

170. year

Quarterly Report 2012

Quarterly Report 2nd quarter 2012



Sparebanken
Øst

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Financial highlights - Group

	30.06.2012	30.06.2011	31.12.2011	31.12.2010
Average equity, excl. dividends (NOK mill.)	1.926,1	1.820,7	1.814,5	1.632,2
Average total assets (NOK mill.)	28.342,7	25.639,6	26.502,2	23.515,3
Post-tax profit as %-age of average total assets	0,90	0,99	0,59	1,30
Profit before losses as % of average bank total assets	1,26	1,32	0,86	1,66
Net interest as %-age	1,74	1,68	1,66	1,78
Return on capital (%)	13,19	13,99	8,58	18,70
Net loans (NOK mill.)	22.599,3	21.072,5	22.183,5	19.475,3
Deposits (NOK mill.)	9.435,8	8.424,0	8.932,7	7.630,2
Capital adequacy as %-age	14,86	15,67	15,77	17,16
Tier 1 capital adequacy as %-age	13,37	13,94	14,23	15,39
Fulltime equivalent positions	235	254	252	261

Interim Report Q2 2012 - Sparebanken Øst

- **Strong ordinary banking operations**
- **Reduced costs**
- **Lower lending growth**
- **Return on equity of 13.19 percent**

PROFIT

The Group achieved NOK 172.6 million in profit before tax in Q2 2012 compared with NOK 163.6 million for the same period last year. The increase mainly stemmed from increased net interest and an increase in other earnings (lease income) in its Sparebanken Øst Eiendom AS subsidiary.

As a percentage of average total assets, profit before tax amounted to 1.22 percent compared with 1.29 percent for the same period last year.

Profit after tax shows amounted to NOK 126.3 million, which is the same as the corresponding period last year. Return on equity as at 20 June 2012 was 13.19 percent.

Net interest income

Net interest income and credit commissions amounted to NOK 245.5 million, equivalent to an increase of NOK 31.3 million compared with the same period last year. For the second quarter in isolation, net interest and credit commission income increased by NOK 21.4 million compared with Q4 2011 and by NOK 11.3 million compared with Q1 2012.

Net interest and credit commission income increased in Q2 2012 and corresponded to 1.74 percent of the average total assets at the close of Q1. In comparison, net interest and credit commission income amounted to 1.66 percent for the full year 2011, while it was 1.68 percent at the close of Q2 2011.

Operating income

Commission income and income from banking services amounted to NOK 40.9 million, which is a decline of NOK 7.2 million compared with the same period last year. Commission income was high as at 30 June 2011 as a result of major income received attributable to a single business client. Commission income is derived from traditional banking services.

Commission income and expenses associated with banking services amounted to NOK 18.4

million, which is an increase of NOK 3.1 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.

Net value adjustments and gains/losses on financial assets amounting to NOK 25.3 million were entered to income at the close of Q2 2012, of which income of NOK 21.5 million was attributable to the Eksportfinans ASA guarantee. By way of comparison, income recognised in net value changes and gains/losses on financial assets at the end of Q2 2011 amounted to NOK 26.5 million, of which NOK 12.4 million income was attributable the Eksportfinans ASA guarantee.

Other operating income amounted to NOK 22.1 million and increased by NOK 12.6 million compared with the same period last year and stems from increased lease income in Sparebanken Øst Eiendom AS.

Operating costs

Total operating costs amounted to NOK 144.3 million, which corresponds to 1.02 percent of average total assets. By way of comparison total operating costs in the same period last year amounted to NOK 146.0 million, equivalent to 1.15 percent of average total assets.

Payroll and general administrative costs amounted to NOK 109.6 million at the end of Q2 2012 compared with NOK 111.8 million for the same period last year. The number of FTEs at the end of Q2 2012 was 235, compared to 254 at the end of the same period last year. The number of FTEs at the end of Q2 2012 was 206, compared with 226 at the end of the same period last year.

Depreciation amounted to NOK 8.2 million in Q1 2012, which is an increase of NOK 2.4 million compared with the same period last year. The increase was attributable to the completion of a business construction project in the Sparebanken Øst Eiendom AS subsidiary.

Other operating costs amounted to NOK 26.5 million, a reduction of NOK 1.9 million compared with the same period last year.

Losses on loans and guarantees

The Group's recorded losses on loans and guarantees amounted to NOK 5.3 million at the end of Q2 2012, compared with NOK 4.3 million for the same period last year.

Individual impairment write-downs on loans and guarantees to customers were at approximately the same level as at the end of the year and amounted to NOK 100.1 million at the end of Q2 2012.

Impairment write-down on groups of loans to customers amounted to NOK 43.4 million at the end of Q2 2012, and were unchanged from the beginning of the year.

Gross defaults and non-performing loans amounted to NOK 400.6 million compared with 2010 as against NOK 396.1 million at the end of the year and NOK 374.4 million at the end of Q2 2011. Gross defaults and non-performing loans amounted to NOK 301.1 million and showed an increase of NOK 5.2 million compared with 31 December 2011 and an increase of NOK 50.6 million compared with Q1 2011.

BALANCE SHEET

Total assets increased by NOK 289.4 million since the beginning of the year, and amounted to NOK 28,786.3 million at the end of the second quarter 2012.

Cash and receivables at central banks, as well as treasury bills taken together declined by NOK 218.0 million since the end of the year and amounted to NOK 1,283.8 million as at 30 June 2012.

Net loans to credit institutions have declined by NOK 230.3 million since 31.12.11, and amounted to NOK 10.9 million as at 30 June 2012.

Net loans to customers amounted to NOK 22,599.3 million. Net lending grew by 7.2 percent over the last 12 months. Net loans to customers have increased by NOK 415.8 million since the end of last year. Net lending to private customers increased by 10.6 percent, while net lending to business customers declined by 3.1 percent.

Gross loans to private customers made up 77.3 percent of total loans to customers.

Holdings of certificates and bonds increased by NOK 179.4 million since the beginning of the year and amounted to NOK 3450.5 million.

In addition, treasury bills have declined by NOK 220.8 million since the beginning of the year and at the end of Q2 2012 amounted to NOK 720.1 million.

The liquidity portfolio, including treasury bills and money market funds amounted to a nominal value of NOK 4,256.8 million with a market value of NOK 4,265.0 million. The investment portfolio amounted to a nominal value of NOK 25.5 million with a market value of NOK 6.6 million. In comparison the investment portfolio at the end of the year, amounted to respectively NOK 165.6 million nominal value and NOK 111.9 million market value.

The weighted average maturity until the agreed due date is estimated at 2.22 years

Deposits from customers amounted to NOK 9,435.8 as at 30 June 2012 and over the last 12 months increased by NOK 1,011.8 million, equivalent to 12.0 percent. Since the beginning of the year, customer deposits increased by NOK 503.1 million.

Liabilities arising from issuance of securities amounted to NOK 14,601.3 million, an increase of NOK 731.0 million since the beginning of the year. Issues so far this year have consisted both of senior bonds and bonds with covered rights. The bank is enjoying good access to the Norwegian bond market at prices in line with comparable banks. In Q1 2012, the group issued covered bonds in the Swedish capital market.

Other long-term loan agreements amounted to NOK 861.3 million at the end of Q2 2012, thus showing a reduction of NOK 1,056.8 million since the beginning of the year. The reduction may mainly be ascribed to the redemption of F loans with Norges Bank to the value of NOK 1000 million. At the end of Q2, the group had no F loans with Norges Bank.

In 2009, the bank participated in the government exchange scheme to an amount of NOK 915.4 million.

Short-term funding (defined as funding with a remaining maturity of less than 1 year) amounted to NOK 2,111.5 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 prognosis for the bank shows adequate liquidity which is in line with the goal for 12 months' operations.

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

FINANCIAL RISKS

Credit risk linked to loans to customers remains unchanged in Q2 2012. Credit risk is measured by classifying customers according to their ability to service their debt, their 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 contracts or basis swaps.

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

CAPITAL ADEQUACY

Net subordinated capital amounted to NOK 2,198.2 million at the end of Q2 2012, of which the Group's tier 1 capital amounted to NOK 1,978.8 million. With a calculation basis of NOK 14,795.5 million, this represents a capital adequacy of 14.86 percent, of which 13.37 percentage points is tier 1 capital adequacy. The bank applies the standard method in the Basel II rules when calculating the minimum requirement for subordinate capital for credit risk. The calculation related to operational risk is calculated using the basis method.

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 of the bank's total capital and budgeted results, the Board found the bank's equity level to be satisfactory at the end of Q2 2012. The bank has no plans at present to enter into other subordinated debt.

RATING

Banken has an A3/P-2 rating from Moody's Investors Service. The rating outlook is stable. Moody's last confirmed the bank's rating in its Credit Opinion dated 5 July 2012.

SUBSIDIARIES

Sparebanken Øst Boligkreditt AS is a wholly owned subsidiary of Sparebanken Øst. The

company was established on 14 April 2009 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 covered bonds. As at 30 June 2012, the company's total assets amounted to NOK 7,367.3 million, and mainly consisted of first priority mortgages in homes, which are financed through covered 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 makes up the share premium account. Profit after tax amounted to NOK 15.7 million at the end of Q2 2012, compared with NOK 0.9 million for the same period last year. The company has no employees, but procures services from Sparebanken Øst. Sparebanken Øst Boligkreditt AS was founded in Q1 2011 and rated AAA by Moody's Investors Service.

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 had profit after tax of NOK 13.2 million at the end of Q2 2012, compared with NOK 8.9 million for the same period last year. The company's total assets were NOK 1,515.3 million. At the end of Q2, the company had 27 employees, corresponding to 23 FTEs.

Sparebanken Øst Eiendom AS' main object 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 23.6 million at the end of Q2 2012 compared with NOK 10.3 million for the same period last year. The increase may be attributed to increased rental income and management income as a result of the completion of a business building project in Drammen and income from the Hawø Eiendom AS subsidiary. Profit after tax amounted to NOK 2.6 million at the end of Q2 2012, compared with NOK 0.4 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. Profit after tax amounted to NOK 0 million at the end of Q2 2012, compared with NOK 5.7 million for the same period last year. The surplus in 2011 stemmed mainly from gains from the sale of shares.

FUTURE PROSPECTS

It is estimated that percentage net interest and credit commissions income compared with average total assets will decline a little in the second half compared with the first half. It is estimated that lending to customers measured as rolling 12 months' growth will increase in the second half for both private persons and businesses compared with the first half. The increased rate of lending in the second half will put pressure on the net interest item as a percentage of total assets. It is also estimated that funding costs will increase slightly in the second half compared with the first half.

Implemented cost cutting programs in the parent bank will continue as planned. The bank estimates a nominal decrease in costs compared with 2011. Losses on loans to customers cannot be excluded, but these are expected to lie within the long-term target.

The bank plans to put great efforts into the sale of insurance products in 2012. These efforts are long-term in nature and the range of income will further increase in the forthcoming years. Fluctuations in market value on the guarantee to Eksportfinans ASA and securities in general cannot be excluded.

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 create value for equity certificate holders with competitive returns in the form of dividends and capital appreciation on equity certificates.

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, allowance will be made for the bank's profit evolution, 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, 30 June 2012
Drammen, 12 July 2012

Jorund Rønning Indrelid
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 30.06.2012	Group 30.06.2011	Group 2011	(Figures in NOK mill.)	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 2011
631,7	545,8	1.175,0	Interest income and similar income	472,1	465,8	972,2
386,2	331,6	734,0	Interest expenses and similar expenses	301,0	296,4	625,9
245,5	214,2	441,0	Net interest and credit commission income	171,1	169,4	346,3
6,8	30,9	31,1	Dividends and other income from securities with variable yields	6,8	30,9	31,1
40,9	48,1	91,0	Commission income and income from banking services	45,4	50,0	96,4
18,4	15,3	32,6	Commission costs and costs of banking services	6,6	7,3	15,2
25,3	26,5	-32,8	Net value changes and gains/losses on financial investments	26,9	21,2	-39,8
22,1	9,5	20,8	Other operating income	3,3	2,9	5,5
79,2	79,7	167,7	Payroll, etc.	67,9	68,7	140,8
30,4	32,1	62,8	Administration costs	26,1	27,2	54,4
8,2	5,8	12,0	Depreciation/writedowns and value changes to non-financial assets	2,7	3,2	6,2
26,5	28,4	47,6	Other operating costs	22,4	24,8	44,0
177,9	167,9	228,4	PROFIT BEFORE LOSSES	127,8	143,2	178,9
5,3	4,3	17,9	Losses on loans and guarantees	-2,8	-0,3	7,9
172,6	163,6	210,5	PRE-TAX PROFIT	130,6	143,5	171,0
46,3	37,3	54,8	Tax costs	34,6	33,1	45,0
126,3	126,3	155,7	PROFIT FOR THE YEAR	96,0	110,4	126,0
2,74	2,80	3,46	Profit per equity certificate	2,08	2,45	2,80
2,74	2,80	3,46	Diluted profit per equity certificate	2,08	2,45	2,80

Total profit/loss

Group 30.06.2012	Group 30.06.2011	Group 2011	(Figures in NOK mill.)	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 2011
126,3	126,3	155,7	PROFIT FOR THE YEAR	96,0	110,4	126,0
0,0	0,0	-0,3	Changes in fair value of investments held for sale	0,0	0,0	-0,3
126,3	126,3	155,4	TOTAL PROFIT/LOSS	96,0	110,4	125,7

Balance Sheet

Group 30.06.2012	Group 30.06.2011	Group 2011	(Figures in NOK mill.)	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 2011
563,7	767,8	580,9	Cash and receivables at central banks	563,7	767,8	580,9
720,1	920,7	920,9	Treasury bills	720,1	920,7	920,9
10,9	107,7	241,2	Loans and receivables from credit institutions	2.024,2	1.653,8	2.322,7
22.742,3	21.234,4	22.327,1	Loans and receivables with customers	14.316,6	15.321,5	14.520,9
99,6	124,0	100,2	- Individual writedowns	51,0	78,6	54,6
43,4	37,9	43,4	- Writedowns on groups of loans	40,1	35,0	40,1
3.450,5	2.712,8	3.271,1	Certificates, bonds and other interest-bearing securities with regular	4.389,0	3.712,3	4.308,0
580,1	488,5	476,9	Shares and other securities with variable return	580,1	488,5	476,9
0,0	0,0	0,0	Ownership interests in group companies	376,3	286,2	376,2
584,6	408,8	590,6	Fixed capital assets	62,6	57,9	62,6
0,9	13,7	0,4	Deferred tax assets	35,3	34,9	35,3
151,9	43,3	108,3	Financial derivatives	114,9	43,3	90,5
36,4	32,5	33,9	Other assets	13,0	14,0	13,4
87,9	77,5	89,2	Prepayments non-accrued expenses and earned income not receive	69,9	65,1	75,0
28.786,3	26.645,8	28.496,9	TOTAL ASSETS	23.174,6	23.252,4	23.688,6
861,3	1.884,1	1.918,1	Liabilities to credit institutions	906,9	1.920,4	1.945,2
9.435,8	8.424,0	8.932,7	Deposits from and liabilities to customers	9.435,3	8.415,6	8.926,4
915,4	915,4	915,4	Liabilities to the state, exchange of covered bonds	915,4	915,4	915,4
14.601,3	12.543,7	13.870,3	Liabilities incurred when issuing securities	9.168,4	9.293,8	9.242,3
39,7	50,4	49,0	Financial derivatives	39,7	50,4	48,6
138,8	139,1	133,5	Other liabilities	113,6	112,0	104,9
177,7	175,3	139,3	Accruals and deferred income	148,8	153,6	106,6
30,6	35,8	30,6	Provisions for accrued costs and liabilities	22,7	30,9	22,8
599,9	599,2	600,1	Subordinate loan capital	599,9	599,2	600,1
26.800,5	24.767,0	26.589,0	Total liabilities	21.350,7	21.491,3	21.912,3
595,1	595,1	595,1	Paid-up equity	595,1	595,1	595,1
1.264,4	1.157,4	1.312,8	Accrued equity	1.132,8	1.055,6	1.181,2
126,3	126,3	0,0	Unappropriated profit	96,0	110,4	0,0
1.985,8	1.878,8	1.907,9	Total equity	1.823,9	1.761,1	1.776,3
28.786,3	26.645,8	28.496,9	TOTAL LIABILITIES AND EQUITY	23.174,6	23.252,4	23.688,6

Changes in equity group

(Figures in NOK 1,000)

2nd quarter 2012	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital capital	Endowment fund	Available for sale reserve	Other appropriated equity	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	126.291	0	0	0	0	0	0	0	126.291
Changes in fair value for investments TFS	0	0	0	0	0	0	0	0	0
Total profit/loss	126.291	0	0	0	0	0	0	0	126.291
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 30.06.2012	1.985.743	207.312	387.778	154.320	887.406	22.447	68.590	131.599	126.291

2nd quarter 2011	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital capital	Endowment fund	Available for sale reserve	Other appropriated equity	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
Total profit/loss	126.288	0	0	0	0	0	0	0	126.288
Changes in fair value for investments TFS	0	0	0	0	0	0	0	0	0
Total profit/loss	126.288	0	0	0	0	0	0	0	126.288
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 30.06.2011	1.878.824	207.312	387.778	137.782	826.429	22.447	68.922	101.866	126.288

2011	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital 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 for investments TFS	-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)

2nd quarter 2012	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital capital	Endowment fund	Available for sale reserve	Unappropriated 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	95.998	0	0	0	0	0	0	95.998
Changes in fair value for investments TFS	0	0	0	0	0	0	0	0
Total profit/loss	95.998	0	0	0	0	0	0	95.998
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 30.06.2012	1.823.851	207.312	387.778	154.320	887.406	22.447	68.590	95.998

2nd quarter 2011	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital capital	Endowment fund	Available for sale reserve	Unappropriated profit/loss
Equity as at 31.12.2010	1.764.326	207.312	387.778	241.438	826.429	32.447	68.922	0
Total profit/loss	110.401	0	0	0	0	0	0	110.401
Changes in fair value for investments TFS	0	0	0	0	0	0	0	0
Total profit/loss	110.401	0	0	0	0	0	0	110.401
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 30.06.2011	1.761.071	207.312	387.778	137.782	826.429	22.447	68.922	110.401

2011	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital 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 for investments TFS	-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 30.06.2012	Group 30.06.2011	Group 31.12.2011	(Figures in NOK mill.)	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 31.12.2011
			Operating activities			
172,6	163,6	210,5	Profit before tax	130,6	143,5	171,0
			Adjusted for:			
-661,5	-1.877,2	-3.507,9	Changes in assets in connection with operations	132,8	-121,1	-429,3
550,5	852,9	1.329,2	Changes in assets in connection with operations	586,0	845,1	1.307,0
11,3	2,0	-6,2	Non-cash items included in profit before tax	2,1	-1,1	-13,1
-1,5	-0,2	0,9	Net gains from investment activities	0,0	-0,2	6,4
-56,6	-54,5	-50,4	Taxes paid for the period	-48,5	-42,6	-42,6
14,8	-913,4	-2.023,9	Net cash flow from operating activities	A 803,0	823,6	999,4
			Investment activities			
-34,8	-67,5	-243,4	Purchase of fixed assets	-2,7	-1,3	-9,1
34,1	0,6	0,9	Proceeds from sale of fixed assets	0,0	0,3	0,4
0,0	96,9	99,7	Net proceeds/expenses from sale/purchase of financial investments.	-0,1	96,9	4,4
-0,7	30,0	-142,8	Net cash flow from investment activities	B -2,8	95,9	-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
-1.100,0	-1.504,0	-2.840,0	Payments for repayment on securities	-1.040,0	-1.504,0	-2.840,0
1.781,8	2.602,1	5.169,3	Proceeds from securities issued	937,2	799,2	2.005,7
0,0	0,0	0,0	Proceeds from issuance of equity certificates	0,0	0,0	0,0
-41,5	-103,6	-103,6	Payment of dividends	-41,5	-103,6	-103,6
-409,7	994,5	2.225,7	Net cash flow from financing activities	C -1.194,3	-808,4	-937,9
-395,6	111,1	59,0	Net change in cash and cash equivalents	A+B+C -394,1	111,1	57,2
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
1.293,1	1.740,8	1.688,7	Cash and cash equivalent reserves at end of period	1.292,8	1.740,8	1.686,9

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

Profit per quarter - parent bank

(Figures in NOK mill.)

	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Interest income and similar income	228,0	244,1	252,9	253,5	232,7
Interest expenses and similar expenses	142,1	158,9	170,6	158,9	149,0
Net interest and credit commission income	85,9	85,2	82,3	94,6	83,7
Dividends and other income from securities with variable yields	6,7	0,1	0,0	0,2	30,8
Commission income and income from banking services	23,3	22,1	23,1	23,3	29,4
Commission costs and costs of banking services	3,3	3,3	3,9	4,0	3,5
Net value changes and gains/losses on financial investments	0,2	26,7	-19,8	-41,2	3,7
Other operating income	1,6	1,7	1,3	1,3	1,5
Payroll, etc.	31,5	36,4	34,6	37,5	31,6
Administration costs	13,0	13,1	13,7	13,5	13,3
Depreciation/impairment/writedowns and value changes to non-finan	1,3	1,4	1,5	1,5	1,6
Other operating costs	10,9	11,5	9,2	10,0	12,1
PROFIT BEFORE LOSSES	57,7	70,1	24,0	11,7	87,0
Losses on loans and guarantees	3,7	-6,5	8,0	0,2	1,1
PRE-TAX PROFIT	54,0	76,6	16,0	11,5	85,9
Tax cost (calculated at interim accounts)	13,9	20,7	7,3	4,6	16,8
PROFIT FOR THE PERIOD	40,1	55,9	8,7	6,9	69,1
Profit per equity certificate (per quarter)	0,87	1,21	0,19	0,16	1,53
Diluted profit per equity certificate (per quarter)	0,87	1,21	0,19	0,16	1,53

Profit per quarter - Group

(Figures in NOK mill.)

	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Interest income and similar income	312,0	319,7	320,2	309,0	277,5
Interest expenses and similar expenses	183,6	202,6	213,2	189,2	171,1
Net interest and credit commission income	128,4	117,1	107,0	119,8	106,4
Dividends and other income from securities with variable yields	6,7	0,1	0,0	0,2	30,8
Commission income and income from banking services	21,0	19,9	21,0	21,9	28,2
Commission costs and costs of banking services	9,4	9,0	9,5	7,8	8,0
Net value changes and gains/losses on financial investments	0,4	24,9	-19,6	-39,7	3,7
Other operating income	11,8	10,3	7,4	3,9	4,7
Payroll, etc.	35,9	43,3	43,9	44,1	36,1
Administration costs	15,1	15,3	15,3	15,4	15,5
Depreciation/impairment/writedowns and value changes to non-finan	4,1	4,1	3,2	3,0	2,9
Other operating costs	12,5	14,0	8,0	11,2	13,4
PROFIT BEFORE LOSSES	91,3	86,6	35,9	24,6	97,9
Losses on loans and guarantees	8,1	-2,8	11,5	2,1	2,9
PRE-TAX PROFIT	83,2	89,4	24,4	22,5	95,0
Tax cost (calculated at interim accounts)	22,1	24,2	10,0	7,5	19,2
PROFIT FOR THE PERIOD	61,1	65,2	14,4	15,0	75,8
Profit per equity certificate (per quarter)	1,33	1,41	0,32	0,34	1,68
Diluted profit per equity certificate (per quarter)	1,33	1,41	0,32	0,34	1,68

Accounting policies

The consolidated and parent bank quarterly accounts 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. Interim financial statements are not audited.

Losses on loans and guarantees

(Figures in NOK 1,000)	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 31.12.2011	Group 30.06.2012	Group 30.06.2011	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	104	2.957	25.595	1.668	4.398	27.644
+ Increases in individual writedowns for the period	2.833	2.222	559	5.524	4.570	4.418
+ New individual writedowns for the period	184	4.914	10.326	8.692	9.776	17.554
- Reversed individual writedowns for the period	6.462	9.177	13.806	13.162	14.892	22.563
= Individual writedowns at the end of the period	51.529	78.596	55.078	100.058	123.963	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	-3.549	-4.998	-28.516	-614	-4.944	-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	1.491	3.882	30.387	3.056	5.324	32.436
+ Actual losses for the period where no individual writedowns were made in previous years.	3.601	599	772	8.530	5.432	10.976
- Addition of previously identified losses for the period	7.291	1.305	4.721	8.635	3.020	7.835
+/- Amortisation costs for the period impairment	2.950	4.437	7.863	2.950	4.437	7.863
= Losses on loans and guarantees	-2.798	-260	7.943	5.287	4.354	17.863

*) Individual writedowns on guarantee commitments amounted to TNOK 500 as at 30.06.12 and 31.12.11 respectively have been entered in the Balance "Provisions for accrued costs and liabilities".

Defaults and non-performing loans customers

(Figures in NOK 1,000)	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 31.12.2011	Group 30.06.2012	Group 30.06.2011	Group 31.12.2011
Gross participations in breach (over 90 days)						
Industry	129.096	157.642	136.635	136.556	164.467	143.935
+ Personal	112.803	63.850	92.821	187.042	129.137	157.927
= Gross defaults	241.899	221.492	229.456	323.598	293.604	301.862
- Individual writedowns	30.134	56.786	32.903	78.363	101.113	78.092
= Net defaults	211.765	164.706	196.553	245.235	192.491	223.770
Non-performing (not defaults on) loans						
Industry	70.961	69.049	76.874	71.718	70.911	78.306
+ Personal	5.243	9.387	15.901	5.298	9.872	15.901
= Gross non-performing loans	76.204	78.436	92.775	77.016	80.783	94.207
- Individual writedowns	20.895	21.810	21.675	21.195	22.850	22.080
= Net non-performing loans	55.309	56.626	71.100	55.821	57.933	72.127
Gross defaults and non-performing loans						
Industry	200.057	226.691	213.509	208.274	235.378	222.241
+ Personal	118.046	73.237	108.722	192.340	139.009	173.828
= Gross defaults and non-performing loans	318.103	299.928	322.231	400.614	374.387	396.069
- Individual writedowns	51.029	78.596	54.578	99.558	123.963	100.172
= Net defaults and non-performing loans	267.074	221.332	267.653	301.056	250.424	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.)

30.06.2012	PM	BM	Financierin g	Spb Øst Eiendom	Undistribut ed	Elimination	Group
Net interest and commission income external	250,7	156,0	74,4	-0,5	-235,1	0,0	245,5
Net interest and commission income internal	-150,6	-48,5	-20,4	-8,5	228,0	0,0	0,0
Net interest and commission income	100,1	107,5	54,0	-9,0	-7,1	0,0	245,5
Total net other income external	27,3	10,2	-11,0	19,4	30,8	0,0	76,7
Total net other income internal	0,0	0,0	0,0	4,2	2,2	-6,4	0,0
Total income	127,4	117,7	43,0	14,6	25,9	-6,4	322,2
Payroll and general administration costs	29,2	10,3	13,0	2,5	54,6	0,0	109,6
Depreciation	0,0	0,0	0,8	4,7	2,7	0,0	8,2
Other operating costs external	0,6	0,0	2,8	4,0	19,1	0,0	26,5
Other operating costs internal	0,0	0,0	0,0	0,0	4,8	-4,8	0,0
Total operating costs	29,8	10,3	16,6	11,2	81,2	-4,8	144,3
Profit before losses	97,6	107,4	26,4	3,4	-55,3	-1,6	177,9
Losses on loans, guarantees, etc.	0,5	-3,3	8,1	0,0	0,0	0,0	5,3
Profit before tax	97,1	110,7	18,3	3,4	-55,3	-1,6	172,6
Tax costs	0,0	0,0	5,1	0,8	40,8	-0,4	46,3
After-tax profit	97,1	110,7	13,2	2,6	-96,1	-1,2	126,3
30.06.2011	PM	BM	Financierin g	Spb Øst Eiendom	Undistribut ed	Elimination	Group
Net interest and commission income external	199,6	143,6	56,3	0,0	-185,3	0,0	214,2
Net interest and commission income internal	-127,0	-44,0	-15,6	-2,3	188,9	0,0	0,0
Net interest and commission income	72,6	99,6	40,7	-2,3	3,6	0,0	214,2
Total net other income external	30,6	16,5	-7,0	6,1	53,5	0,0	99,7
Total net other income internal	0,0	0,0	0,0	4,2	0,3	-4,5	0,0
Total income	103,2	116,1	33,7	8,0	57,4	-4,5	313,9
Payroll and general administration costs	31,9	9,5	13,1	2,6	54,7	0,0	111,8
Depreciation	0,0	0,0	0,8	1,9	3,1	0,0	5,8
Other operating costs external	0,3	0,1	2,9	3,0	22,1	0,0	28,4
Other operating costs internal	0,0	0,0	-0,1	0,0	4,6	-4,5	0,0
Total operating costs	32,2	9,6	16,7	7,5	84,5	-4,5	146,0
Profit before losses	71,0	106,5	17,0	0,5	-27,1	0,0	167,9
Losses on loans, guarantees, etc.	0,2	-0,5	4,6	0,0	0,0	0,0	4,3
Profit before tax	70,8	107,0	12,4	0,5	-27,1	0,0	163,6
Tax costs	0,0	0,0	3,5	0,1	33,7	0,0	37,3
After-tax profit	70,8	107,0	8,9	0,4	-60,8	0,0	126,3
30.06.2012	PM	BM	Financierin g	Spb Øst Eiendom	Undistribut ed	Elimination	Group
Loans and receivables with customers	14.717,2	6.317,9	1.485,4	0,0	423,3	-344,5	22.599,3
Other assets	31,5	31,3	29,9	504,9	9.041,2	-3.451,8	6.187,0
Total assets	14.748,7	6.349,2	1.515,3	504,9	9.464,5	-3.796,3	28.786,3
Deposits from and liabilities to customers	5.289,9	3.045,0	26,4	0,0	1.100,5	-26,0	9.435,8
Other liabilities	1.052,7	154,7	1.349,7	399,0	17.802,7	-3.394,1	17.364,7
Inter-company accounts	8.406,1	3.149,5	0,0	0,0	-11.555,6	0,0	0,0
Total liabilities per segment	14.748,7	6.349,2	1.376,1	399,0	7.347,6	-3.420,1	26.800,5
Total equity	0,0	0,0	139,2	105,9	2.116,9	-376,2	1.985,8
Total liabilities and equity	14.748,7	6.349,2	1.515,3	504,9	9.464,5	-3.796,3	28.786,3
30.06.2011	PM	BM	Financierin g	Spb Øst Eiendom	Undistribut ed	Elimination	Group
Loans and receivables with customers	13.432,8	6.253,4	1.183,9	0,0	414,8	-212,4	21.072,5
Other assets	25,7	19,6	34,0	339,5	8.063,2	-2.908,7	5.573,3
Total assets	13.458,5	6.273,0	1.217,9	339,5	8.478,0	-3.121,1	26.645,8
Deposits from and liabilities to customers	4.561,9	3.177,2	37,3	0,0	676,5	-28,9	8.424,0
Other liabilities	1.061,4	149,0	1.063,2	238,2	16.637,2	-2.806,0	16.343,0
Inter-company accounts	7.835,2	2.946,8	0,0	0,0	-10.782,0	0,0	0,0
Total liabilities per segment	13.458,5	6.273,0	1.100,5	238,2	6.531,7	-2.834,9	24.767,0
Total equity	0,0	0,0	117,4	101,3	1.946,3	-286,2	1.878,8
Total liabilities and equity	13.458,5	6.273,0	1.217,9	339,5	8.478,0	-3.121,1	26.645,8

Customer deposits divided by sector and industry

(Figures in NOK 1,000)	Parent bank	Parent bank	Parent bank	Group	Group	Group
	30.06.2012	30.06.2011	31.12.2011	30.06.2012	30.06.2011	31.12.2011
Salaried employees	5.368.969	4.657.943	4.689.034	5.379.190	4.672.590	4.700.573
Public administration	96.291	187.267	132.753	96.291	187.267	132.753
Agriculture, forestry, fishing etc	115.266	108.922	118.458	115.266	108.922	118.458
Industry and mining, power and water supply	388.661	210.267	249.290	388.661	210.267	249.290
Construction and civil engineering	422.287	333.927	427.416	423.166	336.064	428.304
Retail, hotel and catering	395.248	358.110	450.948	397.935	360.971	453.593
Transport/communication	130.024	125.270	131.214	130.415	125.886	131.599
Financial service business	1.223.554	1.290.417	1.373.757	1.233.262	1.301.739	1.384.717
Other service industries	543.396	556.099	537.638	544.750	557.563	538.982
Real estate turnover and operations	699.418	584.472	764.865	674.678	559.875	743.412
Foreign	52.165	2.852	51.046	52.165	2.851	51.046
Total	9.435.279	8.415.546	8.926.419	9.435.779	8.423.995	8.932.727

Gross loans to customers divided by sector and industry

(Figures in NOK 1,000)	Parent bank	Parent bank	Parent bank	Group	Group	Group
	30.06.2012	30.06.2011	31.12.2011	30.06.2012	30.06.2011	31.12.2011
Salaried employees	8.971.003	9.891.813	9.040.520	17.574.451	15.880.774	17.038.154
Agriculture, forestry, fishing etc	191.925	188.977	188.297	194.503	191.987	192.074
Industry and mining, power and water supply	131.079	143.270	134.307	137.172	150.040	140.276
Construction and civil engineering	532.719	616.286	602.545	553.131	628.237	618.349
Retail, hotel and catering	425.583	524.506	453.258	472.490	566.742	499.675
Transport/communication	74.554	87.889	72.299	96.494	98.762	89.736
Financial service business	256.458	335.397	264.673	265.606	345.222	276.963
Other service industries	389.836	387.182	387.264	424.169	420.045	417.809
Real estate turnover and operations	3.327.975	3.125.279	3.360.231	3.001.351	2.929.127	3.032.363
Foreign	15.476	20.886	17.480	22.958	23.491	21.715
Total	14.316.608	15.321.485	14.520.874	22.742.325	21.234.427	22.327.114

Debt securities and subordinated debt

(Figures in NOK mill.)	Parent bank	Parent bank	Parent bank	Group	Group	Group
	30.06.2012	30.06.2011	31.12.2011	30.06.2012	30.06.2011	31.12.2011
Debt securities						
Certificates, nominal value	0	0	0	0	0	0
Bonds, nominal value	9.061,5	9.287,5	9.158,5	14.470,6	12.538,0	13.770,0
Value adjustments (including o/u rate)	106,9	6,3	83,8	130,7	5,7	100,3
Total debt securities	9.168,4	9.293,8	9.242,3	14.601,3	12.543,7	13.870,3

Changes to debt securities Group	30.06.2012	Issued	Matured/redeemed	Changes to exchange rates	
				31.12.2011	31.12.2011
Certificates, nominal value	0	0	0	0	0
Bonds, nominal value	9.061,5	943,0	1.040,0	0	9.158,5
Covered bonds (OMF), nominal value NC	5.151,5	600,0	60,0	0	4.611,5
OMF, nominal value SEK (converted Non)	257,6	252,1	0	5,5	0
Value adjustments (including o/u rate)	130,7	0	0	0	100,3
Total debt securities	14.601,3	1.795,1	1.100,0	5,5	13.870,3

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

Changes to subordinated debt and fund bonds	30.06.2012	Issued	Matured/redeemed	Changes to exchange rates	
				31.12.2011	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)	-0,1	0	0	0	0,1
Total subordinated debt and fund bonds	599,9	0	0	0	600,1

Capital adequacy

(Figures in NOK 1,000)

	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 31.12.2011	Group 30.06.2012	Group 30.06.2011	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 reserves not included in tier 1 capital	176.766	160.229	225.229	308.365	262.094	356.828
Fund notes up to 15%	286.580	272.975	287.815	300.149	294.694	300.434
Other tier 1 capital	0	0	0	0	0	0
Deductions in tier 1 capital	-35.312	-34.888	-76.774	-905	-13.681	-41.809
50/50-deduction in tier 1 capital	-103.707	-111.206	-108.521	-111.310	-105.052	-116.124
Net tier 1 capital	1.806.823	1.708.629	1.810.245	1.978.795	1.859.574	1.981.825
Fund notes exceeding 15%	13.569	26.678	12.619	0	4.959	0
Subordinate loan capital	299.801	299.563	299.683	299.801	299.563	299.683
Unrealised gains IFRS	30.866	31.015	30.866	30.866	31.015	30.866
50/50-deduction in additional capital	-103.707	-111.206	-108.521	-111.310	-105.052	-116.124
Net additional capital	240.529	246.050	234.647	219.357	230.485	214.425
Net subordinated capital	2.047.352	1.954.679	2.044.892	2.198.152	2.090.059	2.196.250
Calculation base						
Calculation base balance sheet items	10.330.982	10.069.214	10.153.428	13.292.099	12.105.545	12.830.763
Calculation base off-balance sheet items	1.677.664	1.203.884	1.316.581	603.887	620.392	516.814
Calculation base exchange risk	0	0	0	0	0	0
Calculation base operational risk	1.043.708	796.891	796.891	1.203.324	896.942	896.942
Deductions from the calculation base	-285.193	-295.340	-294.822	-303.768	-285.902	-313.397
Total calculation base (risk-weighted balance)	12.767.161	11.774.649	11.972.078	14.795.542	13.336.977	13.931.122
Capital adequacy	16,04 %	16,60 %	17,08 %	14,86 %	15,67 %	15,77 %
Tier 1 capital adequacy	14,15 %	14,51 %	15,12 %	13,37 %	13,94 %	14,23 %

Guarantee liabilities and other off Balance Sheet items

(Figures in NOK 1,000)

Guarantee liabilities	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 31.12.2011	Group 30.06.2012	Group 30.06.2011	Group 31.12.2011
Payment guarantees	113.325	255.917	120.319	114.037	257.248	121.031
Contract guarantees	139.642	144.796	150.436	139.642	144.796	149.717
Loan guarantees	58.502	42.265	85.036	58.577	42.340	85.111
Other guarantee liabilities	28.365	31.327	29.638	28.365	31.327	29.638
Total customer guarantees	339.834	474.305	385.429	340.621	475.711	385.497
Guarantee to Eksportfinans ASA*	74.803	71.798	53.336	74.803	71.798	53.336
Guarantees to the Norwegian Banks' Guarantee Fund	0	0	0	0	0	0
Total guarantee liabilities	414.637	546.103	438.765	415.424	547.509	438.833

* The bank has put up a guarantee for Eksportfinans ASA. The net guarantee liability is NOK 100 million. The guarantee liability is defined as a derivative, and the net book value as a receivable of NOK 4.0 million as at 30.06.12 against a net liability of 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 covered bond (OMF) commitments in housing mortgage company.

Pledges and covered bonds

Bonds, nominal value, put up as collateral for access to loans in Norges Bank	2.181.000	2.968.500	3.066.908	2.181.000	2.968.500	3.066.908
Pledges *)	2.181.000	2.968.500	3.066.908	2.181.000	2.968.500	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 Financial	0	0	0	5.403.600	3.250.500	4.711.500

*) Debt secured against pledges on 31.12.11 and 30.06.11 are F-loans with a nominal value of MNOK 1.000 issued by Norges Bank. The F loan

Security in property

Liabilities with security in property	0	0	0	35.401	0	36.654
Book value of pledged properties	0	0	0	75.692	0	76.192

Additional information for Cash Flow Statement

Group 30.06.2012	Group 30.06.2011	Group 31.12.2011	(Figures in NOK mill.)	Parent bank 30.06.2012	Parent bank 30.06.2011	Parent bank 31.12.2011
Cash and cash equivalents						
563,7	767,8	580,9	Cash and receivables at central banks	563,7	767,8	580,9
720,1	920,7	920,9	Treasury bills	720,1	920,7	920,9
9,3	52,3	186,9	Loans to and receivables on credit institutions that are pure investments	9,0	52,3	185,1
1.293,1	1.740,8	1.688,7	Total	1.292,8	1.740,8	1.686,9
Changes in assets in connection with operations						
-103,2	19,1	26,3	Net changes in financial assets held for the purposes of trade	-103,2	19,1	26,3
-14,5	-47,2	-22,4	Net changes in financial derivatives (net assets and liabilities)	-14,5	-47,2	-22,4
-180,1	-287,6	-846,5	Net change in financial assets at fair value as determined by the result.	-81,7	-287,6	-883,9
52,7	21,6	23,6	Changes in gross loans to credit institutions	122,4	-424,9	-960,1
-415,2	-1.589,4	-2.682,1	Changes in gross loans to credit institutions	204,3	612,8	1.413,4
-1,2	6,3	-6,8	Net changes to other assets	5,5	6,7	-2,6
-661,5	-1.877,2	-3.507,9	Total	132,8	-121,1	-429,3
Changes in assets in connection with operations						
503,1	793,8	1.302,5	Changes in customer deposits	508,9	793,7	1.304,5
0,0	0,0	0,0	Change in liabilities to the state, swap of OMF covered bonds	0,0	0,0	0,0
0,8	-7,8	27,1	Changes in debt to credit institutions	19,3	-13,3	12,4
46,6	66,9	-0,4	Changes in other liabilities	57,8	64,7	-9,9
550,5	852,9	1.329,2	Total	586,0	845,1	1.307,0
Non-cash items included in profit before tax						
8,2	5,8	12,0	Writedowns on fixed assets	2,7	3,2	6,2
0,7	1,3	1,9	Amortisation of financial investments held to maturity	0,7	1,3	1,9
-0,6	-7,8	-26,1	Writedown of financial assets	-3,6	-7,9	-26,8
3,0	2,7	6,0	Amortisation financing activities measured at amortised cost	2,3	2,3	5,6
11,3	2,0	-6,2	Total	2,1	-1,1	-13,1

Transactions with related parties

Parent bank

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

(Figures in NOK mill.)

	30.06.2012	30.06.2011	31.12.2011
Result			
Interest income from subsidiaries	42,8	30,2	76,7
Interest certificates and covered bonds (OMF) from subsidiaries	16,6	15,4	34,4
Interest costs of subsidiaries	1,1	0,7	2,0
Management remuneration, etc. from Sparebanken Øst Boligkreditt AS	6,1	3,2	8,1
Rent to subsidiaries	4,0	4,0	8,0
Other costs to subsidiaries	0,1	0,2	0,4
Balance Sheet			
Loans to subsidiaries	2.358,0	1.758,5	2.430,1
Investments OMF in subsidiaries	938,5	999,5	1.038,6
Accrued interest income (OMF) from subsidiaries	1,2	1,5	2,0
Accrued interest income from subsidiaries	2,5	1,0	2,3
Deposits from subsidiaries	107,0	65,3	89,6
Accrued interest costs of subsidiaries	1,1	0,7	0,0
Other commitments of subsidiaries	11,8	8,4	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 the weighted average number of outstanding equity certificates during the year. If the annual profit shows a deficit this is covered by a proportional transfer from the primary capital fund, donation fund and equalisation fund respectively. Profit per equity certificated is calculated in such instances, based on the amount of deficit that is debited to the equalisation 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 is therefore not the same as profit per equity certificate.

(Figures in NOK mill.)	Parent bank	Group
	30.06.2012	30.06.2012
After-tax profit	96,0	126,3
Profit after tax allocated to equity certificate owners	43,2	56,8
Weighted average of number of outstanding equity certificates	20,7	20,7
Profit per equity certificate	2,08	2,74

Fractional ownership parent bank

(Figures in NOK mill.)

	01.01.2012	01.01.2011
Equity certificate capital	207,3	207,3
Premium reserve	387,8	387,8
Equalisation 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:

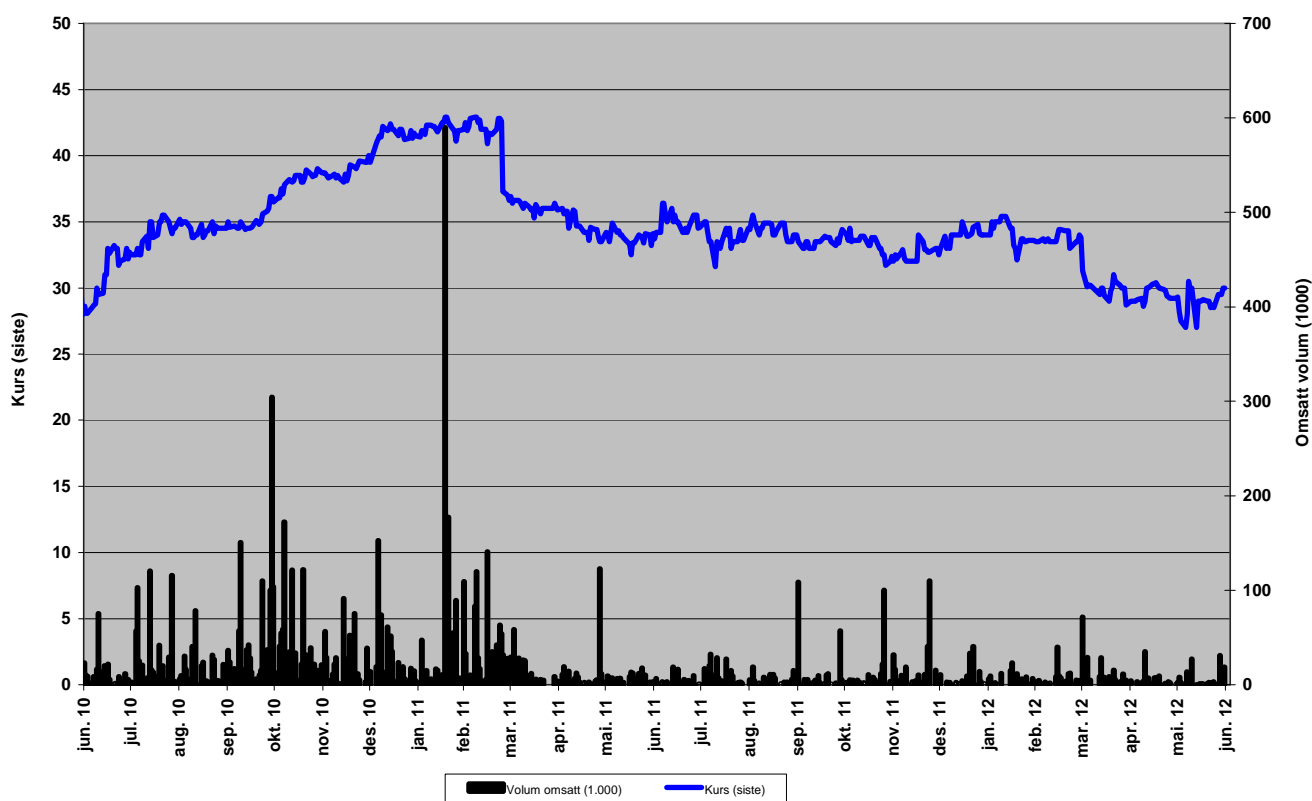
	30.06.2012	2011	2010	2009	2008
Profit per certificate after tax (Group) NOK 1)	5,51	3,46	7,22	7,05	-8,05
Profit per certificate after tax (parent bank) NOK 1)	4,19	2,80	6,78	6,42	-8,15
Fractional ownership 2)	44,98 %	46,04 %	49,05 %	49,63 %	33,39 %
No. of equity certificates (millions)	20,73	20,73	20,73	20,73	3,88
Book equity per certificate NOK 3)	43,23	40,49	39,14	35,56	124,47
Dividend NOK	-	2,00	5,00	4,00	-
Turnover rate (realised/issued)	7,98 %	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 (group) 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 30.06.2012

Name	Quantity	%	Name	Quantity	%
1 MP Pensjon	2.049.218	9,88 %	11 Terra utbytte VPF	205.001	0,99 %
2 Skagen Vekst VPF.	1.460.000	7,04 %	12 Høibraaten, Claus Jørgen	200.000	0,96 %
3 Directmarketing Invest AS	999.500	4,82 %	13 Hustadlitt AS	200.000	0,96 %
4 Storetind AS	497.230	2,40 %	14 Julius Johannessen & Sønner AS	175.000	0,84 %
5 Nordea Bank Norge ASA	484.534	2,34 %	15 Citybank NA New York	174.155	0,84 %
6 Hansen, Asbjørn Rudolf	466.443	2,25 %	16 Anna AS	162.280	0,78 %
7 AS Andersen Eiendom	354.500	1,71 %	17 Gunnar Andersen's Estate	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 %