

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 2017 to date.

Highlights

- Strong financial and operational performance has continued in the third quarter.
- Loan book growth of 17% for the nine months to 30 September 2017 with net loans and advances growing by £997m to £6.9bn during the period (30 September 2016: £466m and £5.6bn, respectively).
- A record quarter for organic originations of £677m in the three months to 30 September 2017 (Q3 2016: £510m).
- To date the Group has drawn a total of £1bn under the Term Funding Scheme and drawings under the Funding for Lending Scheme have been reduced to £92m.
- Business growth continues to be supported by a strong capital position.
- We expect net loan book growth of c. 20% for the full year in 2017, whilst keeping NIM for the full year broadly flat to 2016 and the cost to income ratio broadly flat to the first half.

Andy Golding, CEO of OneSavings Bank, said:

"OSB has yet again delivered exceptional performance in the third quarter of 2017 with strong loan book growth and record levels of organic originations at attractive margins.

We have reinforced our position as a leading specialist lender in our target markets and I am pleased to report that following the new PRA underwriting rules that came into effect on 1 October 2017, application levels remain strong.

I am delighted with OSB's performance as we continue to focus on professional landlords and increase our market share. We now expect loan book growth of c.20% for the full year."

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Financial calendar for 2018

15 March 2018	2017 year end results
9 May 2018	Q1 Trading update
10 May 2018	AGM
23 August 2018	2018 half year results
8 November 2018	Q3 Trading update

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 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 access to a securitisation programme; and the Funding for Lending Scheme and Term Funding Scheme, which OSB joined in 2014 and 2016, respectively.