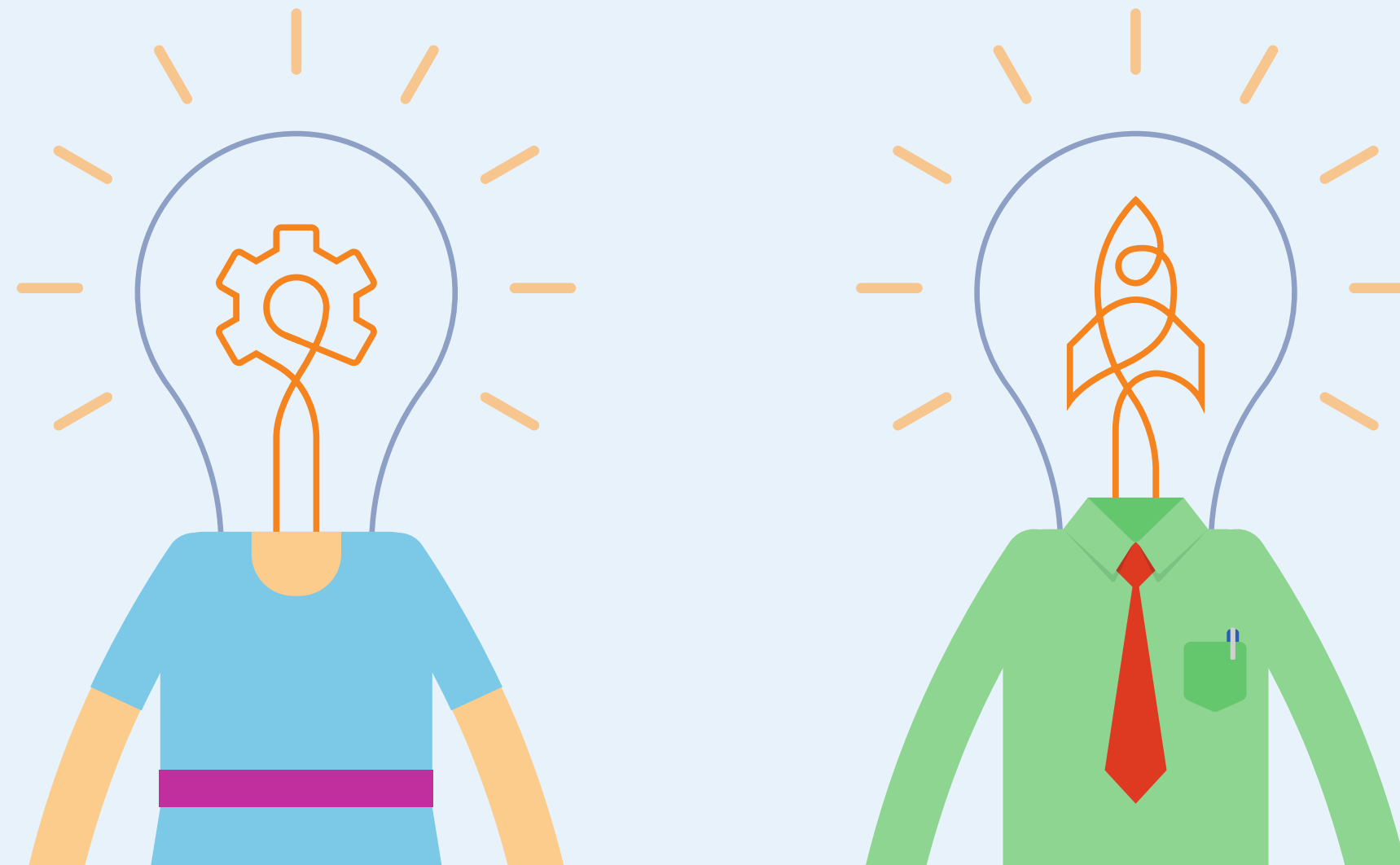


Together we achieve the impossible



Disclaimer

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although SpareBank 1 SR-Bank believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for SpareBank 1 SR-Bank include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

This presentation does not imply that SpareBank 1 SR-Bank has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.



Introduction to SpareBank 1 SR-Bank ASA

Financials

Solvency and liquidity position

Appendix

SR-Bank at a glance

- Second largest Norwegian bank
- Market cap: NOK 22.0 Billion
- Total assets: NOK 217.4 Billion
- Total lending: NOK 188.9 Billion
- Total deposits: NOK 99.6 Billion
- No. of branches: 36
- Employees: 1.156



- **1839:** The first bank that today forms part of SpareBank 1 SR-Bank was established.
- **1976:** 24 savings banks merge to form Sparebanken Rogaland.
- **1994:** SR-Bank (Sparebanken Rogaland) lists its primary capital certificates on the Oslo Stock Exchange.
- **1996:** SR-Bank is one of the founders of SpareBank 1, an alliance.
- **2012:** SpareBank 1 SR-Bank converted from a savings bank to a public limited company (“limited liability savings bank”).

	Banks	Market share
1	DnB Bank	28.6
2	Nordea Bank Norge (Swedish)	12.0
3	Danske Bank (Danish)	6.1
4	Handelsbanken (Swedish)	5.1
5	SpareBank 1 SR-Bank	4.7



Arne Austreid
CEO

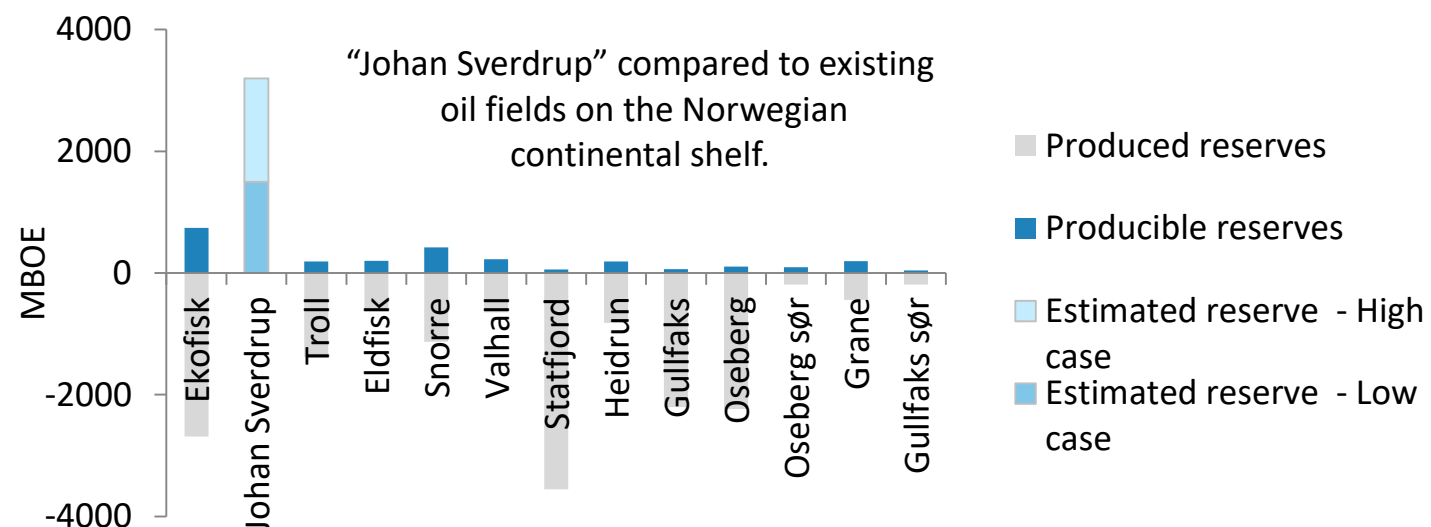
Headquarter: Stavanger

Bjergsted Terrasse 1
Postboks 250
4066 Stavanger

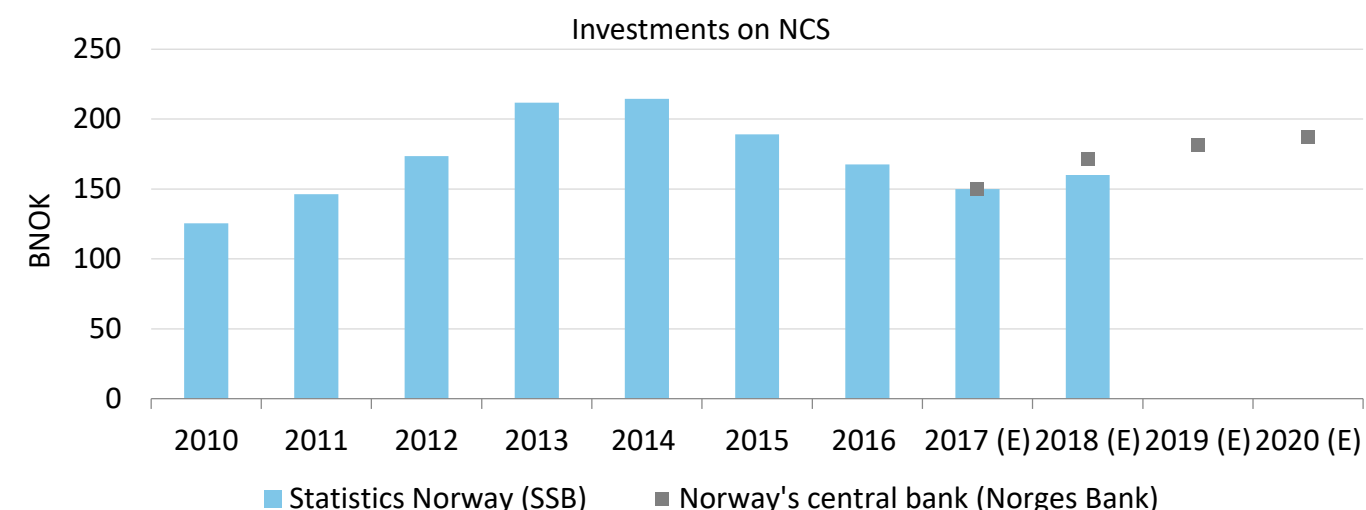
Tlf: +47 915 02002
www.sr-bank.no

One of Norway's most prosperous regions

The third largest discovery ever on the NCS was made 140 km from our headquarter in 2011

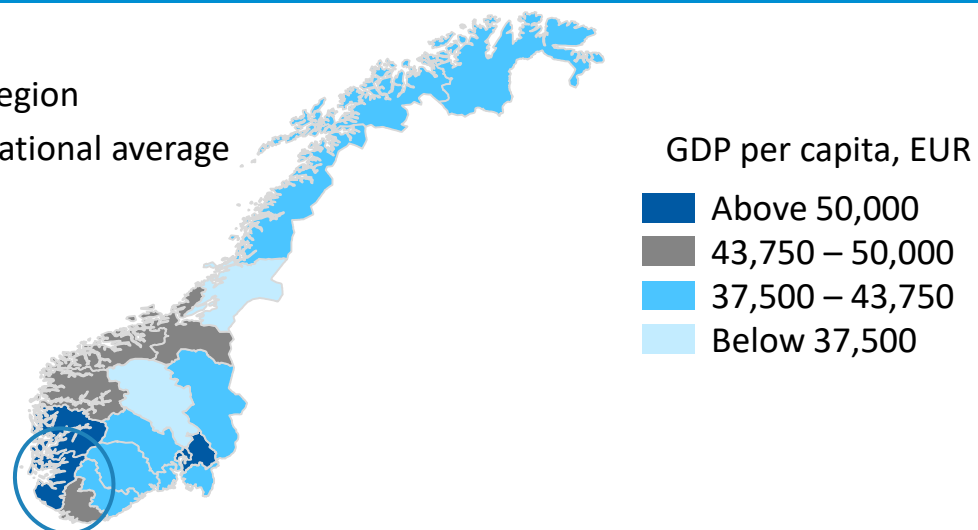


...and activity is expected to continue at high levels



Planned infrastructure project total 100-150BNOK

- Norway's largest export region
- Unemployment rate on national average



Planned infrastructure project total 100-150BNOK

- Better infrastructure in the cities Stavanger and Bergen
- Better connections between cities and sparsely populated areas
- Better connections between regions in Rogaland, Hordaland and Agder



The leading financial group in the southwest of Norway

Rogaland

Population	472.000
Market share	36%
Year of establishment	1839
Market strategy	Market leader
Unemployment rate	3.1%

Hordaland

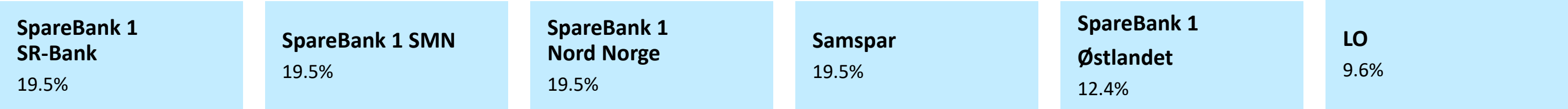
Population	520.000
Market share	6%
Year of establishment	2006
Market strategy	Entry/growth
Unemployment rate	2.9%

Agder

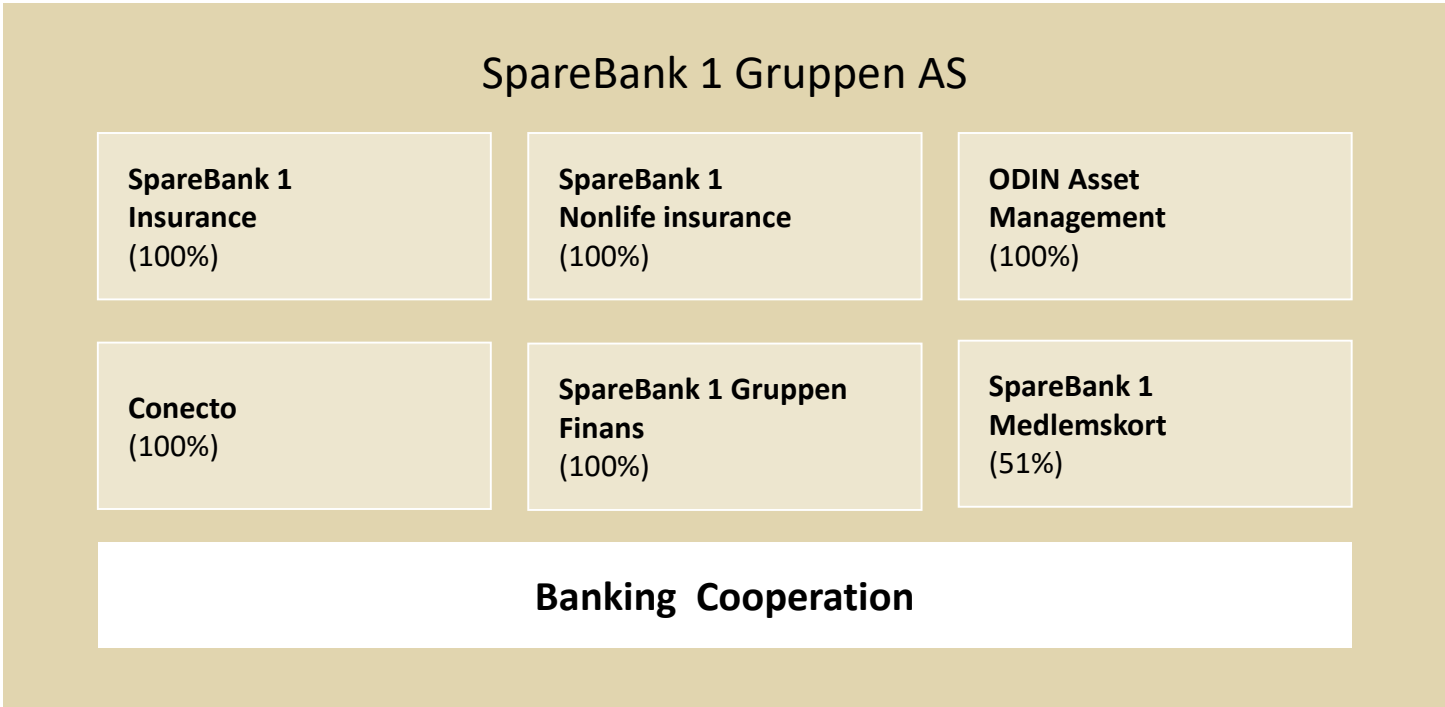
Population	301.000
Market share	8%
Year of establishment	2002
Market strategy	Growth
Unemployment rate	2.8%



SpareBank 1 Alliansen: Benefits in economies of scale



Products, commissions, dividends ↑ ↓ Sales, loan portfolios, capital



Owners of the alliance

Economies of scale related to expenses, IT solutions and branding
 Separate legal entities – no cross guarantees between owner banks

SRBANK's activities

Divisions of SpareBank 1 SR-Bank ASA

Capital Markets

Number of man-years: 26

Retail Market

Number of man-years: 441

Corporate Market

Number of man-years: 156

Administration & Support

Number of man-years: 271

Fully owned companies

EiendomsMegler 1

Leading real estate broker
Number of man-years: 202

SpareBank 1 SR-Forvaltning

Asset management
Number of man-years: 12

SpareBank 1 Regnskapshuset SR

Accounting and advisory
Number of man-years: 90

SR-Boligkreditt

Covered Bond Funding
Number of man-years: 1

FinStart Nordic

The company will be a start-up factory for new ideas
Number of man-years: 2

Partly owned companies

BN Bank

(23.5%)
Commercial bank located in Oslo and Trondheim

SpareBank 1 Boligkreditt

(8.0%)
Covered bond company (mortgages)

SpareBank 1 Kredittkort

(17.9%)
Credit card company located in Trondheim

SpareBank 1 Gruppen

(19.5%)
Holding company for the SpareBank 1 - Alliance

SpareBank 1 Næringskreditt

(19.2%)
Covered bond company (commercial real estate)

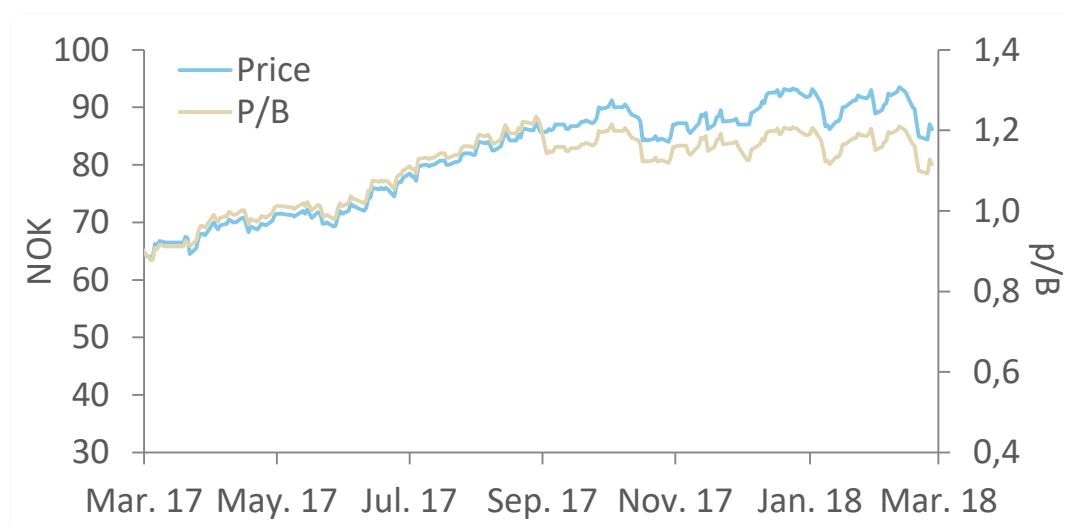
SpareBank 1 Betaling*

(19.7%)
The company behind mobile payment solution
*Owner 25% in VIPPS AS

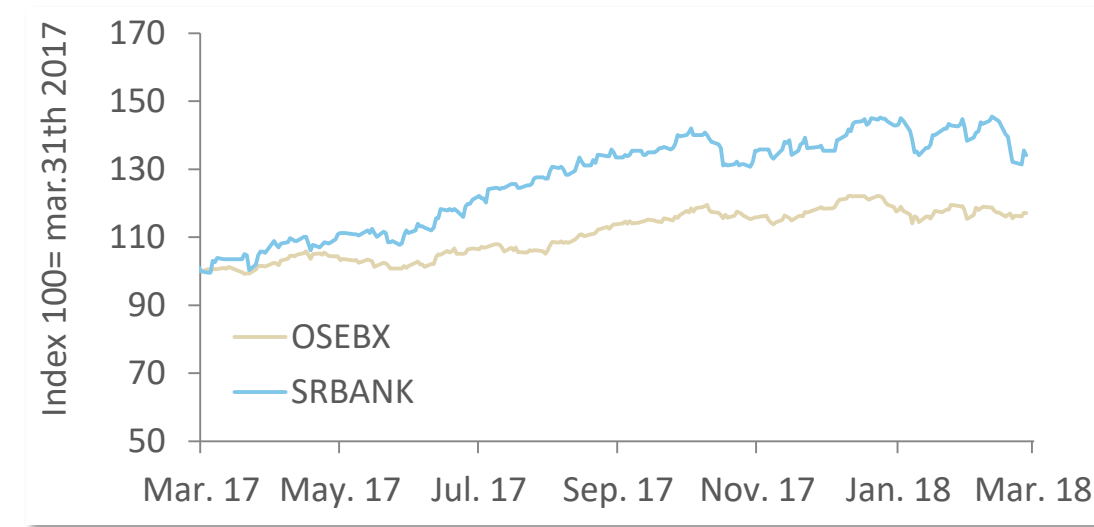
SRBANK share

- Converted from equity certificates to shares in 2012.
- International ownership is 23.8 % per 1. quarter 2018.
- Total market value at 1. quarter 2018 is NOK 22.0 billion.

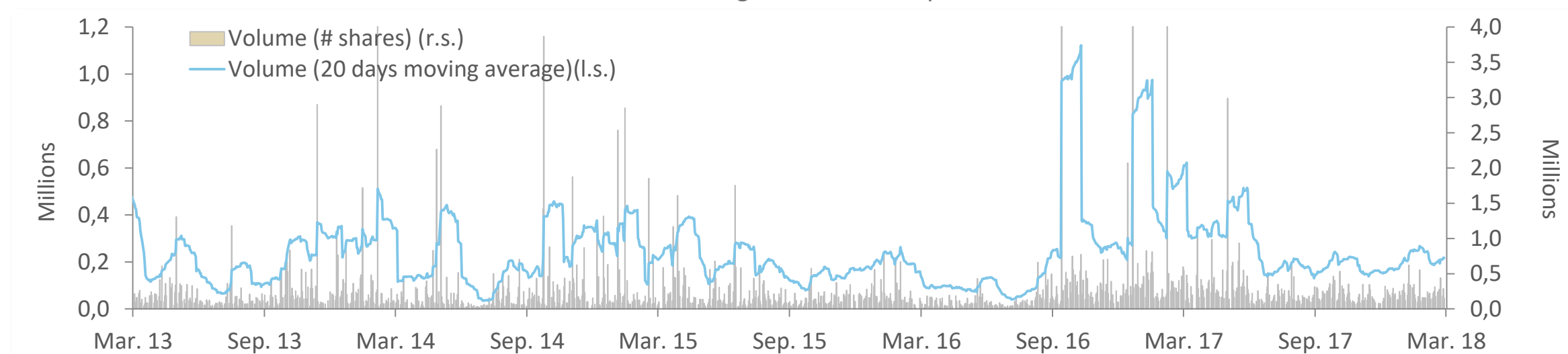
Development in Price/Book



Relativ share price development



Trading volume development



20 largest shareholders as at March 2018

- Ownership interests:
 - From Rogaland, Agder-counties and Hordaland: 44.6% (46.7%)
 - International: 23.8% (22.5%)
 - 10 largest: 49.6% (45.4%)
 - 20 largest: 57.1% (53.1%)
- Number of shareholders 31.03.2018: 11 030 (10 726)
- Employees owning 1.6% (1.7%)

Investor		Number	Stake
Sparebankstiftelsen SR-Bank		72.419.305	28,3%
Folketrygdfondet		17.062.715	6,7%
State Street Bank and Trust Co, U.S.A.	Nominee	9.087.253	3,6%
SpareBank 1-stiftinga Kvinnherad		6.226.583	2,4%
Vpf Nordea Norge Verdi		5.957.547	2,3%
Danske Invest Norske Instit. II		3.651.038	1,4%
Verdipapirfondet DNB Norge (IV)		3.616.570	1,4%
Odin Norge		3.406.393	1,3%
JPMorgan Chase Bank N.A., UK	Nominee	2.879.747	1,1%
Clipper AS		2.565.000	1,0%
State Street Bank and Trust Co, U.S.A.	Nominee	2.374.774	0,9%
Pareto Aksje Norge		2.239.697	0,9%
KAS Bank NV, Nederland	Nominee	2.029.488	0,8%
Danske Invest Norske Aksjer Inst.		2.006.094	0,8%
JPMorgan Chase Bank N.A., U.S.A.	Nominee	1.941.725	0,8%
JPMorgan Chase Bank N.A., UK	Nominee	1.867.943	0,7%
KLP Aksjenorge Indeks		1.670.425	0,7%
Westco AS		1.662.987	0,7%
Pareto AS		1.640.867	0,6%
Vpf Nordea Norge Avkastning		1.634.120	0,6%
Top 5		110.753.403	43,3%
Top 10		126.872.151	49,6%
Top 20		145.940.271	57,1%

Introduction to SpareBank 1 SR-Bank ASA

Financials

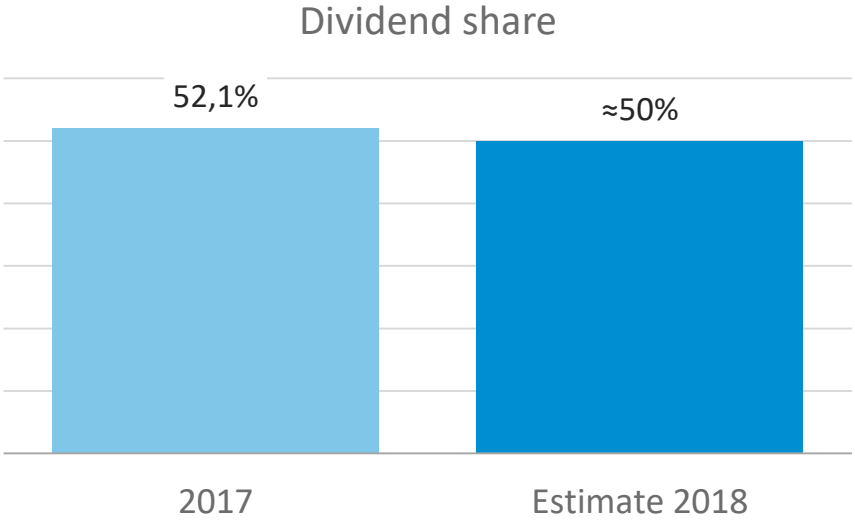
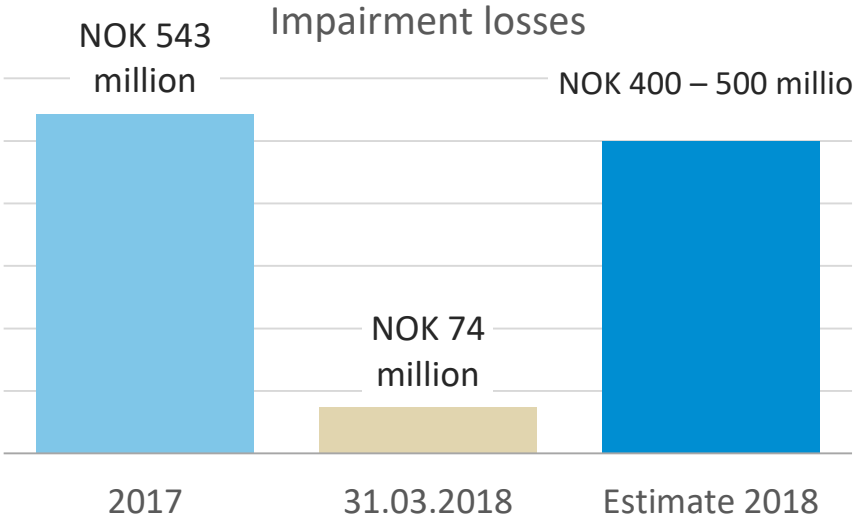
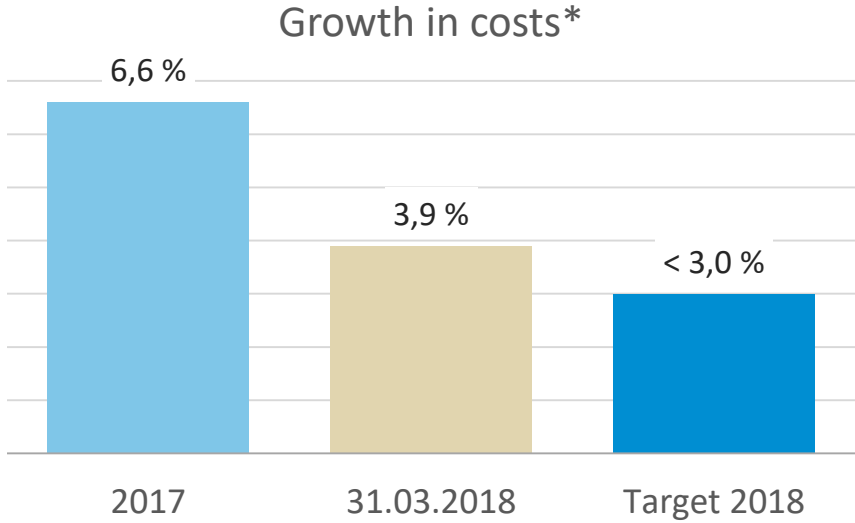
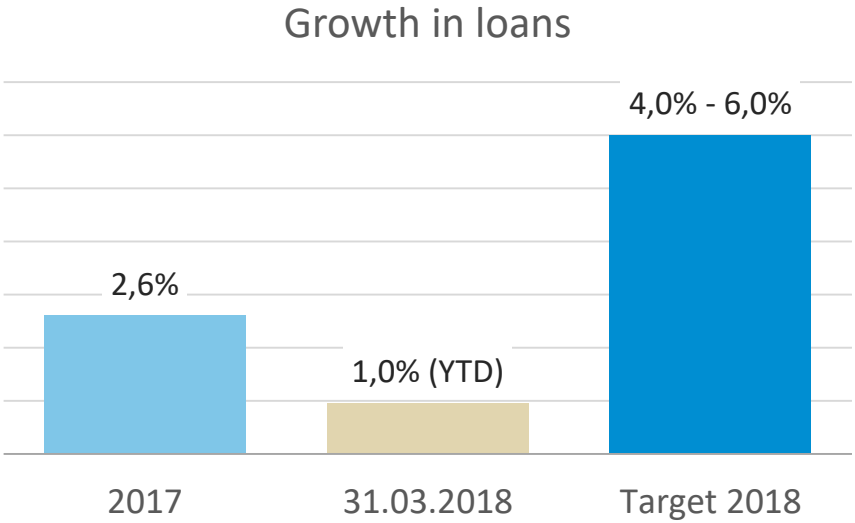
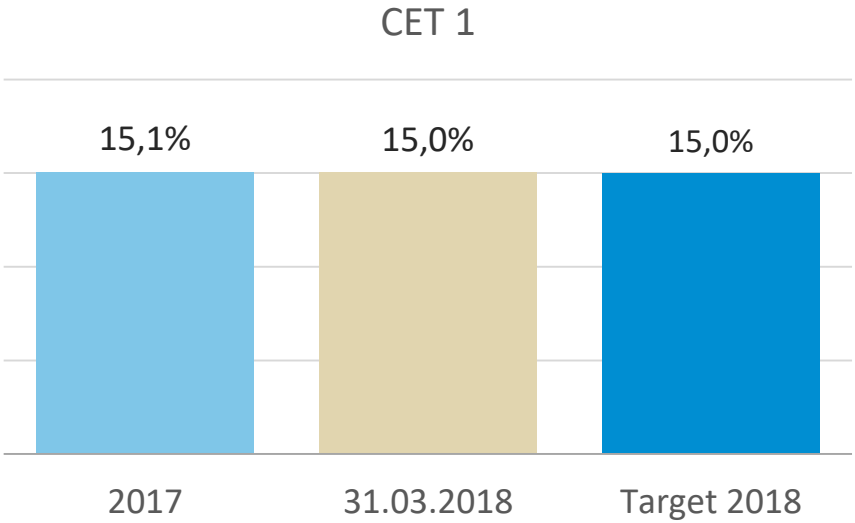
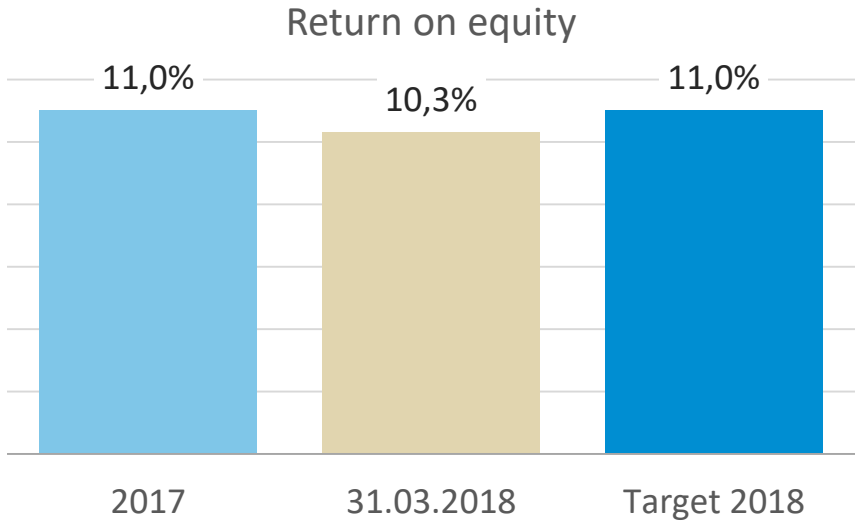
Solvency and liquidity position

Appendix

A good result characterised by solid operations and lower losses

- Pre-tax profit for the quarter is NOK 668 million compared to NOK 512 million last year
 - Return on equity after tax 10.3%
- Impairment losses on loans is NOK 74 million compared to NOK 168 million last year
 - 0.16% of gross lending including covered bond companies as at 31 March 2018
- 12 months lending growth of 3.1%
 - Risk-weighted assets (RWA) is increased by 3.7% the last 12 months
- 12 months deposits growth of 7.0%
- 12 months costs growth of 3.9%
 - Growth in costs from the first quarter of 2017 of NOK 20 million due to increased bonus provisions and higher IT costs.
- Common equity tier 1 capital ratio increased to 15.0% from 14.7% last year

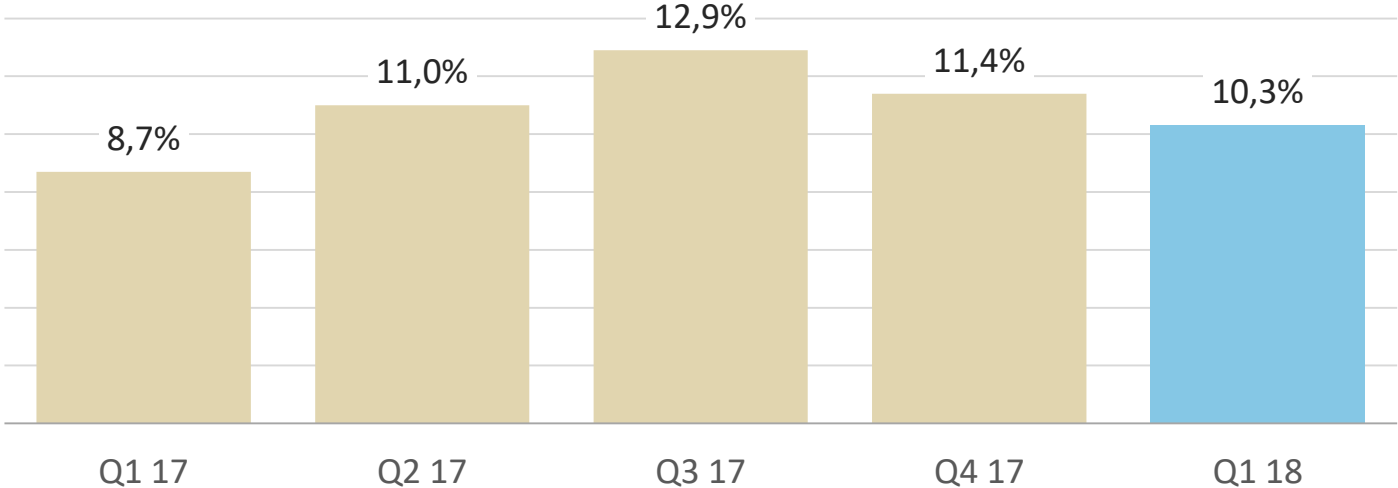
Financial targets and estimates for 2018



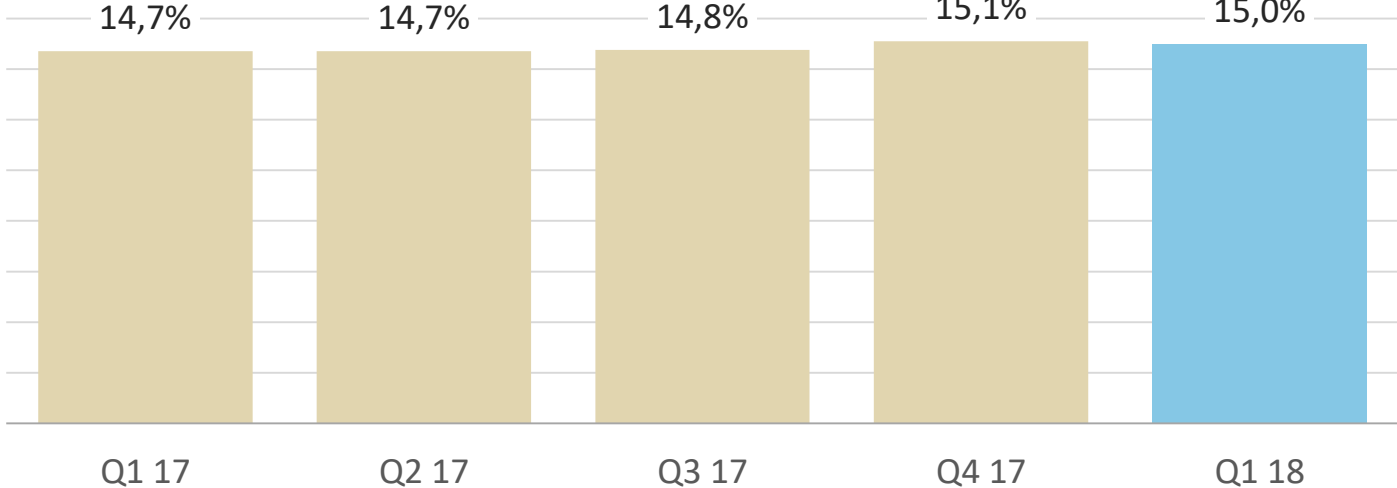
*Nominal cost growth

Key figures – quarterly development

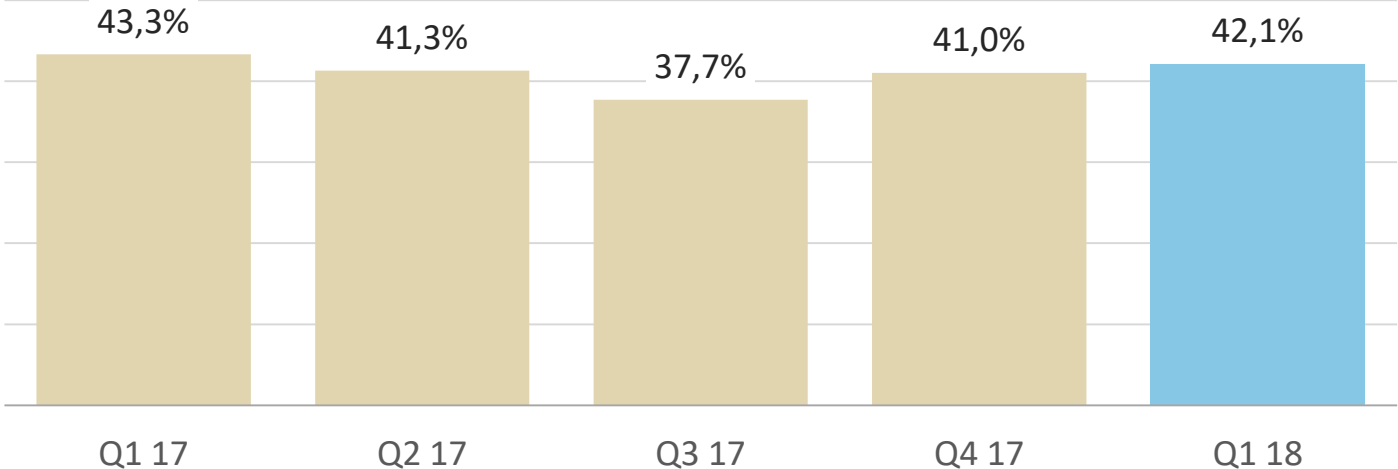
Return on equity



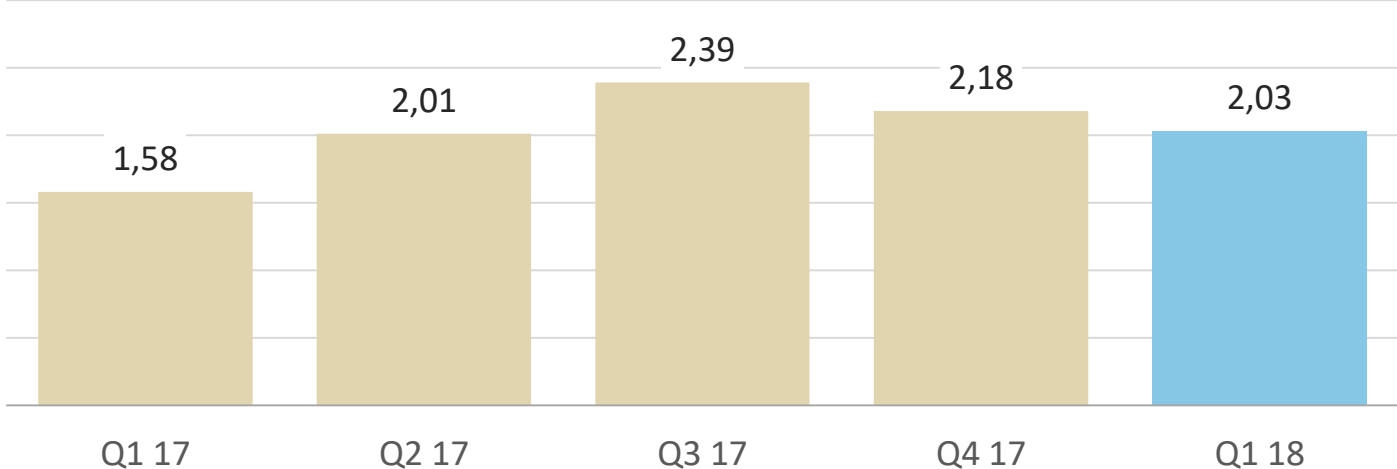
CET 1



Cost ratio

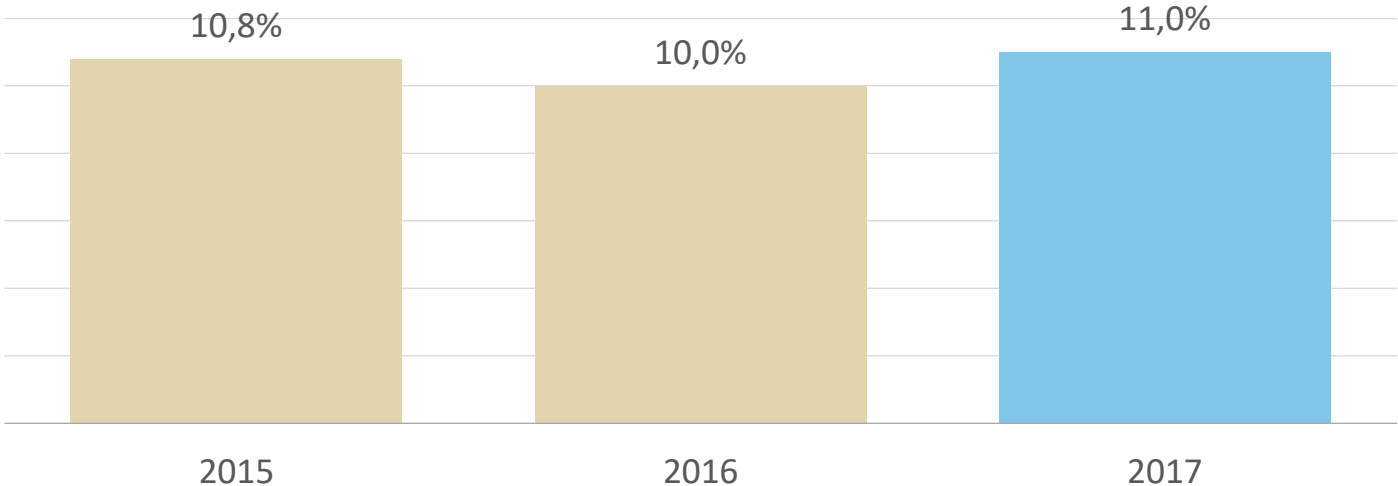


Earnings per share

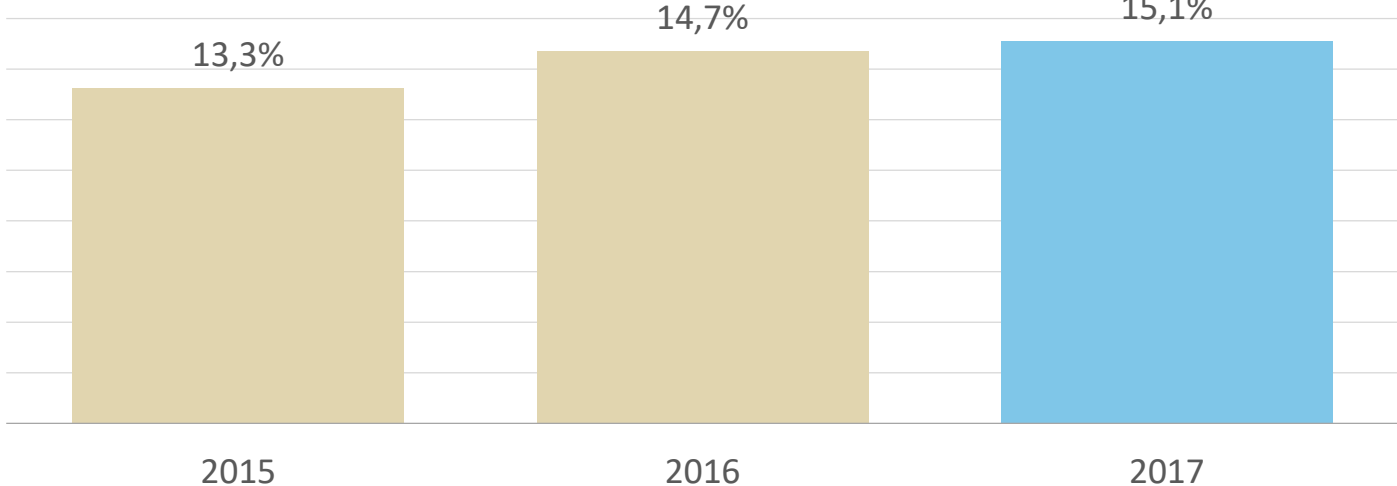


Key figures – annual development

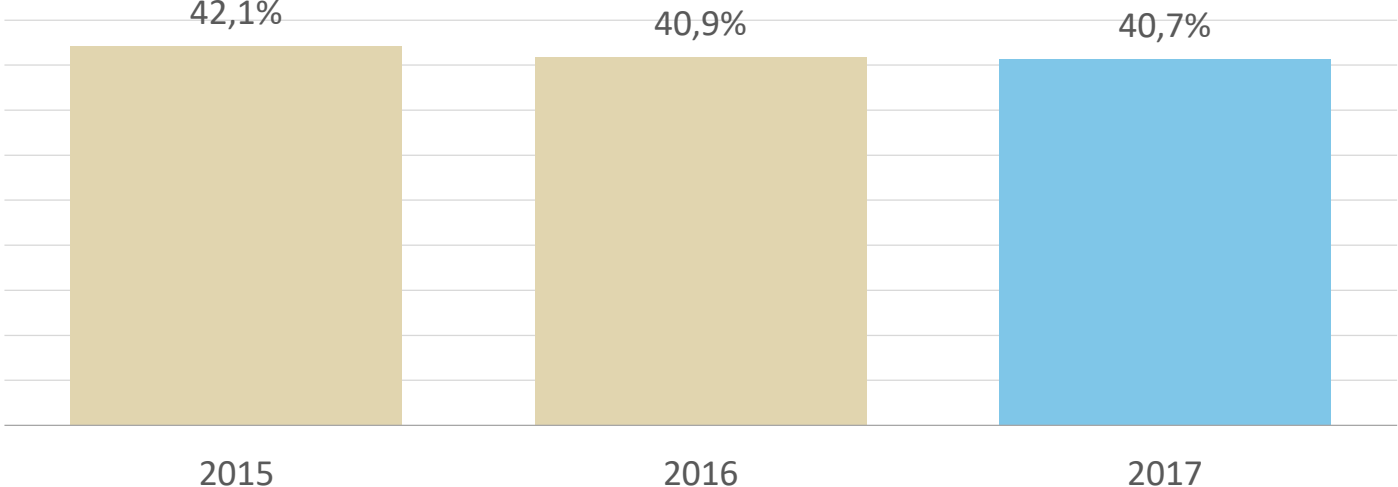
Return on equity



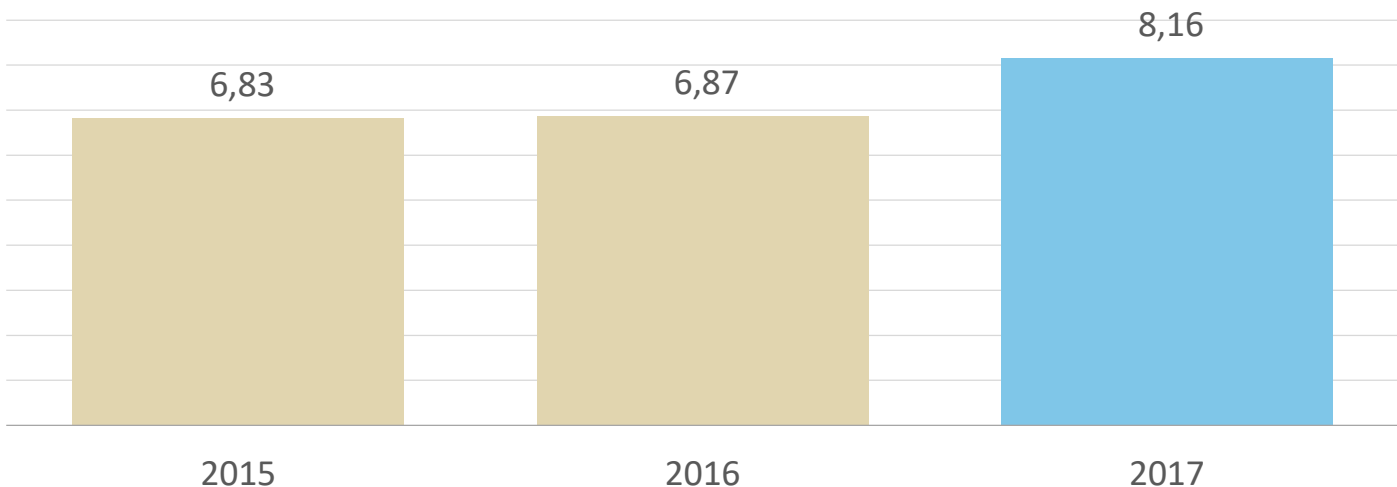
CET 1



Cost ratio

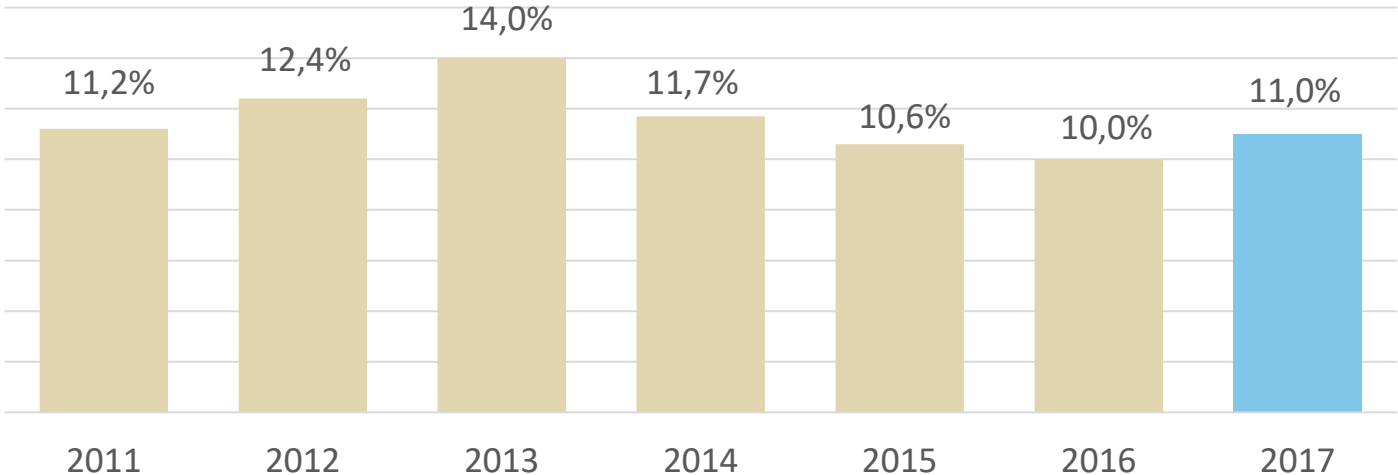


Earnings per share

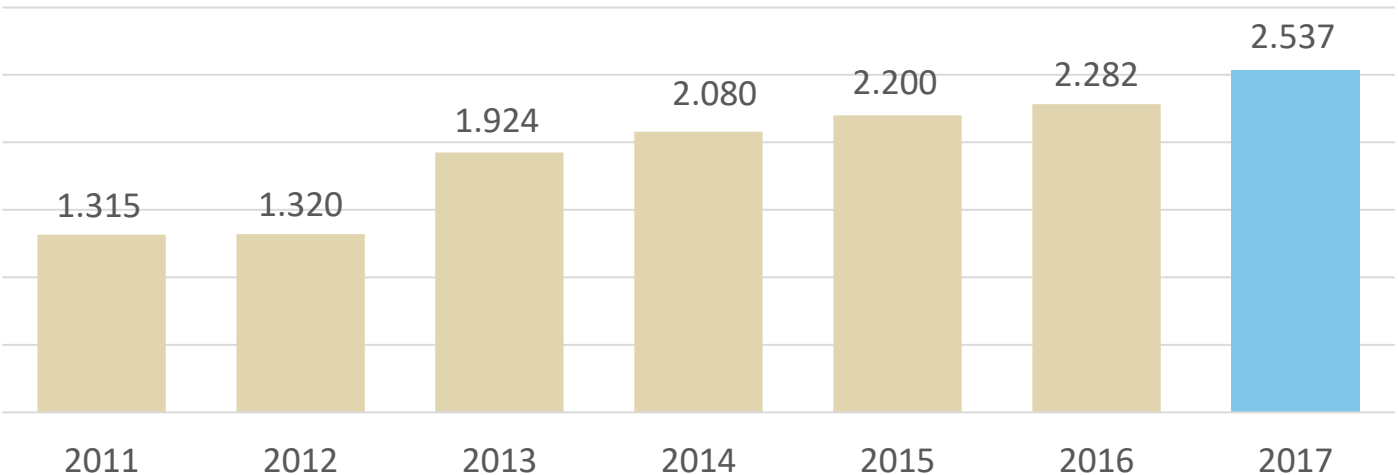


Key figures – annual development

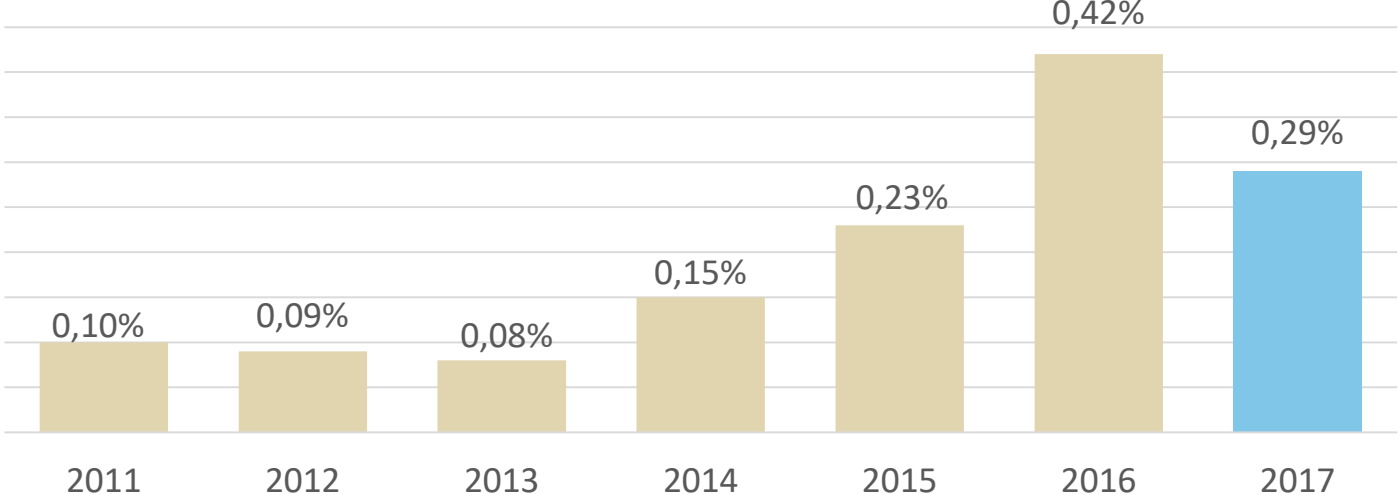
Return on equity



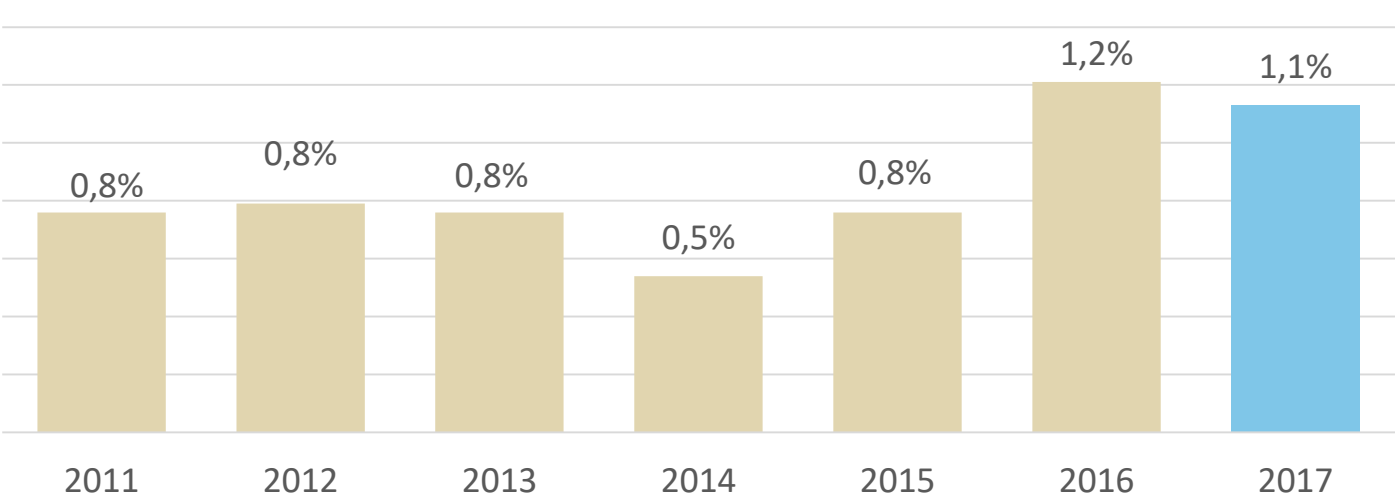
Core operating result (MNOK)



Impairment losses on loans



Non-performing and doubtful loans



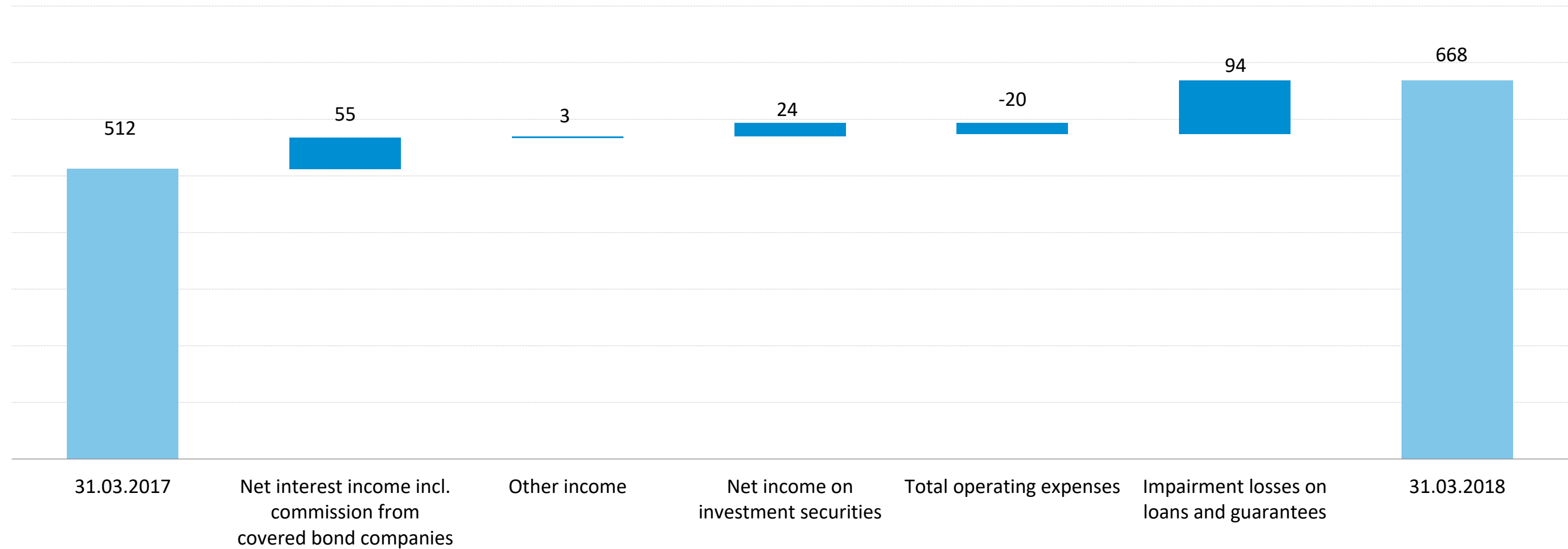
Key figures

	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17
Return on equity after tax (%)	10,3	11,4	12,9	11,0	8,7
Net interest margin (%)	1,50	1,50	1,54	1,52	1,53
Impairment losses on loans and guarantees in % of gross loans incl. covered bond companies	0,16	0,26	0,27	0,29	0,37
Non-performing and other problem commitments in % of gross loans incl. covered bond companies	1,14	1,13	1,18	1,21	1,23
Cost to income ratio	42,1	41,0	37,7	41,3	43,3
Annual growth in loans to customers, gross incl. covered bond companies (%)	3,1	2,6	1,2	0,5	-0,4
Annual growth in deposits from customers (%)	7,0	11,0	13,0	11,3	7,0
Total assets (BNOK)	217,4	216,6	215,3	212,9	200,2
Portfolio of loans in covered bond companies (BNOK)	14,6	14,6	18,0	19,4	23,3
Risk weighted assets (BNOK)	122,8	120,2	121,8	120,7	118,4
Liquidity Coverage Ratio (LCR) (%)	177	168	212	212	200
Earnings per share (NOK)	2,03	2,18	2,39	2,01	1,58
Book value per share (NOK)	79,24	77,24	75,07	72,72	72,91

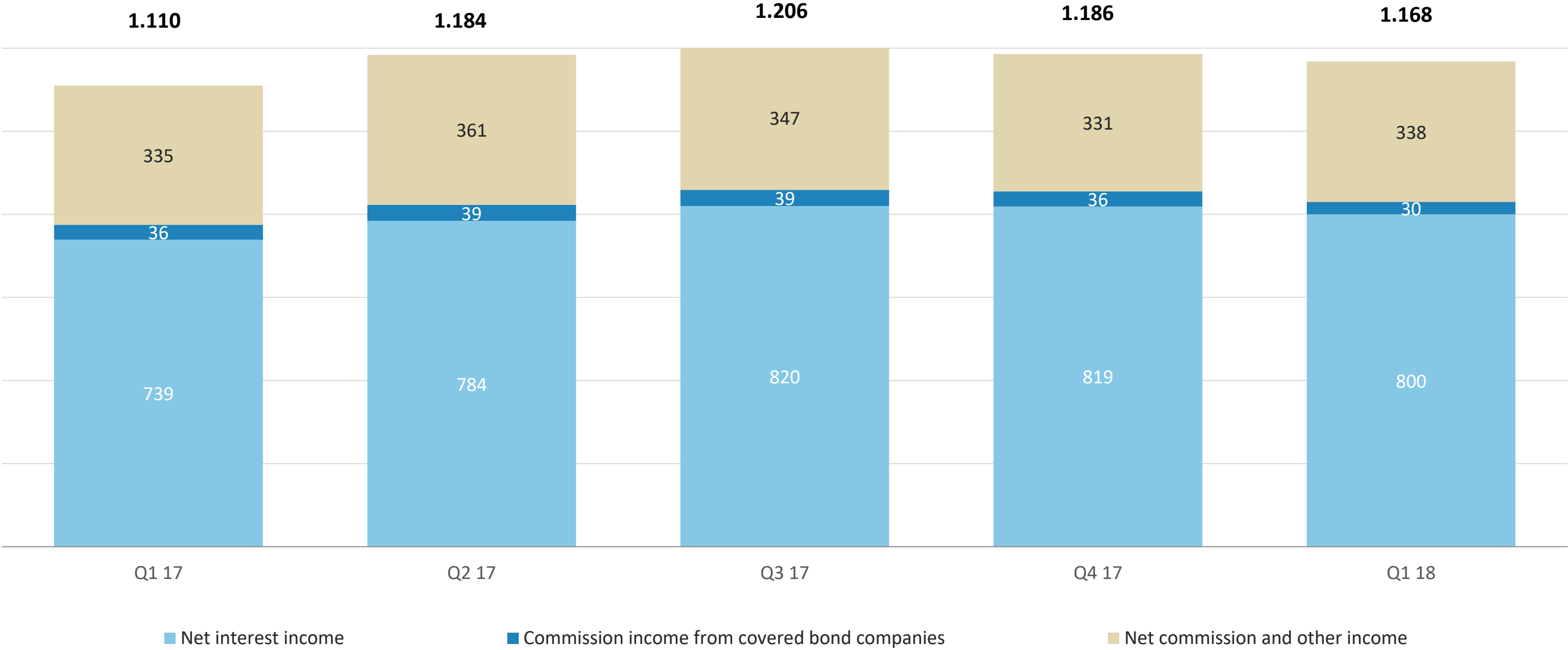
Income statement

Group Income Statement (MNOK)	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17
Net interest income	800	819	820	784	739
Net commission and other income	368	367	386	400	371
Net income on investment securities	113	204	198	143	89
Total income	1.281	1.390	1.404	1.327	1.199
Total operating expenses	539	570	530	548	519
Operating profit before losses	742	820	874	779	680
Impairment losses on loans and guarantees	74	120	124	131	168
Operating profit before tax	668	700	750	648	512
Tax expense	150	141	140	134	109
Net profit	518	559	610	514	403

Change in profit 31.03.2017 – 31.03.2018

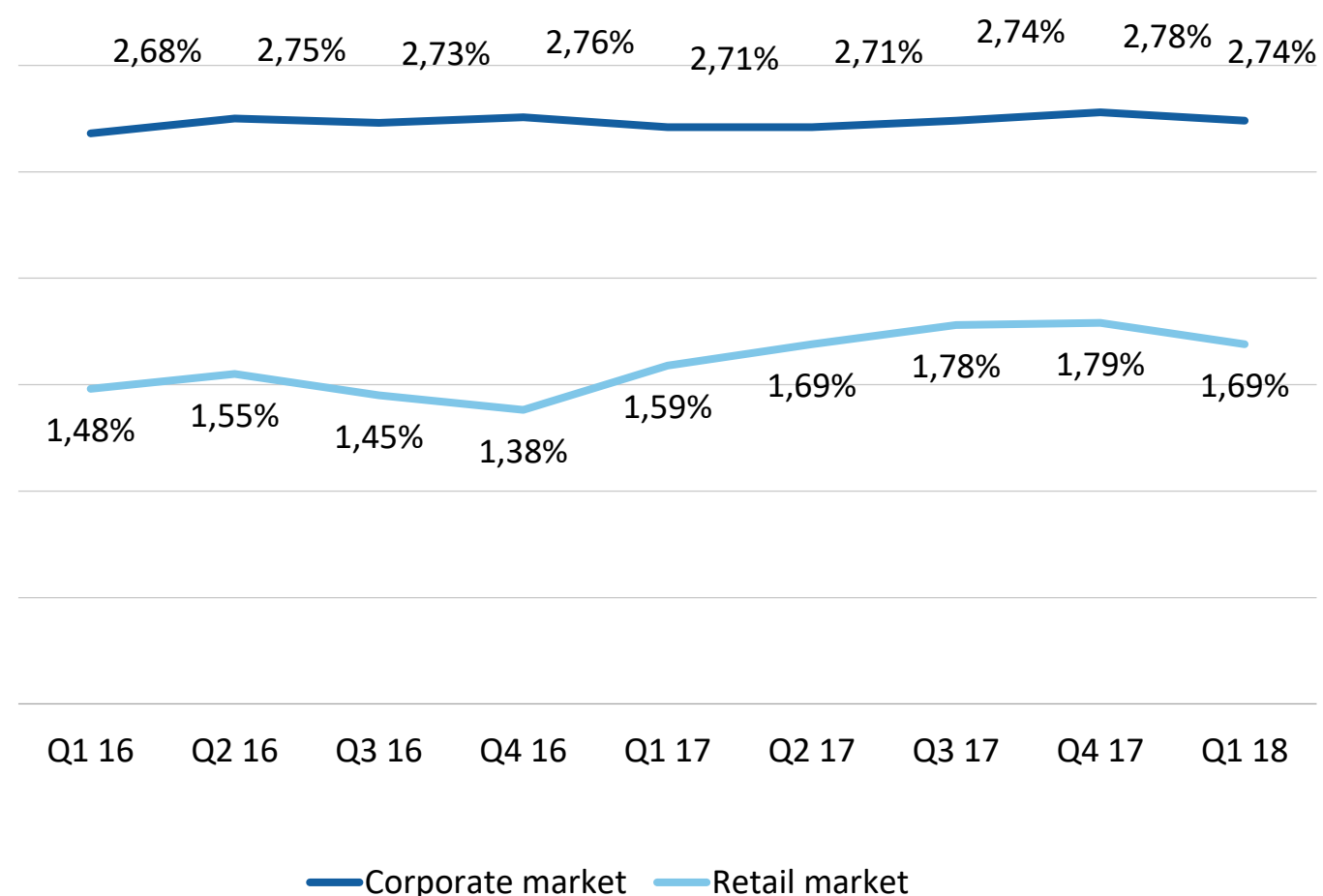


Consolidated income profile

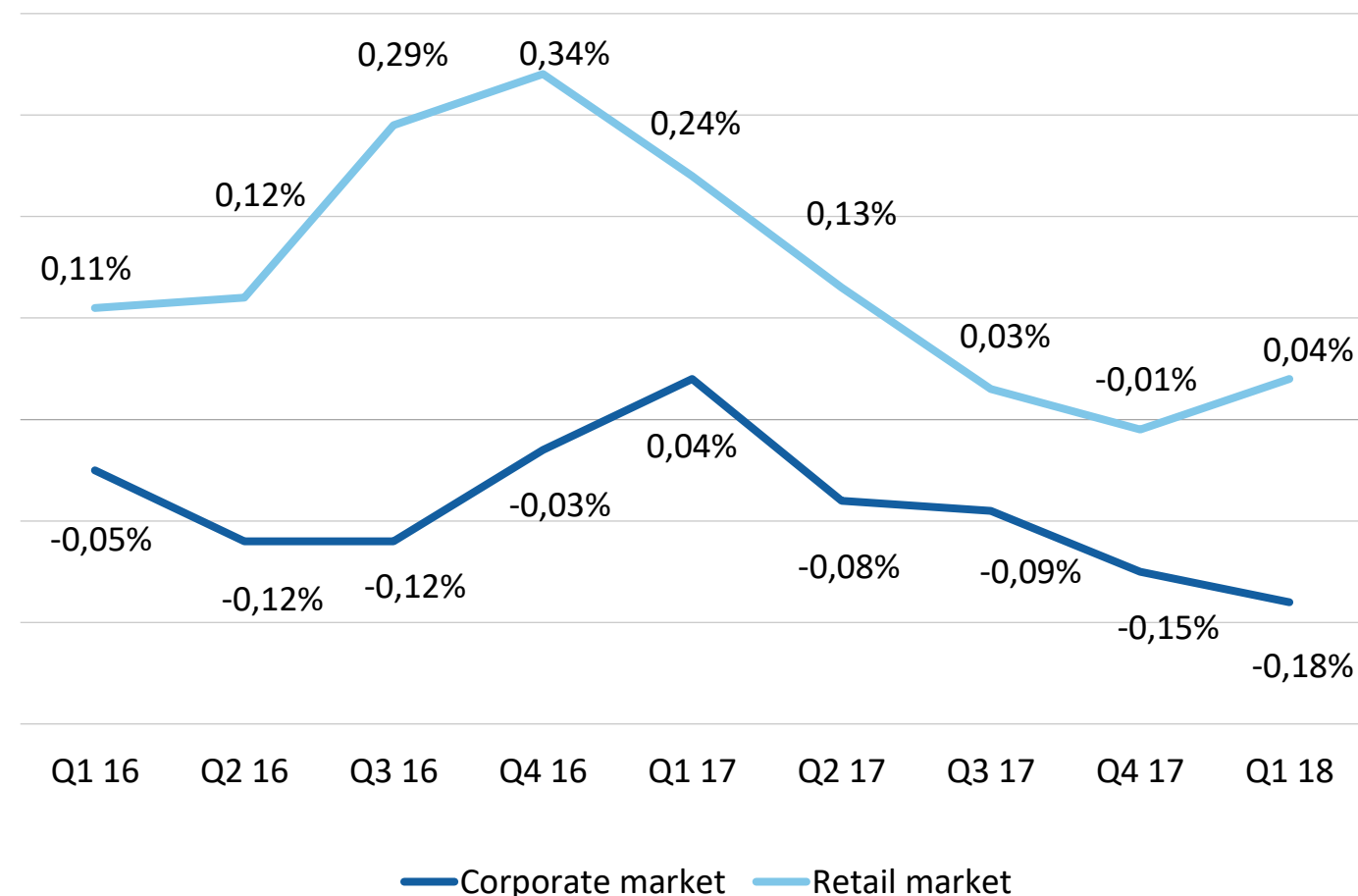


Lending and deposit margins

Lending margins*



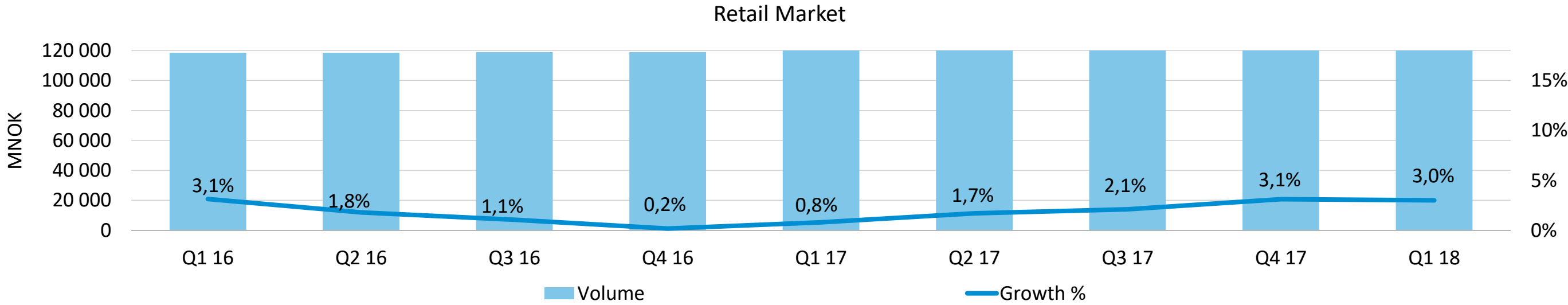
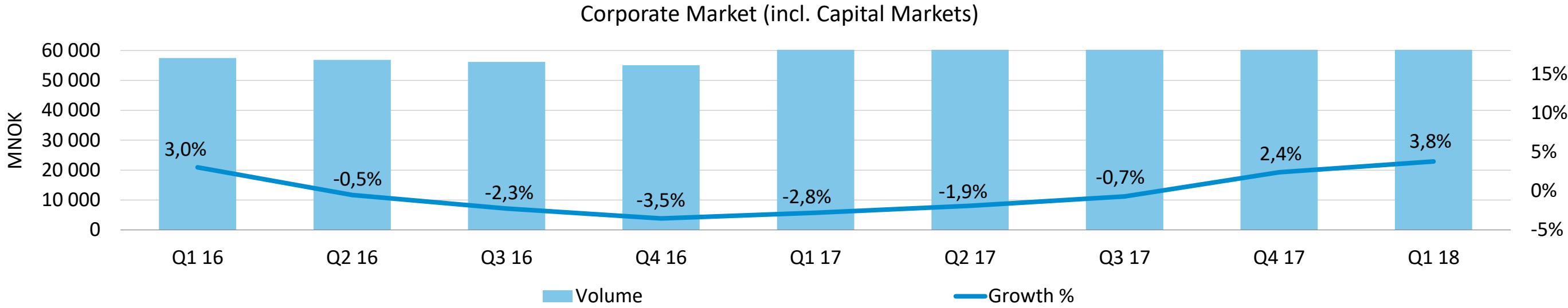
Deposit margins



*SpareBank 1 SR-Finans AS was merged into SpareBank 1 SR-Bank from 1 January 2017. The figures (lending margins) are therefore not entirely comparable. Lending margins for the corporate market also changed in 2017 compared with what was previously reported due to the internal correction of net interest income.

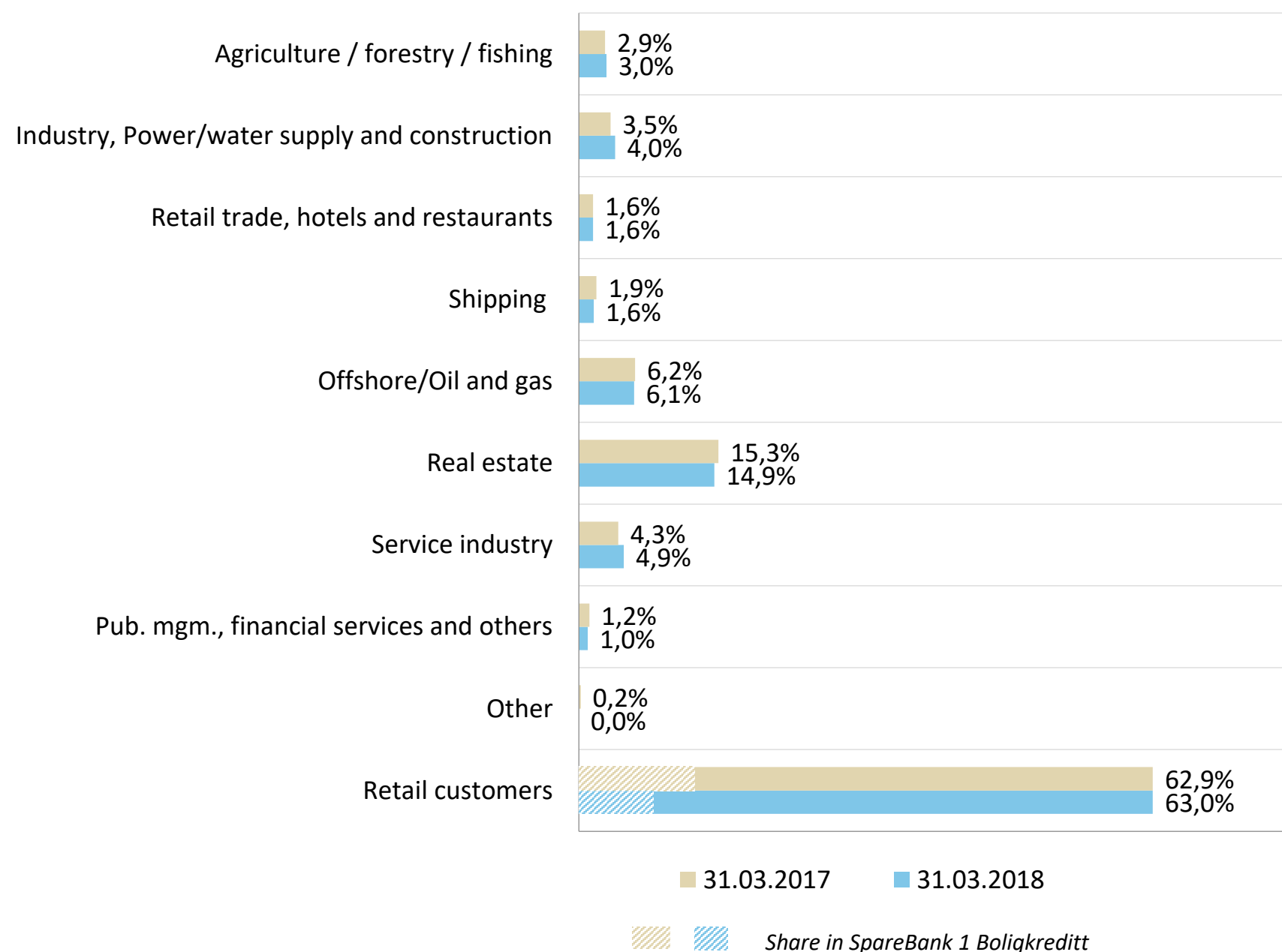
Definition: Average customer interest rate against 3-month moving average for 3-month NIBOR. Lending margins include loan portfolio in covered bond companies

Lending volume and 12 months growth



Loan portfolio as at 31.03.2018

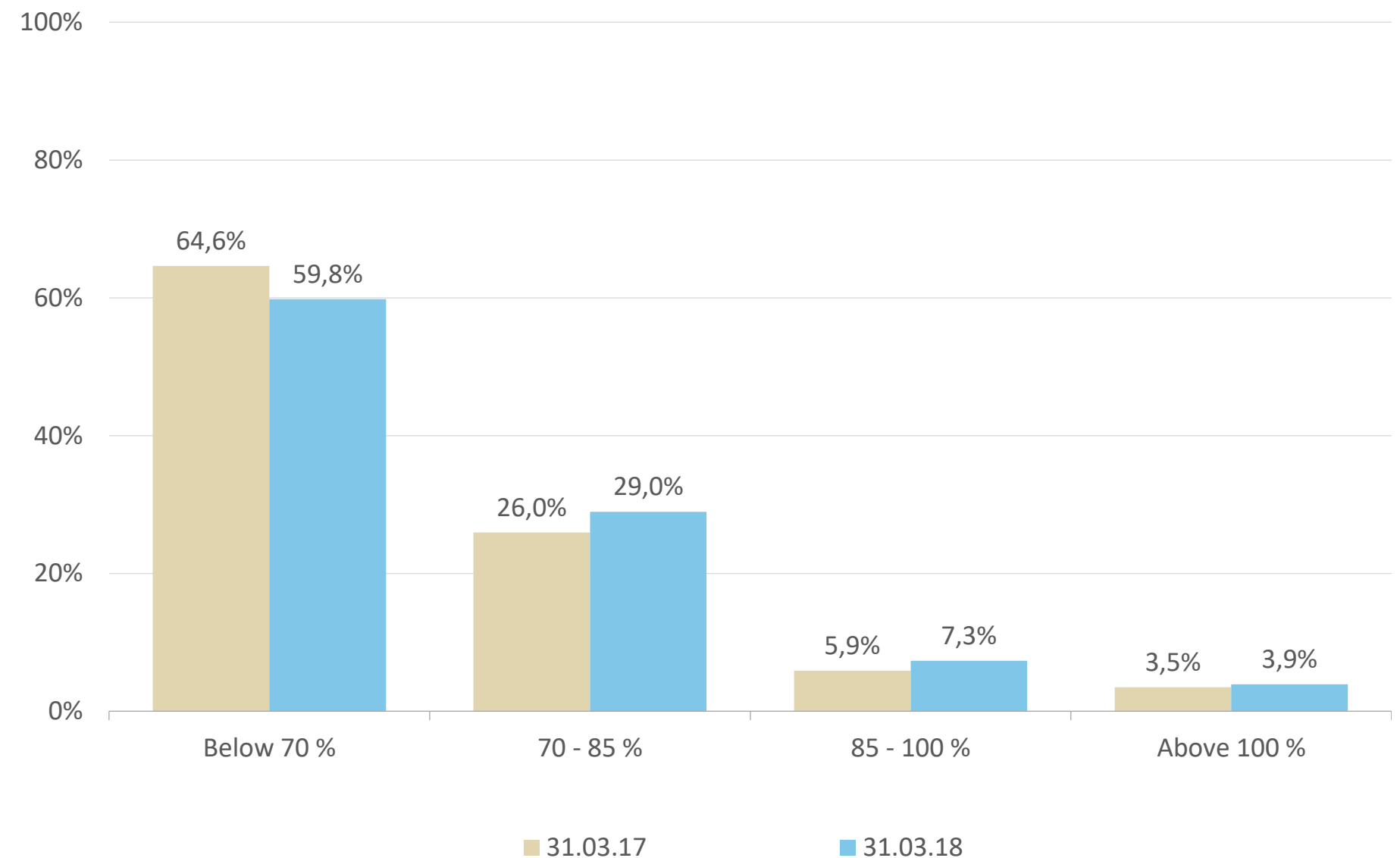
- Gross loans (incl. covered bond companies) as at 31 March 2018 amount to NOK 188.9 billion compared with NOK 183.2 billion at the same time the year before.
- 12-month growth in loans of 3.1%.
- Loans to retail customers (incl. covered bond company) account for 63.0% of total loans, of which 7.5%-points is in SpareBank 1 Boligkreditt.



Loans before individual write-downs, nominal amounts.
Sector allocation in accordance with the standard categories from Statistics Norway.

Loan to value ratio on home mortgage loans

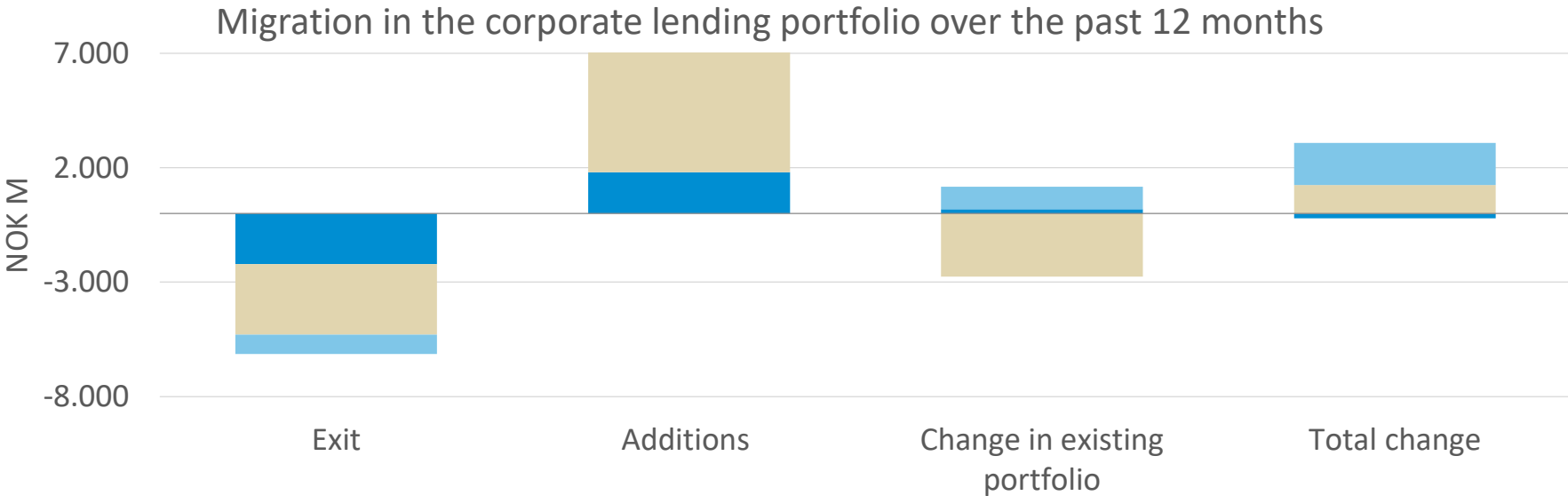
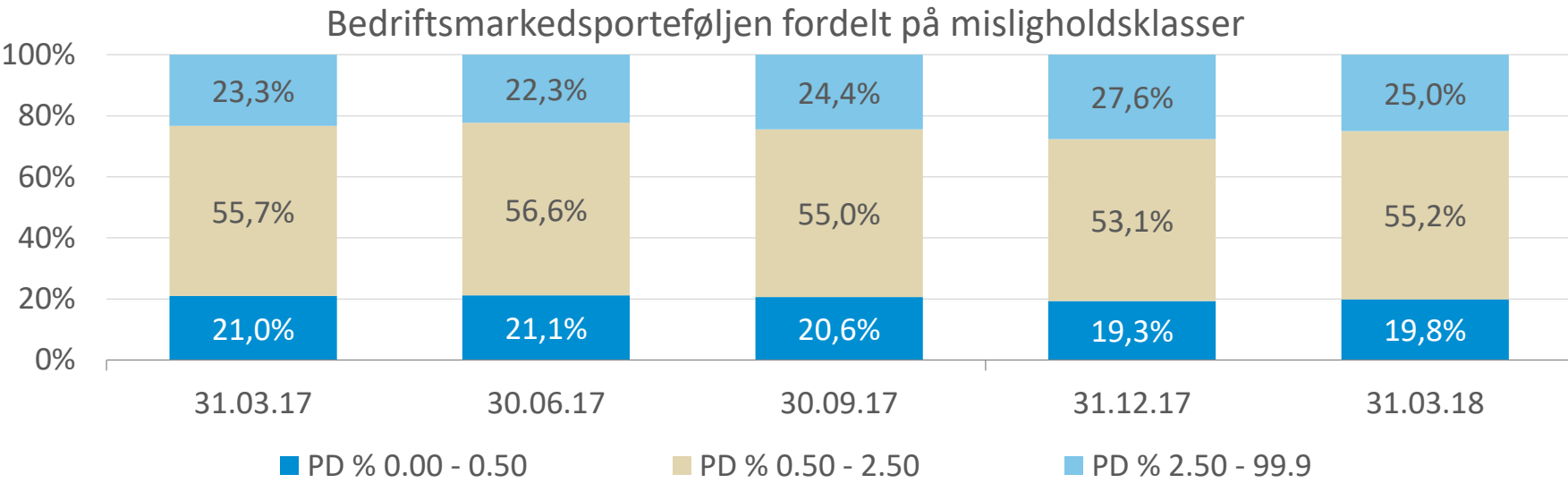
- The proportion of loans with a loan-to-value ratio of less than 85% is high.
 - 88.8% of the exposure is within 85% of the assessed value of collateral.



*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 the covered bond companies (SpareBank 1 Boligkreditt AS and SR-Boligkreditt AS).*

Lending to the corporate market – risk profile

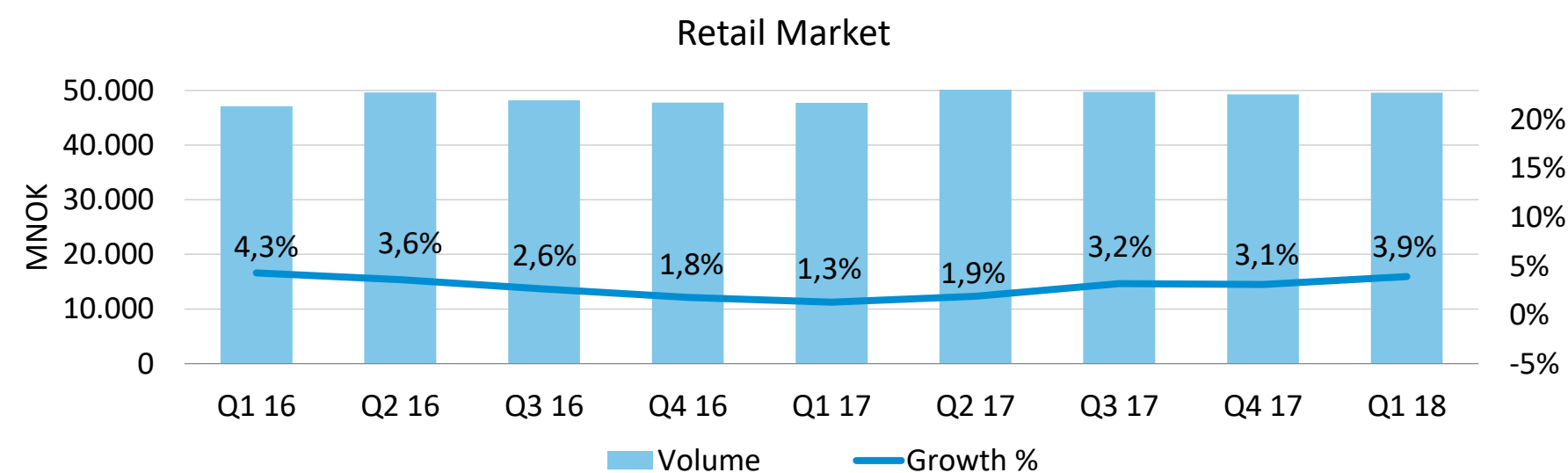
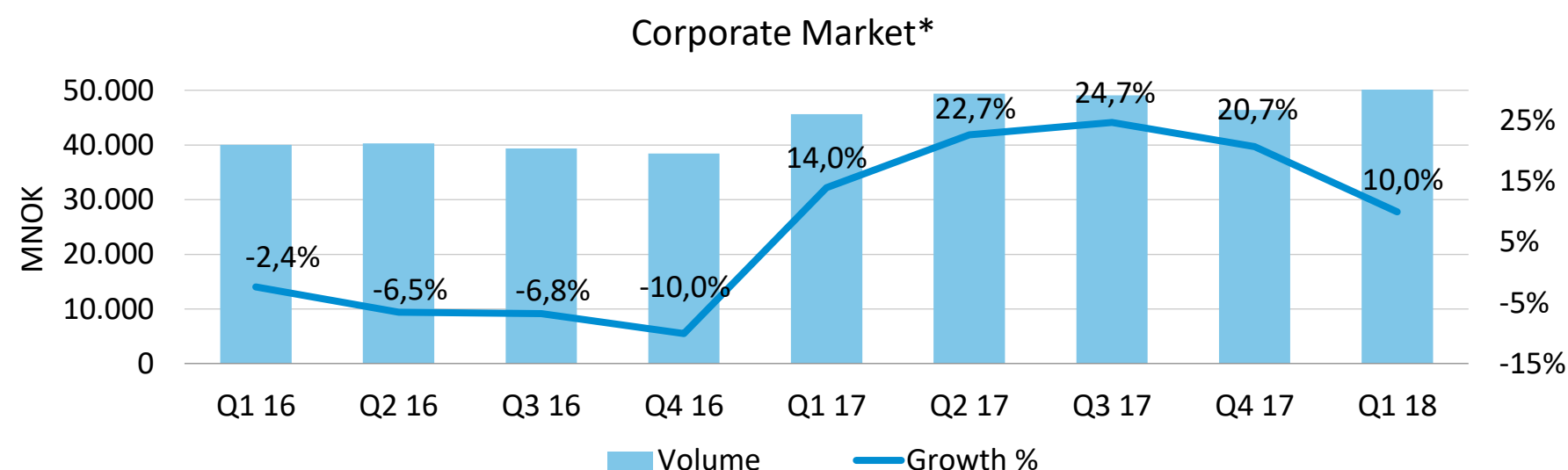
- The quality of the corporate market portfolio is good. There is a clearly defined framework that sets limit on what is funded and conditions for particular funding purposes. This ensures a robust portfolio.
- The share of costumers with PD* below 0.5 % is at 19.8 %.



*Probability of default (PD) through a full cycle of loss.
 The figures include the loan portfolio in the covered bond companies (SpareBank 1 Næringskreditt AS).

Deposits volume and 12 month growth

- Last 12 months deposits increased by NOK 6.5 billion to 99.6 billion.
 - Corresponds to an increase in the period of 7.0%.
- Increased deposit growth in the corporate market (incl. capital market) is due to larger deposits from public sector.
 - Deposit growth is 1.4% at 1. quarter 2018 excl. deposits from public sector.

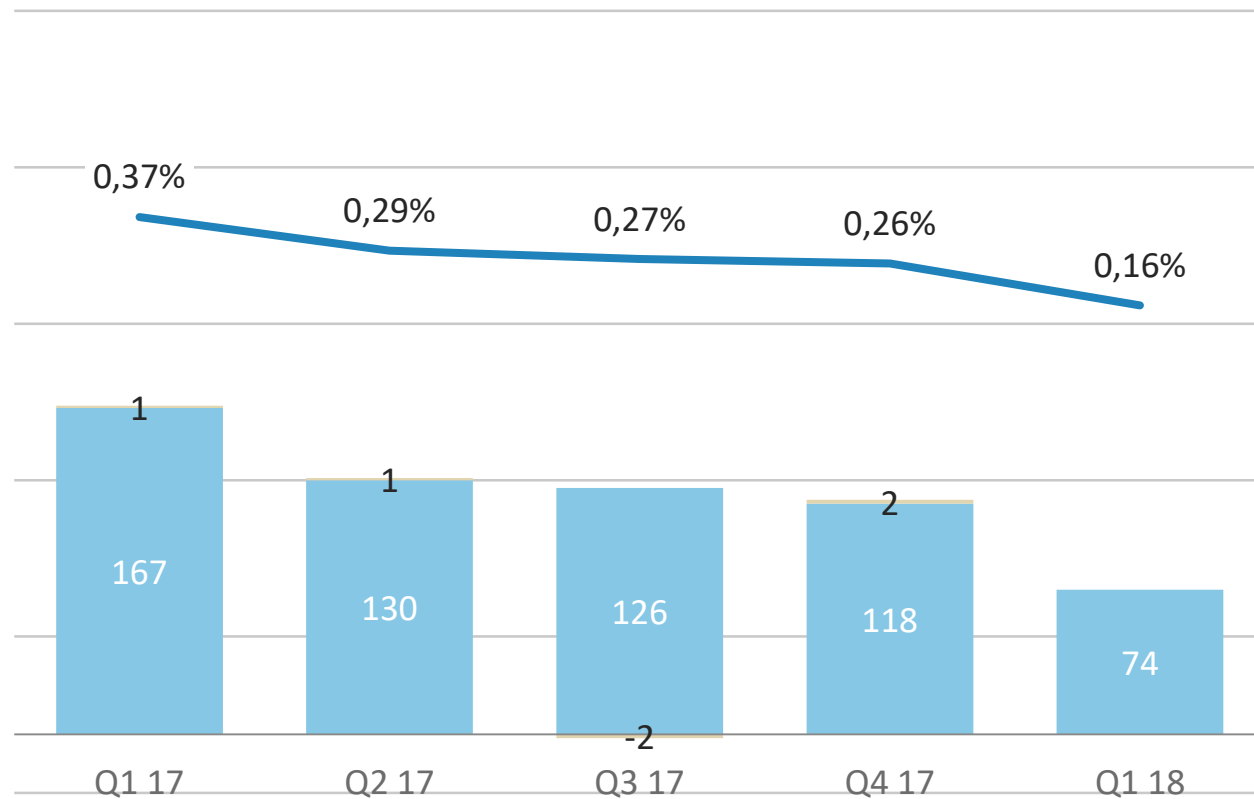


Operating expenses

MNOK	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17
Personnel expenses	319	323	312	312	306
Restructuring costs	0	10	0	0	0
Total personnel expenses	319	333	312	312	306
IT expenses	83	82	74	86	75
Marketing	16	20	16	21	16
Other administrative expenses	24	26	21	20	21
Total administrative expenses	123	128	111	127	112
Depreciation	18	17	21	18	18
Operating expenses from real estate	10	8	7	9	10
Other operating expenses	69	84	79	82	73
Total other operating expenses	97	109	107	109	101
Total operating expenses	539	570	530	548	519

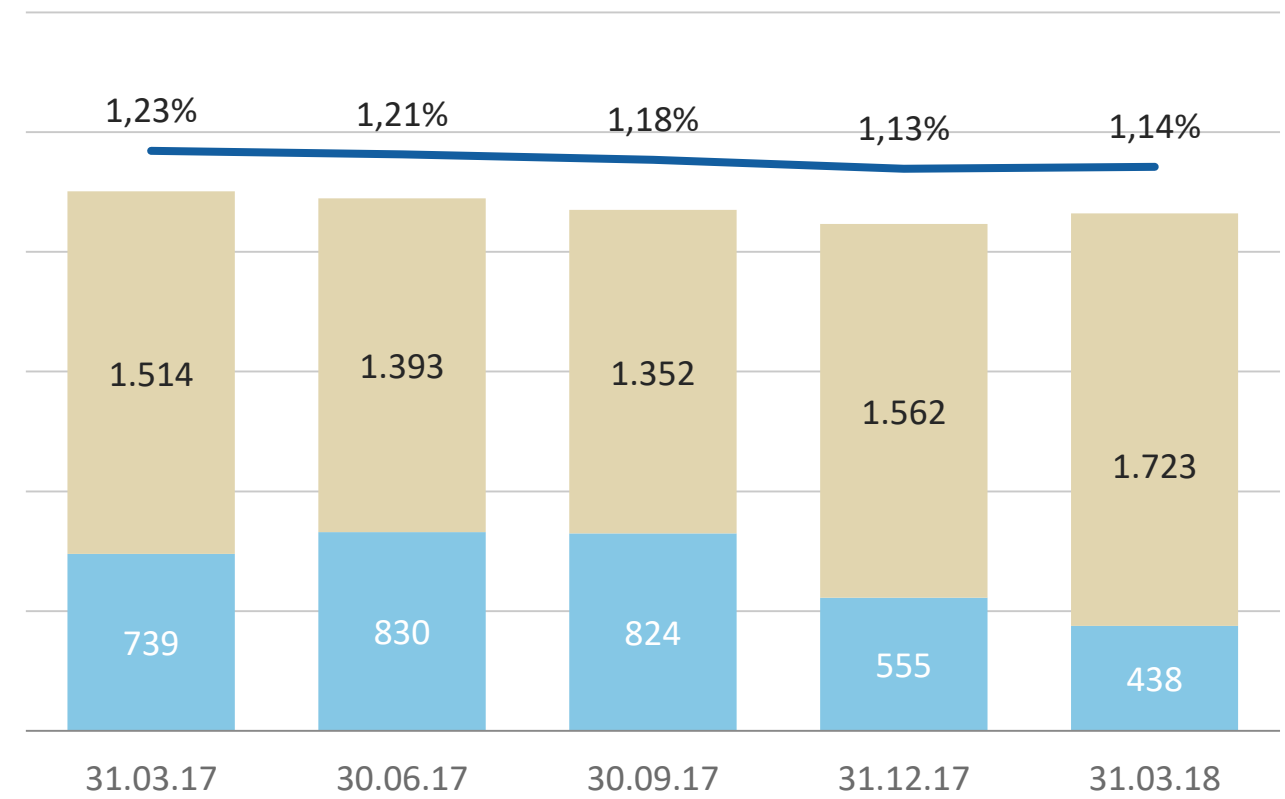
Impairment losses on loans/ Non-performing and doubtful commitments

Impairment losses on loans



- Collective impairment losses on loans, MNOK
- Individual impairment losses on loans, MNOK
- Loss ratio in % of average gross loans incl. from covered bond companies

Non-performing and doubtful commitments



- Doubtful commitments, MNOK
- Non-performing loans, MNOK
- Non-performing and doubtful commitments in % of gross loans incl. from covered bond companies

Introduction to SpareBank 1 SR-Bank ASA

Financials

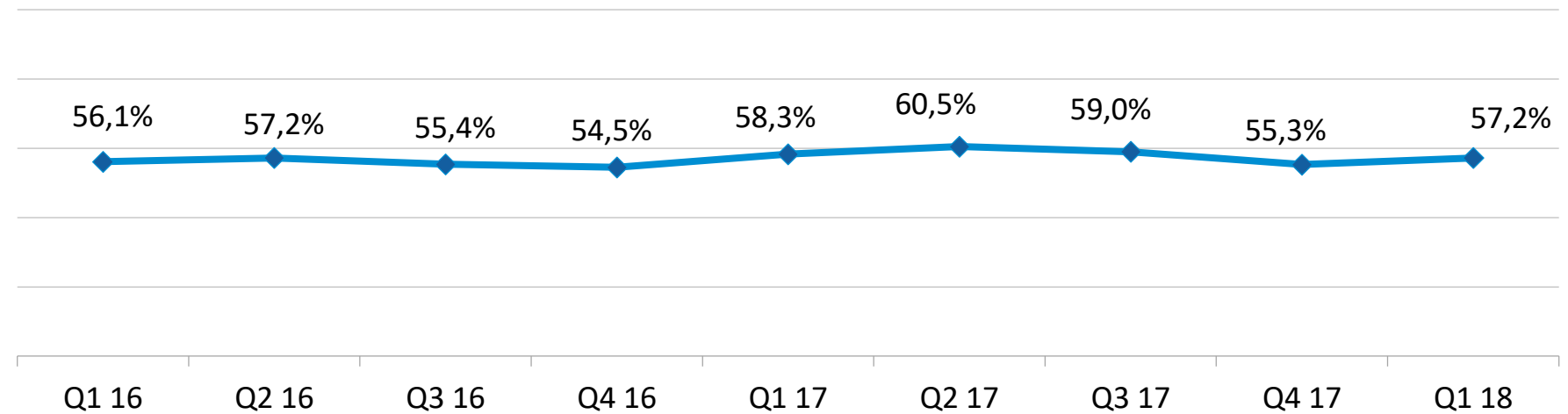
Solvency and liquidity position

Appendix

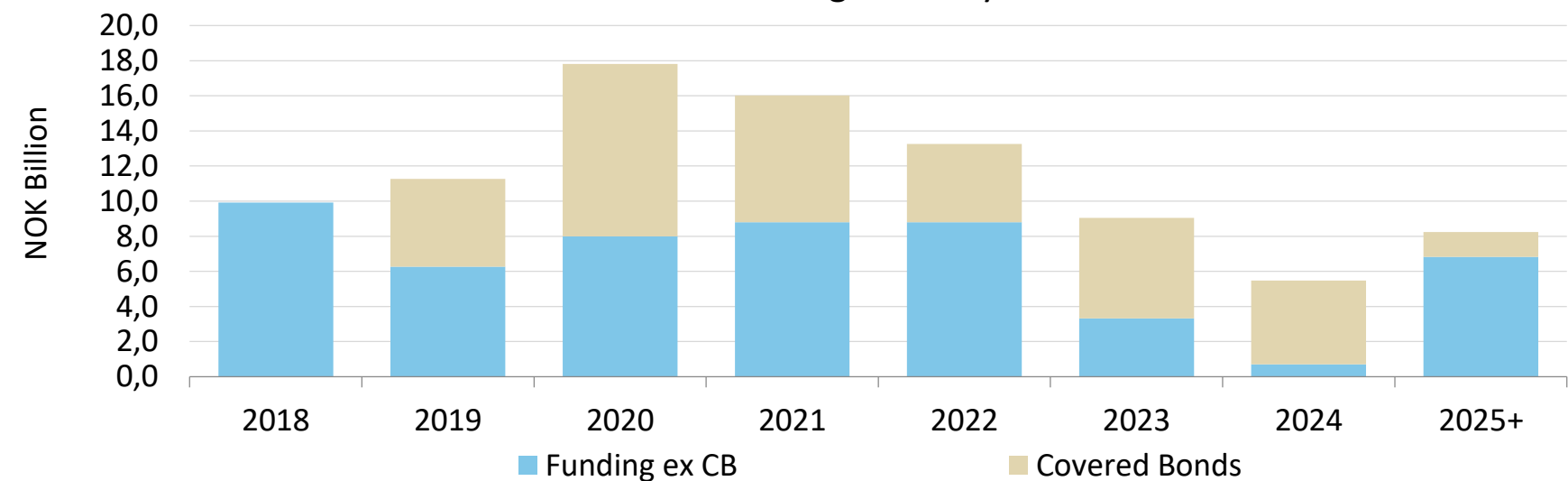
Funding

- Well diversified funding.
- Net Stable Funding Ratio* is 118% on consolidated basis.
- Good liquidity
 - Net refinancing need over the next 12 months is NOK 15.0 billion.
 - Liquidity buffer is NOK 32.7 billion for normal operation in 29 months with closed markets. In addition to the liquidity buffer, NOK 19.6 billion of home mortgages are prepared for covered bond funding.

Deposits to loans ratio

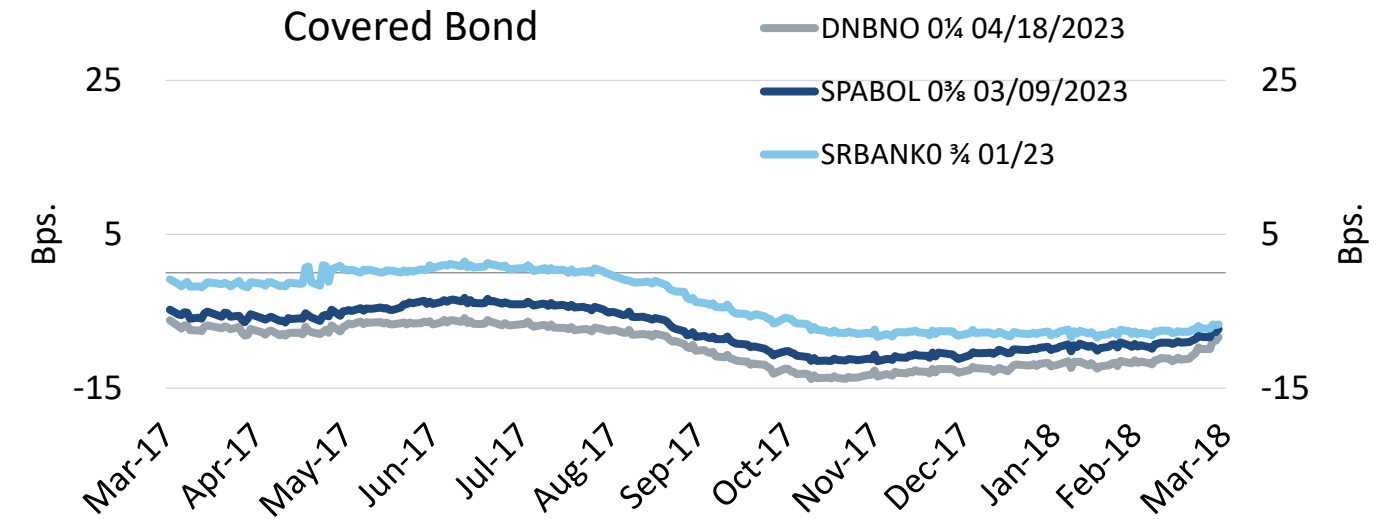
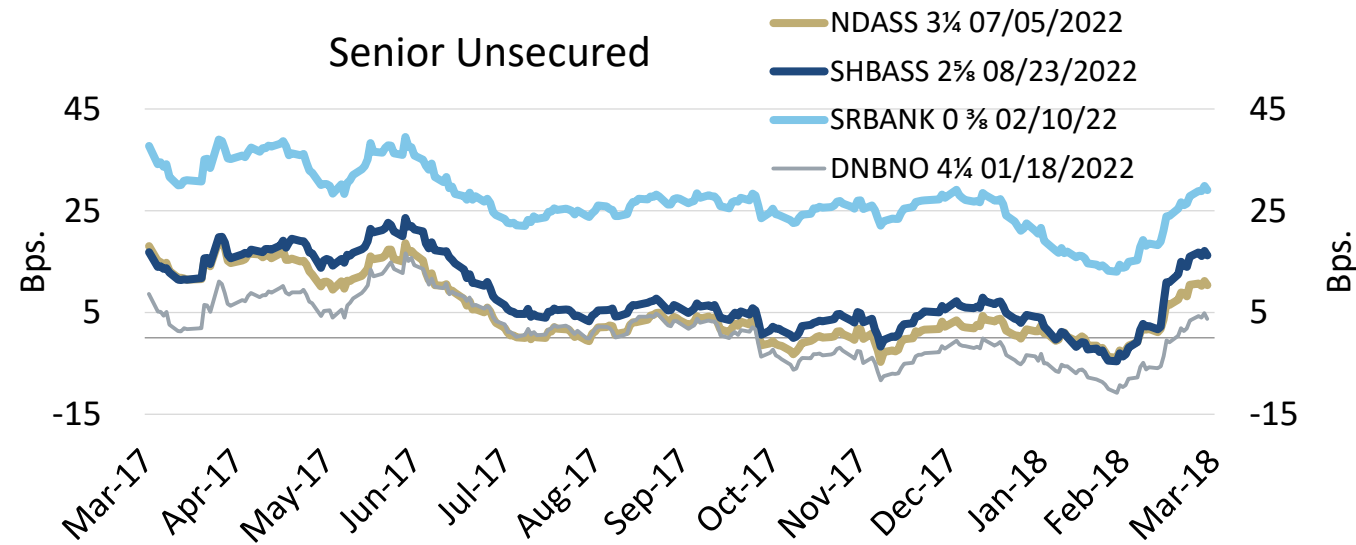


Annual funding maturity



*The net stable funding ratio (NSFR) is defined as available stable funding relative to necessary stable funding. NSFR is calculated in accordance with guidelines from the Financial Supervisory Authority of Norway.

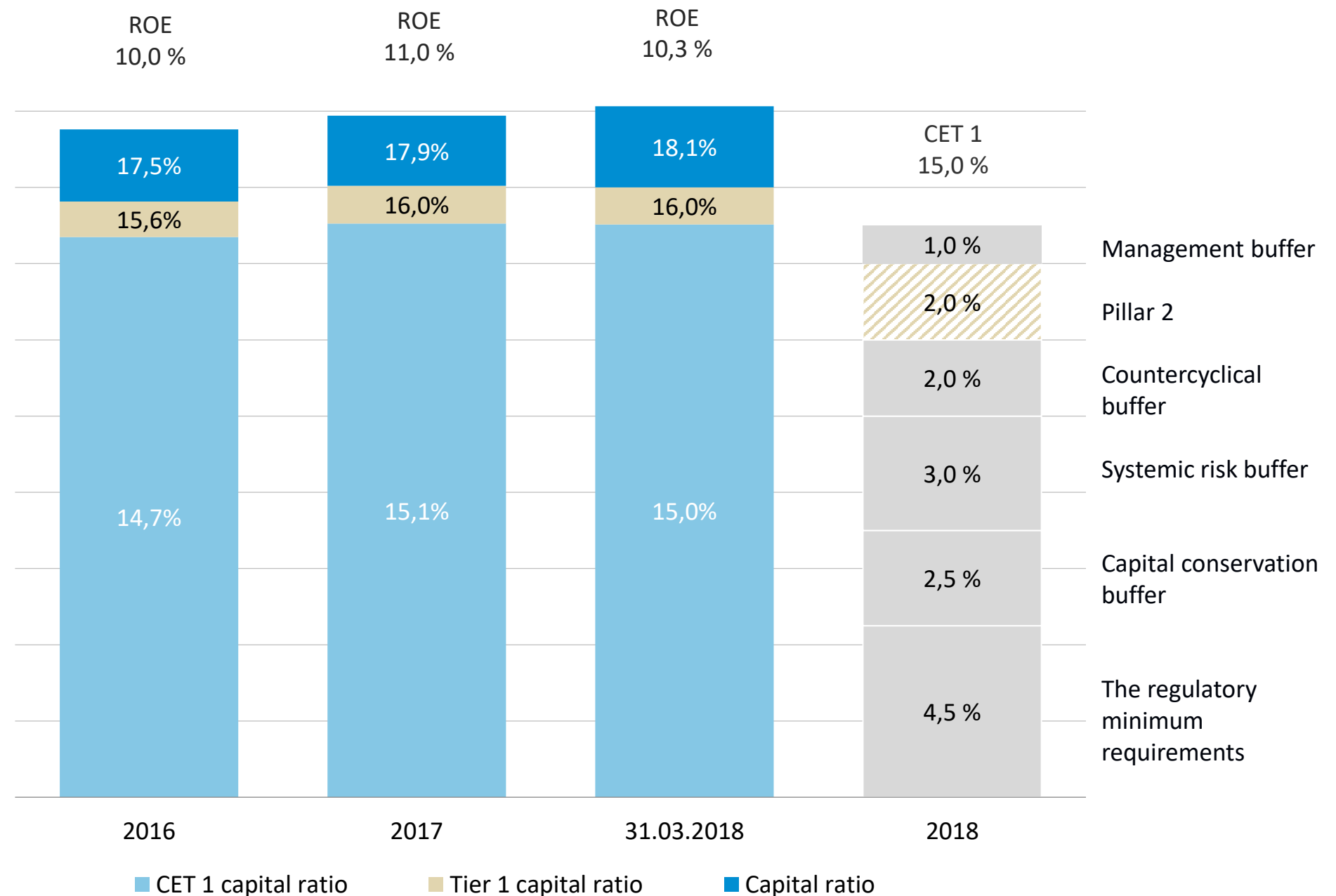
An established borrower in the Euromarket



Issuer / Ticker	Coupon	Amount	Maturity	ISIN
SR-Bank / SRBANK	2,000%	EUR500mn	14-May-2018	XS0853250271
SR-Bank / SRBANK	2,125%	EUR500mn	27-February-2019	XS0965489239
SR-Bank / SRBANK	2,125%	EUR500mn	03-February-2020	XS0876758664
SR-Bank / SRBANK	2,125%	EUR750mn	14-April-2021	XS1055536251
SR-Bank / SRBANK	0,375%	EUR500mn	10-February-2022	XS1516271290
SR-BOL / SRBANK	0,500%	EUR500mn	28-September-2020	XS1297977115
SR-BOL / SRBANK	0,125%	EUR750mn	8-September-2021	XS1429577791
SR-BOL / SRBANK	0,750%	EUR600mn	18-January-2023	XS1344895450
SR-BOL / SRBANK	0,375 %	EUR 500mn	3-October-2024	XS1692489583
SR-BOL / SRBANK	2,500%	USD600mn	12-April-2022	XS1596016847
SR-BOL / SRBANK	Nibor3m + 34	NOK 5.000mm	25-November 2019	NO0010779176
SR-BOL / SRBANK	Nibor3m + 35	NOK 5.000mm	10-September 2020	NO0010740152

Solid capital ratio

- SpareBank 1 SR-Bank is compliant with capital requirements as at 31.03.2018.
- The Pillar 2 requirement for SpareBank 1 SR-Bank is 2.0%.
- SpareBank 1 SR-Bank is not defined as a systemically important financial institution (SIFI).
- The use of different risk weights in the Nordic countries makes comparisons of actual financial strength difficult.
 - The Basel I floor is also practised differently.
- Leverage ratio is 7.4% as at 31.03.2018. SpareBank 1 SR-Bank exceeds the levels being discussed and recommended internationally.

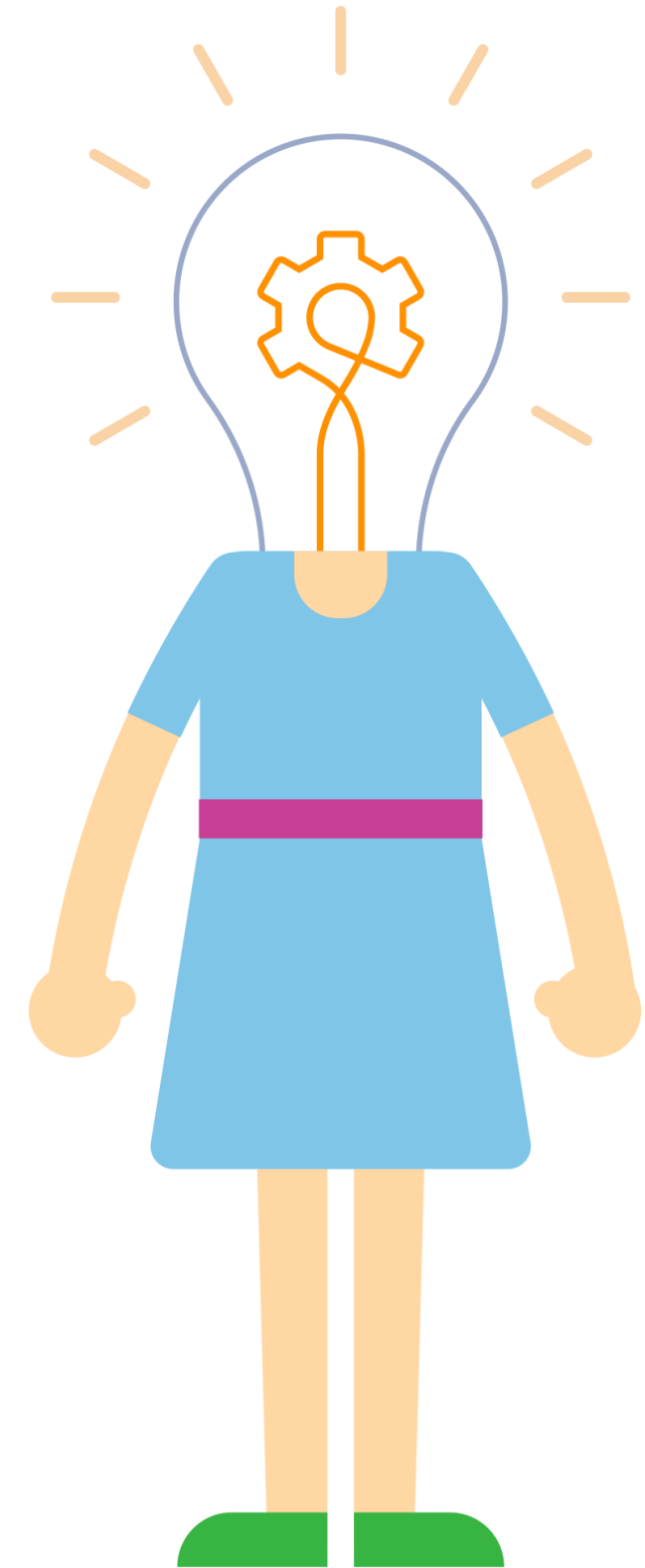


Outlook

- The market is expected to grow. The development in the group's market area was positively affected by the adaptability of companies and higher oil prices.
- Oil investments on the Norwegian continental shelf are expected rise by up to 15% in 2019.
- Declining unemployment in the group's market area combined with an expected stable housing market are contributing to greater optimism among the bank's retail and corporate customers.
- Moderate demand for loans, stable house prices and continued strong competition for new home mortgage customers are expected.
- SpareBank 1 SR-Bank expects to make loan loss provisions at NOK 400 – 500 million in 2018.
- Solid earnings from a robust business model and capital optimisation means SpareBank 1 SR-Bank is well positioned to maintain a solid capital base, while ensuring good competitiveness and normalised dividends.
- An offensive approach for the future including investing in new technology, geographic expansion and focus on accounting services and consulting.

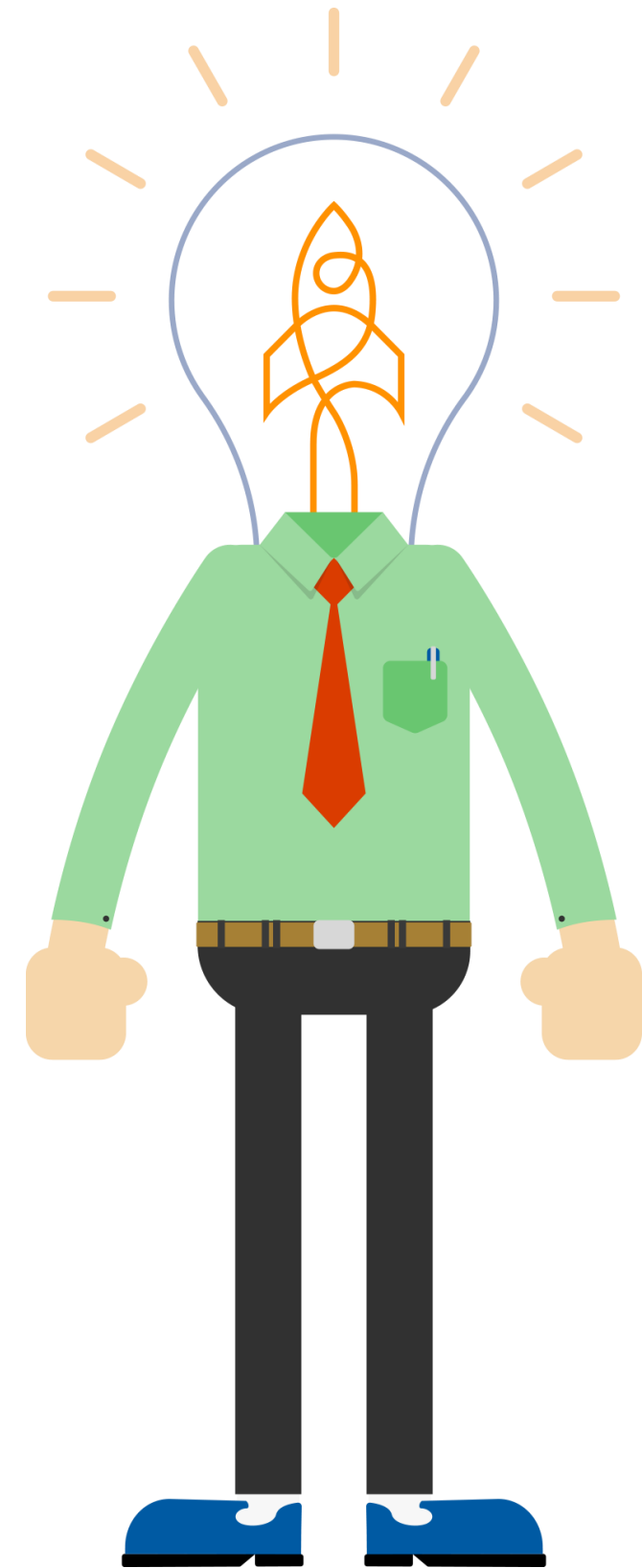
We are taking important new steps to increase our strength – geographically

- In March, we opened a branch in Oslo. A manager and three advisers are now in place. Within the year, we will have an organisation of around 10 full-time equivalents who will handle both new corporate customers and retail customers.
- The new branch in Oslo will raise our profile in the Norwegian market and we will increasingly compete with the largest Nordic banks going forward.
- Our overall market has expanded significantly given that we are now represented in a market of around 2.8 million people.
- Our goals are to both become stronger and take the position that is legitimately ours: **“The second largest Norwegian bank”**.



We are taking important new steps to increase our strength – technologically

- A fully automated financing process was launched for SME customers in March. Credit and loans are granted and paid out in the space of just a few hours. This means a significantly better service for customers and big future efficiency gains for us.
- First in Norway with an open banking platform, between the various SpareBank 1 banks. New agreements are currently being negotiated. We are adapting to both customer needs and the upcoming PSD 2 Directive.
- FinStart Nordic is now operative. A manager was hired in February and a further two employees are now in place. The “start-up factory” will soon number eight people based in Oslo. Several ideas are already being explored and developed, and a significant deal flow has been built up.



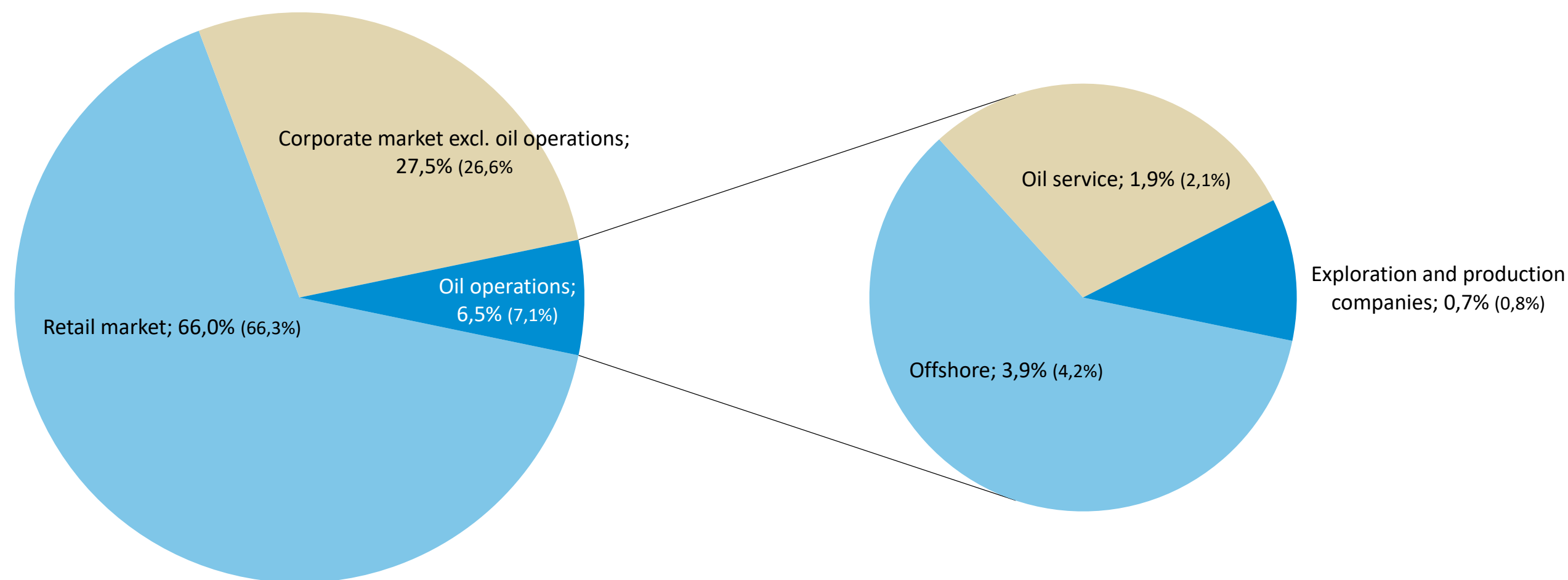
APPENDIX

- 1) Oil related portfolio
- 2) Macro
- 3) Norwegian housing and mortgage markets
- 4) SpareBank 1 SR-Bank

SpareBank 1 SR-Bank has a well diversified portfolio

6.5% (7.1%) of total EAD is related to oil operations

SpareBank 1 SR-Bank* has total BNOK 211.2 (209.3) EAD per 31.03.2018 BNOK 13.7 (14.8) EAD is related to oil operations



EAD: Exposure at default

Figures as at 31.03.2018 . Figures in parentheses as at 31.12.2017

*Include portfolio in covered bond company (SpareBank 1 Boligkreditt AS and SR-Boligkreditt AS).

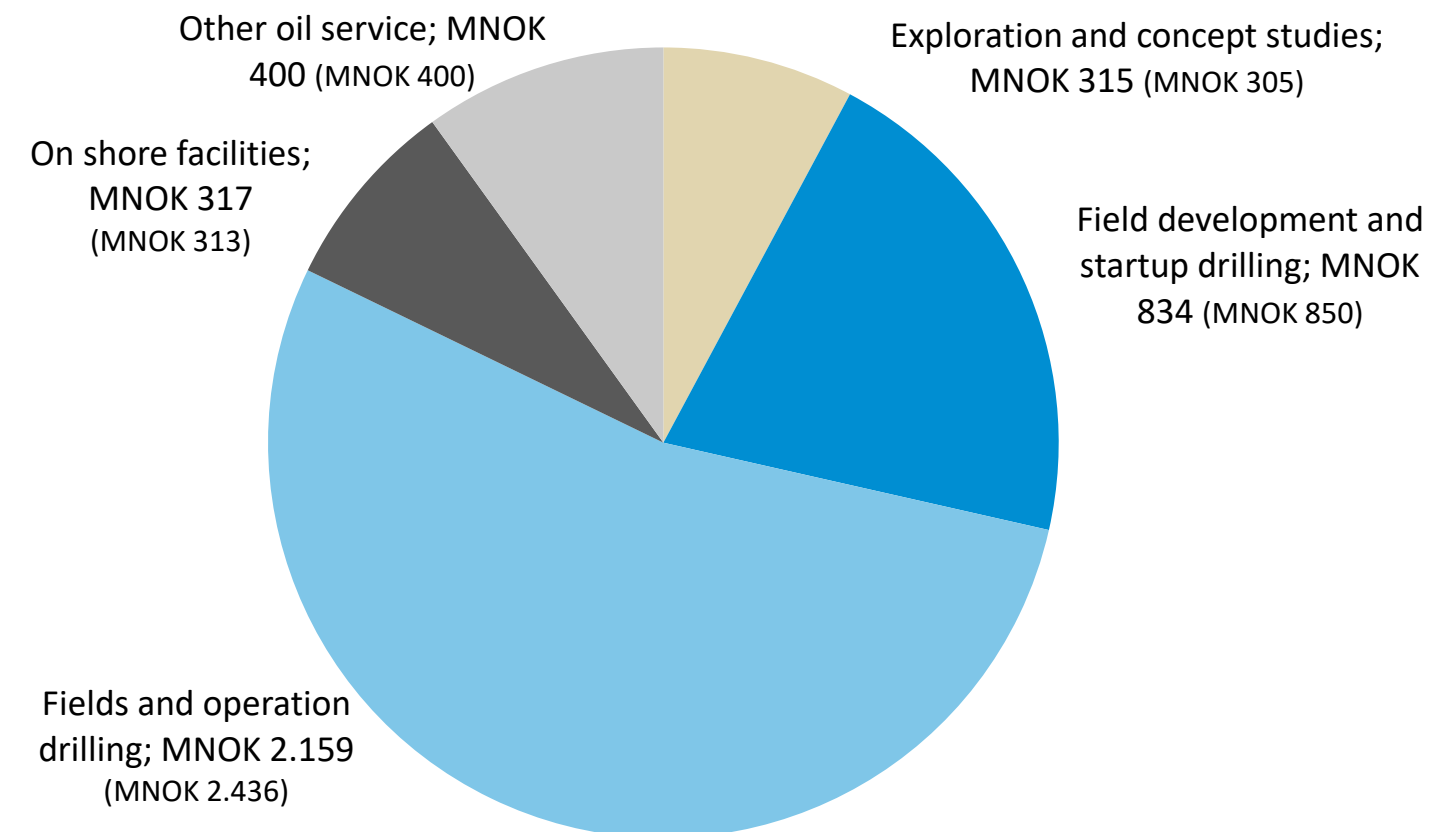
Oil services - total NOK 4.0 billion

(NOK 4.3 billion as at 31.12.2017)

- Exploration and concept studies
 - EAD NOK 0.3 billion
 - Average weighted probability of default 2.7%
- Field development and start-up drilling
 - EAD NOK 0.8 billion
 - Average weighted probability of default 3.2%
- Operational fields and operational drilling
 - EAD NOK 2.2 billion
 - Average weighted probability of default 5.9%
- On shore facilities
 - EAD NOK 0.3 billion
 - Average weighted probability of default 4.5%
- Other oil services
 - EAD NOK 0.4 billion

Oil services

- EAD NOK 4.0 *billion*, 1.9% of the bank's total EAD
- Average weighted probability of default for the oil services portfolio is 4.8%
- Funding of operating capital through current and fixed assets, as well as guarantees



EAD: Exposure at default
 Figures as at 31.03.2018. Figures in parentheses as at 31.12.2017

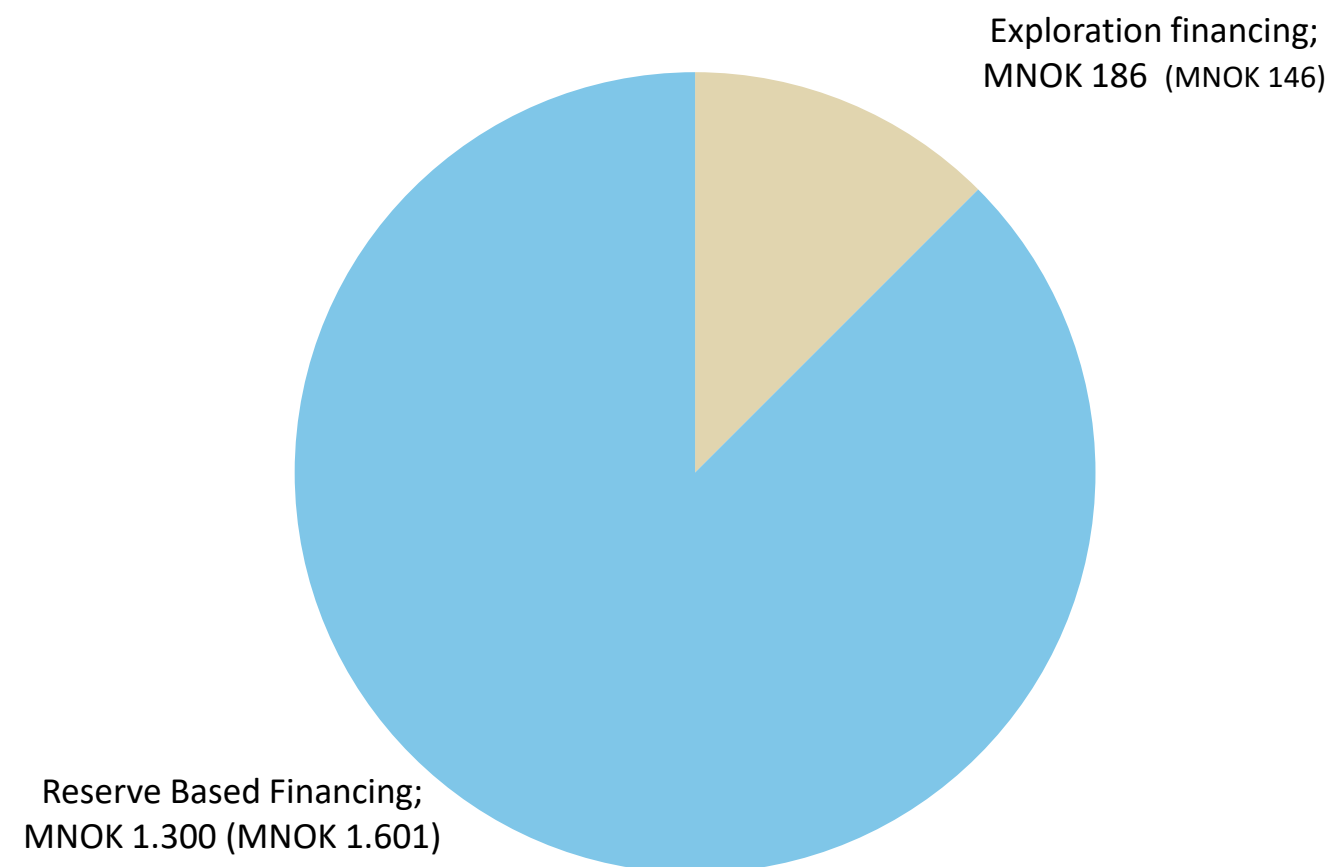
Oil and gas - total NOK 1.5 billion

(NOK 1.7 billion as at 31.12.2017)

- Exploration financing
 - EAD NOK 0.2 billion
 - Average weighted probability of default 1.2%
 - Secured by a tax refund from the Norwegian State. No direct oil price risk
- Reserve based lending (RBL)
 - EAD NOK 1.3 billion
 - Average weighted probability of default 1.4%
 - Structured financing based on assumptions relating to reserves, production volume, investments, oil prices, etc. The basis for loans is adjusted semi-annually based on a review of total assumptions

Exploration and production companies

- EAD NOK 1.5 billion, 0.7% of the bank's total EAD
- Average weighted probability of default for the oil and gas portfolio is 1.4%
- Exposure primarily to companies with activities on the Norwegian continental shelf



EAD: Exposure at default

Figures as at 31.03.2018. Figures in parentheses as at 31.12.2017.

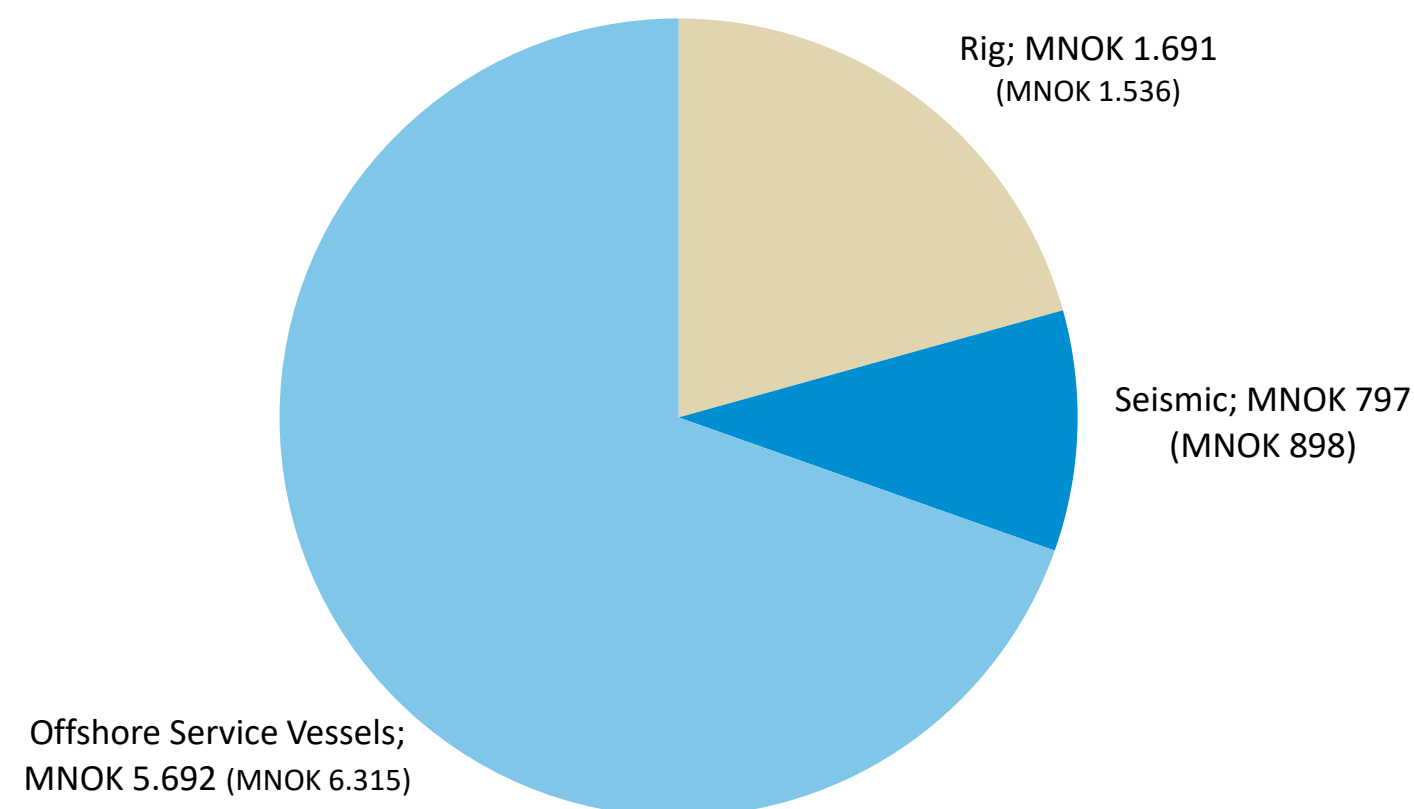
Offshore - total NOK 8.2 billion

(NOK 8.7 billion as at 31.12.2017)

- Offshore Service Vessels
 - EAD NOK 5.7 billion, average weighted probability of default is 3.1%, weighted average age is 8.7 years, average weighted contract coverage for 2018 and 2019 of 57% and 29% respectively, average weighted LTV 97%, 82 vessels
- Rig
 - EAD NOK 1.7 billion, average weighted probability of default is 3.4%, weighted average age is 7.9 years, average weighted contract coverage for 2018 and 2019 of 71% and 52%, average weighted LTV 77%, 18 rigs
- Seismic vessels
 - EAD NOK 0.8 billion, average weighted probability 0.9%, weighted average age is 13.4 years, average weighted contract coverage for 2018 and 2019 of 64% and 64% respectively, average weighted LTV 97%, 7 vessels
 - Applies to ship financing, not seismic equipment

Offshore

- EAD NOK 8.2 billion, 3.9% of the bank's total EAD
- Average weighted probability of default for the offshore portfolio is 2.9%
- Exposure primarily to industrial-oriented shipping companies with strong ownership and integrated organisation



EAD: Exposure at default

Figures as at 31.03.2018. Figures in parentheses as at 31.12.2017.

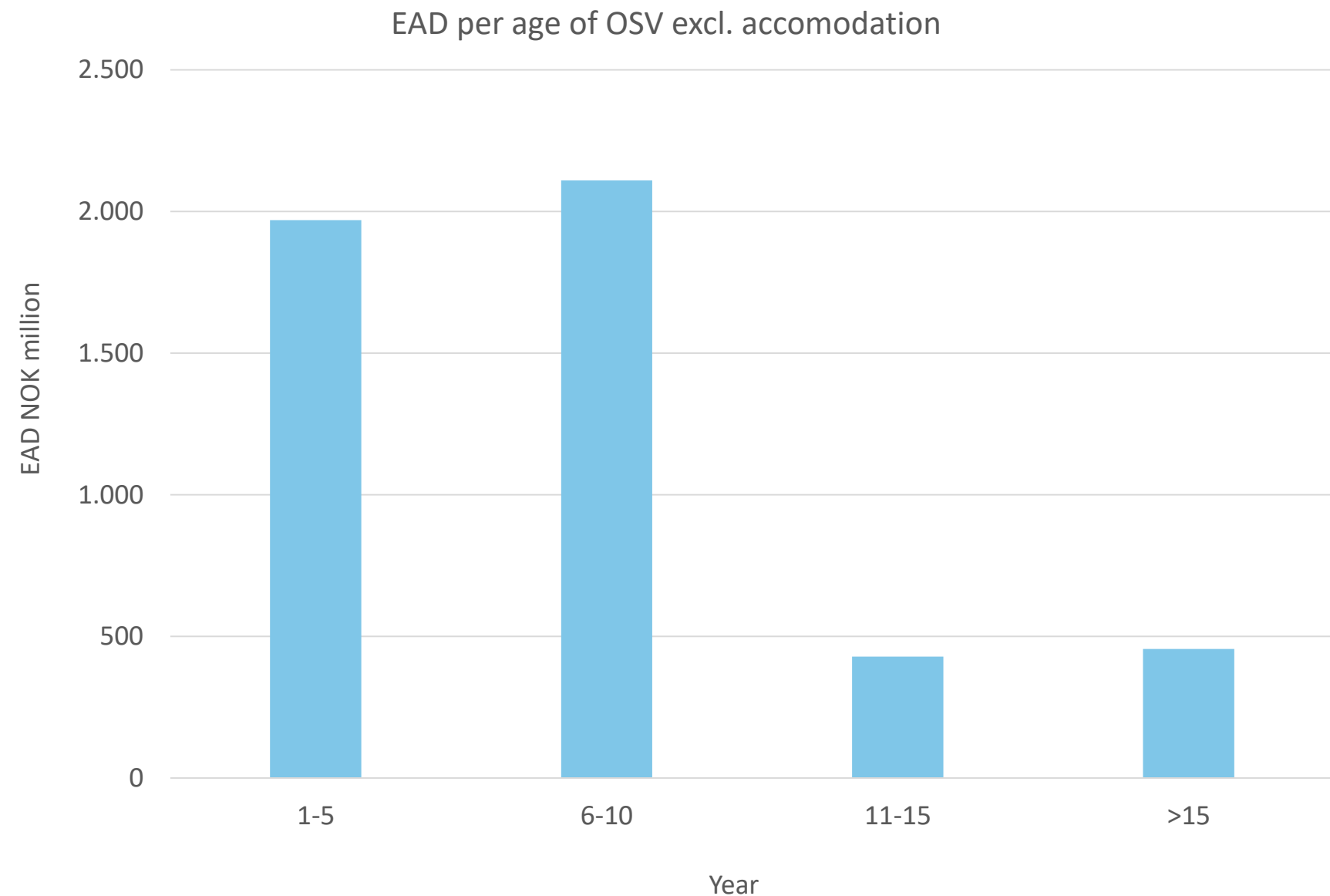
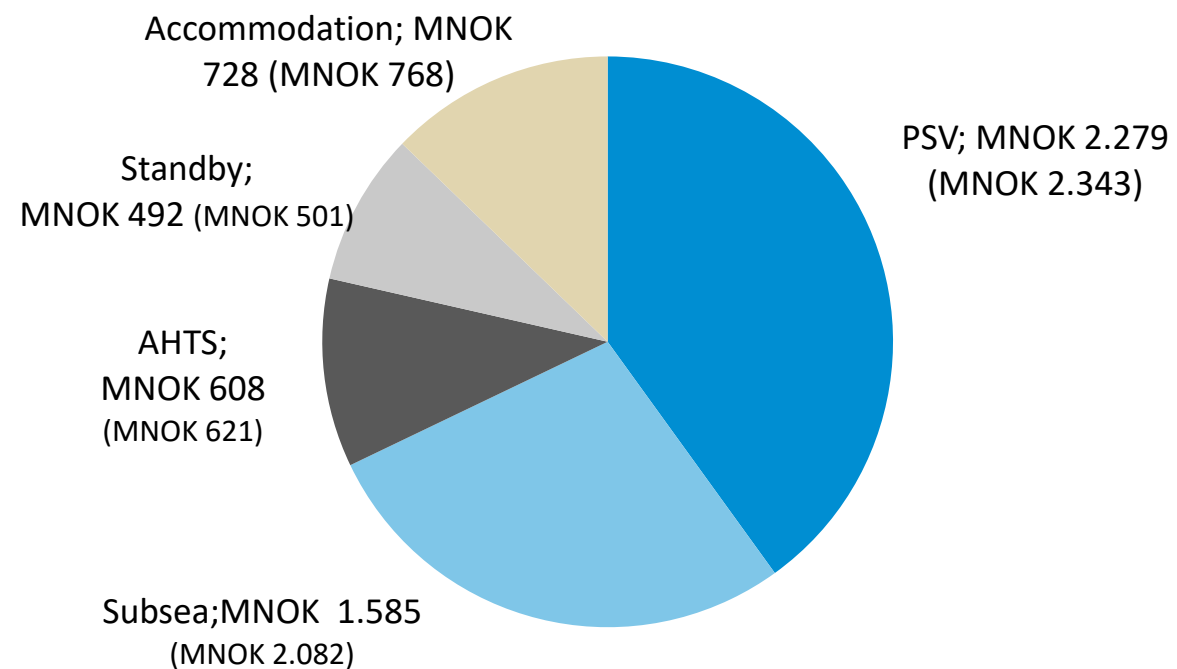
LTV: Loan to Value. Value estimates per 31.12.2017

Offshore Service Vessels – total NOK 5.7 billion

(NOK 6.3 billion as at 31.12.2017)

Offshore Service Vessels

- Most customers with long history as a borrower in SpareBank 1 SR-Bank
- Most of the companies are listed on stock exchange or family owned
- A major part is industrially focused companies, only a small number of financially oriented owners

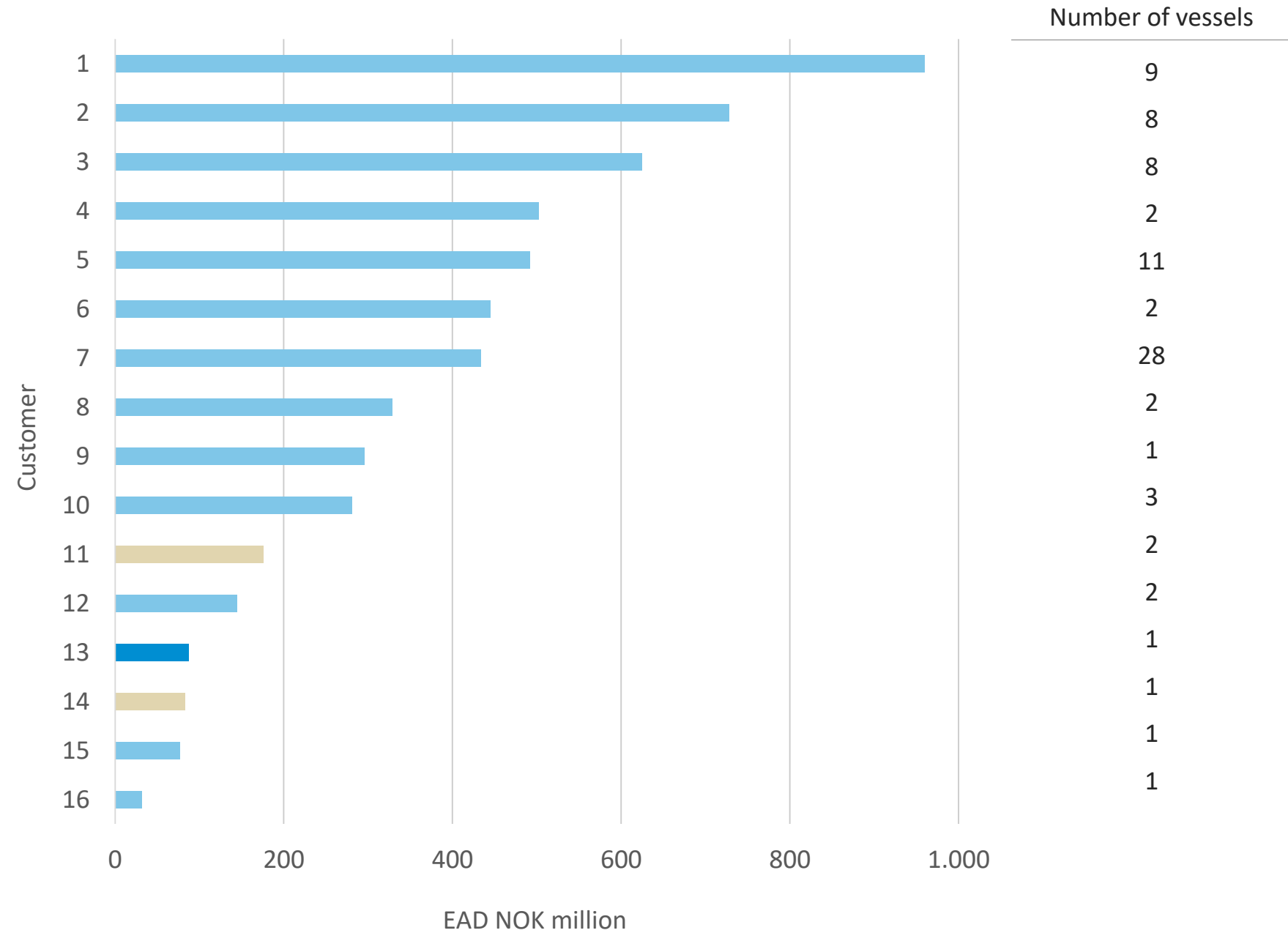


EAD: Exposure at default

Figures as at 31.03.2018. Figures in parentheses as at 31.12.2017.

Offshore Service Vessels – largest customer group

- Well diversified portfolio. One commitment of NOK 1.0 billion, rest of NOK 750 or lower.
- Total EAD for the portfolio is NOK 5.7 billion of which;
 - NOK 5.3 billion consists of 13 restructured commitments
 - NOK 0.1 billion consists of 1 commitment under consideration
 - NOK 0.3 billion consists of 2 commitments where it is not required
- Financing of 82 vessels, all with 1. priority pledge



■ Restructured
 ■ Under consideration
 ■ Not required

APPENDIX

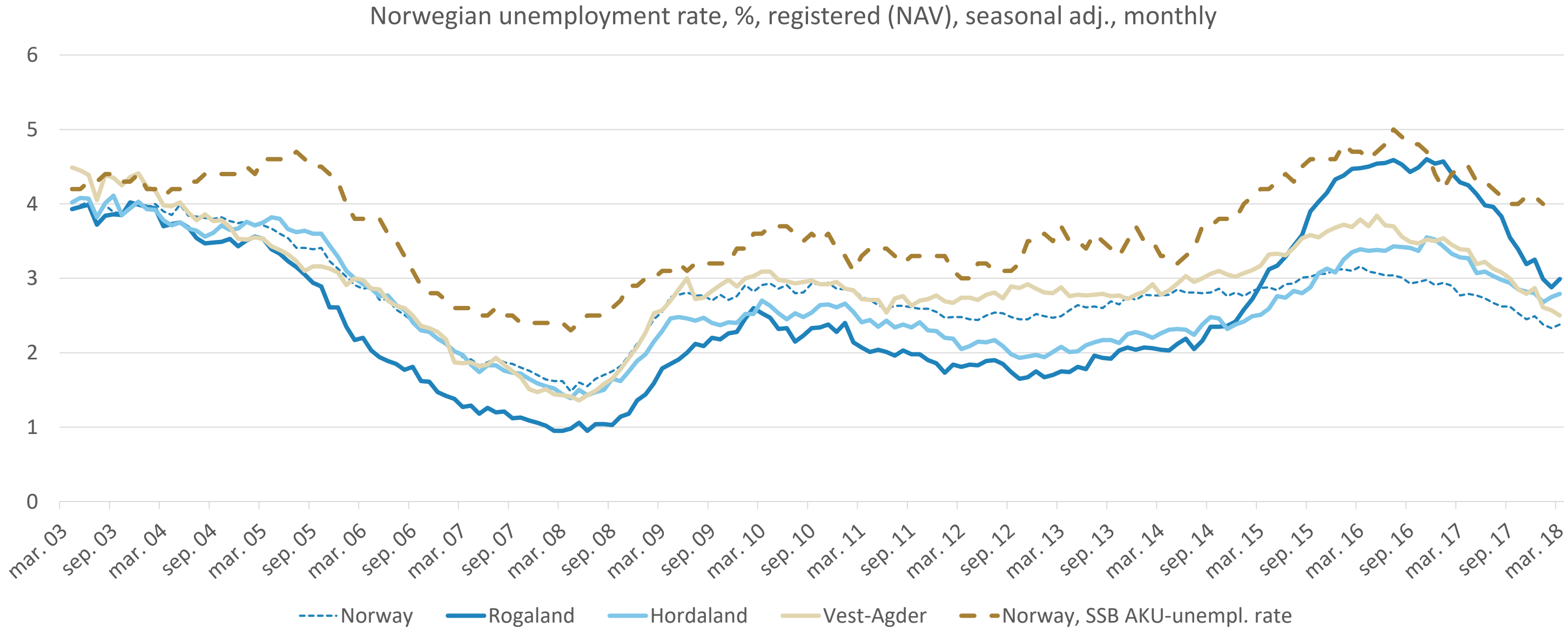
- 1) Oil related portfolio
- 2) **Macro**
- 3) Norwegian housing and mortgage markets
- 4) SpareBank 1 SR-Bank

Robust economy supported by a large sovereign wealth fund and a sound framework for annual spending

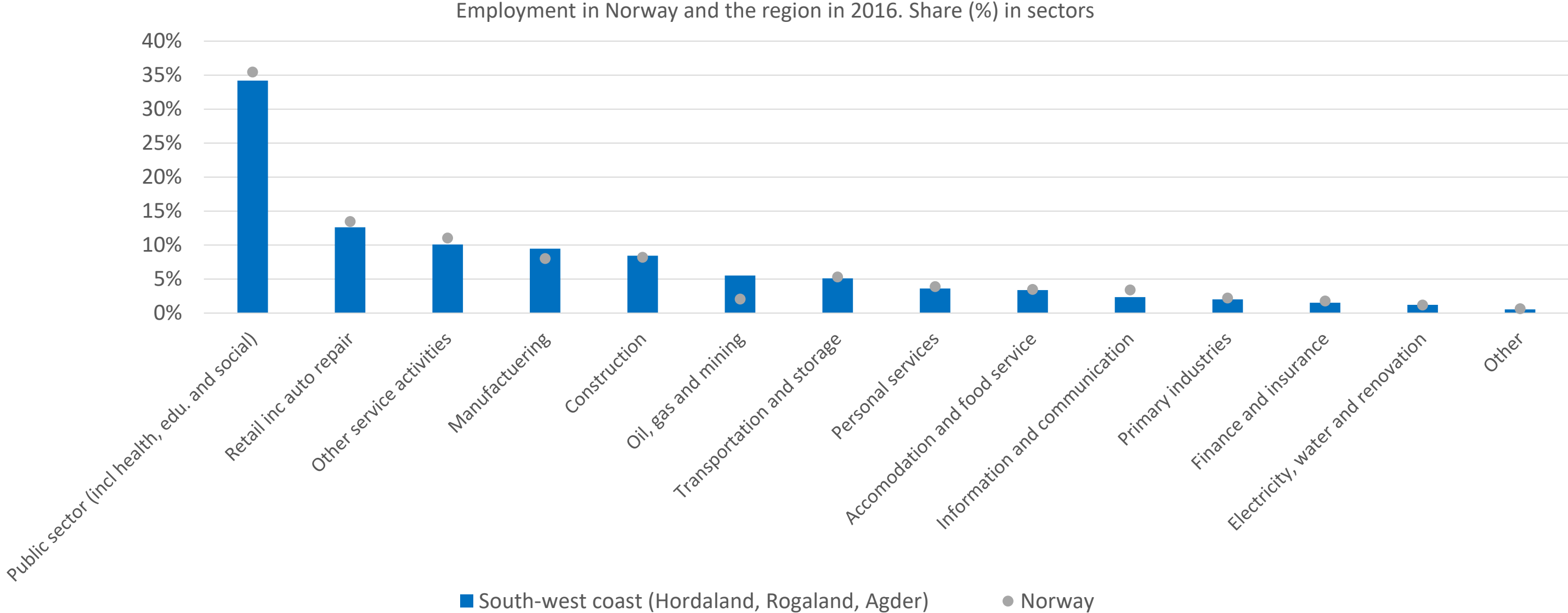
Economic Indicators (%)	2011	2012	2013	2014	2015	2016	2017	2018P	2019P
GDP mainland, annual change (%)	1,9	3,8	2,3	2,2	1,1	1,0	1,8	2,6	2,0
Household consumption, annual change (%)	2,3	3,5	2,7	1,9	2,1	1,6	2,3	2,6	2,0
Public consumption, annual change (%)	1,0	1,6	1,0	2,7	2,1	2,3	2,6	1,5	1,6
Investment mainland, annual change (%)	5,0	7,4	2,9	0,4	0,6	6,2	5,9	0,5	0,8
Investment public sector	1,1	-1,8	11,8	4,4	3,0	5,9	5,8	1,5	1,2
Investment offshore oil and gas, annual change (%)	11,3	15,1	19,3	-3,2	-15,0	-16,9	-4,0	7,4	8,2
Oil price, USD/bbl	111	112	109	99	53	44	54	65	61
Inflation rate (CPI) %	1,2	0,8	2,1	2,0	2,1	3,6	1,8	2,1	1,7
3 month NIBOR %	2,9	2,2	1,8	1,7	1,3	1,1	0,9	1,0	1,4
Mortgage rate %	3,6	3,9	4,0	3,9	3,2	2,6	2,6	2,7	3,1
Household savings ratio	5,8	7,1	7,6	8,2	10,4	7,1	7,3	7,2	7,6
Unemployment rate (registered at labour office)	2,6	2,6	2,7	2,7	3,0	3,0	2,7	2,3	2,2
HH sector real disposable income, annual change (%)	4,0	4,4	3,8	2,8	5,3	-1,5	2,4	2,7	2,5
Current account surplus, share of GDP (%)	12	12	10	11	9	5	5,1	6,6	6,3
Sovereign Wealth Fund, share of GDP (%)	150	160	190	230	270	270	290		

Lower unemployment rate

Marked reduction in Rogaland in 2017 and the trend has continued in 2018



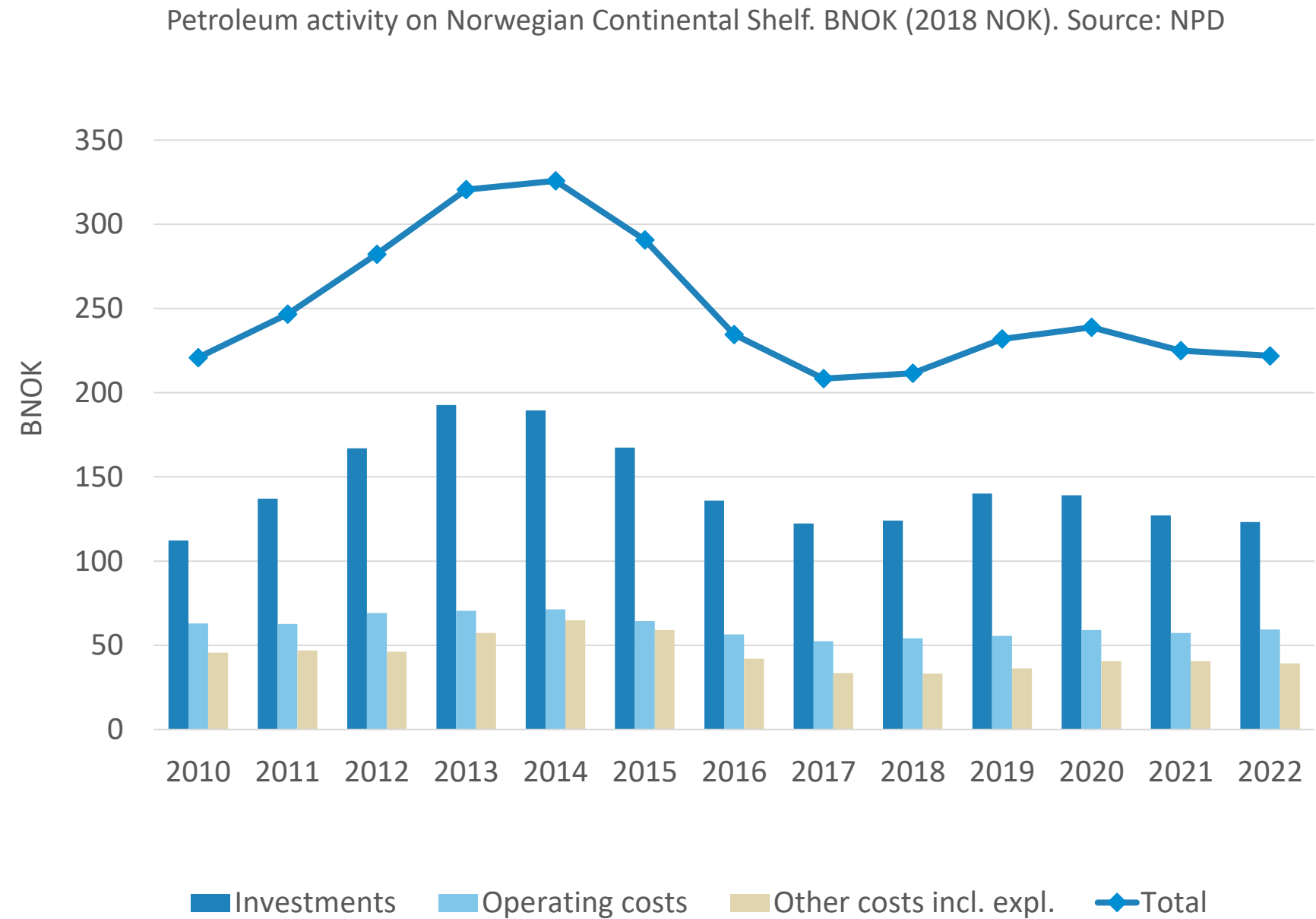
Employment by sector



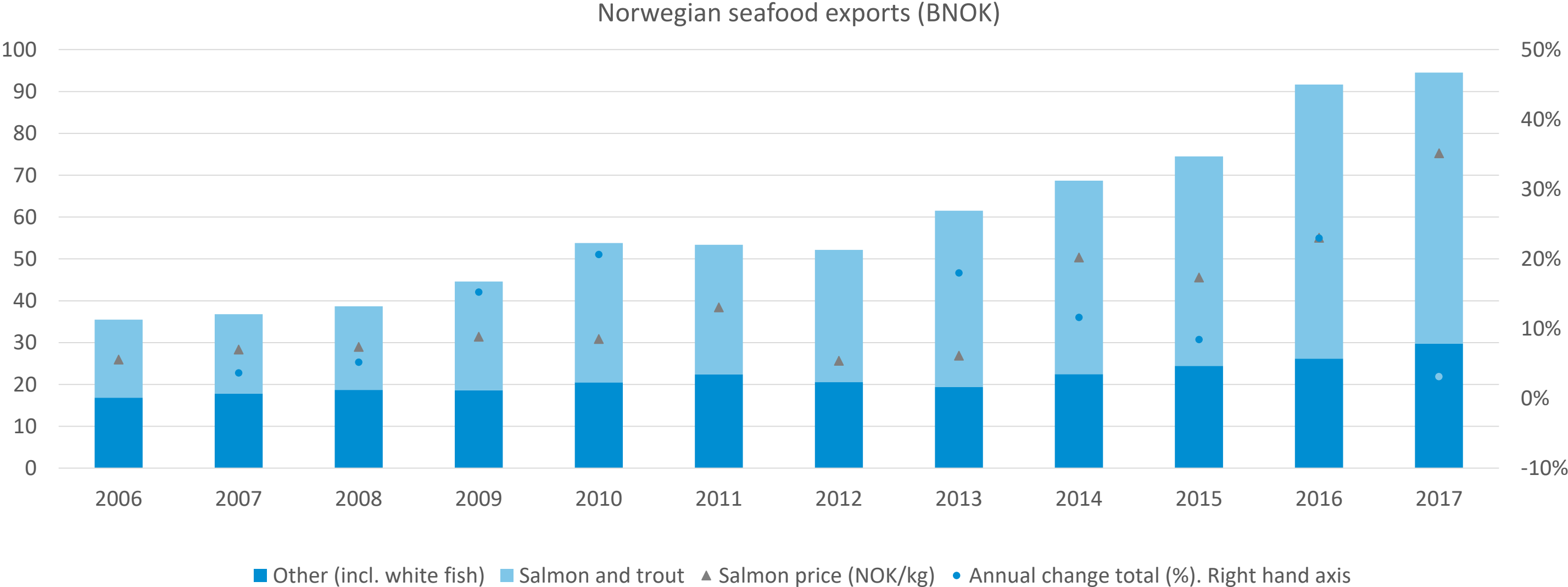
Petroleum activity slowed down in 2017 and is expected to increase coming years

Activity down 35% from top to bottom, but is expected to increase by 15% towards 2020

- After reaching record levels in 2013 and 2014, petroleum activity fell in 2015 and 2016. The activity leveled out in 2017, and is expected to increase slightly in 2018 and more in 2019.
- Investments fell about 35% from top to bottom. In 2018, near-flat development is expected and in 2019 an increase of 15% is expected, according to Norwegian Petroleum Directorate. However, recent information from Statistics Norway may indicate somewhat higher growth (5-10%) in investments in 2018.
- The operating costs, which are important for the activity in the region, are more stable. These were reduced by about 25% from top to bottom and are expected to increase by 13% towards 2020.

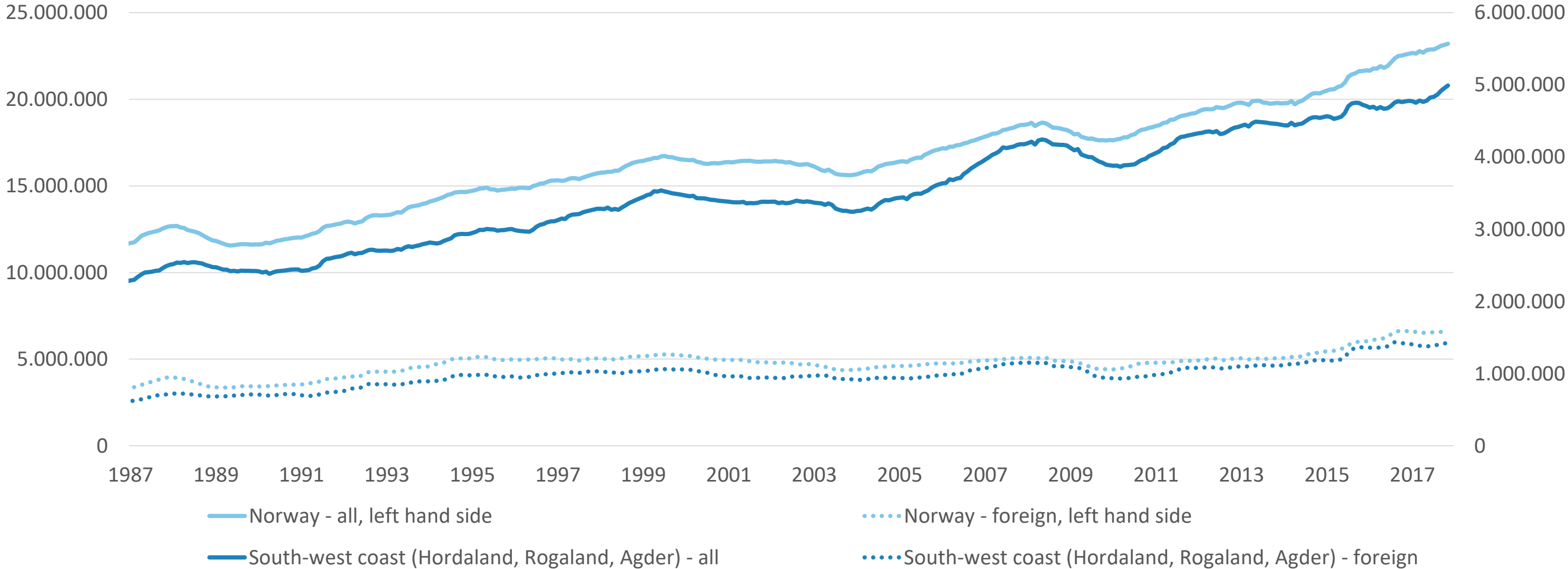


Norwegian seafood exports increasing

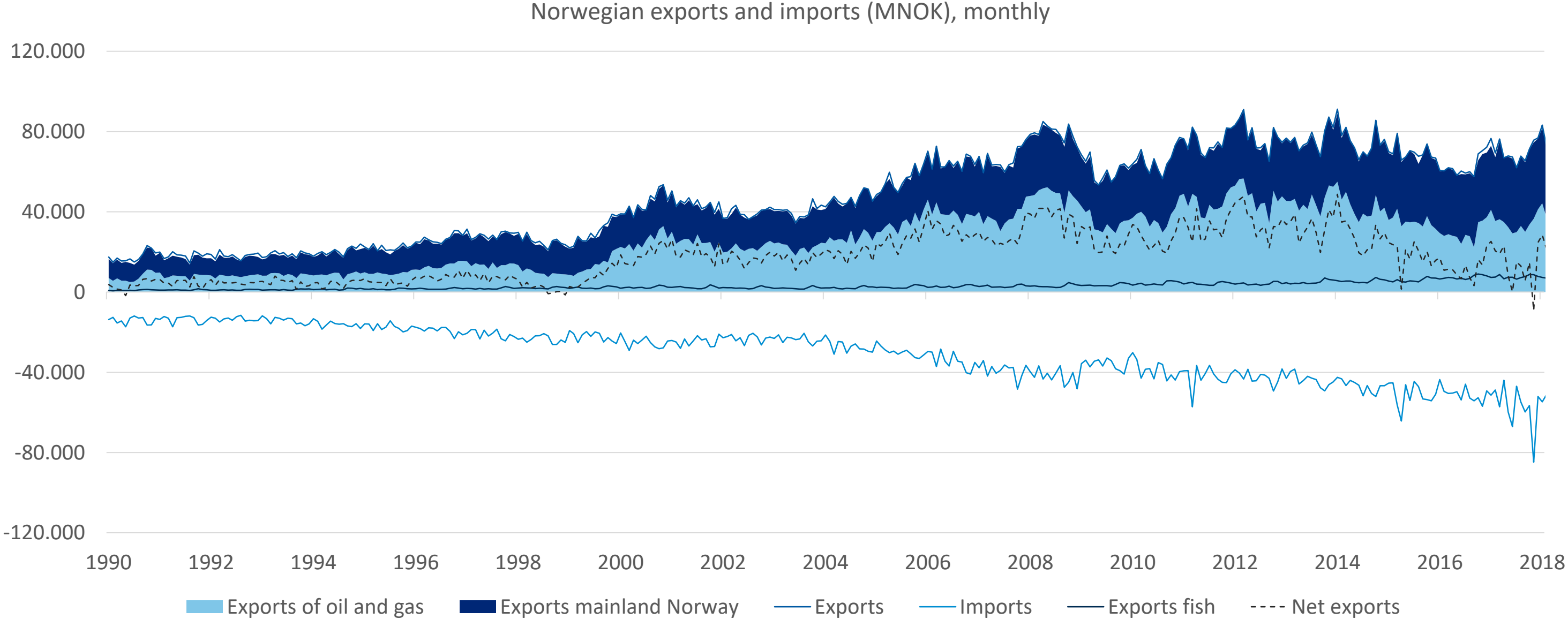


Norwegian hotels – guest nights by foreign and domestic

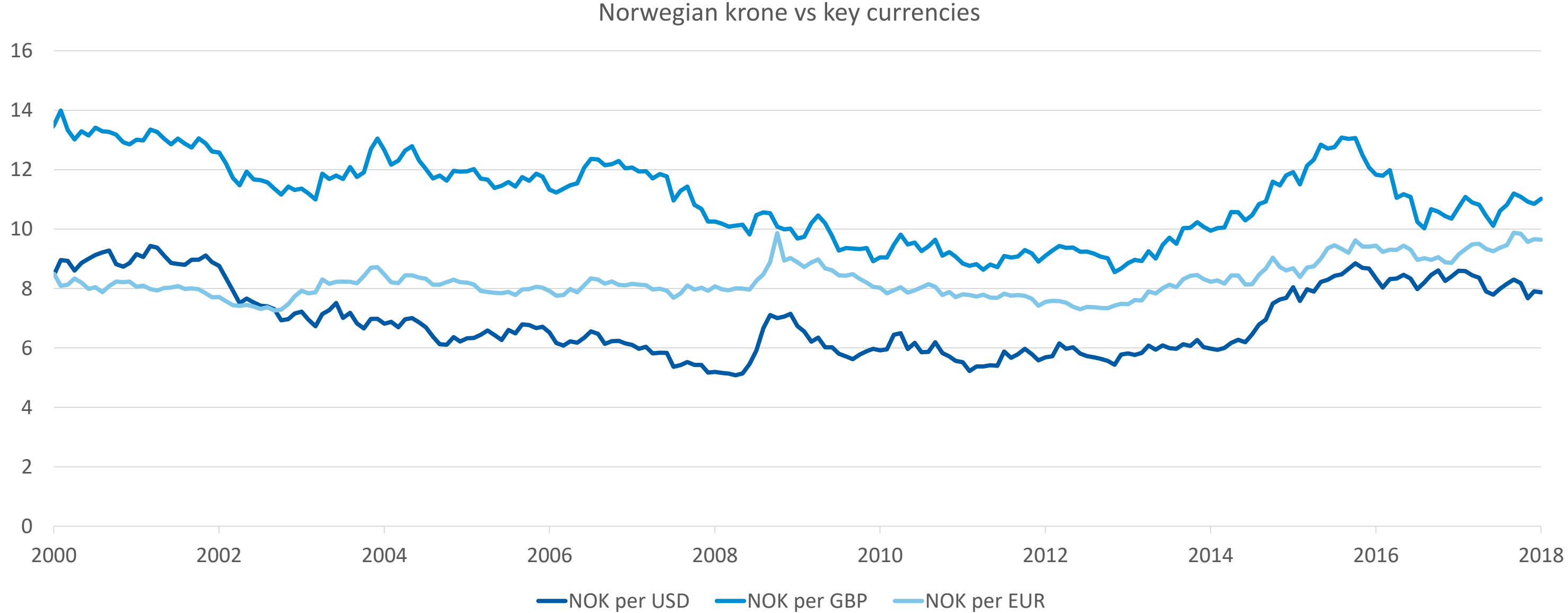
Norwegian hotels and similar establishments. Guest nights, by foreign and domestic. 12-month rolling sum



Norwegian exports and imports



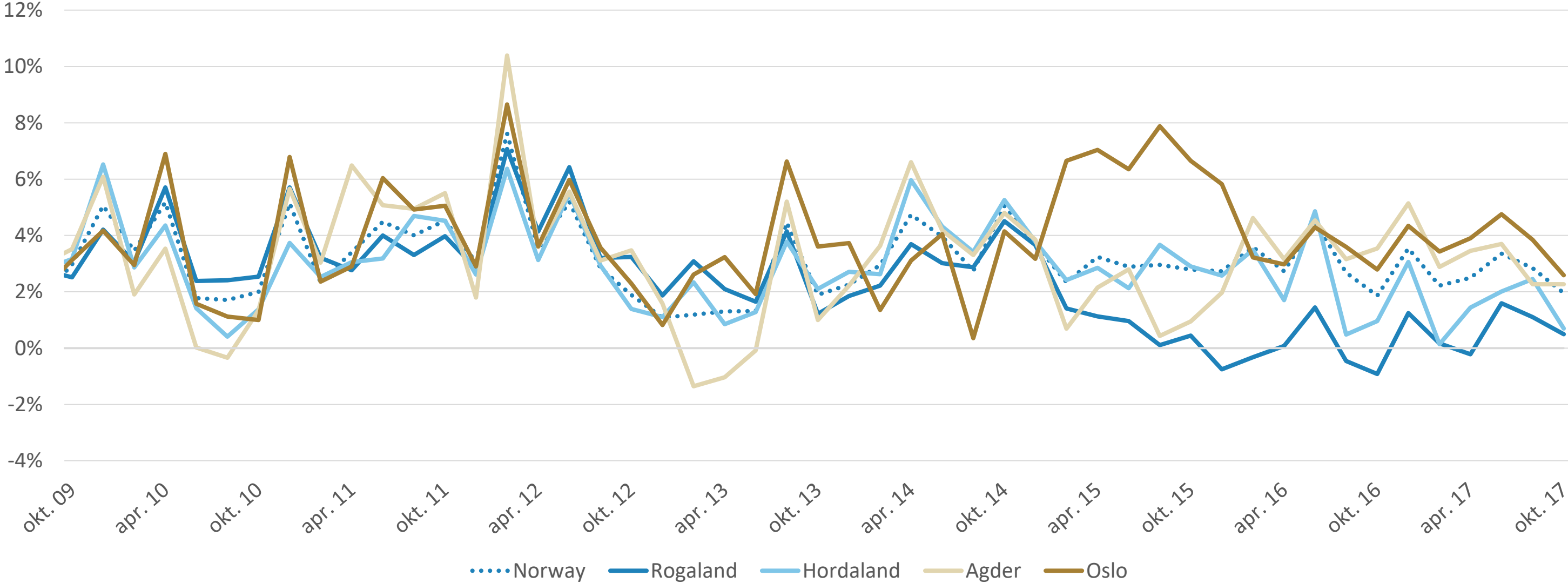
Norwegian krone vs key currencies



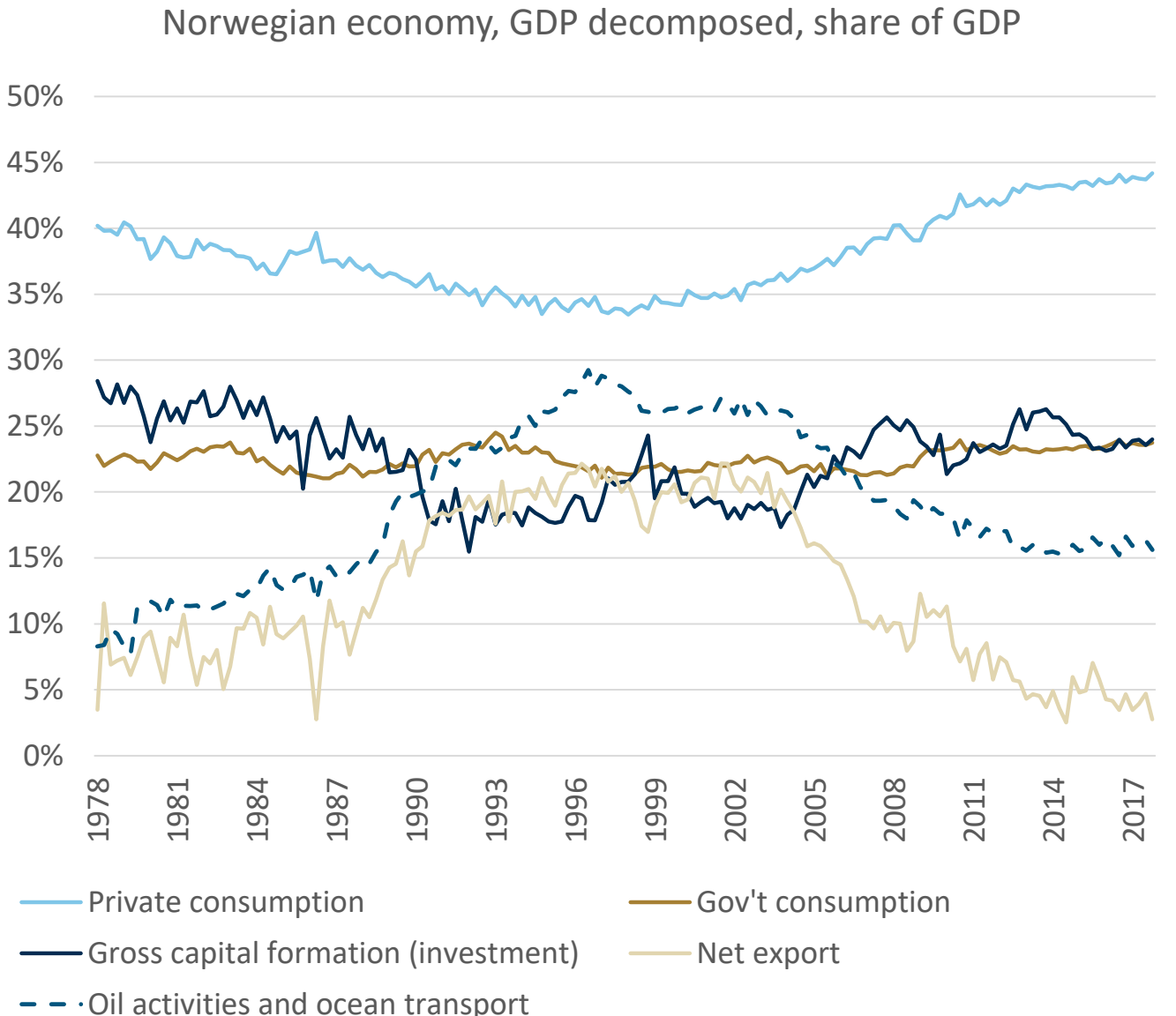
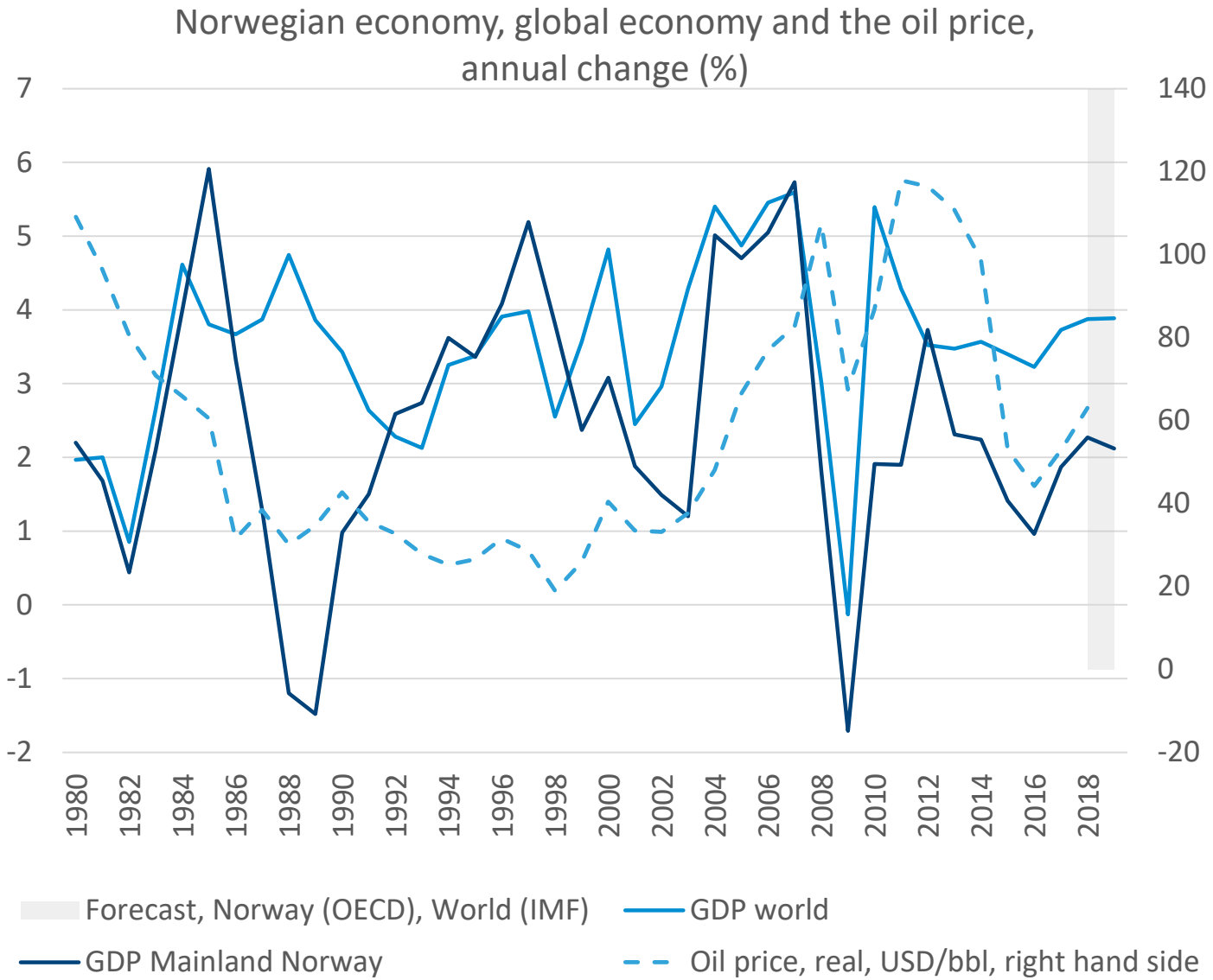
Retail trade increasing in Norway by 2-4%

Growth in Rogaland, but somewhat lower than other counties and the country

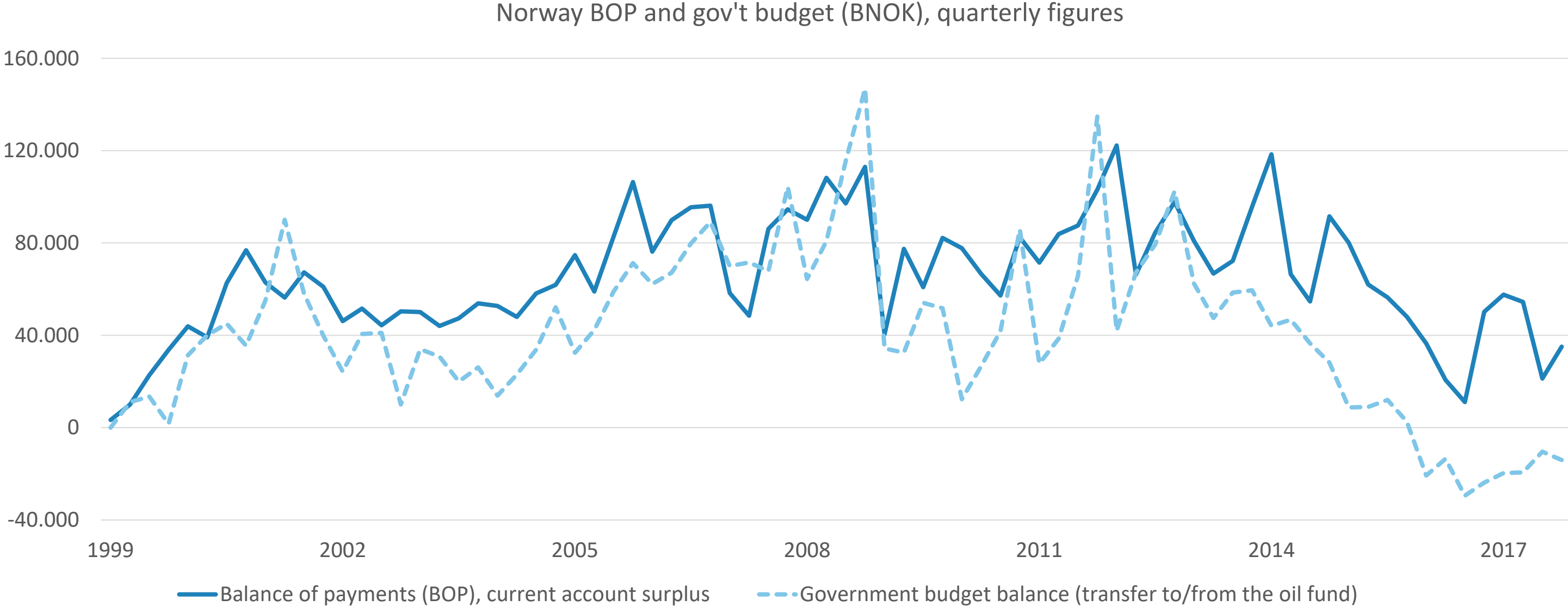
Retail sales (excl. auto), annual change in turn-over from same 2-month period previous year.



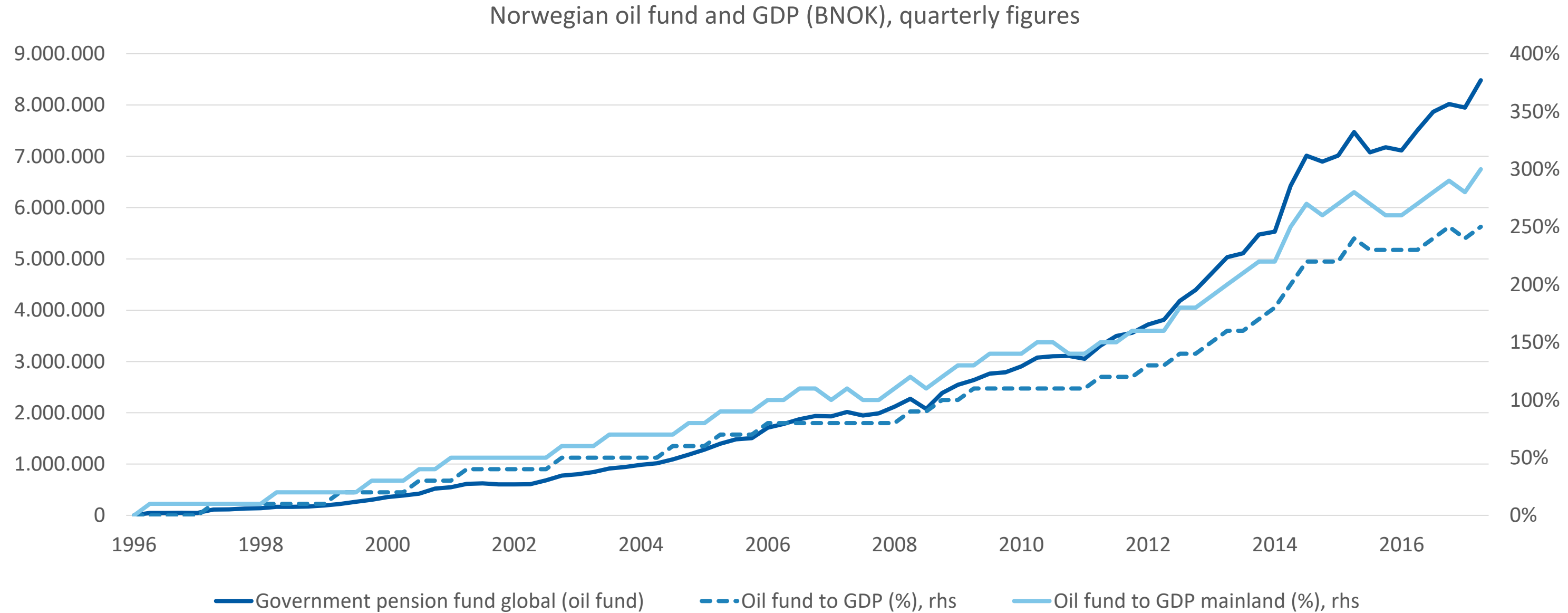
Norwegian Economy – GDP



Norway balance of payments and government budget



Norway oil fund and GDP

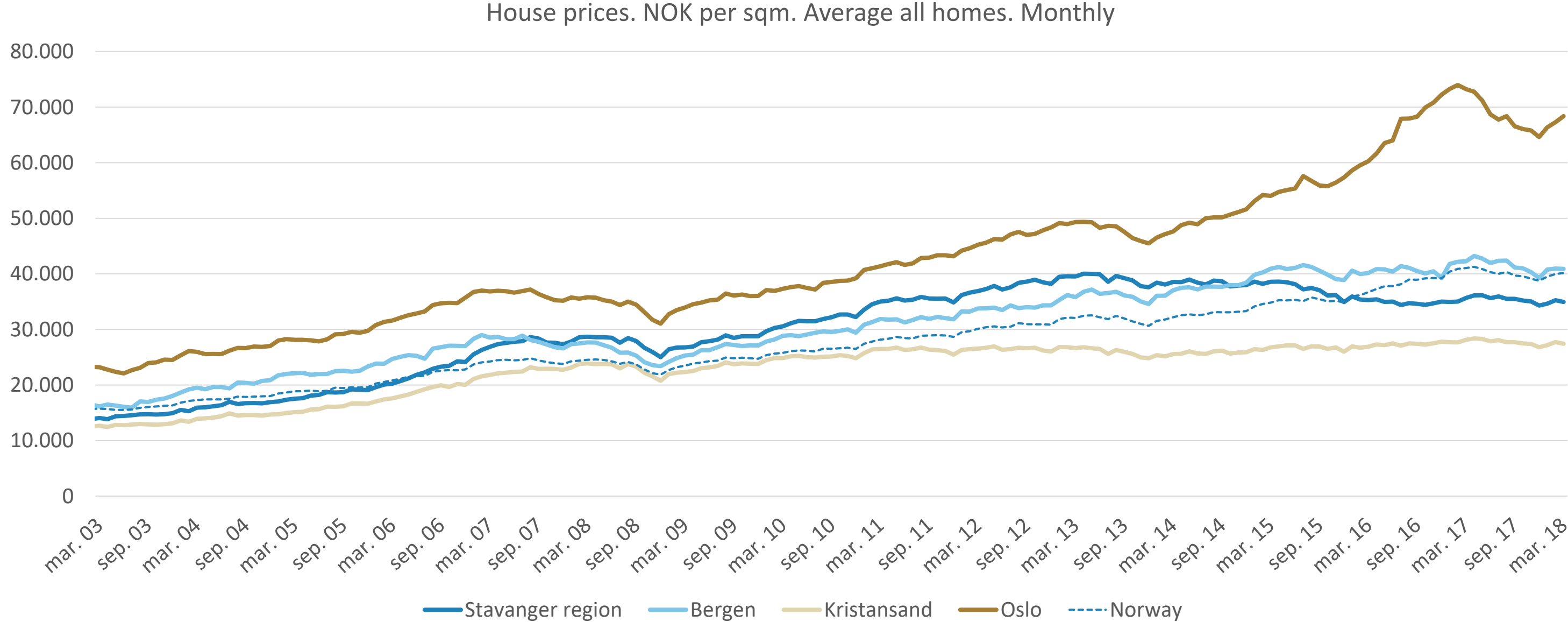


APPENDIX

- 1) Oil related portfolio
- 2) Macro
- 3) Norwegian housing and mortgage markets**
- 4) SpareBank 1 SR-Bank

Housing prices in Norway approx. unchanged last 12 months

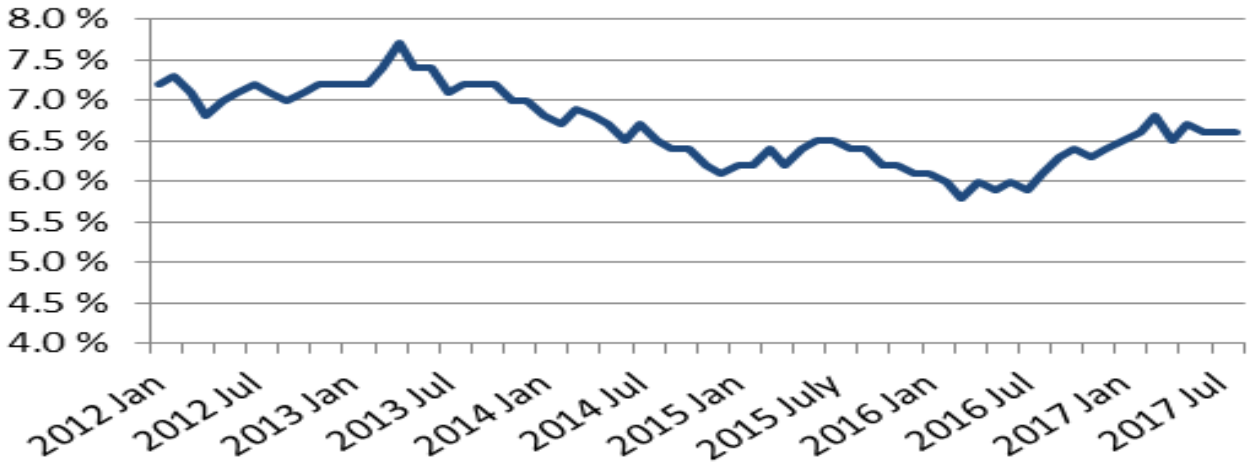
Prices in Oslo have turned from down to the upturn in recent months



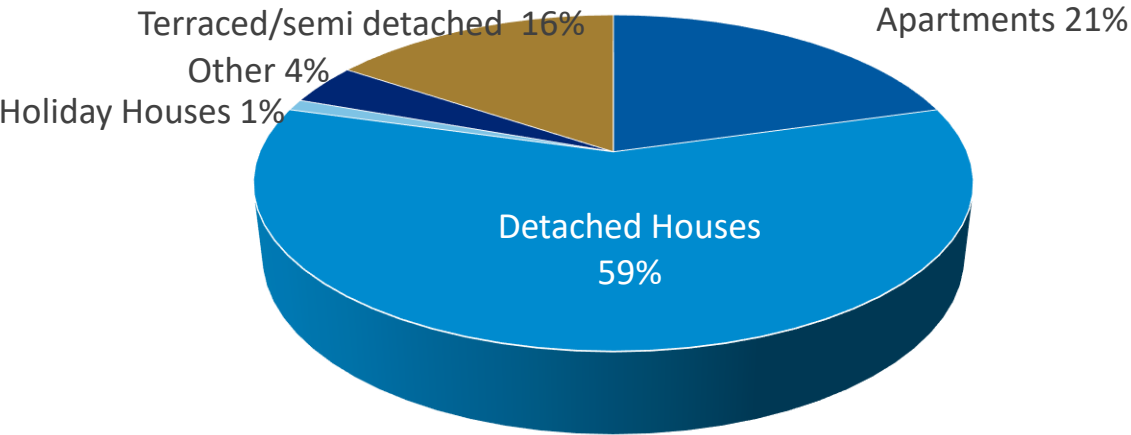
Housing and mortgage markets – Key characteristics

Mortgage Market	<ul style="list-style-type: none"> • Total size approximately NOK 3,000 billion (USD 375bn, €330bn) • Private banks (incl. savings banks) are the dominant suppliers of mortgages with over 95% market share • Scheduled repayment mortgages: 83.4%, flexible: 16.6% • Typical maturity: 25 years • First priority security market with high doc. standard
Home Ownership	<ul style="list-style-type: none"> • Over 80% of households owner occupied (little buy to let) • Between 50% and 60% are detached one-family houses
Social security	<ul style="list-style-type: none"> • Unemployment benefit represents ca 60% of final salary for 2 years
Personal Liability	<ul style="list-style-type: none"> • Borrowers are personally liable for their debt • Swift foreclosure regime upon non-payment • Transparent information about borrowers
Regulation	<ul style="list-style-type: none"> • Loan to value: 85% (75% legal limit for cover pool) • Flexible repayment mortgages: max 60% LTV • 5% mortgage interest rate increase as stress test • High risk weighting for banks for mortgage lending (20-25%) • Maximum 5x debt / gross income for borrowers
Interest Payments	<ul style="list-style-type: none"> • 90-95% of mortgages are variable rate • Interest rates can be reset at the lender’s discretion, by giving the debtor 6 weeks notice
Tax Incentives	<ul style="list-style-type: none"> • 23% of interest paid is tax deductible (equal to the basic rate of tax) • Low effective real estate tax (lower net worth tax on real estate than financial assets)

Household credit growth (12 months growth rate)

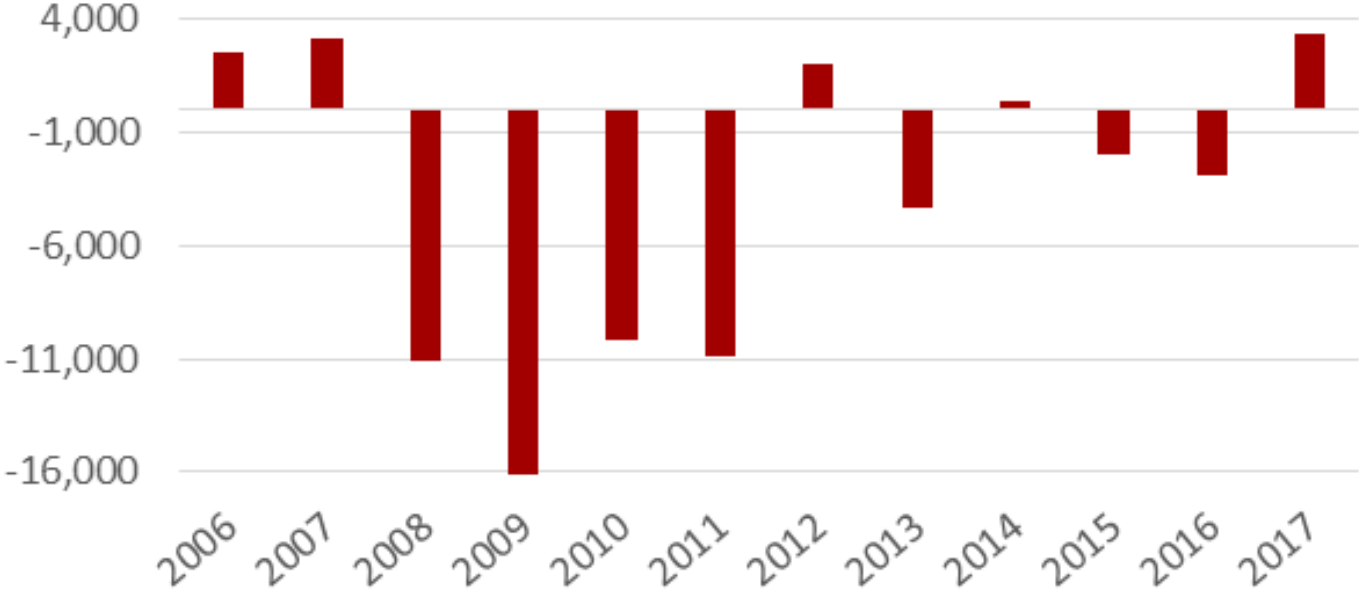


Norwegian Mortgages (by type of property)

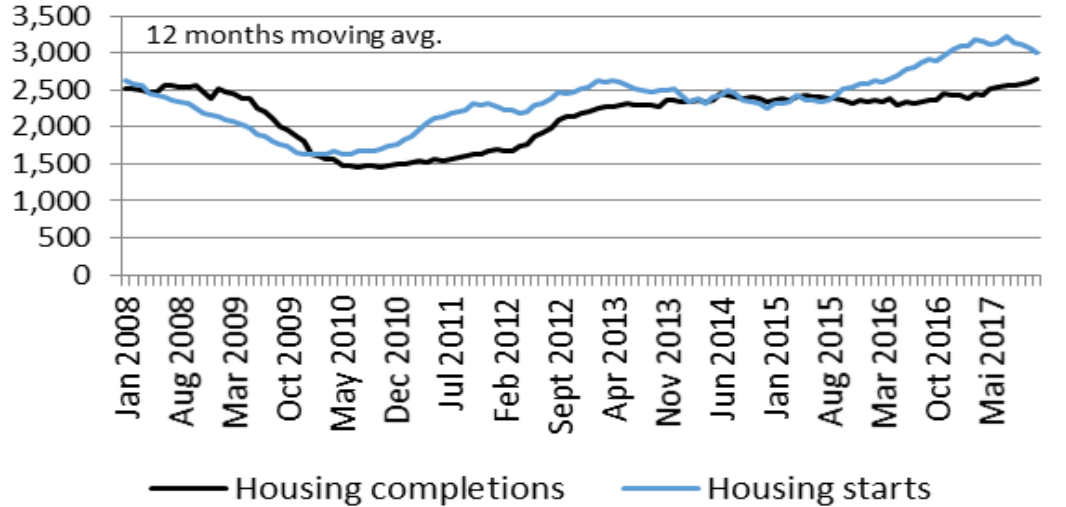
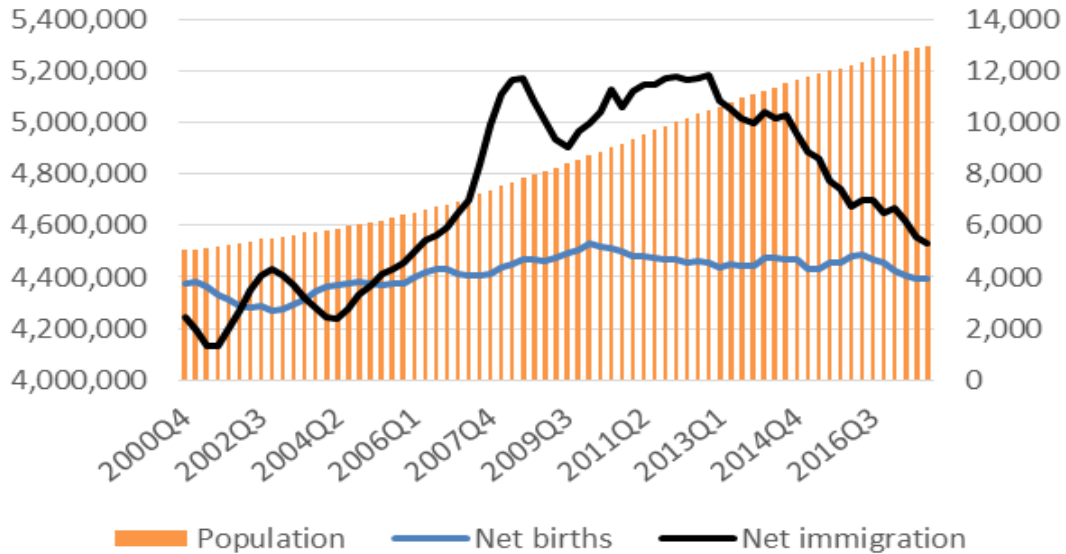


Norwegian housing and mortgage markets – Population change and completed housing units

Completed housing units less newly formed households



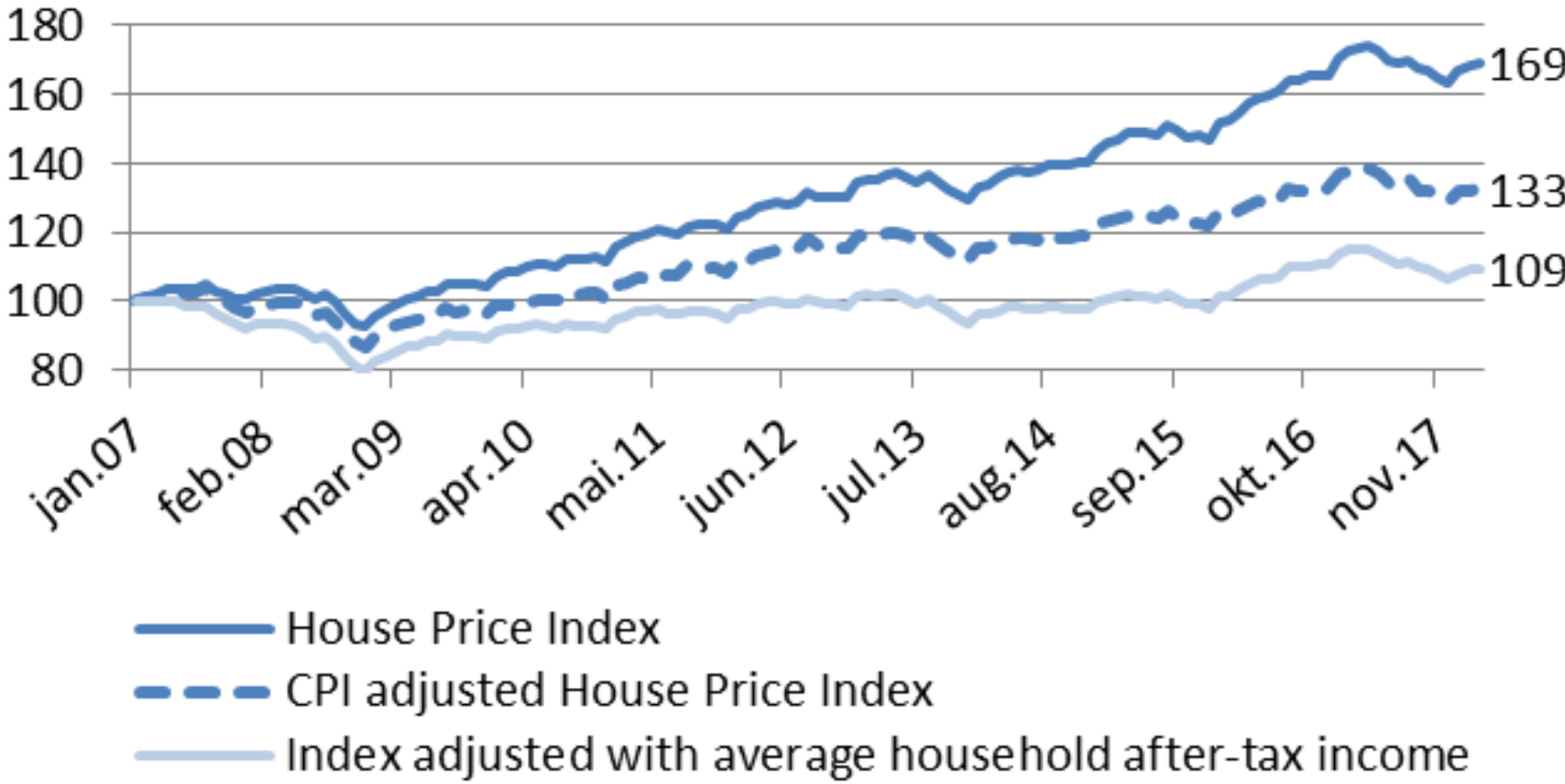
Population development and house building



Norwegian Housing and mortgage market

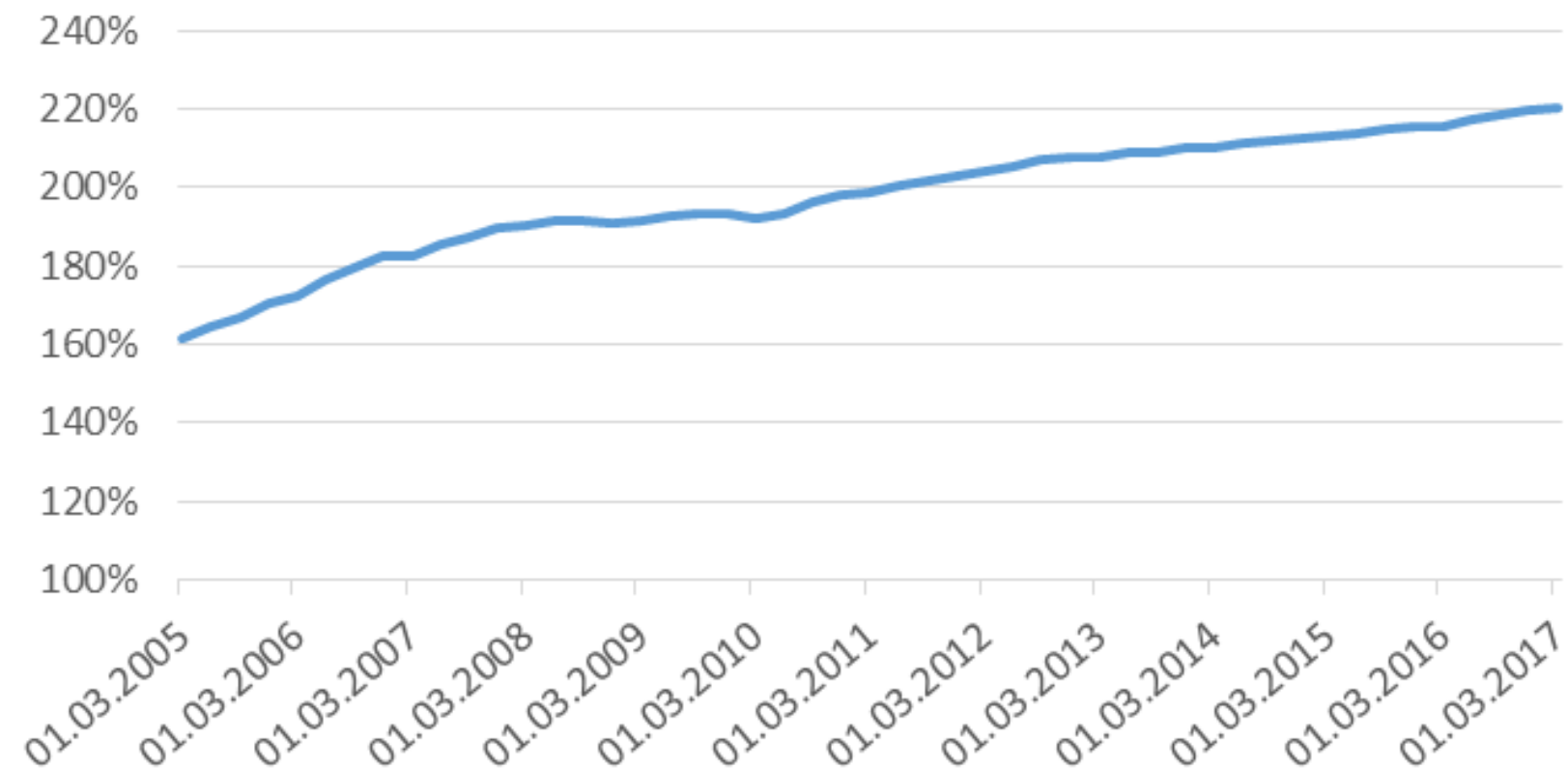
- Adjusted price developments

Index of House Prices, Norway, Monthly (Jan 2007 = 100)



Aggregate household indebtedness

Debt as a share of after tax disposable income



Norway:

- All HH debts included in the statistic, question of int'l comparability
- High home ownership (mortgage debt rather than rent commitments)
- Generous benefits (pensions, healthcare, education, childcare, maternity, unemployment)
- Income growth over the last decades has far outpaced the cost of necessities in the time period shown
- Household savings rate is high: debt reduction possible

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Our vision: the customer's first choice

Objectives

- SpareBank 1 SR-Bank's objectives are to stimulate growth and development
- To provide a sustainable contribution to the wealth creation process through:
 - A sustainable and profitable business model
 - An owner-friendly, stable dividend policy

Strategic goals

- Nearer to people and companies
- We want to be nearer to people and companies than our competitors by understanding the people, companies and markets better than our competitors.
- We want to learn what is important for our customers through a combination of close, personal relationships and the proper utilisation of customer data. We want to be an accessible, long-term partner whom the customers trust.

Financial goals

- Return on equity of 11% after tax in 2018. The longer term (2020) target is a minimum of 12%.
- Top 50% return on equity and cost/income in a Nordic benchmark

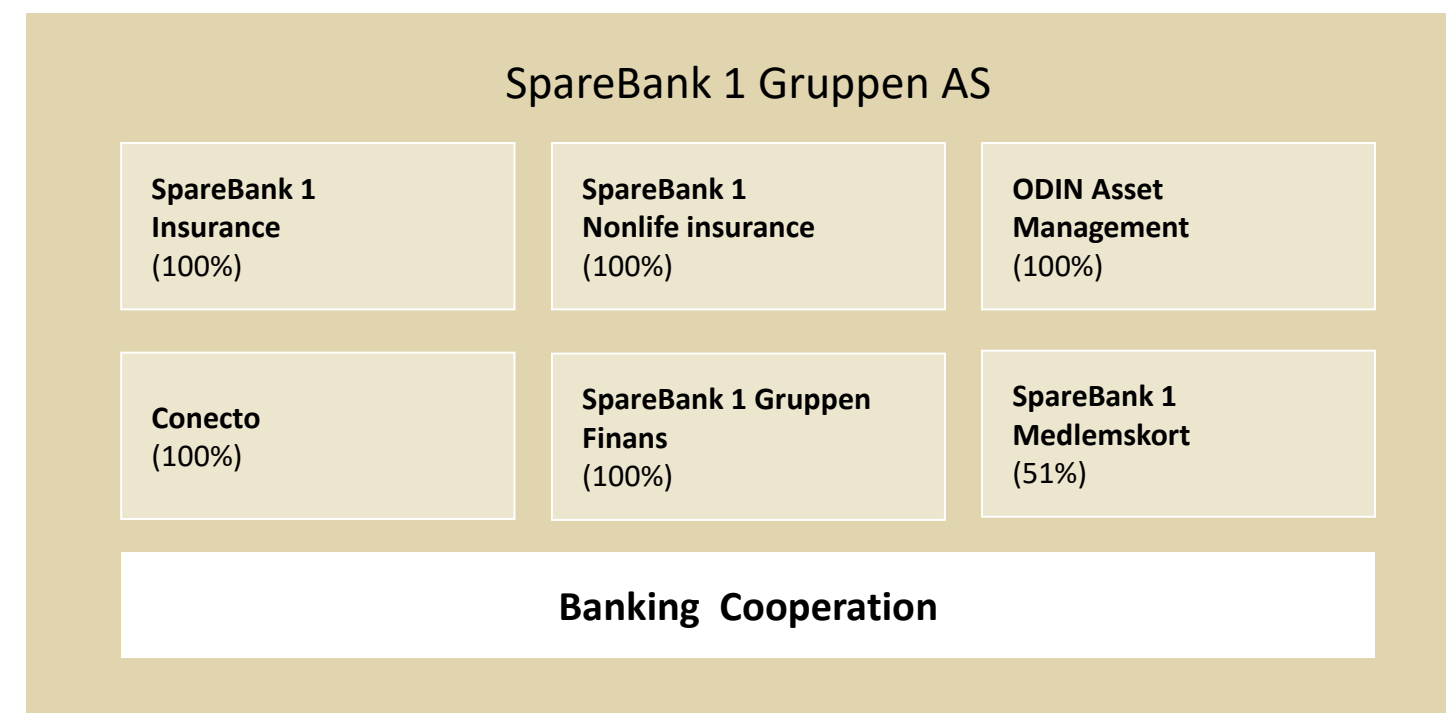
Strategic focus

- Portfolio quality
- Managed and selective growth, greater product mix
- Risk pricing
- Portfolio management
- Innovation, digitalisation and continuous streamlining - cost effectiveness
- Capital efficiency
- Diversified funding platform

SpareBank 1 Alliansen



Products, commissions, dividends ↑ ↓ Sales, loan portfolios, capital



Owners of the alliance

All credit decisions are made at the local banks

Economies of scale related to expenses, IT solutions, marketing and branding

Balance sheet

Balance sheet (MNOK)	31.03.2018	31.03.2017
Cash and balances with central banks	217	965
Balances with credit institutions	5.060	7.148
Net loans to customers	173.008	158.628
Certificates, bonds and other fixed-income securities	28.876	22.078
Financial derivatives	3.870	4.329
Shares, ownership stakes and other securities	738	623
Business available for sale	0	22
Investment in associates	4.026	4.537
Other	1.575	1.852
Total assets	217.370	200.182
Balances with credit institutions	2.351	2.847
Deposits from customers	99.626	93.125
Listed debt securities	87.860	77.946
Financial derivatives	2.216	2.623
Other liabilities	1.751	2.338
Additional Tier 1 and Tier 2 capital instruments	3.166	2.671
Total liabilities	196.970	181.550
Total equity	20.400	18.632
Total liabilities and equity	217.370	200.182

Net commission and other income

MNOK	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17
Payment facilities	63	65	71	63	63
Savings/placements	52	47	51	49	51
Insurance products	49	52	52	52	52
Commission income real estate broking	81	94	90	112	93
Guarantee commission	34	27	29	26	25
Arrangement- and customer fees	28	28	28	24	13
Accounting services SpareBank 1 Regnskapshuset SR	27	23	18	27	28
Other	4	-5	8	9	10
Net commission and other income excl. covered bond companies	338	331	347	362	335
Commission income SB1 Boligkreditt and SB1 Næringskreditt	30	36	39	38	36
Net commission and other income incl. covered bond companies	368	367	386	400	371

Net income on investment securities

MNOK	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17
Dividends	11	0	2	4	5
Investment income, associates	57	154	127	81	63
Securities gains/losses	5	24	46	32	25
- of which capital change in shares and certificates	6	44	57	28	7
- of which capital change in certificates and bonds	-72	-70	-41	-34	-7
- of which derivatives; bonds and certificates	71	50	30	38	25
Currency/interest gains/loans	40	26	23	26	-4
- of which currency customer- and own-account trading	41	35	24	28	17
- of which value change basis swap spread	-2	-5	-4	-7	-16
- of which counterparty risk derivatives including CVA	1	0	1	0	1
- of which IFRS-effects	0	-4	2	5	-6
Net income on investment securities	113	204	198	143	89

Subsidiaries

Subsidiaries	MNOK	31.03.2018	31.03.2017
EiendomsMegler 1 SR-Eiendom AS	Number of sales	1.466	1.611
	Operating profit before tax	0	5
SR-Forvaltning AS	Capital under management (BNOK)	11	10
	Operating profit before tax	9	8
FinStart Nordic AS*	Operating profit before tax	23	0
SpareBank 1 Regnskapshuset SR AS	Operating profit before tax**	1	2
SR-Boligkreditt AS	Operating profit before tax	107	27
Other	Operating profit before tax	-14	3
Total subsidiaries	Operating profit before tax	126	45

*In September 2017, SR-Investering AS changed its name to FinStart Nordic AS. Start up on 1 January 2018. The company will be a start-up factory for new ideas and the venture will challenge the bank's own business models.

** The result to Regnskapshuset SR includes amortization of intangible assets of NOK 0.5 million (NOK 0.5 million per 31.03.2017).

Ownership interests

Ownership interests	MNOK	31.03.2018	31.03.2017
SpareBank 1 Gruppen AS	Interest ownership	19,5 %	19,5 %
	Profit after tax	36	71
	Adjusted profit previous years	0	-4
SpareBank 1 Boligkreditt AS*	Interest ownership	8,0 %	13,9 %
	Profit after tax	1	-18
	Adjusted profit previous years	0	0
SpareBank 1 Næringskreditt AS	Interest ownership	19,2 %	21,9 %
	Profit after tax	2	5
BN Bank ASA	Interest ownership	23,5 %	23,5 %
	Profit after tax	20	21
SpareBank 1 Kredittkort AS	Interest ownership	17,9 %	17,9 %
	Profit after tax	6	2
SpareBank 1 Betaling AS**	Interest ownership	19,7 %	19,7 %
	Profit after tax	-3	-5
	Adjusted profit previous years	-6	-7
Other	Profit after tax	1	-2
Total ownership interests	Profit after tax	57	63

*From 1 January 2018, the company has changed its accounting policies for the recognition of the effects of basis swaps due to the implementation of IFRS 9. The effects of basis swaps are now recognised through other comprehensive income in SpareBank 1 Boligkreditt AS and thereby do not affect the company's after tax profit or the group's share of the profit.

**On 1 September 2017 mCASH merged with Vipps, DNB's payment solution (mobile). SpareBank 1 banks became after the merger with Vipps, the second largest shareholder in Vipps with a stake of 25%.

Impairment losses on loans and guarantees

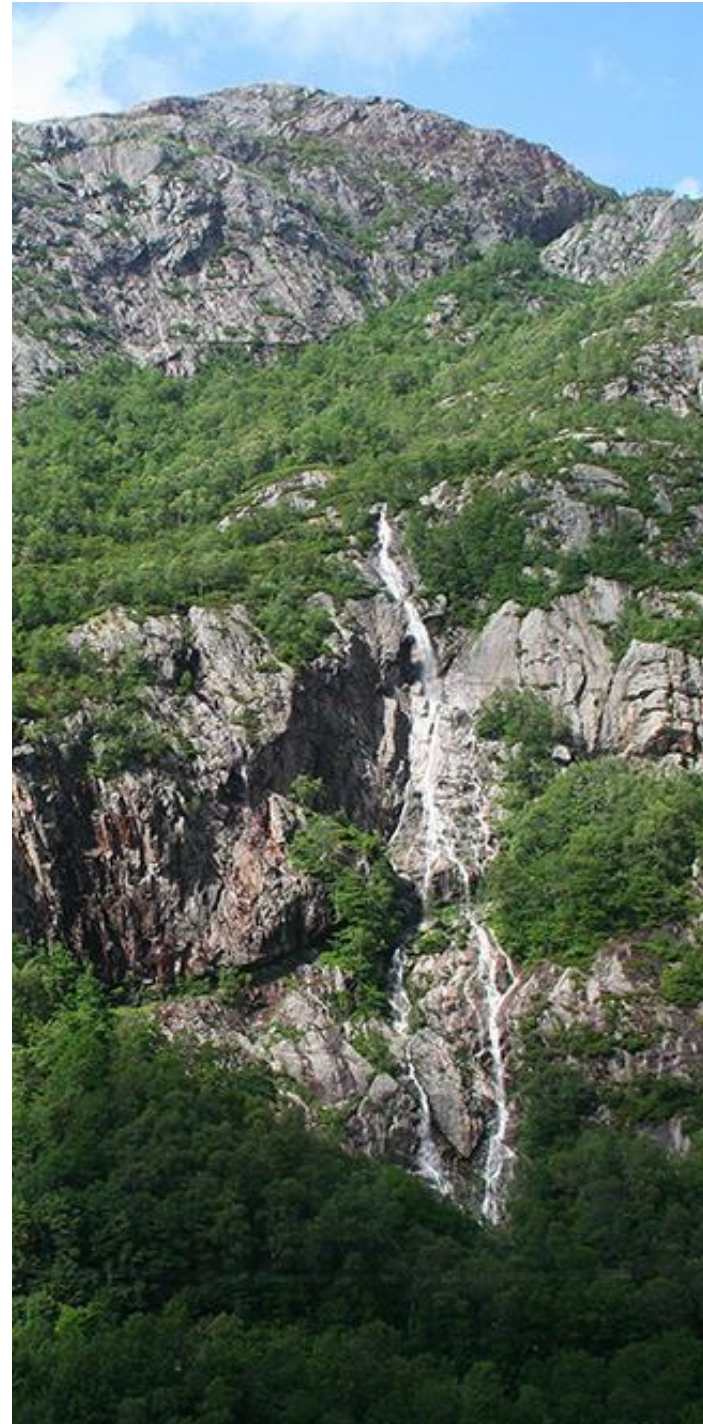
Losses on loans in income statement (MNOK)	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17
Corporate customers	76	89	116	115	162
Retail customers	-2	29	10	15	5
Change in collective impairment losses on loans		2	-2	1	1
Total impairment IFRS 9 loans and guarantees*	-				
Net impairment losses on loans	74	120	124	131	168

Impairment losses on loans (MNOK)	31.03.2018	31.12.2017	30.09.2017	30.06.2017	31.03.2017
Corporate customers	523	546	572	508	478
Retail customers	92	93	69	69	60
Collective impairment losses on loans		691	690	691	690
Total impairment IFRS 9 loans*	669				
Total impairment IFRS 9 guarantees*	121				
Total impairment losses on loans	1.405	1.330	1.331	1.268	1.228

SpareBank 1 SR-Bank has a moderate risk profile in which no single event should be capable of seriously harming the bank's financial position



- The core purpose of the banking industry is to create value by assuming deliberate and acceptable risk
 - SpareBank 1 SR-Bank therefore invests significant resources in developing risk management systems, processes and expertise that are in line with leading international practice
- The bank's primary market areas are Rogaland, the Agder counties and Hordaland
 - The bank's primary market areas for credit exposure are Rogaland, the Agder counties and Hordaland as well as Oslo and Akershus within the person- and the large customer segment
- The bank's set clear requirements for loan activities in the corporate market
 - The activities that are financed must have a long-term perspective
 - The group must be very familiar with the ownership and management of the company
 - All financing decisions are based on the customer's debt-servicing capacity and a lack of debt-servicing capacity may not be compensated for through higher security
 - Shipping and offshore related financing (including significant parts of oil-related activities) are handled by centralised expertise

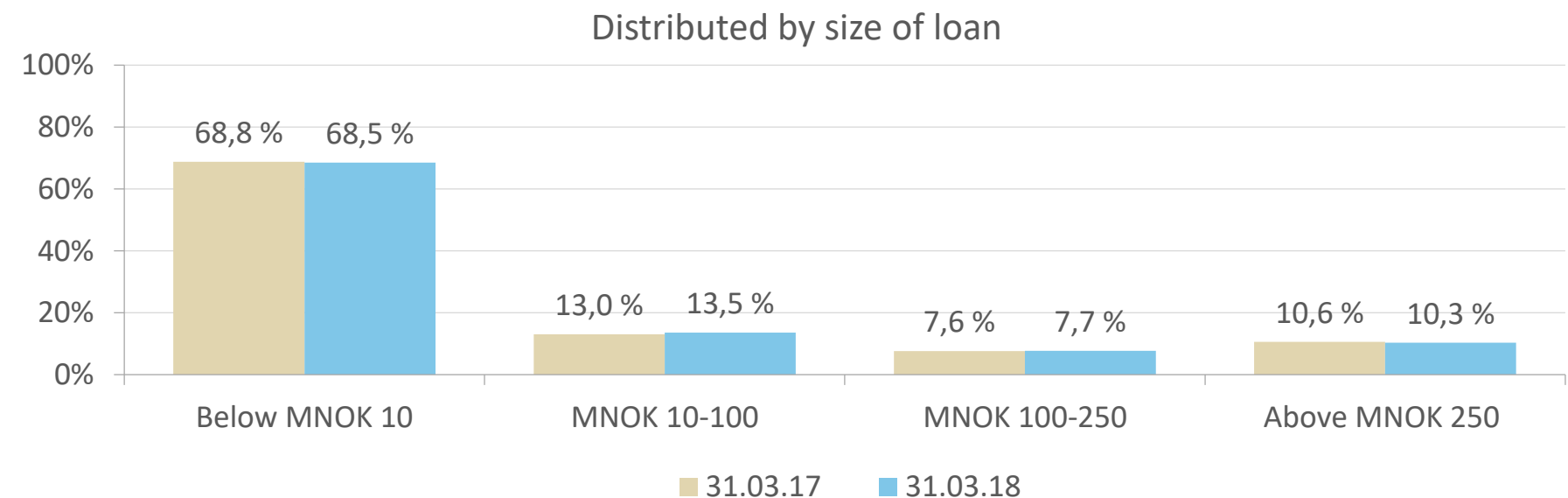
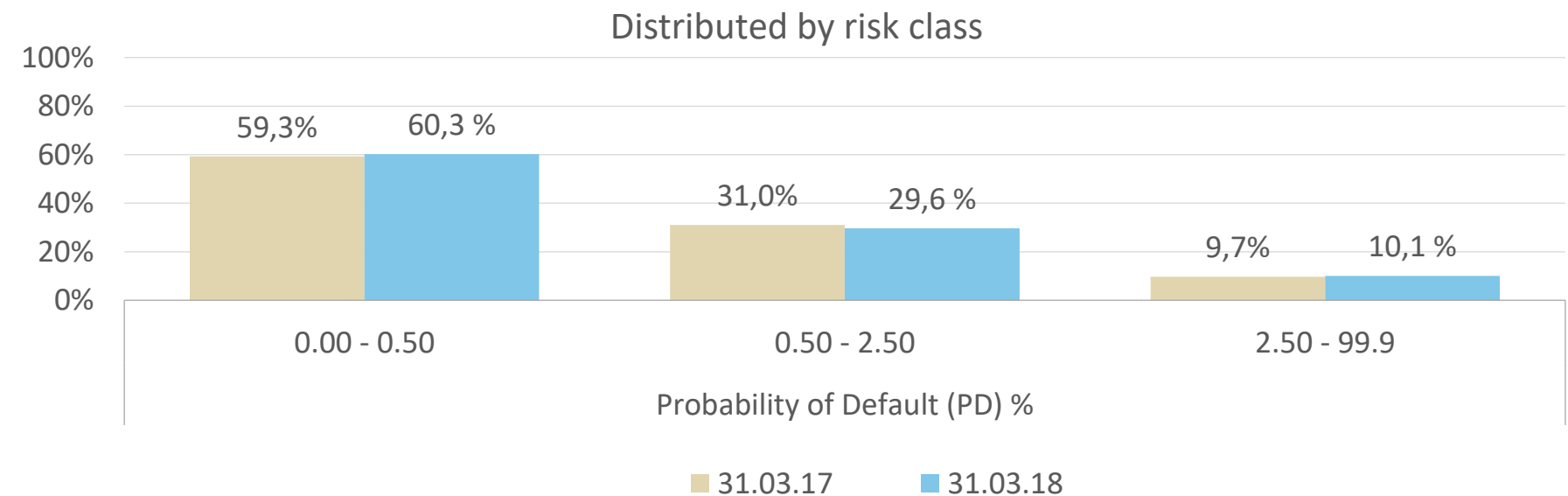


- The bank sets specific limits for the size of commitments as well as requirements concerning industry diversification
 - The maximum total exposure to an individual customer must be significantly lower than the regulatory requirements
 - The maximum unsecured exposure to an individual customer must not be so great that the potential loss cannot be absorbed without the group's financial position being significantly affected
 - This requires a diversified portfolio. The exposure to specific industries is subject to specific limits.
- The bank sets special requirements for all property financing
 - Self-financing requirements apply for all types of property financing - in relation to both residential and commercial property
 - Advanced sales requirements also apply for financing housing development projects
 - In addition to this, requirements that limit loan size/rent income ratio apply for financing commercial property



Risk profile of the loan portfolio

- SpareBank 1 SR-Bank has a solid loan portfolio.
- 60.3% of the bank's loan exposure has a PD* below 0.5%.
- Single loan exposures less than NOK 10 million aggregates 68.5% of total loan portfolio.
- Single loan exposures above NOK 250 million is 10.3% of total loan portfolio.

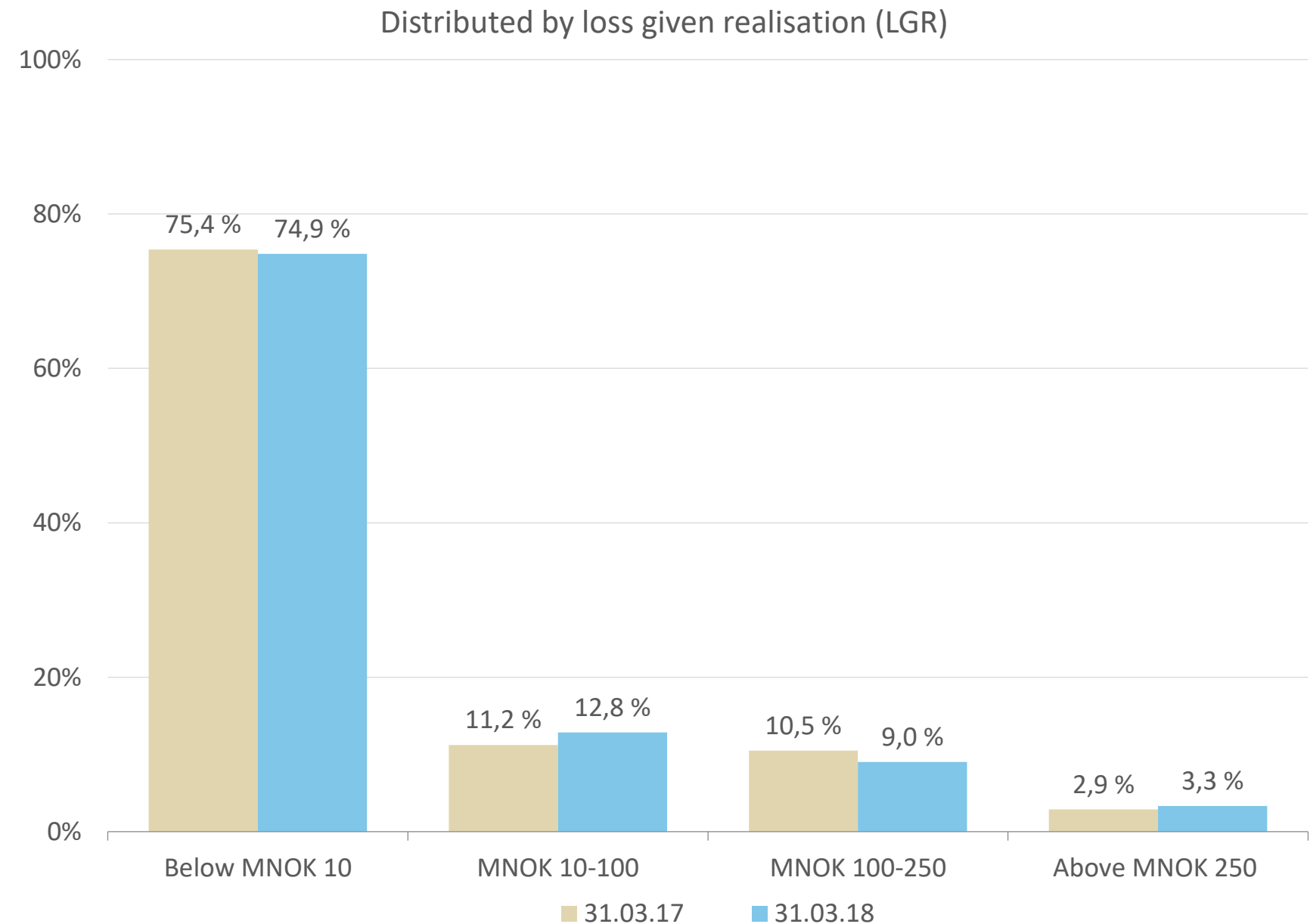


*Probability of default (PD) through a full cycle of loss.

The figures include the loan portfolio in the covered bond companies (SpareBank 1 Næringskreditt AS, SpareBank 1 Boligkreditt AS and SR-Boligkreditt AS).

Low concentration of individual LGRs in the lending portfolio

- There is a clearly defined strategy behind this portfolio composition. The growth and risk profile are managed, for example, through special credit strategy limits for concentration risk.
- The proportion of loans with loss potential below NOK 10 million is now at 74.9% of the loan portfolio.

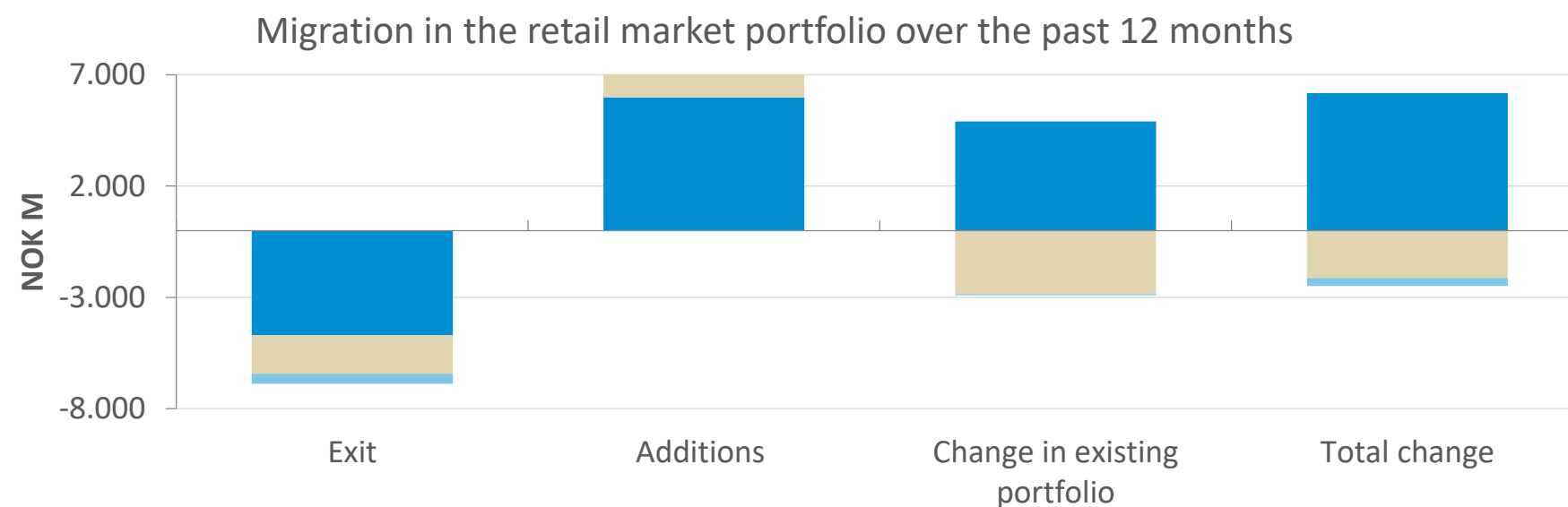
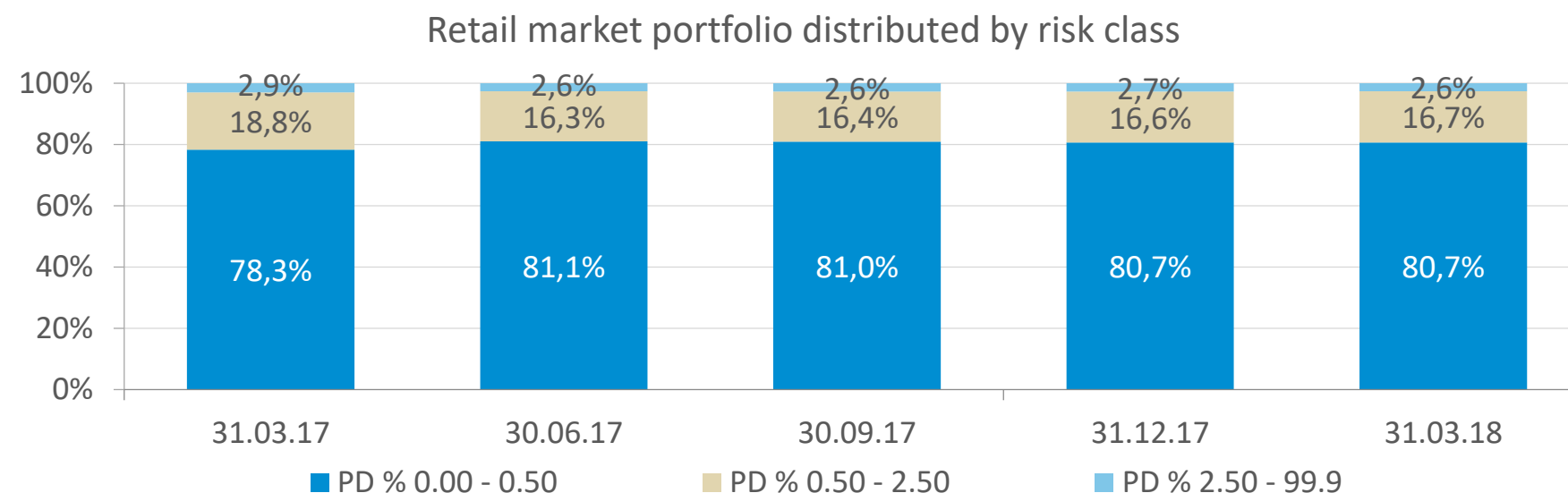


LGR (Loss Given Realisation). Estimated loss on realising a single loan. Corresponds to LGD without statistical correction for certain non-performing loans being reclassified as recoverable prior to collection. The calculation is based on the realisation value of assets pledged as security in an economic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

The figure includes the loan portfolio in the covered bond companies (SpareBank 1 Næringskreditt AS, SpareBank 1 Boligkreditt AS and SR-Boligkreditt AS).

Risk profile – Lending to the retail market

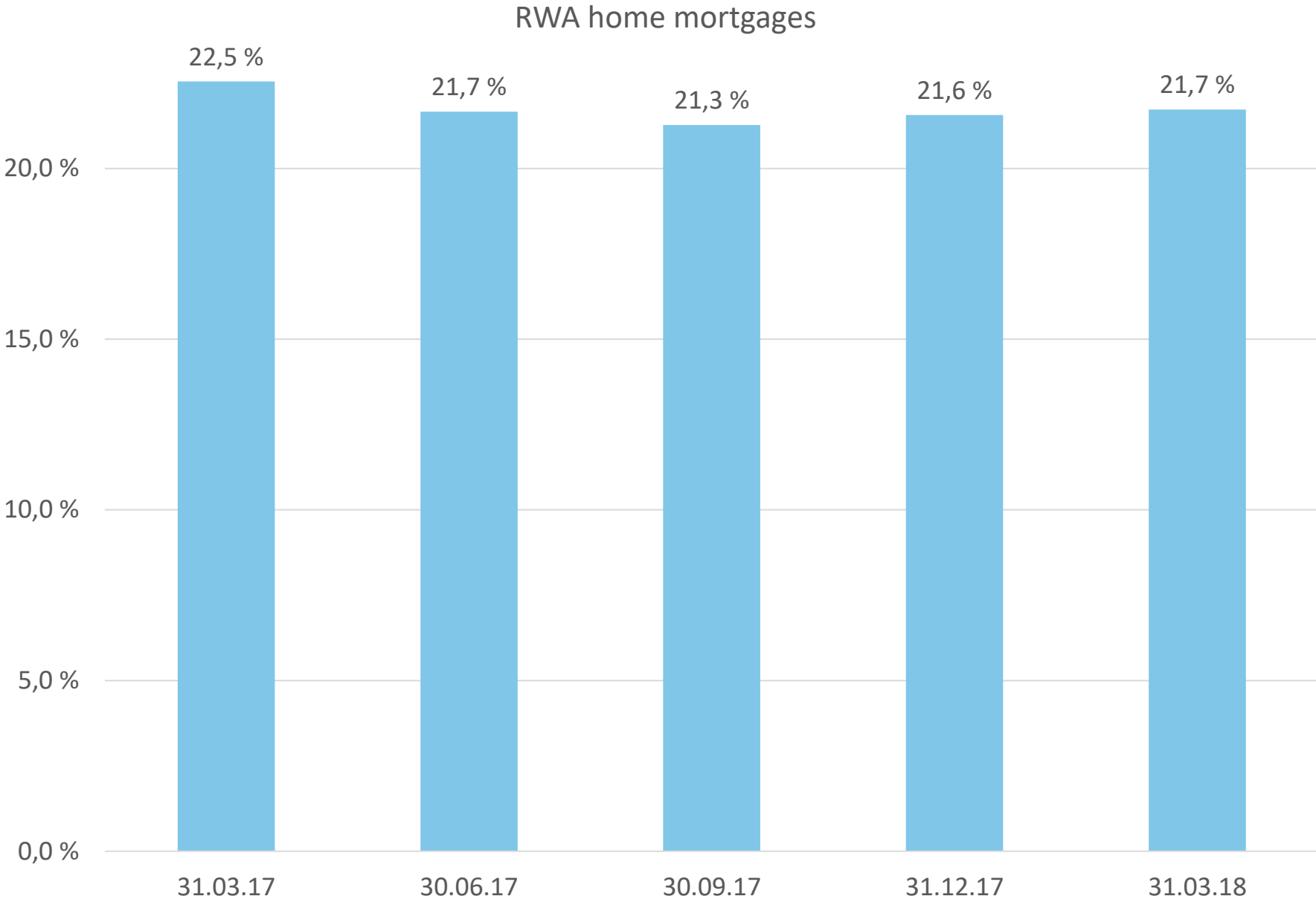
- The quality of the retail market portfolio is considered to be good and has low potential losses.
- The proportion of loans with a PD* below 0.5 % is 80.7 % of the total retail portfolio.
- The low risk profile is achieved through prudent customer selection and requirements for moderate LTV. Most of the portfolio is secured against a mortgage on real estate, and lending is overall moderate compared to asset value.



*Probability of default (PD) through a full cycle of loss.
The figures include the loan portfolio in the covered bond companies (SpareBank 1 Boligkreditt AS and SR-Boligkreditt AS).

RWA home mortgages

- RWA on home mortgages reflects a solid and stable portfolio.

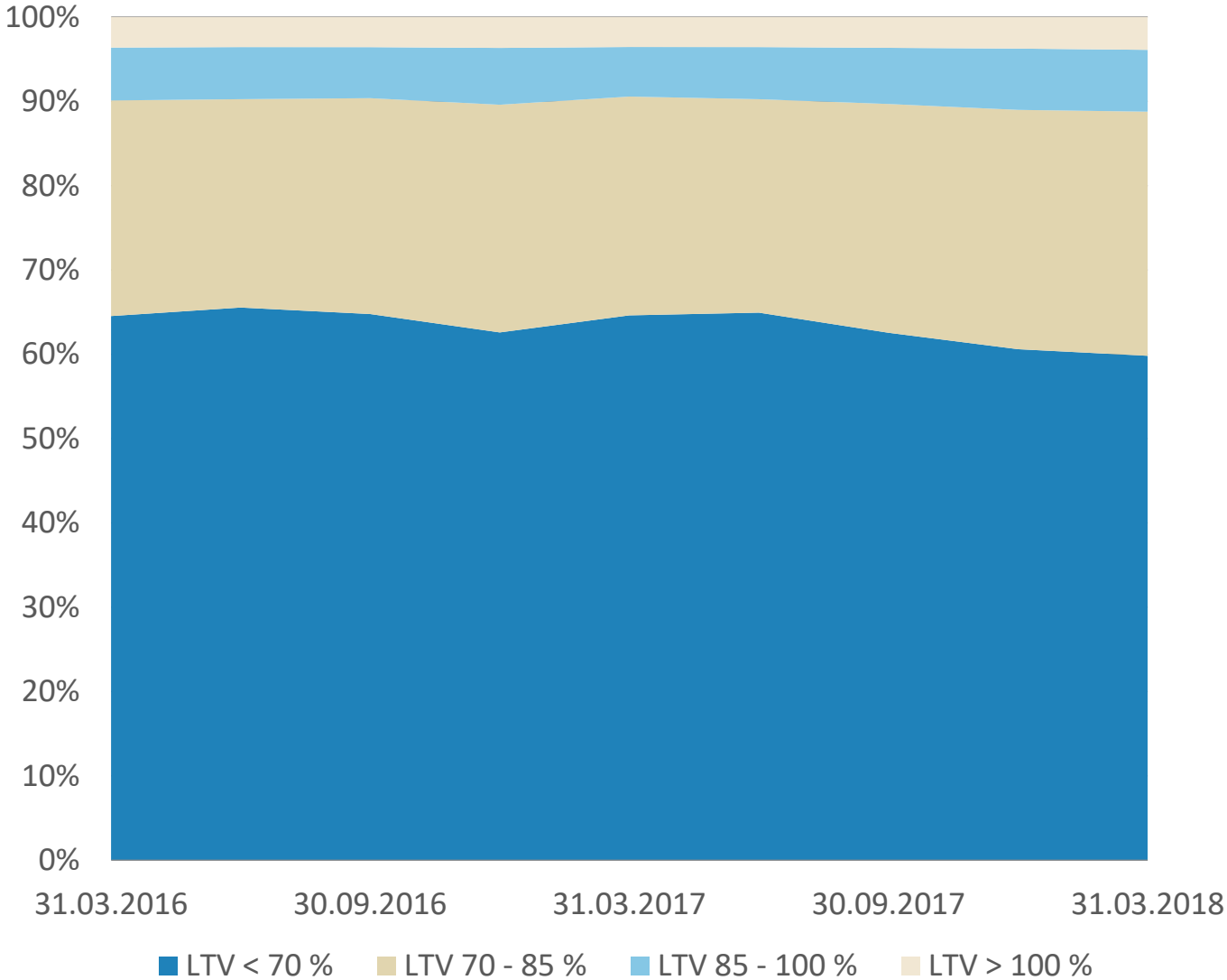


Home mortgages as defined in the Norwegian IRB framework; residential property must make up at least 30 % of a loan's security.

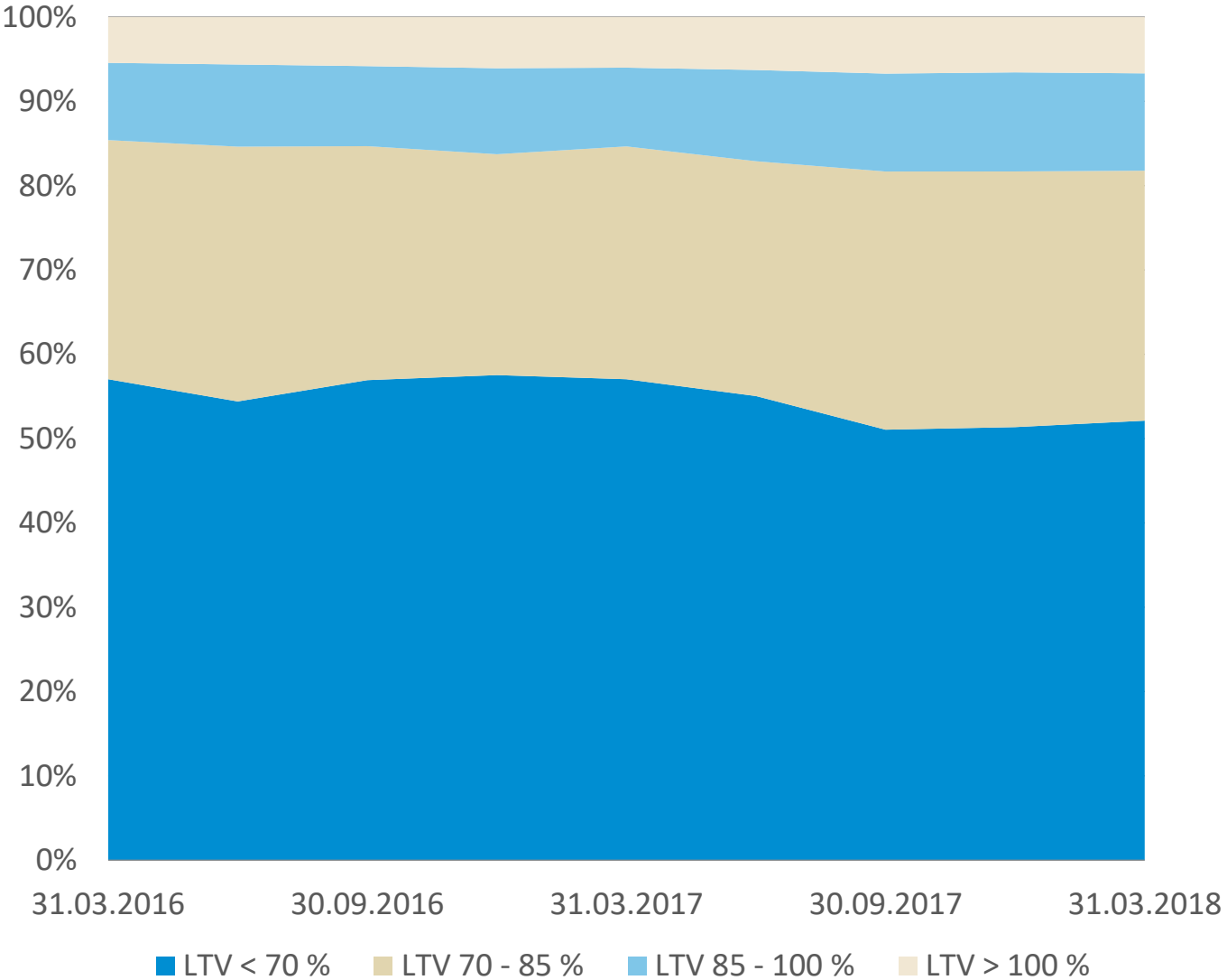
The figures include the loan portfolio in the covered bond companies (SpareBank 1 Boligkreditt AS and SR-Boligkreditt AS).

Historical LTV development for home mortgage loans

Total home mortgages incl. loans in cover pool



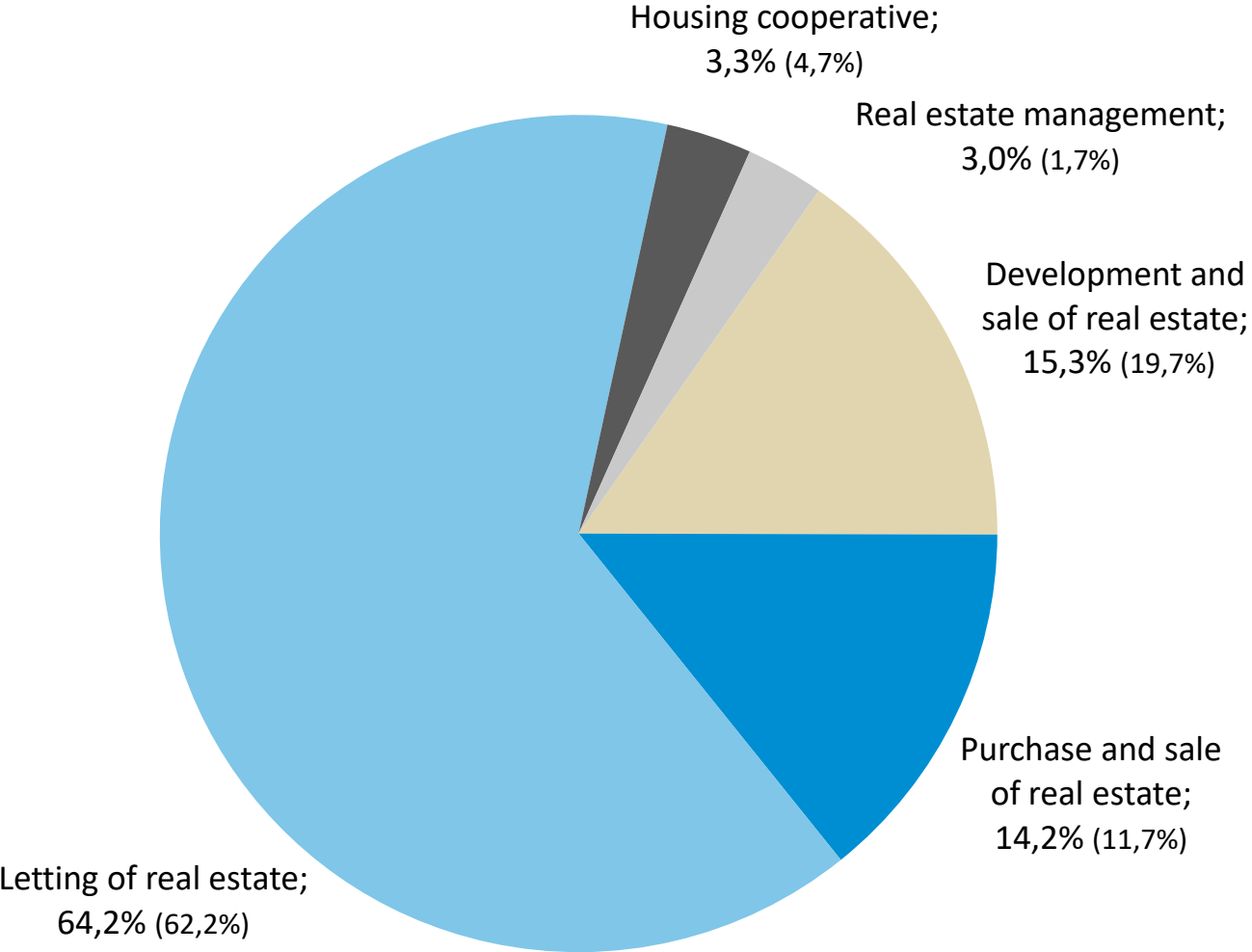
Home mortgages in SpareBank 1 SR-Bank ASA



Lending to commercial property

Lending to commercial property

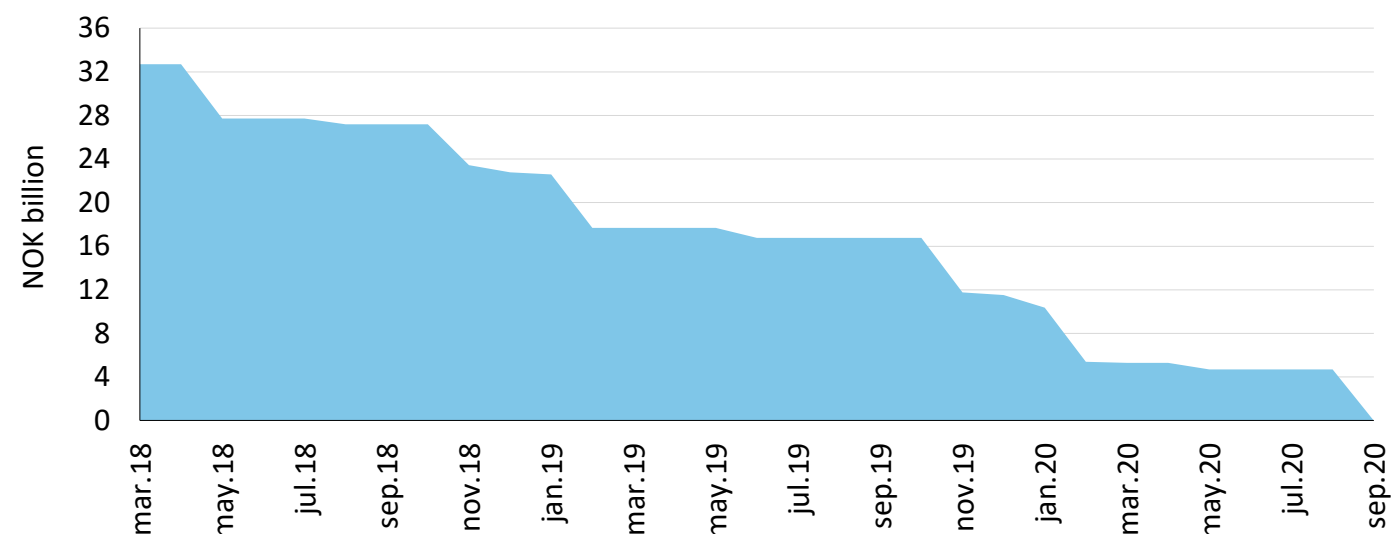
- NOK 27.7 billion, 14.6% of the bank's total loans.
- The portfolio is characterised by lending to commercial properties for leasing with long-term contracts and financially solid tenants. The vacancy rate is limited. Interest rates for a significant portion of this portfolio have been hedged.



Sector allocation in accordance with the standard categories from Statistics Norway. Figures in parentheses as at 31.03.2017.

Liquidity portfolio

Liquidity buffer – survival period



- Liquidity buffer at the end of the quarter: NOK 32.7 billion
- Other liquid assets:
 - Home mortgages prepared for covered bond funding: NOK 19.6 billion
 - Commercial paper and bonds in the trading portfolio: NOK 0.3 billion

Liquidity portfolio

Category	NOK million	Share %	Of which, securities classified to amortised cost, MNOK
Norwegian government/municipal SSA/Foreign guaranteed	420	1 %	0
Covered bonds (Norwegian/foreign)	19.755	69 %	3.215
Norwegian bank/finance	18	0 %	0
Foreign bank/finance	0	0 %	0
Industry/Other	0	0 %	0
Total liquidity portfolio	28.629	100 %	3.908

Liquidity buffer: cash, highly liquid bonds.

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

Investments in bonds and certificates

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA and AA-	28.611	98,7 %
Low risk	A+, A and A-	0	0,0 %
Moderate risk	Not rated	85	0,3 %
High risk	Not rated	166	0,6 %
Very high risk	Not rated	115	0,4 %
Total portfolio		28.977	100,0 %

Of which liquidity purposes:

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA and AA-	28.611	99,9 %
Low risk	A+, A and A-	0	0,0 %
Moderate risk	Not rated	18	0,1 %
High risk	Not rated	0	0,0 %
Very high risk	Not rated	0	0,0 %
Total liquidity purposes		28.629	100,0 %

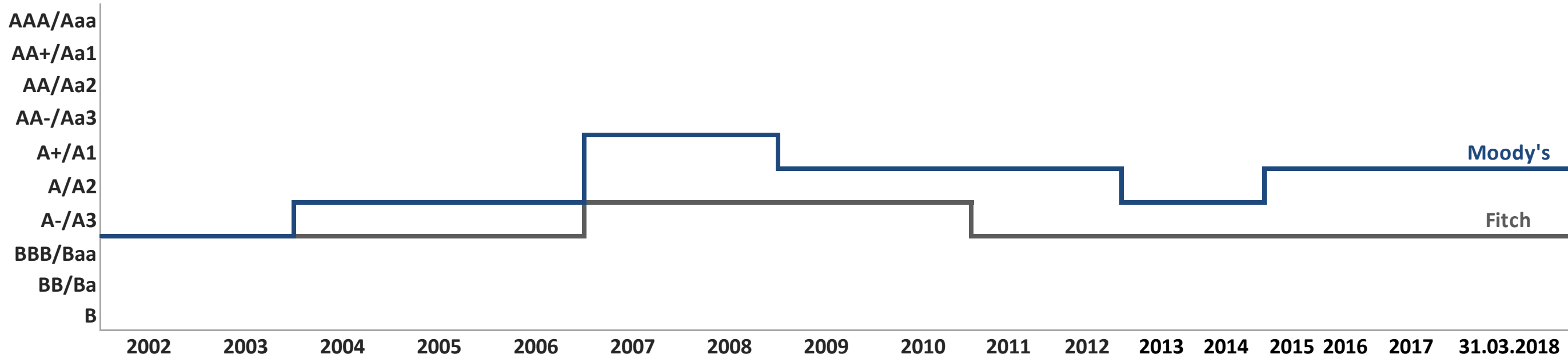
Of which SR-Bank Markets:

Risk category	Rating	NOK Million	Share
Very low risk	AAA, AA+, AA and AA-	0	0,0 %
Low risk	A+, A and A-	0	0,0 %
Moderate risk	Not rated	66	19,1 %
High risk	Not rated	166	47,9 %
Very high risk	Not rated	115	33,0 %
Total SR-Bank Markets portfolio*		348	100,0 %

Rating

	Moody's		Fitch
Long-term debt	A1	Long-term IDR	A-
Outlook	Negative	Outlook	Stable
Updated	12 March 2018	Updated	26 January 2018

Ratinghistory



SR-Bank pr 31.03.2018

	31.03.2018	2017	2016	2015	2014	2013
Share price	86,20	87,00	60,75	39,30	52,50	60,25
Stock value (MNOK)	22.046	22.250	15.537	10.051	13.427	15.409
Book value per share, NOK (group)	79,24	77,24	71,54	66,14	60,28	55,00
Earnings per share	2,03	8,16	6,87	6,83	8,20	7,28
Dividend per share	n.a	4,25	2,25	1,50	2,00	1,60
P/E	10,62	10,66	8,84	5,75	6,40	8,28
P/BV (group)	1,09	1,13	0,85	0,59	0,87	1,10

Number of shares issued 255.8 million

Trading volume in Q1 2018: 5.3 % (15.1 %)

On 1 June 2017, the SR-Bank share was included in the Oslo Stock Exchange's main index

Dividend policy

“The financial objective of SpareBank 1 SR-Bank ASA 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 level of the annual dividend, considerations will be made towards SpareBank 1 SR-Bank ASA’s future need for capital, including capital adequacy requirements, and strategic plans and targets. Unless capital requirements otherwise dictate, the Board of Directors’ aim is that approximately half of the EPS is paid out.”



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