



180th year

Quarterly report

Q3 2022

Interim financial statements – Q3 2022

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Key figures – Group

| Income Statement (Amounts in NOK millions) | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
|--|----------------|----------------|------------------------|------------------------|-----------------------|
| Net interest income | 176,6 | 165,5 | 496,8 | 468,5 | 631,3 |
| Net commission income | 8,7 | 6,6 | 28,5 | 21,3 | 33,3 |
| Net result from financial assets | -20,7 | -2,6 | -40,2 | 70,7 | 89,8 |
| Other operating income | 0,5 | 0,2 | 1,9 | 5,9 | 6,4 |
| Total net income | 165,1 | 169,8 | 487,0 | 566,4 | 760,8 |
| Total operating costs | 79,8 | 79,5 | 227,5 | 226,6 | 305,7 |
| Profit/loss before losses | 85,3 | 90,2 | 259,6 | 339,8 | 455,2 |
| Losses on loans, unused credit and guarantees | 3,3 | -1,7 | 4,3 | 1,5 | 0,5 |
| Profit/loss before income tax | 82,1 | 91,9 | 255,3 | 338,3 | 454,7 |
| Income tax | 20,4 | 20,2 | 53,8 | 60,6 | 79,3 |
| Profit/loss after tax | 61,7 | 71,7 | 201,5 | 277,7 | 375,4 |
| Key figures | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
| Profitability | | | | | |
| Return on equity* | 5,21 | 6,44 | 5,89 | 8,71 | 8,86 |
| Net interest income as a % of average total assets | 1,55 | 1,35 | 1,43 | 1,33 | 1,34 |
| Profit/loss after income tax as a % of average total assets | 0,54 | 0,58 | 0,58 | 0,79 | 0,79 |
| Costs as a % of average total assets | 0,70 | 0,65 | 0,66 | 0,64 | 0,65 |
| Costs as a % of income (before losses on loans/guarantees)* | 48,32 | 46,85 | 46,70 | 40,01 | 40,17 |
| Costs as a % of income (excl. return on financial investments)* | 42,94 | 46,14 | 43,14 | 45,72 | 45,55 |
| Balance sheet figures | | | | | |
| Net lending to customers | 37.207,7 | 40.093,4 | 37.207,7 | 40.093,4 | 39.386,7 |
| Lending growth (quarter/12 months) | -1,22 | -0,82 | -7,20 | 27,82 | 11,12 |
| Deposits | 16.806,2 | 17.852,6 | 16.806,2 | 17.852,6 | 17.578,9 |
| Deposit growth (quarter/12 months) | -3,81 | 3,09 | -5,86 | 22,77 | 18,42 |
| Average equity | 4.341,9 | 4.204,2 | 4.276,2 | 4.104,7 | 4.076,5 |
| Average total assets | 45.338,4 | 48.805,3 | 46.388,7 | 47.020,8 | 47.242,1 |
| Loan loss provisions on impaired and non-performing commitments | | | | | |
| Losses as a % of net lending to customers (OB)* | 0,03 | -0,02 | 0,01 | 0,01 | 0,00 |
| Loan loss provisions as a % of gross lending to customers* | 0,35 | 0,32 | 0,35 | 0,32 | 0,32 |
| Net payments over 90 days past due as a % of net lending* | 0,21 | 0,20 | 0,21 | 0,20 | 0,20 |
| Other net non-performing commitments (Stage 3) as a % of net lending* | 0,10 | 0,13 | 0,10 | 0,13 | 0,31 |
| Financial strength | | | | | |
| CET1 capital ratio incl. 50% of retained earnings (%) | 20,44 | 17,62 | 20,44 | 17,62 | 18,24 |
| CET1 capital ratio (%) | 19,95 | 17,00 | 19,95 | 17,00 | 18,24 |
| Tier 1 capital ratio (%) | 21,77 | 18,62 | 21,77 | 18,62 | 19,89 |
| Capital adequacy ratio (%) | 23,83 | 20,48 | 23,83 | 20,48 | 21,78 |
| Risk-weighted volume (calculation basis) | 19.324,7 | 21.490,8 | 19.324,7 | 21.490,8 | 21.190,0 |
| Leverage ratio incl. 50% of retained earnings (%) | 9,31 | 8,34 | 9,31 | 8,34 | 8,60 |
| Tier 1 leverage ratio (%) | 9,11 | 8,07 | 9,11 | 8,07 | 8,60 |
| Liquidity | | | | | |
| Deposit coverage ratio | 45,17 | 44,53 | 45,17 | 44,53 | 44,63 |
| LCR (%) | 273,80 | 193,19 | 273,80 | 193,19 | 249,72 |
| Branches and FTEs | | | | | |
| No. of branches | 30 | 29 | 30 | 29 | 29 |
| FTEs | 179 | 184 | 179 | 184 | 187 |
| Equity certificates | | | | | |
| Ownership fraction (parent bank) (%)** | 28,59 | 29,59 | 28,59 | 29,59 | 29,59 |
| No. of equity certificates | 20.731.183 | 20.731.183 | 20.731.183 | 20.731.183 | 20.731.183 |
| Book equity per equity certificate* | 60,26 | 61,49 | 60,26 | 61,49 | 61,51 |
| Earnings per equity certificate* | 0,79 | 0,97 | 2,60 | 3,82 | 5,16 |
| Dividend per equity certificate | 0,00 | 0,00 | 0,00 | 0,00 | 3,85 |
| Turnover rate | 14,22 | 24,17 | 17,97 | 23,82 | 28,53 |
| Price | 46,10 | 52,80 | 46,10 | 52,80 | 57,20 |

* Defined as alternative performance target

** For ownership fraction as at 01.01.2022, see Note 17

For the definitions of key figures and a review of alternative performance targets, see page 37.

Board of Directors' Report

In Q2, the bank can point to continued higher net interest income, increased commission income and a stably low level of costs. The quarterly result was affected by substantial negative changes in the value of the bank's portfolio of bonds and certificates, which is held for liquidity purposes, as well as negative changes in value from ownership interests in other companies.

Profit for the quarter amounted to NOK 77.6 million, and NOK 139.8 million for the first half-year. The turbulence in the financial markets is having a negative impact on the results, and the decreases in market values totalled NOK 56.4 million in the quarter. The dividend income received from Frende Holding AS amounted to NOK 49.1 million in the quarter. The return on equity for the quarter was 6.87 per cent, and 6.24 per cent for the first half-year.

In a market where competition for loan customers is fierce and margins very low, both in the retail market and the business market, the bank has prioritised maintaining lending margins. This explains the bank's negative growth in lending in the past 12 months. The bank can point to a stable deposits portfolio during the same period.

With effect from mid-May, interest rate increases were applied to large parts of the bank's loan portfolio, and further changes were decided in the Q2 that will take effect in mid-August. The bank's deposit margins increased in the first half-year and are expected to increase going forward due to anticipated rises in money market rates.

At the end of the first half-year, the bank's losses on loans are very low and it is financially very strong with a CET1 capital ratio of 20.04 per cent (inclusive of 50 per cent of retained earnings).

Results for the quarter in brief

Profit for the quarter amounted to NOK 77.6 million, down NOK 63.8 million compared with Q2 2021. Compared with Q1 2022, profit increased by NOK 15.4 million.

The return on equity (ROE) amounted to 6.87 per cent. The corresponding figures were 13.49 per cent for Q2 2021 and 5.61 per cent for Q1 2022.

Earnings per equity certificate were NOK 1.01, down from NOK 1.97 in Q2 2021 and up from NOK 0.80 in Q1 2022.

The CET1 capital ratio, inclusive of 50 per cent of retained earnings, was 20.04 per cent, up from 17.26 per cent in Q2 2021 and 19.01 per cent in Q1 2022.

The leverage ratio, inclusive of 50 per cent of retained earnings, was 9.14 per cent, up from 8.20 per cent in Q2 2021 and 8.95 per cent in Q1 2022.

Net interest income amounted to NOK 158.3 million, up NOK 6.5 million from Q2 2021. Compared with Q1 2022, net interest income, measured as a percentage of average total assets, was stable at 1.38 per cent.

Net other operating income amounted to NOK 3.0 million, down by NOK 77.1 million compared with Q2 2021. Compared with Q1 2022, net other operating income increased by NOK 4.3 million. The turbulence in the financial markets has resulted in significant decreases in value. The bank's portfolio of bonds and certificates, which is held for liquidity purposes, saw a negative change in value amounting to NOK 26.8 million. Unrealised negative changes in value from ownership interests amounted to NOK 24.3 million, of which the shareholding in Norwegian Block Exchange AS (NBX) accounted for NOK 21.2 million. By comparison, the positive change in the value of the shareholding in NBX amounted to NOK 26.8 million in Q4 2021. The dividend income received from Frende amounted to NOK 49.1 million, a decrease of NOK 19.9 million compared with Q2 2021.

Operating costs totalled NOK 66.6 million, a reduction of NOK 1.6 million from Q2 2021. Operating costs as a percentage of average total assets were stable at 0.58 per cent compared with 0.57 per cent in Q2 2021.

Losses amounted to NOK 0.8 million and were stable with an increase of NOK 0.2 million from Q2 2021. By comparison, losses amounted to NOK 0.2 million in Q1 2022.

New dividend policy – equal distribution

On 15.07.2022, the Board of Directors approved changes to the bank's dividend policy that will result in the maintenance of a stable ownership fraction over time. The changes result in a policy that aims to prevent any future reduction of the equity certificate holders' share of the equity and ensure the same distribution ratio of up to 50 per cent for both the primary capital and the equity certificate capital going forward. The bank's ownership fraction as at 01.01.2022 and at the end of Q2 was 28.59 per cent. The bank's new dividend policy is:

- Our financial targets for our operations are to achieve results that provide a good and stable return on the Bank's equity and create value for equity certificate holders as competitive returns in the form of dividends and equity certificate appreciation. We will strive to ensure that our dividend policy results in a stable ownership fraction over time.
- The profit for the year will be divided between equity certificate holders and social capital in accordance with their respective shares of the bank's equity. We will aim to pay out up to 50 per cent of the profit allocated to equity certificate holders as dividends.
- We will also aim to distribute up to 50 per cent of the profit allocated to primary funds in the form of donations to good causes, a donation fund and/or a charitable foundation.
- When the dividend is set, due consideration will be taken of the bank's financial performance, market situation, dividend stability and need for Tier 1 capital.

Adjusted target for the return on equity (ROE)

Sparebanken Øst calculates its capital adequacy using the standard method and therefore, given the current regulations, uses very high capital weights for its lending to retail and business customers when compared with banks that fully or partly use IRB models. Treating identical customers with equal risk differently shows that capital weights based on the standard method result in significantly lower lending capacity in relation to the level of equity, which in turn results in a lower return on equity. Given the current regulatory framework conditions, on 15.07.2022 the Board of Directors voted to adjust the target return on equity (ROE) from 10 per cent to 9 per cent.

Over time, Sparebanken Øst has achieved a good return on equity and adjusting the target return does not entail a change to the bank's business model. Given the current regulatory framework conditions and its status as a standard method bank, in the opinion of the Board a target return of 9 per cent for the next few years represents a realistic level of ambition for Sparebanken Øst.

Changed financial strength target for CET1 capital ratio

The applicable Pillar 2 requirement for Sparebanken Øst is 1.8 per cent, with a minimum of NOK 360 million. The requirement came into effect on 30.06.2020. Given the current level of the countercyclical buffer of 1.5 per cent, this entails a total CET1 capital requirement of at least 13.3 per cent. Based on the announced increase in the systemic risk buffer from 31.12.2022, as well as the announced increases in the countercyclical buffer, Sparebanken Øst's total regulatory requirement for CET1 capital will increase to 15.8 per cent under the applicable Pillar 2 requirement at the end of Q1 2023.

The Board has voted to change the CET1 capital target from 14.75 per cent to expressing the capital target as follows: The Sparebanken Øst Group's target for CET1 capital shall be equal to the regulatory requirement plus a capital margin of 1.0 per cent.

More about the results for the quarter

NET INTEREST INCOME

Net interest income amounted to NOK 158.3 million, up NOK 6.5 million from Q2 2021, and down NOK 3.6 million compared with Q1 2022. Higher interest rates generally result in increased interest income and higher interest costs for the bank. The increase in net interest income compared with Q2 2021 was mainly due to increased deposit margins, although rising money market rates are also resulting in higher interest costs

for the bank's market funding. The marginal reduction in net interest income compared with Q1 2022 was mainly attributable to a slightly lower lending volume and the fact that interest rate changes for loans were implemented with a significant time lag compared with interest costs for the bank's market funding.

Netto renteinntekter

| Beløp i NOK mill. | Q2 22 | Q1 22 | Q2 21 |
|--|-------|-------|-------|
| Utlån til & fordringer på kredittinstitusjoner | 1,0 | 0,6 | 0,0 |
| Utlån til kunder | 264,5 | 250,2 | 221,4 |
| Sertifikater og obligasjoner | 30,5 | 25,9 | 13,9 |
| Sum renteinntekter | 296,0 | 276,6 | 235,3 |
| Gjeld til kredittinstitusjoner | 1,7 | 1,7 | 1,5 |
| Innskudd fra kunder | 25,8 | 25,1 | 21,0 |
| Verdipapirgjeld | 104,0 | 81,8 | 56,5 |
| Ansvarlig lånekapital | 2,7 | 2,3 | 1,8 |
| Sikringsfondsavgift | 3,6 | 3,8 | 2,8 |
| Sum rentekostnader | 137,7 | 114,8 | 83,5 |
| Netto renteinntekter | 158,3 | 161,9 | 151,8 |
| Rentenetto i % av GFK | 1,38 | 1,38 | 1,28 |

NET OTHER OPERATING INCOME

Net other operating income comprises commission income and costs, dividends, net value changes and gains/losses on financial instruments and other income. Net other operating income amounted to NOK 3.0 million, down by NOK 77.1 million compared with Q2 2021. Compared with Q1 2022, net other operating income increased by NOK 4.3 million.

Net commission income amounted to NOK 8.5 million, up NOK 1.4 million from Q2 2021. The increase is mainly due to increased activity in money-transfer services.

Dividends received totalled NOK 50.1 million, of which dividends from Frende Holding AS accounted for NOK 49.1 million and dividends from Kraft Bank AS accounted for NOK 0.7 million. In Q2 2021, the dividends from Frende Holding AS amounted to NOK 69.0 million.

Net value changes and gains/losses on financial instruments amounted to NOK -56.4 million, down NOK 58.5 million from Q2 2021. Market turbulence due to the war in Ukraine persisted in Q2, although the focus has shifted more towards rising inflation and fears of a recession. The value of the liquidity portfolio fell by NOK 26.8 million, compared with a reduction of NOK 5.3 million in Q2 2021. Following a muted improvement in the credit market at the start of Q2, credit premiums increased towards the end of the quarter. The turbulence in the financial markets has also resulted in higher volatility and falls in value in the stock exchanges. The negative change in value of the bank's shares in Norwegian Block Exchange AS (NBX) amounted to NOK 21.2 million. The bank saw a positive change in the value of the shareholding in NBX amounting to NOK 26.8 million in Q4 2021. The value of the bank's shares in Kraft Bank ASA fell by NOK 3.0 million, against a rise of NOK 2.0 million in Q2 2021. Positive value changes related to shares and options in Visa Inc. amounted to NOK 0.5 million compared with an increase of NOK 5.4 million in Q2 2021. The negative profit effects from foreign exchange,

derivatives and fixed rate loans at fair value amounted to NOK 4.8 million. The corresponding profit effects were positive and amounted to NOK 0.1 million in Q2 2021. The cost of buying back debt issued by the bank amounted to NOK 1.0 million. The bank had no corresponding buy-back costs in Q2 2021.

Netto andre driftsinntekter

| Beløp i NOK mill. | Q2 22 | Q1 22 | Q2 21 |
|---|-------|-------|-------|
| Netto provisjonsinntekter | 8,5 | 11,2 | 7,1 |
| Utbytte | 50,1 | 0,0 | 69,0 |
| Nto. verdiendr. og gev./tap på sert. og obl. | -28,2 | -21,2 | -6,7 |
| Nto. verdiendr. og gev./tap på aksjer | -23,8 | 5,6 | 7,4 |
| Nto. verdiendr. og gev./tap på fastrenteutlån | -2,7 | -5,8 | -1,2 |
| Nto. verdiendr. og gev./tap på på andre fin. instr. | -1,7 | 8,2 | 2,5 |
| Andre driftsinntekter | 0,8 | 0,7 | 1,9 |
| Netto andre driftsinntekter | 3,0 | -1,3 | 80,1 |

OPERATING COSTS

Operating costs totalled NOK 66.6 million, a reduction of NOK 1.6 million from Q2 2021. Operating costs as a percentage of average total assets were stable and amounted to 0.58 per cent compared with 0.57 per cent in Q2 2021.

Personnel costs amounted to NOK 31.3 million, down by NOK 4.1 million compared with Q2 2021. The reduction was mainly attributable to provisions for profit sharing in Q2 2021, as well as less use of overtime in the bank.

Administration costs totalled NOK 15.3 million, a reduction of NOK 0.1 million from Q2 2021.

Other operating costs totalled NOK 13.3 million, up NOK 2.9 million from Q2 2021. The increase was mainly due to increased provisions for wealth tax of NOK 1.2 million as well as higher operating costs for owned and leased premises. Wealth tax was increased from 0.15 per cent to 0.25 per cent in the revised national budget for 2022.

Driftskostnader

| Beløp i NOK mill. | Q2 22 | Q1 22 | Q2 21 |
|---|-------|-------|-------|
| Lønn mv | 31,3 | 46,8 | 35,4 |
| Andre administrasjonskostnader | 15,3 | 15,8 | 15,4 |
| Avskrivning/nedskr./verdiendr. Ikke-fin. eiend. | 6,7 | 6,6 | 7,0 |
| Andre driftskostnader | 13,3 | 11,9 | 10,4 |
| Sum driftskostnader | 66,6 | 81,1 | 68,2 |
| Kostnader i % av GFK | 0,58 | 0,69 | 0,57 |

IMPAIRMENT AND NON-PERFORMING COMMITMENTS

Losses on loans, unused credits and guarantees amounted to NOK 0.8 million, of which changes in model-based loan loss provisions amounted to income of NOK 0.9 million.

By way of comparison, losses amounted to NOK 0.6 million in Q2 2021, of which changes in model-based loan loss provisions accounted for NOK 0.1 million.

Tapskostnad

| Beløp i NOK mill. | Q2 22 | Q1 22 | Q2 21 |
|--|-------|-------|-------|
| Utlån til personkunder i mor og boligkredittsel. | -0,1 | 0,5 | 0,6 |
| Utlån til næringskunder | 0,2 | -1,2 | -0,6 |
| Utlån i AS Finansiering | 0,8 | 1,2 | 0,6 |
| Ubenyttede kreditter og garantier | -0,1 | -0,2 | 0,0 |
| Sum tapskostnad | 0,8 | 0,2 | 0,6 |
| Tap i % av netto utlån til kunder (IB) | 0,01 | 0,00 | 0,01 |

Total loan loss provisions amount to NOK 126.9 million, equivalent to 0.34 per cent of gross lending to customers. By comparison, total loan loss provisions amounted to NOK 128.5 million at the end of Q2 2021, equivalent to 0.32 per cent of gross lending to customers. Individually assessed loan loss provisions amounted to NOK 99.7 million, compared with NOK 92.2 million at the end of Q2 2021.

Most of the bank's loan loss provisions are related to AS Finansiering. Compared with the end of Q2 2021, the level of loan loss provisions in AS Finansiering decreased measured as a percentage of gross lending in AS Finansiering.

From and including Q4 2021, model-based expected credit loss is based on a customer-specific probability of default (PD) from the scoring model and changes to it. This is a change from the probability of default per risk class used earlier (based on the customer's risk class). This change largely explains the changes in loan loss provisions for lending to business customers, measured against the end of Q2 2021.

Tapsavsetninger

| Beløp i NOK mill. | Q2 22 | Q1 22 | Q2 21 |
|--|-------|-------|-------|
| Utlån til personkunder i mor og boligkredittsel. | 16,5 | 16,5 | 14,4 |
| Utlån til næringskunder | 3,3 | 3,2 | 10,9 |
| Utlån i AS Finansiering | 106,0 | 105,5 | 102,1 |
| Ubenyttede kreditter og garantier | 1,1 | 1,2 | 1,2 |
| Sum tapsavsetninger | 126,9 | 126,5 | 128,5 |
| Tapsavsetninger i % av brutto utlån til kunder | 0,34 | 0,33 | 0,32 |

Net non-performing commitments amounted to NOK 149.8 million, down by NOK 9.0 million from the end of Q2 2021.

Misligholdte engasjementer

| Beløp i NOK mill. | Q2 22 | Q1 22 | Q2 21 |
|--|-------|-------|-------|
| Utlån til personkunder i mor og boligkredittsel. | 34,1 | 34,9 | 46,4 |
| Næringskunder | 42,0 | 55,5 | 20,5 |
| AS Finansiering | 174,6 | 174,6 | 185,3 |
| Sum brutto misligholdte engasjementer | 250,8 | 265,0 | 252,2 |
| Tapsavsetninger på misligholdte engasjement. | 101,0 | 99,8 | 93,4 |
| Netto misligholdte engasjementer | 149,8 | 165,2 | 158,8 |

INCOME TAX

Income tax stands at NOK 16.3 million, equal to 17.4 per cent of the profit before income tax. The low income tax is mainly due to dividend income on shares covered by the exemption method.

Profit for the first half-year

Profit for the first half-year was NOK 139.8 million, a reduction of NOK 66.2 million from the first half-year 2021. In the first half-year, the bank can point to higher net interest income, increased commission income and a stably low level of costs. The turbulence in the financial markets is having a negative impact on the results, and the decreases in market values totalled NOK 69.6 million. The return on equity was 6.24 per cent compared with 9.86 per cent for the first half-year 2021. Earnings per equity certificate were NOK 1.81, down from NOK 2.84 in the first half-year 2021.

NET INTEREST INCOME

Net interest income amounted to NOK 320.2 million, up NOK 17.2 million from the first half-year 2021. The development of net interest income was primarily affected by rising interest rates that have resulted in increased deposit margins for a somewhat higher volume of deposits. A lower proportion of market funding and a reduced liquidity portfolio also made positive contributions.

Interest income from lending to customers was higher compared with the first half-year 2021, primarily due to interest rate rises in the bank's loan portfolio. Interest rates in the bank's loan portfolio have been increased twice based on rate rises implemented by Norges Bank in the first half-year. Interest rate rises in the loan portfolio are announced some time before they come into effect, which results in a significant time lag compared with interest rate adjustments for the bank's market funding. In a market where interest rates are rising, interest costs thus accrue before interest income does, which has affected the bank's net interest income in the year to date.

Interest costs on securities issued are closely linked to the development of money market rates. The increase in interest costs compared with the first half-year 2021 was attributable to rising money market rates due to expected rate hikes by Norges Bank. The money market premium has also been high at times and resulted in higher money market rates than what the policy rate would indicate under normal conditions.

The bank's deposit margins increased during the first half-year. Interest costs on deposits, measured in Norwegian krone and compared with the end of the first half-year 2021, primarily increased due to higher interest rates.

Netto renteinntekter

| Beløp i NOK mill. | akk. Q2 22 | akk. Q2 21 |
|--|------------|------------|
| Utlån til & fordringer på kredittinstitusjoner | 1,6 | 0,0 |
| Utlån til kunder | 514,7 | 438,7 |
| Sertifikater og obligasjoner | 56,4 | 27,9 |
| Sum renteinntekter | 572,7 | 466,6 |

| | | |
|--------------------------------|-------|-------|
| Gjeld til kredittinstitusjoner | 3,3 | 3,3 |
| Innskudd fra kunder | 50,9 | 39,9 |
| Verdipapirgjeld | 185,8 | 110,2 |
| Ansvarlig lånekapital | 5,1 | 3,6 |
| Sikringsfondsavgift | 7,4 | 6,7 |
| Sum rentekostnader | 252,5 | 163,6 |
| Netto renteinntekter | 320,2 | 303,0 |
| Rentenetto i % av GFK | 1,38 | 1,32 |

NET OTHER OPERATING INCOME

Net commission income amounted to NOK 19.8 million, up NOK 5.1 million from the first half of 2021. The increase is mainly due to increased commission income from insurance intermediation and increased activity in money-transfer services.

Dividends received totalled NOK 50.1 million, of which dividends from Frende Holding AS accounted for NOK 49.1 million and dividends from Kraft Bank AS accounted for NOK 0.7 million. In the same period in 2021, dividends received totalled NOK 71.2 million, of which dividends from Frende Holding AS accounted for NOK 69.0 million and dividends from Eksportfinans ASA accounted for NOK 2.1 million.

Net value changes and gains/losses on financial instruments amounted to NOK -69.6 million, down NOK 71.7 million compared with the first half-year 2021. The value of the liquidity portfolio fell by NOK 44.0 million, compared with a reduction of NOK 4.5 million in the first half-year 2021. Market turbulence due to the geopolitical uncertainty related to the invasion of Ukraine, high inflation and recession fears have resulted in higher credit premiums for bonds in the bank's liquidity portfolio and are resulting in significant negative changes in market value. The turbulence in the financial markets has also resulted in higher volatility and falls in value in the stock exchanges. The negative change in value of the bank's shares in Norwegian Block Exchange AS (NBX) amounted to NOK 21.2 million. By comparison, the positive change in the value of the shareholding in NBX amounted to NOK 26.8 million in Q4 2021. The value of the bank's shares in Kraft Bank ASA fell by NOK 2.7 million, against a rise of NOK 2.0 million in the first half-year 2021. Positive value changes related to shares and options in Visa Inc. amounted to NOK 1.0 million compared with an increase of NOK 3.9 million in the first half-year 2021. The positive result effect on the bank's shareholding in Frende Holding AS amounts to NOK 4.8 million. The negative profit effects from foreign exchange, derivatives and fixed rate loans at fair value amounted to NOK 4.3 million. The corresponding profit effects were positive and amounted to NOK 0.8 million in the first half-year. The cost of buying back the bank's own issued debt amounted to NOK 3.2 million, compared with NOK 0.2 million in the first half-year 2021.

Other operating income amounted to NOK 1.5 million, down by NOK 4.2 million from the first half-year 2021. The reduction is mainly due to gains from sales of property.

Netto andre driftsinntekter

| Beløp i NOK mill. | akk. Q2 22 | akk. Q2 21 |
|---|------------|------------|
| Netto provisjonsinntekter | 19,8 | 14,6 |
| Utbytte | 50,1 | 71,2 |
| Nto. verdiendr. og gev./tap på sert. og obl. | -49,4 | -10,0 |
| Nto. verdiendr. og gev./tap på aksjer | -18,2 | 6,0 |
| Nto. verdiendr. og gev./tap på fastrenteutlån | -8,5 | -4,4 |
| Nto. verdiendr. og gev./tap på på andre fin. instr. | 6,4 | 10,5 |
| Andre driftsinntekter | 1,5 | 5,7 |
| Netto andre driftsinntekter | 1,7 | 93,7 |

OPERATING COSTS

Operating costs amounted to NOK 147.7 million and were stable with an increase of NOK 0.6 million from the first half-year 2021. Operating costs as a percentage of average total assets were stable and amounted to 0.64 per cent. The NOK 4.3 million reduction in personnel costs was primarily attributable to provisions for profit sharing in 2021 and less use of overtime in the bank. Other operating costs increased by NOK 4.0 million and this was primarily due to higher operating costs for owned and leased premises, as well as NOK 1.2 million in higher provisions for wealth tax. Wealth tax was increased from 0.15 per cent to 0.25 per cent in the revised national budget for 2022.

Driftskostnader

| Beløp i NOK mill. | akk. Q2 22 | akk. Q2 21 |
|---|------------|------------|
| Lønn mv | 78,0 | 82,4 |
| Andre administrasjonskostnader | 31,1 | 29,6 |
| Avskrivning/nedskr./verdiendr. Ikke-fin. eiend. | 13,3 | 13,9 |
| Andre driftskostnader | 25,2 | 21,2 |
| Sum driftskostnader | 147,7 | 147,1 |
| Kostnader i % av GFK | 0,64 | 0,64 |

IMPAIRMENT AND NON-PERFORMING COMMITMENTS

Losses on loans, unused credits and guarantees amounted to NOK 1.0 million, of which changes in model-based losses amounted to income of NOK 2.5 million. By comparison, losses amounted to NOK 3.2 million in the first half-year 2021, of which changes in model-based loan loss provisions amounted to a cost of NOK 0.3 million.

Tapskostnad

| Beløp i NOK mill. | akk. Q2 22 | akk. Q2 21 |
|--|------------|------------|
| Utlån til personkunder i mor og boligkredittsel. | 0,4 | 1,8 |
| Utlån til næringskunder | -1,1 | -1,8 |
| Utlån i AS Finansiering | 2,0 | 3,2 |
| Ubenyttede kreditter og garantier | -0,3 | 0,0 |
| Sum tapskostnad | 1,0 | 3,2 |
| Tap i % av netto utlån til kunder (IB) | 0,01 | 0,02 |

INCOME TAX

Income tax stands at NOK 33.4 million, equal to 19.3 per cent of the profit before income tax. The low income tax is mainly due to dividend income on shares covered by the exemption method.

Main items on the balance sheet

Total assets amounted to NOK 45.6 billion, down NOK 3.4 billion compared with the end of the first half-year 2021.

LENDING TO CUSTOMERS

Net lending to customers amounted to NOK 37.7 billion, a decrease of NOK 2.8 billion, or 6.8 per cent, in the past 12 months.

Net lending to retail customers amounted to NOK 34.0 billion, a decrease of NOK 1.7 billion, or 4.8 per cent, in the past 12 months. After a period of very high lending growth, where lending to retail customers increased by NOK 4.5 billion in 2021, or 14.8 per cent, the bank is experiencing a period of consolidation where pricing and margins, cost-effectiveness and risk levels in the portfolio are the priority. Over time, the bank can point to good growth in lending in the retail market, although this can vary from quarter to quarter. The bank can point to gross lending to retail customers having increased by NOK 18.0 billion from 2011 to 2021, which represents an average annual growth of 10.5 per cent. The bank's strategy is for, over time, lending to retail customers to grow at least as fast as credit growth. Retail market loans and credits are generally only granted with security in a customer's home. The bank's exposure to lending and credit without associated security is low. Given the Group's high share of loans to the retail market, which mainly covers the central area of Eastern Norway, the retail market portfolio is considered secure and well able to service debt in a housing and labour market that is expected to function well over time. Gross lending to retail customers accounted for 90.3 per cent of total lending to customers.

Net lending to business customers amounted to NOK 3.6 billion, a decrease of NOK 1.1 billion, or 22.5 per cent, in the past 12 months. The reduction is partly attributable to natural dropout due to the repayment of loans, as well as very strong price competition within some segments. In a market with high property prices, low lending margins and rising interest rates, with a considerably higher risk premium in the bond market for real estate actors, the bank has chosen to take a defensive approach to business customers. The development of yields for commercial properties where the yield for attractive office buildings is historically low compared with the 10-year swap rate. Exposure to commercial property represents a relatively large proportion of the business portfolio, but a limited proportion of the bank's total loan portfolio. The bank has no exposure to oil, oil-related activities, fishing, or aquaculture activities. In general terms, the bank can also be said to have very little direct or indirect exposure to the accommodation/hospitality industry, import/export businesses and major industrial and trading operations. There is little direct or indirect exposure to trading activities with the exception of groceries.

DEPOSITS FROM CUSTOMERS

Deposits from customers totalled NOK 17.5 billion, up NOK 0.2 billion, or 0.9 per cent, in the past 12 months. The deposit

coverage ratio is 46.4 per cent, up from 42.8 per cent at the end of the first half-year 2021. Deposits from retail customers amounted to NOK 11.4 billion, up NOK 0.7 billion in the past 12 months. Deposits from business customers amounted to NOK 6.0 billion, down NOK 0.5 billion in the past 12 months.

LIQUIDITY AND FINANCING

The bank takes a conservative approach to liquidity risk and exercises proper liquidity management so that the Group has sufficient liquid assets to cover its obligations upon maturity at all times. The bank must be able to run normal operations for a period of at least 12 months without access to external financing. The bank also takes on credit risk through managing liquidity reserves and excess liquidity. The bank intends to retain interest-bearing securities with low credit risk for liquidity purposes (reserve for disposal when needed) and as a deposit basis for borrowing facilities at the central bank. The bank's liquidity risk is monitored continuously, and updated overviews of the bank's total counterparty risk are available.

Holdings of certificates and bonds totalled NOK 6.2 billion, a reduction of NOK 0.7 billion in the past 12 months.

The short-term liquidity target measured by LCR exceeds the bank's agreed limit of 102 per cent and amounts to 248.5 per cent, compared with 214.3 per cent at the end of the first half-year 2021. The bank's liquidity strategy involves a high proportion of securities that are included in the LCR calculation. The maturity structure for market funding significantly affects LCR.

Securities issued totalled NOK 22.2 billion, a reduction of NOK 3.6 billion in the past 12 months. The bank considers the access to market funding to be relatively good despite the significant uncertainty in the financial markets. The credit premium is at a higher level than it was prior to the invasion of Ukraine, at the same time as the levels before the invasion were very low, historically speaking.

The degree of stable and long-term financing measured by NSFR is provisionally estimated to be 131.5 per cent compared with 121.1 per cent at the end of the first half-year 2021. The average term to maturity for market funding was 3.22 years compared with 3.32 years at the end of the first half-year 2021. Short-term borrowing (defined as borrowing with a remaining term to maturity of less than 1 year) amounted to NOK 3.3 billion at the end of the first half-year.

As part of the phasing-in plan for MREL, the bank issued senior non-preferred debt (SNP) with a nominal value of NOK 0.7 million.

FRENDE FORSIKRING

The bank owns 12.92 per cent of Frende Holding AS which itself owns Frende Skade and Frende Liv AS (Frende Forsikring). Since the bank's stake in Frende is below 20 per cent, the shareholding is measured at fair value with changes of value and dividends received recognised through profit or loss. The bank's shareholding in Frende Holding AS is valued at NOK 452.3 million.

No financial performance for the first half of 2022 has been published by Frende. So far this year, the bank has

recognised dividend income of NOK 41.9 million (in Q2) and a gain of NOK 4.8 million in connection with the pro-rata sale of shares to Lokalbank-alliansen (in Q1), where the bank's stake in Frende decreased from 13.75 per cent to 12.92 per cent. In 2021, the bank recognised dividend income of NOK 69.0 million (in Q2). The bank has previously seen, and also expects to see in the future, value creation and profit contributions from the investment in Frende.

MISC. OWNERSHIP INTERESTS IN OTHER COMPANIES

The bank owns 4.85 per cent of the shares in Eksportfinans ASA, and the shareholding is valued at NOK 195.0 million.

Balder Betaling AS is owned by a number of independent banks, and its main purpose is to own these banks' shares in Vipps AS. The bank holds a 0.70 per cent stake in Vipps AS. The bank's shares in Balder Betaling AS are valued at NOK 46.8 million, based on the value of the underlying shares in Vipps AS.

The bank owns 6.85 per cent of the shares in Kraft Bank ASA. Kraft Bank ASA is listed on Euronext Growth Oslo and the bank's shareholding is valued at NOK 28.6 million.

The bank owns 'C' shares in Visa Inc. The shareholding is valued at NOK 37.1 million. The bank also has rights to shares in Visa Inc., owned via VN Norge Forvaltning AS and VN Norge AS. The rights are valued at NOK 14.0 million.

In Q2, the bank's stake in Norwegian Block Exchange AS (NBX) was reduced from 9.92 per cent to 9.43 per cent as a result of a private placement. The bank did not participate in the share issue. As of December 2021, NBX is listed on Euronext Growth Oslo and the bank adjusted the value of the shareholding upwards to NOK 26.8 million in Q4 2021. At the end of the quarter, the value of the shareholding was adjusted downwards by NOK 21.2 million to NOK 20.6 million. The bank's historical cost price for the shareholding was NOK 15.0 million.

Capital adequacy

The bank uses the standard method to calculate capital adequacy and is very strong and well positioned to deal with announced future increases in capital requirements, and also has both dividend capacity and scope for lending growth.

Sparebanken Øst increased its financial strength during the quarter and the CET1 capital ratio amounted to 20.04 per cent (inclusive of 50 per cent of retained earnings) at the end of the first half-year, up from 17.26 per cent at the end of the first half-year 2021. The "bank package" that came into force on 01.06.2022 resulted in an expansion of the SME discount in CRR2 for Sparebanken Øst. The expansion of the SME discount increased the CET1 capital ratio by about 0.38 percentage points at the end of the first half-year 2022.

The applicable Pillar 2 requirement for Sparebanken Øst is 1.8 per cent, with a minimum of NOK 360 million. The requirement came into effect on 30.06.2020. The countercyclical capital buffer increased by 0.5 percentage points from 1.0 per cent to 1.5 per cent on 30.06.2022. Given the current level of the countercyclical buffer of 1.5 per cent,

this entails a total CET1 capital requirement of at least 13.3 per cent. Sparebanken Øst's target for CET1 capital is the regulatory requirement plus a capital margin of 1.0 per cent, which at the end of the first half-year 2022 amounted to 13.8 per cent.

Net subordinated loan capital at the end of the first half-year amounted to NOK 4.6 billion, of which the Group's Tier 1 capital accounted for NOK 4.2 billion. With a calculation basis of NOK 19.5 million, this corresponds to a capital adequacy ratio of 23.55 per cent, of which 21.50 per cent constitutes the Tier 1 capital ratio. The leverage ratio amounted to 9.14 per cent (inclusive of 50 per cent of retained earnings) at the end of the first half-year, up from 8.20 per cent at the end of the first half-year 2021. The leverage ratio requirement is 5.0 per cent.

Kapitalnivå

| prosent | Q2 22 | Q1 22 | Q2 21 |
|-----------------------------|-------|-------|-------|
| Ren kjernekapitaldekning* | 20,04 | 19,01 | 17,26 |
| Kjernekapitaldekning | 21,50 | 20,56 | 18,41 |
| Kapitaldekning | 23,55 | 22,50 | 20,27 |
| Uvektet kjernekapitalandel* | 9,14 | 8,95 | 8,20 |

* 50 prosent av EK-beviseiernes og grunnfondets andel av resultat (udisponert resultat) er medregnet i kvartalstall

Regulatory framework conditions

For the bank, the systemic risk buffer will increase by 1.5 percentage points from 3.0 per cent to 4.5 per cent from 31.12.2022.

The countercyclical capital buffer will increase by 0.5 percentage points from 1.5 per cent to 2.0 per cent on 31.12.2022 and to 2.5 per cent on 31.03.2023, which is where it was before March 2020 and the outbreak of Covid-19.

SIGNIFICANT DIFFERENCES IN TREATMENT OF EQUAL RISK BETWEEN BANKS

Sparebanken Øst bases its capital calculations on the principles in the standard method, which according to the current regulations means that loans with the same risk are subject to far higher risk weights when compared with the approach of banks that use risk weights set out in IRB models. The result of this is that Sparebanken Øst holds far more equity for its lending than banks that are able to use IRB models for all or parts of their lending portfolios. The end of the Basel 1 floor for Norwegian IRB banks from 31.12.2019 altered the competitive situation in the Norwegian market to a significant degree and has also left its mark on profit performance.

Sparebanken Øst uses risk weights of 35 per cent on residential mortgages with a loan-to-value (LTV) ratio of 80 per cent or less, while banks that deploy IRB models have risk weights from 20 per cent. At the end of 2020, Norwegian IRB banks had an average risk weight of 21 per cent for residential mortgages (Artic Financials – sector report 15.06.2021, Artic Securities). In the case of loans for commercial properties, the bank uses risk weights from 100 per cent, while banks that use IRB models have risk weights from 35 per cent. At the end of

2020, Norwegian IRB banks had an average risk weight of 55 per cent for financing commercial property (Artic Financials – sector report 15.06.2021, Artic Securities).

Calculations by the bank show that the differential treatment means that the bank has to hold about NOK 1.1 billion more in equity than if it had use IRB models on its loan portfolios.

The differential treatment of equal risk shows that capital weights according to IRB models provide significantly higher leverage with the possibility of significantly higher lending volumes relative to equity levels, alternatively reduced equity requirements, resulting in higher return on equity. The differential treatment of low risk results in a very detrimental competitive disadvantage when it is necessary to also protect the interests of the bank's equity certificate investors at the same time.

Rating

Sparebanken Øst has a long-term deposit and issuer rating of A1 from Moody's Investor Services. The bank's rating was upgraded from A2 in January 2021 based on the bank's expected issuance of senior non-preferred debt due to the MREL requirement, where the risk of losses on deposits and ordinary senior debt was assessed to have decreased. The outlook for all of the bank's ratings is stable. Covered bonds issued by Sparebanken Øst Boligkreditt AS have an AAA rating from Moody's.

Subsidiaries

All subsidiaries are 100 per cent owned by Sparebanken Øst and are included in the bank's consolidated financial statements.

Sparebanken Øst Boligkreditt AS is licensed as a credit institution with the right to issue covered bonds. Through this market, the mortgage credit company is a very important participant in securing the Group favourable long-term financing. At the end of the first half-year, the company had total assets of NOK 20.1 billion, which mainly consisted of first priority mortgages on homes financed through covered bonds and drawing rights from the parent bank. The company has a low LTV ratio in the cover pool. The LTV at the end of the first half-year was 43.8 per cent. By comparison, the LTV ratio was 46.0 per cent at the end of the first half-year 2021. The company posted a profit of NOK 36.2 million for the first half-year compared with NOK 57.4 million in the first half-year 2021. The company has no employees, instead it sources services from Sparebanken Øst.

AS Financiering's main product is secured loan financing for used cars. At the end of the first half-year, the company had total assets of NOK 2.5 billion. The company posted a profit of NOK 24.0 million for the first half-year compared with NOK 26.5 million for the first half-year 2021. The company has 17 employees, corresponding to 17 FTEs.

Sparebanken Øst Eiendom AS manages properties belonging to the bank. The company's operating income amounted to NOK 2.9 million for the first half-year compared with NOK 2.7 million for the first half-year 2021. The company posted a profit of NOK 0.5 million, compared with NOK 0.6 million for the first half-year 2021. The company has 1.2 employees, corresponding to 1.2 FTEs.

Øst Prosjekt AS's main object is to take over projects and to undertake industrial and commercial activities to hedge and realise exposed positions in the parent bank. The company posted a deficit of NOK 0.3 million for the first half-year, compared with a profit of NOK 1.9 million for the first half-year 2021.

Accounting policies

The interim financial statements are prepared in accordance with IFRS (including IAS 34 Interim Financial Reporting). The interim financial statements have not been audited. Please see Note 1 for more details.

The macro situation

High energy prices and the combination of high levels of demand and limited supply have resulted in a substantial rise in consumer prices, internationally. Russia's invasion of Ukraine is helping to keep energy and food prices high. Uncertainty surrounding global growth and rising inflation has caused large movements in international financial markets. A number of central banks significantly increased their key rates and interest rate forecasts in order to curb future inflation.

Activity in the Norwegian economy has reached a high level since pandemic infection control measures were discontinued. Activity in the Norwegian economy is high and there is little spare capacity. Inflation has also been significantly higher in Norway than the target of almost 2 per cent over time. At the end of May, inflation was 5.7 per cent, which is the highest level in May for more than 30 years. Core inflation rose to 3.4 per cent in May.

The level of activity in the economy is reflected in the labour market. The unemployment rate at the end of May was at its lowest level since 2008. Adjusted for normal seasonal variations, 1.7 per cent of the labour force was registered as unemployed. The number of furloughed workers, which increased sharply during the pandemic, was back to the level it was at in 2019. The number of people partly unemployed has also fallen.

Based on its expectations concerning higher inflation, Norges Bank raised its policy rate by 50 basis points to 1.25 per cent in June. Norges Bank expects to increase its policy rate again to 1.50 per cent at its next monetary policy meeting in August, and further interest rate forecasts indicate a rise at each monetary policy meeting for the remainder of the year, with the policy rate ending the year at 2.25 per cent. Norges Bank notes that higher debt ratios over time have probably increased the number of interest-sensitive households. At present, Norges Bank is prioritising a tighter monetary policy in

order to curb the rise in inflation. Much of the tension going forward relates to whether central banks' interest rate hikes, both in Norway and internationally, will impact economic growth.

Money market premiums remained relatively stable for a long time after Norges Bank announced large daily currency purchases to improve liquidity in NOK towards the end of Q1. From the end of May, the premium increased on the basis of expectations of a higher policy rate in June. The market is pricing in an even more aggressive interest rate policy than Norges Bank's interest rate forecast suggests, and money market rates are expected to rise substantially during the remainder of the year.

House prices fell by 0.3 per cent in June, although when adjusted for seasonal variations prices rose by 0.3 per cent. At the end of June, house prices had risen by 8.8 per cent in the year to date. The upturn is mainly attributable to a low supply side in the housing market, higher construction costs and high demand as a result of a strong labour market.

Future prospects

The level of activity in the Norwegian economy is high. Norges Bank estimates that Norway's mainland GDP will grow by around 3.5 per cent this year. Going forward, Norges Bank expects capacity constraints, higher inflation and higher interest rates to contribute to slowing growth in the Norwegian economy. Norges Bank projects annual GDP growth of around 1 per cent for the next 3 years.

The extraordinary furlough rules that applied during the pandemic were discontinued from 01.04.2022. This probably contributed to the drop in unemployment in the last few months. Unemployment will probably continue to fall from the current low levels in the coming period. In the second half-year, unemployment is expected to stabilise before rising slightly from next year. Hiring rates were particularly strong in the industries hardest hit by the pandemic and infection control measures.

Wages are expected to increase faster in the coming years due to a strong labour market and rising inflation. The collective pay settlement agreed by the parties in 2022 was for 3.7 per cent, although wage growth might be high in a number of sectors experiencing a major shortage of labour.

Norges Bank has signalled that it will most probably raise its key policy rate again in August. The central bank has raised the interest rate curve since the previous report and now assumes that the key policy rate will reach 3 per cent by the end of summer 2023. If inflation continues to rise, Norges Bank is open to hiking its policy rate faster than indicated by the interest rate curve. The market is currently pricing in slightly higher interest rates towards the end of 2022 and during 2023 than those Norges Bank has estimated.

Money market rates are expected to rise going forward as a consequence of Norges Bank's assumed interest rate rises. This points to increased deposit costs in the quarters ahead. Competition for loan customers is strong and will put pressure on the bank's net interest rate going forward. Following the

rate increase from Norges Bank in June, a large proportion of the bank's lending portfolio was repriced with effect from mid-August 2022.

The fast growth in house prices in recent years is expected to slow going forward. The growth in commercial property prices is expected to slow somewhat going forward due to gradually increasing return requirements.

It is expected that the bank's lending growth in the period ahead will vary between quarters, and roughly track credit growth in Norway over time. Growth in the retail market will come mainly from home mortgages and secured loans to purchase second-hand cars. Growth in lending to the business market should occur in the Group's defined market areas, where the main product is repayment loans secured against property.

Sparebanken Øst is a cost-effective bank and believes that low costs will constitute a competitive advantage going forward. The cost level is expected to remain stable. Banking involves risking losses and default, which means that losses on lending and guarantees to customers cannot be ruled out. Low levels of non-performing commitments and low losses on lending are expected to continue.

The market values of securities such as bonds and equities will fluctuate over time, and losses may occur. The

Group's bond portfolio is held for liquidity purposes, with a low risk of losses.

Sparebanken Øst bases its capital calculations on the principles in the standard method. Government regulation within the capital and solvency area produces great competitive advantages for those banks that can utilise IRB models. It is a matter of deep concern that the Norwegian authorities are choosing to discriminate against banks through the capital calculation regulations by treating equal risk differently. If the authorities choose to maintain this differential treatment it could have a major impact on the structure of the Norwegian financial services industry and on how individual savings banks will align their operations in the future. Sparebanken Øst is working to ensure that the framework conditions for Norwegian banks become more aligned and that the banks compete on the same terms. In the bank's opinion, there is significant uncertainty relating to the general conditions and future capital adequacy requirements for banks that calculate their capital requirements using the standard method.

Hokksund, 30.06.2022

Drammen, 15.07.2022

Øivind Andersson
Chair

Cecilie Hagby
Deputy Chair

Lina Andal Sørby
Board member

Jorund Rønning Indrelid
Board member

Arne K. Stokke
Board member

Ole B. Hoen
Board member

Håvard Saastad
Employee representative

Sissel Album Fjeld
Employee representative

Pål Strand
CEO

Income Statement – Group

| (Amounts in NOK millions) | Note | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
|---|------|--------------|--------------|-----------------|-----------------|----------------|
| Interest income from assets valued at amortised cost | | 303,8 | 225,5 | 816,0 | 659,7 | 896,9 |
| Interest income from assets valued at fair value | | 36,6 | 16,0 | 97,0 | 48,4 | 69,7 |
| Interest costs | | 163,7 | 76,0 | 416,2 | 239,6 | 335,3 |
| Net interest income | 13 | 176,6 | 165,5 | 496,8 | 468,5 | 631,3 |
| Commission income and income from banking services | | 21,2 | 19,0 | 65,1 | 55,3 | 79,4 |
| Commission costs and costs for banking services | | 12,6 | 12,4 | 36,6 | 34,0 | 46,1 |
| Dividend | | 0,1 | 0,2 | 50,3 | 71,4 | 71,4 |
| Net value changes and gains/losses on financial instruments | 14 | -20,8 | -2,8 | -90,5 | -0,7 | 18,4 |
| Other operating income | | 0,5 | 0,2 | 1,9 | 5,9 | 6,4 |
| Net other operating income | | -11,5 | 4,2 | -9,8 | 97,9 | 129,5 |
| Payroll, etc. | | 45,9 | 47,5 | 124,0 | 129,9 | 175,8 |
| Administration costs | | 14,8 | 14,5 | 45,9 | 44,2 | 60,9 |
| Depreciation/write-downs/changes in value of non-financial assets | | 6,8 | 6,9 | 20,2 | 20,7 | 27,6 |
| Other operating costs | | 12,2 | 10,7 | 37,4 | 31,8 | 41,3 |
| Total operating costs | 15 | 79,8 | 79,5 | 227,5 | 226,6 | 305,7 |
| Profit/loss before losses | | 85,3 | 90,2 | 259,6 | 339,8 | 455,2 |
| Losses on loans, unused credit and guarantees | 4 | 3,3 | -1,7 | 4,3 | 1,5 | 0,5 |
| Profit/loss before income tax | | 82,1 | 91,9 | 255,3 | 338,3 | 454,7 |
| Income tax | | 20,4 | 20,2 | 53,8 | 60,6 | 79,3 |
| Profit/loss after tax | | 61,7 | 71,7 | 201,5 | 277,7 | 375,4 |
| | | | | | | |
| Hybrid capital owners' share of the result | | 4,7 | 3,4 | 13,0 | 10,4 | 14,1 |
| Equity certificate holders' and primary capital share of profits | | 57,0 | 68,3 | 188,5 | 267,3 | 361,4 |
| Profit/loss after tax | | 61,7 | 71,7 | 201,5 | 277,7 | 375,4 |
| | | | | | | |
| Earnings per equity certificate | | 0,79 | 0,97 | 2,60 | 3,82 | 5,16 |
| Diluted earnings per equity certificate | | 0,79 | 0,97 | 2,60 | 3,82 | 5,16 |

Comprehensive income – Group

| (Amounts in NOK millions) | Note | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
|--|------|-------------|-------------|-----------------|-----------------|----------------|
| Profit/loss after tax | | 61,7 | 71,7 | 201,5 | 277,7 | 375,4 |
| Items that will not be reclassified to the income statement | | | | | | |
| Actuarial gains and losses on defined-benefit plans | | 0,0 | 0,0 | 0,0 | 0,0 | 12,2 |
| Tax related to items that cannot be reclassified | | 0,0 | 0,0 | 0,0 | 0,0 | -3,0 |
| Comprehensive income | | 61,7 | 71,7 | 201,5 | 277,7 | 384,6 |

Balance Sheet – Group

| (Amounts in NOK millions) | Note | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|---|-------------|-----------------|-----------------|-----------------|
| Assets | | | | |
| Cash and receivables from central banks | 10 | 498,5 | 346,8 | 302,6 |
| Loans to and receivables from financial institutions | 10 | 29,9 | 9,3 | 11,0 |
| Loans to and receivables from customers | 4,7,8,10,11 | 37.207,7 | 40.093,4 | 39.386,7 |
| Certificates and bonds | 10,11 | 6.197,8 | 6.953,6 | 7.198,9 |
| Shares and units | 10,11 | 795,4 | 810,7 | 848,6 |
| Financial derivatives | 10,11 | 62,3 | 247,3 | 156,5 |
| Investment properties | | 11,5 | 11,7 | 11,7 |
| Tangible fixed assets | | 151,1 | 146,9 | 148,6 |
| Lease rights | | 39,5 | 40,8 | 41,2 |
| Other assets | | 99,1 | 9,2 | 8,4 |
| Prepaid non-accrued costs and income earned, but not received | | 21,0 | 23,8 | 13,5 |
| Total assets | | 45.113,6 | 48.693,6 | 48.127,6 |
| Liabilities and equity | | | | |
| Liabilities to financial institutions | 10 | 302,3 | 300,8 | 300,3 |
| Deposits from and liabilities to customers | 6,10 | 16.806,2 | 17.852,6 | 17.578,9 |
| Financial derivatives | 10,11 | 152,2 | 16,0 | 15,4 |
| Securities issued | 10,12 | 22.308,7 | 24.962,9 | 24.684,0 |
| Other liabilities | | 301,4 | 385,5 | 329,9 |
| Accruals and deferred income | | 36,0 | 39,4 | 42,6 |
| Other provisions and liabilities | | 36,6 | 62,8 | 36,8 |
| Deferred tax liability | | 6,0 | 0,6 | 3,7 |
| Lease liabilities | | 40,5 | 41,8 | 42,2 |
| Subordinated loan capital | 10,12 | 400,9 | 400,2 | 400,4 |
| Total liabilities | | 40.390,8 | 44.062,7 | 43.434,2 |
| Paid-up equity | | 595,1 | 595,1 | 595,1 |
| Hybrid capital | | 352,4 | 351,7 | 351,9 |
| Retained earnings | | 3.775,3 | 3.684,2 | 3.746,4 |
| Total equity | | 4.722,8 | 4.630,9 | 4.693,4 |
| Total liabilities and equity | | 45.113,6 | 48.693,6 | 48.127,6 |

Changes in equity – Group

| | Paid-up equity | | Hybrid capita | | | Retained earnings | | | | |
|---|----------------|--------------|----------------|--------------|--------------|-------------------|-------------|--------------|--------------|--------------|
| | | | | | | | Fund for | | | |
| (Amounts in NOK millions) | Total | Equity | Share ditional | Tier 1 | Equalisation | Primary | Endowment | unrealised | Other | Retained |
| 30.09.2022 | equity | certificates | niun reserve | capital | fund | capital | fund | gains | equity | profit |
| Equity as at 31.12.2021 | 4.693,4 | 207,3 | 387,8 | 351,9 | 413,3 | 2.361,5 | 38,1 | 473,7 | 459,9 | 0,0 |
| Ordinary profit | 201,5 | 0,0 | 0,0 | 13,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 188,5 |
| Comprehensive income | 201,5 | 0,0 | 0,0 | 13,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 188,5 |
| Dividend to equity certificate holders 2021 – adopted | -79,8 | 0,0 | 0,0 | 0,0 | -79,8 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Dividend to social capital 2021 – adopted | -79,8 | 0,0 | 0,0 | 0,0 | 0,0 | -79,8 | 0,0 | 0,0 | 0,0 | 0,0 |
| Interest paid on hybrid capital | -12,4 | 0,0 | 0,0 | -12,4 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Equity as at 30.09.2022 | 4.722,8 | 207,3 | 387,8 | 352,4 | 333,4 | 2.281,7 | 38,1 | 473,7 | 459,9 | 188,5 |

| | Paid-up equity | | Hybrid capita | | | Retained earnings | | | | |
|---|----------------|--------------|----------------|--------------|--------------|-------------------|-------------|--------------|--------------|--------------|
| | | | | | | | Fund for | | | |
| (Amounts in NOK millions) | Total | Equity | Share ditional | Tier 1 | Equalisation | Primary | Endowment | unrealised | Other | Retained |
| 30.09.2021 | equity | certificates | niun reserve | capital | fund | capital | fund | gains | equity | profit |
| Equity as at 31.12.2020 | 4.442,0 | 207,3 | 387,8 | 351,7 | 412,7 | 2.164,1 | 38,1 | 434,7 | 445,6 | 0,0 |
| Ordinary profit | 277,7 | 0,0 | 0,0 | 10,4 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 267,3 |
| Comprehensive income | 277,7 | 0,0 | 0,0 | 10,4 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 267,3 |
| Dividend to equity certificate holders 2020 – adopted | -72,6 | 0,0 | 0,0 | 0,0 | -72,6 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Dividend to social capital 2020 – adopted | -5,7 | 0,0 | 0,0 | 0,0 | 0,0 | -5,7 | 0,0 | 0,0 | 0,0 | 0,0 |
| Interest paid on hybrid capital | -10,5 | 0,0 | 0,0 | -10,5 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Equity as at 30.06.2021 | 4.630,9 | 207,3 | 387,8 | 351,7 | 340,1 | 2.158,4 | 38,1 | 434,7 | 445,6 | 267,3 |

| | Paid-up equity | | Hybrid capita | | | Retained earnings | | | | |
|---|----------------|--------------|----------------|--------------|--------------|-------------------|-------------|--------------|--------------|------------|
| | | | | | | | Fund for | | | |
| (Amounts in NOK millions) | Total | Equity | Share ditional | Tier 1 | Equalisation | Primary | Endowment | unrealised | Other | Retained |
| 2021 | equity | certificates | niun reserve | capital | fund | capital | fund | gains | equity | profit |
| Equity as at 31.12.2020 | 4.442,0 | 207,3 | 387,8 | 351,7 | 412,7 | 2.164,1 | 38,1 | 434,7 | 445,6 | 0,0 |
| Ordinary profit | 375,4 | 0,0 | 0,0 | 14,1 | 91,3 | 217,2 | 0,0 | 38,9 | 14,0 | 0,0 |
| Actuarial gains and losses on defined-benefit plans | 9,1 | 0,0 | 0,0 | 0,0 | 2,6 | 6,2 | 0,0 | 0,0 | 0,4 | 0,0 |
| Comprehensive income | 384,6 | 0,0 | 0,0 | 14,1 | 93,9 | 223,4 | 0,0 | 38,9 | 14,3 | 0,0 |
| Dividend to equity certificate holders 2020 – adopted | -93,3 | 0,0 | 0,0 | 0,0 | -93,3 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Dividend to social capital 2020 – adopted | -25,9 | 0,0 | 0,0 | 0,0 | 0,0 | -25,9 | 0,0 | 0,0 | 0,0 | 0,0 |
| Interest paid on hybrid capital | -14,0 | 0,0 | 0,0 | -14,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Equity as at 31.12.2021 | 4.693,4 | 207,3 | 387,8 | 351,9 | 413,3 | 2.361,5 | 38,1 | 473,7 | 459,9 | 0,0 |

Cash Flow Statement – Group

| (Amounts in NOK millions) | | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|--------------|-----------------|-----------------|-----------------|
| Operating activities | | | | |
| Profit/loss before income tax | | 255,3 | 338,3 | 454,7 |
| Adjusted for: | | | | |
| Change in net interest income earned and accrued interest costs | | 65,8 | 48,4 | -1,6 |
| Net receipts/disbursements of loans to customers | | 2.184,6 | -4.656,2 | -3.941,8 |
| Change in certificates and bonds | | 1.007,7 | -165,9 | -407,6 |
| Changes in value of equities and units | | 28,2 | -8,2 | -43,9 |
| Change in other assets in connection with operations | | -111,9 | -17,5 | -11,5 |
| Net receipts/disbursement of deposits from customers | | -833,0 | 2.965,3 | 2.736,5 |
| Change in other operating liabilities | | -90,5 | -117,5 | -212,5 |
| Non-cash items included in profit/loss before income tax | | 9,8 | 17,4 | 19,2 |
| Net gain/loss from investing activities | | -5,0 | -0,6 | -0,6 |
| Net gain/loss from financing activities | | 3,0 | 0,3 | 0,3 |
| Taxes paid for the period | | -83,3 | -75,3 | -87,7 |
| Net cash flow from operating activities | A | 2.430,7 | -1.671,6 | -1.496,4 |
| Investing activities | | | | |
| Payments on purchases of tangible fixed assets | | -16,3 | -15,7 | -21,8 |
| Proceeds from sales of tangible fixed assets | | 1,3 | 1,1 | 1,1 |
| Payments on purchases of financial investments | | -3,8 | 0,0 | 0,0 |
| Proceeds from sales of financial investments | | 33,7 | 8,5 | 6,4 |
| Net cash flow from investing activities | B | 14,9 | -6,0 | -14,3 |
| Financing activities | | | | |
| Net receipts/disbursements for loans to/from financial institutions | | 0,0 | -300,0 | -300,0 |
| Payments on repayment of securities | | -4.461,1 | -2.369,2 | -2.554,5 |
| Receipts on issuance of securities | | 2.322,6 | 4.363,2 | 4.363,2 |
| Payment of dividend | | -79,8 | -72,6 | -93,3 |
| Interest paid on hybrid capital | | -12,4 | -10,5 | -14,0 |
| Net cash flow from financing activities | C | -2.230,7 | 1.610,9 | 1.401,4 |
| Net change in cash and cash equivalents | A+B+C | 214,8 | -66,8 | -109,3 |
| Cash and cash equivalents at 01.01 | | 313,6 | 422,8 | 422,8 |
| Holding of cash and cash equivalents at the end of the period | | 528,4 | 356,0 | 313,6 |

loans to and deposits with financial institutions which are investment

| Additional information for operating activities concerning interest and dividend income | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|---|------------|------------|------------|
| Interest payments received | 895,7 | 714,0 | 957,4 |
| Interest payments made | 345,7 | 202,0 | 296,9 |
| Dividends received | 50,3 | 71,4 | 71,4 |

Note 1 – Basis for preparation of the financial statements

Accounting policies

The interim financial statements for the Group have been prepared in accordance with IAS 34 Interim Financial Reporting (IFRS).

A description of the accounting policies applied in the preparation of the financial statements is presented in the Annual Report for 2021. The accounting policies and calculation methods remain largely unchanged from the annual financial statements for 2021.

All amounts are stated in NOK millions and relate to the Group unless otherwise specified.

The interim financial statements have not been audited.

Assessments and use of estimates

The preparation of the consolidated accounts entails that the executive management performs estimates and discretionary assessments and makes assumptions which influence the effect of the application of accounting policies and, consequently, the recognised amounts for assets, liabilities, revenue and costs. For further details, see the Annual Report for 2021, Note 3 – Assessments and use of estimates.

Note 2 – Group – Operating segments

Segment reporting is based on the bank's internal reporting format, where the parent bank and mortgage credit company are divided into retail market, business market and finance. There are also other subsidiaries, as well as a non-reportable segment with items that are not allocated to other segments.

Profit/loss

| 30.09.2022 | Retail market | Business market | Finance | AS Financiering | Sparebanken Øst Eiendom AS | Unallocated | Eliminations | Group |
|---|---------------|-----------------|---------------|-----------------|-------------------------------|--------------|--------------|--------------|
| Net interest and commission income | 266,5 | 100,9 | -17,3 | 94,8 | -0,2 | 52,3 | -0,1 | 496,8 |
| Other operating income | 44,5 | 5,4 | -101,4 | -20,3 | 4,1 | 53,4 | 4,5 | -9,8 |
| Operating costs | 46,2 | 9,4 | 0,0 | 27,4 | 2,8 | 146,4 | -4,8 | 227,5 |
| Profit/loss before losses | 264,8 | 96,9 | -118,7 | 47,0 | 1,2 | -40,7 | 9,2 | 259,6 |
| Losses on loans, unused credit and guarantees | 2,6 | -1,8 | 0,0 | 3,6 | 0,0 | -0,1 | 0,0 | 4,3 |
| Profit/loss before income tax | 262,2 | 98,7 | -118,7 | 43,4 | 1,2 | -40,6 | 9,2 | 255,3 |
| Income tax | 0,0 | 0,0 | 0,0 | 10,9 | 0,3 | 40,4 | 2,3 | 53,8 |
| Profit/loss after tax | 262,2 | 98,7 | -118,7 | 32,5 | 0,9 | -81,0 | 6,9 | 201,5 |

| 30.09.2021 | Retail market | Business market | Finance | AS Financiering | Sparebanken Øst Eiendom AS | Unallocated | Eliminations | Group |
|---|---------------|-----------------|--------------|-----------------|-------------------------------|--------------|--------------|--------------|
| Net interest and commission income | 260,7 | 94,1 | -18,1 | 103,8 | -0,4 | 27,6 | 0,8 | 468,5 |
| Other operating income | 40,2 | 5,5 | -8,2 | -19,2 | 4,0 | 78,5 | -3,3 | 97,6 |
| Operating costs | 46,9 | 9,6 | 0,0 | 27,3 | 2,3 | 145,1 | -4,8 | 226,4 |
| Profit/loss before losses | 254,0 | 90,0 | -26,2 | 57,3 | 1,4 | -39,0 | 2,3 | 339,8 |
| Losses on loans, unused credit and guarantees | 1,6 | -4,5 | 0,0 | 4,5 | 0,0 | -0,1 | 0,0 | 1,5 |
| Profit/loss before income tax | 252,4 | 94,5 | -26,2 | 52,8 | 1,4 | -38,8 | 2,3 | 338,3 |
| Income tax | 0,0 | 0,0 | 0,0 | 13,3 | 0,3 | 46,4 | 0,6 | 60,6 |
| Profit/loss after tax | 252,4 | 94,5 | -26,2 | 39,5 | 1,1 | -85,2 | 1,8 | 277,7 |

| 31.12.2021 | Retail market | Business market | Finance | AS Financiering | Sparebanken Øst Eiendom AS | Unallocated | Eliminations | Group |
|---|---------------|-----------------|--------------|-----------------|-------------------------------|---------------|--------------|--------------|
| Net interest and commission income | 348,8 | 127,6 | -23,3 | 138,8 | -0,5 | 39,1 | 0,8 | 631,3 |
| Other operating income | 57,6 | 8,1 | -1,1 | -25,9 | 5,4 | 87,9 | -2,4 | 129,5 |
| Operating costs | 65,5 | 12,2 | 0,0 | 37,2 | 3,2 | 193,9 | -6,2 | 305,7 |
| Profit/loss before losses | 340,9 | 123,5 | -24,4 | 75,7 | 1,8 | -66,9 | 4,5 | 455,2 |
| Losses on loans, unused credit and guarantees | 4,4 | -9,8 | 0,0 | 6,0 | 0,0 | -0,1 | 0,0 | 0,5 |
| Profit/loss before income tax | 336,5 | 133,3 | -24,4 | 69,7 | 1,8 | -66,7 | 4,5 | 454,7 |
| Income tax | 0,0 | 0,0 | 0,0 | 17,5 | 0,4 | 60,2 | 1,1 | 79,3 |
| Profit/loss after tax | 336,5 | 133,3 | -24,4 | 52,2 | 1,3 | -126,9 | 3,4 | 375,4 |

Balance sheet

| 30.09.2022 | Retail market | Business market | Finance | AS Financiering | Sparebanken Øst Eiendom AS | Unallocated | Eliminations | Group |
|--|-----------------|-----------------|----------------|-----------------|-------------------------------|----------------|-----------------|-----------------|
| Loans to and receivables from customers | 30.887,0 | 3.338,9 | -8,9 | 2.512,5 | 0,0 | 505,9 | -27,9 | 37.207,7 |
| Other assets | 3,3 | 0,0 | 6.638,0 | 84,3 | 104,3 | 3.679,6 | -2.603,6 | 7.905,9 |
| Total assets | 30.890,4 | 3.338,9 | 6.629,1 | 2.596,8 | 104,3 | 4.185,5 | -2.631,5 | 45.113,6 |
| Deposits from and liabilities to customers | 11.580,9 | 3.290,9 | 1.822,5 | 0,0 | 0,0 | 167,0 | -55,2 | 16.806,2 |
| Other liabilities/offsetting | 19.309,5 | 48,0 | 4.806,6 | 2.101,0 | 31,8 | -522,1 | -2.190,2 | 23.584,6 |
| Equity | 0,0 | 0,0 | 0,0 | 495,8 | 72,6 | 4.540,5 | -386,1 | 4.722,8 |
| Total liabilities and equity | 30.890,4 | 3.338,9 | 6.629,1 | 2.596,8 | 104,3 | 4.185,5 | -2.631,5 | 45.113,6 |

| 30.09.2021 | Retail market | Business market | Finance | AS Financiering | Sparebanken Øst Eiendom AS | Unallocated | Eliminations | Group |
|--|-----------------|-----------------|----------------|-----------------|-------------------------------|----------------|-----------------|-----------------|
| Loans to and receivables from customers | 32.756,4 | 4.485,3 | 1,7 | 2.427,8 | 0,0 | 447,1 | -24,8 | 40.093,4 |
| Other assets | 3,3 | 0,0 | 8.058,4 | 50,7 | 104,4 | 3.860,2 | -3.476,9 | 8.600,2 |
| Total assets | 32.759,7 | 4.485,3 | 8.060,1 | 2.478,5 | 104,4 | 4.307,3 | -3.501,8 | 48.693,6 |
| Deposits from and liabilities to customers | 11.956,5 | 3.126,3 | 2.648,4 | 0,0 | 0,0 | 177,3 | -55,9 | 17.852,6 |
| Other liabilities/offsetting | 20.803,2 | 1.359,0 | 5.411,7 | 2.015,2 | 31,6 | -319,4 | -3.091,3 | 26.210,0 |
| Equity | 0,0 | 0,0 | 0,0 | 463,2 | 72,9 | 4.449,4 | -354,6 | 4.630,9 |
| Total liabilities and equity | 32.759,7 | 4.485,3 | 8.060,1 | 2.478,5 | 104,4 | 4.307,3 | -3.501,8 | 48.693,6 |

| 31.12.2021 | Retail market | Business market | Finance | AS Financiering | Sparebanken Øst Eiendom AS | Unallocated | Eliminations | Group |
|--|-----------------|-----------------|----------------|-----------------|-------------------------------|----------------|-----------------|-----------------|
| Loans to and receivables from customers | 32.159,0 | 4.397,9 | 0,6 | 2.416,3 | 0,0 | 440,8 | -28,0 | 39.386,7 |
| Other assets | 3,7 | 0,0 | 7.763,4 | 49,1 | 105,5 | 3.803,9 | -2.984,6 | 8.740,9 |
| Total assets | 32.162,7 | 4.397,9 | 7.764,0 | 2.465,4 | 105,5 | 4.244,6 | -3.012,7 | 48.127,6 |
| Deposits from and liabilities to customers | 12.271,9 | 2.862,6 | 2.321,0 | 0,0 | 0,0 | 180,0 | -56,6 | 17.578,9 |
| Other liabilities/offsetting | 19.890,8 | 1.535,3 | 5.443,0 | 2.042,2 | 33,9 | -487,0 | -2.602,9 | 25.855,3 |
| Equity | 0,0 | 0,0 | 0,0 | 423,3 | 71,7 | 4.551,6 | -353,2 | 4.693,4 |
| Total liabilities and equity | 32.162,7 | 4.397,9 | 7.764,0 | 2.465,4 | 105,5 | 4.244,6 | -3.012,7 | 48.127,6 |

Note 3 – Group - Capital adequacy

The Group uses the standardised approach when calculating minimum requirements for primary capital for credit risk. Calculations related to operational risk are performed using the basis method. The capital charge for credit valuation adjustment (CVA) is calculated using the standardised approach. Exposure amounts for derivatives are calculated using standardised method (SA-CCR).

The Group's primary capital must satisfy the minimum capital adequacy ratio requirements at all times, with the addition of a buffer equivalent to the company's accepted risk tolerance. See also the Group's Pillar III document, which is available from Sparebanken Øst's website.

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|----------------|----------------|----------------|
| CET1 capital | | | |
| Book equity | 4.181,9 | 4.012,0 | 4.341,5 |
| Deduction items in CET1 capital | | | |
| Additional value adjustments (prudent valuation requirement) (AVA) | -7,5 | -8,3 | -8,5 |
| Dividends | 0,0 | -40,9 | -159,6 |
| Goodwill included in the valuation of significant investments | -239,8 | -245,8 | -229,0 |
| Intangible assets | -31,6 | -31,8 | -32,3 |
| CET1 capital instruments in other financial institutions (not significant) | 0,0 | 0,0 | 0,0 |
| CET1 capital instruments in other financial institutions (significant) | 0,0 | 0,0 | 0,0 |
| Other deductions from CET1 capital | -47,0 | -32,8 | -46,8 |
| Total CET1 capital | 3.856,0 | 3.652,4 | 3.865,3 |
| Other Tier 1 capital | | | |
| Hybrid Tier 1 capital | 350,0 | 350,0 | 350,0 |
| Deductions from other Tier 1 capital | | | |
| Other Tier 1 capital instruments in other financial institutions (not significant) | 0,0 | 0,0 | 0,0 |
| Other Tier 1 capital instruments in other financial institutions (significant) | 0,0 | 0,0 | 0,0 |
| Total other Tier 1 capital | 350,0 | 350,0 | 350,0 |
| Total Tier 1 capital | 4.206,0 | 4.002,4 | 4.215,3 |
| Tier 2 capital | | | |
| Subordinated loans | 400,0 | 400,0 | 400,0 |
| Deductions from Tier 2 capital | | | |
| Tier 2 capital instruments in other financial institutions (not significant) | 0,0 | 0,0 | 0,0 |
| Tier 2 capital instruments in other financial institutions (significant) | 0,0 | 0,0 | 0,0 |
| Total Tier 2 capital | 400,0 | 400,0 | 400,0 |
| Net subordinated loan capital | 4.606,0 | 4.402,4 | 4.615,3 |

Note 3 – Group - Capital adequacy (cont.)

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|-----------------|-----------------|-----------------|
| Governments and central banks | 0,0 | 0,0 | 0,0 |
| Local and regional authorities | 20,2 | 13,5 | 33,5 |
| Publicly owned companies | 6,0 | 0,0 | 0,0 |
| Multilateral development banks | 0,0 | 0,0 | 0,0 |
| Institutions | 60,5 | 45,8 | 39,0 |
| Companies | 73,3 | 321,7 | 243,1 |
| Mass market accounts | 2.996,9 | 2.854,4 | 2.825,3 |
| Accounts secured against property | 12.819,3 | 14.497,4 | 14.268,2 |
| Accounts due | 137,2 | 160,9 | 225,2 |
| High-risk commitments | 284,5 | 542,6 | 438,1 |
| Covered bonds | 463,6 | 528,2 | 542,8 |
| Shares in securities fund | 0,0 | 0,0 | 0,0 |
| Equity positions | 787,8 | 840,2 | 905,9 |
| Other exposures | 192,1 | 192,0 | 184,3 |
| Securitisation | 0,0 | 0,0 | 0,0 |
| Calculation basis for credit and counterparty risk | 17.841,4 | 19.996,6 | 19.705,3 |
| Calculation basis for currency risk | 0,0 | 0,0 | 0,0 |
| Calculation basis for operational risk | 1.454,4 | 1.444,9 | 1.454,4 |
| Calculation basis for impaired counterparty credit valuation adjustment (CVA) | 28,9 | 49,3 | 30,3 |
| Deductions from calculation basis | 0,0 | 0,0 | 0,0 |
| Total calculation basis | 19.324,7 | 21.490,8 | 21.190,0 |
| | | | |
| CET1 capital ratio | 19,95 % | 17,00 % | 18,24 % |
| Tier 1 capital ratio | 21,77 % | 18,62 % | 19,89 % |
| Capital adequacy | 23,83 % | 20,48 % | 21,78 % |
| | | | |
| Buffers | | | |
| Capital conservation buffer | 483,1 | 537,3 | 529,7 |
| Countercyclical buffer | 289,9 | 214,9 | 211,9 |
| Systemic risk buffer | 579,7 | 644,7 | 635,7 |
| Buffer for systemically important banks | 0,0 | 0,0 | 0,0 |
| Total buffer requirements | 1.352,7 | 1.396,9 | 1.377,3 |
| Available buffer capital | 2.986,4 | 2.683,1 | 2.911,8 |
| | | | |
| Leverage ratio | 9,11 % | 8,07 % | 8,60 % |

Note 4 – Group – Losses on loans, unused credit and guarantees

Loss costs

| | Q3 2022 | Q3 2021 | 01-30.09.2022 | 01-30.09.2021 | 31.12.2021 |
|---|------------|-------------|---------------|---------------|------------|
| Change in model-based provisions, Stage 1 | 0,4 | -0,9 | -0,9 | 0,5 | -10,0 |
| Change in model-based provisions, Stage 2 | 2,1 | -1,2 | 1,0 | -3,1 | 2,6 |
| Change in model-based provisions, Stage 3 | -0,1 | -0,1 | -0,1 | 0,8 | 1,0 |
| Increase in existing individual loan loss provisions | 0,7 | 2,1 | 6,5 | 7,8 | 10,2 |
| New individual loan loss provisions | 1,9 | 0,9 | 5,7 | 5,3 | 8,3 |
| Established losses covered by previous individual loan loss provisions | 2,6 | 1,2 | 4,3 | 3,2 | 4,0 |
| Reversals of previous individual loan loss provisions | -2,5 | -1,9 | -9,2 | -9,0 | -10,9 |
| Established losses not covered by previous individual loan loss provisions | -1,1 | 0,1 | -0,4 | 0,3 | 0,5 |
| Recovery of previously identified losses | -0,7 | -1,9 | -2,6 | -4,2 | -5,3 |
| Amortisation costs for the period | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Losses on loans, unused credit and guarantees | 3,3 | -1,7 | 4,3 | 1,5 | 0,5 |
| - of which losses on lending to retail customers of the parent bank and mortgage credit company | 1,8 | -1,6 | 2,2 | 0,2 | 3,0 |
| - of which losses on lending to business customers | -0,2 | -1,3 | -1,2 | -3,1 | -8,7 |
| - of which losses on lending AS Financiering | 1,6 | 1,3 | 3,6 | 4,5 | 6,0 |
| - of which losses on unused credit and guarantees | 0,1 | -0,1 | -0,2 | -0,1 | 0,2 |

Changes in loan loss provisions

| | Expected credit loss cted credit loss cted credit loss | | | |
|--|--|-------------|--------------|--------------|
| Group – 30.09.2022 | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening balance as at 01.01.2022 | 13,5 | 14,8 | 98,2 | 126,5 |
| Transferred to Stage 1 | 4,3 | -3,7 | -0,6 | 0,0 |
| Transferred to Stage 2 | -0,6 | 1,5 | -0,8 | 0,0 |
| Transferred to Stage 3 | -0,1 | -1,1 | 1,1 | 0,0 |
| Net change | -5,8 | 3,9 | 6,2 | 4,3 |
| New losses | 5,5 | 3,9 | 0,8 | 10,2 |
| Deducted losses | -4,8 | -4,2 | -3,9 | -12,9 |
| Change in risk model/parameters | 0,6 | 0,7 | 0,1 | 1,4 |
| Closing balance as at 30.09.2022 | 12,6 | 15,9 | 101,1 | 129,5 |
| - of which loan loss provisions for lending to retail customers of the parent bank and mortgage credit company | 6,1 | 8,5 | 3,7 | 18,3 |
| - of which loan loss provisions for lending to business customers | 1,5 | 1,3 | 0,3 | 3,2 |
| - of which loan loss provisions on lending AS Financiering | 4,3 | 5,8 | 96,8 | 106,9 |
| - of which loan loss provisions for unused credit and guarantees | 0,7 | 0,3 | 0,3 | 1,2 |
| Model-based loan loss provisions | 12,6 | 15,9 | 1,2 | 29,6 |
| Individual loan loss provisions | 0,0 | 0,0 | 99,9 | 99,9 |

Note 4 – Group – Losses on loans, unused credit and guarantees (cont.)

| Group - 30.09.2021 | Expected credit loss cted credit loss cted credit loss | | | Total |
|--|--|-------------|-------------|--------------|
| | Stage 1 | Stage 2 | Stage 3 | |
| Opening balance as at 01.01.2021 | 23,4 | 12,3 | 89,6 | 125,3 |
| Transferred to Stage 1 | 2,9 | -2,1 | -0,8 | 0,0 |
| Transferred to Stage 2 | -0,7 | 1,3 | -0,6 | 0,0 |
| Transferred to Stage 3 | -0,2 | -1,1 | 1,2 | 0,0 |
| Net change | -4,1 | -0,2 | 8,0 | 3,8 |
| New losses | 10,0 | 0,9 | 0,6 | 11,5 |
| Deducted losses | -6,4 | -1,8 | -3,5 | -11,7 |
| Change in risk model/parameters | -1,1 | -0,1 | -0,1 | -1,3 |
| Closing balance at 30.09.2021 | 23,9 | 9,2 | 94,4 | 127,5 |
| - of which loss provisions on lending to retail customers of the parent bank and mortgage credit company | 7,9 | 2,0 | 3,8 | 13,7 |
| - of which loan loss provisions for lending to business customers | 6,3 | 2,9 | 0,5 | 9,8 |
| - of which loan loss provisions on lending AS Financiering | 8,9 | 4,3 | 89,8 | 103,0 |
| - of which loan loss provisions for unused credit and guarantees | 0,8 | 0,0 | 0,3 | 1,1 |
| Model-based loan loss provisions | 23,9 | 9,2 | 1,1 | 34,1 |
| Individual loan loss provisions | 0,0 | 0,0 | 93,4 | 93,4 |

| Group – 31.12.2021 | Expected credit loss cted credit loss cted credit loss | | | Total |
|--|--|-------------|-------------|--------------|
| | Stage 1 | Stage 2 | Stage 3 | |
| Opening balance as at 01.01.2021 | 23,4 | 12,3 | 89,6 | 125,3 |
| Transferred to Stage 1 | 5,8 | -5,0 | -0,8 | 0,0 |
| Transferred to Stage 2 | -1,1 | 1,5 | -0,4 | 0,0 |
| Transferred to Stage 3 | -0,3 | -1,2 | 1,5 | 0,0 |
| Net change | -13,8 | 4,8 | 11,9 | 3,0 |
| New losses | 7,1 | 4,4 | 1,5 | 13,0 |
| Deducted losses | -7,6 | -2,5 | -5,0 | -15,1 |
| Change in risk model/parameters | -0,1 | 0,6 | 0,0 | 0,4 |
| Closing balance as at 31.12.2021 | 13,5 | 14,8 | 98,2 | 126,5 |
| - of which loan loss provisions for lending to retail customers of the parent bank and mortgage credit company | 6,6 | 6,0 | 3,7 | 16,3 |
| - of which loan loss provisions for lending to business customers | 2,2 | 1,6 | 0,5 | 4,3 |
| - of which loan loss provisions on lending AS Financiering | 3,9 | 6,9 | 93,8 | 104,5 |
| - of which loan loss provisions for unused credit and guarantees | 0,8 | 0,4 | 0,3 | 1,4 |
| Model-based loan loss provisions | 13,5 | 14,8 | 1,3 | 29,7 |
| Individual loan loss provisions | 0,0 | 0,0 | 96,8 | 96,8 |

Change in gross lending, broken down by stage

The table below does not include fixed-rate loans at fair value.

| Group – 30.09.2022 | Expected credit loss cted credit loss cted credit loss | | | Total |
|---|--|----------------|--------------|-----------------|
| | Stage 1 | Stage 2 | Stage 3 | |
| Opening balance as at 01.01.2022 | 37.848,4 | 1.091,5 | 298,2 | 39.238,1 |
| Transferred to Stage 1 | 338,5 | -332,5 | -6,1 | 0,0 |
| Transferred to Stage 2 | -533,7 | 569,9 | -36,2 | 0,0 |
| Transferred to Stage 3 | -26,8 | -27,5 | 54,3 | 0,0 |
| Net change | -170,9 | -87,0 | -18,0 | -275,9 |
| New loans | 14.880,1 | 329,1 | 6,3 | 15.215,5 |
| Deducted lending | -16.631,2 | -413,5 | -83,3 | -17.128,0 |
| Closing balance as at 30.09.2022 | 35.704,5 | 1.130,1 | 215,2 | 37.049,8 |
| - of which lending to retail customers of the parent bank and mortgage credit company | 30.191,2 | 792,4 | 33,5 | 31.017,1 |
| - of which lending to business customers | 3.296,2 | 110,4 | 6,7 | 3.413,2 |
| - of which lending AS Financiering | 2.217,1 | 227,2 | 175,1 | 2.619,4 |
| - of which loans with forbearance | 0,0 | 192,0 | 11,7 | 203,7 |

Note 4 – Group – Losses on loans, unused credit and guarantees (cont.)

| Group - 30.09.2021 | Stage 1 | Stage 2 | Stage 3 | Total |
|---|-----------------|--------------|--------------|-----------------|
| Opening balance as at 01.01.2021 | 34.247,1 | 761,3 | 200,4 | 35.208,8 |
| Transferred to Stage 1 | 158,8 | -154,0 | -4,8 | 0,0 |
| Transferred to Stage 2 | -281,8 | 291,8 | -10,1 | 0,0 |
| Transferred to Stage 3 | -29,0 | -57,3 | 86,4 | 0,0 |
| Net change | 313,5 | -50,3 | -27,8 | 235,5 |
| New loans | 19.127,3 | 84,7 | 9,0 | 19.221,0 |
| Deducted lending | -14.511,7 | -172,7 | -26,1 | -14.710,5 |
| Closing balance at 30.09.2021 | 39.024,2 | 703,5 | 227,2 | 39.954,8 |
| - of which lending to retail customers of the parent bank and mortgage credit company | 32.562,9 | 282,9 | 39,2 | 32.885,0 |
| - of which lending to business customers | 4.372,2 | 157,1 | 9,7 | 4.539,0 |
| - of which lending AS Financiering | 2.089,0 | 263,4 | 178,3 | 2.530,7 |
| - of which loans with forbearance | 0 | 146,9 | 24,5 | 171,4 |

| Group - 31.12.2021 | Stage 1 | Stage 2 | Stage 3 | Total |
|---|-----------------|----------------|--------------|-----------------|
| Opening balance as at 01.01.2021 | 34.247,1 | 761,3 | 200,4 | 35.208,8 |
| Transferred to Stage 1 | 357,6 | -350,6 | -7,0 | 0,0 |
| Transferred to Stage 2 | -727,2 | 734,0 | -6,7 | 0,0 |
| Transferred to Stage 3 | -102,5 | -62,5 | 165,0 | 0,0 |
| Net change | -899,6 | -71,6 | -39,2 | -1.010,3 |
| New loans | 20.405,4 | 286,8 | 16,0 | 20.708,2 |
| Deducted lending | -15.432,4 | -205,9 | -30,2 | -15.668,6 |
| Closing balance as at 31.12.2021 | 37.848,4 | 1.091,5 | 298,2 | 39.238,1 |
| - of which lending to retail customers of the parent bank and mortgage credit company | 31.590,8 | 660,5 | 47,5 | 32.298,8 |
| - of which lending to business customers | 4.182,2 | 164,1 | 72,1 | 4.418,4 |
| - of which lending AS Financiering | 2.075,3 | 267,0 | 178,5 | 2.520,8 |
| - of which loans with forbearance | 0,0 | 154,2 | 26,3 | 180,4 |

Model-based expected credit loss

With clear signs of a turnaround in the Norwegian economy, along with prospects of slower growth both nationally and internationally, we are facing a different economic outlook at the end of Q3 2022 from what was assumed when the annual financial statements for 2021 were presented. The ongoing invasion of Ukraine is having major economic repercussions both in Europe and around the world, and contributing to increased uncertainty about future developments.

As of the end of Q3 2022, the probability weighting of macro scenarios used to calculate model-based losses has changed, with the probability of a pessimistic scenario increasing 25 per cent to 30 per cent and the expected scenario reduced from 75 per cent to 70 per cent accordingly. The impact of this change amounts to NOK 1.3 million in increased loan loss provisions, of which NOK 1.2 million relates to increased provisions in Stage 1 and Stage 2. The factors for the different scenarios, which express the amount of expected credit loss in the optimistic and pessimistic scenarios compared with expected credit loss in the expected scenario, remained unchanged at the end of Q3 2022 compared with what was used in the preparation of the annual financial statements for 2021.

The table below shows the expected credit loss in the different scenarios and the probability weights. Individually assessed loan loss provisions remain unchanged in the different scenarios.

| Group - 30.09.2022 | Probability weight | Stage 1 | Stage 2 | Stage 3 | Total |
|--|--------------------|-------------|-------------|--------------|--------------|
| Optimistic scenario | 0 % | 7,4 | 9,5 | 100,6 | 117,5 |
| Expected scenario | 70 % | 9,2 | 11,9 | 100,7 | 121,9 |
| Pessimistic scenario | 30 % | 20,4 | 25,0 | 101,8 | 147,3 |
| Loan loss provisions (probability-weighted) | 100 % | 12,6 | 15,9 | 101,1 | 129,5 |

Note 5 – Group – Non-performing commitments, customers

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|--------------|--------------|--------------|
| Payment defaults (more than 90 days past due) | | | |
| Business | 7,0 | 6,6 | 7,2 |
| + Retail | 12,1 | 5,9 | 8,0 |
| + AS Financiering | 158,1 | 160,8 | 160,2 |
| = Gross payment defaults | 177,1 | 173,3 | 175,3 |
| - Loan loss provisions | 100,1 | 93,6 | 97,2 |
| = Net payment defaults | 77,0 | 79,6 | 78,1 |
| Other non-performing commitments | | | |
| Business | 0,8 | 3,6 | 65,6 |
| + Retail | 21,4 | 33,3 | 39,6 |
| + AS Financiering | 16,9 | 17,5 | 18,3 |
| = Gross other non-performing commitments | 39,2 | 54,3 | 123,6 |
| - Loan loss provisions | 0,9 | 0,8 | 1,0 |
| = Net other non-performing commitments | 38,2 | 53,5 | 122,5 |
| Non-performing commitments | | | |
| Business | 7,7 | 10,2 | 72,8 |
| + Retail | 33,5 | 39,2 | 47,5 |
| + AS Financiering | 175,1 | 178,3 | 178,5 |
| = Gross non-performing commitments | 216,3 | 227,6 | 298,8 |
| - Loan loss provisions | 101,1 | 94,4 | 98,2 |
| = Net non-performing commitments | 115,2 | 133,2 | 200,7 |

Note 6 – Group – Deposits from customers by sector and industry

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|-----------------|-----------------|-----------------|
| Salaried employees | 10.815,0 | 11.009,8 | 11.442,0 |
| Public administration | 613,5 | 637,5 | 445,2 |
| Agriculture, forestry, fishing, etc. | 111,4 | 94,6 | 90,8 |
| Industry and mining, power and water supply | 715,1 | 972,8 | 791,5 |
| Building and construction | 615,3 | 582,2 | 560,9 |
| Wholesale and retail trade, hotels and restaurants | 431,1 | 514,1 | 528,2 |
| Transport and communications | 177,8 | 207,9 | 154,1 |
| Business financial services | 1.343,2 | 1.866,2 | 1.761,7 |
| Other service industries | 856,0 | 899,7 | 878,6 |
| Real estate sales and operation | 1.028,0 | 951,3 | 806,5 |
| Abroad | 100,0 | 116,7 | 119,4 |
| Total customer deposits | 16.806,2 | 17.852,6 | 17.578,9 |

Note 7 – Group – Lending, guarantees and credit facilities by sector and industry

| | Gross lending | | | Guarantees | | | Potential exposure via overdraft facilities | | |
|--|-----------------|-----------------|-----------------|-------------|-------------|-------------|---|----------------|----------------|
| | 30.09.2022 | 30.09.2021 | 31.12.2021 | 30.09.2022 | 30.09.2021 | 31.12.2021 | 30.09.2022 | 30.09.2021 | 31.12.2021 |
| Salaried employees | 33.843,5 | 35.594,1 | 35.007,9 | 1,1 | 1,1 | 1,0 | 3.536,6 | 3.136,8 | 3.228,1 |
| Public administration | 7,2 | 7,3 | 7,1 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Agriculture, forestry, fishing, etc. | 75,7 | 93,8 | 83,6 | 0,4 | 0,4 | 0,4 | 14,9 | 15,9 | 15,5 |
| Industry and mining, power and water su | 56,8 | 58,6 | 59,0 | 0,3 | 0,5 | 0,5 | 7,8 | 4,5 | 5,4 |
| Building and construction | 480,0 | 564,7 | 730,8 | 23,8 | 51,7 | 33,0 | 29,2 | 70,7 | 47,7 |
| Wholesale and retail trade, hotels and re: | 108,8 | 128,9 | 117,2 | 6,6 | 9,0 | 8,5 | 23,0 | 30,4 | 28,8 |
| Transport and communications | 17,3 | 33,1 | 29,7 | 4,1 | 4,4 | 4,4 | 4,1 | 5,6 | 3,4 |
| Business financial services | 75,7 | 132,1 | 85,3 | 0,0 | 0,0 | 0,0 | 5,5 | 4,9 | 4,8 |
| Other service industries | 471,2 | 700,7 | 639,8 | 3,5 | 3,6 | 1,6 | 14,1 | 21,0 | 17,8 |
| Real estate sales and operation | 2.177,1 | 2.872,7 | 2.720,2 | 12,9 | 15,2 | 9,3 | 96,9 | 32,1 | 27,1 |
| Abroad | 22,8 | 33,8 | 31,1 | 0,0 | 0,0 | 0,0 | 3,1 | 0,6 | 0,7 |
| Total | 37.336,0 | 40.219,8 | 39.511,8 | 52,7 | 86,0 | 58,7 | 3.735,3 | 3.322,5 | 3.379,3 |

Note 8 – Group – Geographical distribution of lending, customers

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|-----------------------------------|-----------------|-----------------|-----------------|
| Drammen | 7.272,9 | 7.546,0 | 7.344,9 |
| Øvre Eiker | 1.967,4 | 2.042,7 | 2.021,0 |
| Asker/Bærum | 5.768,0 | 6.030,0 | 5.921,5 |
| Rest of Viken | 7.550,2 | 7.854,8 | 7.740,2 |
| Oslo | 7.818,5 | 9.180,1 | 9.097,3 |
| Vestfold/Telemark | 3.334,8 | 3.423,1 | 3.384,5 |
| Rest of Norway | 3.601,3 | 4.109,3 | 3.971,3 |
| Abroad | 22,8 | 33,8 | 31,1 |
| Gross lending to customers | 37.336,0 | 40.219,8 | 39.511,8 |

Note 9 – Group – Credit risk

Risk classification of retail and business customers is an integral part of the credit process for retail customers for the approval and overall management of the portfolio. Customers are classified on the basis of scoring models developed using statistical methods that estimate the probability of default (PD). The models are based on information about the customer's finances and behaviour. Risk classification is performed when new loan applications are assessed, then reviewed each month based on available information about changes in the customer's finances and behaviour. The risk classification scale consists of 11 categories from A to K, where risk class A represents the lowest credit risk and risk class I represents the highest risk for customers not in default. Risk classes J and K comprise commitments where there is objective evidence of non-performance, and these commitments are placed under special surveillance.

Probability of default per risk class

| Risk class | From | To |
|------------|---------|----------|
| A | 0,00 % | 0,10 % |
| B | 0,10 % | 0,25 % |
| C | 0,25 % | 0,50 % |
| D | 0,50 % | 0,75 % |
| E | 0,75 % | 1,50 % |
| F | 1,50 % | 2,75 % |
| G | 2,75 % | 5,00 % |
| H | 5,00 % | 10,00 % |
| I | 10,00 % | 99,99 % |
| Y and K | 99,99 % | 100,00 % |

| | Gross lending** | Guarantee liabilities | Overdraft facilities | Total commitments | % | Commitments, Stage 1 | Loan loss provisions, Stage 1 | Commitments, Stage 2 | Loan loss provisions, Stage 2 | Commitments, Stage 3 | Loan loss provisions, Stage 3* |
|-------------------|--------------------|--------------------------|-------------------------|----------------------|--------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|--------------------------------------|
| 30.09.2022 | | | | | | | | | | | |
| A | 14.061,9 | 22,8 | 1.397,1 | 15.481,8 | 37,6 | 15.429,7 | 1,1 | 52,1 | 0,0 | 0,0 | 0,0 |
| B | 15.588,6 | 21,5 | 2.156,6 | 17.766,7 | 43,2 | 17.665,8 | 3,6 | 100,9 | 0,1 | 0,0 | 0,0 |
| C | 4.034,7 | 3,6 | 137,2 | 4.175,5 | 10,2 | 4.082,3 | 2,0 | 93,2 | 0,1 | 0,0 | 0,0 |
| D | 1.260,4 | 0,5 | 30,1 | 1.291,0 | 3,1 | 1.029,6 | 0,9 | 261,5 | 0,7 | 0,0 | 0,0 |
| E | 806,4 | 0,6 | 4,9 | 811,9 | 2,0 | 676,5 | 1,1 | 135,4 | 0,7 | 0,0 | 0,0 |
| F | 689,3 | 0,9 | 3,6 | 693,8 | 1,7 | 558,4 | 1,5 | 135,4 | 1,1 | 0,0 | 0,0 |
| G | 348,9 | 0,0 | 1,4 | 350,2 | 0,9 | 229,6 | 1,1 | 120,6 | 1,4 | 0,0 | 0,0 |
| H | 112,5 | 0,0 | 0,0 | 112,5 | 0,3 | 44,5 | 0,4 | 68,1 | 1,0 | 0,0 | 0,0 |
| I | 214,3 | 0,0 | 3,7 | 218,0 | 0,5 | 27,7 | 0,9 | 190,3 | 10,7 | 0,0 | 0,0 |
| J | 38,6 | 0,3 | 0,3 | 38,6 | 0,1 | 0,0 | 0,0 | 3,1 | 0,0 | 35,5 | 0,0 |
| K | 180,2 | 0,5 | 0,0 | 180,7 | 0,4 | 0,0 | 0,0 | 0,4 | 0,0 | 180,3 | 101,1 |
| Unallocated | 0,2 | 1,9 | 0,4 | 2,6 | 0,0 | 2,6 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Total | 37.336,0 | 52,7 | 3.735,3 | 41.123,4 | 100,0 | 39.746,7 | 12,6 | 1.161,0 | 15,9 | 215,7 | 101,1 |

* Stage 3 provisions include individually assessed loan loss provisions of NOK 99.9 million.

** Gross lending includes loans at both amortised cost and fair value.

check gross lending

| | Gross lending** | Guarantee liabilities | Overdraft facilities | Total commitments | % | Commitments, Stage 1 | Loan loss provisions, Stage 1 | Commitments, Stage 2 | Loan loss provisions, Stage 2 | Commitments, Stage 3 | Loan loss provisions, Stage 3* |
|-------------------|--------------------|--------------------------|-------------------------|----------------------|--------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|--------------------------------------|
| 30.09.2021 | | | | | | | | | | | |
| A | 17.031,0 | 11,4 | 2.153,8 | 19.196,2 | 44,7 | 19.161,0 | 1,1 | 35,3 | 0,0 | 0,0 | 0,0 |
| B | 9.496,0 | 11,3 | 749,4 | 10.256,7 | 23,0 | 10.207,7 | 2,2 | 49,0 | 0,0 | 0,0 | 0,0 |
| C | 5.623,2 | 19,8 | 243,3 | 5.886,4 | 13,3 | 5.817,0 | 2,9 | 69,4 | 0,1 | 0,0 | 0,0 |
| D | 4.187,9 | 35,4 | 145,2 | 4.368,5 | 9,8 | 4.288,6 | 4,8 | 80,0 | 0,3 | 0,0 | 0,0 |
| E | 891,8 | 5,4 | 24,5 | 921,7 | 2,4 | 839,0 | 1,8 | 82,7 | 0,5 | 0,0 | 0,0 |
| F | 1.321,9 | 1,5 | 3,7 | 1.327,1 | 2,9 | 1.234,6 | 2,4 | 92,5 | 0,8 | 0,0 | 0,0 |
| G | 939,0 | 0,3 | 0,4 | 939,7 | 2,1 | 828,9 | 4,6 | 110,8 | 1,5 | 0,0 | 0,0 |
| H | 454,2 | 0,0 | 0,5 | 454,8 | 1,0 | 288,5 | 3,2 | 166,2 | 3,6 | 0,0 | 0,0 |
| I | 46,0 | 0,0 | 1,5 | 47,5 | 0,1 | 23,5 | 0,9 | 22,1 | 2,3 | 2,0 | 0,0 |
| J | 62,7 | 0,5 | 0,0 | 63,2 | 0,2 | 0,0 | 0,0 | 0,0 | 0,0 | 63,2 | 0,8 |
| K | 165,8 | 0,5 | 0,0 | 166,2 | 0,4 | 0,0 | 0,0 | 0,0 | 0,0 | 166,2 | 93,6 |
| Unallocated | 0,2 | 0,0 | 0,0 | 0,2 | 0,0 | 0,2 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Total | 40.219,8 | 86,0 | 3.322,5 | 43.628,3 | 100,0 | 42.688,9 | 23,9 | 707,9 | 9,2 | 231,4 | 94,4 |

* Stage 3 provisions include individually assessed loan loss provisions of NOK 93.4 million.

** Gross lending includes loans at both amortised cost and fair value.

Note 9 – Group – Credit risk (cont.)

| 31.12.2021 | Gross lending** | Guarantee liabilities | Overdraft facilities | Total commitments | % | Commitments, Stage 1 | Loan loss provisions, Stage 1 | Commitments, Stage 2 | Loan loss provisions, Stage 2 | Commitments, Stage 3 | Loan loss provisions, Stage 3* |
|--------------|--------------------|--------------------------|-------------------------|----------------------|--------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|--------------------------------------|
| A | 13.181,3 | 24,5 | 1.143,4 | 14.349,2 | 33,4 | 14.336,6 | 1,0 | 12,6 | 0,0 | 0,0 | 0,0 |
| B | 17.391,2 | 9,1 | 1.987,9 | 19.388,2 | 45,1 | 19.334,8 | 4,1 | 53,4 | 0,0 | 0,0 | 0,0 |
| C | 5.007,0 | 19,3 | 194,6 | 5.220,9 | 12,2 | 5.158,9 | 2,3 | 62,0 | 0,1 | 0,0 | 0,0 |
| D | 1.402,8 | 2,2 | 32,6 | 1.437,6 | 3,3 | 1.163,1 | 0,9 | 274,5 | 1,1 | 0,0 | 0,0 |
| E | 927,8 | 1,6 | 11,8 | 941,2 | 2,2 | 755,6 | 1,2 | 185,6 | 1,0 | 0,0 | 0,0 |
| F | 665,7 | 0,0 | 2,3 | 668,0 | 1,6 | 521,9 | 1,4 | 146,1 | 1,0 | 0,0 | 0,0 |
| G | 294,6 | 0,6 | 3,9 | 299,1 | 0,7 | 195,4 | 0,9 | 103,8 | 1,2 | 0,0 | 0,0 |
| H | 145,2 | 0,0 | 0,9 | 146,2 | 0,3 | 34,6 | 0,3 | 111,5 | 1,8 | 0,0 | 0,0 |
| I | 198,8 | 0,2 | 1,8 | 200,9 | 0,5 | 31,9 | 1,3 | 168,9 | 8,6 | 0,0 | 0,0 |
| J | 113,5 | 0,2 | 0,0 | 113,7 | 0,3 | 0,0 | 0,0 | 0,0 | 0,0 | 113,7 | 0,0 |
| K | 183,6 | 1,0 | 0,0 | 184,5 | 0,4 | 0,0 | 0,0 | 0,0 | 0,0 | 184,5 | 98,2 |
| Unallocated | 0,3 | 0,0 | 0,0 | 0,3 | 0,0 | 0,3 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Total | 39.511,8 | 58,7 | 3.379,3 | 42.949,8 | 100,0 | 41.533,0 | 13,5 | 1.118,5 | 14,8 | 298,3 | 98,2 |

* Stage 3 provisions include individually assessed loan loss provisions of NOK 96.8 million.

** Gross lending includes loans at both amortised cost and fair value.

Note 10 – Group – Classification of financial instruments

| 30.09.2022 | Fair value through profit or loss | | Measured at amortised cost* | Total |
|--|-----------------------------------|--------------|-----------------------------------|-----------------|
| | Mandatory | Designated | | |
| Cash and receivables from central banks | 0,0 | 0,0 | 498,5 | 498,5 |
| Net loans to and receivables from financial institutions | 0,0 | 0,0 | 29,9 | 29,9 |
| Net loans to and receivables from customers | 0,0 | 286,2 | 36.921,5 | 37.207,7 |
| Certificates and bonds | 6.197,8 | 0,0 | 0,0 | 6.197,8 |
| Shares and units | 795,4 | 0,0 | 0,0 | 795,4 |
| Financial derivatives** | 62,3 | 0,0 | 0,0 | 62,3 |
| Total financial assets | 7.055,4 | 286,2 | 37.449,8 | 44.791,5 |
| Liabilities to financial institutions | 0,0 | 0,0 | 302,3 | 302,3 |
| Deposits from and liabilities to customers | 0,0 | 0,0 | 16.806,2 | 16.806,2 |
| Financial derivatives** | 152,2 | 0,0 | 0,0 | 152,2 |
| Securities issued | 0,0 | 0,0 | 22.308,7 | 22.308,7 |
| Lease liabilities | 0,0 | 0,0 | 40,5 | 40,5 |
| Subordinated loan capital | 0,0 | 0,0 | 400,9 | 400,9 |
| Total financial liabilities | 152,2 | 0,0 | 39.858,6 | 40.010,8 |

* Includes hedged liabilities

** Includes derivatives for which hedge accounting is used

| 30.09.2021 | Fair value through profit or loss | | Measured at amortised cost* | Total |
|--|-----------------------------------|--------------|-----------------------------------|-----------------|
| | Mandatory | Designated | | |
| Cash and receivables from central banks | 0,0 | 0,0 | 346,8 | 346,8 |
| Net loans to and receivables from financial institutions | 0,0 | 0,0 | 9,3 | 9,3 |
| Net loans to and receivables from customers | 0,0 | 265,9 | 39.827,5 | 40.093,4 |
| Certificates and bonds | 6.953,6 | 0,0 | 0,0 | 6.953,6 |
| Shares and units | 810,7 | 0,0 | 0,0 | 810,7 |
| Financial derivatives** | 247,3 | 0,0 | 0,0 | 247,3 |
| Total financial assets | 8.011,7 | 265,9 | 40.183,5 | 48.461,2 |
| Liabilities to financial institutions | 0,0 | 0,0 | 300,8 | 300,8 |
| Deposits from and liabilities to customers | 0,0 | 0,0 | 17.852,6 | 17.852,6 |
| Financial derivatives** | 16,0 | 0,0 | 0,0 | 16,0 |
| Securities issued | 0,0 | 0,0 | 24.962,9 | 24.962,9 |
| Lease liabilities | 0,0 | 0,0 | 41,8 | 41,8 |
| Subordinated loan capital | 0,0 | 0,0 | 400,2 | 400,2 |
| Total financial liabilities | 16,0 | 0,0 | 43.558,3 | 43.574,3 |

* Includes hedged liabilities

** Includes derivatives for which hedge accounting is used

Note 10 – Group – Classification of financial instruments (cont.)

| 31.12.2021 | Fair value through profit or loss | | Measured at amortised cost* | Total |
|--|-----------------------------------|--------------|-----------------------------------|-----------------|
| | Mandatory | Designated | | |
| Cash and receivables from central banks | 0,0 | 0,0 | 302,6 | 302,6 |
| Net loans to and receivables from financial institutions | 0,0 | 0,0 | 11,0 | 11,0 |
| Net loans to and receivables from customers | 0,0 | 273,7 | 39.113,0 | 39.386,7 |
| Certificates and bonds | 7.198,9 | 0,0 | 0,0 | 7.198,9 |
| Shares and units | 848,6 | 0,0 | 0,0 | 848,6 |
| Financial derivatives** | 156,5 | 0,0 | 0,0 | 156,5 |
| Total financial assets | 8.204,0 | 273,7 | 39.426,5 | 47.904,2 |
| Liabilities to financial institutions | 0,0 | 0,0 | 300,3 | 300,3 |
| Deposits from and liabilities to customers | 0,0 | 0,0 | 17.578,9 | 17.578,9 |
| Financial derivatives** | 15,4 | 0,0 | 0,0 | 15,4 |
| Securities issued | 0,0 | 0,0 | 24.684,0 | 24.684,0 |
| Lease liabilities | 0,0 | 0,0 | 42,2 | 42,2 |
| Subordinated loan capital | 0,0 | 0,0 | 400,4 | 400,4 |
| Total financial liabilities | 15,4 | 0,0 | 43.005,8 | 43.021,2 |

* Includes hedged liabilities

** Includes derivatives for which hedge accounting is used

Note 11 – Group – Financial instruments at fair value

The bank classifies fair value measurements using a hierarchy involving the following levels:

Level 1: Observable market prices in active markets.

Level 2: Observable market prices in less active markets, or the use of inputs which are either directly or indirectly observable.

Level 3: Valuation techniques not based on observable market data.

Please see Note 21 in the Annual Report for 2021 for further details of individual accounting items.

| 30.09.2022 | Level 1 | Level 2 | Level 3 | Total |
|---|-------------|----------------|----------------|----------------|
| Fair value | | | | |
| Loans to and receivables from customers | 0,0 | 0,0 | 286,2 | 286,2 |
| Certificates and bonds | 0,0 | 6.197,8 | 0,0 | 6.197,8 |
| Shares and units | 62,6 | 0,0 | 732,7 | 795,4 |
| Financial derivatives | 0,0 | 62,3 | 0,0 | 62,3 |
| Total assets at fair value | 62,6 | 6.260,1 | 1.018,9 | 7.341,6 |
| Financial derivatives | 0,0 | 152,2 | 0,0 | 152,2 |
| Total liabilities at fair value | 0,0 | 152,2 | 0,0 | 152,2 |

| Movements in level 3 for items valued at fair value | Fixed-rate loans | through profit or loss | Total |
|---|------------------|------------------------|----------------|
| Balance sheet as at 01.01.22 | 273,7 | 780,8 | 1.054,5 |
| Net realised gains | 0,0 | 0,0 | 0,0 |
| Additions | 33,8 | 3,8 | 37,6 |
| Disposals | 12,0 | 33,7 | 45,6 |
| Changes in value | -9,4 | -18,2 | -27,6 |
| Transferred from levels 1 and 2 | 0,0 | 0,0 | 0,0 |
| Balance sheet at end of period | 286,2 | 732,7 | 1.018,9 |

| 30.09.2021 | Level 1 | Level 2 | Level 3 | Total |
|---|-------------|----------------|----------------|----------------|
| Fair value | | | | |
| Loans to and receivables from customers | 0,0 | 0,0 | 265,9 | 265,9 |
| Certificates and bonds | 0,0 | 6.953,6 | 0,0 | 6.953,6 |
| Shares and units | 69,9 | 0,0 | 740,8 | 810,7 |
| Financial derivatives | 0,0 | 247,3 | 0,0 | 247,3 |
| Total assets at fair value | 69,9 | 7.201,0 | 1.006,7 | 8.277,6 |
| Financial derivatives | 0,0 | 16,0 | 0,0 | 16,0 |
| Total liabilities at fair value | 0,0 | 16,0 | 0,0 | 16,0 |

| Movements in level 3 for items valued at fair value | Fixed-rate loans | through profit or loss | Total |
|---|------------------|------------------------|----------------|
| Balance sheet as at 01.01.2021 | 359,1 | 746,9 | 1.106,0 |
| Net realised gains | 0,0 | -0,1 | -0,1 |
| Additions | 54,0 | 0,1 | 54,1 |
| Disposals | 145,8 | 8,7 | 154,5 |
| Changes in value | -1,4 | 2,6 | 1,2 |
| Transferred from levels 1 and 2 | 0,0 | 0,0 | 0,0 |
| Balance sheet at end of period | 265,9 | 740,8 | 1.006,7 |

Note 11 – Group – Financial instruments at fair value (cont.)

| 31.12.2021 | Level 1 | Level 2 | Level 3 | Total |
|---|-------------|----------------|----------------|----------------|
| Fair value | | | | |
| Loans to and receivables from customers | 0,0 | 0,0 | 273,7 | 273,7 |
| Certificates and bonds | 0,0 | 7.198,9 | 0,0 | 7.198,9 |
| Shares and units | 67,8 | 0,0 | 780,8 | 848,6 |
| Financial derivatives | 0,0 | 156,5 | 0,0 | 156,5 |
| Total assets at fair value | 67,8 | 7.355,4 | 1.054,5 | 8.477,7 |
| Financial derivatives | 0,0 | 15,4 | 0,0 | 15,4 |
| Total liabilities at fair value | 0,0 | 15,4 | 0,0 | 15,4 |

| Movements in level 3 for items valued at fair value | Shares | | Total |
|---|------------------|------------------------|----------------|
| | Fixed-rate loans | through profit or loss | |
| Balance sheet as at 01.01.2021 | 359,1 | 746,9 | 1.106,0 |
| Net realised gains | 0,0 | 0,0 | 0,0 |
| Additions | 70,1 | 2,2 | 72,3 |
| Disposals | 147,7 | 8,7 | 156,3 |
| Changes in value | -7,9 | 40,4 | 32,5 |
| Transferred from levels 1 and 2 | 0,0 | 0,0 | 0,0 |
| Balance sheet at end of period | 273,7 | 780,8 | 1.054,5 |

Note 12 – Group – Securities issued and subordinated loan capital

| Securities issued | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|-----------------|-----------------|-----------------|
| Bonds, nominal value | 22.290,0 | 24.648,0 | 24.448,0 |
| Value adjustments (including premium/discount) | -119,9 | 188,5 | 158,1 |
| Accrued interest | 138,6 | 126,4 | 77,9 |
| Total securities issued | 22.308,7 | 24.962,9 | 24.684,0 |

| Change for securities issued | 30.09.2022 | Issued | Due/redeemed | Other changes incl. currency | 31.12.2021 |
|---|-----------------|----------------|----------------|---------------------------------|-----------------|
| Ordinary senior bonds, nominal value | 4.740,0 | 300,0 | 1.958,0 | 0,0 | 6.398,0 |
| Senior non-preferred bonds (SNP), nominal value | 900,0 | 500,0 | 0,0 | 0,0 | 400,0 |
| Covered bonds, nominal value in NOK | 16.650,0 | 1.500,0 | 2.500,0 | 0,0 | 17.650,0 |
| Value adjustments (including premium/discount) | -119,9 | 0,0 | 0,0 | -278,0 | 158,1 |
| Accrued interest | 138,6 | 0,0 | 0,0 | 60,3 | 77,9 |
| Total securities issued | 22.308,7 | 2.300,0 | 4.458,0 | -217,7 | 24.684,0 |

| Change for securities issued | 30.09.2021 | Issued | Due/redeemed | Other changes incl. currency | 31.12.2020 |
|---|-----------------|----------------|----------------|---------------------------------|-----------------|
| Ordinary senior bonds, nominal value | 7.098,0 | 400,0 | 847,0 | 0,0 | 7.545,0 |
| Senior non-preferred bonds (SNP), nominal value | 400,0 | 400,0 | 0,0 | 0,0 | 0,0 |
| Covered bonds, nominal value in NOK | 17.150,0 | 3.500,0 | 1.522,0 | 0,0 | 15.172,0 |
| Value adjustments (including premium/discount) | 188,5 | 0,0 | 0,0 | -125,6 | 314,1 |
| Accrued interest | 126,4 | 0,0 | 0,0 | 46,5 | 79,9 |
| Total securities issued | 24.962,9 | 4.300,0 | 2.369,0 | -79,1 | 23.111,0 |

| Subordinated loan capital | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|---|--------------|--------------|--------------|
| Ordinary subordinated loan capital, nominal value | 400,0 | 400,0 | 400,0 |
| Value adjustments (including premium/discount) | -0,1 | -0,2 | -0,2 |
| Accrued interest | 1,0 | 0,4 | 0,6 |
| Total subordinated loan capital | 400,9 | 400,2 | 400,4 |

| Change in subordinated loan capital | 30.09.2022 | Issued | Due/redeemed | Other changes incl. currency | 31.12.2021 |
|---|--------------|------------|--------------|---------------------------------|--------------|
| Ordinary subordinated loan capital, nominal value | 400,0 | 0,0 | 0,0 | 0,0 | 400,0 |
| Value adjustments (including premium/discount) | -0,1 | 0,0 | 0,0 | 0,1 | -0,2 |
| Accrued interest | 1,0 | 0,0 | 0,0 | 0,4 | 0,6 |
| Total subordinated loan capital | 400,9 | 0,0 | 0,0 | 0,5 | 400,4 |

| Change in subordinated loan capital | 30.09.2021 | Issued | Due/redeemed | Other changes incl. currency | 31.12.2020 |
|---|--------------|------------|--------------|---------------------------------|--------------|
| Ordinary subordinated loan capital, nominal value | 400,0 | 0,0 | 0,0 | 0,0 | 400,0 |
| Value adjustments (including premium/discount) | -0,2 | 0,0 | 0,0 | 0,1 | -0,3 |
| Accrued interest | 0,4 | 0,0 | 0,0 | -0,4 | 0,4 |
| Total subordinated loan capital | 400,2 | 0,0 | 0,0 | -0,3 | 400,1 |

Note 13 – Group – Net interest income

| | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
|---|--------------|--------------|-----------------|-----------------|----------------|
| Interest income from loans to and receivables from financial institutions | 1,5 | 0,0 | 3,0 | 0,0 | 0,3 |
| Interest income from loans to customers | 304,4 | 227,7 | 819,1 | 666,4 | 905,2 |
| Interest income from certificates and bonds | 34,5 | 13,9 | 90,9 | 41,7 | 61,1 |
| Total interest income | 340,4 | 241,5 | 913,1 | 708,1 | 966,6 |
| Interest costs on liabilities to financial institutions | 1,8 | 1,5 | 5,1 | 4,8 | 6,3 |
| Interest on deposits from customers | 34,6 | 21,8 | 85,5 | 61,7 | 86,0 |
| Interest on securities issued | 120,5 | 47,7 | 306,3 | 157,9 | 222,4 |
| Interest on subordinated loan capital | 3,2 | 1,7 | 8,3 | 5,3 | 7,3 |
| Norwegian Banks Guarantee Fund levy | 3,7 | 3,3 | 11,0 | 10,0 | 13,3 |
| Total interest costs | 163,7 | 76,0 | 416,2 | 239,6 | 335,3 |
| Net interest income | 176,6 | 165,5 | 496,8 | 468,5 | 631,3 |

Note 14 – Group – Net changes in value and gains/losses on financial instruments

| | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
|--|--------------|-------------|-----------------|-----------------|----------------|
| Net changes in value and gains/losses on certificates and bonds | -15,9 | -6,5 | -65,3 | -16,5 | -34,7 |
| Net value change and gains/losses on shares | -4,9 | 2,3 | -23,1 | 8,3 | 44,0 |
| Net changes in value and gains/losses on fixed-interest loans | -0,9 | -2,0 | -9,4 | -6,4 | -7,9 |
| Net changes in value and gains/losses on other financial instruments | 0,8 | 3,4 | 7,3 | 13,9 | 17,0 |
| Net value change and gains/losses on financial instruments | -20,8 | -2,8 | -90,5 | -0,7 | 18,4 |

Note 15 – Group – Operating costs

| | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
|---|-------------|-------------|-----------------|-----------------|----------------|
| Payroll costs incl. AGA and financial activity tax | 41,4 | 42,6 | 108,4 | 114,1 | 158,1 |
| Pension costs | 3,4 | 4,1 | 10,8 | 12,1 | 12,9 |
| Other personnel-related costs | 1,1 | 0,8 | 4,8 | 3,6 | 4,9 |
| IT costs | 11,3 | 10,8 | 34,0 | 31,8 | 43,2 |
| Other administrative costs | 3,5 | 3,8 | 11,9 | 12,4 | 17,8 |
| Depreciation/write-downs/changes in value of non-financial assets | 6,8 | 6,9 | 20,2 | 20,7 | 27,6 |
| Operating costs, properties and premises | 2,5 | 1,9 | 8,2 | 6,0 | 8,0 |
| Other operating costs | 9,7 | 8,9 | 29,2 | 25,9 | 33,3 |
| Total operating costs | 79,8 | 79,5 | 227,5 | 226,6 | 305,7 |

Note 16 – Group – Pledged assets and preferential rights

| Pledges of security | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|---|-------------------|-------------------|-------------------|
| Bonds, nominal value, pledged as security for borrowing facilities at Norges Bank | 1.317,0 | 1.340,0 | 1.340,0 |
| Total pledges of security | 1.317,0 | 1.340,0 | 1.340,0 |

| Preferential rights | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|-------------------|-------------------|-------------------|
| Preferential rights in accordance with Section 11-15 of the Norwegian Financial Institutions Act (nominal value) | 16.650,0 | 18.150,0 | 18.150,0 |
| Total preferential rights | 16.650,0 | 18.150,0 | 18.150,0 |

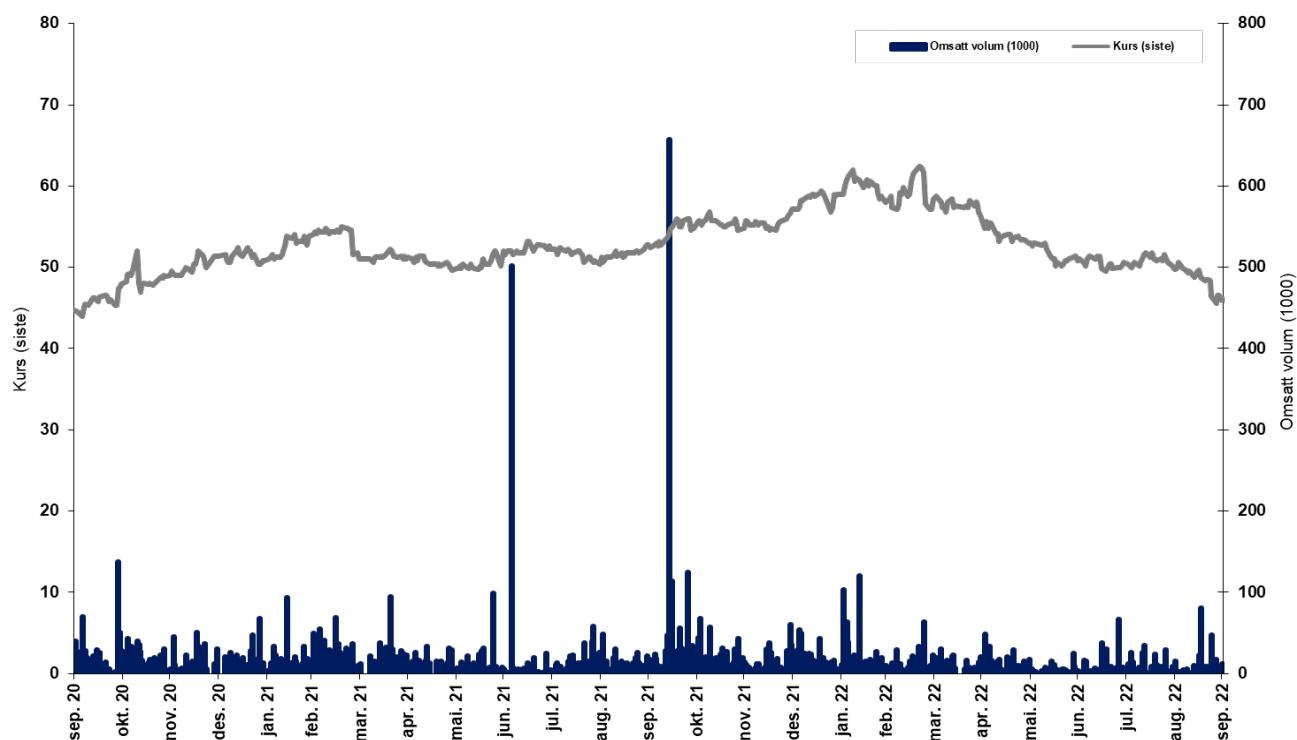
The parent bank's holdings of covered bonds had a nominal value of NOK 0.0 million as at 30.09.2022, NOK 1,000.0 million as at 30.09.2021 and NOK 500.0 million as at 31.12.2021 and are not included in the table above.

Note 17 – Group – Equity certificates

Ownership fraction, parent bank

| | 01.01.2022 | 01.01.2021 |
|---|--------------|--------------|
| Equity certificate capital | 207,3 | 207,3 |
| Premium reserve | 387,8 | 387,8 |
| Equalisation fund (excl. dividend) | 333,4 | 319,4 |
| Share of Fund for Unrealised Gains | 135,5 | 128,7 |
| Total numerator (A) | 1.064,1 | 1.043,2 |
| Total equity excl. hybrid capital (dividend provisions for the year excluded) | 3.722,5 | 3.525,6 |
| Total denominator (B) | 3.722,5 | 3.525,6 |
| Ownership fraction (A/B) as a %* | 28,59 | 29,59 |

Sparebanken Øst (SPOG)



The 20 largest equity certificate holders as at 30.09.2022

| Name | Number | % | Name | Number | % |
|-------------------------------|-----------|--------|----------------------------------|---------|--------|
| 1 MP Pensjon | 1.557.815 | 7,51 % | 11 Active Portfolio AS | 210.000 | 1,01 % |
| 2 Directmarketing Invest AS | 999.500 | 4,82 % | 12 Intertrade Shipping AS | 205.000 | 0,99 % |
| 3 VPF Eika Egenkapitalbevis | 948.528 | 4,58 % | 13 Profond AS | 162.107 | 0,78 % |
| 4 Foretakskonsulenter AS | 507.841 | 2,45 % | 14 Morgan Stanley & Co. Internal | 144.760 | 0,70 % |
| 5 KLP | 488.834 | 2,36 % | 15 Teigen, Anne Kristine | 121.025 | 0,58 % |
| 6 Hansen, Asbjørn Rudolf | 445.502 | 2,15 % | 16 Spesialfondet Borea Utbytte | 120.400 | 0,58 % |
| 7 Jag Holding AS | 395.897 | 1,91 % | 17 Seriana AS | 120.000 | 0,58 % |
| 8 Wenaasgruppen AS | 273.000 | 1,32 % | 18 Juel, Iver Albert | 105.000 | 0,51 % |
| 9 BKK Pensjonskasse | 250.000 | 1,21 % | 19 Wergeland Holding AS | 104.933 | 0,51 % |
| 10 AS Andersen Eiendomselskap | 238.900 | 1,15 % | 20 Sørby, Leif Ove | 102.399 | 0,49 % |

Changes in key figures – Group

| | Q3 2022 | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 |
|--|------------|------------|------------|------------|------------|
| Profitability | | | | | |
| 1. Return on equity* | 5,21 | 6,87 | 5,61 | 8,86 | 6,44 |
| 2. Net interest income as a % of average total assets | 1,55 | 1,38 | 1,38 | 1,33 | 1,35 |
| 3. Profit/loss after income tax as a % of average total assets | 0,54 | 0,67 | 0,53 | 0,80 | 0,58 |
| 4. Costs as a % of average total assets | 0,70 | 0,58 | 0,69 | 0,65 | 0,65 |
| 5. Costs as a % of income (before losses on loans/guarantees)* | 48,32 | 41,27 | 50,49 | 40,65 | 46,85 |
| 6. Costs as a % of income (excl. return on financial investments)* | 42,94 | 39,71 | 46,66 | 45,09 | 46,14 |
| Balance sheet figures | | | | | |
| 7. Net lending to customers | 37.207,7 | 37.666,8 | 38.316,4 | 39.386,7 | 40.093,4 |
| 8. Lending growth (quarter) | -1,22 | -1,70 | -2,72 | -1,76 | -0,82 |
| 9. Deposits | 16.806,2 | 17.471,9 | 17.099,6 | 17.578,9 | 17.852,6 |
| 10. Deposit growth (quarter) | -3,81 | 2,18 | -2,73 | -1,53 | 3,09 |
| 11. Average equity | 4.341,9 | 4.276,8 | 4.211,0 | 4.210,1 | 4.204,2 |
| 12. Average total assets | 45.338,4 | 46.156,9 | 47.439,1 | 48.410,6 | 48.805,3 |
| Loan loss provisions on impaired and non-performing commitments | | | | | |
| 13. Losses as a % of net lending to customers (OB)* | 0,03 | 0,01 | 0,00 | -0,01 | -0,02 |
| 14. Loan loss provisions as a % of gross lending to customers* | 0,35 | 0,34 | 0,33 | 0,32 | 0,32 |
| 15. Net payments over 90 days past due as a % of net lending | 0,21 | 0,28 | 0,30 | 0,20 | 0,20 |
| 16. Other net non-performing commitments (Stage 3) as a % of net lending | 0,10 | 0,12 | 0,13 | 0,31 | 0,13 |
| Financial strength | | | | | |
| 17. CET1 capital ratio incl. 50% of retained earnings (%) | 20,44 | 20,04 | 19,01 | 18,24 | 17,62 |
| 18. CET1 capital ratio (%) | 19,95 | 19,71 | 18,87 | 18,24 | 17,00 |
| 19. Tier 1 capital ratio (%) | 21,77 | 21,50 | 20,56 | 19,89 | 18,62 |
| 20. Capital adequacy ratio (%) | 23,83 | 23,55 | 22,50 | 21,78 | 20,48 |
| 21. Risk-weighted volume (calculation basis) | 19.324,7 | 19.517,5 | 20.664,1 | 21.190,0 | 21.490,8 |
| 22. Leverage ratio incl. 50% of retained earnings (%) | 9,31 | 9,14 | 8,95 | 8,60 | 8,34 |
| 23. Leverage ratio (%) | 9,11 | 8,99 | 8,89 | 8,60 | 8,07 |
| Liquidity | | | | | |
| 24. Deposit coverage ratio | 45,17 | 46,39 | 44,63 | 44,63 | 44,53 |
| 25. LCR (%) | 273,80 | 248,46 | 257,69 | 249,72 | 193,19 |
| Branches and FTEs | | | | | |
| 26. No. of branches | 30 | 30 | 29 | 29 | 29 |
| 27. FTEs | 179 | 178 | 181 | 187 | 184 |
| Equity certificates | | | | | |
| 28. Ownership fraction (parent bank) (%) | 28,59 | 28,59 | 28,59 | 29,59 | 29,59 |
| 29. No. of equity certificates | 20.731.183 | 20.731.183 | 20.731.183 | 20.731.183 | 20.731.183 |
| 30. Book equity per equity certificate* | 60,26 | 59,48 | 58,47 | 61,51 | 61,49 |
| 31. Earnings per equity certificate* | 0,79 | 1,01 | 0,80 | 1,34 | 0,97 |
| 32. Dividend per equity certificate | 0,00 | 0,00 | 0,00 | 3,85 | 0,00 |
| 33. Turnover rate | 14,22 | 13,96 | 25,53 | 42,39 | 24,17 |
| 34. Price | 46,10 | 50,80 | 58,40 | 57,20 | 52,80 |

* Defined as alternative performance target

Definitions of key figures and alternative profit targets

| | |
|--|--|
| Profitability | |
| 1. Return on equity* | The profit/loss that is attributable to equity certificates and primary capital as a % of average equity adjusted for hybrid capital. The key figure provides relevant information about the Group's profitability by measuring its ability to generate profitability on equity. The return on equity is one of Sparebanken Øst's most important target figures. |
| 2. Net interest income as a % of average total assets | Net interest income as a % of average total assets |
| 3. Profit/loss after income tax as a % of average total assets | Profit/loss after tax as a % of average total assets |
| 4. Costs as a % of average total assets | Payroll, etc., administrative costs, amortisation and other operating costs as % of average total assets |
| 5. Costs as a % of income (before losses on loans/guarantees)* | Payroll, etc., administrative costs, amortisation and other operating costs as a % of net interest income, dividend, net commission income, net value changes and gains/losses on financial instruments and other operating income. The key figure is used to provide information about the ratio between income and costs. |
| 6. Costs as a % of income (excl. return on financial investments)* | Payroll, etc., administrative costs, amortisation and other operating costs as a % of net interest income, net commission income and other operating income. The key figure is used to provide information about the ratio between income and costs. |
| Balance sheet figures | |
| 7. Net lending to customers | Gross lending minus loan loss provisions |
| 8. Lending growth (quarter/12 months) | Change in net lending as a % of OB net lending. Quarterly figures show growth in the quarter, while other figures show 12-month growth. |
| 9. Deposits | Customer deposits |
| 10. Deposit growth (quarter/12 months) | Change in deposits as a % of OB deposits. Quarterly figures show growth in the quarter, while other figures show 12-month growth. |
| 11. Average equity | (OB equity (adjusted for hybrid capital) less proposed dividends + CB equity (adjusted for hybrid capital) less proposed dividends)/2. |
| 12. Average total assets | Average total assets based on quarterly balance sheet figures |
| Loan loss provisions on impaired and non-performing commitments | |
| 13. Losses as a % of net lending to customers (OB)* | Losses as % of OB net loans to customers for the period The key figure indicates the recognised loss in relation to net lending at the beginning of the accounting period and provides relevant information on the extent of the losses incurred by the Group in relation to its lending volume. |
| 14. Loan loss provisions as a % of gross lending to customers* | Total loan loss provisions, Stages 1, 2 and 3, as a % of gross lending. This key figure provides relevant information about credit risk and is deemed useful additional information besides that stated in the loss notes. |
| 15. Net payments over 90 days past due as a % of net lending | Net payment defaults exceeding 90 days as a % of net lending. This key figure provides relevant information about credit risk and is deemed useful additional information besides that stated in the loss notes. |
| 16. Other net non-performing commitments (Stage 3) as a % of net lending | Net other non-performing commitments as a % of net lending. This key figure provides relevant information about credit risk and is deemed useful additional information besides stated in the loss notes. |
| Financial strength | |
| 17. CET1 capital ratio incl. 50% of retained earnings (%) | CET1 capital incl. 50% of equity certificate holders' and primary capital share of the unallocated profit as a % of risk-weighted volume (total calculation basis) |
| 18. CET1 capital ratio (%) | CET1 capital as a % of the risk-weighted volume (basis for calculation) |
| 19. Tier 1 capital ratio (%) | Tier 1 capital as a % of the risk-weighted volume (basis for calculation) |
| 20. Capital adequacy ratio (%) | Total primary capital as a % of the risk-weighted volume (basis for calculation) |
| 21. Risk-weighted volume (calculation basis) | Total credit and counterparty risk, currency risk, operational risk and calculation basis for impaired counterparty credit rating (CVA) |
| 22. Leverage ratio incl. 50% retained earnings (%) | Tier 1 capital incl. 50% of equity certificate holders' and primary capital share of the unallocated profit as a % of the unweighted basis for calculation. |
| 23. Leverage ratio (%) | Tier 1 capital as a % of unweighted calculation basis |
| Liquidity | |
| 24. Deposit coverage ratio | Deposits as a % of net lending to customers. |
| 25. LCR (%) | Liquid assets as a % of net payments in a stress scenario lasting 30 days |
| Branches and FTEs | |
| 26. No. of branches | |
| 27. FTEs | |
| Equity certificates | |
| 28. Ownership fraction (parent bank) (%) | Equity certificate holders' share of total equity adjusted for hybrid capital (less proposed dividends) as a % (basis at 01.01, time-weighted at issue). |
| 29. No. of equity certificates | Total no. of outstanding equity certificates |
| 30. Book equity per equity certificate* | Equity share capital divided by no. of equity certificates. The calculation includes the year's allocation for dividends. The key figure provides information about the value of the book equity per equity certificate. This allows the reader to assess the reasonableness of the market price in relation to the equity certificate. |
| 31. Earnings per equity certificate* | The equity share capital's share of the profit/loss after tax divided by time-weighted average number of equity certificates during the period. |
| 32. Dividend per equity certificate | Dividend in NOK per equity certificate |
| 33. Turnover rate | Annualised turnover rate (traded as a % of issued) |
| 34. Price | The most recently traded price on the Oslo Stock Exchange as at the balance sheet date. |
| * Defined as alternative performance target | |

Financial performance – Group

| (Amounts in NOK millions) | Q3 2022 | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 |
|---|--------------|--------------|--------------|--------------|--------------|
| Interest income | 340,4 | 296,0 | 276,6 | 258,5 | 241,5 |
| Interest costs | 163,7 | 137,7 | 114,8 | 95,7 | 76,0 |
| Net interest income | 176,6 | 158,3 | 161,9 | 162,8 | 165,5 |
| Commission income and income from banking services | 21,2 | 20,9 | 23,0 | 24,1 | 19,0 |
| Commission costs and costs for banking services | 12,6 | 12,3 | 11,7 | 12,1 | 12,4 |
| Dividend | 0,1 | 50,1 | 0,0 | 0,0 | 0,2 |
| Net changes in value and gains/losses on financial instruments | -20,8 | -56,4 | -13,2 | 19,1 | -2,8 |
| Other operating income | 0,5 | 0,8 | 0,7 | 0,5 | 0,2 |
| Net other operating income | -11,5 | 3,0 | -1,3 | 31,6 | 4,2 |
| Payroll, etc. | 45,9 | 31,3 | 46,8 | 46,0 | 47,5 |
| Administration costs | 14,8 | 15,3 | 15,8 | 16,8 | 14,5 |
| Depreciation/write-downs/changes in value of non-financial assets | 6,8 | 6,7 | 6,6 | 6,8 | 6,9 |
| Other operating costs | 12,2 | 13,3 | 11,9 | 9,5 | 10,7 |
| Total operating costs | 79,8 | 66,6 | 81,1 | 79,0 | 79,5 |
| Profit/loss before losses | 85,3 | 94,7 | 79,5 | 115,4 | 90,2 |
| Losses on loans, unused credit and guarantees | 3,3 | 0,8 | 0,2 | -1,0 | -1,7 |
| Profit/loss before income tax | 82,1 | 93,9 | 79,3 | 116,4 | 91,9 |
| Income tax | 20,4 | 16,3 | 17,1 | 18,7 | 20,2 |
| Profit/loss after tax | 61,7 | 77,6 | 62,2 | 97,7 | 71,7 |
| | | | | | |
| Hybrid capital owners' share of the result | 4,7 | 4,4 | 3,9 | 3,7 | 3,4 |
| Equity certificate holders' and primary capital share of profits | 57,0 | 73,2 | 58,3 | 94,0 | 68,3 |
| Profit/loss after tax | 61,7 | 77,6 | 62,2 | 97,7 | 71,7 |
| | | | | | |
| Earnings per equity certificate | 0,79 | 1,01 | 0,80 | 1,34 | 0,97 |
| Diluted earnings per equity certificate | 0,79 | 1,01 | 0,80 | 1,34 | 0,97 |

Comprehensive income performance – Group

| (Amounts in NOK millions) | Q3 2022 | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 |
|--|-------------|-------------|-------------|--------------|-------------|
| Profit/loss after tax | 61,7 | 77,6 | 62,2 | 97,7 | 71,7 |
| Items that will not be reclassified to the income statement | | | | | |
| Actuarial gains and losses on defined-benefit plans | 0,0 | 0,0 | 0,0 | 12,2 | 0,0 |
| Tax related to items that cannot be reclassified | 0,0 | 0,0 | 0,0 | -3,0 | 0,0 |
| Comprehensive income | 61,7 | 77,6 | 62,2 | 106,9 | 71,7 |

Balance sheet performance – Group

| (Amounts in NOK millions) | 30.09.2022 | 30.06.2022 | 31.03.2022 | 31.12.2021 | 30.09.2021 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Assets | | | | | |
| Cash and receivables from central banks | 498,5 | 520,8 | 461,1 | 302,6 | 346,8 |
| Loans to and receivables from financial institutions | 29,9 | 9,5 | 11,7 | 11,0 | 9,3 |
| Loans to and receivables from customers | 37.207,7 | 37.666,8 | 38.316,4 | 39.386,7 | 40.093,4 |
| Certificates and bonds | 6.197,8 | 6.188,6 | 6.790,5 | 7.198,9 | 6.953,6 |
| Shares and units | 795,4 | 796,7 | 820,5 | 848,6 | 810,7 |
| Financial derivatives | 62,3 | 54,0 | 58,5 | 156,5 | 247,3 |
| Investment properties | 11,5 | 11,5 | 11,6 | 11,7 | 11,7 |
| Tangible fixed assets | 151,1 | 150,3 | 149,3 | 148,6 | 146,9 |
| Lease rights | 39,5 | 41,9 | 41,6 | 41,2 | 40,8 |
| Other assets | 99,1 | 100,9 | 72,1 | 8,4 | 9,2 |
| Prepaid non-accrued costs and income earned, but not received | 21,0 | 22,1 | 17,3 | 13,5 | 23,8 |
| Total assets | 45.113,6 | 45.563,2 | 46.750,6 | 48.127,6 | 48.693,6 |
| Liabilities and equity | | | | | |
| Liabilities to financial institutions | 302,3 | 300,6 | 301,5 | 300,3 | 300,8 |
| Deposits from and liabilities to customers | 16.806,2 | 17.471,9 | 17.099,6 | 17.578,9 | 17.852,6 |
| Financial derivatives | 152,2 | 139,7 | 104,5 | 15,4 | 16,0 |
| Securities issued | 22.308,7 | 22.203,4 | 23.694,6 | 24.684,0 | 24.962,9 |
| Other liabilities | 301,4 | 264,0 | 425,4 | 329,9 | 385,5 |
| Accruals and deferred income | 36,0 | 32,0 | 48,5 | 42,6 | 39,4 |
| Other provisions and liabilities | 36,6 | 36,6 | 36,7 | 36,8 | 62,8 |
| Deferred tax liability | 6,0 | 6,0 | 4,6 | 3,7 | 0,6 |
| Lease liabilities | 40,5 | 42,9 | 42,6 | 42,2 | 41,8 |
| Subordinated loan capital | 400,9 | 400,6 | 400,5 | 400,4 | 400,2 |
| Total liabilities | 40.390,8 | 40.897,6 | 42.158,3 | 43.434,2 | 44.062,7 |
| Paid-up equity | 595,1 | 595,1 | 595,1 | 595,1 | 595,1 |
| Hybrid capital | 352,4 | 352,1 | 352,1 | 351,9 | 351,7 |
| Retained earnings | 3.775,3 | 3.718,3 | 3.645,1 | 3.746,4 | 3.684,2 |
| Total equity | 4.722,8 | 4.665,5 | 4.592,2 | 4.693,4 | 4.630,9 |
| Total liabilities and equity | 45.113,6 | 45.563,2 | 46.750,6 | 48.127,6 | 48.693,6 |

Income statement – parent bank

| (Amounts in NOK millions) | Note | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
|---|------|--------------|-------------|-----------------|-----------------|----------------|
| Interest income | | 192,0 | 124,1 | 498,1 | 363,7 | 501,6 |
| Interest costs | | 80,5 | 47,7 | 202,4 | 145,7 | 199,9 |
| Net interest income | | 111,5 | 76,4 | 295,6 | 218,0 | 301,6 |
| Commission income and income from banking services | | 27,3 | 25,7 | 83,4 | 74,0 | 104,5 |
| Commission costs and costs for banking services | | 4,5 | 4,6 | 12,9 | 13,0 | 17,6 |
| Dividend | | 0,1 | 0,2 | 50,3 | 71,4 | 235,1 |
| Net changes in value and gains/losses on financial instruments | | -19,6 | -2,6 | -92,2 | -0,9 | 17,3 |
| Other operating income | | 1,2 | 0,8 | 3,7 | 4,7 | 5,8 |
| Net other operating income | | 4,5 | 19,5 | 32,2 | 136,2 | 345,0 |
| Payroll, etc. | | 40,8 | 42,4 | 110,5 | 116,9 | 157,8 |
| Administration costs | | 12,4 | 11,9 | 38,3 | 36,1 | 50,3 |
| Depreciation/write-downs/changes in value of non-financial assets | | 6,5 | 6,6 | 19,2 | 20,2 | 26,7 |
| Other operating costs | | 10,1 | 8,3 | 29,1 | 23,8 | 31,2 |
| Total operating costs | | 69,8 | 69,3 | 197,2 | 196,9 | 265,9 |
| Profit/loss before losses | | 46,2 | 26,6 | 130,6 | 157,2 | 380,7 |
| Losses on loans, unused credit and guarantees | 3 | 1,4 | -2,7 | 0,5 | -3,3 | -6,9 |
| Profit/loss before income tax | | 44,8 | 29,3 | 130,1 | 160,5 | 387,6 |
| Income tax | | 11,9 | 5,9 | 24,6 | 19,7 | 26,2 |
| Profit/loss after tax | | 33,0 | 23,4 | 105,4 | 140,8 | 361,5 |
| | | | | | | |
| Hybrid capital owners' share of the result | | 4,7 | 3,4 | 13,0 | 10,4 | 14,1 |
| Equity certificate holders' and primary capital share of profits | | 28,3 | 20,0 | 92,5 | 130,4 | 347,4 |
| Profit/loss after tax | | 33,0 | 23,4 | 105,4 | 140,8 | 361,5 |
| | | | | | | |
| Earnings per equity certificate | | 0,39 | 0,29 | 1,28 | 1,86 | 4,96 |
| Diluted earnings per equity certificate | | 0,39 | 0,29 | 1,28 | 1,86 | 4,96 |

Comprehensive income – parent bank

| (Amounts in NOK millions) | Note | Q3 2022 | Q3 2021 | 1.01-30.09.2022 | 1.01-30.09.2021 | Full year 2021 |
|---|------|-------------|-------------|-----------------|-----------------|----------------|
| Profit/loss after tax | | 33,0 | 23,4 | 105,4 | 140,8 | 361,5 |
| Items that will not be reclassified to the income statement | | | | | | |
| Actuarial gains and losses on defined-benefit plans | | 0,0 | 0,0 | 0,0 | 0,0 | 11,7 |
| Tax related to items that cannot be reclassified | | 0,0 | 0,0 | 0,0 | 0,0 | -2,9 |
| Items that may later be reclassified to the income statement | | | | | | |
| Lending at fair value | | -0,2 | -0,5 | -0,1 | 0,1 | 0,5 |
| Tax related to items that can be reclassified | | 0,0 | 0,1 | 0,0 | 0,0 | -0,1 |
| Comprehensive income | | 32,8 | 23,0 | 105,3 | 140,9 | 370,6 |

Balance sheet – parent bank

| (Amounts in NOK millions) | Note | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|---|------|-----------------|-----------------|-----------------|
| Assets | | | | |
| Cash and receivables from central banks | | 498,5 | 346,7 | 302,6 |
| Loans to and receivables from financial institutions | | 2.546,5 | 2.605,7 | 2.599,4 |
| Loans to and receivables from customers | 4 | 16.638,6 | 18.319,1 | 17.502,9 |
| Certificates and bonds | 4 | 5.922,7 | 7.656,7 | 7.385,7 |
| Shares and units | 4 | 795,4 | 810,7 | 848,6 |
| Financial derivatives | 4 | 27,7 | 113,3 | 69,4 |
| Ownership interests in Group companies | | 1.800,0 | 1.760,0 | 1.760,0 |
| Deferred tax asset | | 5,7 | 7,7 | 5,6 |
| Tangible fixed assets | | 92,2 | 90,1 | 91,5 |
| Lease rights | | 68,7 | 72,1 | 71,6 |
| Other assets | | 96,1 | 8,4 | 6,0 |
| Prepaid non-accrued costs and income earned, but not received | | 20,7 | 25,6 | 14,4 |
| Total assets | | 28.512,9 | 31.816,1 | 30.657,6 |
| Liabilities and equity | | | | |
| Liabilities to financial institutions | | 995,0 | 1.389,3 | 1.136,4 |
| Deposits from and liabilities to customers | | 16.876,2 | 17.926,6 | 17.652,1 |
| Financial derivatives | 4 | 124,8 | 16,0 | 15,4 |
| Securities issued | 5 | 5.529,5 | 7.608,6 | 6.860,9 |
| Other liabilities | | 284,8 | 260,7 | 214,4 |
| Accruals and deferred income | | 28,2 | 31,2 | 34,8 |
| Other provisions and liabilities | | 35,5 | 61,0 | 35,9 |
| Lease liabilities | | 70,6 | 73,7 | 73,4 |
| Subordinated loan capital | 5 | 400,9 | 400,2 | 400,4 |
| Total liabilities | | 24.345,6 | 27.767,4 | 26.423,6 |
| Paid-up equity | | 595,1 | 595,1 | 595,1 |
| Hybrid capital | | 352,4 | 351,7 | 351,9 |
| Retained earnings | | 3.219,8 | 3.101,9 | 3.287,1 |
| Total equity | | 4.167,3 | 4.048,7 | 4.234,0 |
| Total liabilities and equity | | 28.512,9 | 31.816,1 | 30.657,6 |

Changes in equity – parent bank

| (Amounts in NOK millions) | Paid-up equity | | Hybrid capital | | | Retained earnings | | | | |
|---|----------------|---------------------|-----------------------|---------------------------|-------------------|-------------------|----------------|------------------|--------------------|-----------------|
| | Total equity | Equity certificates | Share premium reserve | Additional Tier 1 capital | Equalisation fund | Primary capital | Endowment fund | Fund for | Value change | Retained profit |
| | | | | | | | | unrealised gains | income as reclass. | |
| 30.09.2022 | | | | | | | | | | |
| Equity as at 31.12.2021 | 4.234,0 | 207,3 | 387,8 | 351,9 | 413,3 | 2.361,5 | 38,1 | 473,7 | 0,5 | 0,0 |
| Ordinary profit | 105,4 | 0,0 | 0,0 | 13,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 92,5 |
| Change in lending at fair value through comprehensive | -0,1 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | -0,1 | 0,0 |
| Comprehensive income | 105,3 | 0,0 | 0,0 | 13,0 | 0,0 | 0,0 | 0,0 | 0,0 | -0,1 | 92,5 |
| Dividend to equity certificate holders 2021 – adopted | -79,8 | 0,0 | 0,0 | 0,0 | -79,8 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Dividend to social capital 2021 – adopted | -79,8 | 0,0 | 0,0 | 0,0 | 0,0 | -79,8 | 0,0 | 0,0 | 0,0 | 0,0 |
| Interest paid on hybrid capital | -12,4 | 0,0 | 0,0 | -12,4 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Equity as at 30.09.2022 | 4.167,3 | 207,3 | 387,8 | 352,4 | 333,4 | 2.281,7 | 38,1 | 473,7 | 0,4 | 92,5 |

| (Amounts in NOK millions) | Paid-up equity | | Hybrid capital | | | Retained earnings | | | | |
|---|----------------|---------------------|-----------------------|---------------------------|-------------------|-------------------|----------------|------------------|--------------------|-----------------|
| | Total equity | Equity certificates | Share premium reserve | Additional Tier 1 capital | Equalisation fund | Primary capital | Endowment fund | Fund for | Value change | Retained profit |
| | | | | | | | | unrealised gains | income as reclass. | |
| 30.09.2021 | | | | | | | | | | |
| Equity as at 31.12.2020 | 3.996,5 | 207,3 | 387,8 | 351,7 | 412,6 | 2.164,1 | 38,1 | 434,7 | 0,2 | 0,0 |
| Ordinary profit | 140,8 | 0,0 | 0,0 | 10,4 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 130,4 |
| Change in lending at fair value through comprehensive | 0,1 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,1 | 0,0 |
| Comprehensive income | 140,9 | 0,0 | 0,0 | 10,4 | 0,0 | 0,0 | 0,0 | 0,0 | 0,1 | 130,4 |
| Dividend to equity certificate holders 2020 – adopted | -72,6 | 0,0 | 0,0 | 0,0 | -72,6 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Dividend to social capital 2020 – adopted | -5,7 | 0,0 | 0,0 | 0,0 | 0,0 | -5,7 | 0,0 | 0,0 | 0,0 | 0,0 |
| Interest paid on hybrid capital | -10,5 | 0,0 | 0,0 | -10,5 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Equity as at 30.09.2021 | 4.048,7 | 207,3 | 387,8 | 351,7 | 340,1 | 2.158,4 | 38,1 | 434,7 | 0,2 | 130,4 |

| (Amounts in NOK millions) | Paid-up equity | | Hybrid capital | | | Retained earnings | | | | |
|---|----------------|---------------------|-----------------------|---------------------------|-------------------|-------------------|----------------|------------------|--------------------|-----------------|
| | Total equity | Equity certificates | Share premium reserve | Additional Tier 1 capital | Equalisation fund | Primary capital | Endowment fund | Fund for | Value change | Retained profit |
| | | | | | | | | unrealised gains | income as reclass. | |
| 2021 | | | | | | | | | | |
| Equity as at 31.12.2020 | 3.996,5 | 207,3 | 387,8 | 351,7 | 412,6 | 2.164,1 | 38,1 | 434,7 | 0,2 | 0,0 |
| Ordinary profit | 361,5 | 0,0 | 0,0 | 14,1 | 91,3 | 217,2 | 0,0 | 38,9 | 0,0 | 0,0 |
| Change in lending at fair value through comprehensive | 0,4 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,4 | 0,0 |
| Actuarial gains and losses on defined-benefit plans | 8,8 | 0,0 | 0,0 | 0,0 | 2,6 | 6,2 | 0,0 | 0,0 | 0,0 | 0,0 |
| Comprehensive income | 370,6 | 0,0 | 0,0 | 14,1 | 93,9 | 223,4 | 0,0 | 38,9 | 0,4 | 0,0 |
| Dividend to equity certificate holders 2020 – adopted | -93,3 | 0,0 | 0,0 | 0,0 | -93,3 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Dividend to social capital 2020 – adopted | -25,9 | 0,0 | 0,0 | 0,0 | 0,0 | -25,9 | 0,0 | 0,0 | 0,0 | 0,0 |
| Interest paid on hybrid capital | -14,0 | 0,0 | 0,0 | -14,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Equity as at 31.12.2021 | 4.234,0 | 207,3 | 387,8 | 351,9 | 413,2 | 2.361,6 | 38,1 | 473,7 | 0,5 | 0,0 |

Cash flow statement – parent bank

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|---|-------------------|-------------------|-------------------|
| Operating activities | | | |
| Profit/loss before income tax | 130,1 | 160,5 | 387,6 |
| Adjusted for: | | | |
| Change in net interest income earned and accrued interest costs | 54,1 | 43,7 | -8,5 |
| Net payment/disbursement of loans to financial institutions | 71,9 | -377,0 | -369,0 |
| Net receipts/disbursements of loans to customers | 868,7 | -1.882,1 | -1.058,3 |
| Change in certificates and bonds | 1.468,4 | -441,0 | -166,8 |
| Changes in value of equities and units | 28,2 | -8,2 | -43,9 |
| Change in other assets in connection with operations | -110,3 | -21,9 | -13,4 |
| Net receipts/disbursement of borrowing from financial institutions | -145,2 | 217,5 | -33,8 |
| Net receipts/disbursement of deposits from customers | -836,5 | 2.963,2 | 2.733,7 |
| Change in other operating liabilities | -18,7 | -67,1 | -153,1 |
| Non-cash items included in profit/loss before income tax | 20,2 | 17,8 | 20,5 |
| Net gain/loss from investing activities | -5,0 | -0,6 | -0,6 |
| Net gain/loss from financing activities | 0,4 | 0,1 | 0,2 |
| Taxes paid for the period | -31,7 | -38,2 | -39,0 |
| Net cash flow from operating activities | A | 1.494,5 | 566,7 |
| Investing activities | | | |
| Payments on purchases of tangible fixed assets | -11,0 | -12,3 | -17,1 |
| Proceeds from sales of tangible fixed assets | 0,9 | 0,8 | 0,8 |
| Payments on purchases of financial investments | -3,8 | 0,0 | 0,0 |
| Proceeds from sales of financial investments | 33,7 | 8,5 | 6,4 |
| Net payment/disbursement concerning investments in subsidiaries | -40,0 | -200,0 | -200,0 |
| Net cash flow from investing activities | B | -20,2 | -203,0 |
| Financing activities | | | |
| Net receipts/disbursements for loans to/from financial institutions | 0,0 | -300,0 | -300,0 |
| Payments on repayment of securities | -1.958,4 | -847,0 | -1.547,2 |
| Receipts on issuance of securities | 791,1 | 799,6 | 799,6 |
| Payment of dividend | -79,8 | -72,6 | -93,3 |
| Interest paid on hybrid capital | -12,4 | -10,5 | -14,0 |
| Net cash flow from financing activities | C | -1.259,5 | -430,4 |
| Net change in cash and cash equivalents | A+B+C | 214,8 | -66,8 |
| Cash and cash equivalents at 01.01. | | 313,6 | 422,8 |
| Holding of cash and cash equivalents at the end of the period | | 528,3 | 356,0 |
| Liquidity reserves include cash and deposits with central banks and loans to and deposits with financial institutions which are pure investments. | | | |
| Additional information for operating activities concerning interest and dividend income | 30.09.2022 | 30.09.2021 | 31.12.2021 |
| Interest payments received | 484,9 | 365,8 | 502,0 |
| Interest payments made | 133,6 | 104,0 | 159,4 |
| Dividends received | 50,3 | 71,4 | 235,1 |

Note 1 – Parent bank – Basis for preparation of the financial statements

Accounting policies

The interim financial statements for the parent bank have been prepared in accordance with IAS 34 Interim Financial Reporting (IFRS).

A description of the accounting policies applied in the preparation of the financial statements is presented in the Annual Report for 2021. The accounting policies and calculation methods remain largely unchanged from the annual financial statements for 2021.

All amounts are stated in NOK millions and relate to the parent bank unless otherwise specified.

The interim financial statements have not been audited.

Assessments and use of estimates

The preparation of the accounts requires the management to make estimates and discretionary assessments and to make assumptions which influence the effect of applying the accounting policies and hence the recognised amounts for assets, liabilities, income and expenses. For further details, see the Annual Report for 2021, Note 3 – Assessments and use of estimates.

Note 2 – Parent bank – Capital adequacy

The parent bank uses the standardised approach to calculate the minimum primary capital adequacy requirement for credit risk. Calculations related to operational risk are performed using the basis method. The capital charge for credit valuation adjustment (CVA) is calculated using the standardised approach. Exposure amounts for derivatives are calculated using standardised method (SA-CCR).

The parent bank's primary capital must satisfy the minimum capital adequacy ratio requirements at all times, with the addition of a buffer equivalent to the company's accepted risk tolerance. See also the Group's Pillar III document, which is available from Sparebanken Øst's website.

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|----------------|----------------|----------------|
| CET1 capital | | | |
| Book equity | 3,722,4 | 3,566,6 | 3,882,1 |
| Deduction items in CET1 capital | | | |
| Additional value adjustments (prudent valuation requirement) (AVA) | -10,0 | -10,2 | -12,0 |
| Dividends | 0,0 | -40,9 | -159,6 |
| Goodwill included in the valuation of significant investments | -239,8 | -245,8 | -229,0 |
| Intangible assets | -21,4 | -22,4 | -22,9 |
| CET1 capital instruments in other financial institutions (not significant) | 0,0 | 0,0 | 0,0 |
| CET1 capital instruments in other financial institutions (significant) | 0,0 | 0,0 | 0,0 |
| Other deductions from CET1 capital | -47,0 | -32,8 | -46,8 |
| Total CET1 capital | 3.404,2 | 3.214,6 | 3.411,9 |
| Other Tier 1 capital | | | |
| Hybrid Tier 1 capital | 350,0 | 350,0 | 350,0 |
| Deductions from other Tier 1 capital | | | |
| Other Tier 1 capital instruments in other financial institutions (not significant) | 0,0 | 0,0 | 0,0 |
| Other Tier 1 capital instruments in other financial institutions (significant) | 0,0 | 0,0 | 0,0 |
| Total other Tier 1 capital | 350,0 | 350,0 | 350,0 |
| Total Tier 1 capital | 3.754,2 | 3.564,6 | 3.761,9 |
| Tier 2 capital | | | |
| Subordinated loans | 400,0 | 400,0 | 400,0 |
| Deductions from Tier 2 capital | | | |
| Tier 2 capital instruments in other financial institutions (not significant) | 0,0 | 0,0 | 0,0 |
| Tier 2 capital instruments in other financial institutions (significant) | 0,0 | 0,0 | 0,0 |
| Total Tier 2 capital | 400,0 | 400,0 | 400,0 |
| Net subordinated loan capital | 4.154,2 | 3.964,6 | 4.161,9 |

Note 2 – Parent bank – Capital adequacy (cont.)

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|-----------------|-----------------|-----------------|
| Governments and central banks | 0,0 | 0,0 | 0,0 |
| Local and regional authorities | 20,2 | 13,5 | 33,5 |
| Publicly owned companies | 6,0 | 0,0 | 0,0 |
| Multilateral development banks | 0,0 | 0,0 | 0,0 |
| Institutions | 652,1 | 1.019,5 | 631,9 |
| Companies | 75,0 | 358,5 | 243,1 |
| Mass market accounts | 1.021,9 | 941,6 | 937,1 |
| Accounts secured against property | 6.308,2 | 7.555,7 | 7.281,2 |
| Accounts due | 29,7 | 23,7 | 93,0 |
| High-risk commitments | 284,5 | 542,6 | 438,1 |
| Covered bonds | 2.115,4 | 2.328,0 | 2.339,3 |
| Shares in securities fund | 0,0 | 0,0 | 0,0 |
| Equity positions | 2.632,9 | 2.645,3 | 2.711,0 |
| Other exposures | 154,4 | 165,1 | 149,1 |
| Securitisation | 0,0 | 0,0 | 0,0 |
| Calculation basis for credit and counterparty risk | 13.300,3 | 15.593,4 | 14.857,3 |
| Calculation basis for currency risk | 0,0 | 0,0 | 0,0 |
| Calculation basis for operational risk | 963,2 | 994,5 | 963,2 |
| Calculation basis for impaired counterparty credit valuation adjustment (CVA) | 11,2 | 20,3 | 12,7 |
| Deductions from calculation basis | 0,0 | 0,0 | 0,0 |
| Total calculation basis | 14.274,7 | 16.608,2 | 15.833,2 |
| | | | |
| CET1 capital ratio | 23,85 % | 19,36 % | 21,55 % |
| Tier 1 capital ratio | 26,30 % | 21,46 % | 23,76 % |
| Capital adequacy | 29,10 % | 23,87 % | 26,29 % |
| | | | |
| Buffers | | | |
| Capital conservation buffer | 356,9 | 415,2 | 395,8 |
| Countercyclical buffer | 214,1 | 166,1 | 158,3 |
| Systemic risk buffer | 428,2 | 498,2 | 475,0 |
| Buffer for systemically important banks | 0,0 | 0,0 | 0,0 |
| Total buffer requirements | 999,2 | 1.079,5 | 1.029,2 |
| Available buffer capital | 2.761,9 | 2.467,2 | 2.699,4 |
| | | | |
| Leverage ratio | 8,15 % | 6,90 % | 7,68 % |

Note 3 – Parent bank – Losses on loans, unused credit and guarantees

Loss costs

| | Q3 2022 | Q3 2021 | 01-30.09.2022 | 01-30.09.2021 | 31.12.2021 |
|--|------------|-------------|---------------|---------------|-------------|
| Change in model-based provisions, Stage 1 | 0,2 | -0,7 | -0,9 | -0,9 | -5,6 |
| Change in model-based provisions, Stage 2 | 1,3 | -0,8 | 1,5 | -1,1 | 0,0 |
| Change in model-based provisions, Stage 3 | 0,0 | 0,0 | -0,1 | 0,1 | 0,0 |
| Increase in existing individual loan loss provisions | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| New individual loan loss provisions | 0,0 | 0,0 | 0,1 | 0,0 | 0,0 |
| Established losses covered by previous individual loan loss provisions | 0,0 | 0,0 | 0,1 | 0,0 | 0,0 |
| Reversals of previous individual loan loss provisions | 0,0 | -0,1 | -0,1 | -0,1 | -0,1 |
| Established losses not covered by previous individual loan loss provisions | 0,0 | 0,0 | 0,3 | 0,0 | 0,1 |
| Recovery of previously identified losses | -0,1 | -1,1 | -0,3 | -1,2 | -1,2 |
| Amortisation costs for the period | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Losses on loans, unused credit and guarantees | 1,4 | -2,7 | 0,5 | -3,3 | -6,9 |
| - of which losses on loans to retail customers | 1,8 | -1,3 | 2,2 | 0,1 | 2,0 |
| - of which losses on lending to business customers | -0,4 | -1,4 | -1,7 | -3,4 | -8,9 |
| - of which losses on unused credit and guarantees | 0,0 | -0,1 | -0,3 | -0,3 | -0,1 |

Changes in loan loss provisions

| | Expected credit loss cted credit loss cted credit loss | | | | |
|---|--|------------|------------|-------------|--|
| Parent bank — 30.09.2021 | Stage 1 | Stage 2 | Stage 3 | Total | |
| Opening balance as at 01.01.2022 | 5,8 | 5,3 | 4,4 | 15,5 | |
| Transferred to Stage 1 | 1,2 | -1,2 | 0,0 | 0,0 | |
| Transferred to Stage 2 | -0,2 | 0,2 | 0,0 | 0,0 | |
| Transferred to Stage 3 | 0,0 | 0,0 | 0,1 | 0,0 | |
| Net change | -1,9 | 2,9 | 0,0 | 1,1 | |
| New losses | 2,0 | 1,1 | 0,0 | 3,1 | |
| Deducted losses | -2,3 | -1,8 | -0,2 | -4,4 | |
| Change in risk model/parameters | 0,3 | 0,4 | 0,0 | 0,7 | |
| Closing balance as at 30.09.2022 | 4,9 | 6,8 | 4,3 | 16,0 | |
| - of which loan loss provisions for lending to retail customers | 3,5 | 5,6 | 3,7 | 12,8 | |
| - of which loan loss provisions for lending to business customers | 1,4 | 1,2 | 0,6 | 3,2 | |
| - of which loan loss provisions for unused credit and guarantees | 0,3 | 0,1 | 0,3 | 0,7 | |
| Model-based loan loss provisions | 4,9 | 6,8 | 0,3 | 11,9 | |
| Individual loan loss provisions | 0,0 | 0,0 | 4,1 | 4,1 | |

Note 3 – Parent bank – Losses on loans, unused credit and guarantees (cont.)

| Parent bank – 30.09.2021 | Expected credit loss cted credit loss cted credit loss | | | Total |
|---|--|------------|------------|-------------|
| | Stage 1 | Stage 2 | Stage 3 | |
| Opening balance as at 01.01.2021 | 11,4 | 5,3 | 4,5 | 21,3 |
| Transferred to Stage 1 | 0,3 | -0,3 | 0,0 | 0,0 |
| Transferred to Stage 2 | 0,0 | 0,0 | 0,0 | 0,0 |
| Transferred to Stage 3 | 0,0 | -0,2 | 0,3 | 0,0 |
| Net change | -0,8 | 0,0 | -0,2 | -1,0 |
| New losses | 3,5 | 0,1 | 0,0 | 3,6 |
| Deducted losses | -3,2 | -0,8 | -0,2 | -4,1 |
| Change in risk model/parameters | -0,6 | 0,0 | 0,0 | -0,6 |
| Closing balance at 30.09.2021 | 10,5 | 4,2 | 4,4 | 19,2 |
| - of which loan loss provisions for lending to retail customers | 3,9 | 1,3 | 3,7 | 8,9 |
| - of which loan loss provisions for lending to business customers | 6,6 | 2,9 | 0,8 | 10,3 |
| - of which loan loss provisions for unused credit and guarantees | 0,5 | 0,0 | 0,3 | 0,8 |
| Model-based loan loss provisions | 10,5 | 4,2 | 0,4 | 15,1 |
| Individual loan loss provisions | 0,0 | 0,0 | 4,1 | 4,1 |

| Parent bank – 31.12.2021 | Expected credit loss cted credit loss cted credit loss | | | Total |
|---|--|------------|------------|-------------|
| | Stage 1 | Stage 2 | Stage 3 | |
| Opening balance as at 01.01.2021 | 11,4 | 5,3 | 4,5 | 21,3 |
| Transferred to Stage 1 | 2,2 | -2,2 | 0,0 | 0,0 |
| Transferred to Stage 2 | -0,3 | 0,3 | 0,0 | 0,0 |
| Transferred to Stage 3 | -0,1 | -0,2 | 0,3 | 0,0 |
| Net change | -6,0 | 1,4 | -0,3 | -4,9 |
| New losses | 2,3 | 1,0 | 0,0 | 3,3 |
| Deducted losses | -4,0 | -1,0 | -0,2 | -5,1 |
| Change in risk model/parameters | 0,2 | 0,7 | 0,0 | 0,9 |
| Closing balance as at 31.12.2021 | 5,8 | 5,3 | 4,4 | 15,5 |
| - of which loan loss provisions for lending to retail customers | 3,6 | 3,5 | 3,6 | 10,7 |
| - of which loan loss provisions for lending to business customers | 2,2 | 1,9 | 0,8 | 4,8 |
| - of which loan loss provisions for unused credit and guarantees | 0,4 | 0,3 | 0,3 | 1,0 |
| Model-based loan loss provisions | 5,8 | 5,3 | 0,3 | 11,5 |
| Individual loan loss provisions | 0,0 | 0,0 | 4,1 | 4,1 |

Change in gross lending, broken down by stage

The table below does not include fixed-rate loans at fair value.

| Parent bank – 30.09.2021 | Expected credit loss cted credit loss cted credit loss | | | Total |
|--|--|--------------|-------------|-----------------|
| | Stage 1 | Stage 2 | Stage 3 | |
| Opening balance as at 01.01.2022 | 16.695,5 | 455,1 | 93,0 | 17.243,6 |
| Transferred to Stage 1 | 130,7 | -130,7 | 0,0 | 0,0 |
| Transferred to Stage 2 | -210,2 | 219,5 | -9,4 | 0,0 |
| Transferred to Stage 3 | -6,2 | -3,8 | 10,0 | 0,0 |
| Net change | -133,2 | -4,8 | 0,1 | -137,8 |
| New loans | 7.195,7 | 99,0 | 0,0 | 7.294,7 |
| Deducted lending | -7.760,1 | -209,0 | -63,7 | -8.032,9 |
| Closing balance as at 30.09.2022 | 15.912,2 | 425,5 | 30,0 | 16.367,7 |
| - of which lending to retail customers | 12.719,2 | 321,8 | 23,3 | 13.064,4 |
| - of which lending to business customers | 3.193,0 | 103,6 | 6,7 | 3.303,3 |
| - of which loans with forbearance | 0,0 | 70,5 | 7,0 | 77,5 |

Note 3 – Parent bank – Losses on loans, unused credit and guarantees (cont.)

| Parent bank – 30.09.2021 | Stage 1 | Stage 2 | Stage 3 | Total |
|--|-----------------|--------------|-------------|-----------------|
| Opening balance as at 01.01.2021 | 15.756,5 | 311,9 | 29,3 | 16.097,8 |
| Transferred to Stage 1 | 29,4 | -29,4 | 0,0 | 0,0 |
| Transferred to Stage 2 | -72,4 | 78,4 | -6,0 | 0,0 |
| Transferred to Stage 3 | -8,3 | -8,4 | 16,7 | 0,0 |
| Net change | -14,2 | -11,5 | -0,6 | -26,3 |
| New loans | 8.187,8 | 22,7 | 0,0 | 8.210,5 |
| Deducted lending | -6.111,6 | -83,8 | -15,1 | -6.210,4 |
| Closing balance at 30.09.2021 | 17.767,3 | 279,9 | 24,4 | 18.071,5 |
| - of which lending to retail customers | 13.498,8 | 126,8 | 17,1 | 13.642,8 |
| - of which lending to business customers | 4.268,5 | 153,1 | 7,2 | 4.428,8 |
| - of which loans with forbearance | 0 | 50,0 | 1,7 | 51,7 |

| Parent bank – 31.12.2021 | Stage 1 | Stage 2 | Stage 3 | Total |
|--|-----------------|--------------|-------------|-----------------|
| Opening balance as at 01.01.2021 | 15.756,5 | 311,9 | 29,3 | 16.097,8 |
| Transferred to Stage 1 | 168,7 | -165,6 | -3,1 | 0,0 |
| Transferred to Stage 2 | -335,3 | 338,5 | -3,1 | 0,0 |
| Transferred to Stage 3 | -78,9 | -8,4 | 87,3 | 0,0 |
| Net change | -117,7 | -9,1 | -4,2 | -131,0 |
| New loans | 8.402,2 | 82,1 | 2,0 | 8.486,2 |
| Deducted lending | -7.100,0 | -94,2 | -15,1 | -7.209,3 |
| Closing balance as at 31.12.2021 | 16.695,5 | 455,1 | 93,0 | 17.243,6 |
| - of which lending to retail customers | 12.607,3 | 293,0 | 23,3 | 12.923,6 |
| - of which lending to business customers | 4.088,2 | 162,1 | 69,7 | 4.320,0 |
| - of which loans with forbearance | 0,0 | 57,6 | 3,7 | 61,3 |

Model-based expected credit loss

With clear signs of a turnaround in the Norwegian economy, along with prospects of slower growth both nationally and internationally, we are facing a different economic outlook at the end of Q3 2022 from what was assumed when the annual financial statements for 2021 were presented. The ongoing invasion of Ukraine is having major economic repercussions both in Europe and around the world, and contributing to increased uncertainty about future developments.

As of the end of Q3 2022, the probability weighting of macro scenarios used to calculate model-based losses has changed, with the probability of a pessimistic scenario increasing 25 per cent to 30 per cent and the expected scenario reduced from 75 per cent to 70 per cent accordingly. The impact of this change amounts to NOK 0.6 million in increased loan loss provisions, of which NOK 0.6 million relates to increased provisions in Stage 1 and Stage 2. The factors for the different scenarios, which express the amount of expected credit loss in the optimistic and pessimistic scenarios compared with expected credit loss in the expected scenario, remained unchanged at the end of Q3 2022 compared with what was used in the preparation of the annual financial statements for 2021.

The table below shows the expected credit loss in the different scenarios and the probability weights. Individually assessed loan loss provisions remain unchanged in the different scenarios.

| Parent bank – 30.09.2022 | Probability weight | Stage 1 | Stage 2 | Stage 3 | Total |
|--|--------------------|------------|------------|------------|-------------|
| Optimistic scenario | 0 % | 2,6 | 4,0 | 4,2 | 10,8 |
| Expected scenario | 70 % | 3,3 | 5,0 | 4,2 | 12,4 |
| Pessimistic scenario | 30 % | 8,6 | 11,1 | 4,6 | 24,2 |
| Loan loss provisions (probability-weighted) | 100 % | 4,9 | 6,8 | 4,3 | 16,0 |

Note 4 – Parent bank – Financial instruments at fair value

The bank classifies fair value measurements using a hierarchy involving the following levels:

Level 1: Observable market prices in active markets.

Level 2: Observable market prices in less active markets, or the use of inputs which are either directly or indirectly observable.

Level 3: Valuation techniques not based on observable market data.

Loans at fair value recognised through total comprehensive income are loans identified as transferable to Sparebanken Øst Boligkreditt AS.

Please see Note 21 in the Annual Report for 2021 for further details of individual accounting items.

| 30.09.2022 | Level 1 | Level 2 | Level 3 | Total |
|--|-------------|----------------|----------------|----------------|
| Fair value | | | | |
| Loans to and receivables from customers* | 0,0 | 0,0 | 3.119,3 | 3.119,3 |
| Certificates and bonds | 0,0 | 5.922,7 | 0,0 | 5.922,7 |
| Shares and units | 62,6 | 0,0 | 732,7 | 795,4 |
| Financial derivatives | 0,0 | 27,7 | 0,0 | 27,7 |
| Total assets at fair value | 62,6 | 5.950,5 | 3.852,0 | 9.865,1 |
| Financial derivatives | 0,0 | 124,8 | 0,0 | 124,8 |
| Total liabilities at fair value | 0,0 | 124,8 | 0,0 | 124,8 |

| | Fixed-rate loans | Shares through profit or loss | Lending recognised at fair value through comprehensiv e income | Total |
|--|---------------------|-------------------------------------|---|----------------|
| Movements in level 3 for items valued at fair value | | | | |
| Balance sheet as at 01.01.22 | 273,7 | 780,8 | 3.361,3 | 4.415,8 |
| Net realised gains | 0,0 | 0,0 | 0,0 | 0,0 |
| Additions | 33,8 | 3,8 | 4.460,1 | 4.497,7 |
| Disposals | 12,0 | 33,7 | 4.988,3 | 5.034,0 |
| Changes in value | -9,4 | -18,2 | 0,0 | -27,6 |
| Transferred from levels 1 and 2 | 0,0 | 0,0 | 0,0 | 0,0 |
| Balance sheet at end of period | 286,2 | 732,7 | 2.833,1 | 3.852,0 |

| 30.09.2021 | Level 1 | Level 2 | Level 3 | Total |
|--|-------------|----------------|----------------|-----------------|
| Fair value | | | | |
| Loans to and receivables from customers* | 0,0 | 0,0 | 1.578,6 | 1.578,6 |
| Certificates and bonds | 0,0 | 7.656,7 | 0,0 | 7.656,7 |
| Shares and units | 69,9 | 0,0 | 740,8 | 810,7 |
| Financial derivatives | 0,0 | 113,3 | 0,0 | 113,3 |
| Total assets at fair value | 69,9 | 7.770,0 | 2.319,5 | 10.159,4 |
| Financial derivatives | 0,0 | 16,0 | 0,0 | 16,0 |
| Total liabilities at fair value | 0,0 | 16,0 | 0,0 | 16,0 |

| | Fixed-rate loans | Shares through profit or loss | Lending recognised at fair value through comprehensiv e income | Total |
|--|---------------------|-------------------------------------|---|----------------|
| Movements in level 3 for items valued at fair value | | | | |
| Balance sheet as at 01.01.2021 | 359,1 | 746,9 | 1.634,7 | 2.740,7 |
| Net realised gains | 0,0 | 0,0 | 0,0 | 0,0 |
| Additions | 54,6 | 2,2 | 8.206,8 | 8.263,6 |
| Disposals | 141,4 | 8,7 | 8.528,8 | 8.678,9 |
| Changes in value | -6,4 | 0,4 | 0,0 | -6,0 |
| Transferred from levels 1 and 2 | 0,0 | 0,0 | 0,0 | 0,0 |
| Balance sheet at end of period | 265,9 | 740,8 | 1.312,7 | 2.319,5 |

Note 4 – Parent bank – Financial instruments at fair value (cont.)

| 31.12.2021 | Level 1 | Level 2 | Level 3 | Total |
|--|------------------|-------------------------------|---|-----------------|
| Fair value | | | | |
| Loans to and receivables from customers* | 0,0 | 0,0 | 3.635,0 | 3.635,0 |
| Certificates and bonds | 0,0 | 7.385,7 | 0,0 | 7.385,7 |
| Shares and units | 67,8 | 0,0 | 780,8 | 848,6 |
| Financial derivatives | 0,0 | 69,4 | 0,0 | 69,4 |
| Total assets at fair value | 67,8 | 7.455,1 | 4.415,8 | 11.938,7 |
| Financial derivatives | 0,0 | 15,4 | 0,0 | 15,4 |
| Total liabilities at fair value | 0,0 | 15,4 | 0,0 | 15,4 |
| Movements in level 3 for items valued at fair value | | | | |
| | Fixed-rate loans | Shares through profit or loss | Lending recognised at fair value through comprehensive income | Total |
| Balance sheet as at 01.01.2021 | 359,1 | 746,9 | 1.634,7 | 2.740,7 |
| Net realised gains | 0,0 | 0,0 | 0,0 | 0,0 |
| Additions | 70,1 | 2,2 | 10.109,5 | 10.181,8 |
| Disposals | 147,7 | 8,7 | 8.382,8 | 8.539,2 |
| Changes in value | -7,9 | 40,4 | 0,0 | 32,5 |
| Transferred from levels 1 and 2 | 0,0 | 0,0 | 0,0 | 0,0 |
| Balance sheet at end of period | 273,7 | 780,8 | 3.361,3 | 4.415,8 |

Note 5 – Parent bank – Securities issued and subordinated loan capital

| Securities issued | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|--|----------------|----------------|----------------|
| Bonds, nominal value | 5.640,0 | 7.498,0 | 6.798,0 |
| Value adjustments (including premium/discount) | -179,2 | 34,7 | 5,3 |
| Accrued interest | 68,7 | 76,0 | 57,7 |
| Total securities issued | 5.529,5 | 7.608,7 | 6.860,9 |

| Change for securities issued | 30.09.2022 | Issued | Due/redeemed | Other changes incl. currency | 31.12.2021 |
|---|----------------|--------------|----------------|---------------------------------|----------------|
| Ordinary senior bonds, nominal value | 4.740,0 | 300,0 | 1.958,0 | 0,0 | 6.398,0 |
| Senior non-preferred bonds (SNP), nominal value | 900,0 | 500,0 | 0,0 | 0,0 | 400,0 |
| Value adjustments (including premium/discount) | -179,2 | 0,0 | 0,0 | -184,5 | 5,3 |
| Accrued interest | 68,7 | 0,0 | 0,0 | 11,0 | 57,7 |
| Total securities issued | 5.529,5 | 800,0 | 1.958,0 | -173,5 | 6.860,9 |

| Change for securities issued | 30.09.2021 | Issued | Due/redeemed | Other changes incl. currency | 31.12.2020 |
|---|----------------|--------------|--------------|---------------------------------|----------------|
| Ordinary senior bonds, nominal value | 7.098,0 | 400,0 | 847,0 | 0,0 | 7.545,0 |
| Senior non-preferred bonds (SNP), nominal value | 400,0 | 400,0 | 0,0 | 0,0 | 0,0 |
| Value adjustments (including premium/discount) | 34,7 | 0,0 | 0,0 | -118,4 | 153,1 |
| Accrued interest | 76,0 | 0,0 | 0,0 | 18,2 | 57,8 |
| Total securities issued | 7.608,7 | 800,0 | 847,0 | -100,2 | 7.755,8 |

| Subordinated loans | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|---|--------------|--------------|--------------|
| Ordinary subordinated loan capital, nominal value | 400,0 | 400,0 | 400,0 |
| Value adjustments (including premium/discount) | -0,1 | -0,2 | -0,2 |
| Accrued interest | 1,0 | 0,4 | 0,6 |
| Total securities issued | 400,9 | 400,2 | 400,4 |

| Change in subordinated loan capital | 30.09.2022 | Issued | Due/redeemed | Other changes incl. currency | 31.12.2021 |
|---|--------------|------------|--------------|---------------------------------|--------------|
| Ordinary subordinated loan capital, nominal value | 400,0 | 0,0 | 0,0 | 0,0 | 400,0 |
| Value adjustments (including premium/discount) | -0,1 | 0,0 | 0,0 | 0,1 | -0,2 |
| Accrued interest | 1,0 | 0,0 | 0,0 | 0,4 | 0,6 |
| Total subordinated loan capital | 400,9 | 0,0 | 0,0 | 0,5 | 400,4 |

| Change in subordinated loan capital | 30.09.2021 | Issued | Due/redeemed | Other changes incl. currency | 31.12.2020 |
|---|--------------|------------|--------------|---------------------------------|--------------|
| Ordinary subordinated loan capital, nominal value | 400,0 | 0,0 | 0,0 | 0,0 | 400,0 |
| Value adjustments (including premium/discount) | -0,2 | 0,0 | 0,0 | 0,1 | -0,3 |
| Accrued interest | 0,4 | 0,0 | 0,0 | 0,0 | 0,5 |
| Total subordinated loan capital | 400,2 | 0,0 | 0,0 | 0,1 | 400,1 |

Note 6 – Parent bank – Transactions with group companies

The items below show recognised transactions and balances that the parent company has with subsidiaries.

Sparebanken Øst sells mortgages to Sparebanken Øst Boligkreditt AS to replenish the cover pool in the mortgage company. This is either to increase the cover pool in connection with the issuance of new covered bonds or to compensate for mortgages that have been moved to other banks or back to the parent bank. So far in 2022, Sparebanken Øst Boligkreditt AS has purchased mortgages from Sparebanken Øst worth NOK 4,460.1 million. The corresponding value for the same period last year was NOK 8,206.9 million. The parent bank sees no significant accounting gains or losses from selling mortgages to Sparebanken Øst Boligkreditt AS.

The parent bank has issued a revolving credit facility vis-à-vis Sparebanken Øst Boligkreditt AS which guarantees timely payment of outstanding covered bonds that expire during the next 12 months, including the coupon rate, principal and derivative contracts entered into for the purpose of hedging outstanding covered bonds. In addition to the revolving credit facility, Sparebanken Øst Boligkreditt AS has a NOK 3.0 billion credit line from the parent bank.

| | 30.09.2022 | 30.09.2021 | 31.12.2021 |
|---|------------|------------|------------|
| Income statement | | | |
| Interest income and similar income | | | |
| Interest income from subsidiaries | 49,4 | 21,4 | 31,0 |
| Interest certificates and covered bonds from subsidiaries | 9,6 | 7,3 | 9,3 |
| Interest costs and similar costs | | | |
| Interest and commission to subsidiaries | 2,3 | 1,2 | 2,6 |
| Dividend/group contribution receipts | | | |
| Dividends/group contributions from subsidiaries | 0,0 | 0,0 | 163,7 |
| Commission income and income from banking services | | | |
| Other operating income from subsidiaries | 24,8 | 23,2 | 31,8 |
| Other operating income | | | |
| Rent from subsidiaries | 1,5 | 1,6 | 2,1 |
| Other operating costs | | | |
| Rent to subsidiaries | 2,7 | 2,9 | 3,5 |
| Other costs to subsidiaries | 0,6 | 0,4 | 0,6 |
| Balance sheet | | | |
| Loans to and receivables from financial institutions | | | |
| Loans to subsidiaries | 2.516,7 | 2.596,4 | 2.588,4 |
| Loans to and receivables from customers | | | |
| Loans to subsidiaries | 27,4 | 18,2 | 27,3 |
| Certificates, bonds and other interest-bearing securities | | | |
| Investment in covered bonds in subsidiaries | 0,0 | 1.031,3 | 513,9 |
| Prepaid non-accrued costs and earned but not received income | | | |
| Other receivables | 2,9 | 2,4 | 3,9 |
| Liabilities to financial institutions | | | |
| Deposits from subsidiaries | 692,8 | 1.088,5 | 836,0 |
| Customer deposits | | | |
| Deposits from subsidiaries | 71,2 | 75,8 | 74,8 |
| Other liabilities | | | |
| Other liabilities to subsidiaries | 26,4 | 34,1 | 9,6 |