

172nd. year

# QUARTERLY REPORT 2014

Quarterly report 1. quarter 2014

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## Financial highlights - Group

	31.03.2014	31.03.2013	31.12.2013	31.12.2012
Average equity, excluding dividends (NOK mill.)	2.527,6	2.100,7	2.268,1	1.960,6
Average total assets (NOK mill.)	31.524,6	29.567,5	30.178,7	28.698,8
Post-tax profit as percentage of average total assets	1,13	0,79	0,94	0,91
Profit before losses as percentage of average total assets	1,61	1,08	1,34	1,34
Net interest income in %	1,95	1,70	1,87	1,78
Costs as percentage of average total assets	0,97	1,05	0,97	1,02
Costs as percentage of income excluding returns on financial investments	44,39	53,57	44,55	48,48
Return on equity (%)	14,15	11,10	12,46	13,38
Net lending to customers (NOK mill.)	26.289,2	22.911,8	25.707,9	22.560,2
Deposits from customers (NOK mill)	12.275,1	11.807,6	12.539,2	11.687,9
Deposit-to-loan ratio	46,69	51,54	48,78	51,81
Deposit-to-loan ratio (parent bank)	71,67	82,85	74,04	89,42
Capital adequacy in %	18,00	15,40	18,41	15,68
Core capital adequacy in %	15,94	14,59	15,75	14,85
Core tier 1 capital adequacy in %	12,98	12,55	13,23	12,76
Core tier 1 capital adequacy incl. 50% of unallocated profit in %	13,26	12,74	13,23	12,76
Total full-time equivalents	222	224	233	224

The key figures for 2012 have been adjusted as a consequence of the implementation of the amendments to IAS 19. The capital adequacy figures have not been adjusted.

## Interim Report 1st Quarter 2014 - Sparebanken Øst

- **Sound equity position**
- **Good return on equity**
- **Strong growth in lending to private customers**

### PROFIT/LOSS

The group achieved NOK 116.8 million in profits before tax in the first quarter of 2014, compared with NOK 79.1 million for the corresponding period last year. The improvement is mainly due to increased interest and credit commission income and increased revenue recognition on value changes and gains/losses on financial investments. The sale of shares in Frende Holding AS provided a realised gain of NOK 11.7 million in ordinary profit. The sale of shares in Nets Holding AS is pending approval from the authorities and has therefore not yet been finalised. Profits from the sale of the shares are therefore not included in the ordinary profit for the first quarter of 2014. The transaction is expected to be completed in the second quarter of 2014.

In percentage of average total assets, profit before tax constituted 1.50 per cent, compared to 1.08 per cent for the corresponding period last year.

Profit after tax showed a surplus of NOK 88.2 million, compared to NOK 57.5 million for the corresponding period last year, and gave a return on equity of 14.15 per cent.

Profit after tax for the parent bank showed a surplus of NOK 118.4 million in the first quarter of 2014, compared to NOK 101.1 million in the first quarter of 2013. In the first quarter of 2014, the parent bank received dividends of NOK 60.0 million from subsidiaries and therefore had a higher profit than that for the group as a whole in the first quarter of 2014, where dividends are eliminated. Tax in the parent bank was low in the first quarter of 2014 as a result of tax-free dividends from subsidiaries. Group contributions from subsidiaries of NOK 71.0 million, net after tax, were recognised in the first quarter of 2013.

### Net interest income

Net interest and credit commission income totalled NOK 151.7 million, which is an increase of NOK 27.4 million compared with the corresponding period of the previous year, and an increase of NOK 1.5 million compared with the fourth quarter

of 2013. Compared with the first quarter of 2013, the increase in net interest and credit commission income comes primarily from an increase in lending, lower funding costs and a reduction in holdings of interest-bearing securities in the liquidity portfolio. In the first quarter of 2013, net interest income was charged with approx. NOK 3 million in costs as a result of the repurchase of bond debt. Hedge fund fees totalling NOK 2.6 million were charged in the first quarter of 2014, compared with NOK 2.3 million in the first quarter of 2013.

In the first quarter of 2014, net interest and credit commission income corresponds to 1.95 per cent of the average total assets. For comparison, net interest and credit commission income comprised 1.87 per cent at the end of 2013, and was 1.70 per cent at the end of the first quarter of 2013.

### Operating income

Received dividends from equity instruments amounted to NOK 6.7 million and related to dividends from Nets Holding AS. In 2013, dividends from Nets Holding AS were recognised in the second quarter. In addition, NOK 60.0 million in received dividends from subsidiaries has been recognised in the parent bank. This amount is eliminated at group level.

Commission income and income from banking services amounted to NOK 18.0 million, which is an increase of NOK 0.3 million compared with the corresponding period in the previous year, but a decline of NOK 4.0 million compared with the fourth quarter of 2013. Commission income is derived from traditional banking services.

Commission costs and costs relating to banking services amounted to NOK 10.9 million, which is an increase of NOK 1.5 million compared with the corresponding period of the previous year, and an increase of NOK 0.1 million compared with the fourth quarter of 2013. This increase is due to brokerage fees.

Net value changes and gains/losses on financial assets provided recognised income of NOK 24.0 million in the first quarter of 2014. Of this, realised gains upon the sale of shares in Frende Holding AS amounted to NOK 11.7 million. Frende Holding AS is classified as “available for sale”. Upon disposal, the realised gains are included in “Net value changes and gains/losses on financial investments” in ordinary profit, with the equivalent reversal of unrealised gains in comprehensive income. The bank's ownership stake after the sale is 13.19 per cent. Recognised income relating to the guarantee for Eksportfinans ASA amounted to NOK 5.9 million. For comparison, income recognised on net value changes and gains/losses on financial assets in the first quarter of last year totalled NOK 12.5 million. Of this, NOK 1.4 million related to the Eksportfinans ASA guarantee.

Other operating income amounted to NOK 10.4 million and is at the same level as the corresponding period last year. In the fourth quarter of 2013, other operating income amounted to NOK 20.9 million, and was affected by the recognition of profits from the sale of property in Sparebanken Øst Eiendom AS.

### Operating expenses

Total operating expenses amounted to NOK 75.1 million, which corresponds to 0.97 per cent of average total assets. By comparison, total operating expenses for the corresponding period last year amounted to NOK 76.6 million, equivalent to 1.05 per cent of average total assets.

Payroll and general administrative costs amounted to NOK 56.6 million at the end of the first quarter of 2014, compared with NOK 57.6 million for the corresponding period last year. The number of active FTEs at the end of the first quarter of 2014 was 222, compared to 224 at the end of the corresponding period last year, and 233 at the end of 2013. The number of active FTEs in the parent bank at the end of the first quarter of 2014 was 191, compared with 194 at the end of the corresponding period last year, and 202 as at 31.12.2013.

Depreciations amounted to NOK 4.7 million in the first quarter of 2014, compared with NOK 4.3 million in the first quarter of 2013.

Other operating expenses comprised NOK 13.8 million, compared to NOK 14.7 million for the corresponding period last year.

### Losses on loans and guarantees

The group's recognised losses on loans and guarantees amounted to NOK 8.0 million in the first quarter of 2014, compared to the net reversal

(recognition of income) of NOK 0.2 million for the corresponding period last year.

Individual write-downs on loans and guarantees to customers increased by NOK 1.7 million since the end of 2013, and amounted to NOK 98.7 million at the end of the first quarter of 2014.

Write-downs on groups of loans to customers amounted to NOK 43.4 million at the end of the first quarter of 2014, and remain unchanged since the start of the year.

Gross defaults and non-performing loans amounted to NOK 485.1 million, compared with NOK 487.3 million at the end of 2013, and NOK 413.9 million at the end of the first quarter of 2013. Net defaults and non-performing loans amounted to NOK 385.3 million, which shows a decrease of NOK 4.0 million compared with 31.12.2013, but an increase of NOK 71.5 million compared with the end of the first quarter of 2013.

### BALANCE SHEET

Total assets have increased by NOK 894.6 million since the beginning of the year, and amounted to NOK 31,971.9 million at the end of the first quarter 2014.

Cash and balances at central banks have increased by NOK 136.1 million since the beginning of the year, and amounted to NOK 493.6 million as at 31.03.2014.

Net loans to credit institutions have increased by NOK 1.8 million since 31.12.2013, and amounted to NOK 10.4 million at the end of the first quarter of 2014. Lending to credit institutions consists exclusively of inter-bank loans in Norway.

Net loans to customers amounted to NOK 26,289.2 million. Growth in net lending in the past 12 months was 14.7 per cent. Net loans to customers have increased by NOK 581.3 million since the end of last year. Net lending to private customers increased by 24.1 per cent, while net lending to business customers declined by 19.6 per cent.

Gross loans to private customers accounted for 84.7 per cent of all loans to customers.

Holdings of certificates and bonds (including treasury bills) have increased by NOK 119.4 million since the beginning of the year, and amounted to NOK 3,622.0 million. These holdings consist exclusively of the liquidity portfolio and amounted to NOK 3,582.3 million.

For the liquidity portfolio, the weighted average maturity until the agreed due date is estimated at 2.79 years.

The bank's shares in Frende Holding AS, Eksportfinans ASA and Nets Holding AS are classified as "available for sale". The valuation of the shares in Frende Holding is based on the market price at the time of the last transaction, and amounted to NOK 200.8 million at the end of the first quarter of 2014. An equivalent valuation per share was used as at 31.12.2013. The profits relating to the sold shares, as mentioned above, are included in the ordinary profit in the first quarter of 2014, and the unrealised gain linked to the sold shares is correspondingly reversed in comprehensive income.

Holdings of shares in Eksportfinans ASA are recognised in the balance sheet at NOK 208.3 million. Legal proceedings against Eksportfinans ASA in Japan were unsuccessful and according to the company are completed. At the end of the first quarter of 2014, there were no conditions that require changes in the valuation of these shares.

An agreement has been entered into regarding the sale of the bank's shares in Nets Holding AS. The agreement entails that Sparebanken Øst will sell all the company's shares, a total of 2,223,883 shares (1.21%), for DKK 92.37 per share. The agreement is subject to approval by regulatory authorities. The total remuneration for the bank's ownership stake amounts to DKK 205.4 million. The sale price in NOK, converted at the exchange rate as at 31.03.2014, amounts to NOK 227.1 million and is used as the basis for the valuation of the shares at the end of the first quarter of 2014. This gives a positive change in value of NOK 52.2 million, compared with the valuation at the end of 2013. This value adjustment is recognised in comprehensive income. As previously mentioned, the transaction is expected to be completed in the second quarter of 2014. Upon realisation, the profit recognised in the accounts will be around NOK 130 million, presuming an exchange rate as at 31.03.2014, and will be included in "Net value changes and gains/losses on financial investments" in ordinary profit. The accumulated change in value, which was previously entered in comprehensive income, will be reversed.

Deposits from customers amounted to NOK 12,275.1 as at 31.03.2014 and increased by NOK 467.5 million over the past 12 months, equivalent to 4.0 per cent. Since the beginning of the year, customer deposits have decreased by NOK 264.1 million. The deposit-to-loan ratio at the end of the first quarter of 2014 was 46.7 per cent, compared with 48.8 per cent at the end of 2013 and 51.5 per cent at the end of the first quarter of 2013.

Liabilities arising from the issuance of securities amounted to NOK 15,134.3 million, an increase of NOK 1,097.3 million since the beginning of the year.

Other long-term loan agreements amounted to NOK 661.6 million at the end of the first quarter of 2014, showing a reduction of NOK 111.9 million since the beginning of the year.

Short-term funding (defined as funding with a remaining maturity of less than 1 year) amounted to NOK 1,581.1 million.

## RISK

### Credit risk

Sparebanken Øst has prepared a credit strategy which considers various types of credit risk relating to loans, credit and guarantees provided to customers within the private and business markets, as well as counterparty risk for securities.

The credit strategy is intended to help ensure that the bank's financial activities are in line with the regulatory frameworks and guidelines that derive from the bank's overall business concept and strategic plans, and that the activities are justifiable with regard to the bank's ability and willingness to bear risk. The strategy shall also help to ensure that the bank has an established credit portfolio of a quality and composition which ensures the bank's profitability in the short and long term, and ensures that the bank manages credit risk in accordance with the requirements of legislation, regulations, circulars from the authorities and other regulatory conditions.

The principles described in the strategy document are continued in the bank's credit handbooks, as well as the bank's established instructions and procedures.

Within the private and business markets, the ability and willingness to service the debt are central to the credit rating activities. Risk upon lending to customers is measured through the risk classification of customers. The risk classification of customers is established as an integrated part of the credit process.

The development in credit risk is monitored on an on-going basis through quarterly reports to the management and board of directors.

The bank's geographical catchment area offers both the private and business departments a large market area with flexibility in terms of customers and markets.

Geographically, the bank's lending portfolio to private customers and companies is spread across the central south-eastern area.

A small proportion of lending to business customers contributes to a low concentration risk for the bank. Exposure to real estate and property development comprises a relatively large share of the business portfolio, but a limited share of the bank's total lending portfolio.

As a main rule, loans and credit are only granted to private customers against adequate security. The bank has low exposure relating to loans/credit without corresponding security.

The bank also assumes credit risk through the management of liquidity reserves and excess liquidity. The bank intends to hold low credit risk interest-bearing securities for liquidity purposes (reserves for disposal as required), as a basis for deposits for obtaining loans from the central bank, or both.

The bank's credit risk is continually monitored, and up-to-date overviews of the bank's overall counterparty risk are available.

### **Market risk**

Sparebanken Øst has a financial strategy that shall help to ensure that the bank's financial activities are in line with the regulatory frameworks and guidelines that derive from the bank's overall business concept, strategic plans and budgets, and that the activities are justifiable with regard to the bank's ability and willingness to bear risk. The financial strategy shall also help to help ensure that the bank manages financial risk in line with the requirements given in legislation, regulations, circulars from the authorities and other regulatory conditions.

Sparebanken Øst has a liquidity portfolio consisting of interest-bearing securities mainly issued by Norwegian banks, credit companies, municipalities, the state and state-guaranteed companies. Through this, the bank assumes credit spread risk.

The liquidity portfolio has low risk and is within adopted limits for credit spread risk.

Interest rate risk is kept within fixed limits, and is limited since the majority of assets and liabilities have variable interest rates or have been swapped for variable interest rate terms. Currency risk is reduced by entering into forward contracts or basis swaps. The bank has extremely low interest rate and currency risk on its balance sheet. Exposure to equity instruments beyond the bank's subsidiary and strategic investments is limited.

### **Liquidity risk**

Sparebanken Øst shall have a conservative attitude to liquidity risk and manages this in line with determined limits. At any given time, the bank shall have sufficient liquidity to manage normal operations for 12 months without the need for additional financing, and illiquid assets are financed long-term.

Sparebanken Øst issues covered bonds through the bank's wholly-owned credit company. Covered bonds are principally issued with long maturities, while senior bonds are issued with maturities appropriate to the current existing maturity profile.

### **Operational risk**

The management and control of operational risk is ensured through annual reviews of the bank's key processes, established internal controls with semi-annual confirmation from the management that internal control has been carried out, and the quarterly reporting of registered incidents and the assessed risk level to the board. The group has not registered any significant losses due to the failure of internal processes or systems, human error, or unforeseen events in the first quarter of 2014.

### **CAPITAL ADEQUACY**

Net subordinated capital amounted to NOK 2,846.2 million at the end of the first quarter of 2014, of which the group's net tier 1 capital amounted to NOK 2,520.4 million. With a calculation base of NOK 15,814.7 million, this represents a capital adequacy of 18.00 per cent, of which 15.94 per cent is tier 1 capital adequacy.

Pure core capital adequacy amounted to 12.98 per cent. The bank applies the standard method from the Basel II regulations when calculating the minimum requirement for subordinated capital for credit risk. The calculation for operational risk is carried out using the basis method.

### **RATING**

On 05.03.2014, Moody's downgraded Sparebanken Øst's long-term deposit rating from A3 to Baa1. Sparebanken Øst's bank financial strength rating (BFSR) and the bank's short-term deposit rating are unchanged at C- and Prime-2 respectively, which reflects that the bank is assessed as unchanged when considered in isolation.

The basis for the downgrade is that Moody's has changed its assessment of systemic support to Sparebanken Øst from high to moderate.

In the proposed new crisis management directive, covered bonds are explicitly excluded from "bail-in". Based on this, Moody's has increased the basis for the rating of Sparebanken Øst Boligkreditt AS. Moody's previously used the parent bank's rating as a basis, but it is now the parent bank's rating plus a second step which is used. This means that Sparebanken Øst Boligkreditt AS, despite the downgrading of the

parent bank as described above, continues to have a "leeway" in its AAA rating.

## SUBSIDIARIES

**Sparebanken Øst Boligkreditt AS** is a wholly-owned subsidiary of Sparebanken Øst. The company was established on 14.04.2009 with the objective of granting or acquiring residential mortgages, property mortgages and loans secured by liens on other registered assets or public loans, and to finance lending activities, mainly through the issuing of covered bonds. The loan-to-value ratio (LTV) at the end of the first quarter of 2014 was 48.1 per cent. For comparison, the corresponding figures were 45.0 per cent at the end of the first quarter of 2013, and 47.0 per cent at the end of 2013.

The company's total assets amounted to NOK 8,102.1 million as at 31.03.2014, and mainly consisted of first priority mortgages in homes financed through covered bonds and drawing rights on the parent company. The company's paid-in capital is NOK 450.0 million, of which NOK 266.5 million is share capital and NOK 183.5 million makes up the share premium account. Profit after tax showed a surplus of NOK 22.0 million at the end of the first quarter of 2014, compared to NOK 18.4 million for the corresponding period last year. The company has no employees, but procures services from Sparebanken Øst. Sparebanken Øst Boligkreditt AS was rated AAA by Moody's in the first quarter of 2011.

**AS Finansiering** is a wholly-owned financing subsidiary of Sparebanken Øst. The company's main product is the financing of motor vehicles, with an emphasis on used cars. The company achieved a profit after tax of NOK 6.6 million in the first quarter of 2014, compared to NOK 9.0 million in the corresponding period last year. Total assets amounted to NOK 1,654.8 million. The company had 25 employees equivalent to 24 FTEs at the end of the first quarter of 2014.

**Sparebanken Øst Eiendom AS's** main objective is to undertake standard property operations, including the purchase, sale, rental and development of real estate, as well the purchase and sale of fixtures and fittings within various business areas. Operating income amounted to NOK 10.8 million in the first quarter of 2014, compared with NOK 11.0 million in the first quarter of 2013. Profit after tax showed a surplus of NOK 1.1 million at the end of the first quarter of 2014, compared to a surplus of NOK 0.1 million for the corresponding period last year. The company has 7 employees. The share capital is NOK 35.1 million.

**Øst Prosjekt AS's** main objective 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 and the share capital amounts to NOK 12.0 million. Post-tax profits for the first quarter of 2014 amounted to NOK 0 million. The company also had the same result in the first quarter of 2013.

## ACCOUNTING PRINCIPLES

The quarterly accounts have been prepared in accordance with IFRS (including IAS 34 Interim Financial Reporting). Interim financial statements are not audited.

## DIVIDEND POLICY

Sparebanken Øst's financial aims are to achieve results that provide a good and stable return on bank equity and create value for equity capital owners with competitive returns in the form of dividends and capital appreciation on equity certificates.

The profit for the year will be divided between primary capital and the equity certificate holders 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 dividends. In a normal year around 10 per cent will be allocated for donation purposes.

When determining dividends and donations, the bank's profit evolution, market situation, dividend stability and tier 1 capital requirements will be taken into consideration.

## FUTURE PROSPECTS

In 2014, several market participants have signalled increased willingness to grow within mortgage loans through a reduction of interest rates to selected market segments. Net interest and credit commission income will be affected by these changes. Increased competition for the bank's loan products will reduce earnings compared with the level in 2013. The development in property prices going forward will continue to be characterised by uncertainty and fluctuations. A drop in future prices can therefore not be ruled out. A fall in house prices may affect the banks' willingness to grow and thus the competitive situation in the market for home loans.

The bank assumes a moderate to low demand for loans to companies. In recent years, the bank has chosen to exercise caution with regard to the business market. It is expected that the bank will stabilize its loan volume to business customers in

the future. Pressure on margins in the lending market for loans to small and medium-sized companies cannot be ruled out during 2014, even without any significant growth in demand.

Fluctuations in market value on the guarantee for Eksportfinans ASA and securities in general may occur. Legal proceedings brought against Eksportfinans ASA in Japan were settled in March. The company states that the ruling is final since no appeal from the plaintiff was received within the deadline. This significantly reduces the uncertainty surrounding the company's future operations. The market value of interest-bearing securities is affected in general by the development in margins for individual securities, as well as the general liquidity situation in the market.

The bank assumes an unchanged cost consumption in 2014 compared with 2013. A fall in house prices and weaker growth in the Norwegian economy may result in increased losses in the banking sector in the future.

Beyond regulatory requirements, the bank closely follows the development in the capital adequacy rules and the market's expectations regarding capital. Calculations show that the bank will satisfy expected capital requirements up to and including 2016. The bank's target for tier 1 capital as at 1 July 2016 is set to 14.5 per cent. This level of capital provides the possibility for growth, room to manoeuvre with regard to regulatory

requirements, competitiveness in the bond markets, and the opportunity to provide a return on equity in line with adopted objectives. Going forward, the bank will use an optimal composition of tier 1 capital, hybrid capital and subordinated capital.

The bank sees a long-term and robust liquidity situation that provides security for operations in the long term as extremely important. The bank's aim regarding liquidity is for non-liquid assets to be financed by long term debt of between 103 per cent and 107 per cent, with the objective of achieving 105 per cent long-term financing over time. The bank assumes that access to liquidity will be satisfactory in 2014.

Reduced risk and an increased proportion of equity will affect the rate of return over time. The bank's target for return on equity has been set at 10 per cent over time. In recent years, earnings in the banking sector have been affected by the need to build up equity. Clarification of the banks' capital situations may result in an increased willingness to grow with pressure on margins and lower rates of return in the future. Losses on loans to customers cannot be ruled out, but are expected to be within long-term targets.

Hokksund, 31 March 2014  
Drammen, 06 May 2014

Jorund Rønning Indreliid  
Chairman

Knut Smedsrud  
Vice Chairman

Morten André Yttreide

Roar Norheim Larsen

Sverre Nedberg

Elly Therese Thoresen

Hanne Solem

Inger Helen Pettersen  
Employee representative

Pål Strand  
CEO



## Income statement

Group 31.03.2014	Group 31.03.2013	Group 2013	(Figures in NOK mill.)	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 2013
326,2	302,4	1.273,4	Interest income and similar income	230,4	214,0	899,8
174,5	178,1	708,9	Interest expenses and similar expenses	139,3	144,4	570,2
151,7	124,3	564,5	<b>Net interest and credit commission income</b>	91,1	69,6	329,6
6,7	0,0	13,0	Dividends and other income from securities with variable yields	66,7	98,7	111,6
18,0	17,7	80,4	Commission income and income from banking services	20,4	20,2	90,3
10,9	9,4	40,6	Commission expenses and expenses relating to banking services	4,3	3,2	14,6
24,0	12,5	26,4	Net value changes and gains/losses on financial investments	23,9	12,5	26,7
10,4	10,4	55,2	Other operating income	1,9	1,6	6,4
42,1	43,2	164,2	Payroll, etc.	34,8	35,6	137,4
14,5	14,4	56,7	Administration costs	11,9	12,2	49,7
4,7	4,3	17,9	Depreciation/write-downs and value changes on non-financial assets	2,0	1,5	6,7
13,8	14,7	55,0	Other operating expenses	11,1	12,4	46,5
124,8	78,9	405,1	<b>PROFIT BEFORE LOSSES</b>	139,9	137,7	309,7
8,0	-0,2	16,2	Losses on loans and guarantees	3,9	-2,0	1,8
116,8	79,1	388,9	<b>PRE-TAX PROFIT</b>	136,0	139,7	307,9
28,6	21,6	106,2	Taxes	17,6	38,6	84,4
88,2	57,5	282,7	<b>POST-TAX PROFIT</b>	118,4	101,1	223,5
1,76	1,20	5,90	Earnings per equity certificate	2,37	2,11	4,67
1,76	1,20	5,90	Diluted earnings per equity certificate	2,37	2,11	4,67

## Total profit/loss

Group 31.03.2014	Group 31.03.2013	Group 2013	(Figures in NOK mill.)	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 2013
88,2	57,5	282,7	<b>POST-TAX PROFIT</b>	118,4	101,1	223,5
			<b>Items that will not be reclassified to the income statement</b>			
0,0	0,0	-9,8	Actuarial gains and losses on defined benefit plans	0,0	0,0	-11,1
0,0	0,0	2,7	Tax effect of actuarial gains and losses on defined benefit plans	0,0	0,0	3,1
			<b>Items that may be reclassified to the income statement at a later date</b>			
40,5	0,0	178,8	Changes in fair value of investments available for sale	40,5	0,0	178,8
128,7	57,5	454,4	<b>TOTAL PROFIT/LOSS</b>	158,9	101,1	394,3

## Balance sheet

Group 31.03.2014	Group 31.03.2013	Group 2013	(Figures in NOK mill.)	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 2013
493,6	389,5	357,5	Cash and balances with central banks	493,6	389,5	357,5
10,4	11,3	8,6	Loans to and deposits with credit institutions	2.101,5	2.082,2	2.101,7
26.431,3	23.054,3	25.848,3	Loans to and receivables with customers	17.225,4	14.318,6	17.031,0
0,0	99,1	97,0	- Individual write-downs	37,9	45,8	38,3
43,4	43,4	43,4	- Write-downs on groups of loans	40,1	40,1	40,1
3.421,4	4.026,6	3.301,9	Certificates, bonds, etc. at fair value	3.662,9	5.007,8	3.543,6
680,3	988,4	650,9	Shares and other variable yield securities	680,3	988,4	650,9
209,0	205,4	192,8	Financial derivatives	135,1	145,4	132,6
200,6	250,9	200,7	Certificates and bonds, held to maturity	200,6	250,9	200,7
0,0	0,0	0,0	Ownership interests in group companies	687,3	687,2	687,2
0,0	0,0	0,0	Deferred tax assets	4,0	10,6	4,0
401,9	455,6	403,5	Investment properties	0,0	0,0	0,0
132,6	124,8	126,4	Fixed assets	78,5	69,0	72,8
40,4	38,1	40,0	Other assets	11,2	10,1	13,4
92,5	94,6	87,1	Prepaid expenses and accrued income	71,8	79,0	67,9
#VERDI!	29.497,0	31.077,3	<b>TOTAL ASSETS</b>	25.274,2	23.952,8	24.784,9
661,6	848,7	773,5	Liabilities to credit institutions	844,8	965,1	989,0
12.275,1	11.807,6	12.539,2	Deposits from and liabilities to customers	12.290,2	11.792,0	12.552,1
0,0	493,5	0,0	Liabilities to the state, exchange of OMF covered bonds	0,0	493,5	0,0
30,2	47,4	24,0	Financial derivatives	28,0	47,4	24,0
15.134,3	13.265,6	14.037,0	Liabilities incurred upon the issuance of securities	8.547,0	7.848,9	7.861,6
263,5	214,2	159,2	Other liabilities	203,5	154,4	91,3
132,2	134,1	97,1	Accrued expenses and prepaid income	110,0	109,9	73,9
38,6	26,0	38,6	Provisions for accrued expenses and liabilities	36,9	22,7	36,9
29,6	21,7	29,5	Deferred tax liabilities	0,0	0,0	0,0
817,3	507,2	851,3	Subordinated loan capital	817,3	507,2	851,3
29.382,4	27.366,0	28.549,4	<b>Total liabilities</b>	22.877,7	21.941,1	22.480,1
595,1	595,1	595,1	Paid-up capital	595,1	595,1	595,1
1.906,2	1.478,4	1.932,8	Retained earnings	1.683,0	1.315,5	1.709,7
88,2	57,5	0,0	Unallocated ordinary profit	118,4	101,1	0,0
2.589,5	2.131,0	2.527,9	<b>Total equity</b>	2.396,5	2.011,7	2.304,8
31.971,9	29.497,0	31.077,3	<b>TOTAL LIABILITIES AND EQUITY</b>	25.274,2	23.952,8	24.784,9

## Changes in equity - Group

(Figures in NOK mill.)

1st Quarter 2014	Total equity	Equity certificate	Premium reserve	Equalisation fund	Primary capital	Endowment account	Available for sale reserve	Other equity	Unallocated profit/loss
Equity as at 31.12.2013	2.527,9	207,3	387,8	291,7	1.129,9	35,4	252,7	223,1	0,0
Profit/loss	88,2	0,0	0,0	0,0	0,0	0,0	0,0	0,0	88,2
Changes in fair value for TFS investments	40,5	0,0	0,0	0,0	0,0	0,0	40,5	0,0	0,0
Total profit/loss	128,7	0,0	0,0	0,0	0,0	0,0	40,5	0,0	88,2
2013 dividend finally adopted	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0	0,0
Changes in endowment fund	-5,0	0,0	0,0	0,0	0,0	-5,0	0,0	0,0	0,0
<b>Equity as at 31.03.2014</b>	<b>2.589,5</b>	<b>207,3</b>	<b>387,8</b>	<b>229,5</b>	<b>1.129,9</b>	<b>30,4</b>	<b>293,2</b>	<b>223,1</b>	<b>88,2</b>

1st Quarter 2013	Total equity	Equity certificate	Premium reserve	Equalisation fund	Primary capital	Endowment account	Available for sale reserve	Other equity	Unallocated profit/loss
Equity as at 31.12.2012, adjusted	2.132,7	207,3	387,8	260,7	1.012,7	27,4	73,9	162,9	0,0
Profit/loss	57,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	57,5
Items recognised in income statement	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total profit/loss	57,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	57,5
2012 dividend finally adopted	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0	0,0
Changes in endowment fund	3,0	0,0	0,0	0,0	0,0	3,0	0,0	0,0	0,0
<b>Equity as at 31.03.2013</b>	<b>2.131,0</b>	<b>207,3</b>	<b>387,8</b>	<b>198,5</b>	<b>1.012,7</b>	<b>30,4</b>	<b>73,9</b>	<b>162,9</b>	<b>57,5</b>

2013	Total equity	Equity certificate	Premium reserve	Equalisation fund	Primary capital	Endowment account	Available for sale reserve	Other equity
Equity as at 31.12.2012, adjusted	2.132,7	207,3	387,8	260,7	1.012,7	27,4	73,9	162,9
Profit/loss for the year	282,7	0,0	0,0	96,7	121,7	5,0	0,0	59,3
Changes in fair value for TFS investments	178,8	0,0	0,0	0,0	0,0	0,0	178,8	0,0
Actuarial gains and losses on defined benefit plans	-7,1	0,0	0,0	-3,5	-4,5	0,0	0,0	0,9
Total profit/loss	454,4	0,0	0,0	93,2	117,2	5,0	178,8	60,2
2012 dividend finally adopted	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0
Changes in endowment fund	3,0	0,0	0,0	0,0	0,0	3,0	0,0	0,0
<b>Equity as at 31.12.2013</b>	<b>2.527,9</b>	<b>207,3</b>	<b>387,8</b>	<b>291,7</b>	<b>1.129,9</b>	<b>35,4</b>	<b>252,7</b>	<b>223,1</b>

## Changes in equity - Parent bank

(Figures in NOK mill.)

1st Quarter 2014	Total equity	Equity certificate	Premium reserve	Equalisation fund	Primary capital	Endowment account	Available for sale reserve	Unallocated profit/loss
In connection with the rating process in Sparebanken Øst Boli	2.304,8	207,3	387,8	291,7	1.129,9	35,4	252,7	0,0
Profit/loss	118,4	0,0	0,0	0,0	0,0	0,0	0,0	118,4
Changes in fair value for TFS investments	40,5	0,0	0,0	0,0	0,0	0,0	40,5	0,0
Total profit/loss	158,9	0,0	0,0	0,0	0,0	0,0	40,5	118,4
2013 dividend finally adopted	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0
Changes in endowment fund	-5,0	0,0	0,0	0,0	0,0	-5,0	0,0	0,0
<b>Equity as at 31.03.2014</b>	<b>2.396,5</b>	<b>207,3</b>	<b>387,8</b>	<b>229,5</b>	<b>1.129,9</b>	<b>30,4</b>	<b>293,2</b>	<b>118,4</b>

1st Quarter 2013	Total equity	Equity certificate	Premium reserve	Equalisation fund	Primary capital	Endowment account	Available for sale reserve	Unallocated profit/loss
Equity as at 31.12.2012, adjusted	1.969,8	207,3	387,8	260,7	1.012,7	27,4	73,9	0,0
Profit/loss	101,1	0,0	0,0	0,0	0,0	0,0	0,0	101,1
Items recognised in income statement	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total profit/loss	101,1	0,0	0,0	0,0	0,0	0,0	0,0	101,1
2012 dividend finally adopted	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0
Changes in endowment fund	3,0	0,0	0,0	0,0	0,0	3,0	0,0	0,0
<b>Equity as at 31.03.2013</b>	<b>2.011,7</b>	<b>207,3</b>	<b>387,8</b>	<b>198,5</b>	<b>1.012,7</b>	<b>30,4</b>	<b>73,9</b>	<b>101,1</b>

2013	Total equity	Equity certificate	Premium reserve	Equalisation fund	Primary capital	Endowment account	Available for sale reserve
Equity as at 31.12.2012, adjusted	1.969,8	207,3	387,8	260,7	1.012,7	27,4	73,9
Profit/loss for the year	223,5	0,0	0,0	96,7	121,7	5,0	0,0
Changes in fair value for TFS investments	178,8	0,0	0,0	0,0	0,0	0,0	178,8
Actuarial gains and losses on defined benefit plans	-8,0	0,0	0,0	-3,5	-4,5	0,0	0,0
Total profit/loss	394,3	0,0	0,0	93,2	117,2	5,0	178,8
2012 dividend finally adopted	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0
Changes in endowment fund	3,0	0,0	0,0	0,0	0,0	3,0	0,0
<b>Equity as at 31.12.2013</b>	<b>2.304,8</b>	<b>207,3</b>	<b>387,8</b>	<b>291,7</b>	<b>1.129,9</b>	<b>35,4</b>	<b>252,7</b>

# Cash flow statement

Group 31.03.2014	Group 31.03.2013	Group 31.12.2013	(Figures in NOK mill.)	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013	
<b>Operating activities</b>							
116,8	79,1	388,9	Profit before tax	136,0	139,7	307,9	
Adjusted for:							
0,0	0,0	0,0	Changes in gross loans to credit institutions	1,9	839,7	818,2	
-583,0	-346,3	-3.140,3	Changes in gross loans to customers	-194,4	-1.176,0	-3.888,4	
-119,5	162,6	393,0	Changes in certificates and bonds at fair value	-119,3	162,6	1.132,5	
2,3	30,2	538,5	Changes in other assets in connection with operations	6,6	43,3	553,7	
2,6	-0,5	-21,9	Changes in deposits from credit institutions	-29,8	19,6	71,8	
-264,1	119,7	851,3	Changes in customer deposits	-261,9	121,3	881,4	
86,2	36,4	-12,2	Changes in other liabilities in connection with operations	91,1	-2,4	-45,0	
7,1	2,8	23,6	Non-cash items included in profit before tax	1,9	0,3	4,1	
-11,7	-0,2	-13,0	Net gains from investment activities	-11,7	-0,1	-0,1	
3,8	0,0	0,0	Net losses from financing activities	3,8	0,0	0,0	
-42,3	-28,4	-80,9	Taxes paid for the period	-27,6	-24,3	-51,7	
-801,8	55,4	-1.073,0	<b>Net cash flow from operating activities</b>	<b>A</b>	-403,4	123,7	-215,6
<b>Investing activities</b>							
-9,3	-5,2	-17,2	Purchase of fixed assets	-7,7	-2,9	-12,3	
0,0	0,2	61,9	Proceeds from sale of fixed assets	0,0	0,1	0,5	
25,1	0,0	54,0	Net proceeds/payments from sale/upon purchase of financial investments	25,1	-71,0	-17,0	
15,8	-5,0	98,7	<b>Net cash flow from investing activities</b>	<b>B</b>	17,4	-73,8	-28,8
<b>Financing activities</b>							
-110,0	0,0	-579,1	Net proceeds/payments on loans to/from credit institutions and debt to the	-110,0	0,0	-553,5	
-800,5	-1.142,2	-3.125,1	Payments upon repayment of securities	-800,5	-1.142,2	-2.881,8	
1.834,4	783,1	3.903,0	Proceeds upon issuance of securities	1.434,3	783,1	2.904,4	
0,0	0,0	0,0	Proceeds upon issuance of equity certificates	0,0	0,0	0,0	
0,0	0,0	-62,2	Payment of dividends	0,0	0,0	-62,2	
923,9	-359,1	136,6	<b>Net cash flow from financing activities</b>	<b>C</b>	523,8	-359,1	-593,1
137,9	-308,7	-837,7	Net change in cash and cash equivalents	<b>A+B+C</b>	137,8	-309,2	-837,5
366,1	1.203,8	1.203,8	Cash and cash equivalents as at 01.01.	366,1	1.203,6	1.203,6	
<b>504,0</b>	<b>895,1</b>	<b>366,1</b>	<b>Cash and cash equivalents at end of period</b>	<b>503,9</b>	<b>894,4</b>	<b>366,1</b>	

Liquidity reserves include cash and balances with central banks, treasury bills and loans to and receivables with financial institutions that relate to pure investments.

## Profit/loss per quarter - Group

(Figures in NOK mill.)

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Interest income and similar income	326,2	329,8	326,6	314,6	302,4
Interest expenses and similar expenses	174,5	179,6	175,8	175,4	178,1
<b>Net interest and credit commission income</b>	<b>151,7</b>	<b>150,2</b>	<b>150,8</b>	<b>139,2</b>	<b>124,3</b>
Dividends and other income from securities with variable yields	6,7	0,0	0,4	12,6	0,0
Commission income and income from banking services	18,0	22,0	20,8	19,9	17,7
Commission expenses and expenses relating to banking services	10,9	10,8	10,7	9,7	9,4
Net value changes and gains/losses on financial investments	24,0	4,1	2,3	7,5	12,5
Other operating income	10,4	20,9	10,9	13,0	10,4
Payroll, etc.	42,1	44,2	43,2	33,6	43,2
Administration costs	14,5	14,2	13,9	14,2	14,4
Depreciation/write-downs/value changes on non-financial assets	4,7	4,6	4,6	4,4	4,3
Other operating expenses	13,8	15,7	11,4	13,2	14,7
<b>PROFIT BEFORE LOSSES</b>	<b>124,8</b>	<b>107,7</b>	<b>101,4</b>	<b>117,1</b>	<b>78,9</b>
Losses on loans and guarantees	8,0	11,8	-2,3	6,9	-0,2
<b>PRE-TAX PROFIT</b>	<b>116,8</b>	<b>95,9</b>	<b>103,7</b>	<b>110,2</b>	<b>79,1</b>
Taxes (calculated in interim accounts)	28,6	26,9	29,1	28,6	21,6
<b>PROFIT FOR THE PERIOD</b>	<b>88,2</b>	<b>69,0</b>	<b>74,6</b>	<b>81,6</b>	<b>57,5</b>
Earnings per equity certificate (per quarter)	1,76	1,44	1,56	1,70	1,20
Diluted earnings per equity certificate (per quarter)	1,76	1,44	1,56	1,70	1,20

## Total profit/loss

<b>PROFIT FOR THE PERIOD</b>	<b>88,2</b>	<b>69,0</b>	<b>74,6</b>	<b>81,6</b>	<b>57,5</b>
<b>Items that will not be reclassified to the income statement</b>					
Actuarial gains and losses on defined benefit plans	0,0	-9,8	0,0	0,0	0,0
Tax effect of actuarial gains and losses on defined benefit plans	0,0	2,7	0,0	0,0	0,0
<b>Items that may be reclassified to the income statement at a later date</b>					
Changes in fair value of investments available for sale	40,5	183,8	0,1	-5,1	0,0
<b>TOTAL PROFIT/LOSS</b>	<b>128,7</b>	<b>245,7</b>	<b>74,7</b>	<b>76,5</b>	<b>57,5</b>

## Profit per quarter - Parent bank

(Figures in NOK mill.)

	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Interest income and similar income	230,4	233,6	229,1	223,1	214,0
Interest expenses and similar expenses	139,3	143,2	140,9	141,7	144,4
<b>Net interest and credit commission income</b>	<b>91,1</b>	<b>90,4</b>	<b>88,2</b>	<b>81,4</b>	<b>69,6</b>
Dividends and other income from securities with variable yields	66,7	0,0	0,4	12,5	98,7
In connection with the rating process in Sparebanken Øst Boligkredit	20,4	24,4	23,3	22,4	20,2
Commission expenses and expenses relating to banking services	4,3	4,1	4,0	3,3	3,2
Net value changes and gains/losses on financial investments	23,9	3,9	3,1	7,2	12,5
Other operating income	1,9	1,6	1,4	1,8	1,6
Payroll, etc.	34,8	37,2	35,6	29,0	35,6
Administration costs	11,9	12,8	12,3	12,4	12,2
Depreciation/write-downs/value changes on non-financial assets	2,0	1,8	1,8	1,6	1,5
Other operating expenses	11,1	13,8	9,9	10,4	12,4
<b>PROFIT BEFORE LOSSES</b>	<b>139,9</b>	<b>50,6</b>	<b>52,8</b>	<b>68,6</b>	<b>137,7</b>
Losses on loans and guarantees	3,9	4,9	-4,6	3,5	-2,0
<b>PRE-TAX PROFIT</b>	<b>136,0</b>	<b>45,7</b>	<b>57,4</b>	<b>65,1</b>	<b>139,7</b>
Taxes (calculated in interim accounts)	17,6	13,8	16,1	15,9	38,6
<b>PROFIT FOR THE PERIOD</b>	<b>118,4</b>	<b>31,9</b>	<b>41,3</b>	<b>49,2</b>	<b>101,1</b>
Earnings per equity certificate (per quarter)	2,37	0,67	0,86	1,03	2,11
Diluted earnings per equity certificate (per quarter)	2,37	0,67	0,86	1,03	2,11

## Total profit/loss

<b>PROFIT FOR THE PERIOD</b>	<b>118,4</b>	<b>31,9</b>	<b>41,3</b>	<b>49,2</b>	<b>101,1</b>
<b>Items that will not be reclassified to the income statement</b>					
Actuarial gains and losses on defined benefit plans	0,0	-11,1	0,0	0,0	0,0
Tax effect of actuarial gains and losses on defined benefit plans	0,0	3,1	0,0	0,0	0,0
<b>Items that may be reclassified to the income statement at a later date</b>					
Changes in fair value of investments available for sale	40,5	183,8	0,1	-5,1	0,0
<b>TOTAL PROFIT/LOSS</b>	<b>158,9</b>	<b>207,7</b>	<b>41,4</b>	<b>44,1</b>	<b>101,1</b>

## Accounting principles

The quarterly accounts for the group and the parent company have been prepared in accordance with IFRS (including IAS 34 Interim Financial Reporting). A description of the accounting principles applied in the presentation of the financial statements is presented in the Annual Report for 2013. The accounting principles and calculation methods are generally unchanged from those applied in the presentation of the 2013 financial statements. Amendments to IFRS standards that came into effect from 1 January 2014 have not had a significant impact on the group's financial position, profit and/or financial information. Refer to the Annual Report for 2013, Note 2 Accounting principles, point 17 - Future changes to the accounting principles. The financial statements are presented in Norwegian kroner, which is also the group's functional currency. Interim financial statements are not audited.

## Assessments and the use of estimates

In the preparation of the consolidated accounts, the management must make estimates and discretionary judgements and assumptions that may have an effect on the effect of the applied accounting principles and therefore also affect the entered amounts for assets, liabilities, income and expenses. For further details refer to the Annual Report for 2013, Note 3: Assessments and the use of estimates.

## Losses on loans and guarantees

(Figures in NOK mill.)

	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013	Group 31.03.2014	Group 31.03.2013	Group 31.12.2013
<b>Individual write-downs</b>						
Individual write-downs as at 01.01.	39,3	51,3	51,3	98,0	105,4	105,4
- Realised losses during the period for which individual write-downs have previously been carried out	1,0	0,0	3,6	1,8	0,2	7,7
+ Increased individual write-downs during the period	0,6	0,8	0,4	3,1	2,7	4,8
+ New individual write-downs during the period	2,5	0,1	5,5	7,8	4,1	22,1
- Reversed individual write-downs during the period	2,5	5,4	14,3	7,3	11,9	26,6
= <b>Individual write-downs at the end of the period*</b>	<b>38,9</b>	<b>46,8</b>	<b>39,3</b>	<b>99,7</b>	<b>100,1</b>	<b>98,0</b>
<b>Write-downs on groups of loans</b>						
Write-downs on groups of loans as at 01.01.	40,1	40,1	40,1	43,4	43,4	43,4
+/- Changes in write-downs on groups of loans during the period	0,0	0,0	0,0	0,0	0,0	0,0
= <b>Write-downs on groups of loans at the end of the period</b>	<b>40,1</b>	<b>40,1</b>	<b>40,1</b>	<b>43,4</b>	<b>43,4</b>	<b>43,4</b>
<b>Cost of losses for the period</b>						
Changes to individual write-downs during the period	-0,4	-4,5	-12,0	1,7	-5,3	-7,4
+/- Changes in write-downs on groups of loans during the period	0,0	0,0	0,0	0,0	0,0	0,0
+ Realised losses during the period for which individual write-downs have previously been carried out	3,2	0,0	5,7	4,0	0,2	9,8
+ Realised losses during the period for which individual write-downs have not been made in previous years	0,5	0,4	0,8	2,6	4,1	11,6
- Recovery of previously identified losses during the period	2,4	0,4	1,8	3,3	1,8	7,0
+/- Amortization cost of write-downs during the period	3,0	2,6	9,2	3,0	2,6	9,2
= <b>Losses on loans and guarantees - customers</b>	<b>3,9</b>	<b>-2,0</b>	<b>1,8</b>	<b>8,0</b>	<b>-0,2</b>	<b>16,2</b>

\*) Individual write-downs on guarantee commitments amounted to NOK 1.0 million as at 31.03.14, as at 31.12.13 and as at 31.03.13 and are entered in the balance sheet as liabilities under "Provisions for accrued expenses and liabilities".

## Defaults and non-performing loans - customers

(Figures in NOK mill.)

	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013	Group 31.03.2014	Group 31.03.2013	Group 31.12.2013
<b>Gross defaults (over 90 days)</b>						
Business	271,7	148,2	279,7	278,4	154,5	285,8
+ Personal	82,0	105,8	76,4	167,5	183,0	160,6
= <b>Gross defaults</b>	<b>353,7</b>	<b>254,0</b>	<b>356,1</b>	<b>445,9</b>	<b>337,4</b>	<b>446,3</b>
- Individual write-downs	23,9	26,5	24,4	84,7	79,3	82,9
= <b>Net defaults</b>	<b>329,9</b>	<b>227,5</b>	<b>331,7</b>	<b>361,2</b>	<b>258,1</b>	<b>363,5</b>
<b>Non-performing (not defaults on) loans</b>						
Business	34,0	69,8	34,6	34,1	70,7	35,8
+ Personal	5,1	5,2	5,2	5,1	5,8	5,2
= <b>Gross non-performing loans</b>	<b>39,1</b>	<b>75,0</b>	<b>39,8</b>	<b>39,2</b>	<b>76,5</b>	<b>41,0</b>
- Individual write-downs	15,0	20,3	14,9	15,1	20,8	15,1
= <b>Net non-performing loans</b>	<b>24,1</b>	<b>54,7</b>	<b>24,8</b>	<b>24,1</b>	<b>55,7</b>	<b>25,9</b>
<b>Gross defaults and non-performing loans</b>						
Business	305,7	218,0	314,3	312,5	225,2	321,6
+ Personal	87,1	111,0	81,6	172,6	188,7	165,7
= <b>Gross defaults and non-performing loans</b>	<b>392,9</b>	<b>329,0</b>	<b>395,9</b>	<b>485,1</b>	<b>413,9</b>	<b>487,3</b>
- Individual write-downs	38,9	46,8	39,3	99,7	100,1	98,0
= <b>Net defaults and non-performing loans</b>	<b>354,0</b>	<b>282,2</b>	<b>356,5</b>	<b>385,3</b>	<b>313,8</b>	<b>389,3</b>

## Operating segments

Segment reporting is based on the bank's internal reporting format, in which the parent bank and mortgage company are split into the private market, the business market and finance. There are the other subsidiaries in addition, as well as a non-reportable segment with items that are not distributed across other segments.

(Figures in NOK mill.)

31.03.2014	PM	BM	Finance	AS Financiering	Spb Øst Eiendom	Undistributed	Elimination	Group
Net interest and commission income, external	143,0	61,0	15,4	38,2	0,1	-106,0	0,0	151,7
Net interest and commission income, internal	-66,5	-12,9	-21,7	-8,7	-3,1	112,9	0,0	0,0
<b>Net interest and commission income</b>	<b>76,5</b>	<b>48,1</b>	<b>-6,3</b>	<b>29,5</b>	<b>-3,0</b>	<b>6,9</b>	<b>0,0</b>	<b>151,7</b>
Total net other income, external	11,1	3,6	10,2	-6,1	8,8	20,6	0,0	48,2
Total net other income, internal	0,0	0,0	0,0	0,0	1,9	0,0	-1,9	0,0
<b>Total income</b>	<b>87,6</b>	<b>51,7</b>	<b>3,9</b>	<b>23,4</b>	<b>7,7</b>	<b>27,5</b>	<b>-1,9</b>	<b>199,9</b>
Payroll and general administration costs	16,4	6,3	0,0	7,7	2,1	24,1	0,0	56,6
Depreciations	0,0	0,0	0,0	0,6	2,1	2,0	0,0	4,7
Other operating expenses, external	0,2	0,0	0,0	1,7	2,0	9,9	0,0	13,8
Other operating expenses, internal	0,0	0,0	0,0	0,1	0,0	1,8	-1,9	0,0
<b>Total operating expenses</b>	<b>16,6</b>	<b>6,3</b>	<b>0,0</b>	<b>10,1</b>	<b>6,2</b>	<b>37,8</b>	<b>-1,9</b>	<b>75,1</b>
<b>In connection with the rating process in Sparebanken</b>	<b>71,0</b>	<b>45,4</b>	<b>3,9</b>	<b>13,3</b>	<b>1,5</b>	<b>-10,3</b>	<b>0,0</b>	<b>124,8</b>
Losses on loans, guarantees, etc.	0,2	3,6	0,0	4,2	0,0	0,0	0,0	8,0
<b>Profit before tax</b>	<b>70,8</b>	<b>41,8</b>	<b>3,9</b>	<b>9,1</b>	<b>1,5</b>	<b>-10,3</b>	<b>0,0</b>	<b>116,8</b>
Taxes	0,0	0,0	0,0	2,5	0,4	25,7	0,0	28,6
<b>Post-tax profit</b>	<b>70,8</b>	<b>41,8</b>	<b>3,9</b>	<b>6,6</b>	<b>1,1</b>	<b>-36,0</b>	<b>0,0</b>	<b>88,2</b>

31.03.2013	PM	BM	Finance	AS Financiering	Spb Øst Eiendom	Undistributed	Elimination	Group
Net interest and commission income, external	100,6	70,9	27,2	38,5	-0,2	-112,7	0,0	124,3
Net interest and commission income, internal	-42,7	-19,0	-42,0	-8,8	-4,0	116,5	0,0	0,0
<b>Net interest and commission income</b>	<b>57,9</b>	<b>51,9</b>	<b>-14,8</b>	<b>29,7</b>	<b>-4,2</b>	<b>3,8</b>	<b>0,0</b>	<b>124,3</b>
Total net other income, external	12,4	3,9	9,8	-5,9	9,1	1,9	0,0	31,2
Total net other income, internal	0,0	0,0	0,0	0,0	1,9	0,0	-1,9	0,0
<b>Total income</b>	<b>70,3</b>	<b>55,8</b>	<b>-5,0</b>	<b>23,8</b>	<b>6,8</b>	<b>5,7</b>	<b>-1,9</b>	<b>155,5</b>
Payroll and general administration costs	17,1	6,0	0,0	7,5	2,2	24,8	0,0	57,6
Depreciations	0,0	0,0	0,0	0,5	2,3	1,5	0,0	4,3
Other operating expenses, external	0,4	0,0	0,0	1,5	2,2	10,6	0,0	14,7
Other operating expenses, internal	0,0	0,0	0,0	0,1	0,0	1,8	-1,9	0,0
<b>Total operating expenses</b>	<b>17,5</b>	<b>6,0</b>	<b>0,0</b>	<b>9,6</b>	<b>6,7</b>	<b>38,7</b>	<b>-1,9</b>	<b>76,6</b>
<b>Profit before losses</b>	<b>52,8</b>	<b>49,8</b>	<b>-5,0</b>	<b>14,2</b>	<b>0,1</b>	<b>-33,0</b>	<b>0,0</b>	<b>78,9</b>
Losses on loans, guarantees, etc.	0,2	-2,1	0,0	1,7	0,0	0,0	0,0	-0,2
<b>Profit before tax</b>	<b>52,6</b>	<b>51,9</b>	<b>-5,0</b>	<b>12,5</b>	<b>0,1</b>	<b>-33,0</b>	<b>0,0</b>	<b>79,1</b>
Taxes	0,0	0,0	0,0	3,5	0,0	18,1	0,0	21,6
<b>Post-tax profit</b>	<b>52,6</b>	<b>51,9</b>	<b>-5,0</b>	<b>9,0</b>	<b>0,1</b>	<b>-51,1</b>	<b>0,0</b>	<b>57,5</b>

31.03.2014	PM	BM	Finance	AS Financiering	Spb Øst Eiendom	Undistributed	Elimination	Group
Loans and receivables with customers	19.310,2	4.899,7	0,0	1.626,8	0,0	760,5	-308,0	26.289,2
Other assets	41,2	27,7	4.389,3	28,0	493,7	2.560,8	-1.858,0	5.682,7
<b>Total assets</b>	<b>19.351,4</b>	<b>4.927,4</b>	<b>4.389,3</b>	<b>1.654,8</b>	<b>493,7</b>	<b>3.321,3</b>	<b>-2.166,0</b>	<b>31.971,9</b>
Deposits from and liabilities to customers	7.967,8	3.131,4	1.085,3	16,8	0,0	102,7	-28,9	12.275,1
Other liabilities	92,1	73,2	39,5	1.455,6	364,1	17.064,7	-1.981,9	17.107,3
Inter-company accounts	11.291,5	1.722,8	3.264,5	0,0	0,0	-16.278,8	0,0	0,0
Total liabilities per segment	19.351,4	4.927,4	4.389,3	1.472,4	364,1	888,6	-2.010,8	29.382,4
Total equity	0,0	0,0	0,0	182,4	129,6	2.432,7	-155,2	2.589,5
<b>Total liabilities and equity</b>	<b>19.351,4</b>	<b>4.927,4</b>	<b>4.389,3</b>	<b>1.654,8</b>	<b>493,7</b>	<b>3.321,3</b>	<b>-2.166,0</b>	<b>31.971,9</b>

31.03.2013	PM	BM	Finance	AS Financiering	Spb Øst Eiendom	Undistributed	Elimination	Group
Loans and receivables with customers	15.011,7	5.903,5	0,0	1.566,8	0,0	756,4	-326,6	22.911,8
Other assets	34,5	30,7	6.196,3	32,6	525,4	2.314,7	-2.549,0	6.585,2
<b>Total assets</b>	<b>15.046,2</b>	<b>5.934,2</b>	<b>6.196,3</b>	<b>1.599,4</b>	<b>525,4</b>	<b>3.071,1</b>	<b>-2.875,6</b>	<b>29.497,0</b>
Deposits from and liabilities to customers	7.354,7	3.208,1	1.126,1	24,5	0,0	99,4	-5,2	11.807,6
Other liabilities	573,1	89,7	37,3	1.413,3	412,9	15.746,7	-2.714,6	15.558,4
Inter-company accounts	7.118,4	2.636,4	5.032,9	0,0	0,0	-14.787,7	0,0	0,0
Total liabilities per segment	15.046,2	5.934,2	6.196,3	1.437,8	412,9	1.058,4	-2.719,8	27.366,0
Total equity	0,0	0,0	0,0	161,6	112,5	2.012,7	-155,8	2.131,0
<b>Total liabilities and equity</b>	<b>15.046,2</b>	<b>5.934,2</b>	<b>6.196,3</b>	<b>1.599,4</b>	<b>525,4</b>	<b>3.071,1</b>	<b>-2.875,6</b>	<b>29.497,0</b>

## Customer deposits by sector and industry

(Figures in NOK mill.)

	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013	Group 31.03.2014	Group 31.03.2013	Group 31.12.2013
Salaried employees	8.055,9	7.520,4	7.828,3	8.064,8	7.529,2	7.837,6
Public administration	196,5	184,9	228,5	196,5	184,9	228,5
Agriculture, forestry, fishing etc.	116,7	124,6	130,2	116,7	124,6	130,2
Industry and mining, power and water sup	466,1	479,4	478,3	466,1	479,4	478,3
Construction	360,7	392,9	401,9	361,8	394,0	402,9
Retail, hotels and catering	364,7	414,3	412,5	364,9	416,6	412,7
Transport/communication	144,8	146,4	154,3	145,0	146,7	154,6
Commercial financial services	1.246,7	1.245,3	1.393,1	1.250,3	1.254,4	1.396,8
Other service industries	596,0	607,5	573,2	597,4	608,9	574,6
Sale and operation of real estate	638,6	599,9	841,7	608,1	592,4	812,8
Abroad	103,5	76,5	110,0	103,5	76,5	110,0
<b>Total</b>	<b>12.290,2</b>	<b>11.792,0</b>	<b>12.552,1</b>	<b>12.275,1</b>	<b>11.807,6</b>	<b>12.539,2</b>

## Gross loans to customers by sector and industry

(Figures in NOK mill.)

	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013	Group 31.03.2014	Group 31.03.2013	Group 31.12.2013
Salaried employees	12.949,8	9.116,0	12.459,5	22.379,4	18.038,1	21.471,1
Agriculture, forestry, fishing etc.	147,8	181,4	164,8	149,9	183,9	166,9
Industry and mining, power and water sup	108,8	110,0	97,2	112,9	114,3	101,0
Construction	477,8	616,0	493,2	489,2	633,4	509,2
Retail, hotels and catering	350,3	409,9	344,9	368,3	446,5	375,2
Transport/communication	62,2	84,0	64,8	75,1	105,7	81,7
Commercial financial services	123,2	200,8	132,0	131,0	210,3	141,3
Other service industries	460,9	451,2	450,8	472,0	478,6	468,7
Sale and operation of real estate	2.531,3	3.131,6	2.810,8	2.230,2	2.819,4	2.515,5
Abroad	13,2	17,6	13,0	23,2	24,0	17,8
<b>Total</b>	<b>17.225,4</b>	<b>14.318,6</b>	<b>17.031,0</b>	<b>26.431,3</b>	<b>23.054,3</b>	<b>25.848,3</b>

## Geographical breakdown of gross lending

(Figures in NOK mill.)

	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013	Group 31.03.2014	Group 31.03.2013	Group 31.12.2013
Drammen	3.511,5	3.394,7	3.642,7	4.366,0	4.430,3	4.478,6
Nedre Eiker	1.740,5	1.500,5	1.692,8	2.385,3	2.358,5	2.381,2
Øvre Eiker	1.398,4	1.285,6	1.418,4	1.851,7	1.827,3	1.890,2
Other parts of Buskerud	1.565,7	1.382,8	1.566,2	2.107,9	1.905,2	2.089,0
Oslo	2.698,6	2.351,6	2.839,0	4.595,4	3.830,4	4.526,4
In connection with the rating process in S	2.892,9	2.005,9	2.746,1	4.781,6	3.743,6	4.550,0
Vestfold	1.572,5	1.298,4	1.456,0	2.254,4	2.016,4	2.149,8
Østfold	558,5	331,1	510,3	1.112,3	869,0	1.066,0
Rest of country	1.273,6	750,2	1.146,4	2.953,4	2.049,8	2.699,4
Abroad	13,2	17,6	13,0	23,2	24,0	17,8
<b>Total</b>	<b>17.225,4</b>	<b>14.318,6</b>	<b>17.031,0</b>	<b>26.431,3</b>	<b>23.054,3</b>	<b>25.848,3</b>

## Classification of financial assets and liabilities

(Figures in NOK mill.)

31.03.2014 - Group	Fair value through profit and loss		Available for sale	Hold to maturity	Amortised cost*	Total
	Held for trading	Designated at fair value				
Cash and balances with central banks	0,0	0,0	0,0	0,0	493,6	493,6
Net loans to and receivables with credit institutions	0,0	0,0	0,0	0,0	10,4	10,4
Net loans to and receivables with customers	0,0	0,0	0,0	0,0	26.289,2	26.289,2
Certificates, bonds, etc. at fair value	2.740,0	681,4	0,0	0,0	0,0	3.421,4
Shares, units and other variable yield securities	25,8	0,0	654,5	0,0	0,0	680,3
Financial derivatives**	209,0	0,0	0,0	0,0	0,0	209,0
Certificates and bonds, held to maturity	0,0	0,0	0,0	200,6	0,0	200,6
<b>Total financial assets</b>	<b>2.974,8</b>	<b>681,4</b>	<b>654,5</b>	<b>200,6</b>	<b>26.793,2</b>	<b>31.304,5</b>
Liabilities to credit institutions	0,0	0,0	0,0	0,0	661,6	661,6
Deposits from and liabilities to customers	0,0	0,0	0,0	0,0	12.275,1	12.275,1
Liabilities incurred upon the issuance of securities	0,0	0,0	0,0	0,0	15.134,3	15.134,3
Financial derivatives**	30,2	0,0	0,0	0,0	0,0	30,2
Subordinated loan capital	0,0	0,0	0,0	0,0	817,3	817,3
<b>Total financial liabilities</b>	<b>30,2</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>28.888,3</b>	<b>28.918,5</b>

\* Includes secured debt

\*\* Includes derivatives for which hedge accounting is used

31.03.2013 - Group	Fair value through profit and loss		Available for sale	Hold to maturity	Amortised cost*	Total
	Held for trading	Designated at fair value				
Cash and balances with central banks	0,0	0,0	0,0	0,0	389,5	389,5
Net loans to and receivables with credit institutions	0,0	0,0	0,0	0,0	11,3	11,3
Net loans to and receivables with customers	0,0	0,0	0,0	0,0	22.911,8	22.911,8
Certificates, bonds, etc. at fair value	2.985,5	1.041,1	0,0	0,0	0,0	4.026,6
Shares, units and other variable yield securities	533,8	0,0	454,6	0,0	0,0	988,4
Financial derivatives**	205,4	0,0	0,0	0,0	0,0	205,4
Certificates and bonds, held to maturity	0,0	0,0	0,0	250,9	0,0	250,9
<b>Total financial assets</b>	<b>3.724,7</b>	<b>1.041,1</b>	<b>454,6</b>	<b>250,9</b>	<b>23.312,6</b>	<b>28.783,9</b>
Liabilities to credit institutions	0,0	0,0	0,0	0,0	848,7	848,7
Deposits from and liabilities to customers	0,0	0,0	0,0	0,0	11.807,6	11.807,6
Liabilities to the state, exchange of OMF covered bonds	0,0	0,0	0,0	0,0	493,5	493,5
Liabilities incurred upon the issuance of securities	0,0	0,0	0,0	0,0	13.265,6	13.265,6
Financial derivatives**	47,4	0,0	0,0	0,0	0,0	47,4
Subordinated loan capital	0,0	0,0	0,0	0,0	507,2	507,2
<b>Total financial liabilities</b>	<b>47,4</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>26.922,6</b>	<b>26.970,0</b>

\* Includes secured debt

\*\* Includes derivatives for which hedge accounting is used

### In connection with the rating process in Sparebanken Øs

31.12.2013 - Group	Fair value through profit and loss		Available for sale	Hold to maturity	Amortised cost*	Total
	Held for trading	Designated at fair value				
Cash and balances with central banks	0,0	0,0	0,0	0,0	357,5	357,5
Net loans to and receivables with credit institutions	0,0	0,0	0,0	0,0	8,6	8,6
Net loans to and receivables with customers	0,0	0,0	0,0	0,0	25.707,9	25.707,9
Certificates, bonds, etc. at fair value	2.591,8	710,1	0,0	0,0	0,0	3.301,9
Shares, units and other variable yield securities	23,5	0,0	627,4	0,0	0,0	650,9
Financial derivatives**	192,8	0,0	0,0	0,0	0,0	192,8
Certificates and bonds, held to maturity	0,0	0,0	0,0	200,7	0,0	200,7
<b>Total financial assets</b>	<b>2.808,1</b>	<b>710,1</b>	<b>627,4</b>	<b>200,7</b>	<b>26.074,0</b>	<b>30.420,3</b>
Liabilities to credit institutions	0,0	0,0	0,0	0,0	773,5	773,5
Deposits from and liabilities to customers	0,0	0,0	0,0	0,0	12.539,2	12.539,2
Liabilities incurred upon the issuance of securities	0,0	0,0	0,0	0,0	14.037,0	14.037,0
Financial derivatives**	24,0	0,0	0,0	0,0	0,0	24,0
Subordinated loan capital	0,0	0,0	0,0	0,0	851,3	851,3
<b>Total financial liabilities</b>	<b>24,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>28.201,0</b>	<b>28.225,0</b>

\* Includes secured debt

\*\* Includes derivatives for which hedge accounting is used



## Securitised debt and subordinated loan capital

(Figures in NOK mill.)	Parent bank	Parent bank	Parent bank	Group	Group	Group
Securitised debt	31.03.2014	31.03.2013	31.12.2013	31.03.2014	31.03.2013	31.12.2013
Certificates, nominal value	0,0	0,0	0,0	0,0	0,0	0,0
Bonds, nominal value	8.419,0	7.716,5	7.748,0	14.965,8	13.097,0	13.902,2
Value adjustments (including premium/dis	128,0	132,4	113,6	168,5	168,6	134,8
<b>Total securitised debt</b>	<b>8.547,0</b>	<b>7.848,9</b>	<b>7.861,6</b>	<b>15.134,3</b>	<b>13.265,6</b>	<b>14.037,0</b>

Changes to securitised debt, group	31.03.2014	Issued	Matured/ redeemed	Change in own holdings	Other changes including currency	31.12.2013
Certificates, nominal value	0,0	0,0	0,0	0,0	0,0	0,0
Bonds, nominal value	8.419,0	1.435,0	756,0	8,0	0,0	7.748,0
Covered bonds , nominal value NOK	6.270,0	400,0	0,0	0,0	0,0	5.870,0
Covered bonds , nominal value SEK (con	276,8	0,0	0,0	0,0	-7,4	284,2
Value adjustments (including premium/dis	168,5	0,0	0,0	0,0	33,7	134,8
<b>Total securitised debt</b>	<b>15.134,3</b>	<b>1.835,0</b>	<b>756,0</b>	<b>8,0</b>	<b>26,3</b>	<b>14.037,0</b>

The difference between the parent bank and the group consists of covered bonds with a nominal value of NOK 6,394.2 million.

Changes to subordinated debt and fund bonds	31.03.2014	Issued	Matured/ redeemed	Changes to exchange rates	31.12.2013
Ordinary subordinated loan capital, nomir	350,0	0,0	0,0	0,0	350,0
Fund bonds, nominal value	467,0	0,0	33,0	0,0	500,0
Value adjustments (including premium/dis	0,3	0,0	0,0	0,0	1,3
<b>Total subordinated debt and fund bonc</b>	<b>817,3</b>	<b>0,0</b>	<b>33,0</b>	<b>0,0</b>	<b>851,3</b>

## Financial derivatives

31.03.2014 (Figures in NOK mill.)	Parent bank	Parent bank	Parent bank	Group	Group	Group
Fair value through profit and loss	Contracts	Assets	Liabilities	Contracts	Assets	Liabilities
<i>Currency instruments</i>						
Currency exchange contracts (forwards)	229,9	2,5	0,0	229,9	2,5	0,0
Currency swap contracts (currency swaps)	38,5	0,0	7,0	38,5	0,0	7,0
<b>Total currency instruments</b>	<b>268,4</b>	<b>2,5</b>	<b>7,0</b>	<b>268,4</b>	<b>2,5</b>	<b>7,0</b>
<i>Interest rate instruments</i>						
Interest rate swap contracts (interest rate	682,9	1,0	16,1	682,9	1,0	16,1
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swap contracts (fut	0,0	0,0	0,0	0,0	0,0	0,0
<b>In connection with the rating process i</b>	<b>682,9</b>	<b>1,0</b>	<b>16,1</b>	<b>682,9</b>	<b>1,0</b>	<b>16,1</b>
Guarantee for Eksportfinans ASA*)	242,0	2,1	0,0	242,0	2,1	0,0
<b>Total other derivatives</b>	<b>242,0</b>	<b>2,1</b>	<b>0,0</b>	<b>242,0</b>	<b>2,1</b>	<b>0,0</b>
<b>Used for hedge accounting</b>						
<i>Currency instruments</i>						
Currency exchange contracts (forwards)	0,0	0,0	0,0	0,0	0,0	0,0
Currency swap contracts (currency swaps)	292,1	1,1	4,3	544,2	25,8	4,3
<b>Total currency instruments</b>	<b>292,1</b>	<b>1,1</b>	<b>4,3</b>	<b>544,2</b>	<b>25,8</b>	<b>4,3</b>
<i>Interest rate instruments</i>						
Interest rate swap contracts (interest rate	4.895,5	128,4	0,6	6.195,5	177,6	2,8
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swap contracts (fut	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total interest rate instruments</b>	<b>4.895,5</b>	<b>128,4</b>	<b>0,6</b>	<b>6.195,5</b>	<b>177,6</b>	<b>2,8</b>
<b>Total derivatives</b>		<b>135,1</b>	<b>28,0</b>		<b>209,0</b>	<b>30,2</b>

\*) The amount of NOK 2.1 million is the net positive value adjustment of the guaranteed portfolio as at 31.03.2014 following the deduction of the annual swap amount. The value of the derivative without taking the swap amount into account was positive at NOK 33.3 million as at 31.03.14.

## Financial derivatives

31.03.2013

(Figures in NOK mill.)

Fair value through profit and loss	Parent bank Contracts	Parent bank Assets	Parent bank Liabilities	Group Contracts	Group Assets	Group Liabilities
<i>Currency instruments</i>						
Currency exchange contracts (forwards)	0,0	0,0	0,0	0,0	0,0	0,0
Currency swap contracts (currency swaps)	38,5	0,0	3,5	38,5	0,0	3,5
<b>Total currency instruments</b>	<b>38,5</b>	<b>0,0</b>	<b>3,5</b>	<b>38,5</b>	<b>0,0</b>	<b>3,5</b>
<i>Interest rate instruments</i>						
Interest rate swap contracts (interest rate :	964,9	0,0	12,1	964,9	0,0	12,1
Interest rate swap contracts (FRA)	500,0	0,1	0,0	500,0	0,1	0,0
Standard interest rate swap contracts (futu	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total interest rate instruments</b>	<b>1.464,9</b>	<b>0,1</b>	<b>12,1</b>	<b>1.464,9</b>	<b>0,1</b>	<b>12,1</b>
Guarantee for Eksportfinans ASA*)	242,0	1,3	0,0	242,0	1,3	0,0
<b>Total other derivatives</b>	<b>242,0</b>	<b>1,3</b>	<b>0,0</b>	<b>242,0</b>	<b>1,3</b>	<b>0,0</b>
<b>Used for hedge accounting</b>						
<i>Currency instruments</i>						
Currency exchange contracts (forwards)	0,0	0,0	0,0	0,0	0,0	0,0
Currency swap contracts (currency swaps)	292,1	0,0	30,5	544,2	16,9	30,5
<b>Total currency instruments</b>	<b>292,1</b>	<b>0,0</b>	<b>30,5</b>	<b>544,2</b>	<b>16,9</b>	<b>30,5</b>
<i>Interest rate instruments</i>						
Interest rate swap contracts (interest rate :	3.545,5	144,0	1,3	4.445,5	187,1	1,3
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swap contracts (futu	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total interest rate instruments</b>	<b>3.545,5</b>	<b>144,0</b>	<b>1,3</b>	<b>4.445,5</b>	<b>187,1</b>	<b>1,3</b>
<b>Total derivatives</b>		<b>145,4</b>	<b>47,4</b>		<b>205,4</b>	<b>47,4</b>

\*) The amount of NOK 1.3 million is the net positive value adjustment of the guaranteed portfolio as at 31.03.2013 following the deduction of the annual swap amount. The value of the derivative without taking the swap amount into account was positive at NOK 13.4 million as at 31.03.2013.

## Financial derivatives

31.12.2013

Fair value through profit and loss

Fair value through profit and loss	Parent bank Contracts	Parent bank Assets	Parent bank Liabilities	Group Contracts	Group Assets	Group Liabilities
In connection with the rating process in Sparebanken Øst Boligkreditt AS, the bank has issued a guarantee for all covered bond commitments						
<i>Currency instruments</i>						
Currency exchange contracts (forwards)	0,0	0,0	0,0	0,0	0,0	0,0
Currency swap contracts (currency swaps)	38,5	0,0	6,6	38,5	0,0	6,6
<b>Total currency instruments</b>	<b>38,5</b>	<b>0,0</b>	<b>6,6</b>	<b>38,5</b>	<b>0,0</b>	<b>6,6</b>
<i>Interest rate instruments</i>						
Interest rate swap contracts (interest rate :	527,4	1,1	11,4	527,4	1,1	11,4
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swap contracts (futu	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total interest rate instruments</b>	<b>527,4</b>	<b>1,1</b>	<b>11,4</b>	<b>527,4</b>	<b>1,1</b>	<b>11,4</b>
Guarantee for Eksportfinans ASA*)	242,0	10,3	0,0	242,0	10,3	0,0
<b>Total other derivatives</b>	<b>242,0</b>	<b>10,3</b>	<b>0,0</b>	<b>242,0</b>	<b>10,3</b>	<b>0,0</b>
<b>Used for hedge accounting</b>						
<i>Currency instruments</i>						
Currency exchange contracts (forwards)	0,0	0,0	0,0	0,0	0,0	0,0
Currency swap contracts (currency swaps)	292,1	4,3	3,0	544,2	36,4	3,0
<b>Total currency instruments</b>	<b>292,1</b>	<b>4,3</b>	<b>3,0</b>	<b>544,2</b>	<b>36,4</b>	<b>3,0</b>
<i>Interest rate instruments</i>						
Interest rate swap contracts (interest rate :	4.295,5	116,9	3,0	5.195,5	145,0	3,0
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swap contracts (futu	0,0	0,0	0,0	0,0	0,0	0,0
<b>Total interest rate instruments</b>	<b>4.295,5</b>	<b>116,9</b>	<b>3,0</b>	<b>5.195,5</b>	<b>145,0</b>	<b>3,0</b>
<b>Total derivatives</b>		<b>132,6</b>	<b>24,0</b>		<b>192,8</b>	<b>24,0</b>

\*) The amount of NOK 10.3 million is the net positive value adjustment of the guaranteed portfolio as at 31.12.2013 following the deduction of the annual swap amount. The value of the derivative without taking the swap amount into account was positive at NOK 22.4 million as at 31/12/2013.

## Financial assets and liabilities

The bank uses the following valuation hierarchy to determine the fair value of financial instruments:

Level 1: Observable trading prices in active markets.

Level 2: Observable trading prices in less active markets or the use of directly or indirectly observable input.

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

Refer to Note 23 Financial assets and liabilities in the Annual Report for 2013 for further details regarding the individual items.

### 31.03.2014 - Group

(Figures in NOK mill.)

	Level 1	Level 2	Level 3	Fair value	Book value
<b>Amortised cost</b>					
Cash and balances with central banks	493,6	0,0	0,0	493,6	493,6
Net loans to and receivables with credit institutions	0,0	0,0	10,4	10,4	10,4
Net loans to and receivables with customers	0,0	0,0	26.298,1	26.298,1	26.289,2
Certificates, bonds and other interest-bearing securities	0,0	215,4	0,0	215,4	200,6
<b>Total assets at amortised cost</b>	<b>493,6</b>	<b>215,4</b>	<b>26.308,5</b>	<b>27.017,5</b>	<b>26.993,8</b>
Liabilities to credit institutions	0,0	661,5	0,0	661,5	661,5
Deposits from and liabilities to customers	0,0	12.275,1	0,0	12.275,1	12.275,1
Liabilities incurred upon the issuance of securities	0,0	15.347,4	0,0	15.347,4	15.134,3
Subordinated loan capital	0,0	824,0	0,0	824,0	817,3
<b>Total liabilities at amortised cost</b>	<b>0,0</b>	<b>29.108,0</b>	<b>0,0</b>	<b>29.108,0</b>	<b>28.888,2</b>
<b>Fair value</b>					
Certificates, bonds and other interest-bearing securities	0,0	3.421,4	0,0	3.421,4	3.421,4
Shares, units and other securities					
- at fair value through profit and loss	6,5	19,3	0,0	25,8	25,8
- available for sale	0,0	0,0	654,5	654,5	654,5
Financial derivatives	0,0	209,0	0,0	209,0	209,0
<b>Total assets at fair value</b>	<b>6,5</b>	<b>3.649,7</b>	<b>654,5</b>	<b>4.310,7</b>	<b>4.310,7</b>
Financial derivatives	0,0	30,2	0,0	30,2	30,2
<b>Total liabilities at fair value</b>	<b>0,0</b>	<b>30,2</b>	<b>0,0</b>	<b>30,2</b>	<b>30,2</b>

### Movement at level 3

	Fair value
<b>In connection with the rating process in Sparebanken Øst Boligkreditt AS, the bank has issued a guarar</b>	627,4
Purchase of shares	0,0
Disposal	25,1
Change in value	52,2
Transferred from level 1 and 2	0,0
<b>Balance as at 31.03.2014</b>	<b>654,5</b>

### Shares and units

Disposals at level 3 in the first quarter of 2014 of NOK 25.1 million relate to the sale of shares in Frende Holding AS, which is classified as available for sale. The realised gains of NOK 11.7 million are recognised under "Net value changes and gains/losses on financial instruments" in ordinary income while the corresponding amount is reversed in comprehensive income. A positive change in value of NOK 52.2 million relates to Nets Holding AS, which is also classified in the available for sale category. The positive value adjustment is recognised in "Changes in fair value for investments available for sale" in comprehensive income.

At the end of the first quarter of 2014, Frende Holding AS is valued at NOK 200.8 million, Nets Holding AS at NOK 227.1 million, and Eksportfinans AS at NOK 208.3 million.

### 31.03.2013 - Group

	Level 1	Level 2	Level 3	Fair value	Book value
<b>Amortised cost</b>					
Cash and balances with central banks	389,5	0,0	0,0	389,5	389,5
Net loans to and receivables with credit institutions	0,0	0,0	11,3	11,3	11,3
Net loans to and receivables with customers	0,0	0,0	22.922,7	22.922,7	22.911,8
Certificates, bonds and other interest-bearing securities	0,0	278,1	0,0	278,1	250,9
<b>Total assets at amortised cost</b>	<b>389,5</b>	<b>278,1</b>	<b>22.934,0</b>	<b>23.601,6</b>	<b>23.563,5</b>
Liabilities to credit institutions	0,0	848,7	0,0	848,7	848,7
Deposits from and liabilities to customers	0,0	11.807,6	0,0	11.807,6	11.807,6
Liabilities to the state, exchange of OMF covered bonds	0,0	493,5	0,0	493,5	493,5
Liabilities incurred upon the issuance of securities	0,0	13.418,8	0,0	13.418,8	13.265,6
Subordinated loan capital	0,0	506,7	0,0	506,7	507,2
<b>Total liabilities at amortised cost</b>	<b>0,0</b>	<b>27.075,3</b>	<b>0,0</b>	<b>27.075,3</b>	<b>26.922,6</b>
<b>Fair value</b>					
Certificates, bonds and other interest-bearing securities	494,3	3.532,3	0,0	4.026,6	4.026,6
Shares, units and other securities					
- at fair value through profit and loss	5,9	527,9	0,0	533,8	533,8
- available for sale	0,0	0,0	454,6	454,6	454,6
Financial derivatives	0,0	205,4	0,0	205,4	205,4
<b>Total assets at fair value</b>	<b>500,2</b>	<b>4.265,6</b>	<b>454,6</b>	<b>5.220,4</b>	<b>5.220,4</b>
Financial derivatives	0,0	47,4	0,0	47,4	47,4
<b>Total liabilities at fair value</b>	<b>0,0</b>	<b>47,4</b>	<b>0,0</b>	<b>47,4</b>	<b>47,4</b>

Movement at level 3	Fair value
<b>Balance as at 01.01.2013</b>	454,6
Purchase of shares	0,0
Disposal	0,0
Change in value	0,0
Transferred from level 1 and 2	0,0
<b>Balance as at 31.03.2013</b>	<b>454,6</b>

31.12.2013 - Group	Level 1	Level 2	Level 3	Fair value	Book value
<b>Amortised cost</b>					
Cash and balances with central banks	357,5	0,0	0,0	357,5	357,5
Net loans to and receivables with credit institutions	0,0	0,0	8,6	8,6	8,6
Net loans to and receivables with customers	0,0	0,0	25.717,3	25.717,3	25.707,9
Certificates, bonds and other interest-bearing securities	0,0	215,6	0,0	215,6	200,7
<b>Total assets at amortised cost</b>	<b>357,5</b>	<b>215,6</b>	<b>25.725,9</b>	<b>26.299,0</b>	<b>26.274,7</b>
Liabilities to credit institutions	0,0	773,5	0,0	773,5	773,5
Deposits from and liabilities to customers	0,0	12.539,2	0,0	12.539,2	12.539,2
Liabilities incurred upon the issuance of securities	0,0	14.196,8	0,0	14.196,8	14.037,0
Subordinated loan capital	0,0	851,9	0,0	851,9	851,3
<b>Total liabilities at amortised cost</b>	<b>0,0</b>	<b>28.361,4</b>	<b>0,0</b>	<b>28.361,4</b>	<b>28.201,0</b>

<b>Fair value</b>					
Certificates, bonds and other interest-bearing securities	0,0	3.301,9	0,0	3.301,9	3.301,9
Shares, units and other securities					
- at fair value through profit and loss	6,8	16,7	0,0	23,5	23,5
- available for sale	0,0	0,0	627,4	627,4	627,4
Financial derivatives	0,0	192,8	0,0	192,8	192,8
<b>Total assets at fair value</b>	<b>6,8</b>	<b>3.511,4</b>	<b>627,4</b>	<b>4.145,6</b>	<b>4.145,6</b>
Financial derivatives	0,0	24,0	0,0	24,0	24,0
<b>Total liabilities at fair value</b>	<b>0,0</b>	<b>24,0</b>	<b>0,0</b>	<b>24,0</b>	<b>24,0</b>

### Movement at level 3

In connection with the rating process in Sparebanken Øst Boligkreditt AS, the bank has issued a guarantee for all covered bond commitments in	
<b>Balance as at 01.01.2013</b>	454,6
Purchase of shares	0,0
Disposal	4,0
Change in value	176,8
Transferred from level 1 and 2	0,0
<b>Balance as at 31.12.2013</b>	<b>627,4</b>

### Shares and units

Disposals in level 3 in 2013 of NOK 4 million relate to the repayment of paid-up capital in connection with the liquidation of a company. The positive change in value of NOK 176.8 million relates to the available for sale category. Of this, write-downs of NOK 1.9 million are recognised in "Net value changes and gains/losses on financial investments" through profit and loss, while the net positive change in value of NOK 178.8 million is recognised in "changes in fair value for investments available for sale" in comprehensive income. The two largest individual items relate to value adjustments for Frende Holding AS of NOK 105,2 million to NOK 226.9 million and Nets Holding AS from NOK 78.5 to NOK 174.9 million.

## Offsetting of financial instruments

The Group's netting rights are in compliance with general rules in Norwegian legislation. Standardised and mainly bilateral ISDA agreements have been entered into with financial institutions, which give the parties offsetting rights in the event of any default. Further, additional agreements regarding the provision of security have been entered into (CSA). No offsetting has been carried out on amounts recognised in the balance sheet in accordance with the disclosure requirement regarding offsetting. In the parent bank, there are no agreements regarding offsetting rights in the event of any default and no CSA agreements have been entered into.

Group (Figures in NOK mill.)

	Gross amount	Offset	Balance sheet value	Amount subject to net settlement	Amount after possible net settlement
<b>As at 31.12.2013, exposure was as follows:</b>					
Financial derivatives assets	74,0	0,0	74,0	0,0	74,0
Financial derivatives liabilities	2,2	0,0	2,2	0,0	2,2
<b>As at 31.03.2013, exposure was as follows:</b>					
Financial derivatives assets	60,0	0,0	60,0	0,0	60,0
Financial derivatives liabilities	0,0	0,0	0,0	0,0	0,0
<b>As at 31.12.2013, exposure was as follows:</b>					
Financial derivatives assets	60,3	0,0	60,3	0,0	60,3
Financial derivatives liabilities	0,0	0,0	0,0	0,0	0,0

## Capital adequacy

(Figures in NOK mill.)

	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013	Group 31.03.2014	Group 31.03.2013	Group 31.12.2013
Equity certificate capital	207,3	207,3	207,3	207,3	207,3	207,3
Premium reserve	387,8	387,8	387,8	387,8	387,8	387,8
Primary capital	1.129,9	1.012,7	1.129,9	1.129,9	1.012,7	1.129,9
Other reserves included in tier 1 capital	260,0	228,9	327,2	483,1	391,9	550,3
Fund bonds	468,2	307,2	350,3	468,2	307,2	390,4
Other tier 1 capital	0,0	0,0	0,0	0,0	0,0	0,0
Deductions in tier 1 capital	-4,6	-10,6	-66,9	-0,6	0,0	-62,8
50/50 deduction in tier 1 capital	-147,2	-103,6	-154,8	-155,3	-111,7	-162,9
<b>Net tier 1 capital</b>	<b>2.301,4</b>	<b>2.029,7</b>	<b>2.180,8</b>	<b>2.520,4</b>	<b>2.195,1</b>	<b>2.440,0</b>
Fund bonds in additional capital	0,0	0,0	151,8	0,0	0,0	111,7
Subordinated loan capital	349,1	200,0	349,1	349,1	200,0	349,1
Unrealised gains IFRS	131,9	33,2	113,7	131,9	33,2	113,7
50/50 deduction in additional capital	-147,2	-103,6	-154,8	-155,3	-111,7	-162,9
<b>Net additional capital</b>	<b>333,9</b>	<b>129,6</b>	<b>459,8</b>	<b>325,8</b>	<b>121,5</b>	<b>411,6</b>
<b>Net subordinated capital</b>	<b>2.635,3</b>	<b>2.159,3</b>	<b>2.640,7</b>	<b>2.846,2</b>	<b>2.316,6</b>	<b>2.851,6</b>
<b>Calculation base</b>						
Calculation base balance sheet items	11.557,5	10.918,7	11.421,7	14.573,1	13.716,8	14.297,7
Calculation base off-balance sheet items	2.044,0	1.722,5	1.934,7	572,3	464,4	532,2
Calculation base exchange risk	0,0	0,0	0,0	0,0	0,0	0,0
Calculation base operational risk	952,9	982,4	982,4	1.184,5	1.167,1	1.167,1
Deductions from the calculation base	-495,6	-287,9	-488,5	-515,2	-307,5	-508,1
<b>Total calculation base (risk-weighted balance)</b>	<b>14.058,8</b>	<b>13.335,6</b>	<b>13.850,2</b>	<b>15.814,7</b>	<b>15.040,8</b>	<b>15.488,8</b>
<b>Capital adequacy</b>	<b>18,74 %</b>	<b>16,19 %</b>	<b>19,07 %</b>	<b>18,00 %</b>	<b>15,40 %</b>	<b>18,41 %</b>
<b>Tier 1 capital adequacy</b>	<b>16,37 %</b>	<b>15,22 %</b>	<b>15,75 %</b>	<b>15,94 %</b>	<b>14,59 %</b>	<b>15,75 %</b>
<b>Tier 1 core capital adequacy</b>	<b>13,04 %</b>	<b>12,92 %</b>	<b>13,22 %</b>	<b>12,98 %</b>	<b>12,55 %</b>	<b>13,23 %</b>

## Guarantee liabilities and other off balance sheet items

(Figures in NOK mill.)

	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013	Group 31.03.2014	Group 31.03.2013	Group 31.12.2013
<b>Guarantee liabilities</b>						
Payment guarantees	78,3	59,6	67,8	79,1	60,4	68,6
Contract guarantees	85,0	67,3	92,6	85,0	67,3	92,6
Loan guarantees	7,3	11,4	2,2	7,3	11,4	2,2
Other guarantee liabilities	17,6	20,5	19,0	17,6	20,5	19,0
<b>Total customer guarantees</b>	<b>188,3</b>	<b>158,7</b>	<b>181,7</b>	<b>189,0</b>	<b>159,6</b>	<b>182,4</b>
Guarantee for Eksportfinans ASA*	100,0	100,0	100,0	100,0	100,0	100,0
<b>Total guarantee liabilities</b>	<b>288,3</b>	<b>258,7</b>	<b>281,7</b>	<b>289,0</b>	<b>259,6</b>	<b>282,4</b>

\* The bank has provided a guarantee for Eksportfinans ASA. The net guarantee liability is NOK 100 million. The guarantee is a derivative. The value of the derivative excluding exchange settlement was positive at NOK 33.3 million as at 31.03.2014 compared with NOK 22.4 million as at 31.12.2013. As at 31.03.13 this was positive at NOK 13.4 million.

In connection with the rating process in Sparebanken Øst Boligkreditt AS, the bank has issued a guarantee for all covered bond commitments in the mortgage company. The covered bond commitments amount to NOK 6,546.8 million as at 31.03.14, NOK 6,154.2 million as at 31.12.13 and as at 31.03.2013. The parent bank's holdings of covered bonds at NOK 240.0 million (NOK 978.5 million as at 31.03.2013 have been deducted

### Pledges and covered bonds

Bonds, nominal value, pledged as security

for access to loans in Norges Bank	1.495,0	1.995,0	1.620,0	1.495,0	1.995,0	1.620,0
<b>Pledges</b>	<b>1.495,0</b>	<b>1.995,0</b>	<b>1.620,0</b>	<b>1.495,0</b>	<b>1.995,0</b>	<b>1.620,0</b>
<b>Pledges in swap scheme</b>	<b>0,0</b>	<b>539,5</b>	<b>0,0</b>	<b>0,0</b>	<b>539,5</b>	<b>0,0</b>
<b>Preferential right in accordance with Section 2-35 c</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>6.786,8</b>	<b>5.802,6</b>	<b>6.394,2</b>

\* Including holdings owned by the parent bank at a nominal value of NOK 240 million as at 31.03.14 and 31.12.13 and NOK 978.5 million as at 31.03.2013.

### Security in real estate

Liabilities with security in property	0,0	0,0	0,0	0,0	26,0	0,0
Book value of pledged properties	0,0	0,0	0,0	0,0	62,1	0,0

## Additional cash flow statement information

Group 31.03.2014	Group 31.03.2013	Group 31.12.2013	(Figures in NOK mill.)	Parent bank 31.03.2014	Parent bank 31.03.2013	Parent bank 31.12.2013
<b>Cash and cash equivalents</b>						
493,6	389,5	357,5	Cash and balances with central banks	493,6	389,5	357,5
In connection with	494,3	0,0	Treasury bills	0,0	494,3	0,0
10,4	11,3	8,6	Loans to and receivables with credit institutions relating to pure invest	10,3	10,6	8,6
<b>504,0</b>	<b>895,1</b>	<b>366,1</b>	<b>Total</b>	<b>503,9</b>	<b>894,4</b>	<b>366,1</b>
<b>Changes in other assets in connection with operations</b>						
-2,3	-6,5	503,8	Net changes in financial assets held for trading purposes	-2,3	-6,5	503,8
10,6	39,0	31,4	Net changes in financial derivatives (net assets and liabilities)	10,6	39,1	31,4
0,0	0,0	0,0	Net change in financial assets at fair value through profit and loss	0,0	0,0	0,0
0,0	0,0	0,0	Changes in gross loans to credit institutions	0,0	0,0	0,0
0,0	0,0	0,0	Changes in gross loans to customers	0,0	0,0	0,0
-6,0	-2,3	3,3	Net changes in other assets	-1,7	10,7	18,5
<b>2,3</b>	<b>30,2</b>	<b>538,5</b>	<b>Total</b>	<b>6,6</b>	<b>43,3</b>	<b>553,7</b>
<b>Non-cash items included in profit before tax</b>						
4,7	4,3	17,9	Depreciations on fixed assets	2,0	1,5	6,7
0,1	0,4	0,6	Amortisation of financial investments held to maturity	0,1	0,4	0,6
1,7	-5,3	-5,4	Write-downs on financial assets	-0,4	-4,5	-10,1
0,6	3,4	10,5	Amortisation financing activities measured at amortised cost	0,2	2,9	6,9
<b>7,1</b>	<b>2,8</b>	<b>23,6</b>	<b>Total</b>	<b>1,9</b>	<b>0,3</b>	<b>4,1</b>

## 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.)

	31.03.2014	31.03.2014	31.12.2013
<b>Profit/loss</b>			
Interest income from subsidiaries	16,1	19,7	72,2
Interest income certificates and covered bonds from subsidiaries	1,4	5,6	17,3
Interest expenses to subsidiaries	1,0	0,6	2,9
Received dividends/group contributions from subsidiaries	60,0	71,0	71,0
Management remuneration, etc. from Sparebanken Øst Boligkreditt AS	3,4	3,4	13,9
Rent to subsidiaries	1,9	1,8	7,3
Other costs to subsidiaries	0,0	0,0	0,2
<b>Balance</b>			
Loans to subsidiaries	2.399,2	2.398,2	2.401,2
Investments in covered bonds in subsidiaries	241,8	978,9	241,8
Accrued interest income covered bonds from subsidiaries	0,6	1,1	0,6
Accrued interest income from subsidiaries	0,6	2,9	1,2
Other receivables from subsidiaries	1,1	3,7	0,0
Deposits from subsidiaries	215,1	151,4	245,7
Accrued interest costs of subsidiaries	1,0	0,6	0,0
Other liabilities towards subsidiaries	11,8	5,2	1,1

In the first quarter of 2014, the parent bank has received dividends from subsidiaries amounting to NOK 60 million.

In the first quarter of 2013, the parent bank received group contributions from subsidiaries totalling NOK 71 million and provided group contributions to subsidiaries at an equivalent amount.

### Group

Apart from loans and deposits and associated interest income and interest expenses relating to senior management, the board and the control committee, the group has no other related parties. Refer to note 32 of the annual financial statements.

## Earnings per equity certificate

Earnings per equity certificate are calculated by dividing that part of the profit after tax which falls to the equity capital certificate owners by a weighted average of the number of outstanding equity certificates during the year. If the annual profit shows a loss, this is covered by a pro rata transfer from the primary capital fund, the endowment fund and the equalisation fund respectively. In such a situation, the earnings per equity certificate are calculated on the basis of the proportion of the loss that is charged to the equalisation fund.

Sparebanken Øst has not issued options or other instruments that may lead to the dilution of earnings per equity certificate. Diluted earnings per equity certificate is therefore not equivalent to earnings per equity certificate.

(Figures in NOK mill.)	<b>Parent bank</b>	<b>Group</b>
	<b>31.03.2014</b>	<b>31.03.2014</b>
Post-tax profit	118,4	88,2
Ownership ratio	41,44 %	41,44 %
Profit after tax allocated to equity certificate owners	49,1	36,6
Weighted average of number of outstanding equity certificates	20,7	20,7
Earnings per equity certificate	2,37	1,76

## Ownership ratio, parent bank

(Figures in NOK mill.)	<b>01.01.2014</b>	<b>01.01.2013</b>
Equity certificate capital	207,3	207,3
Premium reserve	387,8	387,8
Equalisation fund (excl. dividends)	229,5	198,5
Amount available for sale reserve	104,7	32,0
Sum numerator (A)	929,3	825,6
Total equity (excluding year's allocation for dividends)	2.242,6	1.907,6
Sum denominator (B)	2.242,6	1.907,6
<b>In connection with the rating process in Sparebanken Øst Boligkreditt AS, the bank has issued</b>	<b>41,44</b>	<b>43,28</b>

## Equity certificates

### Miscellaneous key figures equity certificates:

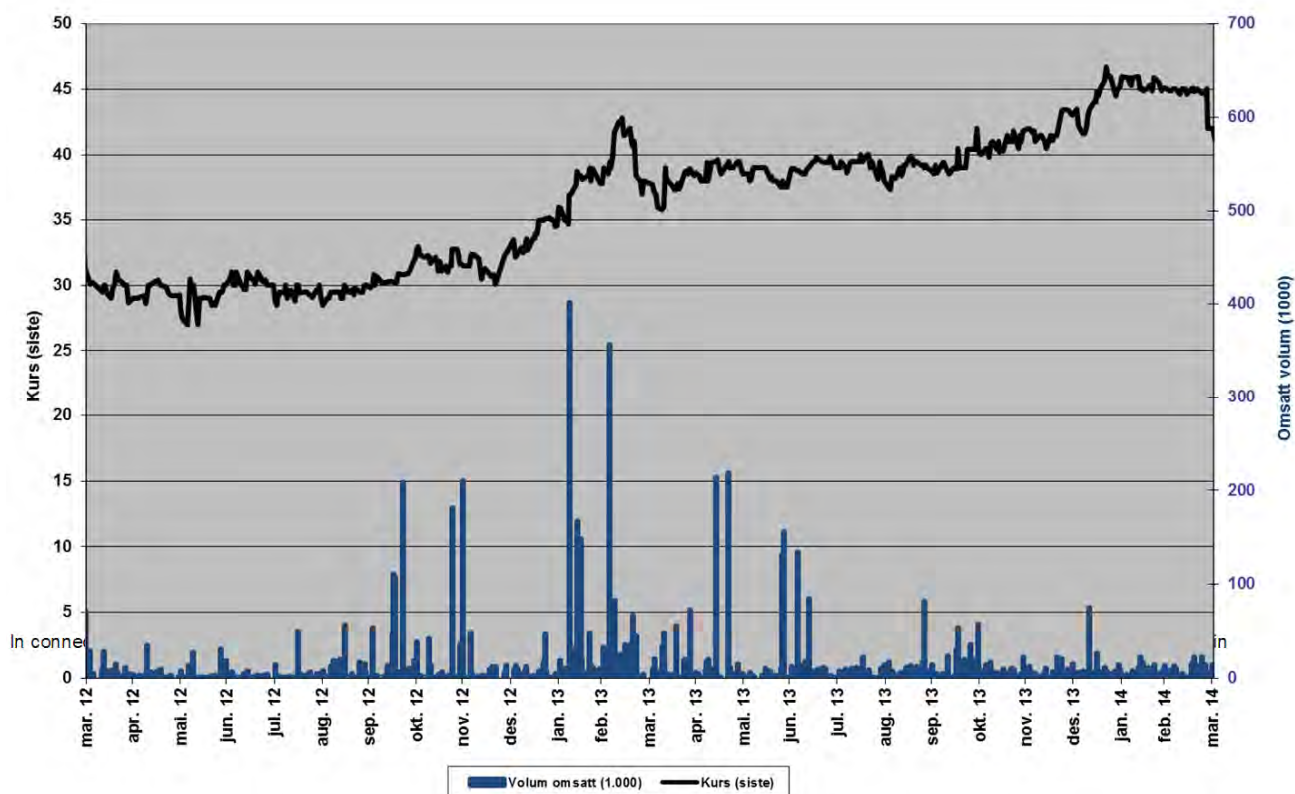
	31.03.2014	2013	2012	2011	2010
Earnings per certificate after tax (group) NOK 1)	7,15	5,90	5,69	3,46	7,22
Earnings per certificate after tax (parent bank) NOK 1)	5,93	4,67	5,02	2,80	6,78
Ownership ratio 2)	41,44 %	43,28 %	44,98 %	46,04 %	49,05 %
No. of equity certificates (millions)	20,73	20,73	20,73	20,73	20,73
Book equity per certificate NOK 3)	51,86	49,29	43,22	40,49	39,14
Dividend NOK	-	3,00	3,00	2,00	5,00
Circulation velocity (sold/issued)	10,34 %	21,81 %	11,69 %	21,61 %	45,09 %

1) Equity share capital's share of the bank's post-tax profit (interim figures converted to annual).

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

3) Equity share capital (group) divided by number of equity certificates. Profit to date this year is included.

## Sparebanken Øst (SPOG)



## The 20 largest equity certificate holders as at 31.03.2014

Name	Number	%	Name	Number	%
1 MP Pensjon	2.049.218	9,88 %	11 Profond AS	269.741	1,30 %
2 Skagen Vekst VPF	1.413.500	6,82 %	12 Jag Holding AS	250.000	1,21 %
3 Directmarketing Invest AS	999.500	4,82 %	13 Foretakskonsulenter AS	243.600	1,18 %
4 Pareto AS	677.070	3,27 %	14 Teleplan Holding AS	239.665	1,16 %
5 Storetind AS	565.000	2,73 %	15 Citybank NA New York	216.968	1,05 %
6 Hansen, Asbjørn Rudolf	466.443	2,25 %	16 Wenaasgruppen AS	200.000	0,96 %
7 AS Andersen Eiendomsselskap	354.500	1,71 %	17 Danske Bank AS	161.488	0,78 %
8 Sparebankstiftelsen DNB	308.320	1,49 %	18 Øvrum Invest AS	153.440	0,74 %
9 Verdipapirfondet Eika Utbytte	303.432	1,46 %	19 RWA Invest AS	150.875	0,73 %
10 Hustadlitt AS	289.040	1,39 %	20 Rondane Holding AS	150.000	0,72 %