

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 January 2019 to date.

Highlights

- Strong financial and operational performance has continued in the first quarter.
- Loan book growth of 5% for the three months to 31 March 2019 with net loans and advances growing by £448m to £9.4bn during the quarter (31 March 2018: £368m and £7.7bn, respectively).
- Organic originations of £799m in the first three months of 2019 (Q1 2018: £689m).
- Asset pricing remains stable, however as previously guided we continue to see marginal NIM dilution, as the higher yielding back book runs off and front end pricing becomes more dominant in the overall make up of our net interest margin.

Andy Golding, CEO of OneSavings Bank, said:

“I am delighted with the performance that OneSavings Bank has achieved so far this year. The loan book growth to £9.4bn for the first quarter of the year was supported by £0.8bn of organic originations.

Our lending and retail savings franchises remain strong and we have seen a good start to the year, with lending exceeding expectations. I am particularly pleased by the strong growth in our commercial and residential propositions. However it is still early in the year, and given the continued uncertainty surrounding Brexit, there is no change in our outlook for 2019.

We continue to believe strongly in the rationale for creating a leading specialist lender in the UK through the proposed recommended combination with Charter Court Financial Services Group plc (CCFS).”

OSB notes that it expects to publish its Prospectus and Circular in connection with the all-share combination with CCFS later today, following final approval from the Financial Conduct Authority.

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About OneSavings Bank plc

OneSavings Bank plc 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 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, secured funding lines and asset finance. 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 access to a securitisation programme and the Term Funding Scheme.

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