

Fourth quarter 2021

10. February 2022

Kjell Fordal
CFO

Trond Søråas
Incoming CFO



2021

Growth and profitability

- **Record result and high growth in 2021**
strengthened market position and good profitability across all business segments
- **Transition and modernisation**
One SMN gives efficiency, better customer experiences and improved distribution – a solid foundation for growth
- **Reduced loan losses:** Improvement in the offshore segment, sound credit quality in business and mortgage loans
- **SMN is solid with good dividend capacity**
Dividend of NOK 7.5 per EC for 2021
NOK 547m allocated to community dividend
- **SMN aims to be the leading finance house in Mid-Norway and among the best performers in the Nordic region**



MING EC price
from 30.12.2020 to 30.12.2021

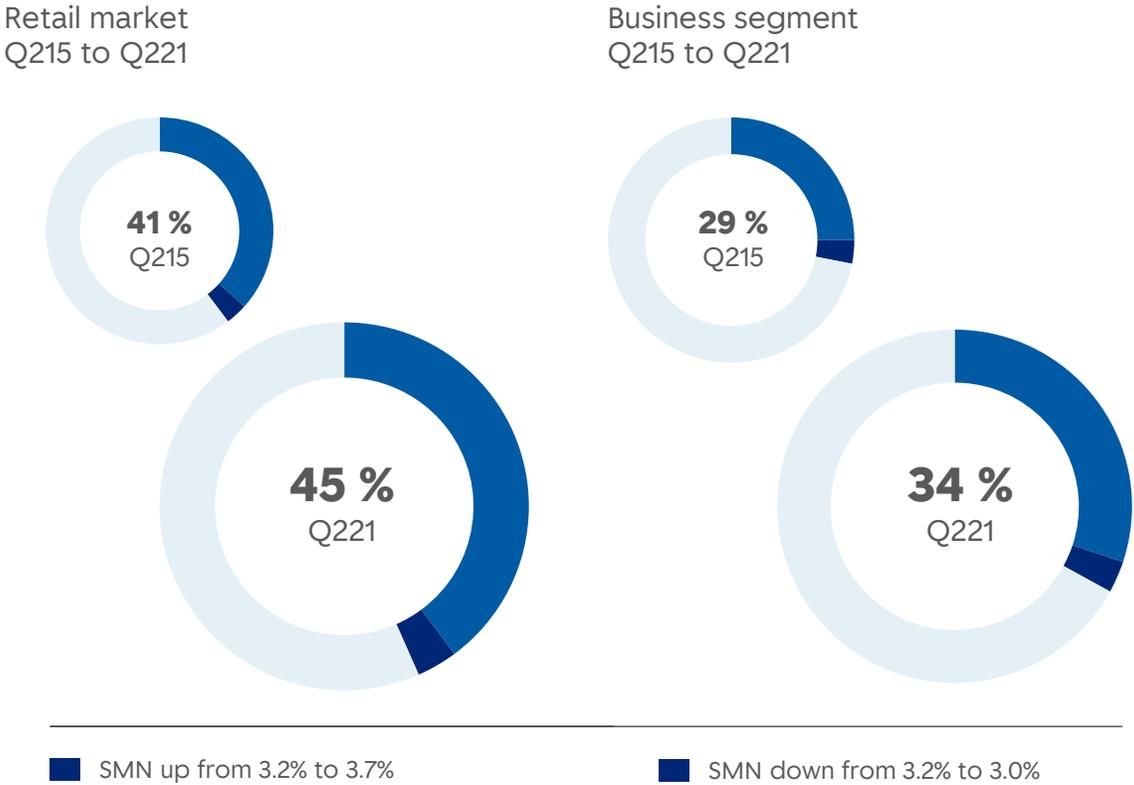


Return on equity
per quarter 2021

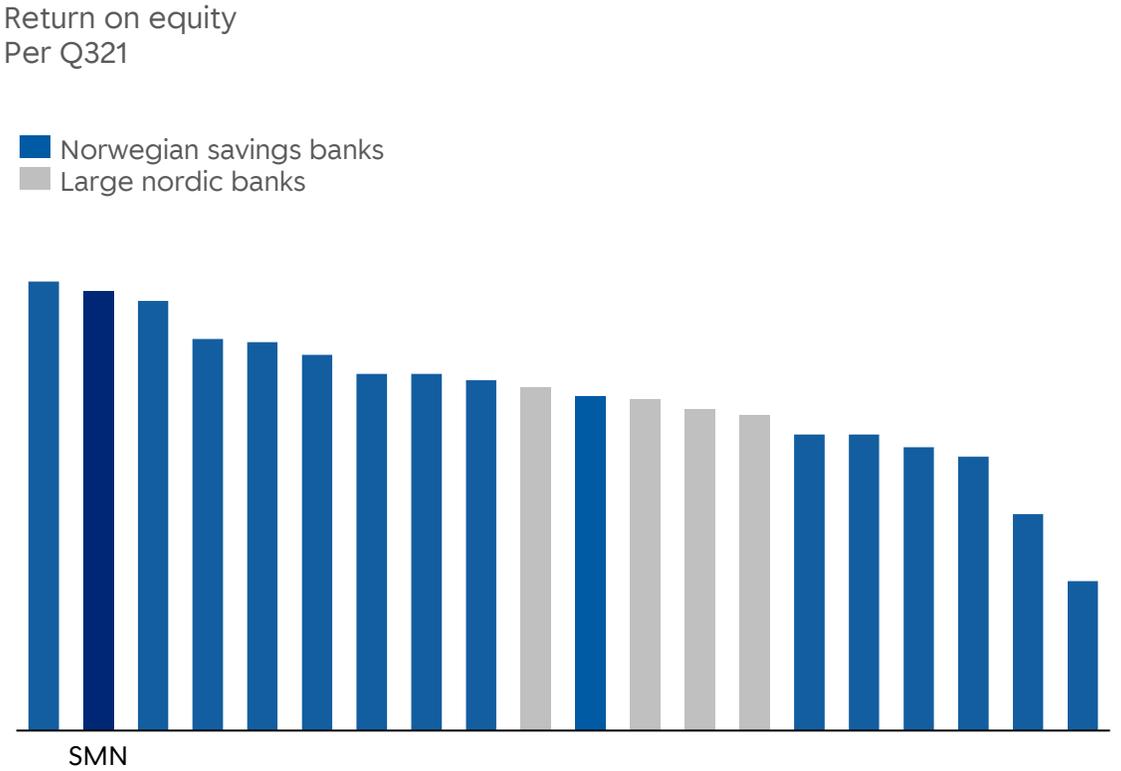


Savings banks market position strenghtened over time – the large regional banks are the best performers

Market share lending for Norwegian savings banks



Profitability



Q4 2021

Net profit

NOK 703m (450) in Q4
NOK 2 902 (1 978) in 2021

Return on equity

12.7% (8.9) in Q4
13.5% (10.0) in 2021

CET1 ratio

18.0% (18.3)

Lending growth

1.8% (1.9) in Q4 and 6.9% (9.0) in 2021

Deposit growth

1.5% (2.2) in Q4 and 14.1% (13.5) in 2021

Book value per EC NOK 103.48 (94.71)

Earnings per EC NOK 13.31 (8.87) in 2021

Dividend of NOK 7.50 (4.40) per EC

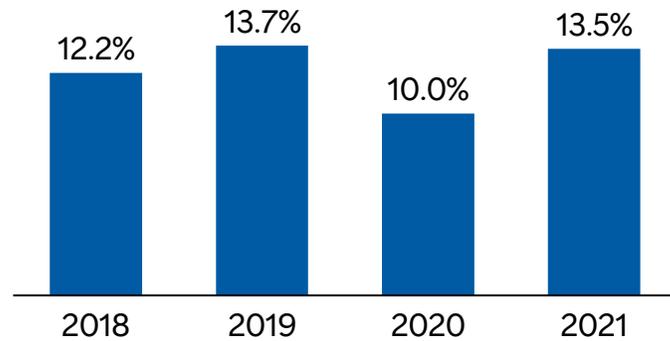
Community dividend of NOK 547m (321)

Payout ratio 56.3%

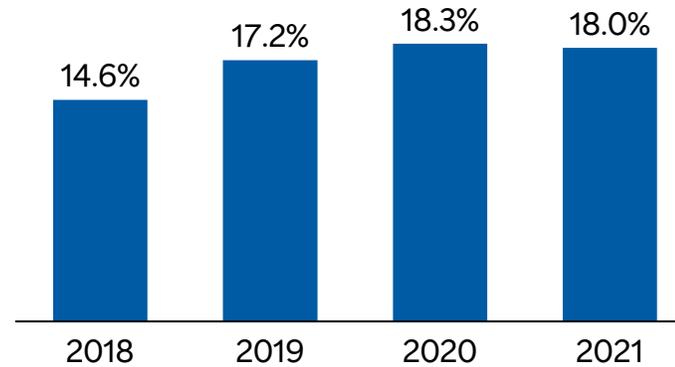
Key figures

Last four years

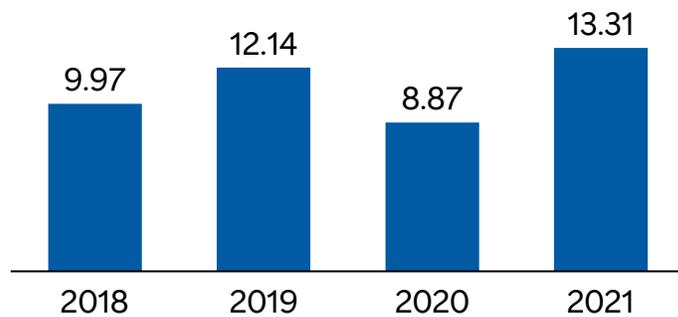
Return on equity



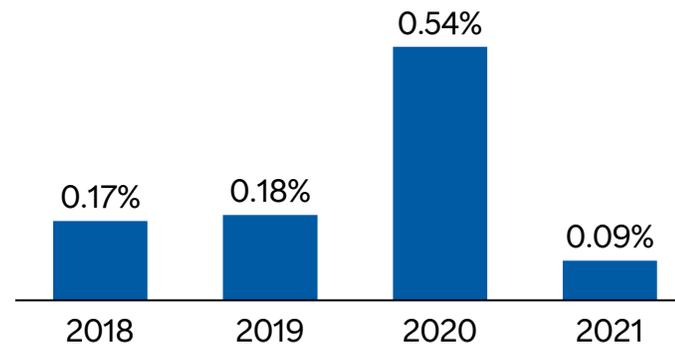
CET1 ratio



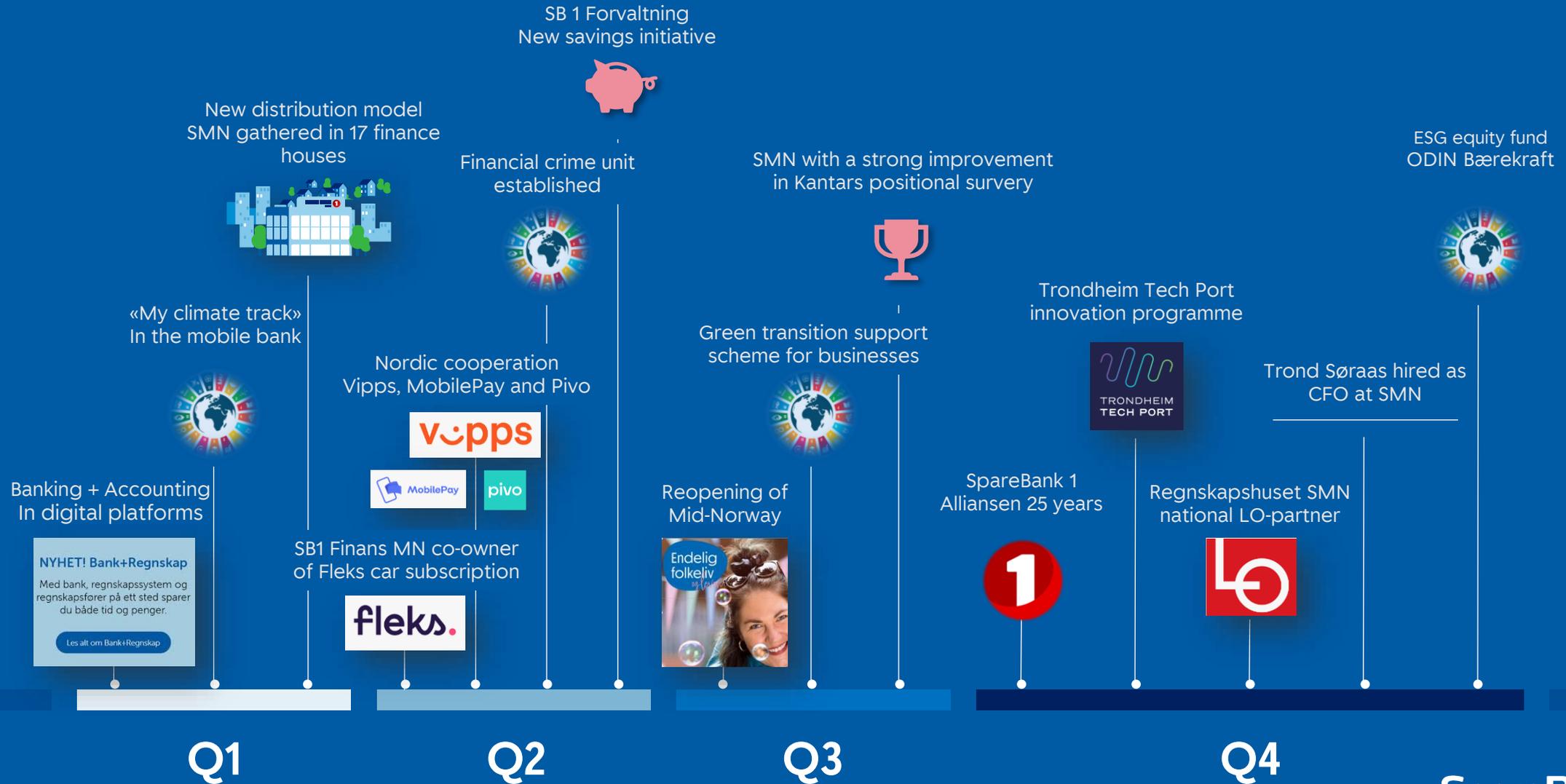
Results per EC



Loan losses in per cent of total lending



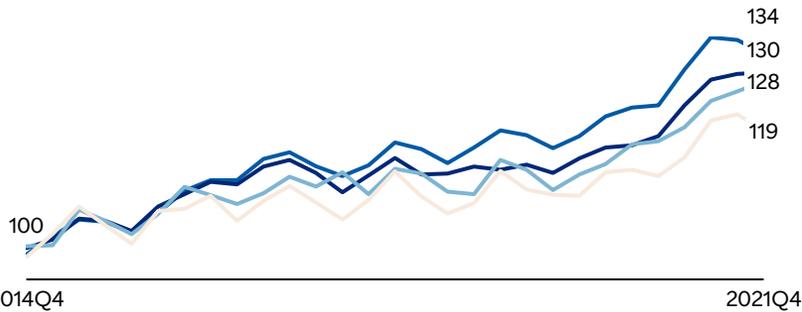
Events in 2021



Solid macro backdrop going into 2022

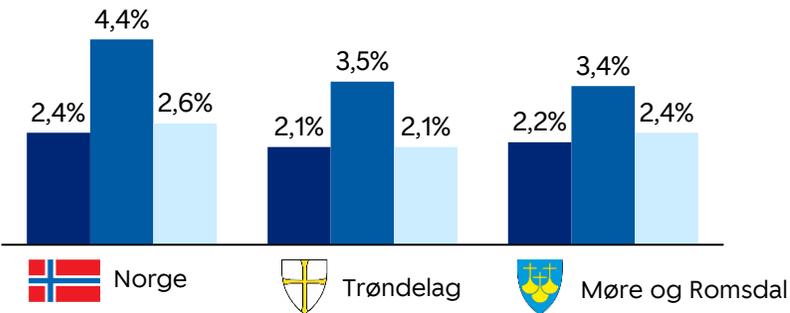
Increased housing prices

— Norway — Trøndelag ex. Trondheim
 — Trondheim — Møre og Romsdal



Low unemployment

■ January 20 ■ January 21 ■ January 22



Improved outlook for commercial real estate due to the economic recovery – agriculture looks more demanding



Retail trade

Status ■ Outlook →



Construction

Status ■ Outlook →



Fisheries

Status ■ Outlook →



Maritime industry

Status ■ Outlook →



Offshore

Status ■ outlook →



Agriculture

Status ■ Outlook →



Aquaculture

Status ■ Outlook →



Commercial property

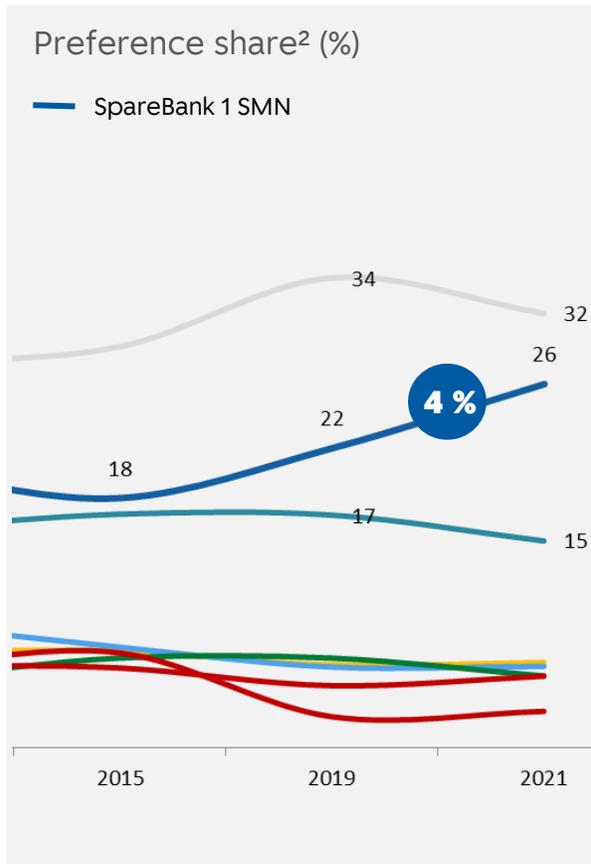
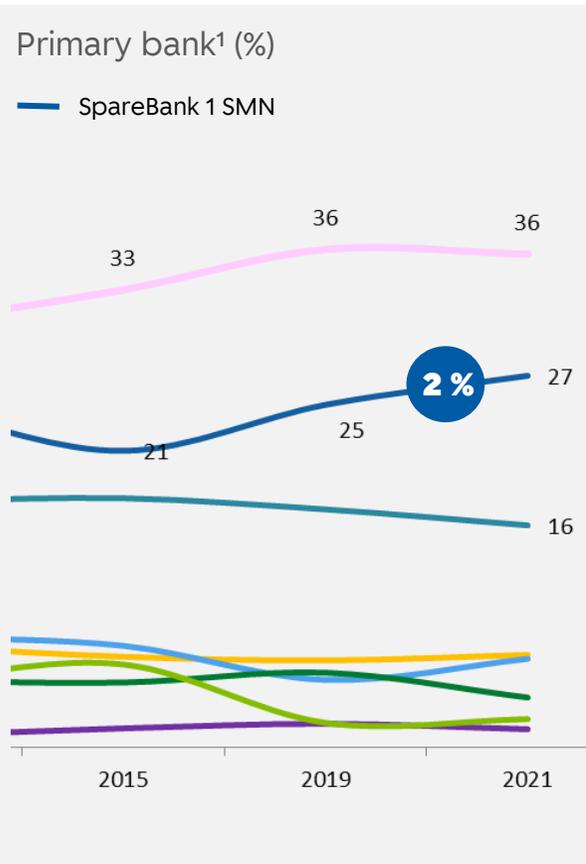
Status ■ Outlook →

Source: SpareBank 1 SMN

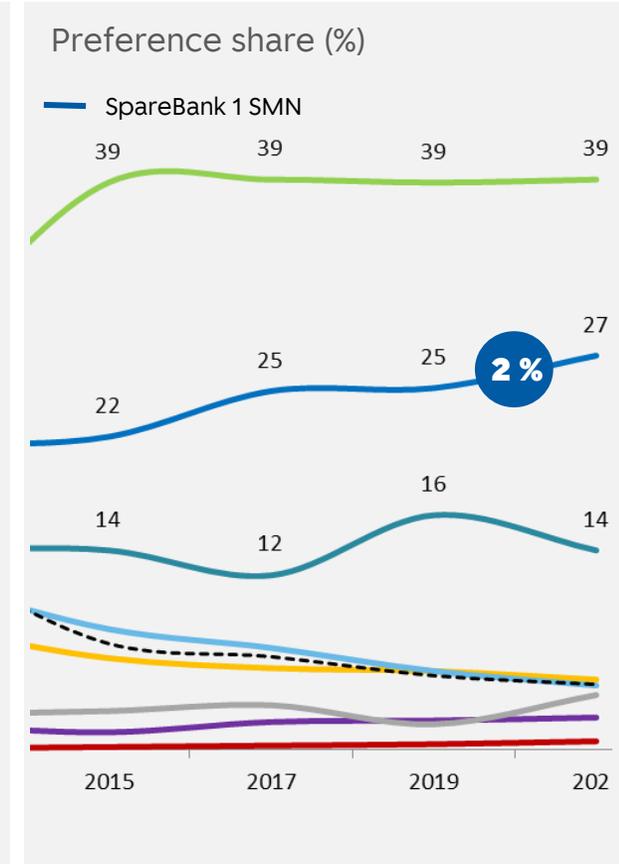
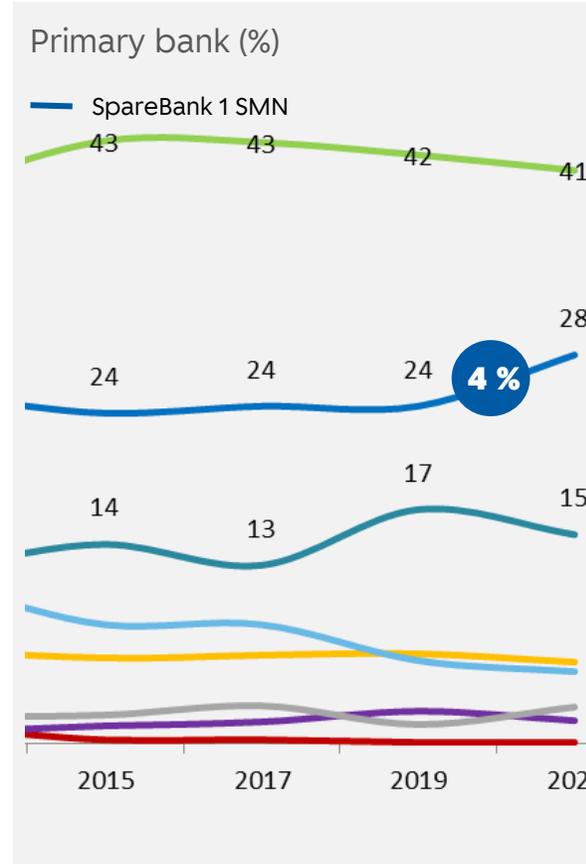
The customers are choosing SMN

Strengthened attractiveness in retail and corporate segment alike

Retail market



Corporate market



Source: KANTAR, June 2021

¹ Primary bank: The share of respondents that lists the bank as their primary bank

² Preference share: The share of respondents that lists the bank as their preferred choice as a primary bank

Goals

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

12%

Profitable

Return on equity 12%

16.9%

Solid

CET1 ratio 16.9%

Payout ratio approx. 50%

< 2%

Efficient

Annual growth in group costs limited to 2% within existing business

↓ 50%

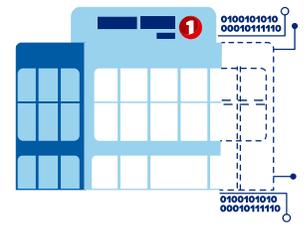
Responsible

Aims to halve the group's climate footprint by 2030
Reduction of 8% per year

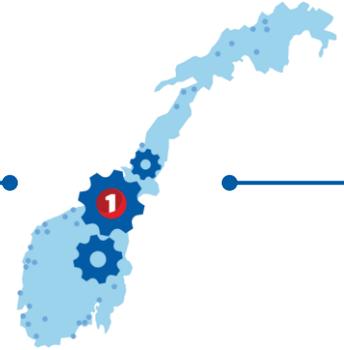
SpareBank 1 SMN's strategic priorities



Create 'One SMN'



Increase digitalisation and use of insight



Head up the development of Norway's savings bank system



Integrate sustainability into the business

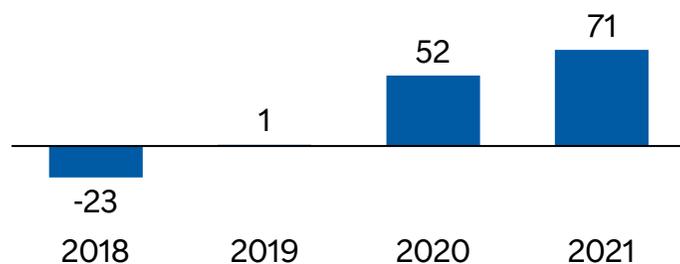


Exploit the power in our ownership model

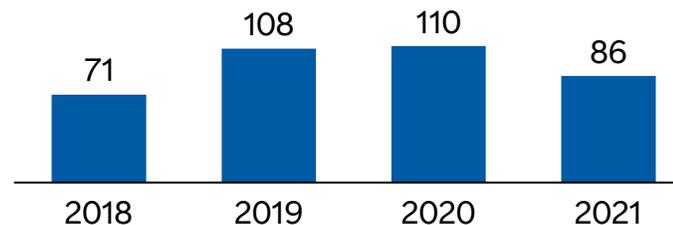
Strong subsidiaries enable synergies

Pre-tax profit last four years, NOKm

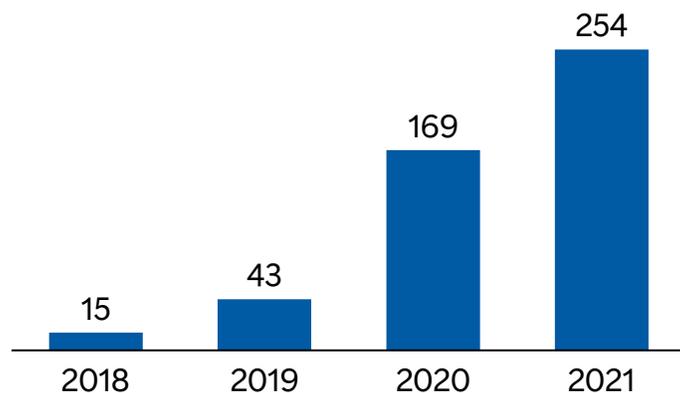
EiendomsMegler 1 Midt-Norge



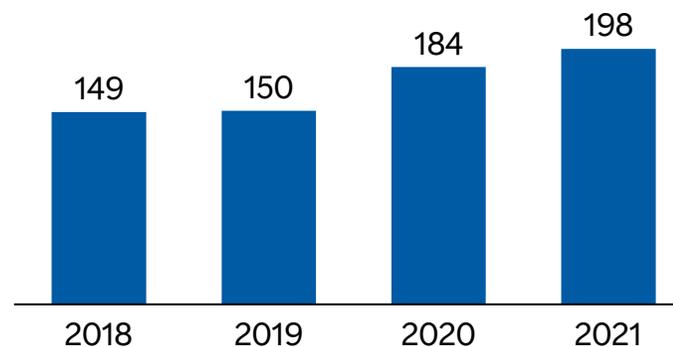
SpareBank 1 Regnskapshuset SMN



SpareBank 1 Markets



SpareBank 1 Finans Midt-Norge



SpareBank 1 SMN opens an Oslo branch

- **SB 1 Markets has strengthened its market position in recent years**, as the main shareholder and in line with the group strategy there is a large potential in leveraging relations and activities together
- **SMN has an increasing number of retail and business customers in South-Eastern Norway** that will be offered the same attentiveness. Physical presence in Oslo enables SMN to offer a full breadth of products to more customers in a large market
- **Gradual build-up with emphasis on synergies between the corporate banking arm and the capital market services in SB1 Markets**, with controlled growth, limited concentration and moderate risk
- **SMN will give the Oslo market a broader product range and options** – «try a savings bank and enjoy the difference»

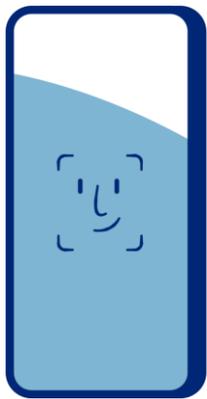
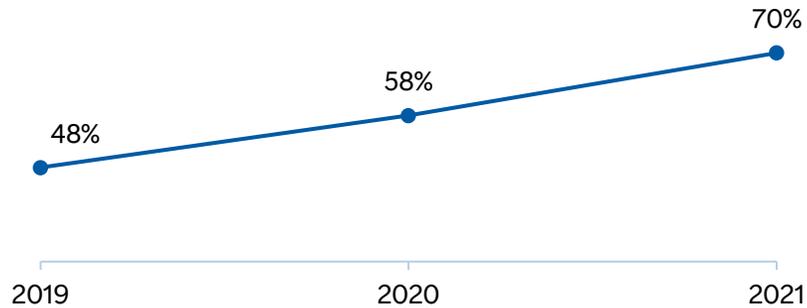


Data-driven growth



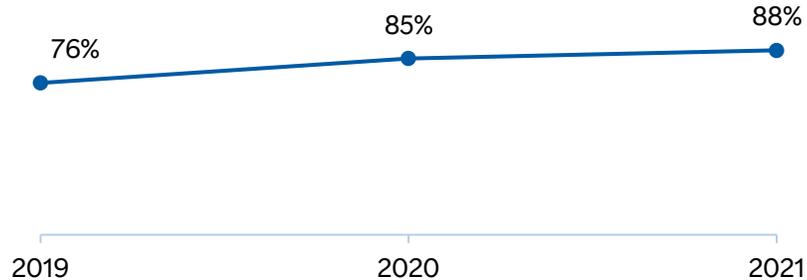
Increase in digital sales

Share of digital sale in the retail market



Increased digitalisation

Share of loan applications in the retail market initiated through digital channels

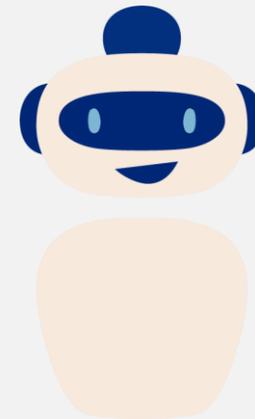


Increased efficiency with robots

SMN has a high RPA competence – Joint resources within SMN and a part of the SpareBank 1 Alliance' specialist environment

Close cooperation between the business and technology environments
reducing time from business needs to automated processes

The main focus in 2021 has been onboarding business customers and the loan process in the retail segment
Robotic traffic increased 40 % last year



- Growth
- Better customer experiences
- Improved quality
- Compliance
- Efficiency

Sustainability and social responsibility



SMN has committed to sustainability ambitions and are now executing the sustainability strategy

Balanced approach to ESG

A number of measures within the five prioritised areas of the strategy are completed. This work gives insight into methods, model framework and the taxonomy as well as improved estimates of SMN's and the lending books' climate footprint

SMN will be a driver for green transition

In 2022 SMN will concretise goals and measures that supports the transition of the local business community and society

1

Innovation

Create green business growth through cooperation and partnership

2

Customer offerings

Offer products and services that stimulate the clients' transition and digitalisation

3

Climate footprint

Reduce climate footprint throughout the value chain

4

Competence

Strengthen competence and reporting on climate risk

5

Diversity

Contribute to diversity and a fair transition

Measuring climate footprint in the lending book

Issued **green bond** in the euromarket

Launched **green banking products**

Established **financial crime division**

Improved methods for calculating **direct and indirect climate footprint**

Sustainability survey for Trøndelag and Møre og Romsdal

Improved **ESG reporting**

A- rating in ESG 100 for Oslo Stock Exchange

ESG competence programme for all employees

Established **support scheme for green transition** for businesses

Signed the **Guide against greenwashing**

Launched **ODIN bærekraft** equity fund



We care about the local community

Each year the community dividend contributes to non-profit purposes that makes Mid-Norway better and more sustainable

The community dividend is invested in five key areas



Community

We care about people. Both in our local community and the rest of the world



Sports and outdoor activities

We contribute to improved public health through supporting sports, games and outdoor activities



Art and culture

We create a vibrant and diverse cultural life with great experiences locally



Innovation and value creation

As an important institution in our region we add culture, competence and capital that shapes tomorrows business environment



Sustainability

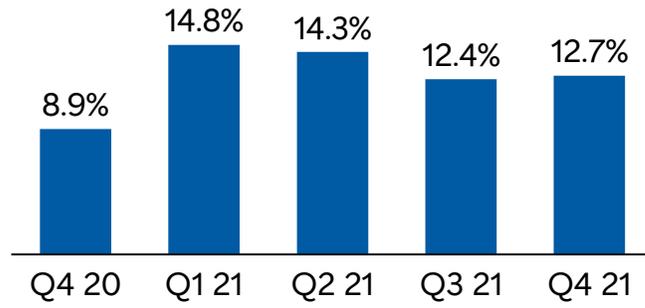
We are a driver for green transition and engages the region in yearly improvements in order to reach the sustainability goals

Financial information

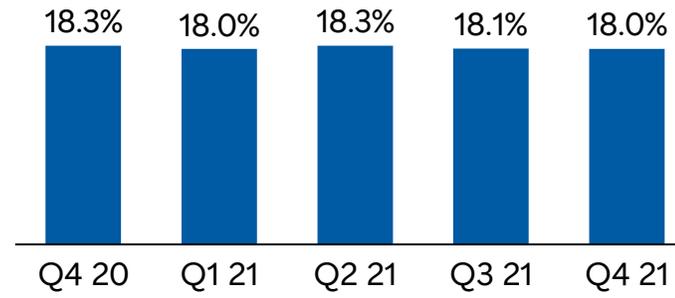


Profitable and solid

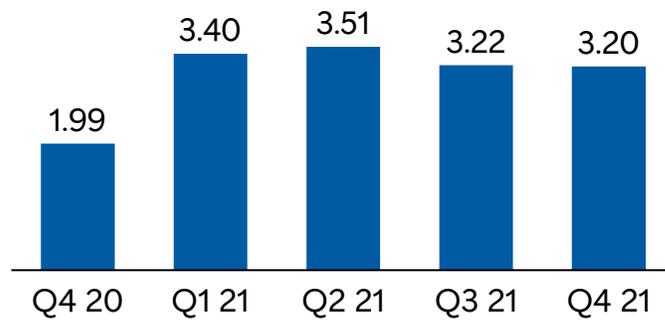
Return on equity



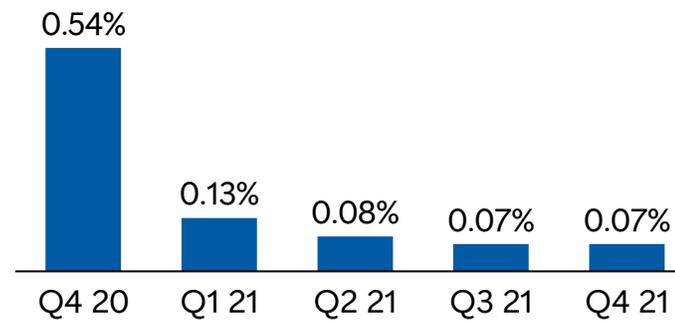
CET1 ratio



Earnings per equity certificate



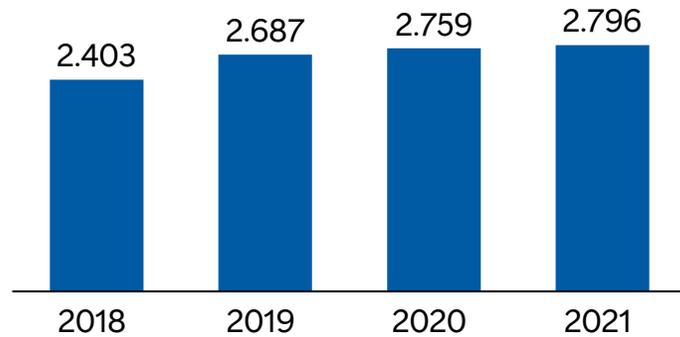
Loan losses in per cent of total lending



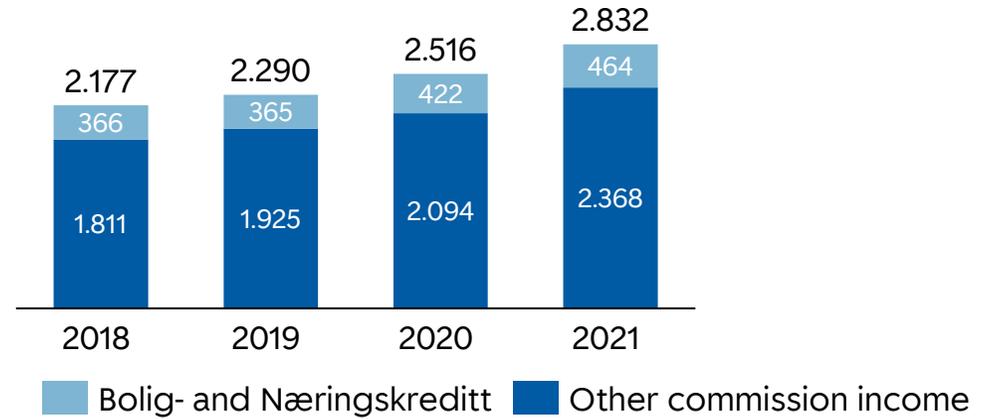
Income, costs and losses

Last four years, NOKm

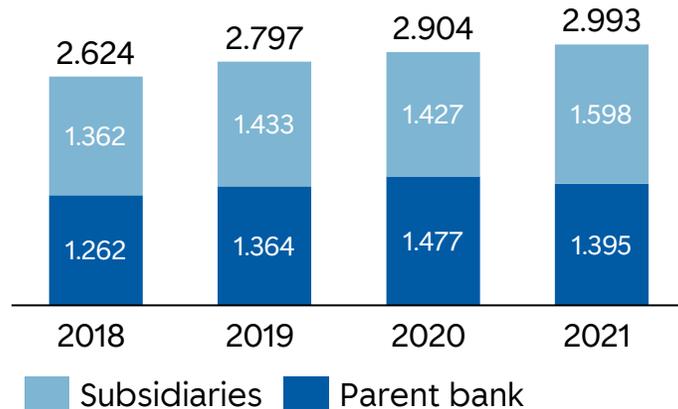
Net interest income



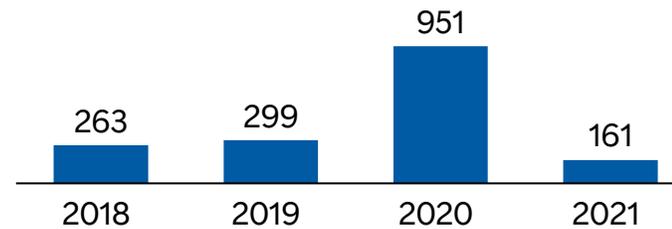
Commission income



Costs



Loan losses

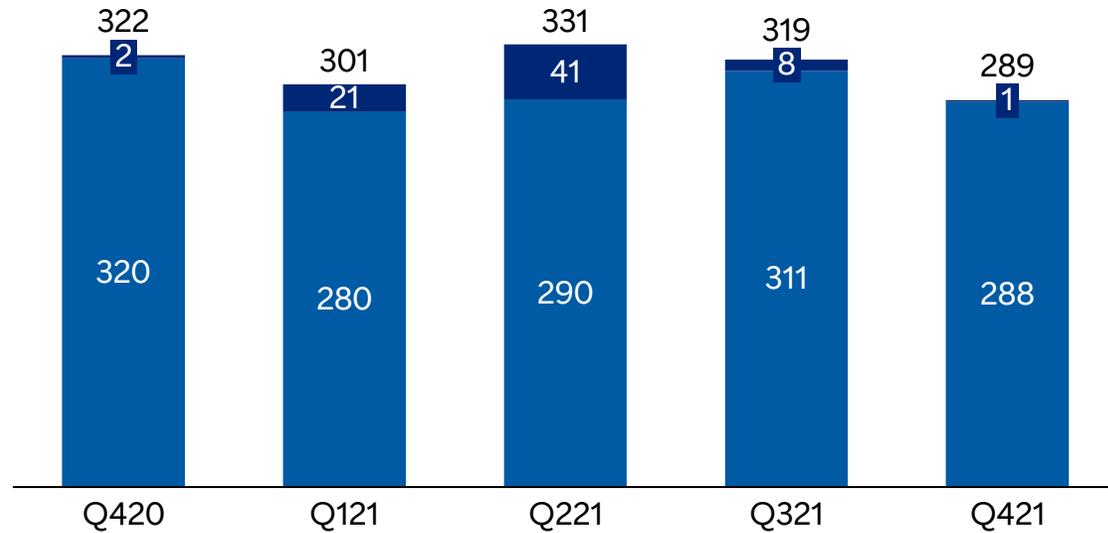


High activity and synergies supports growth in personal banking

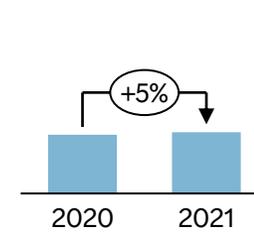
Personal Banking

Profit before tax (NOKm)

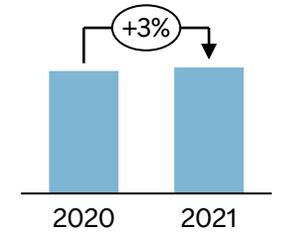
EM1 RM



Number of sales
Second-hand and
leisure homes



Number of
mortgage clients

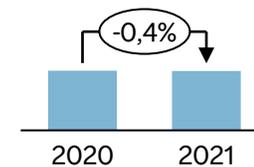


Synergy Q421
share of EM1s property sales
financed by SMN

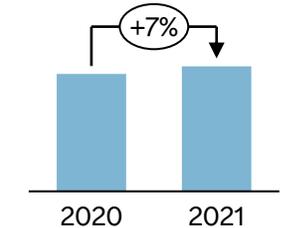
55.2%

Source: Eiendomsverdi

Reduced churn
(% of volume)
mortgages



Increased lending
mortgages

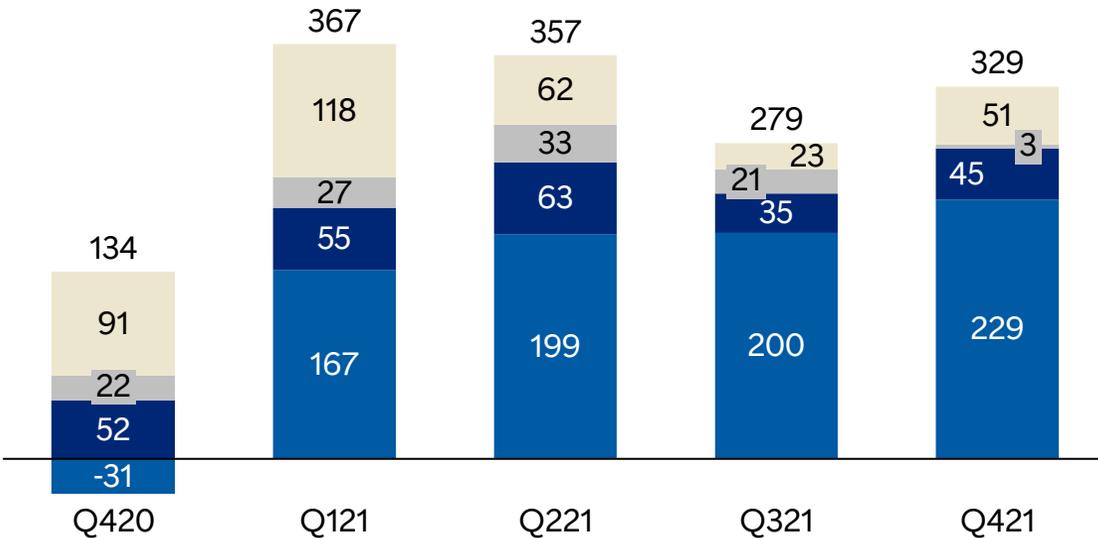


SMN strengthens its position in the corporate segment

Corporate Banking

Profit before tax (NOKm)

- SB1 Markets
- Regnskapshuset
- SMN Finans
- Corporate Market



Regnskapshuset SMN becomes a national LO-partner



Nyheter →

Accounting firm signs national agreement

SpareBank 1 Regnskapshuset SMN has signed a national agreement with the labour organisation LO



Administrerende direktør Arne Nypan, Magnus Wæraas og Hanne Kirsti Langseth i Sparebank 1 Regnskapshuset SMN.
FOTO: SPAREBANK 1 SMN

SB 1 Markets is the leading IPO manager in the Norwegian market

#1 IPO manager¹ (2017-2021)

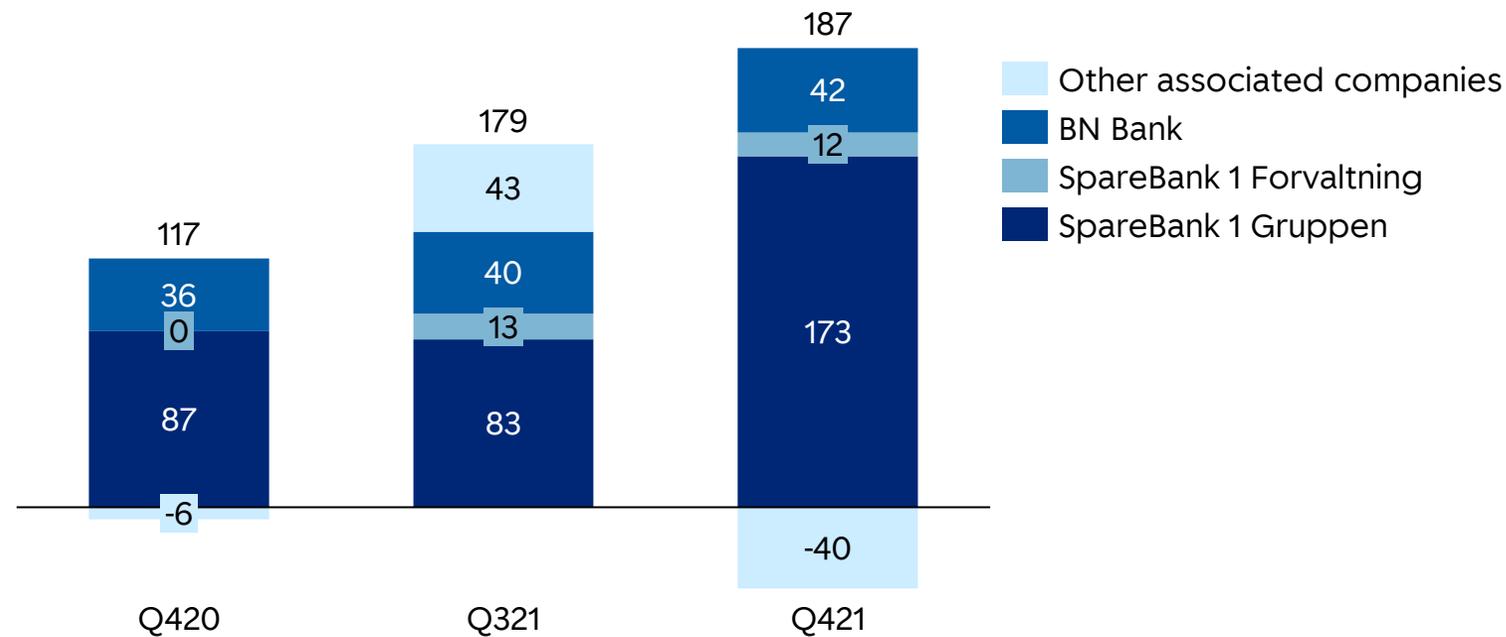
Rank	Managers	NOKm	No.	Share
1	SB1M	20,334	47	17%
2	ABGSC	17,506	40	14%
3	Carnegie	16,510	37	13%
4	DNB Markets	11,908	41	10%
5	Pareto	10,241	35	8%
6	Arctic	7,314	28	6%
7	SEB	5,595	18	5%
8	Fearnley	5,339	21	4%
9	Morgan Stanley	4,965	4	4%
10	Nordea	4,610	11	4%
11	Jefferies	4,310	2	4%
12	Citi	3,994	2	3%
13	JPMorgan	3,688	2	3%
14	Mizuho	2,585	1	2%
15	Danske Bank	1,744	8	1%
16	Clarksons	1,644	9	1%
17	Swedbank	1,621	7	1%
18	Goldman Sachs	1,253	2	1%
19	Pangea	667	1	1%
20	Credit Suisse	632	1	1%
-	Others	2,910	16	2%

Source: Dealogic, per 03.01.22
1) Oslo Stock Exchange

Broad product range and good return on ownership interests

Ownership interests

Profits after tax (NOKm)



Strong brands



SpareBank 1 Gruppen

Alliance collaboration on products under a joint brand, including Fremtind and SpareBank 1 Forsikring

SpareBank 1 Forvaltning

ODIN Forvaltning
SpareBank 1 Kapitalforvaltning

SpareBank 1 Kreditt

SpareBank 1 Betaling

SpareBank 1's holding company for their share of Vipps payment solutions

BN Bank

Nationwide bank in the retail and corporate market

Mortgage companies

SpareBank 1 Boligkreditt
SpareBank 1 Næringskreditt

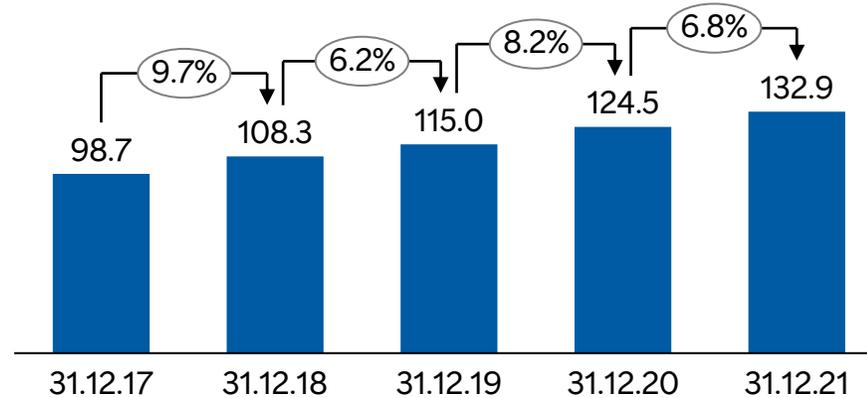
Lending growth

Total loans NOK 195bn,
2021 growth of 6.9 per cent

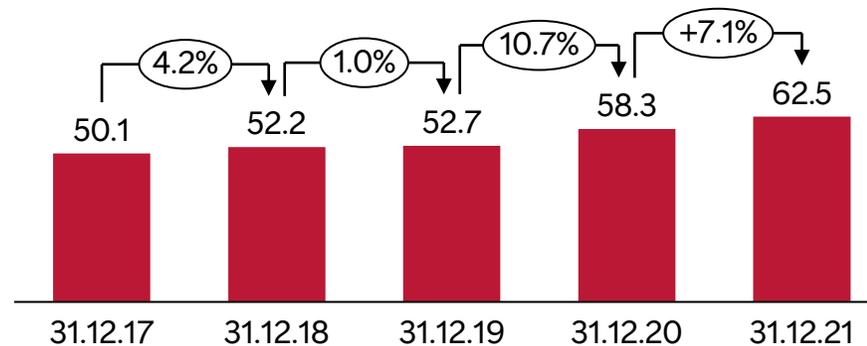
Market growth in mortgages
5.0 per cent (C2) in 2021

Good growth spread both
geographically and across a
wide range of customers

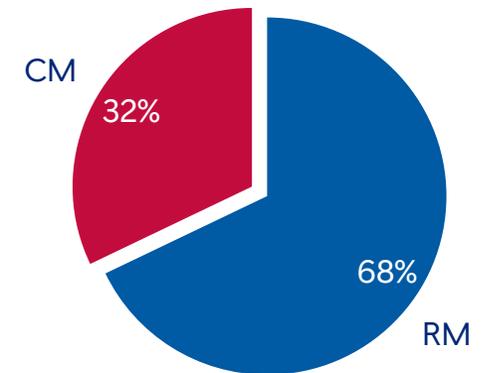
Lending growth RM 7.7% (CAGR)



Lending growth CM 5.7% (CAGR)



Share of lending, CM and RM



Lending margins

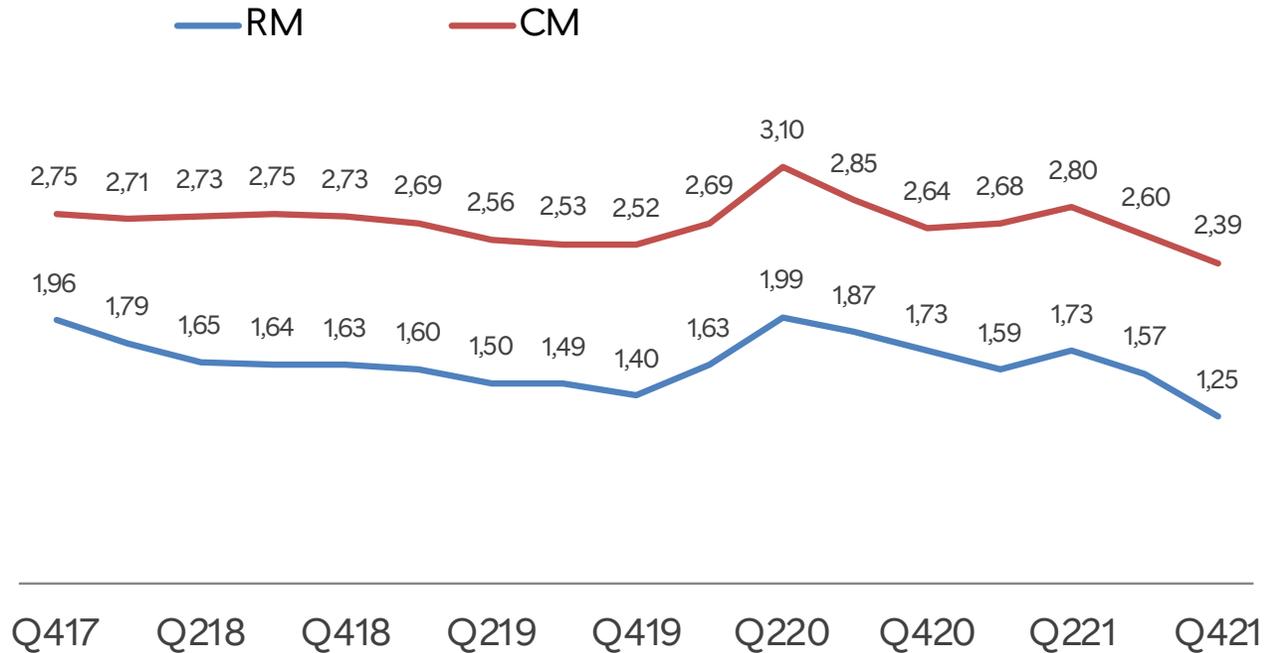
Norges Bank increased the key policy rate to 0.5 % in December 2021

Repricing of mortgages with effect from mid-November 2021 and February 2022

Increased NIBOR in the second half of 2021 weakened margins

Norges Bank has signalled another rate hike in March

Lending margins versus 3M NIBOR



Deposit growth

Total deposits of NOK 111bn, growth of 14.1 per cent YOY

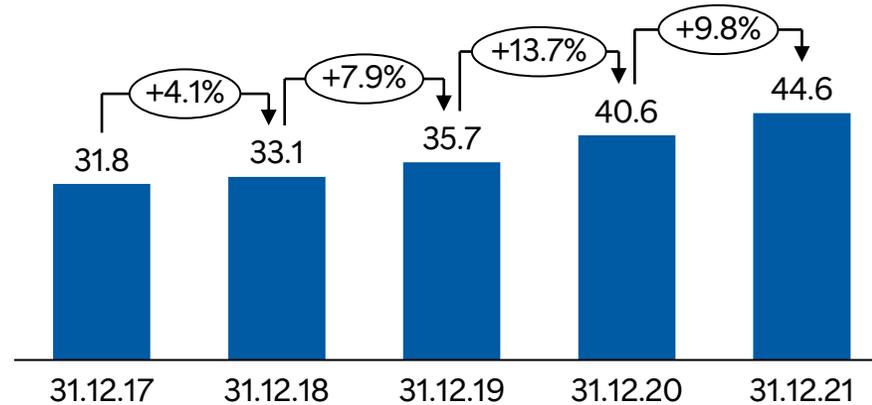
Good growth in deposits by retail customers and corporate customers alike.

Reduced private consumption has brought increased deposits from retail customers from 2020

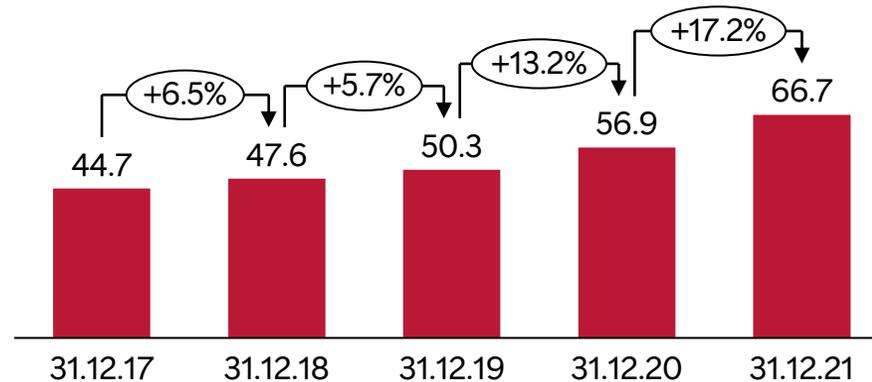
High growth in deposits by corporates, both from public sector customers and private businesses

Deposit-to-loan ratio 57 per cent (53 per cent)

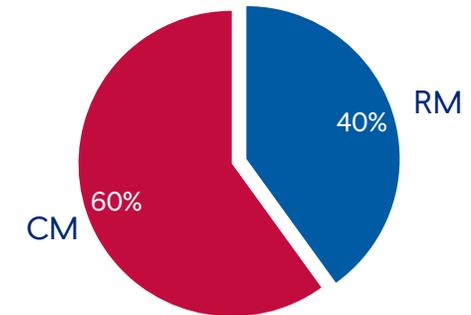
Deposit growth RM 8.8% (CAGR)



Deposit growth CM 10.5% (CAGR)



Share of deposits, CM and RM

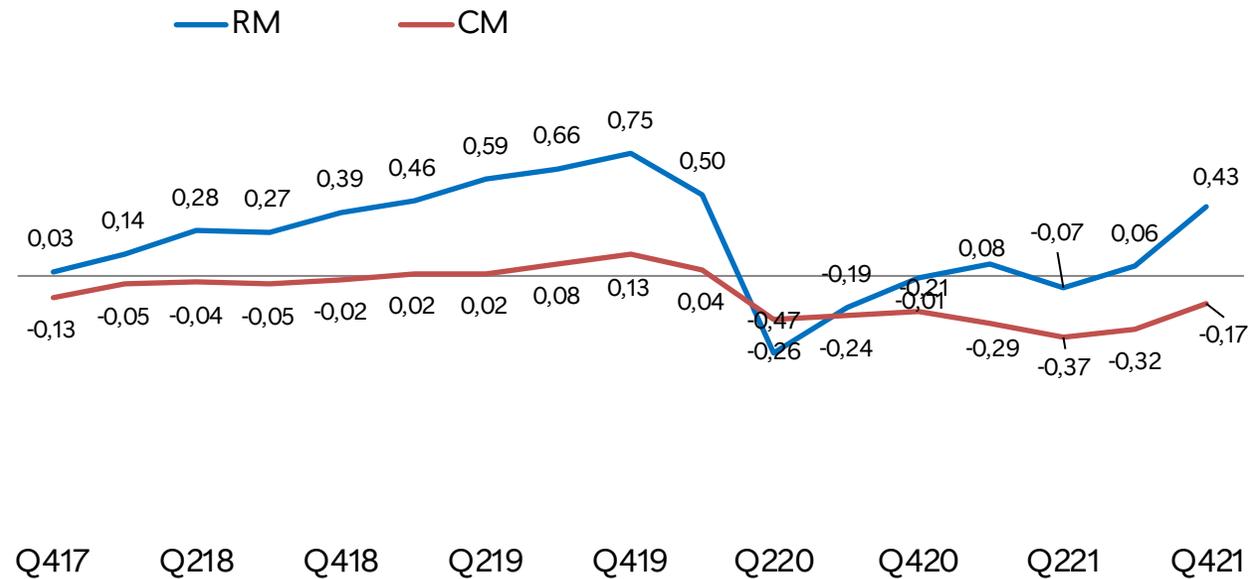


Deposit margins

Increased NIBOR strengthened deposit margins in the quarter

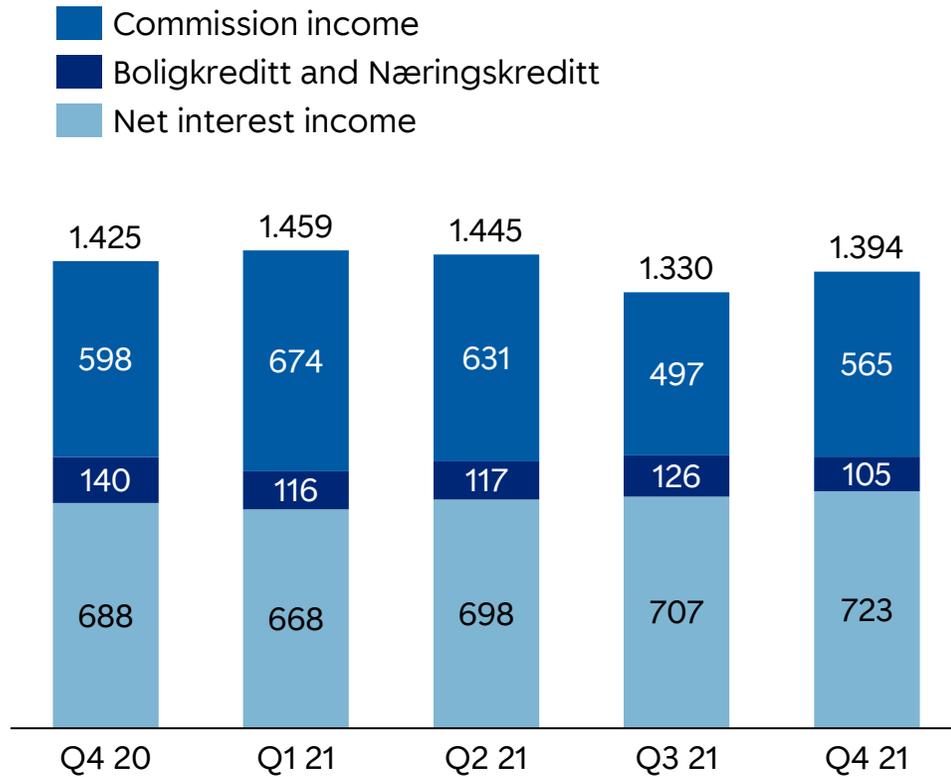
Deposit rates increased following Norges Banks rate hike

Deposit margins versus 3M NIBOR



Robust income platform

Net interest income and other income



Commission income

<i>NOK mill</i>	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20
Payment transmission income	72	61	56	49	56
Credit cards	14	14	13	14	14
Commissions savings and asset mgmt	13	17	14	15	13
Commissions insurance	55	54	53	52	51
Guarantee commissions	22	13	14	14	6
Estate agency	100	107	131	103	93
Accountancy services	114	114	154	148	111
Securities	158	110	182	275	245
Other commissions	17	7	14	5	9
Commissions ex. Bolig/Næringskreditt	565	497	631	675	598
Commissions Boligkreditt (cov. bonds)	102	123	113	112	136
Commissions Næringskreditt (cov. bonds)	3	3	4	4	4
Total commission income	671	623	748	790	738

Cost development

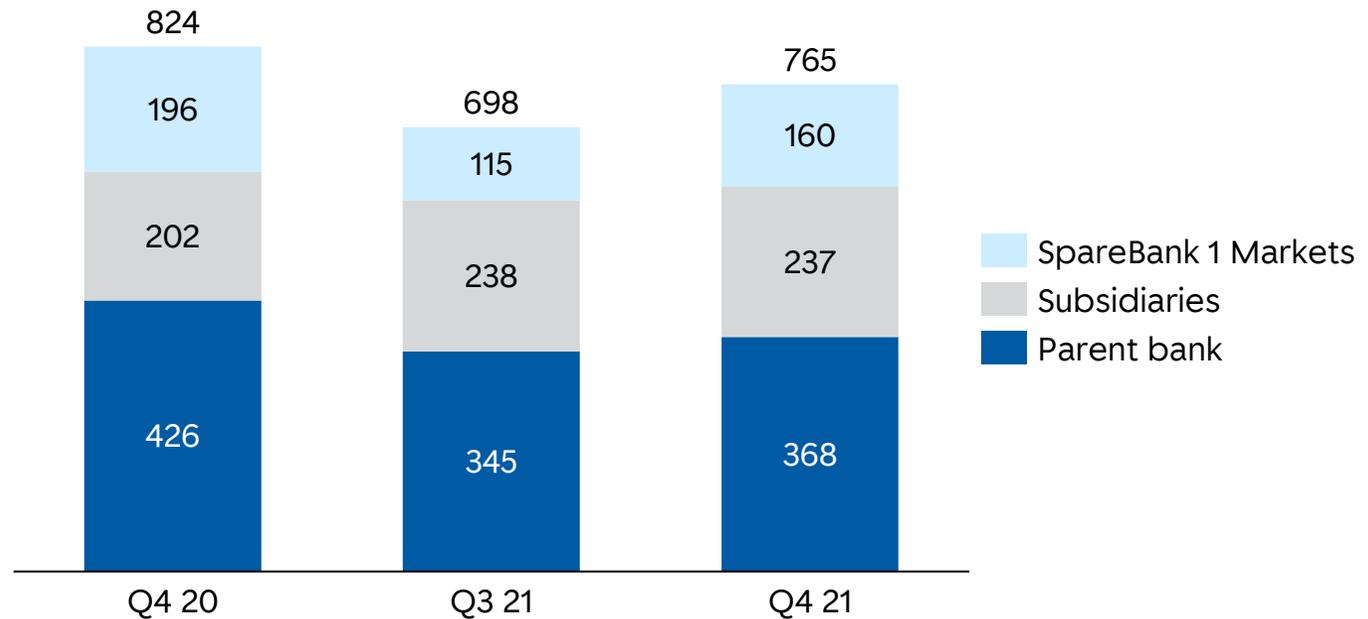
Reduced costs year-on-year

SpareBank 1 Markets with lower costs YoY due to extraordinary high income, and associated costs, in Q4 20

Cost growth in subsidiaries contributable to acquisitions and IT investments in the accountancy arm and high activity in the brokerage firm EM1

The parent banks' 2020 costs include reorganisation costs of NOK 80m. Growth exceeding this is mainly attributable to employee bonuses and increased IT costs

Total quarterly costs (NOK mill)



Reduced losses in 2021

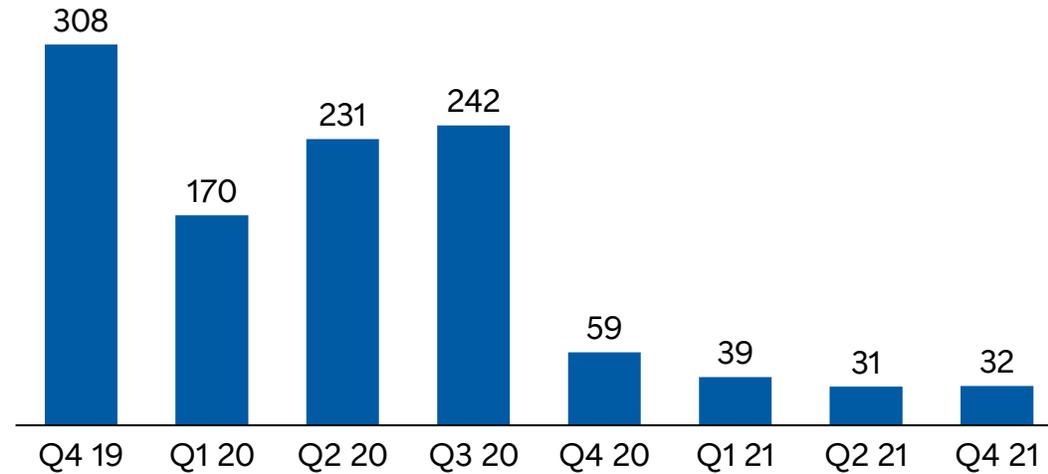
Loan losses measured 0.07% (annualised) of gross loans in the fourth quarter

Significant improvement in the offshore portfolio. Higher utilisation, freight rates and more ships are contracted

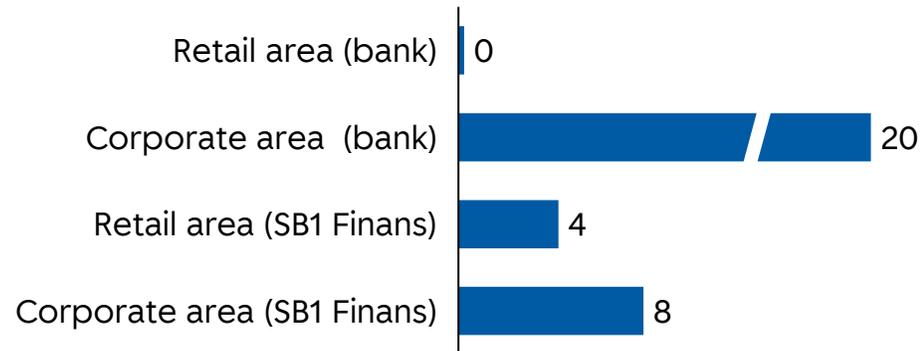
Low exposure towards segments hit by covid

Very low number of bankruptcies in Mid-Norway in 2021. Down 21 per cent compared to 2020, 41 per cent below 2019

Loan losses (NOKm)

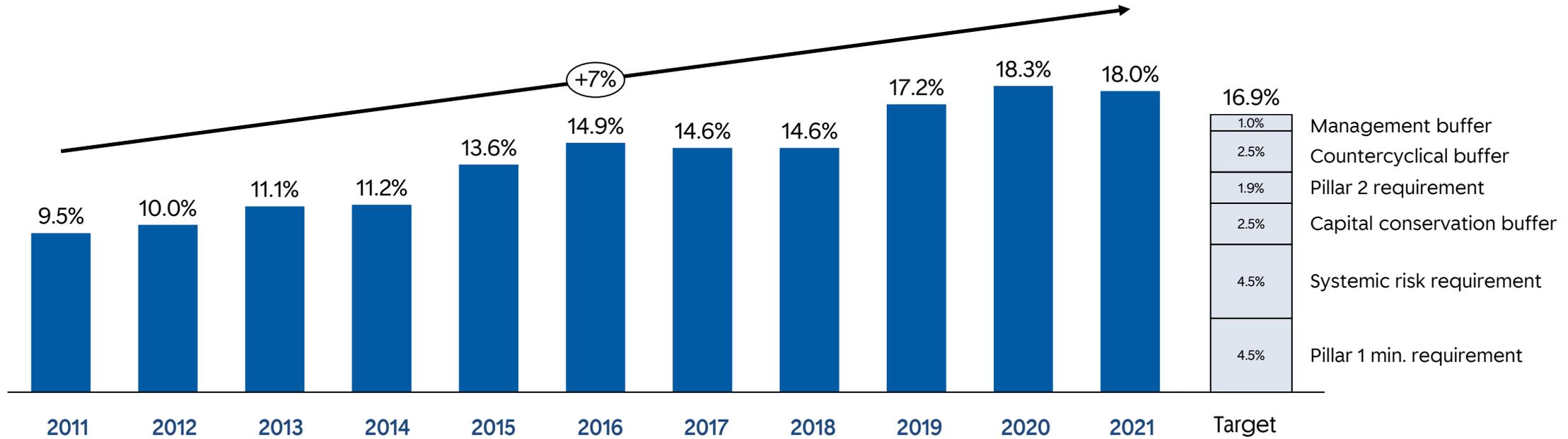


Distribution of losses Q321



Strong trend in CET1 capital and capital adequacy

CET1 ratio in per cent



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
CET1	6 687	8 254	9 374	10 679	12 192	13 223	13 820	14 727	15 830	17 041	17 790
ROE	12.8%	11.7%	13.3%	15.1%	10.7%	11.3%	11.5%	12.2%	13.7%	10.0%	13.5%
RWA	75 337	82 450	84 591	95 322	89 465	88 786	94 807	101 168	91 956	93 096	98 664

Dividend

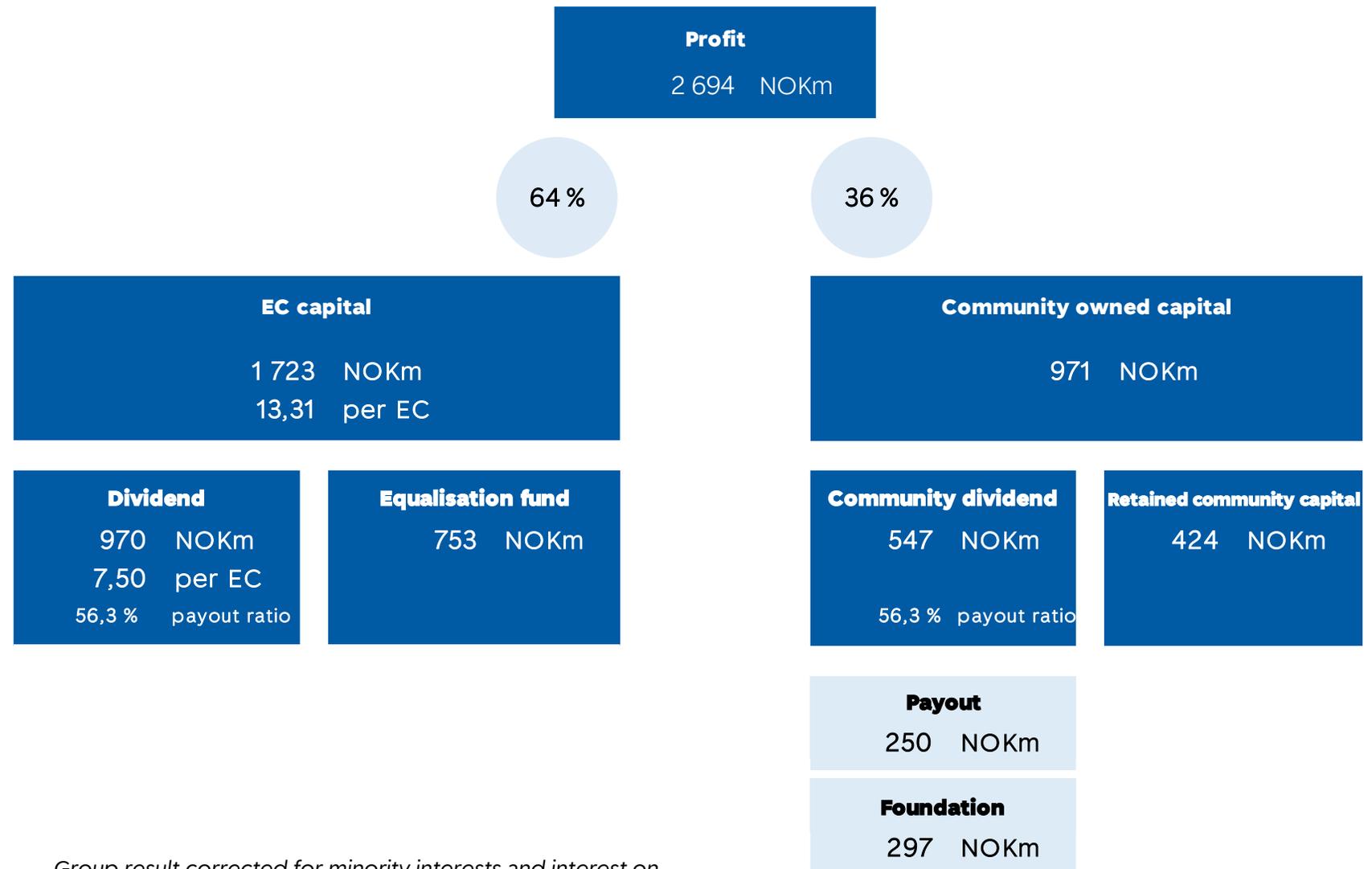
Proposed dividend NOK 7.50 per EC

Total dividend of NOK 970m

Community dividend of NOK 547m, of which NOK 250m to be distributed to non-profit causes

Payout ratio of 56.3 per cent

NOK 1,177m of the result is retained earnings



Group result corrected for minority interests and interest on hybrid capital

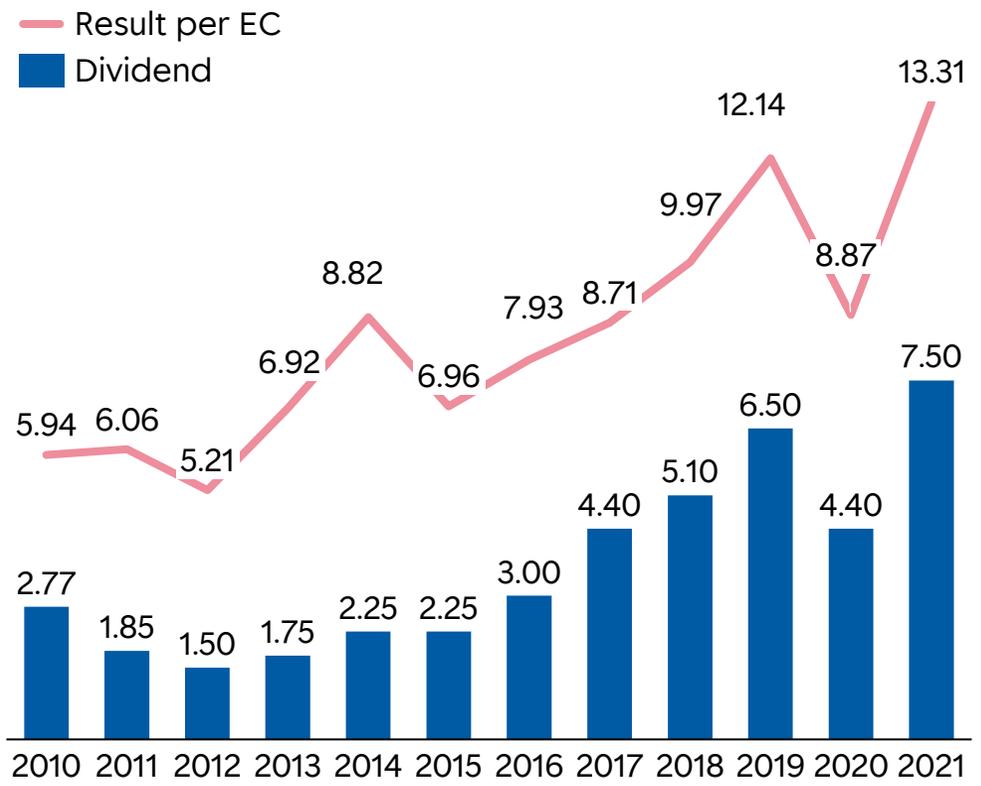
Solid profitability has given good return for owners

28 good years



Source: Refinitiv Datastream SB1M

Good results and high payout ratio from SMN





SpareBank 1 SMN (MING) - an attractive investment

1

High return over time and solidly capitalised. Efficient banking operations and unrealised income and cost synergies in the group. Shareholder-friendly dividend policy

2

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

3

A good brand with development potential based on ownership model, presence and sustainability

4

Substantial underlying value through ownership positions in and outside SpareBank 1-alliansen

5

Well positioned as regards to consolidation among Norwegian savings banks

Trond Søråas will be the new CFO at SpareBank 1 SMN



Trond Søråas replaces Kjell Fordal

As from March 2022 he takes over the role as CFO and head of Group Finance and Governance at SpareBank 1 SMN

Mr. Søråas comes from BN Bank where he has held the post of CFO since 2010

Knows the region

- Trond has solid experience of the industry and knows the region well. In addition he has a thorough knowledge of both SpareBank 1 SMN and SpareBank 1 Alliance. It was important for us to find a candidate with considerable financial expertise, proven track record and a strong commitment to our region. Trond meets all these criteria, says Mr. Janson.

Mr. Søråas holds a master's degree in business administration and is an authorised financial analyst. In March 2022 he will take over as CFO at SpareBank 1 SMN, replacing Kjell Fordal who will be retiring after 40 years with the bank.

- I really look forward to getting down to the job, and to becoming a part of the region's leading financial services group with its strong specialist units and clear goals. Kjell Fordal leaves a solid foundation which I look forward to further developing together with skilled colleagues, says Mr. Søråas

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Appendix



A strong 2021

12.7 per cent return on equity in Q4

Good net interest income, reduced costs and low loan losses

Good results from Fremtind Forsikring and SpareBank 1 Forsikring

A record result of NOK 2.9bn

NOK mill	2021	2020	Change	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20
Net interest income	2.796	2.759	38	723	707	698	668	688
Commission income and other income	2.832	2.516	316	671	623	748	790	738
Operating income	5.628	5.275	354	1.394	1.330	1.445	1.459	1.425
Total operating expenses	2.993	2.904	89	765	698	735	796	824
Pre-loss result of core business	2.635	2.370	265	629	633	711	663	601
Losses on loans and guarantees	161	951	-791	32	31	39	59	242
Post-loss result of core business	2.475	1.419	1.056	597	601	672	604	359
Related companies	705	341	364	186	179	212	128	117
Gain Fremtind	0	340	-340					
Securities, foreign currency and derivatives	321	269	52	33	69	59	161	80
Result before tax	3.501	2.370	1.132	816	849	942	893	556
Tax	609	400	209	112	175	191	131	105
Result investment held for sale	10	9	1	0	1	4	6	0
Net profit	2.902	1.978	924	703	675	755	768	450
Return on equity	13,5 %	10,0 %		12,7 %	12,4 %	14,3 %	14,8 %	8,9 %

Commission income

Year to date and quarterly numbers

<i>NOK mill</i>	2021	2020	Change	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20
Payment transmission income	238	219	19	72	61	56	49	56
Credit cards	56	59	-3	14	14	13	14	14
Commissions savings and asset mgmt	59	53	6	13	17	14	15	13
Commissions insurance	214	195	19	55	54	53	52	51
Guarantee commissions	64	48	16	22	13	14	14	6
Estate agency	441	392	49	100	107	131	103	93
Accountancy services	529	506	24	114	114	154	148	111
Securities	725	577	148	158	110	182	275	245
Other commissions	43	45	-3	17	7	14	5	9
Commissions ex. Bolig/Næringskreditt	2.368	2.094	274	565	497	631	675	598
Commissions Boligkreditt (cov. bonds)	450	408	41	102	123	113	112	136
Commissions Næringskreditt (cov. bonds)	14	13	1	3	3	4	4	4
Total commission income	2.832	2.516	316	671	623	748	790	738

Product companies in SpareBank 1-alliansen

Year to date and quarterly numbers

Share of profits after tax

NOK mill, SMN's share in parentheses	2021	2020	Change	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20
SpareBank 1 Gruppen (19.5%)	471	194	277	173	83	148	67	87
Gain SpareBank 1 Forsikring	0	340	-340	0	0	0	0	0
SpareBank 1 Boligkreditt (20.9%)	16	18	-2	-2	11	3	4	-4
SpareBank 1 Næringskreditt (12.8%)	7	18	-11	0	-1	4	3	5
BN Bank (35.0%)	164	120	44	42	40	42	40	36
SpareBank 1 Kreditt (19.2%)	13	2	11	2	10	1	0	0
SpareBank 1 Betaling (21.5%)	-15	-2	-13	-9	0	-5	-1	1
SpareBank 1 Forvaltning (19.9%)	32	0	32	12	13	8	0	0
Other companies	17	-10	27	-32	-2	11	14	-9
Sum associated companies	705	681	24	186	179	212	128	117

Subsidiaries

Year to date and quarterly numbers

Profit before tax

NOK mill, SMN's share in parentheses	2021	2020	Change	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20
EiendomsMegler 1 Midt-Norge (87 %)	71	52	19	1	8	41	21	2
SpareBank 1 Regnskapshuset SMN (89 %)	85	110	-25	3	21	33	27	22
SpareBank 1 Finans Midt-Norge (56,5 %)	198	184	14	45	35	63	55	52
SpareBank 1 Markets (67 %)	254	169	85	51	23	62	118	91
SpareBank 1 SMN Invest (100%)	187	6	181	-4	61	21	109	21
Other companies	4	8	-5	0	1	2	1	2
Subsidiaries	799	530	269	97	149	223	330	190

Return on financial investments

Year to date and quarterly numbers

<i>NOK mill</i>	2021	2020	Change	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20
Net gain/(loss) on stocks	176	-4	180	15	36	23	102	-3
Net gain/(loss) on financial instruments	21	125	-104	-9	14	-4	20	51
Net gain/(loss) on forex	70	82	-12	24	16	15	15	3
Net gain/(loss) on stocks and stock derivatives SB1 Markets	31	28	4	1	2	8	20	2
Net return on financial instruments	299	230	69	32	68	42	158	53

Equity certificate, key figures

Key figures	2021	2020	2019	2018	2017
ECC ratio	64,0 %	64,0 %	64,0 %	64,0 %	64,0 %
Total issued ECCs (mill)	129,39	129,39	129,30	129,62	129,38
ECC price	149,00	97,60	100,20	84,20	82,25
Market value (NOKm)	19 279	12 629	12 956	10 914	10 679
Booked equity capital per ECC	103,48	94,71	90,75	83,87	78,81
Post-tax earnings per ECC, in NOK	13,31	8,87	12,14	9,97	8,71
Dividend per ECC	7,50	4,40	6,50	5,10	4,40
P/E	11,19	11,01	8,26	8,44	9,44
Price / Booked equity capital	1,44	1,03	1,10	1,00	1,04

Change in net interest income from Q3 to Q4

NIBOR increased in Q4:

Lending growth and higher deposit margins strengthens NII

Lower lending margins decreased NII

Return on equity capital increases

Change from Q3 to Q4 2021

Net interest this quarter	723
Net interest previous quarter	707
Change	16
Obtained as follows:	
Fees on lending	2
Lending volume	10
Deposit volume	0
Lending margin	-95
Deposit margin	70
Equity capital	17
Funding and liquidity buffer	15
Subsidiaries	-3
Change	16

Change in net interest income 2020 - 2021

NIBOR3M increased in the second half of 2021, but the yearly average was below 2020

Lending growth strengthens NII, while lower lending margins subdues the effect

Change from 2020 to 2021

Net interest 2021	2 796
Net interest 2020	2 759
Change	38
Obtained as follows:	
Fees on lending	10
Lending volume	206
Deposit volume	-13
Lending margin	-263
Deposit margin	54
Equity capital	1
Funding and liquidity buffer	29
Subsidiaries	14
Change	38

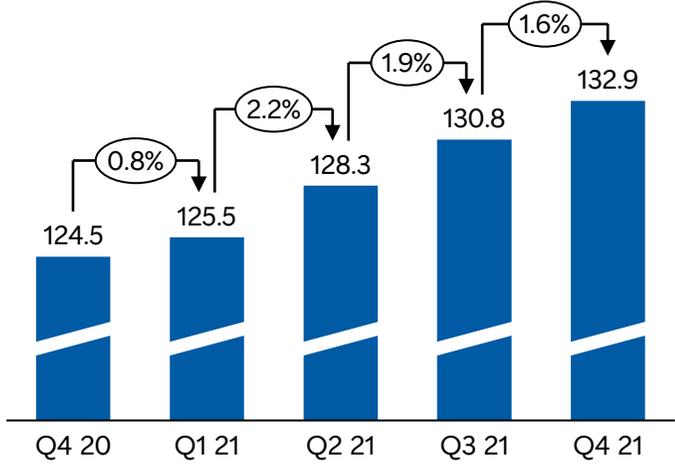
Balance sheet

NOKbn	31.12.21	31.12.20	31.12.19
Funds available	36,7	34,5	26,0
Net loans	145,9	133,1	125,3
Securities	2,7	2,4	3,0
Investment in related companies	7,4	7,3	6,5
Goodwill	0,9	0,9	0,9
Other assets	5,3	9,7	5,1
Total Assets	198,8	187,9	166,7
Capital market funding	55,4	57,0	51,9
Deposits	111,3	97,5	85,9
Other liabilities	7,1	10,3	6,4
Subordinated debt	1,8	1,8	2,1
Equity ex hybrid bonds	21,9	20,0	19,1
Hybrid bonds	1,3	1,3	1,3
Total liabilities and equity	198,8	187,9	166,7
In addition loans sold to Boligkreditt and Næringskreditt	48,1	48,2	41,5

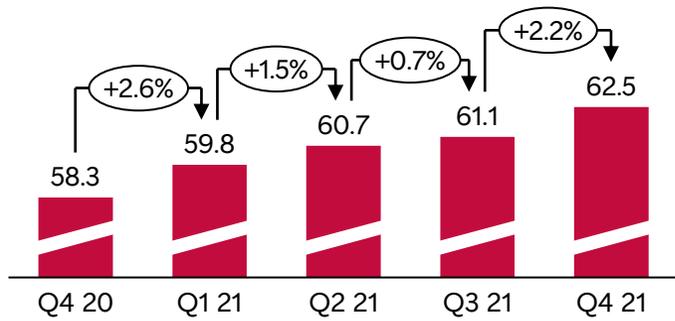
Lending per quarter

Relatively stable growth in retail and corporate markets last quarters

Retail Market

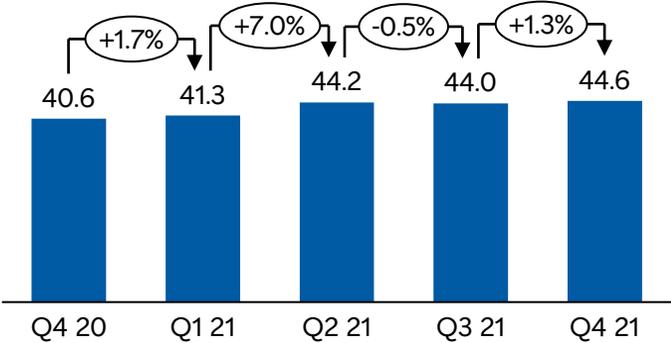


Corporate Market

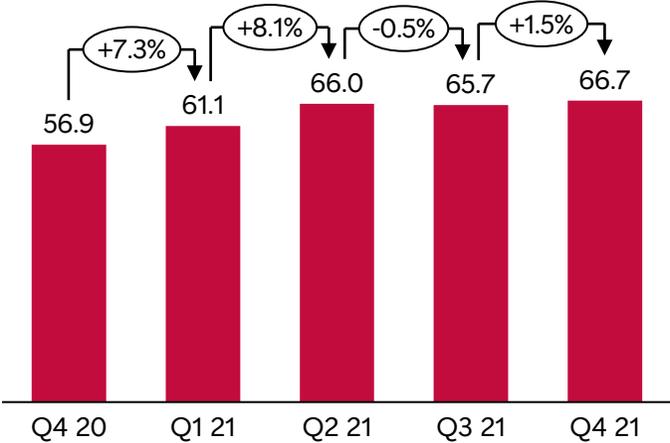


Deposits per quarter

Retail Market



Corporate Market

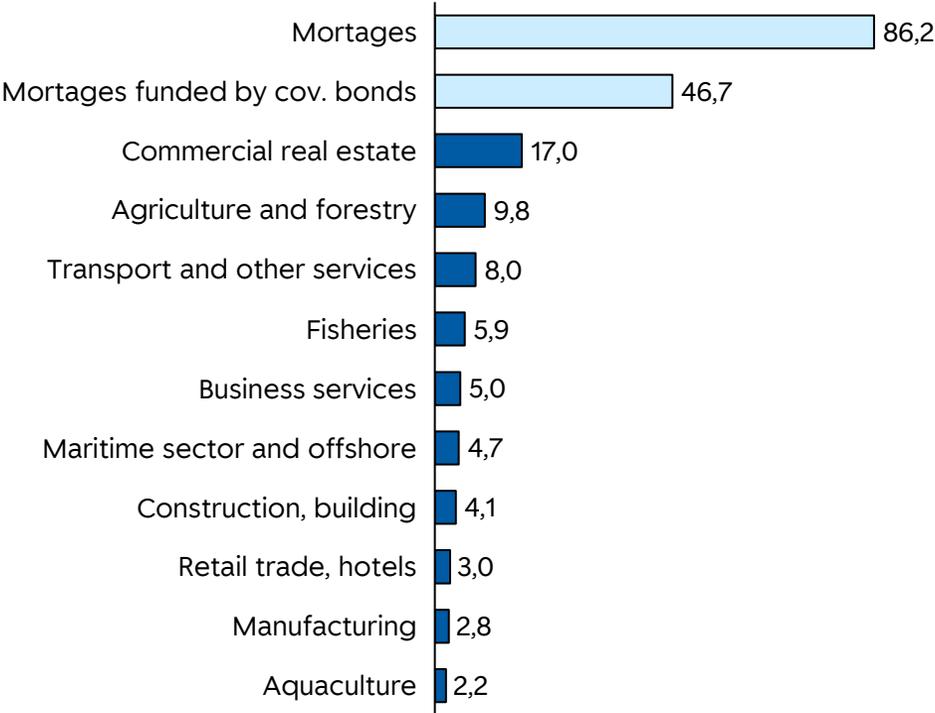


Increase in deposits from retail market and corporate market in Q4 following a reduction in Q3

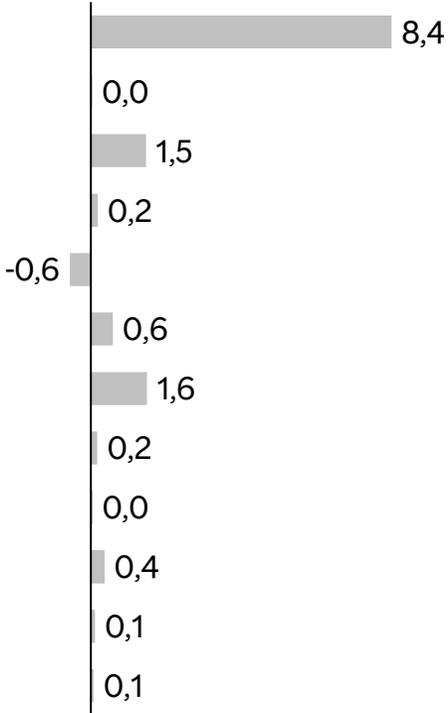
Robust loan portfolio

The portfolio is dominated by mortgages, and the corporate portfolio reflects the composition of Mid-Norway's business sector

Loan portfolio per 31.12.21 (bNOK)



Changes last 12 months (bNOK)



Potential problem loans

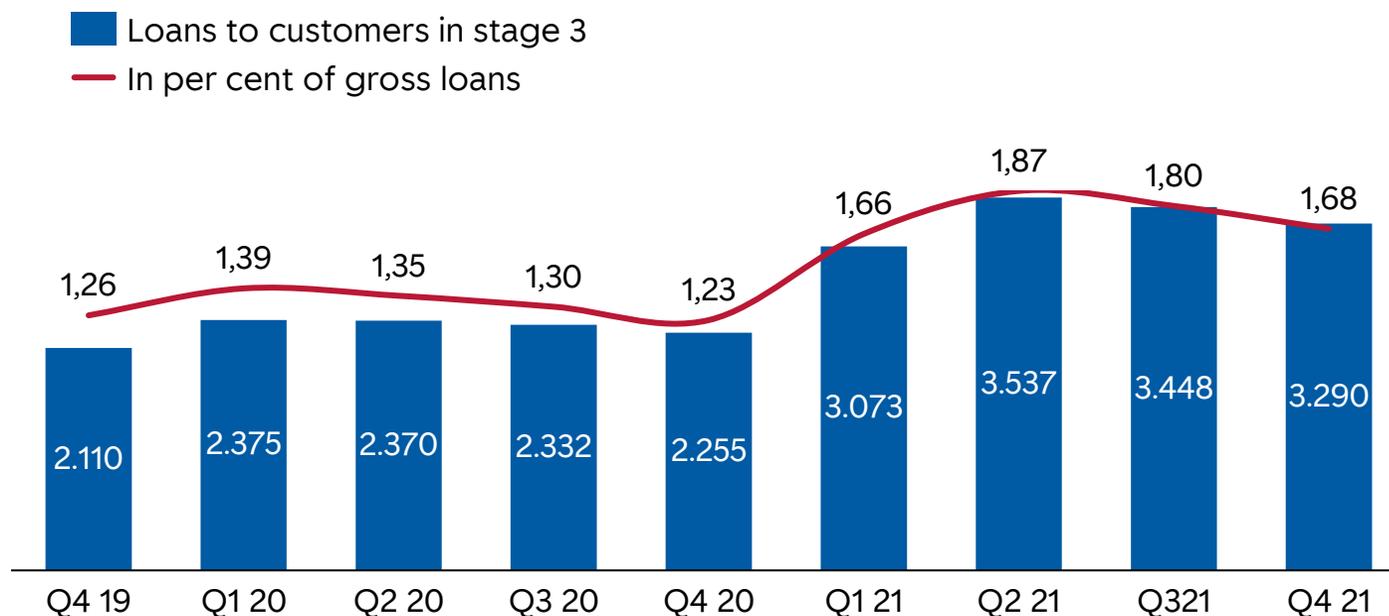
New regulatory definition of default increased stage 3 loans from 2021

The new definition has not changed the credit risk exposure; hence it has no material effect on losses

The increase in potential problem loans in 2021 is due to exposures that previously exited non-performing status, but are classified as on probation according to the new regulatory definition of default

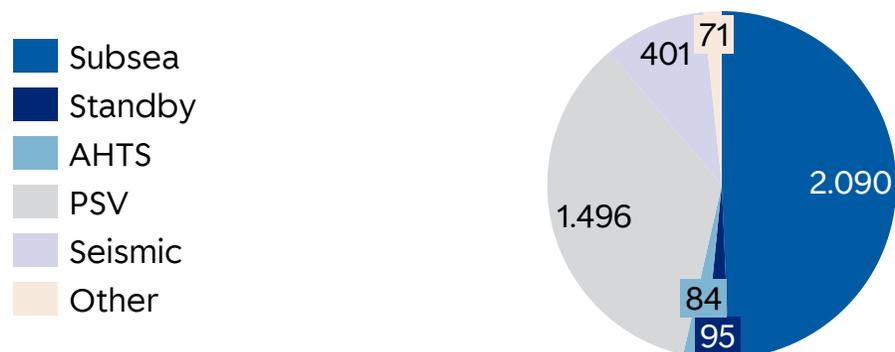
In Q4 a few exposures went off probation, reducing loans to customers in stage 3

Loans to customers in stage 3

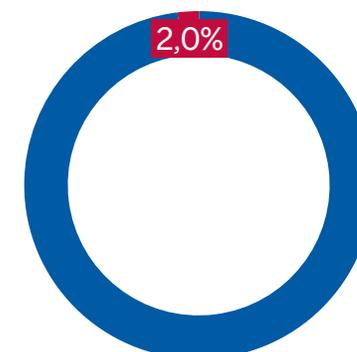


Offshore supply vessels constitutes a decreasing part of total exposure (2%). 16.1% of the offshore portfolio written down

EAD per segment (mill NOK)



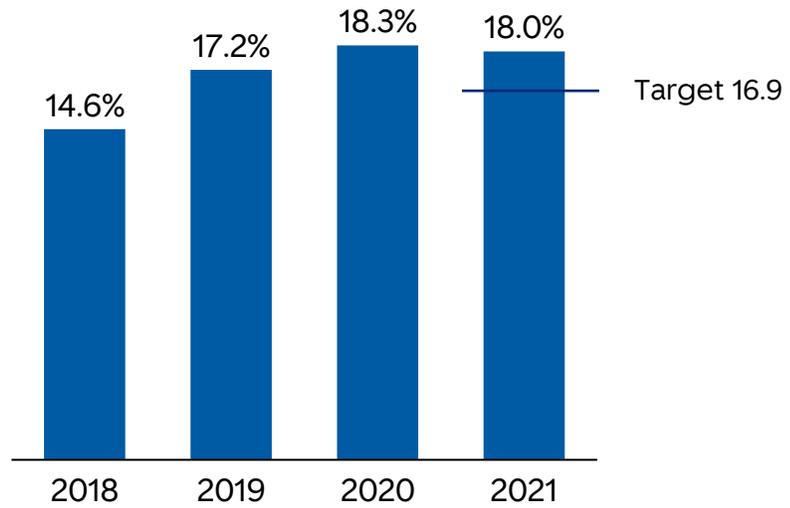
Offshore share of overall EAD



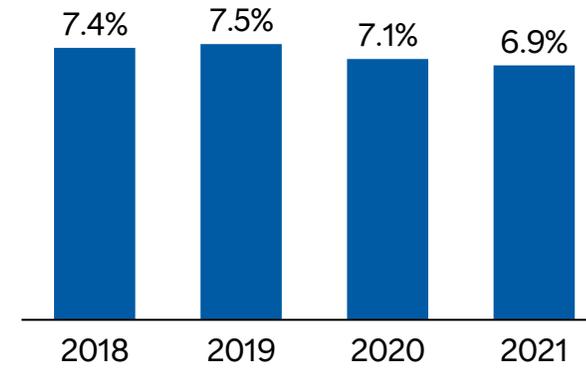
Distribution	EAD	Loans	Stage 3	Stage 1/2	Total impairments	Share of EAD
Low risk	292	218			0,3	0,1 %
Medium risk	1 763	1 337		125	125	7,1 %
High risk	500	244		46	46	9,1 %
Obligors with impairments/defaulted	1 683	1 683	510		510	30,3 %
Total	4 238	3 482	510	171	681	16,1 %

Strong capitalisation

CET1 ratio

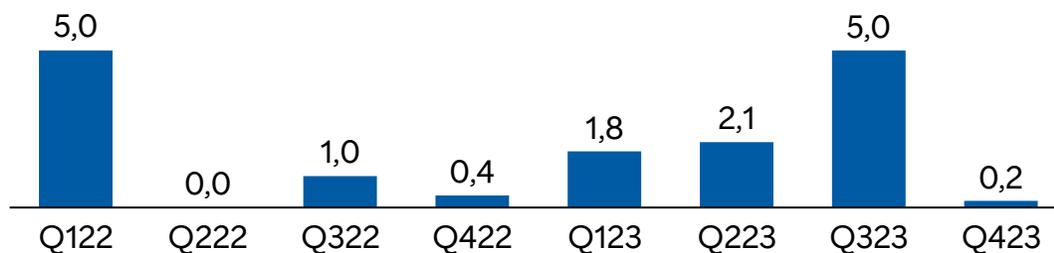
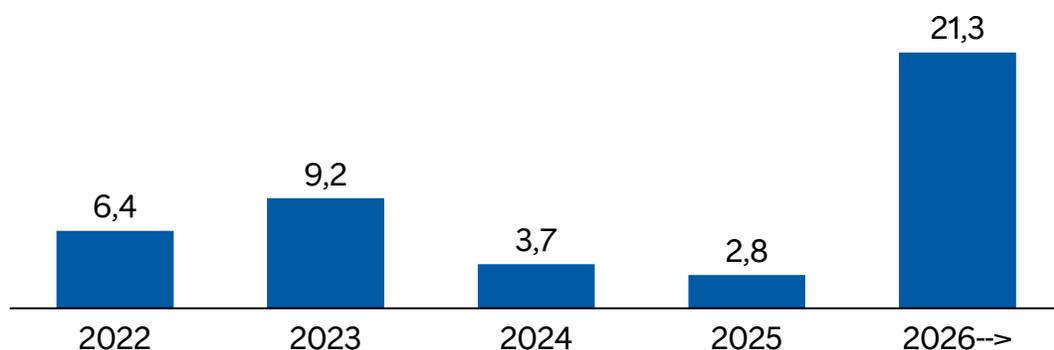


Leverage ratio



Good access to capital market financing

Maturity structure as at December 31 2021 (NOKbn)



Comments

Boligkreditt and Næringskreditt are significant sources of funding; mortgages totalling NOK 48bn sold as at 31 December 2021

Total maturing over next 2 years NOK 15.5bn:

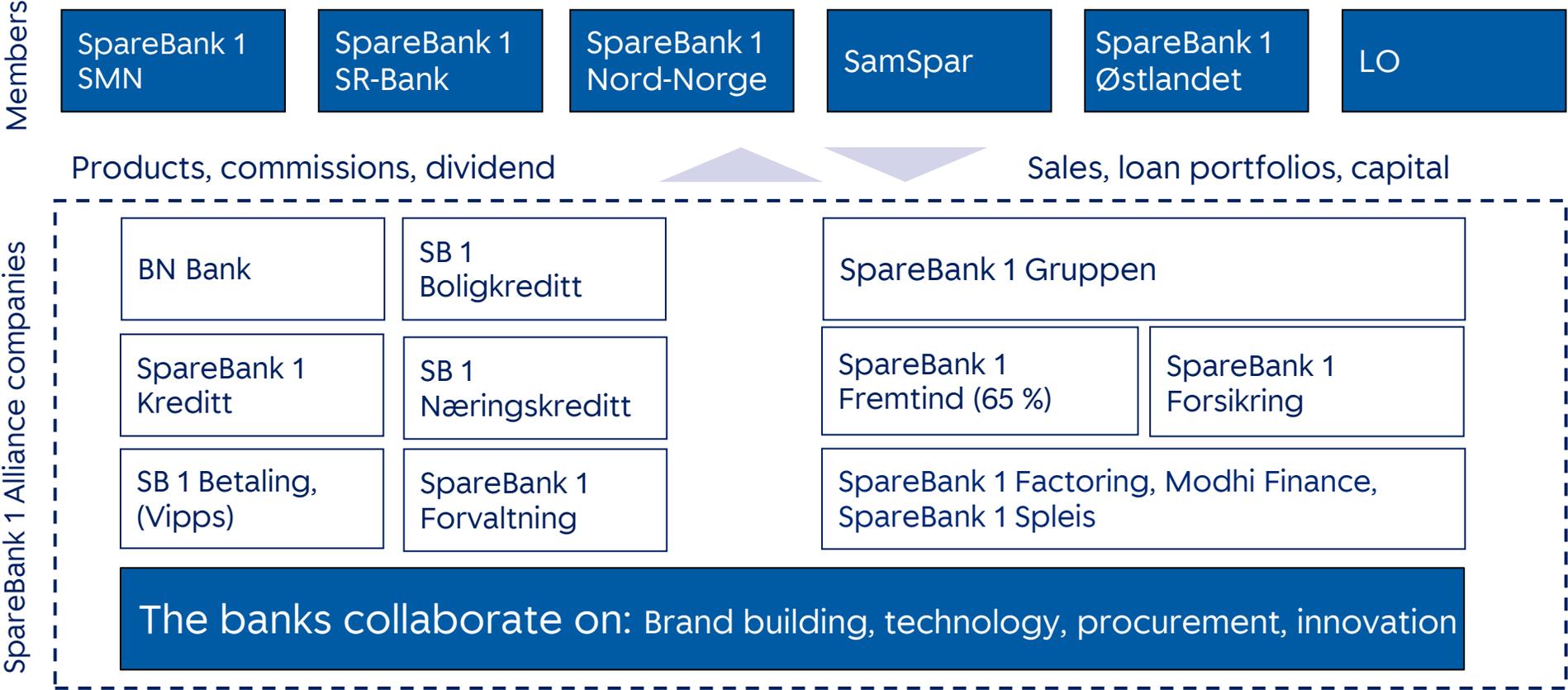
- NOK 6.4bn in 2022
- NOK 9.1bn in 2023

LCR 138% as at 31 December 2021, well within the target in the liquidity strategy

SpareBank 1 SMN have issued senior non-preferred debt (MREL) of NOK 3.5bn, of which NOK 2.5bn in 2021

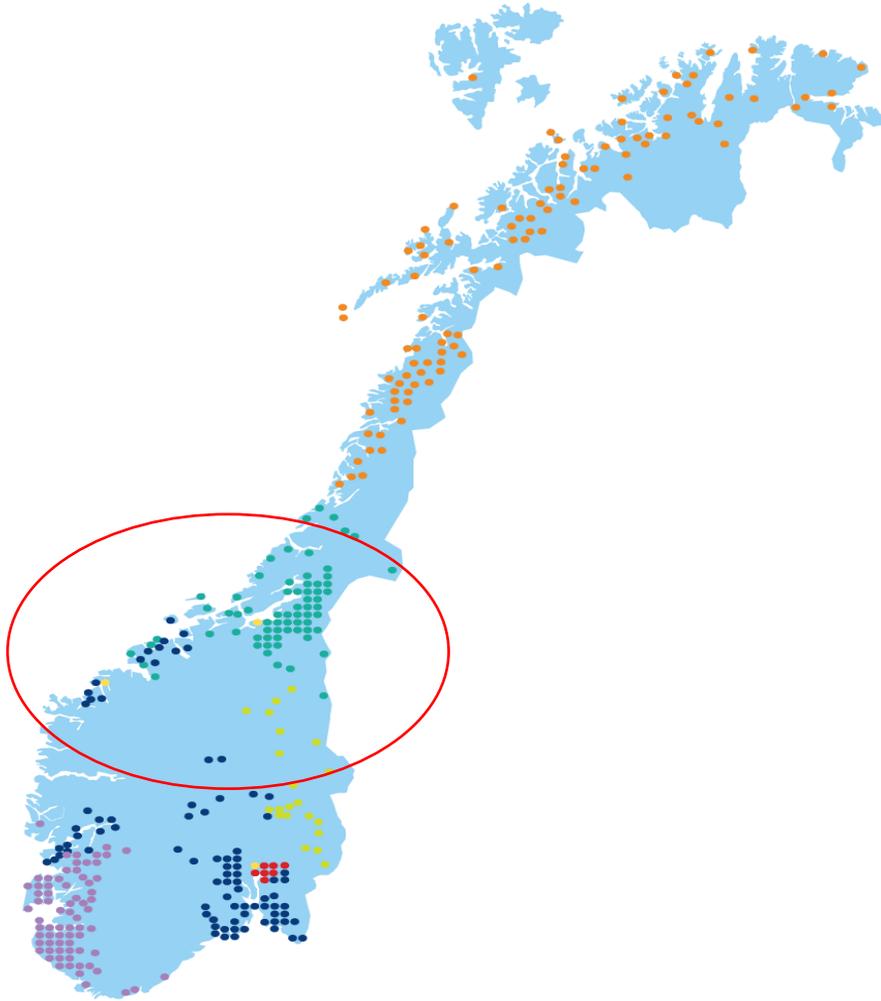
SpareBank 1 SMN issued a green senior bond of EUR 500m with a 7-year maturity in February 2021

The SpareBank 1 Alliance



The SpareBank 1 Alliance

Strong position nationally, regional focus



- SpareBank 1-alliansen consists of 15 banks
- Operates exclusively in Norway
- The bank grouping in Norway with the most bank branches
- The SpareBank 1 banks are on the forefront of digitalisation and technological development
- The SpareBank 1 banks are independent banks in their respective regions
- They are market leaders in their most important regional market areas
- The largest of them (~ 80% of total assets) have the following rating:

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