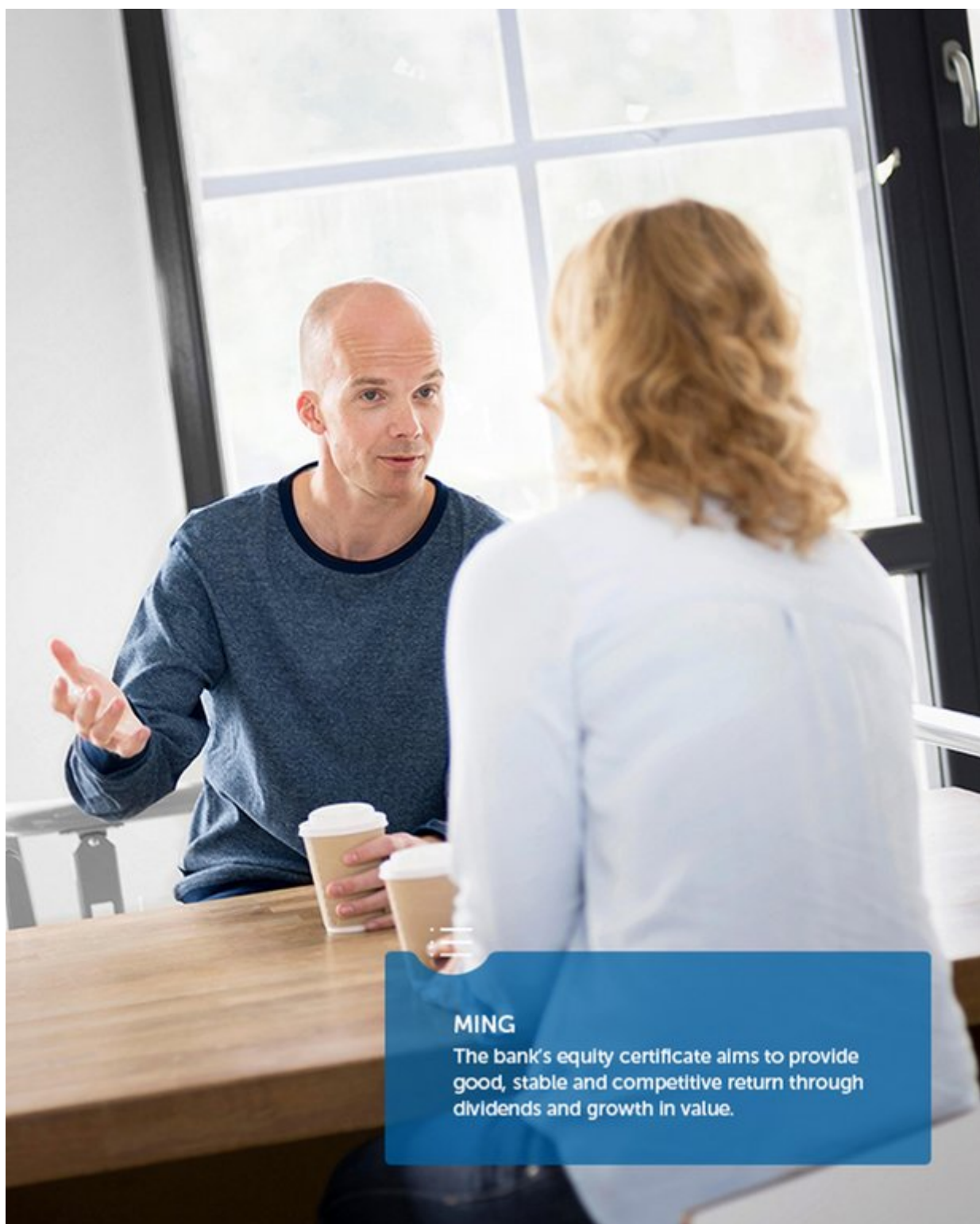


# MING



## MING

The bank's equity certificate aims to provide good, stable and competitive return through dividends and growth in value.

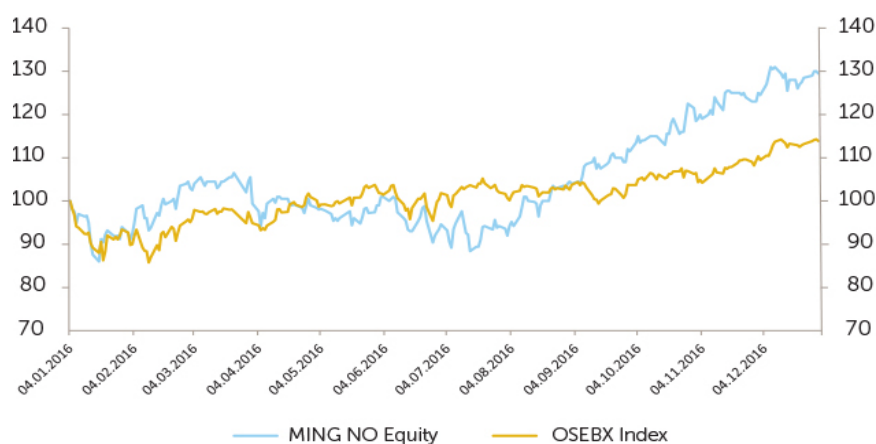
## Equity capital certificate

At end-2016 the market price of SpareBank 1 SMN's EC (MING) was NOK 64,75. At end-2015 the price was NOK 50,50. With a cash dividend of NOK 3.00 for 2016, the direct return on the EC is 4.6 per cent.

At the end of 2016 SpareBank 1 SMN's equity certificate (EC) capital totalled NOK 2,597m distributed on 129,836,443 ECs with a nominal value of NOK 20 each. At the turn of the year the bank had a treasury holding of ECs totalling NOK 84,800 distributed on 4,240 ECs.

Key figures and ratios	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Quoted price	64.75	50.50	58.50	55.00	34.80	36.31	49.89	45.06	21.00	50.28
No. of ECs issued, million	129.83	129.83	129.83	129.83	129.83	102.76	102.74	82.78	82.41	76.65
Market value (NOKm)	8,407	6,556	7,595	7,141	4,518	3,731	5,124	3,749	1,750	3,900
Dividend per EC	3.00	2.25	2.25	1.75	1.50	1.85	2.77	2.10	2.77	3.90
Book value per EC	73.26	67.65	62.04	55.69	50.09	48.91	46.17	42.11	38.07	36.43
Profit per EC	7.91	7.02	8.82	6.92	5.21	6.06	5.94	6.37	4.16	5.86
Price-Earnings Ratio	8.19	7.19	6.63	7.95	6.68	5.99	8.40	7.29	5.09	8.87
Price-Book Value Ratio	0.88	0.75	0.94	0.99	0.69	0.74	1.07	1.09	0.57	1.43
Payout ratio	38 %	25 %	25 %	25 %	29 %	30 %	47 %	34 %	34 %	69 %
EC fraction	64.0 %	64.0 %	64.6 %	64.6 %	64.6 %	60.6 %	61.3 %	54.8 %	56.3 %	54.2 %

### Stock price compared with OSEBX and OSEEX



### Dividend policy

A new act and regulations on equity certificates, which came into force on 1 July 2009, bring savings banks' ECs more into line with shares. The new legislation entails greater equality of treatment of savings banks' various owner groupings and minimises previous concerns related to dilution of EC holders upon payment of cash dividends.

In response to the new legislation, the following dividend policy was established in December 2009:

- SpareBank 1 SMN aims to manage the Group's resources in such a way as to provide EC holders with a good, stable and competitive return in the form of dividend and a rising value of the bank's equity certificate.
- the net profit for the year will be distributed between the owner capital (the EC holders) and the ownerless capital in accordance with their respective shares of the Bank's total equity capital.
- SpareBank 1 SMN's intention is that up to one half of the owner capital's share of the net profit for the year should be disbursed in dividends and, similarly, that up to one half of the ownerless capital's share of the net profit for the year should be disbursed as gifts or transferred to a foundation. This is on the assumption that capital adequacy is at a satisfactory level. When determining dividend payout, account will be taken of the profit trend expected in a normalised market situation, external framework conditions and any need for CET1 capital.

### **Investor policy**

The bank attaches importance to correct, relevant and timely information on the bank's progress and financial performance as a means of instilling investor market confidence. Information is communicated to the market via quarterly investor presentations and press releases. Presentations for international partners, lenders and investors are also arranged on a regular basis. Updated information for investors, the press and brokers is available at all times at [smn.no/ir](http://smn.no/ir).

### **Ownership**

SpareBank 1 SMN aims for good EC liquidity and to achieve a good spread across EC holders representing customers, regional investors and Norwegian and foreign institutions.

The number of EC holders increased by 439 to 8,498 in the course of 2016. The Bank's 20 largest EC holders controlled 36 per cent of the bank's ECs at end-2016, and 40 million ECs were traded under the MING ticker symbol on the Oslo Stock Exchange in 2016.

ECs owned by investors in the counties of South and North Trøndelag, Møre and Romsdal and Sogn and Fjordane account for 18.5 (18.4) per cent of the total, other Norwegian investors for 56.5 (60.3) per cent and foreign owners for 25.1 (21.3) per cent. Foreign owners make up 3.8 (4.0) per cent of the total number of owners as of 31 December 2016.