

**Report for the
third quarter 2022**
Bank Norwegian Group

Q3

Table of contents

Financial highlights	2
Report for the third quarter 2022	3
Profit and loss account	6
Balance sheet	8
Cash flow statement	10
Changes in equity	12
Notes	
Note 1 General accounting principles	13
Note 2 Segments	13
Note 3 Capital adequacy and Liquidity Coverage Ratio	14
Note 4 Expected credit loss	15
Note 5 Loans to customers by product groups	18
Note 6 Provision for loan losses	22
Note 7 Risk classes	21
Note 8 Net interest income	21
Note 9 Net commission and bank services income	21
Note 10 Net change in value on securities and currency	21
Note 11 General administrative expenses	22
Note 12 Classification of financial instruments	22
Note 13 Financial instruments at fair value	23
Note 14 Fair value of financial instruments at amortized cost	23
Note 15 Debt securities issued, senior non-preferred bonds and subordinated loans	24
Note 16 Related parties and other investments	25
Note 17 Subsequent events	25
Quarterly figures	26

Financial highlights

Profit and loss account

<i>Amounts in NOK 1000</i>	Bank Norwegian Group		
	Q3 2022	Q3 2021	2021
Net interest income	1 059 283	1 150 959	4 665 173
Net other operating income	51 840	-15 981	63 294
Total income	1 111 123	1 134 978	4 728 467
Total operating expenses	391 452	408 361	1 624 767
Provision for loan losses	327 926	359 715	1 498 728
Profit before tax	391 744	366 902	1 604 972
Tax charge	98 593	90 807	404 494
Profit after tax	293 151	276 095	1 200 478
Comprehensive income	294 657	276 095	1 200 395

Balance sheet

<i>Amounts in NOK 1000</i>	Bank Norwegian Group		
	30.9.22	30.9.21	31.12.21
Total assets	53 187 701	57 607 307	56 464 926
Loans to customers	39 233 675	34 216 695	33 649 320
Liquid assets	11 577 423	22 825 758	22 125 894
Deposits from customers	33 619 116	38 224 252	36 393 611
Debt securities issued	6 217 667	6 018 621	6 945 201
Senior non-preferred bonds	679 927	-	-
Subordinated loans	539 200	753 807	739 801
Tier 1 capital	125 000	425 000	425 000
Total equity	10 857 073	11 202 754	11 169 309

Key figures and alternative performance measures

	Bank Norwegian Group		
	Q3 2022	Q3 2021	2021
Return on equity (ROE) ¹	11.1 %	10.1 %	10.8 %
Return on assets (ROA) ¹	2.2 %	1.9 %	2.0 %
Earning per share (EPS)	1.56	1.43	6.25
Dividend per share (DPS)	-	-	3.85
Common equity tier 1 (CET 1)	25.8 %	25.7 %	25.5 %
Leverage ratio	18.0 %	16.5 %	16.4 %
Liquidity coverage ratio (LCR)	261 %	400 %	338 %
Net interest margin (NIM) ¹	7.9 %	7.9 %	7.9 %
Cost/income ratio ¹	0.35	0.36	0.34
Loan loss provisions to average loans ¹	3.3 %	3.6 %	3.8 %
Stage 3 loans to loans ¹	13.1 %	21.0 %	19.7 %
Stage 3 loan loss allowance to Stage 3 loans ¹	39.4 %	37.4 %	38.3 %
Loan loss allowance to loans ¹	6.9 %	9.3 %	8.9 %

¹ Defined as alternative performance measure (APM). APMs are described on banknorwegian.no/OmOss/InvestorRelations.

Report for the third quarter 2022

"I am very satisfied that we see increased business momentum continuing in the third quarter from first half year. We have grown by 31 700 new customers and even after rebalancing risk through the last year by selling non-performing loans, and we see profitable growth in all countries. In all markets, customers use their credit card increasingly every month, and we are back at pre-pandemic levels or above. We have finetuned our scalable, digital business model and improved many ways of working the last year. During the quarter we have also performed interest rate increases on our loans across all markets to reflect the higher interest rate environment. Bank Norwegian together with our owners Nordax Bank AB (publ) have a clear growth strategy that we are thrilled to actively contribute to."

Klara-Lise Aasen, CEO Bank Norwegian ASA

The third quarter has been affected by continuation of challenges to the global and European economies, including the war in Ukraine, supply-chain challenges, monetary actions with increasing interest rates from central banks all over the world to fight inflationary pressures and volatile financial markets. The Norwegian Krone depreciated further during the third quarter, with large movements in September. Operationally, the positive trend in lending growth observed in the first and second quarter have continued with increasing instalment loan sales and higher credit card activity.

At the end of the third quarter 2022 the BN Group had a customer base of 1 720 800 customers, which can be broken down into 1 206 800 credit card customers, 215 800 instalment loan customers and 298 200 deposit customers. The customer base has grown by 31 700 new customers in the quarter with growth in all markets.

Profit and loss as of September 30, 2022

The BN Group's comprehensive income for the nine months amounted to NOK 723.0 million, compared with NOK 1 041 million for the same period in 2021. Despite a strong underlying performance, the comprehensive income is reduced due to mainly fall in interest income attributable to the sale of non-performing loan portfolios. Administrative costs have increased from digital marketing spending, start-up costs in our new markets Spain and Germany and one-off related costs in connection with the merger integration. This was partly offset by increased underlying business volumes and higher commission income from uptake in credit card activity.

Net interest income totaled NOK 3 137 million, net other operating income amounted to NOK 95.3 million, while total operating expenses were NOK 1 232 million. Provision for loan losses was NOK 1 126 million.

Profit and loss for the third quarter 2022

The BN Group's comprehensive income in the quarter amounted to NOK 294.7 million, which is an improvement from NOK 230.8 million in the second quarter and up from NOK 276.1 million in the same quarter last year. The increase from the previous quarter is due to reduced administrative expenses mainly from lower digital marketing spending and higher interest income from increased lending volumes.

Return on equity was 11.1%, improved from 8.5% in the second quarter. The return on assets was 2.2%, compared with 1.7% in the second quarter.

Net interest income amounted to NOK 1 059 million, an increase of NOK 23.0 million from the second quarter. The increase is mainly derived from higher interest income following growth in lending balances.

Net other operating income amounted to NOK 51.8 million compared with NOK 34.6 million in the second quarter. Net commission income went up by NOK 7.0 million to NOK 77.4 million, as a result of higher commission income from increased credit card activity. Net negative change in value on securities and currency amounted to NOK 25.5 million, of which securities NOK -35.0 million and currency changes of NOK 10.0 million, compared with a net negative effect from fair value of NOK 36.3 million in the second quarter.

Total operating expenses amounted to NOK 391.5 million, a decrease of NOK 68.1 million compared to the second quarter. Personnel expenses went up by NOK 6.2 million in the quarter because of a higher number of employees. Administrative expenses decreased by NOK 74.6 million, stemming from lower digital marketing spending. The reduced operating expenses are partly offset by higher sales costs of NOK 17.0 million due to increased cash points paid to Norwegian Air Shuttle (NAS) following high credit card usage.

Provision for loan losses were NOK 327.9 million, a reduction of NOK 7.9 million in the third quarter compared to the previous quarter. Provisions equalled 3.3% of average gross loans, compared with 3.5% in the second quarter. Stage 3 loans ended at NOK 5 517 million, compared with NOK 5 109 million at the end of the second quarter. Stage 3 loans were 13.1% of gross loans, the same level as end of June 30, 2022 and down from 21.0% at end of September 2021. The underlying development is as expected and the reduction compared to last year is a result of the sale of three non-performing portfolios from September last year, with a total effect of stage 3 loan gross reduction of approximately NOK 3 246 million.

Balance sheet as of September 30, 2022

Total assets were down NOK 1 211 million in the quarter and amounted to NOK 53 188 million.

Gross loans to customers went up by NOK 3 501 million compared with an increase of NOK 1 278 million in the previous quarter and totaled NOK 42 147 million. Currency adjusted gross loan growth was positive by NOK 2 990 million compared with a decrease of NOK 21.2 million in the previous quarter. Adjusted for the portfolio sale in Finland and Sweden in the second quarter, the currency adjusted loan growth was positive with NOK 2 337 million. Broken down by product, the currency adjusted loan growth for instalment loans was NOK 2 602 million, compared with NOK 1 821 million, adjusted for the portfolio sales, in the previous quarter. The growth was derived from improved new sales particular in Norway, Sweden and Finland, with a stable run off. The currency adjusted loan growth for credit cards was NOK 387.9 million, compared with NOK 516.5 million, adjusted for the portfolio sale, in the previous quarter. Instalment loans amounted to NOK 30 746 million and credit card loans were NOK 11 402 million as of September 30, 2022.

Customer deposits were reduced by NOK 1 488 million compared with an increase of NOK 969.9 million in the second quarter and totaled NOK 33 619 million at the end of the third quarter. Currency adjusted growth was NOK -1 963 million compared with NOK -389.2 million in the previous quarter. Denmark, Sweden and Norway are the main sources of the decrease in deposits, with a currency adjusted reduction of NOK 986.8 million, NOK 655.7 million and NOK 616.9 million in the quarter. The reduction is partly offset by NOK 258.6 million growth in Germany.

Liquid assets fell by NOK 4 458 million and amounted to NOK 11 577 million, equivalent to 21.8% of total assets compared with 29.5% at the end of the second quarter. The decrease from the previous quarter was attributable to a combination of reduction of customer deposits, reduced security portfolio, while experiencing higher volumes of both instalment loans and credit cards. The reduction from the previous quarter is in line with the Bank's strategy.

Total equity amounted to NOK 10 857 million, compared with NOK 10 565 million as of June 30, 2022. The total capital ratio ended at 27.4%, the core capital ratio was 26.1% and the common equity tier 1 ratio was 25.8%. The ratios do not include provision for dividend for 2022.

The financial statements as of September 30, 2022 have been subject to an auditor review of interim financial statements.

Regulatory update

In Norway, the Justice Department launched October 3, 2022 a public consultation concerning the NFSA's proposed amendments to the Lending Regulations. The proposed amendments include reducing the maximum debt-to-income ratio from 5 to 4.5 times the debtor's yearly gross salary, expanded the scope of the Regulation to include loans with security in other assets than real estate, reducing the flexibility quota from 10% to 5% country wide and excluding unsecured credit or loans secured with other assets than real estate from the flexibility quota. The

public consultation period ends November 14, 2022. Bank Norwegian will follow the process going forward.

The Justice Department in Norway confirmed that the new Financial Contracts Act will enter into force on January 1, 2023. With the new Act in force, certain regulations will be repealed, including the Regulations on credit agreements and Regulations on marketing of credit. Certain rules enter into force July 1, 2023. Bank Norwegian is in process of implementing the new rules.

In July, the Ministry of Children and Families in Norway proposed to include disclosures on the amount of a person's secured debt in the information to be provided to debt registries. The public consultation period ends October 14, 2022. Bank Norwegian will follow the process going forward.

On June 21, the Ministry of Justice in Norway launched a public consultation which aims to prohibit offering add-on benefits exclusively with credit agreements (e.g. travel insurance, bonus points or other add-on benefits). The consultation period ends November 1, 2022. Bank Norwegian will follow the process going forward.

Subsequent events

The Board of Directors are not aware of any subsequent events of relevance for the financial performance of the bank.

Outlook

The uncertainty in the global and European economies still prevails, following especially the war in Ukraine, supply-chain challenges and monetary actions from central banks increasing interest rates to fight inflationary pressures. So far, the effect for the BN Group remains limited. However, there is uncertainty to whether consumer spending and payment behaviour will be negatively affected by the increased interest levels and inflation.

The BN Group is showing a healthy financial position with a strong current capital base and internal generation of capital considered more than sufficient to ensure that BN Group is prepared for the returning growth and prepared for the coming integration and cooperation with our owner Nordax.

As previously announced in the half year financial statement published in August, Bank Norwegian ASA and Nordax Bank AB (publ) signed a joint merger plan for a cross-border parent-subsiary merger between the two banks. The merger is expected to be completed during the first quarter in 2023 at the latest. Bank Norwegian's operations and organization, as well as customer terms and conditions are not expected to be materially amended following the merger and the Bank Norwegian brand will continue to be used. The implementation of the merger is subject to several conditions, including relevant consents and approvals from the Norwegian Financial Supervisory Authority ("Finanstilsynet"), the Swedish Financial Supervisory Authority ("Finansinspektionen") and third parties have been obtained.

Bærum, October 25, 2022
The Board of Directors of Bank Norwegian ASA

Hans Larsson
Chairman of the Board

Jacob Lundblad
Board member

Christopher Ekdahl
Board member

Ragnhild Wiborg
Board member

Izabella Kibsgaard-Petersen
Board member

Lisa Karlsson Bruzelius
Board member

Knut Arne Alsaker
Board member

Anni Nord
Board member

Klara-Lise Aasen
CEO

Profit and loss account

Amounts in NOK 1000	Note	Bank Norwegian Group				
		Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Interest income, effective interest method		1 125 915	1 206 994	3 306 019	3 754 154	4 897 187
Other interest income		65 094	38 270	182 079	136 865	183 839
Interest expenses		131 725	94 306	350 695	316 802	415 853
Net interest income	8	1 059 283	1 150 959	3 137 403	3 574 217	4 665 173
Commission and bank services income	9	134 657	86 132	351 009	247 115	395 589
Commission and bank services expenses	9	57 288	41 384	160 243	129 230	182 707
Income from shares and other securities		-	-	477	-	-
Net change in value on securities and currency	10	-25 529	-60 729	-95 980	-101 466	-149 588
Net other operating income		51 840	-15 981	95 263	16 419	63 294
Total income	2	1 111 123	1 134 978	3 232 666	3 590 636	4 728 467
Personnel expenses		49 099	47 032	132 926	116 934	171 694
General administrative expenses	11	300 062	324 697	976 747	851 781	1 302 664
Depreciation and impairment		19 902	21 513	60 254	71 549	91 329
Other operating expenses		22 389	15 118	62 039	44 655	59 079
Total operating expenses		391 452	408 361	1 231 966	1 084 919	1 624 767
Provision for loan losses	6	327 926	359 715	1 126 418	1 120 311	1 498 728
Profit before tax		391 744	366 902	874 282	1 385 406	1 604 972
Tax charge		98 593	90 807	218 223	344 674	404 494
Profit after tax	2	293 151	276 095	656 058	1 040 732	1 200 478
Proportion attributable to shareholders		291 028	267 238	640 434	1 013 571	1 167 114
Proportion attributable to additional Tier 1 capital holders		2 123	8 857	15 625	27 161	33 364
Profit after tax		293 151	276 095	656 058	1 040 732	1 200 478

Earnings per share	1.56	1.43	3.43	5.42	6.25
--------------------	------	------	------	------	------

Comprehensive income

Amounts in NOK 1000	Bank Norwegian Group				
	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Profit on ordinary activities after tax	293 151	276 095	656 058	1 040 732	1 200 478
Financial assets at fair value through OCI	2 008	-	89 215	-	-111
Tax	-502	-	-22 304	-	28
Items that may be reclassified to profit or loss	1 506	-	66 911	-	-83
Comprehensive income for the period	294 657	276 095	722 970	1 040 732	1 200 395

Profit and loss account

<i>Amounts in NOK 1000</i>		Bank Norwegian ASA					
		Note	Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Interest income, effective interest method			1 125 915	1 206 994	3 306 019	3 754 154	4 897 187
Other interest income			65 094	38 270	182 079	136 865	183 839
Interest expenses			131 725	94 306	350 695	316 802	415 853
Net interest income	8		1 059 283	1 150 959	3 137 403	3 574 217	4 665 173
Commission and bank services income	9		134 657	86 132	351 009	247 115	395 589
Commission and bank services expenses	9		57 288	41 384	160 243	129 230	182 707
Income from shares and other securities			-	-	477	-	-
Net change in value on securities and currency	10		-25 511	-60 729	-95 934	-101 489	-149 616
Net other operating income			51 858	-15 981	95 309	16 396	63 266
Total income	2		1 111 141	1 134 977	3 232 713	3 590 613	4 728 439
Personnel expenses			49 099	47 032	132 926	116 934	171 694
General administrative expenses	11		299 802	324 426	975 998	850 922	1 301 781
Depreciation and impairment			10 677	12 288	32 579	43 874	54 429
Other operating expenses			22 389	15 118	62 039	44 655	59 079
Total operating expenses			381 967	398 865	1 203 542	1 056 385	1 586 984
Provision for loan losses	6		327 926	359 715	1 126 418	1 120 311	1 498 728
Profit before tax			401 248	376 398	902 752	1 413 917	1 642 727
Tax charge			99 781	91 994	221 782	348 238	409 213
Profit after tax	2		301 467	284 403	680 970	1 065 679	1 233 514
Proportion attributable to shareholders			299 343	275 546	665 346	1 038 518	1 200 149
Proportion attributable to additional Tier 1 capital holders			2 123	8 857	15 625	27 161	33 364
Profit after tax			301 467	284 403	680 970	1 065 679	1 233 514
Earnings per share			1.60	1.47	3.56	5.57	6.43

Comprehensive income

<i>Amounts in NOK 1000</i>		Bank Norwegian ASA					
			Q3 2022	Q3 2021	YTD 2022	YTD 2021	2021
Profit on ordinary activities after tax			301 467	284 403	680 970	1 065 679	1 233 514
Financial assets at fair value through OCI			2 008	-	89 215	-	-111
Tax			-502	-	-22 304	-	28
Items that may be reclassified to profit or loss			1 506	-	66 911	-	-83
Comprehensive income for the period			302 973	284 403	747 882	1 065 679	1 233 430

Balance sheet

<i>Amounts in NOK 1000</i>	Note	Bank Norwegian Group		
		30.9.22	30.9.21	31.12.21
Assets				
Cash and deposits with the central bank		683 003	69 884	813 303
Loans and deposits with credit institutions		569 961	2 199 801	1 079 310
Loans to customers	2, 5, 7	39 233 675	34 216 695	33 649 320
Certificates and bonds	12, 13	10 324 459	20 556 073	20 233 281
Financial derivatives	12, 13	292 686	73 361	133 468
Shares and other securities	12, 13	26 948	26 322	26 802
Intangible assets and goodwill		365 763	403 517	396 807
Deferred tax asset		26 431	7 668	22 900
Fixed assets		33 930	3 433	35 615
Other assets		1 630 844	50 554	74 119
Total assets		53 187 701	57 607 307	56 464 926
Liabilities and equity				
Loans from credit institutions	12	144 621	491 395	-
Deposits from customers	2	33 619 116	38 224 252	36 393 611
Debt securities issued	12, 14, 15	6 217 667	6 018 621	6 945 201
Financial derivatives	12, 13	387 038	61 872	138 883
Tax payable		221 782	348 107	481 366
Deferred tax		22 276	58 234	-
Other liabilities		279 280	199 954	387 376
Provisions		219 721	248 312	209 379
Senior non-preferred bonds	12, 14, 15	679 927	-	-
Subordinated loans	12, 14, 15	539 200	753 807	739 801
Total liabilities		42 330 628	46 404 553	45 295 617
Share capital		186 904	186 904	186 904
Share premium		983 401	983 401	983 401
Tier 1 capital		125 000	425 000	425 000
Retained earnings		9 561 768	9 607 449	9 574 004
Total equity	3	10 857 073	11 202 754	11 169 309
Total liabilities and equity		53 187 701	57 607 307	56 464 926

Balance sheet

Amounts in NOK 1000	Note	Bank Norwegian ASA		
		30.9.22	30.9.21	31.12.21
Assets				
Cash and deposits with the central bank		683 003	69 884	813 303
Loans and deposits with credit institutions		569 961	2 199 801	1 079 310
Loans to customers	2, 5, 7	39 233 675	34 216 695	33 649 320
Certificates and bonds	12, 13	10 324 459	20 556 073	20 233 281
Ownership interests in group companies	16	161 491	161 491	161 491
Financial derivatives	12, 13	292 686	73 361	133 468
Shares and other securities	12, 13	26 948	26 322	26 802
Intangible assets		80 198	81 052	83 567
Deferred tax asset		14 050	-	14 077
Fixed assets		33 930	3 433	35 615
Other assets		1 824 966	243 534	267 325
Total assets		53 245 367	57 631 646	56 497 561
Liabilities and equity				
Loans from credit institutions	12	144 621	491 395	-
Deposits from customers	2	33 619 116	38 224 252	36 393 611
Debt securities issued	12, 14, 15	6 217 667	6 018 621	6 945 201
Financial derivatives	12, 13	387 038	61 872	138 883
Tax payable		221 782	348 107	481 366
Deferred tax		22 276	58 234	-
Other liabilities		279 280	199 954	1 106 863
Provisions		219 440	247 703	209 073
Senior non-preferred bonds	12, 14, 15	679 927	-	-
Subordinated loans	12, 14, 15	539 200	753 807	739 801
Total liabilities		42 330 346	46 403 945	46 014 797
Share capital		186 904	186 904	186 904
Share premium		983 401	983 401	983 401
Tier 1 capital		125 000	425 000	425 000
Retained earnings		9 619 716	9 632 396	8 887 458
Total equity	3	10 915 021	11 227 701	10 482 763
Total liabilities and equity		53 245 367	57 631 646	56 497 561

Bærum, October 25, 2022
The Board of Directors of Bank Norwegian ASA

Hans Larsson
Chairman of the Board

Jacob Lundblad
Board member

Christopher Ekdahl
Board member

Ragnhild Wiborg
Board member

Izabella Kibsgaard-Petersen
Board member

Lisa Karlsson Bruzelius
Board member

Knut Arne Alsaker
Board member

Anni Nord
Board member

Klara-Lise Aasen
CEO

Cash flow statement

<i>Amounts in NOK 1000</i>	Bank Norwegian Group		
	YTD 2022	YTD 2021	2021
Profit / loss before tax	874 282	1 385 406	1 604 972
Unrealized gain or losses on currency	94 846	341 155	218 187
Depreciation and impairment of fixed and intangible assets	60 254	71 549	91 329
Provision for loan losses	1 126 418	1 120 311	1 498 728
Change in loans to customers	-7 776 148	1 862 534	1 739 929
Change in deposits from customers	-1 655 518	-3 718 733	-5 227 747
Change in certificates and bonds	9 735 882	788 452	1 008 160
Change in other assets and financial derivatives	-228 102	238 557	171 865
Change in shares and other securities	-146	24 371	23 890
Change in derivatives, accrued expenses and other liabilities	249 869	166 765	360 378
Change in loans from credit institutions	144 621	177 685	-313 710
Change in debt securities issued and subordinated loans	9 064	-243 345	-110 556
Income taxes paid	-481 366	-557 805	-557 834
Net cash flow from operating activities	2 153 956	1 656 902	507 592
Payment for acquisition of intangible assets	-23 150	-22 968	-33 539
Payment for acquisition of tangible assets	-3 482	-1 947	-3 397
Proceeds from sale of fixed assets	66	-	-
Net cash flow from investment activities	-26 566	-24 915	-36 936
Allocation of bonus shares	-	5 256	5 256
Issued debt securities	300 000	998 910	2 547 542
Intercompany loans	-1 500 000	-	-
Repayment of debt securities	-1 014 871	-906 557	-1 469 901
Repayment subordinated loans	-200 000	-100 000	-100 000
Issued senior non-preferred bonds (intercompany)	682 710	-	-
Repayment of tier 1 capital	-300 000	-210 000	-210 000
Paid interest tier 1 capital	-15 625	-27 161	-33 364
Change in loans from central banks	-	-1 000 000	-1 000 000
Dividends paid to equity holders	-719 581	-934 236	-1 121 140
Net cash flow from financing activities	-2 767 367	-2 173 787	-1 381 607
Net cash flow for the period	-639 977	-541 800	-910 951
Cash and cash equivalents at the start of the period	1 892 613	2 844 239	2 844 239
Currency effect on cash and cash equivalents	328	-32 754	-40 675
Cash and cash equivalents at the end of the period	1 252 964	2 269 685	1 892 613
Off which:			
Cash and deposits with the central bank	683 003	69 884	813 303
Loans and deposits with credit institutions	569 961	2 199 801	1 079 310

Cash flow statement

<i>Amounts in NOK 1000</i>	Bank Norwegian ASA		
	YTD 2022	YTD 2021	2021
Profit / loss before tax	902 752	1 413 917	1 642 727
Unrealized gain or losses on currency	94 846	341 155	218 187
Depreciation and impairment of fixed and intangible assets	32 579	43 874	54 429
Provision for loan losses	1 126 418	1 120 311	1 498 728
Change in loans to customers	-7 776 148	1 862 534	1 739 929
Change in deposits from customers	-1 655 518	-3 718 733	-5 227 747
Change in certificates and bonds	9 735 882	788 452	1 008 160
Change in other assets and financial derivatives	-228 102	238 557	171 865
Change in shares and other securities	-146	24 371	23 890
Change in derivatives, provisions and other liabilities	249 073	165 929	359 523
Change in loans from credit institutions	144 621	177 685	-313 710
Change in debt securities issued and subordinated loans	9 064	-243 345	-110 556
Income taxes paid	-481 366	-557 805	-557 834
Net cash flow from operating activities	2 153 956	1 656 902	507 592
Payment for acquisition of intangible assets	-23 150	-22 968	-33 539
Payment for acquisition of tangible assets	-3 482	-1 947	-3 397
Proceeds from sale of fixed assets	66	-	-
Net cash flow from investment activities	-26 566	-24 915	-36 936
Allocation of bonus shares	-	5 256	5 256
Issued debt securities	300 000	998 910	2 547 542
Intercompany loans	-1 500 000	-	-
Repayment of debt securities	-1 014 871	-906 557	-1 469 901
Issued subordinated loans	-200 000	-	-
Repayment subordinated loans	-	-100 000	-100 000
Issued senior non-preferred bonds (intercompany)	682 710	-	-
Repayment of tier 1 capital	-300 000	-210 000	-210 000
Paid interest tier 1 capital	-15 625	-27 161	-33 364
Loans from central banks	-	-1 000 000	-1 000 000
Dividends paid to equity holders	-719 581	-934 236	-1 121 140
Net cash flow from financing activities	-2 767 367	-2 173 787	-1 381 607
Net cash flow for the period	-639 977	-541 800	-910 951
Cash and cash equivalents at the start of the period*	1 892 613	2 844 239	2 844 239
Currency effect on cash and cash equivalents	328	-32 754	-40 675
Cash and cash equivalents at the end of the period	1 252 964	2 269 685	1 892 613

*Cash and cash equivalents in relation to the merger with Norwegian Finans Holding ASA was NOK 2 248 as off 31.12.21.

Off which:

Cash and deposits with the central bank	683 003	69 884	813 303
Loans and deposits with credit institutions	569 961	2 199 801	1 079 310

Changes in equity

Amounts in NOK 1000	Bank Norwegian Group					
	Share capital	Share premium	Tier 1 capital	Changes in fair value of financial instruments through OCI	Retained earnings	Total equity
Balance 31.12.21	186 904	983 401	425 000	-83	9 574 087	11 169 309
This period's profit	-	-	-	-	656 058	656 058
Items that may be reclassified to profit and loss, after tax	-	-	-	66 911	-	66 911
Comprehensive income for the period	-	-	-	66 911	656 058	722 970
Paid interest tier 1 capital	-	-	-	-	-15 625	-15 625
Repayment of tier 1 capital	-	-	-300 000	-	-	-300 000
Dividend to equity holders	-	-	-	-	-719 581	-719 581
Balance 30.09.22	186 904	983 401	125 000	66 828	9 494 939	10 857 073

Amounts in NOK 1000	Share capital	Share premium	Tier 1 capital	Changes in fair value of financial instruments through OCI	Retained earnings	Total equity
Balance 31.12.20	186 847	978 201	635 000	-	9 528 112	11 328 161
This period's profit	-	-	-	-	1 040 732	1 040 732
Comprehensive income for the period	-	-	-	-	1 040 732	1 040 732
Paid interest tier 1 capital	-	-	-	-	-27 161	-27 161
Repayment of tier 1 capital	-	-	-210 000	-	-	-210 000
Allocation of shares	57	5 199	-	-	-	5 256
Dividend to equity holders	-	-	-	-	-934 236	-934 236
Balance 30.09.21	186 904	983 401	425 000	-	9 607 449	11 202 754

Changes in equity

Amounts in NOK 1000	Bank Norwegian ASA					
	Share capital	Share premium	Tier 1 capital	Changes in fair value of financial instruments through OCI	Retained earnings	Total equity
Balance 31.12.21	186 904	983 401	425 000	-83	8 887 542	10 482 763
This period's profit	-	-	-	-	680 970	680 970
Items that may be reclassified to profit and loss, after tax	-	-	-	66 911	-	66 911
Comprehensive income for the period	-	-	-	66 911	680 970	747 882
Paid interest tier 1 capital	-	-	-	-	-15 625	-15 625
Repayment of tier 1 capital	-	-	-300 000	-	-	-300 000
Balance 30.09.22	186 904	983 401	125 000	66 828	9 552 888	10 915 021

Amounts in NOK 1000	Share capital	Share premium	Tier 1 capital	Changes in fair value of financial instruments through OCI	Retained earnings	Total equity
Balance 31.12.20	183 315	966 646	635 000	-	8 253 647	10 038 608
Changes due to merger	-57	11 556	-	-	153 382	164 881
Capital Increase	3 590	-	-	-	-	3 590
Balance after merger and capital increase	186 847	978 201	635 000	-	8 407 029	10 207 078
This period's profit	-	-	-	-	1 065 679	1 065 679
Comprehensive income for the period	-	-	-	-	1 065 679	1 065 679
Paid interest tier 1 capital	-	-	-	-	-27 161	-27 161
Repayment of tier 1 capital	-	-	-210 000	-	-	-210 000
Dividend provision reversed	-	-	-	-	186 849	186 849
Allocation of bonus shares	57	5 199	-	-	-	5 256
Balance 30.09.21	186 904	983 401	425 000	-	9 632 396	11 227 701

Notes

Note 1. General accounting principles

The quarterly financial statements for the Bank Norwegian Group (BN Group) and Bank Norwegian ASA have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board and as adopted by the European Union. When preparing the consolidated financial statements, management makes estimates, judgements and assumptions that affect the application of the accounting principles and the carrying amount of assets, liabilities, income and expenses. Estimates and assumptions are subject to continual evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be probable on the balance sheet date. A description of the accounting policies, significant estimates and areas where judgement is applied by the BN Group and Bank Norwegian ASA, can be found in Note 1 Accounting principles in the annual report 2021 of Bank Norwegian ASA.

Note 2. Segments

The profit and loss and balance sheet presentation for segments are based on internal financial reporting as it is reported to management. Other contains eliminations for intra-group balances. The figures for Spain and Germany are presented under Europe.

Profit and loss account YTD 2022

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark	Finland	Europe	Other	Total
Net interest income	1 179 096	482 966	433 526	1 000 810	41 006	-	3 137 403
Net other operating income	47 619	42 303	-62 360	93 448	-25 701	-47	95 263
Total income	1 226 715	525 269	371 167	1 094 258	15 305	-47	3 232 666
Total operating expenses	519 037	165 124	136 025	230 465	152 891	28 424	1 231 966
Provision for loan losses	422 276	158 607	110 280	322 851	112 405	-	1 126 418
Profit before tax	285 401	201 538	124 862	540 943	-249 992	-28 471	874 282
Tax charge	67 444	50 385	31 215	135 236	-62 498	-3 559	218 223
Profit after tax	217 957	151 154	93 646	405 707	-187 494	-24 912	656 058
Other comprehensive income	52 956	13 956	-	-	-	-	66 911
Comprehensive income for the period	270 913	165 109	93 646	405 707	-187 494	-24 912	722 970

Balance sheet 30.9.22

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark	Finland	Europe	Other	Total
Loans to customers	13 072 296	6 957 814	5 246 697	12 629 290	1 327 578	-	39 233 675
Other assets	3 366 995	2 387 808	5 507 179	2 748 358	1 352	-57 666	13 954 026
Total assets	16 439 291	9 345 622	10 753 876	15 377 648	1 328 930	-57 666	53 187 701
Deposits from customers	9 987 207	3 539 605	10 068 400	8 758 315	1 265 589	-	33 619 116
Other liabilities and equity	6 452 084	5 806 017	685 476	6 619 332	63 341	-57 666	19 568 585
Total liabilities and equity	16 439 291	9 345 622	10 753 876	15 377 648	1 328 930	-57 666	53 187 701

Profit and loss account YTD 2021

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark	Finland	Europe	Other	Total
Net interest income	1 438 974	596 578	463 287	1 075 378	-	-	3 574 217
Net other operating income	-1 672	15 136	-21 070	24 002	-	22	16 418
Total income	1 437 302	611 715	442 217	1 099 380	-	22	3 590 636
Total operating expenses	521 091	179 260	140 036	215 997	-	28 534	1 084 919
Provision for loan losses	341 215	273 160	141 864	364 072	-	-	1 120 311
Profit before tax	574 996	159 294	160 317	519 311	-	-28 511	1 385 406
Tax charge	138 494	39 831	40 082	129 831	-	-3 564	344 674
Profit after tax	436 502	119 463	120 235	389 479	-	-24 947	1 040 732
Comprehensive income for the period	436 502	119 463	120 235	389 479	-	-24 947	1 040 732

Balance sheet 30.9.21

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark	Finland	Europe	Other	Total
Loans to customers	12 962 676	6 525 533	4 052 310	10 676 175	-	-	34 216 695
Other assets	10 023 894	3 393 227	7 333 813	2 664 017	-	-24 339	23 390 612
Total assets	22 986 570	9 918 760	11 386 123	13 340 193	-	-24 339	57 607 307
Deposits from customers	14 174 360	5 827 480	10 691 991	7 530 421	-	-	38 224 252
Other liabilities and equity	8 812 210	4 091 280	694 132	5 809 772	-	-24 339	19 383 055
Total liabilities and equity	22 986 570	9 918 760	11 386 123	13 340 193	-	-24 339	57 607 307

Note 3. Capital adequacy and Liquidity Coverage Ratio

Bank Norwegian Group and Bank Norwegian ASA report according to the standardized approach for credit risk and the standardized approach for operational risk. After the implementation of CRR II, counterparty credit risk is calculated according to the original exposure method.

Total capital <i>Amounts in NOK 1000</i>	Bank Norwegian ASA			Bank Norwegian Group		
	30.9.22	30.9.21	31.12.21	30.9.22	30.9.21	31.12.21
Share capital	186 904	186 904	186 904	186 904	186 904	186 904
Share premium	983 401	983 401	983 401	983 401	983 401	983 401
Other reserves	9 619 716	9 632 396	8 887 458	9 561 768	9 607 449	9 574 004
Adjustment to retained earnings for foreseeable dividends	-	-639 000	-	-	-624 000	-719 581
Deferred tax assets, intangible assets and AVA	-172 106	-101 769	-118 177	-470 053	-431 902	-440 240
Common equity tier 1	10 617 914	10 061 932	9 939 586	10 262 019	9 721 852	9 584 488
Additional tier 1 capital	125 000	425 000	425 000	125 000	425 000	425 000
Tier 1 capital	10 742 914	10 486 932	10 364 586	10 387 019	10 146 852	10 009 488
Tier 2 capital	539 200	753 807	739 801	539 200	753 807	739 801
Total capital	11 282 114	11 240 738	11 104 387	10 926 219	10 900 659	10 749 289
Risk-weighted assets						
Covered bonds	525 852	1 073 718	1 028 448	525 852	1 073 718	1 028 448
Regional governments or local authorities	204 752	1 057 506	1 127 230	204 752	1 057 506	1 127 230
Institutions	484 940	448 947	476 608	484 940	448 947	476 608
Corporate	194 122	192 980	193 206	-	-	-
Loans to customers	26 716 517	21 730 814	21 673 195	26 716 517	21 730 814	21 673 195
Defaulted loans	3 726 227	5 242 276	5 173 830	3 726 227	5 242 276	5 173 830
Equity positions	188 413	187 787	188 267	26 921	26 295	26 775
Other assets	139 998	127 275	109 734	139 998	127 275	109 734
Total credit risk	32 180 821	30 061 302	29 970 517	31 825 207	29 706 831	29 615 820
Operational risk	7 979 758	8 090 317	7 979 758	7 976 821	8 087 003	7 976 821
Market risk	32 700	2 860	7 364	32 700	2 860	7 364
Total risk-weighted assets	40 193 279	38 154 479	37 957 640	39 834 728	37 796 694	37 600 005
Common equity tier 1 %	26.4 %	26.4 %	26.2 %	25.8 %	25.7 %	25.5 %
Tier 1 capital %	26.7 %	27.5 %	27.3 %	26.1 %	26.8 %	26.6 %
Total capital %	28.1 %	29.5 %	29.3 %	27.4 %	28.8 %	28.6 %

Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) is defined as the Bank's liquid assets relative to net liquidity output 30 days forward in time in any given stress situation. The bank has significant positions in Norwegian, Swedish and Danish kroner in addition to Euro. The legal requirement for liquidity reserve at total level and for significant currencies is 100% except for Norwegian kroner where the legal requirement is 50%.

	Bank Norwegian ASA			Bank Norwegian Group		
	30.9.22	30.9.21	31.12.21	30.9.22	30.9.21	31.12.21
Total	261 %	400 %	338 %	261 %	400 %	338 %
NOK	250 %	324 %	239 %	250 %	324 %	239 %
SEK	224 %	775 %	302 %	224 %	775 %	302 %
DKK	358 %	538 %	492 %	358 %	538 %	492 %
EUR	282 %	152 %	487 %	282 %	152 %	487 %

Note 4. Expected credit loss

The expected credit loss (ECL) is calculated in accordance with IFRS 9. The main drivers behind the ECL estimate are estimation of LGD, identification of significant increase in credit risk, and probability of default (PD).

The PD is an estimate of the likelihood of default over a given time horizon and is a point in time estimate. The estimation is based on statistical models assessing probability of default based on past, present, and forward-looking information on variables that have high correlation with observed default.

Loss Given Default (LGD) is the estimated loss on an engagement once in default. It is based on the difference between the contractual cash flows due and the expected cash flows.

Exposure at Default (EAD) is the predicted amount of exposure calculated on the engagement at a future default date, which the Bank is exposed to when an obligor defaults on a loan. EAD is a dynamic number that changes as a borrower repays the loan and interest or draws on the credit limits of a card. The Bank utilizes an EAD model for pre-defaulted credit cards that estimates the Credit Conversion Factor based on lifetime of the card, exposure history and usage on the card, average arrears amount and months since last activity.

In average a lifetime of a credit card is estimated to be 36 months, while Instalment Loans have an estimated repayment model. This can vary slightly between periods but is assessed as the best overall estimate for each product, in each country. For credit cards, the lifetime of the plastic card is three years, which is the latest period a new assessment of the credit is made by the Bank. Hence, this is considered the longest duration before updated assessment of the credit risk, as a real credit assessment is made at least at this interval before renewing the credit and issuance of a new card.

All loan engagements are placed in one of the three stages according to IFRS9; Stage 1 is used for engagements considered not impaired and uses a 12-month ECL calculation. Stage 2 has a significant increase in credit risk since its origination, according to the triggers disclosed below, and uses the lifetime approach to ECL calculation. Stage 3 is defaulted with more than 90 days past due definition and calculates the ECL based on the lifetime approach.

The main drivers behind the LGD-estimates are the payer-rates of the defaulted clients, the recovery rate/speed and time in default, the size of the exposure, demographics of the obligor and historical pricing of sold accounts as well as varying degrees of regulatory opportunities in the countries. All uncertain factors are monitored and calibrated regularly. In addition to the trigger model described below, an engagement can be cured from Stage 2 and Stage 3 over to Stage 1, with an improved payment behavior, such as repayment of previous defaulted invoices and accumulated interest. Migration from Stage 2 to Stage 1 is when the criteria for Significant Increase in Credit Risk is no longer met. With such behavior, a customer will be considered cured. The Bank will maintain an exposure as non-performing defaulted for a probation of three months after becoming performing again, for capital purposes only.

An exposure in default that has surpassed an LGD of 80% is charged off and taken off the balance sheet. The legal claim towards the obligor remains, with accumulation of interest.

Significant increase in credit risk (SICR)

A significant increase in credit risk is assessed on several criteria such as default of another product, forbearance, as well as late payment beyond certain (often 30) days after invoice due date. The most important factor for the assessment of a significant increase in credit risk, is a comparison between the lifetime probability of default (PD) at origination and the lifetime PD at the reporting date, as this signifies an increased risk based on all factors in the behavior models including the macro impact.

The Trigger-model below utilizes an assessment of the forward-looking lifetime of the exposure, considering the probability of early repayment and the lifetime PDs on the exposure. Both the lifetime PD at the reporting date and the lifetime PD at origination are annualized according to the estimated remaining lifetime. Accounts that satisfy the inequality below are regarded as having a significant increase in credit risk.

The product-specific Trigger Coefficient (TC): $\text{Annualized lifetime PD at the reporting date} > \text{TC} + (1 - \text{TC}) * \text{Annualized lifetime PD at origination}$.

Currently, there are three approaches in use to determine the Trigger Coefficient. For Credit Cards and Instalment Loans in Norway and Finland, plus Instalment Loans in Sweden, the Trigger Coefficient is set to ensure that about 80% to 85% of the Stage 2 accounts from the development samples are captured by the inequality above, and the rest captured by Stage 2 backstops, e.g., forbearance. For Credit Cards in Germany and Spain, we consider a PD increase with a stricter "days past due backstop" of 26 days instead of 30 days. For the other portfolios, the Trigger Coefficient is evaluated by comparing the bad rates of accounts of certain ranges of PD at origination and PD increase with the bad rate of a "benchmark group" consisting of accounts in the same portfolio for the first-time having days past due between 1 to 30 days.

For each portfolio, a smaller Trigger Coefficient indicates that its accounts are more easily regarded as having a significant increase in credit risk.

Note 4. Expected credit loss (continued)

	Trigger Coefficient	
	Instalment Loans	Credit card loans
Norway	0.16	0.19
Sweden	0.13	0.11
Denmark	0.20	0.17
Finland	0.21	0.26
Spain	0.11	1.00
Germany	0.11	1.00

To exemplify the use of the Trigger Coefficient on an exposure that does get triggered, and one that does not, we present the following:

Account	Product	Annualised lifetime PD at origination	Annualised lifetime PD at the reporting date	Trigger Coefficient	Calculation	Stage
A	Norway Instalment Loan	0.10	0.50	0.16	$0.5 > 0.16 + (1 - 0.16) * 0.1 = 0.244$	Stage 2
B	Denmark Credit Card	0.30	0.40	0.20	$0.4 < 0.20 + (1 - 0.20) * 0.3 = 0.440$	Stage 1

Economic variables used to measure ECL

The IFRS 9 accounting standard for impairment of financial assets requires calculation of expected loss defined as a probability-weighted product of probability of default, loss given default, and exposure at default, across scenarios. The following scenarios are considered in the model: A baseline scenario that captures the most likely economic future (base), a scenario that presents adverse economic conditions (pessimistic), and another scenario that presents favorable economic conditions (optimistic).

The three scenarios are constructed in accordance with target severity for each of the scenarios. While the baseline scenario is by design in the middle of possible future economic outcomes, the alternative scenarios capture alternative economic conditions that are equally distanced from the baseline in terms of their severity. After their construction, the three scenarios are each assigned probability weights based on their severity and on how well they approximate (simulated) possible future economic developments.

The process for the Bank is to remain both objective and quantitative in the approach to constantly evaluate the drivers behind each scenario against the potential reality of the economy, as perceived by the management, then to choose the optimistic and pessimistic scenarios that border on the extreme in both directions. For the period, the Optimistic 10th percentile and Pessimistic 75th percentile is chosen in addition to the baseline. This means that the Bank sees only a 10% probability of the economy performing better than the optimistic scenario. New cases, hospitalizations and deaths from COVID-19 recede faster than in the baseline. Social distancing and lockdown measures are removed permanently. The Fed and several other major central banks raise interest rates at a slightly lower pace than in the baseline. The Russian invasion of Ukraine is resolved faster than anticipated, and as a result, Geopolitical tensions decrease earlier than expected under the baseline scenario. Sanctions are unwound relatively quickly, supporting supply lines of key commodities from Russia. Global energy prices decrease slightly faster than in the baseline as uncertainty about current and future supply eases.

In the pessimistic scenario, there is a 25% probability that the economy will perform even worse than the baseline. The Russian invasion of Ukraine persists longer than anticipated. Global oil prices rise higher than in the baseline for longer, as do non-energy commodity prices, thereby increasing inflationary pressures. Supply-chain issues worsen, increasing shortages of affected goods, also boosting cost-push inflation. The global economy contracts from the fourth quarter of 2022 to the second quarter of 2023. Major central banks, including the Fed, increase interest rates at a slightly higher pace than in the baseline for the rest of 2022 through mid-2023, deciding that it is more important to address the worsening inflation outlook than the emerging weakness in economic activity. Interventions in currency markets rise to ease pressures. International reserves decline slightly compared with the baseline. Governments face widening deficits, limiting further stimulus measures.

All three scenarios are affected by the oil and natural gas shortages caused by the war in Ukraine. The global economy is at a crossroads, as the nascent post-pandemic recovery has quickly morphed into a darker and more fragile environment. Record-high inflation in the U.S. and Europe from supply shortages and surging commodity prices following Russia's invasion of Ukraine are weighing on the global expansion and are compounded by an aggressive monetary policy response. At the same time, China's economy is facing challenges on multiple fronts, including a cooling property market and a buildup of risks in the financial sector. As a result, global growth fell in the second quarter on an annualized basis for the first time since the depths of the virus outbreak in early 2020, driven by contractions in the U.S., the U.K. and China. More broadly, performance remains uneven among the world's major economies – the U.S., China, Japan, India, and the five largest economies in Western Europe. Outcomes will continue to diverge through 2023 because of differing trade and investment linkages to Russia and Ukraine, particularly in relation to energy products.

The scenario variables impact the 12-month PD, the Lifetime PD and the LGD, both pre-default and post-default. At the extremely unlikely scenario of the 96th percentile the calculated unweighted ECL isolated to that scenario would be NOK 556 million higher than the base-scenario. This extreme scenario with only a probability of 4% assumes that energy prices globally jump due to significant supply limits of oil and natural gas from Russia and that the military conflict between Russia and Ukraine worsens dramatically in the coming months, causing extreme levels of geopolitical tensions as worries rise the war could expand beyond Ukraine. The invasion begins to resolve in late 2023.

Note 4. Expected credit loss (continued)

The Bank has chosen to disclose the three most important modelling variables in each individual country. The model is based on data and scenarios from Moody's Analytics Global Macroeconomic Outlook. The baseline and the alternative scenarios are updated monthly.

Key assumptions used for the Base case scenario are:

- 1) Russia's oil supply losses reach 2.1 million barrels per day by the start of 2023. The loss in Russian supply will be largely offset by increasing OPEC and non-OPEC output, demand destruction due to higher prices, and the easing of sanctions on Iran and Venezuela. Thus, our baseline forecast assumes that the global oil market remains mostly balanced into 2023, allowing oil prices to gradually drop.
- 2) The shock to energy and commodity prices caused by the Russian invasion of Ukraine will push inflation rates higher and lower growth but will not cause a global recession.
- 3) Stock, money and bond market sentiment stabilizes following recent turbulence.
- 4) Supply-chain bottlenecks ease throughout the second half of 2022 but do not completely abate before 2023.
- 5) Future waves of the pandemic are increasingly less disruptive to the economy, with only minor government-imposed restrictions and relatively little voluntary social distancing. Better treatments, drugs and vaccines will help moderate the impact.

Ukraine-Russia assumptions:

- 1) Russia's invasion of Ukraine continues but does not escalate beyond Ukraine, preventing geopolitical tensions from rising further.
- 2) Disruptions to oil, natural gas, and other commodity markets will be limited and temporary.

	Base scenario		Optimistic scenario		Pessimistic scenario	
	12 months	5 years	12 months	5 years	12 months	5 years
Norway						
Future 1 month oil price (USD per bbl)	71.7	70.4	76.7	70.2	93.9	70.2
Nominal Private consumption (bil. USD)	224.4	283.8	228.1	289.2	206.5	276.0
Real GDP (bil. 2012 USD)	606.1	650.5	614.2	657.6	591.3	640.9
Sweden						
Disposable income (ths. 2020 SEK)	246.4	263.3	252.7	267.8	243.1	260.6
GDP PPP (bil. USD)	668.0	805.1	695.5	822.1	632.2	784.8
Money supply M3 (bil. SEK)	5 320.9	6 829.0	5 400.6	7 059.4	5 296.7	6 720.5
Denmark						
GDP PPP (bil. USD)	488.1	587.8	503.8	605.3	456.0	581.9
Industrial production index (2015 = 100)	123.0	127.9	127.8	132.1	118.8	125.4
Unemployment rate (%)	4.5	4.8	4.3	4.7	5.6	5.0
Finland						
GDP PPP (bil. USD)	372.9	443.9	388.5	465.2	332.8	426.2
Nominal Private Consumption (bil. USD)	174.1	200.2	176.5	204.4	155.0	193.6
Unemployment rate (%)	6.1	6.3	5.9	6.3	6.9	6.4
Spain						
GDP Nominal (bil. USD)	1 676.2	2 039.3	1 704.7	2 106.7	1 481.9	1 988.2
Personal Income (bil. 2015 EUR)	569.9	619.1	590.9	639.5	554.4	594.4
Total Unemployment (mil. #)	3.0	2.8	2.9	2.7	3.2	2.8
Germany						
GDP Nominal (bil. USD)	5 049.3	6 023.0	5 160.7	6 214.3	4 518.7	5 924.0
Nominal Private Consumption (bil. EUR)	2 038.1	2 321.1	2 069.1	2 351.5	2 007.3	2 304.2
Unemployment rate (%)	5.0	5.0	4.3	4.7	5.7	5.3

Macro scenario sensitivity on ECL

		Final	Base	Optimistic	Pessimistic
		ECL	scenario	scenario	scenario
Norway					
Credit card		161 240	161 503	157 130	164 299
Instalment loans		992 345	991 132	963 471	1 016 496
Sweden					
Credit card		100 410	100 096	97 465	103 038
Instalment loans		196 024	196 066	188 750	201 807
Denmark					
Credit card		35 586	34 623	33 337	38 219
Instalment loans		280 723	272 970	262 437	302 071
Finland					
Credit card		130 744	127 841	125 131	137 749
Instalment loans		896 811	878 676	860 699	941 418
Spain					
Credit card		11 606	11 433	11 264	12 031
Instalment loans		57 085	56 176	55 207	59 376
Germany					
Credit card		14 190	14 156	14 032	14 347
Instalment loans		36 727	36 608	36 248	37 213

The following weights have been used across all portfolios per 30.09.2022: 32.5% - 30% - 37.5% for Base, Optimistic and Pessimistic scenario for expected credit loss.

Note 5. Loans to customers by product groups and change in loan loss allowance

Loans to customers by product groups

30.9.22

Amounts in NOK 1000						Loan loss allowance			Loans to customers
		Stage 1	Stage 2	Stage 3	Gross loans	Stage 1	Stage 2	Stage 3	
Norway	Instalment loans	6 017 291	544 627	2 287 986	8 849 903	40 974	51 490	899 880	7 857 559
	Credit card loans	4 915 817	125 813	334 347	5 375 977	19 316	9 439	132 485	5 214 737
Sweden	Instalment loans	4 209 283	424 398	211 769	4 845 450	60 716	71 518	63 789	4 649 425
	Credit card loans	2 101 653	140 579	166 567	2 408 799	19 511	15 822	65 077	2 308 389
Denmark	Instalment loans	4 032 503	139 375	338 787	4 510 664	68 043	26 582	186 097	4 229 941
	Credit card loans	972 277	24 184	55 881	1 052 342	8 246	2 560	24 780	1 016 756
Finland	Instalment loans	8 796 217	670 894	1 769 017	11 236 128	125 779	125 077	645 955	10 339 317
	Credit card loans	2 067 141	86 768	266 807	2 420 717	23 430	9 964	97 350	2 289 973
Spain	Instalment loans	631 000	40 957	39 970	711 927	15 719	11 495	29 871	654 842
	Credit card loans	35 603	6 229	4 433	46 265	5 135	3 052	3 419	34 658
Germany	Instalment loans	522 546	35 463	33 431	591 439	9 089	7 613	20 025	554 712
	Credit card loans	80 395	8 682	8 478	97 555	5 208	3 099	5 883	83 365
Total		34 381 725	2 247 969	5 517 473	42 147 167	401 167	337 714	2 174 611	39 233 675
Loan loss allowance coverage ratio per stage						1.17 %	15.02 %	39.41 %	
Net loans									39 233 675

30.9.21

Amounts in NOK 1000						Loan loss allowance			Loans to customers
		Stage 1	Stage 2	Stage 3	Gross loans	Stage 1	Stage 2	Stage 3	
Norway	Instalment loans	6 249 662	533 891	2 302 385	9 085 938	24 483	30 856	716 290	8 314 309
	Credit card loans	4 244 670	244 720	285 328	4 774 718	20 782	19 584	85 985	4 648 367
Sweden	Instalment loans	2 974 236	350 469	1 922 455	5 247 160	45 617	50 601	854 123	4 296 819
	Credit card loans	2 108 764	116 775	51 290	2 276 828	19 407	13 149	15 558	2 228 714
Denmark	Instalment loans	3 209 504	90 795	84 299	3 384 599	48 490	16 084	46 853	3 273 173
	Credit card loans	756 719	23 618	15 635	795 972	7 341	2 573	6 921	779 138
Finland	Instalment loans	6 269 231	675 087	2 836 022	9 780 340	112 609	86 205	1 073 792	8 507 733
	Credit card loans	1 678 935	277 317	409 549	2 365 801	14 431	29 071	153 857	2 168 443
Spain	Instalment loans	-	-	-	-	-	-	-	-
	Credit card loans	-	-	-	-	-	-	-	-
Germany	Instalment loans	-	-	-	-	-	-	-	-
	Credit card loans	-	-	-	-	-	-	-	-
Total		27 491 720	2 312 672	7 906 963	37 711 355	293 160	248 122	2 953 378	34 216 695
Loan loss allowance coverage ratio per stage						1.07 %	10.73 %	37.35 %	
Net loans									34 216 695

Change in loan loss allowance and gross loans

Migration out of a stage is calculated at previous closing date 30.06.22, while migration into a stage is calculated at the closing date 30.09.22.

Total Loans

Loan loss allowance

Amounts in NOK 1000	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as at 30.06.22	368 459	301 816	1 942 762	2 613 037
Transfers :				
Transfers from stage 1 to stage 2	-43 568	179 441	-	135 873
Transfers from stage 1 to stage 3	-10 024	-	82 924	72 900
Transfers from stage 2 to stage 1	24 850	-64 975	-	-40 125
Transfers from stage 2 to stage 3	-	-107 307	198 039	90 732
Transfers from stage 3 to stage 2	-	21 164	-38 480	-17 316
Transfers from stage 3 to stage 1	6 090	-	-35 106	-29 016
New financial assets issued	48 744	13 193	3 586	65 523
Financial assets derecognized in the period	-11 853	-7 145	-26 696	-45 693
Changes due to modifications that did not result in derecognition	18 469	1 526	174 205	194 200
Charge-off	-	-	-126 622	-126 622
Loan loss allowance as at 30.09.22	401 167	337 714	2 174 611	2 913 492

Note 5. Loans to customers by product groups and change in loan loss allowance (continued)

Gross loans to customers

Amounts in NOK 1000

	Stage 1	Stage 2	Stage 3	Total
Gross loans to customers as at 30.06.22	31 493 320	2 043 377	5 109 397	38 646 093
Transfers :				
Transfers from stage 1 to stage 2	-1 122 528	1 174 159	-	51 631
Transfers from stage 1 to stage 3	-208 618	-	213 362	4 744
Transfers from stage 2 to stage 1	497 405	-533 855	-	-36 450
Transfers from stage 2 to stage 3	-	-574 338	590 467	16 129
Transfers from stage 3 to stage 2	-	135 202	-143 164	-7 962
Transfers from stage 3 to stage 1	101 827	-	-123 694	-21 867
New financial assets issued	3 696 051	79 114	11 669	3 786 834
Financial assets derecognized in the period	-989 399	-57 416	-70 584	-1 117 398
Changes due to modifications that did not result in derecognition	913 667	-18 274	79 096	974 490
Charge-off	-	-	-149 076	-149 076
Gross loans to customers as at 30.09.22	34 381 726	2 247 969	5 517 473	42 147 167

Instalment loans total

Loan loss allowance

Amounts in NOK 1000

	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as at 30.06.22	297 456	258 452	1 661 014	2 216 922
Transfers :				
Transfers from stage 1 to stage 2	-36 479	152 638	-	116 159
Transfers from stage 1 to stage 3	-8 618	-	71 709	63 091
Transfers from stage 2 to stage 1	18 161	-50 983	-	-32 821
Transfers from stage 2 to stage 3	-	-93 954	162 205	68 251
Transfers from stage 3 to stage 2	-	20 071	-34 633	-14 562
Transfers from stage 3 to stage 1	5 589	-	-29 137	-23 549
New financial assets issued	44 338	11 913	3 566	59 817
Financial assets derecognized in the period	-11 117	-6 391	-21 456	-38 965
Changes due to modifications that did not result in derecognition	10 991	2 030	153 799	166 820
Charge-off	-	-	-121 448	-121 448
Loan loss allowance as at 30.09.22	320 322	293 777	1 845 617	2 459 716

Gross loans to customers

Amounts in NOK 1000

	Stage 1	Stage 2	Stage 3	Total
Gross loans to customers as at 30.06.22	21 712 521	1 661 070	4 356 149	27 729 741
Transfers :				
Transfers from stage 1 to stage 2	-901 817	927 150	-	25 333
Transfers from stage 1 to stage 3	-178 793	-	183 502	4 708
Transfers from stage 2 to stage 1	366 557	-384 278	-	-17 720
Transfers from stage 2 to stage 3	-	-477 630	490 861	13 230
Transfers from stage 3 to stage 2	-	123 773	-129 508	-5 734
Transfers from stage 3 to stage 1	87 799	-	-102 060	-14 261
New financial assets issued	3 502 477	71 892	11 607	3 585 976
Financial assets derecognized in the period	-927 596	-50 422	-54 903	-1 032 921
Changes due to modifications that did not result in derecognition	547 691	-15 842	68 136	599 984
Charge-off	-	-	-142 824	-142 824
Gross loans to customers as at 30.09.22	24 208 839	1 855 713	4 680 960	30 745 512

Note 5. Loans to customers by product groups and change in loan loss allowance (continued)

Credit card total

Loan loss allowance

Amounts in NOK 1000

	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as at 30.06.22	71 002	43 364	281 748	396 115
Transfers :				
Transfers from stage 1 to stage 2	-7 089	26 803	-	19 714
Transfers from stage 1 to stage 3	-1 406	-	11 215	9 809
Transfers from stage 2 to stage 1	6 689	-13 992	-	-7 303
Transfers from stage 2 to stage 3	-	-13 353	35 834	22 480
Transfers from stage 3 to stage 2	-	1 093	-3 846	-2 754
Transfers from stage 3 to stage 1	501	-	-5 969	-5 467
New financial assets issued	4 406	1 280	20	5 706
Financial assets derecognized in the period	-735	-753	-5 240	-6 729
Changes due to modifications that did not result in derecognition	7 478	-504	20 406	27 379
Charge-off	-	-	-5 174	-5 174
Loan loss allowance as at 30.09.22	80 846	43 937	328 994	453 776

Gross loans to customers

Amounts in NOK 1000

	Stage 1	Stage 2	Stage 3	Total
Gross loans to customers as at 30.06.22	9 780 799	382 307	753 247	10 916 353
Transfers :				
Transfers from stage 1 to stage 2	-220 711	247 009	-	26 297
Transfers from stage 1 to stage 3	-29 825	-	29 861	36
Transfers from stage 2 to stage 1	130 848	-149 577	-	-18 730
Transfers from stage 2 to stage 3	-	-96 708	99 607	2 899
Transfers from stage 3 to stage 2	-	11 429	-13 657	-2 228
Transfers from stage 3 to stage 1	14 028	-	-21 635	-7 606
New financial assets issued	193 574	7 221	63	200 858
Financial assets derecognized in the period	-61 803	-6 993	-15 681	-84 477
Changes due to modifications that did not result in derecognition	365 975	-2 431	10 961	374 504
Charge-off	-	-	-6 252	-6 252
Gross loans to customers as at 30.09.22	10 172 886	392 256	836 513	11 401 655

Note 6. Provision for loan losses

Amounts in NOK 1000

	YTD 2022	YTD 2021	2021
Realized losses in the period due to final write-offs	-28 271	46 687	58 987
Realized losses in the period due to charge-offs*	78 034	220 263	266 999
Loan loss provisions - lifetime expected credit loss (stage 3)	903 495	1 166 446	1 550 428
Loan loss provisions - lifetime expected credit loss (stage 2)	102 091	-106 892	-119 024
Loan loss provisions - 12 months expected credit loss (stage 1)	103 275	-104 762	-104 529
Adjustments for sold NPL portfolios	-32 206	-101 431	-154 133
Provision for loan losses	1 126 418	1 120 311	1 498 728

*Charge-off means that the entire loan is written down and removed from gross loans while maintaining the claim against the customer. The total legal claim of the charged-off accounts is NOK 444.6 million as of 30.09.2022.

Note 7. Risk classes

Amounts in NOK 1000	Probability of default	Probability of default			Gross loans		Undrawn credit limits	
		Stage 1	Stage 2	Stage 3	30.9.22	30.9.21	30.9.22	30.9.21
A	0 – 1%	8 600 070	89	-	8 600 159	7 614 164	46 173 251	45 969 666
B	1 – 3%	12 124 408	40	-	12 124 448	8 774 604	1 138 556	800 101
C	3 – 5%	5 336 777	444	-	5 337 221	3 723 240	170 223	145 350
D	5 – 9%	3 991 082	4 841	-	3 995 923	3 474 394	103 692	77 469
E	9 – 15%	2 066 177	37 385	-	2 103 562	2 323 921	45 107	24 514
F	15 – 20%	810 336	69 725	-	880 061	999 778	10 252	5 274
G	20 – 30%	860 456	287 185	-	1 147 642	1 274 563	7 040	2 914
H	30 – 40%	356 208	428 402	-	784 610	581 389	1 996	511
I	40 – 55%	195 467	610 204	-	805 672	510 751	565	209
J	55 – 100%	40 743	809 653	-	850 396	527 588	75	74
Defaulted loans			-	5 517 473	5 517 473	7 906 963	-	-
Total		34 381 725	2 247 969	5 517 473	42 147 167	37 711 355	47 650 757	47 026 083

Risk is grouped into PD bands from A to J, with A being the lowest risk.

Note 8. Net interest income

Amounts in NOK 1000	YTD 2022	YTD 2021	2021
Interest income from cash and deposits with the central bank	177	3	54
Interest income from loans to and deposits with credit institutions	3 336	-1 851	-1 594
Interest income from instalment loans	2 305 738	2 678 630	3 483 696
Interest income from credit card loans	996 738	1 077 301	1 414 945
Interest income from sales financing	31	71	86
Interest income, effective interest method	3 306 019	3 754 154	4 897 187
Interest and other income from certificates and bonds	156 460	135 403	182 078
Other interest and other interest related income	25 619	1 462	1 761
Other interest income	182 079	136 865	183 839
Interest expense from deposits from the central bank	1 158	4 853	5 875
Interest expense from deposits from customers	105 745	142 452	179 113
Interest expense on debt securities issued	140 921	93 164	129 478
Interest expense on Senior non-preferred bonds	7 295	-	-
Interest expense on subordinated loan	20 569	24 386	31 621
Other interest and other interest related expenses	75 006	51 949	69 766
Interest expenses	350 695	316 802	415 853
Net interest income	3 137 403	3 574 217	4 665 173

Note 9. Net commission and bank services income

Amounts in NOK 1000	YTD 2022	YTD 2021	2021
Payment services	293 631	175 853	269 646
Insurance services	35 418	43 608	89 413
Other fees and commission and bank services income	21 960	27 654	36 531
Total commission and bank services income	351 009	247 115	395 589
Payment services	98 016	63 137	93 390
Insurance services	44 635	50 145	66 276
Other fees and commission and bank services expense	17 592	15 947	23 042
Total commission and bank services expenses	160 243	129 230	182 707

Note 10. Net change in value on securities and currency

Amounts in NOK 1000	YTD 2022	YTD 2021	2021*
Net change on certificates and bonds	-127 024	-83 186	-124 725
Net change on FX-forwards **	-108 156	29 544	148 744
Net currency effects	139 054	-23 454	-149 626
Net change on shares and other securities	146	-24 371	-23 982
Net change in value on securities and currency***	-95 980	-101 466	-149 588

*The figures from 2021 have been split differently compared to reported figures in the annual report

**The contract amount was NOK 13 305 million 30.09.22

***In YTD 2022 the subsidiary Lilienthal Finance Ltd contributed with NOK - 47 thousand of the total amount.

Note 11. General administrative expenses

<i>Amounts in NOK 1000</i>	YTD 2022	YTD 2021	2021
Sales and marketing	704 972	595 243	795 975
IT operations	90 256	73 010	96 164
External services costs	108 970	125 491	326 758
Other administrative expenses	72 550	58 038	83 768
Total general administrative expenses*	976 747	851 781	1 302 664

*In YTD 2022 the subsidiary Lilienthal Finance Ltd contributed with NOK 749 thousand of the total amount.

Note 12. Classification of financial instruments

30.9.22

<i>Amounts in NOK 1000</i>	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	Total
Cash and deposits with the central bank	-	-	683 003	683 003
Loans and deposits with credit institutions	-	-	569 961	569 961
Loans to customers	-	-	39 233 675	39 233 675
Certificates and bonds	-	10 324 459	-	10 324 459
Shares and other securities	-	26 948	-	26 948
Financial derivatives	89 824	202 862	-	292 686
Total financial assets	89 824	10 554 269	40 486 639	51 130 732
Loans from credit institutions	-	-	144 621	144 621
Deposits from customers	-	-	33 619 116	33 619 116
Debt securities issued	-	-	6 217 667	6 217 667
Financial derivatives	-	387 038	-	387 038
Senior non-preferred bonds	-	-	679 927	679 927
Subordinated loan	-	-	539 200	539 200
Total financial liabilities	-	387 038	41 200 531	41 587 569

30.9.21

<i>Amounts in NOK 1000</i>	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	Total
Cash and deposits with the central bank	-	-	69 884	69 884
Loans and deposits with credit institutions	-	-	2 199 801	2 199 801
Loans to customers	-	-	34 216 695	34 216 695
Certificates and bonds	-	20 556 073	-	20 556 073
Shares and other securities	-	26 322	-	26 322
Financial derivatives	-	73 361	-	73 361
Total financial assets	-	20 655 756	36 486 379	57 142 135
Loans from credit institutions	-	-	491 395	491 395
Deposits from customers	-	-	38 224 252	38 224 252
Debt securities issued	-	-	6 018 621	6 018 621
Financial derivatives	-	61 872	-	61 872
Subordinated loan	-	-	753 807	753 807
Total financial liabilities	-	61 872	45 488 074	45 549 946

Note 13. Financial instruments at fair value

30.9.22

<i>Amounts in NOK 1000</i>	Level 1**	Level 2	Level 3	Total
Certificates and bonds	7 686 730	2 637 729	-	10 324 459
Financial derivatives	-	292 686	-	292 686
Shares and other securities*	-	-	26 948	26 948
Total financial assets at fair value	7 686 730	2 930 415	26 948	10 644 093
Financial derivatives	-	387 038	-	387 038
Total financial liabilities at fair value	-	387 038	-	387 038

30.9.21

<i>Amounts in NOK 1000</i>	Level 1	Level 2	Level 3	Total
Certificates and bonds	-	20 556 073	-	20 556 073
Financial derivatives	-	73 361	-	73 361
Shares and other securities*	-	-	26 322	26 322
Total financial assets at fair value	-	20 629 435	26 322	20 655 756
Financial derivatives	-	61 872	-	61 872
Total financial liabilities at fair value	-	61 872	-	61 872

*The Bank owns 2.383% in VN Norge AS. The fair value of the shares is estimated based on the stock price of Visa Inc., the currency rate (USD/NOK), a liquidity discount and a conversion rate.

** From the second quarter of 2022 the Bank has classified parts of the liquidity portfolio as level 1 due to available market data. Comparables has not been restated.

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

Level 2: Valuation based on observable market data, other than quoted prices.

Level 3: Valuation based on observable market data when valuation can not be determined in level 1 or 2.

Note 14. Fair value of financial instruments at amortized cost

Financial instruments at amortized cost are valued at originally determined cash flows, adjusted for any impairment losses. Amortized cost will not always give values that match the market's assessment of the same instruments, due to different perceptions of market conditions, risk and return requirements.

Debt securities issued, senior non-preferred bonds and subordinated loan

The fair value of debt securities issued, senior non-preferred bonds and subordinated loan are based on observable market data where available.

<i>Amounts in NOK 1000</i>	30.9.22		30.9.21	
	Book value	Fair value	Book value	Fair value
Debt securities issued	6 217 667	6 117 357	6 018 621	6 109 774
Senior non-preferred bonds	679 927	679 927	-	-
Subordinated loan	539 200	537 364	753 807	763 445
Total financial liabilities	7 436 793	7 334 649	6 772 427	6 873 218

30.9.22

<i>Amounts in NOK 1000</i>	Level 1	Level 2	Level 3	Total
Debt securities issued	-	6 217 667	-	6 217 667
Senior non-preferred bonds	-	679 927	-	679 927
Subordinated loan	-	539 200	-	539 200
Total financial liabilities	-	7 436 793	-	7 436 793

30.9.21

<i>Amounts in NOK 1000</i>	Level 1	Level 2	Level 3	Total
Debt securities issued	-	6 018 621	-	6 018 621
Subordinated loan	-	753 807	-	753 807
Total financial liabilities	-	6 772 427	-	6 772 427

Note 15. Debt securities issued, senior non-preferred bonds and subordinated loans

<i>Amounts in NOK 1000</i>	30.9.22	30.9.21	31.12.21
Debt securities issued, carrying value (amortized cost)	6 217 667	6 018 621	6 945 201
Senior non-preferred loans, carrying value (amortized cost)	679 927	-	-
Subordinated loans, carrying value (amortized cost)	539 200	753 807	739 801
Total debt securities issued, senior non-preferred bonds and subordinated loans	7 436 793	6 772 427	7 685 002

ISIN	Nominal value outstanding	Currency	Interest	Reference rate + margin	Early redemption date	Maturity	Carrying value
Debt securities issued (senior unsecured bonds)							
NO0010871148	610 000	NOK	Floating	NIBOR + 195bp	12.12.2022	12.12.2022	611 364
NO0010871130	1 000 000	SEK	Floating	STIBOR + 190bp	12.12.2022	12.12.2022	972 599
NO0010871155	1 200 000	NOK	Floating	NIBOR + 215bp	12.12.2023	12.12.2023	1 202 244
NO0010871296	600 000	SEK	Floating	STIBOR + 200bp	12.12.2023	12.12.2023	583 321
NO0010952823	700 000	NOK	Floating	NIBOR + 145bp	18.03.2025	18.03.2025	700 469
NO0010952831	300 000	SEK	Floating	STIBOR + 140bp	18.03.2025	18.03.2025	291 419
NO0011142572	1 850 000	NOK	Floating	NIBOR + 112bp	03.05.2024	03.05.2024	1 856 249
Total debt securities issued	6 260 000						6 217 667
Senior non-preferred bonds							
Senior non-preferred bonds*	700 000	SEK	Floating	STIBOR + 350bp	28.06.2025	28.06.2025	679 927
Total senior non-preferred	700 000						679 927
Subordinated loans							
NO0010833130	550 000	SEK	Floating	STIBOR + 375bp	02.10.2023	02.10.2028	539 200
Total subordinated loans	550 000						539 200
Total	7 510 000						7 436 793

*The senior non-preferred bond is group internal. More information provided in note 16

Cash flow hedging on debt securities issued

The Banks calculates interest rate based on EBA/GL/2018/02, Interest Rate Risk in the Banking Book (IRRBB). The Bank has identified interest rate risk on the asset side, which has been hedged through entering Interest Rate Swaps by swapping floating rate to fixed rate on a specific share of the debt portfolio. The hedging object in the cash flow hedging is floating rate bond issues (FRN's). The interest rate swaps are tailored 1:1 vs. the floating rate payments in the bonds, so that the banks receives floating rate in the interest rate swaps, and pays fixed rate. The net interest payments on the hedged instruments are hence swapped from floating to fixed.

As of 30.09.2022 net loss on financial instruments at fair value through comprehensive income was NOK 66.9 million. The hedge effectiveness of the cash flow hedges are measure at approximately 100%.

		30.09.2022		31.12.2021	
		Nominal amount	Value recognized in balance sheet (NOK)	Nominal amount	Value recognized in balance sheet (NOK)
<i>Amounts in NOK 1000</i>					
Hedging instruments: Interest Rate Swaps	NOK	2 750 000	72 898	2 750 000	-212
Hedged items: Debt securities issued *, **	NOK	2 750 000	3 058 494	2 750 000	2 753 976
Hedging instruments: Interest Rate Swaps	SEK	1 600 000	16 926	1 600 000	-91
Hedged items: Debt securities issued *	SEK	1 600 000	1 555 920	1 600 000	1 559 428

*Recognized in the balance sheet at amortized cost

**Value recognized in the balance sheet includes NOK 300 million tap issue conducted in May out of the total issued volume of NOK 1 850 million in ISIN NO0011142572, which is not hedged.

Net gains and losses on financial instruments at fair value recognized through comprehensive income

<i>Amounts in NOK 1000</i>	YTD 2022	2021
Net gains and losses on interest rate swaps, after tax	66 911	-83

Note 15. Debt securities issued and subordinated loan (continued)

Information on maturity and interest rates on the hedging instrument

30.09.2022

<i>Amounts in 1000</i>	Under 3 months	3-12 months	1-5 years	Total
Debt securities in NOK, nominal amount	-	-	2 750 000	2 750 000
Debt securities in NOK, floating rate (pay)			3m nibor + 1.57%	3m nibor + 1.57%
Interest rate swap in NOK, floating rate (receive)			3m nibor + 1.57%	3m nibor + 1.57%
Interest rate swap in NOK, average fixed rate (pay)			3.12 %	3.12 %
Debt securities in SEK, nominal amount	1 000 000		600 000	1 600 000
Debt securities in SEK, floating rate (pay)	3m stibor + 1.90%		3m stibor + 2.00%	3m nibor + 1.94%
Interest rate swap in SEK, floating rate (receive)	3m stibor + 1.90%		3m stibor + 2.00%	3m nibor + 1.94%
Interest rate swap in SEK, average fixed rate (pay)	1.98 %		2.27 %	2.09 %

Note 16. Related parties and other investments

Bank Norwegian ASA owns 100% of the shares in Lilienthal Finance Ltd. The shares are recognized at cost, NOK 161.5 million, and are eliminated in the group accounts. Intercompany balance as of third quarter 2022 is NOK 194.1 million and consists mainly of a loan of NOK 184.5 million in relation to the acquisition of IP rights in Lilienthal Finance Ltd. and general expenses.

In November 2021, Nordax Bank AB (publ.) acquired all the shares in Bank Norwegian ASA and the Bank was delisted from the Oslo Stock Exchange November 15, 2021. The Bank is now a wholly owned subsidiary of Nordax Bank AB. In December 2021, Bank Norwegian ASA (as lender) and Nordax Bank AB (publ) (as borrower), rated BBB from Nordic Credit Rating, entered into a group internal loan agreement of NOK 500 million at market terms, paid out in January 2022. Further in March 2022, a new internal group loan of NOK 1 000 million was established, also at market terms, and paid out early April. The loan approval process for both loans have by the Lender been made in accordance with the procedures set out in Section 8-10 of the Norwegian Public Limited Liability Companies Act and ranks pari passu with other unsecured lenders of Nordax Bank AB (publ).

In June 2022, Bank Norwegian ASA (as borrower) and Nordax Bank AB (publ) (as lender) entered into a MSEK 700 senior non-preferred loan agreement with 3 years maturity. The loan is based on standard Nordic Trustee documentation and is MREL eligible for Bank Norwegian ASA.

Note 17. Subsequent events

As announced July 4, the merger is expected to be completed during the first quarter of 2023 at the latest. Bank Norwegian's operations and organization, as well as customer terms and conditions are not expected to be materially amended following the merger. The Bank Norwegian brand will continue to be used.

The Board of Directors are not aware of any other events after the date of the balance sheet that may be of material significance.

Quarterly figures

Profit and loss account

Amounts in NOK 1000	Bank Norwegian Group				
	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Interest income, effective interest method	1 125 915	1 091 915	1 088 189	1 143 033	1 206 994
Other interest income	65 094	62 432	54 553	46 974	38 270
Interest expenses	131 725	118 083	100 886	99 051	94 306
Net interest income	1 059 283	1 036 264	1 041 856	1 090 956	1 150 959
Commission and bank services income	134 657	123 193	93 159	148 474	86 132
Commission and bank services expenses	57 288	52 833	50 122	53 478	41 384
Income from shares and other securities	-	477	-	-	-
Net change in value on securities and currency	-25 529	-36 253	-34 198	-48 122	-60 729
Net other operating income	51 840	34 584	8 839	46 875	-15 981
Total income	1 111 123	1 070 847	1 050 696	1 137 831	1 134 978
Personnel expenses	49 099	42 933	40 894	54 760	47 032
General administrative expenses	300 062	374 641	302 045	450 883	324 697
Depreciation and impairment	19 902	19 848	20 503	19 780	21 513
Other operating expenses	22 389	22 127	17 523	14 425	15 118
Total operating expenses	391 452	459 549	380 965	539 849	408 361
Provision for loan losses	327 926	335 780	462 712	378 416	359 715
Profit before tax	391 744	275 519	207 019	219 566	366 902
Tax charge	98 593	68 310	51 320	59 820	90 807
Profit after tax	293 151	207 209	155 699	159 746	276 095

Comprehensive income

Amounts in NOK 1000	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Profit on ordinary activities after tax	293 151	207 209	155 699	159 746	276 095
Financial assets at fair value through OCI	2 008	31 483	55 724	-111	-
Tax	-502	-7 871	-13 931	28	-
Items that may be reclassified to profit or loss	1 506	23 612	41 793	-83	-
Comprehensive income for the period	294 657	230 821	197 492	159 663	276 095

Balance sheet

Amounts in NOK 1000	30.9.22	30.6.22	31.3.22	31.12.21	30.9.21
Assets					
Cash and deposits with the central bank	683 003	606 939	740 319	813 303	69 884
Loans and deposits with credit institutions	569 961	837 848	604 649	1 079 310	2 199 801
Loans to customers	39 233 675	36 033 057	34 057 740	33 649 320	34 216 695
Certificates and bonds	10 324 459	14 590 459	17 425 496	20 233 281	20 556 073
Financial derivatives	292 686	235 198	256 406	133 468	73 361
Shares and other securities	26 948	27 450	27 494	26 802	26 322
Intangible assets and goodwill	365 763	374 397	384 467	396 807	403 517
Deferred tax asset	26 431	25 244	10 140	22 900	7 668
Fixed assets	33 930	34 768	35 104	35 615	3 433
Other assets	1 630 844	1 633 826	588 289	74 119	50 554
Total assets	53 187 701	54 399 184	54 130 102	56 464 926	57 607 307
Liabilities and equity					
Loans from credit institutions	144 621	44 200	170 950	-	491 395
Deposits from customers	33 619 116	35 107 254	34 137 326	36 393 611	38 224 252
Debt securities issued	6 217 667	6 597 089	6 630 451	6 945 201	6 018 621
Financial derivatives	387 038	167 057	192 143	138 883	61 872
Tax payable	221 782	122 001	293 173	481 366	348 107
Deferred tax	22 276	21 774	-	-	58 234
Other liabilities	279 280	355 420	373 226	387 376	199 954
Provisions	219 721	210 199	252 051	209 379	248 312
Senior non-preferred bonds	679 927	675 236	-	-	-
Subordinated loan	539 200	534 416	720 402	739 801	753 807
Total liabilities	42 330 628	43 834 645	42 769 721	45 295 617	46 404 553
Share capital	186 904	186 904	186 904	186 904	186 904
Share premium	983 401	983 401	983 401	983 401	983 401
Tier 1 capital	125 000	125 000	425 000	425 000	425 000
Retained earnings and other reserves	9 561 768	9 269 234	9 765 076	9 574 004	9 607 449
Total equity	10 857 073	10 564 539	11 360 381	11 169 309	11 202 754
Total liabilities and equity	53 187 701	54 399 184	54 130 102	56 464 926	57 607 307

Quarterly figures

Profit and loss account

Amounts in NOK 1000	Bank Norwegian ASA				
	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Interest income, effective interest method	1 125 915	1 091 915	1 088 189	1 143 033	1 206 994
Other interest income	65 094	62 432	54 553	46 974	38 270
Interest expenses	131 725	118 083	100 886	99 051	94 306
Net interest income	1 059 283	1 036 264	1 041 856	1 090 956	1 150 959
Commission and bank services income	134 657	123 193	93 159	148 474	86 132
Commission and bank services expenses	57 288	52 833	50 122	53 478	41 384
Income from shares and other securities	-	477	-	-	-
Net change in value on securities and currency	-25 511	-36 209	-34 213	-48 127	-60 729
Net other operating income	51 858	34 627	8 824	46 870	-15 981
Total income	1 111 141	1 070 891	1 050 680	1 137 826	1 134 978
Personnel expenses	49 099	42 933	40 894	54 760	47 032
General administrative expenses	299 802	374 304	301 893	450 859	324 426
Depreciation and impairment	10 677	10 623	11 278	10 555	12 288
Other operating expenses	22 389	22 127	17 523	14 425	15 118
Total operating expenses	381 967	449 988	371 587	530 599	398 865
Provision for loan losses	327 926	335 780	462 712	378 416	359 715
Profit before tax	401 248	285 124	216 381	228 810	376 398
Tax charge	99 781	69 511	52 490	60 975	91 994
Profit after tax	301 467	215 613	163 890	167 835	284 403

Comprehensive income

Amounts in NOK 1000	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Profit on ordinary activities after tax	301 467	215 613	163 890	167 835	284 403
Financial assets at fair value through OCI	2 008	31 483	55 724	-111	-
Tax	-502	-7 871	-13 931	28	-
Items that may be reclassified to profit or loss	1 506	23 612	41 793	-83	-
Comprehensive income for the period	302 973	239 226	205 683	167 751	284 403

Balance sheet

Amounts in NOK 1000	30.9.22	30.6.22	31.3.22	31.12.21	30.9.21
Assets					
Cash and deposits with the central bank	683 003	606 939	740 319	813 303	69 884
Loans and deposits with credit institutions	569 961	837 848	604 649	1 079 310	2 199 801
Loans to customers	39 233 675	36 033 057	34 057 740	33 649 320	34 216 695
Certificates and bonds	10 324 459	14 590 459	17 425 496	20 233 281	20 556 073
Ownership interests in group companies	161 491	161 491	161 491	161 491	161 491
Financial derivatives	292 686	235 198	256 406	133 468	73 361
Shares and other securities	26 948	27 450	27 494	26 802	26 322
Intangible assets	80 198	79 607	80 452	83 567	81 052
Deferred tax asset	14 050	14 050	146	14 077	-
Fixed assets	33 930	34 768	35 104	35 615	3 433
Other assets	1 824 966	1 827 763	781 689	267 325	243 534
Total assets	53 245 367	54 448 629	54 170 986	56 497 561	57 631 646
Liabilities and equity					
Loans from credit institutions	144 621	44 200	170 950	-	491 395
Deposits from customers	33 619 116	35 107 254	34 137 326	36 393 611	38 224 252
Debt securities issued	6 217 667	6 597 089	6 630 451	6 945 201	6 018 621
Financial derivatives	387 038	167 057	192 143	138 883	61 872
Tax payable	221 782	122 001	293 173	481 366	348 107
Deferred tax	22 276	21 774	-	-	58 234
Other liabilities	279 280	355 420	1 092 807	1 106 863	199 954
Provisions	219 440	210 011	251 707	209 073	247 703
Senior non-preferred bonds	679 927	675 236	-	-	-
Subordinated loan	539 200	534 416	720 402	739 801	753 807
Total liabilities	42 330 346	43 834 458	43 488 959	46 014 797	46 403 945
Share capital	186 904	186 904	186 904	186 904	186 904
Share premium	983 401	983 401	983 401	983 401	983 401
Tier 1 capital	125 000	125 000	425 000	425 000	425 000
Retained earnings	9 619 716	9 318 866	9 086 722	8 887 458	9 632 396
Total equity	10 915 021	10 614 171	10 682 027	10 482 763	11 227 701
Total liabilities and equity	53 245 367	54 448 629	54 170 986	56 497 561	57 631 646

List of Signatures

Page 1/1



Report for the third quarter 2022 Bank Norwegian Group.pdf

Name	Method	Signed at
Aasen, Klara Lise	BANKID_MOBILE	2022-10-25 16:46 GMT+02
Knut Alsaker	BANKID	2022-10-25 16:45 GMT+02
HANS LARSSON	BANKID	2022-10-25 16:38 GMT+02
Nord, Anni Erika	BANKID_MOBILE	2022-10-25 16:35 GMT+02
Christopher Ekdahl	BANKID	2022-10-25 16:33 GMT+02
Wiborg, Ragnhild	BANKID	2022-10-25 19:08 GMT+02
CARL JACOB LUNDBLAD	BANKID	2022-10-25 17:33 GMT+02
Lisa Kristin Karlsson Bruzelius	BANKID	2022-10-25 17:12 GMT+02
Kibsgaard-P, Izabella	BANKID_MOBILE	2022-10-25 17:09 GMT+02



This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.

External reference: 1137710B0E554A28ADC6C1280ECE75D8