

Investor Relations

Supplementary Information

2020

Q1



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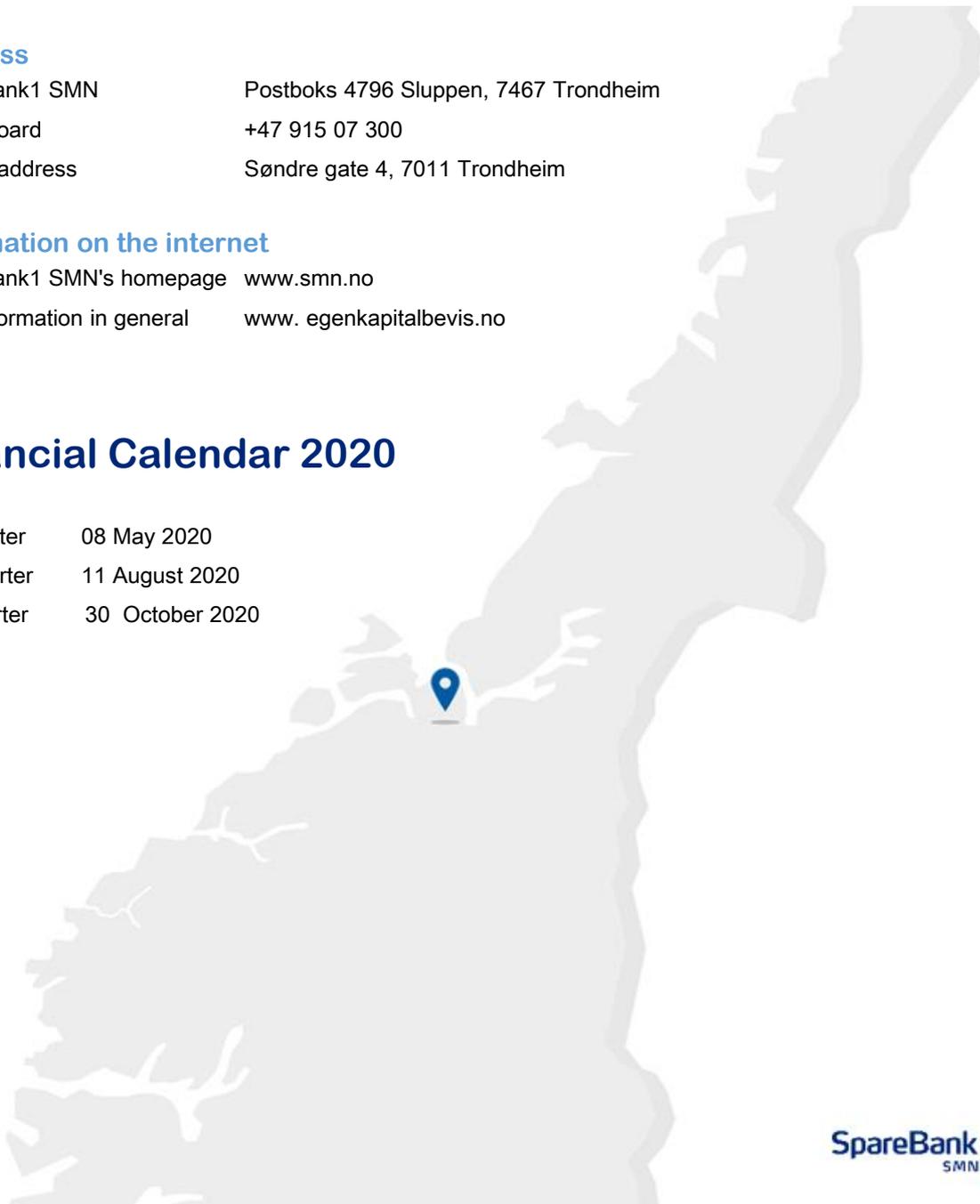
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Information on the internet

SpareBank1 SMN's homepage www.smn.no
ECC information in general www.egenkapitalbevis.no

Financial Calendar 2020

1st quarter 08 May 2020
2nd quarter 11 August 2020
3rd quarter 30 October 2020



Major changes from Q1 2020

Corona crisis and oil price fall

The crisis has triggered a broad-based international economic crisis accompanied by increased unemployment and a dramatic fall in demand despite highly expansionary monetary policies in the majority of countries. After the national lockdown, imposed on March 12th, the Norwegian economy has also been hard hit, even though Norway has a more robust economy than most countries. Oil prices has fallen heavily. SpareBank 1 SMN has low exposure to sectors that are directly affected by the oil price. The Norwegian krone has depreciated markedly in the first quarter. Norges Bank (Norway's central bank) has lowered its key policy rate to 0.25 per cent since March 12th. A number of industries have experienced a wave of layoffs, and at 21st of April 15 per cent of the labour force were registered as jobseekers and 10 per cent were registered as totally unemployed. In response to the crisis in the Norwegian government has initiated a raft of measures to assist businesses and private individuals.

SpareBank 1 SMN is the region's leading finance house and shoulders its responsibility in a highly demanding situation. A number of measures have been taken to accommodate the needs of businesses and private individuals. The group offers among other things mortgage holidays to businesses and private individuals, and advances of unemployment benefit to private individuals. The group also provides advice on support arrangements and relevant measures to personal customers, businesses and public authorities. SpareBank 1 SMN has been allocated government-guaranteed loans worth 1.5 bn for mediation to corporate clients in the region.

Changed distribution for 2019

In light of the economic outlook, the board of directors of SpareBank 1 SMN has decided to change the distribution of profit for 2019 and is lowering the payout ratio from 53.5 per cent to 41.2 per cent. The new dividend is NOK 5.00 per equity certificate, down from NOK 6.50 in the annual accounts for 2019.

The allocation to social capital is correspondingly reduced from NOK 474m to NOK 364m, while the share going to payment of social dividend is maintained at NOK 200m.

SpareBank 1 SMN is indisputably solid. The change in the distribution of profit reflects a sound balance between the need of stability and predictability for the bank's shareholders and investors, and the corporate social responsibility the group has

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1.1 Financial highlights



January - March 2020

YTD 2019

Profit before tax and inv. held for sale	357	NOK million	1,155
Net profit	290	NOK million	1,046
Return on equity	5.7	per cent	23.3
Annual lending growth	6.0	per cent	6.6
Annual deposits growth	8.7	per cent	6.8
Loan losses	308	NOK million	67
CET1 ratio	16.3	per cent	14.8
Earnings per EC	1.26	NOK	5.02

Q1 2020

Q1 2019

Profit before tax and inv. held for sale	357	NOK million	1,155
Net profit	290	NOK million	1,046
Return on equity	5.7	per cent	23.3
Loan losses	308	NOK million	67
Earnings per EC	1.26	NOK	5.02



Main figures

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Net interest	710	697	678	664	649	644	610	581	568
Commission income and other income	570	579	554	606	551	543	486	607	542
Net return on financial investments	101	17	121	336	727	95	182	300	180
Total income	1,381	1,292	1,353	1,607	1,926	1,282	1,277	1,488	1,290
Total operating expenses	716	720	673	701	704	701	616	661	645
Result before losses	665	572	680	907	1,223	580	661	827	645
Loss on loans, guarantees etc.	308	103	71	59	67	67	69	78	48
Result before tax	357	469	609	848	1,155	513	592	748	596
Tax charge	67	123	121	165	109	104	119	156	131
Results investments held for sale, after tax	0	0	0	0	0	-8	6	150	1
Net profit	290	346	488	683	1,046	401	480	743	466

Five years [NOK million]	YTD 20	2019	2018	2017	2016
Net interest	710	2,687	2,403	2,225	1,929
Commission income and other income	570	2,290	2,177	2,005	1,674
Net return on financial investments	101	1,201	757	760	944
Total income	1,381	6,178	5,337	4,989	4,547
Total operating expenses	716	2,797	2,624	2,369	2,003
Result before losses	665	3,380	2,713	2,621	2,544
Loss on loans, guarantees etc.	308	299	263	341	516
Result before tax	357	3,081	2,450	2,279	2,029
Tax charge	67	518	509	450	352
Results investments held for sale, after tax	0	0	149	-1	4
Net profit	290	2,563	2,090	1,828	1,681

Balance sheet - condensed

Quarterly figures [NOK million]	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Total assets	185,182	166,662	166,475	167,289	164,641	160,704	159,337	159,584	152,083
Average total assets (quarterly)	175,922	166,569	166,882	165,965	162,673	160,021	159,460	155,833	152,668
Gross loans to customers ¹	170,771	167,777	165,380	163,627	161,091	160,317	157,825	154,790	151,065
Deposits from customers	88,152	85,917	83,641	86,553	81,111	80,615	77,529	80,343	75,937
Total equity capital	19,600	20,420	19,904	19,450	18,673	18,686	18,650	17,984	17,365

¹ Loans to customers includes loans sold to SpareBank1 Boligkreditt and SpareBank1 Næringskreditt.

Five years [NOK million]	YTD 20	2019	2018	2017	2016
Total assets	185,182	166,662	160,704	153,254	138,080
Average total assets (quarterly)	175,922	165,154	160,021	150,083	138,948
Gross loans to customers ¹	170,771	167,777	160,317	148,784	137,535
Deposits from customers	88,152	85,917	80,615	76,476	67,168
Total equity capital	19,600	20,420	18,686	17,510	16,253

Equity capital certificate (MING)

Quarterly figures	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
ECC price	67.60	100.20	98.50	97.70	87.40	84.20	90.90	84.50	80.90
Number of certificates issued, millions	129.22	129.30	129.48	129.66	129.41	129.62	129.44	129.31	129.38
Booked equity capital per ECC (incl. dividend)	86.85	90.75	89.36	87.04	83.86	83.87	82.57	80.21	76.53
Adjusted profit per ECC	1.26	1.60	2.30	3.21	5.02	1.90	2.32	3.54	2.21
P/E per ECC (annualised)	13.46	15.67	10.69	7.61	4.35	11.05	9.77	5.97	9.16
P/B equity capital	0.78	1.10	1.10	1.12	1.04	1.00	1.10	1.05	1.06

Five years	YTD 20	2019	2018	2017	2016
ECC price	67.60	100.20	84.20	82.25	64.75
Number of certificates issued, millions	129.22	129.30	129.62	129.38	129.64
Booked equity capital per ECC (incl. dividend)	86.85	90.75	83.87	78.81	73.35
Adjusted profit per ECC	1.26	12.14	9.97	8.71	7.93
P/E per ECC (annualised)	13.46	8.26	8.44	9.44	8.17
P/B equity capital	0.78	1.10	1.00	1.04	0.88

1.2 Credit Ratings

Moody's

[year end]	Current rating	2019	2018	2017	2016	2015	2014
Outlook	Stable	Negative	Negative	Stable	Stable	Negative	Stable
Issuer Rating	A1	A1	A1	A1	A1	A2	A2
Bank Deposits	A1/P-1	A1/ P-1	A1/ P-1	A1/ P-1	A1/ P-1	A2/ P-1	A2/ P-1
Senior Unsecured	A1	A1	A1	A1	A1	A2	A2
Subordinate	Baa2	Baa2	Baa2	Baa2	Baa2	Baa2	Baa3

Fitch

[year end]	Current rating	2019	2018	2017	2016	2015	2014
Outlook	Negative	Stable	Stable	Stable	Stable	Stable	Stable
Long-term IDR	A-	A-	A-	A-	A-	A-	A-
Short-term IDR	F2	F2	F2	F2	F2	F2	F2
Support rating	5	5	5	3	3	3	3

1.3 Financial results and key figures

Financial results

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Interest income	1,250	1,235	1,190	1,127	1,075	1,082	1,025	989	962
Interest expenses	540	538	512	463	426	438	414	408	394
Net interest income	710	697	678	664	649	644	610	581	568
Commission income	349	371	374	363	329	343	344	361	339
Commission expenses	50	47	55	51	40	42	45	45	36
Other operating income	271	255	235	294	262	242	186	291	239
Commission income and other income	570	579	554	606	551	543	486	607	542
Dividends	8	1	1	11	2	2	0	4	2
Income from investment in related companies	217	8	85	231	555	130	105	102	79
Net return on financial investments	-124	8	35	95	169	-37	77	195	99
Net return on financial investments	101	17	121	336	727	95	182	300	180
Total income	1,381	1,292	1,353	1,607	1,926	1,282	1,277	1,488	1,290
Staff costs	443	411	404	438	447	391	376	413	403
Other operating expenses	273	309	269	263	257	311	240	248	241
Total operating expenses	716	720	673	701	704	701	616	661	645
Result before losses	665	572	680	907	1,223	580	661	827	645
Loss on loans, guarantees etc.	308	103	71	59	67	67	69	78	48
Result before tax	357	469	609	848	1,155	513	592	748	596
Tax charge	67	123	121	165	109	104	119	156	131
Results investments held for sale, after tax	0	0	0	0	0	-8	6	150	1
Net profit	290	346	488	683	1,046	401	480	743	466
Attributable to additional Tier 1 Capital holders	24	10	10	10	19	9	7	9	11
Majority share	254	324	467	650	1,017	386	470	716	447
Minority interest	12	12	11	22	10	6	2	19	8

Five years [NOK million]	YTD 20	2019	2018	2017	2016
Interest income	1,250	4,626	4,057	3,825	3,597
Interest expenses	540	1,939	1,655	1,600	1,668
Net interest	710	2,687	2,403	2,225	1,929
Commission income	349	1,437	1,387	1,390	1,251
Commission expenses	50	193	168	168	133
Other operating income	271	1,046	958	783	556
Commission income and other income	570	2,290	2,177	2,005	1,674
Dividends	8	15	8	6	88
Income from investment in related companies	217	879	416	437	423
Net return on financial investments	-124	307	334	317	434
Net return on financial investments	101	1,201	757	760	944
Total income	1,381	6,178	5,337	4,989	4,547
Staff costs	443	1,699	1,584	1,426	1,159
Other operating expenses	273	1,098	1,040	943	844
Total operating expenses	716	2,797	2,624	2,369	2,003
Result before losses	665	3,380	2,713	2,621	2,544
Loss on loans, guarantees etc.	308	299	263	341	516
Result before tax	357	3,081	2,450	2,279	2,029
Tax charge	67	518	509	450	352
Results investments held for sale, after tax	0	0	149	-1	4
Net profit	290	2,563	2,090	1,828	1,681
Attributable to additional Tier 1 Capital holders	24	49	37	33	34
Majority share	254	2,458	2,018	1,763	1,606
Minority interest	12	56	34	32	41

Balance sheet

	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Quarterly figures [NOK million]	2020	2019	2019	2019	2019	2018	2018	2018	2018
Cash and receivables from central banks	5,848	761	1,279	1,278	647	883	1,129	1,403	635
Deposits with and loans to credit institutions	2,239	2,110	4,432	8,612	8,387	5,074	6,828	5,078	6,113
Net loans to and receivables from customers	126,128	125,279	123,037	121,025	119,285	119,728	117,153	114,683	112,119
Fixed-income CDs and bonds at fair value	27,395	23,115	21,125	19,870	20,806	20,348	19,721	18,640	18,797
Derivatives	11,757	2,972	4,052	3,767	3,181	4,119	2,686	2,910	3,278
Shares, units and other equity interests	1,437	2,953	2,386	2,202	2,015	1,873	2,662	2,540	2,164
Investment in related companies	6,652	6,468	6,487	6,406	6,386	6,098	5,865	5,748	5,879
Investments held for sale	40	40	41	41	42	43	44	48	639
Intangible assets	876	872	876	878	846	851	849	842	819
Other assets	2,810	2,092	2,760	3,210	3,047	1,687	2,401	7,692	1,641
Assets	185,182	166,662	166,475	167,289	164,641	160,704	159,337	159,584	152,083
Deposits from credit institutions	13,150	8,853	8,942	11,793	11,601	9,214	10,106	9,889	8,374
Deposits from and debt to customers	88,152	85,917	83,641	86,553	81,111	80,615	77,529	80,343	75,937
Debt created by issue of securities	49,303	43,014	44,889	39,578	43,172	44,269	44,113	43,234	41,410
Derivatives	8,004	3,528	3,505	3,479	3,178	2,982	3,005	2,974	2,970
Other liabilities	4,900	2,841	3,339	4,172	4,632	2,670	3,264	2,962	3,832
Investments held for sale	1	0	0	0	0	1	0	8	0
Subordinated loan capital	2,071	2,090	2,254	2,263	2,273	2,268	2,668	2,189	2,195
Total liabilities	165,582	146,243	146,571	147,839	145,968	142,018	140,687	141,600	134,718
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	-11	-7	-3	-9	-4	-5	-11	-10
Premium fund	895	895	895	895	895	895	895	895	895
Dividend equalisation fund	6,311	6,123	5,581	5,591	5,580	5,594	5,075	5,075	5,066
Recommended dividends	0	840	0	0	0	661	0	0	0
Provision for gifts	0	474	0	0	0	373	0	0	0
Ownerless capital	5,541	5,432	5,126	5,126	5,126	5,126	4,831	4,831	4,831
Unrealised gains reserve	189	189	155	155	155	155	126	126	126
Other equity capital	1,760	1,827	1,544	1,566	1,595	1,608	1,509	1,503	1,515
Hybrid capital	1,268	1,293	1,004	1,013	1,023	1,043	1,310	1,136	1,306
Result of the period	290	0	2,217	1,729	1,046	0	1,689	1,209	466
Minority interests	760	761	792	781	665	637	623	621	572
Total equity capital	19,600	20,420	19,904	19,450	18,673	18,686	18,650	17,984	17,365
Total liabilities and equity	185,182	166,662	166,475	167,289	164,641	160,704	159,337	159,584	152,083

Five years [NOK million]	YTD 20	2019	2018	2017	2016
Cash and receivables from central banks	5,848	761	883	3,313	315
Deposits with and loans to credit institutions	2,239	2,110	5,074	4,214	3,892
Net loans to and receivables from customers	126,128	125,279	119,728	110,959	101,354
Fixed-income CDs and bonds at fair value	27,395	23,115	20,348	19,736	17,557
Derivatives	11,757	2,972	4,119	4,351	4,752
Shares, units and other equity interests	1,437	2,953	1,873	1,825	1,542
Investment in related companies	6,652	6,468	6,098	5,760	5,638
Investments held for sale	40	40	43	649	15
Intangible assets	876	872	851	793	639
Other assets	2,810	2,092	1,687	1,654	2,376
Assets	185,182	166,662	160,704	153,254	138,080
Deposits from credit institutions	13,150	8,853	9,214	9,607	10,509
Deposits from and debt to customers	88,152	85,917	80,615	76,476	67,168
Debt created by issue of securities	49,303	43,014	44,269	42,194	36,317
Derivatives	8,004	3,528	2,982	3,343	4,074
Other liabilities	4,900	2,841	2,670	1,923	1,531
Investments held for sale	1	0	1	1	0
Subordinated loan capital	2,071	2,090	2,268	2,201	2,228
Total liabilities	165,582	146,243	142,018	135,744	121,827
Equity capital certificate	2,597	2,597	2,597	2,597	2,597
Own holdings of ECCs	-12	-11	-4	-8	-4
Premium fund	895	895	895	895	895
Dividend equalisation fund	6,311	6,123	5,594	5,072	4,487
Recommended dividends	0	840	661	571	389
Provision for gifts	0	474	373	322	220
Ownerless capital	5,541	5,432	5,126	4,831	4,499
Unrealised gains reserve	189	189	155	126	139
Other equity capital	1,760	1,827	1,608	1,547	1,656
Hybrid capital	1,268	1,293	1,043	993	950
Result of the period	290	0	0	0	0
Minority interests	760	761	637	565	425
Total equity capital	19,600	20,420	18,686	17,510	16,253
Total liabilities and equity	185,182	166,662	160,704	153,254	138,080

Key figures

Quarterly figures	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Return on equity	5.7 %	7.1 %	10.2 %	14.9 %	23.3 %	9.0 %	11.1 %	17.9 %	11.2 %
Cost/income ratio group	52%	56%	50%	44%	37%	55%	48%	44%	50%
Cost/income ratio group, ex. financial inv.	56%	56%	55%	55%	59%	59%	56%	56%	58%
12-month cost growth	1.8 %	2.3 %	9.2 %	5.9 %	9.1 %	13.6 %	5.9 %	10.7 %	12.9 %
Gross loans to customers ¹	170,771	167,777	165,380	163,627	161,091	160,317	157,825	154,790	151,065
Growth in loans last 12 months ¹	6.0 %	6.3 %	6.8 %	5.7 %	6.6 %	7.8 %	7.3 %	7.6 %	7.9 %
Growth in loans this period ¹	1.8 %	1.4 %	1.1 %	1.6 %	0.5 %	1.6 %	2.0 %	2.5 %	1.5 %
Deposits from customers	88,152	85,917	83,641	86,553	81,111	80,615	77,529	80,343	75,937
Growth in deposits last 12 months	8.7 %	10.8 %	4.1 %	7.7 %	6.8 %	5.4 %	6.1 %	6.3 %	8.2 %
Growth in deposits this period	2.6 %	2.7 %	-3.4 %	6.7 %	0.6 %	4.0 %	-3.5 %	5.8 %	-0.7 %
Deposit-to-loan ratio ¹	52%	51%	51%	53%	50%	50%	49%	52%	50%
Total assets	185,182	166,662	166,475	167,289	164,641	160,704	159,337	159,584	152,083
Average total assets (quarterly)	175,922	166,569	166,882	165,965	162,673	160,021	159,460	155,833	152,668
FTEs, group	1,553	1,509	1,639	1,556	1,524	1,493	1,467	1,439	1,393
FTEs, parent bank	630	619	614	580	570	575	589	588	581
FTEs, subsidiaries	923	890	1,024	976	953	918	878	851	812
Number of branches	46	46	46	48	48	48	48	48	48
Lending margin	1.85	1.64	1.71	1.73	1.84	1.88	1.89	1.90	2.03
Deposit margin	0.27	0.43	0.36	0.29	0.24	0.19	0.12	0.12	0.04
Net other operating income of total income	41%	45%	41%	38%	29%	42%	38%	41%	42%
Common Equity Tier 1 capital ratio	16.3 %	17.2 %	15.1 %	15.0 %	14.8 %	14.6 %	14.9 %	15.0 %	14.6 %
Tier 1 capital ratio	18.0 %	19.3 %	16.7 %	16.6 %	16.4 %	16.3 %	16.7 %	17.0 %	16.3 %
Capital ratio	20.1 %	21.6 %	18.9 %	18.8 %	18.6 %	18.5 %	19.2 %	19.0 %	18.2 %
Tier 1 capital	17,792	17,742	17,417	17,284	16,775	16,472	16,542	16,488	15,697
Total eligible capital	19,879	19,854	19,765	19,634	19,115	18,743	18,969	18,418	17,518
Liquidity Coverage Ratio (LCR) (%)	185%	148%	181%	165%	180%	183%	150%	150%	162%
Leverage ratio	6.9 %	7.5 %	7.4 %	7.5 %	7.4 %	7.4 %	7.5 %	7.4 %	7.3 %
Impairment losses ratio	0.73%	0.25%	0.17%	0.14%	0.17%	0.17%	0.18%	0.20%	0.13%
Non-performing commitm. as % of gross loans	0.38%	0.26%	0.26%	0.22%	0.18%	0.19%	0.18%	0.18%	0.19%
Other doubtful commitm. as % of gross loans	1.23%	1.00%	1.03%	1.00%	0.99%	0.86%	0.86%	0.95%	0.90%
ECC price	67.60	100.20	98.50	97.70	87.40	84.20	90.90	84.50	80.90
Number of certificates issued, millions	129.22	129.30	129.48	129.66	129.41	129.62	129.44	129.31	129.38
Booked equity capital per ECC (incl. dividend)	86.85	90.75	89.36	87.04	83.86	83.87	82.57	80.21	76.53
Adjusted profit per ECC	1.26	1.60	2.30	3.21	5.02	1.90	2.32	3.54	2.21
P/E per ECC	13.46	15.67	10.69	7.61	4.35	11.05	9.77	5.97	9.16
P/B equity capital	0.78	1.10	1.10	1.12	1.04	1.00	1.10	1.05	1.06

¹ Including Sparebank1 Boligkreditt and Sparebank 1 Næringskreditt.

Five years	YTD 20	2019	2018	2017	2016
Return on equity	5.7 %	13.7 %	12.2 %	11.5 %	11.3 %
Cost/income ratio group	52%	45%	49%	47%	44%
Cost/income ratio group, ex. financial inv.	56%	56%	57%	56%	56%
12-month cost growth	1.8 %	6.6 %	10.8 %	18.3 %	3.7 %

Gross loans to customers ¹	170,771	167,777	160,317	148,784	137,535
Growth in loans last 12 months ¹	6.0 %	4.7 %	7.8 %	8.2 %	8.0 %
Growth in loans this period ¹	1.8 %	4.7 %	7.8 %	8.2 %	8.0 %
Deposits from customers	88,152	85,917	80,615	76,476	67,168
Growth in deposits last 12 months	8.7 %	6.6 %	5.4 %	13.9 %	4.8 %
Growth in deposits this period	2.6 %	6.6 %	5.4 %	13.9 %	4.8 %
Deposit-to-loan ratio ¹	52%	51%	50%	51%	49%
Total assets	185,182	166,662	160,704	153,254	138,080
Average total assets (quarterly)	175,922	165,154	156,992	145,948	137,060
FTEs, group	1,553	1,509	1,493	1,403	1,254
FTEs, parent bank	630	619	575	595	630
FTEs, subsidiaries	923	890	918	808	624
Number of branches	46	46	48	48	49
Lending margin	1.85	1.73	1.92	2.13	1.97
Deposit margin	0.27	0.33	0.12	0.00	0.09
Net other operating income of total income	41%	37%	41%	40%	37%
Common Equity Tier 1 ratio	16.3 %	17.2 %	14.6 %	14.6 %	14.8 %
Core capital ratio	18.0 %	19.3 %	16.3 %	16.6 %	16.8 %
Capital adequacy ratio	20.1 %	21.6 %	18.5 %	18.6 %	19.2 %
Tier 1 capital	17,792	17,742	16,472	15,707	15,073
Total eligible capital	19,879	19,854	18,743	17,629	17,189
Liquidity Coverage Ratio (LCR) (%)	185%	148%	183%	164%	129%
Leverage ratio	6.9 %	7.5 %	7.4 %	7.2 %	7.4 %
Impairment losses ratio	0.73%	0.18%	0.17%	0.24%	0.39%
Non-performing commitm. as % of gross loans	0.38%	0.26%	0.19%	0.19%	0.16%
Other doubtful commitm. as % of gross loans	1.23%	1.00%	0.86%	0.80%	1.07%
ECC price	67.60	100.20	84.20	82.25	64.75
Number of certificates issued, millions	129.22	129.30	129.62	129.38	129.64
Booked equity capital per ECC (incl. dividend)	86.85	90.75	83.87	78.81	73.35
Adjusted profit per ECC	1.26	12.14	9.97	8.71	7.93
P/E per ECC	13.46	8.26	8.44	9.44	8.17
P/B equity capital	0.78	1.10	1.00	1.04	0.88

¹ Including Sparebank1 Boligkreditt and Sparebank 1 Næringskreditt.

1.4 Net interest income

Net interest income

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Interest income	1,250	1,235	1,190	1,127	1,075	1,082	1,025	989	962
Interest expenses	540	538	512	463	426	438	414	408	394
Net interest income	710	697	678	664	649	644	610	581	568
As a percentage of total income	51%	54%	50%	41%	34%	50%	48%	39%	44%

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 20	2019	2018	2017	2016
Interest income	1,250	4,626	4,057	3,825	3,597
Interest expenses	540	1,939	1,655	1,600	1,668
Net interest income	710	2,687	2,403	2,225	1,929
As a percentage of total income	51%	43%	45%	45%	42%

Change in interest income from lending and deposits

Last 12 months [NOK million]	Volume	Margin	Total
Lending	26	3	29
Deposits	4	7	10
Total	30	9	40

Change in net interest income

Last 12 months [NOK million]	1Q20	Change	1Q19
Net interest income	710	61	649
Lending volume		26	
Lending margin		3	
Fees on lending		1	
Deposit volume		4	
Deposit margin		7	
Subsidiaries		4	
Equity capital		21	
Funding and liquidity buffer		-4	

Margin development

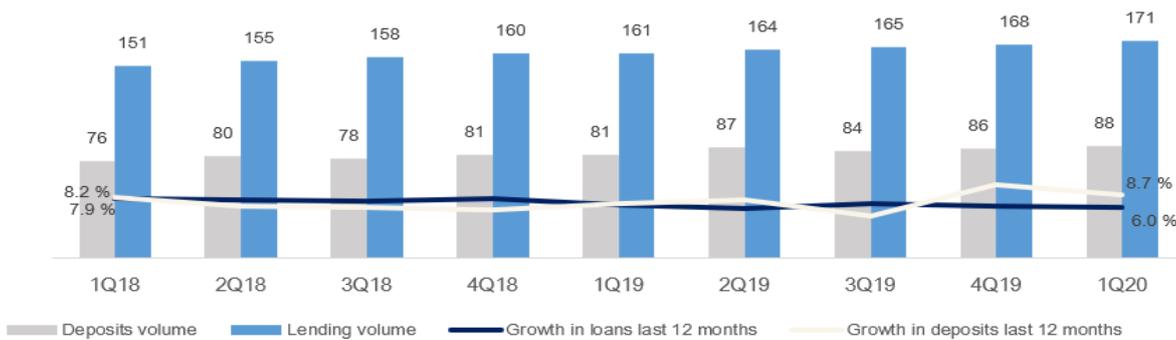
Definition of margin: average customer interest rate minus 3 months nibor



Volume development

Quarterly figures

	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Lending volume	170.8	167.8	165.4	163.6	161.1	160.3	157.8	154.8	151.1
Deposits volume	88.2	85.9	83.6	86.6	81.1	80.6	77.5	80.3	75.9
Growth in loans last 12 months	6.0 %	6.3 %	6.8 %	5.7 %	6.6 %	7.8 %	7.3 %	7.6 %	7.9 %
Growth in deposits last 12 months	8.7 %	10.8 %	4.1 %	7.7 %	6.8 %	5.4 %	6.1 %	6.3 %	8.2 %



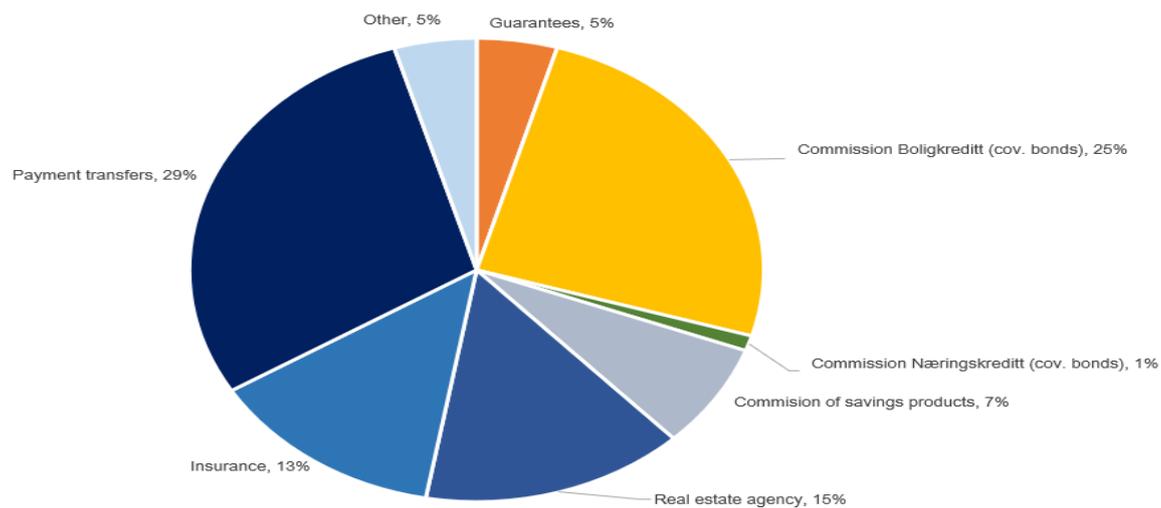
1.5 Other income

Commision and other income

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Guarantees	16	15	15	15	15	16	19	17	20
Commission Boligkreditt (cov. bonds)	88	90	90	86	83	87	77	86	99
Commission Næringskreditt (cov. bonds)	4	4	4	4	4	5	4	4	3
Commision of savings products	25	35	28	28	29	30	28	28	27
Real estate agency	52	57	65	74	56	48	58	71	49
Insurance	47	47	47	45	44	44	43	44	43
Payment transfers	102	106	110	93	85	95	94	89	82
Other	16	16	16	18	14	19	21	23	15
Total commisions income	349	371	374	363	329	343	344	361	339
Operating- and sales income real estate	31	36	34	40	29	24	31	41	29
Accounting services	148	102	92	147	131	93	78	126	114
Other operating income	91	118	109	106	103	125	77	125	96
Total other operating income	271	255	235	294	262	242	186	291	239
Commision expenses	50	47	55	51	40	42	45	45	36
Total commision and other income	570	579	554	606	551	543	486	607	542
As a percentage of total income	41%	45%	41%	38%	29%	42%	38%	41%	42%

Five years [NOK million]	YTD 20	2019	2018	2017	2016
Guarantees	16	59	72	80	76
Commission Boligkreditt (cov. bonds)	88	349	350	353	271
Commission Næringskreditt (cov. bonds)	4	16	16	17	12
Commision of savings products	25	117	113	115	74
Real estate agency	52	252	225	223	247
Insurance	47	183	174	172	159
Payment transfers	102	393	360	362	355
Other	16	67	78	67	57
Total commisions income	349	1,437	1,387	1,390	1,251
Operating- and sales income real estate	31	138	124	118	121
Accounting services	148	473	411	342	202
Other operating income	91	435	423	323	234
Total other operating income	271	1,046	958	783	556
Commision expenses	50	193	168	168	133
Total commision and other income	570	2,290	2,177	2,005	1,674
As a percentage of total income	41%	37%	41%	40%	37%

Distribution of commission income



Change in commission and other income

Last 12 months [NOK million]	1Q20	Change	1Q19
Commission and other income	570	19	551
Real estate agency		-4	
Other operating income		-11	
Operating- and sales income real estate		2	
Accounting services		17	
Insurance		3	
Commission of savings products		-3	
Commission expenses		-10	
Other		2	
Payments transfers		17	
Guarantees		1	
Commission Boligkreditt (cov. bonds)		5	
Commission Næringskreditt (cov. bonds)		0	

Net return on financial investments

including investments held for sale

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Dividends	8	1	1	11	2	2	0	4	2
SpareBank 1 Gruppen	-115	-12	40	186	38	99	72	81	36
Capital gain Fremtind Forsikring	340	0	0	0	460				
SpareBank 1 Boligkreditt	-31	0	3	8	14	-9	7	-8	3
SpareBank 1 Næringskreditt	2	6	5	2	8	4	2	4	4
BN Bank	23	28	33	27	24	24	20	23	30
SpareBank 1 Kredittkort	0	0	5	5	3	6	5	6	5
SpareBank 1 Betaling	-2	-5	-2	-2	12	-3	-3	-3	-3
Other companies	0	-10	-4	5	-4	-1	-4	1	3
Income from inv. in associates and joint ventures	217	8	81	231	555	120	100	103	79
Capital gains shares	-42	11	1	23	84	-48	26	113	5
Gain on certificates and bonds	50	-42	-26	15	32	5	-45	23	-59
Gain on derivatives	-148	40	29	40	23	-5	50	23	119
Gain on financial instruments related to hedging	-6	-8	4	-1	-4	1	1	-7	1
Gain on other financial instruments at fair value (FVO)	-57	-2	4	-4	10	-13	11	8	4
Foreign exchange gain	65	-10	10	14	9	16	21	15	11
Gain on shares and derivatives in SB1 Markets	14	17	13	8	15	7	14	20	17
Net return on financial investments¹	-124	8	35	95	169	-37	77	195	99
Total net return on financial investments	101	16	117	336	727	85	177	301	180
As percentage of total income	7%	1%	9%	21%	38%	7%	14%	20%	14%

Five years [NOK million]	YTD 20	2019	2018	2017	2016
Dividends	8	15	8	6	88
SpareBank 1 Gruppen	-115	252	289	349	317
Capital gain Fremtind Forsikring	340	460	0	0	0
SpareBank 1 Boligkreditt	-31	26	-7	-41	-17
SpareBank 1 Næringskreditt	2	21	15	19	29
BN Bank	23	113	97	98	86
SpareBank 1 Kredittkort	0	13	23	15	24
SpareBank 1 Betaling	-2	3	-12	-14	-27
Other companies	0	-8	12	12	15
Income from inv. in associates and joint ventures	217	879	416	437	427
Capital gains shares	-42	120	96	62	76
Gain on certificates and bonds	50	-20	-77	58	-2
Gain on derivatives	-148	132	187	148	280
Gain on financial instruments related to hedging	-6	-9	-4	-46	-21
Gain on other financial instruments at fair value (FVO)	-57	9	10	7	26
Foreign exchange gain	65	22	63	45	51
Gain on shares and derivatives in SB1 Markets	14	54	58	43	25
Net return on financial investments	-124	307	334	317	434
Total net return on financial investments	101	1,201	757	760	949
As percentage of total income	7%	19%	14%	15%	21%

Change in net return on financial investments

Last 12 months [NOK million]	1Q20	Change	1Q19
Net return on financial investments	101	-626	727
Dividends		6	
Income from investment in related companies		-338	
Capital gains shares		-126	
Gain on derivatives		-171	
Gain on other financial instruments at fair value (FVO)		-67	
Foreign exchange gain		55	
Gain on certificates and bonds		18	
Gain on shares and derivatives in SB1 Markets		-1	
Gain on financial instruments related to hedging		-2	

1.6. Operating expenses

Operating expenses

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Salaries	340	312	320	354	348	311	289	325	303
Pension costs (defined benefit plan)	26	28	26	24	27	12	24	30	29
Employer's insurance contributions	4	3	3	5	3	-4	4	5	5
Other personnel expenses	74	68	54	55	69	72	58	54	65
Total personnel expenses	443	411	404	438	447	391	376	413	403
IT costs	86	70	83	87	81	78	69	75	71
Postage and transportation services	5	5	8	6	5	5	4	5	4
Marketing	24	22	27	25	26	30	26	24	26
Depr./write-downs of fixed & intangible assets	42	42	41	44	46	32	23	14	29
Operating exp. on properties and premises	9	17	13	14	13	41	35	40	37
Other external services	53	66	50	41	36	50	36	38	28
Other operating expenses	53	88	47	46	50	74	47	53	47
Other expenses	273	309	269	263	257	311	240	248	241
Total operating expenses	716	720	673	701	704	701	616	661	645
Cost/income ratio	52%	56%	50%	44%	37%	55%	48%	44%	50%
Cost/income ratio ex financial investments	56%	56%	55%	55%	59%	59%	56%	56%	58%
12-month cost growth ¹	1.8 %	2.3 %	9.2 %	5.9 %	9.1 %	13.6 %	5.9 %	10.7 %	12.9 %

¹ 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 20	2019	2018	2017	2016
Salaries	340	1,334	1,228	1,107	991
Pension costs (defined benefit plan)	26	105	96	85	-20
Employer's insurance contributions	4	15	10	12	13
Other personnel expenses	74	245	249	223	175
Total personnel expenses	443	1,699	1,584	1,426	1,159
IT costs	86	321	293	266	252
Postage and transportation services	5	23	17	22	22
Marketing	24	101	106	104	98
Depr./write-downs of fixed & intangible assets	42	172	99	102	98
Operating exp. on properties and premises	9	57	153	118	109
Other external services	53	193	151	139	108
Other operating expenses	53	231	221	192	156
Other expenses	273	1,098	1,040	943	844
Total operating expenses	716	2,797	2,624	2,369	2,003
Cost/income ratio	51.9 %	45.3 %	49.2 %	47.5 %	44.0 %
Cost/income ratio ex financial investments	56.0 %	56.2 %	57.3 %	56.0 %	55.6 %
12-month cost growth	1.8 %	6.6 %	10.8 %	18.3 %	3.7 %

Change in operating expenses

Last 12 months [NOK million]	1Q20	Change	1Q19
Operating expenses	716	12	704
Total personnel expenses		-4	
EDP and telecommunication expenses		5	
Postage and transportation services		1	
Marketing		-2	
Depr./write-downs of fixed & intangible assets		-4	
Operating exp. on properties and premises		-4	
Other external services		17	
Other operating expenses		3	

Employees- full time equivalents

FTE's	1Q20	2019	2018	2017	2016
Parent bank	630	619	575	595	630
EiendomsMegler 1 Midt-Norge AS	246	230	309	251	227
SpareBank 1 Markets ¹	169	164	149	132	105
SpareBank 1 Regnskapshuset SMN AS	445	435	402	349	223
SpareBank 1 Finans Midt-Norge AS	35	34	34	32	34
DeBank	20	19			
Other	8	8	24	44	35
Total number of FTE's	1,553	1,509	1,493	1,403	1,254

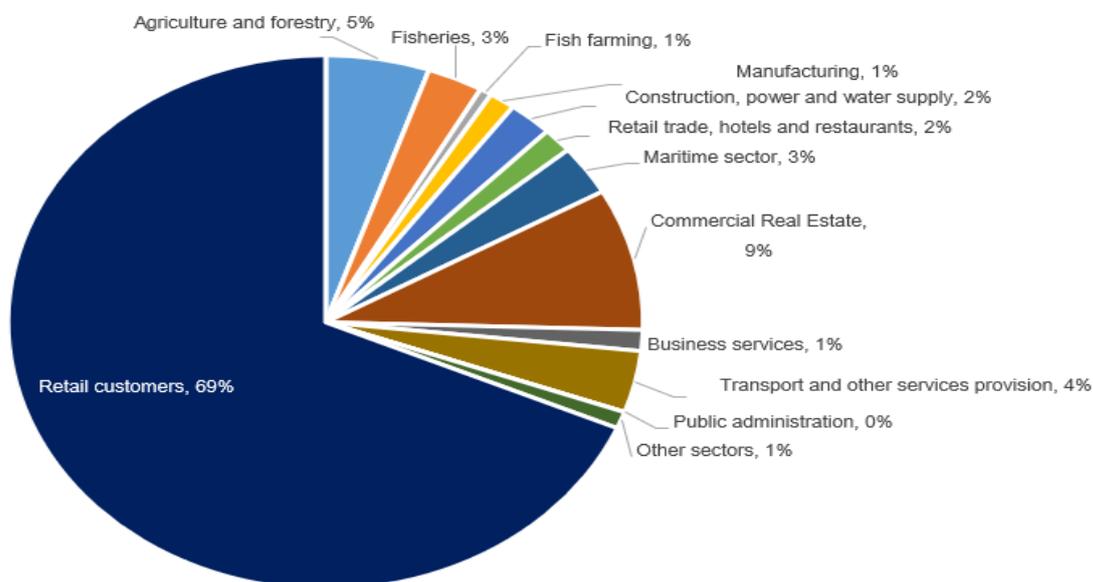
¹ SpareBank 1 Markets has been a subsidiary of SpareBank 1 SMN since 1 April 2015. SpareBank 1 SMN's capital market activities, including 32 FTEs, were transferred to SpareBank 1 Markets as part of the transaction.

1.7 Loans to customers

Distribution of loans by industry

	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Quarterly figures [NOK million]									
Agriculture and forestry	9,014	8,957	8,640	8,471	8,244	8,284	8,105	7,915	7,604
Fisheries	4,839	4,601	4,490	4,431	4,414	4,402	4,241	4,222	4,212
Fish farming	1,053	1,132	1,348	1,160	1,176	1,180	1,317	1,556	1,697
Manufacturing	2,255	2,595	3,097	3,118	3,507	3,787	3,158	2,794	3,129
Construction, power and water supply	3,837	3,970	3,719	3,678	3,703	3,661	3,536	3,349	3,622
Retail trade, hotels and restaurants	2,607	2,517	2,555	2,826	3,014	2,621	2,410	2,902	2,825
Maritime sector	5,177	4,660	4,678	4,667	4,609	4,227	4,372	4,706	4,533
Commercial Real Estate	14,689	14,878	14,530	14,726	14,915	15,168	14,737	14,623	14,366
Business services	2,158	2,146	2,053	2,088	2,060	2,162	2,463	2,195	2,203
Transport and other services provision	6,379	5,409	5,459	5,285	4,977	4,961	4,876	4,545	4,370
Public administration	17	12	14	15	15	55	23	19	243
Other sectors	1,742	1,863	2,026	2,036	1,720	1,679	1,955	1,852	1,823
Gross loans in corporate market	53,767	52,740	52,609	52,499	52,354	52,186	51,195	50,676	50,629
Retail customers	117,004	115,036	112,772	111,128	108,738	108,131	106,631	104,114	100,436
Gross loans incl. Boligkreditt and Næringskreditt	170,771	167,777	165,380	163,627	161,091	160,317	157,825	154,790	151,065
of which Boligkreditt	41,972	39,833	39,713	40,064	39,220	38,062	37,669	37,172	36,374
of which Næringskreditt	1,526	1,667	1,701	1,668	1,771	1,782	2,112	1,831	1,518
Gross loans in balance sheet	127,272	126,277	123,967	121,895	120,100	120,473	118,044	115,787	113,174
Share of volume, corporate market	31%	31%	32%	32%	32%	33%	32%	33%	34%
Share of volume, retail market	69%	69%	68%	68%	68%	67%	68%	67%	66%

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

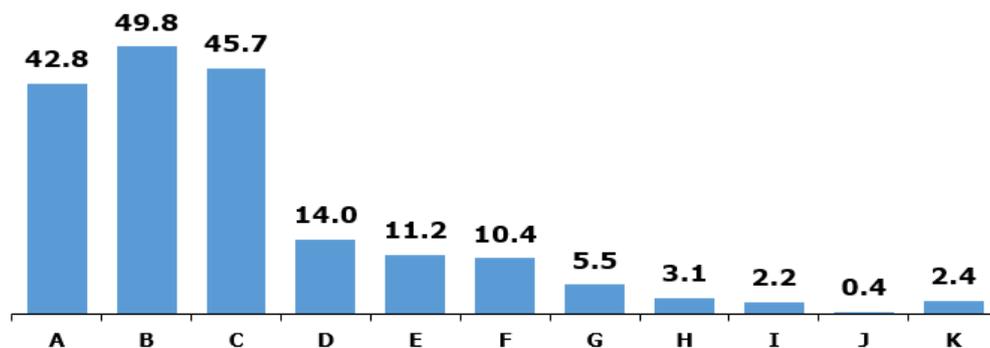
Risk profile - Exposure at default

As of	EAD	
	NOK billion	%
31 March 2020		
A	42.8	22.8 %
B	49.8	26.5 %
C	45.7	24.3 %
D	14.0	7.5 %
E	11.2	6.0 %
F	10.4	5.6 %
G	5.5	2.9 %
H	3.1	1.6 %
I	2.2	1.2 %
J	0.4	0.2 %
K	2.4	1.3 %

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

NOK billion



Loans and guarantees by industry

As of		Very low	Low	Medium	High	Very high	Default and
31 March 2020	Total	risk	risk	risk	risk	risk	written down
Personal customers	115,518	97,558	11,914	3,555	845	1,276	371
Public administration	511	511	0	0	0	0	0
Agriculture and forestry	14,991	9,313	3,826	1,284	293	251	23
Fish farming industries	1,546	1,251	158	74	54	9	0
Manufacturing	3,007	627	715	1,378	156	78	53
Construction, power and water supply	4,762	1,010	813	2,418	363	102	55
Retail trade, hotels and restaurants	3,479	849	913	1,272	369	47	29
Maritime sector	1,450	436	253	363	393	6	0
Property management	15,077	9,867	1,869	2,534	340	322	146
Business services	4,346	981	1,946	946	73	50	350
Transport and other services	12,611	5,744	2,755	2,096	166	48	1,802
Finance	150	150	0	0	0	0	0
Other sectors	10,099	9,961	21	40	26	0	52
1Q20	187,548	138,257	25,183	15,959	3,079	2,187	2,882

Five years [NOK million]		Very low	Low	Medium	High	Very high	Default and
YTD 20	Total	risk	risk	risk	risk	risk	written down
YTD 20	187,548	138,257	25,183	15,959	3,079	2,187	2,882
2019	184,071	135,691	24,880	15,174	3,417	2,593	2,315
2018	176,188	127,106	24,974	16,833	3,379	2,189	1,707
2017	164,510	116,961	23,842	16,258	3,394	2,480	1,575
2016	155,065	108,123	21,643	18,875	2,766	1,702	1,956

Write-downs on loans and guarantees

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Change in provision for expected credit losses for the period	188	81	60	44	61	22	58	61	9
Actual loan losses on commitments exceeding provisions made	143	23	14	16	8	46	15	24	42
Recoveries on commitments previously written-off	-22	-2	-2	-2	-2	-1	-4	-7	-2
Write-downs on loans and guarantees¹	308	103	71	59	67	67	69	78	48
As % of gross loans incl. Boligkreditt	0.73%	0.25%	0.17%	0.14%	0.17%	0.17%	0.18%	0.20%	0.13%

Five years [NOK million]	YTD 20	2019	2018	2017	2016
Change in provision for expected credit losses for the period	188	246	150		
Actual loan losses on commitments exceeding provisions made	143	62	127		
Recoveries on commitments previously written-off	-22	-8	-15		
Write-downs on loans and guarantees¹	308	299	263		
As % of gross loans incl. Boligkreditt	0.73%	0.18%	0.17%		

¹Provisions 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]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Retail Market	44	9	12	5	6	-1	9	13	-3
Corporate Market	258	73	47	39	53	59	51	54	48
SMN Finans and other	6	19	13	15	8	10	10	11	4
Total loss on loans	308	103	71	59	67	67	69	78	48

Five years [NOK million]	YTD 20	2019	2018	2017	2016
Retail Market	44	32	17	5	13
Corporate Market	258	213	212	318	490
SMN Finans and other	6	54	34	18	14
Total loss on loans	308	299	263	341	516

Write-down ratio

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Non-performing commitments (gross)	649	429	424	356	288	310	284	275	289
Impaired commitments (gross)	2,097	1,680	1,700	1,641	1,591	1,372	1,365	1,477	1,358
Gross non-performing and impaired commitments	2,747	2,109	2,123	1,998	1,880	1,682	1,649	1,752	1,647

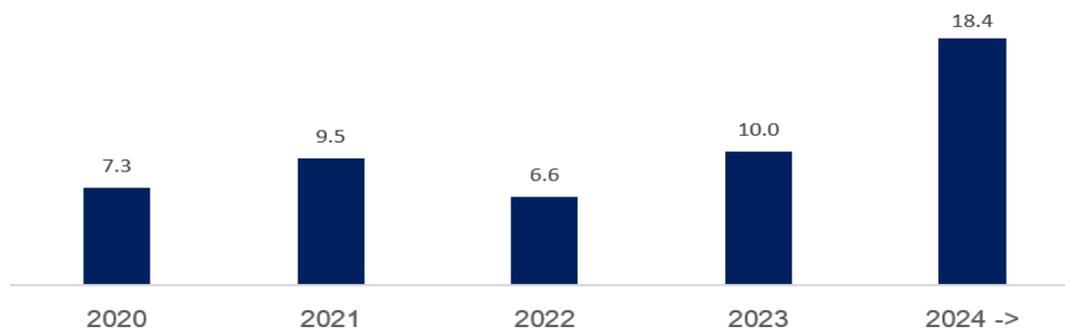
1.8 Capital Markets funding

Parent bank

	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019
Quarterly figures [NOK million]					
NOK bonds	14,459	13,315	14,772	15,024	14,977
Curr bonds	34,844	29,699	30,117	24,554	27,803
Curr CD's	0	0	0	0	392
Hybrid equity	1,513	1,538	1,454	1,457	1,459
Subordinated loan capital	1,763	1,759	1,753	1,762	1,770
Total capital markets funding	52,579	46,311	48,097	42,797	46,401

Funding maturity dates

Next eight quarters [NOK billion]	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22
Funding maturity	0.0	2.7	4.6	1.1	5.8	0.7	1.9	6.2



1.9 Capital adequacy

Capital adequacy ratios

	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Quarterly figures [NOK million]	2020	2019	2019	2019	2019	2018	2018	2018	2018
Common equity Tier 1 capital	16,155	15,830	15,758	15,625	15,122	14,727	14,697	14,528	13,976
Tier 1 capital	17,792	17,742	17,417	17,284	16,775	16,472	16,542	16,488	15,697
Total eligible capital	19,879	19,854	19,765	19,634	19,115	18,743	18,969	18,418	17,518
Risk-weighted assets (RWA)	98,832	91,956	104,464	104,240	102,495	101,168	98,915	97,137	96,044
Common equity Tier 1 ratio	16.3 %	17.2 %	15.1 %	15.0 %	14.8 %	14.6 %	14.9 %	15.0 %	14.6 %
Tier 1 capital ratio	18.0 %	19.3 %	16.7 %	16.6 %	16.4 %	16.3 %	16.7 %	17.0 %	16.3 %
Capital ratio	20.1 %	21.6 %	18.9 %	18.8 %	18.6 %	18.5 %	19.2 %	19.0 %	18.2 %

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2020	2019	2018	2017	2016
Common equity Tier 1 capital	16,155	15,830	14,727	13,820	13,233
Tier 1 capital	17,792	17,742	16,472	15,707	15,073
Total eligible capital	19,879	19,854	18,743	17,629	17,189
Risk-weighted assets (RWA)	98,832	91,956	101,168	94,807	88,786
Common equity Tier 1 ratio	16.3 %	17.2 %	14.6 %	14.6 %	14.8 %
Tier 1 capital ratio	18.0 %	19.3 %	16.3 %	16.6 %	16.8 %
Capital ratio	20.1 %	21.6 %	18.5 %	18.6 %	19.2 %

Leverage ratio

	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Quarterly figures [NOK million]	2020	2019	2019	2019	2019	2018	2018	2018	2018
Calculation basis for leverage ratio	256,248	236,441	234,678	230,667	227,862	223,853	221,628	224,271	215,248
Tier 1 capital	17,792	17,742	17,417	17,284	16,775	16,472	16,542	16,488	15,697
Leverage ratio	6.9 %	7.5 %	7.4 %	7.5 %	7.4 %	7.4 %	7.5 %	7.4 %	7.3 %

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2020	2019	2018	2017	2016
Calculation basis for leverage ratio	256,248	236,441	223,853	218,479	203,005
Tier 1 capital	17,792	17,742	16,472	15,707	15,073
Leverage ratio	6.9 %	7.5 %	7.4 %	7.2 %	7.4 %

Spesification of capital requirements

	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Quarterly figures [NOK million]	2020	2019	2019	2019	2019	2018	2018	2018	2018
Capital adequacy									
Total book equity	19,600	20,420	19,904	19,450	18,673	18,686	18,650	17,984	17,365
Additional Tier 1 capital instruments included in total equity	-1,268	-1,293	-1,004	-1,013	-1,023	-1,043	-1,310	-1,136	-1,306
Deferred taxes, goodwill and other intangible assets	-1,059	-1,099	-1,106	-1,105	-1,073	-1,079	-1,059	-1,044	-1,040
Deduction for allocated dividends and gifts	0	-1,314	0	0	0	-1,034	0	0	0
Non-controlling interests recognised in other equity capital	-760	-761	-792	-781	-665	-637	-623	-621	-572
Non-controlling interests eligible for incl. in CET1 capital	398	438	450	447	392	366	371	357	341
Net profit	-290	0	-2,217	-1,729	-1,046	0	-1,689	-1,209	-466
Year-to-date profit included in core capital (50 per cent pre tax of group profit in 2017)	266	0	1,128	879	537	0	864	614	233
Value adjustments due to requirements for prudent valuation	-62	-45	-44	-44	-43	-44	-47	-46	-45
Positive value of adj. expected loss under IRB Approach	-329	-351	-383	-309	-303	-286	-316	-299	-313
Cash flow hedge reserve	13	3	5	5	5	5	2	4	3
Deduction for common equity Tier 1 capital in significant investments in financial institutions	-353	-168	-183	-175	-333	-206	-147	-74	-222
Common equity Tier 1 capital	16,155	15,830	15,758	15,625	15,122	14,727	14,697	14,528	13,976
Additional Tier 1 capital instruments	1,637	1,637	1,384	1,384	1,377	1,378	1,478	1,592	1,353
Additional Tier 1 capital instruments covered by transitional provisions	0	275	275	275	275	367	367	367	367
Tier 1 capital	17,792	17,742	17,417	17,284	16,775	16,472	16,542	16,488	15,697
Subordinated capital	2,240	2,240	2,310	2,310	2,298	2,316	2,118	1,621	1,621
Subordinated capital covered by transitional provisions	0	12	179	182	184	96	449	449	449
Deduction for significant investments in financial institutions	-153	-140	-141	-141	-142	-140	-140	-141	-248
Additional Tier 2 capital instruments	2,087	2,113	2,348	2,351	2,340	2,272	2,427	1,930	1,822
Total eligible capital	19,879	19,854	19,765	19,634	19,115	18,743	18,969	18,418	17,518

	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Quarterly figures [NOK million]	2020	2019	2019	2019	2019	2018	2018	2018	2018
Minimum requirements subordinated capital									
Specialised enterprises	1,153	1,101	1,128	1,094	1,106	1,116	1,107	1,072	1,200
Corporate	1,279	1,149	1,194	1,163	1,161	1,163	1,181	1,128	1,070
Mass market exposure, mortgages	2,310	2,299	2,169	2,166	2,126	2,098	2,070	2,010	1,930
Other mass market	100	101	106	102	97	92	94	96	92
Equity investments, IRB	1	1	1	1	1	1	1	1	1
Total credit risk IRB	4,842	4,651	4,597	4,525	4,491	4,470	4,453	4,307	4,292
Central government	4	3	2	3	3	4	3	2	3
Covered bonds	152	132	149	136	135	124	145	146	142
Institutions	466	282	301	300	269	246	217	262	285
Local and regional authorities, state-owned enterprises	15	5	5	8	10	8	10	9	7
Corporate	227	239	237	237	251	221	241	255	236
Mass market	474	463	532	525	536	520	510	438	419
Exposures secured on real property	174	167	200	207	211	215	181	195	199
Equity positions	383	377	371	369	365	366	358	359	349
Other assets	150	151	157	167	169	107	109	128	150
Total credit risk standardised approach	2,045	1,818	1,955	1,952	1,949	1,810	1,774	1,796	1,791
Debt risk	48	34	27	35	45	31	33	23	25
Equity risk	7	15	6	14	12	7	24	11	14
Currency risk	3	3	3	3	3	3	3	4	4
Operational risk	720	720	656	656	654	575	575	575	575
Credit value adjustment risk (CVA)	240	115	130	122	118	122	80	110	119
Transitional arrangements	0	0	983	1,032	929	1,074	971	946	863
Minimum requirements subordinated capital	7,907	7,357	8,357	8,339	8,200	8,093	7,913	7,771	7,684
Risk-weighted assets (RWA)	98,832	91,956	104,464	104,240	102,495	101,168	98,915	97,137	96,044
Minimum requirement on CET1 capital, 4.5 per cent	4,447	4,138	4,701	4,691	4,612	4,553	4,451	4,371	4,322
Capital conservation buffer, 2.5 per cent	2,471	2,299	2,612	2,606	2,562	2,529	2,473	2,428	2,401
Systemic risk buffer, 3.0 per cent	2,965	2,759	3,134	3,127	3,075	3,035	2,967	2,914	2,881
Countercyclical buffer, 2.0 per cent (1.5 per cent)	988	2,299	2,089	2,085	2,050	2,023	1,978	1,943	1,921
Available CET1 capital after buffer requirements	5,284	4,335	3,222	3,116	2,823	2,587	2,827	2,872	2,451
Common equity Tier 1 capital ratio	16.3 %	17.2 %	15.1 %	15.0 %	14.8 %	14.6 %	14.9 %	15.0 %	14.6 %
Tier 1 capital ratio	18.0 %	19.3 %	16.7 %	16.6 %	16.4 %	16.3 %	16.7 %	17.0 %	16.3 %
Total eligible capital	20.1 %	21.6 %	18.9 %	18.8 %	18.6 %	18.5 %	19.2 %	19.0 %	18.2 %
Leverage ratio									
Balance sheet items	249,366	230,048	228,285	223,781	221,200	216,240	213,761	216,406	207,831
Off-balance sheet items	8,702	7,897	7,939	8,343	8,262	9,086	9,595	9,345	9,530
Regulatory adjustments	-1,820	-1,503	-1,546	-1,458	-1,600	-1,474	-1,729	-1,480	-2,113
Calculation basis for leverage ratio	256,248	236,441	234,678	230,667	227,862	223,853	221,628	224,271	215,248
Tier 1 capital	17,792	17,742	17,417	17,284	16,775	16,472	16,542	16,488	15,697
Leverage ratio	6.9 %	7.5 %	7.4 %	7.5 %	7.4 %	7.4 %	7.5 %	7.4 %	7.3 %

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2020	2019	2018	2017	2016
Capital adequacy					
Total book equity	19,600	20,420	18,686	17,510	16,253
Hybrid capital included in total equity	-1,268	-1,293	-1,043	-993	-950
Deferred taxes, goodwill and other intangible assets	-1,059	-1,099	-1,079	-984	-741
Part of reserve for unrealised gains, associated companies	0	0	0	0	117
Deduction for allocated dividends and gifts	0	-1,314	-1,034	-893	-609
Non-controlling interests recognised in other equity capital	-760	-761	-637	-565	-425
Non-controlling interests eligible for inclusion in CET1 capital	398	438	366	324	220
Net profit	-290	0	0	0	0
Year-to-date profit included in core capital (50 per cent pre tax of group profit in 2017)	266	0	0	0	0
Value adjustments due to requirements for prudent valuation	-62	-45	-44	-41	-48
Positive value of adjusted expected loss under IRB Approach	-329	-351	-286	-333	-248
Adjustments for unrealised losses (gains) arising from the institution's own credit risk related to derivative liabilities (DVA)	13	3	5	7	0
Direct, indirect and synthetic investments in financial sector companies	-353	-168	-206	-212	-337
Common equity Tier 1 capital	16,155	15,830	14,727	13,820	13,233
Hybrid capital, core capital	1,637	1,637	1,378	1,427	1,358
Hybrid capital covered by transitional provisions	0	275	367	459	483
Tier 1 capital	17,792	17,742	16,472	15,707	15,073
Subordinated capital	2,240	2,240	2,316	1,615	1,698
Subordinated capital covered by transitional provisions	0	12	96	561	673
Deduction for significant investments in financial institutions	-153	-140	-140	-254	-256
Additional Tier 2 capital instruments	2,087	2,113	2,272	1,922	2,116
Total eligible capital	19,879	19,854	18,743	17,629	17,189

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2020	2019	2018	2017	2016
Minimum requirements subordinated capital					
Specialised enterprises	1,153	1,101	1,116	1,107	1,206
Corporate	1,279	1,149	1,163	1,113	1,102
Mass market exposure, mortgages	2,310	2,299	2,098	1,892	1,753
Other mass market	100	101	92	91	88
Equity investments, IRB	1	1	1	1	3
Total credit risk IRB	4,842	4,651	4,470	4,205	4,153
Central government	4	3	4	3	5
Covered bonds	152	132	124	146	130
Institutions	466	282	246	333	340
Local and regional authorities, state-owned enterprises	15	5	8	4	7
Corporate	227	239	221	226	253
Mass market	474	463	520	405	179
Exposures secured on real property	174	167	215	193	342
Equity positions	383	377	366	344	338
Other assets	150	151	107	166	178
Total credit risk standardised approach	2,045	1,818	1,810	1,820	1,772
Debt risk	48	34	31	18	36
Equity risk	7	15	7	22	5
Currency risk	3	3	3	1	1
Operational risk	720	720	575	510	479
Credit value adjustment risk (CVA)	240	115	122	117	84
Transitional arrangements	0	0	1,074	891	574
Minimum requirements subordinated capital	7,907	7,357	8,093	7,585	7,103
Risk-weighted assets (RWA)	98,832	91,956	101,168	94,807	88,786
Minimum capital requirement, transitional rules 4.5 per cent	4,447	4,138	4,553	4,266	3,995
Capital conservation buffer, 2.5 per cent	2,471	2,299	2,529	2,370	2,220
Systemic risk buffer, 3.0 per cent	2,965	2,759	3,035	2,844	2,664
Countercyclical buffer, 2.0 per cent (1.5 per cent)	988	2,299	2,023	1,896	1,332
Available CET1 capital after buffer requirements	5,284	4,335	2,587	2,444	3,022
Common equity Tier 1 ratio	16.3 %	17.2 %	14.6 %	14.6 %	14.8 %
Tier 1 capital ratio	18.0 %	19.3 %	16.3 %	16.6 %	16.8 %
Capital ratio	20.1 %	21.6 %	18.5 %	18.6 %	19.2 %
Leverage ratio					
Balance sheet items	249,366	230,048	216,240	210,764	194,324
Off-balance sheet items	8,702	7,897	9,086	9,295	10,068
Regulatory adjustments	-1,820	-1,503	-1,474	-1,580	-1,388
Calculation basis for leverage ratio	256,248	236,441	223,853	218,479	203,005
Tier 1 capital	17,792	17,742	16,472	15,707	15,073
Leverage ratio	6.9 %	7.5 %	7.4 %	7.2 %	7.4 %

2.1 Extract from income statement¹

Group [in NOK million] as of	31 March 2020									
	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 ²	Total
Net interest	301	271	-2	0	82	0	0	0	59	710
Allocated	53	38	0	0	0	0	0	0	-91	0
Total interest income	354	308	-2	0	82	0	0	0	-32	710
Commission income and other income	198	54	60	83	19	156	0	0	-1	570
Net profit on financial investments	-2	10	45	0	0	0	-115	23	140	101
Total income	550	373	103	83	101	156	-115	23	107	1,381
Total operating expenses	246	113	118	83	49	129	0	0	-22	716
Ordinary operating profit	304	261	-15	0	52	27	-115	23	130	665
Loss on loans, guarantees etc.	44	258	0	0	5	0	0	0	1	308
Result before tax	260	3	-15	0	47	27	-115	23	128	357
Post- tax return on equity ³	9.5 %	0.2 %								5.7 %

Main balance sheet items

Loans and advances to customers adv. of this to Boligkreditt and Næringskreditt	121,269	41,174	0	0	8,957	0	0	0	-629	170,771
Loss on loans	-157	-930	0	0	-52	0	0	0	-6	-1,144
Other assets	197	7,932	2,636	301	23	551	1,834	1,449	44,132	59,054
Total assets	79,055	46,931	2,636	301	8,928	551	1,834	1,449	43,497	185,182
Deposits to customers	43,961	42,710	0	0	0	0	0	0	1,482	88,152
Other liabilities and equity	35,095	4,222	2,636	301	8,928	551	1,834	1,449	42,015	97,030
Total liabilities	79,055	46,931	2,636	301	8,928	551	1,834	1,449	43,497	185,182

¹For 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.

²Uncollated 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.

³Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 16.9 percent to be in line with the capital plan.

Development in interest income, Retail Market and Corporate Market

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Retail	301	298	301	283	278	288	270	244	254
Corporate	271	267	253	256	247	251	253	245	232
Net interest income	571	566	554	539	526	540	523	489	486

Development in margin¹, Retail Market and Corporate Market

Quarterly figures [percentage]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Lending									
Retail	1.63	1.40	1.49	1.50	1.60	1.63	1.64	1.65	1.79
Corporate	2.67	2.52	2.52	2.56	2.69	2.73	2.75	2.73	2.71
Total	1.85	1.64	1.71	1.73	1.84	1.88	1.89	1.90	2.03

Quarterly figures [percentage]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Deposits									
Retail	0.50	0.75	0.66	0.59	0.46	0.39	0.27	0.28	0.14
Corporate	0.06	0.14	0.09	0.03	0.02	-0.02	-0.05	-0.04	-0.05
Total	0.27	0.43	0.36	0.29	0.24	0.19	0.12	0.12	0.04

¹Definition margin: Average customer interest minus 3 months average Nibor

Development in volume, Retail Market and Corporate Market

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Lending²									
Retail	121,269	119,381	116,882	115,289	113,040	112,723	111,207	108,702	104,999
Corporate	41,174	40,162	40,502	38,422	38,881	40,548	39,716	39,452	39,821
Total	162,443	159,543	157,384	153,711	151,921	153,271	150,923	148,154	144,821

²Gross loans to customers includes SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Deposits									
Retail	43,961	41,639	41,674	42,795	40,734	40,046	39,879	40,372	37,811
Corporate	42,710	42,756	40,542	42,374	39,471	39,236	37,201	38,390	37,358
Total	86,670	84,395	82,216	85,169	80,206	79,282	77,079	78,762	75,169

Development in commission income, Retail Market and Corporate Market

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Retail	196	208	212	197	188	203	193	193	204
Corporate	65	60	52	49	57	54	63	51	51
Total	261	269	263	246	244	257	256	244	255

2.2 Retail market

Business description

	31 Mar
Facts about the business area	2020
Lending volume	121,269
Deposits volume	43,961
No. of active customers	227,928
FTEs	370

Financial performance

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Net interest income lending	140	136	150	147	156	169	155	135	165
Net interest income deposits	153	157	148	134	123	113	111	107	89
Net interest income allocated capital	61	64	53	53	52	52	50	46	43
Total interest income	354	357	351	334	330	334	316	288	296
Net guarantee commission, incl BK, NK	100	102	102	99	94	99	89	98	108
Net commission of savings products	14	22	21	14	14	22	21	17	15
Net commission insurance services	40	40	40	39	38	38	37	38	38
Net commission payment trans. services	44	44	48	45	42	45	45	39	43
Other commission income	0	0	1	0	0	0	0	1	0
Net fee and commission income	198	208	212	197	188	203	193	193	204
Net profit on financial investments	-2	0	0	0	0	0	0	0	0
Total income	550	565	563	532	518	537	509	481	501
Total operating expenses¹	246	221	222	215	217	207	199	200	199
Result before losses	303	344	341	317	301	330	310	281	302
Loss on loans, guarantees etc.	44	9	11	6	6	-1	8	13	-3
Result before tax	260	335	330	311	295	332	301	268	305

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2020	2019	2018	2017	2016
Net interest income lending	140	589	624	572	457
Net interest income deposits	153	561	419	411	438
Net interest income allocated capital	61	221	190	154	57
Total interest income	354	1,372	1,234	1,137	953
Net guarantee commission, incl BK, NK	100	397	394	392	306
Net commission of savings products	14	70	75	70	63
Net commission insurance services	40	158	151	151	139
Net commission payment trans. services	44	179	172	175	171
Other commission income	0	1	1	1	1
Net fee and commission income	198	805	793	789	679
Net profit on financial investments	-2	0	0	0	-1
Total income	550	2,177	2,027	1,926	1,631
Total operating expenses¹	246	875	804	794	770
Result before losses	303	1,302	1,223	1,132	861
Loss on loans, guarantees etc.	44	32	17	5	13
Result before tax	260	1,270	1,206	1,127	849
Post-tax return on equity (annualized)²	9.5 %	13.1 %	13.2 %	16.6 %	13.8 %

¹ Includes both direct and distributed expenses

² Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 16.9 (15.0) 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
Facts about the business area	2020
Lending volume	41,174
Deposits volume	42,710
No. of active customers	15,797
FTEs	148

Financial performance

Quarterly figures [NOK million]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Net interest income lending	170	176	174	185	179	186	182	175	169
Net interest income deposits	87	75	70	64	62	56	63	64	58
Net interest income allocated capital	52	55	44	44	42	41	41	39	36
Total interest income	308	307	288	293	284	283	286	278	263
Net guarantee commission, incl BK, NK	19	21	18	17	20	19	22	19	20
Net commission of savings products	0	0	-2	2	2	0	1	1	1
Net commission insurance services	7	6	6	6	6	6	6	6	6
Net commission payment trans. services	27	28	24	20	25	25	23	22	22
Other commission income	2	2	2	0	2	1	2	0	1
Net fee and commission income	54	57	48	45	55	51	53	48	50
Net profit on financial investments	10	3	3	4	2	2	11	3	1
Total income	373	367	340	341	340	336	350	329	314
Total operating expenses¹	113	103	100	103	104	94	91	92	95
Result before losses	261	264	239	239	236	242	258	237	219
Loss on loans, guarantees etc.	258	73	46	40	53	59	50	54	48
Result before tax	3	190	193	199	183	183	208	183	171

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2020	2019	2018	2017	2016
Net interest income lending	170	715	712	677	649
Net interest income deposits	87	271	241	274	272
Net interest income allocated capital	52	185	157	157	78
Total interest income	308	1,171	1,110	1,108	1,000
Net guarantee commission, incl BK, NK	19	76	81	86	89
Net commission of savings products	0	2	2	2	2
Net commission insurance services	7	25	23	21	20
Net commission payment trans. services	27	97	92	86	84
Other commission income	2	5	4	3	2
Net fee and commission income	54	205	202	199	196
Net profit on financial investments	10	12	17	9	9
Total income	373	1,388	1,329	1,315	1,205
Total operating expenses¹	113	410	373	365	332
Result before losses	261	978	956	950	873
Loss on loans, guarantees etc.	258	213	212	318	490
Result before tax	3	765	744	632	384
Post- tax return on equity (annualized)²	0.2 %	11.7 %	11.3 %	10.5 %	6.9 %

¹ Includes both direct and distributed expenses

² Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 16.9 (15.0) 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]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Net interest income	0	0	0	0	0	-3	1	1	1
Commission income and other income	83	122	142	162	115	108	128	157	104
Total income	83	122	141	162	114	105	129	158	104
Total operating expenses	83	128	148	139	123	134	140	133	112
Result before tax	0	-6	-7	23	-9	-29	-11	25	-8

Five years [NOK million]	YTD 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016
Net interest income	0	-1	-1	3	4
Commission income and other income	83	540	497	473	426
Total income	83	540	496	477	430
Total operating expenses	83	538	519	474	363
Result before tax	0	1	-23	3	68

SpareBank 1 Finans Midt- Norge AS

Ownership 61.2 %

Bank's offices and other partners.

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]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Net interest income	82	82	79	76	75	75	69	66	65
Commission income and other income	19	19	18	19	16	16	16	17	14
Total income	101	101	98	96	92	91	85	83	79
Total operating expenses	49	47	45	48	44	40	41	38	36
Ordinary operating profit	52	54	53	48	47	51	44	45	42
Loss on loans, guarantees etc.	5	19	12	13	8	10	9	11	4
Result before tax	47	35	41	35	40	42	35	34	38

Five years [NOK million]	YTD 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016
Net interest income	82	313	275	228	183
Commission income and other income	19	73	62	55	30
Total income	101	386	337	283	213
Total operating expenses	49	184	155	137	96
Ordinary operating profit	52	202	182	146	117
Loss on loans, guarantees etc.	5	52	34	18	13
Result before tax	47	150	149	128	104

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]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Net interest income	0	0	0	0	0	0	0	0	0
Commission income and other income	156	111	100	151	140	107	84	132	121
Total income	156	112	100	151	140	107	84	132	120
Total operating expenses	129	85	80	110	119	93	71	105	103
Result before tax	27	27	20	41	21	14	13	27	17

Five years [NOK million]	YTD 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016
Net interest income	0	0	0	-1	0
Commission income and other income	156	502	444	377	234
Total income	156	502	444	376	235
Total operating expenses	129	394	373	315	191
Result before tax	27	108	71	61	44

SpareBank 1 Markets AS

Ownership 66.7 %

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]	1Q20	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Net interest income	-2	-3	-4	-5	-4	-3	-4	-4	-3
Equities/ High Yield	39	56	27	49	51	39	40	60	56
Fixed Income	-21	11	8	12	12	10	6	13	11
Corporate	25	46	61	64	43	74	32	57	21
Foreign exchange/ interest rate derivatives	45	28	31	37	21	30	17	24	34
Asset Management	12	20	12	12	11	0	11	11	10
Other commission income	4	1	3	2	6	0	4	2	3
Total income	103	157	139	172	140	150	106	164	131
Total operating expenses	118	153	129	146	138	156	120	136	124
Ordinary operating profit	-15	4	11	26	2	-6	-14	29	7
Loss on loans, guarantees etc.	0	0	0	0	0	0	0	0	0
Result before tax	-15	4	11	26	2	-6	-14	29	7

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2020	2019	2018	2017	2016
Net interest income	-2	-17	-14	-15	-8
Equities/ High Yield	39	184	195	152	97
Fixed Income	-21	44	40	41	20
Corporate	25	214	183	112	87
Foreign exchange/ interest rate derivatives	45	117	105	82	88
Asset Management	12	56	32	53	0
Other commission income	4	13	10	11	8
Total income	103	609	551	437	292
Total operating expenses	118	566	536	435	282
Ordinary operating profit	-15	43	15	2	10
Loss on loans, guarantees etc.	0	0	0	0	0
Result before tax	-15	43	15	2	10

Other subsidiaries

SpareBank 1 Spire Finans

A bank catering exclusively to small and medium-sized businesses that specialise in factoring. SpareBank 1 Spire Finans is headquartered in Trondheim. SpareBank 1 SMN is increasing its focus on small and medium-sized businesses and strengthening its offering in the factoring area through this acquisition.

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 potential in the same market area.

Property companies

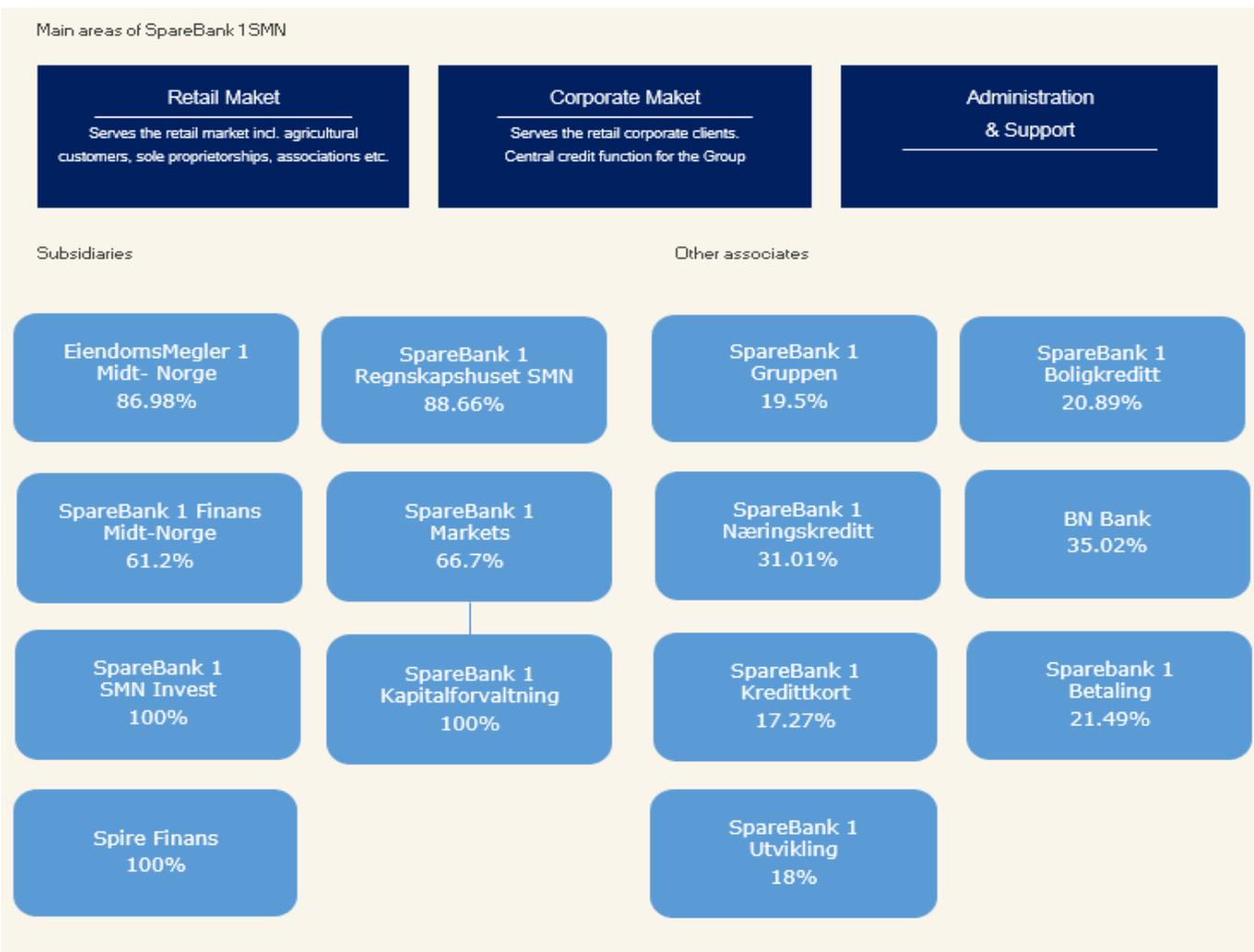
Their mission is to own, operate and develop property. Property companies: SpareBank 1 SMN Kvartalet, SpareBank 1 Bygget Steinkjer, St Olavs Plass 1 SMN

3 Appendix

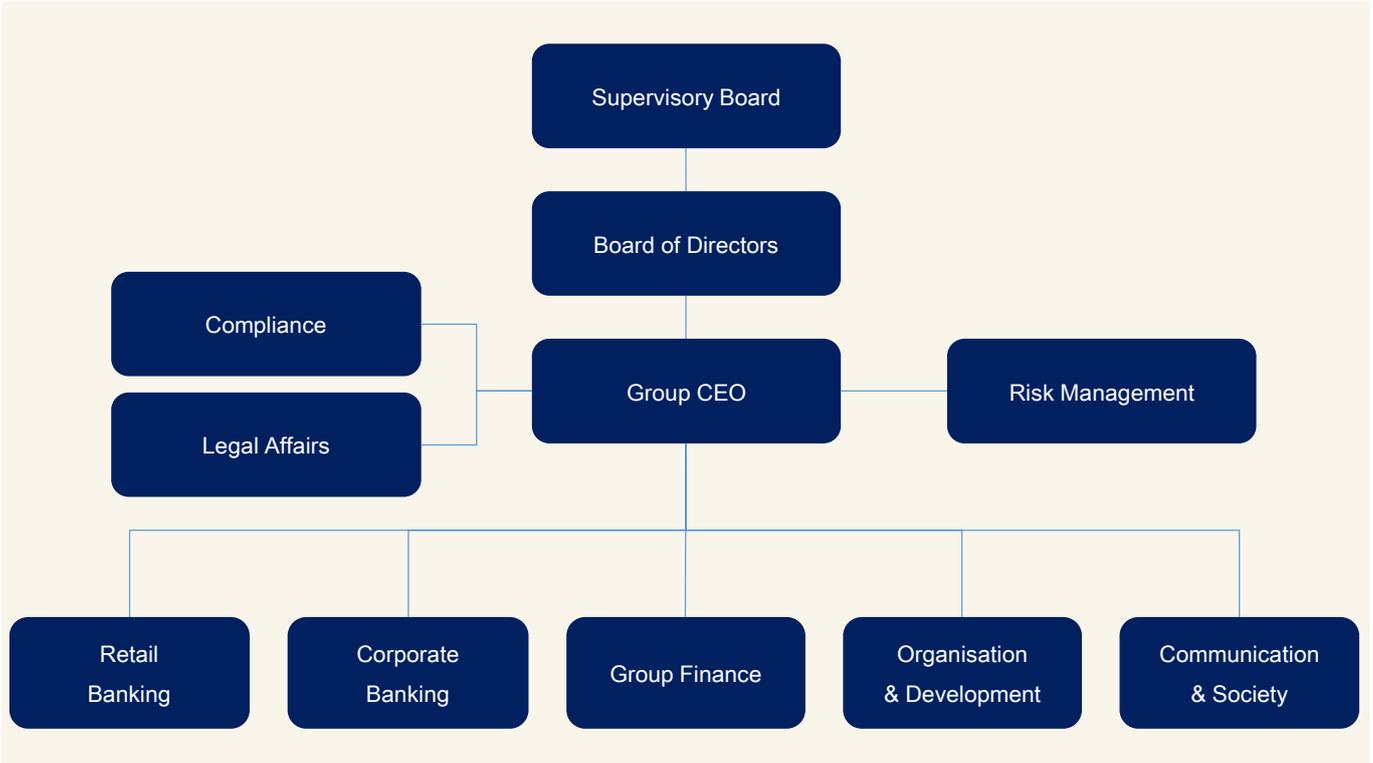
A1 Business description

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:

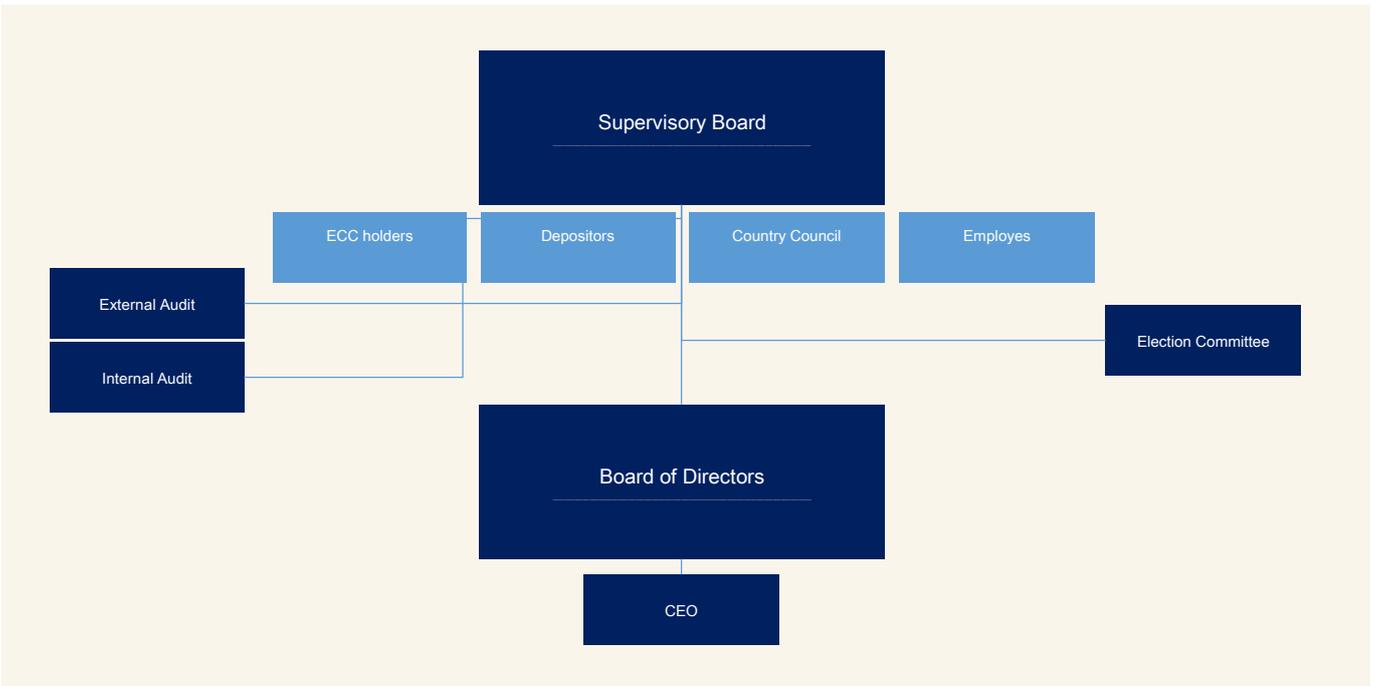
Financial Group SpareBank 1 SMN



Organisation of SpareBank 1 SMN

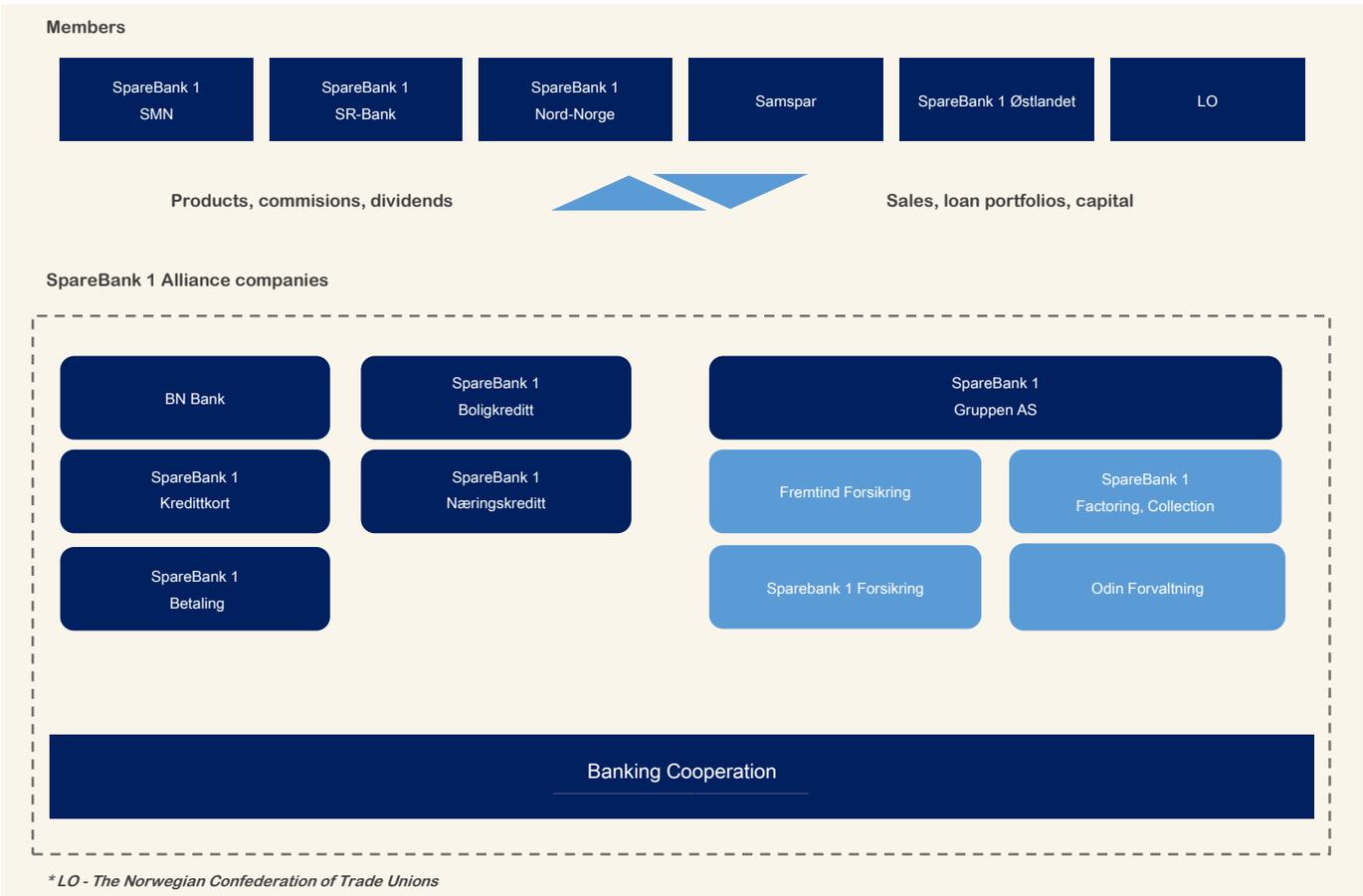


Overview of governing and control bodies



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 %
VPF Nordea Norge	4,864,385	3.75%
Sparebankstiftelsen SMN	3,965,391	3.05%
Euroclear Bank S.A./N.V.	3,537,174	2.72%
VPF Odin Norge	3,342,919	2.57%
Danske Invest Norske aksjer institusjon II.	3,162,149	2.44%
Vertex Markets SA	3,000,000	2.31%
J. P. Morgan Securities plc	2,761,083	2.13%
VPF Pareto aksje Norge	2,397,025	1.85%
State Street Bank and Trust Comp (nominee)	2,262,954	1.74%
VPF Alfred Berg Gambak	2,163,100	1.67%
State Street Bank and Trust Comp (nominee)	2,157,539	1.66%
Morgan Stanley & Co. International	2,100,862	1.62%
Pareto Invest AS	1,782,600	1.37%
Forsvarets personellservice	1,779,246	1.37%
VPF Eika egenkapitalbevis	1,719,305	1.32%
KBC bank NV	1,413,000	1.09%
VPF Nordea kapital	1,408,636	1.08%
MP pensjon PK	1,352,771	1.04%
J. P. Morgan Bank Luxembourg S.A. (nominee)	1,352,299	1.04%
Danske invest norske aksjer institusjon I	1,341,275	1.03%
Total 20 largest shareholders	47,863,713	36.86%
Others	81,972,730	63.14%
Total	129,836,443	100%

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
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