4. Quarter 2024

SpareBank 1 NORD-NORGE

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Group financial highlights and key figures

Result							
(Amounts in NOK million and in % of average assets)		31.12.24	%	31.12.23	%	31.12.23	%
Net interest income	5	4 028	3,03 %	3 627	2,85 %	3 627	2,85 %
Net fee- and other operating income		1 541	1,16 %	1 404	1,10 %	1 404	1,10 %
Net income from financial investments		1 056	0,80 %	183	0,14 %	183	0,14 %
Total income	5	6 625	4,99 %	5 214	4,10 %	5 214	4,10 %
Total costs	5	2 003	1,51 %	1 825	1,44 %	1 825	1,44 %
Result before losses		4 622	3,48 %	3 389	2,67 %	3 389	2,67 %
Losses	5	110	0,08 %	116	0,09 %	116	0,09 %
Result before tax		4 512	3,40 %	3 273	2,57 %	3 273	2,57 %
Tax		849	0,64 %	725	0,57 %	725	0,57 %
Result after tax	5	3 663	2,74 %	2 548	1,98 %	2 548	1,98 %
Interest hybrid capital	5	100		60		60	
Result after tax ex. interest hybrid capital	5	3 563		2 488		2 488	

Profitability				
Return on equity capital	1, 5	21,8 %	16,4 %	16,4 %
Interest margin	2, 5	3,03 %	2,85 %	2,85 %
Cost/income	3, 5	30,2 %	35,0 %	35,0 %
Balance sheet figures and liquidity		**31.12.24**	**31.12.23**	**31.12.23**
Total assets		135 673	128 138	128 138
Average assets	4, 5	132 721	127 155	127 155
Gross loans	5	105 048	101 093	101 093
Gross loans incl. commition loans	5	152 965	145 742	145 742
Deposits	5	88 379	83 659	83 659
Liquidity Coverage Ratio (LCR)		147	150	150
Solidity				
Common Equity Tier 1 Capital Ratio excl. sesult		16,8 %	17,1 %	17,1 %
Common Equity Tier 1 Capital incl. result		16,8 %	17,1 %	17,1 %
Tier 1 Capital Ratio - incl. result		18,8 %	18,9 %	18,9 %
Total Capital Ratio incl. result		21,3 %	21,4 %	21,4 %
Common Equity Tier 1 Capital incl. result		14 054	13 466	13 466
Tier 1 Capital		15 728	14 847	14 847
Own Funds		17 829	16 824	16 824
Total risk exposure amount		83 678	78 527	78 527
Leverage Ratio excl. result		7,8 %	7,9 %	7,9 %
Leverage Ratio incl. result		7,8 %	7,9 %	7,9 %
NONG Key figures				
NONG Quoted/market price (NOK)		123,48	103,20	103,20
Number of EC issued (mill)		100,40	100,40	100,40
Equity capital per EC (NOK)		81,33	72,47	72,47
Result per EC (NOK)		16,30	11,36	11,36
P/E (Price/Earnings per EC) NOK		7,58	9,08	9,08
P/B (Price/Book Value per EC) NOK		1,52	1,42	1,42
Branches and full-time employees				
Branches		15	15	15
Group manyears		986	956	956
Parent bank manyears		541	521	521

1 The profit after tax in relation to average equity, calculated as a quarterly average of equity and at 01.01. " The Bank's hybrid 1 capital issued are classified as equity in the financial statements. However, when calculating the return on equity, hybrid tier 1 capital are decucted from equity, and result after tax are adjusted for interests on hybrid tier 1 capital."

2 Net total interests as a percentage of average total assets.

3 Total costs as a percentage of total net income.

4 Average assets are calculated as average assets each quarter and at 01.01.

5 Defined as alternative performance measures, see attachment to the Quarterly report

Quarterly Report for SNN – 4Q24

Group financial results and key figures

(Amount in NOK million)	4Q24	4Q23	Change	31.12.24	31.12.23	Change
Result after tax	852	756	96	3 663	2 548	1 115
Result per EC	3,79	3,38	0,42	16,30	11,36	4,94
			0			
Return on equity	18,9 %	18,8 %	0,0 %	21,8 %	16,4 %	5,4 %
Cost/income	35,2 %	36,2 %	0,9 %	30,2 %	35,0 %	4,8 %
Common Equity Tier 1 Capital Ratio	16,8 %	17,1 %	-0,4 %	16,8 %	17,1 %	-0,4 %
Growth loans retail market	8,2 %	3,0 %	5,2 %	5,6 %	3,8 %	1,8 %
Growth loans corporate market	-1,2 %	14,5 %	-15,7 %	3,8 %	15,5 %	-11,7 %
Growth loans total	4,9 %	7,0 %	-2,1 %	5,0 %	7,7 %	-2,7 %
Growth deposits retail market	3,3 %	-3,7 %	6,9 %	5,9 %	2,4 %	3,6 %
Growth deposits corporate market	11,9 %	-12,4 %	24,3 %	6,5 %	5,4 %	1,1 %
Growth deposits total	7,3 %	-7,9 %	15,2 %	6,2 %	16,3 %	-10,1 %
Result from ownership interests	132	- 28	160	826	- 56	882
Result from financial assets	14	111	- 97	230	239	- 9
Losses	24	91	67	110	116	6

Important events in the quarter

SpareBank 1 Nord-Norge (SNN) delivered another strong quarter in 4Q24, primarily due to good underlying banking operations. The quarter also saw good lending growth, especially in Retail Market. A return on equity of 18.9 per cent and a cost/income ratio of 35,2 per cent for 4Q24 in isolation are well within the Group's targets.

In 4Q24, SNN also delivered lending growth higher than the underlying growth in credit, with overall annualised lending growth in the quarter of 4.9 per cent (including loans transferred SpareBank 1 Boligkreditt). Retail Market's total lending growth in 2024 was 5.6 per cent. In Corporate Market quarterly lending growth was -1,2 per cent and total lending growth in 2024 was 3,8 per cent. The decline in growth in Corporate Market over the past 6 months was due to the scheduled completions of a number of loans and projects, while the business sector's investment appetite is generally somewhat lower due to the persistently high interest rates. This is in line with the Bank's expectations.

The Bank is satisfied with achieving such high lending growth in Retail Market despite the demanding macroeconomic situation with high interest rates and a complete stop in new house building. The Group is taking market shares in all product areas, which shows that the Group is competitive. Despite lower growth in the Corporate Market in the second half of the year, Corporate Market has seen strong growth in recent years. All of the growth occurred within the Bank's moderate risk profile and with reasonable margins. The fact that Corporate Market has grown so much over time can largely be attributed to the macroeconomic situation in Northern Norway having been better than the national average. The growth has also been driven by strong commodity prices and a weak exchange rate for the Norwegian krone. The Bank has also taken market shares, particularly in ocean industries. The Group expects moderate growth in Corporate Market in the next few quarters, although demand for credit is expected to pick up again when interest rates begin to fall.

Underlying losses remain low, although there was a slight increase in non-performing and doubtful commitments (Stage 3) in the last quarter. This is to be expected given the macroeconomic developments, although losses remain moderate from a historic perspective. This could be due to the Group having systematically focused on reducing risk in its loan portfolio in recent years.

The Group's loan portfolio is considered solid. The vast majority of customers appear to be coping well with the macroeconomic challenges. The Group can also see that some customers and vulnerable industries are facing greater challenges than others. For this reason, the Group has chosen to put both individual commitments and larger commitments in vulnerable industries on a watchlist, which entails close, continuous follow-up of these commitments. The market believes that interest rates have peaked and they are expected to fall in the first half of 2025, which is expected to have a positive macroeconomic effect and ease the pressure on exposed industries to some extent. However, financial uncertainty remains, and the Group is focusing on closely monitoring customers, particularly in Corporate Market but also exposed customers in Retail Market.

SNN has a good customer portfolio, a strong market position, competitive terms and conditions and cost-effective operations. The Bank is therefore well positioned to be a good partner for customers in Northern Norway and expects to continue taking market shares in our region.

Macroeconomic trends

Global economy – a year marked by major differences

In 2024, the global economy was marked by the central banks' attempts to balance growth and inflation. After a number of years of inflation far in excess of the central banks' targets, a steadily increasing number of central banks appear to have gained control and have started to cut interest rates. However, no final conclusions can be drawn concerning inflation development, and 2025 will present a number of uncertainty factors. Not least, there is a great deal of suspense about what measures the new Trump administration will take. Higher tariffs and a return to protectionism in the US are uncertainty factors. These could potentially cause inflation to rise in USA, which could also spread to other economies.

The US Federal Reserve was an early cutter of interest rates but has now changed its interest rate forecasts due to the current economic indicators. At the beginning of 4Q24, the market expected the Federal Reserve to cut interest rates seven or eight times (1.75-2.0 per cent) by the end of 2025. Interest rates were cut twice in the quarter and expectations fell significantly. At the end of the year, only two interest rate cuts are expected in 2025. The US economy is expected to achieve a soft landing. This entails fiscal policy being able to bring down inflation and demand without triggering a recession.

The situation in Europe is a bit different. Here, the central bank appears to have good control over inflation, although there are major differences between the different countries. The combination of control over inflation and low growth is paving the way for a larger cut in interest rates, and at the end of the year the market is expecting the European Central Bank to implement three to four cuts in 2025.

In 4Q24, China took a series of steps to address the challenges posed by weak domestic growth and a reduction in export demand. Strategic sectors like technology and energy were promised significant support for infrastructure projects and subsidies. The goal was to help transition from an economy very heavily focused on exports to a more consumer-driven one.

The last quarter of the year was also marked by geopolitical unrest. Conflicts in the Middle East and international trade tensions are creating uncertainty in the markets. This is contributing to greater volatility in the commodity markets in particular. The USD also strengthened significantly in the quarter.

Norwegian economy – high employment rate and falling inflation

The labour market in Norway is stable and unemployment is at 2.1 per cent. Ukrainian refugees have helped grow the workforce through greater participation, which in turn has helped to alleviate some of the pressure on employers in certain sectors. At the same time, demand in the service sector is reported to be strong, while the construction industry is struggling with decline due to high construction costs, as well as high interest rates contributing to weaker demand for new homes.

Like our trading partners, here too, national attention has been focused on inflation and the central bank. Norges Bank has indicated that the first interest rate cut will most likely come in March 2025, with an additional one to two cuts expected before the end of the year. Inflation has stabilised at around 3 per cent, in line with forecasts, and lower energy prices have contributed to a fall in overall inflation. However, core inflation still requires attention since high import prices and a weak Norwegian krone could hinder any further decrease.

The Norwegian krone performed very poorly throughout the year and the levels at the end of the year were the weakest ever. The reasons for this are complex and the subject of frequent discussion. Meanwhile, the result is that Norwegian export industries are experiencing good conditions and visitor numbers to Norway are the highest measured. On the negative side, import companies are being hit hard and a sustained weakening of the Norwegian krone will see imported inflation rise.

Northern Norwegian economy – stable expectations of higher house prices in the north

Despite high interest rates and economic uncertainty, households in Northern Norway expect house prices to rise in 2025.

The Knowledge Bank’s housing market index indicates that the proportion that believes the Northern Norway economy will perform positively remains stable.

The proportion of households expecting their finances to improve over the next 12 months remains higher than the proportion expecting them to deteriorate. This ratio was stable throughout the year. A quarter of respondents say they expect improvement while half believe their financial situation will remain unchanged. 16 per cent expect their personal finances to worsen over the coming year compared with their current situation.

More than half of those respondents aged 18-23 expect the economy to improve and more than 40 per cent of those aged 24-34 said the same. The proportion that believes house prices will increase next year has also remained high. At the same time, the proportion expecting house prices to fall is low.

The youngest age groups in particular expect house prices to rise. More than two-thirds of those aged 18-23 expect prices to rise this year. Only one in ten in this age group believes house prices will fall.

Main findings of the survey:

1. More people expect their personal finances to develop positively rather than negatively over the next 12 months
2. A majority expect house prices to rise in the coming 12 months. This proportion has remained stable throughout the year
3. Households expect prices to rise by 0.9 per cent over the next 12 months
4. Just under six out of ten want to sell before buying a new home
5. The proportion that want to buy before selling has increased in the past 12 months
6. Mobility is highest among young people and lowest among the elderly

The proportion planning to move in the next 5 years remained stable in 2024. The full report can be read on kbnn.no.

Sustainability

One important priority in 4Q24 has been to ensure that the structure and content of the Sustainability Report is in line with the Corporate Sustainability Reporting Directive (CSRD). The report is based on the Group’s double materiality assessment. This will be presented as part of the board's annual report.

Financial performance

(Amount in NOK million)	4Q24	4Q23	Change
Total income	1 691	1 597	94
Total costs	596	578	-18
Losses	24	91	67
Tax	219	172	-47
Profit after tax	852	756	92

The Group's profitability target is a return on equity that is among the best for comparable financial services groups. The Board currently considers this to be a return on equity of 13 per cent or more.

The income statement for 4Q24 in isolation shows a profit after tax of MNOK 852 (MNOK 756), which results in an annualised figure for the return on equity for the quarter in isolation of 18.9 per cent (18.8 per cent).

As at 4Q24, the Group's profit after was MNOK 3 663 (MNOK 2 548). As at 4Q24, the return on equity was 21.8 per cent (16.4 per cent).

Net interest income

Norges Bank kept its policy rate at 4.50 per cent throughout 2024.

SNN did not implement general changes to lending and deposit rates for customers in 4Q24.

Net interest income for 4Q24 in isolation was MNOK 1 027 (MNOK 997). For the year to date, net interest income is MNOK 4 028 (MNOK 3 627).

As at 4Q24, net interest income represented 3.03 per cent of average total assets (2.85 per cent).

Income from the loan portfolio transferred to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt totalled MNOK 179 as at the end of 4Q24 (MNOK 116) and was booked as commission income. This income amounted to MNOK 41 for 4Q24 in isolation (MNOK 14), compared with MNOK 47 for the previous quarter.

The almost unchanged funding costs in the mortgage credit institutions in the last quarter was due to NIBOR also being stable, on a par with customer rates, as well as commission income from SpareBank 1 Boligkreditt, since they are 100 per cent market-funded.

Net fee, commission and other operating income

Net fee, commission and other operating income in 4Q24 in isolation was MNOK 518 (MNOK 517).

As mentioned above, stable funding costs had a positive effect on commission income from SpareBank 1 Boligkreditt in the quarter, which was MNOK 28 higher than in the corresponding quarter last year.

SNN decided to discontinue the defined benefit pension scheme in the group from 01.01.22. At the same time, an initiative was taken to start the process of transferring the operations of SpareBank 1 Nord-Norge Pensjonskasse ("Pensjonskassen") to a life company. In this connection, a valuation was made of the bank's claim in the Pension Fund at fair value according to IFRS 9. Based on external valuations, this claim has been value adjusted annually.

In December 2024, “Pensjonskassen” received approval from the Norwegian Financial Supervisory Authority for a portfolio transfer in connection with the liquidation of “Pensjonskassen”. The transaction is planned to be completed in 2025 after the Norwegian Financial Supervisory Authority's approval of “Pensjonskassens” liquidation accounts. The value of the bank's claim on, and equity in, “Pensjonskassen” as at 31.12.24 is based on a probable final settlement in the transaction. Against this background, an increase in value in 4Q24 of NOK 176 million has been recognized as income. kroner, which is included in the profit line other operating income.

As at the end of 4Q24, net fee, commission and other operating income amounted to MNOK 1 541 (MNOK 1 404).

Please see Note 4 in the quarterly report for a more detailed specification of net fee, commission and other operating income.

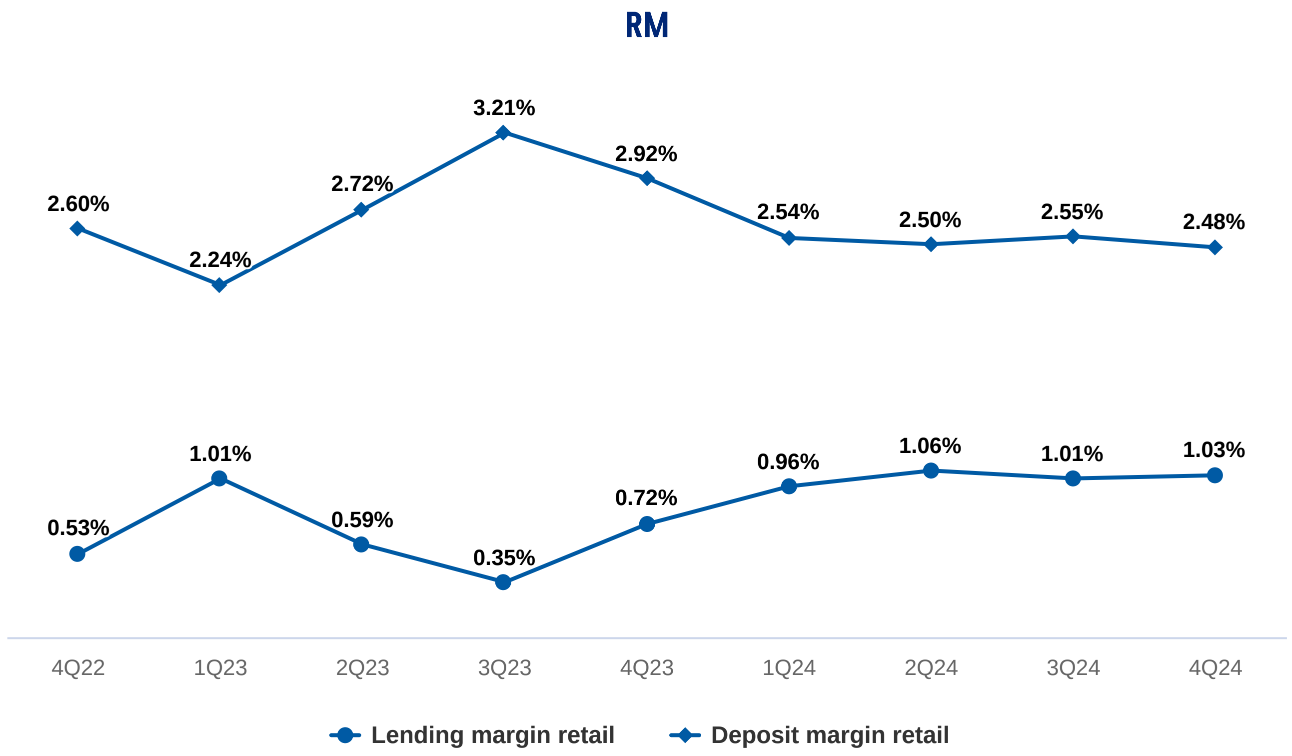
Developments in market divisions

Retail Market

Net interest income amounted to MNOK 469 for 4Q24 in isolation (MNOK 478), compared with MNOK 467 in 3Q24. Net interest income as at 4Q24 was MNOK 1 795 (MNOK 1 710).

Net fee, commission and other operating income for the quarter was MNOK 245 (MNOK 125), compared with MNOK 175 in 3Q24. Commission income from SpareBank 1 Boligkreditt in the last quarter amounted to MNOK 41, MNOK 27 higher than in 4Q23 (MNOK 14). As at the end of 4Q24, net fee, commission and other operating income amounted to MNOK 731 (MNOK 575).

Margin development in Retail Market versus average 3-month NIBOR:



Retail Market's lending margin compared with the average 3-month NIBOR rate increased by 0.02 percentage points in the quarter (+0.37 percentage points). Product interest rates increased slightly more than average funding costs, and this resulted in the margin developing positively.

Competition on prices for well-collateralised mortgage loans remains significant, which is making it difficult to maintain the lending margin over time.

Lending growth in Retail Market, including loans transferred to SpareBank 1 Boligkreditt, for 4Q24 in isolation was 2.1 per cent (0.8 per cent), which represents annualised growth of 8.2 per cent (3.0 per cent). Actual growth in the past 12 months was 5.6 per cent (3.8 per cent). As at the end of 4Q24, the Parent Bank's total gross lending in Retail Market, excluding loans transferred to SpareBank 1 Boligkreditt, was MNOK 45 805 (MNOK 44 311).

The average NIBOR rate fell by 0.05 percentage points in 4Q24 and should therefore have a similar effect on the deposit margin. However, due to higher product interest rates for some deposit products, the margin fell by 0.07 percentage points (-0.29 percentage points). The Group works actively to maintain the deposit margin going forward, but future development will depend on how the NIBOR interest rate develops and the competitive situation on deposits.

Deposits in Retail Market grew by 0.8 per cent in the last quarter (-0.1 per cent). On an annualised basis, this represents annual growth of 3.3 per cent (-0.2 per cent). Actual deposit growth in Retail Market in the past 12 months was 5.9 per cent (3.3 per cent). Deposits are an advantageous form of financing, and the Bank will continue to maintain high deposit coverage in the future.

Total operating costs in the division amounted to MNOK 198 for 4Q24 (MNOK 192), compared with MNOK 143 in 3Q24. As at the end of 4Q24, operating costs in the division amounted to MNOK 607 (MNOK 671). The development in costs is commented on in more detail in the section on operating costs.

At the end of 4Q24, 227 FTEs worked in Retail Market in the Parent Bank (208), one more than as at 3Q24 (226).

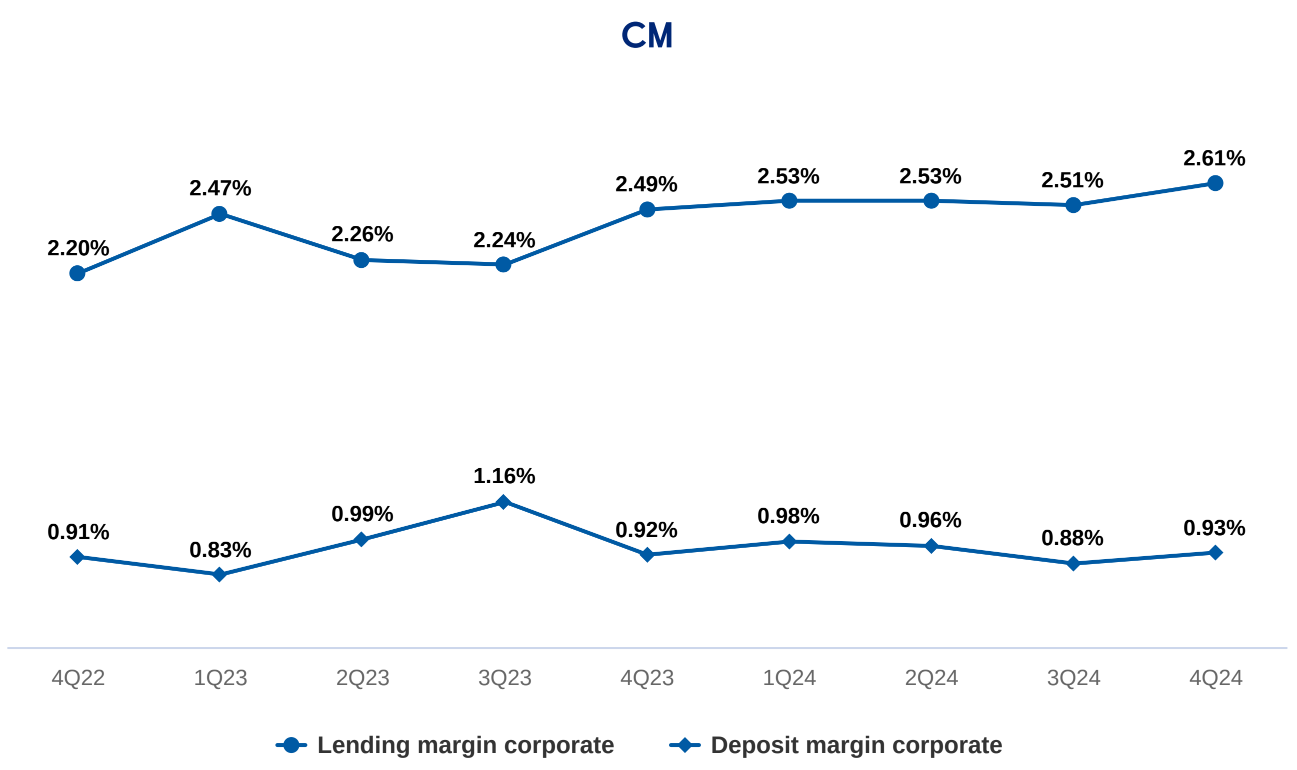
In Retail Market, the recognised loss for 4Q24 in isolation was MNOK 10 (0), compared with MNOK 12 in 3Q24. Recognised losses in Retail Market as at the end of 4Q24 amounted to MNOK 18 (MNOK -11).

Corporate Market

Net interest income amounted to MNOK 409 for 4Q24 in isolation (MNOK 380), compared with MNOK 379 in 3Q24. Net interest income as at 4Q24 was MNOK 1 503 (MNOK 1 372).

Net fee, commission and other operating income for the quarter was MNOK 135 (MNOK 40), compared with MNOK 47 in 3Q24. As at the end of 4Q24, net fee, commission and other operating income amounted to MNOK 275 (MNOK 169).

Margin development in Corporate Market versus average 3-month NIBOR:



The lending margin in Corporate Market measured against the average 3-month NIBOR increased by 0.10 per cent in 4Q24 (0.25). The margin in Corporate Market is to a large extent directly linked to the development of the NIBOR rate since 80 per cent (81 per cent) of the loan portfolio is linked to NIBOR.

Lending grew by -0.3 per cent in Corporate Market in 4Q24 in isolation (3.6 per cent), which when annualised represents growth of -1.2 per cent (14.5 per cent). Actual growth in the past 12 months was 3.8 per cent (15.5 per cent). It is positive that the Group's greater focus on Corporate Market is producing effects, including balanced growth both geographically and from a sector perspective, with a deliberate preponderance of ocean industries, particularly aquaculture.

The total gross lending volume as at the end of 4Q24 was MNOK 55 149 (MNOK 52 278).

The deposit margin in Corporate Market measured against the 3-month NIBOR increased by 0.05 percentage points in the quarter (-0.24 percentage points). The reason the margin has not developed in the same way as in Retail Market is that as much as 67 per cent (65 per cent) of the deposits in Corporate Market are linked to NIBOR, unlike Retail Market's deposits, few of which are linked to NIBOR.

Growth in deposits in Corporate Market in 4Q24 in isolation amounted to 2.9 per cent (1.5 per cent). Annualised, this represents 11.9 per cent (6.1 per cent). Actual growth in the past 12 months was 6.5 per cent, inclusive of the public sector market (5.4 per cent). Deposits in Corporate Market developed as expected. As earnings as a consequence of macroeconomic conditions decrease, this will affect deposit volumes.

Total operating costs in Corporate Market amounted to MNOK 136 in 4Q24 in isolation (MNOK 109), compared with MNOK 93 in 3Q24. As at the end of 4Q24, total operating costs in the division amounted to MNOK 398 (MNOK 389).

As at the end of 4Q24, 99 FTEs worked in Corporate Market in the Parent Bank (98), one less than as at the end of 3Q24 (99).

Booked losses in Corporate Market amounted to MNOK 0 for 4Q24 in isolation (MNOK 78), compared with MNOK 11 in 3Q24. Booked losses in Corporate Market as at the end of 4Q24 amounted to MNOK 66 (MNOK 81).

Financial Investments – income and events in the accounting period

An overview of the quarter's total income from financial investments can be found in Note 5 of the quarterly report. Additionally, the results from subsidiaries, associated companies and joint ventures are specified in Note 13.

Associated companies and joint ventures

Profit contributions from associated companies and joint ventures totalled MNOK 132 for 4Q24 in isolation (MNOK -28). As at the end of 4Q24, the profit share was MNOK 826 (MNOK -56).

The main associated companies are commented on below.

SpareBank 1 Gruppen

The profit for 4Q24 in isolation was MNOK 993 (MNOK 65), MNOK 168 higher than for 3Q24 (MNOK 825).

The insurance companies saw good financial returns and good insurance results in 4Q24 in isolation.

SpareBank 1 Gruppen has included results from Kredinor in its consolidated financial statements since 01.05.24. As notified in the report to the stock exchange on 28.06.24, Eika Forsikring was incorporated into Fremtind Holding's group at fair value from 01.07.24, which contributed to a BNOK 7 increase in SpareBank 1 Gruppen's equity. Of this, the controlling ownership interest's share amounted to MNOK 2 317.

As at the end of 4Q24, SpareBank 1 Gruppen's profit amounted to MNOK 2 233 (MNOK 246).

SNN's share of the result for 4Q24 in isolation amounted to MNOK 99 (MNOK -51). The proportion of the above increase in value in SpareBank 1 Gruppen has been recognised as a gain of MNOK 452. SNN's share of the profit as at the end of 4Q24 amounted to MNOK 225 (MNOK -41), with the addition of a gain of MNOK 452.

SpareBank 1 Boligkreditt

The result for 4Q24 in isolation was a profit of MNOK 118 (MNOK 143). As at 4Q24, the profit was MNOK 614 (MNOK 479).

SNN's share of the profit for 4Q24 in isolation was MNOK 16 (MNOK 20) and as at the end of 4Q24 it was MNOK 88 (MNOK 65).

SpareBank 1 Forvaltning

The Group consists of the companies SpareBank 1 Forvaltning and ODIN. Total profit for 4Q24 in isolation was MNOK 79 (MNOK 59). ODIN contributed most of the Group's result. As at 4Q24, the profit was MNOK 247 (MNOK 171).

SNN's share of the profit for 4Q24 in isolation was MNOK 6 (MNOK 8) and as at the end of 4Q24 it was MNOK 31 (MNOK 23).

SpareBank 1 Betaling

The company is an owner of Vipps Holding AS, which in turn owns MobilePay AS, and includes the result from this company in line with the equity method. The result for 4Q24 in isolation was a loss of MNOK 18 (loss MNOK 35), which largely corresponds with the operating loss in Vipps AS.

As at the end of 4Q24, the result was a loss of MNOK 102 (loss MNOK 158).

SNN's share of the loss for 4Q24 in isolation amounted to a loss of MNOK 3 (loss of MNOK 6). SNN's share of the loss as at the end of 4Q24 was a loss of MNOK -18 (loss MNOK -31).

SpareBank 1 Markets

The company took over SNN's market business from December 2023. At the same time, the Bank's ownership interest in this company was increased and it is now treated in the accounts as an associated company based on the equity method.

SpareBank 1 Markets posted a profit of MNOK 46 for 4Q24 in isolation and of MNOK 224 as at the end of 4Q24.

SNN's share of the profit in 4Q24 amounted to MNOK 9 and as at the end of 4Q24 to MNOK 41.

Subsidiaries

The Group's subsidiaries are fully consolidated in the Group's accounts and delivered a total profit after tax of MNOK 27 for the quarter (MNOK 22), and MNOK 222 as at the end of 4Q24 (MNOK 183).

EiendomsMegler 1 Nord-Norge

The company posted a profit after tax of MNOK 3 for 4Q24 in isolation. The corresponding figure for 4Q23 was MNOK -2. The year-to-date profit after tax totalled MNOK 25 (MNOK 9).

Operating income in 4Q24 in isolation amounted to MNOK 53, 36 per cent higher than in the corresponding period last year. 860 units were sold in the quarter, 165 more than last year. As at the end of 4Q24, 3 598 units had been sold, 321 more units than as at the end of 4Q23, and earnings were 22 per cent higher.

The costs in the quarter amounted to MNOK 54, 28 higher than in 4Q23. For the year to date, costs are 15 per cent higher than for last year. There were 114 FTEs as at the end of 4Q24 (109).

SpareBank 1 Regnskapshuset Nord-Norge

In May 2023, the company acquired the accounting company Adwice AS, which operated in Vesterålen and Lofoten. In September 2023, it acquired Flex AS. Flex AS is the largest accounting firm in Indre Salten. The companies merged on 01.01.24.

The company's profit after tax for 4Q24 in isolation was MNOK -11 (MNOK -15).

SNN Regnskapshuset's peak season is the first half of the year, and it saw 39 per cent growth in income from ordinary accounting and payroll assignments as at the end of 4Q24 compared with the corresponding period the year before. At the same time, total operating costs in 4Q24 increased by 38 per cent compared with last year, largely due to integration costs linked to the mergers carried out in 2023.

As at the end of 4Q24, the profit after tax was MNOK 7 (MNOK 3).

As at the end of 4Q24, there were 290 FTEs in the company, four more FTEs than as at the end of 4Q23.

SpareBank 1 Finans Nord-Norge

The company posted a profit after tax of MNOK 35 for 4Q24 in isolation, compared with MNOK 40 for 4Q23. The company's income increased by 4 per cent in 2024 compared with 2023. As at the end of 4Q24, the profit after tax was MNOK 184 (MNOK 165).

In 4Q24, costs increased by MNOK 30 compared with 4Q23. As at the end of 4Q24, costs were MNOK 12 (16 per cent) higher than at the end of 4Q23. The company had 41 FTEs at the end of 4Q24, an increase of one FTE.

The net loss in the quarter was MNOK 1 higher than in the corresponding quarter last year. As at the end of 4Q24, net losses were MNOK 25, MNOK 21 lower than last year (MNOK 46).

Also see the specification in Note 14.

Equities portfolio

As at the end of 4Q24, the Group's equities portfolio amounted to MNOK 1 527, compared with MNOK 1 364 as at the end of 4Q23 and MNOK 1 462 as at the end of 3Q24.

The Parent Bank's equities portfolio saw a positive change in value in 4Q24 in isolation amounting to MNOK 65 (MNOK 52), which was mainly due to increases in the value of shares in SpareBank 1 Helgeland by MNOK 34, shares in Visa by MNOK 9 and shares in BN Bank ASA by MNOK 20.

As at the end of 4Q24, the value of the portfolio had increased by MNOK 163 (MNOK 105). As at the end of 4Q24, SNN's equities portfolio in the subsidiary had not increased in value.

Share dividends received amounted to MNOK 13 in the quarter (MNOK 3) and MNOK 81 at the end of 4Q24 (MNOK 101).

Certificates, bonds, currency and derivatives

As at the end of 4Q24, the Group's holdings of certificates and bonds amounted to MNOK 19 235, compared with MNOK 19 789 as at the end of 3Q24 and MNOK 18 189 as at the end of 4Q23.

The total net change in value in the bond portfolio in 4Q24 in isolation represents a net unrealised loss of MNOK 49 (MNOK 6). Of the change in value, MNOK 34 (MNOK 10) was due to the negative change in value of the portfolio (widening spread), MNOK 15 was due to the negative effect on coupon rates (MNOK 6), and MNOK 0 was due to realised losses (MNOK 1). In addition, a negative change in value of MNOK 2 (MNOK 1 was recognised for the associated foreign exchange items.

The Group saw a negative change in the value of its fixed-rate loan portfolio of MNOK 13 in 4Q24 (MNOK 3).

As at the end of 4Q24, total net changes in the value of the bond portfolio, currency and fixed-rate loans amounted to MNOK -14 (MNOK 33).

A summary of the Group's derivatives as at the end of 4Q24 can be seen in Note 15 in the quarterly report.

Operating costs

The Group's operating costs for 4Q24 in isolation were MNOK 596, which is MNOK 18 higher than in 4Q23 (MNOK 578) and MNOK 122 higher than the previous quarter (MNOK 474). The Parent Bank's operating costs in the quarter amounted to MNOK 418 (MNOK 409), while operating costs in the subsidiaries amounted to MNOK 178 (MNOK 169).

The increase in costs last year was largely driven by inflation and personnel costs, primarily due to more investment in subsidiaries and wage growth. The Parent Bank's increases were also due to high inflation, especially in relation to ICT, wage growth and more FTEs, both on the customer side and in relation to regulatory requirements.

As at the end of 4Q24, the Group's operating costs were MNOK 2 003 (MNOK 1 825). The Parent Bank's total operating costs as at the end of 4Q24 were MNOK 1 391 (MNOK 1 278).

The Group had 976 FTEs as at 4Q24, eight FTEs more than the 978 as at 3Q24, and 30 more than as at 4Q23 (956). Compared with last year, there are 20 more FTEs in the Parent Bank and 10 FTEs more in the subsidiaries. The increase in staffing was mainly due to growth, especially in the subsidiaries, although staffing was also increased to deal with strict regulatory requirements and because of the need for more resources in working environment, ICT and on the customer front.

The Group's long-term target of a cost/income ratio of 40 per cent or lower stands for 2024 as well. Despite relatively high growth in wages and costs in the past year, the growth in costs in 2024 was under control and correlates well with increased top lines in both the parent and subsidiaries, which the development in the cost/income ratio also documents.

The Group started a simplification and costs project in 3Q24, based on natural departure, where the objective is, over time, not to replace 20 per cent of turnover at a group level with new recruits. The cost savings will (assuming nothing else changes) amount to about MNOK 10 in 2025, rise to MNOK 25-30 in 2026 and have full effect from 2027 with an annual saving of MNOK 40-50.

The cost/income ratio at the end of 4Q24 was 30 per cent.

The costs are specified by main category compared with previous periods in Note 6 in the quarterly accounts.

Losses and non-performing loans

The Group's net losses in 4Q24 in isolation amounted to MNOK 24 (MNOK 91): MNOK 13 (MNOK 0) from the retail market and MNOK 11 (MNOK 91) from the corporate market. The net loss in 4Q24 consisted of MNOK 15 in recognised losses/changes in individual loss provisions (MNOK 74), MNOK 10 in increased model-based ECL provisions (MNOK 19), and MNOK 2 in receipts on previously impaired receivables (MNOK 2).

As at the end of 4Q24, the Group's net losses amounted to MNOK 110 (MNOK 116): MNOK 28 from the retail market (MNOK -9) and MNOK 82 from the corporate market (MNOK 125). The net loss at the end of 4Q24 consisted of MNOK 150 in recognised losses/changes in individual loss provisions (MNOK 103), MNOK -33 in changed model-based ECL provisions (MNOK 24), and MNOK 8 in receipts on previously impaired receivables (MNOK 10).

The Group observed no clear general negative risk migration in the portfolio. However, loss flagging and the non-performance of some major individual commitments mean that the level of commitments in Stage 3 has increased steadily over the past year (see note 10 and the table of commitments by stage in the risk assessment). This has had little effect on loss provisions, and the loan portfolio is currently seeing relatively few bankruptcies. The Group still has a solid and diversified customer portfolio with low to moderate risk, however we pay close attention to and closely monitor exposed areas such as commercial property, construction, the wholesale and retail trade and some fisheries commitments.

As at the end of 4Q24, total loss provisions on loans came to MNOK 860 (MNOK 816), which was MNOK 17 lower than as at the end of the preceding quarter (MNOK 877). Loan loss provisions amount to 0.84 per cent of the Group's total gross lending, and 0.57 per cent of gross lending, including loans transferred to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt. The corresponding ratios as at 4Q23 were 0.83 per cent and 0.57 per cent.

As at the end of 4Q24, the Group's total loss provisions for loans and guarantees classified as Stage 1 and Stage 2 amounted to MNOK 481 (MNOK 546), MNOK 60 lower than as at the end of the previous quarter (MNOK 541).

As at the end of 4Q24, loss provisions for loans and guarantees classified as Stage 3 amounted to MNOK 379 (MNOK 271) compared with MNOK 409 as at the end of 3Q24. This equates to a loss provision ratio of 33 per cent (24 per cent) of non-performing and doubtful commitments, the same as at the end of the last quarter. The provisions in 4Q24 were MNOK 30 lower than at the end of the previous quarter.

Please refer to Notes 2, 8 and 11 in the quarterly report, which describe the Group's assessments concerning factors affecting loss provisions in 4Q24.

In the opinion of the Board, the quality of the Group's loan portfolio is good, and the Group is doing high quality work in connection with non-performing and impaired commitments. There will continue to be a strong focus on this work going forward.

Balance sheet development

Lending

As at the end of 4Q24, loans totalling BNOK 48 (BNOK 45) had been transferred to SpareBank 1 Boligkreditt, and BNOK 0.08 (BNOK 0.1) to SpareBank 1 Næringskreditt. These loans do not appear as lending on the Bank's balance sheet. Nevertheless, the comments on the growth in lending also include the loans sold to the mortgage credit institutions.

For 2024 as a whole, the Group expected lending growth of 2-4 per cent in Retail Market and lending growth of 4-7 per cent in Corporate Market.

The competition remains fierce, especially in the mortgage market, but the Group is competitive and is taking market share. The overall growth in loans to customers in 4Q24 was 2.1 per cent in Retail Market (0.8 per cent) and -0.3 per cent in Corporate Market (3.6 per cent). This represents annualised growth of 8.2 per cent (3.0 per cent) in Retail Market and -1.2 per cent (14.5 per cent) in Corporate Market. Actual growth over the past 12 months was 5.6 per cent in Retail Market (3.8 per cent) and 3.8 per cent in Corporate Market (15.5 per cent).

Retail Market accounted for 65 per cent of total lending as at 4Q24 (65 per cent).
The Group's lending is specified in Note 10 in the quarterly report.

Liquidity

Customer deposits are the Group's most important source of funding and Note 16 in the quarterly report provides an overview of the Bank's deposits.

The deposit coverage ratio as at 4Q24 was 85 per cent, compared with 84 per cent as at 4Q23. The Bank's remaining funding, apart from equity and subordinated capital and deposits from customers, is mainly long-term funding from the capital markets. The Bank's access to liquidity and the key figures for liquidity are satisfactory. The Bank's strategic objective is to keep overall liquidity risk at a low level. LCR (Liquidity Coverage Ratio) as at the end of 4Q24 was 147 per cent (150 per cent). The net stable funding ratio (NSFR) as at 4Q24 was 120 per cent (117 per cent).

The senior preferred rating from Moody's as at the end of 4Q24 was Aa3, and the senior non-preferred rating A3.

Please refer also to Note 22 on liquidity risk in the quarterly report.

Financial strength and capital adequacy

SNN is subject to the regulatory capital requirements set out in CRR2/CRDV. The updated capital requirements regulations, CRR3, entered into force in the EU on 01.01.25. However, the amendment regulation that will enact CRR3 in Norwegian law cannot enter into force until constitutional provisos in Liechtenstein and Iceland have been clarified as part of the EEA Agreement. The Ministry of Finance is working to ensure that CRR3 can enter into force in Norway as quickly as possible, and enactment is expected in 2025. The Norwegian authorities will also increase the risk-weighted floor for mortgages from 20 per cent to 25 per cent, effective from 01.07.25.*

*https://newsweb.oslobors.no/message/634074

In December 2023, the Financial Supervisory Authority of Norway set a Pillar 2 requirement (SREP) for SNN. As at 31.12.23 and until the next SREP decision is published, the Pillar 2 requirement is 1.4 per cent of the consolidated risk exposure amount. Furthermore, the minimum requirement must be met with a minimum of 56.25 per cent Common Equity Tier 1 capital and at least 75 per cent Tier 1 capital. An updated Pillar 2 decision (SREP) is expected to be in place towards the end of 2025.

The Group uses proportional consolidation for its capital adequacy reporting on the stakes in SpareBank 1 Boligkreditt, SpareBank 1 Næringskreditt, Kredittbanken, SpareBank 1 Markets and BN Bank.

For a more detailed description of the area, please see the Group's annual report.

The calculations in the table below include the share of the profit not covered by the proposed distribution of dividends.

	31.12.24	31.12.23	Change
Common Equity Tier 1 Capital Ratio	16,8 %	17,1 %	-0,4 %
Tier 1 Capital Ratio	18,8 %	18,9 %	-0,1 %
Capital Adequacy Ratio	21,3 %	21,4 %	-0,1 %
Leverage Ratio	7,8 %	7,9 %	-0,1 %

The Group's Common Equity Tier 1 capital as at the end of 4Q24 was MNOK 14 054, which is MNOK 588 higher than at the end of 4Q23 (MNOK 13 466) and MNOK 1 054 higher than at the end of 3Q24 (MNOK 13 000). The calculation at the end of 4Q24 includes the share of the profit not covered by the proposed distribution of dividends for 2024. The change in the last quarter was mainly due to the share of the result, although it was also affected by changes in deduction items related to losses (MNOK -21) and goodwill (+MNOK 21).

The Common Equity Tier 1 capital ratio of 16.8 per cent is 1.0 percentage point above the Group's capital target (15.8 per cent), and 2.0 percentage points above the regulatory minimum level (14.8 per cent).

The risk exposure amount (RWA) as at the end of 4Q24 was MNOK 83 442 and had increased by MNOK 4 916 compared with 4Q23 (MNOK 78 527) and MNOK 472 compared with 3Q24 (MNOK 82 970). This was mainly due to an updated annual calculation of operational risk (+MNOK 1 012), as well as reduced RWA in associated companies (MNOK -550).

The capital adequacy calculation is shown in Note 21 of the quarterly report.

Proposed profit allocation

The dividend calculation is based on the Group's profit after tax, adjusted for accrued interest on issued hybrid Tier 1 instruments and minority interests.

After this, the profit is distributed between the groups of owners, the EC holders (EC capital) and the community's share of the equity (primary capital) based on the relative distribution of equity between the owner groups, 43.36 per cent and 53.64 per cent, respectively.

On 22.01.25, the Bank received a notice from the Financial Supervisory Authority of Norway (reported to the stock exchange on 23.01.25) containing an instruction to change the distribution between the ownership groups for 2022 and 2023. The rationale for the notice was that parts of the dividends/ gifts to communities, approved by the Supervisory Board in meetings in spring 2022 and 2023 and transferred from equity to liabilities on the balance sheet, not having been allocated to specific gift recipients at the end of the financial year. FSA requests that these funds be returned to primary capital and that a new relative distribution (owner fraction) be calculated for the ownership groups for 2022 and 2023.

The effect of the notice is estimated at NOK 62 in too little allocated dividend to the primary capital, in relation to the dividend actually approved by the supervisory board.

Taking into account the order, the ownership fraction as of 31.12.24 would have been 45.92% (equity capital) and 54.08% (share capital).

The Bank does not agree with this notice, has appealed the case and asked for suspensive effect. On this background, the existing ownership fraction is used, and the following profit allocation is proposed to the Supervisory Board for 2024:

(Amount in NOK million)	31.12.24	31.12.23	Change
Parent Bank's profit after tax	3 631	2 521	1 110
Interests hybrid capital	100	60	40
Profit to allocate	3 531	2 461	1 070
Cash dividend per ECC (NOK)	8,75	7,00	1,75
Allocated to cash dividend	878	703	175
Allocated to dividend equalisation fund	759	438	321
Total to the equity certificate holders	1 637	1 141	496
Share of profit	*46,36 %*	*46,36 %*	*0,00 %*
Allocated to donations	1 016	813	203
Allocated to the Saving Banks Fund	878	507	371
Total to the Bank's community-owned capital	1 894	1 320	574
Share of profit	*53,64 %*	*53,64 %*	*0,00 %*
Total allocated	3 531	2 461	1 070
Withheld share of Group result	46,4 %	38,4 %	8,0 %
Withheld share of Parent Bank result	32,3 %	49,3 %	-17,0 %
Payout ratio Group	53,7 %	61,6 %	-8,0 %
Payout ratio Parent Bank	67,7 %	50,7 %	17,0 %

The distribution of the profit entails an equal payout ratio for the Bank's EC holders and community owned capital. The distribution ratio represents a total of 53.7 per cent (61.6 per cent) of the Group's profit and is in line with the Group's dividend policy.

When assessing the proposed dividend, thorough assessments have been made of the group's soundness, liquidity and financial development, including stress tests that show the consequences of negative scenarios. These assessments indicate that the proposed dividend is justifiable.

As at 31.12.24, capital adequacy, after the proposed dividend, was higher than both the regulatory requirement and the internal target. This means that our loss-absorbing capacity is high. Nevertheless, please note that the Financial Supervisory Authority of Norway can, when considerations regarding the financial institution's financial strength indicates it is appropriate, instruct a bank not to distribute a dividend or to distribute less that what has been proposed by the Board or approved by the Supervisory Board.

The Bank will continue to emphasise providing a competitive direct return for the Bank's owners. Nonetheless, the future payout rate will have to take into account the Group's capital adequacy and opportunities for future profitable growth.

The Bank's EC will be traded ex dividend as at 08.04.25.

The EC holders' proportion of the equity (ownership fraction) has not changed and was calculated as 46.36 per cent as at 01.01.25.

Concluding remarks and outlook

At the beginning of 2024, expectations concerning interest rate cuts were high. A marked fall in interest rates was seen in the western world throughout 2024. No fall in interest rates has occurred in Norway. This is largely due to that Norway continuing to be one of the OECD countries with the highest inflation, and that the Norwegian krone being record weak and. At the start of 2025, Norwegian interest rates are still expected to fall, although not by as much as the market previously thought. One to three cuts are now expected in 2025. Current interest rates are not particularly high from a historical perspective, and if Norges Bank manages to achieve a soft landing, without a large increase in unemployment, there is reason to believe that Norway will have to adapt to higher interest rate levels than those in recent years, and a higher level than forecasts in the past couple of years have assumed. If this is true, it will be positive, especially for the bank's deposit margin.

On average, northern Norwegian households have a lower debt ratio than the national average, and the business sector in the region is strong and enjoying good earnings. However, some industries are struggling here, like in the rest of the country, and the construction industry is in a special position since all new housing construction has ceased. It is unfortunate that housebuilding has stagnated, although given the rising prices for used homes and strong migration into the region, new housing projects will have to be started eventually. The Bank expects the market for new homes to pick up towards the end of 2025, assuming that the interest rate cuts expected in 2025 occur. Northern Norway continues to see lower unemployment than the average for Norway, and important industries in the region are benefiting from a weak Norwegian kroner exchange rate. Real wage growth will also contribute to increased purchasing power, and the Norwegian Armed Forces' investments in the region over the next few years will be a significant economic driver.

The biggest uncertainty factor in the business sector in general is the warned of decrease in cod quotas. Lower quotas combined with high interest rates and expensive bunkers will present the traditional fisheries industry with some challenges in the next few years. At the same time, prices remain good, the exchange rate is favourable, and the industry has many good years behind it. The aquaculture industry continues to do well, and good earnings and investment appetite are expected in 2025.

High interest rates have made commercial property challenging. Rents have risen without an increase in unemployment, and Northern Norway is seeing far more moderate yield levels than major cities in the south. As long as the underlying economy continues to perform well and unemployment rates remain low, the Bank expects no new major negative shifts in the pricing of commercial property.

There is still some uncertainty surrounding 2025, perhaps especially with respect to what impact the new US president will have and whether tariffs will be introduced that will directly or indirectly, impact Norway and Northern Norway. Despite this uncertainty, SNN expects Northern Norway to fare better than the rest of the country in the coming years from an economic perspective. The economic conditions remain challenging. This requires extra vigilance and the Bank to take a proactive approach to customers, one of the things the Group always focuses heavily on.

SNN is well positioned, financially very strong and liquid with a good customer portfolio and a strong market position in a region with good conditions for favourable economic development. A strong focus on customers and good knowledge of the people and businesses in our region will enable the Group to strengthen its market position both in 2025 and the future.

The Group's future prospects are considered good.

Tromsø, 12.02.25

The Board of SpareBank 1 Nord-Norge

Statement of Financial Performance

Parent Bank						Group			
(Amounts in NOK million)									
4Q23	4Q24	31.12.23	31.12.24		Note	31.12.24	31.12.23	4Q24	4Q23
1 802	1 927	6 214	7 535	Interest income	3	7 887	6 561	2 014	1 888
899	993	2 954	3 882	Interest costs	3	3 859	2 934	987	891
903	934	3 260	3 653	Net interest income		4 028	3 627	1 027	997
								0	0
190	225	784	868	Fee- and commission income	4	1 086	962	278	229
20	20	67	63	Fee- and commission costs	4	81	90	22	24
234	179	234	188	Other operating income	4	536	532	262	312
404	384	951	993	Net fee- and other operating income		1 541	1 404	518	517
								0	0
3	13	101	81	Dividend	5	81	101	13	3
9	22	716	280	Income from investments	5,13	826	- 56	132	- 28
87	1	41	149	Net gain from investments in securities	5	149	138	1	108
99	36	858	510	Net income from financial investments		1 056	183	146	83
0	0	0	0			0	0	0	0
1 406	1 354	5 069	5 156	Total income		6 625	5 214	1 691	1 597
								0	0
193	183	619	667	Personnel costs	6	1 103	1 000	311	317
139	153	456	506	Administration costs	6	565	516	169	152
15	13	60	58	Ordinary depreciation	6,7	84	88	20	22
62	69	143	160	Other operating costs	6	251	221	96	87
409	418	1 278	1 391	Total costs		2 003	1 825	596	578
								0	0
997	936	3 791	3 765	Result before losses		4 622	3 389	1 095	1 019
								0	0
79	10	71	85	Losses	8	110	116	24	91
918	926	3 720	3 680	Result before tax		4 512	3 273	1 071	928
								0	0
167	210	671	781	Tax		849	725	219	172
751	716	3 049	2 899	Result after tax		3 663	2 548	852	756
				Attributable to:					
				Controlling interests		3 630	2 521	848	752
				Non-controlling interests		33	27	4	4
				Result per Equity Certificate					
3,37	3,18	13,80	12,92	Result per Equity Certificate, adjusted for interests hybrid capital		16,30	11,36	3,79	3,38

Other comprehensive income

Parent Bank					Group			
(Amounts in NOK million)								
4Q23	4Q24	31.12.23	31.12.24		31.12.24	31.12.23	4Q24	4Q23
751	716	3 049	2 899	Result after tax	3 663	2 548	852	756
				Items that will not be reclassified to profit/loss				
0	0	0	0	Share of other comphrehensive income from investment in assosiated companies	- 109	- 81	- 35	- 49
0	0	0	0	Total	- 109	- 81	- 35	- 49
				Items that will be reclassified to profit/loss				
0	1	0	10	Value changes on loans measured at fair value	10	0	1	0
0	0	0	0	Share of other comphrehensive income from investment in assosiated companies	11	-5	11	- 7
0	- 1	0	-3	Tax	-3	0	- 1	0
0	0	0	7	Total	18	- 5	10	- 7
751	716	3 049	2 906	Total comprehensive income for the period	3 572	2 462	827	700
3,37	3,18	13,80	12,96	Total result per Equity Certificate, adjusted for interests hybrid capital	15,88	10,97	3,68	3,12

Balance sheet

Parent Bank				Group	
(Amounts in NOK million)					
31.12.23	31.12.24		Notes	31.12.24	31.12.23
		Assets			
402	1 404	Cash and balances with central banks		1 404	402
9 300	10 070	Loans to credit institutions	10	2 394	2 304
89 086	92 450	Loans to customers	10,11,12	101 828	98 032
1 359	1 522	Shares	12	1 527	1 364
18 187	19 233	Certificates and bonds	12	19 235	18 189
1 422	1 532	Financial derivatives	12,15	1 532	1 422
5 758	6 436	Investment in Group Companies, assosiated companies and joint ventures	13	5 981	4 858
402	398	Fixed assets	7	811	811
504	533	Other assets	14	961	756
126 420	133 578	Total assets		135 673	128 138
		Liabilities			
1 165	763	Depsits from credit institutions	16	761	1 164
82 560	87 727	Deposits from customers	16	87 618	82 495
13 970	13 756	Debt securities in issue	17	13 756	13 970
1 198	1 086	Financial derivatives	12,15	1 086	1 198
3 055	3 212	Other liabilities	18	3 678	3 754
8 367	9 435	Senior non-preferred and subordinated debt	19	9 435	8 367
110 315	115 979	Total liabilities		116 334	110 948
		Equity			
2 650	2 650	Equity Certificate capital and premium reserve	20	2 650	2 650
1 250	1 450	Hybrid capital	20	1 450	1 250
4 238	4 837	Dividend Equalisation Fund	20	5 516	4 628
7 967	8 662	Saving Bank's primary capital	20	9 446	8 417
		Non-controlling interests	20	277	245
16 105	17 599	Total equity		19 339	17 190
126 420	133 578	Total liabilities and equity		135 673	128 138

Statement of Changes in Equity

(Amounts in NOK million)	EC capital and Premium Fund	Dividend Equalisation Fund	Saving Bank's primary capital	Hybrid capital	Total controlling interests	Non-controlling interests	Total equity
Group							
Equity at 01.01.23	2 650	4 347	8 095	600	15 692	231	15 923
Total comprehensive income for the period							
Period result		1 170	1 351		2 521	27	2 548
Other comprehensive income:							
Share of other comprehensive income from investment in assosiated companies		- 40	- 46		- 86		- 86
Tax on other comprehensive income							
Total other comprehensive income		- 40	- 46		- 86		- 86
Total comprehensive income for the period		1 130	1 305		2 435	27	2 462
Transactions with owners							
Changes in controlling interests						15	15
Hybrid capital				650	650		650
Dividend paid		- 824			- 824	- 27	- 851
Other transactions		3	1		4	- 1	3
Interests hybrid capital - this year		- 28	- 32		- 60		- 60
Approved society dividend			- 952		- 952		- 952
Total transactions with owners		- 849	- 983	650	-1 182	- 13	-1 195
Equity at 31.12.23	2 650	4 628	8 417	1 250	16 945	245	17 190
Equity at 01.01.24	2 650	4 628	8 417	1 250	16 945	245	17 190
Total comprehensive income for the period							
Period result		1 683	1 948		3 631	33	3 664
Other comprehensive income:							
Value changes on loans measured at fair value		5	5		10		10
Share of other comprehensive income from investment in assosiated companies		- 45	- 53		- 98		- 98
Tax on other comprehensive income		- 1	- 2		- 3		- 3
Total other comprehensive income		- 42	- 49		- 91		- 91
Total comprehensive income for the period		1 642	1 898		3 540	33	3 573
Transactions with owners							
Equity issue						27	27
Hybrid capital				200	200		200
Dividend paid		- 703			- 703	- 27	- 730
Other transactions		- 4	- 3		- 7	- 1	- 8
Interests hybrid capital - this year		- 46	- 54		- 100		- 100
Approved society dividend			- 813		- 813		- 813
Total transactions with owners		- 753	- 870	200	-1 423	- 1	-1 424
Equity at 31.12.24	2 650	5 516	9 446	1 450	19 062	277	19 339

Statement of Cash Flows

Parent Bank				Group	
(Amounts in NOK million)					
31.12.23	31.12.24			31.12.24	31.12.23
3 720	3 680	Profit before tax		4 513	3 273
60	58	+ Ordinary depreciation	7	84	88
71	85	+ Losses on loans and guarantees	8	110	116
671	781	- Tax/Result non-current assetes held for sale		849	725
3 180	3 042	Provided from the year's operations		3 858	2 752
1 213	1 134	Change in sundry liabilities: + increase/ - decrease	18	839	1 314
115	- 211	Change in various claims: - increase/ + decrease	14	- 315	68
-5 257	-4 439	Change in gross lending to and claims on customers: - increase/ + decrease	10,11,12	-4 238	-5 452
36	-1 209	Change in short term-securities: - increase/ + decrease	12	-1 209	48
2 994	5 167	Change in deposits from and debt owed to customers: + increase/ - decrease	16	5 123	3 011
- 21	- 402	Change in liabilities to credit institusions: + increase/ - decrease	16	- 403	- 21
2 260	3 082	A. Net liquidity change from operations		3 655	1 720
-56	-54	- Investment in fixed assets	7	-84	-70
- 767	- 676	Payments to group companies and assosiated companies	13	- 532	- 767
98	0	Payments from/Change in values of group companies and assosiated companies	13	- 700	701
- 725	- 730	B. Liquidity change from investments		-1 316	- 136
- 60	- 100	Interest to hybrid capital owners		- 100	- 60
- 43	- 47	Payments to leases	7	- 56	- 55
-1 558	-1 906	- Dividend paid on EC/approved distributions		-1 933	-1 588
-4 667	-4 374	Payments to borrowings through the issuance of securities	17	-4 374	-4 667
2 448	3 709	Payments from borrowings through the issuance of securities	17	3 709	2 448
- 350	- 311	Payments to subordinated loan capital	19	- 311	- 350
2 643	1 249	Payments from subordinated loan capital	19	1 249	2 643
650	200	Payments to/payments from hybrid capital	20	200	650
		Payment from non-controlling interests		27	15
- 937	-1 580	C. Liquidity change from financing		-1 589	- 964
598	772	A + B + C. Total change in liquidity		750	620
631	1 229	+ Liquid funds at the start of the period		1 251	631
1 229	2 001	= Liquid funds at the end of the period		2 001	1 251
402	1 404	Cash and balances with Central Banks		1 404	402
827	597	Loans and advances to credit institutions without an agreed term or notice period		597	849
1 229	2 001	Liquid funds at the end of the period		2 001	1 251

Liquid funds are defined as cash and balances with Central Banks, and loans and advances to credit institutions without an agreed term or notice period.

		Additional information cash flow		
6 002	7 519	Interests received	7 871	6 349
2 776	3 799	Interests paid	3 776	2 756

Result from the Group's quarterly accounts

(Amounts in NOK million)		4Q24	3Q24	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23	4Q22
Interest income		2 014	2 006	1 941	1 926	1 888	1 757	1 525	1 391	1 281
Interest costs		987	986	946	940	891	802	670	571	514
Net interest income		1 027	1 020	995	986	997	955	855	820	767
Fee- and commission income		278	290	278	240	229	234	255	244	266
Fee- and commission costs		22	18	21	20	24	19	24	23	21
Other operating income		262	80	94	100	312	69	78	73	50
Net fee- and other operating income		518	352	351	320	517	284	309	294	295
Dividend		13	8	59	1	3	2	40	56	22
Income from investments		132	583	45	66	- 28	- 69	3	38	147
Net gain from investments in securities		1	98	- 2	52	108	24	- 38	44	89
Net income from financial investments		146	689	102	119	83	- 43	5	138	258
Total income		1 691	2 061	1 448	1 425	1 597	1 196	1 169	1 252	1 320
Personnel costs		311	276	252	264	317	241	220	222	221
Administration costs		169	126	137	133	152	128	117	119	152
Ordinary depreciation		20	21	20	23	22	22	22	22	23
Other operating costs		96	51	51	53	87	49	42	43	61
Total costs		596	474	460	473	578	440	401	406	457
Result before losses		1 095	1 587	988	952	1 019	756	768	846	863
Losses		24	35	15	36	91	52	30	- 57	22
Result before tax		1 071	1 552	973	916	928	704	738	903	841
Tax		219	208	220	202	172	192	179	182	178
Result after tax		852	1 344	753	714	756	512	559	721	663
Interest hybrid capital		27	26	23	24	21	15	13	11	10
Result after tax ex. interest hybrid capital		825	1 318	730	690	735	497	546	710	653
Profitability										
Return on equity capital	1	18,9 %	32,1 %	18,9 %	17,8 %	18,8 %	13,2 %	15,1 %	19,1 %	17,2 %
Interest margin		3,03 %	3,03 %	3,03 %	3,04 %	2,85 %	2,76 %	2,65 %	2,63 %	2,09 %
Cost/income	2	35,2 %	23,0 %	31,8 %	33,2 %	36,2 %	36,8 %	34,3 %	32,4 %	34,6 %
Balance sheet figures										
Loans and advances excl. commision loans		105 048	105 385	101 250	101 093	99 809	101 557	98 200	95 300	95 300
-of which loans and advances to financial institutitons		2 394	2 259	2 085	2 304	2 121	3 563	3 689	1 787	1 787
-of which loans and and advances to customers		102 654	103 126	99 165	98 789	97 688	97 994	94 510	93 513	93 513
Loans incl. loans to SB1 BK and SB1 NK		150 571	148 755	144 703	143 438	140 965	138 342	135 091	133 243	133 243
Growth in loans and advances to cust. incl. loans in SB1 BK & NK past 12 months	3	5,0 %	5,5 %	5,6 %	7,1 %	7,7 %	7,5 %	7,7 %	6,8 %	6,0 %
Deposits		88 379	87 496	89 660	86 233	83 659	85 736	85 952	82 526	80 669
-of which deposits from financial institutions		761	1 452	1 245	1 890	1 164	1 589	1 107	861	1 185
-of which deposits from customers		87 618	86 044	88 415	84 343	82 495	84 147	84 845	81 665	79 484
Growth in deposits from customers past 12 months	3	6,2 %	2,3 %	4,2 %	3,3 %	3,8 %	5,0 %	1,6 %	3,9 %	4,4 %
Deposits as a percentage of gross lending	4	85,4 %	83,4 %	87,8 %	85,1 %	83,5 %	86,1 %	86,6 %	86,4 %	85,0 %
Deposits as a percentage of gross lending including loans in SB1 BK & NK	5	58,2 %	57,8 %	60,5 %	58,3 %	57,5 %	59,7 %	61,3 %	60,5 %	59,7 %
Average assets	6	132 721	131 984	130 909	129 850	127 155	126 909	126 302	124 535	122 377
Total assets		135 673	135 207	133 027	131 562	128 138	128 728	129 838	126 548	122 521
Losses on loans and commitments in default										
Losses on loans to customers as a percentage of total lending incl. loans in SB1 BK & NK		0,07 %	0,06 %	0,03 %	0,02 %	0,08 %	0,02 %	-0,02 %	-0,04 %	0,05 %
Net comm. in default and at risk of loss as a per. of total lending incl. loans in SB1 BK & NK		0,91 %	0,75 %	0,68 %	0,55 %	0,40 %	0,44 %	0,35 %	0,36 %	0,35 %

(Amounts in NOK million)	4Q24	3Q24	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23	4Q22
Solidity									
Common Equity Tier 1 Capital incl. result	14 054	16 785	13 257	13 283	13 466	13 335	13 187	12 656	12 351
Tier 1 Capital	15 728	14 405	14 663	14 689	14 847	14 328	14 135	13 603	13 082
Own Funds	17 829	16 525	16 763	16 716	16 824	15 870	15 366	14 834	14 230
Risk exposure amount	83 678	82 970	80 888	80 148	78 527	75 942	75 407	73 071	71 399
Common Equity Tier 1 Capital Ratio excl. sesult	16,8 %	15,7 %	16,4 %	16,6 %	17,1 %	17,6 %	17,5 %	17,3 %	17,3 %
Tier 1 Capital Ratio excl. result	18,8 %	17,4 %	18,1 %	18,3 %	18,9 %	18,9 %	18,7 %	18,6 %	18,3 %
Total Capital Ratio excl. result	21,3 %	19,9 %	20,7 %	20,9 %	21,4 %	20,9 %	20,4 %	20,3 %	19,9 %

1) The profit after tax in relation to average equity, calculated as a quarterly average of equity at 1 January and end quarterly equity. The Bank's hybrid tier 1 capital issued are classified as equity in the financial statements. "However, when calculating the return on equity, hybrid tier 1 capital is treated as a liability and the associated interest costs are adjusted for in the result."

2) Total costs as a percentage of total net income

3) The calculation of growth includes sale of loan and deposit portfolio to Sparebank 1 Helgeland in 4Q21

4) Deposits from customers as a percentage of gross lending

5) Deposits from customers in percentage of total lendring incl. loans in SB1 BK & NK

6) Average assets are calculated as average assets each quarter and at 01.01. and 31.12.

Notes

Note 1 Accounting policies

SpareBank 1 Nord-Norge prepares its quarterly accounts in accordance with the Norwegian Stock Exchange Regulations and International Financial Reporting Standards (IFRS Accounting Standards) approved by the EU, including IAS 34 – Interim Financial Reporting.

The quarterly accounts do not include all information required in full annual accounts and should be read in conjunction with the annual accounts for 2023.

In this quarterly reporting, the Group has applied the same accounting policies and calculation methods as those applied in the annual accounts.

Note 2 Important accounting estimates and discretionary judgements

In preparing the consolidated financial statements the management makes estimates, discretionary judgements and assumptions that influence the application of the accounting policies. These could thus affect the stated amounts for assets, liabilities, income and costs. Note 3 in last year's annual financial statements provides a fuller explanation of the items subject to important estimates and judgements.

Losses on loans
SpareBank 1 Nord-Norge uses a model for calculating expected credit loss (ECL) based on IFRS 9. In addition to the elimination of this scale, more detailed descriptions of the ECL model in 13 to the annual report still apply.

The results of the calculation are shown in Note 8 and Note 11 of the quarterly report.
Expected credit loss is calculated on a monthly basis based on an objective and probability-weighted analysis of alternative outcomes, where account is also taken of the time value of the expected cash flows. The analysis is based on relevant information available at the time of reporting and builds on macroeconomic scenarios in order to take account of non-linear aspects of expected credit loss.
• SC1 "Base case" represents the most likely outcome. Norges Bank's Monetary Policy Report has been chosen as the main source for the explanatory variables interest rates unemployment and expected property price developments.
• SC2 "Downside case" represents an outcome that is significantly more negative than SC1. The explanatory variables interest rate and unemployment as well as expected property price developments are commensurate with a very severe downturn.
• SC3 "Best case" represents an outcome that is significantly more positive than SC1 and is designed to reflect the level of the explanatory variables during a strong economic expansion.

The macro situation at the end of quarter is considered to not have changed compared to the previous quarter, and the weighting of three of the respective scenarios is not changed.

Industries and the development of individual customers will also be monitored closely using a so-called watchlist at a customer commitment level, as well as by flagging customers with forbearance (payment relief). No significant adjustments have been made to customers on the watchlist this quarter.

Sensitivity analysis

The table below shows the ECL calculated for the three applied scenarios in isolation. The calculations are broken down into the main segments Retail Market and Corporate Market, which add up to Parent Bank. In addition to the segmented ECL for the applied scenario weights (80/15/5%), the table shows two alternative scenario weightings, with an adjustment of probability for the expected scenario (75/15/10% and 80/10/10%).

31.12.2024			
(Amount in NOK million)	RM	CM	Parent bank
SC1 ECL in Base cenario	57 285	341 855	399 140
SC2 ECL in Downturn scenario	124 161	940 291	1 064 452
SC3 ECL in Upturn scenario	38 789	198 690	237 479
ECL with used scenarioweightning 80/15/5%	66 400	424 402	490 802
Sensitivity:			
ECL with alternative scenario weightning 75/20/5%	65 467	417 304	482 771
ECL with alternativw scenario weightning 80/10/10%	62 123	387 382	449 505

Note 3 Net interest income

Parent Bank					Group			
(Amount in NOK million)								
4Q23	4Q24	31.12.23	31.12.24		31.12.24	31.12.23	4Q24	4Q23
				Interest income				
99	126	364	446	Interest income from loans to other credit institutions (amortized cost)	50	41	20	3
1 298	940	3 019	3 649	Interest income from loans to customers (amortized cost)	4 397	5 391	1 133	1 541
89	43	284	163	Interest income from loans to customers (fair value profit and loss)	163	284	43	89
62	557	1 703	2 220	Interest income from loans to customers (fair value other comprehensive income)	2 220	0	557	0
254	261	844	1 057	Interest income from certificates and bonds (fair value profit and loss)	1 057	845	261	255
1 802	1 927	6 214	7 535	Total interest income	7 887	6 561	2 014	1 888
				Interest cost				
38	69	113	204	Interest cost on debt to other credit institutions (amortized cost)	183	95	62	31
569	643	1 845	2 511	Interest cost on debt to customers (amortized cost)	2 509	1 843	644	568
238	163	809	732	Interest cost on the issued securities (amortizes cost)	732	846	129	251
42	104	138	380	Interest cost on subordinated capital and debt (amortized cost)	380	101	138	29
887	979	2 905	3 827	Total interest cost	3 804	2 885	973	879
12	14	49	55	Guarantee fund fee	55	49	14	12
903	934	3 260	3 653	Net interest income	4 028	3 627	1 027	903
2,85 %	2,80 %	2,60 %	2,79 %	Interest margin in relation to average total assets	3,03 %	2,85 %	3,03 %	2,85 %

Note 4 Net fee-, commission- and other operating income

Parent bank					Group			
(Amounts in mill NOK)								
4Q23	4Q24	31.12.23	31.12.24		31.12.24	31.12.23	4Q24	4Q23
12	42	115	179	Provision from SB1 BK & NK	179	115	41	13
78	82	282	299	Payment facilities	299	282	82	78
49	53	203	202	Sales provision insurance products	202	203	53	49
10	11	43	47	Guarantee commissions	47	43	11	10
				Real estate broking *	219	183	52	40
16	14	54	55	Portfolio commissions	55	54	15	16
16	19	67	71	Credit commision	71	67	19	16
9	4	20	15	Other commisions *	14	15	5	7
190	225	784	868	Total commission income	1 086	962	278	229
20	20	67	63	Commission costs	81	90	22	24
170	205	717	805	Net fee- and commission income	1 005	872	256	205
				Accounting services	335	292	75	73
234	179	234	188	Other operating income	201	240	187	239
404	384	951	993	Net fee- and other operating income	1 541	1 404	518	517
31 %	29 %	23 %	21 %	Percent of net core earnings	28 %	28 %	34 %	34 %

* EiendomsMegler1 has previously practiced gross recording of expenses.

This has been changed starting from Q3 2024 and the company now records these items net.

The comparison figures for 2023 have been reworked in connection with the above.

Note 5 Net income from financial investments

Parent bank					Group			
(Amounts in mill NOK)								
4Q23	4Q24	31.12.23	31.12.24		31.12.24	31.12.23	4Q24	4Q23
				Valued at fair value through profit and loss				
				Income from equity capital instruments				
3	13	101	81	Dividend from shares	81	101	13	3
9	22	716	280	Dividend from group companies, assosiated companies and joint ventures				
				Share result from assosiated companies and joint ventures	826	- 56	132	- 28
28	65	8	163	Gains/losses from shares	163	105	65	50
				Income from certificates and bonds				
6	- 49	- 10	- 2	Gains/losses from certificates and bonds	- 2	- 10	- 49	6
				Income from financial derivatives				
47	- 2	49	0	Gains/losses from currencies and hedge derivatives	0	49	- 2	46
6	- 13	- 6	- 12	Gains/losses from fixed rate loans to customers	- 12	- 6	- 13	6
99	36	858	510	Net income from fair value financial investments	1 056	183	146	83
				Valued at amortized cost				
				Income from certificates and bonds				
				Gains/losses from certificates and bonds				
0	0	0	0	Net income from financial investments valued at amortized cost	0	0	0	0
				Total income fra currency trading				
99	36	858	510	Total net income from financial investments	1 056	183	146	83

Note 6 Expenses

Parent bank					Group			
(Amounts in mill NOK)								
4Q23	4Q24	31.12.23	31.12.24		31.12.24	31.12.23	4Q24	4Q23
149	133	458	483	Personel expenses	839	786	234	256
12	14	45	51	Pension costs	83	61	25	17
32	36	116	133	Social costs	181	153	52	44
193	183	619	667	Total personnel costs	1 103	1 000	311	317
89	94	299	345	IT expenses	372	323	104	96
50	59	157	161	Other administrative expenses *	193	193	65	56
15	13	60	58	Ordinary depreciation	84	88	20	22
4	6	18	20	Operating costs properties	24	21	8	6
58	63	125	140	Other operating expenses *	227	200	88	81
409	418	1 278	1 391	Total costs	2 003	1 825	596	578

* EiendomsMegler1 has previously practiced gross recording of expenses.

This has been changed starting from Q3 2024 and the company now records these items net.

The comparison figures for 2023 have been reworked in connection with the above.

Note 7 Leases

On a lease's start date, the Group recognises a liability to pay rent and an asset that represents the right to use the underlying asset during the term of the lease ('right-of-use asset'). The Group sets the lease liabilities and 'right-of-use assets' at the present value of the remaining rent payments, discounted with the aid of the Group's marginal loan rate.

Interest costs on the lease liability are recognised as costs on an ongoing basis and the right-of-use asset is depreciated on a straight-line basis over the term of the lease.

The Group's leased assets mainly include branches and naturally associated premises. Many of the contracts include the right to an extension that can be exercised during the term of the contract. The Group assesses, upon entering into a contract and thereafter continually, whether the right to the extension will, with reasonable certainty, be exercised.

The terms of leases have varying durations and option structures.

Parent bank		(Amounts in NOK million)	Group	
31.12.23	31.12.24		31.12.24	31.12.23
		Right to use asset		
303	303	Carrying amount 01.01.	374	386
0	12	Additions	59	6
0	-3	-Derecognition	-3	0
31	19	Other changes	-22	21
334	331	Carrying amountat the end of the period	408	413
31	35	Depreciation in the period	39	39
303	296	Carrying amount of right to use asset at the end of the period	369	374
		Lease liability		
312	313	Carrying amount 01.01.	388	399
0	12	Additions	59	6
-36	-40	Lease payments in the period	-46	-46
7	7	Interest	10	9
30	16	Other changes	-27	21
313	308	Lease liability at the end of the period	384	388
		Profit and loss		
31	35	Depreciation	39	39
7	7	Interest	10	9
38	42	Total lease expence	49	48
		Undiscounted lease liabilities and maturity of cash outflows		
38	39	Less than 1 year (this year)	45	44
36	33	1-2 years	44	41
31	32	2-3 years	43	40
31	31	3-4 years	40	39
30	30	4-5 years	35	38
189	186	More than 5 years	246	242
354	351	Total	453	444

Note 8 Losses

Parent Bank (Amounts in NOK million) 4Q23	4Q24	31.12.23	31.12.24		Group 31.12.24	31.12.23	4Q24	4Q23
				Losses incorporated in the accounts				
33	15	28	117	Period's change in individual lending provisions	102	59	- 15	73
46	- 6	20	- 42	Period's change in modelbased lending provisions	- 33	24	10	19
0	3	30	15	Period's confirmed losses	48	44	30	1
- 2	- 1	- 8	- 5	Recoveries, previously confirmed losses	- 8	- 10	- 2	- 2
79	10	71	85	Total losses	110	116	24	91
				Losses broken down by sector and industry				
37	- 14	62	26	Agriculture, forestry and fishin	23	73	- 15	36
0	0	0	0	Mining and quarrying	0	- 11	0	0
10	37	- 9	31	Manufacturing	31	5	40	6
1	2	9	- 4	Electricity, gas, steam and air conditioning supply	- 4	9	2	1
0	0	0	0	Water supply, sewerage, waste managment and remediation activities	0	- 9	0	0
6	- 25	26	14	Construction	19	27	- 23	- 20
4	3	- 2	1	Wholesale and retail trade, repair of motor vehicles and motorcycles	16	- 6	15	2
- 7	9	8	5	Transporting and storage	7	14	7	- 5
- 3	3	- 4	3	Accommodation and food service activities	3	- 4	3	- 3
0	0	2	0	Information and communication	0	2	0	- 1
1	- 10	- 16	- 20	Financial and insurance activities	- 20	- 17	- 10	1
30	- 2	- 1	14	Real estate activities	13	- 2	- 2	29
- 2	- 3	3	- 3	Professional, scientific and technical activities	- 4	- 3	- 3	- 2
3	2	3	- 2	Administrative and support service activities	- 6	57	- 2	49
0	0	0	0	Public administration and defence; compulsory social security	0	0	0	0
0	- 1	0	1	Education	1	0	- 1	0
- 1	0	0	0	Human health and social work activities	0	0	0	- 1
- 1	0	- 1	2	Arts, entertainment and recreation	1	- 1	0	- 1
0	0	1	0	Other services activities	- 1	- 9	0	0
0	0	0	0	Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use	0	0	0	0
0	0	0	0	Activities of extraterritorial organisations and bodies	0	0	0	0
79	0	81	66	Total corporate market	82	125	11	91
0	10	- 11	18	Total retail market	28	- 9	13	0
79	10	71	85	Total losses	110	116	24	91

Isolatet loss effects compared to last quarter

4Q24 (Amounts in NOK million) PM	BM	Sum		Sum	PM	BM
- 1	17	16	Change ECL due to period growth and migration	5	4	1
1	- 24	- 23	Change ECL due to adjusted key assumptions	4	0	4
1	0	1	Change ECL due to changed scenario weighting	1	1	0
1	- 7	- 6	Change in model-based loss provisions (stage 1 and 2)	10	5	5
9	6	15	Change individual loss provisions (stage 3)	- 15	8	- 23
0	1	1	Change write-offs	29	0	29
10	0	10	Total loss effects	24	13	11

Note 9 Business Areas

The table shows SpareBank 1 Nord-Norge's segment's pursuant to IFRS 8. For more information see note 4 in annual report 2023.
The Capital Market segment - our capital market products - will be treated by SpareBank 1 Markets in 2024.

Group 31.12.24

(Amounts in NOK million)

	Retail market	Corporate banking	SpareBank 1 Regnskaps-huset Nord-Norge	Eiendoms-Megler 1 Nord-Norge	SpareBank 1 Finans Nord-Norge	Eliminations	Unspecified	Total
Net interest income	1 795	1 503	- 1	1	372	0	358	4 028
Net fee- and other operating income	731	275	335	226	- 3	0	- 23	1 541
Net income from financial investments	2	- 3	0	0	1	0	1 057	1 056
Total costs	607	398	326	195	88	0	389	2 003
Result before losses	1 921	1 377	8	32	282	0	1 003	4 622
						0		
Losses	18	66	0	0	26	0	0	110
Result before tax	1 903	1 311	8	32	256	0	1 003	4 512
						0		
Total lending	45 805	55 149	0	0	9 527	-7 752	2 320	105 048
Loss provision	- 90	- 610	0	0	- 125	0	0	- 825
Other assets	0	0	338	138	0	0	30 974	31 450
Total assets per business area	45 715	54 539	338	138	9 402	-7 752	33 294	135 673
						0		
Deposits	47 276	39 825	0	27	0	- 74	564	87 618
Other liabilities and equity capital	-1 561	14 714	338	111	9 402	7 826	17 225	48 055
Total equity and liabilities per business area	45 715	54 539	338	138	9 402	7 752	17 789	135 673

Group 31.12.23

(Amounts in NOK million)

	Retail market	Corporate banking	SpareBank 1 Regnskaps-huset Nord-Norge	Eiendoms-Megler 1 Nord-Norge	SpareBank 1 Finans Nord-Norge	Unspecified/ Eliminations	Total
Net interest income	1 710	1 372	0	- 1	365	181	3 627
Net fee- and other operating income	575	169	241	266	- 27	263	1 404
Net income from financial investments	2	- 3	0	0	1	183	183
Total costs	671	389	236	254	74	284	1 825
Result before losses	1 616	1 149	5	11	265	343	3 389
Losses	- 11	81	0	0	46	0	116
Result before tax	1 627	1 068	5	11	219	343	3 273
Total lending	44 311	52 278	0	0	9 104	-4 600	101 093
Loss provision	- 75	- 550	0	0	- 131	- 1	- 757
Other assets	0	0	335	108	0	27 359	27 802
Total assets per business area	44 236	51 728	335	108	8 973	22 758	128 138
Deposits	44 989	36 978	0	31	0	497	82 495
Other liabilities and equity capital	- 753	14 750	335	77	8 973	22 261	45 643
Total equity and liabilities per business area	44 236	51 728	335	108	8 973	22 758	128 138

Note 10 Loans

Loans at amortized cost

Loans held in a "hold to receive" business model are measured at amortized cost. For all loans at amortized cost, the expected credit loss (ECL-expected credit loss) and loss provisions have been calculated according to IFRS 9.

Loans at fair value through profit and loss

Fixed-rate loans to customers are classified at fair value over profit or loss (Fair Value Option).

Loans at fair value through other comprehensive income (OCI)

The bank sells parts of the loans that qualify for transfer to SB1 Boligkreditt. Loans that are part of business models (portfolios) with loans that qualify for transfer are therefore held both to receive contractual cash flows and for sale. The bank therefore classifies mortgages at fair value through OCI.

Parent Bank			Group	
(Amount in NOK million)				
31.12.23	31.12.24		31.12.24	31.12.23
		Loans to credit institutions at amortised cost		
827	597	Loans without agreed maturity or notice of withdrawal	597	849
8 473	9 473	Loans with agreed maturity or notice of withdrawal	1 797	1 455
9 300	10 070	Loans to credit institutions	2 394	2 304
		Loans to customers at amortised cost		
82 399	54 340	Loans at amortised cost	63 843	91 476
82 399	54 340	Loans to customers at amortised cost	63 843	91 476
		Loans to customers at fair value through profit and loss		
4 268	4 571	Loans to customers at fixed interest rates	4 571	4 268
		Loans to customers at fair value through OCI		
3 045	34 240	Mortgages to customers	34 240	3 045
7 313	38 811	Loans at fair value	38 811	7 313
89 712	93 151	Total gross loans to customers	102 654	98 789
99 013	103 221	Total gross loans	105 048	101 093
		Loans transfered to SB1 Boligkreditt/SB1 Næringskreditt		
44 521	47 840	Loans transrered to SB1 Boligkreditt	47 840	44 521
128	77	Loans transfered to SB1 Næringskreditt	77	128
44 649	47 917	Total loans transfered to SB1 BK and SB1 NK	47 917	44 649
143 661	151 138	Total gross loans included loans transfered to SB1 BK and SB1 NK	152 965	145 742
		Provision for credit losses - reduction in assets		
- 134	- 100	Provision for credit losses - stage 1	- 114	- 152
- 302	- 289	Provision for credit losses - stage 2	- 335	- 343
- 190	- 312	Provision for credit losses - stage 3	- 377	- 261
89 086	92 450	Net loans to customers ex. loans transfered to Sb1 SB1 BK and SB1 NK	101 828	98 032

Parent Bank 31.12.24

(Amount in NOK million)

Loans broken down by sector/industry	Total commitments to amortised cost	Lending at fair value	Lending provision Stage 1	Stage 2	Stage 3	Net loans
Agriculture, forestry and fishing	11 790	315	- 9	- 69	- 50	11 977
Mining and quarrying	16	3	0	0	0	19
Manufacturing	1 853	38	- 4	- 24	- 32	1 832
Electricity, gas, steam and air conditioning supply	2 125	0	- 6	0	0	2 119
Water supply, sewerage, waste managment and remediation activities	153	3	0	0	0	156
Construction	2 307	131	- 5	- 24	- 36	2 372
Wholesale and retail trade, repair of motor vehicles and motorcycles	1 368	66	- 2	- 8	- 2	1 421
Transporting and storage	3 255	119	- 8	- 8	- 6	3 353
Accommodation and food service activities	726	28	- 2	- 10	- 2	741
Information and communication	41	22	0	0	- 2	60
Financial and insurance activities	12 048	1	- 7	- 10	0	12 033
Real estate activities	17 816	36	- 44	- 96	- 131	17 583
Professional, scientific and technical activities	883	79	- 5	- 5	0	952
Administrative and support service activities	491	64	- 2	- 3	- 1	549
Public administration and defence; compulsory social security	428	0	0	0	0	428
Education	59	50	0	0	- 1	107
Human health and social work activities	141	108	0	0	- 1	248
Arts, entertainment and recreation	262	62	- 1	- 3	- 3	318
Other services activities	381	33	- 1	0	0	414
Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use	8	0	0	0	0	8
Activities of extraterritorial organisations and bodies	0	0	0	0	0	0
Corporate market	56 151	1 160	- 97	- 259	- 266	56 690
Retail market	8 259	37 650	- 3	- 30	- 46	45 830
Total loans	**64 410**	**38 811**	**- 100**	**- 289**	**- 312**	**102 520**

Financial commitments broken down by sector/industry	Financial commitments to amortised cost	Ledning provision classified as debt Stage 1	Stage 2	Stage 3	Total
Agriculture, forestry and fishin	1 462	0	- 3	0	- 4
Mining and quarrying	5	0	0	0	0
Manufacturing	564	- 1	- 1	- 2	- 4
Electricity, gas, steam and air conditioning supply	474	- 1	0	0	- 1
Water supply, sewerage, waste managment and remediation activities	18	0	0	0	0
Construction	505	- 1	- 3	0	- 4
Wholesale and retail trade, repair of motor vehicles and motorcycles	584	- 1	- 1	0	- 3
Transporting and storage	1 514	- 4	- 3	0	- 6
Accommodation and food service activities	60	0	0	0	0
Information and communication	30	0	0	0	0
Financial and insurance activities	211	0	0	0	0
Real estate activities	507	- 3	- 4	0	- 6
Professional, scientific and technical activities	71	0	- 1	0	- 1
Administrative and support service activities	67	0	0	0	0
Public administration and defence; compulsory social security	886	0	0	0	0
Education	8	0	0	0	0
Human health and social work activities	35	0	0	0	0
Arts, entertainment and recreation	21	0	0	0	0
Other services activities	118	0	0	0	0
Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use	0	0	0	0	- 1
Activities of extraterritorial organisations and bodies	0	0	0	0	0
Corporate market	7 142	- 13	- 17	- 2	- 32
Retail market	1 632	0	0	0	0
Total loans	8 774	- 13	- 17	- 2	- 32

Group 31.12.24

(Amount in NOK million)

Loans broken down by sector/industry	Total commitments to amortised cost	Lending at fair value	Lending provision Stage 1	Stage 2	Stage 3	Net loans
Agriculture, forestry and fishin	12 950	315	- 11	- 74	- 52	13 129
Mining and quarrying	52	3	0	0	0	55
Manufacturing	2 335	38	- 5	- 34	- 35	2 299
Electricity, gas, steam and air conditioning supply	2 160	0	- 6	0	0	2 154
Water supply, sewerage, waste managment and remediation activities	337	3	0	0	0	339
Construction	3 049	131	- 5	- 26	- 46	3 103
Wholesale and retail trade, repair of motor vehicles and motorcycles	1 921	66	- 4	- 23	- 3	1 956
Transporting and storage	4 338	119	- 9	- 11	- 8	4 429
Accommodation and food service activities	800	28	- 2	- 10	- 2	814
Information and communication	48	22	0	0	- 2	68
Financial and insurance activities	4 350	1	- 7	- 10	0	4 334
Real estate activities	17 919	36	- 42	- 96	- 131	17 685
Professional, scientific and technical activities	985	79	- 5	- 5	0	1 053
Administrative and support service activities	1 055	64	- 3	- 4	- 28	1 085
Public administration and defence; compulsory social security	450	0	0	0	0	450
Education	77	50	0	0	- 1	125
Human health and social work activities	156	108	- 1	0	- 1	263
Arts, entertainment and recreation	317	62	- 1	- 3	- 3	373
Other services activities	393	33	- 1	0	0	426
Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use	8	0	0	0	0	8
Activities of extraterritorial organisations and bodies	0	0	0	0	0	0
Corporate market	53 701	1 160	- 103	- 296	- 313	54 148
Retail market	12 537	37 650	- 11	- 37	- 64	50 074
Total loans	66 238	38 811	- 114	- 335	- 377	104 222

Financial commitments broken down by sector/industry	Financial commitments to amortised cost	Ledning provision classified as debt Stage 1	Stage 2	Stage 3	Total
Agriculture, forestry and fishin	1 497	0	- 3	0	- 4
Mining and quarrying	5	0	0	0	0
Manufacturing	568	- 1	- 1	- 2	- 4
Electricity, gas, steam and air conditioning supply	474	- 1	0	0	- 1
Water supply, sewerage, waste managment and remediation activities	30	0	0	0	0
Construction	593	- 1	- 3	0	- 4
Wholesale and retail trade, repair of motor vehicles and motorcycles	809	- 1	- 1	0	- 3
Transporting and storage	1 605	- 4	- 3	0	- 6
Accommodation and food service activities	60	0	0	0	0
Information and communication	30	0	0	0	0
Financial and insurance activities	211	0	0	0	0
Real estate activities	507	- 3	- 4	0	- 6
Professional, scientific and technical activities	74	0	- 1	0	- 1
Administrative and support service activities	361	0	0	0	0
Public administration and defence; compulsory social security	886	0	0	0	0
Education	8	0	0	0	0
Human health and social work activities	35	0	0	0	0
Arts, entertainment and recreation	21	0	0	0	0
Other services activities	118	0	0	0	0
Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use	0	0	0	0	- 1
Activities of extraterritorial organisations and bodies	0	0	0	0	0
Corporate market	7 891	- 13	- 17	- 2	- 32
Retail market	1 632	0	0	0	0
Total loans	9 524	- 13	- 17	- 2	- 32

Parent Bank 31.12.24

(Amount in NOK million)

Total loan commitments broken down by stage of the credit risk assessment	Stage 1	Stage 2	Stage 3	Total
Total loan commitments to amortised cost 01.01.24	94 871	11 954	740	107 565
Changes in the period due to loans migrated between the stages				
to (-from) stage 1	2 827	-2 819	- 8	0
to (-from) stage 2	-4 911	4 963	- 52	0
to (-from) stage 3	- 169	- 760	929	0
Net increase/(decrease) balance existing loans	-5 267	- 756	- 84	-6 106
Originated or purchased during the period	29 034	3 404	343	32 780
Loans that have been derecognised	-21 859	-2 302	- 271	-24 433
Changes caused by modifications which hasn't resultet in a deduction	1 995	180	14	2 189
Total loan commitments to amortised cost	96 522	13 864	1 610	111 996
Off-balance sheet	-6 999	-1 743	- 32	-8 774
Gross loans	89 523	12 121	1 578	103 221
Provision for credit losses - reduction in assets	- 100	- 289	- 312	- 701
Net loans	89 424	11 832	1 264	102 520

Group 31.12.24

(Amount in NOK million)

Total loan commitments broken down by stage of the credit risk assessment	Stage 1	Stage 2	Stage 3	Total
Total loan commitments to amortised cost 01.01.24	95 434	13 955	858	110 247
Changes in the period due to loans migrated between the stages				
to (-from) stage 1	3 283	-3 272	- 11	0
to (-from) stage 2	-5 473	5 533	- 61	0
to (-from) stage 3	- 207	- 813	1 019	0
Net increase/(decrease) balance existing loans	-6 182	- 957	- 130	-7 269
Originated or purchased during the period	32 122	3 868	385	36 375
Loans that have been derecognised	-24 022	-2 621	- 307	-26 951
Changes caused by modifications which hasn't resultet in a deduction	2 042	114	14	2 169
Total loan commitments to amortised cost	96 998	15 807	1 767	114 572
				0
Off-balance sheet	-7 506	-1 866	- 151	-9 524
Gross loans	89 492	13 941	1 616	105 048
Provision for credit losses - reduction in assets	- 114	- 335	- 377	- 826
Net loans	89 377	13 607	1 238	104 222

Note 11 Loss provisions

(Amount in NOK million)

Parent bank					Group			
Stage 1	Stage 2	Stage 3	Total	Changes in lending loss provisions	Total	Stage 3	Stage 2	Stage 1
-148	-338	-200	-686	Loss provisions at 01.01.23	-816	-271	-380	-166
-134	-302	-190	-625	Of which presented as a reduction of the assets	-756	-261	-343	-152
-14	-36	-10	-61	Of which presented as other debt	-61	-10	-36	-14
				Changes in the period due to loans migrating between stages:				
-59	58	1	0	to (-from) stage 1	0	1	64	-65
16	-25	9	0	to (-from) stage 2	0	10	-29	19
0	6	-6	0	to (-from) stage 3	0	-8	7	1
43	-117	-120	-194	Net increase/decrease excisting loans	-180	-116	-111	47
-52	-67	-25	-144	New issued or purchased loan	-184	-26	-101	-58
44	83	17	144	Loans that have been derecognised	153	18	89	46
41	96	9	146	Changes caused by modifications which hasn't resultet in deduction	166	12	108	47
-114	-306	-315	-735	Total loss provisions as at 31.12.24	-861	-379	-352	-129
				Loss provisions allocated to markets				
-4	-30	-46	-80	Retail market	-114	-64	-38	-11
-110	-276	-269	-655	Corporate market	-746	-315	-314	-117
-114	-306	-315	-735	Total loss provisions as at 31.12.24	-860	-379	-352	-128
-100	-289	-312	-701	Of which presented as a reduction of the assets	-826	-377	-335	-114
-14	-17	-3	-34	Of which presented as other debt	-34	-3	-17	-14

Explanation of the table:
- The changes during the period as a result of migration: Transfer between the stages due to a significant change in credit risk.
- Net increase/decrease in balance: Changes in the expexted credit loss, changes in the model assumptions, effects of repayments, ascertainment and other changes that affect the balance.
- Newly issued or purchased financial assets: Account numbers of customers that are only found in the closing balance in the ECL model.
- Financial assets that have been derecognised: Account numbers of customers that are only found in the opening balance in the ECL model.
- Provisions for losses also include expected losses on assets not posted to the balance sheet, including guarantees and untapped credit limits, but not loan commitments.

Note 12 Financial instruments at fair value

Financial assets and liabilities classified and measured at fair value are grouped into three different levels, depending on the reliability of the valuation method used:

Level 1: Utilizes quoted prices in active markets for such assets and liabilities.
Level 2: Relies on information that includes prices not directly quoted but are directly or indirectly observable for these assets and liabilities, including prices in inactive markets.
Level 3: When valuation based on Levels 1 and 2 is not available, proprietary valuation methods are employed, relying on non-observable information.

Stocks: Stocks in level 2 include hybrid capital held for sale to customers. The hybrid capital is valued based on observable interest rate curves and credit margins, as well as indicative market prices.

Stocks in level 3 include ownership interests in companies where the bank has a minor ownership, and observable market data. The fair value in level 3 is therefore determined based on observable market data and estimated cash flows.

Bonds: This category mainly includes bonds in the bank's liquidity portfolio, which are considered less liquid (Level 2 assets when calculating the Liquidity Coverage Ratio, LCR). The bonds are valued based on observable interest rate curves and credit margins, as well as indicative market prices.

Financial derivatives: This category includes interest rate derivatives, currency swaps, currency forwards, and commodity derivatives. Interest rate derivatives are valued based on relevant interest rate curves. Currency derivatives are valued at the latest available rates. Commodity derivatives are valued based on observable market prices of the underlying commodities.

Loans: Loans to customers with fixed interest rates

The loans consist of fixed-rate loans in Norwegian kroner. The loans are valued based on discounted cash flow, where the discount rate is calculated with a margin over the interest rate curve (level 3). The margin is based on observable market prices.

Mortgages to customers

This category includes mortgages to customers that can be sold to SpareBank 1 Boligkreditt, and are valued at the agreed amount transferred to SpareBank 1 Boligkreditt (level 3).

Receivable: The group has a receivable valued at fair value (level 3), related to the sale of SNN Pension Fund. The receivable is valued by an external valuer based on the agreed consideration in the sales agreement.

Group

(Amounts in NOK million)

Assets at 31.12.24	Level 1	Level 2	Level 3	Total
Shares	780	164	584	**1 527**
Bonds		19 235		**19 235**
Financial derivatives		1 532		**1 532**
SNN Pensjonskasse receivable			255	**255**
Loans to customers with fixed rate			4 571	**4 571**
Loans at fair value through OCI			34 240	**34 240**
Total assets	780	20 931	39 650	**61 360**
Liabilities at 31.12.24				
Financial derivatives		1 086		**1 086**
Total liabilities		1 086		**1 086**

Assets at 31.12.23	Level 1	Level 2	Level 3	Total
Shares	712	163	489	1 364
Bonds	0	18 187		18 187
Financial derivatives		1 422		1 422
Loans to customers with fixed rate			4 268	4 268
Loans to customers for sale			3 045	3 045
Total assets	712	19 772	7 802	28 287
Liabilities at 31.12.23				
Financial derivatives		1 198		1 198
Total liabilities		1 198		1 198

Changes in instruments at fair value, level 3:		Financial assets		
(Amounts in NOK million)	Shares	SNN Pensjonskasser eceivable	Loans to customers with fixed rate	Loans at fair value through OCI
Carrying amount at 31.12.23	489		4 268	3 045
Net gains on financial instruments	95	255	0	0
Additions/acquisitions			0	0
Sales				0
Matured			303	31 194
Carrying amount at 31.12.24	584	255	4 571	34 240

Note 13 Subsidiaries, associated companies and joint ventures

Result from subsidiaries fully consolidated into the group financial statements					
(Amount in NOK mill.)		Result after tax at		Result after tax	
Company	Share	31.12.24	31.12.23	4Q24	4Q23
SpareBank 1 Nord-Norge Portefølje AS	100 %	0	- 1	0	0
Fredrik Langes Gate 20 AS	100 %	6	4	1	2
SpareBank 1 Finans Nord-Norge AS	85 %	184	165	35	40
SpareBank 1 Regnskapshuset Nord-Norge AS	85 %	7	5	- 12	- 18
EiendomsMegler 1 Nord-Norge AS	85 %	25	9	3	- 3
Finansmodell AS (Sub subsidiary)	75 %	1	1	0	0
Total		222	183	27	22

Result from associated companies and joint ventures consolidated into the group financial statements according to the equity method							
(Amount in NOK mill.)		Result after tax at		Result after tax		Booked value at	
Company	Share	31.12.24	31.12.23	4Q24	4Q23	31.12.24	31.12.23
SpareBank 1 Mobilitet Holding AS	30,66 %	0	- 82	0	- 11	0	0
SpareBank 1 Gruppen AS	19,50 %	677	- 41	99	- 51	2 401	1 736
SpareBank 1 Kreditt AS	13,18 %	- 9	- 8	- 4	- 3	413	318
SpareBank 1 Boligkreditt AS	16,30 %	88	65	17	20	2 196	1 843
Kredittbanken ASA	0,58 %	1	1	0	0	9	20
SpareBank 1 Utvikling DA	18,00 %	2	6	2	6	144	143
SpareBank 1 Bank og Regnskap AS	25,00 %	11	1	0	0	43	44
SpareBank 1 Forvaltning AS	12,08 %	33	23	13	9	151	139
SpareBank 1 Gjeldsinformasjon AS	13,83 %	0	0	0	0	1	1
SpareBank 1 Betaling AS	17,94 %	- 18	- 31	- 3	- 6	212	224
SpareBank 1 Markets AS	18,06 %	41	8	8	8	411	391
Total		826	- 56	132	- 28	5 981	4 858

Note 14 Other assets

Parent bank			Group	
(Amounts in NOK million)				
31.12.23	31.12.24		31.12.24	31.12.23
13	18	Accrued income	89	61
0	0	Goodwill and other intangible assets	193	193
72	0	Deferred tax	0	0
315	386	Prepayments**	427	294
104	129	Other assets*	252	208
504	533	Total other assets	961	756

* The item includes NOK 75 million in capital contributions to SNN Pensjonskasse for both 2023 and 2024.

** The item includes receivables from SNN Pensjonskasse assessed at fair value in accordance with IFRS 9. In 2023, this amounts to MNOK 79, and MNOK 237 in 2024.

Note 15 Financial derivatives

Parent Bank and Group

(Amounts in NOK million)

Fair value hedging transactions	31.12.24	31.12.23
Net loss charged to the statement of comprehensive income in respect of hedging instruments in connection with actual value hedging	102	289
Total gain from hedging objects relating to the hedged risk	- 107	- 293
Total fair value hedging transactions	- 6	- 4

The Bank's main Board of Directors has determined limits for maximum risk for the Bank's interest rate positions. Routines have been established to ensure that positions are maintained within these limits.

(Amounts in NOK million)

Fair value through statement of comprehensive income		31.12.24			31.12.23	
		Fair value			Fair value	
Foreign currency instruments	Contract	Assets	Liabilites	Contract	Assets	Liabilites
Foreign exchange financial derivatives (forwards)	2 832	13	42	3 147	40	37
Currency swaps	10 808	92	55	9 707	96	177
Total non-standardised contracts	13 640	105	97	12 854	136	214
Standardised foreign currency contracts (futures)						
Total foreign currency instruments	13 640	105	97	12 854	136	214
Interest rate instruments						
Interest rate swaps (including cross currency)	70 198	1 229	753	46 686	1 195	615
Other interest rate contracts	798	29	26	618	23	21
Total non-standardised contracts	71 646	1 259	780	47 303	1 218	636
Standardised interest rate contracts (futures)						
Total interest rate instruments	71 646	1 259	780	47 303	1 218	636
Hedging of funding loans						
Interest rate instruments	Contract	Assets	Liabilites	Contract	Assets	Liabilites
Interest rate swaps (including cross currency)	11 677	167	214	11 366	68	348
Total, non-standardised contracts	11 677	167	214	11 366	68	348
Standardised interest rate contracts (futures)						
Total interest rate instruments	11 677	167	214	11 366	68	348
Total interest rate instruments	83 323	1 426	994	58 669	1 286	984
Total foreign currency instruments	13 640	105	97	12 854	136	214
Total	96 963	1 532	1 086	71 523	1 422	1 198

Note 16 Deposits

Parent Bank			Group	
(Amounts in NOK million)				
31.12.23	31.12.24		31.12.24	31.12.23
		Deposits from credit institutions		
175	308	Deposits without agreed maturity	308	175
990	455	Deposits with agreed maturity	453	989
1 165	763	Total deposits from credit institutions	761	1 164
		Deposits from customers		
74 566	79 198	Deposits without agreed maturity	79 096	74 514
7 994	8 529	Deposits with agreed maturity	8 522	7 981
82 560	87 727	Total deposits from customers	87 618	82 495
83 725	88 490	Total deposits	88 379	83 659
		Deposits from customers broken down by NACE		
5 338	5 343	Agriculture, forestry and fishin	5 343	5 338
103	67	Mining and quarrying	67	103
1 114	1 139	Manufacturing	1 139	1 114
660	500	Electricity, gas, steam and air conditioning supply	500	660
276	305	Water supply, sewerage, waste managment and remediation activities	305	276
1 986	2 239	Construction	2 239	1 986
2 457	2 254	Wholesale and retail trade, repair of motor vehicles and motorcycles	2 254	2 457
1 444	1 839	Transporting and storage	1 839	1 444
541	715	Accommodation and food service activities	715	541
658	526	Information and communication	526	658
2 922	6 378	Financial and insurance activities	6 378	2 922
3 971	3 589	Real estate activities	3 589	3 971
1 910	1 718	Professional, scientific and technical activities	1 718	1 910
1 477	1 767	Administrative and support service activities	1 767	1 477
7 718	8 013	Public administration and defence; compulsory social security	8 013	7 718
338	380	Education	380	338
993	1 275	Human health and social work activities	1 275	993
1 152	1 488	Arts, entertainment and recreation	1 488	1 152
4 034	2 142	Other services activities	2 033	3 969
20	27	Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use	27	20
10	3	Activities of extraterritorial organisations and bodies	3	10
39 122	41 707	Total public market	41 598	39 057
43 438	46 020	Retail market	46 020	43 438
82 560	87 727	Total deposits from customers	87 618	82 495

Note 17 Securities issued

Parent Bank and Group							
(Amounts in NOK million)	Booked value						Booked value
Changes in securities issued	31.12.23	Issued	Matured or redeemed	Exchange rate movements	Fair value changes	Accrued interest	31.12.24
Certificates and other short-term loans:							
Senior bonds	13 970	3 709	-4 374	346	102	3	13 756
Senior bonds	13 970	3 709	-4 374	346	102	3	13 756

Note 18 Other liabilities

Parent bank			Group	
(Amounts in NOK million)				
31.12.23	31.12.24		31.12.24	31.12.23
2 837	2 957	Other liabilities	3 181	3 078
157	182	Costs incurred	277	564
0	40	Deferred tax liabilities	187	51
61	33	Off balance loss provision	33	61
3 055	3 212	Total other liabilities	3 678	3 754
		Specification of other liabilities		
313	313	Lease liabilites	388	399
682	641	Accrued tax	703	736
21	14	Tax deductions	24	35
636	599	Creditors	640	666
1 067	1 060	Agreed, not paid donations	1 060	1 067
118	330	Miscellaneous liabilities	366	175
2 837	2 957	Other liabilites	3 181	3 078

Note 19 Subordinated debt and loan capital

Parent Bank and Group

(Amounts in NOK million)

Changes in subordinated loan capital and subordinated bond debt	Booked value 31.12.23	Issued	Matured or redeemed	Exchange rate movements	Fair value changes	Accrued interest	Booked value 31.12.24
Subordinated loan capital	1 912	250	- 200	5		- 3	1 964
Senior non-preferred	6 456	999	- 111	73	62	- 8	7 471
Subordinated loan capital and other senior non-preferred	8 367	1 249	- 311	78	62	- 10	9 435

Note 20 Equity

Total EC Capital 1.807.164.288 NOK, distributed on 100.398.016 EC's, each denomination NOK 18.

Parent bank			Group	
(Amounts in NOK million)				
31.12.23	31.12.24		31.12.24	31.12.23
1 807	1 807	Paid-up capital	1 807	1 807
843	843	Premium Fund	843	843
3 563	4 001	Dividend Equalisation Fund	4 001	3 563
703	878	Set aside EC dividend, not decided	878	703
- 28	- 42	Share of other equity	637	362
6 888	7 487	Equity Certificate Capital	8 166	7 278
46,36 %	46,36 %	EC capital share of equity	46,36 %	46,36 %
7 186	7 693	Primary capital	7 693	7 186
813	1 016	Set aside society dividend, not decided	1 016	813
- 32	- 47	Share of other equity	737	418
7 967	8 662	Primary capital	9 446	8 417
53,64 %	53,64 %	Primary capital share of equity	53,64 %	53,64 %
		Non-controlling interests	277	245
1250	1 450	Hybrid Capital	1 450	1250
16 105	17 599	Total equity capital	19 339	17 190

Hybrid Capital

Five hybrid capital instruments issued by the Bank are not covered by the IFRS regulations' definition of debt and are therefore classified as equity. Based on this, accrued interest on the hybrid capital has not been recognised as a cost in the income statement but has been charged directly against equity.

When calculating key figures for equity and the equity certificates, accrued interest on hybrid capital is thus deducted from the accounting result. At the same time, hybrid capital is deducted from the equity on the balance sheet. This ensures that the keyfigures relevant to the Bank's owners are calculated on the basis of the result and the equity that actually belong to the owners.

The contract terms and conditions for hybrid instruments mean that they are included in the Bank’s Tier 1 capital for capital adequacy purposes, see note 21.

Parent bank and group		
(Amounts in NOK million)		
Hybrid Capital	31.12.24	31.12.23
2099 3 m NIBOR + 2,80%	200	
2099 3 m NIBOR + 3,35%	200	200
2099 3 m NIBOR + 3,10%	300	300
2099 3 m NIBOR + 2,60%	350	350
2099 3 m NIBOR + 3,40%	200	200
Fixed interest rate 7,53 %	200	200
Total hybrid capital	1 450	1 250
Average interest hybrid capital	7,81 %	6,98 %

Equity Certificates (ECs)

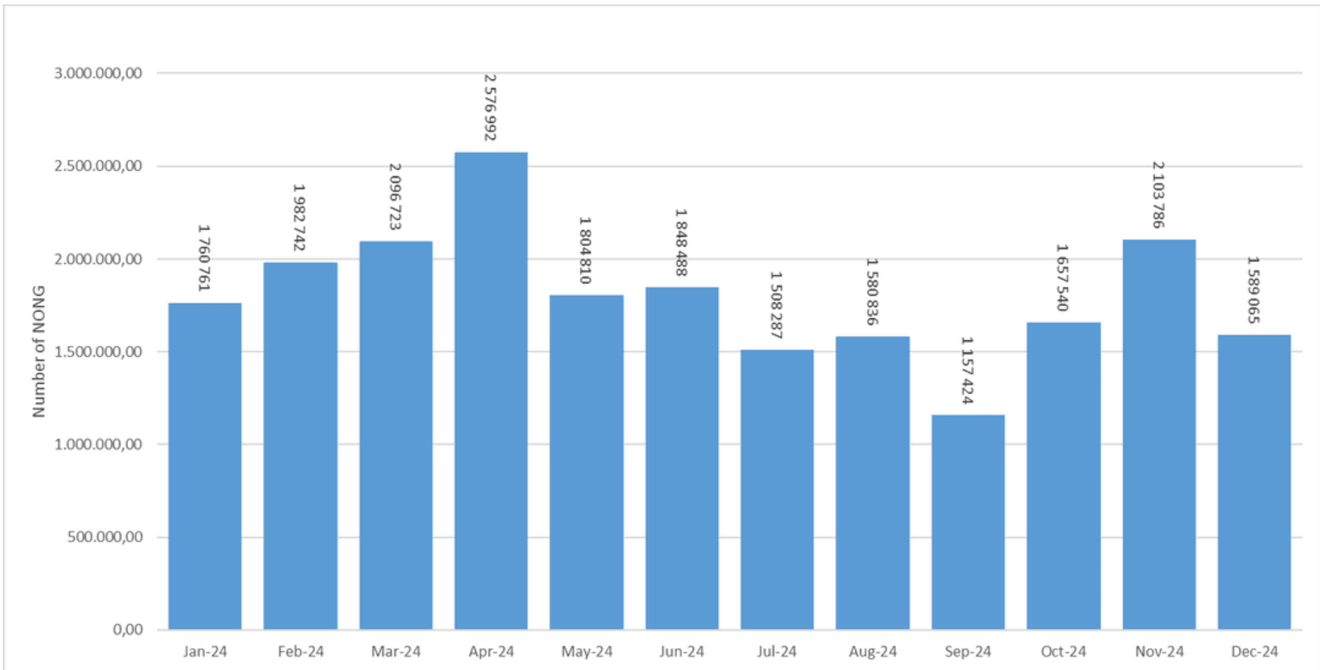
The 20 largest EC holders at 31.12.24

EC Holders	Number of Ecs	Share of EC Capital
Skandinaviska Enskilda Banken AB	5 256 732	5,24%
Pareto Aksje Norge Verdipapirfond	4 795 642	4,78%
Verdipapirfond Eika Egenkapitalbevis	4 299 045	4,28%
Geveran Trading Company Ltd	3 851 277	3,84%
Kommunal Landspensjonskasse Gjensidige	3 402 369	3,39%
MP Pensjonskasse	2 409 322	2,40%
Brown Brothers Harriman & Co.	2 352 571	2,34%
Forsvarets Personellservice	1 851 730	1,84%
Spesialfondet Borea Utbytte	1 562 432	1,56%
State Street Bank and Trust Comp	1 468 574	1,46%
State Street Bank and Trust Comp	1 461 803	1,46%
Sparebankstiftelsen SpareBank 1 Nord-Norge	1 411 606	1,41%
The Northern Trust Comp, London	1 221 696	1,22%
Verdipapirfond SpareBank 1 Utbytte	1 140 900	1,14%
Brown Brothers Harriman & Co.	1 052 761	1,05%
J.P. Morgan SE	1 032 862	1,03%
State Street Bank and Trust Comp	951 050	0,95%
State Street Bank and Trust Comp	879 825	0,88%
Landkreditt Utbytte	821 274	0,82%
Brown Brothers Harriman & Co.	735 389	0,73%
Total	41 958 860	41,79%

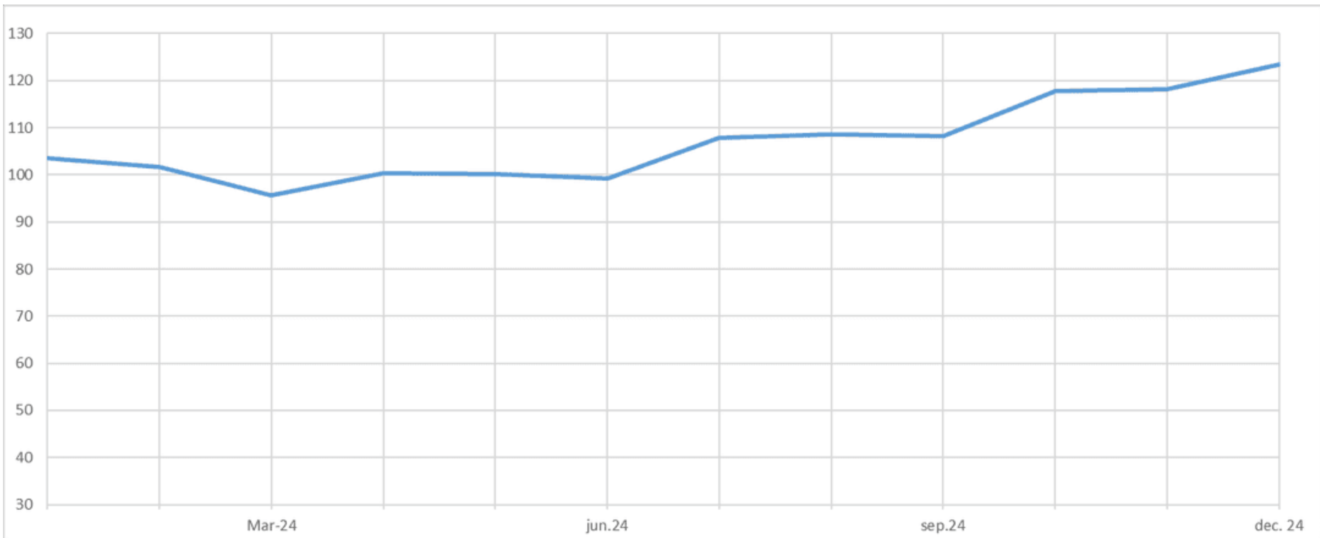
Dividend policy

The Bank's dividend policy states that the Bank aims to provide a competitive direct return for the Bank's owners. The target dividend rate is at minimum 50%. The future distribution rate will also take into account the group's capital coverage and future growth.

Trading statistics



Price trend NONG



Note 21 Capital Adequacy and MREL

In order for the period's result to be included in the capital adequacy reporting, it is a regulatory requirement that the quarterly accounts must be audited. The part of the result set aside for dividends is not included in the calculation.

Parent Bank			Group	
(Amounts in NOK million)				
31.12.23	31.12.24		31.12.24	31.12.23
		Equity		
2 650	2 650	Equity Certificate capital and premium reserve	2 650	2 650
1 250	1 450	Hybrid capital	1 450	1 250
4 238	4 837	Dividend Equalisation Fund	5 516	4 628
7 967	8 662	Saving Bank's primary capital	9 446	8 417
0	0	Non-controlling interests	277	245
16 105	17 599	Total equity	19 339	17 190
		Tier 1 Capital		
-1 250	-1 450	Hybrid capital	-1 450	-1 250
-1 516	-1 895	Deduction for allocated dividends	-1 895	-1 516
0	0	Period result not eligible as CET1 capital	0	0
0	0	Minority interests not eligible as CET1 capital	- 103	- 83
0	0	Goodwill and other intangible assets	-1 024	- 213
- 29	- 62	Adjustments to CET1 due to prudential filters	- 71	- 40
0	- 104	IRB shortfall of credit risk adjustments to expected losses	- 210	- 58
0	0	Deduction for significant investments in financial sector entities	- 319	- 333
- 276	- 276	Deduction for non-significant investments in financial sector entities	- 213	- 225
- 6	0	Deduction for treasury shares	0	- 6
13 028	13 812	Common Equity Tier 1 Capital	14 054	13 466
		Additional Tier 1 Capital		
1 250	1 450	Hybrid capital	1 723	1 429
- 48	- 49	Deduction for Tier 1 capital in other financial sector entities with a significant investment	- 49	- 48
14 230	15 213	Total Tier 1 Capital	15 728	14 847
		Tier 2 Capital		
1 900	1 950	Non-perpetual subordinated capital	2 328	2 200
9	0	Expected losses on IRB, net of writedowns	0	0
- 223	- 227	Deduction for subordinated capital in other financial institutions with a significant investment	- 227	- 223
1 686	1 723	Tier 2 Capital	2 101	1 977
15 916	16 936	Own Funds	17 829	16 824

Parent Bank			Group	
(Amounts in NOK million)				
31.12.23	31.12.24		31.12.24	31.12.23
		Risk exposure amount		
6 250	5 865	Corporates - SME	5 877	6 258
16 052	18 492	Corporates - Specialised Lending	19 476	17 042
1 127	866	Corporates - Other	909	1 218
12 474	13 019	Retail - Secured by real estate	22 910	21 059
981	1 108	Retail - Other	1 136	1 001
8 230	9 255	Equity IRB	0	0
45 113	48 605	Credit risk IRB	50 308	46 578
0	0	Central governments or central banks	205	15
222	253	Regional governments or local authorities	303	436
0	0	Public sector entities	2	2
2 126	2 245	Institutions	1 265	1 247
3 270	2 989	Corporates	6 262	6 200
227	131	Retail	5 221	5 109
402	487	Secured by mortgages on immovable property	669	621
3	2	Exposures in default	260	364
1 077	1 083	Covered bonds	1 482	1 500
0	0	Collective investments undertakings (CIU)	1	1
4 663	4 862	Equity	6 158	5 879
1 043	1 191	Other items	1 822	1 627
13 033	13 241	Credit risk standardised approach	23 650	23 001
58 146	61 846	Total credit risk	73 958	69 579
7 054	7 994	Operational risk	8 977	7 965
65	68	Credit Value Adjustment	672	933
0	0	Other risk weighted exposure amount	71	50
65 265	69 908	Total risk exposure amount	83 678	78 527
		Capital Adequacy Ratios		
20,0 %	19,8 %	Common Equity Tier 1 Capital incl. result	16,8 %	17,1 %
21,8 %	21,8 %	Tier 1 Capital Ratio - incl. result	18,8 %	18,9 %
24,4 %	24,2 %	Total Capital Ratio incl. result	21,3 %	21,4 %
11,0 %	11,1 %	Leverage Ratio incl. result	7,8 %	7,9 %

Own funds and eligible liabilities

In connection with The Financial Supervisory Authority of Norway's work with crisis plans for Norwegian banks, SpareBank 1 Nord-Norge received a requirement in December 2023 on MREL - Minimum requirement for own funds and eligible liabilities. A key element in the crisis management regulations is that capital instruments and debt can be written down and/or converted to equity by internal recapitalization (bail-in), so that the enterprises have sufficient responsible capital and convertible debt in order to be able to manage the crisis without the use of public funds.

The bank's MREL requirement (Effective MREL percentage) at 31.12.24 is set at 35.22%, and is the sum of the MREL percentage at 25.76%, and the combined buffer requirement (CBR) at 9.46 % of the applicable adjusted risk-weighted calculation basis (TREA).

In 2024, the Group must also fulfill a minimum requirement for total subordination set as 28.26% at 31.12.24. Subordination means that parts of the claim must be met with responsible capital or debt instruments with priority such as meets the requirements of Norwegian law (Finansforetaksloven

§20-32(1) no. 4). The minimum requirement can only be met with responsible capital and subordinated debt.

The difference between the effective MREL requirement and the company's subordinated instruments could be met until 31.12.23 with unsecured senior debt with a remaining term of at least 12 months issued by the bank to external investors. From 2024 the difference can only be fulfilled with unsecured senior debt that meets the requirement of Norwegian law (Finansforetaksloven) § 20-7a, no. 1.

In the table below the current requirement and the banks fulfillment is listed.

Group *(Amounts in NOK million)*	31.12.24	31.12.23
Own funds and eligible liabilities		
Own funds and eligible liabilities including eligible YTD results (excl. SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt)	15 314	14 733
Senior non-preferred (SNP) - over 12 mths	6 576	6 456
Senior preferred (SP) - over 12 mths	7 503	9 644
Total own funds and eligible liabilities	29 393	30 833
Total risk exposure amount (TREA) of the resolution group	71 134	67 110
Own funds and eligible liabilities as percentage of the total risk exposure amount		
Own funds and eligible liabilities	41,32 %	45,94 %
Own funds and SNP	30,77 %	31,57 %
MREL requirement expressed as nominal amount		
Total MREL requirement	35,22 %	35,18 %
Total subrogation (linear phasing-in requirement)	28,26 %	24,87 %
Surplus (+) / deficit (-) of MREL capital	6,10 %	10,76 %
Surplus (+) / deficit (-) of subrogation	2,51 %	6,70 %

Note 22 Liquidity risk

Liquidity risk is the risk that the Bank will be unable to meet its payment obligations, and/or the risk of not being able to fund a desired growth in assets. SNN prepares an annual liquidity strategy that encompasses, for example, the bank's liquidity risk.

The Group's liquidity risk is revealed, except in the case of raising external financing, through the Bank's liquidity reserve/buffer, including sale of mortgage loans to SB1 Boligkreditt.

The Bank proactively manages the Group's liquidity risk on a daily basis. SpareBank 1 Nord-Norge must also comply with the regulatory minimum requirements for prudent liquidity management at all times.

The average remaining term to maturity for the Bank's debt securities in issue was 2.86 years as of 31.12.24.
The short-term liquidity risk measure, liquidity coverage ratio (LCR), was 147 % (150 %) as of the end of

the quarter.
NSFR (Net Stable Funding Ratio) at 31.12.24 was 120 % (117 %).

Note 23 Changes to group structure

There has been no significant changes to the Group`s structure in 4Q 2024.

Note 24 Events occuring after the end of the quarter

The proposed distribution of a cash dividend from the profit of the year is 878 MNOK to the equity capital certificate holders in SpareBank 1 Nord-Norge and 1 016 MNOK as donations to community-owned capital. This proposal has not been declared as at the date of the balance sheet, and has therefore not been recognised as a liability on the balance sheet. It is still included in the equity.

No further information has come to light about important events that have occurred between the balance sheet date, and the Board's final consideration of the financial statements.

Statement from the Board of Directors and Chief Executive Officer

Today the Board of Directors and the Chief Executive Officer have considered and adopted the financial quarterly report and the consolidated financial statements of SpareBank 1 Nord-Norge for the period from 1 October to 31 December 2024, and preliminary annual accounts for the period from 1 January to 31 December 2024.

We confirm to the best of our knowledge that the financial statements for the period from 1 January to 31 December 2024 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the group takes as a whole. We also confirm the quarterly financial report gives a true and fair view of important events during the accounting period and their influence on the financial statements, the most important elements of risk and uncertainty that the group faces in the next accounting period, and a description of related parties' material transactions.

Tromsø, 12.02.25

Board of Directors and Chief Executive Officer in SpareBank 1 Nord-Norge