sparebanken sogn og fjordane

Interim report

Q1 2021 (unaudited)

Contents

FRONT COVER: VEGARD FIMLAND
GRAPHIC DESIGN: SPAREBANKEN SOGN OG FJORDANE E. NATVIK PRENTEVERK AS
ENGLISH TRANSLATION: SPRÅKVERKSTADEN AS

Key figures, consolidated

AMOUNTS IN MILLIONS OF NOK

INCOME STATEMENT	Q1 2021	Q1 2020	Full-year 2020
Net interest income	229	250	907
Dividends and gains/losses on financial instruments	14	- 49	114
Other operating income	37	32	138
Operating expenses	130	124	491
Profit/loss before impairment loss (incl. securities)	**150**	**109**	**668**
Profit/loss before impairment loss (excl. securities)	**136**	**158**	**554**
Impairment loss	- 9	80	112
Profit/loss before taxation	**159**	**29**	**557**
Tax expense	36	17	113
Profit/loss after taxation	**123**	**12**	**444**
Other comprehensive income	0	0	0
Comprehensive income	**123**	**12**	**443**

BALANCE SHEET	31.03.2021	31.03.2020	31.12.2020
Assets			
Gross loans and advances to customers	55 118	51 693	54 883
Loss allowance	- 336	- 364	- 353
Security investments (shares, commercial paper and bonds)	8 078	6 453	7 166
Debt and equity			
Deposits from and debt to customers	30 828	28 760	30 665
Debt securities and debt to credit institutions	26 029	23 368	25 012
Equity	5 717	5 307	5 727
Total assets	63 864	58 844	62 661
Average total assets	63 389	58 065	60 722

KEY FIGURES	Q1 2021	Q1 2020	Full-year 2020
Profitability			
Net interest margin	1,46 %	1,73 %	1,49 %
Other operating income (excl. inc. from fin. instr.) as a % of average total assets	0,23 %	0,22 %	0,23 %
Operating expenses as a % of average total assets	0,82 %	0,85 %	0,81 %
Profit/loss before impairment loss as a % of average total assets	0,94 %	0,75 %	1,10 %
Profit/loss before tax as a % of average total assets	1,00 %	0,20 %	0,92 %
Profit/loss after tax as a % of average total assets	0,77 %	0,08 %	0,73 %
Comprehensive income as a % of average total assets	0,77 %	0,08 %	0,73 %
Oper. exp. as a % of oper. income excl. inc. from fin. instr.	48,78 %	44,01 %	46,98 %
Oper. exp. as a % of oper. income incl. inc. from fin. instr.	46,41 %	53,19 %	42,35 %
Impairment loss as a % of gross loans	- 0,02 %	0,16 %	0,20 %
Return on equity before tax 1)	11,81 %	2,29 %	11,05 %
Return on equity after tax 1)	9,13 %	0,92 %	8,80 %
Pre-tax return on equity (comprehensive income) 1)	9,13 %	0,92 %	8,80 %
Consolidated comprehensive income per equity certificate, in NOK	5,51	0,52	19,93
Dividend payable per equity certificate, in NOK			6,00
1) Return on equity is calculated based on opening equity excl. hybrid capital			
Capital and liquidity position			
Capital adequacy ratio	18,79 %	19,00 %	18,88 %
Core capital adequacy ratio	16,94 %	17,03 %	17,02 %
Core Tier 1 capital adequacy ratio	15,87 %	15,89 %	15,94 %
Leverage ratio	8,40 %	8,66 %	8,59 %
Liquidity Coverage Ratio (LCR)	176 %	122 %	157 %
Balance sheet history			
Growth in total assets (year-on-year)	8,53 %	5,94 %	8,54 %
Growth in gross customer lending (year-on-year)	6,62 %	6,04 %	7,42 %
Growth in customer deposits (year-on-year)	7,19 %	4,05 %	7,23 %
Deposits as a % of consolidated gross lending	55,93 %	55,64 %	55,87 %
Deposits as a % of parent company's gross lending	95,29 %	91,55 %	92,88 %
Employees			
Full-time equivalent employees	272	277	276

Interim report 31.03.2021

All of the figures specified below refer to the consolidated accounts unless otherwise stated. The figures in brackets are for the first quarter of 2020.

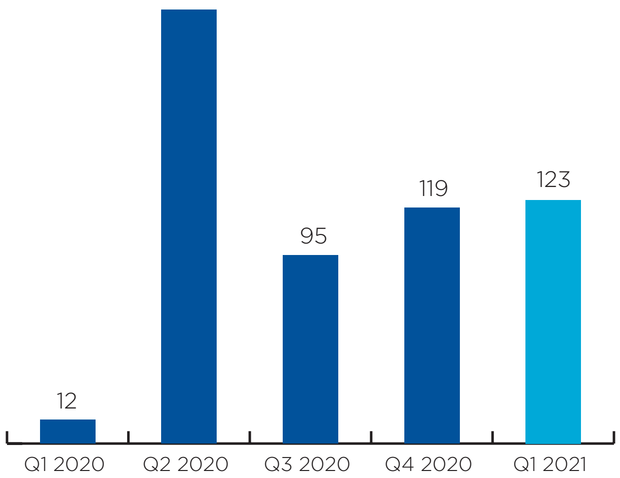
Q1 2021 highlights

- NOK 229 million (250 million) of net interest income
- Net gain of NOK 14 million (loss of 49 million) on financial instruments
- Operating expenses of NOK 130 million (124 million)
- Impairment gain of NOK 9 million (loss of NOK 80 million)
- Comprehensive income of NOK 123 million (12 million)
- Return on equity of 9.1% (0.9%)
- Capital adequacy ratio 18.79% (19.0%)

Financial results for the first quarter of 2021

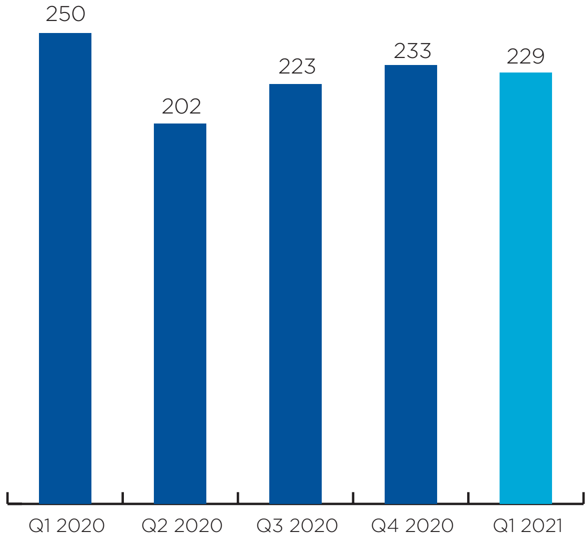
The Group made a pre-tax profit of NOK 159 million, compared with NOK 29 million in the same quarter last year. The improvement compared with last year was primarily due to a NOK 9 million impairment gain, as opposed to a NOK 80 million loss in the first quarter of last year. In addition, financial instruments contributed a NOK 14 million gain, against a NOK 49 million loss in the equivalent quarter last year. Meanwhile, net interest income fell compared with the first quarter of last year, due to lower customer margins, and expenses rose on account of a provision for agreed redundancies.

In the first quarter, comprehensive income amounted to a satisfactory NOK 123 million, giving a return on equity of 9.1%. That compared with NOK 12 million and 0.9% in the first quarter of last year. Our financial performance was significantly stronger than in the first quarter of last year, when there were exceptional circumstances: the Covid-19 pandemic resulted in a big increase in the allowance for expected credit losses.

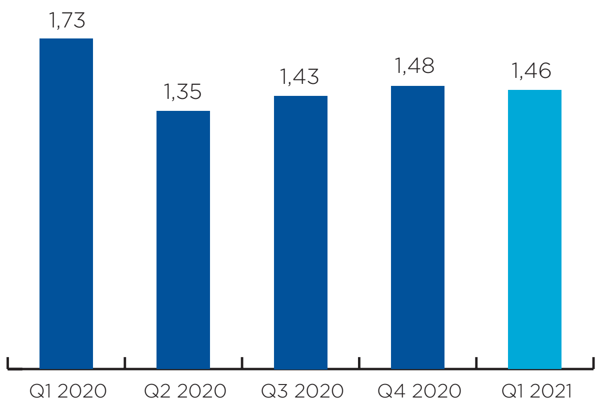


Net interest income in Q1

Net interest income totalled NOK 229 million, which was NOK 21 million, or 8.6%, lower than in the equivalent period last year. At 6.6%, loan growth was strong, and viewed in isolation this boosted net interest income. However, net interest income fell because of lower interest rates on deposits and loans. Interest rates on loans have been reduced more than interest rates on deposits and debt securities in issue, which has had a negative impact on our net interest income. Net interest income for the first quarter was also slightly lower than in the fourth quarter of 2020. That was due to higher funding costs, as a result of an increase in the 3-month NIBOR, as well as the fact that there are fewer interest days in the first quarter than in the fourth quarter.



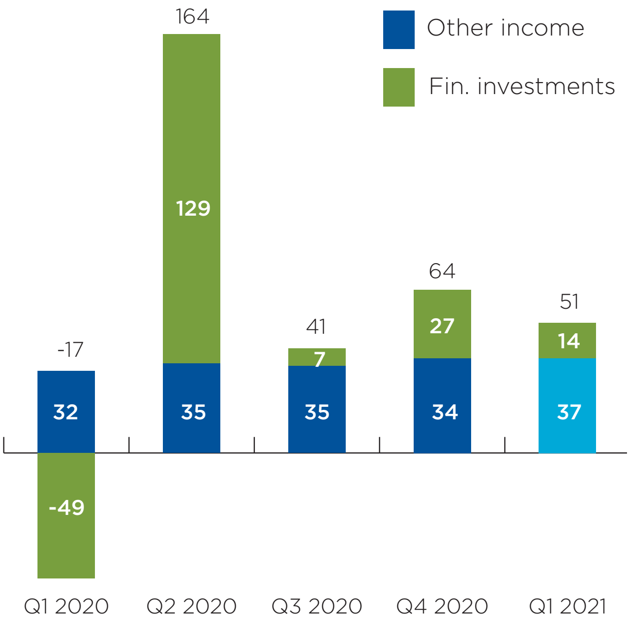
The graph below, which shows our net interest margin, clearly illustrates the impact of lower interest rates on our loans to customers. In the first quarter this year, our net interest margin was 1.46%, compared with 1.73% in the first quarter of 2020. In other words, our net interest margin was 0.27 percentage points, or 15.6%, below its level a year ago.



Net other operating income in Q1

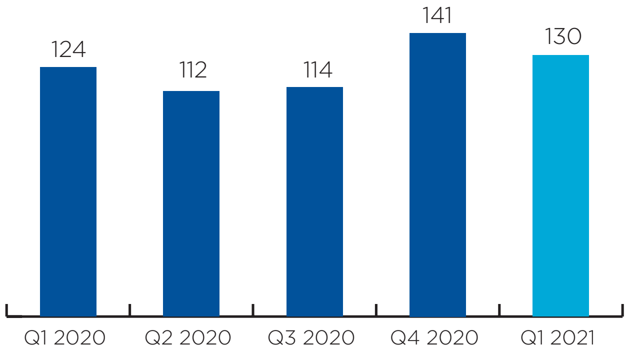
The Bank made a net other operating income of NOK 51 million, compared with a net other operating loss of NOK 17 million in the first quarter of last year. This improvement was due to a stronger contribution from financial instruments in the first quarter, with a gain of NOK 14 million as opposed to a loss of NOK 49 million in the equivalent quarter of last year. The first quarter of last year was heavily impacted by the Covid-19 pandemic and the resulting uncertainty in financial markets. NOK 7 million of the gain in the first quarter of 2021 came from strategic shareholdings, compared with a NOK 44 million loss in the first quarter of 2020.

Other income (excluding gains on financial investments) totalled NOK 37 million, NOK 5 million higher than the previous year. Income from insurance services and alternative savings products saw healthy growth, whereas income from payment services was slightly lower than in the first quarter of last year.



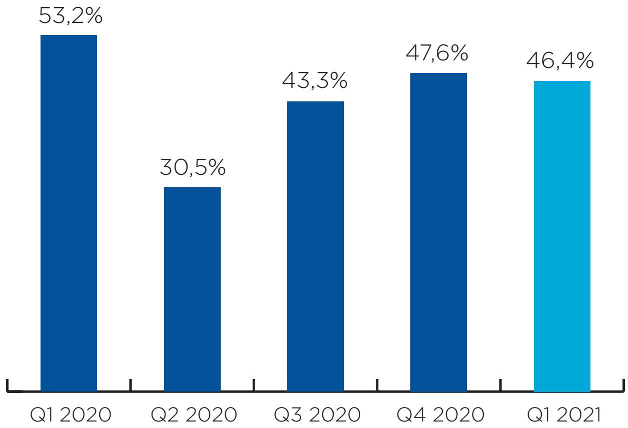
Operating expenses in Q1

First quarter operating expenses were NOK 130 million, up NOK 5 million (4.4%) from the first quarter of 2020. The increase was due to a NOK 11 million provision for agreed redundancies. Excluding this exceptional item, expenses were reduced by 4.6%. Expense items that fell included IT expenses, depreciation, and travel and representation expenses. In 2020 we embarked on a cost-reduction programme, which aims to implement measures to ensure we continue to operate our business cost-effectively. The project has identified several expense items that it will be possible to reduce.



Operating expenses were equivalent to 0.82% of average total assets, against 0.85% for the first quarter of last year.

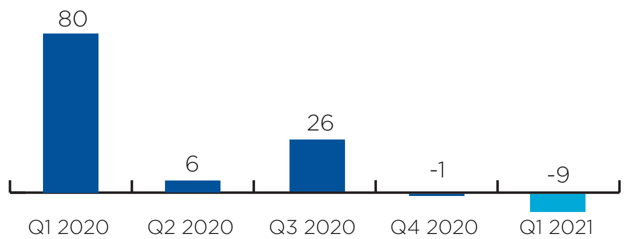
Including financial instruments, the cost-to-income ratio was 46.4%, against 53.2% last year.



Excluding financial instruments, the cost-to-income ratio was 48.9%, against 44.0% last year.

Impairments in Q1

In the first quarter, the Group recognised a NOK 9 million impairment gain, compared with a NOK 80 million impairment loss in the same period last year. The loss in the first quarter of last year was exceptionally high due to the Covid-19 pandemic, and the outlook has gradually improved over the past year.



The impairment gain was equivalent to 0.02% of gross loans, while the loss in the first quarter of 2020 was equivalent to 0.16%.

In the first quarter of 2021, the Bank implemented a new definition of default. The change has only to a small extent affected the total loss allowance.

The probability of losses are reduced, due to better economic prospects, and this has reduced the loss allowance. For further details, see notes 5 and 6.

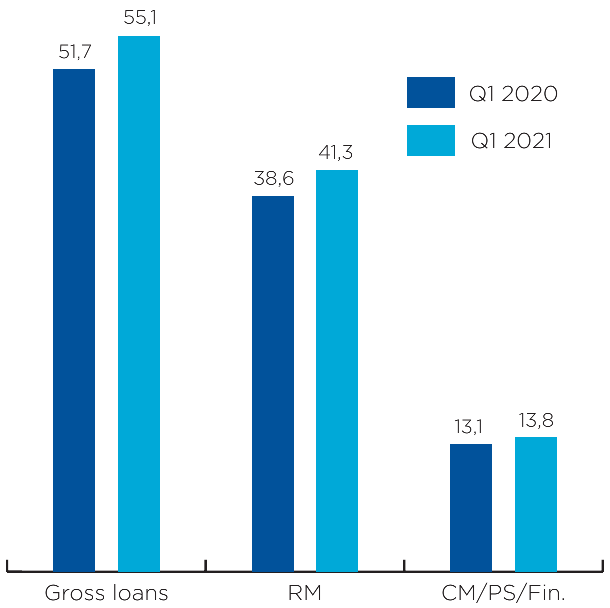
The loss allowance on the balance sheet for expected credit losses on loans, guarantees and undrawn credit facilities was NOK 367 million at 31 March 2021, compared with NOK 382 million at 31 March 2020. Of the loss allowance at 31 March 2021, NOK 336 million was for loans. This was equivalent to 0.61% of gross loans, compared with NOK 364 million (0.71%) a year earlier. At 31 December 2020 the equivalent figures were NOK 353 million and 0.64%.

Balance sheet

The Group had total assets of NOK 63.9 billion at 31 March 2021. This represented an increase of NOK 5.0 billion (8.5%) over the past 12 months. The increase in total assets was mainly due to strong growth in lending to customers and a larger liquidity buffer held as commercial paper and bonds.

Loans to customers

Gross loans to customers totalled NOK 55.1 billion at the end of the quarter. Growth over the past year was NOK 3.4 billion (6.6%).

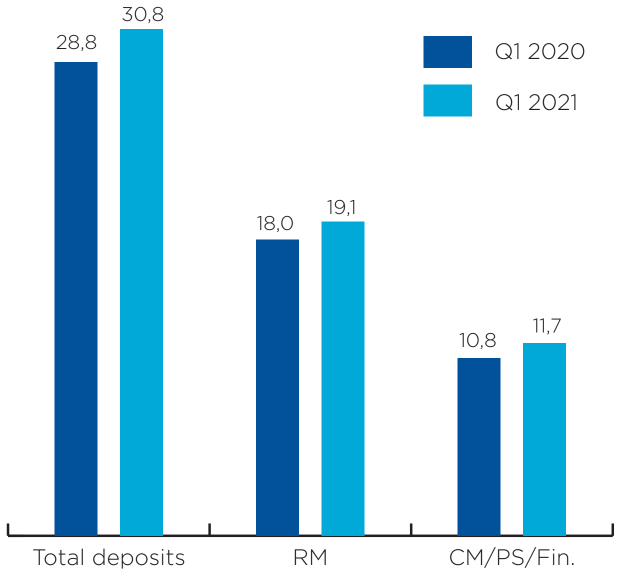


Over the past 12 months, lending to the retail market (RM) rose by 7.2%, while lending to the corporate market (CM) (including loans to the public and financial sectors) was up 5.0%.

Year-to-date growth was 0.4%, comprising an increase of 1.2% to the RM and a reduction of 1.8% to the CM.

Deposits

Customer deposits totalled NOK 30.8 billion at the end of the quarter. Growth over the past 12 months was NOK 2.1 billion (7.2%).



Over the past 12 months, RM deposits increased by 6.4%, while CM deposits (incl. deposits from the public and financial sectors) rose 8.6%.

In the year to date, deposits increased by 0.5%. RM deposits increased by 1.0%, whereas CM deposits fell by 0.3% from 31 December 2020.

The deposit/loan ratio was fairly stable at 55.9%, compared with 55.6% at 31 March 2020.

Credit risk

The outstanding balance of loans that were over 90 days past due was NOK 173 million, down NOK 52 million from the equivalent figure at 31 March 2020. These figures were affected by the introduction of a new definition of default. For further details see Note 6.

One year after the Covid-19 outbreak, we haven't seen the increase in defaults that we anticipated in March 2020. In the retail market, defaults have fallen. The most important reason for this is that interest rates and private consumption are lower now than they were a year ago. For the corporate market (CM), the default rate at the end of March 2021 was roughly unchanged from the level at the end of March 2020. Nevertheless, we believe that the Bank's exposure to CM risk remains higher than it was prior to the Covid-19 pandemic, albeit lower than it was on 31 March 2020.

Looking ahead, the performance of the global economy will have a big impact on business activity in our region too. Government support schemes such as state-backed loans and cash injections are reducing the negative impacts on businesses, but their financial strength and liquidity have probably suffered. Nevertheless, our impression is that most businesses in Sogn og Fjordane have coped well during the pandemic. At the end of the first quarter of 2021, we had granted NOK 172 million of state-backed loans to the corporate market.

We are following developments and are in close communication with our customers affected by the situation, but no changes have been made to our credit policy as a result of the Covid-19 pandemic. Credit risk and necessary action is assessed on an individual basis for each customer.

As a proportion of outstanding loans, exposure to the corporate market was 25.0% at 31 March 2021, compared with 25.4% a year earlier. In both our corporate portfolio and our loans to the retail market, the proportion of high-risk assets fell over the past year.

The amount of equity and subordinated debt required to meet credit risk rose to NOK 2,422 million, NOK 143 million (6.3%) higher than at 31 March 2020.

Liquidity and financing

In managing its liquidity, the Bank focuses on its deposit/loan ratio, liquidity buffer and the maturity structure of its funding. The Bank increased its liquidity buffer over the past year, and at the end of the first quarter it was NOK 8.0 billion. The liquidity buffer is invested in short-term deposits with Norges Bank and other banks, as well as in freely negotiable bonds/commercial paper. The Liquidity Coverage Ratio (LCR) was at a satisfactory 176%, compared with 122% the previous year.

The Bank uses mortgages to issue covered bonds through its wholly-owned subsidiary Bustadkreditt Sogn og Fjordane AS.

At 31 March 2021, the latter company had covered bonds with a face value of NOK 19.9 billion trading on the market. The total value of its cover pool was NOK 22.7 billion. At 31 March 2021, the company's cover pool was worth NOK 2.8 billion more than the loans it was being used to secure.

Subsidiaries

Bustadkreditt Sogn og Fjordane AS
Bustadkreditt Sogn og Fjordane AS is a wholly-owned subsidiary of the Bank. At 31 March 2021, the company had a NOK 22.7 billion loan portfolio, up 14.2% over the past twelve months. The company had NOK 1.8 billion of equity. The Company made a profit before tax of NOK 54 million, against NOK 40 million in the first quarter of 2020. Profit rose thanks to higher net interest income, which was in turn due to loan growth and a reduction in the loss allowance.

Bankeigedom Sogn og Fjordane AS
Bankeigedom Sogn og Fjordane AS is a wholly-owned subsidiary, which owns the Group's largest buildings. It made a pre-tax profit of NOK 1.3 million, compared with NOK 1.6 million in the equivalent period last year.

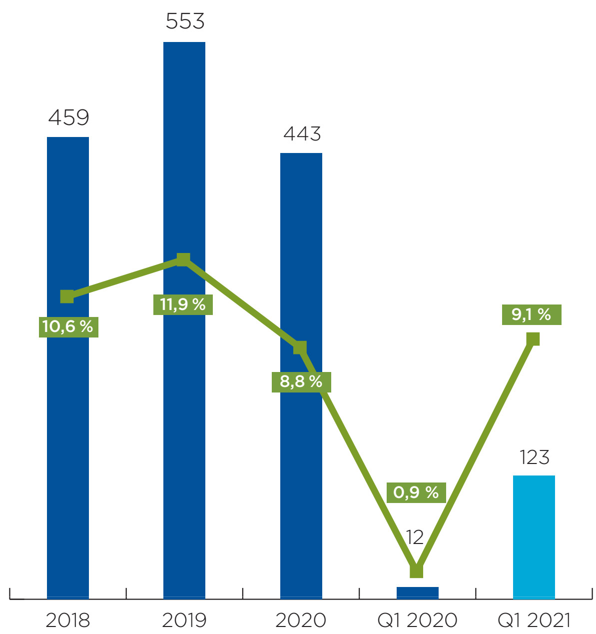
Eigedomsmekling Sogn og Fjordane AS
The estate agency Eigedomsmekling Sogn og Fjordane AS is a wholly-owned subsidiary of the Bank. The company's operating revenues were NOK 6.9 million, up NOK 0.6 million from the first quarter of 2020. The company made a pre-tax profit of NOK 0.1 million, compared with a loss of NOK 0.6 million in the first quarter of 2020.

Financial strength and return on equity

The Group's equity at 31 March 2021 totalled NOK 5.7 billion, NOK 410 million (7.7%) higher than the figure at 31 March 2020. The increase represented profit over the past year less dividends and gifts disbursed.

The Group's capital adequacy ratio at 31 March 2021 was 18.79%, compared with 19.00% at 31 March 2020. The core Tier 1 capital adequacy ratio was 15.87%, against 15.89% a year earlier.

Comprehensive income for the first quarter came to NOK 123 million, compared with NOK 12 million in the same period of 2020. This is equivalent to a first quarter return on equity of 9.1% in 2021, against 0.9% in 2020. Sparebanken Sogn og Fjordane has consistently managed to achieve a satisfactory and stable return on equity. The only exception in recent times was the first quarter of 2020, which was heavily impacted by the Covid-19 pandemic.



Rating

As of 31 March 2021, Sparebanken Sogn og Fjordane had a long-term rating of A1 from Moody's. Bustadkreditt Sogn og Fjordane's covered bond programme has a long-term rating of Aaa.

Summary

Comprehensive income for the first quarter came to NOK 123 million, compared with NOK 12 million in the first quarter of last year. This increase was primarily due to a NOK 9 million impairment gain on loans in the first quarter of this year, as opposed to a NOK 80 million impairment loss in the year-earlier period. In addition, financial instruments made a stronger contribution in the first quarter of this year than in the equivalent quarter last year. However, net interest income fell, and expenses rose slightly. This gave a return on equity of 9.1% in the first quarter, compared with 0.9% in the first quarter of last year.

The loss allowance for loans is an uncertain estimate based on expected future developments. The Covid-19 pandemic has reduced the revenues of many of the Bank's customers. The situation remains uncertain for many companies, but our impression is that businesses in Sogn og Fjordane coped relatively well in 2020. In the retail market, defaults have fallen over the past year, due to low interest rates and a reduction in private consumption. Overall, the economic outlook is improving, and we reduced our loss allowance in the first quarter of 2021.

Loan growth came to 6.6% over the past 12 months, and deposits grew 7.2%. We experienced healthy growth in loans to both the retail and corporate markets over the past year, which viewed in isolation helped to boost net interest income.

Net interest income was 8.6% lower than in the same period last year, which was due to lower interest rates on loans to customers. Meanwhile, net other operating income rose sharply, mainly as a result of a stronger contribution from financial instruments in the first quarter of this year. This meant total revenues were 19.6% higher than in the first quarter of last year. Operating expenses rose by 4.4%, on account of a provision for agreed redundancies. Excluding this provision, expenses were reduced. The cost-to-income ratio was 46.4%, down from 53.2% in the first quarter last year. In 2020 we embarked on a cost-reduction programme, and various measures have been implemented that will begin to take effect over the coming period.

We had a capital adequacy ratio of 18.79% at 31 March 2021, and a core Tier 1 ratio of 15.87%.

Comprehensive income for the first quarter was significantly higher than in the first quarter of 2020. Last year's figure was hit by a high impairment loss and a negative contribution from financial instruments. Our comprehensive income in the first quarter was also higher than in the two preceding quarters in 2020, and overall the Group's financial performance was satisfactory.

The Bank has a strong capital adequacy ratio and a solid market position in Sogn og Fjordane. The outlook and market conditions have changed as a result of the Covid-19 pandemic, and this may affect our future performance. Nevertheless, the Board believes that we are in a good position to continue growing and developing.

Førde, 5 May 2021

Sindre Kvalheim Chair	Magny Øvrebø Deputy Chair	Monica Rydland	Johnny Haugsbakk
Geir Opseth	Lise Mari Haugen	Marie Heieren	Jo Dale Pedersen
Trond Teigene CEO			

Consolidated income statement

AMOUNTS IN MILLIONS OF NOK	Note	Q1 2021	Q1 2020	2020
Interest income		347	498	1 589
Interest expenses		118	248	682
Net interest income		**229**	**250**	**907**
Commission income		35	31	127
Commission expenses		5	5	24
Net gains/losses on financial instruments		14	– 49	114
Other income		7	7	34
Net other operating income	**3**	**51**	**– 17**	**252**
Total revenues		**279**	**233**	**1 159**
Wages, salaries, etc.		74	61	246
Other expenses		46	52	203
Depreciation and impairment of fixed assets and intangible assets		10	11	42
Total operating expenses		**130**	**124**	**491**
Profit before impairment loss and net gain on fixed assets		**150**	**109**	**668**
Net gain on sale of fixed assets		0	0	0
Impairment loss	**4**	– 9	80	112
Profit/loss before taxation		**159**	**29**	**557**
Tax expense		36	17	113
Profit/loss for the reporting period		**123**	**12**	**444**
STATEMENT OF COMPREHENSIVE INCOME				
Profit/loss for the reporting period		**123**	**12**	**444**
Other comprehensive income				
Other items that will never be reclassified to profit or loss, after tax				
Remeasurements, pensions		0	0	0
Total other comprehensive income for the year, after tax		**0**	**0**	**0**
Comprehensive income		**123**	**12**	**443**
Comprehensive income per equity certificate (weighted), in NOK		5,51	0,52	19,93

Consolidated balance sheet

AMOUNTS IN MILLIONS OF NOK

ASSETS	Note	31.03.21	31.03.20	31.12.20
Cash and cash equivalents		21	25	26
Loans and advances to credit institutions/central banks	**13**	571	184	346
Loans to customers	**4-7, 13**	54 782	51 329	54 530
Commercial paper and bonds measured at fair value		7 416	5 919	6 509
Financial derivatives		249	535	374
Shares		662	534	657
Investments in associates		3	3	3
Intangible assets and goodwill		35	43	39
Fixed assets		95	113	97
Deferred tax assets		1	0	1
Other assets		30	159	80
Total assets		**63 864**	**58 844**	**62 661**
DEBT AND EQUITY				
Debt to credit institutions	**13**	1 506	1 006	1 803
Deposits from and debt to customers	**8, 13**	30 828	28 760	30 665
Debt securities in issue	**9, 13**	24 523	22 362	23 209
Financial derivatives		176	308	214
Tax payable		96	85	120
Deferred tax		0	5	0
Other liabilities and provisions		415	409	322
Subordinated debt instruments		601	602	601
Total liabilities		**58 147**	**53 537**	**56 934**
Equity share capital	**12**	4 139	3 949	4 139
Primary capital		593	561	593
Other equity		636	447	517
Hybrid capital		350	350	350
Proposed allocation for dividends and gifts		0	0	129
Total equity		**5 717**	**5 307**	**5 727**
Total debt and equity		**63 864**	**58 844**	**62 661**

Førde, 5 May 2021

Sindre Kvalheim
Chair

Magny Øvrebø
Deputy Chair

Monica Rydland

Johnny Haugsbakk

Geir Opseth

Lise Mari Haugen

Marie Heieren

Jo Dale Pedersen

Trond Teigene
CEO

Consolidated cash flow statement

	31.03.21	31.03.20	31.12.20
Profit/loss before taxation	159	29	557
Increase/(reduction) in customer deposits	163	160	2 066
Reduction/(increase) in loans to customers	– 295	– 592	– 3 796
Depreciation and impairment of assets	10	11	42
Impairment loss	– 9	80	112
Losses/(gains) on disposal of fixed assets	0	0	0
Tax paid	– 60	– 65	– 133
Other non-cash transactions	– 95	216	82
Adjustment for other items	104	– 182	25
A) Net cash flow from operating activities	**– 24**	**– 342**	**– 1 045**
Reduction/(increase) in shares and interests in other enterprises	– 5	46	– 78
Reduction/(increase) in investments in commercial paper and bonds	– 906	– 554	– 1 112
Investments in fixed assets, intangible assets and goodwill	– 8	– 8	– 28
Sale of fixed assets	0	0	5
B) Net cash flow from investment activities	**– 919**	**– 517**	**– 1 213**
Increase/(decrease) in loans from credit institutions	– 297	999	1 796
Increase/(reduction) in debt securities in issue	1 461	– 542	306
Increase/(reduction) in subordinated debt	0	0	– 1
Dividends and gifts	– 1	– 1	– 83
C) Net cash flow from financing activities	**1 163**	**456**	**2 017**
D) Net cash flow during the year (A+B+C)	**221**	**– 403**	**– 241**
Opening balance of cash and cash equivalents	371	613	613
Closing balance of cash and cash equivalents	**592**	**210**	**371**
Breakdown of cash and cash equivalents			
Cash and cash equivalents	21	25	26
Deposits at other financial institutions and central banks	571	184	346
Total	**592**	**210**	**371**

Consolidated statement of changes in equity

	EQUITY SHARE CAPITAL								
	Equity certifi-cates	Divi-dend equali-sation reserve	Share pre-mium	Primary capital	Hybrid capital	Reserve for un-realised gains	Other equity	Allo-cated divi-dends and gifts	Total
Balance at 31.12.19	**1 948**	**1 985**	**16**	**561**	**350**	**281**	**160**	**90**	**5 390**
Allocated for dividends and gifts	0	0	0	0	0	0	0	- 90	**- 90**
New hybrid capital	0	0	0	0	0	0	0	0	**0**
Interest paid to investors in hybrid capital	0	0	0	0	- 5	0	0	0	**- 5**
Proposed allocation of profit/loss for reporting period	0	0	0	0	5	0	7	0	**12**
Other comprehensive income	0	0	0	0	0	0	0	0	**0**
Balance at 31.03.20	**1 948**	**1 985**	**16**	**561**	**350**	**281**	**166**	**0**	**5 307**
Balance at 31.12.19	**1 948**	**1 985**	**16**	**561**	**350**	**281**	**160**	**90**	**5 390**
Allocated for dividends and gifts	0	0	0	0	0	0	0	- 90	**- 90**
Interest paid to investors in hybrid capital	0	0	0	0	- 17	0	0	0	**- 17**
Proposed allocation of profit/loss for reporting period	0	190	0	32	17	73	3	129	**444**
Other comprehensive income	0	0	0	0	0	0	0	0	**0**
Balance at 31.12.20	**1 948**	**2 175**	**16**	**593**	**350**	**354**	**163**	**129**	**5 727**
Balance at 31.12.20	**1 948**	**2 175**	**16**	**593**	**350**	**354**	**163**	**129**	**5 727**
Other comprehensive income	0	0	0	0	0	0	0	- 129	**- 129**
New hybrid capital	0	0	0	0	0	0	0	0	**0**
Interest paid to investors in hybrid capital	0	0	0	0	- 4	0	0	0	**- 4**
Proposed allocation of profit/loss for reporting period	0	0	0	0	4	0	119	0	**123**
Other comprehensive income	0	0	0	0	0	0	0	0	**0**
Balance at 31.03.21	**1 948**	**2 175**	**16**	**593**	**350**	**354**	**282**	**0**	**5 717**

Statement of changes in equity (cont.)

Explanation of the various types of equity:

Equity share capital:
Equity share capital comprises capital that in accordance with the articles of association is linked to equity certificates. Profit after taxation attributable to equity share capital is allocated to the dividend equalisation reserve in proportion to the ownership ratio, after deducting dividends and a proportionate share of interest paid to investors in hybrid capital. The dividend equalisation reserve may be used to maintain the payment of dividends to the equity certificate holders, if the bank's equity position allows it.

Primary capital:
Primary capital comprises capital that is not equity share capital. Profit after taxation attributable to primary capital is allocated to primary capital, after deducting gifts and a proportionate share of interest paid to investors in hybrid capital.

Hybrid capital:
Hybrid capital consists of hybrid debt that meets the criteria for being defined as equity and core capital under rules on capital adequacy. Interest on hybrid capital is split between the dividend equalisation reserve and primary capital in proportion to the ownership ratio, and is in practice allocated together with profit.

Reserve for unrealised gains:
The reserve for other unrealised gains comprises unrealised gains on financial instruments whose valuation is different under IFRS and Norwegian accounting principles. Amongst other things, it includes unrealised gains on shares.

Other equity:
Other equity comprises retained earnings from various subsidiaries and unallocated profit.

Dividends and gifts:
Proposed dividends and gifts are included under equity until their disbursement is adopted by the AGM.

Notes to the financial statements

Note 1 Accounting principles and critical accounting estimates

BASIS OF PRESENTATION

Sparebanken Sogn og Fjordane's parent company and consolidated accounts have been prepared in accordance with international accounting standards (IFRS). These interim financial statements have been presented in accordance with IAS 34 "Interim Financial Reporting". All figures are stated in millions of NOK, unless otherwise specified.

GENERAL

For more detailed information about accounting policies and for information about critical accounting estimates, please see Sparebanken Sogn og Fjordane's 2020 annual report on our website: www.ssf.no.

CHANGES TO ACCOUNTING STANDARDS

There have been no changes to accounting standards or interpretations in 2021 that have affected the financial statements of Sparebanken Sogn og Fjordane.

CRITICAL ACCOUNTING ESTIMATES

In the first quarter of 2021, the Bank adjusted its impairment model to the new definition of default. Overall, the volume of assets considered in default has been slightly reduced by the new definition. This is particularly true of the retail market, due to new rules on how one account being in default affects other accounts held by the same customer (the "pulling effect"). Previously, if one account was in default all of the customer's accounts were considered in default. With the new definition, a customer may default on an unsecured loan without any secured loans being considered in default. The new definition of default has also resulted in a probation period of at least 3 months for assets in payment default and of at least 12 months for defaults involving debt restructuring. Viewed in isolation, this has pushed up the volume of defaults, but overall, the default rate is still slightly lower than it would have been before. For a more detailed explanation of the new definition of default, see Note 6.

The loss allowance has also been slightly reduced as a result of the new definition of default, but the impact is insignificant.

In addition to what is said about critical accounting estimates in our 2020 annual report, please refer to Note 5 "Loss allowance for loans and exposures". In view of the unusual macroeconomic conditions caused by Covid-19 pandemic, Note 5 provides information about the judgements that have been made to estimate expected credit losses.

Note 2 Segment reporting

Geographic segments
All of the segments operate in Norway.

General information about segments
Segments reflect the organisational structure of the Group.

Finance
- Responsible for financing and for managing liquidity

Corporate banking market/public sector/financial sector
- Offers a wide range of financial products and services, such as various types of financing, deposits, investments, insurances, foreign currency services and interest rate instruments to small and medium-sized enterprises, the public sector and financial sector

Retail market including Bustadkreditt
- Offers a wide range of financial products and services, such as various types of financing, deposits, investments, insurances, foreign currency services and interest rate instruments to retail customers

Other
- Includes the supply of services to Sparebankstiftinga Sogn og Fjordane and managing various properties

Estate agency
- Offers estate agency services in conjunction with the purchase and sale of properties

Property management
- Manages the Group's largest properties

INCOME STATEMENT Q1 2021	Total for group	Finance	Corp. Market/ PS/ FS	Retail market including Bustad-kreditt	Other	Estate agency	Pro-perty man-age-ment	Elimi-nations
Net interest income and credit commissions	229	2	88	138	0	0	0	0
Net other operating income	51	9	14	21	1	7	2	– 4
Total operating income	**279**	**11**	**103**	**160**	**1**	**7**	**2**	**– 4**
Operating expenses	130	4	39	82	1	7	0	– 4
Profit/loss before impairment loss	**150**	**7**	**63**	**77**	**0**	**0**	**2**	**0**
Net gain on fixed assets	0	0	0	0	0	0	0	0
Impairment loss	– 9	0	1	– 10	0	0	0	0
Profit/loss before taxation	**159**	**7**	**63**	**87**	**0**	**0**	**1**	**0**
BALANCE SHEET AT 31.03.21								
Net loans and advances to customers	54 782	0	13 224	41 558	0	0	0	0
Other assets	9 082	12 050	715	2 062	0	22	48	– 5 815
Total assets	**63 864**	**12 050**	**13 939**	**43 620**	**0**	**22**	**48**	**– 5 815**
Deposits from and debt to customers	30 828	0	11 734	19 119	0	0	0	– 25
Other liabilities	27 319	9 669	126	21 488	0	7	8	– 3 979
Equity (incl. profit/loss for the period)	5 717	2 381	2 078	3 013	0	15	40	– 1 811
Total debt and equity	**63 864**	**12 050**	**13 939**	**43 620**	**0**	**22**	**48**	**– 5 815**

Note 2 Segment reporting (cont.)

INCOME STATEMENT Q1 2020	Total for group	Finance	Corp. Market/ PS/ FS	Retail market including Bustad-kreditt	Other	Estate agency	Pro-perty man-age-ment	Elimi-nations
Net interest income and credit commissions	250	3	95	152	0	0	0	0
Net other operating income	- 17	- 50	10	18	1	6	2	- 4
Total operating income	**233**	**- 47**	**105**	**169**	**1**	**6**	**2**	**- 4**
Operating expenses	124	3	38	77	3	7	1	- 4
Profit/loss before impairment loss	**109**	**- 50**	**68**	**93**	**- 2**	**- 1**	**2**	**0**
Net gain on fixed assets	0	0	0	0	0	0	0	0
Impairment loss	80	0	70	10	0	0	0	0
Profit/loss before taxation	**29**	**- 50**	**- 3**	**83**	**- 2**	**- 1**	**2**	**0**
BALANCE SHEET AT 31.03.20								
Net loans and advances to customers	51 329	0	12 530	38 799	0	0	0	0
Other assets	7 515	11 667	430	874	0	20	50	- 5 526
Total assets	**58 844**	**11 667**	**12 960**	**39 673**	**0**	**20**	**50**	**- 5 526**
Deposits from and debt to customers	28 760	0	10 805	17 976	0	0	0	- 22
Other liabilities	24 778	9 580	167	18 708	0	5	8	- 3 694
Equity (incl. profit/loss for the period)	5 307	2 084	1 988	2 989	0	14	43	- 1 811
Total debt and equity	**58 844**	**11 665**	**12 960**	**39 673**	**0**	**20**	**50**	**- 5 526**

2020 INCOME STATEMENT	Total for group	Finance	Corp. Market/ PS/ FS	Retail market including Bustad-kreditt	Other	Estate agency	Pro-perty man-age-ment	Elimi-nations
Net interest income and credit commissions	907	25	346	536	0	0	0	1
Net other operating income	252	95	52	78	6	30	8	- 16
Total operating income	**1 159**	**120**	**398**	**614**	**5**	**30**	**8**	**- 16**
Operating expenses	491	14	149	301	13	27	2	- 15
Profit/loss before impairment loss	**668**	**107**	**249**	**313**	**- 8**	**2**	**6**	**- 1**
Net gain on fixed assets	0	0	0	0	- 2	0	2	0
Impairment loss	112	0	99	12	0	0	0	0
Profit/loss before taxation	**557**	**107**	**149**	**300**	**- 10**	**2**	**8**	**- 1**
BALANCE SHEET AT 31.12.20								
Net loans and advances to customers	54 530	0	13 464	41 063	0	0	0	0
Other assets	8 131	11 702	583	1 589	0	22	56	- 5 821
Total assets	**62 661**	**11 702**	**14 047**	**42 653**	**0**	**22**	**56**	**- 5 821**
Deposits from and debt to customers	30 665	0	11 780	18 920	0	0	0	- 36
Other liabilities	26 269	9 485	164	20 577	0	6	8	- 3 974
Equity (incl. profit/loss for the period)	5 727	2 217	2 102	3 155	0	16	48	- 1 811
Total debt and equity	**62 661**	**11 702**	**14 047**	**42 653**	**0**	**22**	**56**	**- 5 821**

Note 3 Other operating income

	31.03.21	31.03.20	31.12.20
NET COMMISSION INCOME			
Payment services	14	15	59
Security trading	6	4	19
Guarantee commissions	4	4	15
Currency services and international payments	1	1	5
Insurance services	6	3	16
Other commission income	4	3	14
Total charges and commission income	**35**	**31**	**127**
Interbank fees *)	0	0	1
Payment services *)	4	4	18
Cash back Visa credit	1	1	4
Total commission expenses	**5**	**5**	**24**
Net commission income	**30**	**25**	**104**
NET GAINS/LOSSES ON FINANCIAL INSTRUMENTS			
Net gains/losses on foreign currency	4	- 1	12
Net gains/losses on financial derivatives	- 97	207	159
Net gains/losses on loans measured at fair value	- 52	49	77
Net gains/losses on deposits measured at fair value	0	- 1	- 1
Net gains/losses on commercial paper and bonds	4	- 20	16
Net gains/losses on shares	8	- 44	88
Net gains/losses on financial liabilities	147	- 238	- 237
Net gains/losses on financial instruments measured at fair value	**14**	**- 49**	**114**
OTHER INCOME			
Income from property	0	0	1
Estate agency	7	6	29
Other operating income	0	0	4
Total other income	**7**	**7**	**34**
TOTAL NET OTHER OPERATING INCOME	**51**	**- 17**	**252**

*) The allocation between interbank fees and payment services has been corrected in relation to the interim report for the first quarter of 2020.

Note 4 Impairment loss on loans, guarantees and undrawn credit facilities

	Q1 2021	Q1 2020	Full-year 2020
Increase/reduction in individually assessed allowances	- 2	- 30	- 58
Increase/reduction in model-based expected credit losses	- 8	82	107
Losses realised during period for which a loss allowance had previously been made	1	29	62
Losses realised during period for which a loss allowance had not previously been made	0	1	4
Recoveries against previous years' realised losses	- 1	- 1	- 4
Impairment loss for the period	**- 9**	**80**	**112**

Note 5 Loss allowance

When calculating expected credit losses, loans are split into three stages in line with the requirements in IFRS 9. When a loan is recognised, as a general rule it is allocated to Stage 1. If its credit risk has increased significantly since initial recognition, it is transferred to Stage 2. Assets in default are allocated to Stage 3. Where an individually assessed allowance has been made, this takes precedence over the impairment calculated by the model. Individually assessed allowances are included in Stage 3.

In the first quarter, the Bank started using a new definition of default, which is described in Note 6. The change to the definition had little impact on the overall loss allowance.

Consolidated

2021	Stage 1	Stage 2	Stage 3	Total
Opening loss allowance for loans at amortised cost at 01.01.21	**42**	**123**	**179**	**344**
Transferred to Stage 1	1	- 7	- 1	- 6
Transferred to Stage 2	- 2	10	- 5	3
Transferred to Stage 3	0	- 2	4	3
New financial assets issued or acquired	2	4	1	7
Derecognised financial assets	- 3	- 21	- 3	- 28
Changes to model/macroeconomic parameters	1	0	0	1
Actual losses covered by previous provisions	0	0	- 1	- 1
Other changes	- 2	3	4	5
Loss allowance for loans at amortised cost at 31.03.2021	**39**	**111**	**178**	**328**
Loss allowance for loans at fair value at 31.03.2021	**1**	**2**	**6**	**8**
Total loss allowance for loans at 31.03.2021	**40**	**112**	**184**	**336**
Of which in the retail market	*6*	*6*	*15*	*27*
Of which in the corporate and public sector markets	*34*	*106*	*168*	*309*

	Stage 1	Stage 2	Stage 3	Total
Opening loss allowance for undrawn credit facilities and guarantees at 01.01.2021	**6**	**12**	**8**	**25**
Changes during the reporting period	- 1	1	6	6
Loss allowance for undrawn credit facilities and guarantees at 31.03.2021	**5**	**13**	**13**	**31**
Of which in the retail market	*1*	*0*	*0*	*1*
Of which in the corporate and public sector markets	*4*	*13*	*13*	*31*

Note 5 Loss allowance (cont.)

2020	Stage 1	Stage 2	Stage 3	Total
Opening loss allowance for loans at amortised cost at 01.01.2020	**13**	**59**	**245**	**317**
Transferred to Stage 1	1	- 7	- 1	- 7
Transferred to Stage 2	- 2	26	0	24
Transferred to Stage 3	0	- 1	3	2
New financial assets issued or acquired	4	8	19	30
Derecognised financial assets	0	- 4	- 1	- 6
Changes to model/macroeconomic parameters	9	52	1	61
Actual losses covered by previous provisions	0	0	- 29	- 29
Other changes	- 2	- 8	- 24	- 34
Loss allowance for loans at amortised cost at 31.03.2020	**22**	**124**	**211**	**358**
Loss allowance for loans at fair value at 31.03.2020	**1**	**3**	**3**	**7**
Loss allowance for loans at 31.03.2020	**23**	**127**	**214**	**364**
Of which in the retail market	*6*	*13*	*18*	*36*
Of which in the corporate and public sector markets	*17*	*114*	*197*	*328*

	Stage 1	Stage 2	Stage 3	Total
Opening loss allowance for undrawn credit facilities and guarantees at 01.01.2020	**2**	**6**	**3**	**11**
Changes during the reporting period	1	5	2	7
Loss allowance for undrawn credit facilities and guarantees at 31.03.2020,	**2**	**11**	**5**	**18**
Of which in the retail market	*1*	*0*	*0*	*1*
Of which in the corporate and public sector markets	*2*	*10*	*5*	*17*

Future scenarios in the impairment model under IFRS 9

Under IFRS 9, impairment allowances shall take into account expectations for future defaults and impairment losses. In 2018 and 2019, the bank used a statistical model to estimate how expected changes in macroeconomic parameters will affect the future probability of default amongst the bank's customers. The Covid-19 pandemic led to such great fluctuations in macroeconomic variables used as independent variables in the model that the model was no longer suitable for predicting future defaults. We have therefore performed a qualitative assessment of what is likely to happen to the probability of default and house prices over the coming five years, based on the impacts of past crises, long-term expectations prior to the coronavirus crisis and the outlook in Norges Bank's monetary policy report. Expected credit losses are calculated using a weighted average of the losses under the 3 different scenarios; see below.

Future scenarios for retail market used to measure estimated expected credit losses at 31.03.2021	Probability of default starting from 31.03.2021					House prices	
	Year 1	Year 2	Year 3	Year 4	Year 5	Annual average growth	Weighting of scenario
Scenario 1: Base scenario for retail market	1,50	1,60	1,60	1,50	1,40	2,5 %	50 %
Scenario 2: Optimistic scenario for retail market	1,28	1,36	1,36	1,28	1,19	3,5 %	25 %
Scenario 3: Pessimistic scenario for retail market	1,88	2,00	2,00	1,88	1,75	0,5 %	25 %

Future scenarios for corporate market used to measure estimated expected credit losses at 31.03.2021	Probability of default starting from 31.03.2021					Collateral values	
	Year 1	Year 2	Year 3	Year 4	Year 5	Annual average growth	Weighting of scenario
Scenario 1: Base scenario for corporate market	2,10	2,20	2,10	2,00	1,75	0,6 %	50 %
Scenario 2: Optimistic scenario for corporate market	1,79	1,87	1,79	1,70	1,49	2,0 %	25 %
Scenario 3: Pessimistic scenario for corporate market	2,63	2,75	2,63	2,50	2,19	- 2,2 %	25 %

Note 5 Loss allowance (cont.)

Sensitivity analysis of changes to assumptions in impairment model under IFRS 9

The table below shows how sensitive the Bank's profitability would be to changes in the qualitative assessments in the scenarios presented above. For example, if the probability of default in all of the scenarios had been put 10% higher across the whole 5 years, expected credit losses would have been NOK 14 million higher. This would reduce pre-tax profit by an equivalent amount.

	Change to parameter	Impact on pre-tax profit/loss
Probability of default compared with central assumption	- 10 %	14
	+ 10 %	– 14
Annual change in house prices and other collateral values	- 1 pp.	– 5
	+ 1 pp.	5

The table below shows the impact on pre-tax profit of giving a 100% weighting to each individual scenario:

Impact on profit of giving 100% weighting to each scenario	Expected credit losses	Impact on pre-tax profit/loss
Scenario 1: Base macroeconomic scenario	362	5
Scenario 2: Optimistic macroeconomic scenario	335	32
Scenario 3: Pessimistic macroeconomic scenario	409	– 42

The table below shows the impact on pre-tax profit of changing the weighting of the optimistic and pessimistic scenarios. For example, if the pessimistic scenario were to be given a 35% weighting, and the optimistic scenario a 15% weighting, expected credit losses would be NOK 7 million higher. This would reduce pre-tax profit by an equivalent amount.

Weighting of Scenario 1: Base	Weighting of Scenario 2: Optimistic	Weighting of Scenario 3: Pessimistic	Impact on pre-tax profit/loss
50 %	15 %	35 %	– 7
50 %	35 %	15 %	7

Note 6 Changes in gross loans and exposures

2021	Stage 1	Stage 2	Stage 3	Total
Gross loans at amortised cost at 01.01.2021	**44 902**	**4 799**	**849**	**50 550**
Transferred to Stage 1	1 055	– 1 016	– 40	0
Transferred to Stage 2	– 778	829	– 51	0
Transferred to Stage 3	– 9	– 125	135	0
New financial assets issued or acquired	3 531	203	32	3 766
Derecognised financial assets	– 2 813	– 578	– 26	– 3 417
Other changes	– 157	219	– 104	– 42
Gross loans at amortised cost at 31.03.2021	**45 730**	**4 332**	**795**	**50 857**
Loss allowance for loans at amortised cost at 31.03.2021	39	111	178	328
Net loans at amortised cost at 31.03.2021	**45 691**	**4 221**	**617**	**50 529**

	Stage 1	Stage 2	Stage 3	Total
Gross loans at fair value at 31.03.2021	**3 795**	**429**	**37**	**4 261**
Loss allowance for loans at fair value at 31.03.2021	1	2	6	8
Net loans at fair value at 31.03.2021	**3 794**	**427**	**32**	**4 253**

	Stage 1	Stage 2	Stage 3	Total
Gross loans at 31.03.2021	**49 525**	**4 761**	**832**	**55 118**
Of which in the retail market	*38 605*	*2 594*	*138*	*41 337*
Of which in the corporate and public sector markets	*10 920*	*2 167*	*694*	*13 781*
Loss allowance for loans at 31.03.2021	40	112	184	336
Net loans at 31.03.2021	**49 485**	**4 648**	**649**	**54 782**

	Stage 1	Stage 2	Stage 3	Total
Undrawn credit facilities and guarantees at 31.03.2021	**5 865**	**413**	**139**	**6 417**
Of which in the retail market	*3 423*	*42*	*1*	*3 465*
Of which in the corporate and public sector markets	*2 443*	*371*	*138*	*2 952*
Loss allowance for guarantees and undrawn credit facilities at 31.03.2021	5	13	13	31
Net exposure to undrawn credit facilities and guarantees at 31.03.2021	**5 861**	**399**	**125**	**6 386**

Note 6 Changes in gross loans and exposures, (cont.)

2020	Stage 1	Stage 2	Stage 3	Total
Gross loans at amortised cost at 01.01.2020	**36 613**	**8 704**	**800**	**46 118**
Transferred to Stage 1	1 711	- 1 684	- 27	0
Transferred to Stage 2	- 1 860	1 870	- 10	0
Transferred to Stage 3	- 8	- 83	91	0
New financial assets issued or acquired	2 967	584	102	3 654
Derecognised financial assets	- 2 090	- 568	- 201	- 2 859
Other changes	199	- 43	- 44	112
Gross loans at amortised cost at 31.03.2020	**37 532**	**8 781**	**711**	**47 024**
Loss allowance for loans at amortised cost at 31.03.2020	22	124	211	358
Net loans at amortised cost at 31.03.2020	**37 510**	**8 656**	**500**	**46 667**

	Stage 1	Stage 2	Stage 3	Total
Gross loans at fair value at 31.03.2020	**3 800**	**845**	**24**	**4 669**
Loss allowance for loans at fair value at 31.03.2020	1	3	3	7
Net loans at fair value at 31.03.2020	**3 799**	**842**	**21**	**4 662**

	Stage 1	Stage 2	Stage 3	Total
Total gross loans at 31.03.2020	**41 333**	**9 625**	**735**	**51 693**
Of which in the retail market	*33 161*	*5 253*	*155*	*38 568*
Of which in the corporate and public sector markets	*8 172*	*4 372*	*581*	*13 125*
Loss allowance for loans at 31.03.2020	23	127	214	364
Net loans at 31.03.2020	**41 310**	**9 498**	**521**	**51 329**

	Stage 1	Stage 2	Stage 3	Total
Undrawn credit facilities and guarantees at 31.03.2020	**5 224**	**540**	**134**	**5 898**
Of which in the retail market	*3 187*	*94*	*1*	*3 282*
Of which in the corporate and public sector markets	*2 037*	*446*	*133*	*2 615*
Loss allowance for guarantees and undrawn credit facilities at 31.03.2020	2	11	5	18
Net exposure to undrawn credit facilities and guarantees at 31.03.2020	**5 222**	**529**	**129**	**5 880**

Note 6 Changes in gross loans and exposures (cont.)

Payment default

Retail loans and residential mortgage loans
Accounts are considered in payment default when they are past due or overdrawn by an amount of at least NOK 1,000 and by at least 1% of the customer's total balance. If an account is in payment default, all of the customer's other accounts in the same product group are also considered in payment default. If an account that is in payment default represents over 20% of the total exposure to the customer, all of the customer's other accounts are considered in payment default. For these purposes, the definition of retail loans covers mortgage loans that do not qualify for a 35% risk-weighting, building loans, consumer loans and advances to SMEs.

Other advances:
Customers are considered in payment default when at least one of their accounts is past due or overdrawn by an amount of at least NOK 2.000 and by at least 1% of the customer's total balance.

The number of days that a customer is considered to have been in payment default is determined by the account that has been past due for longest.

	Gross loans			Guarantees and undrawn credit			Loss allowance		
	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20
11–30 days past due	97	285	269	16	10	1	5	4	9
31–90 days past due	20	175	55	0	1	0	1	4	2
More than 90 days past due	173	225	233	1	1	1	53	64	62
Total assets more than 10 days past due	*290*	*686*	*557*	*17*	*12*	*2*	*60*	*71*	*73*

Assets in default

Retail loans and residential mortgage loans:
An account is considered in default if it is more than 90 days past due and the amount overdue is material. The threshold for being considered material has been set at NOK 1,000 and at least 1% of the customer's total balance. If an account is in default, all of the customer's other accounts in the same product group are also considered in default.

A customer is considered in default if the customer has an account in default that represents over 20% of the total exposure to the customer, or if there is an indication of unlikeliness to pay unless the collateral is realised.

Other advances:
A customer is considered in default if at least one of their accounts is more than 90 days past due and the amount overdue is material, or if there is an indication of unlikeliness to pay unless the collateral is realised. The threshold for being considered material has been set at NOK 2,000 and at least 1% of the customer's total balance.

The following may be indications of unlikeliness to pay:
- An individually assessed allowance has been made for the customer
- Insolvency/Bankruptcy
- Debt restructuring
- Debt restructuring/relief that reduces the value of the asset by more than 1%
- Realisation of the collateral
- Expectation of insolvency/bankruptcy or payment default

Customers or accounts in payment default have a probation period of at least 3 months.
Customers or accounts in default in conjunction with debt restructuring have a probation period of at least 12 months.

Assets in default shall be considered equivalent to credit-impaired assets as defined in IFRS 9.

Note 6 Changes in gross loans and exposures (cont.)

	Gross loans			Guarantees and undrawn credit			Loss allowance		
	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20
More than 90 days past due	173	225	233	1	1	1	53	64	62
Other assets in default	660	510	649	138	134	262	144	156	123
Total assets in default	**832**	**735**	**882**	**139**	**134**	**263**	**197**	**220**	**185**
Of which in the retail market	*138*	*156*	*177*	*1*	*1*	*1*	*15*	*18*	*23*
Of which in the corporate and public sector markets	*693*	*579*	*705*	*85*	*133*	*262*	*182*	*202*	*162*

Debt relief

Debt relief refers to changes to the agreed terms and conditions granted because a customer is in financial difficulties that would not have been granted if the customer were in a stronger financial position.

	Gross loans			Guarantees and undrawn credit			Loss allowance		
	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20
Assets with debt relief that are not also in default	409	338	456	8	7	7	14	14	15
Assets with debt relief that are also in default	145	95	123	4	7	6	43	45	31
Total assets with debt relief	**554**	**433**	**579**	**12**	**15**	**13**	**57**	**59**	**47**

Debt relief broken down by asset level

Stage 2 assets	*409*	*338*	*456*
Stage 3 assets	*145*	*95*	*123*

New definition of default as of 1 January 2021

The Bank has started using a new definition of default as of this quarter. The figures in the tables are therefore not comparable with figures from previous quarters. There are several changes in the definition of default that affect the volume of assets in default.

For retail loans and residential mortgage loans, the new definition means that if one account is in default, the customer's other accounts in the same product group are also considered in default. Previously, any default would have meant that all of the customer's accounts would have been considered in default. In addition, a new threshold of 1% of the customer's total balance was introduced for a default to be considered material. This reduces the volume of defaults in retail loans.

For other assets, the threshold for being considered material has been raised to NOK 2,000 (from 1,000) and at least 1% of the customer's total balance.

The new definition of default introduces a probation period of at least 3 months for payment defaults and at least 12 months for defaults involving debt restructuring. This increases the volume of defaults. Overall, the default rate has been reduced as a result of the new definition of default. The biggest reduction is for payment defaults in the retail market.

Note 7 Loans to customers and exposures by sector and industry

Consolidated	Gross loans			Guarantees and undrawn credit facilities			Loans in default and at risk of default			Loss allowance		
	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20	31.03.21	31.03.20	31.12.20
Wage and salary earners and pensioners	41 337	38 568	40 849	3 465	3 282	3 396	139	156	178	28	37	38
Public sector	6	11	8	69	72	77	0	0	0	0	0	0
Farming and forestry	1 564	1 518	1 626	223	221	170	35	34	34	22	18	25
Fishing and hunting	2 240	1 922	2 237	202	88	186	3	0	3	24	10	25
Aquaculture and hatcheries	382	239	343	45	160	59	10	0	1	3	1	1
Industry and mining	998	911	1 084	506	646	726	289	228	528	38	43	43
Power/water supply	1 130	858	1 073	273	82	215	6	10	3	5	15	5
Building and construction	1 074	1 319	1 213	540	427	550	177	207	152	55	88	60
Commerce	790	931	809	330	256	370	58	57	50	44	29	32
Transport	350	343	351	102	104	104	26	4	24	5	5	6
Hotels and tourism	453	539	437	35	23	33	16	4	4	24	23	26
Services	741	826	826	125	137	122	63	89	33	29	30	25
Property management	4 041	3 707	4 016	503	400	420	148	80	133	91	84	92
Other	12	0	12	0	0	0	0	0	0	0	0	0
Total	**55 118**	**51 693**	**54 883**	**6 417**	**5 898**	**6 427**	**971**	**869**	**1 145**	**367**	**383**	**378**
Of which in the retail market	*41 337*	*38 568*	*40 849*	*3 465*	*3 282*	*3 396*	*139*	*156*	*178*	*28*	*37*	*38*
Of which in the corporate and public sector markets	*13 781*	*13 125*	*14 034*	*2 952*	*2 615*	*3 031*	*832*	*714*	*967*	*339*	*345*	*340*

Note 8 Customer deposits by sector and industry

	31.03.21	31.03.20	31.12.20
Retail market	19 119	17 976	18 920
Corporate market	8 924	8 735	8 937
Public sector/other	2 786	2 049	2 808
Customer deposits	**30 828**	**28 760**	**30 665**
Breakdown of customer deposits, consolidated			
Deposits from and debt to customers at amortised cost	29 547	26 793	29 130
Deposits from and debt to customers at fair value	1 281	1 967	1 535
Customer deposits	**30 828**	**28 760**	**30 665**
Breakdown of customer deposits, parent company			
Deposits from and debt to customers at amortised cost	29 570	26 815	29 164
Deposits from and debt to customers at fair value	1 283	1 967	1 537
Customer deposits	**30 853**	**28 782**	**30 700**

Note 9 Debt securities in issue

Consolidated	FACE VALUE 31.03.21	31.03.20	31.12.20	CARRYING AMOUNT 31.03.21	31.03.20	31.12.20
Bonds in issue	21 750	19 600	21 034	21 789	19 647	21 056
– of which own bonds, not amortised	– 2 456	– 2 303	– 2 458	– 2 468	– 2 310	– 2 470
Debt securities in issue at amortised cost	**19 294**	**17 297**	**18 576**	**19 321**	**17 338**	**18 587**
Bonds in issue (MRELs)	500	0	0	500	0	0
– of which own bonds, not amortised	0	0	0	0	0	0
Debt securities in issue (MRELs) at amortised cost	**500**	**0**	**0**	**500**	**0**	**0**
Bonds in issue	4 600	5 300	4 400	4 701	5 543	4 622
– of which own bonds, not amortised	0	– 515	0	0	– 519	0
Debt securities measured at fair value	**4 600**	**4 785**	**4 400**	**4 701**	**5 025**	**4 622**
Total debt securities in issue	**24 394**	**22 082**	**22 976**	**24 523**	**22 362**	**23 209**

MATURITY STRUCTURE OF DEBT SECURITIES (NET FACE VALUE)

	31.03.21	31.03.20	31.12.20
2020	0	582	0
2021	1 344	4 700	1 626
2022	4 500	4 600	4 500
2023	3 950	3 700	3 950
2024	3 100	3 100	3 100
2025	3 900	3 400	3 900
2026	4 000	0	3 000
2027	1 400	0	900
2030	500	500	500
2031	200	0	0
2033	500	500	500
2034	1 000	1 000	1 000
Total debt securities (net face value)	**24 394**	**22 082**	**22 976**
New debt securities issued in 2021	**1 700**		
Net repayment of debt securities in 2021	**0**		

PARENT COMPANY

Debt securities in issue by valuation method (carrying amount)

	31.03.21	31.03.20	31.12.20
Debt securities in issue at amortised cost	4 176	4 114	3 952
Debt securities measured at fair value	2 680	2 819	2 497
Total debt securities in issue	**6 856**	**6 933**	**6 449**

The Bank uses hedge accounting for three fixed-rate covered bonds issued by its subsidiary Bustadkreditt Sogn og Fjordane AS. There is a ratio of virtually 1:1 between the hedged item (the bond) and the hedging instrument (the interest rate swap).

Note 10 Capital adequacy

EQUITY AND SUBORDINATED DEBT	31.03.21	31.03.20	31.12.20
Equity share capital	1 948	1 948	1 948
Primary capital	593	561	593
Share premium account	16	16	16
Dividend equalisation reserve	2 175	1 985	2 175
Allocated dividends and gifts	0	0	129
Reserve for unrealised gains	354	281	354
Other equity	159	154	163
Share of interim profit/loss	0	0	0
Equity	**5 244**	**4 945**	**5 377**
Other core capital			
Hybrid capital	350	350	350
Deductions			
Deferred tax assets	- 1	0	- 1
Other intangible assets	- 26	- 32	- 30
Other deductions	- 67	- 66	- 195
Net core capital	**5 500**	**5 196**	**5 502**
Core Tier 1 capital	**5 150**	**4 846**	**5 152**
Supplementary capital			
Subordinated debt instruments	600	600	600
Net supplementary capital	**600**	**600**	**600**
Net equity and subordinated debt	**6 100**	**5 796**	**6 102**

BASIS FOR CALCULATION

Credit risk	31.03.21	31.03.20	31.12.20
Local and regional authorities	132	130	45
Institutions	223	315	386
Enterprises	3 140	3 585	3 172
Retail loans	4 064	4 745	3 795
Residential mortgage loans	19 015	17 283	18 735
Overdue advances	838	932	1 090
Particularly high-risk assets (property development projects)	665	0	743
Equity investments	1 519	817	1 531
Covered bonds	482	391	439
Other advances	198	204	213
Total calculation basis for credit risk	**30 278**	**28 402**	**30 147**
Currency risk	0	0	0
Operational risk	2 116	2 043	2 102
CVA	68	63	71
Total calculation basis	**32 462**	**30 508**	**32 321**
Excess equity and subordinated debt	**3 504**	**3 356**	**3 516**
CAPITAL ADEQUACY RATIO			
Capital adequacy ratio	18,79 %	19,00 %	18,88 %
Core capital adequacy ratio	16,94 %	17,03 %	17,02 %
Core Tier 1 capital adequacy ratio	15,87 %	15,89 %	15,94 %
Unweighted core capital ratio	8,40 %	8,66 %	8,59 %

Note 11 Transactions with related parties

Agreements and transactions between the parties have been made on market terms, as if they had been agreed between two totally independent parties.

In the consolidated financial statements, transactions between the parent and its subsidiaries have been eliminated.

Note 12 Equity share capital and organisational structure

Parent company
The equity share capital was raised as follows:

Year	Change in equity share capital (NOK)	Total equity share capital (NOK)	Face value of each equity certificate (NOK)	Change in number of equity certificates	Total number of equity certificates
2010 Initial issue of equity certificates	1 894 953 000	1 894 953 000	100	18 949 530	18 949 530
2016 Equity certificates issued to existing shareholders	50 000 000	1 944 953 000	100	500 000	19 449 530
2016 Equity certificates issued to employees and Board	3 365 700	1 948 318 700	100	33 657	19 483 187

Figures in NOK '000s unless otherwise specified	31.03.21	31.03.20	31.12.20
Equity share capital			
Equity certificates	1 948 319	1 948 319	1 948 319
Share premium account	15 608	15 608	15 608
Dividend equalisation reserve	2 174 775	1 985 079	2 174 775
Total equity share capital (A)	**4 138 702**	**3 949 006**	**4 138 702**
Primary capital (B)	**592 636**	**561 075**	**592 636**
Reserve for unrealised gains	354 185	280 884	354 185
Hybrid capital	350 000	350 000	350 000
Allocated dividends and gifts	0	0	128 899
Other equity	230 186	125 736	0
Total equity	**5 665 709**	**5 266 702**	**5 564 422**
Equity share capital ratio A / (A+B) after disbursal of dividends	**87,47 %**	**87,56 %**	**87,47 %**
Parent company's comprehensive income per equity certificate (weighted), in NOK	10,50	5,87	19,78
Consolidated comprehensive income per equity certificate (weighted), in NOK	5,51	0,52	19,93
Consolidated book equity per equity certificate in NOK (excl. hybrid capital)	240,97	222,76	241,41
Dividends			
Dividend payable per equity certificate, in NOK			6,00
Total dividends			**116 899**
Gifts			
Charitable donations			12 000
Total dividends and gifts			**128 899**
Dividends and gifts as a % of consolidated comprehensive income			**29,1 %**

Note 12 Equity share capital and ownership structure (cont.)

20 largest holders of equity certificates with an interest of at least 1%:

	Number of equity certificates 31.03.20	
Sparebankstiftinga Sogn og Fjordane	18 250 672	93,67 %
Sparebankstiftinga Fjaler	1 152 992	5,92 %
Other *)	79 523	0,41 %
Total	**19 483 187**	**100,00 %**

*) Other owners of equity certificates consist of a total of 134 employees, Board members and former employees at Sparebanken Sogn og Fjordane.

Equity certificates held by key personnel
Equity certificates held by the CEO, senior management team, members of the Board of Directors and their personal related parties, as defined by Section 7–26 of the Norwegian Accounting Act.

	Number of equity certificates
Trond Teigene, CEO	3 200
Frode Vasseth, CFO	2 000
Linda Marie Vøllestad Westbye, Retail Banking Director	1 100
Johnny Haugsbakk representing RLK Holding AS, Board member	2 000
Sindre Kvalheim, Chair of the Board	1 000
Reiel Haugland, Technology Director	601
Jo Dale Pedersen, Board member, employee representative	860
Eirik Rostad Ness, Director of Human Resources	600
Roy Stian Farsund, Corporate Banking Director	450
Marie Heieren, Board member, employee representative	200
Lise Mari Haugen, Board member	100
Total equity certificates held by key personnel and Board members	**12 111**

Information about voting rights, etc.
Representatives elected by the equity certificate owners shall have 40% of the votes at the AGM.
Representatives elected by and from our customers shall have 36% of the votes at the AGM.
Representatives elected by and from our employees shall have 24% of the votes at the AGM.

As well as requiring majority support at the AGM in the same way as for changes to the articles of association, the following matters require the support of at least 2/3 of the votes representing the equity certificate holders:

- Buying back equity certificates (Financial Institutions Act, Section 10–5)
- Any reduction or increase in the equity share capital (Financial Institutions Act, Sections 10–21 and 10–22)
- Establishing subscription rights (Financial Institutions Act, Section 10–23)
- Loans with a right to require that equity certificates be issued (Financial Institutions Act, Section 10–24)
- Decisions relating to mergers and demergers (Financial Institutions Act, Section 12–3)
- Decisions about restructuring (Financial Institutions Act, Section 12–14)

The articles of association entitle the Bank to issue negotiable equity certificates

Note 13 Fair value of financial instruments

FAIR VALUE OF FINANCIAL INSTRUMENTS MEASURED AT AMORTISED COST

Consolidated	Carrying amount	Fair value	Carrying amount	Fair value
Assets	31.03.21	31.03.21	31.03.20	31.03.20
Cash and cash equivalents	21	21	25	25
Loans and advances to credit institutions/central banks	571	571	184	184
Loans to customers	50 529	50 529	46 666	46 666
Total financial assets measured at amortised cost	**51 121**	**51 121**	**46 875**	**46 875**
Liabilities				
Debt to credit institutions	1 506	1 506	1 006	1 006
Deposits from and debt to customers	29 547	29 547	26 793	26 793
Debt securities in issue	19 822	19 993	17 338	17 270
Subordinated debt instruments	601	601	602	602
Total financial liabilities measured at amortised cost	**51 477**	**51 648**	**45 739**	**45 671**

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Classification by level

Consolidated

Assets at 31.03.21	Level 1	Level 2	Level 3	Total
Loans to customers	0	0	4 253	**4 253**
Commercial paper and bonds	269	7 147	0	**7 416**
Financial derivatives	0	249	0	**249**
Shares	0	365	297	**662**
Total financial assets measured at fair value	**269**	**7 761**	**4 550**	**12 580**
Liabilities at 31.03.2021				
Deposits from and debt to customers	0	0	1 281	**1 281**
Debt securities in issue	0	2 680	0	**2 680**
Debt securities in issue used as hedging instruments	0	2 022	0	**2 022**
Financial derivatives	0	176	0	**176**
Total financial liabilities measured at fair value	**0**	**4 878**	**1 281**	**6 159**

Assets and liabilities measured at fair value shall be classified according to how reliable the fair value estimate is.

There are three classification levels:
- Level 1: Prices quoted in active markets
- Level 2: Valuation is directly or indirectly based on observable prices for similar assets
- Level 3: Valuation is not based on observable prices, and instead relies on e.g. our own valuation models

Breakdown of fair value, level 3

Consolidated	Financial assets		Financial liabilities
At 31.03.21	Loans to customers	Shares	Customer deposits
Nominal value/cost	4 208	196	1 280
Fair value adjustment	45	101	1
Total fair value	**4 253**	**297**	**1 281**

Note 13 Fair value of financial instruments (cont.)

Breakdown of changes in level 3 in 2020:

Consolidated	Financial assets Loans to customers	Shares	Financial liabilities Deposits from and debt to customers
Carrying amount at 31.12.20	**4 324**	**292**	**1 537**
Net gains/losses on financial instruments through profit or loss	- 52	5	0
Acquisitions over the period	0	0	0
Sales/redemptions over the period	- 19	0	- 256
Moved into level 3	0	0	0
Moved out of level 3	0	0	0
Carrying amount at 31.03.21	**4 253**	**297**	**1 281**

Loans to customers and customer deposits measured at fair value comprise fixed-rate loans and deposits. The acquisitions/purchases or sales/redemptions shown for the period represent the net change excluding changes in market value. Fixed-rate deposits and fixed-rate loans are valued based on discounted cash flows. The discount rate that we use is supposed to represent the interest rate on an equivalent new product issued at the reporting date, with the same term and cash flow. To help us value retail loans, we use the fixed rates offered by a representative sample of our competitors. For the corporate market we use our own internal calculation models for those products.

Sensitivity analysis, level 3
For fixed-rate deposits the average remaining term is approx. 0.68 years. Using a simple duration-based approach, a 1% fall in interest rates will increase the value of our fixed-rate deposits by approx. NOK 8.7 million. For fixed-rate loans the weighted average remaining term is approx. 3.5 years. Calculated simply, a 1% rise in the discount rate will reduce the value of our fixed-rate loans by approx. NOK 144 million.

Shares defined as level 3 assets are not listed on a stock exchange, have no known transactions and are shares for which the Bank has no observable assets that can be used for valuation purposes. In such cases we use our own valuations based on discounted cash flows or an analysis of key figures. For companies valued using a cash flow model, a required rate of return on equity of 9.48% has been used. A 10% reduction in the price to book ratio of a company valued using key figures and a 1 percentage point increase in the required rate of return in the cash flow models would cut the value by approx. NOK 32 million.

Method used to calculate fair value of financial instruments
For more information about how the fair value of financial instruments is calculated, please see our 2020 annual report.

Note 14 Off-balance-sheet items

Guarantees	31.03.21	31.03.20	31.12.20
Payment guarantees	790	846	855
Contract guarantees	317	270	331
Other guarantee liabilities	61	63	64
Commitments to investments in shares	3	3	3
Total in NOK	**1 171**	**1 181**	**1 253**

Income statement, parent company

AMOUNTS IN MILLIONS OF NOK	Q1 2021	Q1 2020	2020
Interest income	251	359	1 160
Interest expenses	79	159	454
Net interest income	**173**	**200**	**706**
Commission income	34	30	125
Commission expenses	5	5	24
Net gains/losses on financial instruments	170	105	268
Other income	3	3	13
Net other operating income	**201**	**132**	**382**
Total revenues	**374**	**332**	**1 088**
Wages, salaries, etc.	69	57	229
Other expenses	44	48	189
Depreciation and impairment of fixed assets and intangible assets	10	12	47
Total operating expenses	**123**	**117**	**466**
Profit before impairment loss and net gain on fixed assets	**251**	**214**	**622**
Net gain on sale of fixed assets	0	0	– 2
Impairment loss	– 7	75	109
Profit/loss before taxation	**258**	**139**	**511**
Tax expense	24	8	71
Profit/loss for the reporting period	**234**	**131**	**440**
STATEMENT OF COMPREHENSIVE INCOME			
Profit/loss for the reporting period	**234**	**131**	**440**
Other comprehensive income			
Other items that may be reclassified subsequently to profit or loss, after tax			
Remeasurements, pensions	0	0	0
Total other items that will never be reclassified to profit or loss, after tax	**0**	**0**	**0**
Comprehensive income	**234**	**131**	**440**

Balance sheet, parent company

AMOUNTS IN MILLIONS OF NOK	31.03.21	31.03.20	31.12.20
ASSETS			
Cash and cash equivalents	21	25	26
Loans and advances to credit institutions/central banks	1 962	3 178	1 596
Loans to customers	32 052	31 439	32 713
Commercial paper and bonds measured at fair value	9 409	5 808	8 497
Financial derivatives	285	552	395
Shares	662	534	657
Investments in associates	3	3	3
Investments in subsidiaries	1 812	1 812	1 812
Intangible assets and goodwill	33	42	37
Fixed assets	84	105	87
Deferred tax assets	5	0	5
Other assets	40	342	194
Total assets	**46 368**	**43 839**	**46 021**
DEBT AND EQUITY			
Debt to credit institutions	1 662	1 241	1 924
Deposits from and debt to customers	30 853	28 782	30 700
Debt securities in issue	6 856	6 933	6 449
Financial derivatives	232	523	358
Tax payable	62	52	76
Other liabilities and provisions	437	439	348
Subordinated debt instruments	601	602	601
Total liabilities	**40 702**	**38 573**	**40 456**
Equity share capital	4 139	3 949	4 139
Primary capital	593	561	593
Other equity	584	407	354
Hybrid capital	350	350	350
Proposed allocation for dividends and gifts	0	0	129
Total equity	**5 666**	**5 267**	**5 564**
Total debt and equity	**46 368**	**43 839**	**46 021**

Consolidated income statement

As a % of average total assets

	31.03.21	31.03.20	31.12.20
Interest income	2,22 %	3,44 %	2,61 %
Interest expenses	0,76 %	1,71 %	1,12 %
Net interest income	**1,46 %**	**1,73 %**	**1,49 %**
Commission income	0,22 %	0,21 %	0,21 %
Commission expenses	0,03 %	0,04 %	0,04 %
Net gains/losses on financial instruments	0,09 %	- 0,34 %	0,19 %
Other income	0,05 %	0,05 %	0,06 %
Net other operating income	**0,32 %**	**- 0,11 %**	**0,41 %**
Total revenues	**1,76 %**	**1,61 %**	**1,90 %**
Wages, salaries, etc.	0,46 %	0,42 %	0,40 %
Other expenses	0,29 %	0,36 %	0,33 %
Depreciation and impairment of fixed assets and intangible assets	0,06 %	0,08 %	0,07 %
Total operating expenses	**0,82 %**	**0,85 %**	**0,81 %**
Profit before impairment loss and net gain on fixed assets	**0,94 %**	**0,75 %**	**1,10 %**
Net gain on sale of fixed assets	0,00 %	0,00 %	0,00 %
Impairment loss	- 0,06 %	- 0,55 %	- 0,18 %
Profit/loss before taxation	**1,00 %**	**0,2 %**	**0,91 %**
Tax expense	0,23 %	0,12 %	0,19 %
Profit/loss for the reporting period	**0,77 %**	**0,08 %**	**0,73 %**
STATEMENT OF COMPREHENSIVE INCOME			
Profit/loss for the reporting period	**0,77 %**	**0,08 %**	**0,73 %**
Other comprehensive income			
Remeasurements, pensions	0,00 %	0,00 %	0,00 %
Total other comprehensive income for the year, after tax	**0,00 %**	**0,00 %**	**0,00 %**
Comprehensive income	**0,77 %**	**0,08 %**	**0,73 %**
AVERAGE TOTAL ASSETS	**63 389**	**58 065**	**60 722**

Consolidated financial results by quarter

	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net interest income	**229**	**233**	**223**	**202**	**250**
Other operating income	37	37	34	35	32
Dividends and gains/losses on financial instruments	14	27	7	129	– 49
Net other operating income	**51**	**64**	**41**	**164**	**– 17**
Total revenues	**279**	**297**	**264**	**366**	**233**
Operating expenses	130	141	114	112	124
Profit/loss before impairment loss and net gain on fixed assets	**150**	**155**	**149**	**254**	**109**
Net gain on sale of fixed assets	0	0	0	0	0
Impairment loss	– 9	– 1	26	6	80
Profit/loss before taxation	**159**	**156**	**124**	**248**	**29**
Tax expense	36	37	29	29	17
Profit/loss after taxation	**123**	**119**	**95**	**219**	**12**
Remeasurements, pensions	0	0	0	0	0
COMPREHENSIVE INCOME	**123**	**119**	**95**	**219**	**12**

	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net interest income	**248**	**241**	**230**	**220**
Other operating income	38	36	37	32
Dividends and gains/losses on financial instruments	53	45	20	30
Net other operating income	**90**	**81**	**56**	**62**
Total revenues	**338**	**322**	**286**	**282**
Operating expenses	132	119	119	122
Profit/loss before impairment loss and net gain on fixed assets	**206**	**203**	**168**	**159**
Net gain on sale of fixed assets	0	0	0	0
Impairment loss	22	9	8	1
Profit/loss before taxation	**183**	**194**	**159**	**159**
Tax expense	21	46	42	33
Profit/loss after taxation	**163**	**148**	**117**	**126**
Remeasurements, pensions	– 1	0	0	0
COMPREHENSIVE INCOME	**162**	**148**	**117**	**126**

Consolidated financial results by quarter

As a % of average total assets

	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net interest income	**1,46 %**	**1,48 %**	**1,43 %**	**1,35 %**	**1,73 %**
Other operating income	0,23 %	0,24 %	0,22 %	0,23 %	0,22 %
Dividends and changes in the value of fin. instr.	0,09 %	0,17 %	0,04 %	0,86 %	- 0,34 %
Net other operating income	**0,32 %**	**0,41 %**	**0,27 %**	**1,09 %**	**- 0,11 %**
Total revenues	**1,76 %**	**1,90 %**	**1,71 %**	**2,44 %**	**1,61 %**
Operating expenses	0,82 %	0,90 %	0,74 %	0,74 %	0,85 %
Net gain on sale of fixed assets	**0,00 %**	**0,00 %**	**0,00 %**	**0,00 %**	**0,00 %**
Impairment loss	- 0,06 %	0,00 %	0,17 %	0,04 %	0,55 %
Profit/loss before taxation	**1,00 %**	**1,00 %**	**0,80 %**	**1,65 %**	**0,20 %**
Tax expense	0,23 %	0,24 %	0,19 %	0,20 %	0,12 %
Profit/loss after taxation	**0,77 %**	**0,76 %**	**0,61 %**	**1,46 %**	**0,08 %**
Remeasurements, pensions	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
COMPREHENSIVE INCOME	**0,77 %**	**0,76 %**	**0,61 %**	**1,46 %**	**0,08 %**

	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net interest income	**1,71 %**	**1,69 %**	**1,65 %**	**1,62 %**
Other operating income	0,26 %	0,25 %	0,26 %	0,23 %
Dividends and changes in the value of fin. instr.	0,37 %	0,32 %	0,14 %	0,22 %
Net other operating income	**0,63 %**	**0,57 %**	**0,40 %**	**0,45 %**
Total revenues	**2,36 %**	**2,27 %**	**2,05 %**	**2,05 %**
Operating expenses	0,92 %	0,84 %	0,85 %	0,89 %
Net gain on sale of fixed assets	**0,00 %**	**0,00 %**	**0,00 %**	**0,00 %**
Impairment loss	0,16 %	0,06 %	0,06 %	0,00 %
Profit/loss before taxation	**1,28 %**	**1,37 %**	**1,14 %**	**1,16 %**
Tax expense	0,14 %	0,33 %	0,30 %	0,24 %
Profit/loss after taxation	**1,14 %**	**1,04 %**	**0,84 %**	**0,92 %**
Remeasurements, pensions	0,00 %	0,00 %	0,00 %	0,00 %
COMPREHENSIVE INCOME	**1,13 %**	**1,04 %**	**0,84 %**	**0,92 %**

Information about the company

SPAREBANKEN SOGN OG FJORDANE

ADDRESS:	Langebruvegen 12 6800 Førde
TEL. NO.:	+47 57 82 97 00
WEBSITE:	www.ssf.no
E-MAIL:	kundesenter@ssf.no
ORGANISATION NUMBER:	946 670 081

CONTACT PEOPLE:

Trond Teigene
CEO
Tel. no.: +47 908 25 086

Frode Vasseth
CFO
Tel. no.: +47 951 98 452