

# Third Quarter Report 2024



## Contents

Main figures .....	3
Report of the Board of Directors .....	5
Income statement .....	20
Balance sheet .....	22
Cash flow statement .....	23
Change in equity .....	24
Notes .....	27
Results from quarterly accounts .....	58
Key figures from quarterly accounts .....	59
Equity capital certificates .....	60
Auditor's report .....	62



## Main figures

From the income statement (NOKm)	Third quarter		First nine months		
	2024	2023	2024	2023	2023
Net interest	1,355	1,226	4,001	3,386	4,732
Net commission income and other income	553	484	1,812	1,586	2,085
Net return on financial investments	670	62	1,074	161	699
<b>Total income</b>	<b>2,578</b>	<b>1,772</b>	<b>6,887</b>	<b>5,133</b>	<b>7,516</b>
Total operating expenses	810	741	2,399	2,152	3,018
<b>Results before losses</b>	<b>1,769</b>	<b>1,032</b>	<b>4,488</b>	<b>2,981</b>	<b>4,498</b>
Loss on loans, guarantees etc	75	35	146	-6	14
<b>Results before tax</b>	<b>1,693</b>	<b>996</b>	<b>4,342</b>	<b>2,988</b>	<b>4,484</b>
Tax charge	252	278	801	642	904
Result investment held for sale, after tax	0	22	-2	96	108
<b>Net profit</b>	<b>1,441</b>	<b>740</b>	<b>3,540</b>	<b>2,441</b>	<b>3,688</b>
Interest Tier 1 Capital	32	27	103	86	125
Net profit excl. Interest Tier 1 Capital	1,409	714	3,437	2,355	3,563

Balance sheet figures	30 Sep 2024	30 Sep 2023	31 Dec 2023
Gross loans to customers	179,590	168,940	169,862
Gross loans to customers incl. SB1 Boligkreditt and SB1 Næringskreditt	247,148	234,316	236,329
Deposits from customers	138,042	138,231	132,889
Average total assets	239,438	235,949	235,303
Total assets	245,951	243,472	232,717

Key figures	Third quarter		First nine months		
	2024	2023	2024	2023	2023
<b>Profitability <sup>1)</sup></b>					
Return on equity	21.0 %	11.1 %	17.4 %	13.0 %	14.4 %
Cost-income ratio	42 %	43 %	41 %	43 %	45 %
Deposit-to-loan ratio excl. SB1 Boligkreditt and SB1 Næringskreditt	77 %	82 %	77 %	82 %	78 %
Deposit-to-loan ratio incl. SB1 Boligkreditt and SB1 Næringskreditt	56 %	59 %	56 %	59 %	56 %
Growth in loans (gross) last 12 months (incl. SB1 Boligkreditt and SB1 Næringskreditt)	2.2 %	1.0 %	5.5 %	12.2 %	11.9 %
Growth in deposits last 12 months	-1.2 %	-1.4 %	-0.1 %	14.7 %	8.9 %
<b>Losses in % of gross loans incl. SB1 Boligkreditt and SB1 Næringskreditt <sup>1)</sup></b>					
Impairment losses ratio	0.12 %	0.06 %	0.08 %	0.00 %	0.01 %
Stage 3 as a percentage of gross loans	0.91 %	0.98 %	0.91 %	0.98 %	0.88 %

Solidity	30 Sep 2024	30 Sep 2023	31 Dec 2023
	Capital ratio	23.1 %	23.7 %
Tier 1 capital ratio	20.2 %	21.3 %	20.8 %
Common equity Tier 1 capital ratio	18.2 %	19.7 %	18.8 %
Tier 1 capital	24,097	24,283	23,793
Total eligible capital	27,557	26,950	26,399
Liquidity Coverage Ratio (LCR)	172 %	173 %	175 %
Leverage Ratio	6.9 %	7.3 %	7.2 %
MREL	60.1 %	69.6 %	67.8 %
MREL, substituted	36.6 %	36.2 %	35.9 %
NSFR	127.0 %	127.4 %	127.0 %

Branches and staff	30 Sep 2024	30 Sep 2023	31 Dec 2023
Number of branches	47	46	46
No. Of full-time positions	1,671	1,582	1,545

<sup>1)</sup> Defined as alternative performance measures, see attachment to quarterly report

<b>Key figures ECC</b>	<b>30 Sep 2024</b>	<b>30 Sep 2023</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
ECC ratio	67 %	67 %	67 %	64 %	64 %	64 %
Number of certificates issued, millions <sup>1)</sup>	144.21	143.82	144.20	129.29	129.39	129.39
ECC share price at end of period (NOK)	153.46	137.20	141.80	127.40	149.00	97.60
Stock value (NOKm)	22,130	19,732	20,448	16,471	19,279	12,629
Booked equity capital per ECC (including dividend) <sup>1)</sup>	124.05	116.39	120.48	109.86	103.48	94.71
Profit per ECC, majority <sup>1)</sup>	15.57	11.14	16.88	12.82	13.31	8.87
Dividend per ECC			12.00	6.50	7.50	4.40
Price-Earnings Ratio <sup>1)</sup>	7.28	9.24	8.40	9.94	11.19	11.01
Price-Book Value Ratio <sup>1)</sup>	1.24	1.18	1.18	1.16	1.44	1.03

<sup>1)</sup> Defined as alternative performance measures, see attachment to quarterly report

# Report of the Board of Directors

## Third quarter 2024

*(Consolidated figures. Figures in parenthesis refer to the same period of 2023 unless otherwise stated)*

- Pre-tax profit NOK 1,693m (996m)
- Net profit NOK 1,441m (740m)
- Return on equity 21.0 per cent (11.1 per cent)
- A gain of NOK 452m related to the merger between Fremtind and Eika Forsikring was recognised in the third quarter. Without this one-time gain the net profit would have been NOK 989m, and return on equity would have been 14.4 per cent.
- CET1 ratio 18.2 per cent (19.7 per cent)
- Growth in group lending 2.2 per cent (1.0 per cent) in the third quarter
- Lending to the bank's retail customers rose 1.3 per cent in the quarter (1.6 per cent), 0.3 percentage point lower growth than in the previous quarter. Lending to the bank's corporate clients rose 4.6 per cent (minus 0.8 per cent) which was 2.9 percentage points higher growth than in the previous quarter
- Reduction in deposits of 1.2 per cent (reduction of 1.4 per cent) in the third quarter
- Deposits from retail customers declined 0.9 per cent (reduction of 0.8 per cent). Deposits from corporate clients declined 0.8 per cent (reduction of 3.0 per cent)
- The net result of ownership interests was NOK 685m (minus NOK 2m), including the gain from the merger between Fremtind and Eika Forsikring
- The net result of financial instruments (incl. dividends) was minus NOK 14m (64m)
- Losses on loans and guarantees: NOK 75m (35m)
- Earnings per equity certificate (EC): NOK 6.42 (3.28)
- Book value per EC was NOK 124.05 (116.39) and the price of the bank's EC (MING) was NOK 153.46 (137.20) at the end of the quarter

## First nine months 2024

- Pre-tax profit NOK 4,342m (2,988m)
- Net profit NOK 3,540m (2,441m)
- Return on equity 17.4 per cent (13.0 per cent)
- Without the gain of NOK 452m related to the merger between Fremtind and Eika Forsikring the net profit so far this year would have been NOK 3,088, and return on equity would have been 15.2 per cent
- CET1 ratio 18.2 per cent (19.7 per cent)
- Growth in lending 5.5 per cent (12.2 per cent), and in deposits minus 0.1 per cent (14.7 per cent) in the last 12 months
- Lending to the bank's retail customers rose 4.3 per cent in the last 12 months. Lending to the bank's corporate customers rose 9.0 per cent in the same period
- Deposits from retail customers rose 7.3 per cent and deposits from corporate customers were reduced by 2.8 per cent in the last 12 months
- The net result of ownership interests was NOK 1,027m (207m)
- The net result of financial instruments (incl. dividends) was NOK 47m (minus 47m)

- Losses on loans and guarantees: NOK 146m (net recovery of 6m)
- Earnings per equity certificate (EC): NOK 15.57 (11.14)

## Events in the quarter

### **SpareBank 1 SMN has recognised a gain of NOK 452m as a result of the merger between the insurance arms of Fremtind and Eika**

The transaction entailed an increase in equity capital for SpareBank 1 Gruppen. The majority's (i.e. the SpareBank 1 banks' and LO Norway's) share of this increase was NOK 2.3bn. SpareBank 1 SMN's share of this increase amounted to NOK 452m which was recognised in the third quarter of 2024.

SpareBank 1 SMN owns 19.5 per cent of the shares of SpareBank 1 Gruppen, which upon completion of the transaction holds 51.44 per cent of the shares of Fremtind Holding.

### **Changes in organisational set-up and group management team**

The group is strengthening its focus on "One SMN" and, with a view to ensuring further synergies, changes are being made to the organisational structure. After the changes the bank will have two business lines, Retail Banking and Corporate Banking, with agriculture forming part of Corporate Banking. Development efforts across the business lines are assembled in the division for "Technology and Development". A new division with responsibility for quality and operational efficiency enhancements is also being established. The organisational changes will take effect on 1 January 2025.

Executive director of the Personal Banking Division, Nelly Maske, will leave the group management team on 1 November 2024. She will be replaced by Monica Haftorn Iversen who departs her position as director of market areas in the same division. Executive director of the Sunnmøre and Fjordane Division, Stig Brautaset, will as from year-end switch to an advisory position with the group management team.

### **Fleks Green Fleet 01**

The board of directors of Fleks filed for bankruptcy on 13 May 2024. SpareBank 1 SMN and other SpareBank 1 banks owned, through SpareBank 1 Mobilitet Holding, 47.2 per cent of the company. With a view to ensuring a controlled disposal of the business, SpareBank 1 Finans Midt-Norge took over Fleks Green Fleet 01, which was previously a subsidiary of Fleks.

In the second quarter of 2024 this company was consolidated into SpareBank 1 SMN's group accounts based on preliminary assessments of the agreements which had been entered into between the previous owners. Over the course of the third quarter 2024 new assessments were made which concluded that consolidation of this company was not correct under the provisions of IFRS 10. As from the third quarter the company is accordingly not consolidated but treated as a company under joint ownership in accordance with the equity method. Historical figures for the second quarter of 2024 are restated.

### **Extension of agreement with LO Norway**

SpareBank 1 SMN has extended its loyalty programme agreement for the country's LO members. The agreement covers both mortgage loans and savings products, and is part of the loyalty programme LO Favør.

### Macroeconomic developments

Norges Bank kept the base rate unchanged at 4.5 per cent in September. The central bank's own forecasts indicate a gradual reduction in the base rate as from the first quarter of 2025.

The 12-month rate of growth in the consumer price index (CPI) rose slightly in the quarter to 3.0 per cent at the end of the third quarter of 2024. Underlying inflation in the same period in terms of the consumer price index adjusted for changes in indirect taxes and excluding energy products (CPI-ATE), was 3.1 per cent. The wholly unemployed share of the labour force remains at a low level. In Trøndelag and in Møre and Romsdal the wholly unemployed share is 1.7 and 1.6 per cent respectively. For Norway as a whole the share is 2.0 per cent.

After a period of reduced, but positive, growth in credit to households, the 12-month rate of growth in credit to households has increased to 3.5 per cent as at August 2024. The corresponding figure for non-financial undertakings is 2.5 per cent. Norges Bank expects debt growth among households to be just below 3 per cent in 2025.

The regional indicator in Norges Bank's regional network survey continues to show improvement for Mid Norway, but remains on a slightly negative trend as at September 2024. For Region North-West the indicator is positive. The negative trend in the building and construction industry and the positive trend in segments exposed to energy production are highlighted as the main explanations for the regional differences in SpareBank 1 SMN's catchment area.

## Results for the third quarter

The third quarter proved to be another creditable quarter for the group. The net profit of NOK 1,441 is driven by continued strong net interest income and recognition of the gain from the insurance merger between Fremtind and Eika. Return on equity in the quarter was 21.0 per cent. Without the one-time gain, return on equity would have been 14.4 per cent.

After a long period of interest rate hikes from the central bank, all announced rate hikes have now been implemented. Lending growth and an extra interest day made for growth in net interest income in the quarter.

Seasonal variations at SpareBank 1 Regnskapshuset SMN and EiendomsMegler 1 Midt-Norge brought lower commission income in the quarter. Commission income from the captive residential mortgage company declined as a result of lower margins on loans sold.

The result from related companies is up on the previous quarter due to recognition of the gain from the insurance merger. The underlying trend among related companies is good, and their overall profit contribution is higher than in the previous quarter and the same quarter last year.

The group's operating expenses showed a slight increase from the previous quarter. Higher personnel costs at the bank are offset by reduced costs at SpareBank 1 Regnskapshuset SMN.

Loan losses in the third quarter rose compared with the previous quarter, driven mainly by increased write-downs in stage 3.

The CET1 ratio is 18.2 per cent at quarter-end, which is well above the group's own target and regulatory requirements.

### Net interest income

Market interest rates in terms of NIBOR were stable through the quarter, with three-month NIBOR averaging 4.74 per cent. Net interest income totalled NOK 1,355m (1,226m) compared with NOK 1,310m in the second quarter.

Net interest income is up as a result of a higher average loan volume and an extra interest day compared with the previous quarter.

Net interest income and commission from the captive mortgage companies as a whole rose by NOK 37m from the second quarter of 2024, corresponding to an increase of 2.7 per cent. When adjusted for an extra interest day the increase is 1.5 per cent.

### Commission income and other operating income

SpareBank 1 SMN's strategy of exploiting the breadth present in the group and expanding interaction across the respective business lines stands firm. This is done in part by co-locating multiple entities in finance centres. A high proportion of multi-product customers contributes to a capital-efficient, diversified income flow and high customer satisfaction.

Commission income (NOKm)	3Q 24	2Q 24	3Q 23
Payment transfers	79	91	79
Creditcard	18	17	16
Saving products	13	12	10
Insurance	67	65	67
Guarantee commission	16	17	15
Real estate agency	127	151	110
Accountancy services	145	228	138
Other commissions	13	19	20
Commissions ex SB1 Boligkreditt and SB1 Næringskreditt	478	599	455
Commissions SB1 Boligkreditt	71	78	25
Commissions SB1 Næringskreditt	3	4	4
<b>Total commissions</b>	<b>553</b>	<b>680</b>	<b>484</b>

Compared with the second quarter, commission income excluding the captive mortgage companies showed a reduction of NOK 121m. Income from accounting and estate agency services in particular is reduced owing to seasonal variations.

Measured against the same quarter of last year, commission income excluding mortgage companies rose by NOK 23m. The increase is driven above all by income from estate agency services. EiendomsMegler 1 Midt-Norge has increased its market share by 0.3 percentage point compared with last year, at the same time as activity levels in the housing market have picked up compared with 2023. SpareBank 1 Regnskapshuset SMN has strengthened its advisory capacity and its focus on digitalisation to good effect.

In the case of loans sold to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt, the bank receives a commission corresponding to the loan interest less the funding and operating expenses of those companies. Commission income from SpareBank 1 Boligkreditt is down compared with the second quarter of 2024 due to higher funding costs and some decline in the lending rate.



### Return on financial investments

Return on financial investments was minus NOK 22m (48m) in the third quarter.

Financial instruments, including bonds and CDs, showed a capital loss of NOK 45m (capital gain of 12m) while income from foreign exchange transactions came to NOK 24m (NOK 20m).

Return on financial investments (NOKm)	3Q 24	2Q 24	3Q 23
Capital gains/losses shares	-1	4	17
Gain/(loss) on financial instruments	-45	-17	12
Foreign exchange gain/(loss)	24	11	20
<b>Net return on financial instruments</b>	<b>-22</b>	<b>-1</b>	<b>48</b>

### Related companies

SpareBank 1 SMN has a broad and well-diversified income platform. The group offers its customers a broad product range through product companies, both directly owned companies and companies in SpareBank 1 Gruppen, which provide commission income along with return on invested capital.

The overall profit share from the product companies and other related companies was NOK 685m (minus 2m) in the quarter. In the second quarter of 2024 the corresponding figure was NOK 148m.

Income from investment in associated companies (NOKm)	3Q 24	2Q 24	3Q 23
SpareBank 1 Gruppen (19.5 %)	86	1	-13
Gevinst forsikringsfusjon Fremtind/Eika	452	-	-
SpareBank 1 Boligkreditt (23.7 %)	37	35	5
SpareBank 1 Næringskreditt (14.8 %)	3	3	4
BN Bank (35.0 %)	77	73	64
SpareBank 1 Markets (39.9 %)	20	26	0
SpareBank 1 Kreditt (18.6 %)	-3	1	-3
SpareBank 1 Betaling (21.9 %)	-1	-2	-10
SpareBank 1 Forvaltning (21.5%)	13	13	6
Other companies	1	-3	-55
<b>Income from investment in associated companies</b>	<b>685</b>	<b>148</b>	<b>-2</b>

### SpareBank 1 Alliance

The SpareBank 1 Alliance is Norway's second largest financial grouping. The collaboration, on banking and products, is designed to provide the Alliance banks with economies of scale and access to competitive financial services and products. The Alliance collaboration is driven through its ownership of the SpareBank 1 Group which owns and manages several of the product companies, and its participation in SpareBank 1 Utvikling which develops and delivers joint products and services.

### SpareBank 1 Gruppen

SpareBank 1 Gruppen posted a net profit of NOK 825m (minus 64m) in the third quarter. The controlling interest's share of the net profit was NOK 442m (minus 147m). SpareBank 1 SMN's share was NOK 86m (minus 13m). The merger between Fremtind Forsikring and Eika Forsikring yielded an accounting gain of NOK 452m in the quarter. The overall profit contribution from SpareBank Gruppen in the third quarter was accordingly NOK 538m.

The most important companies in SpareBank 1 Gruppen (SpareBank 1 Gruppen's holding):

- **Fremtind Forsikring (51.44 per cent)** offers non-life and personal insurance coverage and is headquartered in Oslo. The company posted a profit of NOK 825m (8m) after tax in the third quarter.

- **SpareBank 1 Forsikring (100 per cent)** is a pension company headquartered in Oslo. The company mainly offers contribution-based occupational pensions, collective disability insurance and private pension saving. SpareBank 1 Forsikring reported a profit of NOK 125m (69m) after tax in the third quarter.
- **SpareBank 1 Factoring (100 per cent)** offers financial and administrative factoring services. The company is headquartered in Ålesund. The company posted a net profit of NOK 22m (19m) in the third quarter.
- **Kredinor (69 per cent)** is Norway's largest debt collection company and has offices in Norway, Sweden, Denmark and Finland. The company posted a result of minus NOK 76m (minus 274m) in the third quarter. Write-down of intangible assets made a negative contribution of NOK 85m in the quarter.

**SpareBank 1 Forvaltning** delivers products and services to a broad range of clients in the field of capital management and securities services. SpareBank 1 SMN's profit share in the quarter was NOK 13m (6m).

**SpareBank 1 Boligkreditt** is a mortgage company that issues covered bonds secured by residential mortgages with a view to achieving stable financing and low financing costs. SpareBank 1 SMN's profit share was NOK 37m (5m) in the third quarter.

**SpareBank 1 Næringskreditt** is a mortgage company that issues covered bonds secured by commercial mortgages with a view to achieving stable financing and low financing costs. SpareBank 1 SMN's profit share was NOK 3m (4m) in the quarter.

**SpareBank 1 Kreditt** offers unsecured finance to retail customers. SpareBank 1 SMN's profit share in the third quarter of 2024 was minus NOK 3m (minus 3m).

**BN Bank** offers residential mortgages and loans to commercial property and its main market is south-eastern Norway. SpareBank 1 SMN's share of BN Bank's profit was NOK 77m (64m) in the quarter.

**SpareBank 1 Markets** is a leading Norwegian investment firm. The company offers services in the fields of equity and credit analysis, equity and bond trading and services in the corporate finance area. SpareBank 1 SMN's share of SpareBank 1 Markets' profit in the third quarter was NOK 20m.

**SpareBank 1 Betaling** is the SpareBank 1 banks' parent company in Vipps AS. SpareBank 1 SMN's profit share was minus NOK 1m (minus 10m) in the quarter.

### Operating expenses

The group aims for a cost-income ratio below 40 per cent at the bank and below 85 per cent at EiendomsMegler 1 Midt-Norge and SpareBank 1 Regnskapshuset SMN. The cost-income ratio is defined as the ratio of operating expenses to net interest income and commission and other income.

The bank's cost-income ratio was 33.7 per cent in the quarter (34.9 per cent). The corresponding figures for EiendomsMegler 1 and SpareBank 1 Regnskapshuset SMN were 93.6 (100.9) and 104.4 (92.2) per cent respectively.

Operating expenses (NOKm)	3Q 24	2Q 24	3Q 23
Staff costs	498	484	435
IT costs	108	109	93
Marketing	23	25	24
Ordinary depreciation	44	44	43
Operating expenses, real properties	14	12	15
Purchased services	61	66	62
Merger expenses	-	-	14
Other operating expense	62	62	56
<b>Total operating expenses</b>	<b>810</b>	<b>801</b>	<b>741</b>

Group expenses increased by NOK 9m compared with the second quarter of 2024. Expenses at the bank were NOK 18m higher than in the previous quarter, driven by increased personnel costs. The number of FTEs in the bank has increased compared with the second quarter, at the same time as personnel costs in the previous quarter were reduced due to holiday pay disbursements in June.

Expenses at SpareBank 1 Regnskapshuset SMN are down as a result of lower activity in the quarter. Expenses at other subsidiaries have increased.

Overall group expenses rose by NOK 69m from the third quarter of 2023, corresponding to cost growth of 9.3 per cent. Just under half of the increase refers to the subsidiaries. Good market conditions and a higher market share make for higher variable remuneration at EiendomsMegler 1 Midt-Norge. SpareBank 1 Regnskapshuset SMN's expense growth is driven by the strengthening of advisory competencies, digitalisation and acquisitions.

The bank's expenses have risen by NOK 38m compared with the same quarter of 2023. The bank's expense growth measured against last year is down to investments in technology development, competence and growth initiatives in selected geographical locations through 2023 – alongside general price and wage growth.

### Losses on loans and guarantees

The group's losses on loans and guarantees came to NOK 75m (35m) in the third quarter of 2024.

Impairment losses (NOKm)	3Q 24	2Q 24	3Q 23
RM	14	9	1
CM	49	30	27
SpareBank 1 Finans Midt-Norge	12	7	6
<b>Total impairment losses</b>	<b>75</b>	<b>47</b>	<b>35</b>

Losses in the quarter break down to NOK 12m in stage 1 and 2 and NOK 63m in stage 3. Annualised losses in the quarter measured 0.12 per cent of total outstanding loans (0.06 per cent). The bank's corporate market losses refer mainly to stage 3.

Overall impairment write-downs on loans and guarantees as at 30 September amount to NOK 1,054m (1,174m).

The bank's loan portfolio is of good credit quality. The portfolio comprises NOK 177,330m (166,651m) in stages 1 and 2 respectively, corresponding to 99.09 per cent. Problem loans (stage 3) total NOK 2,260m (2,289m), corresponding to 0.91 per cent (0.98 per cent) of gross outstanding loans, including loans sold to the captive mortgage companies.

## Business lines' performance

The business lines Retail Banking and Corporate Banking along with subsidiaries are highly important in the SpareBank 1 SMN Group. SpareBank 1 SMN's strategy of exploiting the breadth present in the group and expanding interaction across the respective business lines stands firm.

### Retail Banking

The **Retail Banking Division** achieved a pre-tax profit of NOK 519m in the third quarter of 2024 (481m). Return on capital employed was 17.5 per cent (18.9 per cent). The retail banking portfolio consists of wage earners, agricultural customers and sole proprietorships.

<b>Profit and loss account (NOKm)</b>	<b>3Q 24</b>	<b>2Q 24</b>	<b>3Q 23</b>
Net interest	672	655	632
Comission income and other income	205	215	165
Total income	877	870	797
Total operating expenses	344	330	315
<b>Ordinary operating profit</b>	<b>533</b>	<b>540</b>	<b>482</b>
Loss on loans, guarantees etc.	14	9	1
<b>Result before tax including held for sale</b>	<b>519</b>	<b>531</b>	<b>481</b>
<b>Balance</b>			
Loans and advances to customers	172,581	170,366	165,454
Adv.of this sold to SB1 Boligkreditt and SB1 Næringskreditt	-66,144	-66,960	-63,873
Deposits to customers	68,532	69,167	63,878
<b>Key figures</b>			
Return on equity per quarter *)	17.5 %	18.0 %	18.9 %
Lending margin	0.97 %	1.01 %	0.33 %
Deposit margin	1.73 %	1.74 %	2.58 %

\*) Regulatory capital with reference to the capital target underlies the calculation of capital employed at Retail Banking and Corporate Banking.

Lending growth in the quarter was 1.3 per cent and deposit growth minus 0.9 per cent. Corresponding figures for the second quarter were 1.6 and 5.4 per cent respectively.

No general interest rate increases were implemented in the quarter. Towards the end of the first quarter a strong increase was seen in demand for and granting of fixed interest loans. Interest rate exposure is hedged for fixed rate agreements.

The loan portfolio is largely secured by residential property. Lending to personal customers consistently carries low risk, as reflected in continued low losses.

The Retail Banking Division prioritises balanced growth. A focus on deposits in advisory services to customers enables the bank to deliver robust earnings and heightens customers' financial security in the form of increased buffer capital.

The distribution model is enhanced by co-location of multiple entities in finance centres and a transition from personal advisers to customer teams. Increased use of data and insights enables a closer interplay between the physical and digital advisory channels, providing customers with improved and more efficient advice.



**Eiendomsmegler 1 Midt-Norge** is the market leader in Trøndelag and in Møre and Romsdal. A pre-tax profit of NOK 8m (minus 1m) was recorded in the third quarter.

<b>EiendomsMegler 1 Midt-Norge (92.4%)</b>	<b>3Q 24</b>	<b>2Q 24</b>	<b>3Q 23</b>
Total income	128	154	110
Total operating expenses	120	111	111
<b>Result before tax (NOKm)</b>	<b>8</b>	<b>43</b>	<b>-1</b>
Operating margin	6 %	28 %	-1 %

Continued high activity is noted for EiendomsMegler 1 Midt-Norge, which sold 150 more residential properties than in the same quarter last year. This, combined with good cost control, makes for increased profitability compared with last year.

High availability of unsold properties in the market leads to a somewhat longer sale period and to more properties being sold below the asking price.

1,781 properties were sold in the third quarter (1,631), and new assignments totalled 1,986 (1,939). The company's market share at 30 September was 37.3 per cent, up from 37.0 per cent in the same period last year.

### Corporate Banking

The **Corporate Banking Division** achieved a pre-tax profit of NOK 497m (452m). Return on capital employed was 26.4 per cent (24.3 per cent) in the quarter.

<b>CM, Profit and loss account (NOKm)</b>	<b>3Q 24</b>	<b>2Q 24</b>	<b>3Q 23</b>
Net interest	611	580	537
Comission income and other income	87	86	77
Total income	698	666	614
Total operating expenses	153	143	135
<b>Ordinary operating profit</b>	<b>546</b>	<b>523</b>	<b>480</b>
Loss on loans, guarantees etc.	49	30	27
<b>Result before tax including held for sale</b>	<b>497</b>	<b>493</b>	<b>452</b>
<b>Balance</b>			
Loans and advances to customers	61,693	59,007	56,605
Adv.of this sold to SB1 Boligkreditt and SB1 Næringskreditt	-1,415	-1,432	-1,503
Deposits to customers	68,032	68,580	70,011
<b>Key figures</b>			
Return on equity per quarter *)	26.4 %	26.3 %	24.3 %
Lending margin	2.64 %	2.67 %	2.33 %
Deposit margin	0.39 %	0.35 %	0.60 %

\*) Regulatory capital with reference to the capital target underlies the calculation of capital employed in Retail Banking and Corporate Banking.

The Corporate Banking Division's loan volume increased by 4.6 per cent in the quarter. Growth in the quarter is distributed across a number of segments including commercial property, fishery, aquaculture and manufacturing. The deposit volume was reduced by 0.8 per cent. In the first quarter the corresponding figures were 1.6 and 6.3 per cent respectively.

The credit quality of the loan portfolio is good. The bankruptcy rate in the region has risen, but so far with limited impact on the loan portfolio.

A strengthened input of resources in Trondheim and increased coordination with SpareBank 1 Regnskapshuset SMN contribute to Corporate Banking's acquisition of market shares in Mid Norway. The establishment of a presence in Oslo has boosted lending growth, primarily in the commercial property segment.

**SpareBank 1 Regnskapshuset SMN** is the market leader in Trøndelag and in Møre and Romsdal. The company posted a pre-tax profit of NOK 7m (11m).

<b>SpareBank 1 Regnskapshuset SMN (93.3%)</b>	<b>3Q 24</b>	<b>2Q 24</b>	<b>3Q 23</b>
Total income	164	248	153
Total operating expenses	171	194	141
<b>Result before tax (NOKm)</b>	<b>-7</b>	<b>54</b>	<b>11</b>
Profit margin	-4 %	22 %	8 %

A positive trend in operating income is noted with a 6.9 per cent increase from the third quarter of 2023. Income from advisory services shows a 25 per cent increase, reflecting the development seen by the company. The third quarter has brought slower activity due to seasonal variations.

At the same time costs are heavily impacted by acquisitions and major change initiatives which are expected to yield positive returns in the longer term. Substantial resources have been expended on new technology in the form of new cloud-based solutions, in combination with the development of advisory competencies for the future. The transition to a new price model in the form of subscription solutions gives the customer more predictability while providing more stable earnings for the company.

The development initiatives have spurred a good customer growth rate and reinforced customer loyalty. The company's market share has risen from 15 to 16 per cent over the last 12 months.

**SpareBank 1 Finans Midt-Norge's** focal areas are leasing, vendor's liens, inventory financing and invoice purchasing services to businesses, and vendor's liens to personal customers. SpareBank 1 Finans Midt-Norge posted a pre-tax profit of NOK 68m (4m).

<b>SpareBank 1 Finans Midt-Norge (57.3%)</b>	<b>3Q 24</b>	<b>2Q 24</b>	<b>3Q 23</b>
Total income	112	111	40
Total operating expenses	32	27	30
Loss on loans, guarantees etc.	12	7	6
<b>Result before tax (NOKm)</b>	<b>68</b>	<b>76</b>	<b>4</b>

SpareBank 1 Finans Midt-Norge has stable earnings owing to stable borrowing costs and no central interest rate changes in the quarter. As from 1 October, sales via SpareBank 1 Sørøst-Norge will no longer form part of SpareBank 1 Finans Midt-Norge. As already mentioned, Fleks Green Fleet 01 AS is not consolidated from and including the third quarter, and historical figures have been restated.

In the first quarter of 2024 SpareBank 1 Finans Midt-Norge and SpareBanken Møre initiated a collaboration on the distribution of vendor's liens and leasing to retail customers. The collaboration between SpareBank 1 Finans Midt-Norge and SpareBanken Møre has proven highly successful, with substantial volume growth in the quarter. SpareBank 1 Finans Midt-Norge has a market share of about 10 per cent in vendor's liens in the counties where parent banks are represented.

**SpareBank 1 SMN Invest**

This company owns shares and units in regional growth companies and funds. The portfolio is managed together with other long-term shareholdings of the bank and will be scaled down over time. The company's securities portfolio is worth NOK 564m (485m) as at 30 September 2024.

The company's pre-tax profit in the third quarter of 2024 was minus NOK 12m (37m). The result is due to a negative development in the value of the securities portfolio.

**First nine months of 2024**

SpareBank 1 SMN posted a net profit NOK 3,540m (2,441m), and a return on equity of 17.4 per cent (13.0 per cent) in the first nine months of 2024. Earnings per equity certificate (EC) were NOK 15.57 (11.14).

Net interest income came to NOK 4,001m (3,386m). Norges Bank raised its base rate to 4.50 per cent in December 2023, and has kept it unchanged through 2024. The central bank's rate hikes have increased the bank's funding costs at the same time as return on the bank's equity has risen. In the first half of 2024, margins on the bank's loans and deposits have reflected interest rate changes made in response to base rate changes in the fourth quarter of 2023. The margin picture has stabilised in the third quarter.

Net commission and other income was NOK 1,812m (1,586m). Income from accounting and estate agency services has risen by NOK 64m and 59m respectively measured against the first nine months of 2023. A higher transfer volume to the captive residential mortgage company SpareBank 1 Boligkreditt and higher margins on the appurtenant mortgages have raised commission from this mortgage company by NOK 71m thus far in the current year.

The net result from ownership interests was NOK 1,027m (207m). The increased profit from ownership interests is mainly attributable to the recognition of NOK 452m related to the merger between Fremtind and Eika Forsikring and to strong profit contributions from BN Bank and the reclassification of SpareBank 1 Markets as a related company. The net result from financial instruments and dividends climbed from minus NOK 47m to NOK 47m so far this year.

The group's expenses were NOK 2,399m (2,152m) thus far in 2024. The expenses picture in 2023 was impacted by merger costs and expensing of the embezzlement affair. So far this year expenses have risen as a result of initiatives and investments made through 2023, but the insurance settlement in connection with the embezzlement affair reduces expenses by NOK 30m.

Losses on loans and guarantees were NOK 146m so far this year (net recovery of NOK 6m). Losses on loans to the group's corporate customers came to NOK 109m (net recovery of NOK 22m) in the year's first nine months. Corresponding figures for retail customers are NOK 37m (16m), driven primarily by the bank's agriculture portfolio.

Lending growth in the group was 5.5 per cent (12.2 per cent) in the last 12 months. Growth in lending to the bank's retail segment was 4.3 per cent (13.8 per cent) in the last 12 months. Lending to the bank's corporate customers rose 9.0 per cent (8.8 per cent) in the same period.

Deposits were reduced by 0.1 per cent (increase of 14.7 per cent) in the last 12 months. Deposits from personal customers increased by 7.3 per cent (17.3 per cent). Deposits from corporate customers were reduced by 2.8 per cent (increase of 11.8 per cent).

## Balance sheet, financing and liquidity

### Total assets of NOK 246bn

The bank's total assets as at the third quarter of 2024 were NOK 246.0bn (243.5bn), having increased by NOK 2.5bn, corresponding to 1.0 per cent, over the last 12 months.

As at 30 September 2024 loans totalling NOK 68bn (65bn) had been sold from SpareBank 1 SMN to the captive mortgage companies SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt. These loans do not figure as loans in the bank's balance sheet. The comments covering lending growth take into account loans sold to the two mortgage companies.

### Loans

Total outstanding loans rose in the last 12 months by NOK 12.8bn, corresponding to 5.5 per cent, and amounted to NOK 247.1bn (234.3bn) at the end of the third quarter. Lending growth in the quarter was 2.2 per cent.

Lending to the bank's retail customers increased by NOK 2.2bn in the quarter (2.6bn). This corresponds to a lending growth of 1.3 per cent (1.6 per cent). Lending growth in the last 12 months was 4.3 per cent (13.8 per cent). Total lending to the bank's retail customers came to NOK 172.6bn (165.5bn) at the end of the third quarter of 2024. Last year's total reflects the merger with the former SpareBank 1 Søre Sunnmøre.

Lending to the bank's corporate segment rose by NOK 2.7bn in the quarter (minus 0.5bn), corresponding to 4.6 per cent (minus 0.8 per cent). Growth in lending in the quarter is broad based with growth noted in commercial property, fishery, aquaculture and manufacturing. Growth in the last 12 months was 9.0 per cent (8.8 per cent). Overall lending to the bank's corporate customers came to NOK 61.7bn (56.6bn) as at 30 September 2024. Last year's total reflects the merger with the former SpareBank 1 Søre Sunnmøre.

SpareBank 1 Finans' gross loan volume was NOK 13.2bn (12.7bn) at the end of the third quarter of 2024. This corresponds to a growth of 4.4 per cent in the last 12 months.

(Distributed by sector – see note 5).

### Deposits

Customer deposits totalled NOK 138.0bn (138.2bn) at the end of the third quarter 2024. Deposit growth in the quarter was minus 1.2 per cent.

Personal deposits were reduced by NOK 0.6bn in the quarter (minus 0.5bn), corresponding to deposit growth of minus 0.9 per cent (minus 0.8 per cent). Deposit growth in the last 12 months was 7.3 per cent (17.3 per cent). Total deposits from personal customers came to NOK 68.6bn (56.6bn) at the end of the quarter.

Deposits from the bank's corporate segment were reduced by NOK 0.5bn in the quarter (reduction of 2.2 bn), corresponding to a growth of minus 0.8 per cent (minus 3 per cent). Deposit growth in the last 12



months was minus 2.8 per cent (11.8 per cent). The decline noted in the last 12 months is attributable to growing competition for public sector deposits. Total deposits from the bank's corporate segment were NOK 68.0bn (70.0bn) as at 30 September 2024.

(Distributed by sector – see note 9).

### **Funding and liquidity**

SpareBank 1 SMN has good liquidity and good access to funding. The bank follows a conservative liquidity strategy, with liquidity reserves that ensure the bank's survival for 12 months of ordinary operation without need of fresh external funding.

The bank is required to maintain sufficient liquidity buffers to withstand periods of limited access to market funding. The liquidity coverage ratio (LCR) measures the size of banks' liquid assets relative to net liquidity outflow 30 days ahead given a stressed situation. The LCR was calculated at 172 per cent (173 per cent) as at 30 September 2024.

The group's deposit-to-loan ratio, including SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt, was 56 per cent (59 per cent) at 30 September 2024.

The bank's funding sources and products are amply diversified between various funding sources and products. The share of the bank's overall money market funding with a maturity above one year was 93 per cent (90 per cent) at the end of the third quarter.

SpareBank 1 Boligkreditt and Næringskreditt are important funding sources for the bank, and loans totalling NOK 68bn (65bn) had been sold to these captive mortgage companies as of 30 September 2024.

In the third quarter SpareBank 1 SMN issued EUR 700m in senior non-preferred debt (SNP), NOK 400m in subordinated debt and NOK 450m in hybrid securities. At the end of the quarter SpareBank 1 SMN held NOK 13.2bn in SNP debt instruments. SNP debt measured 36.6 per cent as at 30 September 2024, and SpareBank 1 SMN meets the MREL requirements by an ample margin.

The bank has a rating of Aa3 (stable outlook) with Moody's.

### **Financial soundness**

The CET1 ratio at 30 September 2024 was 18.2 per cent (19.7 per cent) compared with 18.5 per cent as at 30 June 2024. In line with regulatory requirements, the calculation assumes that 27 per cent of the year's earnings is recognised in retained capital. Given 50 per cent retained profit in 2024, the CET1 ratio would have been 18.9 per cent.

The reduction in the CET1 ratio from the previous quarter is attributable to lending growth, an increase in expected losses and increased deduction of goodwill in CET1 capital as a result of the Fremtind transaction.

SpareBank 1 SMN received a new Pillar 2 requirement in the fourth quarter of 2023. The requirement was reduced to 1.7 percentage point and must be met with a minimum of 56.25 per cent CET1 capital. In view of this change the group's long-term CET1 target is revised to 16.3 per cent, including Pillar 2 guidance. The bank is subject to a provisional add-on of 0.7 per cent to its Pillar 2 requirement until its application for adjustment of IRB models has been processed. The provisional add-on of 0.7 per cent is not included in the bank's long-term capital target.

A leverage ratio of 6.9 per cent (7.3 per cent) shows the bank to be very solid. See note 4 for details.

### **The bank's equity certificate (MING)**

The book value per equity certificate (EC) at 30 September 2024 was NOK 124.05 (116.39) and earnings per equity certificate in the third quarter of 2024 were NOK 6.42 (3.28).

The Price / Income ratio in the third quarter was 5.97 (10.47) and the Price / Book ratio was 1.24 (1.18) as at 30 September 2024.

At the end of the third quarter of 2024, holders of the bank's equity certificates number 18,346. 27 per cent of the bank's ECs are held by foreign investors. 28 per cent of the ECs are held by investors in Mid Norway.

## Sustainability

Work on adapting the business to the requirements of the Corporate Sustainability Reporting Directive (CSRD) continues. Drawing up the group's transition plan for the shift to a low-emissions society is an important aspect of this work. The process needs to maintain a balance between a structured realignment and the group's goal of sustainable growth and profitability.

An important part of the transition plan is to establish science-based climate goals at industry level. In the third quarter the main focus has been on revising the transition plan for agriculture. Further, SpareBank 1 SMN has participated in joint projects within the SpareBank 1 Alliance to develop a framework for sustainable financing, quality assurance of requirements and criteria for transition financing along with competency development for employees.

## Outlook

SpareBank 1 SMN posted a solid performance in the third quarter featuring strong underlying profitability and financial soundness. Continued strong net interest income and good contributions from related companies are noted. SpareBank 1 SMN's ambition to expand market shares stands firm, and will be realised through initiatives taken in selected geographical locations and industries.

Norges Bank kept the base rate unchanged at 4.50 per cent in September and reiterated its signal that the earliest base rate reduction would be some time in coming, probably next year. SpareBank 1 SMN has raised lending rates and deposit rates in step with Norges Bank's rate hikes in recent years, and the changes have had full effect as from the second quarter of 2024.

The group saw strong expense growth through 2023 due to one-time effects and investments in technology development, growth initiatives and competencies. In 2024 the cost trend in the group is in particular focus, and the group's expense growth will be normalised.

The risk picture in SpareBank 1 SMN's loan portfolio is satisfactory, although losses on loans and guarantees rose in the quarter. The credit quality of the bank's loan portfolio is considered to be good and the group's liquidity and capital position is strong. At the end of the third quarter the group had a CET1 ratio of 18.2 per cent and is thus well positioned to fulfil its growth aspirations.

SpareBank 1 SMN aspires to be among the best-performing financial institutions in the Nordic region, and the group's overriding financial goal is to deliver a return on equity of at least 13 per cent over time. The board of directors is pleased with results achieved thus far in 2024 and expects 2024 to be a good year for the group.

Trondheim, 30 October 2024  
The Board of Directors of SpareBank 1 SMN

Kjell Bjordal  
(chair)

Christian Stav  
(deputy chair)

Mette Kamsvåg

Freddy Aursø

Nina Olufsen

Ingrid Finboe Svendsen

Kristian Sætre

Inge Lindseth  
(employee rep.)

Christina Straub  
(employee rep.)

Jan-Frode Janson  
(Group CEO)

# Income statement

Parent bank					Group						
Third quarter			January - September		(NOKm)	Note	January - September		Third quarter		
2023	2023	2024	2023	2024			2024	2023	2024	2023	2023
9,219	2,484	2,859	6,490	8,295	Interest income effective interest method		8,712	6,873	3,000	2,610	9,721
1,647	420	471	1,196	1,372	Other interest income		1,366	1,192	469	419	1,642
6,622	1,801	2,111	4,674	6,068	Interest expenses		6,077	4,679	2,114	1,803	6,631
<b>4,244</b>	<b>1,104</b>	<b>1,219</b>	<b>3,012</b>	<b>3,599</b>	<b>Net interest</b>	10	<b>4,001</b>	<b>3,386</b>	<b>1,355</b>	<b>1,226</b>	<b>4,732</b>
1,121	275	335	849	970	Commission income		1,200	1,048	407	338	1,374
114	34	44	88	103	Commission expenses		171	159	68	58	199
69	18	16	52	51	Other operating income		783	697	214	204	910
<b>1,076</b>	<b>259</b>	<b>306</b>	<b>813</b>	<b>917</b>	<b>Commission income and other income</b>	11	<b>1,812</b>	<b>1,586</b>	<b>553</b>	<b>484</b>	<b>2,085</b>
711	41	89	630	345	Dividends		17	35	8	16	26
-	-	-	-	-	Income from investment in related companies	3	1,027	207	685	-2	297
364	28	-8	-49	17	Net return on financial investments	13	30	-82	-22	48	376
<b>1,076</b>	<b>69</b>	<b>81</b>	<b>580</b>	<b>362</b>	<b>Net return on financial investments</b>		<b>1,074</b>	<b>161</b>	<b>670</b>	<b>62</b>	<b>699</b>
<b>6,396</b>	<b>1,432</b>	<b>1,607</b>	<b>4,405</b>	<b>4,878</b>	<b>Total income</b>		<b>6,887</b>	<b>5,133</b>	<b>2,578</b>	<b>1,772</b>	<b>7,516</b>
849	220	260	590	745	Staff costs		1,465	1,215	498	435	1,691
1,121	255	254	784	760	Other operating expenses	12	934	936	312	306	1,327
<b>1,970</b>	<b>475</b>	<b>513</b>	<b>1,375</b>	<b>1,505</b>	<b>Total operating expenses</b>		<b>2,399</b>	<b>2,152</b>	<b>810</b>	<b>741</b>	<b>3,018</b>
<b>4,426</b>	<b>957</b>	<b>1,093</b>	<b>3,030</b>	<b>3,373</b>	<b>Result before losses</b>		<b>4,488</b>	<b>2,981</b>	<b>1,769</b>	<b>1,032</b>	<b>4,498</b>
-72	29	63	-45	124	Loss on loans, guarantees etc.	6, 7	146	-6	75	35	14
<b>4,498</b>	<b>928</b>	<b>1,030</b>	<b>3,075</b>	<b>3,249</b>	<b>Result before tax</b>	3	<b>4,342</b>	<b>2,988</b>	<b>1,693</b>	<b>996</b>	<b>4,484</b>
820	287	234	592	710	Tax charge		801	642	252	278	904
-	-	-	-	-	Result investment held for sale, after tax	2, 3	-2	96	0	22	108
<b>3,678</b>	<b>641</b>	<b>796</b>	<b>2,483</b>	<b>2,538</b>	<b>Net profit</b>		<b>3,540</b>	<b>2,441</b>	<b>1,441</b>	<b>740</b>	<b>3,688</b>
122	26	30	84	96	Attributable to additional Tier 1 Capital holders		103	86	32	27	125
2,376	411	512	1,603	1,631	Attributable to Equity capital certificate holders		2,245	1,521	926	471	2,331
1,181	204	254	797	811	Attributable to the saving bank reserve		1,116	756	460	234	1,159
					Attributable to non-controlling interests		76	78	22	8	74
<b>3,678</b>	<b>641</b>	<b>796</b>	<b>2,483</b>	<b>2,538</b>	<b>Net profit</b>		<b>3,540</b>	<b>2,441</b>	<b>1,441</b>	<b>740</b>	<b>3,688</b>
					Profit/diluted profit per ECC	19	15.57	11.14	6.42	3.28	16.88



## Other comprehensive income

Parent bank					Group					
Third quarter		January - September			January - September		Third quarter			
2023	2023	2024	2023	2024	(NOKm)	2024	2023	2024	2023	2023
3,678	641	796	2,483	2,538	Net profit	3,540	2,441	1,441	740	3,688
<b>Items that will not be reclassified to profit/loss</b>										
-27	-	-	-	-	Actuarial gains and losses pensions	-	-	-	-	-27
7	-	-	-	-	Tax	-	-	-	-	7
-	-	-	-	-	Share of other comprehensive income of associates and joint venture	3	1	1	1	6
<b>-20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Total</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-14</b>
<b>Items that will be reclassified to profit/loss</b>										
-	-	-	-	-	Fair value change on financial assets through other comprehensive income	-	-	-	-	-
-5	9	-1	7	-4	Value changes on loans measured at fair value	-4	-1	-1	9	-5
-	-	-	-	-	Share of other comprehensive income of associates and joint venture	-103	-48	-40	-37	-140
-	-	-	-	-	Tax	-	-	-	-	-
<b>-5</b>	<b>9</b>	<b>-1</b>	<b>7</b>	<b>-4</b>	<b>Total</b>	<b>-107</b>	<b>-41</b>	<b>-42</b>	<b>-28</b>	<b>-145</b>
<b>-25</b>	<b>9</b>	<b>-1</b>	<b>7</b>	<b>-4</b>	<b>Net other comprehensive income</b>	<b>-103</b>	<b>-40</b>	<b>-41</b>	<b>-28</b>	<b>-158</b>
<b>3,653</b>	<b>650</b>	<b>795</b>	<b>2,491</b>	<b>2,534</b>	<b>Total comprehensive income</b>	<b>3,437</b>	<b>2,402</b>	<b>1,400</b>	<b>713</b>	<b>3,530</b>
122	26	30	84	96	Attributable to additional Tier 1 Capital holders	103	86	32	27	125
2,359	417	511	1,608	1,629	Attributable to Equity capital certificate holders	2,176	1,495	899	453	2,225
1,173	207	254	799	810	Attributable to the saving bank reserve	1,081	743	447	225	1,106
-	-	-	-	-	Attributable to non-controlling interests	76	78	22	8	74
<b>3,653</b>	<b>650</b>	<b>795</b>	<b>2,491</b>	<b>2,534</b>	<b>Total comprehensive income</b>	<b>3,437</b>	<b>2,402</b>	<b>1,400</b>	<b>713</b>	<b>3,530</b>

## Balance sheet

Parent bank					Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024	(NOKm)	Note	30 Sep 2024	30 Sep 2023	31 Dec 2023
1,172	1,187	1,149	Cash and receivables from central banks		1,149	1,187	1,172
19,241	23,574	18,808	Deposits with and loans to credit institutions		8,106	12,956	8,746
156,464	155,435	165,765	Net loans to and receivables from customers	5	178,646	167,865	168,955
34,163	36,611	35,954	Fixed-income CDs and bonds	17	35,955	36,612	34,163
6,659	8,818	6,552	Derivatives	17	6,552	8,818	6,659
731	606	509	Shares, units and other equity interests	17	948	1,006	1,137
6,270	5,436	6,548	Investment in related companies		9,678	8,093	8,695
2,090	2,021	2,187	Investment in group companies		-	-	-
98	561	98	Investment held for sale	2	195	2,376	112
812	842	800	Intangible assets		1,224	1,074	1,228
1,321	2,928	2,863	Other assets	14	3,498	3,485	1,849
<b>229,020</b>	<b>238,019</b>	<b>241,233</b>	<b>Total assets</b>		<b>245,951</b>	<b>243,472</b>	<b>232,717</b>
13,160	12,870	11,914	Deposits from credit institutions		11,914	12,870	13,160
133,462	138,873	138,566	Deposits from and debt to customers	9	138,042	138,231	132,889
33,417	33,981	37,762	Debt created by issue of securities	16	37,762	33,981	33,417
12,415	11,977	13,190	Subordinated debt		13,190	11,977	12,415
6,989	9,813	5,584	Derivatives	17	5,584	9,813	6,989
2,258	4,420	6,104	Other liabilities	15	6,890	5,163	3,002
-	-	-	Investment held for sale	2	1	1,567	1
2,169	2,361	2,813	Subordinated loan capital	16	2,894	2,401	2,247
<b>203,871</b>	<b>214,295</b>	<b>215,932</b>	<b>Total liabilities</b>		<b>216,277</b>	<b>216,001</b>	<b>204,120</b>
2,884	2,884	2,884	Equity capital certificates		2,884	2,884	2,884
-0	-0	-0	Own holding of ECCs		-0	-8	-0
2,422	2,422	2,422	Premium fund		2,422	2,422	2,422
8,482	7,879	8,482	Dividend equalisation fund		8,482	7,840	8,482
1,730	(0)	-	Recommended dividends		-	(0)	1,730
860	-	-	Provision for gifts		-	-	860
6,865	6,566	6,865	Ownerless capital		6,865	6,566	6,865
106	70	106	Unrealised gains reserve		106	70	106
0	5	-3	Other equity capital		2,492	2,886	2,677
1,800	1,416	2,006	Additional Tier 1 Capital		2,095	1,451	1,903
-	2,483	2,538	Profit for the period		3,540	2,441	-
-	-	-	Non-controlling interests		788	919	666
25,150	23,725	25,301	Total equity capital		29,674	27,471	28,597
<b>229,020</b>	<b>238,019</b>	<b>241,233</b>	<b>Total liabilities and equity</b>		<b>245,951</b>	<b>243,472</b>	<b>232,717</b>

# Cash flow statement

Parent bank				Group		
January - September				January - September		
2023	2023	2024	(NOKm)	2024	2023	2023
-6,270	-5,239	-9,423	Decrease/(increase) loans to customers	-9,834	-5,704	-6,834
8,263	5,720	7,671	Interest receipts from loans to customers	8,146	6,117	8,805
4,331	3	430	Decrease/(increase) loans credit institutions	637	311	4,517
856	608	767	Interest receipts from loans to credit institutions	690	571	783
622	5,163	3,917	Increase/(decrease) deposits from customers	3,968	5,213	738
-3,632	-1,629	-2,470	Interest payment on deposits from customers	-2,435	-1,609	-3,600
-1,480	-1,775	-1,239	Increase/(decrease) debt to credit institutions	-1,239	-1,775	-1,472
-514	-361	-461	Interest payment on debt to credit institutions	-461	-361	-514
5,881	2,089	-1,065	Increase/(decrease) in short term investments	-968	3,314	5,881
1,288	949	1,176	Interest receipts from short term investments	1,081	946	1,282
221	1,302	-527	Increase/(decrease) in derivatives	-527	77	221
-802	-758	-858	Interest receipts from derivatives	-858	-758	-802
2,084	201	-465	Increase/(decrease) in other claims	452	963	2,946
-2,822	288	1,545	Increase/(decrease) in other debts	564	-415	-3,936
<b>8,026</b>	<b>6,561</b>	<b>-1,001</b>	<b>A) Net change in liquidity from operations</b>	<b>-783</b>	<b>6,889</b>	<b>8,016</b>
35	35	-	Increase of cash by merging	-	35	35
-125	-98	-140	Gross investment buildings/operating assets	-193	-155	-207
302	224	116	Dividends from subsidiaries	-	-0	-0
-69	-	-97	Payment of capital due to increase in shareholding in subsidiaries	-	-	-
391	391	-	Dividends from associated companies and joint ventures	204	391	391
123	34	43	Proceeds from sale of shares of associated companies and joint ventures	42	30	142
-190	-137	-319	Payment for purchase of shares of associated companies and joint ventures	-319	-137	-198
-	3	-	Proceeds from shares held for sale	-85	0	163
18	14	25	Dividends from other businesses	17	35	26
1,590	204	1,306	Reduction/sale of shares and ownership interests	1,301	1,172	1,638
-1,487	-	-1,045	Increase/purchase of shares and ownership interests	-1,067	-970	-1,509
<b>589</b>	<b>672</b>	<b>-111</b>	<b>B) Net change in liquidity from investments</b>	<b>-100</b>	<b>403</b>	<b>482</b>
5,280	5,152	7,231	Debt raised by issuance of covered bonds	7,231	5,152	5,280
-11,204	-10,134	-3,636	Repayment of issued covered bonds	-3,636	-10,134	-11,204
-1,207	-669	-840	Interest payment on covered bonds issued	-840	-669	-1,207
750	750	900	Debt raised by issuance of subordinated debt	902	750	826
-750	-558	-261	Payments of issued subordinated debt	-261	-563	-793
-125	-87	-125	Interest payment on subordinated debt	-129	-90	-128
2	3	1	Proceeds from sale or issue of treasury shares	1	18	153
-840	-840	-1,730	Dividends cleared	-1,730	-840	-840
-	-	204	Dividends paid to non-controlling interests	-9	-65	-121
-474	-474	-860	Disbused from gift fund	-860	-474	-474
416	300	302	Additional Tier 1 Capital issued	302	300	519
-342	-576	-	Repayment of Additional Tier 1 Capital	-8	-576	-385
-122	-84	-96	Interest payments Additional Tier 1 capital	-103	-86	-125
<b>-8,615</b>	<b>-7,217</b>	<b>1,090</b>	<b>C) Net change in liquidity from financial activities</b>	<b>860</b>	<b>-7,276</b>	<b>-8,498</b>
<b>1</b>	<b>16</b>	<b>-23</b>	<b>A) + B) + C) Net changes in cash and cash equivalents</b>	<b>-23</b>	<b>16</b>	<b>1</b>
1,171	1,171	1,172	Cash and cash equivalents at 1.1	1,172	1,171	1,171
1,172	1,187	1,149	Cash and cash equivalents at end of the year	1,149	1,187	1,172
<b>1</b>	<b>16</b>	<b>-23</b>	<b>Net changes in cash and cash equivalents</b>	<b>-23</b>	<b>16</b>	<b>1</b>

## Change in equity

Parent Bank (NOKm)	Issued equity		Earned equity						Additional Tier 1 Capital	Total equity
	EC capital	Premium fund	Owner-less capital	Equalisation fund	Dividend and gifts	Un-realised gains reserve	Other equity			
<b>Equity at 1 January 2023</b>	<b>2,597</b>	<b>895</b>	<b>6,408</b>	<b>7,877</b>	<b>1,314</b>	<b>70</b>	<b>0</b>	<b>1,726</b>	<b>20,887</b>	
Net profit	-	-	299	602	2,591	37	27	122	3,678	
<b>Other comprehensive income</b>										
Financial assets through OCI	-	-	-	-	-	-	-5	-	-5	
Actuarial gains (losses), pensions	-	-	-	-	-	-	-20	-	-20	
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-25</b>	<b>-</b>	<b>-25</b>	
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>299</b>	<b>602</b>	<b>2,591</b>	<b>37</b>	<b>3</b>	<b>122</b>	<b>3,653</b>	
<b>Transactions with owners</b>										
Dividend declared for 2022	-	-	-	-	-840	-	-	-	-840	
To be disbursed from gift fund	-	-	-	-	-474	-	-	-	-474	
Additional Tier 1 Capital	-	-	-	-	-	-	-	416	416	
Buyback additional Tier 1 Capital issued	-	-	-	-	-	-	-	-342	-342	
Interest payments additional Tier 1 capital	-	-	-	-	-	-	-	-122	-122	
Purchase and sale of own ECCs	-0	-	-	3	-	-	-	-	2	
Merging with SpareBank 1 Søre Sunnmøre	288	1,526	158	-	-	-	-	-	1,972	
Direct recognitions in equity	-	-	-	-	-	-	-3	-	-3	
<b>Total transactions with owners</b>	<b>287</b>	<b>1,526</b>	<b>158</b>	<b>3</b>	<b>-1,314</b>	<b>-</b>	<b>-3</b>	<b>-48</b>	<b>610</b>	
<b>Equity at 31 December 2023</b>	<b>2,884</b>	<b>2,422</b>	<b>6,865</b>	<b>8,482</b>	<b>2,591</b>	<b>106</b>	<b>0</b>	<b>1,800</b>	<b>25,150</b>	
<b>Equity at 1 January 2024</b>		<b>2,884</b>	<b>2,422</b>	<b>6,865</b>	<b>8,482</b>	<b>2,591</b>	<b>106</b>	<b>0</b>	<b>25,150</b>	
Net profit	-	-	-	-	-	-	-	2,538	2,538	
<b>Other comprehensive income</b>										
Value changes on loans measured at fair value	-	-	-	-	-	-	-	-4	-4	
Actuarial gains (losses), pensions	-	-	-	-	-	-	-	-	-	
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-4</b>	<b>-4</b>	
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,534</b>	<b>2,534</b>	
<b>Transactions with owners</b>										
Dividend declared for 2023	-	-	-	-	-1,730	-	-	-	-1,730	
To be disbursed from gift fund	-	-	-	-	-860	-	-	-	-860	
Additional Tier 1 Capital	-	-	-	-	-	-	-	450	450	
Buyback Additional Tier 1 Capital issued	-	-	-	-	-	-	-	-148	-	
Interest payments additional Tier 1 capital	-	-	-	-	-	-	-	-96	-96	
Purchase and sale of own ECCs	0	-	-	1	-	-	-	-	1	
Direct recognitions in equity	-	-	-	-	-	-	-	1	1	
<b>Total transactions with owners</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-2,591</b>	<b>-</b>	<b>1</b>	<b>206</b>	<b>-2,383</b>	
<b>Equity at 30 September 2024</b>	<b>2,884</b>	<b>2,422</b>	<b>6,865</b>	<b>8,482</b>	<b>-</b>	<b>106</b>	<b>2,535</b>	<b>2,006</b>	<b>25,301</b>	



Group  (NOKm)	Attributable to parent company equity holders									
	Issued equity		Earned equity							
	EC capital	Premium fund	Owner-less capital	Equalisation fund	Dividend and gifts	Un-realised gains reserve	Other equity	Additional Tier 1 Capital	NCI	Total equity
<b>Equity at 1 January 2023</b>	<b>2,586</b>	<b>895</b>	<b>6,408</b>	<b>7,828</b>	<b>1,314</b>	<b>70</b>	<b>2,940</b>	<b>1,769</b>	<b>997</b>	<b>24,807</b>
Net Profit	-	-	299	602	2,591	37	-40	125	74	3,688
<b>Other comprehensive income</b>	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-133	-	-	-133
Value changes on loans measured at fair value	-	-	-	-	-	-	-5	-	-	-5
Actuarial gains (losses), pensions	-	-	-	-	-	-	-20	-	-	-20
Other comprehensive income	-	-	-	-	-	-	-158	-	-	-158
<b>Total comprehensive income</b>	-	-	<b>299</b>	<b>602</b>	<b>2,591</b>	<b>37</b>	<b>-198</b>	<b>125</b>	<b>74</b>	<b>3,530</b>
<b>Transactions with owners</b>										
Dividend declared for 2022	-	-	-	-	-840	-	-	-	-	-840
To be disbursed from gift fund	-	-	-	-	-474	-	-	-	-	-474
Additional Tier 1 Capital issued	-	-	-	-	-	-	-	519	-	519
Buyback Additional Tier 1 Capital issued	-	-	-	-	-	-	-	-385	-	-385
Interest payments additional Tier 1 capital	-	-	-	-	-	-	-	-125	-	-125
Purchase and sale of own ECCs	-0	-	-	3	-	-	-	-	-	2
Own ECC held by SB1 Markets 1)	11	-	-	49	-	-	10	-	-	70
Merging with SpareBank 1 Søre Sunnmøre	288	1,526	158	-	-	-	-	-	-93	1,879
SB1 Markets from subsidiary to associated company	-	-	-	-	-	-	110	-	-	110
Direct recognitions in equity	-	-	-	-	-	-	-16	-	-	-16
Share of other transactions from associates and joint ventures	-	-	-	-	-	-	-169	-	-	-169
Change in non-controlling interests	-	-	-	-	-	-	-	-	-312	-312
<b>Total transactions with owners</b>	<b>298</b>	<b>1,526</b>	<b>158</b>	<b>52</b>	<b>-1,314</b>	<b>-</b>	<b>-65</b>	<b>10</b>	<b>-405</b>	<b>260</b>
<b>Equity at 31 December 2023</b>	<b>2,884</b>	<b>2,422</b>	<b>6,865</b>	<b>8,482</b>	<b>2,591</b>	<b>106</b>	<b>2,677</b>	<b>1,903</b>	<b>666</b>	<b>28,597</b>

1) Holding of own equity certificates as part of SpareBank 1 Markets' trading activity.

Group	Attributable to parent company equity holders									
	Issued equity			Earned equity						
(NOKm)	EC capital	Premium fund	Owner-less capital	Equalisation fund	Dividend and gifts	Un-realised gains reserve	Other equity	Additional Tier 1 Capital	NCI	Total equity
<b>Equity at 1 January 2024</b>	<b>2,884</b>	<b>2,422</b>	<b>6,865</b>	<b>8,482</b>	<b>2,591</b>	<b>106</b>	<b>2,677</b>	<b>1,903</b>	<b>666</b>	<b>28,597</b>
Net profit	-	-	-	-	-	-	3,463	-	76	3,540
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-99	-	-	-99
Value changes on loans measured at fair value	-	-	-	-	-	-	-4	-	-	-4
Actuarial gains (losses), pensions	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-103	-	-	-103
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,360</b>	<b>-</b>	<b>76</b>	<b>3,437</b>
<b>Transactions with owners</b>										
Dividend declared for 2023	-	-	-	-	-1,730	-	-	-	-	-1,730
To be disbursed from gift fund	-	-	-	-	-860	-	-	-	-	-860
Additional Tier 1 capital issued	-	-	-	-	-	-	-	450	-	450
Buyback additional Tier 1 Capital issued	-	-	-	-	-	-	-	-156	-	-156
Interest payments additional Tier 1 capital	-	-	-	-	-	-	-	-103	-	-103
Purchase and sale of own ECCs	0	-	-	1	-	-	-	-	-	1
Direct recognitions in equity	-	-	-	-	-	-	-0	-	-	-0
Other transactions from associates and joint ventures	-	-	-	-	-	-	-5	-	-	-5
Change in non-controlling interests	-	-	-	-	-	-	-	-	45	45
<b>Total transactions with owners</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-2,591</b>	<b>-</b>	<b>-6</b>	<b>192</b>	<b>45</b>	<b>-2,359</b>
<b>Equity at 30 September 2024</b>	<b>2,884</b>	<b>2,422</b>	<b>6,865</b>	<b>8,482</b>	<b>-</b>	<b>106</b>	<b>6,032</b>	<b>2,095</b>	<b>788</b>	<b>29,674</b>

# Notes

## Contents

Note 1 - Accounting principles .....	28
Note 2 - Critical estimates and assessment concerning the use of accounting principles .....	29
Note 3 - Account by business line .....	31
Note 4 - Capital adequacy .....	33
Note 5 - Distribution of loans by sector/industry .....	35
Note 6 - Losses on loans and guarantees .....	36
Note 7 - Losses .....	37
Note 8 - Gross loans .....	43
Note 9 - Distribution of customer deposits by sector/industry .....	45
Note 10 - Net interest income .....	46
Note 11 - Net commission income and other income .....	47
Note 12 - Operating expenses .....	48
Note 13 - Net return on financial investments .....	49
Note 14 - Other assets .....	50
Note 15 - Other liabilities .....	51
Note 16 - Debt created by issue of securities and subordinated debt .....	52
Note 17 - Measurement of fair value of financial instruments .....	53
Note 18 - Liquidity risk .....	56
Note 19 - Earnings per EC .....	57

## Note 1 - Accounting principles

### Accounting principles

SpareBank 1 SMN prepares and presents its quarterly accounts in compliance with the Stock Exchange Regulations, Stock Exchange Rules and International Financial Reporting Standards (IFRS) approved by EU, including IAS 34, Interim Financial Reporting. The quarterly accounts do not include all the information required in a complete set of annual financial statements and should be read in conjunction with the annual accounts for 2023. The Group has in this quarterly report used the same accounting principles and calculation methods as in the latest annual report and accounts.

## Note 2 - Critical estimates and assessment concerning the use of accounting principles

When it prepares the consolidated accounts the management team makes estimates, discretionary assessments and assumptions which influence the application of accounting principles. This accordingly affects recognised amounts for assets, liabilities, revenues and expenses. Last year's annual accounts give a closer explanation of significant estimates and assumptions in Note 3 Critical estimates and assessments concerning the use of accounting principles.

### Pensions

Sparebank 1 SMN Group has one pension arrangement; defined contribution plan. For a further description of the pension scheme, see note 22 in the 2023 annual report.

The group's pension liabilities are accounted for under IAS 19R. Estimate variances are therefore directly reflected in equity capital and are presented under other comprehensive income.

It was decided to terminate the defined benefit scheme at a board meeting on 21 October 2016. Employees on this scheme transferred to the defined contribution scheme from 1 January 2017, and received a paid-up policy showing rights accumulated under the defined benefit scheme. Paid-up policies are managed by the pension fund, which has been a paid-up pension fund as from 1 January 2017. A framework agreement has been established between SpareBank 1 SMN and the pension fund which covers funding, asset management etc. In view of the responsibility still held by SpareBank 1 SMN, future liabilities will need to be incorporated in the accounts. The board of the pension fund is required to be composed of representatives from the Group and participants in the pension schemes in accordance with the articles of association of the pension fund.

A new calculation of the Group's pension liabilities has not been carried out as per 30 September 2024.

### Investment held for sale

SpareBank 1 SMN's strategy is that ownership due to defaulted exposures should at the outset be of brief duration, normally not longer than one year. Investments are recorded at fair value in the Parent Bank's accounts, and is classified as investment held for sale.

January - September 2024 (NOK Million)	Assets	Liabilities	Revenue	Expenses	Profit	Ownership
Mavi XV AS Group	195	1	9	11	-2	100 %
Total Held for sale	195	1	9	11	-2	

### Losses on loans and guarantees

For a detailed description of the Bank's model for expected credit losses, refer to note 10 in the annual accounts for 2023.

Measurement of expected credit loss for each stage requires both information on events and current conditions and information on expected events and future economic conditions. Estimation and use of forward-looking information requires a high degree of discretionary judgement. Each macroeconomic scenario that is utilised includes a projection for a five-year period. For credits where credit risk is assessed to have increased significantly since loan approval (stage 2), loss estimates for the period after year 5 are based on year 5 as regards level of PD and LGD.

Our estimate of expected credit loss at stage 1 and 2 is a probability-weighted average of three scenarios: Base Case, Best Case and Worst Case. The model that computes model write-downs is based on two macro variables – interest rate level (three-month NIBOR) and unemployment (Statistics Norway's Labour Force Survey, AKU). The assumptions in the baseline scenario are based on the assumptions in Norges Bank's Monetary Policy Report 3/24. Updated macro assumptions this quarter have had little effect on the level of write-downs. The downside scenario features high interest rates and high unemployment, which are largely based on Finanstilsynet's stress test reported in Financial Outlook, June 2023. The upside scenario features low interest rates and low unemployment.

Calculation of the group's overall model write-downs is based on calculations of expected credit loss (ECL) for each of five portfolios below. For each portfolio, separate assumptions are defined with regard to how the macro variables 'interest rate' and 'unemployment' impact PD and LGD. The relationships between the macro variables are developed using of regression analysis and simulation, while the relationships between the macro variables and LGD are based largely on expert assessments and discretionary judgement. The five portfolios are:

- Residential mortgages
- Other retail loans
- Agriculture
- Industries with large balance sheets / high long-term debt ratios (real estate, shipping, offshore, aquaculture, fishery)
- Industries with smaller balance sheets / low long-term debt ratios (other industries)



The criteria for classification in stage 2 ("significantly increased credit risk since approval") have not been changed in the quarter. The customers in building and construction industry (including industries closely linked to the building and construction sector) and some fishery segments are generally considered to have acquired significantly increased credit risk since loan approval and customers in this industry are accordingly classified to stage 2 or 3.

ECL as at 30 September 2024 is calculated as a combination of 80 per cent expected scenario, 10 per cent downside scenario and 10 per cent upside scenario (80/10/10 pct).

The effect of the change of assumptions in 2024 is shown in the line "Effect of changed assumptions in the ECL model" in note 7. The model write-downs are reduced both for the retail and the corporate portfolio due to the recalibration of the calculation model. Overall, for the first nine months this amounts to NOK 36 m for the bank and NOK 57 m for the group in terms of reduced write-downs.

### Sensitivity

The first part of the table below show total calculated expected credit loss as of 30 September 2024 in each of the three scenarios, distributed in the portfolios Retail Market, Corporate Market and agriculture, which adds up to parent bank. In addition the subsidiary SpareBank 1 Finans Midt-Norge is included. ECL for the parent bank and the subsidiary is summed up in the coloumn "Group".

The second part of the table show the ECL distributed by portfolio using the scenario weight applied, in addition to a alternative weighting where downside scenaro weight has been doubled.

If the downside scenario's probability were doubled at the expense of the baseline scenario at the end of September 2024, this would have entailed an increase in loss provisions of NOK 140 million for the parent bank and NOK 163 million for the group.

	CM	RM	Agriculture	Total parent	SB 1 Finans MN, CM	SB 1 Finans MN, RM	Total group
ECL base case	613	97	79	789	40	16	845
ECL worst case	1,589	290	313	2,193	196	83	2,472
ECL best case	409	59	48	517	19	10	546
ECL with scenario weights used 80/10/10	690	113	99	902	53	23	978
ECL alternative scenario weights 70/20/10	788	132	123	1,043	69	29	1,141
<b>Total ECL used</b>	<b>98</b>	<b>19</b>	<b>23</b>	<b>140</b>	<b>19</b>	<b>7</b>	<b>163</b>

The table reflects that there are some significant differences in underlying PD and LGD estimates in the different scenarios and that there are differentiated levels and level differences between the portfolios. At group level, the ECL in the upside scenario, which largely reflects the loss and default picture in recent years, is about 60 per cent of the ECL in the expected scenario. The downside scenario gives over double the ECL than in the expected scenario. Applied scenario weighting gives about 16 percent higher ECL than in the expected scenario.

### Car subscription company Fleks

The board of directors of Fleks filed for bankruptcy on 13 May 2024. SpareBank 1 SMN and other SpareBank 1 banks owned, through SpareBank 1 Mobilitet Holding, 47.2 per cent of the company. With a view to ensuring a controlled disposal of the business, SpareBank 1 Finans Midt-Norge took over Fleks Green Fleet 01, which was previously a subsidiary of Fleks.

In the second quarter of 2024 this company was consolidated into SpareBank 1 SMN's group accounts based on preliminary assessments of the agreements which had been entered into between the previous owners. Over the course of the third quarter 2024 new assessments were made which concluded that consolidation of this company was not correct under the provisions of IFRS 10. As from the third quarter the company is accordingly not consolidated but treated as a company under joint control in accordance with the equity method. Historical figures for the second quarter of 2024 are restated.

Income Statement (NOKm)	Second quarter 2024	Effect of Fleks GF	Second quarter 2024 restated
Other operating income	323	- 18	305
<b>Net commision and other income</b>	<b>698</b>	<b>- 18</b>	<b>680</b>
Other operating expenses	334	- 18	316
<b>Total operating expenses</b>	<b>818</b>	<b>- 18</b>	<b>801</b>
<b>Pretax income</b>	<b>1 296</b>	<b>0</b>	<b>1 296</b>

### Note 3 - Account by business line

For 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.

#### Group 30 September 2024

Profit and loss account (NOKm)	Sunnmøre og Fjordane			SB 1 Finans		SB 1 Regnskaps- huset SMN		Other	Uncollated	Total
	RM	CM	EM 1	MN	SMN					
Net interest	1,431	1,069	533	4	403	2	-	558	4,001	
Interest from allocated capital	310	179	120	-	-	-	-	-609	-	
<b>Total interest income</b>	<b>1,742</b>	<b>1,248</b>	<b>653</b>	<b>4</b>	<b>403</b>	<b>2</b>	<b>-</b>	<b>-52</b>	<b>4,001</b>	
Comission income and other income	546	173	118	393	-73	626	-	29	1,812	
Net return on financial investments **)	-3	1	6	1	-	-	1,027	41	1,074	
<b>Total income</b>	<b>2,285</b>	<b>1,422</b>	<b>777</b>	<b>399</b>	<b>330</b>	<b>628</b>	<b>1,027</b>	<b>18</b>	<b>6,887</b>	
<b>Total operating expenses</b>	<b>491</b>	<b>172</b>	<b>157</b>	<b>327</b>	<b>98</b>	<b>547</b>	<b>-</b>	<b>606</b>	<b>2,399</b>	
<b>Ordinary operating profit</b>	<b>1,794</b>	<b>1,251</b>	<b>620</b>	<b>71</b>	<b>232</b>	<b>81</b>	<b>1,027</b>	<b>-588</b>	<b>4,488</b>	
Loss on loans, guarantees etc.	31	55	39	-	22	-	-	-0	146	
<b>Result before tax</b>	<b>1,763</b>	<b>1,196</b>	<b>581</b>	<b>71</b>	<b>211</b>	<b>81</b>	<b>1,027</b>	<b>-588</b>	<b>4,342</b>	
Return on equity *)	19.1 %	23.9 %	16.0 %		12.1 %				17.4 %	

#### Group 30 September 2023

Profit and loss account (NOKm)	Sunnmøre og Fjordane			SB 1 Finans		SB 1 Regnskaps- huset SMN		Other	Uncollated	Total
	RM	CM	EM 1	MN	SMN					
Net interest	1,326	971	412	1	376	3	-	297	3,386	
Interest from allocated capital	231	137	77	-	-	-	-	-445	-	
<b>Total interest income</b>	<b>1,557</b>	<b>1,108</b>	<b>490</b>	<b>1</b>	<b>376</b>	<b>3</b>	<b>-</b>	<b>-148</b>	<b>3,386</b>	
Comission income and other income	500	179	78	334	-79	550	-	24	1,586	
Net return on financial investments **)	0	-4	13	1	-71	-	278	-57	161	
<b>Total income</b>	<b>2,057</b>	<b>1,283</b>	<b>580</b>	<b>336</b>	<b>226</b>	<b>553</b>	<b>278</b>	<b>-181</b>	<b>5,133</b>	
<b>Total operating expenses</b>	<b>769</b>	<b>282</b>	<b>202</b>	<b>289</b>	<b>89</b>	<b>453</b>	<b>-</b>	<b>68</b>	<b>2,152</b>	
<b>Ordinary operating profit</b>	<b>1,288</b>	<b>1,001</b>	<b>378</b>	<b>47</b>	<b>137</b>	<b>100</b>	<b>278</b>	<b>-249</b>	<b>2,981</b>	
Loss on loans, guarantees etc.	3	34	-81	-	38	-	-	-0	-6	
<b>Result before tax</b>	<b>1,286</b>	<b>968</b>	<b>459</b>	<b>47</b>	<b>99</b>	<b>100</b>	<b>278</b>	<b>-249</b>	<b>2,988</b>	
Return on equity *)	18.1 %	24.2 %	18.0 %		5.6 %				13.0 %	

## Group 2023

Profit and loss account (NOKm)	Sunnmøre og Fjordane			SB 1 Finans		SB 1 Regnskaps- huset SMN		Other	Uncollated	Total
	RM	CM	EM 1	MN	SMN					
Net interest	1,824	1,335	598	2	490	4	-	379	4,632	
Interest from allocated capital	328	195	112	-	-	-	-	-634	-	
<b>Total interest income</b>	<b>2,151</b>	<b>1,530</b>	<b>709</b>	<b>2</b>	<b>490</b>	<b>4</b>	<b>-</b>	<b>-255</b>	<b>4,632</b>	
Comission income and other income	652	234	110	432	-97	716	-	37	2,084	
Net return on financial investments **)	1	6	7	1	-82	-	379	488	799	
<b>Total income</b>	<b>2,804</b>	<b>1,770</b>	<b>826</b>	<b>435</b>	<b>311</b>	<b>720</b>	<b>379</b>	<b>270</b>	<b>7,515</b>	
<b>Total operating expenses</b>	<b>1,078</b>	<b>407</b>	<b>315</b>	<b>395</b>	<b>115</b>	<b>612</b>	<b>-</b>	<b>97</b>	<b>3,017</b>	
<b>Ordinary operating profit</b>	<b>1,726</b>	<b>1,363</b>	<b>512</b>	<b>40</b>	<b>196</b>	<b>108</b>	<b>379</b>	<b>173</b>	<b>4,498</b>	
Loss on loans, guarantees etc.	1	45	-118	-	86	-	-	-0	14	
<b>Result before tax</b>	<b>1,725</b>	<b>1,318</b>	<b>629</b>	<b>40</b>	<b>111</b>	<b>108</b>	<b>379</b>	<b>173</b>	<b>4,484</b>	
Return on equity *)	18.2 %	24.3 %	19.6 %		1.5 %				14.4 %	

\*) Regulatory capital in line with the bank's capital target have been used as basis for calculating capital used in the Retail and Corporate market.

**) Specification of other (NOKm)	Januar - September		
	2024	2023	2023
SpareBank 1 Gruppen	127	17	-34
SpareBank 1 Boligkreditt	105	68	98
SpareBank 1 Næringskreditt	10	9	10
BN Bank	234	183	257
SpareBank 1 Markets	71	-	19
SpareBank 1 Kreditt	-5	-9	-13
SpareBank 1 Betaling	-15	-30	-37
SpareBank 1 Forvaltning	37	22	35
Other companies	11	18	46
<b>Income from investment in associates and joint ventures</b>	<b>1,027</b>	<b>278</b>	<b>379</b>
SpareBank 1 Mobilitet Holding	-	-71	-82
<b>Net income from investment in associates and joint ventures</b>	<b>1,027</b>	<b>207</b>	<b>297</b>

## Note 4 - Capital adequacy

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRR/CRD IV). SpareBank 1 SMN utilises the Internal Rating Based Approach (IRB) for credit risk. Advanced IRB Approach is used for the corporate portfolios. Use of IRB imposes wide-ranging requirements on the bank's organisational set-up, competence, risk models and risk management systems.

As of 30 September 2024 the overall minimum requirement on CET1 capital is 14.0 per cent. The capital conservation buffer requirement is 2.5 per cent, the systemic risk requirement for Norwegian IRB-banks is 4.5 per cent and the Norwegian countercyclical buffer is 2.5 per cent. These requirements are additional to the requirement of 4.5 per cent CET1 capital. In addition the financial supervisory authority has set a Pillar 2 requirement for SpareBank 1 SMN. From 31 December 2023, the requirement is 1.7 per cent and must be met with a minimum of 56.25 per cent. In addition the bank must have an additional 0.7 per cent in Pillar 2 requirements until the application for adjusting IRB-models has been processed.

Under the CRR/CRDIV regulations the average risk weighting of exposures secured on residential property in Norway cannot be lower than 20 per cent. As of 30 September 2024, the average risk weights are over 20 per cent for the group.

The systemic risk buffer stands at 4.5 per cent for the Norwegian exposures. For exposures in other countries, the particular country's systemic buffer rate shall be employed. As of 30 September 2024 the effective rate for the group is 4.44 per cent.

The countercyclical buffer is calculated using differentiated rates. For exposures in other countries the countercyclical buffer rate set by the authorities in the country concerned is applied. If that country has not set a rate, the same rate as for exposures in Norway is applied unless the Ministry of Finance sets another rate. As of 30 September 2024 both the parent bank and the group is below the capital deduction threshold such that the Norwegian rate is applied to all relevant exposures.

Parent Bank				Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024	(NOKm)	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>25,150</b>	<b>23,725</b>	<b>25,301</b>	<b>Total book equity</b>	<b>29,674</b>	<b>27,471</b>	<b>28,597</b>
-1,800	-1,416	-2,006	Additional Tier 1 capital instruments included in total equity	-2,095	-1,451	-1,903
-812	-842	-772	Deferred taxes, goodwill and other intangible assets	-2,238	-1,433	-1,625
-2,591	0	-	Deduction for allocated dividends and gifts	-	0	-2,591
-	-	-	Non-controlling interests recognised in other equity capital	-788	-919	-666
-	-	-	Non-controlling interests eligible for inclusion in CET1 capital	691	805	679
-	-2,483	-2,538	Net profit	-3,540	-2,441	-
-	1,222	360	Year-to-date profit included in core capital (50 per cent (50 per cent) pre tax of group profit)	940	1,177	-
-53	-78	-55	Value adjustments due to requirements for prudent valuation	-76	-94	-72
-412	-311	-387	Positive value of adjusted expected loss under IRB Approach	-612	-416	-546
-	-	-	Cash flow hedge reserve	-2	-7	-4
-350	-305	-350	Deduction for common equity Tier 1 capital in significant investments in financial institutions	-267	-292	-278
<b>19,131</b>	<b>19,512</b>	<b>19,553</b>	<b>Common equity Tier 1 capital</b>	<b>21,688</b>	<b>22,400</b>	<b>21,589</b>
1,800	1,500	1,943	Additional Tier 1 capital instruments	2,456	1,930	2,252
-48	-47	-48	Deduction for significant investments in financial institutions	-48	-47	-48
<b>20,883</b>	<b>20,965</b>	<b>21,448</b>	<b>Tier 1 capital</b>	<b>24,097</b>	<b>24,283</b>	<b>23,793</b>
-	-	-	<b>Supplementary capital in excess of core capital</b>			
2,150	2,342	2,789	Subordinated capital	3,686	2,880	2,822
-216	-213	-226	Deduction for significant investments in financial institutions	-226	-213	-216
<b>1,934</b>	<b>2,129</b>	<b>2,563</b>	<b>Additional Tier 2 capital instruments</b>	<b>3,460</b>	<b>2,667</b>	<b>2,606</b>
<b>22,817</b>	<b>23,094</b>	<b>24,011</b>	<b>Total eligible capital</b>	<b>27,557</b>	<b>26,950</b>	<b>26,399</b>

Risk weighted assets (RWA)						
15,701	15,595	17,671	Specialised enterprises	21,247	18,918	19,226
11,303	12,355	11,126	Corporate	11,339	12,676	11,634
19,617	19,600	20,845	Mass market exposure, property	38,404	36,133	36,333

1,545	1,464	1,506	Other mass market	1,593	1,495	1,577
18,558	17,011	18,614	Equity positions IRB	-	-	-
<b>66,724</b>	<b>66,026</b>	<b>69,762</b>	<b>Total credit risk IRB</b>	<b>72,583</b>	<b>69,221</b>	<b>68,770</b>
40	55	16	Central government	414	75	68
1,188	1,209	1,385	Covered bonds	2,172	1,687	1,908
4,659	4,517	4,335	Institutions	3,261	3,130	3,495
1,371	1,733	1,155	Local and regional authorities, state-owned enterprises	1,329	2,058	1,829
3,101	2,406	3,320	Corporate	6,621	5,422	6,325
49	218	225	Mass market	9,330	9,044	8,785
467	516	627	Exposures secured on real property	1,514	1,671	1,573
792	1,187	889	Equity positions	5,649	5,874	5,809
1,400	1,383	1,567	Other assets	2,682	2,328	2,224
<b>13,069</b>	<b>13,223</b>	<b>13,519</b>	<b>Total credit risk standardised approach</b>	<b>32,971</b>	<b>31,289</b>	<b>32,016</b>
279	452	471	Debt risk	465	473	279
-	-	-	Equity risk	111	198	82
-	-	-	Currency risk and risk exposure for settlement/delivery	27	16	21
6,810	6,101	6,810	Operational risk	11,262	11,246	11,548
472	228	478	Credit value adjustment risk (CVA)	1,672	1,350	1,918
<b>87,354</b>	<b>86,031</b>	<b>91,040</b>	<b>Risk weighted assets (RWA)</b>	<b>119,092</b>	<b>113,793</b>	<b>114,633</b>
<b>6,988</b>	<b>6,882</b>	<b>7,283</b>	<b>Minimum requirements subordinated capital</b>	<b>9,527</b>	<b>9,103</b>	<b>9,171</b>
3,931	3,871	4,097	Minimum requirement on CET1 capital, 4.5 per cent	5,359	5,121	5,159
			Capital Buffers			
2,184	2,151	2,276	Capital conservation buffer, 2.5 per cent	2,977	2,845	2,866
3,896	3,828	4,060	Systemic risk buffer, 4.44 per cent	5,279	5,041	5,081
2,184	2,151	2,276	Countercyclical buffer, 2.5 per cent	2,977	2,845	2,866
<b>8,264</b>	<b>8,130</b>	<b>8,612</b>	<b>Total buffer requirements on CET1 capital</b>	<b>11,234</b>	<b>10,731</b>	<b>10,813</b>
<b>6,937</b>	<b>7,511</b>	<b>6,844</b>	<b>Available CET1 capital after buffer requirements</b>	<b>5,096</b>	<b>6,549</b>	<b>5,618</b>
			<b>Capital adequacy</b>			
21.9 %	22.7 %	21.5 %	Common equity Tier 1 capital ratio	18.2 %	19.7 %	18.8 %
23.9 %	24.4 %	23.6 %	Tier 1 capital ratio	20.2 %	21.3 %	20.8 %
26.1 %	26.8 %	26.4 %	Capital ratio	23.1 %	23.7 %	23.0 %
			<b>Leverage ratio</b>			
221,334	223,857	230,079	Balance sheet items	342,513	323,045	323,929
7,559	7,874	7,829	Off-balance sheet items	9,409	8,951	8,984
-513	-436	-489	Regulatory adjustments	-736	-558	-666
228,380	231,295	237,419	Calculation basis for leverage ratio	351,186	331,438	332,247
20,883	20,965	21,448	Core capital	24,097	24,283	23,793
<b>9.1 %</b>	<b>9.1 %</b>	<b>9.0 %</b>	<b>Leverage Ratio</b>	<b>6.9 %</b>	<b>7.3 %</b>	<b>7.2 %</b>



## Note 5 - Distribution of loans by sector/industry

Parent Bank				Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024	(NOKm)	30 Sep 2024	30 Sep 2023	31 Dec 2023
12,021	11,684	12,639	Agriculture and forestry	13,131	12,141	12,489
5,459	6,343	6,362	Fisheries and hunting	6,388	6,371	5,488
2,218	2,709	2,758	Sea farming industries	3,058	2,978	2,473
3,170	3,241	3,833	Manufacturing	4,476	3,843	3,757
6,111	6,107	5,387	Construction, power and water supply	6,725	7,360	7,353
2,845	3,004	3,043	Retail trade, hotels and restaurants	3,959	3,682	3,777
6,030	5,957	4,846	Maritime sector	4,846	5,957	6,030
21,288	20,519	25,204	Property management	25,320	20,646	21,400
4,239	4,335	4,620	Business services	5,364	5,193	5,148
5,396	4,737	6,058	Transport and other services provision	7,272	5,818	6,459
2	4	40	Public administration	66	36	39
2,220	1,554	1,509	Other sectors	1,429	1,493	2,140
<b>70,997</b>	<b>70,194</b>	<b>76,300</b>	<b>Gross loans in Corporate market</b>	<b>82,034</b>	<b>75,516</b>	<b>76,553</b>
152,710	151,599	157,833	Wage earners	165,114	158,800	159,777
<b>223,708</b>	<b>221,793</b>	<b>234,133</b>	<b>Gross loans incl. SB1 Boligkreditt /SB1 Næringskreditt</b>	<b>247,148</b>	<b>234,316</b>	<b>236,329</b>
64,719	63,616	65,983	of which SpareBank 1 Boligkreditt	65,983	63,616	64,719
1,749	1,761	1,576	of which SpareBank 1 Næringskreditt	1,576	1,761	1,749
<b>157,240</b>	<b>156,417</b>	<b>166,575</b>	<b>Total Gross loans to and receivables from customers</b>	<b>179,590</b>	<b>168,940</b>	<b>169,862</b>
659	863	667	- Loan loss allowance on amortised cost loans	801	956	790
117	118	142	- Loan loss allowance on loans at FVOCI	142	118	117
<b>156,464</b>	<b>155,435</b>	<b>165,765</b>	<b>Net loans to and receivables from customers</b>	<b>178,646</b>	<b>167,865</b>	<b>168,955</b>

## Note 6 - Losses on loans and guarantees

	January - September						Third quarter					
	2024			2023			2024			2023		
	RM	CM	Total	RM	CM	Total	RM	CM	Total	RM	CM	Total
<b>Parent Bank (NOKm)</b>												
Change in provision for expected credit losses	36	67	103	11	-25	-14	15	34	49	-1	26	25
Actual loan losses on commitments exceeding provisions made	3	28	31	11	11	22	1	17	18	3	4	7
Recoveries on commitments previously written-off	-4	-6	-9	-26	-27	-53	-1	-2	-3	-0	-3	-3
<b>Losses for the period on loans and guarantees</b>	<b>35</b>	<b>89</b>	<b>124</b>	<b>-4</b>	<b>-41</b>	<b>-45</b>	<b>14</b>	<b>49</b>	<b>63</b>	<b>1</b>	<b>27</b>	<b>29</b>

	January - September						Third quarter					
	2024			2023			2024			2023		
	RM	CM	Total	RM	CM	Total	RM	CM	Total	RM	CM	Total
<b>Group (NOKm)</b>												
Change in provision for expected credit losses	32	73	106	15	-18	-3	17	39	56	-0	25	25
Actual loan losses on commitments exceeding provisions made	3	28	31	45	24	70	1	17	18	4	10	13
Recoveries on commitments previously written-off	1	8	9	-45	-29	-74	-0	2	2	-0	-3	-3
<b>Losses for the period on loans and guarantees</b>	<b>37</b>	<b>109</b>	<b>146</b>	<b>16</b>	<b>-22</b>	<b>-6</b>	<b>17</b>	<b>58</b>	<b>75</b>	<b>4</b>	<b>31</b>	<b>35</b>

## Note 7 - Losses

Parent Bank (NOKm)	1 Jan 24	Change in provision	Net write-offs /recoveries	Currency /Other movements	30 Sep 24
Loans as amortised cost- CM	671	61	-47	-	685
Loans as amortised cost- RM	43	21	-0	-	64
Loans at fair value over OCI- RM	137	15	-	-	152
Loans at fair value over OCI- CM	13	6	-	-	19
<b>Provision for expected credit losses on loans and guarantees</b>	<b>864</b>	<b>103</b>	<b>-47</b>	<b>-</b>	<b>920</b>
<b>Presented as</b>					
Provision for loan losses	776	80	-47	-	809
Other debt- provisons	53	27	-	-	79
Other comprehensive income - fair value adjustment	36	-4	-	-	32

Parent Bank (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	30 Sep 23
Loans as amortised cost- CM	921	32	-75	-5	873
Loans as amortised cost- RM	35	11	4	-5	45
Loans at fair value over OCI- RM	147	-	-4	-	143
Loans at fair value over OCI- CM	2	-	18	-	20
<b>Provision for expected credit losses on loans and guarantees</b>	<b>1,106</b>	<b>43</b>	<b>-57</b>	<b>-11</b>	<b>1,081</b>
<b>Presented as</b>					
Provision for loan losses	999	41	-47	-11	982
Other debt- provisons	67	2	-17	-	52
Other comprehensive income - fair value adjustment	40	-	7	-	48

Parent Bank (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	31 Dec 23
Loans as amortised cost- CM	921	32	-101	-181	671
Loans as amortised cost- RM	35	11	2	-5	43
Loans at fair value over OCI- RM	147	-	-10	-	137
Loans at fair value over OCI- CM	2	-	11	-	13
<b>Provision for expected credit losses on loans and guarantees</b>	<b>1,106</b>	<b>43</b>	<b>-99</b>	<b>-186</b>	<b>864</b>
<b>Presented as</b>					
Provision for loan losses	999	41	-77	-186	776
Other debt- provisons	67	2	-16	-	53
Other comprehensive income - fair value adjustment	40	-	-5	-	36

Group (NOKm)	1 Jan 24	Change in provision	Net write-offs /recoveries	Currency /Other movements	30 Sep 24
Loans as amortised cost- CM	777	69	-49	-	797
Loans as amortised cost- RM	68	17	-0	-	85
Loans at fair value over OCI- RM	137	15	-	-	152
Loans at fair value over OCI- CM	13	6	-	-	19
<b>Provision for expected credit losses on loans and guarantees</b>	<b>995</b>	<b>108</b>	<b>-49</b>	<b>-</b>	<b>1,054</b>
<b>Presented as</b>					
Provision for loan losses	907	85	-49	-	943
Other debt- provisons	53	27	-	-	79
Other comprehensive income - fair value adjustment	36	-4	-	-	32

Group (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	30 Sep 23
Loans as amortised cost- CM	976	32	-68	-5	934
Loans as amortised cost- RM	63	11	8	-5	77
Loans at fair value over OCI- RM	147	-	-4	-	143
Loans at fair value over OCI- CM	2	-	18	-	20
<b>Provision for expected credit losses on loans and guarantees</b>	<b>1,188</b>	<b>43</b>	<b>-46</b>	<b>-11</b>	<b>1,174</b>
<b>Presented as</b>					
Provision for loan losses	1,081	41	-36	-11	1,075
Other debt- provisons	67	2	-17	-	52
Other comprehensive income - fair value adjustment	40	-	7	-	48

Group (NOKm)	1 Jan 23	Merge Søre Sunnmøre	Change in provision	Net write-offs /recoveries	31 Dec 23
Loans as amortised cost- CM	976	32	-44	-186	777
Loans as amortised cost- RM	63	11	-1	-5	68
Loans at fair value over OCI- RM	147	-	-10	-	137
Loans at fair value over OCI- CM	2	-	11	-	13
<b>Provision for expected credit losses on loans and guarantees</b>	<b>1,188</b>	<b>43</b>	<b>-44</b>	<b>-192</b>	<b>995</b>
<b>Presented as</b>					
Provision for loan losses	1,081	41	-23	-192	907
Other debt- provisons	67	2	-16	-	53
Other comprehensive income - fair value adjustment	40	-	-5	-	36

**Accrual for losses on loans**

Parent Bank (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Retail market</b>												
Opening balance	38	95	45	179	46	93	42	181	46	93	42	181
Transfer to (from) stage 1	16	-16	-0	-	19	-19	-0	-	18	-18	-0	-
Transfer to (from) stage 2	-4	5	-1	-	-3	3	-0	-	-3	3	-0	-
Transfer to (from) stage 3	-1	-8	10	-	-0	-7	7	-	-0	-8	9	-
Net remeasurement of loss allowances	-17	44	23	50	-26	14	10	-3	-26	19	-5	-12
Originations or purchases	12	18	1	31	12	15	2	29	15	20	3	37
Derecognitions	-10	-20	-4	-33	-13	-25	-4	-42	-14	-31	-4	-49
Changes due to changed input assumptions	-0	-10	-0	-11	8	21	-1	28	3	16	8	27
Actual loan losses	0	0	-0	-0	-	-	-5	-5	0	0	-5	-5
Closing balance	34	107	74	216	43	94	49	187	38	95	45	179
<b>Corporate Market</b>												
Opening balance	160	267	205	633	138	298	421	858	138	298	421	858
Transfer to (from) stage 1	56	-56	-0	-	49	-46	-3	-	59	-59	-0	-
Transfer to (from) stage 2	-9	11	-2	-	-12	20	-7	-	-14	24	-10	-
Transfer to (from) stage 3	-7	-19	25	-	-1	-4	4	-	-1	-5	6	-
Net remeasurement of loss allowances	-41	95	39	93	-26	22	-6	-9	-58	11	9	-38
Originations or purchases	65	49	4	117	68	28	23	120	90	35	37	163
Derecognitions	-49	-85	-14	-148	-34	-54	-12	-101	-52	-68	-15	-136
Changes due to changed input assumptions	-20	-2	-2	-24	-16	8	-13	-20	-2	31	-62	-33
Actual loan losses	-	-	-47	-47	-	-	-5	-5	-	-	-181	-181
Closing balance	155	261	209	626	166	273	403	842	160	267	205	633
<b>Total accrual for loan losses</b>	<b>189</b>	<b>368</b>	<b>284</b>	<b>841</b>	<b>209</b>	<b>368</b>	<b>452</b>	<b>1,029</b>	<b>198</b>	<b>363</b>	<b>251</b>	<b>812</b>

Group (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Retail market</b>												
Opening balance	46	111	46	204	55	107	47	209	55	107	47	209
Transfer to (from) stage 1	19	-19	-0	-	21	-21	-0	-	21	-20	-1	-
Transfer to (from) stage 2	-5	6	-1	-	-4	5	-1	-	-4	5	-1	-
Transfer to (from) stage 3	-1	-10	11	-	-1	-8	9	-	-1	-10	11	-
Net remeasurement of loss allowances	-19	49	22	52	-27	19	13	5	-28	25	-6	-9
Originations or purchases	15	20	1	36	16	18	2	36	19	25	3	47
Derecognitions	-11	-23	-4	-38	-14	-28	-7	-50	-17	-34	-7	-58

Changes due to changed input assumptions	-2	-14	-0	-17	7	19	-2	24	-0	14	7	21
Actual loan losses	-	-	-0	-0	-	-	-5	-5	-	-	-5	-5
Closing balance	41	121	75	237	53	110	55	218	46	111	46	204
<b>Corporate Market</b>												
Opening balance	172	299	268	739	151	311	450	912	151	311	450	912
Transfer to (from) stage 1	60	-60	-0	-	54	-50	-3	-	63	-63	-0	-
Transfer to (from) stage 2	-11	13	-3	-	-14	21	-7	-	-18	28	-10	-
Transfer to (from) stage 3	-7	-20	27	-	-1	-4	5	-	-1	-6	7	-
Net remeasurement of loss allowances	-43	104	45	105	-26	30	-12	-9	-59	22	60	23
Originations or purchases	69	62	4	135	78	32	25	134	96	46	38	181
Derecognitions	-51	-88	-14	-153	-36	-55	-13	-104	-54	-70	-16	-140
Changes due to changed input assumptions	-23	-11	-5	-39	-19	7	-14	-25	-5	29	-75	-51
Actual loan losses	-	-	-49	-49	-	-	-5	-5	-	-	-186	-186
Closing balance	166	298	273	738	187	291	426	904	172	299	268	739
<b>Total accrual for loan losses</b>	<b>207</b>	<b>419</b>	<b>349</b>	<b>975</b>	<b>241</b>	<b>401</b>	<b>481</b>	<b>1,122</b>	<b>218</b>	<b>410</b>	<b>314</b>	<b>943</b>



## Accrual for losses on guarantees and unused credit lines

Parent Bank and Group (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	18	27	8	53	24	34	9	67	24	34	9	67
Transfer to (from) stage 1	12	-12	-0	-	6	-6	-0	-	6	-6	-0	-
Transfer to (from) stage 2	-1	1	-0	-	-2	2	-0	-	-2	2	-0	-
Transfer to (from) stage 3	-0	-0	1	-	-0	-1	1	-	-0	-1	1	-
Net remeasurement of loss allowances	-12	5	32	25	-1	-3	-5	-9	-13	-4	2	-15
Originations or purchases	8	4	0	12	2	1	-	2	9	4	0	13
Derecognitions	-6	-3	-1	-9	-5	-7	-0	-13	-6	-8	-1	-15
Changes due to changed input assumptions	-1	-0	-0	-1	-2	3	3	4	0	5	-3	2
Actual loan losses	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>18</b>	<b>21</b>	<b>40</b>	<b>79</b>	<b>21</b>	<b>24</b>	<b>7</b>	<b>52</b>	<b>18</b>	<b>27</b>	<b>8</b>	<b>53</b>
Of which												
Retail market				1				1				1
Corporate Market				79				50				51

## Provision for credit losses specified by industry

Parent Bank (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	2	49	28	79	3	38	15	57	3	44	10	57
Fisheries and hunting	9	62	18	89	11	26	-	37	6	33	0	39
Sea farming industries	4	0	1	5	7	1	0	8	5	0	0	5
Manufacturing	13	32	22	66	16	30	4	49	15	31	13	59
Construction, power and water supply	26	33	39	99	44	40	16	100	46	25	28	99
Retail trade, hotels and restaurants	13	30	6	48	8	13	4	25	8	13	1	23
Maritime sector	5	3	74	83	8	46	150	204	7	54	103	164
Property management	47	69	30	146	40	95	21	155	44	92	22	159
Business services	20	22	7	49	15	19	194	227	17	16	24	57
Transport and other services	17	15	8	40	9	8	15	32	10	6	13	29
Public administration	0	0	-	0	0	-	-	0	0	0	0	0
Other sectors	0	1	0	1	0	0	-	1	1	0	0	1
Wage earners	1	53	50	103	1	52	33	86	1	47	35	83
Total provision for losses on loans	157	368	284	809	162	368	452	982	163	363	251	776
loan loss allowance on loans at FVOCI	32			32	48			48	36			36
<b>Total loan loss allowance</b>	<b>189</b>	<b>368</b>	<b>284</b>	<b>841</b>	<b>209</b>	<b>368</b>	<b>452</b>	<b>1,029</b>	<b>198</b>	<b>363</b>	<b>251</b>	<b>812</b>

Group (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	3	51	28	83	4	41	17	62	4	46	10	60
Fisheries and hunting	9	62	18	89	12	26	0	38	6	33	0	39
Sea farming industries	5	0	1	6	8	1	0	9	6	0	0	6
Manufacturing	15	36	28	80	19	34	4	57	18	36	13	68
Construction, power and water supply	27	53	42	122	49	44	25	118	46	42	33	121
Retail trade, hotels and restaurants	15	32	6	53	12	16	5	33	11	15	2	28
Maritime sector	5	3	74	83	8	46	150	204	7	54	103	164
Property management	48	69	30	147	40	95	21	157	45	93	22	160
Business services	22	25	60	107	19	21	201	241	19	18	78	114
Transport and other services	20	21	9	50	12	12	20	43	12	11	16	39
Public administration	0	0	-	0	0	-	-	0	0	0	0	0
Other sectors	0	1	0	1	0	0	0	1	1	0	0	1
Wage earners	7	64	51	122	9	65	38	112	8	62	36	106
Total provision for losses on loans	176	419	349	943	193	401	481	1,075	183	410	314	907
loan loss allowance on loans at FVOCI	32			32	48			48	36			36
<b>Total loan loss allowance</b>	<b>207</b>	<b>419</b>	<b>349</b>	<b>975</b>	<b>241</b>	<b>401</b>	<b>481</b>	<b>1,122</b>	<b>218</b>	<b>410</b>	<b>314</b>	<b>943</b>

## Note 8 - Gross loans

Parent Bank (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Retail Market</b>												
Opening balance	90,901	4,553	725	96,178	80,994	3,962	527	85,484	80,994	3,962	527	85,484
Transfer to stage 1	1,045	-1,018	-27	-	990	-965	-25	-	895	-868	-27	-
Transfer to stage 2	-1,717	1,761	-44	-	-1,290	1,297	-7	-	-1,538	1,557	1	-
Transfer to stage 3	-68	-194	262	-	-21	-136	158	-	-38	-156	194	-
Net increase/decrease amount existing loans	-1,979	-51	-14	-2,043	-2,010	-71	-8	-2,088	-2,305	-95	-6	-2,406
New loans	35,535	957	214	36,707	36,892	1,117	186	38,195	42,690	1,549	222	44,460
Derecognitions	-32,159	-1,351	-220	-33,730	-24,578	-1,119	-137	-25,835	-29,797	-1,395	-149	-31,342
Financial assets with actual loan losses	0	-1	-1	-2	-0	-0	-15	-15	0	0	-18	-18
Closing balance	91,557	4,656	896	97,109	90,977	4,085	679	95,741	90,901	4,553	725	96,178
<b>Corporate Market</b>												
Opening balance	47,327	6,988	1,165	55,480	43,127	5,883	1,346	50,356	43,127	5,883	1,346	50,356
Transfer to stage 1	1,631	-1,628	-2	-	770	-765	-5	-	1,026	-1,021	-5	-
Transfer to stage 2	-2,304	2,452	-148	-	-2,491	2,491	-1	-	-2,669	2,670	-1	-
Transfer to stage 3	-39	-359	398	-	-61	-32	93	-	-72	-44	116	-
Net increase/decrease amount existing loans	-718	-134	-15	-868	-70	-333	-6	-409	-1,099	-485	-10	-1,594
New loans	16,894	1,641	249	18,784	12,734	618	308	13,660	17,922	816	351	19,089
Derecognitions	-10,709	-2,008	-520	-13,237	-7,664	-578	-305	-8,547	-10,901	-828	-335	-12,064
Financial assets with actual loan losses	0	1	-27	-26	-5	0	-10	-15	-7	-2	-298	-307
Closing balance	52,081	6,954	1,100	60,134	46,338	7,284	1,422	55,045	47,327	6,988	1,165	55,480
Fixed interest loans at FV	9,331			9,331	5,631			5,631	5,582	-	-	5,582
<b>Total gross loans at the end of the period</b>	<b>152,969</b>	<b>11,610</b>	<b>1,995</b>	<b>166,575</b>	<b>142,946</b>	<b>11,370</b>	<b>2,101</b>	<b>156,417</b>	<b>143,809</b>	<b>11,541</b>	<b>1,890</b>	<b>157,240</b>

Group (NOKm)	30 Sep 2024				30 Sep 2023				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Retail Market</b>												
Opening balance	96,963	5,474	825	103,263	86,972	4,901	635	92,508	86,972	4,901	635	92,508
Transfer to stage 1	1,271	-1,240	-31	-	1,199	-1,173	-26	-	1,138	-1,108	-30	-
Transfer to stage 2	-2,182	2,238	-55	-	-1,722	1,734	-12	-	-1,955	1,978	-23	-
Transfer to stage 3	-90	-249	339	-	-34	-190	223	-	-59	-219	277	-
Net increase/decrease amount existing loans	-1,948	-111	-23	-2,083	-1,902	-124	-17	-2,043	-2,272	-165	-20	-2,457
New loans	38,076	1,103	222	39,401	39,456	1,302	189	40,947	45,658	1,781	231	47,670
Derecognitions	-34,357	-1,574	-256	-36,186	-26,894	-1,326	-212	-28,432	-32,519	-1,694	-227	-34,440
Financial assets with actual loan losses	-	-1	-1	-2	-0	-0	-15	-15	-0	-0	-18	-18
Closing balance	97,733	5,640	1,020	104,392	97,075	5,124	765	102,964	96,963	5,474	825	103,263
<b>Corporate Market</b>												
Opening balance	51,327	8,533	1,259	61,119	47,621	6,460	1,410	55,491	47,621	6,460	1,410	55,491
Transfer to stage 1	1,792	-1,785	-7	-	990	-980	-10	-	1,207	-1,199	-8	-
Transfer to stage 2	-2,651	2,808	-157	-	-2,910	2,919	-8	-	-3,639	3,655	-17	-
Transfer to stage 3	-83	-408	491	-	-79	-67	146	-	-101	-80	180	-
Net increase/decrease amount existing loans	-799	-151	-27	-977	-99	-395	-13	-506	-1,103	-692	-23	-1,818
New loans	17,798	2,244	267	20,309	13,750	715	322	14,787	19,159	1,339	368	20,866
Derecognitions	-11,536	-2,362	-560	-14,458	-8,332	-683	-313	-9,329	-11,811	-949	-354	-13,114
Financial assets with actual loan losses	0	1	-27	-26	-5	0	-10	-15	-7	-2	-297	-306
Closing balance	55,848	8,880	1,240	65,968	50,936	7,968	1,524	60,428	51,327	8,533	1,259	61,119
Fixed interest loans at FV	9,230			9,230	5,548			5,548	5,480			5,480
<b>Total gross loans at the end of the period</b>	<b>162,810</b>	<b>14,520</b>	<b>2,260</b>	<b>179,590</b>	<b>153,559</b>	<b>13,093</b>	<b>2,289</b>	<b>168,940</b>	<b>153,770</b>	<b>14,007</b>	<b>2,085</b>	<b>169,862</b>

## Note 9 - Distribution of customer deposits by sector/industry

Parent Bank			(NOKm)	Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024		30 Sep 2024	30 Sep 2023	31 Dec 2023
2,460	2,578	2,804	Agriculture and forestry	2,804	2,578	2,460
1,588	1,638	1,269	Fisheries and hunting	1,269	1,638	1,588
1,157	1,739	786	Sea farming industries	786	1,739	1,157
2,671	2,515	2,709	Manufacturing	2,709	2,515	2,671
5,251	4,538	3,979	Construction, power and water supply	3,979	4,538	5,251
5,996	5,529	5,225	Retail trade, hotels and restaurants	5,225	5,529	5,996
1,132	1,234	1,241	Maritime sector	1,241	1,234	1,132
5,867	6,755	6,531	Property management	6,450	6,680	5,787
13,413	13,106	12,957	Business services	12,957	13,106	13,413
11,164	11,660	12,363	Transport and other services provision	11,940	11,216	10,698
19,437	25,367	19,435	Public administration	19,435	25,367	19,437
5,452	5,048	7,588	Other sectors	7,570	4,925	5,425
<b>75,588</b>	<b>81,706</b>	<b>76,889</b>	<b>Total</b>	<b>76,365</b>	<b>81,064</b>	<b>75,015</b>
57,874	57,166	61,677	Wage earners	61,677	57,166	57,874
<b>133,462</b>	<b>138,873</b>	<b>138,566</b>	<b>Total deposits</b>	<b>138,042</b>	<b>138,230</b>	<b>132,888</b>

## Note 10 - Net interest income

Parent bank					Group					
Third quarter			January - September		(NOKm)	January - September		Third quarter		2023
2023	2023	2024	2023	2024		2024	2023	2024	2023	
<b>Interest income</b>										
887	259	285	639	781	Interest income from loans to and claims on central banks and credit institutions (amortised cost)	330	282	131	124	380
4,716	1,247	1,437	3,319	4,168	Interest income from loans to and claims on customers (amortised cost)	5,018	4,041	1,726	1,502	5,701
3,616	978	1,137	2,532	3,346	Interest income from loans to and claims on customers (FVOCI)	3,346	2,532	1,137	978	3,616
165	46	60	119	164	Interest income from loans to and claims on customers (FVPL)	164	119	60	46	165
1,482	374	411	1,078	1,208	Interest income from money market instruments, bonds and other fixed income securities	1,202	1,074	409	373	1,477
-	-	-	-	-	Other interest income	18	18	6	6	24
<b>10,866</b>	<b>2,905</b>	<b>3,331</b>	<b>7,687</b>	<b>9,667</b>	<b>Total interest income</b>	<b>10,078</b>	<b>8,066</b>	<b>3,469</b>	<b>3,029</b>	<b>11,362</b>
<b>Interest expense</b>										
559	142	155	399	485	Interest expenses on liabilities to credit institutions	485	399	155	142	559
3,780	1,075	1,266	2,645	3,655	Interest expenses relating to deposits from and liabilities to customers	3,620	2,624	1,251	1,069	3,748
2,056	519	618	1,465	1,719	Interest expenses related to the issuance of securities	1,719	1,465	618	519	2,057
129	39	45	91	130	Interest expenses on subordinated debt	135	94	47	40	132
9	2	3	7	9	Other interest expenses	47	30	19	10	45
90	23	23	67	70	Guarantee fund levy	70	67	23	23	90
<b>6,622</b>	<b>1,801</b>	<b>2,111</b>	<b>4,674</b>	<b>6,068</b>	<b>Total interest expense</b>	<b>6,077</b>	<b>4,679</b>	<b>2,114</b>	<b>1,803</b>	<b>6,631</b>
<b>4,244</b>	<b>1,104</b>	<b>1,219</b>	<b>3,012</b>	<b>3,599</b>	<b>Net interest income</b>	<b>4,001</b>	<b>3,386</b>	<b>1,355</b>	<b>1,226</b>	<b>4,732</b>



## Note 11 - Net commission income and other income

Parent bank					Group					
Third quarter			January - September		(NOKm)	January - September		Third quarter		2023
2023	2023	2024	2023	2024		2024	2023	2024	2023	
<b>Commission income</b>										
68	17	19	50	54	Guarantee commission	54	50	19	17	68
-	-	-	-	-	Broker commission	237	207	73	66	265
47	11	16	35	46	Portfolio commission, savings products	46	35	16	11	47
155	25	71	136	207	Commission from SpareBank 1 Boligkreditt	207	136	71	25	155
15	4	3	11	11	Commission from SpareBank 1 Næringskreditt	11	11	3	4	15
496	127	139	358	395	Payment transmission services	392	355	138	126	493
253	67	67	192	195	Commission from insurance services	195	192	67	67	253
87	24	21	68	63	Other commission income	60	62	21	21	78
<b>1,121</b>	<b>275</b>	<b>335</b>	<b>849</b>	<b>970</b>	<b>Total commission income</b>	<b>1,200</b>	<b>1,048</b>	<b>407</b>	<b>338</b>	<b>1,374</b>
<b>Commission expenses</b>										
102	31	40	80	92	Payment transmission services	92	80	40	31	102
12	3	4	9	11	Other commission expenses	78	79	28	26	96
<b>114</b>	<b>34</b>	<b>44</b>	<b>88</b>	<b>103</b>	<b>Total commission expenses</b>	<b>171</b>	<b>159</b>	<b>68</b>	<b>58</b>	<b>199</b>
<b>Other operating income</b>										
-	9	11	9	11	Operating income real property	8	10	8	10	-
-	-	-	-	-	Property administration and sale of property	184	155	62	54	166
-	-	-	-	-	Accountant's fees	573	509	145	138	661
69	9	4	43	40	Other operating income	17	23	-1	2	83
69	18	16	52	51	Total other operating income	783	697	214	204	910
<b>1,076</b>	<b>259</b>	<b>306</b>	<b>813</b>	<b>917</b>	<b>Total net commission income and other operating income</b>	<b>1,812</b>	<b>1,586</b>	<b>553</b>	<b>484</b>	<b>2,085</b>

## Note 12 - Operating expenses

Parent bank					Group					
Third quarter			January - September		(NOKm)	January - September		Third quarter		2023
2023	2023	2024	2023	2024		2024	2023	2024	2023	
404	89	90	273	271	IT costs	327	315	108	103	461
12	3	2	9	9	Postage and transport of valuables	11	11	2	4	15
71	19	19	56	58	Marketing	74	72	23	24	93
111	33	34	80	103	Ordinary depreciation	135	106	44	43	154
50	12	14	37	38	Operating expenses, real properties	39	46	14	15	57
222	57	50	155	164	Purchased services	200	180	61	65	254
251	42	45	176	117	Other operating expense	149	207	60	52	294
<b>1,121</b>	<b>255</b>	<b>254</b>	<b>784</b>	<b>760</b>	<b>Total other operating expenses</b>	<b>934</b>	<b>936</b>	<b>312</b>	<b>306</b>	<b>1,327</b>

## Note 13 - Net return on financial investments

Parent Bank					Group					
	Third quarter		January - September			January - September		Third quarter		
2023	2023	2024	2023	2024	(NOKm)	2024	2023	2024	2023	2023
<b>Valued at fair value through profit/loss</b>										
-83	-15	58	-278	-105	Value change in interest rate instruments	-105	-278	58	-15	-83
					Value change in derivatives/hedging					
2	-3	2	6	6	Net value change in hedged bonds and derivatives*	6	6	2	-3	2
5	23	-13	14	12	Net value change in hedged fixed rate loans and derivatives	12	14	-13	23	5
-118	5	-94	105	14	Other derivatives	14	105	-94	5	-118
					Income from equity instruments					
-	-	-	-	-	Income from owner interests	1,027	207	685	-2	297
693	36	78	615	320	Dividend from owner instruments	-	-	-	0	-
32	-3	-	4	1	Value change and gain/loss on owner instruments	1	1	-	-3	-5
18	5	11	14	25	Dividend from equity instruments	17	35	8	16	26
421	-1	15	20	31	Value change and gain/loss on equity instruments	44	-9	-1	20	469
<b>969</b>	<b>48</b>	<b>57</b>	<b>501</b>	<b>304</b>	<b>Total net income from financial assets and liabilities at fair value through profit/(loss)</b>	<b>1,016</b>	<b>81</b>	<b>646</b>	<b>41</b>	<b>593</b>
<b>Valued at amortised cost</b>										
-2	-1	-0	-2	0	Value change in interest rate instruments held to maturity	0	-2	-0	-1	-2
<b>-2</b>	<b>-1</b>	<b>-0</b>	<b>-2</b>	<b>0</b>	<b>Total net income from financial assets and liabilities at amortised cost</b>	<b>0</b>	<b>-2</b>	<b>-0</b>	<b>-1</b>	<b>-2</b>
<b>108</b>	<b>22</b>	<b>24</b>	<b>81</b>	<b>58</b>	<b>Total net gain from currency trading</b>	<b>58</b>	<b>81</b>	<b>24</b>	<b>22</b>	<b>108</b>
<b>1,076</b>	<b>69</b>	<b>81</b>	<b>580</b>	<b>362</b>	<b>Total net return on financial investments</b>	<b>1,074</b>	<b>161</b>	<b>670</b>	<b>62</b>	<b>699</b>
<b>* Fair value hedging</b>										
896	53	728	-44	545	Changes in fair value on hedging instrument	545	-44	728	53	896
-894	-56	-726	50	-539	Changes in fair value on hedging item	-539	50	-726	-56	-894
<b>2</b>	<b>-3</b>	<b>2</b>	<b>6</b>	<b>6</b>	<b>Net Gain or Loss from hedge accounting</b>	<b>6</b>	<b>6</b>	<b>2</b>	<b>-3</b>	<b>2</b>

## Note 14 - Other assets

Parent Bank			(NOKm)	Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024		30 Sep 2024	30 Sep 2023	31 Dec 2023
-	2	0	Deferred tax asset	6	8	6
167	165	175	Fixed assets	280	276	276
251	267	300	Right to use assets	454	399	390
0	0	0	Assets held for sale	0	0	0
136	57	190	Earned income not yet received	226	82	153
66	1,562	1,503	Accounts receivable, securities	1,503	1,562	66
221	240	221	Pension assets	221	240	221
479	634	474	Other assets	808	918	737
<b>1,321</b>	<b>2,928</b>	<b>2,863</b>	<b>Total other assets</b>	<b>3,498</b>	<b>3,485</b>	<b>1,849</b>

## Note 15 - Other liabilities

Parent Bank			(NOKm)	Group		
31 Dec 2023	30 Sep 2023	30 Sep 2024		30 Sep 2024	30 Sep 2023	31 Dec 2023
158	146	158	Deferred tax	216	201	216
813	639	709	Payable tax	798	696	900
22	-	22	Capital tax	22	-	22
137	-14	175	Accrued expenses and received, non-accrued income	486	328	439
459	532	444	Provision for accrued expenses and commitments	444	532	459
52	51	79	Losses on guarantees and unutilised credits	79	51	52
9	11	9	Pension liabilities	9	11	9
260	276	310	Lease liabilities	467	411	403
9	8	1	Drawing debt	1	8	9
132	174	78	Creditors	155	215	191
-15	2,215	3,726	Debt from securities	3,726	2,215	-15
-	-	-	Equity Instruments	-	-	-
222	381	393	Other liabilities	487	494	317
<b>2,258</b>	<b>4,420</b>	<b>6,104</b>	<b>Total other liabilities</b>	<b>6,890</b>	<b>5,163</b>	<b>3,002</b>

## Note 16 - Debt created by issue of securities and subordinated debt

## Group

	1 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	30 Sep 2024
<b>Change in securities debt (NOKm)</b>					
Bond debt, nominal value	34,767	5,880	3,302	951	38,295
Value adjustments	-1,588	-	-	635	-953
Accrued interest	309	-	-	110	419
<b>Total</b>	<b>33,488</b>	<b>5,880</b>	<b>3,302</b>	<b>1,696</b>	<b>37,762</b>

	1 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	30 Sep 2024
<b>Change in Senior Non-preferred debt</b>					
Senior non preferred, nominal value	12,344	1,351	623	37	13,110
Value adjustments	-65	0	0	-11	-77
Accrued interest	136	0	0	20	157
<b>Total</b>	<b>12,415</b>	<b>1,351</b>	<b>623</b>	<b>46</b>	<b>13,190</b>

	1 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	30 Sep 2024
<b>Change in subordinated debt (NOKm)</b>					
Ordinary subordinated loan capital, nominal value	2,226	900	261	2	2,867
Value adjustments	21	-	-	6	26
<b>Total</b>	<b>2,247</b>	<b>900</b>	<b>261</b>	<b>8</b>	<b>2,894</b>

## Note 17 - Measurement of fair value of financial instruments

Financial instruments at fair value are classified at various levels.

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

Fair value of financial instruments that are traded in the active markets is based on market price on the balance sheet date. A market is considered active if market prices are easily and regularly available from a stock exchange, dealer, broker, industry group, price-setting service or regulatory authority, and these prices represent actual and regularly occurring market transactions at an arm's length. This category also includes quoted shares and Treasury bills.

### Level 2: Valuation based on observable market data

Level 2 consists of instruments that are valued by the use of information that does not consist in quoted prices, but where the prices are directly or indirectly observable for the assets or liabilities concerned, and which also include quoted prices in non-active markets.

### Level 3: Valuation based on other than observable data

If valuation data are not available for level 1 and 2, valuation methods are applied that are based on non-observable information.

The following table presents the Group's assets and liabilities measured at fair value at 30 September 2024:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
- Derivatives	-	6,552	-	6,552
- Bonds and money market certificates	2,680	33,275	-	35,955
- Equity instruments	193	94	661	948
- Fixed interest loans	-	-	9,230	9,230
Financial assets through other comprehensive income				
- Loans at fair value through other comprehensive income	-	-	93,495	93,495
<b>Total assets</b>	<b>2,872</b>	<b>39,921</b>	<b>103,387</b>	<b>146,180</b>
<b>Liabilities</b>				
Financial liabilities through profit/loss				
- Derivatives	-	5,584	-	5,584
<b>Total liabilities</b>	<b>-</b>	<b>5,584</b>	<b>-</b>	<b>5,584</b>

The following table presents the Group's assets and liabilities measured at fair value at 30 September 2023:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
- Derivatives	-	8,818	-	8,818
- Bonds and money market certificates	3,404	33,208	-	36,612
- Equity instruments	348	91	568	1,006
- Fixed interest loans	-	-	5,547	5,547
Financial assets through other comprehensive income				
- Loans at fair value through other comprehensive income	-	-	91,811	91,811
<b>Total assets</b>	<b>3,751</b>	<b>42,117</b>	<b>97,926</b>	<b>143,794</b>
<b>Liabilities</b>				
Financial liabilities through profit/loss				
- Derivatives	-	9,813	-	9,813
<b>Total liabilities</b>	<b>-</b>	<b>9,813</b>	<b>-</b>	<b>9,813</b>



The following table presents the Group's assets and liabilities measured at fair value at 31 December 2023:

<b>Assets (NOKm)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit/loss				
- Derivatives	-	6,659	-	6,659
- Bonds and money market certificates	2,879	31,284	-	34,163
- Equity instruments	363	152	622	1,137
- Fixed interest loans	-	102	5,480	5,582
Financial assets through other comprehensive income				
- Loans at fair value through other comprehensive income	-	-	92,263	92,263
<b>Total assets</b>	<b>3,242</b>	<b>38,197</b>	<b>98,365</b>	<b>139,804</b>
<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities through profit/loss				
- Derivatives	-	6,989	-	6,989
<b>Total liabilities</b>	<b>-</b>	<b>6,989</b>	<b>-</b>	<b>6,989</b>

The following table presents the changes in the instruments classified in level 3 as at 30 September 2024:

<b>(NOKm)</b>	<b>Equity instruments through profit/loss</b>	<b>Fixed interest loans</b>	<b>Loans at fair value through OCI</b>	<b>Total</b>
Opening balance 1 January	622	5,480	92,263	98,365
Investment in the period	26	4,472	33,900	38,398
Disposals in the period	-3	-662	-32,639	-33,304
Expected credit loss	-	-	-28	-28
Gain or loss on financial instruments	15	-60	0	-45
<b>Closing balance</b>	<b>661</b>	<b>9,230</b>	<b>93,495</b>	<b>103,387</b>

The following table presents the changes in the instruments classified in level 3 as at 30 September 2023:

<b>(NOKm)</b>	<b>Equity instruments through profit/loss</b>	<b>Fixed interest loans</b>	<b>Loans at fair value through OCI</b>	<b>Total</b>
Opening balance 1 January	570	4,630	81,901	87,101
Investment in the period	27	1,704	34,820	36,551
Disposals in the period	-8	-672	-24,903	-25,582
Expected credit loss	-	-	1	1
Gain or loss on financial instruments	-22	-116	-7	-145
<b>Closing balance</b>	<b>568</b>	<b>5,547</b>	<b>91,811</b>	<b>97,926</b>

The following table presents the changes in the instruments classified in level 3 as at 31 December 2023:

<b>(NOKm)</b>	<b>Equity instruments through profit/loss</b>	<b>Fixed interest loans</b>	<b>Loans at fair value through OCI</b>	<b>Total</b>
Opening balance 1 January	570	4,630	81,901	87,101
Investment in period	38	1,814	40,578	42,430

Disposals in the period	-25	-977	-30,210	-31,212
Expected credit loss	-	-	2	2
Gain or loss on financial instruments	38	14	-7	45
<b>Closing balance</b>	<b>622</b>	<b>5,480</b>	<b>92,263</b>	<b>98,366</b>

#### Valuation method

The valuation method applied is adapted to each financial instrument, and is intended to utilise as much of the information that is available in the market as possible.

The method for valuation of financial instruments in level 2 and 3 is described in the following:

##### *Fixed interest loans to customers (level 3)*

The loans consist for the most part of fixed interest loans denominated in Norwegian kroner. The value of the fixed interest loans is determined such that agreed interest flows are discounted over the term of the loan by a discount factor that is adjusted for margin requirements. The discount factor is raised by 10 points when calculating sensitivity.

##### *Loans at fair value through other comprehensive income (level 3)*

Property Loans at floating interest classified at fair value over other comprehensive income is valued based on nominal amount reduced by expected credit loss. Loans with no significant credit risk deterioration since first recognition is assessed at nominal amount. For loans with a significant increase in credit risk since first recognition or objective evidence of loss, the calculation of expected credit losses over the life of the asset is in line with loan losses for loans at amortised cost. Estimated fair value is the nominal amount reduced by expected lifetime credit loss. If the likelihood of the worst case scenario in the model is doubled, fair value is reduced by NOK 2 million.

##### *Short-term paper and bonds (level 2 and 3)*

Valuation on level 2 is based for the most part on observable market information in the form of interest rate curves, exchange rates and credit margins for the individual credit and the bond's or certificate's characteristics. For paper valued under level 3 the valuation is based on indicative prices from a third party or comparable paper.

##### *Equity instruments (level 3)*

Shares that are classified to level 3 include essentially investments in unquoted shares. Among other a total of NOK 564 million in Private Equity investments, property funds, hedge funds and unquoted shares through the company SpareBank SMN 1 Invest. The valuations are in all essentials based on reporting from managers of the funds who utilise cash flow based models or multiples when determining fair value. The Group does not have full access to information on all the elements in these valuations and is therefore unable to determine alternative assumptions.

##### *Financial derivatives (level 2)*

Financial derivatives at level 2 include for the most part currency futures and interest rate and exchange rate swaps. Valuation is based on observable interest rate curves. In addition the item includes derivatives related to FRAs. These are valued with a basis in observable prices in the market. Derivatives classified to level 2 also include equity derivatives related to SpareBank 1 Markets' market-making activities. The bulk of these derivatives refer to the most sold shares on Oslo Børs, and the valuation is based on the price of the actual /underlying share and observable or calculated volatility.

#### Sensitivity analyses, level 3 as at 30 September 2024:

(NOKm)	Book value	Effect from change in reasonable possible alternative assumptions
Fixed interest loans	9,230	-24
Equity instruments through profit/loss*	661	-
Loans at fair value through other comprehensive income	93,495	-2

\* As described above, the information to perform alternative calculations are not available

## Note 18 - Liquidity risk

Liquidity risk is the risk that the group will be unable to refinance its debt or to finance asset increases. Liquidity risk management starts out from the group's overall liquidity strategy which is reviewed and adopted by the board of directors at least once each year. The liquidity strategy reflects the group's moderate risk profile.

The group reduces its liquidity risk through guidelines and limits designed to achieve a diversified balance sheet, both on the asset and liability side. Preparedness plans have been drawn up both for the group and the SpareBank 1 Alliance to handle the liquidity situation in periods of turbulent capital markets. The bank's liquidity situation is stress tested on a monthly basis using various maturities and crisis scenarios: bank-specific, for the financial market in general or a combination of internal and external factors. The group's objective is to survive twelve months of ordinary operations without access to fresh external funding while housing prices fall 30 per cent. In the same period minimum requirements to LCR shall be fulfilled.

The average residual maturity on debt created by issue of securities at the end of the third quarter 2024 was 3.1 years. The overall LCR at the same point was 172 per cent and the average overall LCR in the third quarter was 174 per cent. The LCR in Norwegian kroner and euro at quarter-end was 168 and 250 per cent respectively.

## Note 19 - Earnings per EC

ECC owners share of profit have been calculated based on net profit allocated in accordance to the average number of certificates outstanding in the period. There is no option agreements in relation to the Equity Capital Certificates, diluted net profit is therefore equivalent to Net profit per ECC.

(NOKm)	January - September		
	2024	2023	2023
Adjusted Net Profit to allocate between ECC owners and Savings Bank Reserve 1)	3,361	2,277	3,489
Allocated to ECC Owners 2)	2,245	1,521	2,331
Issues Equity Capital Certificates adjusted for own certificates	144,182,532	136,581,953	138,106,331
<b>Earnings per Equity Capital Certificate</b>	<b>15.57</b>	<b>11.14</b>	<b>16.88</b>

1) Adjusted Net Profit	January - September		
	2024	2023	2023
Net Profit for the group	3,540	2,441	3,688
adjusted for non-controlling interests share of net profit	-76	-78	-74
Adjusted for Tier 1 capital holders share of net profit	-103	-86	-125
<b>Adjusted Net Profit</b>	<b>3,361</b>	<b>2,277</b>	<b>3,489</b>

2) Equity capital certificate ratio (parent bank) (NOKm)	30 Sep 2024	30 Sep 2023	31 Dec 2023
ECC capital	2,884	2,884	2,884
Dividend equalisation reserve	8,482	7,879	8,482
Premium reserve	2,422	2,422	2,422
Unrealised gains reserve	71	47	71
Other equity capital	-2	3	0
<b>A. The equity capital certificate owners' capital</b>	<b>13,857</b>	<b>13,235</b>	<b>13,859</b>
Ownerless capital	6,865	6,566	6,865
Unrealised gains reserve	35	23	35
Other equity capital	-1	2	0
<b>B. The saving bank reserve</b>	<b>6,899</b>	<b>6,590</b>	<b>6,900</b>
To be disbursed from gift fund	-	-	860
Dividend declared	-	-0	1,730
<b>Equity ex. profit</b>	<b>20,757</b>	<b>19,825</b>	<b>23,350</b>
<b>Equity capital certificate ratio A/(A+B)</b>	<b>66.8 %</b>	<b>66.8 %</b>	<b>66.8 %</b>

## Results from quarterly accounts

Group (NOKm)	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q
	2024	2024	2024	2023	2023	2023	2023	2022	2022
Interest income effective interest method	3,469	3,326	3,283	3,297	3,029	2,654	2,382	2,141	1,602
Interest expenses	2,114	2,016	1,947	1,951	1,803	1,544	1,332	1,175	791
<b>Net interest</b>	<b>1,355</b>	<b>1,310</b>	<b>1,336</b>	<b>1,345</b>	<b>1,226</b>	<b>1,110</b>	<b>1,050</b>	<b>966</b>	<b>811</b>
Commission income	407	426	367	325	336	367	341	340	370
Commission expenses	68	51	51	40	58	51	50	45	52
Other operating income	214	305	264	213	206	245	249	178	173
<b>Commission income and other income</b>	<b>553</b>	<b>680</b>	<b>579</b>	<b>498</b>	<b>484</b>	<b>561</b>	<b>541</b>	<b>473</b>	<b>491</b>
Dividends	8	6	3	-10	16	18	2	19	8
Income from investment in related companies	685	148	194	90	-2	85	125	195	108
Net return on financial investments	-22	-1	54	458	48	-16	-114	-57	-27
<b>Net return on financial investments</b>	<b>670</b>	<b>153</b>	<b>251</b>	<b>538</b>	<b>62</b>	<b>86</b>	<b>13</b>	<b>158</b>	<b>89</b>
<b>Total income</b>	<b>2,578</b>	<b>2,143</b>	<b>2,166</b>	<b>2,382</b>	<b>1,772</b>	<b>1,757</b>	<b>1,604</b>	<b>1,597</b>	<b>1,391</b>
Staff costs	498	484	482	476	435	383	398	333	348
Other operating expenses	312	316	306	390	306	300	330	314	235
<b>Total operating expenses</b>	<b>810</b>	<b>801</b>	<b>789</b>	<b>866</b>	<b>741</b>	<b>683</b>	<b>728</b>	<b>646</b>	<b>583</b>
<b>Result before losses</b>	<b>1,769</b>	<b>1,343</b>	<b>1,377</b>	<b>1,517</b>	<b>1,032</b>	<b>1,074</b>	<b>875</b>	<b>951</b>	<b>808</b>
Loss on loans, guarantees etc.	75	47	24	20	35	29	-71	19	22
<b>Result before tax</b>	<b>1,693</b>	<b>1,296</b>	<b>1,353</b>	<b>1,496</b>	<b>996</b>	<b>1,045</b>	<b>946</b>	<b>932</b>	<b>785</b>
Tax charge	252	276	273	262	278	159	206	210	179
Result investment held for sale, after tax	0	-5	3	12	22	37	38	46	10
<b>Net profit</b>	<b>1,441</b>	<b>1,015</b>	<b>1,084</b>	<b>1,247</b>	<b>740</b>	<b>923</b>	<b>778</b>	<b>768</b>	<b>617</b>

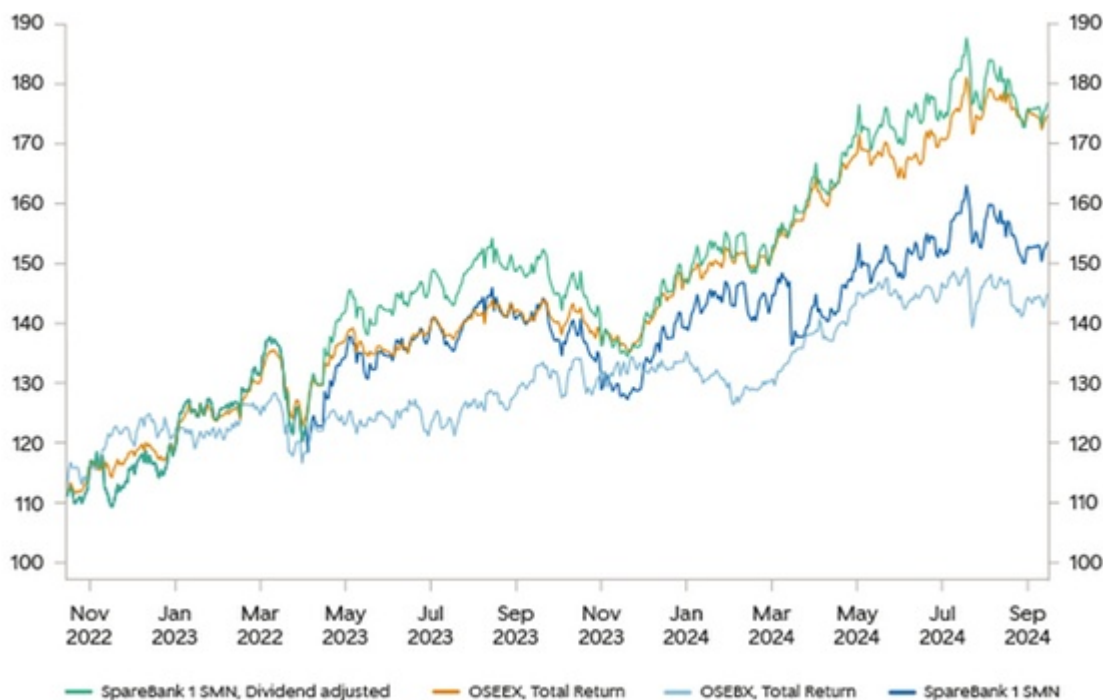
## Key figures from quarterly accounts

Group (NOKm)	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q
	2024	2024	2024	2023	2023	2023	2023	2022	2022
<b>Profitability</b>									
Return on equity per quarter <sup>1)</sup>	21.0%	15.4%	16.0%	18.3%	11.1%	15.1%	13.0%	13.1%	10.9%
Cost-income ratio <sup>1)</sup>	42 %	41 %	41 %	47 %	43 %	41 %	46 %	45 %	45 %
<b>Balance sheet figures</b>									
Gross loans to customers	179,590	173,440	169,326	169,862	168,940	166,819	153,181	152,629	150,247
Gross loans incl. SB1 Boligkreditt and SB1 Næringskreditt	247,148	241,832	238,270	236,329	234,316	232,100	213,967	211,244	208,900
Deposit from customers	138,042	139,661	134,395	132,888	138,230	140,164	123,529	122,010	120,558
Total assets	245,951	243,363	235,721	232,717	243,472	248,806	228,207	223,312	218,918
Quarterly average total assets	244,657	239,542	234,219	238,095	246,139	238,507	225,759	221,115	218,188
Growth in loans incl. SB1 Boligkreditt and SB1 Næringskreditt last 12 months <sup>1)</sup>	2.2 %	1.5 %	0.8 %	0.9 %	1.0 %	8.5 %	1.3 %	1.1 %	1.7 %
Growth in deposits last 12 months	-1.2 %	3.9 %	1.1 %	-3.9 %	-1.4 %	13.5 %	1.2 %	1.2 %	-2.6 %
<b>Losses in % of gross loans incl. SB1 Boligkreditt and SB1 Næringskreditt</b>									
Impairment losses ratio <sup>1)</sup>	0.12 %	0.08 %	0.04 %	0.03 %	0.06 %	0.05 %	-0.13 %	0.04 %	0.04 %
Stage 3 as a percentage of gross loans <sup>1)</sup>	0.91 %	0.78 %	0.82 %	0.88 %	0.98 %	0.99 %	0.96 %	0.97 %	1.02 %
<b>Solidity</b>									
Common equity Tier 1 capital ratio	18.2 %	18.5 %	18.5 %	18.8 %	19.7 %	19.1 %	18.2 %	18.9 %	19.2 %
Tier 1 capital ratio	20.2 %	20.4 %	20.4 %	20.8 %	21.3 %	21.0 %	20.1 %	20.9 %	20.8 %
Capital ratio	23.1 %	23.1 %	23.1 %	23.0 %	23.7 %	23.5 %	22.2 %	23.1 %	23.0 %
Tier 1 capital	24,097	24,216	24,073	23,793	24,283	24,192	21,985	21,835	21,252
Total eligible capital	27,557	27,474	27,250	26,399	26,950	27,106	24,298	24,147	23,546
Liquidity Coverage Ratio (LCR)	172 %	188 %	160 %	175 %	173 %	188 %	194 %	239 %	180 %
Leverage Ratio	6.9 %	7.1 %	7.1 %	7.2 %	7.3 %	7.2 %	6.9 %	7.1 %	7.3 %
<b>Key figures ECC</b>									
ECC share price at end of period (NOK)	153.46	151.12	137.80	141.80	137.20	141.00	123.60	127.40	111.40
Number of certificates issued, millions <sup>1)</sup>	144.21	144.19	144.13	144.20	143.82	143.80	129.43	129.29	129.29
Booked equity capital per ECC (NOK) <sup>1)</sup>	124.05	117.31	113.24	120.48	116.39	112.81	105.63	109.86	107.19
Profit per ECC, majority (NOK) <sup>1)</sup>	6.42	4.43	4.68	5.62	3.28	4.21	3.51	3.53	2.89
Price-Earnings Ratio (annualised) <sup>1)</sup>	5.97	8.53	7.36	6.31	10.47	8.38	8.79	9.02	9.62
Price-Book Value Ratio <sup>1)</sup>	1.24	1.29	1.22	1.18	1.18	1.25	1.17	1.16	1.04

# Equity capital certificates

## Stock price compared with OSEBX and OSEEX

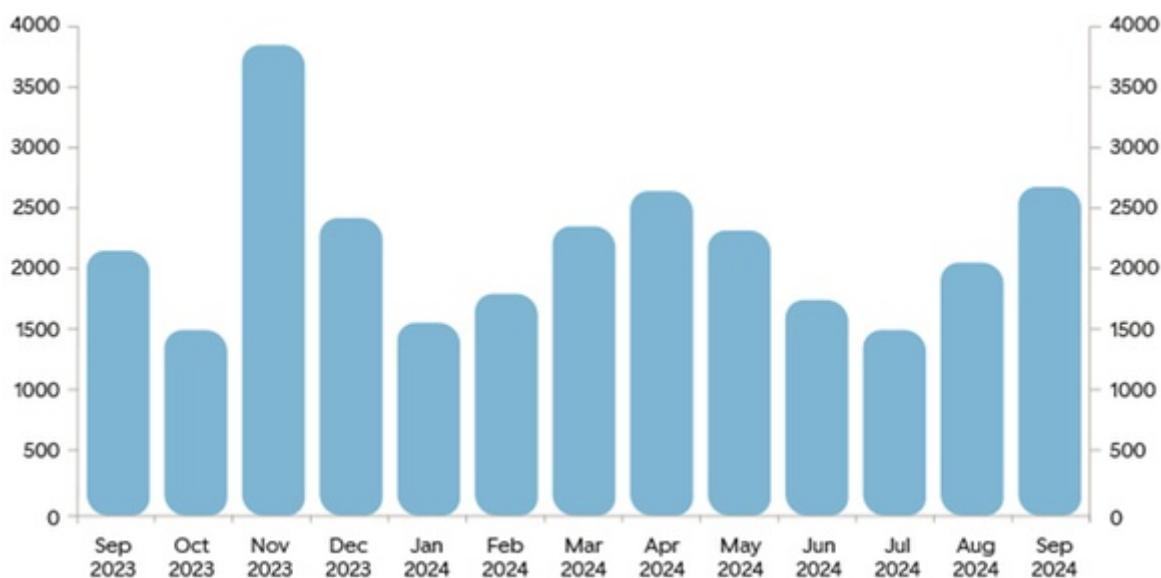
1 October 2022 to 30 September 2024



OSEBX = Oslo Stock Exchange Benchmark Index (rebased)  
 OSEEX = Oslo Stock Exchange ECC Index (rebased)

## Trading statistics

1 October 2023 to 30 September 2024



Total number of ECs traded (1000)



<b>20 largest ECC holders</b>	<b>No. Of ECCs</b>	<b>Holding</b>
Sparebankstiftinga Søre Sunnmøre	12,971,224	8.99 %
Sparebankstiftelsen SMN	6,470,110	4.49 %
KLP	4,645,996	3.22 %
Pareto Aksje Norge VPF	4,039,303	2.80 %
J. P. Morgan SE	3,371,885	2.34 %
State Street Bank and Trust Comp	3,301,776	2.29 %
VPF Eika Egenkapitalbevis	3,119,272	2.16 %
Skandinaviska Enskilda Banken AB	2,958,362	2.05 %
VPF Alfred Berg Gamba	2,940,123	2.04 %
J. P. Morgan Chase Bank, N.A., London	2,779,826	1.93 %
The Northern Trust Comp	2,521,000	1.75 %
J. P. Morgan SE	2,270,250	1.57 %
State Street Bank and Trust Comp	2,096,525	1.45 %
VPF Holberg Norge	2,080,000	1.44 %
Forsvarets personellservice	2,014,446	1.40 %
VPF Odin Norge	1,997,177	1.38 %
RBC Investor Services Trust	1,809,127	1.25 %
Spesialfondet Borea Utbytte	1,570,097	1.09 %
Danske Invest Norske Aksjer Institusjon II.	1,492,770	1.04 %
MP Pensjon PK	1,352,771	0.94 %
<b>The 20 largest ECC holders in total</b>	<b>65,802,040</b>	<b>45.63 %</b>
Others	78,413,550	54.37 %
<b>Total issued ECCs</b>	<b>144,215,590</b>	<b>100.00 %</b>

### Dividend policy

SpareBank 1 SMN aims to manage the Group's resources in such a way as to provide equity certificate holders with a good, stable and competitive return in the form of dividend and a rising value of the bank's equity certificate.

The net profit for the year will be distributed between the owner capital (the equity certificate holders) and the ownerless capital in accordance with their respective shares of the bank's total equity capital.

SpareBank 1 SMN's intention is that about one half of the owner capital's share of the net profit for the year should be disbursed in dividends and, similarly, that about one half of the owner capital's share of the net profit for the year should be disbursed as gifts or transferred to a foundation. This is on the assumption that capital adequacy is at a satisfactory level. When determining dividend payout, account will be taken of the profit trend expected in a normalised market situation, external framework conditions and the need for tier 1 capital.



To the Board of SpareBank 1 SMN

## Report on Review of Interim Financial Information

### Introduction

We have reviewed the accompanying consolidated balance sheet of SpareBank 1 SMN as at 30 September 2024, and the related consolidated income statement, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation of this interim financial information that gives a true and fair view in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISAs), and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information does not, in all material respects, give a true and fair view of the financial position of the entity as at 30 September 2024, and of its financial performance and its cash flows for the nine-month period then ended in accordance with IAS 34 Interim Financial Reporting.

Trondheim, 30 October 2024  
**PricewaterhouseCoopers AS**

Rune Kenneth S. Lædre  
State Authorised Public Accountant

*Note: This translation from Norwegian has been prepared for information purposes only.*