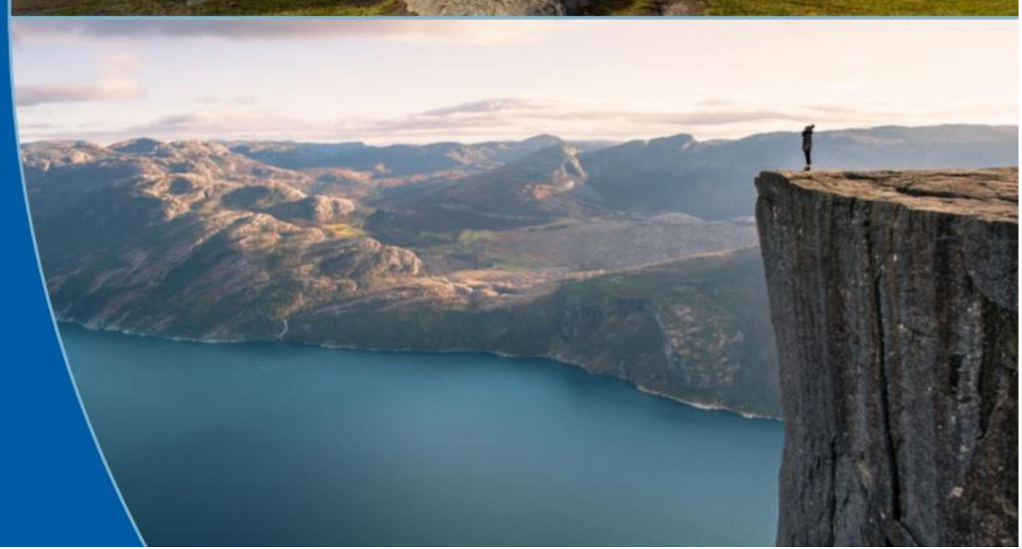
Quarterly report 2023

Q4



Contents

Key figures SpareBank 1 SR-Bank Group (MNOK)

MAIN FIGURES	01.01 - 31.12 2023	2022	Q4 2023	Q4 2022	Year 2022
Net interest income	6.136	4.516	1.715	1.286	4.516
Net commission and other income	1.939	1.770	465	453	1.770
Net income on financial investments	669	756	478	274	756
Total income	8.745	7.042	2.659	2.013	7.042
Total operating expenses	3.299	2.825	935	752	2.825
Operating profit before impairment	5.445	4.216	1.724	1.262	4.216
Impairment losses on loans and financial commitments	-232	5	-91	36	5
Pre-tax profit	5.677	4.211	1.815	1.225	4.211
Tax expense	1.202	834	311	226	834
Profit after tax	4.475	3.378	1.503	1.000	3.378
BALANCE SHEET					
Gross loans to customers	272.001	252.957			252.957
Deposits from customers	149.076	148.100			148.100
Total assets	362.186	345.730			345.730
Average total assets	362.417	321.176			321.176
Selected key figures (for further key figures see page 40 of the interim report) [4]					
Return on equity [1]	15,3 %	12,6 %	19,7 %	14,5 %	12,6 %
Cost to income ratio [1]	37,7 %	40,1 %	35,2 %	37,3 %	40,1 %
Cost to income ratio Banking Group [1]	33,7 %	37,6 %	34,9 %	36,1 %	37,6 %
Average net interest margin	1,69 %	1,41 %	1,87 %	1,51 %	1,41 %
Balance growth					
Growth in loans over last 12 months [1]	7,5 %	9,8 %			9,8 %
Growth in deposits over last 12 months [1]	0,7 %	7,6 %			7,6 %
Solidity					
Common equity Tier 1 capital ratio	17,61 %	17,42 %			17,42 %
Tier 1 capital ratio	19,72 %	18,76 %			18,76 %
Capital ratio	21,58 %	20,31 %			20,31 %
Tier 1 capital	28.864	25.193			25.193
Risk weighted balance	146.371	134.324			134.324
Leverage ratio	7,2 %	6,9 %			6,9 %
Liquidity					
Liquidity Coverage Ratio (LCR) [2]	207 %	176 %			176 %
Deposit to loan ratio [1]	54,8 %	58,5 %			58,5 %
Impairments on loans and financial commitments [1]					
Impairment ratio [1]	-0,09 %	0,00 %			0,00 %
Loans and financial commitments in Stage 3 [1]					
Loans and financial commitments in Stage 3, % of gross loans and financial commitments [1]	1,01 %	1,35 %			1,35 %
SpareBank 1 SR-Bank share	**31.12.23**	**31.12.22**	**31.12.21**	**31.12.20**	**31.12.19**
Market price	128,90	120,70	133,20	91,00	100,00
Market capitalisation (MNOK)	34.064	30.869	34.066	23.273	25.575
Book equity per share (including dividends) (group) [1]	115,07	106,32	99,05	95,97	89,90
Earnings per share, NOK	16,27	12,88	12,08	5,87	12,06
Dividends per share	7,50	7,00	6,00	3,10	5,50
Price / Earnings per share [1]	7,92	9,37	11,03	15,50	8,29
Price / Book equity [1]	1,12	1,14	1,34	0,95	1,11
Effective return [3]	12,6 %	-4,9 %	55,8 %	-9,0 %	17,2 %

[1] Defined as alternative performance targets (APMs), see the appendix to the interim report
[2] High quality liquid assets divided by total net cash outflows in a 30-day, serious stress scenario
[3] %- change in the market price in the last period, including paid share dividend
[4] 2022 numbers has not been altered to reflect the change in principle following the implementation of IFRS 17/IFRS 9 as described in note 1

Strong results driven by good operations, reversals of impairment provisions and one-off effects

Q4 2023

- Pre-tax profit: NOK 1,815 million (NOK 1,225 million)
- Net profit for the quarter: NOK 1,503 million (NOK 1,000 million)
- Return on equity after tax: 19.7% (14.5%)
- Earnings per share: NOK 5.48 (NOK 3.81)
- Net interest income: NOK 1,715 million (NOK 1,286 million)
- Net commission and other income: NOK 465 million (NOK 453 million)
- Net income from financial investments: NOK 478 million (NOK 274 million)
- Operating costs: NOK 935 million (NOK 752 million)
- Impairments on loans and financial liabilities: NOK -91 million (NOK 36 million)
  (Q4 2022 figures in brackets)

As at 31 December 2023

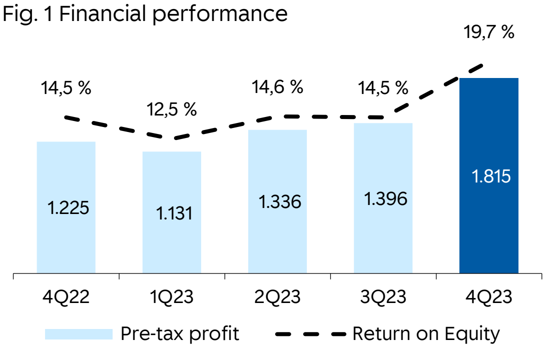
- Pre-tax profit: NOK 5,677 million (NOK 4,211 million)
- Net profit for the period: NOK 4,475 million (NOK 3,378 million)
- Return on equity after tax: 15.3% (12.6%)
- Earnings per share: NOK 16.27 (NOK 12.88)
- Net interest income: NOK 6,136 million (NOK 4,516 million)
- Net commission and other income: NOK 1,939 million (NOK 1,770 million)
- Net income from financial investments: NOK 669 million (NOK 756 million)
- Operating costs: NOK 3,299 million (NOK 2,825 million)
- Impairments on loans and financial liabilities: NOK -232 million (NOK 5 million)
- Total lending growth over past 12 months: 7.5% (9.8%)
- Growth in deposits over past 12 months: 0.7% (7.6%)
- Growth in deposits excluding deposits from customers in the public sector over past 12 months: 7.5% (12.7%)
- Common Equity Tier 1 capital ratio: 17.61% (17.42%)
- Capital ratio: 21.58% (20.31%)
- The board proposes a dividend of NOK 7.50 per share for 2023 (NOK 7.00)
  (As at 31 December 2022 figures in brackets)

The group's results for Q4 2023

The Group made a pre-tax profit of NOK 1,815 million for the fourth quarter of 2023, NOK 589 million higher than in the previous quarter. The result is affected by gains from the sale of SR-Markets of NOK 421 million and a write-down of shares by NOK -150 million in Kredinor AS in SpareBank 1 Gruppen AS.

The return on equity after tax for the quarter was 19.7%, compared with 14.5% for the third quarter of 2023. Excluding the above-mentioned one-off effects, the return on equity was 16.1% in the fourth quarter of 2023.

Fig. 1 Financial performance



Net interest income amounted to NOK 1,715 million in the fourth quarter of 2023, an increase of NOK 119 million from the previous quarter. The increase was driven by growth and improved margins. The average interest margin was 1.87% in the fourth *quarter of 2023, compared with 1.74% in the third quarter of 2023.*

Net commissions and other operating income was NOK 465 million in the fourth quarter of 2023, NOK 31 million less than in the previous quarter. The reduction was mainly due to NOK 40 million less in arrangement fees in corporate market, as well as less income from insurance and other commissions. Customer fees from SpareBank 1 ForretningsPartner AS increased by NOK 19 million and income from money-transfer services increased by NOK 9 million.

Net income from financial investments was NOK 478 million in the fourth quarter of 2023, an increase of NOK 467 million compared with the previous quarter. Shares and equity certificates saw a NOK 393 million increase in prices, of which gains from the sale of SR-Markets to SpareBank 1 Markets AS amounted to NOK 370 million. Furthermore, income from associated companies increased by NOK 46 million due to the profit contribution from SpareBank 1 Markets AS of NOK 51 million and higher profit contributions from SpareBank 1 Forvaltning AS and BN Bank ASA of NOK 10 million and NOK 9 million, respectively. SpareBank 1 Gruppen AS's profit contribution was NOK -51 million in the fourth quarter, NOK 38 million weaker than in the third quarter. The negative profit contribution from SpareBank 1 Gruppen AS was mainly due to the NOK 769 million write-down of shares in Kredinor AS, with SpareBank 1 SR-Bank ASA's share amounting to NOK 150 million. Value of certificates and bonds with associated derivatives was reduced with NOK 67 million, while basis swaps and other IFRS effects increased in value by NOK 22 million.

Operating costs amounted to NOK 935 million in the fourth quarter of 2023, NOK 149 million higher than in the previous quarter. Costs in the parent bank increased by NOK 92 million. Of this, NOK 36 million was due to increased personnel costs, with increased provisions for variable remuneration accounting for NOK 20 million. Other operating costs rose by NOK 56 million, of which NOK 19 million was related to merger costs and NOK 9 million related to GründerAcademy. The remainder of the increase, amounting to NOK 37 million, was due to increased activity in the quarter and increase in use of consultants, ICT, travel and meeting costs. The fourth quarter also saw a write-down of plot values of NOK 37 million in the subsidiary Rygir Tomteutvikling. Costs in SpareBank 1 SR-Bank ForretningsPartner AS increased by NOK 18 million, mainly as a result of higher personnel costs.

Impairment provisions on loans and financial liabilities amounting to NOK 91 million were recognised as income in the fourth quarter of 2023, compared with income recognition of NOK 78 million in the third quarter. Individual losses of NOK 180 million were recognised as income, while IFRS 9 impairment provisions increased by NOK 89 million in the quarter.

Important events in Q4

On 26.10.2023, the boards of SpareBank 1 SR-Bank ASA and SpareBank 1 Sørøst-Norge approved a plan for the merger and establishment of SpareBank 1 Sør-Norge ASA. Subject to the necessary regulatory approvals, the merger date has been moved from 1.7.2024 to 1.10.2024. The change was made for reasons to do with the capacity of third-party suppliers.

A successful share issue worth about NOK 1 billion was carried out in October. The issue was carried out to meet higher regulatory requirements, continue the bank's dividend policy and contribute to further lending growth in 2024. The issue was significantly oversubscribed. In connection with the share issue, 8,517,887 new shares were issued at a subscription price of NOK 117.40 per share.

SR-Bank Markets was transferred to SpareBank 1 Markets AS with accounting effect from 1.12.2023. In connection with the transaction, SpareBank 1 SR-Bank ASA increased its stake in SpareBank 1 Markets AS from 5.6% to 33.3%.

In the second quarter of 2023, SpareBank 1 SR-Bank ASA signed an agreement with Folkeinvest AS concerning the acquisition of Monio AS, with the aim of providing an even better offering for companies and investors in the crowdfunding market for loan and equity financing. The agreement involved the establishment of a jointly owned group with Folkeinvest AS as the parent company and Monio AS and Caplist AS as subsidiaries. The agreement was concluded on 31.12.2023 and SpareBank 1 SR-Bank ASA's stake in Folkeinvest AS is 36.9%.

Results as at 31 December 2023

As at 31.12.2023, the group's operating profit before tax amounted to NOK 5,677 million, an increase of NOK 1,466 million from the same period last year. Net interest income increased by NOK 1,621 million. Increases in net commissions and other operating income also had a positive effect on the operating profit. Less income from financial investments and higher costs had a negative effect on the operating profit. Impairment provisions on loans and financial liabilities amounting to NOK 232 million were recognised as income, an improvement of NOK 237 million from the same period last year.

As at 31.12.2023, the group's return on equity after tax was 15.3% (12.6%). Excluding the gain from the sale of SR-Markets and the write-down of shares in Kredinor AS in SpareBank 1 Gruppen AS, the return on equity was 14.4%.

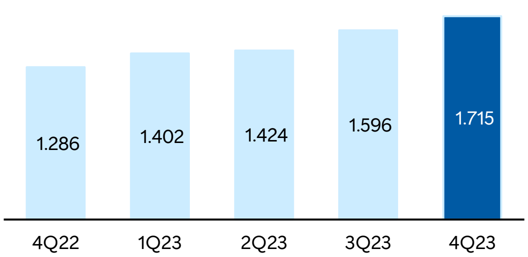
Allocation of profit for the year

The board is proposing a dividend of NOK 7.50 per share for 2023, which corresponds to 49.2% of the consolidated profit per share, excluding gains from the sale of SR-Markets and the write-down of shares in Kredinor AS in SpareBank 1 Gruppen AS. The uncorrected dividend ratio is 46.1%.

Net interest income

The group's net interest income totalled NOK 6,136 million as at 31.12.2023 (NOK 4,516 million). The increase was mainly driven by growth, increased margins and higher interest on equity.

Fig. 2 Net interest margin



As at 31.12.2023, the average interest margin was 1.69% (1.41%).

Net commission and other income

As at 31.12.2023, net commissions and other operating income totalled NOK 1,939 million (NOK 1,770 million).

Table 1, Commission and other income

	31.12.23	31.12.22
Payment facilities	358	324
Savings/placements	148	126
Insurance products	261	271
Commission income EiendomsMegler 1	392	383
Guarantee commission	116	121
Arrangement- and customer fees	239	129
Commission income ForretningsPartner	404	369
Other	21	47
Net commission and other income	1.939	1.770

The NOK 169 million increase was mainly attributable to a total NOK 110 million increase in arrangement and customer fees in corporate market. Furthermore, income from money-transfer services grew by NOK 34 million, mainly due to increased card income. Customer fees from SpareBank 1 SR-Bank ForretningsPartner AS increased by NOK 35 million. The improvement was mainly due to the integration work in 2022, which adversely impacted the invoicing rate in 2022.

Net income on financial investments

As at 31.12.2023, net income from financial investments amounted to NOK 669 million (NOK 756 million).

Table 2, Income on financial investments

	31.12.23	31.12.22
Dividends	66	70
Investment income, associates	288	453
Securitites gains/losses	145	-14
- of which in shares and certificates	*276*	*156*
- of which in certificates and bonds incl. derivatives	*-131*	*-170*
Currency/interest gains/losses	170	247
- of which customer- and own-account trading	*241*	*206*
- of which basisswap and other IFRS-effects	*-71*	*41*
Net income on financial investments	669	756

Dividends received amounted to NOK 66 million (NOK 70 million). The dividends recognised as income were from FinStart Nordic AS, NOK 35 million (NOK 16 million), Sandnes Sparebank, NOK 21 million (NOK 19 million), and SpareBank 1 Markets AS, NOK 9 million (NOK 12 million). NOK 0 million was received in dividends from Visa Norway in 2023 (NOK 20 million).

Income from associated companies amounted to NOK 288 million as at 31.12.2023 (NOK 453 million). The profit contribution from BN Bank ASA amounted to NOK 257 million (NOK 203 million), the profit contribution from SpareBank 1 Forvaltning AS amounted to NOK 61 million (NOK 63 million) and the profit contribution from SpareBank 1 Markets AS amounted to NOK 51 million. The profit contributions from SpareBank 1 Gruppen AS amounted to NOK -41 million (NOK 175 million) and SpareBank 1 Betaling AS NOK -33 million (NOK 11 million). Income from other associated companies amounted to NOK -7 million (NOK 0 million). For more information about the underlying results in associated companies, see the section on page 10.

Price changes for securities amounted to NOK 145 million (NOK -14 million) and were due to price changes in the portfolio of equities and equity certificates amounting to NOK 276 million (NOK 156 million) and price changes in the portfolio of certificates and bonds, which is held for liquidity purposes, totalling NOK -131 million (NOK -170 million). The increase in the value of shares and equity certificates was due to a gain of NOK 370 million from the sale of SR-Markets, which was partly offset by a change in the value of the investment in FinStart Nordic AS of NOK -79 million (NOK 48 million) and a change in the value of equity certificates in Sandnes Sparebank of NOK -8 million (NOK -17 million). In 2022, there was a NOK 106 million gain from the sale of the subsidiary Bjergsted Terrasse AS. Other investments saw a change in value of NOK -6 million (NOK -12 million).

Price changes for interest rate and currency trading amounted to NOK 170 million as at 31.12.2023 (NOK 247 million). Income from customer and own account trading amounted to NOK 241 million (NOK 206 million). The change in the value of basis swaps was NOK -101 million (NOK 88 million) and other IFRS effects amounted to NOK 29 million (NOK -48 million).

Operating expenses

The group's operating costs amounted to NOK 3,299 million as at 31.12.2023 (NOK 2,825 million), an increase of NOK 474 million (16.8%). Of the total increase, NOK 154 million was related to the following specific items: increased provisions for variable remuneration in the parent bank (NOK 60 million), write-down of the value of land in the subsidiary Rygir Tomteutvikling (NOK 37 million), payouts related to complaints in Monio AS (NOK 29 million), merger costs (NOK 19 million) and GründerAcademy (NOK 9 million). Corrected for the above mentioned items, costs grew by 11.3%.

The group's cost to income ratio was 37.7% (40.1%) as at 31.12.2023 and the cost to income ratio for the banking group[1] was 33.7% (37.6%).

Table 3, Operating expenses

	31.12.23	31.12.22
Personnel expenses	2.053	1.788
IT expenses	456	395
Marketing	86	87
Administrative expenses	127	101
Operating expenses from real estate	46	54
Other operating expenses	365	228
Depreciation and impairments	166	173
Total operating expenses	3.299	2.825

In the parent bank, costs amounted to NOK 2,453 million (NOK 2,064 million). Of the NOK 389 million increase in the parent bank, personnel costs increased by NOK 237 million. On average, there were 82 more FTEs in 2023, which has increased costs by around NOK 84 million. The increase in FTEs was due to investments in new market areas, the taking over of FTEs in connection with the acquisition of Swedbank's loan portfolio and sustainability measures. The remainder of the growth in personnel costs can be explained by general wage growth amounting to NOK 40 million, increased provisions for variable remuneration of NOK 60 million and an increase in pension costs of NOK 38 million. The increase in pension costs can partly be attributed to a one-off effect of NOK -17 million in 2022. There were one-off costs totalling NOK 28 million related to merger costs and GründerAcademy. Other increases in costs in the parent bank were due to high inflation and activity. The increase in activity particularly

[1]The consolidated cost/income ratio equals total income less net income from financial investments divided by costs in the Banking Group. The banking group includes Sparebank 1 SR-Bank (parent bank) and SR-Boligkreditt AS.

related to ICT, the use of consultants, travel and meetings.

Costs in EiendomsMegler 1 SR-Eiendom AS and SpareBank 1 SR-Bank ForretningsPartner AS increased by NOK 19 million and NOK 18 million, respectively, mainly due to higher wage costs and general operating costs.

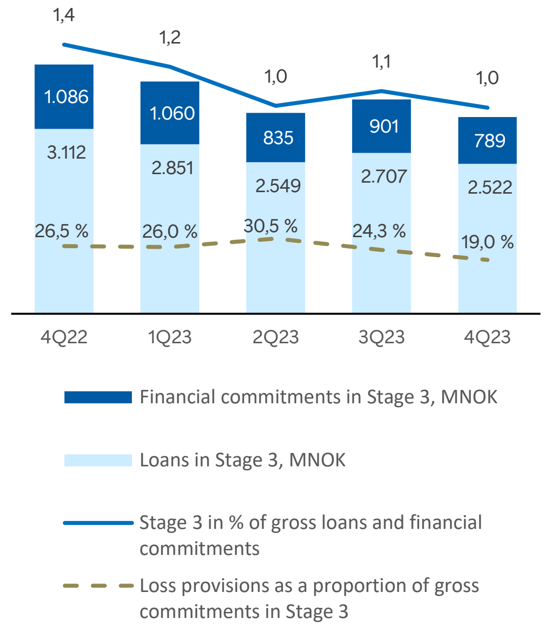
Impairment losses on loans and financial commitments, and loans and financial commitments in Stage 3

Impairment losses on loans and financial liabilities amounting to NOK 232 million had been recognised as income as at 31.12.2023, compared with cost recognition of NOK 5 million the year before. Individual losses of NOK 331 million were recognised as income, while NOK 99 million in IFRS impairment provisions was recognised as costs.

The group's impairment losses on loans and financial liabilities amounted to -0.1% of gross loans as at 31.12.2023 (0.0%).

The group's loans and financial liabilities are classified into three groups: Stage 1, Stage 2 and Stage 3. Stage 3 is used for loans and financial liabilities that have seen a significant rise in credit risk since being granted and where there is objective evidence of a loss event on the balance sheet date. The loss provision must cover expected losses over their lifetime for these loans and financial liabilities. Gross loans and financial liabilities classified as Stage 3 amounted to NOK 3,310 million at the end of the fourth quarter of 2023 (NOK 4,198 million). The reduction was mainly due to a larger exposure that is no longer subject to quarantine[2] and the recognition of losses. Provisions as a share of the gross exposure in Stage 3 were 19.0% (26.5%). Gross loans and financial liabilities classified as Stage 3 corresponded to 1.0% (1.4%) of gross loans and financial liabilities.

Fig. 3 Gross loans and financial commitments in Stage 3

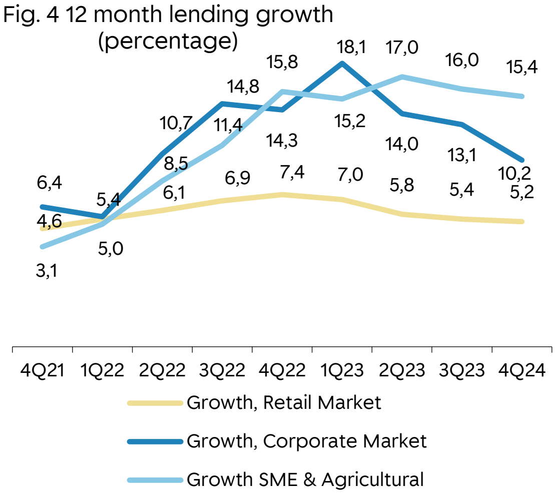


Loans to and deposits from customers

Gross loans at the end of the fourth quarter of 2023 amounted to NOK 272.0 billion (NOK 253.0 billion). Gross lending growth in the past 12 months was 7.5% (9.8%). Adjusted for exchange rate effects of NOK 0.7 billion in the past 12 months, gross lending growth was 7.2%.

In the past 12 months, Retail Market (incl. staff loans), SME & Agriculture and corporate market have seen lending growth of 5.2%, 15.4% and 10.2% (9.5% adjusted for foreign exchange effects), respectively.

Fig. 4 12 month lending growth (percentage)



[2]The quarantine period is 12 months after being declared healthy.

Loans to the retail market accounted for 60.5% of total loans at the end of the fourth quarter of 2023 (61.8%).

The group's total loan exposure of NOK 272.0 billion (NOK 253.0 billion) included a majority of exposures with a probability of default of less than 0.5%. These commitments accounted for 63.2% (63.6%) of the portfolio. The overall lending portfolio largely consisted of exposures of less than NOK 10 million. These accounted for 62.4% (64.4%) of loan exposure and 97.6% (97.8%) of customers. Of the total loan exposure, 22.8% (21.5%) was to customers with exposures in excess of NOK 100 million.

Over the past 12 months, deposits from customers have increased by 0.7% (7.6%) to NOK 149 billion (NOK 148.1 billion). Excluding deposits from customers in the public sector, deposits have grown by 7.5% overall in the past 12 months, with growth of 5.4% in Retail Market, 8.2% in SME & Agriculture and 3.6% in Corporate Market. See the section on business areas for further information. At the end of the fourth quarter of 2023, deposits from retail customers accounted for 47.1% (44.9%) of the group's deposits.

The deposit-to-loan ratio was 54.8% at the end of the fourth quarter of 2023 (58.5%).

Business areas

SpareBank 1 SR-Bank ASA is split into different business areas, which are defined on the basis of their form of distribution, products, and customers. The reporting format is based on the risk and return profile of the assets and is split into Retail Market, SME & Agriculture, Corporate Market, Capital Market and significant subsidiaries. Retail Market's result and balance sheet items include the figures from SR-Boligkreditt AS.

Retail Market[3]

Retail Market posted a contribution before impairment provisions of NOK 2,051 million as at 31.12.2023 (NOK 1,778 million).

Table 4, Retail Market

	31.12.23	31.12.22
Interest income	2.097	1.792
Commission and other income	652	631
Income on investment securities	19	0
Total income	2.768	2.423
Total operating expenses	718	645
Operating profit before impairments	2.051	1.778
Impairments on loans and financial commitments	4	-4
Pre-tax profit	2.046	1.782

Net interest income increased by NOK 305 million, mainly as a result of increased deposit margins and portfolio growth. Other operating income increased by NOK 39 million compared with the same period last year.

Total operating costs amounted to NOK 718 million (NOK 645 million). The increase was mainly due to general wage growth and price inflation, as well as increased investments in new market areas.

The volume of lending in Retail Market was NOK 159.4 billion at the end of the fourth quarter (NOK 151.7 billion). Retail Market is experiencing good demand for loans, and lending has grown by 5.1% in the past 12 months (NOK 7.8 billion). The deposit volume was NOK 70.2 billion at the end of the fourth quarter of 2023 (NOK 66.6 billion), corresponding to growth over the past 12 months of 5.4%.

The quality of the retail market portfolio is considered to be very good with a low risk of losses and low defaults. The proportion of loan exposure within 85% of the loan to value ratio was 93.6% at end of the fourth quarter of 2023 (94.6%). The model-calculated IRB risk weights[4] for residential mortgages was 19.6% at the end of the quarter (18.4%).

[3] The interest on intercompany receivables for retail market, SME & agriculture and corporate market is fixed based on expected observable market interest rates (NIBOR) plus expected additional costs for the Group's long-term funding (credit premium). Differences between the Group's actual funding costs and the applied interest on intercompany receivables are eliminated at the Group level.

[4] The IRB rules define residential mortgage loans as exposures secured by collateral in residential/real property where the collateral in the real property amounts to at least 30%. The figures include the portfolio in SR-Boligkreditt AS.

SME & Agriculture[3]

SME & Agriculture received a contribution before impairment provisions of NOK 990 million as at 31.12.2023 (NOK 671 million).

Table 5, SME & Agriculture

	31.12.23	31.12.22
Interest income	956	651
Commission and other income	140	130
Income on investment securities	34	5
Total income	1.130	786
Total operating expenses	140	116
Operating profit before impairments	990	671
Impairments on loans and financial commitments	63	59
Pre-tax profit	927	611

The higher profit before impairment provisions was primarily due to increased interest income driven by volume growth and stronger deposit margins. Total operating costs amounted to NOK 140 million (NOK 116 million). The increase was mainly due to general wage growth and price inflation, as well as increased investments in new market areas. The increase in impairment provisions on loans and financial liabilities was due to increased IFRS impairment provisions.

The lending volume in the division amounted to NOK 21.6 billion at the end of the fourth quarter of 2023 (NOK 20.2 billion). SME & Agriculture is experiencing high demand for loans and credit, and lending growth over the past 12 months was 15.4%. The deposit volume was NOK 21.9 billion (NOK 20.2 billion), corresponding to growth in the past 12 months of 8.2%.

The quality of the SME & Agriculture portfolio is considered good, with a moderate risk of losses and low defaults. The proportion of commitments with a probability of default of less than 2.5% through a full loss cycle was 83.2% of the portfolio at the end of the fourth quarter of 2023 (85.5%).

Corporate Market[3]

The operating profit before impairments increased by NOK 649 million to NOK 2,489 million as at 31.12.2023 (NOK 1,840 million).

Table 6, Corporate market

	31.12.23	31.12.22
Interest income	2.246	1.705
Commission and other income	395	278
Income on investment securities	66	39
Total income	2.707	2.022
Total operating expenses	219	182
Operating profit before impairments	2.489	1.840
Impairments on loans and financial commitments	-299	-50
Pre-tax profit	2.788	1.890

Interest income increased by NOK 541 million to NOK 2,246 million (NOK 1,705 million), mainly as a result of good lending growth in the past 12 months. Commissions and other operating income rose by NOK 117 million to NOK 395 million (NOK 278 million) due to good growth in customer fees in 2023. NOK 299 million was recognised as income in relation to impairment provisions on loans and financial liabilities as at 31.12.2023 (income recognition of NOK 50 million). The division's profit before tax improved by NOK 898 million to NOK 2,788 million (NOK 1,890 million).

The lending volume in the division amounted to NOK 86.0 billion at the end of the fourth quarter of 2023 (NOK 78.1 billion). Exchange rate effects accounted for NOK 0.5 billion of the total growth of NOK 7.9 billion. There was solid lending growth in all market areas. Of the division's total lending volume, NOK 12.3 billion (14%) was classified as green or sustainability-linked loans. The volume of deposits amounted to NOK 51.3 billion at the end of the quarter (NOK 58.1 billion). The lower deposit volume was due to a decrease in the public sector.

The quality in corporate market is also considered good. The proportion of exposures with a probability of default of less than 2.5% through a full loss cycle was 86.6% of the portfolio at the end of the fourth quarter of 2023 (86.0%). The property sector portfolio represents the group's largest concentration in a single sector and accounted for 14.0% (14.0%) of total loan exposure. A large portion of this portfolio consists of financing commercial properties for leasing.

Capital Market

Up to 30.11.2023, securities activities were organised under the SR-Bank Markets brand and included customer and own account trading in fixed income instruments, foreign exchange and Corporate Finance services. In June 2022, it was announced that SpareBank 1 SR-Bank ASA had sold SR-Bank Markets to SpareBank 1 Markets AS and at the same time increased its stake in Sparebank 1 Markets AS to 33.3%. The transaction was carried out in order to strengthen its focus on capital markets. It had accounting effect from 1.12.2023.

SR-Bank Markets' operating income amounted to NOK 148 million in 2023 (NOK 244 million). The income is recognised as income in the business areas to which the customers are assigned. In 2023, income of NOK 31 million was recognised in the business areas (NOK 72 million). The main reason for the decrease in total income and redistributed income in 2023 was a change in the internal allocation of foreign exchange and interest income. The operating profit before tax amounted to NOK 69 million (NOK 102 million).

Subsidiaries

EiendomsMegler 1 SR-Eiendom AS

The company posted a turnover of NOK 401 million as at 31.12.2023 (NOK 395 million) and a profit before tax of NOK 5.2 million (NOK 18.8 million). The decrease in profit was mainly due to increased costs related to payroll and other operating costs, which was partly related to increased rental costs, as well as travel and course costs.

As at 31.12.2023, 6,265 (6,242) properties had been sold with a total value of around NOK 22.5 billion (NOK 21.7 billion).

Overall, the company is the largest actor in real estate brokerage in the counties of Rogaland, Vestland and Agder, with a stable market share of just under 20%.

Since the start of the year, prices have grown by 5.3% in the company's main area of Nord-Jæren, with Kristiansand at 5.4% and Bergen at 0.7%. The national growth in prices was 0.5% in 2023. Overall, the national figures show a higher number of unsold homes, while in the company's areas the number of unsold homes remains historically low. It is clear that a strong business sector and low unemployment are dampening the effects of the interest rate hikes by Norges Bank.

SpareBank 1 SR-Bank ForretningsPartner AS

SpareBank 1 SR-Bank ForretningsPartner AS posted a turnover of NOK 463.8 million as at 31.12.2023 (NOK 410.7 million). The profit before tax amounted to NOK 28.1 million (NOK 17.0 million). The improvement in earnings is due to effects from the integration of acquired companies. The result includes depreciation of intangible assets amounting to NOK 5.2 million (NOK 6.0 million).

SpareBank 1 SR-Bank ForretningsPartner AS enjoys a solid market position in accounting services, with offices in Rogaland, Vestland, Oslo and Agder.

SR-Boligkreditt AS

The company's purpose is to purchase residential mortgages from SpareBank 1 SR-Bank ASA, and it funds this by issuing covered bonds. SR-Boligkreditt AS enables the parent company to diversify and optimise its funding. Moody's has given SR-Boligkreditt AS its best rating, Aaa. As at 31.12.2023, the company had issued covered bonds with a nominal value of NOK 80.5 billion (NOK 86.7 billion) and bought loans worth NOK 100.2 billion (NOK 105.8 billion) from SpareBank 1 SR-Bank ASA.

As at 31.12.2023, the company posted a profit before tax of NOK 177.3 million (NOK 900.1 million). The decrease in profit was mainly due to a negative market value adjustment of basis swaps. The market value adjustment for basis swaps was NOK -396.7 million as at 31.12.2023, compared with NOK 367.1 million as at 31.12.2022. Net interest income increased by NOK 10.9 million from 31.12.2022 to NOK 651.8 million as at 31.12.2023 as a result of higher lending margins.

FinStart Nordic AS

FinStart Nordic AS invests in, and contributes to the development and growth of, innovative financial technology companies. The aim is to strengthen and expand the group's value chains and help streamline the group by supplying innovative products and services. At the same time, FinStart Nordic AS is looking to achieve a financial return on the company portfolio. The company also manages the portfolio of a former subsidiary that primarily had investments linked to the oil industry.

As at 31.12.2023, the company posted a result before tax of NOK -51.9 million (NOK 51.6 million). The value of the portfolio of oil industry related investments decreased by NOK -64.9 million (NOK

40.8 million), while dividends of NOK 35 million were received related to the same portfolio. The value of investments in financial technology as at 31.12.2023 decreased by NOK -14.2 million (NOK 6.7 million).

Monio AS

Monio AS is a payment company and a registered loan arranger. Monio AS is a licensed payment initiation service provider (PISP) and account information service provider (AISP) under the PSD2 Regulation. Monio AS arranges direct loans from private investors (people and limited liability companies) to small and medium-sized Norwegian companies via its proprietary digital platform. The company's main product is arranging secured loans for property projects. In June, SpareBank 1 SR-Bank ASA entered into an agreement with Folkeinvest AS to provide an even better offering for companies and investors in the crowdfunding market in relation to loan and equity funding. The agreement involved the establishment of a jointly owned group with Folkeinvest AS as the parent company and Monio AS and Caplist AS as subsidiaries. The agreement was concluded on 31.12.2023 and SpareBank 1 SR-Bank ASA's stake in Folkeinvest AS is 36.9%.

Monio AS posted a result before tax of NOK -49.0 million as at 31.12.2023 (NOK -15.6 million). The negative result was largely due to the payment of settlements in complaint cases amounting to NOK 29.3 million in the second quarter 2023.

Key associated companies

SpareBank 1 Alliance

The SpareBank 1 Alliance is Norway's second largest financial group and is a banking and product partnership in which the SpareBank 1 banks in Norway cooperate in order to keep them strong and independent. The purpose of the Alliance is to procure and provide competitive financial services and products, and to exploit economies of scale in the form of lower costs and/or higher quality. The Alliance is run through its ownership and participation in SpareBank 1 Utvikling DA, while the development and operation of product companies is organised through the banks' ownership of the holding company SpareBank 1 Gruppen AS.

SpareBank 1 Gruppen AS

SpareBank 1 Gruppen AS owns 100% of the shares in SpareBank 1 Forsikring AS, SpareBank 1 Factoring AS, and SpareBank 1 Spleis AS. SpareBank 1 Gruppen AS also owns 65% of the shares in Fremtind Forsikring AS, 50% of the shares in Kredinor AS, and 49% of the shares in LO Favør AS. SpareBank 1 SR-Bank ASA owned a 19.5% stake in SpareBank 1 Gruppen AS at the end of the fourth quarter of 2023.

SpareBank 1 Gruppen AS implemented IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments as of 1.1.2023.

Table 8, SpareBank 1 Gruppen AS

	Recalculated		Reported
	31.12.23	31.12.22	31.12.22
Pre-tax profit	213	1.796	1.458
Profit after tax	247	1.428	1.196
The controlling interest's share	-173	1.021	895
Profitshare after tax Q423	-34	199	175
Correction Q422	-7	0	0
Profitshare after tax SR-Bank	-41	199	175

See note 1 for a more detailed description.

SpareBank 1 Gruppen AS posted a profit after tax of NOK 247 million as at 31.12.2023 (NOK 1,196 million), of which NOK -173 million (NOK 895 million) represented the majority interests' share.

The negative result from Sparebank 1 Gruppen AS was mainly due to the fact that Kredinor was written down by NOK 769 million in December. The financial results in the insurance companies have been good the last quarter, driven by strong returns in stocks and rates. The insurance result in Fremtind was however reduced compared to 2022, due to natural disasters and increase in claims.
Return on equity after tax was 1.9% in 2023 (8.0%).

SpareBank 1 Utvikling DA

SpareBank 1 Utvikling DA delivers business platforms and common management and development services to the Alliance banks. The company contributes to joint activities that provide the banks with benefits in the form of economies of scale and expertise. The company also owns and manages the Alliance's intellectual property rights under a common brand name, SpareBank 1. SpareBank 1 SR-Bank ASA owned a 18.0% stake in SpareBank 1 Utvikling DA at year end 2023.

SpareBank 1 Forvaltning AS

SpareBank 1 Forvaltning AS delivers products and services designed to streamline and simplify savings for its customers. The company consists of the subsidiaries ODIN, SpareBank 1 Kapitalforvaltning AS, and SpareBank 1 Verdipapirservice AS. SpareBank 1 Forvaltning AS is owned by the SpareBank 1 banks and the Norwegian Confederation of Trade Unions (LO). SpareBank 1 SR-Bank ASA's stake was 35.8% at year end 2023.

SpareBank 1 Forvaltning AS posted a profit after tax of NOK 168 million as at 31.12.2023 (NOK 173 million). Income was NOK 79 million higher than last year, while operating costs increased by NOK 75 million. Assets under management in funds increased by NOK 17 billion and totalled NOK 111 billion at the end of 2023 (NOK 94 billion). Net purchases in funds have amounted to NOK 0.8 billion, compared with net redemptions of NOK 1.9 billion last year. Assets under management with discretionary mandates totalled NOK 32 billion, compared with NOK 29 billion last year. Net new subscriptions were NOK 291 million, compared with net redemptions of NOK 622 million last year.

BN Bank ASA

BN Bank ASA is a nationwide bank with its head office in Trondheim. The bank is owned by the banks in the SpareBank 1 Alliance. SpareBank 1 SR-Bank ASA's stake was 35.0% at year end 2023.

As at 31.12.2023, BN Bank ASA posted a profit after tax of NOK 764 million (NOK 595 million), of which NOK 733 million (NOK 580 million) represents the majority share. The improved result was mainly due to an increase in net interest income of NOK 233 million due to the increase in volumes for loans and deposits and improved deposit margins. A reduction in the lending margin had a negative impact on the result.

Return on equity after tax was 13.5% in 2023 (11.7%).

SpareBank 1 Markets AS

SpareBank 1 Markets is a leading Norwegian investment firm offering services within equity and credit analysis and trading in equities and bonds, as well as services within corporate finance, including raising capital in the equity and debt market, mergers and acquisitions, restructuring and advice. The investment firm is owned by banks in the SpareBank 1 Alliance. In December 2023, SpareBank 1 SR-Bank ASA and SpareBank 1 Nord-Norge AS increased their stakes in SpareBank 1 Markets AS. SR-Bank Markets' business was transferred to SpareBank 1 Markets AS. SpareBank 1 SR-Bank ASA's stake following the transaction is 33.3%.

As at 31.12.2023, SpareBank 1 Markets AS posted a profit after tax of NOK 154.0 million.

SpareBank 1 Kreditt AS

SpareBank 1 Kreditt AS is owned by the SpareBank 1 banks. SpareBank 1 SR-Bank ASA owned a stake of 16.7% at the end of 2023. The company offers unsecured financing to the retail market and offers credit cards and repayment loans to SpareBank 1 banks.

The company's result before tax was NOK -69.0 million for 2023 (NOK 47.6 million). The reduction in profit was due to higher losses compared with the same period last year, while increased income was offset by increased costs. The company's total portfolio at the end of 2023 was NOK 9.1 billion (NOK 7.3 billion). 12-month lending growth was around 24%, mainly due to the company becoming a credit card supplier for Coop Mastercard from February 2023.

SpareBank 1 Betaling AS

The SpareBank 1 banks jointly own SpareBank 1 Betaling AS. SpareBank 1 SR-Bank ASA's stake is 19.1%. SpareBank 1 Betaling AS owns a 23.9% stake in Vipps AS. Vipps AS is enjoying strong growth and is a strategic venture for the company's owner banks.

SpareBank 1 Betaling AS posted a result after tax of NOK -174.1 million for 2023 (NOK 65.0 million). The negative result in 2023 was due to the share of the operating loss in Vipps AS, while the positive profit contribution in 2022 was due to Danske Bank AS's acquisition of shares in Vipps AS.

For more information about the accounts of the various companies, please refer to their quarterly reports, which are available on the websites of the various companies.

Funding and liquidity

SpareBank 1 SR-Bank ASA had good liquidity at year end 2023 and believes it will continue to have good access to long-term funding at competitive prices. The group strives to achieve an even maturity structure for funding and believes it is important to have good relations with Norwegian and international investors and banks. The liquidity buffer was NOK 59.2 billion at the end of 2023 (NOK 61.2 billion) and would cover normal operations for 33 months (33 months) in the event of closed markets and without net lending growth. NOK 22.3 billion of the bank's external funding will come due in the next 12 months. In addition to the liquidity buffer, the bank has NOK 43.2 billion in residential mortgages ready for covered bond funding.

The group has continued to enjoy a high proportion of long-term funding in the past 12 months. The group's net stable funding ratio (NSFR)[5] was 130% at year end 2023 (130%) and this confirms the group's good funding situation. SpareBank 1 SR-Bank ASA has an Aa3 (stable) long-term rating and a P-1 short-term rating from Moody's.

Capital adequacy

Table 9, Capital adequacy

	4Q23	3Q23	2Q23	1Q23	4Q22
CET1 capital ratio	17,61	17,88	17,83	17,42	17,42
Tier 1 captial ratio	19,72	20,11	19,90	19,05	18,76
Capital ratio	21,58	22,03	21,89	21,05	20,31
Leverage ratio	7,19	7,12	6,98	6,77	6,85

The Common Equity Tier 1 capital ratio was 17.61%, while the capital adequacy ratio was 21.58% at the end of 2023. This is higher than the required capital adequacy ratio of 20.81%.

The total requirement for SpareBank 1 SR-Bank ASA's Common Equity Tier 1 capital ratio was 16.39% at the end of 2023. The requirement includes the systemic risk buffer (4.46%), the countercyclical buffer (2.50%), the Pillar 2 premium (0.90%), the temporary Pillar 2 premium (0.28%) and the capital adequacy margin (1.25%).

[5] NSFR is calculated in accordance with guidelines from the Financial Supervisory Authority of Norway and is calculated as available stable funding relative to necessary stable funding.

A countercyclical buffer requirement applies in Norway in the range of 0-2.5 percentage points in the form of Common Equity Tier 1 capital. The purpose of the countercyclical buffer is to make the banks more solid and robust in relation to lending losses. In December, Norges Bank decided to leave the countercyclical buffer rate for banks unchanged at 2.5%.

The Pillar 2 premium is an institution-specific premium intended to ensure that Norwegian banks have adequate capital to cover the risk associated with operations, including risks not covered by the regulatory minimum requirement. In December 2023, the Financial Supervisory Authority of Norway stipulated a Pillar 2 premium for the group of 1.6 percentage points and a temporary Pillar 2 premium of 0.5%, until applications for model changes have been processed. The requirements set by the Financial Supervisory Authority of Norway were unchanged from the previous SREP[6] process. The main rule that the Pillar 2 requirement must be covered by 100 per cent core equity capital was changed to 56.25 per cent. The authority also expects the group to have a capital adequacy margin of 1.25%.

In June, the Ministry of Finance decided that SpareBank 1 SR-Bank ASA should be regarded as a systemically important institution. This will result in a 1.0-percentage point higher Common Equity Tier 1 capital ratio requirement with effect from 30.9.2024.

New crisis management directive and MREL

Based on the EU Crisis Management Directive (BRRD), the group must meet a minimum requirement for own funds and eligible liabilities (MREL). SpareBank 1 SR-Bank ASA has an effective MREL requirement of 36.6% of the adjusted risk-weighted assets. In addition, subordinated capital and non-preferred liabilities must account for at least 29.7%. The total subordination requirement will be met from 1.1.2024. At the end of 2023, SpareBank 1 SR-Bank ASA had issued senior non-preferred debt equivalent to NOK 17.3 billion and thus satisfies the subordination requirement by a good margin.

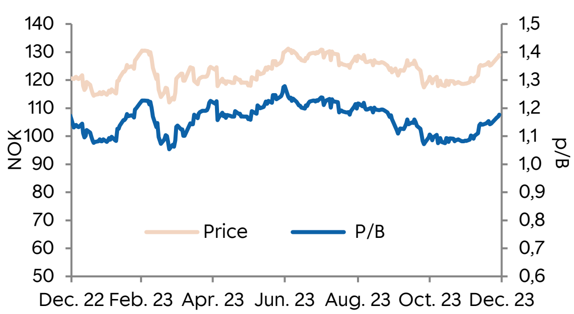
[6] Supervisory Review and Evaluation Process

The bank's share

The price of the bank's share (SRBNK) was NOK 128.90 at year end 2023. This resulted in an effective return of 12.6% since the end of 2022. The main Oslo Børs index rose by 9.9% in the corresponding period (not corrected for dividends). 6.7% of outstanding SRBNK shares were traded in the fourth quarter of 2023 (5.5%).

A successful share issue worth around NOK 1 billion was carried out in the fourth quarter. The issue was carried out to meet higher regulatory requirements, continue the bank's dividend policy and contribute to further lending growth in 2024. The issue was significantly oversubscribed. In connection with the issue, 8,517,887 new shares were issued at a subscription price of NOK 117.40 per share.

Fig.6, Development in Price/Book



There were 18,693 shareholders at year end 2023 (17,821). The proportion owned by foreign companies and individuals was 21.6% (22.8%), while 64.8% (63.7%) were resident in Rogaland, Agder, Vestland, Oslo and Viken. The 20 largest shareholders owned a combined total of 57.9% of the shares (57.0%). The bank held 46,244 treasury shares, while employees of the group owned 1.8% (1.8%).

The table below lists the 20 largest shareholders as at 31.12.2023:

Table 10, 20 largest shareholders

	Number of shares (1,000)	%
Sparebankstiftelsen SR-Bank	78.677	29,8 %
Folketrygdfondet	18.502	7,0 %
SpareBank 1-stiftinga Kvinnherad	6.527	2,5 %
State Street Bank and Trust Co, U.S.A.	5.416	2,0 %
Brown Brothers Harriman & Co, U.S.A.	4.590	1,7 %
Pareto Aksje Norge	3.946	1,5 %
JPMorgan Chase Bank NA, U.S.A.	3.899	1,5 %
Swedbank AB	3.399	1,3 %
Verdipapirfondet Alfred Berg Gambak	3.302	1,2 %
Odin Norge	3.299	1,2 %
Danske Invest Norske Instit. II	2.838	1,1 %
J.P.Morgan SE, Luxembourg	2.643	1,0 %
Pareto Invest Norge AS	2.358	0,9 %
State Street Bank and Trust Co, U.S.A.	2.309	0,9 %
AS Clipper	2.234	0,8 %
Westco AS	1.957	0,7 %
KLP AksjeNorge Indeks	1.912	0,7 %
Vpf Nordea Norge Verdi	1.883	0,7 %
BNP Paribas, Luxembourg	1.653	0,6 %
J.P.Morgan SE, Luxembourg	1.549	0,6 %
Total 20 largest	152.891	57,9 %

The group has had a special share savings scheme for the group's employees since 2019. All permanent employees have an opportunity to purchase shares for a specified savings amount, limited to a maximum of NOK 3,000 per employee per month, at a 30% discount and with a lock-in period of 2 years. Around 1,300 of the group's almost 1,750 employees have signed a regular savings agreement for the share savings scheme in 2024.

Accounting policies

Please refer to notes 1 and 2 for a description of the accounting policies and judgements applied in the parent company's and consolidated financial statements. The same accounting policies are applied in interim and annual financial statements. For more information about this see notes 1 and 2.

Events after the balance sheet date

No material events have been registered after 31.12.2023 that affect the interim financial statements as prepared.

Sustainable development

The sustainability strategy forms part of the corporate strategy. The ambition is for sustainability to form an integral part of everything the group does. SpareBank 1 SR-Bank ASA will work to help achieve the Paris Agreement's goal of limiting global warming to 1.5°C. To underpin this ambition, the group is working to cut emissions from its own operations and has set itself a goal of achieving net zero emissions from the group's lending and investment activities by 2050. A target of funding NOK 50 billion in sustainable activities by 2030 has also been set. At the end of 2023, the bank had financed around NOK 30 billion (NOK 15 billion) in sustainable activities.

In order to maintain the group's goal of cutting emissions from its own operations, an environmental management system has been developed that was fully certified according to the ISO14001 standard in September 2023. Efforts are also being made to improve the quality of the group's climate report in order to provide better insights into the emissions from its own operations.

The business divisions have over time strengthened their integration of sustainability into their work with customers. Increasing attention is being paid to climate-related factors in the credit ratings that are carried out. The bank has implemented an ESG risk module that is used in its ongoing credit work to identify and map, for example, customers' climate-related risk exposure.

Outlook

Norges Bank raised its policy rate from 4.25% to 4.50% in December 2023 and indicated that the policy rate would remain at this level for some time to come.

The companies in the SR Business Barometer for Southern Norway are making preparations for a more demanding situation in 2024. The companies report that profitability is under pressure, investment levels are low and order reserves are dropping. On the positive side, the companies have had time to readjust and the vast majority have managed well so far. The Business Barometer also shows that there are large differences between industries and regions. The energy sector expects solid profitability and big opportunities in the coming year.

House prices fell further in December and the figure for the annual growth in house prices was a modest 0.5%. Stavanger and Kristiansand saw the strongest growth in house prices in 2023 with increases of 5.4% and 5.3%, respectively. Real Estate Norway expects house price growth of 4% in 2024 in Norway.

The group is a bank for the whole of Southern Norway, in which the Oslo region is a particular focus area. In May, the bank marked the fifth anniversary of its establishment in Oslo and Viken. Having a presence in this market is important with respect to geographical diversification and creating a greater basis for growth and increased earnings.

At the beginning of 2023, the board approved a new, long-term target for return on equity of at least 13%. This target will be achieved through customer growth in Southern Norway, growth in other income, cost efficiency and a diversified portfolio. The group's cost to income ratio target is less than 40%.

Based on the authorities' Common Equity Tier 1 capital ratio requirements and expectations concerning capital requirement margins, the group's Common Equity Tier 1 capital ratio target is at least 16.39% as at 31.12.2023.

SpareBank 1 SR-Bank ASA is a solid, profitable group and has in recent years increased its financial strength in line with the authorities' requirements. This was achieved through earnings via a business model involving good breadth in earnings and efficient operations.

SpareBank 1 SR-Bank ASA's dividend policy is to distribute around 50% of the profit for the year. Consideration must be given to financial needs, including capital adequacy requirements and the group's targets and strategic plans, when determining the annual dividend.

A mutually good relationship between residents, businesses and banks is important for progress in the group's market area. The board would like to thank the group's customers, owners, employees and business partners in general, for their good support and will place considerable emphasis on continuing the good interaction.

Stavanger, 7 February, 2024
The Board of Directors of SpareBank 1 SR-Bank ASA

Income statement

Parent bank					Note	Group			
Q4 2022	Q4 2023	01.01.22 - 31.12.22	01.01.23 - 31.12.23	Income statement (MNOK)		01.01.23 - 31.12.23	01.01.22 - 31.12.22	Q4 2023	Q4 2022
2.090	3.417	6.051	11.764	Interest income using effective interest method		15.964	8.459	4.607	2.945
382	731	912	2.534	Other interest income		2.551	940	748	387
1.322	2.596	3.111	8.819	Interest expense		12.378	4.883	3.639	2.046
1.150	**1.552**	3.853	**5.480**	**Net interest income**		**6.136**	4.516	**1.715**	1.286
307	326	1.132	1.305	Commission income		2.040	1.836	502	463
22	39	87	111	Commission expense		111	87	39	22
12	4	24	16	Other operating income		9	21	2	12
297	**292**	1.070	**1.210**	**Net commission and other income**		**1.939**	1.770	**465**	453
21	0	53	31	Dividends		66	70	8	26
142	0	1.055	1.475	Income from ownership interests		288	453	93	211
330	472	-40	497	Net gains/losses on financial instruments	11	315	233	377	37
493	**472**	1.069	**2.003**	**Net income on financial investments**		**669**	756	**478**	274
1.940	**2.315**	5.991	**8.692**	**Total income**		**8.745**	7.042	**2.659**	2.013
334	411	1.234	1.471	Salaries and other personell expense		2.053	1.788	570	477
195	251	692	851	Other operating expense		1.081	865	322	234
32	33	137	130	Depreciation and impairment of fixed and intangible assets		166	173	43	41
561	**694**	2.064	**2.453**	**Total operating expense**		**3.299**	2.825	**935**	752
1.379	**1.621**	3.927	**6.239**	**Operating profit before impairment**		**5.445**	4.216	**1.724**	1.262
39	-93	4	-235	Impairment losses on loans and other financial liabilities	3, 4	-232	5	-91	36
1.340	**1.714**	3.923	**6.475**	**Pre-tax profit**	10	**5.677**	4.211	**1.815**	1.225
278	345	670	1.158	Tax expense		1.202	834	311	226
1.062	**1.368**	3.253	**5.317**	**Profit after tax**		**4.475**	3.378	**1.503**	1.000
1.038	1.313	3.168	5.142	Shareholders' share of the profit		4.300	3.293	1.448	975
24	55	85	175	Hybrid capital owners' share of the profit		175	85	55	24
1.062	**1.368**	3.253	**5.317**	**Profit after tax** [2]		**4.475**	3.378	**1.503**	1.000
				Other comprehensive income					
-6	6	1	6	Unrecognised actuarial gains and losses		4	3	4	-4
1	-1	-0	-1	Deferred tax concerning changed estimates/pension plan changes		-1	-1	-1	1
-4	**4**	1	**4**	**Total items not reclassified through profit or loss**		**3**	2	**3**	-3
1	-0	1	-3	Change in ECL[1] 12 months		-0	0	-0	-0
				Basis swap spread		-113	120	-51	-99
				Deferred tax concerning basis swap spread		28	-30	13	25
				Share of profit associated companies and joint ventures		6	10	1	-4
1	**-0**	1	**-3**	**Total items reclassified through profit or loss**		**-78**	100	**-37**	-79
-4	**4**	2	**2**	**Other comprehensive income**		**-76**	102	**-34**	-82
1.058	**1.373**	3.255	**5.319**	**Total comprehensive income**		**4.400**	3.480	**1.469**	918
				Earnings per share (group)		**16,27**	12,88	**5,48**	3,81

[1] ECL - Expected credit loss

[2] Profit after tax 2022 has not been altered to reflect the change in principle following the implementation of IFRS 17/IFRS 9 as described in note 1

Balance sheet

Parent bank			Note	Group	
31.12.22	**31.12.23**	**Balance sheet (MNOK)**		**31.12.23**	**31.12.22**
76	88	Cash and balances with central banks		88	76
25.760	20.044	Balances with credit institutions		5.536	11.939
146.988	170.704	Loans to customers	4, 6	270.757	251.272
54.882	56.065	Certificates and bonds		57.681	53.989
28.131	23.210	Financial derivatives	8	16.179	18.612
496	381	Shares, ownership stakes and other securities	13	680	848
2.593	3.895	Investment in associates	1	6.000	5.041
7.547	7.354	Investment in subsidiaries		0	0
70	70	Intangible assets		368	454
1.102	2.538	Deferred tax assets		2.612	1.075
273	301	Fixed assets		948	923
857	900	Right-of-use assets		366	314
767	553	Other assets		971	1.186
269.542	**286.102**	**Total assets**	10	**362.186**	345.730
9.585	3.560	Balances with credit institutions		3.188	3.428
148.442	149.309	Deposits from customers	5	149.076	148.100
51.364	55.146	Listed debt securities	9	138.353	135.353
20.224	22.475	Financial derivatives	8	13.697	15.771
1.206	2.557	Taxes payable		2.706	1.345
903	956	Lease liabilities		390	336
245	253	Pension liabilities		261	251
138	128	Impairment provisions on financial commitments	4	129	138
584	739	Other liabilities		1.024	858
9.301	17.017	Senior non-preferred bonds	9	17.017	9.301
2.161	2.784	Subordinated loan capital	9	2.784	2.161
244.152	**254.925**	**Total liabilities**		**328.626**	317.042
6.394	6.607	Share capital		6.607	6.394
1.587	2.354	Premium reserve		2.354	1.587
1.790	1.982	Proposed dividend		1.982	1.790
1.700	3.155	Hybrid capital		3.155	1.700
13.919	17.078	Other equity		19.462	17.217
25.390	**31.176**	**Total equity**	1	**33.561**	28.687
269.542	**286.102**	**Total liabilities and equity**	10	**362.186**	345.730

Statement of changes in equity

SpareBank 1 SR-Bank Group (MNOK)	Share-capital	Premium reserve	Hybrid-capital	Value of basis swap defined as hedging instrument	Other equity	Total equity
Equity as at 31.12.21	6.394	1.587	1.850	-25	17.373	27.179
Effect of implementation IFRS 17 in SpareBank 1 Gruppen [1)]					-234	-234
Equity as at 1.1.22	6.394	1.587	1.850	-25	17.139	26.945
Profit after tax			85		3.293	3.378
Unrecognised actuarial gains and losses after tax					2	2
Basisswap spread after tax				90		90
Share of profit associated companies and joint ventures [1)]					10	10
Total comprehensive income			85	90	3.305	3.480
Hybrid capital			-150			-150
Interest on hybridcapital			-85		-	-85
Transactions against equity in subsidiaries and associated companies					30	30
Dividend 2021, resolved in 2022					-1.535	-1.535
Trade in treasury shares					2	2
Transactions with shareholders					-1.533	-1.533
Equity as at 31.12.22	**6.394**	**1.587**	**1.700**	**65**	**18.941**	**28.687**
Equity as at 31.12.22	**6.394**	**1.587**	**1.700**	**65**	**18.942**	**28.687**
Profit after tax			175		4.300	4.475
Unrecognised actuarial gains and losses after tax					3	3
Basisswap spread after tax				-85		-85
Share of profit associated companies and joint ventures					6	6
Total comprehensive income			175	-85	4.309	4.400
Hybrid capital			1.455			1.455
Interest on hybridcapital			-175		-	-175
Transactions against equity in subsidiaries and associated companies					5	5
Dividend 2021, resolved in 2022					-1.790	-1.790
Share issue	213	768				981
Trade in treasury shares					-2	-2
Transactions with shareholders	213	768			-1.792	-812
Equity as at 31.12.23	**6.607**	**2.354**	**3.155**	**-19**	**21.464**	**33.561**

[1)] The change in principle following the implementation of IFRS 17/IFRS 9 is described in note 1

Cash flow statement

Parent bank			Group	
01.01.22 - 31.12.22	01.01.23 - 31.12.23	Cash flow statement	01.01.23 - 31.12.23	01.01.22 - 31.12.22
-7.690	-23.276	Change in gross lending to customers 1)	-19.045	-22.658
5.783	10.470	Interest receipts from lending to customers	15.104	8.404
10.399	867	Change in deposits from customers	977	10.436
-2.021	-4.526	Interest payments on deposits from customers	-4.512	-2.010
-15.952	-340	Change in receivables and debt from credit institutions	6.126	-15.429
239	1.087	Interest on receivables and debt to financial institutions	669	226
-561	-1.183	Change in certificates and bonds 1)	-3.691	2.277
825	2.529	Interest receipts from commercial paper and bonds	2.559	866
1.070	1.221	Commission receipts	1.937	1.770
86	13	Capital gains from sale of trading	12	70
-1.849	-2.136	Payments for operations	-3.187	-2.654
0	-1.206	Taxes paid	-1.355	-235
2.717	13.742	Other accruals 1)	14.048	3.285
-6.954	**-2.737**	**A Net change in liquidity from operations**	**9.643**	-15.653
-79	-96	Investments in tangible fixed assets	-124	-97
15	0	Receipts from sale of tangible fixed assets	0	15
-235	-1.323	Change in long-term investments in equities	-439	-252
15	233	Receipts from sales of long-term investments in equities	253	31
1.108	1.506	Dividends from long-term investments in equities	660	402
824	**320**	**B Net cash flow, investments**	**349**	100
19.195	17.846	Debt raised by issuance of securities and senior non-preferred bonds	17.846	42.894
-9.511	-10.805	Repayments - issued securities and senior non-preferred bonds	-19.632	-22.017
-778	-3.774	Interest payments on securities issued and senior non-preferred bonds	-7.381	-2.586
0	1.500	Additional subordinated loan capital issued	1.500	0
0	-925	Repayments - additional capital instruments	-925	0
-64	-161	Interest payments on subordinated loans	-161	-64
0	2.150	Issued hybrid capital	2.150	0
-150	-695	Repayments in debt established by issuing hybrid capital	-695	-150
-92	-175	Interest payments on debt established by issuing hybrid capital	-175	-92
-77	-83	Lease payments	-66	-58
-1.535	-1.790	Dividend to share holders	-1.790	-1.535
6.989	**3.088**	**C Net cash flow, financing**	**-9.330**	16.392
858	**671**	**A+B+C Net cash flow during the period**	**663**	839
542	1.400	Cash and cash equivalents as at 1 January	1.419	580
1.400	**2.071**	**Cash and cash equivalents at the end of the period**	**2.082**	1.419
		Cash and cash equivalents specified		
76	88	Cash and balances with central banks	88	76
1.324	1.983	Balances with credit institutions	1.995	1.343
1.400	**2.071**	**Cash and cash equivalents**	**2.082**	1.419

1) Changes in loans to customers, as well as changes in certificates and bonds, include the increase in exchange rates. The cash and cash equivalents includes cash and claims on central banks, plus the share of the total of claims on credit institutions that pertains to placement solely in credit institutions. The cash flow statement shows cash provided and used by the parent bank and the group.

Notes to the financial statements

Note 1 Accouting policies

1.1 Basis of preparation
These interim financial statements for SpareBank 1 SR-Bank ASA cover the period 1 January - 31 December 2023. The interim financial statements were prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements are unaudited. These interim financial statements were prepared in accordance with the applicable IFRS® Accounting Standards as determined by the EU.

The interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements for 2022.

New and amended standards applied in 2023:

IFRS 17 replaces IFRS 4 and sets out principles for the recognition, measurement, presentation, and disclosure of insurance contracts. The purpose of IFRS 17 is to eliminate inconsistency in accounting practises of insurance contracts between companies. The main elements of the new
standard are:

- An estimate of the present value of future cash flows of a Group of insurance contracts. Future cash flows include future insurance premiums and settlement payments, claims and other payments to policyholder. The estimate shall take into account an explicit risk adjustment, and the estimates shall reflect conditions existing at the balance sheet date.
- A contractual service margin equal to the day-one profit in the estimate of the present value of future cash flows from a Group of insurance contracts.
- This profit element shall be recognised in the income statement over the coverage period.
- Certain amendments to the estimate for the present value of the future cashflows are adjusted against the contractual service margin and recognised in the result over the remaining coverage period for the insurance contracts.
- The effect of changes in the discount rate should, as a choice of accounting principle, be presented either in profit or loss or in other comprehensive income.

IFRS 17 should, as a starting point, be used retrospectively, but companies may use a modified retrospective approach or a fair value approach at the time of transition if retrospective use is impracticable. The standard is effective for reporting periods beginning on or after 1 January 2023, with a requirement for comparable figures. Early implementation is permitted.

IFRS 9 Financial instruments
The standard went into force 1 January 2018 with an exception, for undertakings whose main business area is insurance, to await implementation of IFRS 9 until the new standard for insurance contracts came into force 1 January 2023.

The effect on equity for the Group from the implementation of the IFRS 17/IFRS 9 in joint venture SpareBank 1 Gruppen AS of 1.1.2022 is NOK 234 million in reduced equity. Effect on profit after tax from the implementation of IFRS 17 / IFRS 9 for 2022 from SpareBank 1 Gruppen AS is adjusted by NOK 32 million, resulting in a total effect on equity of NOK 202 million as per 1.1.2023. Group income statement 2022 and key figures has not been altered.

Note 1 Accounting policies (continued)

IFRS 17 Effect 2022:	
Group equity 31.12.2021	27.179
Implementation of IFRS 17/IFRS 9	-234
Effect on profit after tax 2022 from the implementation of IFRS 17/IFRS 9	32
IFRS 17/IFRS 9 implementation effect on equity	-202
Other changes in equity 2022	1.710
Group equity 1.1.2023	28.687

IFRS 17 Effect 2022:	**01.01.22 - 31.12.22**	**Q4 2022**	**Q3 2022**	**Q2 2022**	**Q1 2022**
Group equity	27.179	27.793	26.930	27.805	27.179
Implementation of IFRS 17/IFRS 9	-234	0	0	0	-234
Effect on profit after tax from the implementation of IFRS 17/IFRS 9	32	9	0	0	23
IFRS 17/IFRS 9 implementation effect on equity	-202	9	0	0	-211
Other changes in equity	1.710	885	863	-875	837
Group equity	28.687	28.687	27.793	26.930	27.805
Group profit after tax before implementation	3.378	1.000	829	796	753
Share of profit from SpareBank 1 Gruppen	175	98	47	17	13
Effect of implementation IFRS17/IFRS9	32	9	0	0	23
Adjusted share of profit from SpareBank1 Gruppen	207	107	47	17	36
Group profit after tax after implementation	3.410	1.009	829	796	776

There are no other new standards, amendments to standards or interpretations which has been implemented since 01.01.2023 with material effect on the Group or parent bank's financial statements.

New standards and interpretations that have not been adopted yet

There are a number of new standards, changes to the standards and interpretations that are mandatory for future annual accounts.There are no standards or interpretations that have not been adopted yet, that are expected to have any material effects on the Group's statements.

Impairments on loans and financial liabilities

The Group has calculated loss provisions pursuant to the IFRS 9 regulations since 1.1.2018. Prior to the reporting for the fourth quarter of 2019, only minor adjustments were made in the model. Since then, the assessment of expected credit losses has taken account of the extraordinary circumstances that have arisen with respect to the Covid-19 outbreak and the war in Ukraine. The following explains the policies that have been applied and the changes that have been made in the fourth quarter of 2023. Please also refer to note 2 in the annual report for 2022. The calculations follow the normal procedures for source data. An upgraded model for calculating the provisions for expected losses on engagements that are not individually impaired was implemented in Q2 2023. The most important change is that the calculation of the repayment profiles is more refined. The change has limited effect on the impairment losses. The scenarios and the mutual weighting of these has been updated. The Group is following the same principles for migration between the stages as those that applied previously. An increase in PD of more than 150% and which results in a PD higher than 0.6% is considered a significant change in credit risk. In addition, overdrafts or arrears of at least 30 days will always be considered a significant increase in credit risk. Exposures subject to repayment relief may, based on an individual assessment, also be regarded as having experienced a significant increase in credit risk. No negative migration from Stage 1 to Stage 2 has been observed as a consequence of payment postponements in healthy portfolios. Please refer to notes 2, 3, 4 and 8.

Note 2 Critical estimates and judgements concerning use of the accounting policies

The preparation of the consolidated financial statements entails the Group executive management making estimates, judgements and assumptions that affect the effect of the application of the accounting policies and thus the amounts recognized for assets, liabilities, income and costs. Note 3 of the annual financial statements for 2022 explains in more detail the use of critical estimates and judgements when applying the accounting policies.

An upgraded model for calculating the provisions for expected losses on engagements that are not individually impaired was implemented in Q2 2023. In addition, the use of uncertainty premium on the PD has been replaced by updated scenarios and weighting of these. The most important change is that the calculation of the repayment profiles is more refined. The change has limited effect on the impairment losses.

Climate-related issues are given increased attention in credit assessments. Climate-related risks are primarily exposed through a recently implemented ESG-module. There is no indication of impairments due to climate-related matters.

Furthermore, several measures have been implemented to secure the bank's IT infrastructure and to prevent potential cyber-attacks on the most critical systems and processes.

Impairments on loans
The Group's assessment of critical estimates and judgements concerning the use of the accounting policies has not changed since 31.12.2022.

The Group conducts annual evaluation of its corporate market portfolio. High-risk exposures in the corporate market portfolio are evaluated on a quarterly basis. Loans to retail customers are subject to evaluation when they are more than 90 days past due; larger exposures in default are evaluated on a quarterly basis.

The Group's risk classification systems are described under financial risk management in the annual report.

The Group carries out an impairment if there is objective evidence that can be identified for an individual exposure, and the objective evidence entails a reduction in future cash flows for servicing the exposure. Objective evidence may be default, bankruptcy, insolvency or other significant financial difficulties.

Individual impairment provisions are calculated as the difference between the loan's book (carrying) value and the present value of future cash flows based on the effective interest rate at the time of the calculation of the initial individual impairment. Account is taken of subsequent changes in interest rates for loan agreements with variable rates if these changes affect the expected cash flow. For smaller exposures, the general rule is that the difference between the actual exposure at the time of impairment and the realization value (underabsorption) of the pledged collateral is written down, and that the impairment is based on one scenario. For larger exposures, the general rule is that the difference between the actual exposure and the bank's assessment of the discounted value of the customer's future cash flow is written down, and the impairment is based on three scenarios.

According to IFRS 9, loss provisions are recognized for all exposures based on expected credit loss (ECL). The measurement of the provisions for expected losses on exposures that are not individually impaired depends on whether or not the credit risk has increased significantly since initial capitalization. Upon initial capitalization and when the credit risk has not increased significantly after initial capitalization, provisions must be made for 12 months' expected losses. If the credit risk has increased substantially after initial recognition, provisions must be made for expected losses over the entire lifetime. Expected credit loss is calculated on the basis of the present value of all cash flows over the remaining expected lifetime.

Note 2 Critical estimates and judgements concerning use of the accounting policies (continued)

A probability weighted average is calculated for three different scenarios called a base scenario, an adverse scenario, and a stress scenario respectively. The base scenario is based on data from a normal business cycle period, while the adverse scenario is based on data from a representative industry specific period of decline. The stress scenario is linked to the Group's periodic internal capital adequacy assessment process (ICAAP) for a period of severe decline. The scenarios are subject to a quarterly review by an internal working Group composed of people on management level and are adjusted accordingly if there are significant changes in the macro-economic picture.

The choice of scenarios and their weighting are regularly reviewed (at least once a year) by the aforementioned working Group. At the end of the fourth quarter of 2023, the base case scenario had an 80% weighting, the adverse scenario had 15% weighting and the stress scenarios had a weighting of 5%. The weighting is the same for all portfolios and reflects the uncertainty associated with economic developments going forward. In order to illustrate the associated weight sensitivity, a simulation of the effects of a more conservative scenario weighting was conducted in which the weight of the base scenario was reduced to 70% and the adverse scenario and stress scenario were both increased to 15%. Such a change in the scenario weighting would, all else equal, increase the Group's expected impairment losses for commitments without individual impairment by NOK 123 million.

Sensitivity Calculations (NOK millions)	Base scenario	Adverse scenario	Stress scenario	Corporate market	SME and agriculture	Retail market	SR-Bolig-kreditt	Not distributed	Total Group	Change in applied scenario
Weighting used in Q4 2023										
ECL in Base scenario				487	197	51	30	1	766	
ECL in Adverse scenario				596	236	83	64	1	980	
ECL in Stress scenario				1.245	474	152	128	2	2.001	
ECL with applied scenario weighting (current, used from fourth quarter of 2023)	*80,0 %*	*15,0 %*	*5,0 %*	541	217	61	40	1	860	
Isolated effect of changed scenario weighting - 1 (used second and third quarter of 2023)	*80,0 %*	*12,5 %*	*7,5 %*	557	223	62	42	1	885	25
Isolated effect of changed scenario weighting - 2	*80,0 %*	*10,0 %*	*10,0 %*	573	229	64	44	1	911	51
Isolated effect of changed scenario weighting - 3	*75,0 %*	*15,0 %*	*10,0 %*	579	231	66	45	1	922	62
Isolated effect of changed scenario weighting - 4	*75,0 %*	*10,0 %*	*15,0 %*	612	243	69	48	1	973	113
Isolated effect of changed scenario weighting - 5	*70,0 %*	*15,0 %*	*15,0 %*	616	245	71	50	1	983	123
Weighting used in Q3 2023										
ECL in Base scenario				375	170	48	25		618	
ECL in Adverse scenario				642	278	102	69		1.091	
ECL in Stress scenario				1.111	470	154	117		1.852	
ECL with applied scenario weighting (used second and third quarter of 2023)	*80,0 %*	*12,5 %*	*7,5 %*	463	206	63	38		770	
Isolated effect of changed scenario weighting - 1	*80,0 %*	*15,0 %*	*5,0 %*	452	201	61	37		751	-19
Isolated effect of changed scenario weighting - 2	*80,0 %*	*10,0 %*	*10,0 %*	475	211	64	39		789	19
Isolated effect of changed scenario weighting - 3	*75,0 %*	*15,0 %*	*10,0 %*	488	216	67	41		812	42
Isolated effect of changed scenario weighting - 4	*75,0 %*	*10,0 %*	*15,0 %*	512	226	69	43		850	80
Isolated effect of changed scenario weighting - 5	*70,0 %*	*15,0 %*	*15,0 %*	526	231	72	45		874	104

Closely monitoring customers and prevention work are important measures actively employed by the Group to maintain its good risk profile in the Group's loan portfolio. The Group's assessments of critical estimates and judgements regarding its use of accounting policies are challenging but are currently considered to be the best estimate.

Note 3 Impairments on loans and financial commitments recognised in the income statement

Parent bank			Group	
01.01.22 - 31.12.22	01.01.23 - 31.12.23		01.01.23 - 31.12.23	01.01.22 - 31.12.22
-37	-444	Change in impairments on loans	-441	-36
-15	-9	Change in impairments on financial commitments	-9	-15
83	370	Actual loan losses on commitments	370	83
2	6	Change in accrued interest	6	2
-0	-1	Change in assets taken over for the period	-1	-0
-29	-157	Recoveries on commitments previously written-off	-157	-29
4	**-235**	**Total impairments on loans and financial commitments**	**-232**	5

Note 4 Impairments on loans and financial commitments recognised on the balance sheet

Parent Bank **2023** **Impairment provisions on loans and financial commitments**	**01.01.23**	**Changes in impairment provisions on loans**	**Changes in impairment provisions on financial commitments**	**Total 31.12.23**
Impairment provisions after amortised cost, corporate market	1.430	-446	-17	967
Impairment provisions after amortised cost, SME & ariculture	235	24	2	261
Impairment provisions after amortised cost, retail market	63	-14	5	54
Mortgages at FVOCI [1)]	58	-8	0	50
Total impairment provisions on loans and financial commitments	1.786	-444	-9	**1.333**
Presented as				
Impairment provisions on loans	1.648	-444	0	1.204
Impairment provisions on financial commitments	138	0	-9	128
Total impairment provisions on loans and financial commitments	1.786	-444	-9	**1.333**

2022 **Impairment provisions on loans and financial commitments**	**01.01.22**			**Total 31.12.22**
Impairment provisions after amortised cost, corporate market	1.495	-42	-23	1.430
Impairment provisions after amortised cost, SME & ariculture	211	19	5	235
Impairment provisions after amortised cost, retail market	71	-10	3	63
Home mortgages at FVOCI [1)]	61	-4	0	57
Total impairment provisions on loans and financial commitments	1.838	-37	-15	1.786
Presented as				
Impairment provisions on loans	1.685	-37	0	1.648
Impairment provisions on financial commitments	153	0	-15	138
Total impairment provisions on loans and financial commitments	1.838	-37	-15	1.786

Note 4 Impairment provisions on loans and financial commitments recognised in the balance sheet (continued)

Group

2023 Impairment provisions on loans and financial commitments	01.01.23	Changes in impairment provisions on loans	Changes in impairment provisions on financial commitments	Total 31.12.23
Impairment provisions after amortised cost, corporate market	1.430	-446	-17	967
Impairment provisions after amortised cost, SME & ariculture	235	24	2	262
Impairment provisions after amortised cost, retail market	158	-19	5	145
Mortgages at FVOCI [1]	0	0	0	0
Total impairment provisions on loans and financial commitments	1.823	-441	-9	**1.373**
Presented as				
Impairment provisions on loans	1.685	-441	0	1.244
Impairment provisions on financial commitments	138	0	-9	129
Total impairment provisions on loans and financial commitments	1.823	-441	-9	**1.373**

2022 Impairment provisions on loans and financial commitments	01.01.22			Total 31.12.22
Impairment provisions after amortised cost, corporate market	1.495	-42	-23	1.430
Impairment provisions after amortised cost, SME & ariculture	211	19	5	235
Impairment provisions after amortised cost, retail market	168	-13	3	159
Home mortgages at FVOCI [1]	0	0	0	0
Total impairment provisions on loans and financial commitments	1.874	-36	-15	1.823
Presented as				
Impairment provisions on loans	1.721	-36	0	1.685
Impairment provisions on financial commitments	153	0	-15	138
Total impairment provisions on loans and financial commitments	1.874	-36	-15	1.823

[1] FVOCI - Fair value other comprehensive income

Parent Bank

	01.01.23 - 31.12.23				01.01.22 - 31.12.22			
Impairment provisions on loans per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Impairment provisions on loans 01.01	278	292	1.078	1.648	185	326	1.174	1.685
Changes 01.01 - 31.12								
Transfer to (from) stage 1	-26	25	0	0	-17	17	1	-0
Transfer to (from) stage 2	51	-55	4	0	84	-86	2	-0
Transfer to (from) stage 3	2	14	-16	0	4	2	-6	0
Net new measurement of impairment provisions	-89	141	-530	-479	-65	74	-79	-71
New issued or purchased loan	102	76	62	241	138	74	14	226
Loans that have been derecognised	-93	-97	-15	-205	-51	-114	-27	-192
Impairment provisions on loans 31.12	225	396	584	**1.204**	278	292	1.078	1.648

Impairment provisions on financial commitments per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Impairment provisions on financial commitments 01.01.	45	59	34	138	32	45	76	153
Changes 01.01 - 31.12								
Transfer to (from) stage 1	-3	3	0	-0	-4	4	0	0
Transfer to (from) stage 2	16	-18	2	0	15	-15	0	-0
Transfer to (from) stage 3	0	1	-1	0	0	0	-0	0
Net new measurement of impairment provisions	-29	9	-11	-31	-8	16	-43	-34
New issued or purchased loan	25	10	23	57	23	15	1	39
Loans that have been derecognised	-13	-20	-3	-36	-13	-6	-1	-19
Impairment provisions on financial commitments 31.12	42	44	43	**128**	46	59	34	138

Note 4 Impairment provisions on loans and financial commitments recognised in the balance sheet (continued)

Group	01.01.23 - 31.12.23				01.01.22 - 31.12.22			
Impairment provisions on loans per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Impairment provisions on loans 01.01	288	318	1.079	1.685	193	352	1.176	1.721
Changes 01.01 - 31.12								
Transfer to (from) stage 1	-26	26	0	0	-17	17	1	0
Transfer to (from) stage 2	57	-62	5	0	91	-93	2	-0
Transfer to (from) stage 3	2	14	-16	0	4	3	-7	0
Net new measurement of impairment provisions	-96	153	-530	-474	-73	79	-79	-72
New issued or purchased loan	105	84	62	251	143	83	14	241
Loans that have been derecognised	-96	-106	-16	-218	-53	-123	-28	-204
Impairment provisions on loans 31.12	234	426	585	**1.244**	288	318	1.079	1.685

Impairment provisions on financial commitments per stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Impairment provisions on financial commitments 01.01.	46	59	34	138	32	45	76	153
Changes 01.01 - 31.12								
Transfer to (from) stage 1	-3	3	0	0	-4	4	0	0
Transfer to (from) stage 2	17	-18	2	0	15	-15	0	-0
Transfer to (from) stage 3	0	1	-1	0	0	0	-0	0
Net new measurement of impairment provisions	-29	9	-11	-31	-8	16	-43	-34
New issued or purchased loan	25	10	23	57	23	15	1	39
Loans that have been derecognised	-13	-20	-3	-36	-13	-6	-1	-19
Impairment provisions on financial commitments 31.12	42	44	43	**129**	46	59	34	138

Note 5 Customer deposits

Parent bank			Group	
31.12.22	**31.12.23**	**Customer deposits by industry [1)]**	**31.12.23**	**31.12.22**
617	628	Aquaculture	628	617
1.622	1.472	Industry	1.472	1.622
1.595	1.701	Agriculture/forestry	1.701	1.595
5.092	4.926	Financial and insurance services	4.693	4.749
3.027	2.782	Administrative and support services	2.782	3.027
42.534	35.096	Other service industry	35.096	42.534
3.409	3.736	Wholesale and retail trade, hotels and restaurants	3.736	3.409
5.543	8.531	Offshore, oil and gas E&P	8.531	5.543
808	2.700	Oilservices	2.700	808
3.895	5.773	Building and construction	5.773	3.895
7.443	5.263	Renewable energy, water, and waste collection	5.263	7.443
7.249	6.988	Commercial real estate	6.988	7.249
4.018	4.916	Shipping and other transport	4.916	4.018
86.852	**84.511**	**Total corporate market**	**84.278**	86.509
61.590	**64.798**	**Retail customers**	**64.798**	61.590
148.442	**149.309**	**Deposits from customers**	**149.076**	148.100

[1)] Updated classification of certain industries in 4th quarter 2023 effects historical figures.

Note 6 Loans and other financial commitments to customers[1]

Parent bank			Group	
31.12.22	**31.12.23**	**Gross loans to customers by industry**	**31.12.23**	**31.12.22**
3.641	4.924	Aquaculture	4.924	3.641
3.901	4.382	Industry	3.989	3.901
5.578	6.370	Agriculture/forestry	6.370	5.578
4.832	7.376	Financial and insurance services	7.376	4.832
5.068	5.162	Administrative and support services	5.162	5.068
10.395	8.168	Other service industry	8.008	10.178
3.272	3.642	Wholesale and retail trade, hotels and restaurants	3.642	3.272
3.909	4.405	Offshore, oil and gas E&P	4.405	3.909
2.286	2.599	Oilservices	2.992	2.286
11.876	12.270	Building and construction	12.270	11.876
2.810	5.094	Renewable energy, water, and waste collection	5.094	2.810
29.927	35.036	Commercial real estate	35.036	29.927
10.133	9.394	Shipping and other transport	9.394	10.133
97.628	**108.821**	**Total corporate sector**	**108.662**	97.410
50.995	**63.078**	**Retail customers**	**163.340**	155.547
148.624	**171.900**	**Gross loans**	**272.001**	252.957
-1.648	-1.204	- Impairment provisions after amortised cost	-1.244	-1.685
12	8	- Home mortgages at FVOCI [2]	0	0
146.988	**170.704**	**Loans to customers**	**270.757**	251.272
		Financial commitments [3]		
17.397	17.782	Guarantees customers	17.816	17.433
19.119	20.356	Unused credit lines for customers	29.590	26.659
13.441	9.979	Approved loan commitments	9.979	13.441
49.957	**48.116**	**Total financial commitments**	**57.384**	57.532
		Other guarantees issued and liabilities		
6.022	5.335	Unused credit lines for financial institutions	0	0
589	515	Guarantees other	515	589
0	82	Letters of credit	82	0
6.611	**5.932**	**Total other guarantees issued and liabilities**	**597**	589

[1] Updated classification of certain industries in 4th quarter 2023 effects historical figures

[2] FVOCI - Fair value other comprehensive income

[3] Financial liabilities not on the balance sheet that are the basis for impairments

Note 6 Loans and other financial commitments to customers (continued)[1]

Parent bank

2023

Loans to customers by industry and stages	Gross loans at amortised cost	Stage 1	Stage 2	Stage 3	Loans at fair value	Net loans 31.12.23
Aquaculture	4.908	-13	-16	-0	16	4.895
Industry	3.936	-9	-10	-115	53	3.855
Agriculture/forestry	4.056	-1	-4	-2	2.314	6.363
Financial and insurance services	7.374	-19	-48	-67	2	7.242
Administrative and support services	5.106	-25	-13	-38	56	5.086
Other service industry	7.671	-31	-57	-86	496	7.994
Wholesale and retail trade, hotels and restaurants	3.489	-7	-15	-26	153	3.595
Offshore, oil and gas E&P	4.405	-3	-15	-19	0	4.368
Oilservices	2.992	-8	-24	-56	0	2.904
Building and construction	12.099	-24	-33	-82	171	12.131
Renewable energy, water, and waste collection	5.085	-9	-3	0	9	5.082
Commercial real estate	34.890	-57	-106	-41	146	34.832
Shipping and other transport	9.305	-9	-21	-0	89	9.363
Total corporate market	105.316	-216	-365	-531	3.505	**107.710**
Retail customers	4.568	-9	-31	-52	58.510	**62.986**
Mortgages at FVOCI [1)]					8	8
Loans to customers	109.884	-225	-396	-584	62.024	**170.704**

2022

Loans to customers by industry and stages	Gross loans at amortised cost	Stage 1	Stage 2	Stage 3	Loans at fair value	Net loans 31.12.22
Aquaculture	3.613	-9	-10	0	28	3.622
Industry	3.875	-12	-13	-106	26	3.770
Agriculture/forestry	3.434	-2	-7	-0	2.144	5.569
Financial and insurance services	4.828	-21	-10	-7	4	4.794
Administrative and support services	5.026	-19	-20	-4	42	5.025
Other service industry	10.010	-61	-32	-18	385	10.285
Wholesale and retail trade, hotels and restaurants	3.150	-14	-13	-14	122	3.232
Offshore, oil and gas E&P	3.909	-2	-20	-800	0	3.087
Oilservices	2.286	-2	-0	-1	0	2.284
Building and construction	11.726	-48	-36	-22	149	11.769
Renewable energy, water, and waste collection	2.801	-3	-1	-0	9	2.805
Commercial real estate	29.790	-53	-83	-38	137	29.753
Shipping and other transport	10.043	-19	-12	-1	90	10.101
Total corporate market	94.492	-266	-257	-1.010	3.136	96.096
Retail customers	4.644	-13	-35	-68	46.352	50.880
Mortgages at FVOCI [1)]					12	12
Loans to customers	99.136	-278	-292	-1.078	49.500	146.988

Note 6 Loans and other financial commitments to customers (continued)[1]

Group

2023

Loans to customers by industry and stages	Gross loans at amortised cost	Stage 1	Stage 2	Stage 3	Loans at fair value	Net loans 31.12.23
Aquaculture	4.924	-13	-16	-0	0	4.895
Industry	3.988	-9	-10	-115	1	3.854
Agriculture/forestry	5.676	-1	-4	-2	694	6.363
Financial and insurance services	7.376	-19	-48	-67	0	7.242
Administrative and support services	5.155	-25	-13	-38	7	5.086
Other service industry	7.947	-31	-57	-86	61	7.834
Wholesale and retail trade, hotels and restaurants	3.612	-7	-15	-26	30	3.595
Offshore, oil and gas E&P	4.405	-3	-15	-19	0	4.368
Oilservices	2.992	-8	-24	-56	0	2.904
Building and construction	12.249	-24	-33	-82	21	12.131
Renewable energy, water, and waste collection	5.089	-9	-3	0	5	5.082
Commercial real estate	34.951	-57	-106	-41	85	34.832
Shipping and other transport	9.386	-9	-22	-0	8	9.363
Total corporate market	107.750	-216	-366	-531	912	**107.548**
Retail customers	156.486	-17	-60	-53	6.854	**163.209**
Loans to customers	264.236	-234	-426	-585	7.765	**270.757**

2022

Loans to customers by industry and stages	Gross loans at amortised cost	Stage 1	Stage 2	Stage 3	Loans at fair value	Net loans 31.12.22
Aquaculture	3.638	-9	-10	0	3	3.622
Industry	3.900	-12	-13	-106	1	3.770
Agriculture/forestry	4.709	-2	-7	-0	869	5.569
Financial and insurance services	4.832	-21	-10	-7	0	4.794
Administrative and support services	5.064	-19	-20	-4	4	5.025
Other service industry	10.124	-61	-32	-18	54	10.067
Wholesale and retail trade, hotels and restaurants	3.247	-14	-13	-14	24	3.232
Offshore, oil and gas E&P	3.909	-2	-20	-800	0	3.087
Oilservices	2.286	-2	-0	-1	0	2.284
Building and construction	11.859	-48	-36	-22	17	11.769
Renewable energy, water, and waste collection	2.804	-3	-1	-0	6	2.805
Commercial real estate	29.825	-53	-83	-38	102	29.753
Shipping and other transport	10.125	-19	-12	-1	8	10.101
Total corporate market	96.322	-266	-258	-1.010	1.088	95.876
Retail customers	148.774	-22	-60	-69	6.773	155.396
Loans to customers	245.096	-288	-318	-1.079	7.861	251.272

Note 6 Loans and other financial commitments to customers (continued)

Parent bank

Gross loans per stage	01.01.23 - 31.12.23 Stage 1	Stage 2	Stage 3	Total	01.01.22 - 31.12.22 Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.	134.441	11.090	3.093	148.624	128.811	9.252	2.871	140.934
Transfer to (from) stage 1	-8.483	8.376	107	0	-6.002	5.922	80	0
Transfer to (from) stage 2	1.737	-1.783	46	-0	2.912	-2.943	31	0
Transfer to (from) stage 3	38	291	-329	0	15	15	-30	0
Net increase/(decrease) balance existing loans	5.815	776	161	6.753	6.889	790	4	7.683
Originated or purchased during the period	73.285	2.916	882	77.082	55.633	2.629	1.014	59.277
Loans that have been derecognised	-54.715	-4.367	-1.477	-60.559	-53.817	-4.577	-875	-59.270
Gross loans 31.12	152.119	17.298	2.483	**171.900**	134.441	11.090	3.093	148.624

Financial commitments per stage [1) 2)]	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial commitments 01.01.	46.358	2.515	1.084	49.957	39.667	1.668	1.198	42.533
Net increase / (decrease) during period	-1.859	317	-299	-1.841	6.690	847	-113	7.424
Financial commitments 31.12	44.499	2.832	785	**48.116**	46.357	2.515	1.085	49.957

Group

Gross loans per stage	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.	235.168	14.677	3.112	252.957	215.341	12.059	2.899	230.299
Transfer to (from) stage 1	-11.769	11.655	114	0	-7.476	7.391	84	-0
Transfer to (from) stage 2	2.691	-2.760	70	0	3.689	-3.719	31	0
Transfer to (from) stage 3	43	294	-336	0	20	24	-44	0
Net increase/(decrease) balance existing loans	9.450	838	161	10.450	9.629	849	6	10.484
Originated or purchased during the period	90.460	3.216	863	94.539	82.539	3.063	1.000	86.602
Loans that have been derecognised	-79.498	-4.984	-1.462	-85.944	-68.575	-4.989	-864	-74.428
Gross loans 31.12	246.544	22.935	2.522	**272.001**	235.168	14.677	3.112	252.957

Financial commitments per stage [1) 2)]	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Financial commitments 01.01.	53.672	2.775	1.086	57.532	46.954	1.904	1.200	50.058
Net increase / (decrease) during period	-429	579	-297	-148	6.718	871	-114	7.474
Financial commitments 31.12	53.242	3.353	789	**57.384**	53.672	2.775	1.086	57.532

[1)] Other financial liabilities include guarantees, undrawn credit and loan commitments

[2)] Financial liabilities provide the basis for impairment losses under IFRS 9

Note 7 Capital adequacy

Capital adequacy is calculated and reported in accordance with the EU's capital requirements for banks and securities undertakings (CRD IV/CRR). SpareBank 1 SR-Bank ASA has permission from the Financial Supervisory Authority of Norway to use internal measurement methods (Internal Rating Based Approach) for quantifying credit risk. The use of IRB requires the bank to comply with extensive requirements relating to organisation, expertise, risk models and risk management systems.

The total requirement for SpareBank 1 SR-Bank ASA's Common Equity Tier 1 capital ratio was 16,39% at the end of the fourth quarter of 2023.

Parent bank			Group	
31.12.22	**31.12.23**		**31.12.23**	**31.12.22**
6.394	6.607	Share capital	6.607	6.394
1.587	2.354	Premium reserve	2.354	1.587
1.790	1.982	Allocated to dividend	1.982	1.790
1.700	3.155	Hybrid capital	3.155	1.700
13.919	17.078	Other equity	19.462	17.418
25.390	**31.176**	**Total equity**	**33.561**	28.889
		Deductions		
-70	-70	Deferred taxes, goodwill and other intangible assets [1)]	-1.382	-704
-1.790	-1.982	Deduction for allocated dividends	-1.982	-1.790
-612	-764	Deduction in expected losses IRB less loss provisions	-929	-733
0	-4	Insufficient coverage for non-performing exposures		0
-1.700	-3.155	Hybrid capital that cannot be included in CET 1 capital	-3.155	-1.700
0	0	Deduction for CET 1 capital in essential investments in financial institutions	0	-235
-237	-277	Deduction for CET 1 capital in not essential investments in financial institutions	-243	-241
-64	-72	Value adjustments due to the requirements for prudent valuation	-89	-80
20.916	**24.852**	**Common equity Tier 1 capital**	**25.777**	23.405
1.700	3.155	Hybrid capital	3.290	1.836
0	-155	Hybrid capital that cannot be included in Tier 1 capital	-155	0
-48	-48	Deduction for essential investments in financial institutions	-48	-48
22.568	**27.804**	**Tier 1 capital**	**28.864**	25.193
		Tier 2 capital		
2.097	2.672	Term subordinated loan capital	2.916	2.272
-188	-193	Deduction for essential investments in financial institutions	-193	-188
1.909	**2.479**	**Tier 2 capital**	**2.724**	2.084
24.477	**30.283**	**Own funds**	**31.587**	27.277

Note 7 Capital adequacy (continued)

Parent bank			Group	
31.12.22	31.12.23	**Credit risk**	31.12.23	31.12.22
16.351	17.677	Corporates - SME	17.684	16.359
22.825	21.331	Corporates - Specialised Lending	24.867	25.379
10.745	11.635	Corporates - Other	11.953	11.011
965	1.123	Retail - Secured by real estate SME	1.584	1.408
10.320	14.392	Retail - Secured by real estate non-SME	37.019	32.983
		Retail - Other SME	161	140
1.943	1.551	Retail - Other non-SME	1.609	1.872
12.314	13.868	Equity positions	0	0
75.462	**81.577**	**Total credit risk, IRB approach**	**94.878**	89.153
26	21	Central governments or central banks	29	26
67	82	Regional governments or local authorities, Public sector entities	288	222
7.101	4.716	Institutions	1.967	1.818
10.201	11.266	Corporates	11.906	10.553
3.596	3.498	Retail	4.630	4.472
	0	Secured by mortgages on immovable property	652	555
0	1	Exposures in default	49	35
0	0	Items associated with particular high risk	469	0
2.220	2.557	Covered bonds	2.775	1.997
0	0	Collective investments undertakings (CIU)	2	16
6.000	6.000	Equity positions	5.476	6.834
4.266	8.331	Other assets [1)]	9.090	4.930
33.476	**36.474**	**Total credit risk, standardised approach**	**37.332**	31.457
		Debt risk	6	
		Equity risk	69	
		Foreig Exchange risk	18	
286	576	Credit value adjustment risk (CVA)	753	416
7.377	8.903	Operational risk	13.243	11.121
292	0	Other risk exposures [2)]	74	2.177
116.893	**127.529**	**Total risk exposure amount**	**146.371**	134.324
5.260	5.739	Minimum requirement for common equtiy Tier 1 capital ratio 4.5 %	6.587	6.045
		Buffer requirement		
2.922	3.188	Capital conservation buffer 2.5 %	3.659	3.358
5.237	5.688	Systemic risk buffer 4.5 %	6.528	6.014
2.335	3.175	Countercyclical capital buffer 1.5 %	3.659	2.686
10.494	12.052	Total buffer requirement to common equity Tier 1 capital ratio	13.847	12.058
5.161	7.062	**Available common equity Tier 1 capital ratio after buffer requirement**	5.344	5.302
17,89 %	**19,49 %**	**Common equity Tier 1 capital ratio**	**17,61 %**	17,42 %
19,31 %	**21,80 %**	**Tier 1 capital ratio**	**19,72 %**	18,76 %
20,94 %	**23,75 %**	**Capital ratio**	**21,58 %**	20,31 %
8,24 %	**9,46 %**	**Leverage Ratio**	**7,19 %**	6,85 %

1) Common equity Tier 1 capital is affected by deductions linked to deferred tax assets (DTA). In addition, the total risk exposure amount under the item other assets is affected. DTA arise due to temporary differences between accounting and tax results. These differences will even out over time, but can significantly impact taxes payable and DTA recognised in the the balance sheet in certain periods, and thereby negativly affect the capital adequacy.
2) Risk weights for residential mortgages are subject to a regulatory floor of 20%. Without this floor, the risk weight for residential mortgages in the group would have been 19.96 %, while in the banking group (SR Bank and SR Boligkreditt) it would have been 19.57% as at 31 December 2023.

Note 8 Financial derivatives

Group

	Contract amount	Fair value at 31.12.23	
At fair value through profit and loss	**31.12.23**	**Assets**	**Liabilities**
Currency instruments			
Currency futures (forwards)	4.069	75	100
Currency swaps	41.170	190	1.440
Currency swaps (basis swaps)	64.094	403	1.637
Currency swaps (basis swaps hedging)	22.747	164	622
Total currency instruments	**132.080**	**832**	**3.798**
Interest rate instruments			
Interest rate swaps	69.876	1.913	974
Other interest rate contracts	6.827	77	77
Total interest rate instruments	**76.703**	**1.989**	**1.051**
Interest rate instruments, hedging			
Interest rate swaps	153.389	184	8.203
Total interest rate instruments, hedging	**153.389**	**184**	**8.203**
Security			
Security		13.173	645
Totalt security		**13.173**	**645**
Total currency and interest rate instruments			
Total currency instruments	132.080	832	3.798
Total interest rate instruments	230.091	2.174	9.254
Total collateral		13.173	645
Total financial derivatives	**362.171**	**16.179**	**13.697**
Counterparty risk:			
Netting agreements		2.275	
Considered collateral		13.817	
Total exposure to financial derivatives		**86**	

Counterparty risk associated with derivatives is reduced via ISDA agreements and CSA supplements. The CSA supplement regulates the counterparty risk through payments of margins in relation to exposure limits.

IBOR reform

Reforming and alternatives to IBOR rates have become a priority area for governments around the world in recent years. However, there is uncertainty surrounding which methods will used for any changes and when they will be introduced. All of SpareBank 1 SR-Bank's interest rate derivatives use IBOR rates as a reference, and may thus be affected by changes. The most important positions are in EURIBOR and NIBOR. The bank is monitoring developments in the market closely, and is participating in several projects to monitor the changes and facilitate any changes. The table below shows nominal amount and weighted average remaining maturity for derivatives in hedging relationships that may be affected by IBOR reform, categorised by the relevant IBOR rate.

Note 8 Financial derivatives (continued)

Interest rate instruments	Contract amount	Weighted maturity
CIBOR DKK (3 months)	1.054	7
CIBOR DKK (6 months)	1.056	2
EURIBOR EUR (3 months)	134.476	4
EURIBOR EUR (6 months)	416	5
LIBOR USD (3 months)	1.178	1
NIBOR NOK (1 month)	29	3
NIBOR NOK (3 months)	76.089	4
NIBOR NOK (6 months)	740	2
STIBOR SEK (3 months)	303	3
Total interest rate instruments	**215.341**	
Currency instruments		
EURIBOR EUR (3 months)	3.274	0
EURIBOR EUR (3 months) to LIBOR USD (3 months)	11.124	1
EURIBOR EUR (3 months) to NIBOR NOK (3 months)	49.090	3
EURIBOR EUR (3months) to SOFR USD	3.068	0
LIBOR USD (3 months) to NIBOR NOK (3 months)	111	2
LIBOR USD (6 months) to FIXED NOK	10.128	2
STIBOR SEK (3 months) to NIBOR NOK (3 months)	10.047	2
Total currency instruments	**86.841**	
Total exposure to financial derivatives	**302.182**	
Assets		
Certificates and bonds		
NIBOR NOK (3 months)	33.096	3
CIBOR NOK (3 months)	0	0
Total exposure certificates and bonds	**33.096**	
Liabilities		
Securities issued		
EURIBOR EUR (3 months)	3.713	1
EURIBOR EUR (6 months)	563	7
LIBOR USD (6 months)	0	0
NIBOR NOK (3 months)	25.050	9
STIBOR SEK (3 months)	254	2
Total exposure securities issued	**29.580**	

The bank also has loans to customers in GBP and USD LIBOR and EURIBOR, respectively, as well as loans to and deposits from customers linked to NIBOR.

Note 9 Securities issued, non-preferred bonds and subordinated loan capital

Group

Change in debt raised through securities issued	Balance as at 31.12.23	Issued/ sale own 2023	Past due/ redeemed 2023	FX rate- and other changes 2023	31.12.22
Other long-term borrowing	-0	0	-1.574	184	1.390
Bonds and certificates, nominal value	55.584	10.927	-9.231	2.612	51.276
Covered bonds, nominal value	88.587	0	-8.827	4.810	92.603
Adjustments and accrued interests	-5.817	0	0	4.100	-9.917
Total debt raised through securities issued	**138.353**	10.927	-19.632	11.706	135.353

Change in debt raised by issuing non-preferred senior debts	Balance as at 31.12.23	Issued/ sale own 2023	Past due/ redeemed 2023	FX rate- and other changes 2023	31.12.22
Senior non-preferred bonds	17.271	6.919	0	333	10.019
Adjustments and accrued interests	-254			464	-718
Total senior non-preferred bonds	**17.017**	6.919	0	797	9.301

Change in debt raised through subordinated loan capital issued	Balance as at 31.12.23	Issued/ sale own 2023	Past due/ redeemed 2023	FX rate- and other changes 2023	31.12.22
Term subordinated loan capital, nominal value	2.763	1.500	-925	37	2.151
Adjustments and accrued interests	21			11	10
Total additional Tier 1 and Tier 2 capital instruments	**2.784**	1.500	-925	48	2.161

Note 10 Segment reporting

The executive management team has assessed which segments are reportable based on the form of distribution, products and customers. The primary reporting format is based on the risk and returnprofile of the assets, and it is divided between retail market, corporate market and SME & agriculture. Other activities covers all staff departments including treasury, subsidiaries and associated companies.

SpareBank 1 SR-Bank Group 31.12.23						
Income statement (MNOK)	**Retail market**	**Corporate market**	**SME & agriculture**	**Other activities**	**Elimin-ations**	**Group**
Net interest income [1]	2.097	2.246	956	853	-15	6.136
Net commission and other income	652	395	140	822	-70	1.939
Net income on investment securities	19	66	34	550	0	669
Total net income	2.768	2.707	1.130	2.225	-85	8.745
Total operating expenses	718	219	140	2.309	-85	3.299
Operating profit before losses	2.051	2.489	990	-83	0	5.445
Impairment losses on loans and other financial liabilities	4	-299	63	0	0	-232
Pre-tax profit	**2.046**	**2.788**	**927**	**-83**	**0**	**5.677**
Balance sheet items (MNOK)						
Loans to customers	159.440	86.048	21.626	5.048	-160	272.001
Impairment provisions on loans	-135	-874	-236	0	0	-1.244
Deposits from customers	70.184	51.322	21.885	5.918	-232	149.076

SpareBank 1 SR-Bank Group 31.12.22						
Income statement (MNOK)	**Retail market**	**Corporate market**	**SME & agriculture**	**Other activities**	**Elimin-ations**	**Group**
Net interest income [1]	1.792	1.705	651	378	-10	4.516
Net commission and other income	631	278	130	808	-77	1.770
Net income on investment securities	0	39	5	711	0	756
Total net income	2.423	2.022	786	1.897	-87	7.042
Total operating expenses	645	182	116	1.969	-87	2.825
Operating profit before losses	1.778	1.840	671	-72	0	4.216
Impairment losses on loans and other financial liabilities	-4	-50	59	-0	0	5
Pre-tax profit	**1.782**	**1.890**	**611**	**-72**	**0**	**4.211**
Balance sheet items (MNOK)						
Loans to customers	151.678	78.098	18.739	4.660	-218	252.957
Impairment provisions on loans	-153	-1.320	-212	0	0	-1.685
Deposits from customers	66.562	58.061	20.232	3.587	-342	148.100

1) Net interes income contains allocated arrangements between the segments. The interest on intercompany receivables for the retail market, corporate market and SME & agriculture is determined on the basis of expected observable market interest rates (NIBOR) plus expected additional costs in connection with the group's long-term funding (credit premium). Deviations between the Group's actual funding costs and the applied interest on intercompany receivables are eliminated in the parent bank.

Note 11 Net income/losses from financial instruments

Parent bank			Group	
01.01.22 - 31.12.22	**01.01.23 - 31.12.23**		**01.01.23 - 31.12.23**	**01.01.22 - 31.12.22**
88	166	Net gains/losses on equity instruments [1)]	276	156
-867	256	Net gains/lossses for bonds and certificates	248	-875
705	-379	Net derivatives bonds and certificates	-379	705
3	-1	Net counterparty risk, inclusive of CVA	-1	3
7	5	Net derivatives other assets	5	7
-24	27	Net derivatives liabilities	26	-58
-159	183	Net derivatives basis swap spread	-101	88
206	241	Net gain/losses currency	241	206
-40	**497**	**Net income/losses from financial instruments**	**315**	233

[1)] 2023 includes gains in both the parent bank and the group of NOK 370 million from the sale of business to SpareBank 1 Markets. There is also a loss NOK 66 million in the parent bank and a gain of NOK 26 million in the group from the sale of Monio. 2022 includes gains from the sale of Bjergsted Terrasse of NOK 81 million in the parent bank and NOK 106 million in the group

Note 12 Liquidity risk

Liquidity risk is the risk that the Group is not able to refinance its debt or is not able to finance an increase in assets. The bank's framework for managing liquidity risk shall reflect the bank's conservative risk profile. The board has adopted internal limits such that the bank has as balanced a maturity structure for its borrowing as possible. Stress testing is conducted for the various terms of maturity for bank-specific crises, system crises and combinations of these. A contingency plan has also been put in place to manage liquidity crises. The average remaining term to maturity in the portfolio of senior bond funding and covered bonds was 3.6 years at the end of the fourth quarter of 2023. The total LCR was 207% at the end of the fourth quarter, and the average total LCR was 212% in the quarter. The LCR in NOK and EUR at the end of the quarter was 133% and 283%, respectively.

Note 13 Information about fair value

Group

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

Level 1: Listed price in an active market for an identical asset or liability
Level 2: Valuation based on observable factors other than listed price (used in level 1) either direct (price) or indirect (deduced from prices) for the asset og liability.
Level 3: Valuation based on factors not obtained from observable markets (non-observable assumptions)

Fair value 31.12.23	Level 1	Level 2	Level 3	**Total**
Assets				
Net lending to customers [1]			7.765	**7.765**
Commercial paper and bonds	27.959	20.765		**48.724**
Financial derivatives		16.179		**16.179**
Equities, units and other equity interests	319	13	349	**680**
Liabilities				
Financial derivatives		13.697		**13.697**
No transfers between levels 1 and 2				
[1] Net lending to customers in parent bank, level 3			62.015	

Fair value 31.12.22	Level 1	Level 2	Level 3	**Total**
Assets				
Net lending to customers [1]			7.861	7.861
Commercial paper and bonds	24.524	19.893		44.416
Financial derivatives		18.612		18.612
Equities, units and other equity interests	348	80	420	848
Liabilities				
Financial derivatives		15.771		15.771
No transfers between levels 1 and 2				
[1] Net lending to customers in parent bank, level 3			49.488	

Note 13 Information about fair value (continued)

Change in holding during the financial year of assets valued on the basis of factors other than observable market data

Group	Loans to customers	Shares, ownership stakes and other securities
Balance 01.01	7.861	420
Additions	1.347	36
Disposals	-1.513	-29
Transferred from or to measurement according to prices in an active market or observable market data		
Change in value [1]	70	-78
Balance 31.12.23	**7.765**	**349**
Nominal value/cost price	8.026	336
Fair value adjustment	-261	13
Balance 31.12.23	**7.765**	**349**

[1] Value changes are recognised in net income from financial instruments

Other assets are measured using various methods such as last known transaction price, earnings per share, dividend per share, EBITDA and discounted cash flows.

Fixed-rate loans are measured on the basis of the interest rate agreed with the customer. Loans are discounted using the applicable interest curve, having taken into account a market premium, which is adjusted for the profit margin. The conducted sensitivity analyses indicate an increase in the discount rate of 10 basis points would have a negative effect on the result amounting to NOK 44 million.

Fair value of financial instruments at amortised cost

Group	Balance 31.12.23	Fair value 31.12.23
Assets		
Cash and balances with central banks	88	88
Balances with credit institutions [1]	5.536	5.536
Loans to customers [1]	262.992	262.992
Certificates and bond	8.956	8.932
Total assets at amortised cost	**277.571**	**277.547**
Liabilities		
Balances with credit institutions [1]	3.188	3.188
Deposits from customers [1]	149.076	149.076
Listed debt securities	138.353	137.661
Senior non-preferred bonds	17.017	17.118
Subordinated loan capital	2.784	2.959
Total liabilities at amortised cost	**310.418**	**310.003**

[1] Loans and deposits at amortised cost, amount to book value best estimate at fair value.

Note 14 Events after the balance sheet date

No material events have been registered after 31.12.2023 that affect the interim financial statements as prepared.

Results from the interim financial statements

SpareBank 1 SR-Bank Group, MNOK	**Q4 2023**	**Q3 2023**	**Q2 2023**	**Q1 2023**	**Q4 2022** [5]	**Q3 2022** [5]	**Q2 2022** [5]	**Q1 2022** [5]	**Q4 2021**
Interest income	5.355	4.961	4.308	3.892	3.332	2.395	1.951	1.722	1.635
Interest expense	3.639	3.365	2.884	2.490	2.046	1.281	849	707	630
Net interest income	1.715	1.596	1.424	1.402	1.286	1.115	1.101	1.016	1.005
Commission income	502	518	545	476	463	439	486	447	475
Commission expenses	39	24	25	23	22	22	23	19	22
Other operating income	2	2	2	2	12	3	3	2	2
Net commission and other income	465	496	522	455	453	421	466	430	455
Dividend income	8	1	25	32	26	9	16	19	21
Income from investment in associates	93	47	53	94	211	85	82	74	223
Net gains/losses on financial instrument	377	-37	32	-56	37	97	6	95	100
Net income on financial investments	478	11	109	71	274	191	104	187	344
Total income	2.659	2.103	2.055	1.927	2.013	1.726	1.671	1.633	1.804
Personnel expenses	570	513	488	482	477	429	438	444	485
Other operating expenses	322	231	289	239	234	207	224	200	228
Depreciation and impairment of fixed and intangible assets	43	41	41	41	41	41	40	50	42
Total operating expenses	935	786	817	761	752	677	702	694	755
Operating profit before impairment	1.724	1.317	1.238	1.166	1.262	1.049	969	938	1.049
Impairment losses on loans and financial commitments	-91	-78	-98	35	36	5	-52	15	-24
Pre-tax profit	1.815	1.396	1.336	1.131	1.225	1.044	1.021	923	1.073
Tax expense	311	334	308	250	226	215	225	168	184
Profit after tax	1.503	1.062	1.028	881	1.000	829	796	754	889
Profitability									
Return on equity per quarter [1]	19,7 %	14,5 %	14,6 %	12,5 %	14,5 %	12,4 %	12,0 %	11,6 %	13,9 %
Cost to income ratio [1]	35,2 %	37,4 %	39,8 %	39,5 %	37,3 %	39,2 %	42,0 %	42,6 %	41,9 %
Cost to income ratio Banking Group [1]	34,9 %	31,4 %	34,7 %	34,0 %	36,1 %	36,9 %	37,9 %	39,7 %	44,7 %
Average net interest margin [1]	1,87 %	1,74 %	1,56 %	1,60 %	1,51 %	1,37 %	1,40 %	1,33 %	1,32 %
Balance sheet figures from quarterly accounts									
Gross loans to customers	272.001	269.566	264.882	258.206	252.957	248.237	242.867	233.581	230.299
Growth in loans over last 12 months [1]	7,5 %	8,6 %	9,1 %	10,5 %	9,8 %	9,4 %	7,6 %	5,6 %	5,1 %
Deposits from customers	149.076	150.534	150.758	152.144	148.100	143.989	145.667	141.999	137.664
Growth in deposits over last 12 months [1]	0,7 %	4,5 %	3,5 %	7,1 %	7,6 %	8,8 %	6,9 %	10,8 %	16,5 %
Total assets	362.186	362.823	361.765	364.646	345.931	334.255	318.642	318.295	304.402
Average total assets	363.936	363.341	366.957	355.931	337.947	323.816	316.347	308.512	301.021
Impairments on loans and financial commitments									
Impairment ratio, annualized [1]	-0,13 %	-0,12 %	-0,15 %	0,05 %	0,06 %	0,01 %	-0,09 %	0,03 %	-0,04 %

[1] Defined as alternative performance targets (APMs), see the appendix to the interim report

Results from the interim financial statements (continued)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Loans and financial commitments in Stage 2 and Stage 3 [1)]									
Loans and financial commitments in Stage 3 in % of gross loans and financial commitments [1)]	1,01 %	1,10 %	1,02 %	1,23 %	1,35 %	1,39 %	1,38 %	1,40 %	1,46 %
Loans and financial commitments in Stage 2 in % of gross loans and financial commitments [1)]	7,98 %	8,24 %	6,56 %	5,57 %	5,62 %	5,11 %	4,24 %	5,02 %	4,98 %
Solidity									
Common equity Tier 1 capital ratio	17,61 %	17,88 %	17,83 %	17,42 %	17,42 %	17,82 %	17,88 %	17,60 %	17,39 %
Tier 1 capital ratio	19,72 %	20,11 %	19,90 %	19,05 %	18,76 %	19,18 %	19,26 %	19,10 %	18,88 %
Capital ratio	21,58 %	22,03 %	21,89 %	21,05 %	20,31 %	20,76 %	20,87 %	20,71 %	20,48 %
Tier 1 capital	28.864	27.809	27.291	26.042	25.193	25.237	24.965	24.685	24.163
Net primary capital	31.587	30.465	30.022	28.771	27.277	27.326	27.050	26.767	26.207
Risk weighted balance	146.371	138.291	137.165	136.685	134.324	131.601	129.618	129.234	127.981
Leverage ratio	7,2 %	7,1 %	7,0 %	6,8 %	6,8 %	6,8 %	7,1 %	7,1 %	7,1 %
Liquidity									
Liquidity Coverage Ratio (LCR) [2)]	207 %	191 %	215 %	244 %	176 %	181 %	151 %	155 %	168 %
Deposit to loan ratio [1)]	54,8 %	55,8 %	56,9 %	58,9 %	58,5 %	58,0 %	60,0 %	60,8 %	59,8 %
Branches and staff									
Number of branches	36	36	36	36	35	35	35	35	34
Number of man-years	1.637	1.616	1.571	1.560	1.543	1.510	1.487	1.489	1.505
Number of man-years including temps	1.686	1.667	1.636	1.612	1.582	1.554	1.543	1.530	1.556
SpareBank 1 SR-Bank share									
Market price at end of quarter	128,90	122,70	130,10	121,00	120,70	102,00	106,70	134,30	133,20
Market capitalisation	34.064	31.381	33.273	30.946	30.869	26.087	27.289	34.347	34.066
Number of shares issued, millions	264,27	255,75	255,75	255,75	255,75	255,75	255,75	255,75	255,75
Book equity per share(including dividends) [1)]	115,07	109,57	105,73	108,77	106,32	102,86	99,49	102,32	99,05
Earnings per share, NOK (annualised)	5,48	3,94	3,90	3,31	3,81	3,16	3,03	2,87	3,41
Price/earnings per share [1)]	5,93	7,85	8,31	9,02	7,98	8,13	8,78	11,54	9,85
Price / Book equity (group) [1)]	1,12	1,12	1,23	1,11	1,14	0,99	1,07	1,31	1,34
Annualised turnover rate in quarter [3)]	6,8 %	2,7 %	4,0 %	4,7 %	5,5 %	4,1 %	5,2 %	5,9 %	5,0 %
Effective return [4)]	5,1 %	-5,7 %	13,3 %	0,2 %	18,3 %	-4,4 %	-20,6 %	0,8 %	12,2 %

[1)] Defined as alternative performance targets (APMs), see the appendix to the interim report
[2)] High quality liquid assets divided by total net cash outflows in a 30-day, serious stress scenario
[3)] Annualized turnover of the share during the period, measured as a percentage of the number of outstanding shares
[4)] Percentage change in the market price in the last period, including paid share dividend
[5)] 2022 numbers has not been altered to reflect the change in principle following the implementation of IFRS 17/IFRS 9 as described in note 1

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2024 Financial Calendar

Q1 2024	Thursday 25 April 2024
Q2 2024	Thursday 8 August 2024
Q3 2024	Thursday 31 October 2024