Quarterly report 2026

Q1

SpareBank 1
SØR-NORGE

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Key figures SpareBank 1 Sør-Norge Group

(MNOK)

	01.01 - 31.03		Year 2025
MAIN FIGURES	**2026**	**2025**	
Net interest income	2,180	2,310	9,271
Net commission and other income	799	787	3,241
Net income on financial investments	368	394	1,528
Total income	3,346	3,492	14,040
Total operating expenses	1,282	1,282	5,340
Operating profit before impairment	2,064	2,209	8,701
Impairment losses on loans and financial commitments	59	23	352
Pre-tax profit	2,005	2,186	8,349
Tax expense	405	449	1,655
Profit after tax	**1,600**	**1,737**	**6,694**
BALANCE SHEET			
Gross loans to customers	406,759	379,310	397,517
Gross loans to customers incl. transfers to credit institutions [1]	423,654	408,435	418,335
Deposits from customers	240,369	210,778	231,112
Total assets	519,433	488,597	513,054
Average total assets	517,319	487,807	502,808
Selected key figures			
Profitability			
Return on equity [1]	11.8 %	13.5 %	12.8 %
Return on equity adjusted for goodwill from merger and merger costs [1]	12.7 %	14.7 %	14.1 %
Cost to income ratio [1]	38.3 %	36.7 %	38.0 %
Cost to income ratio Banking Group [1]	36.2 %	34.6 %	36.1 %
Average net interest margin [1]	1.71%	1.92%	1.84%
Average net interest margin incl. transfers to credit institutions [1]	1.67%	1.84%	1.78%
Balance growth			
Growth in loans over last 12 months [1]	7.2 %	36.4 %	5.8 %
Growth in loans incl. transfers to credit institutions over last 12 months [1]	3.7 %	46.8 %	3.3 %
Growth in deposits over last 12 months [1]	14.0 %	39.9 %	13.3 %
Solidity			
Common equity Tier 1 capital ratio	17.67%	18.29%	17.57%
Tier 1 capital ratio	19.56%	20.13%	19.45%
Capital ratio	22.08%	22.93%	21.99%
Tier 1 capital	44,210	42,692	44,213
Risk weighted balance	226,073	212,064	227,275
Leverage ratio	7.4 %	7.5 %	7.3 %
Liquidity			
Liquidity Coverage Ratio (LCR) [2]	158%	163%	182%
Deposit to loan ratio [1]	59.1 %	55.6 %	58.1 %
Deposit to loan incl. transfers to credit institutions ratio [1]	56.7 %	51.6 %	55.2 %
Impairments on loans and financial commitments [1]			
Impairment ratio [1]	0.06%	0.03%	0.09%
Loans and financial commitments in Stage 2 and Stage 3 [1]			
Loans and financial commitments in Stage 2, % of gross loans and financial commitments [1]	5.05%	7.31%	5.64%
Loans and financial commitments in Stage 3, % of gross loans and financial commitments [1]	0.53%	0.55%	0.60%

SpareBank 1 Sør-Norge share	31.03.26	31.12.25	31.12.24	31.12.23	31.12.22
Market price	210.50	198.40	146.60	128.90	120.70
Market capitalisation (MNOK)	79,034	74,491	55,042	34,064	30,869
Book equity per share (group) [1)]	140.94	137.40	128.77	115.07	106.32
Annualised earnings per share, NOK	16.54	16.98	13.08	16.27	12.88
Dividends per share	-	12.00	8.50	7.50	7.00
Price / Earnings per share [1)]	12.73	11.68	11.21	7.92	9.37
Price / Book equity [1)]	1.49	1.44	1.14	1.12	1.14
Annualised effective return [3)]	24.4 %	41.1 %	19.6 %	12.6 %	–4.9 %

1) Defined as alternative performance targets (APMs), see the appendix to the interim report

2) High quality liquid assets divided by total net cash outflows in a 30-day, serious stress scenario

3) %- change in the market price in the last period, including paid share dividend

Solid quarter with growth and positive cost development

The Group's results for Q1 2026

The Group delivered operating profit before tax of NOK 2,005 million in the first quarter of 2026, an increase of NOK 12 million compared with the previous quarter. The result was driven by lower cost levels, reduced impairments and a solid contribution from financial investments. Pressure on net interest margin reduces the result.

The Group's quarterly lending growth was 1.3%, with growth of 0.9% in the Retail Market and 1.9% in the Corporate Market.

Operating profit before tax decreased by NOK 181 million compared with the first quarter of 2025 and is primarily due to lower net interest income.

The return on equity after tax was 11.8% for the quarter (12.7% adjusted for goodwill from the merger).

Net interest income

Net interest income amounted to NOK 2,180 million in the first quarter of 2026, a decrease of NOK 143 billion compared with the previous quarter, NOK 92 million adjusted for days. Compared with the same quarter last year, net interest income decreased by NOK 130 million. The decline in net interest income was mainly due to repricing effects and increased competition.

The average net interest margin was 1.71% in the first quarter of 2026, compared with 1.81% in the fourth quarter of 2025 and 1.92% in the same quarter last year.

Net commission and other income

Table 1, *Net commission and other income*

	Q1 26	Q4 25	Q1 25
Payment facilities	115	151	122
Insurance products	134	131	109
Savings/placements	48	58	46
Guarantee commission	26	27	27
Commitment fee	29	30	31
Arrangement- and customer fees	12	32	35
Commission income - Real estate agencies	241	232	217
Commission income - Accounting firm	145	117	147
Commission income - Credit institutions	23	30	37
Other	25	11	16
Net commission and other income	**799**	**818**	**787**

Net commission and other income amounted to NOK 799 million for the first quarter of 2026, a decrease of NOK 19 million compared with the previous quarter. Income from payment facilities and savings/placements is reduced primarily due to annual income in the fourth quarter. Arrangement- and customer fees decreased by NOK 20 million due to lower activity in the Corporate Market. At the same time, there has been an increase in commissions from the accounting firm and real estate agencies.

Compared with the first quarter of 2025, there is an increase of NOK 11 million. The increase was mainly due to higher income from insurance products and commissions from real estate agencies. This was partially offset by reduced income from arrangement- and customer fees and payment facilities.

Net income on financial investments

Table 2, *Net income on financial investments*

	Q1 26	Q4 25	Q1 25
Income from ownership interests	192	281	193
Net gains/losses on financial instruments	175	37	201
- Dividends	49	17	0
- shares and equity certificates	16	–6	47
- certificates and bonds	–5	6	6
- interests and currency trading	44	37	40
- derivatives	72	–15	109
Net income on financial investments	**368**	**319**	**394**

Net income on financial investments amounted to NOK 368 million in the first quarter of 2026, an increase of NOK 49 million compared with the previous quarter. The increase was mainly due to positive MtM changes in derivatives and dividends received. Income from ownership interests decreased by NOK 89 million. See table 3 for details on income from ownership interests. Please also see the later sections for detailed descriptions of the performance of the individual companies.

Compared with the same quarter last year, net income from financial investments decreased by NOK 27 million. The decline was mainly due to lower income from financial instruments by NOK 26 million.

Table 3, *Income from ownership interests*

	Q1 26	Q4 25	Q1 25
SpareBank 1 Gruppen AS	95	137	59
BN Bank AS	65	75	89
SpareBank 1 Forvaltning AS	19	31	27
SB1 Markets AS	12	22	17
Kredittbanken ASA	5	3	–1
SpareBank 1 Betaling AS	2	4	–5
Other	–6	9	7
Total income from ownership interests	**192**	**281**	**193**

Operating expenses

Table 4, *Operating expenses*

	Q1 26	Q4 25	Q1 25
Personnel expenses	814	829	774
IT expenses	202	210	184
Marketing	37	50	35
Administrative expenses	106	111	145
Operating expenses	62	68	65
Depreciation and impairments	62	61	57
Total operating expenses	**1,282**	**1,330**	**1,261**
Merger expenses	0	0	22
Total operating expenses	**1,282**	**1,330**	**1,282**

The Group's cost to income ratio was 38.3% in the first quarter of 2026, compared with 38.4% in the fourth quarter of 2025 and 36.7% in the same quarter last year. The banking group's cost to income ratio[1] was 36.2% for the first quarter of 2026, compared with 35.1% for the previous quarter.

The Group's operating expenses amounted to NOK 1,282 million in the first quarter of 2026, a decrease of NOK 47 million from the previous quarter.

Costs in the parent bank decreased by NOK 41 million and reflect cost reductions across the company and realization of synergies. The subsidiaries' costs declined by NOK 6 million, mainly driven by lower personnel expenses in the real estate agencies.

The operating costs are at the same level as the corresponding quarter last year. Adjusted for merger expenses, costs increased by NOK 21 million (1.7%). Costs in the parent bank, adjusted for merger expenses, increased by NOK 14 million and reflect good cost control. The subsidiaries' costs increased by NOK 7 million and was attributable to higher personnel expenses in the real estate agencies.

1 The consolidated cost to income ratio equals total income less net income from financial investments divided by costs in the banking group. The banking group includes SpareBank 1 Sør-Norge (parent bank) and SR-Boligkreditt AS.

Impairments on loans and financial commitments, and loans and financial commitments in Stage 3

The Group recognised impairments on loans and financial commitments totalling NOK 59 million in the first quarter of 2026, compared with NOK 137 million for the previous quarter and NOK 23 million for the first quarter of 2025.

In the first quarter of 2026, NOK 99 million of the impairments were individual impairments, while NOK 40 million were reduced model-based impairments. The increase in individual impairments is mainly related to exposures in the Corporate Market.

The Group's impairment on loans and financial commitments amounted to 0.06% of gross loans in the first quarter of 2026, compared with 0.14% in the previous quarter and 0.03% in the first quarter of 2025.

The Group's loans and financial commitments are classified into three groups: Stage 1, Stage 2 and Stage 3. Stage 3 is used for loans and financial commitments that have seen a significant rise in credit risk since being granted and where there is objective evidence of a loss event on the balance sheet date. The loss provision must cover expected losses over their lifetime for these loans and financial commitments.

Gross loans and financial commitments classified as Stage 3 amounted to NOK 2,648 million at the end of the first quarter of 2026, compared with NOK 2,910 million in the previous quarter and NOK 2,535 million in the first quarter of 2025.

Important events

The Annual General Meeting elected Helge Leiro Baastad as the new Chair of the Board for the Group.

The Group has conducted a strategic review of its ownership interest in SpareBank 1 ForretningsPartner, and the related assets have been classified as held for sale in accordance with IFRS 5 (see Note 14).

SpareBank 1 Sør-Norge ASA has completed the share buy back programme announced on 27 November 2025. In total, the Group repurchased 1% of its outstanding shares. The shares were deleted at the Annual General Meeting held on 23 April 2026.

The Group has amended its dividend policy, following the rejection from the Norwegian FSA on the application for including accumulated results. Cash dividends are set at approximately 50% of the profit for the year.

On March 31 2026 EiendomsMegler 1 Telemark AS merged legally with EiendomsMegler 1 Sør-Norge AS.

Regulatory changes

At its meeting on January 21, 2026, Norges Bank's committee for monetary policy and financial stability decided to maintain the countercyclical capital buffer requirement at 2.5%.

Loans and deposits from customers

In the following, volume figures for the first quarter of 2026 are compared with pro forma figures for previous periods.

Gross lending amounted to NOK 424 billion, including loans sold to the credit institutions at the end of the first quarter of 2026 (NOK 408 billion). Gross lending growth in the past 12 months was 3.7% (6.5%).

In the past 12 months, Retail Market (incl. loans to employees) and Corporate Market have seen lending growth of 5.7% and 0.0% (0.7% adjusted for foreign exchange effects), respectively.

Loans to the Retail Market accounted for 67.1% of total loans at the end of the first quarter of 2026 (65.8%).

The Group's total loan exposure of NOK 472 billion includes a majority of exposures with a probability of default of less than 0.5%. These commitments accounted for 67.2% (65.9%) of the portfolio. The overall loan portfolio largely consists of exposures of less than NOK 10 million. These accounted for 66.0% (65.9%) of loan exposure and 97.5% (97.7%) of customers. Of the total loan exposure, 20.0% (20.2%) was to customers with exposures in excess of NOK 100 million.

Deposits from customers amounted to NOK 240 billion at the end of the first quarter of 2026 (NOK 211 billion). Deposit growth was 14.0% in the past 12 months (2.4%), adjusted for public sector deposits, the underlying deposit growth was 8.0%. Retail Market and Corporate Market reported deposit growth of 8.1% and 20.1%. At the end of the first quarter of 2026, deposits in Retail Market accounted for 52.7% (55.6%) of the Group's deposits.

Deposit coverage, including loans sold to the credit institutions, was 56.7% at the end of the first quarter of 2026 (51.6%).

Business areas

SpareBank 1 Sør-Norge ASA is divided into different business areas, which are defined on the basis of their form of distribution, products and customers. The reporting format is based on the risk and return profile of the assets and is split into Retail Market, Corporate Market and significant subsidiaries. Retail Market's income statement and balance sheet items include figures from SR-Boligkreditt AS and SpareBank 1 Boligkreditt AS. Similarly, the volume from SpareBank 1 Næringskreditt AS is included in Corporate Market.

Retail Market[2]

Retail Market, including loans to employees, reported a pre-tax profit of NOK 846 million for the first quarter of 2026, compared with NOK 951 million in the previous quarter.

Table 5, *Retail Market*

	Q1 26	Q4 25
Interest income	825	882
Commission and other income	273	312
Net income on financial investments	8	9
Total income	**1,107**	**1,203**
Operating expenses	**253**	**280**
Operating profit before impairments	**854**	**923**
Impairments on loans and financial commitments	8	–28
Pre-tax profit	**846**	**951**

Net interest income decreased by NOK 38 million compared with the previous quarter, when adjusted for the number of days. The decline was primarily driven by the interest rate change applied to customers in November. Commission and other income decreased by NOK 38 million, mainly driven by reduced income from payment facilities.

In the first quarter of 2026, NOK 8 million was recognised as impairments on loans and financial liabilities.

The lending volume in the division was NOK 284 billion at the end of the first quarter of 2026. Demand for loans in the Retail Market remains strong. Lending has grown by 5.7% (NOK 15 billion) in the past 12 months. On a national basis, the 12-month growth figure for Norwegian household debt was 4.7% at the end of March. The deposit volume was NOK 127 billion at the end of the first quarter of 2026, corresponding to 12-month growth of 8.1% (NOK 9 billion).

The quality of the Retail Market portfolio is considered very good and the potential for losses low. The proportion of loan exposure within 85% of the loan to value ratio was 88.9% at end of the first quarter of 2026 (91.5%).

Corporate Market [2]

Corporate Market reported a pre-tax profit of NOK 982 million for the first quarter of 2026, compared with NOK 932 million for the previous quarter.

Table 6, *Corporate market*

	Q1 26	Q4 25
Interest income	966	1,015
Commission and other income	154	174
Net income on financial investments	28	37
Total income	**1,148**	**1,225**
Operating expenses	**115**	**128**
Operating profit before impairments	**1,032**	**1,097**
Impairments on loans and financial commitments	51	165
Pre-tax profit	**982**	**932**

Pre-tax profit increased by NOK 49 million compared with the previous quarter, driven by lower impairments. Total income decreased by NOK 77 million, reflecting strong competition in the market.

In the first quarter of 2026, NOK 51 million was recognised as impairments on loans and financial liabilities, mainly due to individual losses.

The lending volume in the division amounted to NOK 140 billion at the end of the first quarter of 2026. Lending growth for the last 12 months adjusted for currency effects was 0.7%. The lending growth reflects strong competition in the market. The deposit volume was NOK 114 billion, corresponding to growth in the past 12 months of 20%, adjusted for deposits in the public sector the growth was 6.4%.

The quality of the Corporate Market portfolio is considered good. The proportion of exposures with a probability of default of less than 2.5% through a full loss cycle was 89.4% of the portfolio at the end of the first quarter of 2026 (88.3%). The property sector portfolio represents The Group's largest concentration in a single sector and accounted for 12.4% (12.8%) of total loan exposure. A large portion of this portfolio consists of financing commercial properties for leasing.

2 The interest on intracompany receivables for Retail Market and Corporate Market is fixed based on expected observable market interest rates (NIBOR) plus expected additional costs for the group's long-term funding (credit premium). Deviations between the group's actual funding costs and the applied interest on intercompany receivables are eliminated at the group level.

Subsidiaries

EiendomsMegler 1 Sør-Norge AS

The company reported revenue of NOK 224 million for the first quarter of 2026, compared to NOK 216 million for the previous quarter. The revenue increase reflects normal seasonal variation. The profit before tax increased from NOK -8 million to NOK 17 million and was attributable to higher revenue and lower costs in relation to variable compensation in the fourth quarter.

Compared with the first quarter of 2025, revenue increased from NOK 201 million to NOK 224 million, and profit before tax improved by NOK 8 million.

The company is the third-largest market participant in real estate brokerage in Southern Norway.

EiendomsMegler 1 Telemark AS

The company reported revenue of NOK 22 million in the first quarter of 2026, an increase of NOK 2 million compared with the previous quarter. Profit before tax improved from NOK 1 million to NOK 4 million.

Compared with the first quarter of 2025, revenue increased by NOK 3 million, while profit before tax improved by NOK 4 million.

The company is the largest brokerage firm in Telemark and maintains a stable market share of just under 30%.

EiendomsMegler 1 Telemark AS was legally merged with EiendomMegler 1 Sør-Norge AS, effective 31 March 2026.

SpareBank 1 Sør-Norge Forretningspartner AS

The company reported revenue of NOK 157 million for the first quarter of 2026, compared to NOK 133 million for the previous quarter. The profit before tax increased from NOK 4 million to NOK 17 million. The increase is attributable to seasonal variations.

Compared with the first quarter of 2025, revenue decreased by NOK 2 million, while profit before tax remained unchanged.

SpareBank 1 Sør-Norge Forretningspartner AS enjoys a solid market position in accounting services, with offices in Rogaland, Vestland, Agder, Vestfold, Telemark, Buskerud and Oslo.

SR-Boligkreditt AS

The company's purpose is to purchase residential mortgages from SpareBank 1 Sør-Norge ASA, and it funds this by issuing covered bonds. SR-Boligkreditt AS enables the parent company to diversify and optimise its funding. Moody's has given SR-Boligkreditt AS its best rating, Aaa.

At the end of the first quarter of 2026, the company had issued covered bonds with a value of NOK 121 billion (NOK 105 billion) and bought loans worth NOK 131 billion (NOK 107 billion) from SpareBank 1 Sør-Norge ASA.

The company reported a profit before tax of NOK 279 million for the first quarter of 2026, compared with NOK 240 million for the previous quarter and NOK 351 million for the first quarter of 2025. High volatility in the results due to large fluctuations in the market value of basisswaps. Net interest income amounted to NOK 231 million for the first quarter of 2026, a decrease of NOK 19 million from the previous quarter. Compared with the first quarter of 2025, net interest income decreased by NOK 8 million.

FinStart Nordic AS

FinStart Nordic AS has invested in, and contributed to the development and growth of, innovative financial technology companies. The aim is to strengthen and expand the group's value chains and help streamline the group by supplying innovative products and services. The company also manages the portfolio of a former subsidiary that primarily had investments linked to the oil industry. FinStart Nordic AS will going forward focus on extracting value from existing portfolios.

Profit before tax amounted to NOK 6 million in the first quarter of 2026, compared with NOK 5 million in the previous quarter and NOK -6 million for the first quarter of 2025.

Associated companies

SpareBank 1 Sør-Norge ASA's profit contributions from associated companies is incorporated using the equity method. These totalled NOK 192 million for the first quarter of 2026, compared with NOK 281 million for the previous quarter and NOK 193 million for the first quarter of 2025.

SpareBank 1 Alliance

The SpareBank 1 Alliance is Norway's second largest financial group and is a banking and product partnership in which the SpareBank 1 banks in Norway cooperate in order to keep them strong and independent. The purpose of the Alliance is to procure and provide competitive financial services and products, and to exploit economies of scale in the form of lower costs and/or higher quality. The Alliance is run through its ownership and participation in SpareBank 1 Utvikling DA, while the development and operation of product companies are organised through the banks' ownership of the holding company SpareBank 1 Gruppen AS.

SpareBank 1 Gruppen AS

SpareBank 1 Gruppen AS owns 100% of the shares in SpareBank 1 Forsikring AS, SpareBank 1 Factoring AS, and SpareBank 1 Spleis AS. SpareBank 1 Gruppen AS also owns 51% of the shares in Fremtind Holding AS, 69% of the shares in Kredinor AS, and 49% of the shares in LO Favør AS. SpareBank 1 Sør-Norge ASA owned a 19.5% stake in SpareBank 1 Gruppen AS.

SpareBank 1 Gruppen AS reported a profit after tax of NOK 944 million in the first quarter of 2026, compared with NOK 1,245 million in the previous quarter and NOK 735 million in the first quarter of 2025. The majority's share for the first quarter of 2026 amounted NOK 488 million, compared with NOK 702 million in the previous quarter and NOK 406 million in the first quarter of 2025. The reduction compared with the previous quarter is attributable to a weaker insurance result and a lower financial result.

SpareBank 1 Utvikling DA

SpareBank 1 Utvikling DA delivers business platforms and common management and development services to the Alliance banks. The company contributes to joint activities that provide the banks with benefits in the form of economies of scale and expertise. The company also owns and manages the Alliance's intellectual property rights under a common brand name, SpareBank 1. SpareBank 1 Sør-Norge ASA owned a 18.0% stake in SpareBank 1 Utvikling DA.

SpareBank 1 Forvaltning AS

SpareBank 1 Forvaltning AS delivers products and services designed to streamline and simplify savings for its customers. SpareBank 1 Forvaltning is a licensed investment firm and owns 100% of the shares in the subsidiary ODIN Forvaltning. SpareBank 1 Forvaltning AS is owned by the SpareBank 1 Alliance and the Norwegian Confederation of Trade Unions (LO). SpareBank 1 Sør-Norge ASA's stake is 41.9%.

SpareBank 1 Forvaltning AS reported a profit after tax of NOK 46 million for the first quarter of 2026, compared with NOK 74 million for the previous quarter and NOK 64 million for the first quarter of 2025. The reduction from the previous quarter was attributable to a decline in assets under management.

BN Bank ASA

BN Bank ASA is a nationwide bank with its head office in Trondheim. The bank is owned by the banks in the SpareBank 1 Alliance. SpareBank 1 Sør-Norge ASA's stake is 42.5%.

BN Bank ASA reported a profit after tax of NOK 163 million in the first quarter of 2026, a decrease of NOK 25 million from the previous quarter. The decline is attributable to lower net interest income and increased impairments. The profit after tax for the first quarter of 2025 was NOK 221 million.

The return on equity after tax was 10.1% compared with 10.7% for the previous quarter and 13.5% for the first quarter of 2025.

SB1 Markets AS

SB1 Markets AS is a leading Norwegian investment bank offering services within equity and credit analysis and trading in equities and bonds, as well as services within corporate finance, including raising capital in the equity and debt market, mergers and acquisitions, restructuring and advisory. SpareBank 1 Sør-Norge ASA's stake is 28.1%.

SB1 Markets AS reported a profit after tax of NOK 32 million in the first quarter of 2026, compared with NOK 86 million in the previous quarter and NOK 48 million in the first quarter of 2025. The reduction from the previous quarter is mainly driven by lower activity.

Kredittbanken ASA

Kredittbanken ASA is owned by the SpareBank 1 banks and the Eika Alliance, where SpareBank 1 Sør-Norge ASA's stake is 22.6%. The company offers unsecured financing to the retail market and offers credit cards and repayment.

The company reported a profit after tax of NOK 18 million in the first quarter of 2026, compared with NOK 19 million in the previous quarter and NOK -4 million in the first quarter of 2025. The increase from the first quarter of 2025 is mainly due to lower costs.

The total portfolio in the company was NOK 13 billion at the end of the first quarter of 2026, at the same level as the previous quarter and NOK 12 billion in the first quarter of 2025.

SpareBank 1 Betaling AS

The SpareBank 1 banks jointly own SpareBank 1 Betaling AS. SpareBank 1 Sør-Norge ASA's stake is 26.2%. SpareBank 1 Betaling AS owns a 25.0% stake in Vipps Holding AS.

SpareBank 1 Betaling AS reported a profit after tax of NOK 7 million in the first quarter of 2026, compared with NOK 14 million in the previous quarter and NOK -17 million in the first quarter of 2025. The increase from the first quarter of 2025 was due to the improved operating profit in Vipps AS.

For more information about the accounts of the various companies, please refer to their quarterly reports, which are available on the websites of the various companies.

Funding and liquidity

SpareBank 1 Sør-Norge ASA has a solid liquidity position at the end of the first quarter of 2026 and expects to maintain good access to long-term funding at competitive prices. The Group strives for a balanced maturity profile for funding and emphasises strong relations with Norwegian and international investors and banks. The liquidity buffer[3] was NOK 82.7 billion at the end of the first quarter of 2026 and would cover normal operations for 24 months in the event of closed markets and without net lending growth. The bank's external funding maturities over the next 12 months amount to NOK 37 billion. In addition to the liquidity buffer, the bank has NOK 74 billion in residential mortgages ready for covered bond funding.

Over the past 12 months, the Group has maintained a high proportion of long-term funding. The Group's net stable funding ratio (NSFR)[4] was 129% at the end of the first quarter of 2026, which confirms the Group's good funding situation.

SpareBank 1 Sør-Norge ASA has an Aa3 (stable) long-term rating and a P-1 short-term rating from Moody's. SpareBank 1 Sør-Norge ASA's has in addition a A1 short-term rating from S&P.

Capital ratio

Table 7, *Capital adequacy*

	Q1 26	Q4 25
CET1 capital ratio	17.67	17.57
Tier 1 capital ratio	19.56	19.45
Capital ratio	22.08	21.99
Leverage ratio	7.40	7.30

At the end of the first quarter of 2026, the CET1 capital ratio was 17.67%, and the capital adequacy ratio was 22.08%. This exceeds the current CET1 capital ratio requirement of 16.74% and the capital adequacy requirement of 20.85%.

The total requirement for SpareBank 1 Sør-Norge ASA's CET1 capital ratio was 16.74% at the end of the first quarter of 2026. The requirement includes a Pillar 2 guidance of 1.0%.

EU's crisis management directive and MREL

Based on the EU Crisis Management Directive (BRRD), the Group must meet a minimum requirement for own funds and eligible liabilities (MREL). SpareBank 1 Sør-Norge ASA has an effective MREL requirement of 37.2% of the adjusted risk-weighted assets. In addition, subordinated capital and non-preferred liabilities must account for at least 29.3%. At the end of the first quarter of 2026, SpareBank 1 Sør-Norge ASA satisfies the subordination requirement by a good margin.

The bank's share

The price of the bank's share (SB1NO) was NOK 210.50 at the end of the first quarter of 2026. This results in an effective return of 6.1% since year end 2025. The Oslo Børs's main index increased by 22.5% in the corresponding period (not corrected for dividends). 5.2% of outstanding SB1NO shares were traded in the first quarter of 2026 (4.9%).

There were 22,739 shareholders of SB1NO at the end of the first quarter of 2026 (23,696). The proportion held by companies and people abroad was 17.7% (16.7%); the 20 largest holders owned a total of 63.3% (62.6%). The bank held 3,778,982 treasury shares, while group employees owned 1.5% (1.5%).

3 Liquidity buffer: cash, short-term investments, and drawing rights in Norges Bank (bonds, including covered bonds). Assuming deposits and lending remain unchanged and no new borrowing during the period.

4 NSFR is calculated in accordance with guidelines from the Financial Supervisory Authority of Norway and is calculated as available stable funding relative to necessary stable funding.

The table below lists the 20 largest shareholders as at 31.03.2026:

Table 8, *20 largest shareholders*

	Number of shares (1,000)	%
Sparebankstiftelsen SR-Bank	78,677	21.0 %
SpareBank 1 Stiftelsen BV	32,667	8.7 %
Folketrygdfondet	25,034	6.7 %
Sparebankstiftelsen Telemark	24,381	6.5 %
Sparebankstiftelsen Modum	15,624	4.2 %
Swedbank AB	7,507	2.0 %
SpareBank 1-stiftinga Kvinnherad	6,527	1.7 %
Sparebankstiftelsen Nøtterøy-Tønsberg	5,263	1.4 %
Sparebankstiftelsen Nome	4,949	1.3 %
Skandinaviska Enskilda Banken AB	4,558	1.2 %
State Street Bank and Trust Co, U.S.A.	4,082	1.1 %
Verdipapirfondet Alfred Berg Gambak	4,049	1.1 %
J.P.Morgan SE, Luxembourg	3,779	1.0 %
J.P.Morgan SE, Luxembourg	3,504	0.9 %
Verdipapirfondet KLP AksjeNorge	3,067	0.8 %
JPMorgan Chase Bank, N.A., London	3,014	0.8 %
Pareto Aksje Norge Verdipapirfond	2,983	0.8 %
Verdipapirfond Odin Norge	2,760	0.7 %
State Street Bank and Trust Co, U.S.A.	2,710	0.7 %
State Street Bank and Trust Co, U.S.A.	2,669	0.7 %
Total 20 largest	**237,802**	**63.3 %**

The Group has a special share savings scheme for the Group's employees. All permanent employees have an opportunity to purchase shares for a specified savings amount, limited to a maximum of NOK 5,000 per employee per month, at a 30% discount and with a lock-in period of 2 years. Around 75% of the Group's employees have signed a regular savings agreement for the share savings scheme in 2026.

Sustainable development

SpareBank 1 Sør-Norge ASA aims to contribute to achieving the Paris Agreement goal of limiting global warming to 1.5°C. To support this ambition, the Group has set a target of net zero greenhouse gas emissions by 2050, both from its own operations and from its lending and investment portfolios. For material industries measured by lending volume, greenhouse gas emissions, and energy consumption as well as for the Group's own operations, specific emission pathways have been adopted with emission trajectories toward 2050.

As part of this work, a target has been set to increase the share of lending that qualifies under the Group's sustainable finance framework to 25 percent by 2030. At the end of the first quarter of 2026, the bank had financed approximately NOK 84 billion that qualifies, corresponding to 20.6 percent of total lending.

Synergies

Total cost synergies from the merger and the establishment of SpareBank 1 Sør-Norge ASA are estimated to be NOK 550 million annually from and including 2027. The Group is ahead of plan with respect to realising funding, operating and cost synergies.

Outlook

The Norwegian economy has experienced a period of elevated inflation and subdued activity, particularly within the construction sector. Nevertheless, the economy as a whole has demonstrated considerable resilience, supported by robust activity in the energy sector, manufacturing and export-oriented industries. The mainland economy is expected to grow at a moderate pace in 2026, and Norges Bank assesses capacity utilisation to be close to a normal level.

In March 2026, Norges Bank decided to maintain the policy rate at 4.0%. Inflation has eased but remains well above the 2% target. Inflation in the first quarter of 2026 was higher than previously anticipated, and strong wage growth may sustain inflationary pressures ahead. The policy rate forecast has been revised upwards since December, indicating a policy rate of 4.25-4.5 percent by the end of the year.

SpareBank 1 Sør-Norge ASA's business survey, published in January 2026, indicates that the business sector in Southern Norway enters the new year with expectations of increased activity, higher employment, and improved profitability. Optimism is strongest in manufacturing, retail and oil- and gas-related industries, with Western Norway and the Greater Oslo region reporting the most positive outlook. Agder and parts of the construction sector expect a more challenging year with lower activity. Investment willingness appears more muted, reflecting uncertainty related to framework conditions and cost levels.

Internationally, moderate economic growth is expected, while geopolitical tensions, trade restrictions, and volatility in energy and commodity markets contribute to a more uncertain global macroeconomic outlook.

Statistics Norway's indicators suggest low unemployment and moderate employment growth in 2026. Expected real wage growth is likely to support household purchasing power. However, prolonged low housing construction has tightened the housing market and increased the house price growth.

The Group's financial objectives and ambitions are as follows:

- The Group's long-term financial target for the return on equity is higher than 14% and to be among the top three comparable financial groups in Norway. This will be achieved through profitable growth in lending and other income, cost and capital efficiency and realising of synergies.
- The Group's long-term target for the cost to income ratio is 35%.
- Based on the authorities' CET1 capital ratio requirements and the Pillar 2 guidance, the Group's CET1 capital ratio target is a minimum of 16.74%.
- The Group's dividend policy is to distribute approximately 50% in cash dividend of the profit for the year. The Group has established a share buyback program as a supplement to cash dividends. Dividend decisions are made with due consideration for the Group's financial needs, capital adequacy and strategic targets.

The board is of the opinion that the drivers of structural changes within the savings bank sector remain present and intends to address these with a proactive approach. The Group's objective is to ensure long-term value creation for customers, employees, shareholders and local communities. A strong collaboration between residents, businesses, and the bank is crucial for development in the Group's market area. The board will prioritize continuing this strong collaboration.

Stavanger, 06.05.2026
The Board of Directors of SpareBank 1 Sør-Norge ASA

Income statement

Parent bank					Group		
2025	01.01.25 - 31.03.25	01.01.26 - 31.03.26	Income statement (MNOK)	Note	01.01.26 - 31.03.26	01.01.25 - 31.03.25	2025
17,881	4,524	4,139	Interest income using effective interest method		5,622	5,999	23,970
3,483	857	839	Other interest income		809	866	3,458
13,100	3,317	3,036	Interest expense		4,252	4,554	18,157
8,263	2,064	**1,943**	**Net interest income**		**2,180**	2,310	9,271
1,964	467	465	Commission income		833	815	3,370
154	33	44	Commission expenses		44	33	154
26	6	10	Other operating income		11	5	25
1,836	440	**432**	**Net commission and other income**		**799**	787	3,241
853	319	508	Income from ownership interests	11	192	193	997
364	169	126	Net gains/losses on financial instruments	11	175	201	532
1,218	487	**634**	**Net income on financial investments**		**368**	394	1,528
11,317	2,992	**3,008**	**Total income**		3,346	3,492	14,040
2,188	531	557	Salaries and other personell expense		814	774	3,198
1,584	365	325	Other operating expenses		406	451	1,905
202	47	54	Depreciation and impairment of fixed and intangible assets		62	57	237
3,974	943	**936**	**Total operating expenses**		**1,282**	1,282	5,340
7,342	2,049	**2,071**	**Operating profit before impairment**		**2,064**	2,209	8,701
381	35	59	Impairment losses on loans and financial commitments	3, 4	59	23	352
6,961	2,013	**2,013**	**Pre-tax profit**	10	**2,005**	2,186	8,349
1,403	386	340	Tax expense		405	449	1,655
5,558	1,627	**1,673**	**Profit after tax**		1,600	1,737	6,694
5,229	1,531	1,589	Shareholders' share of the profit		1,516	1,641	6,365
329	96	84	Hybrid capital owners' share of the profit		84	96	329
5,558	1,627	**1,673**	**Profit after tax**		**1,600**	1,737	6,694
			Other comprehensive income				0
-3	0	0	Unrecognised actuarial gains and losses		0	0	-3
1	0	0	Deferred tax concerning changed estimates/ pension plan changes		0	0	1
-2	0	0	**Total items not reclassified through profit or loss**		0	0	-2
-0	-1	1	Change in ECL 12 months [1)]		0	0	0
			Basis swap spread		21	79	123
			Deferred tax concerning basis swap spread		-5	-20	-31
			Share of profit associated companies and joint ventures		-4	4	9
-0	-1	1	**Total items reclassified through profit or loss**		**12**	63	101
-3	-1	1	**Other comprehensive income**		**12**	63	99
5,556	1,626	**1,674**	**Total comprehensive income**		**1,612**	1,800	6,793
			Earnings per share (group)		4.08	4.37	16.98

1) ECL - Expected credit loss

Balance sheet

Parent bank					Group		
2025	31.03.25	31.03.26	Balance sheet (MNOK)	Note	31.03.26	31.03.25	2025
121	717	121	Cash and balances with central banks		121	717	121
11,799	8,132	8,383	Balances with credit institutions		3,766	7,492	8,314
278,133	271,021	274,863	Loans to customers	4, 6, 10	405,311	377,814	395,926
81,554	67,427	82,707	Certificates and bonds		79,726	68,925	79,512
13,595	18,942	16,935	Financial derivatives	8	11,078	13,385	8,776
1,942	2,260	1,765	Shares, ownership stakes and other securities	13	2,030	2,505	2,173
5,008	5,050	4,987	Investment in associates		8,275	8,014	8,648
9,696	8,677	9,348	Investment in subsidiaries		0	0	0
3,569	3,569	3,569	Intangible assets		3,795	4,073	4,091
1,898	2,287	1,898	Deferred tax assets		1,904	2,405	1,897
589	614	592	Fixed assets		1,183	1,269	1,240
1,091	1,058	1,115	Right-of-use assets		493	471	515
1,306	927	675	Other assets		1,144	1,526	1,838
0	0	361	Assets classified as held for sale	14	607	0	0
410,300	390,682	**407,320**	**Total assets**		**519,433**	488,597	513,054
5,389	1,929	3,761	Balances with credit institutions		2,145	888	3,694
231,725	211,216	240,898	Deposits from customers	5, 10	240,369	210,778	231,112
72,787	75,608	64,630	Listed debt securities	9	180,378	180,111	182,906
17,618	19,648	16,102	Financial derivatives	8	9,920	10,776	7,743
1,005	896	831	Taxes payable		974	1,055	1,167
1,172	1,128	1,207	Lease liabilities		531	498	546
424	426	425	Pension liabilities		431	433	431
49	101	129	Impairment on financial commitments	4	129	101	50
1,106	1,138	831	Other liabilities		1,120	1,576	1,522
22,612	22,279	21,202	Senior non-preferred bonds	9	21,202	22,279	22,612
5,776	5,764	5,703	Subordinated loan capital	9	5,703	5,764	5,776
0	0	0	Liabilities classifies as held for sale	14	148	0	0
359,661	340,135	**355,719**	**Total liabilities**		**463,050**	434,261	457,558
9,386	9,386	9,386	Share capital		9,386	9,386	9,386
14,719	14,719	14,719	Premium reserve		14,719	14,719	14,719
4,000	4,300	4,000	Hybrid capital		4,000	4,300	4,000
22,534	22,142	23,496	Other equity		28,278	25,931	27,391
50,639	50,547	**51,601**	**Total equity**		**56,383**	54,336	55,496
410,300	390,682	**407,320**	**Total liabilities and equity**		**519,433**	488,597	513,054

Statement of changes in equity

SpareBank 1 Sør-Norge Group (MNOK)	Share-capital	Premium reserve	Hybrid-capital	Value of basis swap defined as hedging instrument	Other equity	Total equity
Equity as at 31.12.24	9,386	14,719	4,300	-204	24,437	52,637
Profit after tax			96		1,641	1,737
Basisswap spread after tax				59		59
Share of profit associated companies and joint ventures					4	4
Total comprehensive income			96	59	1,645	1,800
Interest on hybridcapital			-96			-96
Transactions against equity in subsidiaries and associated companies					-8	-8
Net purchase of own shares					2	2
Transactions with shareholders	-	-	-	-	2	2
Equity as at 31.03.25	9,386	14,719	4,300	-145	26,076	54,336
Equity as at 31.12.25	**9,386**	**14,719**	**4,000**	**-112**	**27,503**	**55,496**
Profit after tax			84		1,516	1,600
Basisswap spread after tax				16		16
Share of profit associated companies and joint ventures					-4	-4
Total comprehensive income			84	16	1,512	1,612
Interest on hybridcapital			-84			-84
Transactions against equity in subsidiaries and associated companies					-12	-12
Net purchase of own shares					-628	-628
Transactions with shareholders	-	-	-	-	-628	-628
Equity as at 31.03.26	**9,386**	**14,719**	**4,000**	**-96**	**28,374**	**56,383**

Cash flow statement

Parent bank				Group		
2025	01.01.25 - 31.03.25	01.01.26 - 31.03.26	Cash flow statement	01.01.26 - 31.03.26	01.01.25 - 31.03.25	2025
-12,793	-5,516	2,510	Change in gross lending to customers	-10,116	-5,962	-24,238
27,414	5,484	7,934	Change in deposits from customers	8,018	5,479	27,228
8,935	5,251	-4,485	Change in receivables and debt from credit institutions	-3,365	382	6,257
-20,679	-7,683	-3,160	Change in certificates and bonds	-2,225	-8,100	-18,687
21,045	5,071	4,924	Interest receipts	6,566	6,771	27,035
-12,786	-1,818	-1,671	Interest payments	-2,828	-3,296	-17,834
1,831	415	416	Commission receipts	777	760	3,236
867	736	1	Capital gains from sale of trading	1	729	894
-3,657	-975	-936	Payments for operations	-1,300	-1,339	-5,026
-134	-25	-38	Lease payments	-33	-19	-121
-1,020	-510	-514	Taxes paid	-639	-521	-1,178
-396	381	181	Other net payments	-8	-76	2,011
8,627	811	**5,162**	**A Net change in liquidity from operations**	**-5,153**	-5,192	-422
-174	-48	-36	Investments in tangible fixed assets	-45	-54	-208
80	1	27	Receipts from sale of tangible fixed assets	27	1	80
-2,057	-1,000	-12	Change in long-term investments in equities	-3	-0	-49
543	162	217	Receipts from sales of long-term investments in equities	200	162	526
964	319	549	Dividends from long-term investments in equities	549	193	653
-645	-566	**744**	**B Net cash flow, investments**	**728**	302	1,002
12,961	0	3,094	Debt raised by issuance of securities and senior non-preferred bonds	14,266	9,992	38,070
-18,753	-1,443	-9,149	Repayments - issued securities and senior non-preferred bonds	-9,986	-6,301	-36,460
0	0	0	Additional subordinated loan capital issued	0	0	0
0	0	0	Repayments - additional capital instruments	0	0	0
400	0	0	Issued hybrid capital	0	0	400
-700	0	0	Repayments in debt established by issuing hybrid capital	0	0	-700
-329	-96	-84	Interest payments on debt established by issuing hybrid capital	-84	-96	-329
-110	0	-628	Net purchase of own shares	-628	0	-110
-3,191	0	0	Dividend to share holders	0	0	-3,191
-9,722	-1,539	**-6,768**	**C Net cash flow, financing**	**3,567**	3,595	-2,321
-1,741	-1,294	**-862**	**A+B+C Net cash flow during the period**	**-858**	-1,294	-1,741
3,173	3,173	1,433	Cash and cash equivalents as at 1 January	1,433	3,174	3,174
1,433	1,879	571	Cash and cash equivalents at the end of the period	576	1,880	1,433
			Cash and cash equivalents specified			
121	717	121	Cash and balances with central banks	121	717	121
1,312	1,162	450	Deposits with credit institutions with no agreed periode of notice	454	1,163	1,312
1,433	1,879	**571**	**Cash and cash equivalents**	**576**	1,880	1,433

The cash and cash equivalents includes cash and claims on central banks, plus the share of the total of claims on credit institutions that pertains to placement solely in credit institutions. The cash flow statement shows cash provided and used by the parent bank and the group.

Notes to the financial statements

(figures in NOK million unless otherwise stated)

Note 1 Accounting policies

1.1 Basis of preparation

These interim financial statements for SpareBank 1 Sør-Norge ASA cover the period 1 January - 31 March 2026. The interim financial statements were prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements are unaudited. These interim financial statements were prepared in accordance with the applicable IFRS® standards and IFRIC interpretations.

The interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements for 2025.

New and revised standards not yet implemented :

As of 1 January 2026, no new standards, amendments to standards, or interpretations that have a material impact on the financial statements of the Group or the parent company have been adopted

New standards and interpretations that have not been adopted yet:

There are a number of new standards, changes to the standards and interpretations that are mandatory for future annual accounts.There are no standards or interpretations that have not been adopted yet, that are expected to have any material effects on the group's statements.

Note 2 Critical estimates and judgements concerning use of the accounting policies

The preparation of the consolidated financial statements entails the group executive management making estimates, judgements and assumptions that affect the effect of the application of the accounting policies and thus the amounts recognised for assets, liabilities, income and costs. Note 3 of the annual financial statements for 2025 explains in more detail the use of critical estimates and judgements when applying the accounting policies.

Impairments on loans

The group's assessment of critical estimates and judgements concerning the use of the accounting policies has not changed since 31.12.2025.

The group conducts annual evaluation of its corporate market portfolio. High-risk exposures in the corporate market portfolio are evaluated on a quarterly basis. Loans to retail customers are subject to evaluation when they are more than 90 days past due; larger exposures in default are evaluated on a quarterly basis.

The group's risk classification systems are described under financial risk management in the annual report.

The group carries out an impairment if there is objective evidence that can be identified for an individual exposure, and the objective evidence entails a reduction in future cash flows for servicing the exposure. Objective evidence may be default, bankruptcy, insolvency or other significant financial difficulties.

(continued from Note 2)

Individual impairment provisions are calculated as the difference between the loan's book (carrying) value and the present value of future cash flows based on the effective interest rate at the time of the calculation of the initial individual impairment. Account is taken of subsequent changes in interest rates for loan agreements with variable rates if these changes affect the expected cash flow. For smaller exposures, the general rule is that the difference between the actual exposure at the time of impairment and the realisation value (underabsorption) of the pledged collateral is written down, and that the impairment is based on one scenario. For larger exposures, the general rule is that the difference between the actual exposure and the bank's assessment of the discounted value of the customer's future cash flow is written down, and the impairment is based on three scenarios.

According to IFRS 9, loss provisions are recognised for all exposures based on expected credit loss (ECL). The measurement of the provisions for expected losses on exposures that are not individually impaired depends on whether or not the credit risk has increased significantly since initial recognition. Upon initial recognitionn and when the credit risk has not increased significantly after initial recognition, provisions must be made for 12 months' expected losses. If the credit risk has increased substantially after initial recognition, provisions must be made for expected losses over the entire lifetime. Expected credit loss is calculated on the basis of the present value of all cash flows over the remaining expected lifetime.

Climate related issues are given increased attention in the credit assessments, and the related risiks are first and foremost uncovered through the utilisation of an ESG-module in the credit related work. Climate-related risk is also taken into account in the assessment of individual impairments. A need for specific, climate related impairment provisions has so far not been deemed neccessary. The scoring from the ESG-module is included in the stress test-model which is used, among other things, for the preparation of climate-related stress tests. Further development and clarifications regarding how expectations of climate related credit losses are to be included in the impairment provisions/IFRS 9-model are still needed. Also refer to note 6 in the annual financial statements for 2025.

A probability weighted average is calculated for four different scenarios: an upside scenario, a base scenario, an sector crisis scenario and a stress scenario, respectively. The base scenario is based on the most recent editon of "Monetary Policy Report", and represents a normal business cycle. The upside scenario represents a period of economic growth with better macro economic prospects than the base scenario. The sector crisis scenario represents a sector-specific downturn period, currently based on a scenario involving a prolonged trade war. This selected sector crisis scenario is aligned with the group's overall scenario framework. The stress scenario is linked to the group's periodic internal capital adequacy assessment process (ICAAP) for a period of comprehensive economic decline. The scenarios are reviewed quarterly by an internal working group consisting of senior-level personnel and are adjusted if there are significant changes in the macroeconomic outlook. In the first quarter of 2026, some model improvements were implemented, which, together with macroeconomic environment and credit risk trends, contributed to a slight reduction in impairment charges. No changes were made to the scenario weighting in the first quarter of 2026. Total impairment charges on exposures without individual impairment have decreased by NOK 40 million. This change should be seen in conjunction with exposures that were individually impaired during the period.

The choice of scenarios and their weighting are regularly reviewed (at least once a year) by the aforementioned working group. As at 31 March 2026, the upside scenario had a 5% weighting, the base scenario had a 85% weighting, the adverse scenario had a 7,5% weighting, and the stress scenario had a weighting of 2,5%. The weighting is the same for all portfolios and reflects the uncertainty associated with economic developments going forward. In order to illustrate the associated weight sensitivity, a simulation of the effects of a more conservative scenario weighting was conducted in which the weight of the update scenario is unchanged at 5%, base scenario was reduced to 75%, the adverse scenario werer increased to 10,0% and the stress scenario were increased to 10,0% . Such a change in the scenario weighting would, all else equal, increase the group's expected impairment losses for commitments without individual impairment by NOK 212 million.

(continued from Note 2)

Sensitivity Calculations (NOK millions)	Upside scenario	Base scenario	Sector crisis scenario	Stress scenario	Corporate market	Retail market	SR-Bolig-kreditt	Not distributed	Total Group	Change in applied scenario
Weights used as at 31.3.2026										
ECL in Upside scenario					727	65	13	6	811	
ECL in Base scenario					816	74	17	7	914	
ECL in Sector crisis scenario					1,551	202	69	20	1,842	
ECL in Stress scenario					2,953	313	126	37	3,429	
ECL with applied scenario weighting (current, used from third quarter of 2025)	5.0 %	85.0 %	7.5 %	2.5 %	920	92	24	6	1,042	
Alternative scenario weighting I	10.0 %	80.0 %	7.5 %	2.5 %	915	89	23	9	1,036	-6
Alternative scenario weighting II	5.0 %	80.0 %	12.5 %	2.5 %	957	96	26	9	1,088	46
Alternative scenario weighting III	5.0 %	80.0 %	10.0 %	5.0 %	992	99	28	10	1,129	87
Alternative scenario weighting IV	5.0 %	75.0 %	15.0 %	5.0 %	1,029	105	30	10	1,174	132
Alternative scenario weighting V	5.0 %	75.0 %	10.0 %	10.0 %	1,099	111	33	11	1,254	212
Weights used as at 31.12.2025										
ECL in Upside scenario					730	58	10	5	803	
ECL in Base scenario					853	74	17	6	950	
ECL in Sector crisis scenario					1,692	207	71	11	1,981	
ECL in Stress scenario					2,955	298	113	22	3,388	
ECL with applied scenario weighting (current, used from third quarter of 2025)	5.0 %	85.0 %	7.5 %	2.5 %	965	91	23	2	1,081	
Alternative scenario weighting I	10.0 %	80.0 %	7.5 %	2.5 %	956	88	23	7	1,074	-7
Alternative scenario weighting II	5.0 %	80.0 %	12.5 %	2.5 %	1,005	95	26	7	1,133	52
Alternative scenario weighting III	5.0 %	80.0 %	10.0 %	5.0 %	1,036	98	27	7	1,168	87
Alternative scenario weighting IV	5.0 %	75.0 %	15.0 %	5.0 %	1,078	104	30	8	1,220	139
Alternative scenario weighting V	5.0 %	75.0 %	10.0 %	10.0 %	1,141	109	32	8	1,290	209

Closely monitoring customers and prevention work are important measures actively employed by the group to maintain its good risk profile in the group's loan portfolio.

Fair value of financial derivatives and other financial instruments

The fair value of derivatives is determined using valuation methods where the price of the underlying instrument, for example, interest rate or currency rate, is obtained from the market. When measuring financial instruments for which observable market data is not available, the group makes assumptions regarding what market actors would base their valuation on for equivalent financial instruments. Valuations require extensive use of discretion, including when calculating liquidity risk, credit risk and volatility. Any change in the aforementioned factors will affect the fair value determined for the group's financial instruments. For more information see note 25 on the classification of financial instruments in the annual financial statements for 2024. In the case of options, volatility will be either observed implicit volatility or calculated volatility based on historical price movements for the underlying object.

The group's assessments of critical estimates and judgements regarding its use of accounting policies are challenging but are currently considered to be the best estimate

Note 3 Impairments on loans and financial commitments recognised in the income statement

Parent Bank				Group		
2025	01.01.25 - 31.03.25	01.01.26 - 31.03.26		01.01.26 - 31.03.26	01.01.25 - 31.03.25	2025
75	-46	-110	Change in impairments on loans	-110	-58	46
-58	-6	88	Change in impairments on financial commitments	88	-6	-58
487	97	124	Actual loan losses on commitments	124	97	487
20	2	5	Change in accrued interest	5	2	20
0	0	-0	Change in assets taken over for the period	-0	0	0
-144	-12	-48	Recoveries on commitments previously written-off	-48	-12	-144
381	35	**59**	**Total impairments on loans and financial commitments**	**59**	23	352

Note 4 Impairment provisions on loans and financial commitments recognised in the balance sheet

Parent Bank **2026** **Impairment provisions on loans and financial commitments**	**01.01.26**	**Changes in impairment provisions on loans**	**Changes in impairment provisions on financial commitments**	**Total 31.03.26**
Impairment provisions after amortised cost, Corporate market	1,448	-139	79	1,388
Impairment provisions after amortised cost, Retail market	130	-3	0	127
Mortgages at FVOCI [1)]	54	-2	0	52
Total impairment provisions on loans and financial commitments	**1,631**	**-143**	**79**	**1,567**
Presented as				
Impairment provisions on loans	1,582	-143	0	1,439
Impairment provisions on financial commitments	49	0	79	129
Total impairment provisions on loans and financial commitments	**1,631**	**-143**	**79**	**1,567**

2025 Impairment provisions on loans and financial commitments	01.01.25			Total 31.03.25
Impairment provisions after amortised cost, Corporate market	1,368	4	-9	1,363
Impairment provisions after amortised cost, Retail market	112	2	1	115
Home mortgages at FVOCI [1)]	149	-56	0	93
Total impairment provisions on loans and financial commitments	1,629	-50	-8	1,571
Presented as				
Impairment provisions on loans	1,520	-50	0	1,470
Impairment provisions on financial commitments	109	0	-8	101
Total impairment provisions on loans and financial commitments	1,629	-50	-8	1,571

Group **2026** **Impairment provisions on loans and financial commitments**	**01.01.26**	**Changes in impairment provisions on loans**	**Changes in impairment provisions on financial commitments**	**Total 31.03.26**
Impairment provisions after amortised cost, Corporate market	1,448	-139	79	1,388
Impairment provisions after amortised cost, Retail market	220	-4	1	216
Mortgages at FVOCI [1)]	-14	0	0	-14
Total impairment provisions on loans and financial commitments	**1,654**	**-143**	**79**	**1,591**
Presented as				
Impairment provisions on loans	1,605	-143	0	1,462
Impairment provisions on financial commitments	50	0	79	129
Total impairment provisions on loans and financial commitments	**1,654**	**-143**	**79**	**1,591**

2025 Impairment provisions on loans and financial commitments	01.01.25			Total 31.03.25
Impairment provisions after amortised cost, Corporate market	1,368	4	-9	1,363
Impairment provisions after amortised cost, Retail market	313	-66	1	248
Home mortgages at FVOCI [1)]	0	0	0	0
Total impairment provisions on loans and financial commitments	1,681	-62	-8	1,611
Presented as				
Impairment provisions on loans	1,572	-62	0	1,510
Impairment provisions on financial commitments	109	0	-8	101
Total impairment provisions on loans and financial commitments	1,681	-62	-8	1,611

[1)] FVOCI - Fair value other comprehensive income

(continued from Note 4)

Parent Bank	**01.01.26 - 31.03.26**				01.01.25 - 31.03.25			
Impairment provisions on loans per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Impairment provisions on loans 01.01	310	482	789	1,582	294	551	674	1,520
Changes 01.01 - 31.03								
Transfer to (from) stage 1	-8	8	0	-0	-5	5	0	0
Transfer to (from) stage 2	82	-87	5	0	39	-60	21	0
Transfer to (from) stage 3	1	0	-1	0	0	5	-5	0
Net new measurement of impairment provisions	-102	6	-18	-114	-43	47	-9	-6
New issued or purchased loan	54	10	41	105	37	4	19	61
Loans that have been derecognised	-32	-54	-48	-134	-19	-68	-19	-105
Impairment provisions on loans 31.03	305	365	768	**1,439**	303	484	683	1,470

Impairment provisions on financial commitments per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Impairment provisions on financial commitments 01.01.	23	9	18	49	45	48	15	109
Changes 01.01 - 31.03								
Transfer to (from) stage 1	-0	0	0	0	-0	0	0	-0
Transfer to (from) stage 2	1	-1	0	-0	9	-10	1	0
Transfer to (from) stage 3	0	0	0	0	0	0	-0	0
Net new measurement of impairment provisions	20	38	-6	51	-13	3	-2	-11
New issued or purchased loan	15	0	20	35	17	0	1	18
Loans that have been derecognised	-6	-1	-0	-7	-11	-4	-0	-15
Impairment provisions on financial commitments 31.03	52	45	32	**129**	47	39	14	101

Group	**01.01.26 - 31.03.26**				01.01.25 - 31.03.25			
Impairment provisions on loans per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Impairment provisions on loans 01.01	319	496	789	1,605	304	593	675	1,572
Changes 01.01 - 31.03								
Transfer to (from) stage 1	-8	8	0	-0	-5	5	0	0
Transfer to (from) stage 2	86	-90	5	0	44	-65	21	0
Transfer to (from) stage 3	1	0	-1	0	0	5	-5	0
Net new measurement of impairment provisions	-105	8	-18	-115	-50	46	-9	-13
New issued or purchased loan	55	11	42	108	38	6	19	64
Loans that have been derecognised	-33	-56	-48	-136	-19	-74	-19	-113
Impairment provisions on loans 31.03	315	378	769	**1,462**	312	515	683	1,510

Impairment provisions on financial commitments per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Impairment provisions on financial commitments 01.01.	23	9	18	50	45	49	15	109
Changes 01.01 - 31.03								
Transfer to (from) stage 1	-0	0	0	0	-0	0	0	-0
Transfer to (from) stage 2	1	-1	0	-0	9	-10	1	0
Transfer to (from) stage 3	0	0	0	0	0	0	-0	0
Net new measurement of impairment provisions	20	38	-6	52	-13	3	-2	-11
New issued or purchased loan	15	0	20	35	17	0	1	18
Loans that have been derecognised	-6	-1	-0	-7	-11	-4	-0	-15
Impairment provisions on financial commitments 31.03	53	45	32	**129**	47	39	14	101

Note 5 Customer deposits

Parent bank				Group		
31.12.25	**31.03.25**	**31.03.26**	**Customer deposits by industry**	**31.03.26**	**31.03.25**	**31.12.25**
1,897	1,533	2,182	Aquaculture	2,182	1,533	1,897
2,664	2,338	2,590	Industry	2,590	2,338	2,664
2,791	3,014	3,283	Agriculture/forestry	3,283	3,014	2,791
7,216	6,384	6,411	Financial and insurance services	5,882	5,946	6,603
3,140	3,474	2,698	Administrative and support services	2,698	3,474	3,140
50,668	41,680	59,557	Other service industry	59,557	41,680	50,668
6,320	5,453	5,681	Wholesale and retail trade, hotels and restaurants	5,681	5,453	6,320
2,045	1,564	1,620	Offshore, oil and gas E&P	1,620	1,564	2,045
2,797	2,176	2,257	Oilservices	2,257	2,176	2,797
8,538	7,169	7,646	Building and construction	7,646	7,169	8,538
9,282	7,779	11,065	Renewable, energy, water, and waste collection	11,065	7,779	9,282
10,444	11,893	10,780	Commercial real estate	10,780	11,893	10,444
4,153	3,338	3,129	Shipping	3,129	3,338	4,153
1,622	1,707	1,577	Other transport	1,577	1,707	1,622
113,577	99,501	**120,475**	**Total corporate market**	**119,947**	99,064	112,964
118,148	111,715	**120,423**	**Retail customers**	**120,423**	111,715	118,148
231,725	211,216	**240,898**	**Deposits from customers**	**240,369**	210,778	231,112

Note 6 Loans and other financial commitments to customers

Parent bank				Group		
31.12.25	**31.03.25**	**31.03.26**	**Gross loans to customers by industry**	**31.03.26**	**31.03.25**	**31.12.25**
6,388	5,120	6,215	Aquaculture	6,215	5,120	6,388
4,845	5,442	4,944	Industry	4,944	5,442	4,845
9,447	8,942	9,532	Agriculture/forestry	9,532	8,942	9,447
9,321	9,805	8,055	Financial and insurance services	8,055	9,805	9,321
4,833	6,399	5,854	Administrative and support services	5,854	6,399	4,833
15,812	11,140	15,126	Other service industry	15,009	10,990	15,668
3,626	4,337	4,260	Wholesale and retail trade, hotels and restaurants	4,260	4,337	3,626
4,359	4,731	5,560	Offshore, oil and gas E&P	5,560	4,731	4,359
3,071	1,192	2,921	Oilservices	2,921	1,192	3,071
14,638	13,734	14,446	Building and construction	14,446	13,734	14,638
8,664	6,477	9,081	Renewable, energy, water, and waste collection	9,081	6,477	8,664
47,893	52,946	48,767	Commercial real estate	48,767	52,946	47,893
5,262	7,179	6,226	Shipping	6,226	7,179	5,262
1,979	3,244	1,993	Other transport	1,993	3,244	1,979
140,136	140,688	**142,981**	**Total corporate sector**	**142,864**	140,539	139,991
139,558	131,782	**133,298**	**Retail customers**	**263,895**	238,771	257,526
279,693	272,470	**276,279**	**Gross loans**	**406,759**	379,310	397,517
-1,582	-1,470	-1,439	- Impairment provisions after amortised cost	-1,462	-1,510	-1,605
21	20	23	- Home mortgages at FVOCI [1)]	14	14	14
278,133	271,021	**274,863**	**Loans to customers**	**405,311**	377,814	395,926
279,693	272,470	**276,279**	**Gross loans**	**406,759**	379,310	397,517
19,593	27,844	16,007	Loans transferred to SB1 Boligkreditt	16,007	27,844	19,593
1,224	1,281	887	Loans transferred to SB1 Næringskreditt	887	1,281	1,224
300,511	301,595	**293,174**	**Gross loans to customers incl. transferred to credit institutions**	**423,654**	408,435	418,335
			Financial commitments [2)]			
19,343	17,685	21,121	Guarantees customers	31,958	17,720	19,359
30,262	29,759	31,527	Unused credit lines for customers	43,847	39,994	42,482
24,868	22,840	18,658	Approved loan commitments	18,658	22,840	24,868
74,473	70,284	**71,306**	**Total financial commitments**	**94,463**	80,554	86,709
			Other guarantees issued and liabilities			
16,368	19,025	15,198	Unused credit lines for financial institutions	0	0	0
501	501	501	Guarantees other	501	501	501
124	122	78	Letters of credit	78	122	124
16,994	19,647	**15,778**	**Total other guarantees issued and liabilities**	**580**	623	625

1) FVOCI - Fair value other comprehensive income

2) Financial commitments not on the balance sheet that are the basis for impairments

(continued from Note 6)

Parent bank

2026 **Loans to customers by industry and stages**	**Gross loans at amortised cost**	**Loans at fair value**	**Stage 1**	**Stage 2**	**Stage 3**	**Net loans 31.03.26**
Aquaculture	6,176	39	-8	-7	-24	6,176
Industry	4,801	143	-11	-13	-35	4,886
Agriculture/forestry	6,651	2,881	-2	-4	-17	9,509
Financial and insurance services	8,048	7	-29	-20	-80	7,926
Administrative and support services	5,661	193	-16	-6	-92	5,741
Other service industry	13,587	1,539	-29	-28	-89	14,979
Wholesale and retail trade, hotels and restaurants	3,980	280	-9	-15	-51	4,186
Offshore, oil and gas E&P	5,560	0	-5	-1	0	5,555
Oilservices	2,920	1	-6	-12	-19	2,884
Building and construction	13,806	640	-34	-59	-163	14,190
Renewable, energy, water, and waste collection	9,067	15	-15	-3	-9	9,055
Commercial real estate	48,567	200	-113	-141	-82	48,430
Shipping	6,226	0	-10	-7	0	6,209
Other transport	1,736	257	-3	-7	-2	1,981
Total corporate market	136,787	6,194	-288	-323	-664	**141,706**
Retail customers	5,290	128,008	-17	-42	-105	**133,135**
Mortgages at FVOCI [1)]			23			23
Loans to customers	142,077	134,202	-282	-365	-768	**274,863**

2025 Loans to customers by industry and stages	Gross loans at amortised cost	Loans at fair value	Stage 1	Stage 2	Stage 3	Net loans 31.03.25
Aquaculture	5,099	21	-12	-5	-18	5,085
Industry	5,354	88	-10	-19	-26	5,387
Agriculture/forestry	6,523	2,420	-3	-9	-8	8,923
Financial and insurance services	9,799	7	-30	-28	-61	9,686
Administrative and support services	6,294	106	-20	-12	-49	6,318
Other service industry	10,445	694	-40	-43	-60	10,996
Wholesale and retail trade, hotels and restaurants	4,138	199	-9	-21	-43	4,264
Offshore, oil and gas E&P	4,731	0	-7	-4	0	4,720
Oilservices	1,188	4	-3	-21	-106	1,063
Building and construction	13,479	256	-31	-36	-100	13,567
Renewable, energy, water, and waste collection	6,469	8	-19	-4	-9	6,446
Commercial real estate	52,676	269	-89	-195	-86	52,575
Shipping	7,179	0	-8	-0	0	7,171
Other transport	3,085	159	-7	-14	-14	3,209
Total corporate market	136,459	4,229	-288	-410	-581	139,409
Retail customers	2,998	128,784	-15	-74	-102	131,591
Mortgages at FVOCI			20			20
Loans to customers	139,457	133,014	-283	-484	-683	271,021

(continued from Note 6)

Group

2026 **Loans to customers by industry and stages**	**Gross loans at amortised cost**	**Loans at fair value**	**Stage 1**	**Stage 2**	**Stage 3**	**Net loans 31.03.26**
Aquaculture	6,214	2	-8	-7	-24	6,176
Industry	4,925	18	-11	-13	-35	4,885
Agriculture/forestry	9,064	468	-2	-4	-17	9,509
Financial and insurance services	8,053	3	-29	-20	-80	7,926
Administrative and support services	5,843	11	-16	-6	-92	5,741
Other service industry	14,863	146	-29	-29	-89	14,862
Wholesale and retail trade, hotels and restaurants	4,221	39	-9	-15	-51	4,186
Offshore, oil and gas E&P	5,560	0	-5	-1	0	5,555
Oilservices	2,921	0	-6	-12	-19	2,884
Building and construction	14,408	37	-34	-59	-163	14,189
Renewable, energy, water, and waste collection	9,078	4	-15	-3	-9	9,055
Commercial real estate	48,705	62	-113	-141	-82	48,430
Shipping	6,226	0	-10	-7	0	6,209
Other transport	1,978	15	-3	-7	-2	1,981
Total corporate market	142,059	805	-288	-324	-664	**141,588**
Retail customers	253,060	10,835	-27	-54	-105	**263,710**
Mortgages at FVOCI			14			14
Loans to customers	395,119	11,640	-301	-378	-769	**405,311**

2025 Loans to customers by industry and stages	Gross loans at amortised cost	Loans at fair value	Stage 1	Stage 2	Stage 3	Net loans 31.03.25
Aquaculture	5,120	0	-12	-5	-18	5,085
Industry	5,425	17	-10	-19	-26	5,386
Agriculture/forestry	8,156	786	-3	-9	-8	8,922
Financial and insurance services	9,801	4	-30	-28	-61	9,686
Administrative and support services	6,385	14	-20	-12	-49	6,318
Other service industry	10,800	190	-40	-43	-60	10,846
Wholesale and retail trade, hotels and restaurants	4,300	37	-9	-21	-43	4,263
Offshore, oil and gas E&P	4,731	0	-7	-4	0	4,720
Oilservices	1,192	0	-3	-21	-106	1,063
Building and construction	13,692	42	-31	-36	-100	13,567
Renewable, energy, water, and waste collection	6,477	0	-19	-4	-9	6,446
Commercial real estate	52,903	42	-89	-195	-86	52,575
Shipping	7,179	0	-8	-0	0	7,171
Other transport	3,231	12	-7	-14	-14	3,209
Total corporate market	139,394	1,145	-289	-412	-581	139,258
Retail customers	226,250	12,522	-23	-103	-103	238,542
Mortgages at FVOCI [1)]			14			14
Loans to customers	365,644	13,666	-298	-515	-683	377,814

(continued from Note 6)

Parent bank

	01.01.26 - 31.03.26				01.01.25 - 31.03.25			
Gross loans per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.	256,451	20,564	2,678	279,693	238,463	26,859	2,643	267,965
Transfer to (from) stage 1	-4,573	3,460	1,113	0	-2,731	2,022	709	0
Transfer to (from) stage 2	2,330	-2,386	56	0	1,463	-1,650	187	0
Transfer to (from) stage 3	7	10	-17	0	1	34	-35	0
Net increase/(decrease) balance existing loans	5,837	557	15	6,408	7,078	876	9	7,962
Originated or purchased during the period	66,418	960	312	67,690	50,783	462	210	51,455
Loans that have been derecognised	-71,083	-4,665	-1,764	-77,512	-49,792	-3,813	-1,306	-54,911
Gross loans 31.03	255,386	18,500	2,394	**276,279**	245,265	24,790	2,416	272,470
Financial commitments per stage [1) 2)]								
Financial commitments 01.01.	70,965	3,293	216	74,473	62,209	3,388	180	65,776
Net increase / (decrease) during period	-3,360	180	12	-3,167	5,631	-1,047	-76	4,508
Financial commitments 31.03	67,605	3,473	228	**71,306**	67,840	2,341	104	70,284

Group

Gross loans per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.	371,121	23,703	2,693	397,517	339,919	33,076	2,683	375,678
Transfer to (from) stage 1	-5,117	3,996	1,121	0	-3,837	3,129	709	0
Transfer to (from) stage 2	3,006	-3,063	57	0	2,413	-2,603	190	0
Transfer to (from) stage 3	7	10	-17	0	1	36	-37	0
Net increase/(decrease) balance existing loans	7,963	609	15	8,587	8,696	974	9	9,679
Originated or purchased during the period	94,021	1,245	321	95,587	60,936	796	210	61,941
Loans that have been derecognised	-88,010	-5,149	-1,773	-94,932	-61,915	-4,738	-1,335	-67,988
Gross loans 31.03	382,991	21,352	2,416	**406,759**	346,213	30,670	2,428	379,310
Financial commitments per stage [1) 2)]								
Financial commitments 01.01.	82,874	3,618	217	86,709	71,672	3,974	183	75,829
Net increase / (decrease) during period	7,378	361	15	7,754	5,834	-1,034	-76	4,724
Financial commitments 31.03	90,252	3,979	232	**94,463**	77,506	2,940	107	80,554

1) Financial commitments include guarantees, undrawn credit and loan commitments

2) Financial commitments provide the basis for impairment losses under IFRS 9

Note 7 Capital adequacy

Capital adequacy is calculated and reported in accordance with the EU's capital requirements for banks and securities undertakings (CRD IV/CRR).SpareBank 1 Sør-Norge has permission from the Financial Supervisory Authority of Norway to use internal measurement methods (Internal Rating Based Approach) for quantifying credit risk. The use of IRB requires the bank to comply with extensive requirements relating to organisation, expertise, risk models and risk management systems. At the end of first quarter of 2026, SpareBank 1 Sør-Norge has complied in full with all its externally imposed capital requirements.

Parent bank				Group		
31.12.25	**31.03.25**	**31.03.26**		**31.03.26**	**31.03.25**	**31.12.25**
9,386	9,386	9,386	Share capital	9,386	9,386	9,386
14,719	14,719	14,719	Premium reserve	14,719	14,719	14,719
4,498	3,191	4,498	Allocated to dividend	4,498	3,191	4,498
4,000	4,300	4,000	Hybrid capital	4,000	4,300	4,000
18,036	18,950	18,998	Other equity	23,780	22,739	22,893
50,639	50,547	**51,601**	**Total equity**	**56,383**	54,336	55,496
			Deductions			
-3,569	-3,569	-3,569	Deferred taxes, goodwill and other intangible assets	-5,001	-5,667	-5,004
-4,498	-3,191	-4,498	Deduction for allocated dividends	-4,498	-3,191	-4,498
-481	-449	-546	Deduction in expected losses IRB less loss provisions	-753	-780	-689
-9	-2	-12	Insufficient coverage for non-performing exposures	-12	-2	-9
-4,000	-4,300	-4,000	Hybrid capital that cannot be included in CET 1 capital	-4,000	-4,300	-4,000
-704	0	0	Share buy-back program	0	0	-704
0	-861	-1,673	Profit for the period that cannot be included in total Tier 1 capital	-1,651	-1,110	-134
-496	-496	-496	Deduction for CET 1 capital in not essential investments in financial institutions	-409	-403	-411
-103	-92	-103	Value adjustments due to the requirements for prudent valuation	-111	-101	-109
36,778	37,586	**36,704**	**Common equity Tier 1 capital**	**39,948**	38,781	39,938
4,000	4,300	4,000	Hybrid capital	4,311	3,989	4,324
-49	-78	-49	Deduction for essential investments in financial institutions	-49	-78	-49
40,729	41,108	**40,655**	**Tier 1 capital**	**44,210**	42,692	44,213
			Tier 2 capital			
5,523	5,617	5,478	Term subordinated loan capital	5,945	6,196	6,005
-238	-260	-237	Deduction for essential investments in financial institutions	-237	-260	-238
5,285	5,357	**5,240**	**Tier 2 capital**	**5,707**	5,936	5,767
46,014	46,466	**45,896**	**Own funds**	**49,918**	48,629	49,980

(continued from Note 7)

Parent bank				Group		
31.12.25	**31.03.25**	**31.03.26**		**31.03.26**	**31.03.25**	**31.12.25**
116,262	90,991	116,977	Credit risk, IRB approach [1)2)]	165,916	107,568	163,096
44,665	75,608	43,228	Credit risk, standardised approach [2)]	36,743	82,496	40,877
0	0		Settlement risk	0	0	0
0	0		Debt risk	47	9	25
0	0		Equity risk	65	163	80
0	0		Foreign Exchange risk	37	28	31
45	927	105	Credit value adjustment risk (CVA)	302	1,429	406
15,656	14,942	15,656	Operational risk	22,962	20,371	22,761
176,629	182,468	**175,966**	**Total risk exposure amount**	**226,073**	212,064	227,275
7,948	8,211	7,918	Minimum requirement for common equtiy Tier 1 capital ratio 4.5 %	10,173	9,543	10,227
			Buffer requirement			
4,416	4,562	4,399	Capital conservation buffer 2.5 %	5,652	5,302	5,682
7,860	8,138	7,848	Systemic risk buffer 4.5 %	10,083	9,458	10,114
4,380	4,543	4,382	Countercyclical capital buffer 2.5 %	5,629	5,280	5,636
1,766	1,825	1,760	Systemic risk buffer 1,0%	2,261	2,121	2,273
18,422	19,068	18,388	Total buffer requirement to common equity Tier 1 capital ratio	23,625	22,161	23,705
10,408	10,307	10,397	Available common equity Tier 1 capital ratio after buffer requirement	6,151	6,443	6,006
20.82%	20.60%	20.86%	Common Equity Tier 1 capital ratio	17.67%	18.29%	17.57%
23.06%	22.53%	23.10%	Tier 1 capital ratio	19.56%	20.13%	19.45%
26.05%	25.47%	26.08%	Capital ratio	22.08%	22.93%	21.99%
9.44%	10.29%	9.51%	Leverage ratio	7.40%	7.54%	7.30%

1) On 1 July 2025, the Ministry of Finance increased the IRB risk weigth floor for residential mortgages from 20% to 25%.

2) On 29 August 2025, the Norwegian Financial Supervisory Authority granted permission to SpareBank 1 Sør-Norge ASA to include the portfolio from the former SpareBank 1 Sørøst-Norge in its IRB system. The bank implemented revised IRB models for Corporate Banking in the fourth quarter of 2025, and the bank implemented the new IRB A approval for Corporate Leasing in the same quarter.

Note 8 Financial derivatives

Group	31.03.26		
	Contract amount	Fair value	
At fair value through profit and loss		**Assets**	**Liabilities**
Currency instruments			
Currency futures (forwards)	3,947	51	106
Currency swaps	18,356	227	114
Currency swaps (basis swaps)	56,397	95	1,086
Currency swaps (basis swaps hedging)	47,987	37	403
Total currency instruments	**126,687**	**410**	**1,709**
Interest rate instruments			
Interest rate swaps	105,532	2,378	1,177
Other interest rate contracts	2,328	2	2
Total interest rate instruments	**107,859**	**2,380**	**1,179**
Interest rate instruments, hedging			
Interest rate swaps	152,513	404	6,110
Total interest rate instruments, hedging	**152,513**	**404**	**6,110**
Total currency and interest rate instruments			
Total currency instruments	126,687	410	1,709
Total interest rate instruments	260,372	2,784	7,289
Total financial derivatives	**387,059**	**3,194**	**8,998**
Collateral related to financial derivatives		7,885	922
Total financial derivatives and collateral		**11,078**	**9,920**

Counterparty risk associated with derivatives is reduced via central clearing, ISDA agreements and CSA supplements. The CSA supplement regulates the counterparty risk through payments of margins in relation to exposure limits. The table below presents the carrying amounts of financial derivatives, together with the effects of netting agreements and collateral received, resulting in the Group's net exposure to counterparties.

Offsetting:	**Assets**	**Liabilities**
Financial derivatives	3,194	8,998
Netting agreements	2,819	2,819
Cash collateral	136	5,569
Amounts after possible netting	**239**	**610**

Note 9 Securities issued, non-preferred bonds and subordinated loan

Group

Change in debt raised through securities issued	31.03.26	Issued/ sale own	Past due/ redeemed	FX rate- and other changes	31.12.25
Bonds and certificates, nominal value	64,868	3,094	-8,349	-2,394	72,517
Covered bonds, nominal value	119,748	11,172	-836	-3,738	113,151
Adjustments and accrued interests	-4,238			-1,477	-2,761
Total debt raised through securities issued	**180,378**	14,266	-9,186	-7,609	182,906

Change in debt raised by issuing non-preferred senior debts	31.03.26	Issued/ sale own	Past due/ redeemed	FX rate- and other changes	31.12.25
Senior non-preferred bonds	21,098	0	-800	-615	22,512
Adjustments and accrued interests	104			4	100
Total senior non-preferred bonds	**21,202**	0	-800	-610	22,612

Change in debt raised through subordinated loan capital issued	31.03.26	Issued/ sale own	Past due/ redeemed	FX rate- and other changes	31.12.25
Term subordinated loan capital, nominal value	5,661	0	0	-74	5,736
Adjustments and accrued interests	42			2	40
Total additional Tier 1 and Tier 2 capital instruments	**5,703**	0	0	-73	5,776

Note 10 Segment reporting

A business segment is part of an entity that is engaged in providing individual products or services that are subject to risks and returns that are different from those of other business segments. As regards to segment reporting, the group executive management team is the supreme decisionmaking authority. The figures in the segment reporting are based on internal reporting for the group executive management team.

The executive management team has assessed which segments are reportable based on the form of distribution, products and customers. The primary reporting format is based on the risk and returnprofile of the assets, and it is divided between retail market and corporate market. Other activities covers all staff departments including treasury, subsidiaries and associated companies.

	Group 01.01 - 31.03									
Income statement (MNOK)	**Retail market**		**Corporate market**		**Other activities**		**Eliminations**		**Group**	
	2026	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Net interest income [1)]	825	792	966	1,018	392	502	-3	-3	2,180	2,310
Net commission and other income	273	262	154	170	399	377	-27	-22	799	787
Net income on financial investments	8	6	28	30	332	359	0	0	368	394
Total income	1,107	1,060	1,148	1,218	1,122	1,238	-31	-24	3,346	3,492
Total operating expenses	253	264	115	127	945	915	-31	-24	1,282	1,282
Operating profit before impairment	854	796	1,032	1,091	178	323	0	0	2,064	2,209
Impairment losses on loans and other financial liabilities	8	-62	51	86	0	-0	0	0	59	23
Pre-tax profit	**846**	**858**	**982**	**1,005**	**178**	**323**	**0**	**0**	**2,005**	**2,186**
Balance sheet items (MNOK)										
Loans to customers	268,111	241,430	139,051	138,202	-286	-172	-117	-149	406,759	379,310
Loans transferred to SB1 Bolig- og Næringskreditt	15,982	27,358	913	1,767	0	0	0	0	16,895	29,125
Loans to customers incl. SB1 Bolig- and Næringskreditt	284,092	268,788	139,964	139,969	-286	-172	-117	-149	423,654	408,435
Impairment provisions on loans	-186	-226	-1,262	-1,271	0	0	0	0	-1,448	-1,497
Deposits from customers	126,772	117,288	114,186	95,078	-60	-1,150	-529	-438	240,369	210,778

1) Net interes income contains allocated arrangements between the segments. The interest on intercompany receivables for the retail market and corporate market is determined on the basis of expected observable market interest rates (NIBOR) plus expected additional costs in connection with the group's long-term funding (credit premium). Deviations between the Group's actual funding costs and the applied interest on intercompany receivables are eliminated in the parent bank.

Note 11 Net income/losses from financial investments

Parent bank				Group		
2025	**01.01.25 - 31.03.25**	**01.01.26 - 31.03.26**		**01.01.26 - 31.03.26**	**01.01.25 - 31.03.25**	**2025**
111	0	41	Dividends	49	0	127
64	54	20	Net gains/losses on equity instruments	16	47	111
121	45	-424	Net gains/lossses for bonds and certificates	-422	44	107
-118	-39	416	Net derivatives bonds and certificates	416	-39	-118
1	1	-0	Net counterparty risk, inclusive of CVA	-0	1	1
27	-7	-14	Net derivatives other assets	-14	-7	27
-49	15	35	Net derivatives liabilities	68	36	-36
56	61	8	Net derivatives basis swap spread	18	80	162
238	59	51	Net gain/losses currency	51	59	238
-86	-19	-7	Share of income to SB1 Markets	-7	-19	-86
364	169	**126**	**Net gains/losses on financial instruments**	**175**	201	532
0						0
527	319	501	Income from investments in associates	192	193	997
327	0	7	Income from investments in subsidiaries	0	0	0
853	319	**508**	**Income from ownership interests**	**192**	193	997

Note 12 Liquidity risk

Liquidity risk is the risk that the group is not able to refinance its debt or is not able to finance an increase in assets. The bank's framework for managing liquidity risk shall reflect the bank's conservative risk profile. The board has adopted internal limits such that the bank has as balanced a maturity structure for its borrowing as possible. Stress testing is conducted for the various terms of maturity for bank-specific crises, system crises and combinations of these. A contingency plan has also been put in place to manage liquidity crises. The average remaining term to maturity in the portfolio of senior bond funding and covered bonds was 3.3 years at the end of the first quarter of 2026. The total LCR was 158% at the end of the first quarter, and the average total LCR was 153% in the quarter. The LCR in NOK and EUR at the end of the quarter was 109% and 1 091 %, respectively.

Note 13 Information about fair value

Group

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

Level 1: Listed price in an active market for an identical asset or liability

Level 2: Valuation based on observable factors other than listed price (used in level 1) either direct (price) or indirect (deduced from prices) for the asset og liability.

Level 3: Valuation based on factors not obtained from observable markets (non-observable assumptions)

Fair value 31.03.26	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Net lending to customers [1)]			11,640	11,640
Commercial paper and bonds	53,305	21,154		74,459
Financial derivatives	7,885	3,194		11,078
Equities, units and other equity interests	640	47	1,342	2,030
Liabilities				
Financial derivatives	922	8,998		9,920
1) Net lending to customers in parent bank, level 3			134,202	

Fair value 31.03.25	Level 1	Level 2	Level 3	Total
Assets				
Net lending to customers [1)]			13,666	13,666
Commercial paper and bonds	38,843	22,838		61,681
Financial derivatives	9,823	3,563		13,385
Equities, units and other equity interests	535	98	1,872	2,505
Liabilities				
Financial derivatives	740	10,036		10,776
1) Net lending to customers in parent bank, level 3			133,014	

Change in holding during the financial year of assets valued on the basis of factors other than observable market data (level 3)

Group	**Loans to customers**	**Shares, ownership stakes and other securities**
Balance 01.01	12,263	1,498
Additions	80	30
Disposals	-567	-192
Change in value [1)]	-137	7
Balance 31.03.26	**11,640**	**1,342**
Nominal value/cost price	12,032	1,402
Fair value adjustment	-392	-60
Balance 31.03.26	**11,640**	**1,342**

[1)] Value changes are recognised in net income from financial instruments. Other assets are measured using various methods such as last known transaction price, earnings per share, dividend per share, EBITDA and discounted cash flows. Fixed-rate loans are measured on the basis of the interest rate agreed with the customer. Loans are discounted using the applicable having taken into account a market premium, which is adjusted for the profit margin. The conducted sensitivity analyses indicate an increas in the discount rate of 10 basis points would have a negative effect on the result amounting to NOK 23 million.

(continued from Note 13)

Fair value of financial instruments at amortised cost

	31.03.26	
Group	**Balance**	**Fair value**
Assets		
Cash and balances with central banks	121	121
Balances with credit institutions [1)]	3,766	3,766
Loans to customers [1)]	393,671	393,671
Certificates and bonds	5,267	5,275
Total assets at amortised cost	**402,825**	**402,834**
Liabilities		
Balances with credit institutions [1)]	2,145	2,145
Deposits from customers [1)]	240,369	240,369
Listed debt securities	180,378	181,240
Senior non-preferred bonds	21,202	21,464
Subordinated loan capital	5,703	6,004
Total liabilities at amortised cost	**449,797**	**451,223**

1) Loans and deposits at amortised cost, amount to book value best estimate at fair value

Note 14 Assets classified as held for sale

The assets of SpareBank1 Sør-Norge Forretningspartner AS were classified as held for sale as of 31 March 2026 in accordance with IFRS 5. The classification is based on the assets being available for immediate sale in their present condition, and that the sale is considered highly probable to be completed within 12 months. The assets are measured at the lower of carrying amount and fair value less costs to sell. The assets and associated liabilities are presented separately in the statement of financial position. No impairment loss was recognised upon classification as held for sale.

Note 15 Events after the balance sheet date

No material events have been registered after March 31, 2026 that affect the interim financial statements as prepared.

Quarterly overview

SpareBank 1 Sør-Norge Group, MNOK	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Interest income	6,432	6,637	6,989	6,938	6,864	6,980	5,731	5,622	5,482
Interest expense	4,252	4,314	4,661	4,628	4,554	4,688	3,962	3,895	3,752
Net interest income	**2,180**	2,323	2,328	2,310	2,310	2,293	1,768	1,726	1,729
Commission income	833	852	811	893	815	826	492	571	503
Commission expenses	44	39	41	42	33	41	21	28	26
Other operating income	11	4	8	7	5	4	2	1	3
Net commission and other income	**799**	818	778	858	787	789	473	544	480
Income from ownership interests	192	281	266	256	193	223	655	120	143
Net gains/losses on financial instruments	175	37	177	117	201	-98	-140	29	6
Net income on financial investments	**368**	319	443	373	394	125	514	148	149
Total income	**3,346**	3,459	3,549	3,540	3,492	3,206	2,755	2,419	2,359
Salaries and other personell expense	814	829	796	799	774	811	532	513	508
Other operating expenses	406	440	459	555	451	506	316	289	275
Depreciation and impairment of fixed and intangible assets	62	61	59	60	57	59	43	42	43
Total operating expenses	**1,282**	1,330	1,314	1,414	1,282	1,376	891	844	826
Operating profit before impairment	2,064	2,130	2,235	2,126	2,209	1,830	1,864	1,575	1,533
Impairment losses on loans and financial commitments	59	137	115	76	23	90	160	103	35
Pre-tax profit	**2,005**	1,993	2,120	2,050	2,186	1,741	1,704	1,472	1,498
Tax expense	405	402	423	382	449	350	254	311	307
Profit after tax	**1,600**	1,591	1,697	1,668	1,737	1,390	1,450	1,162	1,191
Profitability									
Return on equity per quarter [1)]	11.8 %	11.9 %	13.0 %	12.9 %	13.5 %	10.9 %	17.5 %	14.6 %	14.6 %
Return on equity adjusted for goodwill from merger and merger costs [1)]	12.7 %	12.8 %	14.5 %	14.4 %	14.7 %	12.3 %			
Cost to income ratio [1)]	38.3 %	38.4 %	37.0 %	39.9 %	36.7 %	42.9 %	32.3 %	34.9 %	35.0 %
Cost to income ratio Banking Group [1)]	36.2 %	35.1 %	35.7 %	39.1 %	34.6 %	38.0 %	34.3 %	32.0 %	30.9 %
Average net interest margin [1)]	1.71%	1.81%	1.79%	1.86%	1.92%	1.91%	1.84%	1.82%	1.88%
Average net interest margin incl. transfers to credit institutions [1)]	1.67%	1.76%	1.74%	1.79%	1.84%	1.91%	1.84%	1.82%	1.88%
Balance sheet figures from quarterly accounts									
Gross loans to customers	406,759	397,517	393,747	387,629	379,310	375,678	289,320	284,621	278,184
Gross loans to customers incl. transfers to credit institutions	423,654	418,335	414,549	412,721	408,435	405,062	289,320	284,621	278,184
Growth in loans over last 12 months [1)]	7.2 %	5.8 %	36.1 %	36.2 %	36.4 %	38.1 %	7.3 %	7.5 %	7.7 %
Growth in loans incl. transfers to credit institutions [1)]	3.7 %	3.3 %	43.3 %	45.0 %	46.8 %	48.9 %	7.3 %	7.5 %	7.7 %
Deposits from customers	240,369	231,112	223,294	223,293	210,778	204,006	146,478	154,975	150,706
Growth in deposits over last 12 months [1)]	14.0 %	13.3 %	52.4 %	44.1 %	39.9 %	36.8 %	–2.7 %	2.8 %	–0.9 %
Total assets	519,433	513,054	507,768	513,420	488,597	479,336	380,039	382,744	377,005
Average total assets	517,319	510,362	515,000	498,404	487,807	478,522	382,817	380,779	370,420
Impairments on loans and financial commitments									
Impairment ratio, annualized [1)]	0.06%	0.14%	0.12%	0.08%	0.03%	0.11%	0.22%	0.15%	0.05%

1) Defined as alternative performance targets (APMs), see the appendix to the interim report

	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Loans and financial commitments in Stage 2 and Stage 3									
Loans and financial commitments in Stage 2 in % of gross loans and financial commitments [1]	5.05%	5.64%	7.20%	6.55%	7.31%	8.21%	8.27%	7.05%	7.30%
Loans and financial commitments in Stage 3 in % of gross loans and financial commitments [1]	0.53%	0.60%	0.57%	0.58%	0.55%	0.63%	0.62%	0.70%	0.82%
Solidity									
Common equity Tier 1 capital ratio	17.67%	17.57%	18.51%	18.63%	18.29%	18.01%	17.75%	17.66%	17.62%
Tier 1 capital ratio	19.56%	19.45%	20.48%	20.67%	20.13%	20.21%	20.56%	20.06%	19.70%
Capital ratio	22.08%	21.99%	23.19%	23.47%	22.93%	23.03%	23.84%	22.75%	22.05%
Tier 1 capital	44,210	44,213	44,572	43,961	42,692	42,635	31,675	30,740	29,833
Net primary capital	49,918	49,980	50,474	49,918	48,629	48,589	36,731	34,855	33,391
Risk weighted balance	226,073	227,275	217,641	212,696	212,064	210,950	154,075	153,214	151,404
Leverage ratio	7.4 %	7.3 %	7.4 %	7.3 %	7.5 %	7.7 %	7.5 %	7.3 %	7.1 %
Liquidity									
Liquidity Coverage Ratio (LCR) [2]	158%	182%	148%	209%	163%	189%	172%	204%	216%
Deposit to loan ratio [1]	59.1 %	58.1 %	56.7 %	57.6 %	55.6 %	54.3 %	50.6 %	54.4 %	54.2 %
Deposit to loan incl. transfers to credit institutions ratio [1]	56.7 %	55.2 %	53.9 %	54.1 %	51.6 %	50.4 %	50.6 %	54.4 %	54.2 %
Branches and staff									
Number of branches	54	54	54	54	55	55	36	36	36
Number of man-years	2,261	2,302	2,312	2,302	2,323	2,309	1,625	1,590	1,578
Number of man-years including temps	2,299	2,328	2,353	2,381	2,387	2,364	1,676	1,663	1,627
SpareBank 1 Sør-Norge share									
Market price at end of quarter	210.50	198.40	177.80	185.40	169.40	146.60	136.20	130.60	136.00
Market capitalisation (MNOK)	79,034	74,491	66,756	69,610	63,602	55,042	35,993	34,514	35,941
Number of shares issued, millions	375.46	375.46	375.46	375.46	375.46	375.46	264.27	264.27	264.27
Book equity per share [1]	140.94	137.40	133.34	129.00	133.29	128.77	120.90	115.81	119.30
Earnings per share, NOK (annualised)	4.08	4.07	4.29	4.23	4.37	3.48	5.19	4.20	4.26
Price/earnings per share [1]	12.73	12.29	10.44	10.93	9.55	10.58	6.60	7.74	7.95
Price / Book equity (group) [1]	1.49	1.44	1.33	1.44	1.27	1.14	1.13	1.13	1.14
Turnover rate in quarter [3]	5.2 %	3.0 %	2.5 %	4.8 %	4.9 %	4.2 %	3.5 %	4.0 %	2.8 %
Effective return [4]	6.1 %	11.6 %	−4.1 %	14.5 %	15.6 %	7.6 %	4.3 %	1.5 %	5.5 %

1) Defined as alternative performance targets (APMs), see the appendix to the interim report

2) High quality liquid assets divided by total net cash outflows in a 30-day, serious stress scenario

3) Turnover of the share during the period, measured as a percentage of the number of outstanding shares

4) Percentage change in the market price in the last period, including paid share dividend

Contact information and financial calendar

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Financial calendar 2026

Q2 2026	Thursday 13 august 2026
Q3 2026	Thursday 29 october 2026

SpareBank 1 SØR-NORGE