

SpareBank 1 SR-Bank

Update

Ratings

Foreign Currency

Long-Term IDR	A-
Short-Term IDR	F2

Viability Rating	a-
Support Rating	3
Support Rating Floor	BB+

Sovereign Risk

Long-Term Foreign-Currency IDR	AAA
Long-Term Local-Currency IDR	AAA

Outlooks

Long-Term Foreign-Currency IDR	Stable
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Sovereign Risk

Sovereign Long-Term	Stable
Foreign-Currency IDR	
Sovereign Long-Term	Stable
Local-Currency IDR	

Financial Data

SpareBank 1 SR-Bank

	31 Dec 11	31 Dec 10
Total assets (USDm)	21,883.6	22,891.1
Total assets (NOKm)	131,142.0	134,778.0
Total equity (NOKm)	9,757.0	9,402.0
Operating profit (NOKm)	1,495.0	1,412.0
Net income (NOKm)	1,081.0	1,317.0
Fitch comprehensive income (NOKm)	813.0	1,253.0
Operating ROAA (%)	1.12	1.10
Operating ROAE (%)	15.56	16.65
Fitch core capital/ weighted risks (%)	10.25	10.93
Tier 1 ratio (%)	10.62	10.21

Related Research

[The Major Sparebanken of the SpareBank 1 Alliance \(March 2012\)](#)

[SpareBank 1 Boligkreditt \(March 2012\)](#)

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Key Rating Drivers

Standalone Strength Drives Ratings: The ratings of SpareBank 1 SR-Bank (SR) reflect its strong regional franchise in the economically growing Western Norway, resilient core earnings and improving capitalisation. They also factor in a reliance on wholesale funding, significant house price increases in the region and geographical concentration.

SpareBank 1 Alliance Member: SR is the largest and a founding member of the SpareBank 1 Alliance (Alliance) cooperation scheme. SR benefits from cost efficiencies and wider income diversification through SpareBank 1 Gruppen AS (SG), which provides insurance, leasing and fund management services through its subsidiaries. SR holds a 20% stake in SG.

Resilient Core Earnings: Net interest income continues to be affected by narrowing margins, due to strong competition and higher wholesale funding costs, albeit offset by higher volumes. Fitch Ratings expects SR to have some opportunity to pass on the higher funding costs to its customers, and the bank increased loan margins in Q411. In its base case, Fitch expects loan impairment charges (LICs) to remain low, driven by continued strong growth in the region. Nevertheless, an economic slowdown could result in higher LICs in 2012/2013.

Sound Asset Quality: SR's non-performing loans represented a moderate 1.10% of gross loans at end-2011, and Fitch expects SR's asset quality to remain resilient. The strong growth in house prices represents a downside risk for the bank. While Fitch does not rule out the possibility of a significant house price correction, this does not represent its base case in the short term. The agency expects that such a scenario, however, could lead to falling consumer confidence and consumption, which could lead to a deterioration in SR's corporate portfolio.

Wholesale Funding Reliance: SR relies more heavily on wholesale funding than other rated Alliance members, reflecting the significant economic growth in Western Norway. Covered bonds issued by SpareBank 1 Boligkreditt (S1B), a joint funding vehicle of Alliance members, supplement SR's funding. Its loans/deposits ratio improved to 158% at end-2011 as a result of larger volumes of loans sold to S1B. SR's liquidity portfolio is of good quality and, according to the bank, it could sustain 22 months without access to market funding.

Capitalisation Improving: In Q411, SR strengthened its capitalisation by raising NOK1bn in hybrid Tier 1 capital. The bank also announced a fully underwritten rights issue of up to NOK1.5bn, which Fitch estimates would have improved the bank's end-2011 Tier 1 ratio by 150bp. SR converted to a limited liability savings bank in 2011, which may improve its ability to raise capital.

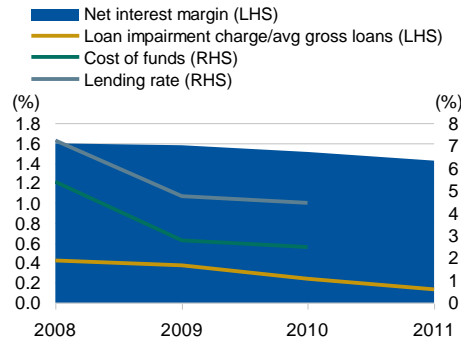
Moderate Probability of Support: Given SR's strong regional franchise, Fitch considers that there is a moderate probability that the Norwegian authorities would support the bank if required. While there is the possibility of implicit support among the member banks, Fitch understands that no legal obligation arises from membership of the Alliance to financially support troubled member banks.

What Could Trigger a Rating Action

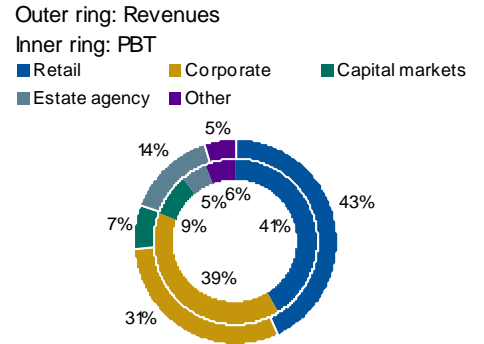
Outlook Remains Stable: The Stable Outlook on SR's Long-Term IDR reflects Fitch's expectation of both asset quality and profitability remaining sound, driven by the strong Western Norwegian economy. Downward rating pressure is most likely to arise from prolonged dislocation in wholesale funding markets or a significant correction in house prices materially affecting asset quality.

Source: Company data; Fitch

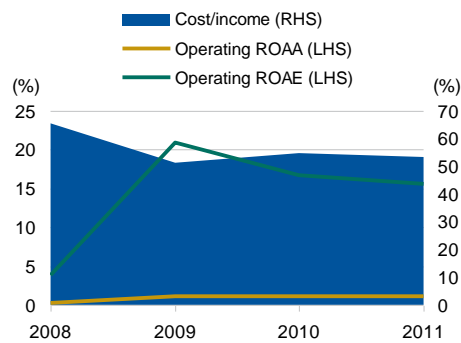
Margins



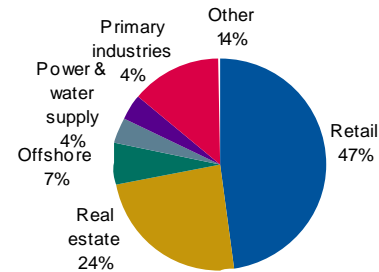
2011 Revenue and Profit Split



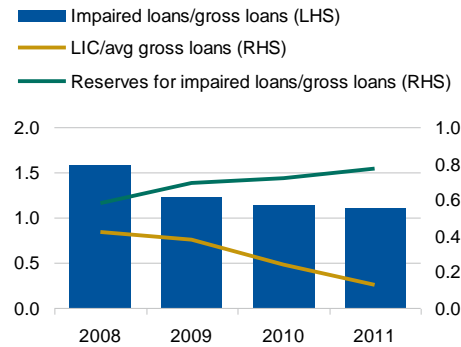
Key Profitability Metrics



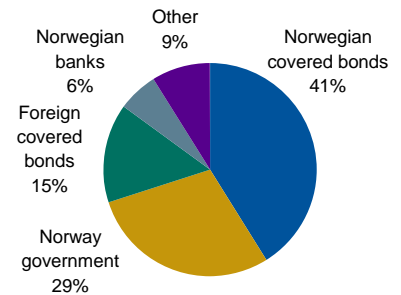
Breakdown of Exposures at end-2011 (NOK101bn)



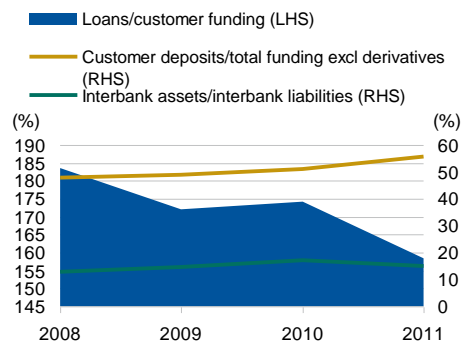
Credit Quality



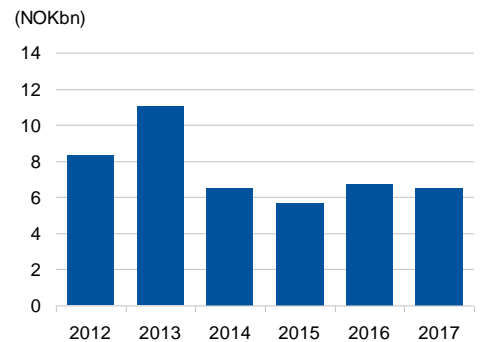
Gross Liquidity Portfolio at end-2011 (NOK11.9bn)



Funding Dependencies



Debt Maturity Profile



Related Criteria

Global Financial Institutions Rating Criteria (August 2011)

SpareBank 1 SR-Bank
Income Statement

	31 Dec 2011			31 Dec 2010		31 Dec 2009		31 Dec 2008	
	Year End USDm Unaudited	Year End NOKm Unaudited	As % of Earning Assets	Year End NOKm Unqualified	As % of Earning Assets	Year End NOKm Unqualified	As % of Earning Assets	Year End NOKm Unqualified	As % of Earning Assets
1. Interest Income on Loans	n.a.	n.a.	-	4,396.0	3.32	4,561.0	3.72	6,732.0	5.77
2. Other Interest Income	896.8	5,374.0	4.14	581.0	0.44	600.0	0.49	715.0	0.61
3. Dividend Income	3.5	21.0	0.02	2.0	0.00	23.0	0.02	15.0	0.01
4. Gross Interest and Dividend Income	900.3	5,395.0	4.15	4,979.0	3.76	5,184.0	4.22	7,462.0	6.39
5. Interest Expense on Customer Deposits	n.a.	n.a.	-	1,436.0	1.08	1,509.0	1.23	2,883.0	2.47
6. Other Interest Expense	589.2	3,531.0	2.72	1,642.0	1.24	1,769.0	1.44	2,870.0	2.46
7. Total Interest Expense	589.2	3,531.0	2.72	3,078.0	2.32	3,278.0	2.67	5,753.0	4.93
8. Net Interest Income	311.0	1,864.0	1.43	1,901.0	1.44	1,906.0	1.55	1,709.0	1.46
9. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Net Gains (Losses) on Assets at FV through Income Statement	14.9	89.0	0.07	206.0	0.16	384.0	0.31	-234.0	-0.20
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	112.8	676.0	0.52	568.0	0.43	466.0	0.38	504.0	0.43
14. Other Operating Income	71.6	429.0	0.33	376.0	0.28	325.0	0.26	242.0	0.21
15. Total Non-Interest Operating Income	199.2	1,194.0	0.92	1,150.0	0.87	1,175.0	0.96	512.0	0.44
16. Personnel Expenses	138.2	828.0	0.64	976.0	0.74	881.0	0.72	776.0	0.66
17. Other Operating Expenses	134.3	805.0	0.62	696.0	0.53	698.0	0.57	677.0	0.58
18. Total Non-Interest Expenses	272.5	1,633.0	1.26	1,672.0	1.26	1,579.0	1.29	1,453.0	1.24
19. Equity-accounted Profit/ Loss - Operating	34.9	209.0	0.16	267.0	0.20	231.7	0.19	-153.2	-0.13
20. Pre-Impairment Operating Profit	272.7	1,634.0	1.26	1,646.0	1.24	1,733.7	1.41	614.8	0.53
21. Loan Impairment Charge	23.2	139.0	0.11	234.0	0.18	368.0	0.30	386.0	0.33
22. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
23. Operating Profit	249.5	1,495.0	1.15	1,412.0	1.07	1,365.7	1.11	228.8	0.20
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	n.a.	n.a.	-	202.0	0.15	66.3	0.05	414.2	0.35
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Pre-tax Profit	249.5	1,495.0	1.15	1,614.0	1.22	1,432.0	1.17	643.0	0.55
30. Tax expense	69.1	414.0	0.32	297.0	0.22	321.0	0.26	163.0	0.14
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	180.4	1,081.0	0.83	1,317.0	0.99	1,111.0	0.91	480.0	0.41
33. Change in Value of AFS Investments	n.a.	n.a.	-	1.0	0.00	0.0	0.00	-1.0	0.00
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(losses)	-44.7	-268.0	-0.21	-65.0	-0.05	-101.0	-0.08	-176.0	-0.15
37. Fitch Comprehensive Income	135.7	813.0	0.63	1,253.0	0.95	1,010.0	0.82	303.0	0.26
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	0.0	0.00	2.0	0.00	11.0	0.01
39. Memo: Net Income after Allocation to Non-controlling Interests	180.4	1,081.0	0.83	1,317.0	0.99	1,109.0	0.90	469.0	0.40
40. Memo: Common Dividends Relating to the Period	56.1	336.0	0.26	336.0	0.25	212.0	0.17	85.0	0.07
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = NOK5.99270

USD1 = NOK5.88780

USD1 = NOK5.78000

USD1 = NOK7.00000

SpareBank 1 SR-Bank
Balance Sheet

	31 Dec 2011			31 Dec 2010		31 Dec 2009		31 Dec 2008	
	Year End USDm	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	7,941.8	47,593.0	36.29	56,498.0	41.92	45,847.0	36.70	51,529.0	40.94
4. Corporate & Commercial Loans	8,895.7	53,309.0	40.65	48,977.0	36.34	47,349.0	37.91	48,101.0	38.21
5. Other Loans	77.8	466.0	0.36	317.0	0.24	277.0	0.22	0.0	0.00
6. Less: Reserves for Impaired Loans/ NPLs	130.2	780.0	0.59	759.0	0.56	649.0	0.52	574.0	0.46
7. Net Loans	16,785.1	100,588.0	76.70	105,033.0	77.93	92,824.0	74.31	99,056.0	78.69
8. Gross Loans	16,915.2	101,368.0	77.30	105,792.0	78.49	93,473.0	74.83	99,630.0	79.15
9. Memo: Impaired Loans included above	185.4	1,111.0	0.85	1,205.0	0.89	1,148.0	0.92	1,564.0	1.24
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	120.6	723.0	0.55	1,273.0	0.94	1,301.0	1.04	1,416.0	1.12
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Trading Securities and at FV through Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Derivatives	620.1	3,716.0	2.83	3,241.0	2.40	2,438.0	1.95	4,842.0	3.85
5. Available for Sale Securities	3,298.5	19,767.0	15.07	19,403.0	14.40	21,190.0	16.96	4,431.0	3.52
6. Held to Maturity Securities	119.3	715.0	0.55	n.a.	-	1,831.0	1.47	5,048.0	4.01
7. At-equity Investments in Associates	732.4	4,389.0	3.35	3,518.0	2.61	3,127.0	2.50	1,953.0	1.55
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	4,770.3	28,587.0	21.80	26,162.0	19.41	28,586.0	22.89	16,274.0	12.93
10. Memo: Government Securities included Above	n.a.	n.a.	-	n.a.	-	n.a.	-	38.0	0.03
11. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Investments in Property	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	21,676.0	129,898.0	99.05	132,468.0	98.29	122,711.0	98.24	116,746.0	92.75
C. Non-Earning Assets									
1. Cash and Due From Banks	43.9	263.0	0.20	1,235.0	0.92	781.0	0.63	6,998.0	5.56
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	66.9	401.0	0.31	377.0	0.28	935.0	0.75	337.0	0.27
5. Goodwill	n.a.	n.a.	-	n.a.	-	40.0	0.03	20.0	0.02
6. Other Intangibles	9.0	54.0	0.04	58.0	0.04	n.a.	-	n.a.	-
7. Current Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Deferred Tax Assets	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	87.8	526.0	0.40	640.0	0.47	442.0	0.35	1,776.0	1.41
11. Total Assets	21,883.6	131,142.0	100.00	134,778.0	100.00	124,909.0	100.00	125,877.0	100.00
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	10,686.7	64,042.0	48.83	60,770.0	45.09	54,336.0	43.50	40,327.0	32.04
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Customer Deposits - Term	n.a.	n.a.	-	n.a.	-	n.a.	-	13,980.0	11.11
4. Total Customer Deposits	10,686.7	64,042.0	48.83	60,770.0	45.09	54,336.0	43.50	54,307.0	43.14
5. Deposits from Banks	798.0	4,782.0	3.65	7,359.0	5.46	8,852.0	7.09	11,119.0	8.83
6. Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Deposits and Short-term Borrowings	n.a.	n.a.	-	n.a.	-	n.a.	-	3,259.0	2.59
8. Total Deposits, Money Market and Short-term Funding	11,484.6	68,824.0	52.48	68,129.0	50.55	63,188.0	50.59	68,685.0	54.57
9. Senior Debt Maturing after 1 Year	7,297.7	43,733.0	33.35	48,096.0	35.69	45,579.0	36.49	41,272.0	32.79
10. Subordinated Borrowing	450.9	2,702.0	2.06	2,771.0	2.06	2,546.0	2.04	3,370.0	2.68
11. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Total Long Term Funding	7,748.6	46,435.0	35.41	50,867.0	37.74	48,125.0	38.53	44,642.0	35.46
13. Derivatives	335.4	2,010.0	1.53	2,212.0	1.64	1,576.0	1.26	2,029.0	1.61
14. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Funding	19,568.6	117,269.0	89.42	121,208.0	89.93	112,889.0	90.38	115,356.0	91.64
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	1,150.0	0.85	883.0	0.71	1,301.0	1.03
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	4.0	0.00
3. Reserves for Pensions and Other	117.5	704.0	0.54	622.0	0.46	622.0	0.50	457.0	0.36
4. Current Tax Liabilities	n.a.	n.a.	-	326.0	0.24	223.0	0.18	22.0	0.02
5. Deferred Tax Liabilities	54.9	329.0	0.25	138.0	0.10	162.0	0.13	94.0	0.07
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	55.0	0.04
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	135.2	810.0	0.62	666.0	0.49	839.0	0.67	1,997.0	1.59
10. Total Liabilities	19,876.2	119,112.0	90.83	124,110.0	92.08	115,618.0	92.56	119,286.0	94.76
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	379.3	2,273.0	1.73	1,266.0	0.94	1,218.0	0.98	625.0	0.50
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	1,628.1	9,757.0	7.44	9,359.0	6.94	7,946.0	6.36	5,688.0	4.52
2. Non-controlling Interest	n.a.	n.a.	-	0.0	0.00	0.0	0.00	12.0	0.01
3. Securities Revaluation Reserves	n.a.	n.a.	-	43.0	0.03	127.0	0.10	69.0	0.05
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	n.a.	-	197.0	0.16
6. Total Equity	1,628.1	9,757.0	7.44	9,402.0	6.98	8,073.0	6.46	5,966.0	4.74
7. Total Liabilities and Equity	21,883.6	131,142.0	100.00	134,778.0	100.00	124,909.0	100.00	125,877.0	100.00
8. Memo: Fitch Core Capital	1,746.3	10,465.3	7.98	10,106.3	7.50	8,589.6	6.88	7,020.7	5.58
9. Memo: Fitch Eligible Capital	2,125.6	12,738.3	9.71	11,372.3	8.44	9,807.6	7.85	7,645.7	6.07

Exchange rate

USD1 = NOK5.99270

USD1 = NOK5.88780

USD1 = NOK5.78000

USD1 = NOK7.00000

SpareBank 1 SR-Bank Summary Analytics

	31 Dec 2011 Year End	31 Dec 2010 Year End	31 Dec 2009 Year End	31 Dec 2008 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	n.a.	4.46	4.74	7.24
2. Interest Expense on Customer Deposits/ Average Customer Deposits	n.a.	2.48	2.77	5.41
3. Interest Income/ Average Earning Assets	4.11	3.96	4.30	6.99
4. Interest Expense/ Average Interest-bearing Liabilities	2.94	2.64	2.86	5.70
5. Net Interest Income/ Average Earning Assets	1.42	1.51	1.58	1.60
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	1.31	1.33	1.28	1.24
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	1.42	1.51	1.58	1.60
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	39.05	37.69	38.14	23.05
2. Non-Interest Expense/ Gross Revenues	53.40	54.80	51.25	65.42
3. Non-Interest Expense/ Average Assets	1.23	1.30	1.27	1.32
4. Pre-impairment Op. Profit/ Average Equity	17.01	19.41	26.57	10.46
5. Pre-impairment Op. Profit/ Average Total Assets	1.23	1.28	1.39	0.56
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	8.51	14.22	21.23	62.78
7. Operating Profit/ Average Equity	15.56	16.65	20.93	3.89
8. Operating Profit/ Average Total Assets	1.12	1.10	1.10	0.21
9. Taxes/ Pre-tax Profit	27.69	18.40	22.42	25.35
10. Pre-Impairment Operating Profit / Risk Weighted Assets	1.60	1.78	2.05	0.70
11. Operating Profit / Risk Weighted Assets	1.46	1.53	1.61	0.26
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	11.25	15.53	17.03	8.16
2. Net Income/ Average Total Assets	0.81	1.02	0.89	0.44
3. Fitch Comprehensive Income/ Average Total Equity	8.46	14.78	15.48	5.15
4. Fitch Comprehensive Income/ Average Total Assets	0.61	0.97	0.81	0.27
5. Net Income/ Av. Total Assets plus Av. Managed Securitized Assets	n.a.	n.a.	n.a.	n.a.
6. Net Income/ Risk Weighted Assets	1.06	1.42	1.31	0.55
7. Fitch Comprehensive Income/ Risk Weighted Assets	0.80	1.35	1.19	0.34
D. Capitalization				
1. Fitch Core Capital/Weighted Risks	10.25	10.93	10.15	7.98
2. Fitch Eligible Capital/ Weighted Risks	12.47	12.30	11.59	8.69
3. Tangible Common Equity/ Tangible Assets	7.40	6.94	6.43	4.72
4. Tier 1 Regulatory Capital Ratio	10.62	10.21	9.61	6.44
5. Total Regulatory Capital Ratio	11.44	12.41	11.86	9.80
6. Core Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	7.44	6.98	6.46	4.74
8. Cash Dividends Paid & Declared/ Net Income	31.08	25.51	19.08	17.71
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	41.33	26.82	20.99	28.05
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.
11. Net Income - Cash Dividends/ Total Equity	7.64	10.43	11.14	6.62
E. Loan Quality				
1. Growth of Total Assets	-2.70	7.90	-0.77	21.89
2. Growth of Gross Loans	-4.18	13.18	-6.18	13.10
3. Impaired Loans(NPLs)/ Gross Loans	1.10	1.14	1.23	1.57
4. Reserves for Impaired Loans/ Gross loans	0.77	0.72	0.69	0.58
5. Reserves for Impaired Loans/ Impaired Loans	70.21	62.99	56.53	36.70
6. Impaired Loans less Reserves for Imp Loans/ Equity	3.39	4.74	6.18	16.59
7. Loan Impairment Charges/ Average Gross Loans	0.13	0.24	0.38	0.42
8. Net Charge-offs/ Average Gross Loans	0.10	0.16	0.28	0.04
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	1.10	1.14	1.23	1.57
F. Funding				
1. Loans/ Customer Deposits	158.28	174.09	172.03	183.46
2. Interbank Assets/ Interbank Liabilities	15.12	17.30	14.70	12.73
3. Customer Deposits/ Total Funding excl Derivatives	55.56	51.07	48.81	47.92

SpareBank 1 SR-Bank Reference Data

	31 Dec 2011			31 Dec 2010		31 Dec 2009		31 Dec 2008	
	Year End USDm	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	n.a.	n.a.	-	n.a.	-	6,253.0	5.01	5,175.0	4.11
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	n.a.	n.a.	-	n.a.	-	12,312.0	9.86	14,343.0	11.39
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	3,263.0	2.61	1,223.0	0.97
7. Total Business Volume	21,883.6	131,142.0	100.00	134,778.0	100.00	146,737.0	117.48	146,618.0	116.48
8. Memo: Total Weighted Risks	17,042.1	102,128.0	77.88	92,478.0	68.62	84,587.5	67.72	88,012.5	69.92
9. Fitch Adjustments to Weighted Risks	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Weighted Risks	17,042.1	102,128.0	77.88	92,478.0	68.62	84,587.5	67.72	88,012.5	69.92
B. Average Balance Sheet									
Average Loans	17,480.4	104,755.0	79.88	98,569.4	73.13	96,293.0	77.09	92,971.6	73.86
Average Earning Assets	21,922.0	131,372.0	100.18	125,724.2	93.28	120,518.6	96.49	106,778.0	84.83
Average Assets	22,232.2	133,231.0	101.59	128,874.4	95.62	124,391.0	99.59	110,286.0	87.61
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	20,050.3	120,155.6	91.62	116,757.8	86.63	114,796.2	91.90	100,860.6	80.13
Average Common equity	1,599.1	9,583.0	7.31	8,368.0	6.21	6,412.8	5.13	5,626.2	4.47
Average Equity	1,603.4	9,608.8	7.33	8,478.2	6.29	6,524.8	5.22	5,880.0	4.67
Average Customer Deposits	10,572.2	63,355.8	48.31	57,820.2	42.90	54,408.6	43.56	53,312.4	42.35
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	n.a.	n.a.	-	n.a.	-	34,903.0	27.94	39,911.0	31.71
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	n.a.	-	1,897.0	1.52	6,213.0	4.94
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	n.a.	-	10,579.0	8.47	9,424.0	7.49
Loans & Advances > 5 years	n.a.	n.a.	-	n.a.	-	46,094.0	36.90	44,082.0	35.02
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	3,324.0	2.66	5,399.0	4.43
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	6,225.0	4.98	1,719.0	1.37
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	10,022.0	8.02	6,702.0	5.32
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	3,011.0	2.41	115.0	0.09
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	1,301.0	1.04	1,186.0	0.94
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	0.0	0.00	223.0	0.18
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	0.0	0.00	7.0	0.01
Liability Maturities:									
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	52,591.0	42.10	52,870.0	42.00
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	1,745.0	1.40	0.0	0.00
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	0.0	0.00	1,437.0	1.14
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	5,999.0	4.80	5,266.0	4.18
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	1,257.0	1.01	4,089.0	3.25
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	1,500.0	1.20	1,764.0	1.40
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	96.0	0.08	n.a.	-
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	6,583.0	5.27	6,477.0	5.15
Senior Debt Maturing 1- 5 Years	n.a.	n.a.	-	n.a.	-	30,940.0	24.77	39,180.0	31.13
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	37,523.0	30.04	45,657.0	36.27
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	450.9	2,702.0	2.06	2,771.0	2.06	2,546.0	2.04	3,370.0	2.68
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation									
1. Equity	1,628.1	9,757.0	7.44	9,402.0	6.98	8,073.0	6.46	5,966.0	4.74
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	1,628.1	9,757.0	7.44	n.a.	-	n.a.	-	n.a.	-
E. Fitch Eligible Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	1,628.1	9,757.0	7.44	9,402.0	6.98	8,073.0	6.46	5,966.0	4.74
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	191.9	1,150.0	0.88	1,150.0	0.85	883.0	0.71	1,301.0	1.03
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	0.0	0.0	0.00	0.0	0.00	40.0	0.03	20.0	0.02
5. Other intangibles	9.0	54.0	0.04	58.0	0.04	0.0	0.00	0.0	0.00
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
7. Net asset value of insurance subsidiaries	64.7	387.7	0.30	387.7	0.29	326.4	0.26	226.3	0.18
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fitch Core Capital	1,746.3	10,465.3	7.98	10,106.3	7.50	8,589.6	6.88	7,020.7	5.58
10. Eligible weighted Hybrid capital	379.3	2,273.0	1.73	1,266.0	0.94	1,218.0	0.98	625.0	0.50
11. Government held Hybrid Capital	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
12. Fitch Eligible Capital	2,125.6	12,738.3	9.71	11,372.3	8.44	9,807.6	7.85	7,645.7	6.07

Exchange Rate

USD1 = NOK5.99270

USD1 = NOK5.88780

USD1 = NOK5.78000

USD1 = NOK7.00000

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