

# Investor Relations

## Supplementary Information

2021

Q1



## Contact information

CEO Jan-Frode Janson

### For further information, please contact

CFO Kjell Fordal  
kjell.fordal@smn.no  
+47 905 41 672

### Address

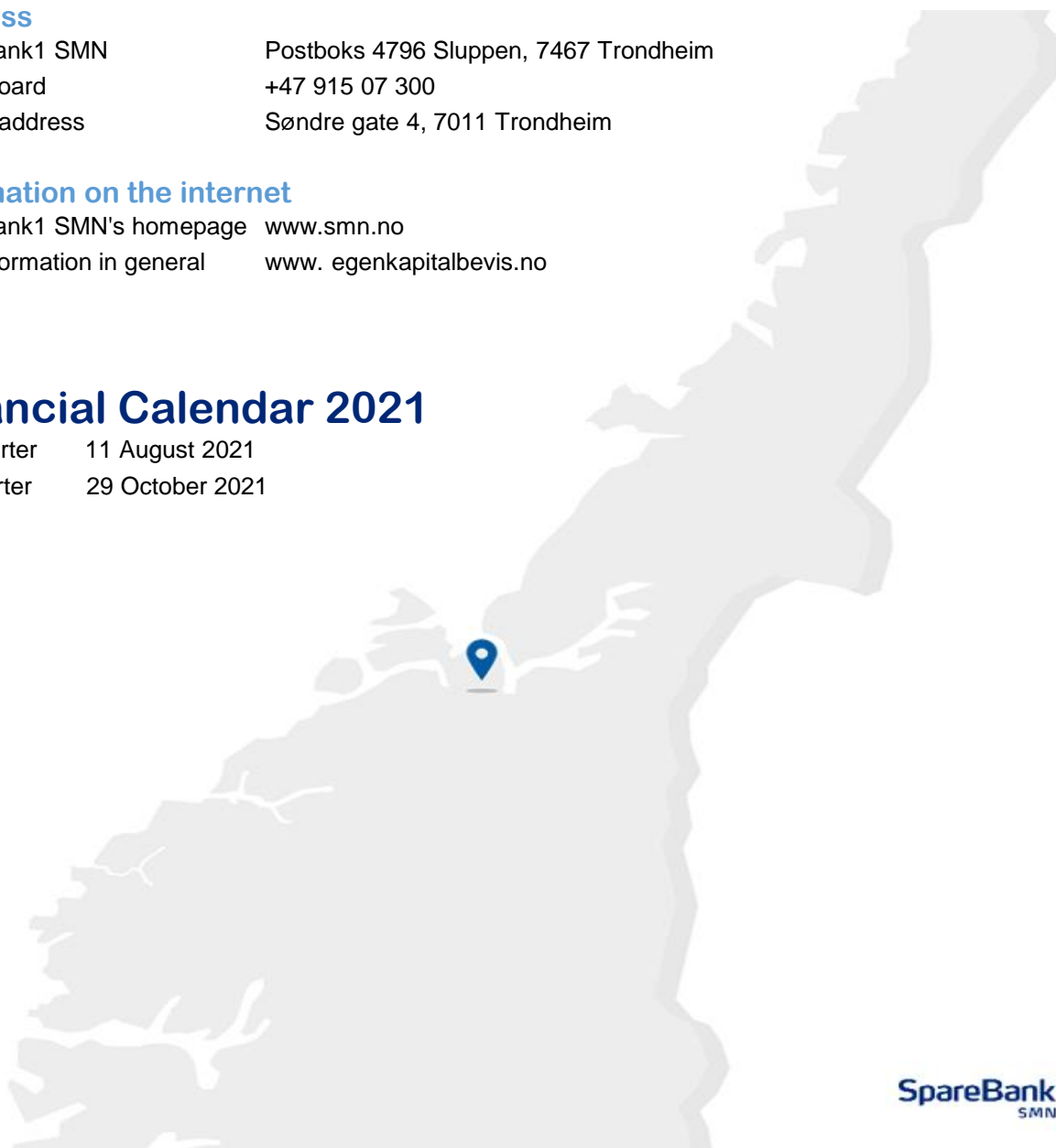
SpareBank1 SMN	Postboks 4796 Sluppen, 7467 Trondheim
Switchboard	+47 915 07 300
Visiting address	Søndre gate 4, 7011 Trondheim

### Information on the internet

SpareBank1 SMN's homepage [www.smn.no](http://www.smn.no)  
ECC information in general [www.egenkapitalbevis.no](http://www.egenkapitalbevis.no)

## Financial Calendar 2021

2nd quarter	11 August 2021
3rd quarter	29 October 2021



# Major changes from Q1 2021

## One SMN

One SMN is central to achieving the group's strategy in the period to 2023, and provides the basis for a united and forward-looking group. Overarching objectives are an improved customer experience, a strengthened market position and improved profitability. A profit improvement of NOK 400m before tax is targeted through increased synergies, increased revenues, cost efficiencies and improved capital utilization.

## Sustainability

In December 2020 the board of directors of SpareBank 1 SMN adopted a new strategy for sustainability. SpareBank 1 SMN aims through a responsible business model to stimulate sustainable development in the region by being a

1. Driver for the green transition
2. Partner for the inclusive development of society
3. Guide to building a responsible business culture

The group prioritizes five key areas for 2021 as a first step in its transition plan for the period to 2030. The key areas are innovation, customer offering, climate footprint, competence and diversity.

# Table of Contents



## 1 SpareBank 1 SMN

<b>1.1 Financial highlights</b>	5	<b>1.6 Operating expenses</b>	21
Main figures	6	Operating expenses	21
Balance sheet - condensed	6	Change in operating expences	22
Equity capital certificate (MING)	7	Employees- full time equivalents	22
<b>1.2 Credit ratings</b>	8	<b>1.7 Loans to customers</b>	23
Moody's	8	Distribution of loans by industry	23
<b>1.3 Financial results and key figures</b>	9	Credit risk classification in SpareBank 1 SMN	24
Financial results	9	Risk profile - Exposure At Default	24
Balance sheet	11	Loans and guarantees by industry	25
Key figures	13	Write-downs on loans and guarantees	26
<b>1.4 Net interest income</b>	15	Loss on loans by segment	26
Net interest income	15	<b>1.8 Funding and liquidity</b>	27
Change in interest income from lending and depc	15	Securities liabilities	27
Change in net interest income	15	Funding maturity dates	27
Margin development	16	<b>1.9 Capital adequacy</b>	28
Volume development	16	Capital adequacy ratios	28
<b>1.5 Other income</b>	17	Leverage ratio	28
Commision and other income	17	Spesification of capital requirements	29
Change in commision and other income	18		
Net return on financial investments	19		
Change in net return on financial investments	20		

## 2 Segment information

<b>2.1 Extract from income statement</b>	33
<b>2.2 Retail market</b>	35
<b>2.3 Corporate market</b>	37
<b>2.4 Subsidiaries</b>	39
EiendomsMegler 1 Midt-Norge AS	39
SpareBank 1 Finans Midt-Norge AS	40
SpareBank 1 Regnskapshuset AS	41
SpareBank 1 Markets AS	42
Other subsidiaries	43

## 3 Appendix

<b>A1 Business description</b>	44
<b>A2 20 largest stakeholders</b>	47
<b>A3 ECC capital history</b>	48
<b>A4 CAD</b>	48

## 1.1 Financial highlights



### January - March 2021

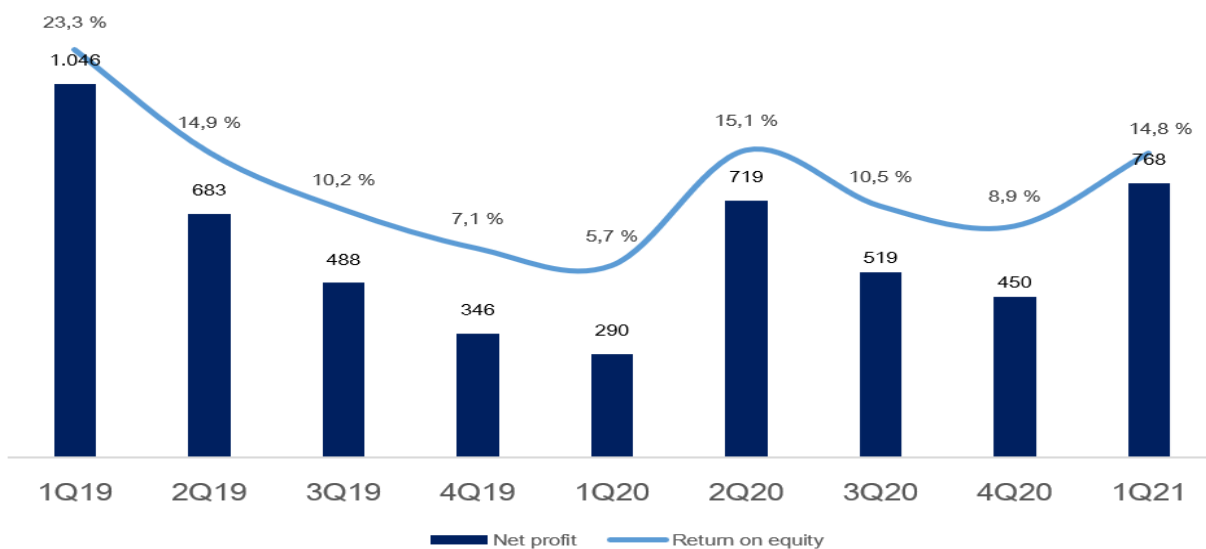
YTD 2020

Profit before tax and inv. held for sale	901	NOK million	357
Net profit	768	NOK million	290
Return on equity	14.8	per cent	5.7
Annual lending growth	8.5	per cent	6.0
Annual deposits growth	16.2	per cent	8.7
Loan losses	59	NOK million	308
CET1 ratio	18.0	per cent	16.3
Earnings per EC	3.40	NOK	1.26

### Q1 2021

Q1 2020

Profit before tax and inv. held for sale	901	NOK million	357
Net profit	768	NOK million	290
Return on equity	14.8	per cent	5.7
Loan losses	59	NOK million	308
Earnings per EC	3.40	NOK	1.26



## Main figures

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Net interest	668	688	695	666	710	697	678	664	649
Commission income and other income	808	757	638	607	570	579	554	606	551
Net return on financial investments	289	197	205	448	101	17	121	336	727
<b>Total income</b>	<b>1,766</b>	<b>1,642</b>	<b>1,538</b>	<b>1,721</b>	<b>1,381</b>	<b>1,292</b>	<b>1,353</b>	<b>1,607</b>	<b>1,926</b>
<b>Total operating expenses</b>	<b>806</b>	<b>845</b>	<b>685</b>	<b>706</b>	<b>716</b>	<b>720</b>	<b>673</b>	<b>701</b>	<b>704</b>
<b>Result before losses</b>	<b>960</b>	<b>797</b>	<b>853</b>	<b>1,015</b>	<b>665</b>	<b>572</b>	<b>680</b>	<b>907</b>	<b>1,223</b>
Loss on loans, guarantees etc.	59	242	231	170	308	103	71	59	67
<b>Result before tax</b>	<b>901</b>	<b>554</b>	<b>621</b>	<b>845</b>	<b>357</b>	<b>469</b>	<b>609</b>	<b>848</b>	<b>1,155</b>
Tax charge	133	104	102	126	67	123	121	165	109
Results investments held for sale, after tax	0	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>768</b>	<b>450</b>	<b>519</b>	<b>719</b>	<b>290</b>	<b>346</b>	<b>488</b>	<b>683</b>	<b>1,046</b>

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Net interest	668	2,759	2,687	2,403	2,225
Commission income and other income	808	2,572	2,290	2,177	2,005
Net return on financial investments	289	951	1,201	757	760
<b>Total income</b>	<b>1,766</b>	<b>6,281</b>	<b>6,178</b>	<b>5,337</b>	<b>4,989</b>
<b>Total operating expenses</b>	<b>806</b>	<b>2,952</b>	<b>2,797</b>	<b>2,624</b>	<b>2,369</b>
<b>Result before losses</b>	<b>960</b>	<b>3,329</b>	<b>3,380</b>	<b>2,713</b>	<b>2,621</b>
Loss on loans, guarantees etc.	59	951	299	263	341
<b>Result before tax</b>	<b>901</b>	<b>2,378</b>	<b>3,081</b>	<b>2,450</b>	<b>2,279</b>
Tax charge	133	400	518	509	450
Results investments held for sale, after tax	0	1	0	149	-1
<b>Net profit</b>	<b>768</b>	<b>1,978</b>	<b>2,563</b>	<b>2,090</b>	<b>1,828</b>

## Balance sheet - condensed

Quarterly figures [NOK million]	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019
Total assets	193,822	187,912	186,900	190,484	185,182	166,662	166,475	167,289	164,641
Average total assets (quarterly)	190,867	187,406	188,692	187,833	175,922	166,569	166,882	165,965	162,673
Gross loans to customers <sup>1</sup>	185,342	182,801	179,423	175,100	170,771	167,777	165,380	163,627	161,091
Deposits from customers	102,390	97,529	95,391	94,289	88,152	85,917	83,641	86,553	81,111
Total equity capital	21,734	21,310	20,829	20,320	19,600	20,420	19,904	19,450	18,673

<sup>1</sup> Loans to customers includes loans sold to SpareBank1 Boligkreditt and SpareBank1 Næringskreditt.

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Total assets	193,822	187,912	166,662	160,704	153,254
Average total assets	190,867	183,428	165,154	160,021	150,083
Gross loans to customers <sup>1</sup>	185,342	182,801	167,777	160,317	148,784
Deposits from customers	102,390	97,529	85,917	80,615	76,476
Total equity capital	21,734	21,310	20,420	18,686	17,510

## Equity capital certificate (MING)

Quarterly figures	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
ECC price	107.40	97.60	84.30	78.30	67.60	100.20	98.50	97.70	87.40
Number of certificates issued, millions	129.22	129.39	129.44	129.39	129.22	129.30	129.48	129.66	129.41
Booked equity capital per ECC (incl. dividend)	96.70	94.71	92.73	90.37	86.85	90.75	89.36	87.04	83.86
Adjusted profit per ECC	3.40	1.99	2.35	3.27	1.26	1.60	2.30	3.21	5.02
P/E per ECC (annualised)	7.91	12.28	8.96	5.98	13.46	15.67	10.69	7.61	4.35
P/B equity capital	1.11	1.03	0.91	0.87	0.78	1.10	1.10	1.12	1.04

Five years	YTD 21	2020	2019	2018	2017
ECC price	107.40	97.60	100.20	84.20	82.25
Number of certificates issued, millions	129.22	129.39	129.30	129.62	129.38
Booked equity capital per ECC (incl. dividend)	96.70	94.71	90.75	83.87	78.81
Adjusted profit per ECC	3.40	8.87	12.14	9.97	8.71
P/E per ECC (annualised)	7.91	11.01	8.26	8.44	9.44
P/B equity capital	1.11	1.03	1.10	1.00	1.04

# 1.2 Credit Rating

## Moody's

---

[year end]	Current rating	2020	2019	2018	2017	2016	2015
Outlook	Stable	Stable	Stable	Negative	Negative	Stable	Stable
Issuer Rating	A1	A1	A1	A1	A1	A1	A1
Bank Deposits	A1/P-1	A1/P-1	A1/P-1	A1/ P-1	A1/ P-1	A1/ P-1	A1/ P-1
Senior Preferred	A1	A1	A1	A1	A1	A1	A1
Senior non-preferred	Baa1						
Subordinate	Baa2	Baa2	Baa2	Baa2	Baa2	Baa2	Baa2

---



## 1.3 Financial results and key figures

### Financial results

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Interest income	939	945	971	1,031	1,250	1,235	1,190	1,127	1,075
Interest expenses	271	258	276	365	540	538	512	463	426
<b>Net interest income</b>	<b>668</b>	<b>688</b>	<b>695</b>	<b>666</b>	<b>710</b>	<b>697</b>	<b>678</b>	<b>664</b>	<b>649</b>
Commission income	392	416	414	331	349	371	374	363	329
Commission expenses	51	58	52	47	50	47	55	51	40
Other operating income	468	399	277	323	271	255	235	294	262
<b>Commission income and other income</b>	<b>808</b>	<b>757</b>	<b>638</b>	<b>607</b>	<b>570</b>	<b>579</b>	<b>554</b>	<b>606</b>	<b>551</b>
Dividends	4	27	2	2	8	1	1	11	2
Income from investment in related companies	128	117	170	177	217	8	85	231	555
Net return on financial investments	158	53	32	269	-124	8	35	95	169
<b>Net return on financial investments</b>	<b>289</b>	<b>197</b>	<b>205</b>	<b>448</b>	<b>101</b>	<b>17</b>	<b>121</b>	<b>336</b>	<b>727</b>
<b>Total income</b>	<b>1,766</b>	<b>1,642</b>	<b>1,538</b>	<b>1,721</b>	<b>1,381</b>	<b>1,292</b>	<b>1,353</b>	<b>1,607</b>	<b>1,926</b>
Staff costs	538	570	422	449	443	411	404	438	447
Other operating expenses	269	275	263	258	273	309	269	263	257
<b>Total operating expenses</b>	<b>806</b>	<b>845</b>	<b>685</b>	<b>706</b>	<b>716</b>	<b>720</b>	<b>673</b>	<b>701</b>	<b>704</b>
<b>Result before losses</b>	<b>960</b>	<b>797</b>	<b>853</b>	<b>1,015</b>	<b>665</b>	<b>572</b>	<b>680</b>	<b>907</b>	<b>1,223</b>
Loss on loans, guarantees etc.	59	242	231	170	308	103	71	59	67
<b>Result before tax</b>	<b>901</b>	<b>554</b>	<b>621</b>	<b>845</b>	<b>357</b>	<b>469</b>	<b>609</b>	<b>848</b>	<b>1,155</b>
Tax charge	133	104	102	126	67	123	121	165	109
Results investments held for sale, after tax	0	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>768</b>	<b>450</b>	<b>519</b>	<b>719</b>	<b>290</b>	<b>346</b>	<b>488</b>	<b>683</b>	<b>1,046</b>
Attributable to additional Tier 1 Capital holders	20	10	11	14	24	10	10	10	19
Majority share	687	402	476	661	254	324	467	650	1,017
Minority interest	61	38	33	43	12	12	11	22	10

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Interest income	939	4,197	4,626	4,057	3,825
Interest expenses	271	1,439	1,939	1,655	1,600
<b>Net interest</b>	<b>668</b>	<b>2,759</b>	<b>2,687</b>	<b>2,403</b>	<b>2,225</b>
Commission income	392	1,510	1,437	1,387	1,390
Commission expenses	51	207	193	168	168
Other operating income	468	1,269	1,046	958	783
<b>Commission income and other income</b>	<b>808</b>	<b>2,572</b>	<b>2,290</b>	<b>2,177</b>	<b>2,005</b>
Dividends	4	39	15	8	6
Income from investment in related companies	128	681	879	416	437
Net return on financial investments	158	230	307	334	317
<b>Net return on financial investments</b>	<b>289</b>	<b>951</b>	<b>1,201</b>	<b>757</b>	<b>760</b>
<b>Total income</b>	<b>1,766</b>	<b>6,281</b>	<b>6,178</b>	<b>5,337</b>	<b>4,989</b>
Staff costs	538	1,883	1,699	1,584	1,426
Other operating expenses	269	1,069	1,098	1,040	943
<b>Total operating expenses</b>	<b>806</b>	<b>2,952</b>	<b>2,797</b>	<b>2,624</b>	<b>2,369</b>
<b>Result before losses</b>	<b>960</b>	<b>3,329</b>	<b>3,380</b>	<b>2,713</b>	<b>2,621</b>
Loss on loans, guarantees etc.	59	951	299	263	341
<b>Result before tax</b>	<b>901</b>	<b>2,378</b>	<b>3,081</b>	<b>2,450</b>	<b>2,279</b>
Tax charge	133	400	518	509	450
Results investments held for sale, after tax	0	1	0	149	-1
<b>Net profit</b>	<b>768</b>	<b>1,978</b>	<b>2,563</b>	<b>2,090</b>	<b>1,828</b>
Attributable to additional Tier 1 Capital holders	20	59	49	37	33
Majority share	687	1,793	2,458	2,018	1,763
Minority interest	61	126	56	34	32

## Balance sheet

	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Quarterly figures [NOK million]	2021	2020	2020	2020	2020	2019	2019	2019	2019
Cash and receivables from central banks	37	2,764	3,227	4,115	5,848	761	1,279	1,278	647
Deposits with and loans to credit institutions	9,487	5,091	2,517	5,252	2,239	2,110	4,432	8,612	8,387
Net loans to and receivables from customers	135,919	133,131	132,183	129,360	126,128	125,279	123,037	121,025	119,285
Fixed-income CDs and bonds at fair value	30,875	26,606	26,375	28,955	27,395	23,115	21,125	19,870	20,806
Derivatives	4,395	7,226	10,309	10,069	11,757	2,972	4,052	3,767	3,181
Shares, units and other equity interests	2,051	2,366	1,890	1,673	1,437	2,953	2,386	2,202	2,015
Investment in related companies	7,374	7,324	7,017	6,810	6,652	6,468	6,487	6,406	6,386
Investments held for sale	40	41	42	42	40	40	41	41	42
Intangible assets	889	905	881	873	876	872	876	878	846
Other assets	2,754	2,457	2,459	3,335	2,810	2,092	2,760	3,210	3,047
<b>Assets</b>	<b>193,822</b>	<b>187,912</b>	<b>186,900</b>	<b>190,484</b>	<b>185,182</b>	<b>166,662</b>	<b>166,475</b>	<b>167,289</b>	<b>164,641</b>
Deposits from credit institutions	12,166	13,095	11,586	13,845	13,150	8,853	8,942	11,793	11,601
Deposits from and debt to customers	102,390	97,529	95,391	94,289	88,152	85,917	83,641	86,553	81,111
Debt created by issue of securities	47,273	43,919	46,144	46,129	49,303	43,014	44,889	39,578	43,172
Derivatives	4,879	7,179	8,415	8,644	8,004	3,528	3,505	3,479	3,178
Other liabilities	3,584	3,084	2,738	5,459	4,900	2,841	3,339	4,172	4,632
Investments held for sale	0	1	1	1	1	0	0	0	0
Subordinated loan capital	1,795	1,795	1,796	1,797	2,071	2,090	2,254	2,263	2,273
<b>Total liabilities</b>	<b>172,088</b>	<b>166,602</b>	<b>166,070</b>	<b>170,164</b>	<b>165,582</b>	<b>146,243</b>	<b>146,571</b>	<b>147,839</b>	<b>145,968</b>
Equity capital certificate	2,597	2,597	2,597	2,597	2,597	2,597	2,597	2,597	2,597
Own holdings of ECCs	-12	-9	-8	-9	-12	-11	-7	-3	-9
Premium fund	895	895	895	895	895	895	895	895	895
Dividend equalisation fund	6,511	6,536	6,314	6,320	6,311	6,123	5,581	5,591	5,580
Recommended dividends	401	569	0	0	0	840	0	0	0
Provision for gifts	226	321	0	0	0	474	0	0	0
Ownerless capital	5,664	5,664	5,541	5,541	5,541	5,432	5,126	5,126	5,126
Unrealised gains reserve	239	239	189	189	189	189	155	155	155
Other equity capital	2,282	2,366	1,729	1,757	1,760	1,827	1,544	1,566	1,595
Hybrid capital	1,273	1,293	1,244	1,254	1,268	1,293	1,004	1,013	1,023
Result of the period	768	0	1,528	1,008	290	0	2,217	1,729	1,046
Minority interests	891	838	800	768	760	761	792	781	665
<b>Total equity capital</b>	<b>21,734</b>	<b>21,310</b>	<b>20,829</b>	<b>20,320</b>	<b>19,600</b>	<b>20,420</b>	<b>19,904</b>	<b>19,450</b>	<b>18,673</b>
<b>Total liabilities and equity</b>	<b>193,822</b>	<b>187,912</b>	<b>186,900</b>	<b>190,484</b>	<b>185,182</b>	<b>166,662</b>	<b>166,475</b>	<b>167,289</b>	<b>164,641</b>

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Cash and receivables from central banks	37	2,764	761	883	3,313
Deposits with and loans to credit institutions	9,487	5,091	2,110	5,074	4,214
Net loans to and receivables from customers	135,919	133,131	125,279	119,728	110,959
Fixed-income CDs and bonds at fair value	30,875	26,606	23,115	20,348	19,736
Derivatives	4,395	7,226	2,972	4,119	4,351
Shares, units and other equity interests	2,051	2,366	2,953	1,873	1,825
Investment in related companies	7,374	7,324	6,468	6,098	5,760
Investments held for sale	40	41	40	43	649
Intangible assets	889	905	872	851	793
Other assets	2,754	2,457	2,092	1,687	1,654
<b>Assets</b>	<b>193,822</b>	<b>187,912</b>	<b>166,662</b>	<b>160,704</b>	<b>153,254</b>
Deposits from credit institutions	12,166	13,095	8,853	9,214	9,607
Deposits from and debt to customers	102,390	97,529	85,917	80,615	76,476
Debt created by issue of securities	47,273	43,919	43,014	44,269	42,194
Derivatives	4,879	7,179	3,528	2,982	3,343
Other liabilities	3,584	3,084	2,841	2,670	1,923
Investments held for sale	0	1	0	1	1
Subordinated loan capital	1,795	1,795	2,090	2,268	2,201
<b>Total liabilities</b>	<b>172,088</b>	<b>166,602</b>	<b>146,243</b>	<b>142,018</b>	<b>135,744</b>
Equity capital certificate	2,597	2,597	2,597	2,597	2,597
Own holdings of ECCs	-12	-9	-11	-4	-8
Premium fund	895	895	895	895	895
Dividend equalisation fund	6,511	6,536	6,123	5,594	5,072
Recommended dividends	401	569	840	661	571
Provision for gifts	226	321	474	373	322
Ownerless capital	5,664	5,664	5,432	5,126	4,831
Unrealised gains reserve	239	239	189	155	126
Other equity capital	2,282	2,366	1,827	1,608	1,547
Hybrid capital	1,273	1,293	1,293	1,043	993
Result of the period	768	0	0	0	0
Minority interests	891	838	761	637	565
<b>Total equity capital</b>	<b>21,734</b>	<b>21,310</b>	<b>20,420</b>	<b>18,686</b>	<b>17,510</b>
<b>Total liabilities and equity</b>	<b>193,822</b>	<b>187,912</b>	<b>166,662</b>	<b>160,704</b>	<b>153,254</b>

## Key figures

Quarterly figures	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Return on equity	14.8 %	8.9 %	10.5 %	15.1 %	5.7 %	7.1 %	10.2 %	14.9 %	23.3 %
Cost/income ratio group	46%	51%	45%	41%	52%	56%	50%	44%	37%
Cost/income ratio group, ex. financial inv.	55%	58%	51%	55%	56%	56%	55%	55%	59%
Cost/income ratio parent bank	143.3 %	143.3 %	143.3 %	143.3 %	143.3 %	143.3 %	143.3 %	143.3 %	143.3 %
Cost/income ratio parent, ex. financial inv.	244.6 %	244.6 %	244.6 %	244.6 %	244.6 %	244.6 %	244.6 %	244.6 %	244.6 %
12-month cost growth	12.6 %	17.4 %	1.8 %	0.8 %	1.8 %	2.3 %	9.2 %	5.9 %	9.1 %
Gross loans to customers <sup>1</sup>	185,342	182,801	179,423	175,100	170,771	167,777	165,380	163,627	161,091
Growth in loans last 12 months <sup>1</sup>	10.5 %	9.0 %	8.5 %	7.0 %	6.0 %	6.3 %	6.8 %	5.7 %	6.6 %
Growth in loans this period <sup>1</sup>	1.4 %	1.9 %	2.5 %	2.5 %	1.8 %	1.4 %	1.1 %	1.6 %	0.5 %
Deposits from customers	102,390	97,529	95,391	94,289	88,152	85,917	83,641	86,553	81,111
Growth in deposits last 12 months	16.2 %	13.5 %	14.0 %	8.9 %	8.7 %	10.8 %	4.1 %	7.7 %	6.8 %
Growth in deposits this period	5.0 %	2.2 %	1.2 %	7.0 %	2.6 %	2.7 %	-3.4 %	6.7 %	0.6 %
Deposit-to-loan ratio <sup>1</sup>	55%	53%	53%	54%	52%	51%	51%	53%	50%
Total assets	193,822	187,912	186,900	190,484	185,182	166,662	166,475	167,289	164,641
Average total assets (quarterly)	190,867	187,406	188,692	187,833	175,922	166,569	166,882	165,965	162,673
FTEs, group	1,544	1,560	1,528	1,515	1,553	1,509	1,639	1,556	1,524
FTEs, parent bank	637	660	640	631	630	619	614	580	570
FTEs, subsidiaries	907	899	888	884	923	890	1,024	976	953
Number of branches	42	45	46	46	46	46	46	48	48
Lending margin	1.84	1.93	2.09	2.24	1.86	1.64	1.71	1.73	1.84
Deposit margin	-0.05	-0.11	-0.21	-0.37	0.27	0.43	0.36	0.29	0.24
Net other operating income of total income	46%	46%	41%	35%	41%	45%	41%	38%	29%
Common Equity Tier 1 capital ratio	18.0 %	18.3 %	17.6 %	17.2 %	16.3 %	17.2 %	15.1 %	15.0 %	14.8 %
Tier 1 capital ratio	19.7 %	20.0 %	19.2 %	18.9 %	18.0 %	19.3 %	16.7 %	16.6 %	16.4 %
Capital ratio	21.9 %	22.3 %	21.4 %	21.1 %	20.1 %	21.6 %	18.9 %	18.8 %	18.6 %
Tier 1 capital	18,636	18,636	18,290	18,182	17,792	17,742	17,417	17,284	16,775
Total eligible capital	20,741	20,759	20,373	20,266	19,879	19,854	19,765	19,634	19,115
Liquidity Coverage Ratio (LCR) (%)	190%	171%	140%	163%	185%	148%	181%	165%	180%
Leverage ratio	7.0 %	7.1 %	7.1 %	6.9 %	6.9 %	7.5 %	7.4 %	7.5 %	7.4 %
Impairment losses ratio	0.13%	0.54%	0.52%	0.39%	0.73%	0.25%	0.17%	0.14%	0.17%
Stage 3 as a percentage of gross loans	1.66%	1.23%	1.30%	1.35%	1.61%	1.26%	1.28%	1.22%	1.17%
ECC price	107.40	97.60	84.30	78.30	67.60	100.20	98.50	97.70	87.40
Number of certificates issued, millions	129.22	129.39	129.44	129.39	129.22	129.30	129.48	129.66	129.41
Booked equity capital per ECC (incl. dividend)	96.70	94.71	92.73	90.37	86.85	90.75	89.36	87.04	83.86
Adjusted profit per ECC	3.40	1.99	2.35	3.27	1.26	1.60	2.30	3.21	5.02
P/E per ECC	7.91	12.28	8.96	5.98	13.46	15.67	10.69	7.61	4.35
P/B equity capital	1.11	1.03	0.91	0.87	0.78	1.10	1.10	1.12	1.04

<sup>1</sup> Including Sparebank1 Boligkreditt and Sparebank 1 Næringskreditt.

Five years	YTD 21	2020	2019	2018	2017
Return on equity	14.8 %	10.0 %	13.7 %	12.2 %	11.5 %
Cost/income ratio group	46%	47%	45%	49%	47%
Cost/income ratio group, ex. financial inv.	55%	55%	56%	57%	56%
12-month cost growth	12.6 %	5.5 %	6.6 %	10.8 %	18.3 %
Gross loans to customers <sup>1</sup>	185,342	182,801	167,777	160,317	148,784
Growth in loans last 12 months <sup>1</sup>	8.5 %	9.0 %	4.7 %	7.8 %	8.2 %
Growth in loans this period <sup>1</sup>	1.4 %	9.0 %	4.7 %	7.8 %	8.2 %
Deposits from customers	102,390	97,529	85,917	80,615	76,476
Growth in deposits last 12 months	16.2 %	13.5 %	6.6 %	5.4 %	13.9 %
Growth in deposits this period	5.0 %	13.5 %	6.6 %	5.4 %	13.9 %
Deposit-to-loan ratio <sup>1</sup>	55%	53%	51%	50%	51%
Total assets	193,822	187,912	166,662	160,704	153,254
Average total assets (quarterly)	190,867	183,428	165,154	156,992	145,948
FTEs, group	1,544	1,560	1,509	1,493	1,403
FTEs, parent bank	637	660	619	575	595
FTEs, subsidiaries	907	899	890	918	808
Number of branches	42	45	46	48	48
Lending margin	1.84	2.02	1.73	1.92	2.13
Deposit margin	-0.05	-0.09	0.33	0.12	0.00
Net other operating income of total income	46%	41%	37%	41%	40%
Common Equity Tier 1 ratio	18.0 %	18.3 %	17.2 %	14.6 %	14.6 %
Core capital ratio	19.7 %	20.0 %	19.3 %	16.3 %	16.6 %
Capital adequacy ratio	21.9 %	22.3 %	21.6 %	18.5 %	18.6 %
Tier 1 capital	18,636	18,636	17,742	16,472	15,707
Total eligible capital	20,741	20,759	19,854	18,743	17,629
Liquidity Coverage Ratio (LCR) (%)	190%	171%	148%	183%	164%
Leverage ratio	7.0 %	7.1 %	7.5 %	7.4 %	7.2 %
Impairment losses ratio	0.13%	0.54%	0.18%	0.17%	0.24%
Stage 3 as a percentage of gross loans	1.66%	1.23%	1.26%	1.05%	
ECC price	107.40	97.60	100.20	84.20	82.25
Number of certificates issued, millions	129.22	129.39	129.30	129.62	129.38
Booked equity capital per ECC (incl. dividend)	96.70	94.71	90.75	83.87	78.81
Adjusted profit per ECC	3.40	8.87	12.14	9.97	8.71
P/E per ECC	7.91	11.01	8.26	8.44	9.44
P/B equity capital	1.11	1.03	1.10	1.00	1.04

<sup>1</sup> Including Sparebank1 Boligkreditt and Sparebank 1 Næringskreditt.

# 1.4 Net interest income

## Net interest income

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Interest income	939	945	971	1,031	1,250	1,235	1,190	1,127	1,075
Interest expenses	271	258	276	365	540	538	512	463	426
<b>Net interest income</b>	<b>668</b>	<b>688</b>	<b>695</b>	<b>666</b>	<b>710</b>	<b>697</b>	<b>678</b>	<b>664</b>	<b>649</b>
As a percentage of total income	38%	42%	45%	39%	51%	54%	50%	41%	34%

Margins on loans sold to Sparebank 1 Boligkreditt and Sparebank 1 Næringskreditt are recorded as commission income. See part 1.5 Other income

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Interest income	939	4,197	4,626	4,057	3,825
Interest expenses	271	1,439	1,939	1,655	1,600
<b>Net interest income</b>	<b>668</b>	<b>2,759</b>	<b>2,687</b>	<b>2,403</b>	<b>2,225</b>
As a percentage of total income	38%	44%	43%	45%	45%

## Change in interest income from lending and deposits

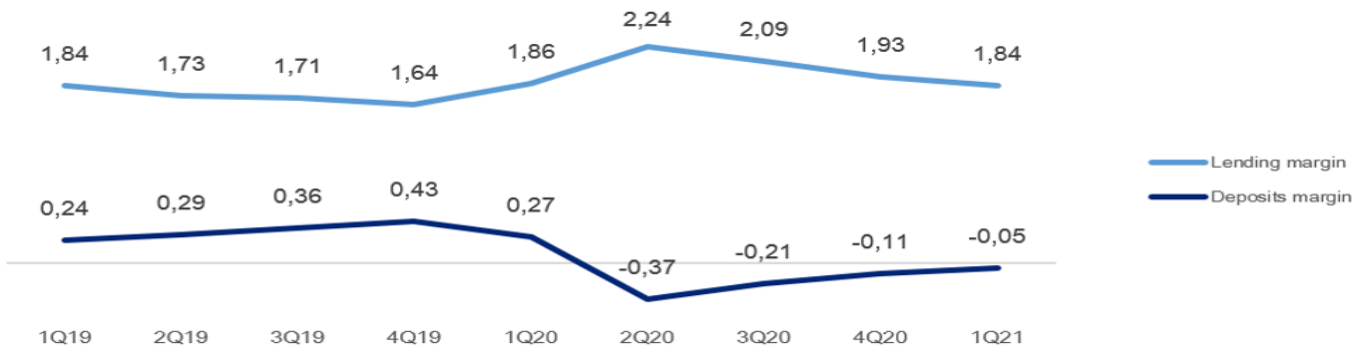
Last 12 months [NOK million]	Volume	Margin	Total
Lending	39	13	51
Deposits	9	-80	-71
<b>Total</b>	<b>48</b>	<b>-68</b>	<b>-20</b>

## Change in net interest income

Last 12 months [NOK million]	1Q21	Change	1Q20
<b>Net interest income</b>	<b>668</b>	<b>-42</b>	<b>710</b>
Lending volume		39	
Lending margin		13	
Fees on lending		3	
Deposit volume		9	
Deposit margin		-80	
Subsidiaries		18	
Equity capital		-53	
Funding and liquidity buffer		10	

## Margin development

Definition of margin: average customer interest rate minus 3 months nibor



## Volume development

### Quarterly figures

	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Lending volume	185.3	182.8	179.4	175.1	170.8	167.8	165.4	163.6	161.1
Deposits volume	102.4	97.5	95.4	94.3	88.2	85.9	83.6	86.6	81.1
Growth in loans last 12 months	10.5 %	9.0 %	8.5 %	7.0 %	6.0 %	6.3 %	6.8 %	5.7 %	6.6 %
Growth in deposits last 12 months	16.2 %	13.5 %	14.0 %	8.9 %	8.7 %	10.8 %	4.1 %	7.7 %	6.8 %





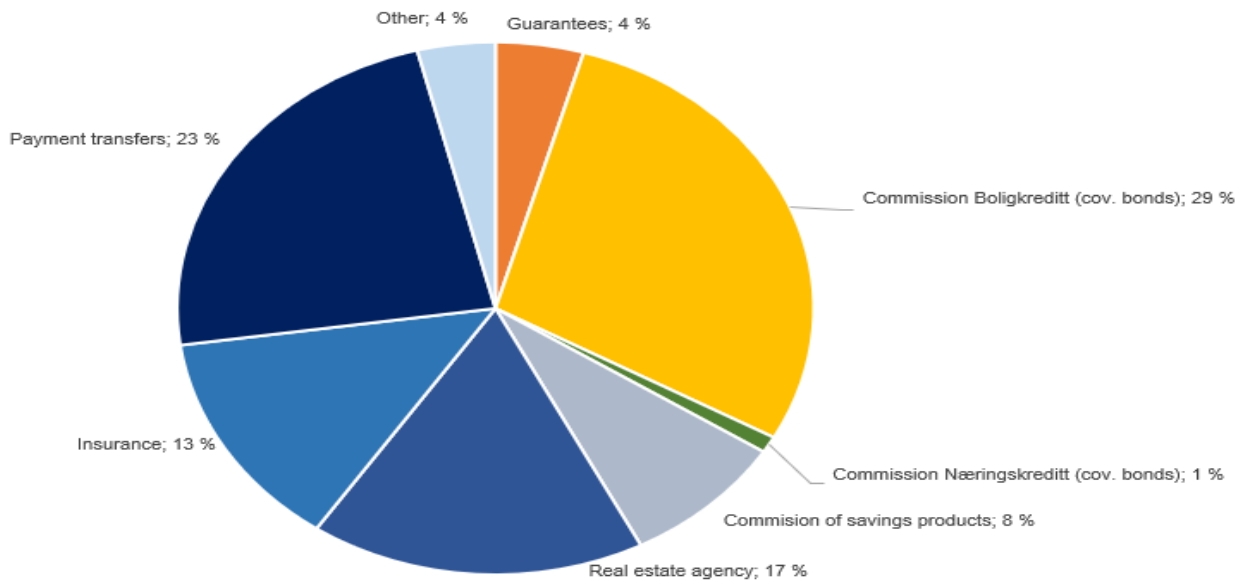
# 1.5 Other income

## Commision and other income

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Guarantees	18	10	16	16	16	15	15	15	15
Commission Boligkreditt (cov. bonds)	112	136	128	57	88	90	90	86	83
Commission Næringskreditt (cov. bonds)	4	4	4	2	4	4	4	4	4
Commision of savings products	33	37	30	31	25	35	28	28	29
Real estate agency	67	61	72	66	52	57	65	74	56
Insurance	52	51	49	48	47	47	47	45	44
Payment transfers	91	101	97	90	102	106	110	93	85
Other	15	16	18	21	16	16	16	18	14
<b>Total commissions income</b>	<b>392</b>	<b>416</b>	<b>414</b>	<b>331</b>	<b>349</b>	<b>371</b>	<b>374</b>	<b>363</b>	<b>329</b>
Operating- and sales income real estate	36	32	40	39	31	36	34	40	29
Accounting services	148	111	105	141	148	102	92	147	131
Other operating income	284	256	132	143	91	118	109	106	103
<b>Total other operating income</b>	<b>468</b>	<b>399</b>	<b>277</b>	<b>323</b>	<b>271</b>	<b>255</b>	<b>235</b>	<b>294</b>	<b>262</b>
Commision expenses	51	58	52	47	50	47	55	51	40
<b>Total commision and other income</b>	<b>808</b>	<b>757</b>	<b>638</b>	<b>607</b>	<b>570</b>	<b>579</b>	<b>554</b>	<b>606</b>	<b>551</b>
As a percentage of total income	46%	46%	41%	35%	41%	45%	41%	38%	29%

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Guarantees	18	58	59	72	80
Commission Boligkreditt (cov. bonds)	112	408	349	350	353
Commission Næringskreditt (cov. bonds)	4	13	16	16	17
Commision of savings products	33	123	117	113	115
Real estate agency	67	251	252	225	223
Insurance	52	195	183	174	172
Payment transfers	91	390	393	360	362
Other	15	71	67	78	67
<b>Total commissions income</b>	<b>392</b>	<b>1,510</b>	<b>1,437</b>	<b>1,387</b>	<b>1,390</b>
Operating- and sales income real estate	36	142	138	124	118
Accounting services	148	506	473	411	342
Other operating income	284	622	435	423	323
<b>Total other operating income</b>	<b>468</b>	<b>1,269</b>	<b>1,046</b>	<b>958</b>	<b>783</b>
Commision expenses	51	207	193	168	168
<b>Total commision and other income</b>	<b>808</b>	<b>2,572</b>	<b>2,290</b>	<b>2,177</b>	<b>2,005</b>
As a percentage of total income	46%	41%	37%	41%	40%

## Distribution of commission income



## Change in commission and other income

Last 12 months [NOK million]	1Q21	Change	1Q20
<b>Commission and other income</b>	<b>808</b>	<b>239</b>	<b>570</b>
Real estate agency		15	
Other operating income		192	
Operating- and sales income real estate		5	
Accounting services		-1	
Insurance		5	
Commission of savings products		7	
Commission expenses		-1	
Other		-1	
Payments transfers		-10	
Guarantees		2	
Commission Boligkreditt (cov. bonds)		24	
Commission Næringskreditt (cov. bonds)		0	

## Net return on financial investments

including investments held for sale

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
<b>Dividends</b>	<b>4</b>	<b>27</b>	<b>2</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>1</b>	<b>11</b>	<b>2</b>
SpareBank 1 Gruppen	67	87	114	109	-115	-12	40	186	38
Capital gain Fremtind Forsikring	0	0	0	0	340	0	0	0	460
SpareBank 1 Boligkreditt	4	-4	11	41	-31	0	4	8	14
SpareBank 1 Næringskreditt	3	5	5	7	2	6	5	2	8
BN Bank	40	36	34	27	23	28	33	27	24
SpareBank 1 Kreditt	0	0	0	2	0	0	5	5	3
SpareBank 1 Betaling	-1	1	-1	1	-2	-5	-3	-2	12
Other companies	14	-9	8	-9	0	-10	1	5	-4
<b>Income from inv. in associates and joint ventures</b>	<b>128</b>	<b>117</b>	<b>170</b>	<b>177</b>	<b>217</b>	<b>8</b>	<b>85</b>	<b>231</b>	<b>555</b>
Capital gains shares	102	-3	4	36	-42	11	1	23	84
Gain on certificates and bonds	-84	-62	-8	124	50	-42	-26	15	32
Gain on derivatives	105	110	19	51	-148	40	29	40	23
Gain on financial instruments related to hedging	-11	1	4	2	-6	-8	4	-1	-4
Gain on other financial instruments at fair value (FVO)	10	2	-2	45	-57	-2	4	-4	10
Foreign exchange gain	15	3	11	4	65	-10	10	14	9
Gain on shares and derivatives in SB1 Markets	20	2	5	7	14	17	13	8	15
<b>Net return on financial investments<sup>1</sup></b>	<b>158</b>	<b>53</b>	<b>32</b>	<b>269</b>	<b>-124</b>	<b>8</b>	<b>35</b>	<b>95</b>	<b>169</b>
<b>Total net return on financial investments</b>	<b>289</b>	<b>197</b>	<b>204</b>	<b>448</b>	<b>101</b>	<b>17</b>	<b>121</b>	<b>336</b>	<b>727</b>
As percentage of total income	16%	12%	13%	26%	7%	1%	9%	21%	38%

Five years [NOK million]	YTD 21	2020	2019	2018	2017
<b>Dividends</b>	<b>4</b>	<b>39</b>	<b>15</b>	<b>8</b>	<b>6</b>
SpareBank 1 Gruppen	67	194	252	289	349
Capital gain Fremtind Forsikring	0	340	460	0	0
SpareBank 1 Boligkreditt	4	18	26	-7	-41
SpareBank 1 Næringskreditt	3	18	21	15	19
BN Bank	40	120	113	97	98
SpareBank 1 Kreditt	0	2	13	23	15
SpareBank 1 Betaling	-1	-2	3	-12	-14
Other companies	14	-10	-8	12	12
<b>Income from inv. in associates and joint ventures</b>	<b>128</b>	<b>681</b>	<b>879</b>	<b>416</b>	<b>437</b>
Capital gains shares	102	-4	120	96	62
Gain on certificates and bonds	-84	103	-20	-77	58
Gain on derivatives	105	32	132	187	148
Gain on financial instruments related to hedging	-11	1	-9	-4	-46
Gain on other financial instruments at fair value (FVO)	10	-11	9	10	7
Foreign exchange gain	15	82	22	63	45
Gain on shares and derivatives in SB1 Markets	20	28	54	58	43
<b>Net return on financial investments</b>	<b>158</b>	<b>230</b>	<b>307</b>	<b>334</b>	<b>317</b>
<b>Total net return on financial investments</b>	<b>289</b>	<b>951</b>	<b>1,201</b>	<b>757</b>	<b>760</b>
As percentage of total income	16%	15%	19%	14%	15%

## Change in net return on financial investments

Last 12 months [NOK million]	1Q21	Change	1Q20
<b>Net return on financial investments</b>	<b>289</b>	<b>188</b>	<b>101</b>
Dividends		-4	
Income from investment in related companies		-89	
Capital gains shares		144	
Gain on derivatives		253	
Gain on other financial instruments at fair value (FVO)		67	
Foreign exchange gain		-49	
Gain on certificates and bonds		-134	
Gain on shares and derivatives in SB1 Markets		6	
Gain on financial instruments related to hedging		-6	

## 1.6 Operating expenses

### Operating expenses

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Salaries	421	480	336	372	340	312	320	354	348
Pension costs (defined benefit plan)	26	26	29	26	26	28	26	24	27
Employer's insurance contributions	4	4	5	4	4	3	3	5	3
Other personnel expenses	87	60	52	47	74	68	54	55	69
<b>Total personnel expenses</b>	<b>538</b>	<b>570</b>	<b>422</b>	<b>449</b>	<b>443</b>	<b>411</b>	<b>404</b>	<b>438</b>	<b>447</b>
IT costs	89	84	83	87	86	70	83	87	81
Postage and transportation services	3	2	5	6	5	5	8	6	5
Marketing	20	15	18	17	24	22	27	25	26
Depr./write-downs of fixed & intangible assets	54	45	40	40	42	42	41	44	46
Operating exp. on properties and premises	18	22	16	15	9	17	13	14	13
Other external services	47	56	57	55	53	66	50	41	36
Other operating expenses	38	52	44	38	53	88	47	46	50
<b>Other expenses</b>	<b>269</b>	<b>275</b>	<b>263</b>	<b>258</b>	<b>273</b>	<b>309</b>	<b>269</b>	<b>263</b>	<b>257</b>
<b>Total operating expenses</b>	<b>806</b>	<b>845</b>	<b>685</b>	<b>706</b>	<b>716</b>	<b>720</b>	<b>673</b>	<b>701</b>	<b>704</b>
Cost/income ratio	46%	51%	45%	41%	52%	56%	50%	44%	37%
Cost/income ratio ex financial investments	55%	58%	51%	55%	56%	56%	55%	55%	59%
12-month cost growth <sup>1</sup>	12.6 %	17.4 %	1.8 %	0.8 %	1.8 %	2.3 %	9.2 %	5.9 %	9.1 %

<sup>1</sup> SpareBank 1 Regnskapshuset SMN's acquisition of a large accounting firm 1 January 2017 affects the 12 month cost growth in 2017. The 12 month cost growth in 2016 is affected by the consolidation of SpareBank 1 Markets as a subsidiary.

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Salaries	421	1,528	1,334	1,228	1,107
Pension costs (defined benefit plan)	26	107	105	96	85
Employer's insurance contributions	4	16	15	10	12
Other personnel expenses	87	232	245	249	223
<b>Total personnel expenses</b>	<b>538</b>	<b>1,883</b>	<b>1,699</b>	<b>1,584</b>	<b>1,426</b>
IT costs	89	340	321	293	266
Postage and transportation services	3	19	23	17	22
Marketing	20	73	101	106	104
Depr./write-downs of fixed & intangible assets	54	166	172	99	102
Operating exp. on properties and premises	18	62	57	153	118
Other external services	47	221	193	151	139
Other operating expenses	38	187	231	221	192
<b>Other expenses</b>	<b>269</b>	<b>1,069</b>	<b>1,098</b>	<b>1,040</b>	<b>943</b>
<b>Total operating expenses</b>	<b>806</b>	<b>2,952</b>	<b>2,797</b>	<b>2,624</b>	<b>2,369</b>
Cost/income ratio	46%	47%	45%	49%	47%
Cost/income ratio ex financial investments	55%	55%	56%	57%	56%
12-month cost growth	12.6 %	5.5 %	6.6 %	10.8 %	18.3 %

## Change in operating expenses

Last 12 months [NOK million]	1Q21	Change	1Q20
<b>Operating expenses</b>	<b>806</b>	<b>90</b>	<b>716</b>
Total personnel expenses		95	
EDP and telecommunication expenses		3	
Postage and transportation services		-3	
Marketing		-4	
Depr./write-downs of fixed & intangible assets		11	
Operating exp. on properties and premises		9	
Other external services		-6	
Other operating expenses		-14	

## Employees- full time equivalent

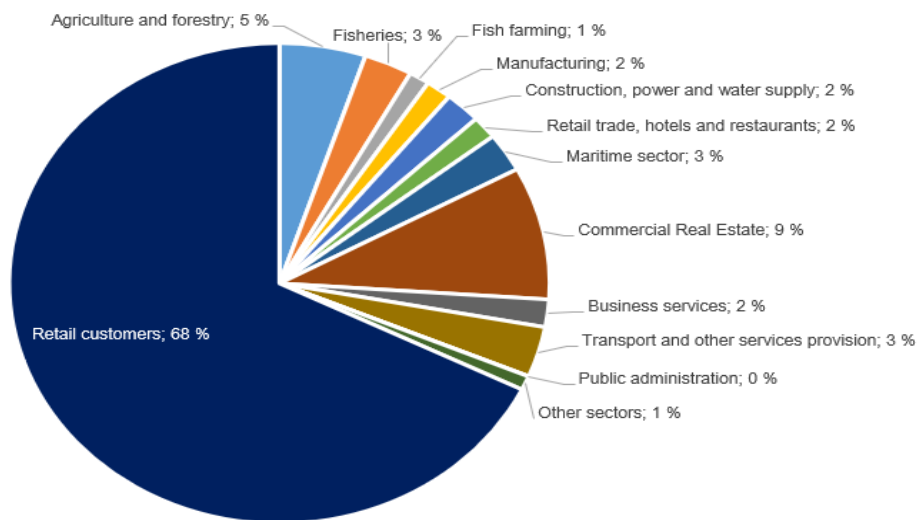
FTE's	1Q21	2020	2019	2018	2017
Parent bank	637	660	619	575	595
EiendomsMegler 1 Midt-Norge AS	257	227	230	309	251
SpareBank 1 Markets <sup>1</sup>	159	166	164	149	132
SpareBank 1 Regnskapshuset SMN AS	434	443	435	402	349
SpareBank 1 Finans Midt-Norge AS	50	34	34	34	32
DeBank	0	22	19		
Other	8	8	8	24	44
<b>Total number of FTE's</b>	<b>1,544</b>	<b>1,560</b>	<b>1,509</b>	<b>1,493</b>	<b>1,403</b>

# 1.7 Loans to customers

## Distribution of loans by industry

Quarterly figures [NOK million]	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
	2021	2020	2020	2020	2020	2019	2019	2019	2019
Agriculture and forestry	9,568	9,591	9,442	9,220	8,946	8,947	8,640	8,471	8,244
Fisheries	5,362	5,259	4,872	5,104	4,907	4,611	4,490	4,431	4,414
Fish farming	2,268	2,100	1,790	1,258	1,053	1,132	1,348	1,160	1,176
Manufacturing	2,848	2,646	2,369	2,390	2,255	2,595	3,097	3,118	3,507
Construction, power and water supply	4,016	4,077	4,087	3,795	3,837	3,970	3,719	3,678	3,703
Retail trade, hotels and restaurants	2,832	2,586	2,649	2,578	2,607	2,517	2,555	2,826	3,014
Maritime sector	4,822	4,537	4,787	5,006	5,177	4,660	4,678	4,667	4,609
Commercial Real Estate	16,595	15,509	15,215	14,753	14,689	14,878	14,530	14,726	14,915
Business services	3,434	3,423	3,014	2,840	2,158	2,146	2,053	2,088	2,060
Transport and other services provision	6,298	6,942	6,994	6,636	6,379	5,409	5,459	5,285	4,977
Public administration	29	33	29	26	17	12	14	15	15
Other sectors	1,757	1,638	1,645	1,632	1,742	1,863	2,026	2,036	1,720
<b>Gross loans in corporate market</b>	<b>59,830</b>	<b>58,340</b>	<b>56,893</b>	<b>55,238</b>	<b>53,767</b>	<b>52,740</b>	<b>52,609</b>	<b>52,499</b>	<b>52,354</b>
<b>Retail customers</b>	<b>125,512</b>	<b>124,461</b>	<b>122,529</b>	<b>119,861</b>	<b>117,004</b>	<b>115,036</b>	<b>112,772</b>	<b>111,128</b>	<b>108,738</b>
<b>Gross loans incl. Boligkreditt and Næringskreditt</b>	<b>185,342</b>	<b>182,801</b>	<b>179,423</b>	<b>175,100</b>	<b>170,771</b>	<b>167,777</b>	<b>165,380</b>	<b>163,627</b>	<b>161,091</b>
of which Boligkreditt	46,337	46,613	44,160	43,073	41,972	39,833	39,713	40,064	39,220
of which Næringskreditt	1,533	1,540	1,622	1,400	1,526	1,667	1,701	1,668	1,771
<b>Gross loans in balance sheet</b>	<b>137,471</b>	<b>134,648</b>	<b>133,640</b>	<b>130,627</b>	<b>127,272</b>	<b>126,277</b>	<b>123,967</b>	<b>121,895</b>	<b>120,100</b>
Share of volume, corporate market	32%	32%	32%	32%	31%	31%	32%	32%	32%
Share of volume, retail market	68%	68%	68%	68%	69%	69%	68%	68%	68%

## Distribution of loans by industry



## Credit risk classification in SpareBank 1 SMN

Risk class	Probability of default (%)		Corresponding rating class
	Low	High	Moody's
A	0.01	0.10	AAA - A3
B	0.10	0.25	Baa1 - Baa2
C	0.25	0.50	Baa3
D	0.50	0.75	Ba1
E	0.75	1.25	Ba2
F	1.25	2.50	
G	2.50	5.00	Ba2 - B1
H	5.00	10.00	B1 - B2
I	10.00	99.99	B3 - caa3
J	Default		
K	Written down		

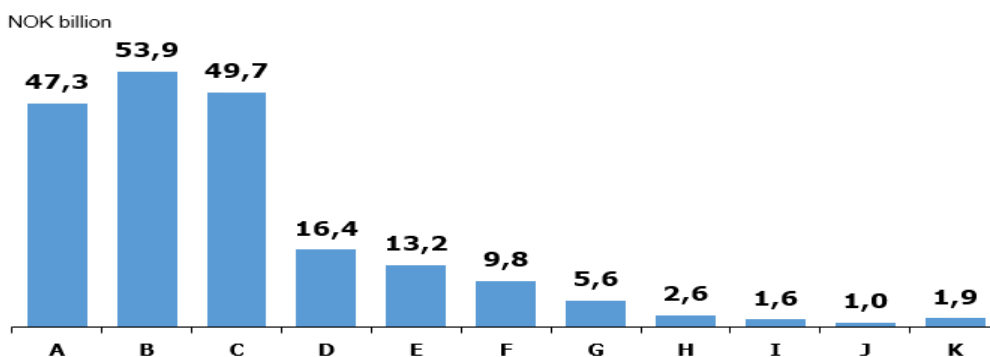
SB 1 SMN's risk classification system, where A represents the lowest risk and K the highest risk

## Risk profile - Exposure at default

As of	EAD	
	NOK billion	%
31 March 2021		
A	47.3	23.3 %
B	53.9	26.6 %
C	49.7	24.5 %
D	16.4	8.1 %
E	13.2	6.5 %
F	9.8	4.8 %
G	5.6	2.7 %
H	2.6	1.3 %
I	1.6	0.8 %
J	1.0	0.5 %
K	1.9	0.9 %

Exposure at default, EAD, is the share of the approved credit that is expected to be drawn at the time of any future default at the same time as there is a downturn in the market.

Risk profile, Exposure at default





## Loans and guarantees by industry

As of		Very low	Low	Medium	High	Very high	Default and
31 March 2021	Total	risk	risk	risk	risk	risk	written down
A - Agriculture, fishery and forestry	20,195	10,407	7,420	1,688	418	204	58
B - Mining and quarrying	35	11	4	4	13	2	1
C - Manufacturing	3,550	1,122	670	1,266	321	58	114
D - Electricity, gas, steam and air conditioning supply	354	255	95	0	0	0	4
E - Water supply, sewerage and waste management	86	17	21	33	0	14	1
F - Construction	4,373	976	866	1,895	391	41	204
G - Retail trade, repair of motor vehicles	3,180	915	984	1,060	135	45	42
H - Transportation and storage	10,433	4,148	3,186	1,450	24	97	1,527
I - Accommodation and catering	712	317	154	162	27	45	5
J - Information and communication	998	714	155	108	13	5	3
K - Financing and insurance activities	3,358	2,006	310	777	25	3	237
L -Property management	17,757	11,710	2,897	2,339	449	142	220
M - Professional, scientific and technical services	2,002	547	1,117	188	17	19	115
N - Business services	1,135	201	218	662	28	10	16
O - Public administration and defense, and public social security schemes	906	906	0	0	0	0	0
P - Education	85	18	30	31	0	5	0
Q - Health and social services	255	154	25	56	1	19	1
R - Cultural activities, entertainment and recreation	249	101	29	105	9	3	1
S - Other services	377	208	56	97	6	8	1
T - Employment in private households	3	1	0	2	0	0	0
V - Subsidiary	9,121	8,305	0	816	0	0	0
W -Other sectors	123,882	107,870	11,343	2,641	736	922	369
1Q21	<b>203,043</b>	<b>150,908</b>	<b>29,580</b>	<b>15,383</b>	<b>2,614</b>	<b>1,641</b>	<b>2,917</b>

### Five years [NOK million]

	Total	Very low	Low	Medium	High	Very high	Default and
		risk	risk	risk	risk	risk	written down
YTD 21	<b>203,043</b>	150,908	29,580	15,383	2,614	1,641	2,917
2020	<b>199,515</b>	146,743	29,179	16,591	2,906	1,931	2,165
2019	<b>184,071</b>	135,691	24,880	15,174	3,417	2,593	2,315
2018	<b>176,188</b>	127,106	24,974	16,833	3,379	2,189	1,707
2017	<b>164,510</b>	116,961	23,842	16,258	3,394	2,480	1,575

## Write-downs on loans and guarantees

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Change in provision for expected credit losses for the period	50	167	222	152	188	81	60	44	61
Actual loan losses on commitments exceeding provisions made	10	110	-7	22	143	23	14	16	8
Recoveries on commitments previously written-off	-2	-35	16	-5	-22	-2	-2	-2	-2
<b>Write-downs on loans and guarantees<sup>1</sup></b>	<b>59</b>	<b>242</b>	<b>231</b>	<b>170</b>	<b>308</b>	<b>103</b>	<b>71</b>	<b>59</b>	<b>67</b>
As % of gross loans incl. Boligkreditt	0.13%	0.54%	0.52%	0.39%	0.73%	0.25%	0.17%	0.14%	0.17%

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Change in provision for expected credit losses for the period	50	729	246	150	
Actual loan losses on commitments exceeding provisions made	10	268	62	127	
Recoveries on commitments previously written-off	-2	-46	-8	-15	
<b>Write-downs on loans and guarantees<sup>1</sup></b>	<b>59</b>	<b>951</b>	<b>299</b>	<b>263</b>	
As % of gross loans incl. Boligkreditt	0.13%	0.54%	0.18%	0.17%	

<sup>1</sup>Provisions for expected credit losses on loans and guarantees are presented after implementation of IFRS 9 from January 1, 2018, comparative figures for periods before Q1 2018 have not been restated.

## Loss on loans by segment

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Retail Market	-12	-2	16	-2	44	9	12	5	6
Corporate Market	62	232	204	153	258	73	47	39	53
SMN Finans and other	8	13	12	19	6	19	13	15	8
<b>Total loss on loans</b>	<b>59</b>	<b>242</b>	<b>231</b>	<b>170</b>	<b>308</b>	<b>103</b>	<b>71</b>	<b>59</b>	<b>67</b>

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Retail Market	-12	56	32	17	5
Corporate Market	62	846	213	212	318
SMN Finans and other	8	49	54	34	18
<b>Total loss on loans</b>	<b>59</b>	<b>951</b>	<b>299</b>	<b>263</b>	<b>341</b>

## 1.8 Capital Markets funding

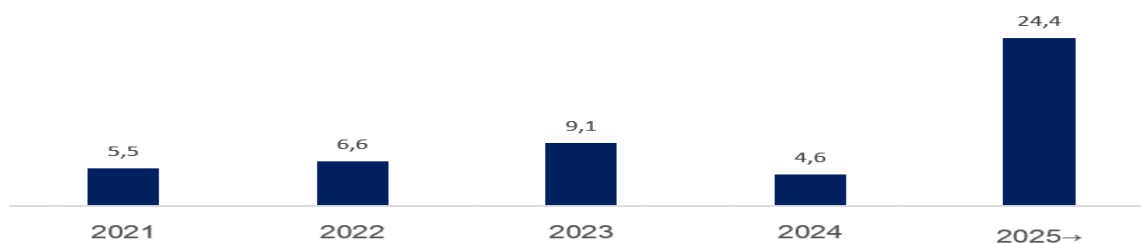
Parent bank

	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020
Quarterly figures [NOK million]					
NOK bonds	18,031	17,817	14,083	14,350	14,459
Curr bonds	29,241	26,102	32,060	31,778	34,844
Hybrid equity	1,231	1,250	1,203	1,250	1,250
Subordinated loan capital	1,752	1,752	1,752	1,752	2,026
<b>Total capital markets funding</b>	<b>50,254</b>	<b>46,921</b>	<b>49,098</b>	<b>49,131</b>	<b>52,579</b>

### Funding maturity dates

[NOK billion]	2021	2022	2023	2024	2025→
Funding maturity	5.5	6.6	9.1	4.6	24.4

Next eight quarters [NOK billion]	Q221	Q321	Q421	Q122	Q222	Q322	Q422	Q123
Funding maturity	3.8	0.6	1.1	5.1	0.0	1.0	0.4	1.8



# 1.9 Capital adequacy

## Capital adequacy ratios

	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019
Quarterly figures [NOK million]									
Common equity Tier 1 capital	17,042	17,041	16,711	16,547	16,155	15,830	15,758	15,625	15,122
Tier 1 capital	18,636	18,636	18,290	18,182	17,792	17,742	17,417	17,284	16,775
Total eligible capital	20,741	20,759	20,373	20,266	19,879	19,854	19,765	19,634	19,115
Risk-weighted assets (RWA)	94,633	93,096	95,156	96,181	98,832	91,956	104,464	104,240	102,495
<b>Common equity Tier 1 ratio</b>	<b>18.0 %</b>	<b>18.3 %</b>	<b>17.6 %</b>	<b>17.2 %</b>	<b>16.3 %</b>	<b>17.2 %</b>	<b>15.1 %</b>	<b>15.0 %</b>	<b>14.8 %</b>
<b>Tier 1 capital ratio</b>	<b>19.7 %</b>	<b>20.0 %</b>	<b>19.2 %</b>	<b>18.9 %</b>	<b>18.0 %</b>	<b>19.3 %</b>	<b>16.7 %</b>	<b>16.6 %</b>	<b>16.4 %</b>
<b>Capital ratio</b>	<b>21.9 %</b>	<b>22.3 %</b>	<b>21.4 %</b>	<b>21.1 %</b>	<b>20.1 %</b>	<b>21.6 %</b>	<b>18.9 %</b>	<b>18.8 %</b>	<b>18.6 %</b>

	YTD 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Five years [NOK million]					
Common equity Tier 1 capital	17,042	17,041	15,830	14,727	13,820
Tier 1 capital	18,636	18,636	17,742	16,472	15,707
Total eligible capital	20,741	20,759	19,854	18,743	17,629
Risk-weighted assets (RWA)	94,633	93,096	91,956	101,168	94,807
<b>Common equity Tier 1 ratio</b>	<b>18.0 %</b>	<b>18.3 %</b>	<b>17.2 %</b>	<b>14.6 %</b>	<b>14.6 %</b>
<b>Tier 1 capital ratio</b>	<b>19.7 %</b>	<b>20.0 %</b>	<b>19.3 %</b>	<b>16.3 %</b>	<b>16.6 %</b>
<b>Capital ratio</b>	<b>21.9 %</b>	<b>22.3 %</b>	<b>21.6 %</b>	<b>18.5 %</b>	<b>18.6 %</b>

## Leverage ratio

	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019
Quarterly figures [NOK million]									
Calculation basis for leverage ratio	266,260	262,915	259,156	262,834	256,248	236,441	234,678	230,667	227,862
Tier 1 capital	18,636	18,636	18,290	18,182	17,792	17,742	17,417	17,284	16,775
<b>Leverage ratio</b>	<b>7.0 %</b>	<b>7.1 %</b>	<b>7.1 %</b>	<b>6.9 %</b>	<b>6.9 %</b>	<b>7.5 %</b>	<b>7.4 %</b>	<b>7.5 %</b>	<b>7.4 %</b>

	YTD 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Five years [NOK million]					
Calculation basis for leverage ratio	266,260	262,915	236,441	223,853	218,479
Tier 1 capital	18,636	18,636	17,742	16,472	15,707
<b>Leverage ratio</b>	<b>7.0 %</b>	<b>7.1 %</b>	<b>7.5 %</b>	<b>7.4 %</b>	<b>7.2 %</b>

## Spesification of capital requirements

Quarterly figures [NOK million]	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
	2021	2020	2020	2020	2020	2019	2019	2019	2019
<b>Capital adequacy</b>									
<b>Total book equity</b>	<b>21,734</b>	<b>21,310</b>	<b>20,829</b>	<b>20,320</b>	<b>19,600</b>	<b>20,420</b>	<b>19,904</b>	<b>19,450</b>	<b>18,673</b>
Additional Tier 1 capital instruments included in total equity	-1,273	-1,293	-1,244	-1,254	-1,268	-1,293	-1,004	-1,013	-1,023
Deferred taxes, goodwill and other intangible assets	-1,027	-1,044	-1,047	-1,042	-1,059	-1,099	-1,106	-1,105	-1,073
Deduction for allocated dividends and gifts	-627	-890	0	0	0	-1,314	0	0	0
Non-controlling interests recognised in other equity capital	-891	-838	-800	-768	-760	-761	-792	-781	-665
Non-controlling interests eligible for incl. in CET1 capital	489	488	414	401	398	438	450	447	392
Net profit	-768	0	-1,528	-1,008	-290	0	-2,217	-1,729	-1,046
Year-to-date profit included in core capital (50 per cent pre tax of group profit in 2017)	374	0	739	618	266	0	1,128	879	537
Value adjustments due to requirements for prudent valuation	-56	-56	-59	-62	-62	-45	-44	-44	-43
Positive value of adj. expected loss under IRB Approach	-292	-74	-98	-248	-329	-351	-383	-309	-303
Cash flow hedge reserve	8	10	13	14	13	3	5	5	5
Deduction for common equity Tier 1 capital in significant investments in financial institutions	-629	-572	-510	-424	-353	-168	-183	-175	-333
<b>Common equity Tier 1 capital</b>	<b>17,042</b>	<b>17,041</b>	<b>16,711</b>	<b>16,547</b>	<b>16,155</b>	<b>15,830</b>	<b>15,758</b>	<b>15,625</b>	<b>15,122</b>
Additional Tier 1 capital instruments	1,595	1,595	1,579	1,635	1,637	1,637	1,384	1,384	1,377
Additional Tier 1 capital instruments covered by transitional provisions	0	0	0	0	0	275	275	275	275
<b>Tier 1 capital</b>	<b>18,636</b>	<b>18,636</b>	<b>18,290</b>	<b>18,182</b>	<b>17,792</b>	<b>17,742</b>	<b>17,417</b>	<b>17,284</b>	<b>16,775</b>
Subordinated capital	2,259	2,262	2,240	2,240	2,240	2,240	2,310	2,310	2,298
Subordinated capital covered by transitional provisions	0	0	0	0	0	12	179	182	184
Deduction for significant investments in financial institutions	-154	-139	-157	-157	-153	-140	-141	-141	-142
<b>Additional Tier 2 capital instruments</b>	<b>2,105</b>	<b>2,123</b>	<b>2,083</b>	<b>2,083</b>	<b>2,087</b>	<b>2,113</b>	<b>2,348</b>	<b>2,351</b>	<b>2,340</b>
<b>Total eligible capital</b>	<b>20,741</b>	<b>20,759</b>	<b>20,373</b>	<b>20,266</b>	<b>19,879</b>	<b>19,854</b>	<b>19,765</b>	<b>19,634</b>	<b>19,115</b>

Quarterly figures [NOK million]	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019
<b>Minimum requirements subordinated capital</b>									
Specialised enterprises	1,292	1,240	1,236	1,166	1,153	1,101	1,128	1,094	1,106
Corporate	992	930	991	1,052	1,279	1,149	1,194	1,163	1,161
Mass market exposure, mortgages	2,218	2,261	2,282	2,290	2,310	2,299	2,169	2,166	2,126
Other mass market	102	110	111	115	100	101	106	102	97
Equity investments, IRB	1	1	1	1	1	1	1	1	1
<b>Total credit risk IRB</b>	<b>4,606</b>	<b>4,541</b>	<b>4,621</b>	<b>4,624</b>	<b>4,842</b>	<b>4,651</b>	<b>4,597</b>	<b>4,525</b>	<b>4,491</b>
Central government	5	2	2	5	4	3	2	3	3
Covered bonds	146	142	162	159	152	132	149	136	135
Institutions	336	332	402	504	466	282	301	300	269
Local and regional authorities, state-owned enterprises	28	27	21	17	15	5	5	8	10
Corporate	270	281	253	251	227	239	237	237	251
Mass market	484	476	470	465	474	463	532	525	536
Exposures secured on real property	131	136	154	157	174	167	200	207	211
Equity positions	428	408	400	394	383	377	371	369	365
Other assets	159	159	161	150	150	151	157	167	169
<b>Total credit risk standardised approach</b>	<b>1,986</b>	<b>1,962</b>	<b>2,025</b>	<b>2,102</b>	<b>2,045</b>	<b>1,818</b>	<b>1,955</b>	<b>1,952</b>	<b>1,949</b>
Debt risk	44	31	43	44	48	34	27	35	45
Equity risk	9	18	9	10	7	15	6	14	12
Currency risk	1	3	3	1	3	3	3	3	3
Operational risk	772	770	720	720	720	720	656	656	654
Credit value adjustment risk (CVA)	153	123	192	193	240	115	130	122	118
Transitional arrangements	0	0	0	0	0	0	983	1,032	929
<b>Minimum requirements subordinated capital</b>	<b>7,571</b>	<b>7,448</b>	<b>7,612</b>	<b>7,694</b>	<b>7,907</b>	<b>7,357</b>	<b>8,357</b>	<b>8,339</b>	<b>8,200</b>
<b>Risk-weighted assets (RWA)</b>	<b>94,633</b>	<b>93,096</b>	<b>95,156</b>	<b>96,181</b>	<b>98,832</b>	<b>91,956</b>	<b>104,464</b>	<b>104,240</b>	<b>102,495</b>
Minimum requirement on CET1 capital, 4.5 per cent	4,258	4,189	4,282	4,328	4,447	4,138	4,701	4,691	4,612
Capital conservation buffer, 2.5 per cent	2,366	2,327	2,379	2,405	2,471	2,299	2,612	2,606	2,562
Systemic risk buffer, 4.5 per cent	4,258	4,189	2,855	2,885	2,965	2,759	3,134	3,127	3,075
Countercyclical buffer, 1.0 per cent (1.0 per cent)	946	931	952	962	988	2,299	2,089	2,085	2,050
<b>Available CET1 capital after buffer requirements</b>	<b>5,212</b>	<b>5,404</b>	<b>6,243</b>	<b>5,968</b>	<b>5,284</b>	<b>4,335</b>	<b>3,222</b>	<b>3,116</b>	<b>2,823</b>
Common equity Tier 1 capital ratio	18.0 %	18.3 %	17.6 %	17.2 %	16.3 %	17.2 %	15.1 %	15.0 %	14.8 %
Tier 1 capital ratio	19.7 %	20.0 %	19.2 %	18.9 %	18.0 %	19.3 %	16.7 %	16.6 %	16.4 %
Total eligible capital	21.9 %	22.3 %	21.4 %	21.1 %	20.1 %	21.6 %	18.9 %	18.8 %	18.6 %
<b>Leverage ratio</b>									
Balance sheet items	258,536	256,978	252,366	255,493	249,366	230,048	228,285	223,781	221,200
Off-balance sheet items	9,568	7,514	8,333	8,944	8,702	7,897	7,939	8,343	8,262
Regulatory adjustments	-1,844	-1,577	-1,543	-1,603	-1,820	-1,503	-1,546	-1,458	-1,600
<b>Calculation basis for leverage ratio</b>	<b>266,260</b>	<b>262,915</b>	<b>259,156</b>	<b>262,834</b>	<b>256,248</b>	<b>236,441</b>	<b>234,678</b>	<b>230,667</b>	<b>227,862</b>
<b>Tier 1 capital</b>	<b>18,636</b>	<b>18,636</b>	<b>18,290</b>	<b>18,182</b>	<b>17,792</b>	<b>17,742</b>	<b>17,417</b>	<b>17,284</b>	<b>16,775</b>
Leverage ratio	7.0 %	7.1 %	7.1 %	6.9 %	6.9 %	7.5 %	7.4 %	7.5 %	7.4 %

Five years [NOK million]	YTD	31 Dec	31 Dec	31 Dec	31 Dec
	2021	2020	2019	2018	2017
<b>Capital adequacy</b>					
<b>Total book equity</b>	<b>21,734</b>	<b>21,310</b>	<b>20,420</b>	<b>18,686</b>	<b>17,510</b>
Hybrid capital included in total equity	-1,273	-1,293	-1,293	-1,043	-993
Deferred taxes, goodwill and other intangible assets	-1,027	-1,044	-1,099	-1,079	-984
Part of reserve for unrealised gains, associated companies	0	0	0	0	0
Deduction for allocated dividends and gifts	-627	-890	-1,314	-1,034	-893
Non-controlling interests recognised in other equity capital	-891	-838	-761	-637	-565
Non-controlling interests eligible for inclusion in CET1 capital	489	488	438	366	324
Net profit	-768	0	0	0	0
Year-to-date profit included in core capital (50 per cent pre tax of group profit in 2017)	374	0	0	0	0
Value adjustments due to requirements for prudent valuation	-56	-56	-45	-44	-41
Positive value of adjusted expected loss under IRB Approach	-292	-74	-351	-286	-333
Adjustments for unrealised losses (gains) arising from the institution's own credit risk related to derivative liabilities (DVA)	8	10	3	5	7
Direct, indirect and synthetic investments in financial sector companies	-629	-572	-168	-206	-212
<b>Common equity Tier 1 capital</b>	<b>17,042</b>	<b>17,041</b>	<b>15,830</b>	<b>14,727</b>	<b>13,820</b>
Hybrid capital, core capital	1,595	1,595	1,637	1,378	1,427
Hybrid capital covered by transitional provisions	0	0	275	367	459
<b>Tier 1 capital</b>	<b>18,636</b>	<b>18,636</b>	<b>17,742</b>	<b>16,472</b>	<b>15,707</b>
Subordinated capital	2,259	2,262	2,240	2,316	1,615
Subordinated capital covered by transitional provisions	0	0	12	96	561
Deduction for significant investments in financial institutions	-154	-139	-140	-140	-254
<b>Additional Tier 2 capital instruments</b>	<b>2,105</b>	<b>2,123</b>	<b>2,113</b>	<b>2,272</b>	<b>1,922</b>
<b>Total eligible capital</b>	<b>20,741</b>	<b>20,759</b>	<b>19,854</b>	<b>18,743</b>	<b>17,629</b>

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2021	2020	2019	2018	2017
<b>Minimum requirements subordinated capital</b>					
Specialised enterprises	1,292	1,240	1,101	1,116	1,107
Corporate	992	930	1,149	1,163	1,113
Mass market exposure, mortgages	2,218	2,261	2,299	2,098	1,892
Other mass market	102	110	101	92	91
Equity investments, IRB	1	1	1	1	1
<b>Total credit risk IRB</b>	<b>4,606</b>	<b>4,541</b>	<b>4,651</b>	<b>4,470</b>	<b>4,205</b>
Central government	5	2	3	4	3
Covered bonds	146	142	132	124	146
Institutions	336	332	282	246	333
Local and regional authorities, state-owned enterprises	28	27	5	8	4
Corporate	270	281	239	221	226
Mass market	484	476	463	520	405
Exposures secured on real property	131	136	167	215	193
Equity positions	428	408	377	366	344
Other assets	159	159	151	107	166
<b>Total credit risk standardised approach</b>	<b>1,986</b>	<b>1,962</b>	<b>1,818</b>	<b>1,810</b>	<b>1,820</b>
Debt risk	44	31	34	31	18
Equity risk	9	18	15	7	22
Currency risk	1	3	3	3	1
Operational risk	772	770	720	575	510
Credit value adjustment risk (CVA)	153	123	115	122	117
Transitional arrangements	0	0	0	1,074	891
<b>Minimum requirements subordinated capital</b>	<b>7,571</b>	<b>7,448</b>	<b>7,357</b>	<b>8,093</b>	<b>7,585</b>
<b>Risk-weighted assets (RWA)</b>	<b>94,633</b>	<b>93,096</b>	<b>91,956</b>	<b>101,168</b>	<b>94,807</b>
Minimum capital requirement, transitional rules 4.5 per cent	4,258	4,189	4,138	4,553	4,266
Capital conservation buffer, 2.5 per cent	2,366	2,327	2,299	2,529	2,370
Systemic risk buffer, 3.0 per cent	4,258	4,189	2,759	3,035	2,844
Countercyclical buffer, 2.0 per cent (1.5 per cent)	946	931	2,299	2,023	1,896
<b>Available CET1 capital after buffer requirements</b>	<b>5,212</b>	<b>5,404</b>	<b>4,335</b>	<b>2,587</b>	<b>2,444</b>
Common equity Tier 1 ratio	18.0 %	18.3 %	17.2 %	14.6 %	14.6 %
Tier 1 capital ratio	19.7 %	20.0 %	19.3 %	16.3 %	16.6 %
Capital ratio	21.9 %	22.3 %	21.6 %	18.5 %	18.6 %
<b>Leverage ratio</b>					
Balance sheet items	258,536	256,978	230,048	216,240	210,764
Off-balance sheet items	9,568	7,514	7,897	9,086	9,295
Regulatory adjustments	-1,844	-1,577	-1,503	-1,474	-1,580
<b>Calculation basis for leverage ratio</b>	<b>266,260</b>	<b>262,915</b>	<b>236,441</b>	<b>223,853</b>	<b>218,479</b>
<b>Tier 1 capital</b>	<b>18,636</b>	<b>18,636</b>	<b>17,742</b>	<b>16,472</b>	<b>15,707</b>
Leverage ratio	7.0 %	7.1 %	7.5 %	7.4 %	7.2 %



## 2.1 Extract from income statement<sup>1</sup>

Group [in NOK million] as of	31 March 2021	Retail Market	Corporate Market	SB1 Markets	Eiendoms- megler 1 Midt- Norge	SB 1 Finans Midt- Norge	SB 1 Regnskaps- huset SMN	SB 1 Gruppen	BN Bank	Un- collated <sup>2</sup>	Total
Net interest		337	270	-5	0	113	0	0	0	-47	668
Allocated		9	3	0	0	0	0	0	0	-12	0
<b>Total interest income</b>		<b>346</b>	<b>273</b>	<b>-5</b>	<b>0</b>	<b>113</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-59</b>	<b>668</b>
Commission income and other income		149	59	321	103	-22	155	0	0	42	808
Net profit on financial investments		0	5	37	10	0	0	67	40	130	289
<b>Total income</b>		<b>496</b>	<b>337</b>	<b>353</b>	<b>114</b>	<b>91</b>	<b>155</b>	<b>67</b>	<b>40</b>	<b>114</b>	<b>1,766</b>
<b>Total operating expenses</b>		<b>228</b>	<b>107</b>	<b>227</b>	<b>93</b>	<b>29</b>	<b>128</b>	<b>0</b>	<b>0</b>	<b>-6</b>	<b>806</b>
<b>Ordinary operating profit</b>		<b>268</b>	<b>230</b>	<b>125</b>	<b>21</b>	<b>62</b>	<b>27</b>	<b>67</b>	<b>40</b>	<b>119</b>	<b>960</b>
Loss on loans, guarantees etc.		-12	62	0	0	7	0	0	0	1	59
<b>Result before tax</b>		<b>280</b>	<b>167</b>	<b>125</b>	<b>21</b>	<b>55</b>	<b>27</b>	<b>67</b>	<b>40</b>	<b>118</b>	<b>901</b>
Post-tax return on equity <sup>3</sup>		<b>12.5 %</b>	<b>9.6 %</b>								<b>14.8 %</b>

### Main balance sheet items

Loans and advances to customers	130,296	46,190	0	0	9,678	0	0	0	-821	185,342
adv. of this to Boligkreditt and Næringskreditt	-46,611	-1,360	0	0	0	0	0	0	100	-47,871
Loss on loans	-130	-1,351	0	0	-69	0	0	0	-3	-1,553
Other assets	119	12,286	3,112	376	76	553	2,230	1,554	37,598	57,903
<b>Total assets</b>	<b>83,674</b>	<b>55,765</b>	<b>3,112</b>	<b>376</b>	<b>9,685</b>	<b>553</b>	<b>2,230</b>	<b>1,554</b>	<b>36,874</b>	<b>193,822</b>
Deposits to customers	48,439	53,200	0	0	0	0	0	0	751	102,390
Other liabilities and equity	35,235	2,565	3,112	376	9,685	553	2,230	1,554	36,123	91,432
<b>Total liabilities</b>	<b>83,674</b>	<b>55,765</b>	<b>3,112</b>	<b>376</b>	<b>9,685</b>	<b>553</b>	<b>2,230</b>	<b>1,554</b>	<b>36,874</b>	<b>193,822</b>

<sup>1</sup>For the subsidiaries the figures refer to the respective company accounts, while for joint ventures incorporated by the equity method the Group's profit share is stated, after tax, as well as book value of the investment at group level.

<sup>2</sup>Uncollated consist of, among other things, return on financial investments in parent bank, net profit on the bank's funding activities and gain on the establishment of Fremtind.

<sup>3</sup>Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 15.4 percent to be in line with the capital plan.

### Development in interest income, Retail Market and Corporate Market

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Retail	337	289	285	237	301	298	301	283	278
Corporate	270	258	268	289	271	267	253	256	247
<b>Net interest income</b>	<b>607</b>	<b>547</b>	<b>553</b>	<b>526</b>	<b>571</b>	<b>566</b>	<b>554</b>	<b>539</b>	<b>526</b>

## Development in margin<sup>1</sup>, Retail Market and Corporate Market

Quarterly figures [percentage]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
<b>Lending</b>									
Retail	1.59	1.73	1.87	1.99	1.63	1.40	1.49	1.50	1.60
Corporate	2.68	2.64	2.85	3.10	2.69	2.52	2.53	2.56	2.69
<b>Total</b>	<b>1.84</b>	<b>1.93</b>	<b>2.09</b>	<b>2.24</b>	<b>1.86</b>	<b>1.64</b>	<b>1.71</b>	<b>1.73</b>	<b>1.84</b>

Quarterly figures [percentage]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
<b>Deposits</b>									
Retail	0.08	-0.01	-0.19	-0.47	0.50	0.75	0.66	0.59	0.46
Corporate	-0.29	-0.21	-0.24	-0.26	0.04	0.13	0.08	0.02	0.02
<b>Total</b>	<b>-0.05</b>	<b>-0.11</b>	<b>-0.21</b>	<b>-0.37</b>	<b>0.27</b>	<b>0.43</b>	<b>0.36</b>	<b>0.29</b>	<b>0.24</b>

<sup>1</sup>Definition margin: Average customer interest minus 3 months average Nibor

## Development in volume, Retail Market and Corporate Market

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
<b>Lending<sup>2</sup></b>									
Retail	130,296	129,149	126,939	124,165	121,269	119,381	116,882	115,289	113,040
Corporate	46,190	44,845	43,700	42,366	41,174	40,162	40,502	38,422	38,881
<b>Total</b>	<b>176,486</b>	<b>173,994</b>	<b>170,639</b>	<b>166,531</b>	<b>162,443</b>	<b>159,543</b>	<b>157,384</b>	<b>153,711</b>	<b>151,921</b>

<sup>2</sup>Gross loans to customers includes SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
<b>Deposits</b>									
Retail	48,439	47,478	47,574	48,103	43,961	41,639	41,674	42,795	40,734
Corporate	53,200	49,420	46,404	44,715	42,710	42,756	40,542	42,374	39,471
<b>Total</b>	<b>101,639</b>	<b>96,898</b>	<b>93,978</b>	<b>92,818</b>	<b>86,670</b>	<b>84,395</b>	<b>82,216</b>	<b>85,169</b>	<b>80,206</b>

## Development in commission income, Retail Market and Corporate Market

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Retail	150	256	240	173	196	208	212	197	188
Corporate	64	48	56	63	65	60	52	49	57
<b>Total</b>	<b>214</b>	<b>304</b>	<b>296</b>	<b>236</b>	<b>261</b>	<b>269</b>	<b>263</b>	<b>246</b>	<b>244</b>

## 2.2 Retail market

### Business description

	31 Mar 2021
<b>Facts about the business area</b>	
Lending volume	130,296
Deposits volume	48,439
No. of active customers	245,579
FTEs	363

### Financial performance

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Net interest income lending	238	197	201	140	140	136	150	147	156
Net interest income deposits	98	85	78	92	153	157	148	134	123
Net interest income allocated capital	10	5	26	36	61	64	53	53	52
<b>Total interest income</b>	<b>346</b>	<b>287</b>	<b>304</b>	<b>268</b>	<b>354</b>	<b>357</b>	<b>351</b>	<b>334</b>	<b>330</b>
Net guarantee commission, incl BK, NK	50	143	138	72	100	102	102	99	94
Net commission of savings products	16	27	23	19	14	22	21	14	14
Net commission insurance services	45	44	43	41	40	40	40	39	38
Net commission payment trans. services	39	41	36	41	44	44	48	45	42
Other commission income	0	0	1	0	0	0	1	0	0
<b>Net fee and commission income</b>	<b>149</b>	<b>255</b>	<b>241</b>	<b>173</b>	<b>198</b>	<b>208</b>	<b>212</b>	<b>197</b>	<b>188</b>
Net profit on financial investments	0	1	-1	0	-2	0	0	0	0
<b>Total income</b>	<b>496</b>	<b>543</b>	<b>544</b>	<b>441</b>	<b>550</b>	<b>565</b>	<b>563</b>	<b>532</b>	<b>518</b>
<b>Total operating expenses<sup>1</sup></b>	<b>228</b>	<b>225</b>	<b>233</b>	<b>225</b>	<b>246</b>	<b>221</b>	<b>222</b>	<b>215</b>	<b>217</b>
<b>Result before losses</b>	<b>268</b>	<b>318</b>	<b>311</b>	<b>217</b>	<b>304</b>	<b>344</b>	<b>341</b>	<b>317</b>	<b>301</b>
Loss on loans, guarantees etc.	-12	-2	16	-2	44	9	11	6	6
<b>Result before tax</b>	<b>280</b>	<b>320</b>	<b>295</b>	<b>218</b>	<b>260</b>	<b>335</b>	<b>330</b>	<b>311</b>	<b>295</b>

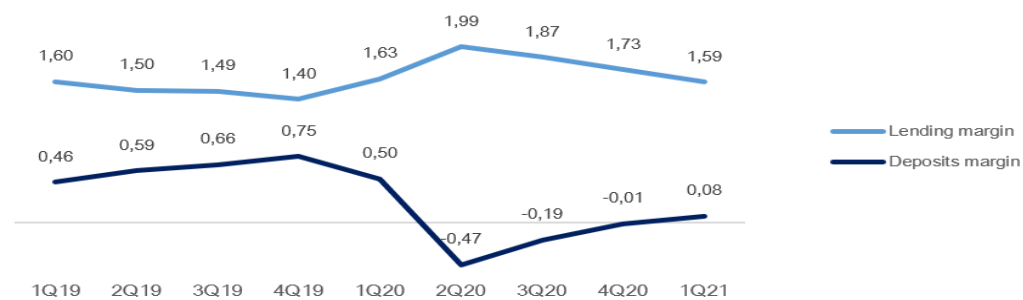
Five years [NOK million]	YTD	31 Dec	31 Dec	31 Dec	31 Dec
	2021	2020	2019	2018	2017
Net interest income lending	238	677	589	624	572
Net interest income deposits	98	408	561	419	411
Net interest income allocated capital	10	128	221	190	154
<b>Total interest income</b>	<b>346</b>	<b>1,213</b>	<b>1,372</b>	<b>1,234</b>	<b>1,137</b>
Net guarantee commission, incl BK, NK	50	453	397	394	392
Net commission of savings products	16	83	70	75	70
Net commission insurance services	45	168	158	151	151
Net commission payment trans. services	39	161	179	172	175
Other commission income	0	1	1	1	1
<b>Net fee and commission income</b>	<b>149</b>	<b>867</b>	<b>805</b>	<b>793</b>	<b>789</b>
Net profit on financial investments	0	-2	0	0	0
<b>Total income</b>	<b>496</b>	<b>2,078</b>	<b>2,177</b>	<b>2,027</b>	<b>1,926</b>
<b>Total operating expenses<sup>1</sup></b>	<b>228</b>	<b>929</b>	<b>875</b>	<b>804</b>	<b>794</b>
<b>Result before losses</b>	<b>268</b>	<b>1,149</b>	<b>1,302</b>	<b>1,223</b>	<b>1,132</b>
Loss on loans, guarantees etc.	-12	56	32	17	5
<b>Result before tax</b>	<b>280</b>	<b>1,093</b>	<b>1,270</b>	<b>1,206</b>	<b>1,127</b>
<b>Post-tax return on equity (annualized)<sup>2</sup></b>	<b>12.5 %</b>	<b>13.4 %</b>	<b>13.1 %</b>	<b>13.2 %</b>	<b>16.6 %</b>

<sup>1</sup> Includes both direct and distributed expenses

<sup>2</sup> Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 15.4 percent to be in line with the capital plan.

## Margin development

Definition of margin: average customer interest rate minus 3 months nibor



## 2.3 Corporate market

### Business description

	31 Mar
<b>Facts about the business area</b>	<b>2021</b>
Lending volume	46,190
Deposits volume	53,200
No. of active customers	16,051
FTEs	157

### Financial performance

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Net interest income lending	212	206	210	184	170	176	174	185	179
Net interest income deposits	53	45	52	94	87	75	70	64	62
Net interest income allocated capital	9	1	15	34	52	55	44	44	42
<b>Total interest income</b>	<b>273</b>	<b>253</b>	<b>277</b>	<b>311</b>	<b>308</b>	<b>307</b>	<b>288</b>	<b>293</b>	<b>284</b>
Net guarantee commission, incl BK, NK	21	13	20	20	19	21	18	17	20
Net commission of savings products	0	0	0	1	0	0	-2	2	2
Net commission insurance services	7	7	7	6	7	6	6	6	6
Net commission payment trans. services	28	24	25	25	27	28	24	20	25
Other commission income	3	2	1	7	2	2	2	0	2
<b>Net fee and commission income</b>	<b>59</b>	<b>45</b>	<b>53</b>	<b>59</b>	<b>54</b>	<b>57</b>	<b>48</b>	<b>45</b>	<b>55</b>
Net profit on financial investments	5	3	3	4	10	3	3	4	2
<b>Total income</b>	<b>337</b>	<b>301</b>	<b>332</b>	<b>374</b>	<b>373</b>	<b>367</b>	<b>340</b>	<b>341</b>	<b>340</b>
<b>Total operating expenses<sup>1</sup></b>	<b>107</b>	<b>101</b>	<b>104</b>	<b>105</b>	<b>113</b>	<b>103</b>	<b>100</b>	<b>103</b>	<b>104</b>
<b>Result before losses</b>	<b>230</b>	<b>201</b>	<b>228</b>	<b>269</b>	<b>261</b>	<b>264</b>	<b>239</b>	<b>239</b>	<b>236</b>
Loss on loans, guarantees etc.	62	232	204	153	258	73	46	40	53
<b>Result before tax</b>	<b>167</b>	<b>-31</b>	<b>25</b>	<b>116</b>	<b>3</b>	<b>190</b>	<b>193</b>	<b>199</b>	<b>183</b>

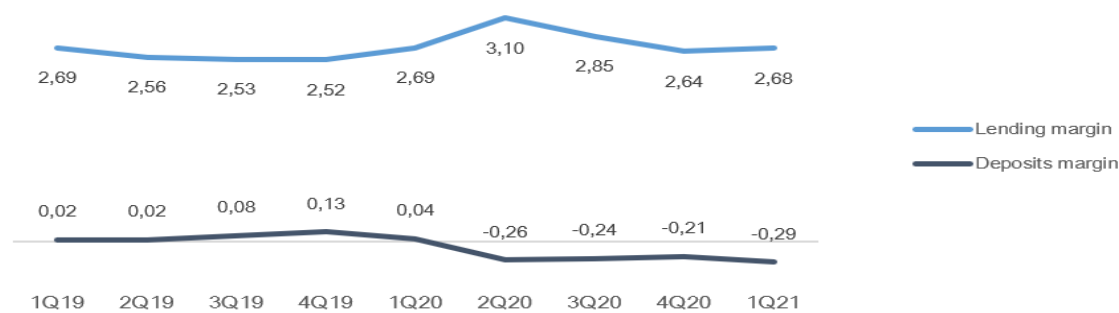
Five years [NOK million]	YTD	31 Dec	31 Dec	31 Dec	31 Dec
	2021	2020	2019	2018	2017
Net interest income lending	212	769	715	712	677
Net interest income deposits	53	277	271	241	274
Net interest income allocated capital	9	102	185	157	157
<b>Total interest income</b>	<b>273</b>	<b>1,149</b>	<b>1,171</b>	<b>1,110</b>	<b>1,108</b>
Net guarantee commission, incl BK, NK	21	72	76	81	86
Net commission of savings products	0	1	2	2	2
Net commission insurance services	7	26	25	23	21
Net commission payment trans. services	28	101	97	92	86
Other commission income	3	11	5	4	3
<b>Net fee and commission income</b>	<b>59</b>	<b>211</b>	<b>205</b>	<b>202</b>	<b>199</b>
Net profit on financial investments	5	21	12	17	9
<b>Total income</b>	<b>337</b>	<b>1,381</b>	<b>1,388</b>	<b>1,329</b>	<b>1,315</b>
<b>Total operating expenses<sup>1</sup></b>	<b>107</b>	<b>422</b>	<b>410</b>	<b>373</b>	<b>365</b>
<b>Result before losses</b>	<b>230</b>	<b>959</b>	<b>978</b>	<b>956</b>	<b>950</b>
Loss on loans, guarantees etc.	62	846	213	212	318
<b>Result before tax</b>	<b>167</b>	<b>113</b>	<b>765</b>	<b>744</b>	<b>632</b>
<b>Post-tax return on equity (annualized)<sup>2</sup></b>	<b>9.6 %</b>	<b>2.1 %</b>	<b>11.7 %</b>	<b>11.3 %</b>	<b>10.5 %</b>

<sup>1</sup> Includes both direct and distributed expenses

<sup>2</sup> Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 15.4 percent to be in line with the capital plan.

## Margin development

Definition of margin: average customer interest rate minus 3 months nibor



## 2.4 Subsidiaries

### EiendomsMegler 1 Midt-Norge AS

Ownership 87.0 %

EiendomsMegler 1 Midt-Norge is a real estate agency, and has a solid market- leader position in the region. The company has specialized operations, which include separate units for project and commercial real estate broking.

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Net interest income	0	1	1	0	0	0	0	0	0
Commission income and other income	114	93	111	105	83	122	142	115	84
<b>Total income</b>	<b>114</b>	<b>94</b>	<b>113</b>	<b>105</b>	<b>83</b>	<b>122</b>	<b>141</b>	<b>115</b>	<b>84</b>
<b>Total operating expenses</b>	<b>93</b>	<b>91</b>	<b>92</b>	<b>75</b>	<b>83</b>	<b>128</b>	<b>148</b>	<b>91</b>	<b>93</b>
<b>Result before tax</b>	<b>21</b>	<b>3</b>	<b>20</b>	<b>30</b>	<b>0</b>	<b>-6</b>	<b>-7</b>	<b>23</b>	<b>-9</b>

Five years [NOK million]	YTD 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Net interest income	0	2	-1	-1	3
Commission income and other income	114	392	463	497	473
<b>Total income</b>	<b>114</b>	<b>394</b>	<b>462</b>	<b>496</b>	<b>477</b>
<b>Total operating expenses</b>	<b>93</b>	<b>342</b>	<b>461</b>	<b>519</b>	<b>474</b>
<b>Result before tax</b>	<b>21</b>	<b>52</b>	<b>1</b>	<b>-23</b>	<b>3</b>

## SpareBank 1 Finans Midt- Norge AS

Ownership 61.2 %

SpareBank 1 Finans Midt-Norge offers car loans and leasing to corporates and private individuals, and invoice purchases from small businesses. The company services the market through its own sales operation and through the Bank's offices and other partners. SpareBank 1 Finans Midt-Norge merged with Spire Finans in the first quarter.

The company is owned by SpareBank 1 SMN and other Sparebanker in the SpareBank 1 Alliance. This owning structure has contributed to a dispersed presence across Mid- and South Norway

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Net interest income	113	100	100	90	82	82	79	76	75
Net commission income	-22	-7	-7	-4	-6	-5	-7	-6	-7
<b>Total income</b>	<b>91</b>	<b>94</b>	<b>93</b>	<b>86</b>	<b>76</b>	<b>77</b>	<b>72</b>	<b>70</b>	<b>69</b>
<b>Total operating expenses</b>	<b>29</b>	<b>18</b>	<b>23</b>	<b>20</b>	<b>24</b>	<b>23</b>	<b>19</b>	<b>22</b>	<b>22</b>
<b>Ordinary operating profit</b>	<b>62</b>	<b>75</b>	<b>71</b>	<b>66</b>	<b>52</b>	<b>54</b>	<b>53</b>	<b>48</b>	<b>47</b>
Loss on loans, guarantees etc.	7	13	12	20	5	19	12	13	8
<b>Result before tax</b>	<b>55</b>	<b>63</b>	<b>59</b>	<b>46</b>	<b>47</b>	<b>35</b>	<b>41</b>	<b>35</b>	<b>40</b>

Five years [NOK million]	YTD 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Net interest income	113	371	313	275	228
Net commission income	-22	-22	-26	-19	-15
<b>Total income</b>	<b>91</b>	<b>349</b>	<b>287</b>	<b>256</b>	<b>213</b>
<b>Total operating expenses</b>	<b>29</b>	<b>86</b>	<b>85</b>	<b>73</b>	<b>67</b>
<b>Ordinary operating profit</b>	<b>62</b>	<b>263</b>	<b>202</b>	<b>182</b>	<b>146</b>
Loss on loans, guarantees etc.	7	49	52	34	18
<b>Result before tax</b>	<b>55</b>	<b>214</b>	<b>150</b>	<b>149</b>	<b>128</b>



## SpareBank 1 Regnskapshuset SMN AS

Ownership 88.7 %

SpareBank 1 Regnskapshuset SMN is an accountancy business within the SMB segment. SpareBank 1 Regnskapshuset intends to be one of Norway's leading actors in the accounting industry by building up a national accounting enterprise based on regional ownership, strong links to the owner banks and closeness to the market.

The strategy of growth through acquisitions represents a consolidation of a fragmented accounting industry. SpareBank 1 Regnskapshuset SMN has shown strong growth the past five years.

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Net interest income	0	0	1	0	0	0	0	0	0
Commission income and other income	155	118	111	147	156	111	100	151	140
<b>Total income</b>	<b>155</b>	<b>118</b>	<b>112</b>	<b>147</b>	<b>156</b>	<b>112</b>	<b>100</b>	<b>151</b>	<b>140</b>
<b>Total operating expenses</b>	<b>128</b>	<b>96</b>	<b>91</b>	<b>108</b>	<b>129</b>	<b>85</b>	<b>80</b>	<b>110</b>	<b>119</b>
<b>Result before tax</b>	<b>27</b>	<b>22</b>	<b>21</b>	<b>40</b>	<b>27</b>	<b>27</b>	<b>20</b>	<b>41</b>	<b>21</b>

Five years [NOK million]	YTD 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Net interest income	0	1	0	0	-1
Commission income and other income	155	533	502	444	377
<b>Total income</b>	<b>155</b>	<b>533</b>	<b>502</b>	<b>444</b>	<b>376</b>
<b>Total operating expenses</b>	<b>128</b>	<b>423</b>	<b>394</b>	<b>373</b>	<b>315</b>
<b>Result before tax</b>	<b>27</b>	<b>110</b>	<b>108</b>	<b>71</b>	<b>61</b>

## SpareBank 1 Markets AS

Ownership 66.7 %

SpareBank 1 Markets AS is a Norwegian investment bank within the SpareBank 1 Alliance. The company provides research, financial advice, capital raising and stockbroking services, debt and fixed income products. Through the collaboration with the SpareBank 1 Alliance, SpareBank 1 Markets can offer a complete national capital structure service, and cover all customer segments, from retail clients and small and medium- sized businesses to large listed companies and institutional investors. The company is headquartered in Oslo and has offices in Trondheim and Ålesund.

Quarterly figures [NOK million]	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Net interest income	-5	-3	-7	-1	-2	-3	-4	-5	-4
Equities/ High Yield	169	92	70	71	39	56	27	49	51
Fixed Income	11	11	8	49	-21	11	8	12	12
Corporate	118	156	60	62	25	46	61	64	43
Foreign exchange/ interest rate derivatives	37	28	23	40	45	28	31	37	21
Asset Management	18	20	13	13	12	20	12	12	11
Other commission income	5	2	3	4	4	1	3	2	6
<b>Total income</b>	<b>353</b>	<b>305</b>	<b>170</b>	<b>238</b>	<b>103</b>	<b>157</b>	<b>139</b>	<b>172</b>	<b>140</b>
<b>Total operating expenses</b>	<b>227</b>	<b>216</b>	<b>135</b>	<b>168</b>	<b>118</b>	<b>153</b>	<b>129</b>	<b>146</b>	<b>138</b>
<b>Ordinary operating profit</b>	<b>125</b>	<b>90</b>	<b>35</b>	<b>71</b>	<b>-15</b>	<b>4</b>	<b>11</b>	<b>26</b>	<b>2</b>
Loss on loans, guarantees etc.	0	0	0	0	0	0	0	0	0
<b>Result before tax</b>	<b>125</b>	<b>90</b>	<b>35</b>	<b>71</b>	<b>-15</b>	<b>4</b>	<b>11</b>	<b>26</b>	<b>2</b>

Five years [NOK million]	YTD	31 Dec	31 Dec	31 Dec	31 Dec
	2021	2020	2019	2018	2017
Net interest income	-5	-14	-17	-14	-15
Equities/ High Yield	169	273	184	195	152
Fixed Income	11	47	44	40	41
Corporate	118	303	214	183	112
Foreign exchange/ interest rate derivatives	37	137	117	105	82
Asset Management	18	57	56	32	53
Other commission income	5	14	13	10	11
<b>Total income</b>	<b>353</b>	<b>816</b>	<b>609</b>	<b>551</b>	<b>437</b>
<b>Total operating expenses</b>	<b>227</b>	<b>637</b>	<b>566</b>	<b>536</b>	<b>435</b>
<b>Ordinary operating profit</b>	<b>125</b>	<b>179</b>	<b>43</b>	<b>15</b>	<b>2</b>
Loss on loans, guarantees etc.	0	0	0	0	0
<b>Result before tax</b>	<b>125</b>	<b>179</b>	<b>43</b>	<b>15</b>	<b>2</b>

## Other subsidiaries

---

### **Sparebank 1 SMN Invest**

The company's strategy is to carry out investments in regional start-ups, venture and private equity funds and to invest directly in growth companies with national/ international market

### **Property companies**

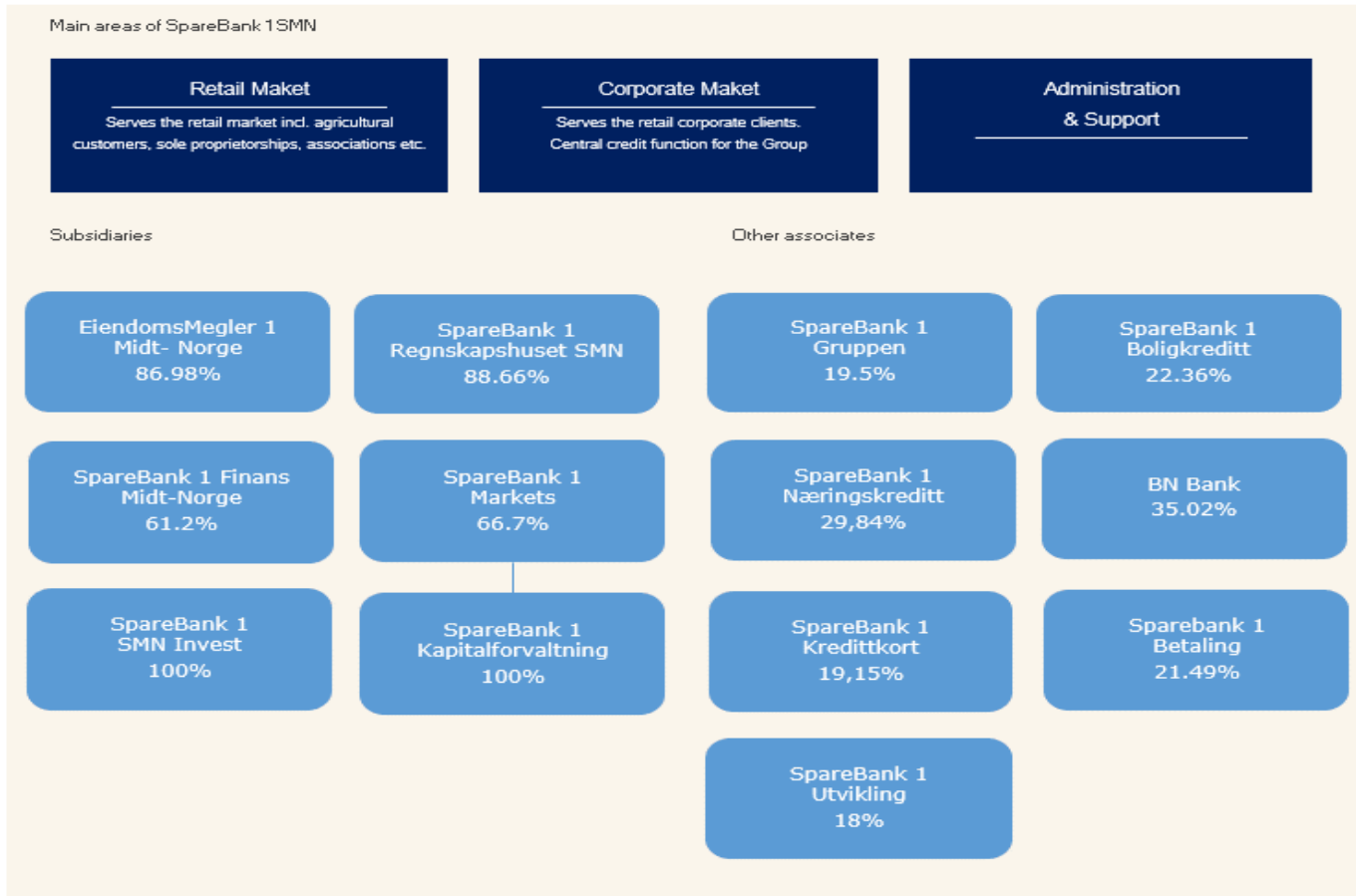
Their mission is to own, operate and develop property. Property companies: SpareBank 1 SMN Kvartalet, SpareBank 1 Bygget Steinkjer, St Olavs Plass 1 SMN

# 3 Appendix

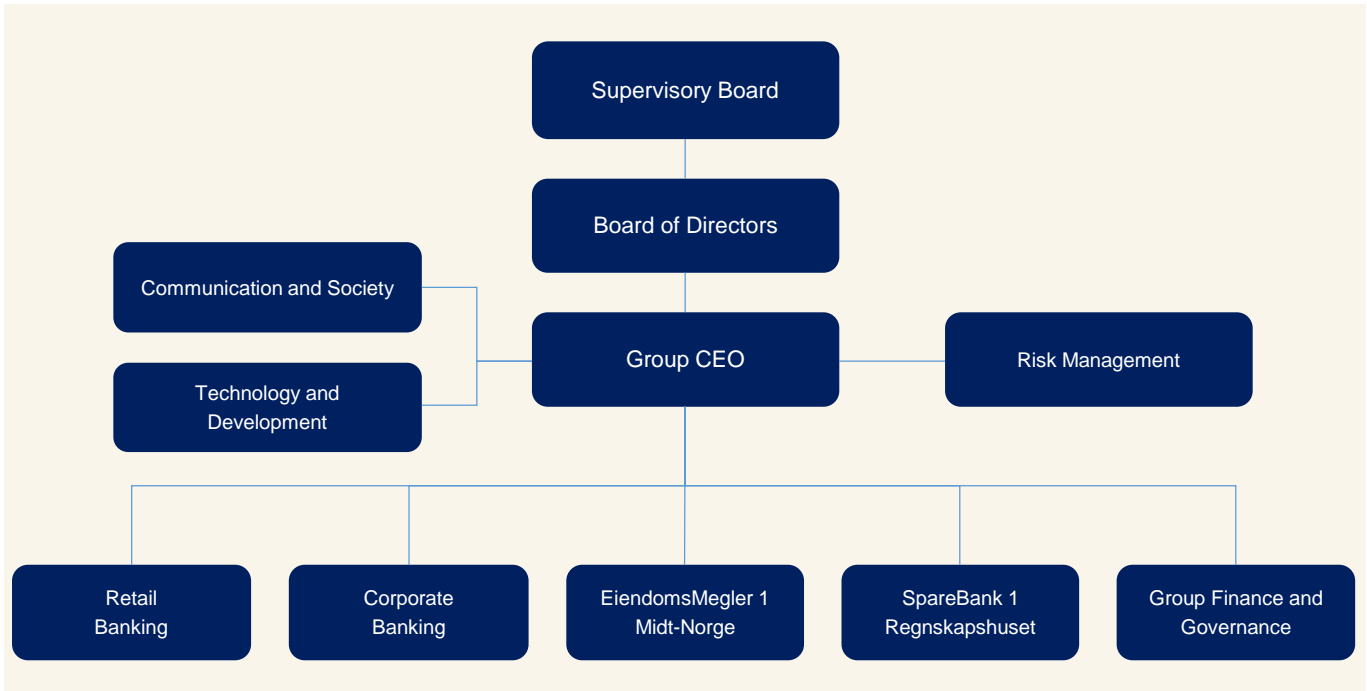
## A1 Business description

SpareBank 1 SMN is the region's leading financial services group and one of six owners of the SpareBank 1 Alliance. Its head office is in Trondheim. SpareBank 1 SMN is a regional independent savings bank with a local footing. Through the SpareBank 1 Alliance and its own subsidiaries, SpareBank 1 SMN has secured access to competitive products in the fields of financing, savings and investment, insurance and payment services. The bank is organised under the following structure:

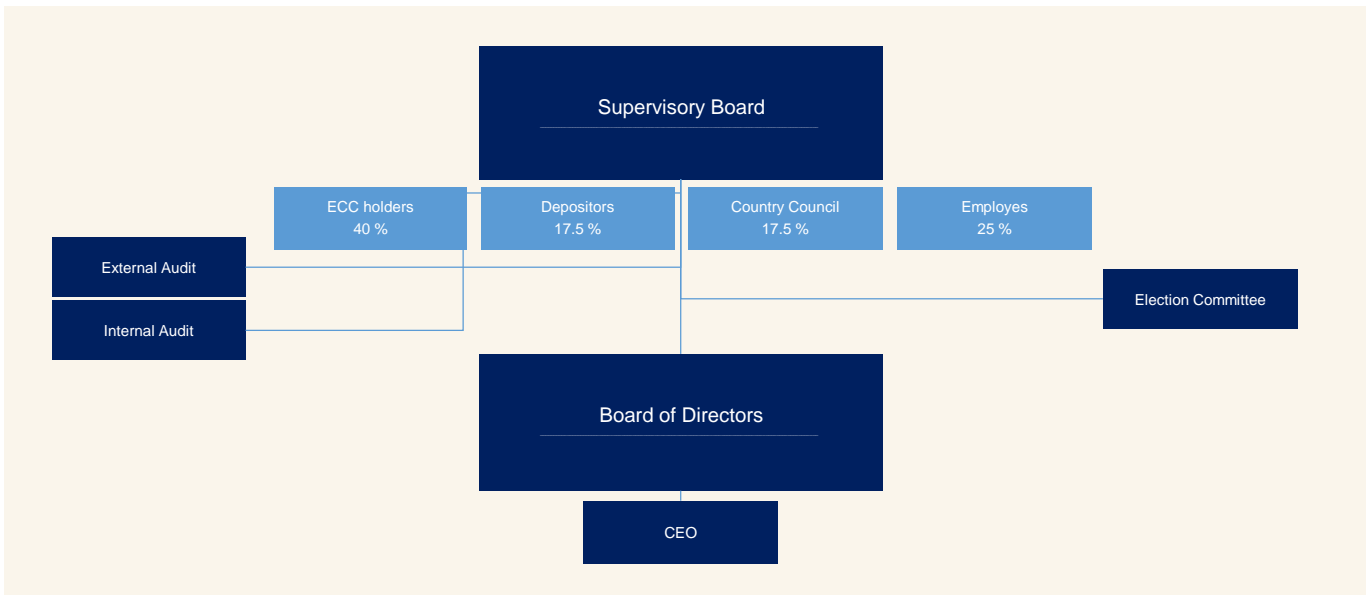
### Financial Group SpareBank 1 SMN



Organisation of SpareBank 1 SMN

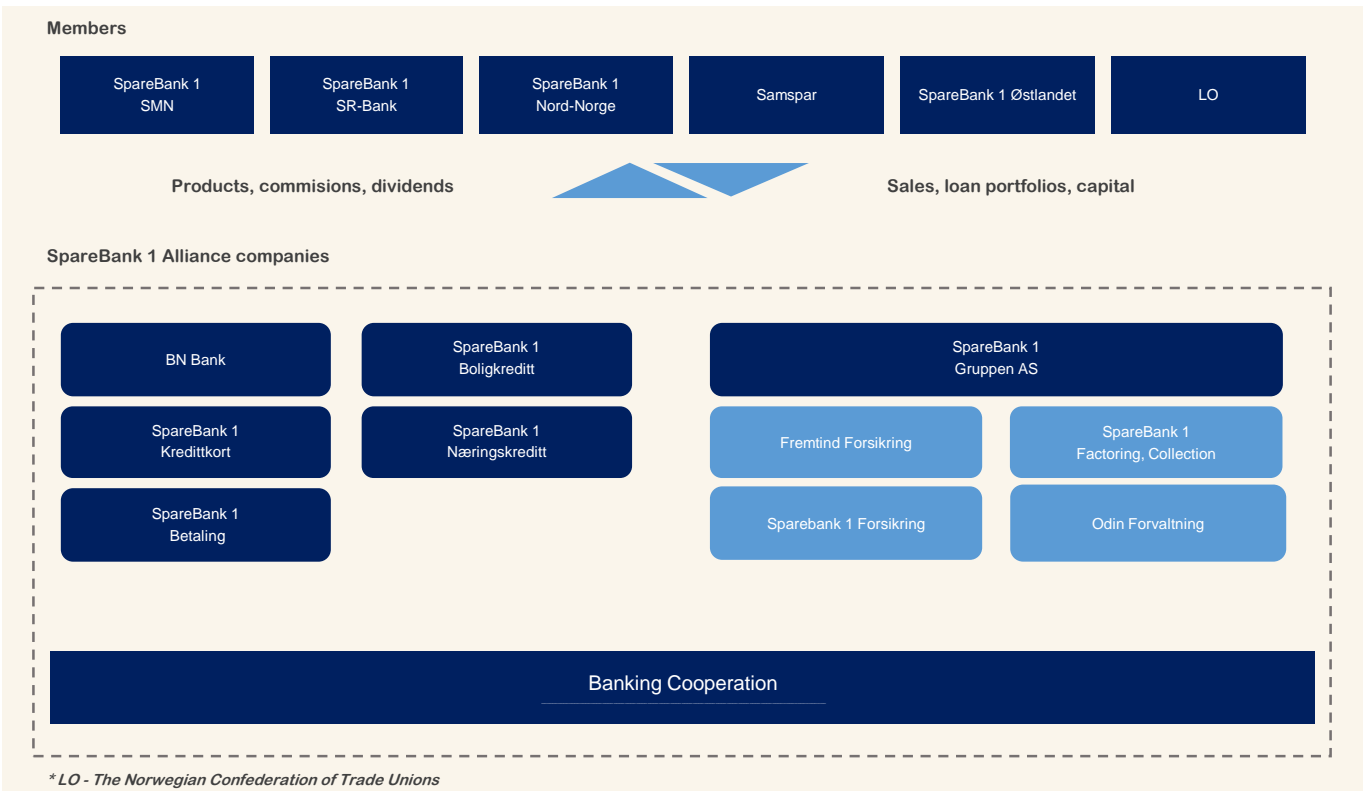


Overview of governing and control bodies



## SpareBank 1 Alliance

SpareBank 1 SMN was one of the founding partners of the SpareBank 1 Alliance in 1996. The Alliance consists of closely cooperating saving banks, all of them being independent and locally anchored banks. The purpose of the SpareBank1 Alliance is for members to develop, procure and supply competitive financial services and products and to exploit economies of scale. The Alliance canalize a lot of its mutual interests through SpareBank1 Gruppen AS, a holding company of life and non-life insurance, mutual funds, a broker-dealer and other companies. The Alliance is the 2nd largest Norwegian financial group with wide distribution all over Norway.



## A2 20 largest ECC holders

Owner	Number	Ownership in %
State Street Bank and Trust Comp	4,245,154	3.27%
Sparebankstiftelsen SMN	3,965,391	3.05%
VPF Odin Norge	3,342,919	2.57%
VPF Alfred Berg Gambak	2,889,914	2.23%
Danske Invest Norske aksjer institusjon II.	2,863,847	2.21%
VPF Nordea Norge	2,739,844	2.11%
VPF Pareto Aksje Norge	2,569,766	1.98%
State Street Bank and Trust Comp	2,112,844	1.63%
J. P. Morgan Chase Bank, N.A., London	2,038,996	1.57%
Forsvarets personellservice	1,942,946	1.50%
Morgan Stanley & Co. International	1,940,689	1.49%
VPF Eika Egenkapitalbevis	1,935,968	1.49%
Pareto Invest AS	1,811,807	1.40%
J. P. Morgan Bank Luxembourg S.A.	1,564,474	1.20%
J. P. Morgan Bank Luxembourg S.A.	1,521,185	1.17%
VPF Nordea kapital	1,390,601	1.07%
MP pensjon PK	1,352,771	1.04%
J. P. Morgan Bank Luxembourg S.A.	1,329,700	1.02%
VPF Nordea avkastning	1,249,111	0.96%
Danske Invest Norske aksjer institusjon	1,244,975	0.96%
<b>Total 20 largest shareholders</b>	<b>44,052,902</b>	<b>33.93%</b>
<b>Others</b>	<b>85,783,541</b>	<b>66.07%</b>
<b>Total</b>	<b>129,836,443</b>	<b>100%</b>

## A3 ECC capital history

Year	Change	Change in ECC capital	Total ECC capital	No. of ECC's
1991	Placing	525	525	5,250,000
1992	Placing	75	600	6,000,000
2000	Employee placing	5	605	6,053,099
2001	Employee placing	5	610	6,099,432
2002	Employee placing	5	614	6,148,060
2004	Bonus Issue	154	768	7,685,075
2005	Placing	217	986	9,859,317
2005	Employee placing	24	1,009	10,097,817
2005	Split	-	1,009	40,391,268
2005	Bonus Issue	253	1,262	50,489,085
2007	Dividend Issue	82	1,344	53,752,203
2007	Employee placing	5	1,349	53,976,003
2008	Dividend Issue	91	1,440	57,603,748
2008	Employee placing	6	1,447	57,861,806
2009	Bonus Issue	289	1,736	69,434,167
2010	Placing	624	2,360	94,397,474
2010	Employee placing	13	2,373	94,905,286
2011	Issue	1	2,373	94,930,286
2012	Placing	95	2,468	123,407,456
2012	Employee placing	16	2,484	124,218,466
2012	Private placement	112	2,597	129,836,443

## A4 CAD - methods for calculating minimum requirements

	Portfolio	Regulatory method
Credit risk	States - parent bank	Standardized approach
	Institutions - parent bank	Standardized approach
	Housing cooperatives, clubs and associations - parent bank	Standardized approach
	Enterprises - parent bank	Advanced IRB approach
	Mass market - parent bank	IRB - mass market (advanced)
	SpareBank 1 Finans Midt-Norge AS	Standardized approach
	SpareBank 1 SMN Invest	Standardized approach
	Mass market - SpareBank 1 Boligkreditt AS	IRB - mass market (advanced)
	Enterprises - SpareBank 1 Næringskreditt AS	Standardized approach
	Enterprises - BN Bank AS	Advanced IRB approach
	Mass market - BN Bank AS	IRB - mass market (advanced)
Market risk	Equity risk - parent bank	Standardized approach
	Debt risk - parent bank	Standardized approach
	Currency risk - parent bank	Standardized approach
	Subsidiaries and part-owned companies	Standardized approach
Operational risk	SpareBank 1 SMN (parent bank)	Standardized approach
	Subsidiaries and part-owned companies	Basic Indicator Approach