1. Quarter

SpareBank 1 NORD-NORGE

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Group financial highlights and key figures

(Amounts in NOK million and in % of average assets)		31.03.24	%	31.03.23	%	31.12.23	%
Net interest income	5	986	3,04 %	820	2,63 %	3 627	2,85 %
Net fee- and other operating income		335	1,03 %	309	0,99 %	1 487	1,17 %
Net income from financial investments		119	0,37 %	138	0,44 %	183	0,14 %
Total income	5	1 440	4,44 %	1 267	4,07 %	5 297	4,17 %
Total costs	5	488	1,50 %	421	1,35 %	1 908	1,50 %
Result before losses		952	2,93 %	846	2,72 %	3 389	2,67 %
Losses	5	36	0,11 %	- 57	-0,18 %	116	0,09 %
Result before tax		916	2,82 %	903	2,90 %	3 273	2,57 %
Tax		202	0,62 %	182	0,58 %	725	0,57 %
Result after tax	5	714	2,17 %	721	2,29 %	2 548	1,98 %
Interest hybrid capital	5	24		11		60	
Result after tax ex. interest hybrid capital	5	690		710		2 488	

Profitability				
Return on equity capital	1, 5	17,8 %	19,1 %	16,4 %
Interest margin	2, 5	3,04 %	2,63 %	2,85 %
Cost/income	3, 5	33,9 %	33,2 %	36,0 %
Balance sheet figures and liquidity		**31.03.24**	**31.03.23**	**31.12.23**
Total assets		131 562	126 548	128 138
Average assets	4, 5	129 850	124 535	127 155
Gross loans	5	101 250	98 199	101 093
Gross loans incl. commition loans	5	146 788	138 780	145 742
Deposits	5	86 233	82 526	83 659
Liquidity Coverage Ratio (LCR)		150	141	150
Solidity				
Common Equity Tier 1 Capital Ratio		16,6 %	17,3 %	17,1 %
Tier 1 Capital Ratio		18,3 %	18,6 %	18,9 %
Total Capital Ratio		20,9 %	20,3 %	21,4 %
Common Equity Tier 1 Capital		13 283	12 655	13 466
Tier 1 Capital		14 689	13 603	14 847
Own Funds		16 716	14 834	16 824
Total risk exposure amount		80 148	73 071	78 527
Leverage Ratio incl. result		7,5 %	7,5 %	7,9 %
NONG Key figures				
NONG Quoted/market price (NOK)		95,80	88,20	103,20
Number of EC issued (mill)		100,40	100,40	100,40
Equity capital per EC (NOK)		68,58	64,71	72,47
Result per EC (NOK)		3,14	3,24	11,36
P/E (Price/Earnings per EC) NOK		7,62	6,80	9,08
P/B (Price/Book Value per EC) NOK		1,40	1,36	1,42
Branches and full-time employees				
Branches		15	15	15
Manyears		960	875	956

1 The profit after tax in relation to average equity, calculated as a quarterly average of equity and at 01.01. " The Bank's hybrid 1 capital issued are classified as equity in the financial statements. However, when calculating the return on equity, hybrid tier 1 capital are decucted from equity, and result after tax are adjusted for interests on hybrid tier 1 capital."

2 Net total interests as a percentage of average total assets.

3 Total costs as a percentage of total net income.

4 Average assets are calculated as average assets each quarter and at 01.01.

5 Defined as alternative performance measures, see attachment to the Quarterly report

Quarterly Report for SNN – 1Q24

Group financial results and key figures

(Amount in NOK million)	1Q24	1Q23	Change	31.03.24	31.03.23	Change
Result after tax	714	721	- 7	714	721	- 7
Result per EC	3,14	3,24	-0,10	3,14	3,24	-0,10
			0			
Return on equity	17,8 %	19,1 %	-1,3 %	17,8 %	19,1 %	-1,3 %
Cost/income	33,9 %	33,2 %	-0,7 %	33,9 %	33,2 %	-0,7 %
Common Equity Tier 1 Capital Ratio	16,6 %	17,3 %	-0,7 %	16,6 %	17,3 %	-0,7 %
Growth loans retail market	2,0 %	2,3 %	-0,3 %	3,7 %	5,1 %	-1,3 %
Growth loans corporate market	6,3 %	12,1 %	-5,8 %	13,8 %	10,3 %	3,5 %
Growth loans total	3,5 %	5,5 %	-2,0 %	7,1 %	6,8 %	0,3 %
Growth deposits retail market	6,2 %	2,7 %	3,5 %	4,2 %	2,6 %	1,6 %
Growth deposits corporate market	12,1 %	20,4 %	-8,4 %	2,3 %	5,5 %	-3,2 %
Growth deposits total	9,0 %	11,0 %	-2,0 %	3,3 %	3,9 %	-0,6 %
Result from ownership interests	66	38	28	66	38	28
Result from financial assets	53	100	- 47	53	100	- 47
Losses	36	- 57	- 93	36	- 57	- 93

Important events in the quarter

SpareBank 1 Nord-Norge (SNN) has achieved another strong quarter of good growth and earnings thanks to good underlying banking operations. A return on equity of 17.8 per cent and a cost/income ratio of 33.9 per cent are well within the Group's targets.

Given that underlying credit growth in Norway is trending downwards, SpareBank 1 Nord-Norge's delivery of strong lending growth of 3.5 per cent in the quarter is positive. Corporate Market saw no less than 6.3 per cent growth, while Retail Market also delivered good growth of 2.0 per cent in a challenging quarter (including loans transferred to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt). The Bank is very satisfied with achieving such high growth despite the demanding macroeconomic situation with high interest rates and a complete stop in new house building. The growth in Corporate Market was particularly strong and occurred within the Bank's moderate risk profile and with reasonable margins. The high growth in Corporate Market over time can largely be attributed to the macroeconomic situation in Northern Norway being better than the national average. It was also driven by strong commodity prices and a weak exchange rate for the Norwegian krone. The Bank is also taking market shares, especially within the ocean industries.

Underlying losses remain low. So far, the Bank's loan portfolio has not been particularly affected by an uncertain macroeconomic situation, although we are seeing some negative migration for individual customers. We can also see that some industries are facing greater challenges than others. For this reason, we have chosen to put both individual commitments and larger commitments in vulnerable industries on a watchlist, and we have recognised some smaller losses on individual commitments. At the same time, we are seeing some improvements in the macroeconomic outlook that are having a weak but positive effect on ECL provisions. We are still seeing limited negative migration in the portfolio and there has been no significant increase in losses and defaults. This could be due to the Group having systematically focused on reducing risk in its loan portfolio in recent years. Furthermore, the Group's loan portfolio is characterised by residential mortgages and as mentioned above, the Bank is exposed in industries that are not adversely affected by the current macroeconomic situation.

The market believes interest rates have peaked and expects rates to decrease towards the end of 2024. If inflation continues to trend downwards, this will have a further positive impact on interest rate expectations and may ease the pressure on vulnerable industries to some extent. However, financial uncertainty remains, and the Group is focusing on closely monitoring our customers, particularly in Corporate Market but also exposed customers in Retail Market.

SpareBank 1 Nord-Norge has a solid customer portfolio, a strong market position, competitive terms and conditions and cost-effective operations. The Bank is therefore well positioned to be a good bank for Northern Norway and expects to continue taking market share in our region.The market believes interest rates have peaked and expects rates to decrease towards the end of 2024. If inflation continues to trend downwards, this will have a further positive impact on interest rate expectations, which may ease the pressure on vulnerable industries to some extent. However, financial uncertainty remains high, and SpareBank 1 Nord-Norge is focusing on closely monitoring our customers, particularly in Corporate Market but also exposed customers in Retail Market. As a consequence of macroeconomic conditions, we expect somewhat lower underlying lending growth in 2024, although our ambition to take market shares stands.

SpareBank 1 Nord-Norge has a solid customer portfolio, a strong market position, competitive terms and conditions and cost-effective operations. Therefore, the Bank is well positioned to be a good bank for Northern Norway now and in the future.

Macroeconomic trends

Global economy – higher level of interest rates expected

At the end of 2023, it was clear that the market expected interest rates to be cut quickly and sharply. This sentiment has now reversed. We therefore saw a rise in long-term interest rates internationally throughout the first quarter of the year. One important factor behind the rise in interest rates is that inflation appears to be more entrenched than previously envisaged, especially in the US. Here, inflation has provided a surprise on the upside, while key economic figures have been strong. A similar trend is now being seen in several major economies. As a result, there is no urgent need for central banks to cut interest rates. A steadily increasing number of central banks have recently called for patience in terms of future interest rate cuts. The Central Bank of Japan raised its policy rate in mid-March for the first time in 17 years, thus ending a long period of negative interest rates. Here too, the background was a rise in inflation after it had been very low for many years.

Small and medium-sized enterprises in the US report better access to qualified labour. This is happening while an ever increasing number of companies are reporting that inflation is no longer the biggest challenge for their company. On the negative side, a growing number of businesses are reporting weaker sales, and they expect this to persist in the coming period.

The US housing market is showing signs of improvement. In the wake of high inflation and rising interest rates, which led to a marked decline in US construction activity in the last few years, recently the development has been more positive. With expectations of further interest rate cuts in the future, market sentiment has improved significantly.

In January, China's largest developer, Evergrande, eventually went bankrupt after having struggled for several years. There was a great deal of concern about how any bankruptcy would affect the financial markets. Fortunately, the effects were largely isolated to China. There was no shortage of dire predictions before its bankruptcy. However, the fact that the bankruptcy process lasted for so long meant that the market was prepared for what came next.

A far as the US stock markets are concerned, the main story has been Nvidia, the chip manufacturer. The value of its stock has increased by more than 80 per cent, and it has thus leaped up the list of the world's most valuable companies. At the end of March, the S&P 500 ended higher for the fifth consecutive month. This has only happened once before since the turn of the century, in 2013. The index ended the first quarter up 10.2 per cent.

Norwegian economy – heavy focus on this year's wage settlement and inflation

Wage negotiations in Norway are well underway. The Norwegian Technical Calculation Committee for Wage Settlements (TBU) estimated inflation would reach 4.1 per cent in 2024. This estimate is having a major influence on this year's settlement as the parties base their negotiations on this estimate. It is also worth noting that the committee's estimates have been too low in recent years, meaning the real wage growth anticipated by workers has in fact turned into a decrease in real terms.

After negotiations went into extra time, agreement was reached on the wage settlement for industry. The framework in the front-runner model ended at 5.2 per cent. This exceeded the estimates of both the general consensus and Norges Bank, both of which had estimated 4.9 per cent.

In recent months, inflation has slowed faster than expected. This is true for both total inflation (CPI) and core inflation (CPI-ATE). Compared with the estimates of both Norges Bank and analysts, inflation has slowed more than expected. It now remains to be seen whether this is a temporary effect or whether a further decrease materialises.

Norges Bank published updated figures from its regional networks in March. Here, the companies confirm that the growth in activity is better than what was indicated at the end of last year. The companies report increased employment growth in the first quarter and expectations concerning wage growth this year rose by 0.4 per cent from the previous report to 4.9 per cent. Thus, the economy seems to be more resilient when it comes to high inflation and interest rates than was initially assumed.

Norges Bank has held a steady course and adhered to its plan. At this year's first two central bank meetings, interest rates remained unchanged, and at the March meeting, the governor of the central bank stated that the first cut in interest rates will most likely be agreed at its September meeting. However, there is considerable uncertainty about this estimate. Developments in inflation, the Norwegian krone and the result of this year's wage settlement are important factors when plotting the interest rate path. Should inflation start to rise, as in the US, the Norwegian krone weaken further or the wage settlement surprise on the upside, this will put pressure on the policy rate. Some economists have recently spoken of the possibility of another increase in the summer.

Households are showing moderation in their consumption after an expensive period in which both interest rates and prices have risen. Retail serves as an early indicator of household consumption, and in recent months the trend has been flat. Going forward, falling inflation and a good wage settlement could lay the ground for an improvement in purchasing power and thus higher consumption.

Like the international indices, Oslo Børs ended up in the first quarter of the year, albeit by a modest 1.6 per cent.

Northern Norwegian economy – expectations barometer for Northern Norway spring 2024.

The expectations barometer for Northern Norway has been produced every year since 2019. This has been a turbulent period marked by economic uncertainty due to a number of factors: the pandemic, rising interest rates and the challenges caused by high inflation. Sectors that rely on imports have also been impacted due to the weak Norwegian krone.

The results of the two surveys in 2023 showed a slight negative trend, although the big picture was relatively unchanged. In the spring, the percentage of companies that believed the situation had worsened was 28 per cent, while this increased to 32 per cent in the autumn. The feedback was therefore somewhat more pessimistic later in the year. The reason for this could be challenges primarily associated with persistent inflation and rising interest rates. In addition to this, a number of companies expressed that the government was contributing to the demanding situation.

As throughout 2023, industry was the most positive having shown a rising trend ever since 2021. The result in 2024 was a 6-point rise in the overall level. In the previous survey, in the autumn of last year, there was a balance between those who answered "better than expected" and "worse". In this survey, industry stood out as the sector that had consistently had the most profitable year.

Two new factors have arisen as possible challenges: One is the wage settlement in spring 2024. Expectations of a real increase in wages in this year's settlement are significant among all major employee organisations. A "good" settlement could thus lead to financial obligations with which many companies will struggle to cope. The second factor is "artificial intelligence", which could potentially change how businesses work. Are business leaders aware of the development taking place in 2024?

High interest rates and high inflation remain the factors that most business owners believe could have a negative impact on their company. However, the proportion that believe this has dropped from more than 60 per cent to around 50 per cent. This indicates a somewhat less pessimistic view of the future. Concern about the Norwegian krone exchange rate still ranks number three, although fewer respondents were concerned about it.

The full report can be read on kbnn.no.

Sustainability

SpareBank 1 Nord-Norge launched a transition plan in the quarter, "The path to net zero in 2040", which describes the emissions paths the Group is working on to achieve its ambitions in this area. The plan applies for 2 years and will be revised by no later than 2026.

The new green financial framework was also refined in the quarter. The framework defines the criteria used as a basis for our lending that could potentially be used to raise green funding in the capital markets. This framework will govern the Group's work in relation to climate-related risks and help us meet new regulatory requirements, while also helping northern Norwegian industry adjust to the green shift.

The Group is constantly seeking to improve ESG data quality, and work is underway on increasing the amount of energy ratings in the portfolio. Please also refer to the Annual Report 2023 which presents more supplementary information, such as the Group's sustainability reporting in line with the current legal requirements for this area.

Financial performance

(Amount in NOK million)	1Q24	1Q23	Change
Total income	1 440	1 267	173
Total costs	488	421	-67
Losses	36	- 57	-93
Tax	202	182	-20
Profit after tax	714	721	353

The Group's profitability target is a return on equity that is among the best for comparable financial services groups. The Board currently considers this to be a return on equity of 13 per cent or more.

The income statement for 1Q24 in isolation shows a profit after tax of MNOK 714 (MNOK 721), which results in a return on equity of 17.8 per cent (19.1 per cent).

Net interest income

So far this year, Norges Bank has kept its policy rate unchanged at 4.50 per cent.

SpareBank 1 Nord-Norge followed the development of the policy rate throughout 1Q24,and has not changed its lending and deposit rates for customers. However, the most recent change in interest rates by Norges Bank in December came into effect from 20.02.24 in the first quarter for lending and deposit customers in Retail Market.

Net interest income for 1Q24 amounted to MNOK 986 (MNOK 820), MNOK 11 lower than in 4Q23 (MNOK 891).

As at 31.03.24, net interest income represented 3.04 per cent of average total assets (2.63 per cent).

Income from the loan portfolio transferred to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt totalled MNOK 41 as at 1Q24 (MNOK 46) and was booked as commission income.

The effect of an almost stable NIBOR, on the same level as customer interest rates, was almost no change in funding costs in the mortgage credit institutions last quarter. As stated above, the full effect of the earlier interest rate change applied from 20th of February 2024, and increases our net interest rate income and commission income from SpareBank 1 Boligkreditt, since they are 100 per cent market funded.

Net fee, commission and other operating income

Net fee, commission and other operating income in 1Q23 was MNOK 335 (MNOK 309).

As mentioned above, stable funding costs had a positive effect on commission income from SpareBank 1 Boligkreditt in the quarter and were MNOK 28 higher than in the last quarter last year but MNOK 4 lower than in 1Q23.

See Note 4 in the quarterly report for a more detailed specification of net fee, commission and other operating income.

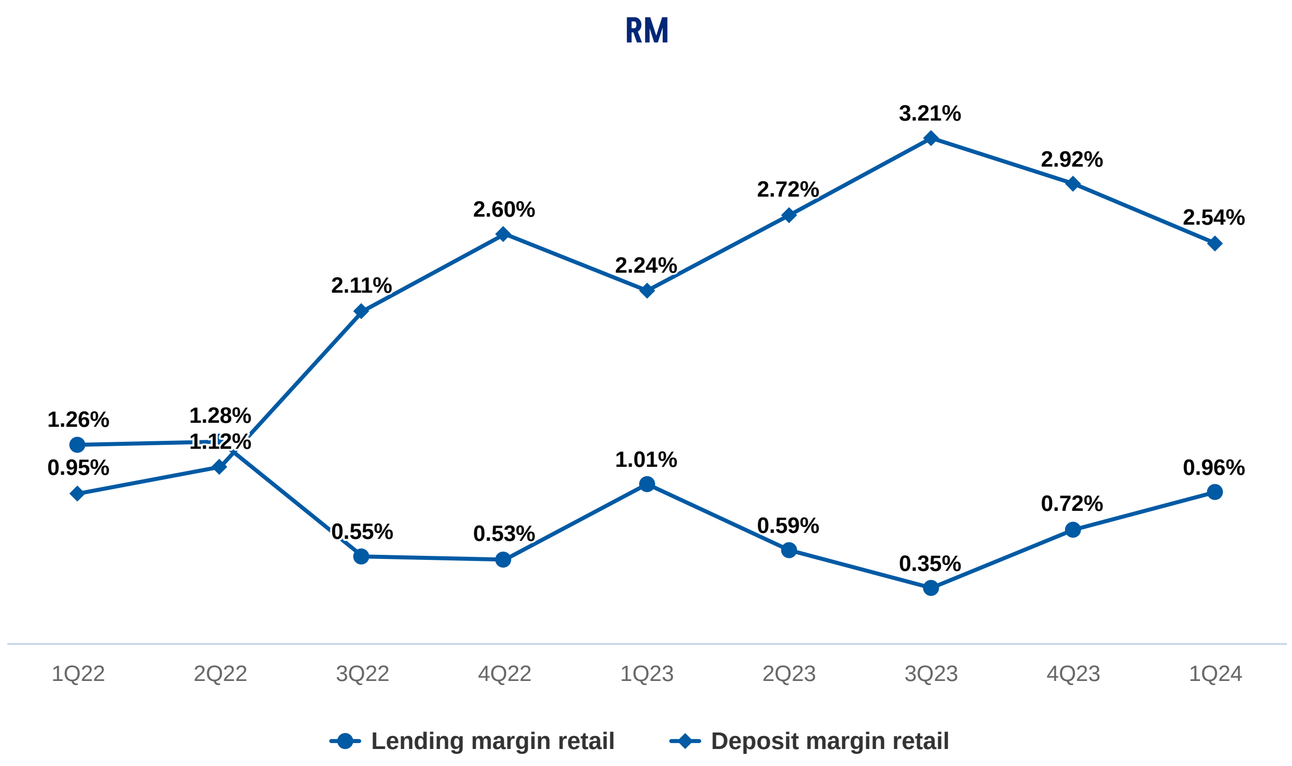
Developments in market divisions

Retail Market

Net interest income amounted to MNOK 418 for 1Q24 in isolation (MNOK 373), compared with MNOK 478 in 4Q23.

Net fee, commission and other operating income for the quarter was MNOK 150 (MNOK 160), compared with MNOK 125 in 4Q23. Commission income from SpareBank 1 Boligkreditt in the last quarter amounted to MNOK 41, MNOK 4 lower than in 1Q23 (MNOK 45), but MNOK 28 higher than in 4Q23.

Margin development in Retail Market versus average 3-month NIBOR:



Retail Market's lending margin increased by 0.24 percentage points over the quarter (0.16 percentage points) due to the larger increase in product interest rates (following the last change in interest rates from Norges Bank) than the increase in average funding costs.

Competition on prices for well-collateralised mortgage loans remains significant, which is making it difficult to maintain the lending margin over time.

Lending growth in Retail Market, including loans transferred to SpareBank 1 Boligkreditt, for 1Q24 in isolation was 0.5 per cent, which represents annualised growth of 2.0 per cent (2.3 per cent). Actual growth in the past 12 months was 3.7 per cent (5.1 per cent). As at 31.03.24, the Parent Bank's total gross lending in Retail Market, excluding loans transferred to SpareBank 1 Boligkreditt, was MNOK 43 863 (MNOK 45 466).

The average NIBOR interest rate in 1Q24 was stable, and should therefore not have had any effect on the deposit margin. However, the margin fell by -0.38 percentage points (-0.36 percentage points) due to higher product interest rates for deposit products. We expect deposit margins to decrease somewhat going forward, although this will depend on how the NIBOR interest rate develops and the competitive situation on deposits.

Deposits in Retail Market grew by 1.6 per cent in the last quarter. On an annualised basis, this represents annual growth of 6.2 per cent (2.7 per cent). Actual deposit growth in Retail Market in the past 12 months was 4.2 per cent (2.6 per cent).

Total operating costs in the division amounted to MNOK 125 for 1Q24 (MNOK 151), compared with MNOK 125 in 4Q23. The development in costs is commented on in more detail in the section on operating costs.

At the end of 1Q24, 222 FTEs worked in Retail Market in the Parent Bank (212), 10 fewer than as at 4Q23.

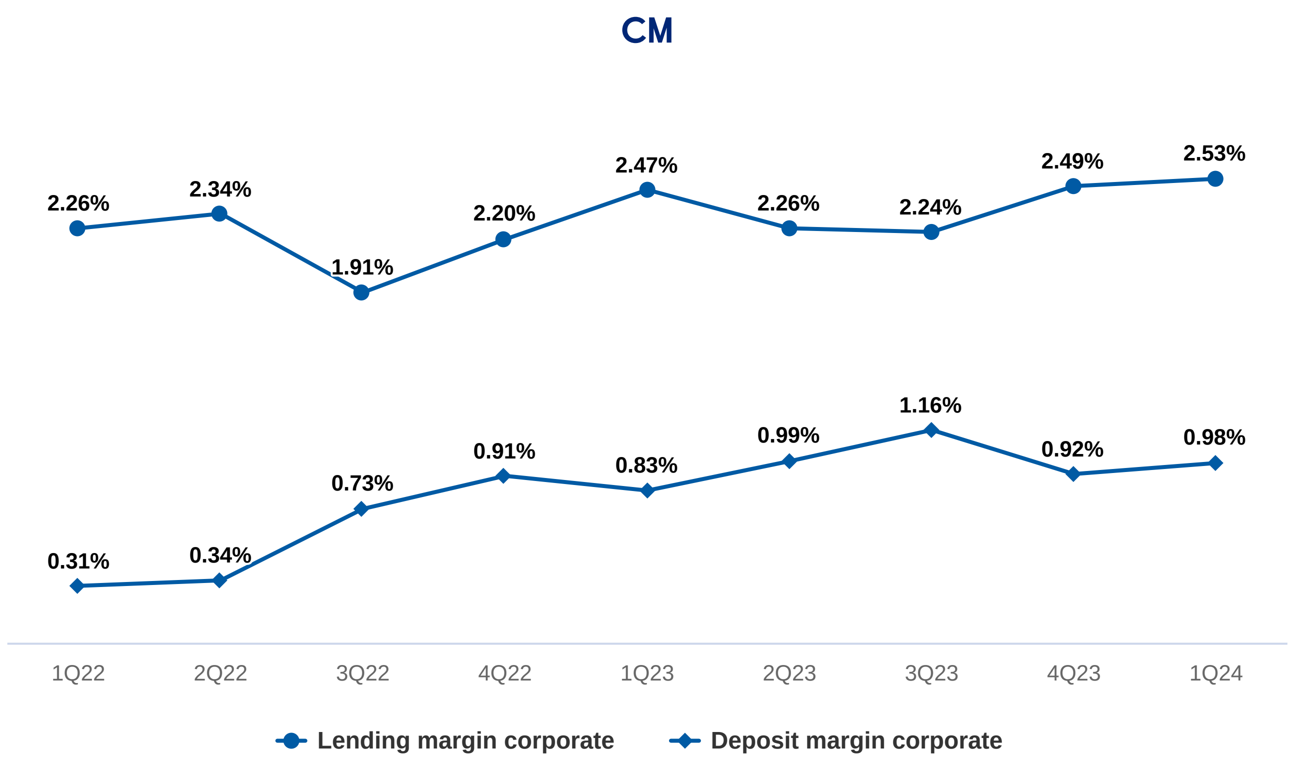
Booked losses in Retail Market amounted to MNOK 11 for 1Q24 (MNOK 3), compared with MNOK 0 for 4Q23.

Corporate Market

Net interest income amounted to MNOK 354 for 1Q24 in isolation (MNOK 305), compared with MNOK 380 in 4Q23.

Net fee, commission and other operating income in the quarter was MNOK 44 (MNOK 41), compared with MNOK 40 in 4Q23.

Margin development in Corporate Market versus average 3-month NIBOR:



The lending margin in Corporate Market measured against the average 3-month NIBOR increased by 0.04 percentage points in 1Q24 (0.27 percentage points). The margin in Corporate Market was to a large extent directly linked to the development of the NIBOR rate as 83 per cent (77 per cent) of the loan portfolio is linked to the NIBOR rate.

Lending grew by 1.6 per cent in Corporate Market in 1Q24 in isolation (3.0 per cent), which when annualized represents growth of 6.3 per cent (12.1 per cent). Actual growth in the past 12 months was 13.8 per cent (10.3 per cent). It is pleasing that the Group's greater focus on Corporate Market is producing effects, and balanced growth both geographically and from a sector perspective, with a preponderance of ocean industries.

The total gross lending volume as at 1Q24 was MNOK 53 284 (MNOK 47 104).

The deposit margin in Corporate Market measured against the 3-month NIBOR increased by 0.06 percentage points in the quarter (-0.08 percentage points). The reason why the margin has not fallen as much as it has for Retail Market is that 66 per cent (65 per cent) of the deposits are linked to the NIBOR rate.

Growth in deposits in Corporate Market in 1Q24 in isolation amounted to 3.0 per cent (5.1 per cent). Annualized, this represents 12.1 per cent (12.1 per cent). Actual growth in the past 12 months was 2.3 per cent, inclusive of the public sector market (10.3 per cent).

Total operating costs in Corporate Market amounted to MNOK 79 in 1Q24 (MNOK 93), compared with MNOK 109 in 4Q23.

As at 1Q24, 97 FTEs worked in Corporate Market in the Parent Bank (94), three more than as at 4Q23.

Booked losses in Corporate Market amounted to MNOK 20 for 1Q24 (MNOK -63), compared with MNOK 78 in 4Q23.

Financial Investments – income and events in the accounting period

An overview of the quarter's total income from financial investments can be found in Note 5 of the quarterly report. Additionally, the results from subsidiaries, associated companies and joint ventures are specified in Note 13.

Associated companies and joint ventures

Profit contributions from associated companies and joint ventures totalled MNOK 66 for 1Q24 (MNOK 38).

The main associated companies are commented on below.

SpareBank 1 Gruppen

The profit for 1Q24 was MNOK 271, MNOK 1 less than for 1Q23 (MNOK 272). The results from the insurance business were affected by weaker results from non-life insurance compared with last year, while the results from life and pension insurance were somewhat better.

The extreme weather event Storm Ingunn had a negative effect on the non-life business. In addition, a marked increase in the frequency of, and average claims for, water damage due to frost, wear and age was also seen. Claims for fire also increased compared with the same period last year.

As at 1Q24, SpareBank 1 Nord-Norge's share of the profit was MNOK 39 (MNOK 27).

SpareBank 1 Boligkreditt

The result for 1Q24 was affected by a slightly higher interest rate level. The institution is a non-profit company that generated a surplus of MNOK 157 (MNOK 162).

SpareBank 1 Nord-Norge’s share of the result for 1Q24 amounted to MNOK 23 (MNOK 23).

SpareBank 1 Mobilitet Holding

The company owns 47.16 per cent of Fleks AS and has previously incorporated the profit contribution from this company using the equity method, but wrote down the value of its shareholding at the end of last year. As at 1Q24, the company posted a deficit of TNOK 32 (MNOK -21).

SpareBank 1 Nord-Norge’s share of the loss in 1Q24 amounted to TNOK 10 (MNOK 7).

SpareBank 1 Forvaltning

The Group consists of the companies SpareBank 1 Forvaltning and ODIN. Total profit as at 1Q24 was MNOK 44 (MNOK 39). ODIN contributed most of the Group’s result.

SpareBank 1 Nord-Norge’s share of the result in 1Q24 amounts to MNOK 5 (MNOK 5).

SpareBank 1 Betaling

The company is an owner of Vipps Holding AS, which in turn owns MobilePay AS, and includes the result from this company in line with the equity method. The result in SpareBank 1 Betaling for 1Q24 was a loss of MNOK 54 (loss of MNOK 39), which was affected by the operating loss in Vipps AS of MNOK 54 (loss of MNOK 39).

SpareBank 1 Nord-Norge’s share of the result for 1Q24 amounted to MNOK 10 (loss MNOK 7).

SpareBank 1 Markets

The company took over SpareBank 1 Nord-Norge’s market activities from December 2023. At the same time, the Bank's ownership interest in this company was increased and it is now treated in the accounts as an associated company based on the equity method.

The result in SpareBank 1 Markets for 1Q24 was MNOK 62.

SpareBank 1 Nord-Norge's share of the result for 1Q24 amounted to MNOK 11.

Subsidiaries

The Group's subsidiaries are fully consolidated into the Group's accounts and delivered a total profit after tax of MNOK 61 for 1Q24 (MNOK 55).

- EiendomsMegler 1 Nord-Norge:

Result after tax of MNOK -0.6 (loss) for 1Q24 in isolation. The corresponding figure for 1Q23 was MNOK -0.9 (loss). 28 fewer units were sold in the quarter, and operating income amounted to MNOK 2 (4.5 per cent) lower than in the corresponding quarter last year. Costs in the quarter decreased by MNOK 2 (3.7 per cent) compared with 1Q23. There were six more FTEs at the end of 1Q24 (111) compared with 1Q23 (105).

- SB1 Regnskapshuset Nord-Norge:

In May 2023, the company acquired the accounting company Adwice AS in Vesterålen and Lofoten. In September 2023, it acquired Flex AS. Flex AS is the largest accounting firm in Indre Salten. The companies merged on 01.01.24.

The profit after tax was MNOK 10 for 1Q24, the same as for 1Q23.

In May 2023, the company acquired the accounting company Adwice AS in Vesterålen and Lofoten. In September 2023, it acquired Flex AS. Flex AS is the largest accounting firm in Indre Salten. The companies merged on 01.01.24.

The profit after tax was MNOK 10 for 1Q24, the same as for 1Q23.

- SB1 Finans Nord-Norge:

Profit after tax of MNOK 50 for 1Q24 in isolation, compared with MNOK 46 for 1Q23. The company's income increased by 10 per cent in 1Q24 compared with last year.

The cost level in 1Q24 was on a par with 1Q23. The company has 41 FTEs as at 1Q24, three more than at the same time last year.

The net loss in the quarter was MNOK 2 higher than in the corresponding quarter last year.

Also see the specification in Note 14.

The Group's equities portfolio

As at 31.03.24, the Group's equities portfolio amounted to MNOK 1 390, compared with MNOK 1 481 as at 31.03.23 and MNOK 1 364 as at 31.12.23.

The Parent Bank's equities portfolio saw a change in value in 1Q24 in isolation amounting to MNOK 26 (MNOK 77), which was mainly due to increases in the value of the shares held in SpareBank 1 Helgeland by MNOK 16 and Visa by MNOK 5, while the value of shares in BN Bank ASA increased by MNOK 5.

Certificates, bonds, currency and derivatives

As at 31.03.24, the Group's holdings of certificates and bonds amounted to MNOK 20 497, compared with MNOK 18 989 as at 31.03.23 and MNOK 18 189 as at 31.12.23.

The total net change in value in the bond portfolio in 1Q24 in isolation represents a net unrealized gain of MNOK 25 (MNOK -29). Of the change in value, MNOK 25 was due to the positive change in value of the portfolio (widening spread), MNOK 2 was due to the positive effect on coupon rates and MNOK 7 was due to a realized loss. In addition, the period saw a MNOK 5 positive change in the value of associated foreign exchange items.

The Group also saw a positive change in the value of its fixed-rate loan portfolio of MNOK 1 in 1Q24.

A summary of the Group's derivatives as at 31.03.24 can be seen in Note 15 in the quarterly report.

Operating costs

The Group's operating costs for 1Q24 were MNOK 488, which is MNOK 67 higher than in 1Q23 (MNOK 421) and MNOK 105 lower than the previous quarter (MNOK 593). The Parent Bank's operating costs in the quarter amounted to MNOK 323 (MNOK 284), while operating costs in the subsidiaries amounted to MNOK 165 (MNOK 137).

The increase in costs last year was primarily due to increased investments in subsidiaries, while the increase in the Parent Bank was due to more FTEs and a sharp rise in prices, especially within the area of ICT.

The Group's long-term target of a cost/income ratio of 40 per cent or lower stands for 2024 as well.

The Group had 960 FTEs as at 1Q24, 85 FTEs more than the 875 as at 1Q23, and three more than as at 4Q23 (956). Compared with last year, there are eight more FTEs in the Parent Bank and 77 FTEs more in the subsidiaries, of which 68 FTEs are in SNN Regnskapshuset. The increase in staffing was mainly due to acquisitions and growth ambitions, especially in Corporate Market and its subsidiaries, although staffing was also increased to deal with strict regulatory requirements and because of the need for more resources in the ICT area.

The costs are specified by main category compared with previous periods in Note 6 in the quarterly accounts.

Losses and non-performing loans

The Group's net losses for 1Q24 amounted to MNOK 36 (MNOK -57): MNOK 10 (MNOK 2) from the retail market and MNOK 26 (MNOK -60) from the corporate market. The net loss in 1Q24 consisted of MNOK 37 in recognised losses/changes in individual loss provisions (MNOK 12), MNOK 1 in increased ECL provisions (MNOK -67), and MNOK -2 in receipts on previously impaired receivables (MNOK -2).

The Group continues to see little negative risk migration and few bankruptcies in its loan portfolio as a result of the macro situation. In general, we have a solid and diversified customer portfolio with low to moderate risk, however we pay close attention to and closely monitor exposed areas such as commercial property, construction and the wholesale and retail trade.

As at 31.03.24, total loss provisions on loans came to MNOK 832 (MNOK 678), which was MNOK 16 higher than at the end of the preceding quarter (MNOK 816). Loan loss provisions amount to 0.82 per cent of the Group's total gross lending (0.64 per cent), and 0.57 per cent of gross lending to customers including loans transferred to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt (0.45 per cent). The corresponding ratios as at 31.12.23 were 0.81 per cent and 0.56 per cent.

As at 31.03.24, the Group's total loss provisions for loans and guarantees classified as Stage 1 and Stage 2 amounted to MNOK 511 (MNOK 477), MNOK 35 lower than at the end of the previous quarter (MNOK 546).

As at 31.03.24, loss provisions for loans and guarantees classified as Stage 3 amounted to MNOK 320 (MNOK 201) compared with MNOK 271 as at 31.12.23. This equates to a loss provision ratio of 28 per cent (27 per cent) of non-performing and doubtful commitments, compared with 32 per cent at the end of the preceding quarter. The provisions in 1Q24 were MNOK 49 higher than in the preceding quarter.

Please refer to Notes 2, 8 and 11 in the quarterly report, which describe the Group's assessments concerning factors affecting loss provisions in 1Q24.

In the opinion of the Board, the quality of the Group's loan portfolio is good, and the Group is doing high quality work in connection with non-performing and impaired commitments. There will continue to be a strong focus on this work going forward.

Balance sheet development

Lending

As at 1Q24, loans totalling BNOK 45 (BNOK 40) had been transferred to SpareBank 1 Boligkreditt, and BNOK 0.1 (BNOK 0.3) to SpareBank 1 Næringskreditt. These loans do not appear as lending on the

Bank's balance sheet. Nevertheless, the comments on the growth in lending also include the loans transferred to the mortgage credit institutions.

For 2024 as a whole, the Group expects lending growth of 2-5 per cent in Retail Market and lending growth of 4-7 per cent in Corporate Market. However, the uncertainty in relation to lending growth has increased from before and growth over the course of the year will be affected by developments in interest rates, the housing market and inflation.

The competition remains fierce, especially in the mortgage market, but the Group is competitive and is taking market share. The overall growth in loans to customers in 1Q24 was 0.5 per cent in Retail Market and 1.6 per cent in Corporate Market. This represents annualized growth of 2.0 per cent in Retail Market and 6.3 per cent in Corporate Market. Actual growth over the past 12 months was 3.7 per cent in Retail Market (5.31 per cent) and 13.8 per cent in Corporate Market (10.3 per cent).

Retail Market accounted for 65 per cent of total lending as at 1Q24 (67 per cent).

The Group's lending is specified in Note 10 in the quarterly report.

Liquidity

Customer deposits are the Group's most important source of funding and Note 16 in the quarterly report provides an overview of the Bank's deposits.

The deposit coverage ratio as at 1Q24 was 84 per cent, compared with 86 per cent as at 1Q23. The Bank's remaining funding, apart from equity and subordinated capital and deposits from customers, is mainly long-term funding from the capital markets. The Bank's access to liquidity and the key figures for liquidity are satisfactory. The Bank's strategic objective is to keep overall liquidity risk at a low level. LCR (Liquidity Coverage Ratio) as at 1Q24 was 150 per cent (141 per cent). The net stable funding ratio (NSFR) as at 1Q24 was 121 per cent (120 per cent).

The senior preferred rating from Moody's as at 31.03.24 was Aa3, and the senior non-preferred rating A3.

Please refer also to Note 22 on liquidity risk in the quarterly report.

Financial strength and capital adequacy

SpareBank 1 Nord-Norge is subject to the regulatory capital requirements set out in CRR2/CRDV.

In December 2023, the Financial Supervisory Authority of Norway set a new Pillar 2 requirement (SREP) for SpareBank 1 Nord-Norge. As at 31.12.23, the Pillar 2 requirement is 1.4 per cent of the consolidated risk exposure amount. Furthermore, the minimum requirement must be met with a minimum of 56.25 per cent Common Equity Tier 1 capital and at least 75 per cent Tier 1 capital.

The Group uses proportional consolidation for its capital adequacy reporting on the stakes in SpareBank 1 Boligkreditt, SpareBank 1 Næringskreditt, SpareBank 1 Kreditt, SpareBank 1 Markets and BN Bank.

The calculation is carried out both with the inclusion in the capital of the year-to-date's share of the profit not allocated for dividends pursuant to the dividend policy (50 per cent), as well as completely without a profit contribution, which corresponds to a dividend payout ratio of 100 per cent.

For a more detailed description of the area, please see the Group's annual report.

	31.03.24	31.03.23	Change
Common Equity Tier 1 Capital Ratio	16,6 %	17,3 %	-0,7 %
Tier 1 Capital Ratio	18,3 %	18,6 %	-0,3 %
Capital Adequacy Ratio	20,9 %	20,3 %	0,6 %
Leverage Ratio	7,2 %	7,3 %	-0,1 %

The Group's Common Equity Tier 1 capital as at 1Q24 was MNOK 13.283 and was MNOK 628 higher than as at 1Q23 (MNOK 12 655) and MNOK 183 lower than as at 4Q23 (MNOK 13 466). The change in the last quarter was mainly due to increased deduction items on significant ownership items in associated companies and joint ventures, loss deductions and deductions due to valuations at fair value.

The Common Equity Tier 1 capital ratio of 16.6 per cent is 0.8 percentage points above the Group's capital target (15.8 per cent), and 1.8 percentage points above the regulatory minimum level (14.8 per cent). If the profit share in accordance with the dividend policy (50%) is included in the calculation per 1Q24, The Common Equity Tier 1 capital is 17.0%.

The risk exposure amount (RWA) as at 1Q24 was MNOK 80.149 and has increased by MNOK 7.078 compared with 1Q23 (MNOK 73 071) and MNOK 1.622 compared with 4Q23 (MNOK 78 527). This was mainly due to growth and thus increased exposure in the loan portfolio.

The capital adequacy calculation is shown in Note 21 of the quarterly report.

Concluding remarks and outlook

Growth in the northern Norwegian economy has been better than the average for the rest of the country for the last 15 years. Northern Norway continues to enjoy lower unemployment than the average for Norway and important industries in the region are faring well, which is also driven by high commodity prices and a weak Norwegian krone. The region has also had, and will have for the next few years, the prospect of continued low power prices. If this competitive advantage is to be retained so that ambitious plans for the development of new green industry can be realized in the long term, there is nevertheless a need to develop more power in the region.

The exchange rate is an important factor for an export-oriented northern Norwegian economy, and the current weak Norwegian krone is, all else being equal, beneficial for the northern Norwegian economy. The profitability of important industries in the region suggests that an expected appreciation of the Norwegian krone will not have any major adverse consequences. For the Group's loan customers, the positive effect of correspondingly lower interest rates may in any case balance any negative consequences

Compared with recent years, interest rates are high. High interest rates are negative for many industries and will initially be felt through reduced new housing starts and new construction projects. This is also being felt in the wholesale and retail trade, particularly in the car sector and in relation to capital goods. Commercial property will also be adversely affected. While our region produces far more moderate yield levels than key cities in the south, we have seen falling property values, although this has not particularly had an effect on turnover. As long as the underlying economy is doing well and unemployment levels are low, we expect no major negative shifts in relation to commercial property.

The long-term effect of the resources rent tax and a sharp tightening of the wealth tax in recent years have, however, resulted in adverse signs for the northern Norwegian economy. With final clarification of the level of basic resources rent tax, we can see that investments in the aquaculture industry are picking up somewhat. This is also being driven by the high prices for seafood. In the whitefish industry, reduced quotas, high interest rates and high prices for bunkers have resulted in slightly more uncertainty than has been seen in recent years. Continued high prices and good demand for seafood are pulling in the opposite direction.

Previously, a large public sector has proved beneficial for the region during economic downturns. The government has signalled that major investments in defence will be made in the next few years, of which significant proportions will be investments in infrastructure and personnel that will occur in the region. The total impact of the positive and negative effects is not a given, although there is still reason to expect Northern Norway to fare better than the rest of the country in the coming years as well. Nonetheless, 2024 will be a more demanding year for the region than previous years have been. This will require extra vigilance and a bank that takes a proactive approach to its customers, one of the things we always focus heavily on.

SpareBank 1 Nord-Norge is well positioned, financially very strong and liquid with a good customer portfolio and a strong market position in a region with good conditions for favourable economic development. A strong focus on customers and good knowledge of the people and businesses in our region will enable us to strengthen our market position both in 2024 and the future.

All things considered, the Group's future prospects are believed to be good.

Tromsø, 07.05.24

The Board of SpareBank 1 Nord-Norge

Statement of Financial Performance

Parent Bank				Group	
(Amounts in NOK million)					
1Q23	1Q24		Note	1Q24	1Q23
1 306	1 835	Interest income	3	1 926	1 391
573	945	Interest costs	3	940	571
733	890	Net interest income		986	820
203	198	Fee- and commission income	4	255	259
16	13	Fee- and commission costs	4	20	23
0	1	Other operating income	4	100	73
187	186	Net fee- and other operating income		335	309
56	1	Dividend	5	1	56
171	159	Income from investments	5,13	66	38
46	51	Net gain from investments in securities	5	52	44
273	211	Net income from financial investments		119	138
0	0				
1 193	1 287	Total income		1 440	1 267
139	158	Personnel costs	6	264	222
104	118	Administration costs	6	136	122
15	15	Ordinary depreciation	6,7	23	22
26	32	Other operating costs	6	65	55
284	323	Total costs		488	421
909	964	Result before losses		952	846
- 60	31	Losses	8	36	- 57
969	933	Result before tax		916	903
166	184	Tax		202	182
803	749	Result after tax		714	721
		Attributable to:			
		Controlling interests		705	713
		Non-controlling interests		9	8
		Result per Equity Certificate			
3, 66	3, 46	Result per Equity Certificate, adjusted for interests hybrid capital		3, 14	3, 24

Other comprehensive income

Parent Bank			Group	
(Amounts in NOK million)				
1Q23	1Q24		1Q24	1Q23
803	749	Result after tax	714	721
		Items that will not be reclassified to profit/loss		
0	0	Share of other comphrehensive income from investment in assosiated companies	1	1
0	0	Total	1	1
		Items that will be reclassified to profit/ loss		
0	10	Value changes on loans measured at fair value	10	0
0	0	Share of other comphrehensive income from investment in assosiated companies	- 25	- 11
0	- 3	Tax	- 3	0
0	7	Total	- 18	- 11
803	756	Total comprehensive income for the period	697	711
3,66	3,49	Total result per Equity Certificate, adjusted for interests hybrid capital	3,07	3,20

Balance sheet

Parent Bank				Group	
(Amounts in NOK million)					
31.12.23	31.03.24		Notes	31.03.24	31.12.23
		Assets			
402	736	Cash and balances with central banks		736	402
9 300	9 035	Loans to credit institutions	10	2 085	2 304
89 086	89 787	Loans to customers	10,11,12	98 370	98 032
1 359	1 385	Shares	12	1 390	1 364
18 187	20 496	Certificates and bonds	12	20 497	18 189
1 422	1 535	Financial derivatives	12,15	1 535	1 422
5 758	6 040	Investment in Group Companies, assosiated companies and joint ventures	13	5 190	4 858
402	425	Fixed assets	7	881	811
504	662	Other assets	14	878	756
126 420	130 101	Total assets		131 562	128 138
		Liabilities			
1 165	1 887	Depsits from credit institutions	16	1 890	1 164
82 560	84 425	Deposits from customers	16	84 343	82 495
13 970	14 498	Debt securities in issue	17	14 498	13 970
1 198	1 187	Financial derivatives	12,15	1 187	1 198
3 055	4 491	Other liabilities	18	5 027	3 754
8 367	8 289	Senior non-preferred and subordinated debt	19	8 289	8 367
110 315	114 777	Total liabilities		115 234	110 948
		Equity			
2 650	2 650	Equity Certificate capital and premium reserve	20	2 650	2 650
1 250	1 250	Hybrid capital	20	1 250	1 250
4 238	3 876	Dividend Equalisation Fund	20	4 236	4 628
7 967	7 548	Saving Bank's primary capital	20	7 966	8 417
		Non-controlling interests	20	226	245
16 105	15 324	Total equity		16 328	17 190
126 420	130 101	Total liabilities and equity		131 562	128 138

Statement of Changes in Equity

(Amounts in NOK million)	EC capital and Premium Fund	Dividend Equalisation Fund	Saving Bank's primary capital	Hybrid capital	Total controlling interests	Non-controlling interests	Total equity
Group							
Equity at 01.01.23	2 650	4 347	8 095	600	15 692	231	15 923
Total comprehensive income for the period							
Period result		331	382		713	8	721
Other comprehensive income:							
Share of other comprehensive income from investment in assosiated companies		- 5	- 5		- 10		- 10
Tax on other comprehensive income							
Total other comprehensive income		- 5	- 5		- 10		- 10
Total comprehensive income for the period		326	377		703	8	711
Transactions with owners							
Dividend paid		- 824			- 824	- 27	- 851
Other transactions		4	3		7	- 1	6
Interests hybrid capital - this year		- 5	- 6		- 11		- 11
Approved society dividend			- 953		- 953		- 953
Total transactions with owners		- 825	- 956	204	-1 577	- 28	-1 605
Equity at 31.03.23	2 650	3 848	7 516	804	14 818	211	15 029
Equity at 01.01.24	2 650	4 628	8 417	1 250	16 945	245	17 190
Total comprehensive income for the period							
Period result		327	378		705	9	714
Other comprehensive income:							
Value changes on loans measured at fair value		5	5		10		10
Share of other comprehensive income from investment in assosiated companies		- 12	- 13		- 25		- 25
Tax on other comprehensive income		- 1	- 2		- 3		- 3
Total other comprehensive income		- 8	- 10		- 18		- 18
Total comprehensive income for the period		319	368		687	9	696
Transactions with owners							
Dividend paid		- 703			- 703	- 27	- 730
Other transactions		3	7		10		10
Interests hybrid capital - this year		- 11	- 13		- 24	- 1	- 25
Approved society dividend			- 813		- 813		- 813
Total transactions with owners		- 711	- 819		-1 530	- 28	-1 558
Equity at 31.03.24	2 650	4 236	7 966	1 250	16 102	226	16 328

Statement of Cash Flows

Parent Bank				Group	
(Amounts in NOK million)					
31.12.23	31.03.24			31.03.24	31.12.23
3 720	933	Profit before tax		916	3 273
60	15	+ Ordinary depreciation	7	23	88
71	31	+ Losses on loans and guarantees	8	36	116
671	184	- Tax/Result non-current assetes held for sale		202	725
3 180	795	Provided from the year's operations		773	2 752
1 213	676	Change in sundry liabilities: + increase/ - decrease	18	514	1 314
115	- 271	Change in various claims: - increase/ + decrease	14	- 235	68
-5 257	- 706	Change in gross lending to and claims on customers: - increase/ + decrease	10,11,12	- 399	-5 452
36	-2 335	Change in short term-securities: - increase/ + decrease	12	-2 334	48
2 994	1 865	Change in deposits from and debt owed to customers: + increase/ - decrease	16	1 848	3 011
- 21	722	Change in liabilities to credit institusions: + increase/ - decrease	16	726	- 21
2 260	746	A. Net liquidity change from operations		893	1 720
-56	-38	- Investment in fixed assets	7	-93	-70
- 767	- 282	Payments to group companies and assosiated companies	13	- 282	- 767
98	0	Payments from/Change in values of group companies and assosiated companies	13	- 66	701
- 725	- 320	B. Liquidity change from investments		- 441	- 136
- 60	- 24	Interest to hybrid capital owners		- 24	- 60
- 43	- 12	Payments to leases	7	- 16	- 55
-1 558	- 754	- Dividend paid on EC/approved distributions		- 781	-1 588
-4 667	-1 400	Payments to borrowings through the issuance of securities	17	-1 400	-4 667
2 448	1 849	Payments from borrowings through the issuance of securities	17	1 849	2 448
- 350	0	Payments to subordinated loan capital	19	0	- 350
2 643	0	Payments from subordinated loan capital	19	0	2 643
650	0	Payments to/payments from hybrid capital	20	0	650
		Payment from non-controlling interests		0	15
- 937	- 341	C. Liquidity change from financing		- 372	- 964
598	85	A + B + C. Total change in liquidity		80	620
631	1 229	+ Liquid funds at the start of the period		1 251	631
1 229	1 314	= Liquid funds at the end of the period		1 331	1 251
402	736	Cash and balances with Central Banks		736	402
827	578	Loans and advances to credit institutions without an agreed term or notice period		595	849
1 229	1 314	Liquid funds at the end of the period		1 331	1 251

Liquid funds are defined as cash and balances with Central Banks, and loans and advances to credit institutions without an agreed term or notice period.

Result from the Group's quarterly accounts

(Amounts in NOK million)		1Q24	4Q23	3Q23	2Q23	1Q23	4Q22	3Q22	2Q22	1Q22
Interest income		1 926	1 888	1 757	1 525	1 391	1 281	981	823	739
Interest costs		940	891	802	670	571	514	327	229	198
Net interest income		986	997	955	855	820	767	654	594	541
Fee- and commission income		255	244	258	284	259	266	281	280	261
Fee- and commission costs		20	24	19	24	23	21	20	21	17
Other operating income		100	312	69	78	73	50	51	57	67
Net fee- and other operating income		335	532	308	338	309	295	312	316	311
Dividend		1	3	2	40	56	22	2	65	1
Income from investments		66	- 28	- 69	3	38	147	28	18	11
Net gain from investments in securities		52	108	24	- 38	44	89	- 24	- 149	64
Net income from financial investments		119	83	- 43	5	138	258	6	- 66	76
Total income		1 440	1 612	1 220	1 198	1 267	1 320	972	844	928
Personnel costs		264	317	241	220	222	221	213	203	207
Administration costs		136	157	130	121	122	152	100	113	120
Ordinary depreciation		23	22	22	22	22	23	22	23	24
Other operating costs		65	97	71	67	55	61	53	57	45
Total costs		488	593	464	430	421	457	388	396	396
Result before losses		952	1 019	756	768	846	863	584	448	532
Losses		36	91	52	30	- 57	22	56	17	- 32
Result before tax		916	928	704	738	903	841	528	431	564
Tax		202	172	192	179	182	178	139	86	110
Result after tax		714	756	512	559	721	663	389	345	454
Interest hybrid capital		24	21	15	13	11	10	9	8	10
Result after tax ex. interest hybrid capital		690	735	497	546	710	653	380	337	444
Profitability										
Return on equity capital	1	17,8 %	18,8 %	13,2 %	15,1 %	19,1 %	17,2 %	10,1 %	9,0 %	11,6 %
Interest margin		3,04 %	2,85 %	2,76 %	2,65 %	2,63 %	2,09 %	1,95 %	1,86 %	1,80 %
Cost/income	2	33,9 %	36,8 %	38,0 %	35,9 %	33,2 %	34,6 %	39,9 %	46,9 %	42,7 %
Balance sheet figures										
Loans and advances excl. commision loans		101 250	101 093	101 557	98 199	95 300	95 265	93 609	91 783	91 783
-of which loans and advances to financial institutitons		2 085	2 304	3 563	3 689	1 787	1 944	1 447	1 539	1 539
-of which loans and and advances to customers		99 165	98 789	97 994	94 510	93 513	93 321	92 162	90 244	90 244
Loans incl. loans to SB1 BK and SB1 NK		144 703	143 438	138 342	135 091	133 243	131 134	128 463	126 523	126 523
Growth in loans and advances to cust. incl. loans in SB1 BK & NK past 12 months	3	7,1 %	7,7 %	7,5 %	7,7 %	6,8 %	6,0 %	-1,3 %	-1,9 %	-1,5 %
Deposits		86 233	83 659	85 736	85 952	82 526	80 669	81 765	84 813	79 679
-of which deposits from financial institutions		1 890	1 164	1 589	1 107	861	1 185	1 646	1 308	1 095
-of which deposits from customers		84 343	82 495	84 147	84 845	81 665	79 484	80 119	83 505	78 584
Growth in deposits from customers past 12 months	3	3,3 %	3,8 %	5,0 %	1,6 %	3,9 %	4,4 %	2,4 %	3,3 %	3,8 %
Deposits as a percentage of gross lending	4	85,1 %	83,5 %	86,1 %	86,6 %	86,4 %	85,0 %	85,9 %	90,6 %	87,1 %
Deposits as a percentage of gross lending including loans in SB1 BK & NK	5	58,3 %	57,5 %	59,7 %	61,3 %	60,5 %	59,7 %	61,1 %	65,0 %	62,1 %
Average assets	6	129 850	127 155	126 909	126 302	124 535	122 377	122 342	121 897	119 977
Total assets		131 562	128 138	128 728	129 838	126 548	122 521	123 676	125 737	120 773
Losses on loans and commitments in default										
Losses on loans to customers as a percentage of total lending incl. loans in SB1 BK & NK		0,02 %	0,08 %	0,02 %	-0,02 %	-0,04 %	0,05 %	0,03 %	-0,01 %	-0,02 %
Net comm. in default and at risk of loss as a per. of total lending incl. loans in SB1 BK & NK		0,55 %	0,40 %	0,44 %	0,35 %	0,36 %	0,35 %	0,35 %	0,35 %	0,34 %
Solidity										
Common Equity Tier 1 Capital		13 283	13 466	15 747	13 187	12 656	12 351	13 182	13 753	13 464

Tier 1 Capital	14 689	14 847	14 328	14 135	13 603	13 082	14 098	14 669	14 618
Own Funds	16 716	16 824	15 870	15 366	14 834	14 230	15 270	15 790	15 725
Risk exposure amount	80 148	78 527	75 942	75 407	73 071	71 399	70 036	71 082	71 703
Common Equity Tier 1 Capital Ratio	16,6 %	17,1 %	17,6 %	17,5 %	17,3 %	17,3 %	18,8 %	19,3 %	18,8 %
Tier 1 Capital Ratio	18,3 %	18,9 %	18,9 %	18,7 %	18,6 %	18,3 %	20,1 %	20,6 %	20,4 %
Total Capital Ratio	20,9 %	21,4 %	20,9 %	20,4 %	20,3 %	19,9 %	21,8 %	22,2 %	21,9 %

1) The profit after tax in relation to average equity, calculated as a quarterly average of equity at 1 January and end quarterly equity. The Bank's hybrid tier 1 capital issued are classified as equity in the financial statements.
"However, when calculating the return on equity, hybrid tier 1 capital is treated as a liability and the associated interest costs are adjusted for in the result."

2) Total costs as a percentage of total net income

3) The calculation of growth includes sale of loan and deposit portfolio to Sparebank 1 Helgeland in 4Q21

4) Deposits from customers as a percentage of gross lending

5) Deposits from customers in percentage of total lendring incl. loans in SB1 BK & NK

6) Average assets are calculated as average assets each quarter and at 01.01. and 31.12.

Notes

Note 1 Accounting policies

SpareBank 1 Nord-Norge prepares its quarterly accounts in accordance with the Norwegian Stock Exchange Regulations and International Financial Reporting Standards (IFRS Accounting Standards) approved by the EU, including IAS 34 – Interim Financial Reporting.

The quarterly accounts do not include all information required in full annual accounts and should be read in conjunction with the annual accounts for 2023.

In this quarterly reporting, the Group has applied the same accounting policies and calculation methods as those applied in the annual accounts.

Note 2 Important accounting estimates and discretionary judgements

In preparing the consolidated financial statements the management makes estimates, discretionary judgements and assumptions that influence the application of the accounting policies. These could thus affect the stated amounts for assets, liabilities, income and costs. Note 3 in last year's annual financial statements provides a fuller explanation of the items subject to important estimates and judgements.

Losses on loans
SpareBank 1 Nord-Norge uses a model for calculating expected credit loss (ECL) based on IFRS 9. In addition to the elimination of this scale, more detailed descriptions of the ECL model in 13 to the annual report still apply.

The results of the calculation are shown in Note 8 and Note 11 of the quarterly report.
Expected credit loss is calculated on a monthly basis based on an objective and probability-weighted analysis of alternative outcomes, where account is also taken of the time value of the expected cash flows. The analysis is based on relevant information available at the time of reporting and builds on macroeconomic scenarios in order to take account of non-linear aspects of expected credit loss.
• SC1 "Base case" represents the most likely outcome. Norges Bank's Monetary Policy Report has been chosen as the main source for the explanatory variables interest rates unemployment and expected property price developments.
• SC2 "Downside case" represents an outcome that is significantly more negative than SC1. The explanatory variables interest rate and unemployment as well as expected property price developments are commensurate with a very severe downturn.
• SC3 "Best case" represents an outcome that is significantly more positive than SC1 and is designed to reflect the level of the explanatory variables during a strong economic expansion.

The macro situation at the end of 1Q24 is considered to have improved somewhat, and thus the probable outcome for the base case has been set up at the same time as the probable outcome for the downside case has been reduced. The weighting of the respective scenarios has been adjusted from 70/25/5% at the previous quarter to 75/20/5% per 1Q24.

Industries and the development of individual customers will also be monitored closely using a so-called watchlist at a customer commitment level, as well as by flagging customers with forbearance (payment relief). No significant adjustments have been made to customers on the watchlist per 1Q24.

Sensitivity analysis

The table below shows the ECL calculated for the three applied scenarios in isolation. The calculations are broken down into the main segments Retail Market and Corporate Market, which add up to Parent Bank. In addition to the segmented ECL for the applied scenario weights (75/20/5%), the table shows four alternative scenario weightings, with an adjustment of probability for the expected scenario (70/25/5%, 70/30/0%, 65/25/10% and 60/30/10%).

31.03.24

(Amount in NOK million)	RM	CM	Parent bank
SC1 ECL in Base cenario	54 717	371 699	426 416
SC2 ECL in Downturn scenario	115 888	940 847	1 056 735
SC3 ECL in Upturn scenario	35 863	144 485	180 348
ECL with used scenarioweightning 75/20/5%	66 009	474 168	540 177
Sensitivity:			
ECL with alternative scenario weightning 70/25/5%	69 067	502 625	571 692
ECL with alternative scenario weightning 70/30/0%	73 068	542 443	615 511
ECL with alternative scenario weightning 65/25/10%	68 124	491 264	559 388
ECL with alternativw scenario weightning 60/30/10%	71 183	519 722	590 905

Note 3 Net interest income

Parent Bank			Group	
(Amount in NOK million)				
1Q23	1Q24		1Q24	1Q23
		Interest income		
73	103	Interest income from loans to other credit institutions (amortized cost)	12	6
994	1 407	Interest income from loans to customers (amortized cost)	1 576	1 135
67	56	Interest income from loans to customers (fair value profit and loss)	68	67
0	0	Interest income from loans to customers (fair value other comprehensive income)	0	0
172	269	Interest income from certificates and bonds (fair value profit and loss)	269	172
1 306	1 835	Total interest income	1 926	1 391
		Interest cost		
21	42	Interest cost on debt to other credit institutions (amortized cost)	38	19
347	599	Interest cost on debt to customers (amortized cost)	598	347
144	202	Interest cost on the issued securities (amortizes cost)	213	144
49	88	Interest cost on subordinated capital and debt (amortized cost)	77	49
561	931	Total interest cost	926	559
12	14	Guarantee fund fee	14	12
733	890	Net interest income	986	733
2,40 %	2,78 %	Interest margin in relation to average total assets	3,04 %	2,63 %

Note 4 Net fee-, commission- and other operating income

Parent bank				
(Amounts in mill NOK)				
1Q23	1Q24		1Q24	1Q23
46	41	Provision from SB1 BK & NK	41	46
60	64	Payment facilities	64	60
52	48	Sales provision insurance products	48	52
10	12	Guarantee commissions	12	10
		Real estate broking	25	26
13	13	Portfolio commissions	13	13
18	17	Credit commision	17	17
4	3	Other commisions	36	35
203	198	Total commission income	255	259
16	13	Commission costs	20	23
187	185	Net fee- and commission income	235	236
		Accounting services	98	72
0	1	Other operating income	2	1
187	186	Net fee- and other operating income	335	309
20 %	17 %	Percent of net core earnings	25 %	27 %

Note 5 Net income from financial investments

Parent bank			Group	
(Amounts in mill NOK) 1Q23	1Q24		1Q24	1Q23
		Valued at fair value through profit and loss		
		Income from equity capital instruments		
56	1	Dividend from shares	1	56
171	159	Dividend from group companies, assosiated companies and joint ventures		
		Share result from assosiated companies and joint ventures	66	38
77	26	Gains/losses from shares	26	75
		Income from certificates and bonds		
- 29	24	Gains/losses from certificates and bonds	24	- 29
		Income from financial derivatives		
7	0	Gains/losses from currencies and hedge derivatives	1	7
- 9	1	Gains/losses from fixed rate loans to customers	1	- 9
273	211	Net income from fair value financial investments	119	138
		Valued at amortized cost		
		Income from certificates and bonds		
		Gains/losses from certificates and bonds		
0	0	Net income from financial investments valued at amortized cost	0	0
		Total income fra currency trading		
273	211	Total net income from financial investments	119	138

Note 6 Expenses

Parent bank			Group	
(Amounts in mill NOK) 1Q23	1Q24		1Q24	1Q23
101	115	Personel expenses	204	171
10	12	Pension costs	18	14
28	31	Social costs	42	37
139	158	Total personnel costs	264	222
77	86	IT expenses	91	83
27	32	Other administrative expenses	45	39
15	15	Ordinary depreciation	23	22
5	5	Operating costs properties	6	5
21	27	Other operating expenses	59	50
284	323	Total costs	488	421

Note 7 Leases

On a lease's start date, the Group recognises a liability to pay rent and an asset that represents the right to use the underlying asset during the term of the lease ('right-of-use asset'). The Group sets the lease liabilities and 'right-of-use assets' at the present value of the remaining rent payments, discounted with the aid of the Group's marginal loan rate.

Interest costs on the lease liability are recognised as costs on an ongoing basis and the right-of-use asset is depreciated on a straight-line basis over the term of the lease.

The Group's leased assets mainly include branches and naturally associated premises. Many of the contracts include the right to an extension that can be exercised during the term of the contract. The Group assesses, upon entering into a contract and thereafter continually, whether the right to the extension will, with reasonable certainty, be exercised.

The terms of leases have varying durations and option structures.

Parent bank			Group	
(Amounts in NOK million)				
31.12.23	31.03.24		31.03.24	31.12.23
		Right to use asset		
303	303	Carrying amount 01.01.	374	386
0	12	Additions	54	6
0	0	-Derecognition	0	0
31	17	Other changes	38	21
334	331	Carrying amountat the end of the period	466	413
31	9	Depreciation in the period	11	39
303	323	Carrying amount of right to use asset at the end of the period	455	374
		Lease liability		
312	313	Carrying amount 01.01.	388	399
0	12	Additions	54	6
-36	-10	Lease payments in the period	-13	-46
7	2	Interest	3	9
30	17	Other changes	38	21
313	333	Lease liability at the end of the period	470	388
		Profit and loss		
31	9	Depreciation	11	39
7	2	Interest	3	9
38	10	Total lease expence	14	48
		Undiscounted lease liabilities and maturity of cash outflows		
38	40	Less than 1 year (this year)	52	44
36	37	1-2 years	50	41
31	33	2-3 years	50	40
31	32	3-4 years	48	39
30	31	4-5 years	45	38
189	208	More than 5 years	307	242
354	382	Total	552	444

Note 8 Losses

Parent Bank			Group	
(Amounts in NOK million)				
1Q23	1Q24		1Q24	1Q23
		Losses incorporated in the accounts		
7	17	Period's change in individual lending provisions	27	10
- 65	7	Period's change in modelbased lending provisions	1	- 67
1	7	Period's confirmed losses	10	2
- 2	0	Recoveries, previously confirmed losses	- 2	- 2
- 59	31	Total losses	36	- 57
		Losses broken down by sector and industry		
- 47	33	Real estate	33	- 48
- 9	0	Finanicial and insurance activities	0	- 9
1	- 4	Fishing and aquaculture	- 4	1
- 10	- 1	Manufacturing	- 3	- 10
0	- 1	Agriculture and forestry	- 1	- 1
5	4	Power and water supply and construction	7	11
- 1	- 5	Service industries	- 7	- 1
0	- 3	Transportation	- 1	- 3
- 2	- 2	Commodity trade, hotel and restaurant industry	3	- 1
- 61	21	Total corporate market	26	- 60
2	10	Total retail market	10	2
- 59	31	Total losses	36	- 57

Isolatet loss effects compared to last quarter

1Q24						
(Amounts in NOK million)						
PM	BM	Sum		Sum	PM	BM
13	6	19	Change ECL due to period growth and migration	19	14	5
2	18	20	Change ECL due to adjusted key assumptions	21	4	17
- 3	- 28	- 32	Change ECL due to changed scenario weighting	- 39	- 8	- 31
11	- 4	7	Change in model-based loss provisions (stage 1 and 2)	1	10	- 9
1	16	17	Change individual loss provisions (stage 3)	27	1	26
- 3	9	7	Change write-offs	8	- 1	9
10	21	31	Total loss effects	36	10	26

Note 9 Business Areas

The table shows SpareBank 1 Nord-Norge's segment's pursuant to IFRS 8. For more information see note 4 in annual report 2023.
The Capital Market segment - our capital market products - will be treated by SpareBank 1 Markets in 2024.

Group 31.03.24

(Amounts in NOK million)

	Retail market	Corporate banking	SpareBank 1 Regnskaps-huset Nord-Norge	Eiendoms- Megler 1 Nord-Norge	SpareBank 1 Finans Nord-Norge	Unspecified/ Eliminations	Total
Net interest income	418	354	0	0	95	119	986
Net fee- and other operating income	150	44	98	58	- 7	- 8	335
Net income from financial investments	0	3	0	0	0	116	119
Total costs	125	79	85	59	18	122	488
Result before losses	443	322	13	- 1	70	105	952
Losses	11	20	0	0	5	0	36
Result before tax	432	302	13	- 1	65	105	916
Total lending	43 863	53 284	0	0	8 744	-4 641	101 250
Loss provision	- 77	- 583	0	0	- 134	0	- 794
Other assets	0	0	425	114	0	30 567	31 106
Total assets per business area	43 786	52 701	425	114	8 610	25 926	131 562
Deposits	45 899	37 819	0	30	0	595	84 343
Other liabilities and equity capital	-2 113	14 882	425	84	8 610	25 331	47 219
Total equity and liabilities per business area	43 786	52 701	425	114	8 610	25 926	131 562

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(Amounts in NOK million)

	Retail market	Corporate banking	SpareBank 1 Regnskaps-huset Nord-Norge	Eiendoms- Megler 1 Nord-Norge	SpareBank 1 Finans Nord-Norge	Unspecified/ Eliminations	Total
Net interest income	373	305	0	- 1	87	55	820
Net fee- and other operating income	160	41	72	58	- 7	- 15	309
Net income from financial investments	0	0	0	0	0	137	138
Total costs	151	93	59	58	18	42	421
Result before losses	382	253	13	- 1	62	135	846
Losses	3	- 63	0	0	3	0	- 57
Result before tax	379	316	13	- 1	59	135	903
Total lending	45 466	47 104	0	0	8 931	-3 302	98 199
Loss provision	- 83	- 444	0	0	- 98	0	- 625
Other assets	0	0	273	114	0	0	387
Total assets per business area	45 383	46 660	273	114	8 833	-3 302	126 548
Deposits	43 875	37 304	0	0	0	455	81 665
Other liabilities and equity capital	1 508	9 356	273	114	8 833	24 799	44 883
Total equity and liabilities per business area	45 383	46 660	273	114	8 833	25 254	126 548

Note 10 Loans

Loans at amortized cost

Loans held in a "hold to receive" business model are measured at amortized cost. For all loans at amortized cost, the expected credit loss (ECL-expected credit loss) and loss provisions have been calculated according to IFRS 9.

Loans at fair value through profit and loss

Fixed-rate loans to customers are classified at fair value over profit or loss (Fair Value Option).

Loans at fair value through other comprehensive income (OCI)

The bank sells parts of the loans that qualify for transfer to SB1 Boligkreditt. Loans that are part of business models (portfolios) with loans that qualify for transfer are therefore held both to receive contractual cash flows and for sale. The bank therefore classifies mortgages at fair value through OCI.

Parent Bank			Group	
(Amount in NOK million) 31.12.23	31.03.24		31.03.24	31.12.23
		Loans to credit institutions at amortised cost		
827	578	Loans without agreed maturity or notice of withdrawal	595	849
8 473	8 457	Loans with agreed maturity or notice of withdrawal	1 490	1 455
9 300	9 035	Loans to credit institutions	2 085	2 304
		Loans to customers at amortised cost		
82 399	49 531	Loans at amortised cost	58 249	91 476
82 399	49 531	Loans to customers at amortised cost	58 249	91 476
		Loans to customers at fair value through profit and loss		
4 268	4 174	Loans to customers at fixed interest rates	4 174	4 268
		Loans to customers at fair value through OCI		
3 045	36 742	Mortgages to customers	36 742	3 045
7 313	40 916	Loans at fair value	40 916	7 313
89 712	90 447	Total gross loans to customers	99 165	98 789
99 013	99 482	Total gross loans	101 250	101 093
		Loans transfered to SB1 Boligkreditt/SB1 Næringskreditt		
44 521	45 412	Loans transrered to SB1 Boligkreditt	45 412	44 521
128	126	Loans transfered to SB1 Næringskreditt	126	128
44 649	45 538	Total loans transfered to SB1 BK and SB1 NK	45 538	44 649
143 661	145 020	Total gross loans included loans transfered to SB1 BK and SB1 NK	146 788	145 742
		Provision for credit losses - reduction in assets		
- 134	- 112	Provision for credit losses - stage 1	- 130	- 152
- 302	- 314	Provision for credit losses - stage 2	- 350	- 343
- 190	- 234	Provision for credit losses - stage 3	- 315	- 261
89 086	89 787	Net loans to customers ex. loans transfered to Sb1 SB1 BK and SB1 NK	98 370	98 032

Parent Bank 31.03.24

(Amount in NOK million)

Loans broken down by sector/industry	Total commitments to amortised cost	Lending at fair value	Lending provision Stage 1	Stage 2	Stage 3	Net loans
Real estate	18 573	66	- 43	- 148	- 115	18 332
Finanicial and insurance activities	12 002	0	- 19	- 8	- 6	11 969
Fishing and aquaculture	9 903	197	- 13	- 81	- 8	9 997
Manufacturing	1 699	41	- 3	- 8	- 16	1 712
Agriculture and forestry	929	177	0	- 1	- 4	1 100
Power and water supply and construction	3 285	159	- 10	- 16	- 23	3 394
Government	500	0	0	0	0	500
Service industries	2 664	309	- 12	- 10	- 6	2 945
Transportation	2 590	248	- 6	- 7	- 7	2 818
Commodity trade, hotel and restaurant industry	1 993	119	- 4	- 10	- 4	2 094
Corporate market	54 138	1 314	- 111	- 289	- 190	54 862
Retail market	4 429	39 601	- 1	- 25	- 44	43 961
Total loans	58 566	40 916	- 112	- 314	- 234	98 822

Financial commitments broken down by sector/industry	Financial commitments to amortised cost	Ledning provision classified as debt Stage 1	Stage 2	Stage 3	Total
Real estate	821	- 3	- 13	0	- 17
Finanicial and insurance activities	480	- 2	0	- 5	- 7
Fishing and aquaculture	1 482	- 1	0	0	- 2
Manufacturing	250	0	- 1	- 1	- 2
Agriculture and forestry	177	0	0	0	0
Power and water supply and construction	752	- 1	- 2	0	- 3
Government	600	0	0	0	0
Service industries	854	- 2	- 1	0	- 3
Transportation	1 061	- 3	0	0	- 3
Commodity trade, hotel and restaurant industry	738	- 1	- 1	0	- 2
Corporate market	7 215	- 14	- 19	- 6	- 39
Retail market	1 771	0	0	0	0
Total loans	8 987	- 14	- 19	- 6	- 39

Group 31.03.24

(Amount in NOK million)

Loans broken down by sector/industry	Total commitments to amortised cost	Lending at fair value	Lending provision Stage 1	Stage 2	Stage 3	Net loans
Real estate	18 651	66	- 43	- 149	- 116	18 409
Finanicial and insurance activities	5 017	0	- 19	- 9	- 6	4 984
Fishing and aquaculture	10 742	197	- 16	- 88	- 9	10 826
Manufacturing	2 170	41	- 5	- 20	- 17	2 169
Agriculture and forestry	1 045	177	- 1	- 1	- 5	1 215
Power and water supply and construction	4 258	159	- 11	- 21	- 32	4 354
Government	519	0	0	0	0	519
Service industries	3 485	309	- 13	- 11	- 56	3 714
Transportation	3 638	248	- 11	- 9	- 9	3 857
Commodity trade, hotel and restaurant industry	2 536	119	- 7	- 13	- 10	2 624
Corporate market	52 060	1 314	- 125	- 320	- 258	52 671
Retail market	8 275	39 601	- 5	- 31	- 56	47 785
Total loans	60 335	40 916	- 130	- 350	- 315	100 455

Financial commitments broken down by sector/industry	Financial commitments to amortised cost	Ledning provision classified as debt Stage 1	Stage 2	Stage 3	Total
Real estate	825	- 3	- 13	0	- 17
Finanicial and insurance activities	483	- 2	0	- 5	- 7
Fishing and aquaculture	1 601	- 1	0	0	- 2
Manufacturing	262	0	- 1	- 1	- 2
Agriculture and forestry	177	0	0	0	0
Power and water supply and construction	824	- 1	- 2	0	- 3
Government	600	0	0	0	0
Service industries	966	- 2	- 1	0	- 3
Transportation	1 306	- 3	0	0	- 3
Commodity trade, hotel and restaurant industry	937	- 1	- 1	0	- 2
Corporate market	7 983	- 14	- 19	- 6	- 39
Retail market	1 771	0	0	0	0
Total loans	**9 754**	**- 14**	**- 19**	**- 6**	**- 39**

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(Amount in NOK million)

Total loan commitments broken down by stage of the credit risk assessment	Stage 1	Stage 2	Stage 3	Total
Total loan commitments to amortised cost 01.01.24	94 871	11 954	740	107 565
Changes in the period due to loans migrated between the stages				
to (-from) stage 1	1 348	-1 346	- 2	0
to (-from) stage 2	-1 905	1 919	- 13	0
to (-from) stage 3	- 30	- 61	90	0
Net increase/(decrease) balance existing loans	-3 179	- 217	- 13	-3 409
Originated or purchased during the period	9 962	443	35	10 439
Loans that have been derecognised	-6 814	- 958	- 51	-7 823
Changes caused by modifications which hasn't resultet in a deduction	1 321	346	31	1 697
Total loan commitments to amortised cost	95 573	12 079	817	108 469
Off-balance sheet	-8 054	- 918	- 14	-8 987
Gross loans	87 518	11 161	803	99 482
Provision for credit losses - reduction in assets	- 112	- 314	- 234	- 660
Net loans	87 406	10 847	569	98 822

Group 31.03.24

(Amount in NOK million)

Total loan commitments broken down by stage of the credit risk assessment	Stage 1	Stage 2	Stage 3	Total
Total loan commitments to amortised cost 01.01.24	95 434	13 955	858	110 247
Changes in the period due to loans migrated between the stages				
to (-from) stage 1	1 630	-1 627	- 3	0
to (-from) stage 2	-2 267	2 284	- 17	0
to (-from) stage 3	- 43	- 86	129	0
Net increase/(decrease) balance existing loans	-3 469	- 304	- 24	-3 796
Originated or purchased during the period	10 601	534	51	11 185
Loans that have been derecognised	-7 258	-1 150	99	-8 309
Changes caused by modifications which hasn't resultet in a deduction	1 367	278	31	1 677
Total loan commitments to amortised cost	95 995	13 885	1 124	111 004
				0
Off-balance sheet	-8 524	-1 156	- 74	-9 754
Gross loans	87 471	12 729	1 050	101 250
Provision for credit losses - reduction in assets	- 130	- 350	- 315	- 794
Net loans	87 341	12 379	736	100 456

Note 11 Loss provisions

Parent bank					Group			
(Amount in NOK million)								
Stage 1	Stage 2	Stage 3	Total	Changes in lending loss provisions	Total	Stage 3	Stage 2	Stage 1
-148	-338	-200	-686	Loss provisions at 01.01.23	-816	-271	-380	-166
-134	-302	-190	-625	Of which presented as a reduction of the assets	-756	-261	-343	-152
-14	-36	-10	-61	Of which presented as other debt	-61	-10	-36	-14
				Changes in the period due to loans migrating between stages:				
-18	18	0	0	to (-from) stage 1	0	0	21	-21
8	-10	2	0	to (-from) stage 2	0	2	-12	10
1	2	-2	0	to (-from) stage 3	0	-3	3	1
18	-62	-45	-88	Net increase/decrease excisting loans	-71	-54	-38	21
-15	-11	-8	-34	New issued or purchased loan	-67	-8	-42	-16
9	35	8	53	Loans that have been derecognised	58	9	39	10
18	33	5	56	Changes caused by modifications which hasn't resultet in deduction	66	6	40	20
-127	-333	-240	-699	Total loss provisions as at 31.03.24	-830	-320	-369	-142
				Loss provisions allocated to markets				
-1	-25	-44	-70	Retail market	-92	-56	-31	-5
-125	-308	-196	-629	Corporate market	-740	-264	-338	-137
-127	-333	-240	-699	Total loss provisions as at 31.03.24	-832	-320	-369	-142
-112	-314	-234	-660	Of which presented as a reduction of the assets	-794	-315	-350	-130
-14	-19	-6	-39	Of which presented as other debt	-39	-6	-19	-12

Explanation of the table:
- The changes during the period as a result of migration: Transfer between the stages due to a significant change in credit risk.
- Net increase/decrease in balance: Changes in the expexted credit loss, changes in the model assumptions, effects of repayments, ascertainment and other changes that affect the balance.
- Newly issued or purchased financial assets: Account numbers of customers that are only found in the closing balance in the ECL model.
- Financial assets that have been derecognised: Account numbers of customers that are only found in the opening balance in the ECL model.
- Provisions for losses also include expected losses on assets not posted to the balance sheet, including guarantees and untapped credit limits, but not loan commitments.

Note 12 Financial instruments at fair value

Financial assets and liabilities classified and measured at fair value are grouped into three different levels, depending on the reliability of the valuation method used:

Level 1: Utilizes quoted prices in active markets for such assets and liabilities.
Level 2: Relies on information that includes prices not directly quoted but are directly or indirectly observable for these assets and liabilities, including prices in inactive markets.
Level 3: When valuation based on Levels 1 and 2 is not available, proprietary valuation methods are employed, relying on non-observable information1.

Stocks: In Level 3, stocks include investments in certain unlisted shares. These may encompass unlisted shares held through the company SNN Portefølje. Valuations primarily rely on cash flow-based models or multiples when determining fair value.
Fixed-rate loans: The fair value of fixed-rate loans (classified in Level 3) is determined by discounting the actual cash flows of these loans using a discount factor based on swap rates, with an additional margin requirement.
The margin requirement includes components such as credit spread, administrative markup, expected losses, and a liquidity premium.

The bank continuously assesses changes in observable market rates that may impact the value of these loans.
Ongoing evaluations consider potential differences between the discount rate and observable market rates for similar loans.
If significant differences arise, necessary adjustments are made to the discount rate.
Changes in the value of these loans are fully reflected in the net changes in financial assets line in the financial statements.
The interest rate risk associated with fixed-rate loans is managed using interest rate swaps.
These swaps are also accounted for at fair value through the income statement.
Loans at fair vaule through other comprehensive income (OCI):
In Level 3, housing loans with floating interest rates, classified at fair value through other comprehensive income (OCI), are valued based on the nominal balance and expected credit losses.
For loans that do not experience significant credit deterioration after initial recognition, the estimated fair value is equal to the nominal balance.
When loans exhibit a substantial increase in credit risk after approval or objective evidence of impairment, expected losses are calculated over the instrument's lifetime, similar to the impairment of loans at amortized cost.
The estimated fair value is then determined as the balance minus the calculated expected lifetime losses.
For further details, refer to Note 26 in the annual financial statements.

Group				
(Amounts in NOK million)				
Assets at 31.12.23	Level 1	Level 2	Level 3	Total
Shares	718	163	510	**1 390**
Bonds		20 497		**20 497**
Financial derivatives		1 535		**1 535**
Loans to customers with fixed rate			4 174	**4 174**
Loans at fair value through OCI			36 742	**36 742**
Total assets	718	22 195	41 426	**64 337**
Liabilities at 31.03.24				
Financial derivatives		1 187		**1 187**
Total liabilities		1 187		**1 187**
Assets at 31.12.23				
Shares	712	163	489	1 364
Bonds	0	18 187		18 187
Financial derivatives		1 422		1 422
Loans to customers with fixed rate			4 268	4 268
Loans to customers for sale			3 045	3 045
Total assets	712	19 772	7 802	28 287
Liabilities at 31.12.23				
Financial derivatives		1 198		1 198
Total liabilities		1 198		1 198

Changes in instruments at fair value, level 3:	Financial assets		
(Amounts in NOK million)	Shares	Loans to customers with fixed rate	Loans at fair value through OCI
Carrying amount at 31.12.23	489	4 268	3 045
Net gains on financial instruments	21	- 169	
Additions/acquisitions		903	2
Sales			-1 642
Matured		- 829	35 337
Carrying amount at 31.03.24	510	4 174	36 742

Note 13 Subsidiaries, associated companies and joint ventures

Result from subsidiaries fully consolidated into the group financial statements

(Amount in NOK mill.)		Result after tax	
Company	Share	1Q24	1Q23
SpareBank 1 Nord-Norge Portefølje AS	100 %	0	0
Fredrik Langes Gate 20 AS	100 %	2	1
SpareBank 1 Finans Nord-Norge AS	85 %	50	46
SpareBank 1 Regnskapshuset Nord-Norge AS	85 %	10	10
EiendomsMegler 1 Nord-Norge AS	85 %	- 1	- 1
Finansmodell AS (Sub subsidiary from 01.07.23)	75 %	0	0
Total		61	55

Result from associated companies and joint ventures consolidated into the group financial statements according to the equity method

(Amount in NOK mill.)		Result after tax		Booked value at	
Company	Share	1Q24	1Q23	31.03.24	31.12.23
SpareBank 1 Mobilitet Holding AS	30,66 %	0	- 7	0	0
SpareBank 1 Gruppen AS	19,50 %	39	27	1 776	1 736
SpareBank 1 Kreditt AS	16,73 %	- 3	- 4	374	318
SpareBank 1 Boligkreditt AS	16,21 %	23	23	2 063	1 843
SpareBank 1 Næringskreditt AS	1,05 %	0	0	20	20
SpareBank 1 Utvikling DA	18,00 %	0	0	143	143
SpareBank 1 Bank og Regnskap AS	25,00 %	1	0	45	44
SpareBank 1 Forvaltning AS	12,18 %	5	5	144	139
SpareBank 1 Gjeldsinformasjon AS	13,83 %	0	0	1	1
SpareBank 1 Betaling AS	17,94 %	- 10	- 7	216	224
SpareBank 1 Markets AS	18,06 %	11	0	409	391
Total		66	38	5 190	4 858

Note 14 Other assets

Parent bank			Group	
(Amounts in NOK million) 31.12.23	31.03.24		31.03.24	31.12.23
13	14	Accrued income	93	61
0	0	Goodwill and other intangible assets	201	193
72	72	Deferred tax	0	0
315	476	Prepayments	381	294
104	100	Other assets 1)	203	208
504	662	Total other assets	878	756

1) Of which 75 NOK million is capital contribution to the SpareBank 1 Nord-Norge Pension Fund

Note 15 Financial derivatives

Parent Bank and Group

(Amounts in NOK million)

Fair value hedging transactions	31.03.24	31.12.23
Net loss charged to the statement of comprehensive income in respect of hedging instruments in connection with actual value hedging	310	289
Total gain from hedging objects relating to the hedged risk	- 314	- 293
Total fair value hedging transactions	- 4	- 4

The Bank's main Board of Directors has determined limits for maximum risk for the Bank's interest rate positions. Routines have been established to ensure that positions are maintained within these limits.

(Amounts in NOK million)

Fair value through statement of comprehensive income		31.03.24			31.12.23	
		Fair value			Fair value	
Foreign currency instruments	Contract	Assets	Liabilites	Contract	Assets	Liabilites
Foreign exchange financial derivatives (forwards)	3 518	30	35	3 147	40	37
Currency swaps	10 431	151	72	9 707	96	177
Total non-standardised contracts	13 949	181	107	12 854	136	214
Standardised foreign currency contracts (futures)						
Total foreign currency instruments	13 949	181	107	12 854	136	214
Interest rate instruments						
Interest rate swaps (including cross currency)	45 873	1 344	1 027	46 686	1 195	615
Other interest rate contracts	655	23	20	618	23	21
Total non-standardised contracts	46 527	1 366	1 047	47 303	1 218	636
Standardised interest rate contracts (futures)						
Total interest rate instruments	46 527	1 366	1 047	47 303	1 218	636
Hedging of funding loans						
Interest rate instruments	Contract	Assets	Liabilites	Contract	Assets	Liabilites
Interest rate swaps (including cross currency)	10 629	75	365	11 366	68	348
Total, non-standardised contracts	10 629	75	365	11 366	68	348
Standardised interest rate contracts (futures)						
Total interest rate instruments	10 629	75	365	11 366	68	348
Total interest rate instruments	57 156	1 441	1 412	58 669	1 286	984
Total foreign currency instruments	13 949	181	107	12 854	136	214
Total	71 105	1 535	1 187	71 523	1 422	1 198

Note 16 Deposits

Parent Bank			Group	
(Amounts in NOK million)				
31.12.23	31.03.24		31.03.24	31.12.23
		Deposits from credit institutions		
175	315	Deposits without agreed maturity	315	175
990	1 572	Deposits with agreed maturity	1 575	989
1 165	1 887	Total deposits from credit institutions	1 890	1 164
		Deposits from customers		
74 566	76 940	Deposits without agreed maturity	76 867	74 514
7 994	7 485	Deposits with agreed maturity	7 476	7 981
82 560	84 425	Total deposits from customers	84 343	82 495
83 725	86 312	Total deposits	86 233	83 659
		Deposits from customers broken down by sector and industry		
3 586	3 525	Real estate	3 525	3 586
3 013	2 857	Finanicial and insurance activities	2 857	3 013
4 781	5 333	Fishing and aquaculture	5 333	4 781
1 076	968	Manufacturing	968	1 076
583	799	Agriculture and forestry	799	583
2 894	2 718	Power and water supply and construction	2 718	2 894
9 763	10 133	Service industries	10 051	9 698
2 476	2 420	Transportation	2 420	2 476
2 550	2 651	Commodity trade, hotel and restaurant industry	2 651	2 550
30 722	31 404	Public market	31 322	30 657
8 020	8 523	Government market	8 523	8 020
43 818	44 498	Retail market	44 498	43 818
82 560	84 425	Deposits from customers	84 343	82 495

Note 17 Securities issued

Parent Bank and Group							
(Amounts in NOK million)	Booked value						Booked value
Changes in securities issued	31.12.23	Issued	Matured or redeemed	Exchange rate movements	Fair value changes	Accrued interest	31.03.24
Certificates and other short-term loans:							
Senior bonds	13 970	1 849	-1 400	101	- 24	1	14 498
Senior bonds	13 970	1 849	-1 400	101	- 24	1	14 498

Note 18 Other liabilities

Parent bank			Group	
(Amounts in NOK million)				
31.12.23	31.03.24		31.03.24	31.12.23
2 837	4 272	Other liabilities	4 639	3 078
157	180	Costs incurred	301	564
0	0	Deferred tax liabilities	48	51
61	39	Off balance loss provision	39	61
3 055	4 491	Total other liabilities	5 027	3 754
		Specification of other liabilities		
313	313	Lease liabilites	388	399
682	284	Accrued tax	307	736
21	16	Tax deductions	25	35
636	1 018	Creditors	1 079	666
1 067	1 829	Agreed payments from Donations Fund	1 829	1 067
118	812	Miscellaneous liabilities	1 011	175
2 837	4 272	Other liabilites	4 639	3 078

Note 19 Subordinated debt and loan capital

Parent Bank and Group

(Amounts in NOK million)

Changes in subordinated loan capital and subordinated bond debt	Booked value 31.12.23	Issued	Matured or redeemed	Exchange rate movements	Fair value changes	Accrued interest	Booked value 31.03.24
Subordinated loan capital	1 912						1 912
Senior non-preferred	6 456			- 117	7	32	6 377
Subordinated loan capital and other senior non-preferred	8 367			- 117	7	32	8 289

Note 20 Equity

Total EC Capital 1.807.164.288 NOK, distributed on 100.398.016 EC's, each denomination NOK 18.

Parent bank			Group	
(Amounts in NOK million)				
31.12.23	31.03.24		31.03.24	31.12.23
1 807	1 807	EC capital	1 807	1 807
843	843	Premium Fund	843	843
3 563	3 882	Dividend Equalisation Fund	3 882	3 563
703	0	Set aside EC dividend, not decided	0	703
- 28	- 6	EC owner's share of other equity	353	362
6 888	6 526	EC owner's share of equity	6 886	7 278
46,36 %	46,36 %	EC owner's percentage of equity	46,36 %	46,36 %
7 186	7 556	Saving Bank's primary capital	7 556	7 186
813	0	Set aside society dividend, not decided	0	813
- 32	- 8	Society's share of other equity	411	418
7 967	7 548	Society's share of equity	7 966	8 417
53,64 %	53,64 %	Society's percentage of equity	53,64 %	53,64 %
		Non-controlling interests	226	245
1250	1 250	Hybrid Capital	1 250	1250
16 105	15 324	Total equity	16 328	17 190

Hybrid Capital

Five hybrid capital instruments issued by the Bank are not covered by the IFRS regulations' definition of debt and are therefore classified as equity. Based on this, accrued interest on the hybrid capital has not been recognised as a cost in the income statement but has been charged directly against equity.

When calculating key figures for equity and the equity certificates, accrued interest on hybrid capital is thus deducted from the accounting result. At the same time, hybrid capital is deducted from the equity on the balance sheet. This ensures that the keyfigures relevant to the Bank's owners are calculated on the basis of the result and the equity that actually belong to the owners.

The contract terms and conditions for hybrid instruments mean that they are included in the Bank's Tier 1 capital for capital adequacy purposes, see note 21.

Parent bank and group		
(Amounts in NOK million)		
Hybrid Capital	31.03.24	31.12.23
2099 3 m NIBOR + 3,35%	200	200
2099 3 m NIBOR + 3,10%	300	300
2099 3 m NIBOR + 2,60%	350	350
2099 3 m NIBOR + 3,40%	200	200
Fixed interest rate 7,53 %	200	200
Total hybrid capital	1 250	1 250
Average interest hybrid capital	7,70 %	6,98 %

Equity Certificates (ECs)

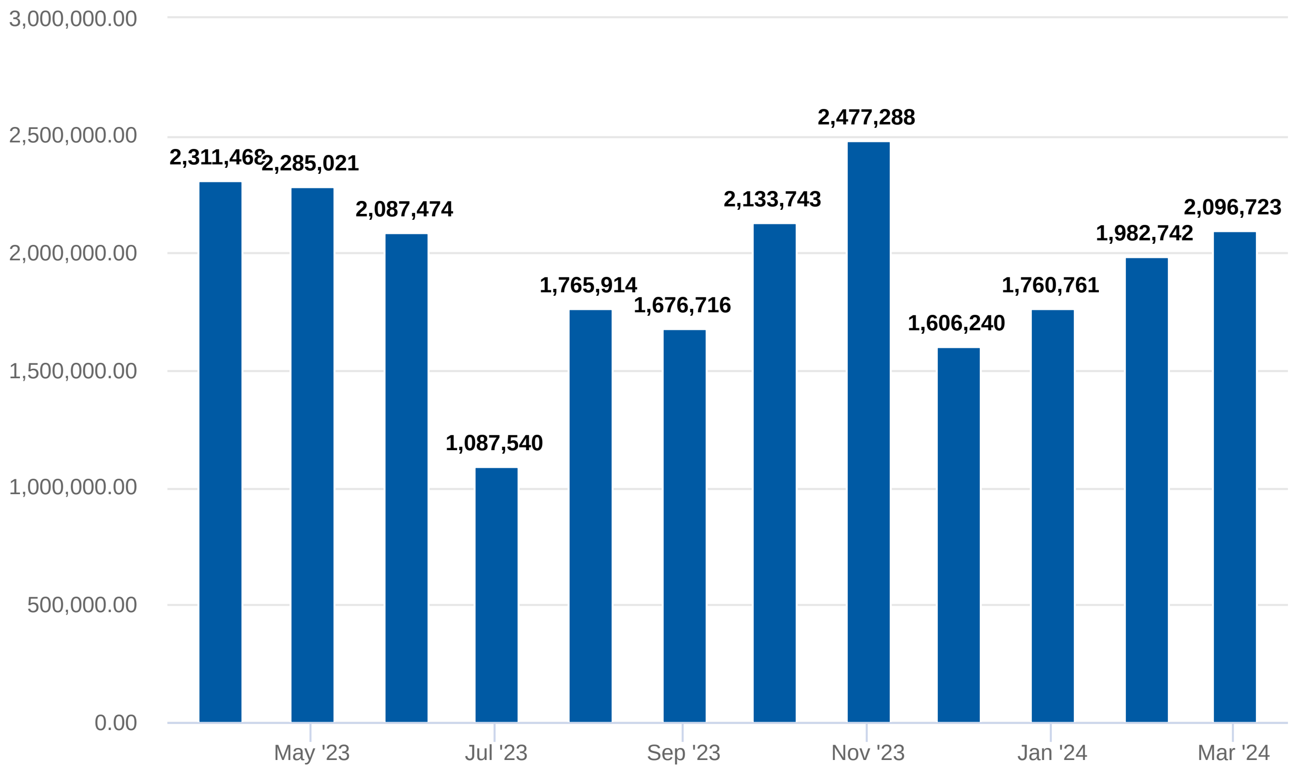
The 20 largest EC holders at 31.03.24

EC Holders	Number of Ecs	Share of EC Capital
PARETO AKSJE NORGE VERDIPAPIRFOND	5 154 689	5,13%
PARETO INVEST NORGE AS	4 605 677	4,59%
VPF EIKA EGENKAPITALBEVIS	4 063 039	4,05%
Geveran Trading Company LTd	3 851 277	3,84%
KOMMUNAL LANDSPENSJONSKASSE GJENSI	2 772 422	2,76%
Brown Brothers Harriman & Co.	2 410 435	2,40%
MP PENSJON PK	2 409 322	2,40%
FORSVARETS PERSONELLSERVICE	1 752 630	1,75%
State Street Bank and Trust Comp	1 592 579	1,59%
The Northern Trust Comp, London Br	1 524 279	1,52%
SPAREBANKSTIFTELSEN SPAREBANK 1 NO	1 411 606	1,41%
State Street Bank and Trust Comp	1 399 265	1,39%
Brown Brothers Harriman & Co.	1 140 900	1,14%
J.P. Morgan SE	1 088 573	1,08%
CACEIS Investor Services Bank S.A.	964 059	0,96%
State Street Bank and Trust Comp	864 371	0,86%
State Street Bank and Trust Comp	862 861	0,86%
VPF SPAREBANK 1 UTBYTTE	835 000	0,83%
Landkreditt Utbytte	821 274	0,82%
SPESIALFONDET BOREA UTBYTTE	761 210	0,76%
Total	40 285 468	40,13%

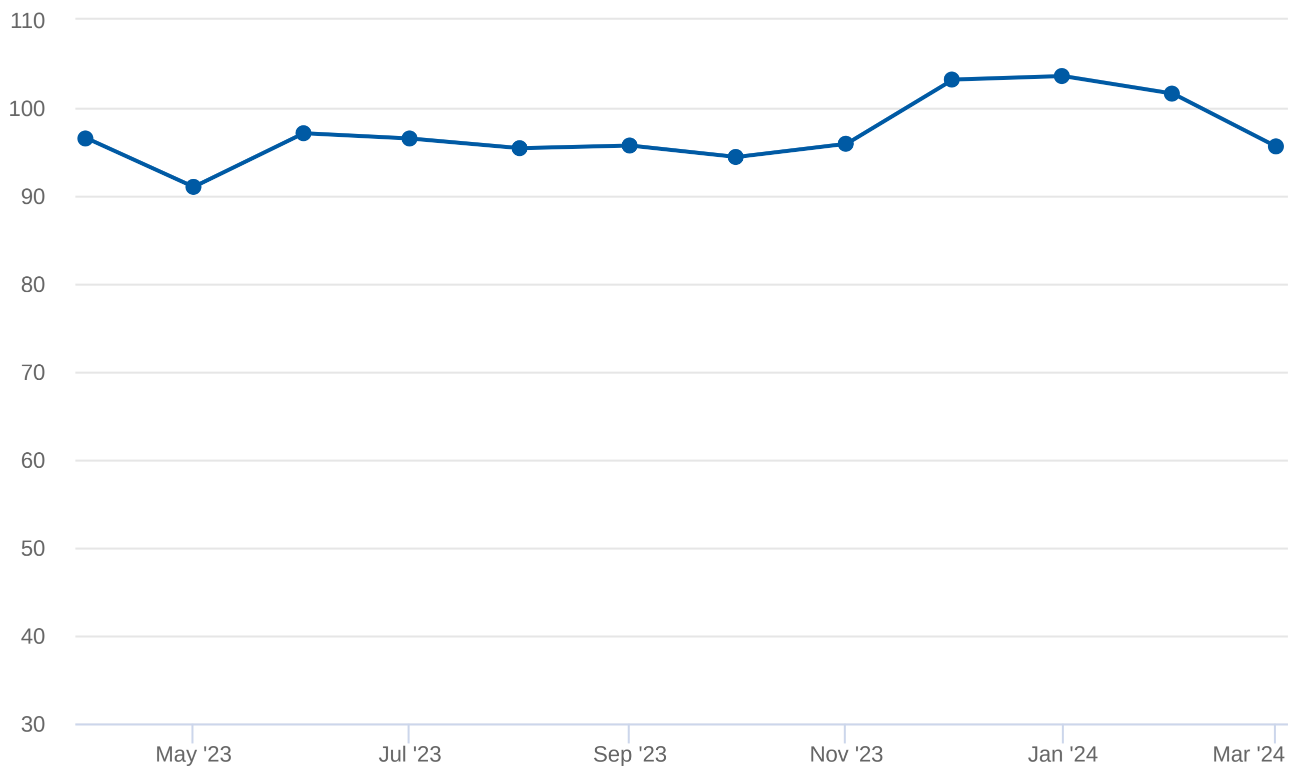
Dividend policy

The Bank's dividend policy states that the Bank aims to provide a competitive direct return for the Bank's owners. The target dividend rate is at minimum 50%. The future distribution rate will also take into account the group's capital coverage and future growth.

Trading statistics



Price trend NONG



Note 21 Capital Adequacy and MREL

In order for the period's result to be included in the capital adequacy reporting, it is a regulatory requirement that the quarterly accounts must be audited. For the 1st quarter of 2024, the quarterly accounts have not been audited, and the result for the period is thus not included in the capital adequacy. If 50% of the period's result had been included in the capital coverage, the group's solvency would have been 17,0%.

Parent Bank			Group	
(Amounts in NOK million)				
31.12.23	31.03.24		31.03.24	31.12.23
		Equity		
2 650	2 650	Equity Certificate capital and premium reserve	2 650	2 650
1 250	1 250	Hybrid capital	1 250	1 250
4 238	3 876	Dividend Equalisation Fund	4 236	4 628
7 967	7 548	Saving Bank's primary capital	7 966	8 417
0	0	Non-controlling interests	226	245
16 105	15 324	Total equity	16 328	17 190
		Tier 1 Capital		
-1 250	-1 250	Hybrid capital	-1 250	-1 250
-1 516	0	Deduction for allocated dividends	0	-1 516
0	- 749	Period result not eligible as CET1 capital	- 705	0
0	0	Minority interests not eligible as CET1 capital	- 65	- 83
0	0	Goodwill and other intangible assets	- 217	- 213
- 29	- 65	Adjustments to CET1 due to prudential filters	- 78	- 40
0	- 56	IRB shortfall of credit risk adjustments to expected losses	- 122	- 58
0	0	Deduction for significant investments in financial sector entities	- 387	- 333
- 276	- 276	Deduction for non-significant investments in financial sector entities	- 217	- 225
- 6	- 6	Deduction for treasury shares	- 6	- 6
13 028	12 922	Common Equity Tier 1 Capital	13 283	13 466
		Additional Tier 1 Capital		
1 250	1 250	Hybrid capital	1 454	1 430
- 48	- 48	Deduction for Tier 1 capital in other financial sector entities with a significant investment	- 48	- 48
14 230	14 124	Total Tier 1 Capital	14 689	14 847
		Tier 2 Capital		
1 900	1 900	Non-perpetual subordinated capital	2 251	2 200
9	0	Expected losses on IRB, net of writedowns	0	0
- 223	- 224	Deduction for subordinated capital in other financial institutions with a significant investment	- 224	- 223
1 686	1 677	Tier 2 Capital	2 028	1 977
15 916	15 800	Own Funds	16 716	16 824

Parent Bank			Group	
(Amounts in NOK million) 31.12.23	31.03.24		31.03.24	31.12.23
		Risk exposure amount		
6 250	5 777	Corporates - SME	5 786	6 258
16 052	16 652	Corporates - Specialised Lending	17 608	17 042
1 127	1 209	Corporates - Other	1 297	1 218
12 474	12 774	Retail - Secured by real estate	21 393	21 059
981	1 085	Retail - Other	1 111	1 001
8 230	8 848	Equity IRB	0	0
45 113	46 344	Credit risk IRB	47 195	46 578
0	0	Central governments or central banks	2	15
222	322	Regional governments or local authorities	564	436
0	0	Public sector entities	2	2
2 126	2 127	Institutions	1 322	1 247
3 270	3 626	Corporates	6 561	6 200
227	247	Retail	5 153	5 109
402	433	Secured by mortgages on immovable property	619	621
3	3	Exposures in default	363	364
1 077	1 161	Covered bonds	1 648	1 500
0	0	Collective investments undertakings (CIU)	1	1
4 663	4 721	Equity	5 866	5 879
1 043	1 308	Other items	1 893	1 627
13 033	13 949	Credit risk standardised approach	23 993	23 001
58 146	60 294	Total credit risk	71 188	69 578
7 054	7 054	Operational risk	7 965	7 965
65	91	Credit Value Adjustment	932	933
0	0	Other risk weighted exposure amount	64	50
65 265	67 439	Total risk exposure amount	80 148	78 527
		Capital Adequacy Ratios		
20,0 %	19,2 %	Common Equity Tier 1 Capital Ratio	16,6 %	17,1 %
21,8 %	20,9 %	Tier 1 Capital Ratio	18,3 %	18,9 %
24,4 %	23,4 %	Total Capital Ratio	20,9 %	21,4 %
11,0 %	10,5 %	Leverage Ratio excl. result	7,5 %	7,9 %

Own funds and eligible liabilities

In connection with The Financial Supervisory Authority of Norway's work with crisis plans for Norwegian banks,

SpareBank 1 Nord-Norge received a requirement in December 2022 on MREL - Minimum requirement for own funds and eligible liabilities. A key element in the crisis management regulations is that capital instruments and debt can be written down and/or converted to equity by internal recapitalization (bail-in), so that the enterprises have sufficient responsible capital and convertible debt in order to be able to manage the crisis without the use of public funds.

The bank's MREL requirement (Effective MREL percentage) was then set at 35.20% and is the sum of the MREL percentage (25.75%) and the combined buffer requirement (CBR 9.45%) of the applicable adjusted risk-weighted calculation basis (TREA).

From 01.01.24, the company must also fulfill a minimum requirement for total subordination (28.25%) on the adjusted calculation basis. Subordination means that parts of the claim must be met with responsible capital or debt instruments with priority such as meets the requirements of Norwegian law (Finansforetaksloven §20-32(1) no. 4). The minimum requirement can only be met with responsible capital and subordinated debt. In the table below the current requirement and the banks fulfillment is listed.

The difference between the effective MREL requirement and the company's subordinated instruments could be met until 31.12.23 with unsecured senior debt with a remaining term of at least 12 months issued by the bank to external investors. From 01.01.24 the difference can only be fulfilled with unsecured senior debt that meets the requirement of Norwegian law (Finansforetaksloven) § 20-7a, no. 1.

Group

(Amounts in NOK million)	31.03.24	31.12.23
Own funds and eligible liabilities		
Own funds and eligible liabilities including eligible YTD results (excl. SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt)	14 385	14 733
Senior non-preferred (SNP)	6 377	6 456
Senior preferred (SP) - over 12 mths	6 917	9 644
Total risk exposure amount (TREA) of the resolution group	68 004	67 110
Own funds and eligible liabilities as percentage of the total risk exposure amount		
Own funds and eligible liabilities	40,70 %	45,94 %
Own funds and SNP	30,53 %	31,57 %
MREL requirement expressed as nominal amount		
Total MREL requirement	35,20 %	35,18 %
Total subrogation (linear phasing-in requirement)	28,25 %	24,87 %
Surplus (+) / deficit (-) of MREL capital	5,50 %	10,76 %
Surplus (+) / deficit (-) of subrogation	2,28 %	6,70 %

Note 22 Liquidity risk

Liquidity risk is the risk that the Bank will be unable to meet its payment obligations, and/or the risk of not being able to fund a desired growth in assets. SNN prepares an annual liquidity strategy that encompasses, for example, the bank's liquidity risk.

The Group's liquidity risk is revealed, except in the case of raising external financing, through the Bank's liquidity reserve/buffer, including sale of mortgage loans to SB1 Boligkreditt.

The Bank proactively manages the Group's liquidity risk on a daily basis. SpareBank 1 Nord-Norge must also comply with the regulatory minimum requirements for prudent liquidity management at all times.

The average remaining term to maturity for the Bank's debt securities in issue was 2.7 years as of 31.12.23.
The short-term liquidity risk measure, liquidity coverage ratio (LCR), was 150 % (141 %) as of the end of the quarter.
NSFR (Net Stable Funding Ratio) at 31.03.24 was 121 % (120 %).

Note 23 Changes to group structure

There has been no significant changes to the Group`s structure in 1Q 2024.

Note 24 Events occuring after the end of the quarter

No further information has come to light about important events that have occurred between the balance sheet date, and the Board's final consideration of the financial statements.