Nordic Credit Rating

FINANCIAL INSTITUTION

Norway

13 Oct. 2025

Odal Sparebank

Full Rating Report

LONG-TERM RATING

BBB+

OUTLOOK

Stable

SHORT-TERM RATING

N2

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RATING RATIONALE

Our 'BBB+' long-term issuer rating on Norway-based Odal Sparebank reflects the bank's low risk appetite, and strong earnings and capital position. The bank has proven access to capital market financing and few concentrations in its mostly retail deposit base. Odal Sparebank has an ownership and cooperation arrangement with the Eika Alliance banking association, which enables product diversity, shared development costs, and the opportunity to finance residential retail mortgage loans through jointly owned covered-bond company Eika Boligkreditt AS.

We expect Odal Sparebank to maintain strong earnings over our forecast period through 2027, despite margin pressure as it pursues growth in the Kongsvinger and Romerike regions. We expect credit losses to remain slightly elevated, given the continued effects of recent cost inflation and higher interest rates.

The rating is constrained by geographical concentration in Odal Sparebank's loan book and a high share of real-estate and agriculture collateral in the bank's core markets. Although the bank has a very strong market share in the Odal region of south-east Norway, it faces stiffer competition in its other core markets.

STABLE OUTLOOK

The outlook is stable, reflecting our view that the bank's strong earnings will compensate for a weakened domestic economy and somewhat elevated credit provisions. Our forecast sees Odal Sparebank's cost efficiency to improve, following recent personnel investments in growth areas, risk governance and compliance. We expect capital ratios to decline moderately as the bank expands its loan book in growth regions, but to remain at strong levels after the positive implementation effect of Capital Requirements Regulations III (CRR3).

POTENTIAL POSITIVE RATING DRIVERS

- Pre-provision income to risk exposure amount (REA) sustainably above 3% and cost to income below 45%.
- Material reduction in Stage 3 non-performing loans.
- Improved market position in growth markets of Kongsvinger and Romerike.

POTENTIAL NEGATIVE RATING DRIVERS

- Tier 1 capital ratio below 18% over a protracted period.
- A material deterioration in the local operating environment that negatively affects asset quality.
- Risk-adjusted earnings metrics below 1.5% for REA over a protracted period.

Figure 1. Key credit metrics, 2021–2027e

%	2021	2022	2023	2024	2025e	2026e	2027e
Net interest margin	2.2	2.4	3.0	2.9	2.7	2.6	2.5
Loan losses/net loans	-0.04	0.04	0.14	0.05	0.10	0.10	0.10
Pre-provision income/REA*	2.3	2.2	2.6	2.8	2.9	3.0	3.0
Cost-to-income	45.8	49.7	52.6	54.9	54.1	52.8	51.2
Return on ordinary equity	9.9	8.6	8.9	10.2	10.0	10.1	10.3
Loan growth	4.3	3.4	6.3	23.5	10.0	13.0	13.0
CET1 ratio*	18.9	19.9	20.3	19.7	22.5	21.9	21.3
Tier 1 ratio*	19.2	20.5	20.7	20.1	22.8	22.2	21.6

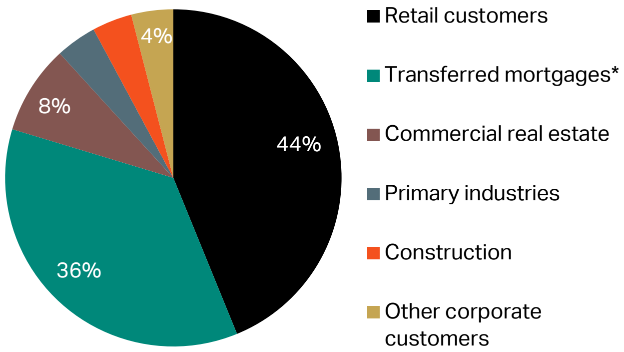
Source: company and NCR. e–estimate. CET1–common equity Tier 1. All metrics adjusted in line with NCR methodology. *Consolidated capital ratios and REA.

ISSUER PROFILE

Odal Sparebank was created in 1877 in Norway's Nord-Odal municipality and has since expanded its core market to the south. Odal Sparebank's primary market includes the Odal, Kongsvinger and Northern Romerike regions. As of 30 Jun. 2025, the bank had 67 employees, five branch offices, and total net lending of NOK 11.2bn (including NOK 4.0bn in retail mortgage loans transferred to Eika Boligkreditt). Odal Sparebank is primarily focused on core banking activities but also owns a local real-estate agency (Aktiv Eiendomsmegling Kongsvinger AS) and 85% of an accounting firm (Resultat Regnskap Holding AS).

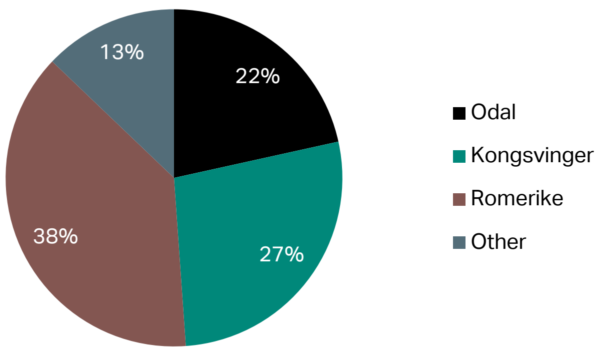
The bank is a member of the Eika Alliance, an association of close to 50 small and medium-sized Norwegian savings banks. The association provides product diversity and helps to improve cost efficiency through the sharing of IT costs and joint efforts in risk management and compliance. It also provides the opportunity to finance residential mortgages via Eika Boligkreditt, Norway's fifth-largest issuer of covered bonds.

Figure 2. Gross loans by sector/type (including transferred loans), 30 Jun. 2025



Source: company. *net loans transferred to Eika Boligkreditt.

Figure 3. Gross loans by region (including transferred loans), 31 Dec. 2024



Source: company.

OPERATING ENVIRONMENT

Operating environment

We consider a balance of national and regional factors in our assessment of the operating environment. Odal Sparebank operates in a region with a wide variation in economic growth prospects. We believe that the national economy could weaken over the next few years due to reduced economic activity and the ongoing impact of high inflation, but consider the Norwegian banking sector well positioned to cope.

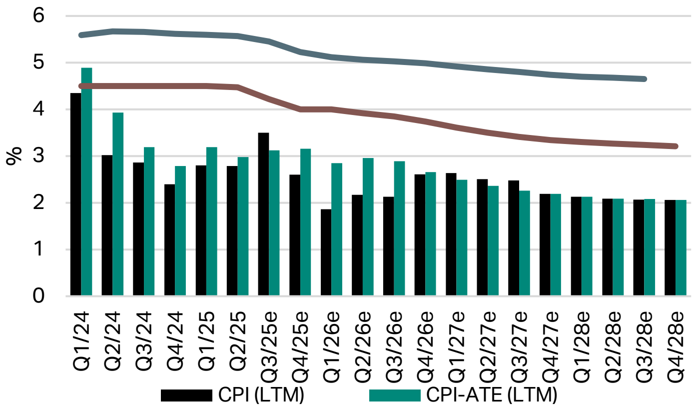
National banking environment

National banking environment

Net interest margins for Norwegian savings banks have widened significantly due to high interest rates in Norway since 2021. This, together with strong lending growth, has boosted earnings across the sector. On 19 Jun. 2025, the central bank initiated a cautious normalisation of the policy rate, lowering the rate by 25bps to 4.25%. We expect at least one further cut before year-end and additional reductions towards 3% by end 2027. However, persistently high inflation above target, combined with shifts in global trade and tariff policies, adds to the uncertainty surrounding the future interest rate path and clouds the outlook for economic growth. We believe that falling interest rates, heightened competition and marginally increased loan losses will slow earnings growth and lead to lower returns on equity during our forecast period through 2027.

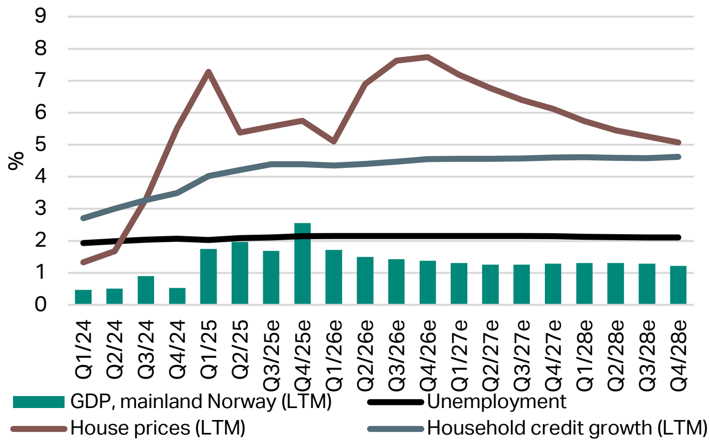
As intended, still-high interest rates are helping to slow the economy. High interest rates and weak economic conditions sparked an increase in loan-loss provisions for domestic savings banks in 2023 and 2024. Loan-loss provisions have declined somewhat in 2025 and interest cuts ahead are expected to improve asset quality. In our view, Norway's savings banks are well capitalised and have strong pre-provision profitability, which makes them relatively resilient to increased credit losses.

Figure 4. Norwegian inflation and interest rates, 2024–2028e



Source: central bank. e–estimate. CPI–consumer price index. LTM–last 12 months. ATE–

Figure 5. Norwegian economic indicators, 2024–2028e



Source: central bank. e-estimate.

Rapid growth in Romerike and low growth in Odal and Kongsvinger

Regional assessment

Odal Sparebank's core market combines the municipalities of Sør-Odal, Nord-Odal, Kongsvinger and Eidsvoll in southern Innlandet County, as well as the northern municipalities of Akershus County in the Øvre Romerike region. The bank's core market is a combination of rapid-growth markets in Ullensaker and Eidsvoll in the south and municipalities with more modest growth expectations in the north. The split also reflects the distance to the metropolitan Oslo area, with the Akershus municipalities benefitting from relatively short commutes to the capital city. With the exception of Ullensaker, where Oslo Gardermoen Airport is located, the region has a relatively high share of government employment, particularly in the social and healthcare sector. The region also has larger industry, forestry and agriculture segments than the national average.

In total, Odal Sparebank's core markets have somewhat higher growth and unemployment rates than the national average. However, the bank's core markets differ in terms of growth prospects and age profile. The Romerike region has higher income levels, higher growth rates and a younger population than the other core markets. This difference is reflected in the bank's recent loan growth and its strategy to grow in Romerike, supported by its new branch in Råholt (Eidsvoll). Housing prices in the Romerike region are close to Norwegian averages and significantly higher than the other core municipalities, where prices are nearly half as high and sales volumes are considerably lower.

Figure 6. Core markets

Municipality	Region	Population Q2 2025	Expected population change 2025–2050 (%)	Unemployment Aug. 2025 (%)	Unemployment Aug. 2024 (%)
Eidskog	Kongsvinger	6,101	0.5	2.0	1.9
Kongsvinger	Kongsvinger	18,137	1.2	2.3	2.0
Nord-Odal	Odal	4,992	-3.4	2.0	2.0
Sør-Odal	Odal	8,168	10.6	2.4	1.7
Eidsvoll	Romerike	28,540	22.9	2.2	2.1
Gjerdrum	Romerike	7,460	26.9	2.0	2.0
Ullensaker	Romerike	45,573	26.1	3.6	3.2
Core markets		118,971	18.0	2.7	2.5
Norway		5,606,944	9.1	2.2	2.0

Source: Statistics Norway, Norwegian Labour and Welfare Administration.

RISK APPETITE

Risk appetite assessment

Our assessment of Odal Sparebank's risk profile reflects the bank's strong capital, diverse funding access, large proportion of residential mortgage lending and its ability to transfer loans to Eika Boligkreditt. The bank has some regional concentrations in its core markets and a significant proportion of property lending.

Strengthened workforce to improve on Eika Alliance resources

Risk governance

In our view, Odal Sparebank's risk governance framework, risk appetite, limit monitoring and risk reporting are in proportion to its balance sheet and risk profile. The bank has strengthened the areas of risk governance, anti-money laundering and compliance to ensure its resources grow in line with its expanding portfolio. It maintains well-defined guidelines for risk governance and relevant risk areas. The bank has also established anti-money laundering routines and policies, reducing the risk of related regulatory fines and associated losses. Additionally, the bank differentiates itself from smaller savings bank peers through its internal audit function, which serves as a third line of defence. Internal risk reporting and ICAAP are proportionate to its risk profile.

Odal Sparebank has made significant efforts to support a sustainable profile. In addition to significant social contributions to the local community, the bank has developed a strong environmental profile, having developed a green bond framework with established guidelines to identify sustainable or certified real-estate collateral. It has also obtained Miljøfyrtårn/Eco-Lighthouse environmental certification for each of its branch offices. The cooperation with the Eika Alliance provides additional resources for future risk governance and sustainability development, and close to half of the bank's mortgage portfolio is financed through Eika Boligkreditt, which has also established a framework for the issuance of green bonds.

Strong capital adequacy supports growth

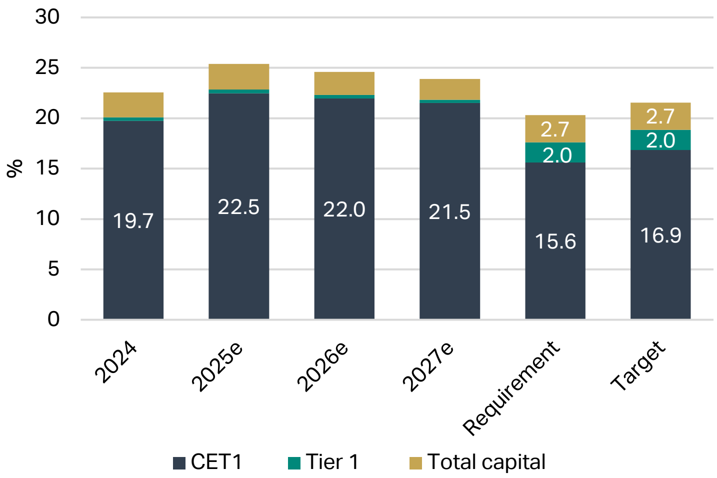
Capital

Our capital assessment takes into consideration Odal Sparebank's consolidated capital position, including its proportionate holdings in Eika Gruppen and Eika Boligkreditt. The bank's consolidated common equity Tier 1 (CET1) ratio was 22.1% and its Tier 1 ratio was 22.5% as of 30 Jun. 2025, excluding 0.6pp in current year profits. These are compared with its respective targets of 16.9% and 18.9% (including a 1.25pp management buffer). The bank has not issued its own additional Tier 1 instruments, and the unconsolidated CET1 and Tier 1 ratios were both 26.9% as of 30 Jun. 2025. The consolidated leverage ratio is 8.8%, versus a requirement of 3.0%.

The bank's most recent reported capital ratios were significantly boosted by implementing CRR3, which came into force in Norway on 1 Apr. 2025. The new method is more risk-sensitive than previously and has reduced capital requirements significantly for small to medium-sized retail and savings banks with low loan-to-value mortgages. Odal Sparebank improved its consolidated CET1 capital ratio by 2.8% in the second quarter of 2025 compared to the first quarter due to the bank's high share of low-risk residential mortgages.

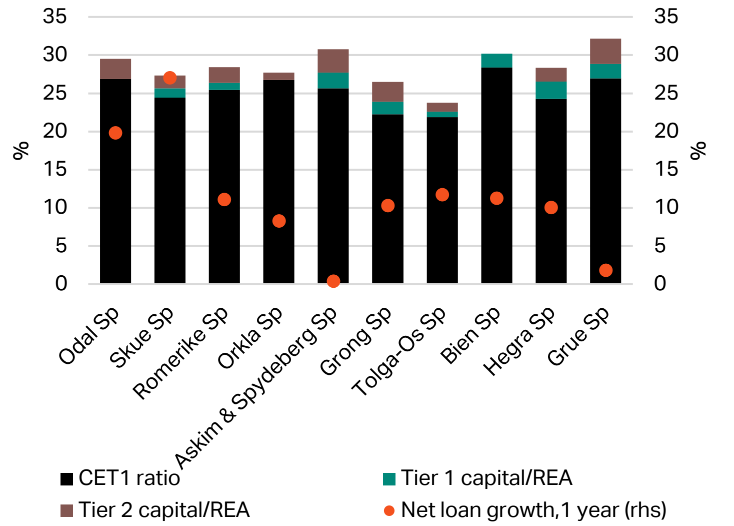
Looking ahead, we expect Odal Sparebank to expand its on-balance-sheet loan book by 10-13% annually in 2025-2027, with an increasing share of corporate and commercial real-estate exposure at relatively higher risk weights. We also expect a strong return on equity of about 10% through 2027. Consequently, we expect the bank's capital ratios to decline moderately in our forecast period. We estimate a Tier 1 ratio of 21.6% at end-2027, notably higher than 20.1% end-2024. Given its ownership structure, the bank does not pay dividends, but we include an annual payment of NOK 10m for contributions to the local community in our forecast. However, the bank views these contributions as a maximum amount for relevant contributions and has the flexibility to reduce donations, if necessary.

Figure 7. Consolidated capital ratios 2024–2027e, capital requirement and targets as of 30 Jun. 2025



Source: company. e-estimate. *Total pillar 2 guidance (P2G) of 2.8%

Figure 8. Norwegian savings bank unconsolidated capital ratios and loan growth, 30 Jun. 2025



Source: bank reports.

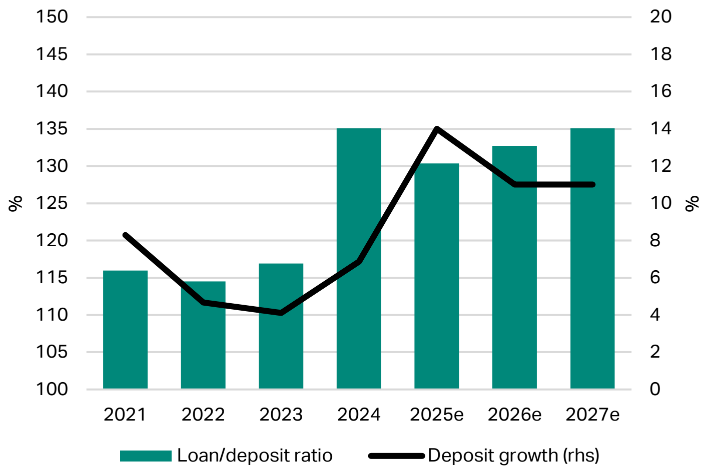
Eika Alliance an important funding source

Funding and liquidity

Odal Sparebank's funding and liquidity profile is diverse, given its size. The bank has a stable retail deposit base, particularly in the Odal market, and demonstrable access to capital market funding. The bank's loan to deposit ratio has been relatively stable below 120% historically, although increased over the past year (126% as of 30 Jun. 2025). We expect the bank to continue to expand its on-balance-sheet loan book at a higher pace over the next three years, financed in part by a higher share of senior unsecured bonds under its green bond framework. The bank has few single-name concentrations in its customer deposits and maintains strong liquidity buffers (32% of customer deposits as of 30 Jun. 2025). As of 31 Jun. 2025, the liquidity coverage ratio was 369% and the net stable funding ratio 140%, well above its internal limits of 115%.

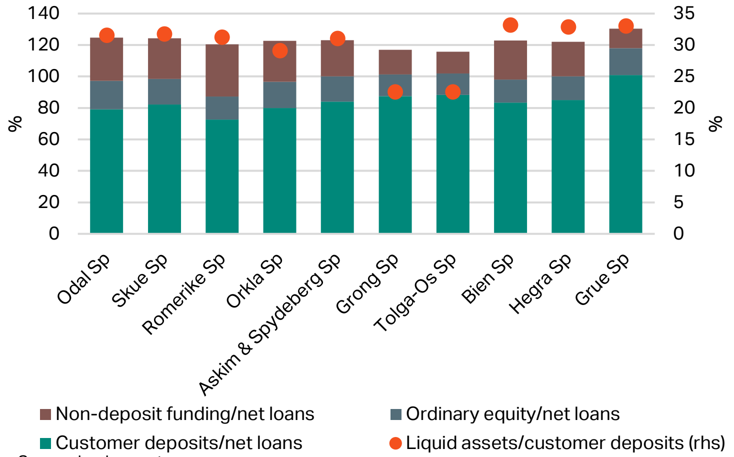
Odal Sparebank has increased its funding through senior unsecured bonds to NOK 2.0bn as of 30 Jun. 2025, compared to NOK 1.0bn as of 30 Jun. 2024. Nine out of sixteen outstanding senior bonds were issued under its green bond framework, with maturities extending through 2030. We expect the bank to further increase bond funding to approximately NOK 2.6bn by end-2027 to support growth in Romerike and Kongsvinger, where its deposit funding share is lower than in Odal (see Figures 12 and 13). The bank maintains internal limits on annual and quarterly maturities to mitigate refinancing risk.

Figure 9. Deposit metrics, 2021-2027e



Source: company. e-estimate.

Figure 10. Norwegian savings bank funding profiles, 30 Jun. 2025



Source: bank reports.

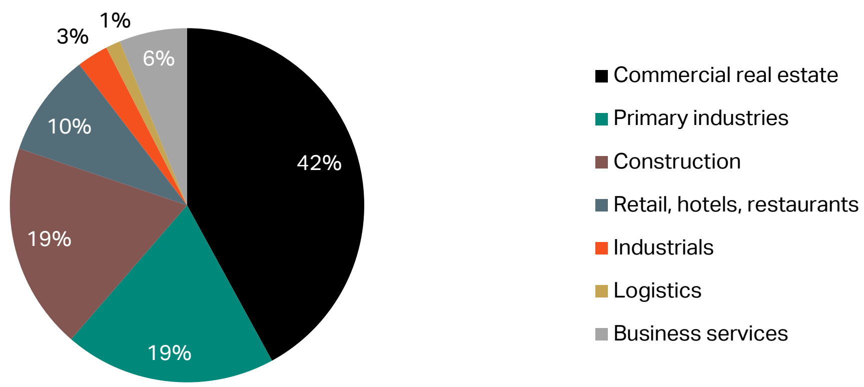
Eika Boligkreditt is a stable and important source of funding for the bank. It provides access to more affordable funding for retail mortgages, with longer terms to maturity, than it could source by itself. As of 30 Jun. 2025, the bank had transferred NOK 4.0bn in mortgage loans, or 45% of total retail mortgage lending, including NOK 4.9bn on its own loan book. This is within its 55% internal limit, and the bank maintains a steady volume of readily transferrable loans as a liquidity buffer.

Loan book contains geographic and real-estate concentrations

Credit and market risk

Odal Sparebank's loan portfolio has a strong regional focus, with 80% of lending extended to borrowers in Odal, Kongsvinger and Romerike. Some 84% of the bank's exposures (including transferred loans) are to private and agricultural customers and secured by housing and agricultural properties. While we regard this as low-risk credit, it nonetheless increases concentration on local borrowers and exposes the bank's collateral to any decline in property values. Housing prices and real-estate values in the region have been falling in line with the wider Norwegian market as interest rates have risen. However, housing prices in the bank's operating region are lower than in metropolitan areas, resulting in lower debt burdens for the bank's customers and a relatively lower impact from interest rate hikes in recent years. Housing price growth over the past decade has strengthened the bank's collateral.

Figure 11. Corporate gross loans by industry, 30 Jun. 2025



Source: company.

In the 12 months to 30 Jun. 2025, Odal Sparebank had gross loan growth of 14.1% (including transferred loans). Corporate lending growth was 7.6%, while on- and off-balance sheet mortgages increased by 15.9%. Our forecast includes loan growth of 10% in 2025, and 13% annually in 2026-2027 (including transferred loans). Looking ahead, we expect lending growth for corporate customers to exceed residential lending growth and anticipate that the majority of residential lending growth will stem from the bank's growth regions. Odal Sparebank's main corporate exposure is to commercial real estate, followed by primary industries and construction. We remain concerned about corporate and commercial real-estate lending due to high interest costs and a weak property market, though we note some improvement in recent quarters and expect lower policy rates to support credit quality.

On 30 Jun. 2025, Odal Sparebank had transferred loans amounting to NOK 4bn. These loans generated NOK 31m in commission income (about 9% of operating revenues) during 2024. However, the bank does not offload the associated risk, and we expect it to take back all non-performing loans to enable Eika Boligkreditt to maintain a clean cover pool. Odal Sparebank has always accepted repatriated loans, but in the event that repatriation should not prove possible, the bank guarantees 1% of transferred loans and covers 80% of any net loss incurred by Eika Boligkreditt through a loss guarantee. The bank is jointly liable with existing Eika Alliance banks for losses not covered by the guarantee. Due to the high credit quality of transferred loans and repatriation agreements, the mortgage company has never incurred actual credit losses.

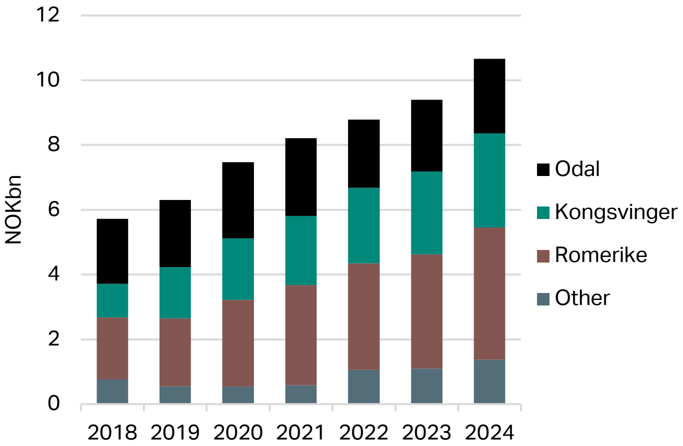
We do not consider market risk to be material for Odal Sparebank, given the lack of a trading portfolio and its low limits on interest rate risk and currency risk.

COMPETITIVE POSITION

Competitive position

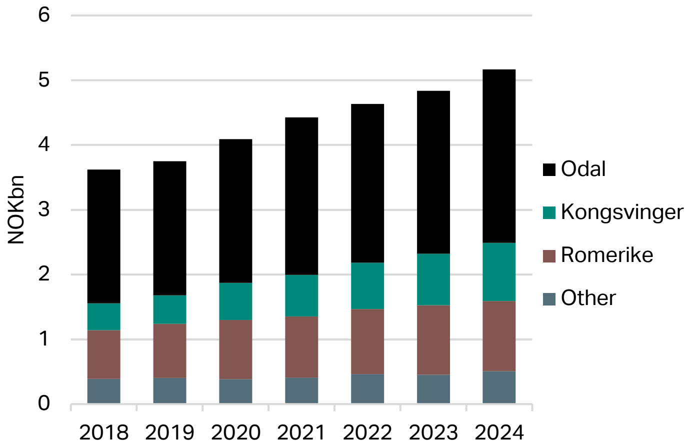
Odal Sparebank has a very strong market position in its traditional core markets of Nord-Odal and Sør-Odal, with market share of about 70% and 40%, respectively. The focused growth of recent years has been in Kongsvinger and Romerike, where three of its five branch offices are located. Unlike its traditional core markets, the southern markets, which are closer to Norway's capital, Oslo, have lower market share and face greater competition from both local and regional banks. Looking ahead, we expect the establishment of a new branch in Råholt to support lending growth after Totens Sparebank's merger with Sparebank 1 Østlandet and its exit from the Eika Alliance in 2024.

Figure 12. Total gross loans* by market, 2018–2024



Source: company.

Figure 13. Customer deposits by market, 2018–2024

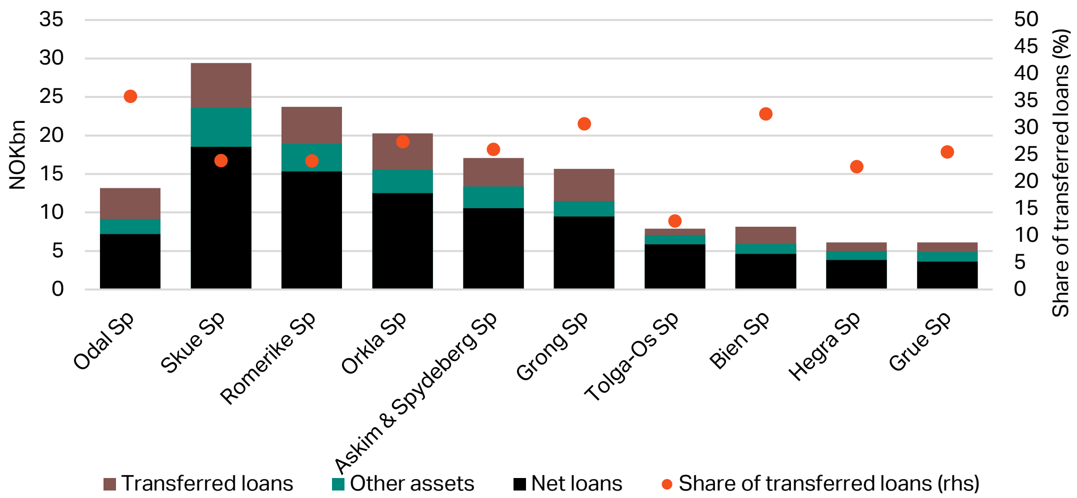


Source: company.

Odal Sparebank's membership of the Eika Alliance diversifies revenues and enables the bank to provide a wider range of customer services than it could with its own resources. The alliance enables the bank to provide insurance, debit and credit products, asset management and real-estate agency services. We expect the bank to co-locate accounting services to all its branches by 2025, adding services for corporate clients in the region. We view the bank's investments in accounting services and a real estate agency as positive in our competitive position assessment, as they strengthen customer loyalty, enable cross-selling potential and diversify revenue streams.

We regard Odal Sparebank's contributions to its core markets as a positive rating factor. The bank's primary environmental, social and governance (ESG) attribute is its strong sense of social responsibility to its local communities, reflected by its funding of local social and cultural activities.

Figure 14. Norwegian savings banks' total assets and net lending, 30 Jun. 2025



Source: bank reports.

PERFORMANCE INDICATORS

Performance indicators

Odal Sparebank has strong net interest margins, although modest cost efficiency results in risk-adjusted earnings in line with Norwegian savings bank peers. The bank's recent investments in personnel have also affected cost efficiency, though we expect growth and robust margins to support improvements in our forecast. We expect loan losses to remain manageable and anticipate a decline in net Stage 3 in our projections.

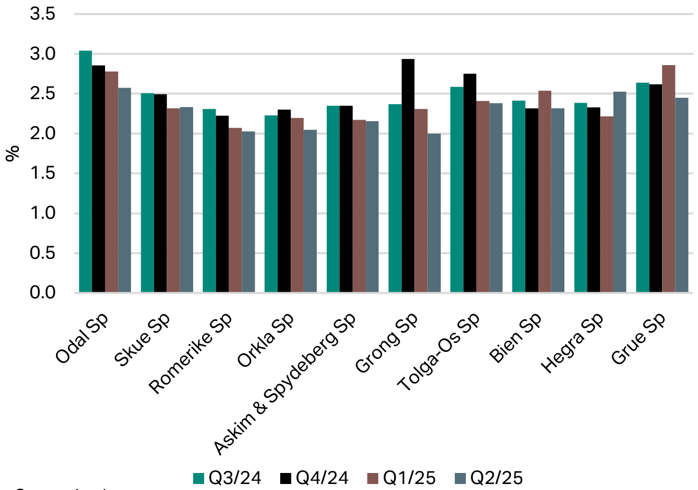
Margins declining but leading the peer group

Earnings

As with most Norwegian banks, Odal Sparebank has seen an improvement in earnings following interest rate increases in recent years. The bank had a net interest margin of 2.8% in the twelve months to 30 Jun. 2025. This is the highest among the peer group with an average of 2.4%. However, net interest margins have declined over the last four quarters (Figure 15), and we expect this to continue as the bank grows in more competitive markets. In addition, we expect lower mortgage margins to affect dividend income from Eika Boligkreditt.

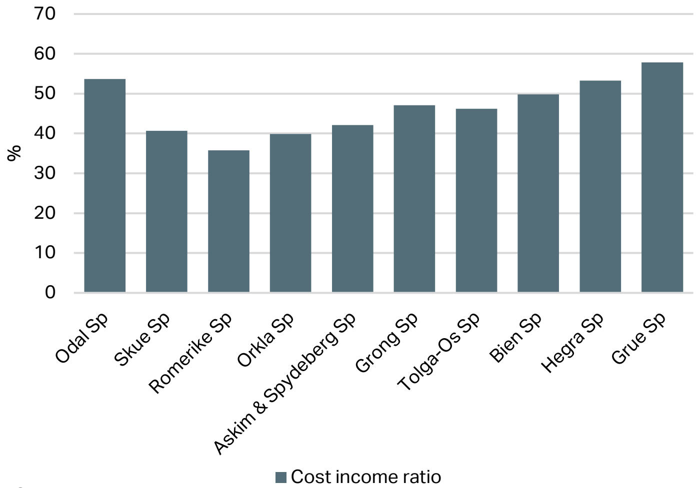
Odal Sparebank had a cost-to-income ratio of 53.7% in the twelve months to 30 Jun. 2025, compared to a sample average of 46.6%, reflecting recent staff investments. We estimate a growth in operating income of 7-8% through 2027, compared to growth in operating expenses of 5% annually. This leads us to project an improving cost-efficiency in our forecast period and estimate 51.1% in 2027. This would also result in a stabilisation of pre-provision income (PPI) to REA of 3.0% in 2026-2027, similar to the 3.1% in the twelve months to 30 Jun. 2025.

Figure 15. Norwegian savings banks' annualised net interest margins, Q3 2024 – Q2 2025



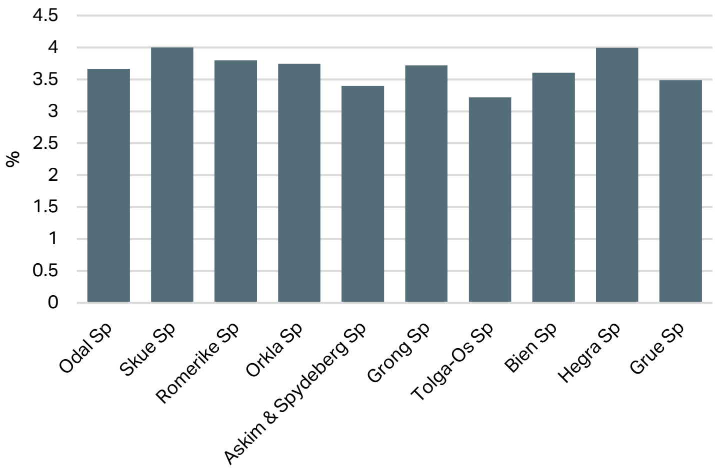
Source: bank reports.

Figure 16. Norwegian savings banks' cost efficiency metrics, LTM 30 Jun. 2025



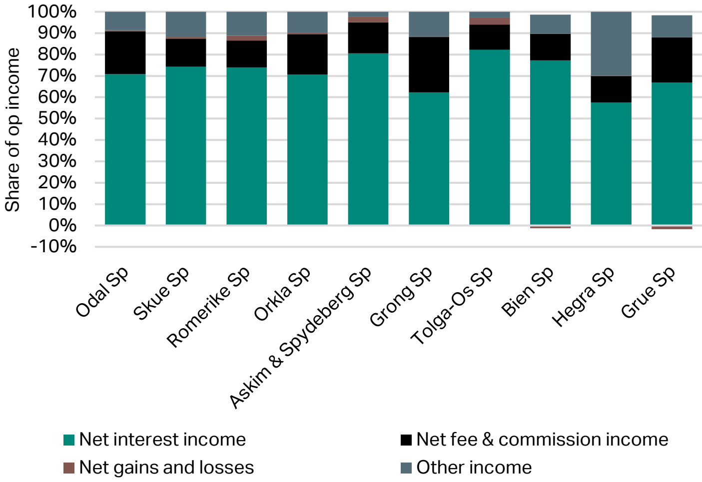
Source: bank reports.

Figure 17. Norwegian savings banks' PPI to REA*, 30 Jun. 2025



Source: bank reports. PPI-pre-provision income. REA-risk exposure amount.

Figure 18. Norwegian savings banks' income breakdown, LTM 30 Jun. 2025



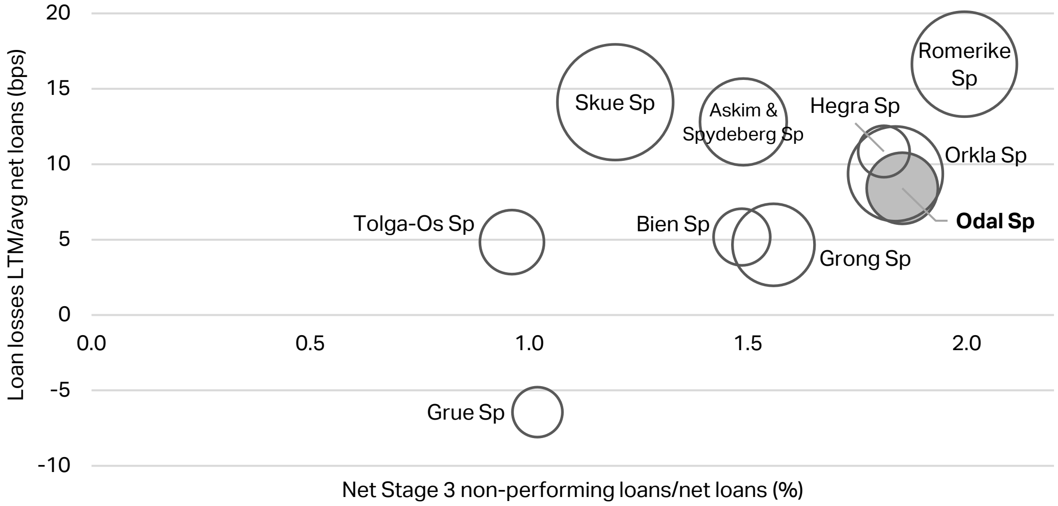
Source: bank reports.

Credit losses historically low

Loss performance

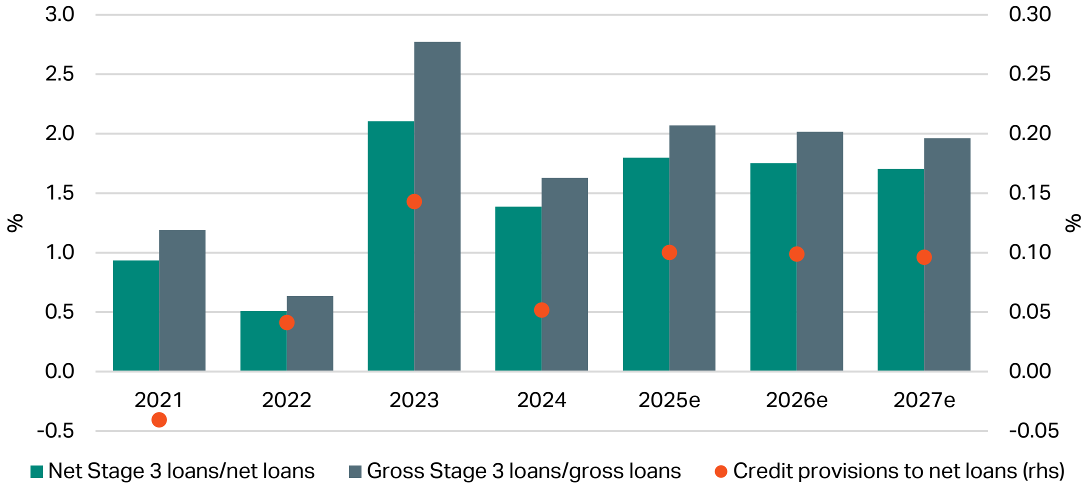
Credit losses for Odal Sparebank have averaged a very low 2bps of net lending since 2010. As of 30 Jun. 2025, Odal Sparebank had booked loan losses of NOK 5m, compared with loan losses of NOK 3m in 2024. We project moderate loan losses of 10bps in 2025–2027. However, the bank's net Stage 3 loans are somewhatelevated at 1.9% of net lending, compared to a peer group average of 1.6%. We expect the share of non-performing loans to decline through 2027, but to remain above 1.0%.

Figure 19. Norwegian savings banks asset quality metrics, 30 Jun. 2025



Source: bank reports. Bubble sizes reflect net loan volumes.

Figure 20. Asset quality metrics, 2021–2027el



Source: company, e-estimate.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

ESG factors are considered throughout our analysis, where material to the credit assessment.

Figure 21. Priority ESG factors

Issue/area	Risk/opportunity	Impacted subsections (impact on credit assessment*)
Physical climate risk to collateral	Climate-related damage to real-estate collateral. Longer-term effects on market values in flood risk areas.	Credit risk (-) Loss performance (0)
Social engagement in the community	Close connection to narrow regional markets provides a benefit.	Competitive position (+) Earnings (+) Funding & liquidity (+)
Sustainable/green-bond framework	Diversity of funding sources, access to additional markets/investors.	Funding & liquidity (+)
Anti-money laundering capacity	Risk of sanctions and fraud due to insufficient reviews of customers.	Risk governance (0)
Control of sustainability issues	Risk of overlooking sustainability impact in the bank's underwriting, operations, and customer base.	Risk governance (0) Credit risk (0)

*Defined on a 5-step scale ranging from double minus (--) to double plus (++), with (--) representing the most negative impact and (++) the most positive.

SUPPORT ANALYSIS

Ownership

We view Odal Sparebank's ownership as neutral for our standalone credit assessment. The bank operates as a self-owned institution, which means it does not have traditional shareholders. Instead, it is owned by its depositors and reinvests profits in local community activities. Many Norwegian savings banks have chosen to issue equity instruments (equity capital certificates) to finance growth or to recapitalise the bank. Thus far, Odal Sparebank has chosen not to issue equity instruments, but it has the option to do so, and this is a process that normally takes up to six months.

ISSUE RATINGS

Our rating on Odal Sparebank's unsecured senior debt is in line with the 'BBB+' issuer rating. The bank has outstanding Tier 2 instruments, which we rate one notch below the issuer rating, at 'BBB'. The bank has not issued Additional Tier 1 instruments, which we will rate three notches below the issuer rating if it chooses to do so, at 'BB+'.

SHORT-TERM RATING

The 'N2' short-term rating is the higher of two possible alternatives, given the 'BBB+' long-term issuer rating. It reflects the bank's access to central bank funding and our assessment that its liquidity is strong, based on an average liquidity coverage ratio of 203% over the last four quarters.

METHODOLOGIES USED

(i) Financial Institutions Rating Methodology, 12 May 2025.
(ii) Rating Principles, 14 Feb. 2024.
(iii) Group and Government Support Rating Methodology, 14 Feb. 2024.

RELEVANT RESEARCH

(i) Nordic niche banks; building a foundation for growth, 4 Sep. 2025
(ii) Swedish savings banks steadfast amid increasing headwinds, 6 May 2025.
(iii) Lower interest margin will lead to a drop in profitability for Norwegian savings banks, 20 Jan. 2025.
(iv) NCR Comments: Norway moves to adopt new standardised approach to capital requirements, 6 Dec. 2024.
(v) Norwegian savings banks' capitalization boosted by CRR3, 26 Jun. 2024.

Figure 22. Odal Sparebank key financial data, 2021–Q2 2025 YTD

Key credit metrics (%)	FY 2021	FY 2022	FY 2023	FY 2024	Q2 2025 YTD
INCOME COMPOSITION					
Net interest income to op. revenue	68.3	74.4	73.1	63.9	70.8
Net fee income to op. revenue	24.3	19.0	16.3	17.9	20.1
Net gains and losses/operating revenue	0.4	-1.4	-0.2	1.0	0.4
Net other income to op. revenue	7.0	8.0	10.8	17.1	8.7
EARNINGS					
Net interest income to financial assets	2.2	2.4	3.0	2.9	2.7
Net interest income to net loans	2.7	3.0	3.8	3.6	3.3
Pre-provision income to REA	3.0	3.0	3.7	3.7	3.8
Core pre-provision income to REA (NII & NF&C)	2.6	2.6	2.9	2.2	3.2
Return on ordinary equity	9.9	8.6	8.9	10.2	10.4
Return on assets	1.3	1.3	1.4	1.5	1.5
Cost-to-income ratio	45.8	49.7	52.6	54.9	46.0
Core cost-to-income ratio (NII & NF&C)	49.5	53.2	58.8	67.1	50.6
CAPITAL					
CET1 ratio	20.2	21.5	21.7	25.0	26.9
Tier 1 ratio	20.2	21.5	21.7	25.0	26.9
Capital ratio	21.6	23.0	23.0	27.5	29.5
REA to assets	55.0	51.8	53.7	57.1	49.1
Dividend payout ratio					
Leverage ratio	10.8	11.6	11.7	13.3	0.0
Consolidated CET1 ratio	18.9	19.9	20.3	19.7	22.1
Consolidated Tier 1 ratio	19.2	20.5	20.7	20.1	22.5
Consolidated Capital ratio	20.8	22.1	22.2	22.6	25.2
Consolidated Leverage ratio	9.1	9.0	9.5	9.4	8.8
GROWTH					
Asset growth	3.3	5.1	5.5	19.1	8.0
Loan growth	4.3	3.4	6.3	23.5	3.0
Deposit growth	8.3	4.7	4.1	6.9	10.2
LOSS PERFORMANCE					
Credit provisions to net loans	-0.04	0.04	0.14	0.05	0.15
Stage 3 coverage ratio	22.01	20.30	13.41	15.22	14.26
Stage 3 loans to gross loans	1.19	0.63	2.77	1.63	2.15
Net stage 3 loans to net loans	0.93	0.51	2.11	1.39	1.85
Net stage 3 loans/ordinary equity	5.37	2.64	10.54	7.84	10.25
FUNDING & LIQUIDITY					
Loan to deposit ratio	116.0	114.5	116.9	135.1	126.3
Liquid assets to deposit ratio	26.9	29.3	28.6	26.3	31.5
Net stable funding ratio	138.0	135.5	133.0	137.0	139.5
Liquidity coverage ratio	226.0	145.8	238.3	159.3	369.0

Key financials (NOKm)	FY 2021	FY 2022	FY 2023	FY 2024	Q2 2025 YTD
BALANCE SHEET					
Total assets	6,417	6,744	7,115	8,476	9,151
Total tangible assets	6,417	6,744	7,102	8,451	9,132
Total financial assets	6,330	6,670	7,025	8,328	8,968
Net loans and advances to customers	5,136	5,310	5,644	6,969	7,176
Total securities	967	1,191	1,212	1,268	1,393
Customer deposits	4,430	4,636	4,827	5,159	5,684
Issued securities	1,026	1,029	1,075	1,992	2,085
of which other senior debt	976	979	1,025	1,871	1,964
of which subordinated debt	50	50	50	120	120
Total equity	893	1,021	1,129	1,233	1,297
of which ordinary equity	893	1,021	1,127	1,233	1,297
CAPITAL					
Common equity tier 1	712	751	830	1,213	1,207
Tier 1	712	751	830	1,213	1,207
Total capital	762	801	880	1,333	1,327
REA	3,529	3,491	3,820	4,844	4,495
INCOME STATEMENT					
Operating revenues	197	212	284	354	164
Pre-provision operating profit	107	107	135	160	89
Impairments	-2	2	8	3	5
Net Income	84	83	96	120	66

Source: company. FY–full year. YTD–year to date.

Figure 23. Odal Sparebank rating scorecard

Subfactors	Impact	Score
National banking environment	10.0%	a
Sector exposure assessment	-	-
Regional assessment	10.0%	bbb+
Cross border assessment	-	-
Operating environment	20.0%	a-
Risk governance	7.5%	bbb+
Capital	17.5%	a+
Funding and liquidity	15.0%	a-
Credit and market risk	10.0%	bbb
Risk appetite	50.0%	a-
Competitive position	15.0%	bb
Earnings	7.5%	a-
Loss performance	7.5%	bbb+
Performance indicators	15.0%	bbb+
Indicative credit assessment		**bbb+**
Peer comparison		Neutral
Transitions		Neutral
Borderline assessments		Neutral
Stand-alone credit assessment		**bbb+**
Ownership		Neutral
Capital structure protection		Neutral
Rating caps		Neutral
Issuer rating		**BBB+**
Outlook		Stable
Short-term rating		**N2**

Figure 24. Capital structure ratings

Seniority	Rating
Senior unsecured	BBB+
Tier 2	BBB
Additional Tier 1	BB+

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