



Financial report Fourth quarter 2022

Main features group

(Numbers in MNOK and in % of average total assets)

PROFIT AND LOSS ACCOUNT (Amounts in NOK million)	Q4/22		Q3/22		31.12.2022		31.12.2021	
Net interest- and credit commission income	223	2.32 %	202	2.07 %	783	2.01 %	604	1.69 %
Net commission income and other operating income	39	0.41 %	45	0.42 %	171	0.44 %	111	0.30 %
Net profit from other financial investments	26	0.27 %	-19	-0.20 %	1	0.00 %	-3	-0.01 %
Staff cost (note 4)	45	0.47 %	43	0.44 %	172	0.43 %	158	0.44 %
Other operating expenses (note 4)	56	0.58 %	52	0.53 %	209	0.52 %	226	0.63 %
Losses on loans, guarantees etc. (note 10)	6	0.06 %	2	0.02 %	11	0.03 %	64	0.18 %
Result before tax	181	1.88 %	131	1.34 %	563	1.44 %	264	0.74 %
Tax payable on ordinary result	15	0.16 %	38	0.39 %	118	0.30 %	59	0.17 %
Net profit	165	1.72 %	93	0.96 %	445	1.14 %	205	0.57 %

Key numbers

Profitability	31.12.2022	31.12.2021
ROE (excl. hybrid capital)	9.9 %	6.5 %
Net interest	2.01 %	1.69 %
Net interest including transferred loans	1.83 %	1.67 %
Costs as a percentage of income	39.9 %	53.9 %

Balance and liquidity

Total assets	38 624	39 433
Average total assets	39 027	35 740
Total asset including transferred loans	44 996	44 014
Average total assets including transferred loans	44 306	36 622
Total loans	30 975	32 424
Total loans including transferred loans	37 347	37 005
Lending growth including transferred loans	0.9 %	33.6 %
Customer deposits	25 129	23 552
Customer deposits growth in percent	6.7 %	26.1 %
Customer deposits in percent of total loans	81.1 %	72.6 %

Solidity (including cooperative group)

Core tier one Capital ratio	19.0 %	18.0 %
Core Capital ratio	21.1 %	20.0 %
Total capital ratio	23.5 %	22.3 %
Core tier one Capital	3 952	3 853
Core Capital	4 390	4 283
Total net equity and related capital	4 900	4 778
Capital requirement	20 809	21 451
Leverage Ratio	9.4 %	9.4 %

*Definisjon av nøkkeltall og APMer fremgår i note under andre beregninger

General information

SpareBank 1 Helgeland is an independent savings bank determined to be the leading bank and a driving force for growth in Helgeland. SpareBank 1 Helgeland is the only bank with a head office in the region. The bank's strong market position combined with professional expertise, competitive prices and solid capital makes the bank well prepared in a challenging time with the war in Ukraine with following turmoil in the markets with relatively high and increasing interests and inflation. Large industry establishments and planned public investments still provides growth for optimism in Helgeland.

The accounts are produced in line with IFRS, including IAS 34 on interim reporting. Further information on the accounting principles is given in the annotations to the annual accounts for 2021 and annotation 1 in the quarterly report. The numbers used are consolidated figures unless it is otherwise stated. Figures in brackets are the previous year's comparative figures. The financial report has not been audited.

Main features 4th quarter

- Quarterly gross profit of MNOK 181 against MNOK 131 last quarter.
- The board suggests a dividend ratio of 75 % or NOK 10.- per EC.
- Strengthened basic operation as a consequence of improved interest margins.
- Improved net interest in the quarter of MNOK 223, an increase of MNOK 21 from last quarter.
- Profit from financial assets and commitments MNOK 26 against -19 last quarter.
- Net commission income of MNOK 39, a decrease of MNOK 2 from last quarter.
- Still low write-downs in lending in the quarter of MNOK 6, an increase of MNOK 4 from last quarter.
- Costs in % of income was 35 % against 41.7 % last quarter.
- Annualized net ROE adjusted for hybrid capital of 14.6 %

Main features this quarter (MNOK)	Q4/22	Q3/22	Change
Net profit	181	131	50
Net interest and comission income	223	202	21
Operating cost	101	95	6
Yield per equity capital certificate	4.6	2.6	2
Provision of loss	6	2	4
Profit from financial investments	26	-19	45
Growth gross lending (this quarter)	537	-57	594
Growth deposits (this quarter)	977	-579	1556

Main features 2022 (2021)

- Stable basic operation
- Gross profit of MNOK 563 (264).
- Net interest income of MNOK 783 (604).
- Profit from financial assets and commitments MNOK 1 (-3).
- Net commission income of MNOK 164 (107).
- Low write-downs on lending of MNOK 11 (64). 0.4 % of gross lending.
- Cost in % if income was 39.9 (53,9) %

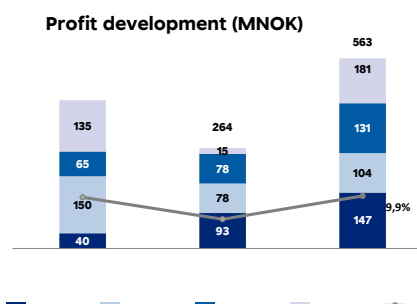
- Net ROE adjusted for hybrid capital of 9.9 %

Main features this year (MNOK)	31.12.2022	31.12.2021	Change
Net profit	563	264	299
Net interest and comission income	783	604	179
Operating cost	381	384	-3
Profit from financial investments	1	-3	4
Provision of loss	11	64	-53
Return on equity %	9.9 %	5.4 %	4.5 %
Yield per equity capital certificate	12.8	5.5	7.3
Core tier 1 ratio %	18.9 %	18.0 %	0.9 %
Provision of loss % of gross leding	0.04 %	0.2 %	-0.2 %
Growth gross lending % this year	0.9 %	33.6 %	-32.7 %
Growth gross lending % this year	6.7 %	26.1 %	-19.4 %

Profit

As for the fourth quarter, gross profit was MNOK 181 against MNOK 131 in the third quarter of 2022, an increase of MNOK 50. A very good quarterly profit with an annualized ROE of 14.6 % is mainly related to strengthened interest margins and profit effects on financial assets and commitments.

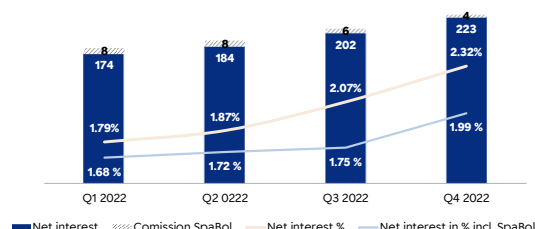
For 2022, gross profit is MNOK 563 (264), an increase of MNOK 299 against corresponding period last year. The increase is related to a significant increase of the net interest related to interest increase together with the acquisition of SpareBank 1 Nord-Norges postfolio in Helgeland. Low losses on lending in 2022 and improved cost percent compared to last year also contributes positively.



Net interest

Net interest and credit commission income amounted in the 4th quarter MNOK 223, which is MNOK 21 higher than the last quarter. In % of average total assets net interest and credit commission income is 2.32 against 2.07 from the 3rd quarter. The interest rate increase with effect in the quarter, interest regulation on the company's debt late in the quarter, and a decrease in total assets as a consequence of transfers to mortgage companies among others, contributes to a significant increased net interest and credit commission income. Inclusive commission income for transferred loans to mortgage loan companies, the net interest and credit commission income amounts to MNOK 227 against 208 last quarter. In % of total assets included transferred loans, this amounts to 1.99 % by the end of the quarter against 1.75 % last quarter.

So far this year, net interest and credit commission income is MNOK 783 (604), an increase of MNOK 179 from last year. In % of average total assets, this amounts to 2.01 (1.69) %. Inclusive commission income from transferred loans to mortgage companies, net interest and credit commission income amounts to MNOK 809 (612) pr 31.12.22. This equals a net interest in % of total assets included transferred loans of 1.83 (1.67) %.



So far this year the group has expensed MNOK 15 in contribution to the deposit guarantee- and the emergency fund.

Net commission earnings.

For the quarter, the net commission earnings were MNOK 39 against MNOK 41 in the third quarter of 2022. In percentage of average total assets this amounts to 0.36 % for the fourth quarter 2022.

Deducted commission income on loans transferred to SpareBank 1 Boligkreditt net commission earnings in % of average total assets amounts to 0.36 % against 0.36 in the third quarter of 2022.

For the year, net commission earnings amount to MNOK 164 (107) or 0.42 (0.30) % of average total assets. Hereof MNOK 26 (8) in commission income from SpareBank 1 Boligkreditt.

Net value change and profit/loss from financial investments

Income from financial investments was MNOK 26 in the fourth quarter, an improvement of MNOK 45 compared to the third quarter in 2022. The income on financial instruments in the quarter is mainly related to reversing parts of the value decreases through the year. In the quarter, this has resulted in a positive value change on the security paper portfolio of MNOK 11, while value change on fixes rate loans is positive by MNOK 14 in the quarter. Negative value change on derivatives not included in hedge accounting reduces the effect of value change on fixed rate loans by MNOK 9 in the PLA. Value change and profit shares and joint ventures contributes positive with MNOK 9, and is mainly related to value increase of the shares in SpareBank 1 Betaling AS. The value increase in the SpareBank 1 Betaling AS is mainly related to the share post in Vipps Holding AS.

In 2022 profit on financial investments is MNOK 1 (-13). A weak result from financial instruments is related to significant turmoil in the market in the current year, while recognition of dividend from the product companies in the first quarter draws up.

In the parent bank, dividend from Helgeland Boligkreditt AS have been recognized as income with MNOK 56 in the first quarter of 2022.

Operating costs

This quarter, the operating costs were MNOK 101, an increase of MNOK 6 compared to third quarter of 2022. In % of income, the costs amount to 35.0 % against 41.7 % in the third quarter of 2022. The costs are within the bank's target for cost level of 40 % of total income but is affected by income related to financial assets and commitments. Loss on financial assets and commitments deducted, the cost percentage is 38.5 %, same as last quarter.

At the end of the year, the operating costs amounts to MNOK 381 (384), This is a decrease of MNOK 3 compared to last year. For the year, the cost percentage is 39.9. Loss on financial assets and commitments deducted, the cost percentage is 39.9 %.

So far this year the bank's sick leave is 4.7 against 3.8 % in the corresponding period last year.

Write-downs on lending

MNOK 6 has been expensed in write-downs on loans this quarter against MNOK 2 in the third quarter. Annualized, this amounts to a percentage of gross lending of 0.08 (0.02) %. This quarter.

MNOK 11 (64) has been expensed in write-downs on loans this year. This amounts to a percentage of gross lending of 0.04 (0.20).

Net non-performing and impaired commitments is this quarter increased by MNOK 15. Net non-performing and impaired commitments amounts to MNOK 244 by the end of the quarter against MNOK 229 at the end of third quarter. There are individual loss evaluations on large parts of the volume that is marked within non-performing and impaired commitments as of 31.12.22, and it is not expected further loss in these commitments.

It lies uncertainty related to the war in Ukraine and the macroeconomic picture. Based on this, the bank has in the fourth quarter made adaptations in the model to consider a possible downturn. This adjustment results in an additional provision of MNOK 16 at the end of the quarter.

Allocation of the profit

SpareBank 1 Helgeland has a target of an annual dividend of 50 % or more of the dividend basis in the parent bank, where the two groups are equally treated. The bank has a strategy of a long term and predictable dividend policy.

At determination of dividend, the bank's capital situation, hereunder future capital needs and the banks strategic plan is to be considered.

With background in described considerations the board suggests a dividend of MNOK 277, which provides a

payment of NOK 10.3 per EC for 2022. In addition, it is suggested to distribute MNOK 70 to societal purposes.

The equity certificate – HELG

By the end of the quarter, the number of EC owners amounts to 2 704. The 20 largest owners are noted with 80.3 % of the EC capital. Of this, Sparebankstiftelsen owns 28.11 % and SpareBank 1 Nord-norge 19.99 %.

The number of total EC's is 27 000 130. As of 31.12.22 the bank owned 16.679 of our own EC's.

By the end of the quarter, the price of the bank ECs was NOK 120. This represents a decrease of NOK 11 or 8.5 % from 31.12.21. The change is largely in accordance with the development of OSEEX.

Balance development per 31.12.22

Total assets amount to 38.6 bn. Over the last 12 months, total assets are reduced by MNOK -809 (6 226) or -2.1 (18.7) %. Reduced total assets is mainly related to a high level of transfer of loans to SpareBank 1 Boligkreditt.

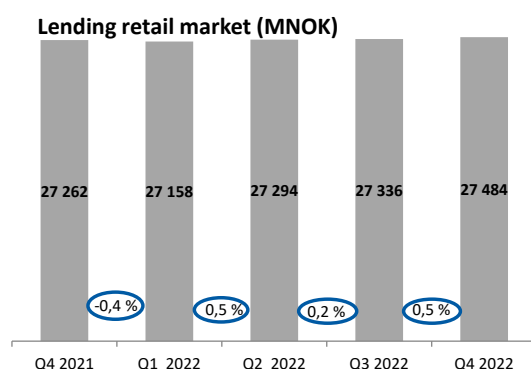
Commitments

In this quarter, lending growth inclusive loans to mortgage companies constituted MNOK 537 or 1.5 %. Of this, the retail market has a growth of MNOK 148 this quarter while the corporate market has an increase of MNOK 389. Considering the macro picture, the growth this quarter is considered as good.

By the end of the quarter, gross lending included transferred loans to mortgage companies amounted to 37 347. Of the groups lending, 84.1 (84.6) % is lent to customers in Helgeland.

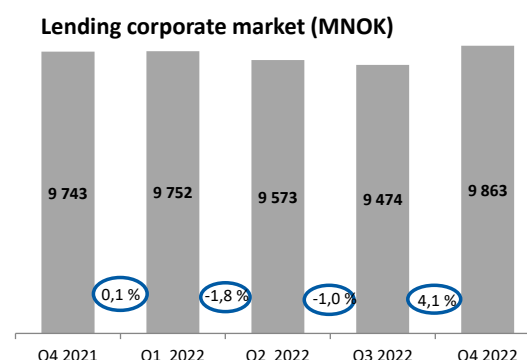
Of total lending, MNOK 27 484, or 73.6 (73.7) % is lending to retail customers, of which MNOK 6 168 has been transferred to mortgage companies. Lending included transferred loans to credit companies has over the last 12 months increased by 0.9 (33.6) %.

Total lending to the retail market has over the last 12 months increased by MNOK 202 (8.259) or 0.8 (45.5) %. Comparative numbers include transferred portfolio from SpareBank 1 Nord-Norge.



By the end of the year, the lending to the corporate market amounts to MNOK 9 863 (9 743). Hereof MNOK 204 transferred to SpareBank 1 Boligkreditt. In the

corporate market, the development over the last 12 months was MNOK 120 (787), or 1.2 (8.8) %.



Deposits from customers

By the end of 2022, deposits from customers constituted MNOK 25 129. the deposits have over the last 12 months increased by MNOK 1 577 (4 868), or 6.7 (26.1) %. In the fourth quarter, the deposits have increased by MNOK 977 against a decrease of MNOK -579 in the third quarter of 2022. The increase is mainly related to two large deposit customers, as well as season variations.

The group has high deposit ratio where 90.6 (89.8) % are deposits from customers in Helgeland. Of total deposits of MNOK 25 129, MNOK 14 492 or 57.7 (60.2) % is deposits from retail customers. The 12-month deposit growth in the retail market was MNOK 305 (3 405), or 2.1 (31.6) %. In the corporate market, deposits have over the last 12 months increased by MNOK 1 272 (1 463) or 13.6 (18.5) %.

Deposit ratio in % of gross lending was per 31.12.22 81.1 (72.6) %.

Funding

Deposits from customers are an important funding source for the bank. The group is also funded in the Norwegian money- and securities market. Total capital market funding is amounted at the end of the quarter to MNOK 7 929 (10.722) and has a satisfying allocation of duration and lending sources. By the end of the quarter, the share of loans beyond one year was 78.1 (80.9) %. Per 31.12.22, the average remaining term for debt securities was 2.06 (2.47) years.

The bank is continually preparing for the transferral of approved mortgages to mortgage companies. By the end of the year, the bank has transferred MNOK 6 372 to SpareBank 1 Boligkreditt, and 5 161 to the fully owned subsidiary Helgeland Boligkreditt. Totally, this amounts to MNOK 11 533, which is a decrease of MNOK 85 compared to the corresponding period last year. Loans transferred to Helgeland Boligkreditt is included in the consolidation, while transferred loans to SpareBank 1 Boligkreditt is excluded from the consolidation.

The fixed maximum limit for transferring loans to Helgeland Boligkreditt AS is 35 % of gross lending and 50 % of gross lending to the retail market. As of 31.12.22, the transfer level is 31.9 (31.4) % and 43.6 (42.3) %.

Transferred loans to Helgeland Boligkreditt AS is expected to be reduced in line with the maturity dates of the loans in the company. This follows of the transfer to SpareBank 1-alliance, and use of funding through SpareBank 1 Boligkreditt.

Cash flow

The cash flow statement shows how SpareBank 1 Helgeland has received cash and how these are used. It is based on gross cash flows from operational activities, investment- and financing activities. The liquidity holding is decreased by MNOK 584 since the beginning of the year.

Rating

SpareBank 1 Helgeland is rated by Moody's. The bank's rating is A3 with a "positive outlook". Bonds issued by Helgeland Boligkreditt AS are given an Aaa rating by Moody's.

Subsidiaries and joint ventures

The SBH group consists of SpareBank 1 Helgeland and the consolidated subsidiaries Helgeland Boligkreditt AS, Bankbygg Mo AS, AS Sparebankbygg, Helgeland Sparebanks Eiendomsselskap AS, Helgeland Utviklingsselskap AS and Storgata 73 AS.

The owner shares in Samarbeidende Sparebanker AS and Samarbeidende Sparebanker Uvikling DA is classified as jointly controlled companies. The bank has an owner share of 3 % in both companies, where the owner share in Samarbeidende Sparebanker AS dictates an indirect owner share in SpareBank 1 Gruppen AS of 0.6 %.

Risk and capital management

The SBH group's combined risk is governed through proxies, targets, and frames determined by the Board of Directors. The combined capital requirement is summarised in the bank's ICAAP.

Credit risk

The SBH group's strategy for the credit area is derived from the overall strategy and contains guidelines for the distribution of loans between the retail and corporate markets, exposure to industries (concentration risk) and geographical limitations. Lending to retail customers consists of a high level of secure mortgages that give a low risk in the portfolio.

The development in the bank's credit risk is monitored closely. The corporate customers are given individual close follow-up in addition to monitoring development of risk based on the bank's score models. Monitoring of development has been established in relation to approved management objectives for the portfolio.

As of 31.12.22 net non-performing (>90 days) and impaired commitment constitute MNOK 244 (232) which is an increase of MNOK 12 from 31.12.21. In percentage of gross lending this amounts to 0.8 (0.7) %.

Market risk

The SBH group's interest rate risk is managed within frames approved by the Board and is considered low.

The bank takes on credit spread risk, primarily through the management of interest-bearing assets in the bank's liquidity portfolio. The portfolio mainly consists of securities issued by Norwegian banks, mortgage companies, municipalities, government, and non-financial institutions. The credit spread risk is within the approved frames.

The bank's positions in shares are primarily strategically motivated through investments in shares in subsidiary companies, associated companies and product companies. The market risk associated to these share investments are considered moderate.

Operational risk

The risk management is central in the daily operation and in the board's work. The risk is primarily managed through policy and guidelines, frameworks, power of attorney, reporting requirements and competence requirements. As of 31.12.22 it has not been revealed any conditions that are critical to the bank's activities.

Liquidity risk

The Board has approved a strategy for liquidity management that determine the purpose, management objectives, and risk tolerance for the management of liquidity risk. The bank's liquidity situation is considered satisfactory, and the share of long-term funding is well above the target.

The SBH group's combined liquidity reserves (cash, deposits, and interest-bearing assets) constitute NOK 7.2 (6.7) bn, or 18.7 (17.1) % of the group's total assets. The combined duration of the interest portfolio is 1.69 (1.64) years.

The bank's liquidity reserve portfolio mainly consists of solid issuers of interest-bearing securities that qualify for LCR reporting. By the end of the quarter the SBH Group has an LCR of 158 (164) %.

Solidity

After proportionally consolidation, net equity, and related capital amounts to MNOK 4 882, hereby fund obligations by MNOK 398 and subordinated loan by MNOK 451.

The SBH group has per 31.12.22 a CET1 capital ratio of 19.0 (18.0) % and a total capital ratio of 23.5 (22.3) %. The profit at the end of the year is included in the CET1, deducted dividend classified as equity.

Statutory minimum requirement for pure core capital adequacy is 12.0 %. The bank has a Pillar 2 addition of 2.2 %. The group's capital requirement including Pillar 2 addition amounts to 14.2 (13.2) %.

The target of CET1 and total capital ratio is at 1.3 % over regulatory demands, and at this point this amount to 17.5 %, and 21.0 %. The bank has in its target considered forthcoming increase of the system risk buffer.

The bank's capital ratio is higher than the target. The board of directors assumes that the capital is to be used

to future growth or alternatively distributed to the owners through higher dividend and gift allocation.

The Group has a risk weighted balance before proportionately consolidation of MNOK 20 809 (21 451).

The group's Leverage Ratio (unweighted core capital ratio) was 9.4 (9.4) % after proportionally consolidation.

Prospects ahead

SpareBank 1 Helgeland is through its first full year as a part of the SpareBank 1 alliance. The year has been affected by ripple effects of pandemic, war in Ukraine and a macroeconomic picture that indicates challenging also in 2023. Through this turbulent time, the employees have shown from their best sides through being adaptable, willing to learn and not least been good advisors for our customers. This is qualities that will be important when the local bank shall contribute to growth and development in the region, especially in a time where lots of factors indicate the opposite.

Increased interests, high price growth, increased taxes and fees will affect the customers behaviour in the time to come. Both retail customers and corporate customers will experience a tighter economy. In the banks market area, the electricity prices have been low, which contributes to a positive direction for the customers, but further ahead, the lack of renewable energy will also catch up Middle – and northern Norway. It is likely that default and bankruptcy will increase some in the time to come. The real estate market, especially in the towns in Helgeland is still expected to maintain stable.

The suggested state budget will affect some of our customer groups and the bank. Among others, increased fees in competence workplaces and the implementation of the basic interest tax for the fish farming industry will lead to reduced profitability in exposed industries. Especially in the fish farming industry in the region, the uncertainty is large, and several investments is put on hold as a consequence of the suggested implementation of the basic interest tax.

As guided in earlier reports, there will for parts of 2023 be need for further adjustment and change, not least for that the bank is going to become a part of the forward leaning and development-oriented culture in the SpareBank 1 alliance. This provides that the groups long term profitability target cannot be expected fulfilled. In a longer perspective, the profitability is expected strengthened. The group has a long-term target of a ROE on level with comparable banks, pt. 11 % after tax from the end of 2023.

The net interest is expected to strengthen after the last interest rate increase in the fourth quarter. For the credit and deposit portfolio inclusive transferred loans to the mortgage companies, the interest rate increases in the November and December in the fourth quarter isolated will provide an annual strengthening of the net interest. However increased funding costs and price adaptations will draw this effect on the net interest significantly down. The interest rate increase in November and December 2022 has effect on the banks portfolio from respectively December 23rd and January 31st.

The level of commission income is stable. Established measures and an aggressive sales organization provide the basis for expecting this level deducted commission from mortgage companies in 2022, to stabilize at around 0.30 % of total assets.

Operating costs for the basic operation are expected to remain stable at around the target at 40 percent of total income.

The bank has earlier indicated an expectation of normalized losses of around 0.18 % of gross lending. The level of expectation is also maintained for 2023. It is still an underlying uncertainty regarding future losses considering the war in Ukraine and associated uncertainty in the economy.

In the retail market, in near future, the board expect a moderate market growth. The groups growth ambitions suggest a lending growth minimum equivalent to the market on Helgeland. The board will prioritize profitable growth. In the time ahead, it is expected large activity in the region. This provides reason for optimism in the long-term growth in the retail market.

For the corporate market, it is expected a significant increase of activity in Helgeland in the period of 2023-2025. Significant infrastructure and industry projects as airport, battery fabric, deep water quay, hydrogen production, hospital and housing and road building will provide investments for up to 20 billion NOK in Helgeland. However, the macroeconomic picture provides uncertainty related to size and time for some of the investments. The bank is well proportioned to be an important contributor for the local business actors that is expected to contribute to the projects or in another way be a part of the ripple effects such investments provide.

The positive development in Helgeland provides the Board good faith in the future, and that SpareBank 1 Helgeland will be a central contributor for further growth in Helgeland.

Mo i Rana, February 9th 2023

Bjørn Krane
Chairman of the Board

Rolf Eigil Bygdnes
Deputy Chairman of the Board

Marianne Terese Steinmo

Siw Moxness

Jonny Berfjord

Ann-Helen Baadstrand

Kenneth Normann
Employee representative

Solrun Johansen
Employee representative

Hanne Nordgaard
CEO

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PROFIT AND LOSS ACCOUNT (amounts in NOK million)

Parent bank					Group			
Q4/21	Q4/22	31.12.21	31.12.22		31.12.22	31.12.21	Q4/22	Q4/21
201	368	702	1 125	Interest income and similar income (note 2.1)	1 274	840	413	236
46	148	161	368	Interest payable and similar costs	476	217	186	64
4	3	18	14	Hedge fund fees	15	18	4	3
150	217	523	743	Net interest- and credit commission income	783	604	223	168
40	44	118	179	Commissions receivable and income from banking services	179	118	44	40
4	5	11	15	Commissions payable and costs relating to banking services	15	11	5	4
3	3	9	13	Other operating income	7	4	0	-1
39	42	116	177	Net commission income and other operating income	171	111	39	35
0	3	72	91	Dividend	35	2	2	0
1	3	8	5	Net profit from associates	5	11	3	4
-13	21	-11	-39	Net profit from other financial investments	-39	-16	21	-17
-12	27	69	57	Gains/losses on financial assets available for sale (note 3)	1	-3	26	-13
45	45	157	171	Staff cost (note 4)	172	158	45	45
105	54	228	202	Other operating expenses (note 4)	209	226	56	96
150	99	385	373	Total operating expenses	381	384	101	141
28	187	323	604	Result before losses	574	328	187	50
29	7	60	12	Losses on loans, guarantees etc. (note 10)	11	64	6	35
-1	180	263	592	Result before tax	563	264	181	15
1	17	47	112	Tax payable on ordinary result	118	59	15	0
0	163	216	480	Net profit	445	205	165	15
		12	13	Attributable to additional tier 1 capital holders	13	12		
		158	373	Attributable to equity capital certificate holders	345	149		
		46	94	Attributable to the saving bank reserve	87	44		
			0	Attributable to non-controlling interest	0	0		
		216	480	Net profit	445	205		
		5.8	13.8	Yield per equity capital certificate (note 5)	12.8	5.5		
		5.8	13.8	Diluted result per ECC in Norwegian currency (note 5)	12.8	5.5		
Extended Income Statement								
-2	163	216	480	Net profit	445	205	165	15
				<u>Items that will not be reclassified through profit or loss</u>				
-1	5	-1	5	Recognized deviations in pensions	5	-1	5	-1
				<u>Items that are subsequently reversed through profit or loss:</u>				
2	0	2	0	Estimate variances, pensions will not be reversed over the income statement later	0	2	0	2
0	1	0	1	Tax on extended profit	1	0	1	0
2	4	2	4	Net extended profit or loss items	4	2	4	2
0	167	218	484	Total profit of the period	448	207	169	16

BALANCE SHEET (amounts in NOK million)

<i>Parent bank</i>			<i>Group</i>	
31.12.21	31.12.22		31.12.22	31.12.21
		ASSETS		
73	71	Cash and claims on central banks	71	73
1 886	2 158	Loans to and claims on credit institutions	1 442	857
25 213	25 809	Loans to and claims on customers (note 7,8,9,10)	30 832	32 194
39	31	Financial derivatives (note 16)	31	39
5 786	5 586	Certificates, bonds and shares	5 735	5 805
144	145	Investments in associated companies (note 12)	145	144
590	591	Investments in subsidiaries (note 12)		0
104	94	Immaterielle eiendeler	94	104
46	36	Fixed assets (note 13)	209	153
72	80	Other assets (note 13.1)	65	64
33 953	34 601	Total assets	38 624	39 433
		LIABILITIES AND EQUITY CAPITAL		
302	308	Liabilities to credit institutions	313	303
24 144	25 534	Deposits from customers and liabilities to customers (note 17,18)	25 129	23 552
4 288	3 117	Borrowings through the issuance of securities (note 15)	7 476	10 271
9	29	Financial derivatives (note 16)	58	12
209	264	Other liabilities (note 13.1)	260	218
451	453	Subordinated loan capital	453	451
29 403	29 705	Total liabilities	33 689	34 807
		Equity capital		
270	268	Equity share capital (note 5,6,20)	268	270
1 505	1 505	Premium Fund	1 505	1 505
1 439	1 439	Cohesion Fund	1 439	1 439
3 214	3 212	Total equity share capital	3 212	3 214
778	777	Primary capital	777	777
51	16	Gift fund	16	51
829	793	Total primary capital	793	828
21	22	Unrealized gains reserve	22	21
398	398	Hybrid Capital (Note 1,17)	398	398
86	471	Other equity capital	507	161
4 550	4 896	Total equity capital exclusive minority interest	4 932	4 622
		Non-controlling interest	3	3
4 550	4 896	Total equity capital	4 935	4 626
33 953	34 601	Total liabilities and equity capital	38 624	39 433

Conditional liabilities off balance sheet (note 11)

Mo i Rana, February 9th 2022

Bjørn Krane
Chairman of the Board

Rolf Eigel Bygdnes
Deputy Chairman of the Board

Marianne Terese Steinmo

Siw Moxness

Jonny Berfjord

Ann-Helen Baadstrand

Kenneth Normann
Employee representative

Solrun Johansen
Employee representative

Hanne Nordgaard
CEO

CHANGE IN EQUITY

Group

31.12.21

	ECC capital	Premium fund	Own ECCs	Additional tier 1 capital	Result for valuation variance	Savings bank's fund	Donation fund	Char. found.	Divid. Equal	Other Equ.cap.	Min. int.	Total
Equity as at 01.01.21	209	971	0	299	38	753	34	8	1 354	150	3	3 819
Profit				12	-19	24	4	21	85	77		205
OCI					2	0			0			2
Comprehensive income for the period	0	0	0	12	-16	24	4	21	85	77	0	207
Issued FO				398								398
Redeemed FO				-299	1	0			-1			-299
Paid interest FO				-12								-12
Emission	61	534										595
Gifts							-8	-8				-16
Other changes										-1		-1
Transactions with owners												0
Dividend paid/interests										-65		-65
Equity 31.12.21	270	1 505	0	398	21	777	30	21	1 439	161	3	4 626
Paid-in/accrued equity/retained earnings			1 775								2 851	4 626

31.12.22

	ECC capital	Premium fund	Own ECCs	Additional tier 1 capital	Result for valuation variance	Savings bank's fund	Donation fund	Char. found. res.	Divid. Equal	Other Equ.cap.	Min. int.	Total
Equity as at 01.01.22	270	1 505	0	398	21	777	30	21	1 439	161	3	4 626
Result for the period				13						432		445
Extended profit or loss items												0
Comprehensive income for the period	0	0	0	13	0	0	0	0	0	432	0	445
Paid interest FO				-13								-13
Gift fund							-14					-14
Other changes			-2									-2
Transactions with owners												0
Dividend paid/interests								-21		-86		-107
Equity 31.12.22	270	1 505	-2	398	21	777	16	0	1 439	507	3	4 935
Paid-in/accrued equity/retained earnings			1 773								3 162	4 935

Parent bank

31.12.21

	ECC capital	Premium fund	Own ECCs	Additional tier 1 capital	Result for valuation variance	Savings bank's fund	Donation fund	Char. found.	Divid. Equal res.	Other Equ.cap.	Total
Equity as at 01.01.21	209	971	0	299	38	753	34	8	1 354	65	3 731
Profit				12	-19	25	4	21	86	86	216
OCI					2	0			0		2
Comprehensive income for the period	0	0	0	12	-16	25	4	21	86	86	218
Issued FO				398							398
Redeemed FO				-299	1	0			-1		-299
Paid interest FO				-12							-12
Emission	61	534									595
Gift fund							-8				-8
Transactions with owners											0
Dividend paid/interests								-8		-65	-73
Equity 31.12.21	270	1 505	0	398	23	778	30	21	1 439	86	4 550
Paid-in/accrued equity/retained earnings			1 775							2 775	4 550

31.12.22

	ECC capital	Premium fund	Own ECCs	Additional tier 1 capital	Result for valuation	Savings bank's	Donation fund	Char. found.	Divid. Equal	Other Equ.cap.	Total
Equity as at 01.01.22	270	1 505	0	398	23	778	30	21	1 439	86	4 550
Result for the period				13						471	483
Extended profit or loss items											0
Comprehensive income for the period	0	0	0	13	0	0	0	0	0	471	483
Paid interest FO				-13							-13
Other changes			-2			-1					-3
Gift fund							-14				-14
Transactions with owners											0
Dividend paid/interests								-21		-86	-107
Equity capital 31.12.22	270	1 505	-2	398	23	777	16	0	1 439	471	4 896
Paid-in/accrued equity/retained earnings			1 773							3 123	4 896

CASH FLOW STATEMENT

Parent bank			Group	
31.12.21	31.12.22		31.12.22	31.12.21
-5 009	-596	Lending to customers	1 362	-4 803
636	972	Interest income lending to customers	1 153	788
5 043	1 390	Deposits from customers	1 577	4 868
-103	-259	Interest cost deposit from customers	-257	-102
-248	6	Receivables and liabilities to credit institutions	10	-248
-5	-7	intrest on receivables and liabilities to credit institutions	-7	-3
-7 304	-2 097	Purchase certificates and bonds	-2 347	-7 454
6 731	2 438	sale certificates and bonds	2 638	6 881
52	115	Interest income certificates and bonds	115	52
108	165	Comission income	165	108
-392	-342	Payments relating to operations	-355	-419
-62	-33	Paid tax	-49	-77
-53	-92	Other cutoffs	-72	-56
-606	1 660	A Net liquidity change from operating activities	3 932	-465
-132	-6	Investment in long-term securities	-99	-162
0	0	Income sale of long-term securities	0	0
-710	-115	Long-term investments in shares	-115	-710
168	1	Payment from sales long-term investments in shares	1	168
71	91	Dividend from long-term investments in shares	36	2
-603	-29	B Net liquidity change from investments	-177	-702
2 356	930	New borrowing through issuance of securities	1 831	5 090
-1 365	-2 048	Repayments - issued securities	-4 632	-4 203
595	0	Emisjon	0	595
-44	-102	Interest payments borrowing through issuance of securities	-229	-100
100	0	+ Liquid assets at the start of the period	0	100
-8	-17	Interest payments on subordinated debt	-17	-8
-8	-16	payment gift fund	-16	-8
-65	-108	dividend to share owners	-108	-65
1 561	-1 361	C Net liquidity change financing	-3 171	1 401
352	270	A+B+C Net liquidity change in the period	584	234
1 607	1 959	Liquid funds at the start of the period	929	695
1 959	2 229	Liquid funds at the end of the period	1 513	929
		Liquid funds specified		
73	71	Cash and balances with central banks	71	73
1 886	2 158	Balances with credit institutions without notice periods	1 442	856
1 959	2 229	Liquid funds	1 513	929

NOTE 1. ACCOUNTING PRINCIPLES

Both the consolidated financial statements and the parent bank's financial statements have been prepared in accordance with the IFRS standards, the accounting principles within the individual areas are described in the annual accounts for 2021. Interim reports are in accordance with IAS 34 and have not been audited.

NOTE 2. SEGMENT

The Group has defined its geographical segment as a main area of Norway – Helgeland and the Group only has minor exposure to credit risk in areas other than its geographically defined main area.

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

Parent bank					Group				
31.12.22					31.12.22				
Retail	Corp.	Unallocated	Total	Segment information	Retail	Corp.	Unallocated	Total	
324	339	80	743	Net interest and credit commission income	394	341	48	783	
19	13	133	165	Net commission income	19	13	133	165	
0	0	69	69	Other operating income	0	0	8	8	
98	55	220	373	Operating costs	101	55	225	381	
1	11	0	12	Losses on loans guaranteed	1	11	0	11	
244	286	62	592	Gross profit	311	289	-37	563	
16 250	9 701	0	25 951	Loans to and claims on customers	21 316	9 659	0	30 975	
-21	-120	0	-141	Provision of loss	-22	-120	0	-142	
0	0	8 791	8 791	Other assets	0	0	7 791	7 791	
16 229	9 581	8 791	34 601	Total assts per segment	21 294	9 539	7 791	38 624	
14 492	11 042	0	25 534	Deposits from customers and liabilities	14 495	10 637	0	25 132	
0	8	0	8	Provisions of loss, unutilized deductions and guarantees	0	8	0	8	
0	0	9 059	9 059	Other liabilities and equity	0	0	13 484	13 484	
14 492	11 050	9 059	34 601	Total liabilities and equity per segment	14 495	10 645	13 484	38 624	

Parent bank					Group				
31.12.21					31.12.21				
Retail	Corp.	Unallocated	Total	Segment information	Retail	Corp.	Unallocated	Total	
230	290	3	523	Net interest and credit commission income	343	292	-31	604	
16	17	74	107	Net commission income	16	17	74	107	
0	0	78	78	Other operating income			1	1	
95	53	237	385	Operating costs	106	54	224	384	
12	48	0	60	Losses on loans guaranteed	12	52		64	
139	207	-83	263	Gross profit	241	203	-180	264	
15 990	9 462	0	25 452	Loans to and claims on customers	22 905	9 519		32 424	
-22	-217	0	-239	Provision of loss	-22	-208		-230	
0	0	8 740	8 740	Other assets			7 239	7 239	
15 968	9 245	8 740	33 953	Total assts per segment	22 883	9 311	7 239	39 433	
14 187	9 957	0	24 144	Deposits from customers and liabilities	14 187	9 365		23 552	
0	11	0	11	Provisions of loss, unutilized deductions and guarantees		11		11	
0	0	9 798	9 798	Other liabilities and equity			15 870	15 870	
14 187	9 968	9 798	33 953	Total liabilities and equity per segment	14 187	9 376	15 870	39 433	

NOTE 2.1 NET INTEREST

Parent bank					Group			
Q4/21	Q4/22	31.12.21	31.12.22		31.12.22	31.12.21	Q4/22	Q4/21
5	15	14	38	Interest from financial instruments at amortized cost	12	2	7	1
76	173	334	508	Interest receivable on loans	521	610	180	73
81	188	348	546	Total interest from financial instruments at amortized cost	533	612	187	74
				Interest from financial instruments valued to fair value over net profit				
11	8	40	38	Interest receivable on loans (fair value loans)	38	40	8	11
15	42	52	115	Interest from bearer bonds and certificates	115	53	42	16
26	50	92	153	Total interest from financial instruments valued to fair value over net profit	153	93	50	27
				Interest from financial instruments valued to fair value OCI				
94	131	262	426	Interest receivable on loans (loans who can transfer to the bank's mortgage company)	587	135	176	135
94	131	262	426	Total interest from financial instruments valued to fair value OCI	587	135	176	135
201	369	702	1125	Total interest income	1274	840	413	236

NOTE 2.2 NET COMMISSION INCOME

Parent bank					Group			
Q4/21	Q4/22	31.12.21	31.12.22		31.12.22	31.12.21	Q4/22	Q4/21
8	4	8	26	Commissions and income from banking services	26	8	4	8
22	27	69	90	Provision knyttet til utlån overført til kreditforetak	90	69	27	22
8	12	35	58	Fees relating to payments transmission services	58	35	12	8
2	1	6	5	Fees insurance (general, life, saving and pension)	5	6	1	2
40	44	118	179	Total commissions and income from banking services	179	118	44	40
				Commissions payable and costs relating to banking services				
4	5	11	15	Payments transmission services	15	11	5	4
4	5	11	15	Total commissions and income from banking services	15	11	5	4
36	39	107	164	Net commission income	164	107	39	36

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

Parent bank					Group			
Q4/21	Q4/22	31.12.21	31.12.22		31.12.22	31.12.21	Q4/22	Q4/21
-6	31	-9	-17	Value change in interest-bearing securities	-17	-9	30	-6
-2	-19	-10	-21	Net gain/loss in interest-bearing securities	-21	-12	-19	-4
-3	4	10	4	Net gain/loss shares	4	10	4	-3
0	3	72	91	Share dividend	35	2	3	0
4	3	11	5	Income from affiliated company	5	11	4	5
-8	14	-29	-37	Value change in value on lending fixed rate	-37	-29	14	-8
3	-9	24	32	Value change on funding and swaps	32	24	-9	4
-12	27	69	57	Total value change financial instruments	1	-3	26	-13

NOTE 4. SPECIFICATION OF TOTAL OPERATING COSTS

Parent bank					Group			
Q4/21	Q4/22	31.12.21	31.12.22		31.12.22	31.12.21	Q4/22	Q4/21
45	45	157	171	Wages, salaries and social costs	172	158	46	45
36	32	102	115	General administration costs	115	102	32	36
25	10	45	41	Depreciation etc of fixed- and intangible assets	37	35	6	14
44	12	81	46	Other operating costs	56	89	16	46
150	99	385	373	Total operating costs	381	384	101	141

NOTE 5. LOSSES ON LOANS GUARANTEES, ETC

Parent bank					Group			
Q4/21	Q4/22	31.12.21	31.12.22		31.12.22	31.12.21	Q4/22	Q4/21
2	0	2	5	Period's change in write-downs step 1	5	2	0	2
8	2	-2	-9	Period's change in write-downs step 2	-9	-2	2	10
-29	-5	10	6	Period's change in write-downs step 3	6	13	-5	-27
50	10	55	14	Period's confirmed loss	14	55	10	50
-1	-1	-4	-5	Period's recoveries from previous periods' conf.losses	-5	-4	-1	-1
29	7	60	12	Total losses on loans, guarantees etc.	11	64	6	35

Provisions for losses and loss costs are calculated in accordance with IFRS 9, the method is described in the annual accounts note 22 and note 8 in the annual report.

NOTE 6. PROFIT PER PRIMARY CERTIFICATE

Morbank				Group	
31.12.21	31.12.22			31.12.22	31.12.21
216	480	Net profit		445	205
		Non-controlling interest share of net profit		0	0
-12	-13	Interest fund bond		-13	-12
204	467	Profit (excl. Interest fund bond)		432	193
77.3 %	79.9 %	ECC percentage		79.9 %	77.3 %
5.8	13.8	Yield per equity capital certificate		12.8	5.5
5.8	13.8	Diluted result per ECC in Norwegian currency		12.8	5.5

	<i>Morbank</i>	
	31.12.22	31.12.21
Net profit	480	216
Interest fund bond	-13	-12
Transferred reserve for valuation variances	-5	18
Basis dividend	462	222

Equity capital certificate ratio (parent bank)	31.12.22	31.12.21
ECC capital	268	270
Dividend equalisation reserve	1 439	1 439
Premium reserve	1 505	1 505
Unrealised gains reserve	18	17
Other equity capital	376	-
Sum equity capital certificate owners	3 606	3 231
Ownerless capital	777	777
Savings bank gift fund	16	30
Unrealised gains reserve	4	5
Other equity capital	95	-
The saving bank reserve	892	813
Savings bank gift foundation	-	21
Dividend declared	-	86
Equity ex. Hybrid capital	4 498	4 151
Equity capital certificate ratio	80.2 %	79.9 %
Equity capital certificate ratio for distribution	79.9 %	77.3 %

NOTE 7. GEOGRAPHICAL EXPOSURE WITHIN THE LOAN PORTFOLIO

<i>Parent bank</i>					<i>Group</i>			
31.12.21	%	31.12.22	%		31.12.22	%	31.12.21	%
22 215	87.3 %	22 250	85.7 %	Helgeland	26 051	84.1 %	27 431	84.6 %
3 196	12.6 %	3 626	14.0 %	Areas other than Helgeland	4 839	15.6 %	4 922	15.2 %
41	0.2 %	75	0.3 %	International	85	0.3 %	71	0.2 %
25 452	100.0 %	25 951	100.0 %	Total	30 975	100 %	32 424	100.0 %

NOTE 8.1 COMMITMENTS SPLIT BY SECTOR/INDUSTRY

	31.12.22		31.12.21	
	Group			
	Gross loans	%-stake	Gross loans	%-stake
Municipalities and municipal enterp.	0	0.0 %	0	0.0 %
Insurance and finance	210	0.7 %	16	0.0 %
Agriculture and forestry	1 482	4.8 %	1 540	4.7 %
Fisheries and aquaculture	1 189	3.8 %	1 285	4.0 %
Mining and industry	502	1.6 %	573	1.8 %
Building and construction	798	2.6 %	894	2.8 %
Trade, hotel, restaurants.	511	1.6 %	532	1.6 %
Transport and services	1 518	4.9 %	1 400	4.3 %
Property	3 449	11.1 %	3 279	10.1 %
Total corporate market	9 659	31.2 %	9 519	29.4 %
Retail market	21 316	68.8 %	22 905	70.6 %
Total	30 975	100 %	32 424	100 %
Loans transferred to Helgeland Boligkreditt	0		0	
Loans transferred to SpareBank 1 Boligkreditt	6 372		4 581	
Total loans including tranferred to mortgage company	37 347		37 005	

	31.12.22		31.12.21	
	Parent bank			
	Gross loans	%-stake	Gross loans	%-stake
Municipalities and municipal enterp.	0	0.0 %	0	0.0 %
Insurance and finance	210	0.8 %	16	0.1 %
Agriculture and forestry	1 462	5.6 %	1 518	6.0 %
Fisheries and aquaculture	1 182	4.6 %	1 278	5.0 %
Mining and industry	501	1.9 %	572	2.2 %
Building and construction	785	3.0 %	877	3.4 %
Trade, hotel, restaurants.	508	2.0 %	527	2.1 %
Transport and services	1 476	5.7 %	1 342	5.3 %
Property	3 577	13.8 %	3 332	13.1 %
Total corporate market	9 701	37.4 %	9 462	37.2 %
Retail market	16 250	62.6 %	15 990	62.8 %
Total	25 951	100 %	25 452	100 %
Loans transferred to Helgeland Boligkreditt	5 161		7 037	
Loans transferred to SpareBank 1 Boligkreditt	6 372		4 581	
Total loans including tranferred to mortgage company	37 484		37 070	

NOTE 8.2 COMMITMENTS AND LOSSES SPLIT BY SECTOR/INDUSTRY

Expected losses for all accounts are calculated. All account commitments are entered into one of the three “steps” in the loss model, based on their risk change since granting (change in credit risk). For a description of the individual “steps”, see explanations below. All commitments that do not already have objective evidence of loss at the time of recognition are placed at the time of recognition in step 1 and are later moved to step 2; in cases where there has been a significant increase in credit risk, or step 3; in cases where there is objective evidence of loss.

Step 1: 12 months expected loss

This includes most cases of financial assets that are covered by the general loss model. Financial instruments that have similar credit risk (or better) to what it was at initial recognition, and which are therefore not classified under steps 2 and 3, are included in this step. The estimated expected loss attributable to the accounts corresponds to expected losses from default in the next 12 months.

Step 2: Expected loss of life.

In step 2, financial assets that have had a significant increase in credit risk are placed since initial recognition. If an account commitment is significantly worsened or not, it is defined as a function of probability of default (PD) at the time of calculation and the time of grant. The bank has chosen to define that assets with low credit risk (operationalized as assets with PD not exceeding 0.75%) remain in step 1. Expected loss for assets in step 2 is calculated over the residual maturity of the asset. The following events are always considered to have resulted in a significant increase in credit risk:

- Commitment where there is a 30-day cover. This applies to coverings from the first crown, but older than 30 days.
- Commitment where there is greater cover. This applies to overdrafts from the first day, where the balance is considerably larger than the grant.
- Commitment with changed payment obligations or refinancing (forbearance).

Step 3: Expected loss of life

In step 3 of the loss model, assets that have had significant increase in credit risk since initial recognition and where there is objective evidence of loss at the reporting date. Expected loss for assets in step 3 is calculated over the remaining maturity of the asset. Interest income is calculated on the assets' net book value.

The same model is used for the group, parent bank and wholly owned mortgage companies, but with different data definition when it comes to initial recognition. For the group and the parent bank, the account's grant date must be used, while for the mortgage company the score is used at the transfer date. The model is further described in notes in the annual financial statements.

At the end of fourth quarter, the bank has gone over to the SpareBank 1 alliance loss model. The change resulted in a loss entrance of MNOK 2. The calculation models are quite similar, with some changes. Parameters from the old model is mainly continued in the new calculation model. The transition to the new model entails that the bank goes back to use three scenario calculations (from four), where the weighting is 10 % negative scenario, 80 % neutral and 10 % positive.

In the third quarter 2022, the scenario weighting in the loss model adjusted as a consequence of the macroeconomic picture and possible downturn. This resulted in a weighting of negative scenario of 20 % with associated reduction of the neutral scenario. The adjustment results in an additional provision of MNOK 16 at the end of the year. In the same period the covid-19 provision was dissolved. This provided an entrance of MNOK 18.

With background in the information available with presentation of the accounts, the bank is of the opinion that the changes in the model adequate catches the changes in expected loss. It still lies uncertainty related to the provision.

31.12.22

Lending to amortized cost and fair value (OCI)

	Gross lending		Loss deductions			Gross lending	Net lending
	Amortized cost	Fair value (FVOCI)	Step 1	Step 2	Step 3	Fair value over profit	Total
Municipalities and municipal enterp.	-	-	-0	-	-	-	0
Insurance and finance	210	-	-0	-0	-0	-	209
Agriculture and forestry	1 471	-	-0	-3	-16	11	1 463
Fisheries and aquaculture	1 189	-	-2	-3	-0	-	1 183
Mining and industry	501	-	-1	-1	-2	1	498
Building and construction	794	-	-1	-4	-6	5	788
Trade, hotel, restaurants.	508	-	-1	-2	-1	4	508
Transport and services	1 511	-	-4	-3	-6	7	1 505
Property, property development	3 425	-	-7	-23	-33	24	3 387
Total corporate market	9 608	0	-15	-39	-64	51	9 541
Retail market	1 315	18 755	-3	-9	-10	1 245	21 294
Total	10 923	18 755	-18	-48	-74	1 297	30 835
Expected loss unutilized credit and guarantees RM			-0	-0	-0		
Expected loss unutilized credit and guarantees CM			-2	-6	-2		

31.12.21

Lending to amortized cost and fair value (OCI)

	Gross lending		Loss deductions			Gross lending	Net lending
	Amortized cost	Fair value (FVOCI)	Step 1	Step 2	Step 3	Fair value over profit	Total
Municipalities and municipal enterp.	0	-	-	-	-	-	0
Insurance and finance	16	-	-0	-	-	-	16
Agriculture and forestry	1 372	154	-1	-8	-18	15	1 513
Fisheries and aquaculture	1 261	24	-2	-3	-1	-	1 279
Mining and industry	560	11	-0	-1	-23	2	549
Building and construction	817	64	-2	-6	-36	13	850
Trade, hotel, restaurants.	486	40	-1	-2	-0	5	529
Transport and services	1 173	211	-2	-8	-29	16	1 361
Property, property development	3 123	134	-3	-18	-32	22	3 227
Total corporate market	8 807	639	-11	-46	-138	73	9 324
Retail market	654	20 656	-4	-7	-13	1 595	22 882
Total	9 461	21 295	-15	-53	-150	1 668	32 206
Expected loss unutilized credit and guarantees RM			-0	-0	-		
Expected loss unutilized credit and guarantees CM			-1	-9	-		

31.12.22

Lending to amortized cost and fair value (OCI)

	Gross lending		Loss deductions			Gross lending	Net lending
	Amortized cost	Fair value (FVOCI)	Step 1	Step 2	Step 3	Fair value over profit	Total
Municipalities and municipal enterp.	-	-	-0	-	-	-	0
Insurance and finance	210	-	-0	-0	-0	-	210
Agriculture and forestry	1 451	-	-0	-3	-16	11	1 442
Fisheries and aquaculture	1 182	-	-2	-3	-0	-	1 177
Mining and industry	500	-	-1	-1	-2	1	496
Building and construction	780	-	-1	-4	-6	5	775
Trade, hotel, restaurants.	504	-	-1	-2	-1	4	505
Transport and services	1 469	-	-4	-3	-5	7	1 464
Property, property development	3 553	-	-7	-24	-33	24	3 514
Total corporate market	9 650	0	-15	-40	-63	51	9 583
Retail market	1 087	13 917	-2	-8	-10	1 245	16 229
Total	10 737	13 917	-18	-48	-73	1 297	25 812
Expected loss unutilized credit and guarantees RM			0	0	0		
Expected loss unutilized credit and guarantees CM			-2	-6	-2		

31.12.21

Lending to amortized cost and fair value (OCI)

	Gross lending		Loss deductions			Gross lending	Net lending
	Amortized cost	Fair value (FVOCI)	Step 1	Step 2	Step 3	Fair value over profit	Total
Municipalities and municipal enterp.	0	-	-	-	-	-	0
Insurance and finance	16	-	-0	-	-	-	16
Agriculture and forestry	1 372	132	-1	-8	-18	15	1 491
Fisheries and aquaculture	1 261	17	-2	-3	-1	-	1 272
Mining and industry	560	10	-0	-1	-23	2	548
Building and construction	817	47	-2	-6	-36	13	833
Trade, hotel, restaurants.	486	35	-1	-2	-0	5	525
Transport and services	1 173	154	-2	-8	-29	16	1 303
Property, property development	3 189	121	-3	-19	-48	22	3 262
Total corporate market	8 872	516	-11	-47	-153	73	9 250
Retail market	654	13 741	-4	-5	-12	1 595	15 969
Total	9 526	14 257	-15	-53	-166	1 668	25 219
Expected loss unutilized credit and guarantees RM			0	0	0		
Expected loss unutilized credit and guarantees CM			-1	-9	0		

NOTE 9. NET NON-PERFORMING AND IMPAIRED COMMITMENT

Parent bank

Group

31.12.21	31.12.22		31.12.22	31.12.21
162	130	Default commitments over 90 days	130	162
267	190	Other non-performing and impaired commitments and guar., not in default ¹⁴	190	233
-173	-76	Step 3 write-downs	-76	-164
257	244	Total net loans, guarantees etc/non-performing and impaired commitments. in default	244	232
1.0 %	0.9 %	In % of total loans	0.8 %	0.7 %

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

Change in balance posts in accordance to IFRS 9. Individual write-downs are included in step 3. In the tables under, write-downs on off balance sheet items (unused credit and guarantees) directed to the balance debt side are included.

	Step 1	Step 2	Step 3	Group 31.12.22
	With expected loss over 12 months	With expected loss over the instruments life time	With expected loss over the instruments life time	Total
Gross lending				
Gross lending pr. 01.01.22	24 664	5 697	395	30 756
New loans / credits / guarantees	8 620	494	68	9 181
Transfers from step 1 to step 2	- 1277	1221	0	- 56
Transfers from step 1 to step 3	- 60	0	61	1
Transfers from step 2 to step 3	0	- 49	45	- 4
Transfers from step 3 to step 2	0	19	- 25	- 6
Transfers from step 3 to step 3	14	0	- 17	- 3
Transfers from step 2 to step 1	2 316	- 2 389	0	- 73
Reduced portfolio	- 7 463	- 1458	- 196	- 9 117
Other adjustments	- 926	- 65	- 11	- 1002
Gross lending pr. 31.12.22	25 888	3 471	320	29 678
IB unused drafts, guarantees etc.	2 384	290	54	2 728
UB unused drafts, guarantees etc.	2 953	185	10	3 148

Transition between steps includes changes in lending from the beginning to the end of the period.

Lending fixed interest rate, which is measured at fair value with value change over profit, is not included.

	Step 1	Step 2	Step 3	Group 31.12.21
	With expected loss over 12 months	With expected loss over the instruments life time	With expected loss over the instruments life time	Total
Gross lending				
Gross lending pr. 01.01.21	19 912	5 706	539	26 157
New loans / credits / guarantees	11077	2 061	48	13 187
Transfers from step 1 to step 2	- 1342	1336	0	- 6
Transfers from step 1 to step 3	- 63	0	60	- 3
Transfers from step 2 to step 3	0	- 78	71	- 7
Transfers from step 3 to step 2	0	4	- 4	0
Transfers from step 3 to step 3	9	0	- 10	0
Transfers from step 2 to step 1	1349	- 1391	0	- 41
Reduced portfolio	- 5 320	- 1790	- 222	- 7 331
Other adjustments	- 960	- 151	- 88	- 1 199
Gross lending pr. 31.12.21	24 664	5 697	395	30 756
IB unused drafts, guarantees etc.	2 271	280	36	2 588
UB unused drafts, guarantees etc.	2 384	290	54	2 728

Transition between steps includes changes in lending from the beginning to the end of the period.

Lending fixed interest rate, which is measured at fair value with value change over profit, is not included.

	Step 1	Step 2	Step 3	Parent bank 31.12.22
	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Gross lending				
Gross lending pr. 01.01.22	18 675	4 680	429	23 784
New loans / credits / guarantees	8 192	494	68	8 754
Transfers from step 1 to step 2	- 1 120	1 068	0	- 51
Transfers from step 1 to step 3	- 59	0	61	1
Transfers from step 2 to step 3	0	- 49	45	- 4
Transfers from step 3 to step 2	0	18	- 24	- 6
Transfers from step 3 to step 3	14	0	- 17	- 3
Transfers from step 2 to step 1	2 084	- 2 149	0	- 64
Reduced portfolio	- 5 764	- 1 308	- 230	- 7 302
Other adjustments	- 381	- 62	- 11	- 454
Gross lending pr. 31.12.22	21 641	2 693	320	24 654
IB unused drafts, guarantees etc.	2 022	282	54	2 358
UB unused drafts, guarantees etc.	2 584	184	10	2 778

Transition between steps includes changes in lending from the beginning to the end of the period.

Lending fixed interest rate, which is measured at fair value with value change over profit, is not included.

	Step 1	Step 2	Step 3	Parent bank 31.12.21
	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Gross lending				
Gross lending pr. 01.01.21	13 800	4 608	573	18 981
New loans / credits / guarantees	10 347	1 961	59	12 367
Transfers from step 1 to step 2	- 907	915	0	8
Transfers from step 1 to step 3	- 63	0	60	- 3
Transfers from step 2 to step 3	0	- 68	60	- 7
Transfers from step 3 to step 2	0	4	- 4	0
Transfers from step 3 to step 3	7	0	- 8	0
Transfers from step 2 to step 1	1 027	- 1 058	0	- 30
Reduced portfolio	- 4 862	- 1 553	- 224	- 6 639
Other adjustments	- 675	- 130	- 88	- 893
Gross lending pr. 31.12.21	18 675	4 680	429	23 784
IB unused drafts, guarantees etc.	1 909	278	36	2 223
UB unused drafts, guarantees etc.	2 022	282	54	2 358

Transition between steps includes changes in lending from the beginning to the end of the period.

Lending fixed interest rate, which is measured at fair value with value change over profit, is not included.

	Step 1	Step 2	Step 3	Group 31.12.22
Loss provisions on gross loans and off- balance sheet items	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.22	15	64	163	242
New or increased loans / credits / guarantees	8	16	6	31
Transfers from step 1 to step 2	- 1	13	0	11
Transfers from step 1 to step 3	- 1	0	7	6
Transfers from step 2 to step 3	0	- 1	10	9
Transfers from step 3 to step 2	0	1	- 1	0
Transfers from step 3 to step 3	0	0	- 1	- 1
Transfers from step 2 to step 1	4	- 27	0	- 23
Reduced portfolio	- 3	- 19	- 104	- 126
Other adjustments	- 2	7	- 5	0
Loss deduction pr. 31.12.22	19	54	76	150

Transition between steps includes changes in loss deduction from the beginning to the end of the period.

	Step 1	Step 2	Step 3	Group 31.12.21
Loss provisions on gross loans and off- balance sheet items	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.21	13	61	222	296
New or increased loans / credits / guarantees	7	31	19	57
Transfers from step 1 to step 2	- 1	11	0	10
Transfers from step 1 to step 3	0	0	3	2
Transfers from step 2 to step 3	0	- 3	12	9
Transfers from step 3 to step 2	0	0	0	0
Transfers from step 3 to step 3	0	0	0	0
Transfers from step 2 to step 1	1	- 9	0	- 8
Reduced portfolio	- 2	- 19	- 116	- 137
Other adjustments	- 3	- 9	23	12
Loss deduction pr. 31.12.21	15	64	163	241

Transition between steps includes changes in loss deduction from the beginning to the end of the period.

				Parent bank
Loss provisions on gross loans and off- balance sheet items	Step 1	Step 2	Step 3	31.12.22
	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.22	15	62	173	250
New or increased loans / credits / guarantees	8	16	6	31
Transfers from step 1 to step 2	- 1	12	0	11
Transfers from step 1 to step 3	- 1	0	7	6
Transfers from step 2 to step 3	0	- 1	10	9
Transfers from step 3 to step 2	0	1	- 1	0
Transfers from step 3 to step 3	0	0	- 1	- 1
Transfers from step 2 to step 1	4	- 26	0	- 22
Reduced portfolio	- 3	- 19	- 114	- 135
Other adjustments	- 1	7	- 5	1
Loss deduction pr. 31.12.22	20	53	76	149

Transition between steps includes changes in loss deduction from the beginning to the end of the period.

				Parent bank
Loss provisions on gross loans and off- balance sheet items	Step 1	Step 2	Step 3	31.12.21
	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.21	13	59	236	308
New or increased loans / credits / guarantees	7	31	20	57
Transfers from step 1 to step 2	- 1	10	0	9
Transfers from step 1 to step 3	0	0	- 2	- 2
Transfers from step 2 to step 3	0	- 3	12	9
Transfers from step 3 to step 2	0	0	0	0
Transfers from step 3 to step 3	0	0	0	0
Transfers from step 2 to step 1	1	- 8	0	- 7
Reduced portfolio	- 2	- 18	- 117	- 137
Other adjustments	- 3	- 9	23	12
Loss deduction pr. 31.12.21	15	62	173	249

Transition between steps includes changes in loss deduction from the beginning to the end of the period.

NOTE 11. CONTINGENT OFF-BALANCE SHEET COMMITMENTS

Parent bank		Group	
31.12.21	31.12.22	31.12.22	31.12.21
2 039	2 508	2 878	2 409
319	270	270	319
470	784		
2 828	3 562	3 148	2 728

Unutilized drawing rights

Guarantee obligations

Unutilized drawing rights Helgeland Boligkreditt AS

Net guarantee and draw rights

In addition, the parent bank has a liability to Helgeland Boligkreditt AS which has a revolving credit facility to (with maturity> one year) which is intended to cover payment obligations in the cover for a rolling 12-month period.

NOTE 12. SUBSIDIARIES AND ASSOCIATED COMPANIES

Subsidiaries are consolidated and substantial interests are included under the equity method. Preliminary quarterly data from subsidiaries and associates have applied in the consolidated financial statements.

	Share capital	Number of shares	Equity stake	Parent bank	
				Book value	
				31.12.22	31.12.21
Bankbygg Mo AS	0.1		99.5 %	48	48
Helgeland Boligkreditt AS	540	540 000	100 %	540	540
AS Sparebankbygg	0.1	100	100 %	1	1
Helgeland Spb.eiend.selskap AS	0.1	100	100 %	0.4	0.4
Storgata 73 AS	0.1	140	57 %	1	1
Total investment in AC				590	591

Associated companies (AC) and joint ventures (JV) is calculated at cost price with subsequent measuring in accordance with the equity method. The share of profit in associated companies is where there are no final accounting figures based on forecast figures.

	Share capital	Cost	Number of shares	Equity stake	Parent bank and group	
					Book value	
					31.12.22	31.12.21
Samarbeidende Sparebanker AS (FKV)	355	140	26 618	3.0 %	139	143
SpareBank 1 Samspar AS (FKV)	16	6	26 618	3.0 %	6	-
Samarbeidene Sparebanker Utvikling DA (FKV)	-	1	-	3.0 %	1	1
Investment in joint ventures and associated companies					146	144

Financial information associated companies and joint ventures, balance posts:

Parent bank and group 31.12.22					
Balance 100 % ownership		Assets	Debt	Income	Cost Result
Samarbeidende Sparebanker AS	100.0 %	2297	0	178	1 177
SpareBank 1 Samspår AS	100.0 %	102	75	46	47 -1
Samarbeidene Sparebanker Utvikling DA	100.0 %	143	0	310	308 0
Total		2542	75	534	356 176
The bank's share					
Samarbeidende Sparebanker AS	3.0 %	69	0	5	0 5
SpareBank 1 Samspår AS	3.0 %	3	2	1	1 0
Samarbeidene Sparebanker Utvikling DA	3.0 %	4	0	9	9 0
Total		76	2	16	11 5

Parent bank and group 31.12.21					
Balance 100 % ownership		Assets	Debt	Income	Cost Result
Samarbeidende Sparebanker AS	100.0 %	2312	23	421	0 421
Samarbeidene Sparebanker Utvikling DA	100.0 %	31	0	235	235 0
Total		2343	23	656	235 421
The bank's share					
Samarbeidende Sparebanker AS	3.0 %	69	1	13	0 13
Samarbeidene Sparebanker Utvikling DA	3.0 %	1	0	7	7 0
Total		70	1	20	7 13

Financial information Associated companies and joint ventures, profit/loss posts

Parent bank and group 31.12.22					
Specification joint ventures and associated companies		0	0	0	0 0
Samarbeidende Sparebanker AS		0	0	-6	5 -4
SpareBank 1 Samspår AS		0	0	6	0 0
Samarbeidene Sparebanker Utvikling DA		0	0	0	0 0
Specification joint ventures and associated companies		0	0	0	5 -4

Parent bank and group 31.12.21					
Specification joint ventures and associated companies		0	0	0	0 0
Samarbeidende Sparebanker AS		146	0	-3	11 -11
Samarbeidene Sparebanker Utvikling DA		1	0	0	0 0
Sum shares joint ventures and associated companies		147	0	-3	11 -11

Parent bank and group		
Book value joint venture and associated companies	31.12.22	31.12.21
Opening balance	144	0
Acquisition	6	147
Sales	0	0
Equity changes	-6	-3
Results	5	13
Other adjustments	0	-2
Dividends paid	-4	-11
Book value	146	144

NOTE 13. OPERATING FUNDS

Parent bank			Group	
31.12.21	31.12.22		31.12.22	31.12.21
46	36	Operating funds	209	153
46	36	Total operating funds	209	153

NOTE 13.1 LEASES

IFRS 16 Leases

The new standard for accounting for leases requires the lessee to capitalize assets and liabilities for most leases. For the bank this applies to leases (mainly rental of office spaces). Usage rights and obligations are shown in the note below.

31.12.21	31.12.22		31.12.22	31.12.21
		Right of use		
45	32	Opening balance 01.01.	18	16
20	0	Aquisition	0	20
-15	0	- sales	0	-15
-8	14	Other changes	1	1
42	46	Closing balance at the end of the period	19	22
10	13	Depreciations in the period	8	5
32	33	Closing balance on the right of use at the end of the period	11	18
		Lease commitment		
46	48	Opening balance 01.01.	33	17
20	0	New agreements in the period	0	20
-12	-16	Lease payments in the period - installments	-11	-5
2	3	Interest	2	2
-8	14	Other changes	1	1
48	49	Total lease commitments at the end of the period	26	33
		PLA		
10	13	Depreciations	8	5
2	3	Interest	2	2
12	16	Total	10	7

NOTE 14. DISCLOSURES OF RELATED PARTIES

The information is given in line with IAS 24 for "Information regarding close parties" (Transactions toward leading employees and representatives appear in a note in the annual accounts). SpareBank 1 Helgeland defines its subsidiaries and associated companies as close parties in relation to this accounting standard. The transactions between the parent bank, affiliated companies and associated companies are conducted in line with regular commercial terms and principles.

Significant transactions with related parties:

Helgeland Boligkreditt AS (share of ownership 100 %)

Transferred loans as of 31.12.22 constitute a total of MNOK 5 161. Covered bonds in the housing mortgage company constitute MNOK 4 359. Credit line of NOK 1.5bn is drawn with MNOK 716. In addition, the bank has a revolving credit facility (with maturity > one year) provided by SpareBank 1 Helgeland, which will cover payment obligations in the security pool for a rolling 12-month period. The agreements are based on the principle of arm's length. In the consolidated accounts, the effects of the facilities are eliminated. SBH has received dividend of MNOK 55.5 in 2022.

NOTE 15. REAL VALUE OF FINANCIAL INSTRUMENTS

Parent bank			Assets and liabilities measured at fair value	Group		
31.12.22				31.12.22		
Level 1	Level 2	Level 3	Assets and liabilities measured at fair value	Level 1	Level 2	Level 3
Financial assets at fair value through profit						
0	0	1 297	- Loans to and claims on customers at fair value	0	0	1 297
0	48 749	712	- Certificates, bonds and equities at fair value	0	5 023	712
Financial assets available for sale						
0	0	13 917	- Mortgages	0	0	18 755
0	31	0	- Financial derivatives	0	31	0
0	48 780	15 926	Total assets	0	5 054	20 764
LIABILITIES						
Financial liabilities at fair value through profit						
0	29	0	- Debt issuance of securities	0	58	0
0	29	0	Total liabilities	0	58	0
Shares	Loans	Total	Changes in instruments classified in Level 3	Shares	Loans	Total
595	15 923	16 518	Opening balance	595	22 961	23 556
-1	-1 252	-1 253	Payment loan/sale of shares	0	-3 079	-3 079
114	501	615	New loans	26	133	159
4	42	46	Value change	5	123	128
712	15 214	15 926	Financial instruments valued on Level 3	626	20 138	20 764

Parent bank			Assets and liabilities measured at fair value	Group		
31.12.21				31.12.21		
Level 1	Level 2	Level 3	Assets and liabilities measured at fair value	Level 1	Level 2	Level 3
Financial assets at fair value through profit						
0	0	1 666	- Loans to and claims on customers at fair value	0	0	1 666
0	5 191	595	- Certificates, bonds and equities at fair value	0	5 210	595
Financial assets available for sale						
0	0	14 257	- Mortgages	0	0	21 295
0	39	0	- Financial derivatives	0	39	0
0	5 230	16 518	Total assets	0	5 249	23 556
LIABILITIES						
Financial liabilities at fair value through profit						
0	9	0	- Financial derivatives	0	12	0
0	9	0	Total liabilities	0	12	0
Shares	Loans	Total	Changes in instruments classified in Level 3	Shares	Loans	Total
207	11 750	11 957	Opening balance	207	1 559	1 766
-168	-404	-572	Payment loan/sale of shares	-168	-404	-572
562	4 641	5 203	New loans	562	21 870	22 432
-6	-64	-70	Value change	-6	-64	-70
595	15 923	16 518	Financial instruments valued on Level 3	595	22 961	23 556

Measurement of fair value of financial instruments by level

The table shows financial instruments to fair value according to fair value measurement method (IFRS13). The changes demand presentation of fair value measurements per level with the following divisions into levels. The different levels are defined like this:

- Level 1 - Noted price in an active market for an identical asset or liability
- Level 2 – Valuation based on observable factors either direct (price) or indirect (derived from prices) other than noted priced (used in level 1) for the asset or liability
- Level 3 Valuation based on factors not obtained from observable markets (non-observable assumptions)

The fair value of financial instruments that are traded in an active market is based on the market price at the end of the reporting period. A market is considered active if the markets rates are simply and regularly available from a stock exchange, trader, broker, business group pricing service or regulatory authority, and these prices represent actual and regularly occurring arm's length market transactions. The market price used for financial assets is the current bid price, while for financial liabilities it is the current offer price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation methods. These valuation methods maximize the use of observable data where these are available, and are based as little as possible on the Group's own estimates. If all the significant data required to determine the fair value of an instrument are observable data, the instrument are included in level 2. Unlisted equities and fixed-rate loans are classified under level 3. The fair value of shares where it's no active market, known market value or the last issue price is used. For papers without turnover, the value is set based on available financial information, etc. fixed rate loans are measured at fair value.

Principal fixed rate loans per 31.12.22 were MNOK 1 297 (1 668) MNOK. Net interest rate risk by a parallel interest rate shift of 1 %-point for fixed rate loans and derivatives, fixed rate loans was MNOK -0.2 (2.4) per 31.12.22.

NOTE 16. FINANCIAL DERIVATIVES

Net presentation of financial assets and liabilities

Parent bank				Group			
31.12.22				31.12.22			
Nominal value		Market value		Nominal value		Market value	
Total	Assets	Commitments		Total	Assets	Commitments	
1 599	0	29	Interest rate swaps- fixed interest rate loans	1 599	0	58	
30	0	0	Interest rate swaps- bank deposits with share yield	30	0	0	
1 629	0	29	Total financial derivatives	1 629	0	58	
1 500	31	0	Interest rate swaps – fixed interest rate with hedging	1 800	31	0	
1 500	31	0	Total financial derivatives with hedging	1 800	31	0	

Parent bank					Group			
31.12.21					31.12.21			
Nominal value		Market value			Nominal value		Market value	
Total	Assets	Commitments			Total	Assets	Commitments	
1 749	0	9	Interest rate swaps- fixed interest rate loans		1 749	0	12	
55	0	0	Interest rate swaps- bank deposits with share yield		55	0	0	
1 804	0	9	Total financial derivatives		1 804	0	12	
2 000	39		Interest rate swaps – fixed interest rate with hedging		2 300	38	0	
2 000	39	0	Total financial derivatives with hedging		2 300	38	0	

Current instruments for managing interest risk will primarily be interest swapps (interest swapping agreements). Trade in derivatives can be done with different counterparties. To differentiate the counterparty structure, a population of the large banks/real estate brokers that stands for the main part of the turnover in interest related products in the market are used. If the bank has the same counterparty on derivatives both on the real estate side and on the commitment side, these can be offset.

<i>Group</i>					
31.12.22					
	Gross financial assets	Financial assets that are recognized net	Net financial assets in the balance sheet	Financial instruments	Net
Derivaives carried as assets	31	0	31	-31	0
Derivaives carried as liabilities	58	0	58	-31	27

<i>Group</i>					
31.12.21					
	Gross financial assets	Financial assets that are recognized net	Net financial assets in the balance sheet	Financial instruments	Net
Derivaives carried as assets	39	0	39	-12	27
Derivaives carried as liabilities	12	0	12	-12	0

NOTE 17. SECURITIES ISSUED

<i>Parent bank</i>			<i>Group</i>	
31.12.21	31.12.22	(MNOK)	31.12.22	31.12.21
4 249	3 132	Bonds, nominal value	7 507	10 230
16	-38	Value adjustments	-62	14
23	23	Accrued interest	31	28
4 288	3 117	Total securities	7 476	10 272

<i>Change in securities issued</i>					<i>Group</i>
	31.12.21	Issued	Matured/redeemed	Other change	31.12.22
Bonds, nominal value	10 229	1 831	-4 632	79	7 507
Value adjustments	14			-76	-62
Accrued interest	28			3	31
Total	10 271	1 831	-4 632	6	7 476

<i>Change in subordinated debt</i>					<i>parent bank</i>
	31.12.21	Issued	Matured/redeemed	Other change	31.12.22
Bonds, nominal value	4 249	930	-2 048	1	3 132
Value adjustments	16			-54	-38
Accrued interest	23			0	23
Total	4 288	930	-2 048	-53	3 117

<i>Change in securities issued</i>					<i>Group/Parent bank</i>
	31.12.21	Issued	Matured/redeemed	Other change	31.12.22
equity and related capital, nominal value	451			0	451
Value adjustments	-1			0	-1
Accrued interest	1			2	3
Total	451	-	-	2	453

*) Hybrid instruments do not meet the definition of financial liability in accordance with IAS 32 and are classified as equity 01/01/16

<i>Accounted value</i>			<i>Group</i>	
	31.12.22		31.12.22	31.12.21
Bonds, amortized cost	5 742		7 955	
Bonds, hedging	1 734		2 316	
Total debt securities	7 476		10 271	

<i>Accounted value</i>			<i>Parent bank</i>	
	31.12.22		31.12.21	31.12.21
Bonds, amortized cost	1 655		2 271	
Bonds, hedging	1 462		2 017	
Total debt securities	3 117		4 288	

NOTE 18. GEOGRAPHICAL EXPOSURE DEPOSITS FROM AND LIABILITIES TO CUSTOMERS

<i>Parent bank</i>						<i>Group</i>		
%	31.12.21	%	31.12.22		31.12.22	%	31.12.21	%
90.0 %	21 732	90.2 %	23 027	Helgeland	22 776	90.6 %	21 152	89.8 %
9.2 %	2 212	9.0 %	2 295	Areas other than Helgeland	2 157	8.6 %	2 201	9.3 %
0.8 %	200	0.8 %	212	International	196	0.8 %	199	0.8 %
100 %	24 144	100 %	25 534	Total	25 129	100 %	23 552	100 %

NOTE 19. DEPOSITS FROM CUSTOMERS SPLIT BY SECTOR/INDUSTRY

Parent bank						Group		
%	31.12.21	%	31.12.22		31.12.22	%	31.12.21	%
3.4 %	814	2.6 %	667	Financial institutions	286	1.1 %	234	1.0 %
11.5 %	2 772	12.7 %	3 245	Municipalities and municipal ente	3 245	12.9 %	2 772	11.8 %
1.8 %	446	1.8 %	460	Agriculture and forestry	460	1.8 %	446	1.9 %
2.5 %	609	2.3 %	595	Fisheries and aquaculture	595	2.4 %	609	2.6 %
1.0 %	253	1.1 %	288	Mining and industry	288	1.1 %	253	1.1 %
3.2 %	770	2.4 %	614	Building and construction	614	2.4 %	770	3.3 %
2.6 %	636	2.3 %	580	Trade, hotel, restaurants.	580	2.3 %	636	2.7 %
11.0 %	2 661	15.0 %	3 826	Transport and services	3 826	15.2 %	2 661	11.3 %
4.1 %	996	3.0 %	767	Property, property development	743	3.0 %	984	4.2 %
41.2 %	9 957	43.2 %	11 042	Total corporate market	10 637	42.3 %	9 365	39.8 %
58.8 %	14 187	56.8 %	14 492	Retail market	14 492	57.7 %	14 187	60.2 %
100 %	24 144	100 %	25 534	Total	25 129	100 %	23 552	100 %

NOTE 20. EQUITY CERTIFICATE CAPITAL HELG

Parent bank					
Per 31.12.22	Number	%-share		Number	%-share
Sparebankstiftelsen Helgeland	7 588 922	28.11 %	VPF Nordea Avkastning	299 368	1.1 %
SpareBank 1 Nord-Norge	5 397 325	20.0 %	U.S Bank National Association	278 242	1.0 %
Pareto Invest AS	2 139 108	7.9 %	Catilina Invest AS	252 646	0.9 %
VPF Eika Egenkapital	1 213 404	4.5 %	Bergen kommunale pensjonskasse	248 235	0.9 %
Verdipapirfondet Nordea Norge Verd	1 006 616	3.7 %	Lamoholmen invest AS	211 850	0.8 %
Spesialfondet Borea Utbytte	588 232	2.2 %	Fredly Arne Helge	188 552	0.7 %
J.P. Morgan Bank Luxembourg S.A.	494 959	1.8 %	VPF Nordea Kapital	175 166	0.6 %
Helgeland Kraft AS	390 925	1.4 %	Nima Invest AS	162 097	0.6 %
MP Pensjon PK	388 399	1.4 %	VPF Nordea Norge Plus	157 650	0.6 %
Kommunal Landspensjonskasse	349 071	1.3 %	Vigner Olaisen AS	147 631	0.5 %
Total 10 largest owners	19 556 961	72.4 %	Total 20 largest owners	21 678 398	80.3 %

The bank has issued a total of 27 000 130 equity certificates value of NOK 10

NOTE 21. CAPITAL ADEQUACY

Parent bank			Group	
31.12.21	31.12.22		31.12.22	31.12.21
4 550	4 896	Total equity capital	4 932	4 622
-398	-398	Hybrid capital classified as equity (CB)	-398	-398
-36	-56	Deduction investement in SpareBank 1 Betaling	-56	-36
0	0	Deduction shares in financial institutions	0	0
-8	-9	Deduction prudent valuation	-10	-8
0	0	Deduction share of profit not eligible as common equity tier 1 capital	0	0
-105	-87	Deduction Intangible assets	-87	-105
-111	-329	Deduction dividend classified as equity	-329	-111
		Effect of proportionate consolidation on equity tier 1 capital	-100	-110
3 891	4 016	Total common equity tier one capital	3 952	3 853
0	0	Shares in financial institutions	0	0
398	398	Hybrid capital (CB)	398	398
		Effect of proportionate consolidation on other tier 1 capital	40	31
4 289	4 415	Total tier 1 capital	4 390	4 283
451	451	Subordinatet dept	451	451
0	0	Shares in financial institutions	0	0
		Effect of proportionate consolidation on additonal capital	58	44
451	451	Total net additional capital	509	495
4 740	4 866	Total net equity and related capital	4 900	4 778
18 601	18 055	Risk-weighted balance (calculation basis)	20 809	21 451
20.92 %	22.24 %	Common equity tier one Capital ratio in%	18.99 %	17.96 %
23.06 %	24.45 %	Tier 1 capital ratio in%	21.10 %	19.96 %
25.48 %	26.95 %	Total capital ratio in%	23.55 %	22.27 %
11.00 %	12.00 %	Requirement common equity core tier one capital ratio in %	14.20 %	13.20 %
12.50 %	13.50 %	Requirement tier 1 capital ratio in %	15.70 %	14.70 %
14.50 %	15.50 %	Requirement capital ratio in %	17.70 %	16.70 %
2 697	2 799	Required capital incl. buffer and pilar II requirements	3 683	3 582
2 043	2 067	Excess capital incl. buffer and pilar II requirements	1 217	1 196

31.12.21	31.12.22	Calculation basis	31.12.22	31.12.21
2	5	States and central banks	5	2
247	230	Local and regional authorities (including municipalities)	230	247
462	568	Institutions	341	208
1 509	1 308	Enterprises	1 310	1 509
2 787	2 524	Mass market loans	2 608	2 912
9 186	9 106	Loans secured by real property	10 793	11 624
318	276	Loans overdue	277	290
863	665	Covered bonds	222	238
317	197	High risk exposures	197	317
0	0	Units in securities funds	0	0
1 402	1 526	Equity positions	936	801
130	121	Other loans and commitments	314	242
17 222	16 528	Capital requirement credit risk	17 233	18 389
1 363	1 521	Capital requirement operational risk	1 539	1 382
15	7	CVA addition	8	19
0	0	Other adjustment from capital requirement	0	0
18 601	18 055	Total capital requirement	18 781	19 791
		Proportionate share of risk-weighted balance cooperating groups	2 579	2 126
		Deduction internal eliminations cooperating groups	-551	-466
		Risk-weighted balance after proportionate consolidation	20 809	21 451

NOTE 22. FINANCIAL ESTIMATES AND ESTIMATIVE ASSESSMENTS

The group makes estimates and pre-assumptions that effects the reported balance numbers for the next accounting year. Estimates and evaluations is ever an item for evaluation and is based on historical experience and other factors, hereunder expectations in relation to future events that is considered fair. The group has as a consequence of the corona pandemic been challenged on estimating under uncertainty.

For write-downs in lending, the bank has estimated expected effect of potential downturn through the model wright-downs. This is solved by adjusting some predictions in the model, primarily related to changed weighting of the scenario expectations (increased weight on downturn scenario). The changes were implemented at the end of third quarter 2022 and are regularly assessed to take into account new information. There is great uncertainty associated with the estimates.

Fair value of financial instruments is partly calculated based on observable data in the market, for positions where it doesn't lie market data it is used a combination of judgement and estimates based on market data in evaluation of fair value by the end of the year.

NOTE 23. SPAREBANK 1 BOLIGKREDITT

SpareBank 1 Helgeland have agreements of possible legal sale of loans with high security in real estate to SpareBank 1 Boligkredit. In accordance with the management agreement made, the bank manages the loans and maintain the customer contact. The bank receives a remuneration in form of commission for the responsibilities that follows with the management of the loans. By transferring the loans, the loans are deducted from SpareBank 1 Helgeland in its wholeness, this as a consequence of that transfer is evaluated to involve the most significant risks and benefits with ownership.

Remuneration for transferred loans equal accounted values and equals in the most significant real value of the loans at the transfer point of time. At the end of the year, the bank has a transferred portfolio of MNOK 6 372.

SpareBank 1 Helgeland has together with other owners of the mortgage company established a liquidity facility, which means that the bank is committed to buy mortgage obligations at a value limited to the banks relative owners share of the company's maturity over the next 12 months. By the end of this quarter this credit facility amounts to MNOK 784.

NOTE 24. EVENTS AFTER BALANCE SHEET DAY

There are no known events after the balance sheet date that have significant importance to the accounts.

PROFIT AND LOSS ACCOUNT ITEMS AS A PERCENTAGE OF AVERAGE ASSETS

Parent bank					Group			
Q4/21	Q4/22	31.12.21	31.12.22		31.12.22	31.12.21	Q4/22	Q4/21
2.38	4.30	2.34	3.28	Interest receivable and similar income	3.26	2.35	4.29	2.38
0.60	1.76	0.60	1.12	Interest payable and similar costs	1.26	0.66	1.97	0.68
1.79	2.53	1.74	2.17	Net interest- and credit commission income²	2.01	1.69	2.32	1.70
0.48	0.51	0.39	0.52	Commissions receivable and income from banking services	0.46	0.33	0.46	0.41
0.05	0.06	0.04	0.04	Commissions payable and costs relating to banking services	0.04	0.03	0.05	0.04
0.04	0.04	0.03	0.04	Other operating income	0.02	0.01	0.00	-0.01
0.47	0.49	0.39	0.52	Net commission income and other operation income	0.44	0.31	0.41	0.36
-0.15	0.31	0.23	0.17	Gains/losses on financial assets available for sale	0.00	-0.01	0.27	-0.13
0.53	0.53	0.52	0.50	Staff cost	0.44	0.44	0.47	0.45
1.25	0.63	0.76	0.59	Other operating expenses	0.54	0.63	0.58	0.98
1.78	1.16	1.28	1.09	Total operating expenses	0.98	1.07	1.05	1.43
0.33	2.18	1.08	1.76	Result before losses	1.47	0.92	1.94	0.50
0.34	0.08	0.20	0.04	Losses on loans, guarantees etc. and fixed assets	0.03	0.18	0.06	0.35
-0.02	2.10	0.88	1.73	Gross profit	1.44	0.74	1.88	0.15
0.01	0.20	0.16	0.33	Tax payable on ordinary profit	0.30	0.17	0.16	0.00
-0.03	1.90	0.72	1.40	Net profit	1.14	0.57	1.72	0.15

PROFIT & LOSS ACCOUNT AND BALANCE SHEET DEVELOPMENT

Parent bank

Group

Q4/21	Q1/22	Q2/22	Q3/22	Q4/22		Q4/22	Q3/22	Q2/22	Q1/22	Q4/21
201	222	244	291	368	Interest receivable and similar income	413	324	279	258	236
50	63	71	98	151	Interest payable and similar costs	190	122	95	84	67
150	159	174	194	217	Net interest- and credit commission income	223	202	184	174	168
40	50	41	44	44	Commissions receivable and income from banking services	44	44	41	50	40
4	4	3	3	5	Commissions payable and costs relating to banking services	5	3	3	4	4
36	46	39	40	39	Net commission income	39	41	38	46	36
-12	77	-27	-20	27	Gains/losses on financial assets available for sale	26	-19	-27	21	-13
3	3	3	4	3	Other operating income	0	4	2	2	-1
150	92	88	94	99	Operating costs	101	95	91	94	141
29	1	3	1	7	Losses on loans, guarantees etc.	6	2	2	1	35
-1	192	98	123	180	Gross profit	181	131	104	147	15
1	29	31	35	17	Tax payable on ordinary result	15	38	33	32	0
0	163	67	88	163	Net profit	165	93	71	115	15

Q4/21	Q1/22	Q2/22	Q3/22	Q4/22		Q4/22	Q3/22	Q2/22	Q1/22	Q4/21
2.38	2.64	2.80	3.36	4.30	Interest receivable and similar income	4.29	3.33	2.83	2.66	2.38
0.60	0.75	0.81	1.13	1.76	Interest payable and similar costs	1.97	1.25	0.96	0.87	0.68
1.79	1.89	1.99	2.24	2.53	Net interest- and credit commission income	2.32	2.07	1.87	1.79	1.70
0.48	0.59	0.47	0.51	0.51	Commissions receivable and income from banking services	0.46	0.46	0.41	0.52	0.41
0.05	0.05	0.03	0.04	0.06	Commissions payable and costs relating to banking services	0.05	0.03	0.03	0.04	0.04
0.43	0.55	0.44	0.51	0.49	Net commission income	0.41	0.42	0.38	0.47	0.37
-0.14	0.92	-0.31	-0.23	0.31	Gains/losses on financial assets available for sale	0.27	-0.20	-0.27	0.22	-0.13
0.04	0.04	0.04	0.04	0.04	Other operating income	0.00	0.04	0.02	0.02	-0.01
1.78	1.09	1.01	1.09	1.16	Operating costs	1.05	0.98	0.92	0.97	1.43
0.34	0.01	0.03	0.02	0.08	Losses on loans, guarantees etc.	0.06	0.02	0.02	0.01	0.35
-0.02	2.28	1.12	1.42	2.10	Gross profit	1.88	1.34	1.06	1.52	0.15
0.01	0.34	0.36	0.40	0.20	Tax payable on ordinary result	0.16	0.39	0.33	0.33	0.00
-0.03	1.94	0.76	1.02	1.90	Net profit	1.72	0.96	0.72	1.19	0.15

Q4/21	Q1/22	Q2/22	Q3/22	Q4/22		Q4/22	Q3/22	Q2/22	Q1/22	Q4/21
					ASSETS					
73	71	71	71	71	Cash and claims on central banks	71	71	71	71	73
1 886	2 125	2 083	1 695	2 158	Loans to and claims on credit institutions	1 442	810	910	1 085	857
25 213	25 377	25 607	25 299	25 809	Loans to and claims on customers	30 832	30 883	31 422	31 943	32 194
39	40	52	44	31	Financial derivatives	31	44	22	40	39
5 786	5 910	6 179	5 822	5 586	Certificates, bonds and shares available for sale	5 735	5 970	6 279	6 009	5 805
144	146	143	143	145	Investments in associated companies	145	143	143	146	144
590	590	591	591	591	Investments in subsidiaries	0	0	0	0	0
104	101	98	96	94	Deferred tax benefit	94	96	98	101	104
46	43	41	38	36	Fixed assets	209	175	158	150	153
72	99	61	111	80	Other assets	65	95	86	91	64
33 953	34 502	34 926	33 910	34 601	Total assets*	38 624	38 287	39 189	39 636	39 433
					LIABILITIES AND EQUITY CAPITAL					
302	305	312	311	308	Liabilities to credit institutions	313	312	312	306	303
24 144	24 826	25 378	24 578	25 534	Deposits from customers and liabilities to customers	25 129	24 152	24 731	24 144	23 552
4 288	4 009	3 857	3 517	3 117	Borrowings through the issuance of securities	7 476	8 266	8 713	9 775	10 271
9	19	23	40	29	Financial derivatives	58	68	50	38	12
209	306	255	278	264	Other liabilities	260	264	251	310	218
451	451	451	452	453	Fund bonds	453	452	451	451	451
29 403	29 916	30 276	29 176	29 705	Total liabilities	33 689	33 514	34 508	35 024	34 807
1 775	1 771	1 773	1 773	1 773	Paid-in equity capital	1 773	1 773	1 773	1 771	1 775
398	398	398	398	398	Hybrid capital	398	398	398	398	398
2 290	2 258	2 256	2 256	2 254	Accrued equity capital/retained earnings	2 254	2 256	2 256	2 258	2 288
86	159	222	307	471	Other equity capital	507	343	251	182	161
					Minority interest	3	3	3	3	3
4 550	4 586	4 650	4 734	4 896	Total equity capital	4 935	4 773	4 681	4 612	4 626
33 953	34 502	34 926	33 910	34 601	Total liabilities and equity capital	38 624	38 287	39 189	39 636	39 433

OTHER KEY FIGURES

Parent bank			Group	
31.12.21	31.12.22		31.12.22	31.12.21
BALANCE SHEET				
Development in the last 12 months				
23.7	1.9	Total assets ⁹	-2.1	18.7
24.1	2.0	Gross lending ⁶	-4.5	17.1
26.4	5.8	Customer deposits ⁷	6.7	26.1
94.9	98.4	Deposit coverage as a percentage of gross loans ⁵	81.1	72.6
62.8	62.6	Lending to retail customers	68.8	70.6
30 037	34 253	Average assets ¹⁰	39 027	35 740
25 452	25 951	Gross loans ⁴	30 975	32 424
SOLIDITY				
20.9	22.2	Core tier one Capital ratio	21.6	20.4
23.1	24.5	Core Capital ratio	23.7	22.1
25.5	26.9	Total Capital ratio ²¹	26.1	24.3
		Core tier one Capital ratio, after proportionally consolidation in%	19.0	18.0
		Core capital ratio, after proportionally consolidation in%	21.1	20.0
		Total Capital ratio, after proportionally consolidation in%	23.5	22.3
		Leverage ratio ²² , after proportionally consolidation in%	9.4	9.4
5.4	10.3	Rate of return on equity ¹	9.3	5.0
5.9	10.9	Rate of return on equity (excl. hybrid capital)	9.9	5.4
0.6	1.4	Return on assets	1.2	0.5
KEY FIGURES PCC				
5.8	13.8	Yield per primary certificate ¹⁶	12.8	5.5
5.8	13.8	Diluted result per ECC, in Norwegian currency	12.8	5.5
76.3	79.9	ECCs split (01.01) ¹⁸	79.9	76.3
122	134	Equity capital per ECC ¹⁷	135	124
131.0	120.0	PCC price quoted on the stock exchange	120.0	131.0
22.4	8.7	P/E (price divided by profit per ECC) ¹⁹	9.4	23.7
1.1	0.9	P/B (price divided by book value of equity capital) ²⁰	0.9	1.1
54.4	38.2	Costs as a percentage of income ³	39.9	53.9
1.3	1.1	Cost in percent of average total assets	1.0	1.1
165	156	Number of man-years	156	165
LOSSES ON LOANS AND GROSS DEFAULTS				
As a percentage of gross lending:				
0.6	0.5	Gross defaults over 90 days ¹³	0.4	0.5
1.0	0.6	Total loan loss provision	0.48	0.7
0.24	0.05	Losses on lending ¹²	0.04	0.20

OTHER CALCULATIONS

Parent bank			Group	
31.12.21	31.12.22	(Figures in MNOK and %)	31.12.22	31.12.21
		Operating costs, adjusted for one-time effects		
385	373	Operating costs	381	384
-53	0	One-time effects	0	-53
332	373	Operating costs, adjusted for one-time effects²³	381	331
1.11 %	1.09 %	Operating costs in % of BTA, adjusted for one-time effects	0.98 %	0.93 %
46.9 %	38.2 %	Operating costs in % of income, adjusted for one-time effects	39.9 %	46.5 %
216	480	Profit	445	205
-12	-13	Paid interests subordinated bonds	-13	-12
204	468	Net profit, incl. Interests subordinated bonds	432	193
53	0	one-time effect pension	0	53
257	468	Profit, adjusted for one-time effects	432	246
216	480	Profit (annualized)	445	205
257	468	Profit (annualized), eks one-time effects and incl. interests subordinat	432	246
4 017	4 670	Average equity	4 771	4 097
-325	-398	Average subordinated bonds	-398	-325
3 692	4 272	Average equity adjusted for subordinated bonds	4 373	3 772
6.4 %	10.3 %	ROE adjusted for one-time effects	9.3 %	6.0 %
6.9 %	10.9 %	ROE adjusted for one-time effects and interests FO11	9.9 %	6.5 %
216	480	Profit	445	205
216	480	Profit (annualized)	445	205
257	468	Profit (annualized), eks one-time effects and subordinated bonds	432	246
30 037	34 253	Average assets	39 027	35 740
0.7 %	1.4 %	Return on assets (annualized)	1.1 %	0.6 %
0.9 %	1.4 %	Return on assets (annualized) adjusted for one-time effects	1.1 %	0.7 %
4 289	4 415	CET1	4 450	4 400
41 081	40 192	Unweighted calculation basis	39 587	40 481
10.4 %	11.0 %	Leverage ratio	11.2 %	10.9 %

APM (Alternative performance measures)

In the board's report and in accounting presentations, SpareBank 1 Helgeland uses alternative performance measures or APM (alternative performance measures) with the purpose of giving a true and fair view of the bank's financial development and position, in order to ensure the correct information. Key figures that are regulated in IFRS or other legislation are not defined as APM. The same applies to non-financial information. APMs presented as part of the accounting portion of the reports are basically exempt from the APM guidelines, but are included in the schedule below to the extent that they are not defined in the financial statements. The reason for presenting adjusted results is to bring out the underlying operations in a better way and is not intended to replace ordinary reporting.

Definitions key figures:

- 1) **Return on equity.** Reason for use: The key figure indicates the return on the Group's equity. The key figure reflects the Group's ability to turn the capital into profitable business. Definition: Return on equity (total profit after tax) is calculated by dividing the profit/loss for the period for the financial year by the average equity for the past year. For information on return on equity for more than one profit for the period, the profit for the period is annualized.
- 2) **Net interest.** Reason for use: Net interest income is a normal key figure within banking/finance and reflects the bank's net interest income as a percentage of average total assets. Definition: Net interest income is the difference between gross interest income and interest expenses – net interest income in the result summary. Net interest income is annualized in the interim reports.

- 3) **Expense ratio.** Reason for use: Cost percentage is a normal key figure in banking/finance. The key figure reflects how effectively the bank/group operates. Definition: The cost percentage reflects the bank's/group's ability to translate its operating expenses into revenue recovery. The cost percentage is calculated by dividing the total operating costs by total income.
- 4) **Gross lending, the Group (incl. transfer for mortgage companies):** Reason for use: The bank owns Helgeland Boligkreditt 100 % and key figures reflect the bank's total lending volume. Definition: loan volume including transferred from the mortgage company.
- 5) **Deposit coverage.** Reason for use: Deposit coverage is a normal key figure in banking/finance. The key figure shows the share of the bank's lending activities that are financed by deposits from customers. Definition: The deposit coverage reflects the bank's ability to finance lending to customers through deposits from customers. Deposits are calculated by dividing the total deposits from customers by gross loans, excl. transfer to mortgage companies in the parent bank and including transfer to mortgage companies in the group.
- 6) **Lending growth last 12 months.** Reason for use: Lending growth over the last 12 months is a normal key figure in banking/finance. The key figure reflects the activity and growth of the bank's lending activities. The Group includes transfers from the mortgage company, growth in the parent bank excl. volume of the mortgage company. Definition: Lending growth is calculated from the corresponding period last year to this year. The group includes the volume of the mortgage company, while the parent bank is excl. volume of the mortgage company.
- 7) **Deposits growth last 12 months.** Reason for use: Deposit growth over the last 12 months is a normal key figure in banking/finance. The key figure reflects the activity and growth of the bank's deposit operations. Definition: Deposit growth over the last 12 months reflects the growth in deposits in the balance sheet from the corresponding period last year to this year.
- 8) **Total assets.** Reason for use: The key figure reflects the bank's total assets. Definition: Total assets in the balance sheet.
- 9) **Growth last 12 months in total assets.** Reason for use: The key figure reflects the growth in the bank's total assets including transferred to the mortgage company in the group and excl. volume transferred to the mortgage company in the parent bank. Definition: Growth assets in the balance sheet are calculated from the corresponding period last year to this year.
- 10) **Average total assets.** Reason for use: Several key figures are calculated on average total assets. Definition: Weighted average of total assets throughout the year.
- 11) **Equity excluding hybrid capital.** Reason for use: The key figure reflects part of the bank's capital that belongs to the owners excluding hybrid capital (fund bonds). Definition: The difference between the bank's equity (earned and paid-in equity) and the bank's hybrid capital (funded bonds).
- 12) **Loss ratio loans.** Reason for use: The key figure reflects a loss recognized as a function of gross lending in the balance sheet date. Definition: Loss provisions for the period on loans and guarantees divided by gross lending as a percentage. For information on loss-based loans for shorter periods than full financial years, the loss expense recognized in the income statement is annualized.
- 13) **Non-performing commitments.** Reason for use: The key figure indicates the proportion of the bank's gross non-performing loans. Definition: Non-performing loans (over 90 days) on loans and guarantees.
- 14) **Doubtful commitments.** Reason for use: The key figure indicates the proportion of the bank's gross loans that are subject to losses. Definition: Gross lending for the period that is doubtful (has an individual loss provision or risk class K, but which is not defaulted).
- 15) **Net Non-performing and doubtful commitments.** Reason for use: The key figure indicates how much the bank's net non-performing and doubtful commitments amount to gross loans. Definition: Net non-performing and doubtful commitments, less write-downs on these loans, divided by gross loans.
- 16) **Earnings per equity certificate.** Reason for use: The key figure gives readers information about earnings per equity certificate. Definition: The equity certificate holders' share of the result is calculated as profit before other income statement items in proportion to the average number of equity certificates in the period.
- 17) **Booked equity per equity certificate.** Reason for use: The key figure provides information on the value of the book equity per equity certificate. Definition: Equity certificate holders' share of equity divided by the number of equity certificates.
- 18) **Equity certificate fraction.** Reason for use: Basis for calculating dividends. Definition: The equity certificate holders' share of equity, e.g. Fund bonds.
- 19) **P/E.** Reason for use: The key figure provides information on earnings per equity certificate. Definition: Share price at end of period divided by profit (annualized) per equity certificate.
- 20) **P/B.** Reason for use: The key figure provides information on price per equity certificate. Definition: Share price at end of period divided by book equity per equity certificate.
- 21) **Capital adequacy.** Reason for use: Legal requirements for capital adequacy. Definition: subordinated capital divided by weighted balance sheet and excluding balance sheet items.
- 22) **Unweighted core capital adequacy.** Reason for use: Normal key figure in banking/finance. Provides more comparable capital regardless of the method of calculating capital adequacy. Definition: Tier 1 capital divided by capitalized items and non-capitalized items calculated without risk weighting.
- 23) **Operating costs adjusted for one-time effects.** Reason for use: Provides information about operating costs deducted costs that is not related to normal operation, and that mainly is related to one-time events. Definition: Operation costs deducted one-time effects

INFORMATION CONCERNING SPAREBANK 1 HELGELAND

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Bjørn Krane, Chair man
Rolf Eigil Bygdnes, Deputy Chair man
Marianne Terese Steinmo
Jonny Berfjord
Siw Moxness
Kenneth Normann
Solrun Johansen
Ann-Helen Baadstrand

Management

Hanne Nordgaard, Chief Executive Officer

Investor Relations

Anne Ekroll, Chief Financial Officer

Other sources of information

Annual reports

The annual report for SpareBank 1 Helgeland is available at www.sbh.no

Quarterly publications

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