



Q4

Fourth quarter 2022

(Unaudited)

Sbanken Boligkreditt AS

Key figures

In NOK thousand	Reference	2022	2021
Summary of income statement			
Net interest income		109 582	386 982
Net other income		-6 443	-21 258
Total income		103 139	365 724
Other operating expenses		-10 369	-10 356
Operating profit before loan losses		92 771	355 368
Loan losses		-397	760
Earnings before tax		92 374	356 128
Tax expense		-18 008	-76 389
Net profit		74 366	279 739
Balance sheet figures (in million NOK)			
Total loan volume		32 885	38 135
Covered bonds issued (nominal value)		31 255	30 405
Covered bonds issued (carried value)		31 771	30 806
Total assets, end of period		38 762	39 890
Losses and defaults			
Loss rate (%)	1	0.00%	0.00%
Solvency			
Common equity Tier 1 ratio	2	18.2%	16.1%
Tier 1 capital ratio		19.9%	17.7%
Total capital ratio		22.4%	20.0%
Leverage ratio		6.7%	6.3%
Other			
Loan to value	3	52.1%	49.7%
Cover Pool	4	36 188	38 682
Over-collateralisation (OC), (nominal)		15.8%	27.2%

Alternative Performance Measures

Sbanken Boligkreditt AS (the company) discloses alternative performance measures as a supplement to the financial statements prepared in accordance with IFRS. Such performance measures are commonly used by analysts, investors and other stakeholders to evaluate the performance of the company in isolation or relative to the financial industry. The measures are provided to give an enhanced insight into the operations, financing and future prospects of the company. Some of the measures are presented in detail in notes to the financial statement and not repeated here.

References

1) Loss rate is calculated as the loan losses of the period divided by the average loan volume of the period. The measure is commonly used by banks and industry analysts to indicate the performance and quality of the lending book. For interim periods the loan losses for the period is annualised using the number of days in the period to the total number of days in the year.

2) Solvency figures are presented including profit for the period. Please refer to note 3 for further detail.

3) Loan-to-Value (LTV) is calculated as the loan amount divided by the estimated value of the property. When calculating a weighted average of LTV for the entire loan book, the credit balance of mortgages is used as weights. The LTV is provided as a measure of lending risk exposure.

4) Cover pool consist of mortgages and supplementary assets eligible according to the covered bonds legislation in Norway. Please refer to note 7 for further detail.

Fourth Quarter Results

Sbanken Boligkreditt AS had a net loss of NOK 3.9 million in the fourth quarter of 2022, compared with a profit of NOK 57.0 million in the fourth quarter of 2021.

Significant market rate increases related to funding, as seen in 2022, has a temporary negative impact on net interest margin leading to a loss in this quarter. The main reason for this is the six weeks' notice period for increasing the interest rate on mortgages.

At the end of the quarter, customer loans amounted to NOK 32.9 (38.1) billion. Outstanding covered bonds amounted to NOK 31.3 (30.4) billion. The average loan-to-value (LTV) ratio was 52.1 (49.7) per cent.

Sbanken Boligkreditt AS ("Sbanken Boligkreditt" or "the company") is a vehicle to fund the Sbanken group by issuing covered bonds based on residential mortgages. The company's office is located in Bergen, Norway.

All comparable figures refer to the corresponding period previous year unless otherwise stated.

Important events during the quarter

Norges Bank raised the key policy rate with 0.25 percentage points, to 2.50 percent in November, and a further 0.25 percentage points to 2.75 percent in December.

Operating income

Operating income decreased to NOK -2.4 million, compared with NOK 74.4 million in the fourth quarter of 2021, following a decrease in net interest income to NOK -5.4 (74.9) million and an increase in other operating income to NOK 3.0 (-0.5) million.

Operating expenses

Operating expenses amounted to NOK 2.5 (1.6) million in the quarter and consisted mainly of administrative expenses related to the company's hire of management and administrative resources from Sbanken ASA.

Impairments and losses

Loan losses amounted to NOK 1.0 million in the quarter, compared with NOK 0.3 million in the fourth quarter of 2021. At the end of the quarter, expected credit losses (ECL) amounted to NOK 5.6 million.

Taxes

The estimated tax expense was NOK -2.0 (15.5) million in the quarter, corresponding to a negative effective tax rate in the quarter, compared with an effective tax rate of 21.4 per cent in the fourth quarter of 2021.

Loans to customers

Loans to customers decreased to NOK 32.9 (38.1) billion.

Capitalisation, liquidity and financial position

Sbanken Boligkreditt had total equity of NOK 2.6 billion as of quarter-end. The CET1 capital ratio was 18.2 per cent against a regulatory CET1 capital requirement of 13.5 per cent. The tier 1 capital ratio was 19.9 per cent and the total capital ratio 22.4 per cent. The leverage ratio was 6.7 per cent against a regulatory requirement of 3 per cent. The capital ratios include 100 per cent retained earnings for 2022.

As of quarter-end, Sbanken Boligkreditt had total liquid assets of NOK 5.5 (1.5) billion.

Sbanken Boligkreditt had NOK 31.3 (30.4) billion in outstanding debt issued as covered bonds as of 31 December 2022. Covered bonds issued by Sbanken Boligkreditt have been assigned the highest rating from Moody's Investors Service (Aaa) with stable outlook, last confirmed 17 September 2021.

Comments on the results for the financial year 2022

Sbanken Boligkreditt AS had a net profit of NOK 74.4 million in 2022, compared with NOK 279.7 million in 2021.

Net interest income decreased to NOK 109.6 (387.0) million. Operating expenses amounted to NOK 10.4 (10.4) million.

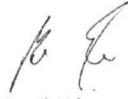
Loan losses in 2022 were NOK 0.4 million, compared with positive NOK 0.8 million in 2021.

Subsequent events

No significant events have occurred after 31 December 2022 that affect the financial statements for the fourth quarter of 2022.

Bergen, 8 February 2023

The Board of Directors, Sbanken Boligkreditt AS



Henrik Lidman
(Chair)



Bjørn Erik Næss



Jørgen Gudmundsson



Sindre Espenes



Øyvind Telle
(CEO)

Income statement

In NOK thousand	Note	Q4 22	Q4 21	2022	2021
Interest income	10	285 814	166 983	867 997	691 894
Interest expense	10	-291 231	-92 078	-758 415	-304 913
Net interest income		-5 417	74 905	109 582	386 982
Net gain (loss) on financial instruments	11	3 030	-524	-6 443	-21 258
Other income		0	0	0	0
Other operating income		3 030	-524	-6 443	-21 258
Total income		-2 387	74 381	103 139	365 724
Personnel expenses	12	-35	-95	-219	-376
Administrative expenses	12	-2 476	-1 535	-10 150	-9 980
Profit before loan losses		-4 898	72 751	92 771	355 368
Loan losses	8	-1 065	-274	-397	760
Profit before tax		-5 963	72 477	92 374	356 128
Tax expense		2 062	-15 516	-18 008	-76 389
Profit for the period		-3 901	56 961	74 366	279 739
Attributable to					
Shareholders		-7 266	54 969	63 890	270 791
Tier 1 capital holders		3 365	1 992	10 476	8 948
Profit for the period		-3 901	56 961	74 366	279 739

Statement of comprehensive income

In NOK thousand	Q4 22	Q4 21	2022	2021
Profit for the period	-3 901	56 961	74 366	279 739
Other comprehensive income				
Other comprehensive income that can be reclassified to profit or loss after tax	266	3 086	7 895	2 255
Other items that can not be reclassified to profit or loss after tax	0	0	0	0
Total components of other comprehensive income (after tax)	266	3 086	7 895	2 255
Total comprehensive income for the period	-3 635	60 047	82 261	281 994
Attributable to				
Shareholders	-7 000	58 055	71 785	273 046
Tier 1 capital holders	3 365	1 992	10 476	8 948
Total comprehensive income for the period	-3 635	60 047	82 261	281 994

Balance sheet

In NOK thousand	Note	31.12.22	31.12.21
Assets			
Loans to and receivables from credit institutions	5	3 975 372	1 000 910
Loans to customers	5,6,7,13	32 879 091	38 129 774
Net loans to customers and credit institutions		36 854 463	39 130 684
Commercial paper and bonds at fair value through other comprehensive income (OCI)	13	1 496 918	520 313
Derivatives		408 670	234 020
Deferred tax assets		2 052	3 689
Other assets		0	1 722
Advance payment and accrued income		0	0
Total assets		38 762 104	39 890 428
Liabilities			
Loans from credit institutions	13	3 973 326	5 873 313
Debt securities issued	9,13	31 771 486	30 805 975
Taxes payable		18 608	76 686
Other liabilities		82 472	30 800
Subordinated loan	9	325 000	325 000
Total liabilities		36 170 892	37 111 774
Equity			
Share capital		850 000	850 000
Share premium		849 880	849 880
Additional Tier 1 capital		226 909	226 136
Other equity		664 423	852 638
Total equity		2 591 212	2 778 654
Total liabilities and equity		38 762 104	39 890 428

Statement of changes in equity

In NOK thousand	Share capital	Share premium	Additional Tier 1 capital	Changes in fair value through other comprehensive income	Other equity	Total equity
Balance sheet as at 01.01.21	850 000	849 880	225 837	-11 740	821 331	2 735 308
Profit for the period to other equity (01.01.21 - 31.12.21)					270 791	270 791
Profit for the period to Tier 1 capital holders (01.01.21 - 31.12.21)			8 948			8 948
Payments to Tier 1 capital holders (01.01.21 - 31.12.21)			-8 649			-8 649
Net change of financial instruments at fair value through other comprehensive income (01.01.21 - 31.12.21)				2 255		2 255
Dividend to shareholder					-230 000	-230 000
Balance sheet as at 31.12.21	850 000	849 880	226 136	-9 485	862 122	2 778 654
Profit for the period to other equity (01.01.22 - 31.12.22)					63 890	63 890
Profit for the period to Tier 1 capital holders (01.01.22 - 31.12.22)			10 476			10 476
Payments to Tier 1 capital holders (01.01.22 - 31.12.22)			-9 703			-9 703
Net change of financial instruments at fair value through other comprehensive income (01.01.22 - 31.12.22)				7 895		7 895
Dividend to shareholder					-260 000	-260 000
Balance sheet as at 31.12.22	850 000	849 880	226 909	-1 590	666 012	2 591 212

Sbanken Boligkreditt AS is a wholly-owned subsidiary of Sbanken ASA.

Statement of cash flows

In NOK thousand	Note	2022	2021
Cash flows from operating activities			
Net payments on loans to customers	5,6	5 273 922	-2 950 422
Interest received on loans to customers	10	823 561	684 363
Interest received on loans to credit institutions		2 941	2 755
Interest paid on loans and deposits from credit institution	10	-87 799	-32 468
Net receipts/payments from buying and selling financial instruments at fair value	13	-968 240	-447 272
Receipts of collateral related to derivatives used in hedge accounting		145 295	-324 708
Interest received from commercial paper and bonds	10	13 831	2 999
Other interest cost		-7 531	-5 053
Payments related to administrative expenses	11	-9 994	-10 072
Payments related to personnel expenses		-224	-376
Taxes paid		-76 685	-67 592
Other receipts/payments		1 918	-3 990
Net cash flows from operating activities		5 110 995	-3 151 836
Cash flows from investment activities			
Net cash flows from investment activities		0	0
Cash flows from financing activities			
Paid dividend to shareholders		-260 000	-230 000
Receipts on issued covered bonds	9	6 500 000	7 000 000
Payments on matured and redeemed covered bonds	9	-5 654 610	-7 255 609
Interest paid on covered bonds	10	-657 496	-289 226
Net receipts on loans and deposits from credit institution	13	-2 045 281	3 351 192
Receipts on subordinated loan	9	0	175 000
Payments on matured and redeemed subordinated loans	9	0	-175 000
Interest paid on subordinated loan	10	-9 443	-17 363
Receipts on share capital and share premium	EQ	0	0
Receipts on issued additional Tier1 capital		0	0
Interest paid on additional Tier 1 capital	EQ	-9 703	-8 649
Net cash flows from financing activities		-2 136 533	2 550 345
Total net cash flows		2 974 462	-601 491
Cash at the beginning of the period		1 000 910	1 602 401
Cash at the end of the period		3 975 372	1 000 910
Change in cash		2 974 462	-601 491
Cash			
Loans to credit institutions		3 975 372	1 000 910
Total cash		3 975 372	1 000 910

EQ = see statement of changes in equity.

Notes

Note 1 – Accounting Principles

The quarterly financial statement for Sbanken Boligkreditt AS has been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board and adopted by the EU. A description of the accounting principles applied in the preparation of the financial statements appears in the annual report for 2021. There have been no changes or amendments to accounting principles in the period.

When preparing the financial statements, the management makes estimates, judgments and assumptions that affect the application of the accounting principles and the carrying amount of assets, liabilities, income and expenses. Estimates and assumptions are subject to continual evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be probable on the balance sheet date. A description of the critical accounting estimates and areas where judgment is applied appear in note 2 in the annual report for 2021.

New and revised standards effective from 1 January 2022

Sbanken Boligkreditt AS has not applied any new accounting standards effective from 1 January 2022.

New and revised standards effective from 1 January 2023 or later

Standards and interpretations that will enter into force for the annual periods beginning 1 January 2023 or later have not been used in the preparation of the financial statements. For Sbanken Boligkreditt AS no new standards will have material effect.

Note 2 – Segment information

Sbanken Boligkreditt AS has only one reporting segment, which comprises residential mortgages to private individuals. Management monitors the company only in relation to this segment.

Note 3 – Capital adequacy

The capital adequacy regulations are intended to improve institutions' risk management and achieve closer concordance between risk and capital. The applicable regulations for Norwegian banks are adapted to the EU's capital adequacy regulations for credit institutions and investment firms (CRD/CRR). Sbanken Boligkreditt AS uses the standard method to establish the risk weighted volume for credit risk and the standardised approach for operational risk. At the balance sheet date, no exposure was included in the volume for market risk.

In NOK thousand	31.12.22		31.12.21	
	Nominal exposure	Risk-Weighted volume	Nominal exposure	Risk-Weighted volume
Central governments	0	0	25 223	0
Regional governments	2 052	5 131	3 689	9 222
Multilateral Development Banks	153 108	0	93 521	0
Institutions	4 106 374	821 275	1 064 958	212 992
Secured by mortgages on immovable property	32 772 925	11 491 412	38 018 708	13 321 577
Exposures in default	106 166	106 166	111 066	111 066
Covered bonds	1 343 811	134 381	401 569	40 157
Other items	0		1 721	1 721
Total credit risk, standardised method ¹	38 484 436	12 558 365	39 720 455	13 696 735
Credit value adjustment risk (CVA risk)		8 555		18 831
Operational risk		425 123		495 738
Total risk- weighted volume		12 992 043		14 211 304
Capital base				
Share capital		850 000		850 000
Share premium		849 880		849 880
Other equity		600 533		581 847
Additional Tier 1 capital		226 909		226 136
Profit for the period		63 890		270 791
Total booked equity		2 591 212		2 778 654
Additional Tier 1 capital instruments included in total equity		-226 909		-226 136
Common equity Tier 1 capital instruments		2 364 303		2 552 518
<i>Deductions</i>				
Value adjustment due to the requirements for prudent valuation (AVA)		-1 497		-520
Part of interim or year-end profit not eligible ²		0		-260 000
Common equity Tier 1 capital		2 362 806		2 291 998
Additional Tier 1 capital		225 000		225 000
Tier 1 capital		2 587 806		2 516 998
Tier 2 capital		325 000		325 000
Own funds (primary capital)		2 912 806		2 841 998
Specification of capital requirements				
Minimum requirements CET1 capital	4.5%	584 642	4.5%	639 509
Capital conservation buffer	2.5%	324 801	2.5%	355 283
Systemic risk buffer	3.0%	389 761	3.0%	426 339
Countercyclical capital buffer	2.0%	259 841	1.0%	142 113
Additional Tier 1 capital	1.5%	194 881	1.5%	213 170
Tier 2 capital	2.0%	259 841	2.0%	284 226
Total minimum and buffer requirements own funds (primary capital)	15.5%	2 013 767	14.5%	2 060 639
<i>Available CET1 capital after buffer requirements</i>		<i>803 761</i>		<i>728 754</i>
<i>Available Own funds (primary capital)</i>		<i>899 040</i>		<i>781 358</i>
Capital ratio %				
Common equity Tier 1 capital		18.2%		16.1%
Additional Tier 1 capital		1.7%		1.6%
Tier 2 capital		2.5%		2.3%
Total capital ratio		22.4%		20.0%

¹ The specification is according to EBA reporting framework.

² Including 100 per cent of the profit for the year 2022 and 2021. Year-end 2021 is adjusted for dividend.

Note 4 – Leverage ratio

The leverage ratio requirements is a supplement to the risk-weighted minimum capital requirements and states that the capital base in financial institutions shall also comprise a defined percentage of the value of the company's assets and off-balance-sheet liabilities, calculated without risk weighting. The capital ratio consists of Tier 1 capital and the exposure target follows the rules in the Commission Delegated Regulation (EU) 2015-62. The minimum leverage ratio requirement for Norwegian banks and credit institutions is three per cent.

The table below shows the calculation for the company, on the basis of existing rule proposals and with credit conversion factors based on the current standardised approach, subject to a floor of 10 per cent.

In NOK thousand		31.12.22	31.12.21
Exposure value on derivatives		131 002	64 047
Loans and advances and other assets		38 353 434	39 656 408
Regulatory adjustments included in Tier 1 capital		0	0
Total leverage exposure		38 484 436	39 720 455
Tier 1 capital		2 587 806	2 516 998
Leverage ratio % ¹⁾		6.7 %	6.3 %
Leverage Ratio requirements			
Minimum requirements	3.0%	1 154 533	1 191 614
Buffer requirements credit institutions	0.0%	0	0
Total minimum and buffer requirements (Tier 1 capital)	3.0%	1 154 533	1 191 614
<i>Available Tier 1 capital after minimum and buffer requirements</i>		<i>1 433 273</i>	<i>1 325 384</i>

¹⁾ Including 100 per cent of the profit for the year 2022 and 2021. Year-end 2021 is adjusted for dividend.

Note 5 – Loans to credit institutions and customers

Gross carrying amount - Loans to credit institutions				
31.12.22				
In NOK thousand	Stage 1, 12-months ECL	Stage 2, Lifetime ECL (not impaired)	Stage 3, Lifetime ECL (impaired)	Total
Opening balance gross carrying amount (before transfers)	1 000 910	0	0	1 000 910
Transfers between stages	0	0	0	0
Opening balance gross carrying amount (after transfers)	1 000 910	0	0	1 000 910
Net new financial assets originated or derecognised	2 974 462	0	0	2 974 462
Changes in interest accrual	0	0	0	0
Closing balance gross carrying amount	3 975 372	0	0	3 975 372
Maturity:				
In NOK thousands				
Loans with agreed maturity	0	0	0	0
Loans without agreed maturity	3 975 372	0	0	3 975 372
Total	3 975 372	0	0	3 975 372
Gross carrying amount - Loans to customers				
31.12.22				
In NOK thousand	Stage 1, 12-months ECL	Stage 2, Lifetime ECL (not impaired)	Stage 3, Lifetime ECL (impaired)	Total
Opening balance gross carrying amount (before transfers)	36 843 621	1 174 358	116 992	38 134 971
Transfers to Stage 1 (12-months ECL)	203 565	-196 801	-6 764	0
Transfers to Stage 2 (Lifetime ECL - not impaired)	-798 021	811 445	-13 424	0
Transfers to Stage 3 (Lifetime ECL - impaired)	-40 856	-27 563	68 419	0
Net new financial assets originated or derecognised	-5 043 632	-177 293	-53 282	-5 274 207
Changes in interest accrual	21 214	2 153	554	23 921
Other movements	0	0	0	0
Closing balance gross carrying amount 31.12.22	31 185 891	1 586 299	112 495	32 884 685
Gross carrying amount - Loans to credit institutions				
31.12.21				
In NOK thousand	Stage 1, 12-months ECL	Stage 2, Lifetime ECL (not impaired)	Stage 3, Lifetime ECL (impaired)	Total
Opening balance gross carrying amount (before transfers)	1 602 401	0	0	1 602 401
Transfers between stages	0	0	0	0
Opening balance gross carrying amount (after transfers)	1 602 401	0	0	1 602 401
Net new financial assets originated or derecognised	0	0	0	0
Financial assets that have been derecognised	-601 491	0	0	-601 491
Changes in interest accrual	0	0	0	0
Closing balance gross carrying amount	1 000 910	0	0	1 000 910
Maturity:				
In NOK thousands				
Loans with agreed maturity	0	0	0	0
Loans without agreed maturity	1 000 910	0	0	1 000 910
Total	1 000 910	0	0	1 000 910

Gross carrying amount - Loans to customers

31.12.21

In NOK thousand	Stage 1, 12-months ECL	Stage 2, Lifetime ECL (not impaired)	Stage 3, Lifetime ECL (impaired)	Total
Opening balance gross carrying amount (before transfers)	33 601 597	1 497 218	84 706	35 183 521
Transfers to Stage 1 (12-months ECL)	626 181	-626 181	0	0
Transfers to Stage 2 (Lifetime ECL - not impaired)	-524 533	526 860	-2 327	0
Transfers to Stage 3 (Lifetime ECL - impaired)	-31 392	-59 808	91 200	0
Net new financial assets originated or derecognised	3 169 300	-163 384	-55 454	2 950 462
Changes in interest accrual	2 468	-347	-1 133	988
Other movements	0	0	0	0
Closing balance gross carrying amount 31.12.21	36 843 621	1 174 358	116 992	38 134 971

Note 6 – Loans to customers by geographical area

Lending by geographical area

In NOK thousand	31.12.22		31.12.21	
	Percentage	Gross lending	Percentage	Gross lending
Eastern Norway ex. Oslo	45.6%	14 983 609	45.9%	17 512 904
Oslo	19.4%	6 392 359	20.6%	7 870 110
Southern Norway	2.1%	675 418	1.8%	705 020
Western Norway	20.9%	6 866 792	19.7%	7 529 846
Central Norway	5.0%	1 635 005	4.8%	1 813 811
Northern Norway	7.1%	2 331 502	7.1%	2 703 280
Total gross lending by geographical area	100.0%	32 884 685	100.0%	38 134 971

Note 7 – Loan-to-value (LTV) and cover pool

In NOK thousand	31.12.22		31.12.21	
Debt related to securities issued, nominal value	31 255 000		30 405 000	
Debt related to securities issued, carried value	31 771 486		30 805 975	
Loans to customers (gross) ¹	32 823 160		38 097 706	
Average size of loan per customer	2 000		1 941	
Number of loans	16 414		19 620	
Weighted average since issuing of the loans (months)	59		55	
Weighted average remaining maturity (months)	263		262	
Average LTV (percent)	52.1		49.7	
Cover pool	31.12.22		31.12.21	
Loans secured with mortgages	32 823 160		38 097 706	
Not eligible for the over-collateralisation calculation	-247 342		-198 070	
Net loans that are in the over-collateralisation	32 575 818		37 899 635	
Supplementary assets	3 611 899		782 779	
Total cover pool for the over-collateralisation calculation	36 187 717		38 682 414	
	Nominal value	Carried value	Nominal value	Carried value
Over-collateralisation (percent)	15.8	13.9	27.2	25.6
Amount surpassing legal minimum requirements and requirements as indicated by rating agency	4 307 617	3 780 801	7 669 314	7 260 320

¹Excluding accrued interest.

Note 8 – Loan losses

Expected credit loss (ECL)				
January - December 2022				
In NOK thousand	Stage 1, 12-months ECL	Stage 2, Lifetime ECL (not impaired)	Stage 3, Lifetime ECL (impaired)	Total
Opening balance ECL 01.01.22	199	442	4 556	5 197
<i>Changes in PDs/LGDs/EADs on existing portfolio:</i>				
Transfers to Stage 1	12	-238	-24	-250
Transfers to Stage 2	-42	452	-29	381
Transfers to Stage 3	-2	-24	790	764
Changes in PDs/LGDs/EADs on existing portfolio, with no transfers	-23	8	206	191
<i>Other changes:</i>				
New financial assets originated	317	266	0	583
Financial assets that have been derecognised	-87	-90	-1 095	-1 272
Write-offs, covered by previous write-downs			0	0
Changes to model assumption and methodologies	0	0	0	0
Other movements	0	0	0	0
Closing balance ECL 31.12.22	374	816	4 404	5 594

Specification of loan losses				
In NOK thousands	Q4 22	Q4 21	2022	2021
Changes in ECL, stage 1	-198	-47	-175	-75
Changes in ECL, stage 2	-402	57	-374	542
Changes in ECL, stage 3	-465	-284	152	293
Write-offs	0	0	0	0
Recoveries of previously written off loans	0	0	0	0
Net cost of loan losses in the period	-1 065	-274	-397	760

Expected credit loss (ECL)				
January - December 2021				
In NOK thousand	Stage 1, 12-months ECL	Stage 2, Lifetime ECL (not impaired)	Stage 3, Lifetime ECL (impaired)	Total
Opening balance ECL 01.01.21	125	984	4 848	5 957
<i>Changes in PDs/LGDs/EADs on existing portfolio:</i>				
Transfers to Stage 1	14	-403	0	-389
Transfers to Stage 2	-15	134	0	119
Transfers to Stage 3	-1	-89	552	462
Changes in PDs/LGDs/EADs on existing portfolio, with no transfers	-161	-428	-133	-722
<i>Other changes:</i>				
New financial assets originated	342	453	129	924
Financial assets that have been derecognised	-105	-209	-840	-1 154
Write-offs, covered by previous write-downs			0	0
Changes to model assumption and methodologies	0	0	0	0
Other movements	0	0	0	0
Closing balance ECL 31.12.21	199	442	4 556	5 197

Note 9 – Issued debt

Carried at amortised cost:

In NOK thousand	Currency	31.12.22	31.12.21
Bonds issued	NOK	31 771 486	30 805 975
Subordinated loan	NOK	325 000	325 000
Total debt securities issued		32 096 486	31 130 975

Specification of covered bonds as at 31.12.22:

ISIN	Issuing company	Nominal value	Currency	Interest	Maturity	Carrying value
Covered bonds						
NO0010790603	Sbanken Boligkreditt AS	2 950 000	NOK	Floating	10.02.23	2 950 381
NO0010887078	Sbanken Boligkreditt AS	5 000 000	NOK	Floating	17.06.24	5 000 000
NO0010878978	Sbanken Boligkreditt AS	5 000 000	NOK	Floating	20.06.25	5 000 000
NO0010958093	Sbanken Boligkreditt AS	7 000 000	NOK	Floating	20.11.26	7 103 385
NO0012483835	Sbanken Boligkreditt AS	6 500 000	NOK	Floating	29.03.27	6 488 014
XS1813051858	Sbanken Boligkreditt AS	500 000	EURO	Fixed	26.04.23	5 229 706
Total covered bonds						31 771 486

All covered bond loans have “soft bullet” with the possibility to extend the maturity with one year.

Subordinated loan

ISIN	Issuing company	Nominal value	Currency	Interest	Maturity ¹	Carrying value
NO0010821853	Sbanken Boligkreditt AS	150 000	NOK	Floating	26.04.2028	150 000
NO0011012536	Sbanken Boligkreditt AS	175 000	NOK	Floating	28.05.2031	175 000
Total subordinated loan		325 000				325 000

¹First possible call date for the issuer is 5 years before date of maturity. The loan agreement has covenants to qualify as Tier 2 capital.

Changes of debt securities:

	31.12.21	January - December 2022				31.12.22
		Issued	Matured	Redeemed	Other adjustments	
Covered bonds (nominal)	30 405 000	6 500 000	0	-5 650 000	0	31 255 000
Subordinated loan	325 000	0	0	0	0	325 000
Total	30 730 000	6 500 000	0	-5 650 000	0	31 580 000

Note 10 – Net interest income

Net interest income				
In NOK thousand	Q4 22	Q4 21	2022	2021
Loans to and receivables from credit institutions	371	497	2 941	2 755
Loans to customers	274 374	164 694	847 197	685 391
Commercial paper and bonds	11 069	1 792	17 859	3 748
Total interest income	285 814	166 983	867 997	691 894
Loans and deposits from credit institutions	-30 315	-12 403	-87 799	-32 468
Debt securities issued	-255 603	-76 981	-653 913	-260 500
Subordinated loan	-3 416	-1 432	-9 443	-6 622
Other interest expense	-1 897	-1 263	-7 261	-5 323
Total interest expense	-291 231	-92 078	-758 415	-304 913
Net interest income	-5 417	74 905	109 582	386 982

All interest income from customers is related to residential mortgages.

Note 11 – Net gain (loss) on financial instruments

In NOK thousand	Q4 22	Q4 21	2022	2021
1) Financial instruments at fair value through profit and loss:				
Gain/(loss) on derivatives (used in hedge accounting)	-4 662	-282	-2 683	1 444
Total gain/(loss) on financial instruments at fair value through profit and loss	-4 662	-282	-2 683	1 444
2) Financial instruments at amortised cost:				
Gain (loss) by repurchase of own bonds at amortised cost	-823	0	-9 998	-22 457
Total gain (loss) on financial instruments at amortised cost	-823	0	-9 998	-22 457
3) Currency items:				
Gain (loss) on currency items	-1	32	-24	28
Total gain (loss) on currency items	-1	32	-24	28
4) Realisation of financial instruments at fair value through other comprehensive income				
Gain/(loss) by realisation of financial instruments:	8 516	-274	6 262	-274
Total gain/(loss) by realisation of financial instruments at fair value through other comprehensive income	8 516	-274	6 262	-274
Total gain (loss) on financial instruments recognised through profit and loss	3 030	-524	-6 443	-21 258

Note 12 – Administrative expenses

Other administrative expenses

In NOK thousand	Q4 22	Q4 21	2022	2021
Consultants and other external services	-2 476	-1 533	-10 014	-9 846
Other operating expenses	0	-2	-136	-134
Total other administrative expenses	-2 476	-1 535	-10 150	-9 980

Personnel expenses

In NOK thousand	Q4 22	Q4 21	2022	2021
Board remuneration	-31	-83	-192	-330
Payroll tax	-4	-12	-27	-46
Total personnel expenses	-35	-95	-219	-376

Note 13 – Fair value of financial instruments

In NOK thousand	31.12.22		31.12.21	
	Carrying value	Fair value	Carrying value	Fair value
Assets				
Loans to and receivables from credit institutions (ac)	3 975 372	3 975 372	1 000 910	1 000 910
Loans to customers (ac)	32 879 091	32 879 091	38 129 774	38 129 774
Commercial paper and bonds at fair value through OCI	1 496 918	1 496 918	520 313	520 313
Derivatives (used in hedge accounting)	408 670	408 670	234 020	234 020
Other assets (ac)	2 052	2 052	5 411	5 411
Total assets financial instruments	38 762 104	38 762 104	39 890 429	39 890 429
Liabilities				
Loans and deposits from credit institutions (ac)	3 973 326	3 973 326	5 873 313	5 873 313
Debt securities issued (ac)	31 771 486	31 746 910	30 805 975	30 897 494
Other liabilities (ac)	82 472	82 472	30 800	30 800
Subordinated loan (ac)	325 000	318 777	325 000	326 408
Total liabilities financial instruments	36 152 284	36 121 485	37 035 088	37 128 015

(ac) = assets and liabilities booked at amortised cost.

31.12.2022

	Level 1	Level 2	Level 3	Total
Derivatives (used in hedge accounting)	0	408 670	0	408 670
Commercial paper and bonds at fair value through OCI	0	1 496 918	0	1 496 918
Total	0	1 905 588	0	1 905 588

Derivatives (used in hedge accounting)	0	0	0	0
Total	0	0	0	0

Financial instruments measured at fair value level 3

In NOK thousand

	Total
Opening balance 1 January 2022	0
Net gain/(loss) on financial instruments (unrealised)	0
Acquisitions / exits	0
Sale	0
Settlement	0
Transferred from Level 1 or Level 2	0
Transferred to Level 1 or Level 2	0
Other	0
Closing balance at 31 December 2022	0

There were no transfers of financial instruments between Level 1 and Level 2 in the period January to December 2022.

31.12.2021

	Level 1	Level 2	Level 3	Total
Derivatives (used in hedge accounting)	0	234 020	0	234 020
Commercial paper and bonds at fair value through OCI	0	520 313	0	520 313
Total	0	754 333	0	754 333

Derivatives (used in hedge accounting)	0	0	0	0
Total	0	0	0	0

Financial instruments measured at fair value level 3

In NOK thousand

	Total
Opening balance 1 January 2021	0
Net gain/(loss) on financial instruments (unrealised)	0
Acquisitions / exits	0
Sale	0
Settlement	0
Transferred from Level 1 or Level 2	0
Transferred to Level 1 or Level 2	0
Other	0
Closing balance at 31 December 2021	0

There were no transfers of financial instruments between Level 1 and Level 2 in the period January to December 2021.

Note 14 – Related party transactions

Liabilities to and receivables from Sbanken ASA

In NOK thousand	31.12.22	31.12.21
Liability related to overdraft facility to Sbanken ASA	3 610 008	5 655 290
Receivables related to deposits in Sbanken ASA	3 975 216	782 646
Sbanken ASAs ownership of covered bonds issued by Sbanken Boligkreditt AS	1 695 634	7 538 556
Sbanken ASAs ownership of subordinated loan issued by Sbanken Boligkreditt AS	325 000	325 000
Sbanken ASAs ownership of additional Tier 1 capital issued by Sbanken Boligkreditt AS	225 000	225 000

Transactions with Sbanken ASA

In NOK thousand	01.01.22 - 31.12.22	01.01.21 - 31.12.21
Purchase of services in line with service agreement	8 496	8 652
Interest expense on overdraft facility	87 799	32 468
Interest income on deposits	2 880	1 055
Interest on covered bonds issued by Sbanken Boligkreditt AS	124 825	81 018
Interest on subordinated loan issued by Sbanken Boligkreditt AS	9 443	6 622
Share of result related to Sbanken ASAs ownership of additional Tier 1 capital in Sbanken Boligkreditt AS	10 476	8 948

Note 15 – Subsequent events

There have not been any significant events subsequent to 31.12.22 that affect the financial statements for Q4 2022.

Statement

pursuant to Section 5-6 of the Securities Trading Act

We hereby confirm that, to the best of our knowledge, the financial statements for the company for the period 1 January through 31 December 2022 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the group and the company taken as a whole.

To the best of our knowledge, the report gives a true and fair:

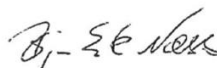
- overview of important events that occurred during the accounting period and their impact on the financial statements
- description of the principal risks and uncertainties facing the group over the next accounting period
- description of major transactions with related parties.

Bergen, 8 February 2023

The Board of Directors of Sbanken Boligkreditt AS



Henrik Lidman
(Chair)



Bjørn Erik Næss



Jørgen Gudmundsson



Sindre Espenes



Øyvind Telle
(CEO)

Sbanken

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<https://sbanken.no/IR/funding-og-rating/funding-no>