

# SpareBank 1 SR-Bank Group

2nd quarter 2011

August 10th 2010

Arne Austreid, Chief Executive Officer  
Inge Reinertsen, Chief Financial Officer

# Creating values for more than 170 years



## Southwestern Norway's leading bank group

- Group profit before tax as at 2<sup>nd</sup> quarter 2011: NOK 752 million
- Total assets NOK 135 billion
- 54 offices in Hordaland, Rogaland and Agder
- Close to 300 000 customers - main bank for 26 municipalities or counties
- Around 1 200 employees
- Amongst one of the most profitable banks in Scandinavia last 15 years

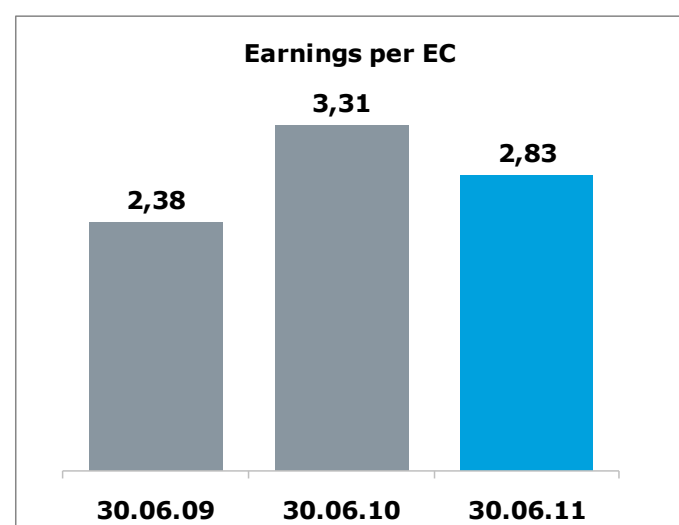
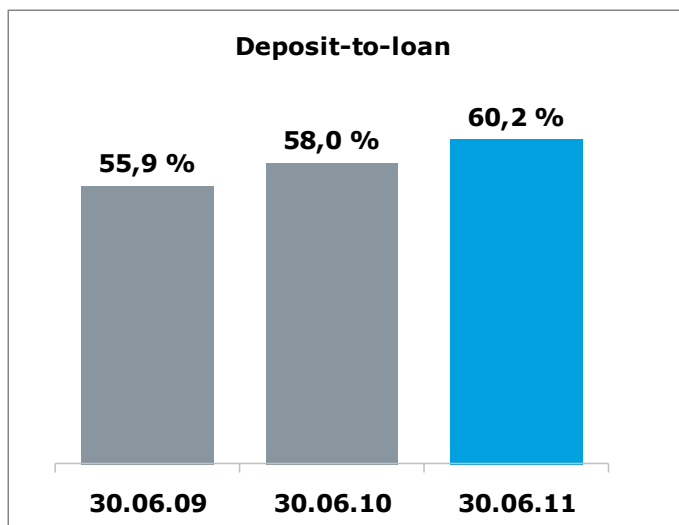
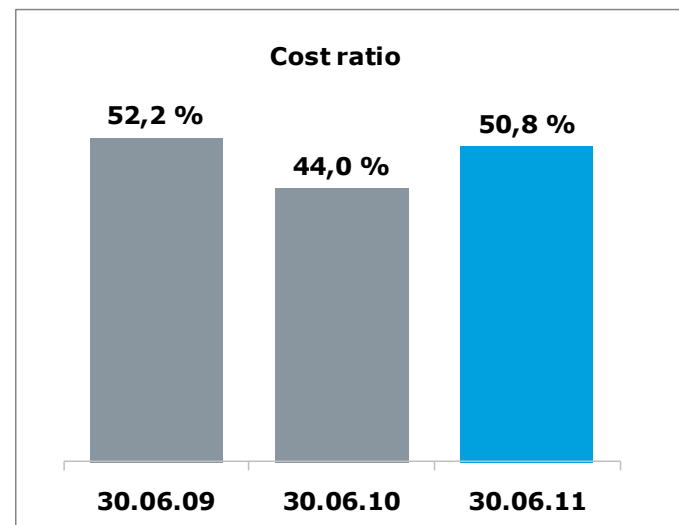
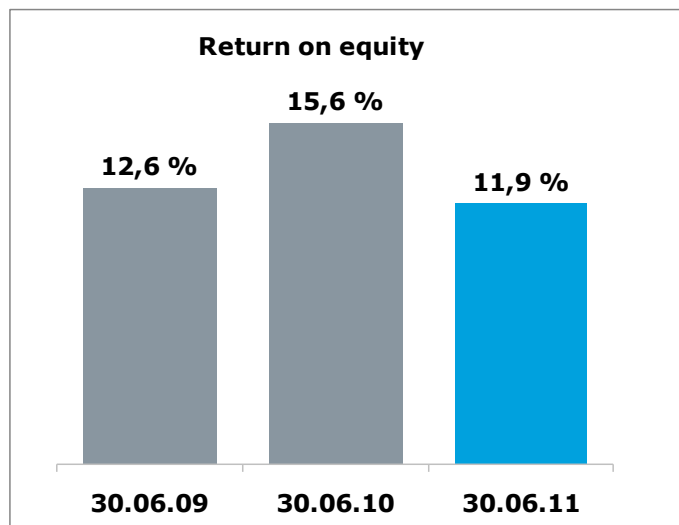


# In brief – first half-year and Q2 2011

- So far this year, profit before tax amounted to NOK 752 million (NOK 814 million)
  - Representing an after-tax return on equity of 11.9 % (15.6 %)
- In Q2 2011, pre-tax profit was NOK 416 million (NOK 419 million)
  - Representing an after-tax return on equity of 12.6 % (16.5 %)
- Lower lending margins and higher funding costs have an impact on net interest income
- Lending grew by 14.5 % and deposits grew by 15.8 % over the last 12 months
- Good growth in other income
  - Increased product sales and higher number of brokered assignments at EiendomsMegler 1 SR-Eiendom
  - The Capital Market Division registered growth
  - Guarantee commissions and commissions from the insurance field
- Lower write-downs on loans
- Permission to convert into a limited liability company (ASA) given by the Ministry of Finance on 21 June 2011

*(figures for the same period in 2010 in parentheses)*

# Key figures



# Income statement

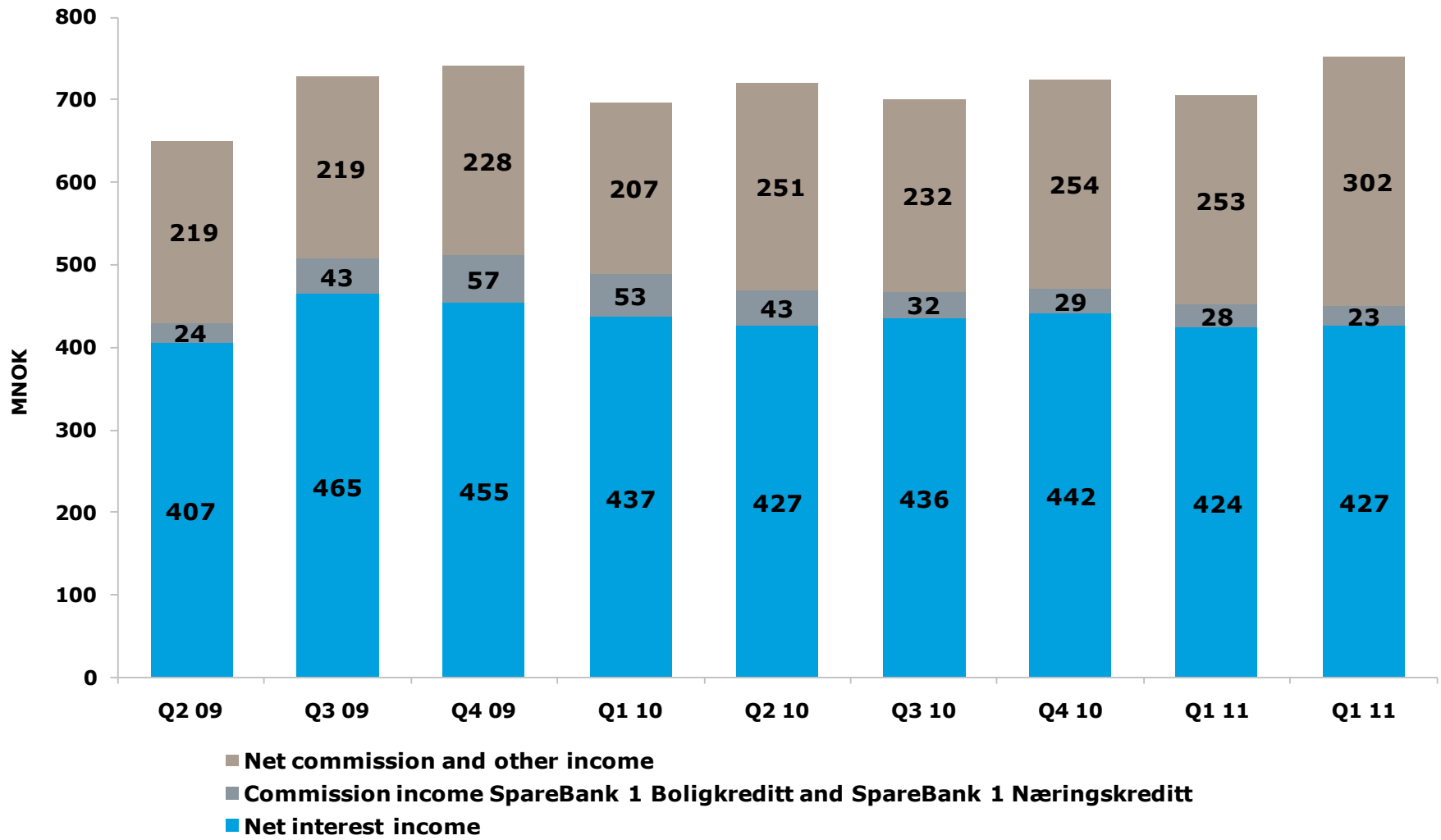
<i>Group Income Statement (MNOK)</i>	<b>30.06 2011</b>	<b>30.06 2010</b>	<b>Q2 11</b>	<b>Q1 11</b>	<b>Q4 10</b>	<b>Q3 10</b>	<b>Q2 10</b>
Net interest income	851	864	427	424	442	436	427
Net commission and other income	606	554	325	281	283	264	294
Net return on investment securities	201	251	73	128	183	137	172
<b>Total income</b>	<b>1 658</b>	<b>1 669</b>	<b>825</b>	<b>833</b>	<b>908</b>	<b>837</b>	<b>893</b>
<b>Total operating expenses</b>	<b>842</b>	<b>735</b>	<b>396</b>	<b>446</b>	<b>423</b>	<b>408</b>	<b>423</b>
<b>Operating profit before losses</b>	<b>816</b>	<b>934</b>	<b>429</b>	<b>387</b>	<b>485</b>	<b>429</b>	<b>470</b>
Impairment losses on loans and guarantees	64	120	13	51	71	43	51
<b>Operating profit before tax and min. int.</b>	<b>752</b>	<b>814</b>	<b>416</b>	<b>336</b>	<b>414</b>	<b>386</b>	<b>419</b>
Tax expense	182	178	111	71	33	86	81
<b>Net profit</b>	<b>570</b>	<b>636</b>	<b>305</b>	<b>265</b>	<b>381</b>	<b>300</b>	<b>338</b>

# Key figures

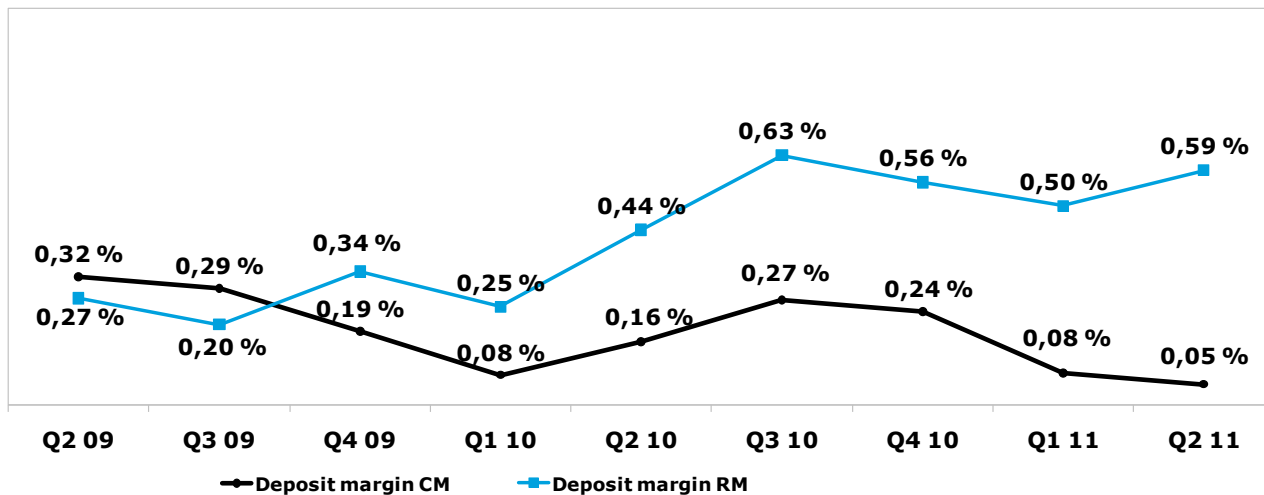
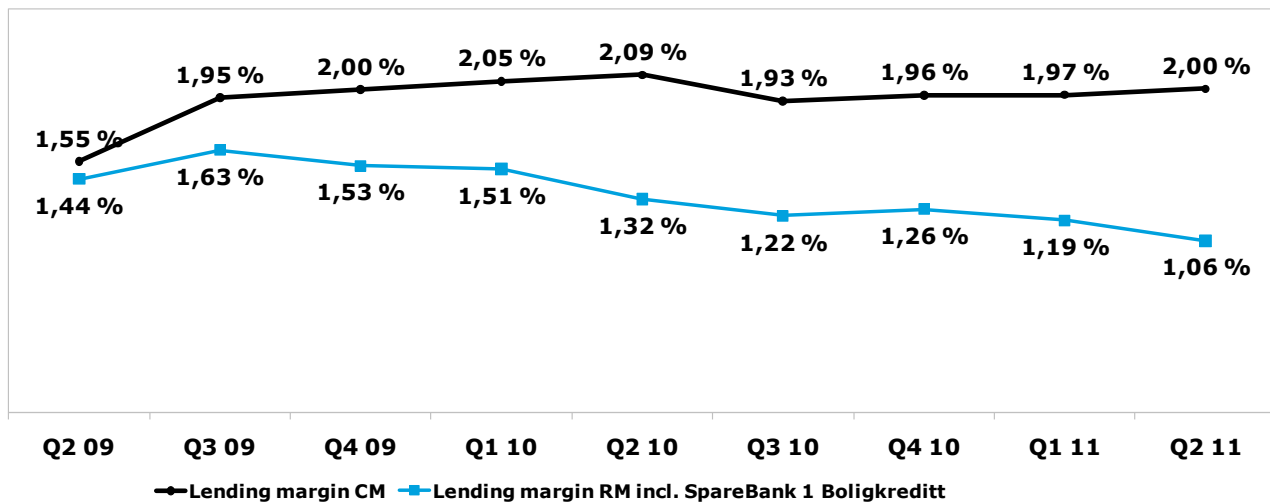
	30.06 2011	30.06 2010	Q2 11	Q1 11	Q4 10	Q3 10	Q2 10
<b>Return on equity after tax (%)</b>	11,9	15,6	12,6	11,2	16,9	14,3	16,5
<b>Net interest margin (%)</b>	1,28	1,38	1,28	1,28	1,31	1,34	1,34
<b>Cost ratio (%)</b>	50,8	44,0	48,0	53,5	46,6	48,7	47,4
<b>Impairment losses on loans and guarantees in % of gross loans incl. SpareBank 1 Boligkreditt*</b>	0,09	0,20	0,04	0,15	0,22	0,14	0,17
<b>Impairment losses on loans and guarantees in % of gross loans excl. SpareBank 1 Boligkreditt*</b>	0,12	0,25	0,05	0,19	0,28	0,17	0,21
<b>Non-performing and other problem commitments in % of gross loans incl. SpareBank 1 Boligkreditt</b>	0,94	1,08	0,94	1,09	0,91	1,20	1,08
<b>Non-performing and other problem commitments in % of gross loans excl. SpareBank 1 Boligkreditt</b>	1,22	1,37	1,22	1,41	1,14	1,48	1,37
<b>Annual growth in loans to customers, gross (incl. SpareBank 1 Boligkreditt)</b>	14,5	6,0	14,5	12,5	11,6	6,6	6,0
<b>Annual growth in deposits from customers</b>	15,8	3,1	15,8	17,5	11,8	3,7	3,1
<b>Total assets, BNOK</b>	135	129	135	133	135	130	129
<b>Mortgage loans transferred to SpareBank 1 Boligkreditt, BNOK</b>	32	26	32	31	26	24	26
<b>Result per equity certificate (EC), NOK</b>	2,83	3,31	1,51	1,32	1,94	1,56	1,76
<b>Book value per equity certificate (EC), NOK</b>	48,5	42,4	48,5	47,2	47,5	44,1	42,4
<b>Number of certificates issued, millions</b>	127	121	127	127	127	121	121

\* Annualized figures

# The group's income profile



# Lending and deposit margins



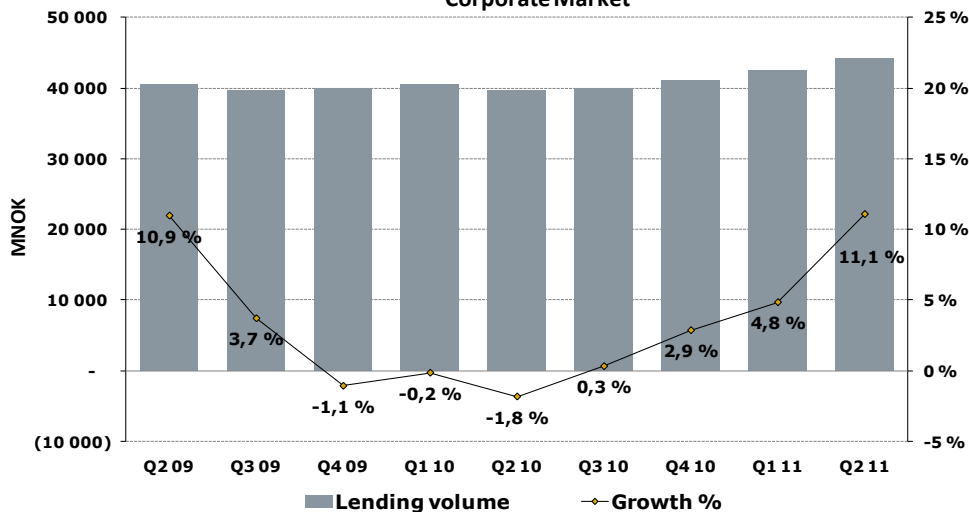
*Definition: Average customer interest minus 3 months average nibor*



# Lending volume and 12 month growth

## Including portfolio in SB1 Boligkreditt and SB1 Næringskreditt

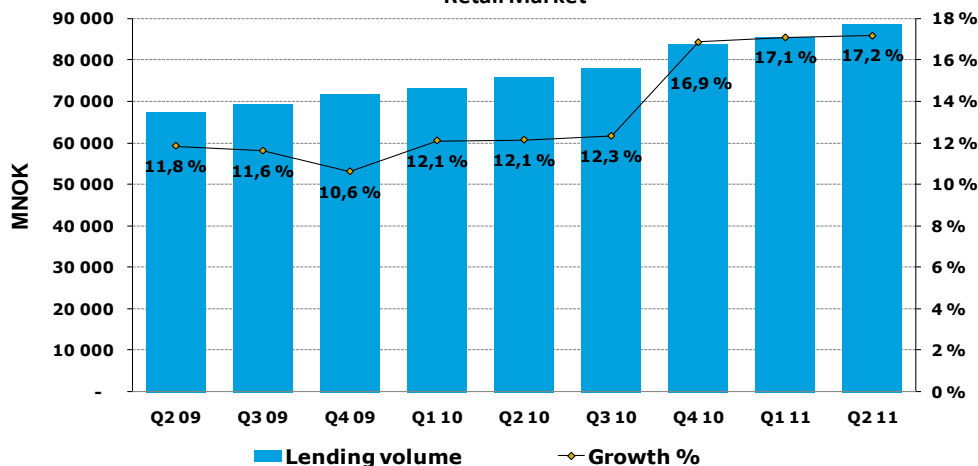
Corporate Market



Per 30.06.2011:

- 12 month growth 11,1 % incl. Kvinnherad
- 12 month growth 9,2 % excl. Kvinnherad

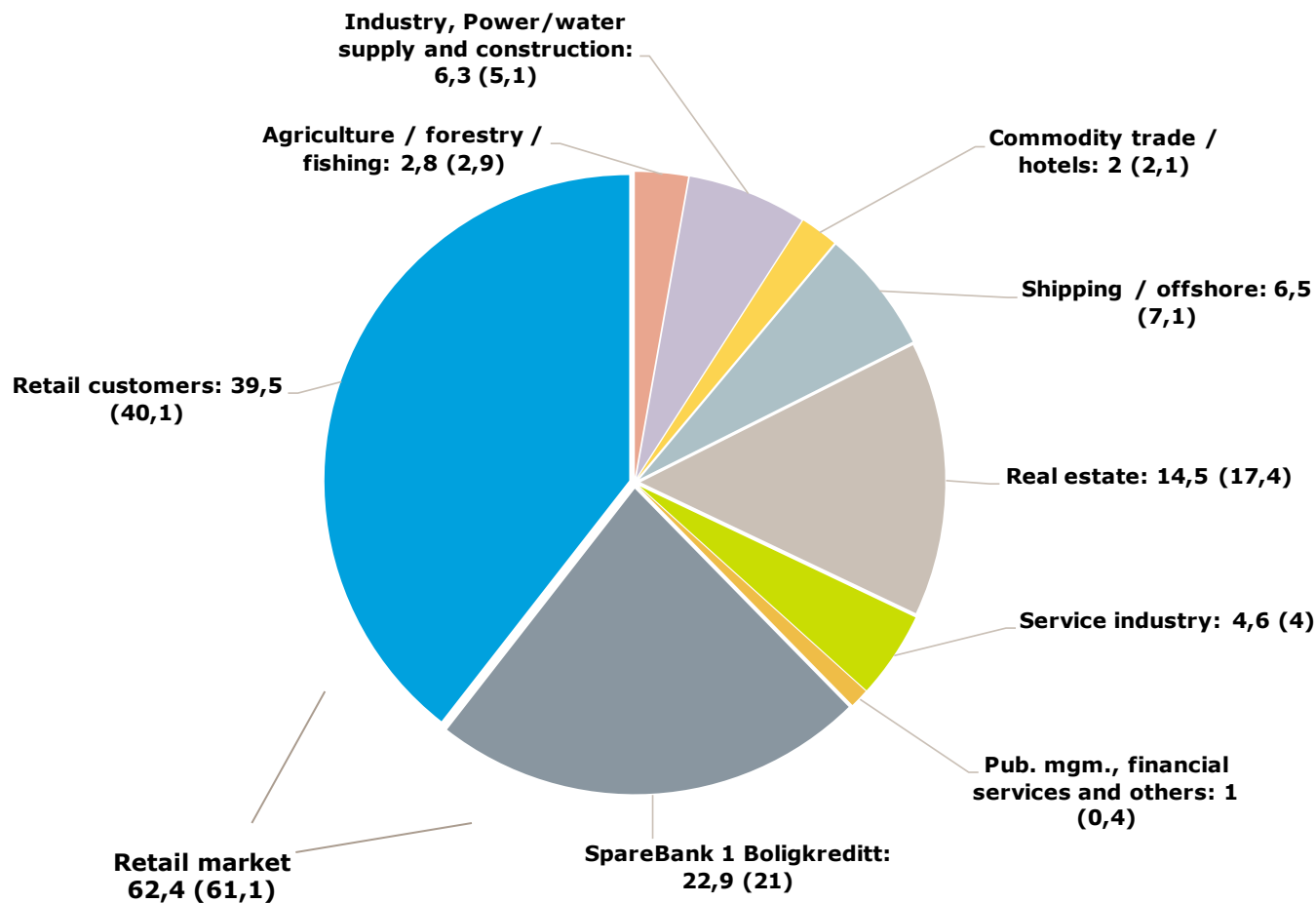
Retail Market



Per 30.06.2011:

- 12 month growth 17.2 % incl. Kvinnherad
- 12 month growth 12.8 % excl. Kvinnherad

# Loans by industry - 30.06.2011



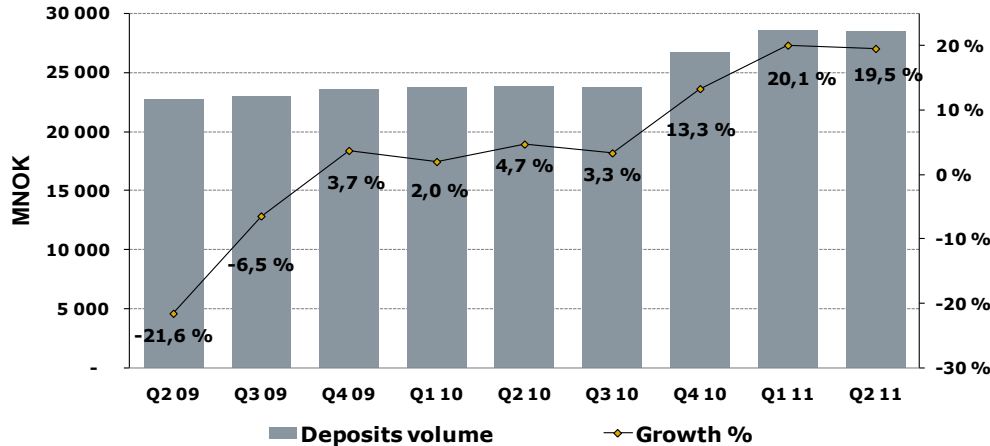
All figures are percentages. Figures as at June 30 2010 are in brackets.

Loans before individual write-downs, nominal amounts.

Sector allocation in accordance with the standard classification from Statistics Norway.

# Deposits volume and 12 month growth

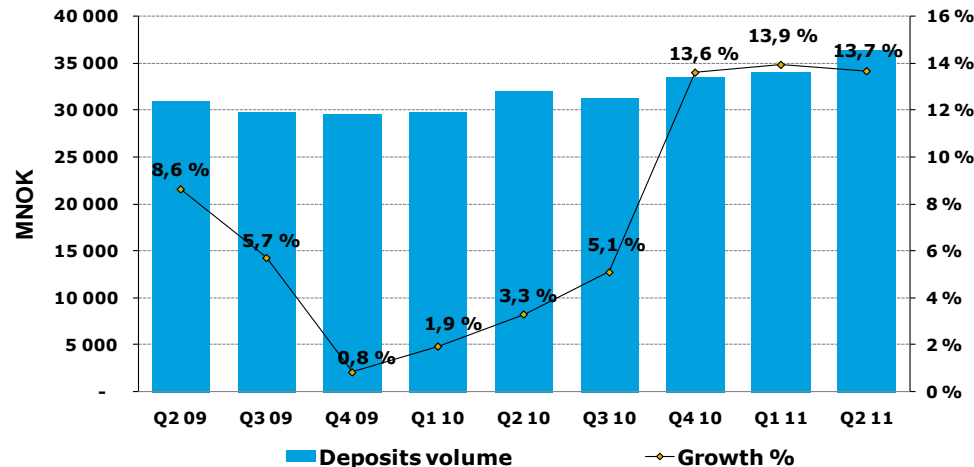
Corporate Market



Per 30.06.2011:

- 12 month growth 19,5 % incl. Kvinnherad
- 12 month growth 17.2 % excl. Kvinnherad

Retail Market



Per 30.06.2011:

- 12 month growth 13.7 % incl. Kvinnherad
- 12 month growth 8.2 % excl. Kvinnherad

# Net commission income and other income

	30.06 2011	30.06 2010	Q2 11	Q1 11	Q4 10	Q3 10	Q2 10
<i>MNOK</i>							
Payment facilities	99	98	51	48	50	53	50
Savings/placements	75	73	37	38	34	29	41
Insurance products	67	56	34	33	33	25	29
Commission income real estate (EM1)	218	184	122	96	97	95	108
Guarantee commission	35	25	17	18	15	17	13
Arrangement- and customer fees	42	18	28	14	11	6	9
Other	19	4	13	6	14	7	2
<b>Net commission and other income excl. SB1 Boligkreditt og SB1 Næringskreditt</b>	<b>555</b>	<b>458</b>	<b>302</b>	<b>253</b>	<b>254</b>	<b>232</b>	<b>252</b>
Commission income SB1 Boligkreditt and SB1 Næringskreditt	51	96	23	28	29	32	42
<b>Net commission and other income excl. SB1 Boligkreditt og SB1 Næringskreditt</b>	<b>606</b>	<b>554</b>	<b>325</b>	<b>281</b>	<b>283</b>	<b>264</b>	<b>294</b>

# Net return on investment securities

MNOK	31.12	31.12					
	2010	2009	Q2 11	Q1 11	Q4 10	Q3 10	Q2 10
Dividend	19	46	13	6	0	1	46
Investment income, associates	109	103	58	51	94	70	54
Securities gains/losses	-19	62	-36	17	53	32	41
- of which capital change in shares and certificates	-5	52	-33	28	71	12	45
- of which capital change in certificates and bonds	-14	10	-3	-11	-18	20	-5
Currency/interest gains/losses	92	40	38	54	36	34	31
- of which currency customer- and own-account trading	61	68	31	30	28	35	31
- of which IFRS-effects	31	-28	7	24	8	-1	0
<b>Net return on investment securities</b>	<b>201</b>	<b>251</b>	<b>73</b>	<b>128</b>	<b>183</b>	<b>137</b>	<b>172</b>

The earnings impact of the merger between Nordito AS and PBS AS of NOK 96 million, resulted in NOK 45 million in dividends and NOK 51 million in capital gains in Q2 2010. In addition, the value of the bank's ownership interest in the merged company, Nets Holding AS, was increased by NOK 67 million in Q4 2010.

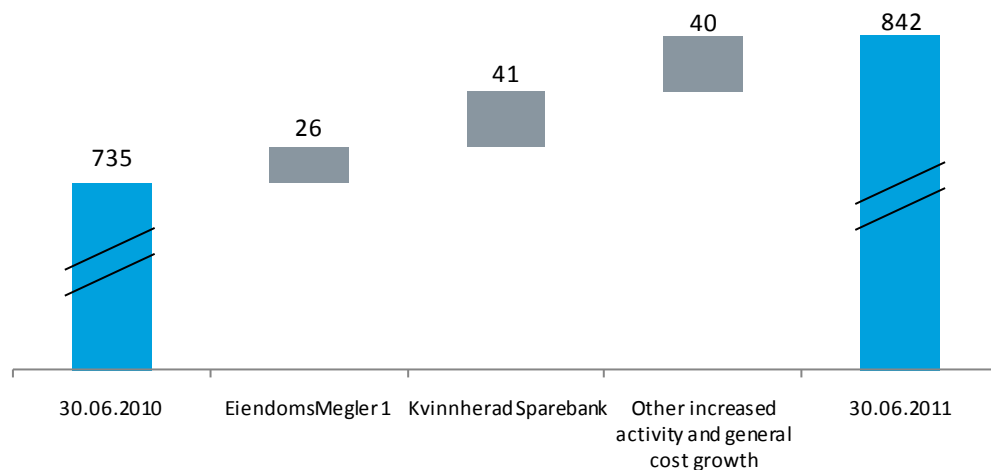
# Subsidiaries

<i>MNOK</i>	<b>30.06.11</b>	<b>30.06.10</b>
<b>EiendomsMegler 1 SR-Eiendom AS</b>		
Number of sales	3 851	3 454
Operating profit before taxes	35,6	25,9
<b>SpareBank 1 SR-Finans AS</b>		
Total assets (BNOK)	5,1	5,0
Operating profit before taxes	41,4	32,0
<b>SR-Forvaltning AS</b>		
Portfolio (BNOK)	6,4	5,7
Operating profit before taxes	13,2	10,8
<b>SR-Investering AS</b>		
Investmentportfolio (MNOK)	136	109
Operating profit before taxes	12,7	1,3
<b>Other</b>		
Operating profit before taxes	0,8	-3,2

# Ownership interests

MNOK	30.06.11	30.06.10
<b>SpareBank 1 Gruppen AS</b> (19,5% interest ownership)		
Profit after tax	49,8	52,7
<b>BN Bank ASA</b> (23,5% interest ownership)		
Profit after tax	17,1	9,7
Amortised	14,6	3,2
<b>SpareBank 1 Boligkreditt AS</b> (28,6% interest ownership)		
Profit after tax	15,0	15,0
<b>SpareBank 1 Næringskreditt AS</b> (30,7% interest ownership)		
Profit after tax	3,2	1,4
<b>SpareBank 1 Utvikling</b> (17,7% interest ownership)		
Profit after tax	0,3	-2,8
<b>Bank 1 Oslo AS</b> (19,5% interest ownership)		
Profit after tax	9,4	23,7
<b>Total owner interests</b>		
Profit after tax	109,4	102,9

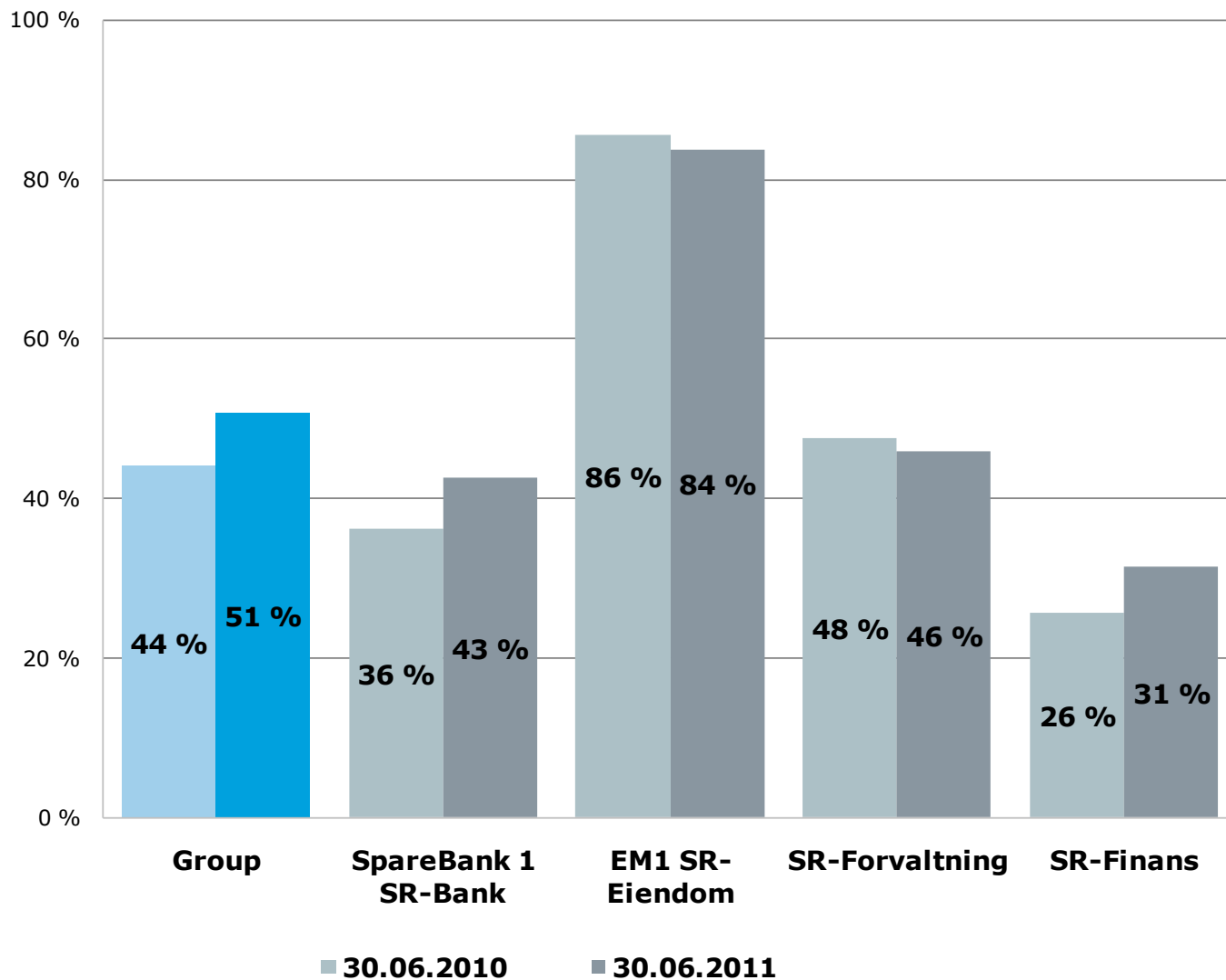
# Operating expenses, group



- A large portion of the group's increase in expenses can be attributed to the merger with Kvinnherad Sparebank and increased costs incurred by EiendomsMegler 1 SR-Eiendom AS in connection with acquisitions and a rise in activity levels.
- The increase in activity in the parent bank's divisions also has an impact on the growth in expenses.
- The underlying growth in expenses from the first half of 2010 to the first half of 2011 is approximately 5%.



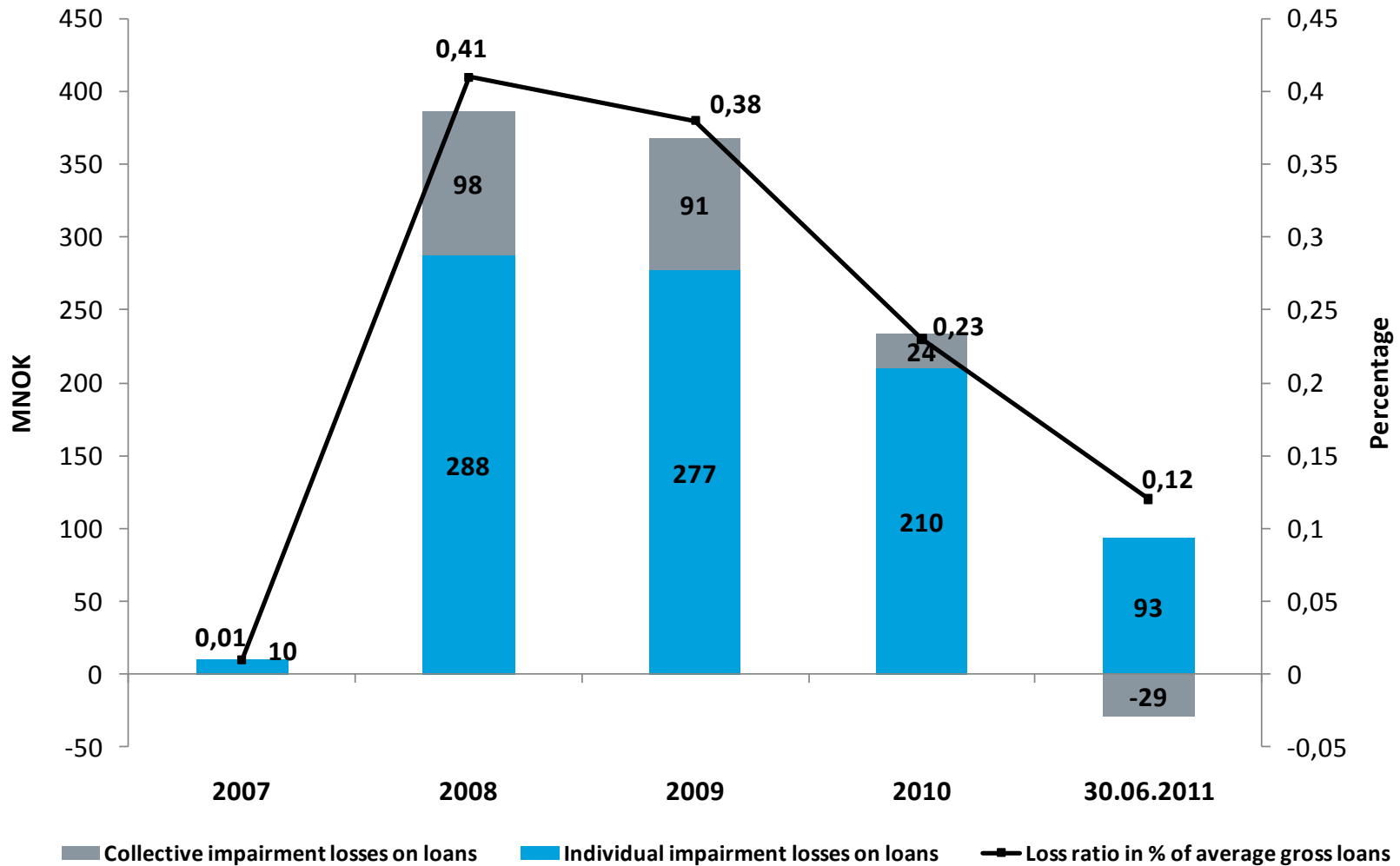
# Cost ratio per 30.06.2011



# Impairment losses on loans and guarantees

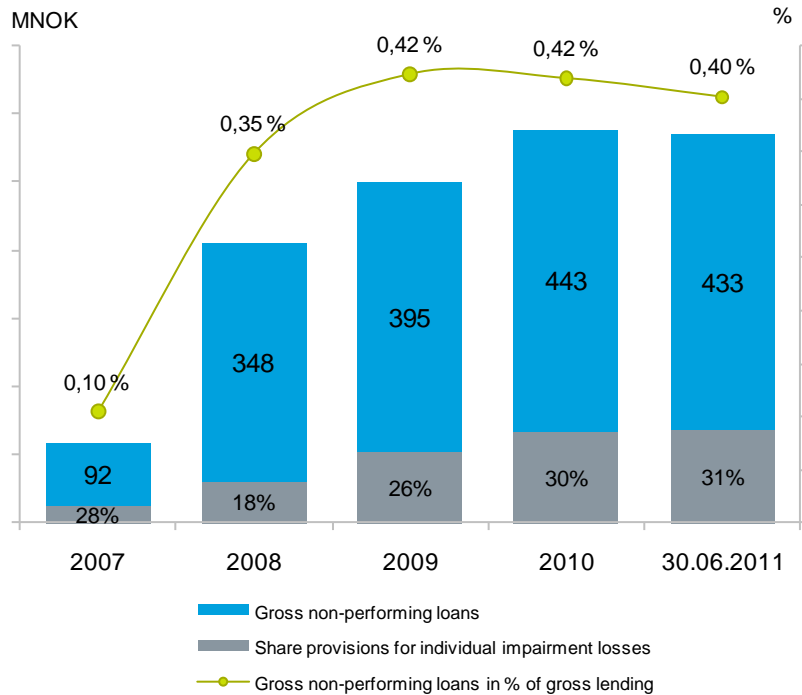
	<b>30.06 2011</b>	<b>30.06 2010</b>	<b>Q2 2011</b>	<b>Q1 2011</b>	<b>Q4 2011</b>	<b>Q3 2011</b>	<b>Q2 2011</b>
<b><i>Losses on loans in income statement (MNOK)</i></b>							
Corporate customers	73	97	-1	74	66	37	41
Retail customers	20	5	14	6	2	3	2
Change in collective impairment losses on loans	-29	18	-	-29	3	3	8
Net impairment losses on loans	64	120	13	51	71	43	51
Net impairment losses in % of average gross loans	0,12	0,25	0,05	0,19	0,28	0,17	0,21
	<b>30.06 2011</b>	<b>30.06 2010</b>	<b>30.06 2011</b>	<b>31.03 2011</b>	<b>31.12 2011</b>	<b>30.09 2011</b>	<b>30.06 2011</b>
<b><i>Impairment losses on loans (MNOK)</i></b>							
Individual impairment losses on loans	422	383	422	470	402	405	376
Collective impairment losses on loans	328	338	328	328	357	341	338
Total impairment losses on loans	750	721	750	798	759	746	714
Individual impairment losses ratio (%)	0,39	0,40	0,39	0,45	0,38	0,40	0,39
Collective impairment losses ratio (%)	0,30	0,35	0,30	0,31	0,34	0,34	0,35

# Impairment losses on loans last 5 years

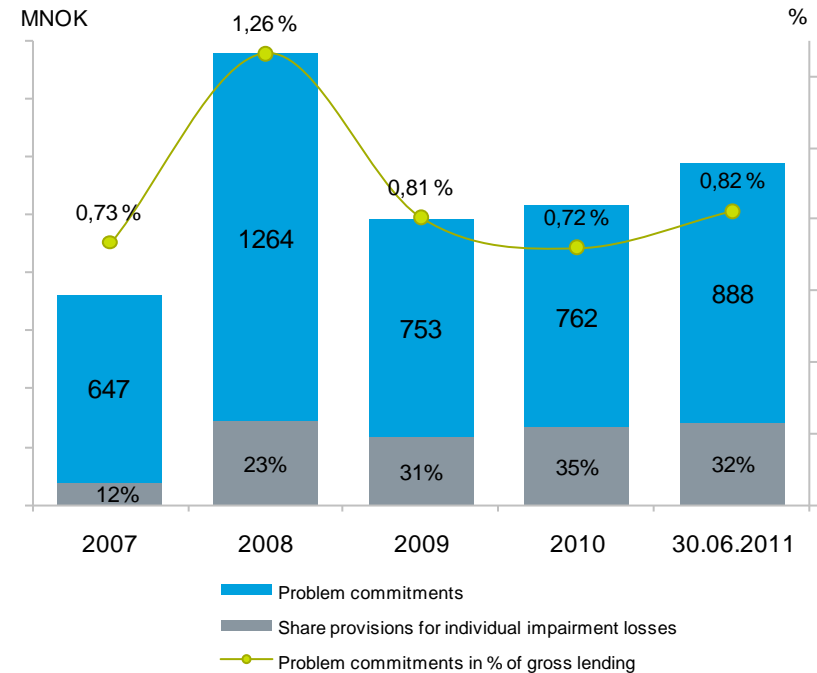


# Provision rate for problem and non-performing commitments

## Gross non-performing commitments



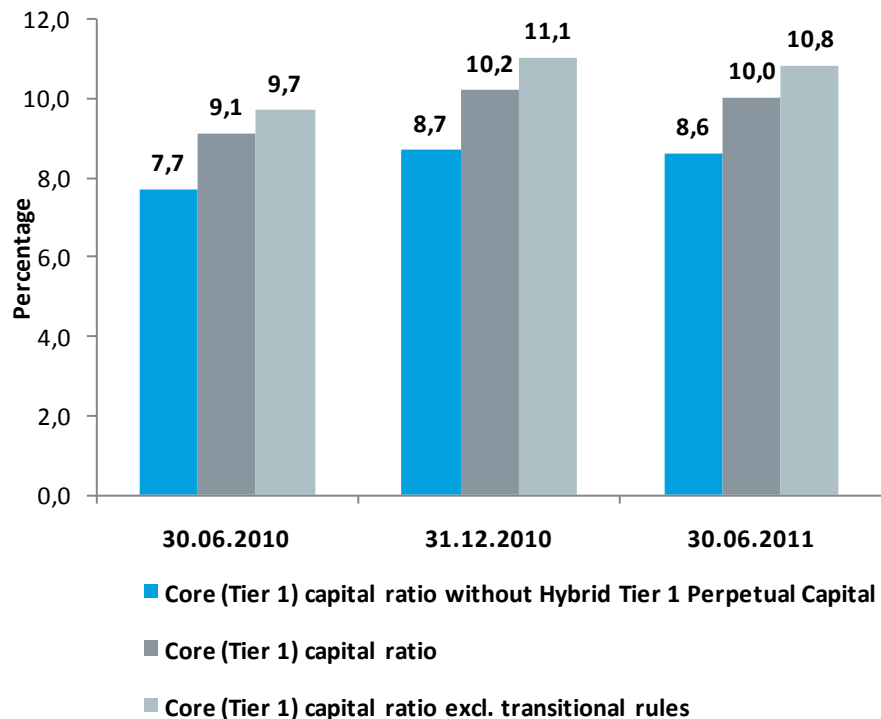
## Problem commitments (not non-performing)



**Gross non-performing commitments** – non-performing loans before deduction of loss provisions. Non-performing over 90 days.

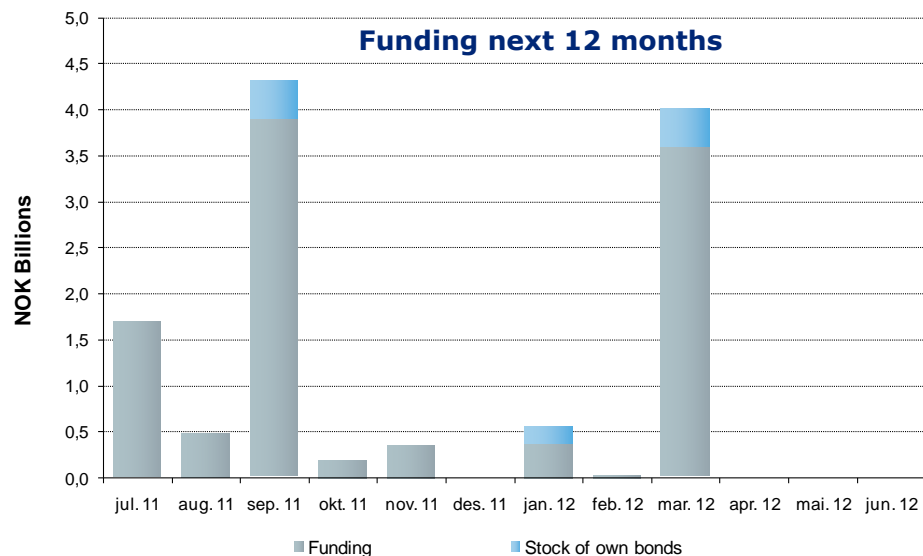
**Problem commitments** – Commitments that are not non-performing for which a loss provision has been made

# Capital strength

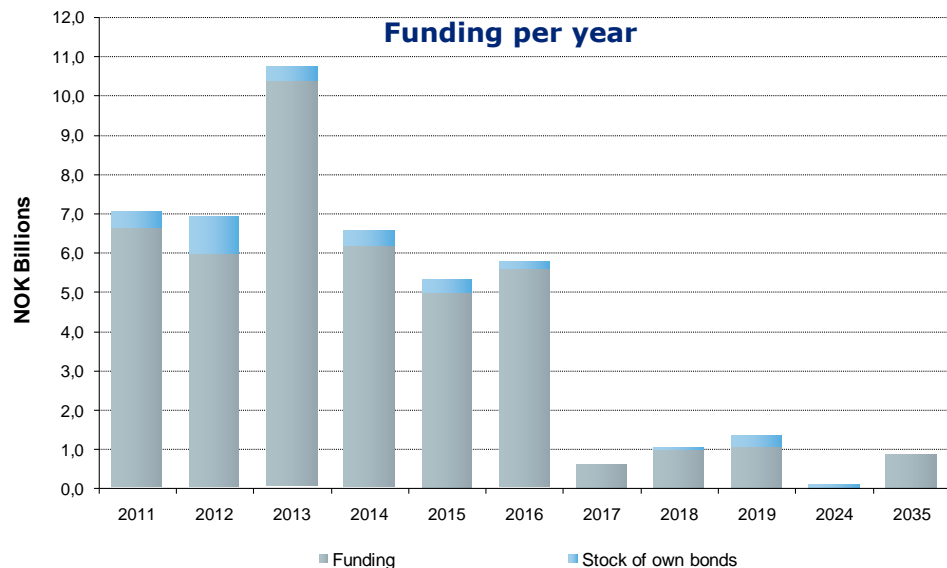


- At the end of Q2 2011 the core capital ratio was 10.0 % - up from 9.1 % at the same time last year
- Due to transitional rules the minimum requirement for capital adequacy for 2011 may be reduced to 80 per cent in relation to Basel I rules.
  - The core capital ratio excl. the transitional rules are 10,8 %
- One of SpareBank 1 SR-Bank's goals is for its core capital adequacy to be a minimum of 9%.

# Funding and liquidity management



- Very good liquidity
- As at 30.06.2011 the liquidity buffer totalled NOK 18,5 billion
- Net refinancing needs the next 12 months are NOK 12,3 billion



# Financial targets

<i>Figures in %</i>	<b>30.06.2011</b>
Return on equity after tax	11,9
Core capital ratio	10,0
Capital adequacy ratio	11,5

- The aim of SpareBank 1 SR-Bank is to be among the top third in return on equity of comparable banks
- SpareBank 1 SR-Bank goal is to have a minimum core capital ratio of 9 %

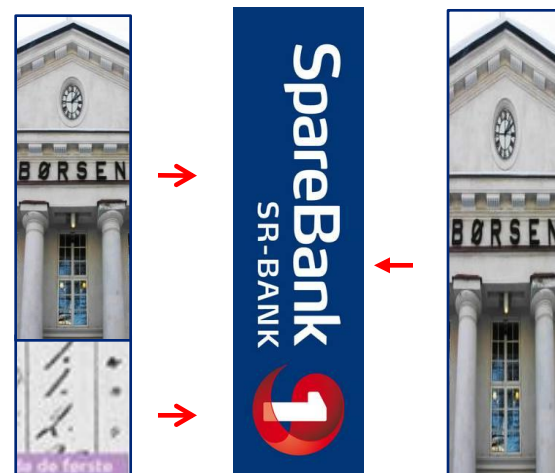
# Prospects

- Despite unrest in the financial markets, trade and industrial activities are expected to be good with continued low unemployment and household optimism.
- Changes in money market interest rates and the intensive competition have resulted in the bank's interest margins being reduced over time, especially for new housing loans.
- Even though tough competition is still expected in the traditional product areas, deposits and loans, the group is well equipped for further growth through effective operations and sound income from other product and service areas.
- Thanks to high customer satisfaction, SpareBank 1 SR-Bank is well positioned to further strengthen its market position and the business areas are expected to develop well in the time to come.
- The credit quality of the group's loan portfolios is good, and defaults and write-downs on loans are expected to remain low this year.



# Conversion to limited liability company (ASA)

- On 21 June, the Ministry of Finance gave permission for SpareBank 1 SR-Bank to be converted from a savings bank to a limited liability company (“limited liability savings bank”) and to establish a savings bank foundation on specific terms and conditions.
- In its consideration, the Ministry of Finance has attached decisive importance to SpareBank 1 SR-Bank’s commercial and industrial policy considerations and the desire to be able to raise future capital in the equity market.
- The conversion is planned carried out in 2011, and the first listing as SpareBank 1 SR-Bank ASA, will be on 2 January 2012.



# Appendix

# Equity certificate - ROGG

- Owner shares as at 30.06.11:
  - From Rogaland, Agder-fylkene and Hordaland: 45,8 % (46,7 %)
  - Non-domestic: 10,6 % (7,6 %)
  - Largest 10: 33,1 % (31,8 %)
  - Largest 20: 40,2 % (38,5 %)
- No. of ROGG owners as at 30.06.11: 11 988 (12 141)
- Employees in the group owned 3,5 % of the equity certificates by the end of 2st quarter 2011
- Turnover 2st quarter 2011: 3,3 % (3,7 %)

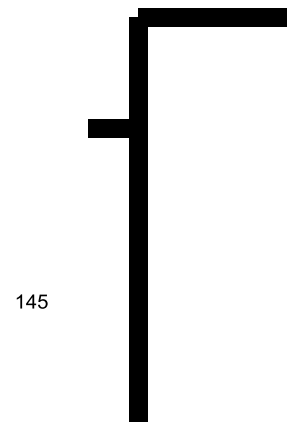
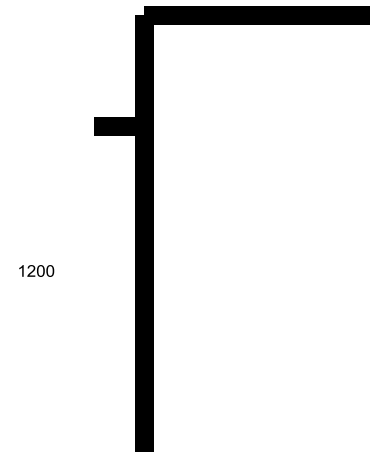
*(Figures for corresponding period in 2010 are shown in parentheses)*

	<b>30.06.2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
EC percentage	63,3	63,2	62,9	56,1	54,9
Market price	51,50	57,00	50,00	27,08	55,21
Stock value (MNOK)	6 557	7 257	6 047	2 434	4 702
Book value per EC, NOK (group)	48,48	47,45	42,07	37,23	37,64
Book value per EC, NOK (parentbank)	42,80	41,80	36,85	32,06	34,02
Earnings per EC	2,83	6,84	6,88	3,00	6,54
Dividend per EC	n.a.	2,75	1,75	0,83	3,96
P/E	9,10	8,33	7,27	9,03	8,44
P/BV (group)	1,06	1,20	1,19	0,73	1,47
P/BV (parentbank)	1,20	1,36	1,36	0,84	1,62

# 20 largest equity certificate holders

20 largest EC holders per 30.06.11	Number	Stake
Gjensidige Forsikring	20 713 065	16,3%
SpareBank 1-stiftinga Kvinnherad	6 069 934	4,8%
Odin Norge	3 209 372	2,5%
Odin Norden	3 059 453	2,4%
Clipper AS	1 685 357	1,3%
Frank Mohn AS	1 666 142	1,3%
Trygve Stangeland dødsbo	1 632 048	1,3%
JPMorgan Chase Bank, U.K.	1 598 223	1,3%
State Street Bank and Trust, U.S.A.	1 295 435	1,0%
SHB Stockholm Clients Account, Sverige	1 229 732	1,0%
Trygves Holding AS	1 070 939	0,8%
Varma Mutual Pension Insurance, Finland	1 062 534	0,8%
Fidelity Low-Priced Stock Fund, U.S.A.	1 061 327	0,8%
Køhlergruppen AS	1 000 000	0,8%
Bank of New York, U.S.A.	977 993	0,8%
Westco AS	885 352	0,7%
Forsand kommune	769 230	0,6%
Tveteraas Finans AS	722 000	0,6%
Bjergsted Investering AS	720 055	0,6%
Solvang Shipping AS	701 034	0,6%
<b>Total 20 largest holders</b>	<b>51 129 225</b>	<b>40,2%</b>

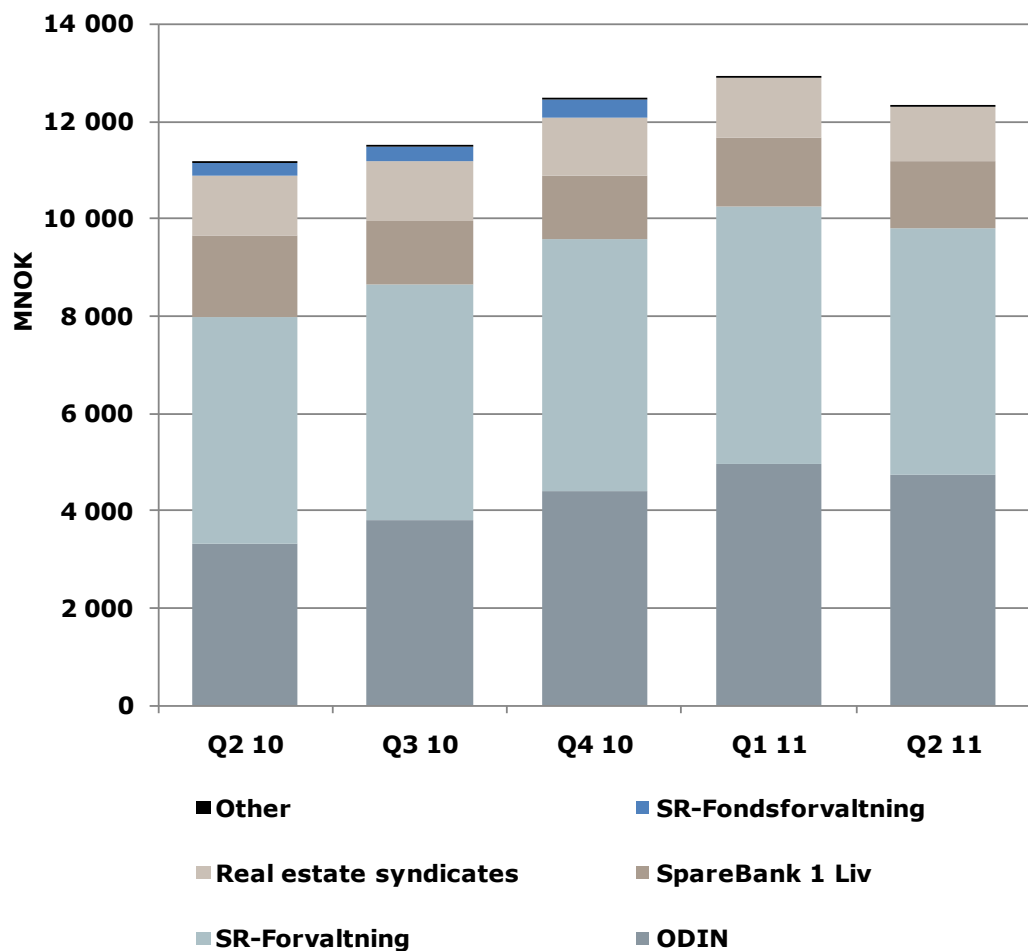
# Price performance 1996 – 2011 (dividend reinvested)



# Rating

	<b>Moody's</b>		<b>Fitch</b>
Long-term debt	<b>A1</b>	Long-term IDR	<b>A -</b>
Outlook	<b>Stable</b>	Outlook	<b>Stable Outlook</b>
Last updated	<b>7th September 2010</b>		<b>25th March 2011</b>

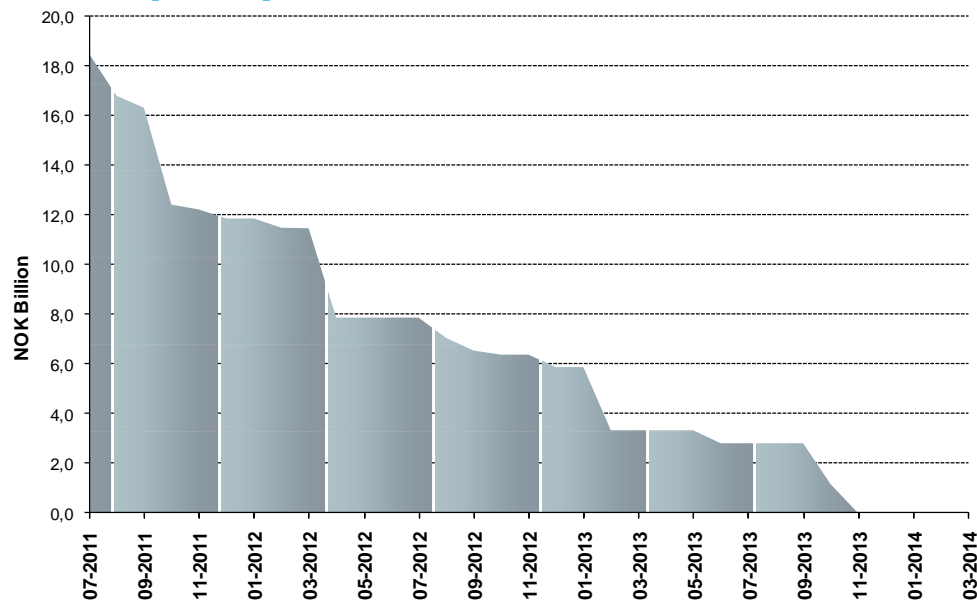
# Savings/placements – portfolio development



- As at 30.06.2011, assets under management amounted to NOK 12.4 billion
  - Up from NOK 11.1 billion at 30.06.2010
  - 58 035 current savings contracts
  - The average per savings contracts is NOK 774 per month, which amounts to MNOK 44.9 in monthly savings
- Most of the assets are managed by SR-Forvaltning and ODIN
- SR-Fondsforvaltning sold to the ODIN Forvaltning AS with effect from 1.1.2011

# Liquidity buffer and bond portfolio

## Liquidity buffer



- Liquidity buffer: cash, short-term placements, drawing rights in Norges Bank (bonds including covered bonds) and home loans that currently are ready to be transferred to Boligkreditt.

- Provided deposits and lending remain unchanged, with no new borrowing during the period.

## Bond portfolio

Category	Market value MNOK	Share	Of which, securities classified to amortised cost MNOK
Norwegian state/municipal	2 569	15 %	77
Foreign covered bonds	372	2 %	0
Norwegian covered bonds	12 446	71 %	9 325
Norwegian bank/finance	774	4 %	160
Foreign bank/finance	723	4 %	573
Other Norwegian bonds	145	1 %	100
Industry	394	2 %	0
<b>Total</b>	<b>17 423</b>	<b>100 %</b>	<b>10 235</b>



# Securities investments

## Risk profile in bond portefolio

Risk categories	Rating	Market value	Percentage
		NOK million	Total
Swap facility	AAA	9 324	54 %
Very low risk	AAA, AA+, AA and AA-	6 271	36 %
Low risk	A+, A and A-	1 121	6 %
Moderate risk	BBB+, BBB and BBB-	353	2 %
High risk	BB+, BB and BB-	170	1 %
Very high risk	B+ and lower	184	1 %
<b>Total</b>		<b>17 423</b>	<b>100 %</b>

## Treasury - bonds

Risk categories	Rating	Market value	Percentage
		NOK million	Treasury
Swap facility	AAA	9 324	55 %
Very low risk	AAA, AA+, AA and AA-	6 241	37 %
Low risk	A+, A and A-	1 121	7 %
Moderate risk	BBB+, BBB and BBB-	317	2 %
High risk	BB+, BB and BB-	24	0 %
Very high risk	B+ and lower	0	0 %
<b>Total</b>		<b>17 026</b>	<b>45 %</b>

## Trading/Sales - bonds

Risk categories	Rating	Market value	Percentage
		NOK million	Trading
Very low risk	AAA, AA+, AA and AA-	30	8 %
Low risk	A+, A and A-	0	0 %
Moderate risk	BBB+, BBB and BBB-	36	9 %
High risk	BB+, BB and BB-	147	37 %
Very high risk	B+ and lower	184	46 %
<b>Total</b>		<b>396</b>	<b>100 %</b>

The treasury portfolio is exposed to very low risk

The bank is not in any way exposed to PIIGS countries or American securities

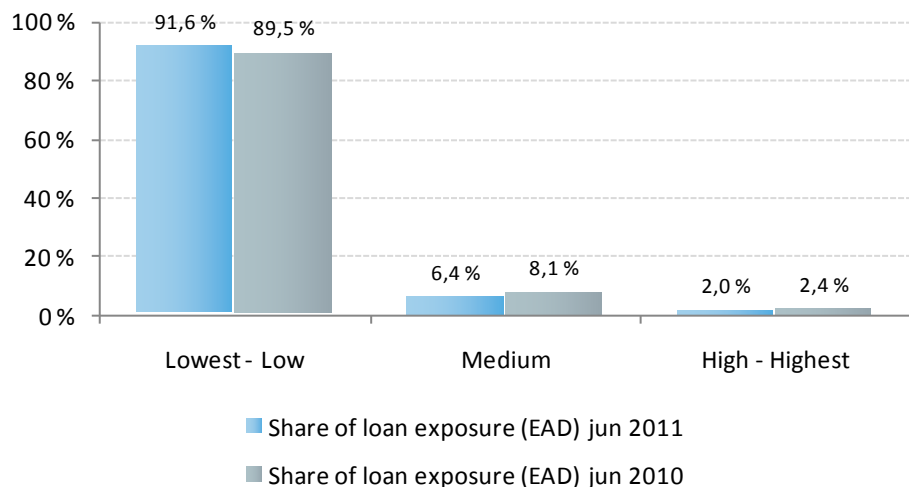
## Current share investments:

Shares/securities funds/equity certificates	Market value, NOK million
Sandnes Sparebank	56,1
Investor AB	12,8
SpareBank 1 Nord-Norge	12,4
Kongsberg Gruppen ASA	11,7
Statoil ASA	11,3
SpareBank 1 Midt-Norge	11,2
Norsk Hydro ASA	10,4
Others	75,7
<b>Total</b>	<b>201,5</b>

# Risk profile of SpareBank 1 SR-Bank

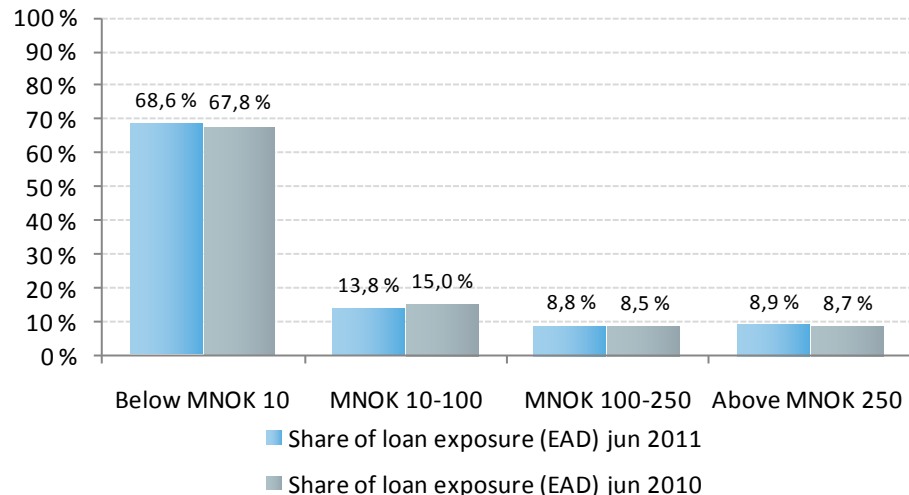
## High share of commitments with low risk

SpareBank 1 SR-Bank's portfolio distributed by riskgroups



- 92% of the bank's loan exposure satisfies the criteria for low and the lowest risk. Expected losses in this portion of the portfolio are very limited and account for 0.04%.
- Exposure to high or the highest risk accounts for 2,0% of the bank's loan exposure. Expected losses in this portion of the portfolio are 3,8%.

SpareBank 1 SR-Bank's portfolio distributed by size of commitment

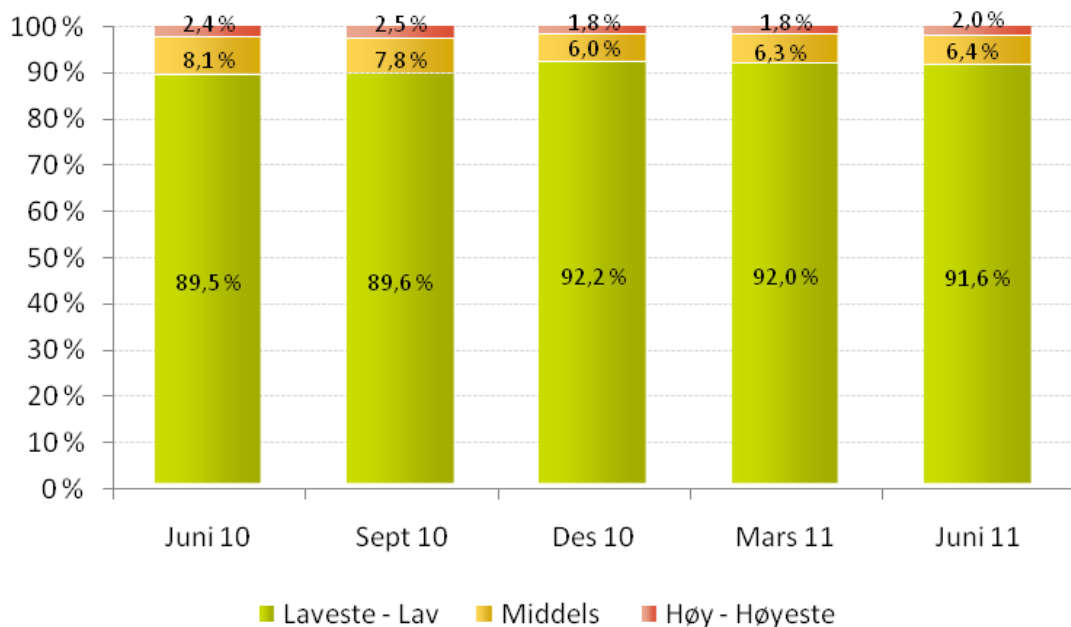


- 69% of the bank's loan exposure is to commitments that account for less than NOK 10 million. This corresponds to 99 per cent of all the customers.
- 18% of the bank's loan exposure is to customers that have an exposure in excess of NOK 100 million. The probability of default in this portion of the portfolio is lower than the average for the corporate market portfolio.

# SpareBank 1 SR-Bank's risk profile

The good credit quality in the group's loan portfolios is maintained

Utviklingen i SpareBank 1 SR-Banks portefølje



■ Laveste - Lav	■ Middels	■ Høy - Høyeste
■ Lowest - Low risk, expected losses 0 % - 0.50 %	■ Medium risk, expected losses 0.50 - 2.00 %	■ High- Highest risk, expected losses over 2.00 %

In Q2 2011, the group implemented an improved scoring model for default classification of retail market customers. In this connection, all historic data have been updated to ensure full comparability over time.

The group's primary goal, to have a moderate risk profile, remains unchanged.

The group's market area is characterised by a consistent high level of activity and low unemployment.

Market developments, together with internal focus on risk-reducing measures, help maintain the good credit quality of the group's portfolios in line with the primary goal.

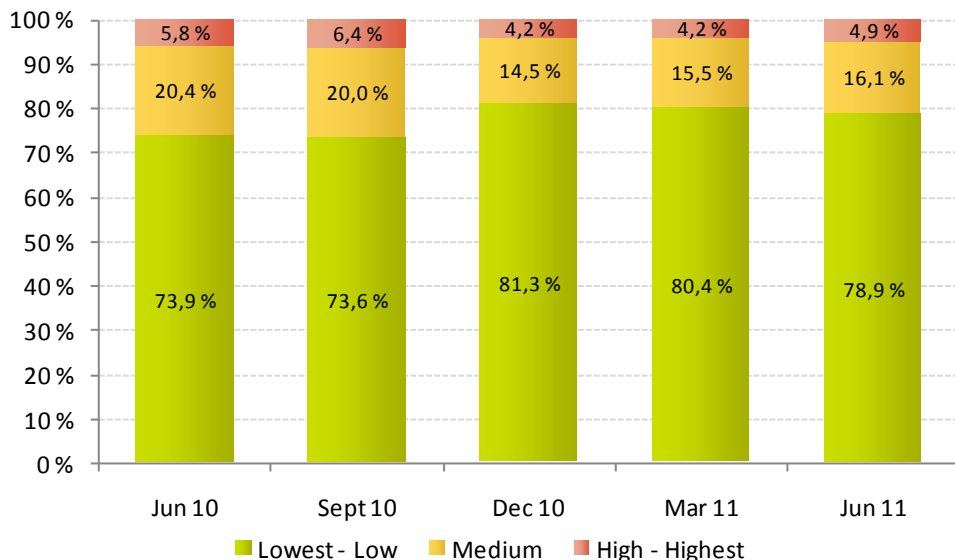
Measurement of risk exposure is based on a long-term average over a business cycle. This implies greater stability in default estimates.

The figures include the portfolio transferred to SpareBank 1 Boligkreditt AS.

# Risk profile of corporate market portfolio

Portfolio quality is good and the development has been stable over the past quarter

Development in corporate market's portfolio distributed by riskgroups

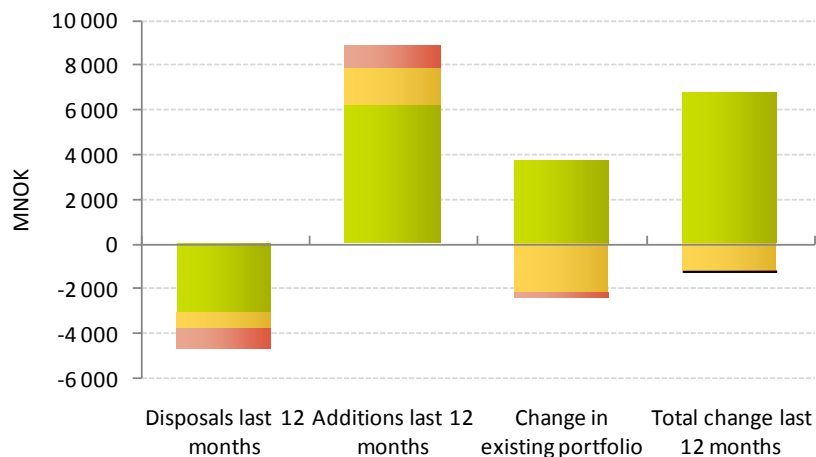


The quality of the corporate market portfolio is considered good.

The portfolio's average probability of default, its expected losses and the risk-adjusted capital requirements remained stable in Q2 2011.

The portfolio's risk profile has, however, improved over the past year. The addition of new commitments with a low risk profile is greater than the disposals, and the existing portfolio is marked by positive migration over the past year.

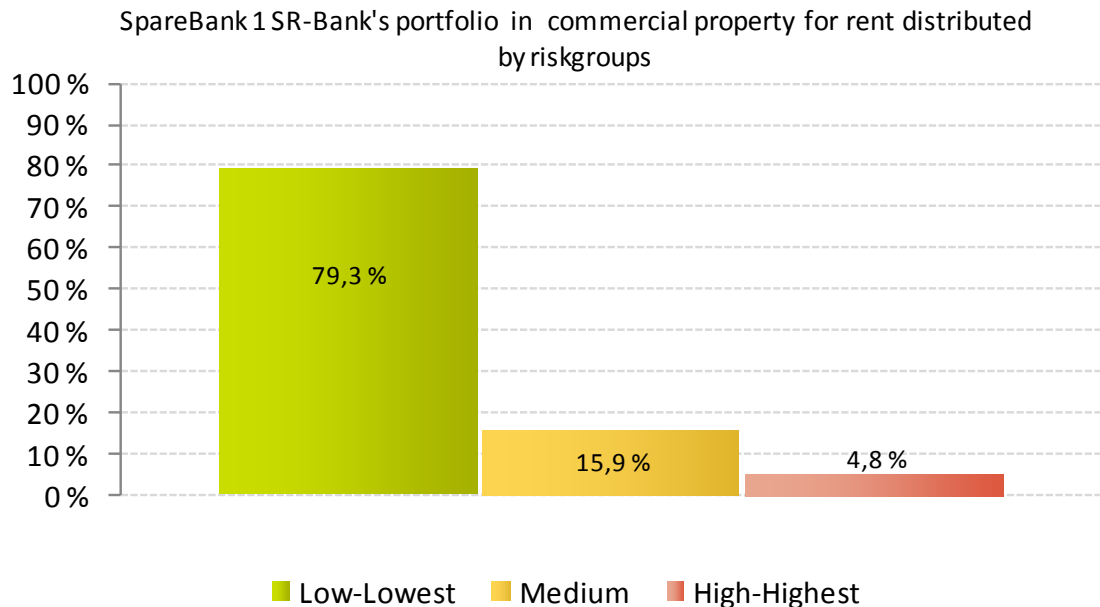
Migration in corporate market's portfolio last 12 months



Lowest - Low risk, expected loss	0 % - 0,50 %
Average risk, expected loss	0,50 - 2,00 %
High - Highest risk, forventet tap	over 2,00 %

# Portfolio of commercial property for rental

Portfolio is dominated by commitments with low risk



The portfolio of commercial property for rental represents the group's largest concentration in a single sector and accounts for around 11% of the total exposure (EAD) including retail market customers.

The portfolio of commercial property for rental is dominated by commitments with low risk 79% of the exposure is classified as low risk, while 5% is classified as high risk.

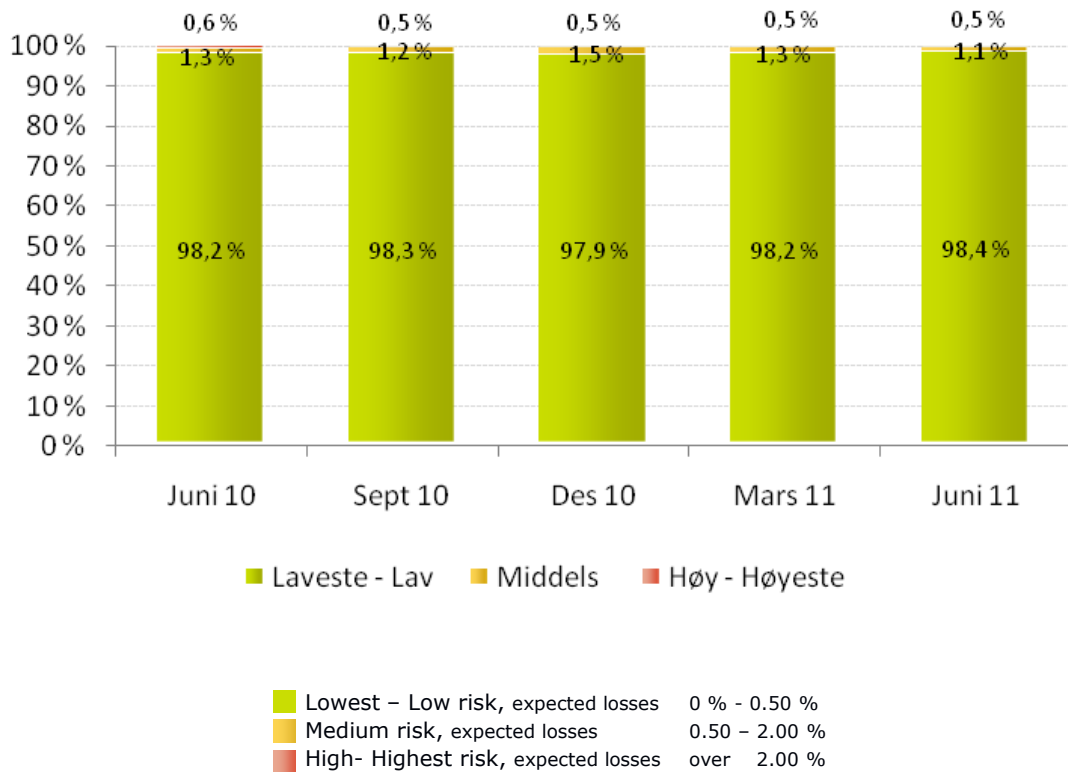
The portfolio is marked by long-term leases with financially solid tenants. The vacancy rate is low. Interest rates for a significant portion of the portfolio have been hedged.

■ Lowest - Low risk, expected loss	0 % - 0,50 %
■ Average risk, expected loss	0,50 - 2,00 %
■ High - Highest risk, forventet tap	over 2,00 %

# The risk profile in the retail market portfolio

The quality of the portfolio is very good and the loss potential is limited

Utviklingen i personmarkedsporteføljen fordelt på risikogrupper



The quality of the retail market portfolio is very good.

Trends are characterised by ongoing stability, where the low risk profile is maintained. This implies that the considerable growth that has taken place over time has not impaired the quality of the portfolio.

Most of the portfolio is secured by way of mortgages on real estate, and LTV is for the most part moderate. This implies that potential losses are limited so long as the values are not substantially impaired.

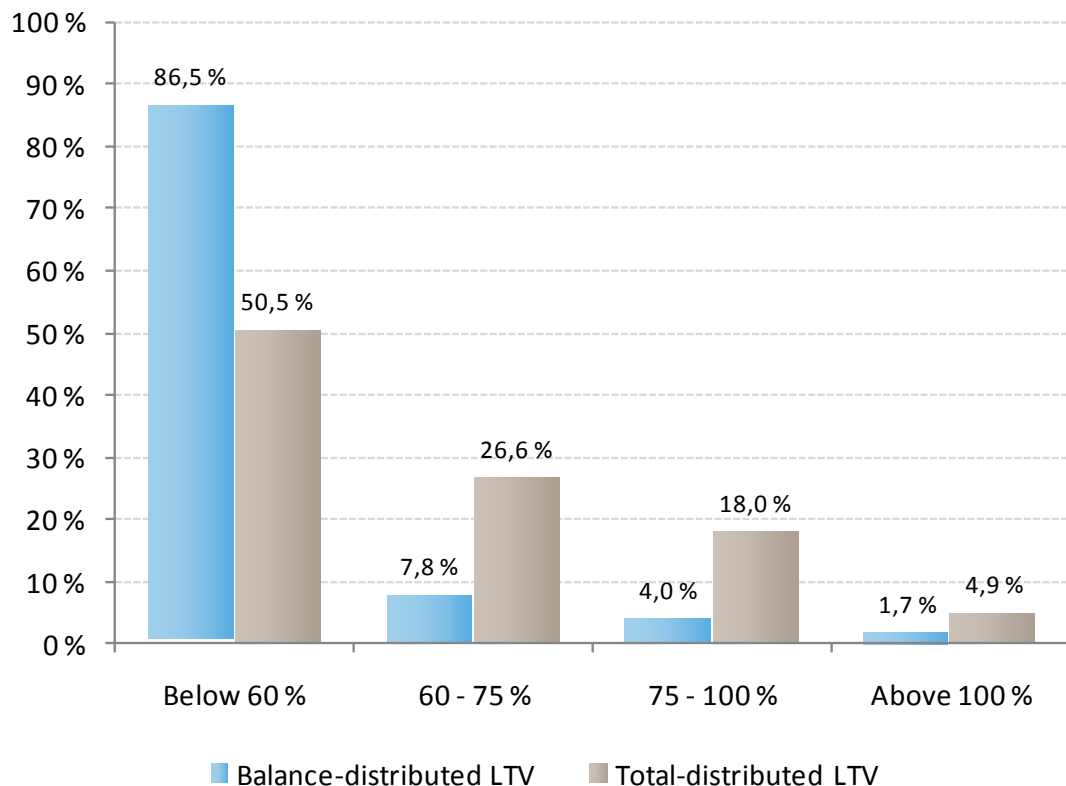
In Q2 2011, the group implemented an improved scoring model for default classification of retail market customers. In this connection, all historic data have been updated to ensure full comparability over time.

The figures include the portfolio transferred to SpareBank 1 Boligkreditt AS

# Loans as a percentage of the collateral value – LTV

The loan to collateral value ratio is moderate in general

Loans as percentage of collateral values - mortgages on housing



The loan to collateral value ratio is moderate in general.

Less than 6% of the exposure exceeds 75% of the collateral value.

There have been no significant changes in the LTV values over the past quarter.

The LTV is calculated based on the market value of the collateral. In the case of the balance-distributed LTV, for loans that exceed 60% of the collateral's market value, the excess amount is distributed among the other intervals. In the case of the total-distributed LTV the entire loan is allocated to one and the same interval.

The figures include the portfolio transferred to SpareBank 1 Boligkreditt AS.

# SpareBank 1 SR-Bank

EiendomsMegler 1  
SR-Eiendom AS  
(100%)

- » Housing brokerage
- » Commercial property brokerage
- » Project brokerage
- » Market leader in Rogaland
- » Property management

SpareBank 1  
SR-Finans AS  
(100%)

- » Leasing
- » Special financing

SR-Investering AS  
(100%)

- » Investments in long-term equity instruments

SR-Forvaltning AS  
(100%)

- » Asset management

SpareBank 1  
Boligkreditt AS  
(28,6%)

- » Housing financing

SpareBank 1  
Næringskreditt AS  
(30,7%)

BN Bank ASA  
(23,5%)

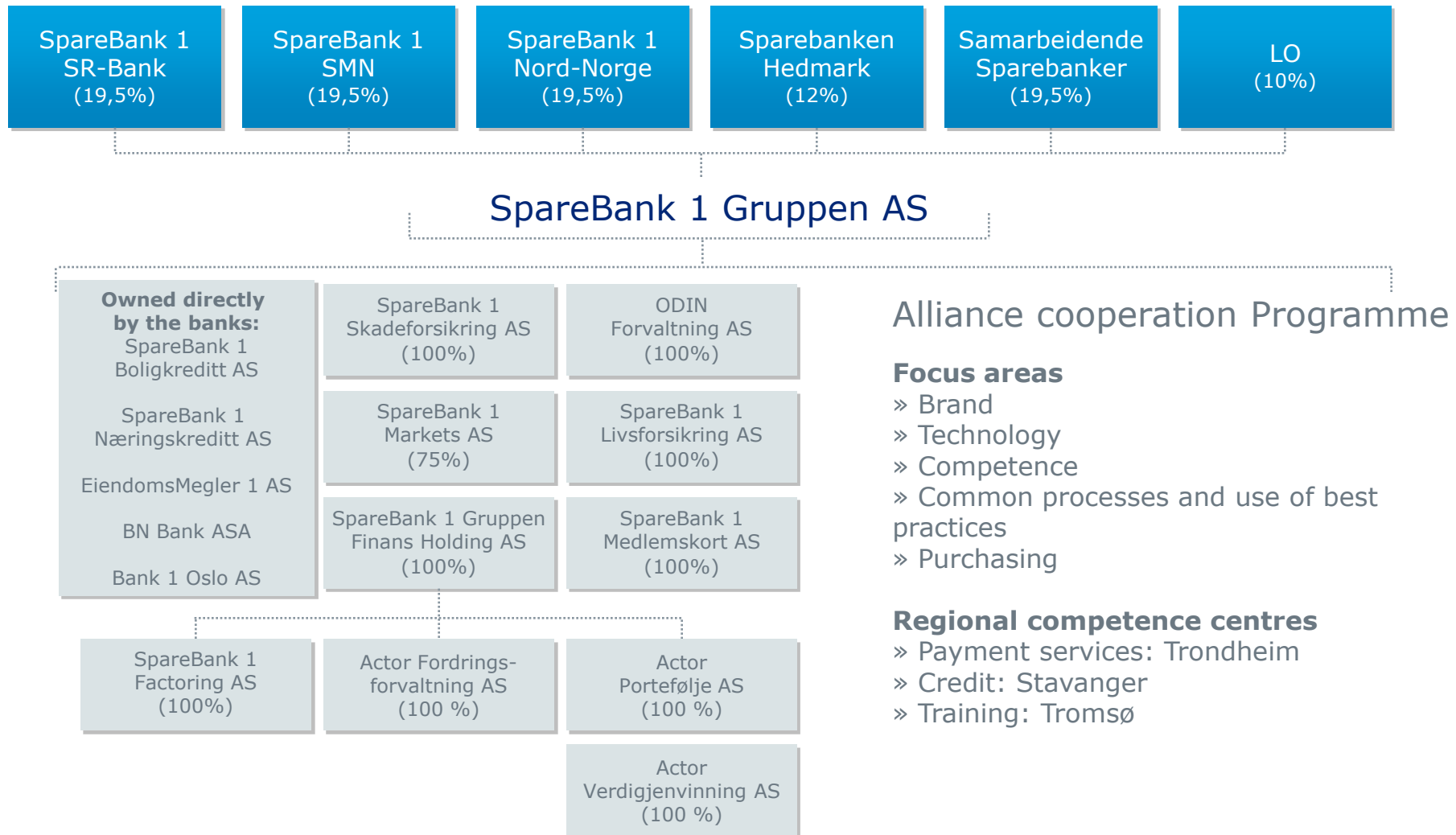
Bank 1 Oslo AS  
(19,5%)

SpareBank 1  
Gruppen AS  
(19,5%)

- » ODIN Forvaltning AS
- » SpareBank 1 Livsforsikring AS
- » SpareBank 1 Skadeforsikring AS
- » SpareBank 1 Markets AS
- » SpareBank 1 Medlemskort AS
- » SpareBank 1 Gruppen Finans Holding AS
- » SpareBank 1 Factoring AS
- » Actor Fordringsforvaltning AS
- » Actor Portefølje AS



# SpareBank 1 Alliance structure



# Recommended by the customer

## SPAREBANK 1 SR-BANK'S STRATEGY

**We shall be southern and western Norway's most attractive supplier of financial services**

Based on:

- Good customer experiences
- Strong team spirit and professionalism
- Local roots and decision-making power
- Financial strength, profitability and confidence in the market

## OUR PURPOSE

SpareBank 1 SR-Bank shall create value for the region of which we are part

## OUR VALUES

"Courage to speak your mind, strength to create"

### **By being**

- Able to view things in a long-term perspective
- Open and sincere

### **By showing**

- Responsibility and respect
- A will and an ability to improve

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