

Avanza temporarily reduces the dividend payout ratio for 2020 to strengthen the leverage ratio

A leverage ratio requirement of 3 per cent will be introduced in June 2021. In addition, the Swedish FSA has announced that it will introduce a leverage ratio guidance of an additional 0.2 to 0.5 per cent. As previously communicated, Avanza also needs an internal buffer to ensure that Avanza Bank Holding AB (publ) has a ratio that, regardless of market conditions, exceeds the requirement.

As stated in the interim report for the second quarter, Avanza can improve its leverage ratio through increased Tier 1 capital, which is achieved through a lower dividend payout ratio or by issuing additional Tier 1 capital (AT1), as well as by reducing on- or off-balance sheet commitments.

Owing to Avanza's strong performance in 2020 and the prevailing pandemic, with great uncertainty around dividends, the Board of Directors has at tonight's board meeting decided that Avanza's leverage ratio will be strengthened through retained earnings by temporarily deviating from the dividend policy for 2020. The long-term policy to distribute at least 70 per cent of the profits remains unchanged.

Tomorrow, 19 October, at 07:45, Avanza will publish the result for the third quarter where further information will be provided.

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Avanza is a digital platform for savings and investments, founded in 1999. The Parent Company, Avanza Bank Holding AB (publ), is listed on the Stockholm Stock Exchange. Avanza's customer promise is a better return on your savings than with any other bank or pension provider in Sweden. Services include saving in shares, funds, savings accounts, mortgages and a strong pension offering. Avanza has more than 1 million customers with over SEK 450 billion in total savings capital. This is equivalent to 4.9 per cent of the Swedish savings market. Avanza is largest in terms of number of transactions among Swedish banks on the Stockholm Stock Exchange including First North. During the last ten years Avanza has won SKI's (Swedish Quality Index) award, "Year's Most Satisfied Savings Customers". For more information visit: investors.avanza.se

This information is information that Avanza Bank Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2020-10-18 17:45 CEST.