

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 2018 to date.

Highlights

- Strong financial and operational performance has continued in the third quarter.
- Loan book growth of 16% for the nine months to 30 September 2018 with net loans and advances growing by £1,175m to £8.5bn during the period (30 September 2017: £997m and £6.9bn, respectively).
- Organic originations of £730m in the three months to 30 September 2018 (Q3 2017: £677m).
- Our InterBay Commercial and bridging businesses continue to perform well and our newly-launched InterBay Asset Finance business funded its first deals in October 2018.
- We expect net loan book growth of c.20% for the full year in 2018. Other full year guidance remains unchanged with NIM of c.3% and cost to income ratio of c.30%.

Andy Golding, CEO of OneSavings Bank, said:

"I am delighted with the continued strong performance of the Bank. We delivered 16% net loan growth in the first nine months of the year and entered the fourth quarter with a strong pipeline, enabling us to increase our full year guidance for net loan book growth to c.20%.

Our lending and retail savings franchises continue to perform very well. Current levels of applications in our core Buy-to-Let and commercial businesses remain strong and we are building a robust pipeline for Q1 2019.

We recognise the current uncertain macroeconomic outlook. However, our strong balance sheet with sensible LTVs and affordability testing, our strong capital position and robust stress tests, which include a number of Brexit scenarios, give us confidence in our business going forward."

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Financial calendar for 2019

14 March 2019	2018 year end results
8 May 2019	Q1 Trading update
9 May 2019	AGM
22 August 2019	2019 half year results
7 November 2019	Q3 Trading update

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 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 highly 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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