

# Notes

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## Note 1 - Accounting principles

### Accounting principles

SpareBank 1 SMN prepares and presents its quarterly accounts in compliance with the Stock Exchange Regulations, Stock Exchange Rules and International Financial Reporting Standards (IFRS) approved by EU, including IAS 34, Interim Financial Reporting. The quarterly accounts do not include all the information required in a complete set of annual financial statements and should be read in conjunction with the annual accounts for 2023. The Group has in this quarterly report used the same accounting principles and calculation methods as in the latest annual report and accounts.

## Note 2 - Critical estimates and assessment concerning the use of accounting principles

When it prepares the consolidated accounts the management team makes estimates, discretionary assessments and assumptions which influence the application of accounting principles. This accordingly affects recognised amounts for assets, liabilities, revenues and expenses. Last year's annual accounts give a closer explanation of significant estimates and assumptions in Note 3 Critical estimates and assessments concerning the use of accounting principles.

### Pensions

Sparebank 1 SMN Group has one pension arrangement; defined contribution plan. For a further description of the pension scheme, see note 22 in the 2023 annual report.

The group's pension liabilities are accounted for under IAS 19R. Estimate variances are therefore directly reflected in equity capital and are presented under other comprehensive income.

It was decided to terminate the defined benefit scheme at a board meeting on 21 October 2016. Employees on this scheme transferred to the defined contribution scheme from 1 January 2017, and received a paid-up policy showing rights accumulated under the defined benefit scheme. Paid-up policies are managed by the pension fund, which has been a paid-up pension fund as from 1 January 2017. A framework agreement has been established between SpareBank 1 SMN and the pension fund which covers funding, asset management etc. In view of the responsibility still held by SpareBank 1 SMN, future liabilities will need to be incorporated in the accounts. The board of the pension fund is required to be composed of representatives from the Group and participants in the pension schemes in accordance with the articles of association of the pension fund.

A new calculation of the Group's pension liabilities has not been carried out as per 30 September 2024.

### Investment held for sale

SpareBank 1 SMN's strategy is that ownership due to defaulted exposures should at the outset be of brief duration, normally not longer than one year. Investments are recorded at fair value in the Parent Bank's accounts, and is classified as investment held for sale.

January - September 2024 (NOK Million)	Assets	Liabilities	Revenue	Expenses	Profit	Ownership
Mavi XV AS Group	195	1	9	11	-2	100 %
Total Held for sale	195	1	9	11	-2	

### Losses on loans and guarantees

For a detailed description of the Bank's model for expected credit losses, refer to note 10 in the annual accounts for 2023.

Measurement of expected credit loss for each stage requires both information on events and current conditions and information on expected events and future economic conditions. Estimation and use of forward-looking information requires a high degree of discretionary judgement. Each macroeconomic scenario that is utilised includes a projection for a five-year period. For credits where credit risk is assessed to have increased significantly since loan approval (stage 2), loss estimates for the period after year 5 are based on year 5 as regards level of PD and LGD.

Our estimate of expected credit loss at stage 1 and 2 is a probability-weighted average of three scenarios: Base Case, Best Case and Worst Case. The model that computes model write-downs is based on two macro variables – interest rate level (three-month NIBOR) and unemployment (Statistics Norway's Labour Force Survey, AKU). The assumptions in the baseline scenario are based on the assumptions in Norges Bank's Monetary Policy Report 3/24. Updated macro assumptions this quarter have had little effect on the level of write-downs. The downside scenario features high interest rates and high unemployment, which are largely based on Finanstilsynet's stress test reported in Financial Outlook, June 2023. The upside scenario features low interest rates and low unemployment.

Calculation of the group's overall model write-downs is based on calculations of expected credit loss (ECL) for each of five portfolios below. For each portfolio, separate assumptions are defined with regard to how the macro variables 'interest rate' and 'unemployment' impact PD and LGD. The relationships between the macro variables are developed using of regression analysis and simulation, while the relationships between the macro variables and LGD are based largely on expert assessments and discretionary judgement. The five portfolios are:

- Residential mortgages
- Other retail loans
- Agriculture
- Industries with large balance sheets / high long-term debt ratios (real estate, shipping, offshore, aquaculture, fishery)
- Industries with smaller balance sheets / low long-term debt ratios (other industries)

The criteria for classification in stage 2 ("significantly increased credit risk since approval") have not been changed in the quarter. The customers in building and construction industry (including industries closely linked to the building and construction sector) and some fishery segments are generally considered to have acquired significantly increased credit risk since loan approval and customers in this industry are accordingly classified to stage 2 or 3.

ECL as at 30 September 2024 is calculated as a combination of 80 per cent expected scenario, 10 per cent downside scenario and 10 per cent upside scenario (80/10/10 pct).

The effect of the change of assumptions in 2024 is shown in the line "Effect of changed assumptions in the ECL model" in note 7. The model write-downs are reduced both for the retail and the corporate portfolio due to the recalibration of the calculation model. Overall, for the first nine months this amounts to NOK 36 m for the bank and NOK 57 m for the group in terms of reduced write-downs.

### Sensitivity

The first part of the table below show total calculated expected credit loss as of 30 September 2024 in each of the three scenarios, distributed in the portfolios Retail Market, Corporate Market and agriculture, which adds up to parent bank. In addition the subsidiary SpareBank 1 Finans Midt-Norge is included. ECL for the parent bank and the subsidiary is summed up in the coloumn "Group".

The second part of the table show the ECL distributed by portfolio using the scenario weight applied, in addition to a alternative weighting where downside scenaro weight has been doubled.

If the downside scenario's probability were doubled at the expense of the baseline scenario at the end of September 2024, this would have entailed an increase in loss provisions of NOK 140 million for the parent bank and NOK 163 million for the group.

	CM	RM	Agriculture	Total parent	SB 1 Finans MN, CM	SB 1 Finans MN, RM	Total group
ECL base case	613	97	79	789	40	16	845
ECL worst case	1,589	290	313	2,193	196	83	2,472
ECL best case	409	59	48	517	19	10	546
ECL with scenario weights used 80/10/10	690	113	99	902	53	23	978
ECL alternative scenario weights 70/20/10	788	132	123	1,043	69	29	1,141
<b>Total ECL used</b>	<b>98</b>	<b>19</b>	<b>23</b>	<b>140</b>	<b>19</b>	<b>7</b>	<b>163</b>

The table reflects that there are some significant differences in underlying PD and LGD estimates in the different scenarios and that there are differentiated levels and level differences between the portfolios. At group level, the ECL in the upside scenario, which largely reflects the loss and default picture in recent years, is about 60 per cent of the ECL in the expected scenario. The downside scenario gives over double the ECL than in the expected scenario. Applied scenario weighting gives about 16 percent higher ECL than in the expected scenario.

### Car subscription company Fleks

The board of directors of Fleks filed for bankruptcy on 13 May 2024. SpareBank 1 SMN and other SpareBank 1 banks owned, through SpareBank 1 Mobilitet Holding, 47.2 per cent of the company. With a view to ensuring a controlled disposal of the business, SpareBank 1 Finans Midt-Norge took over Fleks Green Fleet 01, which was previously a subsidiary of Fleks.

In the second quarter of 2024 this company was consolidated into SpareBank 1 SMN's group accounts based on preliminary assessments of the agreements which had been entered into between the previous owners. Over the course of the third quarter 2024 new assessments were made which concluded that consolidation of this company was not correct under the provisions of IFRS 10. As from the third quarter the company is accordingly not consolidated but treated as a company under joint control in accordance with the equity method. Historical figures for the second quarter of 2024 are restated.

Income Statement (NOKm)	Second quarter 2024	Effect of Fleks GF	Second quarter 2024 restated
Other operating income	323	- 18	305
<b>Net commision and other income</b>	<b>698</b>	<b>- 18</b>	<b>680</b>
Other operating expenses	334	- 18	316
<b>Total operating expenses</b>	<b>818</b>	<b>- 18</b>	<b>801</b>
<b>Pretax income</b>	<b>1 296</b>	<b>0</b>	<b>1 296</b>

### Note 3 - Account by business line

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.

#### Group 30 September 2024

Profit and loss account (NOKm)	Sunnmøre og Fjordane			SB 1 Finans		SB 1 Regnskaps- huset SMN		Other	Uncollated	Total
	RM	CM	EM 1	MN	Regnskaps- huset SMN	Other				
Net interest	1,431	1,069	533	4	403	2	-	558	4,001	
Interest from allocated capital	310	179	120	-	-	-	-	-609	-	
<b>Total interest income</b>	<b>1,742</b>	<b>1,248</b>	<b>653</b>	<b>4</b>	<b>403</b>	<b>2</b>	<b>-</b>	<b>-52</b>	<b>4,001</b>	
Comission income and other income	546	173	118	393	-73	626	-	29	1,812	
Net return on financial investments **)	-3	1	6	1	-	-	1,027	41	1,074	
<b>Total income</b>	<b>2,285</b>	<b>1,422</b>	<b>777</b>	<b>399</b>	<b>330</b>	<b>628</b>	<b>1,027</b>	<b>18</b>	<b>6,887</b>	
<b>Total operating expenses</b>	<b>491</b>	<b>172</b>	<b>157</b>	<b>327</b>	<b>98</b>	<b>547</b>	<b>-</b>	<b>606</b>	<b>2,399</b>	
<b>Ordinary operating profit</b>	<b>1,794</b>	<b>1,251</b>	<b>620</b>	<b>71</b>	<b>232</b>	<b>81</b>	<b>1,027</b>	<b>-588</b>	<b>4,488</b>	
Loss on loans, guarantees etc.	31	55	39	-	22	-	-	-0	146	
<b>Result before tax</b>	<b>1,763</b>	<b>1,196</b>	<b>581</b>	<b>71</b>	<b>211</b>	<b>81</b>	<b>1,027</b>	<b>-588</b>	<b>4,342</b>	
Return on equity *)	19.1 %	23.9 %	16.0 %		12.1 %				17.4 %	

#### Group 30 September 2023

Profit and loss account (NOKm)	Sunnmøre og Fjordane			SB 1 Finans		SB 1 Regnskaps- huset SMN		Other	Uncollated	Total
	RM	CM	EM 1	MN	Regnskaps- huset SMN	Other				
Net interest	1,326	971	412	1	376	3	-	297	3,386	
Interest from allocated capital	231	137	77	-	-	-	-	-445	-	
<b>Total interest income</b>	<b>1,557</b>	<b>1,108</b>	<b>490</b>	<b>1</b>	<b>376</b>	<b>3</b>	<b>-</b>	<b>-148</b>	<b>3,386</b>	
Comission income and other income	500	179	78	334	-79	550	-	24	1,586	
Net return on financial investments **)	0	-4	13	1	-71	-	278	-57	161	
<b>Total income</b>	<b>2,057</b>	<b>1,283</b>	<b>580</b>	<b>336</b>	<b>226</b>	<b>553</b>	<b>278</b>	<b>-181</b>	<b>5,133</b>	
<b>Total operating expenses</b>	<b>769</b>	<b>282</b>	<b>202</b>	<b>289</b>	<b>89</b>	<b>453</b>	<b>-</b>	<b>68</b>	<b>2,152</b>	
<b>Ordinary operating profit</b>	<b>1,288</b>	<b>1,001</b>	<b>378</b>	<b>47</b>	<b>137</b>	<b>100</b>	<b>278</b>	<b>-249</b>	<b>2,981</b>	
Loss on loans, guarantees etc.	3	34	-81	-	38	-	-	-0	-6	
<b>Result before tax</b>	<b>1,286</b>	<b>968</b>	<b>459</b>	<b>47</b>	<b>99</b>	<b>100</b>	<b>278</b>	<b>-249</b>	<b>2,988</b>	
Return on equity *)	18.1 %	24.2 %	18.0 %		5.6 %				13.0 %	

## Group 2023

Profit and loss account (NOKm)	Sunnmøre og Fjordane			SB 1 Finans		SB 1 Regnskaps- huset SMN		Other	Uncollated	Total
	RM	CM	EM 1	MN	SMN					
Net interest	1,824	1,335	598	2	490	4	-	-	379	4,632
Interest from allocated capital	328	195	112	-	-	-	-	-	-634	-
<b>Total interest income</b>	<b>2,151</b>	<b>1,530</b>	<b>709</b>	<b>2</b>	<b>490</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-255</b>	<b>4,632</b>
Comission income and other income	652	234	110	432	-97	716	-	-	37	2,084
Net return on financial investments **)	1	6	7	1	-82	-	379	-	488	799
<b>Total income</b>	<b>2,804</b>	<b>1,770</b>	<b>826</b>	<b>435</b>	<b>311</b>	<b>720</b>	<b>379</b>	<b>-</b>	<b>270</b>	<b>7,515</b>
<b>Total operating expenses</b>	<b>1,078</b>	<b>407</b>	<b>315</b>	<b>395</b>	<b>115</b>	<b>612</b>	<b>-</b>	<b>-</b>	<b>97</b>	<b>3,017</b>
<b>Ordinary operating profit</b>	<b>1,726</b>	<b>1,363</b>	<b>512</b>	<b>40</b>	<b>196</b>	<b>108</b>	<b>379</b>	<b>-</b>	<b>173</b>	<b>4,498</b>
Loss on loans, guarantees etc.	1	45	-118	-	86	-	-	-	-0	14
<b>Result before tax</b>	<b>1,725</b>	<b>1,318</b>	<b>629</b>	<b>40</b>	<b>111</b>	<b>108</b>	<b>379</b>	<b>-</b>	<b>173</b>	<b>4,484</b>
Return on equity *)	18.2 %	24.3 %	19.6 %		1.5 %					14.4 %

\*) Regulatory capital in line with the bank's capital target have been used as basis for calculating capital used in the Retail and Corporate market.

**) Specification of other (NOKm)	Januar - September		
	2024	2023	2023
SpareBank 1 Gruppen	127	17	-34
SpareBank 1 Boligkreditt	105	68	98
SpareBank 1 Næringskreditt	10	9	10
BN Bank	234	183	257
SpareBank 1 Markets	71	-	19
SpareBank 1 Kreditt	-5	-9	-13
SpareBank 1 Betaling	-15	-30	-37
SpareBank 1 Forvaltning	37	22	35
Other companies	11	18	46
<b>Income from investment in associates and joint ventures</b>	<b>1,027</b>	<b>278</b>	<b>379</b>
SpareBank 1 Mobilitet Holding	-	-71	-82
<b>Net income from investment in associates and joint ventures</b>	<b>1,027</b>	<b>207</b>	<b>297</b>

## Note 4 - Capital adequacy

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRR/CRD IV). SpareBank 1 SMN utilises the Internal Rating Based Approach (IRB) for credit risk. Advanced IRB Approach is used for the corporate portfolios. Use of IRB imposes wide-ranging requirements on the bank's organisational set-up, competence, risk models and risk management systems.

As of 30 September 2024 the overall minimum requirement on CET1 capital is 14.0 per cent. The capital conservation buffer requirement is 2.5 per cent, the systemic risk requirement for Norwegian IRB-banks is 4.5 per cent and the Norwegian countercyclical buffer is 2.5 per cent. These requirements are additional to the requirement of 4.5 per cent CET1 capital. In addition the financial supervisory authority has set a Pillar 2 requirement for SpareBank 1 SMN. From 31 December 2023, the requirement is 1.7 per cent and must be met with a minimum of 56.25 per cent. In addition the bank must have an additional 0.7 per cent in Pillar 2 requirements until the application for adjusting IRB-models has been processed.

Under the CRR/CRDIV regulations the average risk weighting of exposures secured on residential property in Norway cannot be lower than 20 per cent. As of 30 September 2024, the average risk weights are over 20 per cent for the group.

The systemic risk buffer stands at 4.5 per cent for the Norwegian exposures. For exposures in other countries, the particular country's systemic buffer rate shall be employed. As of 30 September 2024 the effective rate for the group is 4.44 per cent.

The countercyclical buffer is calculated using differentiated rates. For exposures in other countries the countercyclical buffer rate set by the authorities in the country concerned is applied. If that country has not set a rate, the same rate as for exposures in Norway is applied unless the Ministry of Finance sets another rate. As of 30 September 2024 both the parent bank and the group is below the capital deduction threshold such that the Norwegian rate is applied to all relevant exposures.

Parent Bank				Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024	(NOKm)	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>25,150</b>	<b>23,725</b>	<b>25,301</b>	<b>Total book equity</b>	<b>29,674</b>	<b>27,471</b>	<b>28,597</b>
-1,800	-1,416	-2,006	Additional Tier 1 capital instruments included in total equity	-2,095	-1,451	-1,903
-812	-842	-772	Deferred taxes, goodwill and other intangible assets	-2,238	-1,433	-1,625
-2,591	0	-	Deduction for allocated dividends and gifts	-	0	-2,591
-	-	-	Non-controlling interests recognised in other equity capital	-788	-919	-666
-	-	-	Non-controlling interests eligible for inclusion in CET1 capital	691	805	679
-	-2,483	-2,538	Net profit	-3,540	-2,441	-
-	1,222	360	Year-to-date profit included in core capital (50 per cent (50 per cent) pre tax of group profit)	940	1,177	-
-53	-78	-55	Value adjustments due to requirements for prudent valuation	-76	-94	-72
-412	-311	-387	Positive value of adjusted expected loss under IRB Approach	-612	-416	-546
-	-	-	Cash flow hedge reserve	-2	-7	-4
-350	-305	-350	Deduction for common equity Tier 1 capital in significant investments in financial institutions	-267	-292	-278
<b>19,131</b>	<b>19,512</b>	<b>19,553</b>	<b>Common equity Tier 1 capital</b>	<b>21,688</b>	<b>22,400</b>	<b>21,589</b>
1,800	1,500	1,943	Additional Tier 1 capital instruments	2,456	1,930	2,252
-48	-47	-48	Deduction for significant investments in financial institutions	-48	-47	-48
<b>20,883</b>	<b>20,965</b>	<b>21,448</b>	<b>Tier 1 capital</b>	<b>24,097</b>	<b>24,283</b>	<b>23,793</b>
-	-	-	<b>Supplementary capital in excess of core capital</b>			
2,150	2,342	2,789	Subordinated capital	3,686	2,880	2,822
-216	-213	-226	Deduction for significant investments in financial institutions	-226	-213	-216
<b>1,934</b>	<b>2,129</b>	<b>2,563</b>	<b>Additional Tier 2 capital instruments</b>	<b>3,460</b>	<b>2,667</b>	<b>2,606</b>
<b>22,817</b>	<b>23,094</b>	<b>24,011</b>	<b>Total eligible capital</b>	<b>27,557</b>	<b>26,950</b>	<b>26,399</b>

<b>Risk weighted assets (RWA)</b>						
15,701	15,595	17,671	Specialised enterprises	21,247	18,918	19,226
11,303	12,355	11,126	Corporate	11,339	12,676	11,634
19,617	19,600	20,845	Mass market exposure, property	38,404	36,133	36,333
1,545	1,464	1,506	Other mass market	1,593	1,495	1,577
18,558	17,011	18,614	Equity positions IRB	-	-	-
<b>66,724</b>	<b>66,026</b>	<b>69,762</b>	<b>Total credit risk IRB</b>	<b>72,583</b>	<b>69,221</b>	<b>68,770</b>
40	55	16	Central government	414	75	68
1,188	1,209	1,385	Covered bonds	2,172	1,687	1,908
4,659	4,517	4,335	Institutions	3,261	3,130	3,495
1,371	1,733	1,155	Local and regional authorities, state-owned enterprises	1,329	2,058	1,829
3,101	2,406	3,320	Corporate	6,621	5,422	6,325
49	218	225	Mass market	9,330	9,044	8,785
467	516	627	Exposures secured on real property	1,514	1,671	1,573
792	1,187	889	Equity positions	5,649	5,874	5,809
1,400	1,383	1,567	Other assets	2,682	2,328	2,224
<b>13,069</b>	<b>13,223</b>	<b>13,519</b>	<b>Total credit risk standardised approach</b>	<b>32,971</b>	<b>31,289</b>	<b>32,016</b>
279	452	471	Debt risk	465	473	279
-	-	-	Equity risk	111	198	82
-	-	-	Currency risk and risk exposure for settlement/delivery	27	16	21
6,810	6,101	6,810	Operational risk	11,262	11,246	11,548
472	228	478	Credit value adjustment risk (CVA)	1,672	1,350	1,918
<b>87,354</b>	<b>86,031</b>	<b>91,040</b>	<b>Risk weighted assets (RWA)</b>	<b>119,092</b>	<b>113,793</b>	<b>114,633</b>
<b>6,988</b>	<b>6,882</b>	<b>7,283</b>	<b>Minimum requirements subordinated capital</b>	<b>9,527</b>	<b>9,103</b>	<b>9,171</b>
3,931	3,871	4,097	Minimum requirement on CET1 capital, 4.5 per cent	5,359	5,121	5,159
			Capital Buffers			
2,184	2,151	2,276	Capital conservation buffer, 2.5 per cent	2,977	2,845	2,866
3,896	3,828	4,060	Systemic risk buffer, 4.44 per cent	5,279	5,041	5,081
2,184	2,151	2,276	Countercyclical buffer, 2.5 per cent	2,977	2,845	2,866
<b>8,264</b>	<b>8,130</b>	<b>8,612</b>	<b>Total buffer requirements on CET1 capital</b>	<b>11,234</b>	<b>10,731</b>	<b>10,813</b>
<b>6,937</b>	<b>7,511</b>	<b>6,844</b>	<b>Available CET1 capital after buffer requirements</b>	<b>5,096</b>	<b>6,549</b>	<b>5,618</b>
			<b>Capital adequacy</b>			
21.9 %	22.7 %	21.5 %	Common equity Tier 1 capital ratio	18.2 %	19.7 %	18.8 %
23.9 %	24.4 %	23.6 %	Tier 1 capital ratio	20.2 %	21.3 %	20.8 %
26.1 %	26.8 %	26.4 %	Capital ratio	23.1 %	23.7 %	23.0 %
			<b>Leverage ratio</b>			
221,334	223,857	230,079	Balance sheet items	342,513	323,045	323,929
7,559	7,874	7,829	Off-balance sheet items	9,409	8,951	8,984
-513	-436	-489	Regulatory adjustments	-736	-558	-666
228,380	231,295	237,419	Calculation basis for leverage ratio	351,186	331,438	332,247
20,883	20,965	21,448	Core capital	24,097	24,283	23,793
<b>9.1 %</b>	<b>9.1 %</b>	<b>9.0 %</b>	<b>Leverage Ratio</b>	<b>6.9 %</b>	<b>7.3 %</b>	<b>7.2 %</b>



## Note 5 - Distribution of loans by sector/industry

Parent Bank				Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024	(NOKm)	30 Sep 2024	30 Sep 2023	31 Dec 2023
12,021	11,684	12,639	Agriculture and forestry	13,131	12,141	12,489
5,459	6,343	6,362	Fisheries and hunting	6,388	6,371	5,488
2,218	2,709	2,758	Sea farming industries	3,058	2,978	2,473
3,170	3,241	3,833	Manufacturing	4,476	3,843	3,757
6,111	6,107	5,387	Construction, power and water supply	6,725	7,360	7,353
2,845	3,004	3,043	Retail trade, hotels and restaurants	3,959	3,682	3,777
6,030	5,957	4,846	Maritime sector	4,846	5,957	6,030
21,288	20,519	25,204	Property management	25,320	20,646	21,400
4,239	4,335	4,620	Business services	5,364	5,193	5,148
5,396	4,737	6,058	Transport and other services provision	7,272	5,818	6,459
2	4	40	Public administration	66	36	39
2,220	1,554	1,509	Other sectors	1,429	1,493	2,140
<b>70,997</b>	<b>70,194</b>	<b>76,300</b>	<b>Gross loans in Corporate market</b>	<b>82,034</b>	<b>75,516</b>	<b>76,553</b>
152,710	151,599	157,833	Wage earners	165,114	158,800	159,777
<b>223,708</b>	<b>221,793</b>	<b>234,133</b>	<b>Gross loans incl. SB1 Boligkreditt /SB1 Næringskreditt</b>	<b>247,148</b>	<b>234,316</b>	<b>236,329</b>
64,719	63,616	65,983	of which SpareBank 1 Boligkreditt	65,983	63,616	64,719
1,749	1,761	1,576	of which SpareBank 1 Næringskreditt	1,576	1,761	1,749
<b>157,240</b>	<b>156,417</b>	<b>166,575</b>	<b>Total Gross loans to and receivables from customers</b>	<b>179,590</b>	<b>168,940</b>	<b>169,862</b>
659	863	667	- Loan loss allowance on amortised cost loans	801	956	790
117	118	142	- Loan loss allowance on loans at FVOCI	142	118	117
<b>156,464</b>	<b>155,435</b>	<b>165,765</b>	<b>Net loans to and receivables from customers</b>	<b>178,646</b>	<b>167,865</b>	<b>168,955</b>

## Note 6 - Losses on loans and guarantees

	January - September						Third quarter					
	2024			2023			2024			2023		
	RM	CM	Total	RM	CM	Total	RM	CM	Total	RM	CM	Total
<b>Parent Bank (NOKm)</b>												
Change in provision for expected credit losses	36	67	103	11	-25	-14	15	34	49	-1	26	25
Actual loan losses on commitments exceeding provisions made	3	28	31	11	11	22	1	17	18	3	4	7
Recoveries on commitments previously written-off	-4	-6	-9	-26	-27	-53	-1	-2	-3	-0	-3	-3
<b>Losses for the period on loans and guarantees</b>	<b>35</b>	<b>89</b>	<b>124</b>	<b>-4</b>	<b>-41</b>	<b>-45</b>	<b>14</b>	<b>49</b>	<b>63</b>	<b>1</b>	<b>27</b>	<b>29</b>

	January - September						Third quarter					
	2024			2023			2024			2023		
	RM	CM	Total	RM	CM	Total	RM	CM	Total	RM	CM	Total
<b>Group (NOKm)</b>												
Change in provision for expected credit losses	32	73	106	15	-18	-3	17	39	56	-0	25	25
Actual loan losses on commitments exceeding provisions made	3	28	31	45	24	70	1	17	18	4	10	13
Recoveries on commitments previously written-off	1	8	9	-45	-29	-74	-0	2	2	-0	-3	-3
<b>Losses for the period on loans and guarantees</b>	<b>37</b>	<b>109</b>	<b>146</b>	<b>16</b>	<b>-22</b>	<b>-6</b>	<b>17</b>	<b>58</b>	<b>75</b>	<b>4</b>	<b>31</b>	<b>35</b>

## Note 7 - Losses

Parent Bank (NOKm)	1 Jan 24	Change in provision	Net write-offs /recoveries	Currency /Other movements	30 Sep 24
Loans as amortised cost- CM	671	61	-47	-	685
Loans as amortised cost- RM	43	21	-0	-	64
Loans at fair value over OCI- RM	137	15	-	-	152
Loans at fair value over OCI- CM	13	6	-	-	19
<b>Provision for expected credit losses on loans and guarantees</b>	<b>864</b>	<b>103</b>	<b>-47</b>	<b>-</b>	<b>920</b>
<b>Presented as</b>					
Provision for loan losses	776	80	-47	-	809
Other debt- provisons	53	27	-	-	79
Other comprehensive income - fair value adjustment	36	-4	-	-	32

Parent Bank (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	30 Sep 23
Loans as amortised cost- CM	921	32	-75	-5	873
Loans as amortised cost- RM	35	11	4	-5	45
Loans at fair value over OCI- RM	147	-	-4	-	143
Loans at fair value over OCI- CM	2	-	18	-	20
<b>Provision for expected credit losses on loans and guarantees</b>	<b>1,106</b>	<b>43</b>	<b>-57</b>	<b>-11</b>	<b>1,081</b>
<b>Presented as</b>					
Provision for loan losses	999	41	-47	-11	982
Other debt- provisons	67	2	-17	-	52
Other comprehensive income - fair value adjustment	40	-	7	-	48

Parent Bank (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	31 Dec 23
Loans as amortised cost- CM	921	32	-101	-181	671
Loans as amortised cost- RM	35	11	2	-5	43
Loans at fair value over OCI- RM	147	-	-10	-	137
Loans at fair value over OCI- CM	2	-	11	-	13
<b>Provision for expected credit losses on loans and guarantees</b>	<b>1,106</b>	<b>43</b>	<b>-99</b>	<b>-186</b>	<b>864</b>
<b>Presented as</b>					
Provision for loan losses	999	41	-77	-186	776
Other debt- provisons	67	2	-16	-	53
Other comprehensive income - fair value adjustment	40	-	-5	-	36

Group (NOKm)	1 Jan 24	Change in provision	Net write-offs /recoveries	Currency /Other movements	30 Sep 24
Loans as amortised cost- CM	777	69	-49	-	797
Loans as amortised cost- RM	68	17	-0	-	85
Loans at fair value over OCI- RM	137	15	-	-	152
Loans at fair value over OCI- CM	13	6	-	-	19
<b>Provision for expected credit losses on loans and guarantees</b>	<b>995</b>	<b>108</b>	<b>-49</b>	<b>-</b>	<b>1,054</b>
<b>Presented as</b>					
Provision for loan losses	907	85	-49	-	943
Other debt- provisons	53	27	-	-	79
Other comprehensive income - fair value adjustment	36	-4	-	-	32

Group (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	30 Sep 23
Loans as amortised cost- CM	976	32	-68	-5	934
Loans as amortised cost- RM	63	11	8	-5	77
Loans at fair value over OCI- RM	147	-	-4	-	143
Loans at fair value over OCI- CM	2	-	18	-	20
<b>Provision for expected credit losses on loans and guarantees</b>	<b>1,188</b>	<b>43</b>	<b>-46</b>	<b>-11</b>	<b>1,174</b>
<b>Presented as</b>					
Provision for loan losses	1,081	41	-36	-11	1,075
Other debt- provisons	67	2	-17	-	52
Other comprehensive income - fair value adjustment	40	-	7	-	48

Group (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	31 Dec 23
Loans as amortised cost- CM	976	32	-44	-186	777
Loans as amortised cost- RM	63	11	-1	-5	68
Loans at fair value over OCI- RM	147	-	-10	-	137
Loans at fair value over OCI- CM	2	-	11	-	13
<b>Provision for expected credit losses on loans and guarantees</b>	<b>1,188</b>	<b>43</b>	<b>-44</b>	<b>-192</b>	<b>995</b>
<b>Presented as</b>					
Provision for loan losses	1,081	41	-23	-192	907
Other debt- provisons	67	2	-16	-	53
Other comprehensive income - fair value adjustment	40	-	-5	-	36

**Accrual for losses on loans**

Parent Bank (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Retail market</b>												
Opening balance	38	95	45	179	46	93	42	181	46	93	42	181
Transfer to (from) stage 1	16	-16	-0	-	19	-19	-0	-	18	-18	-0	-
Transfer to (from) stage 2	-4	5	-1	-	-3	3	-0	-	-3	3	-0	-
Transfer to (from) stage 3	-1	-8	10	-	-0	-7	7	-	-0	-8	9	-
Net remeasurement of loss allowances	-17	44	23	50	-26	14	10	-3	-26	19	-5	-12
Originations or purchases	12	18	1	31	12	15	2	29	15	20	3	37
Derecognitions	-10	-20	-4	-33	-13	-25	-4	-42	-14	-31	-4	-49
Changes due to changed input assumptions	-0	-10	-0	-11	8	21	-1	28	3	16	8	27
Actual loan losses	0	0	-0	-0	-	-	-5	-5	0	0	-5	-5
Closing balance	34	107	74	216	43	94	49	187	38	95	45	179
<b>Corporate Market</b>												
Opening balance	160	267	205	633	138	298	421	858	138	298	421	858
Transfer to (from) stage 1	56	-56	-0	-	49	-46	-3	-	59	-59	-0	-
Transfer to (from) stage 2	-9	11	-2	-	-12	20	-7	-	-14	24	-10	-
Transfer to (from) stage 3	-7	-19	25	-	-1	-4	4	-	-1	-5	6	-
Net remeasurement of loss allowances	-41	95	39	93	-26	22	-6	-9	-58	11	9	-38
Originations or purchases	65	49	4	117	68	28	23	120	90	35	37	163
Derecognitions	-49	-85	-14	-148	-34	-54	-12	-101	-52	-68	-15	-136
Changes due to changed input assumptions	-20	-2	-2	-24	-16	8	-13	-20	-2	31	-62	-33
Actual loan losses	-	-	-47	-47	-	-	-5	-5	-	-	-181	-181
Closing balance	155	261	209	626	166	273	403	842	160	267	205	633
<b>Total accrual for loan losses</b>	<b>189</b>	<b>368</b>	<b>284</b>	<b>841</b>	<b>209</b>	<b>368</b>	<b>452</b>	<b>1,029</b>	<b>198</b>	<b>363</b>	<b>251</b>	<b>812</b>

Group (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Retail market</b>												
Opening balance	46	111	46	204	55	107	47	209	55	107	47	209
Transfer to (from) stage 1	19	-19	-0	-	21	-21	-0	-	21	-20	-1	-
Transfer to (from) stage 2	-5	6	-1	-	-4	5	-1	-	-4	5	-1	-
Transfer to (from) stage 3	-1	-10	11	-	-1	-8	9	-	-1	-10	11	-
Net remeasurement of loss allowances	-19	49	22	52	-27	19	13	5	-28	25	-6	-9
Originations or purchases	15	20	1	36	16	18	2	36	19	25	3	47
Derecognitions	-11	-23	-4	-38	-14	-28	-7	-50	-17	-34	-7	-58
Changes due to changed input assumptions	-2	-14	-0	-17	7	19	-2	24	-0	14	7	21
Actual loan losses	-	-	-0	-0	-	-	-5	-5	-	-	-5	-5
Closing balance	41	121	75	237	53	110	55	218	46	111	46	204
<b>Corporate Market</b>												
Opening balance	172	299	268	739	151	311	450	912	151	311	450	912
Transfer to (from) stage 1	60	-60	-0	-	54	-50	-3	-	63	-63	-0	-
Transfer to (from) stage 2	-11	13	-3	-	-14	21	-7	-	-18	28	-10	-
Transfer to (from) stage 3	-7	-20	27	-	-1	-4	5	-	-1	-6	7	-
Net remeasurement of loss allowances	-43	104	45	105	-26	30	-12	-9	-59	22	60	23
Originations or purchases	69	62	4	135	78	32	25	134	96	46	38	181
Derecognitions	-51	-88	-14	-153	-36	-55	-13	-104	-54	-70	-16	-140
Changes due to changed input assumptions	-23	-11	-5	-39	-19	7	-14	-25	-5	29	-75	-51
Actual loan losses	-	-	-49	-49	-	-	-5	-5	-	-	-186	-186
Closing balance	166	298	273	738	187	291	426	904	172	299	268	739
<b>Total accrual for loan losses</b>	<b>207</b>	<b>419</b>	<b>349</b>	<b>975</b>	<b>241</b>	<b>401</b>	<b>481</b>	<b>1,122</b>	<b>218</b>	<b>410</b>	<b>314</b>	<b>943</b>

**Accrual for losses on guarantees and unused credit lines**

Parent Bank and Group (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	18	27	8	53	24	34	9	67	24	34	9	67
Transfer to (from) stage 1	12	-12	-0	-	6	-6	-0	-	6	-6	-0	-
Transfer to (from) stage 2	-1	1	-0	-	-2	2	-0	-	-2	2	-0	-
Transfer to (from) stage 3	-0	-0	1	-	-0	-1	1	-	-0	-1	1	-
Net remeasurement of loss allowances	-12	5	32	25	-1	-3	-5	-9	-13	-4	2	-15
Originations or purchases	8	4	0	12	2	1	-	2	9	4	0	13
Derecognitions	-6	-3	-1	-9	-5	-7	-0	-13	-6	-8	-1	-15
Changes due to changed input assumptions	-1	-0	-0	-1	-2	3	3	4	0	5	-3	2
Actual loan losses	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>18</b>	<b>21</b>	<b>40</b>	<b>79</b>	<b>21</b>	<b>24</b>	<b>7</b>	<b>52</b>	<b>18</b>	<b>27</b>	<b>8</b>	<b>53</b>
Of which												
Retail market				1				1				1
Corporate Market				79				50				51

## Provision for credit losses specified by industry

Parent Bank (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	2	49	28	79	3	38	15	57	3	44	10	57
Fisheries and hunting	9	62	18	89	11	26	-	37	6	33	0	39
Sea farming industries	4	0	1	5	7	1	0	8	5	0	0	5
Manufacturing	13	32	22	66	16	30	4	49	15	31	13	59
Construction, power and water supply	26	33	39	99	44	40	16	100	46	25	28	99
Retail trade, hotels and restaurants	13	30	6	48	8	13	4	25	8	13	1	23
Maritime sector	5	3	74	83	8	46	150	204	7	54	103	164
Property management	47	69	30	146	40	95	21	155	44	92	22	159
Business services	20	22	7	49	15	19	194	227	17	16	24	57
Transport and other services	17	15	8	40	9	8	15	32	10	6	13	29
Public administration	0	0	-	0	0	-	-	0	0	0	0	0
Other sectors	0	1	0	1	0	0	-	1	1	0	0	1
Wage earners	1	53	50	103	1	52	33	86	1	47	35	83
Total provision for losses on loans	157	368	284	809	162	368	452	982	163	363	251	776
loan loss allowance on loans at FVOCI	32			32	48			48	36			36
<b>Total loan loss allowance</b>	<b>189</b>	<b>368</b>	<b>284</b>	<b>841</b>	<b>209</b>	<b>368</b>	<b>452</b>	<b>1,029</b>	<b>198</b>	<b>363</b>	<b>251</b>	<b>812</b>

Group (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	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	51	28	83	4	41	17	62	4	46	10	60
Fisheries and hunting	9	62	18	89	12	26	0	38	6	33	0	39
Sea farming industries	5	0	1	6	8	1	0	9	6	0	0	6
Manufacturing	15	36	28	80	19	34	4	57	18	36	13	68
Construction, power and water supply	27	53	42	122	49	44	25	118	46	42	33	121
Retail trade, hotels and restaurants	15	32	6	53	12	16	5	33	11	15	2	28
Maritime sector	5	3	74	83	8	46	150	204	7	54	103	164
Property management	48	69	30	147	40	95	21	157	45	93	22	160
Business services	22	25	60	107	19	21	201	241	19	18	78	114
Transport and other services	20	21	9	50	12	12	20	43	12	11	16	39
Public administration	0	0	-	0	0	-	-	0	0	0	0	0
Other sectors	0	1	0	1	0	0	0	1	1	0	0	1
Wage earners	7	64	51	122	9	65	38	112	8	62	36	106
Total provision for losses on loans	176	419	349	943	193	401	481	1,075	183	410	314	907
loan loss allowance on loans at FVOCI	32			32	48			48	36			36
<b>Total loan loss allowance</b>	<b>207</b>	<b>419</b>	<b>349</b>	<b>975</b>	<b>241</b>	<b>401</b>	<b>481</b>	<b>1,122</b>	<b>218</b>	<b>410</b>	<b>314</b>	<b>943</b>



## Note 8 - Gross loans

Parent Bank (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Retail Market</b>												
Opening balance	90,901	4,553	725	96,178	80,994	3,962	527	85,484	80,994	3,962	527	85,484
Transfer to stage 1	1,045	-1,018	-27	-	990	-965	-25	-	895	-868	-27	-
Transfer to stage 2	-1,717	1,761	-44	-	-1,290	1,297	-7	-	-1,538	1,557	1	-
Transfer to stage 3	-68	-194	262	-	-21	-136	158	-	-38	-156	194	-
Net increase/decrease amount existing loans	-1,979	-51	-14	-2,043	-2,010	-71	-8	-2,088	-2,305	-95	-6	-2,406
New loans	35,535	957	214	36,707	36,892	1,117	186	38,195	42,690	1,549	222	44,460
Derecognitions	-32,159	-1,351	-220	-33,730	-24,578	-1,119	-137	-25,835	-29,797	-1,395	-149	-31,342
Financial assets with actual loan losses	0	-1	-1	-2	-0	-0	-15	-15	0	0	-18	-18
Closing balance	91,557	4,656	896	97,109	90,977	4,085	679	95,741	90,901	4,553	725	96,178
<b>Corporate Market</b>												
Opening balance	47,327	6,988	1,165	55,480	43,127	5,883	1,346	50,356	43,127	5,883	1,346	50,356
Transfer to stage 1	1,631	-1,628	-2	-	770	-765	-5	-	1,026	-1,021	-5	-
Transfer to stage 2	-2,304	2,452	-148	-	-2,491	2,491	-1	-	-2,669	2,670	-1	-
Transfer to stage 3	-39	-359	398	-	-61	-32	93	-	-72	-44	116	-
Net increase/decrease amount existing loans	-718	-134	-15	-868	-70	-333	-6	-409	-1,099	-485	-10	-1,594
New loans	16,894	1,641	249	18,784	12,734	618	308	13,660	17,922	816	351	19,089
Derecognitions	-10,709	-2,008	-520	-13,237	-7,664	-578	-305	-8,547	-10,901	-828	-335	-12,064
Financial assets with actual loan losses	0	1	-27	-26	-5	0	-10	-15	-7	-2	-298	-307
Closing balance	52,081	6,954	1,100	60,134	46,338	7,284	1,422	55,045	47,327	6,988	1,165	55,480
Fixed interest loans at FV	9,331			9,331	5,631			5,631	5,582	-	-	5,582
<b>Total gross loans at the end of the period</b>	<b>152,969</b>	<b>11,610</b>	<b>1,995</b>	<b>166,575</b>	<b>142,946</b>	<b>11,370</b>	<b>2,101</b>	<b>156,417</b>	<b>143,809</b>	<b>11,541</b>	<b>1,890</b>	<b>157,240</b>

Group (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Retail Market</b>												
Opening balance	96,963	5,474	825	103,263	86,972	4,901	635	92,508	86,972	4,901	635	92,508
Transfer to stage 1	1,271	-1,240	-31	-	1,199	-1,173	-26	-	1,138	-1,108	-30	-
Transfer to stage 2	-2,182	2,238	-55	-	-1,722	1,734	-12	-	-1,955	1,978	-23	-
Transfer to stage 3	-90	-249	339	-	-34	-190	223	-	-59	-219	277	-
Net increase/decrease amount existing loans	-1,948	-111	-23	-2,083	-1,902	-124	-17	-2,043	-2,272	-165	-20	-2,457
New loans	38,076	1,103	222	39,401	39,456	1,302	189	40,947	45,658	1,781	231	47,670
Derecognitions	-34,357	-1,574	-256	-36,186	-26,894	-1,326	-212	-28,432	-32,519	-1,694	-227	-34,440
Financial assets with actual loan losses	-	-1	-1	-2	-0	-0	-15	-15	-0	-0	-18	-18
Closing balance	97,733	5,640	1,020	104,392	97,075	5,124	765	102,964	96,963	5,474	825	103,263
<b>Corporate Market</b>												
Opening balance	51,327	8,533	1,259	61,119	47,621	6,460	1,410	55,491	47,621	6,460	1,410	55,491
Transfer to stage 1	1,792	-1,785	-7	-	990	-980	-10	-	1,207	-1,199	-8	-
Transfer to stage 2	-2,651	2,808	-157	-	-2,910	2,919	-8	-	-3,639	3,655	-17	-
Transfer to stage 3	-83	-408	491	-	-79	-67	146	-	-101	-80	180	-
Net increase/decrease amount existing loans	-799	-151	-27	-977	-99	-395	-13	-506	-1,103	-692	-23	-1,818
New loans	17,798	2,244	267	20,309	13,750	715	322	14,787	19,159	1,339	368	20,866
Derecognitions	-11,536	-2,362	-560	-14,458	-8,332	-683	-313	-9,329	-11,811	-949	-354	-13,114
Financial assets with actual loan losses	0	1	-27	-26	-5	0	-10	-15	-7	-2	-297	-306
Closing balance	55,848	8,880	1,240	65,968	50,936	7,968	1,524	60,428	51,327	8,533	1,259	61,119
Fixed interest loans at FV	9,230			9,230	5,548			5,548	5,480			5,480
<b>Total gross loans at the end of the period</b>	<b>162,810</b>	<b>14,520</b>	<b>2,260</b>	<b>179,590</b>	<b>153,559</b>	<b>13,093</b>	<b>2,289</b>	<b>168,940</b>	<b>153,770</b>	<b>14,007</b>	<b>2,085</b>	<b>169,862</b>

## Note 9 - Distribution of customer deposits by sector/industry

Parent Bank			(NOKm)	Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024		30 Sep 2024	30 Sep 2023	31 Dec 2023
2,460	2,578	2,804	Agriculture and forestry	2,804	2,578	2,460
1,588	1,638	1,269	Fisheries and hunting	1,269	1,638	1,588
1,157	1,739	786	Sea farming industries	786	1,739	1,157
2,671	2,515	2,709	Manufacturing	2,709	2,515	2,671
5,251	4,538	3,979	Construction, power and water supply	3,979	4,538	5,251
5,996	5,529	5,225	Retail trade, hotels and restaurants	5,225	5,529	5,996
1,132	1,234	1,241	Maritime sector	1,241	1,234	1,132
5,867	6,755	6,531	Property management	6,450	6,680	5,787
13,413	13,106	12,957	Business services	12,957	13,106	13,413
11,164	11,660	12,363	Transport and other services provision	11,940	11,216	10,698
19,437	25,367	19,435	Public administration	19,435	25,367	19,437
5,452	5,048	7,588	Other sectors	7,570	4,925	5,425
<b>75,588</b>	<b>81,706</b>	<b>76,889</b>	<b>Total</b>	<b>76,365</b>	<b>81,064</b>	<b>75,015</b>
57,874	57,166	61,677	Wage earners	61,677	57,166	57,874
<b>133,462</b>	<b>138,873</b>	<b>138,566</b>	<b>Total deposits</b>	<b>138,042</b>	<b>138,230</b>	<b>132,888</b>

## Note 10 - Net interest income

Parent bank					Group					
Third quarter			January - September		(NOKm)	January - September		Third quarter		2023
2023	2023	2024	2023	2024		2024	2023	2024	2023	
<b>Interest income</b>										
887	259	285	639	781	Interest income from loans to and claims on central banks and credit institutions (amortised cost)	330	282	131	124	380
4,716	1,247	1,437	3,319	4,168	Interest income from loans to and claims on customers (amortised cost)	5,018	4,041	1,726	1,502	5,701
3,616	978	1,137	2,532	3,346	Interest income from loans to and claims on customers (FVOCI)	3,346	2,532	1,137	978	3,616
165	46	60	119	164	Interest income from loans to and claims on customers (FVPL)	164	119	60	46	165
1,482	374	411	1,078	1,208	Interest income from money market instruments, bonds and other fixed income securities	1,202	1,074	409	373	1,477
-	-	-	-	-	Other interest income	18	18	6	6	24
<b>10,866</b>	<b>2,905</b>	<b>3,331</b>	<b>7,687</b>	<b>9,667</b>	<b>Total interest income</b>	<b>10,078</b>	<b>8,066</b>	<b>3,469</b>	<b>3,029</b>	<b>11,362</b>
<b>Interest expense</b>										
559	142	155	399	485	Interest expenses on liabilities to credit institutions	485	399	155	142	559
3,780	1,075	1,266	2,645	3,655	Interest expenses relating to deposits from and liabilities to customers	3,620	2,624	1,251	1,069	3,748
2,056	519	618	1,465	1,719	Interest expenses related to the issuance of securities	1,719	1,465	618	519	2,057
129	39	45	91	130	Interest expenses on subordinated debt	135	94	47	40	132
9	2	3	7	9	Other interest expenses	47	30	19	10	45
90	23	23	67	70	Guarantee fund levy	70	67	23	23	90
<b>6,622</b>	<b>1,801</b>	<b>2,111</b>	<b>4,674</b>	<b>6,068</b>	<b>Total interest expense</b>	<b>6,077</b>	<b>4,679</b>	<b>2,114</b>	<b>1,803</b>	<b>6,631</b>
<b>4,244</b>	<b>1,104</b>	<b>1,219</b>	<b>3,012</b>	<b>3,599</b>	<b>Net interest income</b>	<b>4,001</b>	<b>3,386</b>	<b>1,355</b>	<b>1,226</b>	<b>4,732</b>

## Note 11 - Net commission income and other income

Parent bank					Group					
Third quarter			January - September		(NOKm)	January - September		Third quarter		2023
2023	2023	2024	2023	2024		2024	2023	2024	2023	
<b>Commission income</b>										
68	17	19	50	54	Guarantee commission	54	50	19	17	68
-	-	-	-	-	Broker commission	237	207	73	66	265
47	11	16	35	46	Portfolio commission, savings products	46	35	16	11	47
155	25	71	136	207	Commission from SpareBank 1 Boligkreditt	207	136	71	25	155
15	4	3	11	11	Commission from SpareBank 1 Næringskreditt	11	11	3	4	15
496	127	139	358	395	Payment transmission services	392	355	138	126	493
253	67	67	192	195	Commission from insurance services	195	192	67	67	253
87	24	21	68	63	Other commission income	60	62	21	21	78
<b>1,121</b>	<b>275</b>	<b>335</b>	<b>849</b>	<b>970</b>	<b>Total commission income</b>	<b>1,200</b>	<b>1,048</b>	<b>407</b>	<b>338</b>	<b>1,374</b>
<b>Commission expenses</b>										
102	31	40	80	92	Payment transmission services	92	80	40	31	102
12	3	4	9	11	Other commission expenses	78	79	28	26	96
<b>114</b>	<b>34</b>	<b>44</b>	<b>88</b>	<b>103</b>	<b>Total commission expenses</b>	<b>171</b>	<b>159</b>	<b>68</b>	<b>58</b>	<b>199</b>
<b>Other operating income</b>										
-	9	11	9	11	Operating income real property	8	10	8	10	-
-	-	-	-	-	Property administration and sale of property	184	155	62	54	166
-	-	-	-	-	Accountant's fees	573	509	145	138	661
69	9	4	43	40	Other operating income	17	23	-1	2	83
69	18	16	52	51	Total other operating income	783	697	214	204	910
<b>1,076</b>	<b>259</b>	<b>306</b>	<b>813</b>	<b>917</b>	<b>Total net commission income and other operating income</b>	<b>1,812</b>	<b>1,586</b>	<b>553</b>	<b>484</b>	<b>2,085</b>

## Note 12 - Operating expenses

Parent bank					Group					
Third quarter			January - September		(NOKm)	January - September		Third quarter		2023
2023	2023	2024	2023	2024		2024	2023	2024	2023	
404	89	90	273	271	IT costs	327	315	108	103	461
12	3	2	9	9	Postage and transport of valuables	11	11	2	4	15
71	19	19	56	58	Marketing	74	72	23	24	93
111	33	34	80	103	Ordinary depreciation	135	106	44	43	154
50	12	14	37	38	Operating expenses, real properties	39	46	14	15	57
222	57	50	155	164	Purchased services	200	180	61	65	254
251	42	45	176	117	Other operating expense	149	207	60	52	294
<b>1,121</b>	<b>255</b>	<b>254</b>	<b>784</b>	<b>760</b>	<b>Total other operating expenses</b>	<b>934</b>	<b>936</b>	<b>312</b>	<b>306</b>	<b>1,327</b>

## Note 13 - Net return on financial investments

Parent Bank					Group					
	Third quarter		January - September			January - September		Third quarter		
2023	2023	2024	2023	2024	(NOKm)	2024	2023	2024	2023	2023
<b>Valued at fair value through profit/loss</b>										
-83	-15	58	-278	-105	Value change in interest rate instruments	-105	-278	58	-15	-83
					Value change in derivatives/hedging					
2	-3	2	6	6	Net value change in hedged bonds and derivatives*	6	6	2	-3	2
5	23	-13	14	12	Net value change in hedged fixed rate loans and derivatives	12	14	-13	23	5
-118	5	-94	105	14	Other derivatives	14	105	-94	5	-118
					Income from equity instruments					
-	-	-	-	-	Income from owner interests	1,027	207	685	-2	297
693	36	78	615	320	Dividend from owner instruments	-	-	-	0	-
32	-3	-	4	1	Value change and gain/loss on owner instruments	1	1	-	-3	-5
18	5	11	14	25	Dividend from equity instruments	17	35	8	16	26
421	-1	15	20	31	Value change and gain/loss on equity instruments	44	-9	-1	20	469
<b>969</b>	<b>48</b>	<b>57</b>	<b>501</b>	<b>304</b>	<b>Total net income from financial assets and liabilities at fair value through profit/(loss)</b>	<b>1,016</b>	<b>81</b>	<b>646</b>	<b>41</b>	<b>593</b>
<b>Valued at amortised cost</b>										
-2	-1	-0	-2	0	Value change in interest rate instruments held to maturity	0	-2	-0	-1	-2
<b>-2</b>	<b>-1</b>	<b>-0</b>	<b>-2</b>	<b>0</b>	<b>Total net income from financial assets and liabilities at amortised cost</b>	<b>0</b>	<b>-2</b>	<b>-0</b>	<b>-1</b>	<b>-2</b>
<b>108</b>	<b>22</b>	<b>24</b>	<b>81</b>	<b>58</b>	<b>Total net gain from currency trading</b>	<b>58</b>	<b>81</b>	<b>24</b>	<b>22</b>	<b>108</b>
<b>1,076</b>	<b>69</b>	<b>81</b>	<b>580</b>	<b>362</b>	<b>Total net return on financial investments</b>	<b>1,074</b>	<b>161</b>	<b>670</b>	<b>62</b>	<b>699</b>
<b>* Fair value hedging</b>										
896	53	728	-44	545	Changes in fair value on hedging instrument	545	-44	728	53	896
-894	-56	-726	50	-539	Changes in fair value on hedging item	-539	50	-726	-56	-894
<b>2</b>	<b>-3</b>	<b>2</b>	<b>6</b>	<b>6</b>	<b>Net Gain or Loss from hedge accounting</b>	<b>6</b>	<b>6</b>	<b>2</b>	<b>-3</b>	<b>2</b>

## Note 14 - Other assets

Parent Bank			(NOKm)	Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024		30 Sep 2024	30 Sep 2023	31 Dec 2023
-	2	0	Deferred tax asset	6	8	6
167	165	175	Fixed assets	280	276	276
251	267	300	Right to use assets	454	399	390
0	0	0	Assets held for sale	0	0	0
136	57	190	Earned income not yet received	226	82	153
66	1,562	1,503	Accounts receivable, securities	1,503	1,562	66
221	240	221	Pension assets	221	240	221
479	634	474	Other assets	808	918	737
<b>1,321</b>	<b>2,928</b>	<b>2,863</b>	<b>Total other assets</b>	<b>3,498</b>	<b>3,485</b>	<b>1,849</b>



## Note 15 - Other liabilities

Parent Bank			(NOKm)	Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024		30 Sep 2024	30 Sep 2023	31 Dec 2023
158	146	158	Deferred tax	216	201	216
813	639	709	Payable tax	798	696	900
22	-	22	Capital tax	22	-	22
137	-14	175	Accrued expenses and received, non-accrued income	486	328	439
459	532	444	Provision for accrued expenses and commitments	444	532	459
52	51	79	Losses on guarantees and unutilised credits	79	51	52
9	11	9	Pension liabilities	9	11	9
260	276	310	Lease liabilities	467	411	403
9	8	1	Drawing debt	1	8	9
132	174	78	Creditors	155	215	191
-15	2,215	3,726	Debt from securities	3,726	2,215	-15
-	-	-	Equity Instruments	-	-	-
222	381	393	Other liabilities	487	494	317
<b>2,258</b>	<b>4,420</b>	<b>6,104</b>	<b>Total other liabilities</b>	<b>6,890</b>	<b>5,163</b>	<b>3,002</b>

## Note 16 - Debt created by issue of securities and subordinated debt

### Group

	1 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	30 Sep 2024
<b>Change in securities debt (NOKm)</b>					
Bond debt, nominal value	34,767	5,880	3,302	951	38,295
Value adjustments	-1,588	-	-	635	-953
Accrued interest	309	-	-	110	419
<b>Total</b>	<b>33,488</b>	<b>5,880</b>	<b>3,302</b>	<b>1,696</b>	<b>37,762</b>

	1 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	30 Sep 2024
<b>Change in Senior Non-preferred debt</b>					
Senior non preferred, nominal value	12,344	1,351	623	37	13,110
Value adjustments	-65	0	0	-11	-77
Accrued interest	136	0	0	20	157
<b>Total</b>	<b>12,415</b>	<b>1,351</b>	<b>623</b>	<b>46</b>	<b>13,190</b>

	1 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	30 Sep 2024
<b>Change in subordinated debt (NOKm)</b>					
Ordinary subordinated loan capital, nominal value	2,226	900	261	2	2,867
Value adjustments	21	-	-	6	26
<b>Total</b>	<b>2,247</b>	<b>900</b>	<b>261</b>	<b>8</b>	<b>2,894</b>

## Note 17 - Measurement of fair value of financial instruments

Financial instruments at fair value are classified at various levels.

### Level 1: Valuation based on quoted prices in an active market

Fair value of financial instruments that are traded in the active markets is based on market price on the balance sheet date. A market is considered active if market prices are easily and regularly available from a stock exchange, dealer, broker, industry group, price-setting service or regulatory authority, and these prices represent actual and regularly occurring market transactions at an arm's length. This category also includes quoted shares and Treasury bills.

### Level 2: Valuation based on observable market data

Level 2 consists of instruments that are valued by the use of information that does not consist in quoted prices, but where the prices are directly or indirectly observable for the assets or liabilities concerned, and which also include quoted prices in non-active markets.

### Level 3: Valuation based on other than observable data

If valuation data are not available for level 1 and 2, valuation methods are applied that are based on non-observable information.

The following table presents the Group's assets and liabilities measured at fair value at 30 September 2024:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
- Derivatives	-	6,552	-	6,552
- Bonds and money market certificates	2,680	33,275	-	35,955
- Equity instruments	193	94	661	948
- Fixed interest loans	-	-	9,230	9,230
Financial assets through other comprehensive income				
- Loans at fair value through other comprehensive income	-	-	93,495	93,495
<b>Total assets</b>	<b>2,872</b>	<b>39,921</b>	<b>103,387</b>	<b>146,180</b>
<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities through profit/loss				
- Derivatives	-	5,584	-	5,584
<b>Total liabilities</b>	<b>-</b>	<b>5,584</b>	<b>-</b>	<b>5,584</b>

The following table presents the Group's assets and liabilities measured at fair value at 30 September 2023:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
- Derivatives	-	8,818	-	8,818
- Bonds and money market certificates	3,404	33,208	-	36,612
- Equity instruments	348	91	568	1,006
- Fixed interest loans	-	-	5,547	5,547
Financial assets through other comprehensive income				
- Loans at fair value through other comprehensive income	-	-	91,811	91,811
<b>Total assets</b>	<b>3,751</b>	<b>42,117</b>	<b>97,926</b>	<b>143,794</b>
<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities through profit/loss				
- Derivatives	-	9,813	-	9,813
<b>Total liabilities</b>	<b>-</b>	<b>9,813</b>	<b>-</b>	<b>9,813</b>

The following table presents the Group's assets and liabilities measured at fair value at 31 December 2023:

<b>Assets (NOKm)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit/loss				
- Derivatives	-	6,659	-	6,659
- Bonds and money market certificates	2,879	31,284	-	34,163
- Equity instruments	363	152	622	1,137
- Fixed interest loans	-	102	5,480	5,582
Financial assets through other comprehensive income				
- Loans at fair value through other comprehensive income	-	-	92,263	92,263
<b>Total assets</b>	<b>3,242</b>	<b>38,197</b>	<b>98,365</b>	<b>139,804</b>
<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities through profit/loss				
- Derivatives	-	6,989	-	6,989
<b>Total liabilities</b>	<b>-</b>	<b>6,989</b>	<b>-</b>	<b>6,989</b>

The following table presents the changes in the instruments classified in level 3 as at 30 September 2024:

<b>(NOKm)</b>	<b>Equity instruments through profit/loss</b>	<b>Fixed interest loans</b>	<b>Loans at fair value through OCI</b>	<b>Total</b>
Opening balance 1 January	622	5,480	92,263	98,365
Investment in the period	26	4,472	33,900	38,398
Disposals in the period	-3	-662	-32,639	-33,304
Expected credit loss	-	-	-28	-28
Gain or loss on financial instruments	15	-60	0	-45
<b>Closing balance</b>	<b>661</b>	<b>9,230</b>	<b>93,495</b>	<b>103,387</b>

The following table presents the changes in the instruments classified in level 3 as at 30 September 2023:

<b>(NOKm)</b>	<b>Equity instruments through profit/loss</b>	<b>Fixed interest loans</b>	<b>Loans at fair value through OCI</b>	<b>Total</b>
Opening balance 1 January	570	4,630	81,901	87,101
Investment in the period	27	1,704	34,820	36,551
Disposals in the period	-8	-672	-24,903	-25,582
Expected credit loss	-	-	1	1
Gain or loss on financial instruments	-22	-116	-7	-145
<b>Closing balance</b>	<b>568</b>	<b>5,547</b>	<b>91,811</b>	<b>97,926</b>

The following table presents the changes in the instruments classified in level 3 as at 31 December 2023:

(NOKm)	Equity instruments through profit/loss	Fixed interest loans	Loans at fair value through OCI	Total
Opening balance 1 January	570	4,630	81,901	87,101
Investment in period	38	1,814	40,578	42,430
Disposals in the period	-25	-977	-30,210	-31,212
Expected credit loss	-	-	2	2
Gain or loss on financial instruments	38	14	-7	45
<b>Closing balance</b>	<b>622</b>	<b>5,480</b>	<b>92,263</b>	<b>98,366</b>

#### Valuation method

The valuation method applied is adapted to each financial instrument, and is intended to utilise as much of the information that is available in the market as possible.

The method for valuation of financial instruments in level 2 and 3 is described in the following:

##### *Fixed interest loans to customers (level 3)*

The loans consist for the most part of fixed interest loans denominated in Norwegian kroner. The value of the fixed interest loans is determined such that agreed interest flows are discounted over the term of the loan by a discount factor that is adjusted for margin requirements. The discount factor is raised by 10 points when calculating sensitivity.

##### *Loans at fair value through other comprehensive income (level 3)*

Property Loans at floating interest classified at fair value over other comprehensive income is valued based on nominal amount reduced by expected credit loss. Loans with no significant credit risk deterioration since first recognition is assessed at nominal amount. For loans with a significant increase in credit risk since first recognition or objective evidence of loss, the calculation of expected credit losses over the life of the asset is in line with loan losses for loans at amortised cost. Estimated fair value is the nominal amount reduced by expected lifetime credit loss. If the likelihood of the worst case scenario in the model is doubled, fair value is reduced by NOK 2 million.

##### *Short-term paper and bonds (level 2 and 3)*

Valuation on level 2 is based for the most part on observable market information in the form of interest rate curves, exchange rates and credit margins for the individual credit and the bond's or certificate's characteristics. For paper valued under level 3 the valuation is based on indicative prices from a third party or comparable paper.

##### *Equity instruments (level 3)*

Shares that are classified to level 3 include essentially investments in unquoted shares. Among other a total of NOK 564 million in Private Equity investments, property funds, hedge funds and unquoted shares through the company SpareBank SMN 1 Invest. The valuations are in all essentials based on reporting from managers of the funds who utilise cash flow based models or multiples when determining fair value. The Group does not have full access to information on all the elements in these valuations and is therefore unable to determine alternative assumptions.

##### *Financial derivatives (level 2)*

Financial derivatives at level 2 include for the most part currency futures and interest rate and exchange rate swaps. Valuation is based on observable interest rate curves. In addition the item includes derivatives related to FRAs. These are valued with a basis in observable prices in the market. Derivatives classified to level 2 also include equity derivatives related to SpareBank 1 Markets' market-making activities. The bulk of these derivatives refer to the most sold shares on Oslo Børs, and the valuation is based on the price of the actual /underlying share and observable or calculated volatility.

## Sensitivity analyses, level 3 as at 30 September 2024:

(NOKm)	Book value	Effect from change in reasonable possible alternative assumptions
Fixed interest loans	9,230	-24
Equity instruments through profit/loss*	661	-
Loans at fair value through other comprehensive income	93,495	-2

\* As described above, the information to perform alternative calculations are not available

## Note 18 - Liquidity risk

Liquidity risk is the risk that the group will be unable to refinance its debt or to finance asset increases. Liquidity risk management starts out from the group's overall liquidity strategy which is reviewed and adopted by the board of directors at least once each year. The liquidity strategy reflects the group's moderate risk profile.

The group reduces its liquidity risk through guidelines and limits designed to achieve a diversified balance sheet, both on the asset and liability side. Preparedness plans have been drawn up both for the group and the SpareBank 1 Alliance to handle the liquidity situation in periods of turbulent capital markets. The bank's liquidity situation is stress tested on a monthly basis using various maturities and crisis scenarios: bank-specific, for the financial market in general or a combination of internal and external factors. The group's objective is to survive twelve months of ordinary operations without access to fresh external funding while housing prices fall 30 per cent. In the same period minimum requirements to LCR shall be fulfilled.

The average residual maturity on debt created by issue of securities at the end of the third quarter 2024 was 3.1 years. The overall LCR at the same point was 172 per cent and the average overall LCR in the third quarter was 174 per cent. The LCR in Norwegian kroner and euro at quarter-end was 168 and 250 per cent respectively.

## Note 19 - Earnings per EC

ECC owners share of profit have been calculated based on net profit allocated in accordance to the average number of certificates outstanding in the period. There is no option agreements in relation to the Equity Capital Certificates, diluted net profit is therefore equivalent to Net profit per ECC.

(NOKm)	January - September		
	2024	2023	2023
Adjusted Net Profit to allocate between ECC owners and Savings Bank Reserve 1)	3,361	2,277	3,489
Allocated to ECC Owners 2)	2,245	1,521	2,331
Issues Equity Capital Certificates adjusted for own certificates	144,182,532	136,581,953	138,106,331
<b>Earnings per Equity Capital Certificate</b>	<b>15.57</b>	<b>11.14</b>	<b>16.88</b>

1) Adjusted Net Profit	January - September		
	2024	2023	2023
Net Profit for the group	3,540	2,441	3,688
adjusted for non-controlling interests share of net profit	-76	-78	-74
Adjusted for Tier 1 capital holders share of net profit	-103	-86	-125
<b>Adjusted Net Profit</b>	<b>3,361</b>	<b>2,277</b>	<b>3,489</b>

2) Equity capital certificate ratio (parent bank) (NOKm)	30 Sep 2024	30 Sep 2023	31 Dec 2023
ECC capital	2,884	2,884	2,884
Dividend equalisation reserve	8,482	7,879	8,482
Premium reserve	2,422	2,422	2,422
Unrealised gains reserve	71	47	71
Other equity capital	-2	3	0
<b>A. The equity capital certificate owners' capital</b>	<b>13,857</b>	<b>13,235</b>	<b>13,859</b>
Ownerless capital	6,865	6,566	6,865
Unrealised gains reserve	35	23	35
Other equity capital	-1	2	0
<b>B. The saving bank reserve</b>	<b>6,899</b>	<b>6,590</b>	<b>6,900</b>
To be disbursed from gift fund	-	-	860
Dividend declared	-	-0	1,730
<b>Equity ex. profit</b>	<b>20,757</b>	<b>19,825</b>	<b>23,350</b>
<b>Equity capital certificate ratio A/(A+B)</b>	<b>66.8 %</b>	<b>66.8 %</b>	<b>66.8 %</b>