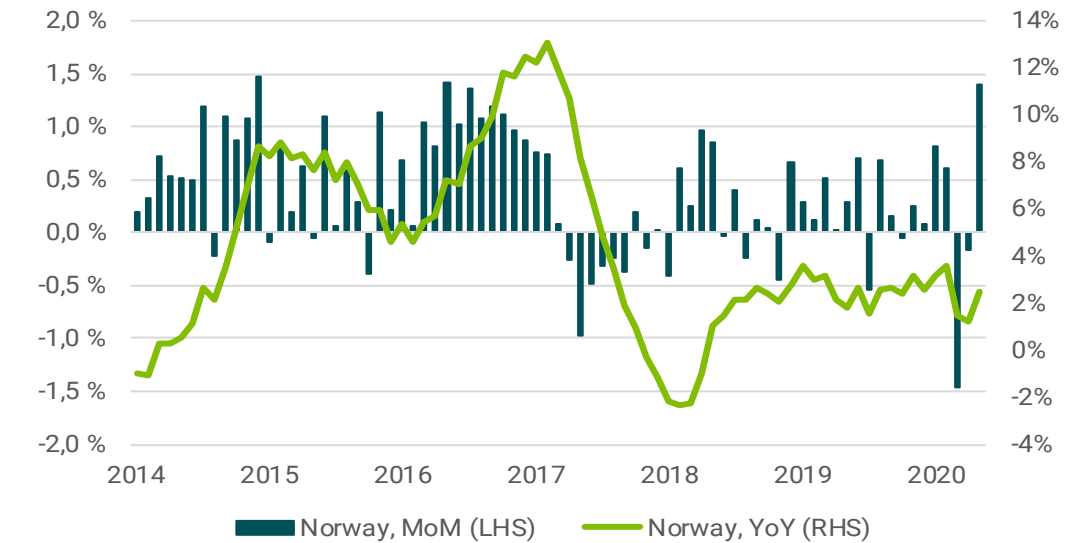
Nominal house price development



House prices larger cities (twelve-month change)



House prices (monthly and twelve-month change)



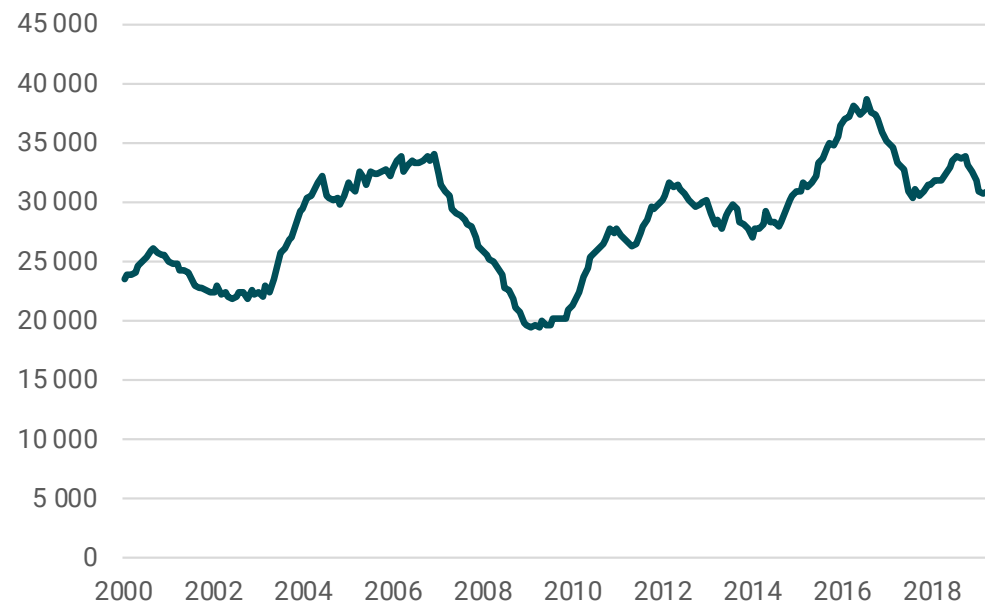
- Nominal house prices have increased by an average of 6.3% per annum since 2000. +1.4% in May 2020.
- The Norwegian housing market have stabilized in 2018 and 2019 after volatile price development in 2016 and 2017. +3.8% YtD 2020, but -0.25% post COVID-19

- House prices are expected to show some correction after COVID-19 in 2020 and 2021, but to pick up again from 2022
- Small risk for a sudden and significant downward correction in house prices going forward

- Median house price (last 6 months) in Norway is € 285 000, median house price in Oslo is € 372 000
- Average m² price last 6 months in Norway is € 3 788 , m² price in Oslo is € 6 568

The housing market – Drivers of the housing market

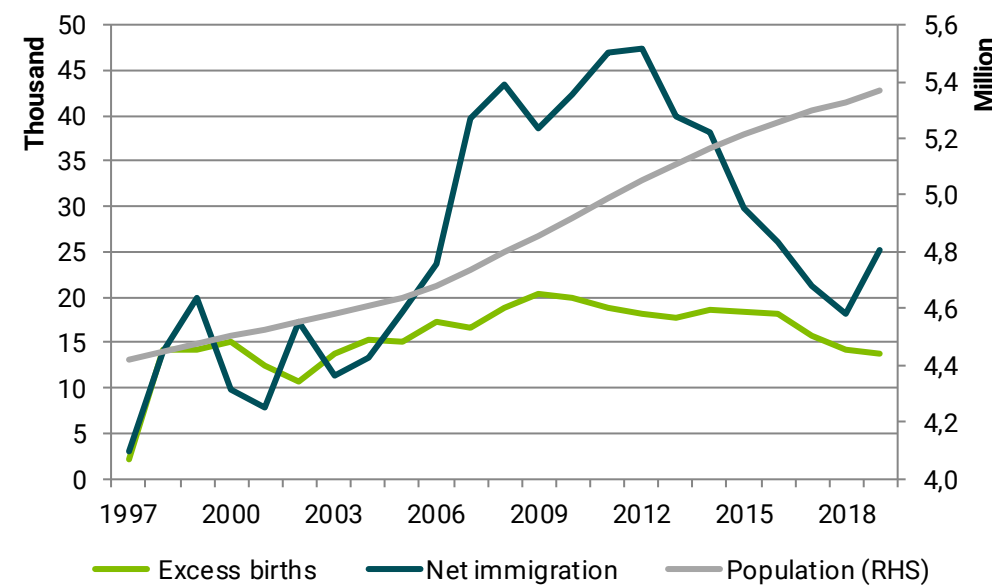
Housing starts (twelve-month change)



Source: Statistics Norway, April 2020

- Housing investments and new home construction are expected to remain at current levels going forward after a moderate growth last five quarters.

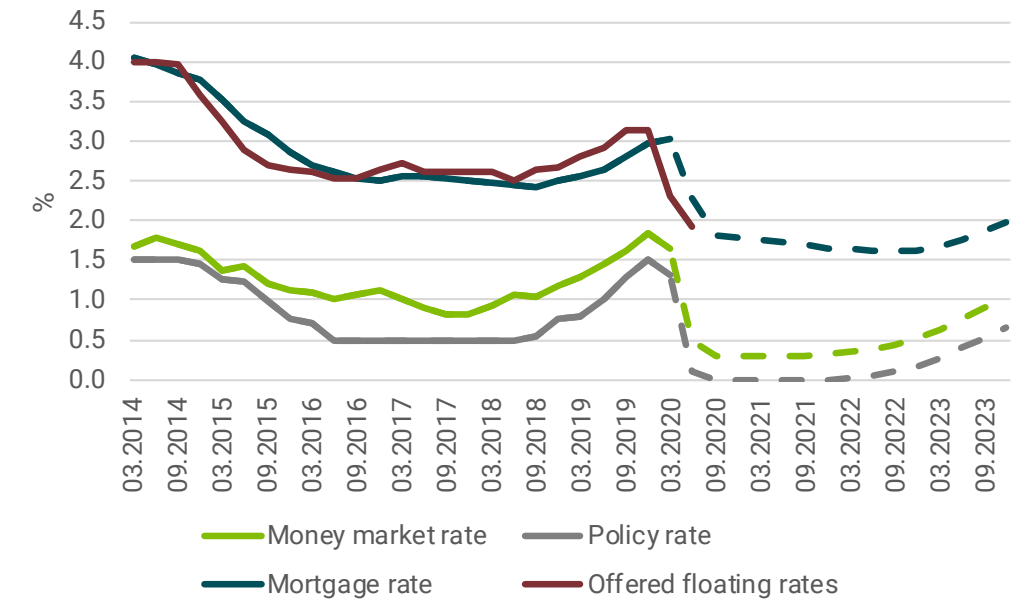
Population growth



Source: Statistics Norway, Q4 2019

- Net immigration down from above 47,000 in 2011/12 to 25,000 in 2019. Net immigration is slightly up in 2019 from 2018.
- The population growth of 0.9% p.a. since 1997 has been driven both by excess birth rate (38%) and net immigration (62%)

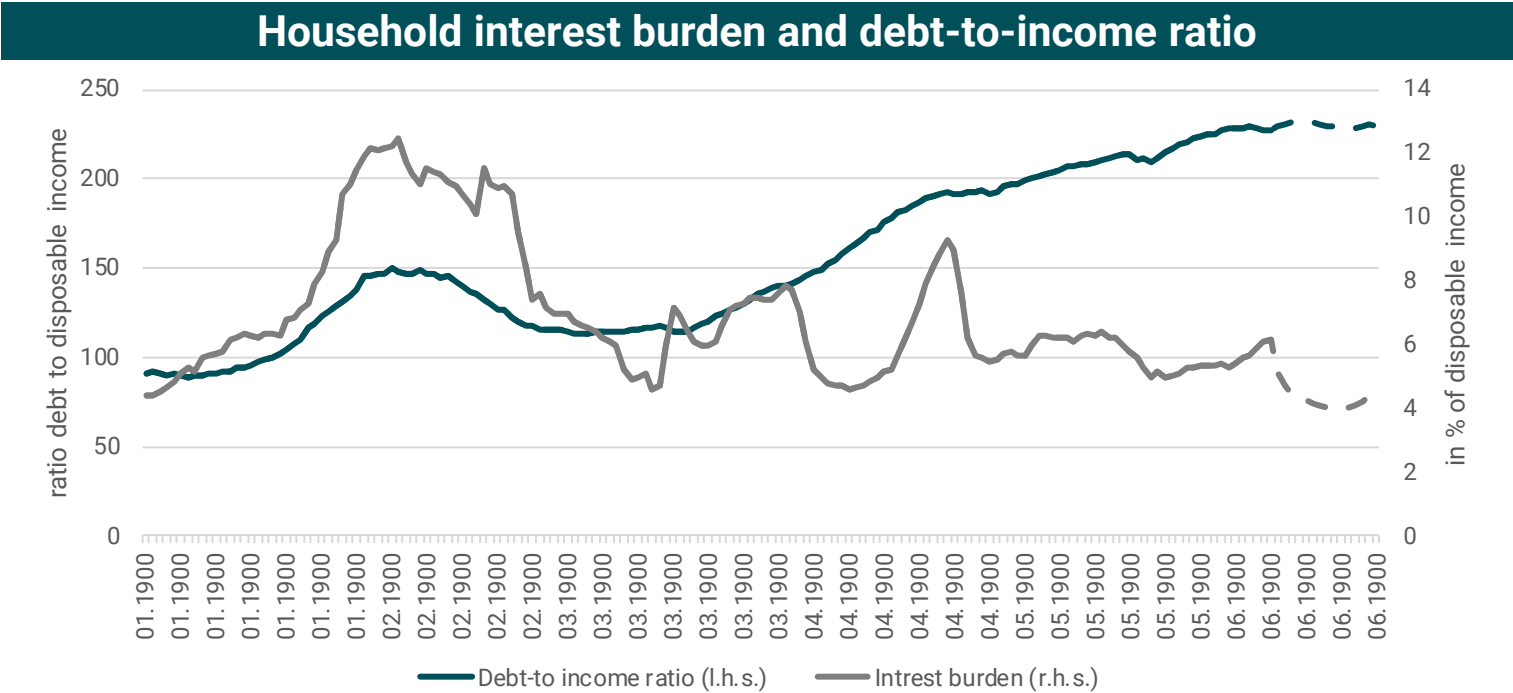
Interest rates



Source: Norges Bank, MPR June 2020

- Average (1,91% offered variable rates) mortgage rates have and will continue to decrease going forward (~ 1,75%) following the cuts in the policy rate to all time low of 0.0% in May, depending on the developments in the money market rates and funding costs

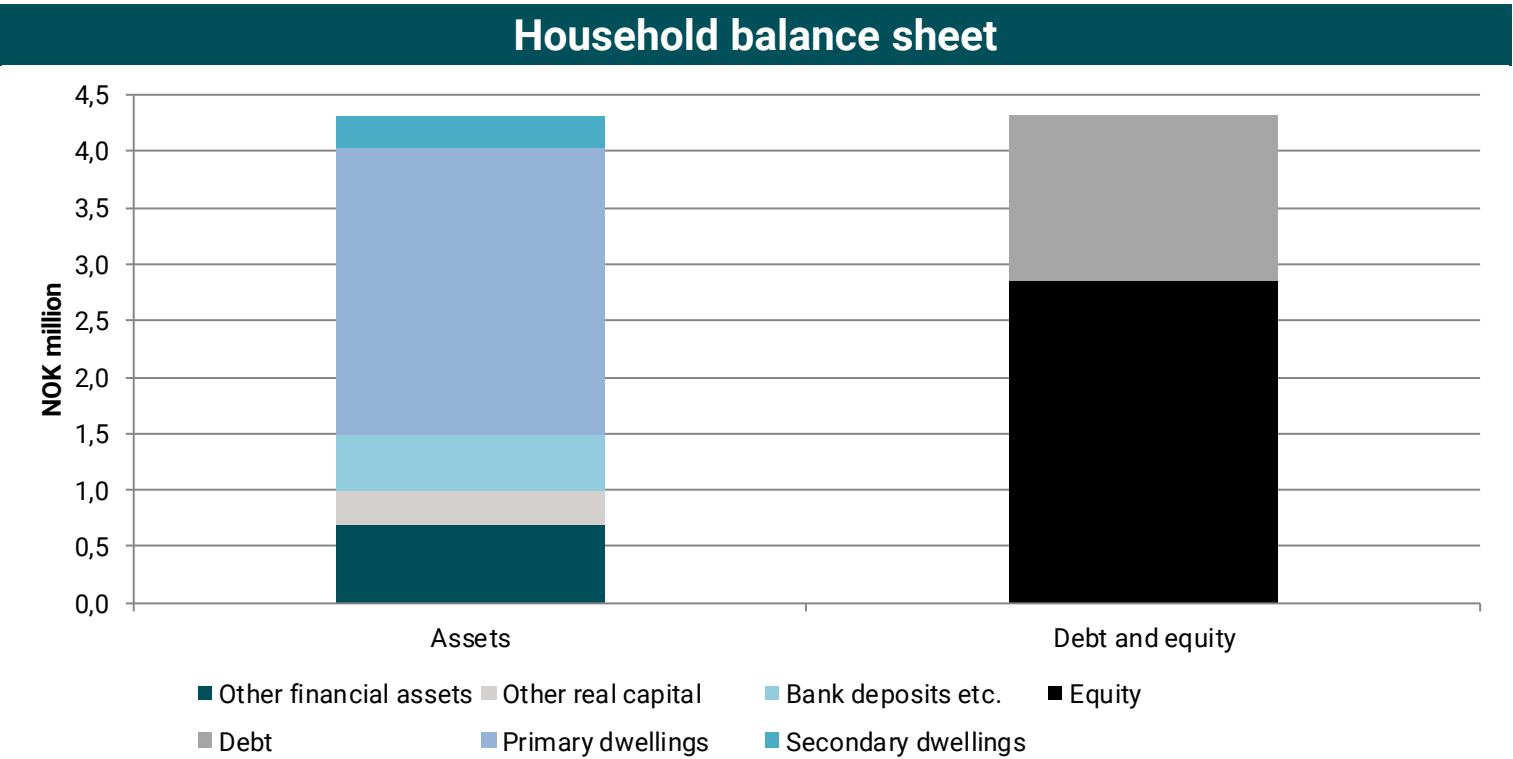
Households financial position



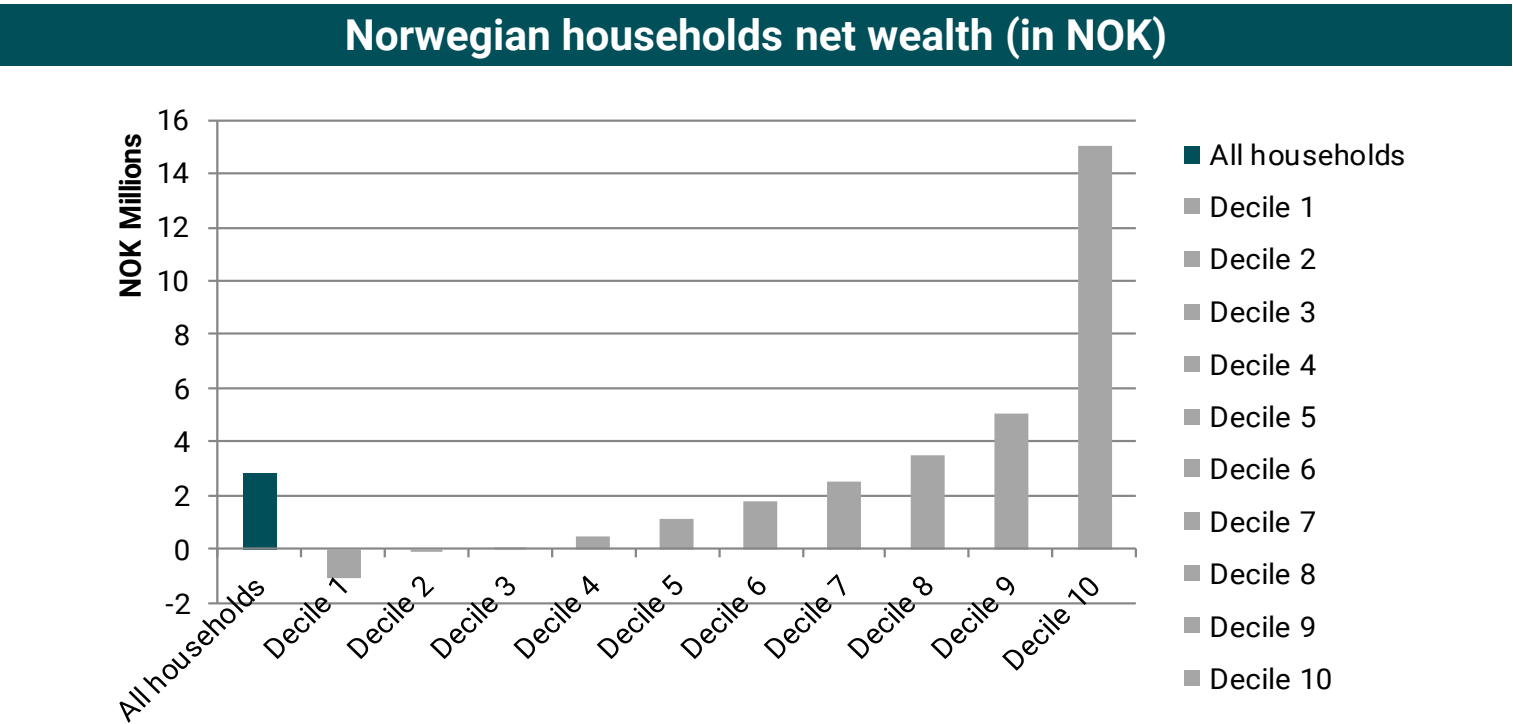
Source: Statistics Norway and Norges Bank, Q1 2020



Source: Statistics Norway, Updated 2018



Source: Statistics Norway Updated 2018



Source: Statistics Norway, Updated 2018

Agenda

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3rd largest Norwegian banking system

- The Eika Alliance consist of a group of 65 Norwegian local banks¹, Eika Gruppen and Eika Boligkreditt

- Total assets EUR 40 bn
- 850,000 customers
- 2,170 employees
- 211 branch offices

- The banks have a wide geographical reach (presence in 10 out of 11 counties) with a strong position in the vibrant economic centres in Central and Eastern Norway



- **Local banks with a unique market position**
 - The Eika banks ranks high on client experience
 - Local based knowledge and credit committee decisions
 - Perceived to care about their clients
- **Market share in lending to retail customers**
 - Up to 80% in local markets (except the largest cities)
 - 10.6 % market share retail lending in Norway

¹ 11 banks have given notice of termination of its agreements with Eika Gruppen. These banks in total own 12.1% of the shares in Eika Gruppen. The 11 alliance banks will leave the alliance when their agreements terminate on 31 December 2021. Work is under way to clarify collaboration and deliveries during the period of notice as well as opportunities for possible commercial collaboration after their exit from the Eika Alliance. These banks have transferred 15.8% of the portfolio in Eika Boligkreditt. Eika Boligkreditt has given notice of termination of distribution agreement with effect from January 1st 2022. Se appendix for a description of the effect of cancellation of the distribution agreement.

The Eika Alliance



Eika Boligkreditt AS

Covered Bond Funding

Eika Gruppen AS

Provides products and services to bank clients

Provide services to banks

Infrastructure / IT

Strategy and Lobbying

Bank2 and Sandnes sparebank are only shareholders in Eika Gruppen AS. OBOS is only shareholder in Eika Boligkreditt AS. OBOS is the largest Nordic Cooperative Housing Association, established in 1929 and is owned by 454,000 members, mostly located in the Oslo-area. More information about OBOS can be found on www.obos.no
* The 11 banks that have given notice of termination to Eika Gruppen

Achieving economies of scale, while being local

I. Eika banks

- The saving banks are independent banks with very strong local focus, and operate solely in the local markets where they have been active for almost 200 years

II. Eika Gruppen

- The smaller Norwegian Savings banks established the Eika Alliance in 1997.
- Efficiency in banking operations and IT infrastructure
- Realize the economics of scale
- Jointly owned product companies (insurance, mutual funds etc)
- Shared resources to handle regulatory changes

III. Eika Boligkreditt

- Provider of covered bond funding

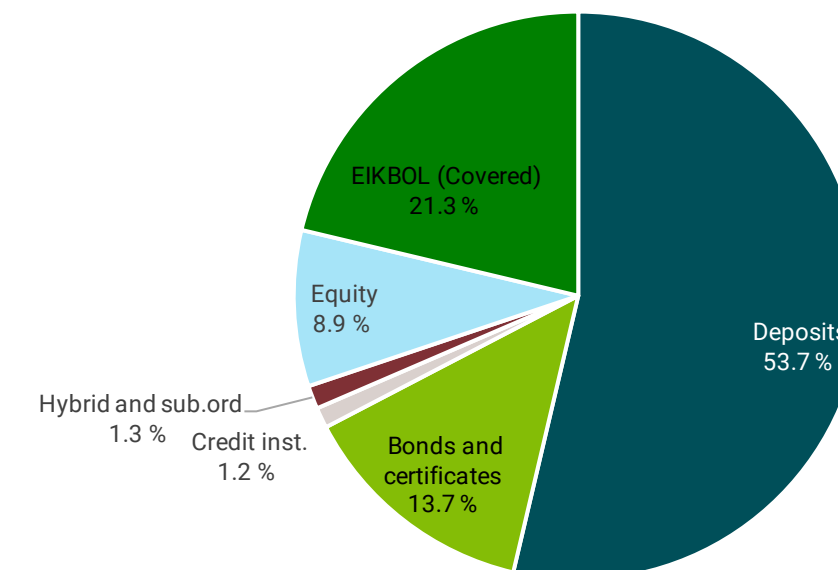
Efficiency

- Work as if one integrated entity
- Operational integration
- Offer non-core banking products through jointly owned product companies



Alliance programme

Total funding sources



Source: Bank analyst Eika as of Q4 2019

Focus on retail customers

- Eika banks have a large and stable retail customer base
- Retail lending accounts for 81.2% of Eika banks' total lending
- Eika banks have a higher share of retail lending compared to the other Norwegian peers
- Retail lending consist predominantly of mortgage collateralized housing loans (approx. 93% of total)
- Low average LTV of 53.1% in mortgage portfolio

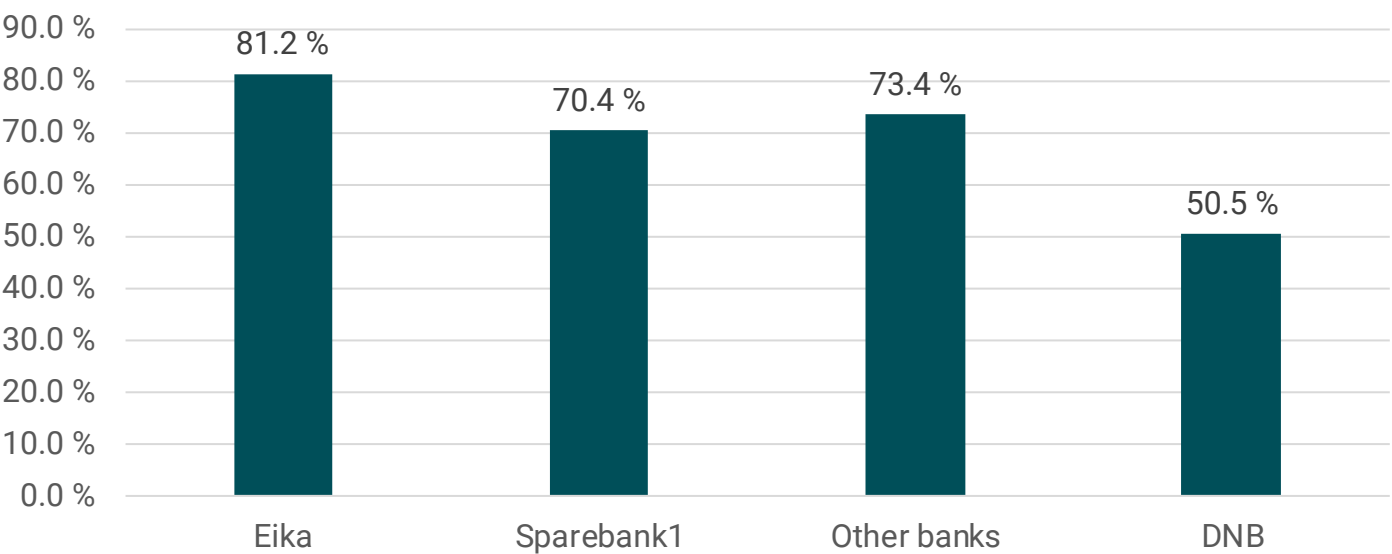
Local market focus

- Decisions are made close to the customer and transaction originations
- Each bank continues to develop its link with its local community
- Keeping its own name and legal identity



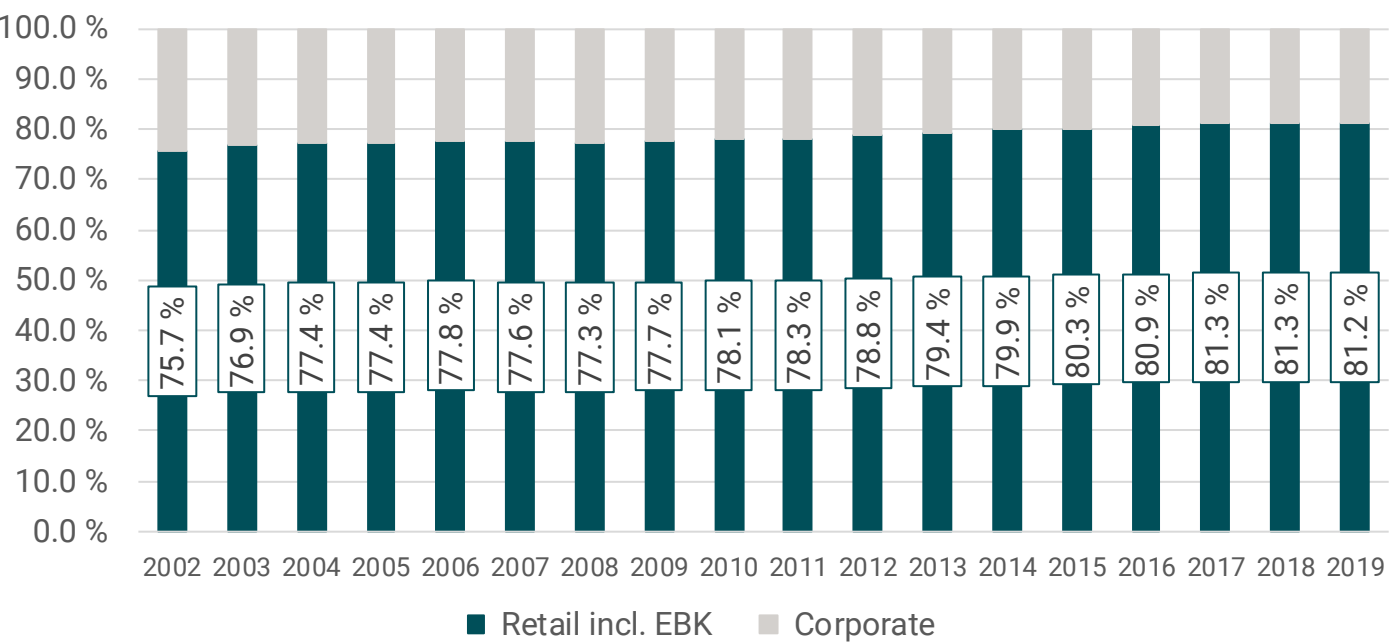
Separate legal identities and a common support brand

Retail share - Eika vs. peers



Source: Bank analyst Eika as of Q4 2019

Breakdown of the Eika banks lending

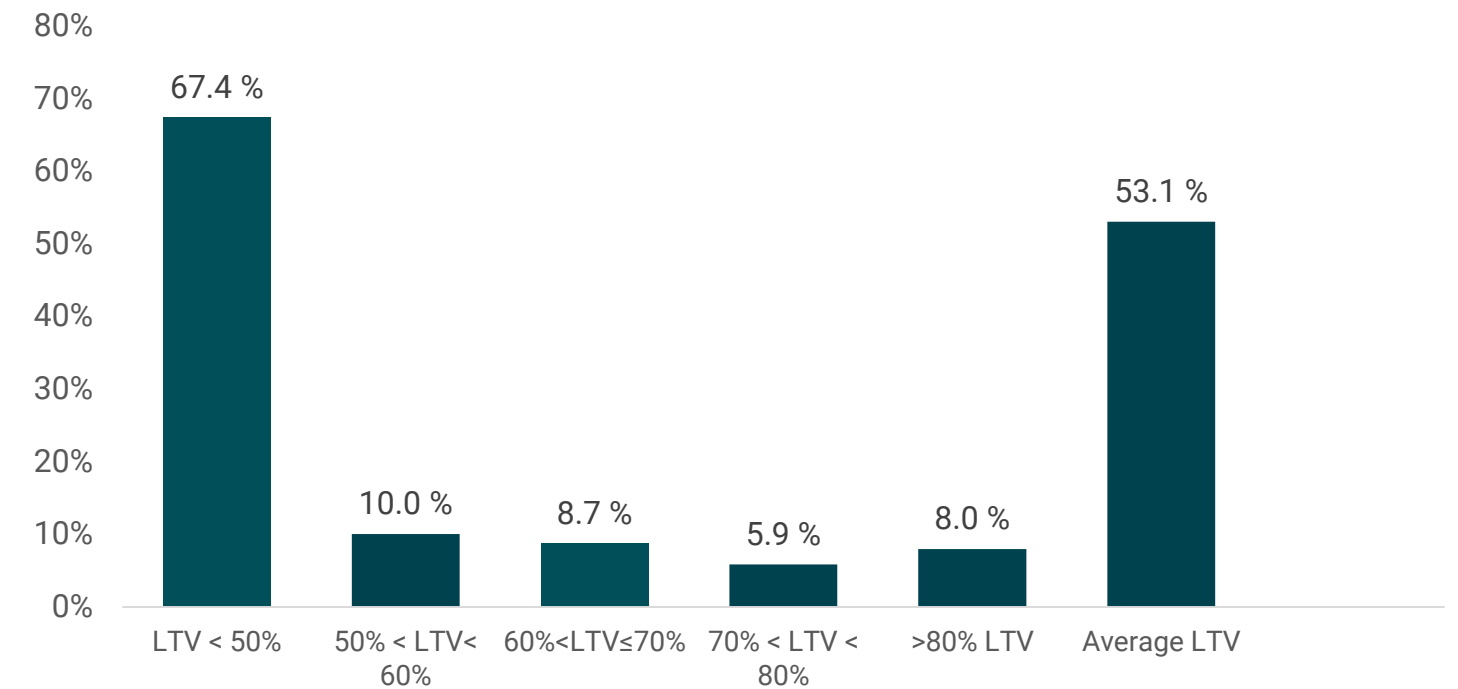


Source: Bank analyst Eika as of Q4 2019

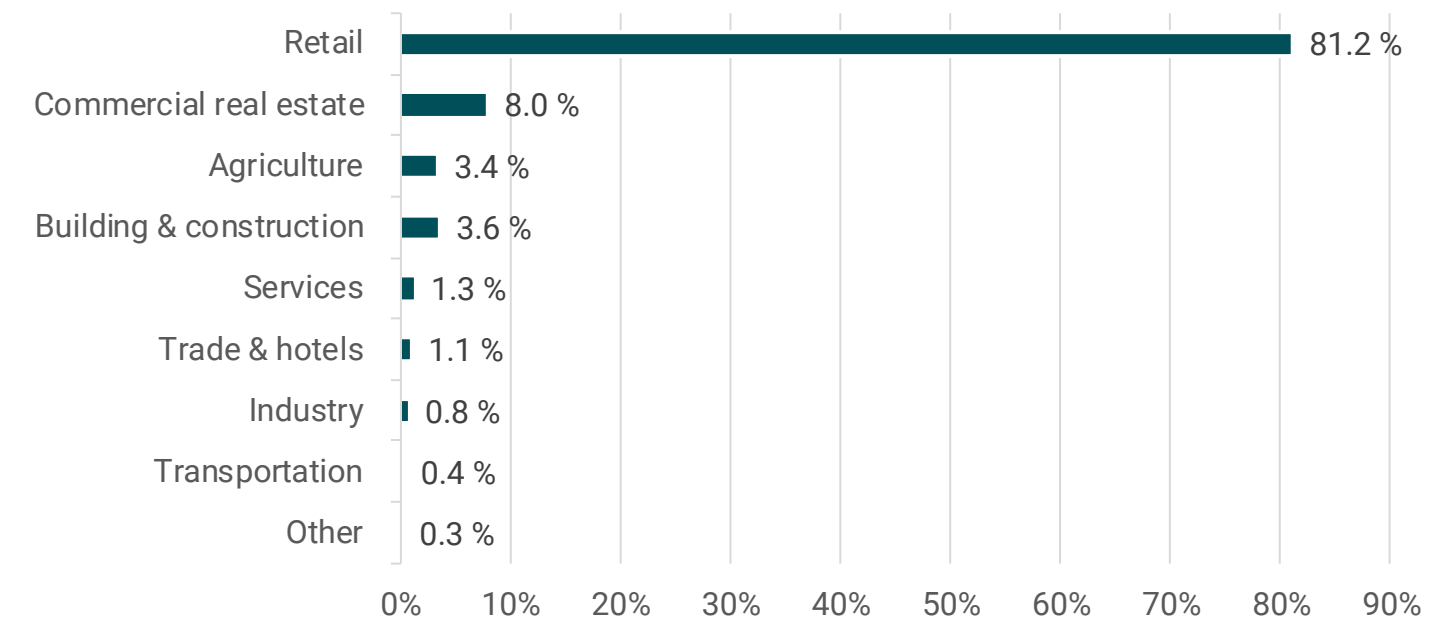
High asset quality

- Conservative risk profile within the banks
- Eika banks have low exposure to the corporate sector with no lending to shipping, oil sector and relatively low exposure to commercial real estate
- Few non-performing and doubtful loans
 - Gross non-performing loans constitute 0.60% of gross loans Q4 2019
 - Gross doubtful loans constitute 0.68% of gross loans Q4 2019
 - Provisioning ratio on problem loans of 40.4% Q4 2019
- Gross problem loans relative to equity + loan loss reserves was 9.2 % in 2019, up from 7.2 % in 2018

Low LTV in mortgage portfolio (bank book)



Sector breakdown of the loan book (incl.EBK)



Source: Bank analyst Eika as of Q4 2019

Strong capitalization

Strong capital ratios – Q4 2019

- Common equity ratio (CET1): 19.5%
- Core capital ratio: 20.9%
- Capital ratio: 22.9%
- Equity ratio (Equity/Total assets): 11.2%

All Eika banks are well capitalized (core capital ratio)

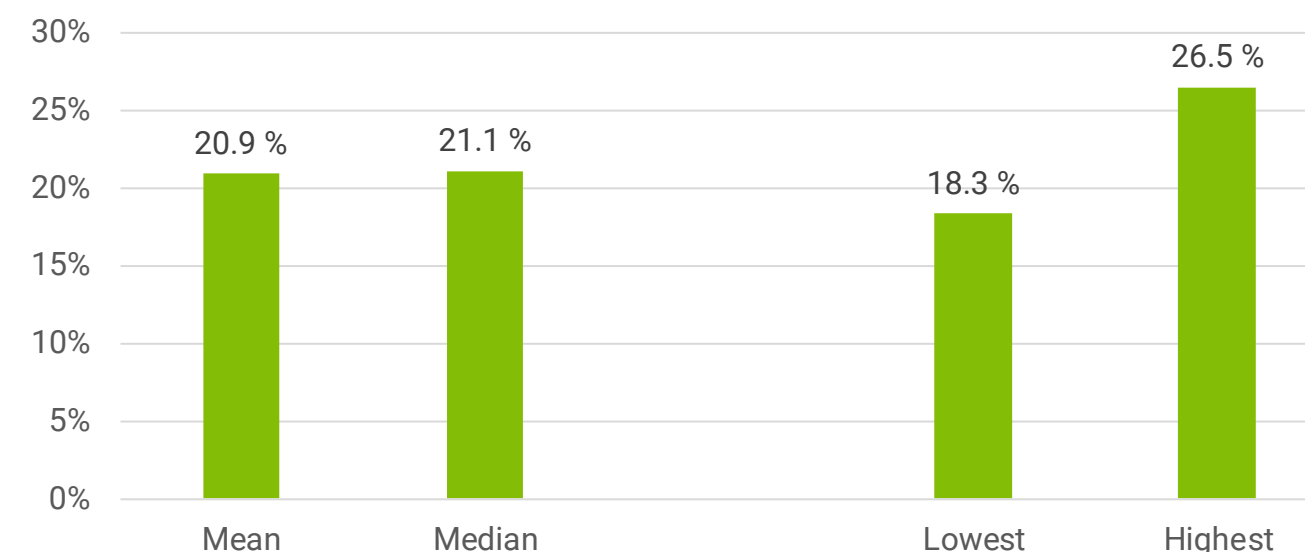
- Lowest: 18.3%
- Highest: 26.5%

All Eika banks use the standard approach under Basel II and therefore increase in mortgage risk-weights will not impact capital levels of Eika banks

If Eika banks were using the IRB method, the core and capital ratios are estimated to have been at 27.3% and 29.8% Q4 2019

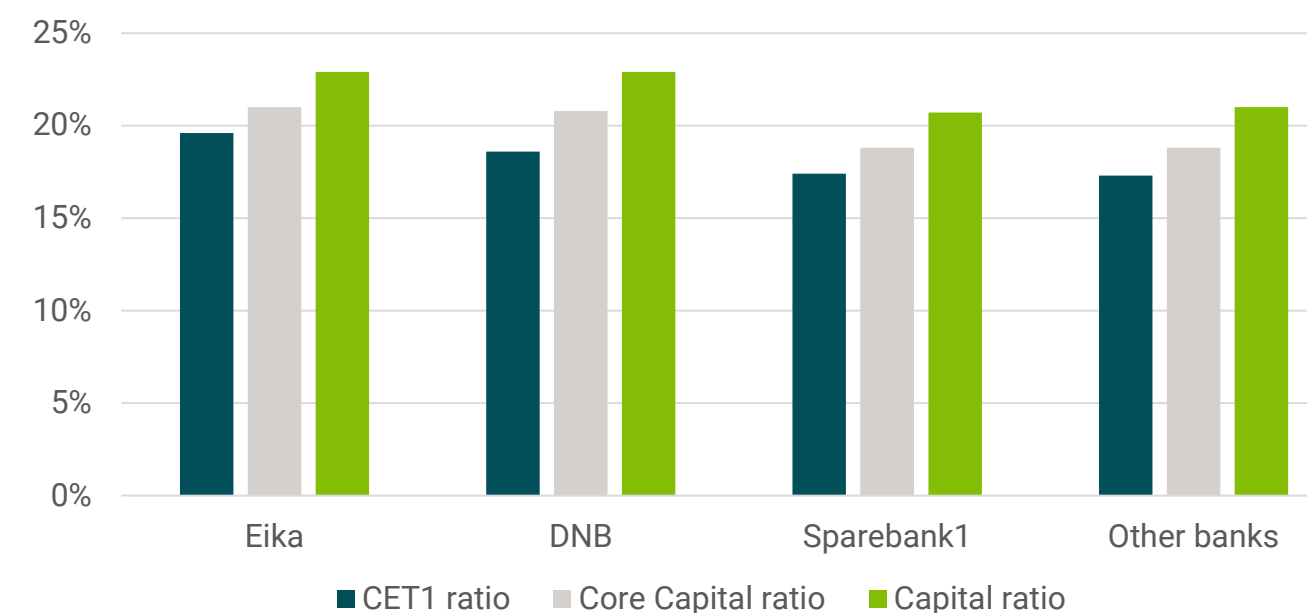
Core capital ratio – Eika banks

As of Q4 2019

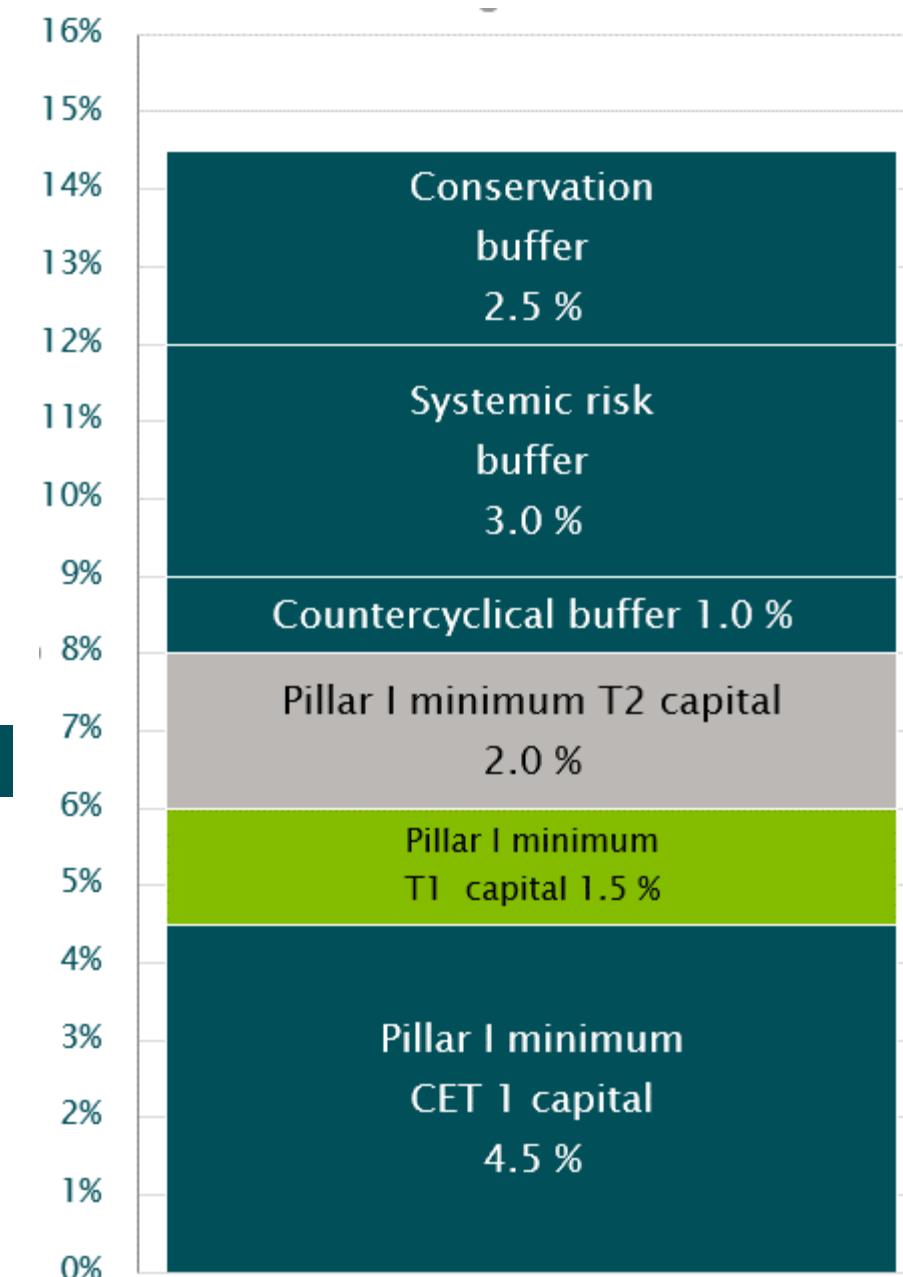


Capital ratio - Norwegian banks

As of Q4 2019



Minimum capital requirements for Eika Banks*



* The countercyclical buffer was decreased from 2.5 percent to 1 percent with immediate effect from March 13th 2020. No Eika Bank has SIFI requirements

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Norwegian covered bonds

I. Norway's covered bonds legislation

- Specialist banking principle, ring fencing of assets and transparency
- Standard principles in the legislation in effect since 2007
- Harmonisation (EBA proposal from 2017) can easily be implemented in Norwegian law with minor changes

II. Regulatory

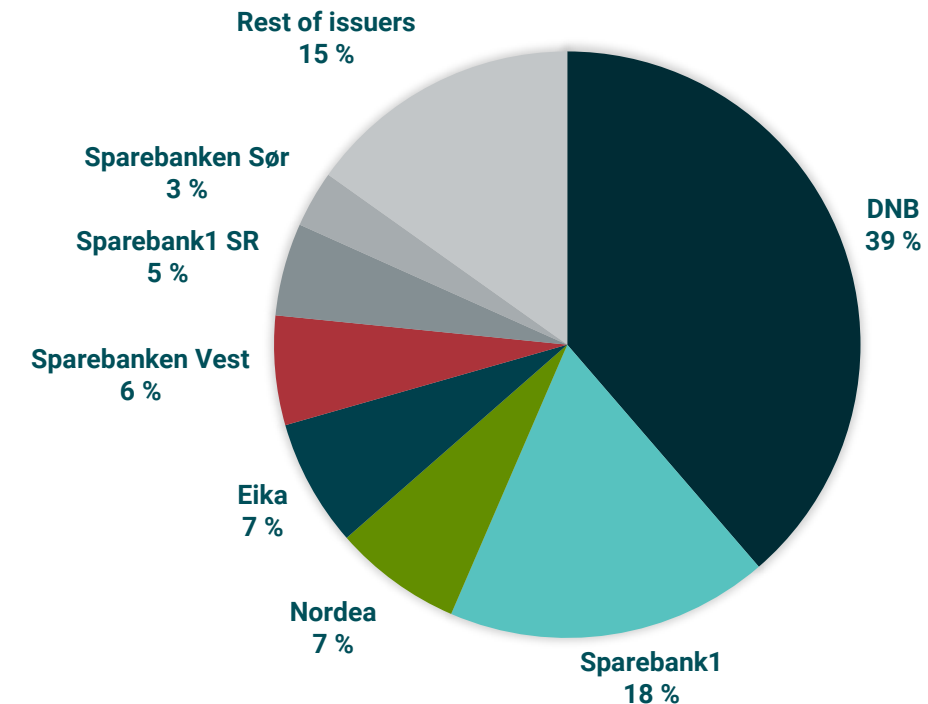
- Norwegian covered bonds are category 1 for LCR purposes (above EUR 500 mill.)
- 10% preferential risk weighting

III. Eika Boligkreditt covered bonds

- Eika Boligkreditt (**EIKBOL**) is a labelled covered bond issuer (www.coveredbondlabel.com)
- EIKBOL covered bonds are rated **Aaa** by Moody's
- Committed minimum OC of 5%
- 12 month soft-bullet on all CBs

Norwegian covered bond market

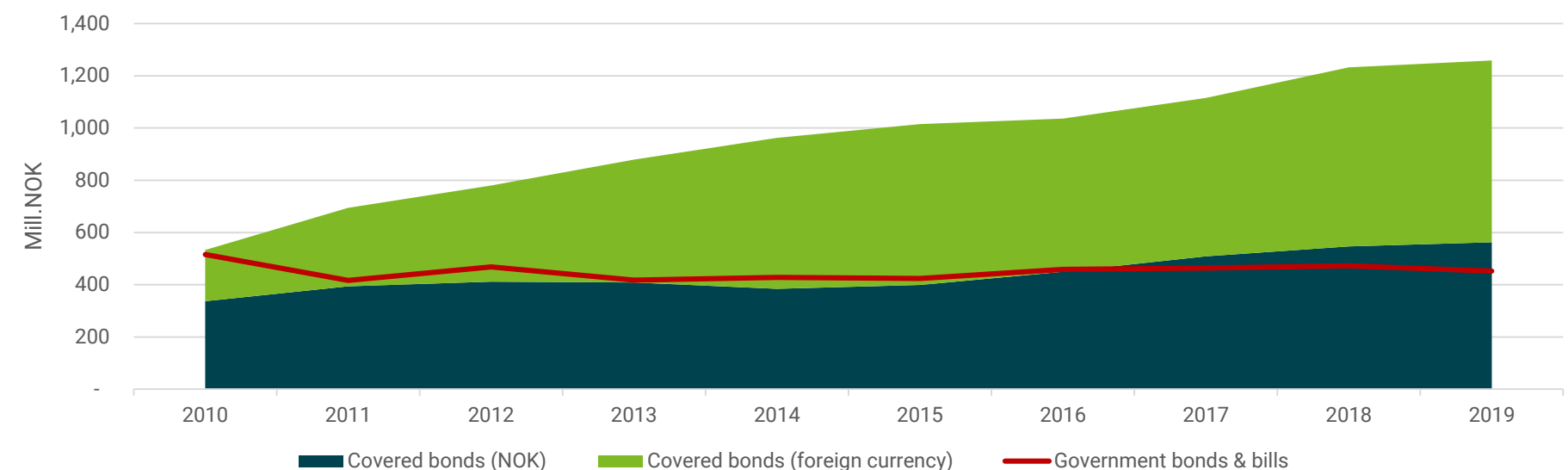
As of 2020Q1



Source: Finance Norway

Norwegian covered bonds and government bonds outstanding

As of YE2019



Source: Finance Norway, Oslo Stock Exchange

Eligibility criteria for mortgages in the cover pool

I. Customer categories

- Norwegian residents (Retail)
- Cooperative housing associations (common debt between multiple individuals)

II. Credit Criteria

- Eika Boligkreditt sets the credit policy for acceptable mortgages for the cover pool (credit manual)
- No arrears

III. Collateral

- Max LTV 75% at time of origination (same as Norwegian legislation)
- Recent valuations (within 6 months at time of origination)
- Quarterly valuation from independent 3rd party, documented

IV. Type of properties

- Stand alone residential mortgages
- Cooperative housing residential mortgages

V. Type of products

- Principal repayment loans (currently no flexi loans)
- Fixed and variable interest rate loans

VI. Origination process

- Loan-by-loan origination

Structure of liquidity and capital support from owners

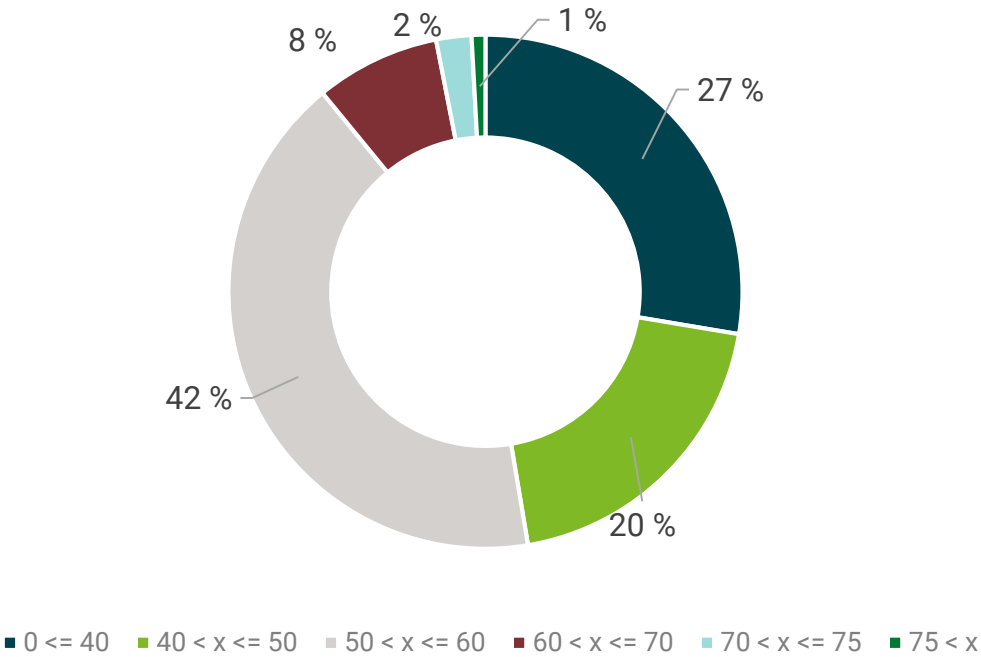
- **The Note Purchase Agreement (NPA)** is structured to ensure that EIKBOL has liquidity, at all times, sufficient to pay the Final Redemption Amount of any series of Notes in a rolling twelve month period
- **The Shareholders' Agreement** is structured to ensure that EIKBOL will uphold a sufficient capital adequacy ratio at all times. The Owner Banks are obliged to pay their pro-rata share of any capital increase adopted by EIKBOL's general meeting and of any capital instruments to be issued
- **The Distribution Agreement** is structured to provide servicing of the mortgages and includes credit guarantees for mortgages transferred to EIKBOL and a revolving credit facility between Eikbol (borrower) and Eika bank (lender) for the value of mortgages exceeding 75% of the value of the collateral



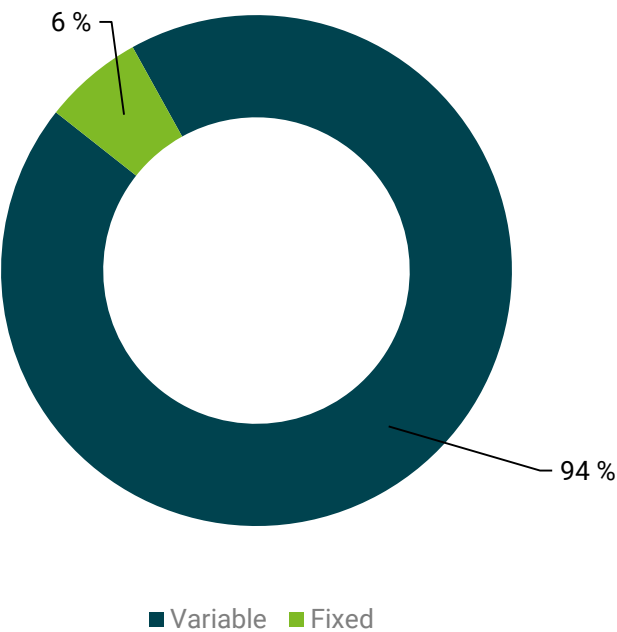
Summary of the mortgages in the cover pool

| | |
|-----------------------------------|-------------|
| Nominal value | EUR 7.4 bn |
| Number of loans | 54,378 |
| Arithmetic average loan (nominal) | EUR 136,584 |
| WA LTV (indexed) | 46.8% |
| WA seasoning (months) | 33 |
| Loans in arrears (over 90 days) | 0.0 |
| Over-collateralization * | 11.7 % |

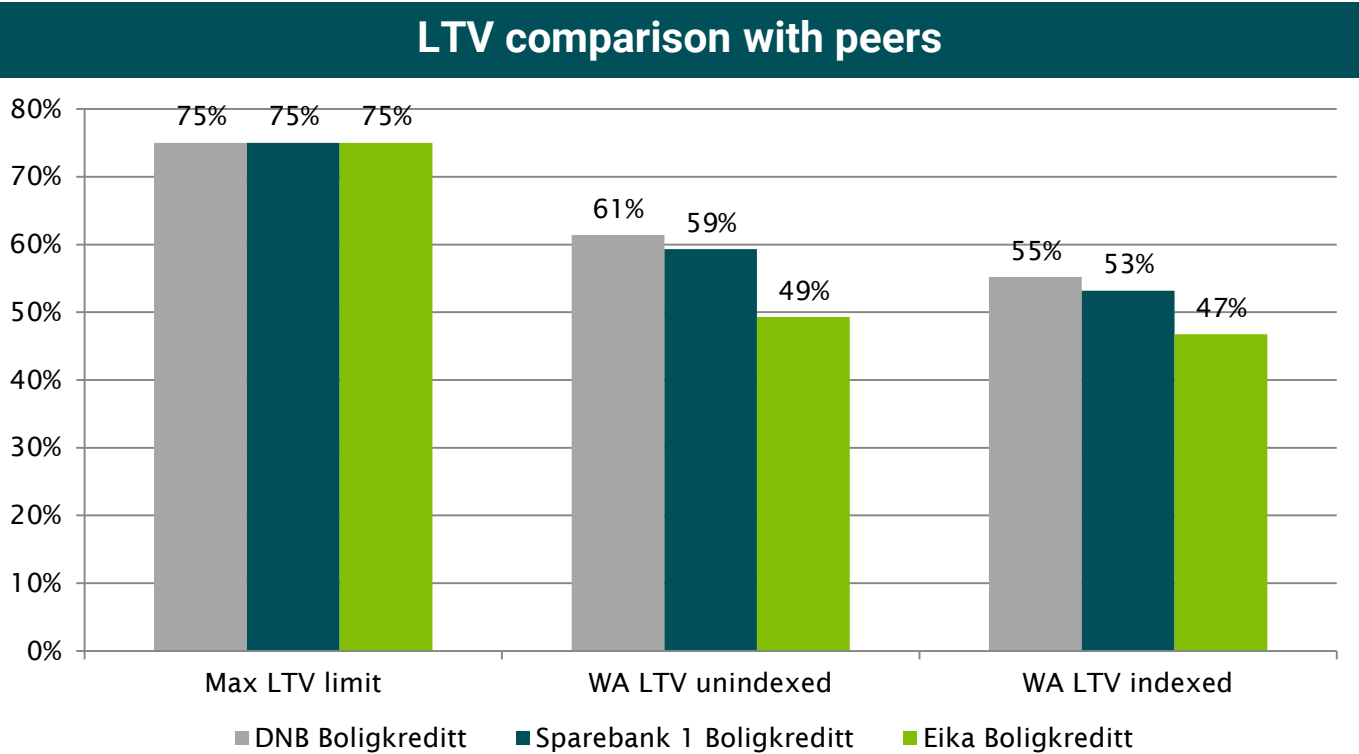
Indexed LTV distribution



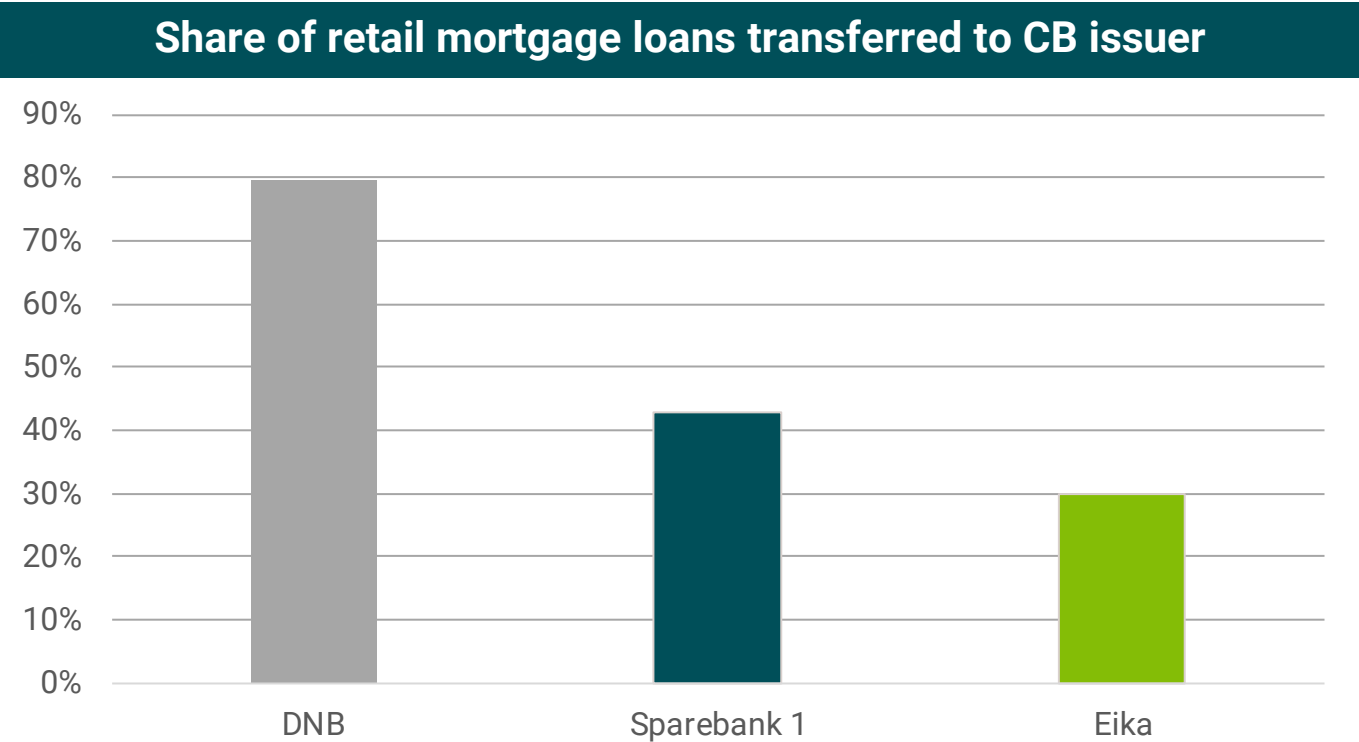
Variable vs fixed rate



Cover pool comparison and stress test



Source: Cover pool information as of Q4 2019 for Eika Boligkreditt and DNB Boligkreditt. Sparebank 1 Boligkreditt as of Q3 2019



Source: Bank Analyst Eika, Q4 2019

| Stress test: Decline in house prices | | | | |
|---|-----------|----------------|----------------|----------------|
| Stress test house price reduction (numbers in € million) | Unchanged | Decline of 10% | Decline of 20% | Decline of 30% |
| Mortgage Portfolio | 7,427 | 7,427 | 7,427 | 7,427 |
| Part of mortgages exceeding 75% LTV | 0 | 26.3 | 77.7 | 357.6 |
| Share of mortgage portfolio >75% LTV | 0.00 % | 0.4 % | 1.0 % | 4.8% |
| Estimated over-collateralization* | 11.7 % | 11.3 % | 10.7 % | 7.0 % |

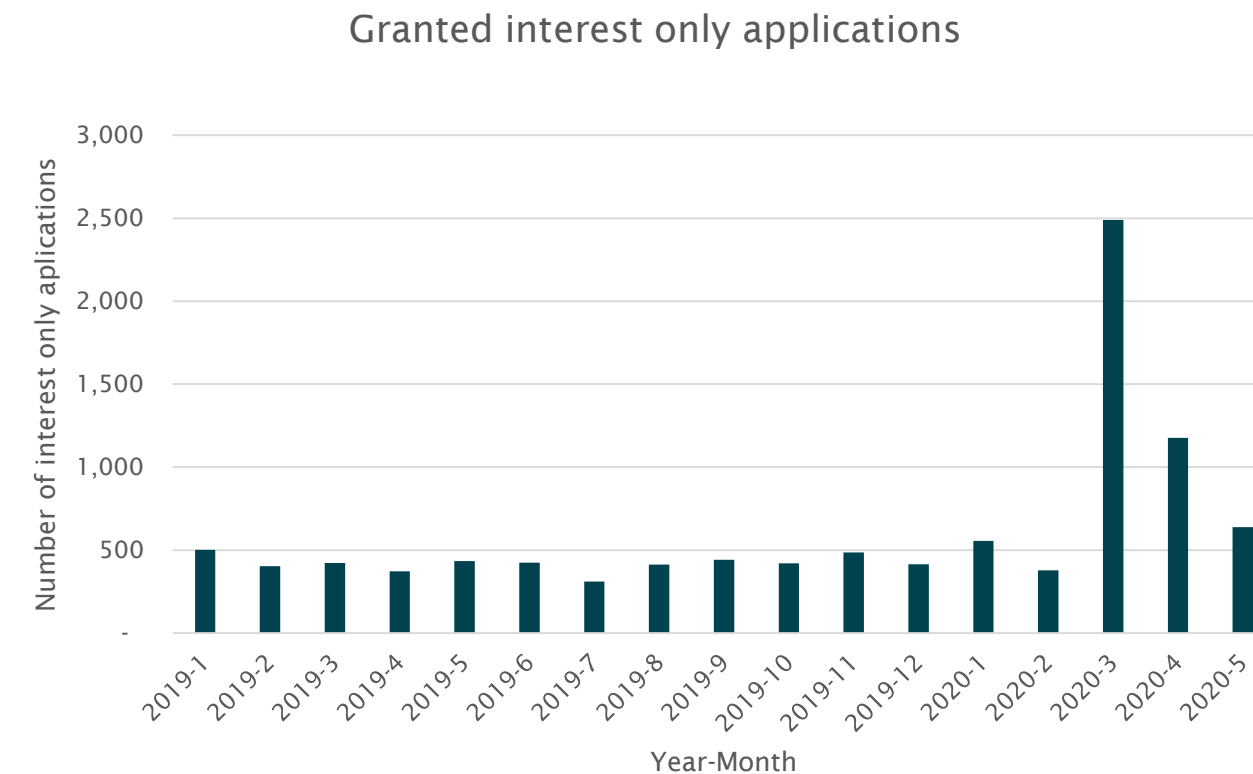
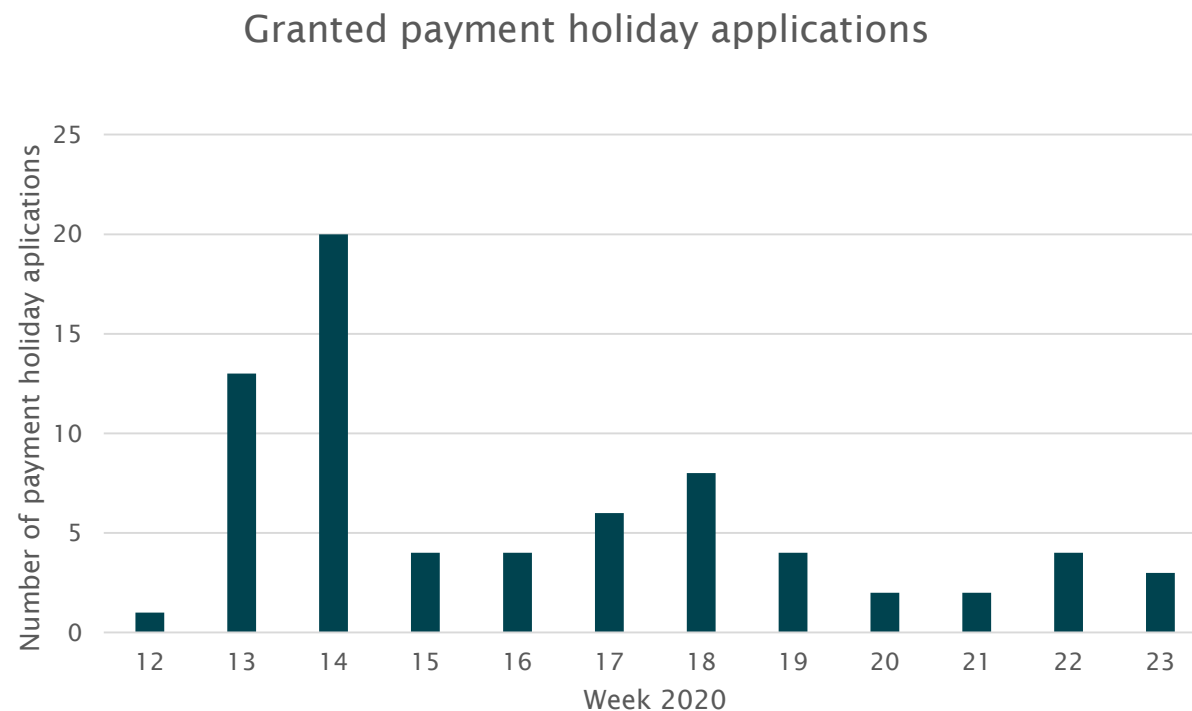
COVID-19 situation – Credit quality of the cover pool

Eika Boligkreditt has never experienced mortgages being delinquent for more than three months since startup of company

- After the COVID-19 outbreak and the increase in unemployment there has been an increased demand for payment holidays and to temporarily pay interest only.
- The graph on the bottom of the page shows monthly data for applications to pay only interest only temporarily.

Eika Boligkreditt has the following policies regarding payment holidays/temporarily interest only for mortgages

- LTV $\leq 60\%$, variable mortgage rate – Banks can grant an interest only period for up to 10 years
- LTV $> 60\%$, variable mortgage rate - Banks can grant an interest only period for up to 6 + 6 months
- Fixed mortgage rate - Banks can grant an interest only period for up to 6 + 6 months
- Interest & repayment – Banks can grant a grace period for up to 6 months. The interest is added to the principal. The maturity of the loan is extended with the grace period. The principal after the grace period cannot exceed original principal for the mortgage.



Current funding

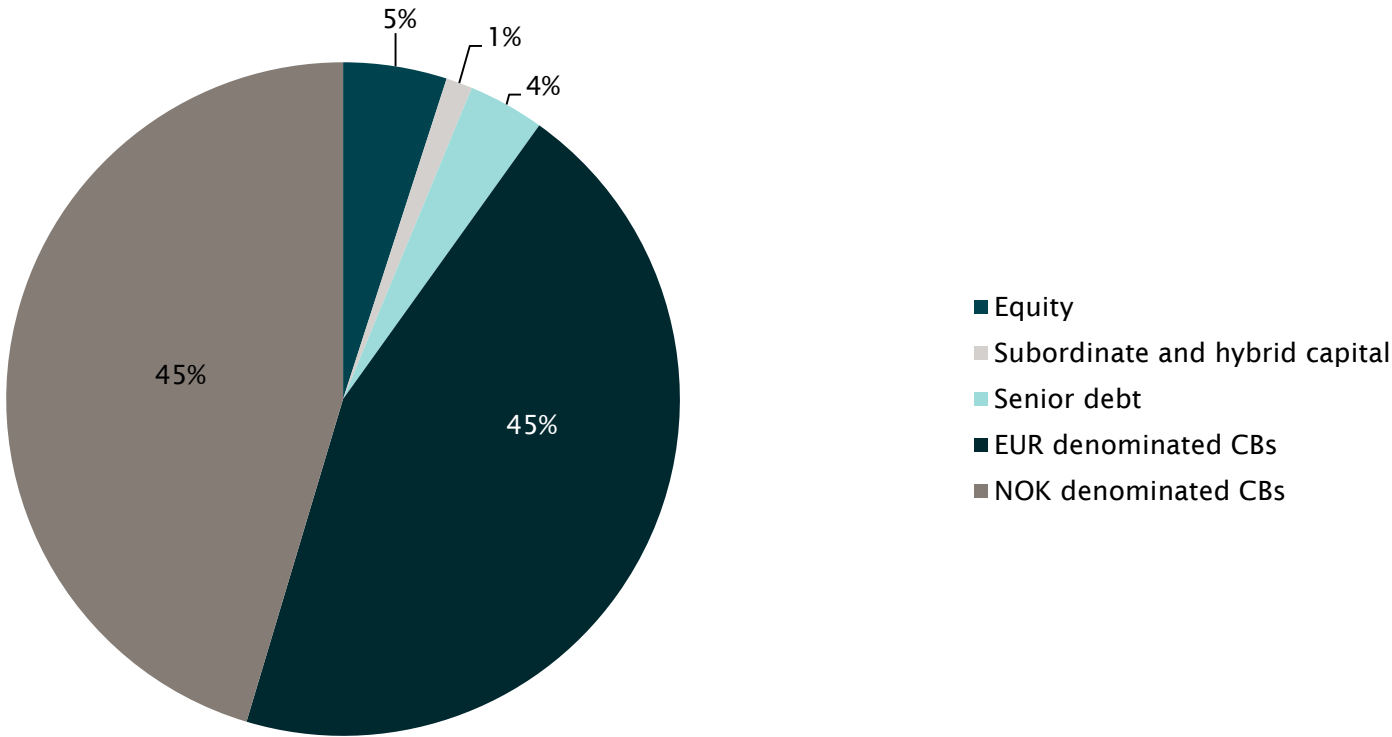
- EIKBOL has the objective to be a frequent benchmark issuer in both EUR and NOK covered bond markets
- Redemptions within any future 12-month rolling period should not exceed 20% of the gross funding at the time of redemption
- Targeting a level of liquidity covering redemptions the next 12 months
- Balance sheet hedged to 3M NIBOR on both asset and liability side

Outstanding EUR benchmark transactions

| ISIN | Issue date | Volume (EUR mio) | Maturity date |
|--------------|------------|------------------|---------------|
| XS1044766191 | 2014-03-12 | 500 | 2021-03-12 |
| XS1312011684 | 2015-10-28 | 500 | 2021-10-28 |
| XS0881369770 | 2013-01-30 | 1000 | 2023-01-30 |
| XS1397054245 | 2016-04-20 | 500 | 2023-04-20 |
| XS1566992415 | 2017-02-16 | 500 | 2024-02-16 |
| XS1725524471 | 2017-11-28 | 500 | 2025-02-26 |
| XS1869468808 | 2018-08-28 | 500 | 2025-08-28 |
| XS2133386685 | 2020-03-12 | 500 | 2027-03-12 |
| XS1945130620 | 2019-02-01 | 500 | 2029-02-01 |

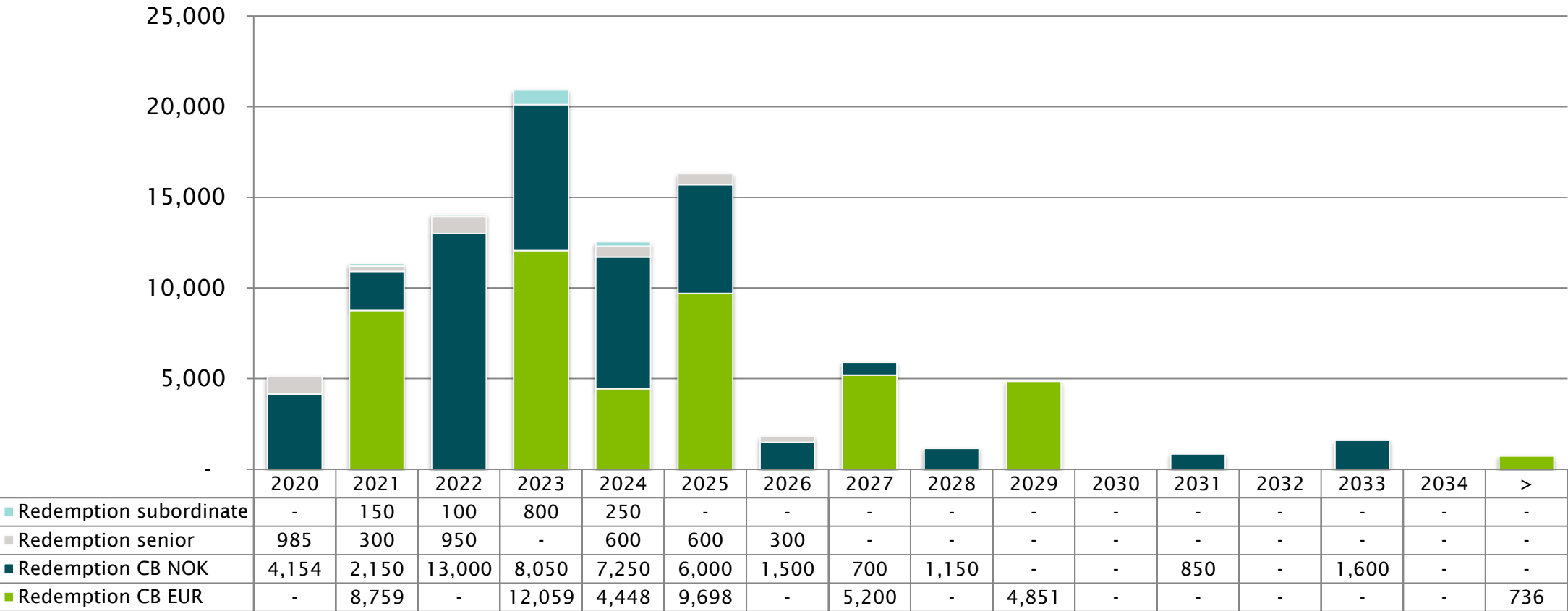
Funding mix EIKBOL

As of 2020-05-30



Maturity profile of funding (in million NOK)

As of 2020-05-30

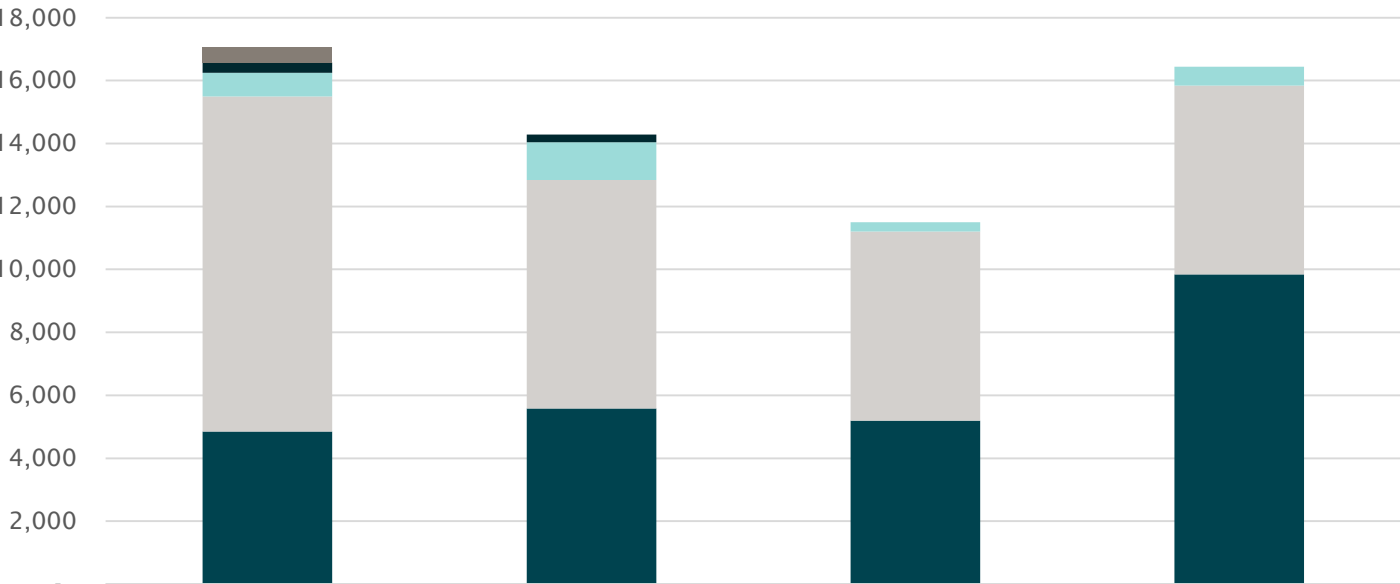


Planned funding

- Budget for gross funding in 2020 is NOK-equivalent of 16.9 billion (EUR 1.7bn)
 - NOK-equivalent of 16.3 billion in covered bonds
 - NOK 600 million in senior unsecured bonds
- EIKBOL has the flexibility to pre-fund expected need in coming periods or shifting between covered bond funding in EUR vs NOK on a discretionary basis.
- Stable growth of mortgage book

Actual and planned funding by instrument (in million NOK)

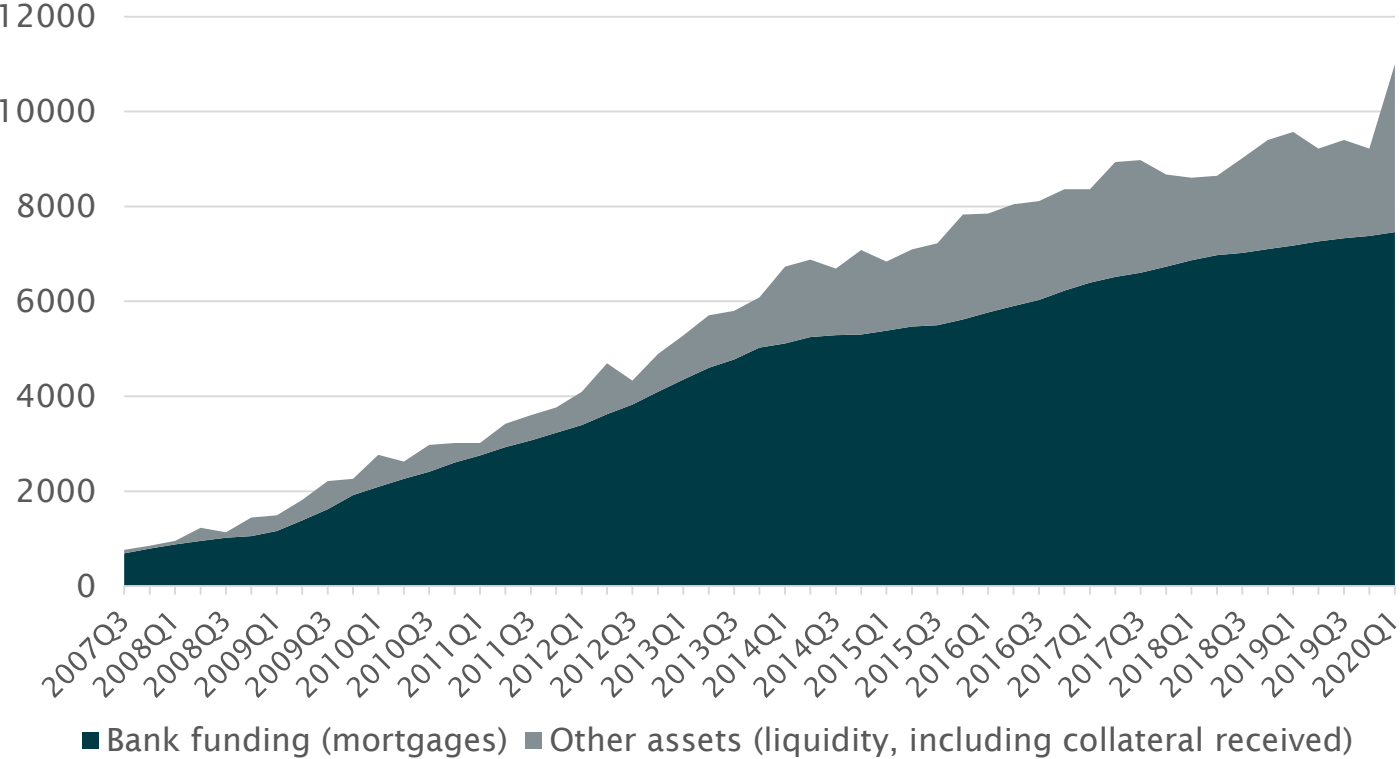
As of 2020-05-30



| | | | | |
|------------------------------------|--------|-------|-------|-------|
| AT1 | 475 | - | - | - |
| T2 | 325 | 250 | - | - |
| Senior unsecured | 750 | 1,200 | 300 | 600 |
| Covered Bonds (denominated in NOK) | 10,650 | 7,250 | 6,000 | 6,000 |
| Covered Bonds (denominated in EUR) | 4,848 | 5,587 | 5,200 | 9,843 |

EIKBOL development in mortgages and AUM (in million €)

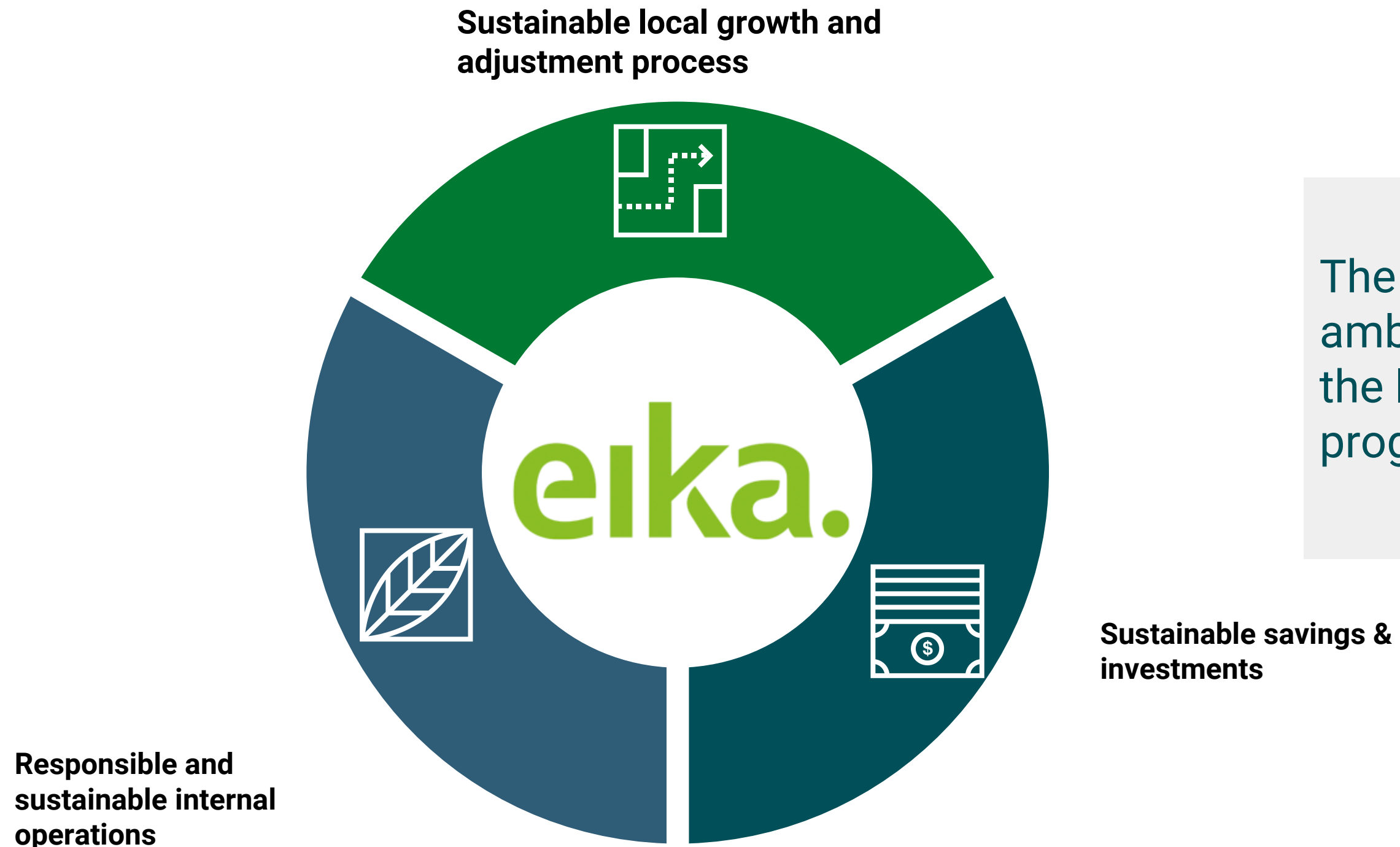
As of 2020-03-31



Agenda

- The Norwegian economy
- Eika Alliance
- Eika Boligkreditt
- ESG in Eika
- Appendix
- Disclaimer

Focus areas sustainability



The project in the alliance propose two ambition levels within sustainability for the local banks with aligned priority programs to succeed

Strategic framework for sustainability in the Eika Alliance

Local bank 2023

Strong and caring local banks. Driving force for growth and development for you and your local community

Be an initiator for sustainable local growth, development and green readjustment through credit decisions and advisory services

Ambition: Be «the local strategist» for the local businesses and an initiator for sustainable, local growth and readjustment

Strengthen communication about and continuing improvement of sustainable saving products

Ambition: Offer a meny of sustainable and green saving products

Strengthen responsible and sustainable internal operations

Ambition: The Eika Alliance shall improve and prioritize responsible and sustainable internal operation to enable a credible position regarding sustainable local growth and readjustment prosess

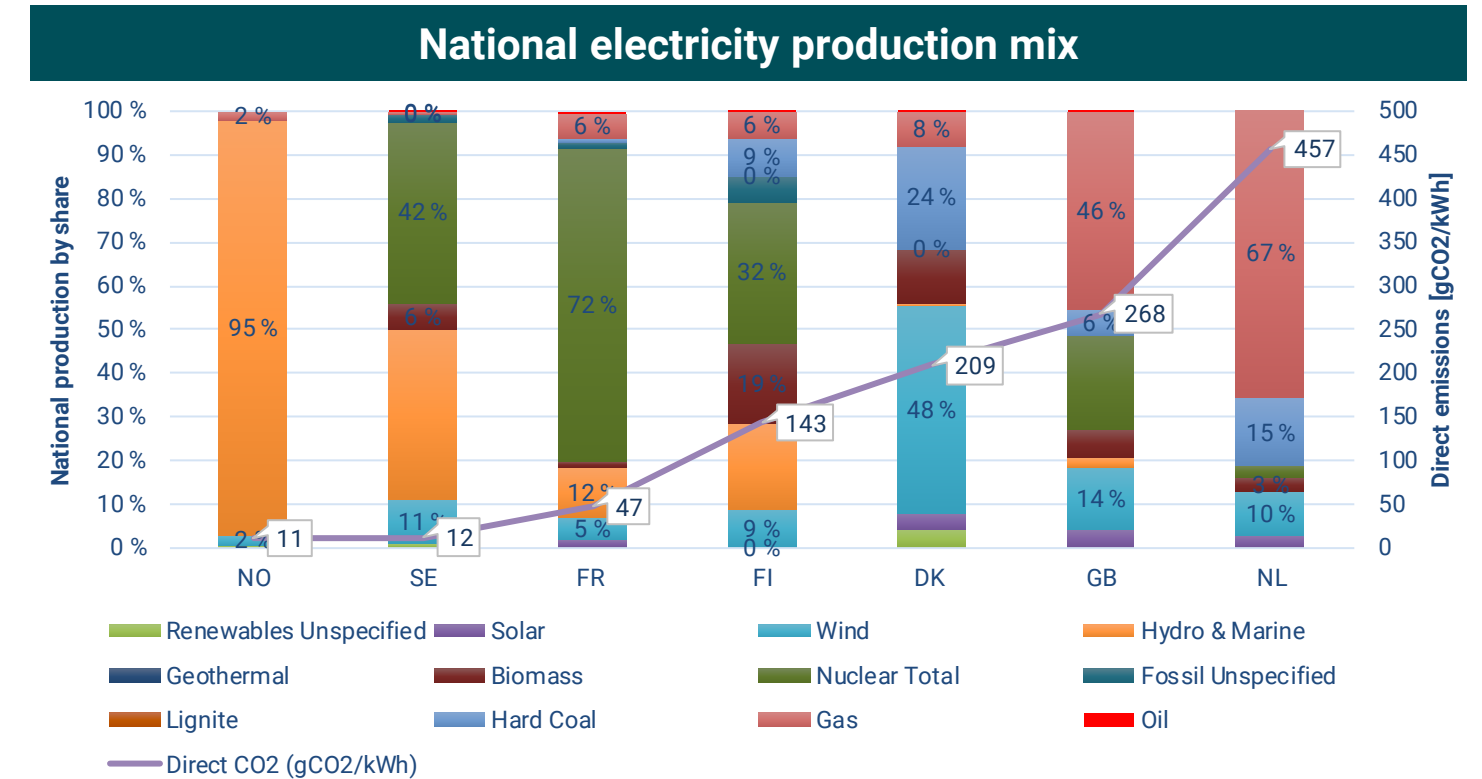


Sustainable savings – a four step process in the investment process

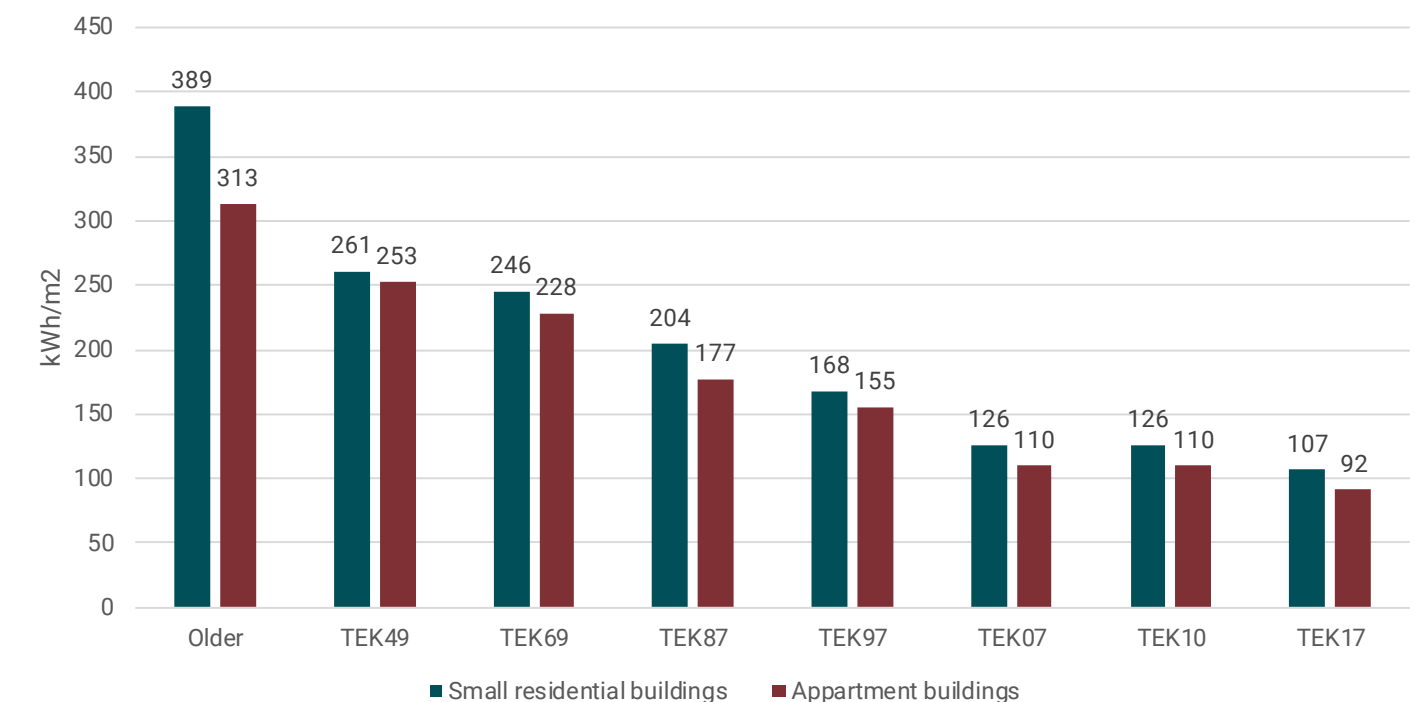


CO₂ Footprint Analysis of the Cover Pool – Background

- Norwegian buildings are predominantly heated with electricity
- Norway has one of the greenest energy source mix for electricity (>97% renewable energy =95% Hydro & 2% wind)
- The carbon intensity for the lifetime of a Norwegian residential building = 123g CO₂/Kwh, this compares to much higher carbon intensities for other European countries¹
- Over time, residential buildings in Norway have become more energy efficient – analyzing building codes provides a robust proxy as this data is available for the entire building stock (unlike EPC labels which represent ~50% of all buildings)
- With each new building code, energy efficiency standards for buildings have improved over time
- Multiconsult has estimated the CO₂ footprint of the entire Eika cover pool on this basis

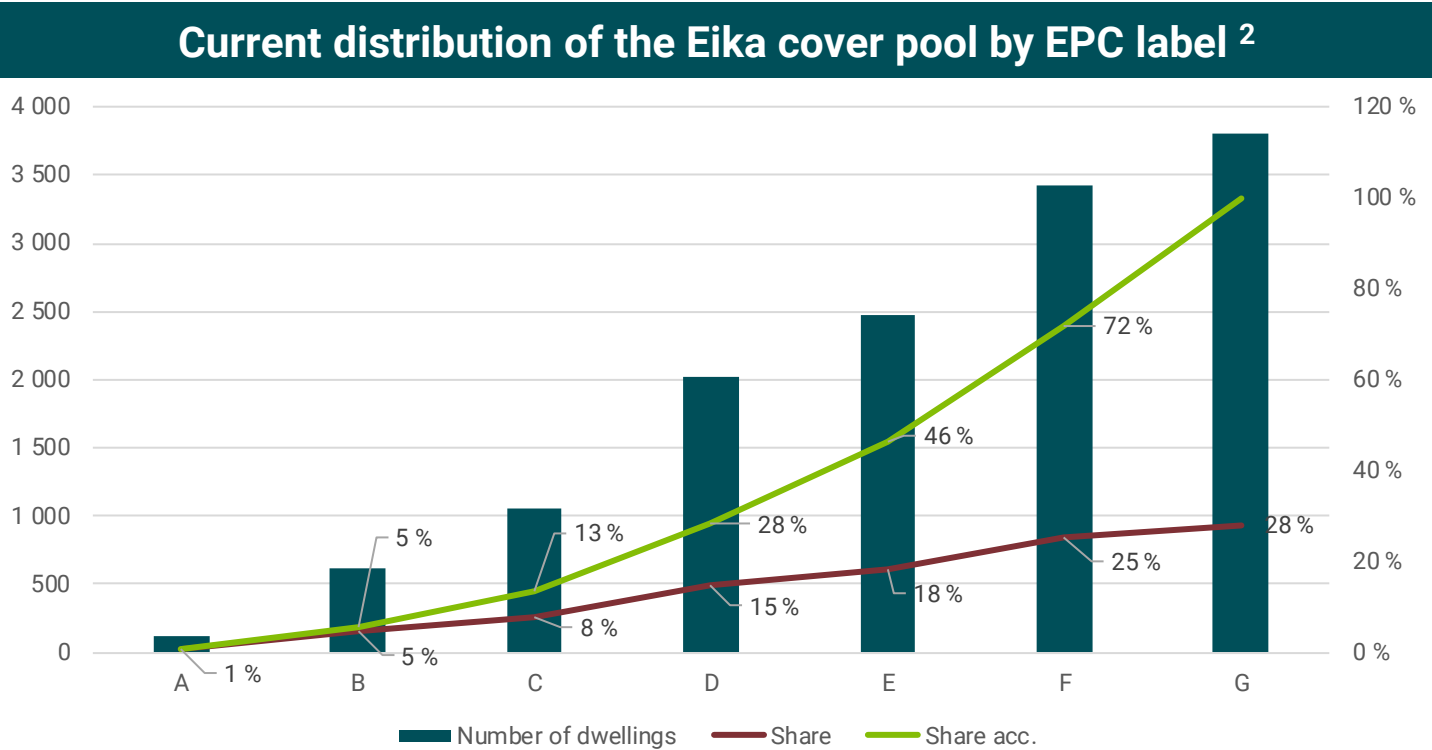


Development in calculated specific net energy demand by building code

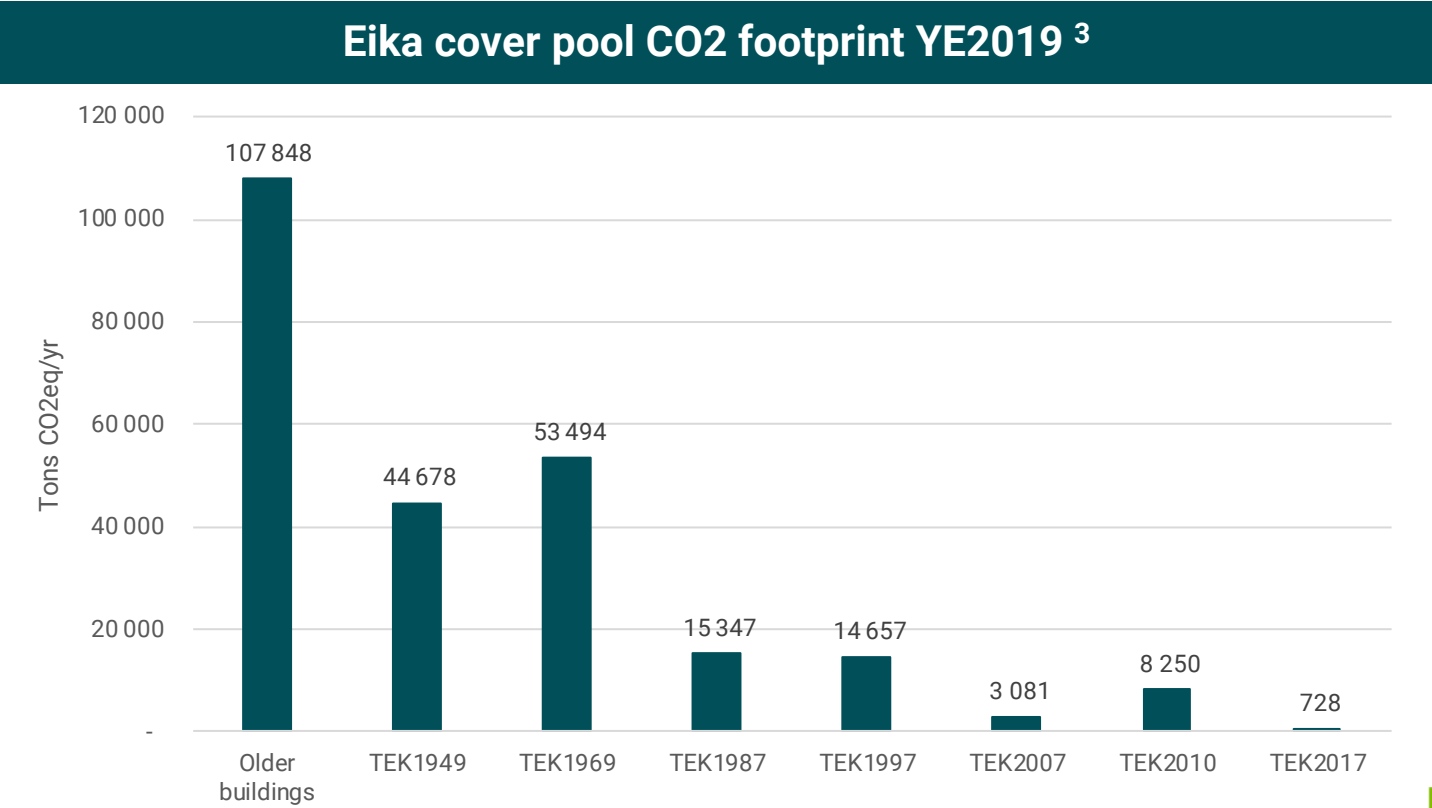
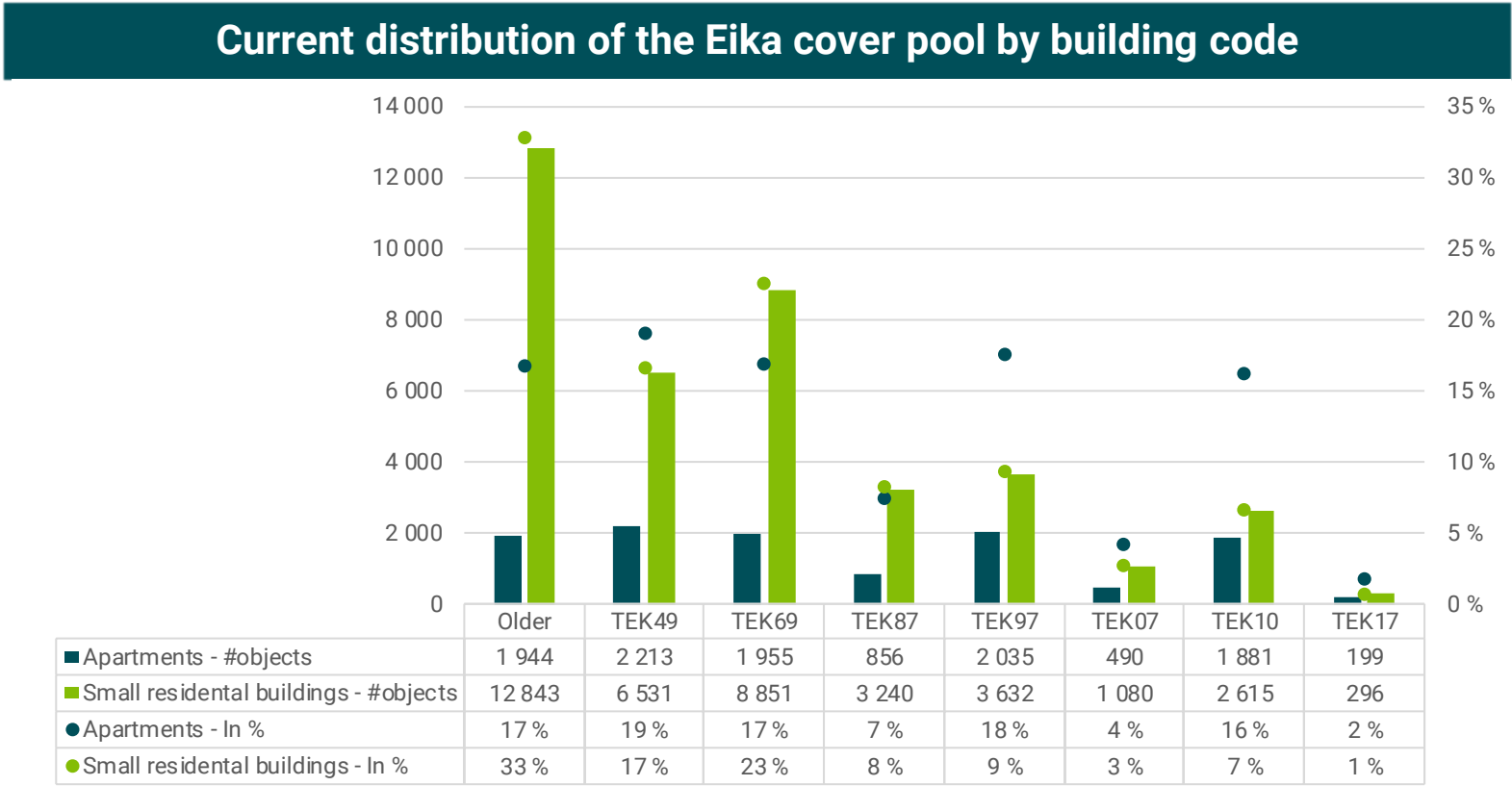


CO₂ Footprint Analysis of the Cover Pool – 2019

- As part of our ‘Strategic Framework for Sustainability’, Eika values increased disclosure in terms of scope 3 carbon impact
- The current portfolio, as of December 31st 2019, represents:
 - Yearly energy demand of 2,076 GWh
 - Yearly emissions of 255,839 tons CO₂ eq.



² EPC labels represent only 27% of the Eika cover pool, hence this is not fully representative of the entire cover pool

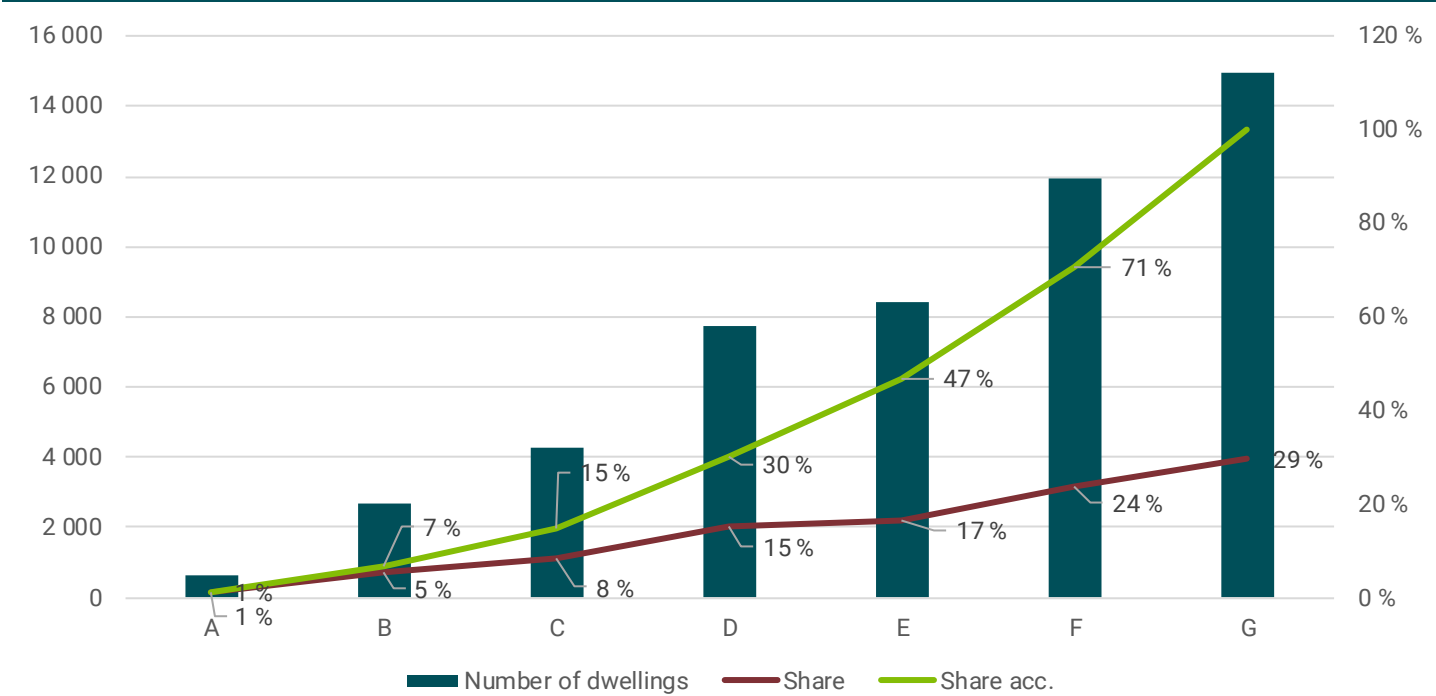


³ Portfolio CO₂-emissions related yearly use in energy demand distributed by age of building

Green bond eligibility criteria and impact

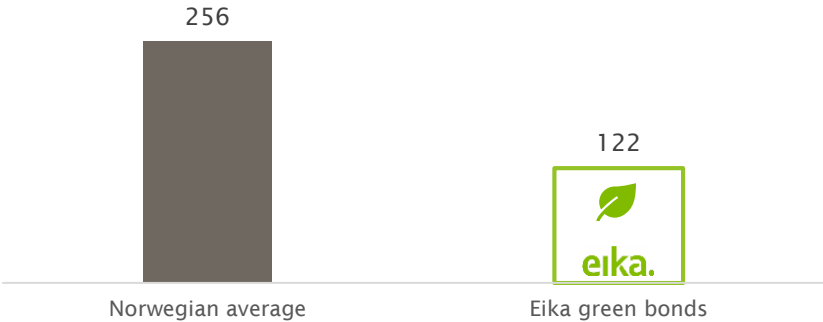
- Two main eligibility criteria: Building code approach, and EPC label approach
- Both criterion are used to estimate the top 15% most efficient buildings vs. the total building stock
- Building codes are used as the basis of the analysis, given that they represent the entire building stock (whereas EPC labels represent ~50%)
- Criterion 1 (building code):
 - Apartments: TEK10 or TEK17
 - Other residential dwellings: TEK07, TEK10 or TEK17
- Criterion 2 (EPC):
 - Extrapolating for the total building stock, EPC's with an A, B or C label are proven to be within the top 15% most efficient residential buildings
- This green bond eligibility criteria is aligned with the Climate Bonds Initiative taxonomy for Norwegian residential buildings

EPCs extrapolated to include the whole residential building stock in Eika Boligkredit's cover pool



| Current eligible portfolio in cover pool | | | | |
|--|-----------------------------|-------------------|-----------------|-----------------------|
| Criterion | Type of dwelling | Number of objects | Area total [m²] | Portfolio size [MNOK] |
| Criterion 1 (Building code) | Apartments | 2 080 | 162 695 | 3 333 |
| | Small residential buildings | 3 991 | 685 365 | 9 015 |
| Criterion 2 (EPC) | Apartments | 292 | 23 058 | 417 |
| | Small residential buildings | 427 | 69 586 | 859 |
| Total | | 6 790 | 940 704 | 13 624 |

Impact - Average specific energy demand per m2 (kWh)



- Eika green bond portfolio has an estimated average energy consumption of less than 50 per cent of the Norwegian average
- Estimated avoided CO2 emissions (entire pool) = 15,500 tons CO2/year

ESG in Eika Boligkreditt

Eika Boligkreditt does not invest in companies listed by the Council on Ethics for Government Pension Fund Global inconsistent with its Ethical Guidelines or companies within the sectors coal, tobacco, gambling and weapon production.

MSCI
ESG RATINGS



In 2018, EIKA BOLIGKREDITT AS received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment¹.

| | | | | | | |
|-----|---|----|-----|---|----|-----|
| CCC | B | BB | BBB | A | AA | AAA |
|-----|---|----|-----|---|----|-----|



Eika has a score of 74.6 out of maximum 100 on sustainability measured on a Norwegian Client Experience Index (CEI)

Eika is ranked number 4 out of 149 companies/brands across 33 sectors

Eika is ranked highest among 7 banks². Banks have the highest average sector CEI score of 67.8

More information about Corporate Social Responsibility and ESG in Eika Boligkreditt:

<https://eikbol.no/About-us/ESG>

<https://etikkradet.no/en/>

¹ THE USE BY EIKA BOLIGKREDITT AS OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES ("MSCI") DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF EIKA BOLIGKREDITT AS BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED 'AS-IS' AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.

² The Norwegian Sustainability Barometer, a research project at BI Norwegian Business School. More information in Norwegian <https://www.bi.no/forskning/norsk-barekraftbarometer/>

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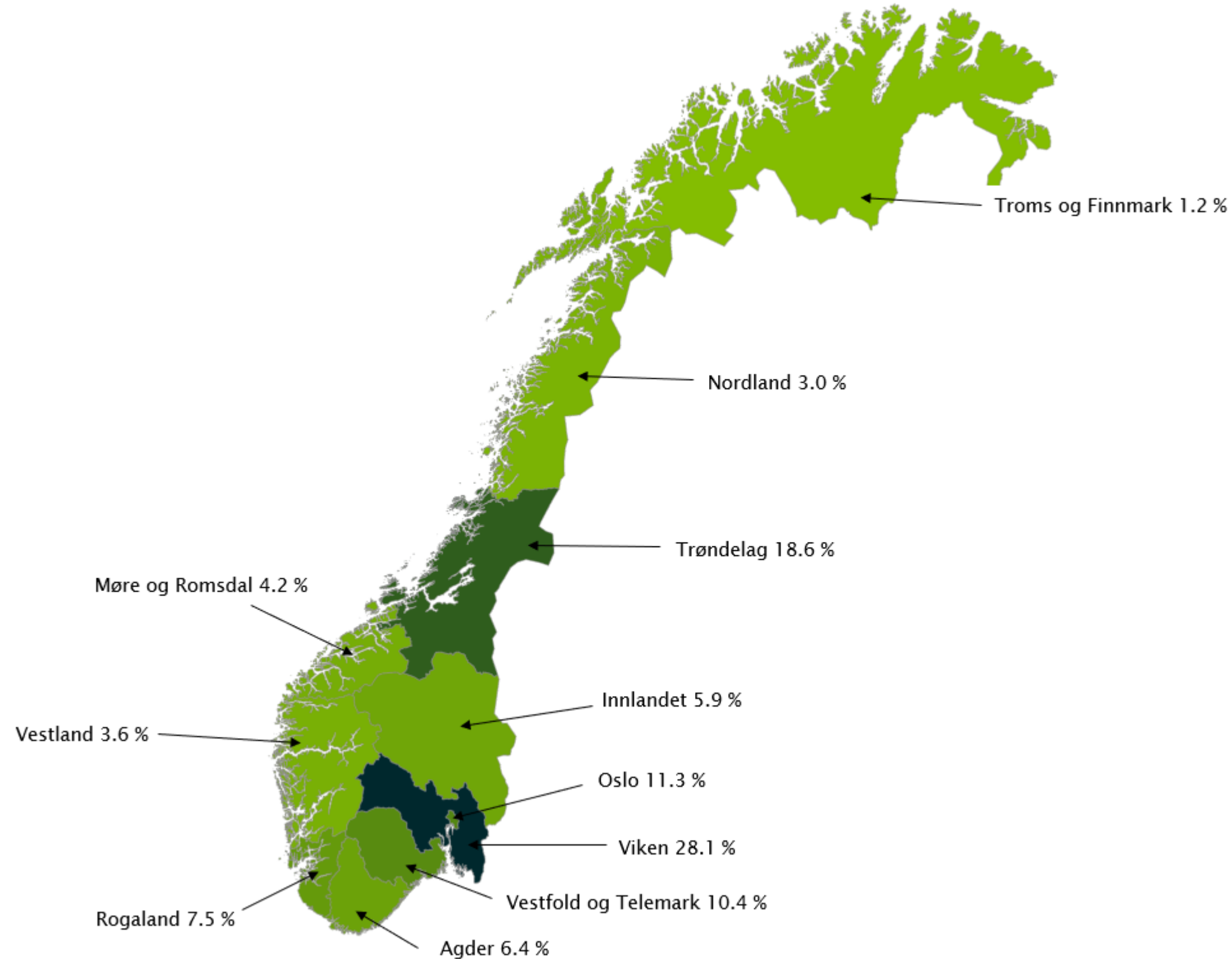
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More information may be found on
<https://eikabol.no>

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Mortgage lending - Strong geographical diversification

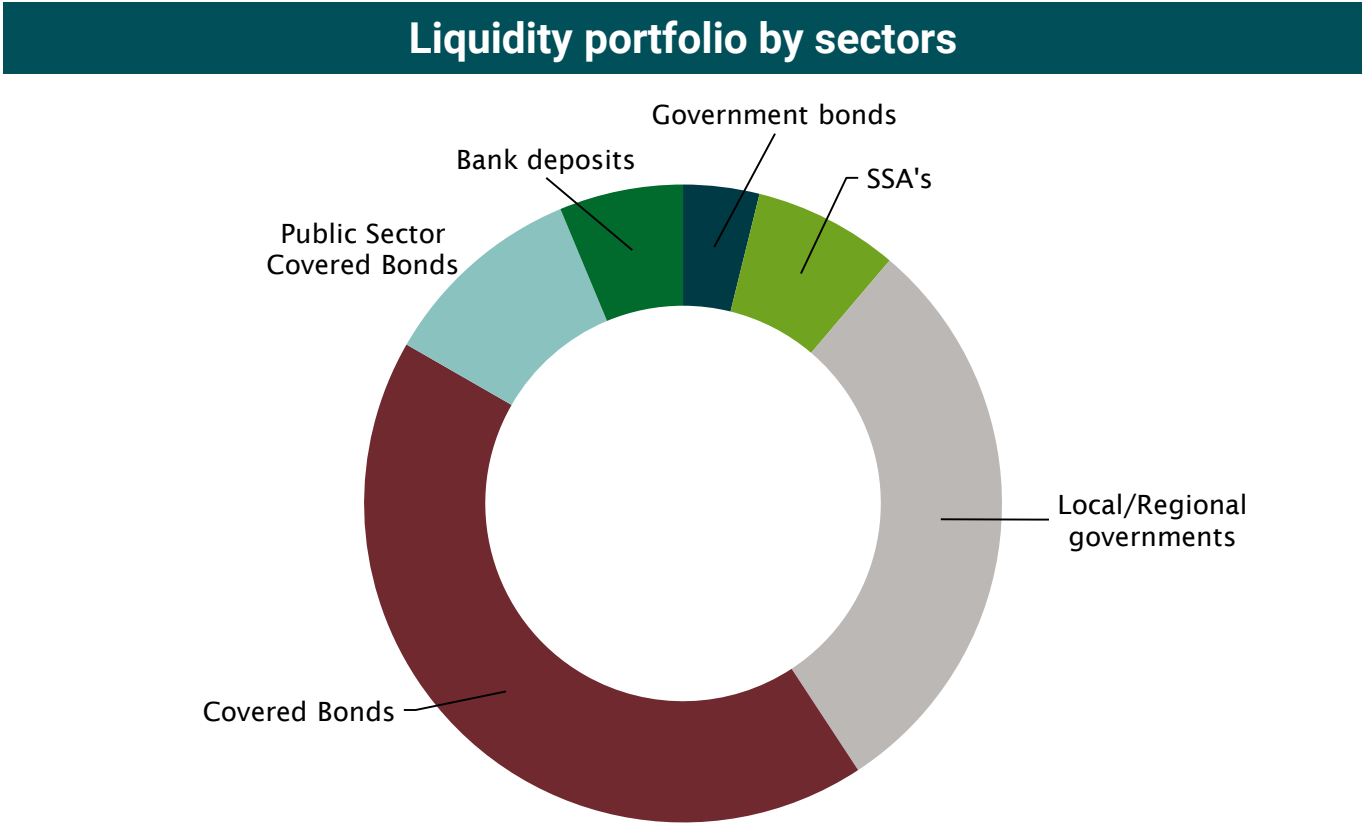


Liquidity portfolio

- The substitute assets constitute EIKBOL’s liquidity buffer
 - Minimum liquidity > 6% of outstanding covered bonds (hard limit)
 - Minimum liquidity > 100% of next 6 months redemptions (hard limit)
 - Internal target is to have liquid assets covering at least 75% of redemptions within the next 12 months

| Sectors and tenors | | | |
|-----------------------------|---------------------|-------------------|------|
| Sector | Market values (EUR) | In % of portfolio | TtM |
| Government bonds | 43,396,177 | 4 % | 0.34 |
| SSA's | 82,815,442 | 7 % | 2.05 |
| Local/Regional governments | 332,380,570 | 29 % | 0.25 |
| Covered Bonds | 478,852,240 | 41 % | 1.88 |
| Public Sector Covered Bonds | 117,219,318 | 10 % | 1.94 |
| Bank deposits | 70,676,010 | 6 % | 0.00 |
| Total portfolio | 1,159,755,955 | 100 % | 1.20 |

- The Liquidity portfolio conforms to a conservative investment policy
 - Nordic and German exposure, only NOK denominated
 - Portfolio weighted average time to maturity of maximum 2 years
 - An individual investment can have a remaining maturity of max 3.5 years
 - Rated AA-/Aa3 or better if the maturity exceeds 100 days, or A-/A3 if the maturity less than 100 days
 - Weighted average portfolio interest rate duration of less than 0.3 years, and individual securities less than 1 year



Strong incentive structure

With regards to the mortgages in the Eika Boligkreditt cover pool there is a 2 pillar guarantee mechanism; this is to ensure that the originating banks are held responsible for potential losses on mortgages transferred to Eika Boligkreditt

I Loss Guarantee

- 80% of any losses, including unpaid interest, on mortgages in EBK's portfolio will be covered by the owner bank
- The guarantee from an owner bank will have a floor of (i) NOK 5 million; or (ii) 100 per cent. of the relevant owner bank's loan portfolio if it is lower than NOK 5 million
- The guarantee from an owner bank is limited to 1% of the owner bank's total portfolio
- 100% of the loan is guaranteed by the bank until the collateral is registered

II Set-off rights

- The remaining 20% of the losses will be covered by a counter-claim on all commission receivables due from EBK to each owner bank
- The set-off rights are limited to a period of up to 12 months after such losses are incurred.

LCR Level 1 Eligibility

- All EUR denominated Covered bonds issued by Eika Boligkreditt AS fulfil the requirements to qualify as Level 1 assets pursuant to Commission Delegated Regulation (EU) 2015/61 regarding liquidity coverage requirement for credit institutions (“LCR regulation”).
- With reference to Article 10(1)(f) of the LCR-regulation, Eika Boligkreditt AS confirms the following:
 - Covered bonds issued by Eika Boligkreditt AS meet the requirements to be eligible for the treatment set out in Article 129(4) of Regulation (EU) No 575/2013 (“CRR”) and the requirements referred to in Article 52(4) of Directive 2009/65/EC, cf. the European Commission’s website: http://ec.europa.eu/finance/investment/legal_texts/index_en.htm
 - The exposures to institutions in the cover pool meet the conditions laid down in Article 129(1)(c) and in Article 129(1) last subparagraph of CRR
 - Eika Boligkreditt AS gives the information required in Article 129(7) of CRR to its investors: <http://eikabk.no/investorrelations/coverpool>
 - Covered bonds issued by Eika Boligkreditt AS are assigned a credit assessment by a nominated ECAI which is at least credit quality step 1 in accordance with Article 129(4) of CRR, and the equivalent credit quality step in the event of short term credit assessment
 - Eika Boligkreditt AS’ EMTCN Programme requires a level of overcollateralization higher than the 2% needed for LCR level 1 classification

Comparison of legal frameworks for covered bonds

| | Norway | Denmark | Swedbank | Germany |
|--|-----------------------------------|--|---|--|
| Product name | Norwegian Covered Bonds | Særligt Dækkede Obligationer | Säkerställda Obligationer | Pfandbrief |
| Covered bond model | Specialised bank issuance model | Universal bank + specialised bank issuance model | Universal bank issuance model + specialised bank issuance model | Universal bank issuance model |
| Eligible cover assets | Public sector, mortgage loans | Public sector, mortgage loans, ship mortgages | Public sector, mortgage loans (commercial max. 10%) | Public sector, mortgage loans, ship + aircraft mortgages |
| Maximum LTVs | Residential: 75%, commercial: 60% | Commercial: 60%, agricultural: 60%, ships: 70%, residential: 80% | Commercial: 60%, residential: 75%, agricultural: 70% | Residential, commercial, ship, aircraft: 60% |
| Basis for LTV calculation | Market value | Market value | Market value | Mortgage lending value |
| If a loan's LTV exceeds the LTV cap after inclusion into the pool, does the part below the limit still remain part of the cover pool? | Yes | Yes | Yes | Yes |
| Minimum OC | 2 % | Universal banks: 0%; Mortgage banks: 8% of RWA | 2 % | 2 % |
| Type of coverage test | NPV | NPV after stress test | Nominal + NPV after stress test | Nominal + NPV after stress test |
| Is OC above the minimum protected? | Yes | Yes | Yes | Yes |
| Legal transparency requirements? | No | Yes | No | Yes |
| Is there an issuance limit in place? | No | No | No | No |

Eika Boligkreditt - P&L

| Amounts in NOK Million | 2015 | 2016 | 2017 | 2018 | 2019 | 2020Q1 |
|---|-------|-------|-------|-------|-------|--------|
| Total Interest income | 2 066 | 1 861 | 2 049 | 2 162 | 2 624 | 738 |
| Total interest expenses | 1 430 | 1 380 | 1 366 | 1 480 | 1 976 | 535 |
| Net interest income | 636 | 482 | 683 | 682 | 648 | 203 |
| Dividend from shares classified as available for sale | 6 | 6 | 6 | 18 | 19 | 3 |
| Total gains and losses on financial instruments at fair v | 203 | (81) | (135) | 22 | (6) | (71) |
| Comission costs | 443 | 300 | 410 | 458 | 490 | 144 |
| Total salaries and administrative expenses | 42 | 39 | 48 | 50 | 51 | 13 |
| Depreciation | 2 | 1 | 2 | 2 | 4 | 1 |
| Other operating expenses | 13 | 14 | 16 | 16 | 15 | 3 |
| Losses on loans and gurantees | - | - | - | - | - | - |
| PROFIT/(LOSS) BEFORE TAXES | 344 | 50 | 78 | 197 | 102 | (26) |
| Taxes | 81 | 11 | 18 | 45 | 14 | (9) |
| PROFIT/(LOSS) FOR THE PERIOD | 263 | 39 | 60 | 152 | 89 | (17) |
| Net gains and losses on bonds and certificates | - | - | - | (7) | 7 | (24) |
| Fair value adjustment, shares | - | - | - | (15) | - | - |
| Net gains and losses on basis swaps | - | - | - | (106) | 53 | 67 |
| Taxes on other comprehensive income | - | - | - | 28 | (15) | (11) |
| COMPREHENSIVE INCOME FOR THE PERIOD | - | - | - | 52 | 133 | 15 |

Eika Boligkreditt AS - Report Q1 2020:

Eika Boligkreditt showed a loss of NOK 26 million for first quarter, compared with a profit of NOK 35 million for the same period in 2019. Net gains and losses on basis swaps came to NOK 67 million for the first quarter of 2020 (2019: negative NOK 26 million) , net gains and losses on bonds and certificates came to negative NOK 24 million and taxes on other comprehensive income came to negative NOK 11 million, so that the comprehensive income for the period including such changes came to a profit of NOK 15 million.

The full report is available on: eikbol.no

Eika Boligkreditt - Balance sheet and key figures

| Amounts in NOK Million | 2015 | 2016 | 2017 | 2018 | 2019 | 2020Q1 |
|---|--------|--------|--------|---------|---------|---------|
| Balance sheet development | | | | | | |
| Lending to customers | 64 527 | 71 509 | 77 286 | 82 015 | 84 719 | 85 846 |
| Debt from issuing securities | 79 876 | 86 983 | 90 030 | 97 288 | 94 300 | 107 805 |
| Subordinated loans | 450 | 599 | 600 | 674 | 889 | 724 |
| Equity* | 4 242 | 4 396 | 4 770 | 5 290 | 5 777 | 5 784 |
| Equity in % of total assets* | 4.72 | 4.58 | 4.79 | 4.90 | 5.50 | 4.60 |
| Average total assets | 84 571 | 92 324 | 99 466 | 101 744 | 107 506 | 116 060 |
| Total assets | 89 932 | 96 017 | 99 603 | 107 969 | 105 835 | 126 285 |
| Rate of return / profitability | | | | | | |
| Fee and commission income to relation to average total assets, annualised (%) | 0.50 | 0.32 | 0.40 | 0.40 | 0.50 | 0.50 |
| Staff and general administration expenses in relation to average total assets, annualised (%) | 0.10 | 0.04 | 0.05 | 0.03 | 0.03 | 0.03 |
| Return on equity, annualised (%) | 10.70 | 1.37 | 1.90 | 4.50 | 2.20 | (1.90) |
| Total assets per full-time position | 4 542 | 4 849 | 5 030 | 5 453 | 5 345 | 6 717 |
| Finacial strength | | | | | | |
| Core tier 1 capital | 3 607 | 3 833 | 4 156 | 4 522 | 5 074 | 5 066 |
| Total tier 1 capital | 4 055 | 4 282 | 4 706 | 5 227 | 5 648 | 5 640 |
| Total primary capital (tier 2 capital) | 4 505 | 4 882 | 5 305 | 5 902 | 6 372 | 6 364 |
| Weighted calculation basis | 27 510 | 29 766 | 31 468 | 33 731 | 34 074 | 36 421 |
| Core tier 1 capital ratio | 13.10 | 12.88 | 13.20 | 13.40 | 14.90 | 13.90 |
| Total tier 1 capital ratio | 14.70 | 14.39 | 15.00 | 15.50 | 16.60 | 15.50 |
| Capital adeqacy ratio | 16.40 | 16.40 | 16.90 | 17.50 | 18.70 | 17.50 |
| Delinquinces in % of gross loans | - | - | - | - | - | - |
| Loss in % of gross loans | - | - | - | - | - | - |
| Staff | | | | | | |
| Number of full-time positions at end of period | 19.8 | 19.8 | 19.8 | 19.8 | 19.8 | 18.8 |

*Including AT1 capital

Source: EBK quarterly reports

Eika Boligkreditt –changes in the business model in 2019

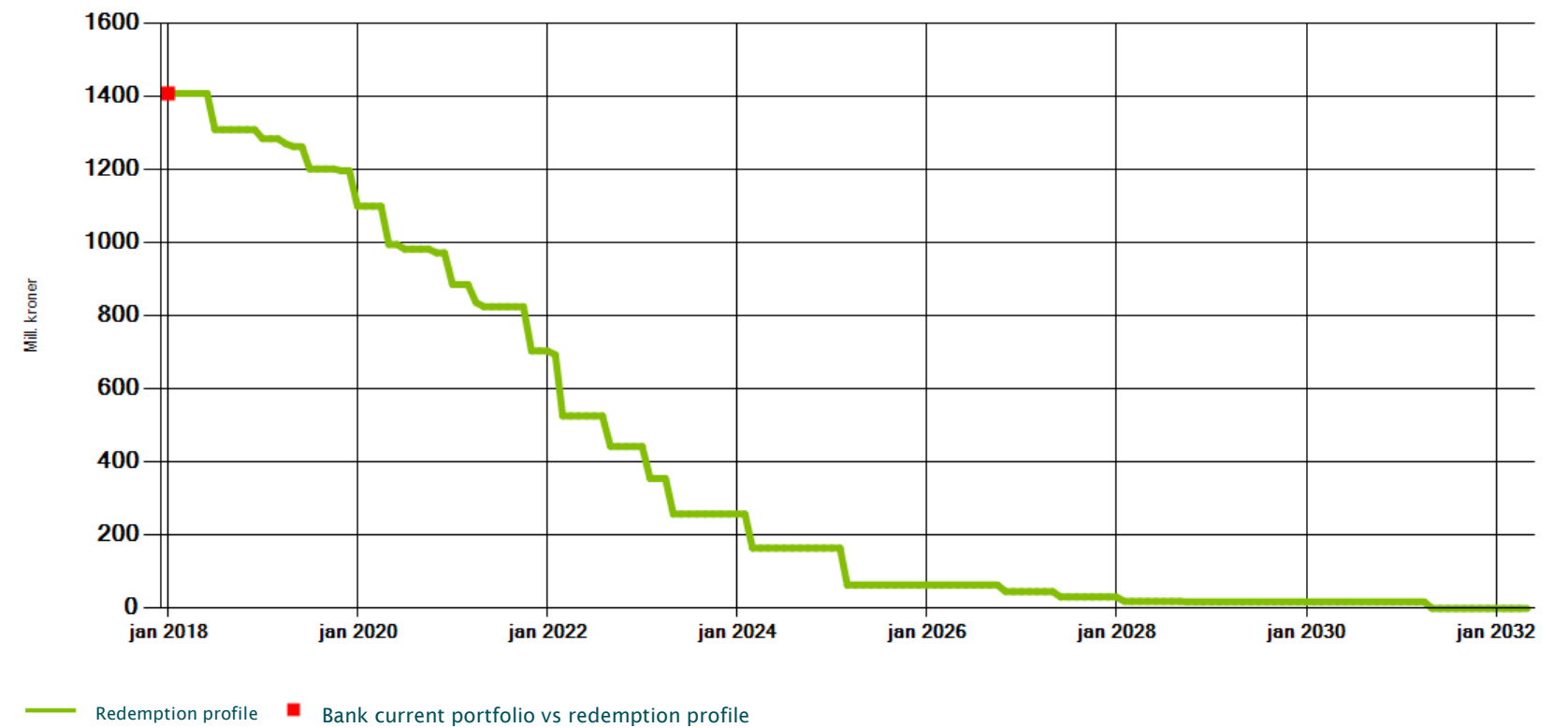
We have changed the following elements in the business model:

- Maximum LTV – increased the maximum LTV from 60% to the regulatory maximum of 75%.
 - This involves establishing a revolving credit facility (RCF) between Eika Boligkreditt (borrower) and Eika Banks (lender) financing the parts of mortgages exceeding 75% based on current valuation
 - There is a cap on the size of the RCF. The cap is the split amount of the mortgages exceeding 60% LTV based on the original collateral valuation
 - Eika Boligkreditt have to monitor the development in collateral values in the cover pool and have to set new collateral values triggered by significant decreases in collateral values
 - The changes are regulated in a supplement to the distribution agreement. It is voluntary for each Eika Bank to enter into the supplement enabling the increase in maximum LTV
 - This was approved by the board in Eika Boligkreditt November 7th 2019 and the supplement will be made available for the banks on request from November 2019
- ROE target
 - from 3 month NIBOR + 2.0%-points to 0.0%. 100% per cent of the value creation is paid as commission instead of split between dividend and commission. This was approved by the board in Eika Boligkreditt June 19th 2019 and took effect in the transfer pricing July 1st 2019

Cancellation of distribution agreement

- An EIKBOL Distributor (**EBKD**) can terminate the distribution agreement with EIKBOL with 3 months notice
- EIKBOL can terminate a distribution agreement with an EBKD with 12 months notice
- In the event a distribution agreement is terminated, obligations continues to apply with regards to the various agreements;
 - At the expiry date for the distribution agreement, the EBKD will no longer have the right to transfer new residential mortgages to EIKBOL
 - The EKBD is required to uphold its mortgage portfolio in line with the redemptions of EIKBOL's funding
 - The EBKD has continued responsibilities for servicing the mortgages in the existing residential mortgage portfolio, including other rights and obligations pursuant to the guarantee, custody, commission and shareholder agreements and the agreement on the purchase of covered bonds

Example of an EBKD's redemption profile



Mergers Eika banks in 2019 and in process for 2020

Lofoten Sparebank and Harstad Sparebank

- Merged January 1st 2019
- The name of the merged bank is Sparebank 68 grader nord
- Tore Karlsen, CEO in Harstad Sparebank, is CEO in the merged bank
- Total assets, including transferred to Eika Boligkreditt, of NOK 6.4 billion
- Rationales for the merger was to improve competitiveness while still being present in local markets, improve profitability and further enhance ability to contribute to develop their local communities

Indre Sogn, Aurland and Vik Sparebank

- Merged April 1st 2019
- The name for the merged bank is Sogn Sparebank
- Mads Indrehus, former CEO in Vik Sparebank, is CEO in the merged bank and Morten Kristiansen, former chair in the board of Indre Sogn will be chair of the board in the merged bank
- Total assets, including transferred to Eika Boligkreditt, of NOK 7.6 billion
- Rationales for the merger was to improve competitiveness in local markets, expand market reach, improve cost efficacy and attractiveness as an employer and further enhance ability to contribute to develop their local communities

Kvinesdal Sparebank and Flekkefjord Sparebank

- April 30th 2019 the boards in the banks announced starting negotiations with the intention to merge the
- ... a member in The Eika Alliance while ... Sparebank is a collaborating partner in ... consisting of 9 saving banks on the ... of Norway
- Currently ... if the merged bank will join the Eika A.
- The proposed name ... bank is Lister Sparebank
- Jan Kåre Eie, CEO in Flekkefjord ... is ... dal Sparebank will propose the chair in ... merged bank
- Total assets, including transferred to Eika a. Boligkreditt, of NOK 11.6 billion
- Rationales for considering to merge are to improve competitiveness in local markets, expand market reach, improved profitability and attractiveness as an employer and further enhance ability to contribute to develop their local communities

The banks terminated negotiations December 19th 2019

Mergers Eika banks in 2019 and in process for 2020 continued

Stadsbygd Sparebank and Ørland Sparebank

- June 18th 2019 the boards in the banks announced starting negotiations with the intention to merge the banks
- February 24th 2020 the boards in the banks approved the agreement to merge the banks
- March 24th the boards announced putting the process on hold due to uncertainty because of the Corona-situation
- Among the 11 banks that have given notice of termination of its agreements with Eika Gruppen. Termination period ends December 31st 2021
- Stadsbygd Sparebank is merged into Ørland Sparebank with the continuing bank
- Ola Setsaas, CEO in Stadsbygd Sparebank, is proposed as CEO in the merged bank
- CEO in Ørland Sparebank, is proposed as chair of the board in the merged bank
- Total assets, including transferred to Eika Boligkreditt, of NOK 8.7 billion
- Rationales for considering to merge are to improve competitiveness in local markets, improved profitability and attractiveness as an employer and further enhance ability to contribute to develop their local communities

Sparebank 68° Nord and Ofoten Sparebank

- September 18th 2019 the boards in the banks announced starting negotiations with the intention to merge the banks
- February 24th 2020 the boards in the banks approved the agreement to merge the banks
- March 26th 2020 the general meetings in the banks approved the agreements to merge the banks
- The merger is pending approval from the FSA, if approved the intention is the merger to take effect from July 1st 2020
- The name for proposed for the merged bank is Sparebank 68° Nord
- Both banks are among the 11 banks that have given notice of termination of its agreements with Eika Gruppen. Termination period ends December 31st 2021 for Sparebank 68° Nord and December 31st 2022 for Ofoten Sparebank if merger fails
- Tor-Andrè Grenersen, CEO in Ofoten Sparebank, is proposed as CEO in the merged bank
- Total assets, including transferred to Eika Boligkreditt, of NOK 10.6 billion
- Rationales for considering to merge are to improve competitiveness in local markets, improved profitability and further enhance ability to contribute to develop their local communities

Hønefoss and Skue Sparebank

- March 9th 2020 the boards in the banks announced starting negotiations with the intention to merge the banks
- April 15th 2020 the boards in the banks approved the agreement to merge the banks
- May 19th 2020 the general meetings in the banks approved the agreements to merge the banks
- The merger is pending approval from the FSA, if approved the intention is the merger to take effect from primo July 2020
- The name for proposed for the merged bank is Skue Sparebank
- Hans Kristian Glesne, CEO in Skue Sparebank, is proposed as CEO in the merged bank and George H.Fulford, chair in the board of Skue Sparebank is proposed as chair of the board in the merged bank
- Total assets, including transferred to Eika Boligkreditt, of NOK 16 billion
- If the merger succeeds it will be the 4th largest bank in the Eika Alliance
- Rationales for considering to merge are to improve competitiveness in local markets, improved profitability and further enhance ability to contribute to develop their local communities

The banks announced putting the process on hold due to uncertainty because of the Corona-situation

P&L Eika banks - Strong income growth and low loan losses

| <i>P&L & balance in NOK mil.</i> | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Net interest income | 3 512 | 3 631 | 3 777 | 3 949 | 4 163 | 4 275 | 4 556 | 4 955 | 5 151 | 5 827 |
| Net commission income | 662 | 734 | 863 | 1 142 | 1 320 | 1 260 | 1 195 | 1 359 | 1 418 | 1 576 |
| Other income | 43 | 44 | 40 | 39 | 39 | 37 | 38 | 35 | 33 | 27 |
| Total income | 4 217 | 4 409 | 4 681 | 5 130 | 5 523 | 5 572 | 5 789 | 6 349 | 6 601 | 7 430 |
| Personnel and adm. expenses | 2 061 | 2 134 | 2 243 | 2 344 | 2 491 | 2 669 | 2 780 | 2 913 | 2 912 | 3 026 |
| Depreciation | 123 | 98 | 95 | 100 | 110 | 117 | 131 | 139 | 139 | 153 |
| Other costs | 469 | 495 | 515 | 578 | 605 | 665 | 687 | 705 | 727 | 772 |
| Total costs | 2 653 | 2 726 | 2 852 | 3 023 | 3 206 | 3 451 | 3 598 | 3 756 | 3 778 | 3 951 |
| Core earnings before loan losses | 1 564 | 1 683 | 1 828 | 2 108 | 2 317 | 2 121 | 2 191 | 2 592 | 2 824 | 3 479 |
| Impairment of loans and guarantees | 404 | 458 | 329 | 389 | 315 | 237 | 233 | 197 | 178 | 169 |
| Core earnings | 1 160 | 1 225 | 1 499 | 1 719 | 2 002 | 1 884 | 1 957 | 2 395 | 2 645 | 3 310 |
| Dividends/associated companies | 177 | 189 | 89 | 257 | 238 | 348 | 397 | 421 | 422 | 577 |
| Net return on financial investments | 218 | -78 | 217 | 228 | 132 | -189 | 182 | 147 | 44 | 85 |
| One-offs and loss/gain on long-term assets | 376 | -69 | 150 | -61 | 181 | 217 | 314 | -12 | 167 | -4 |
| Pre tax profit | 1 931 | 1 267 | 1 955 | 2 142 | 2 553 | 2 260 | 2 851 | 2 951 | 3 278 | 3 968 |
| Taxes | 501 | 412 | 542 | 583 | 623 | 553 | 579 | 669 | 710 | 872 |
| Net profit | 1 430 | 855 | 1 413 | 1 559 | 1 930 | 1 707 | 2 271 | 2 282 | 2 569 | 3 095 |
| Gross loans | 157 375 | 159 645 | 166 255 | 173 617 | 182 081 | 193 576 | 214 360 | 228 738 | 243 903 | 260 556 |
| Gross loans incl. EBK | 182 382 | 193 092 | 208 764 | 225 292 | 238 296 | 253 212 | 280 620 | 302 214 | 323 779 | 344 737 |
| Deposits | 120 419 | 128 567 | 137 142 | 144 975 | 156 594 | 164 697 | 178 098 | 187 805 | 198 358 | 211 338 |
| Equity | 16 748 | 17 525 | 18 833 | 20 422 | 22 268 | 23 624 | 26 240 | 28 865 | 31 608 | 34 949 |
| Total assets | 190 813 | 196 623 | 200 895 | 210 302 | 224 157 | 231 814 | 254 313 | 273 190 | 291 614 | 312 675 |
| Total assets incl. EBK | 215 820 | 230 070 | 243 403 | 261 977 | 280 371 | 291 450 | 320 573 | 346 666 | 371 491 | 396 856 |
| Growth in loans | 4,1 % | 1,4 % | 4,1 % | 4,4 % | 4,9 % | 6,3 % | 10,7 % | 6,7 % | 6,6 % | 6,8 % |
| Growth in loans incl. EBK | 7,3 % | 5,9 % | 8,1 % | 7,9 % | 5,8 % | 6,3 % | 10,8 % | 7,7 % | 7,1 % | 6,5 % |
| Growth in deposits | 7,5 % | 6,8 % | 6,7 % | 5,7 % | 8,0 % | 5,2 % | 8,1 % | 5,5 % | 5,6 % | 6,5 % |

Source: Bank Analyst Eika

Eika banks - Key figures

| Key figures | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Deposit ratio | 76,5 % | 80,5 % | 82,5 % | 83,5 % | 86,0 % | 85,1 % | 83,1 % | 82,1 % | 81,3 % | 81,1 % |
| Deposit over total funding | 69,9 % | 72,6 % | 76,1 % | 77,2 % | 78,4 % | 79,9 % | 78,9 % | 77,6 % | 77,0 % | 76,8 % |
| (Market funding - Liquid assets)/Total assets | 11,6 % | 7,8 % | 6,3 % | 5,4 % | 3,1 % | 4,2 % | 5,9 % | 6,3 % | 6,8 % | 6,8 % |
| Liquid assets/Total assets | 15,5 % | 16,9 % | 15,1 % | 15,0 % | 16,2 % | 13,7 % | 12,9 % | 13,5 % | 13,5 % | 13,6 % |
| Market funds/Total assets | 27,1 % | 24,7 % | 21,4 % | 20,4 % | 19,3 % | 17,8 % | 18,8 % | 19,8 % | 20,3 % | 20,4 % |
| Equity ratio | 8,8 % | 8,9 % | 9,4 % | 9,7 % | 9,9 % | 10,2 % | 10,3 % | 10,6 % | 10,8 % | 11,2 % |
| Common Equity Tier 1 ratio (CET1) | 15,0 % | 15,2 % | 15,8 % | 16,0 % | 16,9 % | 17,5 % | 17,8 % | 18,0 % | 18,2 % | 19,6 % |
| Core capital ratio | 17,0 % | 17,3 % | 18,1 % | 18,5 % | 18,3 % | 18,5 % | 18,9 % | 19,3 % | 19,6 % | 21,0 % |
| Capital ratio | 18,2 % | 18,2 % | 18,6 % | 18,7 % | 18,9 % | 19,2 % | 20,0 % | 20,7 % | 21,4 % | 22,9 % |
| Loan loss provision ratio | 0,26 % | 0,29 % | 0,20 % | 0,23 % | 0,18 % | 0,13 % | 0,11 % | 0,09 % | 0,08 % | 0,07 % |
| Loan loss provision/Pre-provision income | 20,6 % | 25,5 % | 15,4 % | 15,0 % | 11,7 % | 10,4 % | 8,4 % | 6,2 % | 5,4 % | 4,1 % |
| Gross problem loans/Gross loans | 1,83 % | 1,89 % | 1,78 % | 1,62 % | 1,53 % | 1,38 % | 1,12 % | 0,96 % | 0,97 % | 1,28 % |
| Net problem loans/Gross loans | 1,34 % | 1,38 % | 1,32 % | 1,20 % | 1,13 % | 1,01 % | 0,84 % | 0,72 % | 0,75 % | 1,02 % |
| Loan loss reserves/Gross loans | 0,88 % | 0,92 % | 0,88 % | 0,82 % | 0,79 % | 0,73 % | 0,64 % | 0,59 % | 0,54 % | 0,52 % |
| Problem loans/(Equity + LLR) | 15,9 % | 15,9 % | 14,6 % | 12,9 % | 11,8 % | 10,7 % | 8,7 % | 7,3 % | 7,2 % | 9,2 % |
| Net interest income/total assets | 1,87 % | 1,87 % | 1,90 % | 1,92 % | 1,92 % | 1,88 % | 1,87 % | 1,88 % | 1,82 % | 1,93 % |
| Net commission incom/total assets | 0,35 % | 0,38 % | 0,43 % | 0,56 % | 0,61 % | 0,55 % | 0,49 % | 0,52 % | 0,50 % | 0,52 % |
| Loss provision ratio | 0,26 % | 0,29 % | 0,20 % | 0,23 % | 0,18 % | 0,13 % | 0,11 % | 0,09 % | 0,08 % | 0,07 % |
| Cost/income ratio | 57,5 % | 60,3 % | 57,2 % | 53,8 % | 54,4 % | 60,2 % | 56,5 % | 54,3 % | 53,5 % | 48,8 % |
| Cost/income ratio (adjusted for net finance) | 60,4 % | 59,3 % | 59,8 % | 56,1 % | 55,6 % | 58,3 % | 58,2 % | 55,5 % | 53,8 % | 49,3 % |
| Cost/income ratio (adj. for net finance and dividend) | 62,9 % | 61,8 % | 60,9 % | 58,9 % | 58,0 % | 61,9 % | 62,2 % | 59,2 % | 57,2 % | 53,2 % |
| Net profit in % of total assets | 0,76 % | 0,44 % | 0,71 % | 0,76 % | 0,89 % | 0,75 % | 0,93 % | 0,87 % | 0,91 % | 1,02 % |
| Net profit/average RWA | 1,38 % | 0,80 % | 1,29 % | 1,37 % | 1,61 % | 1,37 % | 1,74 % | 1,63 % | 1,72 % | 2,00 % |
| Pre-provision income/average RWA | 1,89 % | 1,68 % | 1,94 % | 2,28 % | 2,25 % | 1,83 % | 2,12 % | 2,25 % | 2,21 % | 2,68 % |
| Core earnings in % of average RWA | 1,12 % | 1,14 % | 1,36 % | 1,51 % | 1,67 % | 1,52 % | 1,50 % | 1,71 % | 1,77 % | 2,14 % |
| Return on equity | 8,9 % | 5,0 % | 7,8 % | 7,9 % | 9,0 % | 7,4 % | 9,1 % | 8,3 % | 8,5 % | 9,3 % |

Source: Bank Analyst Eika

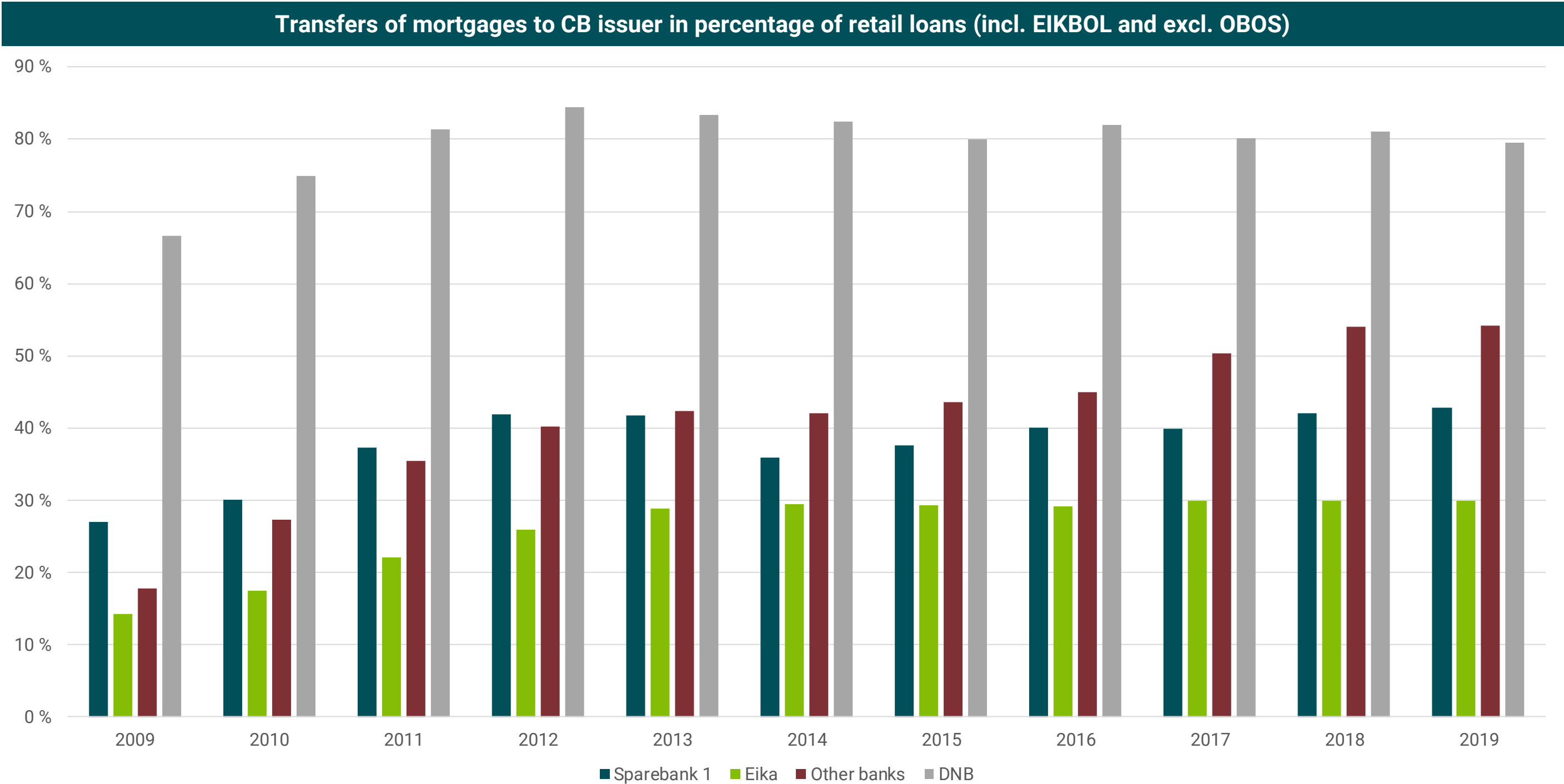
Quarterly data - P&L and Key figures

| <i>P&L & balance in NOK mil.</i> | 4Q17 | 1Q18 | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 3Q19 | 4Q19 |
|--|------------|------------|------------|------------|------------|------------|--------------|------------|------------|
| Net interest income | 1 288 | 1 235 | 1 256 | 1 301 | 1 359 | 1 321 | 1 405 | 1 516 | 1 584 |
| Net commission income | 388 | 355 | 362 | 349 | 352 | 340 | 363 | 420 | 453 |
| Other income | 8 | 7 | 10 | 7 | 9 | 7 | 6 | 6 | 8 |
| Total income | 1 684 | 1 597 | 1 628 | 1 656 | 1 720 | 1 668 | 1 774 | 1 942 | 2 045 |
| Personnel and adm. expenses | 774 | 736 | 664 | 738 | 773 | 765 | 658 | 767 | 835 |
| Depreciation | 34 | 35 | 35 | 32 | 36 | 38 | 37 | 38 | 41 |
| Other costs | 161 | 190 | 174 | 176 | 187 | 188 | 201 | 182 | 201 |
| Total costs | 970 | 962 | 873 | 947 | 997 | 990 | 896 | 987 | 1 077 |
| Core earnings before loan losses | 715 | 635 | 755 | 709 | 724 | 678 | 878 | 955 | 968 |
| Impairment of loans and guarantees | 70 | 26 | 38 | 23 | 91 | 23 | 16 | 21 | 109 |
| Core earnings | 645 | 609 | 717 | 686 | 633 | 655 | 862 | 935 | 859 |
| Dividends/associated companies | 21 | 24 | 373 | 12 | 13 | 26 | 499 | 7 | 45 |
| Net return on financial investments | 25 | 10 | 31 | 17 | -15 | 35 | 21 | 19 | 10 |
| One-offs and loss/gain on long-term assets | -10 | 3 | 44 | 30 | 89 | 0 | 9 | -3 | -11 |
| Pre tax profit | 681 | 646 | 1 165 | 745 | 721 | 716 | 1 391 | 958 | 903 |
| Taxes | 166 | 163 | 212 | 185 | 150 | 180 | 246 | 234 | 212 |
| Net profit | 515 | 483 | 953 | 561 | 571 | 536 | 1 145 | 723 | 690 |
| Gross loans | 228 738 | 230 308 | 236 454 | 240 666 | 243 903 | 246 930 | 253 514 | 257 299 | 260 556 |
| Gross loans incl. EBK | 302 214 | 305 673 | 313 395 | 318 474 | 323 779 | 327 672 | 335 645 | 340 570 | 344 737 |
| Deposits | 187 805 | 190 313 | 199 511 | 196 904 | 198 358 | 202 039 | 211 800 | 210 493 | 211 338 |
| Equity | 28 865 | 29 359 | 30 406 | 31 041 | 31 608 | 32 005 | 33 368 | 34 162 | 34 949 |
| Total assets | 273 190 | 276 442 | 289 333 | 289 328 | 291 614 | 296 779 | 310 486 | 311 973 | 312 675 |
| Total assets incl. EBK | 346 666 | 351 807 | 366 275 | 367 136 | 371 491 | 377 521 | 392 616 | 395 244 | 396 856 |
| Growth in loans | 1,2 % | 0,7 % | 2,7 % | 1,8 % | 1,3 % | 1,2 % | 2,7 % | 1,5 % | 1,3 % |
| Growth in loans incl. EBK | 1,7 % | 1,1 % | 2,5 % | 1,6 % | 1,7 % | 1,2 % | 2,4 % | 1,5 % | 1,2 % |
| Growth in deposits | 0,6 % | 1,3 % | 4,8 % | -1,3 % | 0,7 % | 1,9 % | 4,8 % | -0,6 % | 0,4 % |

| <i>Key figures</i> | 4Q17 | 1Q18 | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 3Q19 | 4Q19 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Deposit ratio | 82,1 % | 82,6 % | 84,4 % | 81,8 % | 81,3 % | 81,8 % | 83,5 % | 81,8 % | 81,1 % |
| Deposit over total funding | 77,6 % | 77,8 % | 78,1 % | 77,2 % | 77,0 % | 77,1 % | 77,2 % | 76,8 % | 77,2 % |
| (Market funding - Liquid assets)/Total assets | 6,3 % | 5,8 % | 4,0 % | 5,9 % | 6,8 % | 6,3 % | 4,6 % | 5,7 % | 6,8 % |
| Liquid assets/Total assets | 13,5 % | 13,9 % | 15,4 % | 14,2 % | 13,5 % | 14,0 % | 15,5 % | 14,7 % | 13,6 % |
| Market funds/Total assets | 19,8 % | 19,7 % | 19,4 % | 20,1 % | 20,3 % | 20,3 % | 20,1 % | 20,4 % | 20,0 % |
| Equity ratio | 10,6 % | 10,6 % | 10,5 % | 10,7 % | 10,8 % | 10,8 % | 10,7 % | 11,0 % | 11,2 % |
| Common Equity Tier 1 ratio (CET1) | 18,0 % | 17,5 % | 17,2 % | 17,1 % | 18,2 % | 17,8 % | 17,4 % | 17,4 % | 19,6 % |
| Core capital ratio | 19,3 % | 19,0 % | 18,7 % | 18,5 % | 19,6 % | 19,1 % | 18,8 % | 18,7 % | 21,0 % |
| Capital ratio | 20,7 % | 20,7 % | 20,4 % | 20,3 % | 21,4 % | 20,9 % | 20,6 % | 20,6 % | 22,9 % |
| Loan loss provision ratio | 0,12 % | 0,05 % | 0,06 % | 0,04 % | 0,15 % | 0,04 % | 0,02 % | 0,03 % | 0,17 % |
| Loan loss provision/Pre-provision income | 9,2 % | 3,9 % | 3,2 % | 3,1 % | 12,6 % | 3,1 % | 1,1 % | 2,1 % | 10,7 % |
| Gross problem loans/Gross loans | 0,96 % | 1,08 % | 1,03 % | 1,05 % | 0,97 % | 1,01 % | 1,13 % | 1,16 % | 1,28 % |
| Net problem loans/Gross loans | 0,72 % | 0,83 % | 0,80 % | 0,83 % | 0,75 % | 0,79 % | 0,93 % | 0,95 % | 1,02 % |
| Loan loss reserves/Gross loans | 0,59 % | 0,57 % | 0,55 % | 0,53 % | 0,54 % | 0,54 % | 0,51 % | 0,51 % | 0,52 % |
| Problem loans/(Equity + LLR) | 7,3 % | 8,1 % | 7,7 % | 7,8 % | 7,2 % | 7,5 % | 8,3 % | 8,4 % | 9,2 % |
| Net interest income/total assets | 1,90 % | 1,80 % | 1,78 % | 1,80 % | 1,87 % | 1,80 % | 1,85 % | 1,95 % | 2,03 % |
| Net commission incom/total assets | 0,57 % | 0,52 % | 0,51 % | 0,48 % | 0,49 % | 0,46 % | 0,48 % | 0,54 % | 0,58 % |
| Loss provision ratio | 0,12 % | 0,05 % | 0,06 % | 0,04 % | 0,15 % | 0,04 % | 0,02 % | 0,03 % | 0,17 % |
| Cost/income ratio | 56,0 % | 59,0 % | 43,0 % | 56,2 % | 58,0 % | 57,3 % | 39,1 % | 50,1 % | 51,3 % |
| Cost/income ratio (adjusted for net finance) | 56,9 % | 59,3 % | 43,6 % | 56,8 % | 57,5 % | 58,5 % | 39,4 % | 50,6 % | 51,6 % |
| Cost/income ratio (adj. for net finance and divid | 57,6 % | 60,2 % | 53,6 % | 57,2 % | 57,9 % | 59,4 % | 50,5 % | 50,8 % | 52,7 % |
| Net profit in % of total assets | 0,76 % | 0,70 % | 1,35 % | 0,78 % | 0,79 % | 0,73 % | 1,51 % | 0,93 % | 0,88 % |
| Net profit/average RWA | 1,43 % | 1,33 % | 2,57 % | 1,48 % | 1,50 % | 1,39 % | 2,89 % | 1,79 % | 1,74 % |
| Pre-provision income/average RWA | 2,11 % | 1,84 % | 3,12 % | 1,96 % | 1,90 % | 1,91 % | 3,53 % | 2,43 % | 2,57 % |
| Core earnings in % of average RWA | 1,78 % | 1,66 % | 1,90 % | 1,82 % | 1,65 % | 1,68 % | 2,13 % | 2,31 % | 2,20 % |
| Return on equity | 7,2 % | 6,6 % | 12,8 % | 7,3 % | 7,3 % | 6,7 % | 14,0 % | 8,6 % | 8,0 % |

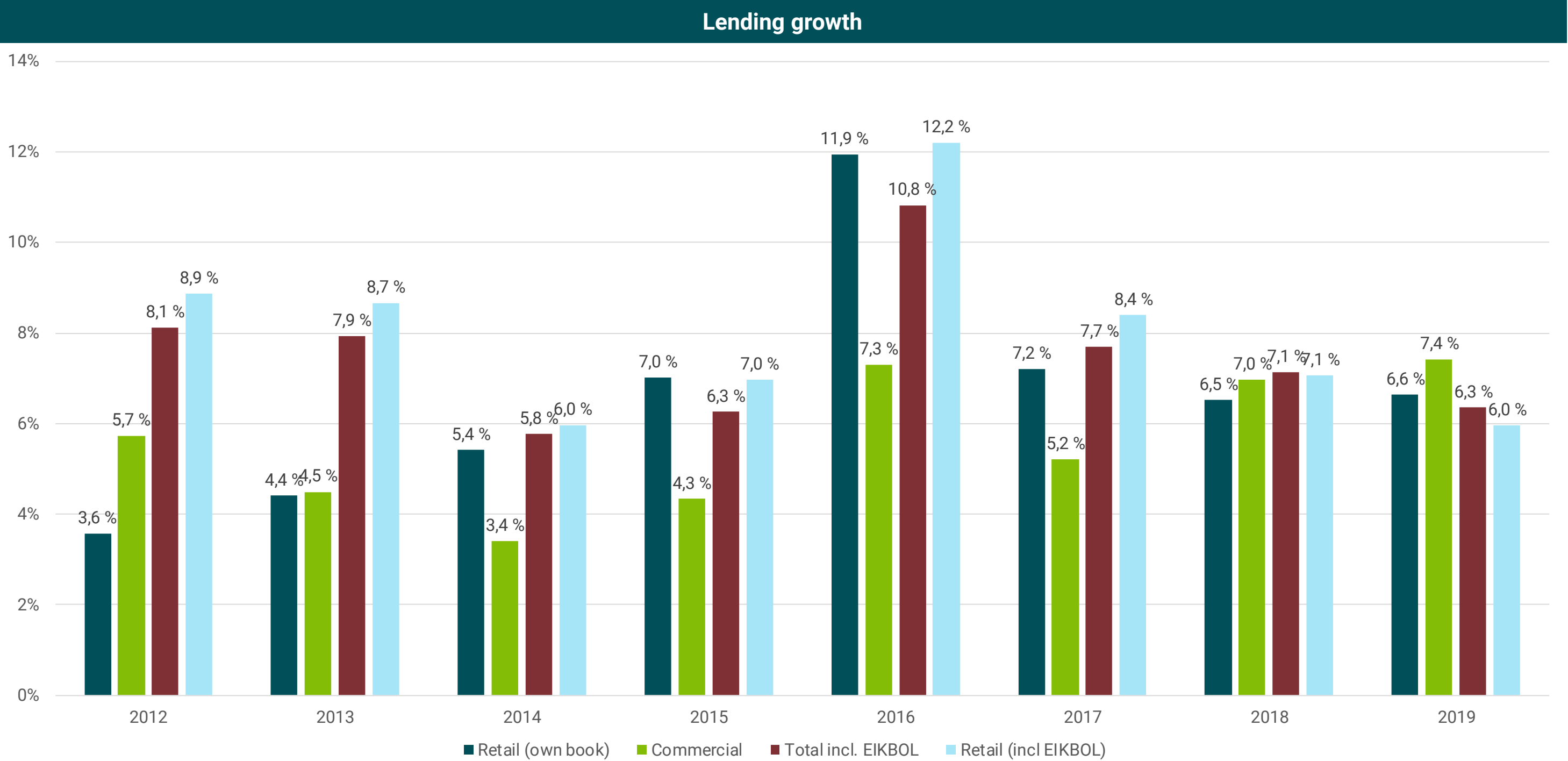
Source: Bank Analyst Eika

Banks – transfer rate to Cov. Bond companies



Source: Bank Analyst Eika

Eika banks - lending growth



Source: Bank Analyst Eika

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