

SpareBank 1 Nord-Norge

Update

Ratings

Foreign Currency

Long-Term IDR	A
Short-Term IDR	F1

Viability Rating	a
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Support Rating	5
Support Rating Floor	NF

Sovereign Risk

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

Outlooks

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

Financial Data

SpareBank 1 Nord-Norge

	31 Dec 18	31 Dec 17
Total assets (USDm)	12,191	11,845
Total assets (NOKm)	106,156	97,186
Total equity (NOKm)	12,278	11,769
Operating profit (NOKm)	1,920	1,764
Published net income (NOKm)	1,542	1,440
Comprehensive income (NOKm)	1,493	1,515
Operating profit/risk-weighted assets (%)	2.7	2.6
Operating ROAE (%)	16.3	15.9
Impaired loans/gross loans (%)	0.6	1.2
Fitch Core Capital/risk weighted assets (%)	17.1	17.4
Common equity Tier 1 ratio (%)	14.5	14.9

Source: Fitch Ratings, Fitch Solutions

Related Research

[Fitch 2019 Outlook: Western European Banks \(December 2018\)](#)

[The Major Sparebanken of the SpareBank 1 Alliance \(February 2019\)](#)

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Key Rating Drivers

Strong Franchise, Regional Concentration: SpareBank 1 Nord-Norge's (SNN) ratings reflect its stable and low-risk business model, its solid regional franchise in northern Norway, healthy profitability, and strong asset quality and capital position. They also factor in risks from geographically concentrated lending and liquidity management in the context of some wholesale funding reliance.

SNN's ratings are one notch higher than those of its peers in the Sparebanken 1 Alliance, reflecting better asset-quality metrics and a more retail-oriented business model. However, the ratings are constrained by its size and geographical concentration compared with larger, more diversified peers.

Focus on Retail and SMEs: Fitch Ratings expects SNN to continue to implement its solid strategy based on a low-risk business model and a focus on retail and SME customers. We also expect SNN to reduce concentration risk relating to large exposures.

Healthy Profitability: SNN benefits from good pre-impairment profitability and its strong local franchise supports stable revenue generation. Net interest income, with healthy margins, is the main source of revenue. The bank also aims to strengthen fee income from ancillary products. Cost-efficiency is satisfactory.

Strong Asset Quality: SNN's asset quality is strong, with an impaired loans-to-gross loans ratio of 0.6% at end-2018. Asset quality benefits from a large retail loan book and conservative underwriting standards.

Less Exposed to Property Correction: SNN is less exposed than peers to the risk of a severe property-price correction due to the lower prices in northern Norway than elsewhere in the country, and a large public-sector presence. SNN is also less exposed than local peers to oil-related lending, particularly to the offshore service vessel segment.

Strong Capitalisation: SNN's risk-weighted capitalisation compares well with international peers. SNN targets a minimum common equity Tier 1 ratio of 14.5% (100bp above its capital requirements). Leverage is low in a European context, with a reported Basel III leverage ratio of 7.2% at end-2018.

Wholesale Funding Reliance: The bank, like most Nordic peers, has a structural reliance on wholesale funding. Fitch expects SNN to maintain its market access, particularly for covered bond funding, through SpareBank 1 Boligkreditt, a jointly owned vehicle with other savings banks of the Sparebanken 1 Alliance. We expect SNN to hold a significant liquidity buffer to mitigate refinancing risk.

Rating Sensitivities

Upgrade unlikely: An upgrade is unlikely due to SNN's already high ratings in the context of its company profile, and its geographical and lending concentration.

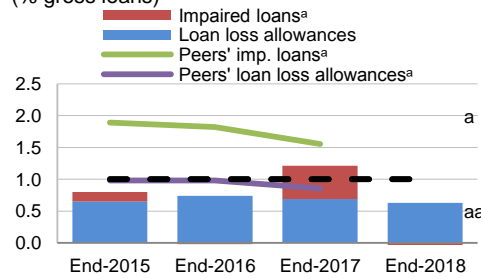
Asset-Quality Deterioration: SNN's ratings are primarily sensitive to deteriorating asset quality, particularly if the bank is unable to absorb higher credit losses via earnings. This scenario would probably be followed by difficulties in obtaining competitively priced funding.

Peer average includes SNN, SpareBank 1 SMN (a-), SpareBank 1 SR-Bank (a-), Principality Building Society (bbb+), Credit du Nord (bbb+), Leeds Building Society (a-) and de Volksbank N.V. (a-)

Peer data not fully available for end-2018 and hence omitted.

Black dashed lines in charts represent indicative quantitative ranges and corresponding implied scores for Fitch's core financial metrics for banks operating in the environments that Fitch scores in the 'aa' category

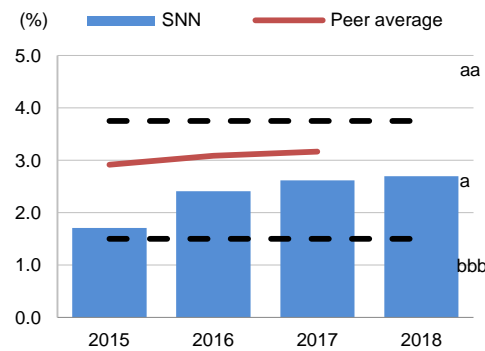
Asset Quality (% gross loans)



Note: Impaired loans fully covered by reserves at end-2016 and end-2018

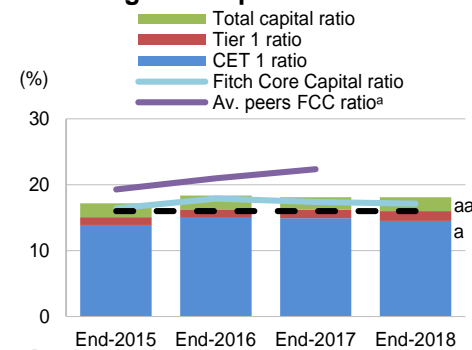
^a Benchmark ratio
Source: Banks, Fitch Ratings

Operating Profit/RWAs



Source: Fitch Ratings, Banks

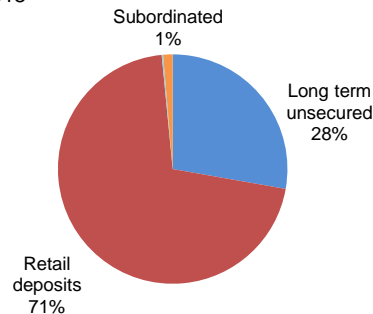
Risk-Weighted Capital Ratios



^a Benchmark ratio
Source: Fitch Ratings, Banks

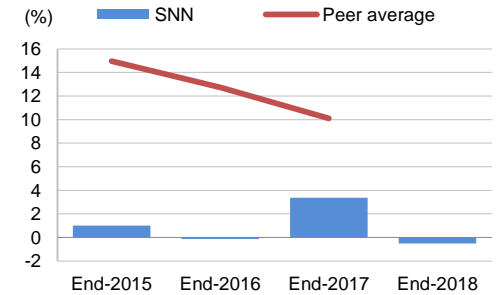
Non-Equity Funding Mix

End-2018



Source: Bank data, adjusted by Fitch Ratings

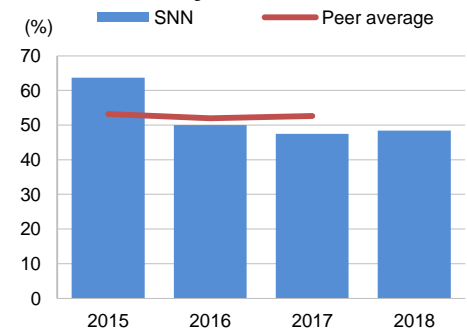
Net Impaired Loans/Fitch Core Capital



Note: Impaired loans fully covered by reserves at end-2016 and end-2018

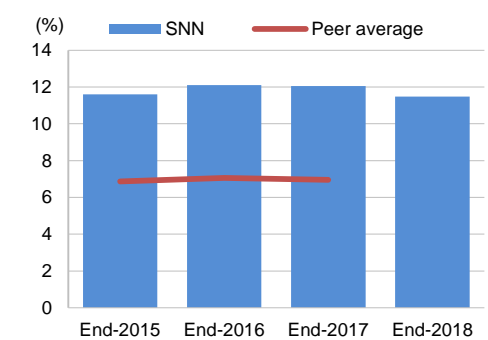
Source: Fitch Ratings, Banks

Cost Efficiency^a



^a Non-interest expenses/gross revenues
Source: Fitch Ratings, Banks

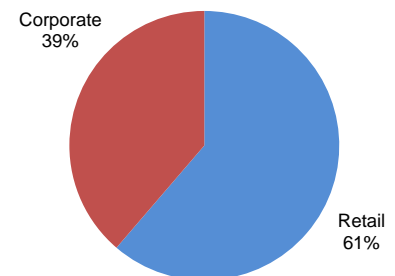
Tangible Leverage^a



^a Tangible common equity/tangible assets
Source: Fitch Ratings, Banks

Loan Book

End-2018



Source: Bank data, adjusted by Fitch Ratings

Related Criteria

[Bank Rating Criteria \(October 2018\)](#)

SpareBank 1 Nord-Norge
Income Statement

	31 Dec 2018			31 Dec 2017			31 Dec 2016			31 Dec 2015		
	Year End USDm	Year End NOKm	As % of Earning Assets	Year End NOKm	As % of Earning Assets	Year End NOKm	As % of Earning Assets	Year End NOKm	As % of Earning Assets	Year End NOKm	As % of Earning Assets	
	Unaudited	Unaudited		Unaudited		Audited - Unqualified		Audited - Unqualified		Audited - Unqualified		
1. Interest Income on Loans	299.1	2,604.5	2.57	2,433.0	2.56	2,371.0	2.68	2,497.0	2.98			
2. Other Interest Income	21.9	190.5	0.19	178.0	0.19	177.0	0.20	205.0	0.24			
3. Dividend Income	0.7	6.0	0.01	4.0	0.00	4.0	0.00	8.0	0.01			
4. Gross Interest and Dividend Income	321.7	2,801.0	2.77	2,615.0	2.75	2,552.0	2.89	2,710.0	3.23			
5. Interest Expense on Customer Deposits	n.a.	n.a.	-	366.0	0.38	393.0	0.44	616.0	0.73			
6. Other Interest Expense	103.2	899.0	0.89	475.0	0.50	511.0	0.58	574.0	0.68			
7. Total Interest Expense	103.2	899.0	0.89	841.0	0.88	904.0	1.02	1,190.0	1.42			
8. Net Interest Income	218.4	1,902.0	1.88	1,774.0	1.86	1,648.0	1.86	1,520.0	1.81			
9. Net Fees and Commissions	101.4	883.0	0.87	846.0	0.89	786.0	0.89	833.0	0.99			
10. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	-	(4.0)	(0.00)	76.0	0.09	(83.0)	(0.10)			
11. Net Gains (Losses) on Assets and Liabilities at FV	9.5	83.0	0.08	118.0	0.12	(7.0)	(0.01)	(75.0)	(0.09)			
12. Net Gains (Losses) on Other Securities	0.0	0.0	0.00	n.a.	-	0.0	0.00	n.a.	-			
13. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
14. Other Operating Income	20.0	174.0	0.17	146.0	0.15	138.0	0.16	100.0	0.12			
15. Total Non-Interest Operating Income	130.9	1,140.0	1.13	1,106.0	1.16	993.0	1.12	775.0	0.92			
16. Total Operating Income	349.3	3,042.0	3.01	2,880.0	3.02	2,641.0	2.99	2,295.0	2.74			
17. Personnel Expenses	85.9	748.0	0.74	708.0	0.74	689.0	0.78	850.0	1.01			
18. Other Operating Expenses	83.4	726.0	0.72	658.0	0.69	631.0	0.71	611.0	0.73			
19. Total Non-Interest Expenses	169.3	1,474.0	1.46	1,366.0	1.43	1,320.0	1.49	1,461.0	1.74			
20. Equity-accounted Profit/ Loss - Operating	43.0	374.0	0.37	434.0	0.46	366.0	0.41	399.0	0.48			
21. Pre-Impairment Operating Profit	223.0	1,942.0	1.92	1,948.0	2.05	1,687.0	1.91	1,233.0	1.47			
22. Loan Impairment Charge	2.5	22.0	0.02	184.0	0.19	192.0	0.22	200.0	0.24			
23. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	21.0	0.02	n.a.	-			
24. Operating Profit	220.5	1,920.0	1.90	1,764.0	1.85	1,474.0	1.67	1,033.0	1.23			
25. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
26. Goodwill Impairment	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
27. Non-recurring Income	n.a.	n.a.	-	n.a.	-	70.0	0.08	n.a.	-			
28. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
29. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
30. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
31. Pre-tax Profit	220.5	1,920.0	1.90	1,764.0	1.85	1,544.0	1.75	1,033.0	1.23			
32. Tax expense	43.0	374.0	0.37	324.0	0.34	291.0	0.33	163.0	0.19			
33. Profit/Loss from Discontinued Operations	(0.5)	(4.0)	(0.00)	n.a.	-	n.a.	-	(5.0)	(0.01)			
34. Net Income	177.1	1,542.0	1.52	1,440.0	1.51	1,253.0	1.42	865.0	1.03			
35. Change in Value of AFS Investments	0.9	8.0	0.01	15.0	0.02	(60.0)	(0.07)	80.0	0.10			
36. Revaluation of Fixed Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	(10.0)	(0.01)			
37. Currency Translation Differences	n.a.	n.a.	-	0.0	0.00	0.0	0.00	n.a.	-			
38. Remaining OCI Gains/(losses)	(6.5)	(57.0)	(0.06)	60.0	0.06	7.0	0.01	113.0	0.13			
39. Fitch Comprehensive Income	171.5	1,493.0	1.48	1,515.0	1.59	1,200.0	1.36	1,048.0	1.25			
40. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	0.0	0.00	(7.0)	(0.01)			
41. Memo: Net Income after Allocation to Non-controlling Interests	177.1	1,542.0	1.52	1,440.0	1.51	1,253.0	1.42	872.0	1.04			
42. Memo: Common Dividends Relating to the Period	46.2	402.0	0.40	402.0	0.42	346.0	0.39	201.0	0.24			
43. Memo: Preferred Dividends and Interest on Hybrid Capital Accounted for as Equity Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			

Exchange rate

USD1 = NOK8.7077

USD1 = NOK8.205

USD1 = NOK8.62

USD1 = NOK8.809

**SpareBank 1 Nord-Norge
Balance Sheet**

	31 Dec 2018		31 Dec 2017		31 Dec 2016		31 Dec 2015		As % of Assets
	Year End USDm	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	
Assets									
A. Loans									
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	5,690.7	49,553.0	46.68	45,676.0	47.00	44,123.0	48.75	39,617.0	46.39
4. Corporate & Commercial Loans	3,580.3	31,176.0	29.37	29,163.0	30.01	26,505.0	29.29	24,180.0	28.31
5. Other Loans	15.4	134.0	0.13	164.0	0.17	135.0	0.15	256.0	0.30
6. Less: Loan Loss Allowances	58.7	511.0	0.48	516.0	0.53	527.0	0.58	416.0	0.49
7. Net Loans	9,227.7	80,352.0	75.69	74,487.0	76.64	70,236.0	77.61	63,637.0	74.51
8. Gross Loans	9,286.4	80,863.0	76.17	75,003.0	77.17	70,763.0	78.19	64,053.0	75.00
9. Memo: Impaired Loans included above	51.6	449.0	0.42	909.0	0.94	512.0	0.57	515.0	0.60
10. Memo: Specific Loan Loss Allowances	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	147.2	1,282.0	1.21	2,656.0	2.73	1,946.0	2.15	2,124.0	2.49
2. Reverse Repos and Securities Borrowing	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Derivatives	189.8	1,653.0	1.56	1,511.0	1.55	1,390.0	1.54	1,946.0	2.28
4. Trading Securities and at FV through Income	1,482.8	12,912.0	12.16	11,764.0	12.10	10,440.0	11.54	11,571.0	13.55
5. Securities at FV through OCI / Available for Sale	n.a.	n.a.	-	47.0	0.05	30.0	0.03	89.0	0.10
6. Securities at Amortised Cost / Held to Maturity	n.a.	n.a.	-	n.a.	-	n.a.	-	87.0	0.10
7. Other Securities	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-
8. Total Securities	1,482.8	12,912.0	12.16	11,811.0	12.15	10,470.0	11.57	11,747.0	13.75
9. Memo: Government Securities included Above	n.a.	n.a.	-	4,680.0	4.82	3,553.0	3.93	3,998.0	4.68
10. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Equity Investments in Associates	573.1	4,990.0	4.70	4,755.0	4.89	4,370.0	4.83	4,424.0	5.18
12. Investments in Property	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	2.9	25.0	0.02	0.0	0.00	0.0	0.00	0.0	0.00
15. Total Earning Assets	11,623.5	101,214.0	95.34	95,220.0	97.98	88,412.0	97.69	83,878.0	98.21
C. Non-Earning Assets									
1. Cash and Due From Banks	434.8	3,786.0	3.57	775.0	0.80	775.0	0.86	274.0	0.32
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Assets	0.8	7.0	0.01	n.a.	-	153.0	0.17	n.a.	-
4. Fixed Assets	57.3	499.0	0.47	453.0	0.47	501.0	0.55	553.0	0.65
5. Goodwill	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Other Intangibles	10.9	95.0	0.09	68.0	0.07	63.0	0.07	51.0	0.06
7. Current Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Deferred Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Discontinued Operations	n.a.	n.a.	-	30.0	0.03	30.0	0.03	28.0	0.03
10. Other Assets	63.7	555.0	0.52	640.0	0.66	567.0	0.63	619.0	0.72
11. Total Assets	12,191.0	106,156.0	100.00	97,186.0	100.00	90,501.0	100.00	85,403.0	100.00
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Total Customer Deposits	7,348.1	63,985.0	60.27	57,849.0	59.52	53,870.0	59.52	48,087.0	56.31
2. Deposits from Banks	21.5	187.0	0.18	434.0	0.45	818.0	0.90	1,816.0	2.13
3. Repos and Securities Lending	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Commercial Paper and Short-term Borrowings	n.a.	n.a.	-	0.0	0.00	0.0	0.00	0.0	0.00
5. Customer Deposits and Short-term Funding	7,369.6	64,172.0	60.45	58,283.0	59.97	54,688.0	60.43	49,903.0	58.43
6. Senior Unsecured Debt	2,886.5	25,135.0	23.68	23,552.0	24.23	21,165.0	23.99	21,470.0	25.14
7. Subordinated Borrowing	137.8	1,200.0	1.13	850.0	0.87	850.0	0.94	850.0	1.00
8. Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Long-term Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Total LT Funding	3,024.3	26,335.0	24.81	24,402.0	25.11	22,015.0	24.33	22,320.0	26.13
11. Memo: o/w matures in less than 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Total Funding	10,393.9	90,507.0	85.26	82,685.0	85.08	76,703.0	84.75	72,223.0	84.57
14. Derivatives	100.4	874.0	0.82	902.0	0.93	985.0	1.09	1,525.0	1.79
15. Total Funding and Derivatives	10,494.3	91,381.0	86.08	83,587.0	86.01	77,688.0	85.84	73,748.0	86.35
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	7.2	63.0	0.06	62.0	0.06	32.0	0.04	42.0	0.05
4. Current Tax Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Deferred Tax Liabilities	31.8	277.0	0.26	286.0	0.29	174.0	0.19	238.0	0.28
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	158.1	1,377.0	1.30	952.0	0.98	1,096.0	1.21	914.0	1.07
10. Total Liabilities	10,691.5	93,098.0	87.70	84,887.0	87.34	78,990.0	87.28	74,942.0	87.75
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	500.0	0.55	500.0	0.59
2. Pref. Shares and Hybrid Capital accounted for as Equity	89.6	780.0	0.73	530.0	0.55	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	1,405.2	12,236.0	11.53	11,734.0	12.07	10,991.0	12.14	9,881.0	11.57
2. Non-controlling Interest	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00
3. Securities Revaluation Reserves	4.8	42.0	0.04	35.0	0.04	20.0	0.02	80.0	0.09
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Total Equity	1,410.0	12,278.0	11.57	11,769.0	12.11	11,011.0	12.17	9,961.0	11.66
7. Memo: Equity plus Pref. Shares and Hybrid Capital accounted for as E	1,499.6	13,058.0	12.30	12,299.0	12.66	11,011.0	12.17	9,961.0	11.66
8. Total Liabilities and Equity	12,191.0	106,156.0	100.00	97,186.0	100.00	90,501.0	100.00	85,403.0	100.00
9. Memo: Fitch Core Capital	1,399.1	12,183.0	11.48	11,701.0	12.04	10,948.0	12.10	9,910.0	11.60

Exchange rate

USD1 = NOK8.7077

USD1 = NOK8.205

USD1 = NOK8.62

USD1 = NOK8.809

SpareBank 1 Nord-Norge Summary Analytics

	31 Dec 2018	31 Dec 2017	31 Dec 2016	31 Dec 2015
	Year End	Year End	Year End	Year End
A. Interest Ratios				
1. Interest Income/ Average Earning Assets	2.83	2.85	2.92	3.29
2. Interest Income on Loans/ Average Gross Loans	3.30	3.34	3.52	3.98
3. Interest Expense on Customer Deposits/ Average Customer Deposits	n.a.	0.65	0.75	1.29
4. Interest Expense/ Average Interest-bearing Liabilities	1.03	1.04	1.18	1.64
5. Net Interest Income/ Average Earning Assets	1.92	1.93	1.89	1.85
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	1.90	1.73	1.67	1.60
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	1.92	1.93	1.89	1.85
B. Other Operating Profitability Ratios				
1. Operating Profit/ Risk Weighted Assets	2.70	2.62	2.41	1.71
2. Non-Interest Expense/ Gross Revenues	48.45	47.43	49.98	63.66
3. Loans and securities impairment charges/ Pre-impairment Op. Profit	1.13	9.45	12.63	16.22
4. Operating Profit/ Average Total Assets	1.89	1.88	1.65	1.23
5. Non-Interest Income/ Gross Revenues	37.48	38.40	37.60	33.77
6. Non-Interest Expense/ Average Total Assets	1.45	1.45	1.48	1.74
7. Pre-impairment Op. Profit/ Average Equity	16.53	17.53	16.19	12.91
8. Pre-impairment Op. Profit/ Average Total Assets	1.91	2.07	1.89	1.47
9. Operating Profit/ Average Equity	16.34	15.88	14.14	10.81
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	13.12	12.96	12.02	9.05
2. Net Income/ Average Total Assets	1.51	1.53	1.41	1.03
3. Fitch Comprehensive Income/ Average Total Equity	12.71	13.63	11.51	10.97
4. Fitch Comprehensive Income/ Average Total Assets	1.47	1.61	1.35	1.25
5. Taxes/ Pre-tax Profit	19.48	18.37	18.85	15.78
6. Net Income/ Risk Weighted Assets	2.17	2.14	2.05	1.43
D. Capitalization				
1. FCC/ FCC-Adjusted Risk Weighted Assets	17.12	17.41	17.91	16.43
2. Tangible Common Equity/ Tangible Assets	11.49	12.05	12.11	11.61
3. Equity/ Total Assets	11.57	12.11	12.17	11.66
4. Basel Leverage Ratio	7.20	7.20	7.00	6.10
5. Common Equity Tier 1 Capital Ratio	14.50	14.90	14.98	13.90
6. Fully Loaded Common Equity Tier 1 Capital Ratio	n.a.	n.a.	n.a.	n.a.
7. Tier 1 Capital Ratio	16.00	16.20	16.28	15.10
8. Total Capital Ratio	18.10	18.10	18.37	17.20
9. Impaired Loans less Loan Loss Allowances/ Fitch Core Capital	(0.51)	3.36	(0.14)	1.00
10. Impaired Loans less Loan Loss Allowances/ Equity	(0.50)	3.34	(0.14)	0.99
11. Cash Dividends Paid & Declared/ Net Income	26.07	27.92	27.61	23.24
12. Risk Weighted Assets/ Total Assets	67.04	69.17	67.54	70.64
13. Risk Weighted Assets - Standardised/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
14. Risk Weighted Assets - Advanced Method/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
E. Loan Quality				
1. Impaired Loans/ Gross Loans	0.56	1.21	0.72	0.80
2. Growth of Gross Loans	7.81	5.99	10.48	4.35
3. Loan Loss Allowances/ Impaired Loans	113.81	56.77	102.93	80.78
4. Loan Impairment Charges/ Average Gross Loans	0.03	0.25	0.28	0.32
5. Growth of Total Assets	9.23	7.39	5.97	2.66
6. Loan Loss Allowances/ Gross Loans	0.63	0.69	0.74	0.65
7. Net Charge-offs/ Average Gross Loans	0.02	0.22	0.00	0.00
8. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	0.56	1.21	0.94	0.80
F. Funding and Liquidity				
1. Loans/ Customer Deposits	126.38	129.65	131.36	133.20
2. Liquidity Coverage Ratio	172.00	126.00	121.00	95.00
3. Customer Deposits/ Total Funding (including Pref. Shares & Hybrids)	70.09	69.52	69.78	66.12
4. Interbank Assets/ Interbank Liabilities	685.56	611.98	237.90	116.96
5. Net Stable Funding Ratio	n.a.	n.a.	n.a.	n.a.
6. Growth of Total Customer Deposits	10.61	7.39	12.03	5.08

SpareBank 1 Nord-Norge
Reference Data

	31 Dec 2018			31 Dec 2017			31 Dec 2016			31 Dec 2015		
	Year End USDm	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	Year End NOKm	As % of Assets	
A. Off-Balance Sheet Items												
1. Managed Securitizd Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
3. Guarantees	n.a.	n.a.	-	1,152.0	1.19	1,189.0	1.31	1,893.0	2.22			
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
5. Committed Credit Lines	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
7. Other Off-Balance Sheet items	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
8. Total Assets under Management	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
B. Average Balance Sheet												
1. Average Loans	9,056.4	78,860.2	74.29	72,886.6	75.00	67,387.8	74.46	62,735.4	73.46			
2. Average Earning Assets	11,363.5	98,950.0	93.21	91,818.2	94.48	87,365.8	96.54	82,279.2	96.34			
3. Average Total Assets	11,697.1	101,855.2	95.95	93,905.4	96.62	89,168.0	98.53	84,039.0	98.40			
4. Average Managed Securitizd Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-	
5. Average Interest-Bearing Liabilities	10,063.6	87,630.6	82.55	80,635.6	82.97	76,871.8	84.94	72,723.2	85.15			
6. Average Common equity	1,344.9	11,711.4	11.03	11,088.8	11.41	10,378.8	11.47	9,546.0	11.18			
7. Average Equity	1,349.4	11,750.6	11.07	11,111.8	11.43	10,422.8	11.52	9,553.2	11.19			
8. Average Customer Deposits	7,031.0	61,224.0	57.67	56,355.4	57.99	52,356.6	57.85	47,698.0	55.85			
C. Maturities												
Asset Maturities:												
Loans & Advances < 3 months	n.a.	n.a.	-	8,873.0	9.13	10,705.0	11.83	9,566.0	11.20			
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	2,727.0	2.81	3,414.0	3.77	2,698.0	3.16			
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	12,653.0	13.02	9,987.0	11.04	10,400.0	12.18			
Loans & Advances > 5 years	n.a.	n.a.	-	50,750.0	52.22	46,657.0	51.55	40,729.0	47.69			
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Loans & Advances to Banks < 3 Months	n.a.	n.a.	-	1,841.0	1.89	1,946.0	2.15	1,562.0	1.83			
Loans & Advances to Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	550.0	0.64			
Loans & Advances to Banks 1 - 5 Years	n.a.	n.a.	-	769.0	0.79	n.a.	-	12.0	0.01			
Loans & Advances to Banks > 5 Years	n.a.	n.a.	-	46.0	0.05	n.a.	-	0.0	0.00			
Liability Maturities:												
Retail Deposits < 3 months	n.a.	n.a.	-	56,120.0	57.74	52,359.0	57.85	46,801.0	54.80			
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	1,729.0	1.78	1,511.0	1.67	1,286.0	1.51			
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00			
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00			
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Deposits from Banks < 3 Months	n.a.	n.a.	-	406.0	0.42	751.0	0.83	1,735.0	2.03			
Deposits from Banks 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00			
Deposits from Banks 1 - 5 Years	n.a.	n.a.	-	28.0	0.03	n.a.	-	81.0	0.09			
Deposits from Banks > 5 Years	n.a.	n.a.	-	n.a.	-	67.0	0.07	0.0	0.00			
Senior Debt Maturing < 3 months	n.a.	n.a.	-	168.0	0.17	284.0	0.31	878.0	1.03			
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	3,283.0	3.38	3,608.0	3.99	3,786.0	4.43			
Senior Debt Maturing 1- 5 Years	n.a.	n.a.	-	16,372.0	16.85	13,573.0	15.00	15,118.0	17.70			
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	3,729.0	3.84	3,700.0	4.09	1,688.0	1.98			
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	23,552.0	24.23	21,165.0	23.39	21,470.0	25.14			
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Subordinated Debt Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
Total Subordinated Debt on Balance Sheet	137.8	1,200.0	1.13	850.0	0.87	850.0	0.94	850.0	1.00			
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
D. Risk Weighted Assets												
1. Risk Weighted Assets	8,173.0	71,168.0	67.04	67,223.0	69.17	61,120.0	67.54	60,327.0	70.64			
2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
3. Fitch Core Capital Adjusted Risk Weighted Assets	8,173.0	71,168.0	67.04	67,223.0	69.17	61,120.0	67.54	60,327.0	70.64			
4. Other Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
5. Fitch Adjusted Risk Weighted Assets	8,173.0	71,168.0	67.04	67,223.0	69.17	61,120.0	67.54	60,327.0	70.64			
E. Fitch Core Capital Reconciliation												
1. Total Equity as reported (including non-controlling interests)	1,410.0	12,278.0	11.57	11,769.0	12.11	11,011.0	12.17	9,961.0	11.66			
2. Fair-value adjustments relating to own credit risk on debt issued	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-			
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-			
4. Goodwill	0.0	0.0	0.00	n.a.	-	n.a.	-	n.a.	-			
5. Other intangibles	10.9	95.0	0.09	68.0	0.07	63.0	0.07	51.0	0.06			
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00			
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	n.a.	-	n.a.	-	0.0	0.00			
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	n.a.	-	n.a.	-	0.0	0.00			
9. Fund for general banking risks if not already included and readily convertible into equi	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00			
10. Fitch Core Capital	1,399.1	12,183.0	11.48	11,701.0	12.04	10,948.0	12.10	9,910.0	11.60			

Exchange Rate

USD1 = NOK8.7077

USD1 = NOK8.205

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