

Third quarter report 2020

SPAREBANK 1 ØSTLANDET



Autumn by the diving tower in Hamar.

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Key figures

Group	01.01-30.09 2020		01.01-30.09 2019		Year 2019	
Summary (NOK million and per cent of average assets)	Amount	Per cent ¹⁾	Amount	Per cent ¹⁾	Amount	Per cent ¹⁾
Net interest income	1,628	1.51 %	1,582	1.64 %	2,166	1.66 %
Net commission and other operating income	1,035	0.96 %	1,055	1.09 %	1,388	1.06 %
Net income from financial assets and liabilities	399	0.37 %	724	0.75 %	735	0.56 %
Total income	3,062	2.85 %	3,360	3.47 %	4,289	3.29 %
Total operating expenses	1,399	1.30 %	1,441	1.49 %	1,930	1.48 %
Operating profit before losses on loans and guarantees	1,663	1.55 %	1,920	1.99 %	2,359	1.81 %
Impairment on loans and guarantees	328	0.31 %	-0	0.00 %	32	0.02 %
Pre-tax operating profit	1,335	1.24 %	1,920	1.99 %	2,326	1.78 %
Tax expense	193	0.18 %	284	0.29 %	398	0.31 %
Profit after tax	1,142	1.06 %	1,637	1.69 %	1,928	1.48 %
Interest expenses on hybrid capital	14	0.01 %	7	0.01 %	15	0.01 %
Profit after tax incl. interest hybrid capital ²⁾	1,128	1.05 %	1,630	1.69 %	1,913	1.47 %
Profitability						
Return on equity capital ²⁾	9.7%		14.8%		12.8%	
Cost income ratio ²⁾	45.7%		42.9%		45.0%	
Balance sheet and ratios						
Gross loans to customers	113,624		104,037		107,035	
Gross loans to customers including loans transferred to covered bond companies ²⁾	160,993		147,310		150,688	
Growth in loans during the last 12 months ²⁾	9.2%		5.9%		8.2%	
Growth in loans including loans transferred to covered bond companies in the last 12 months ²⁾	9.3%		6.6%		7.5%	
Deposits from customers	85,496		76,866		78,494	
Growth in deposits in the last 12 months ²⁾	11.2%		9.4%		9.8%	
Deposit to loan ratio ²⁾	75.2%		73.9%		73.3%	
Deposit to loan ratio incl. loans transferred to covered bond companies ²⁾	53.1%		52.2%		52.1%	
Average total assets	143,616		129,296		130,394	
Total assets	148,898		136,568		134,783	
Total assets including loans transferred to covered bond companies ²⁾	196,267		179,841		178,436	
Losses and commitments in default						
Impairment on loans as a percentage of gross loans ²⁾	0.4%		0.0%		0.0%	
Loans to and receivables from customers in stage 2, percentage of gross loans	6.4%		7.0%		7.4%	
Loans to and receivables from customers in stage 3, percentage of gross loans	0.7%		0.5%		0.4%	
Solidity and liquidity						
CET 1 capital ratio	17.3%		16.7%		17.2%	
Tier 1 capital ratio	18.3%		17.7%		17.9%	
Capital adequacy ratio	20.2%		19.7%		19.8%	
Total eligible capital	16,502		15,685		15,444	
Equity ratio ²⁾	11.2%		11.6%		11.8%	
Leverage Ratio	7.1%		7.4%		7.2%	
LCR ³⁾	152.0%		203.5%		162.2%	
LCR in NOK ³⁾	147.5%		196.8%		147.1%	
LCR in EUR ³⁾	621.0%		1463.2%		1248.3%	
Staff						
Number of fulltime equivalents	1,136		1,119		1,127	
Equity capital certificates						
Market price (NOK)	87.70		83.50		92.50	
Market capitalisation (NOK million)	10,158		9,672		10,714	
Book equity per EC ²⁾	96.00		91.20		93.67	
Earnings per EC, NOK ⁴⁾	6.80		9.72		11.55	
Price/Earnings per EC ²⁾	9.66		6.42		8.01	
Price/book equity ²⁾	0.91		0.92		0.99	

1) Calculated as a percentage of average total assets.

2) See attachment regarding Alternative performance measures.

3) Liquidity Coverage Ratio: Measures the size of banks' liquid assets relative to net liquidity output 30 days ahead of time given a stress situation.

4) Profit after tax for controlling interests * Equity capital certificate ratio / number of EC's.

Report of the Board of Directors

Third quarter of 2020 (Consolidated figures. Figures in brackets concern the corresponding period in 2019)

- Profit after tax: NOK 438 (409) million
- Return on equity: 10.9 (10.7) per cent
- Net interest income: NOK 536 (554) million
- Net commissions and other operating income: NOK 392 (350) million
- Net result from financial assets and liabilities: NOK 133 (103) million
- Total operating costs: NOK 465 (457) million
- Loan loss provisions: NOK 47 (24) million

Year to date as at 30 September 2020 (Consolidated figures. Figures in brackets concern the corresponding period in 2019)

- Profit after tax: NOK 1,142 (1,637) million
- Return on equity: 9.7 (14.8) per cent
- Earnings per equity certificate: NOK 6.80 (9.72)
- Net interest income: NOK 1,628 (1,582) million
- Net commissions and other operating income: NOK 1,035 (1,055) million
- Net result from financial assets and liabilities: NOK 399 (724) million
- Total operating costs: NOK 1,399 (1,441) million
- Loan loss provisions: NOK 328 (0) million
- Common Equity Tier 1 ratio: 17.3 (16.7) per cent
- Growth in loans including loans transferred to covered bond companies in the past 12 months: 9.3 (6.6) per cent
- Growth in deposits over the past 12 months: 11.2 (9.4) per cent

The SpareBank 1 Østlandet Group

The Group comprises SpareBank 1 Østlandet and the wholly-owned subsidiaries EiendomsMegler 1 Innlandet AS, EiendomsMegler 1 Oslo Akershus AS, EiendomsMegler 1 Oslo AS (second tier subsidiary), Youngstorget 5 AS and AS Vato, as well as the 95 per cent-owned subsidiary SpareBank 1 Finans Østlandet AS. The Group also includes the 70.68 per cent-owned holding company SpareBank 1 Østlandet VIT AS, which in turn owns 100 per cent of the shares in the subsidiary TheVIT AS. The accounts of these companies are fully consolidated into SpareBank 1 Østlandet's consolidated financial statements.

SpareBank 1 Østlandet owns 12.40 per cent of SpareBank 1 Gruppen AS, 18.00 per cent of SpareBank 1 Utvikling DA, 20.87 per cent of SpareBank 1 Kreditt AS, 9.99 per cent of BN Bank ASA, 20.00 per cent of SMB Lab AS, 20.00 per cent of Betr AS and 18.74 per cent of SpareBank 1 Betaling AS. The Bank also owns 22.29 per cent of SpareBank 1 Boligkreditt AS and 15.15 per cent of SpareBank 1 Næringskreditt AS (the covered bond companies). The results from the above companies are recognised in the Bank's consolidated financial statements in proportion to the Bank's stake. The Group prepares its financial statements in accordance with international accounting standards as adopted by the EU (IAS 34).

Consolidated results for the third quarter of 2020

Consolidated results

The SpareBank 1 Østlandet Group's profit after tax amounted to NOK 438 (409) million, compared with NOK 438 million in the second quarter of 2020. The return on equity was 10.9 (10.7) per cent, compared with 11.3 per cent in the second quarter of 2020.

Specification of the consolidated profit after tax in NOK millions:	3Q20	2Q20	3Q19
Parent Bank's profit after tax	299	386	324
Dividends received from subsidiaries/associated companies	-7	-124	0
Share of profit from:			
SpareBank 1 Gruppen - consolidated figures	72	69	26
SpareBank 1 Boligkreditt AS	12	44	3
SpareBank 1 Næringskreditt AS	2	3	1
EiendomsMegler 1 Innlandet AS	6	11	5
EiendomsMegler 1 Oslo Akershus - consolidated figures	6	5	2
SpareBank 1 Finans Østlandet AS	37	28	29
SpareBank 1 Østlandet VIT - consolidated figures	1	2	-3
SpareBank 1 Kreditt AS	0	2	6
SpareBank 1 Betaling AS	-1	0	-2
BN Bank ASA	10	8	9
Youngstorget 5 AS	1	1	1
Other associated companies/joint ventures	0	3	10
Consolidated profit after tax	438	438	409

Net interest income

Net interest income amounted to NOK 536 (554) million, compared with NOK 498 million in the second quarter of 2020. Net interest income as a percentage of average total assets was 1.44 (1.64) per cent, compared with 1.38 per cent in the second quarter of 2020.

Net interest income increased by NOK 38 million from the previous quarter. This increase in net interest income was due to a combination of lending growth and the Group's issued securities being repriced with a time lag of up to 3 months after market rates fell earlier this year. Lending rates were also cut earlier than deposit rates in the second quarter, which resulted in especially low net interest income in the previous quarter.

Both lending and deposit rates were significantly lower than in the same period last year. The NOK 18 million reduction in net interest income compared with the same period last year is primarily due to lower interest rate margins due to lending rates being cut by more than deposit rates.

Net commissions and other operating income

Net commissions and other operating income amounted to NOK 392 (350) million, compared with NOK 300 million in the second quarter of 2020.

Commissions from the covered bond companies amounted to NOK 116 (84) million, compared with NOK 42 million in the second quarter of 2020.

Income from real estate brokerage amounted to NOK 102 (89) million, compared with NOK 84 million in the second quarter of 2020, and income from accounting services amounted to NOK 40 (38) million, compared with NOK 49 million in the second quarter of 2020.

Net result from financial assets and liabilities

The net result from financial assets and liabilities amounted to NOK 133 (103) million, compared with NOK 314 million in the second quarter of 2020.

Operating costs

Total operating costs amounted to NOK 465 (457) million, compared with NOK 447 million in the second quarter of 2020. The NOK 18 million increase in total operating costs since the previous quarter was primarily attributable to higher personnel costs in the real estate brokerage companies due to more activity and sales based salaries.

Loan loss provisions

Loan loss provisions amounted to NOK 47 (24) million, compared with NOK 130 million in the second quarter of 2020. The loss costs in the third quarter were mainly due to NOK 38 million in increased individual loan loss impairments (Stage 3). Model-generated loan loss provisions increased by NOK 5 million as a result of growth and migration. A post model adjustment (PMA) reduction amounting to NOK 15 million was also made for estimated, not observed migration from Stage 1 to Stage 2. The PMA reduction followed the valuation of the loan portfolio in light of the Group's experiences vis-à-vis the debt servicing capacity of loan customers since PMA was introduced in the first quarter of 2020. For detailed information about loan loss impairments, see Note 1 'Accounting policies', Note 5 'Loans to and receivables from customers' and Note 6 'Loan loss provisions'.

Consolidated financial statements as at 30 September 2020

Consolidated results

The consolidated profit after tax for the year to date as at 30 September was NOK 1,142 (1,637) million and the return on equity was 9.7 (14.8) per cent.

Specification of the consolidated profit after tax in NOK millions:	30.09.20	30.09.19
Parent Bank's profit after tax	965	1,574
Dividends received from subsidiaries/associated companies	-287	-582
Share of profit from:		
SpareBank 1 Gruppen - consolidated figures	285	459
SpareBank 1 Boligkreditt AS	23	27
SpareBank 1 Næringskreditt AS	6	4
EiendomsMegler 1 Innlandet AS	16	11
EiendomsMegler 1 Oslo Akershus - consolidated figures	11	10
SpareBank 1 Finans Østlandet AS	95	92
SpareBank 1 Østlandet VIT - consolidated figures	2	-4
SpareBank 1 Kreditt AS	2	15
SpareBank 1 Betaling AS	-3	7
BN Bank ASA	24	11
Youngstorget 5 AS	3	7
Other associated companies/joint ventures	0	5
Consolidated profit after tax	1,142	1,637

Net interest income

Net interest income amounted to NOK 1,628 (1,582) million. Net interest income must be viewed in conjunction with commissions from mortgages transferred to the part-owned covered bond companies totalling NOK 237 (251) million. The total net interest income including commissions from the covered bond companies amounted to NOK 1,865 (1,832) million. Improved lending margins and lending growth contributed to the increase in net interest income, while lower deposit margins and commissions from the covered bond companies had the opposite effect. Net interest income was also affected by lending rates in the second quarter being reduced earlier than deposit rates and earlier than issued securities were repriced after the drop in market rates.

Net interest income as a percentage of average total assets was 1.51 (1.64) per cent.

Net commissions and other operating income

Net commissions and other operating income amounted to NOK 1,035 (1,055) million.

NOK millions	30.09.20	30.09.19
Net money transfer fees	79	90
Commissions from insurance and savings	169	152
Commissions from covered bonds companies	237	251
Commission from credit cards	45	46
Real estate brokerage commissions	262	262
Accounting services	142	140
Other operating income	103	114
Net commissions and other (non interest) operating income	1,035	1,055

The reduction in net commissions and other operating income was mainly due to reduced commissions from the covered bond companies,

reduced income from money-transfer services and a reduction in other operating income, while increased commissions from fund and insurance had the opposite effect.

For detailed information about the various profit centres in the Group, see Note 3 'Segment information'.

Net result from financial assets and liabilities

The net result from financial assets and liabilities was NOK 399 (724) million.

NOK millions	30.09.20	30.09.19
Dividends from other than Group companies	13	19
Net profit from ownership interests	331	520
Net profit from other financial assets and liabilities	55	185
Net commission and other operating income	399	724

Dividends of NOK 13 (19) million consisted mainly of dividends from Totens Sparebank of NOK 11 (12) million.

The net profit from ownership interests amounted to NOK 331 (520) million.

Contribution from associated companies and joint ventures in NOK millions	30.09.20	30.09.19
SpareBank 1 Gruppen AS	285	459
SpareBank 1 Boligkreditt AS	23	27
SpareBank 1 Næringskreditt AS	6	4
SpareBank 1 Kreditt AS	2	15
SpareBank 1 Betaling AS	-3	7
BN Bank ASA	24	11
Other associated companies/joint ventures	-6	-3
Net profit from ownership interests	331	520

The NOK 189 million reduction compared with the same period last year was primarily due to weaker results from SpareBank 1 Gruppen. SpareBank 1 Boligkreditt AS, SpareBank 1 Kreditt AS and Sparebank 1 Betaling AS also posted weaker results than those for the same period last year. Profit contributions from BN Bank ASA were included in the Group's consolidated statements for the first time with effect from 24 May 2019.

The profit contribution from SpareBank 1 Gruppen was NOK 285 million for the year to date as at 30 September. Of this, SpareBank 1 Østlandet's share of the gain in SpareBank 1 Gruppen from the transfer of the personal risk area from SpareBank 1 Forsikring AS to Fremtind Forsikring AS amounted to NOK 217 million. Correspondingly, SpareBank 1 Østlandet's share of the gain in SpareBank 1 Gruppen in 2019 in connection with the insurance merger and sell-down in Fremtind Forsikring AS amounted to NOK 291 million.

The net result from other financial assets and liabilities was NOK 55 (185) million. For detailed information please see note 7 "Net result from financial assets and liabilities".

Operating costs

Total operating costs were NOK 1,399 (1,441) million and amounted to 45.7 (42.9) per cent of net income.

Specifications of the costs in the period in NOK millions	30.09.20	30.09.19	Change
Personnel costs excl. restructuring costs	798	819	-2.5 %
Depreciation/amortisation	99	99	0.3 %
IT costs	230	217	6.3 %
Marketing costs	51	66	-23.6 %
Operating costs from real estate	40	35	14.3 %
Other costs	180	200	-10.0 %
Total operating costs excl. restructuring costs	1,398	1,436	-2.6 %
Restructuring costs	1	5	
Total operating costs	1,399	1,441	-2.9 %

The NOK 42 million reduction in total operating costs is mainly attributable to lower personnel costs, marketing costs and other operating costs. The Group also incurred costs of NOK 7 million in 2019 related to discounts on purchases of equity certificates in connection with an offering to employees. The reduction was offset to some extent by higher ICT costs and higher operating costs for properties. Restructuring costs amounted to NOK 1 (5) million and were due to severance payments arising from redundancies in the Parent Bank.

As at 30 September 2020, there were 1,136 (1,119) FTEs in the Group. The increase in staffing of 17 FTEs was mainly due to 14 FTEs in the Parent Bank.

Loan loss provisions

As at 30 September, the Group had recognised loan loss provisions of NOK 328 (0) million.

The losses consist of the following elements:

Specification of total losses on loans and guarantees in the period, NOK millions	Total	RM	CM	SBIFØ
Change in impairments in the period	284	18	225	40
Realised losses on commitments for which earlier impairment provisions had been made	14	6	8	0
Realised losses on commitments for which no earlier impairment provisions had been made	53	3	5	45
Recoveries on loans and guarantees previously impaired	22	2	1	19
Total impairment losses on loans and guarantees in the period	328	25	238	66

The model-generated loan loss impairments increased by NOK 109 million, primarily due to adjusted assumptions (PD/LGD) and changes to scenario weights. Post model adjustments (PMAs) of NOK 40 million were also made in the period for estimated, not observed migration from Stage 1 to Stage 2. Furthermore, individual loan loss impairments (Stage 3) increased by NOK 133 million.

Last year's figures were heavily affected by a reduction in loan loss impairments as a result of the validation of the loss models showing that the previous LGD estimates were significantly higher than realised loss rates. Reference is also made to Note 6 'Loan loss provisions'.

74 (74) per cent of the SpareBank 1 Østlandet Group's total lending, inclusive of mortgages

transferred to the covered bond companies, was to retail customers, mainly in the form of residential mortgages. The corporate portfolio's exposure to cyclical industries is low.

Credit risk

The Group's capitalised loan loss provisions as at 30 September 2020 amounted to NOK 642 (340) million. The increase from the same date last year was mainly due to increased model-generated loan loss provisions, increased individual loan loss provisions and PMAs for estimated, not observed migration from Stage 1 to Stage 2. The realised losses were moderate.

The Group's lending and liabilities are categorized into three groups; Stage 1, Stage 2 and Stage 3.

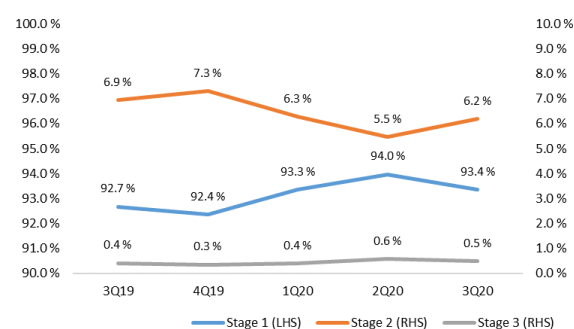
Stage 1 is used for lending that does not have a substantially higher credit risk than it did upon initial recognition. A provision is made for 12 months' expected losses.

Stage 2 is used for lending that has a substantially higher credit risk than it did upon initial recognition, but where no credit loss has occurred on the balance sheet date. A provision is made for expected losses over the entire lifetime.

Stage 3 is used for lending that has a substantially higher credit risk than it did upon initial recognition, and where credit loss has occurred on the balance sheet date. A provision is made for expected losses over the entire lifetime.

Gross lending and liabilities defined as Stage 3 amounted to NOK 751 (494) million as at 30 September 2020. This corresponded to 0.66 (0.47) per cent of gross lending. NOK 221 (82) million of gross lending and financial liabilities defined as Stage 3 was provisions for credit losses.

Net exposure in the different stages was as follows:



For detailed information about loan loss impairments, see Note 1 'Accounting policies', Note

5 'Loans to and receivables from customers' and Note 6 'Loan loss provisions'.

The coronavirus crisis resulted in the Bank implementing a series of extraordinary measures. Lending rates were generally reduced by 1.25 percentage points for both retail and corporate customers. The Group's loan customers, both retail and corporate, were generally granted a 3 to 6-month interest only period upon application. In addition, the Bank provided government guaranteed liquidity loans and other liquidity facilities to corporate customers.

As at 30 September, the corporate division in SpareBank 1 Østlandet had granted interest-only periods to around 750 customers with a total lending volume of approximately NOK 189 million, provided 89 liquidity loans with a government guarantee with a lending volume of approximately NOK 270 million, and granted 24 contingency loans with a lending volume of approximately NOK 111 million. Of the approximately 600 customers granted a 3-month interest-only period in the corporate market division in March and April, just under 200 customers have requested a further 3-month extension.

The retail division has granted interest-only periods to approximately 5,900 customers representing a lending volume of about NOK 12.8 billion. The number of requests for interest-only periods and liquidity loans tailed off significantly over the second and third quarters, and of the approximately 1,600 customers who were granted 3-month interest-only periods in March and April, approximately 280 customers have requested a further 3-month extension.

As at 30 September, approximately 600 corporate customers of SpareBank 1 Finans Østlandet had been granted interest-only periods with a lending volume of approximately NOK 1.8 billion. In the initial round of interest-only periods, around 30 per cent of corporate customers were granted 3-month interest-only periods, while only approximately 4 per cent of the customers have requested a further 3-month interest-only period. Interest-only periods were granted to approximately 1,400 retail customers representing a lending volume of around NOK 365 million. In the initial round of interest-only periods, approximately 17 per cent of retail customers were granted 3-month interest-only periods, but only approximately 2 per cent have requested a further 3-month interest-only period.

During the third quarter of 2020, the credit risk measured using the Bank's internal credit models showed a slight increase for corporate lending, while the credit quality of the retail lending has been stable. The measured credit risk in the lending portfolio is expected to gradually be affected by the coronavirus crisis towards the end of the year and during next year as the crisis' impact on retail and corporate customers is reflected in the Bank's credit models. At the end of the third quarter of 2020, the Bank's measured credit risk was well within the risk tolerances set by the Board. The Board's assessment is that the Group's credit risk is low to moderate.

Total assets

Total assets as at 30 September amounted to NOK 148.9 (136.6) billion. Adjusted total assets, defined as total assets inclusive of mortgages transferred to the covered bond companies, amounted to NOK 196.3 (179.8) billion.

Lending to customers

Gross lending to customers, inclusive of mortgages transferred to the covered bond companies, totalled NOK 161.0 (147.3) billion. As at 30 September, mortgages totalling NOK 46.2 (42.2) billion had been transferred to SpareBank 1 Boligkreditt AS and mortgages totalling NOK 1.2 (1.0) billion had been transferred to SpareBank 1 Næringskreditt AS.

The lending growth the past 12 months, inclusive of mortgages transferred to the covered bond companies, was NOK 13.7 (9.2) billion, equivalent to 9.3 (6.6) per cent. The growth in retail lending was NOK 10.7 (6.1) billion, while the growth in corporate lending was NOK 3.0 (3.1) billion.

Deposits from customers

As at 30 September, deposits from customers totalled NOK 85.5 (76.9) billion. The deposit growth the past 12 months was NOK 8.6 (6.6) billion, equivalent to 11.2 (9.4) per cent. The retail deposit growth was NOK 5.0 (2.5) billion, while the corporate deposit growth was NOK 3.6 (4.1) billion.

The Group's deposit coverage ratio was 75.2 (73.9) per cent. The Group's deposit coverage ratio, inclusive of mortgages transferred to the covered bond companies, was 53.1 (52.2) per cent.

Liquidity

Borrowing from financial institutions and securities issued (senior preferred debt, senior non-preferred debt, subordinated loan capital and additional Tier 1 capital) totalled NOK 42.7 (40.3) billion, 47.3 (43.4) per cent of which is Euro-denominated. The average term to maturity of the Group's long-term funding

was 4.2 (4.3) years. The average term to maturity for all funding was 3.6 (3.9) years.

The liquidity coverage ratio (LCR) was 152.0 (203.5) per cent, whereas the average last 12 months was 149.8 (168.4) per cent. The Board's assessment is that the Group's liquidity situation is satisfactory.

Equity certificates

As at 30 September, the equity share capital comprised 115,829,789 (115,829,789) equity certificates and book value per equity certificate was NOK 96.00 (91.20). Earnings per equity certificate year to date amounted to NOK 6.80 (9.72).

As at 30 September, the market price for the Bank's equity certificate (ticker 'SPOL') was NOK 87.70 (83.50). On 7 April 2020, a dividend for the accounting year 2019 of NOK 4.58 (4.12) per equity certificate was paid.

Solidity and capital adequacy

The Group's equity totalled NOK 16.7 (15.8) billion as at 30 September and amounted to 11.2 (11.6) per cent of total capital. The leverage ratio was 7.1 (7.4) per cent.

The Group's Common Equity Tier 1 ratio as at 30 September was 17.3 (16.7) per cent. The Tier 1 capital ratio and the total capital adequacy ratio were 18.3 (17.7) per cent and 20.2 (19.7) per cent, respectively.

SpareBank 1 Østlandet has consolidated BN Bank ASA, where the Bank has a 9.99 per cent stake in the total capital adequacy ratio, into the accounts since the fourth quarter of 2019. This change in the capital adequacy treatment followed decision from the Financial Supervisory Authority of Norway which employs a different interpretation of the term 'cooperative group' than the Bank and thereby expects this stake to be consolidated for capital adequacy purposes. The Bank disagrees with the Financial Supervisory Authority of Norway's interpretation, but has nevertheless decided to consolidate BN Bank into its capital adequacy reporting. The effect of this change, see in isolation,

was -0.4 percentage points in the Common Equity Tier 1 ratio.

In line with the decision of the Financial Supervisory Authority of Norway, the Group increased its estimates for loss given default (LGD) for the corporate portfolio from the first quarter of 2019. The effect was a reduction in the Common Equity Tier 1 ratio of about 0.8 percentage points. The Group appealed the Financial Supervisory Authority of Norway's decision in January 2019 and, as at the balance sheet date, the appeal is still being considered by the Ministry of Finance.

The Group's long-term target for its Common Equity Tier 1 ratio is the regulatory requirement announced plus a management buffer of 100 basis points. On 13 March 2020, the Ministry of Finance reduced the countercyclical capital buffer by 1.5 percentage points from 2.5 per cent to 1 per cent. Therefore, as at 30 September 2020, the Bank's Common Equity Tier 1 ratio requirement, inclusive of a Pillar 2 requirement of 1.8 percentage points, was 12.8 per cent. The Ministry of Finance has announced that the systemic risk buffer will rise by 1.5 percentage points with effect from 31 December 2020, which will increase the overall Common Equity Tier 1 ratio requirement to 14.3 per cent. The Bank's Common Equity Tier 1 ratio is therefore significantly higher than the current and announced future capital requirements. The Board regards the Bank's capital situation as satisfactory.

Ratings

On 5 March 2020, Moody's Investors Service (Moody's) upgraded SpareBank 1 Østlandet's baseline credit assessment (BCA) and deposit/debt rating. This meant that the rating of the Bank's deposits and senior debt were upgraded from A1 to Aa3, with a stable outlook. The Bank's BCA and adjusted BCA were upgraded from baa1 to a3. On 3 July, Moody's awarded the Bank's senior non-preferred debt an A3 rating. On 4 September 2020, Moody's confirmed the Bank's BCA and deposit/debt rating of Aa3. This means that SpareBank 1 Østlandet has the highest credit rating from Moody's among savings banks in Norway.

The Parent Bank's financial statements as at 30 September 2020

Parent Bank's results

The Parent Bank's profit after tax year to date at 30 September was NOK 965 (1,574) million. The reduction from the corresponding period in 2019 was in large part due to the Parent Bank's receipt of an extraordinary dividend from SpareBank 1 Gruppen AS of NOK 211 million in 2019 due to DNB ASA increasing its stake in Fremtind Forsikring AS from 20 per cent to 35 per cent. The Parent Bank also saw NOK 292 million in increased credit losses, a NOK 130 million reduction in net profit from other financial assets and liabilities, and a NOK 20 million reduction in net commissions and other operating income compared with the same period last year. This was offset to some extent by NOK 12 million in increased net interest income and NOK 17 million in reduced operating costs.

Operating costs

The Parent Bank's total operating costs year to date at 30 September were NOK 991 (1,008) million and amounted to 41.8 (36.0) per cent of net income.

The NOK 17 million reduction in operating costs was mainly due to lower personnel costs. Personnel costs were reduced as a consequence of a reduction in headcount and the Bank incurring costs of NOK 7 million in the same period last year linked to discounts for purchases of equity certificates in an employee offering. Other operating costs were lower due to lower expenses during the coronavirus period, as well as NOK 4 million in reduced employer's National Insurance contributions.

Restructuring costs amounted to NOK 1 (5) million and were due to severance payments arising from redundancies in the Parent Bank.

Specifications of the costs in the period in NOK millions	30.09.20	30.09.19	Change
Personnel costs excl. restructuring costs	504	525	-3.9 %
Depreciation/amortisation	80	78	2.6 %
IT costs	209	199	4.9 %
Marketing costs	40	41	-1.1 %
Operating costs from real estate	32	32	2.5 %
Other costs	125	129	-3.0 %
Total operating costs excl. restructuring costs	990	1,003	-1.2 %
Restructuring costs	1	5	
Total operating costs	991	1,008	-1.6 %

SpareBank 1 Østlandet has targeted a "zero growth in costs in the Parent Bank" for 2020. Year to date at 30 September, total operating costs were NOK 17 million, or 1.6 per cent, lower than in the same period last year.

As at 30 September, the Parent Bank had 694 (680) FTEs.

Loan loss provisions

Year to date at 30 September, loan loss provisions amounting to NOK 263 million had been recognised in the Parent Bank (net receipts on losses of NOK 29 million).

Model-generated loan loss provisions amounted to NOK 86 million, mainly due to updated assumptions (PD/LGD) and changes to scenario weights. Post model adjustments (PMAs) of NOK 35 million were also made in the period for estimated, not observed migration from Stage 1 to Stage 2. Furthermore, individual loan loss provisions (Stage 3) increased by NOK 121 million. By comparison, last year's figures were heavily affected by a reduction in loan loss provisions following the validation of the loss models showing that the previous LGD estimates were significantly higher than realised loss rates. For detailed information about loan loss impairments, see Note 1 'Accounting policies', Note 5 'Loans to and receivables from customers' and Note 6 'Loan loss provisions'.

Financial strength and total capital adequacy ratio

The Parent Bank's equity amounted to NOK 15.5 (14.9) billion, which was equivalent to 10.5 (11.0) per cent of total capital as at 30 September.

The Parent Bank's Common Equity Tier 1 ratio was 21.5 (21.6) per cent. The Tier 1 capital ratio was 22.5 (22.4) per cent and the total capital adequacy ratio was 24.5 (24.8) per cent.

In line with the decision of the Financial Supervisory Authority of Norway, the Bank increased its estimates for loss given default (LGD) for the corporate portfolio from the first quarter of 2019. The effect was a reduction in the Common Equity Tier 1 ratio of about 1.2 percentage points. The Bank has appealed the Financial Supervisory Authority of Norway's decision and, as at the balance sheet date, the appeal is still being considered by the Ministry of Finance.

Underlying banking operations

Underlying banking operations are defined as the profit before loan losses, excluding securities effects and dividends. Costs related to restructuring are also excluded.

Underlying banking operations, NOK millions	30.09.20	30.09.19	Change
Net interest income	1,411	1,399	0.8 %
Net commission and other operating income	604	624	-3.2 %
Total operating costs	-991	-1,008	-1.6 %
Adjustments: Restructuring costs	1	5	-84.6 %
Operating profit underlying banking operations	1,025	1,021	0.4 %

The operating profit from underlying banking operations amounted to NOK 1,025 (1,021) million year to date at 30 September. Profit from the underlying banking operations increased by NOK 4 million compared with the same period last year, which is equivalent to an improvement of 0.4 per cent. The improvement in profit was mainly due to

reduced personnel costs and increased net interest income following growth in lending and deposits. Net commissions and other operating income fell due to a reduction in income from money-transfer services and a reduction in commissions from mortgages transferred to the covered bond companies.

Subsidiaries

SpareBank 1 Finans Østlandet AS

The financing company SpareBank 1 Finans Østlandet AS (95 per cent ownership interest) posted a profit after tax for the year to date of NOK 95 (93) million. Net interest income amounted to NOK 223 (184) million, while credit losses were NOK 66 (29) million.

The increase in credit losses was largely due to increased model-generated loan loss provisions and individual loan loss provisions related to the coronavirus crisis. An LTO portfolio was sold at a profit of NOK 9 million in the first quarter of 2020.

As at 30 September, gross lending to customers amounted to NOK 9.1 (8.8) billion and lending growth the past 12 months was 3.4 (10.5) per cent.

EiendomsMegler 1 Innlandet AS

EiendomsMegler 1 Innlandet AS posted earnings for the year to date of NOK 104 (96) million and achieved a profit after tax of NOK 16 (11) million.

Despite the reduction in earnings at the start of the second quarter due to the coronavirus crisis, total earnings increased compared with the same period last year. In its market area, the company had a market share year to date of 30 (29) per cent of sales of used homes and holiday properties.

The company has seen increased activity levels in spite of the coronavirus crisis. Housing demand rose in most areas in Innlandet, which resulted in the highest volume of sales of used homes ever. Year to date at 30 September, the volume had increased by 4.5 per cent compared with the same period in 2019 and for September in isolation the increase was no less than 9.4 per cent compared with the same month last year. The number of marketed properties has decreased by 5 per cent year to date compared with the same period last year. This has increased pressure on housing prices and as at 30 September Innlandet had the second highest 12-month price growth of all the counties in the country at 6.8 per cent, lower only than Oslo which saw price growth of 7.7 per cent.

EiendomsMegler 1 Oslo Akershus AS – consolidated figures

The estate broker EiendomsMegler 1 Oslo Akershus Group posted earnings for the year to date of NOK 158 (166) million and achieved a profit after tax of NOK 11 (10) million.

The NOK 8 million decrease in earnings was due to a change in the accounting principles for costs and income in connection with outlays for customers. The principle was changed from gross recognition to net recognition with effect from 1 January 2020.

Profit after tax was NOK 1 million higher than for the same period last year, despite the fact that the correction of an error in the tax cost from previous years boosted the profit for 2019 by NOK 3 million.

The housing market in the company's market area saw very high activity in the third quarter. The year started well, before the market quietened significantly in March when stringent measures were introduced in connection with the coronavirus pandemic. The market recovered gradually in April, was back to normal levels in May and was slightly better than normal from June. The third quarter saw very high activity and on average around 12 per cent more homes were sold than in the same period last year. There were large volumes of homes for sales throughout the third quarter and the company's earnings increased significantly. The stock of unsold new homes fell slightly since construction in the area fell slightly. Housing prices in Oslo and the surrounding area rose during the third quarter. In its market area, the company had a market share of 8.6 (8.0) per cent of sales of used homes in the period.

SpareBank 1 Østlandet VIT AS – consolidated figures

The SpareBank 1 Østlandet VIT Group posted earnings for the year to date of NOK 142 (140) million and a result after tax of NOK 2 (-4) million.

While TheVIT AS has seen steady earnings growth in all service areas over time, in the second quarter it experienced a decrease in earnings due to the coronavirus crisis. Earnings improved again in the third quarter and profitability showed an improvement compared with last year thanks to good cost control.

Associated companies and joint ventures

SpareBank 1 Gruppen AS

SpareBank 1 Gruppen (12.40 per cent stake) comprises the SpareBank 1 Alliance's joint product companies within insurance, fund management, claims management and collection.

For SpareBank 1 Gruppen, the coronavirus crisis resulted in significant insurance provisions, payouts on travel insurance claims, and a weaker financial return in the first half-year 2020. The results improved in the third quarter where SpareBank 1 Gruppen achieved a profit after tax of NOK 788 million for the quarter. This is the best quarterly profit in SpareBank 1 Gruppen's history. Fremtind Forsikring AS achieved a very good insurance result and explained NOK 733 million of the quarterly result, while SpareBank 1 Forsikring AS achieved a quarterly result of NOK 262 million, which was mainly due to realised gains from forward exchange contracts and equities. Furthermore, ODIN Forvaltning AS achieved a record high quarterly profit for the third quarter of NOK 39 million, driven by higher total assets and positive net subscriptions.

SpareBank 1 Gruppen posted a consolidated profit after tax of NOK 799 (1,515) million for the year to date. The controlling interests' share of the consolidated profit for the year to date amounted to NOK 549 (1,353) million and SpareBank 1 Østlandet's share of this amounted to NOK 69 (168) million.

The merger of the personal risk products of SpareBank 1 Forsikring AS and DNB Livsforsikring AS and transfer to Fremtind Livsforsikring AS, where the settlement was paid by Fremtind Forsikring AS, was implemented with accounting effect from 1 January 2020. The total value of the personal risk area was assumed to be NOK 6.25 billion. The merger resulted in increased equity for SpareBank 1 Gruppen at a group level. The controlling interest's (the SpareBank 1 banks and LO) share of this increase was NOK 1.75 billion. This gain was recognised directly against equity in Sparebank 1 Gruppen, but was recognised through profit and loss in the consolidated financial statements of the owner banks. SpareBank 1 Østlandet's share of the gain from the transfer of personal risk products to Fremtind Forsikring AS amounted to NOK 217 million.

For 2019, SpareBank 1 Østlandet's share of the gain in connection with the insurance merger and selldown in Fremtind Forsikring AS to DNB ASA amounted to NOK 291 million.

The profit contributions included in SpareBank 1 Østlandet's consolidated financial statements therefore amounted to NOK 285 (459) million for the period.

SpareBank 1 Boligkreditt AS

SpareBank 1 Boligkreditt AS (22.29 per cent stake) was established by the banks in the SpareBank 1 Alliance to utilise the market for covered bonds. The banks sell prime mortgages to the company and thereby achieve lower funding costs.

The company posted a profit after tax for the year to date of NOK 148 (157) million. The lower result was mainly due to an increased negative result from financial assets and liabilities as well as increased loss costs.

The profit contribution from SpareBank 1 Boligkreditt AS, which is included the consolidated accounts for SpareBank 1 Østlandet using the equity method, is adjusted for interest paid on the hybrid capital that is recognised directly in equity. The profit contribution amounted to NOK 23 (27) million for the period.

SpareBank 1 Næringskreditt AS

SpareBank 1 Næringskreditt AS (15.15 per cent stake) was established according to the same model, and with the same management, as SpareBank 1 Boligkreditt AS. SpareBank 1 Næringskreditt AS has two classes of shares with differing rights to dividends. SpareBank 1 Østlandet includes 12.67 per cent of the company's results in its consolidated financial statements, equivalent to the Bank's share of the company's dividend payments.

The company posted a profit after tax for the year to date of NOK 44 (45) million. The profit contribution included in SpareBank 1 Østlandet's consolidated financial statements amounted to NOK 6 (4) million for the period.

SpareBank 1 Kreditt AS

SpareBank 1 Kreditt AS (20.87 per cent stake) is the SpareBank 1 Alliance's jointly-owned credit card company. The company posted a profit after tax for the year to date of NOK 9 (73) million. The reduction in profit was mainly due lower earnings following the coronavirus crisis, reduced net transaction income and a reduced interest-bearing balance sheet. The profit contribution for the year to date included in SpareBank 1 Østlandet's consolidated financial statements amounted to NOK 2 (15) million.

SpareBank 1 Betaling AS

SpareBank 1 Betaling AS (18.74 per cent stake) is the SpareBank 1 Alliance's joint venture for payment solutions. The company manages the SpareBank 1 Alliance's stake in Vipps AS.

The company posted a profit after tax for the year to date of NOK -14 (-35) million. The profit contribution included in SpareBank 1 Østlandet's consolidated financial statements amounted to NOK -3 (7) million for the period.

BN Bank ASA

BN Bank ASA (9.99 per cent stake from 24 May 2019) is a nationwide bank for corporate and retail customers owned by seven of the banks in the SpareBank 1 Alliance.

BN Bank ASA and the former subsidiary Bolig- og Næringskreditt AS merged in the third quarter of 2020. The comparative figures for the same period last year are group figures including Bolig- og Næringskreditt AS.

BN Bank ASA posted a profit after tax for the year to date of NOK 249 (240) million and the return on equity was 7.8 (8.0) per cent. Net interest income increased by NOK 43 million compared with the same period last year, while other operating income increased by NOK 14 million, total operating costs increased by NOK 2 million, and losses increased by NOK 53 million. Increased credit losses were heavily affected by model-generated provisions under IFRS 9 related to the coronavirus crisis.

The profit contribution from BN Bank ASA, which is included in the consolidated accounts for SpareBank 1 Østlandet using the equity method, is adjusted for interest paid on the hybrid capital that is recognised directly in equity. The profit contribution amounted to NOK 24 (11) million in the period.

For more information about the financial statements of the various companies, please see the interim reports available on the companies' own websites.

Corporate social responsibility and sustainability

22 September marked the first anniversary of the Bank signing the UN Principles for Responsible Banking. Banks that have signed these principles make a commitment to conduct an impact analysis that identifies where the banks have the greatest positive and negative impacts. SpareBank 1 Østlandet was the first Norwegian bank to publish its impact analysis, which looks at various social, economic and environmental factors within retail and corporate lending. The results show that the Bank has the biggest opportunity to have an impact within topics such as the climate, waste, housing, work, resource utilisation and resource security, as well as inclusive, healthy economies. SpareBank 1 Østlandet views the impact analysis as an important supplement to other sustainability analyses, especially to the materiality analysis conducted in 2017. The impact analysis provides valuable new insights that make it possible for the Bank to sharpen its focus within its sustainability work.

Within the corporate division, the analysis shows that the Bank could have a big impact in relation to the climate. The Bank is, therefore, focusing heavily on reducing greenhouse gas emissions in its lending portfolio. The analysis also points to a need to focus on resource utilisation and a circular economy mindset. The results for the corporate division indicate that the focus must be on consuming less resources, emitting less greenhouse gases and producing less waste. For the retail division, the analysis focused on products and services that the Bank delivers in relation to housing, as well as the financing of vehicles. The positive impact in the retail market will primarily come from giving people access to housing as a good, either through residential mortgages or by offering security deposit accounts. The negative impacts are linked to homes and vehicles as sources of emissions.

Outlook

At the start of the year, the Board highlighted the prevalence of the coronavirus as a risk factor for the region's growth and value creation.

It became steadily clearer during the first quarter that the coronavirus crisis would have global consequences, and on 13 March the Norwegian government announced the strictest restrictions for people and companies in peacetime. In the subsequent interim report, the Board pointed out that it was difficult to forecast the duration and depth of the crisis situation for health and for commercial and private finances that Norway, the region and the world found themselves in.

During the second quarter, the perception that the Norwegian and regional economies were normalising grew steadily stronger. The financial markets, both internationally and in Norway, saw a historically swift return to previous levels. The government's measures for restricting the spread of infection were eased in line with the falling number of sick and new cases of infection during the summer. Affected companies started normalising operations, which resulted in a rapid reduction in unemployment and furlough rates.

After a summer that saw significant easing of the government's measures and more travel activity in Europe and Norway, infection rates started to rise again and are, at the time of writing, increasing without having produced a significant rise in hospital admissions or fatalities from the coronavirus.

The authorities, both national and local, are currently adapting infection prevention measures on an ongoing basis in an attempt to balance the desire for a high level of economic activity with an acceptable level of infection and illness. The activity level in large parts of the Norwegian and regional economies is climbing, with close to normal mobility.

However, some industries have been especially hard hit by the crisis, such as parts of the tourism, entertainment and hospitality industries, which have seen far lower levels of activity than normal. The prospects for a rapid improvement in these industries are considered limited.

The level of activity in the Bank has been high during the entire period and the Bank's staff have impressed by strong customer focus. The Bank has thereby experienced strong customer growth and volume growth, both during the first phase of the crisis and subsequently. This shows that the Bank's market position and customer offerings are particularly attractive also in a crisis situation.

Overall, the Bank's experience from the last two quarters suggests that the consequences of the crisis for individuals and companies in the region appear to be less far-reaching than feared when the lockdown measures were implemented in March. The experience from the summer has shown that there has been a limited need to extend the interest-only periods that both corporate customers and retail customers were granted in March and April. The Board views this as a positive indication that the Bank has robust and adaptable customers.

The Bank will continue to work closely with customers and ensure early action for customers who need help. The level of new loan loss provisions has been reduced compared with the previous quarters and unless a further worsening of the crisis should occur in the fourth quarter, the Board thinks the need to strengthen model-based provisions further will be moderate in the next few quarters.

Thanks to a capable organisation and a strong focus on customers, as well as a solid capital and liquidity situation, the Board believes that the Bank is very well-positioned to help its customers going forward.

The Board of Directors of SpareBank 1 Østlandet

Hamar, 30 October 2020

Income statement

Parent Bank						Group					
Year	01.07-30.09		01.01-30.09				01.01-30.09		01.07-30.09		Year
2019	2019	2020	2019	2020	(NOK million)	Notes	2020	2019	2020	2019	2019
3,204	826	632	2,311	2,241	Interest income, fair value	18	2,461	2,497	706	889	3,453
335	92	74	269	207	Interest income, amortized cost	18	207	269	74	92	335
1,617	425	244	1,180	1,037	Interest expense	18	1,039	1,184	244	427	1,622
1,923	493	462	1,399	1,411	Net interest income	18	1,628	1,582	536	554	2,166
892	236	260	668	654	Commission income		970	963	380	336	1,295
94	27	25	68	69	Commission expenses		104	107	36	40	143
37	7	7	24	19	Other operating income		169	199	49	54	236
835	216	242	624	604	Net commission and other operating income		1,035	1,055	392	350	1,388
19	0	1	19	13	Dividends from other than Group companies	7	13	19	1	0	19
576	-6	7	576	287	Net profit from ownership interests	7	331	520	88	44	519
197	59	45	185	55	Net profit from other financial assets and liabilities	7	55	185	45	59	197
792	53	53	779	355	Net income from financial assets and liabilities		399	724	133	103	735
3,549	762	757	2,803	2,370	Total net income		3,062	3,360	1,061	1,082	4,289
699	171	167	530	505	Personnel expenses		798	824	269	267	1,098
104	26	26	78	80	Depreciation		99	99	33	30	131
543	122	135	400	406	Other operating expenses	6	501	518	163	161	702
1,346	320	328	1,008	991	Total operating expenses		1,399	1,441	465	457	1,930
2,203	442	429	1,795	1,379	Operating profit before losses on loans and guarantees		1,663	1,920	596	550	2,359
-11	13	35	-29	263	Impairment on loans and guarantees		328	0	47	24	32
2,214	429	394	1,824	1,116	Pre-tax operating profit		1,335	1,920	549	526	2,326
358	105	95	250	151	Tax expense		193	284	111	116	398
1,856	324	299	1,574	965	Profit after tax		1,142	1,637	438	409	1,928
					Attributable to additional Tier 1 Capital holders		14	9	6	2	15
					Profit after tax for controlling interest		1,123	1,624	430	406	1,909
					Profit after tax for non-controlling interest		5	3	2	1	4
					Profit after tax		1,142	1,637	438	409	1,928
					Earnings per equity certificate (in NOK)		6.80	9.72	2.60	4.50	11.55
					Diluted earnings per equity certificate (in NOK)		6.80	9.72	2.60	4.50	11.55
					Earnings per average equity certificate (in NOK)		6.80	9.72	2.60	4.50	11.56
					Diluted earnings per average equity certificate (in NOK)		6.80	9.72	2.60	4.50	11.56

Statement of other comprehensive income

Parent Bank						Group					
Year	01.07-30.09		01.01-30.09			01.01-30.09		01.07-30.09		Year	
2019	2019	2020	2019	2020	(NOK million)	Notes	2020	2019	2020	2019	2019
1,856	324	299	1,574	965	Profit after tax		1,142	1,637	438	409	1,928
3	0	0	0	-5	Actuarial gains/losses on pensions		-5	0	0	0	3
-1	0	0	0	1	Tax effects of actuarial gains/losses on pensions		1	0	0	0	-1
-13	-2	-4	-18	9	Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk		9	-18	-4	-2	-13
3	1	1	0	-2	Tax effects related to the above		-2	4	1	1	3
					Share of other comprehensive income from associated companies and joint ventures		7	-10	2	-11	13
-7	-2	-3	-13	3	Total items that will not be reclassified through profit or loss		10	-23	-1	-13	6
-1	1	1	-3	12	Net fair value adjustments on loans at fair value through other comprehensive income		12	-3	1	1	-1
0	0	0	1	-3	Tax effects related to the above		-3	1	0	0	0
5	-1	0	9	9	Fair value changes on hedge derivatives due to changes in the currency basis spread		9	9	0	-1	5
-1	0	0	-2	-2	Tax effects related to the above		-2	-2	0	0	-1
					Share of other comprehensive income from associates and joint ventures		2	-3	-11	6	-9
3	0	1	5	16	Total items that will be reclassified through profit or loss		18	2	-10	6	-6
-4	-2	-2	-9	19	Total profit and loss items recognised in equity		28	-21	-12	-7	0
1,852	322	297	1,565	984	Total profit/loss for the period		1,170	1,615	426	403	1,928
					Attributable to additional Tier 1 Capital holders		14	9	6	2	15
					Total profit/loss for the period for controlling interest		1,151	1,603	418	400	1,909
					Total profit/loss for the period for non-controlling interest		5	3	2	1	4
					Total profit/loss for the period		1,170	1,615	426	403	1,928

Balance sheet

Parent Bank					Group		
31.12.2019	30.09.2019	30.09.2020	NOK million	Notes	30.09.2020	30.09.2019	31.12.2019
ASSETS							
1,325	1,279	673	Cash and deposits with central banks		673	1,279	1,325
8,273	12,071	10,662	Loans to and receivables from credit institutions		3,321	4,729	1,199
98,041	95,067	104,080	Loans to and receivables from customers	5,6	113,049	103,744	106,718
17,252	18,050	20,786	Certificates, bonds and fixed-income funds	10	20,786	18,050	17,252
878	1,201	3,316	Financial derivatives	8,10,11	3,316	1,201	878
675	643	655	Shares, units and other equity interests	10	655	643	675
4,323	4,296	4,498	Investments in associates and joint ventures		5,229	4,833	4,870
1,758	1,521	1,758	Investments in subsidiaries		0	0	0
89	88	93	Goodwill and other intangible assets		408	405	406
300	313	274	Property, plant and equipment		468	521	503
214	199	196	Right-of use assets (buildings)	12	155	156	169
520	711	534	Other assets	13	837	1,007	787
133,648	135,441	147,527	Total assets		148,898	136,568	134,783
LIABILITIES							
3,647	3,884	5,475	Deposits from and liabilities to credit institutions		5,506	3,897	3,650
78,534	76,893	85,540	Deposits from and liabilities to customers	14	85,496	76,866	78,494
33,732	35,460	37,872	Liabilities arising from issuance of securities	10,15	37,872	35,460	33,732
373	353	827	Financial derivatives	8,10,11	827	353	373
335	219	154	Current tax liabilities		179	274	376
88	87	83	Deferred tax liabilities		213	210	212
663	2,230	728	Other debt and liabilities recognised in the balance sheet	16	850	2,297	739
1,303	1,428	1,302	Subordinated loan capital	10,15	1,302	1,428	1,303
118,676	120,555	131,980	Total liabilities		132,243	120,786	118,880
EQUITY CAPITAL							
5,791	5,791	5,791	Equity capital certificates	17	5,791	5,791	5,791
848	848	848	Premium fund		848	848	848
2,740	3,192	3,535	Dividend equalisation fund		3,535	3,192	2,740
663	0	0	Dividend		0	0	663
3,825	4,079	4,166	Primary capital		4,166	4,079	3,825
166	166	166	Other paid-up equity		166	166	166
12	13	30	Provision for gifts		30	13	12
334	303	360	Fund for unrealised gains		360	303	334
292	0	0	Dividend customers return		0	0	292
300	493	650	Hybrid capital		650	493	300
0	0	0	Other equity		996	795	817
			Non-controlling interests		113	101	114
14,972	14,886	15,547	Total equity capital		16,655	15,782	15,903
133,648	135,441	147,527	Total equity capital and liabilities		148,898	136,568	134,783

The board of SpareBank 1 Østlandet
Hamar, October 30th 2020

Changes in equity capital

Parent Bank

(NOK million)

	Paid-up equity			Earned equity capital					Hybrid-capital	Total equity capital
	Equity certificates	Premium fund	Other paid-up equity	Primary capital ¹⁾	Dividend equalisation funds ²⁾	Provision for gifts	Fund for unrealised gains	Other equity		
Equity capital as of 01.01.2019	5,766	830	166	3,912	2,589	15	252	-30	400	13,900
Reclassification ³⁾				-66	36			30		0
ECs issued and transferred to owners	26	18								43
Hybrid capital									93	93
Interest on hybrid capital				-3	-6					-9
Profit after tax				467	1,056		51			1,574
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax				-4	-9					-13
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax				2	5					7
Net fair value adjustments on loans at fair value through other comprehensive income after tax				-1	-2					-2
Dividend paid				-222	-477					-699
Donations distributed from profit 2018				-6						-6
Grants from provision for gifts in 2019						-2				-2
Equity capital as of 30.09.2019	5,791	848	166	4,079	3,192	13	303	0	493	14,886
Equity capital as of 01.01.2019	5,766	830	166	3,912	2,589	15	252	-30	400	13,900
Reclassification ³⁾				-66	36			30		0
ECs issued and transferred to owners	26	18								43
Hybrid capital									-100	-100
Interest on hybrid capital				-5	-11					-15
Profit after tax				505	1,268		83			1,856
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax				-3	-7					-10
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax				1	3					4
Net fair value adjustments on loans at fair value through other comprehensive income after tax				0	0					-1
Actuarial gains after tax on pensions				1	2					3
Dividend paid				-222	-477					-699
Donations distributed from profit 2018				-6						-6
Grants from provision for gifts in 2019						-2				-2
Equity capital as of 31.12.2019	5,791	848	166	4,117	3,403	12	334	0	300	14,972
Equity capital as of 01.01.2020	5,791	848	166	4,131	3,434	12	334	-45	300	14,972
Reclassification ³⁾				-14	-32			45		0
Adjusted equity capital at 01.01.2020	5,791	848	166	4,117	3,403	12	334	0	300	14,972
ECs issued and transferred to owners										0
Hybrid capital									350	350
Interest on hybrid capital				-4	-10					-14
Profit after tax				281	659		25			965
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax				2	5					7
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax				2	5					7
Net fair value adjustments on loans at fair value through other comprehensive income after tax				3	6					9
Actuarial gains/losses on pensions				-1	-3					-4
Dividend paid				-208	-531					-738
Donations distributed from profit 2019				-6						-6
Grants from provision for gifts in 2020				-20		18				-2
Equity capital as of 30.09.2020	5,791	848	166	4,166	3,535	30	360	0	650	15,547

Group

Group (NOK million)	Paid-up equity			Earned equity capital						Hybrid- capital	Non- controlling interests	Total equity capital
	Equity certificates	Premium fund	Other paid- up equity	Primary capital ¹⁾	Dividend equalisation funds ²⁾	Provision for gifts	Fund for unrealised gains	Other equity				
Equity capital as of 01.01.2019	5,766	830	166	3,912	2,589	15	252	728	400	102	14,762	
OB Corr. Subsidiary								0			0	
OB Corr. In Group companies								-8			-8	
Adjusted equity capital at 01.01.2019	5,766	830	166	3,912	2,589	15	252	719	400	102	14,753	
Reclassification ³⁾				-66	36			30			0	
ECs issued and transferred to owners	26	18									43	
Hybrid capital									93		93	
Interest on hybrid capital				-3	-6						-9	
Profit after tax				467	1,056		51	59		3	1,637	
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax				-4	-9						-13	
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax				2	5						7	
Net fair value adjustments on loans at fair value through other comprehensive income after tax				-1	-2						-3	
Share of other comprehensive income from associated companies and joint ventures								-13			-13	
Effects directly in equity from associated companies and joint ventures								-1			-1	
Dividend paid				-222	-477					-6	-705	
Donations distributed from profit 2018				-6							-6	
Grants from provision for gifts in 2019						-2					-2	
Equity capital as of 30.09.2019	5,791	848	166	4,079	3,192	13	303	795	493	101	15,782	
Equity capital as of 01.01.2019	5,766	830	166	3,912	2,589	15	252	728	400	102	14,762	
OB Corr. Subsidiary								0			0	
OB Corr. In Group companies								-8			-8	
Adjusted equity capital at 01.01.2019	5,766	830	166	3,912	2,589	15	252	719	400	102	14,753	
Reclassification ³⁾				-66	36			30			0	
ECs issued and transferred to owners	26	18								13	57	
Hybrid capital									-100		-100	
Interest on hybrid capital				-5	-11						-15	
Profit after tax				505	1,268		83	69		4	1,928	
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax				-3	-7						-10	
changes in the currency basis spread after tax				1	3						4	
Net fair value adjustments on loans at fair value through other comprehensive income after tax				0	0						-1	
Actuarial gains/losses on pensions				1	2						3	
Share of other comprehensive income from associated companies and joint ventures								4			4	
Effects directly in equity from associated companies and joint ventures								-6			-6	
Dividend paid				-222	-477					-6	-705	
Donations distributed from profit 2018				-6							-6	
Grants from provision for gifts in 2019						-2					-2	
Equity capital as of 31.12.2019	5,791	848	166	4,117	3,403	12	334	817	300	114	15,903	
Equity capital as of 01.01.2020	5,791	848	166	4,131	3,434	12	334	771	300	114	15,903	
Reclassification ³⁾				-14	-32			45			1	
OB Corr. Subsidiary								1			1	
OB Corr. In Group companies								0			0	
Adjusted equity capital at 01.01.2020	5,791	848	166	4,117	3,403	12	334	817	300	114	15,903	
ECs issued and transferred to owners											0	
Hybrid capital									350		350	
Interest on hybrid capital				-4	-10						-14	
Profit after tax				281	659		25	172		5	1,142	
designated at fair value due to the Bank's own credit risk after tax				2	5						7	
changes in the currency basis spread				2	5						7	
Net fair value adjustments on loans at fair value through other comprehensive income				3	6						9	
Actuarial gains/losses on pensions				-1	-3						-4	
Share of other comprehensive income from associated companies and joint ventures								8			8	
and joint ventures								-1			-1	
Dividend paid				-208	-531					-6	-744	
Donations distributed from profit 2019				-6							-6	
Grants from provision for gifts in 2020				-20		18					-2	
Equity capital as of 30.09.2020	5,791	848	166	0	4,166	30	360	996	650	113	16,655	

1) Amounts transferred to primary capital as of 31.12.2019 include dividend payments and proposed donations.

2) Amounts transferred to dividend equalization funds as of 31.12.2019 includes dividends to customers return.

3) Interest on hybrid capital is reclassified from other equity and distributed between primary capital and equalization funds according to the ownership fraction. A corresponding reclassification has been made in comparative figures for 2019.

Cash flow statement

Parent Bank				Group		
31.12.2019	30.09.2019	30.09.2020	(NOK million)	30.09.2020	30.09.2019	31.12.2019
-7,136	-4,144	-6,257	Change in gross lending to customers	-6,589	-5,097	-8,095
3,171	2,296	2,262	Interest receipts from lending to customers	2,571	2,598	3,586
6,994	5,354	7,006	Change in deposits from customers	7,002	5,370	6,997
-889	-634	-531	Interest payments on deposits from customers	-533	-638	-896
259	-3,309	-314	Change in receivables and debt from credit institutions	-19	-2,260	941
158	111	76	Interest on receivables and debt to financial institutions	-13	-5	-7
-2,762	-3,522	-3,545	Change in certificates and bonds	-3,545	-3,522	-2,762
148	130	64	Interest receipts from commercial papers and bonds	64	130	148
835	624	604	Net commission receipts	1,008	1,030	1,354
70	50	49	Capital gains from sale on trading	49	50	70
-1,236	-923	-911	Payments for operations	-1,300	-1,335	-1,792
-216	-214	-343	Taxes paid	-394	-247	-248
-20	1,527	779	Other accruals	752	1,402	-46
-623	-2,655	-1,061	Net change in liquidity from operations (A)	-946	-2,524	-751
-28	-25	-25	Investments in tangible fixed assets	-38	-55	-58
12	0	0	Receipts from sale of tangible fixed assets	27	25	46
-687	-658	-139	Change in long-term investments in equities	-139	-658	-687
601	601	300	Dividends from long-term investments in equities	175	474	474
-101	-83	136	Net cash flow from investments (B)	24	-214	-225
5,948	5,444	5,061	Debt raised by issuance of securities	5,061	5,444	5,948
400	400	0	Debt raised by subordinated loan capital	0	400	400
300	300	350	Equity raised by hybrid capital	350	300	300
-4,150	-2,350	-3,642	Repayments of issued securities	-3,642	-2,350	-4,150
-200	-75	0	Repayments of issued subordinated loan capital	0	-75	-200
-400	-207	0	Repayments of hybrid capital	0	-207	-400
37	37	0	Payments arising from issuance of equity capital certificates	0	37	37
-645	-488	-450	Interest payments on securities issued	-450	-488	-645
-36	-24	-25	Interest payments on subordinated loans	-25	-24	-36
-42	-31	-30	Lease payments	-27	-24	-35
-238	0	0	Payments arising from placements in subsidiaries	0	0	13
-477	-477	-531	Payment of dividend	-536	-483	-483
-220	-220	-206	Payment of customer dividend	-206	-220	-220
-4	-3	-8	Donations	-8	-3	-4
274	2,306	520	Net cash flow from financing (C)	517	2,306	525
-451	-432	-405	CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	-405	-432	-451
1,958	1,958	1,507	Cash and cash equivalents at 1 January	1,507	1,958	1,958
1,507	1,526	1,103	Cash and cash equivalents at the end of the period	1,103	1,526	1,507
			Cash and cash equivalents at comprise:			
1,325	1,279	673	Cash and deposits with central banks	673	1,279	1,325
183	247	430	Deposits etc. at call with banks	430	247	183
1,507	1,526	1,103	Cash and cash equivalents at the end of the period	1,103	1,526	1,507

Notes to the accounts

Note 1 Accounting principles

1.1 Basis for preparation

The interim financial statements for SpareBank 1 Østlandet cover the period 1 January - 30 September 2020. The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, current IFRS standards and IFRIC interpretations. The presentation currency is NOK (Norwegian kroner), which is also the functional currency of all the units in the Group. All amounts are in NOK million unless otherwise stated. The interim financial statements do not include all the information required in full annual financial statements and should be read in conjunction with the financial statements for 2019. The Group has applied the same accounting policies and methods of calculation in this interim report as in the last annual financial statements, with the following exceptions:

New standards and interpretations that have been applied:

In September 2019, IASB issued changes to IFRS 9 and IFRS 7. These changes are mandatory from 1 January 2020, but could be implemented in the 2019 accounts. The Group chose to implement the changes early. The Group's decision regarding early implementation meant that hedging situations could be continued unaffected by the IBOR reform. The IBOR reform is an ongoing process in which existing benchmark rates used in receivables, loans and derivative agreements are replaced with alternative benchmark rates.

Interest income

Interest income was previously split into interest income measured at fair value and interest income measured using the effective interest rate method. From the first quarter of 2020, interest income is now split into interest income (effective interest rate method) and other interest income. Changes have also been made to what the effective interest rate method involves. Please also refer to Note 18 'Net interest income'.

1.2 Important accounting estimates and discretionary assessments

In preparing consolidated financial statements, management makes estimates, discretionary assessments and assumptions which influence the effect of applying the accounting policies. This will in turn affect the recognised amounts for assets, liabilities, income and costs. Note 3 of the annual financial statements for 2019 explain in more detail critical estimates and assessments in relation to the application of accounting policies.

Losses on loans

The coronavirus has challenged the Group's estimation of expected credit losses. As at the balance sheet date, there were limited signs of a general deterioration in the loan portfolio's credit quality. However, the Bank expects the coronavirus crisis to be reflected in the Bank's risk models over time through companies' reduced earnings in 2020 and higher unemployment in the retail customer segment. The challenge lies in defining unbiased assumptions about the coronavirus crisis when its severity and duration are highly uncertain.

Please see Note 2 'Accounting Policies' in the annual financial statements for 2019 for a detailed description of the applied loss model pursuant to IFRS 9. The model contains several critical estimates. The most important is related to the definition of substantially increased credit risk and important assumptions in the general loss model.

Substantially increased credit risk

The measurement of impairments for expected credit losses in the general loss model depends on whether or not the credit risk has increased significantly since initial capitalisation. Credit deterioration is measured by the development of financial PD. Financial PD is the Bank's best assessment of the customer's risk of default. In the definition applied by the Bank, a significant degree of credit deterioration occurs when the customer's PD has increased by over 150 per cent to a PD level above 0.60 per cent. In addition, credit risk is deemed to have increased significantly when an account is overdrawn or has arrears that are 30 days past due or more, and when the customer is flagged for special follow-up. Results from the validation of credit models in the SpareBank 1

Alliance have historically provided good support for the critical estimates of significantly increased credit risk and they have also been on par with what other banks use in similar loss models.

Sensitivity related to substantially increased credit risk:

The effects of a more conservative definition of a significant degree of credit deterioration were simulated as at 31 December 2019, where this alternative occurs when the customer's PD has increased by more than 100 per cent (other conditions unchanged). The simulation indicated only insignificant changes in the level of expected losses. Expected credit losses in the Parent Bank increased by NOK 8 million (2.5 per cent) and the estimated effect on the consolidated portfolio was around NOK 10 million (2.5 per cent). Since the coronavirus pandemic has not significantly changed individual PD estimates in underlying credit models as at 30 September 2020, the sensitivity calculations as at 31 December 2019 remain relevant. However, the Bank believes there is reason to believe that the coronavirus pandemic will have a delayed impact on the credit models. Consequently, models have been overridden by assuming that a proportion of customers in exposed industries will migrate from Stage 1 to Stage 2 as a result of an assumed, but not observed, significant degree of credit deterioration. These extra loan loss impairments are based on a discretionary assessment of a proportion of loans that may be expected to migrate in each industry and the related higher expected credit losses in the event of migration. Total provisions of NOK 40 million have been made the SpareBank 1 Østlandet Group: NOK 35 million in the Parent Bank and NOK 5 million in the subsidiary SpareBank 1 Finans Østlandet.

Important assumptions in the overall loss model: Scenario-weighting and estimate of expected development on the default and loss level

The overall loss model calculates expected credit losses in three economic development scenarios: an expected scenario, a downside scenario and an upside scenario. The scenarios use different future levels of probability of default (PD) and loss given default (LGD). In combination with estimated exposure at default (EAD), PD and LGD are the most important assumptions in calculations of expected credit losses (ECL).

The starting point for the expected scenario is the observed and validated default rate (DR) and losses (LGD) over the past 3 years, although the starting point is the subject of ongoing, thorough reviews of the extent to which historical defaults and losses are unbiased, and the levels of future PD and LGD are adjusted accordingly. Over time, the Bank has experienced very low defaults and even before the coronavirus pandemic, estimated future PD levels had been set significantly higher than the average DR in the last 3 years. Based on an overall assessment of the macro picture, the PD estimates were raised significantly at the end of the first quarter of 2020. Based on available macro forecasts, with an emphasis on the Monetary Policy Report 2/20 from Norges Bank, Economic Trends 2020/2 from Statistics Norway and monthly analyses from Moody's Investor Service, the PD assumptions were further adjusted at the end of the second quarter of 2020. Updated macro forecasts from the same sources at the end of the third quarter were judged to support keeping the PD assumptions used in the second quarter unchanged. The Bank has not found grounds for changing the LGD estimates in the expected scenario since the assessment as at 31 December 2019, but these also reflect a significantly higher loss ratio than the actual LGD in recent years.

The downside scenario reflects an economic outlook that is substantially worse than the expected development, and PD and LGD have been set higher than in the expected scenario. The starting point is the expected default and loss levels in a crisis situation with levels of PD and LGD used in conservative stress scenarios for other purposes in the Bank's credit management. These conservative assumptions have been kept unchanged since the implementation of IFRS 9.

The upside scenario reflects an economic outlook that is better than the expected development, and PD and LGD have been set lower than in the expected scenario. The starting point is the observed level of defaults and losses in an historical economic recovery. The Bank believes that the DR in the last 3 years and the actual LGD in the last 5 years reflect such a period of economic prosperity. However, the assessments as at 30 June 2020 take account of the fact that it could take some time for PD levels to come down after the coronavirus pandemic. The PD curves was consequently adjusted upwards in the short and medium term, especially in the corporate segment. As at 30 September 2020, the assumptions in the upside scenario were kept unchanged.

The scenario weighting is subject to ongoing assessment based on the available information. The Bank's executive management team conducts, at least annually, a thorough review of the basis and principles for the current weighting. As at 31 December 2018, the expected scenario was assigned a weighting of 80 per cent, the downside

scenario 10 per cent and the upside scenario 10 per cent (80/10/10 per cent). On 31 December 2019, the Bank increased the weighting of the downside scenario by 5 percentage points such that the expected scenario was assigned a weighting of 75 per cent, the downside scenario 15 per cent and the upside scenario 10 per cent (75/15/10 per cent). In light of the coronavirus pandemic, it is the assessment of the Bank that the probability of the downside scenario occurring has further increased and it increased the scenario's weighting by a further 5 percentage points as at 31 March 2020. No new changes had been made to the scenario weighting as at 30 June 2020 or 30 September 2020. This means that as at 30 September 2020, ECL was calculated as a combination of a 70 per cent expected scenario, a 20 per cent downside scenario and a 10 per cent upside scenario (70/20/10 per cent).

Sensitivity related to key assumptions in the general loss model:

The table below shows the estimated ECLs in the three scenarios described above: expected scenario, downside scenario and upside scenario. The calculations are divided into the main segments retail customers (RC) and corporate customers (CC), which are totalled for the Parent Bank. The table also shows corresponding ECL calculations for the subsidiary SpareBank 1 Finans Østlandet (SB1FØ). The ECLs of the Parent Bank and the subsidiary, adjusted for group eliminations, are totalled in the Group column. Besides the segment distributed ECLs with the scenario weighting applied, the table shows four alternative scenario weightings. The first two alternatives reflect previously applied scenario weightings. The last two alternatives show the sensitivity to a further deterioration in relation to the applied scenario weighting with a 60-65 per cent probability of the expected scenario, 25-30 per cent probability of the downside scenario and 10 per cent probability of the upside scenario (65/25/10 per cent and 60/30/10 per cent).

30.09.2020	Retail market	Corporate market	SpareBank 1		Group
			Parent Bank	Finans Østlandet	
ECL in expected scenario	75	278	353	83	433
ECL in downside scenario	393	773	1,166	182	1,344
ECL in upside scenario	58	195	252	64	313
ECL with used scenario weighting 70/20/10 per cent	137	369	506	101	603
ECL with alternative scenario weighting 80/10/10 per cent	105	319	424	91	512
ECL with alternative scenario weighting 75/15/10 per cent	121	344	465	96	557
ECL with alternative scenario weighting 65/25/10 per cent	153	393	546	106	648
ECL with alternative scenario weighting 60/30/10 per cent	169	418	587	111	694

Merk: PM/BM her er sektorsegmenter og ikke regnskapsmessige ansvarssteder

The table reflects the fact that there are some significant differences in underlying PD and LGD estimates in the various scenarios and that there are differentiated levels and level differences between the segments. At a group level, the ECL in the upside scenario is no less than 70 per cent of the ECL in the expected scenario, meanwhile, the downside scenario has an ECL no less than three times higher than in the expected scenario. The applied scenario weighting, with 20 per cent downside and 10 per cent upside, thereby results in an around 40 per cent higher ECL than in the expected scenario. A further 10-percentage point increase in the probability of the downside scenario would have increased the weighted ECL by around NOK 90 million/15 per cent. A 10-percentage point reduction in the probability of the downside scenario, the probably weightings the Bank used when introducing IFRS 9, would reduce the weighted ECL correspondingly.

Reference is also made to Note 6 'Loan loss provisions', where the first table shows the loss cost effects per segment of the various changes in the model assumptions in isolation. Note that the table above does not include loan loss impairments due to model overriding (PMA), which totals NOK 40 million at a group level.

Note 2 Change in the composition of the Group

2020

SpareBank 1 Kredittkort AS changed its name to SpareBank 1 Kreditt AS as of 5 June 2020.

A reallocation of shares in SpareBank 1 Kredittkort AS pursuant to the shareholder agreement resulted in the Group increasing its stake in the company from 20.8 per cent to 20.9 per cent with effect from 1 January 2020.

2019

A reallocation of the shares of SpareBank 1 Boligkreditt AS pursuant to the shareholder agreement increased the stake in the company from 21.6 percent to 22.3 percent in december. The corresponding reallocation in SpareBank 1 Næringskreditt AS resultaed in a decrease in the stake from 17.7 percent to 15.2 percent.

EiendomsMegler 1 Hedmark Eiendom AS changed its name to EiendomsMegler 1 Innlandet AS as of 4 September 2019.

An SMB Lab business transfer was made to SpareBank 1 Utvikling in the third quarter 2019.

SpareBank 1 Banksamarbeidet changed its name in the second quarter to SpareBank 1 Utvikling DA.

The sister companies with the same name TheVIT AS merged in the second quarter to TheVIT AS.

On 28 February 2019, the SpareBank 1 banks entered into an agreement on an amended ownership model in BN Bank ASA, including a distribution of 'B' shares in SpareBank 1 Næringskreditt AS, whereby some of the present owners are changing their stakes as SpareBank 1 Østlandet comes in as a new owner. On completion of the transactions, SpareBank 1 Østlandet will have a stake in BN Bank ASA and hold 9.99 per cent of the 'B' shares in SpareBank 1 Næringskreditt AS. In all, this equates to SpareBank 1 Østlandet buying shares for a total of NOK 504 million.

A reallocation of shares in SpareBank 1 Kredittkort AS pursuant to the shareholder agreement resulted in the Group increasing its stake in the company from 20.5 per cent to 20.8 per cent with effect from 1 January 2019.

Note 3 Segment information

This segment information is linked to the way the Group is governed through reporting on performance and capital, authorisations and routines. Reporting on segments is divided into following areas retail market (RM), corporate market (CM) incl. organization market, real estate brokerage, leasing, accounting and consulting services and other operations.

Reviews:

- Real estate brokerage, leasing, financing and accounting are organised as independent companies.
- From September 30th 2020, the tax expense for RM and CM is calculated as 25 per cent of the segment's share of Pre-tax operating profit and then deducted with the segment's share of the tax deduction in relation to customer dividends.
- From 2019 until June 30th 2020 the tax expense for RM, CM and Other operations was distributed according to the segment's share of Pre-tax operating profit. For earlier periods, tax is calculated at 25 per cent for RM and CM.
- Operating expenses in RM and CM includes its share of shared expenses.
- Net commission and other income in RM and CM includes its share for shared income.
- Group eliminations arise together with other operations in a separate column.

	Retail market	Corporate market	SpareBank 1 Finans Østlandet Group	Eiendoms-Megler 1 Hedmark Innlandet AS	Megler 1 Oslo Akershus Group	TheVIT AS	Other operations/eliminations	Total
30.09.2020								
Income statement								
Net interest income	672	743	223	-1	-1	-2	-5	1,628
Net commissions and other income	472	133	44	104	158	142	-18	1,035
Net income from financial assets and liabilities	19	43	-5	0	0	0	342	399
Total operating expenses	650	320	70	82	143	137	-3	1,399
Profit before losses by segment	513	598	192	21	14	3	322	1,663
Impairment on loans and guarantees	25	238	66	0	0	0	0	328
Pre-tax operating profit	488	361	126	21	14	3	322	1,335
Tax expense	83	85	32	5	3	1	-16	193
Profit/loss per segment after tax	404	276	95	16	11	2	338	1,142
Balance sheet								
Gross lending to customers	69,485	34,923	9,104	0	0	0	113	113,624
Impairments	-69	-400	-105	0	0	0	0	-575
Other assets	2,876	686	167	84	160	136	31,740	35,849
Total assets per segment	72,291	35,209	9,165	84	160	136	31,852	148,898
Deposits from and liabilities to customers	49,225	36,231	0	0	0	0	40	85,495
Other liabilities and equity	23,067	-1,022	9,165	84	160	136	31,812	63,403
Total equity capital and liabilities per segment	72,291	35,209	9,165	84	160	136	31,852	148,898

	Retail market	Corporate market	Finans Østlandet Group	Megler 1 Hedmark Innlandet AS	Megler 1 Oslo Akershus	TheVIT AS	Other operations/ eliminations	Total
30.09.2019								
Income statement								
Net interest income	766	697	184	-1	2	-1	-64	1,582
Net commissions and other income	519	173	39	96	166	140	-78	1,055
Net income from financial assets and liabilities	0	0	0	0	0	0	724	724
Total operating expenses	668	317	71	80	159	144	2	1,441
Profit before losses by segment	617	553	152	15	9	-5	579	1,920
Losses on loans and guarantees	-8	-22	29	0	0	0	0	0
Pre-tax operating profit	624	575	124	15	9	-5	579	1,920
Tax expense	88	81	31	3	-1	-1	84	284
Profit/loss per segment after tax	537	494	93	11	10	-4	495	1,637

Balance sheet								
Gross lending to customers	62,761	32,515	8,798	0	0	0	-36	104,037
Impairments	-59	-174	-60	0	0	0	0	-293
Other assets	2,804	597	169	85	130	121	28,917	32,824
Total assets per segment	65,507	32,937	8,907	85	130	121	28,881	136,568
Deposits from and liabilities to customers	44,005	32,802	0	0	0	14	46	76,866
Other liabilities and equity	21,502	135	8,907	85	130	108	28,834	59,702
Total equity capital and liabilities per segment	65,507	32,937	8,907	85	130	121	28,881	136,568

	Retail market	Corporate market	SpareBank 1 Finans Østlandet Group	Eiendoms- Megler 1 Hedmark Innlandet AS	Eiendoms- Megler 1 Oslo Akershus Group	TheVIT AS	Other operations/ eliminations	Total
31.12.2019								
Income statement								
Net interest income	1,049	957	246	-1	1	-2	-84	2,166
Net commissions and other income	698	228	55	124	208	185	-109	1,388
Net income from financial assets and liabilities	0	0	0	0	0	0	735	735
Total operating expenses	888	429	100	116	204	192	1	1,930
Profit before losses by segment	859	756	201	7	5	-9	541	2,359
Impairment losses on loans and guarantees	1	-13	43	0	0	0	1	32
Pre-tax operating profit	857	768	158	7	5	-9	540	2,326
Tax expense	142	127	40	2	-2	-2	92	398
Profit/loss per segment after tax	715	641	118	5	7	-7	448	1,928

Balance sheet								
Gross lending to customers	64,281	34,028	8,824	0	0	0	-98	107,035
Impairments	-65	-186	-65	0	0	0	0	-316
Other assets	2,810	486	169	74	154	125	24,246	28,064
Total assets per segment	67,026	34,328	8,928	74	154	125	24,148	134,783
Deposits from and liabilities to customers	45,028	33,422	0	0	0	0	44	78,494
Other liabilities and equity	21,998	906	8,928	74	154	125	24,105	56,289
Total equity capital and liabilities per segment	67,026	34,328	8,928	74	154	125	24,148	134,783

Note 4 Capital adequacy

The Bank's capital adequacy is calculated on the basis of the applicable rules and rates at any given time. The rules are based on the three pillars that are intended to ensure that financial undertakings have capital commensurate with their risks:

- Pillar 1: Minimum regulatory capital requirements
- Pillar 2: Evaluation of the overall capital requirements and supervisory follow-up
- Pillar 3: Requirement to publish information

Capital adequacy is calculated on the basis of a risk-weighted basis. The Bank has permission to use the AIRB approach for calculating risk weightings in the lending portfolio.

Capital adequacy is calculated at three levels based on different definitions of capital:

- Common equity tier 1 ratio (CET1)
- Tier 1 capital ratio (including hybrid tier 1 capital)
- Total capital adequacy ratio (including subordinated loans)

The current requirement for CET1 capital consists of a minimum requirement of 4.5 per cent and a buffer requirement totalling 6.5 per cent, of which the Bank's countercyclical capital buffer requirement was 1 per cent at 30.09.2020. SpareBank 1 Østlandet is also subject to a Pillar II requirement of 1.8 per cent as at 30.09.2020. The total capital requirement for common equity tier 1 capital was thus 12.8 per cent at 30.09.2020. In addition to this, a further 1.5 per cent is covered by additional Tier 1 capital and 2 per cent is covered by Tier 2 capital.

The Bank's final dividend for 2019 was changed from a foreseeable dividend of 50 per cent to a final dividend of 40 %. Payouts including dividend to owners, customers as well as provisions for gifts was therefore reduced from NOK 955 million to NOK 765 million. The withheld part of the dividend was part of the equity as of 1. quarter 2020 which results in increased capital adequacy levels. As at 31.12.2019 this increase in equity would have increased CET1 capital ratio with about 0.3 percentage points for the parent bank as well as on a consolidated level.

Parent Bank				Group		
31.12.19	30.09.19	30.09.20		30.09.20	30.09.19	31.12.19
14,972	14,886	15,547	Total equity carried	16,655	15,782	15,903
			Common equity tier 1 capital			
-955	-817	-562	Results for the accounting year not included	-562	-817	-955
-300	-493	-650	Hybrid capital	-650	-493	-300
-	-	-	Minority interests that is not eligible as CET1 capital	-74	-59	-60
25	38	18	Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	18	38	25
-67	-66	-75	Goodwill and other intangible assets	-452	-401	-420
-348	-336	-212	Positive value of expected losses under the IRB approach	-288	-408	-441
-156	-156	-156	CET1 instruments of financial sector entities where the institution does have a significant investment	-481	-292	-292
-29	-19	-33	Value adjustments due to the requirements for prudent valuation (AVA)	-39	-25	-33
-	-	-	Other adjustments in CET1	15	6	3
13,143	13,037	13,876	Common equity tier 1 capital	14,142	13,330	13,430
			Additional Tier 1 capital			
300	493	650	Hybrid capital	650	493	300
-	-	-	Instruments issued by consolidated entities that are given recognition in AT1 Capital	153	283	179
300	493	650	Tier 1 capital	803	777	479
			Supplementary capital in excess of Tier 1 capital			
1,300	1,425	1,300	Subordinated loan capital	1,300	1,425	1,300
-	-	-	Instruments issued by consolidated entities that are given recognition in T2 Capital	257	154	235
1,300	1,425	1,300	Total supplementary capital	1,557	1,579	1,535
14,743	14,955	15,826	Total eligible capital	16,502	15,685	15,444
4,809	4,780	4,705	Corporates - SME	4,712	4,782	4,819
14,300	14,546	14,680	Corporates - Specialised Lending	15,367	14,546	14,980
1,783	2,021	2,424	Corporates - Other	2,457	2,021	1,815
1,162	1,226	1,297	Retail - SME	1,507	1,420	1,381
19,179	17,867	20,072	Retail - Mortgage exposures	27,820	24,912	27,293
1,034	1,130	985	Retail - Other	1,028	1,166	1,071
-	-	-	Equity exposures	-	0	3
42,267	41,571	44,162	Credit exposures calculated using IRB-approach	52,891	48,848	51,361
13,831	14,071	14,673	Credit exposures calculated using the standardised approach	19,324	19,918	17,972
351	436	964	Counterparty credit risk	2,869	2,024	1,881
0	0	0	Market risk	0	0	0
5,356	4,316	5,356	Operational risk	6,659	5,869	6,659
-	-	-	Basel I floor adjustment	-	2,946	-
61,805	60,394	65,155	Risk-weighted assets	81,743	79,605	77,873
4,944	4,831	5,212	Capital requirements (8%)	6,539	6,368	6,230
1,112	1,087	1,173	Pillar 2 (1.8%)	1,471	1,433	1,402
			Buffer requirements			
1,545	1,510	1,629	Capital conservation buffer (2.5%)	2,044	1,990	1,947
1,545	1,208	652	Countercyclical capital buffer (1%, 2% as at 30.09.2019 and 2.5% as at 31.12.2019)	817	1,592	1,947
1,854	1,812	1,955	Systemic risk buffer (3%)	2,452	2,388	2,336
4,944	4,530	4,235	Total buffer requirements for CET1 (6.5%, 7.5% as at 30.09.2019 and 8% as at 31.12.2019)	5,313	5,970	6,230
4,305	4,703	5,536	Available CET1 above current requirements (12.8%, 13.8% as at 30.09.2019 and 14.3 as at 31.12.2019)	3,679	2,344	2,294
			Capital ratios			
21.3 %	21.6 %	21.3 %	CET 1 capital ratio	17.3 %	16.7 %	17.2 %
21.8 %	22.4 %	22.3 %	Tier 1 Capital ratio	18.3 %	17.7 %	17.9 %
23.9 %	24.8 %	24.3 %	Capital adequacy ratio	20.2 %	19.7 %	19.8 %
9.8 %	9.9 %	9.7 %	Leverage Ratio	7.1 %	7.4 %	7.2 %

Note 5 Loans to and receivables from customers

Parent Bank

Gross loans	30.09.2020				30.09.19				31.12.2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance	91,115	6,858	323	98,296	85,386	5,403	371	91,160	85,386	5,403	371	91,160
Transfers in (out) to Stage 1	1,791	-1,786	-5	0	1,395	-1,390	-5	0	1,268	-1,261	-7	0
Transfers in (out) to Stage 2	-2,554	2,564	-10	0	-2,873	2,885	-13	0	-3,198	3,233	-34	0
Transfers in (out) to Stage 3	-54	-224	278	0	-30	-92	122	0	-53	-80	133	0
Net increase/decrease existing loans	-2,058	-133	-29	-2,221	-2,014	-288	-35	-2,337	-2,315	-320	-42	-2,678
Purchases and originations	39,416	862	203	40,481	33,833	1,018	48	34,899	44,252	1,562	58	45,872
Derecognitions and maturities	-29,955	-1,935	-103	-31,993	-27,124	-1,171	-113	-28,409	-34,224	-1,678	-145	-36,047
Write-offs	0	0	-10	-10	0	0	-9	-9	0	0	-11	-11
Ending Balance	97,702	6,205	646	104,553	88,573	6,365	366	95,304	91,115	6,858	323	98,296
Loan and advances to customers at amortised cost				32,446				30,238				31,621
Loan and advances to customers at fair value				72,107				65,066				66,675

Group

Gross loans	30.09.2020				30.09.19				31.12.2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance	98,654	7,925	456	107,035	92,167	6,317	456	98,940	92,167	6,317	456	98,940
Transfers in (out) to Stage 1	2,151	-2,145	-6	0	1,644	-1,631	-14	0	1,496	-1,484	-12	0
Transfers in (out) to Stage 2	-3,055	3,078	-23	0	-3,326	3,351	-25	0	-3,711	3,754	-44	0
Transfers in (out) to Stage 3	-93	-271	364	0	-66	-151	218	0	-104	-130	233	0
Net increase/decrease existing loans	-3,001	-274	-39	-3,314	-2,901	-440	-47	-3,388	-3,388	-520	-60	-3,968
Purchases and originations	42,036	1,003	210	43,248	36,829	1,206	65	38,100	47,764	1,870	86	49,721
Derecognitions and maturities	-31,036	-2,099	-200	-33,335	-28,134	-1,322	-150	-29,606	-35,571	-1,883	-192	-37,646
Write-offs	0	0	-10	-10	0	0	-9	-9	0	0	-11	-11
Ending Balance	105,656	7,217	751	113,624	96,213	7,330	494	104,037	98,654	7,925	456	107,035
Loan and advances to customers at amortised cost				41,517				38,971				40,360
Loan and advances to customers at fair value				72,107				65,066				66,675

Parent Bank

	Loan and advances to customers at amortised cost 30.06.2020	Provisions for credit losses			Loan and advances to customers at fair value 30.06.2020	Net lending 30.06.2020
		Stage 1	Stage 2	Stage 3		
Public sector	3	-	-	-	-	3
Primary industries	3,041	-2	-6	-8	1,938	4,963
Paper and pulp industries	1,710	-2	-1	-1	335	2,041
Other industry	1,482	-7	-3	-106	58	1,426
Building and constructions	3,692	-23	-11	-11	301	3,948
Power and water supply	269	-0	-1	-1	1	267
Wholesale and retail trade	835	-5	-4	-9	133	950
Hotel and restaurants	470	-2	-3	-1	58	524
Real estate	15,921	-44	-61	-6	462	16,272
Commercial services	3,997	-15	-9	-9	630	4,594
Transport and communication	306	-1	-3	-4	172	470
Post model adjustments	-	-	-35	-	-	-35
Gross corporate loans by sector and industry	31,725	-102	-136	-155	4,088	35,420
Private customers	721	-1	-2	-29	67,972	68,660
Post model adjustments	-	-	-	-	-	-
Total loans to private customers	721	-1	-2	-29	67,972	68,660
Adjustment fair value	-	-	-39	-8	47	-
Total loans to customers	32,446	-103	-178	-192	72,107	104,080
Loans transferred to SpareBank 1 Boligkreditt AS						46,153
Loans transferred to SpareBank 1 Næringskreditt AS						1,215
Total loans including loans transferred to covered bond companies						151,449
Other liabilities ¹⁾						16,016
Total commitments including loans transferred to covered bond companies						167,465

	Loan and advances to customers at amortised cost 30.06.2019	Provisions for credit losses			Loan and advances to customers at fair value 30.06.2010	Net lending 30.06.2019
		Stage 1	Stage 2	Stage 3		
Public sector	6	-	-	-	2	7
Primary industries	2,799	-1	-5	-11	1,787	4,569
Paper and pulp industries	752	-1	-1	-	322	1,073
Other industry	1,267	-5	-3	-1	46	1,303
Building and constructions	3,490	-18	-16	-1	276	3,732
Power and water supply	217	-0	-0	-1	0	216
Wholesale and retail trade	983	-4	-4	-5	132	1,103
Hotel and restaurants	404	-1	-0	-0	64	466
Real estate	15,281	-24	-34	-3	509	15,730
Commercial services	3,826	-9	-8	-16	561	4,356
Transport and communication	351	-1	-3	-0	168	516
Other	-	-	-	-	-	-
Gross corporate loans by sector and industry	29,377	-63	-73	-38	3,868	33,070
Private customers	861	-1	-1	-22	61,160	61,997
Adjustment fair value			-30	-8	39	-
Total loans to customers	30,238	-64	-105	-68	65,066	95,067
Loans transferred to SpareBank 1 Boligkreditt AS						42,244
Loans transferred to SpareBank 1 Næringskreditt AS						1,029
Total loans including loans transferred to covered bond companies						138,340
Other liabilities ¹⁾						13,599
Total commitments including loans transferred to covered bond companies						151,939

	Provisions for credit losses					
	Loan and advances to customers at amortised cost 31.12.2019				Loan and advances to customers at fair value 31.12.2019	Net lending 31.12.2019
		Stage 1	Stage 2	Stage 3		
Public sector	22	-0	-	-	-	22
Primary industries	2,936	-2	-5	-11	1,873	4,791
Paper and pulp industries	775	-1	-2	-0	327	1,099
Other industry	1,217	-5	-3	-1	49	1,257
Building and constructions	3,676	-19	-13	-1	270	3,912
Power and water supply	221	-0	-0	-1	1	220
Wholesale and retail trade	1,025	-3	-3	-5	128	1,142
Hotel and restaurants	403	-1	-1	-1	61	461
Real estate	15,673	-33	-31	-7	461	16,064
Commercial services	4,572	-11	-8	-11	562	5,104
Transport and communication	325	-1	-3	-0	162	483
Other	-	-	-	-	-	-
Gross corporate loans by sector and industry	30,845	-75	-70	-39	3,894	34,555
Private customers	776	-1	-1	-23	62,735	63,486
Adjustment fair value			-37	-9	46	-
Total loans to customers	31,621	-76	-108	-71	66,675	98,041
Loans transferred to SpareBank 1 Boligkreditt AS						42,630
Loans transferred to SpareBank 1 Næringskreditt AS						1,022
Total loans including loans transferred to covered bond companies						141,694
Other liabilities ¹⁾						13,058
Total commitments including loans transferred to covered bond companies						154,752

1) Consists of guarantees, unused credits and loan commitments.

Group

	Provisions for credit losses					
	Loan and advances to customers at amortised cost 30.06.2020				Loan and advances to customers at fair value 30.06.2020	Net lending 30.06.2020
		Stage 1	Stage 2	Stage 3		
Public sector	271	-1	-0	-0	-	270
Primary industries	3,430	-3	-6	-8	1,938	5,351
Paper and pulp industries	1,732	-2	-1	-1	335	2,063
Other industry	1,755	-8	-4	-106	58	1,695
Building and constructions	4,835	-28	-17	-12	301	5,081
Power and water supply	459	-2	-1	-1	1	455
Wholesale and retail trade	1,140	-7	-6	-9	133	1,251
Hotel and restaurants	487	-2	-3	-1	58	540
Real estate	16,096	-42	-66	-7	462	16,444
Commercial services	4,751	-18	-12	-12	630	5,338
Transport and communication	1,656	-5	-15	-13	172	1,795
Post model adjustments	-	-	-40	-	-	-40
Gross corporate loans by sector and industry	36,611	-118	-169	-169	4,088	40,244
Private customers	4,905	-9	-19	-43	67,972	72,806
Post model adjustments	-	-	-1	-	-	-1
Total loans to private customers	4,905	-9	-20	-43	67,972	72,805
Adjustment fair value	-	-	-39	-8	47	-
Total loans to customers	41,517	-127	-228	-220	72,107	113,049
Loans transferred to SpareBank 1 Boligkreditt AS						46,153
Loans transferred to SpareBank 1 Næringskreditt AS						1,215
Total loans including loans transferred to covered bond companies						160,418
Other liabilities ¹⁾						16,598
Total commitments including loans transferred to covered bond companies						177,016

Provisions for credit losses

	Loan and advances to customers at amortised cost 30.06.2019	Stage 1	Stage 2	Stage 3	Loan and advances to customers at fair value 30.06.2010	Net lending 30.06.2019
Public sector	289	-0	-0	-0	2	290
Primary industries	3,196	-2	-5	-11	1,787	4,965
Paper and pulp industries	770	-1	-1	-	322	1,091
Other industry	1,506	-6	-4	-2	46	1,540
Building and constructions	4,757	-20	-19	-2	276	4,993
Power and water supply	387	-1	-0	-1	0	385
Wholesale and retail trade	1,287	-5	-5	-5	132	1,404
Hotel and restaurants	419	-1	-0	-0	64	481
Real estate	15,398	-23	-35	-4	509	15,846
Commercial services	4,466	-11	-9	-16	561	4,992
Transport and communication	1,534	-4	-9	-1	168	1,688
Other	-	-	-	-	-	-
Gross corporate loans by sector and industry	34,011	-73	-88	-42	3,868	37,676
Private customers	4,960	-7	-12	-33	61,160	66,068
Adjustment fair value		-	-30	-8	39	-
Total loans to customers	38,971	-79	-130	-83	65,066	103,744
Loans transferred to SpareBank 1 Boligkreditt AS						42,244
Loans transferred to SpareBank 1 Næringskreditt AS						1,029
Total loans including loans transferred to covered bond companies						147,017
Other liabilities ¹⁾						14,467
Total commitments including loans transferred to covered bond companies						161,484

Provisions for credit losses

	Loan and advances to customers at amortised cost 31.12.2019	Stage 1	Stage 2	Stage 3	Loan and advances to customers at fair value 31.12.2019	Net lending 31.12.2019
Public sector	336	-0	-0	-0	0	336
Primary industries	3,356	-3	-7	-12	1,873	5,207
Paper and pulp industries	788	-1	-2	-0	327	1,112
Other industry	1,424	-6	-4	-2	49	1,462
Building and constructions	4,710	-22	-17	-4	270	4,938
Power and water supply	243	-1	-0	-1	1	242
Wholesale and retail trade	1,289	-5	-4	-5	128	1,402
Hotel and restaurants	419	-1	-1	-1	61	476
Real estate	16,028	-35	-32	-7	461	16,415
Commercial services	5,327	-14	-9	-8	562	5,859
Transport and communication	1,643	-6	-9	-3	162	1,787
Other	-	-	-	-	-	-
Gross corporate loans by sector and industry	35,562	-93	-86	-43	3,895	39,235
Private customers	4,797	-4	-10	-35	62,735	67,483
Adjustment fair value		-	-37	-9	46	-
Total loans to customers	40,359	-97	-133	-87	66,676	106,718
Loans transferred to SpareBank 1 Boligkreditt AS						42,630
Loans transferred to SpareBank 1 Næringskreditt AS						1,022
Total loans including loans transferred to covered bond companies						150,371
Other liabilities ¹⁾						13,638
Total commitments including loans transferred to covered bond companies						164,009

1) Consists of guarantees, unused credits and loan commitments.

Note 6 Loan loss provisions

The table shows isolated loss effects.

31.12.2019-31.03.2020

Isolated loss effects	Retail market	Corporate market	Parent bank	SB1FØ	Group
Change ECL due to period growth and migration	-2	2	0	-4	-4
Change ECL due to adjusted key assumptions (PD / LGD)	3	35	38	17	54
Change ECL due to changed scenario weighting	14	26	41	3	44
Change in model-based loss provisions	15	63	79	16	94
Post model adjustments	0	35	35	5	40
Change individual loss provisions	-2	13	11	2	13
Net write-offs	3	3	6	-1	4
Total losses	16	114	130	21	151

31.03.2020-30.06.2020

Isolated loss effects	Retail market	Corporate market	Parent bank	SB1FØ	Group
Change ECL due to period growth and migration	3	0	3	3	6
Change ECL due to adjusted key assumptions (PD / LGD)	1	4	4	0	4
Change ECL due to changed scenario weighting	0	0	0	0	0
Change in model-based loss provisions	3	4	7	3	10
Post model adjustments	0	15	15	0	15
Change individual loss provisions	5	63	68	15	82
Net write-offs	2	6	8	15	23
Total losses	10	88	98	33	130

30.06.2020-30.09.2020

Isolated loss effects	Retail market	Corporate market	Parent bank	SB1FØ	Group
Change ECL due to period growth and migration	-1	1	0	5	5
Change ECL due to adjusted key assumptions (PD / LGD)	0	0	0	0	0
Change ECL due to changed scenario weighting	0	0	0	0	0
Change in model-based loss provisions	-1	1	0	5	5
Post model adjustments	0	-15	-15	0	-15
Change individual loss provisions	-3	45	43	-5	38
Net write-offs	3	4	7	12	19
Total losses	-1	36	35	12	47

31.12.2019-30.09.2020

Isolated loss effects	Retail market	Corporate market	Parent bank	SB1FØ	Group
Change ECL due to period growth and migration	0	4	3	4	7
Change ECL due to adjusted key assumptions (PD / LGD)	3	39	42	17	59
Change ECL due to changed scenario weighting	14	26	41	3	44
Change in model-based loss provisions	17	69	86	23	109
Post model adjustments	0	35	35	5	40
Change individual loss provisions	1	121	121	12	133
Net write-offs	7	13	21	26	46
Total losses	25	238	263	66	328

There has been calculations of ECL on credit institutions and central banks, but the effect is are deemed insignificant and consequently not included in the write-downs.

Parent Bank

30.09.2020

	31.12.2019	Provision for credit losses	Net write-offs	30.sep.20
Provisions for loans at amortised cost, guarantees and unused credit facilities	232	239	-10	461
Provisions for loan losses at fair value over OCI	67	14	-1	80
Total provisions for credit losses	299	252	-10	541
Presented as:				
Assets: Provisions for loan losses - decrease of assets	255	228	-10	473
Liabilities: Provisions for loan losses - increase of liabilities	22	12	0	34
Equity: Fair value adjustment of losses	21	12	0	33

30.09.2019

	31.12.2018	Provision for credit losses	Net write-offs	30.sep.19
Provisions for loans at amortised cost, guarantee and unused credit facilities	265	-30	-11	224
Provisions for loan losses at fair value over OCI	65	-7	-1	57
Total provisions for credit losses	329	-37	-11	281
Presented as:				
Assets: Provisions for loan losses - decrease of assets	282	-34	-11	237
Liabilities: Provisions for loan losses - increase of liabilities	25	0	0	25
Equity: Fair value adjustment of losses	22	-3	0	19

31.12.2019

	31.12.2018	Provision for credit losses	Net write-offs	31.12.2019
Provisions for loans at amortised cost, guarantees and unused credit facilities	265	-22	-11	232
Provisions for loan losses at fair value over OCI	65	2	-1	67
Total provisions for credit losses	329	-19	-11	299
Presented as:				
Assets: Provisions for loan losses - decrease of assets	282	-15	-11	255
Liabilities: Provisions for loan losses - increase of liabilities	25	-3	0	22
Equity: Fair value adjustment of losses	22	-1	0	21

Group

30.09.2020

	31.12.2019	Provision for credit losses	Net write-offs	30.sep.20
Provisions for loans at amortised cost, guarantees and unused credit facilities	294	279	-10	563
Provisions for loan losses at fair value over OCI	67	14	-1	80
Total provisions for credit losses	360	292	-10	642
Presented as:				
Assets: Provisions for loan losses - decrease of assets	317	268	-10	575
Liabilities: Provisions for loan losses - increase of liabilities	22	12	0	34
Equity: Fair value adjustment of losses	21	12	0	33

30.09.2019

	31.12.2018	Provision for credit losses	Net write-offs	30.sep.19
Provisions for loans at amortised cost, guarantee and unused credit facilities	320	-26	-11	283
Provisions for loan losses at fair value over OCI	65	-8	-1	57
Total provisions for credit losses	385	-34	-11	340
Presented as:				
Assets: Provisions for loan losses - decrease of assets	337	-33	-11	293
Liabilities: Provisions for loan losses - increase of liabilities	25	0	0	25
Equity: Fair value adjustment of losses	22	0	0	22

31.12.2019

	31.12.2018	Provision for credit losses	Net write-offs	31.12.2019
Provisions for loans at amortised cost, guarantees and unused credit facilities	320	-16	-11	294
Provisions for loan losses at fair value over OCI	65	2	-1	67
Total provisions for credit losses	385	-13	-11	360
Presented as:				
Assets: Provisions for loan losses - decrease of assets	338	-9	-11	317
Liabilities: Provisions for loan losses - increase of liabilities	25	-3	0	22
Equity: Fair value adjustment of losses	22	-1	0	21

Parent Bank

Provisions for credit losses *	30.09.2020				30.09.19				31.12.2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance	115	115	68	298	111	136	83	329	111	136	83	329
<i>Provision for credit losses</i>												
<i>Transfers in (out) to Stage 1</i>	5	-5	0	0	4	-4	0	0	3	-3	0	0
<i>Transfers in (out) to Stage 2</i>	-58	58	0	0	-45	46	-1	0	-46	48	-2	0
<i>Transfers in (out) to Stage 3</i>	-10	-11	20	0	-1	-4	5	0	-9	-7	16	0
<i>Net remeasurement of loss provisions</i>	76	9	16	100	17	-53	8	-28	33	-49	2	-14
<i>Purchases and originations</i>	56	15	113	183	39	17	1	56	56	24	1	81
<i>Derecognitions and maturities</i>	-23	-29	-14	-66	-22	-27	-17	-65	-33	-34	-19	-86
<i>Write-offs</i>	0	0	-10	-10	0	0	-11	-11	0	0	-11	-11
<i>Post model adjustment</i>	0	35	0	35	0	0	0	0	0	0	0	0
Ending Balance	161	186	193	541	102	113	67	281	115	115	69	299

Group

Provisions for credit losses *	30.09.2020				30.09.19				31.12.2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance	131	142	86	360	127	162	96	385	127	162	96	385
<i>Provision for credit losses</i>												
<i>Transfers in (out) to Stage 1</i>	14	-14	0	0	9	-9	0	0	8	-8	0	0
<i>Transfers in (out) to Stage 2</i>	-61	61	-1	0	-47	48	-1	0	-48	50	-2	0
<i>Transfers in (out) to Stage 3</i>	-10	-14	24	0	-1	-7	8	0	-9	-11	21	0
<i>Net remeasurement of loss provisions</i>	72	34	28	135	10	-47	1	-35	24	-42	8	-11
<i>Purchases and originations</i>	63	19	115	197	46	22	1	69	66	31	4	101
<i>Derecognitions and maturities</i>	-25	-33	-21	-79	-23	-32	-12	-67	-35	-41	-27	-103
<i>Write-offs</i>	0	0	-10	-10	0	0	-11	-11	0	0	-11	-11
<i>Post model adjustment</i>	0	40	0	40	0	0	0	0	0	0	0	0
Ending Balance	185	236	221	642	120	139	82	340	131	142	87	360

* Provisions for loans, guarantees and unused credit facilities

Note 7 Net income from financial assets and liabilities

Parent Bank			Group		
31.12.2019	30.09.2019	30.09.2020	30.09.2020	30.09.2019	31.12.2019
19	19	13	13	19	19
19	19	13	13	19	19
582	582	287	331	520	519
0	0	0			
-6	-6	0			
576	576	287	331	520	519
3	48	163	163	48	3
14	-21	-163	-163	-21	14
17	27	0	0	27	17
-96	-411	-640	-640	-411	-96
106	443	660	660	443	106
10	31	21	21	31	10
82	52	25	25	52	82
-18	23	159	159	23	-18
36	2	-199	-199	2	36
16	8	11	11	8	16
55	42	38	38	42	55
197	185	55	55	185	197
792	779	355	399	724	735

Note 8 Financial derivatives

Parent Bank and Group

	30.09.2020		
	Contract amount	Fair value	
		Assets	Liabilities
At fair value through profit and loss			
Currency instruments			
Currency forward contracts	1,906	45	34
Currency swaps	2,820	20	21
Total currency instruments	4,725	65	56
Interest rate instruments			
Interest rate swaps (including cross-currency)	51,150	3,251	771
Other interest rate contracts	3,881	1	0
Total interest rate instruments	55,031	3,252	771
Total currency instruments	4,725	65	56
Total interest rate instruments	55,031	3,252	771
Total financial derivatives	59,757	3,316	827

	30.09.2019		
	Contract amount	Fair value	
		Assets	Liabilities
At fair value through profit and loss			
Currency instruments			
Currency forward contracts	2,396	12	24
Currency swaps	1,346	2	29
Total currency instruments	3,742	13	53
Interest rate instruments			
Interest rate swaps (including cross-currency)	46,855	1,182	300
Other interest rate contracts	2,979	5	0
Total interest rate instruments	49,834	1,188	300
Total currency instruments	3,742	13	53
Total interest rate instruments	46,855	1,188	300
Total financial derivatives	50,597	1,201	353

	31.12.2019		
	Contract amount	Fair value	
		Assets	Liabilities
At fair value through profit and loss			
Currency instruments			
Currency forward contracts	1,562	15	18
Currency swaps	1,712	5	18
Total currency instruments	3,275	20	36
Interest rate instruments			
Interest rate swaps (including cross-currency)	46,793	858	336
Other interest rate contracts	2,958	0	0
Total interest rate instruments	49,751	858	336
Total currency instruments	3,275	20	36
Total interest rate instruments	49,751	858	336
Total financial derivatives	53,026	878	373

Note 9 Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its obligations when they fall due, or be unable to finance its assets, including the desired growth, without significantly increased costs.

The group's framework for managing liquidity risk reflects its conservative risk profile, and the group manages the liquidity risk by maintaining a sufficient proportion of liquid reserves at all times, while the financing is diversified and long-term. Diversification is achieved by spreading borrowing across different markets, maturities and instruments. The group's goal is to be able to survive for twelve months without access to new financing while house prices fall by 30 per cent. The Bank must satisfy the minimum requirement for LCR over the same period. Stress testing is undertaken at various maturities for a bank-specific crisis, a systemic crisis and a combination of these, and a contingency plan has been established to handle various liquidity crises.

Average time to maturity in the Bank's borrowing portfolio was 3.6 (3.9) years at the end of Q3 2020. At the same date, total LCR was 152.0 (203.5) per cent.

Note 10 Financial instruments at fair value

The table below shows financial instruments at fair value by valuation method. The different levels are defined as follows:

- Level 1: Quoted prices for similar asset or liability on an active market
- Level 2: Valuation based on other observable factors either direct (price) or indirect (deduced from prices) than the quoted price (used on level 1) for the asset or liability
- Level 3: Valuation based on factors not based on observable market data (non-observable inputs)

Group

30.09.2020	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value				
- Derivatives	0	3,316	0	3,316
- Certificates, bonds and fixed-income funds	0	20,786	0	20,786
- Fixed-rate loans to customers	0	0	6,363	6,363
- Equity instruments	335	0	320	655
- Mortgages	0	0	65,697	65,697
Total assets	335	24,102	72,379	96,817
Liabilities				
Financial liabilities at fair value				
- Derivatives	0	827	0	827
- Securities issued	0	3,147	0	3,147
Total liabilities	0	3,974	0	3,974

30.09.2019	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit and loss				
- Derivatives	0	1,201	0	1,201
- Bonds and certificates	0	18,050	0	18,050
- Fixed-rate loans to customers	0	0	6,826	6,826
- Equity instruments	305	45	293	643
- Other financial assets	0	0	58,201	58,201
Total assets	305	19,296	65,320	84,922
Liabilities				
Financial assets at fair value through profit and loss				
- Derivatives	0	353	0	353
- Securities issued	0	4,086	0	4,086
Total liabilities	0	4,439	0	4,439

31.12.2019	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit and loss				
- Derivatives	0	878	0	878
- Bonds and certificates	0	17,252	0	17,252
- Fixed-rate loans to customers	0	0	6,765	6,765
- Equity instruments	331	45	299	675
- Other financial assets	0	0	59,865	59,865
Total assets	331	18,175	66,929	85,435
Liabilities				
Financial assets at fair value through profit and loss				
- Derivatives	0	373	0	373
- Securities issued	0	4,036	0	4,036
Total liabilities	0	4,409	0	4,409

Fair value of financial instruments traded on active markets is based on the market value on the balance sheet day. A market is considered active if the market prices are easily and regularly available, and these prices represent actual and regularly occurring arm's-length market transactions. The market price used for financial assets is the current purchase price; for financial liabilities the current selling price is used. Instruments included in level 1 include only equity instruments listed on Oslo Børs or the New York Stock Exchange.

Fair value of financial instruments that are not traded in an active market (such as individual OTC derivatives) is determined using valuation methods. These valuation methods make maximum use of observable data where available and try to avoid using the Group's own estimates. If all the significant data required to determine the fair value of an instrument is observable data, the instrument is included in level 2.

If one or more important inputs required to determine the fair value of an instrument are not observable market data, the instrument is included in level 3.

Valuation methods used to determine the value of financial instruments include:

- Fair value of interest rate swaps is calculated as the present value of the estimated future cash flow based on observable yield curves.
- Fair value forward contracts in a foreign currency is determined by looking at the present value of the difference between the agreed forward exchange rate and the foreign exchange rate on balance sheet day.
- Fair value of bonds and certificates (assets and liabilities) is calculated as the present value of the estimated future cash flow based on observable yield curves, including an indicated credit spread on issuers from Nordic Bond Pricing, Refinitiv pricing service, Bloomberg or reputable brokers.
- Fair value of fixed-rate loans to customers is calculated as the present value of the estimated future cash flow based on an observable swap yield curve, plus a calculated marked premium
- Fair value of floating rate mortgages is estimated based on carrying amount and expected credit losses.
- Other methods, such as multiplier models, have been used to determine the fair value of the remaining financial instruments.

The table below presents the changes in value of the instruments classified in level 3:

	Fixed-rate loans to customers	Equity instruments	Mortgages (FVOCI)	Other financial assets	Total
31.12.2019-30.09.2020					
Opening balance	6,765	299	59,865	0	66,929
Investments in the period	664	0	27,255	0	27,919
Sales/redemption in the period	-1,225	-1	-21,421	0	-22,647
Gains/losses recognised through profit and loss	159	21	-14	0	167
Gains/losses recognised through other comprehensive income	0	0	12	0	12
Closing balance	6,363	320	65,697	0	72,379
Gains/losses for the period included in the profit for assets owned on the balance sheet day	159	21	-14	0	167

	Fixed-rate loans to customers	Equity instruments	Term deposit	Mortgages (FVOCI)	Other financial assets	Total
31.12.2018-30.09.2019						
Opening balance	6,471	279	0	56,859	4	63,614
Investments in the period	1,219	0	0	15,114	0	16,333
Sales / redemption in the period	-887	0	0	-13,776	-4	-14,668
Gains / losses recognised through profit and loss	23	14	0	7	0	44
Gains/losses recognised through other comprehensive income	0	0	0	-3	0	-3
Closing balance	6,826	293	0	58,201	0	65,320
Gains / losses for the period included in the profit for assets owned on the balance sheet day	23	14	0	7	0	44

	Fixed-rate loans to customers	Equity instruments	Term deposit	Mortgages (FVOCI)	Other financial assets	Total
31.12.2018-31.12.2019						
Opening balance	6,471	279	0	56,859	4	63,614
Investments in the period	1,608	2	0	30,858	0	32,468
Sales/redemption in the period	-1,297	0	0	-27,850	-4	-29,151
Gains/losses recognised through profit and loss	-18	18	0	-2	0	-2
Gains/losses recognised through other comprehensive income	0	0	0	-1	0	-1
Closing balance	6,765	299	0	59,865	0	66,929
Gains/losses for the period included in the profit for assets owned on the balance sheet day	-18	18	0	-2	0	-2

Specification of fair value, instruments classified in level 3:

	Fixed-rate loans to customers	Equity instruments	Mortgages (FVOCI)	Other financial assets	Total
30.09.2020					
Nominal value including accrued interest (fixed income instruments)/cost (shares)	6,221	208	65,745	0	72,173
Fair value adjustment	142	111	-47	0	206
Closing balance	6,363	320	65,697	0	72,379

	Fixed-rate loans to customers	Equity instruments	Mortgages (FVOCI)	Other financial assets	Total
30.09.2019					
Nominal value including accrued interest (fixed income instruments)/cost (shares)	6,802	209	58,240	0	65,251
Fair value adjustment	24	84	-39	0	70
Closing balance	6,826	293	58,201	0	65,320

	Fixed-rate loans to customers	Equity instruments	Mortgages (FVOCI)	Other financial assets	Total
31.12.2019					
Nominal value including accrued interest (fixed income instruments)/cost (shares)	6,782	209	59,911	0	66,902
Fair value adjustment	-17	90	-46	0	27
Closing balance	6,765	299	59,865	0	66,929

Sensitivity, instruments classified as level 3

The valuation of fixed-rate loans to customers is based on an agreed rate with the customer. The loans are discounted by the current yield curve plus a discretionary market premium. An increase in the discount rate by ten basis points would have resulted in a negative change in fair value of MNOK 16.

Equity instruments in Level 3 consists of the significant shareholdings in Oslo Kongressenter Folkets Hus BA (MNOK 57), Eksportfinans ASA (MNOK 74), SpareBank 1 Markets AS (MNOK 40) and VN Norge AS (MNOK 56). The valuation of the two former is based on the book value of their equity adjusted for surplus and deficit values. Based on valuation from 2010 and later broker reviews, it is considered to be significant added value in the property mass belonging to Oslo Kongressenter Folkets Hus BA (P/B 3.7). Based on an external valuation in connection with a demerger in 2012 and subsequent equity transactions, the value of Eksportfinans ASA is considered to be less than book value (P/B 0.85). The value of the shareholding in SpareBank 1 Markets are based on current issue pricing. The value of the shareholding in VN Norge (former Visa Norge FLI, transformed into a limited company medio 2018) are based on valuation of underlying assets, of witch preference shares in Visa Inc are most significant. Preference shares in Visa Inc will be converted into tradable shares no later than 2028. The valuation of this underlying asset is based on the share price of tradable Visa Inc stocks and the closing exchange rate (USDNOK) as well as agreed conversion factor for the preference shares. Net value is less deferred tax and a liquidity discount. The preference shares are priced by an external party.

Floating rate mortgages classified at fair value through other comprehensive income (OCI) are valued bases on carrying amounts and expected credit losses. Mortgages that do not have a significantly higher credit risk than they did upon initial recognition, are valued at nominal amount. For loans with a significant increase in credit risk since initial recognition, expected credit loss will be calculated as for assets at amortised cost. Estimated fair value on these mortgages are the carrying amount less lifetime expected credit losses. With the current assumptions on expected credit loss, the fair value adjustment amounts to MNOK -47. Change in fair value will mainly relate to estimates on probability of default (PD) and loss given default (LGD), both at portfolio level and for individual loans.

Note 11 Financial instruments and offsetting

In accordance with IFRS 7 it should be disclosed which of the financial instruments the Bank considers to fulfill the requirements for offsetting and which financial instruments they have signed netting agreements on.

The Bank has no financial instruments booked on a net basis in the financial statements.

SpareBank 1 Østlandet has three sets of agreements which regulate counterparty risk and netting of derivatives. For retail and corporate customers, agreements requiring provision of collateral is established. For customers engaged in trading activity, only cash deposits are accepted as collateral. The agreements are unilateral, i.e it is only the customers that provide collateral. As for financial institutions, the Bank enters into standardised and mainly bilateral ISDA agreements. Under ISDA the Bank has entered into credit supplementary agreements (CSA) with 18 institutional counterparties. The Bank has also entered into agreements on the clearing of derivatives transactions, transferring its exposure to a central counterparty (clearing house) that calculates the collateral requirements.

Reverse repurchase agreements are governed by GMRA agreements with counterparty. The Bank has five GMRA agreements.

The assets and liabilities below may be offset.

Parent Bank and Group						Amounts not presented on the balance sheet on a net basis
	Gross financial assets/(liabilities)	Recognised on a net basis	Net financial assets/(liabilities) on the balance sheet	Financial instruments	Cash collateral given/(received)	Net amount
30.09.2020						
Derivatives as assets	3,316	0	3,316	-692	-2,365	259
Derivatives as liabilities	-827	0	-827	692	106	-28
30.09.2019						
Derivatives as assets	1,201	0	1,201	-311	-787	102
Derivatives as liabilities	-353	0	-353	311	23	-19
31.12.2019						
Derivatives as assets	878	0	878	-274	-550	54
Derivatives as liabilities	-373	0	-373	274	54	-45

Note 12 Leases

The Group SpareBank 1 Østlandet has mainly residential leases that are identified as falling under the IFRS 16 Lease standard.

Parent Bank				Group		
31.12.2019	30.09.2019	30.09.2020	Right of use	30.09.2020	30.09.2019	31.12.2019
224	224	214	Right of use asset at 01.01.	169	170	170
0	0	4	Indexation of the right of use asset	4	0	0
7	4	5	Additions	5	9	26
22	0	2	Adjustments of options	2	0	8
38	29	30	Depreciation	26	23	34
214	199	196	Right-of use asset at the end of the period	155	156	169

31.12.2019	30.09.2019	30.09.2020	Lease liability	30.09.2020	30.09.2019	31.12.2019
224	224	216	Lease liability at 01.01	170	170	170
0	0	4	Indexation of the lease obligation	4	0	0
7	4	5	Additions	5	9	26
22	0	2	Adjustments of options	2	0	8
42	31	30	Instalments in the period	27	24	39
4	3	4	Interest	3	3	4
216	200	201	Liabilities associated with lease rights, at th end of the pe	158	157	170

* In the parent bank, NOK 40 million of the lease obligation falls due within 12 months. Corresponding figures in the Group are NOK 36 million.

31.12.2019	30.09.2019	30.09.2020	Effects on earnings	30.09.2020	30.09.2019	31.12.2019
4	3	4	Interest expense	3	3	4
38	29	30	Depreciation	26	23	34
43	32	34	Total cost from IFRS 16	29	25	37

Note 13 Other assets

Parent Bank				Group		
31.12.2019	30.09.2019	30.09.2020		30.09.2020	30.09.2019	31.12.2019
273	273	273	Capital payments into pension fund	273	273	273
33	34	41	Accrued income, not yet received	42	35	34
70	57	22	Prepaid costs, not yet incurred	115	137	144
0	0	-2	Unsettled trades	-2	0	0
144	347	201	Other assets	410	562	336
520	711	534	Total other assets	837	1,007	787

Note 14 Deposits from and liabilities to customers

Parent Bank				Group		
31.12.2019	30.09.2019	30.09.2020		30.09.2020	30.09.2019	31.12.2019
43,884	43,352	48,332	Private customers	48,332	43,352	43,884
7,106	7,065	6,959	Public sector	6,959	7,065	7,106
1,039	977	1,246	Primary industries	1,246	977	1,039
302	303	479	Paper and pulp industries	479	303	302
801	694	1,002	Other industry	1,002	694	801
1,964	1,724	2,078	Building and construction	2,078	1,724	1,964
244	209	108	Power and water supply	108	209	244
1,814	1,771	2,159	Wholesale and retail trade	2,159	1,771	1,814
319	322	378	Hotel and restaurants	378	322	319
3,966	4,498	4,648	Real estate	4,648	4,498	3,966
15,924	14,985	16,812	Commercial services	16,768	14,958	15,884
1,173	993	1,339	Transport and communications	1,339	993	1,173
78,534	76,893	85,540	Total deposits by sector and industry	85,496	76,866	78,494

Note 15 Debt securities issued

Parent Bank and Group

Change in debt securities issued	30.09.2020	Issued	Due / redeemed	Other changes	31.12.2019
Certificate debt, nominal value	0	0	0	0	0
Bond debt, nominal value	31,882	3,081	-3,642	-520	32,964
Senior non-perferred, nominal value	2,500	2,500	0	0	0
Subordinated loan capital, nominal value	1,300	0	0	0	1,300
Accrued interest	187	0	0	-48	235
Value adjustments *	3,304	0	0	2,767	537
Total debt raised through issuance of securities and subordinated loan capital, book value	39,174	5,581	-3,642	2,199	35,036

*) Herof exchange rate effects with MNOK 2.157 in the period and MNOK 2.433 accumulated

Change in debt securities issued	30.09.2019	Issued	Due / redeemed	Other changes	31.12.2018
Certificate-based debt, nominal value	0	0	0	0	0
Bond debt, nominal value	34,260	6,677	-2,350	-1,233	31,165
Subordinated loan capital, nominal value	1,425	400	0	-75	1,100
Accrued interest	220	0	0	-11	231
Value adjustments	984	0	0	393	591
Total debt raised through issuance of securities and subordinated loan capital, book value	36,888	7,077	-2,350	-926	33,087

Change in debt securities issued	31.12.2019	Issued	Due / redeemed	Other changes	31.12.2018
Certificate debt, nominal value	0	0	0	0	0
Bond debt, nominal value	32,964	6,677	-4,150	-729	31,165
Subordinated loan capital, nominal value	1,300	400	-200	0	1,100
Accrued interest	235	0	0	4	231
Value adjustments	537	0	0	-54	591
Total debt raised through issuance of securities and subordinated loan capital, book value	35,036	7,077	-4,350	-778	33,087

Note 16 Other debt and liabilities recognized in the balance sheet

Parent Bank			Group		
31.12.2019	30.09.2019	30.09.2020	30.09.2020	30.09.2019	31.12.2019
79	95	15	45	139	124
22	25	36	36	25	59
80	84	83	83	86	82
84	58	51	57	64	89
0	1,263	46	46	1,263	0
216	200	201	158	157	170
182	505	295	425	562	215
663	2,230	728	850	2,297	739
Total other debt and liabilities recognised in the balance sheet					

Note 17 Equity capital certificates and owner structure

Parent Bank	30.09.2020 ¹⁾	30.09.2019	2019
Equity capital certificates	5,791	5,791	5,791
Dividend equalisation fund	3,535	3,192	2,740
Dividends	0	0	663
Premium fund	848	848	848
A. Equity capital certificate owners' capital	10,174	9,831	10,042
Primary capital	4,166	4,078	3,825
Dividends to customers	0	0	292
Other paid-up equity	166	166	166
B. Total primary capital	4,332	4,244	4,283
Fund for unrealised gains	360	303	334
Provision for gifts	30	13	12
Total other equity	390	316	347
Hybrid capital	650	493	300
Total equity	15,547	14,886	14,972
Total equity for distribution:			
Equity capital certificate ratio (A/(A+B)) after distribution	70.1 %	69.8 %	70.1 %
Equity certificates issued	115,829,789	115,829,789	115,829,789
Average Equity certificates	115,829,789	115,710,726	115,800,431

¹⁾ According to § 10-1 of the Financial Business Act, the auditor-certified interim report can be calculated for the calculation of book value per equity certificate.

20 largest owners of equity certificates:	No. Of EC's	Share in %
Sparebankstiftelsen Hedmark	60,404,892	52.15 %
Landsorganisasjonen i Norge	11,121,637	9.60 %
Fellesforbundet	2,101,322	1.81 %
Geveran Trading Co LTD	1,952,005	1.69 %
Danske Invest Norske Institusjoner II	1,768,049	1.53 %
VPF Eika Egenkapitalbevis	1,730,451	1.49 %
Pareto Invest AS	1,702,472	1.47 %
VPF Odin Norge	1,621,218	1.40 %
Norsk Nærings- og Nytelsesmiddelarbeiderforbund	1,313,555	1.13 %
Brown Brothers Harriman & Co. (nominee)	1,000,000	0.86 %
Landkreditt Utbytte	1,000,000	0.86 %
Arctic Funds PLC	926,545	0.80 %
Tredje AP-Fonden	804,750	0.69 %
Danske Invest Norske Aksjer Institusjon	750,607	0.65 %
State Street Bank and Trust Comp (nominee)	711,646	0.61 %
State Street Bank and Trust Comp (nominee)	704,480	0.61 %
SpareBank 1 BV	579,523	0.50 %
VPF Eika Spar	569,201	0.49 %
Brown Brothers Harriman & Co. (nominee)	568,688	0.49 %
JPMorgan Chase Bank, N.A., London (nominee)	545,030	0.47 %

Dividend policy

SpareBank 1 Østlandet believes it is important to provide its owners with a competitive, stable cash dividend based on good profitability and a high dividend capacity. The Bank's aims to pay out 50 per cent of the Group's profit after tax¹ each year as dividends to equity certificate holders and as customer dividends from the primary capital. The Group's long-term profitability target is a return on equity of 11 per cent. The Group's ambitions concerning its financial strength are reflected by its long-term Common Equity Tier 1 capital target of 100 base points above the government's requirement. Adjusted for differences in levels of capital adequacy, SpareBank 1 Østlandet has historically been just as profitable as comparable banks.

In addition to being one of the strongest regional savings banks, SpareBank 1 Østlandet's proportion of loans in the retail market is high and Innlandet is its original home market, which is less sensitive to cyclical changes than the rest of Norway. The combination of good financial strength and a robust lending portfolio means the Bank has the capacity to adhere to its dividend target, including in economic downturns.

Each year, based on the Board's recommendation, the Supervisory Board approves the proportion of the profit after tax that will be allocated to equity certificate holders and primary capital as dividends, based on their respective shares of the equity. The share allocated to primary capital is normally paid out to customers via customer dividends. The customer dividends arrangement prevents the dilution of the equity certificate holders' ownership interest in the Bank. The equity certificate holders' share of the profit is divided between dividends and the dividend equalisation fund. In determining the dividend, the Supervisory Board takes into account expected financial performance in a normalised market situation and any regulatory changes.

¹ Deducting interest on hybrid capital and profit for non-controlling interests.

Note 18 Net interest income

Parent bank				Group		
31.12.2019	30.09.2019	30.09.2020		30.09.2020	30.09.2019	31.12.2019
			Interest income			
220	154	122	Interest income from loans to and claims on central banks and credit institutions (amortised cost)	32	37	55
1,286	922	976	Interest income from loans to and claims on customers (amortised cost)	1,290	1,227	1,704
1,697	1,235	1,143	Interest income from loans to and claims on customers (fair value over OCI)	1,139	1,233	1,694
3,204	2,311	2,241	Total interest income, effective rate method	2,461	2,497	3,453
188	138	142	Interest income from loans to and claims on customers (fair value over profit and loss)	142	138	188
269	189	184	Interest on certificates and bonds (fair value over profit and loss)	184	189	269
-121	-59	-120	Other interest income	-120	-59	-121
335	269	207	Total other interest income	207	269	335
3,539	2,579	2,448	Total interest income	2,668	2,766	3,788
			Interest expenses			
62	42	45	Interest on debt to credit institutions	45	42	62
889	634	531	Interest on deposits from and liabilities to customers	533	638	896
590	444	395	Interest on securities issued	395	444	590
36	24	25	Interest on subordinated loan capital	25	24	36
35	32	38	Fees to the Banks' Guarantee Fund	38	32	35
4	3	4	Interest on leases	4	3	4
0	0	-	Other interest expenses	-	0	0
1,617	1,180	1,037	Total interest expenses	1,039	1,183	1,622
1,923	1,399	1,411	Total net interest income	1,628	1,582	2,166

Note 19 Events occurring after the balance date

There have been no subsequent events that are of significance to the financial statements.

Profit/loss from the quarterly accounts

Group	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q
(NOK million, excluding percentages)	2020	2020	2020	2019	2019	2019	2019	2018	2018
Interest income	780	839	1,048	1,023	981	910	875	896	864
Interest expense	244	341	454	438	427	390	367	352	340
Net interest income	536	498	594	584	554	520	508	544	524
Commission income	380	277	314	332	336	323	304	297	299
Commission expenses	36	32	35	37	40	36	30	32	23
Other operating income	49	56	64	37	54	78	67	48	40
Net commission and other operating income	392	300	343	333	350	364	341	313	316
Dividends from other than Group companies	1	0	12	0	0	6	12	0	0
Net profit from ownership interests	88	128	115	-1	44	131	346	57	58
Net profit from other financial assets and liabilities	45	185	-175	12	59	61	65	-51	32
Net income from financial assets and liabilities	133	314	-48	11	103	198	423	7	90
Total income	1,061	1,112	889	928	1,007	1,082	1,271	864	930
Personnel expenses	269	255	274	274	267	267	290	286	259
Depreciation	33	32	34	32	30	33	36	23	24
Other operating expenses	163	160	178	183	161	189	169	197	173
Total operating expenses	465	447	487	490	457	489	494	506	457
Operating profit before losses on loans and guarantees	596	665	402	439	550	593	777	358	473
Impairment on loans and guarantees	47	130	151	33	24	8	-33	11	12
Pre-tax operating profit	549	535	251	406	526	585	810	347	461
Tax expense	111	97	-16	114	116	114	54	25	99
Profit after tax	438	438	266	291	409	471	757	322	362
	3Q	2Q	1Q	4.kv	3Q	2Q	1Q	4Q	3Q
	2019	2020	2019	2019	2019	2019	2020	2018	2018
Profitability									
Return on equity capital ¹⁾	10.9 %	11.3 %	6.9 %	7.3 %	10.7 %	12.8 %	21.2 %	9.1 %	10.8 %
Net interest income ²⁾	1.44 %	1.38 %	1.72 %	1.71 %	1.64 %	1.62 %	1.65 %	1.76 %	1.73 %
Cost income ratio ³⁾	43.8 %	40.2 %	54.7 %	52.7 %	45.4 %	45.2 %	38.8 %	58.6 %	49.2 %
Balance sheet and ratios									
Gross loans to customers	113,624	112,381	108,811	107,035	104,037	101,668	98,744	98,940	98,259
Gross loans to customers including loans transferred to covered bond companies ¹⁾	160,993	157,956	153,846	150,688	147,310	144,337	141,079	140,165	138,153
Growth in loans during the last 12 months ¹⁾	9.2 %	10.5 %	10.2 %	8.2 %	5.9 %	5.9 %	6.4 %	9.4 %	10.5 %
Growth in loans including loans transferred to covered bond companies in the last 12 months ¹⁾	9.3 %	9.4 %	9.0 %	7.5 %	6.6 %	6.5 %	6.5 %	8.2 %	8.9 %
Growth in loans during the last quarter ¹⁾	1.1 %	3.3 %	1.7 %	2.9 %	2.3 %	3.0 %	-0.2 %	0.7 %	2.3 %
Growth in loans including loans transferred to covered bond companies in the last quarter ¹⁾	1.9 %	2.7 %	2.1 %	2.3 %	2.1 %	2.3 %	0.7 %	1.5 %	2.0 %
Deposits from customers	85,496	85,481	79,901	78,494	76,866	77,352	72,377	71,497	70,251
Deposit to loan ratio ¹⁾	75.2 %	76.1 %	73.4 %	73.3 %	73.9 %	76.1 %	73.3 %	72.3 %	71.5 %
Deposit to loan ratio including loans transferred to covered bond companies ¹⁾	53.1 %	54.1 %	51.9 %	52.1 %	52.2 %	53.6 %	51.3 %	51.0 %	50.9 %
Growth in deposits in the last 12 months	11.2 %	10.5 %	10.4 %	9.8 %	9.4 %	9.5 %	9.5 %	8.4 %	7.6 %
Growth in deposits in the last quarter	0.0 %	7.0 %	1.8 %	2.1 %	-0.6 %	6.9 %	1.2 %	1.8 %	-0.6 %
Average total assets	148,048	145,392	139,184	134,783	133,711	128,573	124,882	122,395	120,455
Total assets	148,898	147,197	143,586	134,783	136,568	130,854	126,292	123,472	121,319
Total assets including loans transferred to covered bond companies ¹⁾	196,267	192,772	188,621	178,436	179,841	173,522	168,626	164,696	161,212
Losses and commitments in default									
Losses on loans as a percentage of gross loans ¹⁾	0.2 %	0.5 %	0.6 %	0.1 %	0.1 %	0.0 %	-0.1 %	0.0 %	0.0 %
Financial strength									
Common equity Tier 1 capital ratio	17.3 %	17.1 %	17.0 %	17.2 %	16.7 %	16.7 %	16.9 %	16.8 %	15.9 %
Tier 1 capital ratio	18.3 %	18.2 %	17.7 %	17.9 %	17.7 %	17.3 %	17.5 %	17.6 %	16.7 %
Capital ratio	20.2 %	20.1 %	19.6 %	19.8 %	19.7 %	19.1 %	19.4 %	19.6 %	18.7 %
Net subordinated capital	16,502	16,418	15,883	15,444	15,685	14,982	14,676	14,672	14,077

1) See attachment Alternative performance measures.

2) Net interest income as a percentage of average total assets for the period.

3) Total operating costs as a percentage of total operating income (isolated for the quarter).

Alternative performance measures

SpareBank 1 Østlandet's alternative performance measures (APMs) have been prepared in accordance with the ESMA guidelines on APMs and are indicators aimed at providing useful additional information to the financial statements. These performance measures are either adjusted indicators or measures that are not defined under IFRS or any other legislation and may not be directly comparable with the corresponding measures from other companies. The APMs are not intended to be a substitute for accounting figures drawn up according to IFRS and should not be given more emphasis than these accounting figures, but they have been included in financial reporting to give a fuller description of the Bank's performance. The APMs also represent important metrics for how the management is running the business.

Non-financial indicators and financial ratios defined by IFRS or other legislation are not defined as APMs. SpareBank 1 Østlandet's APMs are used both in the overview of main figures and in the directors' report, and in results presentations and prospectuses. All APMs are shown with corresponding comparative figures for previous periods.

Lending and deposit margins for the Parent Bank are calculated in relation to the daily average of loans to and deposits from customers. For all other main figures and APMs that are calculated using average balances, the average balance is calculated as the average of the opening balance for the current period and the closing balance for each of the quarters in the period.

Alternative performance measures	Definition and rationale
Profit after tax incl. interest hybrid capital	<p><i>Profit after tax - Interest expences on hybrid capital</i></p> <p>The key figure shows Result after tax adjusted for interest on hybrid capital. Hybrid capital is according to IFRS classified as equity and interest expences are booked as an equity transaction. Hybrid capital has many similarities with debt items and differs from other equity in that it is interest-bearing and is not entitled to dividend payments. The key figure shows what profit after tax would have been if the interest expences related to the hybrid capital had been recognized in the income statement.</p>
Return on equity capital	<p>$\frac{(\text{Profit after tax} - \text{Interest expences on hybrid capital}) \times \left(\frac{\text{Act}}{\text{Act}}\right)}{\text{Average equity} - \text{Average hybrid capital}}$</p> <p>The return on equity after tax is one of SpareBank 1 Østlandet's most important financial measures and provides relevant information about the company's profitability in that it measures the company's profitability in relation to the capital invested in the business. The result is corrected for interest on hybrid capital, which is classified as equity under IFRS, but which it is more natural in this context to treat as debt, as hybrid capital is interest-bearing and is not entitled to dividend payments.</p>
Underlying banking operations	<p><i>Operating profit before losses on loans and guarantees</i> <i>– Net income from financial assets and liabilities – Notable items</i></p> <p>The result from underlying banking operations provides relevant information about the profitability of the Bank's core business.</p>
Cost-income-ratio	<p>$\frac{\text{Total operating costs}}{\text{Total net income}}$</p> <p>This indicator provides information about the relationship between revenue and costs, and is a useful measure to assess the cost-effectiveness of the enterprise. It is calculated as total operating costs divided by total revenue.</p>
Lending margin	<p><i>Weighted average interest rate on lending to customers and loans transferred to covered bond companies – Average NIBOR 3 MND</i></p> <p>The loan margin is calculated for the retail and corporate market divisions and provides information on the profitability of the divisions' lending activities. Loans transferred to covered bond companies are included in the selection as they are included in the total lending activity.</p>

Alternative performance measures	Definition and rationale
Deposit margin	<i>Average NIBOR 3 MND – Weighted average interest rate on deposits from customers</i>
	The deposit margin is calculated for the retail and corporate market divisions and provides information on the profitability of the divisions' deposit activities.
Net interest margin	<i>Lending margin + Deposit margin</i>
	The net interest margin is calculated for the retail and corporate market divisions and provides information on the profitability of the divisions' overall lending and deposit activities. Loans transferred to covered bond companies are included in the selection as they are included in the total lending activity.
Net interest income inclusive of commissions from covered bond companies	<i>Net interest income + Commissions from loans and credit transferred to covered bond companies</i>
	Loans transferred to covered bond companies are part of total lending, but the income and expenses associated with these loans are recognised as commission income. The indicator is presented because it gives a good impression of net income from the overall lending and deposit activities.
Adjusted total assets	<i>Total assets + Loans transferred to covered bond companies</i>
	Total assets is an established industry-specific name for all assets plus loans transferred to covered bond companies included in the lending business.
Gross loans to customers including loans transferred to covered bond companies	<i>Loans to and receivables from customers + Loans transferred to covered bond companies</i>
	Loans transferred to covered bond companies are subtracted from the balance sheet, but are included in the total lending business.
Deposit to loan ratio	$\frac{\text{Deposit from and liabilities to customers}}{\text{Gross loans to customers}}$
	The deposit coverage ratio provides relevant information about SpareBank 1 Østlandet's financing mix. Deposits from customers are an important means of financing the Bank's lending business and the indicator provides important information about the Bank's dependence on market financing.
Deposit to loan ratio including loans transferred to covered bond companies	$\frac{\text{Deposit from and liabilities to customers}}{\text{Gross loans to customers} + \text{Loans transferred to covered bond companies}}$
	The deposit coverage ratio provides information about the financing mix in the overall lending business. Deposits from customers are an important means of financing the Bank's lending business and the indicator provides important information about the dependence of the overall lending business on market financing.
Growth in loans during the last 12 months	$\frac{\text{Gross loans to customers}}{\text{Gross loans to customers 12 months ago}} - 1$
	This indicator provides information about activity and growth in the Bank's lending activity.
Growth in loans including loans transferred to covered bond companies (CB) in the last 12 months	$\frac{\text{Gross loans to customers} + \text{Loans transferred to CB}}{\text{Gross loans to customers 12 months ago} + \text{Loans transferred to CB 12 months ago}} - 1$
	This indicator provides information about activity and growth in the Bank's total lending activity. The Bank uses the covered bond companies as a source of funding, and the indicator includes loans transferred to the covered bond companies to highlight the activity and growth in overall lending including these loans.

Alternative performance measures	Definition and rationale
Growth in deposits in the last 12 months	$\frac{\text{Deposits from and liabilities to customers}}{\text{Deposits from and liabilities to customers 12 months ago}} - 1$ <p>This indicator provides information about the activity and growth of the depositing business which is an important part of financing the Bank's lending activity.</p>
Impairment on loans as a percentage of gross loans	$\frac{(\text{Losses on loans and guarantees}) \times \left(\frac{\text{Act}}{\text{Act}}\right)}{\text{Gross loans to customers}}$ <p>The indicator shows the impairment loss in relation to gross lending and provides relevant information about the company's impairment losses in relation to lending volume. This provides useful additional information to the recognised impairment losses as the cost is also viewed in the context of lending volume and is thus better suited for comparison with other banks.</p>
Loans to and receivables from customers in stage 2, percentage of gross loans	$\frac{(\text{Loans to and receivables from customers in stage 2}) \times \left(\frac{\text{Act}}{\text{Act}}\right)}{\text{Gross loans to customers}}$ <p>The indicator provides relevant information about the Bank's credit risk and is considered as useful additional information to the notes on losses.</p>
Loans to and receivables from customers in stage 3, percentage of gross loans	$\frac{(\text{Loans to and receivables from customers in stage 3}) \times \left(\frac{\text{Act}}{\text{Act}}\right)}{\text{Gross loans to customers}}$ <p>The indicator provides relevant information about the Bank's credit risk and is considered as useful additional information to the notes on losses.</p>
Commitments in default as percentage of gross loans	$\frac{\text{Gross defaulted commitments for more than 90 days}}{\text{Gross loans to customers}}$ <p>The indicator provides relevant information about the Bank's credit risk and is considered as useful additional information to the notes on losses.</p>
Other doubtful commitments as percentage of gross loans	$\frac{\text{Gross doubtful commitments not in default}}{\text{Gross loans to customers}}$ <p>The indicator provides relevant information about the Bank's credit risk and is considered as useful additional information to the notes on losses.</p>
Net commitments in default and other doubtful commitments in percentage of gross loans	$\frac{\text{Net defaulted commitments} + \text{Net doubtful commitments}}{\text{Gross loans to customers}}$ <p>The indicator provides relevant information about the Bank's credit risk and is considered as useful additional information to the notes on losses.</p>
Loan loss impairment ratio for defaulted commitments	$\frac{\text{Individual write downs on defaulted commitments}}{\text{Gross defaulted commitments for more than 90 days}}$ <p>The indicator provides relevant information about the Bank's credit risk and is considered as useful additional information to the notes on losses.</p>
Loan loss impairment ratio for doubtful commitments	$\frac{\text{Individual write downs on doubtful commitments}}{\text{Gross doubtful commitments not in default}}$ <p>The indicator provides relevant information about the Bank's credit risk and is considered as useful additional information to the notes on losses.</p>
Equity ratio	$\frac{\text{Total equity capital}}{\text{Total assets}}$ <p>The indicator provides information about the company's unweighted solvency ratio.</p>

Alternative performance measures	Definition and rationale
Book equity per EC	$\frac{(Total\ EC - Minority\ interests - Gifts - Hybrid\ capital) \times EC\ certificate\ ratio}{Number\ of\ Equity\ certificates\ issued}$ <p>The indicator provides information about the value of the book equity per equity certificate. This allows the reader to assess the reasonableness of the quoted price for the equity certificate. It is calculated as the equity certificate holders' share of the equity at the end of the period divided by the number of equity certificates.</p>
Price/Earnings per EC	$\frac{Listed\ price\ of\ EC}{Earnings\ per\ EC \times \left(\frac{Act}{Act}\right)}$ <p>The indicator provides information on earnings per equity certificate against the exchange price on the relevant date, helping to assess the reasonableness of the price for the equity certificate. It is calculated as the price per equity certificate divided by annualised earnings per equity certificate.</p>
Price/book equity	$\frac{Listed\ price\ of\ EC}{Book\ equity\ per\ EC}$ <p>The indicator provides information about the book value of the equity per equity certificate against the price at any given time. This allows the reader to assess the reasonableness of the quoted price for the equity certificate. It is calculated as the price per equity certificate divided by book equity per equity certificate (see definition of this measure above).</p>
Average LTV (Loan to value)	$\frac{Average\ amount\ on\ loans\ to\ customers}{Average\ market\ value\ of\ asset\ encumbrance}$ <p>The indicator provides information about the loan-to-value ratio in the lending portfolio and is relevant for assessing risk of loss in the lending portfolio.</p>
Loans transferred to covered bond (CB) companies	<p>Loans transferred to SpareBank 1 Boligkreditt AS og SpareBank 1 Næringskreditt AS and thus derecognised from the balance sheet</p> <p>Loans transferred to covered bond companies are subtracted from the balance sheet, but are included in the total lending business. The indicator is used in calculating other APMs.</p>
Act/Act	$\frac{Total\ number\ of\ days\ in\ the\ year\ (365\ or\ 366)}{Number\ of\ days\ so\ far\ this\ year}$ <p>Act/Act is used to annualise the results figures included in the indicators. Results figures are annualised in the indicators to make them comparable with figures for other periods.</p>
Notable items	<p>Identified costs considered to be non recurring</p> <p>The indicator is used to calculate the underlying banking activity, which is shown as a separate APM.</p>
Earnings per average equity certificate	$\frac{Majority\ interest\ of\ the\ Group's\ profit\ after\ tax \times ECC\ ratio}{Average\ number\ of\ ECC\ i\ the\ accounting\ period}$ <p>The indicator shows the equity capital certificate holders' share of profit after tax distributed by average number of equity capital certificates during the accounting period.</p>
Diluted earnings per average equity certificate	$\frac{Majority\ interest\ of\ the\ Group's\ profit\ after\ tax \times ECC\ ratio}{Average\ number\ of\ ECC\ in\ the\ accounting\ period + Number\ of\ ECC\ issued\ after\ the\ accounting\ period}$ <p>The indicator shows the equity capital certificate holders' share of profit after tax distributed by the sum of average number of equity capital certificates during the accounting period and the number of equity capital certificates issued after the accounting period.</p>
Total operating expenses before restructuring costs	<p>Total operating expenses – Restructuring costs</p> <p>Restructuring costs in connection with reorganization of the business are included in total operating expenses, but these costs are excluded when the business sets targets for growth in operating expenses. These costs are kept out of line for growth figures to be comparable over time. The key figure is presented as it provides a good basis for calculating underlying growth in expenses.</p>

Financial calendar 2021

Date	Theme
Friday 12 February	7.30 AM Preliminary annual accounts 2020
Thursday 4 March	Annual Report 2020
Thursday 25 March	Supervisory Board Meeting
Friday 30 April	7.30 AM 1 st Quarter 2021
Tuesday 10 August	10.00 AM 2 nd Quarter 2021
Friday 29 October	7.30 AM 3 rd Quarter 2021

This information is subject of the disclosure requirements acc. to § 5-1 vphl (Norwegian Securities Trading Act).

The Bank reserve the right to change any dates of publication.

The silent period occurs from the fifth banking day of the new quarter and until the interim report has been published. During this period, Investor Relations does not arrange any meetings with media, investors, analysts or other capital market players.

Contact details



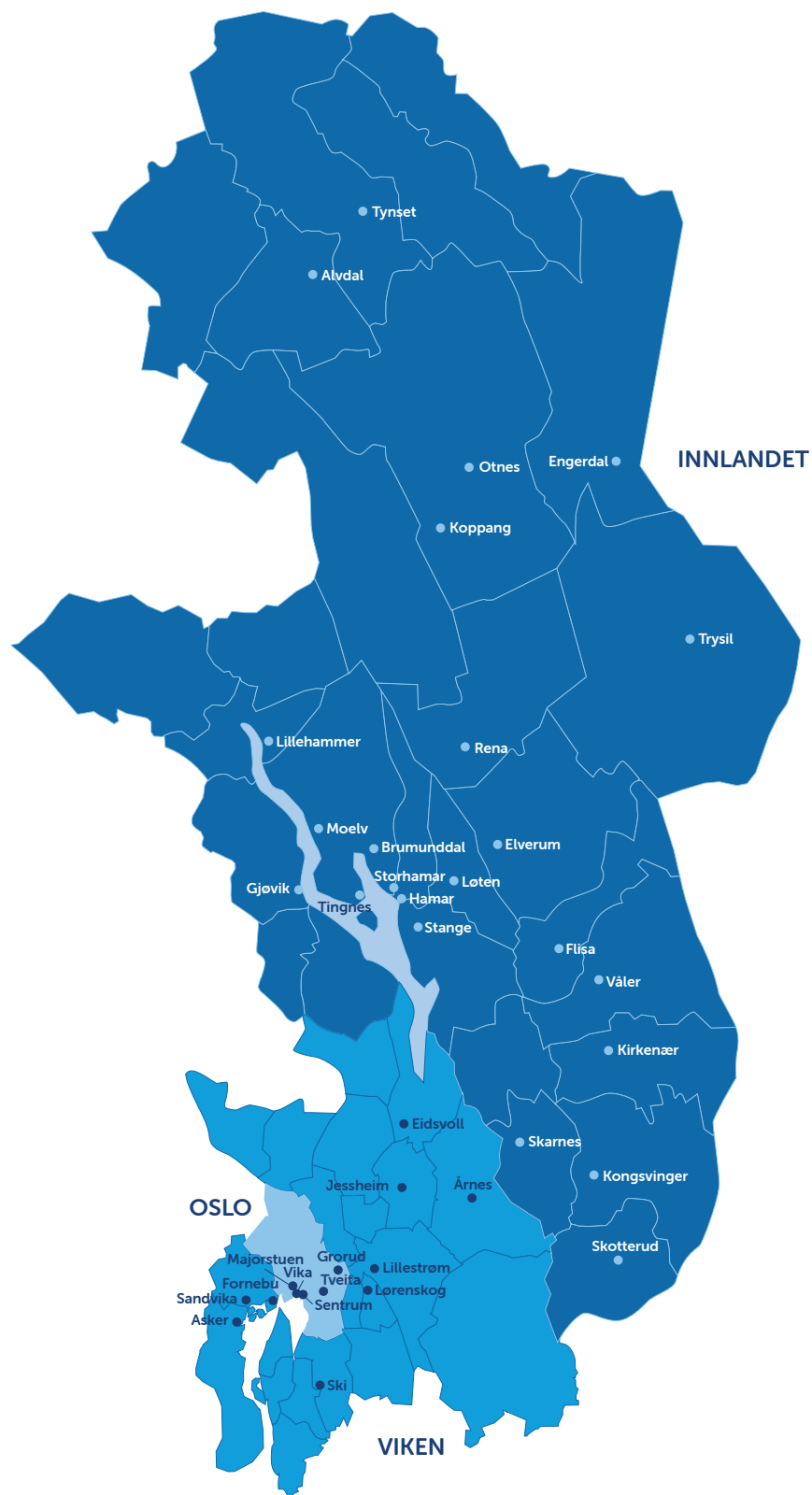
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