

Sparebanken Oest Boligkreditt AS - Covered Bond Programme

Covered Bonds / Norway



Contacts Savoye, Elise - +33 (1) 5330-1079 - Elise.Savoye@moody.com
Grnac, Jan - +44 (0207) 772-1053 - Jan.Grnac@moody.com

Monitoring Client Service Desk Monitor.CB@moody.com
London: +44 20 7772-5454, csdlondon@moody.com

Click here to download data into Excel & to see Glossary of terms used

Reporting as of: 31/12/2014 All amounts in NOK (Norway) (unless otherwise specified)

For information on how to read this report, see the latest Moody's Global Covered Bond Monitoring Overview

Data as provided to Moody's Investors Service (note 1)

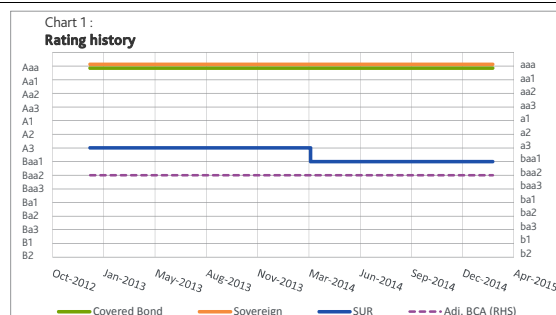
I. Programme Overview

Overview

Year of initial rating assignment :		2011
Total outstanding liabilities :	NOK (Norway)	6,942,910,000
Total assets in the Cover Pool :	NOK (Norway)	8,677,329,174
Issuer name / LT Deposit Rating / Adjusted BCA :	Sparebanken Oest Boligkreditt AS / Unrated	
Group or parent name /LT Deposit Rating/ Adjusted BCA:	Sparebanken Oest / Baa1 Negative / baa2	
Main collateral type :	Residential	

Ratings

Covered bonds rating :	Aaa
Entity used in Moody's EL & TPI analysis :	Sparebanken Oest
SUR (note 2):	Baa1
Adjusted BCA:	baa2
CB Anchor (note 3):	SUR + 1 notch
Debt Ratio:	>10%
Senior unsecured claim used for Moody's EL analysis:	No



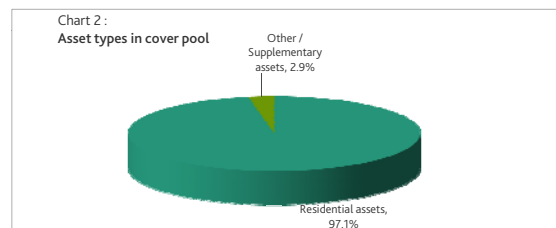
II. Value of the Cover Pool

Collateral quality

Collateral Score :	5.0%
Collateral Score excl. systemic risk :	3.5%

Cover Pool losses

Collateral Risk (Collateral Score post-haircut) :	3.4%	34%
Market Risk :	6.5%	66%
	9.9%	(100%)



III. Over-Collateralisation Levels

(notes 4 & 5)

Over-Collateralisation (OC) figures presented below include Eligible only collateral. The exception to this is current OC which may include ineligible collateral.

Over-collateralisation levels are provided on nominal basis.

NPV stress test where stressed : n/a

Current situation

Committed OC :	12.0%
Current OC :	25.0%
OC consistent with current rating :	6.5%

Sensitivity scenario CB Anchor

		OC consistent with current rating
Scenario 1 : CB Anchor is lowered by	1 notch	9.0%

IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI) :	High
TPI Leeway :	1

Extract from TPI table - CB anchor is SUR + 1 notch

SUR	High
A1	Aaa
A2	Aaa
A3	Aaa
Baa1	Aaa
Baa2	Aaa
Baa3	Aa1
Ba1	Aa2

Legal framework

Does a specific covered bond law apply for this programme :	Yes
Main country in which collateral is based :	Norway
Country in which issuer is based :	Norway

Timely payment

Refinancing period for principal payments of 6 months or greater :	Yes
Liquidity reserve to support timely payments on all Issuances :	No

(note 1) The data reported in this PO is based on information provided by the issuer and may include certain assumptions made by Moody's. Moody's accepts no responsibility for the information provided to it and, whilst it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody's encourages all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorised by issuers. The data reporting template (which Issuers are requested to use) is available on request.

(note 2) We may use a senior unsecured rating or a deposit rating, depending on a case-by-case analysis of the most appropriate reference rating for the CB anchor.

(note 3) Where the SUR already incorporates material levels of government support, the CB anchor may be positioned at SUR+0 regardless of the debt ratio. We will determine, on a case-by-case basis, the relevant level of support that would trigger the exception, but the level may apply to senior unsecured ratings that incorporate more than three notches of government support.

(note 4) This assumes the Covered Bonds rating is not constrained by the TPI. Also to the extent rating assumptions change following a downgrade or an upgrade of the Issuer, the necessary OC stated here may also change. This is especially significant in the case of Issuers currently rated A2 or A3, as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here as market risks are considered more critically by Moody's at this time. In any event, the necessary OC amounts stated here are subject to change at anytime at Moody's discretion.

(note 5) This is the minimum OC calculated to be consistent with the current rating under Moody's expected loss model. However, the level of OC consistent with a given rating level may differ from this amount where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

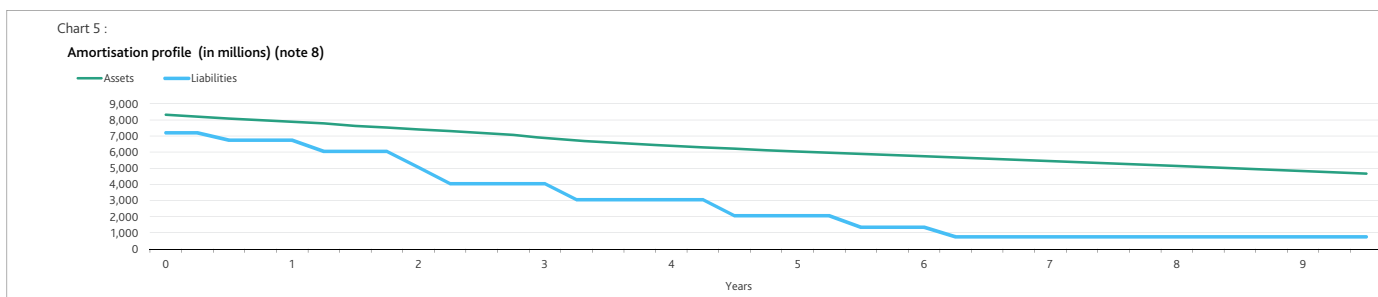
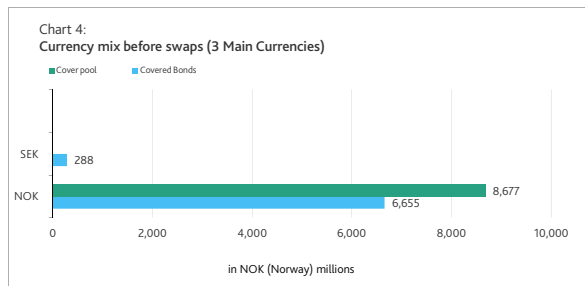
V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 6)

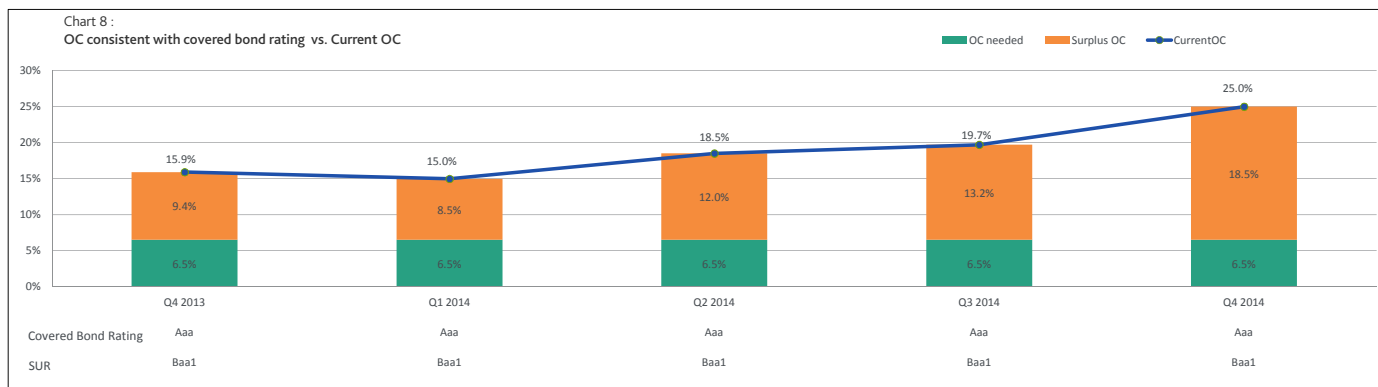
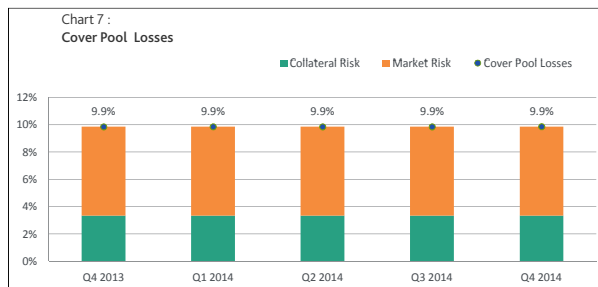
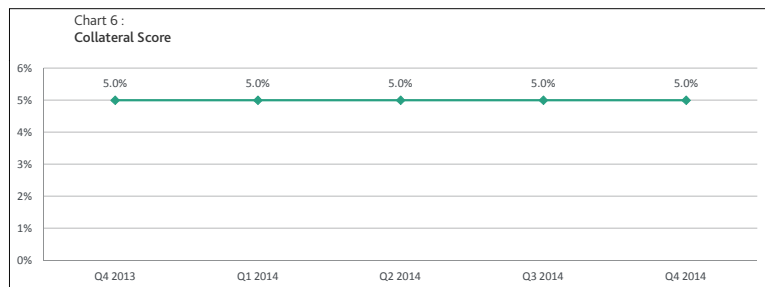
Fixed rate assets in the cover pool :	0.0%
Fixed rate covered bonds outstanding :	21.6%
WAL of outstanding covered bonds :	4.1 years
WAL of the cover pool :	19.1 years

Swap Arrangements

Interest rate swap(s) in the Cover Pool :	Yes
Intra-group interest rate swap(s) provider(s) :	No
Currency swap(s) in the Cover Pool :	Yes
Intra-group currency swap(s) provider(s) :	No



VI. Performance Evolution



This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody.com for the most updated credit rating action information and rating history.

(note 6) This assumes no prepayment.

(note 7) Based on principal flows only. Assumptions include no prepayments, principal collections limited to the portion of assets that make up the amount of the liabilities plus committed OC, no further CB issuance and no further assets added to the cover pool.

(note 8) Assumptions include no prepayment, no swap in place in Cover Pool, and no further CB issuance.

VII. Cover Pool Information - Residential Assets

Overview

Asset type :	Residential
Asset balance :	8,427,141,638
Average loan balance :	1,220,617
Number of loans :	6,904
Number of borrowers :	6,803
Number of properties :	6,883
WA remaining term (in months) :	229
WA seasoning (in months) :	43

Details on LTV

WA unindexed LTV: Whole loan / Senior loan (*) :	57.1% / 52.2%
WA indexed LTV: Whole loan / Senior loan :	50.7% / 46.3%
Valuation type :	Market Value
LTV threshold :	75.0%
Junior ranks (**):	4.9%
Prior ranks :	0.0%

n/d : information not disclosed by issuer

n/a : information not applicable

Specific Loan and Borrower characteristics

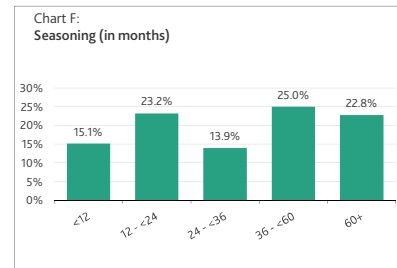
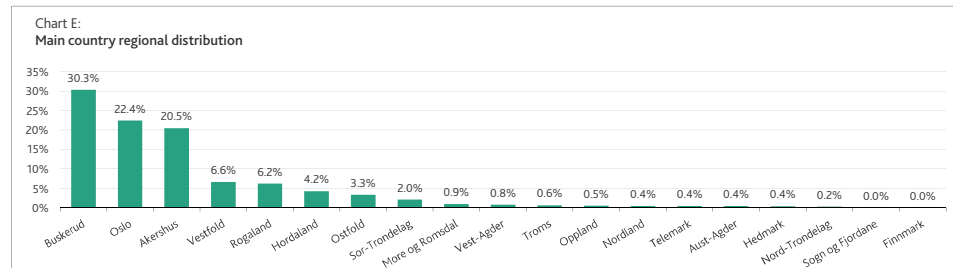
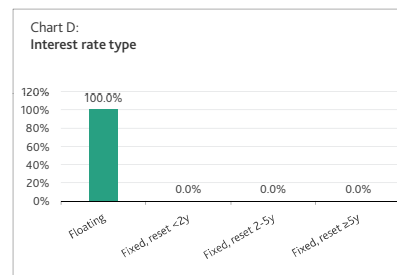
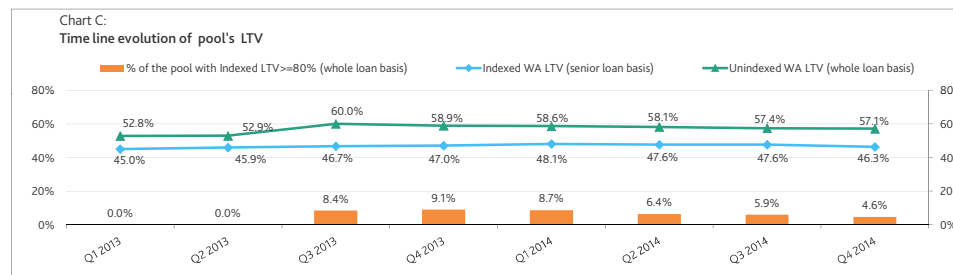
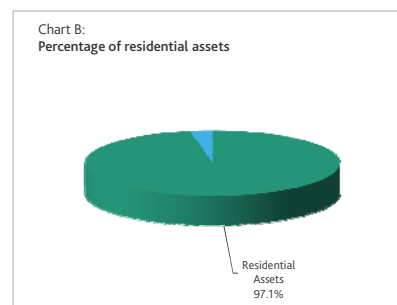
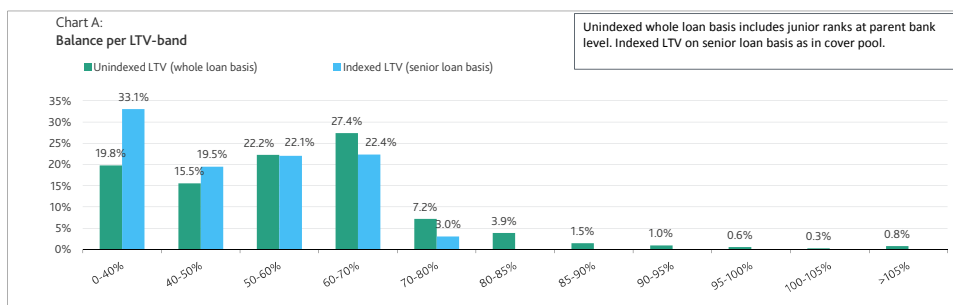
Loans with an external guarantee in addition to a mortgage :	0.0%
Interest only Loans / FlexLoans (***) :	0.0% / 11.73%
Loans for second homes / Vacation :	0.0%
Buy to let loans / Non owner occupied properties :	0.0%
Limited income verified :	0.0%
Adverse credit characteristics (****):	0.0%

Performance

Loans in arrears (≥ 2months - < 6months) :	0.0%
Loans in arrears (≥ 6months - < 12months) :	0.0%
Loans in arrears (≥ 12months) :	0.0%
Loans in a foreclosure procedure :	0.0%

Multi-Family Properties

Loans to tenants of tenant-owned Housing Cooperatives :	0.0%
Other type of Multi-Family loans (*****):	0.0%



(note *) May be based on property value at time of origination or further advance or borrower refinancing.

(note **) Internal junior ranks (delta between Unindexed whole loan WA LTV incl. Internal junior ranks and unindexed WA LTV excl. Internal junior ranks)

(note ***) Flexloans have an amortisation profile and can be re-drawn by the customer up to a certain limit.

(note ****) Typically borrowers with a previous personal bankruptcy or borrowers with record of court claims against them at time of origination.

(note *****) This "other" type refers to loans directly to Housing Cooperatives and to Landlords of Multi-Family properties (not included in Buy to Let).

VIII. Cover Pool Information - Supplementary Assets

Overview

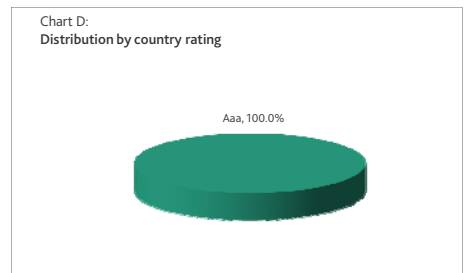
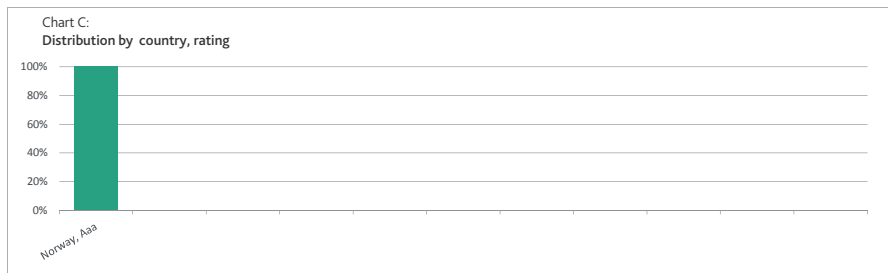
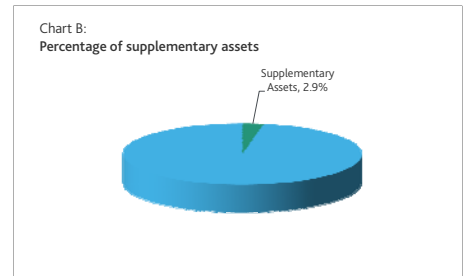
Asset type :	Supplementary Assets
Asset balance :	250,187,536
WA remaining Term (in months) :	n/a
Number of assets	1
Number of borrowers	1
Average assets size	250,187,536
Average exposure to borrowers:	250,187,536

n/d : information not disclosed by Issuer

n/a : information not applicable

Specific Loan and Borrower characteristics

Repo eligible assets :	0.0%
Percentage of fixed rate assets :	0.0%
Percentage of bullet assets :	100.0%
Assets in non-domestic currency :	0.0%
Performance	
Assets in arrears (≥ 2months - < 6months) :	0.0%
Assets in arrears (≥ 6months - < 12months) :	0.0%
Assets in arrears (≥ 12months) :	0.0%
Assets in a enforcement procedure :	0.0%



Appendix 1: Liabilities Information: Last 50 Issuances

ISIN	Series Number	Currency	Outstanding Amount	Issue Date	Expected Maturity	Legal Final Maturity	Interest Rate Type	Coupon	Principal Payment
NO0010709124		NOK	700,000,000	03/04/2014	03/04/2020	03/04/2021	Floating rate	Nibor 3m + 37 bps	BULLETT
NO0010703051		NOK	600,000,000	05/02/2014	05/02/2021	07/02/2022	Fixed rate	3.050%	BULLETT
NO0010682099		NOK	1,000,000,000	10/06/2013	11/06/2019	11/06/2020	Floating rate	Nibor 3m + 42 bps	BULLETT
NO0010640709		SEK	300,000,000	20/03/2012	20/01/2016	20/01/2017	Floating rate	STIBOR 3m + 80 bps	BULLETT
NO0010625908		NOK	750,000,000	05/10/2011	05/10/2026	05/10/2027	Fixed rate	4.550%	BULLETT
NO0010625858		NOK	150,000,000	03/10/2011	03/03/2016	03/03/2017	Fixed rate	3.600%	BULLETT
NO0010623986		NOK	1,000,000,000	22/08/2011	22/02/2018	22/02/2019	Floating rate	Nibor 3m + 55 bps	BULLETT
NO0010604879		NOK	1,000,000,000	16/03/2011	15/03/2017	21/03/2018	Floating rate	Nibor 3m + 60 bps	BULLETT
NO0010589955		NOK	1,000,000,000	18/10/2010	18/10/2016	18/10/2017	Floating rate	Nibor 3m + 57 bps	BULLETT
NO0010572464		NOK	455,000,000	21/05/2010	21/05/2015	23/05/2016	Floating rate	Nibor 3m + 65 bps	BULLETT

© 2015 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. AND ITS RATINGS AFFILIATES ("MIS") ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND CREDIT RATINGS AND RESEARCH PUBLICATIONS PUBLISHED BY MOODY'S ("MOODY'S PUBLICATIONS") MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND MOODY'S OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. CREDIT RATINGS AND MOODY'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR MOODY'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLISHES MOODY'S PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS FOR RETAIL INVESTORS TO CONSIDER MOODY'S CREDIT RATINGS OR MOODY'S PUBLICATIONS IN MAKING ANY INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing the Moody's Publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any rating, agreed to pay to Moody's Investors Service, Inc. for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moody.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

For Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail clients. It would be dangerous for "retail clients" to make any investment decision based on MOODY'S credit rating. If in doubt you should contact your financial or other professional adviser.

For Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any rating, agreed to pay to MJKK or MSFJ (as applicable) for appraisal and rating services rendered by it fees ranging from JPY200,000 to approximately JPY350,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.