

Note 8 - Defaults and problem loans

Parent Bank

| | 30 Sept 2017 | | | 30 Sept 2016 | | | 31 Dec 2016 | | |
|---|--------------|------------|------------|--------------|------------|------------|-------------|------------|------------|
| | RM | CM | Total | RM | CM | Total | RM | CM | Total |
| Total defaults (NOKm) | | | | | | | | | |
| Loans in default for more than 90 days *) | 165 | 40 | 205 | 149 | 30 | 178 | 144 | 29 | 173 |
| - Individual write-downs | 14 | 21 | 35 | 14 | 17 | 31 | 17 | 18 | 36 |
| Net defaults | 151 | 19 | 170 | 134 | 13 | 147 | 127 | 11 | 138 |
| Provison rate | 8 % | 53 % | 17 % | 10 % | 56 % | 17 % | 12 % | 62 % | 21 % |
| Problem loans | | | | | | | | | |
| Problem loans (not in default) | 19 | 1,180 | 1,199 | 26 | 1,318 | 1,345 | 19 | 1,435 | 1,453 |
| - Individual write-downs | 7 | 650 | 657 | 9 | 509 | 518 | 6 | 584 | 590 |
| Net problem loans | 12 | 530 | 542 | 17 | 810 | 826 | 13 | 851 | 863 |
| Provison rate | 37 % | 55 % | 55 % | 36 % | 39 % | 39 % | 33 % | 41 % | 41 % |

*) There are no defaults that relates to loans in the guarantee portfolio taken over from BN Bank per third quarter

Group

| | 30 Sept 2017 | | | 30 Sept 2016 | | | 31 Dec 2016 | | |
|---|--------------|------------|------------|--------------|------------|------------|-------------|------------|------------|
| | RM | CM | Total | RM | CM | Total | RM | CM | Total |
| Total defaults (NOKm) | | | | | | | | | |
| Loans in default for more than 90 days *) | 178 | 84 | 263 | 177 | 44 | 221 | 176 | 38 | 214 |
| - Individual write-downs | 16 | 26 | 41 | 18 | 18 | 35 | 20 | 19 | 39 |
| Net defaults | 163 | 59 | 222 | 160 | 26 | 186 | 156 | 18 | 174 |
| Provison rate | 9 % | 30 % | 16 % | 10 % | 41 % | 16 % | 12 % | 51 % | 18 % |
| Problem loans | | | | | | | | | |
| Problem loans (not in default) | 19 | 1,196 | 1,215 | 26 | 1,334 | 1,360 | 19 | 1,455 | 1,474 |
| - Individual write-downs | 7 | 658 | 665 | 9 | 517 | 526 | 6 | 592 | 599 |
| Net problem loans | 12 | 538 | 550 | 17 | 817 | 833 | 13 | 863 | 875 |
| Provison rate | 37 % | 55 % | 55 % | 36 % | 39 % | 39 % | 33 % | 41 % | 41 % |

*) There are no defaults that relates to loans in the guarantee portfolio taken over from BN Bank per third quarter