

Note 8 - Losses

Parent Bank (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	30 Jun 23
Loans as amortised cost- CM	921	32	-92	-1	861
Loans as amortised cost- RM	35	11	7	-6	47
Loans at fair value over OCI- RM	147	-	-6	-	141
Loans at fair value over OCI- CM	2	-	8	-	11
Provision for expected credit losses on loans and guarantees	1,106	43	-82	-7	1,060
Presented as					
Provision for loan losses	999	41	-75	-7	958
Other debt- provisons	67	2	-6	-	63
Other comprehensive income - fair value adjustment	40	-	-1	-	39

Parent Bank (NOKm)	1 Jan 22	Change in provision	Net write-offs /recoveries	30 Jun 22
Loans as amortised cost- CM	1,298	-75	-254	969
Loans as amortised cost- RM	31	4	-4	30
Loans at fair value over OCI- RM	128	-11	-	117
Loans at fair value over OCI- CM	1	-0	-	1
Provision for expected credit losses on loans and guarantees	1,458	-82	-258	1,117
Presented as				
Provision for loan losses	1,348	-74	-258	1,015
Other debt- provisons	79	-8	-	71
Other comprehensive income - fair value adjustment	31	-0	-	31

Parent Bank (NOKm)	1 Jan 22	Change in provision	Net write-offs /recoveries	31 Dec 22
Loans as amortised cost- CM	1,298	-98	-278	921
Loans as amortised cost- RM	31	10	-5	35
Loans at fair value over OCI- RM	128	19	-	147
Loans at fair value over OCI- CM	1	1	-	2
Provision for expected credit losses on loans and guarantees	1,458	-68	-284	1,106
Presented as				
Provision for loan losses	1,348	-65	-284	999
Other debt- provisons	79	-12	-	67
Other comprehensive income - fair value adjustment	31	9	-	40

Group (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	30 Jun 23
Loans as amortised cost- CM	976	32	-92	-1	924
Loans as amortised cost- RM	63	11	7	-6	78
Loans at fair value over OCI- RM	147	-	-6	-	141
Loans at fair value over OCI- CM	2	-	8	-	11
Provision for expected credit losses on loans and guarantees	1,188	43	-82	-7	1,154
Presented as					
Provision for loan losses	1,081	41	-75	-7	1,052
Other debt- provisons	67	2	-6	-	63
Other comprehensive income - fair value adjustment	40	-	-1	-	39

Group (NOKm)	1 Jan 22	Change in provision	Net write-offs /recoveries	30 Jun 22
Loans as amortised cost- CM	1,343	-76	-254	1,012
Loans as amortised cost- RM	49	7	-4	51
Loans at fair value over OCI- RM	128	-11	-	117
Loans at fair value over OCI- CM	1	-0	-	1
Provision for expected credit losses on loans and guarantees	1,520	-81	-259	1,181
Presented as				
Provision for loan losses	1,410	-73	-259	1,079
Other debt- provisons	79	-8	-	71
Other comprehensive income - fair value adjustment	31	-0	-	31

Group (NOKm)	1 Jan 22	Change in provision	Net write-offs /recoveries	31 Dec 22
Loans as amortised cost- CM	1,343	-88	-280	976
Loans as amortised cost- RM	49	19	-5	63
Loans at fair value over OCI- RM	128	19	-	147
Loans at fair value over OCI- CM	1	1	-	2
Provision for expected credit losses on loans and guarantees	1,520	-48	-285	1,188
Presented as				
Provision for loan losses	1,410	-45	-285	1,081
Other debt- provisons	79	-12	-	67
Other comprehensive income - fair value adjustment	31	9	-	40

Accrual for losses on loans

Parent Bank (NOKm)	30 Jun 2023				30 Jun 2022				31 Dec 2022			
	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	46	93	42	181	39	82	36	156	39	82	36	156
Transfer to (from) stage 1	21	-20	-0	-	19	-19	-0	-	18	-18	-0	-
Transfer to (from) stage 2	-3	3	-0	-	-2	2	-0	-	-2	2	-0	-
Transfer to (from) stage 3	-0	-6	6	-	-0	-5	5	-	-0	-6	6	-
Net remeasurement of loss allowances	-17	-13	-4	-34	-24	12	2	-10	-24	20	7	4
Originations or purchases	0	5	6	12	12	5	0	18	17	24	4	45
Derecognitions	-9	-17	-4	-30	-7	-14	-2	-23	-12	-24	-3	-39
Changes due to changed input assumptions	4	48	12	64	2	8	-2	8	9	13	-2	20
Actual loan losses	0	0	-6	-6	-	-	-4	-4	0	0	-5	-5
Closing balance	42	93	52	187	39	72	34	144	46	93	42	181
Corporate Market												
Opening balance	138	298	421	858	84	268	871	1,223	84	268	871	1,223
Transfer to (from) stage 1	42	-39	-3	-	27	-26	-0	-	75	-74	-1	-
Transfer to (from) stage 2	-14	21	-7	-	-4	95	-91	-	-5	97	-92	-
Transfer to (from) stage 3	-0	-3	3	-	-1	-2	3	-	-1	-3	4	-
Net remeasurement of loss allowances	15	-22	11	4	29	-0	-44	-15	-67	-35	-66	-168
Originations or purchases	6	6	18	30	33	11	5	49	49	34	4	87
Derecognitions	-27	-33	-6	-66	-10	-17	-24	-50	-33	-31	-24	-88
Changes due to changed input assumptions	17	-3	-29	-14	-52	-3	4	-50	37	41	4	83
Actual loan losses	-	-	-1	-1	-	-	-254	-254	-	-	-278	-278
Closing balance	177	225	408	810	106	326	470	902	138	298	421	858
Total accrual for loan losses	219	318	460	997	145	398	504	1,046	184	391	463	1,039

Group (NOKm)	30 Jun 2023				30 Jun 2022				31 Dec 2022			
	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	55	107	47	209	45	89	40	174	45	89	40	174
Transfer to (from) stage 1	22	-22	-0	-	20	-20	-0	-	20	-20	-0	-
Transfer to (from) stage 2	-4	4	-0	-	-2	2	-0	-	-3	3	-1	-
Transfer to (from) stage 3	-0	-7	8	-	-0	-5	5	-	-0	-7	7	-
Net remeasurement of loss allowances	-18	-8	-1	-26	-25	15	3	-6	-24	25	8	9
Originations or purchases	3	7	6	16	14	6	0	21	22	30	4	56
Derecognitions	-10	-19	-7	-36	-7	-15	-3	-25	-13	-26	-4	-43
Changes due to changed input assumptions	3	46	12	60	1	7	-3	6	8	13	-3	18
Actual loan losses	-	-	-6	-6	-	-	-4	-4	-	-	-5	-5
Closing balance	51	108	58	218	46	80	39	165	55	107	47	209
Corporate Market												
Opening balance	151	311	450	912	94	278	896	1,268	94	278	896	1,268
Transfer to (from) stage 1	44	-41	-3	-	28	-28	-0	-	77	-76	-1	-
Transfer to (from) stage 2	-15	22	-7	-	-4	96	-91	-	-7	99	-92	-
Transfer to (from) stage 3	-1	-3	4	-	-1	-2	3	-	-2	-3	4	-
Net remeasurement of loss allowances	16	-16	13	13	29	2	-37	-6	-68	-30	-47	-145
Originations or purchases	13	7	19	39	35	12	5	52	55	35	5	95
Derecognitions	-27	-34	-7	-68	-10	-17	-25	-53	-34	-33	-26	-93
Changes due to changed input assumptions	16	-3	-35	-23	-53	-3	-4	-61	35	40	-8	67
Actual loan losses	-	-	-1	-1	-	-	-254	-254	-	-	-280	-280
Closing balance	197	243	433	873	116	337	492	945	151	311	450	912
Total accrual for loan losses	249	351	491	1,091	163	416	531	1,110	206	418	497	1,121

Accrual for losses on guarantees and unused credit lines

Parent Bank and Group (NOKm)	30 Jun 2023				30 Jun 2022				31 Dec 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	24	34	9	67	19	55	5	79	19	55	5	79
Transfer to (from) stage 1	3	-3	-0	-	2	-1	-0	-	16	-16	-0	-
Transfer to (from) stage 2	-2	2	-0	-	-0	0	-0	-	-1	1	-0	-
Transfer to (from) stage 3	-0	-0	0	-	-0	-0	0	-	-0	-0	1	-
Net remeasurement of loss allowances	-0	-5	-2	-7	-6	-5	1	-9	-16	-3	3	-15
Originations or purchases	2	1	-	2	7	3	0	10	12	6	0	18
Derecognitions	-3	-6	-0	-9	-1	-6	-0	-7	-4	-12	-0	-16
Changes due to changed input assumptions	0	7	3	10	-1	0	0	-1	-3	3	0	1
Actual loan losses	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	23	30	10	63	18	46	7	71	24	34	9	67
Of which												
Retail market				2				3				1
Corporate Market				61				68				66

Provision for credit losses specified by industry

Parent Bank (NOKm)	30 Jun 2023				30 Jun 2022				31 Dec 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	3	33	18	55	2	29	7	39	4	38	18	60
Fisheries and hunting	11	26	0	38	9	12	0	21	11	12	0	23
Sea farming industries	6	2	0	9	2	0	1	3	3	1	1	5
Manufacturing	15	27	2	43	5	31	6	42	9	47	2	58
Construction, power and water supply	49	25	18	90	14	15	7	36	26	22	11	59
Retail trade, hotels and restaurants	9	9	4	23	9	27	3	40	16	14	1	32
Maritime sector	10	39	160	209	19	175	200	394	19	117	184	320
Property management	55	73	21	149	25	46	29	101	34	55	28	117
Business services	12	16	187	215	16	16	209	241	13	24	177	214
Transport and other services	10	10	15	36	8	6	16	30	9	11	16	36
Public administration	0	-	-	0	0	-	-	0	0	0	0	0
Other sectors	1	0	0	1	0	0	-	0	0	0	0	0
Wage earners	1	56	34	91	3	40	26	68	1	50	25	75
Total provision for losses on loans	180	318	460	958	113	398	504	1,015	144	391	463	999
loan loss allowance on loans at FVOCI	39			39	31			31	40			40
Total loan loss allowance	219	318	460	997	145	398	504	1,046	184	391	463	1,039

Group (NOKm)	30 Jun 2023				30 Jun 2022				31 Dec 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	5	35	19	59	4	30	8	42	5	40	19	64
Fisheries and hunting	12	27	0	38	9	12	0	21	11	12	0	23
Sea farming industries	7	2	0	10	3	0	4	7	4	1	4	9
Manufacturing	18	31	2	51	7	33	10	50	11	50	8	70
Construction, power and water supply	51	29	30	110	18	18	12	48	30	25	16	71
Retail trade, hotels and restaurants	13	13	5	31	10	28	6	44	17	15	2	34
Maritime sector	10	39	160	209	19	175	200	394	19	117	184	320
Property management	56	73	21	150	26	46	29	101	35	55	29	118
Business services	16	18	194	228	17	18	212	247	15	25	184	224
Transport and other services	14	14	20	48	10	8	20	38	12	16	21	49
Public administration	0	-	-	0	0	-	-	0	0	0	0	0
Other sectors	1	0	0	1	0	0	-	0	0	0	0	0
Wage earners	9	69	39	117	9	47	30	86	8	61	29	99
Total provision for losses on loans	210	351	491	1,052	131	416	531	1,079	166	418	497	1,081
loan loss allowance on loans at FVOCI	39			39	31			31	40			40
Total loan loss allowance	249	351	491	1,091	163	416	531	1,110	206	418	497	1,121