

Alternative Performance Measures Group

(Amounts in NOK million)	31.12.23	31.12.22
Profit for the period	2 548	1 851
Deduct interest hybrid tier 1 capital	60	37
Profit for the period incl. interest hybrid tier 1 capital	2 488	1 814
Total Equity	17 190	16 125
Deducting hybrid Tier 1 capital	1 250	600
Equity excl. hybrid Tier 1 capital	15 940	15 525
Average equity excl. hybrid tier 1 capital	15 149	15 275
Profit for the period, annualised incl. interest hybrid tier 1 capital	2 488	1 814
Average equity excl. hybrid tier 1 capital	15 149	15 275
Return on Equity	16,4 %	11,9 %
Total operating expenses	1 908	1 637
Total income	5 297	4 064
Cost-income ratio	36,0 %	40,3 %
Net interest income	3 627	2 556
Average total assets	127 155	122 377
Interest margin	2,85 %	2,09 %
Deposits from customers	82 495	79 484
Total lending incl. loans transferred to covered bond companies	143 438	133 243
Deposits as a percentage of total lending incl. loans transferred to covered bond companies	57,5 %	59,7 %
Deposits from customers	82 495	79 484
Gross loans to customers	98 789	93 513
Deposits as a percentage of gross lending	83,5 %	85,0 %

APM (Alternative Performance Measures) Group (cont.)	31.12.23	31.12.22
Total lending incl. loans transferred to covered bond companies	143 438	133 243
Total lending incl. loans transferred to covered bond companies last year	133 243	125 739
Lending growth last 12 months incl. loans transferred to covered bond companies	10 195	7 504
Lending growth last 12 months incl. loans transferred to covered bond companies	7,7 %	6,0 %
Total lending	98 789	93 513
Total lending last year	93 513	89 986
Lending growth last 12 months	5 276	3 527
Lending growth last 12 months	5,6 %	3,9 %
Total loans transferred to covered bond companies	44 649	39 730
Total lending incl. loans transferred to covered bond companies last year	143 438	133 243
Share of intermediary loans	31,1 %	29,8 %
Loans transferred to SpareBank 1 Boligkreditt AS	44 521	39 449
Total retail lending end of period	92 823	89 406
Share of loans transferred to covered bond companies of total retail lending	48,0 %	44,1 %
Loans transferred to SpareBank 1 Næringskreditt AS	128	281
Total corporate lending end of period	52 920	45 625
Share of loans transferred to covered bond companies of total corporate lending	0,2 %	0,6 %
Deposits from customers	82 495	79 484
Deposits from customers last year	79 484	76 149
Growth in deposits from customers past 12 months	3 011	3 335
Growth in deposits from customers past 12 months	3,8 %	4,4 %
Losses on loans and guarantees	116	63
Losses on loans and guarantees, annualised	116	63
Total lending incl. loans transferred to covered bond companies	145 742	135 031
Losses on loans to customers as a percentage of total lending incl. loans transferred to covered bond companies	0,1 %	0,0 %
Gross loans in stage 3	858	657
Loss provisions stage 3	- 271	- 190
Net commitments in default	587	467
Total lending incl. loans transferred to covered bond companies	145 742	135 031
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	858	657
Loss provisions stage 3	- 271	- 190
Loan loss provision ratio	31,6 %	28,9 %

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.