

ONE Savings Bank PLC : Trading Update

Published: 02.11.2016 08:00:00 CET

OneSavings Bank plc: Trading update

Published: 02.11.2016 07:00:00 GMT

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 2016 to date.

Highlights

- Strong financial and operational performance has continued in line with management expectations.
- Underlying loan book growth of 13% for the nine months to September 2016, excluding the impact of the Rochester disposal of c. £220m of mortgages. Net loans & advances grew by £466m to £5.6bn during the period.
- Margins on £510m of organic origination in the third quarter remained strong. Net interest margin to the end of the third quarter continued to be in line with our expectations.
- OSB completed the purchase of a first charge residential mortgage portfolio of c. £60m on October 31 2016, at a discount to par. The mortgages are predominantly owner occupied and well diversified across the UK.
- The Group has drawn £626m under the Funding for Lending Scheme (FLS) to date and intends to commence drawing from the new Term Funding Scheme (TFS) during the fourth quarter. This complements our long-term retail savings franchise.
- Business growth continues to be supported by a strong capital position.

Andy Golding, CEO of OneSavings Bank, said:

"I am extremely pleased with the performance of the business this year. Application levels for the second half to date are significantly in excess of the first half and our pipeline of new business is at a record level. This means we remain confident of achieving our net loan book growth target for this year and double-digit growth into 2017."

Enquiries:

OneSavings Bank plc

Alastair Pate t: 01634 838 973

Brunswick Group

Robin Wrench / Simone Selzer t: 020 7404 5959

About OneSavings Bank plc

OneSavings Bank plc ('OSB') began trading as a bank on 1 February 2011 and was admitted to the main market of the London Stock Exchange in June 2014 (OSB.L). OSB joined the FTSE 250 index in June 2015.

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 primarily targets underserved market sub-sectors that offer high growth potential and attractive risk-adjusted returns in which it can take a leading position and where it has established expertise, platforms and capabilities. These include private rented sector Buy-to-Let, commercial and semi-commercial mortgages, residential development finance, bespoke and specialist residential lending and secured funding lines. OSB originates organically through specialist brokers and independent financial advisers. It is differentiated through its use of high skilled, bespoke underwriting and efficient operating model.

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