

Q1²⁰₁₂

account
first quarter 2012



Helgeland Sparebank **Accounts for the 1st quarter of 2012**

The Group

All figures concern the Helgeland Sparebank Group.

The Group consists of Helgeland Sparebank and the consolidated subsidiaries Helgeland Boligkreditt AS, ANS Bankbygg Mo, AS Sparebankbygg, Helgeland Sparebank Eiendomsselskap AS and Helgeland Utviklingsselskap AS.

The bank owns 48% of Helgeland Invest AS, 43% of Storgata 73, and 34% of Eiendomsmegleren Helgeland AS. The results of associated companies will be recognised as income in the bank's consolidated accounts corresponding to the bank's stake.

The accounts have been reported in accordance with IFRS and the quarterly accounts have not been audited.

Key features of the year to date (Group)

- Increased tier one capital adequacy
- Stable bank operation
- Increased net interest during the quarter
- Moderate losses
- Further strong sales of insurance products

The pre-tax profit amounted to NOK 42 million (NOK 40 million).

The bank successfully issued a fund bond loan of NOK 220 million in March 2012. This increased the bank's equity by 1.7% compared with the turn of the year.

Return on equity as of 31.03.12 was 7.2% (6.6%), and earnings per equity certificate amounted to NOK 1.2 (NOK 1.2).

Key figures as of 31.03.12:

(Comparison as of 31.03.11)

- Pre-tax profit of NOK 42 million (NOK 40 million)
- Net interest 1.46% (1.57%)
- Ordinary operating costs 1.03% (1.15%)
- Write-downs on lending 0.10% (0.12%)
- 12-month growth in lending 9.3% (9.0%)
- 12-month growth in deposits 5.4% (10.0%)
- Tier one capital adequacy 13.3% (11.2%)

Profit as of 31.03.12

Net interest

Net income from interest and credit commission was NOK 84 million, compared with NOK 80 million for the first quarter of 2011. As a percentage of average bank total assets net interest amounted to 1.46%. Following a

period of slightly declining net interest, this represents an increase of 4 points from the fourth quarter of 2011, when the net interest was 1.42%. The effect of the bank's latest interest rate change and a reduction in borrowing costs resulting from a fall in the NIBOR rate is pulling in a positive direction.

Net income from commission

Net income from commission was NOK 16 (13) million. The increase in income is the result of extremely good sales of insurance products.

Net change in value and gains/losses on financial instruments

The net change in the value of financial instruments was recognised in the amount of NOK 5 million. Compared with 2011, income from financial investments has fallen, which is primarily related to income generated by associated companies during the first quarter of 2011.

Operating costs

Total ordinary operating costs amounted to NOK 59 million, compared with NOK 58 million in 2011.

As a percentage of average bank total assets, ordinary operating costs amounted to 1.03%, compared with 1.15% for the corresponding period last year. The relative figures for ordinary costs measured as a percentage of income amounted to 55.1% (55.8).

Expensed write-downs on commitments

Moderate losses on lending were expensed and the net loss was NOK 6 million, which is the same as for the corresponding period last year. The write-down on groups of loans remained unchanged during the last quarter.

As a percentage of gross lending, expensed write-downs amount to 0.10% (0.12%) for the quarter.

Equity certificates - HELG

Equity certificate capital amounts to NOK 935 million and is divided between approximately 2,300 owners.

Note 19 presents an overview of the 20 largest owners of equity certificates. The largest owner is Sparebankstiftelsen Helgeland, with a stake of 64.7%. Due to the turbulence in the financial markets, Sparebankstiftelsen Helgeland has issued a notice to wait before selling down until the market conditions are considered to be more stable. The bank has not received any new signals from Sparebankstiftelsen Helgeland regarding selling down.

The stock exchange price of equity certificates is still generally low. The price of the bank's HELG equity certificates was NOK 33.90 as at 31.03.12, which represents an increase of NOK 3.40 per equity certificate since the turn of the year.

Balance sheet developments

During the past 12 months, the bank's total assets increased by NOK 2,097 million, or 10.0%. This balance sheet growth is linked to increased liquidity buffers and growth in lending.

Commitments

Gross lending at the end of the quarter amounted to NOK 18,431 million. The Group's lending volume includes NOK 4,061 million, which has been transferred to Helgeland Boligkreditt AS, which is the bank's wholly owned mortgage credit company.

During the past 12 months, lending increased by NOK 1,569 million, or 9.3 % (9.0 %). The Group has experienced growth in lending to business customers of 10.6 %, whilst that for private customers was 8.5 %. Higher growth in property prices compared with elsewhere in the country generally, combined with a high level of activity in the property market, has resulted in stronger growth in the private market than the growth in credit to Norwegian households. Healthy activity in Helgeland has resulted in essentially corresponding growth in the business market.

The share of loans to private customers is NOK 11.5 billion, or 62.4% (62.9%). Of this amount, 83.1% was lent to customers in Helgeland.

Total net defaults and loss-exposed commitments amounted to NOK 162 million (NOK 197 million), corresponding to 0.9% (1.2%) of gross lending.

Deposits by customers

During the past 12 months, deposits have increased by NOK 540 million, or 5.4% (10.0%). The growth in deposits is primarily due to private customers. These deposits increased by 8.2%, whilst deposits from business customers remain almost unchanged from 31.03.11.

Of the total deposits of NOK 10.6 billion, NOK 6.9 billion or 64.6% originates from private customers. The Group has a stable local deposit base, of which 91.6% consists of deposits from customers in Helgeland. The deposit-to-loan ratio as at 31.03.12 was 57.5% (59.7) in the Group and 74.9% (75.3) in the parent bank. The bank has had a stable deposit-to-loan ratio for some time. In order to maintain the deposit-to-loan ratio, the bank has placed a stronger focus on deposits and long-term saving.

Borrowing from the debt capital market

The credit market started the year with relatively high credit spreads for the banking sector. However, the European Central Bank (ECB) added a new round of long-term liquidity to the banks, with the result that the market for senior bonds has gradually begun to perform much more effectively. Additionally, the bank's increment for credit risk will gradually be reduced.

Despite the improved performance of the market, there is still considerable uncertainty concerning the situation of the so-called PIGS countries. Among other things, private creditors have had to accept large losses on debt issued by the Greek government.

The bank has primarily used the open senior market for the refinancing of ongoing maturity. However, the market for unrated covered bond loans has become more challenging and the difference compared with rated covered bond loans has grown even larger.

The bank's deposit-to-loan ratio has been maintained compared with the previous quarter and is now just over 57% (measured as a percentage of gross lending).

The Group has healthy and long-term financing with a good level of diversification between various sources of financing. At the end of the quarter, the share of borrowing in excess of one year was 83.3% (75.5%). Helgeland Boligkreditt AS is an important source of financing and the bank has a strong focus on arranging approved mortgages for transfer to the bank's mortgage enterprise.

The majority of the bank's liquidity reserves in the form of interest-bearing securities are invested in the state, local authorities, covered bonds and banks. The bank is implementing a cautious adaptation to new requirements (LCR). The overall duration of the interest portfolio is 1.8 years (including the short-term interest portfolio and amounts to NOK 3.494 million, or 15.1% of the Group's total assets.

The overall interest rate risk has been maintained at a low level.

Risk and capital adequacy

The Group's collective risk is managed through authorisations, objectives and frameworks established by the Board.

The bank's liquidity situation is considered to be satisfactory, and the proportion of long-term financing is well above the target of 70%. The Group's deposit-to-loan ratio is the same as the previous quarter.

The development in the bank's credit risk is being closely monitored, partly through the use of credit analyses of all private customers based on recently approved commitments per quarter and developments in the collective private market portfolio. Business customers are given close individual follow-up, in addition to monitoring of developments in risks based on the bank's score models.

During the fourth quarter, the Norwegian Financial Supervisory Authority tightened up its guidelines for responsible lending practices concerning lending for residential property purposes. The bank has adapted its credit policy accordingly.

Capital adequacy is calculated using the standard method in Basel II. The Helgeland Sparebank Group has a target total tier one capital adequacy of 12%.

The bank's tier one capital adequacy has increased over the quarter as a result of a fund bond of NOK 220 million. Following this, the tier one capital adequacy is 13.3%. The total capital adequacy is 13.6%.

The Group's total equity amounted to NOK 1.672 million, or 7.3% of the balance sheet total.

Future prospects

Oil activity off the Helgeland coast has given rise to optimism and positive expectations. Major national players are establishing themselves either directly or through acquisitions.

House prices have risen, house sales are strong and many new homes are being built.

Helgeland is growing both in terms of population and value creation, but still faces challenges in relation to demography and access to resources and expertise in various fields. It is therefore good news that the University of Nordland, in collaboration with Narvik University College and Nesna

University College, are establishing the Helgeland Kunnskapssenter (Helgeland Knowledge Centre), which is scheduled for completion in 2013. This will provide the region with study places and provide easier access to further education for the existing workforce.

Helgeland Sparebank's vision is to be a driving force for growth in Helgeland, and the bank's principal aim is to capture its share of the growth in the region and maintain its position as a leading and profitable bank with a market share in excess of 50%. The bank's main challenge remains to balance its objective of maintaining its market position against satisfactory earnings.

The work to strengthen net interest continues through changes to lending and deposit interest rates and greater price differentiation with respect to customers.

The bank's sales of insurance products have been very successful and are expected to continue through a strong sales organisation.

Financing of the bank will be secured through a stronger focus on deposits and the transfer of home mortgages to Helgeland Boligkreditt AS.

The stable cost development and relatively low losses on lending are expected to continue.

Mo i Rana, 31 March 2012

Mo i Rana, 2 May 2012

Bjørn Johansen
Chair

Thore Michalsen
Deputy chair

Gislaug Øygarden

Monica Skjellstad

Ove Brattbakk

May Heimdal
Staff's repr.

Jan Erik Furunes
CEO

CONTENTS

PROFIT AND LOSS ACCOUNT (amounts in NOK million).....	6
BALANCE SHEET (amounts in NOK million).....	7
CHANGE IN EQUITY CAPITAL DURING THE QUARTER REVIEW.....	8
CASH FLOW STATEMENT.....	9
NOTE 1. ACCOUNTING PRINCIPLES.....	9
NOTE 2. SEGMENT.....	10
NOTE 3. SPECIFICATION OF NET CHANGE IN VALUE OF FINANCIAL INSTRUMENTS.....	11
NOTE 4. SPECIFICATION OF TOTAL OPERATING COSTS.....	11
NOTE 5. LOSSES ON LOANS GUARANTEES, ETC.....	11
NOTE 6. PROFIT PER PRIMARY CERTIFICATE.....	11
NOTE 7. GEOGRAPHICAL EXPOSURE.....	12
NOTE 8. COMMITMENT AND LOSSES SPLIT BY SECTOR/INDUSTRY.....	12
NOTE 9. BAD AND DOUBTFUL LOANS (incl. guarantees).....	13
NOTE 10. INDIVIDUAL AND COLLECTIVE WRITE DOWNS OF LOANS AND GUARANTEES.....	13
NOTE 11. CONTINGENT OFF BALANCE SHEET COMMITMENTS.....	13
NOTE 12. SUBSIDIARIES AND ASSOCIATED COMPANIES.....	14
NOTE 13. OPERATING FUNDS.....	14
NOTE 14. DISCLOSURES OF RELATED PARTIES.....	15
NOTE 15. SECURITIES DEBT AND SUBORDINATED LOAN CAPITAL.....	16
NOTE 16. FINANCIAL DERIVATIVES.....	16
NOTE 17. GEOGRAPHICAL EXPOSURE DEPOSITS FROM AND LIABILITIES TO CUSTOMERS.....	16
NOTE 18. DEPOSITS FROM CUSTOMERS SPLIT BY SECTOR/INDUSTRY.....	17
NOTE 19. PRIMARY CAPITAL CERTIFICATE HELG.....	17
NOTE 20. CAPITAL ADEQUACY.....	18
PROFIT AND LOSS ACCOUNT ITEMS AS A PERCENTAGE OF AVERAGE ASSETS.....	19
PROFIT & LOSS ACCOUNT AND BALANCE SHEET DEVELOPMENT.....	20
OTHER KEY FIGURES.....	21

PROFIT AND LOSS ACCOUNT (amounts in NOK million)

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
831	194	225	Interest receivable and similar income	254	211	913
532	120	150	Interest payable and similar costs	170	131	591
299	74	75	Net interest- and credit commission income	84	80	322
72	16	18	Commissions receivable and income from banking services	18	16	72
12	3	2	Commissions payable and costs relating to banking services	2	3	12
60	13	16	Net commission income	16	13	60
5	4	6	Gains/losses on financial assets available for sale (note 3)	5	10	-9
3	1	1	Other operating income	2	1	5
209	56	55	Operating costs (note 4)	59	58	218
27	6	6	Losses on loans, guarantees etc. (note 5)	6	6	27
132	30	37	Result before tax	42	40	133
37	8	10	Tax payable on ordinary result	12	10	40
95	22	27	Result from ordinary operations after tax	30	30	93
3.8	0.9	1.1	Yield per primary certificate (note 6)	1.2	1.2	3.7
3.8	0.9	1.1	Diluted result per PCC in Norwegian currency (note 6)	1.2	1.2	3.7
			Extended Income Statement			
95	22	27	Result from ordinary operations after tax	30	30	93
2	8	8	Net change in fair value available-for-sale fin. assets	8	2	-5
0	0	-1	Tax on extended profit	-1	0	0
			Minority interest	0	0	0
2	8	7	Net extended profit or loss items	7	2	-5
97	30	34	Total result for the period	37	32	88
3.9	1.2	1.4	Yield per primary certificate	1.5	1.3	3.5
3.9	1.2	1.4	Diluted result per PCC in Norwegian currency	1.5	1.3	3.5

BALANCE SHEET (amounts in NOK million)

Parent bank

Group

31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
			ASSETS			
118	79	109	Cash and claims on central banks	110	79	118
742	1 368	865	Loans to and claims on credit institutions	360	667	316
14 387	13 503	14 342	Loans to and claims on customers (note 7,8,9,10)	18 332	16 747	18 049
179	111	141	Financial derivatives (note 16)	141	111	179
4 655	3 875	4 569	Certificates, bonds and shares available for sale	3 668	2 975	3 756
163	163	163	Investments in associated companies (note 12)	154	165	154
246	204	246	Investments in subsidiaries (note 12)			
49	40	49	Deferred tax benefit	51	43	51
70	82	65	Fixed assets (note 13)	155	106	158
20	8	26	Other assets	27	8	21
20 630	19 433	20 575	Total assets	22 998	20 901	22 802
			LIABILITIES AND EQUITY CAPITAL			
1 237	1 230	829	Liabilities to credit institutions	828	1 231	1 241
10 655	10 251	10 819	Deposits from customers and liabilities to customers (note 17,18)	10 603	10 063	10 429
6 843	6 064	6 783	Borrowings through the issuance of securities (note 15)	9 409	7 691	9 227
25	18	40	Financial derivatives (note 16)	40	18	25
200	252	219	Other liabilities	228	268	202
0	0	218	Fundbonds	218	0	0
18 961	17 815	18 908	Total liabilities	21 326	19 271	21 124
1 031	1 031	1 031	Paid-in equity capital (note 18,19)	1 031	1 031	1 031
638	565	609	Accrued equity capital/retained earnings (note 19)	609	567	645
	22	27	Result from ordinary operations after tax	30	30	0
1 669	1 618	1 667	Total equity capital exclusive minority interest	1 670	1 628	1 676
			Minority interest	2	2	2
1 669	1 618	1 667	Total equity capital	1 672	1 630	1 678
20 630	19 433	20 575	Total liabilities and equity capital	22 998	20 901	22 802

CHANGE IN EQUITY CAPITAL DURING THE QUARTER REVIEW

	<i>Group</i>												
	31.03.12												
	PCC capital	Premium fund	Own PCCs	Result for valuation variance	Savings bank's fund	Donation fund	Char. found.	Divid. Equal res.	Dividend	Other Equ.cap.	Min. Int.	Per. result	Total
Equity capital as at 01.01.12	935	97	-1	86	364	22	5	117	35	15	2		1 678
Result for the period												30	30
Extended profit or loss items				7									7
Sum total ext. profit or loss	935	97	-1	93	364	22	5	117	35	15	2	30	1 715
Transactions with owners													
Dep. dividend equal.res.													0
Dep. Dividend													0
Dividend paid						-1			-35	-7			-43
Equity capital 31.03.12	935	97	-1	93	364	21	5	117	0	8	2	30	1 672
Paid-in/accrued equity capital/retained earnings			1 031									641	1 672

	<i>Parent bank</i>												
	31.03.12												
	PCC capital	Premium fund	Own PCCs	Result for valuation variance	Savings bank's fund	Donation fund	Char. found.	Divid. Equal res.	Dividend	Per. result	Total		
Equity capital as at 01.01.12	935	97	-1	95	364	22	5	117	35			1 689	
result for the period										27		27	
Extended profit or loss items				7								7	
Sum total ext. profit or loss	935	97	-1	102	364	22	5	117	35	27		1 703	
Transactions with owners													
Dep. dividend equal.res.													0
Dep. dividend													0
Dividend paid						-1			-35				-36
Equity capital 31.03.12	935	97	-1	102	364	21	5	117	0	27		1 667	
Paid-in/accrued equity capital/retained earnings				1 031						636			1 667

CASH FLOW STATEMENT

Parent bank

Group

31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
132	30	37	Result of ordinary operations	42	40	133
16	4	4	+ Ordinary depreciation/amortisation	5	5	19
0	0	0	+ Writedowns and gain/loss on fixed assets	0	0	0
27	6	6	+ Losses on loans, guarantees, etc	6	6	27
-37	-8	-10	- Tax expense	-12	-10	-40
138	32	37	= Provided from the years operations	41	41	139
16	22	-7	Change miscellaneous debt: + increase/-decrease	-18	24	24
15	60	-6	Change miscellaneous claims: - increase/+ decrease	6	40	30
-812	57	46	Change loans to and balances with customers:- incr./+ decr.	-282	-232	-1 519
580	176	164	Change deposits from and liabilities to customers:+ incr/-decr.	174	180	547
0	0	0	Change liabilities to credit institutions : + increase	0	17	4
0	-7	-400	Change liabilities to credit institutions : + Decrease	-400	0	0
-63	340	-166	A Net liquidity change from operating activities	-479	70	-776
-8	-1	-1	- Invested in tangible fixed assets	-3	-1	-98
1	0	1	+ Sale of tangible fixed assets	1	0	0
-4 860	-1 262	-1 719	- Investment in long-term securities	-1 719	-1 262	-4 820
3 800	1 045	1 820	+ Sale in long-term securities	1 820	1 045	3 800
-1 067	-218	101	B Liquidity change from investing activities	99	-218	-1 118
-51	0	0	- Dividend paid on PCCs	0	0	-51
4 416	1 255	805	+ Issue debt securities	1 044	1 378	5 297
-3 283	-855	-845	- Redemption debt securities	-845	-855	-3 283
0	0	218	Change subordinated loan capital/primary capital + incr.- decr	218	0	0
1 082	400	178	C Liquidity change from financing activities	417	523	1 963
-48	522	113	A+B+C Sum total change liquid assets	37	375	70
908	908	860	+ Liquid assets at the start of the period	434	364	364
860	1 430	973	= Liquid assets at the close of the period	471	739	434

NOTE 1. ACCOUNTING PRINCIPLES

Both the consolidated financial statements and the Parent Bank' s separate financial statements have been prepared in compliance with IFRS, while the accounting policies applied in individual areas are described in the annual financial statements for 2011. The interim report for the first quarter is in compliance with IAS 34 and has not been audited.

NOTE 2. SEGMENT

The Group has defined its geographical segment as a main area of Norway – Helgeland. The Group's exposure to credit risk is mainly concentrated on this area. The Group only has smaller exposure to credit risk in areas other than its geographically defined main area. Helgeland is the home region of the Parent Bank who is the Group's operating company. The group has split the bank into two segments, corporate and retail banking.

The group has split the bank into two segments, corporate and retail banking:

<i>Parent bank</i>					<i>Group</i>			
					31.03.12			
Retail	Corp.	Not divided	Total	Segmentinformation	Retail	Corp.	Not divided	Total
35	32	8	75	Net interest and credit commission income	43	32	8	83
6	3	7	16	Net commission income	6	3	7	16
		7	7	Other operating income			7	7
23	6	26	55	Operating costs	23	6	30	59
0	6	0	6	Losses on loans guaranteed	0	5	0	5
18	23	-4	37	Result before tax	26	24	-8	42
7 559	6 883	0	14 442	Loans to and claims on customers	11 506	6 925	0	18 431
-7	-33	0	-40	Individual write-downs	-7	-33	0	-40
0	0	-60	-60	Collective write-downs on loans	0	0	-60	-60
0	0	6 233	6 233	Other assets	0	0	4 667	4 667
7 552	6 850	6 173	20 575	Total assts per segment	11 499	6 892	4 607	22 998
6 853	3 966	0	10 819	Deposits from customers and liabilities	6 853	3 750	0	10 603
0	0	9 756	9 756	Other liabilities and equity	0	0	12 395	12 395
6 853	3 966	9 756	20 575	Total liabilities and equity per segment	6 853	3 750	12 395	22 998

The group has split the bank into two segments, corporate and retail banking:

<i>Parent bank</i>					<i>Group</i>			
					31.03.11			
Retail	Corp.	Not divided	Total	Segmentinformation	Retail	Corp.	Not divided	Total
37	37	0	74	Net interest and credit commission income	44	36	0	80
5	3	5	13	Net commission income	5	3	5	13
0	0	5	5	Other operating income	0	0	11	11
23	6	27	56	Operating costs	23	6	29	58
2	4	0	6	Losses on loans guaranteed	2	4	0	6
17	30	-17	30	Result before tax	24	29	-13	40
7 453	6 165	0	13 618	Loans to and claims on customers	10 601	6 261	0	16 862
-7	-50	0	-57	Individual write-downs	-7	-50	0	-57
0	0	-58	-58	Collective write-downs on loans	0	0	-58	-58
0	0	5 930	5 930	Other assets	0	0	4 154	4 154
7 446	6 115	5 872	19 433	Total assts per segment	10 594	6 211	4 096	20 901
6 334	3 917	0	10 251	Deposits from customers and liabilities	6 334	3 729	0	10 063
0	0	9 182	9 182	Other liabilities and equity	0	0	10 838	10 838
6 334	3 917	9 182	19 433	Total liabilities and equity per segment	6 334	3 729	10 838	20 901

NOTE 3. SPECIFICATION OF NET CHANGE IN VALUE OF FINANCIAL INSTRUMENTS

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
-5	1	2	Value change in interest-bearing securities	2	1	-7
10	2	1	Net gain/loss in interest-bearing securities	1	2	10
-16	-1	0	Net gain/loss shares	0	-1	-16
5	0	2	Income AC	1	7	4
11	2	0	Share dividend	0	1	0
-3	2	2	Value change in value on lending	2	2	-3
3	-2	-1	Value change on funding and derivatives	-1	-2	3
5	4	6	Total value change financial instruments	5	10	-9

NOTE 4. SPECIFICATION OF TOTAL OPERATING COSTS

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
112	30	30	Wages, salaries and social costs	31	31	113
52	14	13	General administration costs	14	15	61
16	4	4	Depreciation etc of fixed- and intangible assets	5	5	19
29	8	8	Other operating costs	9	7	25
209	56	55	Total operating costs	59	58	218

NOTE 5. LOSSES ON LOANS GUARANTEES, ETC

<i>Parent bank</i>				<i>Group</i>		
31.12.2011	31.03.2011	31.03.2012		31.03.2012	31.03.2011	31.12.2011
-4	5	1	+/- Period's change in individual write-downs	1	5	-4
2	0	0	+ Period's change in collective write-downs	0	0	2
22	-2	6	+ Period's conf. Losses against which ind. write-downs were made in prev. Years	6	-2	22
9	4	0	+ Period's confirmed losses against which no individual write-downs were made in previous years	0	4	9
-2	-1	-1	- Period's recoveries from previous periods' conf.losses	-1	-1	-2
27	6	6	Total losses on loans, guarantees etc.	6	6	27

NOTE 6. PROFIT PER PRIMARY CERTIFICATE

<i>Parent bank</i>				<i>Group</i>		
31.12.2011	31.03.2011	31.03.2012		31.03.2012	31.03.2011	31.12.2011
95	22	27	Profit	30	30	93
74.9 %	74.9 %	74.9 %	PCC percentage	74.9 %	74.9 %	74.9 %
3.8	0.9	1.1	Yield per primary certificate	1.2	1.2	3.7
3.8	0.9	1.1	Diluted result per PCC in Norwegian currency	1.2	1.2	3.7

NOTE 7. GEOGRAPHICAL EXPOSURE

Geographical exposure within the loan portfolio was as follows:

<i>Parent bank</i>						<i>Group</i>			
31.03.11	%	31.03.12	%		31.03.12	%	31.03.11	%	
11 456	84.1	12 025	83.3	Helgeland	15 320	83.1	14 053	83.3	
2 149	15.8	2 398	16.6	Areas other than Helgeland	3 088	16.8	2 794	16.6	
13	0.1	19	0.1	International	23	0.1	15	0.1	
13 618	100	14 442	100	Total	18 431	100	16 862	100	

NOTE 8. COMMITMENT AND LOSSES SPLIT BY SECTOR/INDUSTRY

	31.03.12				31.03.11			
	Gross loans	%-stake	Loss prov.	Defaults	Gross loans	%-stake	Loss prov.	Defaults
Municipalities and municipal enterp.	1	0.0 %	0	0.0	0	0.0 %	0	0.0
Insurance and finance	26	0.1 %	0	0.0	5	0.0 %	0	0.0
Agriculture and forestry	1 196	6.5 %	2	0.0	1 118	6.6 %	1	0.0
Fisheries and aquaculture	828	4.5 %	1	0.0	588	3.5 %	3	0.0
Mining and industry	583	3.2 %	12	5.0	489	2.9 %	9	2.0
Building and construction	831	4.5 %	2	0.0	795	4.7 %	3	0.0
Trade, hotel, restaurants.	341	1.9 %	4	0.5	322	1.9 %	2	0.0
Transport and services	707	3.8 %	0	0.0	738	4.4 %	2	0.0
Property, property development	2 412	13.1 %	24	0.5	2 206	13.1 %	30	2.0
Retail market	11 506	62.4 %	6	0.0	10 601	62.9 %	7	2.0
Total	18 431	100 %	51	6.0	16 862	100 %	57	6.0
Change collective write-downs				0.0				0.0
Total				6.0				6.0

	31.03.12				31.03.11			
	Gross loans	%-stake	Loss prov.	Defaults	Gross loans	%-stake	Loss prov.	Defaults
Municipalities and municipal enterp.	1	0.0 %	0	0.0	0	0.0 %	0	0.0
Insurance and finance	26	0.2 %	0	0.0	5	0.0 %	0	0.0
Agriculture and forestry	1 167	8.1 %	2	0.0	1 087	8.0 %	1	0.0
Fisheries and aquaculture	825	5.7 %	1	0.0	585	4.3 %	3	0.0
Mining and industry	581	4.0 %	12	5.0	487	3.6 %	9	2.0
Building and construction	813	5.6 %	2	0.0	786	5.8 %	3	0.0
Trade, hotel, restaurants.	329	2.3 %	4	0.5	309	2.3 %	2	0.0
Transport and services	654	4.5 %	0	0.0	699	5.1 %	2	0.0
Property, property development	2 487	17.2 %	24	0.5	2 207	16.2 %	30	2.0
Retail market	7 559	52.3 %	6	0.0	7 453	54.7 %	7	2.0
Total	14 442	100 %	51	6.0	13 618	100 %	57	6.0
Change collective write-downs				0.0				0.0
Total				6.0				6.0

NOTE 9. BAD AND DOUBTFUL LOANS (incl. guarantees)

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
168	240	186	Loans, guarantees etc. in default	186	240	168
37	53	40	Loss provisions for loans, guarantees etc. in default	40	53	37
131	187	146	Total net loans, guarantees etc. in default	146	187	131
62	14	26	Other bad and doubtful loans and guar., not in default	26	14	62
13	4	10	Loss provisions for other bad and doubtful loans, guarantees etc., not in default	10	4	13
49	10	16	Total net bad and doubtful commitments, not in default	16	10	49
180	197	162	Total bad and doubtful loans	162	197	180

NOTE 10. INDIVIDUAL AND COLLECTIVE WRITE DOWNS OF LOANS AND GUARANTEES

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
53	53	49	Individual write-downs to cover losses on loans and guarantees as at 01.01	49	53	53
-22	-2	-6	Period's conf. losses, against which indi. Write-down was previously made	-6	-2	-22
6	3	5	Period's increased individual write-downs, against which write-down was previously made	5	3	6
14	3	1	New individual write-downs during the period	1	3	14
-2	0	0	Reversal of individual write-downs during the period	0	0	-2
49	57	49	= Total individual write-downs on loans	49	57	49
39	56	39	*Of which individual write-downs on loans accounted for	39	56	39
10	1	11	* Of which ind. Write-downs on guar. Accounted for	11	1	10
Collective write-downs:						
58	58	60	Collective write-downs to cover losses on loans at 01.01	60	58	58
2	0	0	+/- Period's change in collective write-downs	0	0	2
60	58	60	Total collective write-downs	60	58	60

NOTE 11. CONTINGENT OFF BALANCE SHEET COMMITMENTS

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
591	559	566	Guarantee obligations	566	559	591
-10	-1	-11	Write-downs on guarantee	-11	-1	-10
581	558	555	Net guarantee obligation	555	558	581

NOTE 12. SUBSIDIARIES AND ASSOCIATED COMPANIES

The Parent Bank's accounts have been presented and prepared in accordance with the requirements laid down by law and regulation governing savings banks in Norway. Subsidiaries where the ownership stake is more than 50 % are consolidated and substantial ownership interests have been included in the accounts using the equity method.

Investment in associated companies

	Location	Sector	Equity stake	Market value		
				31.03.12	31.03.11	31.12.11
				<i>Group</i>		
Helgeland Invest AS*	Sandnessjøen	Investment	48 %	151		151
Eiendomsmegler Helgeland AS	Mo i Rana	Estate Agent	34 %	1	1	1
Helgeland Vekst AS					58	
Storgt. 73 AS	Brønnøysund	Real Estate	43 %	2	2	2
Total investment in AC				154	61	154

Investment in associated companies

	Location	Sector	Equity stake	Market value		
				31.03.12	31.03.11	31.12.11
				<i>Parent bank</i>		
Helgeland Invest AS*	Sandnessjøen	Investment	48 %	159		159
Eiendomsmegler Helgeland AS	Mo i Rana	Estate Agent	34 %	4	4	4
Helgeland Vekst AS					55	
Storgt. 73 AS	Brønnøysund	Real Estate	43 %	0.1	0.1	0.1
Total investment in AC				163.1	59.1	163.1

Subsidiaries

	Share capital	Number of shares	Equity stake	Market value		
				31.03.12	31.03.11	31.12.11
				<i>Parent bank</i>		
ANS Bankbygg Mo	49.0	5 591	97 %	45	45	45
Helgeland Boligkreditt AS	190.0	190 000	100 %	190	150	190
AS Sparebankbygg	0.1	100.0	100 %	0.1	0.1	0.1
Helgeland Spb.eiend.selskap AS	0.1	100.0	100 %	0.4	0.4	0.4
Helgeland Utviklingsselskap AS	0.5	500.0	100 %	10.0	8.0	10.0
Total investment in AC				246	204	246

NOTE 13. OPERATING FUNDS

Parent Bank

	Parent Bank			Group		
	31.12.11	31.03.11	31.03.12	31.03.12	31.03.11	31.12.11
	70	82	65	155	106	158
Operating funds*)						
Total operating funds	70	82	65	155	106	158

NOTE 14. DISCLOSURES OF RELATED PARTIES

The information have been prepared in accordance to IAS 24 for “ disclosures of related parties”

Transaction against bank's senior management and bank's elected representatives are showed in note from annual report. Helgeland Sparebank defines its subsidiaries and associated companies as related parties in relation to this accounting standard.

Transactions between the Parent Bank, group companies and associated companies are made in accordance with normal commercial principles and on normal commercial terms.

Intercompany transactions	31.03.12	31.03.11	31.12.11
Income Statement			
Income from interest and credit commissions received from subsidiaries	7	13	39
Interest on deposits to subsidiaries	8	1	4
Rent expense	2	2	5
Refund of operating expenses	0	2	7
Balance Sheet			
Lending to subsidiaries	578	714	584
Covered bonds	900	900	900
Deposits from subsidiaries	216	189	175
Accounts receivable, group contribution	9	0	9

Helgeland Boligkreditt

Helgeland Boligkreditt is a wholly owned subsidiary of Helgeland Sparebank.

There has been transferred gross lending to customers amounting to NOK 331 million and transferred loans as of 31. March 2012 totalled NOK 4.061 million, NOK 900 million of the covered bonds were purchased by Helgeland Sparebank.

Helgeland Boligkreditt AS has a long term credit in Helgeland Sparebank amounting to NOK 1 billion. The credit has been utilized by NOK 506 million.

Miscellaneous

Helgeland Sparebank owns about 9% of the shares in Frende Holding AS and in 2012 received commission for the distribution of life insurance products for a total of NOK 1 million, the bank has also received commission for distribution of general insurance for a total of NOK 2 million in 2012.

The Bank has also participated in the establishment of the securities firm Norne Securities AS with an ownership interest of 6.5% and of a new leasing company, Brage Finans AS, with an ownership interest of 10 %

NOTE 15. SECURITIES DEBT AND SUBORDINATED LOAN CAPITAL

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
400	404	0	F-loans Norges Bank	0	404	400
826	826	826	Loans from Norges Bank	826	826	826
11	0	3	Other loans	2	0	15
1 237	1 230	829	Total loans from Norges Bank	828	1 230	1 241
454	611	458	Certificate debt	458	611	454
6 389	5 453	6 325	Bond debt	6 325	5 453	6 389
0	0	0	Covered bonds	2 626	1 627	2 384
6 843	6 064	6 783	Total securities debt	9 409	7 691	9 227
0	0	218	Fundbonds	218	0	0
0	0	218	Total fundbonds	218	0	0

NOTE 16. FINANCIAL DERIVATIVES

<i>Parent bank</i>				<i>Group</i>		
31.03.12				31.03.12		
Nominal value	Market value			Nominal value	Market value	
	Total	Assets			Commitments	Total
608	0	40	Interest rate swaps- fixed interest rate loans	608	0	40
500	34	0	Interest rate swaps- bank deposits with share Yield	500	34	0
1 108	34	40	Total financial derivatives	1 108	34	40
1 573	107	0	Interest rate swaps –fixed interest rate loans	1 573	107	0
1 573	107	0	Total securing funding	1 573	107	0

<i>Parent bank</i>				<i>Group</i>		
31.03.11				31.03.11		
Nominal value	Market value			Nominal value	Market value	
	Total	Assets			Commitments	Total
391	0	18	Interest rate swaps- fixed interest rate loans	391	0	18
500	27	0	Interest rate swaps- bank deposits with share Yield	500	27	0
891	27	18	Total financial derivatives	891	27	18
1 100	84	0	Interest rate swaps –fixed interest rate loans	1 100	84	0
1 100	84	0	Total securing funding	1 100	84	0

NOTE 17. GEOGRAPHICAL EXPOSURE DEPOSITS FROM AND LIABILITIES TO CUSTOMERS

<i>Parent bank</i>				<i>Group</i>				
%	31.03.11	%	31.03.12	31.03.12	%	31.03.11	%	
92.7 %	9 499	91.8 %	9 929	Helgeland	9 713	91.6 %	9 311	92.5 %
6.6 %	672	7.4 %	806	Areas other than Helgeland	806	7.6 %	672	6.7 %
0.8 %	80	0.8 %	84	International	84	0.8 %	80	0.8 %
100.0 %	10 251	100.0 %	10 819	Total	10 603	100.0 %	10 063	100.0 %

NOTE 18. DEPOSITS FROM CUSTOMERS SPLIT BY SECTOR/INDUSTRY

<i>Parent bank</i>				<i>Group</i>				
%	31.03.11	%	31.03.12		31.03.12	%	31.03.11	%
2.5 %	259	4.4 %	481	Financial institutions	301	2.8 %	108	1.1 %
8.5 %	876	9.3 %	1 003	Municipalities and municipal enterp.	1 003	9.5 %	876	8.7 %
2.8 %	284	2.9 %	318	Agriculture and forestry	318	3.0 %	284	2.8 %
3.7 %	380	1.3 %	143	Fisheries and aquaculture	143	1.3 %	380	3.8 %
1.2 %	124	1.4 %	156	Mining and industry	156	1.5 %	124	1.2 %
4.8 %	490	4.1 %	446	Building and construction	446	4.2 %	490	4.9 %
2.8 %	289	2.8 %	299	Trade, hotel, restaurants.	299	2.8 %	289	2.9 %
7.0 %	717	5.7 %	622	Transport and services	622	5.9 %	717	7.1 %
4.9 %	497	4.6 %	498	Property, property development	462	4.4 %	460	4.6 %
61.8 %	6 334	63.3 %	6 853	Retail market	6 853	64.6 %	6 334	62.9 %
100.0 %	10 251	100.0 %	10 819	Total	10 603	100.0 %	10 063	100.0 %

NOTE 19. PRIMARY CAPITAL CERTIFICATE HELG

				<i>Parent bank</i>	
Per 31.03.12	Numbers	% share		Numbers	% share
Sparebankstiftelsen Helgeland	12 099 598	64.7 %	Sparebanken Vest	200 000	1.1 %
Sparebank 1 Midt-Norge	660 000	3.5 %	Nervik, Steffen	105 000	0.6 %
MP Pensjon	658 147	3.5 %	Hartviksen, Harald	94 498	0.5 %
Skagen Vekst	407 400	2.2 %	Tromstrygd	75 000	0.4 %
Sparebanken Øst	386 994	2.1 %	Coop Norge SA	63 047	0.3 %
Helgelandskraft AS	340 494	1.8 %	Institutt for sammenligning	62 300	0.3 %
Sparebankstiftelsen DnB NOR	329 124	1.8 %	Arnesen, Dag Fredrik Jebsen	60 000	0.3 %
Nordea Bank	262 453	1.4 %	Sivesind Invest AS	52 541	0.3 %
Haslum Industri AS	221 697	1.2 %	Brage invest AS	48 433	0.3 %
Terra utbytte	202 306	1.1 %	Andersson Lars A	33 550	0.2 %
Total 10 biggest owners	15 568 213	83.3 %	Total 20 biggest owners	16 362 582	87.5 %

The bank has issued a total of 18 700 000 primary certificates value of NOK 50,-.

NOTE 20. CAPITAL ADEQUACY

The first part of the note shows the calculation base and capital adequacy under Basel II

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
935	935	935	PCC-capital	935	935	935
97	97	97	Premium Fund	97	97	97
-1	-1	-1	Own PCCs	-1	-1	-1
1 031	1 031	1 031	Total paid-in capital	1 031	1 031	1 031
364	352	364	Savings Bank's fund	364	352	364
95	100	102	Reserve for valuation variances	94	92	86
27	31	26	Donations Fund	26	31	27
117	82	117	Dividend equalisation reserve	117	82	117
36	0	0	Cash dividend	0	0	36
0	0	0	Other equity capital	19	19	17
639	565	609	Total accrued equity capital	620	576	647
			Additional:			
0	0	218	Fundbonds	218	0	0
			Deduction:			
-95	-100	-102	Not realized profits	-94	-92	-86
-41	-10	-5	Cash dividend /gifts employee	-5	-10	-41
-49	-40	-48	Intangible asstes	-50	-42	-51
1 485	1 446	1 703	Total core capital	1 720	1 463	1 500
40	42	42	Net nor realized profits	38	38	37
40	42	42	Total net supplementary capital	38	38	37
1 525	1 488	1 745	Total net equity and related capital	1 758	1 501	1 537
11 846	11 976	11 732	Weight assets calculation basis *)	12 912	13 029	12 960
12.87 %	12.42 %	14.87 %	Capital adequacy ratio i %	13.62 %	11.52 %	11.86 %
12.54 %	12.07 %	14.52 %	Of which core capital accounted for %	13.32 %	11.23 %	11.57 %

The note shows the calculation basis and capital adequacy according to Basel II (standard method credit risk).

Capital requirement Basel II

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
0	0	0	States and central banks	0	0	0
13	7	10	Local and regional authorities (including municipalities)	10	7	13
0	0	5	Publicly owned enterprises	5	0	0
67	74	60	Institutions	51	55	60
272	318	260	Enterprises	260	319	272
200	231	195	Mass market loans	190	231	200
297	220	301	Loans secured by real property	418	309	405
13	19	11	Loans overdue	11	19	13
15	12	15	Covered bonds	8	5	8
0	0	0	Units in securities funds	0	0	0
25	28	36	Other loans and commitments	31	47	17
902	909	893	Capital requirement credit risk	984	992	988
55	58	55	Capital requirement operational risk 1)	58	59	58
-9	-9	-10	Deducted from capital requirement	-9	-9	-9
948	958	939	Total capital requirement	1 033	1 042	1 037

PROFIT AND LOSS ACCOUNT ITEMS AS A PERCENTAGE OF AVERAGE ASSETS

<i>Parent bank</i>				<i>Group</i>		
31.12.11	31.03.11	31.03.12		31.03.12	31.03.11	31.12.11
4.21	4.16	4.38	Interest receivable and similar income	4.42	4.14	4.26
2.70	2.58	2.92	Interest payable and similar costs	2.96	2.57	2.76
1.52	1.58	1.46	Net interest- and credit commission income	1.46	1.57	1.50
0.36	0.31	0.35	Commissions receivable and income from banking services	0.31	0.31	0.34
0.06	0.06	0.04	Commissions payable and costs relating to banking services	0.03	0.06	0.06
0.30	0.25	0.31	Net commission income	0.28	0.25	0.28
0.03	0.09	0.12	Gains/losses on financial assets available for sale	0.09	0.20	-0.04
0.02	0.02	0.02	Other operating income	0.03	0.03	0.02
1.06	1.15	1.07	Operating costs	1.03	1.15	1.02
0.13	0.12	0.12	Losses on loans, guarantees etc. and fixed assets	0.10	0.12	0.13
0.67	0.67	0.72	Result before tax	0.73	0.78	0.62
0.19	0.19	0.19	Tax payable on ordinary result	0.21	0.19	0.19
0.48	0.48	0.53	Result from ordinary operations after tax	0.52	0.59	0.43

PROFIT & LOSS ACCOUNT AND BALANCE SHEET DEVELOPMENT

Parent bank					Group					
Q1/11	Q2/11	Q3/11	Q4/11	Q1/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	
194	199	212	226	225	Interest receivable and similar income	254	251	233	217	211
120	124	137	151	150	Interest payable and similar costs	170	171	153	136	131
74	75	75	75	75	Net interest- and credit commission income	84	80	80	81	80
16	18	20	18	18	Commissions receivable and income from banking services	18	18	20	18	16
3	3	3	3	2	Commissions payable and costs relating to banking services	2	3	3	3	3
13	15	17	15	16	Net commission income	16	15	17	15	13
4	9	-1	-7	6	Gains/losses on financial assets available for sale	5	-17	-2	0	10
1	1	0	1	1	Other operating income	2	2	0	2	1
56	54	55	44	55	Operating costs	59	46	57	57	58
6	7	7	7	6	Losses on loans, guarantees etc.	6	7	7	7	6
30	39	29	33	37	Result before tax	42	27	31	34	40
8	11	9	10	10	Tax payable on ordinary result	12	10	9	10	10
22	28	20	23	27	Result from ordinary operations after tax	30	17	22	24	30

Parent bank					Group					
31.03.11	30.06.11	30.09.11	31.12.11	31.03.12	31.03.12	31.12.11	30.09.11	30.06.11	31.03.11	
ASSETS										
79	737	712	118	109	Cash and claims on central banks	110	118	712	737	79
1 368	613	745	742	865	Loans to and claims on credit institutions	360	316	172	59	660
13 503	13 739	14 130	14 387	14 342	Loans to and claims on customers	18 332	18 049	17 738	17 108	16 747
111	135	158	179	141	Financial derivatives	141	179	158	135	111
3 875	3 908	3 808	4 655	4 569	Certificates, bonds and shares available for sale	3 668	3 756	2 908	3 008	2 975
163	163	163	163	163	Investments in associated companies	154	154	165	165	165
204	204	204	246	246	Investments in subsidiaries					
40	40	40	49	49	Deferred tax benefit	51	51	42	42	43
82	103	136	70	65	Fixed assets	155	158	167	132	106
8	8	10	20	26	Other assets	27	21	11	9	8
19 433	19 650	20 106	20 629	20 575	Total assets	22 998	22 802	22 073	21 395	20 901
LIABILITIES AND EQUITY CAPITAL										
1 230	1 236	1 231	1 237	829	Liabilities to credit institutions	828	1 241	1 225	1 237	1 230
10 251	10 612	10 550	10 655	10 819	Deposits from customers and liabilities to customers	10 603	10 429	10 379	10 436	10 063
6 064	5 974	6 479	6 843	6 783	Borrowings through the issuance of securities	9 409	9 227	8 602	7 877	7 691
18	16	20	25	40	Financial derivatives	40	25	21	16	18
252	167	183	200	219	Other liabilities	228	202	188	171	268
0	0	0	0	218		218	0	0	0	0
17 815	18 005	18 463	18 980	18 908	Total liabilities	21 326	21 124	20 415	19 737	19 271
1 031	1 031	1 031	1 031	1 031	Paid-in equity capital	1 031	1 031	1 031	1 031	1 031
565	563	541	638	609	Accrued equity capital/retained earnings	609	645	550	571	567
22	51	71	0	27	Profit after taxes	30	0	77	55	30
					Minority interest	2	2	2	2	2
1 618	1 645	1 643	1 669	1 667	Total equity capital	1 672	1 678	1 660	1 657	1 630
19 433	19 650	20 106	20 629	20 575	Total liabilities and equity capital	22 998	22 802	22 075	21 395	20 901

OTHER KEY FIGURES

<i>Parent bank</i>			<i>Group</i>		
31.12.11	31.03.11	31.03.12	31.03.12	31.03.11	31.12.11
BALANCE SHEET					
Development in the last 3 months					
	3.2	-0.3	Total assets	0.9	3.7
	-0.4	-0.3	Gross lending	1.6	1.4
	1.7	1.5	Deposit	1.7	1.8
Development in the last 12 months					
9.6	5.5	5.9	Total assets	10.0	11.8 13.1
5.9	-1.4	6.1	Gross lending	9.3	9.0 9.1
5.8	10.3	5.5	Deposit	5.4	10.0 5.5
73.5	75.3	74.9	Deposit coverage as a percentage of gross loans	57.5	59.7 57.5
54.4	54.7	52.3	Lending to retail customers	62.4	62.9 63.5
19 733	19 197	20 613	Average assets	23 036	20 617 21 425
14 487	13 618	14 442	Gross loans	18 431	16 862 18 149
-40	-56	-39	Individual write-downs	-39	-56 -40
-60	-58	-60	collective write downs	-60	-58 -60
-10	-1	-11	Individual write-downs on guarantees	-11	-1 -10
SOLIDITY					
12.9	12.4	14.9	Capital adequacy ratio as percentage	13.6	11.5 11.9
12.5	12.1	14.5	Core capital ratio as percentage	13.3	11.2 11.6
8.1	8.3	8.1	Equity capital ratio	7.3	7.8 7.4
5.7	5.4	6.4	Rate of return on equity capital	7.1	7.3 5.6
0.5	0.5	0.5	Return on assets	0.5	0.6 0.4
KEY FIGURES PCC					
3.8	0.9	1.1	Yield per primary certificate	1.2	1.2 3.7
3.8	0.9	1.1	Diluted result per PCC, in Norwegian currency	1.2	1.2 3.7
61.4	59.5	61.4	Equity capital per PCC 2)	61.4	59.5 61.4
30.5	45.0	33.9	PCC price quoted on the stock exchange	33.9	45.0 30.5
8.0	12.8	7.8	P/E (price as at 30.03 divided by profit per PCC)	7.0	9.4 8.2
0.5	0.8	0.6	P/B (price as ar 30.03. divided by book value of equity capital)	0.6	0.8 0.5
56.1 %	60.9 %	56.1 %	Costs as a percentage of income	55.1 %	55.8 % 57.7 %
1.1	1.2	1.1	Cost in percent of average total assets	1.0	1.1 1.0
177	177	177	Number of man-years	177	177 177
LOSSES ON LOANS AND GROSS DEFAULTS					
29.8	23.8	26.9	Specified loan provision in % of gross default on loan <i>As a percentage of gross lending</i>	26.9	23.8 29.8
1.2	1.8	1.3	Gross defaults over 90 days	1.0	1.4 0.9
0.9	1.4	1.0	Net defaults over 90 days	0.8	1.1 0.7
0.7	0.8	0.7	Total loan loss provision	0.5	0.7 0.5
0.2	0.2	0.2	Losses on lending	0.1	0.1 0.1

Information concerning Helgeland Sparebank

Head Office

Postal address	Postboks 68, 8601 Mo i Rana
Office address	Jernbanegata 15, 8622 Mo i Rana
Telephone	+47 75 11 90 00
Website	www.hsb.no
Organisation number	937904029

Board of Directors of Helgeland sparebank

Bjørn Johansen, Chair
Thore Michalsen, Deputy Chair
Gislaug Øygarden
Ove Brattbakk
Monica Skjellstad
May Heimdal

Investor Relations

Inger Lise Strøm, General manager Corporate staff tel: + 47 75 11 91 11
Tore Stamnes, Bank Director, Treasury tel.: +47 75 11 90 91

Other sources of information

Annual reports

The annual report for Helgeland Sparebank is available at www.hsb.no.

Quarterly publications

Quarterly reports and presentations are available at www.hsb.no