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It's an investment.

SUPPLEMENTARY INFORMATION
FOR INVESTORS AND ANALYSTS

FIRST QUARTER 2014
SPAREBANK 1 SR-BANK

SpareBank
SR-BANK 

Chief Executive, CEO

Arne Austreid

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Information on the Internet

SpareBank 1 SR-Bank's homepage www.sr-bank.no

Financial Calendar 2014

General annual meeting	29 April
Ex-dividend date	30 April
First quarter 2014	29 April
Second quarter 2014	13 August
Third quarter 2014	31 October

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1. SpareBank 1 SR-Bank ASA

1.1 Financial highlights

Q1 2014

- Pre-tax profit: NOK 787 million (NOK 501 million)
- Profit after tax: NOK 659 million (NOK 394 million)
- Return on equity after tax: 18.4 % (12.3 %)
- Earnings per share: NOK 2.58 (NOK 1.54)
- Net interest income: NOK 547 million (NOK 451 million)
- Net commission and other income: NOK 480 million (NOK 404 million)
- Net income from financial investments: NOK 319 million (NOK 161 million)
 - NOK 202 million in capital gain on Nets Holding AS
- Operating expenses: NOK 505 million (NOK 490 million)
- Impairment losses on loans and guarantees: NOK 54 million (NOK 25 million)
- Total lending growth over past 12 months: 3.8 % (7.4 %)
- Growth in deposits over past 12 months: 8.5 % (2.2 %)
- Tier 1 capital ratio: 13.0 % (12.2 %)
- CET 1 capital ratio: 11.1 % (10.1 %)

(Q1 2013 in parentheses)

Income statement

<i>MNOK</i>	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Net interest income	547	574	568	526	451	2.119	1.742
Net commission and other income	480	489	466	465	404	1824	1.466
Net return on investment securities	319	195	137	62	161	555	578
Total income	1.346	1.258	1.171	1.053	1.016	4.498	3.786
Total operating expenses	505	534	478	517	490	2.019	1.888
Operating profit before losses	841	724	693	536	526	2.479	1.898
Losses on loans and guarantees	54	50	32	25	25	132	137
Operating profit before tax	787	674	661	511	501	2.347	1.761
Tax expense	128	107	145	128	107	487	400
Profit after tax	659	567	516	383	394	1.860	1.361

Key figures

Key figures

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Return on equity ¹⁾	18,4 %	16,2 %	15,6 %	11,8 %	12,3 %	14,0 %	12,4 %
Cost ratio ²⁾	37,5 %	42,4 %	40,8 %	49,1 %	48,2 %	44,9 %	49,9 %
Deposit-to-loan ratio	61,2 %	59,6 %	60,6 %	63,6 %	61,1 %	59,6 %	61,7 %
Growth in loans	8,4 %	9,8 %	11,7 %	9,3 %	11,8 %	9,8 %	8,0 %
Growth in loans incl. SB1 Boligkreditt and SB1 Næringskreditt	3,8 %	5,3 %	5,5 %	6,1 %	7,4 %	5,3 %	7,8 %
Growth in deposits	8,5 %	6,0 %	2,2 %	2,8 %	2,2 %	6,0 %	5,5 %
Average total assets, MNOK	158.867	155.489	151.683	147.331	144.265	149.554	137.212
Total assets, MNOK	157.752	156.985	153.639	151.110	146.124	156.985	141.543
Impairment losses ratio ³⁾	0,18	0,17	0,11	0,09	0,09	0,11	0,13
Capital ratio - Transitional rules	14,5	14,1	13,1	12,9	12,9	14,1	13,1
Common Equity Tier 1 capital ratio - Transitional rule	11,2	11,1	10,5	10,3	10,1	11,1	10,0
Share price	60,75	60,25	47,70	47,50	50,00	60,25	37,20
EPS (group) ⁴⁾	2,58	2,22	2,02	1,50	1,54	7,28	5,32

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 as from 2nd quarter 2012 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.

1.2 Business description: leading financial institution in Rogaland, Hordaland and Agder

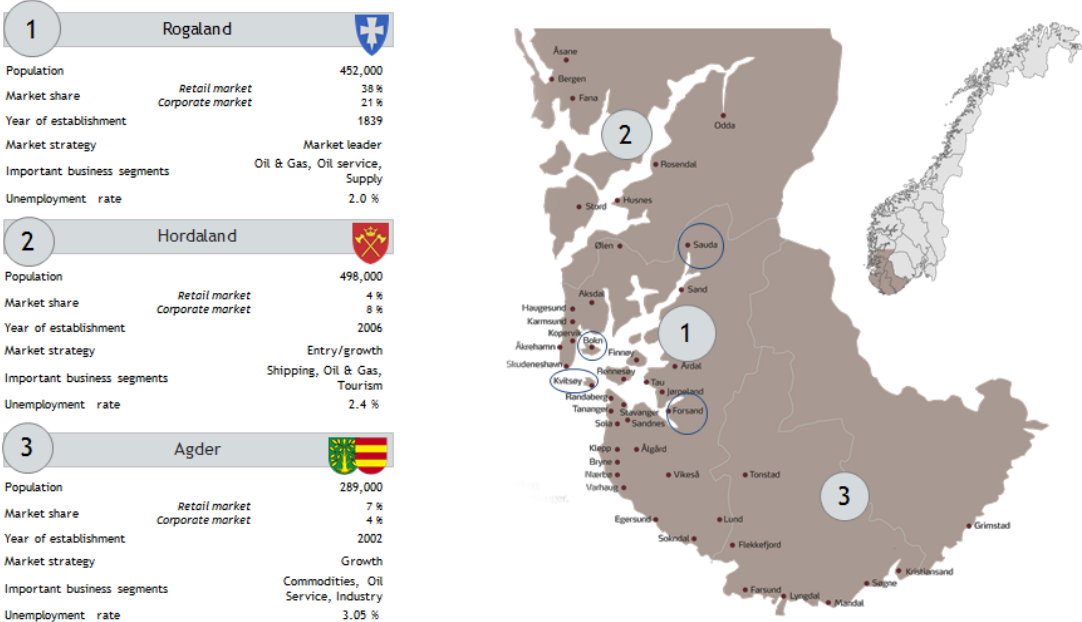


Figure 1.2.1: Operating areas (reducing the number of branches from 52 to 48 in 2014)

SpareBank 1 SR-Bank is Norway’s largest regional bank and the second largest Norwegian-owned bank (after DNB) with gross lending including covered bond companies of NOK 167 billion and market cap of NOK 15.5 billion as at 31 March 2014. Head office is in Stavanger. The market areas are the counties of Rogaland, Agder and Hordaland. SpareBank 1 SR-Bank ASA has 1 148 employees and provides a full range of products and services within financing, investments, money transfers, pensions as well as life and non-life insurance.

The customer-oriented activity is organized in three divisions; Retail Market, Corporate Market and Capital Market.

Retail Market

SpareBank 1 SR-Bank ASA is the leading retail customer bank in Rogaland, with about 262,000 retail customers and a market share in Rogaland of about 40 per cent. The division also serves agricultural clients, sole proprietorships and associations.

Corporate Market

SpareBank 1 SR-Bank ASA service about 12,000 customers in the business sector and public sector. These also include small businesses, agricultural customers, societies and associations. About 40 per cent of all businesses in the bank’s traditional market list SpareBank 1 SR-Bank ASA as their main bank.

Capital Market

The Capital Market division comprises the group’s securities activities, SR-Markets and the subsidiary SR-Forvaltning that manage customers’ and the bank’s own assets in the form of securities, mutual funds and properties. SR-Markets primarily serve the group’s customers and other selected customer in defined market areas in the country as a whole.

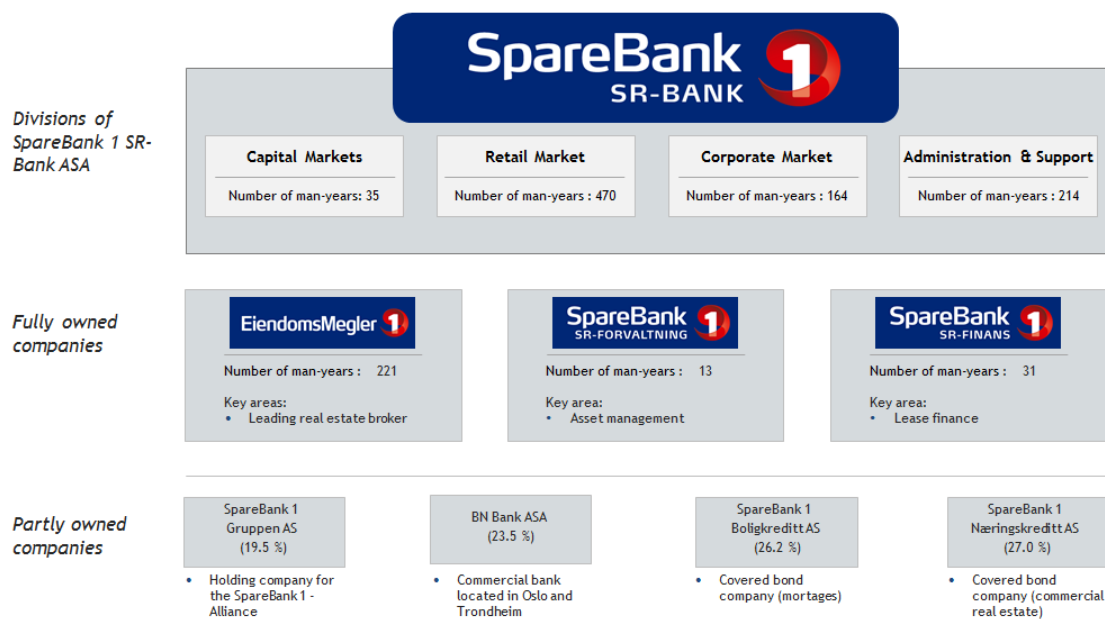


Figure 1.2.2: SpareBank 1 SR-Bank's activities

Segment operating profit*

MNOK	Retail market		Corporate market		Capital market	
	2014	2013	2014	2013	2014	2013
Operating profit before tax 1st quarter	340	265	215	163	20	38
Gross loans to customers excl. SB1 Boligkreditt and SB1 Næringskreditt as at 31 March	64.400	56.179	48.274	47.771	472	508
Deposits from customers as at 31 March	41.901	39.831	28.601	26.163	1896	473

* not including subsidiaries

Vision and strategy

Our vision: Recommended by customers

Primary objective	Financial targets
<ul style="list-style-type: none">• SpareBank 1 SR-Bank ASA is committed to value creation in the bank's core market area• Sustainable contribution to the value creation process in the region through;<ul style="list-style-type: none">• Sustainable and profitable business model• Owner friendly and stable dividend policy	<ul style="list-style-type: none">• ROE above 13 % at a normalised level of interest rates• Top 50 % ROE and cost/income in a Nordic benchmark• CET1 capital ratio at 0.5-1.0 % above the regulatory requirement
Strategic goals	Strategic focus
<ul style="list-style-type: none">• Most attractive and preferred partner for financial services in South-Western Norway, based on;<ul style="list-style-type: none">• Good customer experience• Strong team spirit and professionalism• Local anchoring and local decisions• Solvency, profitability and trust by the market	<ul style="list-style-type: none">• Targeted customer growth and increased product mix• Innovative and continuing focus on efficiency• Expertise adapted to future customer needs• Diversified funding mix

Figure 1.2.3: Vision and strategy

Legal and organizational structure

SpareBank 1 SR-Banks's various management and control bodies have all been established with respect to Norwegian legislation. The figure below shows an overview of current management and control bodies:

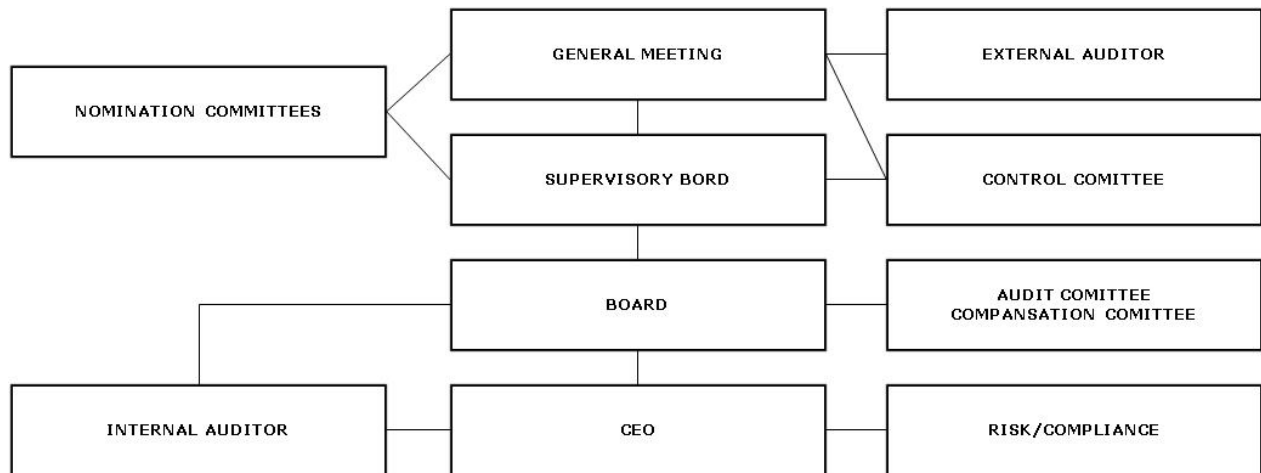


Figure 1.2.4: Overview of management and control bodies

General Meeting

Through the General Meeting, the shareholders exercise the highest level of authority at SpareBank 1 SR-Bank ASA. The Ordinary General Meeting elects the members of the Supervisory Board, the Control Committee and the Nomination Committee, as well as approving the annual financial statements, including the allocation of a surplus or coverage of a deficit for a year.

Supervisory Board

The Supervisory Board consists of 30 members and 15 deputy members. A total of 22 members and 11 deputy members are elected from among the shareholders and eight members and four deputy members are elected by and from among the employees.

The Supervisory Board conducts supervision of the administration by the Board of Directors and the CEO, elects the members and deputy members of the Board of Directors, elects the Nominating Committee, elects the auditor or auditing company, receives information on the operation and reviews extracts of SpareBank 1 SR-Bank's accounts and reports from the Control Committee, reviews the annual financial statements, annual report and auditor's report, and makes a statement to the General Meeting concerning the Board's proposal for the annual financial statements, and the Board's proposal for allocation of a surplus or coverage of a deficit as well as adopting decisions on remuneration for officers and auditors as well as compensation for the CEO.

Control Committee

The Control Committee consists of three members and one deputy member who are elected for terms of two years at a time.

The Control Committee must see to it that the activities of SpareBank 1 SR-Bank are conducted in an appropriate manner, including co-operation and having on-going contact with other possible control committees of group companies, and conducting supervision that the Board and CEO have adequate supervision and control of the subsidiaries.

Board of Directors

The Board of Directors consists of nine members and two deputy members, of which two members and one deputy member are elected by the employees.

The Board of Directors is responsible for the administration of the Bank's business. This includes making decisions on individual credit cases. The Board must ensure a satisfactory organisation of the Bank's operations, including ensuring that accounting and asset management are subjected to proper scrutiny.

Board committees

The Board of Directors has established a Compensation Committee and an Audit Committee. The committees shall assist the Board of Directors in preparing cases, but the decision shall be made jointly by the Board of Directors. Both committees, on their own initiative, are able to conduct meetings and processes cases without participation by the administration.

Instructions for the committees are established by the Board of Directors.

Organisation of SpareBank 1 SR-Bank ASA

The Bank's operational structure is illustrated in the figure below.

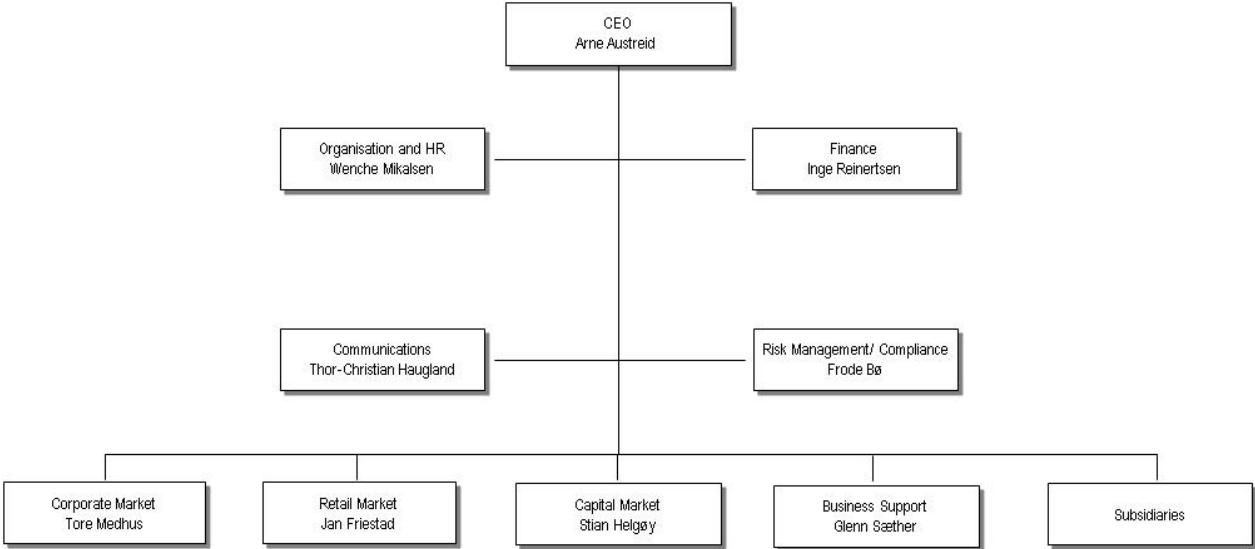


Figure 1.2.5: Organizational structure of SpareBank 1 SR-Bank

The SpareBank 1 Alliance

SpareBank 1 SR-Bank is one of the founding partners of the SpareBank 1 Gruppen ("the Alliance") in 1996. Through participation in the Alliance, SpareBank 1 SR-Bank is linked together in an alliance of independent and locally anchored banks. The purpose of the Alliance is for members to develop, procure and supply competitive financial services and products and to exploit economies of scale in the form of lower costs and higher quality, so that customers get the best advice and the best services on competitive terms. As shown in the figure below the Alliance has a wide distribution all over Norway.

The SpareBank 1 Alliance - 2nd largest mortgage lender in Norway

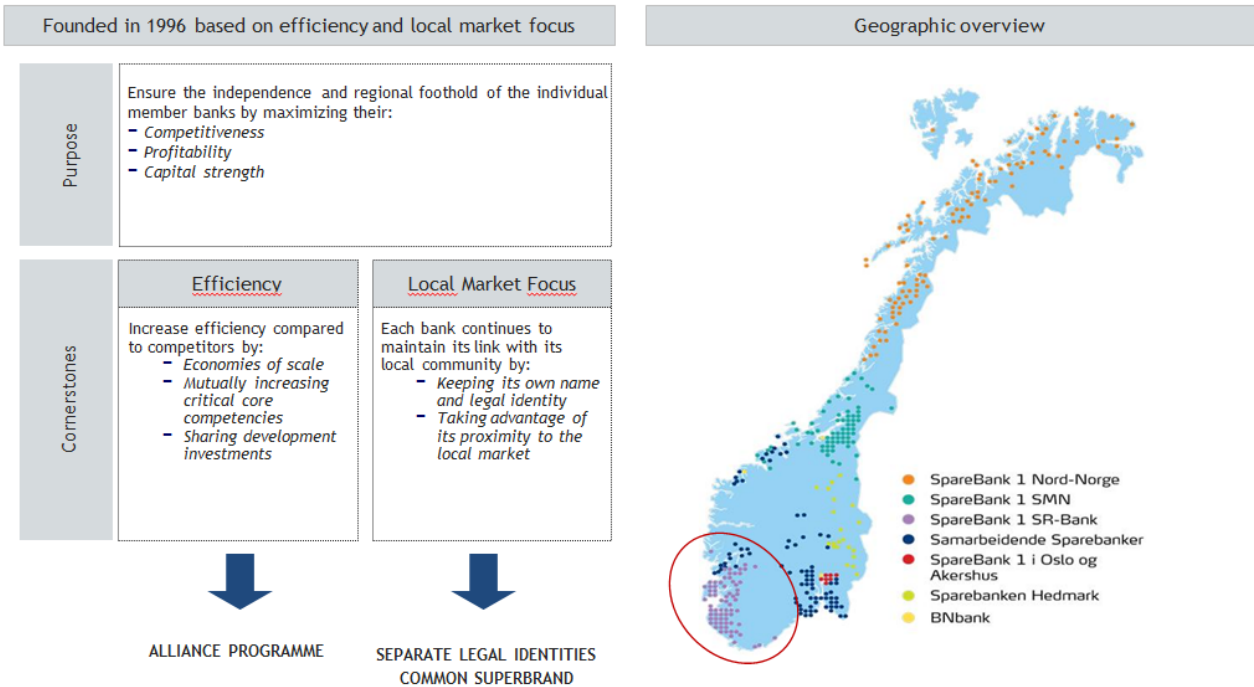


Figure 1.2.6: Geographic overview of the SpareBank 1 Alliance

The member banks in the Alliance work in part through common projects and in part through the jointly owned holding company; SpareBank 1 Gruppen AS. In addition to SpareBank 1 SR-Bank, SpareBank 1 Gruppen AS is owned by Sparebanken Nord-Norge, Sparebanken 1 SMN, Sparebanken Hedmark, Samarbeidende Sparebanker (14 local savings banks in southern Norway) and the Norwegian Confederation of Trade Unions (LO).

SpareBank 1 Gruppen AS owns all of the shares in SpareBank 1 Livsforsikring AS (life insurance), SpareBank 1 Skadeforsikring AS (non-life insurance), ODIN Forvaltning AS (asset management), SpareBank 1 Medlemskort (membership cards) and SpareBank 1 Gruppen Finans Holding AS (collection of bad debts).

The ownership structure of SpareBank 1 Markets was amended from the third quarter of 2013 through SpareBank 1 Gruppen's divestment of its shares in the company. SpareBank 1 Markets will thereby be directly owned by SpareBank 1 SMN (24 %), SpareBank 1 Nord-Norge (24 %), Samarbeidende Sparebanker (24 %), Sparebanken Hedmark (15 %), LO (12 %) and employees (2 %). SpareBank 1 SR-Bank has opted not to acquire an ownership stake in SpareBank 1 Markets.

The banks that are part of the Alliance also jointly own the two covered bond companies SpareBank 1 Boligkreditt AS and SpareBank 1 Næringskreditt AS, EiendomsMegler 1 (chain of real estate brokers), Alliansesamarbeidet SpareBank 1 Utvikling DA, and the two commercial banks; Bank 1 Oslo/Akershus AS and BN Bank ASA.

The SpareBank 1 Alliance structure is illustrated below in figure 1.2.7.

Owners of the alliance

- All credit decisions are made at the local banks
- Economies of scale related to expenses, IT solutions, marketing and branding

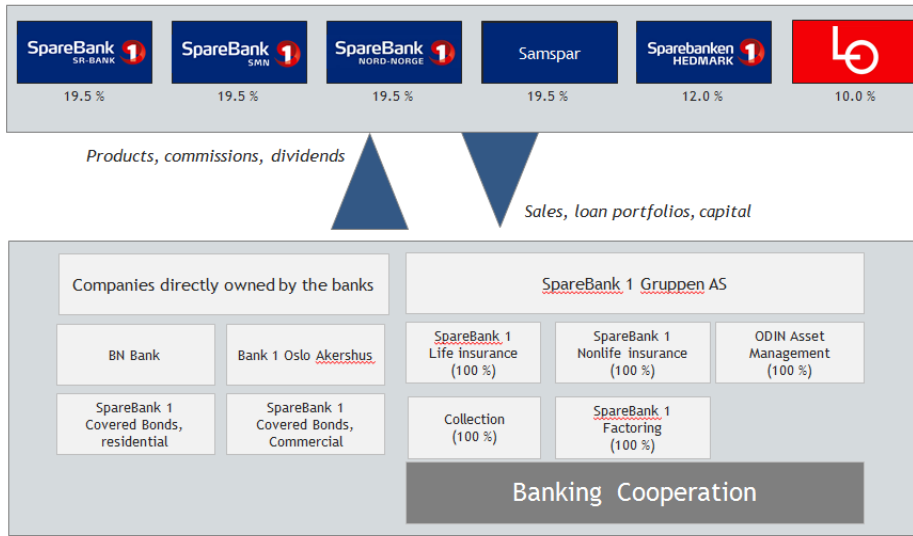


Figure 1.2.7: Structure of SpareBank 1 Alliance as per 31 March 2014

More information on the SpareBank 1 Alliance can be found on www.sparebank1.no.

1.3 Shareholder information - SRBANK

SpareBank 1 SR-Bank's former Equity Certificates (EC) was listed on the Oslo stock exchange from 1994 until end 2011 under the ticker of ROGG. From 1 January 2012 the EC's were converted to ordinary shares. The share capital in SpareBank 1 SR-Bank is NOK 6,393,777,050 divided between 255,751,082, each with a nominal value of NOK 25.

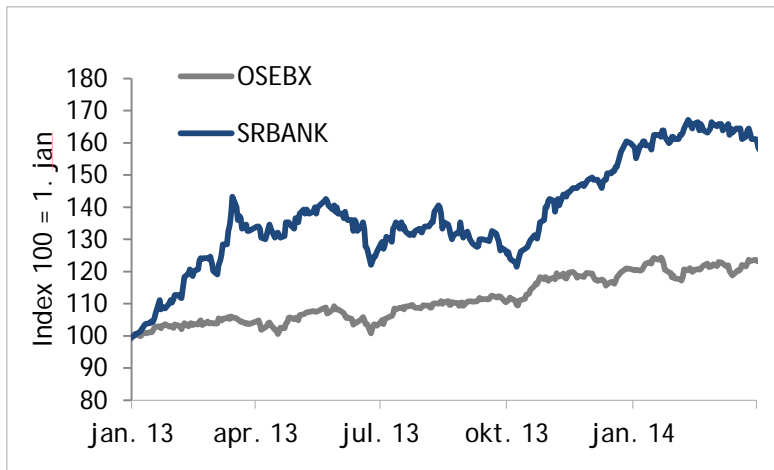


Figure 1.3.1: Relative performance; SRBANK vs OSEBX 1.1.2013 – 31.03.2014

The former ticker code ROGG was replaced by SRBANK and from 3 January 2012, SRBANK was included in the OSEAX All-Share index and sector index OSE40 Financials/OSE4010 Banks. Figure 1.3.1 shows the relative performance of SRBANK compared to OSEBX.

SpareBank 1 SR-Bank aims to ensure good liquidity in its shares and achieve a good diversity of shareholders who represent customers, regional interests, as well as Norwegian and international investors. Figure 1.3.2 shows how daily liquidity has developed in the period from 1 January 2010 to 31 March 2014. A general observation is that liquidity has increased after the conversion and issue of new shares.

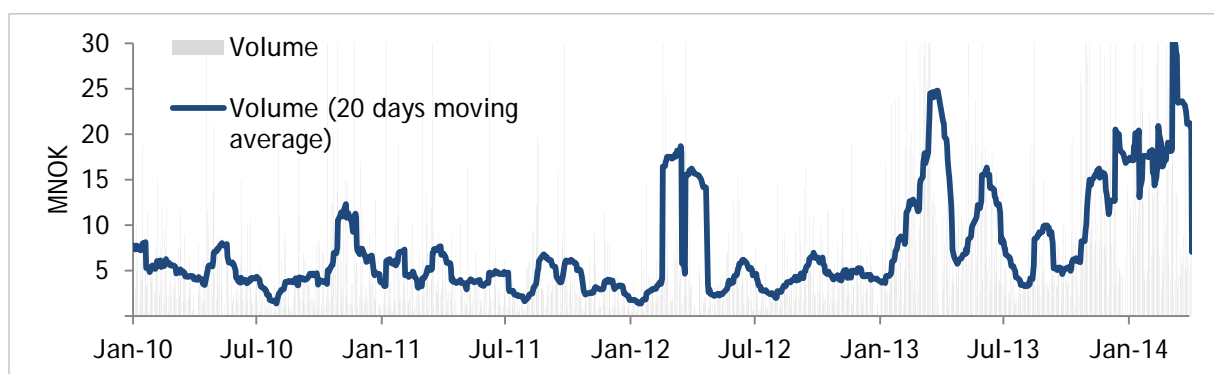


Figure 1.3.2 Development in liquidity; SRBANK 1.1.2010 – 31.03.2014

Figure 1.3.3 shows the share price movements and Price/Book development from 01.01.2013 to 31.03.2014.

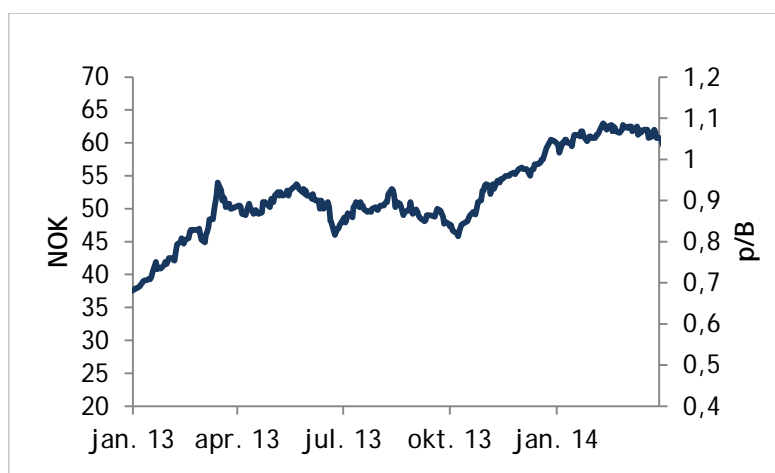


Figure 1.3.3: Share price and development in P/B; 1.1.2013 – 31.03.2014

Investor relations policy

It is crucial to SpareBank 1 SR-Bank that accurate, relevant and timely information about the group's development and result inspires confidence in the investor market. Information is conveyed to the market mainly through quarterly investor presentations, websites, press releases and accounting reports. Regular presentations are also held for international partners, lenders and investors, mainly in the domestic and European market.

It is in SpareBank 1 SR-Bank's own interest that financial analyses are published with the highest possible quality. All analysts, irrespective of their recommendations and viewpoints regarding the stock are treated equally. As of today the following financial analysts have official coverage of SRBANK:

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SpareBank 1 Markets, Nils Kristian Øyen: + 47 24 14 74 00 nils.oyen@sb1.markets.no
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Warren Securities, Mille Fjeldstad: +47 99 03 89 16, mille.fjeldstad@warren.no
Fondsfinans, Christian Berner: +47 23 11 30 11, cb@fondsfinans.no

Shareholder and dividend policy

Shareholder policy

SpareBank 1 SR-Bank's objective is to manage the bank's resources in such a manner that shareholders receive a yield in the form of dividends and a value increase which is competitive in relation to comparable investments.

Dividend policy

The financial objective of SpareBank 1 SR-Bank's operations is to achieve earnings that yield adequate, stable returns on the bank's equity, thereby creating value for owners through competitive returns in the form of dividends and share appreciation.

In determining the size of the annual dividend, considerations will be made toward the group's capital,

including capital adequacy requirements and the group's goals and strategic plans. Unless capital requirements otherwise dictate, the goal of the board is that approximately half of the annual profit after tax is distributed.

Ownership structure

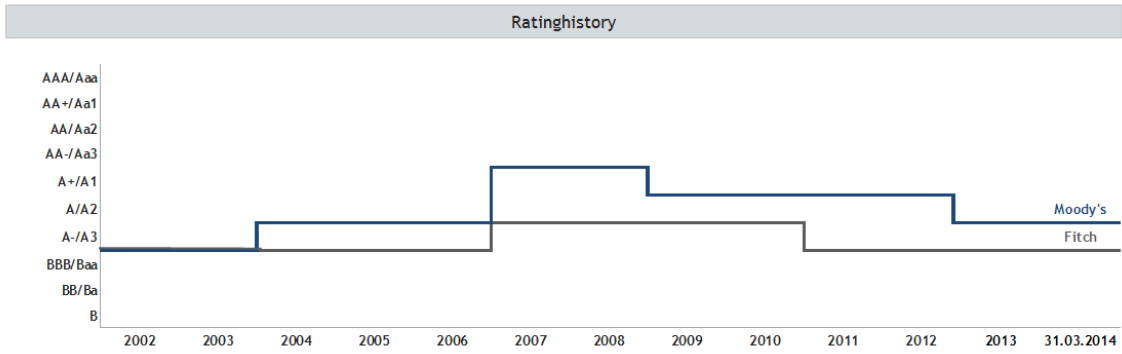
Investor	Number	Stake
Sparebankstiftelsen SR-Bank	72.419.305	28,3 %
Gjensidige Forsikring ASA	26.483.470	10,4 %
Morgan Stanley & Co, U.S.A.	10.743.895	4,2 %
Folketrygdfondet	9.848.137	3,9 %
SpareBank 1-stiftinga Kvinnherad	6.226.583	2,4 %
Odin Norge	5.896.605	2,3 %
State Street Bank and Trust, U.S.A.	5.414.792	2,1 %
Frank Mohn AS	4.320.710	1,7 %
Skagen Global	3.815.372	1,5 %
Odin Norden	3.587.680	1,4 %
J.P. Morgan Chase Bank, U.K.	2.690.935	1,1 %
State Street Bank and Trust, U.S.A.	2.680.658	1,0 %
Goldman Sachs & Co, U.S.A.	2.626.021	1,0 %
Clipper AS	2.178.837	0,9 %
J.P. Morgan Chase Bank, U.K.	2.083.137	0,8 %
J.P. Morgan Chase Bank, Sverige	2.014.054	0,8 %
Westco AS	1.321.817	0,5 %
Skagen Global II	1.253.174	0,5 %
The Bank of New York Mellon, U.S.A.	1.222.026	0,5 %
FLPS, U.S.A.	1.218.800	0,5 %
Top 5	125.721.390	49,2 %
Top 10	148.756.549	58,2 %
Top 20	168.046.008	65,7 %

Table 1.3.2: 20 largest shareholders as at 31. March 2014

1.4 Credit ratings

Current credit rating status as at 31 December 2013 was as follows:

Moody's		Fitch	
Long-term debt	A2	Long-term IDR	A-
Outlook	Stable	Outlook	Stable
Updated	30 August 2013	Updated	9 April 2014



2. Financial results and balance sheet

Income statement

<i>MNOK</i>	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Interest income	1.438	1.466	1.451	1.406	1.321	5.644	5.300
Interest expense	891	892	883	880	870	3.525	3.558
Net interest income	547	574	568	526	451	2.119	1.742
Commission income	398	392	386	349	325	1.452	1.105
Commission expenses	20	12	23	18	19	72	76
Other operating income	102	109	103	134	98	444	437
Net commission and other income	480	489	466	465	404	1.824	1.466
Dividend income	18	-2	3	32	0	33	25
Income from investment in associates	81	95	130	31	99	355	265
Net gains/losses on financial instruments	220	102	4	-1	62	167	288
Net return on investment securities	319	195	137	62	161	555	578
Total income	1.346	1.258	1.171	1.053	1.016	4.498	3.786
Personnel expenses	294	323	284	297	292	1.196	1.082
Administrative expenses	106	109	104	118	101	432	417
Other operating expenses	105	102	90	102	97	391	389
Total operating expenses	505	534	478	517	490	2.019	1.888
Operating profit before losses	841	724	693	536	526	2.479	1.898
Losses on loans and guarantees	54	50	32	25	25	132	137
Operating profit before tax	787	674	661	511	501	2.347	1.761
Tax expense	128	107	145	128	107	487	400
Profit after tax from continuing operations	659	567	516	383	394	1.860	1.361

Key figures

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Return on equity ¹⁾	18,4 %	16,2 %	15,6 %	11,8 %	12,3 %	14,0 %	12,4 %
Cost ratio ²⁾	37,5 %	42,4 %	40,8 %	49,1 %	48,2 %	44,9 %	49,9 %
Net interest margin	1,40 %	1,46 %	1,49 %	1,43 %	1,27 %	1,42 %	1,27 %
Gross loans to customers	121.723	120.273	116.720	115.214	112.314	120.273	109.513
Gross loans to customers incl. SpareBank 1 Boligkreditt and Næringskreditt	166.593	166.662	164.538	162.714	160.445	166.662	158.201
Deposits from customers	74.440	71.667	70.714	73.281	68.605	71.667	67.594
Deposit-to-loan ratio	61,2 %	59,6 %	60,6 %	63,6 %	61,1 %	59,6 %	61,7 %
Growth in loans	8,4 %	9,8 %	11,7 %	9,3 %	11,8 %	9,8 %	8,0 %
Growth in loans incl. SpareBank 1 Boligkreditt and Næringskreditt	3,8 %	5,3 %	5,5 %	6,1 %	7,4 %	5,3 %	7,8 %
Growth in deposits	8,5 %	6,0 %	2,2 %	2,8 %	2,2 %	6,0 %	5,5 %
Average total assets	158.867	155.489	151.683	147.331	144.265	149.554	137.212
Total assets	157.752	156.985	153.639	151.110	146.124	156.985	141.543
Impairment losses ratio ³⁾	0,18	0,17	0,11	0,09	0,09	0,11	0,13
Non-performing commitments as a percentage of gross loans	0,52	0,69	0,40	0,37	0,44	0,69	0,42
Other doubtful commitments as a percentage of gross loans	0,65	0,57	0,84	0,77	0,81	0,57	0,72
Capital ratio	14,5	14,1	13,1	12,9	12,9	14,1	13,1
Tier 1 capital ratio	13,0	12,8	12,2	12,0	12,2	12,8	12,1
Common Equity Tier 1 capital ratio	11,2	11,1	10,5	10,3	10,1	11,1	10,0
Tier 1 capital	14.691	14.511	13.974	13.691	13.673	14.511	13.507
Net primary capital	16.407	15.915	15.034	14.721	14.452	15.915	14.568
Minimum primary capital requirement	9.073	9.046	9.203	9.135	8.956	9.046	8.897
RWA	113.413	113.075	115.038	114.188	111.950	113.075	111.213
Number of branches	52	52	53	53	53	52	53
Man-years (permanent)	1.148	1.165	1.182	1.196	1.214	1.165	1.207
Share price	60,75	60,25	47,70	47,50	50,00	60,25	37,20
Market capitalisation	15.537	15.409	12.199	12.148	12.788	15.409	9.514
Book equity per share (including dividends) (group)	57,45	55,00	52,89	50,89	50,92	55,00	49,48
Earnings per share (group) ⁴⁾	2,58	2,22	2,02	1,50	1,54	7,27	5,32
Dividends per share	n.a.	n.a.	n.a.	n.a.	n.a.	1,60	1,50
Price / Earnings per share	5,89	6,78	5,90	7,92	8,12	8,28	6,99
Price / Book equity (group)	1,06	1,10	0,90	0,93	0,98	1,10	0,75

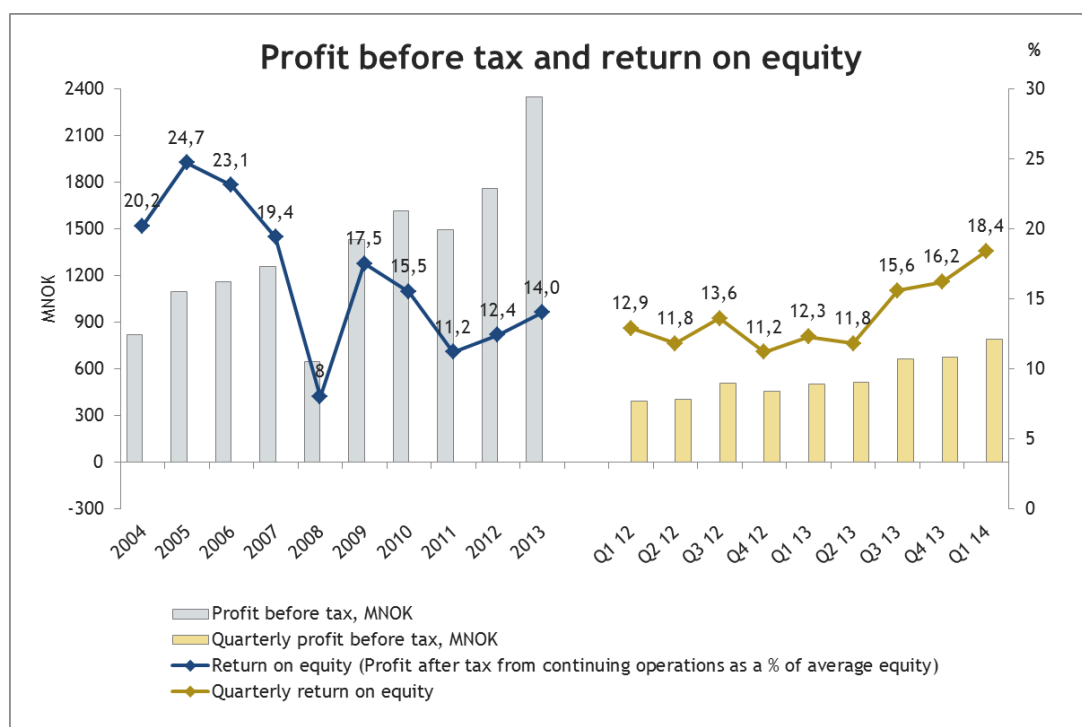
¹⁾ Net profit as a percentage of average equity.

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 as from 2nd quarter 2012 are calculated based on the new number of shares.

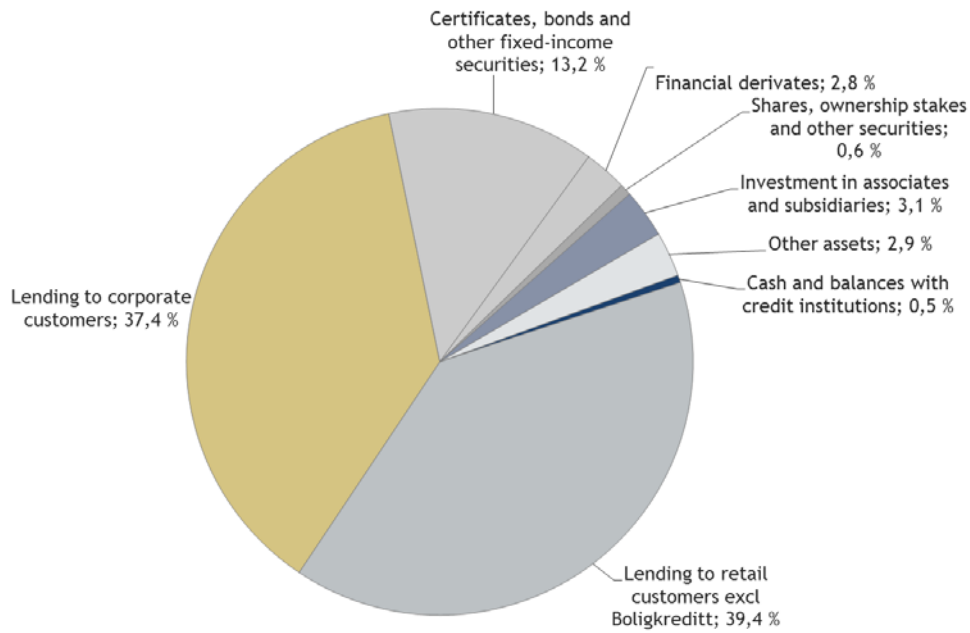
SpareBank 1 SR-Bank does not have any forward cover contracts or other circumstances that can dilute earning per share.



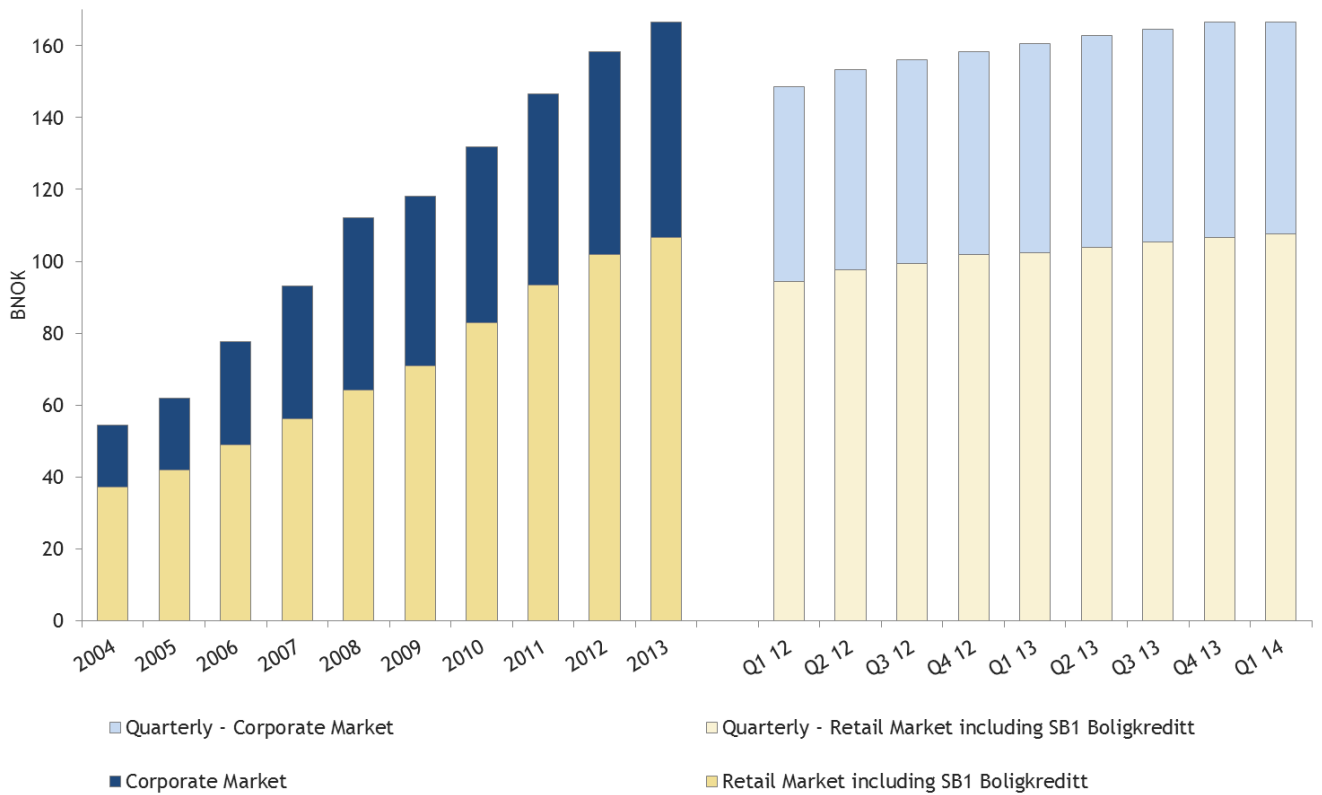
Balance sheet

	31.03 2014	31.12 2013	30.09 2013	30.06 2013	31.03 2013
MNOK					
Cash and balances with central banks	770	1.265	588	1.762	802
Balances with credit institutions	1.092	1.253	1.732	2.612	1.055
Net loans to customers	121.037	119.525	115.992	114.493	111.551
Certificates, bonds and other fixed-income sec.	20.868	21.065	22.408	19.852	20.286
Financial derivatives	4.339	4.923	4.887	4.936	4.536
Shares, ownership stakes and other securities	1.154	938	880	879	676
Business available for sale	84	85	85	85	428
Investment in associates	4.910	4.710	4.804	4.682	4.708
Other assets	3.498	3.221	2.263	1.809	2.082
Total assets	157.752	156.985	153.639	151.110	146.124
Balances with credit institutions	4.801	3.742	4.719	4.681	5.959
Public deposits related to covered bond swap scheme	2.431	6.429	6.429	6.429	6.429
Deposits from customers	74.440	71.667	70.714	73.281	68.605
Listed debt securities	52.508	52.328	50.124	45.006	42.972
Financial derivatives	2.179	2.013	2.235	2.486	2.481
Other liabilities	2.659	2.746	2.310	2.264	2.659
Additional Tier 1 and Tier 2 capital instruments	4.065	4.004	3.597	3.958	4.027
Total liabilities	143.083	142.929	140.128	138.105	133.132
Share capital	6.394	6.394	6.394	6.394	6.394
Premium reserve	1.587	1.587	1.587	1.587	1.587
Proposed dividend	409	409	0	0	384
Fund for unrealised gains	162	162	72	72	72
Other equity	5.458	5.504	4.165	4.175	4.161
Profit/loss at period end	659	0	1.293	777	394
Total equity	14.669	14.056	13.511	13.005	12.992
Total liabilities and equity	157.752	156.985	153.639	151.110	146.124

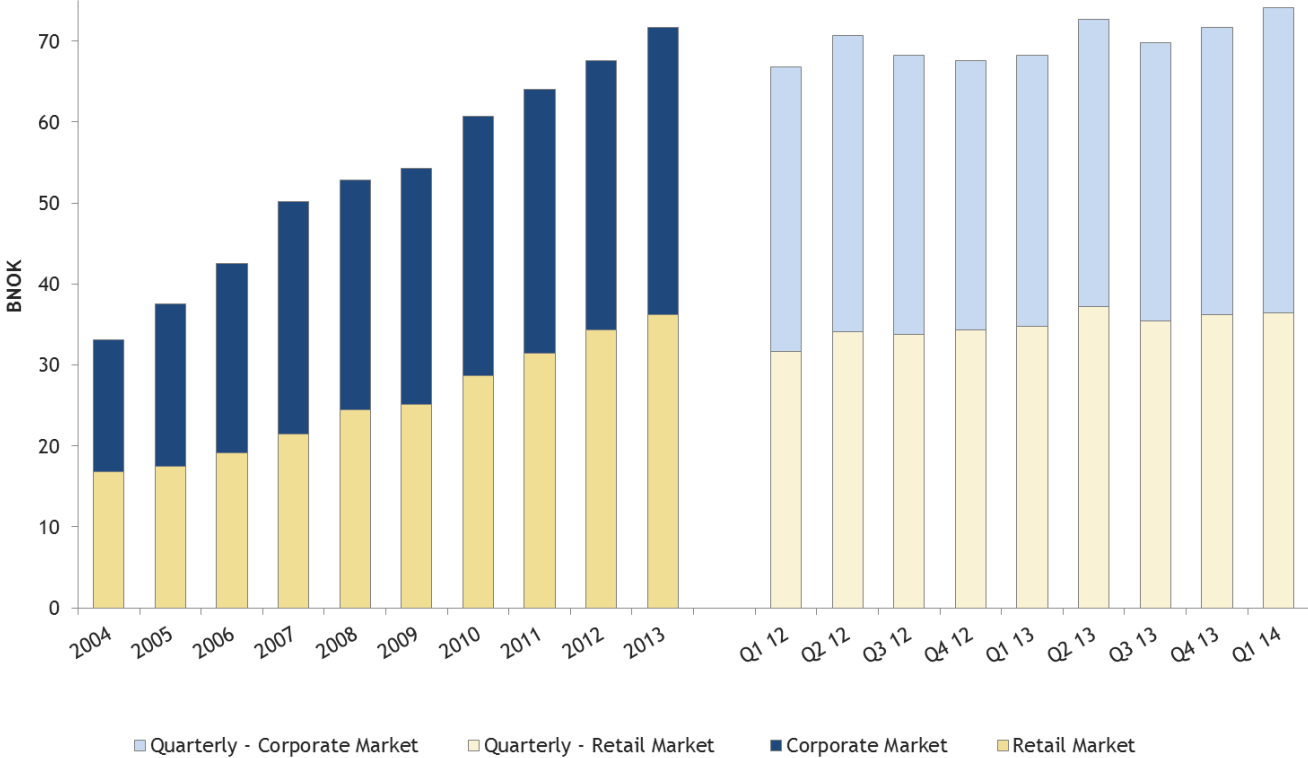
Total assets as at 31 March 2014:



Development in lending volume

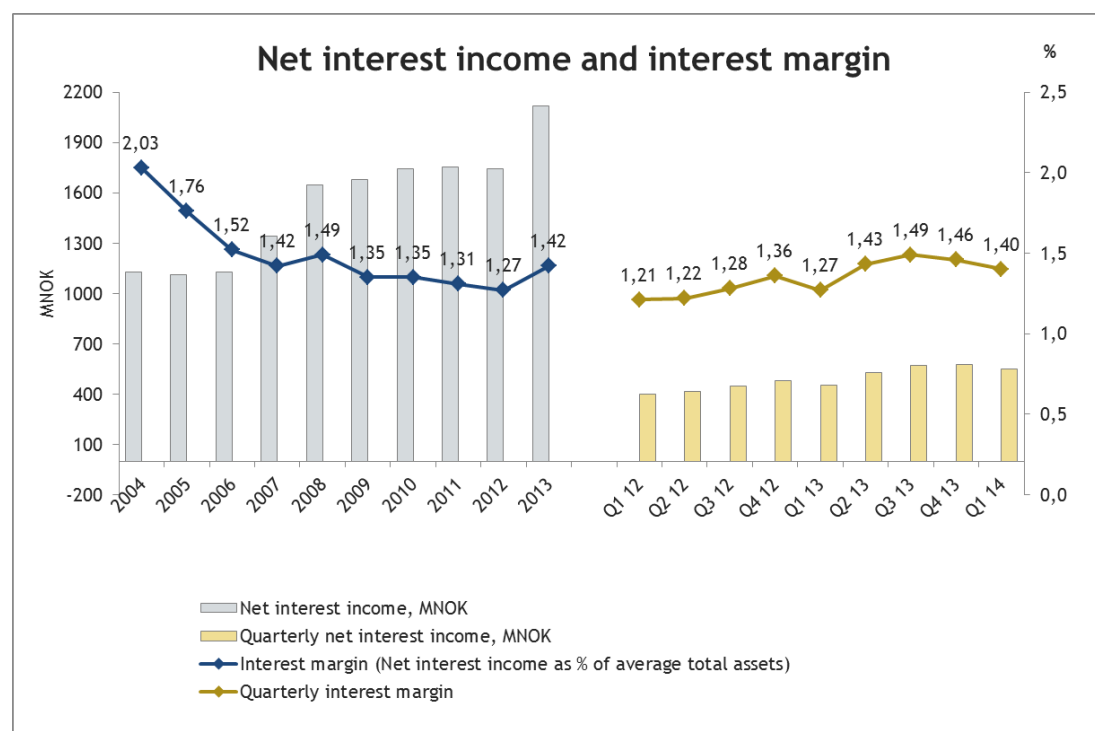


Development in deposit volume

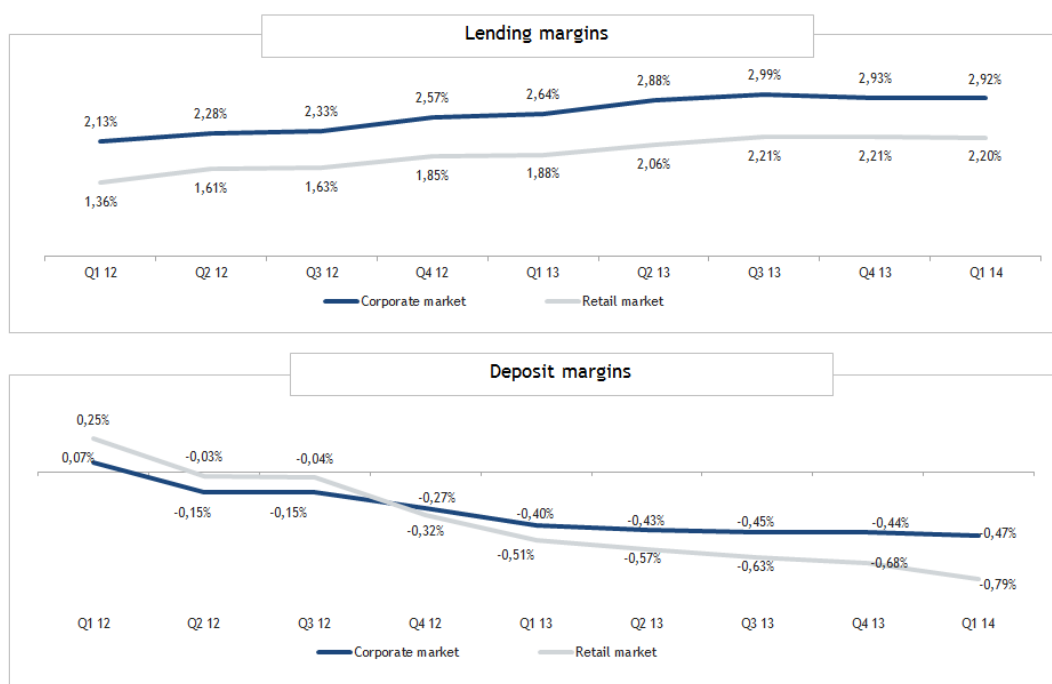


2.1 Net interest income

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
<i>MNOK</i>							
Interest income	1.438	1.466	1.451	1.406	1.321	5.644	5.300
Interest expense	891	892	883	880	870	3.525	3.558
Net interest income	547	574	568	526	451	2.119	1.742
As % of average total assets	1,40 %	1,46 %	1,49 %	1,43 %	1,27 %	1,42 %	1,27 %



Lending and deposit margins¹



¹ Definition margin: Average customer interest rate measured against 3-month moving average for 3-month NIBOR. Lending margins include loan portfolio in SB1 Boligkreditt and SB1 Næringskreditt

2.2 Net other operating income

	Q1	Q4	Q3	Q2	Q1	31.12	31.12
<i>MNOK</i>	2014	2013	2013	2013	2013	2013	2012
Net commission and other income	480	489	466	465	404	1824	1.466
Net return on investment securities	319	195	137	62	161	555	578
Net other operating income	799	684	603	527	565	2379	2.044
As % of total income	59 %	54 %	51 %	50 %	56 %	53 %	54 %

Net commission and other income

	Q1	Q4	Q3	Q2	Q1	31.12	31.12
<i>MNOK</i>	2014	2013	2013	2013	2013	2013	2012
Payment facilities	57	59	66	56	52	233	205
Savings/placements	45	39	40	37	35	151	140
Insurance products	42	41	41	42	40	164	156
Commission income real estate (EM1)	100	108	101	127	96	433	427
Guarantee commission	27	23	29	26	27	104	89
Arrangement fees	31	45	15	14	17	91	75
Other	13	7	7	12	11	37	35
Net commission and other income excl. SB1 Boligkreditt og SB1 Næringskreditt	315	322	299	314	278	1213	1.127
Commission income SB1 Boligkreditt and SB1 Næringskreditt	165	167	167	151	126	611	339
Net commission and other income incl. SB1 Boligkreditt og SB1 Næringskreditt	480	489	466	465	404	1824	1.466
As % of total income	36 %	39 %	40 %	44 %	40 %	41 %	39 %

Change in net commission and other income

	Q1		Q1
<i>MNOK</i>	2014	Change	2013
Net commission and other income	480	76	404
Payment facilities		5	
Savings/placements		10	
Insurance products		2	
Commission income real estate (EiendomsMegler 1 SR-Eiendom)		2	
Guarantee commission		4	
Arrangement fees		0	
Other		14	
Commission income SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt		39	

Net return on investment securities

<i>MNOK</i>	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Dividend	18	-2	3	32	0	33	25
Investment income, associates	81	95	130	31	99	355	265
Securities gains/losses	205	13	-38	-55	-1	-81	130
- of which capital change in shares and certificates*	220	42	11	-28	21	46	61
- of which capital change in certificates and bonds	-15	-29	-49	-27	-22	-127	69
Currency/interest gains/losses	15	89	42	54	63	248	158
- of which currency customer- and own-account trading	24	46	24	35	30	135	136
- of which IFRS-effects	-9	43	18	19	33	113	22
Net return on investment securities	319	195	137	62	161	555	578
As % of total income	24 %	16 %	12 %	6 %	16 %	12 %	15 %

* Includes income of NOK 202 million in the first quarter of 2014 due to capital gain on the bank's stake in Nets Holding AS.

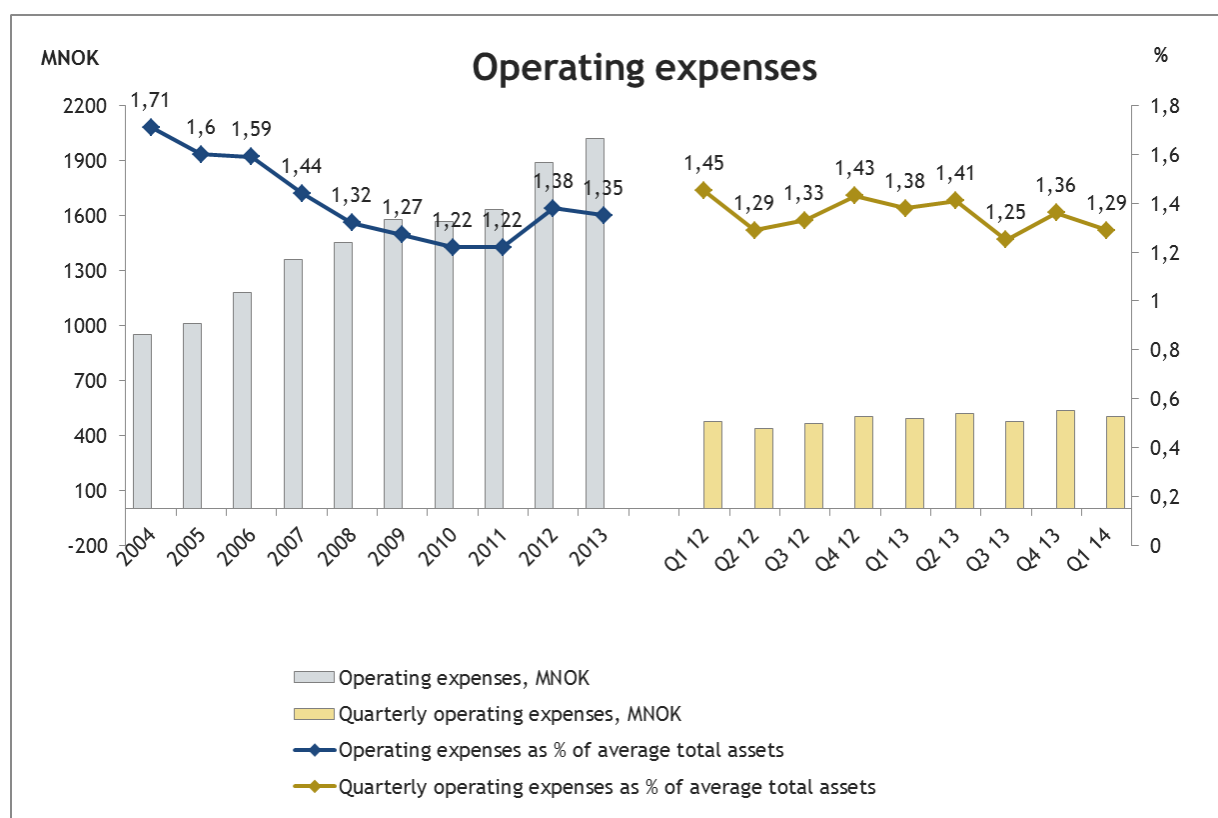
The sale is expected to be completed in the second quarter of 2014.□

Change in net return on investment securities

<i>MNOK</i>	Q1 2014	Change	Q1 2013
Net return on investment securities	319	158	161
Dividend		18	
Investment income, associates		-18	
Securities gains/losses		206	
- of which capital change in shares and certificates		199	
- of which capital change in certificates and bonds		7	
Currency/interest gains/losses		-48	
- of which currency customer- and own-account trading		-6	
- of which IFRS-effects		-42	

2.3 Operating expenses

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
<i>MNOK</i>							
Wages	213	253	212	222	212	899	848
Of which restructuring costs	0	26	1	3	7	37	2
Pension expenses	36	20	28	27	26	101	46
Other personnel expenses	45	50	44	45	47	186	188
Total personnel expenses	294	323	284	297	292	1.196	1.082
IT expenses	66	65	63	63	59	250	227
Marketing expenses	17	21	17	29	19	86	81
Other administrative expenses	23	23	24	26	23	96	109
Write-offs	17	21	17	18	18	74	87
Expenses real property	13	5	10	13	12	40	44
Other operating expenses	75	76	63	71	67	277	258
Other expenses	211	211	194	220	198	823	806
Total operating expenses	505	534	478	517	490	2.019	1.888



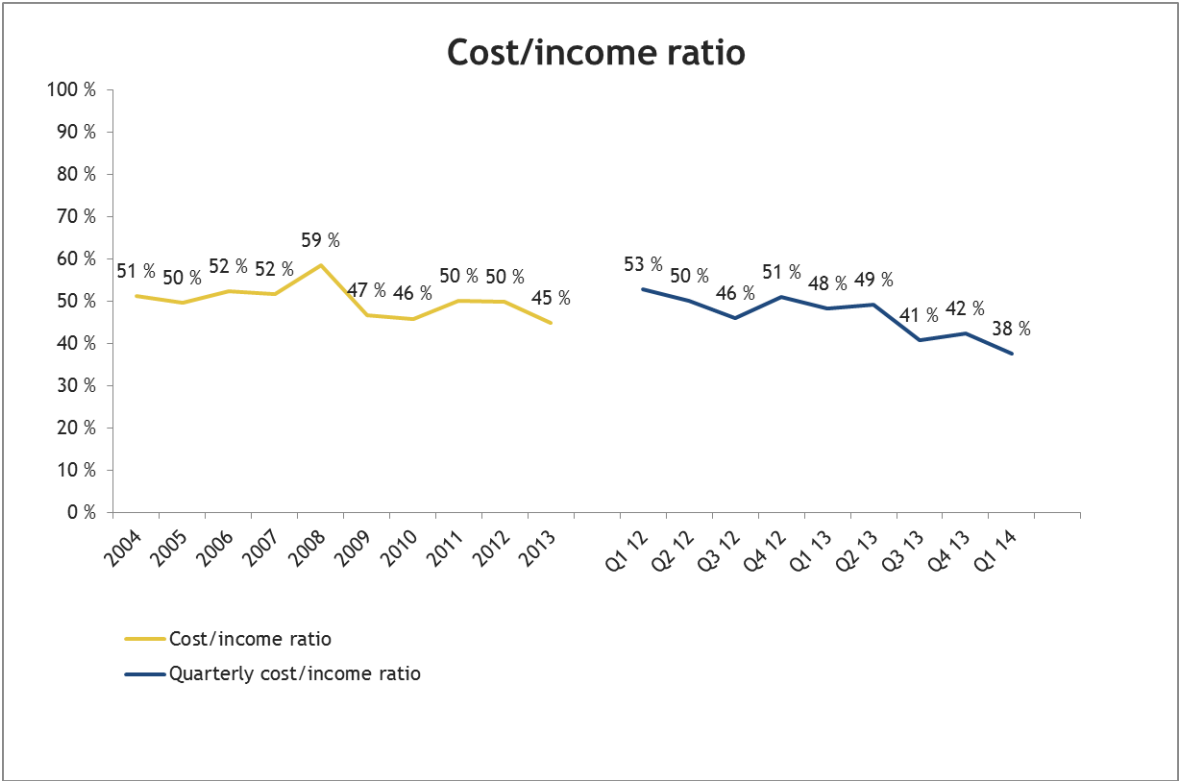
Change in operating expenses

<i>MNOK</i>	Q1 2014	Change	Q1 2013
Total	505	15	490
Personnel expenses		2	
IT expenses		7	
Marketing expenses		-2	
Other administrative expenses		0	
Write-offs		-1	
Expenses real property		1	
Other operating expenses		8	

Cost/income ratio

<i>MNOK</i>	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Operating expenses	505	534	478	517	490	2.019	1.888
Cost/income ratio	37,5 %	42,4 %	40,8 %	49,1 %	48,2 %	44,9 %	49,9 %
Growth in expenses last 12 months	3,1 %	6,0 %	2,6 %	17,5 %	2,5 %	6,9 %	15,6 %

Development in cost/income ratio

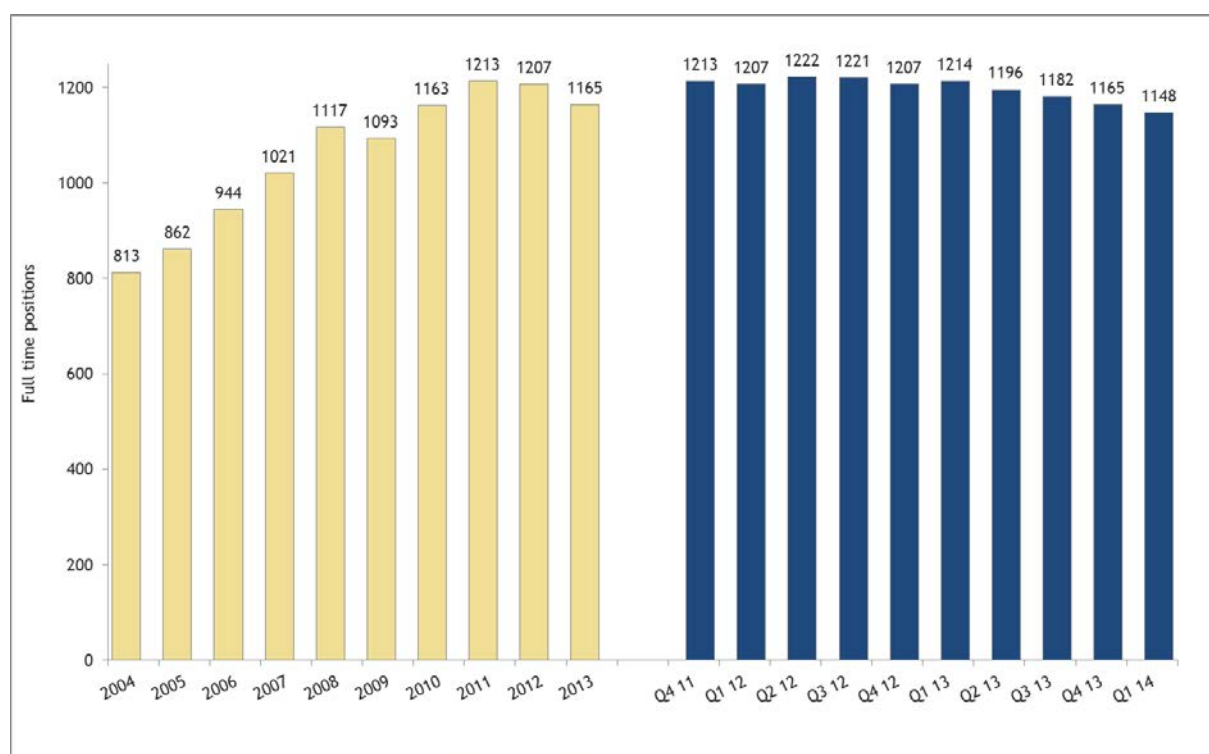


* In accordance with the Generally Accepted Accounting Principles in Norway – IFRS from 2004

Number of full time positions (permanent employees, contracted staff not included)

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
<i>Full time positions</i>					
SpareBank 1 SR-Bank	883	906	917	933	947
EiendomsMegler 1 SR-Eiendom AS	221	219	224	221	224
SR-Forvaltning AS	13	11	12	12	12
SR-Finans AS	31	29	29	30	31
Total	1.148	1.165	1.182	1.196	1.214

Full time positions 2004 – Q1 2014 (*permanent employees, contracted staff not included*)



2.4 Losses on loans and loss provisions

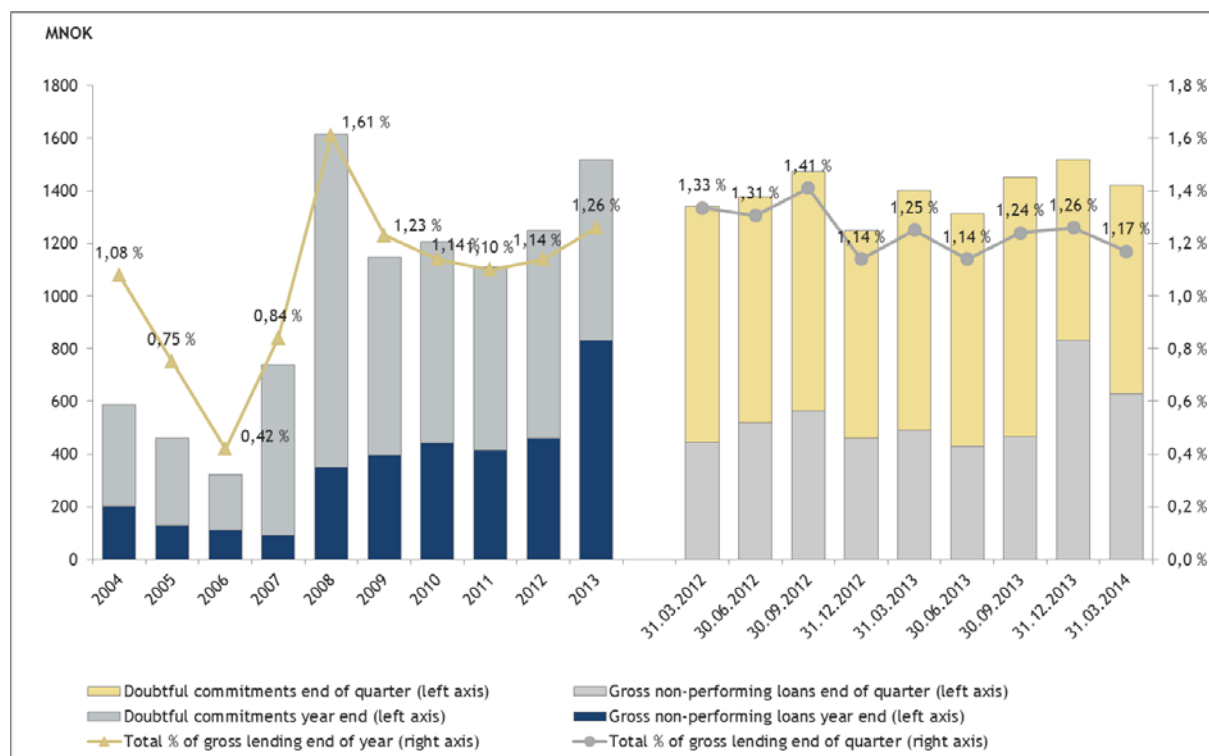
Losses on loans and guarantees

MNOK	31 March 2014	31 Dec. 2013	30 Sept. 2013	30 June 2013	31 March 2013
Change in individual impairment losses provisions for the period	-64	23	-27	-31	8
Change in collective impairment loss provisions for the period	2	-30	0	0	-
Amortised cost	1	11	3	3	1
Actual loan losses on commitments for which provisions have been made	108	111	84	53	14
Actual loan losses on commitments for which no provision has been made	9	108	38	30	4
Change in assets take-over for the period	0	-30	16	13	1
Recoveries on commitments previously written-off	-2	-61	-32	-18	-4
The period's net losses/(reversals) on loans and advances	54	132	82	50	25

Provisions for impairment losses on loans and guarantees

MNOK	31 March 2014	31 Dec. 2013	30 Sept. 2013	30 June 2013	31 March 2013
Provisions for individual impairment losses at start of period	446	423	423	423	423
Increases in previous provisions for individual impairment losses	27	131	77	82	12
Reversal of provisions from previous periods	-32	-183	-132	-103	-23
New provisions for individual impairment losses	50	186	115	45	33
Amortised cost	-2	0	-2	-1	0
Actual loan losses during the period for which provisions for individual impairment losses have been made previously	-107	-111	-84	-54	-14
Provisions for individual impairment losses at the end of period	382	446	397	392	431
Net losses	117	219	122	83	18

Non-performing loans and doubtful commitments

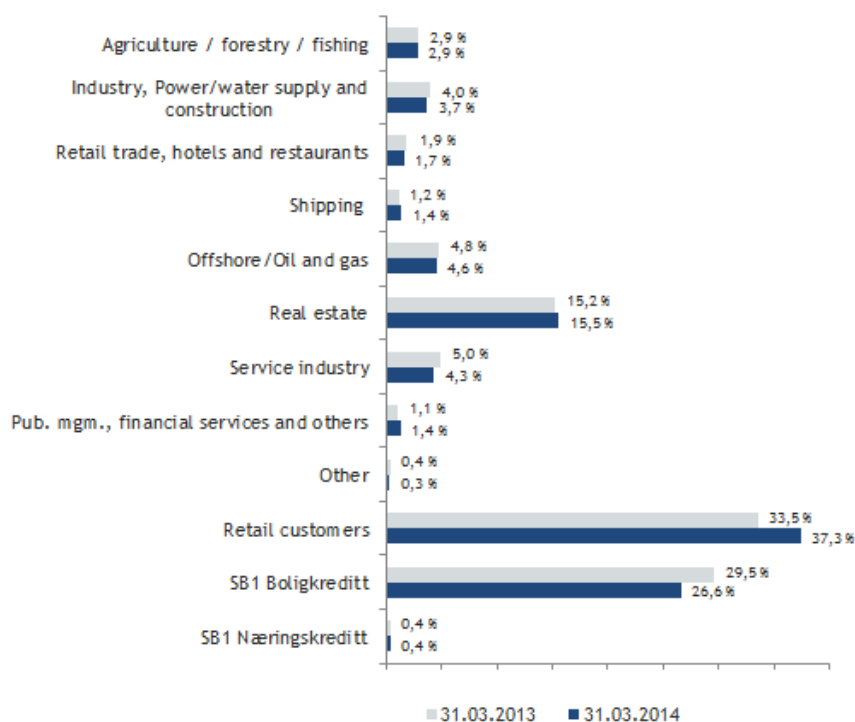


* In accordance with the Generally Accepted Accounting Principles in Norway – IFRS from 2004

2.5 Loans

MNOK	31 March 2014	31 Dec. 2013	30 Sept. 2013	30 June 2013	31 March 2013
Agriculture/forestry	4.288	4.326	4.290	4.265	4.104
Fishing/Fish farming	510	541	518	569	589
Mining/extraction	3.072	2.829	2.571	2.625	2.572
Industry	3.000	3.403	2.869	2.930	2.820
Power and water supply/building and construction	3.151	3.100	3.389	3.335	3.662
Retail trade, hotel and restaurant business	2.777	2.877	3.022	3.104	3.049
Foreign trade shipping, pipeline transport and other transport activities	6.917	7.297	7.232	7.135	6.995
Real estate business	25.808	25.740	25.450	25.424	24.442
Service industry	7.174	7.545	7.626	7.479	7.948
Public sector and financial services	2.295	2.277	2.155	1.970	1.767
Retail customers	62.217	59.848	57.128	55.790	53.715
Unallocated (excess value fixed interest loans and amort. lending fees)	212	209	158	203	280
Accrued interests corporate sector and retail customers	302	281	312	385	371
Gross loans	121.723	120.273	116.720	115.214	112.314
SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt	44.870	46.389	47.808	47.500	48.131
Gross loans incl SpareBank 1 Boligkreditt and Næringskreditt	166.593	166.662	164.528	162.714	160.445

Loan portfolio as at 31.03.2014



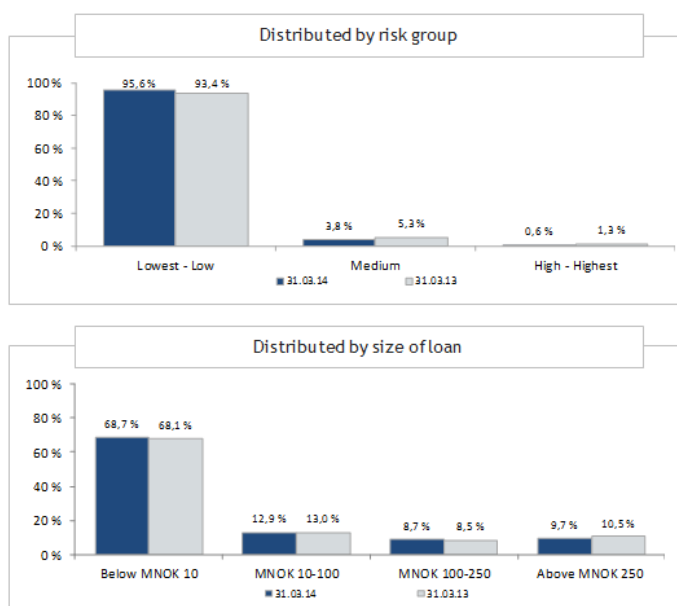
Lending before individual write-downs, nominal amounts.

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

2.6 Risk profile

- 95.6 % of the loan portfolio satisfies the criteria for low and the lowest risk. Expected losses in this portion of the portfolio are very limited at 0.04 %.
- Exposure to high or the highest risk accounts for 0.6 %. Expected losses in this portion of the portfolio are 4.19 %.
- 68.7 % is to loans constituting exposures less than NOK 10 million.
- 18.4 % is to customers who have an exposure in excess of NOK 100 million. The credit quality in this portion of the portfolio is better than in the rest of the corporate market portfolio.

* Expected loss through a business cycle

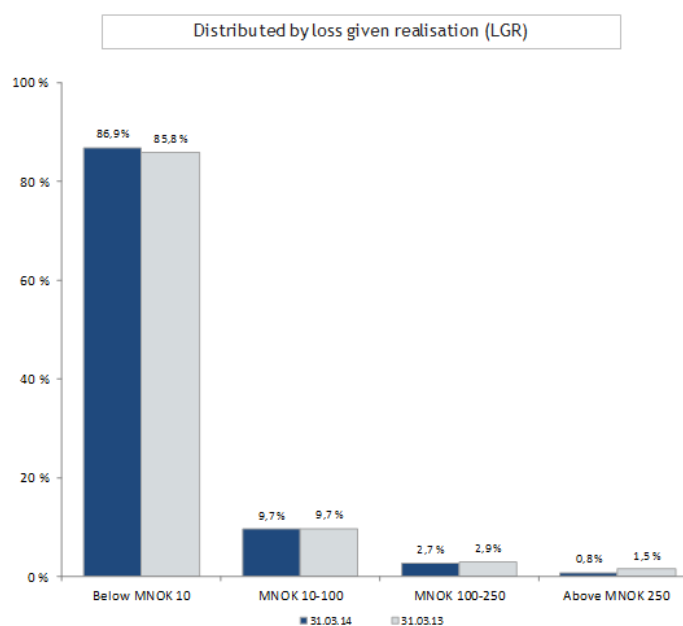


Low concentration of individual LGRs in the lending portfolio

- At the end of Q1, SpareBank 1 SR-Bank had a total of 19 commitments with estimated loss potential exceeding NOK 100 million.
- These commitments represent approximately 3.5 % of the total portfolio.
- This is a reduction from Q1 2013 when 24 such commitments made up 4.4 % of the portfolio.
- There is a clearly defined strategy behind this composition. The growth and risk profile are managed, for example, through special credit strategy limits for concentration risk.

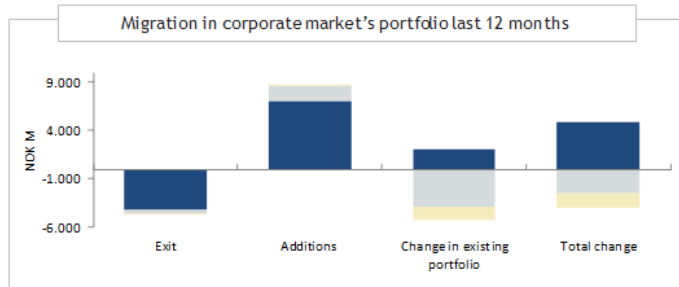
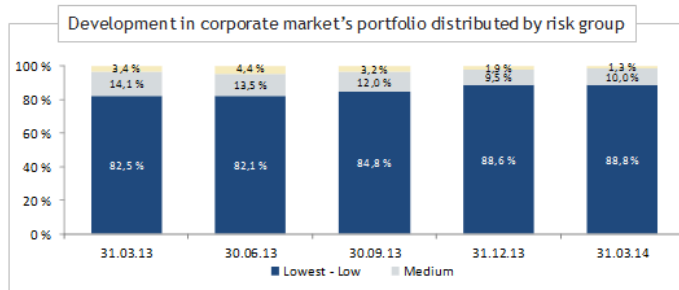
LGR (Loss given realisation). Estimated loss on realising a single loan. Corresponds to LGD without statistical correction for certain nonperforming loans being reclassified as recoverable prior to collection. The calculation is based on the realisation value of assets pledged as security in an economic downturn.

The figures include lending portfolios in SB1 Boligkreditt and SB1 Næringskreditt.



Lending to the corporate market - risk profile

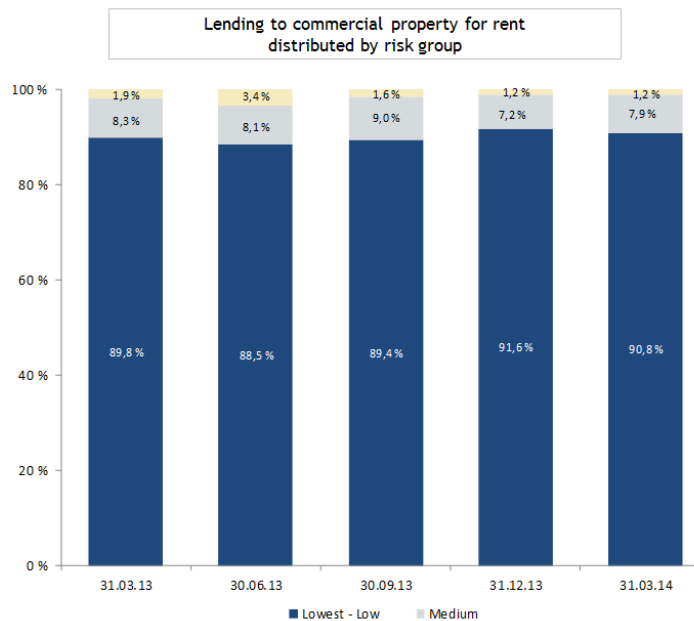
- The quality of the corporate market portfolio is considered to be good.
- The risk profile has improved. This trend is particularly driven by an strengthened risk profile of existing customers.
- The proportion of loans with expected losses of less than 0.5% at the end of the quarter represent 88.8%.
- The proportion of loans with expected losses in excess of 2% has been reduced by more than 50% over the last 12 months and represented 1.3% at the end of the quarter.



- Lowest - Low risk, expected losses 0% - 0.50%
- Medium risk, expected losses 0.50% - 2.00%
- High - Highest risk, expected losses over 2.00%

Risk profile - Lending in the corporate market

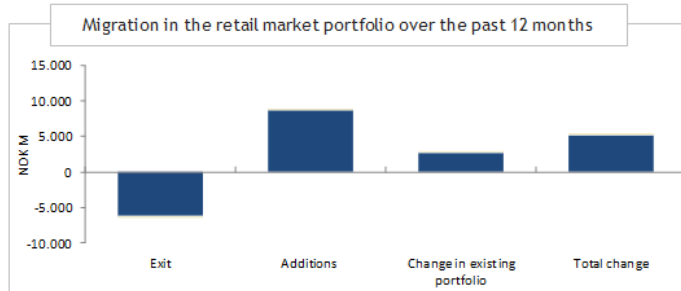
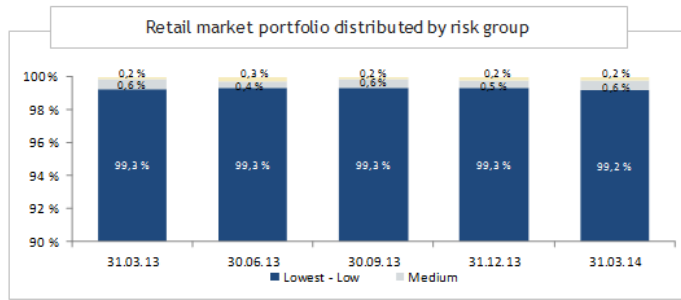
- The portfolio of commercial property for rent represents the Group's largest concentration in a single sector and accounts for 9.3% of the total exposure (EAD) including retail market customers.
- The portfolio is dominated by low risk commitments. 90.8% of the exposure is classified as low risk, while 1.2% is classified as high risk.
- The portfolio is characterised by commercial properties with long-term lease contracts and financially solid tenants. The vacancy rate is limited. Interest rates for a significant portion of the portfolio have been hedged.



- Lowest - Low risk, expected losses 0% - 0.50%
- Medium risk, expected losses 0.50% - 2.00%
- High - Highest risk, expected losses over 2.00%

Lending to the retail market - risk profile

- The quality of the retail market portfolio is considered very good and with low potential losses.
- The development is characterised by stability, and 99.2 % are assessed to represent a low or the lowest risk.
- Most of the portfolio is secured against a mortgage on real estate, and lending is overall moderate compared to asset value.

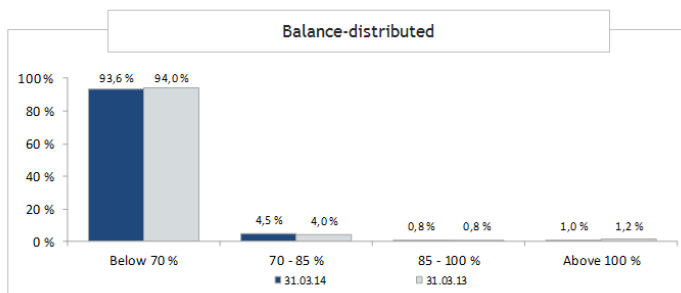
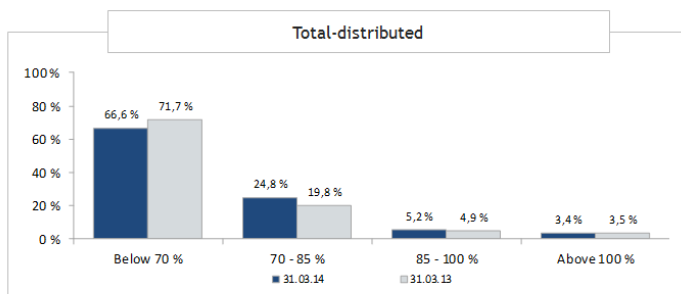


- Lowest - Low risk, expected losses 0 % - 0.50 %
- Medium risk, expected losses 0.50 % - 2.00 %
- High - Highest risk, expected losses over 2.00 %

Figures include the portfolio transferred to SpareBank 1 Boligkreditt AS.

Loan to value ratio on home mortgage loans

- The proportion of loans with a loan-to-value ratio of less than 85 % is very high and it currently stands at 91.4 %.
- 98.2 % of gross exposure is within 85 % of the assessed value of collateral. This means that only 1.8 % of gross exposure exceeds 85 % of the assessed value of collateral.



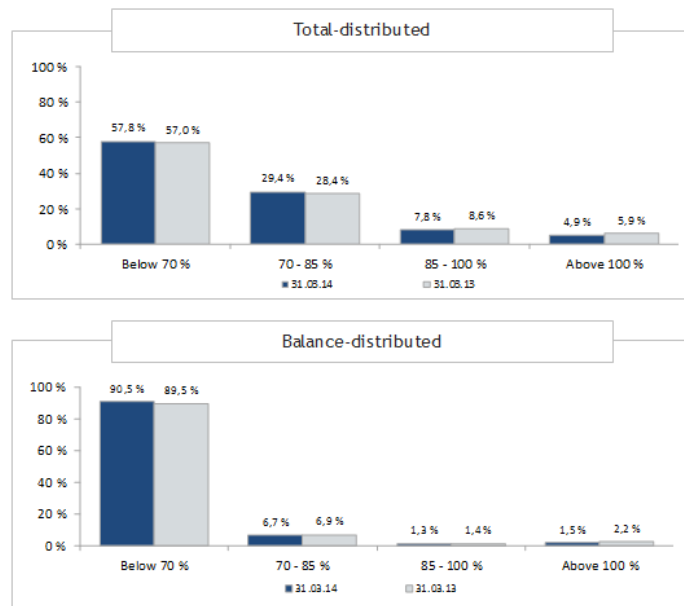
The calculation of the LTV is based on the collateral's market value. In a balance-distributed loan to value ratio, for loans that exceed 70 % of the collateral's market value, the excess amount is distributed among the other intervals. In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.

The figures include the loan portfolio in SBI Boligkreditt.

Loan to value ratio on home mortgage loans (excl Boligkreditt)

- SpareBank 1 SR-Bank has in the last year introduced restrictions to reduce the risk associated with new mortgages. These include stricter equity requirements and liquidity assessments when buying property, as well as more thorough risk assessments.
- There is an increasing proportion of loans within 70 % LTV as well within 85 % LTV.
- 97.2 % of the exposure is within 85 % of the collateral value, and 2.8 % of the exposure exceeds 85 % of the collateral's value.

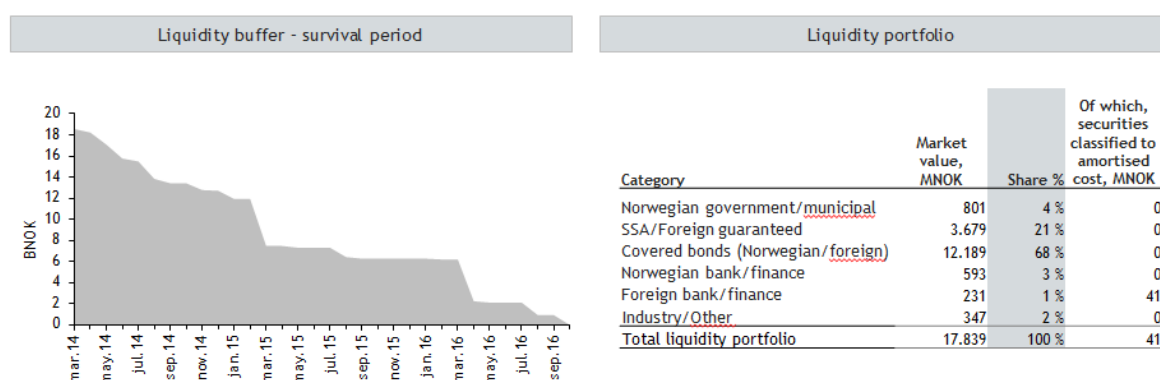
In a balance-distributed loan to value ratio, for loans that exceed 70 % of the collateral's estimated market value, the excess amount is distributed among the other intervals. In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.



Further information regarding risk capital management can be found in Pilar III reports, see www.sr-bank.no under "Investor Relations".

2.7 Risk profile in bond and equity portfolios

Liquidity portfolio



- Liquidity buffer at the end of the quarter: NOK 18.6 billion
- Other liquid assets:
 - Home mortgages prepared for transfer to mortgage company: NOK 17.7 billion
 - Commercial paper and bonds in the trading portfolio: NOK 0.3 billion

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

Investments in bonds and certificates

- Most of the bond portfolio is managed as part of the liquidity management activities. Bonds held for liquidity purposes are generally very low risk.
- No direct exposure to debt in EU peripheral countries.

Risk category	Rating	Market value	Share
Very low risk	AAA, AA+, AA og AA-	16.966	81,8 %
Low risk	A+, A og A-	294	1,4 %
Moderat risk	BBB+, BBB og BBB-	631	3,0 %
High risk	BB+, BB og BB-	96	0,5 %
Very high risk	B+ og lavere	169	0,8 %
Total excl. Government swap scheme		18.156	87,6 %
Government swap scheme	AAA	2.579	12,4 %
Total portfolio		20.736	100,0 %
<i>Of which liquidity purposes:</i>			
Very low risk	AAA, AA+, AA og AA-	16.966	83,1 %
Low risk	A+, A og A-	292	1,4 %
Moderat risk	BBB+, BBB og BBB-	581	2,8 %
High risk	BB+, BB og BB-	0	0,0 %
Very high risk	B+ og lavere	0	0,0 %
Total liquidity portfolio		17.839	87,4 %
Government swap scheme	AAA	2.579	12,6 %
Total liquidity purposes		20.419	100,0 %
<i>Of which trading purposes:</i>			
Very low risk	AAA, AA+, AA og AA-	0	0,0 %
Low risk	A+, A og A-	2	0,6 %
Moderat risk	BBB+, BBB og BBB-	50	15,7 %
High risk	BB+, BB og BB-	96	30,2 %
Very high risk	B+ og lavere	169	53,1 %
Total trading portfolio		318	100,0 %

All amounts in MNOK.

2.8 Funding

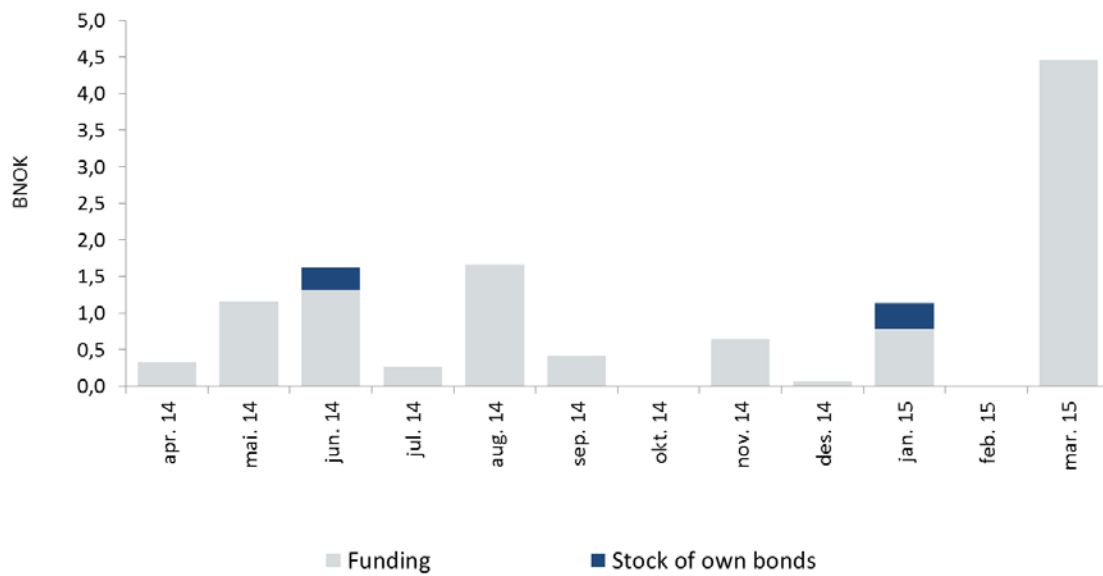


Figure 2.8.1: *Funding - quarterly*

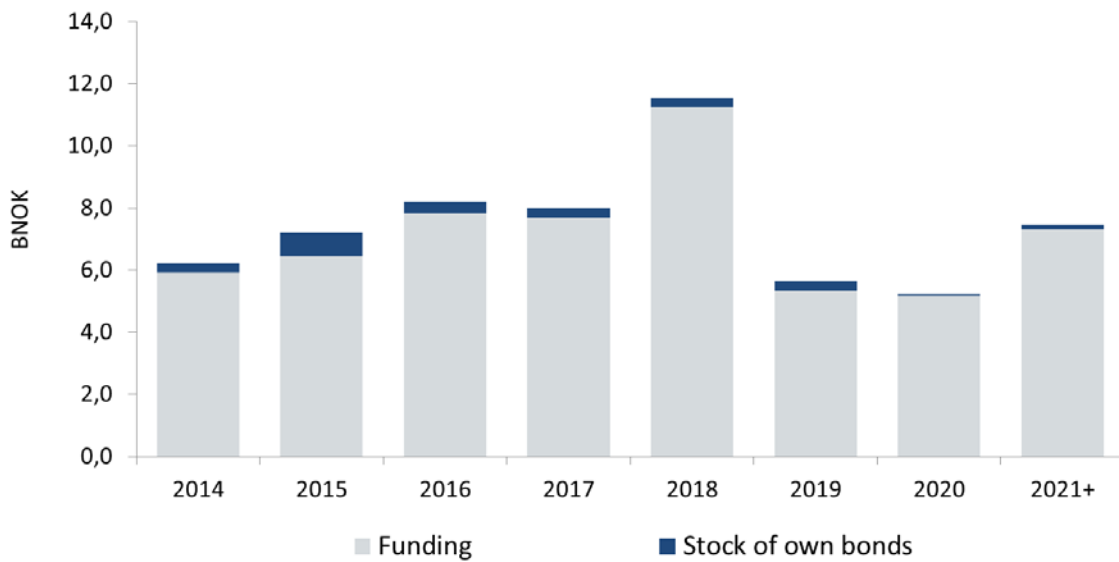
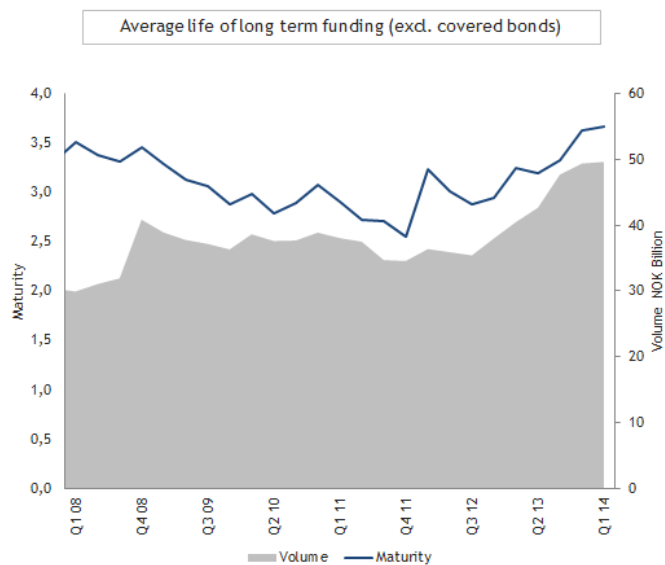


Figure 2.8.1: *Funding - annual*

Significantly improved funding structure since 2008

- *Funding indicator 1 (ratio of illiquid assets financed by debt with a duration of more than 1 year) is increased to 110,3 % for the parent bank and 107,7 % on consolidated basis.*
 - Seven outstanding euro-benchmarks (EUR 500 million) with due dates in each of the years 2015- 2021.
 - Issued EUR 750 million with a term to maturity of 7 years in April.
- *“Modified LCR” of 134 %.*



NOK 4.1 billion (gross) of new funding has been issued during the year. At the same time buy-backs equivalent to NOK 0.5 billion has been done. Average remaining maturity of the outstanding senior bonds is 3.7 years.

2.9 Capital adequacy

Basel II was introduced in Norway from 1 January 2007. Figure 2.8 shows the methods currently used by SpareBank 1 SR-Bank for calculating capital requirements for different types of risks. Using Internal Rating Based (IRB) methods for calculating capital requirements requires a formal approval from the FSAN (Finanstilsynet) on standards regarding organisation, competence, risk-modelling and risk-management systems.

In the autumn of 2009, the authorities resolved to postpone the final transition to the IRB rules from 1 January 2010 to 1 January 2012. It has later been decided to continue the transitional rule stating that the capital requirement using IRB cannot be less than 80 % of the capital requirement under Basel I ("Basel I floor") until year-end 2017. Without the transitional rule, the core capital ratio at the end of Q1 2014 stood at 13.33 %.

Risk	Portfolio	Regulatory method
Credit risk	Government	Standard method
	Institutions	Standard method
	Enterprise	IRB-Basic
	Mass market	IRB-Mass market
	SpareBank 1 Boligkreditt AS (mass market)	IRB-Mass market
	Other subsidiaries and associates	Standard method
Market risk	Equity risk	Standard method
	Debt risk	Standard method
	Currency risk	Standard method
Operational risk	SpareBank 1 SR-Bank incl. subsidiaries	Standardised approach
	Associates	Standard method

Figure 2.9.1: *Methods currently used for calculating capital adequacy*

SpareBank 1 SR-Bank has applied to the FSAN to use IRB Advanced method also for its exposures to the corporate market ("Enterprise"). A decision on approval is expected in 2nd quarter 2014.

Introduction to new banking regulations – Basel III

On 20 July 2011 the EU Commission presented its proposals for implementation of Basel III in the EU (CRD IV). These correspond to the Basel Committee's new minimum requirements for banks' capital adequacy (Basel III). CRD IV was approved by the EU Parliament on 16 April 2013 and allows EU member states some flexibility, such as the right to require their domestic banks to set aside more capital than is required by the legislation, e.g. to cushion them against property price crashes. CRD IV will have effect in Norway also before it is formally included in the EEA-agreement.

The new minimum requirements will be gradually phased in from 1 January 2014 with various transitional arrangements until full effect from 1 January 2019.

For more details on Basel III/CRD IV, please see our website where the report "Risk and Capital Management" is published.

Bank regulation is largely harmonized across the EEA, and the process will continue further once the new capital and liquidity requirements are fully adopted by the EU. Based on the agreement reached in the EU on the new capital adequacy framework (CRD IV) the Ministry of Finance has adopted new statutory rules on capital requirements for Norwegian banks with a view to enter into force on 1 July 2013 and a gradual step-up in the period to 2016. There will be scope for national adjustments to accommodate specific national characteristics and economic conditions. This applies in regard to requirements on systemic risk buffers, which can be set for groups of institutions; to capital requirements for systemically important banks; to increases of the risk weights used in banks' models; and to supervisory authorities' determination of capital requirements

through pillar 2. In Norway the FSAN has stated that this flexibility will be utilized to foster well capitalised, liquid Norwegian banks.

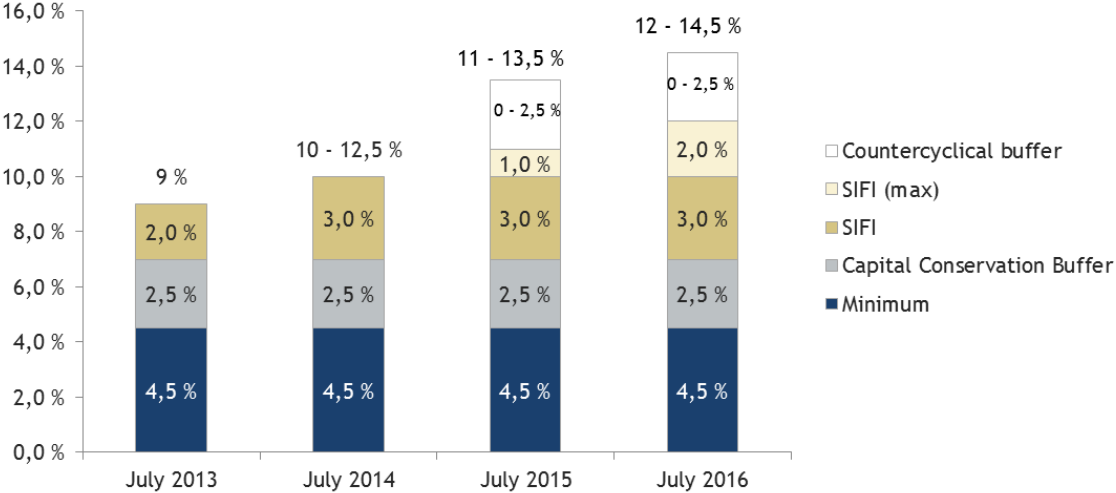


Figure 2.9.2: Illustration of Norwegian capital requirements

The Norwegian Ministry of Finance (MoF) announced in December 2013 that the Countercyclical Buffer (CCB) in Norway will be set at 1.0 % and effective from 30 June 2015. The level of the CCB was confirmed in April 2014. Until the final regulatory clarifications are fully in place, SpareBank 1 SR-Bank will adapt its operations gradually to the new requirements.

The Basel Committee will also introduce requirements on the unweighted equity ratio (“leverage ratio”) as a supplement to the risk-based capital requirements. This requirement is expected to be finally drawn up in 2017 and introduced in 2018. The transitional period will be used to test a requirement that core capital should amount to at least 3 percent of a bank’s exposure, where off-balance sheet items are included to a varying extent.

The Basel Committee will introduce quantitative liquidity requirements and aims to introduce the short-term liquidity indicator, Liquidity Coverage Ratio (“LCR”) and the long-term Net Stable Funding Ratio (“NSFR”). Uncertainty still prevails regarding the final content of the new liquidity requirements. Several important changes regarding the LCR were announced in January 2013. The European Banking Authority, EBA, will use the observation period in 2013 to assess the effects of the new rules for European banks. Based on the EBA’s report, the EU Commission will present a final proposal regarding LCR to the EU. Over the next couple of years, these bodies will also continue to work on the NSFR.

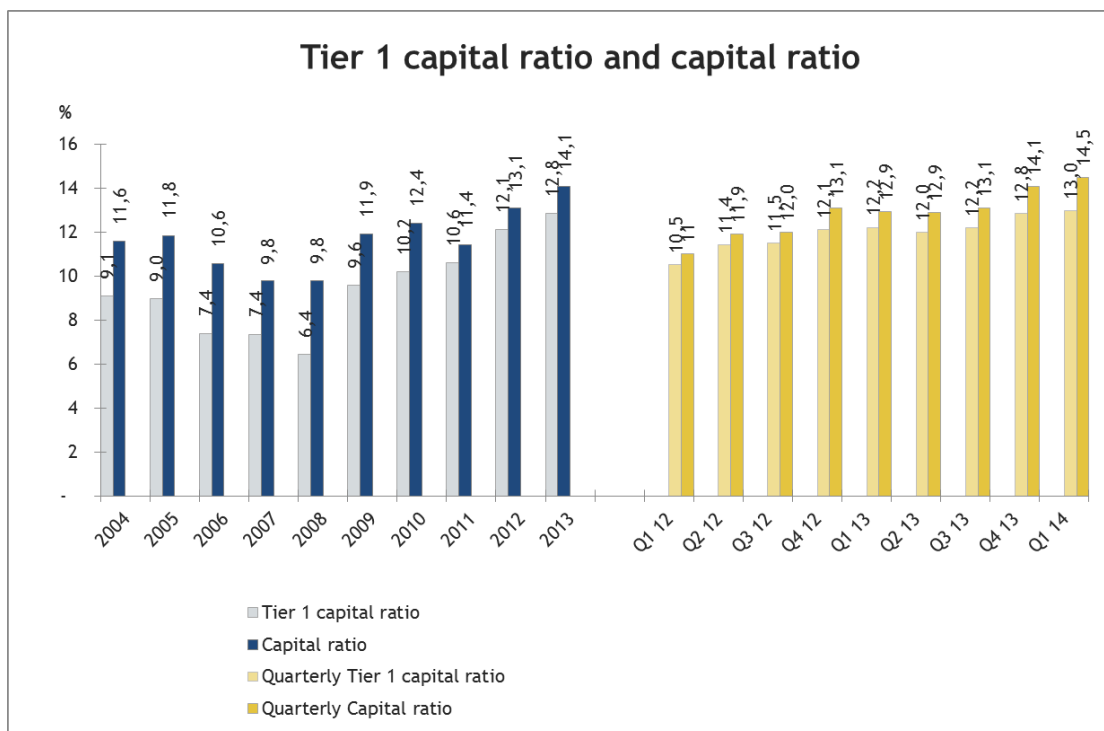


Figure 2.9.3: Development in capital ratios

Since the introduction of IFRS in 2005 and pursuant to IAS 19, SpareBank 1 SR-Bank has recognised pension liabilities in accordance with an on-going fair value assessment and has recognised estimate deviation directly in equity. The discount rate for pension liabilities has been discussed for a long time and the Norwegian Accounting Standards Board amended in November 2012 its guidance. Based on the growth of the market for covered bonds (OMF) and the development of market conditions for government bonds it is now permitted to use the OMF-rate as the discount rate.

	31 March 2014	31 Dec. 2013	30 Sept. 2013	30 June 2013	31 March 2013
MNOK					
Share capital	6.394	6.394	6.394	6.394	6.394
- Own shares		-5	-5	-5	-15
Premium reserve	1.587	1.592	1.592	1.592	1.587
Allocated to dividend	409	409	0	0	384
Reserve for unrealised gains	162	162	72	72	72
Other equity	5.458	5.504	4.165	4.175	4.176
Total book equity	14.010	14.056	12.218	12.228	12.598
Deferred taxes, goodwill and other intangible assets	-42	-43	-55	-55	-55
Fund for unrealized gains, available for sale	0	0	-1	-1	-1
Deduction for allocated dividends	-409	-409	0	0	-384
50% deduction for subordinated capital in other financial institutions	-131	-104	-51	-49	-23
50% deduction for expected losses on IRB, net of write-downs	-432	-356	-223	-272	-317
50% capital adequacy reserve	-611	-587	-518	-503	-737
Year-to-date profit included in core capital (50%)	330	0	647	388	197
Tier 1 capital instruments	1.976	1.954	1.957	1.955	2.395
Total Tier 1 capital	14.691	14.511	13.974	13.691	13.673
<i>Tier 2 capital - Tier 1 capital instruments in excess of 15 %</i>	0	0	0	0	0
Non-perpetual additional capital	2.890	2.451	1.852	1.854	1.856
50% deduction for investment in capital instruments in other financial institutions	-131	-104	-51	-49	-23
50% deduction for expected losses on IRB, net of write-downs	-432	-356	-223	-272	-317
50% capital adequacy reserve	-611	-587	-518	-503	-737
Total Tier 2 capital	1.716	1.404	1.060	1.030	779
Net primary capital	16.407	15.915	15.034	14.721	14.452

Table 2.9.1: Capital overview

<i>MNOK</i>	31 March 2014	31 Dec. 2013	30 Sept. 2013	30 June 2013	31 March 2013
Specialised lending exposure	2.321	2.254	2.357	2.365	2.275
Other corporations exposure	2.105	2.179	2.172	2.236	2.354
SME exposure	96	52	50	49	40
Retail mortgage exposure (properties)	1.646	857	836	861	838
Other retail exposure	83	61	73	58	47
Equity investments	0	0	0	0	0
Total credit risk IRB	6.251	5.403	5.488	5.569	5.554
Debt risk	191	149	183	179	176
Equity risk	55	54	54	53	45
Participations calculated after other market risk	309	294	282	278	285
Operational risk	499	457	457	457	457
Transitional arrangements	255	1.159	1.189	982	907
Exposures calculated using the standardised approach	1.638	1.647	1.646	1.705	1.653
Deductions	-125	-117	-96	-88	-121
Minimum capital requirement	9.073	9.046	9.203	9.135	8.956
Common Equity Tier 1 capital ratio, transitional rules	11,21 %	11,11 %	10,45 %	10,28 %	10,07 %
Tier 1 capital ratio, transitional rules	12,95 %	12,83 %	12,15 %	11,99 %	12,21 %
Tier 2 capital ratio, transitional rules	14,47 %	14,07 %	13,07 %	12,89 %	12,91 %
Common Equity Tier 1 capital ratio, IRB	11,54 %	12,74 %	12,00 %	11,52 %	11,21 %
Tier 1 capital ratio, IRB	13,33 %	14,72 %	13,95 %	13,43 %	13,59 %
Tier 2 capital ratio, IRB	14,89 %	16,14 %	15,01 %	14,44 %	14,36 %

Table 2.9.2: *Capital ratios*

3. Business areas

3.1 Business segments - Financial performance

	SpareBank 1 SR-Bank Group													
	Retail Market		Corporate Market		Capital Market		Eiendoms-Megler 1		SR-Finans		Other*		Total	
	Q1 14	Q1 13	Q1 14	Q1 13	Q1 14	Q1 13	Q1 14	Q1 13	Q1 14	Q1 13	Q1 14	Q1 13	Q1 14	Q1 13
<i>MNOK</i>														
Net interest income	218	193	231	190	11	12	1	2	54	51	32	3	547	451
Net commission and other income	266	220	85	64	14	13	100	96	-5	-3	20	14	480	404
Net return on investment securities	2	2	10	2	15	30	0	0	0	0	292	127	319	161
Operating expenses	147	152	57	65	20	18	92	90	13	13	176	152	505	490
Operating profit before losses	339	263	269	191	20	37	9	8	36	35	168	-8	841	526
Change in individual write-downs in the period	-1	-2	54	28	0	0	0	0	1	-1	2	0	56	25
Change in group write-downs in the period	0	0	0	0	0	0	0	0	-2	0	0	0	-2	0
Operating profit before tax	340	265	215	163	20	37	9	8	37	36	166	-8	787	501
Gross loans to customers excl. SpareBank1 Boligkreditt and SpareBank1 Næringskreditt	64.400	56.179	48.274	47.771	472	508	0	0	6.384	6.169	2.193	1.687	121.723	112.314
Deposits from customers	41.901	39.831	28.601	26.163	1.896	473	0	0	0	0	2.042	2.138	74.440	68.605

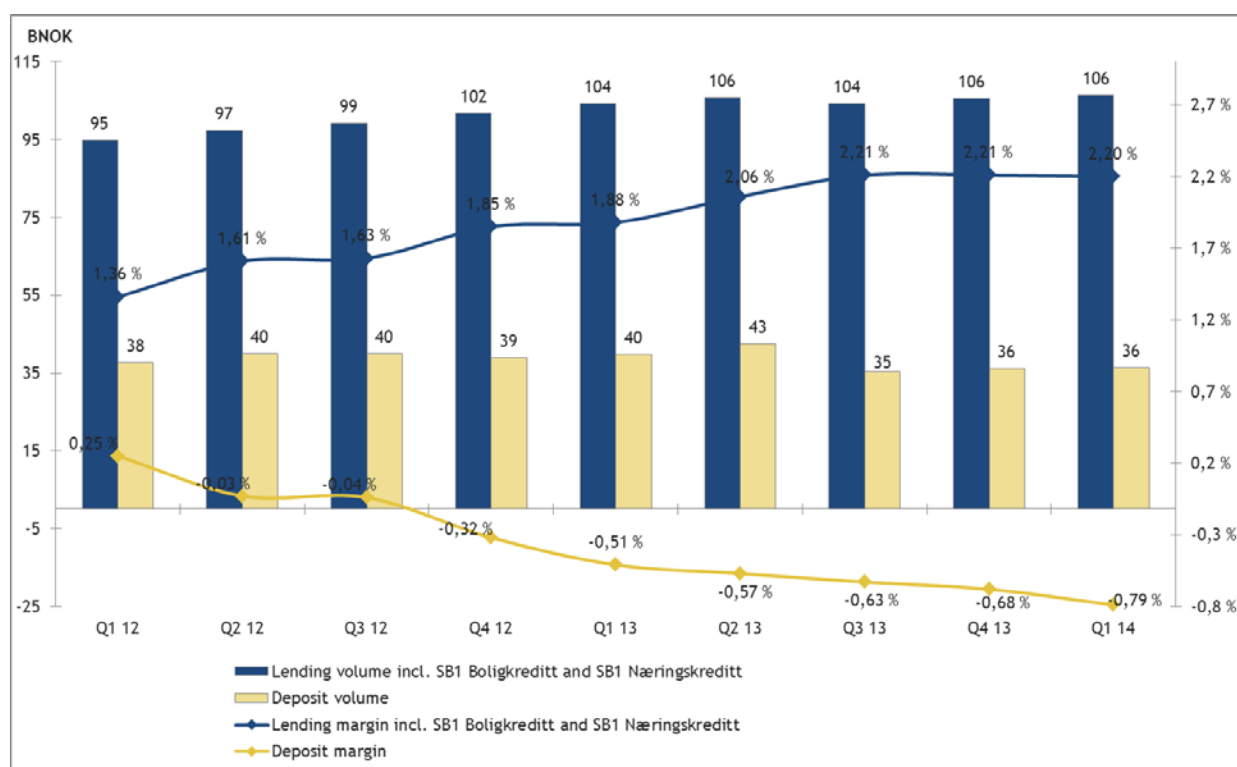
* Includes SR-Forvaltning and SR-Investering

3.2 Retail Market²

Financial performance in the retail market segment

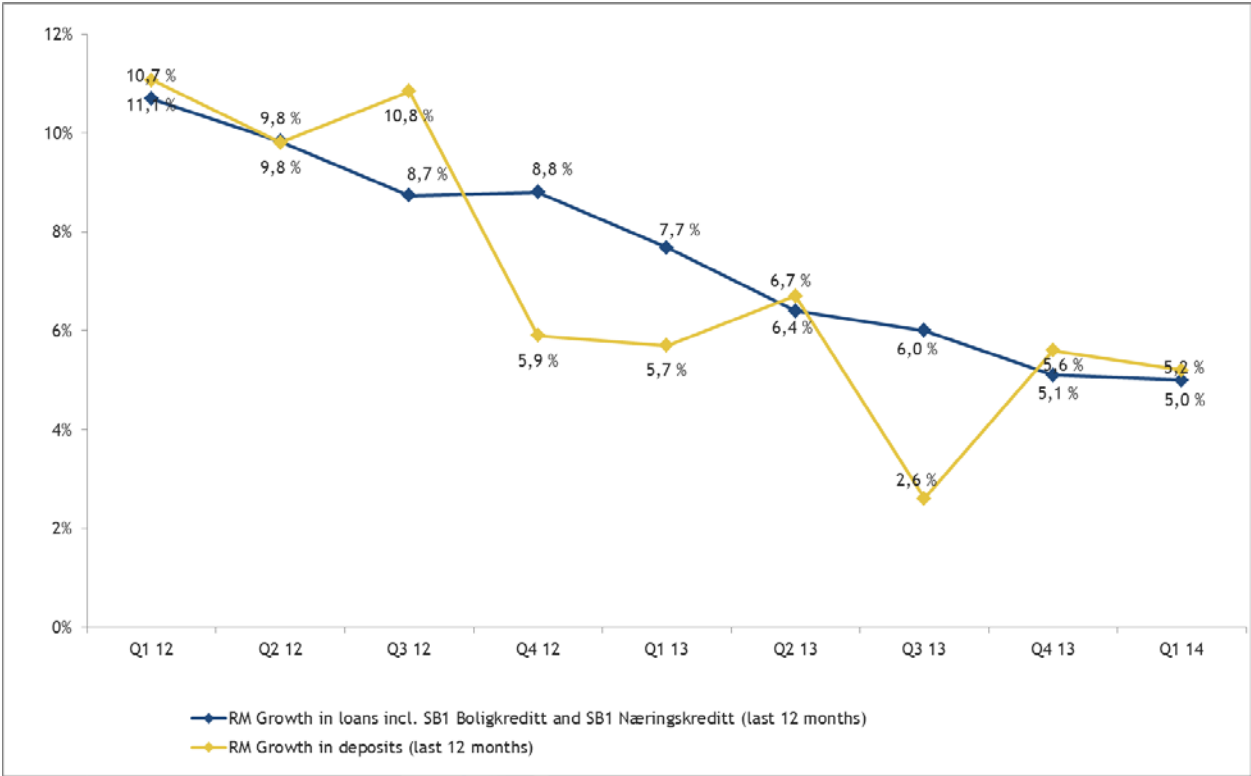
MNOK	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Net interest income	218	245	244	222	193	904	898
Net other income	268	275	285	254	223	1037	737
Total income	486	520	529	476	416	1.941	1.635
Total operating expenses	147	190	153	120	152	615	588
Operating profit before losses	339	330	376	356	264	1.326	1.047
Change in individual write-downs in the period	-1	-7	24	2	-2	17	6
Change in group write-downs in the period	0	13	0	0	0	13	3
Operating profit before tax	340	324	352	354	265	1.296	1.038

Development in average volume and interest margin



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 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.

Growth in loans and deposits

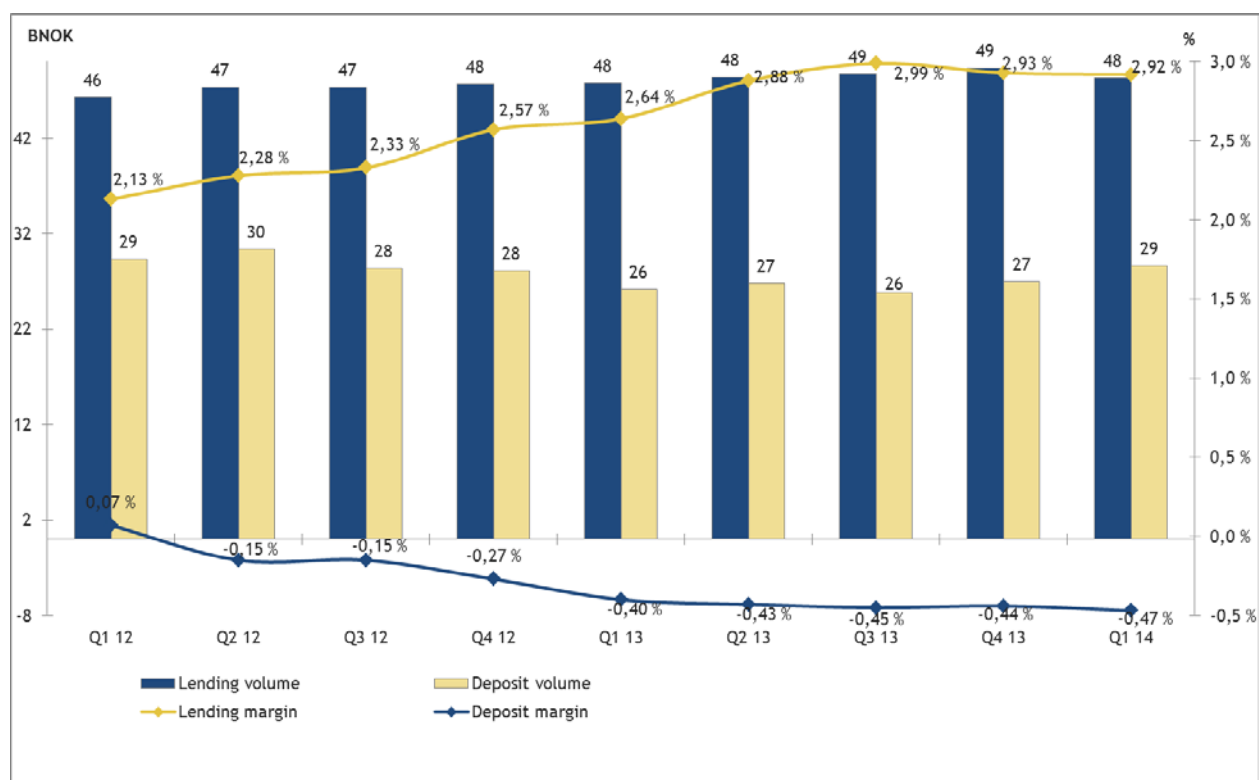


3.3 Corporate Market

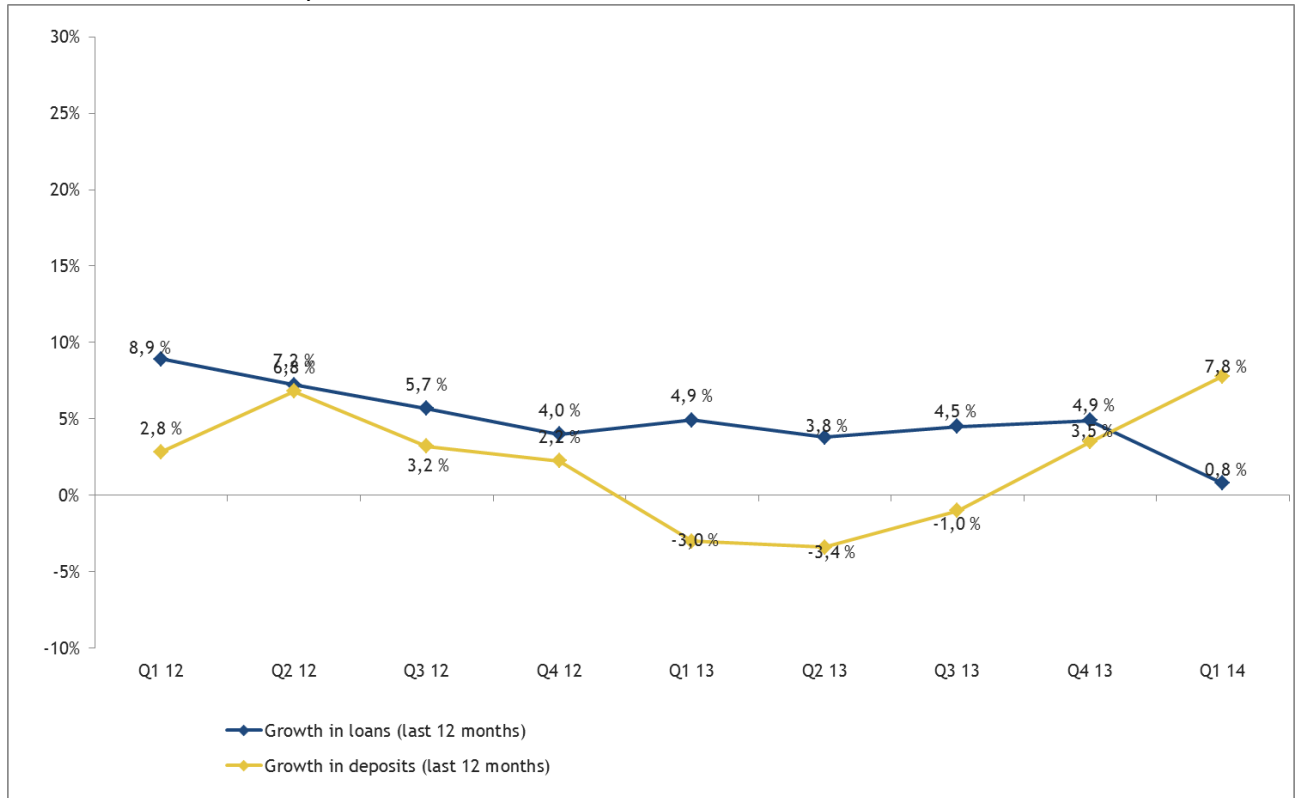
Financial performance in the corporate market segment

MNOK	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Net interest income	231	247	247	226	190	910	866
Net other income	95	87	68	69	66	290	251
Total income	326	334	315	295	256	1.200	1.117
Total operating expenses	57	71	59	47	64	241	221
Operating profit before losses	269	263	256	248	192	959	896
Change in individual write-downs in the period	54	86	-1	16	29	130	152
Change in group write-downs in the period	0	-53	0	0	0	-53	-33
Operating profit before tax	215	230	257	232	163	882	777

Development in average volume and interest margin



Growth in loans and deposits



3.4 Capital Market

The securities activities are organised under the SR-Markets brand and include own account and customer trading in interest rate instruments, foreign exchange and equities, and corporate finance services, as well as settlement and administrative securities services. Management is organised in a separate subsidiary, SR-Forvaltning AS.

Financial performance in the capital market segment

<i>MNOK</i>	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
Net interest income	11	13	14	15	12	54	58
Net other operating income	29	39	3	34	44	121	210
Total income	40	52	17	49	56	175	268
Total operating expenses	20	17	19	16	18	70	72
Operating profit before losses	20	35	-2	33	38	105	196
Change in individual write-downs in the period	0	-1	11	0	0	10	0
Change in group write-downs in the period	0	0	0	0	0	0	0
Operating profit before tax	20	36	-13	33	38	95	196

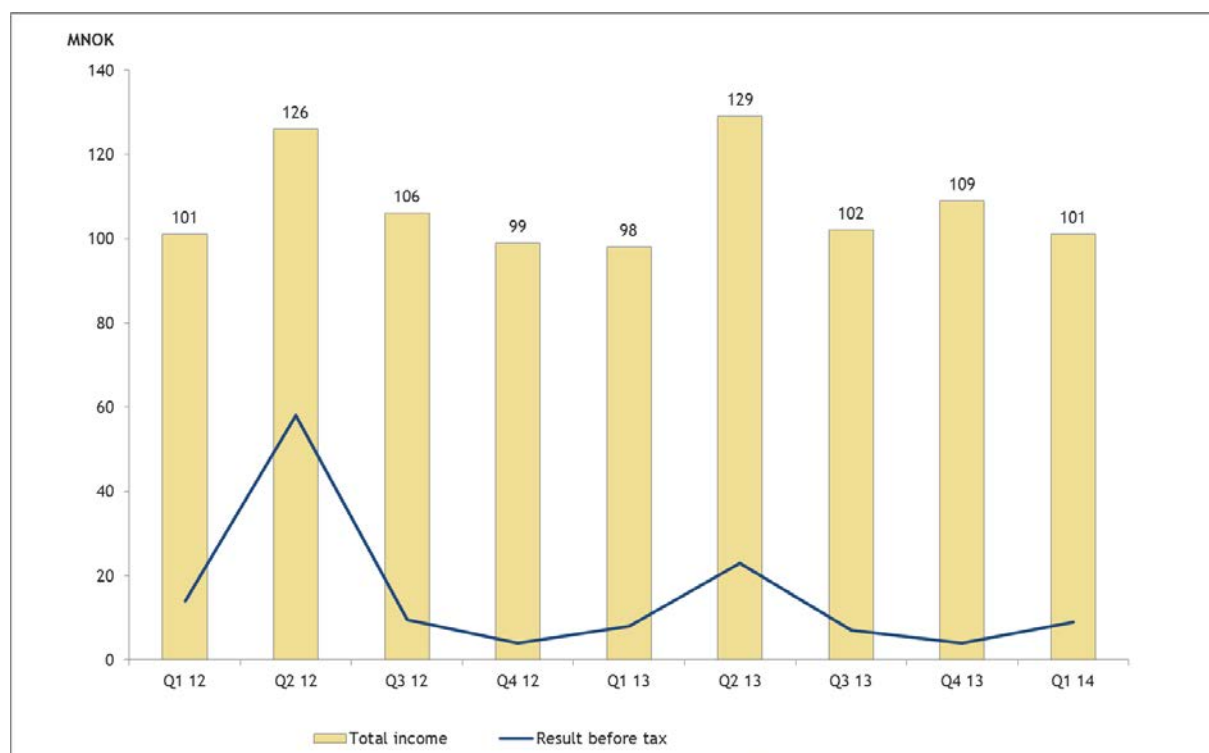
3.5 Subsidiaries

EiendomsMegler 1 SR-Eiendom AS

EiendomsMegler 1 SR-Eiendom AS, which is fully owned by SpareBank 1 SR-Bank, is our region's market leader and the largest company in the nationwide EiendomsMegler 1 chain. This chain is the largest chain of real estate agents in Norway. During the 1st quarter 2014, the company sold 1 772 properties from its 30 real estate offices in Rogaland, Agder and Hordaland. The activities cover commercial real estate, holiday homes, housing rental and new-builds and used homes.

Financial performance

	Q1	Q4	Q3	Q2	Q1	31.12	31.12
<i>MNOK</i>	2014	2013	2013	2013	2013	2013	2012
Interest income	1	1	1	1	2	5	6
Other income	100	108	101	128	96	433	425
Total income	101	109	102	129	98	438	432
Total operating expenses	92	105	95	106	90	396	346
Operating profit before losses	9	4	7	23	8	42	86
Change in individual write-downs in the period	0	0	0	0	0	0	0
Change in group write-downs in the period	0	0	0	0	0	0	0
Operating profit before tax	9	4	7	23	8	42	86

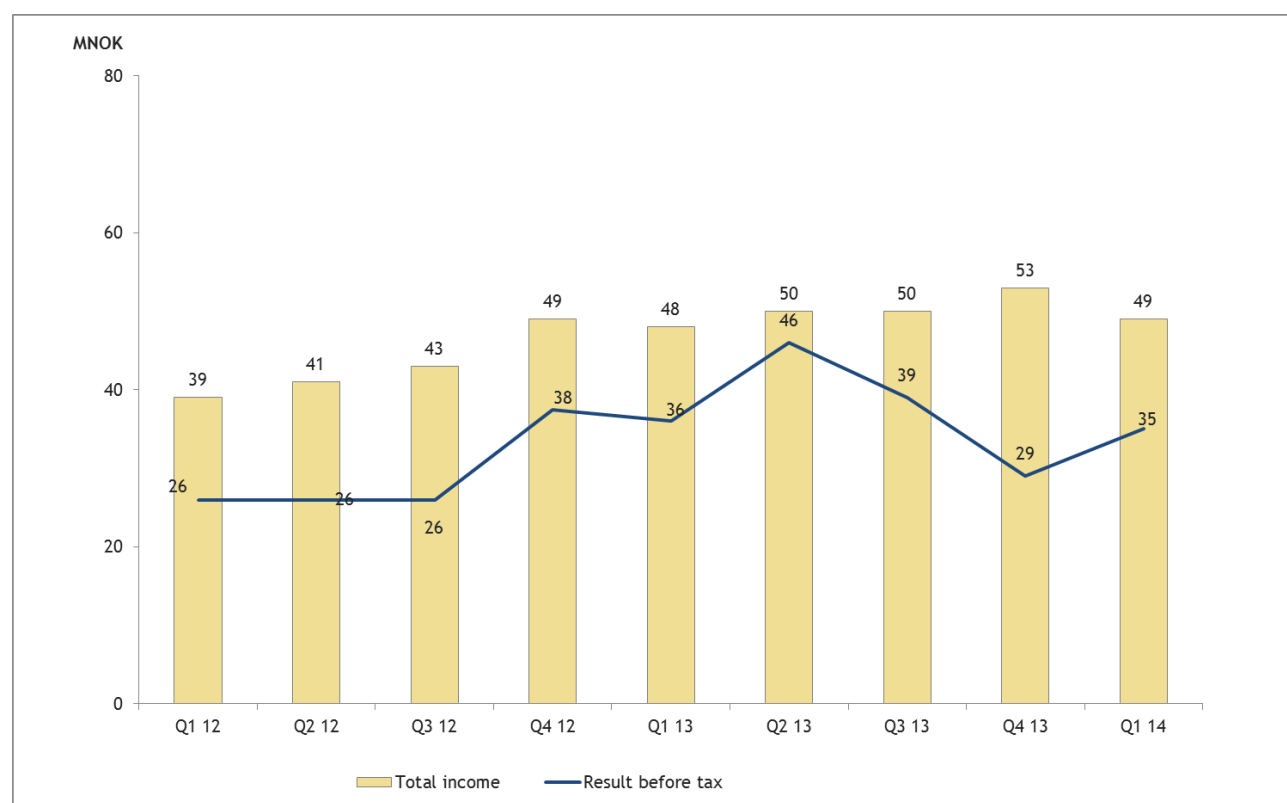


SpareBank 1 SR-Finans AS

SpareBank 1 SR-Finans AS is the leading leasing company in Rogaland with approximately NOK 6.4 billion in total assets. The company's principal activities are lease financing for corporate customers and secured car loans for retail customers.

Financial performance

MNOK	Q1	Q4	Q3	Q2	Q1	31.12	31.12
	2014	2013	2013	2013	2013	2013	2012
Interest income	54	56	55	54	51	216	183
Other income	-5	-3	-5	-4	-3	-15	-11
Total income	49	53	50	50	48	201	172
Total operating expenses	13	12	13	13	13	51	48
Operating profit before losses	36	41	38	37	35	150	124
Change in individual write-downs in the period	1	2	-1	-8	-1	-9	9
Change in group write-downs in the period	-2	10	0	0	0	10	0
Operating profit before tax	37	29	39	46	36	149	115

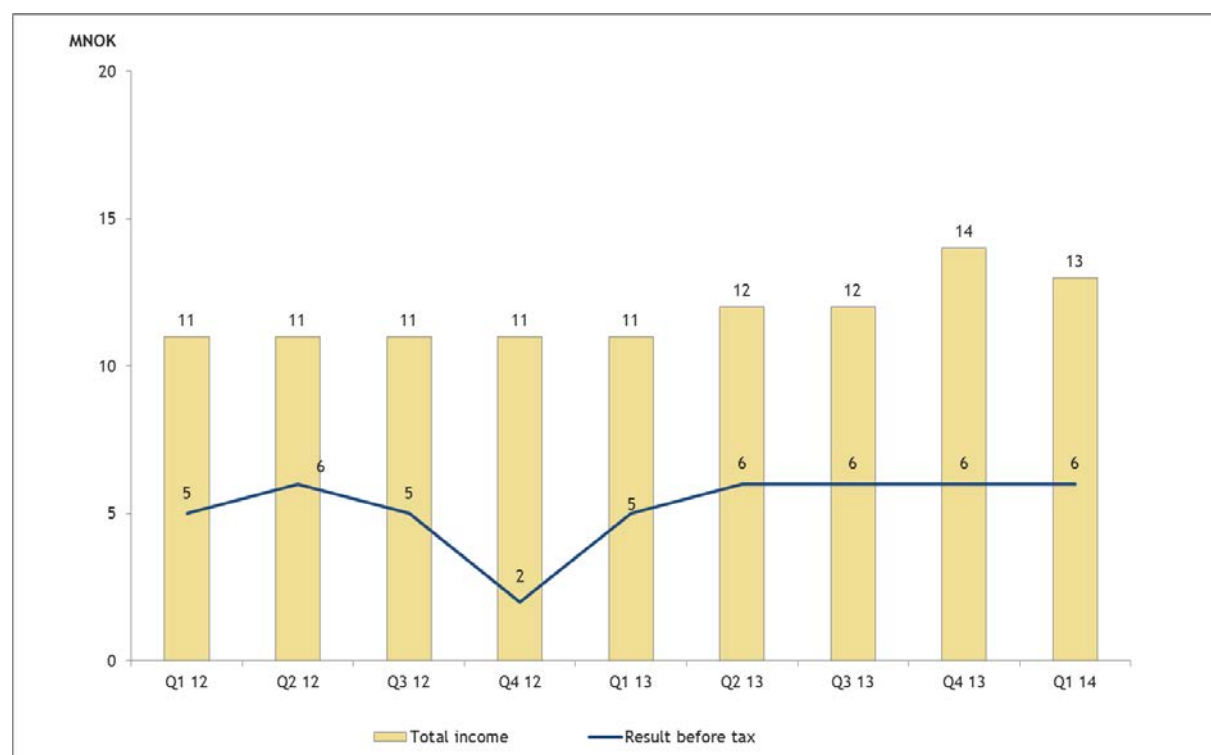


SR-Forvaltning AS

SR-Forvaltning AS is a securities firm with a licence to provide asset management services. The company's objective is to be a local alternative with a high level of expertise in financial management. The company manages portfolios for SpareBank 1 SR-Bank and SpareBank 1 SR-Bank's pension fund, in addition to portfolios for about 2,500 external customers. The external customer base is made up of pension funds, public and private enterprises and affluent private individuals. Total assets amount to approximately NOK 6.9 billion as at 31.03.2014. The company is fully owned by SpareBank 1 SR-Bank.

Financial performance

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
<i>MNOK</i>							
Interest income	0	0	0	0	0	0	1
Other income	13	14	12	11	11	48	43
Total income	13	14	12	12	11	48	44
Total operating expenses	7	8	6	5	7	26	26
Operating profit before losses	6	6	6	6	5	22	18
Change in individual write-downs in the period	0	0	0	0	0	0	0
Change in group write-downs in the period	0	0	0	0	0	0	0
Operating profit before tax	6	6	6	6	5	22	18



SR-Investering AS

The company's objective is to contribute to long-term value creation, through investment in business in the group's market segment. The company invests primarily in private equity funds and small and medium-sized companies that need capital to develop and grow further. The company is fully owned by SpareBank 1 SR-Bank.

Financial performance

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	31.12 2013	31.12 2012
<i>MNOK</i>							
Interest income	0	0	0	0	0	1	1
Other income	13	2	1	0	8	11	19
Total income	13	2	2	0	8	12	20
Total operating expenses	0	1	0	0	0	1	-2
Operating profit before losses	13	2	2	0	8	12	22
Change in individual write-downs in the period	0	0	0	0	0	0	0
Change in group write-downs in the period	0	0	0	0	0	0	0
Operating profit before tax	13	2	2	0	8	12	22

