

Investor Relations

Supplementary Information

2021

Q2



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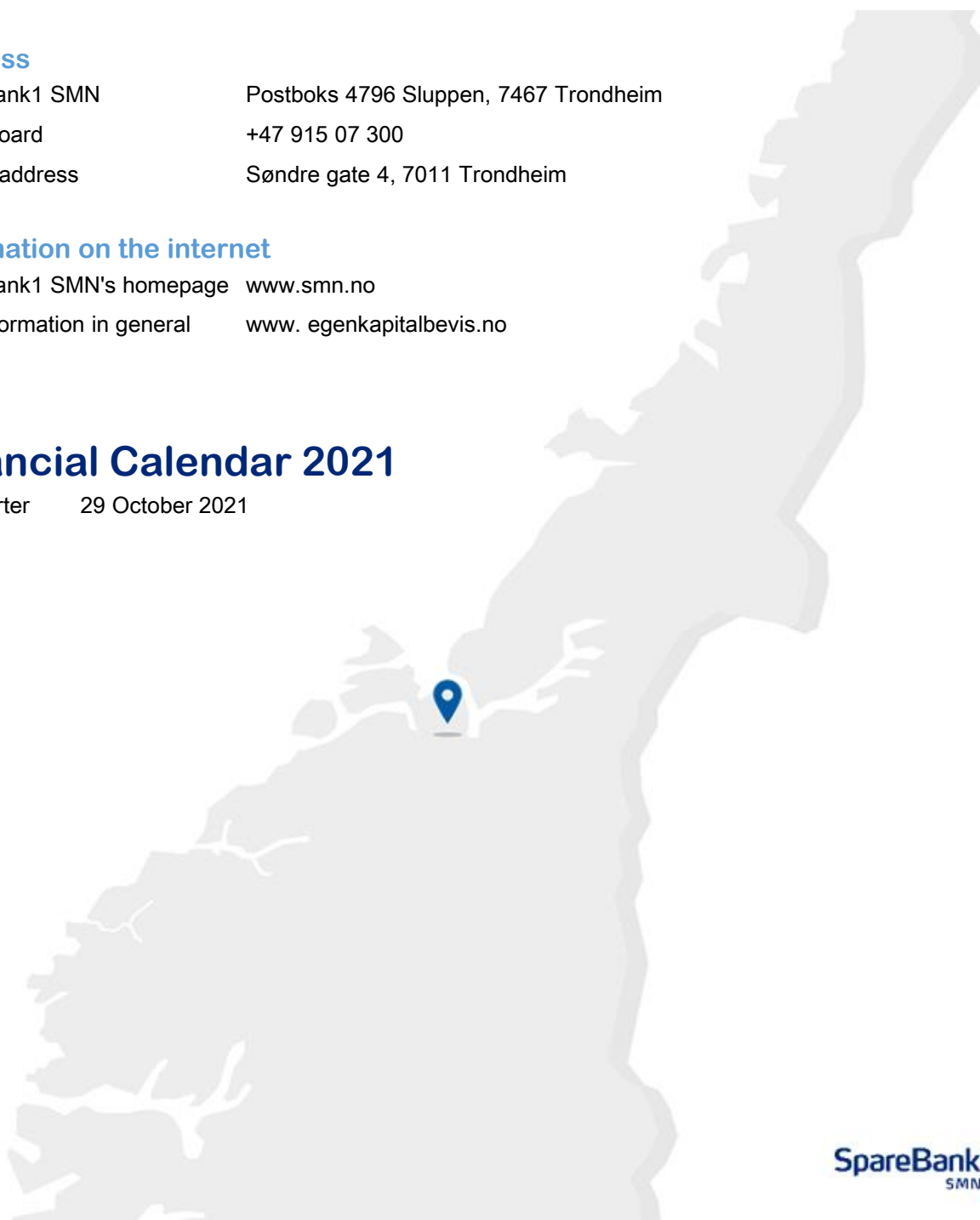
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Information on the internet

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

Financial Calendar 2021

3rd quarter 29 October 2021



Major changes from Q1 2021

Agreement to merge Vipps, Danish MobilePay and Finnish Pivo brings together 11 million users in a single mobile wallet

On 30 June 2021 Vipps signed an agreement with Danish MobilePay and Finnish Pivo to merge the three companies in order to create one, common digital wallet. The merger paves the way for mobile payments across national borders and even better solutions for users and companies in Denmark, Finland and Norway. The positive effects for the SpareBank 1 banks are also substantial.

Fleks – SpareBank 1 to focus on car subscriptions

SpareBank 1 Finans Midt-Norge is to take up an ownership role in the car subscription company Fleks along with SpareBank 1 Nord-Norge and SpareBank 1 Finans Østlandet with an overall stake of 47.2 per cent. Bertel O Stein will hold a corresponding stake. Car subscription is growing apace and will be a natural aspect of car ownership and everyday finances in the future. SpareBank 1 SMN will take a position in this market through Fleks AS.

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1.1 Financial highlights



January - June 2021

YTD 2020

Profit before tax and inv. held for sale	1.836	NOK million	1.195
Net profit	1.523	NOK million	1.008
Return on equity	14.5	per cent	10.3
Annual lending growth	7.9	per cent	7.0
Annual deposits growth	16.8	per cent	8.9
Loan losses	98	NOK million	478
CET1 ratio	18.3	per cent	17.2
Earnings per EC	6.90	NOK	4.53

Q2 2021

Q2 2020

Profit before tax and inv. held for sale	942	NOK million	840
Net profit	755	NOK million	719
Return on equity	14.3	per cent	15.1
Loan losses	39	NOK million	170
Earnings per EC	3.51	NOK	3.27



Main figures

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Net interest	698	668	688	695	665	710	697	678	664
Commission income and other income	748	790	738	625	595	558	579	554	606
Net return on financial investments	270	289	197	204	448	101	17	121	336
Total income	1.716	1.748	1.622	1.525	1.708	1.369	1.292	1.353	1.607
Total operating expenses	735	796	824	675	699	706	720	673	701
Result before losses	981	952	798	850	1.010	663	572	680	907
Loss on loans, guarantees etc.	39	59	242	231	170	308	103	71	59
Result before tax	942	893	556	619	840	355	469	609	848
Tax charge	191	131	105	102	124	69	123	121	165
Results investments held for sale, after tax	4	6	0	2	3	4	0	0	0
Net profit	755	768	450	519	719	290	346	488	683

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Net interest	1.366	2.759	2.687	2.403	2.225
Commission income and other income	1.538	2.516	2.290	2.177	2.005
Net return on financial investments	560	951	1.201	757	760
Total income	3.464	6.225	6.178	5.337	4.989
Total operating expenses	1.531	2.904	2.797	2.624	2.369
Result before losses	1.933	3.321	3.380	2.713	2.621
Loss on loans, guarantees etc.	98	951	299	263	341
Result before tax	1.836	2.370	3.081	2.450	2.279
Tax charge	322	400	518	509	450
Results investments held for sale, after tax	10	9	0	149	-1
Net profit	1.523	1.978	2.563	2.090	1.828

Balance sheet - condensed

Quarterly figures [NOK million]	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019
Total assets	200.426	193.822	187.912	186.900	190.484	185.182	166.662	166.475	167.289
Average total assets (quarterly)	197.124	190.867	187.406	188.692	187.833	175.922	166.569	166.882	165.965
Gross loans to customers ¹	189.015	185.342	182.801	179.423	175.100	170.771	167.777	165.380	163.627
Deposits from customers	110.133	102.390	97.529	95.391	94.289	88.152	85.917	83.641	86.553
Total equity capital	22.382	21.734	21.310	20.829	20.320	19.600	20.420	19.904	19.450

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

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Total assets	200.426	187.912	166.662	160.704	153.254
Average total assets	194.053	183.428	165.154	160.021	150.083
Gross loans to customers ¹	189.015	182.801	167.777	160.317	148.784
Deposits from customers	110.133	97.529	85.917	80.615	76.476
Total equity capital	22.382	21.310	20.420	18.686	17.510

Equity capital certificate (MING)

Quarterly figures	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
ECC price	119.20	107.40	97.60	84.30	78.30	67.60	100.20	98.50	97.70
Number of certificates issued, millions	129.36	129.22	129.39	129.44	129.39	129.22	129.30	129.48	129.66
Booked equity capital per ECC (incl. dividend)	100.18	96.70	94.71	92.73	90.37	86.85	90.75	89.36	87.04
Adjusted profit per ECC	3.51	3.40	1.99	2.35	3.27	1.26	1.60	2.30	3.21
P/E per ECC (annualised)	8.50	7.91	12.28	8.96	5.98	13.46	15.67	10.69	7.61
P/B equity capital	1.19	1.11	1.03	0.91	0.87	0.78	1.10	1.10	1.12

Five years	YTD 21	2020	2019	2018	2017
ECC price	119.20	97.60	100.20	84.20	82.25
Number of certificates issued, millions	129.36	129.39	129.30	129.62	129.38
Booked equity capital per ECC (incl. dividend)	100.18	94.71	90.75	83.87	78.81
Adjusted profit per ECC	6.90	8.87	12.14	9.97	8.71
P/E per ECC (annualised)	8.64	11.01	8.26	8.44	9.44
P/B equity capital	1.19	1.03	1.10	1.00	1.04

1.2 Credit Rating

Moody's

[year end]	Current rating	2020	2019	2018	2017	2016	2015
Outlook	Stable	Stable	Stable	Negative	Negative	Stable	Stable
Issuer Rating	A1	A1	A1	A1	A1	A1	A1
Bank Deposits	A1/P-1	A1/P-1	A1/P-1	A1/ P-1	A1/ P-1	A1/ P-1	A1/ P-1
Senior Preferred	A1	A1	A1	A1	A1	A1	A1
Senior non-preferred	Baa1						
Subordinate	Baa2	Baa2	Baa2	Baa2	Baa2	Baa2	Baa2

1.3 Financial results and key figures

Financial results

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Interest income	958	939	945	972	1.031	1.250	1.235	1.190	1.127
Interest expenses	260	271	258	277	365	540	539	512	463
Net interest income	698	668	688	695	665	710	697	678	664
Commission income	400	374	393	399	316	335	371	374	363
Commission expenses	48	51	54	50	44	47	47	55	51
Other operating income	395	468	399	277	323	271	255	235	294
Commission income and other income	748	790	738	625	595	558	579	554	606
Dividends	17	4	27	2	2	8	1	1	11
Income from investment in related companies	212	128	117	170	177	217	8	85	231
Net return on financial investments	42	158	53	32	269	-124	8	35	95
Net return on financial investments	270	289	197	204	448	101	17	121	336
Total income	1.716	1.748	1.622	1.525	1.708	1.369	1.292	1.353	1.607
Staff costs	465	531	553	415	445	438	411	404	438
Other operating expenses	269	265	271	261	254	268	309	269	263
Total operating expenses	735	796	824	675	699	706	720	673	701
Result before losses	981	952	798	850	1.010	663	572	680	907
Loss on loans, guarantees etc.	39	59	242	231	170	308	103	71	59
Result before tax	942	893	556	619	840	355	469	609	848
Tax charge	191	131	105	102	124	69	123	121	165
Results investments held for sale, after tax	4	6	0	2	3	4	0	0	0
Net profit	755	768	450	519	719	290	346	488	683
Attributable to additional Tier 1 Capital holders	10	20	10	11	14	24	10	10	10
Majority share	709	687	402	476	661	254	324	467	650
Minority interest	36	61	38	33	43	12	12	11	22

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Interest income	1.897	4.197	4.626	4.057	3.825
Interest expenses	531	1.439	1.939	1.655	1.600
Net interest	1.366	2.759	2.687	2.403	2.225
Commission income	774	1.443	1.437	1.387	1.390
Commission expenses	98	196	193	168	168
Other operating income	863	1.269	1.046	958	783
Commission income and other income	1.538	2.516	2.290	2.177	2.005
Dividends	21	39	15	8	6
Income from investment in related companies	340	681	879	416	437
Net return on financial investments	199	230	307	334	317
Net return on financial investments	560	951	1.201	757	760
Total income	3.464	6.225	6.178	5.337	4.989
Staff costs	996	1.850	1.699	1.584	1.426
Other operating expenses	534	1.054	1.098	1.040	943
Total operating expenses	1.531	2.904	2.797	2.624	2.369
Result before losses	1.933	3.321	3.380	2.713	2.621
Loss on loans, guarantees etc.	98	951	299	263	341
Result before tax	1.836	2.370	3.081	2.450	2.279
Tax charge	322	400	518	509	450
Results investments held for sale, after tax	10	9	0	149	-1
Net profit	1.523	1.978	2.563	2.090	1.828
Attributable to additional Tier 1 Capital holders	30	59	49	37	33
Majority share	1.395	1.793	2.458	2.018	1.763
Minority interest	98	126	56	34	32

Balance sheet

	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
Quarterly figures [NOK million]	2021	2021	2020	2020	2020	2020	2019	2019	2019
Cash and receivables from central banks	1.170	37	2.764	3.227	4.115	5.848	761	1.279	1.278
Deposits with and loans to credit institutions	12.184	9.487	5.091	2.517	5.252	2.239	2.110	4.432	8.612
Net loans to and receivables from customers	140.379	135.919	133.131	132.183	129.360	126.128	125.279	123.037	121.025
Fixed-income CDs and bonds at fair value	28.376	30.875	26.606	26.375	28.955	27.395	23.115	21.125	19.870
Derivatives	4.317	4.395	7.226	10.309	10.069	11.757	2.972	4.052	3.767
Shares, units and other equity interests	1.998	2.051	2.366	1.890	1.673	1.437	2.953	2.386	2.202
Investment in related companies	7.346	7.374	7.324	7.017	6.810	6.652	6.468	6.487	6.406
Investments held for sale	109	40	41	42	42	40	40	41	41
Intangible assets	897	889	905	881	873	876	872	876	878
Other assets	3.650	2.754	2.457	2.459	3.335	2.810	2.092	2.760	3.210
Assets	200.426	193.822	187.912	186.900	190.484	185.182	166.662	166.475	167.289
Deposits from credit institutions	16.291	12.166	15.094	11.586	15.845	13.150	8.853	8.942	11.793
Deposits from and debt to customers	110.133	102.390	97.529	95.391	94.289	88.152	85.917	83.641	86.553
Debt created by issue of securities	41.645	47.273	41.920	46.144	44.129	49.303	43.014	44.889	39.578
Derivatives	3.895	4.879	7.179	8.415	8.644	8.004	3.528	3.505	3.479
Other liabilities	4.254	3.584	3.084	2.738	5.459	4.900	2.841	3.339	4.172
Investments held for sale	32	0	1	1	1	1	0	0	0
Subordinated loan capital	1.795	1.795	1.795	1.796	1.797	2.071	2.090	2.254	2.263
Total liabilities	178.044	172.088	166.602	166.070	170.164	165.582	146.243	146.571	147.839
Equity capital certificate	2.597	2.597	2.597	2.597	2.597	2.597	2.597	2.597	2.597
Own holdings of ECCs	-9	-12	-9	-8	-9	-12	-11	-7	-3
Premium fund	895	895	895	895	895	895	895	895	895
Dividend equalisation fund	6.520	6.511	6.536	6.314	6.320	6.311	6.123	5.581	5.591
Recommended dividends	401	401	569	0	0	0	840	0	0
Provision for gifts	226	226	321	0	0	0	474	0	0
Ownerless capital	5.664	5.664	5.664	5.541	5.541	5.541	5.432	5.126	5.126
Unrealised gains reserve	239	239	239	189	189	189	189	155	155
Other equity capital	2.235	2.282	2.366	1.729	1.757	1.760	1.827	1.544	1.566
Hybrid capital	1.262	1.273	1.293	1.244	1.254	1.268	1.293	1.004	1.013
Result of the period	1.523	768	0	1.528	1.008	290	0	2.217	1.729
Minority interests	829	891	838	800	768	760	761	792	781
Total equity capital	22.382	21.734	21.310	20.829	20.320	19.600	20.420	19.904	19.450
Total liabilities and equity	200.426	193.822	187.912	186.900	190.484	185.182	166.662	166.475	167.289

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Cash and receivables from central banks	1.170	2.764	761	883	3.313
Deposits with and loans to credit institutions	12.184	5.081	2.110	5.074	4.214
Net loans to and receivables from customers	140.379	133.131	125.279	119.728	110.959
Fixed-income CDs and bonds at fair value	28.376	26.606	23.115	20.348	19.736
Derivatives	4.317	7.226	2.972	4.119	4.351
Shares, units and other equity interests	1.998	2.366	2.953	1.873	1.825
Investment in related companies	7.346	7.324	6.468	6.098	5.760
Investments held for sale	109	97	40	43	649
Intangible assets	897	894	872	851	793
Other assets	3.650	2.422	2.092	1.687	1.654
Assets	200.426	187.912	166.662	160.704	153.254
Deposits from credit institutions	16.291	15.094	8.853	9.214	9.607
Deposits from and debt to customers	110.133	97.529	85.917	80.615	76.476
Debt created by issue of securities	41.645	41.920	43.014	44.269	42.194
Derivatives	3.895	7.179	3.528	2.982	3.343
Other liabilities	4.254	3.046	2.841	2.670	1.923
Investments held for sale	32	39	0	1	1
Subordinated loan capital	1.795	1.795	2.090	2.268	2.201
Total liabilities	178.044	166.602	146.243	142.018	135.744
Equity capital certificate	2.597	2.597	2.597	2.597	2.597
Own holdings of ECCs	-9	-9	-11	-4	-8
Premium fund	895	895	895	895	895
Dividend equalisation fund	6.520	6.536	6.123	5.594	5.072
Recommended dividends	401	569	840	661	571
Provision for gifts	226	321	474	373	322
Ownerless capital	5.664	5.664	5.432	5.126	4.831
Unrealised gains reserve	239	239	189	155	126
Other equity capital	2.235	2.366	1.827	1.608	1.547
Hybrid capital	1.262	1.293	1.293	1.043	993
Result of the period	1.523	0	0	0	0
Minority interests	829	838	761	637	565
Total equity capital	22.382	21.310	20.420	18.686	17.510
Total liabilities and equity	200.426	187.912	166.662	160.704	153.254

Key figures

Quarterly figures	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Return on equity	14.3 %	14.8 %	8.9 %	10.5 %	15.1 %	5.7 %	7.1 %	10.2 %	14.9 %
Cost/income ratio group	43%	46%	51%	45%	41%	52%	56%	50%	44%
Cost/income ratio group, ex. financial inv.	51%	55%	58%	51%	55%	56%	56%	55%	55%
12-month cost growth	5.1 %	12.6 %	17.4 %	1.8 %	0.8 %	1.8 %	2.3 %	9.2 %	5.9 %
Gross loans to customers ¹	189.015	185.342	182.801	179.423	175.100	170.771	167.777	165.380	163.627
Growth in loans last 12 months ¹	10.7 %	10.5 %	9.0 %	8.5 %	7.0 %	6.0 %	6.3 %	6.8 %	5.7 %
Growth in loans this period ¹	2.0 %	1.4 %	1.9 %	2.5 %	2.5 %	1.8 %	1.4 %	1.1 %	1.6 %
Deposits from customers	110.133	102.390	97.529	95.391	94.289	88.152	85.917	83.641	86.553
Growth in deposits last 12 months	16.8 %	16.2 %	13.5 %	14.0 %	8.9 %	8.7 %	10.8 %	4.1 %	7.7 %
Growth in deposits this period	7.6 %	5.0 %	2.2 %	1.2 %	7.0 %	2.6 %	2.7 %	-3.4 %	6.7 %
Deposit-to-loan ratio ¹	58%	55%	53%	53%	54%	52%	51%	51%	53%
Total assets	200.426	193.822	187.912	186.900	190.484	185.182	166.662	166.475	167.289
Average total assets (quarterly)	197.124	190.867	187.406	188.692	187.833	175.922	166.569	166.882	165.965
FTEs, group	1.526	1.544	1.560	1.528	1.515	1.553	1.509	1.639	1.556
FTEs, parent bank	643	637	660	640	631	630	619	614	580
FTEs, subsidiaries	883	907	899	888	884	923	890	1.024	976
Number of branches	42	42	45	46	46	46	46	46	48
Lending margin	1.98	1.84	1.93	2.09	2.24	1.86	1.64	1.71	1.73
Deposit margin	-0.18	-0.05	-0.11	-0.21	-0.37	0.27	0.43	0.36	0.29
Net other operating income of total income	44%	46%	46%	41%	35%	41%	45%	41%	38%
Common Equity Tier 1 capital ratio	18.3 %	18.0 %	18.3 %	17.6 %	17.2 %	16.3 %	17.2 %	15.1 %	15.0 %
Tier 1 capital ratio	20.0 %	19.7 %	20.0 %	19.2 %	18.9 %	18.0 %	19.3 %	16.7 %	16.6 %
Capital ratio	22.2 %	21.9 %	22.3 %	21.4 %	21.1 %	20.1 %	21.6 %	18.9 %	18.8 %
Tier 1 capital	19.011	18.636	18.636	18.290	18.182	17.792	17.742	17.417	17.284
Total eligible capital	21.105	20.741	20.759	20.373	20.266	19.879	19.854	19.765	19.634
Liquidity Coverage Ratio (LCR) (%)	184%	190%	171%	140%	163%	185%	148%	181%	165%
Leverage ratio	7.0 %	7.0 %	7.1 %	7.1 %	6.9 %	6.9 %	7.5 %	7.4 %	7.5 %
Impairment losses ratio	0.08%	0.13%	0.54%	0.52%	0.39%	0.73%	0.25%	0.17%	0.14%
Stage 3 as a percentage of gross loans	1.87%	1.66%	1.23%	1.30%	1.35%	1.39%	1.26%	1.28%	1.22%
ECC price	119.20	107.40	97.60	84.30	78.30	67.60	100.20	98.50	97.70
Number of certificates issued, millions	129.36	129.22	129.39	129.44	129.39	129.22	129.30	129.48	129.66
Booked equity capital per ECC (incl. dividend)	100.18	96.70	94.71	92.73	90.37	86.85	90.75	89.36	87.04
Adjusted profit per ECC	3.51	3.40	1.99	2.35	3.27	1.26	1.60	2.30	3.21
P/E per ECC	8.50	7.91	12.28	8.96	5.98	13.46	15.67	10.69	7.61
P/B equity capital	1.19	1.11	1.03	0.91	0.87	0.78	1.10	1.10	1.12

¹ Including Sparebank1 Boligkreditt and Sparebank 1 Næringskreditt.

Five years	YTD 21	2020	2019	2018	2017
Return on equity	14.5 %	10.0 %	13.7 %	12.2 %	11.5 %
Cost/income ratio group	44%	47%	45%	49%	47%
Cost/income ratio group, ex. financial inv.	53%	55%	56%	57%	56%
12-month cost growth	8.9 %	5.5 %	6.6 %	10.8 %	18.3 %
Gross loans to customers ¹	189.015	182.801	167.777	160.317	148.784
Growth in loans last 12 months ¹	7.9 %	9.0 %	4.7 %	7.8 %	8.2 %
Growth in loans this period ¹	3.4 %	9.0 %	4.7 %	7.8 %	8.2 %
Deposits from customers	110.133	97.529	85.917	80.615	76.476
Growth in deposits last 12 months	16.8 %	13.5 %	6.6 %	5.4 %	13.9 %
Growth in deposits this period	12.9 %	13.5 %	6.6 %	5.4 %	13.9 %
Deposit-to-loan ratio ¹	58%	53%	51%	50%	51%
Total assets	200.426	187.912	166.662	160.704	153.254
Average total assets (quarterly)	194.053	183.428	165.154	156.992	145.948
FTEs, group	1.526	1.560	1.509	1.493	1.403
FTEs, parent bank	643	660	619	575	595
FTEs, subsidiaries	883	899	890	918	808
Number of branches	42	45	46	48	48
Lending margin	1.91	2.02	1.73	1.92	2.13
Deposit margin	-0.11	-0.09	0.33	0.12	0.00
Net other operating income of total income	44%	41%	37%	41%	40%
Common Equity Tier 1 ratio	18.3 %	18.3 %	17.2 %	14.6 %	14.6 %
Core capital ratio	20.0 %	20.0 %	19.3 %	16.3 %	16.6 %
Capital adequacy ratio	22.2 %	22.3 %	21.6 %	18.5 %	18.6 %
Tier 1 capital	19.011	18.636	17.742	16.472	15.707
Total eligible capital	21.105	20.759	19.854	18.743	17.629
Liquidity Coverage Ratio (LCR) (%)	184%	171%	148%	183%	164%
Leverage ratio	7.0 %	7.1 %	7.5 %	7.4 %	7.2 %
Impairment losses ratio	0.11%	0.54%	0.18%	0.17%	0.24%
Stage 3 as a percentage of gross loans	1.87%	1.23%	1.26%	1.05%	
ECC price	119.20	97.60	100.20	84.20	82.25
Number of certificates issued, millions	129.36	129.39	129.30	129.62	129.38
Booked equity capital per ECC (incl. dividend)	100.18	94.71	90.75	83.87	78.81
Adjusted profit per ECC	6.90	8.87	12.14	9.97	8.71
P/E per ECC	8.64	11.01	8.26	8.44	9.44
P/B equity capital	1.19	1.03	1.10	1.00	1.04

¹ Including Sparebank1 Boligkreditt and Sparebank 1 Næringskreditt.

1.4 Net interest income

Net interest income

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Interest income	958	939	945	972	1.031	1.250	1.235	1.190	1.127
Interest expenses	260	271	258	277	365	540	539	512	463
Net interest income	698	668	688	695	665	710	697	678	664
As a percentage of total income	41%	38%	42%	45%	39%	51%	54%	50%	41%

Margins on loans sold to Sparebank 1 Boligkreditt and Sparebank 1 Næringskreditt are recorded as commission income. See part 1.5 Other income

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Interest income	1.897	4.197	4.626	4.057	3.825
Interest expenses	531	1.439	1.939	1.655	1.600
Net interest income	1.366	2.759	2.687	2.403	2.225
As a percentage of total income	39%	44%	43%	45%	45%

Change in interest income from lending and deposits

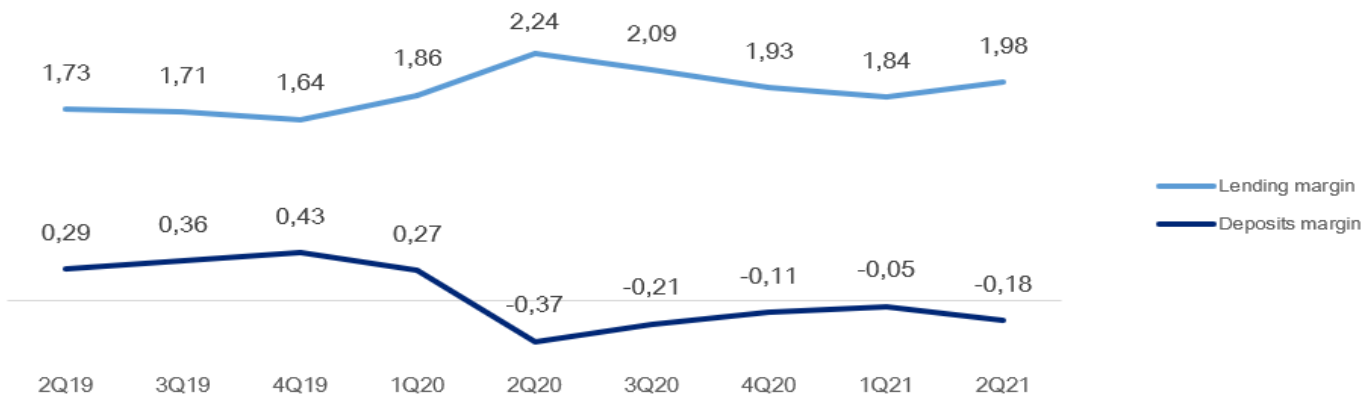
Last 12 months [NOK million]	Volume	Margin	Total
Lending	97	-58	39
Deposits	-3	-36	-39
Total	94	-94	0

Change in net interest income

Last 12 months [NOK million]	2Q21	Change	2Q20
Net interest income	1.366	-10	1.376
Lending volume		97	
Lending margin		-58	
Fees on lending		6	
Deposit volume		-3	
Deposit margin		-36	
Subsidiaries		25	
Equity capital		-59	
Funding and liquidity buffer		18	

Margin development

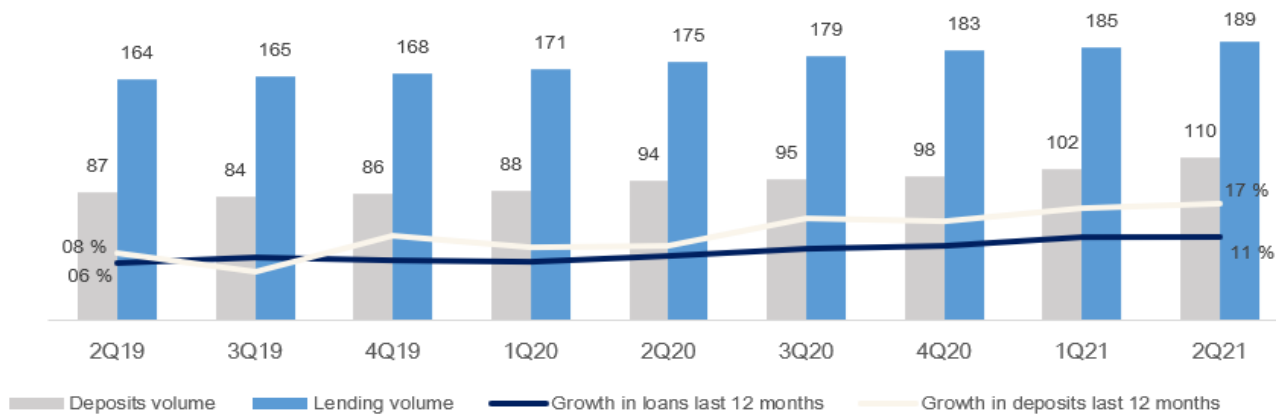
Definition of margin: average customer interest rate minus 3 months nibor



Volume development

Quarterly figures

	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Lending volume	189.0	185.3	182.8	179.4	175.1	170.8	167.8	165.4	163.6
Deposits volume	110.1	102.4	97.5	95.4	94.3	88.2	85.9	83.6	86.6
Growth in loans last 12 months	10.7 %	10.5 %	9.0 %	8.5 %	7.0 %	6.0 %	6.3 %	6.8 %	5.7 %
Growth in deposits last 12 months	16.8 %	16.2 %	13.5 %	14.0 %	8.9 %	8.7 %	10.8 %	4.1 %	7.7 %



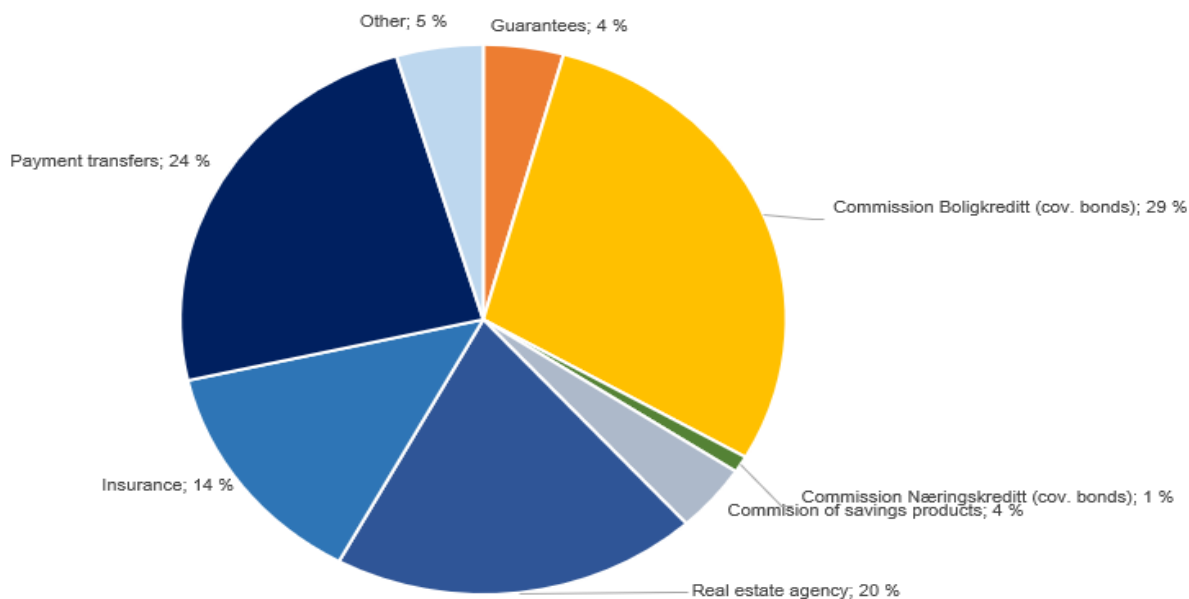
1.5 Other income

Commission and other income

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Guarantees	16	18	10	16	16	16	15	15	15
Commission Boligkreditt (cov. bonds)	113	112	136	128	57	88	90	90	86
Commission Næringskreditt (cov. bonds)	4	4	4	4	2	4	4	4	4
Commission of savings products	16	15	14	15	16	11	35	28	28
Real estate agency	85	67	61	72	66	52	57	65	74
Insurance	53	52	51	49	48	47	47	47	45
Payment transfers	94	91	101	97	90	102	106	110	93
Other	20	15	16	18	21	16	16	16	18
Total commissions income	400	374	393	399	316	335	371	374	363
Operating- and sales income real estate	46	36	32	40	39	31	36	34	40
Accounting services	154	148	111	105	141	148	102	92	147
Other operating income	196	284	256	132	143	91	118	109	106
Total other operating income	395	468	399	277	323	271	255	235	294
Commission expenses	48	51	54	50	44	47	47	55	51
Total commission and other income	748	790	738	625	595	558	579	554	606
As a percentage of total income	44%	46%	46%	41%	35%	41%	45%	41%	38%

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Guarantees	33	58	59	72	80
Commission Boligkreditt (cov. bonds)	225	408	349	350	353
Commission Næringskreditt (cov. bonds)	8	13	16	16	17
Commission of savings products	31	56	117	113	115
Real estate agency	152	251	252	225	223
Insurance	105	195	183	174	172
Payment transfers	185	390	393	360	362
Other	36	71	67	78	67
Total commissions income	774	1.443	1.437	1.387	1.390
Operating- and sales income real estate	82	142	138	124	118
Accounting services	301	506	473	411	342
Other operating income	479	622	435	423	323
Total other operating income	863	1.269	1.046	958	783
Commission expenses	98	196	193	168	168
Total commission and other income	1.538	2.516	2.290	2.177	2.005
As a percentage of total income	44%	41%	37%	41%	40%

Distribution of commission income



Change in commission and other income

Last 12 months [NOK million]	2Q21	Change	2Q20
Commission and other income	1.538	385	1.153
Real estate agency		34	
Other operating income		245	
Operating- and sales income real estate		12	
Accounting services		12	
Insurance		10	
Commission of savings products		3	
Commission expenses		-7	
Other		-1	
Payments transfers		-7	
Guarantees		1	
Commission Boligkreditt (cov. bonds)		80	
Commission Næringskreditt (cov. bonds)		2	

Net return on financial investments

including investments held for sale

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Dividends	17	4	27	2	2	8	1	1	11
SpareBank 1 Gruppen	148	67	87	114	109	-115	-12	40	186
Capital gain Fremtind Forsikring	0	0	0	0	0	340	0	0	0
SpareBank 1 Boligkreditt	3	4	-4	11	41	-31	0	4	8
SpareBank 1 Næringskreditt	4	3	5	5	7	2	6	5	2
BN Bank	42	40	36	34	27	23	28	33	27
SpareBank 1 Kreditt	1	0	0	0	2	0	0	5	5
SpareBank 1 Betaling	-3	-1	1	-1	1	-2	-5	-3	-2
Other companies	17	14	-9	8	-9	0	-10	1	5
Income from inv. in associates and joint ventures	212	128	117	170	177	217	8	85	231
Capital gains shares	23	102	-3	4	36	-42	11	1	23
Gain on certificates and bonds	-39	-84	-62	-8	124	50	-42	-26	15
Gain on derivatives	31	105	110	19	51	-148	40	29	40
Gain on financial instruments related to hedging	2	-11	1	4	2	-6	-8	4	-1
Gain on other financial instruments at fair value (FVO)	2	10	2	-2	45	-57	-2	4	-4
Foreign exchange gain	15	15	3	11	4	65	-10	10	14
Gain on shares and derivatives in SB1 Markets	8	20	2	5	7	14	17	13	8
Net return on financial investments¹	42	158	53	32	269	-124	8	35	95
Total net return on financial investments	270	289	197	204	448	101	17	121	336
As percentage of total income	16%	16%	12%	13%	26%	7%	1%	9%	21%

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Dividends	21	39	15	8	6
SpareBank 1 Gruppen	215	194	252	289	349
Capital gain Fremtind Forsikring	0	340	460	0	0
SpareBank 1 Boligkreditt	7	18	26	-7	-41
SpareBank 1 Næringskreditt	7	18	21	15	19
BN Bank	82	120	113	97	98
SpareBank 1 Kreditt	1	2	13	23	15
SpareBank 1 Betaling	-4	-2	3	-12	-14
Other companies	31	-10	-8	12	12
Income from inv. in associates and joint ventures	340	681	879	416	437
Capital gains shares	125	-4	120	96	62
Gain on certificates and bonds	-123	103	-20	-77	58
Gain on derivatives	137	32	132	187	148
Gain on financial instruments related to hedging	-9	1	-9	-4	-46
Gain on other financial instruments at fair value (FVO)	12	-11	9	10	7
Foreign exchange gain	31	82	22	63	45
Gain on shares and derivatives in SB1 Markets	28	28	54	58	43
Net return on financial investments	199	230	307	334	317
Total net return on financial investments	560	950	1.201	757	760
As percentage of total income	16%	15%	19%	14%	15%

Change in net return on financial investments

Last 12 months [NOK million]	2Q21	Change	2Q20
Net return on financial investments	560	11	549
Dividends		11	
Income from investment in related companies		-55	
Capital gains shares		130	
Gain on derivatives		234	
Gain on other financial instruments at fair value (FVO)		24	
Foreign exchange gain		-38	
Gain on certificates and bonds		-297	
Gain on shares and derivatives in SB1 Markets		7	
Gain on financial instruments related to hedging		-6	

1.6. Operating expenses

Operating expenses

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Salaries	379	414	463	329	368	334	312	320	354
Pension costs (defined benefit plan)	30	26	26	29	26	26	28	26	24
Employer's insurance contributions	3	4	4	5	4	4	3	3	5
Other personnel expenses	52	87	60	52	47	74	68	54	55
Total personnel expenses	465	531	553	415	445	438	411	404	438
IT costs	90	87	82	82	85	85	70	83	87
Postage and transportation services	4	3	2	5	6	5	5	8	6
Marketing	17	20	15	18	16	24	22	27	25
Depr./write-downs of fixed & intangible assets	40	53	43	40	39	41	42	41	44
Operating exp. on properties and premises	15	18	22	16	15	9	17	13	14
Other external services	61	46	56	56	54	51	66	50	41
Other operating expenses	43	38	51	44	38	53	88	47	46
Other expenses	269	265	271	261	254	268	309	269	263
Total operating expenses	735	796	824	675	699	706	720	673	701
Cost/income ratio	43%	46%	51%	45%	41%	52%	56%	50%	44%
Cost/income ratio ex financial investments	51%	55%	58%	51%	55%	56%	56%	55%	55%
12-month cost growth ¹	5.1 %	12.6 %	17.4 %	1.8 %	0.8 %	1.8 %	2.3 %	9.2 %	5.9 %

¹ SpareBank 1 Regnskapshuset SMN's acquisition of a large accounting firm 1 January 2017 affects the 12 month cost growth in 2017. The 12 month cost growth in 2016 is affected by the consolidation of SpareBank 1 Markets as a subsidiary.

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Salaries	796	1.495	1.334	1.228	1.107
Pension costs (defined benefit plan)	56	107	105	96	85
Employer's insurance contributions	7	16	15	10	12
Other personnel expenses	138	232	245	249	223
Total personnel expenses	996	1.850	1.699	1.584	1.426
IT costs	177	334	321	293	266
Postage and transportation services	6	19	23	17	22
Marketing	37	73	101	106	104
Depr./write-downs of fixed & intangible assets	93	164	172	99	102
Operating exp. on properties and premises	33	62	57	153	118
Other external services	108	217	193	151	139
Other operating expenses	81	186	231	221	192
Other expenses	534	1.054	1.098	1.040	943
Total operating expenses	1.531	2.904	2.797	2.624	2.369
Cost/income ratio	44%	47%	45%	49%	47%
Cost/income ratio ex financial investments	53%	55%	56%	57%	56%
12-month cost growth	8.9 %	5.5 %	6.6 %	10.8 %	18.3 %

Change in operating expenses

Last 12 months [NOK million]	2Q21	Change	2Q20
Operating expenses	1.531	126	1.405
Total personnel expenses		113	
EDP and telecommunication expenses		7	
Postage and transportation services		-5	
Marketing		-4	
Depr./write-downs of fixed & intangible assets		12	
Operating exp. on properties and premises		9	
Other external services		3	
Other operating expenses		-10	

Employees- full time equivalents

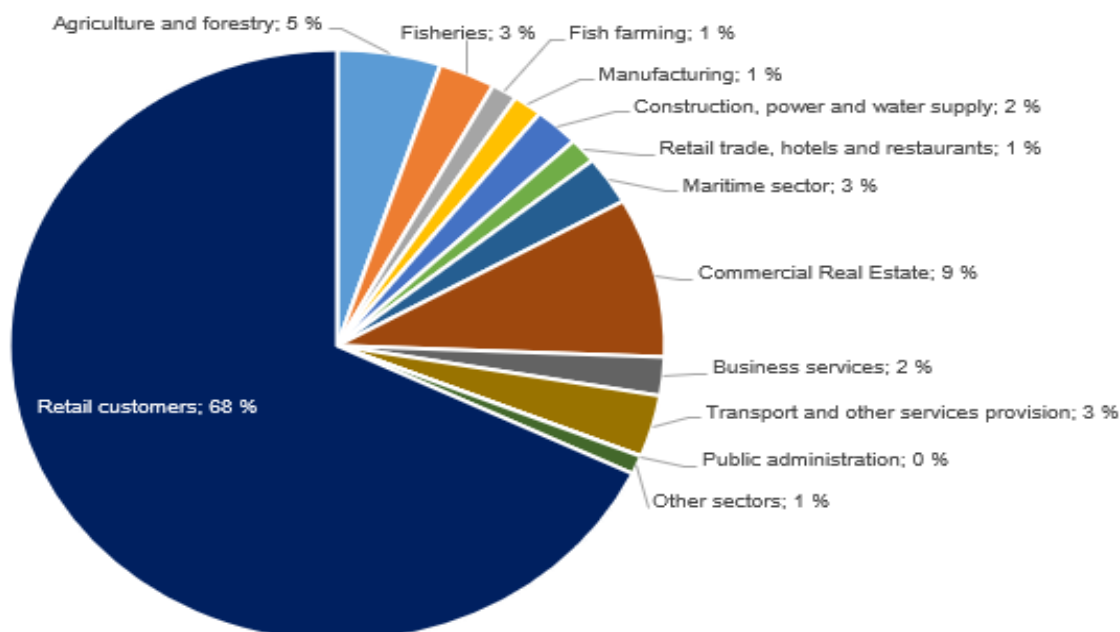
FTE's	2Q21	2020	2019	2018	2017
Parent bank	643	660	619	575	595
EiendomsMegler 1 Midt-Norge AS	255	227	230	309	251
SpareBank 1 Markets ¹	158	166	164	149	132
SpareBank 1 Regnskapshuset SMN AS	419	443	435	402	349
SpareBank 1 Finans Midt-Norge AS	48	34	34	34	32
Spire Finans	0	22	19		
Other	3	8	8	24	44
Total number of FTE's	1.526	1.560	1.509	1.493	1.403

1.7 Loans to customers

Distribution of loans by industry

	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019
Quarterly figures [NOK million]									
Agriculture and forestry	9.654	9.568	9.591	9.442	9.206	8.946	8.947	8.640	8.471
Fisheries	5.283	5.362	5.259	4.872	5.118	4.907	4.611	4.490	4.431
Fish farming	2.398	2.268	2.100	1.790	1.258	1.053	1.132	1.348	1.160
Manufacturing	2.729	2.848	2.646	2.369	2.390	2.255	2.595	3.097	3.118
Construction, power and water supply	4.191	4.016	4.077	4.087	3.795	3.837	3.970	3.719	3.678
Retail trade, hotels and restaurants	2.628	2.832	2.586	2.649	2.578	2.607	2.517	2.555	2.826
Maritime sector	5.023	4.822	4.537	4.787	5.006	5.177	4.660	4.678	4.667
Commercial Real Estate	16.500	16.595	15.509	15.215	14.753	14.689	14.878	14.530	14.726
Business services	3.969	3.434	3.423	3.014	2.840	2.158	2.146	2.053	2.088
Transport and other services provision	6.386	6.298	6.942	6.994	6.636	6.379	5.409	5.459	5.285
Public administration	32	29	33	29	26	17	12	14	15
Other sectors	1.923	1.757	1.638	1.645	1.632	1.742	1.863	2.026	2.036
Gross loans in corporate market	60.716	59.830	58.340	56.893	55.238	53.767	52.740	52.609	52.499
Retail customers	128.299	125.512	124.461	122.529	119.861	117.004	115.036	112.772	111.128
Gross loans incl. Boligkreditt and Næringskreditt	189.015	185.342	182.801	179.423	175.100	170.771	167.777	165.380	163.627
of which Boligkreditt	45.707	46.337	46.613	44.160	43.073	41.972	39.833	39.713	40.064
of which Næringskreditt	1.374	1.533	1.540	1.622	1.400	1.526	1.667	1.701	1.668
Gross loans in balance sheet	141.935	137.471	134.648	133.640	130.627	127.272	126.277	123.967	121.895
Share of volume, corporate market	32%	32%	32%	32%	32%	31%	31%	32%	32%
Share of volume, retail market	68%	68%	68%	68%	68%	69%	69%	68%	68%

Distribution of loans by industry



Credit risk classification in SpareBank 1 SMN

Risk class	Probability of default (%)		Corresponding rating class Moody's
	Low	High	
A	0.01	0.10	AAA - A3
B	0.10	0.25	Baa1 - Baa2
C	0.25	0.50	Baa3
D	0.50	0.75	Ba1
E	0.75	1.25	Ba2
F	1.25	2.50	
G	2.50	5.00	Ba2 - B1
H	5.00	10.00	B1 - B2
I	10.00	99.99	B3 - caa3
J	Default		
K	Written down		

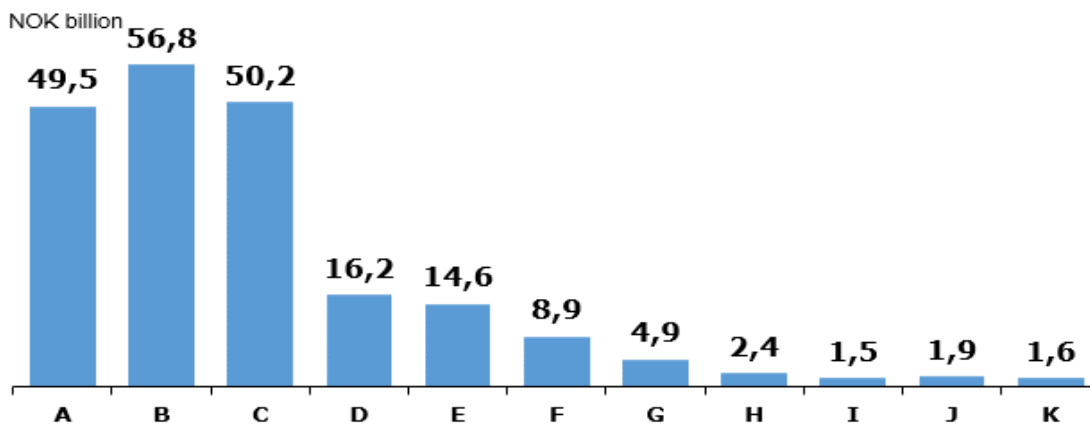
SB 1 SMN's risk classification system, where A represents the lowest risk and K the highest risk

Risk profile - Exposure at default

As of	EAD	
	NOK billion	%
30 June 2021		
A	49.5	23.7 %
B	56.8	27.2 %
C	50.2	24.0 %
D	16.2	7.8 %
E	14.6	7.0 %
F	8.9	4.3 %
G	4.9	2.4 %
H	2.4	1.2 %
I	1.5	0.7 %
J	1.9	0.9 %
K	1.6	0.8 %

Exposure at default, EAD, is the share of the approved credit that is expected to be drawn at the time of any future default at the same time as there is a downturn in the market.

Risk profile, Exposure at default



Loans and guarantees by industry

As of		Very low	Low	Medium	High	Very high	Default and
30 June 2021	Total	risk	risk	risk	risk	risk	written down
A - Agriculture, fishery and forestry	21.041	10.974	7.433	1.851	442	275	65
B - Mining and quarrying	42	12	8	5	16	0	1
C - Manufacturing	3.624	1.251	1.116	864	218	59	116
D - Electricity, gas, steam and air conditioning supply	260	256	1	0	0	0	4
E - Water supply, sewerage and waste management	98	30	12	42	2	11	0
F - Construction	4.603	989	901	2.194	289	42	189
G - Retail trade, repair of motor vehicles	3.182	922	927	1.170	113	15	35
H - Transportation and storage	10.934	3.886	3.591	1.301	14	109	2.033
I - Accommodation and catering	720	325	161	164	57	7	5
J - Information and communication	982	712	149	63	17	2	39
K - Financing and insurance activities	3.931	2.199	677	759	58	4	235
L -Property management	17.495	11.753	2.797	2.200	396	128	220
M - Professional, scientific and technical services	2.002	521	1.108	237	10	7	118
N - Business services	1.239	280	526	359	44	15	16
O - Public administration and defense, and public social security schemes	900	900	0	0	0	0	0
P - Education	82	33	16	28	5	0	0
Q - Health and social services	226	149	27	45	1	4	0
R - Cultural activities, entertainment and recreation	248	114	14	105	9	6	0
S - Other services	371	147	61	153	2	8	1
T - Employment in private households	2	0	0	2	0	0	0
V - Subsidiary	9.971	9.155	816	0	0	0	0
W -Other sectors	126.691	111.921	10.544	2.295	726	827	379
2Q21	208.645	156.531	30.884	13.838	2.419	1.518	3.456

Five years [NOK million]

		Very low	Low	Medium	High	Very high	Default and
	Total	risk	risk	risk	risk	risk	written down
YTD 21	208.645	156.531	30.884	13.838	2.419	1.518	3.456
2020	199.515	146.743	29.179	16.591	2.906	1.931	2.165
2019	184.071	135.691	24.880	15.174	3.417	2.593	2.315
2018	176.188	127.106	24.974	16.833	3.379	2.189	1.707
2017	164.510	116.961	23.842	16.258	3.394	2.480	1.575

Write-downs on loans and guarantees

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Change in provision for expected credit losses for the period	7	50	167	222	152	188	81	60	44
Actual loan losses on commitments exceeding provisions made	34	10	110	-7	22	143	23	14	16
Recoveries on commitments previously written-off	-1	-2	-35	16	-5	-22	-2	-2	-2
Write-downs on loans and guarantees¹	39	59	242	231	170	308	103	71	59
As % of gross loans incl. Boligkreditt	0.08%	0.13%	0.54%	0.52%	0.39%	0.73%	0.25%	0.17%	0.14%

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Change in provision for expected credit losses for the period	57	729	246	150	
Actual loan losses on commitments exceeding provisions made	44	268	62	127	
Recoveries on commitments previously written-off	-3	-46	-8	-15	
Write-downs on loans and guarantees¹	98	951	299	263	
As % of gross loans incl. Boligkreditt	0.11%	0.54%	0.18%	0.17%	

¹Provisions for expected credit losses on loans and guarantees are presented after implementation of IFRS 9 from January 1, 2018, comparative figures for periods before Q1 2018 have not been restated.

Loss on loans by segment

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Retail Market	2	-12	-2	16	-2	44	9	12	5
Corporate Market	37	62	232	204	153	258	73	47	39
SMN Finans and other	-1	8	13	12	19	6	19	13	15
Total loss on loans	39	59	242	231	170	308	103	71	59

Five years [NOK million]	YTD 21	2020	2019	2018	2017
Retail Market	-9	56	32	17	5
Corporate Market	100	846	213	212	318
SMN Finans and other	7	49	54	34	18
Total loss on loans	98	951	299	263	341

1.8 Capital Markets funding

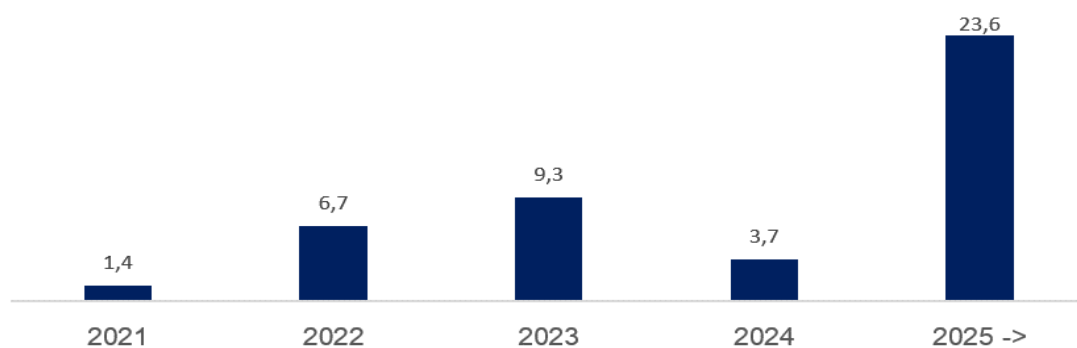
Parent bank

	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
Quarterly figures [NOK million]	2021	2021	2020	2020	2020
NOK bonds	15.787	18.031	17.817	14.083	14.350
Curr bonds	25.857	29.241	26.102	32.060	31.778
Hybrid equity	1.222	1.231	1.250	1.203	1.250
Subordinated loan capital	1.752	1.752	1.752	1.752	1.752
Total capital markets funding	44.618	50.254	46.921	49.098	49.131

Funding maturity dates

[NOK billion]	2021	2022	2023	2024	2025 ->
Funding maturity	1.4	6.7	9.3	3.7	23.6

Next eight quarters [NOK billion]	Q321	Q421	Q122	Q222	Q322	Q422	Q123	Q223
Funding maturity	0.3	1.1	5.2	0.0	1.0	0.4	1.8	2.0



1.9 Capital adequacy

Capital adequacy ratios

	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
Quarterly figures [NOK million]	2021	2021	2020	2020	2020	2020	2019	2019	2019
Common equity Tier 1 capital	17.416	17.042	17.041	16.711	16.547	16.155	15.830	15.758	15.625
Tier 1 capital	19.011	18.636	18.636	18.290	18.182	17.792	17.742	17.417	17.284
Total eligible capital	21.105	20.741	20.759	20.373	20.266	19.879	19.854	19.765	19.634
Risk-weighted assets (RWA)	95.167	94.633	93.096	95.156	96.181	98.832	91.956	104.464	104.240
Common equity Tier 1 ratio	18.3 %	18.0 %	18.3 %	17.6 %	17.2 %	16.3 %	17.2 %	15.1 %	15.0 %
Tier 1 capital ratio	20.0 %	19.7 %	20.0 %	19.2 %	18.9 %	18.0 %	19.3 %	16.7 %	16.6 %
Capital ratio	22.2 %	21.9 %	22.3 %	21.4 %	21.1 %	20.1 %	21.6 %	18.9 %	18.8 %

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2021	2020	2019	2018	2017
Common equity Tier 1 capital	17.416	17.041	15.830	14.727	13.820
Tier 1 capital	19.011	18.636	17.742	16.472	15.707
Total eligible capital	21.105	20.759	19.854	18.743	17.629
Risk-weighted assets (RWA)	95.167	93.096	91.956	101.168	94.807
Common equity Tier 1 ratio	18.3 %	18.3 %	17.2 %	14.6 %	14.6 %
Tier 1 capital ratio	20.0 %	20.0 %	19.3 %	16.3 %	16.6 %
Capital ratio	22.2 %	22.3 %	21.6 %	18.5 %	18.6 %

Leverage ratio

	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
Quarterly figures [NOK million]	2021	2021	2020	2020	2020	2020	2019	2019	2019
Calculation basis for leverage ratio	272.770	266.260	262.915	259.156	262.834	256.248	236.441	234.678	230.667
Tier 1 capital	19.011	18.636	18.636	18.290	18.182	17.792	17.742	17.417	17.284
Leverage ratio	7.0 %	7.0 %	7.1 %	7.1 %	6.9 %	6.9 %	7.5 %	7.4 %	7.5 %

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2021	2020	2019	2018	2017
Calculation basis for leverage ratio	272.770	262.915	236.441	223.853	218.479
Tier 1 capital	19.011	18.636	17.742	16.472	15.707
Leverage ratio	7.0 %	7.1 %	7.5 %	7.4 %	7.2 %

Specification of capital requirements

	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
Quarterly figures [NOK million]	2021	2021	2020	2020	2020	2020	2019	2019	2019
Capital adequacy									
Total book equity	22.382	21.734	21.310	20.829	20.320	19.600	20.420	19.904	19.450
Additional Tier 1 capital instruments included in total equity	-1.262	-1.273	-1.293	-1.244	-1.254	-1.268	-1.293	-1.004	-1.013
Deferred taxes, goodwill and other intangible assets	-1.000	-1.027	-1.044	-1.047	-1.042	-1.059	-1.099	-1.106	-1.105
Deduction for allocated dividends and gifts	-627	-627	-890	0	0	0	-1.314	0	0
Non-controlling interests recognised in other equity capital	-829	-891	-838	-800	-768	-760	-761	-792	-781
Non-controlling interests eligible for incl. in CET1 capital	505	489	488	414	401	398	438	450	447
Net profit	-1.523	-768	0	-1.528	-1.008	-290	0	-2.217	-1.729
Year-to-date profit included in core capital (50 per cent pre tax of group profit in 2017)	747	374	0	739	618	266	0	1.128	879
Value adjustments due to requirements for prudent valuation	-54	-56	-56	-59	-62	-62	-45	-44	-44
Positive value of adj. expected loss under IRB Approach	-617	-292	-74	-98	-248	-329	-351	-383	-309
Cash flow hedge reserve	7	8	10	13	14	13	3	5	5
Deduction for common equity Tier 1 capital in significant investments in financial institutions	-312	-629	-572	-510	-424	-353	-168	-183	-175
Common equity Tier 1 capital	17.416	17.042	17.041	16.711	16.547	16.155	15.830	15.758	15.625
Additional Tier 1 capital instruments	1.594	1.595	1.595	1.579	1.635	1.637	1.637	1.384	1.384
Additional Tier 1 capital instruments covered by transitional provisions	0	0	0	0	0	0	275	275	275
Tier 1 capital	19.011	18.636	18.636	18.290	18.182	17.792	17.742	17.417	17.284
Subordinated capital	2.250	2.259	2.262	2.240	2.240	2.240	2.240	2.310	2.310
Subordinated capital covered by transitional provisions	0	0	0	0	0	0	12	179	182
Deduction for significant investments in financial institutions	-155	-154	-139	-157	-157	-153	-140	-141	-141
Additional Tier 2 capital instruments	2.095	2.105	2.123	2.083	2.083	2.087	2.113	2.348	2.351
Total eligible capital	21.105	20.741	20.759	20.373	20.266	19.879	19.854	19.765	19.634

Quarterly figures [NOK million]	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019
Minimum requirements subordinated capital									
Specialised enterprises	1.309	1.292	1.240	1.236	1.166	1.153	1.101	1.128	1.094
Corporate	930	992	930	991	1.052	1.279	1.149	1.194	1.163
Mass market exposure, mortgages	2.207	2.218	2.261	2.282	2.290	2.310	2.299	2.169	2.166
Other mass market	101	102	110	111	115	100	101	106	102
Equity investments, IRB	1	1	1	1	1	1	1	1	1
Total credit risk IRB	4.549	4.606	4.541	4.621	4.624	4.842	4.651	4.597	4.525
Central government	5	5	2	2	5	4	3	2	3
Covered bonds	149	146	142	162	159	152	132	149	136
Institutions	396	336	332	402	504	466	282	301	300
Local and regional authorities, state-owned enterprises	27	28	27	21	17	15	5	5	8
Corporate	283	270	281	253	251	227	239	237	237
Mass market	496	484	476	470	465	474	463	532	525
Exposures secured on real property	120	131	136	154	157	174	167	200	207
Equity positions	441	428	408	400	394	383	377	371	369
Other assets	157	159	159	161	150	150	151	157	167
Total credit risk standardised approach	2.074	1.986	1.962	2.025	2.102	2.045	1.818	1.955	1.952
Debt risk	47	44	31	43	44	48	34	27	35
Equity risk	20	9	18	9	10	7	15	6	14
Currency risk	3	1	3	3	1	3	3	3	3
Operational risk	772	772	770	720	720	720	720	656	656
Credit value adjustment risk (CVA)	149	153	123	192	193	240	115	130	122
Transitional arrangements	0	0	0	0	0	0	0	983	1.032
Minimum requirements subordinated capital	7.613	7.571	7.448	7.612	7.694	7.907	7.357	8.357	8.339
Risk-weighted assets (RWA)	95.167	94.633	93.096	95.156	96.181	98.832	91.956	104.464	104.240
Minimum requirement on CET1 capital, 4.5 per cent	4.283	4.258	4.189	4.282	4.328	4.447	4.138	4.701	4.691
Capital conservation buffer, 2,5 per cent	2.379	2.366	2.327	2.379	2.405	2.471	2.299	2.612	2.606
Systemic risk buffer, 4,5 per cent	4.283	4.258	4.189	2.855	2.885	2.965	2.759	3.134	3.127
Countercyclical buffer, 1.0 per cent (1.0 per cent)	952	946	931	952	962	988	2.299	2.089	2.085
Available CET1 capital after buffer requirements	5.520	5.212	5.404	6.243	5.968	5.284	4.335	3.222	3.116
Common equity Tier 1 capital ratio	18.3 %	18.0 %	18.3 %	17.6 %	17.2 %	16.3 %	17.2 %	15.1 %	15.0 %
Tier 1 capital ratio	20.0 %	19.7 %	20.0 %	19.2 %	18.9 %	18.0 %	19.3 %	16.7 %	16.6 %
Total eligible capital	22.2 %	21.9 %	22.3 %	21.4 %	21.1 %	20.1 %	21.6 %	18.9 %	18.8 %
Leverage ratio									
Balance sheet items	264.565	258.536	256.978	252.366	255.493	249.366	230.048	228.285	223.781
Off-balance sheet items	10.028	9.568	7.514	8.333	8.944	8.702	7.897	7.939	8.343
Regulatory adjustments	-1.822	-1.844	-1.577	-1.543	-1.603	-1.820	-1.503	-1.546	-1.458
Calculation basis for leverage ratio	272.770	266.260	262.915	259.156	262.834	256.248	236.441	234.678	230.667
Tier 1 capital	19.011	18.636	18.636	18.290	18.182	17.792	17.742	17.417	17.284
Leverage ratio	7.0 %	7.0 %	7.1 %	7.1 %	6.9 %	6.9 %	7.5 %	7.4 %	7.5 %

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2021	2020	2019	2018	2017
Capital adequacy					
Total book equity	22.382	21.310	20.420	18.686	17.510
Hybrid capital included in total equity	-1.262	-1.293	-1.293	-1.043	-993
Deferred taxes, goodwill and other intangible assets	-1.000	-1.044	-1.099	-1.079	-984
Part of reserve for unrealised gains, associated companies	0	0	0	0	0
Deduction for allocated dividends and gifts	-627	-890	-1.314	-1.034	-893
Non-controlling interests recognised in other equity capital	-829	-838	-761	-637	-565
Non-controlling interests eligible for inclusion in CET1 capital	505	488	438	366	324
Net profit	-1.523	0	0	0	0
Year-to-date profit included in core capital (50 per cent pre tax of group profit in 2017)	747	0	0	0	0
Value adjustments due to requirements for prudent valuation	-54	-56	-45	-44	-41
Positive value of adjusted expected loss under IRB Approach	-617	-74	-351	-286	-333
Adjustments for unrealised losses (gains) arising from the institution's own credit risk related to derivative liabilities (DVA)	7	10	3	5	7
Direct, indirect and synthetic investments in financial sector companies	-312	-572	-168	-206	-212
Common equity Tier 1 capital	17.416	17.041	15.830	14.727	13.820
Hybrid capital, core capital	1.594	1.595	1.637	1.378	1.427
Hybrid capital covered by transitional provisions	0	0	275	367	459
Tier 1 capital	19.011	18.636	17.742	16.472	15.707
Subordinated capital	2.250	2.262	2.240	2.316	1.615
Subordinated capital covered by transitional provisions	0	0	12	96	561
Deduction for significant investments in financial institutions	-155	-139	-140	-140	-254
Additional Tier 2 capital instruments	2.095	2.123	2.113	2.272	1.922
Total eligible capital	21.105	20.759	19.854	18.743	17.629

	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2021	2020	2019	2018	2017
Minimum requirements subordinated capital					
Specialised enterprises	1.309	1.240	1.101	1.116	1.107
Corporate	930	930	1.149	1.163	1.113
Mass market exposure, mortgages	2.207	2.261	2.299	2.098	1.892
Other mass market	101	110	101	92	91
Equity investments, IRB	1	1	1	1	1
Total credit risk IRB	4.549	4.541	4.651	4.470	4.205
Central government	5	2	3	4	3
Covered bonds	149	142	132	124	146
Institutions	396	332	282	246	333
Local and regional authorities, state-owned enterprises	27	27	5	8	4
Corporate	283	281	239	221	226
Mass market	496	476	463	520	405
Exposures secured on real property	120	136	167	215	193
Equity positions	441	408	377	366	344
Other assets	157	159	151	107	166
Total credit risk standardised approach	2.074	1.962	1.818	1.810	1.820
Debt risk	47	31	34	31	18
Equity risk	20	18	15	7	22
Currency risk	3	3	3	3	1
Operational risk	772	770	720	575	510
Credit value adjustment risk (CVA)	149	123	115	122	117
Transitional arrangements	0	0	0	1.074	891
Minimum requirements subordinated capital	7.613	7.448	7.357	8.093	7.585
Risk-weighted assets (RWA)	95.167	93.096	91.956	101.168	94.807
Minimum capital requirement, transitional rules 4.5 per cent	4.283	4.189	4.138	4.553	4.266
Capital conservation buffer, 2,5 per cent	2.379	2.327	2.299	2.529	2.370
Systemic risk buffer, 3,0 per cent	4.283	4.189	2.759	3.035	2.844
Countercyclical buffer, 2,0 per cent (1,5 per cent)	952	931	2.299	2.023	1.896
Available CET1 capital after buffer requirements	5.520	5.404	4.335	2.587	2.444
Common equity Tier 1 ratio	18.3 %	18.3 %	17.2 %	14.6 %	14.6 %
Tier 1 capital ratio	20.0 %	20.0 %	19.3 %	16.3 %	16.6 %
Capital ratio	22.2 %	22.3 %	21.6 %	18.5 %	18.6 %
Leverage ratio					
Balance sheet items	264.565	256.978	230.048	216.240	210.764
Off-balance sheet items	10.028	7.514	7.897	9.086	9.295
Regulatory adjustments	-1.822	-1.577	-1.503	-1.474	-1.580
Calculation basis for leverage ratio	272.770	262.915	236.441	223.853	218.479
Tier 1 capital	19.011	18.636	17.742	16.472	15.707
Leverage ratio	7.0 %	7.1 %	7.5 %	7.4 %	7.2 %

2.1 Extract from income statement¹

Group [in NOK million] as of	30 June 2021	SB 1									Total
		Retail Market	Corporate Market	SB1 Markets	Eiendoms- megler 1 Midt- Norge	Finans Midt- Norge	SB 1 Regnskaps- huset SMN	SB 1 Gruppen	BN Bank	Un- collated ²	
Net interest		547	554	-7	1	227	0	0	0	45	1.366
Allocated		12	2	0	0	0	0	0	0	-14	0
Total interest income		559	556	-7	1	227	0	0	0	31	1.366
Commission income and other income		442	119	500	234	-45	317	0	0	-29	1.538
Net profit on financial investments		2	7	58	10	0	0	215	82	186	560
Total income		1.003	682	550	245	182	317	215	82	187	3.464
Total operating expenses		443	216	371	183	57	257	0	0	3	1.531
Ordinary operating profit		560	466	179	62	125	60	215	82	184	1.933
Loss on loans, guarantees etc.		-9	100	0	0	6	0	0	0	1	98
Result before tax		569	366	179	62	118	60	215	82	183	1.836
Post-tax return on equity ³		13.0 %	10.4 %								14.5 %

Main balance sheet items

Loans and advances to customers adv. of this to Boligkreditt and Næringskreditt	132.992	46.956	0	0	9.910	0	0	0	-843	189.015
Loss on loans	-128	-1.366	0	0	-58	0	0	0	-3	-1.555
Other assets	123	16.357	3.737	415	99	622	1.921	1.595	35.180	60.047
Total assets	87.064	60.688	3.737	415	9.951	622	1.921	1.595	34.434	200.426
Deposits to customers	51.312	57.691	0	0	0	0	0	0	1.130	110.133
Other liabilities and equity	35.752	2.997	3.737	415	9.951	622	1.921	1.595	33.304	90.293
Total liabilities	87.064	60.688	3.737	415	9.951	622	1.921	1.595	34.434	200.426

¹For the subsidiaries the figures refer to the respective company accounts, while for joint ventures incorporated by the equity method the Group's profit share is stated, after tax, as well as book value of the investment at group level.

²Uncollated consist of, among other things, return on financial investments in parent bank, net profit on the bank's funding activities and gain on the establishment of Fremtind.

³Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 15.4 percent to be in line with the capital plan.

Development in interest income, Retail Market and Corporate Market

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Retail	210	337	289	285	237	301	298	301	283
Corporate	284	270	258	268	289	271	267	253	256
Net interest income	494	607	547	553	526	571	566	554	539

Development in margin¹, Retail Market and Corporate Market

Quarterly figures [percentage]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Lending									
Retail	1.73	1.59	1.73	1.87	1.99	1.63	1.40	1.49	1.50
Corporate	2.80	2.68	2.64	2.85	3.10	2.69	2.52	2.53	2.56
Total	1.98	1.84	1.93	2.09	2.24	1.86	1.64	1.71	1.73
Deposits									
Retail	-0.07	0.08	-0.01	-0.19	-0.47	0.50	0.75	0.66	0.59
Corporate	-0.37	-0.29	-0.21	-0.24	-0.26	0.04	0.13	0.08	0.02
Total	-0.18	-0.05	-0.11	-0.21	-0.37	0.27	0.43	0.36	0.29

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

Development in volume, Retail Market and Corporate Market

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Lending²									
Retail	132.992	130.296	129.149	126.939	124.165	121.269	119.381	116.882	115.289
Corporate	46.956	46.190	44.845	43.700	42.366	41.174	40.162	40.502	38.422
Total	179.948	176.486	173.994	170.639	166.531	162.443	159.543	157.384	153.711

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

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Deposits									
Retail	51.312	48.439	47.478	47.574	48.103	43.961	41.639	41.674	42.795
Corporate	57.691	53.200	49.420	46.404	44.715	42.710	42.756	40.542	42.374
Total	109.003	101.639	96.898	93.978	92.818	86.670	84.395	82.216	85.169

Development in commission income, Retail Market and Corporate Market

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Retail	294	150	256	240	173	196	208	212	197
Corporate	62	64	48	56	63	65	60	52	49
Total	357	214	304	296	236	261	269	263	246

2.2 Retail market

Business description

	30 Jun
Facts about the business area	2021
Lending volume	132.992
Deposits volume	51.312
No. of active cutomers	246.566
FTEs	367

Financial performance

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Net interest income lending	118	238	197	201	140	140	136	150	147
Net interest income deposits	91	98	85	78	92	153	157	148	134
Net interest income allocated capital	4	10	5	26	36	61	64	53	53
Total interest income	213	346	287	304	268	354	357	351	334
Net guarantee commission, incl BK, NK	189	50	143	138	72	100	102	102	99
Net commission of savings products	22	16	27	23	19	14	22	21	14
Net commission insurance services	45	45	44	43	41	40	40	40	39
Net commission payment trans. services	36	39	41	36	41	44	44	48	45
Other commision income	0	0	0	1	0	0	0	1	0
Net fee and commission income	293	149	255	241	173	198	208	212	197
Net profit on financial investments	2	0	1	-1	0	-2	0	0	0
Total income	507	496	543	544	441	550	565	563	532
Total operating expenses¹	216	228	225	233	225	246	221	222	215
Result before losses	292	268	318	311	217	304	344	341	317
Loss on loans, guarantees etc.	2	-12	-2	16	-2	44	9	11	6
Result before tax	289	280	320	295	218	260	335	330	311

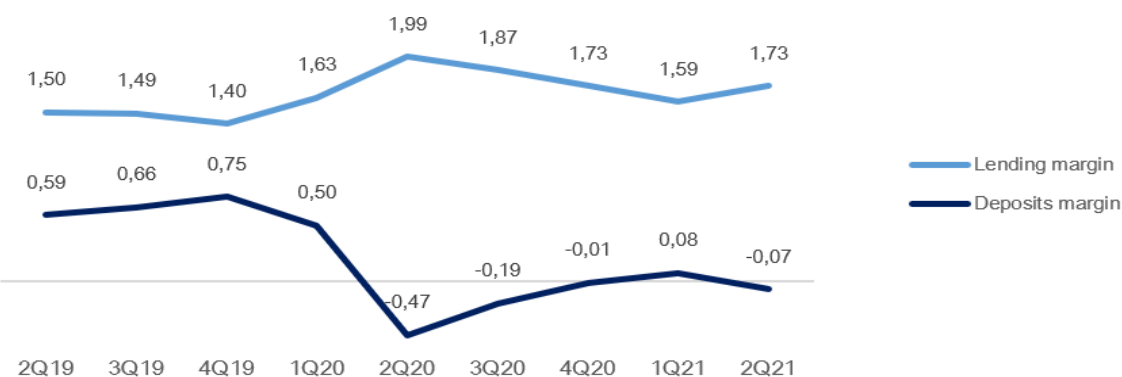
	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2021	2020	2019	2018	2017
Net interest income lending	356	677	589	624	572
Net interest income deposits	189	408	561	419	411
Net interest income allocated capital	14	128	221	190	154
Total interest income	559	1.213	1.372	1.234	1.137
Net guarantee commission, incl BK, NK	239	453	397	394	392
Net commission of savings products	38	83	70	75	70
Net commission insurance services	90	168	158	151	151
Net commission payment trans. services	75	161	179	172	175
Other commission income	1	1	1	1	1
Net fee and commission income	442	867	805	793	789
Net profit on financial investments	2	-2	0	0	0
Total income	1.003	2.078	2.177	2.027	1.926
Total operating expenses¹	443	929	875	804	794
Result before losses	560	1.149	1.302	1.223	1.132
Loss on loans, guarantees etc.	-9	56	32	17	5
Result before tax	569	1.093	1.270	1.206	1.127
Post-tax return on equity (annualized)²	13.0 %	13.4 %	13.1 %	13.2 %	16.6 %

¹ Includes both direct and distributed expenses

² Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 15.4 percent to be in line with the capital plan.

Margin development

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



2.3 Corporate market

Business description

	30 Jun
Facts about the business area	2021
Lending volume	46.956
Deposits volume	57.691
No. of active cutomers	16.945
FTEs	160

Financial performance

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Net interest income lending	223	212	206	210	184	170	176	174	185
Net interest income deposits	56	53	45	52	94	87	75	70	64
Net interest income allocated capital	5	9	1	15	34	52	55	44	44
Total interest income	283	273	253	277	311	308	307	288	293
Net guarantee commission, incl BK, NK	21	21	13	20	20	19	21	18	17
Net commission of savings products	0	0	0	0	1	0	0	-2	2
Net commission insurance services	8	7	7	7	6	7	6	6	6
Net commission payment trans. services	30	28	24	25	25	27	28	24	20
Other commision income	1	3	2	1	7	2	2	2	0
Net fee and commission income	60	59	45	53	59	54	57	48	45
Net profit on financial investments	3	5	3	3	4	10	3	3	4
Total income	345	337	301	332	374	373	367	340	341
Total operating expenses¹	109	107	101	104	105	113	103	100	103
Result before losses	236	230	201	228	269	261	264	239	239
Loss on loans, guarantees etc.	37	62	232	204	153	258	73	46	40
Result before tax	199	167	-31	25	116	3	190	193	199

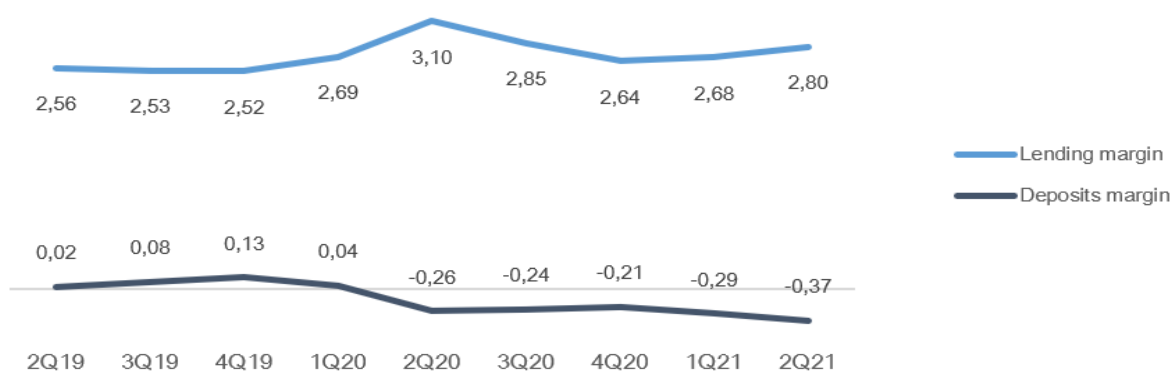
	YTD	31 Dec	31 Dec	31 Dec	31 Dec
Five years [NOK million]	2021	2020	2019	2018	2017
Net interest income lending	434	769	715	712	677
Net interest income deposits	108	277	271	241	274
Net interest income allocated capital	13	102	185	157	157
Total interest income	556	1.149	1.171	1.110	1.108
Net guarantee commission, incl BK, NK	42	72	76	81	86
Net commission of savings products	1	1	2	2	2
Net commission insurance services	15	26	25	23	21
Net commission payment trans. services	58	101	97	92	86
Other commission income	4	11	5	4	3
Net fee and commission income	119	211	205	202	199
Net profit on financial investments	7	21	12	17	9
Total income	682	1.381	1.388	1.329	1.315
Total operating expenses¹	216	422	410	373	365
Result before losses	466	959	978	956	950
Loss on loans, guarantees etc.	100	846	213	212	318
Result before tax	366	113	765	744	632
Post- tax return on equity (annualized)²	10.4 %	2.1 %	11.7 %	11.3 %	10.5 %

¹ Includes both direct and distributed expenses

² Calculation of capital employed in Retail Banking and Corporate Banking is based on regulatory capital. This capital is grossed up to 15.4 percent to be in line with the capital plan.

Margin development

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



2.4 Subsidiaries

EiendomsMegler 1 Midt-Norge AS

Ownership 87.0 %

EiendomsMegler 1 Midt-Norge is a real estate agency, and has a solid market- leader position in the region. The company has specialized operations, which include separate units for project and commercial real estate broking.

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Net interest income	0	0	1	1	0	0	0	0	0
Commission income and other income	131	114	93	111	105	83	122	142	115
Total income	131	114	94	113	105	83	122	141	115
Total operating expenses	90	93	91	92	75	83	128	148	91
Result before tax	42	21	3	20	30	0	-6	-7	23

Five years [NOK million]	YTD 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Net interest income	1	2	-1	-1	3
Commission income and other income	245	392	463	497	473
Total income	245	394	462	496	477
Total operating expenses	183	342	461	519	474
Result before tax	62	52	1	-23	3

SpareBank 1 Finans Midt- Norge AS

Ownership 61.2 %

SpareBank 1 Finans Midt-Norge offers car loans and leasing to corporates and private individuals, and invoice purchases from small businesses. The company services the market through its own sales operation and through the Bank's offices and other partners. SpareBank 1 Finans Midt-Norge merged with Spire Finans in the first quarter.

The company is owned by SpareBank 1 SMN and other Sparebanker in the SpareBank 1 Alliance. This owning structure has contributed to a dispersed presence across Mid- and South Norway

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Net interest income	115	113	100	100	90	82	82	79	76
Net commission income	-24	-22	-7	-7	-4	-6	-5	-7	-6
Total income	91	91	94	93	86	76	77	72	70
Total operating expenses	28	29	18	23	20	24	23	19	22
Ordinary operating profit	63	62	75	71	66	52	54	53	48
Loss on loans, guarantees etc.	-1	7	13	12	20	5	19	12	13
Result before tax	63	55	63	59	46	47	35	41	35

Five years [NOK million]	YTD	31 Dec	31 Dec	31 Dec	31 Dec
	2021	2020	2019	2018	2017
Net interest income	227	371	313	275	228
Net commission income	-45	-22	-26	-19	-15
Total income	182	349	287	256	213
Total operating expenses	57	86	85	73	67
Ordinary operating profit	125	263	202	182	146
Loss on loans, guarantees etc.	6	49	52	34	18
Result before tax	118	214	150	149	128

SpareBank 1 Regnskapshuset SMN AS

Ownership 88.7 %

SpareBank 1 Regnskapshuset SMN is an accountancy business within the SMB segment. SpareBank 1 Regnskapshuset intends to be one of Norway's leading actors in the accounting industry by building up a national accounting enterprise based on regional ownership, strong links to the owner banks and closeness to the market.

The strategy of growth through acquisitions represents a consolidation of a fragmented accounting industry. SpareBank 1 Regnskapshuset SMN has shown strong growth the past five years.

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Net interest income	0	0	0	1	0	0	0	0	0
Commission income and other income	162	155	118	111	147	156	111	100	151
Total income	162	155	118	112	147	156	112	100	151
Total operating expenses	129	128	96	91	108	129	85	80	110
Result before tax	33	27	22	21	40	27	27	20	41

Five years [NOK million]	YTD	31 Dec	31 Dec	31 Dec	31 Dec
	2021	2020	2019	2018	2017
Net interest income	0	1	0	0	-1
Commission income and other income	317	533	502	444	377
Total income	317	533	502	444	376
Total operating expenses	257	423	394	373	315
Result before tax	60	110	108	71	61

SpareBank 1 Markets AS

Ownership 66.7 %

services, debt and fixed income products. Through the collaboration with the SpareBank 1 Alliance, SpareBank 1 Markets can offer a complete national capital structure service, and cover all customer segments, from retail clients and small and medium-sized businesses to large listed companies and institutional investors. The company is headquartered in Oslo and has offices in Trondheim and Ålesund.

Quarterly figures [NOK million]	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Net interest income	-3	-5	-3	-7	-1	-2	-3	-4	-5
Equities/ High Yield	91	169	92	70	71	39	56	27	49
Fixed Income	7	11	11	8	49	-21	11	8	12
Corporate	94	118	156	60	62	25	46	61	64
Foreign exchange/ interest rate derivatives	21	37	28	23	40	45	28	31	37
Asset Management							20	12	12
Other commission income	5	5	2	3	4	4	1	3	2
Total income	216	335	286	157	226	91	157	139	172
Total operating expenses	154	217	195	126	161	108	153	129	146
Ordinary operating profit	62	118	91	31	65	-18	4	11	26
Loss on loans, guarantees etc.	0	0	0	0	0	0	0	0	0
Result before tax	62	118	91	31	65	-18	4	11	26

Five years [NOK million]	YTD	31 Dec	31 Dec	31 Dec	31 Dec
	2021	2020	2019	2018	2017
Net interest income	-7	-14	-17	-14	-15
Equities/ High Yield	260	273	184	195	152
Fixed Income	18	47	44	40	41
Corporate	212	303	214	183	112
Foreign exchange/ interest rate derivatives	58	137	117	105	82
Asset Management			56	32	53
Other commission income	10	14	13	10	11
Total income	550	759	609	551	437
Total operating expenses	371	590	566	536	435
Ordinary operating profit	179	169	43	15	2
Loss on loans, guarantees etc.	0	0	0	0	0
Result before tax	179	169	43	15	2

Other subsidiaries

Sparebank 1 SMN Invest

The company's strategy is to carry out investments in regional start-ups, venture and private equity funds and to invest directly in growth companies with national/ international

Property companies

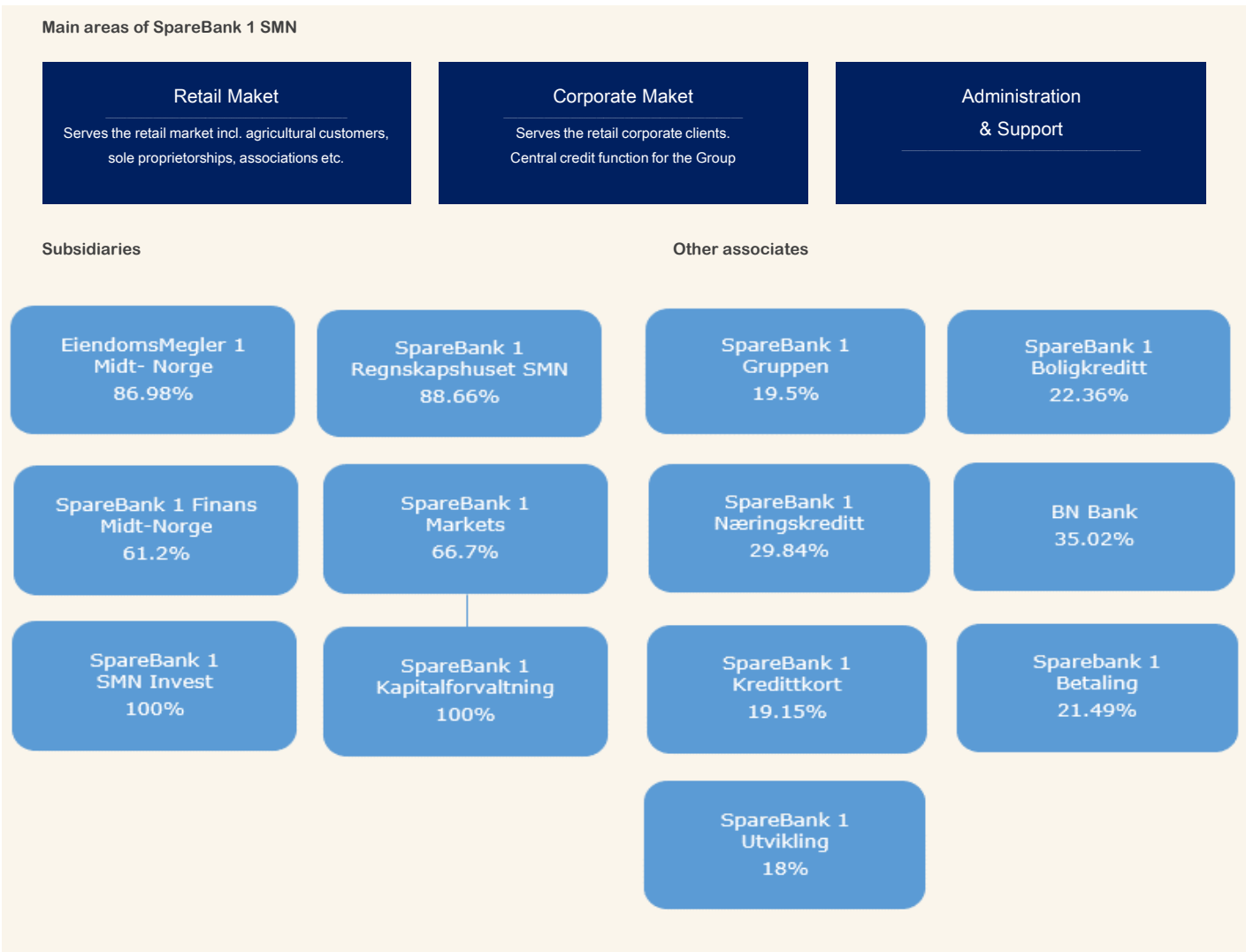
Their mission is to own, operate and develop property. Property companies: SpareBank 1 SMN Kvartalet, SpareBank 1 Bygget Steinkjer, St Olavs Plass 1 SMN

3 Appendix

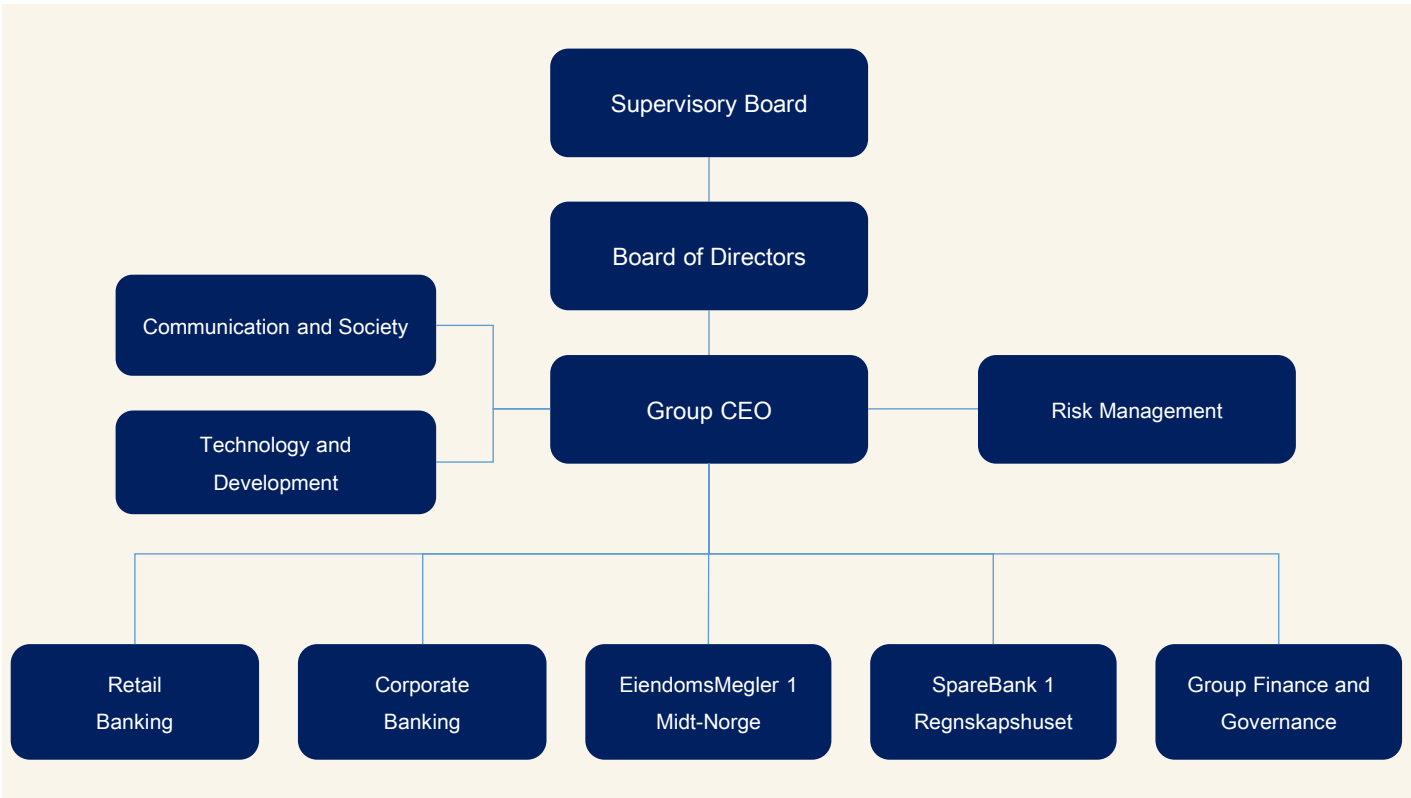
A1 Business description

SpareBank 1 SMN is the region's leading financial services group and one of six owners of the SpareBank 1 Alliance. Its head office is in Trondheim. SpareBank 1 SMN is a regional independent savings bank with a local footing. Through the SpareBank 1 Alliance and its own subsidiaries, SpareBank 1 SMN has secured access to competitive products in the fields of financing, savings and investment, insurance and payment services. The bank is organised under the following structure:

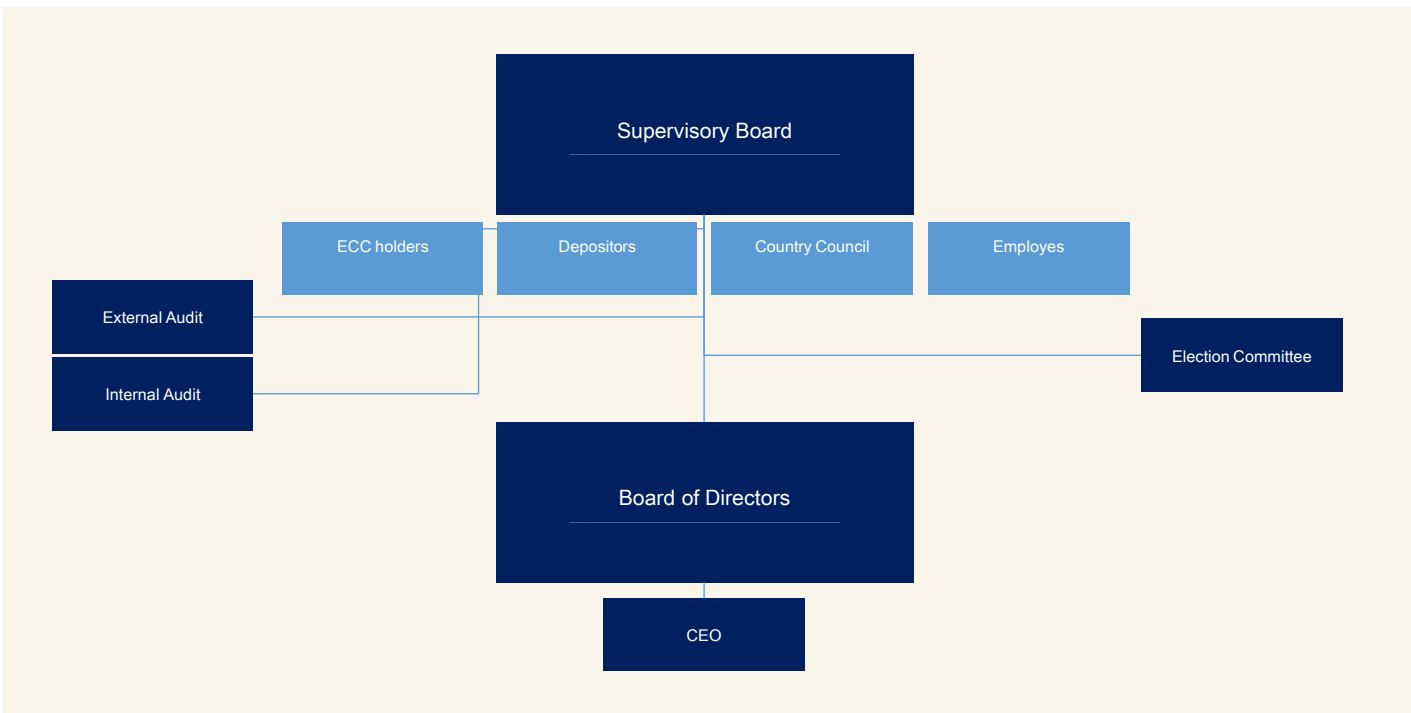
Financial Group SpareBank 1 SMN



Organisation of SpareBank 1 SMN

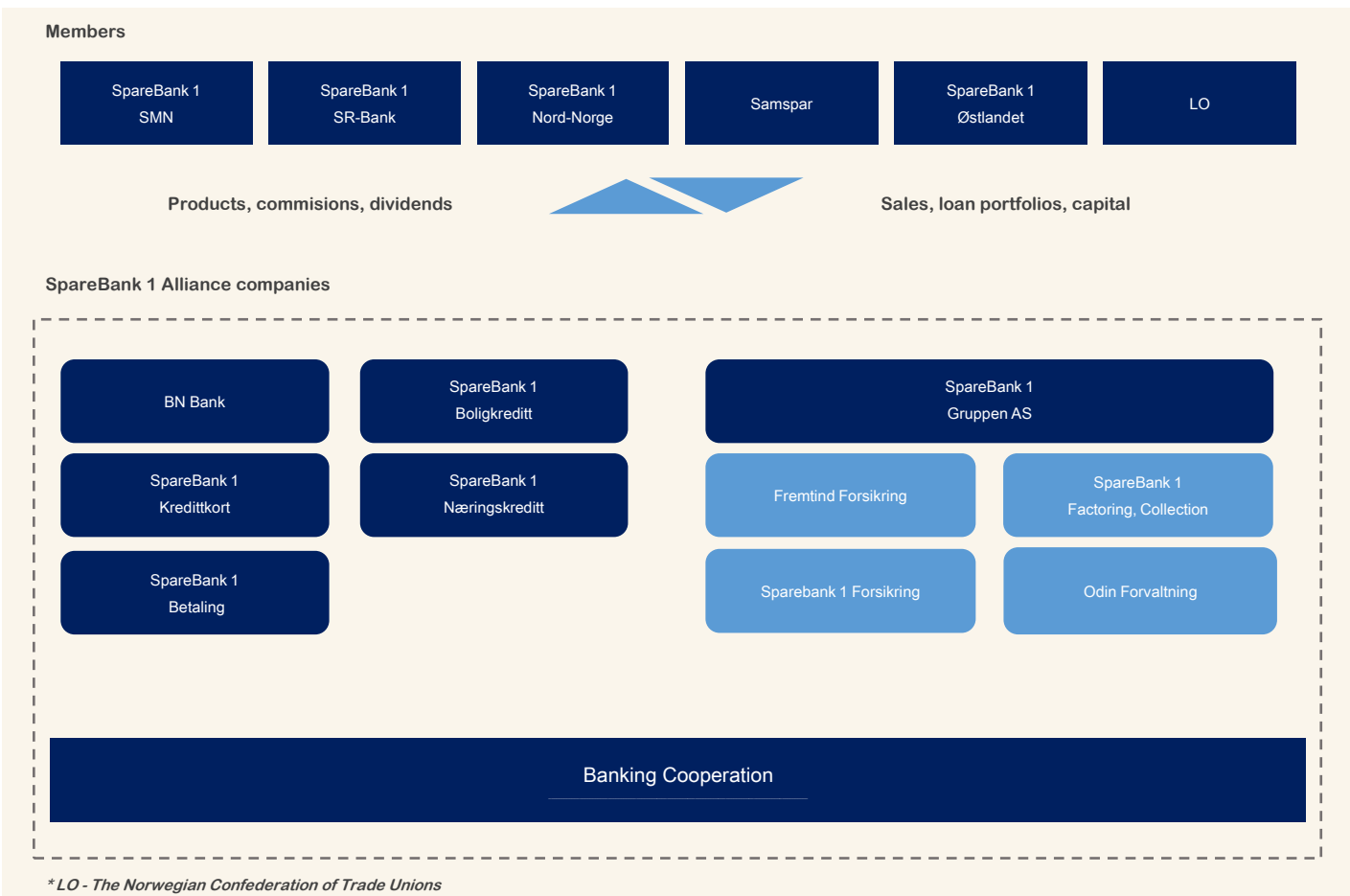


Overview of governing and control bodies



SpareBank 1 Alliance

SpareBank 1 SMN was one of the founding partners of the SpareBank 1 Alliance in 1996. The Alliance consists of closely cooperating saving banks, all of them being independent and locally anchored banks. The purpose of the SpareBank1 Alliance is for members to develop, procure and supply competitive financial services and products and to exploit economies of scale. The Alliance canalize a lot of its mutual interests through SpareBank1 Gruppen AS, a holding company of life and non-life insurance, mutual funds, a broker-dealer and other companies. The Alliance is the 2nd largest Norwegian financial group with wide distribution all over Norway.



A2 20 largest ECC holders

Owner	Number	Ownership in %
State Street Bank and Trust Comp	4.065.418	3.13%
Sparebankstiftelsen SMN	3.965.391	3.05%
VPF Odin Norge	3.342.919	2.57%
VPF Alfred Berg Gambak	3.098.178	2.39%
Danske Invest Norske aksjer institusjon II.	2.846.114	2.19%
VPF Nordea Norge	2.739.844	2.11%
VPF Pareto aksje Norge	2.619.766	2.02%
State Street Bank and Trust Comp	2.205.541	1.70%
J. P. Morgan Chase Bank, N.A., London	2.054.066	1.58%
VPF Eika Egenkapitalbevis	1.948.968	1.50%
Forsvarets personellservice	1.942.946	1.50%
Pareto Invest AS	1.821.106	1.40%
J. P. Morgan Bank Luxembourg S.A.	1.535.950	1.18%
J. P. Morgan Bank Luxembourg S.A.	1.424.474	1.10%
MP pensjon PK	1.352.771	1.04%
J. P. Morgan Bank Luxembourg S.A.	1.329.700	1.02%
VPF Nordea kapital	1.328.941	1.02%
Spesialfondet Borea utbytte	1.250.762	0.96%
VPF Nordea avkastning	1.249.111	0.96%
Danske Invest Norske aksjer institusjon	1.244.975	0.96%
Total 20 largest shareholders	43.366.941	33.40%
Others	86.469.502	66.60%
Total	129.836.443	100%

A3 ECC capital history

Year	Change	Change in ECC capital	Total ECC capital	No. of ECC's
1991	Placing	525	525	5.250.000
1992	Placing	75	600	6.000.000
2000	Employee placing	5	605	6.053.099
2001	Employee placing	5	610	6.099.432
2002	Employee placing	5	614	6.148.060
2004	Bonus Issue	154	768	7.685.075
2005	Placing	217	986	9.859.317
2005	Employee placing	24	1.009	10.097.817
2005	Split	-	1.009	40.391.268
2005	Bonus Issue	253	1.262	50.489.085
2007	Dividend Issue	82	1.344	53.752.203
2007	Employee placing	5	1.349	53.976.003
2008	Dividend Issue	91	1.440	57.603.748
2008	Employee placing	6	1.447	57.861.806
2009	Bonus Issue	289	1.736	69.434.167
2010	Placing	624	2.360	94.397.474
2010	Employee placing	13	2.373	94.905.286
2011	Issue	1	2.373	94.930.286
2012	Placing	95	2.468	123.407.456
2012	Employee placing	16	2.484	124.218.466
2012	Private placement	112	2.597	129.836.443

A4 CAD - methods for calculating minimum requirements

	Portfolio	Regulatory method
Credit risk	States - parent bank	Standardized approach
	Institutions - parent bank	Standardized approach
	Housing cooperatives, clubs and associations - parent bank	Standardized approach
	Enterprises - parent bank	Advanced IRB approach
	Mass market - parent bank	IRB - mass market (advanced)
	SpareBank 1 Finans Midt-Norge AS	Standardized approach
	SpareBank 1 SMN Invest	Standardized approach
	Mass market - SpareBank 1 Boligkreditt AS	IRB - mass market (advanced)
	Enterprises - SpareBank 1 Næringskreditt AS	Standardized approach
	Enterprises - BN Bank AS	Advanced IRB approach
	Mass market - BN Bank AS	IRB - mass market (advanced)
Market risk	Equity risk - parent bank	Standardized approach
	Debt risk - parent bank	Standardized approach
	Currency risk - parent bank	Standardized approach
	Subsidiaries and part-owned companies	Standardized approach
Operational risk	SpareBank 1 SMN (parent bank)	Standardized approach
	Subsidiaries and part-owned companies	Basic Indicator Approach