

OneSavings Bank plc: Trading update

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OneSavings Bank plc Trading update

OneSavings Bank plc ('OSB'), the specialist lending and retail savings group, today issues its trading update for the period from the 1st July 2015 to date.

Highlights

- Continued strong financial and operational performance.
- Net loans & advances grew £986m for the first 9 months to £4.9bn, driven by further strong organic origination, leading to a continued expectation for full year growth to be a few percentage points ahead of the 29% delivered in 2014.
- Margins on £548m of new organic origination in the third quarter remained strong and we continue to expect full year net interest margin to be slightly ahead of the 305bps delivered in the first half of 2015.
- Cost:income ratio remains very strong. As previously guided the full year ratio is expected to be very slightly higher than the 26% seen in the first half of 2015 due to the impact of planned infrastructure investment in the second half of the year.
- Business growth continues to be supported by a robust capital position.

Andy Golding, CEO of OneSavings Bank, said:

"I am very pleased with our 2015 performance to date. We received record levels of new business applications during the third quarter and remain confident in delivering on all of our stated financial objectives through to the end of 2016."

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About OneSavings Bank plc

OneSavings Bank plc ('OSB') began trading as a bank on 1 February 2011 when the trade and assets of Kent Reliance Building Society ('KRBS') were transferred into the business. OSB is a specialist lending and retail savings group authorised by the Prudential Regulation Authority, part of the Bank of England, and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

OSB focuses on selected sub-sectors of the lending market in which it has established expertise, platforms and capabilities, and where opportunities have been identified for both high returns on a risk adjusted basis and strong growth. These include Residential Mortgages (comprising first charge, second charge and shared ownership), Buy-to-Let/SME and Personal Loans. OSB originates organically through specialist brokers and independent financial advisors.

OSB is predominantly funded by retail savings originated through the established Kent Reliance franchise, which includes a network of branches in the South East of England, as well as online and postal channels. Diversification of funding is currently provided by a securitisation and OSB joined the Funding for Lending Scheme in early 2014.