Interim Report Q2 2024

SparebankenVest

Q2 2024

- Very good return on equity: 20.1% (15.1%)
- Good growth and higher interest rates increased nominal net interest income: NOK 1,536 (1,232) million
- Robust lending portfolio and good credit risk management gave low losses: NOK 25 (29) million
- Efficient cost management contributed to a low cost-to-income ratio: 24.2% (30.2%)
- Good growth in lending and deposits in the last 12 months: 13.2% and 8.5%, respectively
- Strong lending and deposit growth in the Bulder concept: around NOK 56 billion in lending and a deposit-to-loan ratio of 24% at the end of the quarter
- Sound CET1 ratio: 17.8% (18.6%) , well above the capital adequacy target of 16.05%

First half-year 2024

- Considerably greater pre-tax profit: NOK 2,668 (1,974) million
- Strong return on equity: 20.9% (16.1%)
- Higher net interest income: NOK 2,999 (2,407) million
- Profit per equity certificate: NOK 8.34 (5.98)

KEY FIGURES	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Pre-tax profit	1 412 MNOK	1 030 MNOK	2 668 MNOK	1 974 MNOK	4 418 MNOK
Profit per equitiy certificate	3,93	2,84	8,34	5,98	12,76
Net interest as a percentage of average assets under management	1,88 %	1,73 %	1,86 %	1,73 %	1,79 %
Cost/Income ratio	24,2 %	30,2 %	24,8 %	31,1 %	28,7 %
Return on equity (annualised)	20,1 %	15,1 %	20,9 %	16,1 %	16,5 %
Common Equity Tier 1 ratio [1]	17,8 %	18,6 %	17,8 %	18,6 %	16,8 %

[1] The CET1 ratio at the end of the second quarter 2023/2024 includes 50% of the profit for year to date in line with the dividend policy. The CET1 ratio without profit accumulation was 16.8% (17.8%).

Report for Q2 2024

TABLE 1: MAIN FIGURES NOKm	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Net interest income and credit commissions	**1 536**	**1 232**	**2 999**	**2 407**	**5 242**
Commissions receivable and income from banking services	212	191	412	359	783
Commissions payable and cost of banking services	40	35	78	67	129
Net banking services	172	156	334	293	654
Income from owner interests in group companies	78	60	114	113	215
Net gain/(loss) on financial instruments	16	-20	40	-24	-87
Other operating income	94	77	151	144	263
Net other operating income	360	274	640	526	1 044
Net operating income	**1 896**	**1 506**	**3 638**	**2 933**	**6 285**
Salaries and general administration expenses	377	344	739	699	1 381
Depreciation	43	48	83	97	192
Other operating expenses	39	56	80	101	199
Total operating expenses	459	448	903	898	1 772
Profit before write-downs and tax	**1 437**	**1 058**	**2 736**	**2 035**	**4 513**
Write-downs and losses on loans and guarantees	25	29	68	62	95
Profit before tax	**1 412**	**1 030**	**2 668**	**1 974**	**4 418**
Taxes	310	242	342	316	874
Profit for the period	**1 102**	**787**	**2 326**	**1 657**	**3 545**

Q2 2024

Sparebanken Vest recorded a pre-tax profit of NOK 1,412 (1,030) million in the second quarter 2024. The bank's return on equity (ROE) was 20.1% (15.1%).

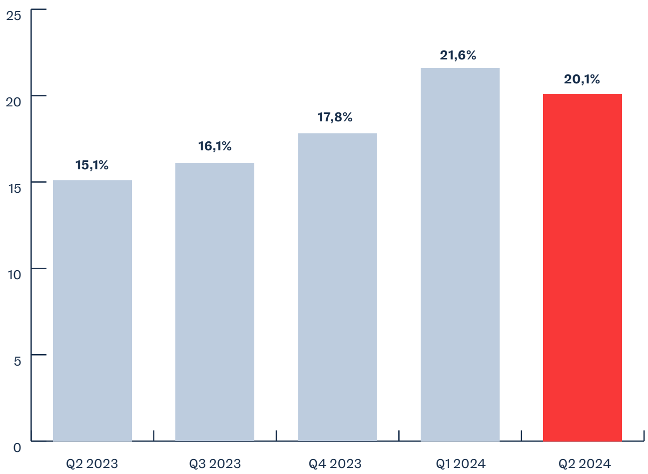
Net interest income amounted to NOK 1,536 (1,232) million. Net interest as a percentage of average assets under management was 1.88% (1.73%). The increase on last year is explained by good lending growth and higher interest rates.

The contribution to profits from associated companies amounted to NOK 78 (60) million. The increase on last year is mainly explained by a higher contribution to profits from Frende Holding.

Operating expenses amounted to NOK 459 (448) million. Operating expenses as a percentage of net operating income was 24.2% (30.2%).

The CET1 ratio was sound at 17.8% (18.6%). The reduction in the last 12 months must be seen in conjunction with an additional allocation for the 2022 financial year carried out in the second half of 2023.

FIGURE 1: DEVELOPMENT IN ROE AS %.



The lending margins in the retail and corporate markets measured against the average 3-month Nibor rate were 0.91 (0.37) and 2.70 (2.69) percentage points, respectively, in the second quarter. The deposit margins in the retail and corporate markets measured against the average 3-month Nibor rate were 1.62 (1.99) and 1.22 (1.13) percentage points, respectively, in the second quarter.

Net commission income amounted to NOK 172 (156) million in the quarter. The increase is mainly due to increased income from card and payment services, which is related to general customer growth and not least the increasing number of Bulder customers using the Bulder concept for their day-to-day banking. Measures implemented by the bank to combat card/account fraud have had the desired effect in the form of lower losses than in 2023. Higher valuations in the financial markets and positive net subscriptions in recent quarters increased the income from asset management.

The net contribution from financial instruments amounted to NOK 16 (minus 20) million in the quarter. Lower credit spreads resulted in a higher valuation of the liquidity portfolio, in addition to gains and dividends from shares contributing positively in the quarter. Negative evaluation effects on hedging instruments relating to own debt (basis swaps) pulled in the opposite direction.

TABLE 2: FINANCIAL INSTRUMENTS

NOKm	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Dividend	32	2	45	2	3
Gain/(loss) on shares	17	-22	0	-30	44
Gain/(loss) on commercial papers and bonds	19	-17	47	-46	-37
Gain/(loss) on financial instruments, recognised at fair value	-42	-13	-52	-9	-201
Gain/(loss) on customer and own trading	20	35	17	65	125
Net gain/(loss) on financial instruments designated for hedge accounting	-30	-1	-13	-1	-10
Other	0	-4	-4	-4	-10
Net gain/loss on financial instruments	**16**	**-20**	**40**	**-24**	**-87**

* 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 as a percentage of net operating income amounted to 24.2% (30.2%). This is a historically low cost ratio in a quarter with no significant non-recurring gains.

Nominal operating expenses for the quarter amounted to NOK 459 (448) million. External fees were significantly reduced compared with Q2 2023 as a result of permanent full-time positions replacing external consultants. Depreciation and other operating expenses were also lower than in the second quarter of 2023. Under other operating expenses, the bank recognised NOK 13 million in non-recurring costs in Q2 2023 relating to the disposal of the bank's ATMs to an external supplier. Payroll expenses increased in line with general wage growth and the replacement of external consultants by permanent full-time equivalents (FTEs), in addition to IT costs continuing to show an upward development.

The number of FTEs in the Group was 797 (765). The bank took on more staff at the sales level in 2024 as part of its strategic initiative in Rogaland. Another important explanation for the increase is that the bank made active efforts throughout 2023 to fill vacant full-time positions with permanent employees and discontinue the use of external consultancy services that have periodically filled vacant positions. Since the second quarter of 2023, Eiendomsmegler Vest has reduced its staff by 11 FTEs

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

Quarterly	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Full-time equivalents	797	780	795	784	765

The total profit contribution from associated companies amounted to NOK 78 (60) million in the quarter and the breakdown between the companies is shown in the table below.

TABLE 4: ASSOCIATED COMPANIES

NOKm	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Frende Holding	49	13	44	33	51
Norne Securities	3	0	3	0	1
Brage Finans	26	47	68	82	167
Other companies	0	0	-1	-2	-4
Net profit from associated companies	**78**	**60**	**114**	**113**	**215**
Eiendomsmegler Vest	20	7	17	**7**	**2**

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

Write-downs on loans and guarantees amounted to NOK 25 (29) million in the quarter, reflecting low risk in the bank's lending portfolio. Of the loss expenses for the quarter, net confirmed losses and changes in individual write-downs amounted to NOK 7 million while NOK 18 million resulted from increased modelbased 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.

DEVELOPMENTS IN LENDING AND DEPOSITS

Gross lending increased by NOK 31.8 (26.8) billion to NOK 272.9 (241.1) billion from Q2 2023, corresponding to year-on-year growth of 13.2% (12.5%). Growth in lending in the quarter amounted to 2.8% (3.9%).

TABLE 5: GROWTH IN LENDING

	Growth last 12 months	Growth last quarter
Lending total	13.2%	2.8%
Lending retail customers	13.8%	3.3%
of which Bulder	*11.8%*	*1.9%*
Lending corporate customers	11.4%	1.3%

Gross lending to retail customers amounted to NOK 208.2 (183.0) billion, corresponding to lending growth of 13.8% (13.5%) over the past 12 months and 3.3% (4.8%) in the last quarter.

Lending growth in the retail market portfolio excluding Bulder seen in isolation is about 2.4% (5.5%) over the last 12 months and 1.9% (0.9%) for the quarter. Lending growth in the retail market portfolio, excluding Bulder, showed positive development in the quarter relative to the previous three quarters.

Seen in isolation, lending through the Bulder concept amounted to NOK 56.1 (34.5) billion at the end of the quarter. Lending growth in the Bulder concept amounted to NOK 21.6 (14.0) billion over the past 12 months and NOK 3.9 (7.1) billion for the last quarter. The steady flow of customers to Bulder has again increased in the last quarters. The growth was particularly good in the first part of Q2.

Gross lending to corporate customers amounted to NOK 64.7 (58.1) billion, corresponding to lending growth of 11.4% (9.4%) over the past 12 months, and 1.3% (1.1%) the last quarter. The bank is seeing good credit demand from corporate customers. The growth stems from a number of different industries, in particular fisheries, aquaculture and real estate.

Deposits from customers amounted to NOK 134.2 (123.7) billion, corresponding to year-on-year growth of 8.5% (16.2%). Growth in deposits in the quarter amounted to 5.3% (6.9%).

TABLE 6: GROWTH IN DEPOSITS

	Growth last 12 months	Growth last quarter
Deposits total	8.5%	5.3%
Deposits retail customers	16.1%	8.6%
of which Bulder	*11.8%*	*3.5%*
Deposits corporate customers	-0.6%	1.1%

Deposits break down as follows: NOK 78.3 (67.5) billion from retail customers and NOK 55.9 (56.2) billion from corporate customers.

The growth in deposits from retail customers, excluding Bulder, over the last 12 months was 4.7% (5.2%) and 6.0% (4.4%) in the quarter. There is normally a good growth in deposits in the second quarter due to the payment of holiday pay and tax refunds to retail customers. The development in the quarter was nonetheless better than last year, including in savings accounts. The effect of accrued interest is significantly greater this year than in the same period last year due to higher interest rates.

The volume of deposits in the Bulder concept increased by NOK 8.0 (2.0) billion over the last 12 months and NOK 2.6 (1.2) billion in the last quarter. More and more customers are using Bulder for their day-to-day banking. Seen in isolation, the deposit-to-loan ratio in the Bulder concept was 24.1% (16.2%) at the end of the quarter.

The growth in deposits from corporate customers was minus 0.6% (plus 27.6%) over the last 12 months and 1.1% (8.1%) in the quarter. This growth is affected by price competition for particularly large deposits. In addition, capital market financing has, relatively speaking, become more attractive in recent quarters due to declining credit spreads in the financial markets.

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

First half-year 2024

Sparebanken Vest recorded a pre-tax profit of NOK 2,668 (1,974) million for the first half of 2024. The return on equity was 20.9% (16.1%). In Q1 2024, the bank recognised a tax effect of NOK 262.5 (145.0) million of the customer dividend. Excluding this, the ROE in the first half-year was 18.6% (14.7%).

Net interest income increased to NOK 2,999 (2,407) million. The increase in net interest income is explained by good growth and a higher ROE as a result of higher interest rates. Net interest as a percentage of average assets under management was 1.86% (1.73%).

Net commission income amounted to NOK 334 (293) million. There is positive development in all elements of this line of income. The increase can largely be explained by increased income from cards and payment services, as well as a positive development in income from asset management as a result of positive net subscriptions over several quarters combined with higher valuations in the financial markets.

The contribution from financial instruments amounted to NOK 40 (minus 24) million. The financial result was positively affected by the return on the equity portfolio, as well as the fact that declining credit spreads have a positive evaluation effect on the liquidity portfolio. Negative evaluation effects on hedging instruments relating to own debt (basis swaps) pulled in the opposite direction.

Associated companies made a contribution of NOK 114 (113) million in the first half-year. The contribution to profits from Frende Holding was somewhat higher than in the first half of 2023, while the contribution from Brage Finans was somewhat lower. Eiendomsmegler Vest recorded a pre-tax profit of NOK 17 (7) million for the first half of the year.

The total operating expenses for the first half-year amounted to NOK 903 (898) million. Operating expenses as a percentage of net operating income was 24.8% (31.1%). Payroll expenses increased by 42 million as a result of more FTEs in the bank and the effects of wage settlements, while IT costs increased by 26 million compared to the first half-year 2023. External fees decreased by NOK 28 million as a result of the bank replacing external consultants with permanent full-time positions. Other operating expenses were reduced by NOK 13 million. Under other operating expenses, the bank recognised approximately NOK 13 million in non-recurring costs in the first half of 2023 relating to the disposal of the bank's ATMs to an external supplier.

Write-downs on loans and guarantees amounted to NOK 68 (62) million.

Risk and capital factors

SUSTAINABILITY

Sparebanken Vest's sustainability strategy is part of the group strategy, with a long-term target of net-zero emissions by 2040. Sparebanken Vest will make active efforts to reduce emissions from its own operations and from its lending portfolio. As part of this effort, the bank published a transition plan in the first quarter of 2024. During the quarter, the bank's work on the implementation of the EU Corporate Sustainability Reporting Directive (CSRD) has been particularly in focus. The percentage of sustainability-linked loans in the corporate market so far this year is 28%.

Sparebanken Vest has an ESG rating of AAA from MSCI, A- from CDP and Low Risk from Sustainalytics. In the second quarter of 2024, the Financial Times named Sparebanken Vest, as one of only two Norwegian financial companies, one of 'Europe's Climate Leaders 2024' based on the bank's reporting of its climate accounts.

CREDIT RISK

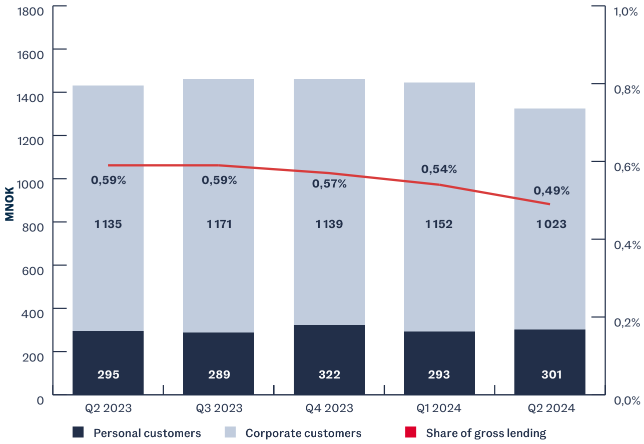
At the end of the quarter, retail customers accounted for approximately 76% (76%) of the bank's credit portfolio. Around 99% (99%) of this portfolio consists of loans secured by residential mortgages.

Defaults and potential bad debt for retail customers amounted to a total of NOK 301 (295) million. This corresponds to 0.14% (0.16%) of gross lending to retail customers. This trend supports continued low risk in the portfolio.

Defaults and potential bad debt for corporate customers amounted to a total of NOK 1,023 (1,135) million. This corresponds to 1.58% (1.95%) of gross lending to corporate customers. The reduction is due to completed restructuring and the recovery of a large exposure, as well as the final termination of commitments to some companies that went into liquidation. 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 0.49% (0.59%) for retail and corporate customers combined.

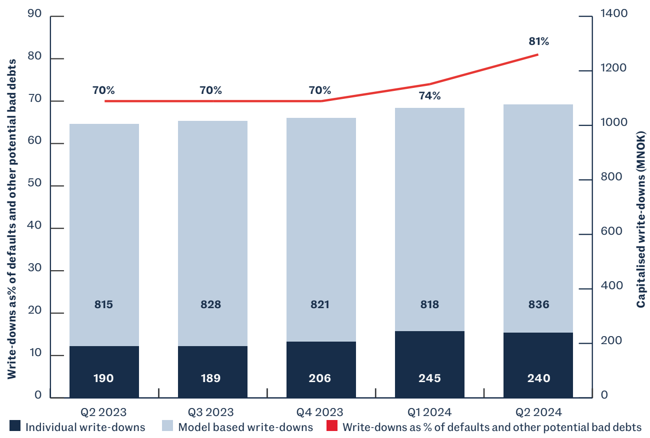
FIGURE 2: DEFAULTS AND OTHER POTENTIAL BAD DEBT



Defaults in relation to gross lending is shown in Note 10.

Overall capitalised write-downs amounted to NOK 1,076 (1,004) 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 81% (70%).

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



The loan loss provision ratio was 67% (59%) for retail customers and 86% (73%) for corporate customers. The higher ratios are the result of a further reduction in the proportion of defaults and other bad debt, increased nominal model-based loan loss provisions for other commitments and the fact that write-downs on losses in the last 12 months mainly consisted of provisions for losses and not confirmed losses. The level of provisions is considered robust overall.

MARKET RISK

The bank's interest rate and currency risk is managed within the risk tolerance adopted by the Board, and is 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 399 (348) million at the end of the quarter.

The bank's stock market exposure (excluding subsidiaries and associated companies) amounted to NOK 654 (280) million at the end of the quarter. The increase in stock market exposure is mainly due to the bank's purchase of 2.4 million equity capital certificates in Sparebanken Sør in Q4 2023.

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 182% (173%). The increase in LCR from Q2 2023 is within the range of normal variation. The bond portfolio amounted to approximately NOK 39 (34) billion. The increase is related to general growth in total assets. The bank's deposit-to-loan ratio was 49.3% (51.5%) at the end of the quarter, while the net stable funding ratio (NSFR) was 125% (123%).

Capital market financing, excluding Tier 2 and Additional Tier 1 bonds, amounted to NOK 152.8 (128.9) billion. The average remaining term to maturity of market financing is 3.1 (3.1) years. At the end of the quarter, covered bonds made up approximately 83% (87%) 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 awarded Sparebanken Vest Boligkreditt a corporate credit rating 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 corporate credit 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 3.93 (2.84) for the quarter and NOK 8.34 (5.98) for the first half-year. At the end of the quarter, the book equity amounted to NOK 80.5 (76.6). The price of the equity certificate at the same time was NOK 125.5 (103.0). At the end of the quarter, the price-to-book ratio was thus 1.56 (1.34).

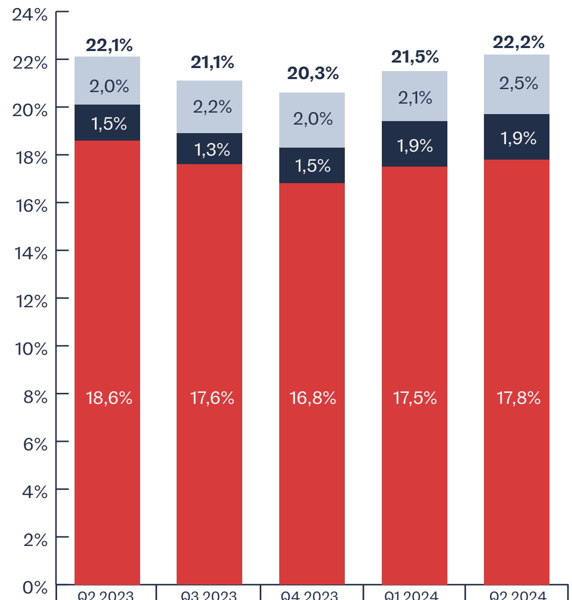
CAPITAL ADEQUACY

The bank's consolidated CET1 ratio was 17.8% (18.6%)[2] at the end of the quarter. The CET1 ratio increased by 0.3 percentage points in the quarter. Profit accumulation and reduced risk weights for corporate market commitments as a result of improved collateral coverage had a positive effect on the CET1 ratio, while good lending growth in all segments reduced the capital adequacy.

The bank's current CET1 requirement is 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 17.8% means the bank had a margin of 3 percentage points to this requirement at the end of the quarter.

The bank's Board has adopted a capital adequacy target of 16.05% 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. At the end of the quarter, the bank had a sound margin of about 1.75 percentage points to its capital adequacy target.

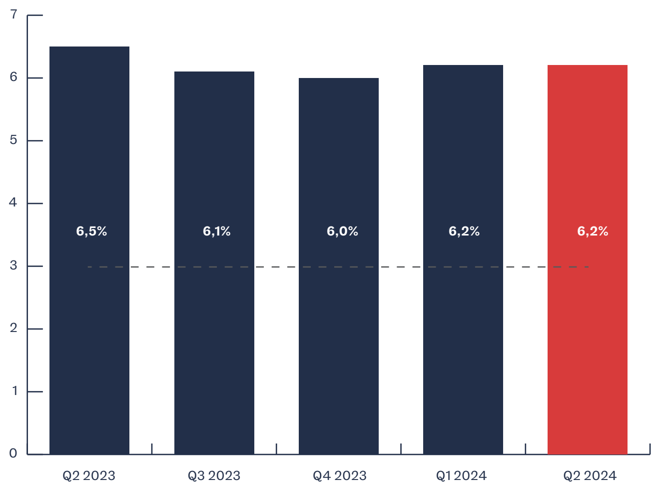
FIGURE 4: CAPITAL ADEQUACY



	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Total Capital	22,1%	21,1%	20,3%	21,5%	22,2%
Tier 2 Capital	2,0%	2,2%	2,0%	2,1%	2,5%
Additional Tier 1 capital	1,5%	1,3%	1,5%	1,9%	1,9%
CET1	18,6%	17,6%	16,8%	17,5%	17,8%

The leverage ratio was 6.2% (6.5%)[3] 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.

[2] The CET1 ratio at the end of the second quarter 2023/2024 includes 50% of the profit for the year to date in line with the dividend policy. The CET1 ratio without profit accumulation was 16.8% (17.8%).

[3] The Leverage ratio at the end of the second quarter 2023/2024 includes 50% of the profit year to date in line with the dividend policy. The Leverage ratio without profit accumulation was 5.9% (6.2%).

Business in subsidiaries and associated companies

SUBSIDIARIES

Eiendomsmegler Vest (holding 100%) recorded a pre-tax profit of NOK 20 (7) million in the quarter. The pre-tax profit for the first half year was NOK 17 (7) million. The improved profit performance is due to a more active housing market, where in the second quarter of 2024 the company handled around 15% more home sales than in the corresponding quarter last year. The company has also taken organisational steps to be able to deliver higher contributions to profits going forward. These measures are now starting to take effect. In its market area, Eiendomsmegler Vest had a market share of 12.4% (12.2%) in the quarter and 12.2% (12.9%) in the first half-year.

Sparebanken Vest Boligkreditt AS (holding 100%) manages gross loans (mortgages) in the amount of NOK 148.5 (132.0) billion. At the end of the quarter, the company had issued covered bonds in the amount of NOK 125.9 (111.4) billion.

ASSOCIATED COMPANIES

The share of profit from associated companies was included in the accounts in accordance with the equity method and amounted to a total of NOK 78 (60) million in the quarter and NOK 114 (113) million in the first half-year.

Frende Holding (holding 40.26%) is the parent company that manages the ownership of the wholly-owned subsidiaries Frende Skadeforsikring and Frende Livsforsikring. The insurance undertakings offer a complete range of products to the corporate and retail markets. Frende Holding is owned by 21 independent savings banks, in addition to three Varig companies.

The company recorded a pre-tax profit of NOK 166 (43) million in the quarter. The pre-tax profit for the first half-year 2024 was NOK 140 (88) million.

Frende Skadeforsikring recorded a pre-tax profit of NOK 113 (51) million in the quarter. For the first half-year, the pre-tax profit was NOK 41 (95) million. The company has total premiums of NOK 2,775 (2,488) million, divided between more than 172,000 customers. Its national market share at the end of the first quarter was 3.3% (3.3%).

The loss ratio for the quarter was 73.3% (79.7%) and the combined ratio was 89.0% (95.6%). In the first half-year, the loss ratio was 86.4% (81.8%) and the combined ratio was 104.0% (99.4%).

In non-life insurance, the actuarial result for the quarter has been significantly better than in Q2 2023. The average claims ratio and claims frequency in motor insurance are still above the level of ambition, but overall, an underlying trend towards a lower loss ratio can be observed. The actuarial result in the first half of 2024 was marked by frost damages and extreme weather at the start of the year.

Frende Liv recorded a pre-tax profit of NOK 57 (0) million for the quarter, and NOK 105 (8) million for the first half-year. The risk result is above expectations so far in 2024, and the disability products have shown improvement from last year. Frende Liv's portfolio premium amounted to NOK 748 (670) million at the end of the first half-year.

The investment portfolio provided a good return in the quarter and the financial result was NOK 52 (29) million, including interest expenses related to sub-ordinated loans. The financial result for the first half-year was NOK 161 (117) million.

The bank's share of profits from Frende Holding was NOK 49 (13) million for the quarter and NOK 44 (33) million for the first half-year.

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 24.8 billion. This is an increase of NOK 2.2 billion (10%) over the past 12 months.

The pre-tax profit came to NOK 135 (129) million in the quarter and NOK 200 (228) million in the first half-year 2024.

Net interest income for the quarter amounted to NOK 215 (197) million and NOK 431 (380) million in the first half-year. This increase is mainly explained by good growth in the portfolio. The growth was supported by good cost control and a cost-to-income ratio of 26% (23%) for the quarter and 28% (25%) for the first half-year. Losses and write-downs amounted to NOK 18 (14) million in the quarter and NOK 97 (30) million in the first half-year. Loss expenses in the first half-year 2024 were negatively affected by a significant loss provision relating to a single commitment.

At the end of the quarter, Brage's consolidated CET1 ratio was 17.7% (16.5%), while the requirement was 15.0% (15.1%).

Brage Finans carried out a successful capital increase with its owner banks in the quarter, which strengthened its equity by NOK 250 million. The shares were subscribed for by existing shareholders in proportion to the shares they already owned. The equity certificate issue was planned in parallel with the company's annual budget and was carried out to facilitate further growth.

The bank's share of profits from Brage Finans came to NOK 26 (47) million for the quarter and NOK 68 (82) million for the first half-year.

Norne Securities (holding 41.81%) is a securities firm that offers investment services to the retail market, professional investors and companies.

The level of activity has been good with more transactions in Investment Banking in the second quarter. In the strategically important savings bank sector in particular, Norne has facilitated and advised on several issue and merger assignments. New and important projects have also been initiated and are expected to be completed this year. Activity vis-à-vis retail customers in share and fund trading is still at a good level.

The bank's share of profits from Norne Securities came to NOK 3 (0) million for the quarter and NOK 3 (0) million for the first half-year.

Balder Betaling (holding 38.54%) is a company that exercises ownership of Vipps Holding AS on behalf of Sparebanken Vest and other savings banks. Sparebanken Vest is the biggest owner of Balder Betaling. 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 first half-year.

POST BALANCE SHEET EVENTS

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

OUTLOOK

Western Norway

The Western Norway Index *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 Q2 2024 index is the 49th 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.

In the Western Norway Index for Q2 2024, the performance index rose to 59.8, an increase of 2.1 points from the previous quarter. This is well above the highest level in 2023, and is 5.4 points above the lowest point in 2022. Performance is good across industries and regions. At the sector level, shipping scored particularly high on the performance index, while building and construction showed an increase on all indicators, particularly the demand indicator.

The expectation index rose significantly in the quarter to 64.4, an increase of 3.2 points from the previous quarter. Similar levels have not been seen since the beginning of 2022. Developments over the past quarters have led to increased expectations, which are now being realised in performance and reinforcing expectations. At the sector level, the index shows increased expectations in all sectors, with the greatest expected growth in building and construction, shipping and accommodation/catering.

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. A high wage settlement in 2024 and financial buffers accumulated during the pandemic mitigate the challenges households are facing.

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 1.6–1.7%, which is both a low level historically and below the national average of 1.9%. Unemployment has fallen somewhat in these counties since the end of the previous quarter.

Sparebanken Vest
Sparebanken Vest's framework conditions combined with good operations have led to good results so far in 2024. Although there is reason to assume a weaker second half of the year, the Board expects a profit for the year that exceeds the bank's ROE target of 13%. Lending growth in the retail and corporate markets is now in line with the bank's 2024 targets, and the overall growth target for the year is expected to be reached. The bank's target of a lending portfolio of NOK 60 billion in the Bulder concept by the end of the year seems well within reach. In addition, the Board expects the targets in the bank's communicated profitability roadmap for the concept to be reached in the course of 2024.

Sparebanken Vest's cost-to-income ratio was very good in the second quarter of 2024, and among the best in the Norwegian market. Maintaining this position is a clear ambition for the bank. Total cost growth in 2024 is estimated at around 5%, and around 7% taking strategic initiatives into account.

Sparebanken Vest shall be capital-efficient, but at the same time well capitalised in order to handle fluctuations in its framework conditions and portfolio. Allocations will be based on the bank's dividend policy and adapted to the bank's profit performance, growth ambitions and regulatory requirements.

The Financial Supervisory Authority of Norway has proposed to raise the risk weight floor from 20% to 25% for the mortgage portfolio. Finance Norway is working on a consultation paper relating to this proposal, and in the opinion of the Board, there are no grounds for making such an adjustment. In the unlikely event that it is adopted, this may affect the payout ratio for the financial year 2024.

The performance and expectation indices in the bank's Western Norway Index are encouraging for businesses in Western Norway going forward. Good wage settlements in 2024 give households a buffer against higher prices and interest rates. Inflation is now starting to fall somewhat. However, a reduction in Norges Bank's key interest rate will seemingly take some time. Norges Bank and the interest market expect a stable interest rate level in 2024, with potential cuts in the key interest rate late in the year. The geopolitical situation is still uncertain. The wars in Ukraine and the Middle East continue, and the forthcoming presidential election in the United States contributes to the uncertainty.

The introduction of Basel IV in 2025 will lead to banks reporting capital under the standard approach having significant capital released for growth and/or extraordinary allocation of funds for the public benefit and dividends to equity certificate holders. Combined with the expected interest rates and price development, this may lead to further pressure on margins and net interest income going forward. However, Sparebanken Vest is well equipped to face a further tightening in the competitive situation. The objectives set for the bank's subsidiaries and associated companies support the Group's objectives, and they are expected to make increased contributions in 2024.

Structural changes in the savings bank sector are continuing to take place. Savings banks are merging and moving between alliances. Sparebanken Vest stands firmly on its own two feet, 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 going forward. 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 further development of Frendegruppen – a looser, bank-driven and more cost-effective group compared with alliances in the sector. The acquisition of 70% of Borea Asset Management is clear evidence of the cooperation.

Declaration from the Board of Directors and the CEO pursuant to Section 5-6 of the Securities Trading Act

We hereby declare that, to the best of our knowledge, the interim accounts for the period 1 January to 30 June 2024 have been prepared in accordance with applicable accounting standards and that the information in the accounts gives a true and fair picture of the company and the Group's assets, liabilities, financial position and overall performance.

Bergen, 13 August 2024
The Board of Directors of Sparebanken Vest

Arild Hugleik Bødal
Chair

Magne Morken
Deputy Chair

Mariann Vågnes Reite

Agnethe Brekke

Christine Sagen Helgø

Gunnar Skeie

Stig Standal Taule

Marianne Dorthea Jacobsen

Kristin Røyrbotten Axelsen

Gunn-Helen Gripsgård

Jan Erik Kjerpeseth
CEO

Financial highlights, Group

Summary of profit and loss	2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023	CHANGE 2Q-24 vs 1Q-24	2Q-24 vs 2Q-23
Net interest and credit commission income	1 536	1 232	2 999	2 407	5 242	74	304
Net commission income and income from banking services	172	156	334	293	654	10	16
Income from associated companies	78	60	114	113	215	41	18
Net gain/(loss) on financial instruments	16	-20	40	-24	-87	-9	35
Other operating income	94	77	151	144	263	38	17
Net operating income	**1 896**	**1 506**	**3 638**	**2 933**	**6 285**	**154**	**390**
Operating expenses	459	448	903	898	1 772	16	12
Write-downs of loans and losses on guarantees	25	29	68	62	95	-19	-4
Profit/loss before tax expense	**1 412**	**1 030**	**2 668**	**1 974**	**4 418**	**157**	**382**
Tax expense	310	242	342	316	874	279	68
Profit/loss for the period	**1 102**	**787**	**2 326**	**1 657**	**3 545**	**-122**	**314**
Equity certificates share of profit/loss divided by the number of equity certificates	3,93	2,84	8,34	5,98	12,76		

Financial highlights, Group (cont.)

Key figures	2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
Profitability					
Return on equity after tax	20,1%	15,1%	20,9%	16,1%	16,5%
Net interest as a percentage of average assets under management	1,88%	1,73%	1,86%	1,73%	1,79%
Net other operating income as a percentage of net operating revenues	19,4%	18,4%	18,0%	18,2%	16,9%
Operating expenses as a percentage of net operating income (cost-income)	24,2%	30,2%	24,8%	31,1%	28,7%
Operating expenses as a percentage of net operating income, corrected for financial instruments	24,4%	29,8%	25,1%	30,8%	28,3%
Losses and defaults					
Losses on loans as a percentage of gross lending			0,02%	0,03%	0,04%
Commitments in default (>90days) as a percentage of gross lending			0,21%	0,28%	0,31%
Potential bad debt as a percentage of gross lending (before write-down)			0,49%	0,59%	0,57%
Balance sheet figures and liquidity			**30/06-24**	**30/06-23**	**31/12-23**
Total assets			322 802	288 462	306 495
Average total assets	320 523	281 618	316 598	275 656	286 870
Gross loans to customers			272 912	241 078	256 644
Lending growth, last 12 months			13,2%	12,5%	13,9%
Customer deposits			134 175	123 654	123 599
Deposit growth, last 12 months			8,5%	16,2%	10,1%
Deposit coverage			49,3%	51,5%	48,3%
Liquidity Coverage Ratio (LCR)			182%	173%	184%
Capital adequacy					
Risk-weighted balance sheet total			108 456	99 388	108 026
Core Tier 1 capital adequacy			17,8%	18,6%	16,8%
Core capital adequacy			19,7%	20,1%	18,3%
Capital adequacy, transitional arrangement			22,2%	22,1%	20,3%
Leverage ratio			6,2%	6,5%	6,0%
Personnel					
Number of full-time equivalents			797	765	795
Number of branch offices			36	35	36
The equity certificate			**30/06-24**	**30/06-23**	**31/12-23**
Owner fraction on balance sheet date			40,7%	40,7%	40,7%
Weighted owner fraction in the period			40,7%	40,7%	40,6%
Equity cert. Capital's share of profit/loss divided by no of equity certificates (NOK)			8,34	5,98	12,76
Book equity per equity certificate			80,5	76,6	80,7
Listed price of equity certificate			125,5	103,0	109,4
Price-to-book			1,56	1,34	1,36

Income statement

PARENT BANK											GROUP
2023	**01/01-30/06-23**	**01/01-30/06-24**	**2Q 2023**	**2Q 2024**		**Notes**	**2Q 2024**	**2Q 2023**	**01/01-30/06-24**	**01/01-30/06-23**	**2023**
7 148	3 087	4 466	1 656	2 266	Interest income from asset valued at amortised cost		3 896	2 697	7 627	5 120	11 837
1 681	726	1 061	378	553	Interest income from asset valued at fair value		799	596	1 576	1 154	2 653
4 507	1 841	3 169	1 002	1 621	Interest expenses and similar expenses	4	3 159	2 060	6 204	3 867	9 249
4 322	**1 973**	**2 358**	**1 033**	**1 199**	**Net interest and credit commission income**		**1 536**	**1 232**	**2 999**	**2 407**	**5 242**
1 224	563	730	284	379	Commission income and income from banking services		212	191	412	359	783
127	66	77	35	40	Commission expenses and expenses relating to banking services		40	35	78	67	129
319	162	58	150	58	Income from ownership interests in associated companies		78	60	114	113	215
164	-3	81	4	74	Net gain/(loss) on financial instruments		16	-20	40	-24	-87
0	-1	0	-1	0	Other operating income		94	77	151	144	263
1 580	655	793	402	473	Net other operating income	5	360	274	640	526	1 044
5 902	**2 628**	**3 151**	**1 435**	**1 671**	**Net operating income**		**1 896**	**1 506**	**3 638**	**2 933**	**6 285**
1 182	594	637	290	321	Payroll and general administration expenses		377	344	739	699	1 381
184	96	82	47	42	Depreciation		43	48	83	97	192
137	68	47	37	20	Other operating expenses		39	56	80	101	199
1 503	758	765	375	383	Total operating expenses	6	459	448	903	898	1 772
4 399	**1 869**	**2 386**	**1 060**	**1 288**	**Profit before write-downs and tax**		**1 437**	**1 058**	**2 736**	**2 035**	**4 513**
49	26	65	27	14	Write-downs on loans and guarantees	7,8	25	29	68	62	95
4 350	**1 844**	**2 320**	**1 033**	**1 274**	**Pre-tax profit**		**1 412**	**1 030**	**2 668**	**1 974**	**4 418**
724	427	541	226	284	Tax		310	242	342	316	874
3 626	**1 417**	**1 780**	**808**	**990**	**Profit for the period**		**1 102**	**787**	**2 326**	**1 657**	**3 545**
3 524	1 373	1 702	786	949	Allocated to equity classes		1 061	766	2 248	1 613	3 442
103	44	78	21	41	Allocated to Additional Tier 1 capital		41	21	78	44	103
13,07	5,09	6,31	2,92	3,52	Profit/Diluted profit per equity certificate		3,93	2,84	8,34	5,98	12,76

Statement of comprehensive income

PARENT BANK										GROUP
2023	01/01-30/06-23	01/01-30/06-24	2Q 2023	2Q 2024		2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
3 626	**1 417**	**1 780**	**808**	**990**	**Profit/loss for the period**	**1 102**	**787**	**2 326**	**1 657**	**3 545**
-36	-9	-37	-19	-26	Changes in fair value due to credit risk – debt securities issued	-152	-20	-261	88	190
0	0	0	0	0	Base margin from hedging instruments related to hedge accounting	-30	-2	-90	5	-5
9	2	9	5	7	Tax on other profit/loss elements	41	5	78	-20	-40
-27	**-7**	**-28**	**-15**	**-20**	**Total other profit/loss elements in the period after tax**	**-141**	**-16**	**-273**	**73**	**145**
3 599	**1 409**	**1 752**	**793**	**970**	**Total profit for the period**	**960**	**771**	**2 053**	**1 730**	**3 690**

Balance sheet

PARENT BANK							GROUP
31/12-23	30/06-23	30/06-24		Notes	30/06-24	30/06-23	31/12-23
			Assets				
387	514	540	Cash and receivables from central banks		540	514	387
23 748	23 323	26 019	Loans to and receivables from credit institutions		1 175	553	3 154
114 222	108 322	123 627	Loans to and receivables from customers	8, 9, 10, 11	272 024	240 227	255 767
559	280	650	Shares, units and other equity instruments		654	280	560
33 915	33 544	36 128	Commercial papers and bonds		38 860	34 464	36 560
4 608	5 874	5 008	Financial derivatives		4 629	7 005	5 401
6 588	7 263	7 088	Shareholdings in group companies				
1 681	1 544	1 830	Shareholdings in associated companies		3 003	2 561	2 798
485	131	77	Deferred tax assets		205	117	256
112	92	112	Pension assets		123	100	123
232	246	227	Other intangible assets		247	272	252
636	639	627	Tangible fixed assets		650	665	660
239	97	146	Prepaid expenses		102	88	44
183	1 139	278	Other assets		589	1 617	532
187 595	**183 009**	**202 358**	**Total assets**		**322 802**	**288 462**	**306 495**
			Liabilities and equity				
9 129	11 945	9 517	Deposits from and debt to credit institutions		5 237	6 986	5 454
123 648	123 669	134 213	Deposits from and debt to customers	12	134 175	123 654	123 599
22 689	17 512	26 909	Securitised debt	16	152 840	128 922	146 484
4 540	4 402	4 633	Financial derivatives		1 519	1 574	1 670
184	196	179	Accrued expenses and pre-paid income		192	208	203
155	126	155	Pension obligation		167	136	167
146	151	186	Other provision for commitments	8	187	153	149
918	350	137	Tax liabilities		212	388	1 028
2 165	1 963	2 769	Subordinated loan capital	16	2 769	1 963	2 165
3 808	1 933	1 350	Other liabilities		1 709	2 301	2 152
167 381	**162 247**	**180 049**	**Total liabilities**		**299 007**	**266 285**	**283 071**
2 743	2 743	2 743	Equity certificates	15	2 743	2 743	2 743
-1	-2	0	Own equity certificates		0	-2	-1
1 966	1 966	1 966	Premium reserve		1 966	1 966	1 966
2 789	2 526	2 791	Equalisation reserve		2 791	2 526	3 612
7 497	7 234	7 500	Total equity certificate capital		7 500	7 234	8 320
10 750	10 373	10 750	Primary capital		10 750	10 373	11 951
150	150	150	Gift fund		150	150	150
36	36	36	Compensation fund		36	36	36
10 936	10 559	10 936	Total primary capital		10 936	10 559	12 136
114	94	114	Reserve for unrealised gains				
0	1 366	1 674	Other equity		3 274	2 875	1 299
1 668	1 510	2 085	Hybrid capital		2 085	1 510	1 668
20 214	**20 762**	**22 309**	**Total equity**		**23 795**	**22 177**	**23 423**
187 595	**183 009**	**202 358**	**Total liabilities and equity**		**322 802**	**288 462**	**306 495**

Cash flow statement

			GROUP
	01/01-30/06-24	01/01-30/06-23	2023
Cash flows from operations			
Interest, commission and customer fees received	8 720	6 221	13 773
Interest, commission and customer fees paid	-806	-498	-3 424
Interest received on other investments	1 030	584	1 432
Interest paid on other borrowings	-3 980	-2 441	-5 684
Payments to other suppliers for goods and services	-334	-369	-719
Payment to employees, pension schemes, National Insurance contributions, tax withholdings etc.	-492	-495	-865
Payment of taxes	-1 029	-628	-725
Net cash flow from operations	**3 110**	**2 374**	**3 789**
Cash flows from investment activities			
Payments made/received on loans to customers	-16 325	-14 816	-30 843
Payments made/received on receivables and tied-up loans to financial institutions	1 932	673	-1 985
Dividends received for securities not held for trading purposes	45	2	3
Payments made/received on purch./sales of shares not held for trading purposes	-93	-82	-288
Payments made/received on purch./sales of other securities not held for trading purposes	-2 582	-3 903	-5 668
Payments received from investments in associated companies	0	139	139
Payments made relating to investments in associated companies	-91	0	-136
Payments received from sale of fixed assets	0	2	6
Payments made on purchases of operating assets etc.	-39	-60	-107
Net cash flows from investment activities	**-17 153**	**-18 045**	**-38 880**
Cash flows from financing activities			
Payments made/received on customer deposits	9 036	10 788	11 377
Payments made/received on deposits from Norges Bank and other financial institutions	208	3 885	4 238
Payments received relating to subordinated loan capital	1 499	899	1 747
Payments related to redemptions of subordinated loan capital	-502	-729	-1 215
Payments received on issuing bond debt	18 110	12 476	37 188
Payments made related to redemption of bond debt	-11 628	-9 893	-16 068
Dividends paid / Donations for the public benefit	-2 526	-1 383	-1 932
Net cash flow from financing activities	**14 197**	**16 043**	**35 335**
Net cash flow for the period	**154**	**371**	**244**
Net change in cash and cash equivalents	**154**	**371**	**244**
Cash and cash equivalents at beginning of period	387	143	143
Cash and cash equivalents at end of period	540	514	387

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. 2022	**2 743**	**-3**	**1 966**	**3 127**	**11 254**	**150**	**36**	**1 189**	**1 431**	**21 893**
Profit/loss for the period								1 613	44	1 657
Other comprehensive income								73		73
Distributed dividend and donations				-603	-881					-1 485
Purchase/sale of own equity certificates		1		2						3
Dividends on own equity certificates				0						0
Issue of new hybrid capital									400	400
Redemption of hybrid capital									-333	-333
Interest paid on hybrid capital									-31	-31
Equity at 30 Jun. 2023	**2 743**	**-2**	**1 966**	**2 526**	**10 373**	**150**	**36**	**2 875**	**1 510**	**22 177**
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
Discount of equity certificates 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**	**3 612**	**11 951**	**150**	**36**	**1 299**	**1 668**	**23 423**
Profit/loss for the period								2 248	78	2 326
Other comprehensive income								-273		-273
Distributed dividend and donations				-823	-1 200					-2 023
Purchase/sale of own equity certificates		1		2						3
Issue of new hybrid capital									400	400
Interest paid on hybrid capital									-60	-60
Equity at 30 Jun. 2024	**2 743**	**0**	**1 966**	**2 791**	**10 750**	**150**	**36**	**3 274**	**2 085**	**23 795**

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	Other equity	Hybrid-capital	Total
Equity at 31 Dec. 2022	**2 743**	**-3**	**1 966**	**2 523**	**10 373**	**150**	**36**	**94**	**0**	**1 431**	**19 313**
Profit/loss for the period									1 373	44	1 417
Other comprehensive income									-7		-7
Purchase/sale of own equity certificates		1		2							3
Dividends on own equity certificates				0							0
Issue of new hybrid capital										400	400
Redemption of hybrid capital										-333	-333
Interest paid on hybrid capital										-31	-31
Equity at 30 Jun. 2023	**2 743**	**-2**	**1 966**	**2 526**	**10 373**	**150**	**36**	**94**	**1 366**	**1 510**	**20 762**
Equity at 31 Dec. 2022	**2 743**	**-3**	**1 966**	**2 523**	**10 373**	**150**	**36**	**94**	**0**	**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 equity certificates 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**	**0**	**1 668**	**20 214**
Profit/loss for the period									1 702	78	1 780
Other comprehensive income									-28		-28
Purchase/sale of own equity certificates		1		2							3
Issue of new hybrid capital										400	400
Interest paid on hybrid capital										-60	-60
Equity at 30 Jun. 2024	**2 743**	**0**	**1 966**	**2 791**	**10 750**	**150**	**36**	**114**	**1 674**	**2 085**	**22 309**

Note 1 Accounting principles

The consolidated accounts for the second quarter 2024 were prepared in accordance with the requirements of IAS 34. The accounting principles are described in the annual report for 2023.

All amounts are stated in NOK million unless otherwise specified.

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**	**Real estate agency business**	**Not allocated by segment**	**Total**
01/01-30/06-24							
Income statement							
Net interest income	988	1 348	128	534	1	0	2 999
Other operating income	162	227	9	92	150	0	640
Operating expenses	-65	-184	-52	-13	-134	-454	-903
Loss	-53	-11	-4	0	0	0	-68
Pre-tax profit	**1 032**	**1 379**	**80**	**613**	**17**	**-454**	**2 668**
Tax expense							-342
Profit for the period							**2 326**
30/06-24							
Balance sheet							
Net lendings	59 831	156 089	56 104	0	0	0	272 024
Deposits	42 884	68 353	13 543	9 395	0	0	134 175
01/01-30/06-23							
Income statement							
Net interest income	862	1 124	32	390	0	0	2 407
Other operating income	167	257	0	-42	143	0	526
Operating expenses	-62	-184	-43	-7	-136	-466	-898
Loss	-18	-41	-3	0	0	0	-62
Pre-tax profit	**950**	**1 157**	**-15**	**341**	**7**	**-466**	**1 974**
Tax expense							-316
Profit for the period							**1 657**
30/06-23							
Balance sheet							
Net lendings	53 263	152 461	34 503	0	0	0	240 227
Deposits	41 724	65 338	5 589	11 003	0	0	123 654
2023							
Income statement							
Net interest income	1 824	2 409	55	951	2	0	5 242
Other operating income	349	473	2	-41	260	0	1 044
Operating expenses	-133	-373	-83	-16	-261	-906	-1 772
Loss	-24	-60	-11	0	0	0	-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	0	0	0	255 767
Deposits	41 537	63 704	8 190	10 167	0	0	123 599

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

30/06-24 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					540	540
Loans to and receivables from credit institutions					1 175	1 175
Loans to and receivables from customers		17 909			254 114	272 024
Shares, units and other equity instruments	654					654
Certificates and bonds	38 860					38 860
Financial derivatives	1 022			3 607		4 629
Total financial assets	**40 535**	**17 909**	**0**	**3 607**	**255 830**	**317 882**
Financial commitments						
Deposits from and debt to credit institutions					5 237	5 237
Deposits from and debt to customers		1 699			132 475	134 175
Securitised debt [1)]		36 074		46 365	70 401	152 840
Financial derivatives	1 103			416		1 519
Other provisions for liabilities					187	187
Subordinated loan capital	203				2 566	2 769
Total financial liabilities	**1 306**	**37 773**	**0**	**46 781**	**210 866**	**296 726**

PARENT BANK

30/06-24 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					540	540
Loans to and receivables from credit institutions					26 019	26 019
Loans to and receivables from customers		4 778	55 796		63 054	123 627
Shares, units and other equity instruments	650					650
Certificates and bonds	36 128					36 128
Financial derivatives	5 008					5 008
Total financial assets	**41 786**	**4 778**	**55 796**	**0**	**89 613**	**191 973**
Financial commitments						
Deposits from and debt to credit institutions					9 517	9 517
Deposits from and debt to customers		1 699			132 514	134 213
Securitised debt [1)]		12 032			14 876	26 909
Financial derivatives	4 633					4 633
Other provisions for liabilities					186	186
Subordinated loan capital	203				2 566	2 769
Total financial liabilities	**4 836**	**13 732**	**0**	**0**	**159 660**	**178 227**

[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

30/06-23 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					514	514
Loans to and receivables from credit institutions					553	553
Loans to and receivables from customers		21 389			218 838	240 227
Shares, units and other equity interests	280					280
Certificates and bonds	34 464					34 464
Financial derivatives	5 048			1 957		7 005
Total financial assets	**39 791**	**21 389**	**0**	**1 957**	**219 905**	**283 042**
Financial commitments						
Deposits from and debt to credit institutions					6 986	6 986
Deposits from and debt to customers		1 683			121 971	123 654
Securitised debt [1]		49 837		14 842	64 243	128 922
Financial derivatives	1 364			210		1 574
Other provisions for liabilities					153	153
Subordinated loan capital					1 963	1 963
Total financial liabilities	**1 364**	**51 520**	**0**	**15 052**	**195 315**	**263 251**

PARENT BANK

30/06-23 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					514	514
Loans to and receivables from credit institutions					23 323	23 323
Loans to and receivables from customers		4 719	43 191		60 412	108 322
Shares, units and other equity interests	280					280
Certificates and bonds	33 544					33 544
Financial derivatives	5 874					5 874
Total financial assets	**39 698**	**4 719**	**43 191**	**0**	**84 249**	**171 857**
Financial commitments						
Deposits from and debt to credit institutions					11 945	11 945
Deposits from and debt to customers		1 683			121 987	123 669
Securitised debt [1]		7 519			9 993	17 512
Financial derivatives	4 402					4 402
Other provisions for liabilities					151	151
Subordinated loan capital					1 963	1 963
Total financial liabilities	**4 402**	**9 202**	**0**	**0**	**146 037**	**159 641**

[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				
2023	01/01-30/06-23	01/01-30/06-24	2Q 2023	2Q 2024		2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
1 049	396	661	230	333	Interest and similar income from loans to and receivables from credit institutions valued at amortised cost	19	8	51	14	77
6 099	2 691	3 805	1 426	1 933	Interest and similar income from loans to and receivables from customers valued at amortised cost	3 877	2 689	7 576	5 106	11 760
296	129	155	65	78	Interest and similar income from loans to and receivables from customers valued at fair value	287	276	591	545	1 199
1 386	597	906	313	475	Interest and similar income from commercial papers, bonds and other interest-bearing securities	512	319	984	609	1 455
8 830	**3 813**	**5 527**	**2 035**	**2 819**	**Interest income and similar income**	**4 695**	**3 293**	**9 203**	**6 274**	**14 490**
277	96	187	60	70	Interest and similar expenses on debt to credit institutions	50	59	133	78	200
3 306	1 355	2 212	741	1 149	Interest and similar expenses on deposits from and debt to customers	1 116	741	2 151	1 353	3 228
707	293	643	151	336	Interest and similar expenses on issued securities	1 918	1 204	3 776	2 318	5 567
113	46	76	24	40	Interest and similar expenses on subordinated loan capital	40	24	76	46	113
17	8	8	4	4	Other interest expenses etc. [1]	8	5	14	10	24
88	43	43	22	22	Fee Norwegian Banks' Guarantee Fund	27	27	54	62	118
4 507	**1 841**	**3 169**	**1 002**	**1 621**	**Interest expenses and similar expenses**	**3 159**	**2 060**	**6 204**	**3 867**	**9 249**
4 322	**1 973**	**2 358**	**1 033**	**1 199**	**Net interest and credit commission income**	**1 536**	**1 232**	**2 999**	**2 407**	**5 242**

[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				
2023	01/01-30/06-23	01/01-30/06-24	2Q 2023	2Q 2024		2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
56	26	31	13	17	Guarantee commissions	17	13	31	26	56
383	180	211	97	115	Fees from payment transfers	115	97	211	180	383
111	53	56	28	29	Income from insurance	29	28	56	53	111
120	57	67	29	32	Commission income from savings and investment products	32	29	67	57	120
442	204	318	93	168	Commission income from group companies					
112	43	45	23	18	Other commissions and fees	18	23	46	43	112
1 224	**563**	**730**	**284**	**379**	**Commission income and income from banking services**	**212**	**191**	**412**	**359**	**783**
116	59	64	30	34	Fees payment transfers	34	30	64	59	116
4	5	3	3	1	Expenses related to savings and investment products	1	3	3	5	4
7	2	9	2	4	Other commissions and fees	5	2	11	3	9
127	**66**	**77**	**35**	**40**	**Commission expenses and expenses relating to banking services**	**40**	**35**	**78**	**67**	**129**
1 097	**497**	**653**	**249**	**340**	**Net banking services**	**172**	**156**	**334**	**293**	**654**
319	**162**	**58**	**150**	**58**	**Income from shareholdings in group companies and associated companies**	**78**	**60**	**114**	**113**	**215**
3	2	45	2	32	Dividend	32	2	45	2	3
44	-30	0	-22	17	Gain/(loss) on shares	17	-22	0	-30	44
-25	-44	52	-17	22	Gain/(loss) on commercial papers and bonds [1]	19	-17	47	-46	-37
-148	4	-31	5	-15	Gain/(loss) on financial instruments, designated at fair value [1]	-42	-13	-52	-9	-201
293	65	17	35	19	Gain/(loss) related to positions to customers and trading	20	35	17	65	125
					Net gain/(loss) on financial instruments designated for hedge accounting	-30	-1	-13	-1	-10
-3	-1	-1	0	0	Other gain/(loss)	0	-4	-4	-4	-10
164	**-3**	**81**	**4**	**74**	**Net gain/(loss) on financial instruments**	**16**	**-20**	**40**	**-24**	**-87**
0	0	0	0	0	Brokerage commission	94	77	150	143	261
0	-1	0	-1	0	Other operating income	1	0	1	1	2
0	**-1**	**0**	**-1**	**0**	**Other operating income**	**94**	**77**	**151**	**144**	**263**
1 580	**655**	**793**	**402**	**473**	**Net other operating income**	**360**	**274**	**640**	**526**	**1 044**

[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
2023	01/01-30/06-23	01/01-30/06-24	2Q 2023	2Q 2024		2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
625	301	342	150	172	Payroll expenses including empl.Nat.Ins. contributins	217	190	421	380	777
78	42	44	20	23	Pension expenses	25	23	49	47	90
40	19	21	10	10	Other personnel expences	14	14	29	27	52
79	52	25	23	13	External fees	13	24	25	53	82
304	146	173	70	87	IT expenses	90	73	178	153	316
55	34	32	17	17	Marketing	19	19	37	39	64
1 182	**594**	**637**	**290**	**321**	**Payroll and general administration expenses**	**377**	**344**	**739**	**699**	**1 381**
184	**96**	**82**	**47**	**42**	**Depreciation**	**43**	**48**	**83**	**97**	**192**
26	16	9	6	3	Operating expenses, premises	7	11	17	25	42
20	0	0	0	0	Wealth tax	0	0	0	0	20
91	51	38	31	17	Other operating expenses	32	45	63	76	136
137	**68**	**47**	**37**	**20**	**Total other operating expenses**	**39**	**56**	**80**	**101**	**199**
1 503	**758**	**765**	**375**	**383**	**Total operating expenses**	**459**	**448**	**903**	**898**	**1 772**

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

PARENT BANK										GROUP
2023	01/01-30/06-23	01/01-30/06-24	2Q 2023	2Q 2024		2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
-4	-31	26	2	17	Losses on loans in the period	29	4	30	3	40
53	57	39	24	-3	Losses on guarantees, unused credit facilities and loan approvals in the period	-4	25	38	59	55
49	**26**	**65**	**27**	**14**	**Loss cost for the period**	**25**	**29**	**68**	**62**	**95**

Note 8 Nedskrivning på utlån, garantier, ubenyttede kreditter samt lånetilsagn

GROUP

30/06-24 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	**319**	**247**	**255**	**821**	**206**	**1 026**
Transferred to 12-month ECL (Stage 1)	54	-50	-4	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-16	39	-23	0	0	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Calculated by model	0	-19	21	2	-2	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Individually assessed	0	-1	-2	-3	3	0
Net new measurement of losses	-79	88	83	92	61	153
Newly issued or acquired financial assets	86	52	10	148	0	148
Financial assets derecognised	-90	-52	-82	-224	-27	-251
Currency effects and other changes	0	0	0	0	0	0
Loss provision closing balance	**273**	**304**	**258**	**836**	**240**	**1 076**
Loan loss provision	216	279	205	700	188	889
Provision for guarantees, unused credit facilities and loan approvals	57	25	53	135	52	187
Total loss provision	**273**	**304**	**258**	**836**	**240**	**1 076**
Gross lending recognised at amortised cost, allocated to different stages – opening balance	220 503	14 636	940	236 079	494	236 572
Gross lending recognised at amortised cost, allocated to different stages – closing balance	236 681	17 020	873	254 573	430	255 003
Distribution corporate/retail customers						
Write-downs in opening balance						
Corporate customers	264	181	201	647	198	845
Retail customers	55	66	54	174	8	181
Total write-down	**319**	**247**	**255**	**821**	**206**	**1 026**
Write-downs closing balance						
Corporate customers	219	223	200	642	233	875
Retail customers	54	81	58	193	7	201
Total write-down	**273**	**304**	**258**	**836**	**240**	**1 076**
Loss cost for the period						
Changes in individual write-downs for the period						34
Currency gain and other changes						0
Confirmed loss in the period with previous individual write-down						19
Confirmed loss in the period with no previous individual write-down						8
Recoveries in previously confirmed write-downs						-9
Net effect on profit/loss from individual write-downs						53
Changes in losses for the period, calculated by model (Stage 1–3)						15
Loss cost for the period on loans, guarantees, unused credit and loan approvals						**68**
Gross lending recognised at amortised cost closing balance	236 681	17 020	873	254 573	430	255 003
Loss write-down	-216	-279	-205	-700	-188	-889
Net lending recognised at amortised cost in the balance sheet	236 464	16 741	667	253 872	242	254 114
Loans valued at fair value						17 909
Capitalised lending closing balance						**272 024**

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

30/06-23 **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)	95	-90	-4	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-20	25	-6	0	0	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Calculated by model	-1	-22	23	1	-1	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Individually assessed	-1	-10	-3	-14	14	0
Net new measurement of losses	-39	31	53	45	175	220
Newly issued or acquired financial assets	109	30	15	155	2	157
Financial assets derecognised	-34	-46	-30	-110	-239	-349
Currency effects and other changes	0	0	0	0	1	1
Loss provision closing balance	**308**	**255**	**252**	**815**	**190**	**1 004**
Loan loss provision	226	216	221	662	189	852
Provision for guarantees, unused credit facilities and loan approvals	82	39	31	152	0	153
Total loss provision	**308**	**255**	**252**	**815**	**190**	**1 004**
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	205 106	13 155	949	219 211	479	219 690
Distribution corporate/retail customers						
Write-downs in opening balance						
Corporate customers	172	278	177	628	227	855
Retail customers	26	57	27	111	10	120
Total write-down	**199**	**336**	**205**	**739**	**237**	**976**
Write-downs closing balance						
Corporate customers	248	201	199	647	182	829
Retail customers	60	54	53	168	8	175
Total write-down	**308**	**255**	**252**	**815**	**190**	**1 004**
Loss cost for the period						
Changes in individual write-downs for the period						-47
Currency gain and other changes						1
Confirmed loss in the period with previous individual write-down						9
Confirmed loss in the period with no previous individual write-down						28
Recoveries in previously confirmed write-downs						-5
Net effect on profit/loss from individual write-downs						-14
Changes in losses for the period, calculated by model (Stage 1–3)						76
Loss cost for the period on loans, guarantees, unused credit and loan approvals						**62**
Gross lending recognised at amortised cost closing balance	205 106	13 155	949	219 211	479	219 690
Loss write-down	-226	-216	-221	-662	-189	-852
Net lending recognised at amortised cost in the balance sheet	204 881	12 939	728	218 548	290	218 838
Loans valued at fair value						21 389
Capitalised lending closing balance						**240 227**

ECL = Expected Credit Loss

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

PARENT BANK

30/06-24 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	**287**	**205**	**233**	**725**	**206**	**930**
Transferred to 12-month ECL (Stage 1)	46	-44	-3	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-15	34	-19	0	0	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Calculated by model	0	-16	19	2	-2	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Individually assessed	0	-1	-2	-3	3	0
Net new measurement of losses	-70	76	75	82	61	142
Newly issued or acquired financial assets	83	51	10	144	0	144
Financial assets derecognised	-86	-47	-79	-212	-27	-240
Currency effects and other changes	0	0	0	0	0	0
Loss provision closing balance	**246**	**258**	**233**	**737**	**240**	**977**
Loan loss provision	189	233	180	603	188	791
Provision for guarantees, unused credit facilities and loan approvals	56	25	53	134	52	186
Total loss provision	**246**	**258**	**233**	**737**	**240**	**977**
Loss cost for the period						
Changes in individual write-downs for the period						34
Currency gain and other changes						0
Confirmed loss in the period with previous individual write-down						19
Confirmed loss in the period with no previous individual write-down						8
Recoveries in previously confirmed write-downs						-8
Net effect on profit/loss from individual write-downs						53
Changes in losses for the period, calculated by model (Stage 1–3)						12
Loss cost for the period on loans, guarantees, unused credit and loan approvals						**65**
Gross lending recognised at amortised cost or fair value through other comprehensive income closing balance	105 574	12 900	737	119 210	430	119 640
Loss write-down	-189	-233	-180	-603	-188	-791
Net lending	105 384	12 667	556	118 608	242	118 849
Loans valued at fair value						4 778
Capitalised lending closing balance						**123 627**

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

PARENT BANK

30/06-23 Periodens bevegelse på nedskrivning etter IFRS 9 på utlån, garantier, ubenyttede kreditter og lånetilsagn	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)	82	-78	-4	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-19	24	-5	0	0	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Calculated by model	-1	-21	22	1	-1	0
Transferred to lifetime ECL – objective evidence of loss (Stage 3) – Individually assessed	-1	-10	-3	-14	14	0
Net new measurement of losses	-39	14	33	7	175	182
Newly issued or acquired financial assets	106	29	15	150	2	153
Financial assets derecognised	-34	-42	-27	-102	-239	-341
Currency effects and other changes	0	0	0	0	1	1
Loss provision closing balance	**284**	**219**	**225**	**728**	**190**	**918**
Loan loss provision	204	180	195	578	189	767
Provision for guarantees, unused credit facilities and loan approvals	81	39	31	150	0	151
Total loss provision	**284**	**219**	**225**	**728**	**190**	**918**
Loss cost for the period						
Changes in individual write-downs for the period						-47
Currency gain and other changes						1
Confirmed loss in the period with previous individual write-down						9
Confirmed loss in the period with no previous individual write-down						26
Recoveries in previously confirmed write-downs						-5
Net effect on profit/loss from individual write-downs						-16
Changes in losses for the period, calculated by model (Stage 1–3)						42
Loss cost for the period on loans, guarantees, unused credit and loan approvals						**26**
Gross lending recognised at amortised cost or fair value through other comprehensive income closing balance	93 525	9 562	807	103 893	477	104 370
Loss write-down	-204	-180	-195	-578	-189	-767
Net lending	93 321	9 382	613	103 315	288	103 603
Loans valued at fair value						4 719
Capitalised lending closing balance						**108 322**

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

GROUP

30/06-24

Gross lending recognised at amortised cost	Calculated by model Stage 1	Stage 2	Stage 3	Total calculated by model losses	Individually assessed Stage 3	Total
Gross lending opening balance	**220 503**	**14 636**	**940**	**236 079**	**494**	**236 572**
Transferred to 12-month ECL (Stage 1)	2 867	-2 847	-21	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-5 668	5 777	-109	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 3) – Model-based	-44	-283	328	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 3) – Individually assessed	-2	-14	-5	-21	21	0
Newly issued or acquired financial assets	51 192	2 677	71	53 940	1	53 940
Financial assets derecognised – excluding loss write-down	-36 913	-3 591	-377	-40 882	-88	-40 970
Net change in existing loans	4 747	665	45	5 457	4	5 461
Gross lending closing balance recognised at amortised cost	**236 681**	**17 020**	**873**	**254 573**	**430**	**255 003**
Impairment loss	-216	-279	-205	-700	-188	-889
Net lending at closing balance recognised at amortised cost	236 464	16 741	667	253 872	242	254 114
Lending valued at fair value						17 909
Capitalised lending closing balance						**272 024**
Gross lending recognised at amortised cost, allocated to different stages closing balance	**236 681**	**17 020**	**873**	**254 573**	**430**	**255 003**
** Of which corporate customers*	51 047	10 545	601	62 194	422	62 615
** Of which retail customers – mortgages*	185 101	6 352	262	191 715	0	191 715
** Of which retail customers – unsecured loans/other*	532	123	10	664	9	673

30/06-23

Gross lending recognised at amortised cost	Calculated by model Stage 1	Stage 2	Stage 3	Total calculated by model losses	Individually assessed Stage 3	Total
Gross lending opening balance	**189 124**	**12 010**	**776**	**201 910**	**624**	**202 534**
Transferred to 12-month ECL (Stage 1)	4 789	-4 773	-16	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 2)	-6 865	6 902	-38	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 3) – Model-based	-85	-229	314	0	0	0
Transferred to lifetime ECL – no objective evidence of loss (Stage 3) – Individually assessed	-4	-253	-13	-270	270	0
Newly issued or acquired financial assets	43 333	1 402	43	44 778	12	44 790
Financial assets derecognised – excluding loss write-down	-30 162	-2 291	-155	-32 608	-435	-33 044
Net change in existing loans	4 976	386	38	5 400	9	5 410
Gross lending closing balance recognised at amortised cost	**205 106**	**13 155**	**949**	**219 211**	**479**	**219 690**
Impairment loss	-226	-216	-221	-662	-189	-852
Net lending at closing balance recognised at amortised cost	204 881	12 939	728	218 548	290	218 838
Lending valued at fair value						21 389
Capitalised lending closing balance						**240 227**
Gross lending recognised at amortised cost, allocated to different stages closing balance	**205 106**	**13 155**	**949**	**219 211**	**479**	**219 690**
** Of which corporate customers*	46 804	7 892	695	55 391	468	55 859
** Of which retail customers – mortgages*	157 248	5 155	246	162 649	0	162 649
** Of which retail customers – unsecured loans/other*	1 054	109	8	1 170	12	1 182

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		
30/06-24				30/06-24		
Retail customers	Corporate customers	Total		Retail customers	Corporate customers	Total
77	459	535	Gross loans in defaults of payment exceeding 90 days	127	459	586
82	557	639	Gross other defaults and other problem loans	174	564	738
159	**1 016**	**1 175**	**Gross default and other problem loans**	**301**	**1 023**	**1 324**
-39	-329	-369	- Total write-downs stage 3	-63	-330	-393
120	**686**	**806**	**Net default and other problem loans**	**238**	**693**	**931**

30/06-23				30/06-23		
Retail customers	Corporate customers	Total		Retail customers	Corporate customers	Total
56	567	623	Gross loans in defaults of payment exceeding 90 days	107	570	677
93	559	652	Gross other defaults and other problem loans	188	565	753
149	**1 126**	**1 275**	**Gross default and other problem loans**	**295**	**1 135**	**1 430**
-31	-353	-384	- Total write-downs stage 3	-56	-354	-411
118	**773**	**891**	**Net default and other problem loans**	**239**	**780**	**1 019**

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 customers. The same applies to the corporate customers, but here the amount limit is NOK 2,000.

PARENT BANK				GROUP		
30/06-24				30/06-24		
Retail customers	Corporate customers	Total		Retail customers	Corporate customers	Total
65	443	508	Up to 30 days	160	446	606
47	393	440	31-90 days	85	397	481
77	459	535	More than 90 days	127	459	586
189	**1 295**	**1 483**	**Gross loans in default of payment**	**372**	**1 301**	**1 674**

30/06-23				30/06-23		
Retail customers	Corporate customers	Total		Retail customers	Corporate customers	Total
54	382	437	Up to 30 days	113	391	504
7	118	125	31-90 days	19	123	142
56	567	623	More than 90 days	107	570	677
117	**1 067**	**1 184**	**Gross loans in default of payment**	**239**	**1 084**	**1 324**

Note 11 Loans by sector and industry

PARENT BANK 31/12-23	30/06-23	30/06-24		30/06-24	30/06-23	GROUP 31/12-23
11 090	9 801	12 472	Primary industries	12 893	10 319	11 499
3 621	4 235	4 262	Manufacturing and mining	4 346	4 308	3 696
2 628	2 468	2 949	Power and water supply	2 951	2 477	2 637
7 017	6 731	7 115	Building and construction	7 491	7 104	7 369
2 991	3 148	3 071	Commerce	3 218	3 262	3 130
8 119	8 249	7 337	International shipping and transport	7 651	8 562	8 418
634	602	641	Hotel and restaurants	688	655	682
18 708	17 146	20 284	Property management	20 319	17 177	18 740
3 552	3 064	3 847	Services	4 659	3 767	4 256
63	64	62	Municipal/public sector	62	64	63
444	421	445	Other financial undertakings	445	421	444
58 867	55 929	62 483	Total corporate sector	64 724	58 116	60 933
56 139	53 160	61 935	Retail customers	208 188	182 962	195 711
115 006	**109 090**	**124 418**	**Total gross loans to customers**	**272 912**	**241 078**	**256 644**
784	767	791	Total write-downs on loans	889	852	878
114 222	**108 322**	**123 627**	**Total net loans to customers**	**272 024**	**240 227**	**255 767**

Note 12 Deposits by sector and industry

PARENT BANK 31/12-23	30/06-23	30/06-24		30/06-24	30/06-23	GROUP 31/12-23
6 252	6 357	6 898	Primary industries	6 898	6 357	6 252
9 907	9 970	7 051	Manufacturing and mining	7 051	9 970	9 907
1 227	1 571	796	Power and water supply	796	1 571	1 227
3 859	3 625	3 949	Building and construction	3 949	3 625	3 859
3 310	3 315	3 091	Commerce	3 091	3 315	3 310
6 137	6 119	7 703	International shipping and transport	7 703	6 119	6 137
573	642	729	Hotel and restaurants	729	642	573
6 390	6 903	6 717	Property management	6 701	6 892	6 379
11 512	12 026	13 763	Services	13 734	12 012	11 470
2 313	2 189	1 438	Municipal/public sector	1 438	2 189	2 313
3 581	3 479	3 763	Other financial undertakings	3 763	3 479	3 581
55 061	56 195	55 897	Total corporate sector	55 853	56 171	55 007
68 587	67 474	78 316	Retail customers	78 322	67 483	68 592
123 648	**123 669**	**134 213**	**Total deposits to customers**	**134 175**	**123 654**	**123 599**

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**
30/06-24	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Loans to and receivables from customers			17 909	17 909
Shares, units and other equity instruments	448		206	654
Commercial papers and bonds	12 129	26 730		38 860
Financial derivatives		1 022		1 022
Financial derivatives designated for hedge accounting		3 607		3 607
Total	**12 577**	**31 360**	**18 115**	**62 052**
Liabilities				
Deposits from and debt to customers		1 699		1 699
Securitised debt		36 074		36 074
Financial derivatives		1 103		1 103
Financial derivatives designated for hedge accounting		416		416
Subordinated loan capital		203		203
Total	**0**	**39 495**	**0**	**39 495**

	Loans to customers	**Shares**
Financial instruments in level 3 – opening balance	**20 072**	**174**
Additions/acquisitions	1 163	48
Sales/redemption/repayment	-3 318	0
This years value adjustment	-8	-16
Reclassification between levels 2 and 3	0	0
Financial instruments in level 3 – closing balance	**17 909**	**206**

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

				GROUP
30/06-23	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Loans to and receivables from customers			21 389	21 389
Shares, units and other equity instruments	39		241	280
Certificates and bonds	10 179	24 285		34 464
Financial derivatives		5 048		5 048
Financial derivatives designated for hedge accounting		1 957		1 957
Total	**10 218**	**31 289**	**21 630**	**63 137**
Liabilities				
Deposits from and debt to customers		1 683		1 683
Securitised debt		49 837		49 837
Financial derivatives		1 574		1 574
Total	**0**	**53 093**	**0**	**53 093**

	Loans to customers	Shares
Financial instruments in level 3 – opening balance	**22 840**	**183**
Additions/acquisitions	1 059	91
Sales/redemption/repayment	-2 255	-9
This years value adjustment	-255	-24
Reclassification between levels 2 and 3	0	0
Financial instruments in level 3 – closing balance	**21 389**	**241**

Note 14 Financial strength

PARENT BANK						GROUP
31/12-23	30/06-23	30/06-24	Capital adequacy	30/06-24	30/06-23	31/12-23
			Risk-weighted volume			
25 517	25 131	27 305	Enterprise – SME	27 319	25 153	25 517
1 039	689	812	Enterprise – Specialised	812	689	1 039
8 186	7 385	7 068	Enterprise – Other	7 068	7 385	8 186
922	766	788	Mass market with secured by property – SME	1 335	1 471	1 618
16 503	14 236	16 124	Mass market with mortgage secured by property – not SME	43 354	38 060	43 019
58	61	43	Mass market – Other SMEs	43	63	58
1 288	1 307	1 371	Mass market – Other not-SMEs	1 381	1 331	1 293
4 942	3 715	5 562	Equity positions IRB	0	0	0
58 455	53 290	59 073	Total credit risk IRB	81 311	74 152	80 729
599	823	373	Central governments or central banks	373	823	599
6 171	9 880	7 103	Institutions	1 046	966	1 139
0	0	0	Corporates	4 625	5 857	4 584
0	0	0	Retail	4 522	2 486	4 147
1 932	1 783	2 025	Covered bonds	2 208	1 874	2 106
6 500	6 500	7 000	Equity	679	307	586
2 033	1 544	1 256	Other items	3 819	3 760	3 555
17 234	20 530	17 756	Total credit risk standardised approach (SA)	17 271	16 073	16 716
8 391	7 197	8 391	Operational risk	9 052	7 908	9 052
1 414	1 114	541	Risk of credit valuation adjustment for counterparty (CVA)	822	1 256	1 529
85 494	**82 132**	**85 762**	**Total risk-weighted volume**	**108 456**	**99 388**	**108 026**
			Own funds			
2 743	2 743	2 743	Equity certificates	2 743	2 743	2 743
-1	-2	0	Deductions for own equity certificates	0	-2	-1
1 966	1 966	1 966	Premium reserve	1 966	1 966	1 966
10 750	10 373	10 750	Primary capital	10 750	10 373	11 951
36	36	36	Compensation fund	36	36	36
150	150	150	Gift fund	150	150	150
2 789	2 526	2 791	Equalisation reserve	2 791	2 526	3 612
114	1 459	1 788	Other equity	3 274	2 875	1 299
18 546	19 251	20 224	Total book equity excluding hybrid capital	21 710	20 667	21 755
			Deductions			
-199	-213	-194	Goodwill and other intangible assets	-252	-266	-246
			Including effects of regulatory scope of consolidation	*-38*	*-27*	*-27*
21	1	49	Adj. for unrealised losses/(gains) on debt recorded at fair value	-78	-200	-280
-110	-101	-121	Value adjustments due to the requirements for prudent valuation	-123	-114	-122
-257	-222	-257	Adj. for investments in other financial institutions	-365	-330	-365
-444	-302	-333	Adjusted expected losses IRB-portfolios	-477	-459	-623
0	-686	-851	Dividend and donations	-1 124	-807	-2 023
17 558	**17 728**	**18 517**	**Common Equity Tier 1 capital**	**19 292**	**18 492**	**18 096**
1 650	1 487	2 050	Additional Tier 1 capital	2 050	1 487	1 650
19 208	**19 215**	**20 567**	**Total Tier 1 capital**	**21 342**	**19 979**	**19 746**
2 147	1 949	2 745	Tier 2 instruments - Supplementary capital	2 745	1 949	2 147
21 355	**21 163**	**23 312**	**Own funds**	**24 086**	**21 927**	**21 893**

Note 14 Capital adequacy (cont.)

PARENT BANK 31/12-23	30/06-23	30/06-24	Capital adequacy	GROUP 30/06-24	30/06-23	31/12-23
			Minimum requirement			
6 840	6 571	6 861	Own funds, minimum requirement; 8%	8 676	7 951	8 642
14 515	**14 593**	**16 451**	**Own funds, regulatory surplus**	**15 410**	**13 976**	**13 250**
13 710	*14 032*	*14 658*	*of which surplus Common Equity Tier 1 to cover buffer requirement*	*14 411*	*13 976*	*13 234*
			Buffer requirements			
2 137	2 053	2 144	Capital conservation buffer requirement; 2,5%	2 711	2 485	2 701
3 847	3 696	3 859	Systemic risk buffer requirement; 4,5%	4 881	4 472	4 861
2 137	2 053	2 144	Countercyclical buffer requirement; 1,5%	2 711	2 485	2 701
8 122	**7 803**	**8 147**	**Total buffer requirement Common Equity Tier 1**	**10 303**	**9 442**	**10 263**
5 588	**6 229**	**6 510**	**Common Equity Tier 1 capital, regulatory surplus**	**4 108**	**4 534**	**2 972**
20,5%	21,6%	21,6%	Common Equity Tier 1 capital [1]	17,8%	18,6%	16,8%
1,9%	1,8%	2,4%	Additional Tier 1 capital	1,9%	1,5%	1,5%
2,5%	2,4%	3,2%	Supplementary capital	2,5%	2,0%	2,0%
25,0%	**25,8%**	**27,2%**	**Capital adequacy**	**22,2%**	**22,1%**	**20,3%**

PARENT BANK 31/12-23	30/06-23	30/06-24	Leverage ratio	GROUP 30/06-24	30/06-23	31/12-23
187 595	183 009	202 358	Balance sheet items, incl. gross consolidation of associated companies	332 782	298 176	316 489
12 595	23 262	11 298	Off-balance sheet items	12 549	11 815	11 613
45	-858	-916	Regulatory adjustments	-1 169	-620	328
200 235	205 412	212 740	Calculation basis for leverage ratio	344 162	309 371	328 429
19 208	19 215	20 567	Core capital	21 342	19 979	19 746
9,6%	**9,4%**	**9,7%**	**Leverage ratio [2]**	**6,2%**	**6,5%**	**6,0%**

[1] The CET1 at the end of the second quater 2023/2024 includes 50% of the profit year to date, in line with the dividend policy. CET1 ratio without profit accumulation was 16.8% (17.8%).

[2] The Leverage ratio at the end of the second quarter 2023/2024 includes 50% of the profit year to date in line with the dividend policy. The Leverage ratio without profit accumulation was 5.9% (6.2%).

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	10,90
Pareto Invest Norge AS	9 842 257	8,97
Geveran Trading Company LTD	4 397 818	4,01
Verdipapirfondet Alfred Berg Gambak	3 589 282	3,27
VPF Eika Egenkapitalvevis	3 507 132	3,20
Sparebankstiftelsen Sauda	3 144 264	2,87
Kommunal Landspensjonskasse Gjensidige	2 891 347	2,64
Pareto Aksje Norge Verdipapirfond	2 778 547	2,53
Sparebankstiftinga Etne	2 514 296	2,29
Blomestø AS	2 000 000	1,82
Spesialfondet Borea Utbytte	1 920 289	1,75
State Street Bank and Trust Comp	1 892 958	1,73
Brown Brothers Harriman & Co.	1 737 975	1,58
J.P. Morgan SE	1 409 373	1,28
Verdipapirfondet Nordea Norge Verdi	1 303 343	1,19
DNB Markets Aksjehansel/-analyse	1 249 396	1,14
Sparebankstiftelsen Sparebanken Vest	1 193 958	1,09
Spar Shipping AS	1 183 480	1,08
Meteva AS	1 148 386	1,05
MP Pensjon	1 085 436	0,99
Total	**60 743 931**	**55,36**

Turnover statistics, the last 12 months

Måned	Volume OSE (number)	Market price ultimo
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
January	985 230	111,00
February	1 553 762	117,60
March	1 162 489	116,40
April	1 428 031	127,78
May	1 420 863	130,94
June	1 713 931	125,50

Sparebanken Vest has paid a dividend of 7.50 NOK per equity certificate. The equity certificates was traded ex dividend as of 22 March 2024.

Owner fraction (Parent bank)	31/12-21	31/12-22	31/12-23	30/06-24
Equity certificate capital	2 678	2 740	2 742	2 743
Share premium reserve	1 837	1 966	1 966	1 966
Equalisation reserve	2 016	2 523	2 789	2 791
A Total equity certificate capital	**6 532**	**7 230**	**7 497**	**7 500**
Primary capital	9 641	10 373	10 750	10 750
Compensation fund	14	36	36	36
Gift fund	150	150	150	150
B Total primary capital	**9 806**	**10 559**	**10 936**	**10 936**
Owner fraction (A/(A+B))	**40,0%**	**40,6%**	**40,7%**	**40,7%**
Weighted owner fraction	**39,9%**	**40,0%**	**40,6%**	**40,7%**

Note 16 Securitised debt and subordinated loan capital

GROUP

Change in securitised debt – Book value	31/12-23	Issued	Matured/ redeemed	Change in exchange rate	Other changes	30/06-24
Senior preferred bonds	12 382	3 600	-966	59	71	15 146
Senior non-preferred bonds	10 306	1 400			56	11 763
Covered bonds	123 796	13 110	-11 743	700	69	125 931
Total securitised debt	**146 484**	**18 110**	**-12 709**	**759**	**196**	**152 840**
Subordinated loan capital						
Ordinary subordinated loan capital	2 165	1 100	-500		4	2 769
Total subordinated loans	**2 165**	**1 100**	**-500**	**0**	**4**	**2 769**

Residual time to maturity – Nominal amount	0-1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
Credit institutions, borrowings	140					140
Senior bonds	801	2 207	3 428	8 100	571	15 107
Senior non-preferred bonds			1 800	9 850		11 650
Covered bonds			15 583	96 096	16 775	128 454
Subordinated loan capital				2 150	600	2 750
Total borrowings from capital market	**941**	**2 207**	**20 811**	**116 196**	**17 946**	**158 101**

PARENT BANK

Change in securitised debt – Book value	31/12-23	Issued	Matured/ redeemed	Change in exchange rate	Other changes	30/06-24
Senior preferred bonds	12 382	3 600	-966	59	71	15 146
Senior non-preferred bonds	10 306	1 400			56	11 763
Total securitised debt	**22 689**	**5 000**	**-966**	**59**	**127**	**26 909**
Subordinated loan capital						
Ordinary subordinated loan capital	2 165	1 100	-500		4	2 769
Total subordinated loans	**2 165**	**1 100**	**-500**	**0**	**4**	**2 769**

Residual time to maturity – Nominal amount	0-1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
Credit institutions, borrowings	140					140
Senior bonds	801	2 207	3 428	8 100	571	15 107
Senior non-preferred bonds			1 800	9 850		11 650
Subordinated loan capital				2 150	600	2 750
Total borrowings from capital market	**941**	**2 207**	**5 228**	**20 100**	**1 171**	**29 647**

Profit development – year-to-date (group)

	30/06-24	31/03-24	31/12-23	30/09-23	30/06-23	31/03-23	31/12-22	30/09-22	30/06-22
Interest income and similar income	9 203	4 508	14 490	10 143	6 274	2 981	7 671	5 003	3 025
Interest expenses and similar expenses	6 204	3 045	9 249	6 343	3 867	1 806	3 677	2 145	1 208
Net interest and credit commission income	**2 999**	**1 462**	**5 242**	**3 800**	**2 407**	**1 175**	**3 994**	**2 858**	**1 817**
Commission income and income from banking services	412	200	783	562	359	168	775	520	333
Commission expenses and expenses relating to banking services	78	38	129	96	67	32	116	88	54
Net banking services	334	162	654	466	293	136	658	433	279
Income from ownership interests in associated companies	114	36	215	135	113	53	262	167	99
Net gain/(loss) on financial instruments	40	25	-87	-64	-24	-4	74	252	79
Other operating income	151	57	263	209	144	66	256	203	144
Net other operating income	640	280	1 044	747	526	252	1 250	1 055	601
Net operating income	**3 638**	**1 742**	**6 285**	**4 547**	**2 933**	**1 427**	**5 244**	**3 913**	**2 418**
Payroll and general administration expenses	739	362	1 381	1 044	699	356	1 292	960	643
Depreciation	83	41	192	144	97	49	218	161	107
Other operating expenses	80	40	199	145	101	45	177	114	75
Total operating expenses	903	443	1 772	1 334	898	450	1 687	1 235	825
Profit before write-downs and tax	**2 736**	**1 299**	**4 513**	**3 213**	**2 035**	**977**	**3 556**	**2 678**	**1 593**
Net gain on fixed assets	0	0	0	0	0	0	0	0	0
Write-downs and losses on loans and guarantees	68	44	95	82	62	33	52	14	25
Pre-tax profit	**2 668**	**1 256**	**4 418**	**3 131**	**1 974**	**944**	**3 504**	**2 664**	**1 569**
Tax	342	32	874	587	316	74	687	495	246
Profit for the period	**2 326**	**1 224**	**3 545**	**2 543**	**1 657**	**870**	**2 817**	**2 168**	**1 322**
AVERAGE TOTAL ASSETS	**316 598**	**312 645**	**286 870**	**281 546**	**275 656**	**269 829**	**251 847**	**247 667**	**243 251**
PROFIT AS PERCENTAGE OF AVERAGE TOTAL ASSETS									
Interest income and similar income	5,85	5,80	5,05	4,82	4,59	4,48	3,05	2,70	2,51
Interest expenses and similar expenses	3,99	3,96	3,26	3,05	2,86	2,75	1,48	1,18	1,02
Net interest and credit commission income	**1,86**	**1,83**	**1,79**	**1,77**	**1,73**	**1,73**	**1,56**	**1,52**	**1,49**
Commission income and income from banking services	0,26	0,26	0,27	0,27	0,26	0,25	0,31	0,28	0,28
Commission expenses and expenses relating to banking services	0,05	0,05	0,04	0,05	0,05	0,05	0,05	0,05	0,04
Net banking services	0,21	0,21	0,23	0,22	0,21	0,20	0,26	0,23	0,23
Income from ownership interests in associated companies	0,07	0,05	0,07	0,06	0,08	0,08	0,10	0,09	0,08
Net gain/(loss) on financial instruments	0,03	0,03	-0,03	-0,03	-0,02	-0,01	0,03	0,14	0,07
Other operating income	0,10	0,07	0,09	0,10	0,11	0,10	0,10	0,11	0,12
Net other operating income	0,41	0,36	0,36	0,35	0,38	0,38	0,50	0,57	0,50
Net operating income	**2,26**	**2,19**	**2,16**	**2,13**	**2,11**	**2,11**	**2,06**	**2,09**	**1,98**
Payroll and general administration expenses	0,47	0,47	0,48	0,50	0,51	0,53	0,51	0,52	0,53
Depreciation	0,05	0,05	0,07	0,07	0,07	0,07	0,09	0,09	0,09
Other operating expenses	0,05	0,05	0,07	0,07	0,07	0,07	0,07	0,06	0,06
Total operating expenses	0,57	0,57	0,62	0,63	0,66	0,68	0,67	0,67	0,68
Profit before write-downs and tax	**1,69**	**1,62**	**1,54**	**1,49**	**1,46**	**1,43**	**1,39**	**1,43**	**1,30**
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	0,04	0,06	0,03	0,04	0,05	0,05	0,02	0,01	0,02
Pre-tax profit	**1,65**	**1,57**	**1,50**	**1,45**	**1,41**	**1,38**	**1,37**	**1,42**	**1,28**
Tax	0,20	0,03	0,30	0,28	0,23	0,11	0,27	0,27	0,20
Profit for the period	**1,44**	**1,54**	**1,20**	**1,17**	**1,18**	**1,27**	**1,10**	**1,15**	**1,08**

Profit development – isolated (group)

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Interest income and similar income	4 695	4 508	4 347	3 869	3 293	2 981	2 668	1 978	1 616
Interest expenses and similar expenses	3 159	3 045	2 906	2 476	2 060	1 806	1 533	937	687
Net interest and credit commission income	**1 536**	**1 462**	**1 442**	**1 393**	**1 232**	**1 175**	**1 136**	**1 041**	**930**
Commission income and income from banking services	212	200	220	203	191	168	254	187	171
Commission expenses and expenses relating to banking services	40	38	33	29	35	32	29	34	28
Net banking services	172	162	188	173	156	136	226	153	142
Income from ownership interests in associated companies	78	36	79	22	60	53	95	68	71
Net gain/(loss) on financial instruments	16	25	-23	-40	-20	-4	-178	173	-67
Other operating income	94	57	53	65	77	66	53	59	83
Net other operating income	360	280	297	221	274	252	195	453	229
Net operating income	**1 896**	**1 742**	**1 739**	**1 614**	**1 506**	**1 427**	**1 331**	**1 495**	**1 159**
Payroll and general administration expenses	377	362	337	345	344	356	332	318	327
Depreciation	43	41	48	47	48	49	57	55	54
Other operating expenses	39	40	54	44	56	45	63	38	39
Total operating expenses	459	443	439	436	448	450	452	410	420
Profit before write-downs and tax	**1 437**	**1 299**	**1 300**	**1 178**	**1 058**	**977**	**878**	**1 084**	**739**
Net gain on fixed assets									
Write-downs and losses on loans and guarantees	25	44	13	20	29	33	38	-10	19
Pre-tax profit	**1 412**	**1 256**	**1 287**	**1 157**	**1 030**	**944**	**840**	**1 095**	**720**
Tax	310	32	286	271	242	74	191	249	153
Profit for the period	**1 102**	**1 224**	**1 001**	**886**	**787**	**870**	**649**	**846**	**567**
AVERAGE TOTAL ASSETS (isolated)	**320 523**	**312 645**	**302 437**	**293 177**	**281 618**	**269 829**	**264 254**	**256 363**	**247 144**
PROFIT AS PERCENTAGE OF AVERAGE TOTAL ASSETS									
Interest income and similar income	5,89	5,80	5,70	5,24	4,69	4,48	4,01	3,06	2,62
Interest expenses and similar expenses	4,01	3,96	3,85	3,39	2,96	2,75	2,33	1,47	1,13
Net interest and credit commission income	**1,88**	**1,83**	**1,85**	**1,85**	**1,73**	**1,73**	**1,67**	**1,59**	**1,49**
Commission income and income from banking services	0,27	0,26	0,29	0,27	0,27	0,25	0,38	0,29	0,28
Commission expenses and expenses relating to banking services	0,05	0,05	0,04	0,04	0,05	0,05	0,04	0,05	0,05
Net banking services	0,22	0,21	0,25	0,23	0,22	0,20	0,34	0,24	0,23
Income from ownership interests in associated companies	0,10	0,05	0,10	0,03	0,09	0,08	0,14	0,11	0,12
Net gain/(loss) on financial instruments	0,02	0,03	-0,03	-0,05	-0,03	-0,01	-0,27	0,27	-0,11
Other operating income	0,12	0,07	0,07	0,09	0,11	0,10	0,08	0,09	0,13
Net other operating income	0,45	0,36	0,39	0,30	0,39	0,38	0,29	0,70	0,37
Net operating income	**2,33**	**2,19**	**2,24**	**2,15**	**2,12**	**2,11**	**1,97**	**2,29**	**1,86**
Payroll and general administration expenses	0,47	0,47	0,44	0,47	0,49	0,53	0,50	0,49	0,53
Depreciation	0,05	0,05	0,06	0,06	0,07	0,07	0,09	0,08	0,09
Other operating expenses	0,05	0,05	0,07	0,06	0,08	0,07	0,10	0,06	0,06
Total operating expenses	0,58	0,57	0,58	0,59	0,64	0,68	0,68	0,64	0,68
Profit before write-downs and tax	**1,75**	**1,62**	**1,66**	**1,56**	**1,48**	**1,43**	**1,29**	**1,66**	**1,18**
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	0,06	0,02	0,03	0,04	0,05	0,06	-0,02	0,03
Pre-tax profit	**1,72**	**1,57**	**1,65**	**1,53**	**1,44**	**1,38**	**1,23**	**1,67**	**1,15**
Tax	0,38	0,03	0,38	0,37	0,34	0,11	0,29	0,38	0,25
Profit for the period	**1,33**	**1,53**	**1,27**	**1,16**	**1,09**	**1,27**	**0,94**	**1,29**	**0,90**

Balance sheet development (group)

	30/06-24	31/03-24	31/12-23	30/09-23	30/06-23	31/03-23	31/12-22	30/09-22	30/06-22
Assets									
Cash and receivables from central banks	540	177	387	218	514	101	143	1 397	228
Loans to and receivables from credit institutions	1 175	2 759	3 154	1 168	553	1 202	1 018	2 687	3 420
Loans to and receivables from customers	272 024	264 559	255 767	247 475	240 227	231 264	224 494	217 843	213 430
Shares, units and other equity instruments	654	619	560	286	280	304	226	234	246
Commercial papers and bonds	38 860	37 868	36 560	33 458	34 464	31 141	30 825	31 222	29 724
Financial derivatives	4 629	5 931	5 401	5 112	7 005	5 616	2 575	3 575	2 644
Shareholdings in associated companies	3 003	2 859	2 798	2 618	2 561	2 639	2 586	2 223	2 130
Deferred tax assets	205	176	256	263	117	92	173	0	79
Pension funds	123	123	123	100	100	100	100	96	96
Other intangible assets	247	249	252	261	272	275	276	276	289
Tangible fixed assets	650	666	660	657	665	674	655	650	663
Prepaid expenses	102	129	44	45	88	123	107	45	76
Other assets	589	407	532	4 230	1 617	936	633	2 784	522
Total assets	**322 802**	**316 522**	**306 495**	**295 891**	**288 462**	**274 467**	**263 812**	**263 032**	**253 548**
Liabilities and equity									
Deposits from and debt to credit institutions	5 237	7 175	5 454	4 475	6 986	5 326	3 095	2 072	3 493
Deposits from and debt to customers	134 175	127 366	123 599	123 493	123 654	115 626	112 274	108 124	106 446
Securitised debt	152 840	150 919	146 484	136 457	128 922	124 480	119 836	122 366	117 605
Financial derivatives	1 519	1 219	1 670	1 651	1 574	1 208	1 922	1 831	1 450
Accrued expenses and pre-paid income	192	217	203	197	208	222	220	185	180
Pension commitments	167	167	167	136	136	136	139	132	132
Deferred tax	0	0	0	0	0	0	0	46	0
Other provision for commitments	187	191	149	161	153	128	96	100	87
Tax payable	212	275	1 028	732	388	126	736	597	471
Subordinated loan capital	2 769	2 300	2 165	2 285	1 963	1 961	1 855	1 827	1 825
Other liabilities	1 709	3 826	2 152	3 403	2 301	4 172	1 746	5 082	2 032
Total liabilities	**299 007**	**293 654**	**283 071**	**272 991**	**266 285**	**253 384**	**241 919**	**242 362**	**233 721**
Equity certificates	2 743	2 743	2 743	2 743	2 743	2 743	2 743	2 683	2 683
Own equity certificates	0	0	-1	-7	-2	-2	-3	-4	-4
Premium reserve	1 966	1 966	1 966	1 966	1 966	1 966	1 966	1 837	1 837
Equalisation reserve	2 791	2 791	3 612	2 510	2 526	2 526	3 127	2 020	2 020
Total equity certificate capital	7 500	7 500	8 320	7 212	7 234	7 233	7 833	6 537	6 537
Primary capital	10 750	10 750	11 951	10 373	10 373	10 373	11 254	9 641	9 641
Gift fund	150	150	150	150	150	150	150	150	150
Compensation fund	36	36	36	36	36	36	36	14	14
Total primary capital	10 936	10 936	12 136	10 559	10 559	10 559	11 440	9 806	9 806
Other equity	3 274	2 355	1 299	3 800	2 875	2 125	1 189	3 221	2 380
Hybrid capital	2 085	2 077	1 668	1 329	1 510	1 166	1 431	1 106	1 105
Total equity	**23 795**	**22 868**	**23 423**	**22 900**	**22 177**	**21 082**	**21 893**	**20 670**	**19 828**
Total liabilities and equity	**322 802**	**316 522**	**306 495**	**295 891**	**288 462**	**274 467**	**263 812**	**263 032**	**253 548**

Explanation of key figures/alternative performance measures – group

Net interest as a percentage of average assets under management	2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
Net interest as shown in the income statement	1 536	1 232	2 999	2 407	5 242
Correction of interest on hybrid capital entered directly against equity	-41	-21	-78	-44	-103
Net interest used in relevant key figure	1 495	1 211	2 921	2 363	5 139
Average assets under management	320 523	281 618	316 598	275 656	286 870
No. of days	366/91	365/91	366/182	365/181	365/365
Net interest as a percentage of average assets under management	**1,88%**	**1,73%**	**1,86%**	**1,73%**	**1,79%**

Net other operating income as a percentage of net operating income	2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
Net other operating income as shown in the income statement	360	274	640	526	1 044
Net operating income as shown in the income statement	1 896	1 506	3 638	2 933	6 285
Correction of interest on hybrid capital entered directly against equity	-41	-21	-78	-44	-103
Net operating income corrected for hybrid capital interest	1 855	1 485	3 561	2 889	6 182
Net other operating income as a percentage of net operating income	**19,4%**	**18,4%**	**18,0%**	**18,2%**	**16,9%**

Operating expenses as a percentage of net operating income (cost-income)	2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
Total operating expenses as shown in the income statement	459	448	903	898	1 772
Net operating income corrected for hybrid capital interest (see above)	1 896	1 485	3 638	2 889	6 182
Operating expenses as a percentage of net operating income (cost-income)	**24,2%**	**30,2%**	**24,8%**	**31,1%**	**28,7%**

Operating expenses as a percentage of net operating income corrected for financial instruments	2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
Total operating expenses as shown in the income statement	459	448	903	898	1 772
Net operating income corrected for hybrid capital interest (see above)	1 896	1 485	3 638	2 889	6 182
Correction for financial instruments as shown in the income statement	-16	20	-40	24	87
Net operating income corrected for financial instruments	1 880	1 505	3 598	2 913	6 270
Operating expenses as a percentage of net operating income corrected for financial instruments	**24,4%**	**29,8%**	**25,1%**	**30,8%**	**28,3%**

Return on equity	2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
Profit after tax as shown in the income statement	1 102	787	2 326	1 657	3 545
Correction for interest on the hybrid capital entered directly against equity	-41	-21	-78	-44	-103
Profit after tax corrected for interest on the hybrid capital	1 061	766	2 248	1 613	3 442
Average equity	21 250	20 292	21 681	20 242	20 821
No. of days	366/91	365/91	365/180	365/181	365/365
Return on equity	**20,1%**	**15,1%**	**20,9%**	**16,1%**	**16,5%**

Profit per equity certificate	2Q 2024	2Q 2023	01/01-30/06-24	01/01-30/06-23	2023
Profit after tax corrected for interest on the hybrid capital (see above)	1 061	766	2 248	1 613	3 442
Weighted equity percentage during the year before allocation	40,7%	40,7%	40,7%	40,7%	40,6%
Average number of outstanding equity certificates during the year	109 708 509	109 650 187	109 697 917	109 633 103	109 585 542
Profit per equity certificate	**3,93**	**2,84**	**8,34**	**5,98**	**12,76**

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

Lending growth, past 12 months	01/01-30/06-24	01/01-30/06-23	2023
Gross lending UB	272 912	241 078	256 644
Gross lending 12 months ago	241 078	214 315	225 374
Change past 12 months	**13,2%**	**12,5%**	**13,9%**

Deposit growth, past 12 months	01/01-30/06-24	01/01-30/06-23	2023
Deposits from customers UB	134 175	123 654	123 599
Deposits from customers 12 months ago	123 654	106 446	112 274
Change past 12 months	**8,5%**	**16,2%**	**10,1%**

Deposit coverage	01/01-30/06-24	01/01-30/06-23	2023
Net lending	272 024	240 227	255 767
Deposits from customers	134 175	123 654	123 599
Deposit coverage (deposits as percentage of lending)	**49,3%**	**51,5%**	**48,3%**

	01/01-30/06-24	01/01-30/06-23	2023
Gross lending on balance sheet date	272 912	241 078	256 644
Loss cost	68	62	95
Losses on loans as a percentage of gross lending (UB)	**0,02%**	**0,03%**	**0,04%**
Gross lending on balance sheet date	272 912	241 078	256 644
Commitments in default (>90 days)	586	677	788
Commitments in default (>90 days) as a percentage of gross lending (UB)	**0,21%**	**0,28%**	**0,31%**
Gross lending on balance sheet date	272 912	241 078	256 644
Potential bad debt	1 324	1 430	1 462
Potential bad debt as a percentage of gross lending (UB)	**0,49%**	**0,59%**	**0,57%**

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