



SpareBank
SMN 

4th quarter 2020

5. February 2021



Retail Banking

Lending growth 9.4bn

Deposit growth 4.9bn



EM1 Midt-Norge has sold 512 more dwellings in 2020 than in 2019



Corporate Banking

Lending growth of 5.6bn

Strong growth in leasing to SMEs



Income growth:
Regnskapshuset 6%
Markets 34%

High activity at SMN through the pandemic, strong growth in all business lines

This year the group's breadth and robustness have been extra important – SMN is strengthening its position as the leading financed house in the region

Good underlying operations in a challenging year; the results for 2020 show top line growth combined with good cost control

The results nonetheless reflect high loss provisions, mainly down to Covid-19 and the offshore portfolio

The group is solidly capitalised, financially positioned for continued growth and with good dividend capacity

Good prospects for further growth, a strengthened market share and increased efficiency. Measures now being implemented through **One SMN** will make for customer-oriented and simplified distribution, increased digitalisation and more efficient operations

With the local community at heart. Each year the bank's community dividend contributes to causes small and large that will make Central Norway a better and more sustainable region

Profits 2020

Net profit

NOK 1,978m (2,563)

ROE

10.0 % (13.7)

CET1

18.3 % (17.2)

Pre loss result of core business NOK 2,378m (2,179)
Loan losses NOK 951m (299)

Gain Fremtind NOK 340m (460)
Reorganisation funds 83m

Growth in lending 9.0 % (4.7)

Growth in deposits 13.5 % (6.6)

Booked equity capital per ECC NOK 94.71 (90.75)

Profit per ECC NOK 8.87 (12.14)

Proposed dividend of NOK 4.40 (5.00)

Of which NOK 1.30 is to be paid out in April. The board of directors is authorised to pay out up to NOK 3.10 after 30 September, if conditions permit

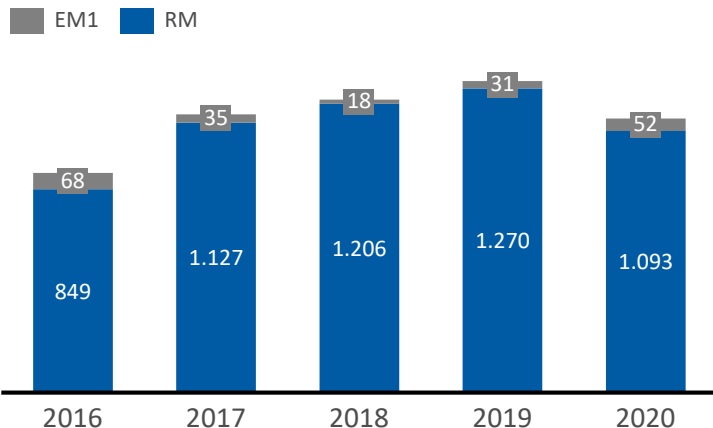
High growth in the retail market in 2020

Low interest rates entail pressure on interest income. Reduced consumption, increased saving and record-high home sales

Retail Banking

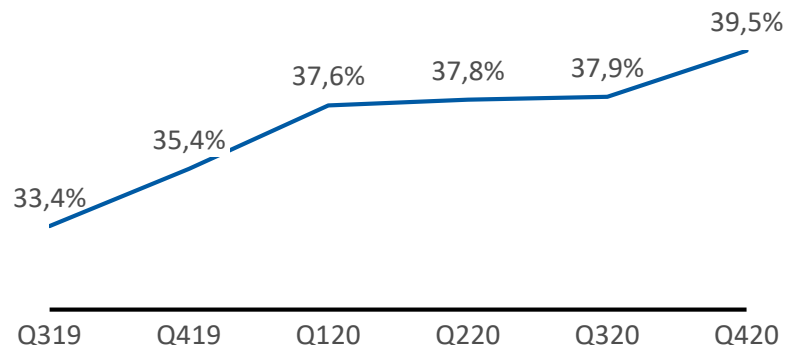


Profit before tax (NOKm)



A coordinated approach and joint concepts in banking and estate agency bring an increased share of the home finance market

Share of homes financed by SpareBank1 SMN, purchased through EiendomsMegler 1 (%)



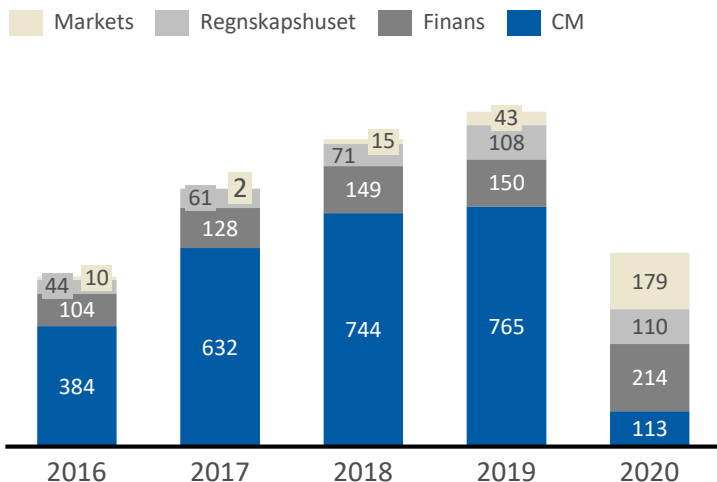
In 2020 the group's breadth and robustness have been extra important

High losses on loans, but growth in scope and a substantial increase in incomes from Markets

Corporate Banking



Profit before tax (NOKm)



Fourth quarter 2020

Markets with high activity and substantial increase in income from all business lines

Norway's #1 ranked Equity Research Analysts



Covid-19 crisis has led to great uncertainty and lasting change

Increased contagion

Higher risk of bankruptcy

Economic slowdown

Virus mutation

Chaos in the US

Layoffs

Unemployment

Crisis packages

How long can the government provide support?

Are vaccines effective against mutated viruses?

Norway is coping well compared with the rest of the world

Measures and crisis packages are effective

Relatively few infections in Norway

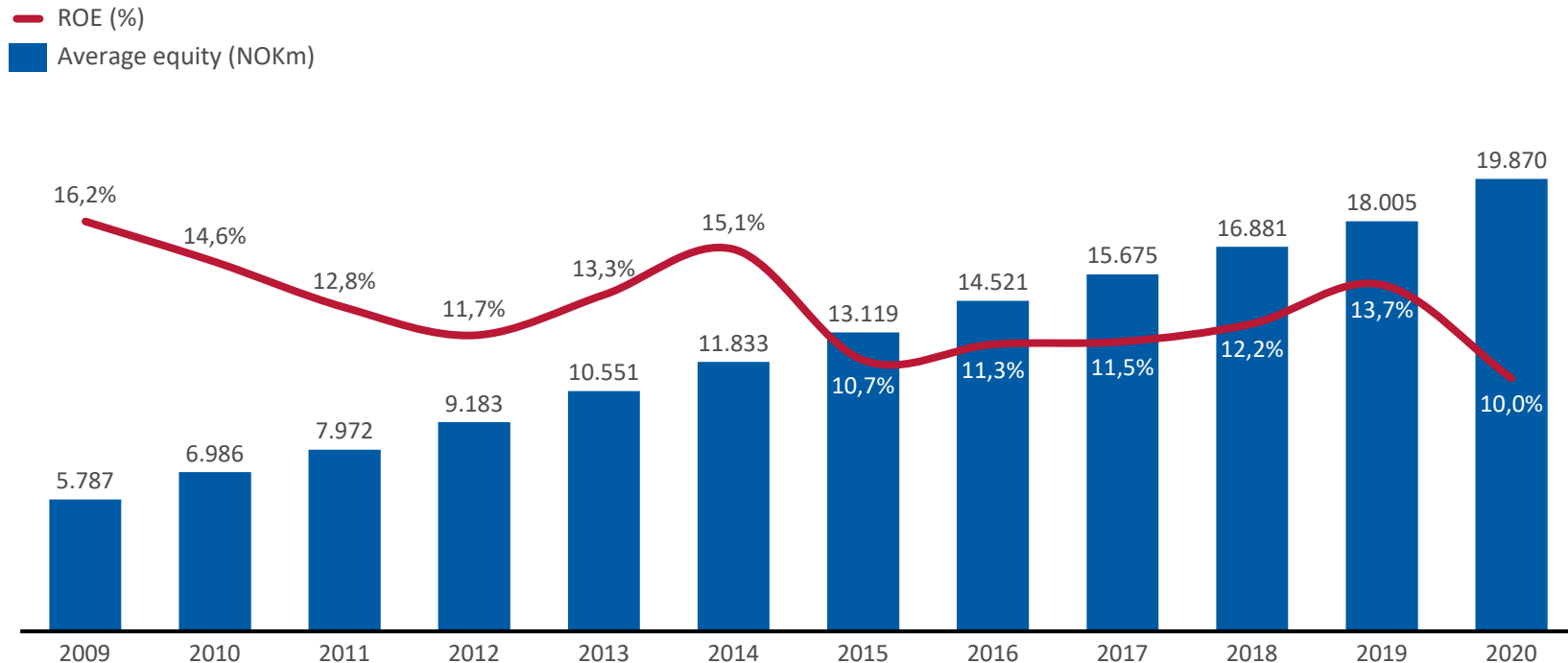
Stock market at all time high

Everything will be as it was before

People have become super-digital

Profitable over time

Satisfactory profits again in 2020, with high losses and a low interest rate level





Strategy 2020-2023

SpareBank 1 SMN to be the leading finance house in Central Norway, and among the best performers in the Nordic region

12%

Financial ambitions

Profitable

Return on equity 12%

16.9 %

Financially sound

CET1 ratio 16.9%

Payout ratio approx. 50%

< 2%

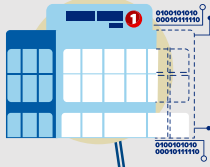
Efficient

Annual cost growth in the group to be limited to 2% in existing business

Create
One SMN



Increase digitalisation
and use of insight



Integrate sustainability
into the business



Head up the development
of Norway's savings bank
sector



Exploit the power in
the ownership
model



Fourth quarter 2020

Strategic priorities 2020-2023

In 2020 the profitability project One SMN proceeded at full speed

A new distribution model, improved customer offering and reduced cost base; the project is at the implementation stage, the gains will be realised in 2021

Digitalisation and better utilisation of insight will equip SMN for the future

For increased sales, a better customer experience and lower costs in the group

SMN has adopted a new strategy for sustainability

SMN will stimulate sustainable development in the region

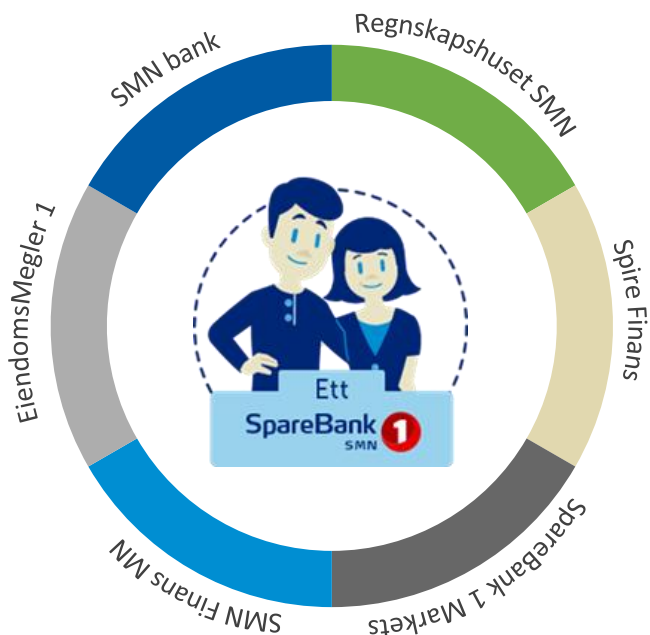
SMN will be at the forefront in developing Norway's savings bank sector

Market-leading finance house, local footing and co-ownership in SB1-alliansen place SMN in a good position when it comes to consolidation among Norwegian savings banks

SMN will refine its ownership model and strong brand

Thereby creating value for customers, employees, owners and investors

One SMN



Fourth quarter 2020

1

Strengthen market position

One SMN will strengthen its market position and demonstrate that we are a coherent and effective group – for our customers, employees and shareholders

2

Increased incomes

Income growth from new customers and increased share of wallet on existing customers
Develop new financial services

3

Increased synergies

The group's customers will be offered an improved and expanded customer offering

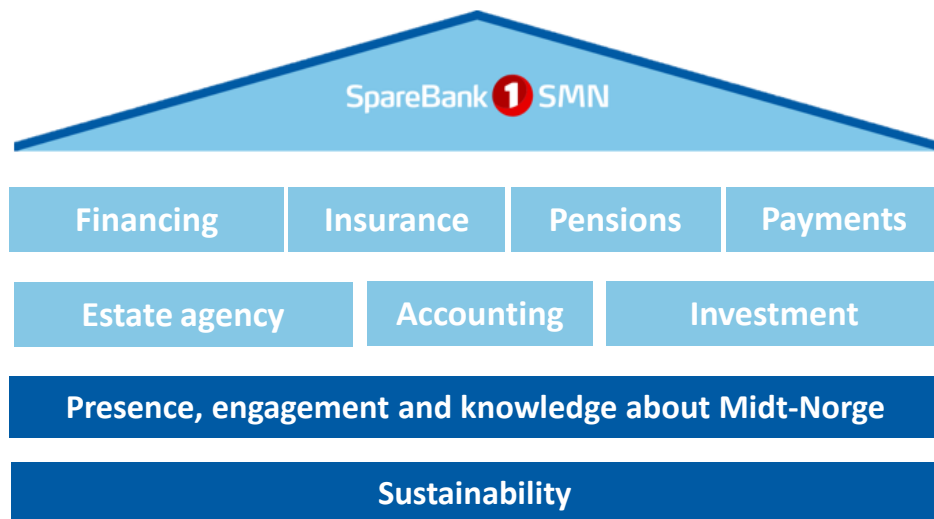
4

Reduced costs

Reduce costs through efficient distribution, reduced number of branches, efficient support functions, a total of 100 fewer FTEs and reduction in operating costs and IT costs

New and effective distribution model for growth and profitability

A finance centre – physical and digital



- **17 finance centres to be established** - a strong local presence remains key
- **Increased income** through new customers, greater breadth, reduced average and better price achievement
- **Further development of products and services across** business lines (RM + EM1, Bank + Accounting)
- **Digital and direct service channel** strengthened for efficient customer servicing
- Increased use of **analytical insight** in follow-up and sales

The best from two worlds

- with a basis in the customer relationship and customised advice

NEWS! Bank+Accounting

With bank, accounting system and accountant in one place, you save both time and money

[Read all about Bank+Accounting](#)



New strategy for sustainability SMN will stimulate sustainable development



Driver for the green transition

- Green transition within a company's own operations
- Stimulate green transition through the customer offering
- Build customer competence



Partner for the inclusive development of society

- Develop own employees' competence
- Gender equality and diversity across the group
- Strengthen social rights in products and services
- Stimulate innovation and sustainable economic growth through the customer offering



Guide for a responsible business culture

- Ethical standards
- Data and cyber security
- Standards for purchases and responsible marketing
- Economic crime and corruption

The savings bank model shows its strength in times of crisis

The community dividend makes Central Norway a better and more sustainable region

SpareBank 1 SMN's response to Central Norway to Covid-19

In the abnormal year of 2020 we wished to spread warmheartedness and play our part in getting through the crisis together



We miss you

Glimpses from SpareBank 1 SMN's response to the region to Covid-19



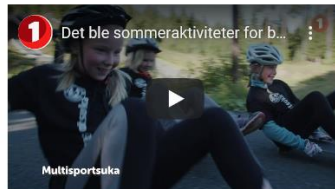
Creativity and new thinking



Marching bands given green light on Norway's national day!



Cultural experiences for everyone



Summer activities for children



750 young people got a summer job



A warmhearted Christmas for the elderly



SpareBank 1 SMN (MING)

- an attractive investment also in an uncertain world

1

High return over time and solid capitalisation. Efficient banking operations and unrealised income and cost synergies within the group. Shareholder-friendly dividend policy

2

Strong position and good growth in an attractive region and across all business lines. Diversified customer portfolio and income base

3

Good brand with development potential based on ownership model, local presence and sustainability

4

Substantial underlying assets through ownership in and outside the SpareBank1-alliance

5

Well positioned through consolidation of Norwegian savings banks



SpareBank
SMN 

Financial information

Kjell Fordal, CFO

Profits Q4 2020

Net profit

NOK 450m (346)

ROE

8.9 % (7.1)

CET1

18.3 % (17.2)

Pre loss result of core business NOK 600m (556)
Loan losses NOK 242m (103)

Reorganisation funds 83m

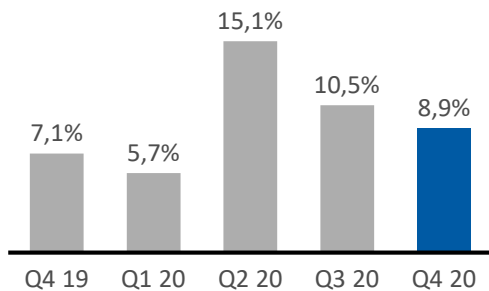
Growth in lending RM 1.6 % (2.0) NL 2.5 % (0.3)

Growth in deposits RM 0.1 % (0.9), CM 3.8% (4.0)

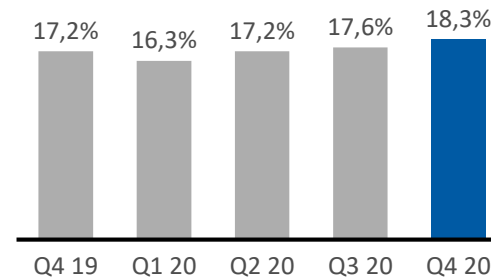
Profit per ECC NOK 1.99 (1.60)

Good profits in second quarter and strong capitalization

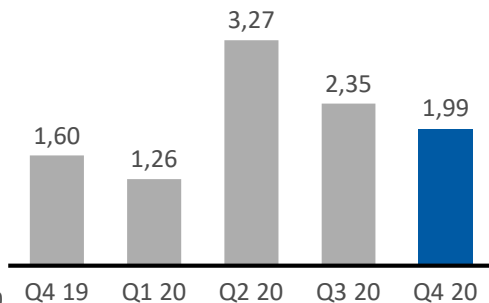
ROE



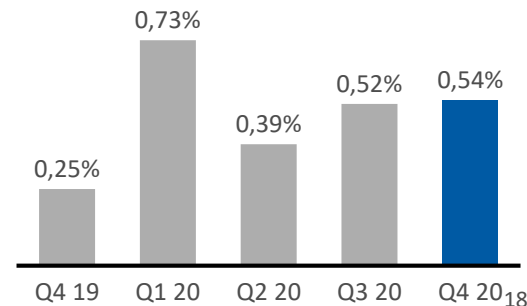
CET1



Profit per ECC



Loan losses as a percentage of total loans



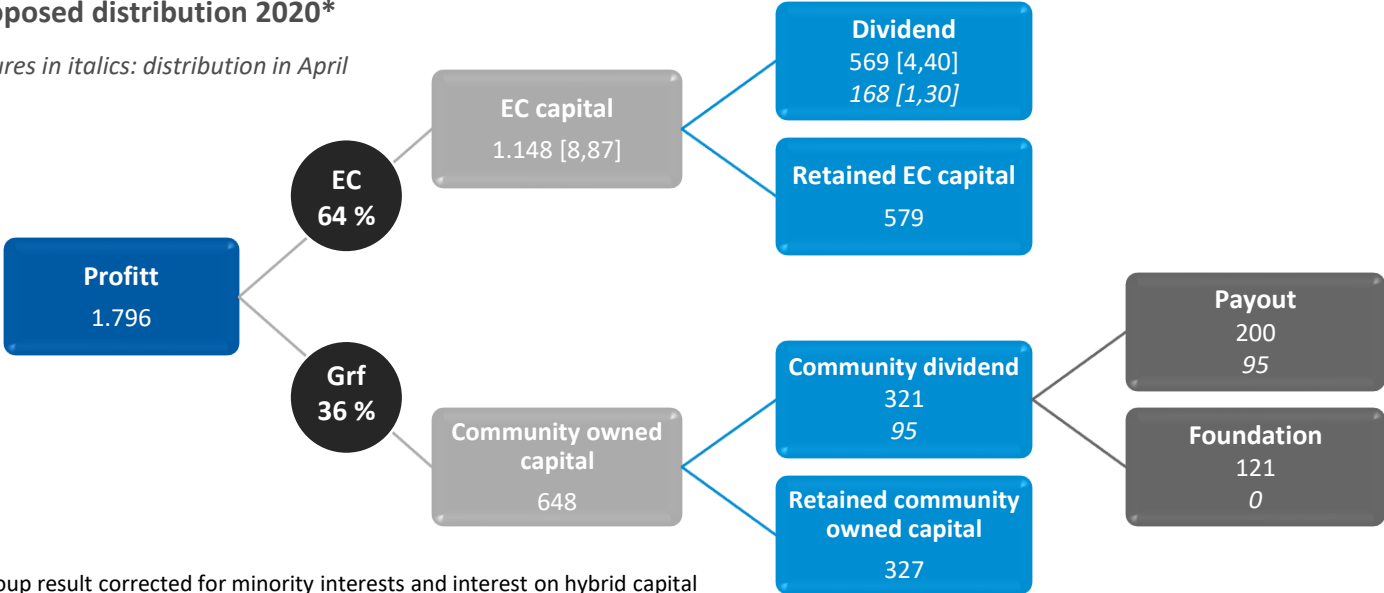
Fourth quarter 2020

Proposed dividend NOK 4.40 per equity certificate, in accordance with the bank's dividend policy

- NOK 1.30 to be paid out in April, against the background of the Ministry of Finance's recommendation
- The board of directors is authorised to pay out up to NOK 3.10 after 30 September, if conditions permit

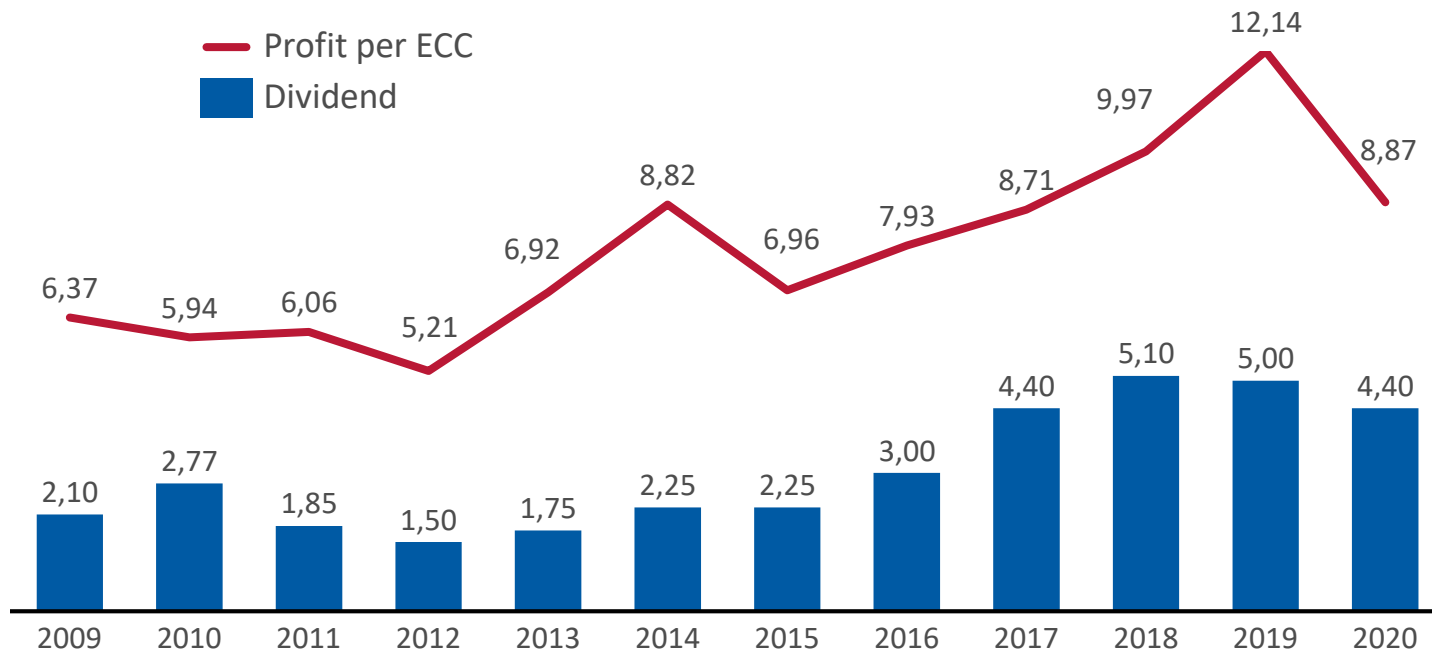
Proposed distribution 2020*

Figures in italics: distribution in April



* Group result corrected for minority interests and interest on hybrid capital

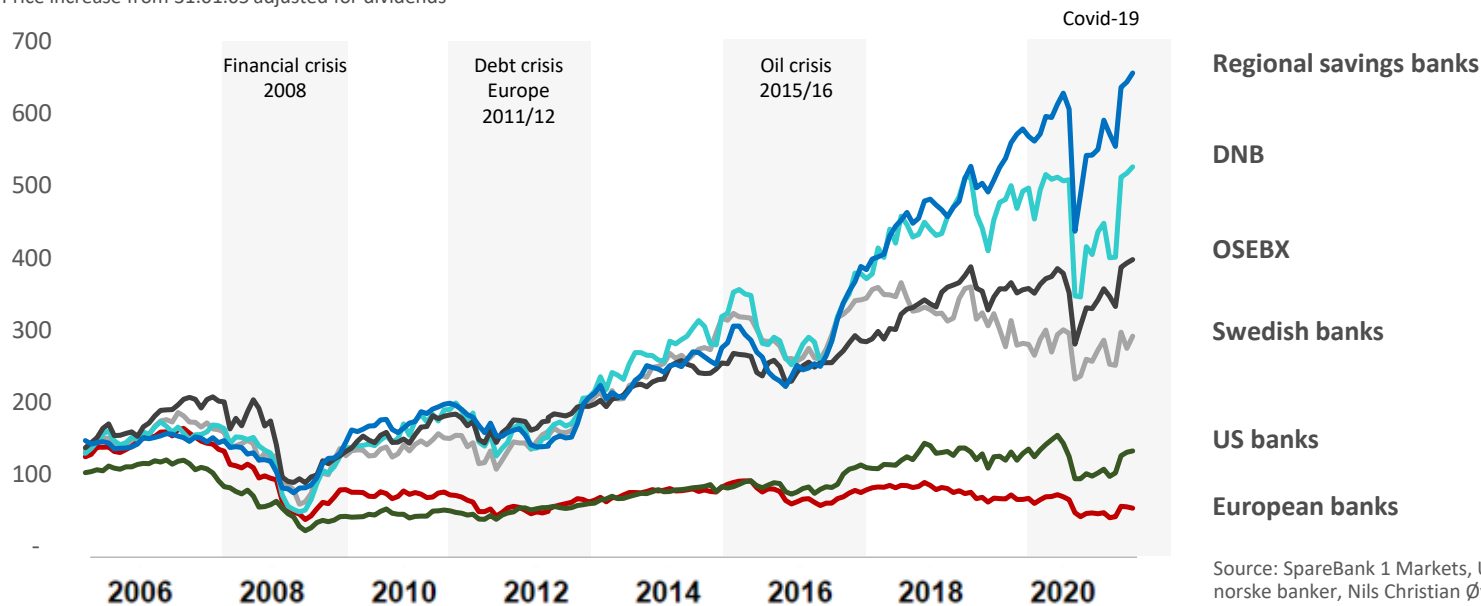
Dividend and profit per ECC



Norwegian banks are adaptable to changing framework conditions

Total return in % - selected banks last 15 år*

*Price increase from 31.01.05 adjusted for dividends

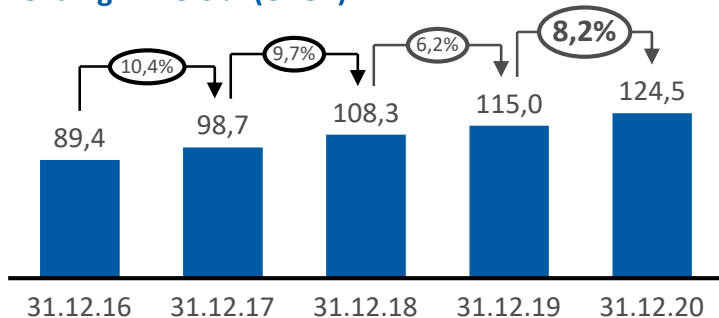


Profits

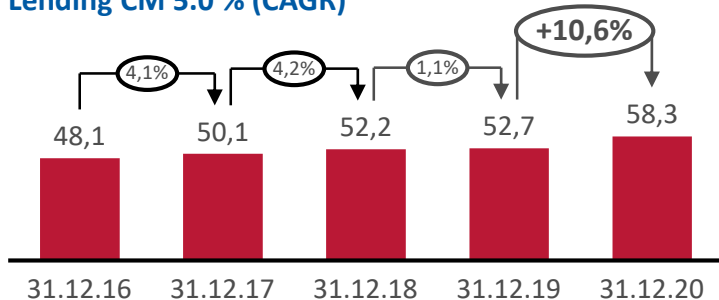
NOK mill	2020	2019	Change	Q4 20	Q3 20	Q2 20	Q1 20	Q4 19
Net interest	2.759	2.687	72	688	695	666	710	697
Commission income and other income	2.572	2.290	283	757	638	607	570	579
Operating income	5.331	4.976	354	1.445	1.333	1.273	1.280	1.276
Total operating expenses	2.952	2.797	155	845	685	706	716	720
Pre-loss result of core business	2.378	2.179	199	600	648	567	564	556
Losses on loans and guarantees	951	299	652	242	231	170	308	103
Post-loss result of core business	1.427	1.880	-453	357	417	397	256	453
Related companies	341	419	-78	117	170	177	-123	8
Gain Fremtind	340	460	-120				340	
Securities, foreign currency and derivatives	269	322	-53	80	34	271	-116	9
Result before tax	2.378	3.081	-703	554	621	845	357	469
Tax	400	518	-118	104	102	126	67	123
Net profit	1.978	2.563	-585	450	519	719	290	346
Return on equity	10,0 %	13,7 %		8,9 %	10,5 %	15,1 %	5,7 %	7,1 %

Total lending NOK 183 bn, growth of 9.0 % in 2020

Lending RM 8.6 % (CAGR)



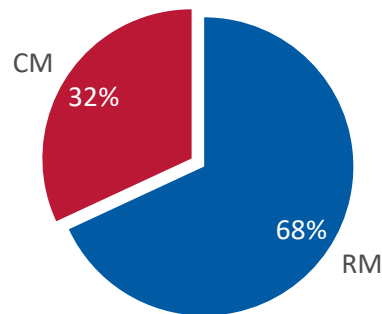
Lending CM 5.0 % (CAGR)



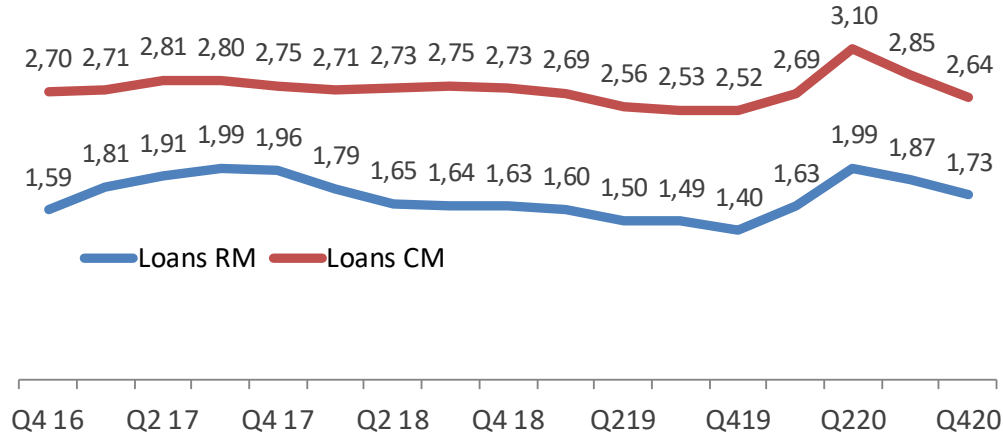
High growth in lending

- Residential mortgage market growth 4.8 % (C2) last 12 months (November 2020)
- Growth in retail lending, specially in the LO segment
- Diversified growth in lending to corporates, mainly to SMEs

Share of lending



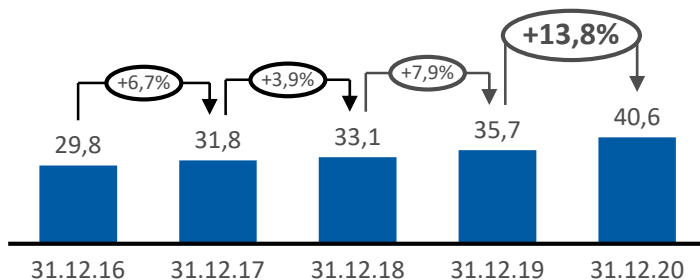
Lending margins RM and CM



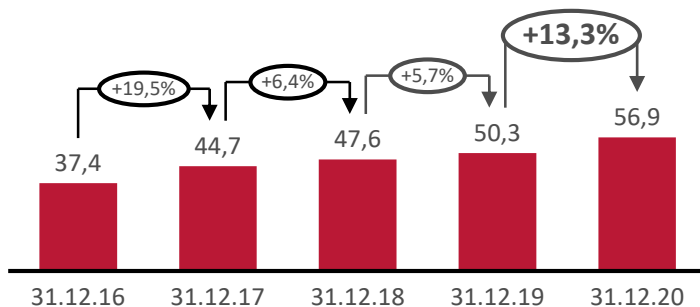
- Base rate down to 0 in June, and a 145 point fall in NIBOR in 2020 has strengthened margins
- Two mortgage rate cuts carried out in 2020
- Increased NIBOR in Q4 gives a drop in margins

Total deposits NOK 97,5 bn, growth of 13.5% in 2020

Deposits RM 8.0 % (CAGR)



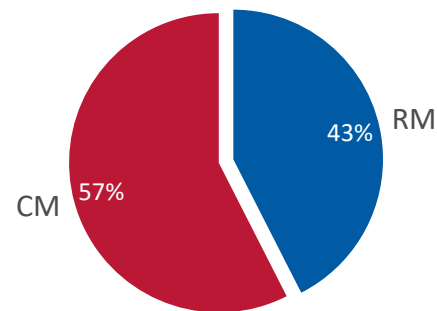
Deposits CM 11.1 % (CAGR)



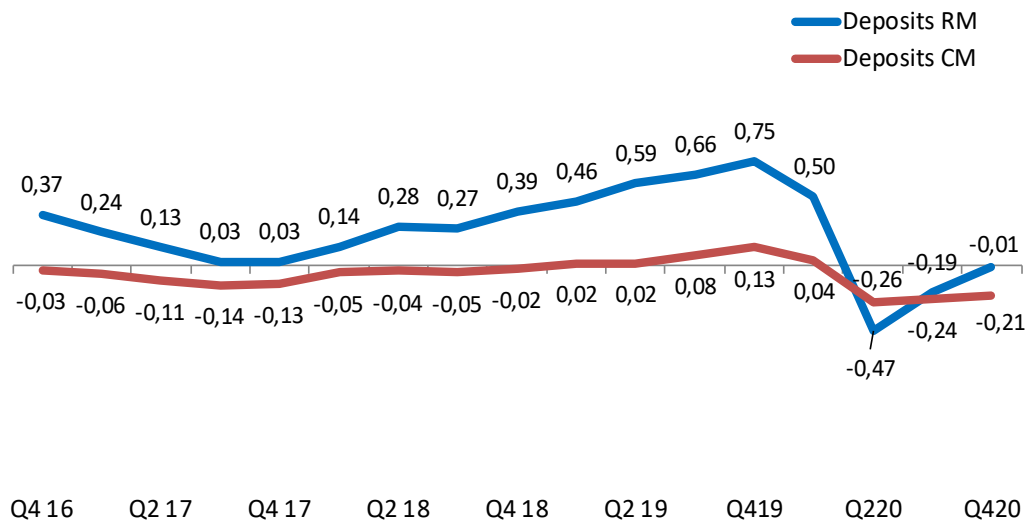
Good growth in deposits

- Good growth in deposits from both retail customers and corporate customers. Reduced retail consumption from March onwards has brought increased retail customer deposits
- Deposit-to-loan ratio 53% (51%)
- Of the corporate market deposits, 23% are from the public sector

Share of deposits



Deposit margins Retail and Corporate



- Considerable decrease in NIBOR in 2020 weakened margins
- Interest rate reduction also on deposits
- Margins in the third quarter give an almost correct expression of the level measured against NIBOR with current product pricing

Change in net interest income

2010 - 2020

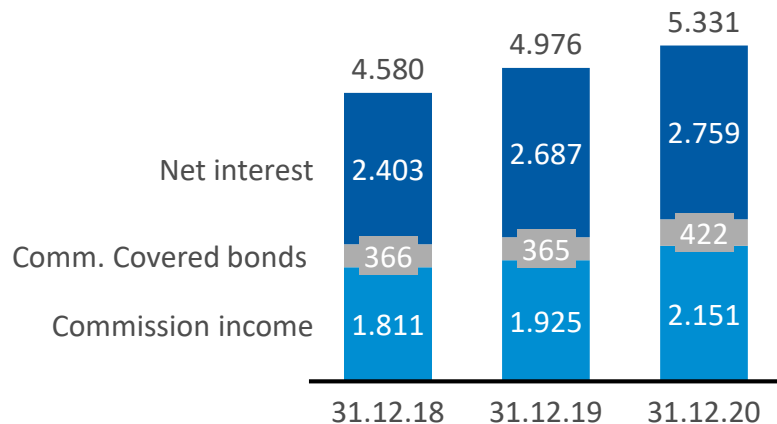
Net interest 2020	2.759
Net interest 2019	2.687
Change	72
Obtained as follows:	
Fees on lending	2
Lending volume	133
Deposit volume	29
Lending margin	341
Deposit margin	-390
Equity capital	-124
Funding and liquidity buffer	13
Subsidiaries	68
Change	72

Net interest income strengthened by growth and increased lending margin

- Net interest income strengthened by increased lending volume
- Margins on mortgages strengthened by decrease in NIBOR in 2020, but deposit margins have been weakened
- Two general reductions in mortgage interest carried out in 2020
- Net interest income weakened by lower interest on equity

Robust income platform and increased commission income

Net interest and other income



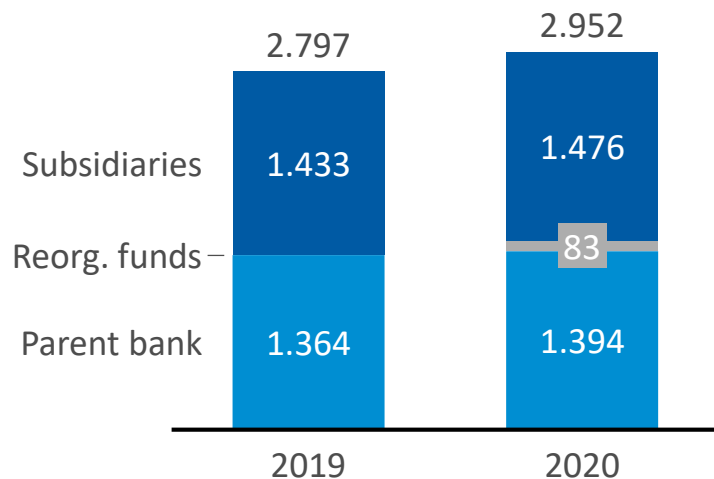
Commissions 2020 and 2019

<i>mill kr</i>	2020	2019	Change
Payment transmission income	219	233	-14
Creditcards	59	59	0
Commissions savings and asset management	109	100	9
Commissions insurance	195	183	12
Guarantee commissions	48	51	-3
Estate agency	392	390	2
Accountancy services	506	473	33
Securities	577	386	191
Other commissions	45	49	-4
Commissions ex. Bolig/Næringskreditt	2.151	1.925	226
Commissions Boligkreditt (cov. bonds)	408	349	59
Commissions Næringskreditt (cov. bonds)	13	16	-3
Total commission income	2.572	2.290	283

- Robust income platform
- A wide range of products both from the parent bank, the subsidiaries, and the SpareBank 1 Group

Cost growth of 2.6 per cent in 2020 (ex reorganisation funds)

Costs 2019 and 2020



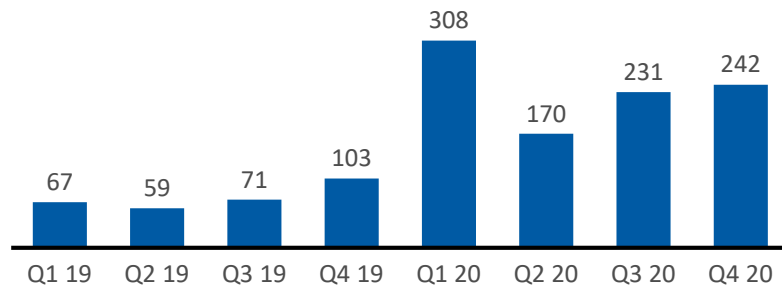
- More FTEs in 2020 than in 2019, wage growth and development costs make for some cost growth in the bank
- Wind-up of BN Bolig in 2019 reduces costs in subsidiaries.
- Increased variable remuneration at SB1 Markets as a result of high customer activity

‘One SMN’ with measures providing short- and long-term effects:

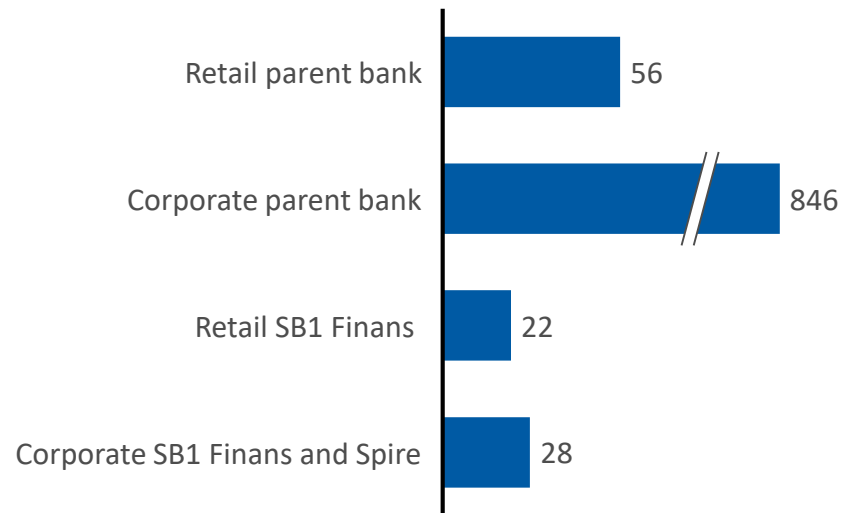
- Efficient distribution
- Group-oriented organisation of the group
- Reduction of operating and IT costs in all business lines
- Staff reductions of 100 FTEs in 2021

Increased losses in 2020, largely as a result of the corona crisis and oil service

Losses per quarter, NOKm



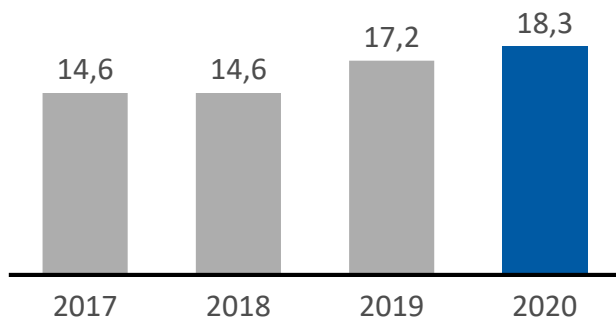
Distribution loan losses 2020



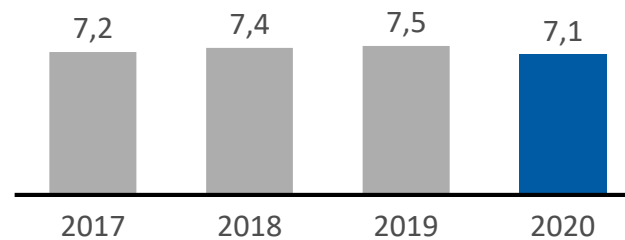
Loan losses including collective loss provisions 0.54 % (0.18 %) of gross lending as of 31.12.2020

Capitalization

CET1



Leverage ratio





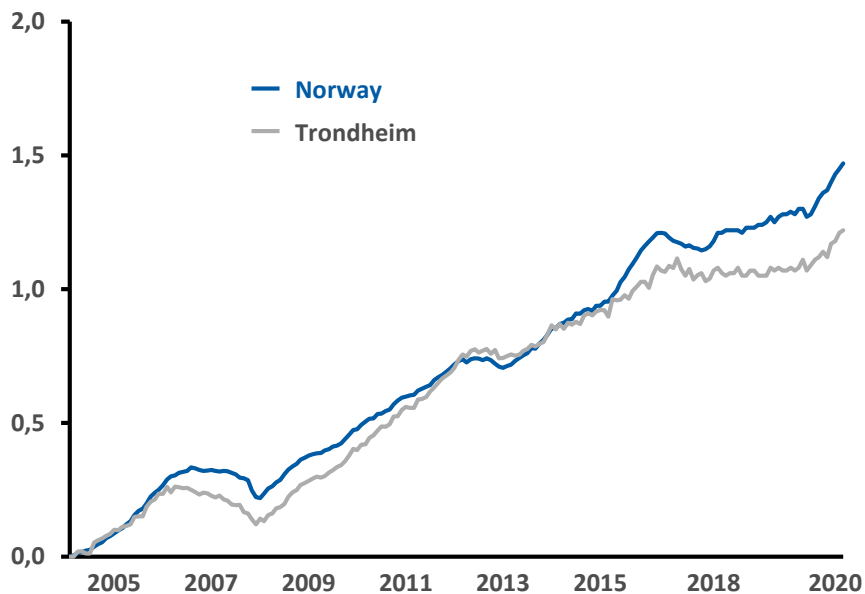
Credit risk

Vegard Helland,

Executive director – Corporate Banking

Increase in house prices in Trondheim

House prices 2005 –2020



Sources: Statistics Norway for house prices

Fourth quarter 2020

Tror boligprisene vil øke med fem prosent for sommeren

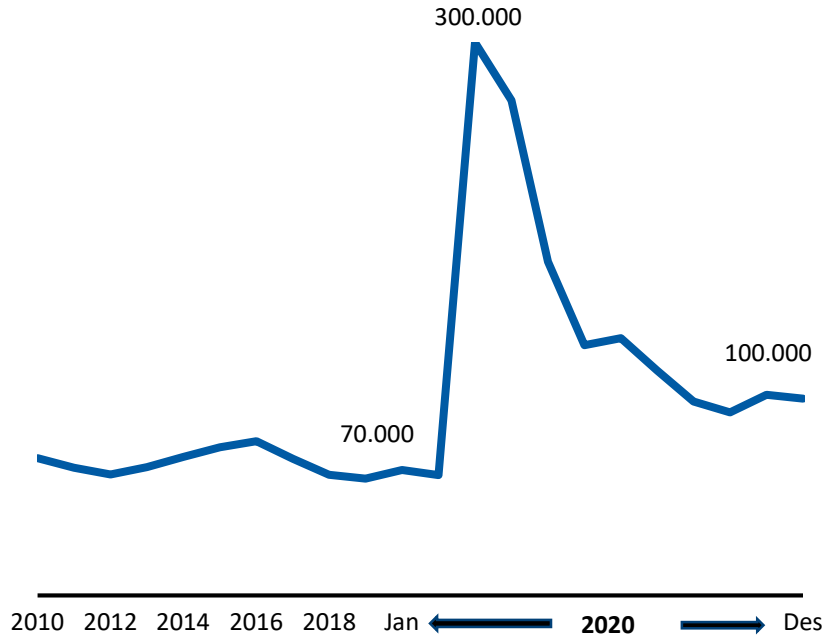
Dette sier eiendomsmeglere om 2021: Boligprisene i Midt-Norge vil øke med fem prosent første halvår, samtidig som totalmarkedet reduseres med opptil 15 prosent.



Unemployment up from 70,000 in January to 300,000 in March

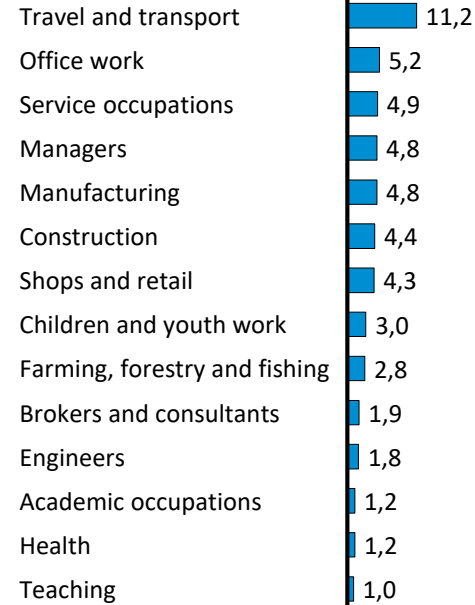
Rapidly up, fairly rapidly down with large variations between job categories and counties

No. of unemployed in Norway since 2012

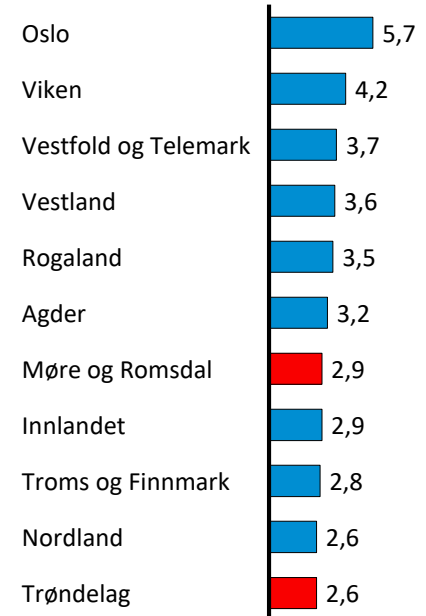


Source: NAV
Fourth quarter 2020

By sector (% - Dec20)



By county (% -Dec20)



Hotel and restaurant trade hardest hit by Covid-19



Hotels/restaurants



Retail trade (retail/stores)



Transport



Manufacturing



Wholesale trade (wholesale/agents)



Maritime industry/shipyard



Seafarming



Shipping



Media



IT



Private services



Communication



Fisheries



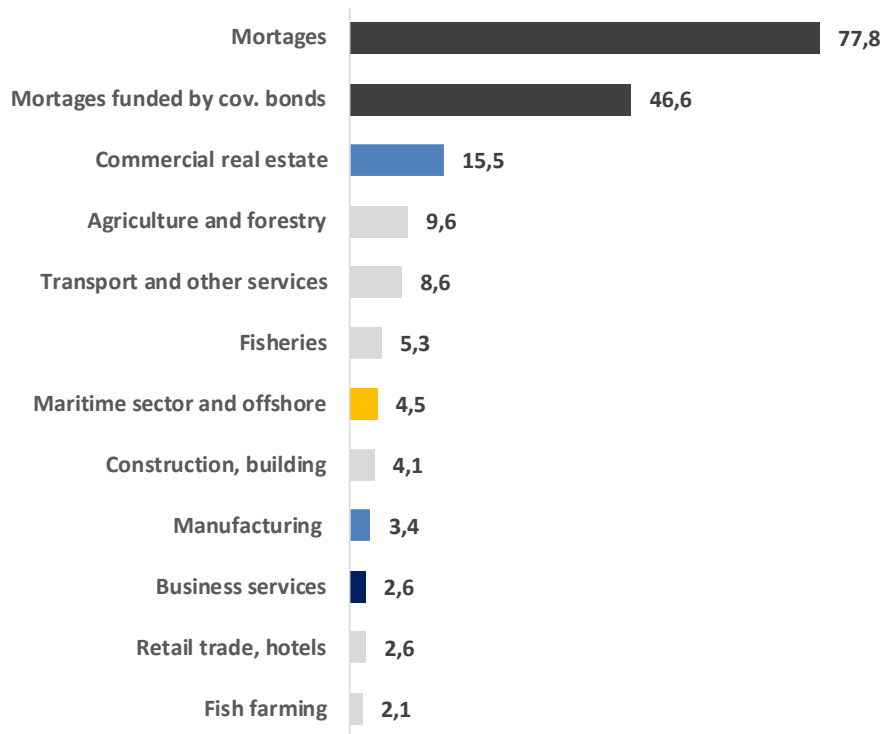
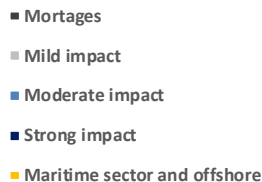
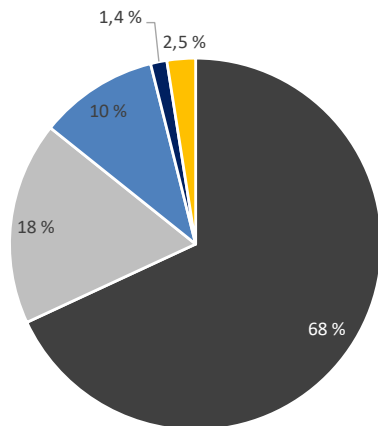
Groceries



Streaming services

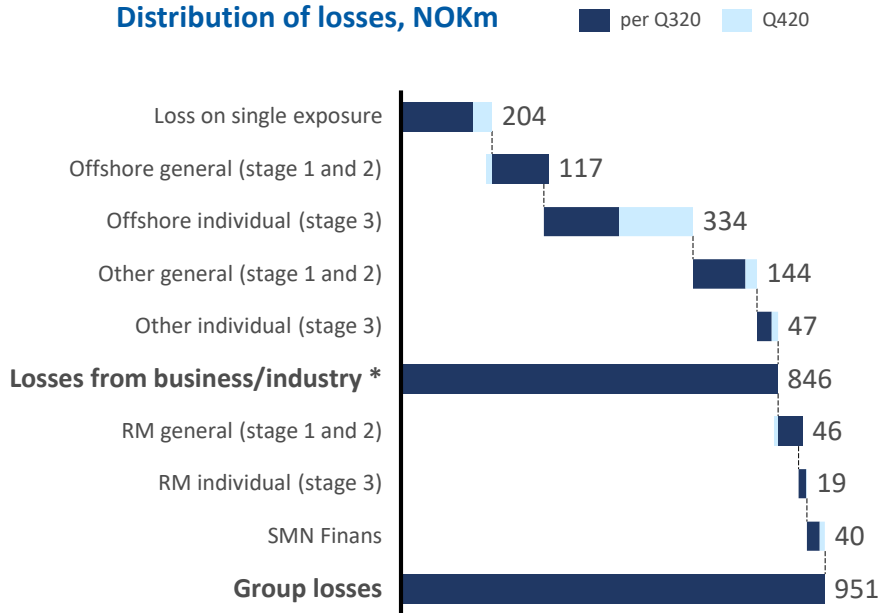
Robust loan portfolio of which 68 per cent of loans are to wage earners. Oil-related sectors and tourism are vulnerable industries

Total loans NOK 183 bn



Increased losses in 2020 as a result of COVID-19; uncertainty most marked in the offshore and hospitality industries

Distribution of losses, NOKm



* Includes agriculture portfolio
Fourth quarter 2020

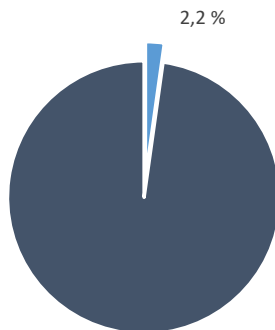
Losses of NOK 242m in Q4, NOK 951m in 2020

- Of the group's total loss NOK 951m so far this year, NOK 846m refers to the business and industry portfolio
- Losses from corporates increased by NOK 236m from the previous quarter, primarily due to increased write-downs on the offshore portfolio
- The offshore portfolio shows overall losses of NOK 451m, of which NOK 155m refers to the fourth quarter
- Losses from the RM portfolio are mainly general write-downs

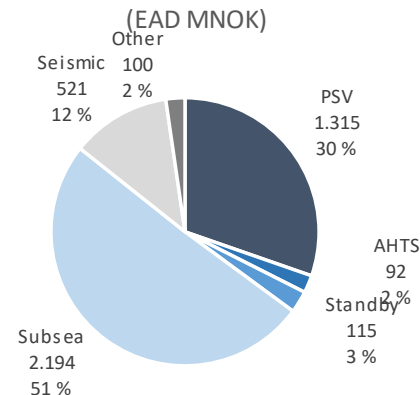
Offshore service vessels constitute a small share of total credit risk (2.2 per cent)

Impairment level corresponds to 18.8 per cent of the offshore portfolio

Offshore constitutes a small share of the total credit risk (EAD share)



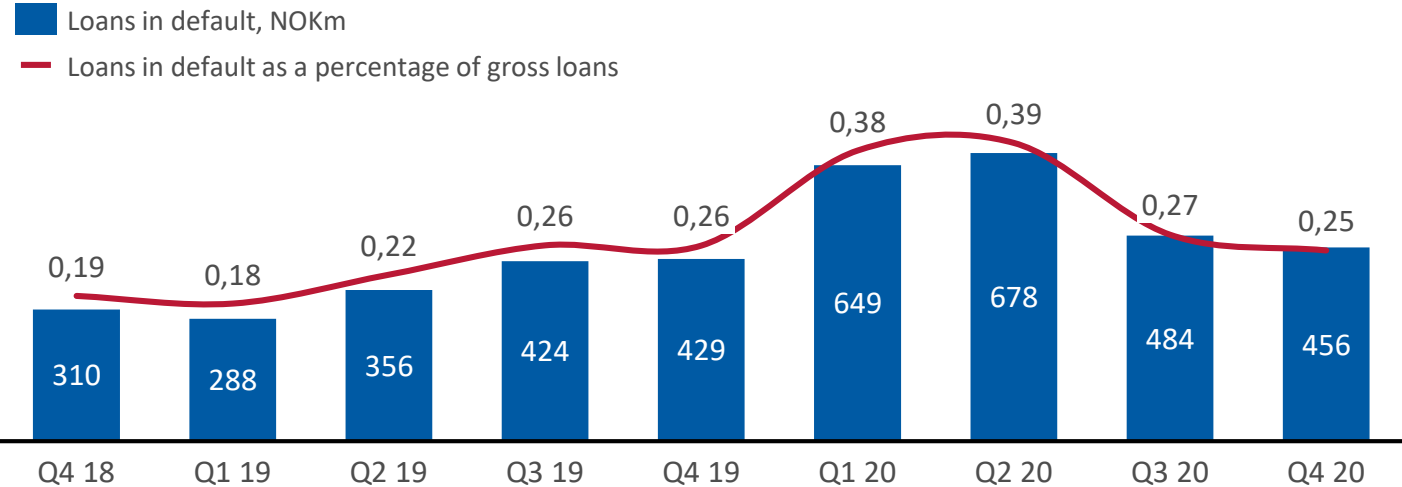
Subsea and PSV largest segments



mill kr	EAD	Loans	Individual	Total impairments	Share of EAD
4 % Low risk	188	157	0	0,3	0,2 %
44 % Medium risk	1.925	1.398	0	127	6,6 %
19 % High risk	843	601	0	104	12,3 %
32 % Obligors with impairments / defaulted	1.381	1.209	584	584	42,3 %
100 % Total	4.337	3.364	584	816	18,8 %

Low payment defaults, 0.25 per cent of gross lending

Payment defaults 90 days



SpareBank 1 SMN

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Internet addresses:

SMN homepage and internet bank:

www.smn.no



Financial calendar 2021

Q1 21 7. May 2021

Q2 21 11. August 2021

Q3 21 29. October 2021



SpareBank
SMN



Appendix



Finance house offering a wide range of products

Retail customers
245 700

Corporate customers
15 560

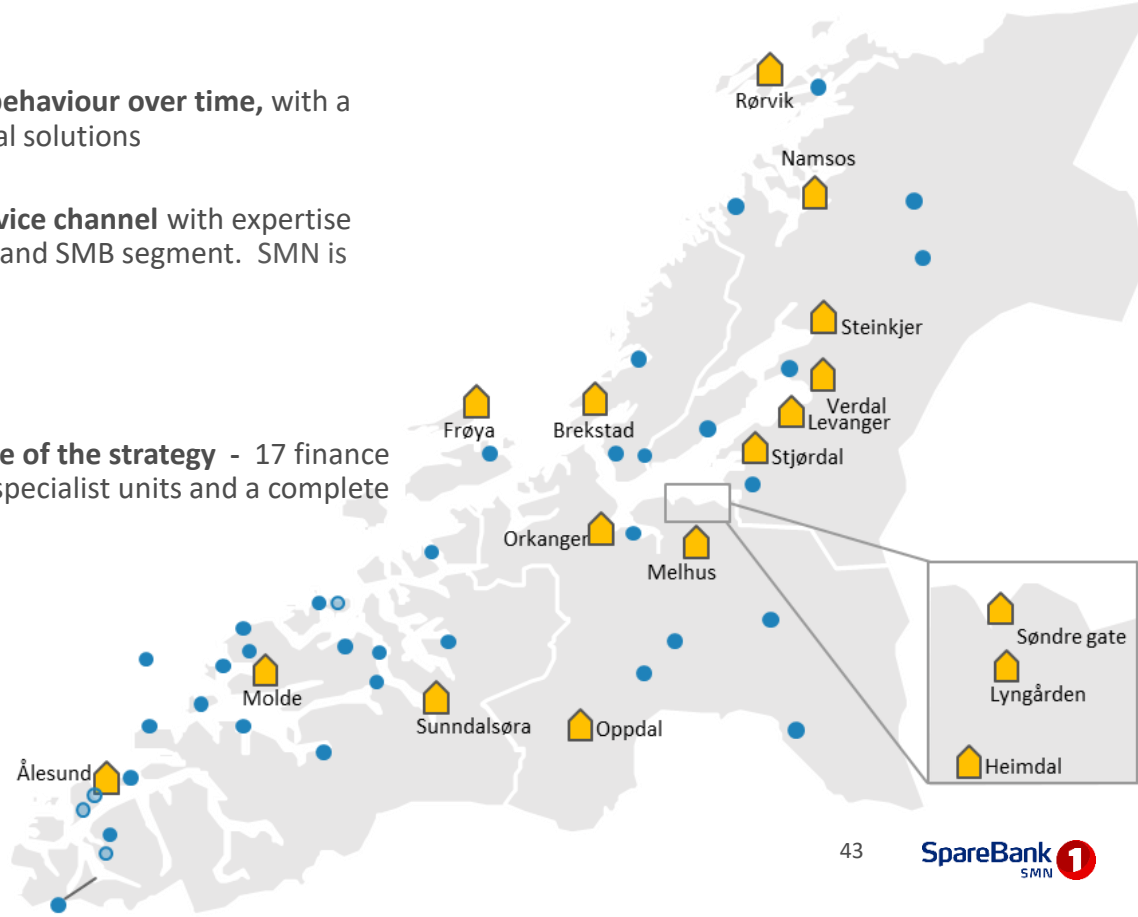
Loan volume
183 bn

Norway's largest equity-certificate-issuing bank

**Market leader in the region
Co-owner of SpareBank 1 Alliance**

New and efficient distribution model

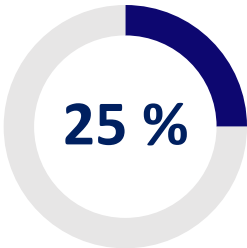
- **The backdrop is an intensified shift in digital behaviour over time**, with a decline in branch visits and greater use of digital solutions
- **SMN is strengthening its digital and direct service channel** with expertise and capacity for efficient servicing of the retail and SMB segment. SMN is developing new customer solutions
- **New digital customer solutions**
- **A strong local presence remains at centre stage of the strategy** - 17 finance centres are being established featuring strong specialist units and a complete service offering assembled in each location



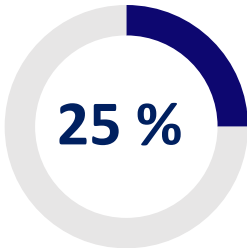
Number 1 in financial services in Central Norway

Market shares

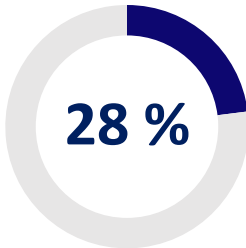
Parent bank retail



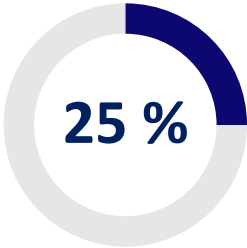
Parent bank SMB



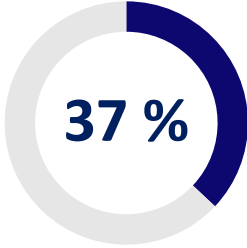
Collateral, residential mortgages



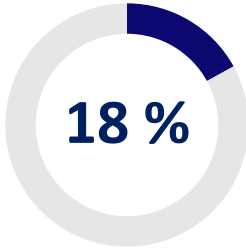
Accounts



Estate agency



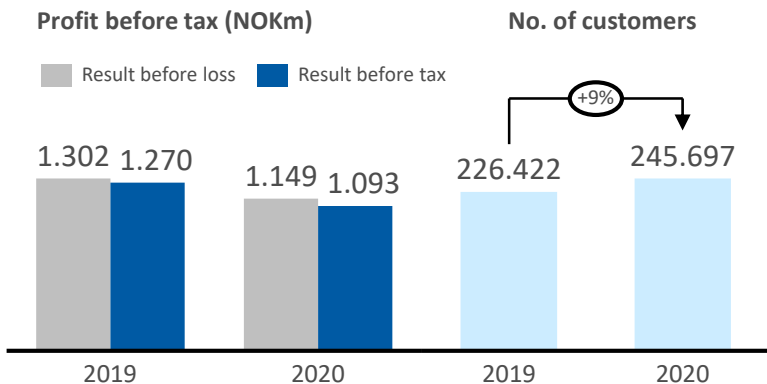
Vendor's liens



High growth, but low interest rates and high losses weakens the result from banking

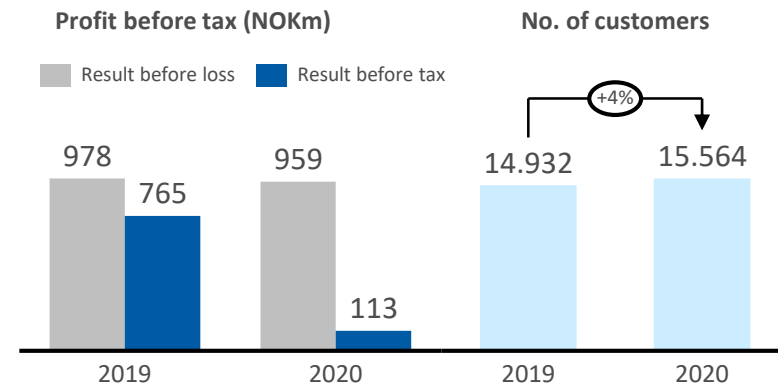
Retail Banking

- Strong growth and increased market shares, especially from the LO agreement
- The corona pandemic has brought reduced consumption and high deposit growth
- Consistent low risk and low losses in the portfolio



Corporate Banking

- Diversified portfolio with the bulk of customers from Trøndelag and in Møre and Romsdal
- Increased growth in 2020, mainly in the SMB segment
- Good underlying operations, but high loss provisions from the offshore portfolio



Good trend in accounting and estate agency services strengthens the group's position in the retail and corporate market

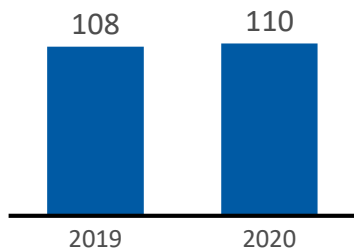


- Regnskapshus is expanding due to acquisitions and organic growth
- Good income trend in an industry little affected by COVID-19
- Consolidating and digitalising the accounting industry



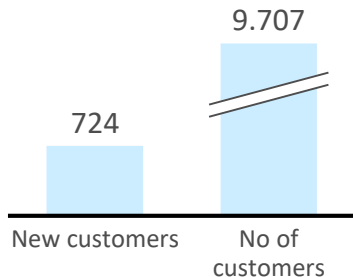
- Market leader in Trøndelag and in Møre and Romsdal
- High activity and good sales in a traditionally quiet season, well assisted by record-low mortgage rates
- Contributing to growth in the bank's retail market portfolio

Profit before tax (NOKm)

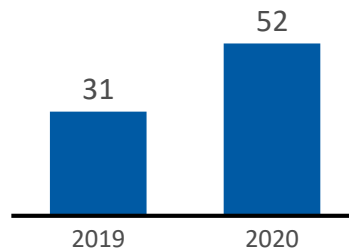


No. of customers

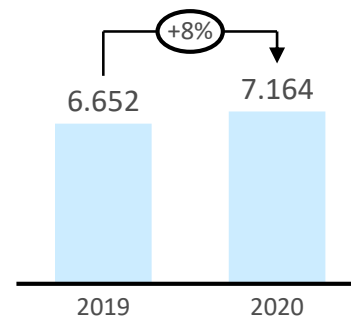
2020



Profit before tax (NOKm)



No. of dwellings sold



Growth in leasing and high activity in the capital market

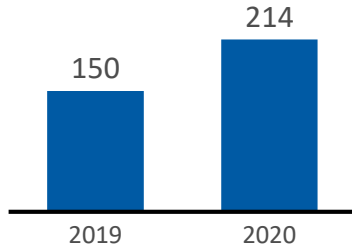


- Solid market position in leasing to corporates and in car loans to retail customers. A new product is small business invoice factoring
- Strong income growth both in the corporate and retail market as a result of new sales and a good trend in margins

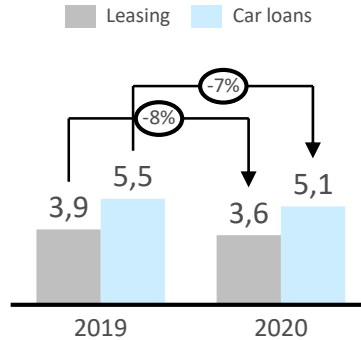


- Offers a complete range of capital market services
- High activity in most business lines has brought strong income and profit growth so far this year

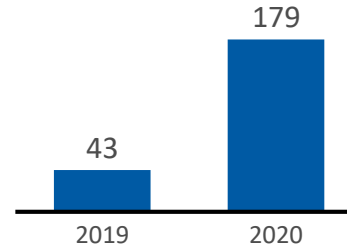
Profit before tax (NOKm)



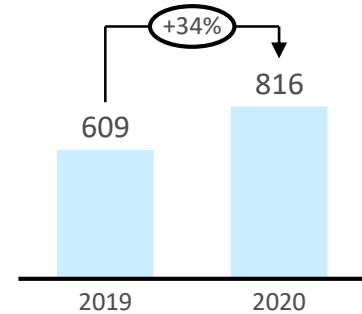
Lending (NOKm)



Profit before tax (NOKm)

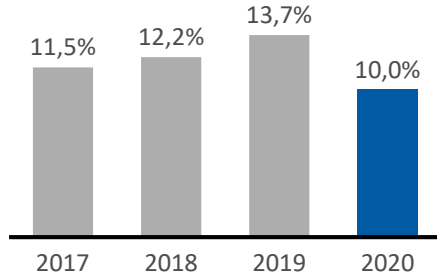


Incomes (NOKm)

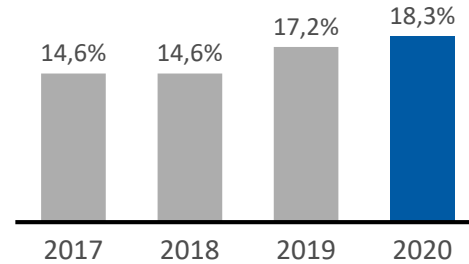


Profits weakened in 2020 due to increased loan losses. Strong capitalization

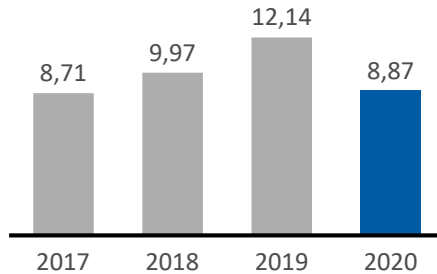
ROE



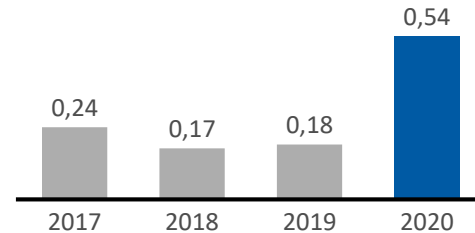
CET1



Earnings per ECC

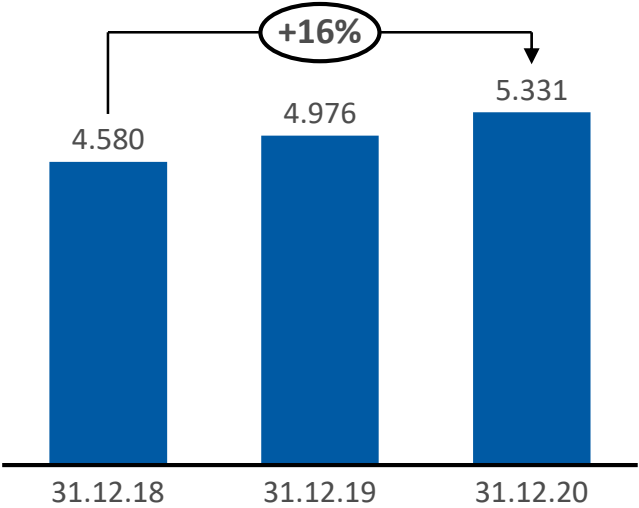


Loan losses as a percentage of total loans

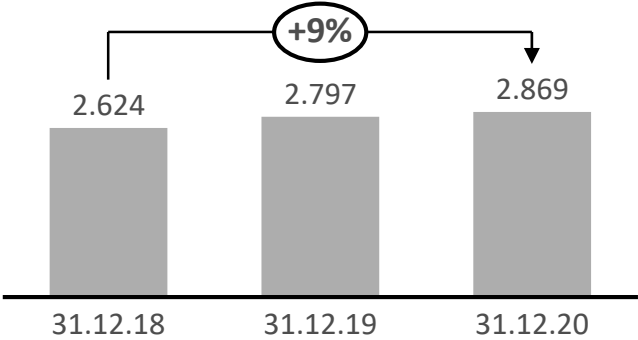


Strong growth in income, moderate growth in costs

Operating income



Operating costs exclusive reorganisation funds of NOK 83m



Robust income platform and increased commission income

<i>mill kr</i>	2020	2019	Change	Q4 20	Q3 20	Q2 20	Q1 20	Q4 19
Payment transmission income	219	233	-14	56	54	51	59	65
Creditcards	59	59	0	14	15	15	16	15
Commissions savings and asset management	109	100	9	32	27	28	22	31
Commissions insurance	195	183	12	51	49	48	47	47
Guarantee commissions	48	51	-3	6	14	15	13	15
Estate agency	392	390	2	93	111	105	83	93
Accountancy services	506	473	33	111	105	141	148	102
Securities	577	386	191	245	122	129	81	101
Other commissions	45	49	-4	9	9	17	10	16
Commissions ex. Bolig/Næringskreditt	2.151	1.925	226	617	506	548	479	485
Commissions Boligkreditt (cov. bonds)	408	349	59	136	128	57	88	90
Commissions Næringskreditt (cov. bonds)	13	16	-3	4	4	2	4	4
Total commission income	2.572	2.290	283	757	638	607	570	579

- Robust income platform
- A wide range of products both from the parent bank, the subsidiaries, and the SpareBank 1 Group

Subsidiaries

Pre tax profit subsidiaries

mNOK, SMN's share in parentheses	2020	2019	Change	Q4 20	Q3 20	Q2 20	Q1 20	Q4 19
EiendomsMegler 1 Midt-Norge (87 %)	52	31	21	2	19	30	0	1
BN Bolig (subsidiary of EM1)	0	-30	30	0	0	0	0	-7
SpareBank 1 Regnskapshuset SMN (89 %)	110	108	2	22	21	40	27	27
SpareBank 1 Finans Midt-Norge (61 %)	214	150	64	63	59	46	47	35
SpareBank 1 Markets (67 %)	179	43	136	90	35	71	-15	4
SpareBank 1 SMN Invest (100%)	6	48	-42	21	-3	7	-19	4
SpareBank 1 SMN Spire Finans (100%)	-30	-20	-10	-11	-7	-5	-8	-6
Other companies	8	16	-8	2	1	2	3	4
Subsidiaries	540	347	193	189	125	191	36	62

The results refer to the respective company accounts

Associated companies

Profit shares after tax

mNOK, SMN's share in parentheses	2020	2019	Change	Q4 20	Q3 20	Q2 20	Q1 20	Q4 19
SpareBank 1 Gruppen (19,5 %)	194	252	-58	87	114	109	-115	-12
Gain Fremtind	340	460	-120	0	0	0	340	0
SpareBank 1 Boligkreditt (22,4 %)	18	26	-8	-4	11	41	-31	0
SpareBank 1 Næringskreditt (31,0 %)	18	21	-2	5	5	7	2	6
BN Bank (35,0 %)	120	113	8	36	34	27	23	28
SpareBank 1 Kreditt (17,3 %)	2	13	-11	0	0	2	0	0
SpareBank 1 Betaling (19,5 %)	-2	3	-4	1	-1	1	-2	-5
Other companies	-8	-8	-1	-9	10	-9	0	-10
Associated companies	681	879	-197	117	172	177	217	8

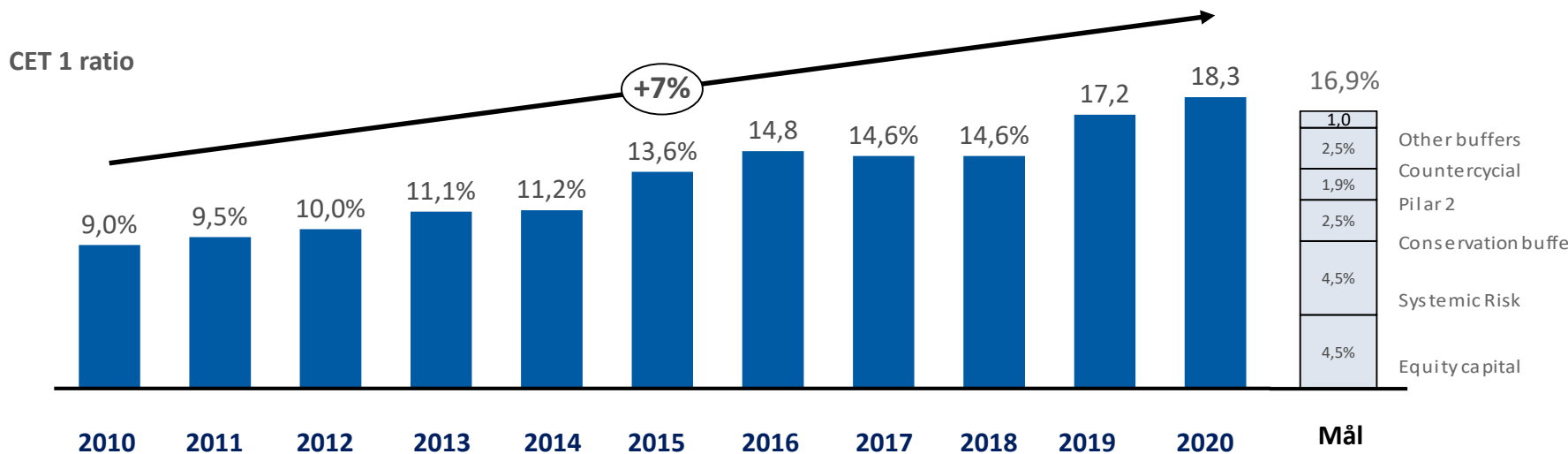
Return on financial investments

NOKm	2020	2019	Change	Q4 20	Q3 30	Q2 20	Q1 20	Q4 19
Shares	-4	120	-124	-3	4	36	-42	11
Sertificates and bonds	103	-20	124	-62	-8	124	50	-42
Derivatives	32	132	-100	110	19	51	-148	40
Financial instruments related to hedging	1	-9	11	1	4	2	-6	-8
Other financial instruments at fair value	-11	9	-20	2	-2	45	-57	-2
Foreign exchange	82	22	59	3	11	4	65	-10
Shares and share derivatives at SpareBank 1 Markets	28	54	-26	2	5	7	14	17
Net return on financial instruments	230	308	-76	53	32	269	-124	7

Balance sheet

	31.12.20	31.12.19	31.12.18
Funds available	34,5	26,0	26,3
Net loans	133,1	125,3	119,7
Securities	2,4	3,0	1,9
Investment in related companies	7,3	6,5	6,1
Goodwill	0,9	0,9	0,9
Other assets	9,7	5,1	5,8
Total Assets	187,9	166,7	160,7
Capital market funding	57,0	51,9	53,5
Deposits	97,5	85,9	80,6
Other liabilities	10,3	6,4	5,7
Subordinated debt	1,8	2,1	2,3
Equity ex hybrid bonds	20,0	19,1	17,6
Hybrid bonds	1,3	1,3	1,0
Total liabilities and equity	187,9	166,7	160,7
in addition loans sold to Boligkreditt and Næringskreditt	48,2	41,5	39,8

Strong development in CET 1 (capital and ratio)

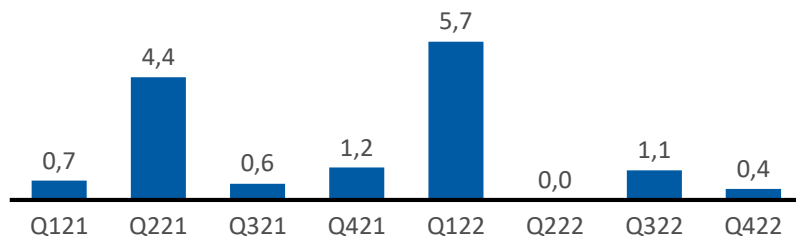
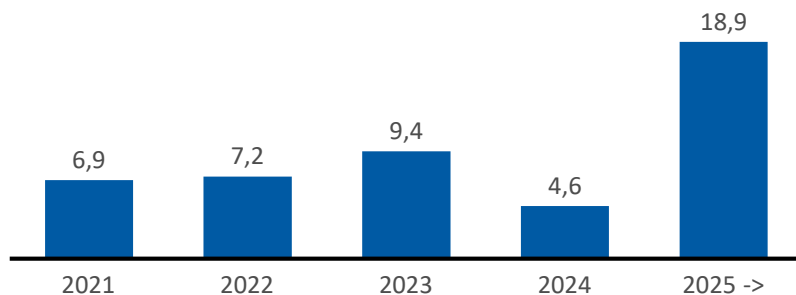


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
CET1 capital	6.177	6.687	8.254	9.374	10.679	12.192	13.233	13.820	14.727	15.830	17.041
ROE	14,6 %	12,8 %	11,7 %	13,3 %	15,1 %	10,7 %	11,3 %	11,5 %	12,2%	13,7%	10,0 %
RWA	66.688	75.337	82.450	84.591	95.322	89.465	88.786	94.807	101.168	91.956	93.096

Fourth quarter 2020

Satisfying access to capital market funding

Funding maturity 31. December 2020 (NOK bn)



Fourth quarter 2020

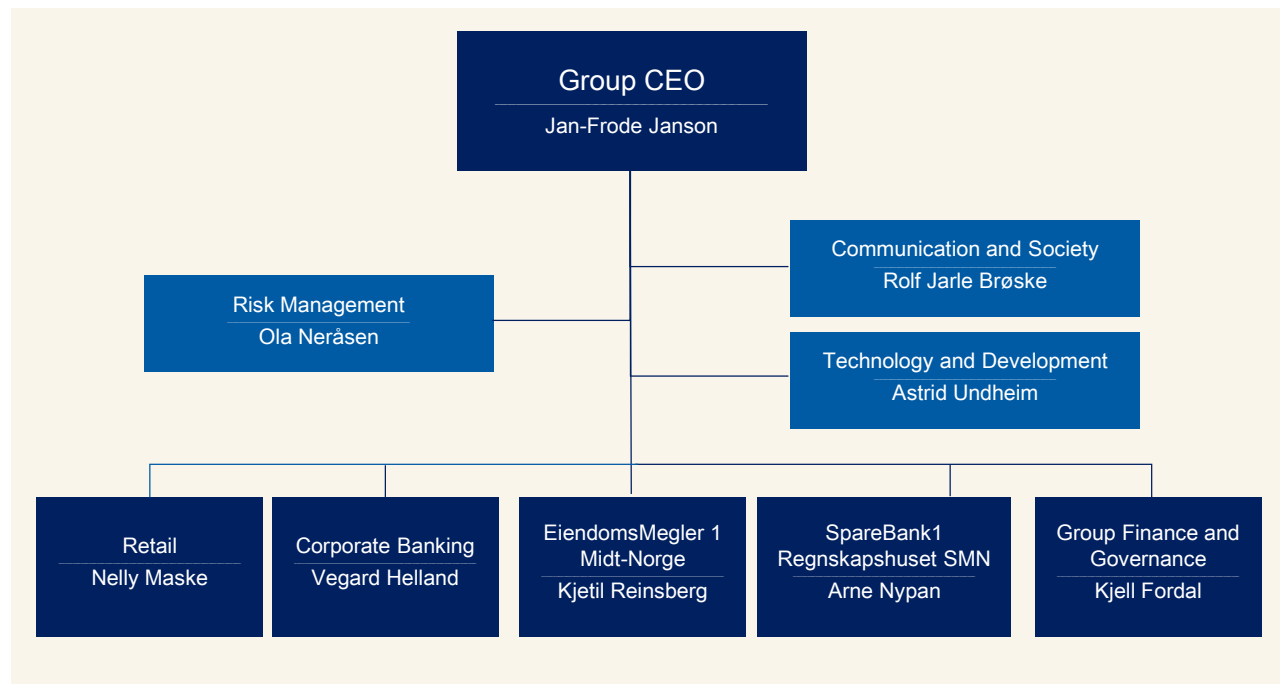
Comments

- SpareBank 1 Boligkreditt is the main funding source through covered bonds. NOK 47 billion transferred as of 31. December 2020
- Maturities next two years NOK 14.1 bn:
 - NOK 6.9 bn in 2021
 - NOK 7.2 bn in 2022
- LCR 171 % as at 31. December 2020
- MREL (minimum requirement for own funds and eligible liabilities) introduced as from 2019. The bank will fulfil the MREL requirement within 2024 according to the framework of ordinary maturities
- SpareBank 1 SMN issued senior non-preferred debt (MREL) worth NOK 1bn in September 2020 and 1.5bn in January 2021

Key figures ECC

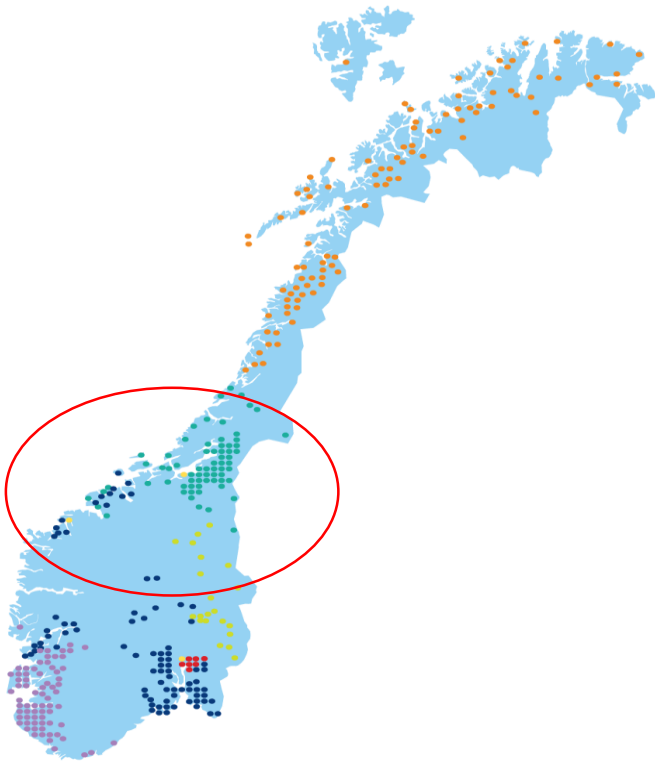
	2020	2019	2018	2017	2016
ECC ratio	64,0 %	64,0 %	64,0 %	64,0 %	64,0 %
Total issued ECCs (mill)	129,39	129,30	129,62	129,38	129,64
ECC price	97,60	100,20	84,20	82,25	64,75
Market value (NOKm)	12.629	12.956	10.914	10.679	8.407
Booked equity capital per ECC	94,71	90,75	83,87	78,81	73,35
Post-tax earnings per ECC, in NOK	8,87	12,14	9,97	8,71	7,93
Dividend per ECC	4,40	5,00	5,10	4,40	3,00
P/E	11,01	8,26	8,44	9,44	8,17
Price / Booked equity capital	1,03	1,10	1,00	1,04	0,88

New group management team signals business orientation and breadth



- Additional parts of the business represented on the group management team – increased focus on the customer and the business, and closer collaboration between the business lines
- New group-wide units created – increased power to strategic focal areas and efficiency gains across the group companies
- Transition from management anchored in the bank to management anchored in the group, from emphasis on staff to emphasis on the business
- A better and more cost-efficient organisation – further elaboration of the organisation in keeping with «One SMN» over past half-year

SpareBank 1 Alliance: National champion, regional focus



Fourth quarter 2020

- The SpareBank 1-alliance consists of 14 banks
- Operate exclusively in Norway – Norway’s most extensive branch network with approx. 350 branches
- SpareBank 1-banks are at the forefront of technological innovation
- Operate as independent banks in each their respective Norwegian region
- Market leaders in their core regional markets
- The largest banks (~ 80% of total assets) have the following ratings:

Sr. Unsec. Ratings	Moody’s
SpareBank 1 SMN	A1 / P-1
SpareBank 1 SR	A1 / P-1
SpareBank 1 SNN	Aa3 / P-1
SpareBank 1 Østlandet	Aa3 / P-1

Spare Bank 1 Alliance

