

Note 7 - Losses

Parent Bank (NOKm)	1 Jan 21	Change in provision	Net write-offs /recoveries	30 June 21
Loans as amortised cost- CM	1,377	77	-10	1,445
Loans as amortised cost- RM	35	3	-8	30
Loans at fair value over OCI- RM	147	-14	-	132
Loans at fair value over OCI- CM	0	0	-	1
Provision for expected credit losses on loans and guarantees	1,559	66	-17	1,608
Presented as				
Provision for loan losses	1,446	66	-17	1,495
Other debt- provisions	81	1	-	81
Other comprehensive income - fair value adjustment	32	-0	-	32

Parent Bank (NOKm)	1 January 2020	Change in provision	Net write-offs/ recoveries	30 June 2020
Loans as amortised cost- CM	916	371	-114	1,173
Loans as amortised cost- RM	34	11	-7	39
Loans at fair value over OCI- RM	109	30	-	139
Loans at fair value over OCI- CM	1	-1	-	1
Provision for expected credit losses on loans and guarantees	1,060	412	-121	1,352
Presented as				
Provision for loan losses	937	387	-121	1,203
Other debt- provisions	100	20	-	120
Other comprehensive income - fair value adjustment	23	6	-	29

Parent Bank (NOKm)	1 Jan 20	Change in provision	Net write-offs /recoveries	31 Dec 20
Loans as amortised cost- CM	916	667	-206	1,377
Loans as amortised cost- RM	34	12	-11	35
Loans at fair value over OCI- RM	109	38	-	147
Loans at fair value over OCI- CM	1	-1	-	0
Provision for expected credit losses on loans and guarantees	1,060	715	-217	1,559
Presented as				
Provision for loan losses	937	725	-217	1,446
Other debt- provisions	100	-19	-	81
Other comprehensive income - fair value adjustment	23	9	-	32

Group (NOKm)	1 Jan 21	Change in provision	Net write-offs / recoveries	30 June 21
Loans as amortised cost- CM	1,421	78	-11	1,488
Loans as amortised cost- RM	62	-6	-8	48
Loans at fair value over OCI- RM	147	-14	-	132
Loans at fair value over OCI- CM	0	0	-	1
Provision for expected credit losses on loans and guarantees	1,630	57	-18	1,669
Presented as				
Provision for loan losses	1,517	57	-18	1,555
Other debt- provisions	81	1	-	81
Other comprehensive income - fair value adjustment	32	-0	-	32

Group (NOKm)	1 January 2020	Change in provision	Net write-offs/ recoveries	30 June 2020
Loans as amortised cost- CM	948	381	-117	1,211
Loans as amortised cost- RM	63	8	-7	64
Loans at fair value over OCI- RM	109	30	-	139
Loans at fair value over OCI- CM	1	-0	-	1
Provision for expected credit losses on loans and guarantees	1,121	418	-124	1,415
Presented as				
Provision for loan losses	998	393	-124	1,267
Other debt- provisions	100	20	-	119
Other comprehensive income - fair value adjustment	23	6	-	29

Group (NOKm)	1 Jan 20	Change in provision	Net write-offs / recoveries	31 Dec 20
Loans as amortised cost- CM	948	682	-209	1,421
Loans as amortised cost- RM	63	10	-11	62
Loans at fair value over OCI- RM	109	38	-	147
Loans at fair value over OCI- CM	1	-1	-	0
Provision for expected credit losses on loans and guarantees	1,121	729	-220	1,630
Presented as				
Provision for loan losses	998	739	-220	1,517
Other debt- provisions	100	-19	-	81
Other comprehensive income - fair value adjustment	23	9	-	32

Accrual for losses on loans

Parent Bank (NOKm)	30 June 2021				30 June 2020				31 Dec 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail market												
Opening balance	35	97	47	180	25	73	45	143	25	73	45	143
Transfer to (from) stage 1	19	-19	-0	-	14	-14	-0	-	14	-13	-0	-
Transfer to (from) stage 2	-2	2	-0	-	-2	2	-0	-	-1	2	-0	-
Transfer to (from) stage 3	-0	-4	4	-	-0	-3	3	-	-0	-3	3	-
Net remeasurement of loss allowances	-19	20	-6	-5	-16	8	6	-3	-17	12	9	5
Originations or purchases	9	5	1	15	9	5	0	14	13	13	0	26
Derecognitions	-7	-17	-2	-26	-5	-13	-1	-19	-8	-23	-2	-33
Changes due to changed input assumptions	3	6	-	9	7	39	-0	46	10	38	2	50
Actual loan losses	0	0	-8	-8	-	-	-7	-7	0	0	-11	-11
Closing balance	38	90	36	165	33	96	46	175	35	97	47	180
Corporate Market												
Opening balance	88	387	823	1,299	66	210	540	816	66	210	540	816
Transfer to (from) stage 1	9	-9	-0	-	9	-9	-0	-	14	-14	-0	-
Transfer to (from) stage 2	-2	2	-	-	-4	4	-0	-	-4	4	-0	-
Transfer to (from) stage 3	-2	-73	75	-	-0	-2	2	-	-0	-1	1	-
Net remeasurement of loss allowances	-18	5	36	24	-11	36	317	342	-2	72	486	556
Originations or purchases	19	12	112	143	22	10	1	33	45	99	1	144
Derecognitions	-10	-87	-2	-99	-17	-43	-0	-60	-30	-96	-1	-127
Changes due to changed input assumptions	1	4	-	6	7	34	-	41	-0	113	2	-
Actual loan losses	-	-	-10	-10	-	-	-114	-114	-	-	-206	-206
Closing balance	85	242	1,034	1,362	104	336	745	1,057	88	387	823	1,299
Total accrual for loan losses	123	333	1,071	1,527	137	432	792	1,232	123	484	870	1,478

Group (NOKm)	30 June 2021				30 June 2020				31 Dec 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail market												
Opening balance	42	107	58	207	32	84	56	172	32	84	56	172
Transfer to (from) stage 1	23	-23	-0	-	16	-15	-0	-0	14	-13	-0	-
Transfer to (from) stage 2	-2	3	-0	-	-2	3	-1	-	0	-0	-0	-
Transfer to (from) stage 3	-0	-5	5	-	-0	-5	5	-0	-1	-2	3	-
Net remeasurement of loss allowances	-21	21	-2	-1	-17	10	10	3	-17	11	11	5
Originations or purchases	11	6	1	18	11	5	0	16	12	15	5	31
Derecognitions	-8	-18	-2	-28	-5	-14	-8	-28	-6	-20	1	-25
Changes due to changed input assumptions	1	4	-2	3	6	37	-1	43	7	33	-6	35
Actual loan losses	-	-	-8	-8	-	-	-7	-7	-	-	-11	-11
Closing balance	46	96	49	190	40	107	54	200	42	107	58	207
Corporate Market												
Opening balance	98	399	845	1,342	71	217	560	849	71	218	560	849
Transfer to (from) stage 1	10	-10	-0	-	10	-10	-0	-	14	-14	-0	-
Transfer to (from) stage 2	-3	3	-0	-	-4	4	-0	-	-2	2	-0	-
Transfer to (from) stage 3	-2	-74	76	-	-0	-2	2	-	-1	0	1	-
Net remeasurement of loss allowances	-18	7	39	28	-9	39	318	348	-2	72	484	555
Originations or purchases	21	14	114	148	24	10	1	35	46	103	3	151
Derecognitions	-12	-90	-11	-113	-18	-43	-1	-62	-26	-93	10	-109
Changes due to changed input assumptions	0	3	-1	3	7	34	-0	41	-2	111	-4	106
Actual loan losses	-	-	-10	-10	-	-	-117	-117	-	-	-209	-209
Closing balance	94	251	1,052	1,398	81	249	763	1,093	98	399	845	1,342
Total accrual for loan losses	140	347	1,101	1,587	120	356	817	1,293	140	507	902	1,549

Accrual for losses on quarantees and unused credit lines

Parent Bank and Group (NOKm)	30 June 2021				30 June 2020				31 Dec 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	27	50	4	81	14	29	57	100	14	29	57	100
Transfer to (from) stage 1	4	-4	-0	-	-	-	-	-	2	-2	-0	-
Transfer to (from) stage 2	-6	6	-	-	2	-2	-0	-	-0	0	-0	-
Transfer to (from) stage 3	-0	-1	1	-	-0	0	-	-	-0	-0	0	-
Net remeasurement of loss allowances	-7	5	-0	-3	-0	-0	0	-	2	16	-54	-36
Originations or purchases	5	3	0	8	-1	17	-0	16	11	8	0	19
Derecognitions	-1	-3	-0	-4	4	0	0	4	-5	-13	-0	-19
Changes due to changed input assumptions	0	1	-	1	-2	-3	-0	-5	3	12	0	16
Actual loan losses	-	-	-	-	2	3	-0	5	-	-	-	-
Closing balance	22	57	3	81	18	45	57	120	27	50	4	81
Of which												
Retail market				2				3				2
Corporate Market				79				117				79

Allowance for losses on loans distributed by sector

Parent bank (NOKm)	30 June 2021				30 June 2020				31 Dec 2020			
	Stage1	Stage2	Stage3	Total	Stage1	Stage2	Stage3	Total	Stage1	Stage2	Stage3	Total
Agriculture and forestry	10	26	2	39	2	25	9	36	2	34	5	41
Fisheries and hunting	3	0	0	4	4	0	-	4	6	2	0	8
Sea farming industries	0	0	0	1	1	1	-	1	2	0	3	5
Manufacturing	6	22	13	41	5	16	3	24	8	25	2	35
Construction, power and water supply	13	8	38	59	10	9	16	35	11	27	17	55
Retail trade, hotels and restaurants	8	26	16	50	10	12	5	27	10	30	17	58
Maritime sector	14	122	717	853	11	125	564	701	10	180	614	804
Property management	18	49	34	101	17	38	37	92	20	56	38	114
Business services	10	15	207	233	9	19	133	161	12	56	142	210
Transport and other services	7	7	9	23	7	7	1	16	8	10	2	19
Public administration	0	-	-	0	-	-	-	-	-	-	-	-
Other sectors	0	1	-	1	-	-	-	-	-	-	-	-
Wage earners	2	54	34	90	-	83	23	106	2	65	31	97
Total provision for losses on loans	91	333	1,071	1,495	75	336	792	1,203	91	484	870	1,446
Loan loss allowance on loans at FVOCI	32	-	-	32	29	-	-	29	32	-	-	32
Total loan loss allowance	123	333	1,071	1,527	104	336	792	1,232	123	484	870	1,478

Group (NOKm)	30 June 2021				30 June 2020				31 Dec 2020			
	Stage1	Stage2	Stage3	Total	Stage1	Stage2	Stage3	Total	Stage1	Stage2	Stage3	Total
Agriculture and forestry	11	28	3	42	3	27	10	39	3	36	5	44
Fisheries and hunting	3	0	0	4	4	0	-	4	6	2	0	8
Sea farming industries	1	1	0	2	1	1	-	2	3	1	3	6
Manufacturing	8	23	18	49	6	19	7	32	10	27	7	44
Construction, power and water supply	16	10	41	67	12	13	17	42	13	31	20	64
Retail trade, hotels and restaurants	9	27	18	54	11	13	10	34	12	31	19	62
Maritime sector	14	122	717	853	11	125	564	701	10	180	614	804
Property management	19	50	34	102	17	38	38	93	20	56	39	115
Business services	11	17	211	239	10	20	134	164	13	57	143	213
Transport and other services	9	9	21	38	9	8	5	23	10	12	10	32
Public administration	0	-	-	0	-	-	-	-	-	-	-	-
Other sectors	0	1	-	1	-	-	-	-	-	-	2	2
Wage earners	7	60	38	105	6	92	31	129	7	73	41	122
Total provision for losses on loans	108	347	1,101	1,556	91	356	817	1,264	108	507	902	1,517
Loan loss allowance on loans at FVOCI	32	-	-	32	29	-	-	29	32	-	-	32
Total loan loss allowance	140	347	1,101	1,587	120	356	817	1,293	140	507	902	1,549