

3Q 2022

Tromsø, 27 October 2022

Liv B. Ulriksen, CEO

Bengt Olsen, CFO

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Highlights YTD

Pre-tax profit		ROE	
1 523 MNOK (1 956)		10,2 % (14,0 %)	
CET1 ratio		C/I ratio	Losses
18,8 % (18,6 %)		43,0 % (39,1 %)	41 MNOK (-123)



The obvious choice for people and businesses!

«Better than anyone else, we shall understand and do what's important for people and businesses in Northern Norway»

Main bank retail	38 %
Main bank SME	41 %
Real estate agency	35 %
Accounting services	17 %
Secured financing	22 %

Subsidiaries – results before tax

(Beløp i mill kroner)	30.09.2022	30.09.2021
SpareBank 1 Finans Nord-Norge AS	157,3	155,2
SpareBank 1 Regnskapshuset Nord-Norge AS	30,0	33,5
EiendomsMegler 1 Nord-Norge AS	18,7	35,8
Datterselskap innenfor kjernevirksomhet	206,0	224,5
Øvrige døtre	2,4	1,1
Totalt	208,4	225,7



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Barometer 2022X





**Net zero emissions in the
lending portfolio by 2040**



**Contribute to a positive
migration flow to Northern
Norway by 2030**

















**70 percent of our portfolio in
the marine sector shall qualify
for green financing in 2030**



Northern Norway notice the changes, but:

- Stable labor market
- Solid corporates
- Low electricity prices
- Weak NOK
- High commodity prices
- Large public sector
- Increased investments in defense

Status and outlook in Northern Norway

Segment	Status	Outlook
Commercial real estate		
Fisheries		
Fish farming		
Construction		
Retail sales		
Tourism		
Power		

Ambitions for growth and increased market share

Expected growth for SpareBank 1 Nord-Norge in 2022

Retail market: **4-6 %**

Corporate market: **6-9 %**

The bank is strongly capitalized, and the region is well positioned for further economic growth.

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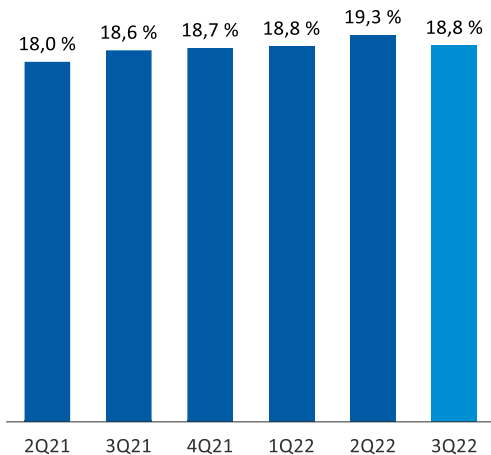
Group financial highlights and key figures

(Amounts in NOK million and in % of average assets)

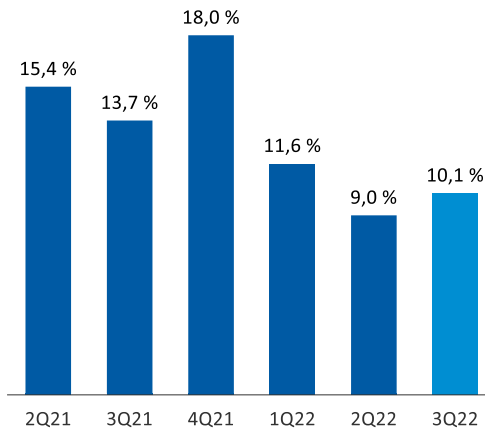
	3Q22	2Q22	3Q21	31.12.21
Net interest income	654	594	505	2 014
Net fee- and other operating income	312	316	366	1 499
Net income from financial investments	6	- 66	140	794
Total income	972	844	1 011	4 307
Total costs	388	396	395	1 748
Result before losses	584	448	616	2 559
Losses	56	17	- 47	- 235
Result before tax	528	431	663	2 794
Tax	139	86	131	499
Result after tax	389	345	532	2 295
Interest hybrid capital	9	8	7	29
Result after tax ex. interest hybrid capital	380	337	525	2 266
Profitability				
Return on equity capital	10,1 %	9,0 %	13,7 %	15,1 %
Interest margin	1,95 %	1,86 %	1,64 %	1,67 %
Cost/income	39,9 %	46,9 %	39,1 %	40,6 %

Quarterly development

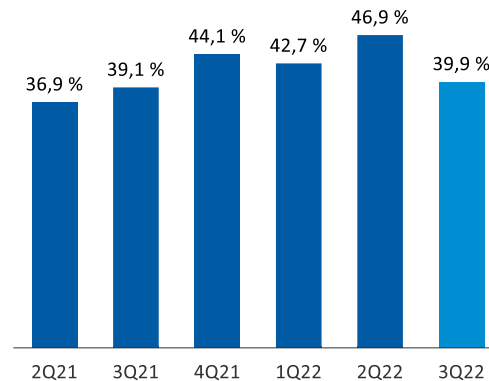
CET1 ratio



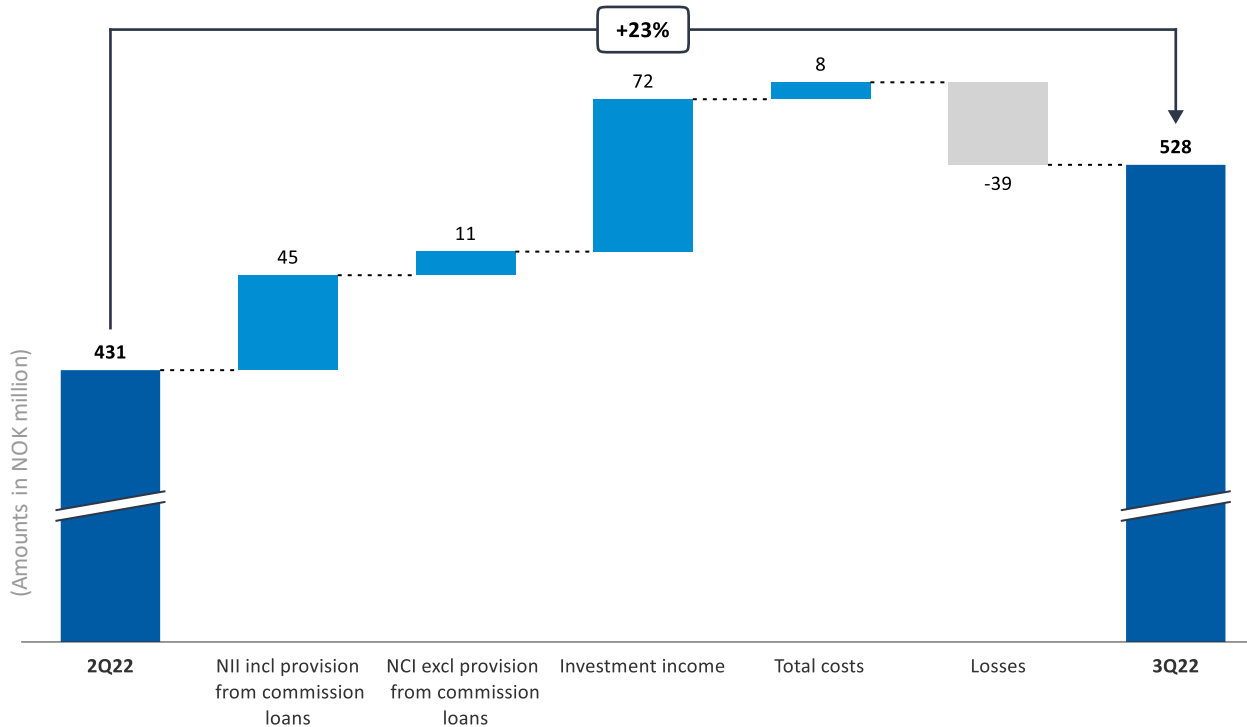
Return on equity capital



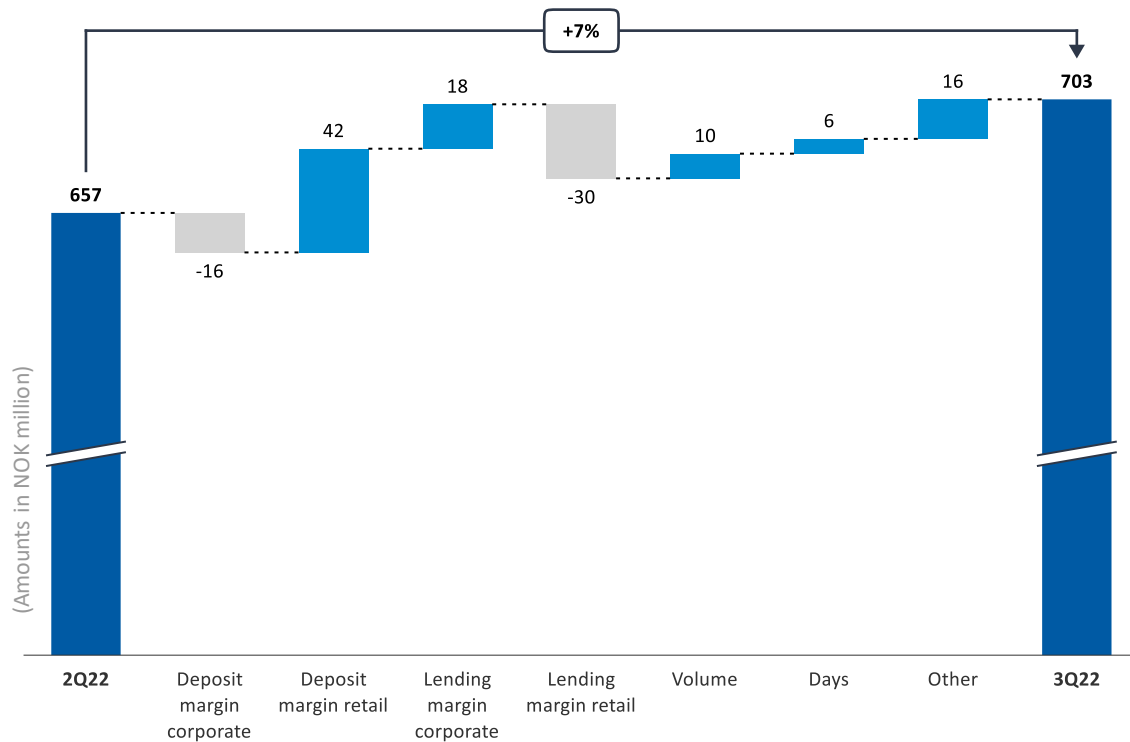
Cost/income Group



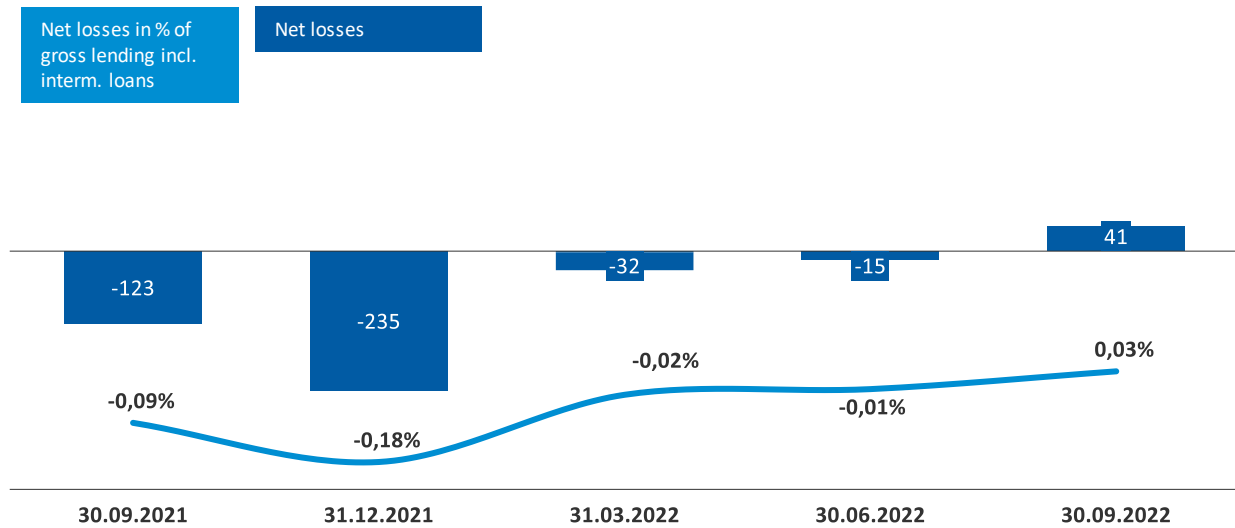
Result before tax - last quarter



Net interest income - Group

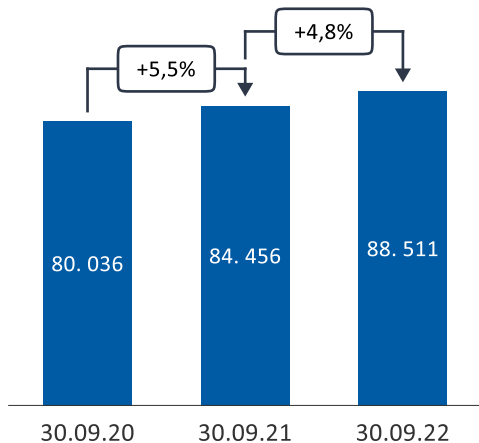


Low losses

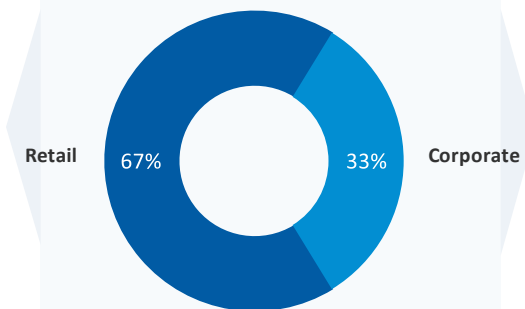


Lending growth

Retail marked (incl.commission loans)



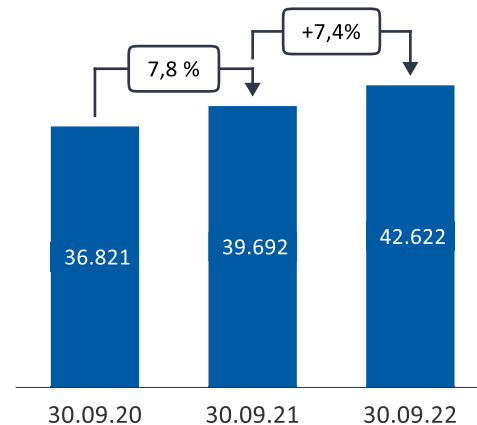
Gross lending (incl.commission loans)



Gross lending (excl.commission loans)

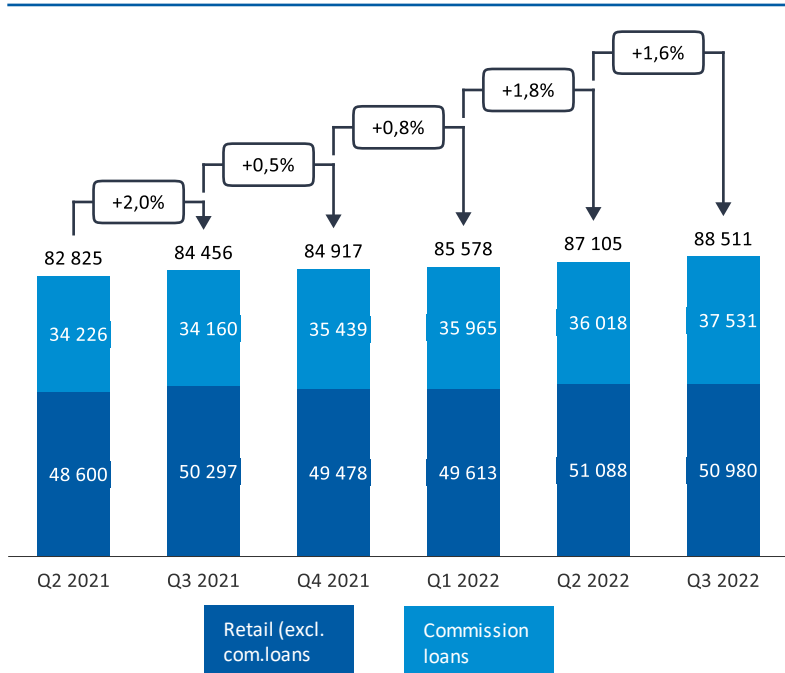


Corporate Banking (incl.commission loans)

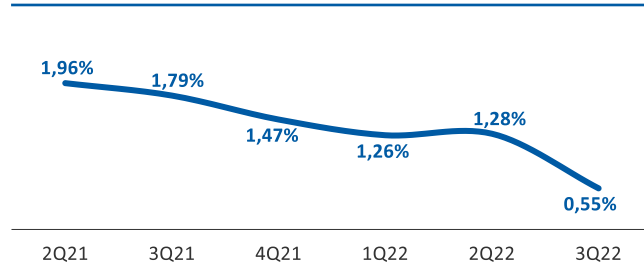


Retail Market

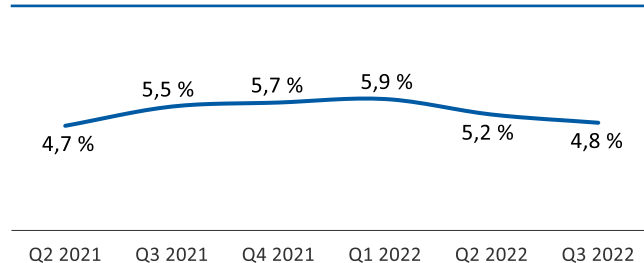
Lending growth



Development in lending margin (ISO)



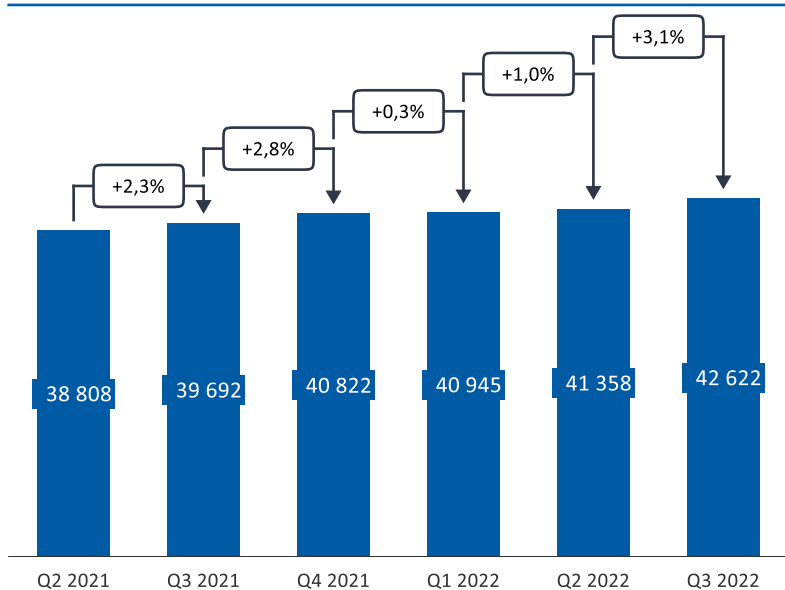
Lending growth (12 mth)



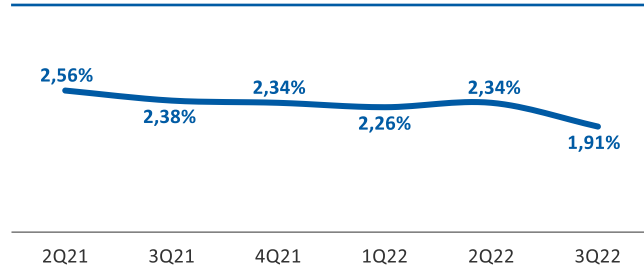
*) All historical figures have been corrected for the portfolio sold to SpareBank 1 Helgeland

Corporate Banking

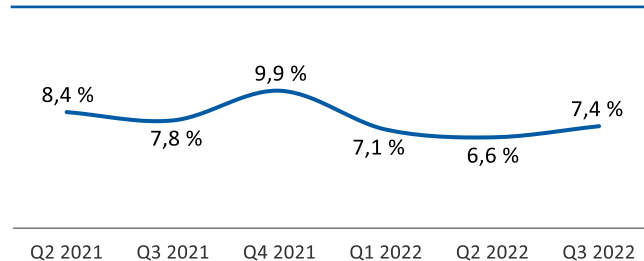
Lending growth



Development in lending margin (ISO)

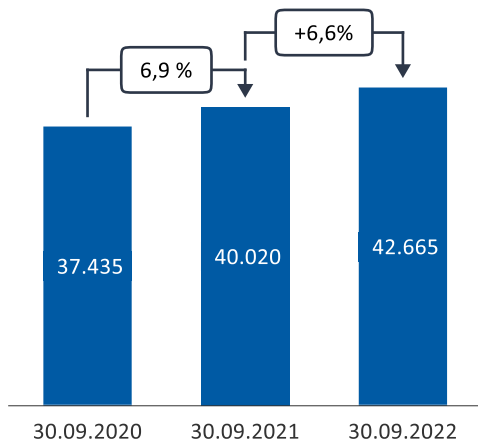


Lending growth (12 mth)

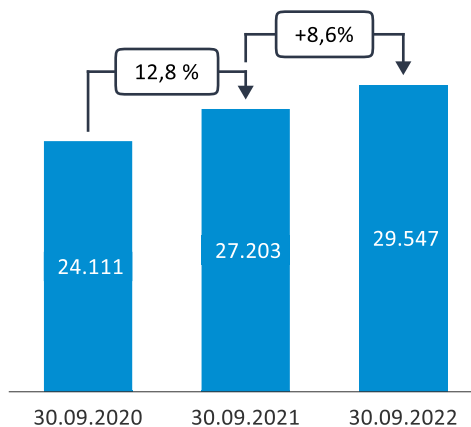


Deposit growth

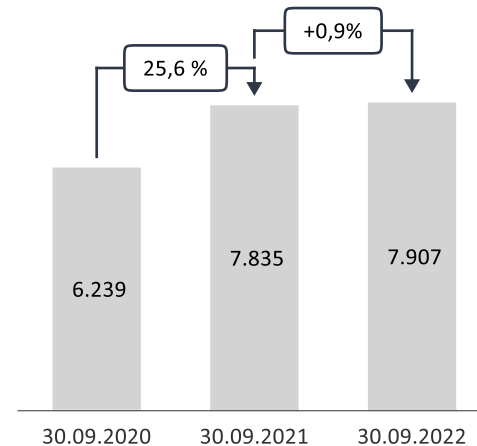
Retail Market



Corporate Banking



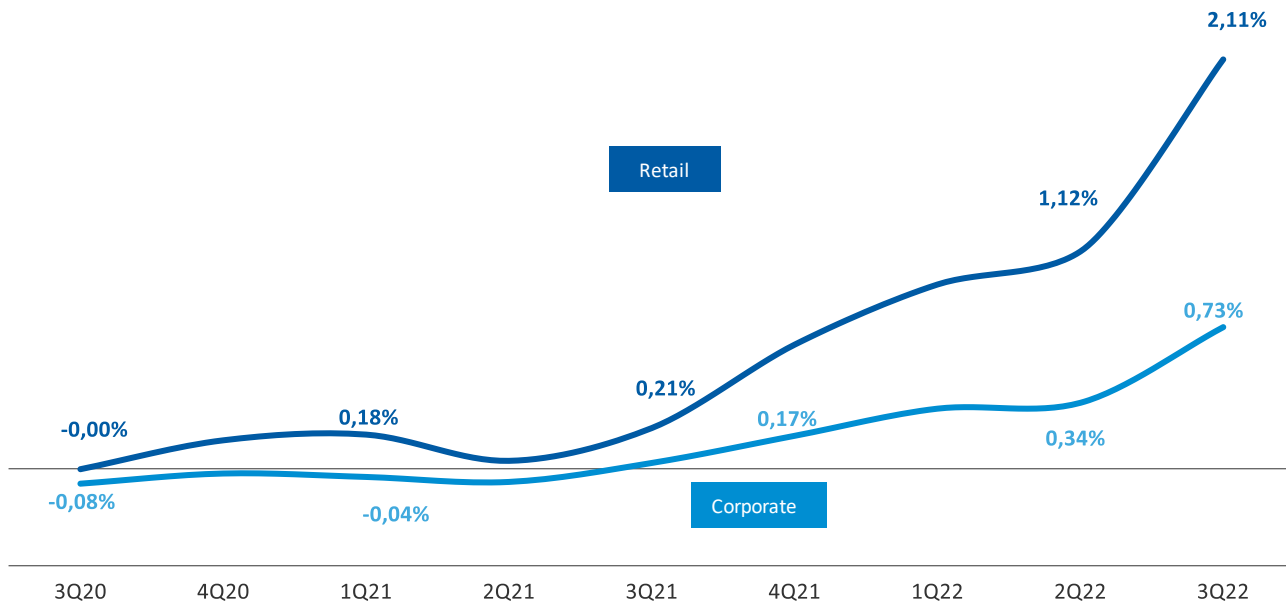
Public Sector



Deposits gross



Development in deposit margins



Long term financial targets

> 12 %
ROE

< 40 %
C/I ratio

> 50 %
Dividend payout ratio

16,5 %
CET1 ratio

Financial outlook

NRI

- Lending margins and provisions from SpareBank 1 Boligkreditt is, like in the previous quarter, negatively effected by the increase of Nibor, which is outperforming both the central bank rate and mortgage rates. This is as expected with a steepening of the yield curve, and the effect will balance over time. On the positive side we see an increased deposit margin, a development that is expected to continue for the rest of th is year and in the beginning of 2023.

ROE >12 %

- The combination of lower than expected income from SB1 Gruppen and SB1 Boligkreditt, a soft securities market and a very well capitalized bank put pressure on the ROE in Q3. The underlying operations are solid, the turbulence in the markets temporary, and given a normalization of the markets the ROE target for 2022 is attainable .

CET1 Ratio: 16.5 %

- Targeted CET1 ratio is one percentage point above the regulatory minimum requirement.*
- The bank is very well capitalized, and have the fincial mucels needed for growth going forward and dividiend for the financial year 2022.

C/I < 40 %

- Total costs in Q3 is NOK 7 mill lower than in Q2. Despite a high underlying inflation and a degree of salary slippage the cost control is tight and C/I for Q3 is within the targeted level. Given a normalization of the securities markets and SB1 Gruppen results the banks C/I target for 2022 might be within reach.

Pay out ratio > 50 %

- The targeted dividend pay out ratio of > 50 % still stands .
- The Bank is well capitalized and are well equipped to take growth without limiting the capazity to pay out dividends. SpareBank 1 Nord-Norge shall not, over time, have more capital than we need for growth and to maintain our solvency.

*) Taken into account the planned adj. in buffers as of 31/12-22 and 31/3-23

Why invest in SpareBank 1 Nord-Norge

#1

- Market leader in a resourceful region

ROE

- Ambitious, top class financial targets
- Implements new KPI measures to maintain top class ROE



- Owner friendly dividend policy and strong capitalization
- High relative ownership in SpareBank 1 Group, other alliance companies and Norwegian banking infrastructure

Contacts

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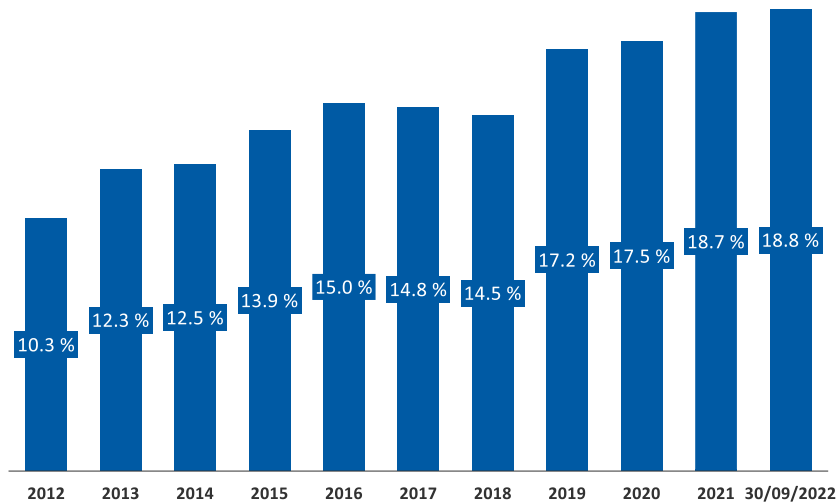
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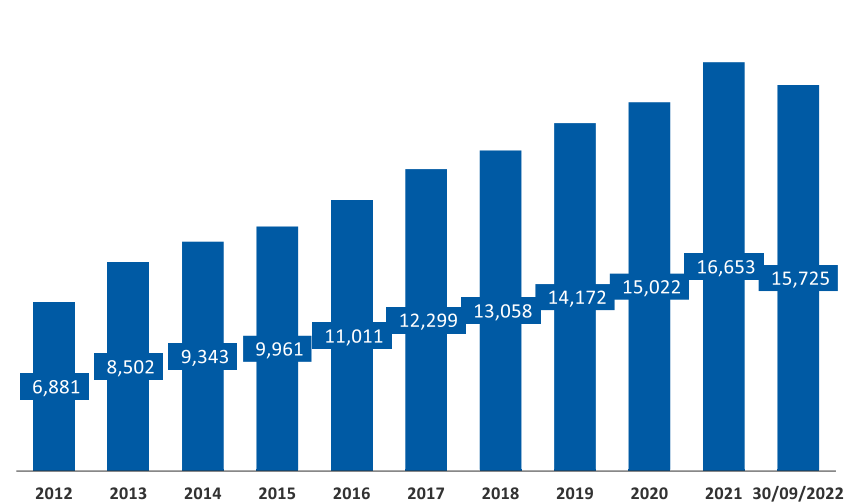


A solid bank for Northern Norway

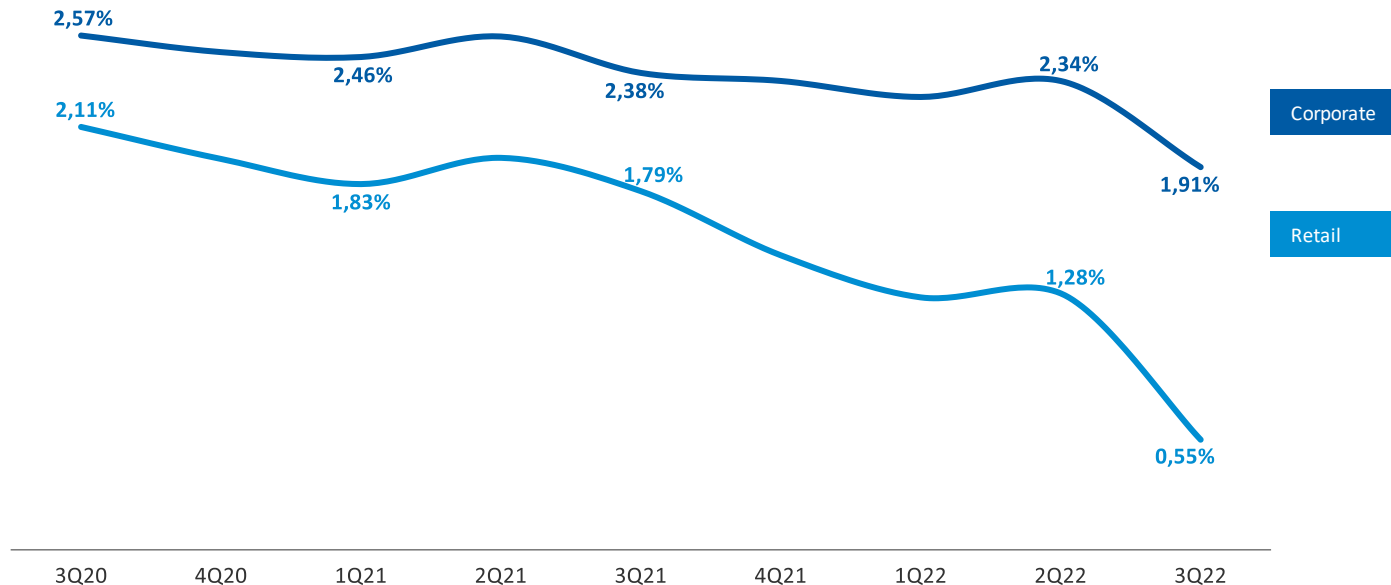
CET1 ratio



Total equity (mNOK)



Development in lending margins



Company structure

Associated companies and joint ventures

SpareBank 1 Gruppen AS
19,50 % | Financial services

SpareBank 1 Boligkreditt AS
15,92 % | Mortgage company

**SpareBank 1
Næringskreditt AS**
3,09 % | Mortgage company

SpareBank 1 Utvikling DA
18 % | System development

SpareBank 1 Kreditt AS
19,22 % | Credit card

SpareBank 1 Betaling AS
17,94 % | Vipps/mobile payment

**SpareBank 1
Gjeldsinformasjon AS**
14,44 % | Investment company

**SpareBank 1 Bank og
Regnskap AS**
25 % | Innovation

SpareBank 1 Mobilitet AS
30,66 % | System development

SpareBank 1 Forvaltning AS
13,27 % | Investment company

SpareBank 1 Kundepleie AS
26,67 % | System development

Subsidiaries

**SpareBank 1 Finans Nord-
Norge AS**
85 % | Loan/consumer finance/leasing

**Eiendomsmegler 1 Nord-
Norge AS**
85 % | Real estate brokerage

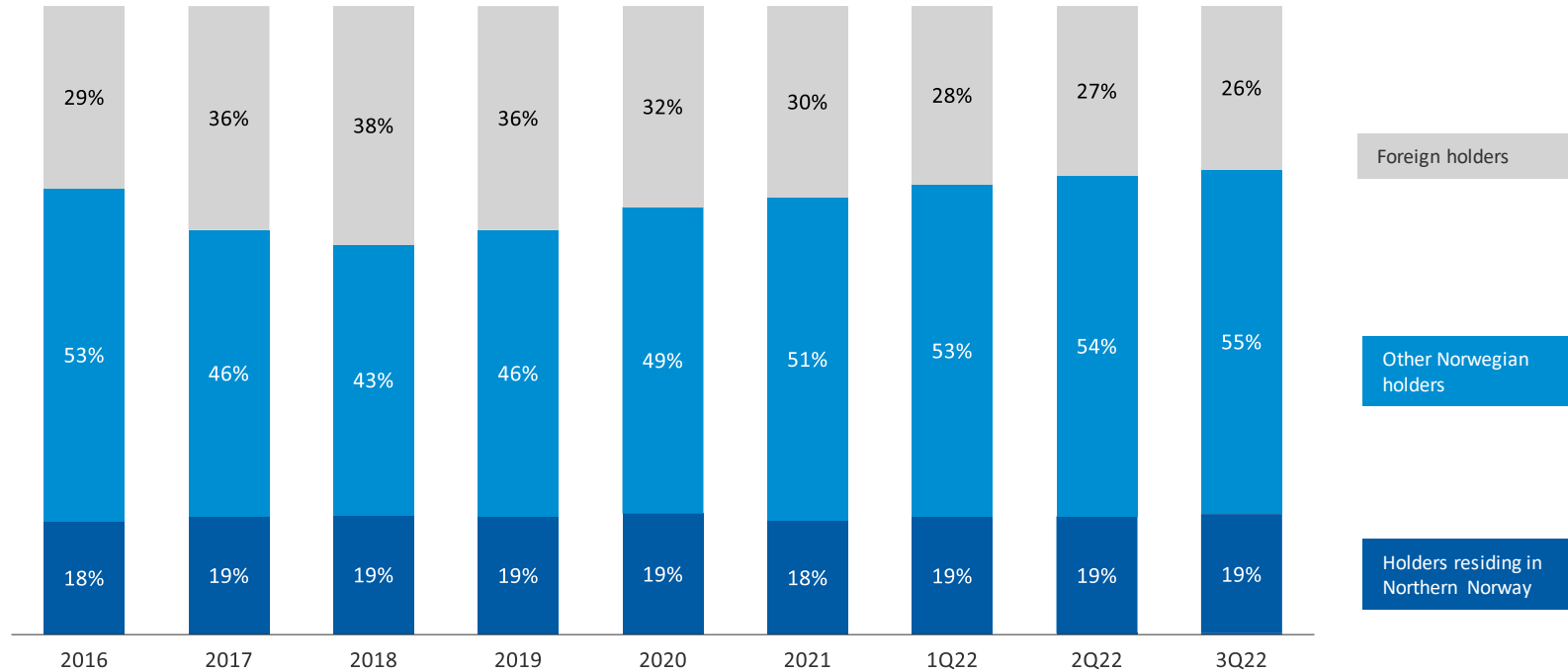
Fredrik Langesgt 20 AS
100 % | Commercial building

**SpareBank 1 Regnskaps-
huset Nord-Norge AS**
85 % | Accounting

**SpareBank 1 Nord-Norge
Portefølje AS**
100 % | Investment company

Rødbanken Holding AS*
100 % | Investment company

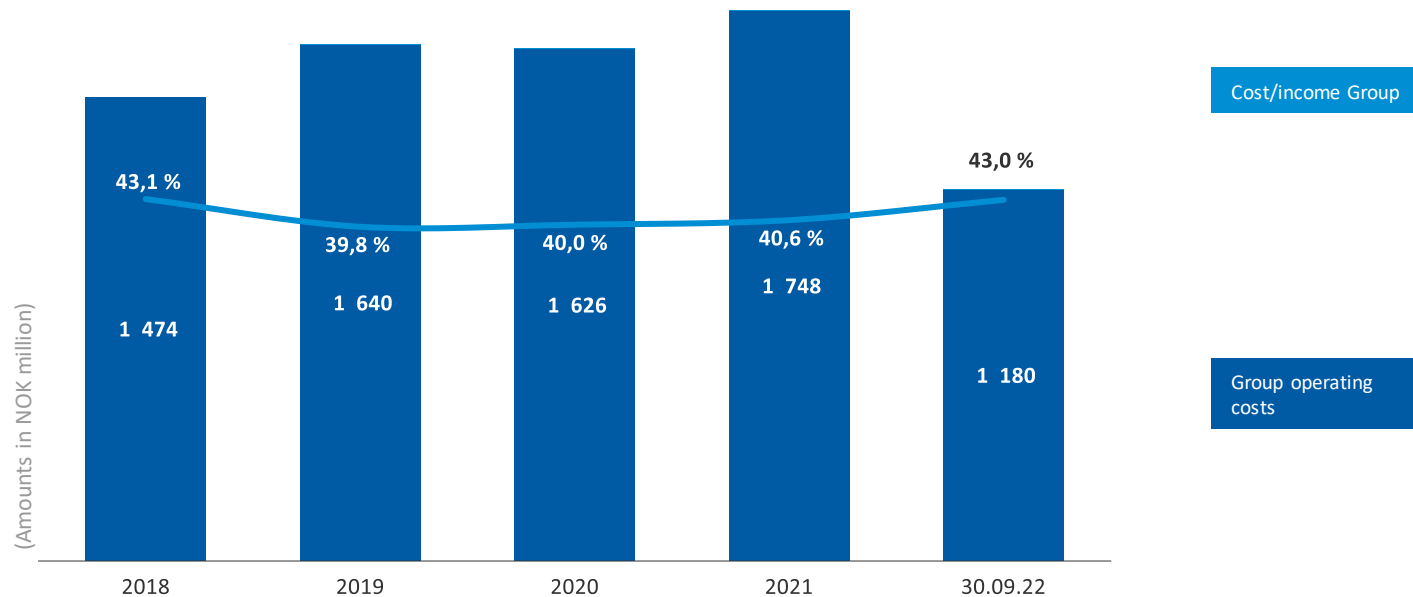
Geographical distribution of ownership



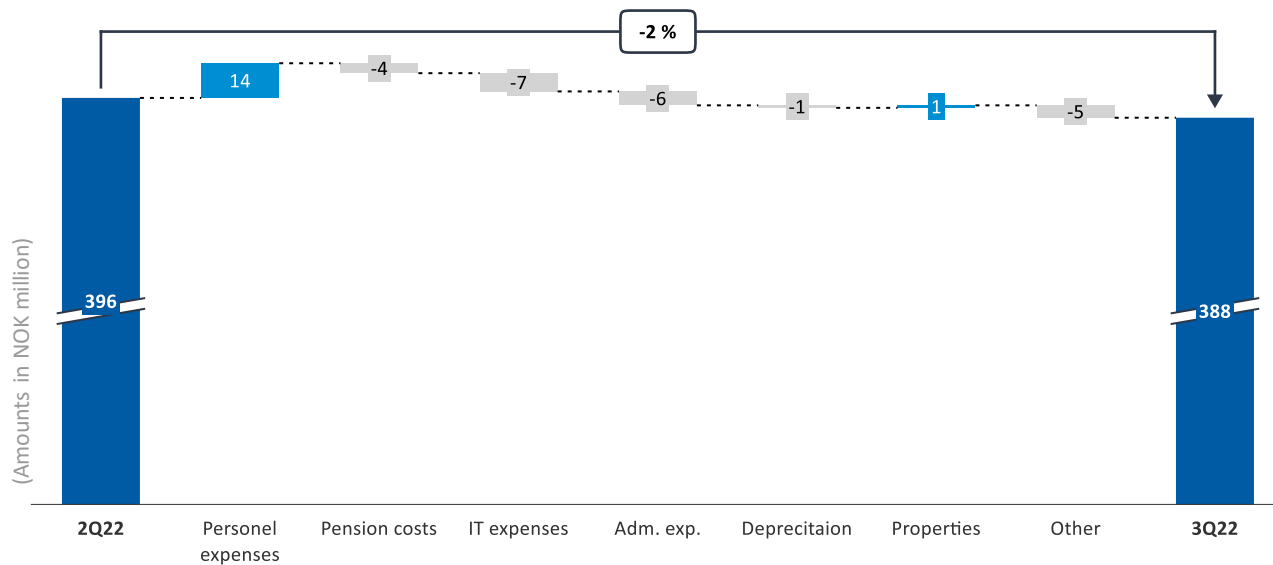
The 20 largest EC holders

EC Holders	Number of Ecs	Share of EC Capital
PARETO INVEST NORGE AS	4,1M	4,1 %
VPF EIKA EGENKAPITALBEVIS	3,5M	3,5 %
PARETO AKSJE NORGE VERDIPAPIRFOND	3,3M	3,2 %
GEVERAN TRADING CO LTD	2,9M	2,9 %
MP PENSJON PK	2,4M	2,4 %
The Northern Trust Comp, London Br	2,2M	2,2 %
KOMMUNAL LANDSPENSJONSKASSE GJENSI	2,0M	2,0 %
Brown Brothers Harriman & Co.	2,0M	2,0 %
SPECIALFONDET BOREA UTBYTTE	1,9M	1,9 %
FORSVARETS PERSONELLSERVICE	1,8M	1,7 %
State Street Bank and Trust Comp	1,4M	1,4 %
SPAREBANKSTIFTELSEN SPAREBANK 1 NO	1,4M	1,4 %
Landkreditt Utbytte	1,3M	1,2 %
J.P. Morgan SE	1,0M	1,0 %
Euroclear Bank S.A./N.V.	955K	1,0 %
J.P. Morgan SE	864K	0,9 %
The Bank of New York Mellon SA/NV	846K	0,8 %
State Street Bank and Trust Comp	781K	0,8 %
Brown Brothers Harriman & Co.	735K	0,7 %
The Bank of New York Mellon SA/NV	667K	0,7 %
Total	35.984.434	35,8 %

Cost development - Group



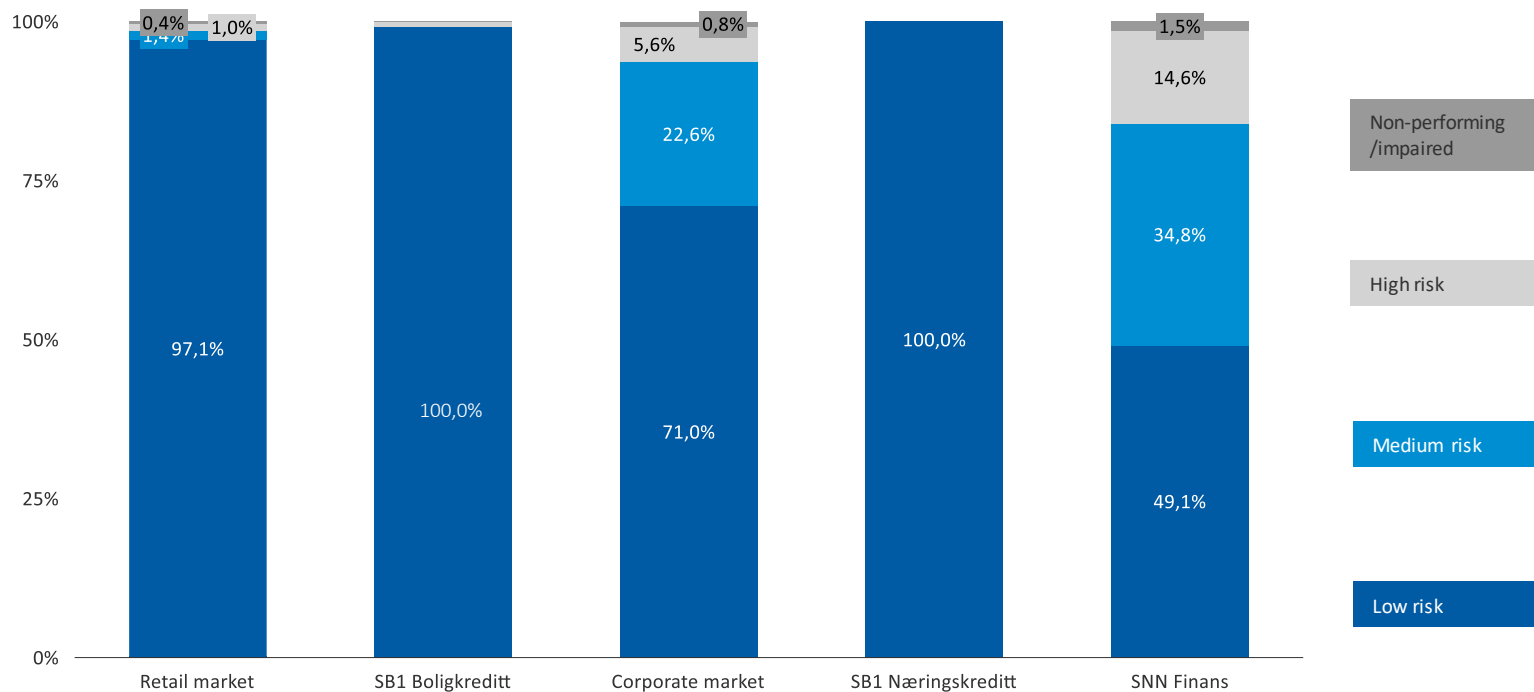
Operating expenses - Group



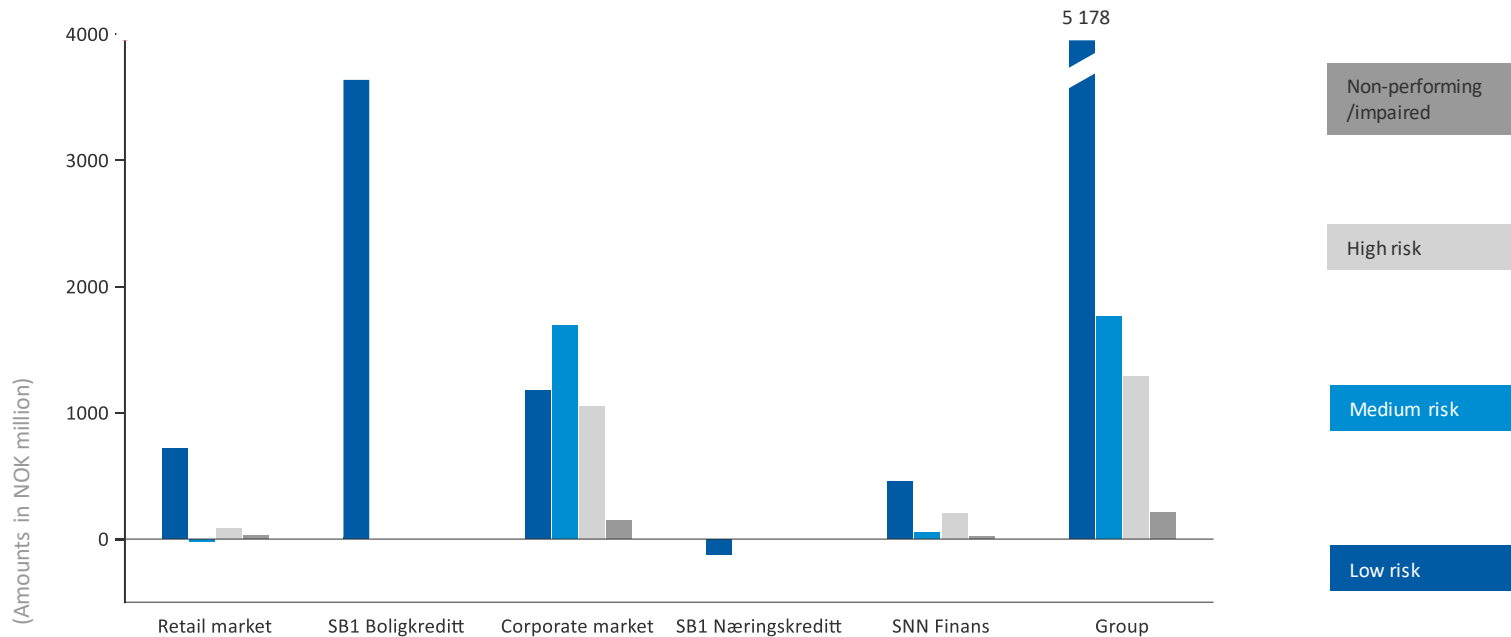
Net fee- and other operating income - Group

(Amounts in NOK million)	3Q22	2Q22	1Q22	4Q21	3Q21
Payment facilities	71	57	55	63	62
Sales provision insurance products	51	49	49	49	50
Guarantee commissions	10	8	6	9	8
Real estate broking	29	34	22	29	32
Portfolio commissions	20	12	12	15	18
Other commissions	51	57	44	49	53
Commissions excl. commission loan	232	217	188	214	223
Commission loans	49	63	73	87	112
Total commission income	281	280	261	301	335
Commission costs	20	21	17	30	21
Accounting services	47	57	66	47	47
Other operating income	4	0	1	101	5
Total commissions and other income	51	57	67	148	52
Net fee- and other operating income	312	316	311	419	366

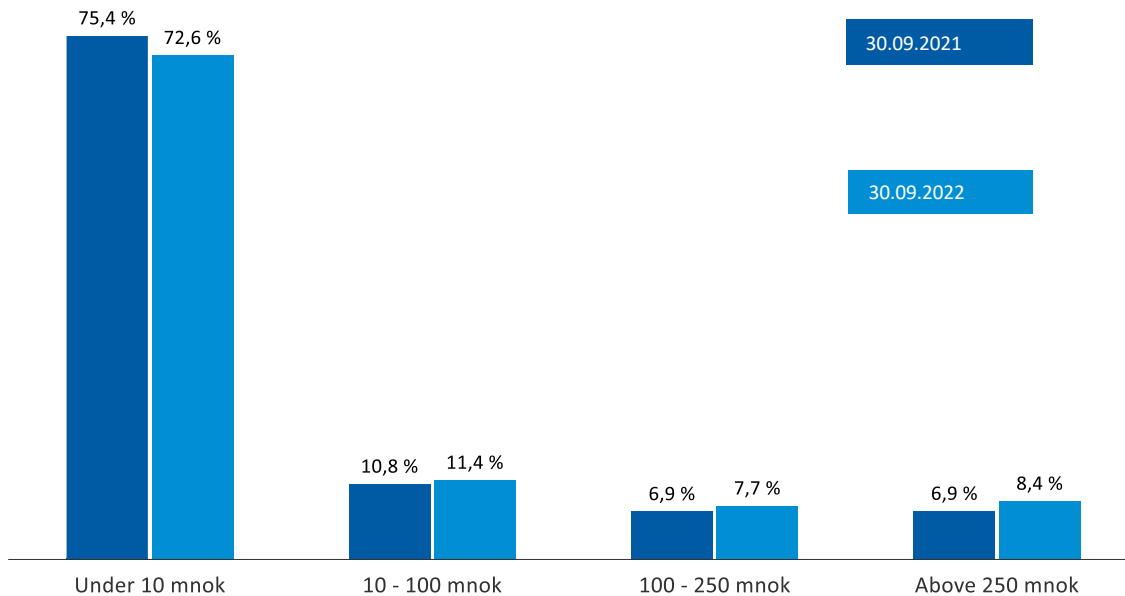
Risk exposure - Group



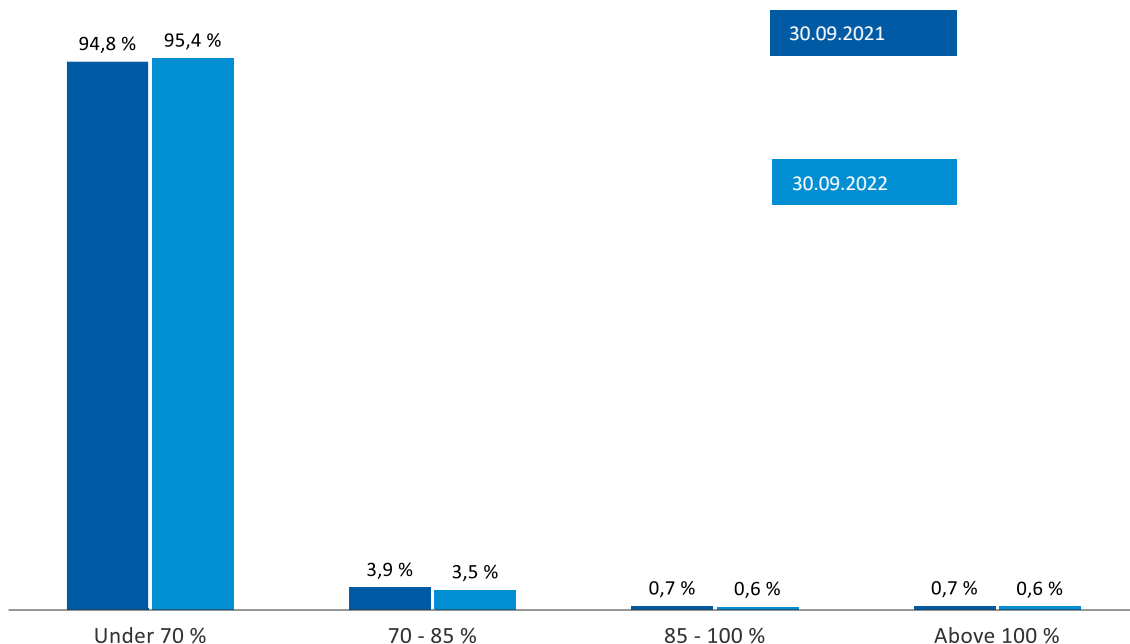
Changes in exposure last 12 months - Group



Exposure distributed by size*



LTV mortgage loans

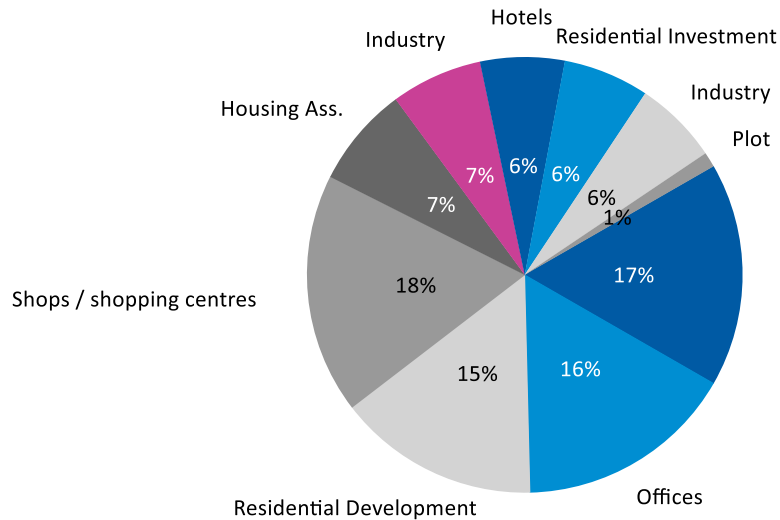


LTV is distributed by balance and is based on the market value of the collateral:

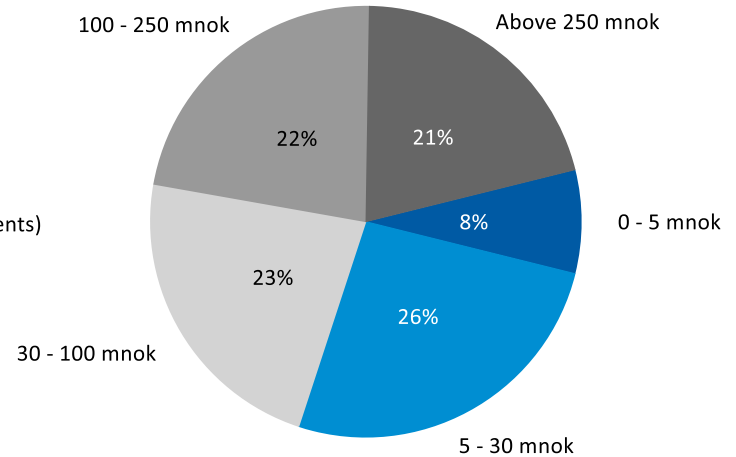
- 98.9 % of the gross exposure is within 85 % of the collateral market value
- Only 0.6 % of the gross exposure is higher than 100 % of the collateral market value
- The figures include the portfolio in SB1 Boligkreditt

Diversified portfolio in commercial real estate

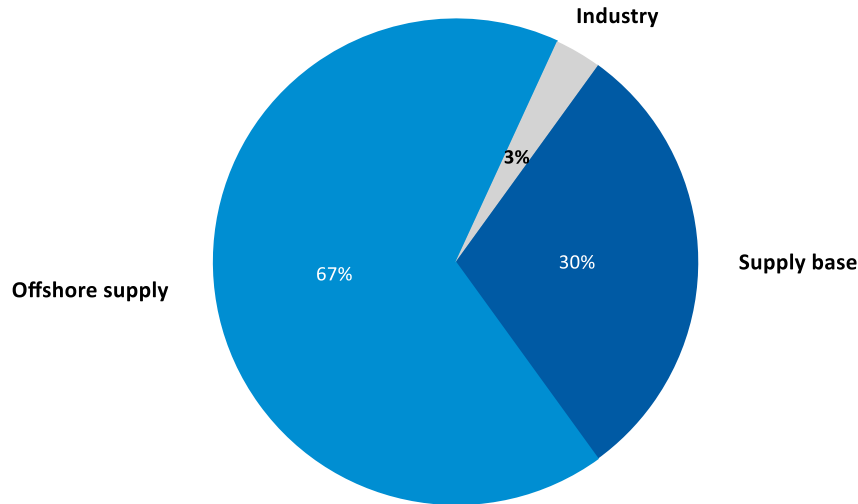
Portfolio distribution



Size of commitments



Still low oil related exposure



Oil related exposure amounts to NOK 789 mill

- The exposure represents 0.55 % of total exposure including covered bond companies
- Average weighted probability of default 0.97 %
- A total of NOK 25 mill are non-performing or impaired commitments
- The activity within oil and offshore consists of a small customer portfolio handled by a small group of advisors

Loan losses - Group

(Amounts in NOK million)	3Q22	2Q22	1Q22	31.12.2021	4Q21	3Q21	2Q21	1Q21
Individual losses Corporate market	-3,6	3,1	43,0	-126,9	-153,1	19,9	7,3	-1,1
Individual losses Retail market	-2,4	0,1	0,2	1,6	3,8	1,2	-3,5	0,2
Collective losses and other value change items	62,6	13,8	-75,6	-110,0	36,6	-68,0	-26,8	-51,7
Total losses on loans and guarantees	56,6	17,0	-32,4	-235,3	-112,8	-47,0	-23,0	-52,6

The Group's annualized losses is 0.04 % (annualized) of gross lending including loans transferred to covered bond companies

Commitments in step 3: 0.71 % of total exposure. Expected loss share: 28.37 %

Commitments in step 2: 7.80 % of total exposure. Expected loss share: 4.18 %

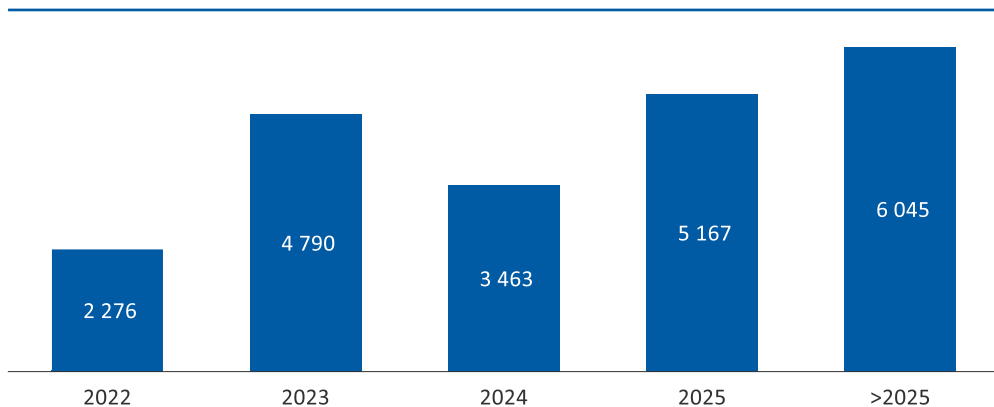
Commitments in step 1: 91.49 % of total exposure. Expected loss share: 0.28 %

The lending portfolio*

Sector	Share of total loans	Lending mNOK
Retail market	38,4 %	50 888
SpareBank 1 Boligkreditt	28,6 %	37 812
Real estate	11,7 %	15 527
Fishing and aquaculture	6,6 %	8 794
Financial and insurance activities	3,2 %	4 264
Power and water supply and construction	3,0 %	4 004
Transportation	2,3 %	3 035
Service industries	2,1 %	2 809
Commodity trade, hotel and restaurant industry	1,6 %	2 173
Manufacturing	1,4 %	1 800
Agriculture and forestry	0,9 %	1 130
Government	0,2 %	202
Total loans Retail market	67,0 %	88 700
Total loans Corporate market	33,0 %	43 738
Total loans to customers		132 438

Funding

Maturity profile (mNOK)

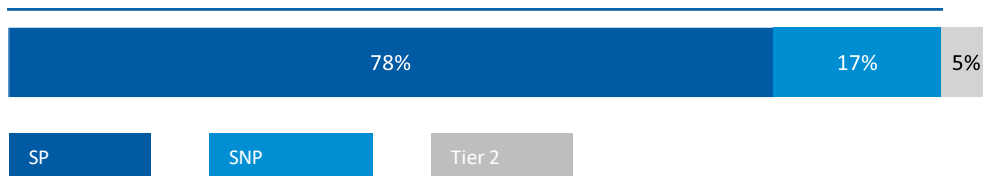


NOK 21 740 mill in capital market funding exclusive of SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt

SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt is important funding sources. In total NOK 37 812 mill had been transferred as of 30.09.22

Amount of gross maturities of capital market funding next 12 months is NOK 6 465 mill

Distribution of capital market funding (mNOK)



Achieving goals for sustainability

- ESG-classified portfolio aligned with EUs taxonomy*
- Major contribution to the SDGs (175 mill in 2021)
- Green product framework and Green Finance Framework established special for the Arctic region
- 41% women in leadership positions
- 24% reduction in greenhouse gas emissions
- ESG-strategy build on established principles in the Finance sector (UNEP FI, UNG Global Compact, GRI, TCFD)

*Delegatet acts June 2021



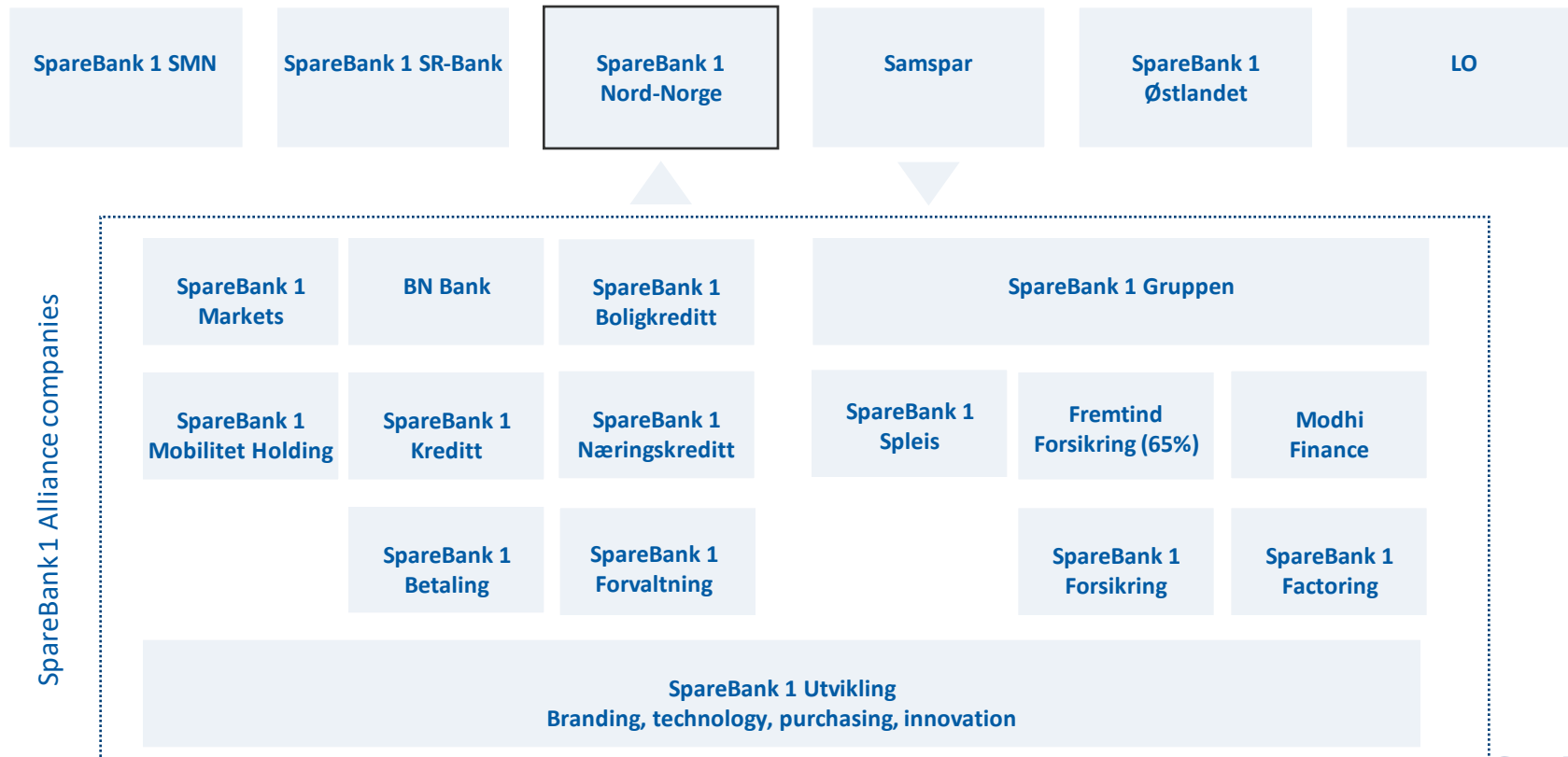
SpareBank 1 Alliance

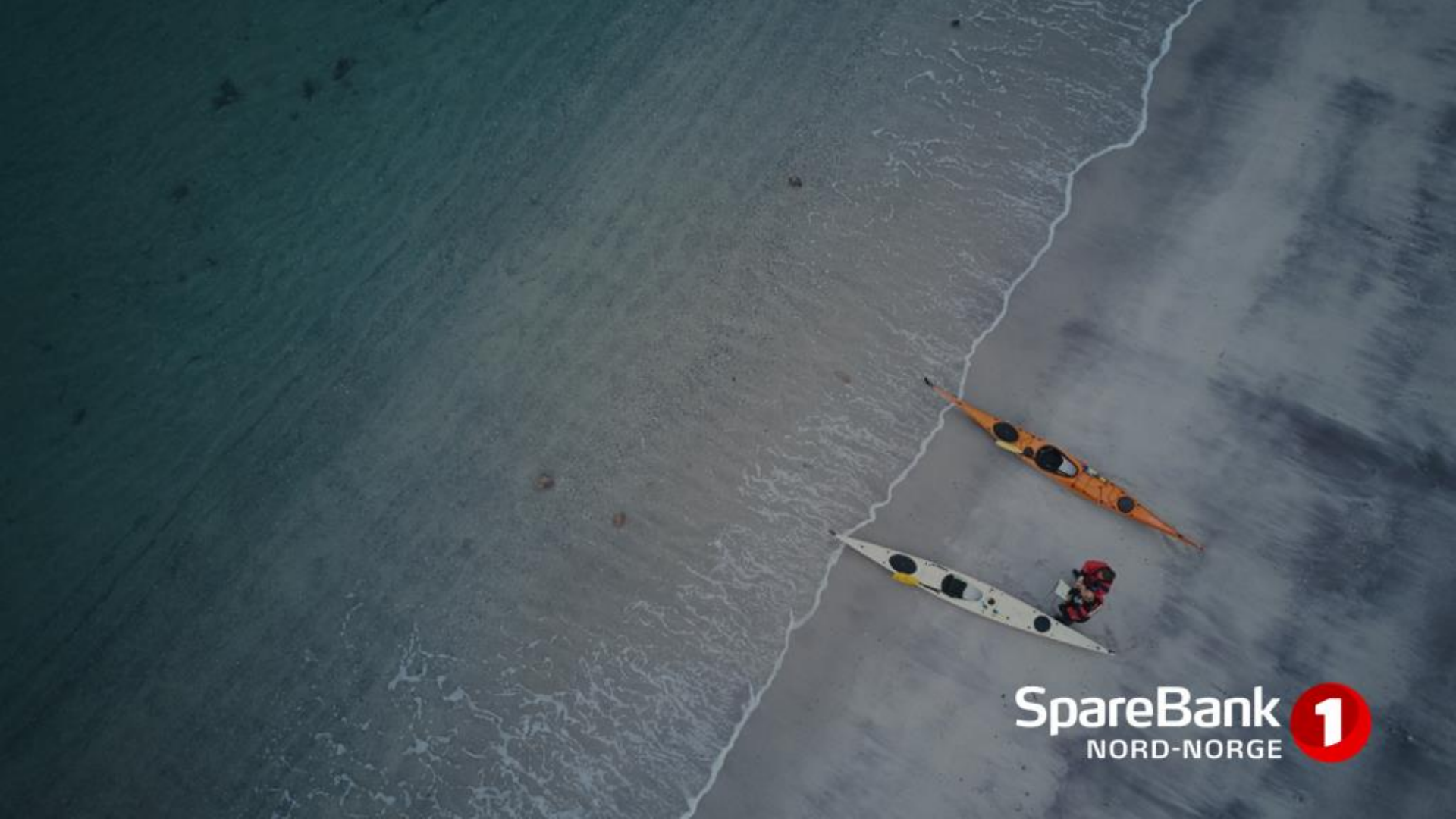


- The SpareBank 1-alliance consists of 14 banks
- Operate exclusively in Norway
- Norway's most extensive branch network with approx. 350 branches
- The alliance is in the forefront of incorporating technological innovation into its distribution channels. Best rated mobile banking in Norway
- Market leaders in their core regional markets
- The largest banks (approx. 80 % of total assets) have the following rating:

Sr. Unsec. Ratings	Moody's
SpareBank 1 Nord-Norge	Aa3 / P-1
SpareBank 1 SMN	A1 / P-1
SpareBank 1 SR	A1 / P-1
SpareBank 1 Østlandet	Aa3 / P-1

SpareBank 1 Alliance





SpareBank
NORD-NORGE

