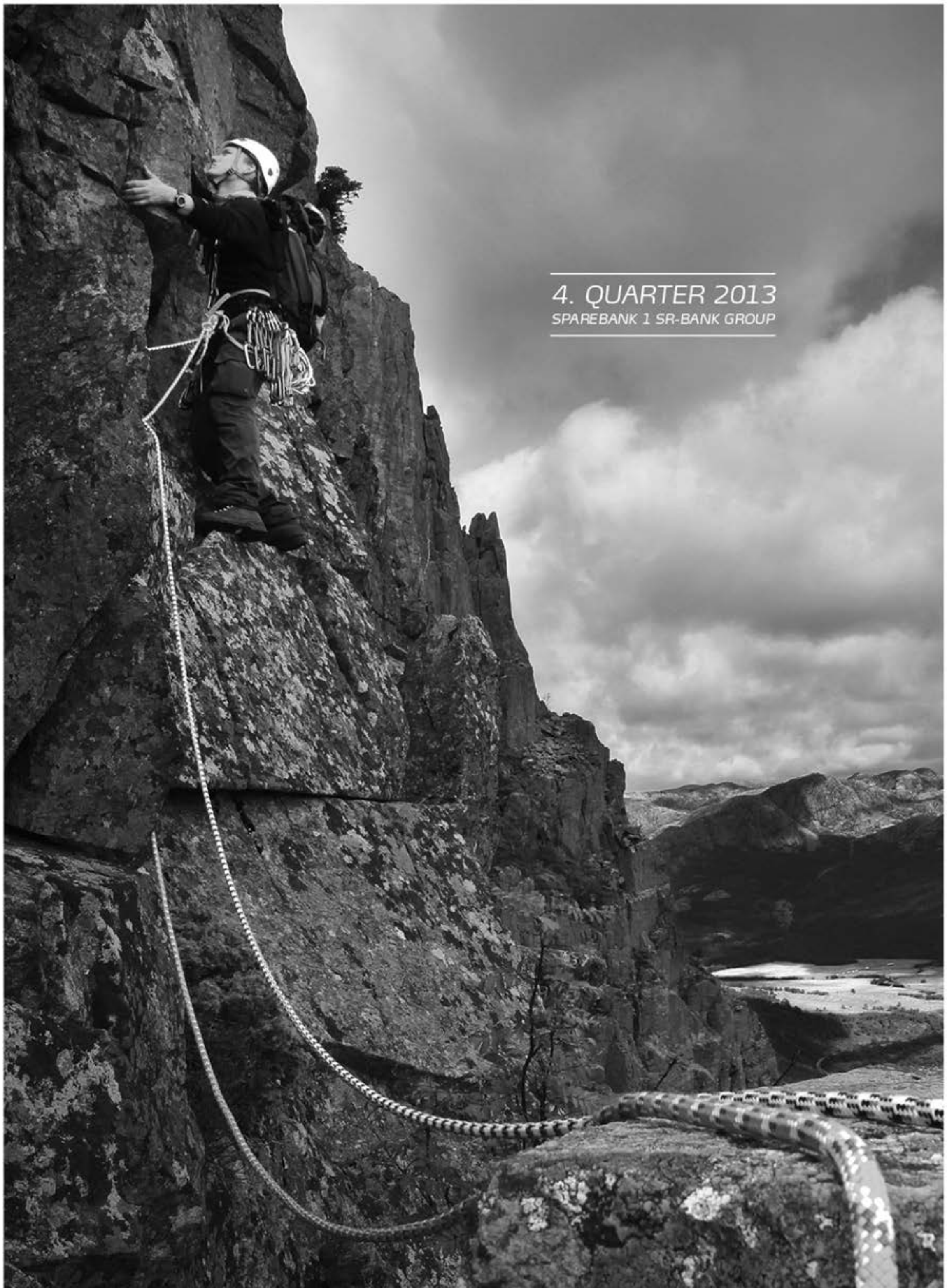


SpareBank 1 SR-BANK

A strong result ensures continued good lending capacity

Q4 2013

- Pre-tax profit: NOK 674 million (NOK 458 million)
- Net profit for the period: NOK 567 million (NOK 344 million)
- Return on equity after tax: 16.2% (11.2%)
- Earnings per share: NOK 2.22 (NOK 1.35)
- Net interest income: NOK 574 million (NOK 480 million)
- Net commissions and other operating income: NOK 489 million (NOK 411 million)
- Net income from financial investments: NOK 195 million (NOK 97 million)
- Operating costs: NOK 534 million (NOK 504 million)
- Impairment losses on loans: NOK 50 million (NOK 26 million)

  (Figures for Q4 2012 are shown in brackets)

Preliminary annual result for 2013

- Pre-tax profit: NOK 2,347 million (NOK 1,761 million)
- Net profit for the period: NOK 1,860 million (NOK 1,361 million)
- Return on equity after tax: 14.0% (12.4%)
- Earnings per share: NOK 7.27 (NOK 5.32)
- The Board proposes a dividend of NOK 1.60 (NOK 1.50) per share
- Net interest income: NOK 2,119 million (NOK 1,742 million)
- Net commissions and other operating income: NOK 1,824 million (NOK 1,466 million)
- Net income from financial investments: NOK 555 million (NOK 578 million)
- Operating costs: NOK 2,019 million (NOK 1,888 million)
- Impairment losses on loans: NOK 132 million (NOK 137 million)
- Overall lending growth over the last 12 months: 5.3% (7.8%)
- Growth in deposits over the last 12 months: 6.0% (5.5%)
- Tier 1 capital ratio: 12.8% (12.1%)
- Core equity Tier 1 capital ratio: 11.1% (10.0%)

  (Full year 2012 in brackets)

Financial performance Q4 2013

The Group's pre-tax profit was NOK 674 million (NOK 458 million), an improvement of NOK 13 million since the third quarter 2013. Return on equity after tax for the quarter was 16.2% (11.2%) compared with 15.6% in the third quarter 2013.

Net interest income totalled NOK 574 million (NOK 480 million) compared with NOK 568 million in the third quarter 2013. The net interest margin (net interest income as a percentage of average total assets) was 1.46% in the fourth quarter 2013 (1.36%) compared with 1.49% in the third quarter 2013.

Net commissions and other operating income was NOK 489 million (NOK 411 million) compared with NOK 466 million in the third quarter 2013. Commissions from SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt amounted to NOK 167 million (NOK 121 million), which is on a par with the third quarter 2013.

Net income from financial investments was NOK 195 million (NOK 97 million) compared with NOK 137 million in the third quarter 2013. The increase from the third quarter 2013 is primarily attributable to capital gains from shares, NOK 36.5 million of which were from the revaluation of Nets Norway AS. Increased income from currency trading also made a positive contribution in the fourth quarter 2013.

Operating costs totalled NOK 534 million (NOK 504 million) compared with NOK 478 million in the third quarter 2013. Costs increased by NOK 56 million from the third quarter 2013, NOK 38 million of which was due to higher personnel costs linked to personnel related restructuring and increased variable pay.

Impairment losses on loans were NOK 50 million (NOK 26 million) compared with NOK 32 million in the third quarter 2013.

Preliminary annual result for 2013

The Group's pre-tax profit was NOK 2,347 million (NOK 1,761 million), which represents a return on equity after tax of 14.0% (12.4%).

Net interest income for the year was NOK 2,119 million compared with NOK 1,742 million in 2012. The improvement last year was primarily attributable to expanded lending margins, while contracting deposit margins and increase in the Norwegian Banks Guarantee Fund charge pulled in the opposite direction.

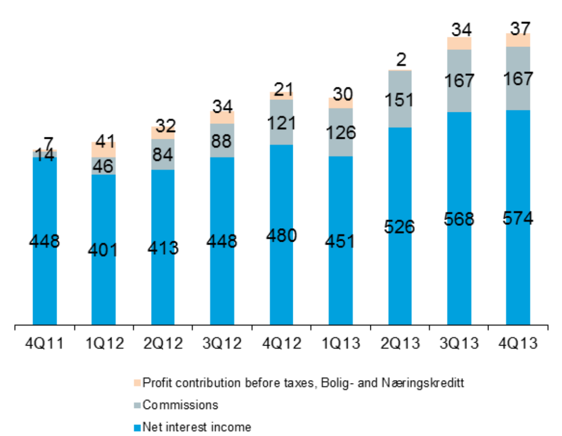
Net commissions and other operating income was NOK 1,824 million, up from NOK 1,466 million in 2012. Increased commissions from SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt of NOK 272 million made a substantial contribution to the improvement. Net income from financial investments was NOK 555 million (NOK 578 million).

Operating costs totalled NOK 2,019 million compared with NOK 1,888 million in 2012. A significant proportion of the increase was due to non-recurring costs of NOK 37 million linked to personnel related restructuring. Last year's costs were also influenced by non-recurring items related to pensions that reduced costs by a total of NOK 45 million.

Impairment losses on loans were NOK 132 million (NOK 137 million).

Net interest income

The Group's net interest income in 2013 amounted to NOK 2,119 million (NOK 1,742 million). Net interest income must be viewed in relation to commissions and profit contributions from SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt. Commissions from these companies in 2013 amounted to NOK 611 million (NOK 339 million), whilst profit contributions before tax amounted to NOK 103 million (NOK 128 million). Net interest income, commissions and profit contributions before tax increased by a total of NOK 625 million in 2013 compared with 2012.



The net interest margin (net interest income as a percentage of average total assets) was 1.42% in 2013 compared with 1.27% in 2012.

Net commissions and other operating income

Net commissions and other operating income totalled NOK 1,824 million in 2013 (NOK 1,466 million).

Net commissions totalled NOK 1,380 million in 2013 (NOK 1,029 million). NOK 272 million of the NOK 351 million year-on-year increase is attributable to higher commissions from SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt, see the comments under 'Net interest income'. Other commissions increased by around 12% compared with 2012.

Other operating income amounted to NOK 444 million in 2013 (NOK 437 million). Other operating income is mainly income from estate agency operations.

Net income from financial investments

Net income from financial investments was NOK 555 million in 2013 (NOK 578 million). Capital losses on securities amounted to NOK 81 million (capital gains of NOK 130 million) and capital gains on interest rate and currency trading amounted to NOK 248 million (capital gains of NOK 158 million). Furthermore, income from ownership interests totalled NOK 355 million (NOK 265 million) and dividends NOK 33 million (NOK 25 million).

The capital losses on securities of NOK 81 million in 2013 were derived from capital gains of NOK 46 million from the portfolio of shares and equity certificates, and capital losses of NOK 127 million from the interest portfolio. NOK 116 million of these capital losses were hedged and included as income under capital gains from interest rate and currency trading. The capital losses include a loss of NOK 22 million linked to a single bond. As of 31 December 2013, the Group is not directly exposed to foreign government debt outside the Nordic region.

Income from ownership interests in 2013 amounted to NOK 355 million (NOK 265 million). The share of the profit after tax from SpareBank 1 Gruppen amounted to NOK 216 million (NOK 97 million), from SpareBank 1 Boligkreditt it amounted to NOK 66 million (NOK 84 million), and from SpareBank 1 Næringskreditt it amounted to NOK 7 million (NOK 7 million). The share of the profit after tax from BN Bank was NOK 59 million (NOK 44 million), while NOK 7 million (NOK 8 million) was recognised as income due to the amortisation of identified badwill in connection with an acquisition in 2009.

Operating costs

The Group's operating costs totalled NOK 2,019 million in 2013. This represents an increase of NOK 131 million (6.9%) compared with 2012. Last year's costs were affected by non-recurring items relating to the changed pension scheme totalling NOK 45 million, primarily in EiendomsMegler 1 SR-Eiendom. Corrected for this cost reduction and non-recurring costs of NOK 37 million from personnel related restructuring, operating costs have increased by 2.5% in the last 12 months.

The Group's cost/income ratio, costs measured as a percentage of income, was 44.9% (49.9%) for 2013.

Credit risk and portfolio development

The Group's total lending portfolio[1] of NOK 166.7 billion is dominated by low risk commitments. 95.6% of the bank's loan exposure is to the low and lowest risk categories. Expected losses in this portion of the portfolio are very limited and calculated at 0.03%. The portfolio primarily consists of commitments of less than NOK 10 million. These account for around 68.4% of the loan exposure and approximately 99% of customers. Around 19% of the loan exposure is to customers with loans in excess of NOK 100 million. The credit quality in this portion of the portfolio is deemed better than in the rest of the corporate market portfolio.

The quality of the corporate market portfolio is considered good and the risk profile has developed positively over time. Almost 90% of the loan exposure satisfies the criteria for low and lowest risk. Expected losses in this portion of the portfolio are limited and calculated at 0.09%. The property management portfolio represents the Group's largest concentration in a single sector and accounts for 15% of total loan exposure, including retail customers[1]. A large portion of this portfolio consists of financing commercial properties for leasing. This portfolio is characterised by long-term leases as well as financially solid tenants, and the expected losses are assessed to be lower than in the rest of the corporate market portfolio.

The quality of the retail market portfolio is considered very good. The loan-to-collateral value ratio is generally moderate. The proportion of loan exposure (including the portfolio in SpareBank 1 Boligkreditt) within a loan-to-collateral value ratio of 85% is increasing and currently stands at around 98%.

Impairment losses on loans and non-performance

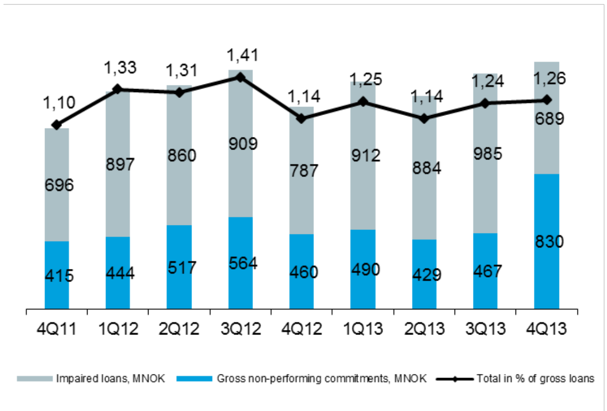
The Group recognised NOK 132 million in net loan loss provisions in 2013 (NOK 137 million). This corresponds to loss provisions as a percentage of gross loans of 0.11% (0.13%). Group write-downs were reduced by NOK 30 million in 2013.

Closely monitoring customers and preventive work are important tools in maintaining this good credit quality, and contribute to the continued moderate write-downs on loans.

Gross non-performing commitments amounted to NOK 830 million in 2013 (NOK 460 million). This corresponds to 0.69% (0.42%) of gross loans. The portfolio of impaired (not non-performing) loans totalled NOK 689 million (NOK 787 million). This corresponds to 0.57% (0.72%) of gross loans. Total non-performing and impaired loans in 2013 came to NOK 1,519 million (NOK 1,247 million). In terms of gross loans, this is an increase in the last 12 months from 1.14% to 1.26%. Increase in gross non-performing commitments in the fourth quarter is attributable to one larger commitment wich has been classified as non-performing. Write-down has been made.

The loan loss provision ratios, measured as individual write-downs as a percentage of non-performing and impaired loans, was 26% (33%) and 34% (35%) respectively at year-end 2013.

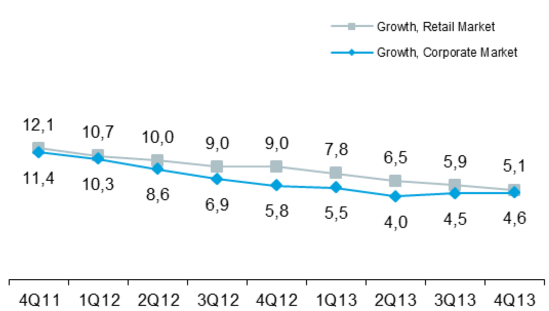
[1] Includes portfolios sold to SpareBank 1 Boligkreditt AS and SpareBank 1 Næringskreditt AS.



Loans to and deposits from customers

Gross loans at year-end 2013 amounted to NOK 120.3 billion (NOK 109.5 billion). Including loans totalling NOK 46.4 billion (NOK 48.7 billion) sold to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt, gross loans amounted to NOK 166.7 billion (NOK 158.2 billion) at year-end 2013. Gross lending growth in the last 12 months was 5.3% (7.8%) and this was in line with the Group's aim of gradually reducing lending growth in order to satisfy the new capital requirements. Loans to the retail market accounted for 63.3% (63.7%) of total loans (including loans sold to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt) at year-end 2013.

12 month lending growth (%)



Deposits from customers rose by 6.0% (5.5%) over the last 12 months to NOK 71.7 billion (NOK 67.6 billion). Deposits from the corporate market and public sector accounted for 49.5% (49.2%) of the Group's customer deposits at year-end 2013.

In addition to ordinary customer deposits, the Group had NOK 13.9 billion (NOK 12.0 billion) under management at year-end 2013, primarily through SR-Forvaltning and ODIN Forvaltning AS.

The deposit coverage ratio at year-end 2013, measured as deposits as a percentage of gross loans, was 59.6% (61.7%). The Group further strengthened its long-term funding in 2013, and the Financial Supervisory Authority of Norway's Funding Indicator 1 (ratio of illiquid assets financed by debt with a duration of more than 1 year) increased from 105.1% to 111,5% for the parent bank and from 103.9% to 107,7% on a consolidated basis.

Business areas

Retail market division[2]

The retail market division's contribution before impairment losses on loans was NOK 1,326 million at year-end 2013. The improvement of NOK 279 million from last year was due to higher net interest, an increase in commissions, and good cost management. Commissions from money transfers, insurance and investment services increased. The overall growth for commissions was 9.8% in 2013.

In 2013, the division's lending increased by 5.1% and its deposits by 5.6%. In the second half of 2013, activity in the housing market slowed and lending growth fell slightly. Throughout the year, the division enjoyed strong progress in sales of savings and pension products, which is a result of a long-term focus on investment advice.

The division gained a net 5,000 new customers over the age of 13 in 2013, while the number of customers who use us as their main bank increased by a net 9,500 customers. The systematic development of existing customer portfolios, targeted growth and the launch of new payment products contributed to this growth.

The proportion of bank customers who use digital channels is very high. A study by an analysis agency, Finalta, shows that SpareBank 1 SR-Bank has the highest proportion of online banking users in the world. The number of mobile banking customers grew strongly throughout the year and the number of monthly logins to the mobile bank has now surpassed the online bank. This change in customer behaviour

[2] Interest on intercompany receivables for the retail market division and the corporate market division is determined based on expected observable market interest rates (NIBOR) plus expected additional costs in connection with the Group's long-term funding (credit premium). Differences between the Group's actual funding costs and the applied interest on intercompany receivables are eliminated at the group level. The premium on intercompany receivables for funding has increased from 2012 to 2013 and is thus affecting interest income in the business areas.

is expected to continue as new digital banking services are developed and launched.

Impairment losses on loans are low. The percentage of non-performing loans is 0.28% of total loans.

Corporate market division[2]

The corporate market division's contribution before impairment losses on loans was NOK 959 million in 2013. This is NOK 63 million higher than in 2012. The improvement in earnings from last year is largely explained by the increase in net interest income.

Over the last 12 months, the division's lending has increased by 4.9% and deposits by 6.3%. We are actively working on across-the-board sales of the Group's products, and product coverage is increasing. Commissions and other operating income increased by 15.3% in 2013.

Net individual write-downs of NOK 130 million were recognised in 2013, compared with NOK 152 million in 2012. The total level of write-downs is below the long-term expected average and the proportion of non-performing loans is low.

Priority areas for the division are balanced and long-term volume growth, good customer relationships and a well-developed range of products.

Capital market division

Securities activities are organised under the SR-Bank Markets brand and include customer and own account trading in fixed income instruments, foreign exchange and equities, analysis and corporate finance services. The management is performed via a separate subsidiary, SR-Forvaltning.

SR-Bank Markets' pre-tax profit in 2013 amounted to NOK 95 million (NOK 196 million). A loss from one bond investment and a reduction in income from interest rate trading affected the result negatively in relation to the same period last year. The bulk of this income comes from customer trading in fixed income and foreign exchange instruments.

Increased activity in relation to facilitating bond issues and other transactions contributed to the good growth in income from corporate finance in the fourth quarter. Income from sales of equities and bonds also increased.

Subsidiaries

EiendomsMegler 1 SR-Eiendom AS

The company's pre-tax profit amounted to NOK 41.9 million in 2013 (NOK 86.4 million). The lower result is largely attributable to the recognition as income in 2012 of NOK 40 million in earlier provisions linked to changes to the company's pension scheme. Otherwise the result reflects a slightly slower property market in 2013.

In 2013, 7,246 (7,449) properties were sold with a total value of around NOK 22 billion. The supply of new assignments is good and the order book rose by 9.7% compared with the same period last year. At the end of the year, house prices were at about the same level as they were a year ago. A similar development in prices for used homes is expected in 2014, but a number of factors such as the increased supply of new homes and tighter framework conditions have contributed to a somewhat higher level of uncertainty about the development of prices in the future.

There are significant differences in the regional markets, both with respect to price and turnover times. The housing market in the Bergen region is very good with short turnover times and a limited increase in homes for sale. In Kristiansand, prices have fallen in 2013 and turnover times for used homes are, on average, three times longer than in Bergen. In the Stavanger region, prices are about at the same level they were 12 months ago, but the turnover time has increased from 28 days in January to 45 days in December 2013.

The level of building activity in the market area is high, but sales of new residential units were somewhat lower in 2013 than in the year before. 1,134 planned homes were sold, a decrease of around 17% compared to 2012. Activity in the commercial property market is good and mirrors the level of activity within oil-related activities in the Stavanger region. However, there are signs that indicate a somewhat more subdued lease market and somewhat higher vacancy vis-à-vis office premises. The trend within the management and operation of commercial buildings is satisfactory.

At the end of the year, the company took over the activities of BOB Eiendomsmegling AS in Bergen. At the same time, a long-term partnership agreement was concluded with Bergen og Omegn Boligbyggelag, which provides the company with good opportunities for growth in the housing cooperative flats market.

This takeover increases the company's market share in Bergen to around 10%.

SpareBank 1 SR-Finans AS

The company's main products are lease financing for the business sector and car and boat loans for retail customers. SpareBank 1 SR-Finans is the leading leasing company in Rogaland with total assets of NOK 6.4 billion.

The company achieved a pre-tax profit of NOK 149.0 million (NOK 115.2 million) in 2013. The improved result is primarily due to expanded margins and higher other operating income, as well as the reversal of earlier impairment losses on loans. Profit before impairment and losses was NOK 149.9 million (NOK 124.2 million). Net lending has increased by 4.3% in the last 12 months and at year-end 2013 it amounted to NOK 6,224 million (NOK 5,966 million).

7,083 new contracts were established in 2013 (5,914). The company's total new sales in 2013 amounted to NOK 2,374 million (NOK 2,454 million).

SpareBank 1 Boligkreditt AS and SpareBank 1 Næringskreditt AS

SpareBank 1 Boligkreditt AS and SpareBank 1 Næringskreditt AS are mortgage companies operating under licences issued by the Financial Supervisory Authority of Norway and issue covered bonds on the bank's home mortgage and commercial properties portfolios respectively that are bought from the owner banks. The companies are owned by the savings banks that make up the SpareBank 1 Alliance and help ensure the owner banks have access to stable, long-term funding at competitive rates.

At year-end 2013, SpareBank 1 Boligkreditt's total lending volume amounted to NOK 174.8 billion, NOK 45.7 billion of which were home mortgages bought from SpareBank 1 SR-Bank. The bank currently owns a 26.2% stake in the company. This is updated at the end of each year in line with the volume sold.

At year-end 2013, SpareBank 1 Næringskreditt had made loans totalling NOK 15.2 billion, NOK 0.6 billion of which were loans that had been bought from SpareBank 1 SR-Bank. The bank owns a 27.3% stake in the company.

Funding

SpareBank 1 SR-Bank's funding costs fell slightly during 2013 and access to market funding has been good. The risk premium in the money market rate (3m Nibor) has fallen to pre-financial crisis levels, while the risk premium paid by the bank beyond the money market rate for covered bonds and unsecured bond loans fell slightly in the quarter. SpareBank 1 SR-Bank has continued to focus on adapting to the new regulatory requirements by acquiring more long-term funding and increasing holdings of liquid securities.

However, great uncertainty still surrounds the development of the international financial markets. New instability could again contribute to increasing risk premiums and thus increasing funding costs for banks. The fear of the effects of de-escalating the US Federal Reserve's quantitative easing contributed to significantly higher risk premiums in the international credit market as recently as June 2013. The increase was subsequently reversed and had less impact on Norwegian banks' market funding risk premiums than the market feared.

SpareBank 1 SR-Bank has good liquidity at year-end 2013 and believes it will continue to have good access to long-term funding at competitive prices in the future. The Group strives to achieve an even maturity structure for funding and believes it is important to have good relations with a large number of Norwegian and international investors and banks. The liquidity buffer[3] amounted to NOK 15.0 billion at the end of the quarter. This level ensures that the bank can maintain normal operations for 19 months without access to extra funding. In addition to the liquidity buffer, the bank has NOK 12.1 billion in home mortgages ready for sale to SpareBank 1 Boligkreditt.

Capital adequacy

At year-end 2013, the core equity Tier 1 capital ratio was 11.1% (10.0%). At the same time, the Group's tier 1 capital ratio was 12.8% (12.1%) and its capital ratio was 14.1% (13.1%). All capital ratio figures are based on the transitional rule (Basel I floor) that states that the capital requirement for using internal methods cannot be less than 80% of the capital requirement according to the Basel I regulations.

In June 2013, new capital adequacy rules were adopted by both the European Parliament and the

[3] Liquidity buffer: cash, short-term investments, and drawing rights in Norges Bank (bonds including covered bonds). Providing deposits and lending remain unchanged, and no new borrowing during the period.

Council and Ministers of the European Community. The rules are based on the Basel Committee's recommendations for new, stricter capital and liquidity standards, Basel III, and will come into force on 1 January 2014. Norway has chosen to introduce the requirements more quickly than it is required to by the implementation deadline in the international rules. In Norway, the law came into force on 1 July 2013 and entails requirements for a core equity capital ratio of at least 9% and a total capital ratio of 12.5%. The core equity capital ratio will subsequently be gradually increased to 12% by 1 July 2016[4].

On 13 October 2013, the Ministry of Finance approved a change to the rules for the calculation basis for banks that use internal models. The change means that the minimum requirement for the model parameter 'loss given default' (LGD) will increase from 10% to 20% from 1 January 2014. For SpareBank 1 SR-Bank, this change means that the average IRB risk-weighting for existing home mortgages will increase from 9.5 % to 18.4 %, but it will otherwise not have a negative effect on the reported capital adequacy figures.

In addition to the above-mentioned capital requirements, there will be a requirement in Norway for a so-called countercyclical capital buffer in the range of 0-2.5% in the form of core equity tier 1 capital. On 12 December 2013, on the advice of Norges Bank, the Ministry of Finance set the countercyclical buffer at 1 percentage point from 30 June 2015. The aims of the buffer are to make the banks more robust in any future economic downturn and to counter a major impact on the availability of credit that could exacerbate economic swings. The Ministry of Finance will set the buffer requirement every quarter and any increase in the buffer requirement will normally not come into effect until at least 12 months after being set. However, any reduction in the requirement can come into effect immediately. The countercyclical capital buffer requirement will be assessed in light of the other requirements for the banks.

From 1 July 2014, the core equity capital ratio requirement will be 10.0% and the capital ratio requirement 13.5%. If SpareBank 1 SR-Bank is defined as a bank that is important from a systemic perspective, the total core equity capital ratio requirement can increase to 13% from 30 June 2016. The Group will gradually adapt its operations to the new capital requirements until the final regulatory clarifications are in place.

[4] For banks defined as systemically important and with 2% extra capital requirement.

The bank's shares

The bank's share price (SRBANK) was NOK 60.25 at year-end 2013. This represents an increase of 62.0% since year-end 2012. The main Oslo Stock Exchange index rose by 23.6 % in the same period. 6.3% (4.2%) of outstanding SRBANK shares were traded in the fourth quarter 2013.

There were 11,151 (11,959) shareholders of SRBANK at year-end 2013. The proportion owned by foreign companies and individuals was 14.1%, whilst 53.0% were owned by residents of Rogaland, the Agder counties and Hordaland. The 20 largest shareholders owned 63.6% of the shares. The bank's treasury shares numbered 207,645 shares. Group employees owned 2.0% of the shares at year-end 2013.

The table below shows the 20 biggest shareholders as of 31 December 2013:

	Number of shares (1,000)	%
Sparebankstiftelsen SR-Bank	76.836	30,04 %
Gjensidige Forsikring ASA	26.483	10,36 %
Folketrygdfondet	7.934	3,10 %
SpareBank 1-stiftinga Kvinnherad	6.227	2,43 %
Odin Norge	5.897	2,31 %
Frank Mohn AS	5.681	2,22 %
Morgan Stanley & Co, U.S.A.	4.359	1,70 %
Odin Norden	4.085	1,60 %
Skagen Global	3.944	1,54 %
State Street Bank and Trust, U.S.A.	3.683	1,44 %
State Street Bank and Trust, U.S.A.	2.543	0,99 %
J.P. Morgan Chase Bank, U.K.	2.365	0,92 %
Clipper AS	2.179	0,85 %
J.P. Morgan Chase Bank, U.K.	2.083	0,81 %
J.P. Morgan Chase Bank, Sverige	2.014	0,79 %
Westco AS	1.322	0,52 %
Skagen Global II	1.264	0,49 %
FLPS, U.S.A.	1.250	0,49 %
Goldman Sachs & Co, U.S.A.	1.249	0,49 %
Vpf Nordea Kapital	1.161	0,45 %
Total 20 largest	162.559	63,56 %

Accounting policies

Please refer to note 1 for a description of the accounting policies applied in the parent company and consolidated financial statements. The same accounting principles are applied in the quarterly and the annual accounts.

Allocation of the profit for 2013

The dividend distributed is based on the parent bank's profit. The parent company's profit for 2013 was NOK 1,838 million, or NOK 7.19 per share. In line with the dividend policy, various factors are taken into consideration when proposing dividends, with particular weight being attached to capital requirements and the tier 1 capital ratio.

The Board of SpareBank 1 SR-Bank proposes a dividend of NOK 1.60 per share, which corresponds to around 22% of the Group's profit. The Board proposes the following allocations for the 2013 accounting year:

	NOK million
Parent bank's net profit for the period	1,838
Transferred to the fund for valuation differenc	91
Distributable	1,747
Dividend (NOK 1.60 per share)	409
Retained earnings	1,338
Total	1,747

Events after the balance sheet date

No material events have been recorded after 31 December 2013.

Future prospects

Macroeconomic developments throughout 2013 indicate continue moderate and subdued international growth. In Norway, some weak economic indicators and lower key rate expectations contributed to weakening the Norwegian krone. At the start of 2014, the key interest rate is almost 0% in many countries and market actors have lower expectations concerning key rates than in autumn 2013. The uncertainty about macroeconomic developments remains great and thus represents a risk for the big picture in Norway as well.

In October 2013, the companies in Norges Bank's regional network reported that output growth had deceased slightly more than expected, and at the same time adjusted their future growth expectations downwards. At the same time, the high oil price and continued growth in both Norwegian and global oil investments are helping to ensure that a good level of activity in industries that deliver goods and services to the oil industry. The companies draw a positive picture for 2014 in a recently published survey of expectations for Rogaland. The weakened Norwegian krone in the latter half of 2013 is also positive for export-oriented industries.

Expectations concerning continued high oil prices, high levels of investment and major investments in infrastructure are contributing to continued, good economic activity in the Group's region. Therefore, good conditions for the region's business and population growth with lasting low unemployment are assumed. However, a somewhat higher level of uncertainty about economic developments could contribute to more subdued credit demand and a continued slowdown in the housing market, although this must be viewed in the context of house prices having risen rapidly and being at high levels. Non-performance and write-downs of loans are expected to remain relatively low in the future as well.

At the start of 2014, SpareBank 1 SR-Bank is a solid, profitable group, but must, like other banks, further reinforce its financial strength and funding in line with the new requirements. Because of its good earnings from a business model with good breadth, more efficient operations and a continued moderate level of dividends, the Group is well-positioned to implement the necessary build-up of capital and at the same time ensure continued good lending capacity.

Stavanger, 6 February 2014
The Board of Directors of SpareBank 1 SR-Bank ASA.

Interim financial statements

Key figures SpareBank 1 SR-Bank Group

MAIN FIGURES	01.01.13 - 31.12.13 MNOK	%	01.01.12 - 31.12.12 MNOK	%
Net interest income	2.119	*1,42*	1.742	*1,27*
Net commission and other income	1.824	*1,22*	1.466	*1,07*
Net return on investment securities	555	*0,37*	578	*0,42*
Total income	4.498	*3,01*	3.786	*2,76*
Total operating expenses	2.019	*1,35*	1.888	*1,38*
Profit before losses	2.479	*1,66*	1.898	*1,38*
Impairment losses on loans and guarantees	132	*0,09*	137	*0,10*
Pre-tax profit	2.347	*1,57*	1.761	*1,28*
Tax expense	487	*0,33*	400	*0,29*
Profit after tax from continuing operations	1.860	*1,24*	1.361	*0,99*

	31.12.13	31.12.12
PROFITABILITY		
Return on equity [1]	14,0 %	12,4 %
Cost ratio [2]	44,9 %	49,9 %
BALANCE SHEET		
Gross loans to customers	120.273	109.513
Gross loans to customers including SB1 Boligkreditt og Næringskreditt	166.662	158.201
Deposits from customers	71.667	67.594
Deposit-to-loan ratio	59,6 %	61,7 %
Growth in loans	9,8 %	8,0 %
Growth in loans incl SB1 Boligkreditt and Næringskreditt	5,3 %	7,8 %
Growth in deposits	6,0 %	5,5 %
Average total assets	149.554	137.212
Total assets	156.985	141.543
LOSSES AND NON-PERFORMING COMMITMENTS		
Impairment losses ratio [3]	0,11	0,13
Non-performing commitments as a percentage of gross loans	0,69	0,42
Other doubtful commitments as a percentage of gross loans	0,57	0,72
SOLIDITY		
Capital ratio	14,1	13,1
Tier 1 capital ratio	12,8	12,1
Core equity Tier 1 capital ratio	11,1	10,0
Core capital	14.511	13.507
Net equity and subordinated loan capital	15.915	14.568
Minimum subordinated capital requirement	9.046	8.897
BRANCHES AND STAFF		
Number of branches	52	53
Number of employees (annualised)	1.165	1.207

Shares	31.12.13	31.12.12	31.12.11	31.12.10	31.12.09
Market price	60,25	37,20	40,70	57,00	50,00
Market capitalisation	15.409	9.514	5.182	7.257	6.047
Book equity per share(including dividends) (group)	55,00	49,48	48,75	47,45	42,07
Book equity per share (including dividends) (parent bank)	49,71	44,23	42,81	41,80	36,85
Earnings per share (group) [4]	7,27	5,32	5,42	6,84	6,88
Dividends per share	1,60	1,50	1,50	2,75	1,75
Price / Earnings per share	8,29	6,99	7,51	8,33	7,27
Price / Book equity (group)	1,10	0,75	0,83	1,20	1,19
Price / Book equity (parent bank)	1,21	0,84	0,95	1,36	1,36
Equity certificate ratio [4]	n.a.	n.a.	63,8 %	63,2 %	62,9 %

1) Net profit as a percentage of average equity

2) Total operating expenses as a percentage of total operating income

3) Net losses expressed as a percentage of average gross lending year to date, annualized

4) Number of shares was increased on 18 June 2012 from 199,489,689 to 255,751,082 as a result of a capital expansion. Earnings per share from the second quarter to the year to date are calculated based on the new number of shares. SpareBank 1 SR-Bank does not have any forward cover contracts or other circumstances that can dilute earning per share.

Income statement

Parent bank					Note	Group			
Q4 2012	Q4 2013	01.01.12 - 31.12.12	01.01.13 - 31.12.13	Income statement (MNOK)		01.01.13 - 31.12.13	01.01.12 - 31.12.12	Q4 2013	Q4 2012
1.284	1.416	5.126	5.442	Interest income		5.644	5.300	1.466	1.331
855	896	3.568	3.535	Interest expense		3.525	3.558	892	851
429	520	1.558	1.907	Net interest income		2.119	1.742	574	480
328	387	1.068	1.409	Commission income		1.452	1.105	392	330
24	19	80	73	Commission expenses		72	76	12	17
2	1	14	12	Other operating income		444	437	109	98
306	369	1.002	1.348	Net commission and other income		1.824	1.466	489	411
0	0	25	33	Dividend income		33	25	-2	0
0	0	339	412	Income from investment in associates		355	265	95	22
62	98	270	249	Net gains/losses on financial instruments		167	288	102	75
62	98	634	694	Net income on investment securities		555	578	195	97
797	987	3.194	3.949	Total income		4.498	3.786	1.258	988
222	241	849	906	Personnel expenses	14	1.196	1.082	323	292
93	97	361	381	Administrative expenses		432	417	109	107
68	69	252	251	Other operating expenses		391	389	102	105
383	407	1.462	1.538	Total operating expenses before losses		2.019	1.888	534	504
414	580	1.732	2.411	Operating profit before losses		2.479	1.898	724	484
26	37	128	116	Impairment losses on loans and guarantees	2, 3 and 4	132	137	50	26
388	543	1.604	2.295	Pre-tax profit		2.347	1.761	674	458
98	117	363	457	Tax expense		487	400	107	114
290	426	1.241	1.838	Profit after tax	12	1.860	1.361	567	344
				Other comprehensive income					
290	426	1.241	1.838	Profit after tax		1.860	1.361	567	344
479	-24	413	-67	Unrecognised actuarial gains and losses *		-72	452	-25	509
-134	7	-116	19	Deferred tax concerning changed estimates/pension plan changes		20	-127	7	-143
0	-6	0	-6	Change in value of financial assets available for sale		-6	0	-6	0
0	-1	0	-1	Change in value of financial assets available for sale		-1	0	-1	0
0	0	0	0	Share of profit associated companies and joint ventures		4	13	3	5
345	-24	297	-55	Total items not reclassified through profit or loss		-55	338	-22	371
0	0	0	0	Change in value of financial assets available for sale		0	0	0	0
0	0	0	0	Total items reclassified through profit or loss		0	0	0	0
345	-24	297	-55	Other comprehensive income		-55	338	-22	371
635	402	1.538	1.783	Total comprehensive income		1.805	1.699	545	715
				Earnings per share (group)		7,27	5,32	2,22	1,35

* With effect from 2005, IAS 19 allowed for recording actuarial gains and losses (estimate deviations) directly against equity. SpareBank 1 SR-Bank has elected to apply this principle. The revised rules in IAS 19 Employee Benefits have been applied from and including 1 January 2013. See note 1.10.

Balance sheet

Parent bank			Note	Group	
31.12.12	31.12.13	Balance sheet (MNOK)		31.12.13	31.12.12
1.314	1.265	Cash and balances with central banks		1.265	1.314
6.354	6.669	Balances with credit institutions		1.253	1.087
102.859	113.312	Net loans to customers	8	119.525	108.758
18.672	21.052	Certificates, bonds and other fixed-income securities	13	21.065	18.677
4.588	4.929	Financial derivatives	10	4.923	4.578
498	780	Shares, ownership stakes and other securities		938	671
84	84	Business available for sale		85	85
3.812	3.552	Investment in associates		4.710	4.964
809	950	Investment in subsidiaries		0	0
1.180	2.998	Other assets	5	3.221	1.409
140.170	155.591	Total assets	12	156.985	141.543
4.560	3.746	Balances with credit institutions		3.742	4.522
7.299	6.429	Public sector deposits regarding the covered bonds swap agreement		6.429	7.299
67.756	71.840	Deposits from customers	7	71.667	67.594
40.691	52.328	Listed debt securities	11	52.328	40.691
2.282	2.013	Financial derivatives	10	2.013	2.282
2.063	2.527	Other liabilities	6	2.746	2.295
4.223	4.004	Additional Tier 1 and Tier 2 capital instruments	11	4.004	4.223
128.874	142.887	Total liabilities		142.929	128.906
6.394	6.394	Share capital		6.394	6.394
-9	-5	Holding of own shares		-5	-9
1.587	1.592	Premium reserve		1.592	1.587
384	409	Proposed dividend		409	384
72	162	Fund for unrealised gains		162	72
2.868	4.152	Other equity		5.504	4.209
0	0	Profit/loss at period end		0	0
11.296	12.704	Total equity		14.056	12.637
140.170	155.591	Total liabilities and equity	12	156.985	141.543

Statement of changes in equity

SpareBank 1 SR-Bank Group

(Amounts in NOK million)	Share-capital	Premium reserve	Other equity	Reserve for unrealised gains	Total equity
Equity as of 01.01.2012	4.984	1.507	3.223	43	9.757
Dividend 2011, resolved in 2012			-299		-299
Purchase/sale of own shares	-5	-3	1		-7
Share issue	1.406	113	2		1.521
Issue expenses		-30			-30
Change in value of financial assets available for sale				-1	-1
Adjusted equity accosiates			-3		-3
Profit after tax			1.331	30	1.361
Unrecognised actuarial gains and losses after tax			325		325
Share of profit associated companies and joint ventures			13		13
Other comprehensive income			338		338
Total comprehensive income			1.669	30	1.699
Equity as of 31.12.2012	6.385	1.587	4.593	72	12.637
Dividend 2012, resolved in 2013			-384		-384
Purchase/sale of own shares	4	5	0		9
Adjusted equity accosiates			-11		-11
Profit after tax			1.769	91	1.860
Unrecognised actuarial gains and losses after tax			-58		-58
Share of profit associated companies and joint ventures			4		4
Change in value of financial assets available for sale				-1	-1
Total items not reclassified through profit or loss			-54	-1	-55
Items reclassified through profit or loss			0		0
Other comprehensive income			-54	-1	-55
Total comprehensive income			1.715	90	1.805
Equity as of 31.12.2013	6.389	1.592	5.913	162	14.056

Cash flow statement

Parent bank			Group	
01.01.12 - 31.12.12	01.01.13 - 31.12.13	Cash flow statement	01.01.13 - 31.12.13	01.01.12 - 31.12.12
-7.632	-10.382	Change in gross lending to customers	-10.760	-8.145
4.339	4.724	Interest receipts from lending to customers	5.116	4.698
3.542	4.084	Change in deposits from customers	4.073	3.552
-1.893	-1.777	Interest payments on deposits from customers	-1.764	-1.872
-920	-2.220	Change in receivables and deby from credit institutions	-2.048	-336
-110	-327	Interest on receivables and debt to financial institutions	-501	-291
1.174	-2.380	Change in certificates and bonds	-2.388	1.173
628	530	Interest receipts from commercial paper and bonds	530	628
795	893	Commission receipts	1.405	1.257
150	125	Capital gains from sale of trading	125	150
-1.340	-1.376	Payments for operations	-1.837	-1.746
-58	-132	Taxes paid	-209	-130
-221	1.530	Other accruals	1.547	-455
-1.546	-6.708	A Net change in liquidity from operations	-6.711	-1.517
-47	-61	Investments in tangible fixed assets	-68	-67
24	15	Receipts from sale of tangible fixed assets	15	33
-563	-177	Change in long-term investments in equities	-203	-563
0	338	Receipts from sales of long-term investments in equities	363	0
364	442	Dividends from long-term investments in equities	442	364
-222	557	B Net cash flow, investments	549	-233
14.999	15.830	Debt raised by issuance of securities	15.830	14.999
-11.083	-8.330	Repayments - issuance of securities	-8.330	-11.083
-1.011	-820	Interest payments on securities issued	-820	-1.009
825	499	Additional capital instruments issued	499	825
-1.528	-694	Repayments - additional capital instruments	-694	-1.528
-241	-220	Interest payments on subordinated loans	-220	-241
1.521	0	Issue shares	0	1.521
-299	-384	Dividend to share holders	-384	-299
3.183	5.881	C Net cash flow, financing	5.881	3.185
1.415	-270	A+B+C Net cash flow during the period	-281	1.435
381	1.796	Cash and cash equivalents as at 1 January	1.823	388
1.796	1.526	Cash and cash equivalents as at 31 March	1.542	1.823
		Cash and cash equivalents specified		
1.314	1.265	Cash and balances with central banks	1.265	1.314
482	261	Balances with credit institutions	277	509
1.796	1.526	Cash and cash equivalents	1.542	1.823

The cash and cash equivalents includes cash and claims on central banks, plus the share of the total of claims on credit institutions that pertains to placement solely in credit institutions. The cash flow statement shows cash provided and used by Sparebank 1 SR-Bank and Sparebank 1 SR-Bank Group.

Notes to the financial statements

(in MNOK)

Note 1 Accounting principles

1.1 Basis for preparation

The 4th quarter 2013 interim financial statements of Sparebank 1 SR-Bank ASA are for the twelve months ending 31 december 2013. They have been prepared in accordance with IAS 34 Interim Financial Reporting. The Interim Financial Reportings are unaudited. The financial statements have been prepared in accordance with current IFRS standards and IFRIC interpretations. The group's accounting principles and calculation methods are essentially unchanged compared to the financial statements for 2012. The principles mentioned below should be viewed in context to the principles discussed in the financial statements for 2012.

1.2 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Segment information is disclosed in a separate note.

1.3 Foreign currency transactions and balances

Foreign exchange gains and losses, resulting from the settlement of foreign currency transactions and the translation of monetary assets and liabilities denominated in foreign currencies at period-end exchange rates, are recognised in the income statement, except where hedge accounting is applied.

1.4 Tangible fixed assets

Tangible fixed assets comprise buildings, plots of land and operating equipment. Buildings and operating equipment are recognised at cost less depreciation and write-downs. Plots of land are recorded at cost price less write-downs. The cost price includes all direct costs related to the acquisition of the asset. Alternatively own properties could be valued at market value, which would result in an excess value. Depreciation is on a straight-line basis in order to allocate the cost price, less possible residual value, over the useful life of the operating equipment.

Plots of land, buildings or sections of buildings owned by the Group with rental income and/or capital gains in mind are classified as investment properties. In the case of buildings where the Group uses a significant part for its own operations, no part of the property is classified as an investment property, even though a minor part is rented out.

1.5 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

1.6 Securities

Securities consist of shares, ownership stakes, certificates and bonds. Shares and ownership stakes are recognised either at "fair value through profit and loss" or as "available for sale". Certificates and bonds are recognised either at "fair value through profit and loss" or as categories recognised at amortised cost. i.e. "held to maturity" or "loans and receivables". All gains and losses arising from changes in the fair value of securities recognised at "fair value through profit and loss" are included in "Net gain/losses on financial instruments" in the statements. Unrealised gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognised in equity. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as "Net gain/losses on financial instruments". Securities recognised as "held to maturity" or "loans and receivables" are measured at amortised cost using the effective interest method. Refer to item 1.8. for explanation of this method.

Securities purchased with a repurchase agreement are not included since the risk and return associated with ownership of the assets have not been transferred. Such transactions primarily involve interest-bearing securities. Received securities, including pledged collateral, are registered off the balance sheet regardless of whether or not the Group is allowed to sell or pledge the security. When received securities are sold, the Group will register a liability on the balance sheet. The balance sheet item "Loans to and receivables from financial institutions" includes receivables in connection with repurchase agreements.

1.7 Interest income and expense

Interest income and expense are recognised in the income statement for all instruments measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of loans and deposits and of allocating the interest income or expense over the expected term to maturity. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. Once a financial asset or a group of similar assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

1.8 Loans to customers

Fixed rate loans to customers are carried at fair value related to market interest. Gains and losses from changes in fair value are included in the income statement. Other loans and advances are carried at amortised cost using the effective interest method.

Impairment of gross loans carried at amortised cost

The group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event'), and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement.

Impairment of loans carried at fair value

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets carried at fair value is impaired. Impairment losses are included in the income statement in the period in which they arise.

1.9 Derivative financial instruments and hedge accounting

Derivatives comprise currency and interest rate instruments linked to structured products. Derivatives are recognised at fair value in profit and loss unless they are earmarked as hedging instruments. The Bank assesses and documents the efficiency of the hedging, both when the initial classification is made and on an ongoing basis. In the case of complete hedging both the hedging instrument and the hedged object are recognised at fair value and changes in these values compared to the opening balance are recorded in the income statement. For structured products with a capital guarantee, gains are recognised, including subscription costs and any structuring gains, as day 1 gains. Structuring gains are calculated by discounting the bank's future receivables (option premium) and liabilities (guarantee capital) using the swap curve.

1.10 Pension obligations

Currently, Sparebank 1 SR-Bank has two types of pension schemes.

Defined benefits schemes

All Group companies have pension schemes linked to the Group's own pension fund. The agreements are secured through payments to the pension fund, and are determined by periodic calculations carried out by an actuary. A defined benefit plan is a pension scheme that entitles the insured to a defined future benefit on reaching retirement age, normally fixed by factors such as age, number of years of service and salary. The liability recorded in the balance sheet in respect of a defined benefit plan is the present value of the defined liability reduced by the fair value of pension assets. Independent actuaries calculate the liability relating to the defined benefit plan annually. The present value of future defined benefits is calculated by discounting future payments using the interest rate for OMF bonds adjusted for differences in maturity dates.

With effect from 2005, IAS 19 allowed for recording actuarial gains and losses (estimate deviations) directly against equity. The Group has determined to apply this principle.

The revised rules in IAS 19 Employee Benefits have been applied from and including 1 January 2013. The amended rules mean that all remeasurements must be recognised in comprehensive income immediately (no corridor), all costs from previous periods' pensions accrual must be recognised immediately, and that interest costs and expected returns must be replaced with a net interest amount calculated using the discount rate on the net pension liability. The revised rules shall be treated as a change in policy from an accounting perspective. The change in policy has had no material effect on the figures in the company's financial reporting.

The defined benefits plan was closed for new members with effect from April 1th 2011. Employees who were members of the defined benefit scheme before the scheme closed on 1 April 2011 could voluntarily choose to convert to the defined contribution scheme

Defined contribution schemes

In the case of defined contribution plans, the company pays a contribution to an insurance company. The company has no further payment obligations after the subscriptions have been paid. The subscriptions are recorded as a wage cost. Any pre-paid subscription is recorded as an asset (pension asset) to the extent that the subscription can be refunded or reduces future subscription payments.

1.11 Borrowing

Borrowings are recognised initially at fair value, being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

1.12 Allocated to dividends

Allocated to dividends are recognised as equity in the period before they are approved by the bank's Supervisory Board.

1.13 Ownership in subsidiaries and associated companies

Stakes in subsidiaries and associated companies are stated at cost in the company's financial statements in accordance with IFRS rules. Any dividends are taken to income when they are paid. These assets are recognised using the equity method in the consolidated financial statements. This involves the share of results in associated companies being taken to income on an ongoing basis, while subsidiary are consolidated into the consolidated financial statements.

1.14 Estimates

The preparation of consolidated financial statements, leads to management making estimates, evaluations and assumptions that affect the way the application of accounting principles and thus the reported amounts of assets, liabilities, revenues and expenses. Critical estimates and disclaimers are described more detailed in note 3 in the financial statements 2012.

1.15 Financial risk

For a further reference to financial risk management please see note 3 of the financial statements 2012, including note 16 of the quaterly report.

Note 2 Losses on loans and guarantees

Parent bank			Group	
01.01.12 - 31.12.12	01.01.13 - 31.12.13		01.01.13 - 31.12.13	01.01.12 - 31.12.12
79	-31	Change in individual impairment losses provisions for the period	23	78
-30	-40	Change in collective impairment loss provisions for the period	-30	-30
5	11	Amortised cost	11	5
102	101	Actual loan losses on commitments for which provisions have been made	111	105
12	95	Actual loan losses on commitments for which no provision has been made	108	24
9	31	Change in assets taken over for the period	-30	9
-49	-51	Recoveries on commitments previously written-off	-61	-54
128	116	The period's net losses / (reversals) on loans and advances	132	137

Note 3 Provisions for impairment losses on loans and guarantees

Parent bank			Group	
31.12.12	31.12.13		31.12.13	31.12.12
357	436	Provisions for Individual impairment losses at start of period	423	420
79	130	Increases in previous provisions for individual impairment losses	131	79
-62	-239	Reversal of provisions from previous periods	-183	-89
166	179	New provisions for individual impairment losses	186	120
-2	0	Amortised cost	0	-2
-102	-101	Actual loan losses during the period for which provisions for individual impairment losses have been made previously	-111	-105
436	405	Provisions for Individual impairment losses at period end	446	423
114	196	Net losses	219	129

Note 4 Non-performing and problem commitments

Parent bank			Group	
31.12.12	31.12.13		31.12.13	31.12.12
		Non-performing loans and advances		
406	804	Gross non-performing loans above 90 days	830	460
142	210	Provisions for Individual impairment losses	212	152
264	594	Net non-performing loans and advances	618	308
35 %	26 %	Loan loss provision ratio	26 %	33 %
		Other problem commitments		
839	628	Problem commitments	689	787
295	195	Provisions for Individual impairment losses	234	272
544	433	Net other problem commitments	455	515
35 %	31 %	Loan loss provision ratio	34 %	35 %

Note 5 Other assets

Parent bank			Group	
31.12.12	31.12.13		31.12.13	31.12.12
0	0	Intangible assets	39	43
347	336	Tangible fixed assets	362	363
384	847	Income earned but not received from SpareBank 1 Bolig- and Næringskreditt	847	384
30	22	Prepaid expences	24	43
5	10	Remburs	10	5
414	1.783	Other assets including unsettled trades	1.939	571
1.180	2.998	Total other assets	3.221	1.409

Note 6 Other liabilities

Parent bank			Group	
31.12.12	31.12.13		31.12.13	31.12.12
213	309	Accrued expenses and prepaid revenue	391	283
597	707	Deferred tax	671	631
162	223	Pension liabilities	242	176
1	1	Other specified provisions	1	1
5	10	Remburs	10	5
132	280	Taxes payable	377	209
953	997	Other liabilities including unsettled trades	1.054	990
2.063	2.527	Total other liabilities	2.746	2.295

Note 7 Customer deposits by sectors and industry

Parent bank			Group	
31.12.12	31.12.13		31.12.13	31.12.12
1.116	1.078	Agriculture/forestry	1.078	1.116
131	265	Fishing/Fish farming	265	131
962	1.513	Mining/extraction	1.513	962
1.080	1.527	Industry	1.527	1.080
1.598	1.915	Power and water supply/building and construction	1.915	1.598
2.096	1.963	Retail trade, hotels and restaurants	1.963	2.096
1.001	1.452	Foreign trade shipping, pipeline transport and other transport activities	1.452	1.001
5.900	4.954	Real estate	4.954	5.900
7.406	8.858	Service industry	8.685	7.406
12.120	12.122	Public sector and financial services	12.122	11.958
33.410	35.647	Total corporate sector	35.474	33.248
34.311	36.190	Retail customers	36.190	34.311
35	3	Accrued interests corporate sector and retail customers	3	35
67.756	71.840	Total deposits	71.667	67.594

Note 8 Loans by sectors and industry

Parent bank			Group	
31.12.12	31.12.13		31.12.13	31.12.12
3.894	4.082	Agriculture/forestry	4.326	4.141
481	421	Fishing/Fish farming	541	597
2.293	2.741	Mining/extraction	2.829	2.351
1.400	2.674	Industry	3.403	2.135
2.957	2.260	Power and water supply/building and construction	3.100	3.804
2.472	2.429	Retail trade, hotels and restaurants	2.877	2.975
5.930	6.733	Foreign trade shipping, pipeline transport and other transport activities	7.297	6.451
24.178	25.575	Real estate	25.740	24.306
5.879	5.782	Service industry	7.545	7.650
2.087	2.277	Public sector and financial services	2.277	1.949
51.571	54.974	Total corporate sector	59.935	56.359
51.431	58.481	Retail customers	59.848	52.569
283	205	Unallocated (excess value fixed interest loans and amort. lending fees)	209	292
297	304	Accrued interests corporate sector and retail customers	281	293
103.582	113.964	Gross loans	120.273	109.513
-436	-405	- Individual impairment losses provisions	-446	-423
-287	-247	- Collective impairment losses provisions	-302	-332
102.859	113.312	Net loans	119.525	108.758

Note 9 Capital adequacy

New capital adequacy ratio regulations have been adopted in Norway from 1 January 2007 (Basel II - the EU's new directive on capital adequacy ratios). SpareBank 1 SR-Bank was granted permission by the Financial Supervisory Authority of Norway to use internal measurement methods (Internal Rating Based Approach) for quantifying credit risk from 1 January 2007. Consequently, the statutory minimum capital adequacy ratio requirement is more risk sensitive, so that the capital requirement will correspond more closely to the risk in the underlying portfolios. The use of IRB requires the bank to comply with extensive requirements relating to organisation, expertise, risk models and risk management systems. The transitional arrangements are set out in the regulations promulgated by the Financial Supervisory Authority of Norway in which IRB banks will not receive the full effect of reduced regulatory capital requirements for the time being. A limited audit of the income statement and balance sheet has been conducted in accordance with the regulations.

Investments in associated companies and joint ventures are recognised in the group using the equity method and in accordance with the acquisition method in the parent bank. The investments are treated identically for the purposes of determining the capital adequacy ratio except for the group's investments in SpareBank 1 Boligkreditt AS, SpareBank 1 Næringskreditt AS and BN Bank ASA. In the group's capital adequacy ratio a proportional consolidation will be carried out.

Parent bank			Group	
31.12.12	31.12.13		31.12.13	31.12.12
6.394	6.394	Share capital	6.394	6.394
-9	-5	- Own shares	-5	-9
1.587	1.592	Premium reserve	1.592	1.587
384	409	Allocated to dividend	409	384
72	162	Reserve for unrealised gains	162	72
2.868	4.152	Other equity	5.504	4.209
11.296	12.704	Total book equity	14.056	12.637
		Core capital		
0	0	Deferred taxes, goodwill and other intangible assets	-43	-56
-1	0	Fund for unrealized gains, available for sale	0	-1
-384	-409	Deduction for allocated dividends	-409	-384
-462	-401	50% deduction for subordinated capital in other financial institutions	-104	-17
-278	-353	50% deduction for expected losses on IRB, net of write-downs	-356	-319
0	0	50 % capital adequacy reserve	-587	-727
0	0	Year-to-date profit included in core capital (50%)	0	0
2.242	1.823	Additional Tier 1 capital	1.954	2.374
12.413	13.364	Total core capital	14.511	13.507
	0			
		Supplementary capital in excess of core capital		
0	0	Tier 2 capital - excess of 15% additional Tier 1 capital	0	0
1.876	2.100	Non-perpetual additional capital	2.451	2.124
-462	-401	50% deduction for investment in capital instruments in other financial institutions	-104	-17
-278	-353	50% deduction for expected losses on IRB, net of write-downs	-356	-319
0	0	50 % capital adequacy reserve	-587	-727
1.136	1.346	Total supplementary capital	1.404	1.061
13.549	14.710	Net subordinated capital	15.915	14.568
		Basis for calculation Basel I		
		Minimum requirements subordinated capital, Basel II		
2.328	2.254	Specialised lending exposure	2.254	2.328
2.346	2.179	Other corporations exposure	2.179	2.346
32	44	SME exposure	52	39
400	461	Retail mortage exposure (properties)	857	796
55	53	Other retail exposure	61	58
619	662	Equity investments	0	0
5.780	5.653	Total credit risk IRB	5.403	5.567
168	183	Debt risk	167	149
44	54	Equity risk	54	44
0	0	Currency risk	0	0
207	202	Participations calculated after other market risk	294	277
366	379	Operational risk	457	447
0	0	Transitional scheme	1.159	908
423	432	Participations calculated using standard method	1.629	1.624
-74	-64	Deductions	-117	-119
6.914	6.839	Minimum requirements subordinated capital	9.046	8.897
15,68 %	17,21 %	Capital ratio	14,07 %	13,10 %
14,36 %	15,63 %	Tier 1 capital ratio	12,83 %	12,15 %
1,31 %	1,57 %	Tier 2 capital	1,24 %	0,95 %
11,77 %	13,50 %	Core equity Tier 1 capital ratio	11,11 %	10,01 %
14,36 %	15,63 %	Tier 1 capital ratio, IRB	14,72 %	13,53 %
11,77 %	13,50 %	Core equity Tier 1 capital ratio, IRB	12,74 %	11,15 %

Note 10 Financial derivatives

At fair value through profit and loss	Contract amount 31.12.13	Fair value at 31.12.13 Assets	Liabilities
Currency instruments			
Currency forward contracts	4.255	89	38
Currency swaps	34.425	545	146
Currency options	227	1	0
Total currency instruments	38.907	635	184
Interest rate instruments			
Interest rate swaps(including cross-currency)	69.234	1.131	1.176
Other interest rate contracts	0	0	0
Total interest rate instruments	69.234	1.131	1.176
Hedging / Interest rate instruments			
Interest rate swaps (including cross currency)	54.477	2.482	345
Total hedging / Interest rate instruments	54.477	2.482	345
Accrued interests			
Accrued interests		675	308
Total accrued interests		675	308
Total currency and interest rate instruments			
Total currency instruments	38.907	635	184
Total interest rate instruments	123.711	3.613	1.521
Total accrued interests		675	308
Total	162.618	4.923	2.013

Counterparty risk associated with derivatives is reduced via ISDA agreements and CSA supplements. The CSA supplement regulates the counterparty risk through payments of margins in relation to exposure limits. The contract sum and effect of reinvestment costs covered by offsetting agreements amounted to NOK 116,9 billion and NOK 1.6 billion as of the fourth quarter of 2013.

The note is approximately identical for the Parent Bank and the Group

Note 11 Issuance of unsecured debt and additional capital instruments

Debt raised through issuance of securities	31.12.12	31.12.13
Bonds, nominal amount	37.960	49.387
Adjustments	2.220	2.261
Accrued interests	511	680
Total debt raised through issuance of securities	40.691	52.328

Change in debt raised through issuance of securities	Balance as at 31.12.12	Issued 2013	Past due/ redeemed 2013	FX rate- and other changes 2013	Balance as at 31.12.13
Bonds, nominal amount	37.960	15.830	-8.330	3.927	49.387
Adjustments	2.220	0	0	41	2.261
Accrued interests	511	0	0	169	680
Total debt raised through issuance of securities	40.691	15.830	-8.330	4.137	52.328

Additional Tier 1 and Tier 2 capital instruments	31.12.12	31.12.13
Non-perpetual additional Tier 2 capital, nominal amount	1.876	2.100
Perpetual additional Tier 2 capital, nominal amount	0	0
Additional Tier 1 capital, nominal amount	2.242	1.823
Adjustments	81	60
Accrued interests	24	21
Total additional Tier 1 and Tier 2 capital instruments	4.223	4.004

Change in additional Tier 1 and Tier 2 capital instruments	Balance as at 31.12.12	Issued 2013	Past due/ redeemed 2013	FX rate- and other changes 2013	Balance as at 31.12.13
Non-perpetual additional Tier 2 capital, nominal amount	1.876	499	-275	0	2.100
Perpetual additional Tier 2 capital, nominal amount	0	0	0	0	0
Additional Tier 1 capital, nominal amount	2.242	0	-419	0	1.823
Adjustments	81	0	0	-21	60
Accrued interests	24	0	0	-3	21
Total additional Tier 1 and Tier 2 capital instruments	4.223	499	-694	-24	4.004

The note is approximately identical for the Parent Bank and the Group

Note 12 Segment reporting

Management has assessed which segments are reportable based on the form of distribution, products and customers. The primary reporting format is based on the risk and return profile of the assets, and it is divided between the retail market (including self-employed people), the corporate market, the capital market and subsidiaries of considerable siginificance. The Bank's own investment activities are not a separate reportable segment and they appear under the item "Other activities" together with activities that cannot be allocated to the retail market, corporate market, capital market or subisidiaries of considerable significance.

	SpareBank 1 SR-Bank Group 01.01.13 - 31.12.13							
Income statement (MNOK)	Retail Market	Corporate Market	Capital Market	Eiendoms-Megler 1	SR-Finans	Eliminations	Other activities	Total
Interest income	1.919	1.507	924	15	387	-202	1.094	5.644
Interest expense	1.016	597	870	10	170	-191	1.053	3.525
Net interest income*	904	910	54	5	216	-11	42	2.119
Commission income	1.059	308	39	0	4	-43	85	1.452
Commission expenses	36	28	4	0	19	-42	27	72
Other operating income	0	0	0	433	0	-1	11	444
Net commission and other income	1.024	280	35	433	-15	-2	70	1.824
Dividend income	0	0	3	0	0	0	30	33
Income from investment in associates	0	0	0	0	0	-62	417	355
Net gains/losses on financial instruments	13	10	83	0	0	-94	154	167
Net income on investment securities	13	10	86	0	0	-155	600	555
Personnel expenses	414	189	53	242	32	-9	275	1.196
Administrative expenses	115	27	12	39	8	0	230	432
Other operating expenses	85	25	5	116	11	4	145	391
Total operating expenses	615	241	70	396	51	-5	650	2.019
Operating profit before losses	1.326	959	105	42	150	-164	61	2.479
Change in individual write-downs in the period	17	130	10	0	-9	15	0	162
Change in group write-downs in the period	13	-53	0	0	10	0		-30
Pre-tax profit	1.296	882	95	42	149	-178	61	2.347
Net interest income*								
External net interest income	904	910	54	-10	-170	0	432	2.119
Internal net interest income	0	0	0	15	387	0	-402	0
Net interest income	904	910	54	5	216	0	31	2.119
Balance sheet (MNOK)								
Loans to customers	62.182	49.335	0	0	6.319	0	2.437	120.273
Individual loss provisions	-64	-342	0	0	-40	0	0	-446
Group loss provisions	-34	-213	0	0	-55	0	0	-302
Other assets	0	0	545	186	160	0	36.569	37.460
Total assets	62.084	48.780	545	186	6.384	0	39.006	156.985
Deposits from customers	41.045	27.002	0	0	0	0	3.620	71.667
Other debt	0	0	545	96	5.540	0	65.081	71.262
Total debt	41.045	27.002	545	96	5.540	0	68.700	142.929
Equity	0	0	0	90	844	0	13.122	14.056
Total debt and equity	41.045	27.002	545	186	6.384	0	81.822	156.985
Loans sold to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt	45.710	679						46.389

	SpareBank 1 SR-Bank Group 01.01.12 - 31.12.12							
Income statement (MNOK)	Retail Market	Corporate Market	Capital Market	Eiendoms-Megler 1	SR-Finans	Eliminations	Other activities	Total
Interest income	1.852	1.476	690	19	352	-199	1.110	5.300
Interest expense	954	610	632	13	169	-192	1.373	3.558
Net interest income*	898	866	58	6	184	-7	-262	1.742
Commission income	775	258	58	0	3	-45	56	1.105
Commission expenses	48	25	3	0	14	-42	27	76
Other operating income	0	0	0	426	0	-3	13	437
Net commission and other income	727	233	55	426	-11	-6	42	1.466
Dividend income	0	0	6	0	0	0	19	25
Income from investment in associates	0	0	0	0	0	0	265	265
Net gains/losses on financial instruments	10	18	150	0	0	-25	134	288
Net income on investment securities	10	18	156	0	0	-25	418	578
Personnel expenses	394	173	55	190	29	-7	248	1.082
Administrative expenses	114	23	11	43	9	0	216	417
Other operating expenses	80	24	7	113	10	6	148	389
Total operating expenses	588	221	73	346	49	-1	612	1.888
Operating profit before losses	1.047	896	196	86	124	-37	-415	1.898
Change in individual write-downs in the period	6	152	0	0	9	0	0	167
Change in group write-downs in the period	3	-33	0	0	0	0	0	-30
Pre-tax profit	1.038	777	196	86	115	-37	-414	1.761
Net interest income*								
External net interest income	898	870	58	-13	352	0	-423	1.742
Internal net interest income	0	-4	0	19	-169	0	154	0
Net interest income	898	866	58	5	183	0	-268	1.742
Balance sheet (MNOK)								
Loans to customers	54.526	47.149	0	0	6.073	0	1.765	109.513
Individual loss provisions	-97	-264	0	0	-62	0	0	-423
Group loss provisions	-22	-261	0	0	-45	0	-4	-332
Other assets	0	0	646	208	104	0	31.827	32.785
Total assets	54.407	46.624	646	208	6.070	0	33.588	141.543
					0			
Deposits from customers	38.865	25.391	0	0	0	0	3.338	67.594
Other debt	0	0	646	148	5.534	0	54.984	61.312
Total debt	38.865	25.391	646	148	5.534	0	58.322	128.906
Equity	0	0	0	60	536	0	12.041	12.637
Total debt and equity	38.865	25.391	646	208	6.070	0	70.363	141.543
Loans sold to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt	48.155	533						48.688

Interest on intercompany receivables for the retail market division and the corporate market division is determined based on expected observable market interest rates (NIBOR) plus expected additional costs in connection with the group's long term financing (credit premium). Deviations between the group's actual financing costs and the applied interest on intercompany receivables are eliminated at the group level. In the year to date, the group's real financing cost has been higher than the interest on intercompany receivables, principally due to the falling NIBOR.

Note 13 Reclassification of financial assets

Due to the extraordinary and negative development in the world's financial markets during 3rd quarter 2008 the IASB 13th October 2008 approved certain changes to IAS 39 and IFRS 7. The changes permit a reclassification of part of or the whole portfolio of financial assets held for trading retrospectively to 1st July 2008. SpareBank 1 SR-Bank has decided to adopt this opportunity and has, after due consideration, chosen to reclassify certain parts of the bond portfolio into categories recognised at amortised cost, i.e. "held to maturity" or "loans and receivables". No reclassifications have been adopted by any of the subsidiaries.

Listed instruments were classified as "held to maturity" while instruments with no observable market value and where the price has been recognised through alternative valuation methods according to IAS 39 were reclassified as "loans and receivables".

Reclassification was carried through due to the major and abnormal impairments that have arisen during the turbulent financial markets. A major part of the bank's bond portfolio has normally been kept in custody in Norges Bank and held to maturity. These bonds are normally of superior quality and exceptional changes in price is, according to the bank's opinion, disturbing the result unnecessarily. There is ability as well as will to keep the reclassified portolio until maturity.

The survey below states the effect a non-reclassification would have in the accounts.

As at 1.7.2008	Group			
Certificates and bonds recognised as:	Book value	Amortising as interest	Reclass. effect	Fair value
At fair value through profit and loss	3.041	0	0	3.041
Held to maturity 1)	2.350	0	0	2.350
Receivables 1)	578	0	0	578
Total certificates and bonds	5.969	0	0	5.969

As at 31.12.2013	Group			
Certificates and bonds recognised as:	Book value	Amortising as interest	Reclass. effect	Fair value
At fair value through profit and loss	14.137	0	0	14.137
Held to maturity	41	0	0	41
Covered Bonds 2)	6.784	0	0	6.784
Accrued interests	103	0	0	103
Total certificates and bonds	21.065	0	0	21.065

	Group	
Bonds reclassified as receivable and hold to maturity	31.12.12	31.12.13
Book value	218	41
Nominal value	221	42
Observable market value	220	41

The Bank expects to be reimbursed face value of bonds that were relassified.

1) Net urealised losses written back as at 1st July 2008 amounts to NOK 47.3 million. The amounts will be amortised during the instruments economic life. Weighted remaining economic life at the time of reclassification was approximately 2.7 years.
2) Receiveables includes 6.784 million NOK of covered bonds used in the swap agreement with the Ministry of Finance. Remaining economic life of the covered bonds is approximately equal to remaining economic life of the swap agreement.

Note 14 Pension

Sparebank 1 SR-Bank has two types of pension schemes - defined benefits schemes and defined contribution scheme. For further details on the calculation of the pension obligation and assumptions please refer to note 1 above or note 33 in the annual account 2012.

Accounting treatment of the defined benefit scheme

Since the introduction of IFRS in 2005 and pursuant to IAS 19, SpareBank 1 SR-Bank has recognised pension liabilities according to an ongoing fair value assessment and estimate deviations directly against equity (comprehensive income). The changes to the rules for treating estimate deviations, therefore, do not affect the bank's financial statements.

The revised rules in IAS 19 Employee Benefits have been applied from and including 1 January 2013. The amended rules mean that all remeasurements must be recognised in comprehensive income immediately (no corridor), all costs from previous periods' pensions accrual must be recognised immediately, and that interest costs and expected returns must be replaced with a net interest amount calculated using the discount rate on the net pension liability (asset). The revised rules shall be treated as a change in policy from an accounting perspective. The change in policy has had no material effect on the figures in the company's financial reporting.

The policy for calculating returns on pension assets has, from and including 1 January 2013, been changed from using the expected return to using the discount rate. Account was taken of this policy in the calculation of the pension liabilities and costs as of 31 December 2013. Had the same policy been applied in the fourth quarter of 2012, the pension costs would have amounted to around NOK 11 million higher in SpareBank 1 SR-Bank's consolidated financial statements. The Group views this effect as immaterial and has therefore chosen not to restate the 2012 figures.

As of 31 December 2013, SpareBank 1 SR-Bank has used the new K2013 mortality table, issued by the Financial Supervisory Authority of Norway on 8 March 2013, as its basis for calculations, adjusted for opening mortality and the decline in the mortality rate. The total gross effect for the 2013 financial year of the transition to a new mortality table amounts to NOK 125 million for the Group, and this was treated in the accounts as a remeasurement and recognised in the comprehensive income statement.

For defined benefit schemes the following economic assumptions have been made when calculating pension liabilities. The change in 3rd quarter is based on NRS recommendation per Desember 2013.

Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Parent bank and group
3,90 %	3,80 %	3,80 %	3,95 %	4,00 %	Discount rate
5,00 %	3,80 %	3,80 %	3,95 %	4,00 %	Expected return on assets
3,50 %	3,50 %	3,50 %	3,75 %	3,75 %	Forecast salary increase
3,25 %	3,25 %	3,25 %	3,50 %	3,50 %	National Insurance scheme's basic amount
2,00 %	2,00 %	2,00 %	2,00 %	2,00 %	Pension adjustment

Change in pension obligations (NOK million):

Parent bank					Group			
2012	Q4 2012	Q4 2013	01.01.13 - 31.12.13		01.01.13 - 31.12.13	Q4 2013	Q4 2012	2012
584	631	191	162	Net obligations opening balance	176	208	685	703
-413	-479	24	67	Actuarial liabilities and losses recognised in comprehensive income	72	25	-507	-452
61	13	14	62	Net pension cost	67	16	15	68
-51	0	0	-56	Company contributions	-60	0	-3	-78
-13	-3	-6	-12	Payments from operations	-13	-7	-5	-15
-6	0	0	0	Curtailments and settlements included in the income statement	0	0	-9	-50
162	162	223	223	Net pension obligations closing balance	242	242	176	176

Previously adopted changes in the subsidiary EiendomsMegler 1 SR-Eiendom's pension scheme

In December 2011, the board of EiendomsMegler 1 SR-Eiendom AS adopted additional changes to the company's pension scheme. The board adopted the obligatory transition to a defined-contribution pension plan during the first quarter of 2012. In Q2 2012 paid-up policies were issued for pension rights earned up until 31 December 2011. The effect of the transition to a defined-contribution based pension plan in EiendomsMegler 1 SR-Eiendom AS that has been recognised in income for 2012 was:

	Parent bank	Impact on profit	Group
Q2 2012	0	Effect of settlement	35
Q4 2012	0	Effect of settlement	5
	0	Change in pension obligation over profit and loss	40

Note 15 SpareBank 1 Boligkreditt AS and SpareBank 1 Næringskreditt AS

In the 3rd quarter of 2010, in association with the other owners of Sparebank 1 Boligkreditt, Sparebank 1 SR-Bank entered into an agreement to establish a liquidity facility for SpareBank 1 Boligkreditt. his implies that the banks undertake to buy mortgage bonds limited to a total value equal to 12 months' maturities in SpareBank 1 Boligkreditt. Each owner is primarily liable for its share of the need, secondarily for twice the amount of the primary liability under the same agreement. The bonds can be deposited with Norges Bank and represent, therefore, no significant increase in the bank's inherent risk.

The bank has concluded agreements concerning the sale of loans with good security and collateral in real estate to SpareBank 1 Boligkreditt AS and SpareBank 1 Næringskreditt AS. For more information about the accounting treatment of the agreements see note 2 and note 9 to the 2012 annual financial statements.

Note 16 Liquidity risk

Liquidity risk is the risk that the bank is unable to refinance its debts or is unable to fund an increase in assets. The bank's framework for liquidity risk management shall reflect its conservative risk profile. The Board has adopted internal frameworks to ensure that the bank has the best maturity structure possible for its funding. A stress test is conducted for different maturities for bank-specific crises, system crises and the combination of these, and we have also created an emergency preparedness plan for the management of liquidity crises. The average term to maturity for the portfolio of senior bond funding was 3.6 years at the end of Q4 2013.

Note 17 Information about fair value

Group

The table below shows financial instruments at fair value according to their valuation method. The different levels are defined as follows:

Level 1: Listed price in an active market for an identical asset or liability.

Level 2: Valuation based on observable factors other than listed price (used in level 1) either direct (price) or indirect (deduced from prices) for the asset or liability.

Level 3: Valuation based on factors not obtained from observable markets (non-observable assumptions).

Fair value 31.12.13	Level 1	Level 2	Level 3	Total
Assets				
Net lending to customers		11.398		11.398
Commercial paper and bonds at fair value	11.430	2.707		14.137
Financial derivatives		4.924		4.924
Equities, units and other equity interests	173	292	473	938
Liabilities				
Securities issued		41.233		41.233
Financial derivatives		2.013		2.013
Subordinated loans		819		819

Fair value 31.12.12	Level 1	Level 2	Level 3	Total
Assets				
Net lending to customers		12.586		12.586
Commercial paper and bonds at fair value	6.468	4.193		10.661
Financial derivatives		4.579		4.579
Equities, units and other equity interests	50	486	305	841
Liabilities				
Securities issued		27.828		27.828
Financial derivatives		2.282		2.282
Subordinated loans		1.251		1.251

Note 18 Events after the balance sheet date

No material events have been recorded after 31 december 2013.

QUARTERLY INCOME STATEMENT	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
SpareBank 1 SR-Bank Group, MNOK	2013	2013	2013	2013	2012	2012	2012	2012	2011
Interest income	1.466	1.451	1.406	1.321	1.331	1.323	1.319	1.327	1.378
Interest expense	892	883	880	870	851	875	906	926	930
Net interest income	574	568	526	451	480	448	413	401	448
Commission income	392	386	349	325	330	280	273	222	211
Commission expenses	12	23	18	19	17	19	20	20	12
Other operating income	109	103	134	98	98	113	126	100	106
Net commission and other income	489	466	465	404	411	374	379	302	305
Dividend income	-2	3	32	0	0	1	21	3	1
Income from investment in associates	95	130	31	99	22	90	53	100	67
Net gains/losses on financial instrument valued at fair value	102	4	-1	62	75	101	13	99	43
Net return on investment securities	195	137	62	161	97	192	87	202	111
Total income	1.258	1.171	1.053	1.016	988	1.014	879	905	864
Personnel expenses	323	284	297	292	292	271	244	275	100
Administrative expenses	109	104	118	101	107	105	99	106	111
Other operating expenses	102	90	102	97	105	90	97	97	118
Total operating expenses	534	478	517	490	504	466	440	478	329
Operating profit before impairment losses	724	693	536	526	484	548	439	427	535
Impairment losses on loans and guarantees	50	32	25	25	26	43	34	34	45
Pre-tax profit	674	661	511	501	458	505	405	393	490
Tax expense	107	145	128	107	114	107	102	77	153
Profit after tax	567	516	383	394	344	398	303	316	337
Profitability									
Return on equity per quarter	16,2 %	15,6 %	11,8 %	12,3 %	11,2 %	13,6 %	11,8 %	12,9 %	13,9 %
Cost percentage	42,4 %	40,8 %	49,1 %	48,2 %	51,0 %	46,0 %	50,1 %	52,8 %	38,1 %
Balance sheet figures from quarterly accounts									
Gross loans to customers	120.273	116.720	115.214	112.314	109.513	104.521	105.428	100.463	101.368
Deposits from customers	71.667	70.714	73.281	68.605	67.594	69.195	71.285	67.108	64.042
Total assets	156.985	153.639	151.110	146.124	141.543	138.663	139.615	134.683	131.142
Average total assets	155.489	151.683	147.331	144.265	140.555	139.002	136.674	132.949	132.392
Growth in loans over last 12 months	9,8 %	11,7 %	9,3 %	11,8 %	8,0 %	0,6 %	-2,3 %	-4,1 %	-4,2 %
Growth in deposits over last 12 months	6,0 %	2,2 %	2,8 %	2,2 %	5,5 %	7,6 %	9,7 %	7,1 %	5,4 %
Losses and non-performing commitments									
Impairment losses ratio [2)]	0,17	0,11	0,09	0,09	0,10	0,16	0,13	0,13	0,18
Non-performing commitments as a percentage of total loans	0,69	0,40	0,37	0,44	0,42	0,54	0,49	0,44	0,41
Other doubtful commitments as a percentage of total loans	0,57	0,84	0,77	0,81	0,72	0,87	0,82	0,89	0,69
Solidity									
Capital ratio	14,1	13,1	12,9	12,9	13,1	12,0	11,9	11,0	11,4
Tier 1 capital ratio	12,8	12,2	12,0	12,2	12,1	11,5	11,4	10,5	10,6
Core equity Tier 1 capital ratio	11,1	10,5	10,3	10,1	10,0	9,4	9,2	8,2	8,3
Core capital	14.511	13.974	13.691	13.673	13.507	12.746	12.514	10.960	10.846
Net equity and subordinated loan capital	15.915	15.034	14.721	14.452	14.568	13.273	13.041	11.425	11.681
Minimum subordinated capital requirement	9.046	9.203	9.135	8.956	8.897	8.856	8.797	8.333	8.167
Shares									
Market price at end of quarter	60,25	47,70	47,50	50,00	37,20	36,90	32,10	41,00	40,70
Number of shares issued, millions	255,75	255,75	255,75	255,75	255,75	255,75	255,75	199,49	127,31
Earnings per share, NOK (annualised) [1)]	2,22	2,02	1,50	1,54	1,35	1,56	1,19	1,58	1,73
Price/earnings per share	6,78	5,90	7,92	8,12	6,89	5,91	6,74	6,49	5,88

1) Number of shares was increased on 18 June 2012 from 199,489,689 to 255,751,082 as a result of a capital expansion. Earnings per share from the second quarter to the year to date are calculated based on the new number of shares.

2) Net losses expressed as a percentage of average gross lending, annualized