



Fourth Quarter Report 2024

SpareBank
SMN 

Bank
Eiendom
Regnskap

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Main Figures

	4Q		January - December	
From the income statement (NOKm)	2024	2023	2024	2023
Net interest	1,372	1,345	5,373	4,732
Net commission income and other income	580	499	2,392	2,085
Net return on financial investments	283	538	1,357	699
Total income	2,235	2,383	9,123	7,516
Total operating expenses	901	866	3,300	3,018
Results before losses	1,335	1,517	5,823	4,498
Loss on loans, guarantees etc	30	20	176	14
Results before tax	1,305	1,496	5,647	4,484
Tax charge	253	262	1,054	904
Result investment held for sale, after tax	-1	12	-2	108
Net profit	1,052	1,247	4,591	3,688
Interest Tier 1 Capital	43	40	146	125
Net profit excl. Interest Tier 1 Capital	1,009	1,207	4,446	3,563
Balance sheet figures			31 Dec 2024	31 Dec 2023
Gross loans to customers			180,102	169,862
Gross loans to customers incl. SB1 Boligkreditt and SB1 Næringskreditt			249,350	236,329
Deposits from customers			140,897	132,889
Average total assets			241,090	235,303
Total assets			247,699	232,717

Key figures

	4Q		January - December				
Profitability 1)	2024	2023	2024	2023	Solidity	31 Dec 2024	31 Dec 2023
Return on equity	14.4 %	18.3 %	16.6 %	14.4 %	Capital ratio	22.8 %	23.0 %
Cost-income ratio	46%	47%	42%	44%	Tier 1 capital ratio	20.2 %	20.8 %
Deposit-to-loan ratio excl. SB1 Boligkreditt and SB1 Næringskreditt	78%	78%	78%	78%	Common equity Tier 1 capital ratio	18.3 %	18.8 %
Deposit-to-loan ratio incl. SB1 Boligkreditt and SB1 Næringskreditt	57%	59%	57%	56%	Tier 1 capital	24,769	23,793
					Total eligible capital	28,004	26,399
Growth in loans (gross) last 12 months (incl. SB1 Boligkreditt and SB1 Næringskreditt)	0.9 %	0.9 %	5.5 %	11.9 %	Liquidity Coverage Ratio (LCR)	183%	175%
Growth in deposits last 12 months	2.1 %	−3.9 %	6.0 %	8.9 %	Leverage Ratio	7.0 %	7.2 %
					MREL	52.8 %	67.8 %
Losses in % of gross loans incl. SB1 Boligkreditt and SB1 Næringskreditt 1)					MREL, substituted	35.8 %	35.9 %
Impairment losses ratio	0.05%	0.03%	0.07%	0.01%	NSFR	125.0 %	127.0 %
Stage 3 as a percentage of gross loans	0.89%	0.88%	0.89%	0.88%	Branches and staff		
					Number of branches	47	46
					No. Of full-time positions	1,660	1,545

Key figures ECC	31/12/2024	31/12/2023	31/12/2022	31/12/2021	31/12/2020
ECC ratio	67%	67%	64%	64%	64%
Number of certificates issued, millions 1)	144.21	144.20	129.29	129.39	129.39
ECC share price at end of period (NOK)	171.32	141.80	127.40	149.00	97.60
Stock value (NOKM)	24,706	20,448	16,471	19,279	12,629
Booked equity capital per ECC (including dividend) 1)	128.09	120.48	109.86	103.48	94.71
Profit per ECC, majority 1)	20.60	16.88	12.82	13.31	8.87
Dividend per ECC	12.50	12.00	6.50	7.50	4.40
Price-Earnings Ratio 1)	8.32	8.40	9.94	11.19	11.01
Price-Book Value Ratio 1)	1.34	1.18	1.16	1.44	1.03

1) Defined as alternative performance measures, see attachment to quarterly report

Report of the Board of Directors

Fourth quarter 2024

(Consolidated figures. Figures in parenthesis refer to the same period of 2023 unless otherwise stated.

- Pre-tax profit NOK 1,305m (1,496m)
- Net profit NOK 1,052m (1,247m)
- Return on equity 14.4% (18.3%)
- CET1 ratio 18.3% (18.8%)
- Growth in lending 0.9% (0.9%) and in deposits 2.1% (minus 3.9%)
- Lending to the bank's retail customers rose 1.5% in the quarter (0.8%), 0.2 percentage points higher growth than in the third quarter. Lending to the bank's corporate clients decreased 0.4% (1.0% growth) which was 4.9 percentage points lower growth than in the third quarter
- Deposits from retail customers rose 1.3% (1.1%), 2.3 percentage points higher growth than in the third quarter. Deposits from corporate clients rose 2.5% (reduction of 10%). This is 3.3 percentage points higher growth than in the third quarter
- Net result of ownership interests was NOK 227m (90m)
- Net result of financial instruments (incl. dividends) was NOK 56m (448m)
- Losses on loans and guarantees: NOK 30m (20m)
- Earnings per equity certificate (EC): NOK 4.67 (5.62).
- Book value per EC: NOK 128.09 (120.48)

Preliminary annual accounts 2024

- Pre-tax profit: NOK 5,647m (4,484m)
- Net profit: NOK 4,591m (3,688m)
- Return on equity: 16.6% (14.4%)
- Without the NOK 452m gain related to the merger between Fremtind and Eika Forsikring, the net profit would have been NOK 4,139, and return on equity 15.0%
- Growth in lending: 5.5% (11.9%) and in deposits: 6.0% (8.9%) in the last 12 months
- Growth in lending to the bank's retail customers was 5.0% (13.1%) in the last 12 months. Growth lending to corporates was 7.5% (10.4%) in the last 12 months
- Lending to wage earners accounts for 67% (68%) of total lending
- Deposits from retail customers rose 7.5% (17.6%) in the last 12 months. Deposits from corporate clients rose 10.7% (0.1%) in the last 12 months
- Net result of ownership interests: NOK 1,254m (297m)
- Net result of financial instruments (incl. dividends): NOK 103m (402m)
- Losses on loans and guarantees: NOK 176m (14m), 0.07% (0.01%) of gross lending
- Earnings per EC: NOK 20.60 (16.88)
- The board of directors proposes a cash dividend of NOK 12.50 per EC (12.00) which is 61% of the net profit, and a community dividend of NOK 896m (860m).

Events in the quarter

Unchanged base rate and changes to the lending regulations

Norges Bank, the central bank, kept its base rate unchanged at 4.50 in December 2024. The central bank's own forecasts indicate that the base rate will be lowered gradually as from the first quarter of 2025.

The 12-month rate of growth in the consumer price index (CPI) was 2.2 per cent at the end of the fourth quarter 2024. Underlying inflation in the same period in terms of the consumer price index adjusted for changes in indirect taxes and excluding energy products (CPI-ATE) was 2.7 per cent. The wholly unemployed share of the labour force remains at a low level. The wholly unemployed share stands at 1.8 per cent both in Trøndelag and Møre and Romsdal. At national level the share is 2.0 per cent.

After a period of reduced, but positive credit growth to households, the twelve-month rate of credit growth to households has risen to 3.7 per cent as at December 2024. The corresponding figure for non-financial undertakings is 1.3 per cent. Norges Bank expects 3.8 per cent growth in household debt in 2025. In December 2024 the government decided to lower the minimum deposit required for residential mortgages from 15 to 10 per cent. It was also decided to allow banks to take account of income growth in the interest rate lock-in period for borrowers with a fixed interest mortgage when stress testing such mortgages.

The regional indicator in Norges Bank's regional network survey continues to show improvement for Mid Norway, and is neutral as at December 2024. For Region North West the indicator is positive. The building and construction industry continues to show the weakest prospects due to high financing and construction costs.

Regulatory changes

The updated Capital Requirements Regulation (CRR3) will enter into force in the EEA Agreement once any constitutional reservations have been lifted. In addition, a risk weight floor of 25 per cent has been introduced for residential mortgages which will enter into force on 1 July 2025.

The above changes will in isolation reduce SpareBank 1 SMN's CET1 ratio by about 1.0 percentage point. At the end of the fourth quarter 2024 the CET1 ratio was 18.3 per cent. SpareBank 1 SMN will remain solidly capitalised after implementation of CRR3 and the new risk weight floor for residential mortgages.

Changes in organisation and strengthening of the finance centre model

The group maintains its focus on "One SMN", and the finance centre model is further strengthened. Twenty-six finance centres have been established in SpareBank 1 SMN's catchment area, each one co-locating all four business lines in the group. This will further strengthen synergy efforts across the group and elevate the customer experience through a holistic offering of banking, accounting and estate agency services.

As from 1 January 2025 the bank will switch from three to two business divisions: Retail Banking and Corporate Banking. Agriculture will at the same time be transferred from the

Retail Banking to the Corporate Banking Division.

Establishment in Kristiansund

SpareBank 1 SMN is establishing a new finance centre in Kristiansund. As from March 2025, customers in Kristiansund can access the group's services at the newly opened Campus Kristiansund. In conjunction with the new establishment, SpareBank 1 Regnskapshuset SMN has acquired Meese AS, a Kristiansund accounting firm.

"Svindeljegeren" podcast launched

As a part of its anti-fraud effort, SpareBank 1 SMN launched in the fourth quarter the podcast "Svindeljegeren" which spotlights various types of fraud perpetrated against customers.

Ski world championships

"Road to the World Championships" was among the initiatives to combine a focus on public health with SpareBank 1 sponsorship of the 2025 Ski World Championship. In collaboration with local sports clubs – and with support from the community dividend fund – lectures, a stage show and a mini world championship were organised at 10 different locations in SpareBank 1 SMN's catchment area. The activities were a mix of professional refills and activities related to mental health and physical health, aimed at cheering one another on and creating a festive occasion.

Results in the fourth quarter

The fourth quarter 2024 was another strong quarter for the group. The net profit of NOK 1,052m was driven by continued strong net interest income and solid contributions from ownership interests. Return on equity in the quarter was 14.4 per cent.

The central bank's base rate remained unchanged throughout 2024. Net interest income rose as a result of increased average loan volume in the quarter.

Strong payment incomes at the bank brought in aggregate higher net commission and other incomes for the group compared with the previous quarter. SpareBank 1 Regnskapshuset SMN and EiendomsMegler 1 Midt-Norge delivers turnover growth compared to the same period last year, but the fourth quarter is influenced by lower activity in line with the seasonal variations in these industries. Commission income from the residential mortgage company was reduced as a result of lower margins on sold loans.

The result from related companies is on a par with the previous quarter, excluding recognition of the gain from the merger between Fremtind and Eika in the third quarter. Group expenses in the fourth quarter rose compared with the previous quarter. Capital tax and increased employer national insurance contributions account for the bulk of the increase.

Losses on loans in the fourth quarter remain on a moderate level. The CET1 ratio at quarter-end was 18.3 per cent, which is well above the group's own target and regulatory requirements.

Proposed distribution of the net profit

It is the group's results exclusive of interest on hybrid capital, along with non-controlling ownership interests' share of the profit, which comprise the basis for distribution of the net profit for the year; the distribution is done at the parent bank.

The net profit is distributed between the ownerless capital and the equity certificate (EC) capital in proportion to their relative shares of total equity. Earnings per equity certificate were NOK 20.60. Given the bank's solid capitalisation, regulatory changes and prospects for profitable operation, the board of directors recommends a cash dividend of NOK 12.50 per equity certificate (EC). This makes for a payout ratio of 61 per cent of the group's net profit. The bank's long-term dividend policy is to distribute about 50 per cent of distributable profit. This policy stands firm.

The board of directors further recommends an allocation of NOK 896m to community dividend. Of this amount, NOK 240m is to be transferred to non-profit causes and NOK 656m to the foundation Sparebankstiftelsen SMN. NOK 206m and NOK 102m are to be transferred to the dividend equalisation fund and the ownerless capital respectively.

	2024	2023
Profit for the year, Group	4,591	3,688
Interest hybrid capital (after tax)	-137	-122
Profit for the year excl interest hybrid capital, group	4,454	3,566
Profit, subsidiaries	-387	-408
Dividend, subsidiaries	117	302
Profit, associated companies	-1,254	-297
Dividend, associated companies	201	391
Group eliminations	14	2
Profit for the year excl interest hybrid capital, Parent bank	3,146	3,557
Distribution of profit	2024	2023
Profit for the year excl interest hybrid capital, Parent bank	3,146	3,557
Transferred to/from revaluation reserve	-139	-37
Profit for distribution	3,007	3,520
Dividends	1,803	1,731
Equalisation fund	206	621
Saving Bank's fund	102	308
Gifts	896	860
Total distributed	3,007	3,520

The parent bank's disposable profit includes dividends received from subsidiaries, related companies and joint ventures, and is adjusted for interest expenses on hybrid capital.

Subsidiaries are fully consolidated in the group accounts, whereas profit shares from related companies and joint ventures are consolidated using the equity method. Dividends are accordingly not included in the group results. The net annual profit for distribution reflects changes of NOK 139m in the unrealised gains reserve.

The total amount for distribution is accordingly NOK 3,007m. After distribution of the net profit for 2024, the ratio of EC capital to total equity remains 66.8 per cent.

Net interest income

Market interest rates in terms of NIBOR were relatively stable over the quarter. Three-month NIBOR averaged 4.69 per cent in the fourth quarter. Net interest income totalled NOK 1,372m (1,345m) compared with NOK 1,355m in the third quarter, an increase of 1.3 per cent. Net interest income rose as a result of increased loan volume in the quarter, which is offset by somewhat lower margins both on loans and deposits.

Net interest income and commission from the captive mortgage companies rose by in aggregate NOK 11m from the third quarter, corresponding to an increase of 0.8 per cent.

Commission income and other operating income

SpareBank 1 SMN's strategy of exploiting the breadth present in the group and expanding interaction across the respective business lines stands firm. This is achieved inter alia through co-location of services in finance centres. A high proportion of multi-product customers contributes to a capital-efficient, diversified income flow and high customer satisfaction.

Commission income (NOKm)	4Q 2024	3Q 2024	4Q 2024
Payment transfers	107	79	101
Creditcard	18	18	14
Saving products	13	13	11
Insurance	69	67	61
Guarantee commission	17	16	16
Real estate agency	112	127	98
Accountancy services	160	145	152
Other commissions	16	13	23
Commissions ex SB1 Boligkreditt and SB1 Næringskreditt	512	478	475
Commissions SB1 Boligkreditt	65	71	19
Commissions SB1 Næringskreditt	3	3	4
Total commissions	580	553	498

Commission income excluding the captive mortgage companies rose by NOK 33m from the previous quarter, and by NOK 37m from the same quarter of 2023. The increase in commission income compared with the third quarter is driven in particular by incomes from payment services and accounting services, whereas income from estate agency services diminished in keeping with seasonal variations in the housing market. Commission income excluding mortgage companies rose 7.7 per cent compared with the fourth quarter 2023.

In the case of loans sold to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt the bank receives a commission corresponding to the loan interest less the funding and operating expenses of those companies.

Return on financial investments

Return on financial investments in the fourth quarter was NOK 40m (458m).

Capital gains on shares are related to unrealised value changes, and totalled NOK 44m in the quarter. The gain on shares in the fourth quarter 2023 was driven by NOK 414m related to the disinvestment from SpareBank 1 Markets.

Financial instruments, including bonds and CDs, showed a capital loss of NOK 47m (capital loss of 41m) while income from foreign exchange transactions totalled NOK 42m (27m).

Return on financial investments (NOKm)	4Q 2024	3Q 2024	4Q 2024
Capital gains/losses shares	44	-1	472
Gain/(loss) on financial instruments	-47	-45	-41
Foreign exchange gain/(loss)	42	24	27
Net return on financial instruments	40	-22	458

Associated companies

SpareBank 1 SMN has a broad and well-diversified income platform. The group offers its customers a broad product range through product companies, both through direct ownership and through ownership of the SpareBank 1 Group, which provide commission income along with return on invested capital.

The overall profit share from the product companies and other associated companies was NOK 227m (90m) in the quarter. In the third quarter 2024 the corresponding figure was NOK 685m.

Income from investment in associated companies (NOKm)	4Q 2024	3Q 2024	4Q 2024
SpareBank 1 Gruppen (19,5 %)	99	86	-51
Gevinst forsikringsfusjon Fremtind/Eika	-	452	-
SpareBank 1 Boligkreditt (23,2 %)	23	37	30
SpareBank 1 Næringskreditt (12,7 %)	4	3	1
BN Bank (35,0 %)	68	77	73
SpareBank 1 Markets (39,9 %)	19	20	19
SpareBank 1 Kreditt (17,9 %)	-5	-3	-3
SpareBank 1 Betaling (21,9 %)	-4	-1	-8
SpareBank 1 Forvaltning (21,5 %)	17	13	12
Other companies	4	1	16
Income from investment in associated companies	227	685	90

SpareBank 1 Alliance

The SpareBank 1 Alliance is Norway's second largest financial services grouping. It is a banking and product collaboration designed to ensure the banks in the SpareBank 1 Alliance economies of scale and access to competitive financial services and products. The Alliance collaboration is driven through its ownership of the SpareBank 1 Group which owns and manages several of the product companies, and through its participation in SpareBank 1 Utvikling which develops and delivers shared products and services.

SpareBank 1 Gruppen posted a net profit of NOK 993m (65m) in the fourth quarter, of which SpareBank 1 SMN's share of the controlling interest's net profit was NOK 99m (minus 51m).

The most important companies in the SpareBank 1 Gruppen (SpareBank 1 Gruppen's holding in parenthesis):

- **Fremtind Forsikring (51,4 prosent)** offers non-life and personal insurance coverage and is headquartered in Oslo. The company posted a profit of NOK 964m (912m) after tax in the fourth quarter.
- **SpareBank 1 Forsikring (100 prosent)** is a pension company headquartered in Oslo. The company mainly offers contribution-based occupational pensions, collective disability insurance and private pension saving. SpareBank 1 Forsikring reported a net profit of NOK 50m (83m) in the fourth quarter.
- **SpareBank 1 Factoring (100 prosent)** offers administrative and financial factoring services. The company is headquartered in Ålesund. The company posted a fourth-quarter net profit of NOK 23m (22m) in the fourth quarter.

- **Kreditor (69,0 prosent)** is Norway's largest debt collection company and a subsidiary of the SpareBank 1 Group. Kreditor reported a loss of NOK 62m, driven by a write-down due to new tax rules governing deductions of interest on consumer loans in Sweden. As a result of the final purchase price allocation following the change in ownership structure in April 2024, the SpareBank 1 Group has reversed the write-down of intangible assets amounting to NOK 85 million. The initial write-down was done in the third quarter of 2024. Additionally, NOK 74 million more than what is recognised as income in Kreditor's consolidated financial statements has been recognised in the SpareBank 1 Group's financial statements due to lower fair value of the Kreditor portfolio in the SpareBank 1 Group's final purchase price allocation.

SpareBank 1 Forvaltning delivers products and services to a broad range of clients in the field of capital management and securities services. SpareBank 1 SMN's profit share in the fourth quarter was NOK 17m (12m).

SpareBank 1 Boligkreditt is a mortgage company that issues covered bonds secured by residential mortgages with a view to stable financing and low financing costs. SpareBank 1 SMN's profit share was NOK 23m (30m) in the quarter.

SpareBank 1 Næringskreditt is a mortgage company that issues covered bonds secured by commercial mortgages with a view to stable financing and low financing costs. SpareBank 1 SMN's profit share was NOK 4m (1m) in the quarter.

SpareBank 1 Kreditt offers unsecured finance to retail customers. SpareBank 1 SMN's profit share in the fourth quarter was minus NOK 5m (minus 3m). From 2025, the company has merged with Eika Kredittbank, obtained a banking licence, and operates under the name Kredittbanken.

BN Bank offers residential mortgages and loans to commercial property and its main market is south-eastern Norway. SpareBank 1 SMN's share of BN Bank's net profit was NOK 68m (73m) in the quarter.

SpareBank 1 Markets is a leading Norwegian investment firm. The company offers services in the fields of equity and credit analysis, equity and bond trading and services in the corporate finance area. SpareBank 1 SMN's share of SpareBank 1 Markets' profit was NOK 19m (19m).

SpareBank 1 Betaling is the SpareBank 1 banks' parent company in Vipps AS. SpareBank 1 SMN's profit share was minus NOK 4m (minus 8m) in the fourth quarter.

Operating expenses

The group aims for a cost-income ratio below 40 per cent at the bank and below 85 per cent at the subsidiaries EiendomsMegler 1 Midt-Norge and SpareBank 1 Regnskapshuset SMN. The cost-income ratio is defined as the ratio of operating expenses to net interest income and commission and other income.

The bank's cost-income ratio was 38.1 per cent in the quarter (39.8 per cent). The

corresponding figures for EiendomsMegler 1 Midt-Norge and SpareBank 1 Regnskapshuset SMN were 101 (107) and 103 (95) per cent respectively.

Operating expenses (NOKm)	4Q 2024	3Q 2024	4Q 2024
Staff costs	516	498	476
IT costs	83	108	132
Marketing	30	23	21
Ordinary depreciation	48	44	47
Operating expenses, real properties	10	14	11
Purchased services	98	61	71
Merger expenses	-	-	18
Other operating expense	116	62	90
Total operating expenses	901	810	866

Overall group expenses rose NOK 35m from the fourth quarter of 2023 and by NOK 91m compared with the previous quarter.

The subsidiaries' expenses rose NOK 39m compared with the same period of 2023. The increase was primarily driven by increased personnel expenses. This is due primarily to acquisitions by SpareBank 1 Regnskapshuset SMN along with improved market conditions and ensuing higher remuneration at EiendomsMegler 1 Midt-Norge.

The bank's expenses were reduced by NOK 4m compared with the fourth quarter 2023. The fourth quarter 2023 contained a number of one-time effects, including costs related to the merger with SpareBank 1 Søre Sunnmøre. Expenses in the fourth quarter 2024 are impacted by capital tax of NOK 38m (22m). Moreover, the fourth quarter saw the expensing of increased employer's national insurance contributions in an amount of NOK 22m. The increase is due to the recalculation of such contributions referring to the period 2019 to 2024 since regional differentiation of employer's national insurance contribution rates had been incorrectly applied.

The bank's expenses rose NOK 78m from the previous quarter of which capital tax and higher employer national insurance contributions account for NOK 60m. The bank's overall expenses in 2024 are 6.4 per cent higher than in 2023. When adjusted for higher capital tax and the one-time expense related to employer national insurance contributions mentioned above, expense growth at the bank comes to 4.5 per cent.

Group expenses for the year are 9.3 per cent higher than last year, of which 55 per cent of the increase refers to the subsidiaries.

Losses on loans and guarantees

The group's losses on loans and guarantees totalled NOK 30m (NOK 20m) in the fourth quarter 2024.

Impairment losses (NOKm)	4Q 2024	3Q 2024	4Q 2024
Retail market in parent bank	1	14	-2
Corporate market in parent bank	31	49	-25
SpareBank 1 Finans Midt-Norge	-2	12	47
Total impairment losses	30	75	20

Losses in the quarter break down to NOK 28m in Stage 1 and 2 and NOK 2m in Stage 3. Losses in the period measured 0.05 per cent of total outstanding loans (0.03 per cent).

Overall impairment write-downs on loans and guarantees as at 31 December 2024 amount to NOK 981m (995m), corresponding to 0.54 per cent (0.59 per cent) of gross lending.

The bank's loan portfolio is of good credit quality. The portfolio comprises NOK 177,871m (167,777m) in Stages 1 and 2, corresponding to 99.11 per cent. Loans in Stage 3 total NOK 2,231m (2,085m), corresponding to 0.89 per cent (0.88 per cent) of gross outstanding loans, including loans sold to the captive mortgage companies.

Results from business areas

In the SpareBank 1 SMN Group, Retail Banking, Corporate Banking and subsidiaries of key significance are defined as business lines. SpareBank 1 SMN's strategy of exploiting the breadth present in the group and expanding interaction across the respective business lines stands firm. Agriculture will be transferred from Retail Banking to Corporate Banking as from the first quarter 2025.

Personal customers

The Retail Banking Division achieved a pre-tax profit of NOK 521m in the fourth quarter 2024 (423m). Return on capital employed was 17.5 per cent (16.3 per cent). The retail banking portfolio consists of wage earners, agricultural customers and sole proprietorships.

Profit and loss account (NOKm)	4Q 2024	3Q 2024	4Q 2024
Net interest	674	672	626
Comission income and other income	224	205	167
Total income	898	877	794
Total operating expenses	377	344	373
Ordinary operating profit	522	533	421
Loss on loans, guarantees etc.	1	14	-2
Result before tax including held for sale	521	519	423

Balance			
Loans and advances to customers	175,120	172,581	166,713
Adv.of this sold to SB1 Boligkreditt and SB1 Næringskreditt	-67,972	-66,144	-64,892
Deposits to customers	69,449	68,532	64,601

Key figures

Return on equity per quarter *)	17.5 %	17.5 %	16.3 %
Lending margin	0.95%	0.97%	0.68%
Deposit margin	1.63%	1.73%	2.14%

*) Regulatory capital is used as a basis for calculating capital used in retail market (RM)

Lending growth in the quarter was 1.5 per cent and deposit growth 1.3 per cent. Corresponding figures in the fourth quarter 2023 were 0.8 and 1.1 per cent respectively. The Retail Banking Division prioritises balanced growth, as reflected in growth figures for 2024, viz. 5.0 per cent lending growth and 7.5 per cent deposit growth. A focus on deposits in advisory services lends robustness to the bank's earnings and heightens customers' financial security in the form of increased buffer capital.

Higher income from the payments area is noted compared with the third quarter. Increased margins on loans sold to SpareBank 1 Boligkreditt bring improved net interest income and other incomes compared with the same period of last year. Lending to personal customers consistently carries low risk, as reflected in continued low losses.

The distribution model is enhanced by co-location of services in finance centres and a transition from personal advisers to customer teams. Increased use of data and insights enables a closer interplay between the physical and digital advisory channels, providing customers with improved and more efficient advice.

Eiendomsmegler 1 Midt-Norge is the market leader in Trøndelag and in Møre and Romsdal. Pre-tax profit was minus NOK 1m (minus 7m) in the fourth quarter.

EiendomsMegler 1 Midt-Norge (92.4%)	4Q 2024	3Q 2024	4Q 2024
Total income	114	128	99
Total operating expenses	115	120	106
Result before tax (NOKm)	-1	8	-7
Operating margin	-1%	6%	-7%

Activity remains high at EiendomsMegler 1 Midt-Norge, which sold 163 more properties than in the same quarter last year. This, combined with good cost control, brings increased profitability for the company compared with last year.

1,556 properties were sold in the fourth quarter (1,393), and new assignments totalled 1,330 (1,297). The company's market share in 2024 was 37.6 per cent, up from 37.3 per cent in 2023.

Corporate customers

The Corporate Banking Division achieved a pre-tax profit of NOK 513m (606m). Return on capital employed was 27.1 per cent (33.1 per cent).

CM, Profit and loss account (NOKm)	4Q 2024	3Q 2024	4Q 2024
Net interest	623	611	659
Comission income and other income	81	87	90
Total income	704	698	749
Total operating expenses	159	153	168
Ordinary operating profit	545	546	581
Loss on loans, guarantees etc.	31	49	-25
Result before tax including held for sale	513	497	606

Balance

Loans and advances to customers	61,470	61,693	57,191
Adv.of this sold to SB1 Boligkreditt and SB1 Næringskreditt	-1,277	-1,415	-1,576
Deposits to customers	69,734	68,032	62,988

Key figures

Return on equity per quarter *)	27.1 %	26.4 %	33.1 %
Lending margin	2.57%	2.64%	2.85%
Deposit margin	0.39%	0.39%	0.63%

*) Regulatory capital is used as a basis for calculating capital used in corporate market (CM)

The Corporate Banking Division's loan volume declined 0.4 per cent in the fourth quarter (1.0 per cent growth) while the deposit volume rose by 2.5 per cent (reduction of 10.0 per cent). The decline in deposit volume in the fourth quarter 2023 is attributable to growing competition for public sector deposits.

Effectuation of interest rate changes and recognition of unrecognised interest on an exposure acquired at a discount widened the lending margin in the quarter. When adjusted for the one-time effect of NOK 59m, the lending margin in terms of NIBOR averaged 2.45 per

cent in the quarter. The change in portfolio composition brought a positive development in deposit margins.

The credit quality of the loan portfolio is good. The bankruptcy rate in the region has risen, but so far with limited impact on the loan portfolio, and losses on loans and guarantees were moderate in 2024.

A strengthened input of resources in Trondheim and greater coordination with SpareBank 1 Regnskapshuset SMN spurs Corporate Banking's acquisition of market shares in Mid Norway. The establishment of a presence in Oslo has developed as planned and stimulated lending growth in selected segments where SpareBank 1 SMN offers competencies and experience.

SpareBank 1 Regnskapshuset SMN is the market leader in Trøndelag and in Møre and Romsdal. The company posted a result of minus NOK 3m (8m).

SpareBank 1 Regnskapshuset SMN (93.3%)	4Q 2024	3Q 2024	4Q 2024
Total income	150	164	142
Total operating expenses	154	171	134
Result before tax (NOKm)	-3	-7	8
Operating margin	-3%	-4%	5%

SpareBank 1 Regnskapshuset SMN has continued its change programme aimed at developing accounting advisers of the future, combined with the implementation of new cloud-based solutions. Substantial investments in the adviser segment are essential to achieving the goal of remaining firms' closest sparring partner. In addition to developing accounting advisers, use of data and expanded collaboration with business advisers in the bank will be crucial.

SpareBank 1 SMN is in a unique position to deliver a customer experience that stands out from other market operators. The year as a whole brought substantial customer growth and reinforced customer loyalty.

SpareBank 1 Finans Midt-Norge's focal areas are leasing and invoice purchasing services to businesses and car loans to personal customers. SpareBank 1 Finans Midt-Norge recorded a pre-tax profit of NOK 87m (12m).

SpareBank 1 Finans Midt-Norge (57.3%)	4Q 2024	3Q 2024	4Q 2024
Total income	123	112	85
Total operating expenses	38	32	26
Loss on loans, guarantees etc.	-2	12	47
Result before tax (NOKm)	87	68	12

SpareBank 1 Finans Midt-Norge reports an income increase of NOK 11m from the previous quarter as a result of lower funding costs. Losses recovered on loans and guarantees make for added profit improvement measured against the previous quarter and the same quarter of 2023.

SpareBank 1 Finans Midt-Norge and Sparebanken Møre initiated in the first quarter of 2024 a distribution collaboration on vendor's liens and leasing to retail customers. This collaboration between SpareBank 1 Finans Midt-Norge and Sparebanken Møre has proven highly successful, adding substantial volume in the course of the quarter. SpareBank 1 Finans Midt-Norge has a market share of about 10 per cent in vendor's liens in the counties where parent banks are represented. Sales via SpareBank 1 Sørøst-Norge will cease to be part of SpareBank 1 Finans Midt-Norge's offering as from 1 October.

SpareBank 1 SMN Invest owns shares and units in regional growth companies and funds. The portfolio is managed together with other long-term shareholdings of the bank and will be scaled down over time. The company's securities portfolio is worth NOK 589m (531m) as at 31 December 2024.

The company's pre-tax profit in the fourth quarter 2024 was NOK 27m (54m). The result is ascribable to a positive value trend for some companies in the portfolio along with income from a development project.

Results as of 31. desember 2024

SpareBank 1 SMN posted a net profit NOK 4,591m (3,688m) and a return on equity of 16.6 per cent (14.4 per cent) as at 31 December 2024. Earnings per equity certificate (EC) were NOK 20.60 (16.88).

Net interest income came to NOK 5,373m (4,732m). The base rate has remained unchanged at 4.50 per cent since December 2023. The bank has carried out general interest rate increases on loans and deposits in line with Norges Bank's hikes, and the latest rate increase was given effect in the first quarter 2024. Compared with 2023, lending margins in the retail market have strengthened while deposit margins have concurrently weakened. Margins in 2023 were heavily impacted by the notice to borrowers required in connection with Norges Bank's base rate hikes.

Net commission income was NOK 2,392 m (2,085m). Income from accounting and estate agency services rose by NOK 72m and 73m respectively compared with 2023. Income from insurance products and payment transfers have risen concurrently. Net commission income excluding the captive mortgage companies has increased by NOK 184m from 2023. Higher margins on loans sold to SpareBank 1 Boligkreditt have increased commissions from this mortgage company by NOK 113m.

The net result from ownership interests was NOK 1,254m (297m). The growth in profit from ownership interests is due mainly to recognition of NOK 452m related to the merger between Fremtind and Eika Forsikring and to strong profit contributions from BN Bank and reclassification of SpareBank 1 Markets as a related company. The net result from financial

instruments and dividends was reduced from NOK 402m in 2023 to NOK 103m in 2024. The reduction is attributable to disinvestment from SpareBank 1 Markets in the fourth quarter 2023.

Group expenses were NOK 3,300m (3,018m) in 2024. The expenses picture in 2023 reflected merger costs and expensing of the embezzlement affair. In 2024 expenses rose as a result of initiatives and investments made through 2023. The bank's overall expenses in 2024 are 6.4 per cent higher than in 2023. When adjusted for increased capital tax and the one-time expense related to employer national insurance contributions in the fourth quarter, expense growth in the bank is 4.5 per cent. At group level expenses for the year are 9.3 per cent higher than last year, of which 55 per cent of the increased costs refers to the subsidiaries.

As at 31 December loan losses total NOK 176m (14m). Losses on loans to corporate customers amounted to NOK 139m in 2023 (6m). The corresponding figure for personal customers is a loss of NOK 37 (8m).

Lending growth in the group was 5.5 per cent (11.9 per cent) in 2024. Growth in lending to the bank's retail segment was 5 per cent (13.1 per cent). Lending to the bank's corporate customers rose 7.5 per cent (10.4 per cent).

Deposits rose 6.0 per cent (8.9 per cent). Deposits from personal customers rose 7.5 per cent (17.6 per cent). Deposits from corporate customers climbed 10.7 per cent (0.1 per cent). Treasury deposits were reduced over the course of the year as part of the bank's liquidity management.

Balance sheet, funding and liquidity

Total assets

The bank's total assets as at the fourth quarter of 2024 were NOK 248bn (233bn), having increased by NOK 15bn, or 6.4 per cent, over the last 12 months.

As at 31 December 2024 loans totalling NOK 69bn (66bn) had been sold from SpareBank 1 SMN to the captive mortgage companies SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt. These loans do not figure as loans in the bank's balance sheet. The comments covering lending growth take into account loans sold to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt.

Loans

Total outstanding loans rose in the last 12 months by NOK 13.0bn, or 5.5 per cent, and stood at NOK 249.4bn (236.3bn) at the end of the fourth quarter. Lending growth in the quarter was 0.9 per cent.

Lending to the bank's retail customers climbed NOK 2.5bn in the quarter (1.3bn). This corresponds to a lending growth of 1.5 per cent (0.8 per cent). Lending growth over the last 12 months was 5.0 per cent (13.1 per cent). Total lending to the bank's retail customers came to NOK 175.1bn (166.7bn) at the end of the fourth quarter 2024. Last year's figures are impacted by the merger with the former SpareBank 1 Søre Sunnmøre.

Lending to the bank's corporate segment was reduced by NOK 0.2bn in the quarter (growth of 0.6bn), corresponding to minus 0.4 per cent (1.0 per cent). Growth in lending in the last 12 months was 7.5 per cent (10.4 per cent). Overall lending to the bank's corporate customers came to NOK 61.5bn (57.2bn) as at 31 December 2024. Last year's figures are impacted by the merger with the former SpareBank 1 Søre Sunnmøre.

SpareBank 1 Finans' gross loan volume was NOK 13.2bn (12.6bn) at the end of the fourth quarter 2024.

(For breakdown by sector – see note 5).

Deposits

Customer deposits were NOK 140.9bn (132.9bn) at the end of the fourth quarter 2024. Deposit growth in the quarter was 2.1 per cent.

Personal deposits rose NOK 0.9bn in the quarter (0.7bn), corresponding to deposit growth of 1.3 per cent (1.1 per cent). Deposit growth in the last 12 months was 7.5 per cent (17.6 per cent). Total deposits from personal customers came to NOK 69.4bn (64.6bn) at the end of the quarter.

Deposits from the bank's corporate segment rose NOK 1.7bn in the quarter (reduction of 7.0bn), corresponding to a growth of 2.5 per cent (minus 10.0 per cent). Deposit growth over the last 12 months was 10.7 per cent (0.1 per cent). Total deposits from the bank's corporate segment were NOK 69.7bn (63.0bn) as at 31 December 2024.

Last year's figures are impacted by the merger with the former SpareBank 1 Søre Sunnmøre.

(For breakdown by sector – see note 9).

Funding and liquidity

SpareBank 1 SMN has ample liquidity and good access to funding. The bank follows a conservative liquidity strategy, with liquidity reserves that ensure the bank's survival for 12 months of ordinary operation without need of fresh external funding.

The group's deposit-to-loan ratio at 31 December 2024, including the captive mortgage companies SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt, was 57 per cent (56 per cent).

The bank is required to maintain sufficient liquidity buffers to withstand periods of limited access to market funding. The liquidity coverage ratio (LCR) measures the size of banks' liquid assets relative to net liquidity outflow 30 days ahead given a stressed situation. The LCR was calculated at 183 per cent as at 31 December 2024.

The bank's funding sources and products are amply diversified. The share of the bank's overall money market funding with a maturity above one year was 83 per cent (89 per cent) at the end of the fourth quarter.

SpareBank 1 Boligkreditt and Næringskreditt are important funding sources for the bank, and loans totalling NOK 69bn (66bn) had been sold to these mortgage companies as at 31

December 2024.

In the fourth quarter SpareBank 1 SMN issued senior non-preferred debt (SNP) in Japanese yen (JPY) worth the equivalent of NOK 360m. At the end of the quarter SpareBank 1 SMN held NOK 13.4bn in SNP debt instruments. SNP debt measured 35.8 per cent as at 31 December 2024, and SpareBank 1 SMN met the MREL requirements by an ample margin.

Rating

The bank has a rating of Aa3 (stable outlook) with Moody's.

Financial soundness

The CET1 ratio at 31 December 2024 was 18.3 per cent (18.8 per cent) compared with 18.2 per cent at 30 September 2024. The increase in CET1 ratio from previous quarter is due to lower payout ratio than the regulatory requirements applied throughout the year.

SpareBank 1 SMN received a new Pillar 2 requirement in the fourth quarter of 2023. The requirement was reduced to 1.7 percentage points and must be met with a minimum of 56.25 per cent CET1 capital. As a result of this change the group's long-term CET1 target is revised to 16.3 per cent, including a Pillar 2 guidance. The bank is subject to a provisional add-on of 0.7 per cent to its Pillar 2 requirement until its application for adjustment of IRB models has been processed. The provisional add-on of 0.7 per cent is not included in the bank's long-term capital target.

A leverage ratio of 7.0 per cent (7.2 per cent) at 31. December 2024 shows the bank to be very solid. See note 4 for details.

The bank's equity certificate (MING)

The book value per EC at 31 December 2024 was NOK 128.09 (120.48) and earnings per EC in 2024 were NOK 20.60 (16.88).

The Price / Income ratio was 8.32 (8.40) and the Price / Book ratio was 1.34 (1.18).

Sustainability

The introduction of CSRD has made the regulatory landscape clearer and more binding. The value of voluntary obligations and memberships is thus reduced. After careful consideration, SpareBank 1 SMN has chosen to withdraw from the voluntary frameworks UN Global Impact Norway (UNGC) and UN Environmental Programme Financial Initiative (UNEPFI). This has been done through a joint process with other SpareBank 1 banks.

As a consequence of CSRD, a project has been initiated to review and revise the group's ambitions and objectives in the sustainability sphere. This project will be central in the work of establishing the group transition plan for climate and nature.

The transition plan for agriculture has been revised in accordance with agriculture's own climate plan. This is a natural part of the development of these transition plans and ensures that the ambitions set out in the transition plan are aligned with the sector's own ambitions for transition.

Outlook

SpareBank 1 SMN delivered a very good performance in 2023 reflecting strong profitability and financial soundness. In addition to good operating profit, the gain from the merger between Fremtind and Eika Forsikring contributed to strengthening return on equity.

At the start of 2025 there are prospects for lower interest rates and increased household purchasing power. Inflation has diminished substantially and unemployment in Mid Norway remains low. Norges Bank's regional network survey shows a positive trend for the region in with expectations at the end of 2024 having turned from weakly negative to neutral for Mid Norway.

SpareBank 1 SMN's ambition to expand its market shares stands firm. The bank's growth aspirations will be realised through initiatives taken in selected geographical locations and industries. Work on strengthening synergies across the group's business lines continues through an expanded focus on the finance centre model, and 26 finance centres have now been established in SpareBank 1 SMN's catchment area. This focus is expected to contribute further to the group's well-diversified income platform and to strengthen profitability in the years ahead.

The bank's cost trend has normalised through 2024. Among the subsidiaries the cost trend is to a greater degree driven by activity levels, and will vary with market conditions. The cost-income ratio is one of the groups main key figures, and the bank's cost growth in 2025 is expected to be moderate.

The risk picture in SpareBank 1 SMN's loan portfolio is satisfactory, although increased uncertainty is evident in the construction industry and retail trade. Bankruptcies in the region declined in number in 2024 and remain at a lower level than prior to the pandemic. The credit quality of the bank's portfolio is good, as reflected in continued low losses.

The group's long-term CET1 target is 16.3 per cent. The group still awaits a decision on its application for revision of its IRB models. The provisional requirement of a 0.7 percentage point add-on to its Pillar 2 requirement accordingly still needs to be taken into account. Implementation of CRR3 and a new risk weight floor for residential mortgages will in isolation reduce the group's CET1 ratio, but the ratio remains above regulatory requirements and SpareBank 1 SMN is in position to deliver on its growth aspirations while concurrently maintaining good dividend capacity.

The group's long-term dividend policy requiring about one half of net profit to be disbursed as dividend stands firm. When setting the size of the annual dividend payout, account is taken of the group's need for capital, prospects for profitable growth and strategic plans. The board of directors will recommend the bank's supervisory board to set a cash dividend of NOK 12.50 per equity certificate (NOK 12.00) which is equivalent to 61 per cent of the net profit, and a community dividend of NOK 896m (860m). The size of the dividend for 2024 should be viewed in light of the group's solidity, which at the end of the fourth quarter remains well above regulatory requirements and the group's long-term target.

SpareBank 1 SMN aspires to be among the best performers in the Nordic region, and the group's overriding financial goal of delivering a return on equity above 13 per cent over time stands firm. The main pillars of the group's strategy are unchanged, and the focus is on implementation and realisation of desired effects. The board of directors is pleased with results achieved in 2024. The group is well placed to strengthen its market position with an efficient distribution of products and services. The board of directors expects 2025 to be another good year for the group.

Trondheim, 11. februar 2025

The Board of Directors of SpareBank 1 SMN

Kjell Bjordal Chair	Christian Stav Deputy chair	Mette Kamsvåg
Freddy Aursø	Nina Olufsen	Ingrid Finboe Svendsen
Kristian Sætre	Inge Lindseth Employee rep.	Christina Straub Employee rep.
		Jan-Frode Janson Group CEO

Income statement

Parent bank					Group				
Fourth quarter		Jan - Dec		(NOKm)	Note	Jan - Dec		Fourth quarter	
2023	2024	2023	2024			2024	2023	2024	2023
2,729	2,828	9,219	11,122	Interest income effective interest method		11,685	9,721	2,973	2,847
451	510	1,647	1,883	Other interest income		1,875	1,642	510	449
1,948	2,112	6,622	8,180	Interest expenses		8,187	6,631	2,110	1,951
1,232	1,226	4,244	4,824	Net interest	10	5,373	4,732	1,372	1,345
272	345	1,121	1,315	Commission income		1,611	1,374	411	326
25	32	114	135	Commission expenses		224	199	53	40
17	15	69	65	Other operating income		1,006	910	223	213
264	328	1,076	1,245	Commission income and other income	11	2,392	2,085	580	499
82	16	711	361	Dividends		33	26	16	-10
-	-	-	-	Income from investment in related companies	3	1,254	297	227	90
414	28	364	45	Net return on financial investments	13	70	376	40	458
496	44	1,076	406	Net return on financial investments		1,357	699	283	538
1,991	1,598	6,396	6,475	Total income		9,123	7,516	2,235	2,383
258	267	849	1,012	Staff costs		1,981	1,691	516	476
337	324	1,121	1,084	Other operating expenses	12	1,319	1,327	384	390
595	591	1,970	2,096	Total operating expenses		3,300	3,018	901	866
1,396	1,006	4,426	4,379	Result before losses		5,823	4,498	1,335	1,517
-27	32	-72	156	Loss on loans, guarantees etc.	6, 7	176	14	30	20
1,423	975	4,498	4,223	Result before tax	3	5,647	4,484	1,305	1,496
228	230	820	940	Tax charge		1,054	904	253	262
-	-	-	-	Result investment held for sale, after tax	2, 3	-2	108	-1	12
1,195	744	3,678	3,283	Net profit		4,591	3,688	1,052	1,247
38	41	122	137	Attributable to additional Tier 1 Capital holders		146	125	43	40
773	470	2,376	2,101	Attributable to Equity capital certificate holders		2,970	2,331	674	809
384	234	1,181	1,044	Attributable to the saving bank reserve		1,370	1,159	305	402
-	-	-	-	Attributable to non-controlling interests		106	74	30	-4
1,195	744	3,678	3,283	Net profit		4,591	3,688	1,052	1,247
				Profit/diluted profit per ECC	19	20.10	16.87	4.67	5.62

Other comprehensive income

Parent bank					Group			
Fourth quarter		Jan - Dec		(NOKm)	Jan - Dec		Fourth quarter	
2023	2024	2023	2024		2024	2023	2024	2023
1,195	744	3,678	3,283	Net profit	4,591	3,688	1,052	1,247
-	-	-	-	Items that will not be reclassified to profit/loss	-	-	-	-
-27	70	-27	70	Actuarial gains and losses pensions	70	-27	70	-27
7	-17	7	-17	Tax	-17	7	-17	7
-	-	-	-	Share of other comprehensive income of associates and joint venture	9	6	6	4
-20	52	-20	52	Total	62	-14	58	-16
-	-	-	-		-	-	-	-
-	-	-	-	Items that will be reclassified to profit/loss	-	-	-	-
-	-	-	-	Fair value change on financial assets through other comprehensive income	-	-	-	-
-12	-0	-5	-4	Value changes on loans measured at fair value	-4	-5	-0	-12
-	-	-	-	Share of other comprehensive income of associates and joint venture	-148	-140	-46	-92
-	-	-	-	Tax	-	-	-	-
-12	-0	-5	-4	Total	-153	-145	-46	-104
-32	52	-25	48	Net other comprehensive income	-91	-158	12	-120
1,163	796	3,653	3,331	Total comprehensive income	4,500	3,530	1,064	1,127
38	41	122	137	Attributable to additional Tier 1 Capital holders	146	125	43	40
751	505	2,359	2,134	Attributable to Equity capital certificate holders	2,909	2,225	682	729
374	251	1,173	1,060	Attributable to the saving bank reserve	1,339	1,106	309	362
-	-	-	-	Attributable to non-controlling interests	106	74	30	-4
1,163	796	3,653	3,331	Total comprehensive Income	4,500	3,530	1,064	1,127

Balance sheet

Parent bank		(NOKm)	Note	Group	
31 Dec 2023	31 Dec 2024			31 Dec 2024	31 Dec 2023
1,172	654	Cash and receivables from central banks		654	1,172
19,241	19,785	Deposits with and loans to credit institutions		9,166	8,746
156,464	166,312	Net loans to and receivables from customers	5	179,254	168,955
34,163	36,649	Fixed-income CDs and bonds	17	36,650	34,163
6,659	7,231	Derivatives	17	7,231	6,659
731	587	Shares, units and other equity interests	17	1,050	1,137
6,270	6,789	Investment in related companies		10,084	8,695
2,090	2,225	Investment in group companies		-	-
98	98	Investment held for sale	2	190	112
812	797	Intangible assets		1,230	1,228
1,321	1,599	Other assets	14	2,189	1,849
229,020	242,726	Total assets		247,699	232,717

Parent bank			Group		
31 Dec 2023	31 Dec 2024	(NOKm)	Note	31 Dec 2024	31 Dec 2023
13,160	13,940	Deposits from credit institutions		13,941	13,160
133,462	141,485	Deposits from and debt to customers	9	140,897	132,889
33,417	36,570	Debt created by issue of securities	16	36,570	33,417
12,415	13,352	Subordinated debt		13,352	12,415
6,989	6,152	Derivatives	17	6,152	6,989
2,258	2,673	Other liabilities	15	3,527	3,002
-	-	Investment held for sale	2	2	1
2,169	2,656	Subordinated loan capital	16	2,735	2,247
203,871	216,829	Total liabilities		217,175	204,120
2,884	2,884	Equity capital certificates		2,884	2,884
-0	-0	Own holding of ECCs		-0	-0
2,422	2,422	Premium fund		2,422	2,422
8,482	8,721	Dividend equalisation fund		8,721	8,482
1,730	1,803	Recommended dividends		1,803	1,730
860	896	Provision for gifts		896	860
6,865	6,984	Ownerless capital		6,984	6,865
106	245	Unrealised gains reserve		245	106
0	-	Other equity capital		3,709	2,677
1,800	1,943	Additional Tier 1 Capital		2,039	1,903
-	-	Non-controlling interests		821	666
25,150	25,898	Total equity capital		30,523	28,597
229,020	242,726	Total liabilities and equity		247,699	232,717

Cash flow statement

Parent bank			Group	
January - December			January - December	
2023	2024	(NOKm)	2024	2023
-6,270	-9,987	Decrease/(increase) loans to customers	-10,458	-6,834
8,263	10,324	Interest receipts from loans to customers	10,961	8,805
4,331	-538	Decrease/(increase) loans credit institutions	-414	4,517
856	1,017	Interest receipts from loans to credit institutions	919	783
622	8,048	Increase/(decrease) deposits from customers	8,034	738
-3,632	-4,974	Interest payment on deposits from customers	-4,926	-3,600
-1,480	748	Increase/(decrease) debt to credit institutions	748	-1,472
-514	-551	Interest payment on debt to credit institutions	-551	-514
5,881	-1,902	Increase/(decrease) in short term investments	-1,765	5,881
1,288	1,579	Interest receipts from short term investments	1,466	1,282
221	-766	Increase/(decrease) in derivatives	-766	221
-802	-837	Interest receipts from derivatives	-837	-802
2,084	1,221	Increase/(decrease) in other claims	2,424	2,946
-2,822	-2,737	Increase/(decrease) in other debts	-3,959	-3,936
8,026	646	A) Net change in liquidity from operations	877	8,016
35	-	Increase of cash by merging	-	35
-125	-176	Gross investment buildings/operating assets	-241	-207
-	-	Sale of buildings/operating assets	-	-
302	117	Dividends from subsidiaries	-	-
-	-37	Paid-in capital from reduction in ownership of subsidiaries	-	-
-69	-97	Payment of capital due to increase in shareholding in subsidiaries	-	-
391	-	Dividends from associated companies and joint ventures	201	391
123	200	Proceeds from sale of shares of associated companies and joint ventures	198	142
-190	-717	Payment for purchase of shares of associated companies and joint ventures	-717	-198
-	-	Proceeds from shares held for sale	-80	163
18	43	Dividends from other businesses	33	26

Parent bank			Group	
January - December			January - December	
2023	2024	(NOKm)	2024	2023
1,590	1,411	Reduction/sale of shares and ownership interests	1,382	1,638
-1,487	-1,175	Increase/purchase of shares and ownership interests	-1,208	-1,509
589	-432	B) Net change in liquidity from investments	-432	482
5,280	7,589	Debt raised by issuance of covered bonds	7,589	5,280
-11,204	-4,820	Repayment of issued covered bonds	-4,820	-11,204
-1,207	-1,430	Interest payment on covered bonds issued	-1,430	-1,207
750	900	Debt raised by issuance of subordinated debt	902	826
-750	-400	Payments of issued subordinated debt	-400	-793
-125	-187	Interest payment on subordinated debt	-194	-128
2	1	Proceeds from sale or issue of treasury shares	1	153
-840	-1,730	Dividends cleared	-1,730	-840
0	201	Dividends paid to non-controlling interests	-9	-121
-474	-860	Disbursed from gift fund	-860	-474
416	143	Additional Tier 1 Capital issued	450	519
-342	-	Repayment of Additional Tier 1 Capital	-315	-385
-122	-137	Interest payments Additional Tier 1 capital	-146	-125
-8,615	-731	C) Net change in liquidity from financial activities	-962	-8,498
1	-517	A) + B) + C) Net changes in cash and cash equivalents	-517	1
1,171	1,172	Cash and cash equivalents at 1.1	1,172	1,171
1,172	654	Cash and cash equivalents at end of the year	654	1,172
1	-517	Net changes in cash and cash equivalents	-517	1

Changes in equity

Parent bank

(NOKm)	Issued equity			Earned equity						Total equity
	EC capital	Premium fund		Ownerless capital	Equalisation fund	Dividend and gifts	Un-realised gains reserve	Other equity	Additional Tier 1 Capital	
Equity at 1 January 2023	2,597	895	-	6,408	7,877	1,314	70	0	1,726	20,887
Net profit	-	-	-	299	602	2,591	37	27	122	3,678
Other comprehensive income										
Value changes on loans measured at fair value	-	-	-	-	-	-	-	-5	-	-5
Actuarial gains (losses), pensions	-	-	-	-	-	-	-	-20	-	-20
Other comprehensive income	-	-	-	-	-	-	-	-25	-	-25
Total comprehensive income	-	-	-	299	602	2,591	37	3	122	3,653
Transactions with owners										
Dividend declared for 2023	-	-	-	-	-	-840	-	-	-	-840
To be disbursed from gift fund	-	-	-	-	-	-474	-	-	-	-474
Additional Tier 1 Capital	-	-	-	-	-	-	-	-	416	416
Buyback Additional Tier 1 Capital issued	-	-	-	-	-	-	-	-	-342	-342
Interest payments additional Tier 1 capital	-	-	-	-	-	-	-	-	-122	-122
Purchase and sale of own ECCs	-0	-	-	-	3	-	-	-	-	2
Merging with SpareBank 1 Søre Sunnmøre	288	1,526	-	158	-	-	-	-	-	1,972
Direct recognitions in equity	-	-	-	-	-	-	-	-3	-	-3
Total transactions with owners	287	1,526	-	158	3	-1,314	-	-3	-48	610
Equity at 31 December 2023	2,884	2,422	-	6,865	8,482	2,591	106	0	1,800	25,150

Parent bank

(NOKm)	Issued equity			Earned equity						Total equity
	EC capital	Premium fund		Ownerless capital	Equalisation fund	Dividend and gifts	Un-realised gains reserve	Other equity	Additional Tier 1 Capital	
Equity at 1 January 2024	2,884	2,422	-	6,865	8,482	2,591	106	-	1,800	25,150
Net profit	-	-	-	119	239	2,698	139	-49	137	3,283
Other comprehensive income										
Value changes on loans measured at fair value	-	-	-	-	-	-	-	-4	-	-4
Actuarial gains (losses), pensions	-	-	-	-	-	-	-	52	-	52
Other comprehensive income	-	-	-	-	-	-	-	48	-	48
Total comprehensive income	-	-	-	119	239	2,698	139	-1	137	3,331
Transactions with owners										
Dividend declared for 2023	-	-	-	-	-	-1,730	-	-	-	-1,730
To be disbursed from gift fund	-	-	-	-	-	-860	-	-	-	-860
Additional Tier 1 Capital	-	-	-	-	-	-	-	-	450	450
Buyback Additional Tier 1 Capital issued	-	-	-	-	-	-	-	-	-307	-307
Interest payments additional Tier 1 capital	-	-	-	-	-	-	-	-	-137	-137
Purchase and sale of own ECCs	0	-	-	-	1	-	-	-	-	1
Direct recognitions in equity	-	-	-	-	-	-	-	1	-	1
Total transactions with owners	0	-	-	-	1	-2,591	-	1	6	-2,583
Equity at 30 December 2024	2,884	2,422	-	6,984	8,721	2,698	245	-0	1,943	25,898

Group (NOKm)	Attributable to parent company equity holders									
	Issued equity		Earned equity							
	EC capital	Premium fund	Owner less capital	Equalisa- tion fund	Dividend and gifts	Un-realised gains reserve	Other equity	Addition- al Tier 1 Capital	NCI ¹⁾	Total equity
Equity at 1 January 2023	2,586	895	6,408	7,828	1,314	70	2,940	1,769	997	24,807
Net Profit	-	-	299	602	2,591	37	-40	125	74	3,688
Other comprehensive income										
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-133	-	-	-133
Value changes on loans measured at fair value	-	-	-	-	-	-	-5	-	-	-5
Actuarial gains (losses), pensions	-	-	-	-	-	-	-20	-	-	-20
Other comprehensive income	-	-	-	-	-	-	-158	-	-	-158
Total comprehensive income	-	-	299	602	2,591	37	-198	125	74	3,530
Transactions with owners										
Dividend declared for 2022	-	-	-	-	-840	-	-	-	-	-840
To be disbursed from gift fund	-	-	-	-	-474	-	-	-	-	-474
Additional Tier 1 Capital issued	-	-	-	-	-	-	-	519	-	519
Buyback Additional Tier 1 Capital issued	-	-	-	-	-	-	-	-385	-	-385
Interest payments additional Tier 1 capital	-	-	-	-	0	-	-	-125	-	-125
Purchase and sale of own ECCs	-0	-	-	3	-	-	-	-	-	2
Own ECC held by SB1 Markets ²⁾	11	-	-	49	-	-	10	-	-	70
Merging with SpareBank 1 Søre Sunnmøre	288	1,526	158	-	-	-	-	-	-93	1,879
SB1 Markets from subsidiary to associated company	-	-	-	-	-	-	110	-	-	110
Direct recognitions in equity	-	-	-	-	-	-	-16	-	-	-16
Share of other transactions from associates and joint ventures	-	-	-	-	-	-	-169	-	-	-169
Change in non-controlling interests	-	-	-	-	-	-	-	-	-312	-312
Total transactions with owners	298	1,526	158	52	-1,314	-	-65	10	-405	260
Equity at 31 December 2023	2,884	2,422	6,865	8,482	2,591	106	2,677	1,903	666	28,597

1) Non-controlling interests

2) Holding of own equity certificates as part of SpareBank 1 Markets' trading activity

Group	Attributable to parent company equity holders									Total equity
	Issued equity		Earned equity							
	EC capital	Premium fund	Own-erless capital	Equalisa-tion fund	Dividend and gifts	Un-realised gains reserve	Other equity	Addition-al Tier 1 Capital	NCI ¹⁾	
(NOKm)										
Equity at 1 January 2024	2,884	2,422	6,865	8,482	2,591	106	2,677	1,903	666	28,597
Net profit	-	-	119	239	2,698	139	1,145	146	106	4,591
Other comprehensive income										
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-139	-	-	-139
Value changes on loans measured at fair value	-	-	-	-	-	-	-4	-	-	-4
Actuarial gains (losses), pensions	-	-	-	-	-	-	52	-	-	52
Other comprehensive income	-	-	-	-	-	-	-91	-	-	-91
Total comprehensive income	-	-	119	239	2,698	139	1,053	146	106	4,500
Transactions with owners										
Dividend declared for 2023	-	-	-	-	-1,730	-	-	-	-	-1,730
To be disbursed from gift fund	-	-	-	-	-860	-	-	-	-	-860
Additional Tier 1 capital issued	-	-	-	-	-	-	-	450	-	450
Buyback additional Tier 1 Capital issued	-	-	-	-	-	-	-	-315	-	-315
Interest payments additional Tier 1 capital	-	-	-	-	0	-	-	-146	-	-146
Purchase and sale of own ECCs	0	-	-	1	-	-	-	-	-	1
Direct recognitions in equity	-	-	-	-	-	-	0	-	-	0
Other transactions from associates and joint ventures	-	-	-	-	-	-	-21	-	-	-21
Change in non-controlling interests	-	-	-	-	-	-	-	-	48	48
Total transactions with owners	0	-	-	1	-2,591	-	-21	-10	48	-2,573
Equity at 31 December 2024	2,884	2,422	6,984	8,721	2,698	245	3,709	2,039	821	30,523

1) Non-controlling interests

Note 1 - Accounting Principles

Accounting Principles

SpareBank 1 SMN prepares and presents its quarterly accounts in compliance with the Stock Exchange Regulations, Stock Exchange Rules and International Financial Reporting Standards (IFRS) approved by EU, including IAS 34, Interim Financial Reporting. The quarterly accounts do not include all the information required in a complete set of annual financial statements and should be read in conjunction with the annual accounts for 2023. The Group has in this quarterly report used the same accounting principles and calculation methods as in the latest annual report and accounts.

Note 2 - Critical estimates and assessment concerning the use of accounting principles

When it prepares the consolidated accounts the management team makes estimates, discretionary assessments and assumptions which influence the application of accounting principles. This accordingly affects recognised amounts for assets, liabilities, revenues and expenses. Last year's annual accounts give a closer explanation of significant estimates and assumptions in Note 3 Critical estimates and assessments concerning the use of accounting principles.

Pensions

Sparebank 1 SMN Group has one pension arrangement; defined contribution plan. For a further description of the pension scheme, see note 22 in the 2023 annual report.

The group's pension liabilities are accounted for under IAS 19R. Estimate variances are therefore directly reflected in equity capital and are presented under other comprehensive income.

It was decided to terminate the defined benefit scheme at a board meeting in 2016. Employees on this scheme transferred to the defined contribution scheme from 1 January 2017, and received a paid-up policy showing rights accumulated under the defined benefit scheme. Paid-up policies are managed by the pension fund, which has been a paid-up pension fund as from 1 January 2017. A framework agreement has been established between SpareBank 1 SMN and the pension fund which covers funding, asset management etc. In view of the responsibility still held by SpareBank 1 SMN, future liabilities will need to be incorporated in the accounts. The board of the pension fund is required to be composed of representatives from the Group and participants in the pension schemes in accordance with the articles of association of the pension fund.

A new calculation of the Group's pension liabilities has been carried out as per 31 December 2024.

Actuarial assumptions	31 Dec 2023	01/01/2024	31 Dec 2024
Discount rate	3.00%	3.00%	3.90%
Expected rate of return on plan assets	3.00%	3.00%	3.90%
Expected future wage and salary growth	3.25%	3.25%	4.00%
Expected adjustment on basic amount (G)	3.25%	3.25%	3.75%
Expected increase in current pension	0.00%	0.00%	0.00%
Employers contribution	19.10%	19.10%	19.10%

Demographic assumptions:

Mortality base table	K2013 BE
Disability	IR73
Voluntary exit	2% til 50år, 0% etter 50år

Movement in net pension liability in the balance sheet Group (NOKm)	Funded	Unfunded	Total
Net pension liability in the balance sheet 1.1	-221	4	-217
OCI accounting 1 Jan	0	-	0
OCI accounting 31 December	-69	-1	-70
Net defined-benefit costs in profit and loss account	-7	0	-7
Paid in pension premium, defined-benefit schemes	0	-	0
Paid in pension premium, defined-benefit plan	-	-1	-1
Net pension liability in the balance sheet 31 December 2023	-296	3	-294

Net pension liability in the balance sheet Group (NOKm)	31 Dec 2024	31 Dec 2023
Net present value of pension liabilities in funded schemes	512	558
Estimated value of pension assets	-806	-776
Net pension liability in the balance sheet before employer's contribution	-294	-217
Employers contribution	0	1
Net pension liability in the balance sheet	-294	-217

Pension cost Group (NOKm)	31 Dec 2024	31 Dec 2023
Present value of pension accumulated in the year	-	-
Net interest income	-7	-7
Net pension cost related to defined plans, incl. unfunded pension commitment	-7	-7
Employer's contribution subject to accrual accounting	0	0
Cost of defined contribution pension and early retirement pension scheme	149	124
Total pension cost for the period	143	117

Investment held for sale

SpareBank 1 SMN's strategy is that ownership due to defaulted exposures should at the outset be of brief duration, normally not longer than one year. Investments are recorded at fair value in the Parent Bank's accounts, and is classified as investment held for sale.

2024 (NOKm)	Assets	Liabilities	Revenue	Expenses	Profit	Ownership
Mavi XV AS Group	190	2	13	-15	-2	100%
Total Held for sale	190	2	13	-15	-2	

Losses on loans and guarantees

For a detailed description of the Bank's model for expected credit losses, refer to note 10 in the annual accounts for 2023.

Measurement of expected credit loss for each stage requires both information on events and current conditions and information on expected events and future economic conditions. Estimation and use of forward-looking information requires a high degree of discretionary judgement. Each macroeconomic scenario that is utilised includes a projection for a five-year period. For credits where credit risk is assessed to have increased significantly since loan approval (stage 2), loss estimates for the period after year 5 are based on year 5 as regards level of PD and LGD.

Our estimate of expected credit loss at stage 1 and 2 is a probability-weighted average of three scenarios: Base Case, Best Case and Worst Case. The model that computes model write-downs is based on two macro variables – interest rate level (three-month NIBOR) and unemployment (Statistics Norway's Labour Force Survey, AKU). The assumptions in the base-line scenario are based on the assumptions in Norges Bank's Monetary Policy Report 4/24. Updated macro assumptions this quarter have had a small positive effect on the level of write-downs due to a lower interest rate path in the base scenario and increased estimates for price increases on housing, as per updated estimates from Norges Bank. The downside scenario features high interest rates and high unemployment, which are largely based on Finanstilsynet's stress test reported in Financial Outlook, June 2023. The upside scenario features low interest rates and low unemployment.

Calculation of the group's overall model write-downs is based on calculations of expected credit loss (ECL) for each of five portfolios below. For each portfolio, separate assumptions are defined with regard to how the macro variables 'interest rate' and 'unemployment' impact PD and LGD. The relationships between the macro variables are developed using of regression analysis and simulation, while the relationships between the macro variables and LGD are based largely on expert assessments and discretionary judgement. The five portfolios are:

- Residential mortgages
- Other retail loans
- Agriculture
- Industries with large balance sheets / high long-term debt ratios (real estate, shipping, offshore, aquaculture, fishery)
- Industries with smaller balance sheets / low long-term debt ratios (other industries)

The criteria for classification in stage 2 ("significantly increased credit risk since approval") have not been changed in the quarter. The customers in building and construction industry (including industries closely linked to the building and construction sector) and some fishery segments are generally considered to have acquired significantly increased credit risk since loan approval and customers in this industry are accordingly classified to stage 2 or 3.

ECL as at 31 December 2024 is calculated as a combination of 80 per cent expected scenario, 10 per cent downside scenario and 10 per cent upside scenario (80/10/10 pct).

The effect of the change of assumptions in 2024 is shown in the line "Effect of changed assumptions in the ECL model" in note 7. This quarter the model has been updated with a new version of the LGD-model which give higher estimated credit losses. At the same time the PD model has been re-calibrated to take into account that the calculated PD has been higher than historically observed default levels. Combined, this give somewhat reduced model write-downs for the retail market, and increased write-downs for the corporate portfolio. Overall, for 2024 this amounts to NOK 6 m for the bank in increased write-downs and NOK 18 m for the group in terms of reduced write-downs.

Sensitivity

The first part of the table below show total calculated expected credit loss as of 31 December 2024 in each of the three scenarios, distributed in the portfolios Retail Market, Corporate Market and agriculture, which adds up to parent bank. In addition the subsidiary SpareBank 1 Finans Midt-Norge is included. ECL for the parent bank and the subsidiary is summed up in the column "Group".

The second part of the table show the ECL distributed by portfolio using the scenario weight applied, in addition to a alternative weighting where downside scenaro weight has been doubled.

If the downside scenario's probability were doubled at the expense of the baseline scenario at the end of 2024, this would have entailed an increase in loss provisions of NOK 114 million for the parent bank and NOK 135 million for the group.

	CM	RM	Agri culture	Total parent	SB 1 Finans MN CM	SB 1 Finans MN RM	Total group
ECL base case	610	98	89	797	38	15	850
ECL worst case	1,422	316	203	1,941	186	79	2,206
ECL best case	426	79	66	571	22	11	604
ECL with scenario weights used 80/10/10	672	118	98	888	51	21	960
ECL alternative scenario weights 70/20/10	754	140	109	1,003	66	27	1,096
Total ECL used	81	22	11	114	15	6	135

The table reflects that there are some significant differences in underlying PD and LGD estimates in the different scenarios and that there are differentiated levels and level differences between the portfolios. At group level, the ECL in the upside scenario, which largely reflects the loss and default picture in recent years, is about 60 per cent of the ECL in the expected scenario. The downside scenario gives over double the ECL than in the expected scenario. Applied scenario weighting gives about 13 percent higher ECL than in the expected scenario.

Note 3 - Account by business line

For the subsidiaries the figures refer to the respective company accounts, while for joint ventures incorporated by the equity method the Group's profit share is stated, after tax, as well as book value of the investment at group level.

Group January - December 2024

Profit and loss account (NOKm)	RM	CM	Sunnmøre og Fjordane	EM 1	SB 1 Finans MN	SB 1 Regnskaps- huset SMN	Other	Uncollated	Total
Net interest	1,924	1,456	715	6	549	4	-	721	5,373
Interest from allocated capital	418	242	161	-	-	-	-	-821	-
Total interest income	2,342	1,697	876	6	549	4	-	-100	5,373
Comission income and other income	752	236	158	505	-96	804	-	33	2,392
Net return on financial investments **)	-5	3	8	1	-	-	1,254	97	1,357
Total income	3,088	1,936	1,041	512	453	808	1,254	30	9,123
Total operating expenses	668	233	212	442	136	730	-	880	3,300
Ordinary operating profit	2,421	1,703	829	71	317	78	1,254	-849	5,823
Loss on loans, guarantees etc.	30	88	38	-	20	-	-	-0	176
Result before tax	2,390	1,615	792	71	298	78	1,254	-849	5,647
Return on equity *)	18.9 %	23.7 %	16.0 %						16.6 %

*) Regulatory capital in line with the bank's capital target have been used as basis for calculating capital used in the Retail and Corporate market.

Group January - December 2023

Profit and loss account (NOKm)	RM	CM	Sunnmøre og Fjordane	EM 1	SB 1 Finans MN	SB 1 Regnskaps- huset SMN	Other	Uncollated	Total
Net interest	1,824	1,335	598	2	490	4	-	379	4,632
Interest from allocated capital	328	195	112	-	-	-	-	-634	-
Total interest income	2,151	1,530	709	2	490	4	-	-255	4,632
Comission income and other income	652	234	110	432	-97	716	-	37	2,084
Net return on financial investments **)	1	6	7	1	-82	-	379	488	799
Total income	2,804	1,770	826	435	311	720	379	270	7,515
Total operating expenses	1,078	407	315	395	115	612	-	97	3,017
Ordinary operating profit	1,726	1,363	512	40	196	108	379	173	4,498
Loss on loans, guarantees etc.	1	45	-118	-	86	-	-	-0	14
Result before tax	1,725	1,318	629	40	111	108	379	173	4,484
Return on equity *)	18.2 %	24.3 %	19.6 %		1.5 %				14.4 %

*) Regulatory capital in line with the bank's capital target have been used as basis for calculating capital used in the Retail and Corporate market.

	January - December	
**) Specification of other (NOKm)	2024	2023
SpareBank 1 Gruppen	226	-34
Gevinst fra forsikringsfusjon Fremtind/Eika	452	0
SpareBank 1 Boligkreditt	129	98
SpareBank 1 Næringskreditt	14	10
BN Bank	302	257
SpareBank1 Markets	89	19
SpareBank 1 Kreditt	-10	-13
SpareBank 1 Betaling	-19	-37
SpareBank 1 Forvaltning	54	35
Other companies	15	46
Income from investment in associates and joint ventures	1,254	379
SpareBank 1 Mobilitet Holding		-82
Net income from investment in associates and joint ventures	1,254	297

Note 4 - Capital adequacy

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRR/CRD IV). SpareBank 1 SMN utilises the Internal Rating Based Approach (IRB) for credit risk. Advanced IRB Approach is used for the corporate portfolios. Use of IRB imposes wide-ranging requirements on the bank's organisational set-up, competence, risk models and risk management systems.

As of 31 December 2024 the overall minimum requirement on CET1 capital is 14.0 per cent. The capital conservation buffer requirement is 2.5 per cent, the systemic risk requirement for Norwegian IRB-banks is 4.5 per cent and the Norwegian countercyclical buffer is 2.5 per cent. These requirements are additional to the requirement of 4.5 per cent CET1 capital. In addition the financial supervisory authority has set a Pillar 2 requirement for SpareBank 1 SMN. From 31 December 2023, the requirement is 1.7 per cent and must be met with a minimum of 56.25 per cent. In addition the bank must have an additional 0.7 per cent in Pillar 2 requirements until the application for adjusting IRB-models has been processed.

Under the CRR/CRDIV regulations the average risk weighting of exposures secured on residential property in Norway cannot be lower than 20 per cent. As of 31 December 2024, the average risk weights are over 20 per cent for the group.

The systemic risk buffer stands at 4.5 per cent for the Norwegian exposures. For exposures in other countries, the particular country's systemic buffer rate shall be employed. As of 31 December 2024 the effective rate for the group is 4.44 per cent.

The countercyclical buffer is calculated using differentiated rates. For exposures in other countries the countercyclical buffer rate set by the authorities in the country concerned is applied. If that country has not set a rate, the same rate as for exposures in Norway is applied unless the Ministry of Finance sets another rate. As of 31 December 2024 both the parent bank and the group is below the capital deduction threshold such that the Norwegian rate is applied to all relevant exposures.

Parent Bank			Group	
31 Dec 2023	31 Dec 2024	(NOKm)	31 Dec 2024	31 Dec 2023
25,150	25,898	Total book equity	30,523	28,597
-1,800	-1,943	Additional Tier 1 capital instruments included in total equity	-2,039	-1,903
-812	-771	Deferred taxes, goodwill and other intangible assets	-2,272	-1,625
-2,591	-2,698	Deduction for allocated dividends and gifts	-2,698	-2,591
-	-	Non-controlling interests recognised in other equity capital	-821	-666
-	-	Non-controlling interests eligible for inclusion in CET1 capital	700	679
-53	-58	Value adjustments due to requirements for prudent valuation	-78	-72
-412	-407	Positive value of adjusted expected loss under IRB Approach	-641	-546
-	-	Cash flow hedge reserve	-2	-4
-350	-350	Deduction for common equity Tier 1 capital in significant investments in financial institutions	-264	-278
19,131	19,670	Common equity Tier 1 capital	22,409	21,589
1,800	1,800	Additional Tier 1 capital instruments	2,409	2,252
-48	-49	Deduction for significant investments in financial institutions	-49	-48
20,883	21,422	Tier 1 Capital	24,769	23,793
		Supplementary capital in excess of core capital		
2,150	2,650	Subordinated capital	3,465	2,822
-216	-230	Deduction for significant investments in financial institutions	-230	-216
1,934	2,420	Additional Tier 2 capital instruments	3,235	2,606
22,817	23,842	Total eligible capital	28,004	26,399

Parent Bank		(NOKm)	Group	
31 Dec 2023	31 Dec 2024		31 Dec 2024	31 Dec 2023
		Risk weighted assets (RWA)		
15,701	17,015	Specialised enterprises	20,514	19,226
11,303	12,252	Corporate	12,422	11,634
19,617	21,185	Mass market exposure, property	39,806	36,333
1,545	1,498	Other mass market	1,540	1,577
18,558	19,411	Equity positions IRB	-	-
66,724	71,361	Total credit risk IRB	74,283	68,770
40	15	Central government	324	68
1,188	1,450	Covered bonds	2,100	1,908
4,659	4,540	Institutions	3,327	3,495
1,371	1,032	Local and regional authorities, state-owned enterprises	1,177	1,829
3,101	3,145	Corporate	6,895	6,325
49	216	Mass market	9,141	8,785
467	840	Exposures secured on real property	1,592	1,573
792	889	Equity positions	5,946	5,809
1,400	1,682	Other assets	2,734	2,224
13,069	13,810	Total credit risk standardised approach	33,235	32,016
279	409	Debt risk	405	279
-	-	Equity risk	137	82
-	-	Currency risk and risk exposure for settlement/delivery	13	21
6,810	7,859	Operational risk	13,125	11,548
472	463	Credit value adjustment risk (CVA)	1,424	1,918
87,354	93,902	Risk weighted assets (RWA)	122,622	114,633
6,988	7,512	Minimum requirements subordinated capital	9,810	9,171
3,931	4,226	Minimum requirement on CET1 capital, 4.5 per cent	5,518	5,159

Parent Bank		(NOKm)	Group	
31 Dec 2023	31 Dec 2024		31 Dec 2024	31 Dec 2023
		Capital Buffers		
2,184	2,348	Capital conservation buffer, 2.5 per cent	3,066	2,866
3,896	4,179	Systemic risk buffer, 4.5 per cent	5,444	5,081
2,184	2,348	Countercyclical buffer, 1.0 per cent	3,066	2,866
8,264	8,874	Total buffer requirements on CET1 capital	11,576	10,813
6,937	6,571	Available CET1 capital after buffer requirements	5,315	5,618
		Capital adequacy		
21.9 %	20.9 %	Common equity Tier 1 capital ratio	18.3 %	18.8 %
23.9 %	22.8 %	Tier 1 capital ratio	20.2 %	20.8 %
26.1 %	25.4 %	Capital ratio	22.8 %	23.0 %
		Leverage ratio		
221,334	235,069	Balance sheet items	342,557	323,929
7,559	8,473	Off-balance sheet items	10,145	8,984
-513	-513	Regulatory adjustments	-768	-666
228,380	243,028	Calculation basis for leverage ratio	351,934	332,247
20,883	21,422	Core capital	24,769	23,793
9.1 %	8.8 %	Leverage Ratio	7.0 %	7.2 %

Note 5 - Distribution of loans by sector/industry

Parent Bank			Group	
31 Dec 2023	31 Dec 2024	(NOKm)	31 Dec 2024	31 Dec 2023
12,021	13,029	Agriculture and forestry	13,519	12,489
5,459	6,055	Fisheries and hunting	6,085	5,488
2,218	3,835	Sea farming industries	4,144	2,473
3,170	3,697	Manufacturing	4,362	3,757
6,111	4,996	Construction, power and water supply	6,332	7,353
2,845	3,266	Retail trade, hotels and restaurants	4,201	3,777
6,030	4,043	Maritime sector	4,043	6,030
21,288	24,845	Property management	24,964	21,400
4,239	4,965	Business services	5,701	5,148
5,396	6,099	Transport and other services provision	7,311	6,459
2	37	Public administration	62	39
2,220	1,548	Other sectors	1,466	2,140
70,997	76,414	Gross loans in Corporate market	82,191	76,553
152,710	159,911	Wage earners	167,159	159,777
223,708	236,326	Gross loans incl. SB1 Boligkreditt /SB1 Næringskreditt	249,350	236,329
64,719	67,830	of which SpareBank 1 Boligkreditt	67,830	64,719
1,749	1,419	of which SpareBank 1 Næringskreditt	1,419	1,749
157,240	167,077	Total Gross loans to and receivables from customers	180,102	169,862
659	641	- Loan loss allowance on amortised cost loans	724	790
117	124	- Loan loss allowance on loans at FVOCI	124	117
156,464	166,312	Net loans to and receivables from customers	179,254	168,955

Note 6 - Losses on loans and guarantees

Parent Bank (NOKm)	January - December						Fourth quarter					
	2024			2023			2024			2023		
	RM	CM	Total	RM	CM	Total	RM	CM	Total	RM	CM	Total
Change in provision for expected credit losses	38	28	65	4	-59	-55	2	-39	-37	-8	-33	-41
Actual loan losses on commitments exceeding provisions made	3	105	109	11	146	157	0	78	78	0	135	135
Recoveries on commitments previously written-off	-5	-13	-18	-21	-153	-174	-1	-7	-8	5	-126	-121
Losses for the period on loans and guarantees	36	120	156	-6	-66	-72	1	31	32	-2	-25	-27

Group (NOKm)	January - December						Fourth quarter					
	2024			2023			2024			2023		
	RM	CM	Total	RM	CM	Total	RM	CM	Total	RM	CM	Total
Change in provision for expected credit losses	33	-14	19	1	-7	-6	1	-87	-87	-14	11	-4
Actual loan losses on commitments exceeding provisions made	9	166	175	47	168	215	6	139	144	1	144	145
Recoveries on commitments previously written-off	-5	-14	-19	-40	-155	-195	-6	-21	-28	5	-126	-121
Losses for the period on loans and guarantees	37	139	176	8	6	14	0	30	30	-8	28	20

Note 7 - Losses

Parent Bank (NOKm)	01 Jan 24	Change in provision	Net write-offs / recoveries	31 Dec 24
Loans as amortised cost- CM	671	37	-31	677
Loans as amortised cost- RM	43	26	-0	69
Loans at fair value over OCI- RM	137	12	-	149
Loans at fair value over OCI- CM	13	-9	-	4
Provision for expected credit losses on loans and guarantees	864	65	-31	899
Presented as				
Provision for loan losses	776	20	-31	765
Other debt- provisons	53	50	-	102
Other comprehensive income - fair value adjustment	36	-4	-	31

Parent Bank (NOKm)	01 Jan 23	Merger Søre Sunnmøre	Change in provision	Net write-offs / recoveries	31 Dec 23
Loans as amortised cost- CM	921	32	-101	-181	671
Loans as amortised cost- RM	35	11	2	-5	43
Loans at fair value over OCI- RM	147	-	-10	-	137
Loans at fair value over OCI- CM	2	-	11	-	13
Provision for expected credit losses on loans and guarantees	1,106	43	-99	-186	864
Presented as					
Provision for loan losses	999	41	-77	-186	776
Other debt- provisons	67	2	-16	-	53
Other comprehensive income - fair value adjustment	40	-	-5	-	36

Group (NOKm)	1 Jan 24	Change in provision	Net write-offs / recoveries	31 Dec 24
Loans as amortised cost- CM	777	39	-77	739
Loans as amortised cost- RM	68	21	-0	89
Loans at fair value over OCI- RM	137	12	-	149
Loans at fair value over OCI- CM	13	-9	-	4
Provision for expected credit losses on loans and guarantees	995	63	-77	981
Presented as				
Provision for loan losses	907	18	-77	848
Other debt- provisons	53	50	-	102
Other comprehensive income - fair value adjustment	36	-4	-	31

Group (NOKm)	1 Jan 23	Merger Søre Sunnmøre	Change in provision	Net write-offs / recoveries	31 Dec 23
Loans as amortised cost- CM	976	32	-44	-186	777
Loans as amortised cost- RM	63	11	-1	-5	68
Loans at fair value over OCI- RM	147	-	-10	-	137
Loans at fair value over OCI- CM	2	-	11	-	13
Provision for expected credit losses on loans and guarantees	1,188	43	-44	-192	995
Presented as					
Provision for loan losses	1,081	41	-23	-192	907
Other debt- provisons	67	2	-16	-	53
Other comprehensive income - fair value adjustment	40	-	-5	-	36

Accrual for losses on loans

Parent Bank (NOKm)	31 Dec 2024				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail market								
Opening balance	38	95	45	179	46	93	42	181
Transfer to (from) stage 1	16	-16	0	0	18	-18	0	0
Transfer to (from) stage 2	-4	5	-1	0	-3	3	0	0
Transfer to (from) stage 3	-1	-9	10	0	0	-8	9	0
Net remeasurement of loss allowances	-16	36	25	45	-26	19	-5	-12
Originations or purchases	14	20	2	36	15	20	3	37
Derecognitions	-12	-26	-5	-42	-14	-31	-4	-49
Changes due to changed input assumptions	1	-3	-4	-6	3	16	8	27
Actual loan losses	0	0	0	0	0	0	-5	-5
Closing balance	36	103	72	211	38	95	45	179
Corporate Market								
Opening balance	160	267	205	633	138	298	421	858
Transfer to (from) stage 1	29	-29	0	0	59	-59	0	0
Transfer to (from) stage 2	-9	11	-2	0	-14	24	-10	0
Transfer to (from) stage 3	-7	-19	26	0	-1	-5	6	0
Net remeasurement of loss allowances	-23	90	-49	18	-58	11	9	-38
Originations or purchases	70	57	3	131	90	35	37	163
Derecognitions	-60	-108	-14	-181	-52	-68	-15	-136
Changes due to changed input assumptions	-7	8	14	15	-2	31	-62	-33
Actual loan losses	0	0	-31	-31	0	0	-181	-181
Closing balance	155	278	152	585	160	267	205	633
Total accrual for loan losses	191	382	224	796	198	363	251	812

Group (NOKm)	31 Dec 2024				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail market								
Opening balance	46	111	46	204	55	107	47	209
Transfer to (from) stage 1	19	-19	-1	0	21	-20	-1	0
Transfer to (from) stage 2	-5	6	-1	0	-4	5	-1	0
Transfer to (from) stage 3	-1	-11	12	0	-1	-10	11	0
Net remeasurement of loss allowances	-19	41	25	47	-28	25	-6	-9
Originations or purchases	17	23	2	42	19	25	3	47
Derecognitions	-14	-29	-5	-48	-17	-34	-7	-58
Changes due to changed input assumptions	-1	-7	-4	-13	0	14	7	21
Actual loan losses	0	0	0	0	0	0	-5	-5
Closing balance	43	116	73	232	46	111	46	204
Corporate Market								
Opening balance	172	299	268	739	151	311	450	912
Transfer to (from) stage 1	34	-33	0	0	63	-63	0	0
Transfer to (from) stage 2	-10	13	-3	0	-18	28	-10	0
Transfer to (from) stage 3	-7	-20	27	0	-1	-6	7	0
Net remeasurement of loss allowances	-25	98	-46	27	-59	22	60	23
Originations or purchases	75	70	4	149	96	46	38	181
Derecognitions	-62	-112	-14	-188	-54	-70	-16	-140
Changes due to changed input assumptions	-10	-1	9	-2	-5	29	-75	-51
Actual loan losses	0	0	-77	-77	0	0	-186	-186
Closing balance	166	313	168	647	172	299	268	739
Total accrual for loan losses	209	429	241	879	218	410	314	943

Accrual for losses on guarantees and unused credit lines

Parent Bank and Group (NOKm)	31 Dec 2024				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	18	27	8	53	24	34	9	67
Transfer to (from) stage 1	12	-12	0	0	6	-6	0	0
Transfer to (from) stage 2	-1	1	0	0	-2	2	0	0
Transfer to (from) stage 3	0	0	1	0	0	-1	1	0
Net remeasurement of loss allowances	-11	9	44	41	-13	-4	2	-15
Originations or purchases	18	4	2	23	9	4	0	13
Derecognitions	-6	-4	-2	-12	-6	-8	-1	-15
Changes due to changed input assumptions	-3	2	-2	-3	0	5	-3	2
Actual loan losses	0	0	0	0	0	0	0	0
Closing balance	26	26	50	102	18	27	8	53
Of which								
Retail market				6				1
Corporate Market				96				51

Provision for credit losses specified by industry

Parent Bank (NOKm)	31 Dec 2024				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	2	49	28	80	3	44	10	57
Fisheries and hunting	9	65	18	92	6	33	-	39
Sea farming industries	7	2	1	9	5	0	0	5
Manufacturing	11	26	14	51	15	31	13	59
Construction, power and water supply	28	37	43	108	46	25	28	99
Retail trade, hotels and restaurants	14	34	14	63	8	13	1	23
Maritime sector	3	2	25	30	7	54	103	164
Property management	41	86	28	156	44	92	22	159
Business services	22	22	2	46	17	16	24	57
Transport and other services	22	7	3	32	10	6	13	29
Public administration	0	0	0	0	0	-	-	0
Other sectors	1	0	0	1	1	0	-	1
Wage earners	1	50	48	99	1	47	35	83
Total provision for losses on loans	160	382	224	765	163	363	251	776
loan loss allowance on loans at FVOCI	31	0	0	31	36	0	0	36
Total loan loss allowance	191	382	224	796	198	363	251	812

Group (NOKm)	31 Dec 2024				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	3	51	29	83	4	46	10	60
Fisheries and hunting	9	65	18	92	6	33	0	39
Sea farming industries	8	2	2	11	6	0	0	6
Manufacturing	13	31	17	61	18	36	13	68
Construction, power and water supply	28	55	45	129	46	42	33	121
Retail trade, hotels and restaurants	17	36	14	67	11	15	2	28
Maritime sector	3	2	25	30	7	54	103	164
Property management	41	87	28	156	45	93	22	160
Business services	24	24	10	58	19	18	78	114
Transport and other services	25	13	4	42	12	11	16	39
Public administration	0	0	-	0	0	-	-	0
Other sectors	1	0	0	1	1	0	-	1
Wage earners	7	62	49	117	8	62	36	106
Total provision for losses on loans	178	429	241	848	183	410	314	907
loan loss allowance on loans at FVOCI	31	-	-	31	36	-	-	36
Total loan loss allowance	209	429	241	879	218	410	314	943

Note 8 - Gross loans

Parent Bank (NOKm)	31 Dec 2024				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail Market								
Opening balance	90,901	4,553	725	96,178	80,994	3,962	527	85,484
Transfer to stage 1	986	-955	-32	0	895	-868	-27	0
Transfer to stage 2	-1,808	1,852	-44	0	-1,538	1,557	-18	0
Transfer to stage 3	-125	-211	336	0	-38	-156	194	0
Net increase/decrease amount existing loans	-2,207	-94	-37	-2,337	-2,305	-95	-6	-2,406
New loans	44,893	1,607	360	46,860	42,690	1,549	222	44,460
Derecognitions	-41,895	-2,003	-320	-44,218	-29,797	-1,395	-149	-31,342
Financial assets with actual loan losses	0	0	-1	-1	0	0	-18	-18
Closing balance	90,744	4,749	988	96,481	90,901	4,553	725	96,178
Corporate Market								
Opening balance	47,327	6,988	1,165	55,480	43,127	5,883	1,346	50,356
Transfer to stage 1	1,259	-1,258	-1	0	1,026	-1,021	-5	0
Transfer to stage 2	-2,487	2,631	-144	0	-2,669	2,670	-1	0
Transfer to stage 3	-44	-342	386	0	-72	-44	116	0
Net increase/decrease amount existing loans	-1,780	-253	0	-2,033	-1,099	-485	-10	-1,594
New loans	19,037	971	272	20,281	17,922	816	351	19,089
Derecognitions	-10,827	-2,202	-627	-13,655	-10,901	-828	-335	-12,064
Financial assets with actual loan losses	0	0	-46	-46	-7	-2	-298	-307
Closing balance	52,484	6,536	1,006	60,026	47,327	6,988	1,165	55,480
Fixed interest loans at FV	10,570			10,570	5,582			5,582
Total gross loans at the end of the period	153,797	11,286	1,994	167,077	143,809	11,541	1,890	157,240

Group (NOKm)	31 Dec 2024				31 Dec 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Retail Market								
Opening balance	96,963	5,474	825	103,263	86,972	4,901	635	92,508
Transfer to stage 1	1,229	-1,193	-36	0	1,138	-1,108	-30	0
Transfer to stage 2	-2,267	2,322	-55	0	-1,955	1,978	-23	0
Transfer to stage 3	-152	-267	419	0	-59	-219	277	0
Net increase/decrease amount existing loans	-2,191	-170	-52	-2,414	-2,272	-165	-20	-2,457
New loans	47,975	1,825	371	50,171	45,658	1,781	231	47,670
Derecognitions	-44,637	-2,293	-364	-47,294	-32,519	-1,694	-227	-34,440
Financial assets with actual loan losses	0	0	-1	-1	0	0	-18	-18
Closing balance	96,920	5,698	1,107	103,725	96,963	5,474	825	103,263
Corporate Market								
Opening balance	51,327	8,533	1,259	61,119	47,621	6,460	1,410	55,491
Transfer to stage 1	1,419	-1,412	-6	0	1,207	-1,199	-8	0
Transfer to stage 2	-2,835	2,995	-161	0	-3,639	3,655	-17	0
Transfer to stage 3	-79	-378	458	0	-101	-80	180	0
Net increase/decrease amount existing loans	-1,867	-286	-14	-2,167	-1,103	-692	-23	-1,818
New loans	20,250	1,664	304	22,218	19,159	1,339	368	20,866
Derecognitions	-11,953	-2,591	-670	-15,214	-11,811	-949	-354	-13,114
Financial assets with actual loan losses	0	0	-46	-46	-7	-2	-297	-306
Balance at 31 December	56,263	8,524	1,123	65,910	51,327	8,533	1,259	61,119
Fixed interest loans at FV	10,467			10,467	5,480			5,480
Total gross loans at the end of the period	163,649	14,222	2,231	180,102	153,770	14,007	2,085	169,862

Note 9 - Distribution of customer deposits by sector /industry

Parent Bank			Group	
31 Dec 2023	31 Dec 2024	(NOKm)	31 Dec 2024	31 Dec 2023
2,460	2,638	Agriculture and forestry	2,638	2,460
1,588	1,658	Fisheries and hunting	1,658	1,588
1,157	1,538	Sea farming industries	1,538	1,157
2,671	3,041	Manufacturing	3,041	2,671
5,251	3,833	Construction, power and water supply	3,833	5,251
5,996	5,707	Retail trade, hotels and restaurants	5,707	5,996
1,132	1,373	Maritime sector	1,373	1,132
5,867	7,503	Property management	7,413	5,787
13,413	13,004	Business services	13,004	13,413
11,164	14,119	Transport and other services provision	13,641	10,698
19,437	16,535	Public administration	16,535	19,437
5,452	7,954	Other sectors	7,933	5,425
75,588	78,904	Total	78,316	75,015
57,874	62,581	Wage earners	62,581	57,874
133,462	141,485	Total deposits	140,897	132,888

Note 10 - Net interest income

Parent Bank					Group			
Fourth quarter		January - December		(NOKm)	January - December		Fourth quarter	
2023	2024	2023	2024		2024	2023	2024	2023
				Interest income				
248	264	887	1,045	Interest income from loans to and claims on central banks and credit institutions (amortised cost)	443	380	112	98
1,397	1,453	4,716	5,621	Interest income from loans to and claims on customers (amortised cost)	6,763	5,701	1,745	1,659
1,084	1,110	3,616	4,456	Interest income from loans to and claims on customers (FVOCI)	4,456	3,616	1,110	1,084
46	105	165	269	Interest income from loans to and claims on customers (FVPL)	269	165	105	46
405	405	1,482	1,614	Interest income from money market instruments, bonds and other fixed income securities	1,606	1,477	405	403
0	0	0	0	Other interest income	24	24	6	6
3,180	3,338	10,866	13,005	Total interest income	13,560	11,362	3,483	3,297
159	142	559	628	Interest expenses on liabilities to credit institutions	628	559	142	159
1,134	1,293	3,780	4,949	Interest expenses relating to deposits from and liabilities to customers	4,900	3,748	1,280	1,123
591	605	2,056	2,324	Interest expenses related to the issuance of securities	2,324	2,057	605	592
38	45	129	175	Interest expenses on subordinated debt	180	132	45	39
2	3	9	12	Other interest expenses	62	45	15	14
23	23	90	93	Guarantee fund levy	93	90	23	23
1,948	2,112	6,622	8,180	Total interest expense	8,187	6,631	2,110	1,951
1,232	1,226	4,244	4,824	Net interest income	5,373	4,732	1,372	1,345

Note 11 - Net commission income and other income

Parent Bank					Group			
Fourth quarter		January - December		(NOKm)	January - December		Fourth quarter	
2023	2024	2023	2024		2024	2023	2024	2023
				Commission income				
18	19	68	73	Guarantee commission	73	68	19	18
0	0	0	0	Broker commission	304	265	68	58
12	17	47	62	Portfolio commission, savings products	62	47	17	12
19	65	155	272	Commission from SpareBank 1 Boligkreditt	272	155	65	19
4	3	15	14	Commission from SpareBank 1 Næringskreditt	14	15	3	4
139	155	496	550	Payment transmission services	546	493	154	138
61	69	253	263	Commission from insurance services	263	253	69	61
20	17	87	80	Other commission income	76	78	16	17
272	345	1,121	1,315	Total commission income	1,611	1,374	411	326
				Commission expenses				
22	28	102	120	Payment transmission services	121	102	28	22
3	4	12	15	Other commission expenses	103	96	25	18
25	32	114	135	Total commission expenses	224	199	53	40
				Other operating income				
11	11	11	11	Operating income real property	13	12	13	12
-	-	-	-	Property administration and sale of property	241	207	57	52
-	-	-	-	Accountant's fees	733	661	160	152
7	4	59	55	Other operating income	19	30	-7	-3
17	15	69	65	Total other operating income	1,006	910	223	213
264	328	1,076	1,245	Total net commission income and other operating income	2,392	2,085	580	499

Note 12 - Operating expenses

Parent Bank					Group			
Fourth quarter		January - December		(NOKm)	January - December		Fourth quarter	
2023	2024	2023	2024		2024	2023	2024	2023
131	66	404	338	IT costs	410	461	83	146
3	2	12	11	Postage and transport of valuables	13	15	3	3
15	26	71	84	Marketing	104	93	30	21
32	35	111	138	Ordinary depreciation	183	154	48	47
13	13	50	51	Operating expenses, real properties	48	57	10	11
68	88	222	252	Purchased services	298	254	98	75
75	94	251	211	Other operating expense	262	294	113	87
337	324	1,121	1,084	Total other operating expenses	1,319	1,327	384	390

Note 13 - Net return on financial investments

Parent Bank					Group			
Fourth quarter		January - December		(NOKm)	January - December		Fourth quarter	
2023	2024	2023	2024		2024	2023	2024	2023
				Valued at fair value through profit/loss				
195	-187	-83	-291	Value change in interest rate instruments	-293	-83	-188	195
				Value change in derivatives/hedging				
-4	2	2	8	Net value change in hedged bonds and derivatives *)	8	2	2	-4
-9	15	5	27	Net value change in hedged fixed rate loans and derivatives	27	5	15	-9
-223	128	-118	142	Other derivatives	142	-118	128	-223
				Income from equity instruments				
0	0	0	0	Income from owner interests	1,254	297	227	90
78	-2	693	318	Dividend from owner instruments	0	0	0	0
407	0	412	1	Value change and gain/loss on owner instruments	1	409	0	408
4	18	18	43	Dividend from equity instruments	33	26	15	-10
20	30	41	60	Value change and gain/loss on equity instruments	87	55	42	63
468	5	969	308	Total net income from financial assets and liabilities at fair value through profit/(loss)	1,259	593	242	511
				Valued at amortised cost				
0	-2	-2	-2	Value change in interest rate instruments held to maturity	-2	-2	-2	0
0	-2	-2	-2	Total net income from financial assets and liabilities at amortised cost	-2	-2	-2	0
27	42	108	99	Total net gain from currency trading	100	108	42	27
496	44	1,076	406	Total net return on financial investments	1,357	699	282	538
				*) Fair value hedging				
940	-31	896	513	Changes in fair value on hedging instrument	513	896	-31	940
-944	34	-894	-505	Changes in fair value on hedging item	-505	-894	34	-944
-4	2	2	8	Net Gain or Loss from hedge accounting	8	2	2	-4

Note 14 - Other assets

Parent Bank			Group	
31 Dec 2023	31 Dec 2024	(NOKm)	31 Dec 2024	31 Dec 2023
0	0	Deferred tax asset	1	6
167	188	Fixed assets	290	276
251	297	Right to use assets	447	390
136	187	Earned income not yet received	211	153
66	221	Accounts receivable, securities	221	66
221	296	Pension assets	296	221
479	408	Other assets	722	737
1,321	1,599	Total other assets	2,189	1,849

Note 15 - Other liabilities

Parent Bank			Group	
31 Dec 2023	31 Dec 2024	(NOKm)	31 Dec 2024	31 Dec 2023
158	202	Deferred tax	290	216
813	958	Payable tax	1,042	900
22	30	Capital tax	30	22
137	178	Accrued expenses and received, non-accrued income	541	439
459	378	Provision for accrued expenses and commitments	378	459
52	101	Losses on guarantees and unutilised credits	101	52
9	8	Pension liabilities	8	9
260	307	Lease liabilities	460	403
9	1	Drawing debt	1	9
132	76	Creditors	149	191
-15	251	Debt from securities	251	-15
222	183	Other liabilities	276	317
2,258	2,673	Total other liabilities	3,527	3,002

Note 16 - Debt created by issue of securities and subordinated debt

Group

Change in securities debt (NOKm)	01 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	31 Dec 2024
Bond debt, nominal value	34,767	5,880	4,425	982	37,204
Value adjustments	-1,522			645	-878
Accrued interest	173			71	244
Total	33,417	5,880	4,425	1,697	36,570

Change in Senior Non-preferred debt	01 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	31 Dec 2024
Senior non preferred, nominal value	12,344	1,709	686	18	13,386
Value adjustments	-65			-102	-167
Accrued interest	136			-3	134
Total	12,415	1,709	686	-86	13,352

Change in subordinated debt (NOKm)	01 Jan 2024	Issued	Fallen due/ Redeemed	Other changes	31 Dec 2024
Ordinary subordinated loan capital, nominal value	2,226	900	400	2	2,728
Accrued interest	21			-14	7
Total	2,247	900	400	-12	2,735

Note 17 - Measurement of fair value of financial instruments

Financial instruments at fair value are classified at various levels.

Level 1: Valuation based on quoted prices in an active market

Fair value of financial instruments that are traded in the active markets is based on market price on the balance sheet date. A market is considered active if market prices are easily and regularly available from a stock exchange, dealer, broker, industry group, price-setting service or regulatory authority, and these prices represent actual and regularly occurring market transactions at an arm's length. This category also includes quoted shares and Treasury bills.

Level 2: Valuation based on observable market data

Level 2 consists of instruments that are valued by the use of information that does not consist in quoted prices, but where the prices are directly or indirectly observable for the assets or liabilities concerned, and which also include quoted prices in non-active markets.

Level 3: Valuation based on other than observable data

If valuation data are not available for level 1 and 2, valuation methods are applied that are based on non-observable information.

The following table presents the Group's assets and liabilities measured at fair value at 31 December 2024:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
- Derivatives	-	7,231	-	7,231
- Bonds and money market certificates	2,680	33,971	-	36,650
- Equity instruments	280	107	663	1,050
- Fixed interest loans	-	-	10,468	10,468
Financial assets through other comprehensive income				
- Loans at fair value through other comprehensive income	-	-	92,738	92,738
Total assets	2,959	41,309	103,870	148,137
Liabilities				
Financial liabilities through profit/loss				
- Derivatives	-	6,152	-	6,152
Total liabilities	-	6,152	-	6,152

The following table presents the Group's assets and liabilities measured at fair value at 31 December 2023:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
- Derivatives	-	6,659	-	6,659
- Bonds and money market certificates	2,879	31,284	-	34,163
- Equity instruments	363	152	622	1,137
- Fixed interest loans	-	102	5,480	5,582
Financial assets through other comprehensive income				
- Loans at fair value through other comprehensive income	-	-	92,263	92,263
Total assets	3,242	38,197	98,365	139,804
Liabilities				
Financial liabilities through profit/loss				
- Derivatives	-	6,989	-	6,989
Total liabilities	-	6,989	-	6,989

Changes in the instruments classified in level 3 as at 31 December 2024:

(NOKm)	Equity instruments through profit/ loss	Fixed interest loans	Loans at fair value through OCI	Total
Opening balance 1 January	622	5,480	92,263	98,365
Investment in the period	38	5,995	40,293	46,327
Disposals in the period	-4	-814	-39,808	-40,626
Expected credit loss	-	-	-6	-6
Gain or loss on financial instruments	7	-194	-4	-192
Closing balance 31 December 2024	662	10,468	92,738	103,870

Changes in the instruments classified in level 3 as at 31 December 2023:

(NOKm)	Equity instruments through profit/ loss	Fixed interest loans	Loans at fair value through OCI	Total
Opening balance 1 January	570	4,630	81,901	87,101
Investment in the period	38	1,814	40,578	42,430
Disposals in the period	-25	-977	-30,210	-31,212
Expected credit loss	-	-	2	2
Gain or loss on financial instruments	38	14	-7	45
Closing balance 31 December 2023	622	5,480	92,263	98,366

Valuation method

The valuation method applied is adapted to each financial instrument, and is intended to utilise as much of the information that is available in the market as possible.

The method for valuation of financial instruments in level 2 and 3 is described in the following:

Fixed interest loans to customers (level 3)

The loans consist for the most part of fixed interest loans denominated in Norwegian kroner. The value of the fixed interest loans is determined such that agreed interest flows are discounted over the term of the loan by a discount factor that is adjusted for margin requirements. The discount factor is raised by 10 points when calculating sensitivity.

Loans at fair value through other comprehensive income (level 3)

Property Loans at floating interest classified at fair value over other comprehensive income is valued based on nominal amount reduced by expected credit loss. Loans with no significant credit risk deterioration since first recognition is assessed at nominal amount. For loans with a significant increase in credit risk since first recognition or objective evidence of loss, the calculation of expected credit losses over the life of the asset is in line with loan losses for loans at amortised cost. Estimated fair value is the nominal amount reduced by expected lifetime credit loss. If the likelihood of the worst case scenario in the model is doubled, fair value is reduced by NOK 3 million.

Short-term paper and bonds (level 2 and 3)

Valuation on level 2 is based for the most part on observable market information in the form of interest rate curves, exchange rates and credit margins for the individual credit and the bond's or certificate's characteristics. For paper valued under level 3 the valuation is based on indicative prices from a third party or comparable paper.

Equity instruments (level 3)

Shares that are classified to level 3 include essentially investments in unquoted shares. Among other a total of NOK 589 million in Private Equity investments, property funds, hedge funds and unquoted shares through the company SpareBank SMN 1 Invest. The valuations are in all essentials based on reporting from managers of the funds who utilise cash flow based models or multiples when determining fair value. The Group does not have full access to information on all the elements in these valuations and is therefore unable to determine alternative assumptions.

Financial derivatives (level 2)

Financial derivatives at level 2 include for the most part currency futures and interest rate and exchange rate swaps. Valuation is based on observable interest rate curves. In addition the item includes derivatives related to FRAs. These are valued with a basis in observable prices in the market. Derivatives classified to level 2 also include equity derivatives related to SpareBank 1 Markets' market-making activities. The bulk of these derivatives refer to the most sold shares on Oslo Børs, and the valuation is based on the price of the actual/ underlying share and observable or calculated volatility.

Sensitivity analyses, level 3 as at 31. desember 2024:

(NOKm)	Book value	Effect from change in reasonable possible alternative assumptions
Fixed interest loans	10,468	-25
Equity instruments through profit/loss*	662	
Loans at fair value through other comprehensive income	92,738	-3

* As described above, the information to perform alternative calculations are not available

Note 18 - Liquidity risk

Liquidity risk is the risk that the group will be unable to refinance its debt or to finance asset increases. Liquidity risk management starts out from the group's overall liquidity strategy which is reviewed and adopted by the board of directors at least once each year. The liquidity strategy reflects the group's moderate risk profile.

The group reduces its liquidity risk through guidelines and limits designed to achieve a diversified balance sheet, both on the asset and liability side. Preparedness plans have been drawn up both for the group and the SpareBank 1 Alliance to handle the liquidity situation in periods of turbulent capital markets. The bank's liquidity situation is stress tested on a monthly basis using various maturities and crisis scenarios: bank-specific, for the financial market in general or a combination of internal and external factors. The group's objective is to survive twelve months of ordinary operations without access to fresh external funding while housing prices fall 30 per cent. In the same period minimum requirements to LCR shall be fulfilled.

The average residual maturity on debt created by issue of securities at the end of the fourth quarter 2024 was 2.9 years. The overall LCR at the same point was 183 per cent and the average overall LCR in the third quarter was 173 per cent. The LCR in Norwegian kroner and euro at quarter-end was 158 and 1,086 per cent respectively.

Note 19 - Earnings per EC

ECC owners share of profit have been calculated based on net profit allocated in accordance to the average number of certificates outstanding in the period. There is no option agreements in relation to the Equity Capital Certificates, diluted net profit is therefore equivalent to Net profit per ECC.

(NOKm)	January - December	
	2024	2023
Adjusted Net Profit to allocate between ECC owners and Savings Bank Reserve ¹⁾	4,339	3,489
Allocated to ECC Owners ²⁾	2,899	2,329
Issues Equity Capital Certificates adjusted for own certificates	144,187,578	138,106,331
Earnings per Equity Capital Certificate	20.10	16.87

	January - December	
	2024	2023
1) Adjusted Net Profit		
Net Profit for the group	4,591	3,688
adjusted for non-controlling interests share of net profit	-106	-74
Adjusted for Tier 1 capital holders share of net profit	-146	-125
Adjusted Net Profit	4,339	3,489

2) Equity capital certificate ratio (parent bank) (NOKm)	January - December	
	31/12/2024	31/12/2023
ECC capital	2,884	2,884
Dividend equalisation reserve	8,721	8,482
Premium reserve	2,422	2,422
Unrealised gains reserve	164	71
Other equity capital	2,478	0
A. The equity capital certificate owners' capital	16,669	13,859
Ownerless capital	6,984	6,865
Unrealised gains reserve	81	35
Other equity capital	1,231	0
B. The saving bank reserve	8,297	6,900
To be disbursed from gift fund	896	860
Dividend declared	1,803	1,730
Equity ex. profit	27,664	23,350
Equity capital certificate ratio A/(A+B)	66.8 %	66.8 %

Results from quarterly accounts

	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q
Group (NOKm)	2024	2024	2024	2024	2023	2023	2023	2023	2022
Interest income effective interest method	3,483	3,469	3,326	3,283	3,297	3,029	2,654	2,382	2,141
Interest expenses	2,110	2,114	2,016	1,947	1,951	1,803	1,544	1,332	1,175
Net interest	1,372	1,355	1,310	1,336	1,345	1,226	1,110	1,050	966
Commission income	411	407	426	367	325	336	367	341	340
Commission expenses	53	68	51	51	40	58	51	50	45
Other operating income	223	214	305	264	213	206	245	249	178
Commission income and other income	580	553	680	579	498	484	561	541	473
Dividends	16	8	6	3	-10	16	18	2	19
Income from investment in related companies	227	685	148	194	90	-2	85	125	195
Net return on financial investments	40	-22	-1	54	458	48	-16	-114	-57
Net return on financial investments	283	670	153	251	538	62	86	13	158
Total income	2,235	2,578	2,143	2,166	2,382	1,772	1,757	1,604	1,597
Staff costs	516	498	484	482	476	435	383	398	333
Other operating expenses	384	312	316	306	390	306	300	330	314
Total operating expenses	901	810	801	789	866	741	683	728	646
Result before losses	1,335	1,769	1,343	1,377	1,517	1,032	1,074	875	951
Loss on loans, guarantees etc.	30	75	47	24	20	35	29	-71	19
Result before tax	1,305	1,693	1,296	1,353	1,496	996	1,045	946	932
Tax charge	253	252	276	273	262	278	159	206	210
Result investment held for sale, after tax	-1	0	-5	3	12	22	37	38	46
Net profit	1,052	1,441	1,015	1,084	1,247	740	923	778	768

Key figures from quarterly accounts

Group (NOKm)	4Q 2024	3Q 2024	2Q 2024	1Q 2024	4Q 2023	3Q 2023	2Q 2023	1Q 2023	4Q 2022
Profitability									
Return on equity per quarter 1)	14.4 %	21.0 %	15.4 %	16.0 %	18.3 %	11.1 %	15.1 %	13.0 %	13.1 %
Cost-income ratio 1)	46.1 %	42.4 %	40.8 %	41.0 %	47.0 %	43.3 %	40.9 %	45.8 %	44.9 %
Balance sheet figures									
Gross loans to customers	180,102	179,590	173,440	169,326	169,862	168,940	166,819	153,181	152,629
Gross loans incl. SB1 Boligkreditt and SB1 Næringskreditt	249,350	247,148	241,832	238,270	236,329	234,316	232,100	213,967	211,244
Deposit from customers	140,897	138,042	139,661	134,395	132,888	138,230	140,164	123,529	122,010
Total assets	247,699	245,951	243,363	235,721	232,717	243,472	248,806	228,207	223,312
Quarterly average total assets	246,825	244,657	239,542	234,219	238,095	246,139	238,507	225,759	221,115
Growth in loans incl. SB1 Boligkreditt and SB1 Næringskreditt last 12 months 1)	0.9 %	2.2 %	1.5 %	0.8 %	0.9 %	1.0 %	8.5 %	1.3 %	1.1 %
Growth in deposits last 12 months	2.1 %	-1.2 %	3.9 %	1.1 %	-3.9 %	-1.4 %	13.5 %	1.2 %	1.2 %
Losses in % of gross loans incl. SB1 Boligkreditt and SB1 Næringskreditt									
Impairment losses ratio 1)	0.0 %	0.1 %	0.1 %	0.0 %	0.0 %	0.1 %	0.1 %	-0.1 %	0.0 %
Stage 3 as a percentage of gross loans 1)	0.9 %	0.9 %	0.8 %	0.8 %	0.9 %	1.0 %	1.0 %	1.0 %	1.0 %
Solidity									
Common equity Tier 1 capital ratio	18.3 %	18.2 %	18.5 %	18.5 %	18.8 %	19.7 %	19.1 %	18.2 %	18.9 %
Tier 1 capital ratio	20.2 %	20.2 %	20.4 %	20.4 %	20.8 %	21.3 %	21.0 %	20.1 %	20.9 %
Capital ratio	22.8 %	23.1 %	23.1 %	23.1 %	23.0 %	23.7 %	23.5 %	22.2 %	23.1 %
Tier 1 capital	24,769	24,097	24,216	24,073	23,793	24,283	24,192	21,985	21,835
Total eligible capital	28,004	27,557	27,474	27,250	26,399	26,950	27,106	24,298	24,147
Liquidity Coverage Ratio (LCR)	183%	172%	188%	160%	175%	173%	188%	194%	239%
Leverage Ratio	7.0 %	6.9 %	7.1 %	7.1 %	7.2 %	7.3 %	7.2 %	6.9 %	7.1 %

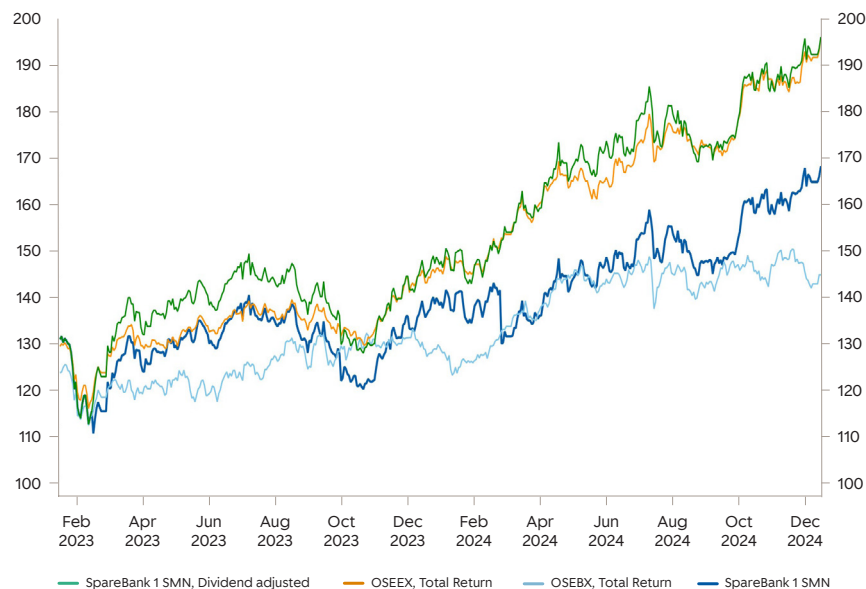
Group (NOKm)	4Q 2024	3Q 2024	2Q 2024	1Q 2024	4Q 2023	3Q 2023	2Q 2023	1Q 2023	4Q 2022
Key figures ECC									
ECC share price at end of period (NOK)	171.32	153.46	151.12	137.80	141.80	137.20	141.00	123.60	127.40
Number of certificates issued, millions 1)	144.19	144.21	144.19	144.13	144.20	143.82	143.80	129.43	129.29
Booked equity capital per ECC (NOK) 1)	128.09	124.05	117.31	113.24	120.48	116.39	112.81	105.63	109.86
Profit per ECC, majority (NOK) 1)	4.67	6.42	4.43	4.68	5.62	3.28	4.21	3.51	3.53
Price-Earnings Ratio (annualised) 1)	9.17	5.97	8.53	7.36	6.31	10.47	8.38	8.79	9.02
Price-Book Value Ratio 1)	1.34	1.24	1.29	1.22	1.18	1.18	1.25	1.17	1.16

1) Defined as alternative performance measures, see attachment to the quarterly report

Equity capital certificates

Stock price compared with OSEBX and OSEEX

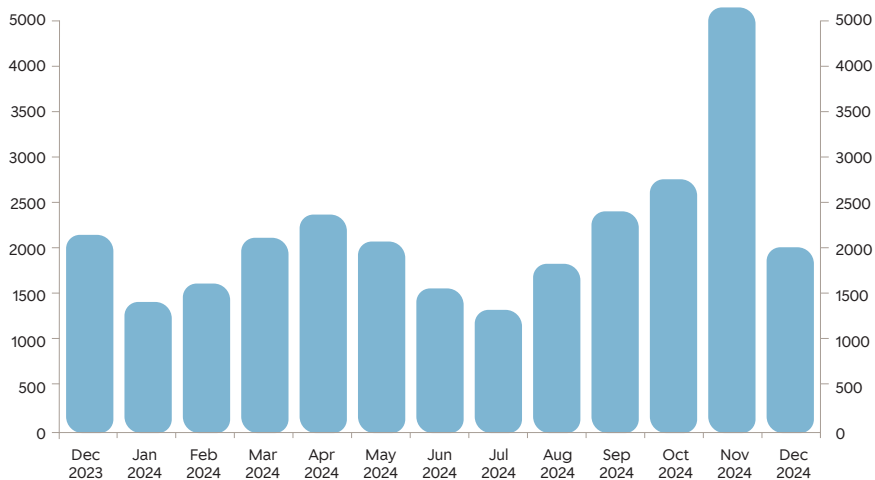
1 January 2023 to 31 December 2024



OSEBX = Oslo Stock Exchange Benchmark Index (rebased), OSEEX = Oslo Stock Exchange ECC Index (rebased)

Trading statistics

1 January 2023 to 31 December 2024



20 largest ECC holders

	No. Of ECCs	Holding
Sparebankstiftinga Søre Sunnmøre	10,471,224	7.26%
Sparebankstiftelsen SMN	6,470,110	4.49%
KLP	4,742,748	3.29%
Pareto Aksje Norge VPF	3,439,508	2.38%
State Street Bank and Trust Comp	3,279,004	2.27%
VPF Eika Egenkapitalbevis	3,214,737	2.23%
J. P. Morgan SE	3,031,665	2.10%
VPF Alfred Berg Gamba	3,015,315	2.09%
Skandinaviska Enskilda Banken AB	2,988,362	2.07%
J. P. Morgan Chase Bank, N.A., London	2,798,670	1.94%
J. P. Morgan SE	2,320,446	1.61%
The Northern Trust Comp	2,308,400	1.60%
State Street Bank and Trust Comp	2,178,766	1.51%
VPF Holberg Norge	2,110,000	1.46%
Forsvarets personellservice	2,018,446	1.40%
VPF Odin Norge	1,997,177	1.38%
Spesialfondet Borea Utbytte	1,832,102	1.27%
RBC Investor Services Trust	1,808,265	1.25%
MP Pensjon PK	1,412,140	0.98%
VPF DNB AM Norske Askjer	1,357,169	0.94%
The 20 largest ECC holders in total	62,794,254	43.54%
Others	81,421,336	56.46%
Total issued ECCs	144,215,590	100.00%

Dividend policy

SpareBank 1 SMN aims to manage the Group's resources in such a way as to provide equity certificate holders with a good, stable and competitive return in the form of dividend and a rising value of the bank's equity certificate.

The net profit for the year will be distributed between the owner capital (the equity certificate holders) and the ownerless capital in accordance with their respective shares of the bank's total equity capital.

SpareBank 1 SMN's intention is that about one half of the owner capital's share of the net profit for the year should be disbursed in dividends and, similarly, that about one half of the owner capital's share of the net profit for the year should be disbursed as gifts or transferred to a foundation. This is on the assumption that capital adequacy is at a satisfactory level. When determining dividend payout, account will be taken of the profit trend expected in a normalised market situation, external framework conditions and the need for tier 1 capital.



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SpareBank
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Bank
Eiendom
Regnskap