

## CREDIT OPINION

8 October 2019

### Update

 Rate this Research

#### RATINGS

##### Sparebanken Oest

Domicile	Norway
Long Term CRR	A1
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Not Assigned
Long Term Deposit	A2
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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#### CLIENT SERVICES

Americas 1-212-553-1653

Asia Pacific 852-3551-3077

Japan 81-3-5408-4100

## Sparebanken Oest

### Update to credit analysis

#### Summary

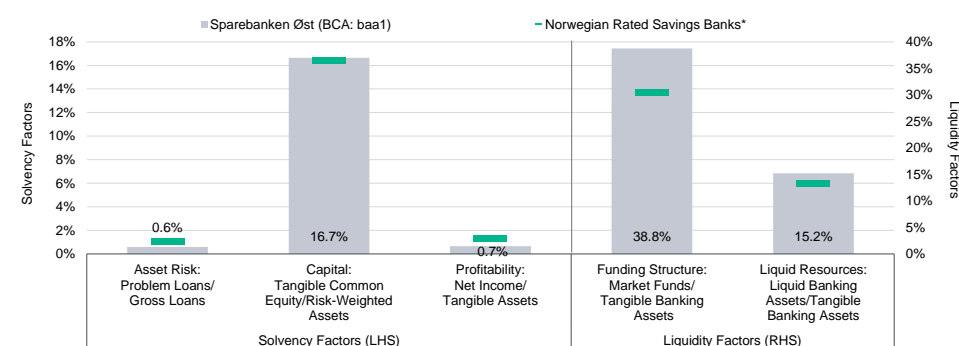
We assign a baa1 Baseline Credit Assessment (BCA) and A2 long-term deposit and issuer ratings to [Sparebanken Oest](#). Sparebanken Oest's BCA of baa1 primarily reflects its good asset quality with low level of problem loans (around 0.6% of total loans in June 2019), underpinned by its predominantly mortgage loan book (approximately 86% of total loans in June 2019), as well as the maintenance of its solid capitalization (CET1 ratio of 16.7% in June 2019). These features position the bank's credit profile at par with its local peers.

The bank's BCA is also supported by its strong liquidity, with a liquidity coverage ratio (LCR) of around 262%, combined with a net stable funding ratio (NSFR) of 113% in June 2019. We expect the bank's core profitability performance to remain steady for the foreseeable future, on the back of a benign operating environment for banks in Norway (Aaa, stable). The bank's BCA also considers its relatively high market funding dependence, mainly through covered bonds, a common feature for all local banks.

The bank's A2 deposit and issuer ratings take into account our Loss Given Failure (LGF) analysis of the bank's large volume of deposits and substantial layers of subordination, resulting in two notches of rating uplift from its BCA. Sparebanken Oest's ratings do not benefit from a government support uplift.

#### Exhibit 1

##### Rating Scorecard - Key financial ratios



\*Figures for the Norwegian rated savings banks are based on latest available data.  
Source: Moody's Investors Service

## Credit strengths

- » Good asset quality, through increased granularity in the bank's balance sheet and decreased single name concentrations
- » Solid capital buffers, which compare favorably with those of similarly rated Norwegian savings banks
- » Core profitability showing signs of improvement through strong retail lending growth
- » Large volume of deposits and debt, which provide uplift to deposit ratings

## Credit challenges

- » Sparebanken Oest maintains a high reliance on confidence-sensitive market funding
- » Strong competition in its region marginally pressure Sparebanken Oest's net interest margins, while contribution from fees and commissions is relatively low

## Outlook

The stable outlook assigned to Sparebanken Oest remains unchanged, and reflects our view that the bank's financials will remain broadly resilient over the next 12-18 months.

## Factors that could lead to an upgrade

Upward rating pressure could develop if Sparebanken Oest demonstrates:

- » Strong earnings generation without an increase in its risk profile or worsening in its business development
- » Sustained good asset quality in its retail and corporate books and a decline in sector/single borrower concentration while maintaining adequate cash coverage of problem loans
- » Continued access to the debt markets without significant changes in pricing, combined with issuance of MREL-eligible instruments that provide increased protection to senior creditors

## Factors that could lead to a downgrade

Downward rating pressure would emerge in the future if:

- » Sparebanken Oest's risk profile increases as a result of increased concentration, for example if construction and real estate concentration or top 20 client concentration as a percent of CET1 capital exceeds 150%, or if its problem loan ratio increases above 2%
- » Any indication that the improvements achieved in recent years are not sustainable
- » Financing conditions become more difficult

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

## Key indicators

Exhibit 2

### Sparebanken Oest (Consolidated Financials) [1]

	06-19 <sup>2</sup>	12-18 <sup>2</sup>	12-17 <sup>2</sup>	12-16 <sup>2</sup>	12-15 <sup>2</sup>	CAGR/Avg <sup>3</sup>
Total Assets (NOK Billion)	42.7	42.0	37.0	35.8	34.5	6.2 <sup>4</sup>
Total Assets (USD Million)	5,004.1	4,848.3	4,522.9	4,158.5	3,898.7	7.4 <sup>4</sup>
Tangible Common Equity (NOK Billion)	3.3	3.3	3.2	3.0	2.8	5.4 <sup>4</sup>
Tangible Common Equity (USD Million)	391.0	382.3	389.6	348.7	313.0	6.6 <sup>4</sup>
Problem Loans / Gross Loans (%)	0.6	0.6	0.6	0.7	0.9	0.7 <sup>5</sup>
Tangible Common Equity / Risk Weighted Assets (%)	16.7	16.6	17.7	17.0	15.9	16.8 <sup>6</sup>
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	5.8	5.9	5.3	6.7	8.4	6.4 <sup>5</sup>
Net Interest Margin (%)	1.4	1.4	1.6	1.6	1.7	1.5 <sup>5</sup>
PPI / Average RWA (%)	1.9	2.4	2.3	2.4	1.9	2.2 <sup>6</sup>
Net Income / Tangible Assets (%)	0.7	0.8	0.8	0.9	0.7	0.8 <sup>5</sup>
Cost / Income Ratio (%)	41.2	39.1	40.0	39.1	46.9	41.3 <sup>5</sup>
Market Funds / Tangible Banking Assets (%)	38.0	38.8	37.2	38.2	39.7	38.4 <sup>5</sup>
Liquid Banking Assets / Tangible Banking Assets (%)	15.7	15.2	14.5	14.7	16.3	15.3 <sup>5</sup>
Gross Loans / Due to Customers (%)	229.8	234.1	222.4	214.6	213.5	222.9 <sup>5</sup>

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully-loaded or transitional phase-in; IFRS. [3] May include rounding differences due to scale of reported amounts. [4] Compound Annual Growth Rate (%) based on time period presented for the latest accounting regime. [5] Simple average of periods presented for the latest accounting regime. [6] Simple average of Basel III periods presented.

Source: Moody's Investors Service; Company Filings

## Profile

Sparebanken Oest is a savings bank with a well-established market position in southeastern Norway. Traditional banking services including deposit accounts, loans and money-transfer services are provided to retail customers and small and medium-size enterprise (SMEs). Through agreements with external suppliers, the bank also distributes pension insurance, life and general insurance, and asset management services. As of 30 June 2019, the bank reported total consolidated assets of NOK42.7 billion (€4.4 billion).

## Detailed credit considerations

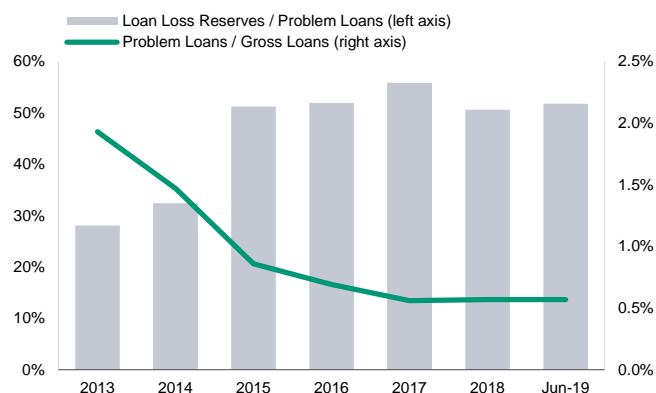
### Good asset quality through increased granularity in the bank's loan book and decreased single name concentrations

We expect Sparebanken Oest's problem loans to remain low, reflecting its focus on mortgage lending and limited lending to business customers, following a quality improvement program related to the bank's corporate portfolio implemented during 2011-15. The bank's corporate loans declined to 13.5% in June 2019 from 24% of gross loans in December 2011, while its top 20 exposures amount to less than 5% of total loans improving the granularity of the book.

Although Sparebanken Oest's concentration level in the commercial real estate (CRE) sector has declined, it remains significant. Loans to the real estate and construction sector accounted for around 9.5% of its gross loans as of June 2019 (14.2% in December 2011). Sparebanken Oest established its own debt collection company in 2016, the main objective of which is to engage in debt collection operations and other activities naturally associated with it.

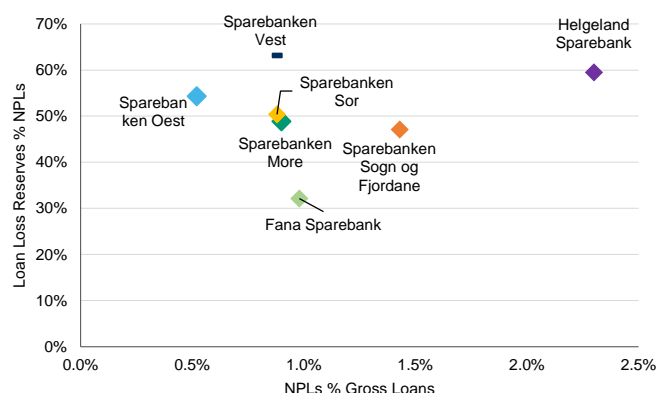
As of June 2019, the bank's problem loan ratio (measured as impaired loans as a percentage of total loans) remained at 0.57% of gross loans, broadly in line with December 2018 and improved from 0.69% back in December 2016, with the bulk of the nonperforming loans related to car loans to individuals. At this level it compares favorably to rated domestic peers. The bank's cash coverage of problem loans improved to 52% as of June 2019 from below 30% back in 2013 (see Exhibits 3 and 4), while its restructured loans in 2018 were very limited (less than 0.1% of gross loans) with no major exposure turning bad.

Exhibit 3

**Sparebanken Oest's asset quality has improved...**

Source: Moody's Banking Financial Metrics

Exhibit 4

**... and compares well with its Norwegian peers**

Source: Moody's Banking Financial Metrics (March 2019)

The exposure to the CRE sector makes its asset quality vulnerable in case the sector faces difficulties, particularly given that many of the bank's large customers are active in this sector. However, Sparebanken Oest's CRE portfolio has been decreasing since 2011, while both residential and commercial real estate prices have illustrated exceptional growth, particularly in the Oslo metropolitan area.

Gross lending to retail customers grew by 9.2% year-on-year as of end of June 2019, while the bank's gross lending to corporate customers increased by only 2% over the same period. The bank's corporate loan book started growing at year-end 2017 after several years of deleveraging, when the bank became more selective in its lending to the corporate segment. Lending to companies in the bank's area of operations, secured on real estate, will support the bank's corporate loan growth going forward.

Nevertheless, the bulk of Sparebanken Oest's lending is in retail loans, mostly in the form of mortgages (average LTV of less than 65%), accounting for around 86% of total loans as of June 2019. Sparebanken Oest is based in Drammen, which is located on the outskirts of Oslo and where residential property prices have increased significantly over the past several years. The growth in real estate prices in Oslo and Drammen slowed down significantly in 2017 because of stricter lending regulation put in place by the Ministry of Finance. Oslo was particularly affected due to city-specific regulation limiting loan-to-value to 60% on purchases of second homes, as well as a nationwide cap on aggregate debt levels (up to five times borrowers' annual income).

### Profitability to remain stable, as strong competition and margin pressure offset higher rates

Sparebanken Oest's reported net income declined by 19.2% in the first half of 2019 compared with the same period in 2018, resulting in an annualized return on assets, as calculated by us, of 0.67% in June 2019. Total non interest income declined by 58% due to reduction in income from financial assets, offsetting an 8.3% increase in net interest income, while fees and commissions remained a relatively low contributor to the bank's revenues comprising only around 6% of its total net income in June 2019.

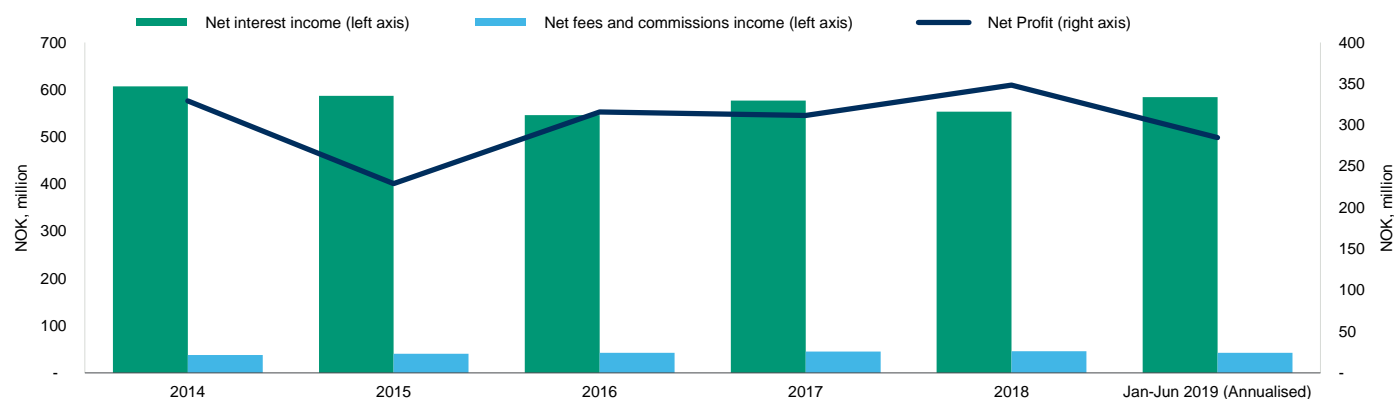
Sparebanken Oest's main income line is net interest income from its lending operations, which are predominantly retail — a more stable source of income. Net interest income represented over 88% of the bank's net revenue in H1 2019 and around 75% in 2018. Net interest income increased by 8.3% to NOK300.1 million in the first half of 2019 from NOK277.2 million in the year-earlier period, on the back of increasing money market rates. However, we note some margin pressure due to intense competition in the bank's core markets, with net interest income as a percentage of average total assets contracting to 1.43% in June 2019 from 1.48% in June 2018.

The bank managed to keep a tight control on costs, with operating expenses increasing by only 1% over the period. As a result, Sparebanken Oest's operational efficiency remained sound and continues to compare well with that of its peers, with a cost-to-income ratio of 41.2% as of June 2019. The revision of salaries combined with its digitalisation transformation have also helped contain its cost base and be one of the most efficient Norwegian banks, despite the significant IT investment cost in the last two years.

Loan losses have remained low, declining marginally to NOK8 million in the first half of 2019 from NOK8.7 million in the first half of 2018, indicating a credit loss ratio (loss provisions as a % gross loans) of 0.29%, in line with the 0.3% the year before.

Over the next 12-18 months we expect the bank's profitability metrics to remain broadly stable. The central bank started raising the key policy interest rate, from an all-time low of 0.5% in September 2018 to 1.25% as of June 2019. We expect that margin pressure from higher funding costs and stiff competition, will likely offset any benefit from higher loan rates in 2019 on the back of rising interest rates. Moreover, the strong competition the bank faces in the greater Oslo and Akershus area where it also operates, mainly from bigger commercial banks with strong pricing power, could hurt its business prospects constraining its profitability prospects going forward.

Exhibit 5

**Sparebanken Oest's profitability evolution**

Source: Banks reports, Moody's Investors Service

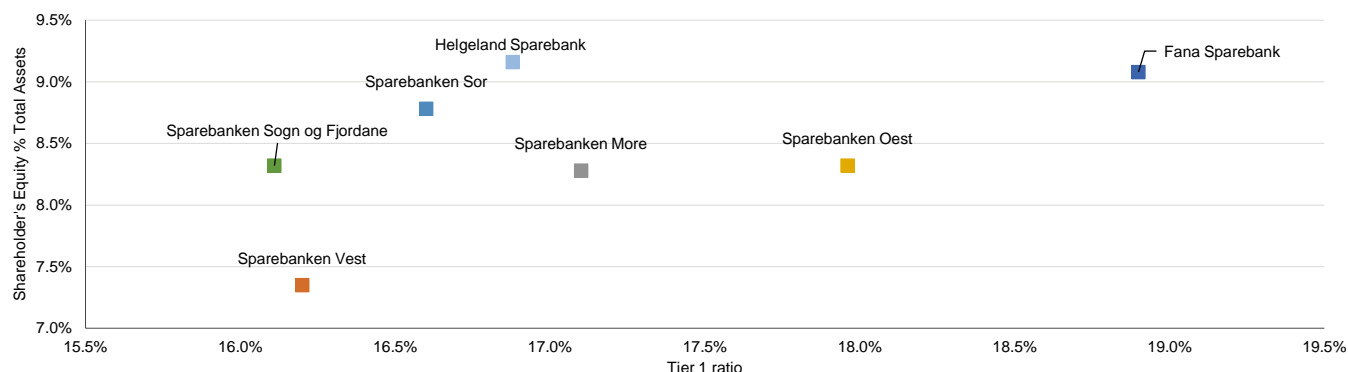
**Solid capital buffers, which compare favorably with similarly rated Norwegian savings banks**

Sparebanken Oest's capital buffers are solid with a Common Equity Tier 1 capital (CET1) ratio of 16.7%<sup>1</sup> in June 2019, from 17.2% in June 2018. Concurrently, the bank had a Tier 1 ratio of 17.6% and a total capital adequacy ratio of 19.4% as of June 2019, combined with a leverage ratio of 8.3% indicating the ample room it has for credit growth and loss absorption buffer. We expect that the bank will easily meet the increased regulatory requirements, given the higher countercyclical buffer of 2.5% in December 2019, from 2% currently.

The bank's capital levels compare favorably with other Norwegian savings banks (see Exhibit below) and exceed both the current regulatory requirement of 14.3% (including a Pillar 2 requirement of 2.3% for Sparebanken Oest) and the bank's increased internal target of 14.75% (14.5% previously). We expect that the bank will further raise its internal CET1 target, given the phasing-in of increased capital requirements. Sparebanken Oest also reported a high leverage ratio, which stood at 8.3% as of June 2019<sup>2</sup>, from 9% in June 2018.

Our adjusted capital score of aa3 for the bank reflects our view that raising fresh equity in case of need could prove challenging given its only 32.5% equity certificate ownership of its capital. In an unlikely distress situation, we believe that the bank's equity certificate holders might not be as willing to inject new funds due to a potential dilution effect.

Exhibit 6

**Sparebanken Oest's capital levels compare favorably with that of peers**

Source: Banks reports, Moody's Investors Service (March 2019)

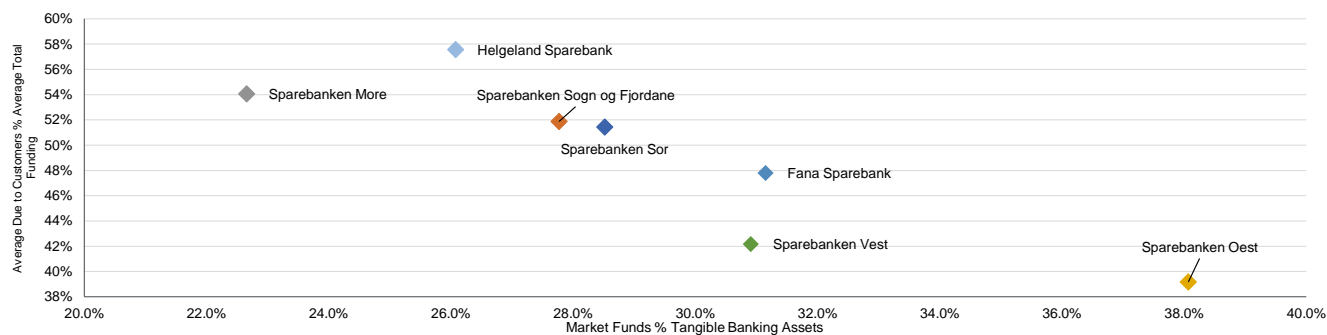
**Sparebanken Oest maintains a sizable reliance on market funding...**

Sparebanken Oest remains more reliant on market funds than its domestic peers, as its Moody's-adjusted market funds ratio comprised around 38% of the bank's tangible banking assets as of June 2019. Accordingly, we believe that the bank remains sensitive to fluctuations in investor sentiment, which we view as a potential credit challenge.

A relatively large part of Sparebanken Oest's market funding consists of covered bonds issued via Sparebanken Oest Boligkreditt, with this source of funding representing around 58% of Sparebanken Oest's market funds as of June 2019. We view the benefits from diversification and the typically longer maturity of these funding instruments positively, particularly because recent larger issuances are eligible liquid assets under the liquidity coverage ratio (LCR) rules. The bank had a comfortable net stable funding ratio (NSFR) for the group of 118.6% at the end of December 2018.

Deposits accounted for about 39% of Sparebanken Oest's non-equity funding as of June 2019 — at the lower end of the range of similarly rated Norwegian savings banks. The 5.2% growth in total deposits as of June 2019 from a year earlier was largely driven by the 9.4% increase in corporate deposits, while deposits from the retail sector increased by 2.5% in the same period. Retail deposits have, however, grown significantly over the past few years, driven by the bank's alternative delivery channels, especially its website (Topprente.no), which offers competitive savings rates to retail customers. Nevertheless, we view such deposits as more price sensitive and therefore less sticky, while we also note some concentration in the bank's large (top 20) corporate deposits that comprised around a fifth of its total customer deposits.

Exhibit 7

**A relatively large part of Sparebanken Oest's market funding consists of covered bonds**

Source: Banks reports, Moody's Investors Service (March 2019)

We note that the bank has relatively limited refinancing needs in 2019-20, including a hybrid AT1 instrument callable in September 2019, while its debt maturity profile is more concentrated during 2021-23 with more than NOK4 billion maturing each year. We expect

that the bank will aim to refinance part (less than NOK3 billion) of its NOK6 billion senior preferred debt maturing by the end of 2022, with senior non-preferred (SNP) debt. This is based on the bank's preliminary estimate of around 34% minimum requirement for own funds and eligible liabilities (MREL), which is likely to be communicated to the bank by the regulator (FSA) sometime in 2020. We note that such subordinated liabilities could potentially be beneficial for senior creditors and depositors, exerting upward rating pressure according to our loss given failure (LGF) analysis.

#### ...although mitigated by high liquidity buffer

Mitigating its high reliance on market funds, Sparebanken Oest holds a relatively large liquidity buffer. As of June 2019, liquid assets stood at NOK6.7 billion or 15.7% (15.2% as of December 2018) of total assets and consisted mainly of cash, as well as government-related bonds and covered bonds. Furthermore, according to the bank, liquid assets cover its funding needs for the next 12 months, and its LCR was 262% in June 2019. We note that the bank has been reducing the average duration of its liquidity portfolio in the last couple of years, in order to reduce its interest rate risk on the back of rising interest rates in Norway.

#### Environmental, Social and Governance Risks

In line with our general view for the banking sector, Sparebanken Oest has a low exposure to Environmental risks. See our [Environmental risk heatmaps](#) for further information.

We consider banks to face moderate Social risks. The most relevant social risks for banks arise from the way they interact with their customers. Social risks are particularly high in the area of data security and customer privacy which is partly mitigated by sizeable technology investments and banks' long track record of handling sensitive client data. Fines and reputational damage due to product mis-selling or other types of misconduct is a further social risk. Societal trends are also relevant in a number of areas, such as shifting customer preferences towards digital banking services increasing information technology cost, aging population concerns in several countries impacting demand for financial services or socially driven policy agendas that may translate into regulation that affects banks' revenue base.

Governance is highly relevant for Sparebanken Oest, as it is to all players in the banking industry. Corporate governance weaknesses can lead to a deterioration in a company's credit quality, while governance strengths can benefit its credit profile. Governance risks are largely internal rather than externally driven, and for Sparebanken Oest we do not have any particular governance concern. Nonetheless, corporate governance remains a key credit consideration and requires ongoing monitoring.

#### Support and structural considerations

##### Loss Given Failure analysis

European Union's BRRD has been transposed into Norwegian law, applicable from 1 January 2019, which confirmed our current assumptions regarding the LGF analysis. In our LGF analysis, we assume junior deposits account for 26% of total, residual tangible common equity of 3%, losses post-failure of 8% of tangible banking assets, a 25% runoff in "junior" wholesale deposits, as well as a 5% runoff in preferred deposits. We assign a 25% probability to deposits being preferred to senior unsecured debt. These are in line with our standard assumptions.

For Sparebanken Oest's long-term deposit ratings, our ratings have taken into consideration the likely impact on the loss given failure of the volume of deposits and the amount of debt subordinated to them. This has resulted in a Preliminary Rating Assessment that is two notches above the BCA, reflecting very low loss given failure.

##### Government support considerations

Given the implementation of the BRRD law in Norway on 1 January 2019 we reconsidered the probability that government support would benefit certain creditors.

Sparebanken Oest benefits from a well-established market position in the lower Buskerud County of southeastern Norway. While its market share in this county is material (we estimate it at around 6% on terms of loans), it falls to around 1.4% if we include the greater Oslo and Akershus areas, in which Sparebanken Oest also operates. We also note that the proximity of the bank's home region to Oslo means that a number of other Norwegian banks are operational in the area. Therefore, we take into consideration the probability of government support for debt and deposits as low, resulting in no rating uplift. Sparebanken Oest's market share in loans on a national basis is around 0.7%.

### Counterparty Risk Assessment

CR Assessments are opinions of how counterparty obligations are likely to be treated if a bank fails and are distinct from debt and deposit ratings in that they (1) take into consideration only the risk of default rather than the likelihood of default and the expected financial loss suffered in the event of default and (2) apply to counterparty obligations and contractual commitments rather than debt or deposit instruments. The CR Assessment is an opinion of the counterparty risk related to a bank's covered bonds, contractual performance obligations (servicing), derivatives (for example, swaps), letters of credit, guarantees and liquidity facilities.

#### **Sparebanken Oest's CR Assessment is positioned at A1(cr)/P-1(cr)**

Sparebanken Oest's CR Assessment is positioned at A1(cr)/P-1(cr), three notches above the bank's Adjusted BCA of baa1, based on the buffer against default provided by junior deposits, senior unsecured, subordinated debts and preference shares. The bank's CR Assessment does not benefit from any government support, in line with deposits and senior unsecured debt ratings.

### Counterparty Risk Ratings (CRRs)

CRRs are opinions of the ability of entities to honor the uncollateralized portion of non-debt counterparty financial liabilities (CRR liabilities) and also reflect the expected financial losses in the event such liabilities are not honored. CRR liabilities typically relate to transactions with unrelated parties. Examples of CRR liabilities include the uncollateralized portion of payables arising from derivatives transactions and the uncollateralized portion of liabilities under sale and repurchase agreements. CRRs are not applicable to funding commitments or other obligations associated with covered bonds, letters of credit, guarantees, servicer and trustee obligations, and other similar obligations that arise from a bank performing its essential operating functions.

#### **Sparebanken Oest's CRRs are positioned at A1/P-1**

The CRRs are positioned three notches above the Adjusted BCA of baa1 and at the same level as the CR Assessment, reflecting the buffer against default provided by more junior instruments to the CRR liabilities.

### About Moody's Bank Scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgment. When read in conjunction with our research, a fulsome presentation of our judgment is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.



## Rating methodology and scorecard factors

Exhibit 8

### Sparebanken Oest

#### Macro Factors

Weighted Macro Profile	Very Strong -	100%					
Factor	Historic Ratio	Initial Score	Expected Trend	Assigned Score	Key driver #1	Key driver #2	
Solvency							
Asset Risk							
Problem Loans / Gross Loans	0.6%	aa1	←→	a3	Geographical concentration	Sector concentration	
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)	16.7%	aa2	←→	aa3	Access to capital		
Profitability							
Net Income / Tangible Assets	0.7%	baa2	←→	baa2	Expected trend		
Combined Solvency Score		aa3		a2			
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets	38.8%	ba2	←→	ba3	Market funding quality		
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets	15.2%	baa2	←→	baa2	Stock of liquid assets		
Combined Liquidity Score		ba1		ba1			
Financial Profile				baa1			
Qualitative Adjustments				Adjustment			
Business Diversification				0			
Opacity and Complexity				0			
Corporate Behavior				0			
Total Qualitative Adjustments				0			
Sovereign or Affiliate constraint				Aaa			
Scorecard Calculated BCA range				a3 - baa2			
Assigned BCA				baa1			
Affiliate Support notching				0			
Adjusted BCA				baa1			

Balance Sheet	in-scope (NOK Million)	% in-scope	at-failure (NOK Million)	% at-failure
Other liabilities	16,605	38.9%	18,137	42.5%
Deposits	15,014	35.2%	13,483	31.6%
Preferred deposits	11,111	26.0%	10,555	24.7%
Junior deposits	3,904	9.1%	2,928	6.9%
Senior unsecured bank debt	9,015	21.1%	9,015	21.1%
Dated subordinated bank debt	400	0.9%	400	0.9%
Preference shares (bank)	351	0.8%	351	0.8%
Equity	1,280	3.0%	1,280	3.0%
Total Tangible Banking Assets	42,665	100.0%	42,665	100.0%

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF	Assigned	Additional	Preliminary
	Instrument	Sub-ordination	Instrument	Sub-ordination	De Jure	De Facto	Notching Guidance vs. Adjusted BCA	LGF notching	Notching	Rating Assessment
Counterparty Risk Rating	32.8%	32.8%	32.8%	32.8%	3	3	3	3	0	a1
Counterparty Risk Assessment	32.8%	32.8%	32.8%	32.8%	3	3	3	3	0	a1 (cr)
Deposits	32.8%	4.8%	32.8%	25.9%	2	3	2	2	0	a2

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	a1	0	A1	A1
Counterparty Risk Assessment	3	0	a1 (cr)	0	A1(cr)	
Deposits	2	0	a2	0	A2	A2

[1]Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Investors Service

## Ratings

Exhibit 9

Category [Moody's Rating](#)

### SPAREBANKEN OEST

Outlook	Stable
Counterparty Risk Rating	A1/P-1
Bank Deposits	A2/P-1
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	A1(cr)/P-1(cr)
Issuer Rating	A2

Source: Moody's Investors Service

## Endnotes

- [1](#) Including 50% of interim half-year profit.
- [2](#) Including 50% of interim profit.

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