

178th year

QUARTERLY REPORT

Q1 2020



Quarterly financial statements, Q1 2020

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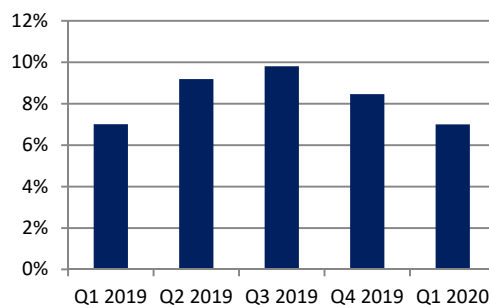
Board of Directors' Report

Sparebanken Øst achieved a profit after tax of NOK 69.0 million in the first quarter of 2020, which represents a return on equity of 7.0 per cent. Earnings per equity certificate in the quarter were NOK 0.97. Net interest income increased by NOK 17.8 million from the same period last year. Proceeds from the sale of property in Q1 2020 produced a profit of NOK 19.8 million. The value of the liquidity portfolio is minus NOK 29.8 million in Q1 2020, and fell by NOK 34.6 million compared with the same quarter last year. Losses on lending to customers amounted to NOK 7.6 million during the quarter, compared with NOK 4.2 million during Q1 2019. Lending to customers declined by 1.43 per cent for the quarter, and customer deposits declined by 3.23 per cent in the same period. Lending growth over the last 12 months is minus 5.31 per cent, while deposits from customers have seen negative growth of 3.65 per cent in the same period.

Quarterly profit

The Sparebanken Øst Group posted a profit after tax for the first quarter of 2020 of NOK 69.0 million. The profit after tax for the first quarter of 2019 was NOK 64.5 million. Underlying banking operations, for which net interest income increased by NOK 17.8 million, provides a higher contribution to the financial results compared to the same quarter last year. Profit from the sale of properties in Q1 2020 amounted to NOK 19.8 million. The profit during Q1 2020 was affected significantly by negative value changes in the liquidity portfolio that occurred as a result of the Covid-19 situation and the fall in oil prices. The value of the liquidity portfolio dropped by NOK 29.8 million in Q1 2020, compared to a gain of NOK 4.8 million in the same quarter of 2019.

The return on equity in the quarter was 7.00 per cent, compared with 7.01 per cent for the same quarter in 2019. The table below presents the return on equity over the past five quarters.

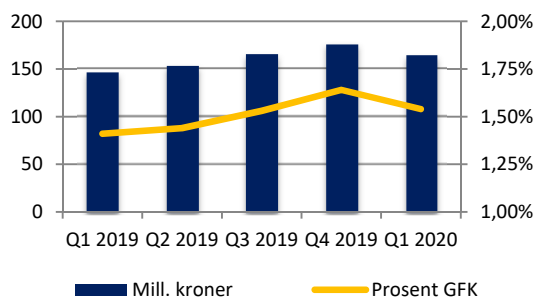


Net interest income

Net interest income increased by NOK 17.8 million to NOK 164.6 million in Q1 2020, compared to NOK 146.8 million in the same quarter of 2019. Net interest income amounted to 1.54 per cent of average total assets in the first quarter of 2020. The comparative figure for the same quarter of 2019 was 1.41 per cent.

Developments in money market rates and strong competition contributed to ongoing pressure on the interest rate net during Q1 2020. Compared with Q4 2019, net interest income fell, where interest income during Q4 2019 constituted 1.6 per cent of average total assets.

The figure below shows net interest income in per cent and NOK in the last five quarters.



Net other operating income

Net operating income comprises commission income and costs, dividends, net changes in value and gains/losses on financial instruments and other operating income. Net other operating income amounted to NOK 4.6 million in Q1 2020, compared to NOK 19.4 million in the same quarter of 2019.

- Net commission income amounted to NOK 10.6 million, an increase of NOK 0.9 million compared with the same quarter last year.
- NOK 5.2 million in dividends issued by Eksportfinans ASA was recognised as income during Q1 2020. In comparison, no income was recognised as a result of dividend payments in Q1 2019.
- Net changes in value and losses on financial instruments were negative in the amount of NOK 33.7 million during Q1 2020, compared to a gain of NOK 5.2 million in the same period of last year. The value of the liquidity portfolio dropped by NOK 29.8 million in Q1 2020, compared to a gain of NOK 4.8 million in the same quarter of 2019. The value change occurred as a result of increased risk premiums in the bond market as a result of the Covid-19 situation and the fall in oil prices. Risk premiums increased significantly in the beginning of March, but fell somewhat towards the end of the month. Positive value changes related to shares and equity rights in Visa Inc. total NOK 3.5 million in the quarter, compared

to an increase of NOK 6.3 million in the same quarter of 2019. Negative financial impact of currency, derivatives and fixed-rate lending at fair value was NOK 6.1 million in Q1 2020, which is primarily related to the forward sales of currency. Costs related to the buyback of debt issued by the bank fell by NOK 4.6 million compared with the same period last year, and totalled NOK 1.2 million during Q1 2020.

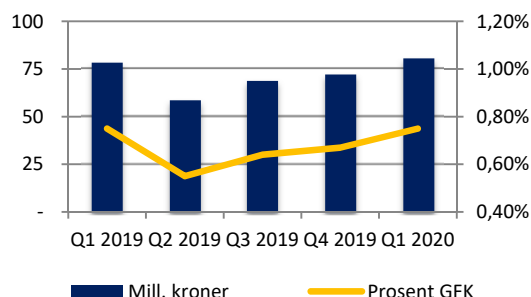
- Other operating income amounted to NOK 22.5 million in Q1 2020, compared to NOK 4.5 million in the same quarter of 2019. Proceeds from the sale of property in the first quarter of 2020 produced a profit of NOK 19.8 million.

Operating costs

Total operating costs were NOK 80.4 million in the first quarter of 2020, equivalent to 0.75 per cent of average total assets. In the first quarter of 2019, total operating costs amounted to NOK 78.3 million, or 0.75 per cent. The changes concern the following:

- Payroll costs amounted to NOK 46.6 million, compared with NOK 47.0 million in the same quarter last year.
- Administrative costs amounted to NOK 14.9 million in Q1 2020, compared to NOK 13.4 million in the same quarter of 2019. This increase is mainly attributable to IT costs.
- Depreciation amounted to NOK 6.5 million compared with NOK 6.2 million in the first quarter of 2019.
- Other operating costs amounted to NOK 12.4 million in Q1 2020, compared to NOK 11.7 million in the same quarter of 2019.

The figure below shows the total operating costs in NOK millions and as a percentage of the average total assets for the last five quarters.



Impairment and non-performing commitments

Impairment losses on loans to customers, unused credits and guarantees amounted to NOK 7.6 million in Q1 2020, compared with NOK 4.2 million in Q1 2019.

At the end of the quarter, total loss provisions amounted to NOK 119.3 million, equating to 0.35 per cent of gross lending to customers. By comparison, total loss provisions amounted to NOK 101.3 million, equating to 0.28 per cent of gross lending to customers at the end of Q1 2019. Individual write-downs amounted to NOK 84.9 million at the end of Q1 2020, compared to NOK 72.4 million at the end of Q1 2019.

Special evaluations and valuations of the Group's portfolios, including non-performing commitments, have been carried out in connection with the end of the quarter. This is in order to identify any significant increased risks relating to credit and loss in individual commitments, industries or segments on the bank's balance sheet as a result of Covid-19 and the fall in oil prices. On the basis of the reviews and evaluations, no special adjustment has been made to the levels of loss provisions and no changes have been made to the assumptions that underpin the model-calculated losses in the anticipated scenario.

The Covid-19 situation and fall in oil prices have resulted in increased uncertainty about the economic outlook at the end of Q1 2020. As a result of this, the probability weighting of macroeconomic scenarios was amended at the end of Q1 2020. The impact of this change amounts to NOK 4.2 million in increased loss

provisions in Q1 2020, of which NOK 4.1 million relates to increased loss provisions in step 1 and step 2. Model-calculated loss provisions for step 1 and step 2 increased by NOK 4.7 million during Q1 2020 and now amount to NOK 33.4 million. Loss provisions on non-performing commitments (step 3) increased by NOK 1.8 million during Q1 2020, and amount to NOK 85.8 million, of which NOK 80.7 million are related to commitments in AS Financiering.

Net payment defaults exceeding 90 days amounted to 0.40 per cent of net lending at the end of Q1 2020 compared to 0.37 per cent at the end of 2019 and 0.31 per cent at the end of the same period last year.

Consideration of annual financial statements for 2019 and allocation of profits

The Board of Directors agreed prior to an ordinary meeting of the board of trustees held on 26 March 2020 to postpone the consideration of the annual financial statements for 2019 by the board of trustees, including the proposals for dividends payable to equity certificate holders and proposals for donations to good causes. The board of trustees adopted the board of directors' proposal on 26 March 2020. It was the view of the Board of Directors that the framework conditions and predictability in relation to the bank's allocation of profits in the prevailing circumstances on 26 March 2020 were too uncertain, and that it would be indefensible to consider the annual financial statements for 2019, including the determination of dividends payable to equity certificate holders and donations to good causes, at the time. The reason for this assessment was the regulatory proposal by the Financial Supervisory Authority of Norway to withhold profits for 2019, and the subsequent press release issued by the Ministry of Finance on 25 March 2020 in which a clear expectation was expressed that the distribution of dividends be delayed until the great uncertainty concerning financial developments had dissipated.

The Board of Directors will convene an extraordinary meeting of the board of trustees

prior to 30.06.2020, at which the annual financial statements for 2019, including the determination of dividends payable to equity certificate holders and donations to good causes will be considered.

Balance sheet as at 31.03.2020

Total assets increased by NOK 1,119.8 million compared with 31.03.2019 and amounted to NOK 43,600.1 million at the end of the first quarter of 2020.

Assets

- Cash and receivables at central banks amounted to NOK 620.1 million as at 31.03.2020, compared with NOK 244.9 million as at 31.03.2019.
- Net lending to financial institutions amounted to NOK 10.2 million as at 31.03.2020, compared with NOK 10.2 million as at 31.03.2019.
- Net lending to customers amounted to NOK 33,735.1 million as at 31.03.2020, compared with NOK 35,625.1 million as at 31.03.2019. This is a reduction of NOK 1,890.0 million over the last 12 months, equivalent to 5.31 per cent. Strategic choices as a result of regulatory uncertainty about future capital requirements and very strong competition for home mortgage customers explain the lending trend over the last 12 months. Tremendous uncertainty relating to the Covid-19 pandemic contributed to an increased reduction at the end of the first quarter of 2020. Over the last 12 months, net lending to retail customers increased by 7.25 per cent, while net lending to business customers increased by 7.21 per cent. Gross lending to retail customers accounted for 84.8 per cent of total lending to customers.
- Holdings of certificates and bonds amounted to NOK 7,936.2 million as at 31.03.2020, compared with NOK 5,481.4

million as at 31.03.2019. Liquidity reserves measured using LCR totalled 278.50 per cent as at 31.03.2020, compared with 207.87 per cent as at 31.03.2019. 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.

- Shares and units amounted to NOK 633.1 million as at 31.03.2020, compared with NOK 613.1 million as at 31.03.2019.

The bank's stake in Frende Holding AS was 13.19 per cent, and the shareholding was valued at NOK 307.6 million as at 31.03.2020. The bank owns 4.85 per cent of the shares in Eksportfinans ASA, and the shareholding was valued at NOK 195.0 million as at 31.03.2020.

Balder Betaling AS is owned by several independent banks, and its main purpose is to own these banks' shares in Vipps AS. The bank's shareholding in Vipps AS is 0.70 per cent. The bank's shares in Balder Betaling AS were valued at NOK 30.8 million at 31.03.2020. The valuation is based on the underlying share value in Vipps AS.

The bank owns 6.8 per cent of the shares in Kraft Bank ASA. The shareholding was valued at NOK 23.0 million as at 31.03.2020.

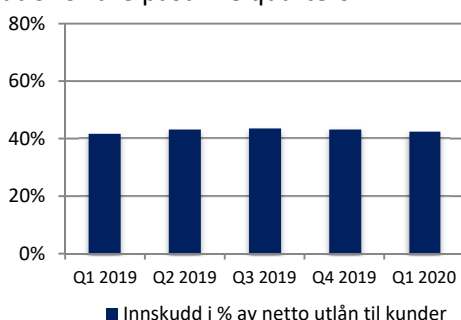
The bank owns 'C' shares in Visa Inc. The shareholding was valued at NOK 33.0 million as at 31.03.2020. The bank also has rights to shares in Visa Inc., owned via Visa Norge Holding 1 AS and VN Norge AS. The rights are valued at NOK 26.0 million as at 31.03.2020.

The bank owns 16.3 per cent of the shares in Norwegian Block Exchange AS (NBX). The shareholding was valued at NOK 15.0 million as at 31.03.2020.

Liabilities

- Deposits from customers amounted to NOK 14,313.7 million as at 31.03.2020, compared with NOK 14,856.5 million as at 31.03.2019. This is a reduction of NOK 542.8 million over the past 12 months, equivalent to 3.65 per cent. The deposit coverage ratio in the Group at the end of the first quarter of 2020 was 42.43 per cent, compared with 41.70 per cent at the end of the first quarter of 2019.
- Securities issued amounted to NOK 23,394.7 million as at 31.03.2020, compared with NOK 22,438.0 million as at 31.03.2019. The degree of stable and long-term financing measured by NSFR is 121.44 per cent as at 31.03.2020, against 114.9 per cent as at 31.03.2019. The average maturity for market funding is 3.22 years as at 31.03.2020, compared with 3.49 years as at 31.03.2019.
- Other long-term borrowing amounted to NOK 602.5 million as at 31.03.2020, compared with NOK 301.8 million as at 31.03.2019. The increase relates to F loans of NOK 300.0 million as at 31.03.2020.
- Short-term borrowing (defined as borrowing with a remaining term to maturity of less than 1 year) amounted to NOK 2,579.0 million as at 31.03.2020.

The figure below shows the loan to deposit ratio for the past five quarters.



Capital adequacy

- The capital adequacy ratio measured as CET1 capital including 50 per cent of equity certificate holders' and primary capital share of profits amounted to 17.81 per cent at the end of the first quarter of

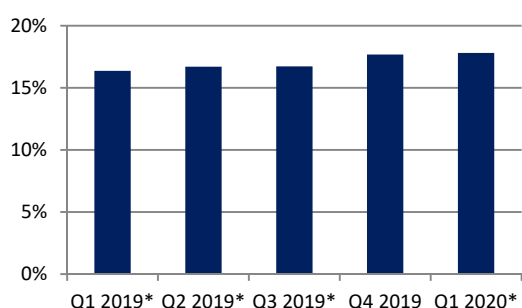
2020, down from 17.69 per cent at the end of 2019. The board of trustee's consideration of the annual financial statements for 2019 has been postponed and will take place prior to 30.06.2020. Until such consideration takes place, the original proposal for the distribution of dividends and the proposal for donations to good causes, as is set out in the provisional annual financial statements for 2019, has been taken into account when calculating CET1 capital as at 31.03.2020 and as at 31.12.2019. The board originally proposed a cash dividend of NOK 3.60 per equity certificate and a provision for grants for good causes of NOK 59.7 million.

- The group is in an ongoing SREP process with the Financial Supervisory Authority of Norway and expects SREP resolutions and a new Pillar 2 requirement by 30.06.2020. Until a new requirement exists, the Pillar 2 requirement adopted in April 2017 of 2.3 per cent applies. On 13 March 2020, the Ministry of Finance reduced the countercyclical buffer by 1.5 per cent to 1 per cent in order to counteract tighter lending practices in banks as a result of the outbreak of Covid-19. The total capital requirements applicable to Sparebanken Øst as at 31.03.2020 are 13.3 per cent. Sparebanken Øst will determine a new target for the minimum CET1 capital ratio when new Pillar 2 requirements are issued, including taking into account applicable requirements relating to countercyclical buffers. Sparebanken Øst's CET1 capital ratio target is a minimum of 14.75 per cent. The board of Sparebanken Øst operates on the principle that all requirements and guides must be complied with at all times.
- Net primary capital at the end of the first quarter of 2020 amounted to NOK 4,152.5 million, of which NOK 3,804.3 million constituted the Group's CET1 capital. Given a basis for calculation of NOK 19,579.4 million, this corresponds to a capital adequacy ratio of 21.21 per cent, of which 19.43 per cent constitutes the

CET1 capital ratio. The bank uses the standardised approach to calculate the minimum primary capital adequacy requirement for credit risk.

- The bank is financially very strong, with an unweighted tier 1 leverage ratio, including 50 per cent of equity certificate holders' and primary capital share of profits for the year to date, of 8.71 per cent at the end of Q1 2020, against 8.46 per cent at the end of Q1 2019. The unweighted requirement for CET1 capital is 5.0 per cent.

The figure below shows the development in CET1 capital over the last five quarters.



* 50 per cent of the share of profits accruing to equity certificate holders and primary capital is included in the quarterly figures.

Risk

Credit risk

Sparebanken Øst has a credit strategy that deals with various types of credit risk related to loans, credits and guarantees granted to customers in the retail and business markets, as well as counterparty risk for securities.

The credit strategy is intended to help ensure that the bank's activities in the credit area are in line with the framework conditions and guidelines in the bank's overall business concept and strategic plans, including ensuring that the activities are prudent in relation to the bank's capacity and willingness to bear risk.

The bank has an established credit portfolio of a quality and composition that ensures the bank's profitability in the short and long term, and ensures that the bank's management of credit risk is in accordance with the requirements stipulated in acts, regulations, directives from the authorities and other regulatory conditions.

The credit strategy is implemented in the bank's credit manuals and in other instructions. Within the retail and business markets, the capacity and willingness to pay are key aspects of the credit assessments. The Mortgage Regulation provides essential guidance to the bank's lending business to private individuals. The level of risk for lending to customers is measured by classifying customers according to risk. The risk classification has been established as an integral element of the credit process, and the requirement for the annual reclassification of loan commitments is fulfilled. Credit risk trends are monitored continuously through reports to the bank's executive management and quarterly reports for the bank's Board of Directors.

The bank's geographical coverage provides access to a large market area with flexibility with regard to customers and segments. The bank's loan portfolio is primarily spread across the central Eastern Norway area.

The low proportion of lending to the business market contributes to a lower overall credit risk for the bank. 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 does not have exposure to oil, oil related activities or fish/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, major industrial activities. There is also very little direct or indirect exposure to trading activities

with the exception of groceries. The bank has implemented measures to increase follow-up with its business customers through close contact in order to monitor the early impacts of the Covid-19 situation. The bank has opted to prioritise the special follow-up of its 100 largest customers, as well as customers in particularly vulnerable industries. The bank's assessment of the situation is that its lending portfolio appears to be robust.

Loans and credits to the retail market are generally only granted against home mortgages. 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 is primarily distributed in geographic terms throughout the central area of Eastern Norway, the retail market portfolio is considered to have certainty and a capability to service debt in a housing and labour market that is expected to remain fully functional in the longer term.

The bank also takes credit risks in 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), or as a deposit basis for borrowing facilities at the central bank, or both.

The bank's credit risk is monitored continuously and updated overviews of the bank's total counterparty risk are available.

Market risk

Sparebanken Øst has a financial strategy that is intended to help to ensure that the bank's activities in the area of finance are in line with the framework conditions and guidelines in the bank's overall business concept, strategic plans and budgets, and also to ensure that the activities are prudent in relation to the bank's capacity and willingness to bear risk.

The financial strategy is also intended to ensure that the bank's management of financial risk complies with the requirements stipulated in acts, regulations, directives from the authorities, and other regulatory

conditions. Sparebanken Øst has a liquidity portfolio comprising interest-bearing securities that are primarily issued by Nordic financial institutions, Norwegian banks, municipalities, the central government and government-guaranteed companies. Through this, the bank takes credit spread risk.

The interest rate risk is kept within fixed limits and is limited in that assets and liabilities mainly have variable interest rates or are swapped to variable interest rates. Currency risk is reduced by entering into forward contracts or basis swaps. The bank has very little interest rate and currency risk. Exposure to equity instruments beyond the bank's subsidiaries and strategic investments is limited.

Liquidity risk

Sparebanken Øst has a conservative stance on liquidity risk and seeks to ensure proper liquidity management so that the group has sufficient liquid assets to cover its obligations at maturity at all times. The group shall be able to carry out normal operations for a period of at least 12 months without access to external financing. The group's liquidity is governed by established frameworks for, amongst others, LCR, NSFR and stress tests.

Sparebanken Øst issues covered bonds through the bank's wholly owned mortgage credit company. Covered bonds with long maturities are generally issued, while senior bond loans are issued with maturities that fit the existing maturity profile at any time.

At the end of Q1 2020, the Group had a very robust liquidity situation. The Group has long-term financing in place with limited imminent maturity of issued securities during 2020. At the end of Q1 2020, liquidity reserves were at a historic high.

Operational risk

Operational risk is the risk posed to the bank of losses resulting from inadequate or failing internal processes or systems, human error or malpractice, or external events. Operational risk also encompasses compliance risk, i.e. the risk of non-compliance with applicable

legislation, regulations and internal governance documents.

Management and control of operational risk is safeguarded through the strategy for comprehensive risk management. The strategy is adopted by the board and evaluated at least once annually. The strategy clearly defines who is responsible for the establishment and implementation of the internal control. Measures are taken to try and keep operational risk at a low level. Operational risk is monitored through annual reviews of the bank's key processes, established internal controls with annual management confirmation of implemented internal controls, and quarterly reporting of events recorded and risk level assessments for the Board of Directors. The Group has not registered significant losses due to the failure of internal processes, systems, human error or unforeseen events in the first quarter of 2020.

Rating

Sparebanken Øst has had an A2 long-term deposit and issuer rating from Moody's Investors Service since October 2017. The bank's counterparty risk assessment (CRA) and long-term counterparty risk rating (CRR) are A1. There are stable prospects for the bank's ratings and these were most recently confirmed in October 2019 by Moody's Investors Service. Covered bonds issued by Sparebanken Øst Boligkreditt AS have an AAA rating from Moody's.

Subsidiaries

Sparebanken Øst Boligkreditt AS is a wholly-owned subsidiary of Sparebanken Øst and its purpose is to grant or acquire residential mortgages, commercial mortgages, loans, secured against other real estate assets or public loans, and to finance lending operations primarily by issuing covered bonds. The company has a low loan-to-value (LTV) ratio in the cover pool. At the end of the first quarter of 2020, the loan-to-value ratio of the security

portfolio was 47.7 per cent, compared with 47.8 per cent at the end of the first quarter of 2019.

At 31.03.2020, the company's total assets amounted to NOK 16,925.6 million and mainly consist of first priority home mortgages, which are financed via covered bonds and drawing rights on the parent company. The company's deposited equity amounts to NOK 950.0 million, of which NOK 373.1 million is share capital and NOK 576.9 million is a share premium reserve. The profit after tax at the end of the first quarter of 2020 was NOK 20.4 million, compared with NOK 18.6 million for the same period last year. The company has no employees, rather it sources services from Sparebanken Øst.

AS Financiering is a wholly owned subsidiary of Sparebanken Øst. Its main product is providing loans for second-hand cars with collateral in the purchased car. The company posted a profit after tax of NOK 10.2 million in the first quarter of 2020, compared with NOK 9.7 million in the same period last year. Total assets amounted to NOK 2,156.8 million. The company had 18 employees, corresponding to 18 full-time equivalents, at the end of first quarter of 2020.

Sparebanken Øst Eiendom AS is a wholly owned subsidiary of Sparebanken Øst and is tasked with managing properties owned by the Sparebanken Øst Group. Operating income amounted to NOK 21.5 million in the first quarter of 2020, compared with NOK 2.8 million for the same period last year. NOK 19.8 million in profit from the sale of property was recognised as income in the first quarter of 2020. The result after tax was a profit of NOK 20.0 million for the first quarter of 2020, compared with NOK 0.1 million for the same period last year. The company has 3 employees, corresponding to 2 full-time equivalents.

Øst Prosjekt AS is a wholly owned subsidiary of Sparebanken Øst and its primary purpose is to take over projects and undertake industrial and commercial activities to hedge and realise exposed positions in the parent bank. The

company has no employees. The result after tax was a loss of NOK 0.1 million in the first quarter of 2020, compared with a profit of NOK 0.2 million in the first quarter of 2018. The company has no major ongoing projects as at the end of Q1 2020.

Øst Inkasso AS is a wholly owned subsidiary of Sparebanken Øst. The purpose of the company is to run debt collection operations and other activities naturally associated with this, including reminder services and long-term monitoring of debt collection portfolios. The company's operating costs amounted to NOK 1.9 million in the first quarter of 2020, compared with NOK 2.1 million in the first quarter of 2019. The result after tax was a loss of NOK 0.4 million in the first quarter of 2020 compared with a loss of NOK 0.1 million for the same period last year. The company has 5 employees, corresponding to 5 full-time equivalents. The company has also hired the managing director from Sparebanken Øst and an employee from AS Financiering.

Frende Forsikring

Frende Holding AS owns Frende Skade AS and Frende Liv AS (Frende Forsikring). The bank has a 13.19 per cent stake in the holding company. Frende is owned by 15 savings banks. Sparebanken Vest is the largest shareholder and Sparebanken Øst is the third largest. The company offers P&C and life insurance products to business and retail customers and has more than 250,000 customers. Frende Forsikring's head office is in Bergen. Frende Holding AS posted a loss after tax of NOK 107.3 million in Q1 2020 compared with a profit of NOK 42.4 million for the same period last year. The profit for Q1 2020 is characterised by several challenging months for the investment portfolio that encompassed major fluctuations in the share, credit and currency markets, with the financial

returning finishing on a loss of NOK 169 million before tax.

Frende Skade recorded a loss after tax of NOK 127.6 million, compared to profit of NOK 19.5 million for the same period last year. The quarter was characterised by a high frequency of travel insurance claims in the retail market as a result of the Covid-19 situation. Despite this, the profit from insurance is better than in the corresponding period last year as a result of fewer major claims and a lower frequency of claims on other products. The claims rate in the first quarter of 2020 was 87.7 per cent, against 91.1 per cent in the same period last year, and the company's combined ratio was 106.1 per cent, against 109.7 per cent in the same period last year. The company has a total premium stock of NOK 2,120 million, an increase from NOK 2,046 million at the same time last year. The premium stock is distributed across 163,000 customers, and has grown by about 3.6 per cent in the last year. Market share at the end of 2019 was 3.5 per cent.

Frende Liv recorded a profit after tax of NOK 25.0 million, compared to a profit of NOK 26.3 million for the same period last year. The company has a total premium stock, including savings premiums, of NOK 1,011 million, up from NOK 947 million at the same time last year.

Events after the balance sheet date

As a result of the Covid-19 situation and the massive fall in oil prices, credit spreads in the bond market increased substantially towards the end of February and throughout March. A proportion of this increase was reversed late in March and underwent further reversal in April. As a result of trends during the month of April, the Group has recorded a positive value adjustment in relation to the bank's liquidity

portfolio totalling approximately NOK 14.6 million.

There have been no significant incidents relating to lending, unused credits or guarantees after the balance sheet date, including significant changes in impairments or increases to non-performing commitments.

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. Refer to note 1 for more details.

Dividend policy

Sparebanken Øst's financial targets for its 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. 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.

Sparebanken Øst will endeavour to pay 50 to 75 per cent of the profit allocated to equity certificate holders as dividends. Sparebanken Øst also aims to distribute an amount equivalent to 50 to 100 per cent of the dividend paid to equity certificate holders as dividend to social capital in the form of grants for good causes. On determining dividends and donations, due consideration will be made of the bank's financial performance, market situation, dividend stability, and need for Tier 1 capital.

Macroeconomic trends

The Covid-19 pandemic has thus far during 2020 resulted in extreme measures globally, and lockdowns and production falls have had

a negative impact on the economies of Norway and our trading partners. Reduced global activity has led to weakened demand for oil, and although a number of producer countries have gradually agreed to cut production, oil prices have fallen massively. The Norwegian authorities have established a range of comprehensive financial aid packages and the oil fund will absorb record costs to sustain this. The countercyclical buffer has been reduced with immediate effect from 2.5 to 1.0 per cent. As infection prevention measures against Covid-19 have resulted in slower growth in new infections, these measures are now gradually being reduced both in Norway and in many other countries.

Norges Bank has reduced the key policy rate, first twice in March and most recently on 7 May from its original 1.50 per cent to zero per cent. This is the lowest key policy rate ever. Money market rates have fallen significantly since the end of the year, and the three-month NIBOR as at 8 May 2020 stands at 0.28 per cent, while the 10-year swap rate is 0.71 per cent.

Furloughs have contributed to an increase in gross unemployment figures of 10.7 per cent. Consumer price inflation has fallen, especially due to low electricity prices, and was 0.7 per cent higher in March than compared to the previous year. The Norwegian krone exchange rate has weakened significantly as a result of the fall in oil prices and increased uncertainty. House price growth and activity in the housing market have been lower than in the past, with house prices increasing by 1.5 per cent in the last twelve months. Household debt growth has fallen to 4.7 per cent.

Outlook

Sparebanken Øst does most of its business in Eastern Norway. The Covid-19 pandemic has caused great unrest both in Norway and internationally, and there is tremendous uncertainty in relation to the consequences of the pandemic in both the short- and long-term. At present, the pandemic appears to be

under control in Norway, however it is impossible to rule out the possibility of setbacks. Growth in the Norwegian economy is now expected to be low in 2020. The economic situation is one characterised by volatile developments in oil prices, significant rises in unemployment, falling interest rates and low productivity. We must expect to see increased numbers of bankruptcies and business closures, and that unemployment will be at levels above what is deemed 'normal'. There is uncertainty about whether house prices will be significantly negatively affected by the situation. The authorities' initiatives for business owners and the provision of liquidity for the banks have helped to reduce the negative impacts of the pandemic. Norges Bank first significantly reduced the key policy rate in mid-March. The financial industry was urged to contribute to the overall efforts of society through maintaining access to lending for business owners, while retail loan and mortgage rates were reduced by an order of magnitude and at a speed that lacks precedent in modern history. Norges Bank lowered the key policy rate again to zero percent on 7 May. Although a significant proportion of the bank's borrowing costs track developments in money market rates, lower borrowing costs will appear in the bank's accounts a few months after customers receive reductions to their mortgage rates. Based on Norges Bank's reductions to the key interest rate, repricing has been carried out on a large proportion of the lending portfolios, with effect from the first half of April 2020 and the second half of May 2020. We continue to expect very strong competition and the pressure on the bank's net interest rate will be huge going forward. The competitive situation must also be viewed in light of the decision taken by the Ministry of Finance following advice from Norges Bank on 13 March 2020 to reduce the countercyclical buffer requirement from 2.5 per cent to 1 per cent with immediate effect. In the view of Norges Bank, there was a risk of a marked recession in the Norwegian economy as a result of the Covid-19 pandemic. This buffer requirement was reduced to counteract stricter lending practices in banks further reinforcing such an economic downturn.

Sparebanken Øst will continue to work purposefully to implement principles for green products and green funding. The Covid-19 pandemic has set this work back somewhat and we anticipate delays in this work progressing. This requires a framework for green product development and the classification of customers based on sustainability criteria. The principles will also form the basis for the issuance of green bonds and stipulate how other parts of the business can be restructured in a more sustainable direction. Furthermore, the bank will implement reporting of non-financial information related to ESG in keeping with reputable standards. Going forward, the bank will allocate resources for the development of the bank's strategy so that Sparebanken Øst becomes a reliable contributor to sustainable development.

Sparebanken Øst is a cost-efficient bank with a keen focus and belief that low costs constitute a competitive advantage. Costs are expected to remain stable going forward, however increased complexity may result in temporary cost increases.

Banking involves risking losses and non-performance, which means that losses on lending and guarantees to customers cannot be ruled out. The Bank has carried out evaluations of its portfolio in light of the Covid-19 pandemic, and no circumstances have been identified to date that will result in significant losses. Low levels of non-performing commitments continue to be expected, however, non-performance may increase somewhat as a result of the Covid-19 pandemic, and there may be losses that occur for the same reason, however expected losses on lending remain low.

The market values of securities such as bonds and equities will fluctuate over time, and losses on shares may occur. The group's bond portfolio is held for liquidity purposes, with a low risk of losses.

The group has great financial strength, which provides latitude, opportunities for growth

and high potential dividends. The group also has a particularly sound liquidity buffer that will provide security if the banks' access to funding is challenged in the future. The Group expects to be able to obtain new funding with margins at the level of those of the major regional banks, including in the current market conditions. Sparebanken Øst believes that it holds a good position in the equity certificate market and aims to ensure simple, open communication with its investors. The bank's target for its return on equity has been set at 10 per cent over time. The return on equity for 2020 is expected to be 10 per cent lower than the target.

Growth in lending to and deposits from customers will depend on general competition in the banking market, as well as the access to long-term financing. Lending growth is expected to remain on a par with general lending growth to both retail and business customers in the long term. During 2020, the bank's lending growth will be low as a result of caution during uncertain times in troubled surroundings. Growth in lending to retail customers will primarily come from home mortgages and providing loans for second-hand cars that are secured by security in the purchased car. Growth in lending to business customers will be seen in the group's defined market areas, of which the main product is repayment loans against mortgages in real estate.

Sparebanken Øst expects to be set requirements for primary capital and qualifying liabilities that can be written down or converted to equity (MREL) during the course of the second half of 2020. This requirement is expected to create a need to issue senior subordinated debt (Tier 3). The anticipated need to issue subordinated debt could replace parts of existing senior unsecured bond loans when these reach maturity and before the requirement is expected to come into force. In a letter dated 8 April 2020, Finance Norway requested that the Financial Supervisory Authority of Norway postpone the introduction of MREL requirements for Norwegian banks. As at 12 May 2020, the Financial Supervisory Authority

of Norway has not responded to this request. The margins in the credit market for MREL capital have increased significantly and it may be challenging for banks to issue capital of this kind at sustainable prices as a result of the Covid-19. Any potential response from the Financial Supervisory Authority of Norway to the banks' request for the deferral of MREL will have an impact on the determination of the MREL requirements applicable to Sparebanken Øst.

The CRR/CRD IV capital adequacy directive was implemented in Norway from and including 31.12.2019, when the Basel I floor for IRB was raised and 'SME discounts' for lending to small and medium-sized enterprises were introduced.

The Ministry of Finance announced in a press release on 11 December 2019 that it would stipulate changes to banks' capital requirements that would come into effect from the end of 2020. New requirements will not begin to apply to standard banks until the end of 2022. The changes will mean that the system risk-buffer requirement is increased from 3 to 4.5 per cent, and that a floor for the risk weighting of real property loans is being introduced.

On 11.12.2019, the Ministry of Finance sent a letter to the Financial Supervisory Authority of Norway on the relationship between general buffer requirements and the Pillar 2 process. The Ministry of Finance writes that the division of labour between the various requirements in Pillar 1 and Pillar 2, including the capital requirement margin, the EBA's guidelines and the conditions emphasised by determining the system risk buffer requirement, should be reviewed before the restructuring of the system risk-buffer requirement comes into force. The Ministry of Finance states that the review should also include an assessment of the system to determine Pillar 2 requirements, and how the restructuring of the system risk-buffer requirement affects the assessments of which risks are fully or partially covered in Pillar 1. The Ministry requested that the Financial

Supervisory Authority of Norway assess these conditions by 2 March 2020.

The Financial Supervisory Authority of Norway responded to the Ministry of Finance's request in a letter dated 2 March 2020 and wrote that the Financial Supervisory Authority of Norway did not see that the notified change to the systemic risk buffer would encompass any changes to the division of labour between the differing requirements pertaining to Pillar 1 and Pillar 2 (including the capital requirement margin) or in the division of labour between the Ministry of Finance and the Financial Supervisory Authority of Norway when determining the requirements. The Financial Supervisory Authority of Norway clarified that developments in company-specific matters had to be fully assessed by the Financial Supervisory Authority of Norway as part of the Pillar 2 process.

In a joint statement in response to the consultation held by the Ministry of Finance in the autumn of 2019, Norwegian banks using

the standard method have pointed out that the introduction of increased systemic risk buffer requirements could significantly affect the competitive situation between banks in Norway in significant favour of banks using the IRB method. Sparebanken Øst is of the opinion that the Financial Supervisory Authority of Norway's view of the Ministry of Finance's request to consider changes in the division of labour between the various requirements of Pillar 1 and Pillar 2 may create lasting and significant differences in the competitive situation between banks using the standard method and the IRB method. In the bank's view, there is thus significant uncertainty relating to the

framework conditions and future capital adequacy requirements for banks which calculate capital adequacy using the standard method.

Hokksund, 31 March 2020

Drammen, 12 May 2020

Øivind Andersson
Chair

Cecilie Hagby
Deputy Chair

Elly Therese Thoresen
Board member

Jorund Rønning Indrelid
Board member

Arne K. Stokke
Board member

Eivind Weldingh Christiansen
Board member

Ole-Martin Solberg
Employee representative

Sissel Album Fjeld
Employee representative

Pål Strand
CEO

Key figures - Group

Income Statement (Amounts in NOK millions)	Q1 2020	Q1 2019	Year 2019
Net interest income	164,6	146,8	641,7
Net commission income	10,6	9,7	45,1
Net result from financial assets	-28,5	5,3	19,4
Other operating income	22,5	4,5	15,3
Total net income	169,2	166,2	721,5
Total operating costs	80,4	78,3	277,8
Profit/loss before losses	88,8	87,9	443,7
Losses on loans, unused credit and guarantees	7,6	4,2	18,9
Profit/loss before tax costs	81,2	83,7	424,8
Tax costs	12,2	19,1	95,5
Profit/loss after tax	69,0	64,5	329,3

Key figures	Q1 2020	Q1 2019	Year 2019
Profitability			
Return on equity*	7,00	7,01	8,74
Net interest income as a percentage of average total assets	1,54	1,41	1,51
Profit after tax as a percentage of average total assets	0,65	0,62	0,77
Costs as a percentage of average total assets	0,75	0,75	0,65
Costs as a % of income (before losses on loans/guarantees)*	47,50	47,11	38,50
Costs as a % of income (excl. return on financial investments)*	40,66	48,65	39,57
Balance sheet figures			
Net lending to customers	33.735,1	35.625,1	34.225,3
Lending growth (12 months)	-5,31	13,56	-2,62
Deposits	14.313,7	14.856,5	14.791,7
Deposit growth (12 months)	-3,65	6,57	-0,73
Average equity	3.686,9	3.504,8	3.564,6
Average total assets	42.993,0	42.231,4	42.504,5
Loss provisions on impaired and non-performing loans			
Losses as a % of net lending to customers (OB)*	0,09	0,05	0,05
Loss provisions as a percentage of gross lending to customers*	0,35	0,28	0,33
Net payments over 90 days past due as a percentage of net lending*	0,40	0,31	0,37
Other net non-performing commitments (Stage 3) as a percentage of net lending*	0,04	0,17	0,02
Financial strength			
CET1 capital ratio incl. 50% of retained earnings (%)	17,81	16,37	17,69
CET1 capital ratio (%)	17,64	16,22	17,69
Tier 1 capital ratio (%)	19,43	17,96	19,49
Capital adequacy ratio (%)	21,21	19,66	21,25
Risk-weighted volume (calculation basis)	19.579,4	20.165,2	19.450,3
Tier 1 leverage ratio incl. 50% of retained earnings (%)	8,71	8,46	8,81
Tier 1 leverage ratio (%)	8,64	8,39	8,81
Liquidity			
Deposit coverage ratio	42,43	41,70	43,22
LCR (%)	278,50	207,87	265,11
Branches and full-time equivalents			
No. of branches	29	27	28
Full-time equivalents	192	197	192
Equity certificates			
Ownership fraction (parent bank) (%)**	31,40	32,45	32,45
No. of equity certificates	20.731.183	20.731.183	20.731.183
Book equity per equity certificate*	59,92	55,33	58,95
Earnings per equity certificate*	0,97	0,95	4,87
Dividend per equity certificate	0,00	0,00	3,60
Turnover rate	26,54	18,97	15,17
Price	41,00	54,60	54,60

* Defined as alternate performance target

** For ownership fraction at 1 January 2020, see Note 20

For a definition of key figures and a review of alternative performance targets, see p. 47.

Income Statement – Group

(Amounts in NOK million)	Note	Q1 2020	Q1 2019	Year 2019
Interest income from assets valued at amortised cost		306,7	268,8	1.161,4
Interest income from assets valued at fair value		43,8	25,6	129,5
Interest costs		185,9	147,7	649,1
Net interest income	15	164,6	146,8	641,7
Commission income and income from banking services		21,3	21,0	89,9
Commission costs and costs for banking services		10,7	11,3	44,8
Dividend		5,2	0,0	28,9
Net value changes and gains/losses on financial instruments	16	-33,7	5,2	-9,5
Other operating income		22,5	4,5	15,3
Net other operating income		4,6	19,4	79,8
Payroll, etc.		46,6	47,0	162,6
Administration costs		14,9	13,4	53,6
Depreciation/write-downs/changes in value for non-financial assets		6,5	6,2	25,7
Other operating costs		12,4	11,7	35,9
Total operating costs	17	80,4	78,3	277,8
Profit/loss before losses		88,8	87,9	443,7
Losses on loans, unused credit and guarantees	4	7,6	4,2	18,9
Profit/loss before tax costs		81,2	83,7	424,8
Tax costs		12,2	19,1	95,5
Profit/loss after tax		69,0	64,5	329,3
Hybrid capital owners' share of the result		4,8	3,9	17,9
Equity certificate holders' and primary capital share of profits		64,2	60,6	311,5
Profit/loss after tax		69,0	64,5	329,3
Earnings per equity certificate		0,97	0,95	4,87
Diluted earnings per equity certificate		0,97	0,95	4,87

Total income - Group

(Amounts in NOK million)	Note	Q1 2020	Q1 2019	Year 2019
Profit/loss after tax		69,0	64,5	329,3
Items that will not be reclassified to the income statement				
Actuarial gains and losses on defined-benefit plans		0,0	0,0	4,1
Tax related to items that cannot be reclassified		0,0	0,0	-1,0
Comprehensive income		69,0	64,5	332,4

Balance Sheet – Group

(Amounts in NOK million)	Note	31.03.2020	31.03.2019	31.12.2019
Assets				
Cash and receivables from central banks	10,11	620,1	244,9	302,5
Loans to and receivables from financial institutions	10,11	10,2	10,2	15,9
Loans to and receivables from customers	4,7,8,10,11	33.735,1	35.625,1	34.225,3
Certificates and bonds	10,11	7.936,2	5.481,4	6.755,1
Shares and units	10,11	633,1	613,1	629,6
Financial derivatives	10,11,13,14	435,4	223,6	174,7
Investment properties		3,9	59,7	59,0
Tangible fixed assets		136,9	135,8	137,7
Lease rights		50,3	55,2	49,5
Other assets		14,8	15,0	23,9
Prepaid non-accrued costs and income earned, but not received		24,1	16,3	12,6
Total assets		43.600,1	42.480,3	42.385,8
Liabilities and equity				
Liabilities to financial institutions	10,11	602,5	301,8	300,6
Deposits from and liabilities to customers	6,10,11	14.313,7	14.856,5	14.791,7
Financial derivatives	10,11,13,14	21,7	12,9	35,3
Securities issued	10,11,12	23.394,7	22.438,0	22.261,7
Other liabilities		499,9	401,7	298,9
Accruals and deferred income		39,7	47,5	33,6
Provisions for accrued costs and liabilities		67,8	78,4	67,4
Deferred tax liability		3,3	2,6	5,0
Lease liabilities		50,8	55,3	49,9
Subordinated loan capital	10,11,12	400,4	400,1	400,4
Total liabilities		39.394,5	38.594,7	38.244,3
Paid-up equity		595,1	595,1	595,1
Hybrid capital		352,3	350,5	352,4
Retained earnings		3.258,2	2.940,1	3.194,0
Total equity		4.205,7	3.885,7	4.141,5
Total liabilities and equity		43.600,1	42.480,3	42.385,8

Changes in Equity - Group

	Paid-up equity		Hybrid capital	Retained earnings						
(Amounts in NOK million)		Equity certificates	Premium reserve	Additional Tier 1 capital	Equalisation fund	Primary capital	Donations fund	Fund for unrealised gains	Other equity	Retained earnings
31.03.2020	Total equity									
Equity as at 31.12.2019	4.141,5	207,3	387,8	352,4	405,7	2.045,5	38,1	277,5	427,2	0,0
Ordinary result	69,0	0,0	0,0	4,8	0,0	0,0	0,0	0,0	0,0	64,2
Actuarial gains and losses on defined-benefit plans	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Comprehensive income	69,0	0,0	0,0	4,8	0,0	0,0	0,0	0,0	0,0	64,2
Interest paid on hybrid capital	-4,8	0,0	0,0	-4,8	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 31.03.2020	4.205,7	207,3	387,8	352,3	405,7	2.045,5	38,1	277,5	427,2	64,2

As at 31.03.2020, no allocations of dividends have been determined as a result of the consideration of the annual financial statements for 2019 and the determination of dividends payable to equity certificate holders and donations to good causes being withdrawn during an ordinary meeting of the board of trustees on 26.03.2020. The Board of Directors will convene an extraordinary meeting of the board of trustees prior to 30.06.2020 at which the annual financial statements for 2019 including the determination of dividends payable to equity certificate holders and donations to good causes will be considered.

	Paid-up equity		Hybrid capital	Retained earnings						
(Amounts in NOK million)		Equity certificates	Premium reserve	Additional Tier 1 capital	Equalisation fund	Primary capital	Donations fund	Fund for unrealised gains	Other equity	Retained earnings
31.03.2019	Total equity									
Equity as at 31.12.2018	3.944,2	207,3	387,8	350,5	404,1	1.867,5	38,1	283,6	405,3	0,0
Ordinary result	64,5	0,0	0,0	3,9	0,0	0,0	0,0	0,0	0,0	60,6
Actuarial gains and losses on defined-benefit plans	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Comprehensive income	64,5	0,0	0,0	3,9	0,0	0,0	0,0	0,0	0,0	60,6
Dividend to equity certificate holders 2018 - adopted	-95,4	0,0	0,0	0,0	-95,4	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2018 - adopted	-23,8	0,0	0,0	0,0	0,0	-23,8	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-3,9	0,0	0,0	-3,9	0,0	0,0	0,0	0,0	0,0	0,0
Equity at 31.03.2019	3.885,7	207,3	387,8	350,5	308,7	1.843,7	38,1	283,6	405,3	60,6

	Paid-up equity		Hybrid capital	Retained earnings						
(Amounts in NOK million)		Equity certificates	Premium reserve	Additional Tier 1 capital	Equalisation fund	Primary capital	Donations fund	Fund for unrealised gains	Other equity	Retained earnings
2019	Total equity									
Equity as at 31.12.2018	3.944,2	207,3	387,8	350,5	404,1	1.867,5	38,1	283,6	405,3	0,0
Ordinary result	329,3	0,0	0,0	17,9	96,0	199,9	0,0	-6,2	21,7	0,0
Actuarial gains and losses on defined-benefit plans	3,0	0,0	0,0	0,0	0,9	1,9	0,0	0,0	0,3	0,0
Comprehensive income	332,4	0,0	0,0	17,9	96,9	201,8	0,0	-6,2	22,0	0,0
Dividend to equity certificate holders 2018 - adopted	-95,4	0,0	0,0	0,0	-95,4	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2018 - adopted	-23,8	0,0	0,0	0,0	0,0	-23,8	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-15,9	0,0	0,0	-15,9	0,0	0,0	0,0	0,0	0,0	0,0
Redemption of hybrid capital	-150,0	0,0	0,0	-150,0	0,0	0,0	0,0	0,0	0,0	0,0
Issue of hybrid capital	150,0	0,0	0,0	150,0	0,0	0,0	0,0	0,0	0,0	0,0
Changes in endowment fund	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 31.12.2019	4.141,5	207,3	387,8	352,4	405,7	2.045,5	38,1	277,5	427,2	0,0

Cash Flow Statement - Group

(Amounts in NOK million)	31.03.2020	31.03.2019	31.12.2019
Operating activities			
Profit before tax	81,2	83,7	424,8
Adjusted for:			
Change in net interest income earned and accrued interest costs	24,2	13,3	-9,2
Net receipts/payments of loans to customers	481,5	-472,7	924,4
Change in certificates and bonds	-1.174,2	-310,1	-1.581,7
Changes in value of equities and units	-3,5	-6,3	-4,5
Change in other assets in connection with operations	22,5	-6,1	-17,6
Change in loans from credit institutions	0,0	0,0	0,1
Net receipts/disbursement of deposits from customers	-508,4	-64,5	-107,0
Change in other operating liabilities	238,0	8,7	-71,1
Non-cash items included in profit before tax costs	11,7	2,8	34,0
Net gain/loss from investing activities	-20,0	-0,1	-0,1
Net gain/loss from financing activities	1,2	5,8	6,8
Net change in relation to investing activities	0,0	0,0	0,0
Other changes	0,0	0,0	0,0
Taxes paid for the period	-41,6	-53,6	-86,2
Net cash flow from operating activities	-887,4	-799,1	-487,3
Investing activities			
Payments on purchases of tangible fixed assets	-3,4	-5,4	-19,0
Proceeds from sale of fixed assets	72,0	0,3	0,3
Net proceeds/costs on the sale/purchase of financial investments	0,0	0,0	-18,3
Net cash flow from investing activities	68,6	-5,1	-37,0
Financing activities			
Net incoming/outgoing payments for loans to/from financial institutions	300,0	0,0	0,0
Payments on repayment of securities	-1.162,4	-2.051,5	-3.609,9
Proceeds on issuance of securities	1.998,0	2.502,1	3.951,7
Payment of dividend	0,0	0,0	-95,4
Net payments on repayment of hybrid capital	0,0	0,0	-150,5
Net receipts on issue of hybrid capital	0,0	0,0	150,0
Interest paid on hybrid capital	-4,8	-3,9	-15,9
Net cash flow from financing activities	1.130,7	446,7	230,0
Net change in cash and cash equivalents	311,9	-357,5	-294,3
Cash and cash equivalents at 01.01	318,4	612,6	612,6
Holding of cash and cash equivalents at the end of the period	630,3	255,1	318,3

Liquidity reserves include cash and deposits with central banks and loans to and deposits with financial institutions which are investment placements.

Additional information for operating activities concerning interest and dividend income	31.03.2020	31.03.2019	31.12.2019
Interest payments received	346,9	287,4	1.271,7
Interest payments made	158,0	126,8	636,9
Dividends received	5,2	0,0	28,9

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 to the preparation of the financial statements is presented in the Annual Report for 2019. The accounting policies and calculation methods remain largely unchanged from the annual financial statements for 2019.

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 2019, Note 3 - Assessments and use of estimates.

Note 2 - Operating segments

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

Profit/loss

31.03.2020	Retail market	Corporate market	Finance	AS Financiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Net interest and commission income	89,9	34,4	-7,2	30,3	0,0	16,4	0,9	164,6
Other operating income	14,3	2,4	-41,8	-4,6	21,5	8,0	4,8	4,6
Operating costs	15,0	5,6	0,0	8,4	1,4	51,4	-1,4	80,4
Profit/loss before losses	89,2	31,2	-49,0	17,3	20,1	-27,0	7,1	88,8
Losses on loans, unused credit and guarantees	0,9	3,0	0,0	3,6	0,0	0,0	0,0	7,6
Profit/loss before tax costs	88,3	28,2	-49,0	13,7	20,1	-27,1	7,1	81,2
Tax costs	0,0	0,0	0,0	3,4	0,1	7,0	1,8	12,2
Profit/loss after tax	88,3	28,2	-49,0	10,2	20,0	-34,1	5,3	69,0

31.03.2019	Retail market	Corporate market	Finance	AS Financiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Net interest and commission income	76,9	31,9	-6,7	30,2	-0,5	15,7	-0,7	146,8
Other operating income	15,0	2,0	4,2	-5,9	2,8	9,1	-7,8	19,4
Operating costs	15,3	5,2	0,0	8,4	2,2	48,7	-1,5	78,3
Profit/loss before losses	76,6	28,8	-2,5	15,8	0,1	-23,8	-7,0	87,9
Losses on loans, unused credit and guarantees	0,3	1,1	0,0	2,8	0,0	0,0	0,0	4,2
Profit/loss before tax costs	76,3	27,6	-2,5	13,0	0,1	-23,8	-7,0	83,7
Tax costs	0,0	0,0	0,0	3,2	0,0	17,3	-1,4	19,1
Profit/loss after tax	76,3	27,6	-2,5	9,7	0,1	-41,1	-5,7	64,5

31.12.2019	Retail market	Corporate market	Finance	AS Financiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Net interest and commission income	349,2	137,7	-27,3	119,4	-1,9	65,1	-0,4	641,7
Other operating income	61,4	9,4	-12,7	-22,9	10,1	43,7	-9,1	79,8
Operating costs	59,5	19,6	0,0	31,7	6,3	166,8	-6,2	277,8
Profit/loss before losses	351,0	127,5	-40,0	64,7	1,9	-58,1	-3,3	443,7
Losses on loans, unused credit and guarantees	-0,6	6,0	0,0	13,5	0,0	0,0	0,0	18,9
Profit/loss before tax costs	351,6	121,5	-40,0	51,2	1,9	-58,1	-3,3	424,8
Tax costs	0,0	0,0	0,0	13,0	0,4	82,0	0,1	95,5
Profit/loss after tax	351,6	121,5	-40,0	38,3	1,4	-140,1	-3,4	329,3

Balance sheet

31.03.2020	Retail market	Corporate market	Finance	AS Financiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Loans to and receivables from customers	26.286,4	4.871,6	11,0	2.111,9	0,0	473,8	-19,4	33.735,1
Other assets	6,3	0,0	8.871,4	45,0	142,8	3.507,5	-2.708,1	9.865,0
Total assets	26.292,7	4.871,6	8.882,4	2.156,8	142,8	3.981,3	-2.727,5	43.600,1
Deposits from and liabilities to customers	9.191,9	3.252,7	1.776,7	0,0	0,0	186,9	-94,6	14.313,7
Other liabilities/offsetting	17.100,8	1.618,8	7.105,6	1.777,6	36,4	-237,1	-2.321,4	25.080,8
Equity	0,0	0,0	0,0	379,2	106,4	4.031,5	-311,5	4.205,7
Total liabilities and equity	26.292,7	4.871,6	8.882,4	2.156,8	142,8	3.981,3	-2.727,5	43.600,1

31.03.2019	Retail market	Corporate market	Finance	AS Financiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Loans to and receivables from customers	28.417,8	4.770,2	2,4	2.013,7	0,0	484,8	-63,7	35.625,1
Other assets	5,1	0,0	6.694,0	41,1	174,3	3.131,2	-3.190,5	6.855,2
Total assets	28.422,9	4.770,2	6.696,4	2.054,8	174,3	3.616,1	-3.254,3	42.480,3
Deposits from and liabilities to customers	9.536,5	3.298,1	1.928,8	8,3	0,0	150,4	-65,7	14.856,5
Other liabilities/offsetting	18.886,4	1.472,1	4.767,5	1.751,2	89,3	-281,1	-2.947,2	23.738,2
Equity	0,0	0,0	0,0	295,2	85,0	3.746,7	-241,3	3.885,7
Total liabilities and equity	28.422,9	4.770,2	6.696,4	2.054,8	174,3	3.616,1	-3.254,3	42.480,3

31.12.2019	Retail market	Corporate market	Finance	AS Financiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Loans to and receivables from customers	26.714,5	4.964,9	1,1	2.102,9	0,0	505,7	-63,8	34.225,3
Other assets	4,8	0,0	7.548,8	47,5	174,1	3.179,6	-2.794,3	8.160,5
Total assets	26.719,3	4.964,9	7.549,9	2.150,4	174,1	3.685,3	-2.858,1	42.385,8
Deposits from and liabilities to customers	9.429,3	3.530,8	1.741,2	0,0	0,0	158,8	-68,4	14.791,7
Other liabilities/offsetting	17.290,0	1.434,2	5.808,7	1.781,4	87,7	-476,2	-2.473,2	23.452,6
Equity	0,0	0,0	0,0	369,0	86,4	4.002,6	-316,5	4.141,5
Total liabilities and equity	26.719,3	4.964,9	7.549,9	2.150,4	174,1	3.685,3	-2.858,1	42.385,8

Note 3 - Capital adequacy

The Group uses the standardised approach when calculating minimum requirements for primary capital for credit risk. Operational risk is calculated using the basic indicator approach. The capital charge for credit value adjustment (CVA) is calculated using the standardised approach. Commitment amounts for derivatives are calculated using the market value approach.

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.

	31.03.2020	31.03.2019	31.12.2019
CET1 capital			
Book equity	3.789,1	3.474,6	3.789,1
Deduction items in CET1 capital			
Additional value adjustments (prudent valuation requirement) (AVA)	-9,4	-6,7	-8,0
Dividends*	-134,3	0,0	-134,3
Goodwill included in the valuation of significant investments	-135,4	-148,7	-149,3
Intangible assets	-24,8	-20,7	-26,3
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	-30,8	-27,7	-30,8
Total CET1 capital	3.454,3	3.270,8	3.440,3
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	3.804,3	3.620,8	3.790,3
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)	-51,9	-56,8	-57,3
Total tier 2 capital	348,1	343,2	342,7
Net primary capital	4.152,5	3.964,0	4.132,9

Note 3 - Capital adequacy (contd.)

	31.03.2020	31.03.2019	31.12.2019
Governments and central banks	0,0	0,0	0,0
Local and regional authorities	246,9	117,8	127,5
Publicly owned companies	0,0	0,0	0,0
Multilateral development banks	0,0	0,0	0,0
Institutions	86,8	83,5	42,8
Companies	509,9	561,0	528,8
Mass market accounts	1.700,2	1.672,9	1.703,3
Accounts secured against property	13.536,6	14.856,5	14.059,2
Accounts due	205,3	137,9	194,4
High-risk commitments	455,1	0,0	0,0
Covered bonds	509,6	391,8	481,8
Shares in securities fund	0,0	0,0	0,0
Equity positions	702,6	653,0	664,2
Other exposures	204,5	272,1	243,0
Securitisation	0,0	0,0	0,0
Calculation basis for credit and counterparty risk	18.157,6	18.746,7	18.044,9
Calculation basis for currency risk	0,0	0,0	0,0
Calculation basis for operational risk	1.363,1	1.356,4	1.363,1
Calculation basis for impaired counterparty credit valuation adjustment (CVA)	58,6	62,1	42,4
Deductions from calculation basis	0,0	0,0	0,0
Total calculation basis	19.579,4	20.165,2	19.450,3
CET1 capital ratio*	17,64 %	16,22 %	17,69 %
Tier 1 capital ratio*	19,43 %	17,96 %	19,49 %
Capital adequacy*	21,21 %	19,66 %	21,25 %
Buffers			
Capital conservation buffer	489,5	504,1	486,3
Countercyclical buffer	195,8	403,3	486,3
Systemic risk buffer	587,4	605,0	583,5
Buffer for systemically important banks	0,0	0,0	0,0
Total buffer requirements	1.272,7	1.512,4	1.556,0
Available buffer capital	2.573,3	2.350,8	2.565,0
Leverage ratio	8,64 %	8,39 %	8,81 %

*The board of trustee's consideration of the annual financial statements for 2019 has been postponed and will take place prior to 30.06.2020. Until such consideration takes place, the original proposal for the distribution of dividends and the proposal for donations to good causes, as is set out in the provisional annual financial statements for 2019, has been deducted from CET1 capital as at 31.03.2020 and as at 31.12.2019.

Note 4 - Losses on loans, unused credit and guarantees

Loss costs

	Q1 2020	Q1 2019	31.12.2019
Change in model-based provisions, group 1	3,2	0,4	0,9
Change in model-based provisions, group 2	1,5	-0,1	1,0
Change in model-based provisions, group 3	0,3	-0,5	-1,6
Increase in existing individual write-downs	1,8	3,3	8,7
New individual write-downs	4,3	4,8	16,3
Established losses covered by previous individual write-downs	1,8	5,2	9,3
Reversals of previous individual write-downs	-4,6	-8,7	-14,7
Actual losses where no provision for individual write-downs has previously been made	-0,1	1,1	4,0
Recovery of previously identified losses	-0,7	-1,3	-5,6
Amortisation costs for the period	0,1	0,2	0,7
Losses on loans, unused credit and guarantees	7,6	4,2	18,9
- of which losses on lending to retail customers of the parent bank and mortgage credit company	1,0	1,0	4,4
- of which losses on lending to business customers	2,6	0,4	0,9
- of which losses on lending AS Financiering	3,6	2,8	13,5
- of which losses on unused credit and guarantees	0,4	-0,1	0,1

Changes in loss provisions

	Expected loss Stage 1	Expected loss Group 2	Expected loss Step 3	Total
Group - 31.03.20				
Opening balance as at 01.01.20	19,8	9,0	84,0	112,8
Transferred to Stage 1	2,0	-1,2	-0,8	0,0
Transferred to group 2	-0,6	1,7	-1,1	0,0
Transferred to group 3	0,0	-0,5	0,5	0,0
Net change	-2,0	0,5	4,0	2,6
New losses	3,4	0,2	0,2	3,8
Deducted losses	-2,5	-0,5	-1,1	-4,1
Change in risk model/parameters	2,9	1,2	0,1	4,2
Closing balance as at 31.03.20	23,0	10,5	85,8	119,3
- of which loss provisions on lending to retail customers of the parent bank and mortgage c	7,3	2,0	4,5	13,8
- of which loss provisions on lending to business customers	9,0	2,0	0,4	11,3
- of which loss provisions on lending AS Financiering	5,9	6,3	80,7	92,9
- of which loss provisions on unused credit and guarantees	0,9	0,1	0,3	1,2
Model-calculated loss provisions	23,0	10,5	0,9	34,3
Individual loss provisions	0,0	0,0	84,9	84,9

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

	Expected loss	Expected loss	Expected loss	
	Stage 1	Group 2	Step 3	Total
Group - 31.03.19				
Opening balance at 01.01.19	18,9	8,0	75,3	102,1
Transferred to group 1	2,0	-1,2	-0,8	0,0
Transferred to group 2	-0,6	1,6	-1,0	0,0
Transferred to group 3	0,0	-0,5	0,5	0,0
Net change	-2,1	0,3	1,8	0,0
New losses	3,9	0,0	0,3	4,2
Deducted losses	-2,8	-0,3	-2,0	-5,1
Change in risk model/parameters	0,0	0,0	0,0	0,0
Closing balance at 31.03.19	19,3	7,9	74,1	101,3
- of which loss provisions on lending to retail customers of the parent bank and mortgage c	8,2	1,1	0,8	10,1
- of which loss provisions on lending to business customers	5,5	1,4	1,4	8,3
- of which loss provisions on lending AS Financiering	5,1	5,3	71,7	82,2
- of which loss provisions on unused credit and guarantees	0,4	0,0	0,2	0,7
Model-calculated loss provisions	19,3	7,9	1,7	28,9
Individual loss provisions	0,0	0,0	72,4	72,4

	Expected loss	Expected loss	Expected loss	
	Stage 1	Group 2	Step 3	Total
Group - 31.12.19				
Opening balance at 01.01.19	18,9	8,0	75,3	102,1
Transferred to group 1	3,7	-2,0	-1,7	0,0
Transferred to group 2	-0,9	2,1	-1,2	0,0
Transferred to group 3	-0,1	-0,6	0,7	0,0
Net change	-4,4	2,3	15,5	13,5
New losses	8,9	1,1	1,9	11,9
Deducted losses	-7,1	-2,1	-6,6	-15,8
Change in risk model/parameters	0,8	0,2	0,0	1,1
Closing balance as at 31.12.2019	19,8	9,0	84,0	112,8
- of which loss provisions on lending to retail customers of the parent bank and mortgage c	6,9	1,8	4,2	12,9
- of which loss provisions on lending to business customers	7,1	1,2	0,4	8,8
- of which loss provisions on lending AS Financiering	5,2	5,9	79,2	90,3
- of which loss provisions on unused credit and guarantees	0,5	0,1	0,3	0,8
Model-calculated loss provisions	19,8	9,0	0,6	29,4
Individual loss provisions	0,0	0,0	83,4	83,4

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

Change in gross lending, broken down by group

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

Group - 31.03.20	Stage 1	Group 2	Step 3	Total
Opening balance as at 01.01.20	32.919,1	780,7	215,3	33.915,1
Transferred to Stage 1	117,6	-112,4	-5,2	0,0
Transferred to group 2	-257,1	264,8	-7,7	0,0
Transferred to group 3	-17,8	-36,7	54,5	0,0
Net change	219,0	-35,5	-5,8	177,6
New loans	7.302,9	22,4	1,9	7.327,1
Deducted lending	-7.888,9	-53,0	-20,2	-7.962,1
Closing balance as at 31.03.20	32.394,6	830,3	232,8	33.457,7
- of which lending to retail customers of the parent bank and mortgage credit company	25.911,6	193,9	51,0	26.156,6
- of which lending to business customers	4.825,8	250,5	20,1	5.096,4
- of which lending AS Financiering	1.657,1	385,9	161,7	2.204,7

Group - 31.03.19	Stage 1	Group 2	Step 3	Total
Opening balance at 01.01.19	33.933,1	688,2	260,5	34.881,8
Transferred to group 1	136,5	-122,4	-14,0	0,0
Transferred to group 2	-261,2	279,9	-18,7	0,0
Transferred to group 3	-13,2	-35,6	48,8	0,0
Net change	116,7	-16,9	-7,3	92,5
New loans	9.635,9	20,5	8,8	9.665,2
Deducted lending	-9.183,9	-67,5	-35,2	-9.286,6
Closing balance at 31.03.19	34.364,0	746,1	242,8	35.352,9
- of which lending to retail customers of the parent bank and mortgage credit company	28.248,2	178,3	86,5	28.513,0
- of which lending to business customers	4.552,5	180,6	11,0	4.744,1
- of which lending AS Financiering	1.563,3	387,2	145,3	2.095,8

Group - 31.12.19	Stage 1	Group 2	Step 3	Total
Opening balance at 01.01.19	33.933,1	688,2	260,5	34.881,8
Transferred to group 1	198,5	-174,6	-23,9	0,0
Transferred to group 2	-416,6	446,6	-30,0	0,0
Transferred to group 3	-33,1	-34,7	67,8	0,0
Net change	296,6	-108,7	-34,4	153,5
New loans	17.379,0	164,7	33,9	17.577,6
Deducted lending	-18.438,5	-200,8	-58,5	-18.697,9
Closing balance as at 31.12.2019	32.919,1	780,7	215,3	33.915,1
- of which lending to retail customers of the parent bank and mortgage credit company	26.587,2	194,5	50,7	26.832,4
- of which lending to business customers	4.693,2	184,4	12,0	4.889,5
- of which lending AS Financiering	1.638,7	401,9	152,6	2.193,1

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

Model-calculated expected loss

The Covid-19 situation and fall in oil prices have resulted in increased uncertainty about the economic outlook at the end of Q1 2020. The assumptions that formed the basis of the annual financial statements for 2019 and their preparation only took into account the situation that has arisen to a lesser extent.

In connection with the end of Q1, special evaluations and valuations of the Group's portfolios have therefore been carried out, including non-performing commitments. This is in order to identify any significant increased risks relating to credit and loss in individual commitments, industries or segments on the bank's balance sheet as a result of Covid-19 and the fall in oil prices. As part of these reviews, an assessment has been made as to whether there are increased risks relating to credit and loss over the duration of each respective commitment. The reviews have 'looked past' the situation that has arisen - and that is assumed to be temporary - in terms of the 'lockdown' of society as a result of Covid-19. The reviews have also examined the authorities' initiatives and aid packages. Measures to remedy immediate liquidity challenges among the bank's customers, as in the rest of the financial industry, have been implemented using temporary payment holidays on loan installments.

The majority of Sparebanken Øst's portfolios are located in the central area of Eastern Norway, and the risk of losses in the portfolios is deemed not to have changed significantly. In terms of security coverage, the Group is well-covered through lending to retail customers and business owners, the majority of whom are secured through mortgages on real estate with reassuring loan-to-value ratios. Furthermore, the bank does not have exposure to oil, oil related activities or fish/aquaculture activities. In general terms, the bank can also be said to have very little exposure to the accommodation/hospitality industry, import/export businesses, major industry and trading operations. On the basis of the reviews and evaluations, no special adjustment has been made to the levels of loss provisions and no changes have been made to the assumptions that underpin the model-calculated losses in the anticipated scenario.

There has been an increased demand amongst the Group's customers for payment holidays as a result of the Covid-19 situation. Where the cause and need have arisen as a result of the Covid-19 situation, the Group has granted temporary payment holidays of up to 6 months. Individual assessments of the applications have been carried out to establish whether such a need is temporary, or whether the measure is in reality an offer of payment relief that necessitates a transfer to step 2 or step 3. The extent of temporary payment holidays granted as at 31.03.2020 constitutes approximately 3.6 % of lending in the retail market portfolio, 10.2 % of lending in the business market portfolio, and 3.3 % of lending by AS Finansiering. As at 31.03.20, there has been no significant increase in payment relief incorporating transfers to step 2 or step 3 when compared with 31.12.19.

The probability weighting of macroeconomic scenarios through model-calculated expected losses has changed as at the end of Q1 2020. When assessing macroeconomic developments at the end of Q1 2020, an emphasis has been placed on reliable, available information, which has formed the basis of a long-term macroeconomic vision based on forecasts issued by Norges Bank. Given the increased uncertainty in relation to economic prospects, the uncertainty of estimates has also increased. The bank has used its best judgment when assessing model-calculated expected losses as at the end of Q1 2020. Compared with the annual financial statements for 2019, the bank has increased its probability weighting in Q1 2020 of pessimistic scenarios to 30% from the previous weighting of 15%, while the expected scenario has been reduced by a corresponding amount. The impact of this change amounts to NOK 4.2 million in increased loss provisions, of which NOK 4.1 million comprise increased loss provisions in step 1 and step 2. The factors (effect) of the scenarios remain unchanged at a Group- and segment-level compared with 31.12.19.

The table below shows the expected loss in the various scenarios and the probability weighting. Individually assessed loss provisions remain unchanged in the various

31.03.20 - Group	Probability weighting	Stage 1	Group 2	Step 3	Total
Optimistic scenario	0 %	13,0	6,2	85,4	104,7
Expected scenario	70 %	16,3	7,7	85,6	109,6
Pessimistic scenario	30 %	38,6	16,8	86,4	141,8
Loss provisions (probability weighted)	100 %	23,0	10,5	85,8	119,3

Sensitivity to model parameters

The sensitivity analysis of the model parameters in relation to the increase in the probability weighting of a pessimistic scenario has been changed in comparison with the details given in the annual report for 2019. A further increase in the probability weighting of the pessimistic scenario by 50%, from 30% to 45%, and where the expected scenario is reduced accordingly, would result in a further increased in model-calculated expected losses of NOK 4.8 million for the Group. This breaks down into NOK 2.2 million for business customers, NOK 1.2 million for customers of the parent bank and mortgage credit company, and NOK 1.4 million in AS Finansiering. Sensitivity to other model parameters of the probability of default (PD) and expected losses (LGD) have not changed significantly during the quarter.

Note 5 - Non-performing commitments, customers

	Q1 2020	Q1 2019	31.12.2019
Payment defaults in excess of 90 days			
Business	18,6	6,5	12,4
+ Retail	38,7	31,8	44,5
+ AS Financiering	161,7	145,3	152,6
= Gross payment defaults	219,0	183,6	209,5
- Loss provisions	85,3	72,7	83,7
= Net payment defaults	133,8	110,8	125,8
 Other non-performing commitments			
Business	2,4	7,3	0,3
+ Retail	12,4	54,7	6,2
+ AS Financiering	0,0	0,0	0,0
= Gross other non-performing commitments	14,7	62,0	6,5
- Loss provisions	0,6	1,4	0,3
= Net other non-performing commitments	14,2	60,6	6,1
 Non-performing commitments			
Business	21,0	13,8	12,7
+ Retail	51,0	86,5	50,7
+ AS Financiering	161,7	145,3	152,6
= Gross non-performing commitments	233,8	245,6	215,9
- Loss provisions	85,8	74,1	84,0
= Net non-performing commitments	147,9	171,4	131,9

Note 6 - Deposits from customers by sector and industry

	31.03.2020	31.03.2019	31.12.2019
Salaried employees	8.236,3	8.515,3	8.388,9
Public administration	544,0	512,1	543,7
Agriculture, forestry and fishing, etc.	103,7	112,0	101,9
Industry and mining, power and water supply	865,4	1.257,3	1.149,9
Building and construction	645,2	584,8	627,8
Wholesale and retail trade, hotels and restaurants	410,4	396,5	442,1
Transport and communications	256,4	242,2	219,4
Business financial services	1.470,1	1.378,3	1.453,5
Other service industries	831,5	800,7	821,0
Real estate sales and operation	841,3	917,7	918,6
Abroad	109,4	139,6	124,7
Total customer deposits	14.313,7	14.856,5	14.791,7

Note 7 - Loans to customers by sector and industry

	31.03.2020	31.03.2019	31.12.2019
Salaried employees	28.665,8	30.887,4	29.349,3
Agriculture, forestry and fishing, etc.	104,5	102,5	97,0
Industry and mining, power and water supply	88,8	60,5	80,7
Building and construction	471,1	467,5	417,5
Wholesale and retail trade, hotels and restaurants	137,9	152,7	133,2
Transport and communications	50,8	32,6	34,2
Business financial services	156,4	208,8	131,0
Other service industries	916,0	816,5	788,5
Real estate sales and operation	3.226,0	2.961,9	3.264,0
Abroad	35,8	35,3	42,0
Gross lending to customers	33.853,1	35.725,7	34.337,2
Loss provisions on loans	-118,0	-100,6	-111,9
Net lending to customers	33.735,1	35.625,1	34.225,3

Note 8 - Geographical distribution of lending, customers

	31.03.2020	31.03.2019	31.12.2019
Drammen	8.132,2	8.154,8	8.137,1
Øvre Eiker	2.127,7	2.188,5	2.126,6
Asker/Bærum	4.817,0	4.990,3	4.843,6
Rest of Viken	7.015,9	7.298,6	7.123,7
Oslo	6.516,3	7.223,3	6.656,6
Vestfold/Telemark	2.976,7	2.969,0	3.019,7
Rest of Norway	2.231,5	2.866,8	2.387,9
Abroad	35,8	34,4	42,0
Gross lending to customers	33.853,1	35.725,7	34.337,2
Loan loss provisions	-118,0	-100,6	-111,9
Net lending to customers	33.735,1	35.625,1	34.225,3

Note 9 - Credit risk

The risk classification systems are used for decision-making support, monitoring and reporting. The risk parameters from the classification systems are included as an integral part of the credit process and follow-up of the business and retail customer portfolios. The risk classification is based on a weighted calculation of various parameters related to the capacity to service debt, debt-servicing history, and information obtained from an external credit information provider.

The Group's portfolios are based on a risk classification comprising 11 categories from A to K. Risk class A represents the lowest risk and class I represents the highest risk of non-performing customers. Risk classes J and K comprise commitments with objective evidence of non-performance, and these commitments are being specifically monitored.

31.03.2020	Gross loans	Guarantee liabilities	Overdraft facilities	Total commitments	%	Commitments Step 1	Loss provisions Step 1	Commitments Step 2	Loss provisions Step 2	Commitments Step 3	Loss provisions Step 3*
A	14.069,7	8,0	1.157,6	15.235,3	42,7	15.221,5	0,9	13,8	0,0	0,0	0,0
B	5.570,3	26,2	219,2	5.815,7	16,3	5.811,6	1,3	4,1	0,0	0,0	0,0
C	5.497,2	13,4	149,9	5.660,4	15,9	5.643,6	3,1	16,9	0,0	0,0	0,0
D	4.442,6	22,4	185,2	4.650,2	13,0	4.615,1	5,7	35,1	0,1	0,0	0,0
E	1.408,9	9,0	20,8	1.438,7	4,0	1.171,7	2,9	267,0	1,6	0,0	0,0
F	1.232,3	2,5	8,0	1.242,7	3,5	1.136,0	3,0	106,7	0,6	0,0	0,0
G	1.084,8	0,0	0,7	1.085,4	3,0	878,4	3,6	207,0	1,4	0,0	0,0
H	281,7	0,2	0,3	282,2	0,8	93,8	1,8	188,4	6,1	0,0	0,0
I	20,8	0,0	0,2	20,9	0,1	12,9	0,5	8,1	0,6	0,0	0,0
J	53,7	0,5	0,0	54,2	0,2	0,0	0,0	0,0	0,0	54,2	0,0
K	179,3	0,5	0,0	179,8	0,5	0,0	0,0	0,0	0,0	179,8	85,8
Unallocated	11,8	0,0	0,3	12,1	0,0	12,1	0,2	0,0	0,0	0,0	0,0
Total	33.853,1	82,6	1.742,0	35.677,7	100,0	34.596,7	23,0	847,0	10,5	234,0	85,8

* Group 3 provisions include individually assessed loss write-downs of NOK 84.9 million.

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

31.03.2019	Gross lending**	Guarantee liabilities	Overdraft facilities	Total commitments	%	Commitments Group 1	Loss provisions Group 1	Commitments Group 2	Loss provisions Group 2	Commitments Group 3	Loss provisions Group 3*
A	13.931,0	9,0	1.144,9	15.084,9	40,3	15.059,5	0,8	25,4	0,0	0,0	0,0
B	6.519,1	16,2	254,4	6.789,7	18,1	6.770,0	1,3	19,7	0,0	0,0	0,0
C	5.976,3	14,1	154,2	6.144,6	16,4	6.130,0	2,7	14,6	0,0	0,0	0,0
D	5.596,2	48,6	135,6	5.780,4	15,4	5.754,9	5,4	25,5	0,0	0,0	0,0
E	956,8	8,2	20,5	985,5	2,6	832,2	1,4	153,3	0,6	0,0	0,0
F	1.043,5	0,2	2,2	1.045,9	2,8	932,0	1,9	113,9	0,6	0,0	0,0
G	1.139,2	0,0	0,9	1.140,1	3,0	916,0	3,5	224,1	1,4	0,0	0,0
H	279,9	0,0	0,1	280,0	0,7	105,6	1,6	174,4	5,1	0,0	0,0
I	23,1	0,0	0,1	23,2	0,1	20,2	0,7	3,0	0,2	0,0	0,0
J	84,2	0,5	0,0	84,7	0,2	0,0	0,0	0,0	0,0	84,7	2,6
K	159,8	2,2	0,0	162,0	0,4	0,0	0,0	0,0	0,0	162,0	71,5
Unallocated	16,6	0,0	0,0	16,6	0,0	16,6	0,0	0,0	0,0	0,0	0,0
Total	35.725,7	99,0	1.712,9	37.537,6	100,0	36.537,0	19,3	753,9	7,9	246,7	74,1

* Group 3 provisions include individually assessed loss write-downs of NOK 72.4 million.

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

Note 9 - Credit risk (cont.)

31.12.2019	Gross lending**	Guarantee liabilities	Overdraft facilities	Total commitmen ts	%	Commitment s Group 1	Loss provisions Group 1	Commitment s Group 2	Loss provisions Group 2	Commitment s Group 3	Loss provisions Group 3*
A	14.084,5	8,3	1.159,2	15.251,7	42,2	15.238,8	0,8	13,2	0,0	0,0	0,0
B	5.674,1	14,0	219,2	5.907,3	16,3	5.899,7	1,2	7,6	0,0	0,0	0,0
C	5.661,1	12,7	156,7	5.830,6	16,1	5.795,0	2,7	35,5	0,0	0,0	0,0
D	4.890,3	39,9	184,1	5.114,4	14,1	5.086,7	5,1	27,7	0,0	0,0	0,0
E	1.163,8	11,0	14,2	1.189,1	3,3	1.009,8	2,0	179,2	0,9	0,0	0,0
F	1.211,0	1,1	2,1	1.214,2	3,4	1.117,1	2,5	97,1	0,4	0,0	0,0
G	1.099,7	0,0	1,7	1.101,4	3,0	879,8	3,0	221,6	1,4	0,0	0,0
H	301,1	0,2	0,1	301,3	0,8	104,5	1,7	196,9	5,6	0,0	0,0
I	26,3	0,0	0,1	26,4	0,1	18,6	0,8	7,8	0,5	0,0	0,0
J	58,1	0,0	0,2	58,6	0,2	0,0	0,0	0,0	0,0	58,3	3,1
K	157,1	0,5	0,0	157,5	0,4	0,0	0,0	0,0	0,0	157,5	80,9
Unallocated	10,2	0,0	0,0	10,2	0,0	10,1	0,0	0,1	0,0	0,0	0,0
Total	34.337,2	87,6	1.737,5	36.162,6	100,0	35.160,0	19,8	786,7	9,0	215,9	84,0

* Group 3 provisions include individually assessed loss write-downs of NOK 83.4 million.

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

Note 10 - Classification of financial instruments

31.03.2020	Fair value through profit or loss			Total
	Mandatory	Designated	Measured at amortised cost*	
Cash and receivables from central banks	0,0	0,0	620,1	620,1
Net loans to and receivables from financial institutions	0,0	0,0	10,2	10,2
Net loans to and receivables from customers	0,0	395,4	33.339,7	33.735,1
Certificates and bonds	7.936,2	0,0	0,0	7.936,2
Shares and units	633,1	0,0	0,0	633,1
Financial derivatives**	435,4	0,0	0,0	435,4
Total financial assets	9.004,7	395,4	33.970,0	43.370,1
Liabilities to financial institutions	0,0	0,0	602,5	602,5
Deposits from and liabilities to customers	0,0	0,0	14.313,7	14.313,7
Financial derivatives**	21,7	0,0	0,0	21,7
Securities issued	0,0	0,0	23.394,7	23.394,7
Subordinated loan capital	0,0	0,0	400,4	400,4
Total financial liabilities	21,7	0,0	38.711,2	38.732,9

* Includes hedged debt

** Includes derivatives for which hedge accounting is used

31.03.2019	Fair value through profit or loss			Total
	Mandatory	Designated	Measured at amortised cost*	
Cash and receivables from central banks	0,0	0,0	244,9	244,9
Net loans to and receivables from financial institutions	0,0	0,0	10,2	10,2
Net loans to and receivables from customers	0,0	372,6	35.252,5	35.625,1
Certificates and bonds	5.481,4	0,0	0,0	5.481,4
Shares and units	613,1	0,0	0,0	613,1
Financial derivatives**	223,6	0,0	0,0	223,6
Total financial assets	6.318,1	372,6	35.507,6	42.198,3
Liabilities to financial institutions	0,0	0,0	301,8	301,8
Deposits from and liabilities to customers	0,0	0,0	14.856,5	14.856,5
Financial derivatives**	12,9	0,0	0,0	12,9
Securities issued	0,0	0,0	22.438,0	22.438,0
Subordinated loan capital	0,0	0,0	400,1	400,1
Total financial liabilities	12,9	0,0	37.996,4	38.009,3

* Includes hedged debt

** Includes derivatives for which hedge accounting is used

Note 10 - Classification of financial instruments (cont.)

31.12.2019	Fair value through profit or loss			Total
	Mandatory	Designated	Measured at amortised cost*	
Cash and receivables from central banks	0,0	0,0	302,5	302,5
Net loans to and receivables from financial institutions	0,0	0,0	15,9	15,9
Net loans to and receivables from customers	0,0	422,1	33.803,2	34.225,3
Certificates and bonds	6.755,1	0,0	0,0	6.755,1
Shares and units	629,6	0,0	0,0	629,6
Financial derivatives**	174,7	0,0	0,0	174,7
Total financial assets	7.559,4	422,1	34.121,6	42.103,1
Liabilities to financial institutions	0,0	0,0	300,6	300,6
Deposits from and liabilities to customers	0,0	0,0	14.791,7	14.791,7
Financial derivatives**	35,3	0,0	0,0	35,3
Securities issued	0,0	0,0	22.261,7	22.261,7
Subordinated loan capital	0,0	0,0	400,4	400,4
Total financial liabilities	35,3	0,0	37.754,4	37.789,7

* Includes hedged debt

** Includes derivatives for which hedge accounting is used

Note 11 - Financial instruments at fair value

The bank classifies fair value measurements by using a hierarchy with 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.

See Note 21 in the Annual Report for 2019 for further details of individual accounting items.

31.03.2020	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers	0,0	0,0	395,4	395,4
Certificates and bonds	0,0	7.936,2	0,0	7.936,2
Shares and units	33,0	0,0	600,1	633,1
Financial derivatives	0,0	435,4	0,0	435,4
Total assets at fair value	33,0	8.371,6	995,5	9.400,1
Financial derivatives	0,0	21,7	0,0	21,7
Total liabilities at fair value	0,0	21,7	0,0	21,7

	Fixed interest loans	Shares through profit or loss	Total
Movements in level 3 for items valued at fair value			
Balance sheet as at 01.01.20	422,1	598,3	1.020,4
Net realised gains	0,0	0,0	0,0
Additions	8,3	0,0	8,3
Disposals	44,4	0,0	44,4
Changes in value	9,4	1,8	11,2
Transferred from levels 1 and 2	0,0	0,0	0,0
Balance sheet at end of period	395,4	600,1	995,5

31.03.2019	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers	0,0	0,0	372,6	372,6
Certificates and bonds	0,0	5.481,4	0,0	5.481,4
Shares and units	25,5	23,0	564,6	613,1
Financial derivatives	0,0	223,6	0,0	223,6
Total assets at fair value	25,5	5.728,0	937,2	6.690,7
Financial derivatives	0,0	12,9	0,0	12,9
Total liabilities at fair value	0,0	12,9	0,0	12,9

	Fixed interest loans	Shares through profit or loss	Total
Movements in level 3 for items valued at fair value			
Balance sheet as at 01.01.19	367,0	562,2	929,2
Net realised gains	0,0	0,0	0,0
Additions	11,1	0,0	11,1
Disposals	4,7	0,0	4,7
Changes in value	-0,8	2,4	1,6
Transferred from levels 1 and 2	0,0	0,0	0,0
Balance sheet at end of period	372,6	564,6	937,2

Note 11 - Financial instruments at fair value (cont.)

31.12.2019	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers	0,0	0,0	422,1	422,1
Certificates and bonds	0,0	6.755,1	0,0	6.755,1
Shares and units	31,3	0,0	598,3	629,6
Financial derivatives	0,0	174,7	0,0	174,7
Total assets at fair value	31,3	6.929,8	1.020,4	7.981,5
Financial derivatives	0,0	35,3	0,0	35,3
Total liabilities at fair value	0,0	35,3	0,0	35,3

Movements in level 3 for items valued at fair value			
	Fixed interest loans	Shares through profit or loss	Total
Balance sheet as at 01.01.19	367,0	562,2	929,2
Net realised gains	0,0	0,0	0,0
Additions	90,5	18,3	108,8
Disposals	33,4	0,0	33,4
Changes in value	-2,0	-5,2	-7,2
Transferred from levels 1 and 2	0,0	23,0	23,0
Balance sheet at end of period	422,1	598,3	1.020,4

Note 12 - Securities issued and subordinated loan capital

Securities issued	31.03.2020	31.03.2019	31.12.2019
Bonds, nominal value	22.904,0	22.173,0	22.065,0
Value adjustments (incl. excess/deficit value)	393,8	176,4	87,2
Accrued interest	96,9	88,6	109,5
Total securities issued	23.394,7	22.438,0	22.261,7

Change for securities issued	31.03.2020	Issued	Due/redeemed	Change holdings	Other changes incl. currency	31.12.2019
Bonds, nominal value	8.785,0	0,0	130,0	0,0	0,0	8.915,0
Covered bonds, nominal value in NOK	14.119,0	2.500,0	1.631,0	-100,0	0,0	13.150,0
Covered bonds, nominal value in SEK (converted to NOK)	0,0	0,0	0,0	0,0	0,0	0,0
Value adjustments (incl. excess/deficit value)	393,8	0,0	0,0	0,0	306,6	87,2
Accrued interest	96,9	0,0	0,0	0,0	-12,5	109,5
Total securities issued	23.394,7	2.500,0	1.761,0	-100,0	294,1	22.261,7

Change in subordinated loan capital	31.03.2020	Issued	Due/redeemed	Change own holding	Other changes incl. currency	31.12.2019
Ordinary subordinated loan capital, nominal value	400,0	0,0	0,0	0,0	0,0	400,0
Value adjustments (including premium/discount)	-0,5	0,0	0,0	0,0	0,2	-0,5
Accrued interest	0,8	0,0	0,0	0,0	0,1	0,8
Total subordinated loan capital	400,4	0,0	0,0	0,0	0,3	400,4

Note 13 - Financial derivatives

		Book value of	Fair value of hedging instruments		Value adjustment
	Contract sum	hedging object	Assets	Liabilities	of hedging object
31.03.2020					Liabilities
Fair value through profit or loss					
Forward exchange contracts	36,2		0,0	-5,9	
Interest rate swaps (IRS)	695,0		0,0	-15,8	
Total instruments recognised at fair value through profit or loss			0,0	-21,7	
Used for hedge accounting					
Currency swap agreements	0,0		0,0	0,0	0,0
Interest rate swaps (IRS)	7.565,0		435,4	0,0	0,0
Securities issued		8.024,0			386,2
Total instruments used for hedge accounting		8.024,0	435,4	0,0	386,2
Total		8.024,1	435,5	-21,7	386,2

The difference between the fair value of hedging instruments and the value adjustment of a security is explained by accrued interest. The book value of the hedging instrument includes value adjustments and accrued interest.

		Book value of	Fair value of hedging instruments		Value adjustment
	Contract sum	hedging object	Assets	Liabilities	of hedging object
31.03.2019					
Fair value through profit or loss					
Forward exchange contracts	16,9		0,0	0,5	
Interest rate swaps (IRS)	675,0		0,9	2,9	
Total instruments recognised at fair value through profit or loss			0,9	3,4	
Used for hedge accounting					
Currency swap agreements	0,0		0,0	0,0	0,0
Interest rate swaps (IRS)	7.015,0		222,7	9,5	0,0
Securities issued		7.245,3			163,4
Total instruments used for hedge accounting		7.245,3	222,7	9,5	163,4
Total		7.245,3	223,6	12,9	163,4

The difference between the fair value of hedging instruments and the value adjustment of a security is explained by accrued interest. The book value of the hedging instrument includes value adjustments and accrued interest.

		Book value of	Fair value of hedging instruments		Value adjustment
31.12.2019	Contract sum	hedging object	Assets	Liabilities	of hedging object
Fair value through profit or loss					
Forward exchange contracts	27,0		0,7	0,0	
Interest rate swaps (IRS)	745,0		5,0	0,1	
Total instruments recognised at fair value through profit or loss			5,6	0,1	
Used for hedge accounting					
Currency swap agreements	0,0		0,0	0,0	0,0
Interest rate swaps (IRS)	7.565,0		169,0	35,1	0,0
Securities issued		7.723,0			76,5
Total instruments used for hedge accounting		7.723,0	169,0	35,1	76,5
Total		7.723,1	174,7	35,3	76,5

The difference between the fair value of hedging instruments and the value adjustment of a security is explained by accrued interest. The book value of the hedging instrument includes value adjustments and accrued interest.

Note 14 - Financial derivatives - offsetting

The group's netting rights adhere to the general rules in Norwegian law. Standardised and mainly bilateral ISDA agreements have been entered into with financial institutions, which give the parties netting rights in the event of any default. Additional agreements have also been entered into concerning the provision of security (CSA). In accordance with the offsetting disclosure requirements, there has been no offsetting of capitalised amounts.

Exposure as at 31.03.2020	Gross amount	Offset	Recognised amount	Amount subject to net settlement	Exchanged collateral security	Amount in accordance with any net settlement
Financial derivatives, assets	372,1	0,0	372,1	-12,8	-300,5	58,7
Financial derivatives, liabilities	16,8	0,0	16,8	-12,8	-3,4	0,6
Exposure as at 31.03.2019						
Financial derivatives, assets	175,3	0,0	175,3	-8,9	-109,9	56,5
Financial derivatives, liabilities	9,3	0,0	9,3	-8,9	0,0	0,4
Exposure as at 31.12.2019						
Financial derivatives, assets	150,4	0,0	150,4	-17,0	-88,6	44,7
Financial derivatives, liabilities	27,6	0,0	27,6	-17,0	-7,9	2,7

Note 15 - Net interest income

	Q1 2020	Q1 2019	Year 2019
Interest income from loans to and receivables from financial institutions	1,5	0,7	4,6
Interest income from loans to customers	308,0	270,6	1.168,0
Interest income from certificates and bonds	40,9	23,1	118,2
Total interest income	350,4	294,4	1.290,8
Interest costs on liabilities to financial institutions	2,1	1,8	6,5
Interest on deposits from customers	39,1	34,7	144,9
Interest on securities issued	137,4	105,1	472,8
Interest on subordinated loan capital	3,2	2,7	13,4
Norwegian Banks Guarantee Fund levy	4,0	3,4	11,5
Total interest costs	185,9	147,7	649,1
Net interest income	164,6	146,8	641,7

Note 16 - Net changes in value and gains/losses on financial instruments

	Q1 2020	Q1 2019	Year 2019
Net changes in value and gains/losses on certificates and bonds	-19,2	3,6	-12,7
Net changes in value and gains/losses on shares and equity derivatives	3,5	6,3	4,4
Net changes in value and gains/losses on fixed-interest loans	9,4	-0,7	-1,9
Net changes in value and gains/losses on other financial instruments	-27,3	-3,9	0,7
Net value change and gains/losses on financial instruments	-33,7	5,2	-9,5

Note 17 - Operating costs

	Q1 2020	Q1 2019	Year 2019
Payroll costs incl. AGA and Financial Activity Tax	40,3	41,5	142,4
Pension costs	3,9	3,1	13,3
Other personnel-related costs	2,5	2,4	6,9
IT costs	10,8	9,6	37,4
Other administrative costs	4,1	3,8	16,2
Depreciation/write-downs/changes in value for non-financial assets	6,5	6,2	25,7
Operating costs, properties and premises	2,9	2,9	10,3
Other operating costs	9,5	8,8	25,5
Total operating costs	80,4	78,3	277,8

Note 18 - Guarantee liability and other off-balance sheet items

Guarantee liability	31.03.2020	31.03.2019	31.12.2019
Payment guarantees	14,5	18,5	14,0
Contract guarantees	38,0	51,1	42,6
Loan guarantees	20,0	16,7	20,5
Other guarantee liabilities	10,1	12,7	10,5
Total guarantees to customers	82,6	99,0	87,6

Pledges of security	31.03.2020	31.03.2019	31.12.2019
Bonds, nominal value, pledged as security for borrowing facilities at Norges Bank	1.510,0	400,0	410,0
Total pledges of security	1.510,0	400,0	410,0

The parent bank has issued a revolving credit facility vis-à-vis Sparebanken Øst Boligkreditt AS which guarantees timely payment of outstanding covered bonds which 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.

The parent bank's holdings of covered bonds had a face value of NOK 500.0 at 31.03.20, NOK 1,100.0 million at 31.03.19 and NOK 600.0 at 31.12.2019 and are not included in

Preferential rights	31.03.2020	31.03.2019	31.12.2019
Preferential rights in accordance with Section 11-15 of the Norwegian Financial Institutions Act (nominal value)*	14.619,0	14.258,0	13.750,0
Total, preferential rights	14.619,0	14.258,0	13.750,0

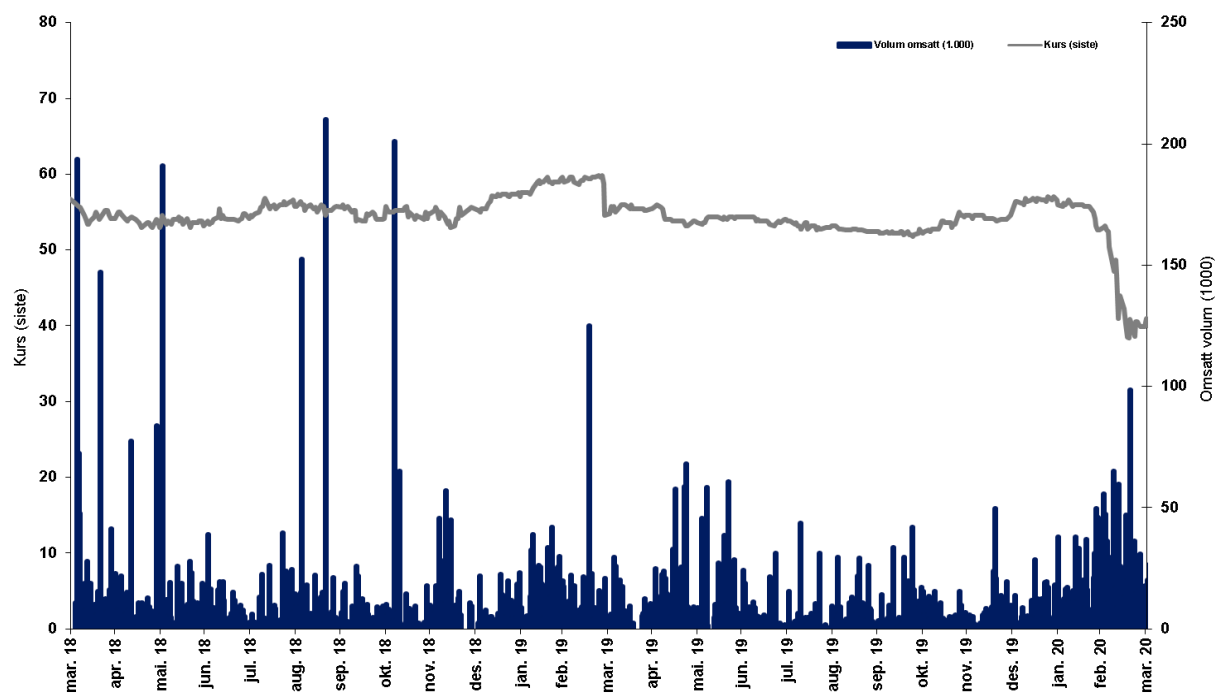
Note 19 - Events after the balance sheet date

As a result of the Covid-19 situation and the massive fall in oil prices, credit spreads in the bond market increased substantially towards the end of February and throughout March. A proportion of this increase was reversed late in March and underwent further reversal in April. As a result of trends during the month of April, the Group has recorded a positive value adjustment in relation to the bank's liquidity portfolio totalling approximately NOK 14.6 million.

There have been no significant incidents relating to lending, unused credits or guarantees after the balance sheet date, including significant changes in impairments or incre:

Note 20 - Equity certificates

Sparebanken Øst (SPOG)



The 20 largest equity certificate holders at 31.03.2020

Name	Number	%	Name	Number	%
1 MP Pensjon	1.667.815	8,04 %	11 Skandinaviska Enskilda Banken	209.649	1,01 %
2 Cape Invest AS	1.405.705	6,78 %	12 Profond AS	172.046	0,83 %
3 Directmarketing Invest AS	999.500	4,82 %	13 Morgan Stanley & Co. Internal	154.655	0,75 %
4 Eika securities fund, dividend	967.691	4,67 %	14 Jan Arne Hemnes Jakobsen	152.010	0,73 %
5 Hansen, Asbjørn Rudolf	445.502	2,15 %	15 Johansen, Kjell Petter	152.000	0,73 %
6 Foretakskonsulenter AS	310.128	1,50 %	16 Løkke, Helge Arnfinn	148.433	0,72 %
7 Jag Holding AS	303.897	1,47 %	17 Morgan Stanley & Co. Intern.	139.346	0,67 %
8 Wenaasgruppen AS	273.000	1,32 %	18 Seriana AS	130.931	0,63 %
9 Storetind AS	250.000	1,21 %	19 Teigen, Hellik	120.400	0,58 %
10 AS Andersen Eiendomsselskap	238.900	1,15 %	20 Julius Johannessen & Sønner AS	120.200	0,58 %

Ownership fraction, parent bank

	01.01.2020	01.01.2019
Equity certificate capital	207,3	207,3
Share premium reserve	387,8	387,8
Equalisation fund (excl. dividend)	331,1	308,8
Share of Fund for Unrealised Gains	87,1	92,1
Total numerator (A)	1013,3	996,0
Total equity excl. hybrid capital (dividend provisions for the year excluded)	3.227,6	3.069,5
Total denominator (B)	3.227,6	3.069,5
Ownership fraction (A/B) in per cent*	31,40	32,45

*The board of trustee's consideration of the annual financial statements for 2019 has been postponed and will take place prior to 30.06.2020. Until such consideration takes place, the original proposal for the distribution of dividends and the proposal for donations to good causes, as is set out in the provisional annual financial statements for 2019, will form the basis for calculating ownership fractions as at 01.01.2020.

Income Statement - Parent Bank

(Amounts in NOK million)	Q1 2020	Q1 2019	Year 2019
Interest income	204,1	175,0	764,2
Interest costs	107,4	90,8	388,1
Net interest income	96,7	84,2	376,2
Commission income and income from banking services	26,2	26,2	111,3
Commission costs and costs for banking services	5,4	5,0	20,6
Dividend	5,2	0,0	136,8
Net changes in value and gains/losses on financial instruments	-37,8	11,4	-5,2
Other operating income	2,0	2,0	7,7
Net other operating income	-9,8	34,7	230,0
Payroll, etc.	40,6	40,9	140,4
Administration costs	12,1	10,7	42,8
Depreciation/write-downs/changes in value for non-financial assets	6,5	6,0	25,0
Other operating costs	9,7	8,7	28,6
Total operating costs	68,9	66,2	236,9
Profit/loss before losses	17,9	52,7	369,2
Losses on loans, unused credit and guarantees	3,1	0,7	4,9
Profit/loss before tax costs	14,8	52,0	364,4
Tax costs	1,4	12,0	56,8
Profit/loss after tax	13,4	40,0	307,6
Hybrid capital owners' share of the result	4,8	3,9	17,9
Equity certificate holders' and primary capital share of profits	8,7	36,1	289,7
Profit/loss after tax	13,4	40,0	307,6
Earnings per equity certificate	0,13	0,57	4,54
Diluted earnings per equity certificate	0,13	0,57	4,54

Other comprehensive income - parent bank

(Amounts in NOK million)	Q1 2020	Q1 2019	Year 2019
Profit/loss after tax	13,4	40,0	307,6
Items that will not be reclassified to the income statement			
Actuarial gains and losses on defined-benefit plans	0,0	0,0	3,7
Tax related to items that cannot be reclassified	0,0	0,0	-0,9
Items that may later be reclassified to the income statement			
Lending at fair value	0,5	0,0	-0,2
Tax related to items that can be reclassified	-0,1	0,0	0,0
Comprehensive income	13,8	40,0	310,3

Balance Sheet - Parent Bank

(Amounts in NOK million)	31.03.2020	31.03.2019	31.12.2019
Assets			
Cash and receivables from central banks	620,1	244,9	302,5
Loans to and receivables from financial institutions	2.346,3	2.395,0	2.273,2
Loans to and receivables from customers	15.592,6	17.871,7	16.982,8
Certificates and bonds	8.218,6	6.428,6	7.197,6
Shares and units	633,1	613,1	629,6
Financial derivatives	222,3	77,4	57,2
Ownership interests in Group companies	1.321,0	1.241,0	1.321,0
Deferred tax asset	6,7	7,2	6,8
Tangible fixed assets	89,4	86,7	89,6
Lease rights	85,5	92,7	84,8
Other assets	4,0	2,3	10,2
Prepaid non-accrued costs and income earned, but not received	19,3	17,6	9,1
Total assets	29.159,0	29.078,2	28.964,4
Liabilities and equity			
Liabilities to financial institutions	1.018,5	672,7	620,2
Deposits from and liabilities to customers	14.426,7	14.930,9	14.879,5
Financial derivatives	21,7	12,9	35,3
Securities issued	9.033,6	9.103,1	8.959,6
Other liabilities	352,0	295,9	178,7
Accruals and deferred income	30,4	37,5	25,5
Provisions for accrued costs and liabilities	65,9	76,1	65,5
Lease liabilities	86,4	92,9	85,5
Subordinated loan capital	400,4	400,1	400,4
Total liabilities	25.435,7	25.622,1	25.250,1
Paid-up equity	595,1	595,1	595,1
Hybrid capital	352,3	350,5	352,4
Retained earnings	2.775,9	2.510,5	2.766,8
Total equity	3.723,3	3.456,1	3.714,3
Total liabilities and equity	29.159,0	29.078,2	28.964,4

Changes in equity - parent bank

(Amounts in NOK million)	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 unrealised gains	Value adjustment comprehensive income as reclass.	Retained profit
31.03.2020										
Equity as at 31.12.2019	3.714,3	207,3	387,8	352,4	405,7	2.045,5	38,1	277,5	0,0	0,0
Ordinary result	13,4	0,0	0,0	4,8	0,0	0,0	0,0	0,0	0,0	8,7
Change in lending at fair value through comprehen	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	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Comprehensive income	13,8	0,0	0,0	4,8	0,0	0,0	0,0	0,0	0,4	8,7
Interest paid on hybrid capital	-4,8	0,0	0,0	-4,8	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 31.03.2020	3.723,3	207,3	387,8	352,3	405,7	2.045,5	38,1	277,5	0,4	8,7

As at 31.03.2020, no allocations of dividends have been determined as a result of the consideration of the annual financial statements for 2019 and the determination of dividends payable to equity certificate holders and donations to good causes being withdrawn during an ordinary meeting of the board of trustees on 26.03.2020. The Board of Directors will convene an extraordinary meeting of the board of trustees prior to 30.06.2020 at which the annual financial statements for 2019 including the determination of dividends payable to equity certificate holders and donations to good causes will be considered.

(Amounts in NOK million)	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 unrealised gains	Value adjustment comprehensive income as reclass.	Retained profit
31.03.2019										
Equity at 31.12.2018	3.539,1	207,3	387,8	350,5	404,1	1.867,5	38,1	283,6	0,2	0,0
Ordinary result	40,0	0,0	0,0	3,9	0,0	0,0	0,0	0,0	0,0	36,1
Change in lending at fair value through comprehen	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Actuarial gains and losses on defined-benefit plans	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Comprehensive income	40,0	0,0	0,0	3,9	0,0	0,0	0,0	0,0	0,0	36,1
Dividend to equity certificate holders 2017 - adopt	-95,4	0,0	0,0	0,0	-95,4	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2017 - adopted	-23,8	0,0	0,0	0,0	0,0	-23,8	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-3,9	0,0	0,0	-3,9	0,0	0,0	0,0	0,0	0,0	0,0
Equity at 31.03.2019	3.456,1	207,3	387,8	350,5	308,7	1.843,7	38,1	283,6	0,2	36,1

(Amounts in NOK million)	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 unrealised gains	Value adjustment comprehensive income as reclass.	Retained profit
31.12.2019										
Equity at 31.12.2018	3.539,1	207,3	387,8	350,5	404,1	1.867,5	38,1	283,6	0,2	0,0
Ordinary result	307,6	0,0	0,0	17,9	96,0	199,9	0,0	-6,2	0,0	0,0
Change in lending at fair value through comprehen	-0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-0,1	0,0
Actuarial gains and losses on defined-benefit plans	2,8	0,0	0,0	0,0	0,9	1,9	0,0	0,0	0,0	0,0
Comprehensive income	310,3	0,0	0,0	17,9	96,9	201,8	0,0	-6,2	-0,1	0,0
Dividend to equity certificate holders 2018 - adopt	-95,4	0,0	0,0	0,0	-95,4	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2018 - adopted	-23,8	0,0	0,0	0,0	0,0	-23,8	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-15,9	0,0	0,0	-15,9	0,0	0,0	0,0	0,0	0,0	0,0
Redemption of hybrid capital	-150,0	0,0	0,0	-150,0	0,0	0,0	0,0	0,0	0,0	0,0
Issue of hybrid capital	150,0	0,0	0,0	150,0	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 31.12.2019	3.714,3	207,3	387,8	352,4	405,7	2.045,5	38,1	277,5	0,0	0,0

Cash Flow Statement - Parent Bank

		31.03.2020	31.03.2019	31.12.2019
Operating activities				
Profit before tax		14,8	52,0	364,4
Adjusted for:				
Change in net interest income earned and accrued interest costs		32,3	15,8	-7,5
Net payment/disbursement of loans to financial institutions		-78,8	-239,1	-111,9
Net receipts/payments of loans to customers		1.384,1	1.848,9	2.738,1
Change in certificates and bonds		-1.016,8	-1.413,9	-2.182,1
Changes in value of equities and units		-3,5	-6,3	-4,5
Change in other assets in connection with operations		22,5	-7,7	-13,4
Net receipts/disbursement of borrowing from financial institutions		95,5	129,6	79,2
Net receipts/disbursement of deposits from customers		-483,5	-64,7	-93,8
Change in other operating liabilities		198,2	10,6	-70,6
Non-cash items included in profit before tax costs		9,0	2,3	25,1
Net gain/loss from investing activities		-0,2	-0,1	-0,1
Net gain/loss from financing activities		0,6	0,0	0,9
Taxes paid for the period		-23,9	-34,0	-47,8
Net cash flow from operating activities	A	150,3	293,4	676,1
Investing activities				
Payments on purchases of tangible fixed assets		-3,3	-5,1	-17,6
Proceeds from sale of fixed assets		0,4	0,1	0,1
Net proceeds/costs on the sale/purchase of financial investments		0,0	0,0	-18,3
Net payment/disbursement concerning investments in subsidiaries		0,0	0,0	-80,0
Net cash flow from investing activities	B	-2,9	-5,0	-115,8
Financing activities				
Net incoming/outgoing payments for loans to/from financial institutions		300,0	0,0	0,0
Payments on repayment of securities		-130,6	-642,0	-2.192,4
Proceeds on issuance of securities		0,0	0,0	1.449,7
Payment of dividend		0,0	0,0	-95,4
Net payments on repayment of hybrid capital		0,0	0,0	-150,5
Net receipts on issue of hybrid capital		0,0	0,0	150,0
Interest paid on hybrid capital		-4,8	-3,9	-15,9
Net cash flow from financing activities	C	164,6	-645,9	-854,5
Net change in cash and cash equivalents	A+B+C	311,9	-357,5	-294,3
Cash and cash equivalents at 01.01		318,4	612,6	612,6
Holding of cash and cash equivalents at the end of the period		630,3	255,1	318,3

Liquidity reserves include cash and deposits with central banks and loans to and deposits with financial institutions which are investment placements.

Additional information for operating activities concerning interest and dividend income	31.03.2020	31.03.2019	31.12.2019
Interest payments received	204,4	167,2	749,8
Interest payments made	75,1	67,1	379,9
Dividends received	5,2	0,0	136,8

Key Figures, Group

	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Profitability					
1. Return on equity*	7,00	8,46	9,81	9,19	7,01
2. Net interest income as a % of average total assets	1,54	1,64	1,53	1,44	1,41
Q3 Profit/loss after tax as a % of average total assets	0,65	0,77	0,89	0,81	0,62
4. Costs as a % of average total assets	0,75	0,67	0,64	0,55	0,75
5. Costs as a % of income (before losses on loans/guarantees)*	47,50	38,11	35,85	33,65	47,11
6. Costs as a % of income (excl. return on financial investments)*	40,66	37,71	37,97	34,73	48,65
Balance sheet figures					
7. Net lending to customers	33.735,1	34.225,3	34.733,3	34.801,6	35.625,1
8. Lending growth (quarter)	-1,43	-1,46	-0,20	-2,31	1,36
9. Deposits	14.313,7	14.791,7	15.072,0	15.014,4	14.856,5
10. Deposit growth (quarter)	-3,23	-1,86	0,38	1,06	-0,29
11. Average equity	3.686,9	3.681,2	3.662,3	3.576,1	3.504,8
12. Average total assets	42.993,0	42.697,2	42.836,9	42.572,8	42.231,4
Loss provisions on impaired and non-performing loans					
13. Losses as a % of net lending to customers (OB)*	0,09	0,09	0,04	0,04	0,05
14. Loss provisions as a % of gross lending to customers*	0,35	0,33	0,30	0,30	0,28
15. Net payment defaults exceeding 90 days as a % of net lending	0,40	0,37	0,36	0,35	0,31
16. Other net non-performing commitments (group 3) as a % of net lending	0,04	0,02	0,13	0,15	0,17
Financial strength					
17. CET1 capital ratio incl. 50% of retained earnings (%)	17,81	17,69	16,73	16,71	16,37
18. CET1 capital ratio (%)	17,64	17,69	16,15	16,35	16,22
19. Tier 1 capital ratio (%)	19,43	19,49	17,89	17,63	17,96
20. Capital adequacy ratio (%)	21,21	21,25	19,59	19,35	19,66
21. Risk-weighted volume (calculation basis)	19.579,4	19.450,3	20.134,9	20.003,5	20.165,2
22. Tier 1 leverage ratio incl. 50% of retained earnings (%)	8,71	8,81	8,52	8,29	8,46
23. Tier 1 leverage ratio (%)	8,64	8,81	8,26	8,13	8,39
Liquidity					
24. Deposit coverage ratio	42,43	43,22	43,39	43,14	41,70
25. LCR (%)	278,50	265,11	257,83	261,62	207,87
Branches and full-time equivalents					
26. No. of branches	29	28	27	27	27
27. Full-time equivalents	192	192	198	198	197
Equity certificates					
28. Ownership fraction (parent bank) (%)	31,40	32,45	32,45	32,45	32,45
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*	59,92	58,95	58,03	56,61	55,33
31. Earnings per equity certificate*	0,97	1,23	1,42	1,28	0,95
32. Dividend per equity certificate	0,00	3,60	0,00	0,00	0,00
33. Turnover rate	26,54	11,83	9,97	20,54	18,97
34. Price	41,00	54,60	52,40	54,40	54,60

* Defined as alternate performance target

Definition 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 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 percentage of income (before losses on loans/guarantees)*	Payroll, etc., administrative costs, depreciation/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 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
Loss provisions on impaired and non-performing loans	
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 fiscal period and provides relevant information on the extent of the losses incurred by the group in relation to loan volume.
14. Loss provisions as a % of gross lending to customers*	Total loss provisions, groups 1, 2 and 3, as a % of gross lending. This key figure provides relevant information about credit risk and is deemed useful additional information to that stated in the loss notes.
15. Net payment defaults exceeding 90 days 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 to that stated in the loss notes.
16. Other net non-performing commitments (group 3) as a % of net lending	Net other non-performing commitments as a percentage of net lending. This key figure provides relevant information about credit risk and is deemed useful additional information to that 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 (basis for calculation)
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. Tier 1 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. Tier 1 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 full-time equivalents	
26. No. of branches	
27. Full-time equivalents	
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 1 January, 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 gives the reader the opportunity 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 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 alternate performance target

Financial Performance - Group

(Amounts in NOK million)	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Interest income	350,4	353,5	333,4	309,4	294,4
Interest costs	185,9	177,5	167,9	156,1	147,7
Net interest income	164,6	176,0	165,6	153,4	146,8
Commission income and income from banking services	21,3	22,5	23,7	22,6	21,0
Commission costs and costs for banking services	10,7	10,9	11,3	11,2	11,3
Dividend	5,2	0,0	26,4	2,5	0,0
Net changes in value and gains/losses on financial instruments	-33,7	-2,0	-15,7	2,9	5,2
Other operating income	22,5	3,2	3,4	4,2	4,5
Net other operating income	4,6	12,9	26,5	21,0	19,4
Payroll, etc.	46,6	43,3	42,1	30,2	47,0
Administration costs	14,9	14,1	13,0	13,1	13,4
Depreciation/write-downs/changes in value for non-financial assets	6,5	6,6	6,5	6,4	6,2
Other operating costs	12,4	8,0	7,2	9,0	11,7
Total operating costs	80,4	72,0	68,8	58,7	78,3
Profit/loss before losses	88,8	116,9	123,2	115,7	87,9
Losses on loans, unused credit and guarantees	7,6	7,6	3,4	3,7	4,2
Profit/loss before tax costs	81,2	109,4	119,8	112,0	83,7
Tax costs	12,2	26,2	24,2	26,0	19,1
Profit/loss after tax	69,0	83,2	95,7	85,9	64,5
Hybrid capital owners' share of the result	4,8	4,7	5,1	4,1	3,9
Equity certificate holders' and primary capital share of profits	64,2	78,5	90,5	81,9	60,6
Profit/loss after tax	69,0	83,2	95,7	85,9	64,5
Earnings per equity certificate	0,97	1,23	1,42	1,28	0,95
Diluted earnings per equity certificate	0,97	1,23	1,42	1,28	0,95

Other comprehensive income performance - Group

(Amounts in NOK million)	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Profit/loss after tax	69,0	83,2	95,7	85,9	64,5
Items that will not be reclassified to the income statement					
Actuarial gains and losses on defined-benefit plans	0,0	4,1	0,0	0,0	0,0
Tax related to items that cannot be reclassified	0,0	-1,0	0,0	0,0	0,0
Comprehensive income	69,0	86,3	95,7	85,9	64,5

Balance sheet performance - Group

(Amounts in NOK million)	31.03.2020	31.12.2019	30.09.2019	30.06.2019	31.03.2019
Assets					
Cash and receivables from central banks	620,1	302,5	440,7	437,5	244,9
Loans to and receivables from financial institutions	10,2	15,9	8,5	10,7	10,2
Loans to and receivables from customers	33.735,1	34.225,3	34.733,3	34.801,6	35.625,1
Certificates and bonds	7.936,2	6.755,1	6.589,7	6.238,4	5.481,4
Shares and units	633,1	629,6	627,1	619,3	613,1
Financial derivatives	435,4	174,7	325,8	273,3	223,6
Investment properties	3,9	59,0	59,3	59,5	59,7
Tangible fixed assets	136,9	137,7	136,8	135,9	135,8
Lease rights	50,3	49,5	50,7	52,9	55,2
Other assets	14,8	23,9	14,9	18,3	15,0
Prepaid non-accrued costs and income earned, but not received	24,1	12,6	21,7	17,8	16,3
Total assets	43.600,1	42.385,8	43.008,5	42.665,2	42.480,3
Liabilities and equity					
Liabilities to financial institutions	602,5	300,6	302,2	300,5	301,8
Deposits from and liabilities to customers	14.313,7	14.791,7	15.072,0	15.014,4	14.856,5
Financial derivatives	21,7	35,3	19,5	8,0	12,9
Securities issued	23.394,7	22.261,7	22.579,6	22.484,7	22.438,0
Other liabilities	499,9	298,9	401,1	319,5	401,7
Accruals and deferred income	39,7	33,6	41,3	35,5	47,5
Provisions for accrued costs and liabilities	67,8	67,4	78,3	78,5	78,4
Deferred tax liability	3,3	5,0	3,5	3,2	2,6
Lease liabilities	50,8	49,9	51,0	53,2	55,3
Subordinated loan capital	400,4	400,4	400,3	400,2	400,1
Total liabilities	39.394,5	38.244,3	38.948,6	38.697,7	38.594,7
Paid-up equity	595,1	595,1	595,1	595,1	595,1
Hybrid capital	352,3	352,4	352,3	350,5	350,5
Retained earnings	3.258,2	3.194,0	3.112,5	3.022,0	2.940,1
Total equity	4.205,7	4.141,5	4.059,9	3.967,5	3.885,7
Total liabilities and equity	43.600,1	42.385,8	43.008,5	42.665,2	42.480,3

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