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Quarterly Report 2012

Quarterly Report 1st quarter 2012



Sparebanken
Øst

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Financial highlights - Group

	31.03.2012	31.03.2011	31.12.2011	31.12.2010
Average equity, excl. dividends (NOK mill.)	1.895,6	1.782,8	1.814,5	1.632,2
Average total assets (NOK mill.)	28.121,0	25.513,8	26.502,2	23.515,3
Post-tax profit as %-age of average total assets	0,93	0,80	0,59	1,30
Profit before losses as % of average bank total assets	1,24	1,11	0,86	1,66
Net interest as %-age	1,67	1,71	1,66	1,78
Return on capital (%)	13,84	11,49	8,58	18,70
Net loans (NOK mill.)	22.395,7	20.089,0	22.183,5	19.475,3
Deposits (NOK mill.)	8.915,2	8.025,6	8.932,7	7.630,2
Capital adequacy as %-age	15,22	16,62	15,77	17,16
Tier 1 capital adequacy as %-age	13,73	14,85	14,23	15,39
Fulltime equivalent positions	243	259	252	261

Interim Report 1st Quarter 2012 - Sparebanken Øst

- **Strong ordinary banking operations**
 - **Multibrand strategy working**
 - **Increasing net interest for kroner**
 - **Unchanged net interest for % of total assets**
- **Reduced costs**
 - **Job trends according to plan (parent bank)**
 - **Increased depreciation at group (property company)**
 - **Tight control of costs**
- **Reduced growth in loans**
 - **Growth adapted to macro and competition situation**
 - **Increased focus on quality and earnings**
- **Return on equity 13.84 percent**

PROFIT

The Group achieved NOK 89.4 million in profit before tax in Q1 2012 compared with NOK 68.6 million for the same period last year. This increase is mainly due to increased net interest rates, increases in other earnings (rental income) in the subsidiary Sparebanken Øst Eiendom AS, and low losses.

In percentage of average total assets, profit before tax amounts to 1.28 percent as compared to 1.09 percent for the same period last year.

Profit after tax shows a surplus of NOK 65.2 million compared to NOK 50.5 million for the same period last year, and gives a 13.84 percent return on net capital.

Net interest

Net interest and credit commission income amounted to NOK 117.1 million, which is an increase of NOK 9.3 million on the same period the previous year and an increase of NOK 10.1 million compared with Q4 2011.

Net interest and credit commission income in Q1 2012 amount to 1.67 percent of average assets. In comparison, the net interest and credit commission income amounted to 1.66 percent in 2011, while it was 1.71 percent at the end of Q1 2011.

Operating income

Commission income and income from banking services amount to NOK 19.9 million and are at the same level as the corresponding period last

year. Commission income is derived from traditional banking services.

Commission costs and expenses associated with banking services amounted to NOK 9.0 million, which is an increase of NOK 1.7 million compared with the same period last year. The difference between the Parent bank and the Group is entirely due to agency fees in AS Financiering.

NOK 24.9 million in net value changes and gains/losses on financial assets were recognised as income in Q1 2012. Of this, NOK 12.8 million was income recognised concerning the guarantee to Eksportfinans ASA. In comparison, net value changes and gains/losses on financial assets give an income of NOK 22.8 million for Q1 2011. Of this, NOK 6.8 million was income recognised concerning the guarantee to Eksportfinans ASA.

Other operating income amounted to NOK 10.3 million, which is an increase of NOK 5.5 million compared with the same period the previous year and is due to increased rental income from Sparebanken Øst Eiendom AS.

Operating costs

Total operating expenses amounted to NOK 76.7 million, which corresponds to 1.10 percent of average total assets. In comparison, the total operating expenses for the same period last year amounted to NOK 78.1 million, corresponding to 1.24 percent of the average total assets.

Payroll and general administration costs amounted to NOK 58.6 million in Q1 2012, compared with NOK 60.2 million for the same period last year. The number of FTEs in the Group at the end of Q1 2012 was 243, compared to 259 at the end of the same period last year. The number of FTEs in the parent bank at the end of Q1 2012 was 213, compared to 223 at the end of the same period last year.

Depreciations have increased from NOK 2.9 million in Q1 2011 to NOK 4.1 million in Q1 2012. The increase is due to completion of a commercial property in the subsidiary Sparebanken Øst Eiendom AS.

Other operating income amounted to NOK 14.0 million, a reduction of NOK 1.0 million compared with the same period last year.

Losses on loans and guarantees

The Group's recorded losses on loans and guarantees amount to net reversals (income) of NOK 2.8 million in Q1 2012, compared to net recognised losses of NOK 1.4 million for the same time last year.

Individual depreciation for losses on loans and guarantees to customers was reduced by NOK 2.2 million from the end of the year, and amounted to NOK 98.0 million at the end of Q1 2012.

Write-down on groups of loans to customers amount to NOK 43.4 million at the end of Q1 2012, which is unchanged from year-end.

Gross defaults and non-performing loans amount to NOK 348.6 million as opposed to NOK 396.1 million at the end of the year and NOK 339.0 million in Q1 2011. Net defaults and non-performing loans amounted to NOK 250.6 million, which is a decline of NOK 45.3 million compared with 31st December 2011 and an increase of NOK 40.3 million on Q1 2011.

BALANCE SHEET

Total assets have declined by NOK 751.9 million since the beginning of the year, and were NOK 27,745 million at the end of the first quarter 2012. The decline is linked to reduced cash holdings and reduction in the liquidity portfolio.

Cash and receivables at central banks, as well as treasury bills, seen in total, have been reduced by NOK 495.9 million since the end of the year and amount to NOK 1,005.9 million as at 31st March 2012.

Net loans to credit institutions have declined by NOK 57.2 million since 31/12/2011, and amount to NOK 184.0 million as at 31st March 2012. Net loans to customers amounted to NOK 22,395.7 million. Net loan growth over the last 12 months was 11.5 percent. Net loans to customers have increased by NOK 212.2 million since year-end. Net loans to private customers and business customers increased by respectively 13.9 percent and 4.0 percent. Gross loans to private customers made up 76.8 percent of total loans to customers.

Holdings of certificates and bonds, excluding treasury bills, shows a decline of NOK 485.7 million since the beginning of the year and amount to NOK 2,785.4 million.

Treasury bills come in addition to this, with a reduction of NOK 399.8 million since year-end, amounting to NOK 521.1 million at the end of Q1 2012.

The liquidity portfolio, including Treasury bills and money market funds have a nominal value of NOK 3,381.8 million and the market value amounts to NOK 3,392.0 million. The investment portfolio has a nominal value of NOK 44.5 million, and a market value of NOK 14.8 million. In comparison, the investment portfolio at year-end had a nominal value of NOK 156.6 million and a market value of 111.9 million.

The estimated weighted average maturity of the liquidity portfolio is 2.77 years.

Deposits from customers amounted to NOK 8,915.2 million as at 31 March 2012, and exhibited an increase over the last 12 months of NOK 889.6 million, equivalent to 11.1 per cent. Since year-end, customer deposits have declined by NOK 17.5 million.

Liabilities arising from issuance of securities amounted to NOK 14,112.0 million, an increase of NOK 241.7 million since the beginning of the year. Issues so far this year have mainly consisted of preferential bonds. The bank is enjoying good access to the Norwegian bond market at prices in line with comparable banks. In Q1 2012, the bank has issued preferential bonds in the Swedish market. Other long-term borrowing amounted to NOK 864.6 million at the end of Q1 2012, which represents a reduction of NOK 1,053.5 million since year-end. The reduction is mainly due to repayment of F-loans from Norges Bank of NOK 1,000 million. At the end of Q1 2012, the Group no longer has any F-loans from Norges Bank. The bank participated

in the government exchange scheme in 2009 with NOK 915.4 million. Short-term funding (defined as funding with a remaining maturity of less than 1 year) amounted to NOK 1,906.5 million.

LIQUIDITY

The bank has its own framework for liquidity buffers that provide a robust liquidity strategy. This means that the bank must have sufficient liquidity to manage 12 month's normal operations without the injection of new liquidity. The liquidity forecast for the bank shows adequate liquidity which is in line with the goal of 12 months operations.

Establishment of its own housing credit company has altered the Group's funding structure through the option to issue preferential bonds (OMF). This has further strengthened the bank's funding situation.

FINANCIAL RISKS

Credit risk related to loans to customers has been stable throughout Q1 2012. Credit risk is measured by classifying customers according to their debt servicing capacity, solidity and security.

Interest risk is kept within fixed limits and is limited since assets and liabilities have variable interest rates or have been swapped for variable interest rate terms.

Currency risk is hedged through the use of forward trades or basis swaps.

Exposure to equity instruments excluding the bank's subsidiary and strategic investments is limited. The limit for investments for trading is limited to up to NOK 60 million.

CAPITAL ADEQUACY

Net subordinated capital amounted to NOK 2,187.0 million at the end of Q1 2012, of which the Group's tier 1 capital amounted to NOK 1,972.7 million. With a calculation basis of NOK 14,372.0 million, this represents a capital adequacy of 15.22 percent, of which 13.73 percentage points is tier 1 capital adequacy. The bank employs the standard method for calculation of capital adequacy.

Using ICAAP, the bank's management continuously assesses the need for equity. The

assessments are based on the total level of risk at Group level and the development thereof over a 12 month period (capital plan). Based on planned growth in assets and the budgeted result, the Board considers that the bank's equity level is satisfactory at the end of Q1 2012. At present, the bank has no plans to increase its subordinate capital.

SUBSIDIARIES

Sparebanken Øst Boligkreditt AS is a wholly owned subsidiary of Sparebanken Øst. The company was established on 14 April 2004 with the object of granting or acquiring home mortgage loans, property mortgage loans, loans secured by liens on other registered assets or public loans, and to finance lending business mainly through the issuing of preferential bonds. The company's total assets were, as at 31 March 2012, NOK 7,421.6 million as at 31/03/2012, and mainly consisted of first priority mortgages in homes, which are financed through preferential bonds and drawing rights on the parent company. The company's paid-in capital is NOK 250.0 million, of which NOK 159.9 million is share capital and NOK 90.1 million is share premium account. Profit after tax shows a surplus of NOK 4.5 million at the end of Q1 2012, compared to NOK 0 million surplus for the same period last year. The company has no employees, but procures services from Sparebanken Øst. Sparebanken Øst Boligkreditt AS was rated AAA in Q1 by Moody's.

AS Financiering is a wholly owned financing subsidiary of Sparebanken Øst. Its main product is car financing, with the main emphasis on used cars. The company achieved a profit after tax of NOK 5.6 million at the end of Q1 2012, compared to NOK 3.8 million surplus for the same period last year. Total assets amounted to NOK 1,459.7 million. At the end of Q1, the company has 28 employees representing 24 FTEs.

The main objective of **Sparebanken Øst Eiendom AS** is standard property operations, including purchases, sales, rental and development of real estate, as well of purchases and sales of fixtures and fittings within various business areas. Operating income amounted to NOK 11.1 million in Q1 2012 against NOK 5.0 million for the same period last year. The increase is due to increased rental income and management income as a result of completion of a commercial property in Drammen, and income from the subsidiary Hawø Eiendom AS. The profit after tax showed a surplus of NOK 0.5 million in Q1 2012, compared to a loss of NOK

0.3 million for the same period last year. The company has 6 employees and share capital amounts to NOK 35.1 million.

Øst Prosjekt AS' main object is taking over projects and undertaking industrial and commercial activities to hedge and realise exposed positions in the Parent bank. The company has no employees and the share capital amounts to NOK 12.0 million this year. The profit after tax amounts to NOK 0 in Q1 2012, compared to a profit of NOK 5.7 million in Q1 2011. The profit in 2011 was mainly due to gains from sales of shares.

FUTURE PROSPECTS

Net interest and credit commission income measured as a percentage is regarded as still being under competitive pressure in the private and corporate markets and increased funding costs. Measured in NOK, the net interest and credit commission income is, however, expected to develop firmly as a result of growth of loans in the Group.

A cost program has been initiated by the parent bank. For this reason, we expect a nominal decline in costs compared with 2011. We cannot exclude the possibility of losses on company loans, but that is expected to remain within long-term goal figures.

The bank plans to continue to focus heavily on sales of insurance products in 2012. The focus is long-term in nature and the scope of earnings will increase even more in the years ahead. Eksportfinans ASA represents some uncertainty for the bank due to the decision made by the authorities to transfer the export loan scheme to

the Government. Fluctuations in market value on the guarantee to Eksportfinans ASA and securities in general cannot be excluded. The portfolio of high-risk bonds will, in accordance with the adopted plan, be downsized during Q3 2014. The General Meeting of Eksportfinans ASA has decided not to pay a dividend for 2011.

DIVIDEND POLICY

Sparebanken Øst's financial goals for its activities is to achieve results that provide a good and stable return on bank equity and creating value for equity capital owners at competitive return in the form of dividends and capital appreciation on equity certificates.

The profit for the year will be divided between equity certificate holders and primary capital in accordance with their share of the bank's equity. Sparebanken Øst will endeavour to pay 50-75 per cent of profits allocated to the equity certificate holders as a dividend. In a normal year around 10 per cent will be allocated for donation purposes.

When determining the dividend and donations consideration will be made of the bank's profit development, market situation, dividend stability and tier 1 capital requirements. If there are insufficient funds for the payment of a competitive dividend from profits in a particular year efforts will nevertheless be made to pay a competitive dividend by the transfer of the necessary funds from the equalisation reserve.

Hokksund, 31 March 2012
Drammen, 08 May 2012

Jorund Rønning Indreliid
Chairman

Knut Smedsrud
Vice Chairman

Morten André Yttreide

Roar Norheim Larsen

Sverre Nedberg

Elly Therese Thoresen

Hanne Solem

Ann Kristin Plomås
Employee representative

Pål Strand
CEO

Profit and Loss Account

Group 31/03/2012	Group 31/03/2011	Group 2011	(Figures in NOK mill.)	Parent bank 31/03/2012	Parent bank 31/03/2011	Parent bank 2011
319,7	268,3	1.175,0	Interest income and similar income	244,1	233,1	972,2
202,6	160,5	734,0	Interest expenses and similar expenses	158,9	147,4	625,9
117,1	107,8	441,0	Net interest and credit commission income	85,2	85,7	346,3
0,1	0,1	31,1	Dividends and other income from securities with variable yields	0,1	0,1	31,1
19,9	19,9	91,0	Commission income and income from banking services	22,1	20,6	96,4
9,0	7,3	32,6	Commission costs and costs of banking services	3,3	3,8	15,2
24,9	22,8	-32,8	Net value changes and gains/losses on financial investments	26,7	17,5	-39,8
10,3	4,8	20,8	Other operating income	1,7	1,4	5,5
43,3	43,6	167,7	Payroll, etc.	36,4	37,1	140,8
15,3	16,6	62,8	Administration costs	13,1	13,9	54,4
4,1	2,9	12,0	Depreciation/writedowns and value changes to non-financial assets	1,4	1,6	6,2
14,0	15,0	47,6	Other operating costs	11,5	12,7	44,0
86,6	70,0	228,4	PROFIT BEFORE LOSSES	70,1	56,2	178,9
-2,8	1,4	17,9	Losses on loans and guarantees	-6,5	-1,4	7,9
89,4	68,6	210,5	PRE-TAX PROFIT	76,6	57,6	171,0
24,2	18,1	54,8	Tax costs	20,7	16,3	45,0
65,2	50,5	155,7	PROFIT FOR THE YEAR	55,9	41,3	126,0
1,41	1,12	3,46	Profit per equity certificate	1,21	0,92	2,80
1,41	1,12	3,46	Diluted profit per equity certificate	1,21	0,92	2,80

Total profit/loss

Group 31/03/2012	Group 31/03/2011	Group 2011	(Figures in NOK mill.)	Parent bank 31/03/2012	Parent bank 31/03/2011	Parent bank 2011
65,2	50,5	155,7	PROFIT FOR THE YEAR	55,9	41,3	126,0
0,0	0,0	-0,3	Changes in fair value of investments held for sale	0,0	0,0	-0,3
65,2	50,5	155,4	TOTAL PROFIT/LOSS	55,9	41,3	125,7

Balance Sheet

Group 31/03/2012	Group 31/03/2011	Group 2011	(Figures in NOK mill.)	Parent bank 31/03/2012	Parent bank 31/03/2011	Parent bank 2011
484,8	502,5	580,9	Cash and receivables at central banks	484,8	502,5	580,9
521,1	919,6	920,9	Treasury bills	521,1	919,6	920,9
184,0	82,7	241,2	Loans and receivables from credit institutions	2.239,9	1.424,7	2.322,7
22.537,1	20.255,6	22.327,1	Loans and receivables with customers	14.066,5	15.318,7	14.520,9
98,0	128,7	100,2	- Individual writedowns	51,7	82,8	54,6
43,4	37,9	43,4	- Depreciations on loan groups	40,1	35,0	40,1
2.785,4	2.637,9	3.271,1	Certificates, bonds and other interest-bearing securities with regular	3.862,4	3.637,4	4.308,0
580,7	488,3	476,9	Shares and other securities with variable return	580,7	488,3	476,9
0,0	0,0	0,0	Ownership interests in group companies	376,2	286,2	376,2
576,8	361,2	590,6	Fixed capital assets	63,6	58,4	62,6
0,9	13,7	0,4	Deferred tax assets	35,3	34,9	35,3
93,8	27,6	108,3	Financial derivatives	83,8	27,6	90,5
30,2	33,0	33,9	Other assets	12,3	14,9	13,4
91,6	90,1	89,2	Prepayments non-accrued expenses and earned income not receive	74,3	78,0	75,0
27.745,0	25.245,6	28.496,9	TOTAL ASSETS	22.309,1	22.673,4	23.688,6
864,6	1.894,4	1.918,1	Liabilities to credit institutions	896,2	1.932,3	1.945,2
8.915,2	8.025,6	8.932,7	Deposits from and liabilities to customers	8.909,7	8.015,1	8.926,4
915,4	915,4	915,4	Liabilities to the state, exchange of OMF preferential bonds	915,4	915,4	915,4
14.112,0	11.522,3	13.870,3	Liabilities incurred when issuing securities	8.844,6	9.076,3	9.242,3
40,1	57,9	49,0	Financial derivatives	40,2	57,9	48,6
191,0	255,5	133,5	Other liabilities	177,9	238,3	104,9
152,7	138,1	139,3	Accruals and deferred income	119,9	117,7	106,6
30,6	35,8	30,6	Provisions for accrued costs and liabilities	22,7	30,9	22,8
598,7	597,5	600,1	Subordinate loan capital	598,7	597,5	600,1
25.820,3	23.442,5	26.589,0	Total liabilities	20.525,3	20.981,4	21.912,3
595,1	595,1	595,1	Invested equity	595,1	595,1	595,1
1.264,4	1.157,5	1.312,8	Accrued equity	1.132,8	1.055,6	1.181,2
65,2	50,5	0,0	Unappropriated profit	55,9	41,3	0,0
1.924,7	1.803,1	1.907,9	Total equity	1.783,8	1.692,0	1.776,3
27.745,0	25.245,6	28.496,9	TOTAL LIABILITIES AND EQUITY	22.309,1	22.673,4	23.688,6

Changes in equity group

(Figures in NOK 1,000)

1st Quarter 2012	Total equity	Equity certificate	Share premium reserve	Equalisation fund	Primary capital	Endowment fund	Available for sale reserve	Other equity	Inappropriated profit/loss
Equity as at 31/12/2011	1.907.914	207.312	387.778	195.782	887.406	29.447	68.590	131.599	0
Result	65.221	0	0	0	0	0	0	0	65.221
Changes in fair value of investments held for sale	0	0	0	0	0	0	0	0	0
Total profit/loss	65.221	0	0	0	0	0	0	0	65.221
2011 dividend finally adopted	-41.462	0	0	-41.462	0	0	0	0	0
Dividend from the endowment fund	-7.000	0	0	0	0	-7.000	0	0	0
Equity as at 31/03/2012	1.924.673	207.312	387.778	154.320	887.406	22.447	68.590	131.599	65.221

1st Quarter 2011	Total equity	Equity certificate	Share premium reserve	Equalisation fund	Primary capital	Endowment fund	Available for sale reserve	Other equity	Inappropriated profit/loss
Equity as at 31/12/2010	1.866.192	207.312	387.778	241.438	826.429	32.447	68.922	101.866	0
Result	50.529	0	0	0	0	0	0	0	50.529
Changes in fair value of investments held for sale	0	0	0	0	0	0	0	0	0
Total profit/loss	50.529	0	0	0	0	0	0	0	50.529
2010 dividend finally adopted	-103.656	0	0	-103.656	0	0	0	0	0
Dividend from the endowment fund	-10.000	0	0	0	0	-10.000	0	0	0
Equity as at 31/03/2011	1.803.065	207.312	387.778	137.782	826.429	22.447	68.922	101.866	50.529

2011	Total equity	Equity certificate	Share premium reserve	Equalisation fund	Primary capital	Endowment fund	Available for sale reserve	Other equity
Equity as at 31/12/2010	1.866.192	207.312	387.778	241.438	826.429	32.447	68.922	101.866
Profit for the period	155.710	0	0	58.000	60.977	7.000	0	29.733
Changes in fair value of investments held for sale	-332	0	0	0	0	0	-332	0
Total profit/loss	155.378	0	0	58.000	60.977	7.000	-332	29.733
2010 dividend finally adopted	-103.656	0	0	-103.656	0	0	0	0
Dividend from the endowment fund	-10.000	0	0	0	0	-10.000	0	0
Equity as at 31/12/2011	1.907.914	207.312	387.778	195.782	887.406	29.447	68.590	131.599

Changes in equity parent bank

(Figures in NOK 1,000)

1st Quarter 2012	Total equity	Equity certificate	Share premium reserve	Equalisation fund	Primary capital	Endowment fund	Available for sale reserve	Inappropriated profit/loss
Equity as at 31/12/2011	1.776.315	207.312	387.778	195.782	887.406	29.447	68.590	0
Result	55.932	0	0	0	0	0	0	55.932
Changes in fair value of investments held for sale	0	0	0	0	0	0	0	0
Total profit/loss	55.932	0	0	0	0	0	0	55.932
2011 dividend finally adopted	-41.462	0	0	-41.462	0	0	0	0
Dividend from the endowment fund	-7.000	0	0	0	0	-7.000	0	0
Equity as at 31/03/2012	1.783.785	207.312	387.778	154.320	887.406	22.447	68.590	55.932

1st Quarter 2011	Total equity	Equity certificate	Share premium reserve	Equalisation fund	Primary capital	Endowment fund	Available for sale reserve	Inappropriated profit/loss
Equity as at 31/12/2010	1.764.326	207.312	387.778	241.438	826.429	32.447	68.922	0
Result	41.277	0	0	0	0	0	0	41.277
Changes in fair value of investments held for sale	0	0	0	0	0	0	0	0
Total profit/loss	41.277	0	0	0	0	0	0	41.277
2010 dividend finally adopted	-103.656	0	0	-103.656	0	0	0	0
Dividend from the endowment fund	-10.000	0	0	0	0	-10.000	0	0
Equity as at 31/03/2011	1.691.947	207.312	387.778	137.782	826.429	22.447	68.922	41.277

2011	Total equity	Equity certificate	Share premium reserve	Equalisation fund	Primary capital	Endowment fund	Available for sale reserve
Equity as at 31/12/2010	1.764.326	207.312	387.778	241.438	826.429	32.447	68.922
Profit for the period	125.977	0	0	58.000	60.977	7.000	0
Changes in fair value of investments held for sale	-332	0	0	0	0	0	-332
Total profit/loss	125.645	0	0	58.000	60.977	7.000	-332
2010 dividend finally adopted	-103.656	0	0	-103.656	0	0	0
Dividend from the endowment fund	-10.000	0	0	0	0	-10.000	0
Equity as at 31/12/2011	1.776.315	207.312	387.778	195.782	887.406	29.447	68.590

Cash Flow Statement

Group 31.03.2012	Group 31.03.2011	Group 31.12.2011	(Figures in NOK mill.)	Parent bank 31.03.2012	Parent bank 31.03.2011	Parent bank 31.12.2011
Operating activities						
89,4	68,6	210,5	Profit before tax	76,6	57,6	171,0
Adjusted for:						
214,4	-751,1	-3.507,9	Changes in assets in connection with operations	865,9	232,4	-429,3
6,3	420,3	1.329,2	Changes in assets in connection with operations	27,7	426,9	1.307,0
3,6	2,1	-6,2	Non-cash items included in profit before tax	-0,3	0,0	-13,1
0,0	-5,3	0,9	Net gains from investment activities	0,0	0,0	6,4
-24,4	-16,8	-50,4	Taxes paid for the period	-21,2	-11,0	-42,6
289,3	-282,2	-2.023,9	Net cash flow from operating activities	A	948,7	705,9
Investment activities						
-22,9	-16,5	-243,4	Purchase of fixed assets	-2,4	-0,1	-9,1
32,6	0,0	0,9	Proceeds from sale of fixed assets	0,0	0,0	0,4
0,0	5,3	99,7	Net proceeds/expenses from sale/purchase of financial investments.	0,0	0,0	4,4
9,7	-11,2	-142,8	Net cash flow from investment activities	B	-2,4	-4,3
Financing activities						
-1.050,0	0,0	0,0	Net incoming/outgoing payments for loans to/from credit institutions	-1.050,0	0,0	0,0
-556,0	-1.504,0	-2.840,0	Payments for repayment on securities	-496,0	-1.504,0	-2.840,0
806,3	1.598,4	5.169,3	Proceeds from securities issued	99,8	599,2	2.005,7
0,0	0,0	0,0	Proceeds from issuance of equity certificates	0,0	0,0	0,0
0,0	0,0	-103,6	Payment of dividends	0,0	0,0	-103,6
-799,7	94,4	2.225,7	Net cash flow from financing activities	C	-1.446,2	-904,8
-500,7	-199,0	59,0	Net change in cash and cash equivalents	A+B+C	-499,9	-199,0
1.688,7	1.629,7	1.629,7	Cash and cash equivalents as at 01.01.	1.686,9	1.629,7	1.629,7
1.188,0	1.430,7	1.688,7	Cash and cash equivalent reserves at end of period	1.187,0	1.430,7	1.686,9

Liquidity reserves include cash and deposits with central banks, treasury bills and loans to and deposits with financial institutions relating to clean locations.

Profit per quarter - parent bank

(Figures in NOK mill.)

	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Q1 2011
Interest income and similar income	244,1	252,9	253,5	232,7	233,1
Interest expenses and similar expenses	158,9	170,6	158,9	149,0	147,4
Net interest and credit commission income	85,2	82,3	94,6	83,7	85,7
Dividends and other income from securities with variable yields	0,1	0,0	0,2	30,8	0,1
Commission income and income from banking services	22,1	23,1	23,3	29,4	20,6
Commission costs and costs of banking services	3,3	3,9	4,0	3,5	3,8
Net value changes and gains/losses on financial investments	26,7	-19,8	-41,2	3,7	17,5
Other operating income	1,7	1,3	1,3	1,5	1,4
Payroll, etc.	36,4	34,6	37,5	31,6	37,1
Administration costs	13,1	13,7	13,5	13,3	13,9
Depreciation/impairment/writedowns and value changes to non-finan	1,4	1,5	1,5	1,6	1,6
Other operating costs	11,5	9,2	10,0	12,1	12,7
PROFIT BEFORE LOSSES	70,1	24,0	11,7	87,0	56,2
Losses on loans and guarantees	-6,5	8,0	0,2	1,1	-1,4
PRE-TAX PROFIT	76,6	16,0	11,5	85,9	57,6
Tax cost (calculated at interim accounts)	20,7	7,3	4,6	16,8	16,3
PROFIT FOR THE PERIOD	55,9	8,7	6,9	69,1	41,3
Profit per equity certificate (per quarter)	1,21	0,19	0,16	1,53	0,92
Diluted profit per equity certificate (per quarter)	1,21	0,19	0,16	1,53	0,92

Profit per quarter - Group

(Figures in NOK mill.)

	1. kv. 2012	4. kv. 2011	3. kv. 2011	2. kv. 2011	1. kv. 2011
Interest income and similar income	319,7	320,2	309,0	277,5	268,3
Interest expenses and similar expenses	202,6	213,2	189,2	171,1	160,5
Net interest and credit commission income	117,1	107,0	119,8	106,4	107,8
Dividends and other income from securities with variable yields	0,1	0,0	0,2	30,8	0,1
Commission income and income from banking services	19,9	21,0	21,9	28,2	19,9
Commission costs and costs of banking services	9,0	9,5	7,8	8,0	7,3
Net value changes and gains/losses on financial investments	24,9	-19,6	-39,7	3,7	22,8
Other operating income	10,3	7,4	3,9	4,7	4,8
Payroll, etc.	43,3	43,9	44,1	36,1	43,6
Administration costs	15,3	15,3	15,4	15,5	16,6
Depreciation/impairment/writedowns and value changes to non-finan	4,1	3,2	3,0	2,9	2,9
Other operating costs	14,0	8,0	11,2	13,4	15,0
PROFIT BEFORE LOSSES	86,6	35,9	24,6	97,9	70,0
Losses on loans and guarantees	-2,8	11,5	2,1	2,9	1,4
PRE-TAX PROFIT	89,4	24,4	22,5	95,0	68,6
Tax cost (calculated at interim accounts)	24,2	10,0	7,5	19,2	18,1
PROFIT FOR THE PERIOD	65,2	14,4	15,0	75,8	50,5
Profit per equity certificate (per quarter)	1,41	0,32	0,34	1,68	1,12
Diluted profit per equity certificate (per quarter)	1,41	0,32	0,34	1,68	1,12

Accounting policies

The consolidated quarterly accounts for the parent bank and the Group have been prepared in accordance with the IFRS (including IAS 34 Interim Financial Reporting). Interim accounts are prepared according to the same accounting principles as those used in the annual accounts. Refer to the 2011 annual report for a more detailed description of the accounting policies. The accounts are presented in Norwegian kroner, which is also the Group's functional currency.

Losses on loans and guarantees

(Figures in NOK 1,000)

	Parent bank 31.03.2012	Morbank 31.03.2011	Parent bank 31.12.2011	Group 31.03.2012	Konsern 31.03.2011	Group 31.12.2011
Individual writedowns						
Individual writedowns as at 01.01.	55.078	83.594	83.594	100.672	128.907	128.907
- Actual losses for the period, where there have previously been Individual writedowns	72	626	25.595	820	1.754	27.644
+ Increases in individual writedowns for the period	13	5	559	1.630	1.441	4.418
+ New individual writedowns for the period	2.099	4.915	10.326	6.768	9.198	17.554
- Reversed individual writedowns for the period	4.920	5.098	13.806	9.713	9.047	22.563
= Individual writedowns at the end of the period	52.198	82.790	55.078	98.537	128.745	100.672
Writedowns on groups of loans*						
Group writedowns as at 01.01.	40.055	37.897	37.897	43.424	40.766	40.766
+/- Changes in write-downs on groups of loans for the period	0	-2.875	2.158	0	-2.875	2.658
= Writedowns on groups of loans at the end of the period	40.055	35.022	40.055	43.424	37.891	43.424
Loss costs for the period						
Changes to individual writedowns for the period	-2.880	-804	-28.516	-2.135	-162	-28.235
+/- Changes in write-downs on groups of loans for the period	0	-2.875	2.158	0	-2.875	2.658
+ Actual losses for the period, where there have previously been Individual writedowns	189	627	30.387	937	1.756	32.436
+ Actual losses for the period where no individual writedowns were made in previous years.	444	434	772	3.393	2.399	10.976
- Addition of previously identified losses for the period	5.745	885	4.721	6.541	1.791	7.835
+/- Amortisation costs for the period impairment	1.487	2.076	7.863	1.487	2.076	7.863
= Losses on loans and guarantees	-6.505	-1.427	7.943	-2.859	1.403	17.863

Defaults and non-performing loans customers

(Figures in NOK 1,000)

	Parent bank 31.03.2012	Parent bank 31.03.2011	Parent bank 31.12.2011	Group 31.03.2012	Group 31.03.2011	Group 31.12.2011
Gross participations in breach (over 90 days)						
Industry	84.915	78.127	136.635	91.398	86.776	143.935
+ Personal injury	90.754	55.474	92.821	159.678	122.981	157.927
= Gross defaults	175.669	133.601	229.456	251.076	209.757	301.862
- Individual writedowns	30.495	54.108	32.903	76.014	99.023	78.092
= Net defaults	145.174	79.493	196.553	175.062	110.734	223.770
Non-performing (not defaults on) loans						
Industry	81.022	118.052	76.874	82.384	119.366	78.306
+ Personal injury	14.681	9.418	15.901	15.168	9.902	15.901
= Gross non-performing loans	95.703	127.470	92.775	97.552	129.268	94.207
- Individual writedowns	21.203	28.682	21.675	22.023	29.722	22.080
= Net non-performing loans	74.500	98.788	71.100	75.529	99.546	72.127
Gross defaults and non-performing loans						
Industry	165.937	196.179	213.509	173.782	206.142	222.241
+ Personal injury	105.435	64.892	108.722	174.846	132.883	173.828
= Gross defaults and non-performing loans	271.372	261.071	322.231	348.628	339.025	396.069
- Individual writedowns	51.698	82.790	54.578	98.037	128.745	100.172
= Net defaults and non-performing loans	219.674	178.281	267.653	250.591	210.280	295.897

Operational segments

Segment reporting is based on the bank's internal reporting format, in which the Parent bank and the housing credit company are split into the private and business markets.

In addition there are the other subsidiaries, and a non-reportable segment with items not divided as in other segments.

(Figures in NOK mill.)

31.03.2012	PM	BM	AS Financiering	Spb Øst Eiendom	Undistributed	Elimination	Group
Net interest and commission income external	124,9	79,2	36,5	-0,2	-123,3	0,0	117,1
Net interest and commission income internal	-80,5	-25,0	-10,5	-4,2	120,2	0,0	0,0
Net interest and commission income	44,4	54,2	26,0	-4,4	-3,1	0,0	117,1
Total net other income external	12,5	5,5	-5,3	9,0	24,5	0,0	46,2
Total net other income internal	0,0	0,0	0,0	2,1	2,2	-4,3	0,0
Total income	56,9	59,7	20,7	6,7	23,6	-4,3	163,3
Payroll and general administration costs	17,6	6,6	7,4	1,6	25,4	0,0	58,6
Depreciation	0,0	0,0	0,4	2,4	1,3	0,0	4,1
Other operating costs external	0,3	0,0	1,5	2,1	10,1	0,0	14,0
Other operating costs internal	0,0	0,0	0,0	0,0	2,4	-2,4	0,0
Total operating costs	17,9	6,6	9,3	6,1	39,2	-2,4	76,7
Profit before losses	39,0	53,1	11,4	0,6	-15,6	-1,9	86,6
Losses on loans, guarantees, etc.	0,3	-6,8	3,7	0,0	0,0	0,0	-2,8
Profit before tax	38,7	59,9	7,7	0,6	-15,6	-1,9	89,4
Tax costs	0,0	0,0	2,1	0,1	22,5	-0,5	24,2
After-tax profit	38,7	59,9	5,6	0,5	-38,1	-1,4	65,2
31.03.2011	PM	BM	AS Financiering	Spb Øst Eiendom	Undistributed	Elimination	Group
Net interest and commission income external	98,5	70,6	27,5	0,0	-88,8	0,0	107,8
Net interest and commission income internal	-62,4	-21,6	-7,2	-1,2	92,4	0,0	0,0
Net interest and commission income	36,1	49,0	20,3	-1,2	3,6	0,0	107,8
Total net other income external	12,8	5,2	-3,0	2,9	22,4	0,0	40,3
Total net other income internal	0,0	0,0	0,0	2,1	0,2	-2,3	0,0
Total income	48,9	54,2	17,3	3,8	26,2	-2,3	148,1
Payroll and general administration costs	19,5	6,0	7,3	1,8	25,6	0,0	60,2
Depreciation	0,0	0,0	0,4	1,0	1,5	0,0	2,9
Other operating costs external	1,9	0,0	1,5	1,3	10,3	0,0	15,0
Other operating costs internal	0,0	0,0	0,0	0,0	2,3	-2,3	0,0
Total operating costs	21,4	6,0	9,2	4,1	39,7	-2,3	78,1
Profit before losses	27,5	48,2	8,1	-0,3	-13,5	0,0	70,0
Losses on loans, guarantees, etc.	0,2	-1,6	2,8	0,0	0,0	0,0	1,4
Profit before tax	27,3	49,8	5,3	-0,3	-13,5	0,0	68,6
Tax costs	0,0	0,0	1,5	0,0	16,6	0,0	18,1
After-tax profit	27,3	49,8	3,8	-0,3	-30,1	0,0	50,5
31.03.2012	PM	BM	AS Financiering	Spb Øst Eiendom	Undistributed	Elimination	Group
Loans and receivables with customers	14.530,9	6.339,8	1.430,1	0,0	424,0	-329,1	22.395,7
Other assets	33,2	29,9	29,6	485,9	8.393,4	-3.622,7	5.349,3
Total assets	14.564,1	6.369,7	1.459,7	485,9	8.817,4	-3.951,8	27.745,0
Deposits from and liabilities to customers	4.649,2	3.085,8	27,0	0,0	1.175,1	-21,9	8.915,2
Other liabilities	986,0	93,8	1.301,1	382,2	17.695,6	-3.553,6	16.905,1
Inter-company accounts	8.928,9	3.190,1	0,0	0,0	-12.119,0	0,0	0,0
Total liabilities per segment	14.564,1	6.369,7	1.328,1	382,2	6.751,7	-3.575,5	25.820,3
Total equity	0,0	0,0	131,6	103,7	2.065,7	-376,3	1.924,7
Total liabilities and equity	14.564,1	6.369,7	1.459,7	485,9	8.817,4	-3.951,8	27.745,0
31.03.2011	PM	BM	AS Financiering	Spb Øst Eiendom	Undistributed	Elimination	Group
Loans and receivables with customers	12.991,8	5.830,5	1.056,7	0,0	393,9	-183,9	20.089,0
Other assets	28,9	20,3	34,8	293,4	7.479,7	-2.700,5	5.156,6
Total assets	13.020,7	5.850,8	1.091,5	293,4	7.873,6	-2.884,4	25.245,6
Deposits from and liabilities to customers	4.224,5	3.145,8	42,2	0,0	644,8	-31,7	8.025,6
Other liabilities	983,5	64,1	937,0	192,8	15.806,0	-2.566,5	15.416,9
Inter-company accounts	7.812,7	2.640,9	0,0	0,0	-10.453,6	0,0	0,0
Total liabilities per segment	13.020,7	5.850,8	979,2	192,8	5.997,2	-2.598,2	23.442,5
Total equity	0,0	0,0	112,3	100,6	1.876,4	-286,2	1.803,1
Total liabilities and equity	13.020,7	5.850,8	1.091,5	293,4	7.873,6	-2.884,4	25.245,6

Customer deposits divided by sector and industry

(Figures in NOK 1,000)

	Parent bank 31.03.2012	Parent bank 31.03.2011	Parent bank 31.12.2011	Group 31.03.2012	Group 31.03.2011	Group 31.12.2011
Salaried employees	4.703.784	4.260.667	4.689.034	4.714.870	4.270.569	4.700.573
Public administration	78.772	188.797	132.753	78.772	188.797	132.753
Agriculture, forestry, fishing etc	116.578	111.727	118.458	116.578	111.727	118.458
Industry and mining, power and water supply	423.699	194.431	249.290	423.699	194.508	249.290
Construction and civil engineering	393.492	335.400	427.416	394.635	337.491	428.304
Retail, hotel and catering	403.199	371.299	450.948	405.885	374.155	453.593
Transport/communication	143.924	134.585	131.214	144.312	135.198	131.599
Financial service business	1.356.388	1.255.926	1.373.757	1.365.983	1.267.210	1.384.717
Other service industries	561.409	556.811	537.638	562.767	567.266	538.982
Real estate turnover and operations	677.006	553.134	764.865	656.295	526.331	743.412
Foreign	51.450	52.356	51.046	51.449	52.356	51.046
Total	8.909.701	8.015.133	8.926.419	8.915.245	8.025.608	8.932.727

Gross loans to customers divided by sector and industry

(Figures in NOK 1,000)

	Parent bank 31.03.2012	Parent bank 31.03.2011	Parent bank 31.12.2011	Group 31.03.2012	Group 31.03.2011	Group 31.12.2011
Salaried employees	8.693.050	10.218.486	9.040.520	17.316.334	15.205.577	17.038.154
Agriculture, forestry, fishing etc	191.644	185.362	188.297	195.043	189.052	192.074
Industry and mining, power and water supply	132.692	133.460	134.307	139.071	139.625	140.276
Construction and civil engineering	616.755	605.977	602.545	637.790	619.297	618.349
Retail, hotel and catering	429.267	531.754	453.258	478.136	575.348	499.675
Transport/communication	64.821	97.634	72.299	82.793	105.236	89.736
Financial service business	236.390	250.981	264.673	246.443	259.346	276.963
Other service industries	384.365	371.911	387.264	427.942	401.927	417.809
Real estate turnover and operations	3.300.802	2.904.745	3.360.231	2.992.953	2.739.356	3.032.363
Foreign	16.664	18.377	17.480	20.550	20.867	21.715
Total	14.066.450	15.318.687	14.520.874	22.537.055	20.255.631	22.327.114

Debt securities and subordinated debt

(Figures in NOK mill.)

	Parent bank 31.03.2012	Parent bank 31.03.2011	Parent bank 31.12.2011	Group 31.03.2012	Group 31.03.2011	Group 31.12.2011
Debt securities						
Certificates, nominal value	0	0	0	0	0	0
Bonds, nominal value	8.762,5	9.087,5	9.158,5	14.031,9	11.538,0	13.770,0
Value adjustments (including o/u rate)	82,1	-11,2	83,8	80,1	-15,7	100,3
Total debt securities	8.844,6	9.076,3	9.242,3	14.112,0	11.522,3	13.870,3

Changes to debt securities Group	31.03.2012	Issued	Matured/redeemed	Changes to exchange rates	31.12.2011
Certificates, nominal value	0	0	0	0	0
Bonds, nominal value	8.762,5	100,0	496,0	0	9.158,5
OMF, nominal value NOK	5.011,5	460,0	60,0	0	4.611,5
OMF, nominal value SEK (translated into NOK)	257,9	252,1	0	5,8	0
Value adjustments (including o/u rate)	80,1	0	0	0	100,3
Total debt securities	14.112,0	812,1	556,0	5,8	13.870,3

The difference between the Parent bank and the Group is preferential bonds (OMF), nominal value NOK 5,269.4 million.

Changes to subordinated debt and fund bonds	31.03.2012	Issued	Matured/redeemed	Changes to exchange rates	31.12.2011
Ordinary subordinated debt, nominal value	300,0	0	0	0	300,0
Fund bonds, nominal value	300,0	0	0	0	300,0
Value adjustments (including o/u rate)	-1,3	0	0	0	0,1
Total subordinated debt and fund bond	598,7	0	0	0	600,1

Capital adequacy

(Figures in NOK 1,000)

	Parent bank 31.03.2012	Parent bank 31.03.2011	Parent bank 31.12.2011	Group 31.03.2012	Group 31.03.2011	Group 31.12.2011
Equity capital certificate	207.312	207.312	207.312	207.312	207.312	207.312
Premium reserve	387.778	387.778	387.778	387.778	387.778	387.778
Primary certificate capital	887.406	826.429	887.406	887.406	826.429	887.406
Other funds included in tier 1 capital	176.767	160.229	225.229	308.366	262.094	356.828
Fund notes up to 15%	286.580	272.975	287.815	298.927	294.696	300.434
Other tier 1 capital	0	0	0	0	0	0
Deductions in tier 1 capital	-35.312	-34.888	-76.774	-855	-13.668	-41.809
50/50-deduction in tier 1 capital	-108.676	-119.064	-108.521	-116.279	-112.910	-116.124
Net tier 1 capital	1.801.855	1.700.771	1.810.245	1.972.655	1.851.731	1.981.825
Fund notes exceeding 15%	12.347	24.994	12.619	0	3.273	0
Subordinate loan capital	299.742	299.504	299.683	299.742	299.504	299.683
Unrealised gains IFRS	30.866	31.015	30.866	30.866	31.015	30.866
50/50-deduction in additional capital	-108.676	-119.064	-108.521	-116.279	-112.910	-116.124
Net additional capital	234.279	236.449	234.647	214.329	220.882	214.425
Net subordinated capital	2.036.134	1.937.220	2.044.892	2.186.984	2.072.613	2.196.250
Calculation base						
Calculation base balance sheet items	9.991.196	9.681.543	10.153.428	12.914.312	11.335.730	12.830.763
Calculation base off-balance sheet items	1.632.379	1.121.058	1.316.581	568.037	539.868	516.814
Calculation base exchange risk	0	0	0	0	0	0
Calculation base operational risk	1.043.708	795.016	796.891	1.203.324	896.942	896.942
Deductions from the calculation base	-295.132	-311.057	-294.822	-313.707	-301.617	-313.397
Total calculation base (risk-weighted balance)	12.372.151	11.286.560	11.972.078	14.371.966	12.470.923	13.931.122
Capital adequacy	16,46 %	17,16 %	17,08 %	15,22 %	16,62 %	15,77 %
Tier 1 capital adequacy	14,56 %	15,07 %	15,12 %	13,73 %	14,85 %	14,23 %

Guarantee liabilities and other off Balance Sheet it

(Figures in NOK 1,000)

Guarantee liabilities	Parent bank 31.03.2012	Parent bank 31.03.2011	Parent bank 31.12.2011	Group 31.03.2012	Group 31.03.2011	Group 31.12.2011
Payment guarantees	123.766	192.504	120.319	124.595	193.835	121.031
Contract guarantees	146.015	170.891	150.436	146.015	170.891	149.717
Loan guarantees	77.989	44.588	85.036	78.064	44.663	85.111
Other guarantee liabilities	29.097	31.480	29.638	29.097	31.480	29.638
Total customer guarantees	376.867	439.463	385.429	377.771	440.869	385.497
Guarantee to Eksportfinans ASA*	66.193	66.212	53.336	66.193	66.212	53.336
Guarantees to the Norwegian Banks' Guarantee Func	0	0	0	0	0	0
Total guarantee liabilities	443.060	505.675	438.765	443.964	507.081	438.833

* The bank has put up a guarantee for Eksportfinans ASA. The net guarantee liability is MNOK 100. The guarantee obligation is defined as a derivative, and is entered in the mortgage company. The obligation as at 31/03/2012 amounts to NOK 4.7 million (NOK 12.3 million as at 31.12.11)

For the rating process in Sparebanken Øst Boligkreditt AS, the bank has issued a guarantee for all preferential bond (OMF) commitments in the mortgage company.

Pledges and preferential bonds

Bonds, nominal value, put up as collateral for access to loans in Norges Bank	2.064.000	3.038.500	3.066.908	2.064.000	3.038.500	3.066.908
Pledges *)	2.064.000	3.038.500	3.066.908	2.064.000	3.038.500	3.066.908
Pledges in swap scheme	938.500	938.500	938.500	938.500	938.500	938.500
Preference in terms of sections 2-35 of the Financ	0	0	0	5.403.600	2.450.500	4.711.500

*) Debt secured against pledges dated 31.12.11 and 31.03.11 are F-loans with a nominal value of MNOK 1.000 issued by Norges Bank.

As at 31.03.2012 the F-loan has been redeemed.

Security in property

Liabilities with security in property	0	0	0	36.028	0	36.654
Book value of pledged properties	0	0	0	76.022	0	76.192

Additional information for Cash Flow Statement

Group 31.03.2012	Group 31.03.2011	Group 31.12.2011	(Figures in NOK mill.)	Parent bank 31.03.2012	Parent bank 31.03.2011	Parent bank 31.12.2011
Cash and cash equivalents						
484,8	502,5	580,9	Cash and receivables at central banks	484,8	502,5	580,9
521,1	919,6	920,9	Treasury bills	521,1	919,6	920,9
182,1	8,6	186,9	Loans to and receivables on credit institutions that are clean placements	181,1	8,6	185,1
1.188,0	1.430,7	1.688,7	Total	1.187,0	1.430,7	1.686,9
Changes in assets in connection with operations						
-103,8	16,2	26,3	Net changes in financial assets held for the purposes of trade	-103,8	16,2	26,3
-10,8	-41,6	-22,4	Net changes in financial derivatives (net assets and liabilities)	-10,5	-41,6	-22,4
485,3	-112,2	-846,5	Net change in financial assets at fair value as determined by the result.	445,2	-112,2	-883,9
52,4	3,9	23,6	Changes in gross loans to credit institutions	78,8	-238,5	-960,1
-210,0	-610,6	-2.682,1	Changes in gross loans to credit institutions	454,4	615,6	1.413,4
1,3	-6,8	-6,8	Net changes to other assets	1,8	-7,1	-2,6
214,4	-751,1	-3.507,9	Total	865,9	232,4	-429,3
Changes in assets in connection with operations						
-17,5	395,4	1.302,5	Changes in customer deposits	-16,7	393,2	1.304,5
0,0	0,0	0,0	Change in liabilities to the state, swap of OMF preferential bonds	0,0	0,0	0,0
1,6	0,0	27,1	Changes in debt to credit institutions	6,1	-3,0	12,4
22,2	24,9	-0,4	Changes in other liabilities	38,3	36,7	-9,9
6,3	420,3	1.329,2	Total	27,7	426,9	1.307,0
Non-cash items included in profit before tax						
4,1	2,9	12,0	Writedowns on fixed assets	1,4	1,6	6,2
0,4	0,8	1,9	Amortisation of financial investments held to maturity	0,4	0,8	1,9
-2,2	-3,1	-26,1	Writedown of financial assets	-2,9	-3,7	-26,8
1,3	1,5	6,0	Amortisation financing activities measured at amortised cost	0,8	1,3	5,6
3,6	2,1	-6,2	Total	-0,3	0,0	-13,1

Transactions with related parties

Parent bank

These are transactions between the parent bank and wholly owned subsidiaries. The transactions are eliminated in the consolidated accounts.

(Figures in NOK mill.)

	31.03.2012	31.03.2011	31.12.2011
Result			
Interest income from subsidiaries	22,1	13,2	76,7
Interest certificates and preferential bonds (OMF) from subsidiaries	9,1	7,6	34,4
Interest costs of subsidiaries	0,5	0,3	2,0
Management remuneration, etc. from Sparebanken Øst Boligkreditt AS	3,0	1,2	8,1
Rent to subsidiaries	2,0	2,0	8,0
Other costs to subsidiaries	0,0	0,1	0,4
Balance Sheet			
Loans to subsidiaries	2.386,1	1.526,0	2.430,1
Investments OMF in subsidiaries	1.076,8	999,5	1.038,6
Accrued interest income (OMF) from subsidiaries	1,8	1,4	2,0
Accrued interest income from subsidiaries	2,5	0,9	2,3
Deposits from subsidiaries	89,5	69,6	89,6
Accrued interest costs of subsidiaries	0,5	0,0	0,0
Other commitments of subsidiaries	18,2	0,8	3,9

Group

Apart from loans and deposits and related interest income and interest costs concerning corporate management, the Board and control committee, the Group has no other related parties. Refer to note 33 in the annual financial statements.

Profit per equity certificate

Profit per equity certificate is calculated by dividing that part of the profit after tax which falls to the equity capital certificate owners by weighted average of the number of outstanding equity certificates during the year. If the annual results show a deficit this is covered by an appropriate transfer from primary certificate capital, the endowment fund, and the cohesion fund, respectively.

The earnings per equity certificate are calculated in this situation based on the proportion of deficit that is drawn from the cohesion fund.

Sparebanken Øst has not issued options or other instruments that can lead to a dilution of profit per equity certificate.

Diluted profits per equity certificated are therefore not the same as profit per equity certificate.

(Figures in NOK mill.)	Parent bank 31.03.2012	Group 31.03.2012
After-tax profit	55,9	65,2
Profit after tax allocated to equity certificate owners	25,1	29,3
Weighted average of number of outstanding equity certificates	20,7	20,7
Profit per equity certificate	1,21	1,41

Fractional ownership parent bank

(Figures in NOK mill.)

	01.01.2012	01.01.2011
Equity capital certificate	207,3	207,3
Premium reserve	387,8	387,8
Cohesion fund (excl. dividend)	154,3	137,8
Amount available for sale reserve	30,9	31,7
Total numerator (A)	780,3	764,6
Total equity (year's allocation for dividends excluded)	1.734,8	1.660,7
Sum denominator(B)	1.734,8	1.660,7
Fractional ownership(A/B) in %	44,98	46,04

Equity certificates

Various key figures equity certificates:

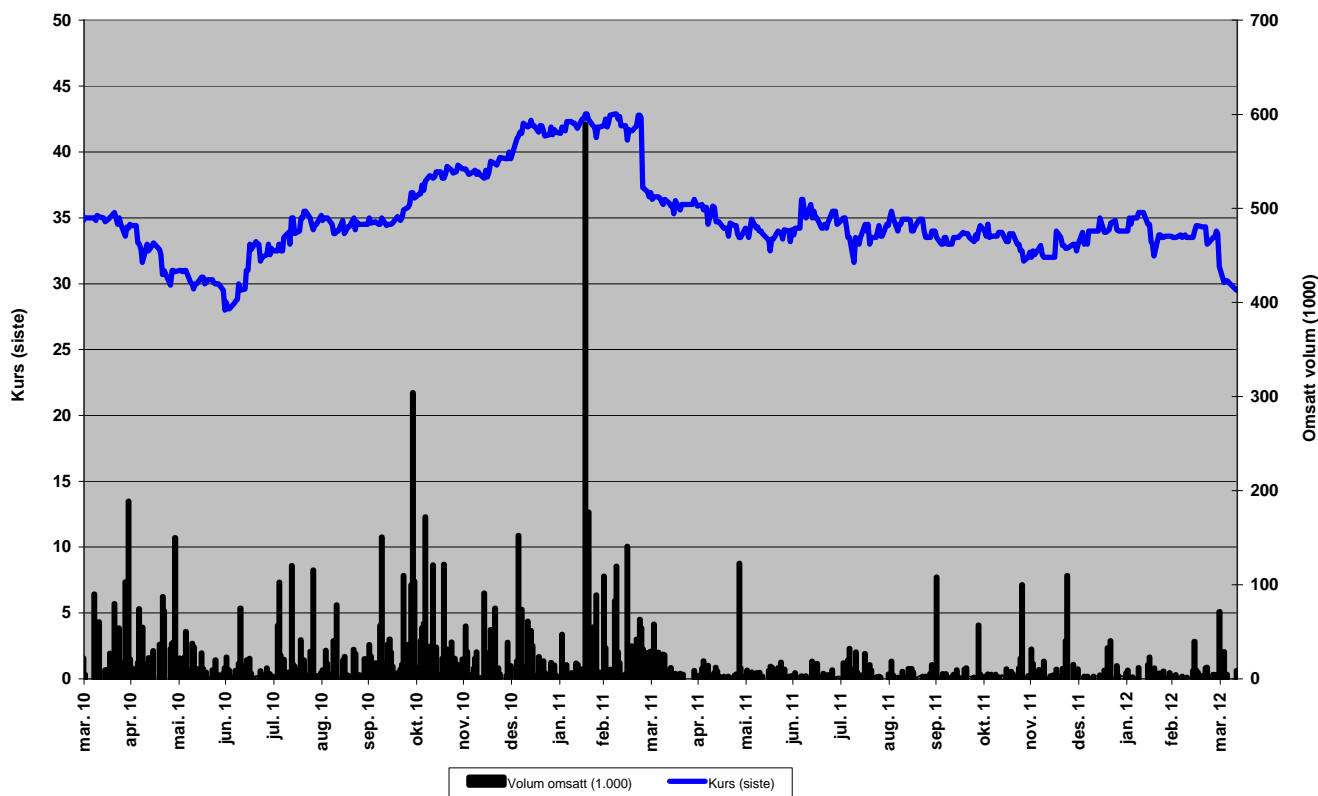
	31.03.2012	2011	2010	2009	2008
Profit per certificate after tax (Group) NOK 1)	5,69	3,46	7,22	7,05	-8,05
Profit per certificate after tax (parent bank) NOK 1)	4,88	2,80	6,78	6,42	-8,15
Fractional ownership 2)	44,98 %	46,04 %	49,05 %	49,63 %	33,39 %
No. of equity certificates (millions)	20,73	20,73	20,73	20,73	3,88
Book equity per certificate NOK 3)	41,91	40,49	39,14	35,56	124,47
Dividend NOK	-	2,00	5,00	4,00	-
Circulation velocity (sold/issued)	8,31 %	21,61 %	45,09 %	103,10 %	8,21 %

1) Equity certificates' share of the bank's post-tax profit (part year figures transposed into annual).

2) Equity share capital+equalisation fund+share premium account in % of the parent bank's total equity allocated for annual dividends.

3) Equity certificate holders' capital (parent bank) divided by number of equity certificates. Results so far this year have been included.

Sparebanken Øst (SPOG)



The 20 largest equity certificate holders as at 31/03/2012

Name	Quantity	%	Name	Quantity	%
1 MP Pensjon	2.049.218	9,88 %	11 Høibraaten, Claus Jørgen	200.000	0,96 %
2 Skagen Vekst VPF.	1.460.000	7,04 %	12 Hustadliitt AS	200.000	0,96 %
3 Directmarketing Invest AS	999.500	4,82 %	13 Terra utbytte VPF	190.649	0,92 %
4 Nordea Bank Norge ASA	484.534	2,34 %	14 Julius Johannessen & Sønner AS	175.000	0,84 %
5 Hansen, Asbjørn Rudolf	466.443	2,25 %	15 Citybank NA New York	174.155	0,84 %
6 Storetind AS	429.998	2,07 %	16 Anna AS	162.280	0,78 %
7 AS Andersen Eiendom	354.500	1,71 %	17 Gunnar Andersen Dødsbo	152.262	0,73 %
8 Sparebankstiftelsen DnB NOR	308.320	1,49 %	18 Løkke, Helge Arnfinn	148.433	0,72 %
9 Foretakskonsulenter AS	243.600	1,18 %	19 Øvrum Invest AS	121.440	0,59 %
10 Teleplan Holding AS	239.665	1,16 %	20 Teigen, Hellig	120.400	0,58 %