

Alternative Performance Measures Group

(Amounts in NOK million)	31.03.23	31.03.22
Profit for the period	721	454
Deduct interest hybrid tier 1 capital	11	10
Profit for the period incl. interest hybrid tier 1 capital	710	444
Total Equity	15 029	15 858
Deducting hybrid Tier 1 capital	804	1 019
Equity excl. hybrid Tier 1 capital	14 225	14 839
Average equity excl. hybrid tier 1 capital	14 875	15 356
Profit for the period, annualised incl. interest hybrid tier 1 capital	2 840	1 776
Average equity excl. hybrid tier 1 capital	14 875	15 356
Return on Equity	19,1 %	11,6 %
Total operating expenses	421	396
Total income	1 267	928
Cost-income ratio	33,2 %	42,7 %
Net interest income	820	541
Average total assets	124 535	119 977
Interest margin	2,63 %	1,80 %
Deposits from customers	81 665	78 584
Total lending incl. loans transferred to covered bond companies	135 091	126 523
Deposits as a percentage of total lending incl. loans transferred to covered bond companies	60,5 %	62,1 %
Deposits from customers	81 665	78 584
Gross loans to customers	94 510	90 244
Deposits as a percentage of gross lending	86,4 %	87,1 %

APM (Alternative Performance Measures) Group (cont.)	31.03.23	31.03.22
Total lending incl. loans transferred to covered bond companies	135 091	126 523
Total lending incl. loans transferred to covered bond companies last year	126 523	128 493
Lending growth last 12 months incl. loans transferred to covered bond companies	8 568	-1 970
Lending growth last 12 months incl. loans transferred to covered bond companies	6,8 %	-1,5 %
Total lending	94 510	90 244
Total lending last year	90 244	90 257
Lending growth last 12 months	4 266	- 13
Lending growth last 12 months	4,7 %	0,0 %
Total loans transferred to covered bond companies	40 581	36 279
Total lending incl. loans transferred to covered bond companies last year	135 091	126 523
Share of intermediary loans	30,0 %	28,7 %
Loans transferred to SpareBank 1 Boligkreditt AS	40 302	35 965
Total retail lending end of period	89 923	85 578
Share of loans transferred to covered bond companies of total retail lending	44,8 %	42,0 %
Loans transferred to SpareBank 1 Næringskreditt AS	279	314
Total corporate lending end of period	48 857	42 485
Share of loans transferred to covered bond companies of total corporate lending	0,6 %	0,7 %
Deposits from customers	81 665	78 584
Deposits from customers last year	78 584	75 710
Growth in deposits from customers past 12 months	3 081	2 874
Growth in deposits from customers past 12 months	3,9 %	3,8 %
Losses on loans and guarantees	- 57	- 32
Losses on loans and guarantees, annualised	- 228	- 128
Total lending incl. loans transferred to covered bond companies	138 780	128 063
Losses on loans to customers as a percentage of total lending incl. loans transferred to covered bond companies	0,0 %	0,0 %
Gross loans in stage 3	695	619
Loss provisions stage 3	- 202	- 186
Net commitments in default	493	433
Total lending incl. loans transferred to covered bond companies	138 780	128 063
Net comm. in default and at risk of loss as a per. of total lending incl. loans transferred to covered bond companies	0,4 %	0,3 %
Non-performing commitments	695	619
Loss provisions stage 3	- 202	- 186
Loan loss provision ratio	29,1 %	30,0 %

Alternative performance measures

SpareBank 1 Nord-Norge's alternative performance measures (APMs), provide relevant additional information to what is otherwise shown in the quarterly financial statements. These key figures are not defined through IFRS and cannot be directly compared with equivalent figures for other companies unless the same definition is used.

The alternative performance measures are not meant to replace any measurements/key figures under IFRS. The performance targets provide additional insight into the Group's operations and represent important targets in management's control of the Group's various business areas. Non-financial data or key figures governed by IFRS or other regulations, e.g. CRR/CRD, are not defined as APMs. The APMs are presented on a separate page in the quarterly accounts, and show comparable figures for the corresponding period last year.

Profitability	Definition	Relevance
Return on equity	Profit in relation to average equity. Calculated per the end of each quarter, along with opening and closing balances for the year. The return on equity for the period is reported on an annualised basis.	Return on equity is the Group's strategic target for profitability. The return on equity is a measure of profitability on the Group's performance factors.
Cost/income ratio	Total costs in relation to total income.	The cost/income ratio is a measure of the profitability of the Group's ongoing operations.
Interest margin	Net interest income in relation to average total assets. Average total assets are calculated as at the end of each quarter, along with opening and closing balances.	The interest margin shows the trend in the ratio between the sale price of products and lending costs from period to period. The interest margin measures the profitability of the Group's loan products.

Deposits

Deposit-to-loan ratio	Total deposits are divided by total lending excluding intermediary loans.	The ratio shows the proportion of the Group's total lending financed through customer deposits, and the need for financing from external lenders.
Deposit-to-loan ratio incl. intermediary loans	Total deposits are divided by total lending including intermediary loans.	The ratio shows how much of the Group's total lending including intermediary loans has been funded through customers' deposits.
Growth in deposits	Deposit growth is measured quarterly as the percentage change in the Bank's deposits in the last 12 months.	Measures both customer growth and changes in the financing situation.

Lending

Growth in lending (%)	Growth in lending excl. intermediary loans is measured quarterly as the percentage change in the Bank's customer loans in the last 12 months.	Shows the growth in the Bank's core area, customer lending. The calculation does not include liquidity portfolio/loans to credit institutions.
Growth in lending, incl. intermediary loans (%).	Growth in lending incl. intermediary loans is measured quarterly as the percentage change in the Bank's customer loans in the last 12 months.	Shows the growth in the Bank's core area, including intermediary loans.
Proportion of loans deducted	Measured as the percentage of loans deducted in relation to gross lending.	A not insignificant part of the bank's lending is transferred to SpareBank1 Boligkreditt or SpareBank1 Næringskreditt as intermediary loans and deducted from the balance. This key figure shows the percentage of loans in this category.
Proportion of loans deducted, retail market	Measured as the percentage of loans deducted in relation to gross lending to the retail market.	Deducted portion of the retail market. The bulk of deducted loans are in the retail market segment.

Losses and non-performing loans

Loan losses (%)	Total posted losses year to date in relation to total lending volume incl. intermediary loans.	Measures the relative importance of losses set against the rest of the portfolio of loans. Relevant for estimating future expected losses and the Group's credit risk.
Commitments in default (%)	Percentage of overdue commitments (over 90 days) in relation to total lending volume incl. intermediary loans.	Measures the relative importance of non-performing loans set against the rest of the portfolio of loans. Relevant for estimating future expected defaults and the Group's credit risk.
Doubtful commitments (%)	Percentage of impaired commitments in relation to total lending volume incl. intermediary loans	Measures the relative importance of non-performing loans set against the rest of the portfolio of loans. Relevant for estimating future expected defaults and the Group's credit risk.
Net defaulted and doubtful commitments (%)	Defaulted and doubtful commitments are adjusted for individual loss write-downs and expressed as a proportion of gross lending incl. intermediary loans.	Defaulted and doubtful commitments are netted off against loss provisions in Stage 3.
Loss provision ratio	Ratio between total loss provisions and non-performing and impaired commitments.	Shows the percentage of losses and non-performing loans that have been raised in Stage 3 of loss provisions.