

Quarterly presentation 2024

Q4



Strategic measures strengthened our position in 2024

1H



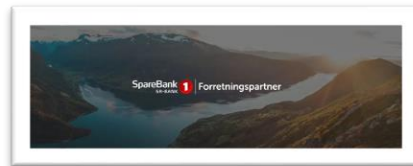
We are sharpening our **climate targets** to reduce emissions from the group's portfolio.



EM1 SR-Eiendom **strengthens its position** by acquiring Kaland & Partners and Ullevaal Eiendomsmegling.



The national savings campaign by SpareBank 1 contributes to **increased savings among customers**.



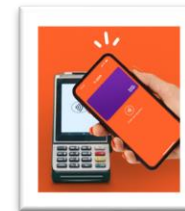
Tveit Regnskap and SpareBank 1 SR-Bank Forretningspartner merges.

2H

Inge Reinertsen assumes the position as CEO of SpareBank 1 SR-Bank september 2024.



In October, we opened our **first new office as SpareBank 1 Sør-Norge**, in Sandvika.



Tapping in Vipps is launched and quickly adopted by our customers.



SpareBank 1 Sør-Norge is formed when SpareBank 1 SR-Bank and SpareBank 1 Sørøst-Norge merge on October 1.



Cicero names SpareBank 1's **mobile banking app the best in Norway**.

A strong challenger in the Norwegian banking market

The integration of SpareBank 1 Sør-Norge is proceeding as planned



**SpareBank 1 Sør-Norge
is formed**

1 October 2024



**Day 1 – merger of
Forretningspartner and
Regnskaphuset**

1 April 2025



**Merger of real estate
brokers**

Autumn 2025



**Technical integration
SpareBank 1 Sør-Norge**

September 2025

Financial targets

Long-term target ROE

> 14%

Cost- and capital
effective

Customer growth in
South of Norway

Growth in other
income

Joint effort in the
SpareBank 1 alliance

Diversified
portfolio

> 17,6%

CET 1
Capital ratio

< 40%

Cost to income

~ 50%

Dividend share

> NOK 300 million

Operational synergies

Synergies

Capital synergies

The introduction of new capital requirements in 2025 for A-IRB banks has reduced the previously assumed capital synergies from around NOK 2.5 billion to NOK 1.7 billion.

Operational synergies

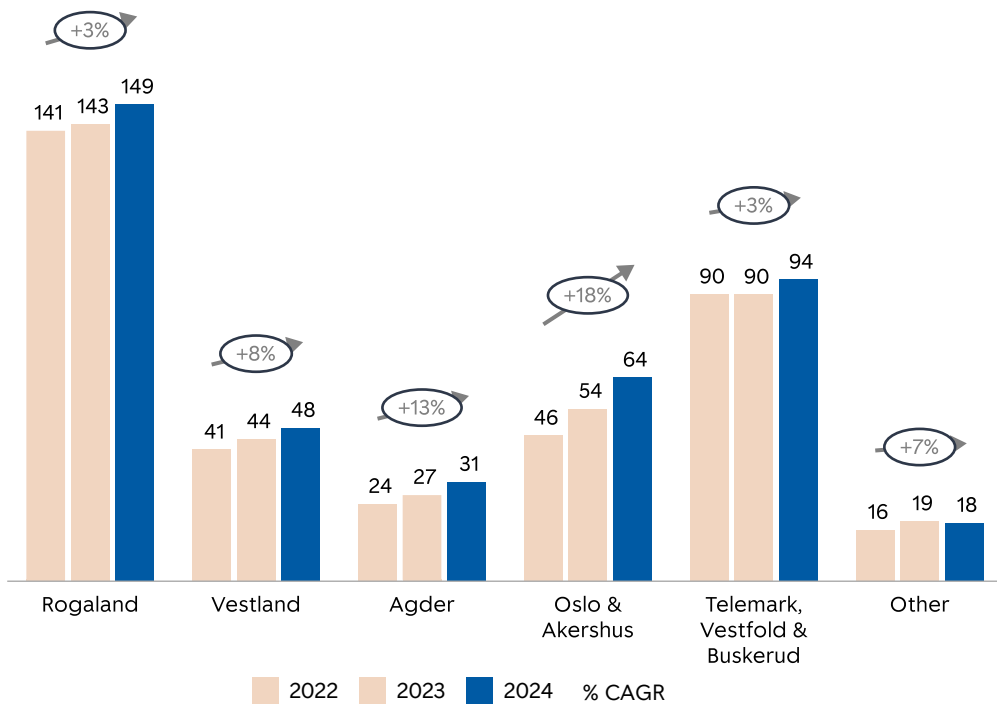
The estimated synergies is increased from NOK 150 million to NOK 300 million a year from 2027. Synergies are related to operations, costs and funding.



SpareBank 1 Sør-Norge

Pro forma

Lending volume in NOK billion

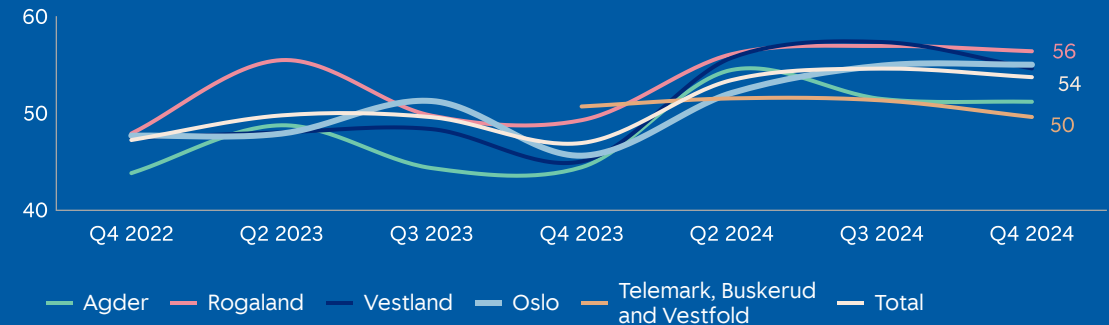


A solid platform for further growth

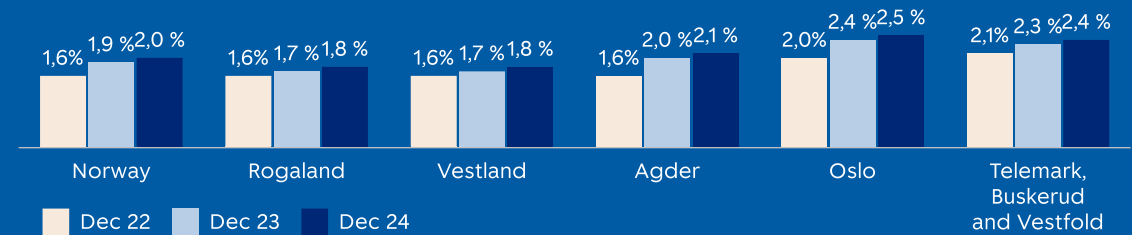
- Strong position in Southern Norway with growth opportunities
- Stable earnings and profitable growth
- Strong prospects for the Group and the region

Corporates expect growth and more employees in 2025

SpareBank 1 Sør-Norges's business survey



Unemployment remains low



Increased ROE-target after a new quarter with high lending growth and good underlying operations

Pro forma

Result 31 December 2024

13.4%

13.5% excl. one-off effects and GW*
Return on equity after tax

7.4%

12 months lending growth

Result 4. quarter 2024

10.9%

12.3% excl. one-off effects and GW **
Return on equity after tax

2.0%

Quarterly lending growth

Retail market	1.9%
Corporate market	-1.1%
SME and Agriculture	9.0%

18.0%

CET 1 capital ratio

MNOK 90

Impairments on lending and financial commitments

0.11% of gross lending

42.9%

40.1% excl. one-off effects**
Cost to income ratio

NOK 8.50

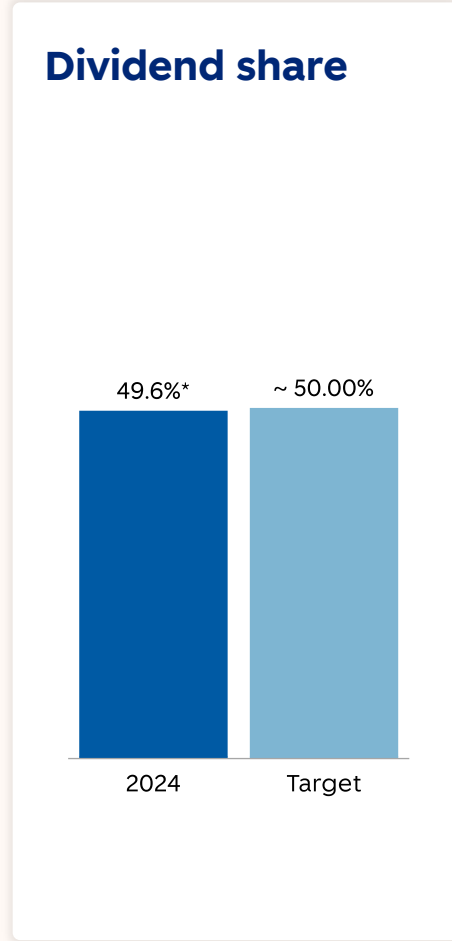
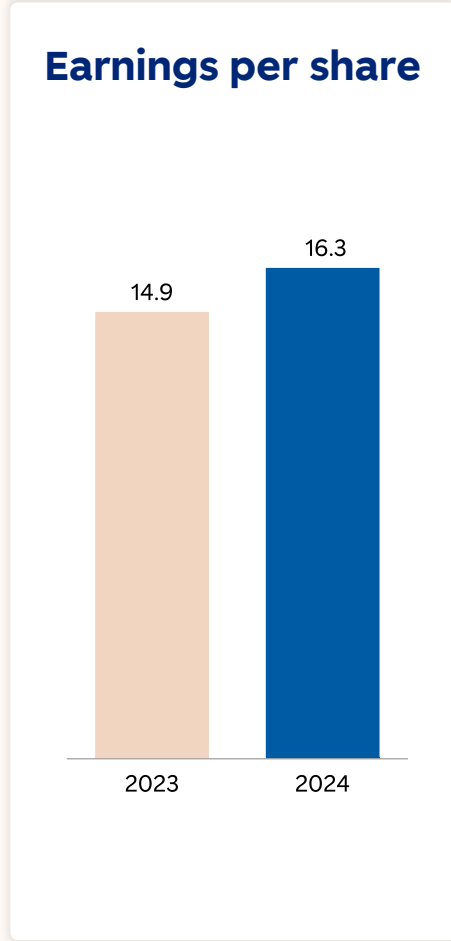
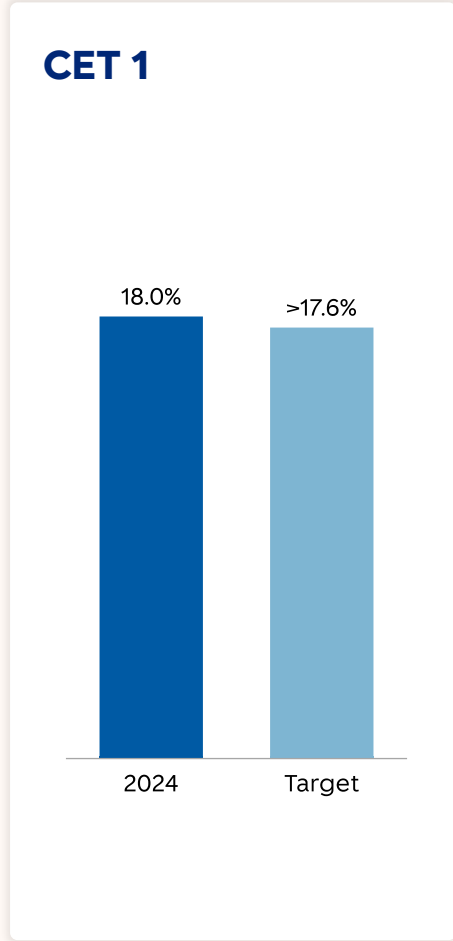
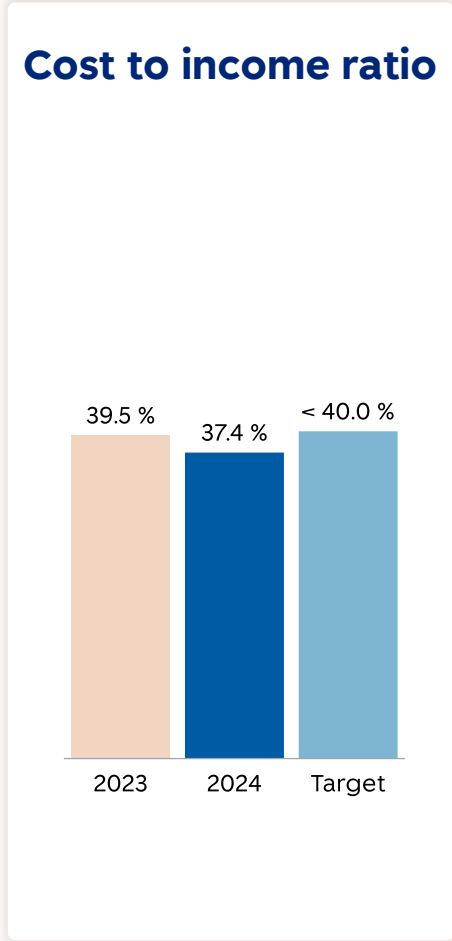
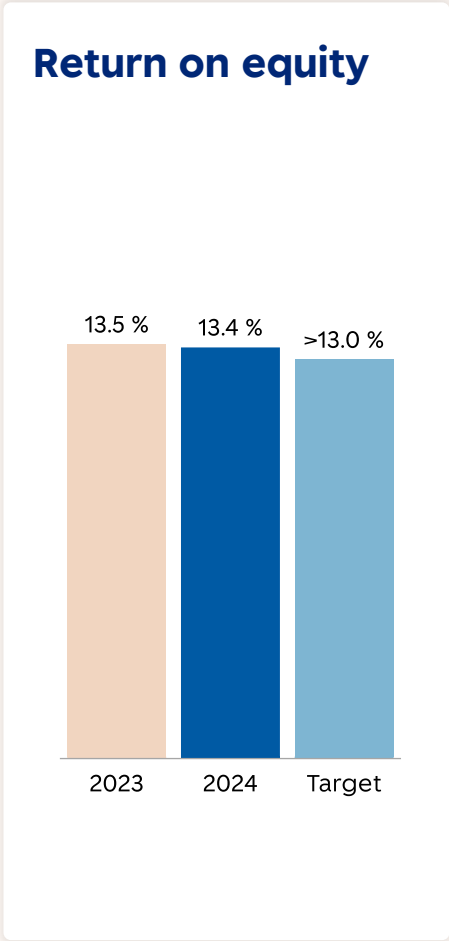
Proposed dividend per share

* Adjusted for gain from merger between Eika Forsikring and Fremtind Forsikring (MNOK 577), merger costs (MNOK 212) and goodwill from merger (3.6 NOK billion)

** Adjusted for merger costs (MNOK 89) and goodwill from merger

SpareBank 1 Sør-Norge: Key figures

Pro forma



*Non pro forma dividend share in 2024 is 61.6%

Strong lending growth and good underlying operations

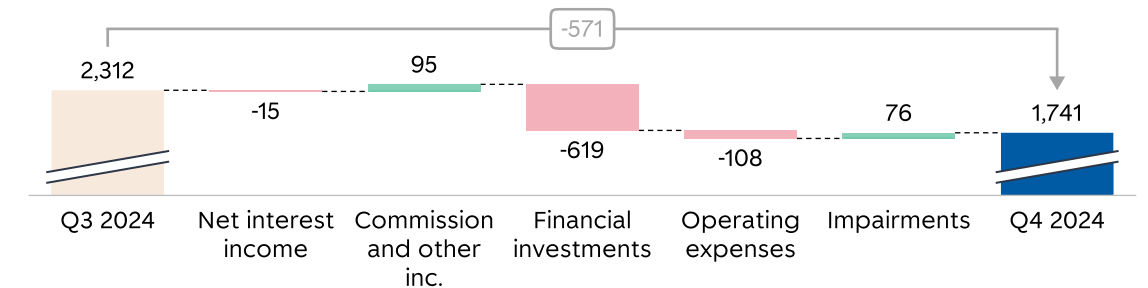
Pro forma

Group Income statement

(MNOK)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Net interest income	2,293	2,308	2,262	2,256	2,258
Net commission and other income	789	694	782	676	656
Net income on financial investments	125	743	173	266	484
Total income	3,206	3,745	3,217	3,198	3,399
Total operating expenses	1,376	1,268	1,193	1,161	1,321
Operating profit before impairments	1,830	2,478	2,025	2,037	2,077
Impairments on loans and financial commitments	90	166	98	59	-132
Pre-tax profit	1,741	2,312	1,927	1,977	2,209
Tax expense	350	353	417	398	405
Profit after tax	1,390	1,959	1,510	1,580	1,804

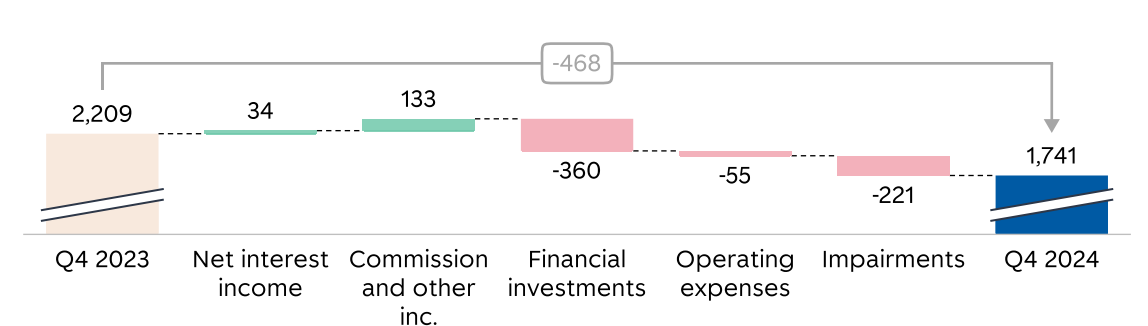
Change from last quarter

(MNOK)



Change from Q4 2023

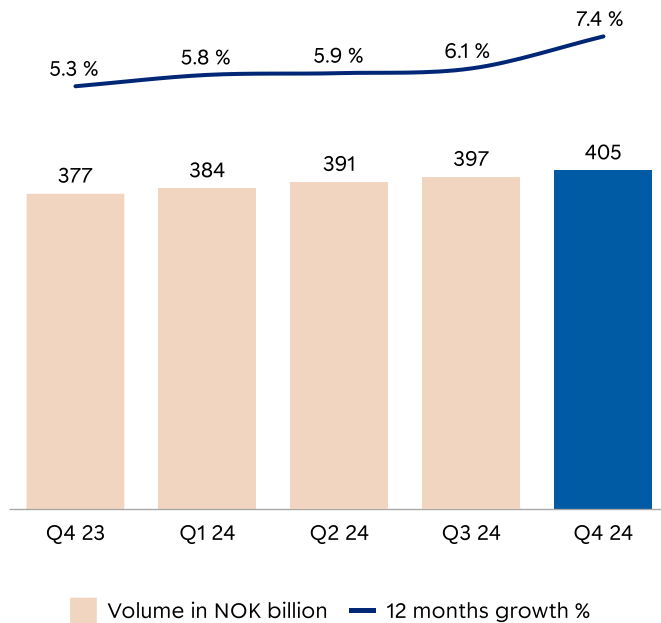
(MNOK)



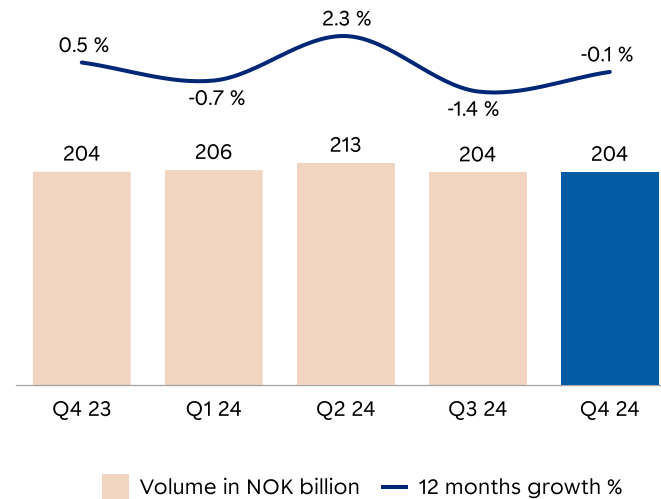
Group

Pro forma

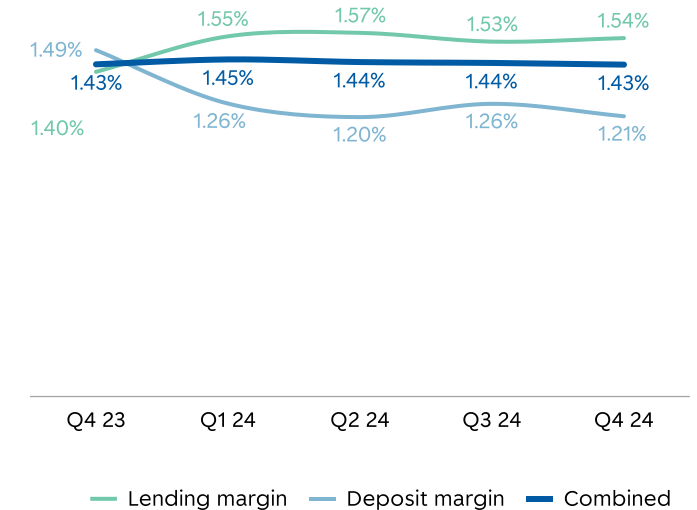
Lending volume



Deposit volume



Margins in customer-segments

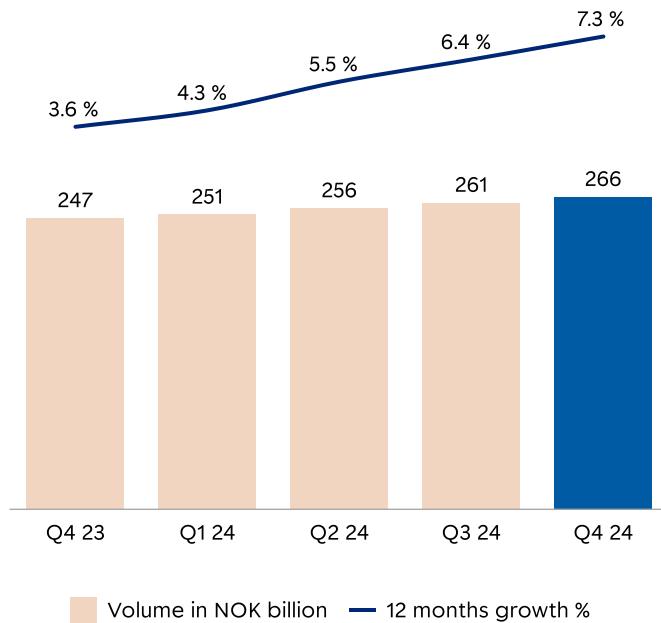


Definition margins: Average customer rate measured against money market rates.

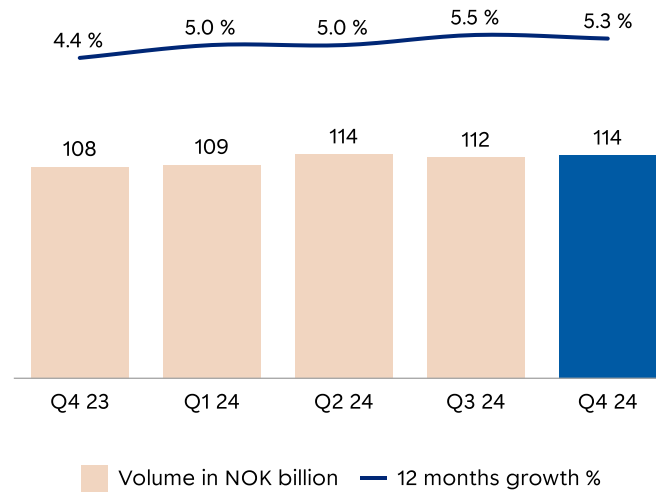
Retail market

Pro forma

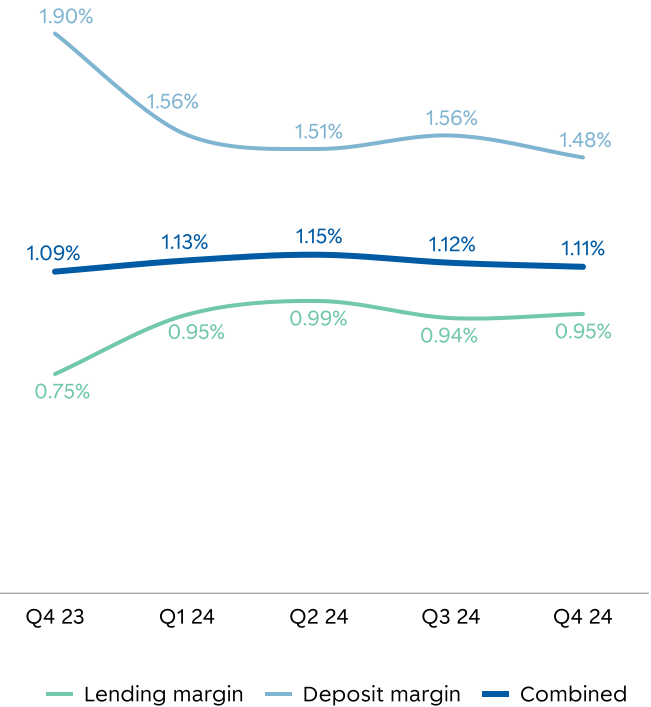
Lending volume*



Deposit volume*



Margins



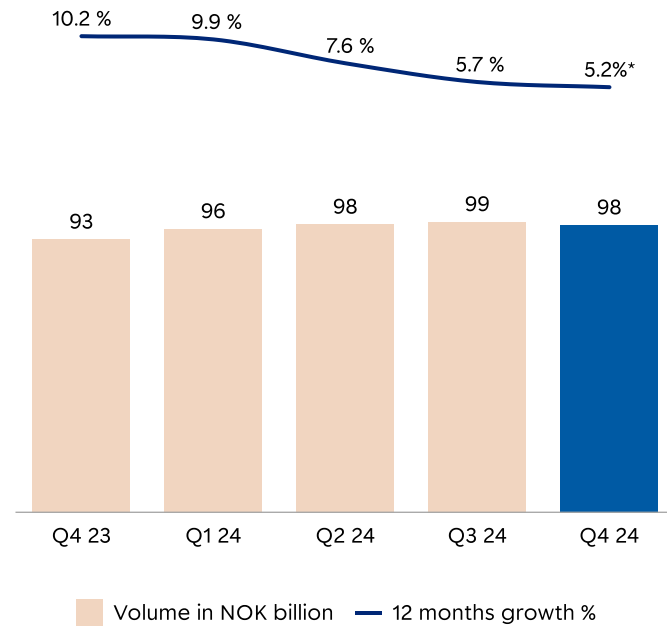
Definition margins: Average customer rate measured against money market rates.

*Including loans and deposits to employees.

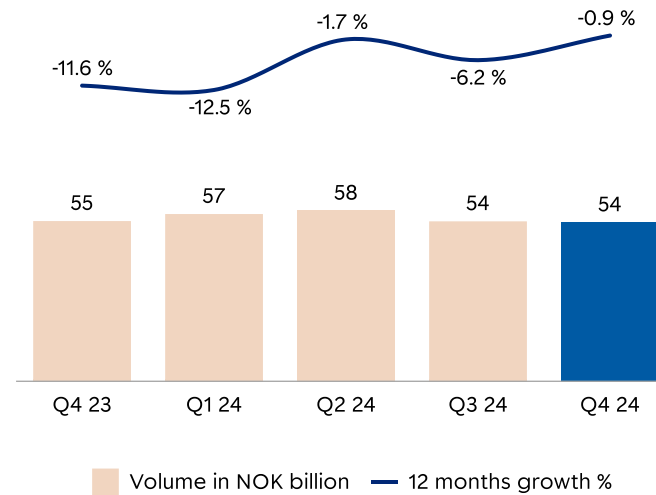
Corporate market

Pro forma

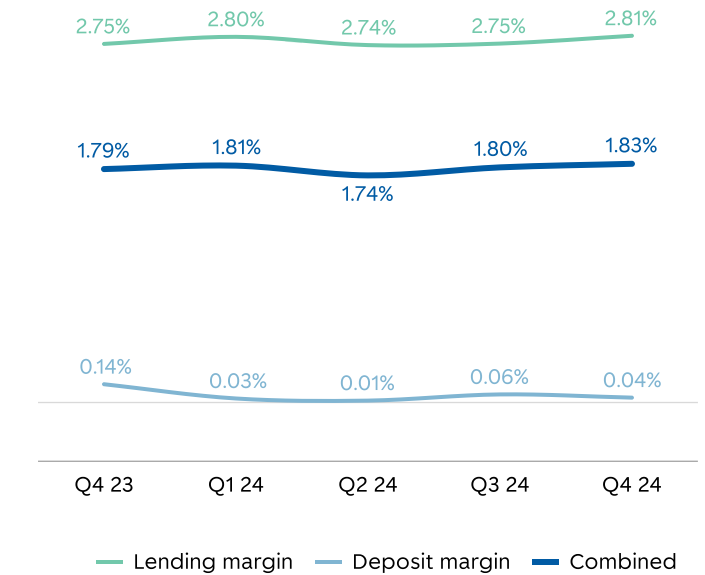
Lending volume



Deposit volume



Margins



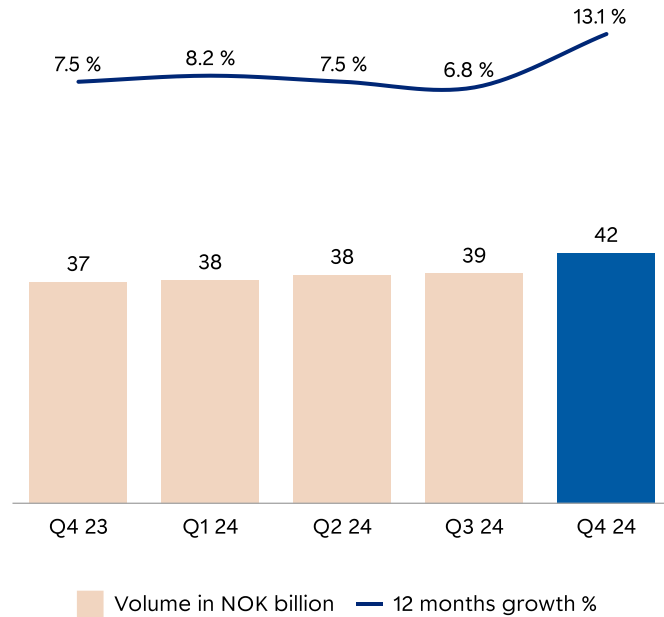
Definition margins: Average customer rate measured against money market rates.

*12 months lending growth in Corporate market excluding currency effect is 3.7%.

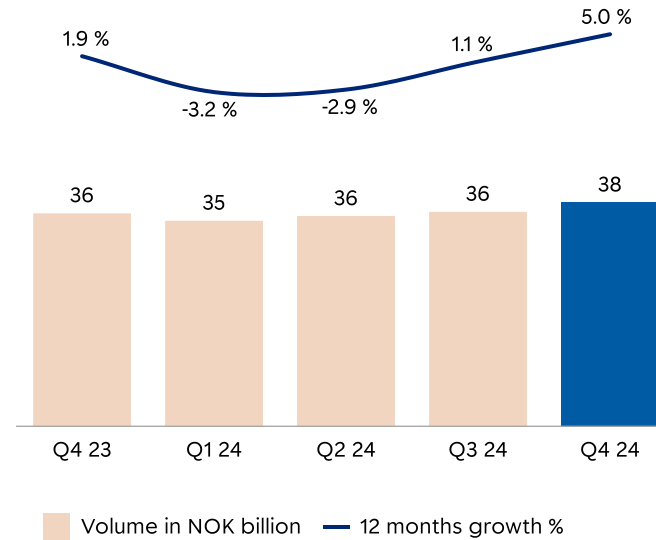
SME and Agriculture

Pro forma

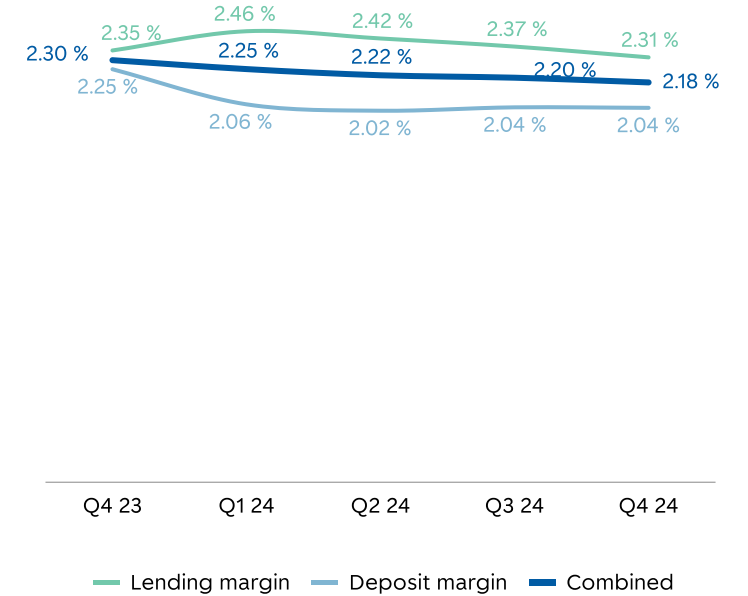
Lending volume



Deposit volume



Margins

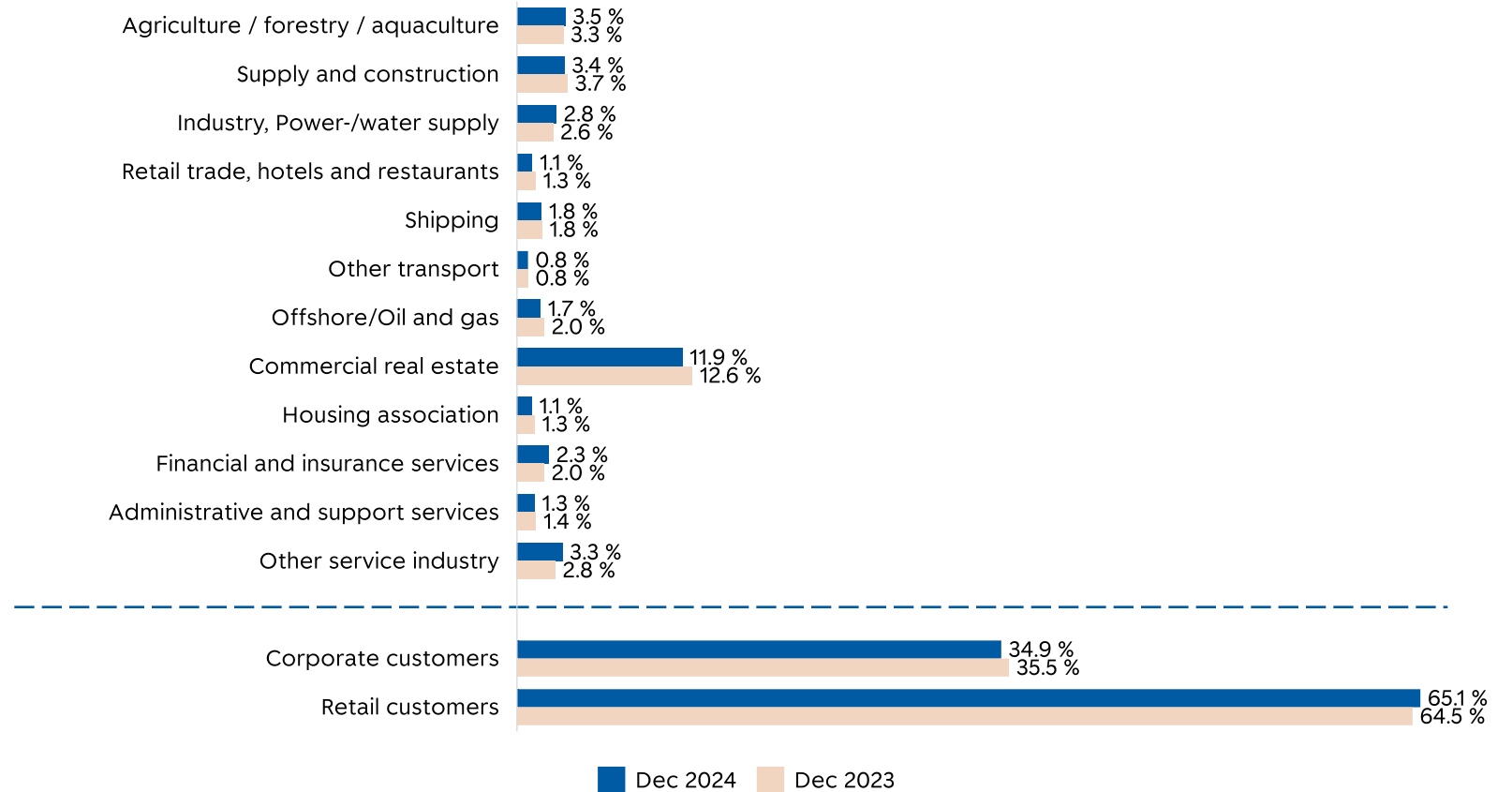


Definition margins: Average customer rate measured against money market rates.

Well-diversified lending portfolio

Pro forma

- Gross loans increased to NOK 405 billion from NOK 377 billion year over year
- 12 month lending growth is 7.4%
- Low offshore, oil and gas exposure
- Commercial real estate – low concentration risk and good credit quality



Loans before impairments, nominal amounts.

Industry distribution based on standard division from Statistics Norway (SSB).

Net commission and other income

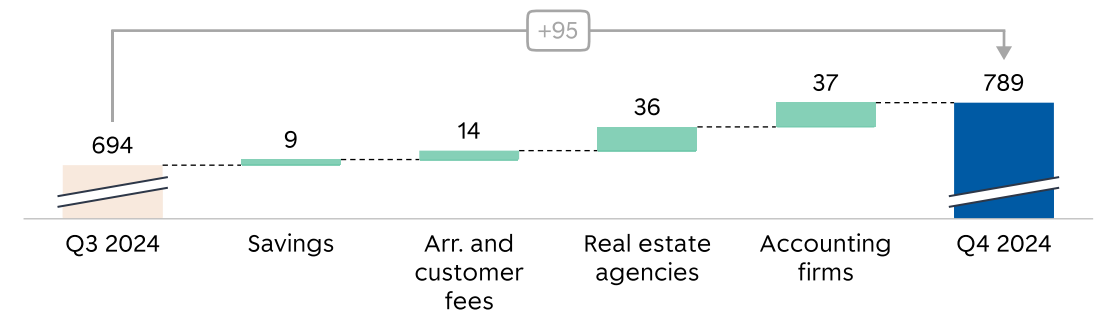
Pro forma

Net commission and other income

(MNOK)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Payment facilities	161	153	135	125	158
Insurance products	104	103	99	97	95
Savings/placements	45	37	56	43	43
Guarantee commission	32	32	27	32	32
Arrangement- and customer fees	70	57	63	54	48
Commission income - Real estate agencies	207	171	212	137	137
Commission income - Accounting firms	128	91	142	138	121
Commission income - Credit institutions	29	31	34	32	20
Other	12	19	15	17	3
Net commission and other income	789	694	782	676	656

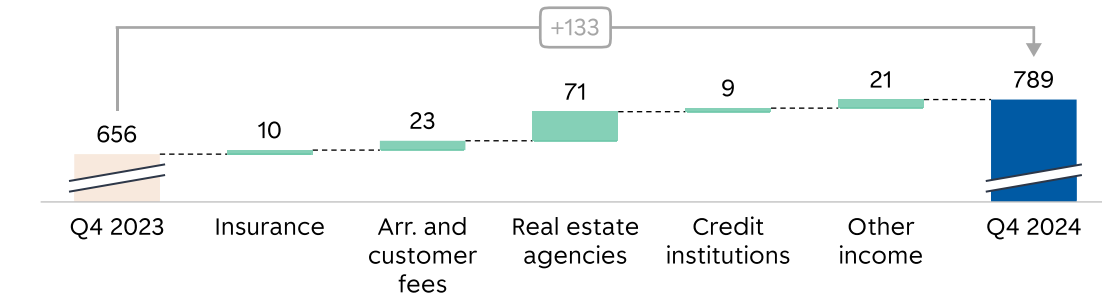
Change from previous quarter

(MNOK)



Change from Q4 2023

(MNOK)



Net income on financial investments

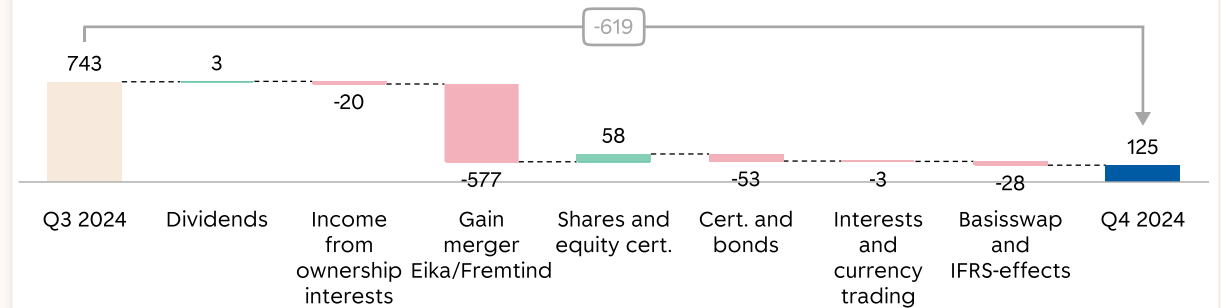
Pro forma

Net income on financial investments

(MNOK)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Dividends	26	23	46	63	27
Income from ownership interests	223	242	135	174	90
Gain merger Eika/Fremtind		577			
Total securities gains/losses	-124	-99	-9	29	367
• Shares and equity certificates	16	-42	-24	34	392
• Certificates and bonds	-97	-44	24	8	-60
• Interests and currency trading	35	37	37	38	75
• Basisswap and IFRS-effects	-78	-50	-46	-51	-40
Net income on financial investments	125	743	172	266	484

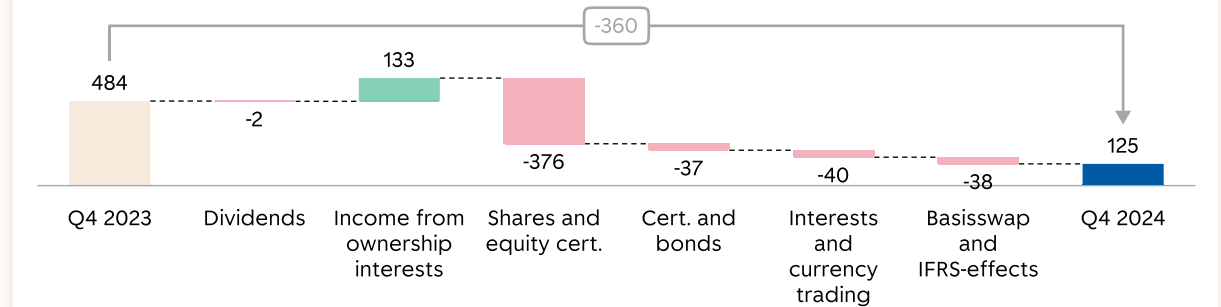
Change from previous quarter

(MNOK)



Change from Q4 2023

(MNOK)



When a basisswap is defined as a hedging instrument, changes in "basis spread" is recognized through other comprehensive income.

Income from ownership interests

Pro forma

(MNOK)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2024
SpareBank 1 Gruppen AS	99	686	1	53	-70
BN Bank AS	83	93	89	102	89
SpareBank 1 Forvaltning AS	34	22	22	17	21
SpareBank 1 Markets AS	16	17	22	21	51
SpareBank 1 Kreditt AS*	-7	-3	1	-3	-3
SpareBank 1 Betaling AS	-5	-1	-2	-10	-7
Others	2	4	2	-5	8
Total income from ownership interests	223	819	135	174	90

* Changed name to Kredittbanken ASA from 7 January 2025

Ownership interests



Operating expenses

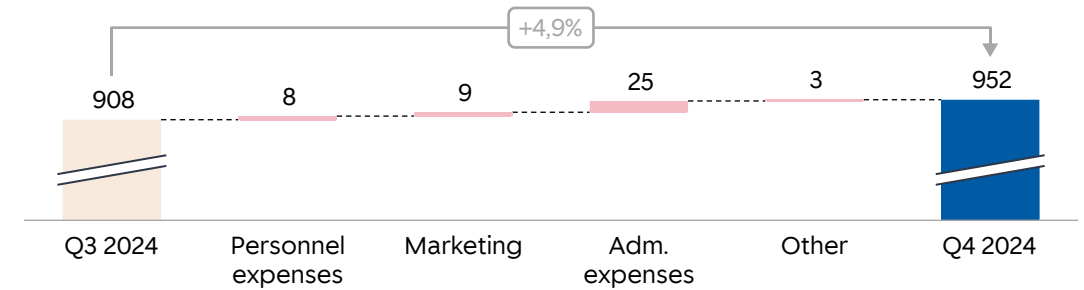
Pro forma

Operating expenses

(MNOK)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Personnel expenses	546	538	496	498	581
IT expenses	164	165	174	166	170
Marketing	41	32	36	35	37
Administrative expenses	101	76	83	78	88
Operating expenses	51	49	63	52	57
Depreciation and impairments	49	47	45	46	45
Sum operating expenses	952	908	895	874	978
Merger expenses	89	97	18	9	31
Total operating expenses parent bank	1,042	1,005	913	882	1,009
Total operating expenses group	1,376	1,268	1,193	1,161	1,321

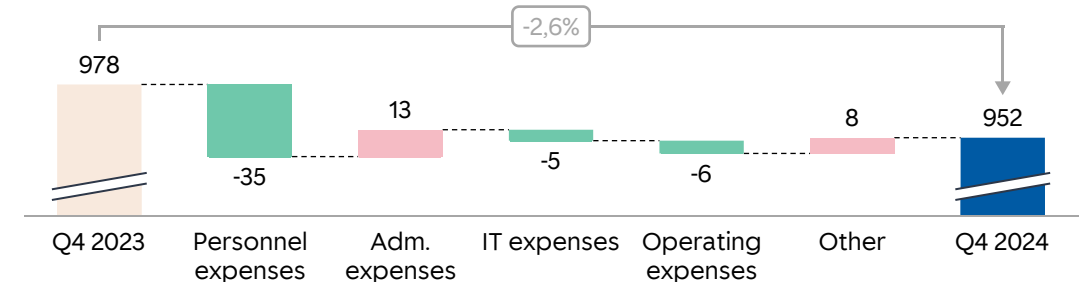
Change from previous quarter (parent bank)

(MNOK)



Change from Q4 2023 (parent bank)

(MNOK)



Merger expenses

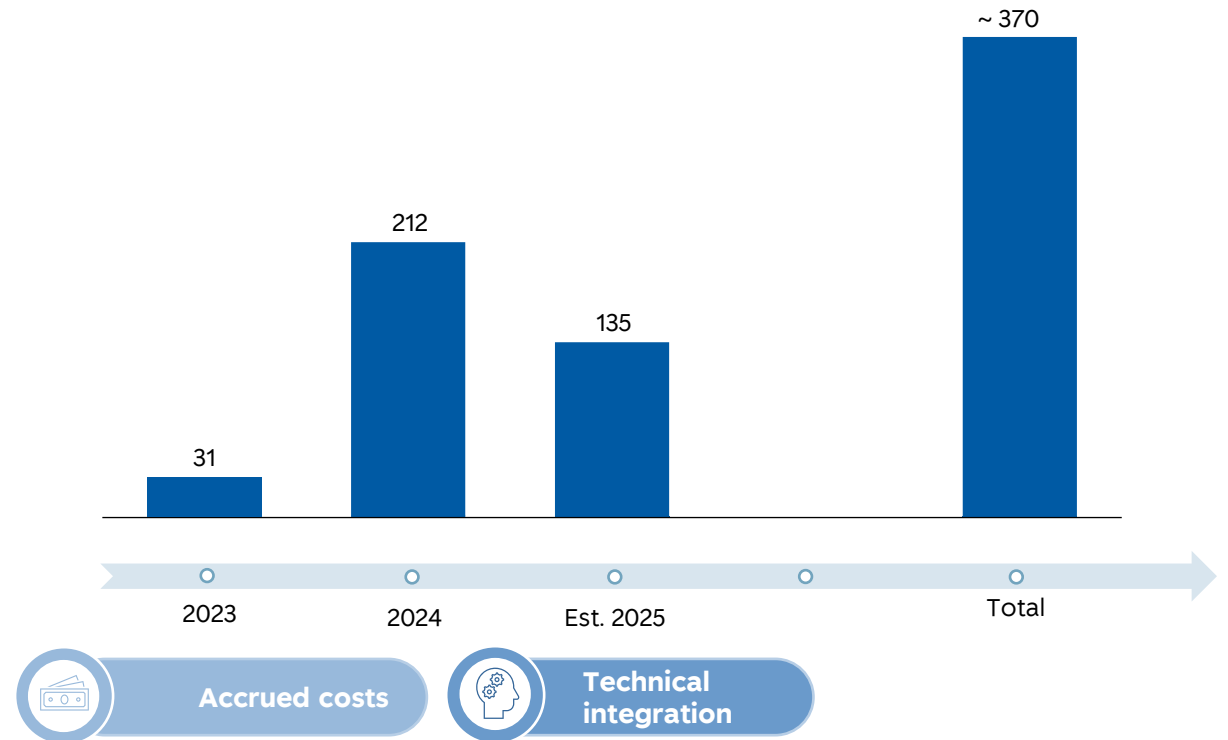
Pro forma

Accrued merger expenses 2023 - 2024

- Facilitation fees
- Consultancy costs
- Technical integration

Estimated merger expenses 2025

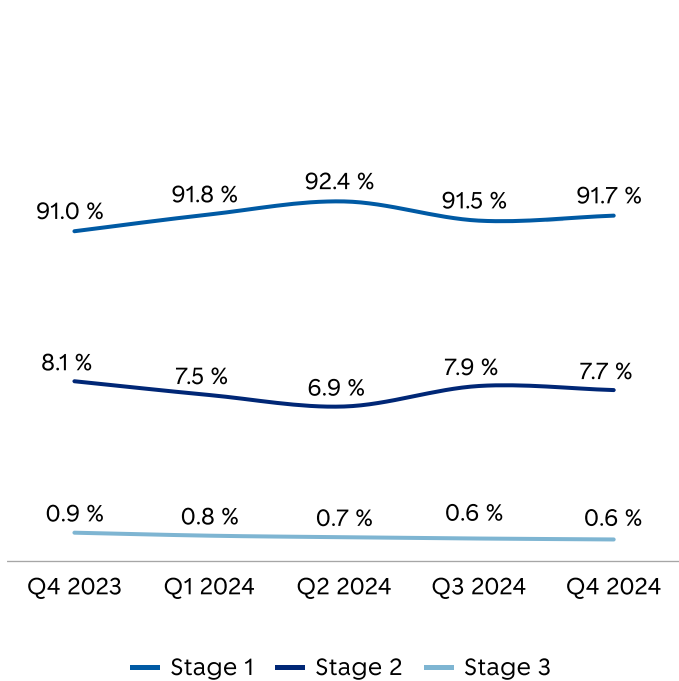
- Technical integration
- Harmonization of processes



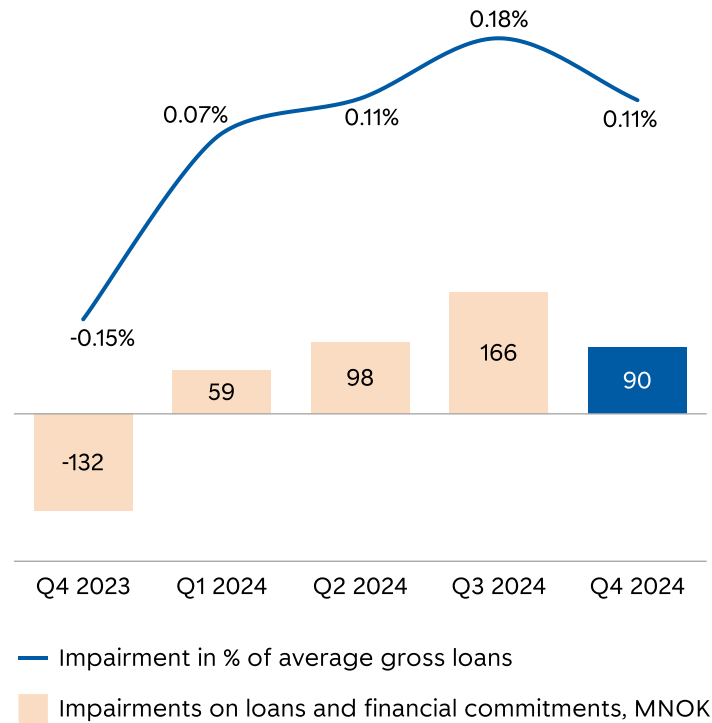
Loans and financial commitments

Pro forma

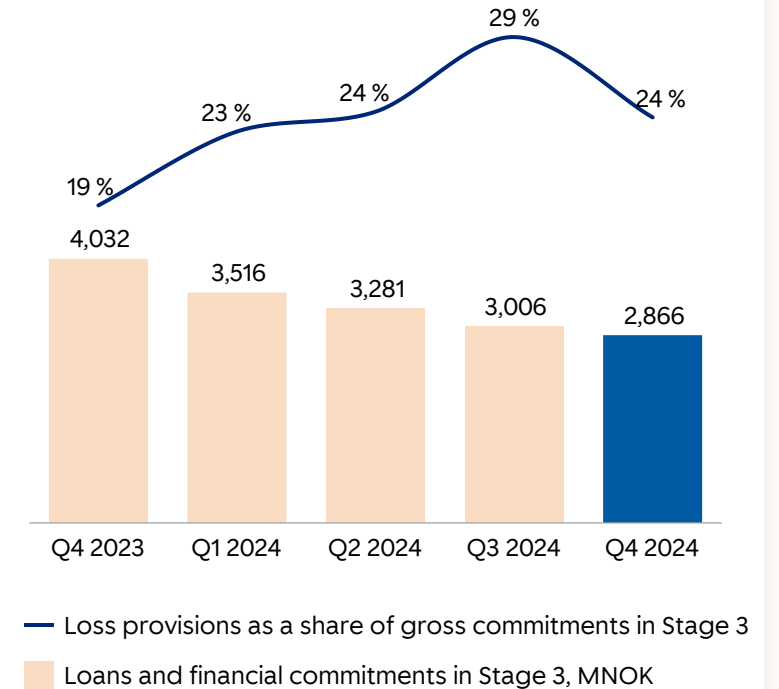
Change in gross loans and financial commitments



Impairments on loans and financial commitments



Changes in gross loans and financial commitments defined as Stage 3



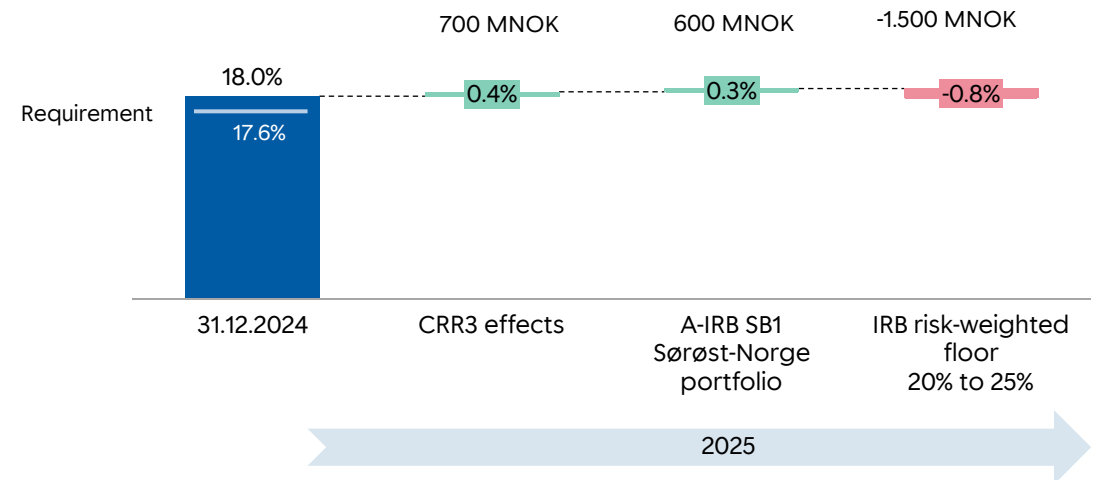
Capital adequacy

Pro forma

Solid capital ratio

- The CET 1 capital ratio is 18.01% as of 31 December 2024
- The minimum requirement for the CET 1 capital ratio is 17.56% as of 31 December 2024, including a temporary Pillar 2 requirement of 0.28% and a Pillar 2 guidance requirement of 1.25%
- The Ministry of Finance has adopted CRR3 into Norwegian law, however this will not enter into force until CRR3 is implemented into the EEA Agreement.
- The Ministry of Finance have decided to increase the IRB risk weight floor for mortgage loans from 20 to 25 percent with effect from 1 July 2025.
- The leverage ratio is 7.67% as of 31 December 2024, well above the minimum requirement at 3.0%

CET 1

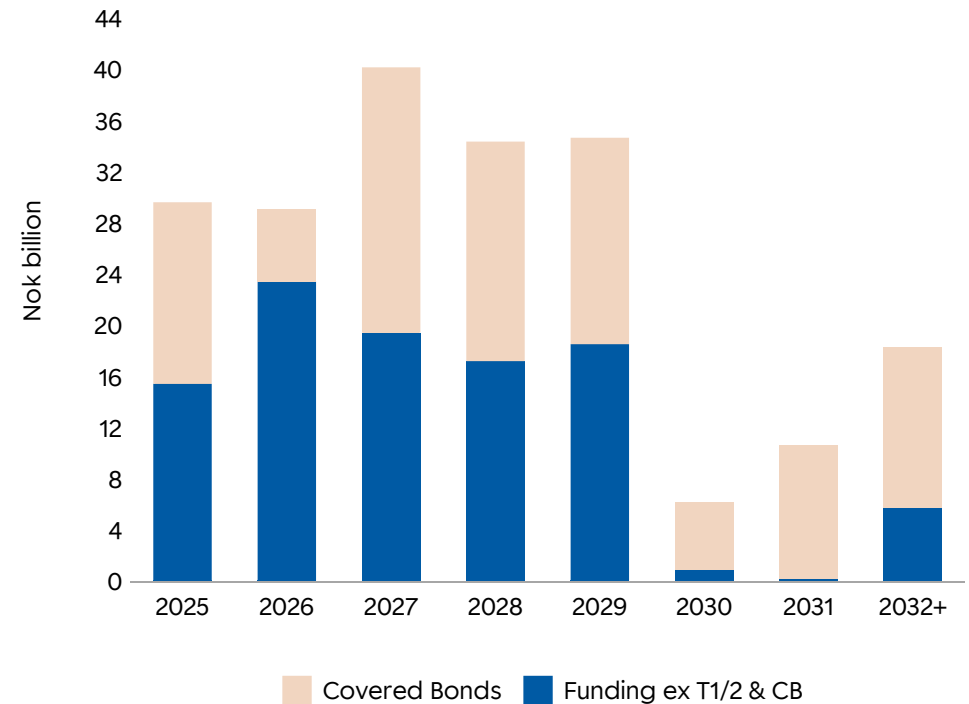


Funding

Strong liquidity

- LCR 189%
- NSFR 134 %
- NOK 31.0 billion net refinancing need over the next 12 months
- Deposit to loan ratio 50.4%
- MREL-requirement 39.2%, MREL-subordination requirement 31.3%
 - As of 31 December 2024, SpareBank 1 Sør-Norge has issued NOK 22.6 billion in senior non-preferred. The requirement is approx. NOK 15 billion.

Annual funding maturity



Outlook

- Strong position in Southern Norway with growth opportunities
- A majority of the companies in Southern Norway expect increased activity, although there are large regional differences
- Industry, IT, oil and exports are the most positive sectors
- Expects job growth and low unemployment



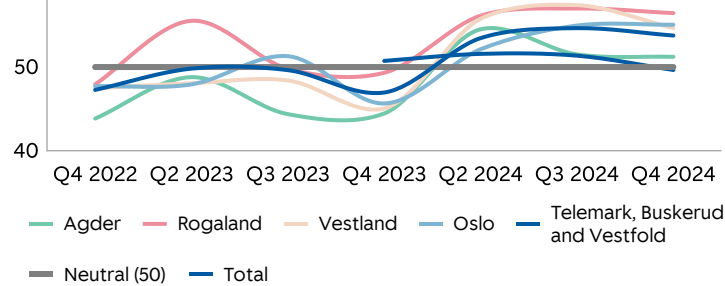
APPENDIX

- 1) Macro**
- 2) Loan portfolio
- 3) Risk
- 4) SB1NO

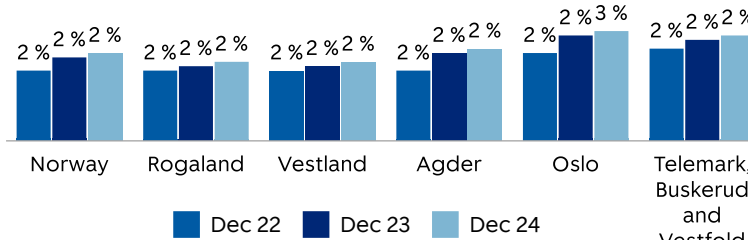
Macro in Southern Norway

SpareBank 1 Sør-Norges's business survey

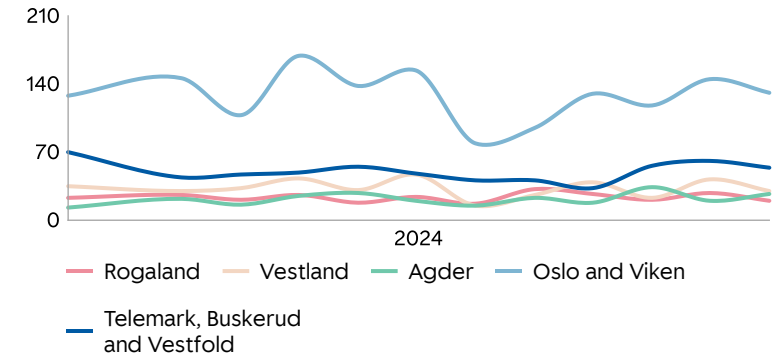
Main index of 54 per cent as of the 4 quarter of 2024



Unemployment rate

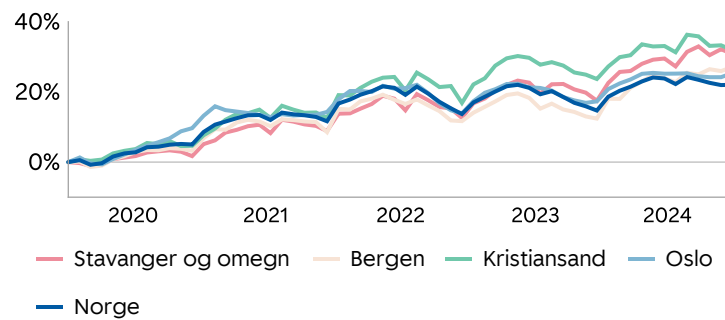


Number of bankruptcies

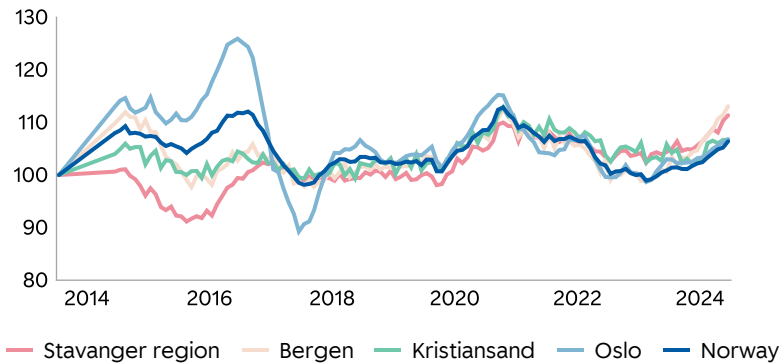


House price development

Norwegian house prices have increased by 6.4 % the last 12 months

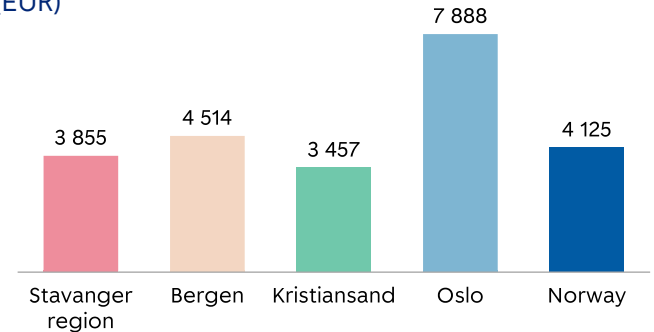


Index change 12 month (%)



Prices by city per square meter

(EUR)



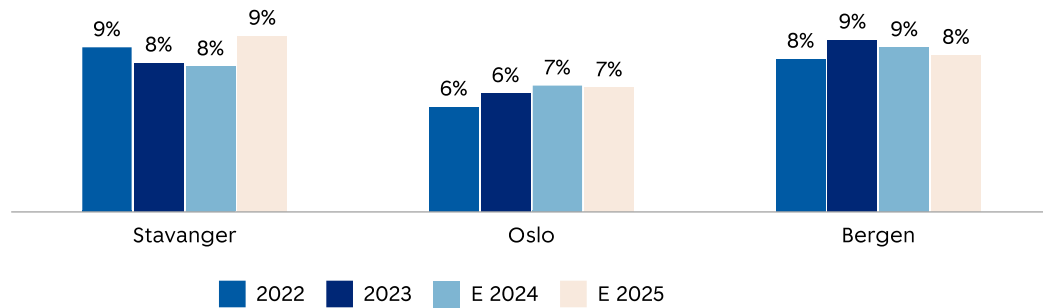
Sources: Eiendom Norge, Eiendomsverdi, NAV, Brønnøysundregisteret, SP1 SR-Bank Business survey.

APPENDIX

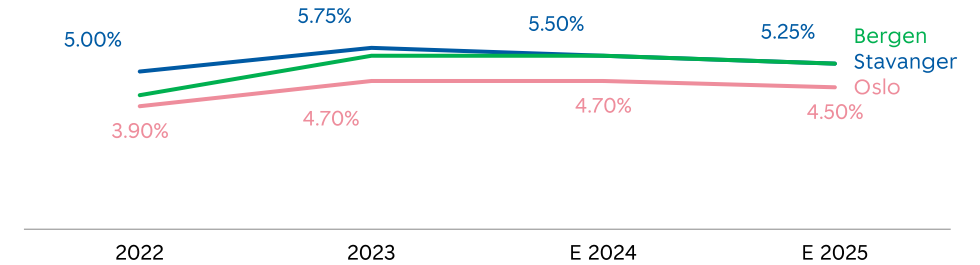
- 1) Macro
- 2) Loan portfolio**
- 3) Risk
- 4) SB1NO

Market – Commercial real estate

Office vacancy

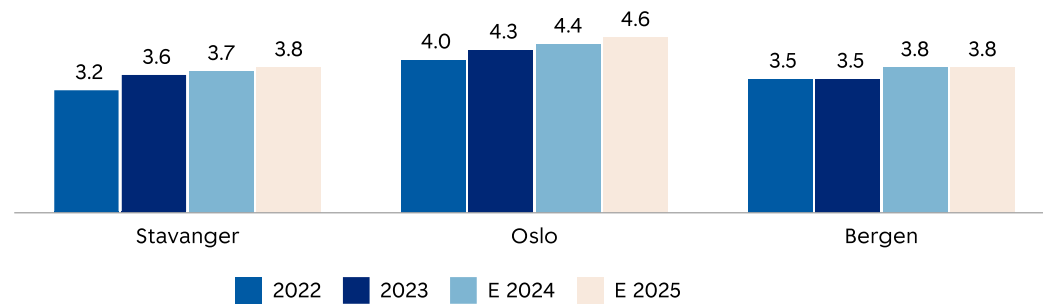


Prime yield



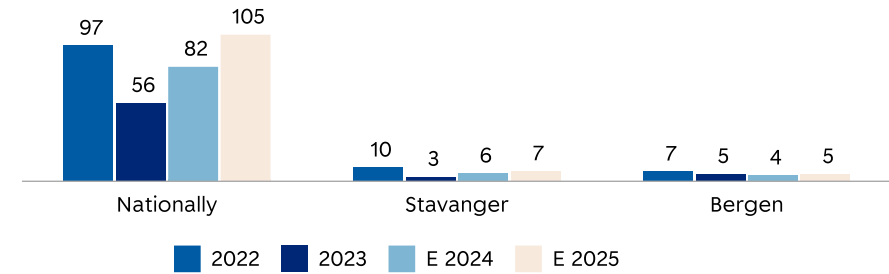
Rental prices

(TNOK per sq.m)



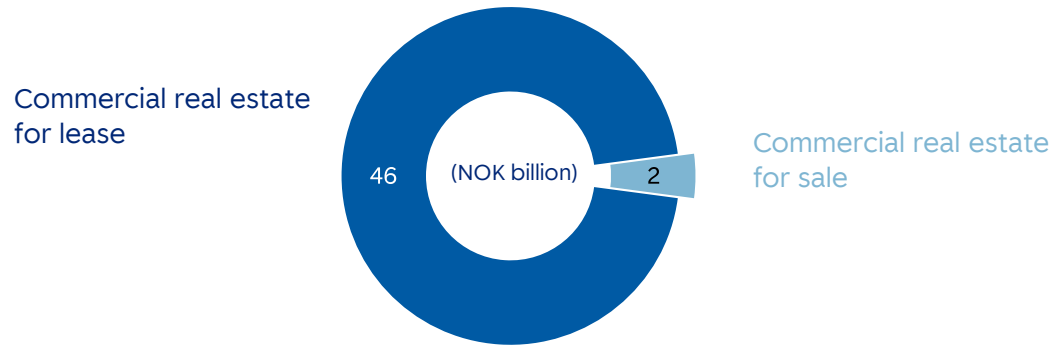
Transaction volume

(NOK billion)



Lending to commercial real estate

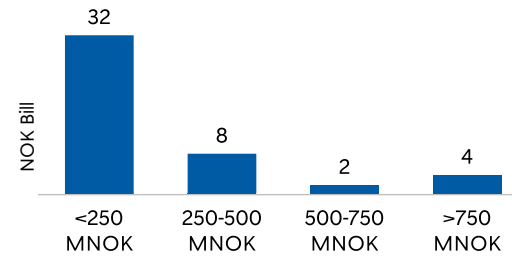
Commercial real estate portfolio 11.8% of total lending volum



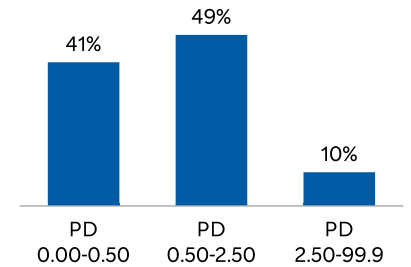
- Lending volume for commercial real estate for lease is NOK 45.7 billion, 11.3% of the bank's total lending volume
- The portfolio is characterized by lending to commercial properties for lease with long-term contracts and financially solid tenants.

Commercial real estate for lease

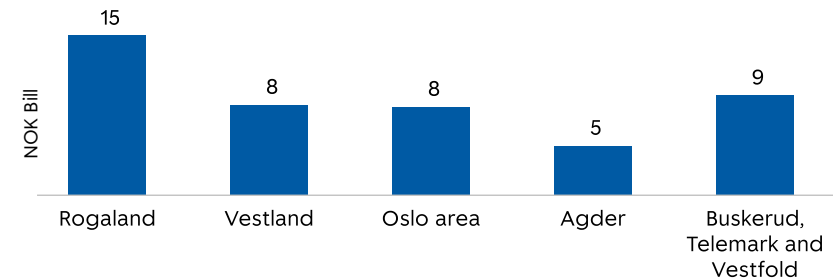
Low concentration risk



90% of volume has a PD under 2.5%



Well differentiated across regions

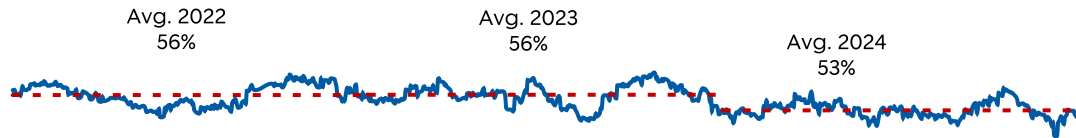


APPENDIX

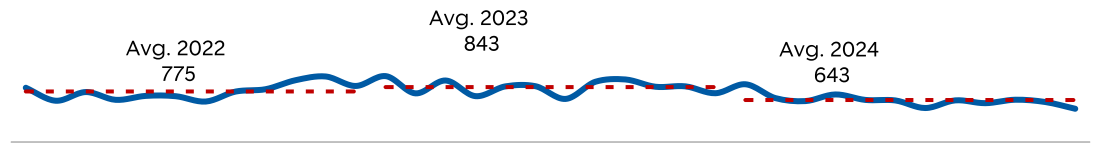
- 1) Macro
- 2) Loan portfolio
- 3) Risk**
- 4) SB1NO

Our customers are doing well

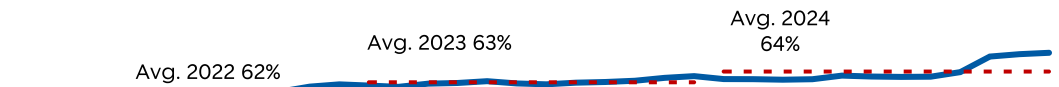
Corporate market - Drawn amount on credit facilities



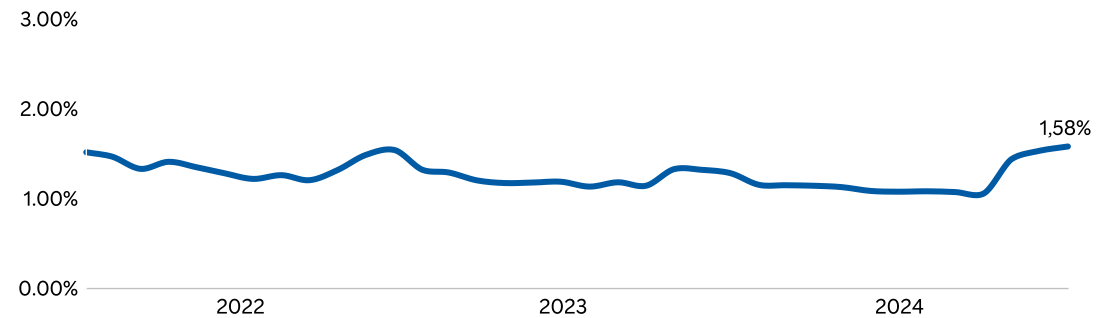
Retail market – Avg. number of applications for interest-only per month



Retail market – Drawn amount on interest only loans



Retail market – Share of exposure (EAD)* with payment remarks



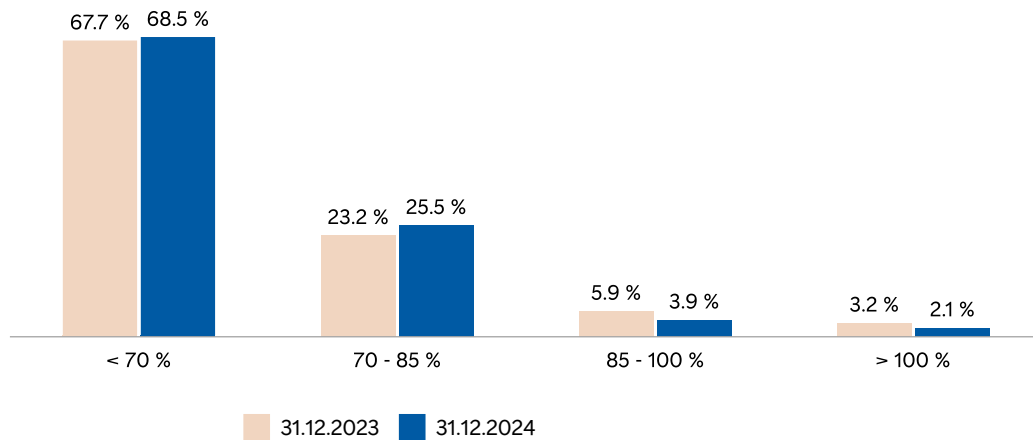
*Proportion of Exposure of default that has payment notice externally/Bisnode.

Loan to value ratio and RWA on home mortgage loans

Pro forma

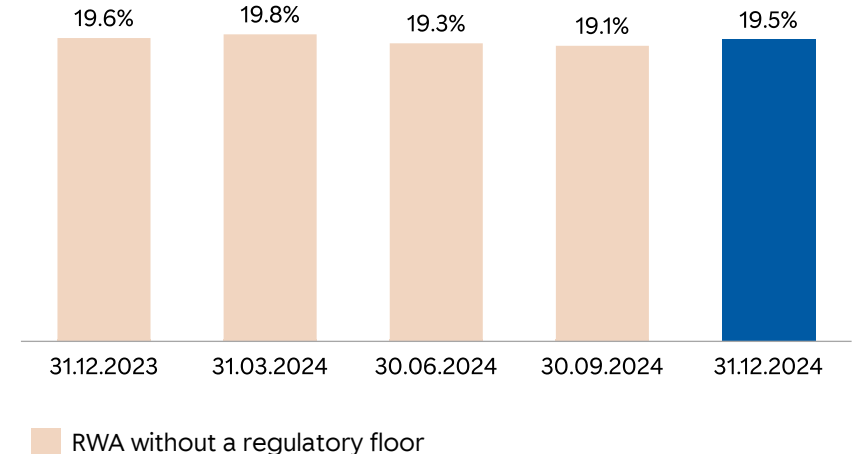
Loan to value ratio on home mortgage loans

- The proforma figures for SpareBank 1 Sør-Norge show that 94.0% of the exposure is within 85% of the assessed value of collateral.



Risk weight home mortgages*

- RWA on home mortgages reflects a solid portfolio with a moderate loan-to-value ratio and low potential loss.
- Risk weights on home mortgage loans are subject to a regulatory floor of 20%.



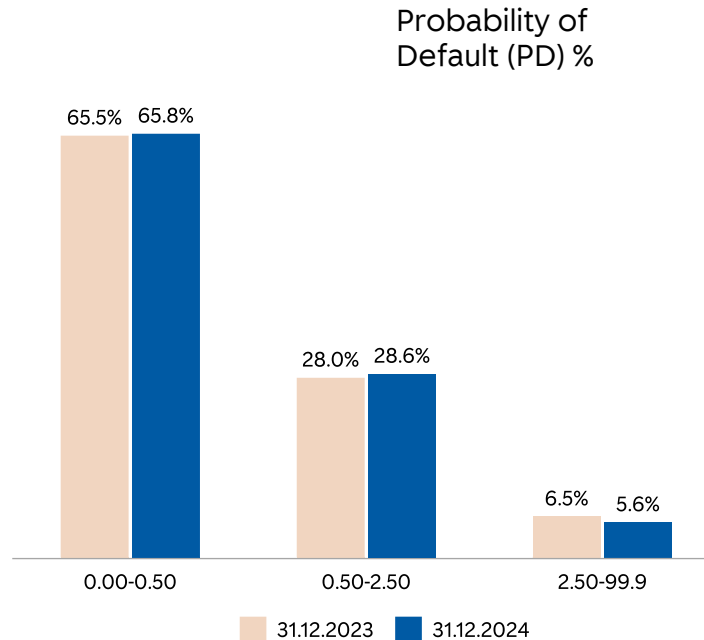
*IRB framework only applied to former SB1 SR-Bank and SR-Boligkredits loan portfolio, the former portfolio of SB1 Sørøst-Norge is based on the standard method
In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.
Home mortgages as defined in the Norwegian IRB framework; the value of the residential property must be at least 30% of a loan's security.

Profile of the loan portfolio

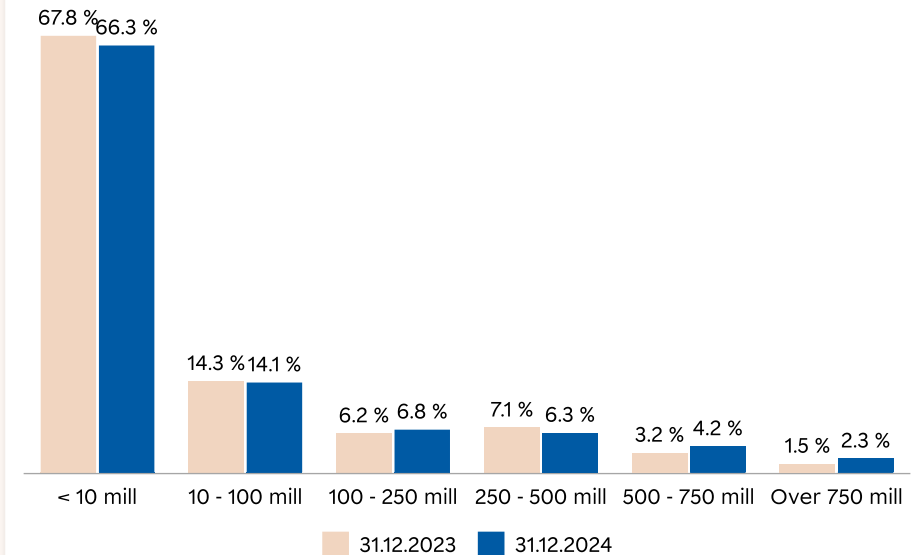
Pro forma

- Solid loan portfolio.
- The loan portfolio consists mainly of small and medium-sized loans.

Loan portfolio distributed by risk class



Loan portfolio distributed by size of loan



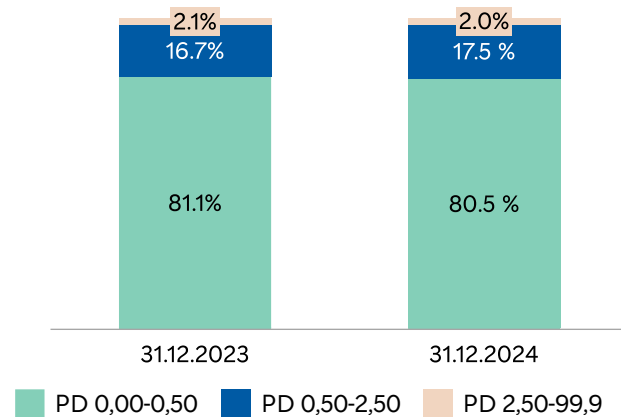
Probability of default (PD) through a full cycle of loss.

Risk profile – Loan portfolio

Pro forma

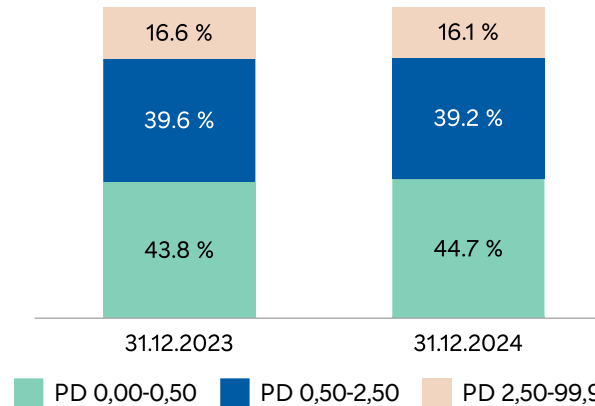
- Portfolio distributed by risk class

Retail



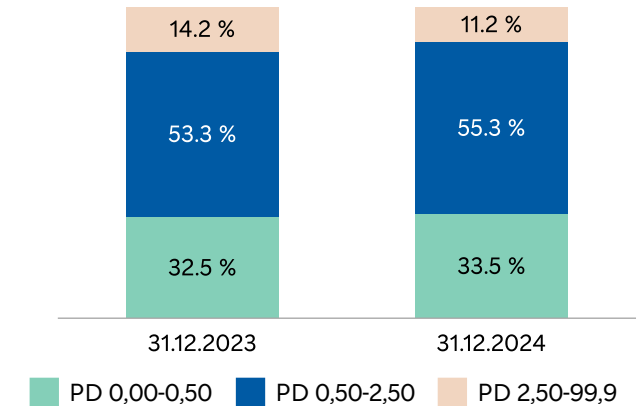
- The quality of the retail market portfolio is considered to be very good and has low potential losses.
- The low risk profile is achieved through prudent customer selection and requirements for moderate LTV. Most of the portfolio is secured against a mortgage on real estate, and lending is overall moderate compared to asset value.

SME & Agriculture



- The quality of the SME and Agriculture market portfolio is good.
- There is a clearly defined framework that sets limits on what is funded and conditions for particular funding purposes. This ensures a robust portfolio.

Corporate market



- The quality of the corporate market portfolio is good.
- There is a clearly defined framework that sets limits on what is funded and conditions for particular funding purposes. This ensures a robust portfolio.

Probability of default (PD) through a full cycle of loss.

Impairments on loans and financial commitments

Pro forma

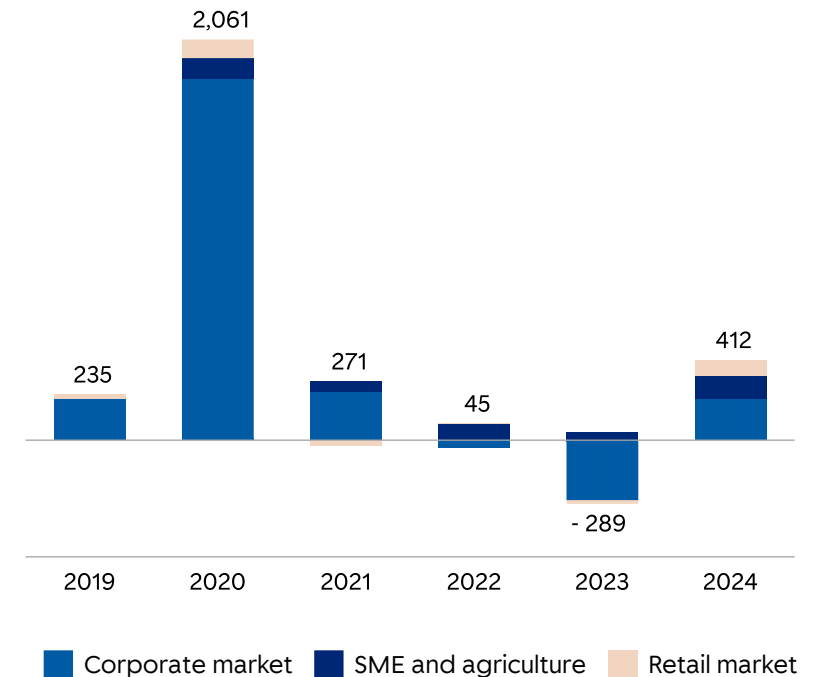
Impairments on loans and financial commitments in the income statement

(MNOK)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Corporate Market	85	86	83	- 38	- 118
SME and agriculture	- 35	85	- 12	78	- 5
Retail market	41	- 6	27	19	- 9
Total impairments	90	166	98	59	- 132

Impairments on loans and financial commitments in the balance sheet

(MNOK)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Corporate Market	873	923	918	938	1,022
SME and agriculture	495	503	422	456	389
Retail market	313	254	266	237	218
Total impairments	1,681	1,680	1,606	1,630	1,629

Impairments on loans and financial commitments in the income statement (MNOK)



APPENDIX

- 1) Macro
- 2) Loan portfolio
- 3) Risk
- 4) **SB1NO**

SpareBank 1 Sør-Norge ASA

Pro forma

Fully owned companies

**EiendomsMegler 1
SR-Eiendom**

Real estate agency

**SpareBank 1
Sør-Norge
ForretningsPartner**

Accounting and advisory

SR-Boligkreditt

Covered Bond Funding

**EiendomsMegler 1
Sørøst-Norge**

Real estate agency

**SpareBank 1
Regnskapshuset
Sørøst-Norge**

Accounting and advisory

FinStart Nordic

*Investmentportfolio
FinTec*

**EiendomsMegler 1
Telemark (51%)**

Real estate agency

Partly owned companies

BN Bank



42.5%

**SpareBank 1
Markets**



35.1%

**SpareBank 1
Kreditt***



27.7%

**SpareBank 1
Forvaltning**



42.0%

**SpareBank 1
Betaling****



26.7%

**SpareBank 1
Gruppen**



19.5%

*Changed name to Kredittbanken ASA from 7 January 2025, new ownership 23.3%

**Owns 25 % in Vipps AS

Balance sheet

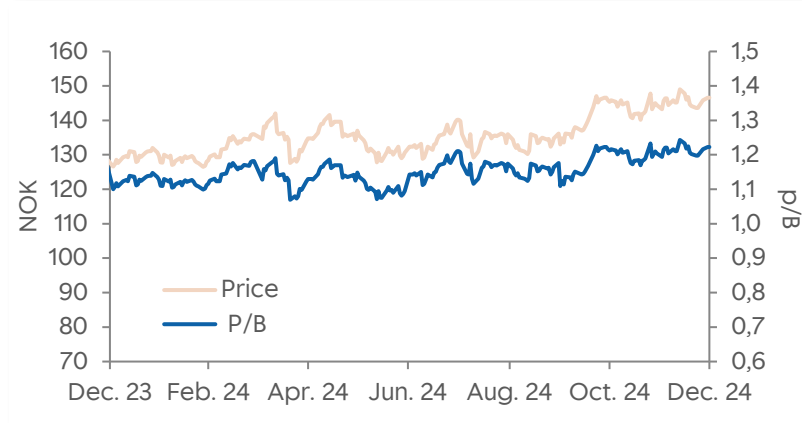
Pro forma

Balance sheet (MNOK)	31.12.2024	31.12.2023
Cash and balances with central banks	119	193
Balances with credit institutions	12,711	7,985
Loans to customers	374,119	343,382
Certificates and bonds	60,825	67,464
Financial derivatives	11,444	16,179
Shares, ownership stakes and other securities	2,643	3,128
Investment in associates	8,144	7,411
Other	9,330	6,447
Total assets	479,336	452,189
Balances with credit institutions	695	3,204
Deposits from customers	204,006	204,260
Listed debt securities	180,850	153,369
Financial derivatives	9,339	13,697
Other liabilities	3,494	5,747
Senior non-preferred bonds	22,539	21,767
Subordinated loan capital	5,776	3,535
Total liabilities	426,699	405,580
Total equity	52,637	46,610
Total liabilities and equity	479,336	452,189

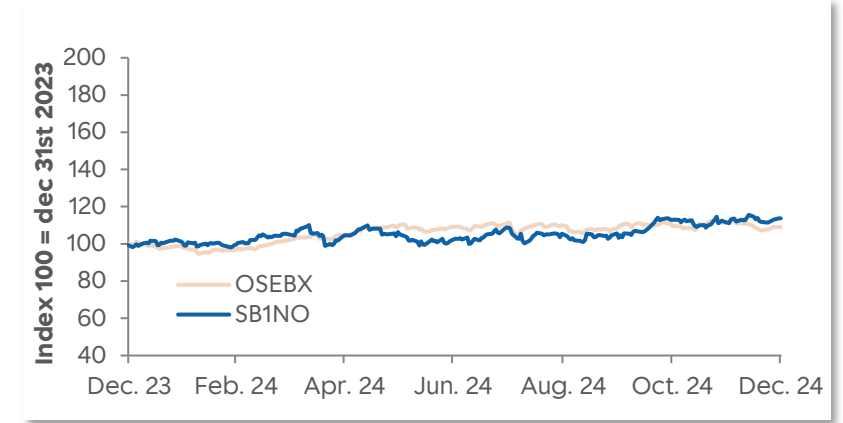
SB1NO

- International ownership is 17.4% per 4. quarter 2024
- Total market value at 4. quarter 2024 is NOK 55 billion

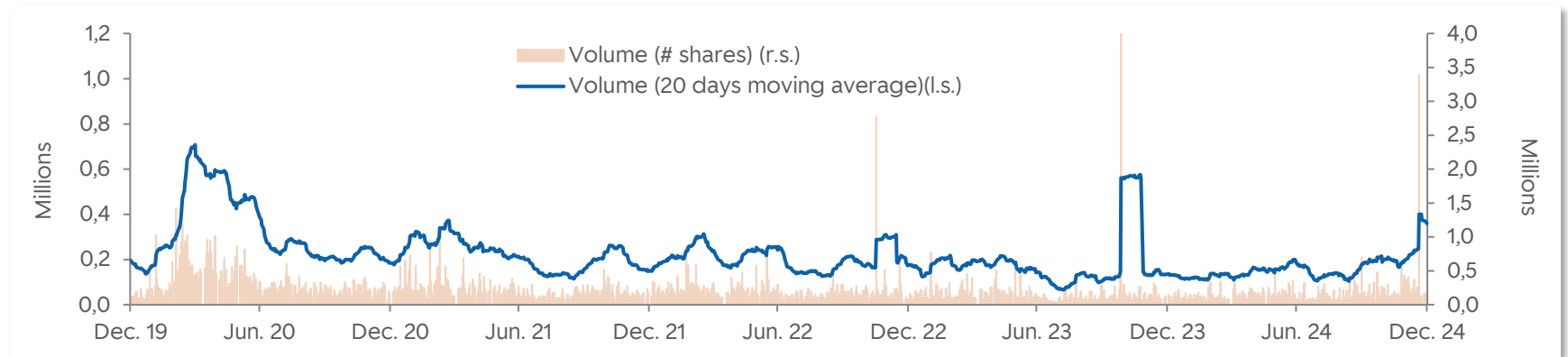
Development in Price/Book



Relative share price development



Trading volume development



- Number of shares issued 375.46 million
- Trading volume in Q4 2024: 4.2% (6.7%)

SB1NO	2024	2023	2022	2021	2020
Share price	146.60	128.90	120.70	133.20	91.00
Stock value (MNOK)	55,042	34,064	30,869	34,066	23,273
Book value per share (incl. Dividends) (group)	128.77	115.07	106.32	99.05	95.97
Earnings per share	13.08	16.27	12.88	12.08	5.87
Dividend per share	8.50	7.50	7.00	6.00	3.10
P/E	11.21	7.92	9.37	11.03	15.50
P/BV	1.14	1.12	1.14	1.34	0.95

Cash dividend - Key information:

Last day incl. right	24.04.2025
Ex-date	25.04.2025
Record date	28.04.2025
Payment date	05.05.2025
Date of approval	24.04.2025

20 largest shareholders as at 31 December 2024

- Ownership interests:
 - International: 17.4% (21.6%)
 - 10 largest: 53.1% (49.8%)
 - 20 largest: 62.4% (57.9%)
- Number of shareholders:
23.524 (18.693)
- Employees owning
1.5% (1.8%) as at 31 December
2024

Investor	Number	Stake
Sparebankstiftelsen SR-Bank	78,677	21.0%
SpareBank 1 Stiftelsen BV	32,667	8.7%
Sparebankstiftelsen Telemark	25,034	6.7%
Folketrygdfondet	19,802	5.3%
Sparebankstiftelsen Modum	15,624	4.2%
SpareBank 1-stiftinga Kvinnherad	6,527	1.7%
State Street Bank and Trust Co, U.S.A.	6,218	1.7%
Sparebankstiftelsen Nøtterøy-Tønsberg	5,263	1.4%
Sparebankstiftelsen Nome	4,949	1.3%
JPMorgan Chase Bank, N.A., London	4,731	1.3%
J.P.Morgan SE, Luxembourg	4,209	1.1%
Skandinaviska Enskilda Banken AB	4,040	1.1%
Pareto Aksje Norge Verdipapirfond	3,992	1.1%
Verdipapirfond Odin Norge	3,736	1.0%
Verdipapirfondet Alfred Berg Gambak	3,598	1.0%
J.P.Morgan SE, Luxembourg	3,561	0.9%
Brown Brothers Harriman & Co, U.S.A.	3,476	0.9%
Swedbank AB	3,399	0.9%
State Street Bank and Trust Co, U.S.A.	2,466	0.7%
J.P.Morgan SE, Luxembourg	2,299	0.6%
Top 5	171,803	45.8%
Top 10	199,490	53.1%
Top 20	234,264	62.4%

Figures in parentheses as at 31 December 2023.

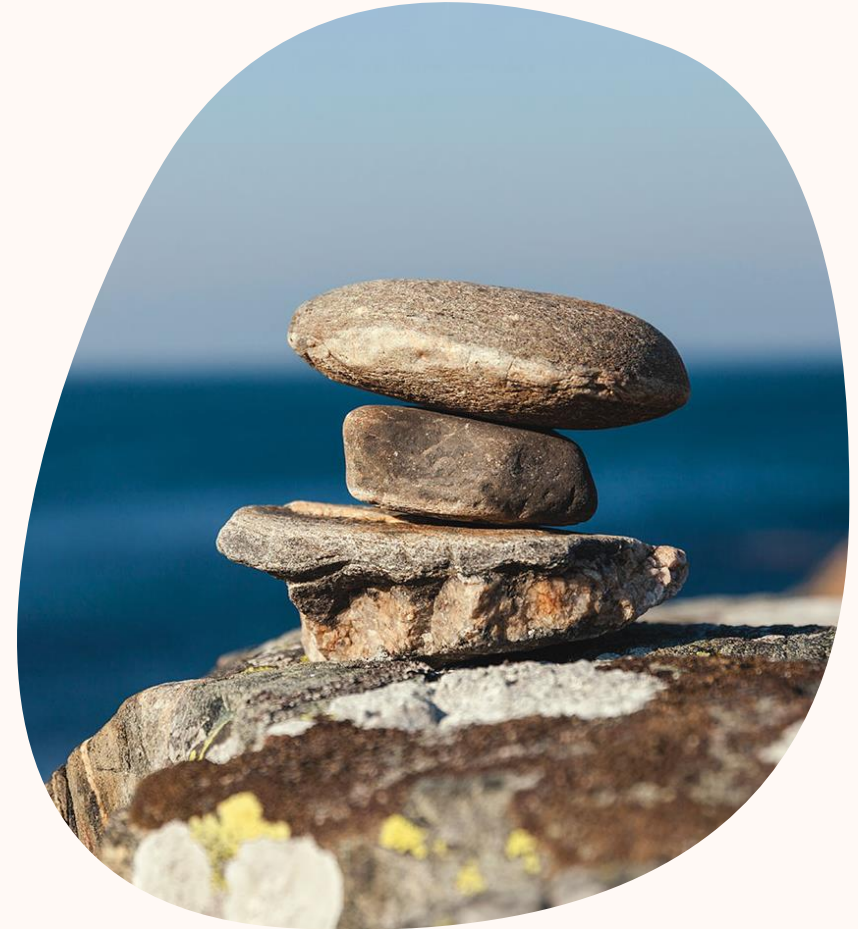
Disclaimer

This presentation contains forward looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although SpareBank 1 SR-Bank believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward looking statements as a result of various factors.

Important factors that may cause such a difference for SpareBank 1 SR-Bank include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

This presentation does not imply that SpareBank 1 SR-Bank has undertaken to revise these forward looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.



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