

172nd. year

QUARTERLY REPORT 2014

Quarterly report 3. quarter 2014

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Key financial ratios - Group

	30.09.2014	30.09.2013	31.12.2013	31.12.2012
Average equity, excluding dividend (NOK million)	2.602,1	2.176,4	2.268,1	1.960,6
Average total assets (NOK million)	33.164,6	29.954,1	30.178,7	28.698,8
Profit after tax as a percentage of average total assets	1,48	0,95	0,94	0,91
Profit before losses as a percentage of average total assets	1,90	1,33	1,34	1,34
Net interest income as a percentage of average total assets	1,83	1,85	1,87	1,78
Costs as a percentage of average total assets	0,87	0,96	0,97	1,02
Costs as a percentage of income (before losses on loans/guarantees)	31,57	41,97	42,04	43,20
Costs as a percentage of income, excl. return on financial investments	42,39	45,08	44,55	48,48
Return on equity, %	17,01 *)	13,13	12,46	13,38
Net lending to customers (NOK million)	28.389,8	25.005,6	25.707,9	22.560,2
Deposits from customers (NOK million)	13.090,9	12.135,8	12.539,2	11.687,9
Deposit-to-loan ratio	46,11	48,53	48,78	51,81
Deposit-to-loan ratio (parent bank)	71,65	76,04	74,04	89,42
Capital adequacy ratio, %	16,71	14,97	18,41	15,68
Tier 1 capital ratio, %	14,41	14,20	15,75	14,85
CET1 capital ratio, %	12,44	12,23	13,23	12,76
CET1 capital ratio incl. 50% of unallocated profit, %	13,48	12,92	13,23	12,76
Number of full-time equivalents	223	228	233	224

The figures as a percentage of average total assets and return on equity are annualised.

*) In the calculation of return on equity at 30.09.14, the gain on the sale of Nets Holding AS is not included in the annualisation.

Interim Report 3rd Quarter 2014 - Sparebanken Øst

- **Large gain on Nets Holding AS**
- **Stable net interest measured in NOK**
- **Strong growth in lending to private customers**

INCOME STATEMENT

The Group's profit before tax was NOK 449.0 million at the end of Q3 2014, compared with NOK 293.0 million for the same period the previous year. The result was affected by a gain of NOK 134.7 million on the sale of shares in Nets Holding AS, which was recognised in ordinary profit for Q3 2014. The equivalent change in value that had accumulated in comprehensive income was reversed. The improvement was also due to an increase in interest and credit commission income, and a gain on the sale of shares in Frende Holding AS, recognised in Q1 2014.

Profit before tax as a percentage of average total assets was 1.81 percent, compared with 1.31 percent for the same period the previous year.

Profit after tax was NOK 367.9 million, compared with NOK 213.7 million for the same period the previous year, giving a return on equity of 17.01 percent. Tax expenses were low as a result of the gain on the sale of shares in Nets Holding AS.

The parent bank's profit after tax was NOK 333.7 million at the end of Q3 2014, compared with NOK 191.6 million for the same period the previous year. In Q1 2014, the parent bank received a dividend of NOK 60.0 million from subsidiaries. The dividend has been eliminated in the consolidated accounts. In Q1 2013, the parent bank recognised Group contributions of NOK 71.0 million from subsidiaries, net of tax.

Net interest income

Net interest and credit commission income was NOK 454.2 million, which is an increase of NOK 39.9 million compared with the same period the previous year. Net interest and credit commission income measured in NOK has remained stable at approx. NOK 150 million per quarter over the last five quarters. Net interest as a percentage of average total assets declined during the quarter, while net

interest measured in NOK maintained its level in Q3, due to an increase in the lending volume.

Fees to the Norwegian Banks' Guarantee Fund were NOK 7.9 million for the year to date, compared with NOK 6.8 million for the same period the previous year.

Net interest income and credit commission as a percentage of average total assets was 1.83 percent at the end of Q3 2014. The comparative figures are 1.87 percent at the end of the previous quarter, 1.87 percent at the end of 2013 and 1.85 percent at the end of Q3 2013.

Operating income

Dividends from equity instruments, mainly from Nets Holding AS, amounted to NOK 7.3 million. The figure for the year to date is NOK 5.7 million lower than in the same period the previous year. The decline is mainly due to the dividend from Nordito Property AS in 2013.

In addition, the parent bank has recognised dividends of NOK 60.0 million from subsidiaries during 2014. This amount is eliminated in the consolidated accounts.

Commission income and income from banking services was NOK 60.9 million, which is an increase of NOK 2.5 million compared with the same period the previous year. Commission income is derived from traditional banking services.

Commission expenses and costs of banking services amounted to NOK 32.7 million, which is an increase by NOK 2.9 million compared with the same period the previous year. The increase is due to agency fees.

Net value changes and gains/losses on financial assets were NOK 168.2 million at the end of Q3 2014. The gain on the sale of the bank's interest in Nets Holding AS was NOK 134.7 million and this was recognised in

ordinary profit for Q3 2014. In addition, the realised gain on the sale of shares in Frende Holding AS amounted to NOK 11.7 million. Net income relating to the guarantee to Eksportfinans ASA was NOK 12.9 million. Net value changes and gains/losses on financial assets amounted to NOK 22.3 million at the end of Q3 2014. This included a net amount of NOK 4.0 million relating to the Eksportfinans ASA guarantee.

Other operating income was NOK 29.5 million at the end of Q3 2014, which is a decline of NOK 4.8 million from the same period the previous year and a decline of NOK 0.5 million from the previous quarter.

Operating expenses

Total operating expenses were NOK 217.0 million, corresponding to 0.87 percent of average total assets. Total operating expenses for the same period the previous year were NOK 215.1 million, corresponding to 0.96 percent of average total assets.

Payroll and general administrative expenses amounted to NOK 161.5 million at the end of Q3 2014, compared with NOK 162.5 million for the same period the previous year. The Group had 223 active FTEs at the end of Q3 2014, compared with 228 at the same point the previous year and 233 at the end of 2013. The parent bank had 192 active FTEs at the end of Q3 2014, compared with 198 at the same point the previous year and 202 at 31 December 2013.

Depreciation amounted to NOK 14.6 million at the end of Q3, compared with NOK 13.3 million for the same period the previous year. The increase is mainly related to a new portfolio of IT systems in the bank.

Other operating expenses were NOK 40.9 million, compared with NOK 39.3 million for the same period the previous year.

Losses on loans and guarantees

The Group's recognised losses on loans and guarantees amounted to NOK 21.4 million at the end of Q3 2014, compared with NOK 4.4 million for the same period the previous year. The parent bank's figures for the previous year were affected by reversals of previous losses. The parent bank's losses on loans are mainly related to a shortfall in a problem commitment for which the collateral has now been realised.

Individual impairment losses on loans and guarantees to customers amounted to NOK 102.9 million at the end of Q3 2014, which is an increase of NOK 5.9 million since the end of 2013.

Impairment losses on groups of loans to customers amounted to NOK 43.4 million at the end of Q3 2014, and are unchanged since the end of 2013.

Gross defaults and non-performing loans amounted to NOK 479.1 million, compared with NOK 487.4 million at the end of 2013 and NOK 581.9 million at the end of Q3 2013. Net defaults and non-performing loans were NOK 375.7 million, which is a decline of NOK 13.7 million compared with 31 December 2013 and a decline of NOK 114.7 million compared with the end of Q3 2013.

BALANCE SHEET

Total assets have increased by NOK 3,883.0 million since the end of 2013 and amounted to NOK 34,960.3 million at the end of Q3 2014.

Cash and balances at central banks have increased by NOK 100.1 million since the end of 2013 and were NOK 457.6 million at 30 September 2014.

Net loans to credit institutions amounted to NOK 8.3 million at the end of Q3 2014, which is a decline of NOK 0.3 million since 31 December 2013. Loans to credit institutions are inter-bank loans in Norway.

Net loans to customers have increased by NOK 2,681.9 million since the end of 2013 and amounted to NOK 28,389.8 million at the end of Q3 2014. Net growth in lending over the last 12 months was 13.53 percent. Net loans to private customers increased by 18.2 percent, while net loans to business customers declined by 7.5 percent.

Gross loans to private customers accounted for 85.0 percent of total loans to customers.

Holdings of certificates and bonds (including treasury bills) have increased by NOK 1,171.5 million since the end of 2013 and amounted to NOK 4,674.1 million. The holdings consist exclusively of the liquidity portfolio and have a nominal value of NOK 4,618.8 million.

The weighted average maturity of the liquidity portfolio up to the agreed due date is estimated at 2.14 years.

The bank's shares in Frende Holding AS and Eksportfinans ASA are classified as available-for-sale. The valuation of the shares in Frende Holding AS is based on the price at the last transaction and was NOK 200.8 million at the end of Q3 2014. An equivalent valuation per share was used as the basis at 31 December 2013.

The value of the Eksportfinans ASA shareholding recognised in the balance sheet was NOK 208.3 million. There were no circumstances indicating any changes in the valuation of these shares at the end of Q3 2014.

Deposits from customers have increased by NOK 551.7 million since the end of 2013 and amounted to NOK 13,090.9 million at the end of Q3 2014. Growth in deposits over the last 12 months was 7.9 percent. The deposit-to-loan ratio was 46.1 percent at the end of Q3 2014, compared with 48.8 percent at the end of 2013 and 48.5 percent at the end of Q3 2013.

The parent bank's deposit-to-loan ratio was 71.7 percent at the end of Q3 2014.

Liabilities arising from the issuance of securities amounted to NOK 17,611.3 million, which is an increase of NOK 3,574.3 million since the end of 2013.

Other long-term loans amounted to NOK 340.4 million at the end of Q3 2014, which is a decline of NOK 433.1 million since the end of 2013.

Short-term funding (defined as funding with a remaining maturity of less than 1 year) was NOK 2,819.0 million.

RISKS

Credit risk

Sparebanken Øst has established a credit strategy that covers various types of credit risk associated with lending, credit and guarantees granted to customers in the private and business markets, and counterparty risk associated with securities.

The purpose of the credit strategy is to help ensure that the bank's credit-granting activities are in line with the framework conditions and guidelines adopted under the bank's overall business concept and strategic plans, including a requirement that the activities are reasonable in terms of the bank's ability and

willingness to assume risk. The strategy will further contribute to ensuring that the bank's established credit portfolio is of a quality and structure to ensure the bank's profitability in the short and long term, and that the bank's credit risk is managed in accordance with statutory and regulatory requirements, circulars from the authorities and other regulatory provisions.

The principles in the strategy document are included in the bank's credit manuals, as well as the bank's established instructions.

Within the private and business markets, the ability and willingness to pay are key aspects of credit assessment. Risk associated with lending to customers is measured by means of a customer risk classification. The risk classification is established as an integral part of the credit process.

Credit risk trends are monitored regularly by means of quarterly reports to the bank's management and board.

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

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

The low proportion of lending to business customers contributes to a low concentration risk for the bank. Exposure to property represents a relatively large proportion of the business portfolio, but a small proportion of the bank's total lending portfolio.

As a general rule, loans and credit are conditional on the provision of satisfactory collateral. The bank has low exposure to loans and credit without related collateral.

The bank also takes a credit risk in its management of liquidity reserves and surplus liquidity. The bank intends to hold interest-bearing securities with low credit risk for liquidity purposes (reserves for disposal as required) or as the basis for deposits to raise loans from the central bank, or for both purposes.

The bank's credit risk is monitored continuously and updated overviews of the bank's overall counterparty risk are in place.

Market risk

Sparebanken Øst has a financial strategy aimed at ensuring that the bank's activities in the financial area are in line with the framework conditions and guidelines adopted under the bank's overall business concept, strategic plans and budgets, and that the activities are reasonable in terms of the bank's capacity and willingness to assume risk.

The financial strategy is also aimed at ensuring that the bank's financial risk is managed in accordance with statutory and regulatory requirements, circulars from the authorities and other regulatory provisions.

Sparebanken Øst has a liquidity portfolio of interest-bearing securities, mainly issued by Nordic credit institutions, Norwegian banks, municipalities, the state and state-guaranteed entities. On this basis, the bank has a credit spread risk. Interest-rate risk is kept within fixed boundaries, and is minimised by having variable interest rates for most assets and liabilities or swapping to variable interest rates. Currency risk is reduced by entering into forward contracts or basis swaps. The bank has very little interest-rate and currency-risk exposure in its balance sheet. There is also minimal exposure to equity instruments beyond the bank's subsidiaries and strategic investments.

Liquidity risk

Sparebanken Øst adopts a conservative approach to liquidity risk, which is managed according to a defined framework. The bank must maintain sufficient liquidity to be in a position to conduct normal operations for 12 months without the need for additional financing. Non-liquid assets are financed on a long-term basis. Sparebanken Øst issues covered bonds through the bank's wholly-owned credit institution. In principle, covered bonds are issued with long maturities, while senior bond loans are issued with maturities that constantly match the existing maturity profile.

Operational risk

Operational risk is managed and controlled through annual reviews of the bank's key processes, and established internal controls, with six-monthly confirmation from management that these have taken place. In addition, registered incidents and risk level assessments are reported to the Board on a quarterly basis. The Group has not registered

any significant losses due to the failure of internal processes, systems, human error or unforeseen events in the year to date.

CAPITAL ADEQUACY

Regulations on capital requirements and the calculation of subordinated capital have been amended in response to the introduction of CRD IV with effect from 30 September 2014. Figures at 30 September 2014 are calculated using transitional rules, which means the fund for unrealised gains for items classified as available-for-sale still cannot be included in common equity Tier 1 capital. Net subordinated capital amounted to NOK 2,959.1 million at the end of Q3 2014, with the Group's Tier 1 capital amounting to NOK 2,551.3 million. With risk-weighted assets of NOK 17,708.3 million, this represents a capital ratio of 16.71 percent and a Tier 1 capital ratio of 14.41 percent. The CET1 capital ratio is 12.44 percent. The CET1 capital ratio including 50 percent of non-allocated profit is 13.48 percent. The bank uses the standardised approach to calculate the minimum subordinated capital requirement for credit risk.

RATING

Sparebanken Øst has a Baa1 rating from Moody's, with a negative outlook. As part of Moody's assessment of the new crisis management directive in the EU, the bank was among 82 European banks for which the outlook was changed to negative on 30 May 2014. All Norwegian savings banks now have a negative outlook rating from Moody's.

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 mortgages, property mortgages and loans secured by liens on other registered assets or public loans, and financing lending activities, mainly by issuing covered bonds. The security portfolio had a loan to value ratio of 47.6 percent at the end of Q3 2014. The corresponding figures were 46.7 percent at the end of Q3 2013 and 47.0 percent at the end of 2013.

The company's total assets amounted to NOK 9,093.9 million at 30 September 2014, and consisted mainly of first-priority home mortgages, financed by covered bonds and a

credit facility from the parent company. The company's paid-in capital is NOK 450.0 million, comprising NOK 266.5 million in share capital and a share premium reserve of NOK 183.5 million. It was decided to increase capital by NOK 200.0 million. Profit after tax was NOK 67.0 million at the end of Q3 2014, compared with NOK 59.9 million for the same period the previous year. The company does not have any employees, but procures services from Sparebanken Øst. Sparebanken Øst Boligkreditt AS was rated AAA by Moody's in Q1 2011.

The financing company **AS Financiering** is a wholly owned-subsiary of Sparebanken Øst. Its main product is financing of used cars. The company's profit after tax was NOK 23.5 million at the end of Q3 2014, compared with NOK 26.9 million for the same period the previous year. Total assets amounted to NOK 1,688.9 million. The company had 26 employees, corresponding to 25 FTEs, at the end of Q3 2014.

Sparebanken Øst Eiendom AS is primarily engaged in standard property operations, including property purchases, sales, leasing and development, and the purchase and sale of fixtures and fittings within different business areas. Operating income amounted to NOK 32.3 million at the end of Q3 2014, compared with NOK 36.5 million for the same period the previous year. Profit after tax ended the quarter at NOK 4.4 million, compared with NOK 4.8 million at the same point the previous year. The company has 6 employees. Share capital amounts to NOK 35.1 million.

Øst Prosjekt AS is primarily engaged in taking over projects and conducting industrial and commercial activities in order to hedge and realise exposed positions in the parent bank. The company does not have any employees, Share capital amounts to NOK 12.0 million. Profit after tax was negative at NOK -0.1 million at the end of Q3 2014. This was in line with the figure at the end of Q3 2013. The company does not have any employees.

ACCOUNTING POLICIES

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

DIVIDEND POLICY

Sparebanken Øst's financial goal for its activities is to achieve results that provide a good and stable return on the bank's equity and create value for equity certificate holders, with competitive returns in the form of dividends and capital appreciation of equity certificates.

Profit for the year will be distributed to equity certificate holders and primary capital in accordance with their shares of the bank's equity. Sparebanken Øst will endeavour to pay 50-75 percent of the profit allocated to equity certificate holders as a dividend. In a normal year, about 10 percent is allocated for donation purposes.

When determining the dividend and donations, account is taken of the bank's earnings, the market situation, dividend stability and Tier 1 capital requirements.

OUTLOOK

Several market participants have announced a reduction in customer interest on home loans in Q3 2014. At the same time, a repricing of commercial property loans has been noted, with a considerable reduction in loan margins in some segments. Net interest and credit commission income will be influenced by these changes. Sharper competition for the bank's lending products will reduce revenue in the period ahead.

Lower growth in housing loans is expected. In recent years, the bank has adopted a cautious approach to the business market. It is expected that the bank will stabilise its loan volume towards business customers in the future.

There may be fluctuations in the market value of the guarantee to Eksportfinans ASA and securities in general. The market value of interest-bearing securities is generally affected by margin trends for individual securities, as well as the general liquidity situation in the market, and may fluctuate over time.

Declining housing prices and weaker growth in the Norwegian economy may result in increased losses in the banking sector in the period ahead.

The bank is adapting to the new capital adequacy rules and closely monitors developments in the market's capital

expectations beyond the regulatory requirements. Calculations show that the bank will comply with the expected capital requirements up to and including 2016. The bank's CET1 capital ratio target is 14.0 percent from 1 July 2016. Reduced risk after the sale of shares in Nets Holding AS and lower growth in lending support such a capital level. This capital level ensures growth capacity, manoeuvrability in relation to regulatory requirements, competitiveness in the bond market and the opportunity for a return on equity in line with the defined target. In future, the bank will seek to optimise the combination of common equity, hybrid capital and subordinated loans.

The bank considers a long-term, robust liquidity situation that provides security for long-term operations to be extremely important. The bank's liquidity target is for non-

liquid assets to have long-term financing of 103-107 percent, with the objective of 105 percent long-term financing over time. It is the bank's assessment that access to liquidity will be satisfactory in the immediate future. The EU has now approved covered bonds as level 1 in the LCR calculation. This makes adaptation to new liquidity requirements less expensive than previously thought.

Reduced risk, increasing margin pressure and an increased equity ratio will affect the rate of return over time. The bank's return on equity target has been defined at 10 percent over time.

Hokksund, 30 September 2014
Drammen, 28 October 2014

Jorund Rønning Indreliid
Chair

Knut Smedsrud
Deputy Chair

Morten André Yttreide

Roar Norheim Larsen

Sverre Nedberg

Elly Therese Thoresen

Hanne Solem

Inger Helen Pettersen
Employee representative

Pål Strand
CEO

Income Statement

Group 30.09.2014	Group 30.09.2013	Group 2013	(Figures in NOK million)	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 2013
1.008,5	943,6	1.273,4	Interest and similar income	708,5	666,2	899,8
554,3	529,3	708,9	Interest and similar expenses	437,3	427,0	570,2
454,2	414,3	564,5	Net interest and credit commission income	271,2	239,2	329,6
7,3	13,0	13,0	Dividend and other income from variable-yield securities	67,3	111,6	111,6
60,9	58,4	80,4	Commission income and income from banking services	68,8	65,9	90,3
32,7	29,8	40,6	Commission expenses and costs of banking services	13,4	10,5	14,6
168,2	22,3	26,4	Net value changes and gains/losses on financial investments	169,0	22,8	26,7
29,5	34,3	55,2	Other operating income	4,1	4,8	6,4
120,3	120,0	164,2	Payroll etc.	100,6	100,2	137,4
41,2	42,5	56,7	Administrative expenses	34,6	36,9	49,7
14,6	13,3	17,9	Depreciation/impairment and value changes, non-financial assets	6,4	4,9	6,7
40,9	39,3	55,0	Other operating expenses	33,9	32,7	46,5
470,4	297,4	405,1	PROFIT BEFORE LOSSES	391,5	259,1	309,7
21,4	4,4	16,2	Losses on loans and guarantees	11,6	-3,1	1,8
449,0	293,0	388,9	PROFIT BEFORE TAX	379,9	262,2	307,9
81,1	79,3	106,2	Tax expenses	46,2	70,6	84,4
367,9	213,7	282,7	PROFIT AFTER TAX	333,7	191,6	223,5
7,35	4,46	5,90	Earnings per equity certificate	6,67	4,00	4,67
7,35	4,46	5,90	Diluted earnings per equity certificate	6,67	4,00	4,67

Comprehensive income

Group 30.09.2014	Group 30.09.2013	Group 2013	(Figures in NOK million)	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 2013
367,9	213,7	282,7	PROFIT AFTER TAX	333,7	191,6	223,5
			Items that will not be reclassified to profit or loss			
0,0	0,0	-9,8	Actuarial gains and losses on defined-benefit plans	0,0	0,0	-11,1
0,0	0,0	2,7	Tax effect of actuarial gains and losses on defined-benefit plans	0,0	0,0	3,1
			Items that may be reclassified subsequently to profit or loss			
-90,2	-5,0	178,8	Changes in fair value of available-for-sale investments	-90,2	-5,0	178,8
277,7	208,7	454,4	COMPREHENSIVE INCOME	243,5	186,6	394,3

Balance sheet

Group 30.09.2014	Group 30.09.2013	Group 2013	(Figures in NOK million)	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 2013
457,6	597,5	357,5	Cash and balances with central banks	457,6	597,5	357,5
8,3	13,4	8,6	Loans to and receivables from credit institutions	2.321,7	2.942,8	2.101,7
28.536,1	25.140,5	25.848,3	Loans to and receivables from customers	18.384,6	16.042,9	17.031,0
102,9	91,5	97,0	- Individual impairment	40,6	37,3	38,3
43,4	43,4	43,4	- Impairment of groups of loans	40,1	40,1	40,1
4.473,6	3.162,1	3.301,9	Certificates, bonds etc. at fair value	5.021,1	3.162,1	3.543,6
455,7	468,7	650,9	Shares and other securities at variable yields	455,7	468,7	650,9
316,6	181,8	192,8	Financial derivatives	189,0	119,8	132,6
200,5	200,7	200,7	Certificates and bonds, held to maturity	200,5	200,7	200,7
0,0	0,0	0,0	Ownership interests in Group companies	687,3	687,2	687,2
0,0	0,0	0,0	Deferred tax assets	4,0	10,6	4,0
397,7	444,5	403,5	Investment properties	0,0	0,0	0,0
132,9	123,6	126,4	Fixed assets	79,1	72,2	72,8
36,9	34,9	40,0	Other assets	10,2	9,2	13,4
90,7	81,4	87,1	Prepaid expenses and accrued income	71,5	65,4	67,9
34.960,3	30.314,2	31.077,3	TOTAL ASSETS	27.801,6	24.301,7	24.784,9
340,4	847,1	773,5	Debt to credit institutions	559,8	1.030,1	989,0
13.090,9	12.135,8	12.539,2	Deposits from and liabilities to customers	13.115,6	12.139,5	12.552,1
29,9	31,7	24,0	Financial derivatives	29,9	31,7	24,0
17.611,3	14.089,3	14.037,0	Liabilities incurred on the issuance of securities	10.582,5	8.171,6	7.861,6
183,0	190,3	159,2	Other liabilities	122,2	140,4	91,3
200,6	186,6	97,1	Accrued expenses and prepaid income	175,8	164,4	73,9
38,2	26,0	38,6	Provisions for accrued expenses and liabilities	36,4	22,7	36,9
29,3	21,0	29,5	Deferred tax liabilities	0,0	0,0	0,0
698,3	504,1	851,3	Subordinated loan capital	698,3	504,1	851,3
32.221,9	28.031,9	28.549,4	Total liabilities	25.320,5	22.204,5	22.480,1
595,1	595,1	595,1	Paid-in capital	595,1	595,1	595,1
1.775,4	1.473,5	1.932,8	Retained earnings	1.552,3	1.310,5	1.709,7
367,9	213,7	0,0	Unallocated ordinary profit	333,7	191,6	0,0
2.738,4	2.282,3	2.527,9	Total equity	2.481,1	2.097,2	2.304,8
34.960,3	30.314,2	31.077,3	TOTAL LIABILITIES AND EQUITY	27.801,6	24.301,7	24.784,9

Changes in equity - Group

(Figures in NOK million)

	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital certificates	Endowment fund	Available for sale reserve	Other equity	Unallocated profit/loss
Q3 2014									
Equity at 31.12.2013	2.527,9	207,3	387,8	291,7	1.129,9	35,4	252,7	223,1	0,0
Profit/loss	367,9	0,0	0,0	0,0	0,0	0,0	0,0	0,0	367,9
Change in value of assets available for sale	-90,2	0,0	0,0	0,0	0,0	0,0	-90,2	0,0	0,0
Comprehensive income	277,7	0,0	0,0	0,0	0,0	0,0	-90,2	0,0	367,9
Final dividend for 2013	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0	0,0
Changes in endowment fund	-5,0	0,0	0,0	0,0	0,0	-5,0	0,0	0,0	0,0
Equity at 30.09.2014	2.738,4	207,3	387,8	229,5	1.129,9	30,4	162,4	223,1	367,9

	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital certificates	Endowment fund	Available for sale reserve	Other equity	Unallocated profit/loss
Q3 2013									
Equity at 31.12.2012, adjusted	2.132,7	207,3	387,8	260,7	1.012,7	27,4	73,9	162,9	0,0
Profit/loss	213,7	0,0	0,0	0,0	0,0	0,0	0,0	0,0	213,7
Change in value of assets available for sale	-5,0	0,0	0,0	0,0	0,0	0,0	-5,0	0,0	0,0
Comprehensive income	208,7	0,0	0,0	0,0	0,0	0,0	-5,0	0,0	213,7
Final dividend for 2012	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0	0,0
Changes in endowment fund	3,0	0,0	0,0	0,0	0,0	3,0	0,0	0,0	0,0
Equity at 30.09.2013	2.282,3	207,3	387,8	198,5	1.012,7	30,4	68,9	162,9	213,7

	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital certificates	Endowment fund	Available for sale reserve	Other equity
2013								
Equity at 31.12.2012, adjusted	2.132,7	207,3	387,8	260,7	1.012,7	27,4	73,9	162,9
Profit/loss	282,7	0,0	0,0	96,7	121,7	5,0	0,0	59,3
Change in value of assets available for sale	178,8	0,0	0,0	0,0	0,0	0,0	178,8	0,0
Actuarial gains/losses on defined-benefit plans	-7,1	0,0	0,0	-3,5	-4,5	0,0	0,0	0,9
Comprehensive income	454,4	0,0	0,0	93,2	117,2	5,0	178,8	60,2
Final dividend for 2012	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0
Changes in endowment fund	3,0	0,0	0,0	0,0	0,0	3,0	0,0	0,0
Equity at 31.12.2013	2.527,9	207,3	387,8	291,7	1.129,9	35,4	252,7	223,1

Changes in equity - Parent bank

(Figures in NOK million)

	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital certificates	Endowment fund	Available for sale reserve	Unallocated profit/loss
Q3 2014								
Equity at 31.12.2013	2.304,8	207,3	387,8	291,7	1.129,9	35,4	252,7	0,0
Profit/loss	333,7	0,0	0,0	0,0	0,0	0,0	0,0	333,7
Change in value of assets available for sale	-90,2	0,0	0,0	0,0	0,0	0,0	-90,2	0,0
Comprehensive income	243,5	0,0	0,0	0,0	0,0	0,0	-90,2	333,7
Final dividend for 2013	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0
Changes in endowment fund	-5,0	0,0	0,0	0,0	0,0	-5,0	0,0	0,0
Equity at 30.09.2014	2.481,1	207,3	387,8	229,5	1.129,9	30,4	162,4	333,7

	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital certificates	Endowment fund	Available for sale reserve	Unallocated profit/loss
Q3 2013								
Equity at 31.12.2012, adjusted	1.969,8	207,3	387,8	260,7	1.012,7	27,4	73,9	0,0
Profit/loss	191,6	0,0	0,0	0,0	0,0	0,0	0,0	191,6
Change in value of assets available for sale	-5,0	0,0	0,0	0,0	0,0	0,0	-5,0	0,0
Comprehensive income	186,6	0,0	0,0	0,0	0,0	0,0	-5,0	191,6
Final dividend for 2012	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0	0,0
Changes in endowment fund	3,0	0,0	0,0	0,0	0,0	3,0	0,0	0,0
Equity at 30.09.2013	2.097,2	207,3	387,8	198,5	1.012,7	30,4	68,9	191,6

	Total equity	Equity certificates	Share premium reserve	Equalisation fund	Primary capital certificates	Endowment fund	Available for sale reserve
2013							
Equity at 31.12.2012, adjusted	1.969,8	207,3	387,8	260,7	1.012,7	27,4	73,9
Profit/loss	223,5	0,0	0,0	96,7	121,7	5,0	0,0
Change in value of assets available for sale	178,8	0,0	0,0	0,0	0,0	0,0	178,8
Actuarial gains/losses on defined-benefit plans	-8,0	0,0	0,0	-3,5	-4,5	0,0	0,0
Comprehensive income	394,3	0,0	0,0	93,2	117,2	5,0	178,8
Final dividend for 2012	-62,2	0,0	0,0	-62,2	0,0	0,0	0,0
Changes in endowment fund	3,0	0,0	0,0	0,0	0,0	3,0	0,0
Equity at 31.12.2013	2.304,8	207,3	387,8	291,7	1.129,9	35,4	252,7

Cash flow statement

Group 30.09.2014	Group 30.09.2013	Group 31.12.2013	(Figures in NOK million)	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 31.12.2013
Operating activities						
449,0	293,0	388,9	Profit before tax	379,9	262,2	307,9
Adjusted for:						
0,0	0,0	0,0	Changes in gross loans to credit institutions	-220,3	-18,1	818,2
-2.687,8	-2.432,5	-3.140,3	Changes in gross loans to customers	-1.353,6	-2.900,3	-3.888,4
-1.171,7	532,8	393,0	Changes in certificates and bonds at fair value	-1.477,5	1.514,0	1.132,5
3,2	550,4	538,5	Changes in other operating assets	3,3	561,5	553,7
0,3	-24,5	-21,9	Changes in deposits from credit institutions	4,1	62,2	71,8
551,7	447,9	851,3	Changes in customer deposits	563,5	468,8	881,4
138,9	120,6	-12,2	Changes in other operating liabilities	134,3	95,7	-45,0
21,9	7,8	23,6	Non-cash items included in profit before tax	8,9	-1,5	4,1
-147,0	-2,6	-13,0	Net gains from investing activities	-147,0	-0,1	-0,1
8,7	0,0	0,0	Net losses from financing activities	7,8	0,0	0,0
-98,4	-80,1	-80,9	Taxes paid for the period	-53,2	-51,7	-51,7
-2.931,2	-587,2	-1.073,0	Net cash flow from operating activities	A	-2.149,8	-215,6
Investing activities						
-15,3	-12,0	-17,2	Purchase of fixed assets	-12,7	-9,5	-12,3
0,0	12,7	61,9	Sale of fixed assets	0,0	0,1	0,5
256,5	54,0	54,0	Net proceeds/payments on sale/purchase of financial investments	256,5	-17,1	-17,0
241,2	54,7	98,7	Net cash flow from investing activities	B	243,8	-28,8
Financing activities						
-432,1	-493,5	-579,1	Net proceeds/payments on loans to/from credit instit. and debt to state	-432,1	-493,5	-553,5
-1.852,3	-1.960,1	-3.125,1	Repayment of securities	-1.336,4	-1.959,1	-2.881,8
5.136,4	2.455,4	3.903,0	Proceeds from issuance of securities	3.836,5	1.955,9	2.904,4
0,0	0,0	0,0	Proceeds from issuance of equity certificates	0,0	0,0	0,0
-62,2	-62,2	-62,2	Payment of dividend	-62,2	-62,2	-62,2
2.789,8	-60,4	136,6	Net cash flow from financing activities	C	2.005,8	-593,1
99,8	-592,9	-837,7	Net change in cash and cash equivalents	A+B+C	99,8	-592,7
366,1	1.203,8	1.203,8	Cash and cash equivalents at 01.01.	366,1	1.203,6	1.203,6
465,9	610,9	366,1	Cash and cash equivalents at end of period	465,9	610,9	366,1

Profit/loss per quarter - Group

(Figures in NOK million)

	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013
Interest and similar income	346,5	335,8	326,2	329,8	326,6
Interest and similar expenses	194,7	185,1	174,5	179,6	175,8
Net interest and credit commission income	151,8	150,7	151,7	150,2	150,8
Dividend and other income from securities with variable yields	0,0	0,6	6,7	0,0	0,4
Commission income and income from banking services	20,8	22,1	18,0	22,0	20,8
Commission expenses and costs of banking services	10,9	10,9	10,9	10,8	10,7
Net value changes and gains/losses on financial investments	143,4	0,8	24,0	4,1	2,3
Other operating income	9,3	9,8	10,4	20,9	10,9
Payroll etc.	43,1	35,1	42,1	44,2	43,2
Administrative expenses	13,5	13,2	14,5	14,2	13,9
Depreciation/impairment/value changes, non-financial assets	4,9	5,0	4,7	4,6	4,6
Other operating expenses	12,4	14,7	13,8	15,7	11,4
PROFIT BEFORE LOSSES	240,5	105,1	124,8	107,7	101,4
Losses on loans and guarantees	8,1	5,3	8,0	11,8	-2,3
PROFIT BEFORE TAX	232,4	99,8	116,8	95,9	103,7
Taxes (calculated for the interim accounts)	26,4	26,1	28,6	26,9	29,1
PROFIT FOR THE PERIOD	206,0	73,7	88,2	69,0	74,6
Earnings per equity certificate (per quarter)	4,11	1,48	1,76	1,44	1,56
Diluted earnings per equity certificate (per quarter)	4,11	1,48	1,76	1,44	1,56

Comprehensive income

PROFIT FOR THE PERIOD	206,0	73,7	88,2	69,0	74,6
Items that will not be reclassified to profit or loss					
Actuarial gains and losses on defined-benefit plans	0,0	0,0	0,0	-9,8	0,0
Tax effect of actuarial gains and losses on defined-benefit plans	0,0	0,0	0,0	2,7	0,0
Items that may be reclassified subsequently to profit or loss					
Changes in fair value of available-for-sale investments	-130,7	0,0	40,5	183,8	0,1
COMPREHENSIVE INCOME	75,3	73,7	128,7	245,7	74,7

Profit per quarter - Parent bank

(Figures in NOK million)

	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013
Interest and similar income	244,2	233,9	230,4	233,6	229,1
Interest and similar expenses	153,1	144,9	139,3	143,2	140,9
Net interest and credit commission income	91,1	89,0	91,1	90,4	88,2
Dividend and other income from securities with variable yields	0,0	0,6	66,7	0,0	0,4
Commission income and income from banking services	23,5	24,9	20,4	24,4	23,3
Commission expenses and costs of banking services	4,6	4,5	4,3	4,1	4,0
Net value changes and gains/losses on financial investments	142,8	2,3	23,9	3,9	3,1
Other operating income	1,1	1,1	1,9	1,6	1,4
Payroll etc.	35,5	30,3	34,8	37,2	35,6
Administrative expenses	11,6	11,1	11,9	12,8	12,3
Depreciation/impairment loss/value changes, non-financial assets	2,3	2,1	2,0	1,8	1,8
Other operating expenses	10,0	12,8	11,1	13,8	9,9
PROFIT BEFORE LOSSES	194,5	57,1	139,9	50,6	52,8
Losses on loans and guarantees	6,9	0,8	3,9	4,9	-4,6
PROFIT BEFORE TAX	187,6	56,3	136,0	45,7	57,4
Taxes (calculated for the interim accounts)	14,3	14,3	17,6	13,8	16,1
PROFIT FOR THE PERIOD	173,3	42,0	118,4	31,9	41,3
Earnings per equity certificate (per quarter)	3,46	0,84	2,37	0,67	0,86
Diluted earnings per equity certificate (per quarter)	3,46	0,84	2,37	0,67	0,86

Comprehensive income

PROFIT FOR THE PERIOD	173,3	42,0	118,4	31,9	41,3
Items that will not be reclassified to profit or loss					
Actuarial gains and losses on defined-benefit plans	0,0	0,0	0,0	-11,1	0,0
Tax effect of actuarial gains and losses on defined-benefit plans	0,0	0,0	0,0	3,1	0,0
Items that may be reclassified subsequently to profit or loss					
Changes in fair value of available-for-sale investments	-130,7	0,0	40,5	183,8	0,1
COMPREHENSIVE INCOME	42,6	42,0	158,9	207,7	41,4

Accounting policies

The quarterly accounts for the Group and parent bank have been prepared in accordance with IFRS (including IAS 34 Interim Financial Reporting). A description of the accounting policies applied in preparing the financial statements is presented in the 2013 Annual Report. The accounting policies and calculation methods are essentially unchanged from those applied in the 2013 financial statements. Amendments to IFRS standards that came into effect on 1 January 2014 have not had a significant impact on the Group's financial position, earnings and/or financial information. More information can be found in the 2013 Annual Report under Note 2 Accounting policies, section 17 Future changes to accounting policies. The financial statements are presented in Norwegian kroner, which is also the Group's functional currency. The interim financial statements have not been audited.

Accounting estimates and assumptions

Preparation of consolidated accounts requires management to make accounting estimates, assessments and assumptions which affect the application of the accounting policies and thereby also the reported amounts of assets, liabilities, income and expenses. More information can be found in the 2013 Annual Report under Note 3 Employment and use of estimates.

Losses on loans and guarantees

(Figures in NOK million)

	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 31.12.2013	Group 30.09.2014	Group 30.09.2013	Group 31.12.2013
Individual impairment losses						
Individual impairment losses at 01.01.	39,3	51,3	51,3	98,0	105,4	105,4
- Established losses for the period with previously recognised individual impairment	3,3	2,0	3,6	5,6	4,4	7,7
+ Increased individual impairment during the period	4,7	0,0	0,4	9,2	3,6	4,8
+ New individual impairment during the period	10,2	1,4	5,5	20,8	11,4	22,1
- Reversal of individual impairment during the period	9,8	12,4	14,3	19,0	23,4	26,6
= Individual impairment at end of period*)	41,1	38,3	39,3	103,4	92,6	98,0
Impairment of groups of loans						
Impairment of groups of loans at 01.01.	40,1	40,1	40,1	43,4	43,4	43,4
+/- Changes in impairment of groups of loans for the period	0,0	0,0	0,0	0,0	0,0	0,0
= Impairment of groups of loans at end of period	40,1	40,1	40,1	43,4	43,4	43,4
Cost of losses for the period						
Changes in individual impairment for the period	1,8	-13,0	-12,0	5,4	-12,8	-7,4
+/- Changes in impairment of groups of loans for the period	0,0	0,0	0,0	0,0	0,0	0,0
+ Established losses for the period with previously recognised individual impairment	6,2	3,0	5,7	8,5	5,5	9,9
+ Established losses for the period with individual impairment recognised in prior years	0,8	0,6	0,8	8,1	9,5	11,6
- Recovery of previously established losses for the period	5,6	1,1	1,8	9,0	5,2	7,0
+/- Amortised cost	8,4	7,4	9,1	8,4	7,4	9,1
= Losses on loans and guarantees - customers	11,6	-3,1	1,8	21,4	4,4	16,2

*) Individual impairment of guarantee commitments amounted to NOK 0.5 million at 30.09.2014 and NOK 1.0 million at 31.12.2013. At 30.09.2013, this is reported under "Provisions for accrued expenses and liabilities" in the balance sheet.

Defaults and non-performing loans - customers

(Figures in NOK million)

	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 31.12.2013	Group 30.09.2014	Group 30.09.2013	Group 31.12.2013
Gross defaults (over 90 days)						
Business	266,1	320,1	279,7	270,6	327,5	285,8
+ Private	91,5	97,8	76,4	185,7	173,8	160,6
= Gross defaults	357,6	417,9	356,1	456,3	501,3	446,4
- Individual impairment	30,4	18,1	24,4	92,5	71,8	82,9
= Net defaults	327,2	399,8	331,7	363,8	429,5	363,5
Non-performing (not defaulted) loans						
Business	17,0	73,5	34,6	17,6	74,9	35,8
+ Private	5,2	5,2	5,1	5,2	5,7	5,2
= Gross non-performing loans	22,2	78,7	39,7	22,8	80,6	41,0
- Individual impairment	10,7	19,2	14,9	10,9	19,7	15,1
= Net non-performing loans	11,5	59,5	24,8	11,9	60,9	25,9
Gross defaults and non-performing loans						
Business	283,1	393,6	314,3	288,2	402,4	321,6
+ Private	96,7	103,0	81,5	190,9	179,5	165,8
= Gross defaults and non-performing loans	379,8	496,6	395,8	479,1	581,9	487,4
- Individual impairment	41,1	37,3	39,3	103,4	91,5	98,0
= Net defaults and non-performing loans	338,7	459,3	356,5	375,7	490,4	389,4

Operating segments

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

(Figures in NOK million)

30.09.2014	PM	BM	Finance	AS Financiering	Spb Øst Eiendom	Unallocated	Elimination	Group
Net interest and commission income, external	453,2	178,6	88,5	115,0	0,3	-381,4	0,0	454,2
Net interest and commission income, internal	-218,8	-37,1	-110,6	-27,2	-9,3	403,0	0,0	0,0
Net interest and commission income	234,4	141,5	-22,1	87,8	-9,0	21,6	0,0	454,2
Total net other income, external	36,9	12,4	15,3	-17,6	26,4	159,8	0,0	233,2
Total net other income, internal	0,0	0,0	0,0	0,0	5,9	0,8	-6,7	0,0
Total income	271,3	153,9	-6,8	70,2	23,3	182,2	-6,7	687,4
Payroll and general administrative expenses	46,1	16,4	0,0	21,2	4,8	73,0	0,0	161,5
Depreciation	0,0	0,0	0,0	1,8	6,5	6,3	0,0	14,6
Other operating expenses, external	0,5	0,5	0,0	4,8	6,0	29,1	0,0	40,9
Other operating expenses, internal	0,0	0,0	0,0	0,4	0,0	5,5	-5,9	0,0
Total operating expenses	46,6	16,9	0,0	28,2	17,3	113,9	-5,9	217,0
Profit before losses	224,7	137,0	-6,8	42,0	6,0	68,3	-0,8	470,4
Losses on loans, guarantees etc.	1,8	9,8	0,0	9,8	0,0	0,0	0,0	21,4
Profit before tax	222,9	127,2	-6,8	32,2	6,0	68,3	-0,8	449,0
Tax expenses	0,0	0,0	0,0	8,7	1,6	71,0	-0,2	81,1
Profit after tax	222,9	127,2	-6,8	23,5	4,4	-2,7	-0,6	367,9
30.09.2013	PM	BM	Finance	AS Financiering	Spb Øst Eiendom	Unallocated	Elimination	Group
Net interest and commission income, external	347,4	214,5	71,4	116,2	-0,4	-334,8	0,0	414,3
Net interest and commission income, internal	-144,4	-53,8	-110,6	-26,6	-11,5	344,3	2,6	0,0
Net interest and commission income	203,0	160,7	-39,2	89,6	-11,9	9,5	2,6	414,3
Total net other income, external	40,6	11,3	14,5	-18,1	30,7	19,2	0,0	98,2
Total net other income, internal	0,0	0,0	0,0	-0,2	5,8	0,7	-6,3	0,0
Total income	243,6	172,0	-24,7	71,3	24,6	29,4	-3,7	512,5
Payroll and general administrative expenses	45,0	16,5	0,0	20,2	5,0	75,8	0,0	162,5
Depreciation	0,0	0,0	0,0	1,6	6,8	4,9	0,0	13,3
Other operating expenses, external	0,7	0,1	0,0	4,1	5,9	28,5	0,0	39,3
Other operating expenses, internal	0,0	0,0	0,0	0,5	0,3	5,2	-6,0	0,0
Total operating expenses	45,7	16,6	0,0	26,4	18,0	114,4	-6,0	215,1
Profit before losses	197,9	155,4	-24,7	44,9	6,6	-85,0	2,3	297,4
Losses on loans, guarantees etc.	0,1	-3,2	0,0	7,5	0,0	0,0	0,0	4,4
Profit before tax	197,8	158,6	-24,7	37,4	6,6	-85,0	2,3	293,0
Tax expenses	0,0	0,0	0,0	10,5	1,8	66,3	0,7	79,3
Profit after tax	197,8	158,6	-24,7	26,9	4,8	-151,3	1,6	213,7
30.09.2014	PM	BM	Finance	AS Financiering	Spb Øst Eiendom	Unallocated	Elimination	Group
Loans to and receivables from customers	21.241,7	5.013,1	0,0	1.659,8	0,0	783,3	-308,1	28.389,8
Other assets	39,4	28,7	5.709,1	29,1	498,7	2.489,8	-2.224,3	6.570,5
Total assets	21.281,1	5.041,8	5.709,1	1.688,9	498,7	3.273,1	-2.532,4	34.960,3
Deposits from and liabilities to customers	8.453,0	3.271,0	1.281,8	16,6	0,0	107,4	-38,9	13.090,9
Other liabilities	266,2	165,9	33,2	1.473,0	365,8	19.138,5	-2.311,6	19.131,0
Inter-company accounts	12.561,9	1.604,9	4.394,1	0,0	0,0	-18.560,9	0,0	0,0
Total liabilities per segment	21.281,1	5.041,8	5.709,1	1.489,6	365,8	685,0	-2.350,5	32.221,9
Total equity	0,0	0,0	0,0	199,3	132,9	2.588,1	-181,9	2.738,4
Total liabilities and equity	21.281,1	5.041,8	5.709,1	1.688,9	498,7	3.273,1	-2.532,4	34.960,3
30.09.2013	PM	BM	Finance	AS Financiering	Spb Øst Eiendom	Unallocated	Elimination	Group
Loans to and receivables from customers	17.440,7	5.487,4	0,0	1.649,3	0,0	781,5	-353,3	25.005,6
Other assets	38,8	27,9	3.991,4	30,1	526,4	2.327,3	-1.633,3	5.308,6
Total assets	17.479,5	5.515,3	3.991,4	1.679,4	526,4	3.108,8	-1.986,6	30.314,2
Deposits from and liabilities to customers	7.662,2	3.219,6	1.149,1	22,6	0,0	105,6	-23,3	12.135,8
Other liabilities	248,9	222,0	-7,3	1.477,2	409,2	15.355,2	-1.809,1	15.896,1
Inter-company accounts	9.568,4	2.073,7	2.849,6	0,0	0,0	-14.491,7	0,0	0,0
Total liabilities per segment	17.479,5	5.515,3	3.991,4	1.499,8	409,2	969,1	-1.832,4	28.031,9
Total equity	0,0	0,0	0,0	179,6	117,2	2.139,7	-154,2	2.282,3
Total liabilities and equity	17.479,5	5.515,3	3.991,4	1.679,4	526,4	3.108,8	-1.986,6	30.314,2

Customer deposits by sector and industry

(Figures in NOK million)

	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 31.12.2013	Group 30.09.2014	Group 30.09.2013	Group 31.12.2013
Salaried employees	8.398,4	7.798,4	7.828,3	8.408,1	7.807,8	7.837,7
Public administration	218,0	194,3	228,5	218,0	194,3	228,5
Agriculture, forestry, fishing etc.	129,1	121,2	130,2	129,1	121,2	130,2
Industry and mining, power and water	470,5	460,0	478,3	470,5	460,0	478,3
Construction and civil engineering	333,9	371,9	401,9	334,8	373,2	402,9
Retail/hotels and restaurants	359,4	395,2	412,5	359,5	395,4	412,7
Transport/communication	133,3	143,6	154,3	133,5	143,9	154,6
Commercial financial services	1.470,1	1.289,1	1.393,2	1.432,0	1.298,3	1.396,9
Other service industries	614,0	550,9	573,2	615,4	552,2	574,6
Sale and operation of real estate	883,4	711,0	841,7	884,6	685,6	812,8
Abroad	105,5	103,9	110,0	105,4	103,9	110,0
Total	13.115,6	12.139,5	12.552,1	13.090,9	12.135,8	12.539,2

Gross loans to customers by sector and industry

(Figures in NOK million)

	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 31.12.2013	Group 30.09.2014	Group 30.09.2013	Group 31.12.2013
Salaried employees	13.904,8	11.211,5	12.459,5	24.260,8	20.544,3	21.471,0
Agriculture, forestry, fishing etc.	142,2	169,8	164,8	143,4	172,4	166,9
Industry and mining, power and water	109,8	109,8	97,2	113,1	113,5	101,0
Construction and civil engineering	600,6	547,7	493,2	615,4	565,1	509,2
Retail/hotels and restaurants	326,4	377,4	344,9	353,8	411,0	375,2
Transport/communication	58,8	81,9	64,8	71,4	98,3	81,7
Commercial financial services	104,4	163,1	132,0	115,6	172,4	141,3
Other service industries	460,0	452,1	450,8	474,9	471,0	468,7
Sale and operation of real estate	2.665,1	2.917,0	2.810,8	2.365,3	2.576,3	2.515,5
Abroad	12,5	12,6	13,0	22,4	16,2	17,8
Total	18.384,6	16.042,9	17.031,0	28.536,1	25.140,5	25.848,3

Geographical breakdown of gross lending

(Figures in NOK million)

	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 31.12.2013	Group 30.09.2014	Group 30.09.2013	Group 31.12.2013
Drammen	3.492,4	3.562,5	3.642,8	4.330,4	4.466,0	4.478,5
Nedre Eiker	1.815,9	1.633,6	1.692,8	2.449,0	2.405,7	2.381,2
Øvre Eiker	1.526,8	1.327,9	1.418,4	1.967,3	1.821,9	1.890,2
Other parts of Buskerud	1.763,3	1.461,5	1.566,2	2.305,9	2.043,9	2.089,0
Oslo	3.173,1	2.689,7	2.839,0	5.370,0	4.345,7	4.526,4
Akershus	3.130,7	2.507,2	2.746,1	5.260,7	4.350,0	4.550,0
Vestfold	1.591,1	1.414,6	1.456,0	2.300,0	2.146,2	2.149,8
Østfold	615,8	450,0	510,3	1.192,0	1.035,5	1.066,0
Rest of the country	1.263,0	983,3	1.146,4	3.338,4	2.509,4	2.699,4
Abroad	12,5	12,6	13,0	22,4	16,2	17,8
Total	18.384,6	16.042,9	17.031,0	28.536,1	25.140,5	25.848,3

Classification of financial assets and liabilities

(Figures in NOK million)

30.09.2014 – Group	FVTPL		Available for sale	Held to maturity	Amortised cost*	Total
	Held for trading	Designated at fair value				
Cash and balances with central banks	0,0	0,0	0,0	0,0	457,6	457,6
Net loans to and receivables from credit institutions	0,0	0,0	0,0	0,0	8,3	8,3
Net loans to and receivables from customers	0,0	0,0	0,0	0,0	28.389,8	28.389,8
Certificates, bonds etc. at fair value	3.854,1	619,5	0,0	0,0	0,0	4.473,6
Shares, units and other variable-yield securities	27,6	0,0	428,1	0,0	0,0	455,7
Financial derivatives**	316,6	0,0	0,0	0,0	0,0	316,6
Certificates and bonds, held to maturity	0,0	0,0	0,0	200,5	0,0	200,5
Total financial assets	4.198,3	619,5	428,1	200,5	28.855,7	34.302,1
Debt to credit institutions	0,0	0,0	0,0	0,0	340,4	340,4
Deposits from and liabilities to customers	0,0	0,0	0,0	0,0	13.090,9	13.090,9
Liabilities incurred on the issuance of securities	0,0	0,0	0,0	0,0	17.611,3	17.611,3
Financial derivatives**	29,9	0,0	0,0	0,0	0,0	29,9
Subordinated loan capital	0,0	0,0	0,0	0,0	698,3	698,3
Total financial debt	29,9	0,0	0,0	0,0	31.740,9	31.770,8

*Includes secured debt

**Includes derivatives for which hedge accounting is used

30.09.2013 – Group	FVTPL		Available for sale	Held to maturity	Amortised cost*	Total
	Held for trading	Designated at fair value				
Cash and balances with central banks	0,0	0,0	0,0	0,0	597,5	597,5
Net loans to and receivables from credit institutions	0,0	0,0	0,0	0,0	13,4	13,4
Net loans to and receivables from customers	0,0	0,0	0,0	0,0	25.005,6	25.005,6
Certificates, bonds etc. at fair value	2.276,0	886,1	0,0	0,0	0,0	3.162,1
Shares, units and other variable-yield securities	24,4	0,0	444,3	0,0	0,0	468,7
Financial derivatives**	181,8	0,0	0,0	0,0	0,0	181,8
Certificates and bonds, held to maturity	0,0	0,0	0,0	200,7	0,0	200,7
Total financial assets	2.482,2	886,1	444,3	200,7	25.616,5	29.629,8
Debt to credit institutions	0,0	0,0	0,0	0,0	847,1	847,1
Deposits from and liabilities to customers	0,0	0,0	0,0	0,0	12.135,8	12.135,8
Liabilities incurred on the issuance of securities	0,0	0,0	0,0	0,0	14.089,3	14.089,3
Financial derivatives**	31,7	0,0	0,0	0,0	0,0	31,7
Subordinated loan capital	0,0	0,0	0,0	0,0	504,1	504,1
Total financial debt	31,7	0,0	0,0	0,0	27.576,3	27.608,0

*Includes secured debt

**Includes derivatives for which hedge accounting is used

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

*Includes secured debt

**Includes derivatives for which hedge accounting is used

Securities debt and subordinated loan capital

(Figures in NOK million)	Parent bank	Parent bank	Parent bank	Group	Group	Group
Securities debt	30.09.2014	30.09.2013	31.12.2013	30.09.2014	30.09.2013	31.12.2013
Certificates, nominal value	0,0	0,0	0,0	0,0	0,0	0,0
Bonds, nominal value	10.404,0	8.069,5	7.748,0	17.325,3	13.960,7	13.902,2
Value adjustments (incl. prem/discount)	178,5	102,1	113,6	286,0	128,6	134,8
Total securities debt	10.582,5	8.171,6	7.861,6	17.611,3	14.089,3	14.037,0

Changes to securities debt – Group	30.09.2014	Issued	Matured/ redeemed	Change in own holdings	Other changes incl. currency	31.12.2013
Certificates, nominal value	0,0	0,0	0,0	0,0	0,0	0,0
Bonds, nominal value	10.404,0	3.685,0	1.021,0	8,0	0,0	7.748,0
Covered bonds, nominal value, NOK	6.655,0	1.300,0	210,0	305,0	0,0	5.870,0
Covered bonds, nv, SEK (conv. to NOK)	266,3	0,0	0,0	0,0	-17,9	284,2
Value adjustments (incl. prem/discount)	286,0	0,0	0,0	0,0	151,2	134,8
Total securities debt	17.611,3	4.985,0	1.231,0	313,0	133,3	14.037,0

The difference between the parent bank and the group consists of covered bonds for a nominal value of NOK 6,921.3 million.

Changes in subordinated loan capital and subordinated bond loans	30.09.2014	Issued	Matured/ redeemed	Exchange rate changes	31.12.2013
Ordinary subord. loan capital, nom. value	350,0	0,0	0,0	0,0	350,0
Subordinated bond loans, nominal value	350,0	150,0	300,0	0,0	500,0
Value adjustments (incl. prem/discount)	-1,7	0,0	0,0	0,0	1,3
Total subordinated loan capital and subordinated bond loans	698,3	150,0	300,0	0,0	851,3

Financial derivatives

30.09.2014

(Figures in NOK million)	Parent bank	Parent bank	Parent bank	Group	Group	Group
Fair value through profit or loss	Contracts	Assets	Liabilities	Contracts	Assets	Liabilities
<i>Currency instruments</i>						
Forward currency exchange contracts	0,0	0,0	0,0	0,0	0,0	0,0
Currency swaps	100,2	0,0	9,2	100,2	0,0	9,2
Total currency instruments	100,2	0,0	9,2	100,2	0,0	9,2
<i>Interest rate instruments</i>						
Interest rate swaps	727,9	0,0	20,7	727,9	0,0	20,7
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swaps (futures)	0,0	0,0	0,0	0,0	0,0	0,0
Total interest rate instruments	727,9	0,0	20,7	727,9	0,0	20,7
Guarantee to Eksportfinans ASA*)	242,0	15,1	0,0	242,0	15,1	0,0
Total other derivatives	242,0	15,1	0,0	242,0	15,1	0,0

Used for hedge accounting	Parent bank	Parent bank	Parent bank	Group	Group	Group
	Contracts	Assets	Liabilities	Contracts	Assets	Liabilities
<i>Currency instruments</i>						
Forward currency exchange contracts	0,0	0,0	0,0	0,0	0,0	0,0
Currency swaps	0,0	0,0	0,0	252,1	14,2	0,0
Total currency instruments	0,0	0,0	0,0	252,1	14,2	0,0
<i>Interest rate instruments</i>						
Interest rate swaps	5.045,0	173,9	0,0	6.545,0	287,3	0,0
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swaps (futures)	0,0	0,0	0,0	0,0	0,0	0,0
Total interest rate instruments	5.045,0	173,9	0,0	6.545,0	287,3	0,0
Total derivatives		189,0	29,9		316,6	29,9

*) The amount of NOK 15.1 million is the net positive value adjustment of the guaranteed portfolio at 30.09.14 after deduction of the annual swap amount. The value of the derivative net of the swap amount was positive at NOK 46.2 million at 30.09.2014.

Financial derivatives

30.09.2013

(Figures in NOK million)

Fair value through profit or loss	Parent bank Contracts	Parent bank Assets	Parent bank Liabilities	Group Contracts	Group Assets	Group Liabilities
<i>Currency instruments</i>						
Forward currency exchange contracts	0,0	0,0	0,0	0,0	0,0	0,0
Currency swaps	38,5	0,0	5,5	38,5	0,0	5,5
Total currency instruments	38,5	0,0	5,5	38,5	0,0	5,5
<i>Interest rate instruments</i>						
Interest rate swaps	527,4	1,6	10,7	527,4	1,6	10,7
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swaps (futures)	0,0	0,0	0,0	0,0	0,0	0,0
Total interest rate instruments	527,4	1,6	10,7	527,4	1,6	10,7
Guarantee to Eksportfinans ASA*)	242,0	6,1	0,0	242,0	6,1	0,0
Total other derivatives	242,0	6,1	0,0	242,0	6,1	0,0

Used for hedge accounting	Parent bank Contracts	Parent bank Assets	Parent bank Liabilities	Group Contracts	Group Assets	Group Liabilities
<i>Currency instruments</i>						
Forward currency exchange contracts	0,0	0,0	0,0	0,0	0,0	0,0
Currency swaps	292,1	0,0	8,1	544,2	29,1	8,1
Total currency instruments	292,1	0,0	8,1	544,2	29,1	8,1
<i>Interest rate instruments</i>						
Interest rate swaps	4.095,5	112,1	7,4	4.995,5	145,0	7,4
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swaps (futures)	0,0	0,0	0,0	0,0	0,0	0,0
Total interest rate instruments	4.095,5	112,1	7,4	4.995,5	145,0	7,4
Total derivatives		119,8	31,7		181,8	31,7

*) The amount of NOK 6.1 million is the net positive value adjustment of the guaranteed portfolio at 30.09.2013 after deduction of the annual swap amount. The value of the derivative net of the swap amount was positive at NOK 18.2 million at 30.09.13.

Financial derivatives

31.12.2013

Fair value through profit or loss

Fair value through profit or loss	Parent bank Contracts	Parent bank Assets	Parent bank Liabilities	Group Contracts	Group Assets	Group Liabilities
<i>Currency instruments</i>						
Forward currency exchange contracts	0,0	0,0	0,0	0,0	0,0	0,0
Currency swaps	38,5	0,0	6,6	38,5	0,0	6,6
Total currency instruments	38,5	0,0	6,6	38,5	0,0	6,6
<i>Interest rate instruments</i>						
Interest rate swaps	527,4	1,1	11,4	527,4	1,1	11,4
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swaps (futures)	0,0	0,0	0,0	0,0	0,0	0,0
Total interest rate instruments	527,4	1,1	11,4	527,4	1,1	11,4
Guarantee to Eksportfinans ASA*)	242,0	10,3	0,0	242,0	10,3	0,0
Total other derivatives	242,0	10,3	0,0	242,0	10,3	0,0

Used for hedge accounting	Parent bank Contracts	Parent bank Assets	Parent bank Liabilities	Group Contracts	Group Assets	Group Liabilities
<i>Currency instruments</i>						
Forward currency exchange contracts	0,0	0,0	0,0	0,0	0,0	0,0
Currency swaps	292,1	4,3	3,0	544,2	36,4	3,0
Total currency instruments	292,1	4,3	3,0	544,2	36,4	3,0
<i>Interest rate instruments</i>						
Interest rate swaps	4.295,5	116,9	3,0	5.195,5	145,0	3,0
Interest rate swap contracts (FRA)	0,0	0,0	0,0	0,0	0,0	0,0
Standard interest rate swaps (futures)	0,0	0,0	0,0	0,0	0,0	0,0
Total interest rate instruments	4.295,5	116,9	3,0	5.195,5	145,0	3,0
Total derivatives		132,6	24,0		192,8	24,0

*) The amount of NOK 10.3 million is the net positive value adjustment of the guaranteed portfolio at 31.12.2013 after deduction of the annual swap amount. The value of the derivative net of the swap amount was positive at NOK 22.4 million at 31.12.2013.

Financial assets and liabilities

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

Level 1: Observable quoted prices in active markets.

Level 2: Observable quoted prices in less active markets or use of directly or indirectly observable inputs.

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

Further details about the individual items can be found in the 2013 Annual Report under Note 23 Financial assets and liabilities.

30.09.2014 – Group

(Figures in NOK million)

	Level 1	Level 2	Level 3	Fair value	Carrying amount
Amortised cost					
Cash and balances with central banks	457,6	0,0	0,0	457,6	457,6
Net loans to and receivables from credit institutions	0,0	0,0	8,3	8,3	8,3
Net loans to and receivables from customers	0,0	0,0	28.396,7	28.396,7	28.389,8
Certificates, bonds and other interest-bearing securities	0,0	214,0	0,0	214,0	200,5
Total assets at amortised cost	457,6	214,0	28.405,0	29.076,6	29.056,2
Debt to credit institutions	0,0	340,4	0,0	340,4	340,4
Deposits from and liabilities to customers	0,0	13.090,9	0,0	13.090,9	13.090,9
Liabilities incurred on the issuance of securities	0,0	17.862,0	0,0	17.862,0	17.611,3
Subordinated loan capital	0,0	712,2	0,0	712,2	698,3
Total liabilities at amortised cost	0,0	32.005,5	0,0	32.005,5	31.740,9
Fair value					
Certificates, bonds and other interest-bearing securities	0,0	4.473,6	0,0	4.473,6	4.473,6
Shares, units and other securities					
- at fair value through profit or loss	7,0	20,6	0,0	27,6	27,6
- available for sale	0,0	0,0	428,1	428,1	428,1
Financial derivatives	0,0	316,6	0,0	316,6	316,6
Total assets at fair value	7,0	4.810,8	428,1	5.245,9	5.245,9
Financial derivatives	0,0	29,9	0,0	29,9	29,9
Total liabilities at fair value	0,0	29,9	0,0	29,9	29,9

Movement at level 3

	Fair value
Balance at 01.01.14	627,4
Net gains	147,0
Purchase of shares	0,7
Disposals	256,8
Change in value	-90,2
Transferred from level 1 and 2	0,0
Balance at 30.09.2014	428,1

Shares and units at level 3

Disposals at level 3 for the year to date include Nets Holding AS and the sale of shares in Frende Holding AS, both classified as available for sale.

The sale of the bank's stake in Nets Holding AS was completed in Q3. The total consideration for the bank's ownership interest was NOK 231.1 million. The realised gain of NOK 134.7 million is recognised under "Net value changes and gains/losses on financial investments" in the income statement, while the value change previously accumulated in comprehensive income has been reclassified.

The total consideration for the sale of shares in Frende Holding AS was NOK 25.1 million. The realised gain of NOK 11.7 million is recognised under "Net value changes and gains/losses on financial investments" in the income statement, with the corresponding amount reclassified from other comprehensive income. At the end of Q3 2014, Frende Holding AS was valued at NOK 200.8 million and Eksportfinans ASA at NOK 208.3 million.

30.09.2013 – Group

	Level 1	Level 2	Level 3	Fair value	Carrying amount
Amortised cost					
Cash and balances with central banks	597,5	0,0	0,0	597,5	597,5
Net loans to and receivables from credit institutions	0,0	0,0	13,4	13,4	13,4
Net loans to and receivables from customers	0,0	0,0	25.012,1	25.012,1	25.005,6
Certificates, bonds and other interest-bearing securities	0,0	216,2	0,0	216,2	200,7
Total assets at amortised cost	597,5	216,2	25.025,5	25.839,2	25.817,2
Debt to credit institutions	0,0	847,1	0,0	847,1	847,1
Deposits from and liabilities to customers	0,0	12.135,8	0,0	12.135,8	12.135,8
Liabilities incurred on the issuance of securities	0,0	14.249,7	0,0	14.249,7	14.089,3
Subordinated loan capital	0,0	508,2	0,0	508,2	504,1
Total liabilities at amortised cost	0,0	27.740,8	0,0	27.740,8	27.576,3
Fair value					
Certificates, bonds and other interest-bearing securities	0,0	3.162,1	0,0	3.162,1	3.162,1
Shares, units and other securities					
- at fair value through profit or loss	6,3	18,1	0,0	24,4	24,4
- available for sale	0,0	0,0	444,3	444,3	444,3
Financial derivatives	0,0	181,8	0,0	181,8	181,8
Total assets at fair value	6,3	3.362,0	444,3	3.812,6	3.812,6
Financial derivatives	0,0	31,7	0,0	31,7	31,7
Total liabilities at fair value	0,0	31,7	0,0	31,7	31,7

Movement at level 3	Fair value
Balance at 01.01.13	454,6
Purchase of shares	0,0
Disposals	4,0
Change in value	-6,3
Transferred from level 1 and 2	0,0
Balance at 30.09.13	444,3

Shares and units

Disposals of NOK 4 million at level 3 at 30.09.13 concern the repayment of paid-in capital arising from a company liquidation. The negative value change of NOK 6.3 million is classified in the available-for-sale category. The amount includes an impairment loss of NOK 1.4 million, recognised in "Net value changes and gains/losses on financial investments" in the income statement, while NOK 5.0 million is a negative value adjustment, recognised in "Changes in fair value of available-for-sale investments" in comprehensive income.

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

Fair value

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

Movement at level 3

Balance at 01.01.13	454,6
Purchase of shares	0,0
Disposals	4,0
Change in value	176,8
Transferred from level 1 and 2	0,0
Balance at 31.12.13	627,4

Shares and units

Disposals of NOK 4 million at level 3 in 2013 concern the repayment of paid-in capital arising from a company liquidation. The positive value change of NOK 176.8 million is classified in the available-for-sale category. The amount includes an impairment loss of NOK 1.9 million, recognised in "Net value changes and gains/losses on financial investments" in the income statement, while the net positive value change of NOK 178.8 million is recognised in "Changes in fair value of available-for-sale investments" in comprehensive income. The two largest individual items are a value adjustment of NOK 105.2 million to NOK 226.9 million for Frende Holding AS and a value adjustment of NOK 78.5 million to NOK 174.9 million for Nets Holding AS.

Offsetting financial instruments

The Group's use of offsetting complies with the general rules in Norwegian legislation. Standardised and mainly bilateral ISDA agreements have been entered into with financial institutions, which give the parties offsetting rights in the event of any default. Additional agreements for the provision of collateral (CSA) have also been entered into. In accordance with the offsetting disclosure requirements, there has been no offsetting of amounts recognised in the balance sheet. There are no agreements in the parent bank regarding offsetting rights in the event of defaults, nor have any CSA agreements been entered into.

Group (Figures in NOK million)

	Gross amount	Set-off	Carrying amount	Net settlement amount	Amount after possible net settlement
At 30.09.14, exposure was as follows:					
Financial derivatives, assets	127,6	0,0	127,6	0,0	127,6
Financial derivatives, liabilities	0,0	0,0	0,0	0,0	0,0
At 30.09.13, exposure was as follows:					
Financial derivatives, assets	62,0	0,0	62,0	0,0	62,0
Financial derivatives, liabilities	0,0	0,0	0,0	0,0	0,0
At 31.12.13, exposure was as follows:					
Financial derivatives, assets	60,3	0,0	60,3	0,0	60,3
Financial derivatives, liabilities	0,0	0,0	0,0	0,0	0,0

Capital adequacy

Regulations on capital requirements and the calculation of subordinated capital have been amended in response to the introduction of CRD IV with effect from 30.09.14. Comparative figures for prior periods have not been restated. The figures are therefore not directly comparable.

Figures at 30.09.14 are calculated using transitional rules, which means the revaluation reserve for items classified as available-for-sale still can not be included in common equity Tier 1 capital.

The bank uses the standardised approach to calculate the minimum subordinated capital requirement for credit risk and the basic indicator approach for operational risk. The capital charge for credit value adjustment (CVA) is calculated using the standardised approach. Exposure amounts for derivatives are calculated using the market value method.

The Group's capital must at all times meet the minimum capital adequacy requirement, with the addition of a buffer that corresponds to the company's accepted risk tolerance. More information can be found in the Group's Pillar III document on Sparebanken Øst's website.

	Parent bank	Parent bank	Parent bank	Group	Group	Group
	30.09.2014	30.09.2013	31.12.2013	30.09.2014	30.09.2013	31.12.2013
Common equity Tier 1						
Book equity	2.147,4	1.905,6	2.304,8	2.370,5	2.068,5	2.527,9
Deductions from CET1 capital						
Additional value adjustments (prudent valuation requirement)	-5,8	0,0	0,0	-5,4	0,0	0,0
Dividend	0,0	0,0	-62,2	0,0	0,0	-62,2
Intangible assets	-0,4	0,0	-0,7	-0,4	0,0	-0,7
Deferred tax	0,0	-10,6	-4,0	0,0	0,0	0,0
CET1 capital instruments in other fin. inst. (not significant)	-3,1	-50,6	-49,9	0,0	-50,6	-49,9
CET1 capital instruments in other fin. inst. (significant)	0,0	-52,3	-104,9	0,0	-60,4	-113,0
Other deductions from common equity Tier 1 capital	-162,4	-68,9	-252,6	-162,4	-68,9	-252,6
Total common equity Tier 1 capital	1.975,7	1.723,2	1.830,5	2.202,3	1.888,6	2.049,6
Other Tier 1 capital						
Subordinated bond loans	349,0	304,5	502,1	349,0	304,5	502,1
Deductions from other Tier 1 capital						
Other Tier 1 capital instruments in other fin. inst. (not significant)	-6,1	0,0	0,0	0,0	0,0	0,0
Other Tier 1 capital instruments in other fin. inst. (significant)	0,0	0,0	0,0	0,0	0,0	0,0
Other deductions from other Tier 1 capital	0,0	0,0	0,0	0,0	0,0	0,0
Total other Tier 1 capital	342,9	304,5	502,1	349,0	304,5	502,1
Total Tier 1 capital	2.318,6	2.027,7	2.332,6	2.551,3	2.193,1	2.551,7
Tier 2 capital						
Subordinated loans	349,3	199,6	349,1	349,3	199,6	349,1
Deductions from Tier 2 capital						
Tier 2 capital instruments in other fin. inst. (not significant)	-8,5	-50,6	-49,9	0,0	-50,6	-49,9
Tier 2 capital instruments in other fin. inst. (significant)	0,0	-52,3	-104,9	0,0	-60,4	-113,0
Other deductions from Tier 2 capital	58,5	31,0	113,7	58,5	31,0	113,7
Total Tier 2 capital	399,3	127,7	308,0	407,8	119,6	299,9
Net subordinated capital	2.717,9	2.155,4	2.640,7	2.959,1	2.312,7	2.851,6
Risk-weighted assets						
Governments and central banks	0,0	0,0	0,0	0,0	0,0	0,0
Local and regional authorities	231,8	68,1	64,2	231,8	68,1	64,2
Publicly-owned companies	0,0	25,1	25,1	0,0	25,1	25,1
Multilateral development banks	0,0	0,0	0,0	0,0	0,0	0,0
Institutions	3.157,0	2.949,9	2.980,0	513,5	464,6	443,9
Companies	3.313,0	3.483,4	3.258,5	3.002,9	3.130,1	2.950,4
Mass market accounts	524,4	505,3	522,1	1.751,4	1.744,8	1.738,4
Accounts secured on property	5.257,4	4.586,9	4.987,8	8.406,6	7.369,0	7.660,1
Accounts due	436,3	466,0	409,0	472,7	466,0	440,5
Covered bonds	295,2	182,4	230,4	240,4	182,4	206,2
Units in securities funds	0,0	0,0	0,0	0,0	0,0	0,0
Other exposures	1.042,0	621,1	824,0	1.448,3	1.077,7	1.245,6
Securitisation	111,0	56,4	55,4	111,0	56,4	55,4
Risk-weighted assets, credit and counterparty risk	14.368,1	12.944,6	13.356,4	16.178,6	14.584,2	14.829,9
Risk-weighted assets, currency risk	0,0	0,0	0,0	0,0	0,0	0,0
Risk-weighted assets, operational risk	952,9	982,4	982,4	1.184,5	1.167,1	1.167,1
Risk-weighted assets, impaired c/party credit rating (CVA)	136,7	0,0	0,0	345,2	0,0	0,0
Deductions from risk-weighted assets	0,0	-283,8	-488,5	0,0	-303,4	-508,1
Total risk-weighted assets	15.457,7	13.643,2	13.850,2	17.708,3	15.447,9	15.488,8
CET1 capital ratio	12,78 %	12,63 %	13,22 %	12,44 %	12,23 %	13,23 %
Tier 1 capital ratio	15,00 %	14,86 %	16,84 %	14,41 %	14,20 %	16,47 %
Capital ratio	17,58 %	15,80 %	19,07 %	16,71 %	14,97 %	18,41 %

Guarantee liabilities, other off-balance sheet items

(Figures in NOK million)	Parent bank	Parent bank	Parent bank	Group	Group	Group
Guarantee liabilities	30.09.2014	30.09.2013	31.12.2013	30.09.2014	30.09.2013	31.12.2013
Payment guarantees	88,8	59,0	67,8	89,6	59,8	68,6
Contract guarantees	65,7	94,0	92,6	65,7	94,0	92,6
Loan guarantees	5,7	8,8	2,2	5,7	8,8	2,2
Other guarantee liabilities	17,6	19,1	19,0	17,6	19,1	19,0
Total customer guarantees	177,8	180,9	181,7	178,6	181,7	182,4
Guarantee to Eksportfinans ASA*)	100,0	100,0	100,0	100,0	100,0	100,0
Total guarantee liabilities	277,8	280,9	281,7	278,6	281,7	282,4

* The bank has provided a guarantee to Eksportfinans ASA. The net guarantee liability is NOK 100 million. The guarantee is a derivative. The value of the derivative excluding exchange settlement was positive at NOK 46.2 million at 30.09.14, compared with NOK 22.4 million at 31.12.13. At 30.09.13, this was positive at NOK 18.2 million.

In connection with the rating process for Sparebanken Øst Boligkreditt AS, the bank has issued a guarantee for all covered bond commitments in the mortgage credit company. The nominal amount of the covered bond commitments is NOK 6,921.3 million at 30.09.2014 (NOK 6,154.2 million at 31.12.13 and NOK 5,891.2 million at 30.09.13). The nominal amount of the parent company's covered bond holdings, NOK 545.0 million (NOK 240.0 million at 31.12.13 and NOK 0.0 million at 30.09.13), has been deducted.

Pledges and preferential claims

Bonds, nominal value, pledged as security for loans with Norges Bank	1.400,0	1.890,0	1.620,0	1.400,0	1.890,0	1.620,0
Pledges	1.400,0	1.890,0	1.620,0	1.400,0	1.890,0	1.620,0

Pledges in swap scheme	0,0	0,0	0,0	0,0	0,0	0,0
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Preferential claims (Sect. 2-35, Financial Inst. Act)*	0,0	0,0	0,0	7.466,3	5.891,2	6.394,2
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* Including parent bank's holdings, nominal value NOK 545.0 million at 30.09.14, NOK 240.0 million at 31.12.13 and NOK 0.0 million at 30.09.2013.

Security in real estate

Liabilities secured by mortgaged properties	0,0	0,0	0,0	0,0	0,0	0,0
Carrying amount of pledged properties	0,0	0,0	0,0	0,0	0,0	0,0

Related party transactions

Parent bank

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

(Figures in NOK million)

	30.09.2014	30.09.2013	31.12.2013
Income and expenses			
Interest income from subsidiaries	51,8	53,8	72,2
Interest income, certificates and covered bonds from subsidiaries	7,4	16,9	17,3
Interest expenses to subsidiaries	2,7	2,0	2,9
Dividend/Group contributions received from subsidiaries	60,0	71,0	71,0
Management remuneration etc. from Sparebanken Øst Boligkreditt AS	11,0	10,6	13,9
Rent to subsidiaries	5,8	5,5	7,3
Other costs to subsidiaries	0,1	0,1	0,2
Balance sheet			
Loans to subsidiaries	2.621,5	3.282,7	2.401,2
Investments in covered bonds, subsidiaries	547,5	0,0	241,8
Accrued interest income on covered bonds from subsidiaries	1,5	0,0	0,6
Accrued interest income from subsidiaries	0,3	1,7	1,2
Other receivables from subsidiaries	1,1	3,7	0,0
Deposits from subsidiaries	261,6	209,6	245,7
Accrued interest costs to subsidiaries	2,7	2,0	0,0
Other liabilities to subsidiaries	5,1	12,4	1,1

In Q1 2014, the parent bank received dividends of NOK 60 million from subsidiaries.

In Q1 2013, the parent bank received Group contributions of NOK 71 million from subsidiaries and provided equivalent Group contributions to subsidiaries.

Group

Apart from loans and deposits, and associated interest income and expenses, with senior management, the Board and control committee, the Group does not have any other related parties. Further information can be found in Note 32 of the Annual Report.

Additional cash flow statement information

Group 30.09.2014	Group 30.09.2013	Group 31.12.2013	(Figures in NOK million)	Parent bank 30.09.2014	Parent bank 30.09.2013	Parent bank 31.12.2013
Cash and cash equivalents						
457,6	597,5	357,5	Cash and balances with central banks	457,6	597,5	357,5
0,0	0,0	0,0	Treasury bills	0,0	0,0	0,0
8,3	13,4	8,6	Investment-related loans to/receivables from credit institutions	8,3	13,4	8,6
465,9	610,9	366,1	Total	465,9	610,9	366,1
Changes in other operating assets						
-4,1	502,9	503,8	Net changes in financial assets held for trading	-4,1	502,9	503,8
8,2	33,4	31,4	Net changes in financial derivatives (net assets and liabilities)	8,2	33,4	31,4
-0,9	14,1	3,3	Net changes in other assets	-0,8	25,2	18,5
3,2	550,4	538,5	Total	3,3	561,5	553,7
Non-cash items included in profit before tax						
14,6	13,3	17,9	Depreciation of fixed assets	6,4	4,9	6,7
0,2	0,5	0,6	Amortisation of held-to-maturity financial investments	0,2	0,6	0,6
5,9	-11,5	-5,4	Impairment of financial assets	2,3	-11,6	-10,1
1,2	5,5	10,5	Amortisation of financing activities measured at amortised cost	0,0	4,6	6,9
21,9	7,8	23,6	Total	8,9	-1,5	4,1

Earnings per equity certificate

Earnings per equity certificate is calculated by dividing the portion of profit after tax attributable to equity certificate holders by the weighted average of the number of outstanding equity certificates during the year. In the event of a loss for the year, this is covered by a pro rata transfer from the primary capital fund, endowment fund and equalisation fund. In such a situation, earnings per equity certificate is calculated on the basis of the proportion of the loss that is charged to the equalisation fund.

Sparebanken Øst has not issued any options or other instruments that might lead to a dilution of earnings per equity certificate. Diluted earnings per equity certificate is therefore the same as earnings per equity certificate.

(Figures in NOK million)	Parent bank 30.09.2014	Group 30.09.2014
Profit after tax	333,7	367,9
Ownership ratio	41,44 %	41,44 %
Profit after tax attributable to equity certificate holders	138,3	152,5
Weighted average of number of outstanding equity certificates	20,7	20,7
Earnings per equity certificate	6,67	7,35

Ownership ratio, parent bank

(Figures in NOK million)	01.01.2014	01.01.2013
Equity certificate capital	207,3	207,3
Share premium reserve	387,8	387,8
Equalisation fund (excl. dividends)	229,5	198,5
Available-for-sale reserve	104,7	32,0
Total numerator (A)	929,3	825,6
Total equity (excl. provision for dividends for the year)	2.242,6	1.907,6
Total denominator (B)	2.242,6	1.907,6
Ownership ratio (A/B), %	41,44	43,28

Equity certificates

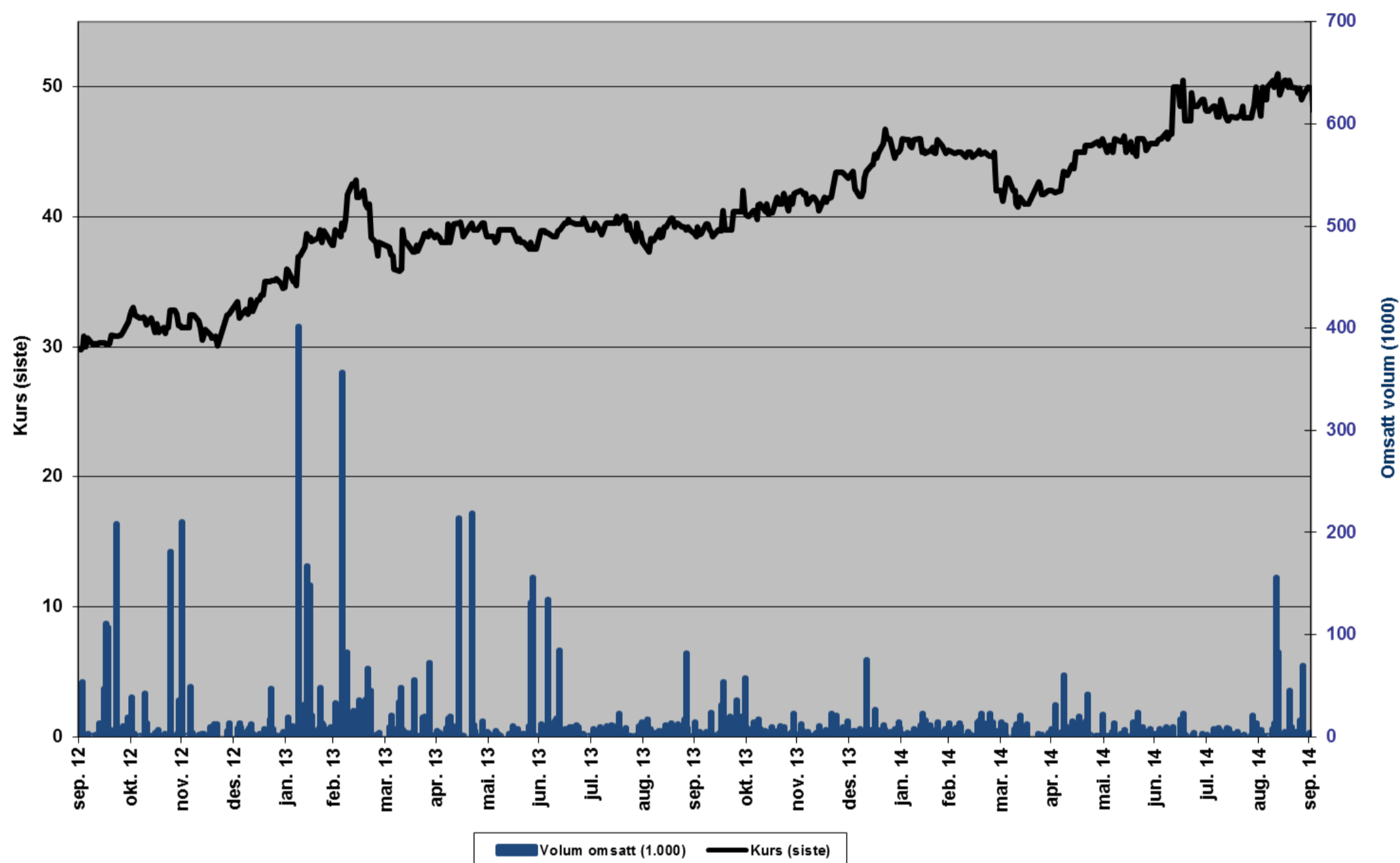
Equity certificates – key figures

	30.09.2014	2013	2012	2011	2010
Ownership ratio 1)	41,44 %	43,28 %	44,98 %	46,04 %	49,05 %
No. of equity certificates (millions)	20,73	20,73	20,73	20,73	20,73
Book equity per certificate NOK	54,84	49,29	43,22	40,49	39,14
Dividend, NOK	-	3,00	3,00	2,00	5,00
Turnover rate (sold/issued)	10,62 %	21,81 %	11,69 %	21,61 %	45,09 %

1) Equity share capital+equalisation fund+share premium reserve as a percentage of the parent bank's total equity excl. provisions for dividends for the year.

2) Equity share capital (Group) divided by number of equity certificates. Profit for the year to date is included.

Sparebanken Øst (SPOG)



20 largest equity certificate holders at 30.09.2014

Name	Number	%	Name	Number	%
1 MP Pensjon	2.049.218	9,88 %	11 Profond AS	269.741	1,30 %
2 Skagen Vekst VPF	1.124.204	5,42 %	12 Hustadli AS	264.040	1,27 %
3 Directmarketing Invest AS	999.500	4,82 %	13 Foretakskonsulenter AS	243.600	1,18 %
4 Pareto AS	677.070	3,27 %	14 Teleplan Holding AS	239.665	1,16 %
5 Storetind AS	587.000	2,83 %	15 Citybank NA New York	204.468	0,99 %
6 Hansen, Asbjørn Rudolf	466.443	2,25 %	16 Atlas Absolutt	200.000	0,96 %
7 Verdipapirfondet Eika Utbytte	405.345	1,96 %	17 Wenaasgruppen AS	200.000	0,96 %
8 AS Andersen Eiendomsselskap	354.500	1,71 %	18 Citybank NA New York	193.666	0,93 %
9 Sparebankstiftelsen DNB	308.320	1,49 %	19 Danske Bank AS	179.683	0,87 %
10 Jag Holding AS	272.000	1,31 %	20 RWA Invest AS	150.875	0,73 %