Interim Report Q4 2023

SparebankenVest

Q4 2023

- Strong return on equity: 17.8% (12.5%)
- Growth and higher interest rates increased nominal net interest income: NOK 1,442 (1,136) million
- A conservative loan book gave low losses: NOK 13 (38) million
- Good cost management gave a low cost-to-income ratio: 25.7% (34.5%)
- Good growth in lending and deposits in the last 12 months: 13.9% and 10.1%, respectively
- Strong growth in the Bulder concept: NOK 46.8 billion in lending volume at the end of the quarter
- Sound CET1 ratio: 16.8% (18.1%)

Full-year 2023

- Strong pre-tax profit: NOK 4,418 (3,504) million
- Excellent return on equity: 16.5% (14.6%)
- Higher net interest as a percentage of average assets under management: 1.79% (1.56%)
- Lower cost-to-income ratio: 28.7% (32.5%)
- Low write-downs on loans and guarantees: NOK 95 (52) million, corresponding to 0.04% (0.02%) of gross lending
- Profit per equity certificate: NOK 12.76 (10.29)
- Proposed dividend: NOK 7.50 (5.50) per equity certificate, NOK 1,050 million in customer dividend and NOK 150 million in donations

KEY FIGURES	**Q4 2023**	**Q4 2022**	**2023**	**2022**
Pre-tax profit	1 287 MNOK	840 MNOK	4 418 MNOK	3 504 MNOK
Profit per equity certificate	3,60	2,34	12,76	10,29
Net interest (annualised)	1,85%	1,67%	1,79%	1,56%
Cost/Income ratio	25,7%	34,5%	28,7%	32,5%
Return on equity (annualised)	17,8%	12,5%	16,5%	14,6%
Common Equity Tier 1 ratio	16,8%	18,1%	16,8%	18,1%

Report for Q4 2023

TABLE 1: KEY ACCOUNTING FIGURES

NOKm	Q4 2023	Q4 2022	2023	2022
Net interest income and credit commissions	**1 442**	**1 136**	**5 242**	**3 994**
Commissions receivable and income from banking services	220	254	783	775
Commissions payable and cost of banking services	33	29	129	116
Net banking services	188	226	654	658
Income from owner interests in group companies	79	95	215	262
Net gain/(loss) on financial instruments	-23	-178	-87	74
Other operating income	53	53	263	256
Net other operating income	297	195	1 044	1 250
Net operating income	**1 739**	**1 331**	**6 285**	**5 244**
Salaries and general administration expenses	337	332	1 381	1 292
Depreciation	48	57	192	218
Other operating expenses	54	63	199	177
Total operating expenses	439	452	1 772	1 687
Profit before write-downs and tax	**1 300**	**878**	**4 513**	**3 556**
Write-downs and losses on loans and guarantees	13	38	95	52
Profit before tax	**1 287**	**840**	**4 418**	**3 504**
Taxes	286	191	874	687
Profit for the period	**1 001**	**649**	**3 545**	**2 817**

Q4 2023

Sparebanken Vest recorded a pre-tax profit of NOK 1,287 (840) million for the fourth quarter 2023. Return on equity (ROE) was 17.8% (12.5%).

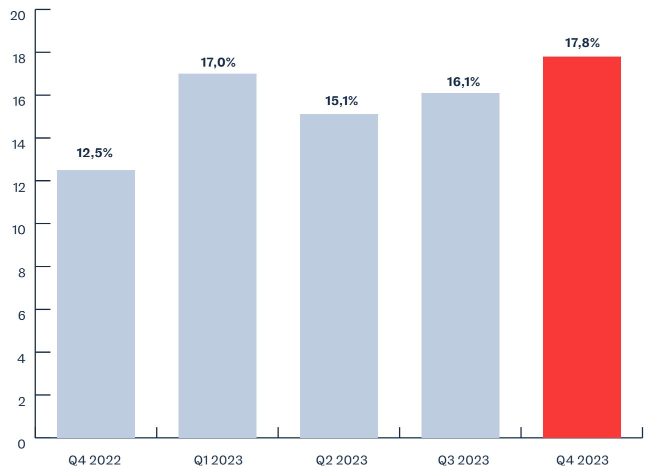
Net interest income amounted to NOK 1,442 (1,136) million. Net interest as a percentage of average assets under management was 1.85% (1.67%). The increase on last year is explained by good lending growth and higher interest rates.

The contribution to profits from associated companies amounted to NOK 79 (95) million. The decrease on last year is explained by a lower contribution to profits from Frende Forsikring, while the contribution from Brage Finans was higher than in Q4 2022.

Operating expenses amounted to NOK 439 (452) million. Operating expenses as a percentage of net operating income was 25.7% (34.5%).

The CET1 ratio was sound at 16.8% (18.1%). The additional profit distribution conducted in Q4, 2023 and good lending growth contributed to greater capital efficiency.

FIGURE 1: DEVELOPMENT IN ROE AS %



The lending margins in the retail and corporate markets measured against the average 3-month Nibor rate were 0.57 (0.32) and 2.72 (2.46) percentage points, respectively, in the fourth quarter. The deposit margins in the retail and corporate markets measured against the average 3-month Nibor rate were 2.01 (1.97) and 1.26 (1.18) percentage points, respectively, in the fourth quarter. The margins for the quarter were affected to some extent by a time lag in the effect of implemented repricing, especially in the retail market due to the notice requirement. From and including Q3 2023, the required period of notice has increased from six weeks to two months for changes in interest rates to the detriment of the customer.

Net commission income amounted to NOK 188 (226) million in the fourth quarter. The main explanation for the reduction in net commission income is that bonus/profitability commissions from Brage Finans and Frende Forsikring were reduced by approximately NOK 67 million overall compared with Q4 2022 due to higher claims costs in Frende Forsikring and loan loss provisions in Brage Finans. Income from savings and investments, guarantee commission and front-end fees in the corporate market have increased compared with Q4 2022.

The net contribution from financial instruments amounted to minus NOK 23 (minus 178) million for the quarter. The negative result is due to negative evaluation effects on hedging instruments relating to own debt (basis swaps). Earnings from customer trading through the bank's Markets division and positive price development on the bank's shareholding contributed positively to the financial result for the quarter.

TABLE 2: FINANCIAL INSTRUMENTS

NOKm	Q4 2023	Q4 2022	2023	2022
Dividend	0	25	3	37
Gain/(loss) on shares	50	-14	44	5
Gain/(loss) on commercial papers and bonds	-4	27	-37	-126
Gain/(loss) on financial instruments, recognised at fair value	-103	-232	-201	83
Gain/(loss) on customer and own trading	50	17	125	85
Net gain/(loss) on financial instruments designated for hedge accounting	-10	-1	-10	1
Other	-5	0	-10	-11
Net gain on financial instruments	**-23**	**-178**	**-87**	**74**

* The value adjustment of derivatives used to manage interest and currency risk is distributed between the financial instruments they are managed together with.

Operating expenses in the quarter amounted to NOK 439 (452) million. Compared with Q4 2022, payroll expenses have increased as a result of wage settlements and permanent full-time equivalents (FTEs) replacing consultants. ICT costs are also around 13% higher. Wealth tax was approximately NOK 11 million lower in Q4 2023 than in Q4 2022 based on the evaluation of own debt and the associated development in the basis for calculating wealth tax. In addition, other personnelrelated expenses were NOK 13 million lower than in Q4 2022 due to large staff events in 2022 that were not repeated in 2023. Operating expenses as a percentage of net operating income amounted to 25.7% (34.5%).

The number of FTEs in the Group was 795 (755). The main explanation for the increase in FTEs is that, through 2023, the bank has worked actively to fill vacant full-time positions with permanent FTEs and discontinue the use of external consultancy services that have periodically filled vacant positions.

TABLE 3: NUMBER OF FULL-TIME EQUIVALENTS (FTES)

Quarterly	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Full-time equivalents	795	784	765	765	755

The total profit contribution from associated companies amounted to NOK 79 (95) million in the quarter and the breakdown between the companies is shown in the table below.

TABLE 4: ASSOCIATED COMPANIES

NOKm	Q4 2023	Q4 2022	2023	2022
Frende Forsikring	34	55	51	114
Norne Securities	2	4	1	12
Brage Finans	45	37	167	132
Other Companies	-1	-1	-4	3
Net profit from associated companies	**79**	**95**	**215**	**262**
Eiendomsmegler Vest	-7	-13	2	3

See the section on business in subsidiaries and associated companies for a more detailed description of the development of the individual companies.

Write-downs on loans and guarantees amounted to NOK 13 (38) million in the quarter, reflecting low risk in the bank's lending portfolio. The loss costs for the quarter broke down as NOK 20 million in net confirmed losses and changes in individual write-downs and NOK 7 million in reversal of model-based provisions.

See the section on risk and capital factors and Notes 8, 9 and 10, which describe the write-downs and the development in default of payment.

Full-year 2023

Sparebanken Vest recorded a pre-tax profit of NOK 4,418 (3,504) million in 2023, and ROE of 16.5% (14.6%).

Net interest income amounted to NOK 5,242 (3,994) million. Net interest as a percentage of average assets under management was 1.79% (1.56%). Higher net interest (income) was driven by good growth in the customer segments and increased return on the equity capital as a result of higher interest rates. Norges Bank raised the key interest rate six times by a total of 1.75 percentage points in 2023.

Net commission income amounted to NOK 654 (658) million in 2023. The decrease is explained by lower profitability and bonus commissions from Frende Forsikring and Brage Finans, amounting to NOK 3 (71) million in 2023. This is due to the claims development in the bank's portfolio of insurance customers, as well as loan loss provisions in Brage Finans. There was otherwise positive development in guarantee commissions, payment services and front-end fees in the corporate market.

The profit contribution from associated companies amounted to NOK 215 (262) million in 2023. The decrease from 2022 is due to lower contributions from Norne Securities and Frende Forsikring. For the latter, 2023 was a year characterised by major natural disasters and more large claims in non-life insurance. The profit contribution from Brage Finans increased by NOK 34 million compared with 2022.

The contribution from financial instruments was negative in the amount of NOK 87 (plus 74) million. The main reason for this is evaluation effects on hedging instruments relating to own debt (basis swaps) of approximately minus NOK 201 million. Gains in the equity portfolio of NOK 44 million had the opposite positive effect, as did a good contribution from customer trading in Markets.

Total operating expenses amounted to NOK 1,772 (1,687) million, corresponding to growth of 5%. ICT expenses increased by 18.3% and payroll expenses by 7.7% based on wage settlements and permanent FTEs replacing external consultants. Both marketing and pension expenses were reduced by around 5%, while other personnel expenses were down 13.2%. Over and above this, the wealth tax was reduced by about 36% based on the evaluation of own debt and the associated development in the basis for calculating wealth tax. Operating expenses as a percentage of net operating income came to 28.7% (32.5%) for the year as a whole.

Write-downs on loans and losses on guarantees amounted to NOK 95 (52) million in 2023. Of the loss expenses, increased model-based provisions amounted to NOK 82 million and the remaining NOK 13 million was due to net confirmed losses and changes in individual write-downs.

See the section on risk and capital factors and Notes 8, 9 and 10, which describe the write-downs and the development in default of payment.

DEVELOPMENTS IN LENDING AND DEPOSITS

Gross lending increased by NOK 31.3 (21.5) billion to NOK 256.6 (225.4) billion from Q4 2022, corresponding to year-on-year growth of 13.9%.

TABLE 5: GROWTH IN LENDING

	Growth last 12 months	Growth last quarter
Lending total	13,9%	3,3%
Lending retail market	15,1%	2,8%
of which Bulder	*13,3%*	*2,5%*
Lending corporate market	10,1%	5,2%

Gross lending to retail customers amounted to NOK 195.7 (170.0) billion, NOK 141.6 (127.3) billion of which were loans transferred to Sparebanken Vest Boligkreditt. Lending growth to retail customers excluding Bulder amounted to roughly 0.2% (2.0%) in the quarter. A cooling housing market, increased interest rates, tough competition for mortgage customers and lower market growth have reduced lending growth from retail customers.

Lending through the Bulder concept amounted to approximately NOK 46.8 (24.2) billion at the end of the quarter. Lending growth in the Bulder concept amounted to NOK 22.6 (6.2) billion over the past 12 months and NOK 4.7 (2.2) billion for the last quarter.

Gross lending to corporate customers amounted to NOK 60.9 (55.4) billion, corresponding to lending growth of 10.1% (13.3%) over the past 12 months, and 5.2% (1.9%) the last quarter. Adjusted for the effect of a weakened Norwegian krone in the last 12 months, growth over the same period would have been 9.3%. The Norwegian krone appreciated in Q4 2023 and, adjusted for this, quarter-on-quarter growth would have been 5.4%.

Deposits from customers amounted to NOK 123.6

(112.3) billion, corresponding to year-on-year growth of 10.1% (23.6%). Growth in deposits in the quarter amounted to 0.1% (3.8%).

TABLE 6: GROWTH IN DEPOSITS

	Growth last 12 months	Growth last quarter
Deposits total	10,1%	0,1%
Deposits retail customers	9,6%	2,1%
of which Bulder	*6,1%*	*1,7%*
Deposits corporate customers	10,7%	-2,3%

Deposits break down as follows: NOK 68.6 (62.6) billion from retail customers and NOK 55.0 (49.7) billion from corporate customers.

The development in deposits from retail customers in the quarter was slightly better than in the same period in 2022. Higher interest rates positively affect deposit growth. However, developments so far this year indicate that customers have lower buffers as a result of interest rate hikes and higher inflation. The total deposit volume from corporate customers has fallen in the quarter as a result of stronger competition for large deposits.

The breakdown between deposits and lending is specified in Notes 11 and 12.

Risk and capital factors

CREDIT RISK

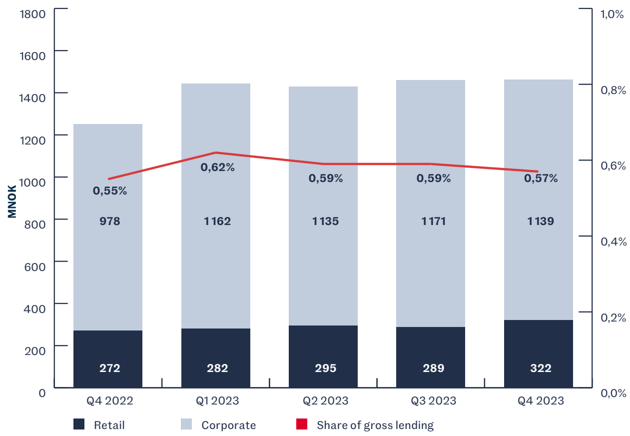
At the end of the fourth quarter, retail customers accounted for approximately 76% (75%) of the bank's credit portfolio. Around 99% (99%) of this portfolio consists of loans secured by residential mortgages.

Defaults and potential bad debt in the retail market amounted to a total of NOK 322 (272) million. This corresponds to 0.16% (0.16%) of gross lending to retail customers. This trend supports continued low risk in the portfolio.

Defaults and potential bad debt in the corporate market amounted to a total of NOK 1,139 (978) million. This corresponds to 1.87% (1.77%) of gross lending to corporate customers. The risk profile is considered moderate. Good portfolio management, close follow-up and moderate exposure to industries vulnerable to cyclical fluctuations help to mitigate the risk of loss.

Defaults and other potential bad debt amounted to 0.57% (0.55%) for retail and corporate customers combined.

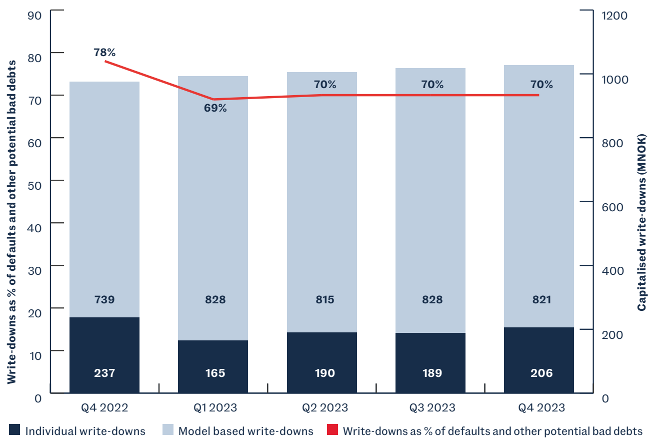
FIGURE 2 – DEFAULTS AND OTHER POTENTIAL BAD DEBT



Defaults and other potential bad debt in relation to gross lending is shown in Note 10.

Overall write-downs on the balance sheet amounted to NOK 1,026 (976) million at the end of the quarter. The loan loss provision ratio, defined as the ratio of total provisions to defaults and other potential bad debt, amounted to 70% (78%).

FIGURE 3 CAPITALISED WRITE-DOWNS AND LOAN LOSS PROVISION RATIO (AS A PERCENTAGE OF DEFAULTS AND OTHER POTENTIAL BAD DEBT)



The loan loss provision ratio for the retail market is 56% (44%) and for the corporate market 74% (87%). The decrease in the corporate market can largely be attributed to the redemption and recovery of individual loans that have previously had a high provision ratio. The level of provisions is considered robust overall.

MARKET RISK

The bank's interest rate and currency risk are managed within the risk tolerance adopted by the Board and considered to be low.

The bank is exposed to credit spread risk through the management of interest-bearing securities in the bank's liquidity portfolio. The portfolio primarily consists of securities issued by sovereign states, covered bond companies, municipalities and county authorities. The bank's credit spread risk amounted to NOK 350 (310) million at the end of the quarter.

The bank's stock market exposure (excluding subsidiaries and associated companies) amounted to NOK 560 (226) million at the end of the quarter. The increase in stock market exposure is due to the bank buying 2.4 million equity certificates in Sparebanken Sør in the quarter, which at the end of the quarter were worth approximately NOK 346 million.

LIQUIDITY AND FUNDING

The Group's liquidity situation is managed at an overarching level through the liquidity coverage ratio (LCR) framework, stress tests and the deposit-to-loan ratio. At the end of the quarter, the Group had an LCR of 184% (155%). The increase in LCR from Q4 2022 is within the range of normal variation. The bond portfolio amounted to approximately NOK 37 (31) billion. The increase is related to general growth in total assets. The bank's deposit-to-loan ratio was 48.3% (50.0%) at the end of the quarter, while the net stable funding ratio (NSFR) was 124% (123%).

Capital market financing, excluding subordinated loans and bonds, amounted to NOK 146.5 (119.8) billion. The average remaining term to maturity of market financing is 3.1 (3.2) years. At the end of the quarter, covered bonds made up approximately 85% (85%) of the bank's capital market financing.

RATING

In December 2023, Moody's confirmed the rating of the parent bank's long-term deposits, senior unsecured debt and counterparty risk as Aa3, and the rating of the bank's senior non-preferred debt as A3. Both ratings have a stable outlook.

Covered bonds issued by Sparebanken Vest Boligkreditt are also rated by Moody's and have an Aaa rating. Moody's has also issued a company rating for Sparebanken Vest Boligkreditt of Aa3 for senior unsecured debt in local currency and counterparty risk in both local and foreign currency. Sparebanken Vest Boligkreditt's covered bond rating now has a margin of four notches, which means that its corporate credit rating must be downgraded several notches before the Aaa rating for covered bonds is threatened. Sparebanken Vest Boligkreditt's corporate credit rating is closely linked to that of the parent bank. Changes in the parent bank's company rating may affect Boligkreditt's rating. The ratings have a stable outlook in line with the parent bank's rating.

THE BANK'S EQUITY CERTIFICATE (SVEG)

The profit per equity certificate was NOK 3.60 (2.34) for the fourth quarter, and was NOK 12.76 (10.29) for the year as a whole. At the end of the quarter, the book equity amounted to NOK 80.7 (75.9). The price of the equity certificate at the same time was NOK 109.4 (92.4). At the end of the quarter, the price-to-book ratio was thus 1.36 (1.22).

In Q4 2023, the bank's General Meeting approved an additional profit distribution for the accounting year 2022 of approximately NOK 811 million, of which donations for the public benefit amounted to approximately NOK 482 million and cash dividends to equity certificate holders approximately NOK 329 million, corresponding to NOK 3.0 per equity certificate. The dividend was paid on 1 November 2023.

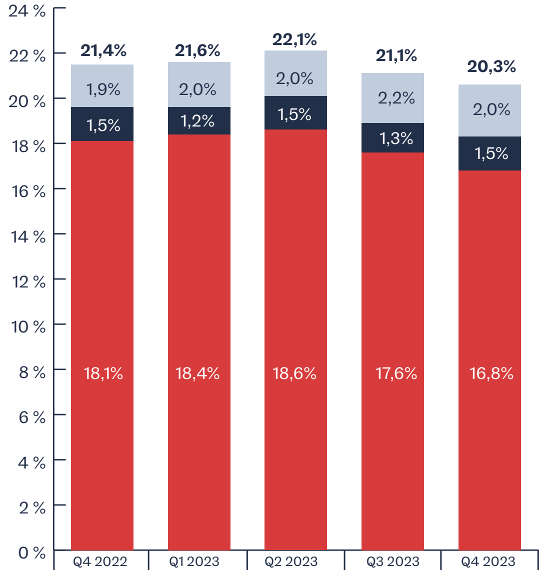
CAPITAL ADEQUACY

The bank's consolidated CET1 ratio was 16.8% (18.1%) at the end of the quarter. The CET1 ratio decreased by 0.8 percentage points in the quarter. Profit accumulation has a positive effect on the CET1 ratio, while good lending growth in the quarter and slightly higher risk weights on retail and corporate market customers reduce the CET1 ratio in the quarter.

During the quarter, the bank received a new Pillar 2 decision, which entered into force on 31 December 2023. The Pillar 2 requirement of 1.5% is unchanged from the previous applicable requirement but must now only be met by 0.8% CET1 capital. This means that the bank's current CET1 requirement is reduced to 14.8%, broken down into a combined minimum and buffer requirement of 14% and a statutory, bank-specific Pillar 2 requirement of 0.8%. A CET1 ratio of 16.8% means the bank had a margin of 2.0 percentage points to the requirement at the end of the quarter.

The bank's Board has adopted a capital adequacy target for CET1 capital that also takes into account a margin of 1.25 percentage points, in addition to all regulatory minimum, buffer and Pillar 2 requirements. As a result of the new Pillar 2 requirement which changed the composition of the capital base, the capital adequacy target is now 16.05%, and at the end of the quarter, the bank had a margin to the target of approximately 0.7 percentage points.

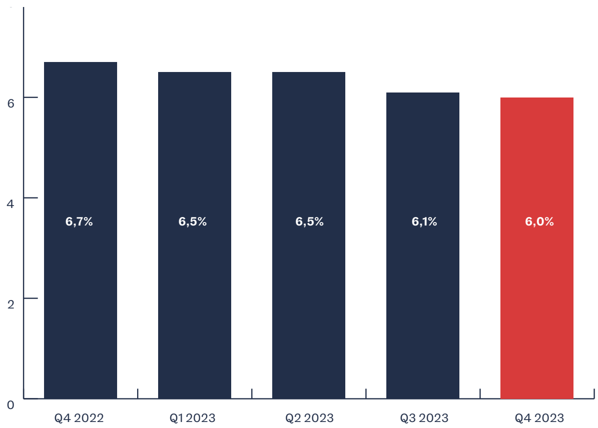
FIGURE 4: CAPITAL ADEQUACY



	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Total Capital	21,4%	21,6%	22,1%	21,1%	20,3%
Tier 2 Capital	1,9%	2,0%	2,0%	2,2%	2,0%
Additional Tier 1 capital	1,5%	1,2%	1,5%	1,3%	1,5%
CET1	18,1%	18,4%	18,6%	17,6%	16,8%

The leverage ratio was 6.0% (6.7%) at the end of the quarter. The bank meets the current regulatory minimum requirement (3%) by a good margin.

FIGURE 5: LEVERAGE RATIO



The bank's capital adequacy is specified in Note 14.

Business in subsidiaries and associated companies

SUBSIDIARIES

Eiendomsmegler Vest (holding 100%) recorded a pre-tax loss of NOK 7 (minus 13) million in the quarter. For the year as a whole a profit of NOK 2 (3) million was recorded. In its market area, Eiendomsmegler Vest had a market share of 12.0% (11.9%) in the quarter. For 2023 as a whole, the market share was 12.6% (12.8%).

Sparebanken Vest Boligkreditt AS (holding 100%) manages gross loans (mortgages) in the amount of NOK 141.6 (127.3) billion. At the end of Q4 2023, the company had issued covered bonds in the amount of NOK 123.8 (101.6) billion.

ASSOCIATED COMPANIES

The share of profits and losses from associated companies amounted to NOK 79 (95) million in the quarter, and NOK 215 (262) million for 2023 as a whole. It is recognised in the accounts in accordance with the equity method.

Frende Holding (holding 39.6%) recorded a pre-tax profit for the quarter of NOK 99 (186) million. The pre-tax profit for the year as a whole was NOK 140 (433) million.

The year 2023 was challenging within non-life insurance, with results affected by major natural disasters and relatively many large claims. Within life insurance the results continue to be challenging but the results are improved compared to 2022. The financial result for the quarter, including interest on a subordinated loan, was NOK 118 (32) million, while the financial result for the year as a whole was NOK 197 (minus 152) million, including interest on a subordinated loan.

The bank's share of profits from Frende Holding came to NOK 34 (55) million for the quarter. The bank's share of profits for 2023 as a whole came to NOK 51 (114) million.

Frende Skade recorded a pre-tax profit of NOK 108 (244) million in the quarter. The pre-tax profit for the year as a whole was NOK 168 (513) million. The company has total premiums of NOK 2,577 (2,384) million, divided between more than 171,440 customers. Its national market share at the end of Q3 2023 was 3.3% (3.3%).

The loss ratio for the quarter seen in isolation was 78.3% (44.5%), and 81.4% (55.2%) for the year as a whole. The year was characterised by natural disasters and relatively many large claims that resulted in a higher loss ratio than the year before, and a higher average claims ratio compared with previous years. Run-off losses for the quarter amounted to NOK 4 million, compared with NOK 127 million in run-off gains in Q4 2022. The run-off gains for the year as a whole amounted to NOK 5 (416) million. The loss ratio for the year would have been 81.6% (73.3%) excluding run-off gains, and 77.6% (65.9%) for the quarter seen in isolation.

Frende Liv recorded a pre-tax loss of NOK 2 (minus 52) million for the quarter. For the year as a whole, it recorded a profit of NOK 4 (minus 56) million. The risk result is significantly weaker than in previous years, affected by the development in disability products and accumulation of provisions. Frende Liv's portfolio premium amounted to NOK 668 (616) million at the end of the quarter.

Brage Finans (holding 49.99%) is a financing company that offers leasing and loans secured by the purchased object to the corporate and retail markets. The company's products are distributed through owner banks, its own sales organisation and via agents.

At the end of the quarter, Brage Finans had a gross lending portfolio of NOK 23.7 billion. This is an increase of NOK 3.2 billion (15%) since the end of Q4 2022.

The development in the Group's market areas was slightly weaker during the quarter, where the total market for new leasing and loan contracts has slowed down somewhat. However, Brage Finans continues to win market shares.

The pre-tax profit ended at NOK 127 (100) million for the quarter and NOK 463 (365) million for the year as a whole. Net interest income in the quarter amounted to NOK 212 (170) million and NOK 787 (626) million for 2023 as a whole. The increase is mainly the result of portfolio growth. The growth was supported by good cost control, which resulted in a cost ratio of 27% (26%) for the quarter and 27% (25%) for the year as a whole.

At the end of the quarter, Brage's consolidated CET1 ratio was 17.4% (17.1%), while the requirement was 15.0%. The company carried out a planned equity issue vis-à-vis existing owners at the start of the fourth quarter. In that connection, it received NOK 200 million in equity to support further growth in the portfolio.

The bank's share of profits from Brage Finans came to NOK 45 (37) million for the quarter and NOK 167 (132) million for the year as a whole.

Norne Securities (holding 41.8%) is a securities firm that offers investment services to the retail market, professional investors and companies. The turnover in 2023 ended at NOK 117 (155) million and the profit for the year amounted to NOK 3 (31) million.

The capital markets were characterised by turbulence and uncertainty again in 2023. The company has seen a good level of activity in Investment Banking, especially in the market for capital raising and mergers, but as a consequence of increased risk, and thus pricing uncertainty, it takes longer time to complete projects.

The fourth quarter is normally characterised by better transaction activity and higher earnings from the business area. This was also the case in 2023, where a significant contribution came from the role of adviser to a savings bank foundation that carried out a successful divestment of equity certificates. Activity vis-à-vis retail customers in share and fund trading is still at a good level, although it has decreased somewhat after the 'peak years' 2020 and 2021. In the retail market, the company develops services in close cooperation with the owner banks as distribution partners.

The bank's share of profits from Norne Securities came to NOK 2 (4) million for the quarter and NOK 1 (12) million for the year as a whole.

Balder Betaling (holding 38.5%) is a company that exercises ownership of Vipps Holding AS on behalf of Sparebanken Vest and 20 other savings banks. Sparebanken Vest is the largest owner of Balder Betaling with 38.5% of the shares. Balder Betaling has a holding of 10.6% in Vipps Holding AS, which owns 72.2% of the shares in Vipps MobilePay AS.

The bank's share of profits from Balder Betaling came to NOK 0 (0) million for the quarter and NOK 0 (0) million for the year as a whole.

THE BOARD OF DIRECTORS' PROPOSAL FOR THE ALLOCATION OF PROFIT

The Group's profit after tax in 2023 amounted to NOK 3,545 (2,817) million. With a deduction for the payment of interest on hybrid capital, the basis for dividend amounted to NOK 3,442 (2,759) million.

The owner fraction before the allocation of profit in 2023 was 40.7% (40.6%). The Board proposes a dividend of NOK 7.50 (5.50) per equity certificate for 2023. That means a total dividend payment of NOK 823 (603) million to equity certificate holders.

Furthermore, the Board proposes allocating NOK 1,050 (580) million in customer dividend and that NOK 150 (301) million be spent on donations for the public benefit.

In the fourth quarter of 2023, the bank made an additional distribution for the accounting year 2022 of about 811 million, where the society's share of the distribution of about 482 million in its entirety was set aside for donations for the public benefit.

After allocation of the profit for the year, the owner fraction will remain 40.7%.

POST BALANCE SHEET EVENTS

No significant events have taken place since the balance sheet date that affect the quarterly accounts.

OUTLOOK

Western Norway

Vestlandsindeksen is a quarterly index developed by Sparebanken Vest in cooperation with Respons Analyse to 'gauge the temperature' of business and industry in Western Norway. The Q4 2023 index is the 47th issue, and the survey was carried out among more than 700 companies in Western Norway. The index consists of the performance index, which shows how the companies have found the market situation over the last three months, and the expectation index, which measures their expectations of the market situation for the next six months.

The performance index for Q4 2023 decreased by 1.6 points to 55.9, from 57.5 points in Q3. The decline means that the performance index has fallen by 0.3 points overall since Q1 2023. Since the start of the year, the performance index has been 56.2, 56.1 and 57.5, which illustrates a more stable development in performance than in 2022. However, the decline from 57.5 to 55.9 is the largest observed in 2023. It is also the lowest performance index score recorded in 2023.

In Q4 2023, the expectation index showed a score of 55, a decrease of 2.2 points from the third quarter. In relation to its historical average, the expectation index is now a full 8.1 points below average. In Q4 2023, the expectation index also fell below the performance index for the fourth time since the launch of the index – all recorded after summer 2022. Based on the individual indicators, this can be attributed in particular to a decrease in expected demand, profitability and investment. Employment expectations going forward are relatively stable.

At sector level, building and construction has by far the lowest expectations, with only 47.1 points. This means that the sector again recorded historically low expectations, as it did in Q3 2023. Expectations are high among export-driven companies. Companies that derive more than half of their turnover from exports have an expectation index of 62 points, compared with 55 points for non-export-oriented companies. The same trend is observed in companies with a high share of turnover from oil and gas. These companies demonstrate an expectation of 64 points, which is a full 9.5 points higher than for companies that are not as strongly linked to the oil and gas industry. Companies that derive more than half of their turnover from the maritime sector follow the same trend as for the oil and gas industry.

Seventy-six per cent of the bank's lending portfolio consists of loans to households that are negatively affected by higher interest rates, inflation and rising unemployment. This impairs some households' personal finances and debt-servicing ability. Over time, reduced purchasing power can also negatively affect house prices. According to statistics from the Norwegian Labour and Welfare Administration (NAV), the unemployment rate in the counties in the bank's primary market area (Vestland, Rogaland and Møre og Romsdal) is now at around 1.7%, which is both a low level historically and below the national average of 1.9%. The trend has been stable to marginally rising over the last few months. There is reason to assume that unemployment will rise somewhat over the next quarters. A high wage settlement and financial buffers accumulated during the pandemic mitigate the challenges households face.

Sparebanken Vest

War in Europe and the Middle East, high inflation, a weak Norwegian krone, higher interest rates and high wage settlements have impacted the market in 2023. Norges Bank has raised the key interest rate significantly over the past two years. The goal has been to reduce pressure on the Norwegian economy. There is much to indicate that Norges Bank's use of the key interest rate as an instrument is now starting to take effect through lower growth and price developments. Both Norges Bank and the interest market expect a more stable interest rate level early in 2024, with potential interest rate cuts during the year.

An uncertain macroeconomic situation and lower growth combined with well-capitalised banks means the Board expects lower credit growth and further pressure on interest margins in 2024. This will particularly apply to loans to households. A target for lending growth in the bank's retail market division of 3–4% is ambitious in light of the macroeconomic situation, increased competition and increased customer mobility. The Bulder concept has seen very strong lending growth in 2023. The Board expects this to continue, and the bank's target is a lending portfolio of NOK 60 billion at the end of 2024. On a marginal basis, an ROE of 7–9% is expected for Bulder. This is within the bank's communicated profitability roadmap for the concept.

The bank's position in the corporate market has been strengthened in recent years, and access to customers and volume has been good. However, market developments will be somewhat more differentiated. Some industries, such as shipping and fisheries, still expect to see positive development. In building and construction, real estate and parts of the retail sector, development and growth will be more demanding. Combining good growth and good margins in the transition towards a greener lending portfolio will also be challenging. The Board nevertheless expects lending growth in the corporate market of 6–8% in 2024.

Defaults and losses are likely to be higher than in recent years, as changes in the macroeconomic situation materialise to a greater extent for households and businesses. Robust model-based provisions, good operations and sound equity capital mean the bank is well prepared to face more challenging market conditions.

Volatility is expected to continue in the capital markets. This affects the financial results of both the bank and associated companies. Even minor changes in credit and basis spreads can significantly affect the bank's accounts in the short term and the costs of the bank's future capital market financing.

In relation to comparable banks, Sparebanken Vest has the lowest cost-to-income ratio in the Norwegian market, a position it aims to maintain. Total cost growth in 2024 is estimated at around 5%, excluding strategic initiatives.

The Board emphasises that the bank must be capital-efficient, but at the same time well-capitalised in order to handle fluctuations in its framework conditions. Allocation of profits will naturally be adapted to the bank's profit performance, growth ambitions and regulatory requirements.

The objectives set for the bank's subsidiaries and associates support the Group's objectives, and they are expected to make increased contributions in 2024.

The Board assumes that the bank's ROE target of 13% and dividends payout ratio of around 50% will be achieved in 2024.

The Board and the bank's management have recently worked on updating and developing the bank's business strategy. This work has clarified the bank's strategic core, and also defined its strategic movements and strategic victories. The Board expects this work to further strengthen the bank's position going forward.

Structural changes in the savings bank sector have accelerated recently. Savings banks are merging, banks are moving between alliances and a major insurance merger has come to fruition. Sparebanken Vest stands firmly on its own, and the bank's development in recent years shows that it is an attractive player in the market. The Board emphasises that Sparebanken Vest will continue to be an independent and autonomous savings bank. However, the bank will explore opportunities in relevant processes if this supports its strategic foundation. An attempt will be made to develop cooperation among the Frende banks through the establishment of a looser, bank-driven and more cost-effective cooperation group compared with alliances in the sector.

Bergen, 31 January 2024
The Board of Directors of Sparebanken Vest

Arild Hugleik Bødal Chair	Magne Morken Deputy Chair	Kirsti Lovise Slotsvik
Agnethe Brekke	Christine Sagen Helgø	Gunnar Skeie
Stig Standal Taule	Marianne Dorthea Jacobsen	Kristin Røyrbotten Axelsen
Henrik Mogens Gundersen	Jan Erik Kjerpeseth CEO	

Financial highlights, Group

Summary of profit and loss	4Q 2023	4Q 2022	2023	2022	CHANGE 4Q-23 vs 3Q-23	4Q-23vs 4Q-22
Net interest and credit commission income	1 442	1 136	5 242	3 994	49	306
Net commission income and income from banking services	188	226	654	658	14	-38
Income from associated companies	79	95	215	262	57	-16
Net gain/(loss) on financial instruments	-23	-178	-87	74	17	155
Other operating income	53	53	263	256	-12	1
Net operating income	**1 739**	**1 331**	**6 285**	**5 244**	**125**	**408**
Operating expenses	439	452	1 772	1 687	3	-13
Write-downs of loans and losses on guarantees	13	38	95	52	-8	-26
Profit/loss before tax expense	**1 287**	**840**	**4 418**	**3 504**	**130**	**447**
Tax expense	286	191	874	687	15	95
Profit/loss for the period	**1 001**	**649**	**3 545**	**2 817**	**115**	**353**
Equity certificates share of profit/loss divided by the number of equity certificates	3,60	2,34	12,76	10,29		

Financial highlights, Group (cont.)

Key figures	4Q 2023	4Q 2022	2023	2022
Profitability				
Return on equity after tax	17,8%	12,5%	16,5%	14,6%
Net interest as a percentage of average assets under management	1,85%	1,67%	1,79%	1,56%
Net other operating income as a percentage of net operating revenues	17,4%	14,9%	16,9%	24,1%
Operating expenses as a percentage of net operating income (cost-income)	25,7%	34,5%	28,7%	32,5%
Operating expenses as a percentage of net operating income, corrected for financial instruments	25,3%	30,4%	28,3%	33,0%
Losses and defaults				
Losses on loans as a percentage of gross lending			0,04%	0,02%
Commitments in default (>90days) as a percentage of gross lending			0,31%	0,21%
Potential bad debt as a percentage of gross lending (before write-down)			0,57%	0,55%

Balance sheet figures and liquidity			31/12-23	31/12-22
Total assets			306 495	263 812
Average total assets	302 437	264 254	286 870	251 847
Gross loans to customers			256 644	225 374
Lending growth, last 12 months			13,9%	10,6%
Customer deposits			123 599	112 274
Deposit growth, last 12 months			10,1%	23,6%
Deposit coverage			48,3%	50,0%
Liquidity Coverage Ratio (LCR)			184%	155%
Capital adequacy				
Risk-weighted balance sheet total			108 026	97 627
Core Tier 1 capital adequacy			16,8%	18,1%
Core capital adequacy			18,3%	19,5%
Capital adequacy, transitional arrangement			20,3%	21,4%
Leverage ratio			6,0%	6,7%
Personnel				
Number of full-time equivalents			795	755
Number of branch offices			36	35

The equity certificate	4Q 2023	4Q 2022	31/12-23	31/12-22
Owner fraction on balance sheet date			40,7%	40,6%
Weighted owner fraction in the period	40,6%	40,2%	40,6%	40,0%
Equity cert. Capital's share of profit/loss divided by no of equity certificates (NOK)	3,60	2,34	12,76	10,29
Book equity per equity certificate			80,7	75,9
Listed price of equity certificate			109,4	92,4
Price-to-book			1,36	1,22

Income statement

PARENT BANK									GROUP
2022	2023	4Q 2022	4Q 2023		Notes	4Q 2023	4Q 2022	2023	2022
3 879	7 148	1 322	2 115	Interest income from asset valued at amortised cost		3 560	2 161	11 837	6 335
715	1 681	305	505	Interest income from asset valued at fair value		788	507	2 653	1 336
1 591	4 507	681	1 418	Interest expenses and similar expenses	4	2 906	1 533	9 249	3 677
3 003	**4 322**	**946**	**1 201**	**Net interest and credit commission income**		**1 442**	**1 136**	**5 242**	**3 994**
1 248	1 224	342	342	Commission income and income from banking services		220	254	783	775
115	127	28	32	Commission expenses and expenses relating to banking services		33	29	129	116
584	319	412	145	Income from ownership interests in associated companies		79	95	215	262
84	164	80	137	Net gain/(loss) on financial instruments		-23	-178	-87	74
3	0	2	0	Other operating income		53	53	263	256
1 804	1 580	809	592	Net other operating income	5	297	195	1 044	1 250
4 807	**5 902**	**1 755**	**1 793**	**Net operating income**		**1 739**	**1 331**	**6 285**	**5 244**
1 096	1 182	281	293	Payroll and general administration expenses		337	332	1 381	1 292
208	184	49	42	Depreciation		48	57	192	218
122	137	52	41	Other operating expenses		54	63	199	177
1 426	1 503	382	376	Total operating expenses	6	439	452	1 772	1 687
3 380	**4 399**	**1 372**	**1 417**	**Profit before write-downs and tax**		**1 300**	**878**	**4 513**	**3 556**
36	49	34	-4	Write-downs on loans and guarantees	7,8	13	38	95	52
3 344	**4 350**	**1 339**	**1 421**	**Pre-tax profit**		**1 287**	**840**	**4 418**	**3 504**
532	724	87	37	Tax		286	191	874	687
2 812	**3 626**	**1 252**	**1 383**	**Profit for the period**		**1 001**	**649**	**3 545**	**2 817**
2 754	3 524	1 231	1 352	Allocated to equity classes		970	628	3 442	2 759
58	103	20	31	Allocated to Additional Tier 1 capital		31	20	103	58
10,27	13,07	4,59	5,01	Profit/Diluted profit per equity certificate		3,60	2,34	12,76	10,29

Statement of comprehensive income

PARENT BANK									GROUP
2022	2023	4Q 2022	4Q 2023		Notes	4Q 2023	4Q 2022	2023	2022
2 812	**3 626**	**1 252**	**1 383**	**Profit/loss for the period**		**1 001**	**649**	**3 545**	**2 817**
76	-36	-21	-39	Changes in fair value due to credit risk – debt securities issued		15	97	190	324
0	0	0	0	Base margin from hedging instruments related to hedge accounting		-9	-24	-5	52
-16	9	8	10	Tax on other profit/loss elements		0	-12	-40	-82
60	**-27**	**-13**	**-29**	**Total other profit/loss elements in the period after tax**		**6**	**60**	**145**	**294**
2 872	**3 599**	**1 239**	**1 354**	**Total profit for the period**		**1 007**	**709**	**3 690**	**3 111**

Balance sheet

PARENT BANK				GROUP	
31/12-22	31/12-23		Notes	31/12-23	31/12-22
		Assets			
143	387	Cash and receivables from central banks		387	143
19 573	23 748	Loans to and receivables from credit institutions		3 154	1 018
97 258	114 222	Net lendings	8, 9, 10, 11	255 767	224 494
226	559	Shares at fair value through profit or loss		560	226
30 648	33 915	Commercial papers and bonds		36 560	30 825
4 894	4 608	Financial derivatives		5 401	2 575
5 413	6 588	Shareholdings in group companies			
1 544	1 681	Shareholdings in associated companies		2 798	2 586
314	485	Deferred tax assets		256	173
92	112	Pension assets		123	100
250	232	Other intangible assets		252	276
629	636	Tangible fixed assets		660	655
535	239	Prepaid expenses		44	107
243	183	Other assets		532	633
161 761	**187 595**	**Total assets**		**306 495**	**263 812**
		Liabilities and equity			
3 568	9 129	Liabilities to credit institutions		5 454	3 095
112 302	123 648	Deposits from customers	12	123 599	112 274
18 262	22 689	Securitised debt	16	146 484	119 836
2 507	4 540	Financial derivatives		1 670	1 922
202	184	Accrued expenses and pre-paid income		203	220
129	155	Pension obligation		167	139
96	146	Other provision for commitments	8	149	96
611	918	Tax liabilities		1 028	736
1 855	2 165	Subordinated loan capital	16	2 165	1 855
2 917	3 808	Other liabilities		2 152	1 746
142 448	**167 381**	**Total liabilities**		**283 071**	**241 919**
2 743	2 743	Equity certificates	15	2 743	2 743
-3	-1	Own equity certificates		-1	-3
1 966	1 966	Premium reserve		1 966	1 966
2 523	2 789	Equalisation reserve		3 612	3 127
7 230	7 497	Total equity certificate capital		8 320	7 833
10 373	10 750	Primary capital		11 951	11 254
150	150	Gift fund		150	150
36	36	Compensation fund		36	36
10 559	10 936	Total primary capital		12 136	11 440
94	114	Reserve for unrealised gains			
0	0	Other equity		1 299	1 189
1 431	1 668	Hybrid capital		1 668	1 431
19 313	**20 214**	**Total equity**		**23 423**	**21 893**
161 761	**187 595**	**Total liabilities and equity**		**306 495**	**263 812**

Cash flow statement

	GROUP	
	2023	**2022**
Cash flows from operations		
Interest, commission and customer fees received	13 773	7 624
Interest, commission and customer fees paid	-3 424	-1 262
Interest received on other investments	1 432	512
Interest paid on other borrowings	-5 684	-2 304
Payments to other suppliers for goods and services	-719	-665
Payment to employees, pension schemes, National Insurance contributions, tax withholdings etc.	-865	-829
Payment of taxes	-725	-694
Net cash flow from operations	**3 789**	**2 381**
Cash flows from investment activities		
Payments made/received on loans to customers	-30 843	-19 299
Payments made/received on receivables and tied-up loans to financial institutions	-1 985	247
Dividends received for securities not held for trading purposes	3	37
Payments made/received on purch./sales of shares not held for trading purposes	-288	-13
Payments made/received on purch./sales of other securities not held for trading purposes	-5 668	-7 794
Payments received from investments in associated companies	139	289
Payments made relating to investments in associated companies	-136	-284
Payments received from sale of fixed assets	6	0
Payments made on purchases of operating assets etc.	-107	-123
Net cash effect of merger with Etne Sparebank		27
Net cash flows from investment activities	**-38 880**	**-26 914**
Cash flows from financing activities		
Payments made/received on customer deposits	11 377	19 537
Payments made/received on deposits from Norges Bank and other financial institutions	4 238	-4 100
Payments received relating to subordinated loan capital	1 747	300
Payments related to redemptions of subordinated loan capital	-1 215	-412
Payments received on issuing bond debt	37 188	29 679
Payments made related to redemption of bond debt	-16 068	-19 632
Dividends paid / Donations for the public benefit	-1 932	-1 028
Net cash flow from financing activities	**35 335**	**24 342**
Net cash flow for the period	**244**	**-191**
Net change in cash and cash equivalents	**244**	**-191**
Cash and cash equivalents at beginning of period	143	334
Cash and cash equivalents at end of period	387	143

Changes in equity

Group	Equity certifi-cates	Own equity certifi-cates	Premium reserve	Equal-isation reserve	Primary capital	Gift fund	Comp. fund	Other equity	Hybrid-capital	Total
Equity at 31 Dec. 2021	**2 683**	**-5**	**1 837**	**2 499**	**10 366**	**150**	**14**	**857**	**1 406**	**19 808**
Profit/loss 2022				1 081	1 579			98	58	2 817
Other comprehensive income				24	36			234		294
Issue of new equity certificates	60		129				21			211
Distributed dividend and donations				-483	-725					-1 208
Purchase/sale of own equity certificates		2		5						7
Dividends on own equity certificates				1						1
Discount of ECCs sold to employees with a lock-in period				-1	-2					-3
Issue of new hybrid capital									320	320
Redemption of hybrid capital									-300	-300
Interest paid on hybrid capital									-54	-54
Equity at 31 Dec. 2022	**2 743**	**-3**	**1 966**	**3 127**	**11 254**	**150**	**36**	**1 189**	**1 431**	**21 893**
Profit/loss 2023				1 425	2 079			-62	103	3 545
Other comprehensive income				-11	-16			172		145
Distributed dividend and donations				-933	-1 363					-2 296
Purchase/sale of own equity certificates		2		4						6
Dividends on own equity certificates				1						1
Dividends on own equity certificates				-2	-3					-5
Issue of new hybrid capital									750	750
Redemption of hybrid capital									-520	-520
Interest paid on hybrid capital									-96	-96
Equity at 31 Dec. 2023	**2 743**	**-1**	**1 966**	**3 612**	**11 951**	**150**	**36**	**1 299**	**1 668**	**23 423**

Changes in equity (cont.)

PARENT BANK	Equity certifi-cates	Own equity certifi-cates	Premium reserve	Equal-isation reserve	Primary capital	Gift fund	Comp. fund	Reserve for un-realised gains	Hybrid-capital	Total
Equity at 31 Dec. 2021	**2 683**	**-5**	**1 837**	**2 016**	**9 641**	**150**	**14**	**0**	**1 406**	**17 744**
Profit/loss 2022				1 081	1 579			94	58	2 812
Other comprehensive income				24	36					60
Distributed dividend and donations				-603	-881					-1 485
Issue of new equity certificates	60		129				21			211
Purchase/sale of own equity certificates		2		5						7
Dividends on own equity certificates				1						1
Discount of ECCs sold to employees with a lock-in period				-1	-2					-3
Issue of new hybrid capital									320	320
Redemption of hybrid capital									-300	-300
Interest paid on hybrid capital									-54	-54
Equity at 31 Dec. 2022	**2 743**	**-3**	**1 966**	**2 523**	**10 373**	**150**	**36**	**94**	**1 431**	**19 313**
Profit/loss 2023				1 425	2 079			20	103	3 626
Other comprehensive income				-11	-16					-27
Distributed dividend and donations				-823	-1 200					-2 023
Distributed dividend and donations, extra				-329	-482					-811
Purchase/sale of own equity certificates		2		4						6
Dividends on own equity certificates				1						1
Discount of ECCs sold to employees with a lock-in period				-2	-3					-5
Issue of new hybrid capital									750	750
Redemption of hybrid capital									-520	-520
Interest paid on hybrid capital									-96	-96
Equity at 31 Dec. 2023	**2 743**	**-1**	**1 966**	**2 789**	**10 750**	**150**	**36**	**114**	**1 668**	**20 214**

Note 1 Accounting principles

The consolidated accounts for the fourth quarter 2023 were prepared in accordance with the requirements of IAS 34. The accounting principles are described in the annual report for 2022.

All amounts are stated in NOK million unless stated otherwise.

Note 2 Segment information

The management has evaluated the segments that it is appropriate to report in relation to corporate governance. The segments are: Corporate Banking, Retail, Bulder, Treasury and Real Estate Markets. Operating expenses are allocated, with the exception of IT costs, staff costs and depreciation. Net interest income is allocated based on internally calculated interest based on 3-month NIBOR.

	Banking operations						
GROUP	**Corporate market**	**Retail market**	**Bulder**	**Treasury**	**Estate agency business**	**Not allocated by segment**	**Total**
2023							
Income statement							
Net interest income	1 824	2 409	55	951	2		5 242
Other operating income	349	473	2	-41	260		1 044
Operating expenses	-133	-373	-83	-16	-261	-906	-1 772
Loss	-24	-60	-11				-95
Pre-tax profit	**2 016**	**2 449**	**-37**	**895**	**2**	**-906**	**4 418**
Tax expense							-874
Profit for the period							**3 545**
31/12-23							
Balance sheet							
Net lendings	56 350	152 621	46 796				255 767
Deposits	41 537	63 704	8 190	10 167			123 599
2022							
Income statement							
Net interest income	1 525	1 979	60	429	0		3 994
Other operating income	289	445	-1	267	250		1 250
Operating expenses	-135	-350	-75	-15	-247	-866	-1 687
Loss	-40	-11	-2				-52
Pre-tax profit	**1 640**	**2 063**	**-17**	**680**	**3**	**-866**	**3 504**
Tax expense							-687
Profit for the period							**2 817**
31/12-22							
Balance sheet							
Net lendings	50 758	149 511	24 225				224 494
Deposits	39 256	61 447	4 395	7 177			112 274

Note 3 Classification of financial assets and liabilities

The following table shows the classification of financial assets and liabilities under IFRS 9 on the balance sheet date.

GROUP

31/12-23 Financial assets	Fair value through profit or loss (mandatory)	Fair value through profit or loss (option)	Fair value through other comprehen-sive income	Hedge accounting	Amortised cost	Total book value
Cash in and receivables from central banks					387	387
Loans to and receivables from credit institutions					3 154	3 154
Loans to and receivables from customers		20 072			235 695	255 767
Shares, units and other equity interests	560					560
Certificates and bonds	36 560					36 560
Financial derivatives	3 457			1 944		5 401
Total financial assets	**40 577**	**20 072**	**0**	**1 944**	**239 235**	**301 829**
Financial commitments						
Deposits from and debt to credit institutions					5 454	5 454
Deposits from and debt to customers		1 824			121 775	123 599
Securitised debt [1]		58 224		20 577	67 683	146 484
Financial derivatives	1 298			372		1 670
Subordinated loan capital					2 165	2 165
Other provisions for liabilities					149	149
Total financial liabilities	**1 298**	**60 048**	**0**	**20 948**	**197 227**	**279 522**

PARENT BANK

31/12-23 Financial assets	Fair value through profit or loss (mandatory)	Fair value through profit or loss (option)	Fair value through other comprehen-sive income	Hedge accounting	Amortised cost	Total book value
Cash in and receivables from central banks					387	387
Loans to and receivables from credit institutions					23 748	23 748
Loans to and receivables from customers		4 591	50 090		59 542	114 222
Shares, units and other equity interests	559					559
Certificates and bonds	33 915					33 915
Financial derivatives	4 608					4 608
Total financial assets	**39 083**	**4 591**	**50 090**	**0**	**83 676**	**177 439**
Financial commitments						
Deposits from and debt to credit institutions					9 129	9 129
Deposits from and debt to customers		1 824			121 824	123 648
Securitised debt [1]		10 274			12 414	22 689
Financial derivatives	4 540					4 540
Subordinated loan capital					2 165	2 165
Other provisions for liabilities					146	146
Total financial liabilities	**4 540**	**12 098**	**0**	**0**	**145 679**	**162 316**

[1] Changes in fair value relating to changes in own credit risk are recognised in the statement of comprehensive income.

Note 3 Classification of financial assets and liabilities (cont.)

The following table shows the classification of financial assets and liabilities under IFRS 9 on the balance sheet date.

GROUP

31/12-22 Financial assets	Fair value through profit or loss (mandatory)	Fair value through profit or loss (option)	Fair value through other comprehen- sive income	Hedge accounting	Amortised cost	Total book value
Cash in and receivables from central banks					143	143
Loans to and receivables from credit institutions					1 018	1 018
Loans to and receivables from customers		22 840			201 654	224 494
Shares, units and other equity interests	226					226
Certificates and bonds	30 825					30 825
Financial derivatives	1 280			1 296		2 575
Total financial assets	**32 330**	**22 840**	**0**	**1 296**	**202 815**	**259 281**
Financial commitments						
Deposits from and debt to credit institutions					3 095	3 095
Deposits from and debt to customers		576			111 698	112 274
Securitised debt [1]		46 042		19 093	54 701	119 836
Financial derivatives	1 792			130		1 922
Subordinated loan capital					1 855	1 855
Other provisions for liabilities					96	96
Total financial liabilities	**1 792**	**46 618**	**0**	**19 223**	**171 444**	**239 077**

PARENT BANK

31/12-22 Financial assets	Fair value through profit or loss (mandatory)	Fair value through profit or loss (option)	Fair value through other comprehen- sive income	Hedge accounting	Amortised cost	Total book value
Cash in and receivables from central banks					143	143
Loans to and receivables from credit institutions					19 573	19 573
Loans to and receivables from customers		4 797	36 561		55 900	97 258
Shares, units and other equity interests	226					226
Certificates and bonds	30 648					30 648
Financial derivatives	4 894					4 894
Total financial assets	**35 769**	**4 797**	**36 561**	**0**	**75 615**	**152 742**
Financial commitments						
Deposits from and debt to credit institutions					3 568	3 568
Deposits from and debt to customers		576			111 726	112 302
Securitised debt [1]		8 239			10 023	18 262
Financial derivatives	2 507					2 507
Subordinated loan capital					1 855	1 855
Other provisions for liabilities					96	96
Total financial liabilities	**2 507**	**8 815**	**0**	**0**	**127 267**	**138 589**

[1] Changes in fair value relating to changes in own credit risk are recognised in the statement of comprehensive income.

Note 4 Net interest and credit commission income

PARENT BANK								GROUP
2022	2023	4Q 2022	4Q 2023		4Q 2023	4Q 2022	2023	2022
460	1 049	174	335	Interest and similar income from loans to and receivables from credit institutions valued at amortised cost	45	9	77	21
3 419	6 099	1 148	1 780	Interest and similar income from loans to and receivables from customers valued at amortised cost	3 515	2 152	11 760	6 314
152	296	58	83	Interest and similar income from loans to and receivables from customers valued at fair value	331	258	1 199	758
563	1 386	247	422	Interest and similar income from commercial papers, bonds and other interest-bearing securities	456	250	1 455	578
4 594	**8 830**	**1 627**	**2 619**	**Interest income and similar income**	**4 347**	**2 668**	**14 490**	**7 671**
51	277	26	90	Interest and similar expenses on debt to credit institutions	67	11	200	23
1 077	3 306	487	1 029	Interest and similar expenses on deposits from and debt to customers	994	483	3 228	1 073
322	707	128	235	Interest and similar expenses on issued securities	1 772	998	5 567	2 423
55	113	20	35	Interest and similar expenses on subordinated loan capital	35	20	113	55
16	17	4	5	Other interest expenses etc. [1)]	8	5	24	18
71	88	18	23	Fee Norwegian Banks' Guarantee Fund	29	16	118	85
1 591	**4 507**	**681**	**1 418**	**Interest expenses and similar expenses**	**2 906**	**1 533**	**9 249**	**3 677**
3 003	**4 322**	**946**	**1 201**	**Net interest and credit commission income**	**1 442**	**1 136**	**5 242**	**3 994**

[1)] Interest from derivatives entered into to manage the interest rate risk attached to the bank's ordinary portfolios is classified as interest income and recognised as an adjustment of the bank's other interest income/ interest expenses.

Note 5 Net other operating income

PARENT BANK								GROUP
2022	2023	4Q 2022	4Q 2023		4Q 2023	4Q 2022	2023	2022
43	56	12	14	Guarantee commissions	14	12	56	43
357	383	91	95	Fees from payment transfers	95	91	383	357
162	111	82	32	Income from insurance	32	82	111	162
120	120	29	32	Commission income from savings and investment products	32	29	120	120
473	442	88	122	Commission income from group companies				
92	112	41	47	Other commissions and fees	48	41	112	92
1 248	**1 224**	**342**	**342**	**Commission income and income from banking services**	**220**	**254**	**783**	**775**
103	116	26	27	Fees payment transfers	27	26	116	103
8	4	1	1	Expenses related to savings and investment products	1	1	4	8
3	7	1	4	Other commissions and fees	5	1	9	4
115	**127**	**28**	**32**	**Commission expenses and expenses relating to banking services**	**33**	**29**	**129**	**116**
1 133	**1097**	**314**	**310**	**Net banking services**	**188**	**226**	**654**	**658**
584	**319**	**412**	**145**	**Income from shareholdings in group companies and associated companies**	**79**	**95**	**215**	**262**
37	3	25	0	Dividend	0	25	3	37
37	44	-14	50	Gain/(loss) on shares	50	-14	44	5
-130	-25	21	-1	Gain/(loss) on commercial papers and bonds [1]	-4	27	-37	-126
57	-148	29	-130	Gain/(loss) on financial instruments, designated at fair value [1]	-103	-232	-201	83
85	293	18	219	Gain/(loss) related to positions to customers and trading	50	17	125	85
				Net gain/(loss) on financial instruments designated for hedge accounting	-10	-1	-10	1
-2	-3	0	-1	Other gain/(loss)	-5	0	-10	-11
84	**164**	**80**	**137**	**Net gain/(loss) on financial instruments**	**-23**	**-178**	**-87**	**74**
0	0	0	0	Brokerage commission	53	50	261	251
3	0	2	0	Other operating income	1	3	2	5
3	**0**	**2**	**0**	**Other operating income**	**53**	**53**	**263**	**256**
1 804	**1 580**	**809**	**592**	**Net other operating income**	**297**	**195**	**1044**	**1 250**

[1] The value adjustment of derivatives used to manage interest and currency risk is distributed between the financial instruments they are managed together with.

Note 6 Operating expenses

PARENT BANK								GROUP
2022	2023	4Q 2022	4Q 2023		4Q 2023	4Q 2022	2023	2022
576	625	134	159	Payroll expenses including empl.Nat.Ins.contributins	194	168	777	722
83	78	22	14	Pension expenses	18	26	90	94
47	40	19	12	Other personnel expences	11	24	52	59
78	79	23	19	External fees	20	25	82	82
255	304	68	77	ICT expenses	80	71	316	267
57	55	15	12	Marketing	13	18	64	67
1 096	**1 182**	**281**	**293**	**Payroll and general administration expenses**	**337**	**332**	**1 381**	**1 292**
208	**184**	**49**	**42**	**Depreciation**	**48**	**57**	**192**	**218**
23	26	5	5	Operating expenses, premises	9	9	42	37
31	20	31	20	Wealth tax	20	31	20	31
67	91	15	16	Other operating expenses	24	23	136	108
122	**137**	**52**	**41**	**Total other operating expenses**	**54**	**63**	**199**	**177**
1 426	**1 503**	**382**	**376**	**Total operating expenses**	**439**	**452**	**1 772**	**1 687**

Note 7 Losses on loans, guarantees, unused credit facilities and loan approvals

PARENT BANK								GROUP
2022	2023	4Q 2022	4Q 2023		4Q 2023	4Q 2022	2023	2022
27	-4	38	9	Losses on loans in the period	25	43	40	43
9	53	-5	-13	Losses on guarantees, unused credit facilities and loan approvals in the period	-13	-5	55	9
36	**49**	**34**	**-4**	**Loss cost for the period**	**13**	**38**	**95**	**52**

Note 8 Write-down on loans, guarantees, unused credit facilities and loan approvals

GROUP

31/12-23 Changes in write-downs under IFRS 9 on loans, guarantees, unused credit facilities and loan approvals	Calculated by model			Total calculated by model losses	Individually assessed	
	Stage 1	Stage 2	Stage 3		Stage 3	Total
Loss provision in opening balance	**199**	**336**	**205**	**739**	**237**	**976**
Transferred to 12-month ECL (Stage 1)	92	-83	-9	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-21	34	-6	7	-7	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Calculated by model	-1	-26	30	3	-3	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Individually assessed	0	-12	-9	-21	21	0
Net new measurement of losses	-12	19	72	80	191	270
Newly issued or acquired financial assets	158	59	31	248	19	266
Financial assets derecognised	-96	-79	-59	-234	-252	-486
Currency effects and other changes	0	0	0	0	1	1
Loss provision closing balance	**319**	**247**	**255**	**821**	**206**	**1 026**
Loan loss provision	244	208	220	672	205	878
Provision for guarantees, unused credit facilities and loan approvals	75	39	35	148	0	149
Total loss provision	**319**	**247**	**255**	**821**	**206**	**1 026**
Gross lending recognised at amortised cost, allocated to different stages opening balance	189 124	12 010	776	201 910	624	202 534
Gross lending recognised at amortised cost, allocated to different stages closing balance	220 503	14 636	940	236 079	494	236 572
Distribution corporate market/retail market						
Write-downs in opening balance						
Corporate Market	172	278	177	628	227	855
Retail Market	26	57	27	111	10	120
Total write-down	**199**	**336**	**205**	**739**	**237**	**976**
Write-downs closing balance						
Corporate Market	264	181	201	647	198	845
Retail Market	55	66	54	175	8	181
Total write-down	**319**	**247**	**255**	**821**	**206**	**1 026**
Loss cost for the period:						
Changes in individual write-downs for the period						-31
Currency gain and other changes						1
Confirmed loss in the period with previous individual write-down						18
Confirmed loss in the period with no previous individual write-down						36
Recoveries in previously confirmed write-downs						-11
Net effect on profit/loss from individual write-downs						13
Changes in losses for the period, calculated by model (Stage 1-3)						82
Loss cost for the period on loans, guarantees, unused credit and loan approvals						**95**
Gross lending recognised at amortised cost closing balance	220 503	14 636	940	236 079	494	236 572
Loss write-down	-244	-208	-220	-672	-205	-878
Net lending recognised at amortised cost in the balance sheet	220 259	14 428	720	235 407	288	235 695
Loans valued at fair value						20 072
Capitalised lending closing balance						**255 767**

ECL = Expected Credit Loss

In line with IFRS 9, the bank groups its loans into three stages based on the probability of default (PD) at the time of recognition compared with the balance sheet date, and checking the watch list, forbearance and instalments paid more than 30 days after the due date. In other words, each individual loan (or commitment) is classified as Stage 1, 2 or 3. All commitments recognised at amortised cost are included in the model.

Stage 1 is the starting point for financial assets covered by the general loss model, for which a provision will be made corresponding to 12-month expected losses. Stage 2 includes assets for which the credit risk has increased significantly since initial recognition, but where there is no objective evidence of a loss. Commitments at Stage 1 and 2 are assessed at portfolio level (calculated by model).

Note 8 Write-down on loans, guarantees, unused credit facilities and loan approvals (cont.)

Stage 3 of the model includes assets for which the credit risk has increased significantly since initial recognition, and where there has been objective evidence of a loss event on the balance sheet date. They are divided into loans that have been individually assessed and loans assessed at portfolio level (calculated by model).

Transfer between the stages shows how much of expected credit losses in the opening balance have migrated from the other stages. The effect of the new measurement method and new calculation in the quarter is presented on the line 'Net new measurement of losses'.

Confirmation of the loss write-down (booked against the customer's commitment) takes place when all security has been realised and it is certain that the bank will receive no further payments on the loan. The claim on the customer remains and will be followed up, unless it has been agreed with the customer that the loan is to be written off. Write-downs of guarantees, unused credit facilities and loan approvals include off-balance sheet items and are recognised as debt obligations in the accounts.

GROUP

31/12-22 **Changes in write-downs under IFRS 9 on loans, guarantees, unused credit facilities and loan approvals**	**Calculated by model**			**Total calculated by model losses**	**Individually assessed**	
	Stage 1	**Stage 2**	**Stage 3**		**Stage 3**	**Total**
Loss provision in opening balance	**169**	**344**	**212**	**725**	**221**	**946**
Transferred to 12-month ECL (Stage 1)	80	-59	-4	17	-17	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-19	63	-44	0	0	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Calculated by model	-1	-16	21	4	-4	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Individually assessed	0	-3	-3	-6	6	0
Net new measurement of losses	-69	81	58	71	60	131
Newly issued or acquired financial assets	117	55	26	197	26	223
Financial assets derecognised	-81	-129	-62	-272	-60	-333
Currency effects and other changes	4	0	0	4	6	9
Loss provision closing balance	**199**	**336**	**205**	**739**	**237**	**976**
Loan loss provision	163	279	201	644	236	880
Provision for guarantees, unused credit facilities and loan approvals	35	56	4	95	0	96
Total loss provision	**199**	**336**	**205**	**739**	**237**	**976**
Gross lending recognised at amortised cost, allocated to different stages opening balance	163 156	11 575	780	175 511	656	176 167
Gross lending recognised at amortised cost, allocated to different stages closing balance	189 124	12 010	776	201 910	624	202 534
Distribution corporate market/retail market						
Write-downs in opening balance						
Corporate Market	153	300	176	629	206	835
Retail Market	16	43	36	95	15	111
Total write-down	**169**	**344**	**212**	**725**	**221**	**946**
Write-downs closing balance						
Corporate Market	172	278	177	628	227	855
Retail Market	26	57	27	111	10	120
Total write-down	**199**	**336**	**205**	**739**	**237**	**976**
Loss cost for the period:						
Changes in individual write-downs for the period						16
Currency gain and other changes						-6
Confirmed loss in the period with previous individual write-down						18
Confirmed loss in the period with no previous individual write-down						34
Recoveries in previously confirmed write-downs						-20
Net effect on profit/loss from individual write-downs						42
Changes in losses for the period, calculated by model (Stage 1-3)						11
Loss cost for the period on loans, guarantees, unused credit and loan approvals						**52**
Gross lending recognised at amortised cost closing balance	189 124	12 010	776	201 910	624	202 534
Loss write-down	-163	-279	-201	-644	-236	-880
Net lending recognised at amortised cost in the balance sheet	188 961	11 731	575	201 267	387	201 654
Loans valued at fair value						22 840
Capitalised lending closing balance						**224 494**

ECL = Expected Credit Loss

Note 8 Write-down on loans, guarantees, unused credit facilities and loan approvals (cont.)

PARENT BANK

31/12-23 **Changes in write-downs under IFRS 9 on loans, guarantees, unused credit facilities and loan approvals**	**Calculated by model**			**Total calculated by model losses**	**Individually assessed**	
	Stage 1	**Stage 2**	**Stage 3**		**Stage 3**	**Total**
Loss provision in opening balance	**190**	**303**	**194**	**687**	**237**	**923**
Transferred to 12-month ECL (Stage 1)	81	-72	-9	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-20	32	-5	7	-7	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Calculated by model	0	-25	29	3	-3	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Individually assessed	0	-12	-8	-21	21	0
Net new measurement of losses	-18	-6	47	23	191	214
Newly issued or acquired financial assets	149	57	38	244	19	263
Financial assets derecognised	-94	-70	-53	-218	-252	-470
Currency effects and other changes	0	0	0	0	1	1
Loss provision closing balance	**287**	**205**	**233**	**725**	**206**	**930**
Loan loss provision	214	167	198	579	205	784
Provision for guarantees, unused credit facilities and loan approvals	73	38	35	146	0	146
Total loss provision	**287**	**205**	**233**	**725**	**206**	**930**

Loss cost for the period:	
Changes in individual write-downs for the period	-31
Currency gain and other changes	1
Confirmed loss in the period with previous individual write-down	18
Confirmed loss in the period with no previous individual write-down	33
Recoveries in previously confirmed write-downs	-10
Net effect on profit/loss from individual write-downs	11
Changes in losses for the period, calculated by model (Stage 1-3)	38
Loss cost for the period on loans, guarantees, unused credit and loan approvals	**49**

	Stage 1	Stage 2	Stage 3	Total calculated by model losses	Individually assessed Stage 3	Total
Gross lending recognised at amortised cost or fair value through other comprehensive income closing balance	98 094	11 009	822	109 925	490	110 415
Loss write-down	-214	-167	-198	-579	-205	-784
Net lending	97 880	10 843	624	109 347	285	109 631
Loans valued at fair value						4 591
Capitalised lending closing balance						**114 222**

Note 8 Write-down on loans, guarantees, unused credit facilities and loan approvals (cont.)

PARENT BANK

31/12-22 Changes in write-downs under IFRS 9 on loans, guarantees, unused credit facilities and loan approvals	Calculated by model			Total calculated by model losses	Individually assessed	
	Stage 1	Stage 2	Stage 3		Stage 3	Total
Loss provision in opening balance	**162**	**320**	**201**	**683**	**221**	**904**
Transferred to 12-month ECL (Stage 1)	75	-54	-3	17	-17	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-19	61	-42	0	0	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Calculated by model	-1	-15	20	4	-4	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Individually assessed	0	-3	-3	-6	6	0
Net new measurement of losses	-65	68	52	56	60	116
Newly issued or acquired financial assets	113	50	26	189	26	215
Financial assets derecognised	-80	-124	-56	-260	-60	-320
Currency effects and other changes	4	0	0	4	6	9
Loss provision closing balance	**190**	**303**	**194**	**687**	**237**	**923**
Loan loss provision	155	246	191	592	236	828
Provision for guarantees, unused credit facilities and loan approvals	35	56	4	95	0	96
Total loss provision	**190**	**303**	**194**	**687**	**237**	**923**

Loss cost for the period:	
Changes in individual write-downs for the period	16
Currency gain and other changes	-6
Confirmed loss in the period with previous individual write-down	16
Confirmed loss in the period with no previous individual write-down	29
Recoveries in previously confirmed write-downs	-19
Net effect on profit/loss from individual write-downs	36
Changes in losses for the period, calculated by model (Stage 1-3)	0
Loss cost for the period on loans, guarantees, unused credit and loan approvals	**36**

	Stage 1	Stage 2	Stage 3	Total calculated by model losses	Individually assessed Stage 3	Total
Gross lending recognised at amortised cost or fair value through other comprehensive income closing balance	83 568	8 461	636	92 665	623	93 288
Loss write-down	-155	-246	-191	-592	-236	-828
Net lending	83 413	8 214	445	92 073	387	92 460
Loans valued at fair value						4 797
Capitalised lending closing balance						**97 258**

Note 9 Breakdown of gross lending between different stages of IFRS 9

GROUP

31/12-23	Calculated by model			Total calculated by model losses	Individually assessed	
Gross lending recognised at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**		**Stage 3**	**Total**
Gross lending opening balance	**189 124**	**12 010**	**776**	**201 910**	**624**	**202 534**
Transferred to 12-month ECL (Stage 1)	3 986	-3 951	-35	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-7 115	7 172	-43	14	-14	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 3) – Model-based	-75	-327	402	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 3) – Individually assessed	-20	-239	-36	-295	295	0
Newly issued or acquired financial assets	89 287	3 584	111	92 981	45	93 027
Financial assets derecognised – excluding loss write-down	-60 291	-4 345	-298	-64 934	-513	-65 446
Net change in existing loans	5 608	731	62	6 402	56	6 458
Gross lending closing balance recognised at amortised cost	**220 503**	**14 636**	**940**	**236 079**	**494**	**236 572**
Impairment loss	-244	-208	-220	-672	-205	-878
Net lending at closing balance recognised at amortised cost	220 259	14 428	720	235 407	288	235 695
Lending valued at fair value						20 072
Capitalised lending closing balance						**255 767**
Gross lending recognised at amortised cost, allocated to different stages closing balance	**220 503**	**14 636**	**940**	**236 079**	**494**	**236 572**
** Of which Corporate Market*	49 121	9 056	660	58 837	479	59 316
** Of which Retail Market – mortgages*	170 844	5 469	271	176 583	0	176 583
** Of which Retail Market – unsecured loans/other*	538	111	9	658	15	673

31/12-22	Calculated by model			Total calculated by model losses	Individually assessed	
Gross lending recognised at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**		**Stage 3**	**Total**
Gross lending opening balance	**163 156**	**11 575**	**780**	**175 511**	**656**	**176 168**
Transferred to 12-month ECL (Stage 1)	2 452	-2 379	-23	50	-50	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-4 862	5 004	-142	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 3) – Model-based	-75	-220	305	10	-10	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 3) – Individually assessed	-12	-28	-18	-57	57	0
Newly issued or acquired financial assets	71 866	2 061	78	74 006	120	74 125
Financial assets derecognised – excluding loss write-down	-51 207	-4 546	-382	-56 134	-164	-56 298
Net change in existing loans	5 565	481	94	6 139	14	6 153
Other movements	2 241	61	84	2 386	0	2 386
Gross lending closing balance recognised at amortised cost	**189 124**	**12 010**	**776**	**201 910**	**624**	**202 534**
Impairment loss	-163	-279	-201	-644	-236	-880
Net lending at closing balance recognised at amortised cost	188 961	11 731	575	201 267	387	201 654
Lending valued at fair value						22 840
Capitalised lending closing balance						**224 494**
Gross lending recognised at amortised cost, allocated to different stages closing balance	**189 124**	**12 010**	**776**	**201 910**	**624**	**202 534**
** Of which Corporate Market*	44 888	6 965	524	52 377	610	52 987
** Of which Retail Market – mortgages*	143 395	4 981	240	148 617	10	148 627
** Of which Retail Market – unsecured loans/other*	841	64	12	917	4	920

Note 10 Defaults and other problem loans

The table shows the recognised defaults and other potential bad debt, where the total reported is based on definitions pursuant to the Basel regulations.

PARENT BANK				GROUP		
31/12-23				31/12-23		
Retail market	Corporate market	Total		Retail market	Corporate market	Total
87	669	756	Gross loans in defaults of payment exceeding 90 days	116	672	788
115	463	578	Gross other defaults and other problem loans	206	467	674
202	**1 132**	**1 334**	**Gross default and other problem loans**	**322**	**1 139**	**1 462**
-38	-365	-403	– Total write-downs stage 3	-60	-365	-425
163	**768**	**931**	**Net default and other problem loans**	**262**	**774**	**1 036**

31/12-22				31/12-22		
Retail market	Corporate market	Total		Retail market	Corporate market	Total
62	355	418	Gross loans in defaults of payment exceeding 90 days	112	360	472
76	613	689	Gross other defaults and other problem loans	160	618	779
138	**968**	**1 107**	**Gross default and other problem loans**	**272**	**978**	**1 250**
-24	-403	-427	– Total write-downs stage 3	-34	-404	-437
114	**565**	**680**	**Net default and other problem loans**	**239**	**575**	**813**

Age distribution of commitments in default

The table shows the book value of loans registered with default, where the default exceeds NOK 1 000 on one of the commitment's accounts and constitutes at least 1% of the commitment size for the Retail Market. The same applies to the Corporate Market, but here the amount limit is NOK 2 000.

PARENT BANK				GROUP		
31/12-23				31/12-23		
Retail market	Corporate market	Total		Retail market	Corporate market	Total
80	407	487	Up to 30 days	163	410	573
26	107	133	31-90 days	57	107	164
87	669	756	More than 90 days	116	672	788
193	**1 182**	**1 376**	**Gross loans in default of payment**	**337**	**1 188**	**1 525**

31/12-22				31/12-22		
Retail market	Corporate market	Total		Retail market	Corporate market	Total
79	174	254	Up to 30 days	165	180	346
30	175	205	31-90 days	64	175	239
62	355	418	More than 90 days	112	360	472
171	**705**	**876**	**Gross loans in default of payment**	**341**	**716**	**1 056**

Note 11 Loans by sector and industry

PARENT BANK				GROUP
31/12-22	31/12-23		31/12-23	31/12-22
9 393	11 090	Primary industries	11 499	9 882
3 990	3 621	Manufacturing and mining	3 696	4 056
2 480	2 628	Power and water supply	2 637	2 487
6 343	7 017	Building and construction	7 369	6 714
2 617	2 991	Commerce	3 130	2 757
8 071	8 119	International shipping and transport	8 418	8 384
595	634	Hotel and restaurants	682	655
16 515	18 708	Property management	18 740	16 549
2 692	3 552	Services	4 256	3 369
66	63	Municipal/public sector	63	66
445	444	Other financial undertakings	444	445
53 206	58 867	Total corporate sector	60 933	55 364
44 880	56 139	Retail customers	195 711	170 010
98 085	**115 006**	**Total gross loans to customers**	**256 644**	**225 374**
828	784	Total write-downs on loans	878	880
97 258	**114 222**	**Total net loans to customers**	**255 767**	**224 494**

Note 12 Deposits by sector and industry

PARENT BANK				GROUP
31/12-22	31/12-23		31/12-23	31/12-22
5 763	6 252	Primary industries	6 252	5 763
7 403	9 907	Manufacturing and mining	9 907	7 403
1 742	1 227	Power and water supply	1 227	1 742
3 784	3 859	Building and construction	3 859	3 784
2 816	3 310	Commerce	3 310	2 816
4 348	6 137	International shipping and transport	6 137	4 348
537	573	Hotel and restaurants	573	537
6 587	6 390	Property management	6 379	6 580
9 983	11 512	Services	11 470	9 958
2 495	2 313	Municipal/public sector	2 313	2 495
4 281	3 581	Other financial undertakings	3 581	4 281
49 739	55 061	Total corporate sector	55 007	49 707
62 563	68 587	Retail customers	68 592	62 567
112 302	**123 648**	**Total deposits to customers**	**123 599**	**112 274**

Note 13 Valuation hierarchy for financial instruments at fair value

Level 1
Financial instruments traded in active markets are classified as level 1. A market is deemed to be active if the market prices are easily and regularly available from a stock exchange, broker, industry group, pricing service or regulatory authority, and these prices represent actual and regularly occurring market transactions at arm's length. The market price used for financial assets is the applicable purchase price, while the applicable sales price is used for financial commitments. Instruments included in level 1 comprise some treasury certificates.

Level 2
The fair value of financial instruments that are not traded in an active market is determined by using valuation methods. These valuation methods maximise the use of observable data where available and, as far as possible, are not based on the group's own estimates. If all the material data required to determine the fair value of an instrument are observable data, the instrument is included in level 2. Instruments included in level 2 comprise loans to customers, equity instruments on the OTC list, other certificates and bonds, financial derivatives and all financial commitments valued at fair value.

Level 3
If one or more data items are not based on observable market information, the instrument is included in level 3. Non-listed equity instruments, certain equity instruments on the OTC list and loans to customers valued at fair value are classified at level 3.

Financial instruments valued at fair value				**GROUP**
31/12-23	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Loans to customers			20 072	20 072
Shares	386		174	560
Commercial papers and bonds	10 894	25 666		36 560
Financial derivatives		3 457		3 457
Financial derivatives designated for hedge accounting		1 944		1 944
Total	**11 281**	**31 067**	**20 246**	**62 593**
Liabilities				
Deposits from and debt to customers		1 824		1 824
Securitised debt		58 224		58 224
Financial derivatives		1 298		1 298
Financial derivatives designated for hedge accounting		372		372
Total	**0**	**61 718**	**0**	**61 718**

	Loans to customers	**Shares**
Financial Instruments valued at level 3 – opening balance	**22 840**	**183**
Additions/acquisitions	1 873	78
Sales/redemption/repayment	-4 913	-83
This years value adjustment	272	-4
Reclassification between levels 2 and 3	0	0
Financial instruments valued at level 3 – closing balance	**20 072**	**174**

Note 13 Valuation hierarchy for financial instruments at fair value (cont.)

				GROUP
31/12-22	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Loans to customers			22 840	22 840
Shares	44		183	226
Certificates and bonds	11 775	19 049		30 825
Financial derivatives		1 280		1 280
Financial derivatives designated for hedge accounting		1 296		1 296
Total	**11 819**	**21 624**	**23 023**	**56 466**
Liabilities				
Deposits from and debt to customers		576		576
Securitised debt		46 042		46 042
Financial derivatives		1 922		1 922
Total	**0**	**48 540**	**0**	**48 540**

	Loans to customers	**Shares**
Financial Instruments valued at level 3 – opening balance	**27 667**	**217**
Additions/acquisitions	2 063	28
Sales/redemption/repayment	-6 312	-29
This years value adjustment	-579	-33
Reclassification between levels 2 and 3	0	0
Financial instruments valued at level 3 – closing balance	**22 840**	**183**

Note 14 Capital adequacy

PARENT BANK 31/12-22	31/12-23	Capital adequacy	31/12-23	GROUP 31/12-22
		Risk-weighted volume		
24 080	25 517	Enterprise – SME	25 517	24 083
692	1 039	Enterprise – Specialised	1 039	692
6 538	8 186	Enterprise – Other	8 186	6 538
678	922	Mass market with secured by property – SME	1 618	1 410
12 661	16 503	Mass market with mortgage secured by property – not SME	43 019	38 500
45	58	Mass market – Other SMEs	58	45
1 331	1 288	Mass market – Other not-SMEs	1 293	1 344
3 517	4 942	Equity positions IRB	0	0
49 542	58 455	Total credit risk IRB	80 729	72 613
7 197	8 391	Operational risk	9 052	7 908
29 219	17 234	Commitment pursuant to the standard method	16 716	15 506
1 422	1 414	Risk of credit valuation adjustment for counterparty (CVA)	1 529	1 600
87 380	**85 494**	**Total risk-weighted volume**	**108 026**	**97 627**
		Own funds		
2 743	2 743	Equity certificates	2 743	2 743
-3	-1	Deductions for own equity certificates	-1	-3
1 966	1 966	Premium reserve	1 966	1 966
10 373	10 750	Primary capital	11 951	11 254
36	36	Compensation fund	36	36
150	150	Gift fund	150	150
2 523	2 789	Equalisation reserve	3 612	3 127
94	114	Other equity	1 299	1 189
17 882	18 546	Total book equity excluding hybrid capital	21 755	20 462
		Deductions		
-217	-199	Goodwill and other intangible assets	-246	-267
		Including effects of regulatory scope of consolidation	*-27*	*-25*
-6	21	Adj. for unrealised losses/(gains) on debt recorded at fair value	-280	-131
-88	-110	Value adjustments due to the requirements for prudent valuation	-122	-104
-222	-257	Adj. for investments in other financial institutions	-365	-330
-250	-444	Adjusted expected losses IRB-portfolios	-623	-487
0	0	Dividend and donations	-2 023	-1 485
17 100	**17 558**	**Common Equity Tier 1 capital**	**18 096**	**17 659**
1 420	1 650	Additional Tier 1 capital	1 650	1 420
18 520	**19 208**	**Total Tier 1 capital**	**19 746**	**19 079**
1 845	2 147	Tier 2 instruments – Supplementary capital	2 147	1 845
20 365	**21 355**	**Own funds**	**21 893**	**20 924**

Note 14 Financial strength (cont.)

PARENT BANK 31/12-22	31/12-23	Capital adequacy	GROUP 31/12-23	31/12-22
		Minimum requirement		
6 990	6 840	Own funds, minimum requirement; 8%	8 642	7 810
13 374	**14 515**	**Own funds, regulatory surplus**	**13 251**	**13 114**
13 168	*13 710*	*of which surplus Common Equity Tier 1 to cover buffer requirement*	*13 234*	*13 114*
		Buffer requirements		
2 185	2 137	Capital conservation buffer requirement; 2,5%	2 701	2 441
3 932	3 847	Systemic risk buffer requirement; 4,5%	4 861	4 393
1 748	2 137	Countercyclical buffer requirement; 2,5%	2 701	1 953
7 864	**8 122**	**Total buffer requirement Common Equity Tier 1**	**10 262**	**8 786**
5 304	**5 588**	**Common Equity Tier 1 capital, regulatory surplus**	**2 972**	**4 327**
19,6%	20,5%	Common Equity Tier 1 capital	16,8%	18,1%
1,6%	1,9%	Additional Tier 1 capital	1,5%	1,5%
2,1%	2,5%	Supplementary capital	2,0%	1,9%
23,3%	**25,0%**	**Capital adequacy IRB**	**20,3%**	**21,4%**

PARENT BANK 31/12-22	31/12-23	Leverage ratio	GROUP 31/12-23	31/12-22
161 761	187 595	Balance sheet items, incl. gross consolidation of associated companies	316 489	272 618
27 006	12 595	Off-balance sheet items	11 613	11 540
1 350	45	Regulatory adjustments	328	-80
190 117	200 235	Calculation basis for leverage ratio	328 429	284 077
18 520	19 208	Core capital	19 746	19 079
9,7%	**9,6%**	**Leverage ratio**	**6,0%**	**6,7%**

Note 15 Key information about equity certificate Sec. no. 6000900

The twenty largest owners of ECs	No of ECs	Proportion of equity share capital %
SPAREBANKSTIFTINGA HARDANGER	11 954 394	10,89
PARETO INVEST NORGE AS	8 411 112	7,67
GEVERAN TRADING COMPANY LTD	4 397 818	4,01
VERDIPAPIRFONDET ALFRED BERG GAMBAK	3 589 282	3,27
VPF EIKA EGENKAPITALBEVIS	3 437 214	3,13
SPAREBANKSTIFTELSEN SAUDA	3 144 264	2,87
KOMMUNAL LANDSPENSJONSKASSE GJENSIDIGE	2 764 185	2,52
SPAREBANKSTIFTINGA ETNE	2 514 296	2,29
PARETO AKSJE NORGE VERDIPAPIRFOND	2 492 547	2,27
SPESIALFONDET BOREA UTBYTTE	2 216 041	2,02
BROWN BROTHERS HARRIMAN & CO.	2 183 075	1,99
BLOMESTØ AS	2 000 000	1,82
STATE STREET BANK AND TRUST COMP	1 892 958	1,73
J.P. MORGAN SE	1 337 273	1,22
VERDIPAPIRFONDET NORDEA NORGE VERDI	1 303 343	1,19
DNB MARKETS AKSJEHANDEL/-ANALYSE	1 296 859	1,18
SPAREBANKSTIFTELSEN SPAREBANKEN VEST	1 193 958	1,09
SPAR SHIPPING AS	1 183 480	1,08
J.P. MORGAN SE	1 117 303	1,02
MP PENSJON	1 085 436	0,99
Total	**59 514 838**	**54,24**

Turnover statistics, the last 12 months

Month	Volume OSE (number)	Market price ultimo
January	1 340 921	94,10
February	1 707 330	100,80
March	2 610 328	92,00
April	1 174 622	99,90
May	1 909 788	95,00
June	1 948 857	103,00
July	773 449	106,80
August	1 796 947	108,20
September	1 168 607	105,40
October	1 116 289	102,40
November	1 320 214	101,00
December	955 388	109,40

Sparebanken Vest has paid a dividend of 5.50 NOK per equity certificate. The equity certificates was traded ex dividend as of 23 March 2023. Additional dividend of 3.00 NOK per equity certificate has been paid from 26 oktober 2023.

Owner fraction (Parent bank)	31/12-20	31/12-21	31/12-22	31/12-23
Equity certificate capital	2 680	2 678	2 740	2 742
Share premium reserve	1 837	1 837	1 966	1 966
Equalisation reserve	1 781	2 016	2 523	2 789
A Total equity certificate capital	**6 298**	**6 532**	**7 230**	**7 497**
Primary capital	9 291	9 641	10 373	10 750
Compensation fund	14	14	36	36
Gift fund	150	150	150	150
B Total primary capital	**9 455**	**9 806**	**10 559**	**10 936**
Owner fraction (A/(A+B))	**40,0%**	**40,0%**	**40,6%**	**40,7%**
Weighted owner fraction	**40,0%**	**39,9%**	**40,0%**	**40,6%**

Note 16 Securitised debt and subordinated loan capital

GROUP

Change in securitised debt	31/12-22	Issued	Matured/ redeemed	Change in exchange rate	Other changes	31/12-23
Senior preferred bonds	11 567	2 000	-1 460	119	156	12 382
Senior non-preferred bonds	6 695	3 500	0	0	111	10 306
Covered bonds	101 573	31 738	-16 003	4 100	2 387	123 796
Total securitised debt	**119 836**	**37 238**	**-17 462**	**4 219**	**2 654**	**146 484**

Subordinated loan capital						
Ordinary subordinated loan capital	1 855	1 000	-695		6	2 165
Total subordinated loans	**1 855**	**1 000**	**-695**	**0**	**6**	**2 165**

Residual time to maturity	0-1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
Credit institutions, borrowings	90	0	30	0	0	120
Senior bonds nominal amount	50	0	4 376	7 425	563	12 414
Senior non-preferred bonds, nominal amount	0	0	0	9 500	750	10 250
Covered bonds, nominal amount	0	5 632	6 367	104 440	9 948	126 387
Subordinated loan capital	0	0	500	1 650	0	2 150
Total borrowings from capital market	**140**	**5 632**	**11 273**	**123 016**	**11 261**	**151 322**

PARENT BANK

Change in securitised debt	31/12-22	Issued	Matured/ redeemed	Change in exchange rate	Other changes	31/12-23
Senior preferred bonds	11 567	2 000	-1 460	119	156	12 382
Senior non-preferred bonds	6 695	3 500	0	0	111	10 306
Total securitised debt	**18 262**	**5 500**	**-1 460**	**119**	**267**	**22 689**

Subordinated loan capital						
Ordinary subordinated loan capital	1 855	1 000	-695		6	2 165
Total subordinated loans	**1 855**	**1 000**	**-695**	**0**	**6**	**2 165**

Residual time to maturity	0-1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
Credit institutions, borrowings	90	0	30	0	0	120
Senior bonds nominal amount	50	0	4 376	7 425	563	12 414
Senior non-preferred bonds, nominal amount	0	0	0	9 500	750	10 250
Subordinated loan capital	0	0	500	1 650	0	2 150
Total borrowings from capital market	**140**	**0**	**4 906**	**18 575**	**1 313**	**24 934**

Note 17 Significant transactions

The “Lokalbank-alliansen” acquired shares in Frende Holding AS the first quarter of 2022. Sparebanken Vest sold 167 933 shares in connection with this, and reduced the ownership in Frende Holding AS from 41.4 per cent to 38.9 per cent. The transaction led to a gain of NOK 51 million in the group accounts for the first quarter of 2022. The gain was classified under the accounting line “net gain/loss on financial instruments”. Following another smaller transaction and an addition through the merger with Etne Sparebank, the ownership share is 39,58% as of 31 December 2023.

Profit development – year-to-date (group)

	31/12-23	30/09-23	30/06-23	31/03-23	31/12-22	30/09-22	30/06-22	31/03-22	31/12-21
Interest income and similar income	14 490	10 143	6 274	2 981	7 671	5 003	3 025	1 409	4 525
Interest expenses and similar expenses	9 249	6 343	3 867	1 806	3 677	2 145	1 208	522	1 226
Net interest and credit commission income	**5 242**	**3 800**	**2 407**	**1 175**	**3 994**	**2 858**	**1 817**	**887**	**3 299**
Commission income and income from banking services	783	562	359	168	775	520	333	162	639
Commission expenses and expenses relating to banking services	129	96	67	32	116	88	54	25	104
Net banking services	654	466	293	136	658	433	279	137	535
Income from ownership interests in associated companies	215	135	113	53	262	167	99	28	401
Net gain/(loss) on financial instruments	-87	-64	-24	-4	74	252	79	146	63
Other operating income	263	209	144	66	256	203	144	61	266
Net other operating income	1 044	747	526	252	1 250	1 055	601	372	1 264
Net operating income	**6 285**	**4 547**	**2 933**	**1 427**	**5 244**	**3 913**	**2 418**	**1 259**	**4 563**
Payroll and general administration expenses	1 381	1 044	699	356	1 292	960	643	316	1 190
Depreciation	192	144	97	49	218	161	107	52	208
Other operating expenses	199	145	101	45	177	114	75	36	141
Total operating expenses	1 772	1 334	898	450	1 687	1 235	825	405	1 538
Profit before write-downs and tax	**4 513**	**3 213**	**2 035**	**977**	**3 556**	**2 678**	**1 593**	**855**	**3 024**
Net gain on fixed assets	0	0	0	0	0	0	0	0	0
Write-downs and losses on loans and guarantees	95	82	62	33	52	14	25	6	-31
Pre-tax profit	**4 418**	**3 131**	**1 974**	**944**	**3 504**	**2 664**	**1 569**	**849**	**3 055**
Tax	874	587	316	74	687	495	246	93	542
Profit for the period	**3 545**	**2 543**	**1 657**	**870**	**2 817**	**2 168**	**1 322**	**756**	**2 513**
AVERAGE TOTAL ASSETS	**286 870**	**281 546**	**275 656**	**269 829**	**251 847**	**247 667**	**243 251**	**239 313**	**225 560**
PROFIT AS PERCENTAGE OF AVERAGE TOTAL ASSETS									
Interest income and similar income	5,05	4,82	4,59	4,48	3,05	2,70	2,51	2,39	2,01
Interest expenses and similar expenses	3,26	3,05	2,86	2,75	1,48	1,18	1,02	0,90	0,57
Net interest and credit commission income	**1,79**	**1,77**	**1,73**	**1,73**	**1,56**	**1,52**	**1,49**	**1,48**	**1,44**
Commission income and income from banking services	0,27	0,27	0,26	0,25	0,31	0,28	0,28	0,27	0,28
Commission expenses and expenses relating to banking services	0,04	0,05	0,05	0,05	0,05	0,05	0,04	0,04	0,05
Net banking services	0,23	0,22	0,21	0,20	0,26	0,23	0,23	0,23	0,24
Income from ownership interests in associated companies	0,07	0,06	0,08	0,08	0,10	0,09	0,08	0,05	0,18
Net gain/(loss) on financial instruments	-0,03	-0,03	-0,02	-0,01	0,03	0,14	0,07	0,25	0,03
Other operating income	0,09	0,10	0,11	0,10	0,10	0,11	0,12	0,10	0,12
Net other operating income	0,36	0,35	0,38	0,38	0,50	0,57	0,50	0,63	0,56
Net operating income	**2,16**	**2,13**	**2,11**	**2,11**	**2,06**	**2,09**	**1,98**	**2,11**	**2,00**
Payroll and general administration expenses	0,48	0,50	0,51	0,53	0,51	0,52	0,53	0,54	0,53
Depreciation	0,07	0,07	0,07	0,07	0,09	0,09	0,09	0,09	0,09
Other operating expenses	0,07	0,07	0,07	0,07	0,07	0,06	0,06	0,06	0,06
Total operating expenses	0,62	0,63	0,66	0,68	0,67	0,67	0,68	0,69	0,68
Profit before write-downs and tax	**1,54**	**1,49**	**1,46**	**1,43**	**1,39**	**1,43**	**1,30**	**1,43**	**1,31**
Net gain on fixed assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Write-downs and losses on loans and guarantees	0,03	0,04	0,05	0,05	0,02	0,01	0,02	0,01	-0,01
Pre-tax profit	**1,50**	**1,45**	**1,41**	**1,38**	**1,37**	**1,42**	**1,28**	**1,42**	**1,33**
Tax	0,30	0,28	0,23	0,11	0,27	0,27	0,20	0,16	0,24
Profit for the period	**1,20**	**1,17**	**1,18**	**1,27**	**1,10**	**1,15**	**1,08**	**1,26**	**1,09**

Profit development – isolated (group)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Interest income and similar income	4 347	3 869	3 293	2 981	2 668	1 978	1 616	1 409	1 240
Interest expenses and similar expenses	2 906	2 476	2 060	1 806	1 533	937	687	522	371
Net interest and credit commission income	**1 442**	**1 393**	**1 232**	**1 175**	**1 136**	**1 041**	**930**	**887**	**868**
Commission income and income from banking services	220	203	191	168	254	187	171	162	215
Commission expenses and expenses relating to banking services	33	29	35	32	29	34	28	25	28
Net banking services	188	173	156	136	226	153	142	137	188
Income from ownership interests in associated companies	79	22	60	53	95	68	71	28	174
Net gain/(loss) on financial instruments	-23	-40	-20	-4	-178	173	-67	146	0
Other operating income	53	65	77	66	53	59	83	61	60
Net other operating income	297	221	274	252	195	453	229	372	422
Net operating income	**1 739**	**1 614**	**1 506**	**1 427**	**1 331**	**1 495**	**1 159**	**1 259**	**1 290**
Payroll and general administration expenses	337	345	344	356	332	318	327	316	313
Depreciation	48	47	48	49	57	55	54	52	52
Other operating expenses	54	44	56	45	63	38	39	36	46
Total operating expenses	439	436	448	450	452	410	420	405	410
Profit before write-downs and tax	**1 300**	**1 178**	**1 058**	**977**	**878**	**1 084**	**739**	**855**	**880**
Net gain on fixed assets									
Write-downs and losses on loans and guarantees	13	20	29	33	38	-10	19	6	-3
Pre-tax profit	**1 287**	**1 157**	**1 030**	**944**	**840**	**1 095**	**720**	**849**	**883**
Tax	286	271	242	74	191	249	153	93	168
Profit for the period	**1 001**	**886**	**787**	**870**	**649**	**846**	**567**	**756**	**716**
AVERAGE TOTAL ASSETS (isolated)	**302 437**	**293 177**	**281 618**	**269 829**	**264 254**	**256 363**	**247 144**	**239 313**	**232 617**
PROFIT AS PERCENTAGE OF AVERAGE TOTAL ASSETS									
Interest income and similar income	5,70	5,24	4,69	4,48	4,01	3,06	2,62	2,39	2,11
Interest expenses and similar expenses	3,85	3,39	2,96	2,75	2,33	1,47	1,13	0,90	0,66
Net interest and credit commission income	**1,85**	**1,85**	**1,73**	**1,73**	**1,67**	**1,59**	**1,49**	**1,48**	**1,46**
Commission income and income from banking services	0,29	0,27	0,27	0,25	0,38	0,29	0,28	0,27	0,37
Commission expenses and expenses relating to banking services	0,04	0,04	0,05	0,05	0,04	0,05	0,05	0,04	0,05
Net banking services	0,25	0,23	0,22	0,20	0,34	0,24	0,23	0,23	0,32
Income from ownership interests in associated companies	0,10	0,03	0,09	0,08	0,14	0,11	0,12	0,05	0,30
Net gain/(loss) on financial instruments	-0,03	-0,05	-0,03	-0,01	-0,27	0,27	-0,11	0,25	0,00
Other operating income	0,07	0,09	0,11	0,10	0,08	0,09	0,13	0,10	0,10
Net other operating income	0,39	0,30	0,39	0,38	0,29	0,70	0,37	0,63	0,72
Net operating income	**2,24**	**2,15**	**2,12**	**2,11**	**1,97**	**2,29**	**1,86**	**2,11**	**2,18**
Payroll and general administration expenses	0,44	0,47	0,49	0,53	0,50	0,49	0,53	0,54	0,53
Depreciation	0,06	0,06	0,07	0,07	0,09	0,08	0,09	0,09	0,09
Other operating expenses	0,07	0,06	0,08	0,07	0,10	0,06	0,06	0,06	0,08
Total operating expenses	0,58	0,59	0,64	0,68	0,68	0,64	0,68	0,69	0,70
Profit before write-downs and tax	**1,67**	**1,56**	**1,48**	**1,43**	**1,29**	**1,66**	**1,18**	**1,43**	**1,48**
Net gain on fixed assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Write-downs and losses on loans and guarantees	0,02	0,03	0,04	0,05	0,06	-0,02	0,03	0,01	-0,01
Pre-tax profit	**1,65**	**1,53**	**1,44**	**1,38**	**1,23**	**1,67**	**1,15**	**1,42**	**1,48**
Tax	0,38	0,37	0,34	0,11	0,29	0,38	0,25	0,16	0,29
Profit for the period	**1,28**	**1,16**	**1,09**	**1,27**	**0,94**	**1,29**	**0,90**	**1,26**	**1,20**

Balance sheet development (group)

	31/12-23	30/09-23	30/06-23	31/03-23	31/12-22	30/09-22	30/06-22	31/03-22	31/12-21
Assets									
Cash to and receivables from central banks	387	218	514	101	143	1 397	228	651	334
Loans to and receivables from credit institutions	3 154	1 168	553	1 202	1 018	2 687	3 420	5 370	1 238
Net lendings	255 767	247 475	240 227	231 264	224 494	217 843	213 430	206 057	202 975
Shares	560	286	280	304	226	234	246	261	254
Commercial papers and bonds	36 560	33 458	34 464	31 141	30 825	31 222	29 724	24 616	22 945
Financial derivatives	5 401	5 112	7 005	5 616	2 575	3 575	2 644	1 073	2 668
Shareholdings in associated companies	2 798	2 618	2 561	2 639	2 586	2 223	2 130	2 197	2 220
Deferred tax assets	256	263	117	92	173	0	79	212	239
Pension funds	123	100	100	100	100	96	96	96	96
Other intangible assets	252	261	272	275	276	276	289	298	308
Tangible fixed assets	660	657	665	674	655	650	663	678	650
Prepaid expenses	44	45	88	123	107	45	76	12	56
Other assets	532	4 230	1 617	936	633	2 784	522	3 305	590
Total assets	**306 495**	**295 891**	**288 462**	**274 467**	**263 812**	**263 032**	**253 548**	**244 826**	**234 571**
Liabilities and equity									
Liabilities to credit institutions	5 454	4 475	6 986	5 326	3 095	2 072	3 493	1 190	4 058
Deposits	123 599	123 493	123 654	115 626	112 274	108 124	106 446	97 366	90 812
Securitised liabilities	146 484	136 457	128 922	124 480	119 836	122 366	117 605	117 620	113 812
Financial derivatives	1 670	1 651	1 574	1 208	1 922	1 831	1 450	2 697	1 530
Accrued expenses and pre-paid income	203	197	208	222	220	185	180	212	201
Pension commitments	167	136	136	136	139	132	132	132	132
Deferred tax	0	0	0	0	0	46	0	0	0
Other provision for commitments	149	161	153	128	96	100	87	74	86
Tax payable	1 028	732	388	126	736	597	471	432	697
Subordinated loan capital	2 165	2 285	1 963	1 961	1 855	1 827	1 825	1 825	1 937
Other liabilities	2 152	3 403	2 301	4 172	1 746	5 082	2 032	4 111	1 498
Total liabilities	**283 071**	**272 991**	**266 285**	**253 384**	**241 919**	**242 362**	**233 721**	**225 660**	**214 763**
Equity certificates	2 743	2 743	2 743	2 743	2 743	2 683	2 683	2 683	2 683
Own equity certificates	-1	-7	-2	-2	-3	-4	-4	-5	-5
Premium reserve	1 966	1 966	1 966	1 966	1 966	1 837	1 837	1 837	1 837
Equalisation reserve	3 612	2 510	2 526	2 526	3 127	2 020	2 020	2 017	2 499
Total equity certificate capital	8 320	7 212	7 234	7 233	7 833	6 537	6 537	6 532	7 014
Primary capital	11 951	10 373	10 373	10 373	11 254	9 641	9 641	9 641	10 366
Gift fund	150	150	150	150	150	150	150	150	150
Compensation fund	36	36	36	36	36	14	14	14	14
Total primary capital	12 136	10 559	10 559	10 559	11 440	9 806	9 806	9 806	10 531
Other equity	1 299	3 800	2 875	2 125	1 189	3 221	2 380	1 723	857
Hybrid capital	1 668	1 329	1 510	1 166	1 431	1 106	1 105	1 105	1 406
Total equity	**23 423**	**22 900**	**22 177**	**21 082**	**21 893**	**20 670**	**19 828**	**19 166**	**19 808**
Total liabilities and equity	**306 495**	**295 891**	**288 462**	**274 467**	**263 812**	**263 032**	**253 548**	**244 826**	**234 571**

Explanation of key figures/alternative performance measures – group

Net interest as a percentage of average assets under management	4Q 2023	4Q 2022	2023	2022
Net interest as shown in the income statement	1 442	1 136	5 242	3 994
Correction of interest on hybrid capital entered directly against equity	-31	-20	-103	-58
Net interest used in relevant key figure	1 410	1 115	5 139	3 936
Average assets under management	302 437	264 254	286 870	251 847
No. of days	365/92	365/92	365/365	365/365
Net interest as a percentage of average assets under management	**1,85%**	**1,67%**	**1,79%**	**1,56%**

Net other operating income as a percentage of net operating income	4Q 2023	4Q 2022	2023	2022
Net other operating income as shown in the income statement	297	195	1 044	1 250
Net operating income as shown in the income statement	1 739	1 331	6 285	5 244
Correction of interest on hybrid capital entered directly against equity	-31	-20	-103	-58
Net operating income corrected for hybrid capital interest	1 707	1 310	6 182	5 186
Net other operating income as a percentage of net operating income	**17,4%**	**14,9%**	**16,9%**	**24,1%**

Operating expenses as a percentage of net operating income (cost-income)	4Q 2023	4Q 2022	2023	2022
Total operating expenses as shown in the income statement	439	452	1 772	1 687
Net operating income corrected for hybrid capital interest (see above)	1 707	1 310	6 182	5 186
Operating expenses as a percentage of net operating income (cost-income)	**25,7%**	**34,5%**	**28,7%**	**32,5%**

Operating expenses as a percentage of net operating income corrected for financial instruments	4Q 2023	4Q 2022	2023	2022
Total operating expenses as shown in the income statement	439	452	1 772	1 687
Net operating income corrected for hybrid capital interest (see above)	1 707	1 310	6 182	5 186
Correction for financial instruments as shown in the income statement	23	178	87	-74
Net operating income corrected for financial instruments	1 731	1 489	6 270	5 112
Operating expenses as a percentage of net operating income corrected for financial instruments	**25,3%**	**30,4%**	**28,3%**	**33,0%**

Return on equity	4Q 2023	4Q 2022	2023	2022
Profit after tax as shown in the income statement	1 001	649	3 545	2 817
Correction for interest on the hybrid capital entered directly against equity	-31	-20	-103	-58
Profit after tax corrected for interest on the hybrid capital	970	628	3 442	2 759
Average equity	21 663	20 013	20 821	18 950
No. of days	365/92	365/92	365/365	365/365
Return on equity	**17,8%**	**12,5%**	**16,5%**	**14,6%**

Profit per equity certificate	4Q 2023	4Q 2022	2023	2022
Profit after tax corrected for interest on the hybrid capital (see above)	970	628	3 442	2 759
Weighted equity percentage during the year before allocation	40,6%	40,2%	40,6%	40,0%
Average number of outstanding equity certificates during the year	109 507 763	107 915 083	109 585 542	107 355 059
Profit per equity certificate	**3,60**	**2,34**	**12,76**	**10,29**

Explanation of key figures/alternative performance measures – group (cont.)

Lending growth, past 12 months	2023	2022
Gross lending UB	256 644	225 374
Gross lending 12 months ago	225 374	203 835
Change past 12 months	**13,9%**	**10,6%**

Deposit growth, past 12 months	2023	2022
Deposits from customers UB	123 599	112 274
Deposits from customers 12 months ago	112 274	90 812
Change past 12 months	**10,1%**	**23,6%**

Deposit coverage	2023	2022
Net lending	255 767	224 494
Deposits from customers	123 599	112 274
Deposit coverage (deposits as percentage of lending)	**48,3%**	**50,0%**

	2023	2022
Gross lending on balance sheet date	256 644	225 374
Loss cost	95	52
Losses on loans as a percentage of gross lending (UB)	**0,04%**	**0,02%**
Gross lending on balance sheet date	256 644	225 374
Commitments in default (>90 days)	788	472
Commitments in default (>90 days) as a percentage of gross lending (UB)	**0,31%**	**0,21%**
Gross lending on balance sheet date	256 644	225 374
Potential bad debt	1 462	1 250
Potential bad debt as a percentage of gross lending (UB)	**0,57%**	**0,55%**

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Sparebanken
Vest

Jonsvollsgaten 2 I N-5011 Bergen
(+47) 915 05555 I spv.no