

169. year

# Quarterly Report 2011

Quarterly Report 3rd quarter 2011



Sparebanken  
Øst

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## Financial highlights - Group

	30.09.2011	30.09.2010	31.12.2010	31.12.2009
Average equity, excl. dividends (NOK mill.)	1.828,2	1.640,8	1.632,2	1.343,4
Average total assets (NOK mill.)	26.003,5	23.174,9	23.515,3	23.556,2
Post-tax profit as %-age of average total assets	0,73	1,66	1,30	1,25
Profit before losses as % of average bank total assets	0,99	2,00	1,66	1,81
Net interest as %-age	1,72	1,81	1,78	2,05
Return on capital (%)	10,34	23,43	18,70	21,92
Net loans (NOK mill.)	21.455,1	18.358,6	19.475,3	16.619,0
Deposits (NOK mill.)	8.573,1	7.148,0	7.630,2	7.296,8
Capital adequacy as %-age	15,48	15,68	17,16	17,11
Core capital coverage as %-age	13,83	13,12	15,39	14,15
Fulltime equivalent positions	252	264	261	267

## Interim Report 3rd Quarter 2011 - Sparebanken Øst

**Figures as at Q3 2011 show strong banking operations in both the private and business markets. Loans to customers have seen a 16.9 percent increase in the last 12 months. During the same period, deposits increased by 19.9 percent. The net interest in percentage of bank total assets is maintained in relation to the last quarter and is at the same level as before the banking crisis. The value development on financial placements has a negative impact on the accounts. Total costs for the group are reduced in comparison with the same period last year. Losses on loans are still very limited.**

### PROFIT

After Q3 2011 the Group reported a pre-tax profit of NOK 186.1 million compared to NOK 356.9 for the same period last year. The profit for 2010 was impacted by once-off effects linked to changes in the AFP scheme of NOK 29.2 million, and a total of NOK 79.5 million was recognised as income from the merger between PBS Holding AS (now Nets Holding AS) and Nordito AS. Value adjustments on financial investments have a negative impact on the accounts.

Net interest at Group level has increased by NOK 19.5 million since the same period last year. Losses on loans are still limited and are associated primarily to losses on customers in subsidiary AS Flnanciering.

As a percentage of average total assets, the profit before tax represents 0.96 percent compared to 2.06 percent for the same period last year.

Profit after tax shows a surplus of NOK 141.3 million compared to NOK 287.6 million for the same period last year, giving a return on equity of 10.34 percent.

### Net interest income

Net interest and credit commission income amounted to NOK 334.0 million, representing an increase of NOK 19.5 million compared to the same period last year and NOK 13.4 million compared to the last quarter. There are several reasons for the increase. Growth in bank total assets contributes to this increase. The figures for Q3 in isolation are further impacted by once-off effects, primarily from settlements received on non-performing and defaulted loans. Figures as at Q3 2011 are also impacted by the activation of interest expenses on the erection of buildings in the bank's subsidiaries. There are no hedge fund fees accruing in 2011.

Net interest and credit commission income represent 1.72 percent of the average total assets

compared to 1.81 percent at the end of Q3 2010, i.e. a reduction of 0.09 percentage points.

### Operating income

Dividends received from equity capital instruments amount to NOK 31.1 million at the end of Q3 2011 compared to NOK 54.9 million for the same period last year. The largest single entry relates to dividends from Eksportfinans ASA of NOK 24.2 million compared to NOK 33.9 million last year. In the 1st half of 2010 the closure of the share premium account in Nordito AS, in connection with the merger, with repayments to shareholders, was posted to income as dividends of NOK 11.3 million.

Commission income from banking services amount to NOK 70.0 million and shows an increase of NOK 6.5 million compared to the same period last year, with a reduction of NOK 6.3 million compared to the last quarter. The increase is mainly attributed to one business customer. Commission income is derived from traditional banking services.

Net value adjustments and gains/losses on financial assets, amounting to NOK 13.2 million, were recorded as losses at the end of Q3 2011. For the same period last year NOK 118.4 was recognised as income. Of the income as at 30.09.10, the recognition of gains linked to the merger between Nordito AS and PBS Holding AS (Nets Holding AS) amount to NOK 68.1 million, while income recognition relating to the guarantee to Eksportfinans ASA amounts to NOK 4.6 million.

Other operating income amounts to NOK 13.4 million, showing an increase of NOK 1.4 million compared to the same period last year.

### Operating costs

Total operating costs amounted to NOK 242.8 million, representing 1.25 percent of average total assets. In comparison total operating income for the same period last year amounted to NOK 215.8

million. Reversal of the AFP commitment in Q1 last year served to reduce expenses by NOK 29.2 million. With the exclusion of this reversal total operating expenses at the end of Q3 2010 amounted to NOK 245.0 million, representing 1.41 percent of average total assets. This amounts to an increase of 0.16 percent compared to the end of Q3 2010. For the Parent bank, however, total operating expenses is reduced by NOK 12.7 million.

Commission costs and cost for banking services amounts to NOK 23.1 million, showing an increase of NOK 4.2 million compared to the same period last year. The increase in commission costs come entirely from agency commissions in AS Financiering.

Payroll and general administration costs amount to NOK 171.3 million at the end of Q3 2011. In comparison payroll and general administration costs, excluding the recognition of the AFP scheme as income, amounted to NOK 175.3 million at the end of Q3 2010. The number of FTEs at the end of Q3 2011 was 252 compared to 264 at the end of the same period last year. Other operating income amounted to NOK 39.6 million, showing a reduction of NOK 1.8 million compared with the same period last year.

### **Losses on loans and guarantees**

The Group's recorded losses on loans and guarantees amount to NOK 6.4 million at the end of Q3 2011, compared to net reversed (income) of NOK 9.4 million for the same period last year. Losses year to date relate to losses on customers of subsidiary AS Financiering, while income recorded for the same period last year related to credit institutions.

Individual impairment on losses on loans and guarantees to customers increased by NOK 12.7 million from the end of the year, and amounted to NOK 116.2 million at the end of Q3 2011.

Write-downs on groups of loans to customers amount to NOK 37.9 million at the end of Q3 2011, a reduction of NOK 2.9 million since the end of the year.

Gross defaults and non-performing loans amount to NOK 327.0 million compared to NOK 357.7 million at the end of the year. Net defaults and non-performing loans amount to NOK 210.8 million, showing a decrease of NOK 18.1 million compared with 31.12.10.

### **BALANCE SHEET**

Bank total assets have increased by NOK 2,629.5 million since the end of the year and amount to NOK 27,376.0 million at the end of Q3 2011. The

increase is primarily due to growth in loans to customers.

Cash and receivables from central banks and treasury bills, seen as one, have increase by NOK 147.8 million since the end of the year.

Net loans to credit institutions have declined by NOK 21.9 million since 31.12.10 and amount to NOK 66.6 million as at 30.09.11.

Net loans to customers amounts to 21,455.1 million, showing an increase of NOK 1,979.9 million since the end of the year. Gross loans to private customers made up 75.6 percent of total loans to customers.

Holdings of certificates and bonds show an increase of NOK 337.5 million since the end of the year and amounts to NOK 2,864.0 million. The increase can be attributed in its entirety to the liquidity portfolio.. Treasury bills to the value of NOK 921.1 million come in addition.

The liquidity portfolio, including treasury bills, represents a nominal value of NOK 3,506.3 million with a market value of NOK 3,511.4 million. The investment portfolio represents a nominal value of NOK 336.3 million with a market value of NOK 273.7 million. In comparison the investment portfolio at the end of the year, amounted to respectively NOK 403.1 million nominal value and NOK 331.4 million market value. The estimated weighted average maturity for the liquidity portfolio is 2.27 years, whilst it is 2.02 years for the investment portfolio.

Customer deposits have increase by NOK 942.9 million since the end of the year and amounts to NOK 8,573.1 million as at 30.09.11.

Debt arising from issuance of securities amounts to NOK 13,032.7 million, showing an increase of NOK 1,565.9 million since the end of the year. The bank is enjoying good access to the Norwegian bond market at prices in line with comparable banks.

Other long-term borrowing has increased by NOK 31.1 million net since the end of the year and amounts to NOK 1,923.9 million at the end of Q3 2011. The bank has drawn a total of NOK 1,000 million in F-loans.

The bank participated in the government exchange scheme to the tune of NOK 915.4 million as at 30.09.11.

Short-term funding (defined as funding with a remaining maturity of less than 1 year) amounted to NOK 2,718.5 million.

## LIQUIDITY

The bank has separate frameworks for liquidity buffers which gives a robust liquidity strategy. This means that the bank must at all times 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 of 12 months operations. Establishment of its own housing credit company has altered the Group's funding structure through the option to issue preferential bonds (OMF). This has further strengthened the bank's funding situation.

## FINANCIAL RISKS

Credit risk linked to loans to customers remains unchanged in Q3 2011. Net defaults and non-performing loans have decreased compared to the end of the year, but are marginally higher than at the same time last year. Assessment of individual and group write-downs as at 30.09.11 has not revealed any need for additional write-downs and shows the quality of the portfolio to be stable. Credit risk is measured by classifying customers according to their debt servicing capacity, solidity and security.

Interest risk is kept within fixed limits and is limited by the fact that assets and liabilities have variable interest rates or are swapped to variable interest rates.

Currency risk is hedged through entering into forward contracts or basis swaps.

The bank has 4.84 percent ownership in Eksportfinans ASA. 28. On 28 October 2011 the company was downgraded by Moody's from Aa1 to Aa3. The rating is being monitored for further downgrade. The downgrade is due to a decision adopted by the Ministry of Finance to not grant permanent exemptions from the rules of the capital requirements directive. The consequence of this decision currently brings about significant limitations on the activities of Eksportfinans ASA.

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

## CAPITAL ADEQUACY

Net subordinated capital amounted to NOK 2,091.1 million at the end of Q3 2011, of which the Group's tier 1 capital amounted to NOK 1,867.9 million. With a calculation basis of NOK 13,507.4 million this represents capital adequacy of 15.48 percent of which tier 1 capital adequacy represents 13.83 percent.

Using ICAAP/TKV (total capital assessment), the Board of the bank assess 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 finds the bank's equity level to be satisfactory at the end of Q3 2011. The bank has no plans at present to enter into other subordinated debt.

## DinBANK.no

DinBANK.no is Sparebanken Øst's Internet initiative started on 4 September 2006. DinBANK.no and has been established as an extremely easy-to-use, efficient and practical banking alternative for self-service customers. Din BANK.no has mainly provided loans for customers with security in property up to a level of 70 percent of value. Its customer base is across Norway, with a majority of customers in the counties of Oslo, Akershus and Buskerud. DinBANK.no had a loan volume of NOK 1,112.4 million at the end of Q3 2011. Of the loans granted by DinBANK.no, NOK 2,291.7 million was transferred to the mortgage company on 30.09.11. Total loans from DinBANK.no amount to NOK 3,404.1 million at the end of Q3 2011. Customer deposits amount to NOK 345.0 million. DinBANK.no shows a pre-tax profit of NOK 5.5 million, compared to NOK 6.9 million for the same period last year.

## SUBSIDIARIES

**Sparebanken Øst Boligkreditt AS** is a wholly owned subsidiary of Sparebanken Øst. The company was established on 14 April 2004 with the object of granting or acquiring home mortgage loans, property mortgage loans, loans secured by liens on other registered assets or public loans, and to finance lending business mainly through the issuing of preferential bonds. The company's total assets were NOK 6,124.2 million as at 30.09.11, and mainly consisted of first priority mortgages in homes, which are financed through preferential bonds and drawing rights on the parent company. The company's paid-in capital is NOK 250.0 million, of which NOK 159.9 million is share capital and NOK 90.1 million is share premium account. Profit after tax shows a surplus of NOK 1.9 million at the end of Q3 2011, compared to NOK 2.0 million for the same period last year.

Sparebanken Øst Boligkreditt AS was founded in Q1 2011 and rated AAA by Moody's.

**AS Finansiering** is a wholly owned subsidiary of Sparebanken Øst. Its main product is car financing, with the main emphasis on used cars. The company achieved profit after tax of NOK 14.9 million at the end of Q3 2011, and is at the same level it was this time last year. The

company's total assets were NOK 1,358.1 million. At the end of Q3, the company had 27 employees, corresponding to 23 FTEs.

The main objective of **Sparebanken Øst Eiendom AS** is standard property operations, including purchases, sales, rental and development of real estate, as well of purchases and sales of fixtures and fittings within various business areas. Operating income amounted to NOK 15.2 million at the end of Q3 2011 compared to NOK 14.7 million for the same period last year. Profit after tax shows a surplus of NOK 0.4 million at the end of Q3 2011, compared to NOK 0.8 million for the same period last year. The company has 6 employees and share capital amounts to NOK 35.1 million.

**Øst Prosjekt AS's** 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 shows a surplus of NOK 5.7 million at the end of Q3 2011. The surplus is primarily due to gains from the sale of shares. For the same period last year the post tax profit was NOK 0.2 million.

## FUTURE PROSPECTS

Net interest and credit commission income measured in percentages is expected to be put under pressure by, among other things, increased competition in the private and corporate markets. Measured in NOK, the net interest and credit commission income is expected to increase somewhat as a result of budgeted growth in the Group. The bank plans to focus heavily on sales of insurance products moving forward. The focus is long-term in nature and the scope of earnings will increase even more in the years ahead. Fluctuations in market value on the guarantee to

Eksporthfinans ASA and securities in general cannot be excluded. It is expected that losses on loans to customers will be clearly within our long-term key performance indicators.

The Group's solidity is still very strong. The ability to withstand continued uncertainties in the international economy and financial markets is still well in place. The Group will continue with a long-term and robust liquidity policy with sufficient reserves.

The Sparebanken Øst Group has the solidity and liquidity to enable growth in loans to customers.

## DIVIDEND POLICY

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

The profit for the year will be divided between equity certificate holders and the Savings bank fund 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 percent will be allocated for donation purposes.

When determining dividends and donations, consideration will be taken of the bank's profit development, market situation, stability of dividends 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, 30.09.2011

Drammen, 01.11.2011

Jorund Rønning Indrelid  
Chairman

Knut Smedsrud  
Vice Chairman

Ingebjørg Mæland

Roar Norheim Larsen

Sverre Nedberg

Leif Ove Sørby

Hanne Solem

Ann Kristin Plomås  
Employee representative

Pål Strand  
CEO

## Profit and Loss Account

Group 30.09.2011	Group 30.09.2010	Group 2010	(Figures in NOK mill.)	Parent bank 30.09.2011	2 - 5 Parent bank 30.09.2010	Parent bank 2010
854,8	742,4	1.006,8	Interest income and similar income	719,3	669,9	903,2
520,8	427,9	588,3	Interest expenses and similar expenses	455,3	415,5	564,8
334,0	314,5	418,5	<b>Net interest and credit commission income</b>	<b>264,0</b>	<b>254,4</b>	<b>338,4</b>
31,1	54,9	54,9	Dividends and other income from securities with variable yields	31,1	54,7	54,7
70,0	63,5	86,1	Commission income and income from banking services	73,3	68,1	93,0
23,1	18,9	26,5	Commission costs and costs of banking services	11,3	11,3	15,3
-13,2	118,4	121,8	Net value changes and gains/losses on financial investments	-20,0	118,4	121,8
13,4	12,0	16,2	Other operating income	4,2	3,3	4,6
123,8	97,5	141,6	Payroll, etc.	106,2	80,9	118,0
47,5	48,6	69,2	Administration costs	40,7	44,1	62,4
8,8	9,4	12,6	Depreciation/writedowns and value changes to non-financial assets	4,7	6,1	7,9
39,6	41,4	57,2	Other operating costs	34,8	38,8	51,8
192,5	347,5	390,4	<b>PROFIT BEFORE LOSSES</b>	<b>154,9</b>	<b>317,7</b>	<b>357,1</b>
6,4	-9,4	10,1	Losses on loans and guarantees	-0,1	-14,5	2,8
186,1	356,9	380,3	<b>PRE-TAX PROFIT</b>	<b>155,0</b>	<b>332,2</b>	<b>354,3</b>
44,8	69,3	75,0	Tax costs	37,7	62,4	67,6
141,3	287,6	305,3	<b>PROFIT FOR THE YEAR</b>	<b>117,3</b>	<b>269,8</b>	<b>286,7</b>
3,14	6,80	7,22	Profit per equity certificate	2,61	6,38	6,78
3,14	6,80	7,22	Diluted profit per equity certificate	2,61	6,38	6,78

## Total profit/loss

Group 30.09.2011	Group 30.09.2010	Group 2010	(Figures in NOK mill.)	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 2010
141,3	287,6	305,3	<b>PROFIT FOR THE YEAR</b>	<b>117,3</b>	<b>269,8</b>	<b>286,7</b>
0,0	0,0	68,9	Changes in fair value of investments held for sale	0,0	0,0	68,9
141,3	287,6	374,2	<b>TOTAL PROFIT/LOSS</b>	<b>117,3</b>	<b>269,8</b>	<b>355,6</b>

## Balance Sheet

Group 30.09.2011	Group 30.09.2010	Group 2010	(Figures in NOK mill.)	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 2010
842,7	191,9	696,5	Cash and receivables at central banks	842,7	191,9	696,5
921,1	1.168,0	919,5	Treasury bills	921,1	1.168,0	919,5
66,6	155,7	88,5	Loans and receivables from credit institutions	2.337,7	1.364,9	1.188,1
0,0	4,4	0,0	- Individual writedowns	0,0	4,4	0,0
0,0	0,0	0,0	- Writedowns on groups of loans	0,0	0,0	0,0
21.609,2	18.510,7	19.645,0	Loans and receivables with customers	14.495,3	15.175,8	15.934,3
116,2	107,0	128,9	- Individual writedowns	70,9	62,5	83,6
37,9	45,1	40,8	- Writedowns on groups of loans	35,0	42,2	37,9
2.864,0	2.973,1	2.526,5	Certificates, bonds and other interest-bearing securities with regular	4.001,0	3.972,6	3.526,0
484,7	409,5	504,5	Shares and other securities with variable return	484,7	409,5	504,5
0,0	0,0	0,0	Ownership interests in group companies	376,2	286,2	286,2
535,8	319,7	347,6	Fixed capital assets	63,5	60,4	59,9
1,6	42,3	13,7	Deferred tax assets	34,9	63,7	34,9
85,2	70,9	58,1	Financial derivatives	85,2	70,9	58,1
32,3	32,8	39,6	Other assets	12,7	15,5	17,1
86,9	94,1	76,7	Prepayments non-accrued expenses and earned income not receive	73,8	86,7	68,7
27.376,0	23.812,2	24.746,5	<b>TOTAL ASSETS</b>	<b>23.622,9</b>	<b>22.757,0</b>	<b>23.172,3</b>
1.923,9	2.369,7	1.892,8	Liabilities to credit institutions	1.946,0	2.400,0	1.934,6
8.573,1	7.148,0	7.630,2	Deposits from and liabilities to customers	8.574,5	7.121,8	7.621,9
915,4	915,4	915,4	Liabilities to the state, exchange of OMF preferential bonds	915,4	915,4	915,4
13.032,7	10.423,7	11.466,8	Liabilities incurred when issuing securities	9.422,1	9.475,5	10.020,2
48,0	79,8	85,3	Financial derivatives	48,0	79,7	85,3
147,8	159,6	125,5	Other liabilities	136,0	166,2	87,8
205,5	235,7	129,2	Accruals and deferred income	182,0	224,0	112,6
35,8	41,6	35,8	Provisions for accrued costs and liabilities	30,9	36,8	30,9
600,0	659,1	599,3	Subordinate loan capital	600,0	659,1	599,3
25.482,2	22.032,6	22.880,3	<b>Total liabilities</b>	<b>21.854,9</b>	<b>21.078,5</b>	<b>21.408,0</b>
595,1	595,1	595,1	Invested equity	595,1	595,1	595,1
1.157,4	896,9	1.271,1	Accrued equity	1.055,6	813,6	1.169,2
141,3	287,6	0,0	Unappropriated profit	117,3	269,8	0,0
1.893,8	1.779,6	1.866,2	<b>Total equity</b>	<b>1.768,0</b>	<b>1.678,5</b>	<b>1.764,3</b>
27.376,0	23.812,2	24.746,5	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>23.622,9</b>	<b>22.757,0</b>	<b>23.172,3</b>

## Changes in equity group

(Figures in NOK 1,000)

Q3 2011	Total equity	Equity certificate	Share premium reserve	Equalisation fund	primary capital	Endowment fund	2 - 5 Available for sale reserve	Other equity	Inappropriated profit/loss
Equity as at 31.12.2010	1.866.192	207.312	387.778	241.438	826.429	32.447	68.922	101.866	0
Total profit/loss	141.325	0	0	0	0	0	0	0	141.325
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
<b>Equity as at 30.09.2011</b>	<b>1.893.861</b>	<b>207.312</b>	<b>387.778</b>	<b>137.782</b>	<b>826.429</b>	<b>22.447</b>	<b>68.922</b>	<b>101.866</b>	<b>141.325</b>

Q3 2010	Total equity	Equity certificate	Share premium reserve	Equalisation fund	primary capital	Endowment fund	2 - 5 Available for sale reserve	Other equity	Inappropriated profit/loss
Equity as at 31.12.2009	1.584.884	207.312	387.778	183.732	695.351	27.447	0	83.264	0
Total profit/loss	287.588	0	0	0	0	0	0	0	287.588
2009 dividend finally adopted	-82.925	0	0	-82.925	0	0	0	0	0
Dividend from the endowment fund	-10.000	0	0	0	0	-10.000	0	0	0
<b>Equity as at 30.09.2010</b>	<b>1.779.547</b>	<b>207.312</b>	<b>387.778</b>	<b>100.807</b>	<b>695.351</b>	<b>17.447</b>	<b>0</b>	<b>83.264</b>	<b>287.588</b>

2010	Total equity	Equity certificate	Share premium reserve	Equalisation fund	primary capital	Endowment fund	2 - 5 Available for sale reserve	Other equity
Equity as at 31.12.2009	1.584.884	207.312	387.778	183.732	695.351	27.447	0	83.264
Total profit/loss	374.233	0	0	140.631	131.078	15.000	68.922	18.602
2009 dividend finally adopted	-82.925	0	0	-82.925	0	0	0	0
Dividend from the endowment fund	-10.000	0	0	0	0	-10.000	0	0
<b>Equity as at 31.12.2010</b>	<b>1.866.192</b>	<b>207.312</b>	<b>387.778</b>	<b>241.438</b>	<b>826.429</b>	<b>32.447</b>	<b>68.922</b>	<b>101.866</b>

## Changes in equity parent bank

(Figures in NOK 1,000)

Q3 2011	Total equity	Equity certificate	Share premium reserve	Equalisation fund	primary capital	Endowment fund	2 - 5 Available for sale reserve	Other equity	Inappropriated profit/loss
Equity as at 31.12.2010	1.764.326	207.312	387.778	241.438	826.429	32.447	68.922	0	0
Total profit/loss	117.279	0	0	0	0	0	0	0	117.279
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
<b>Equity as at 30.09.2011</b>	<b>1.767.949</b>	<b>207.312</b>	<b>387.778</b>	<b>137.782</b>	<b>826.429</b>	<b>22.447</b>	<b>68.922</b>	<b>117.279</b>	

Q3 2010	Total equity	Equity certificate	Share premium reserve	Equalisation fund	primary capital	Endowment fund	2 - 5 Available for sale reserve	Other equity	Inappropriated profit/loss
Equity as at 31.12.2009	1.501.620	207.312	387.778	183.732	695.351	27.447	0	0	0
Total profit/loss	269.766	0	0	0	0	0	0	0	269.766
2009 dividend finally adopted	-82.925	0	0	-82.925	0	0	0	0	0
Dividend from the endowment fund	-10.000	0	0	0	0	-10.000	0	0	0
<b>Equity as at 30.09.2010</b>	<b>1.678.461</b>	<b>207.312</b>	<b>387.778</b>	<b>100.807</b>	<b>695.351</b>	<b>17.447</b>	<b>0</b>	<b>269.766</b>	

2010	Total equity	Equity certificate	Share premium reserve	Equalisation fund	primary capital	Endowment fund	2 - 5 Available for sale reserve
Equity as at 31.12.2009	1.501.620	207.312	387.778	183.732	695.351	27.447	0
Total profit/loss	355.631	0	0	140.631	131.078	15.000	68.922
2009 dividend finally adopted	-82.925	0	0	-82.925	0	0	0
Dividend from the endowment fund	-10.000	0	0	0	0	-10.000	0
<b>Equity as at 31.12.2010</b>	<b>1.764.326</b>	<b>207.312</b>	<b>387.778</b>	<b>241.438</b>	<b>826.429</b>	<b>32.447</b>	<b>68.922</b>



## Cash Flow Statement

Group 30.09.2011	Group 30.09.2010	Group 31.12.2010	(Figures in NOK mill.)	2 - 5		
				Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010
<b>Operating activities</b>						
186,1	356,9	380,3	Profit before tax	155,0	332,2	354,3
Adjusted for:						
-2.378,0	-1.355,1	-1.977,7	Changes in assets in connection with operations	-282,5	-341,8	-473,2
1.069,6	-50,1	-154,6	Changes in assets in connection with operations	1.074,0	-43,6	-175,6
-1,6	6,5	25,3	Non-cash items included in profit before tax	-6,1	1,7	18,4
-5,8	-64,6	-64,4	Net gains from investment activities	-0,2	-64,3	-64,3
-54,5	-25,1	-33,5	Taxes paid for the period	-42,7	-22,1	-22,1
<b>-1.184,2</b>	<b>-1.131,5</b>	<b>-1.824,6</b>	<b>Net cash flow from operating activities</b>	<b>A</b>	<b>897,5</b>	<b>-137,9</b>
<b>Investment activities</b>						
-185,2	-43,7	-75,1	Purchase of fixed assets	-8,4	-2,4	-3,9
0,8	2,5	2,6	Proceeds from sale of fixed assets	0,3	0,4	0,6
102,2	-23,2	-46,5	Net proceeds/expenses from sale/purchase of financial investments.	6,9	-108,2	-131,5
<b>-82,2</b>	<b>-64,4</b>	<b>-119,0</b>	<b>Net cash flow from investment activities</b>	<b>B</b>	<b>-1,2</b>	<b>-110,2</b>
<b>Financing activities</b>						
0,0	0,0	-58,8	Net incoming/outgoing payments for loans to/from credit institutions	0,0	0,0	-58,8
-2.278,0	-2.270,5	-2.411,1	Payments for repayment on securities	-2.278,0	-2.270,5	-2.406,9
3.793,4	3.881,9	5.082,5	Proceeds from securities issued	1.629,8	2.934,1	3.632,0
0,0	0,0	0,0	Proceeds from issuance of equity certificates	0,0	0,0	0,0
-103,6	-82,9	-82,9	Payment of dividends	-103,6	-82,9	-82,9
<b>1.411,8</b>	<b>1.528,5</b>	<b>2.529,7</b>	<b>Net cash flow from financing activities</b>	<b>C</b>	<b>-751,8</b>	<b>1.083,4</b>
145,4	332,6	586,1	Net change in cash and cash equivalents	<b>A+B+C</b>	144,5	332,6
1.629,7	1.043,6	1.043,6	Cash and cash equivalents as at 01.01.	1.629,7	1.043,6	1.043,6
<b>1.775,1</b>	<b>1.376,2</b>	<b>1.629,7</b>	<b>Cash and cash equivalent reserves at end of period</b>	<b>1.774,2</b>	<b>1.376,2</b>	<b>1.629,7</b>

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

## Profit per quarter - parent bank

(Figures in NOK mill.)

	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010
Interest income and similar income	253,5	232,7	233,1	233,3	235,0
Interest expenses and similar expenses	158,9	149,0	147,4	149,3	154,3
<b>Net interest and credit commission income</b>	<b>94,6</b>	<b>83,7</b>	<b>85,7</b>	<b>84,0</b>	<b>80,7</b>
Dividends and other income from securities with variable yields	0,2	30,8	0,1	0,0	1,2
Commission income and income from banking services	23,3	29,4	20,6	24,9	24,1
Commission costs and costs of banking services	4,0	3,5	3,8	4,0	4,0
Net value changes and gains/losses on financial investments	-41,2	3,7	17,5	3,4	44,5
Other operating income	1,3	1,5	1,4	1,3	1,3
Payroll, etc.	37,5	31,6	37,1	37,1	42,1
Administration costs	13,5	13,3	13,9	18,3	13,9
Depreciation/impairment/writedowns and value changes to non-finan	1,5	1,6	1,6	1,8	2,1
Other operating costs	10,0	12,1	12,7	13,0	11,9
<b>PROFIT BEFORE LOSSES</b>	<b>11,7</b>	<b>87,0</b>	<b>56,2</b>	<b>39,4</b>	<b>77,8</b>
Losses on loans and guarantees	0,2	1,1	-1,4	17,3	-9,4
<b>PRE-TAX PROFIT</b>	<b>11,5</b>	<b>85,9</b>	<b>57,6</b>	<b>22,1</b>	<b>87,2</b>
Tax cost (calculated at interim accounts)	4,6	16,8	16,3	5,2	25,2
<b>PROFIT FOR THE PERIOD</b>	<b>6,9</b>	<b>69,1</b>	<b>41,3</b>	<b>16,9</b>	<b>62,0</b>
Profit per equity certificate (per quarter)	0,16	1,53	0,92	0,39	1,47
Diluted profit per equity certificate (per quarter)	0,16	1,53	0,92	0,39	1,47

## Profit per quarter - Group

(Figures in NOK mill.)

	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010
Interest income and similar income	309,0	277,5	268,3	264,4	262,9
Interest expenses and similar expenses	189,2	171,1	160,5	160,4	161,9
<b>Net interest and credit commission income</b>	<b>119,8</b>	<b>106,4</b>	<b>107,8</b>	<b>104,0</b>	<b>101,0</b>
Dividends and other income from securities with variable yields	0,2	30,8	0,1	0,0	1,2
Commission income and income from banking services	21,9	28,2	19,9	22,6	22,3
Commission costs and costs of banking services	7,8	8,0	7,3	7,6	7,0
Net value changes and gains/losses on financial investments	-39,7	3,7	22,8	3,4	44,5
Other operating income	3,9	4,7	4,8	4,2	3,9
Payroll, etc.	44,1	36,1	43,6	44,1	48,5
Administration costs	15,4	15,5	16,6	20,6	15,3
Depreciation/impairment/writedowns and value changes to non-finan	3,0	2,9	2,9	3,2	3,2
Other operating costs	11,2	13,4	15,0	15,8	13,0
<b>PROFIT BEFORE LOSSES</b>	<b>24,6</b>	<b>97,9</b>	<b>70,0</b>	<b>42,9</b>	<b>85,9</b>
Losses on loans and guarantees	2,1	2,9	1,4	19,5	-6,7
<b>PRE-TAX PROFIT</b>	<b>22,5</b>	<b>95,0</b>	<b>68,6</b>	<b>23,4</b>	<b>92,6</b>
Tax cost (calculated at interim accounts)	7,5	19,2	18,1	5,7	26,7
<b>PROFIT FOR THE PERIOD</b>	<b>15,0</b>	<b>75,8</b>	<b>50,5</b>	<b>17,7</b>	<b>65,9</b>
Profit per equity certificate (per quarter)	0,34	1,68	1,12	0,41	1,56
Diluted profit per equity certificate (per quarter)	0,34	1,68	1,12	0,41	1,56

## Accounting policies

The quarterly accounts for the Parent bank and Group have been prepared in accordance with the IFRS (including IAS 34 Interim Financial Reporting). Interim accounts are prepared according to the same accounting principles as those used in the annual accounts. Refer to the 2010 annual report for a more detailed description of the accounting policies. The accounts are presented in Norwegian kroner, which is also the Group's functional currency.

### Losses on loans and guarantees

(Figures in NOK 1,000)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
<b>Individual writedowns</b>						
Individual writedowns as at 01.01.	83.594	52.976	52.976	128.907	96.361	96.361
- Actual losses for the period, where there have previously been Individual writedowns	8.503	347	2.863	10.153	2.316	5.065
+ Increases in individual writedowns for the period	2.153	5.543	5.765	5.462	6.604	8.518
+ New individual writedowns for the period	5.684	12.008	36.142	11.526	22.872	49.369
- Reversed individual writedowns for the period	12.063	7.685	8.426	19.555	16.488	20.276
= <b>Individual writedowns at the end of the period</b>	<b>70.865</b>	<b>62.495</b>	<b>83.594</b>	<b>116.187</b>	<b>107.033</b>	<b>128.907</b>
<b>Writedowns on groups of loans</b>						
Writedowns on groups of loans as at 01.01.	37.897	55.119	55.119	40.766	57.988	57.988
+/- Changes in write-downs on groups of loans for the period	-2.875	-12.913	-17.222	-2.875	-12.913	-17.222
= <b>Writedowns on groups of loans at the end of the period</b>	<b>35.022</b>	<b>42.206</b>	<b>37.897</b>	<b>37.891</b>	<b>45.075</b>	<b>40.766</b>
<b>Loss costs for the period</b>						
Changes to individual writedowns for the period	-12.729	9.519	30.618	-12.720	10.672	32.546
+/- Changes in write-downs on groups of loans for the period	-2.875	-12.913	-17.222	-2.875	-12.913	-17.222
+ Actual losses for the period, where there have previously been Individual writedowns	9.778	854	4.667	11.428	2.823	6.869
+ Actual losses for the period where no individual writedowns were made in previous years.	681	537	1.098	7.890	3.970	6.777
- Addition of previously identified losses for the period	2.982	7.401	7.620	5.404	8.936	10.184
+/- Amortisation costs for the period impairment	8.046	4.364	4.909	8.046	4.364	4.909
= <b>Losses on loans and guarantees</b>	<b>-81</b>	<b>-5.040</b>	<b>16.450</b>	<b>6.365</b>	<b>-20</b>	<b>23.695</b>

### Losses on loans and guarantees to credit institutions

(Figures in NOK 1,000)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
<b>Individual writedowns</b>						
Individual writedowns as at 01.01.	0	144.920	144.920	0	144.920	144.920
- Actual losses for the period, where there have previously been Individual writedowns	0	132.282	132.490	0	132.282	132.490
+ Increases in individual writedowns for the period	0	0	0	0	0	0
+ New individual writedowns for the period	0	0	0	0	0	0
- Reversed individual writedowns for the period	0	8.209	12.430	0	8.209	12.430
= <b>Individual writedowns at the end of the period</b>	<b>0</b>	<b>4.429</b>	<b>0</b>	<b>0</b>	<b>4.429</b>	<b>0</b>
<b>Writedowns on groups of loans</b>						
Writedowns on groups of loans as at 01.01.	0	1.200	1.200	0	1.200	1.200
+/- Changes in write-downs on groups of loans for the period	0	-1.200	-1.200	0	-1.200	-1.200
= <b>Writedowns on groups of loans at the end of the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Loss costs for the period</b>						
Changes to individual writedowns for the period	0	-140.491	-144.920	0	-140.491	-144.920
+/- Changes in write-downs on groups of loans for the period	0	-1.200	-1.200	0	-1.200	-1.200
+ Actual losses for the period, where there have previously been Individual writedowns	0	132.282	132.490	0	132.282	132.490
+ Actual losses for the period where no individual writedowns were made in previous years.	0	0	0	0	0	0
- Addition of previously identified losses for the period	0	0	0	0	0	0
+/- Amortisation costs for the period impairment	0	0	0	0	0	0
= <b>Losses on loans and guarantees</b>	<b>0</b>	<b>-9.409</b>	<b>-13.630</b>	<b>0</b>	<b>-9.409</b>	<b>-13.630</b>

## Defaults and non-performing loans customers

(Figures in NOK 1,000)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
<b>Gross participations in breach (over 90 days)</b>						
Industry	110.417	104.309	91.103	117.559	112.569	98.524
+ Personal	72.313	77.544	71.254	135.421	145.969	137.630
= Gross defaults	182.730	181.853	162.357	252.980	258.538	236.154
- Individual writedowns	50.134	48.377	58.942	94.416	91.650	102.940
= <b>Net defaults</b>	<b>132.596</b>	<b>133.476</b>	<b>103.415</b>	<b>158.564</b>	<b>166.888</b>	<b>133.214</b>
<b>Non-performing (not defaults on) loans</b>						
Industry	64.130	36.272	109.129	65.645	39.373	111.265
+ Personal	7.846	12.757	9.824	8.330	13.247	10.309
= Gross non-performing loans	71.976	49.029	118.953	73.975	52.620	121.574
- Individual writedowns	20.731	14.118	24.652	21.771	15.383	25.967
= <b>Net non-performing loans</b>	<b>51.245</b>	<b>34.911</b>	<b>94.301</b>	<b>52.204</b>	<b>37.237</b>	<b>95.607</b>
<b>Gross defaults and non-performing loans</b>						
Industry	174.547	140.581	200.232	183.204	151.942	209.789
+ Personal	80.159	90.301	81.078	143.751	159.216	147.939
= Gross defaults and non-performing loans	254.706	230.882	281.310	326.955	311.158	357.728
- Individual writedowns	70.865	62.495	83.594	116.187	107.033	128.907
= <b>Net defaults and non-performing loans</b>	<b>183.841</b>	<b>168.387</b>	<b>197.716</b>	<b>210.768</b>	<b>204.125</b>	<b>228.821</b>

## Defaults and non-performing loans credit institutions

(Figures in NOK 1,000)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
<b>Gross participations in breach (over 90 days)</b>						
Norway	0	0	0	0	0	0
Denmark	0	0	0	0	0	0
Iceland	0	7.152	1.400	0	7.152	1.400
+ Ukraine	0	0	0	0	0	0
= Gross defaults	0	7.152	1.400	0	7.152	1.400
- Individual writedowns	0	4.429	0	0	4.429	0
= <b>Net defaults</b>	<b>0</b>	<b>2.723</b>	<b>1.400</b>	<b>0</b>	<b>2.723</b>	<b>1.400</b>
<b>Non-performing (not defaults on) loans</b>						
Norway	0	0	0	0	0	0
Denmark	0	0	0	0	0	0
Iceland	0	0	0	0	0	0
+ Ukraine	0	0	0	0	0	0
= Gross non-performing loans	0	0	0	0	0	0
- Individual writedowns	0	0	0	0	0	0
= <b>Net non-performing loans</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gross defaults and non-performing loans</b>						
Norway	0	0	0	0	0	0
Denmark	0	0	0	0	0	0
Iceland	0	7.152	1.400	0	7.152	1.400
+ Ukraine	0	0	0	0	0	0
= Gross defaults and non-performing loans	0	7.152	1.400	0	7.152	1.400
- Individual writedowns	0	4.429	0	0	4.429	0
= <b>Net defaults and non-performing loans</b>	<b>0</b>	<b>2.723</b>	<b>1.400</b>	<b>0</b>	<b>2.723</b>	<b>1.400</b>

## Operational segments

Segment reporting is based on the bank's internal reporting format, in which the Parent bank is divided into DinBANK.no, the private and the business markets. In addition there are the subsidiaries and non-reportable segment with items not divided as in other segments.

(Figures in NOK mill.)

<b>30.09.2011</b>	<b>DinBANK.no</b>	<b>PM</b>	<b>BM</b>	<b>Housing Credit</b>	<b>AS Financiering</b>	<b>Spb Øst Eiendom</b>	<b>Undistribute d</b>	<b>Elimination</b>	<b>Group</b>
Net interest and commission income external	5,6	95,1	150,7	50,3	89,1	0,6	-57,4	0,0	334,0
Net interest and commission income internal	0,0	0,0	4,1	-39,7	-26,1	-4,3	66,0	0,0	0,0
<b>Net interest and commission income</b>	<b>5,6</b>	<b>95,1</b>	<b>154,8</b>	<b>10,6</b>	<b>63,0</b>	<b>-3,7</b>	<b>8,6</b>	<b>0,0</b>	<b>334,0</b>
Total net other income external	2,5	44,3	22,0	0,0	-10,5	8,9	8,2	2,8	78,2
Total net other income internal	0,0	0,0	0,0	-4,8	0,0	6,3	6,4	-7,9	0,0
<b>Total income</b>	<b>8,1</b>	<b>139,4</b>	<b>176,8</b>	<b>5,8</b>	<b>52,5</b>	<b>11,5</b>	<b>23,2</b>	<b>-5,1</b>	<b>412,2</b>
Payroll and general administration costs	2,5	47,4	13,5	0,2	20,1	4,1	83,5	0,0	171,3
Depreciation	0,0	0,0	0,0	0,0	1,1	3,0	4,7	0,0	8,8
Other operating costs external	0,1	0,4	0,0	2,3	4,2	4,1	28,2	0,3	39,6
Other operating costs internal	0,0	0,0	0,0	0,6	0,0	0,0	6,4	-7,0	0,0
<b>Total operating costs</b>	<b>2,6</b>	<b>47,8</b>	<b>13,5</b>	<b>3,1</b>	<b>25,4</b>	<b>11,2</b>	<b>122,8</b>	<b>-6,7</b>	<b>219,7</b>
<b>Profit before losses</b>	<b>5,5</b>	<b>91,6</b>	<b>163,3</b>	<b>2,7</b>	<b>27,1</b>	<b>0,3</b>	<b>-99,6</b>	<b>1,6</b>	<b>192,5</b>
Losses on loans, guarantees, etc.	0,0	0,1	0,1	0,0	6,4	0,0	-0,2	0,0	6,4
<b>Profit before tax</b>	<b>5,5</b>	<b>91,5</b>	<b>163,2</b>	<b>2,7</b>	<b>20,7</b>	<b>0,3</b>	<b>-99,4</b>	<b>1,6</b>	<b>186,1</b>
Tax on ordinary profit	0,0	0,0	0,0	0,8	5,8	-0,1	37,9	0,4	44,8
<b>After-tax profit</b>	<b>5,5</b>	<b>91,5</b>	<b>163,2</b>	<b>1,9</b>	<b>14,9</b>	<b>0,4</b>	<b>-137,3</b>	<b>1,2</b>	<b>141,3</b>

<b>30.09.2010</b>	<b>DinBANK.no</b>	<b>PM</b>	<b>BM</b>	<b>Housing Credit</b>	<b>AS Financiering</b>	<b>Spb Øst Eiendom</b>	<b>Undistribute d</b>	<b>Elimination</b>	<b>Group</b>
Net interest and commission income external	6,5	105,4	139,5	41,8	69,8	0,0	-48,5	0,0	314,5
Net interest and commission income internal	0,0	0,0	3,6	-32,5	-15,5	-3,6	48,0	0,0	0,0
<b>Net interest and commission income</b>	<b>6,5</b>	<b>105,4</b>	<b>143,1</b>	<b>9,3</b>	<b>54,3</b>	<b>-3,6</b>	<b>-0,5</b>	<b>0,0</b>	<b>314,5</b>
Total net other income external	2,9	46,1	15,6	0,0	-6,4	8,8	163,0	-0,1	229,9
Total net other income internal	0,0	0,0	0,0	-5,9	0,2	5,9	5,9	-6,1	0,0
<b>Total income</b>	<b>9,4</b>	<b>151,5</b>	<b>158,7</b>	<b>3,4</b>	<b>48,1</b>	<b>11,1</b>	<b>168,4</b>	<b>-6,2</b>	<b>544,4</b>
Payroll and general administration costs	2,4	50,9	13,3	0,2	17,1	3,9	58,3	0,0	146,1
Depreciation	0,0	0,0	0,0	0,0	0,8	2,6	6,0	0,0	9,4
Other operating costs external	0,1	0,5	0,1	0,4	4,5	3,6	32,3	-0,1	41,4
Other operating costs internal	0,0	0,0	0,0	0,0	0,0	0,0	6,1	-6,1	0,0
<b>Total operating costs</b>	<b>2,5</b>	<b>51,4</b>	<b>13,4</b>	<b>0,6</b>	<b>22,4</b>	<b>10,1</b>	<b>102,7</b>	<b>-6,2</b>	<b>196,9</b>
<b>Profit before losses</b>	<b>6,9</b>	<b>100,1</b>	<b>145,3</b>	<b>2,8</b>	<b>25,7</b>	<b>1,0</b>	<b>65,7</b>	<b>0,0</b>	<b>347,5</b>
Losses on loans, guarantees, etc.	0,0	0,2	-5,2	0,0	5,0	0,0	-9,4	0,0	-9,4
<b>Profit before tax</b>	<b>6,9</b>	<b>99,9</b>	<b>150,5</b>	<b>2,8</b>	<b>20,7</b>	<b>1,0</b>	<b>75,1</b>	<b>0,0</b>	<b>356,9</b>
Tax on ordinary profit	0,0	0,0	0,0	0,8	5,8	0,2	62,5	0,0	69,3
<b>After-tax profit</b>	<b>6,9</b>	<b>99,9</b>	<b>150,5</b>	<b>2,0</b>	<b>14,9</b>	<b>0,8</b>	<b>12,6</b>	<b>0,0</b>	<b>287,6</b>

<b>30.09.2011</b>	<b>DinBANK.no</b>	<b>PM</b>	<b>BM</b>	<b>Housing Credit</b>	<b>AS Financiering</b>	<b>Spb Øst Eiendom</b>	<b>Undistribute d</b>	<b>Elimination</b>	<b>Group</b>
Loans and receivables with customers	1.112,4	6.692,9	6.181,3	6.040,6	1.324,3	0,0	402,8	-299,2	21.455,1
Other assets	1,3	18,7	21,1	83,6	33,8	460,3	9.212,9	-3.910,8	5.920,9
<b>Total assets</b>	<b>1.113,7</b>	<b>6.711,6</b>	<b>6.202,4</b>	<b>6.124,2</b>	<b>1.358,1</b>	<b>460,3</b>	<b>9.615,7</b>	<b>-4.210,0</b>	<b>27.376,0</b>
Deposits from and liabilities to customers	345,0	5.543,1	3.202,7	0,0	36,4	0,0	-516,2	-37,9	8.573,1
Other liabilities	930,7	146,4	200,6	5.868,1	1.198,3	359,1	12.003,0	-3.797,1	16.909,1
Total liabilities per segment	1.275,7	5.689,5	3.403,3	5.868,1	1.234,7	359,1	11.486,8	-3.835,0	25.482,2
Total equity	0,0	0,0	0,0	256,1	123,4	101,2	1.788,1	-375,0	1.893,8
<b>Total liabilities and equity</b>	<b>1.275,7</b>	<b>5.689,5</b>	<b>3.403,3</b>	<b>6.124,2</b>	<b>1.358,1</b>	<b>460,3</b>	<b>13.274,9</b>	<b>-4.210,0</b>	<b>27.376,0</b>

<b>30.09.2010</b>	<b>DinBANK.no</b>	<b>PM</b>	<b>BM</b>	<b>Housing Credit</b>	<b>AS Financiering</b>	<b>Spb Øst Eiendom</b>	<b>Undistribute d</b>	<b>Elimination</b>	<b>Group</b>
Loans and receivables with customers	1.326,0	7.688,1	5.680,0	2.510,2	928,4	0,0	377,1	-151,2	18.358,6
Other assets	1,4	20,1	26,3	42,7	25,3	267,4	7.652,9	-2.582,5	5.453,6
<b>Total assets</b>	<b>1.327,4</b>	<b>7.708,2</b>	<b>5.706,3</b>	<b>2.552,9</b>	<b>953,7</b>	<b>267,4</b>	<b>8.030,0</b>	<b>-2.733,7</b>	<b>23.812,2</b>
Deposits from and liabilities to customers	364,7	3.872,4	2.745,7	0,0	41,0	0,0	139,0	-14,8	7.148,0
Other liabilities	930,9	85,4	164,1	2.388,0	807,4	165,0	12.776,5	-2.432,7	14.884,6
Total liabilities per segment	1.295,6	3.957,8	2.909,8	2.388,0	848,4	165,0	12.915,5	-2.447,5	22.032,6
Total equity	0,0	0,0	0,0	164,9	105,3	102,4	1.693,2	-286,2	1.779,6
<b>Total liabilities and equity</b>	<b>1.295,6</b>	<b>3.957,8</b>	<b>2.909,8</b>	<b>2.552,9</b>	<b>953,7</b>	<b>267,4</b>	<b>14.608,7</b>	<b>-2.733,7</b>	<b>23.812,2</b>

## Customer deposits divided by sector and industry

(Figures in NOK 1,000)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
Salaried employees	4.664.677	4.306.991	4.311.536	4.640.814	4.314.916	4.319.951
Public administration	105.118	164.405	151.750	105.118	164.405	151.750
Agriculture, forestry, fishing etc	116.922	122.033	116.721	116.922	122.033	116.721
Industry and mining, power and water sup	212.904	171.946	194.494	212.904	171.946	194.571
Construction and civil engineering	343.477	323.150	370.924	345.599	325.908	373.347
Retail, hotel and catering	381.560	372.284	431.394	384.407	375.290	434.210
Transport/communication	117.119	119.507	129.399	117.581	119.993	130.006
Financial service business	1.408.273	480.559	827.611	1.419.615	492.654	838.836
Other service industries	568.098	555.540	528.806	569.435	565.984	539.259
Real estate turnover and operations	606.941	464.586	511.389	611.312	454.055	483.672
Foreign	49.361	40.840	47.853	49.361	40.840	47.853
<b>Total</b>	<b>8.574.450</b>	<b>7.121.841</b>	<b>7.621.877</b>	<b>8.573.068</b>	<b>7.148.024</b>	<b>7.630.176</b>

## Gross loans to customers divided by sector and industry

(Figures in NOK 1,000)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
Salaried employees	9.063.520	10.673.637	11.393.688	16.330.300	14.058.751	15.168.113
Agriculture, forestry, fishing etc	194.456	183.650	184.192	198.352	184.699	185.099
Industry and mining, power and water sup	140.998	142.472	135.712	146.772	146.119	139.704
Construction and civil engineering	648.077	557.806	563.292	664.024	566.425	572.696
Retail, hotel and catering	469.856	505.261	490.740	514.236	543.495	529.837
Transport/communication	82.618	101.357	91.119	97.013	105.699	96.372
Financial service business	240.049	232.886	254.460	250.673	240.276	261.211
Other service industries	375.545	317.975	326.648	406.798	338.334	350.509
Real estate turnover and operations	3.263.805	2.439.607	2.472.193	2.981.862	2.303.312	2.316.984
Foreign	16.401	21.187	22.312	19.214	23.552	24.442
<b>Total</b>	<b>14.495.325</b>	<b>15.175.838</b>	<b>15.934.356</b>	<b>21.609.244</b>	<b>18.510.662</b>	<b>19.644.967</b>

## Debt securities and subordinated debt

(Figures in NOK mill.)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
<b>Debt securities</b>						
Certificates, nominal value	0	0	0	0	0	0
Bonds, nominal value	9.343,5	9.429,5	9.991,5	12.955,0	10.380,0	11.442,0
Value adjustments (including o/u rate)	78,6	46,0	28,7	77,7	43,7	24,8
<b>Total debt securities</b>	<b>9.422,1</b>	<b>9.475,5</b>	<b>10.020,2</b>	<b>13.032,7</b>	<b>10.423,7</b>	<b>11.466,8</b>

Changes to debt securities Group	30.09.2011	Issued	Matured/red eemed	Changes to exchange rates	31.12.2010
Certificates, nominal value	0	0	0	0	0
Bonds, nominal value	9.343,5	1.630,0	2.278,0	0	9.991,5
Preferential bonds (OMF), nominal value	3.611,5	2.161,0	0	0	1.450,5
Value adjustments (including o/u rate)	77,7	0	0	0	24,8
<b>Total debt securities</b>	<b>13.032,7</b>	<b>3.791,0</b>	<b>2.278,0</b>	<b>0</b>	<b>11.466,8</b>

The difference between the Parent bank and the Group is preferential bonds (OMF), nominal value NOK 3,611.5 million.

Changes to subordinated debt and fund bonds	30.09.2011	Issued	Matured/red eemed	Changes to exchange rates	31.12.2010
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)	0,0	0	0	0	-0,7
<b>Total subordinated debt and fund bonds</b>	<b>600,0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>599,3</b>

## Capital adequacy

(Figures in NOK 1,000)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
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	826.429	695.351	826.429	826.429	695.351	826.429
Other reserves not included in tier 1 capital	160.229	118.254	273.885	262.094	201.518	375.750
Fund notes up to 15%	272.975	237.347	274.740	296.836	255.826	296.463
Other tier 1 capital	0	0	0	0	0	0
Deductions in tier 1 capital	-34.888	-63.726	-138.544	-1.545	-42.277	-117.311
50/50-deduction in tier 1 capital	-111.894	-93.202	-126.270	-111.029	-87.966	-120.115
<b>Net tier 1 capital</b>	<b>1.707.941</b>	<b>1.489.114</b>	<b>1.705.330</b>	<b>1.867.875</b>	<b>1.617.542</b>	<b>1.856.306</b>
Fund notes exceeding 15%	27.442	62.568	25.085	3.581	44.090	3.362
Subordinate loan capital	299.623	359.145	299.445	299.623	359.145	299.445
Unrealised gains IFRS	31.015	0	31.015	31.015	0	31.015
50/50-deduction in additional capital	-111.894	-93.202	-126.270	-111.029	-87.966	-120.115
<b>Net additional capital</b>	<b>246.186</b>	<b>328.511</b>	<b>229.275</b>	<b>223.190</b>	<b>315.269</b>	<b>213.707</b>
<b>Net subordinated capital</b>	<b>1.954.127</b>	<b>1.817.625</b>	<b>1.934.605</b>	<b>2.091.065</b>	<b>1.932.811</b>	<b>2.070.013</b>
<b>Calculation base</b>						
Calculation base balance sheet items	10.052.594	10.103.201	9.770.962	12.383.463	11.142.126	11.016.630
Calculation base off-balance sheet items	1.139.713	577.388	593.010	524.822	577.388	537.078
Calculation base exchange risk	0	0	0	0	0	0
Calculation base operational risk	796.891	716.820	716.820	896.942	827.159	827.159
Deductions from the calculation base	-296.716	-228.609	-328.344	-297.856	-221.007	-318.903
<b>Total calculation base (risk-weighted balance)</b>	<b>11.692.482</b>	<b>11.168.800</b>	<b>10.752.448</b>	<b>13.507.371</b>	<b>12.325.666</b>	<b>12.061.964</b>
<b>Capital adequacy</b>	<b>16,71%</b>	<b>16,27%</b>	<b>17,99%</b>	<b>15,48%</b>	<b>15,68%</b>	<b>17,16%</b>
<b>Tier 1 capital adequacy</b>	<b>14,61%</b>	<b>13,33%</b>	<b>15,86%</b>	<b>13,83%</b>	<b>13,12%</b>	<b>15,39%</b>

## Guarantee liabilities and other off Balance Sheet items

(Figures in NOK 1,000)

	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010	Group 30.09.2011	Group 30.09.2010	Group 31.12.2010
<b>Guarantee liabilities</b>						
Payment guarantees	187.746	182.074	217.350	188.575	183.405	218.681
Contract guarantees	147.967	179.535	185.767	147.967	179.535	185.767
Loan guarantees	33.052	29.737	27.739	33.127	29.812	27.814
Other guarantee liabilities	31.759	32.448	31.561	31.759	32.448	31.561
<b>Total customer guarantees</b>	<b>400.524</b>	<b>423.794</b>	<b>462.417</b>	<b>401.428</b>	<b>425.200</b>	<b>463.823</b>
Guarantee - Eksportfinans ASA	50.163	58.040	59.731	50.163	58.040	59.731
Guarantees to the Norwegian Banks' Guarantee Fund	0	8.280	8.280	0	8.280	8.280
<b>Total guarantee liabilities</b>	<b>450.687</b>	<b>490.114</b>	<b>530.428</b>	<b>451.591</b>	<b>491.520</b>	<b>531.834</b>

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

### Pledges and preferential bonds

Bonds, nominal value, put up as collateral for access to loans in Norges Bank	3.106.500	3.211.500	2.926.500	3.106.500	3.211.500	2.926.500
<b>Pledges *)</b>	<b>3.106.500</b>	<b>3.211.500</b>	<b>2.926.500</b>	<b>3.106.500</b>	<b>3.211.500</b>	<b>2.926.500</b>
<b>Pledges in swap scheme</b>	<b>938.500</b>	<b>999.500</b>	<b>999.500</b>	<b>938.500</b>	<b>999.500</b>	<b>999.500</b>
<b>Preference in terms of sections 2-35 of the Financi</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3.611.500</b>	<b>950.500</b>	<b>1.450.500</b>

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

## Additional information for Cash Flow Statement

Group 30.09.2011	Group 30.09.2010	Group 31.12.2010	(Figures in NOK mill.)	Parent bank 30.09.2011	Parent bank 30.09.2010	Parent bank 31.12.2010
<b>Cash and cash equivalents</b>						
842,7	191,9	696,5	Cash and receivables at central banks	842,7	191,9	696,5
921,1	1.168,0	919,5	Treasury bills	921,1	1.168,0	919,5
11,3	16,3	13,7	Loans to and receivables on credit institutions that are clean placements	10,4	16,3	13,7
<b>1.775,1</b>	<b>1.376,2</b>	<b>1.629,7</b>	<b>Total</b>	<b>1.774,2</b>	<b>1.376,2</b>	<b>1.629,7</b>
<b>Changes in assets in connection with operations</b>						
22,9	-1,6	-4,4	Net changes in financial assets held for the purposes of trade	22,9	-1,6	-4,4
-18,3	-0,4	-3,4	Net changes in financial derivatives (net assets and liabilities)	-18,3	-0,4	-3,4
-439,1	126,3	572,2	Net change in financial assets at fair value as determined by the result.	-576,6	376,8	822,7
23,6	268,5	329,5	Changes in gross loans to credit institutions	-1.148,8	316,8	487,4
-1.964,2	-1.737,3	-2.871,6	Changes in gross loans to credit institutions	1.439,0	-1.024,5	-1.783,0
-2,9	-10,6	0,0	Net changes to other assets	-0,7	-8,9	7,5
<b>-2.378,0</b>	<b>-1.355,1</b>	<b>-1.977,7</b>	<b>Total</b>	<b>-282,5</b>	<b>-341,8</b>	<b>-473,2</b>
<b>Changes in assets in connection with operations</b>						
942,9	-148,8	333,4	Changes in customer deposits	952,6	-120,3	379,8
0,0	0,0	0,0	Change in liabilities to the state, swap of OMF preferential bonds	0,0	0,0	0,0
28,5	1,6	-469,9	Changes in debt to credit institutions	8,8	-22,1	-482,1
98,2	97,1	-18,1	Changes in other liabilities	112,6	98,8	-73,3
<b>1.069,6</b>	<b>-50,1</b>	<b>-154,6</b>	<b>Total</b>	<b>1.074,0</b>	<b>-43,6</b>	<b>-175,6</b>
<b>Non-cash items included in profit before tax</b>						
8,8	9,4	12,6	Writedowns on fixed assets	4,7	6,1	7,9
1,6	2,2	2,9	Amortisation of financial investments held to maturity	1,6	2,2	2,9
-15,6	-11,7	1,7	Writedown of financial assets	-15,6	-12,8	-0,2
3,6	6,6	8,1	Amortisation financing activities measured at amortised cost	3,2	6,2	7,8
<b>-1,6</b>	<b>6,5</b>	<b>25,3</b>	<b>Total</b>	<b>-6,1</b>	<b>1,7</b>	<b>18,4</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.)

	30.09.2011	30.09.2010	31.12.2010
<b>Result</b>			
Interest income from subsidiaries	52,5	31,3	45,1
Interest certificates and preferential bonds from subsidiaries	24,3	21,5	29,4
Interest costs of subsidiaries	1,3	1,3	1,8
Management remuneration, etc. from Sparebanken Øst Boligkreditt AS	5,5	6,0	9,2
Rent to subsidiaries	6,0	5,8	7,8
Other costs to subsidiaries	0,2	0,3	0,4
<b>Balance Sheet</b>			
Loans to subsidiaries	2.571,1	1.360,4	1.261,1
Investments OMF in subsidiaries	1.138,5	999,5	999,5
Accrued interest income (OMF) from subsidiaries	2,3	1,4	1,4
Accrued interest income from subsidiaries	1,4	1,9	1,5
Deposits from subsidiaries	97,0	46,5	74,0
Accrued interest costs of subsidiaries	1,3	1,0	0,0
Other commitments of subsidiaries	23,7	36,9	0,3

### 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 12 in the annual financial statements.



## Profit per equity certificate

Profit per equity certificate is calculated by dividing that part of the profit after tax which falls to the equity capital certificate owners by weighted average of the number of outstanding equity certificates during the year. If the annual results show a deficit this is covered by a proportional transfer from respectively, the savings bank fund, endowment fund and equalisation fund. 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.)	<b>Parent bank</b>	<b>Group</b>
	<b>30.09.2011</b>	<b>30.09.2011</b>
After-tax profit	117,3	141,3
Profit after tax allocated to equity certificate owners	54,0	65,1
Weighted average of number of outstanding equity certificates	20,7	20,7
<b>Profit per equity certificate</b>	<b>2,61</b>	<b>3,14</b>

## Fractional ownership parent bank

(Figures in NOK mill.)	<b>01.01.2011</b>	<b>01.01.2010</b>
Equity capital certificate	207,3	207,3
Premium reserve	387,8	387,8
Equalisation fund (excl. dividend)	137,8	100,8
Amount available for sale reserve	31,7	-
<b>Total numerator (A)</b>	<b>764,6</b>	<b>695,9</b>
Total equity (year's allocation for dividends excluded)	1.660,7	1.418,7
<b>Sum denominator(B)</b>	<b>1.660,7</b>	<b>1.418,7</b>
<b>Fractional ownership(A/B) in %</b>	<b>46,04</b>	<b>49,05</b>

## Equity instruments

### Various key figures equity certificates:

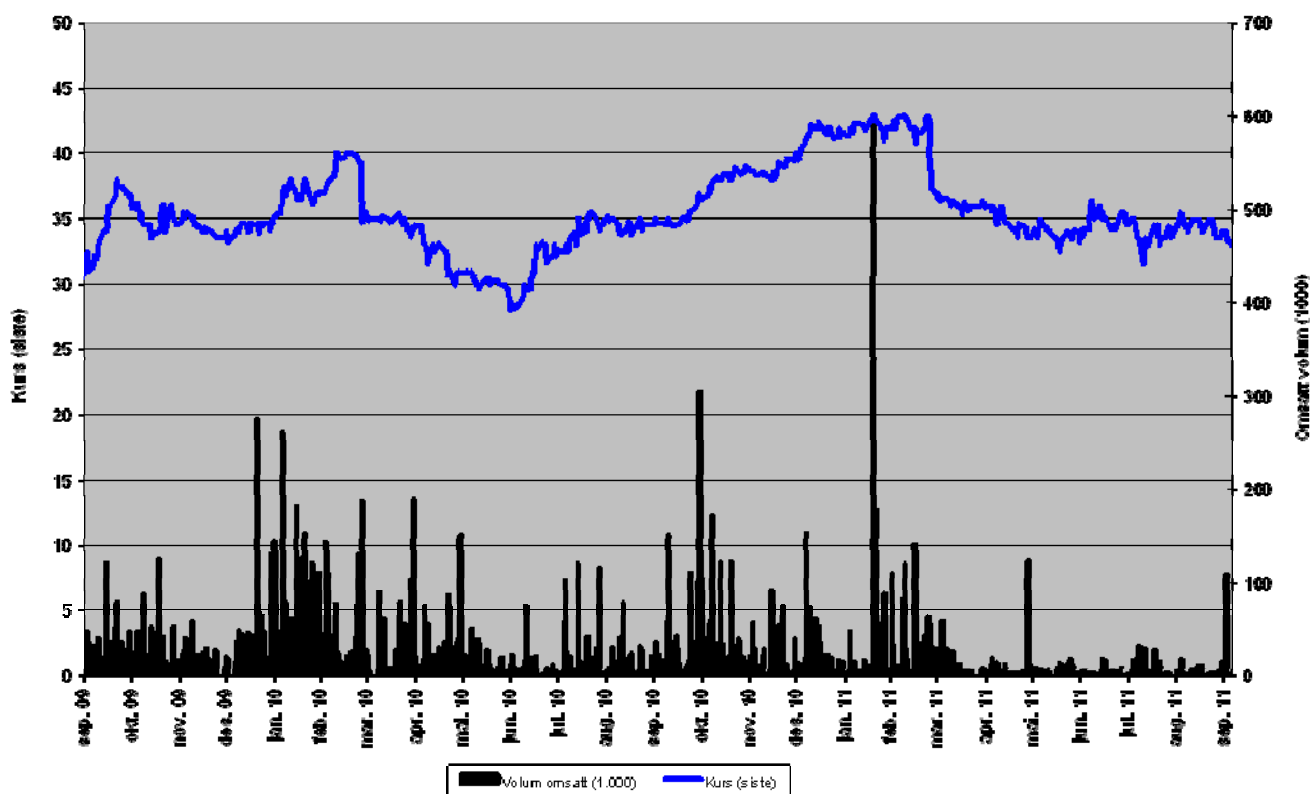
	30.09.2011	2010	2009	2008	2007
Profit per certificate after tax (Group) NOK 1)	4,21	7,22	7,05	-8,05	19,84
Profit per certificate after tax (parent bank) NOK 1)	3,48	6,78	6,42	-8,15	17,95
Fractional ownership 2)	46,04 %	49,05 %	49,63 %	33,39 %	34,87 %
No. of equity certificates (millions)	20,73	20,73	20,73	3,88	3,64
Book equity per certificate NOK 3)	42,28	39,14	35,56	124,47	134,14
Dividend NOK	-	5,00	4,00	-	15,00
Turnover rate (realised/issued)	24,83 %	45,09 %	103,10 %	8,21 %	12,57 %

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 capital (Group) divided by number of equity certificates. Results YTD have not been included.

## Sparebanken Øst (SPOG)



## The 20 largest equity certificate holders as at 30.09.2011

Name	Quantity	%	Name	Quantity	%
1 MP Pensjon	2.073.100	10,00 %	11 Teleplan Holding AS	239.665	1,16 %
2 Skagen Vekst VPF.	1.500.000	7,24 %	12 Høibraaten, Claus Jørgen	200.000	0,96 %
3 Directmarketing Invest AS	999.500	4,82 %	13 Hustadlitt AS	200.000	0,96 %
4 Hansen, Asbjørn Rudolf	466.443	2,25 %	14 Terra utbytte VPF	190.649	0,92 %
5 Storetind AS	428.631	2,07 %	15 Julius Johannessen & Sønner AS	175.000	0,84 %
6 Sparebankstiftelsen DnB NOR	308.320	1,49 %	16 Anna AS	162.280	0,78 %
7 Nordea Bank Norge ASA	300.000	1,45 %	17 Andersen, Gunnar	157.262	0,76 %
8 Nordisk Finans Invest AS	297.323	1,43 %	18 Løkke, Helge Arnfinn	148.433	0,72 %
9 AS Andersen Eiendom	249.500	1,20 %	19 Teigen, Hellig	120.400	0,58 %
10 Foretakskonsulenter AS	243.600	1,18 %	20 Profond AS	120.000	0,58 %