

1Q 2024

May 8th 2024
Hanne Karoline Kræmer, CEO
Bengt Olsen, CFO



1 Highlights

2 Outlook

3 Financial status

A Appendix



The obvious choice for people and businesses!



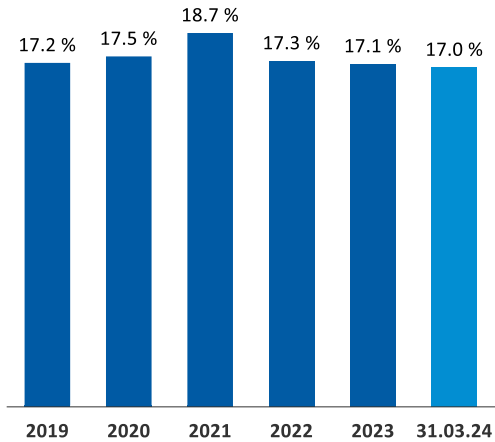
Highlights YTD

Pre-tax profit	ROE	
916 MNOK (903)	17.8 % (19.1 %)	
CET1 ratio	C/I ratio	Losses
17.0 % (17.3 %)	33.9 % (33.2 %)	36 MNOK (-57)

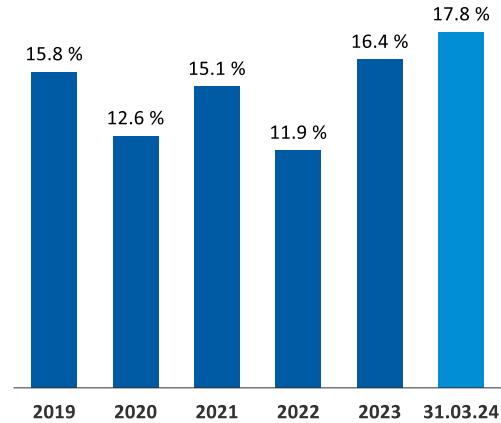


Satisfying financial results

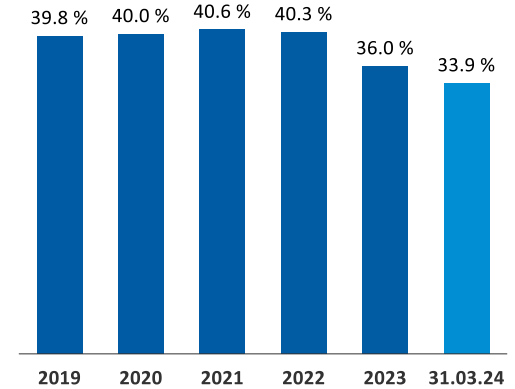
CET1 ratio *



Return on equity capital



Cost/income Group



Subsidiaries – results before tax

(Amounts in NOK million)	31.03.2024	31.03.2023
SpareBank 1 Finans Nord-Norge AS	66,0	60,0
SpareBank 1 Regnskapshuset Nord-Norge AS	12,9	13,1
EiendomsMegler 1 Nord-Norge AS	-0,8	-1,2
Subsidiaries core operations	78,0	71,9
Other subsidiaries	2,0	0,8
Total	80,0	72,7

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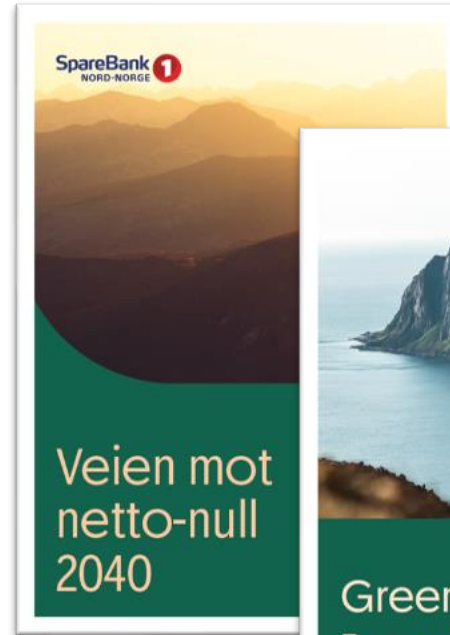
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ESG focus areas in the first quarter

- Launched the group's transition plan «path to net zero»
- Published the updated Green Finance Framework
- The annual report has been revised to meet the requirements of CSRD/ESRS
- The following key figures are reported in 2023:
 - 200 MNOK to green transition through Samfunnsløftet
 - 17,5 BNOK qualified as green portfolio
 - 18,6 BNOK scored in the group's ESG-module
 - 516 suppliers screened according to the Transparency act



Increased focus outside of the northern region!



















The expectations barometer for Northern Norway

- Increased optimism among businesses
- Small businesses are more optimistic than larger ones
- Inflation, increased interest rates and a weak NOK is still the biggest concerns

Status and outlook in Northern Norway

Segment	Status	Outlook
Commercial real estate		
Fisheries		
Fish farming		
Construction		
Retail sales		
Tourism		
Power sector		

Ambitions for growth and increased market share

Expected growth for SpareBank 1 Nord-Norge in 2024

Retail market: 2-4 %

Corporate market: 4-7 %

The Group is well capitalized. Underlying market growth is lower than in many years, but the region is well positioned compared to the rest of the country. A surprisingly strong willingness to invest was seen in the business sector throughout 2023 but slightly lower growth in households and businesses is expected in 2024. The Group aims to gain market shares.

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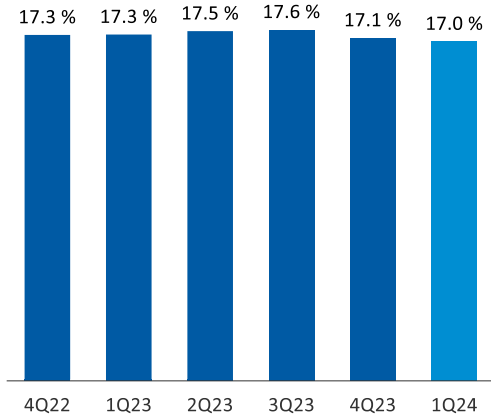


Group financial highlights and key figures

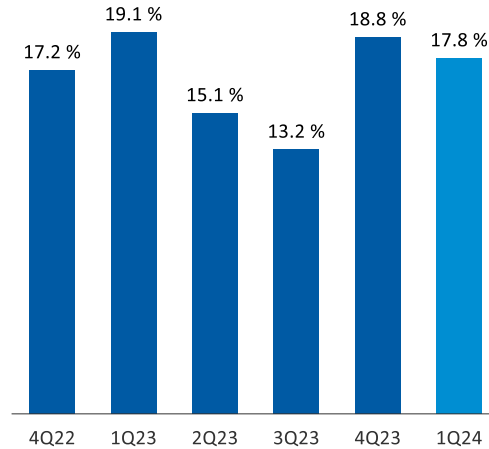
(Amounts in NOK million and in % of average assets)	1Q24	4Q23	1Q23	31.12.23
Net interest income	986	997	820	3 627
Net fee- and other operating income	335	532	309	1 487
Net income from financial investments	119	83	138	183
Total income	1 440	1 612	1 267	5 297
Total costs	488	593	421	1 908
Result before losses	952	1 019	846	3 389
Losses	36	91	- 57	116
Result before tax	916	928	903	3 273
Tax	202	172	182	725
Result after tax	714	756	721	2 548
Interest hybrid capital	24	21	11	60
Result after tax ex. interest hybrid capital	690	735	710	2 488
Profitability				
Return on equity capital	17.8 %	18.8 %	19.1 %	16.4 %
Interest margin	3.04 %	2.85 %	2.63 %	2.85 %
Cost/income	33.9 %	36.8 %	33.2 %	36.0 %

Quarterly development

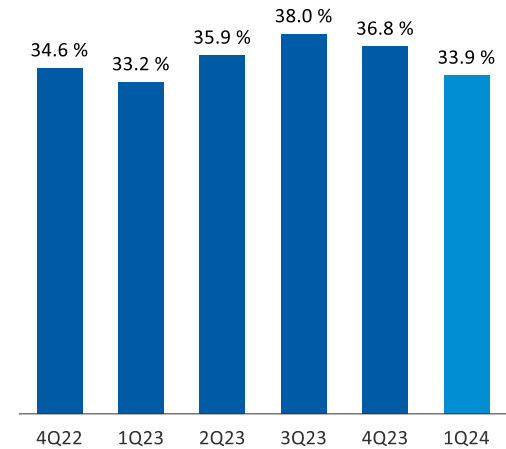
CET1 ratio *



Return on equity capital

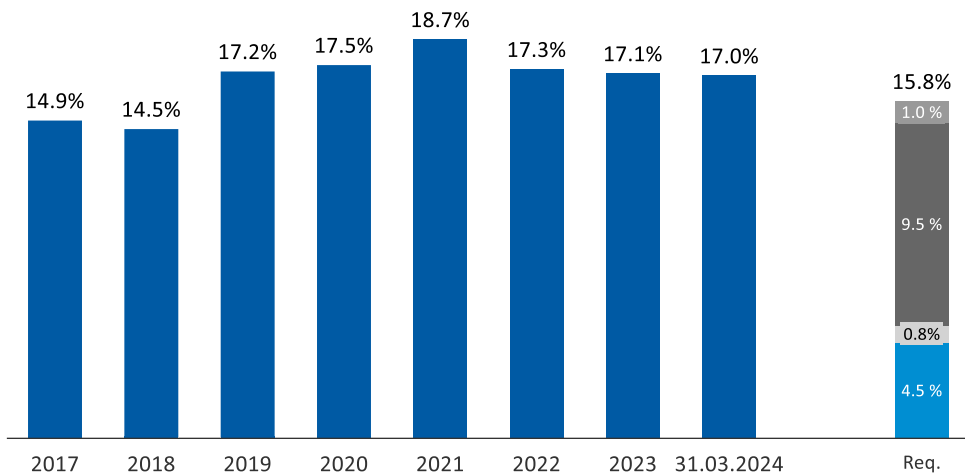


Cost/income Group

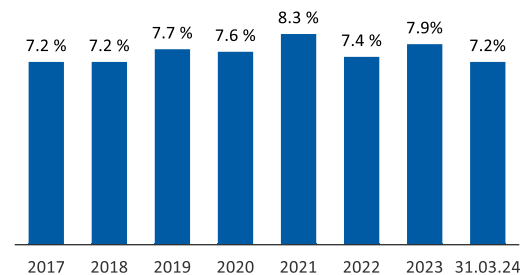


Strong capital base

CET1



Leverage Ratio



CET1

Pillar 1
min.requirement

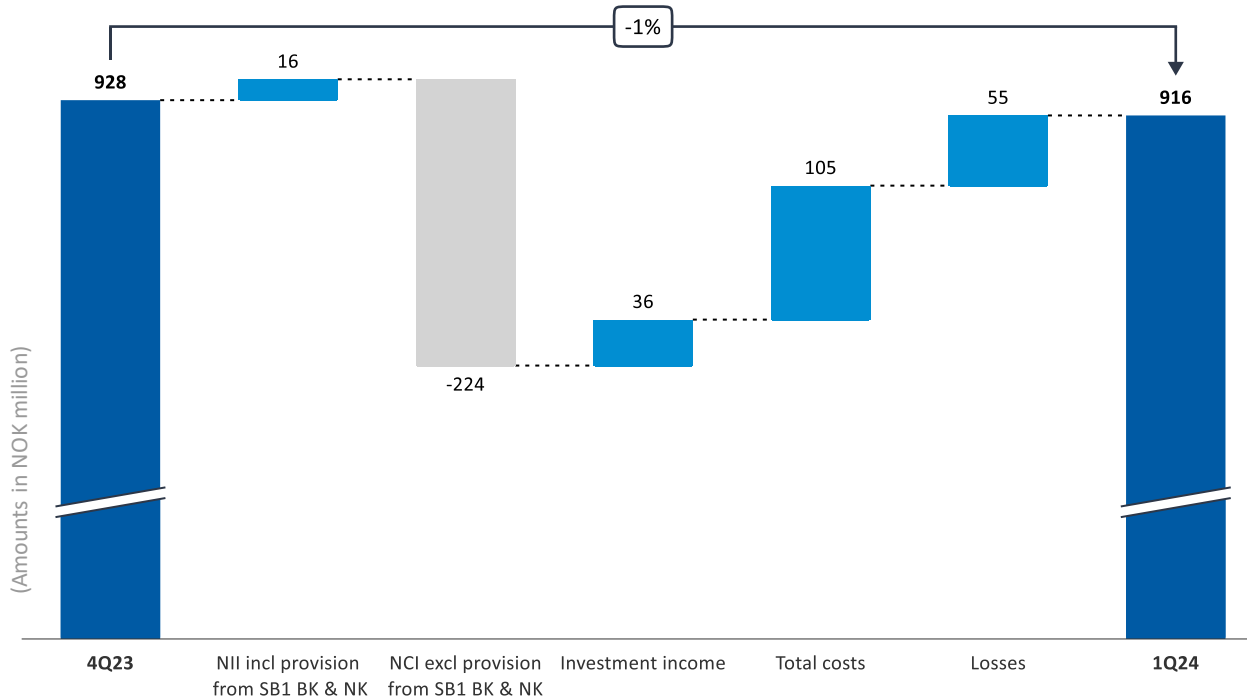
P2R

Buffer req

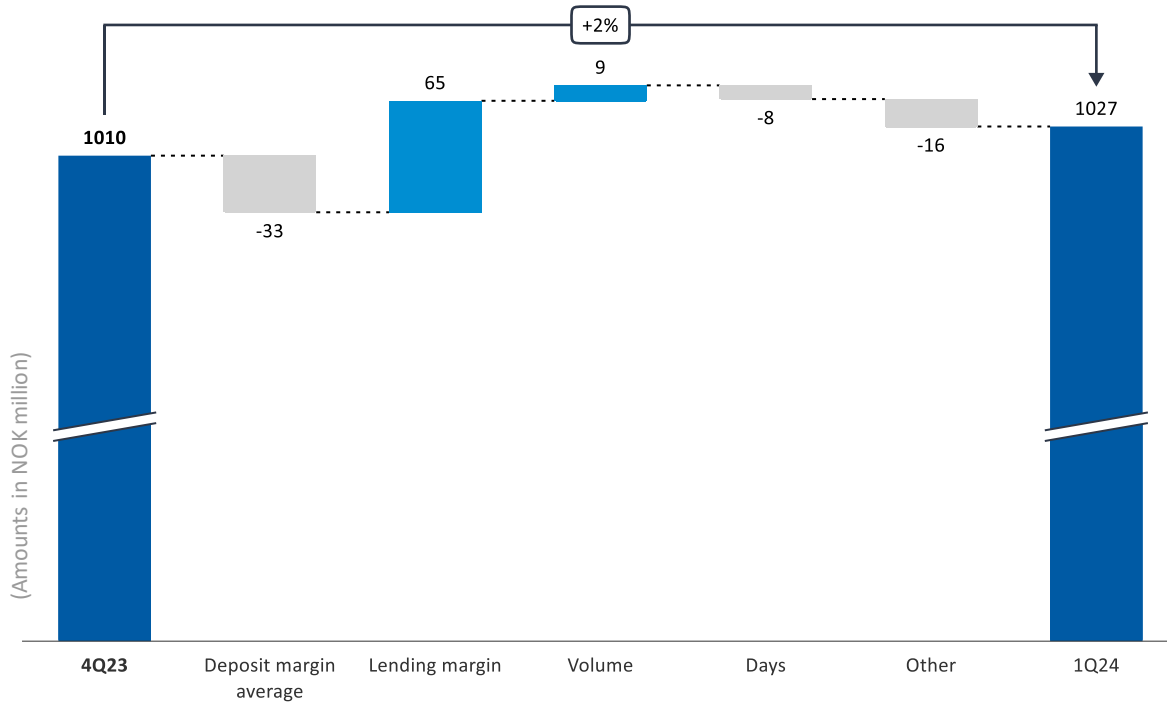
P2G

* Including 50% of the 1Q24 result

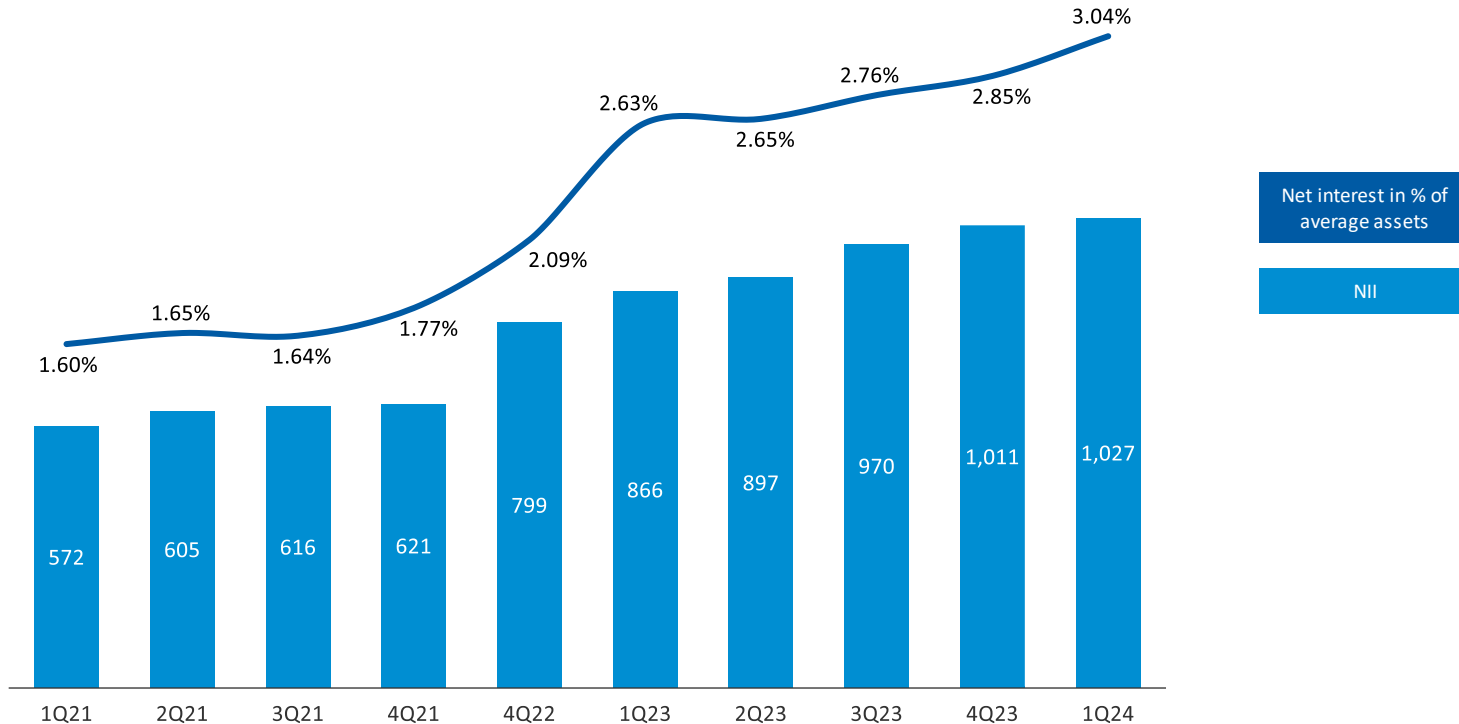
Result before tax - last quarter



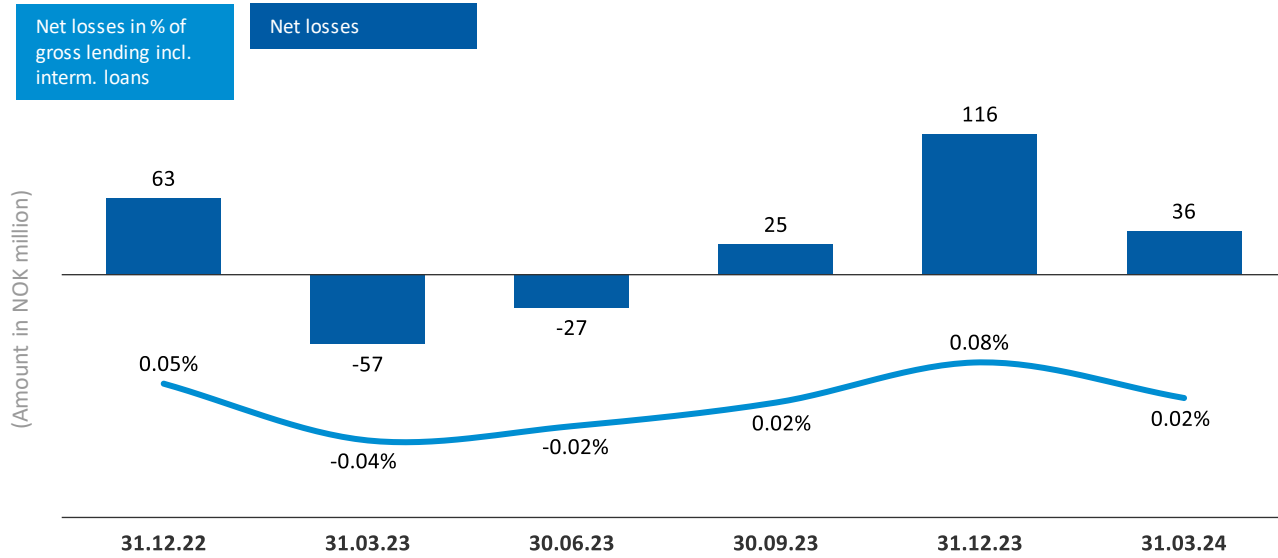
Net interest income - Group



Development in net interest income



Low losses

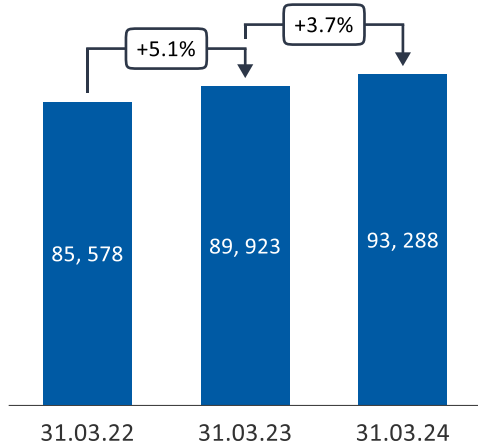


Distribution of losses

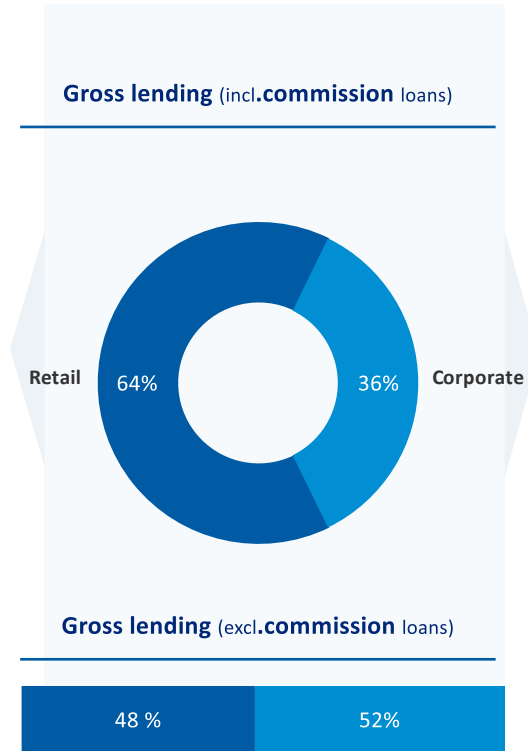


Lending growth

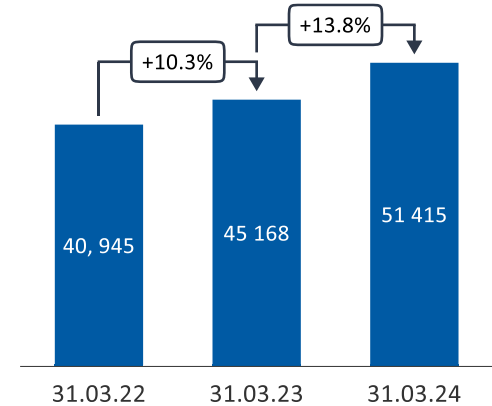
Retail marked (incl.commission loans)



Gross lending (incl.commission loans)

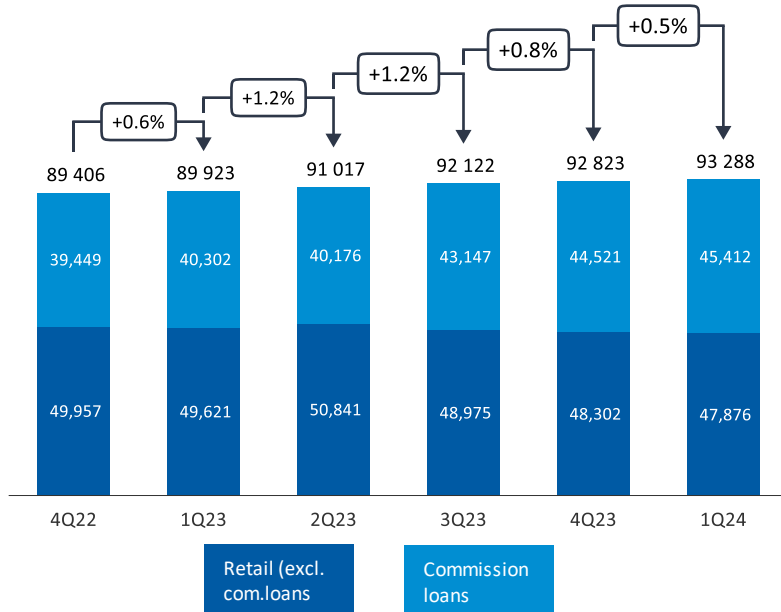


Corporate Banking (incl.commission loans)

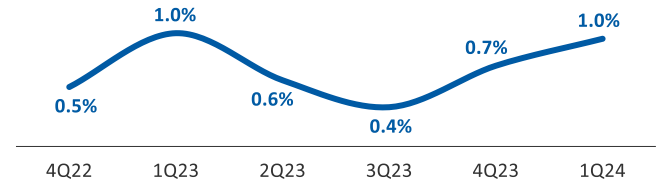


Retail Market

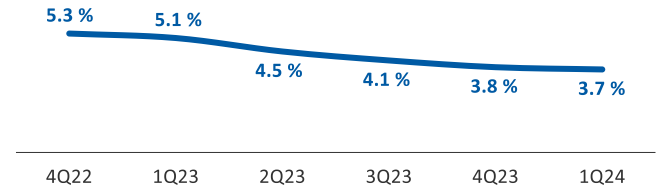
Lending growth



Development in lending margin (ISO)

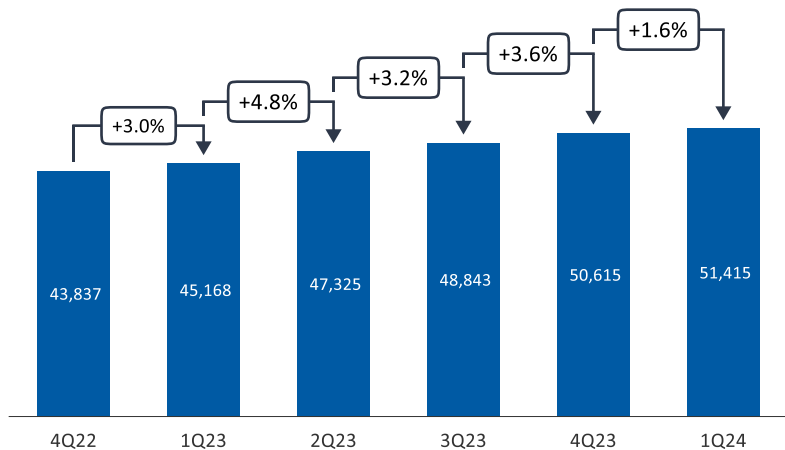


Lending growth (12 mth)

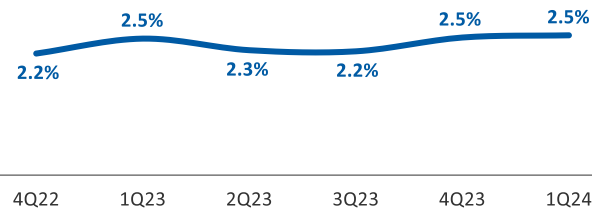


Corporate Banking

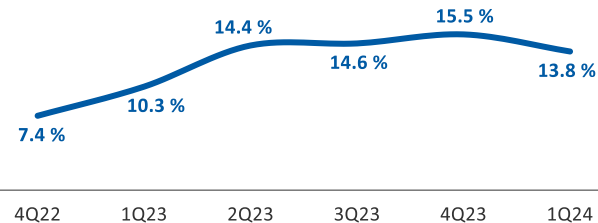
Lending growth



Development in lending margin (ISO)

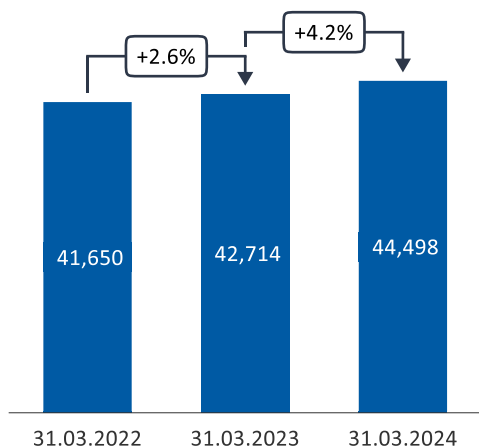


Lending growth (12 mth)

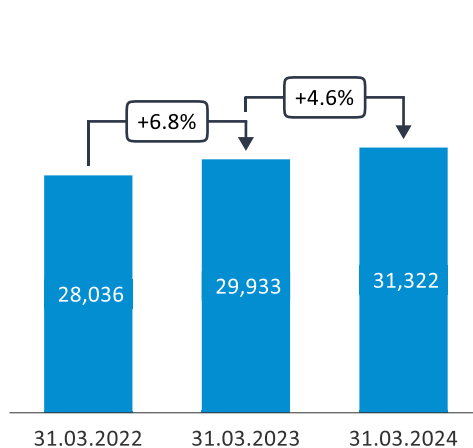


Deposit growth

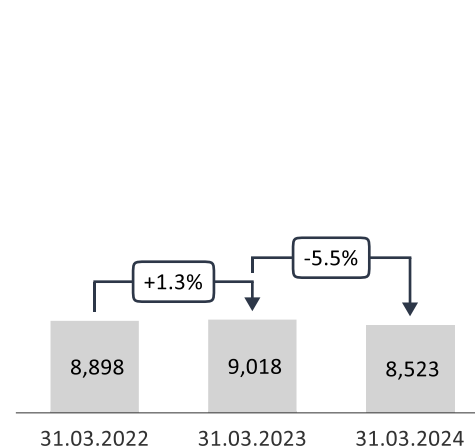
Retail Market



Corporate Banking



Public Sector



Deposits gross



Long term financial targets

> 13 %
ROE

< 40 %
C/I ratio

> 50 %
Dividend payout ratio

15.8 %
CET1 ratio

Financial outlook

NRI

- The group has received the full effect of the latest interest hike from February 20, 2024. Nibor has been stable in the quarter, which has led to a decrease in the deposit margin, and an increase in the lending margin. If the market's expectations, that we have seen the peak of the interest rate, persists and the Nibor comes down, this will over time contribute to a continued weakened deposit margin, while the lending margin will improve. However, a pressure on margins on mortgages is to be expected as underlying growth decreases and the competition for volume increases. Nevertheless, the group expects a continued good interest margin in 2024.

ROE >13 %

- Solid underlying operation, and a group that has an optimized capital structure results in a solid ROE in Q1 at 17.8 %. SNN is delivering above the targeted ROE, which is to deliver an ROE at a similar level of comparable companies, currently at 13 %. The outlook for 2024 is good and the goal stands.

CET1 Ratio: 15.8 %

- Targeted CET1 ratio is one percentage point above the regulatory minimum requirement, currently 14.8 %.
- The bank is, with a CET1 at 17.0 % in Q1, well capitalized, and indisputably solid. Based on this the bank has the financial muscles needed for wanted growth going forward.

C/I < 40 %

- Total costs in Q1 is NOK 105 mill lower than in Q4. Compared to Q1-23 the cost has increased with NOK 67 mill, of which the parent bank accounts for NOK 39 mill, while the remaining NOK 28 mill is related to the subsidiaries. The increase is mainly due to increased inflation, added manpower, increased investment in subsidiaries. SNN has a targeted C/I below 40 %, and delivered a C/I in Q1 of 33.9 %. The target C/I level still stands.

Pay out ratio > 50 %

- The targeted dividend pay out ratio of > 50 % still stands. The group is still well capitalized and has the capacity needed for growth without affecting the dividend capacity.
- SpareBank 1 Nord-Norge shall not, over time, have more capital than we need for growth and to maintain our solvency.

Why invest in SpareBank 1 Nord-Norge

#1

- Market leader in a resourceful region

ROE

- Ambitious, top class financial targets
- Implements new KPI measures to maintain top class ROE



- Owner friendly dividend policy and strong capitalization
- High relative ownership in SpareBank 1 Group, other alliance companies and Norwegian banking infrastructure

Contacts

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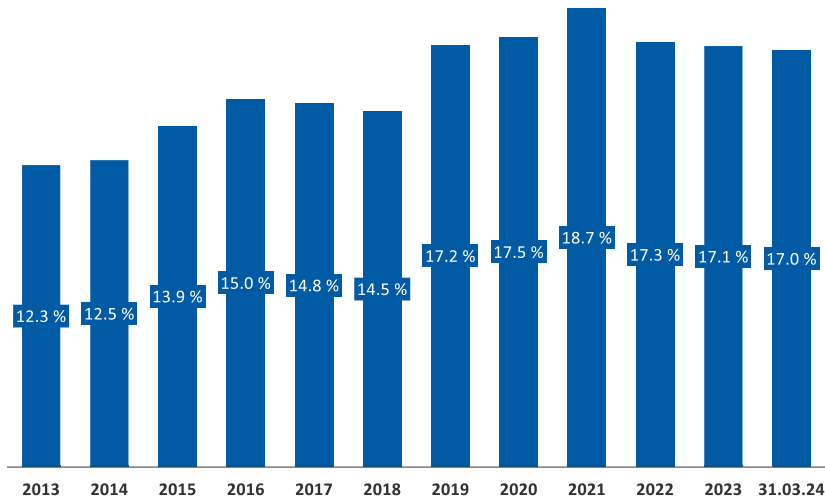
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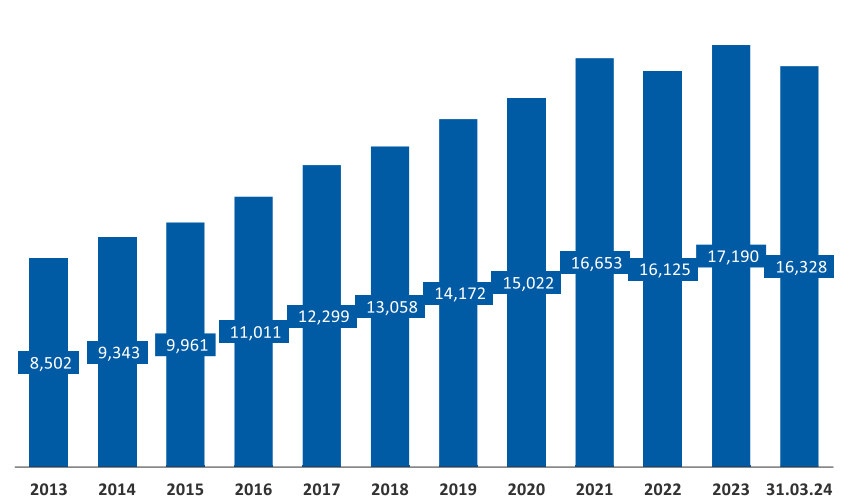


A solid bank for Northern Norway

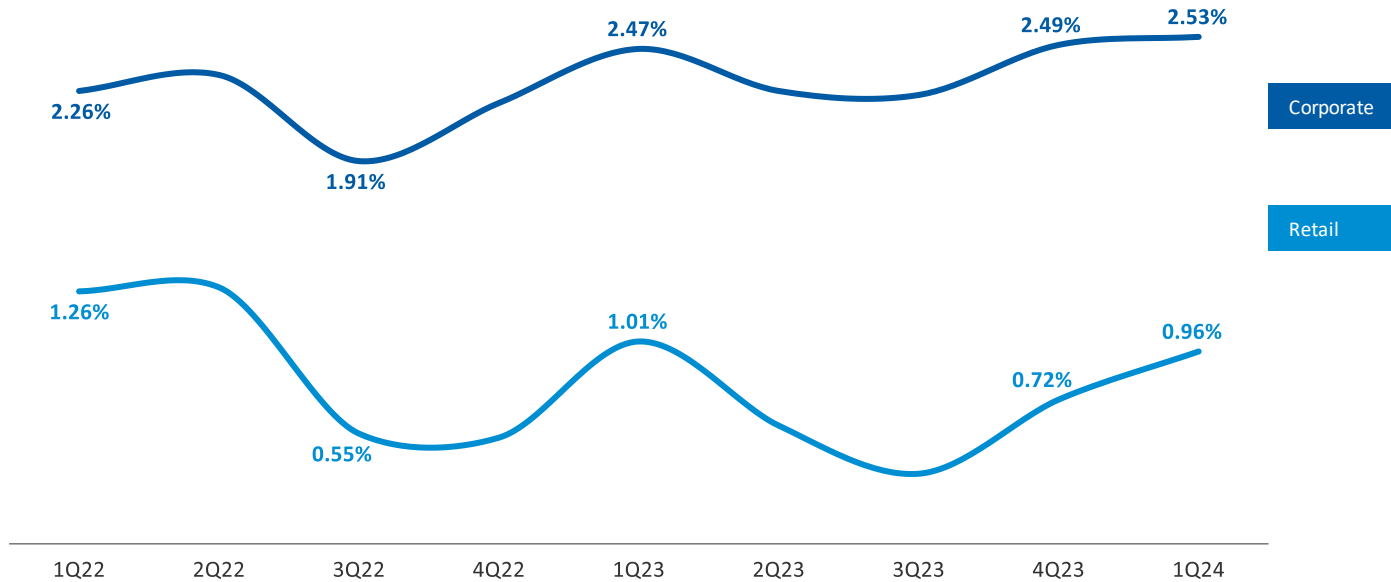
CET1 ratio *



Total equity (mNOK)



Development in lending margins



Company structure

Associated companies and joint ventures

SpareBank 1 Gruppen AS
19.50 % | Financial services

SpareBank 1 Boligkreditt AS
16.21 % | Mortgage company

**SpareBank 1
Næringskreditt AS**
1.05 % | Mortgage company

SpareBank 1 Utvikling DA
18 % | System development

SpareBank 1 Kreditt AS
16.73 % | Credit card

SpareBank 1 Betaling AS
17.94 % | Vipps/mobile payment

**SpareBank 1
Gjeldsinformasjon AS**
13.83 % | Investment company

**SpareBank 1 Bank og
Regnskap AS**
25 % | Innovation

SpareBank 1 Mobilitet AS
30.66 % | System development

SpareBank 1 Forvaltning AS
12.18 % | Investment company

SpareBank 1 Markets AS
18.06 % | Investment Bank

Subsidiaries

**SpareBank 1 Finans Nord-
Norge AS**
85 % | Loan/consumer finance/leasing

**EiendomsMegler 1 Nord-
Norge AS**
85 % | Real estate brokerage

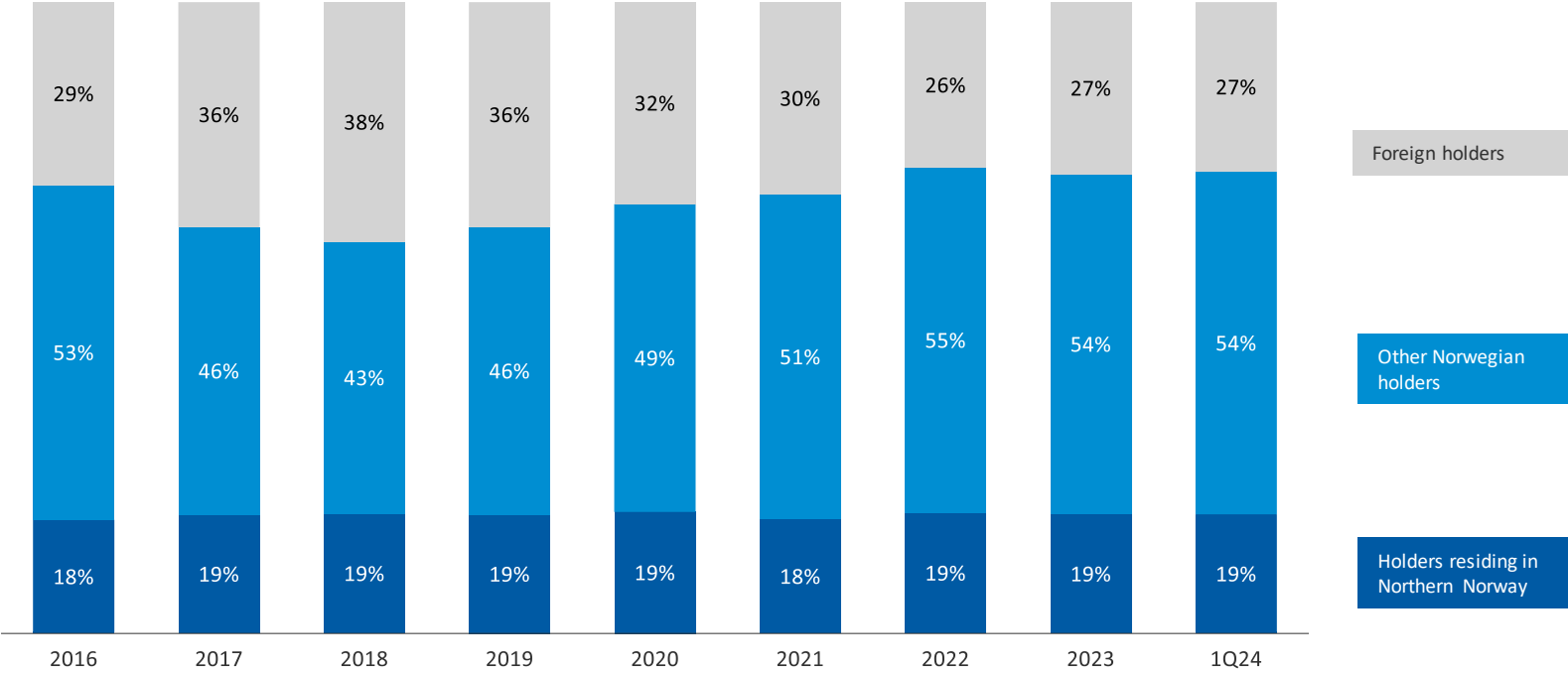
Fredrik Langesgt 20 AS
100 % | Commercial building

**SpareBank 1 Regnskaps-
huset Nord-Norge AS**
85 % | Accounting

**SpareBank 1 Nord-Norge
Portefølje AS**
100 % | Investment company

Rødbanken Holding AS*
100 % | Investment company

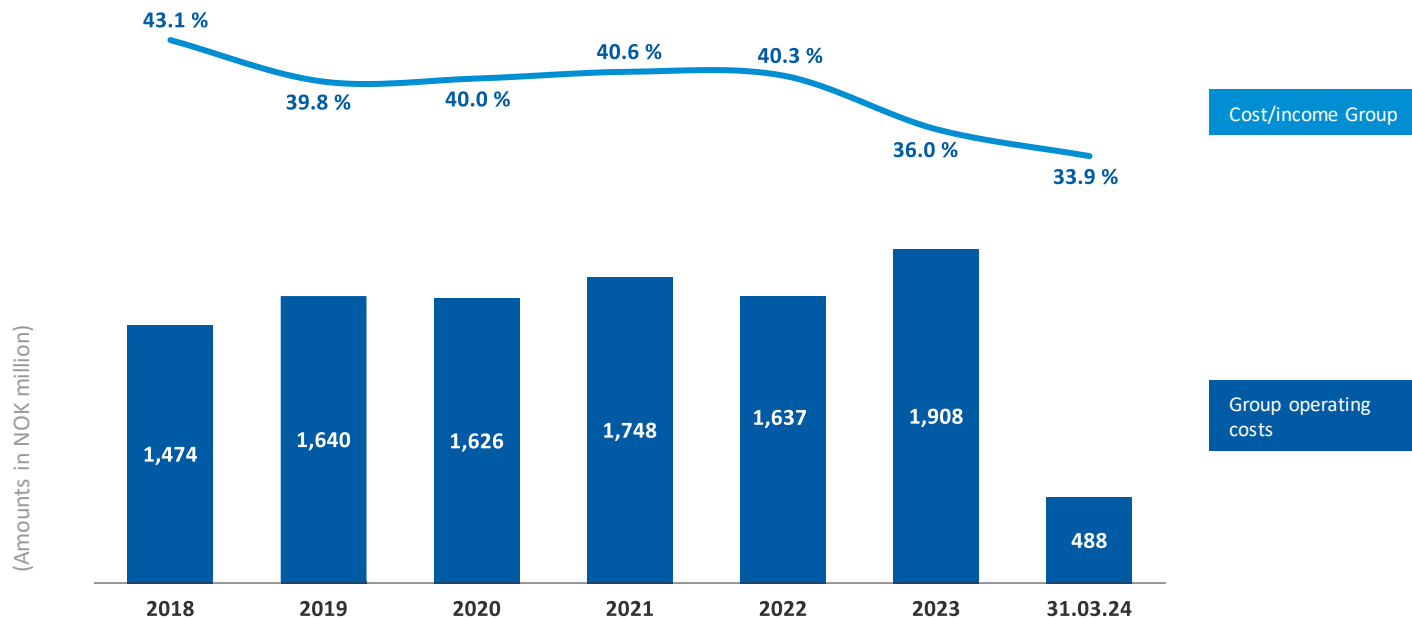
Geographical distribution of ownership



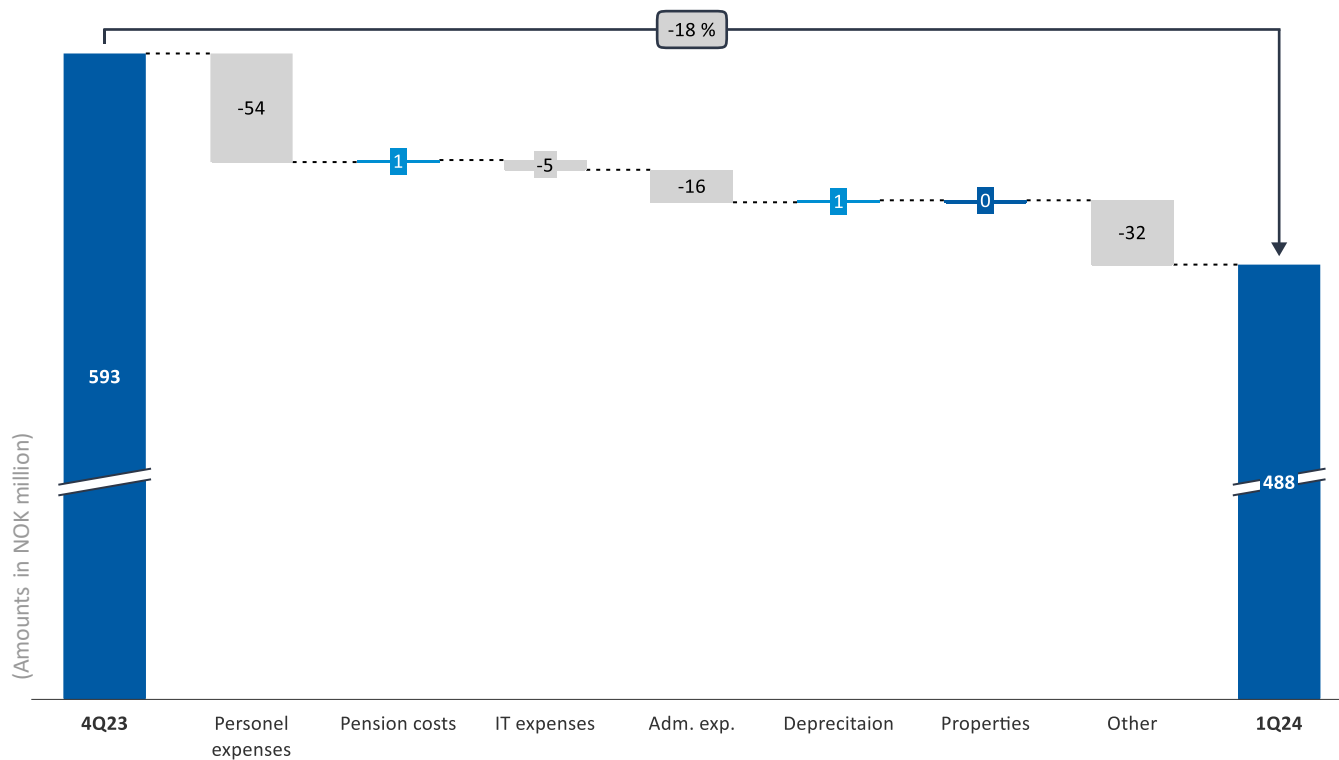
The 20 largest EC holders

EC Holders	Number of ECs	Share of EC Capital
PARETO AKSJE NORGE VERDIPAPIRFOND	5.2M	5.1 %
PARETO INVEST NORGE AS	4.6M	4.6 %
VPF EIKA EGENKAPITALBEVIS	4.1M	4.0 %
Geveran Trading Company LTd	3.9M	3.8 %
KOMMUNAL LANDSPENSJONSKASSE GJENSI	2.8M	2.8 %
Brown Brothers Harriman & Co.	2.4M	2.4 %
MP PENSJON PK	2.4M	2.4 %
FORSVARETS PERSONELLSERVICE	1.8M	1.7 %
State Street Bank and Trust Comp	1.6M	1.6 %
The Northern Trust Comp, London Br	1.5M	1.5 %
SPAREBANKSTIFTELSEN SPAREBANK 1 NO	1.4M	1.4 %
State Street Bank and Trust Comp	1.4M	1.4 %
Brown Brothers Harriman & Co.	1.1M	1.1 %
J.P. Morgan SE	1.1M	1.1 %
CACEIS Investor Services Bank S.A.	964K	1.0 %
State Street Bank and Trust Comp	864K	0.9 %
State Street Bank and Trust Comp	863K	0.9 %
VPF SPAREBANK 1 UTBYTTE	835K	0.8 %
Landkreditt Utbytte	821K	0.8 %
SPESIALFONDET BOREA UTBYTTE	761K	0.8 %
Total	40, 285, 468	40.1 %

Cost development - Group



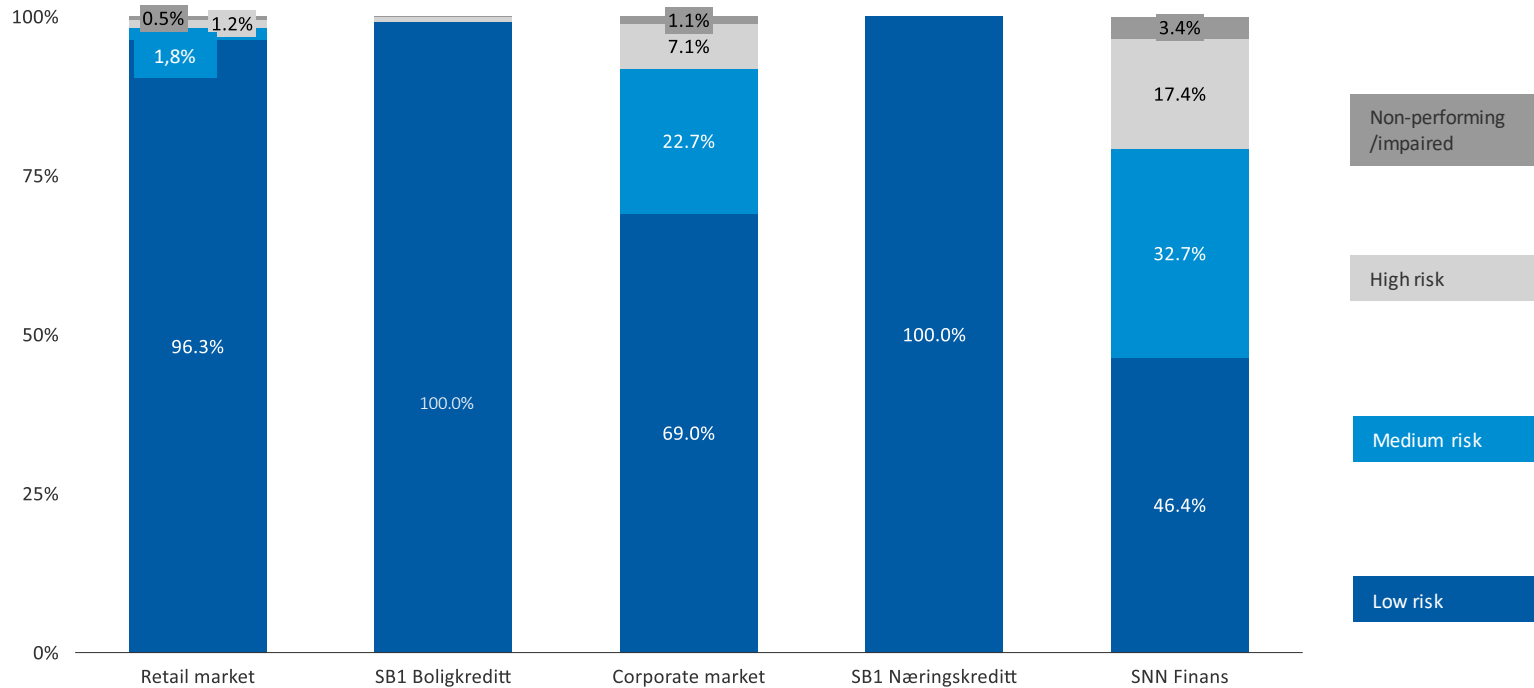
Operating expenses - Group



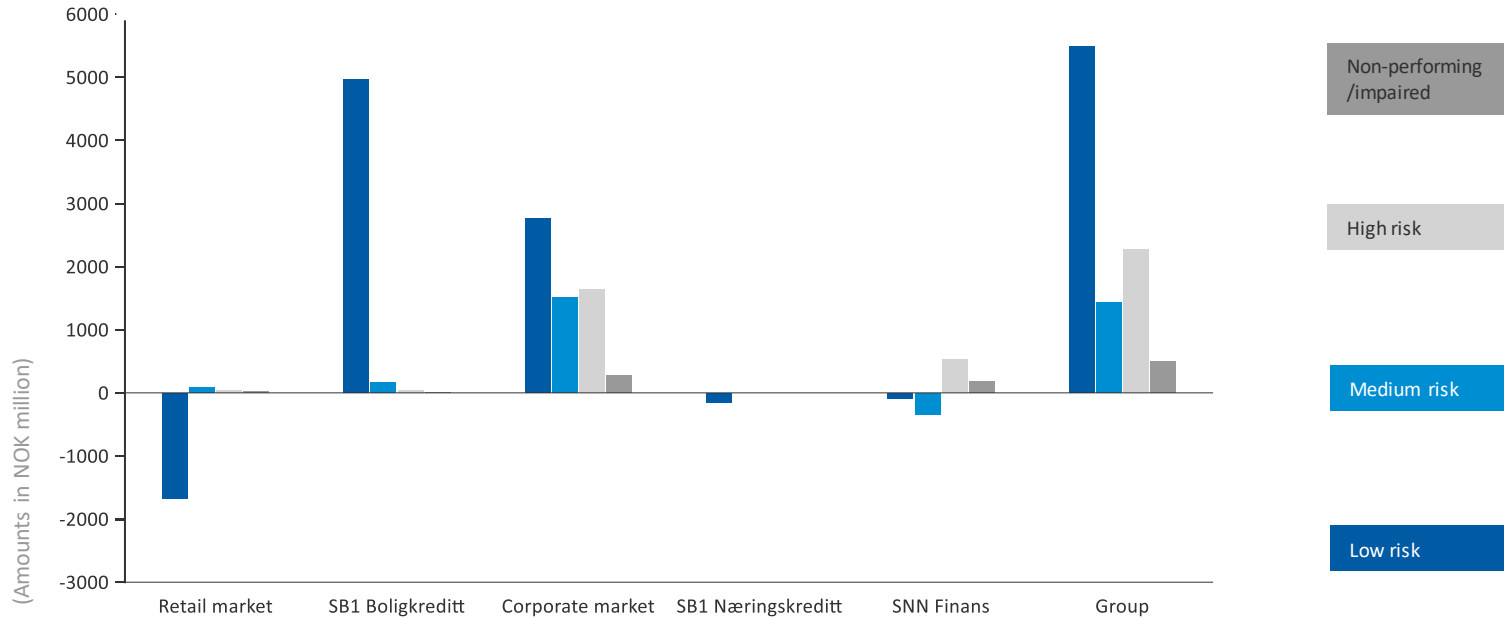
Net fee- and other operating income - Group

(Amounts in NOK million)	1Q24	4Q23	3Q23	2Q23	1Q23
Payment facilities	64	78	76	68	60
Sales provision insurance products	48	49	50	52	52
Guarantee commissions	12	10	13	10	10
Real estate broking	25	22	29	33	26
Portfolio commissions	13	16	12	13	13
Other commissions	53	57	62	67	52
Commissions excl. provision from SB1 BK & NK	214	232	242	243	213
Loans sold to SB1 BK & NK	41	13	15	41	46
Total commission income	255	245	257	284	259
Commission costs	20	24	19	24	23
Accounting services	98	73	69	78	72
Other operating income	2	239	0	0	1
Total commissions and other income	100	312	69	78	73
Net fee- and other operating income	335	533	307	338	309

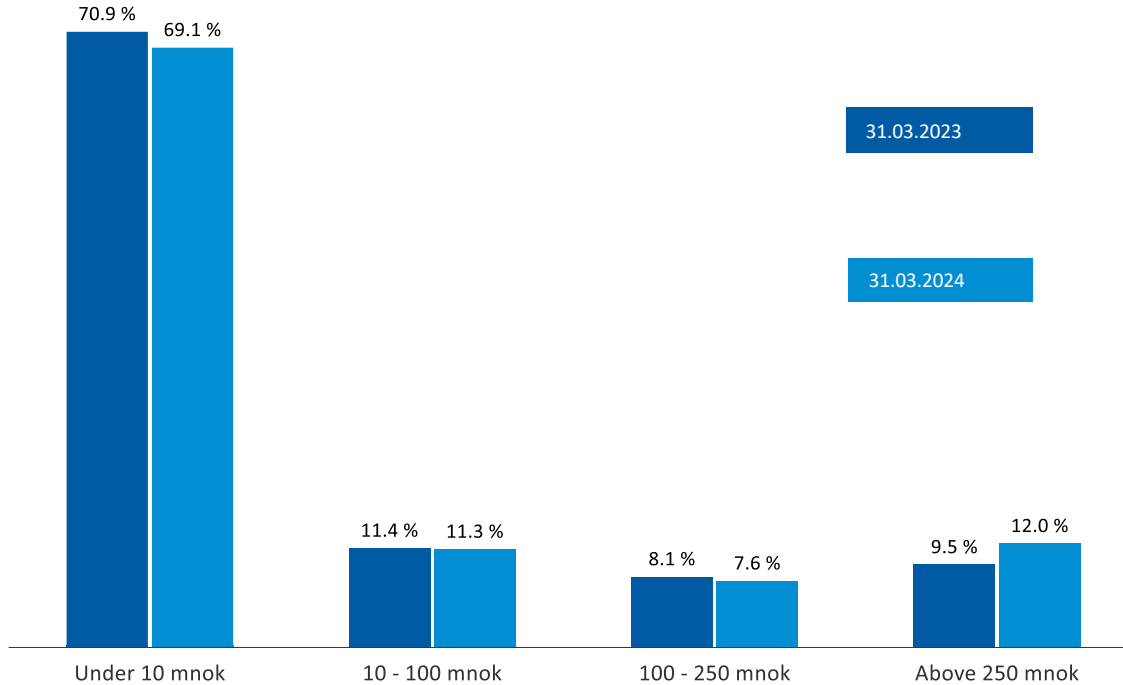
Risk exposure - Group



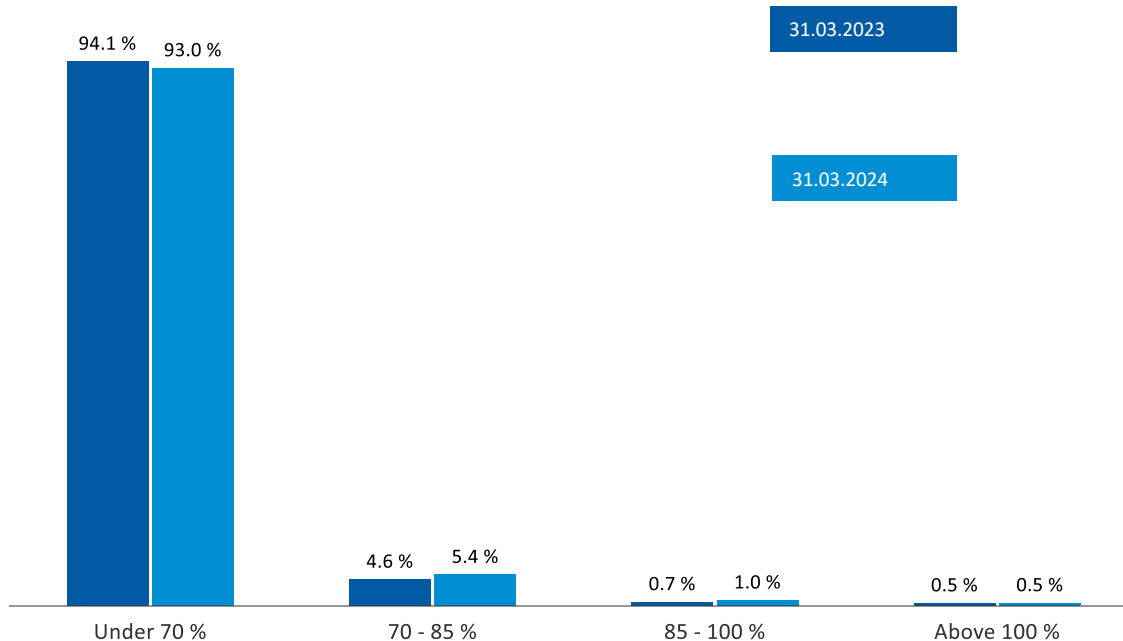
Changes in exposure last 12 months - Group



Exposure distributed by size*



LTV mortgage loans

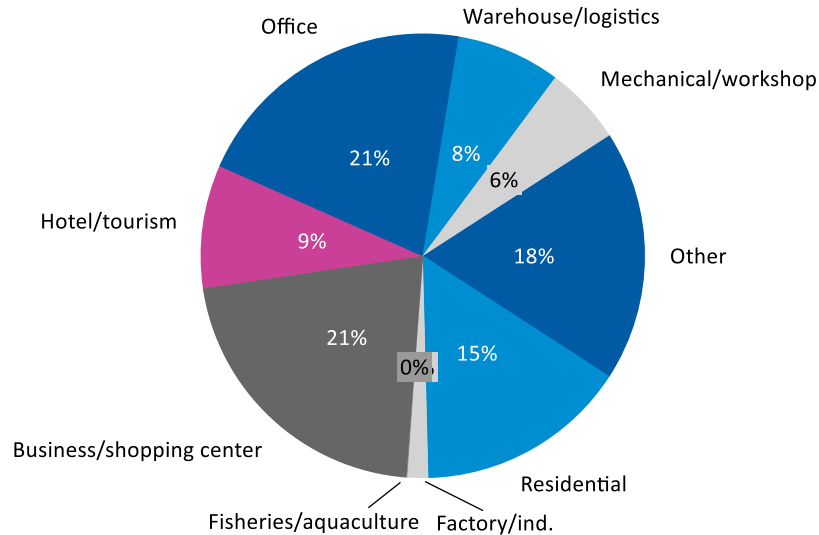


LTV is distributed by balance and is based on the market value of the collateral:

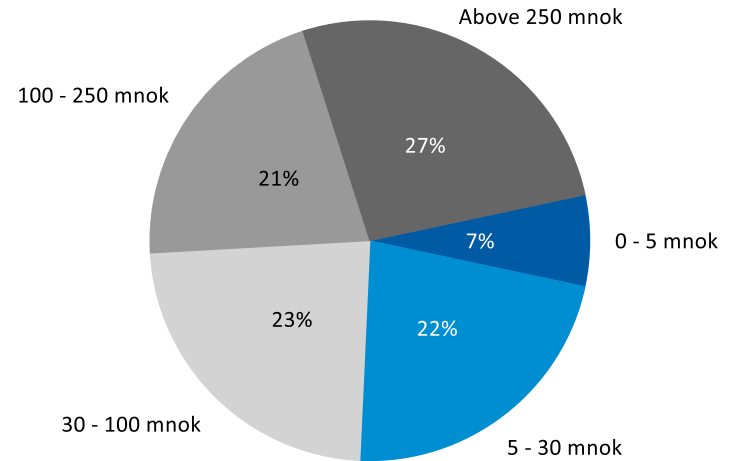
- 98.4 % of the gross exposure is within 85 % of the collateral market value
- Only 0.5 % of the gross exposure is higher than 100 % of the collateral market value
- The figures include the portfolio in SB1 Boligkreditt

Diversified portfolio in commercial real estate

Portfolio distribution



Size of commitments



Loan losses - Group

(Amounts in NOK million)	1Q24	2023	4Q23	3Q23	2Q23	1Q23	2022
Individual losses Corporate market	0.0	-12.2	3.3	0.15	0.5	6.2	52.9
Individual losses Retail market	35	71.2	47.4	18.7	7.9	3.8	-2.9
Collective losses and other value change items	1	56.5	23.7	-13.7	-28.3	-67.5	12.7
Total losses on loans and guarantees	36	116	91	24.9	-27.3	-57.4	62.6

The Group's annualized losses is 0.10 % (annualized) of gross lending including loans transferred to covered bond companies

Commitments in step 3: 1.01 % of total exposure. Expected loss share: 28.49 %

Commitments in step 2: 12.51 % of total exposure. Expected loss share: 2.66 %

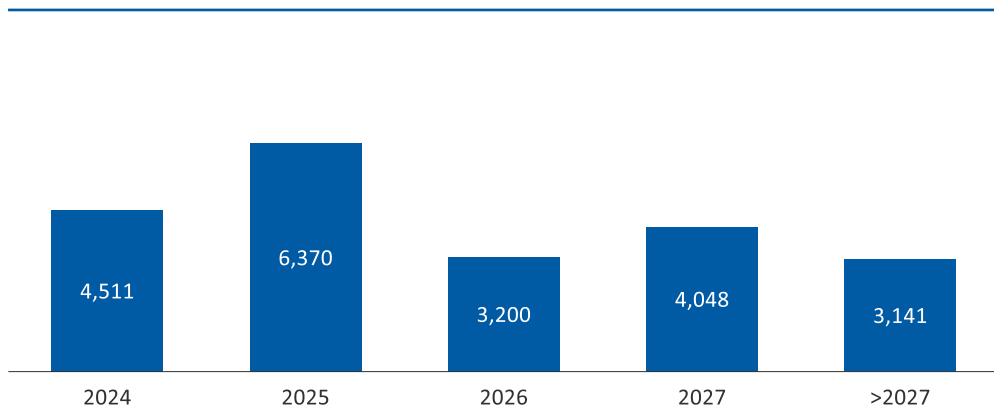
Commitments in step 1: 86.48 % of total exposure. Expected loss share: 0.15 %

The lending portfolio*

Sector	Share of total loans	Lending mNOK
Retail market	32.6 %	47,876
Mortgages transferred to SpareBank 1 Boligkreditt	30.9 %	45,412
Commercial real estate	12.8 %	18,716
Fishing and aquaculture	7.5 %	10,939
Financial and insurance activities	3.4 %	5,017
Power and water supply and construction	3.0 %	4,418
Service industries	2.6 %	3,794
Transportation	2.6 %	3,886
Commodity trade, hotel and restaurant industry	1.8 %	2,654
Manufacturing	1.5 %	2,211
Agriculture and forestry	0.8 %	1,222
Government	0.4 %	519
Total loans Retail market	63.6 %	93,288
Total loans Corporate market	36.4 %	53,500
Total loans to customers		146,788

Funding

Maturity profile (mNOK)

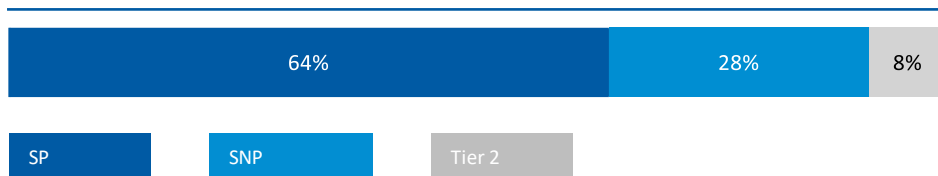


NOK 21,270 mill in capital market funding exclusive of SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt

SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt is important funding sources. In total NOK 45,538 mill had been transferred as of 31.03.24

Amount of gross maturities of capital market funding next 12 months is NOK 3,757 mill

Distribution of capital market funding (mNOK)



Achieving goals for sustainability

- ESG-classified portfolio aligned with EUs taxonomy
- Major contribution to the SDGs
- Green product framework and Green Finance Framework established special for the Arctic region
- 41% women in leadership positions
- 24% reduction in greenhouse gas emissions
- ESG-strategy build on established principles in the Finance sector (UNEP FI, UNG Global Compact, GRI, TCFD)



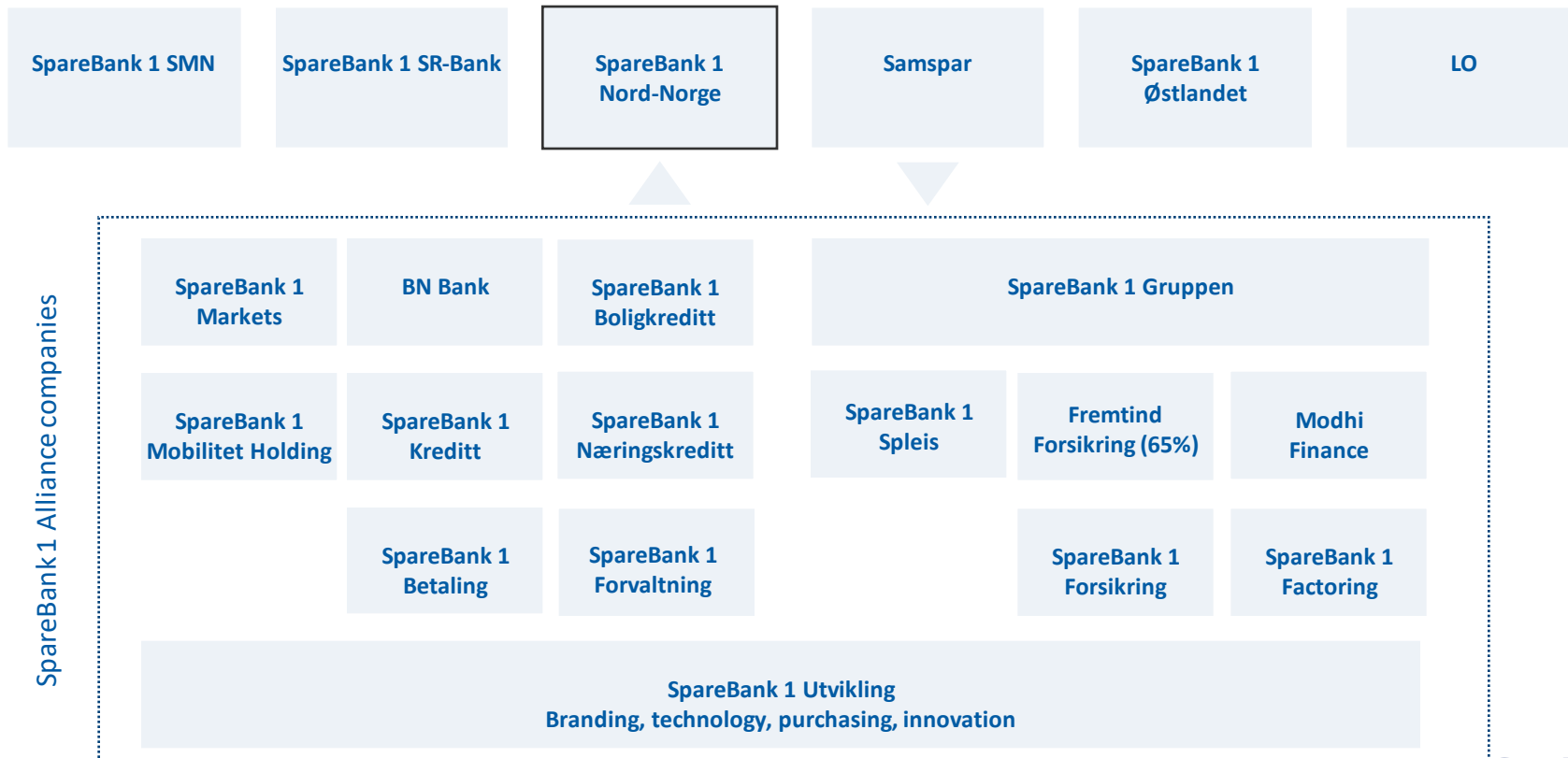
SpareBank 1 Alliance

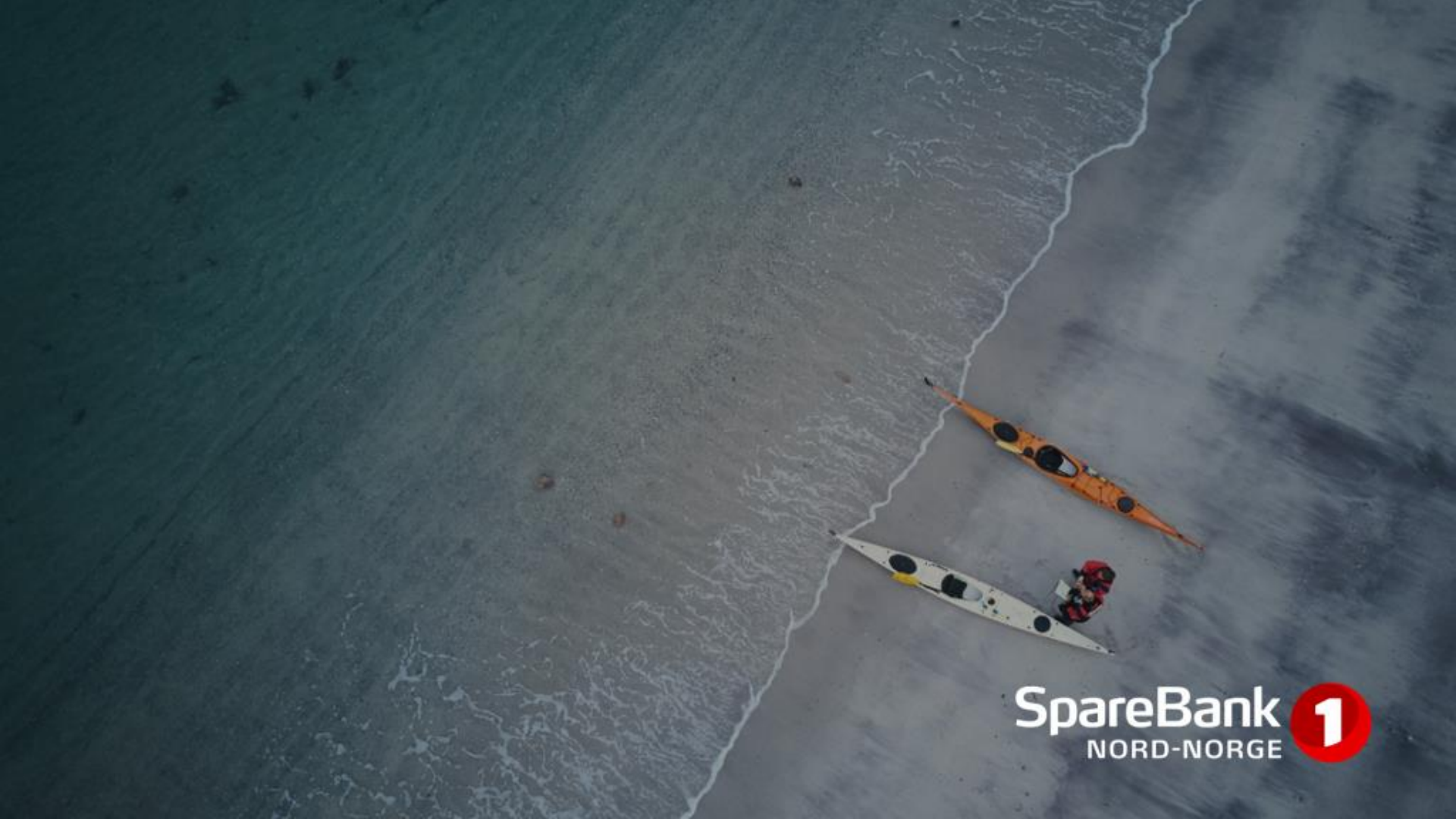


- The SpareBank 1-alliance consists of 14 banks
- Operate exclusively in Norway
- Norway's most extensive branch network with approx. 350 branches
- The alliance is in the forefront of incorporating technological innovation into its distribution channels. Best rated mobile banking in Norway
- Market leaders in their core regional markets
- The largest banks (approx. 80 % of total assets) have the following rating:

Sr. Unsec. Ratings	Moody's
SpareBank 1 Nord-Norge	Aa3 / P-1
SpareBank 1 SMN	A1 / P-1
SpareBank 1 SR	Aa3 / P-1
SpareBank 1 Østlandet	Aa3 / P-1

SpareBank 1 Alliance





SpareBank
NORD-NORGE

