



180th year

Quarterly report

Q2 2022

Interim financial statements – Q2 2022

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Key figures – Group

	0,8	0,6	1,0	3,2	0,5
Income Statement (Amounts in NOK millions)	Q2 2022	Q2 2021	1.01-30.06.2022	1.01-30.06.2021	Full year 2021
Net interest income	158,3	151,8	320,2	303,0	631,3
Net commission income	8,5	7,1	19,8	14,6	33,3
Net result from financial assets	-6,3	71,1	-19,5	73,3	89,8
Other operating income	0,8	1,9	1,5	5,7	6,4
Total net income	161,3	231,9	321,9	396,6	760,8
Total operating costs	66,6	68,2	147,7	147,1	305,7
Profit/loss before losses	94,7	163,8	174,3	249,6	455,2
Losses on loans, unused credit and guarantees	0,8	0,6	1,0	3,2	0,5
Profit/loss before income tax	93,9	163,2	173,2	246,4	454,7
Income tax	#REF!	#REF!	#REF!	#REF!	#REF!
Profit/loss after tax	#REF!	#REF!	#REF!	#REF!	#REF!
Key figures	Q2 2022	Q2 2021	1.01-30.06.2022	1.01-30.06.2021	Full year 2021
Profitability					
Return on equity*	6,87	13,49	6,24	9,86	8,86
Net interest income as a % of average total assets	1,38	1,28	1,38	1,32	1,34
Profit/loss after income tax as a % of average total assets	0,67	1,19	0,60	0,89	0,79
Costs as a % of average total assets	0,58	0,57	0,64	0,64	0,65
Costs as a % of income (before losses on loans/guarantees)*	41,27	29,39	45,87	37,08	40,17
Costs as a % of income (excl. return on financial investments)*	39,71	42,38	43,25	45,49	45,55
Balance sheet figures					
Net lending to customers	37.666,8	40.425,6	37.666,8	40.425,6	39.386,7
Lending growth (quarter/12 months)	-1,70	5,16	-6,82	26,28	11,12
Deposits	17.471,9	17.318,3	17.471,9	17.318,3	17.578,9
Deposit growth (quarter/12 months)	2,18	9,97	0,89	16,61	18,42
Average equity	4.276,8	4.101,1	4.247,7	4.070,5	4.076,5
Average total assets	46.156,9	47.659,8	46.813,8	46.463,1	47.242,1
Loan loss provisions on impaired and non-performing commitments					
Losses as a % of net lending to customers (OB)*	0,01	0,01	0,01	0,02	0,00
Loan loss provisions as a % of gross lending to customers*	0,34	0,32	0,34	0,32	0,32
Net payments over 90 days past due as a % of net lending*	0,28	0,21	0,28	0,21	0,20
Other net non-performing commitments (Stage 3) as a % of net lending*	0,12	0,18	0,12	0,18	0,31
Financial strength					
CET1 capital ratio incl. 50% of retained earnings (%)	20,04	17,26	20,04	17,26	18,24
CET1 capital ratio (%)	19,71	16,79	19,71	16,79	18,24
Tier 1 capital ratio (%)	21,50	18,41	21,50	18,41	19,89
Capital adequacy ratio (%)	23,55	20,27	23,55	20,27	21,78
Risk-weighted volume (calculation basis)	19.517,5	21.606,6	19.517,5	21.606,6	21.190,0
Leverage ratio incl. 50% of retained earnings (%)	9,14	8,20	9,14	8,20	8,60
Tier 1 leverage ratio (%)	8,99	8,00	8,99	8,00	8,60
Liquidity					
Deposit coverage ratio	46,39	42,84	46,39	42,84	44,63
LCR (%)	248,46	214,34	248,46	214,34	249,72
Branches and FTEs					
No. of branches	30	29	30	29	29
FTEs	178	183	178	183	187
Equity certificates					
Ownership fraction (parent bank) (%)**	28,59	29,59	28,59	29,59	29,59
No. of equity certificates	20.731.183	20.731.183	20.731.183	20.731.183	20.731.183
Book equity per equity certificate*	59,48	60,52	59,48	60,52	61,51
Earnings per equity certificate*	1,01	1,97	1,81	2,84	5,16
Dividend per equity certificate	0,00	0,00	0,00	0,00	3,85
Turnover rate	13,96	22,27	19,98	23,62	28,53
Price	50,80	52,00	50,80	52,00	57,20

* Defined as alternative performance target
** For ownership fraction as at 01.01.2022, see Note 17
For the definitions of key figures and a review of alternative performance targets, see page 37.

Board of Directors' Report

In Q2, the bank can point to continued higher net interest income, increased commission income and a stably low level of costs. The quarterly result was affected by substantial negative changes in the value of the bank's portfolio of bonds and certificates, which is held for liquidity purposes, as well as negative changes in value from ownership interests in other companies.

Profit for the quarter amounted to NOK 77.6 million, and NOK 139.8 million for the first half-year. The turbulence in the financial markets is having a negative impact on the results, and the decreases in market values totalled NOK 56.4 million in the quarter. The dividend income received from Frende Holding AS amounted to NOK 49.1 million in the quarter. The return on equity for the quarter was 6.87 per cent, and 6.24 per cent for the first half-year.

In a market where competition for loan customers is fierce and margins very low, both in the retail market and the business market, the bank has prioritised maintaining lending margins. This explains the bank's negative growth in lending in the past 12 months. The bank can point to a stable deposits portfolio during the same period.

With effect from mid-May, interest rate increases were applied to large parts of the bank's loan portfolio, and further changes were decided in the Q2 that will take effect in mid-August. The bank's deposit margins increased in the first half-year and are expected to increase going forward due to anticipated rises in money market rates.

At the end of the first half-year, the bank's losses on loans are very low and it is financially very strong with a CET1 capital ratio of 20.04 per cent (inclusive of 50 per cent of retained earnings).

Results for the quarter in brief

Profit for the quarter amounted to NOK 77.6 million, down NOK 63.8 million compared with Q2 2021. Compared with Q1 2022, profit increased by NOK 15.4 million.

The return on equity (ROE) amounted to 6.87 per cent. The corresponding figures were 13.49 per cent for Q2 2021 and 5.61 per cent for Q1 2022.

Earnings per equity certificate were NOK 1.01, down from NOK 1.97 in Q2 2021 and up from NOK 0.80 in Q1 2022.

The CET1 capital ratio, inclusive of 50 per cent of retained earnings, was 20.04 per cent, up from 17.26 per cent in Q2 2021 and 19.01 per cent in Q1 2022.

The leverage ratio, inclusive of 50 per cent of retained earnings, was 9.14 per cent, up from 8.20 per cent in Q2 2021 and 8.95 per cent in Q1 2022.

Net interest income amounted to NOK 158.3 million, up NOK 6.5 million from Q2 2021. Compared with Q1 2022, net interest income, measured as a percentage of average total assets, was stable at 1.38 per cent.

Net other operating income amounted to NOK 3.0 million, down by NOK 77.1 million compared with Q2 2021. Compared with Q1 2022, net other operating income increased by NOK 4.3 million. The turbulence in the financial markets has resulted in significant decreases in value. The bank's portfolio of bonds and certificates, which is held for liquidity purposes, saw a negative change in value amounting to NOK 26.8 million. Unrealised negative changes in value from ownership interests amounted to NOK 24.3 million, of which the shareholding in Norwegian Block Exchange AS (NBX) accounted for NOK 21.2 million. By comparison, the positive change in the value of the shareholding in NBX amounted to NOK 26.8 million in Q4 2021. The dividend income received from Frende amounted to NOK 49.1 million, a decrease of NOK 19.9 million compared with Q2 2021.

Operating costs totalled NOK 66.6 million, a reduction of NOK 1.6 million from Q2 2021. Operating costs as a percentage of average total assets were stable at 0.58 per cent compared with 0.57 per cent in Q2 2021.

Losses amounted to NOK 0.8 million and were stable with an increase of NOK 0.2 million from Q2 2021. By comparison, losses amounted to NOK 0.2 million in Q1 2022.

New dividend policy – equal distribution

On 15.07.2022, the Board of Directors approved changes to the bank's dividend policy that will result in the maintenance of a stable ownership fraction over time. The changes result in a policy that aims to prevent any future reduction of the equity certificate holders' share of the equity and ensure the same distribution ratio of up to 50 per cent for both the primary capital and the equity certificate capital going forward. The bank's ownership fraction as at 01.01.2022 and at the end of Q2 was 28.59 per cent. The bank's new dividend policy is:

- Our financial targets for our operations are to achieve results that provide a good and stable return on the Bank's equity and create value for equity certificate holders as competitive returns in the form of dividends and equity certificate appreciation. We will strive to ensure that our dividend policy results in a stable ownership fraction over time.
- The profit for the year will be divided between equity certificate holders and social capital in accordance with their respective shares of the bank's equity. We will aim to pay out up to 50 per cent of the profit allocated to equity certificate holders as dividends.
- We will also aim to distribute up to 50 per cent of the profit allocated to primary funds in the form of donations to good causes, a donation fund and/or a charitable foundation.
- When the dividend is set, due consideration will be taken of the bank's financial performance, market situation, dividend stability and need for Tier 1 capital.

Adjusted target for the return on equity (ROE)

Sparebanken Øst calculates its capital adequacy using the standard method and therefore, given the current regulations, uses very high capital weights for its lending to retail and business customers when compared with banks that fully or partly use IRB models. Treating identical customers with equal risk differently shows that capital weights based on the standard method result in significantly lower lending capacity in relation to the level of equity, which in turn results in a lower return on equity. Given the current regulatory framework conditions, on 15.07.2022 the Board of Directors voted to adjust the target return on equity (ROE) from 10 per cent to 9 per cent.

Over time, Sparebanken Øst has achieved a good return on equity and adjusting the target return does not entail a change to the bank's business model. Given the current regulatory framework conditions and its status as a standard method bank, in the opinion of the Board a target return of 9 per cent for the next few years represents a realistic level of ambition for Sparebanken Øst.

Changed financial strength target for CET1 capital ratio

The applicable Pillar 2 requirement for Sparebanken Øst is 1.8 per cent, with a minimum of NOK 360 million. The requirement came into effect on 30.06.2020. Given the current level of the countercyclical buffer of 1.5 per cent, this entails a total CET1 capital requirement of at least 13.3 per cent. Based on the announced increase in the systemic risk buffer from 31.12.2022, as well as the announced increases in the countercyclical buffer, Sparebanken Øst's total regulatory requirement for CET1 capital will increase to 15.8 per cent under the applicable Pillar 2 requirement at the end of Q1 2023.

The Board has voted to change the CET1 capital target from 14.75 per cent to expressing the capital target as follows: The Sparebanken Øst Group's target for CET1 capital shall be equal to the regulatory requirement plus a capital margin of 1.0 per cent.

More about the results for the quarter

NET INTEREST INCOME

Net interest income amounted to NOK 158.3 million, up NOK 6.5 million from Q2 2021, and down NOK 3.6 million compared with Q1 2022. Higher interest rates generally result in increased interest income and higher interest costs for the bank. The increase in net interest income compared with Q2 2021 was mainly due to increased deposit margins, although rising money market rates are also resulting in higher interest costs

for the bank's market funding. The marginal reduction in net interest income compared with Q1 2022 was mainly attributable to a slightly lower lending volume and the fact that interest rate changes for loans were implemented with a significant time lag compared with interest costs for the bank's market funding.

Netto renteinntekter

Beløp i NOK mill.	Q2 22	Q1 22	Q2 21
Utlån til & fordringer på kredittinstitusjoner	1,0	0,6	0,0
Utlån til kunder	264,5	250,2	221,4
Sertifikater og obligasjoner	30,5	25,9	13,9
Sum renteinntekter	296,0	276,6	235,3
Gjeld til kredittinstitusjoner	1,7	1,7	1,5
Innskudd fra kunder	25,8	25,1	21,0
Verdipapirgjeld	104,0	81,8	56,5
Ansvarlig lånekapital	2,7	2,3	1,8
Sikringsfondsavgift	3,6	3,8	2,8
Sum rentekostnader	137,7	114,8	83,5
Netto renteinntekter	158,3	161,9	151,8
Rentenetto i % av GFK	1,38	1,38	1,28

NET OTHER OPERATING INCOME

Net other operating income comprises commission income and costs, dividends, net value changes and gains/losses on financial instruments and other income. Net other operating income amounted to NOK 3.0 million, down by NOK 77.1 million compared with Q2 2021. Compared with Q1 2022, net other operating income increased by NOK 4.3 million.

Net commission income amounted to NOK 8.5 million, up NOK 1.4 million from Q2 2021. The increase is mainly due to increased activity in money-transfer services.

Dividends received totalled NOK 50.1 million, of which dividends from Frende Holding AS accounted for NOK 49.1 million and dividends from Kraft Bank AS accounted for NOK 0.7 million. In Q2 2021, the dividends from Frende Holding AS amounted to NOK 69.0 million.

Net value changes and gains/losses on financial instruments amounted to NOK -56.4 million, down NOK 58.5 million from Q2 2021. Market turbulence due to the war in Ukraine persisted in Q2, although the focus has shifted more towards rising inflation and fears of a recession. The value of the liquidity portfolio fell by NOK 26.8 million, compared with a reduction of NOK 5.3 million in Q2 2021. Following a muted improvement in the credit market at the start of Q2, credit premiums increased towards the end of the quarter. The turbulence in the financial markets has also resulted in higher volatility and falls in value in the stock exchanges. The negative change in value of the bank's shares in Norwegian Block Exchange AS (NBX) amounted to NOK 21.2 million. The bank saw a positive change in the value of the shareholding in NBX amounting to NOK 26.8 million in Q4 2021. The value of the bank's shares in Kraft Bank ASA fell by NOK 3.0 million, against a rise of NOK 2.0 million in Q2 2021. Positive value changes related to shares and options in Visa Inc. amounted to NOK 0.5 million compared with an increase of NOK 5.4 million in Q2 2021. The negative profit effects from foreign exchange,

derivatives and fixed rate loans at fair value amounted to NOK 4.8 million. The corresponding profit effects were positive and amounted to NOK 0.1 million in Q2 2021. The cost of buying back debt issued by the bank amounted to NOK 1.0 million. The bank had no corresponding buy-back costs in Q2 2021.

Netto andre driftsinntekter

Beløp i NOK mill.	Q2 22	Q1 22	Q2 21
Netto provisjonsinntekter	8,5	11,2	7,1
Utbytte	50,1	0,0	69,0
Nto. verdiendr. og gev./tap på sert. og obl.	-28,2	-21,2	-6,7
Nto. verdiendr. og gev./tap på aksjer	-23,8	5,6	7,4
Nto. verdiendr. og gev./tap på fastrenteutlån	-2,7	-5,8	-1,2
Nto. verdiendr. og gev./tap på på andre fin. instr.	-1,7	8,2	2,5
Andre driftsinntekter	0,8	0,7	1,9
Netto andre driftsinntekter	3,0	-1,3	80,1

OPERATING COSTS

Operating costs totalled NOK 66.6 million, a reduction of NOK 1.6 million from Q2 2021. Operating costs as a percentage of average total assets were stable and amounted to 0.58 per cent compared with 0.57 per cent in Q2 2021.

Personnel costs amounted to NOK 31.3 million, down by NOK 4.1 million compared with Q2 2021. The reduction was mainly attributable to provisions for profit sharing in Q2 2021, as well as less use of overtime in the bank.

Administration costs totalled NOK 15.3 million, a reduction of NOK 0.1 million from Q2 2021.

Other operating costs totalled NOK 13.3 million, up NOK 2.9 million from Q2 2021. The increase was mainly due to increased provisions for wealth tax of NOK 1.2 million as well as higher operating costs for owned and leased premises. Wealth tax was increased from 0.15 per cent to 0.25 per cent in the revised national budget for 2022.

Driftskostnader

Beløp i NOK mill.	Q2 22	Q1 22	Q2 21
Lønn mv	31,3	46,8	35,4
Andre administrasjonskostnader	15,3	15,8	15,4
Avskrivning/nedskr./verdiendr. Ikke-fin. eiend.	6,7	6,6	7,0
Andre driftskostnader	13,3	11,9	10,4
Sum driftskostnader	66,6	81,1	68,2
Kostnader i % av GFK	0,58	0,69	0,57

IMPAIRMENT AND NON-PERFORMING COMMITMENTS

Losses on loans, unused credits and guarantees amounted to NOK 0.8 million, of which changes in model-based loan loss provisions amounted to income of NOK 0.9 million.

By way of comparison, losses amounted to NOK 0.6 million in Q2 2021, of which changes in model-based loan loss provisions accounted for NOK 0.1 million.

Tapskostnad

Beløp i NOK mill.	Q2 22	Q1 22	Q2 21
Utlån til personkunder i mor og boligkredittsel.	-0,1	0,5	0,6
Utlån til næringskunder	0,2	-1,2	-0,6
Utlån i AS Financiering	0,8	1,2	0,6
Ubenyttede kreditter og garantier	-0,1	-0,2	0,0
Sum tapskostnad	0,8	0,2	0,6
Tap i % av netto utlån til kunder (IB)	0,01	0,00	0,01

Total loan loss provisions amount to NOK 126.9 million, equivalent to 0.34 per cent of gross lending to customers. By comparison, total loan loss provisions amounted to NOK 128.5 million at the end of Q2 2021, equivalent to 0.32 per cent of gross lending to customers. Individually assessed loan loss provisions amounted to NOK 99.7 million, compared with NOK 92.2 million at the end of Q2 2021.

Most of the bank's loan loss provisions are related to AS Financiering. Compared with the end of Q2 2021, the level of loan loss provisions in AS Financiering decreased measured as a percentage of gross lending in AS Financiering.

From and including Q4 2021, model-based expected credit loss is based on a customer-specific probability of default (PD) from the scoring model and changes to it. This is a change from the probability of default per risk class used earlier (based on the customer's risk class). This change largely explains the changes in loan loss provisions for lending to business customers, measured against the end of Q2 2021.

Tapsavsetninger

Beløp i NOK mill.	Q2 22	Q1 22	Q2 21
Utlån til personkunder i mor og boligkredittsel.	16,5	16,5	14,4
Utlån til næringskunder	3,3	3,2	10,9
Utlån i AS Financiering	106,0	105,5	102,1
Ubenyttede kreditter og garantier	1,1	1,2	1,2
Sum tapsavsetninger	126,9	126,5	128,5
Tapsavsetninger i % av brutto utlån til kunder	0,34	0,33	0,32

Net non-performing commitments amounted to NOK 149.8 million, down by NOK 9.0 million from the end of Q2 2021.

Misligholdte engasjementer

Beløp i NOK mill.	Q2 22	Q1 22	Q2 21
Utlån til personkunder i mor og boligkredittsel.	34,1	34,9	46,4
Næringskunder	42,0	55,5	20,5
AS Financiering	174,6	174,6	185,3
Sum brutto misligholdte engasjementer	250,8	265,0	252,2
Tapsavsetninger på misligholdte engasjement.	101,0	99,8	93,4
Netto misligholdte engasjementer	149,8	165,2	158,8

INCOME TAX

Income tax stands at NOK 16.3 million, equal to 17.4 per cent of the profit before income tax. The low income tax is mainly due to dividend income on shares covered by the exemption method.

Profit for the first half-year

Profit for the first half-year was NOK 139.8 million, a reduction of NOK 66.2 million from the first half-year 2021. In the first half-year, the bank can point to higher net interest income, increased commission income and a stably low level of costs. The turbulence in the financial markets is having a negative impact on the results, and the decreases in market values totalled NOK 69.6 million. The return on equity was 6.24 per cent compared with 9.86 per cent for the first half-year 2021. Earnings per equity certificate were NOK 1.81, down from NOK 2.84 in the first half-year 2021.

NET INTEREST INCOME

Net interest income amounted to NOK 320.2 million, up NOK 17.2 million from the first half-year 2021. The development of net interest income was primarily affected by rising interest rates that have resulted in increased deposit margins for a somewhat higher volume of deposits. A lower proportion of market funding and a reduced liquidity portfolio also made positive contributions.

Interest income from lending to customers was higher compared with the first half-year 2021, primarily due to interest rate rises in the bank's loan portfolio. Interest rates in the bank's loan portfolio have been increased twice based on rate rises implemented by Norges Bank in the first half-year. Interest rate rises in the loan portfolio are announced some time before they come into effect, which results in a significant time lag compared with interest rate adjustments for the bank's market funding. In a market where interest rates are rising, interest costs thus accrue before interest income does, which has affected the bank's net interest income in the year to date.

Interest costs on securities issued are closely linked to the development of money market rates. The increase in interest costs compared with the first half-year 2021 was attributable to rising money market rates due to expected rate hikes by Norges Bank. The money market premium has also been high at times and resulted in higher money market rates than what the policy rate would indicate under normal conditions.

The bank's deposit margins increased during the first half-year. Interest costs on deposits, measured in Norwegian krone and compared with the end of the first half-year 2021, primarily increased due to higher interest rates.

Netto renteinntekter

Beløp i NOK mill.	akk. Q2 22	akk. Q2 21
Utlån til & fordringer på kredittinstitusjoner	1,6	0,0
Utlån til kunder	514,7	438,7
Sertifikater og obligasjoner	56,4	27,9
Sum renteinntekter	572,7	466,6

Gjeld til kredittinstitusjoner	3,3	3,3
Innskudd fra kunder	50,9	39,9
Verdipapirgjeld	185,8	110,2
Ansvarlig lånekapital	5,1	3,6
Sikringsfondsavgift	7,4	6,7
Sum rentekostnader	252,5	163,6
Netto renteinntekter	320,2	303,0
Rentenetto i % av GFK	1,38	1,32

NET OTHER OPERATING INCOME

Net commission income amounted to NOK 19.8 million, up NOK 5.1 million from the first half of 2021. The increase is mainly due to increased commission income from insurance intermediation and increased activity in money-transfer services.

Dividends received totalled NOK 50.1 million, of which dividends from Frende Holding AS accounted for NOK 49.1 million and dividends from Kraft Bank AS accounted for NOK 0.7 million. In the same period in 2021, dividends received totalled NOK 71.2 million, of which dividends from Frende Holding AS accounted for NOK 69.0 million and dividends from Eksportfinans ASA accounted for NOK 2.1 million.

Net value changes and gains/losses on financial instruments amounted to NOK -69.6 million, down NOK 71.7 million compared with the first half-year 2021. The value of the liquidity portfolio fell by NOK 44.0 million, compared with a reduction of NOK 4.5 million in the first half-year 2021. Market turbulence due to the geopolitical uncertainty related to the invasion of Ukraine, high inflation and recession fears have resulted in higher credit premiums for bonds in the bank's liquidity portfolio and are resulting in significant negative changes in market value. The turbulence in the financial markets has also resulted in higher volatility and falls in value in the stock exchanges. The negative change in value of the bank's shares in Norwegian Block Exchange AS (NBX) amounted to NOK 21.2 million. By comparison, the positive change in the value of the shareholding in NBX amounted to NOK 26.8 million in Q4 2021. The value of the bank's shares in Kraft Bank ASA fell by NOK 2.7 million, against a rise of NOK 2.0 million in the first half-year 2021. Positive value changes related to shares and options in Visa Inc. amounted to NOK 1.0 million compared with an increase of NOK 3.9 million in the first half-year 2021. The positive result effect on the bank's shareholding in Frende Holding AS amounts to NOK 4.8 million. The negative profit effects from foreign exchange, derivatives and fixed rate loans at fair value amounted to NOK 4.3 million. The corresponding profit effects were positive and amounted to NOK 0.8 million in the first half-year. The cost of buying back the bank's own issued debt amounted to NOK 3.2 million, compared with NOK 0.2 million in the first half-year 2021.

Other operating income amounted to NOK 1.5 million, down by NOK 4.2 million from the first half-year 2021. The reduction is mainly due to gains from sales of property.

Netto andre driftsinntekter

Beløp i NOK mill.	akk. Q2 22	akk. Q2 21
Netto provisjonsinntekter	19,8	14,6
Utbytte	50,1	71,2
Nto. verdiendr. og gev./tap på sert. og obl.	-49,4	-10,0
Nto. verdiendr. og gev./tap på aksjer	-18,2	6,0
Nto. verdiendr. og gev./tap på fastrenteutlån	-8,5	-4,4
Nto. verdiendr. og gev./tap på på andre fin. instr.	6,4	10,5
Andre driftsinntekter	1,5	5,7
Netto andre driftsinntekter	1,7	93,7

OPERATING COSTS

Operating costs amounted to NOK 147.7 million and were stable with an increase of NOK 0.6 million from the first half-year 2021. Operating costs as a percentage of average total assets were stable and amounted to 0.64 per cent. The NOK 4.3 million reduction in personnel costs was primarily attributable to provisions for profit sharing in 2021 and less use of overtime in the bank. Other operating costs increased by NOK 4.0 million and this was primarily due to higher operating costs for owned and leased premises, as well as NOK 1.2 million in higher provisions for wealth tax. Wealth tax was increased from 0.15 per cent to 0.25 per cent in the revised national budget for 2022.

Driftskostnader

Beløp i NOK mill.	akk. Q2 22	akk. Q2 21
Lønn mv	78,0	82,4
Andre administrasjonskostnader	31,1	29,6
Avskrivning/nedskr./verdiendr. Ikke-fin. eiend.	13,3	13,9
Andre driftskostnader	25,2	21,2
Sum driftskostnader	147,7	147,1
Kostnader i % av GFK	0,64	0,64

IMPAIRMENT AND NON-PERFORMING COMMITMENTS

Losses on loans, unused credits and guarantees amounted to NOK 1.0 million, of which changes in model-based losses amounted to income of NOK 2.5 million. By comparison, losses amounted to NOK 3.2 million in the first half-year 2021, of which changes in model-based loan loss provisions amounted to a cost of NOK 0.3 million.

Tapskostnad

Beløp i NOK mill.	akk. Q2 22	akk. Q2 21
Utlån til personkunder i mor og boligkredittsel.	0,4	1,8
Utlån til næringskunder	-1,1	-1,8
Utlån i AS Finansiering	2,0	3,2
Ubenyttede kreditter og garantier	-0,3	0,0
Sum tapskostnad	1,0	3,2
Tap i % av netto utlån til kunder (IB)	0,01	0,02

INCOME TAX

Income tax stands at NOK 33.4 million, equal to 19.3 per cent of the profit before income tax. The low income tax is mainly due to dividend income on shares covered by the exemption method.

Main items on the balance sheet

Total assets amounted to NOK 45.6 billion, down NOK 3.4 billion compared with the end of the first half-year 2021.

LENDING TO CUSTOMERS

Net lending to customers amounted to NOK 37.7 billion, a decrease of NOK 2.8 billion, or 6.8 per cent, in the past 12 months.

Net lending to retail customers amounted to NOK 34.0 billion, a decrease of NOK 1.7 billion, or 4.8 per cent, in the past 12 months. After a period of very high lending growth, where lending to retail customers increased by NOK 4.5 billion in 2021, or 14.8 per cent, the bank is experiencing a period of consolidation where pricing and margins, cost-effectiveness and risk levels in the portfolio are the priority. Over time, the bank can point to good growth in lending in the retail market, although this can vary from quarter to quarter. The bank can point to gross lending to retail customers having increased by NOK 18.0 billion from 2011 to 2021, which represents an average annual growth of 10.5 per cent. The bank's strategy is for, over time, lending to retail customers to grow at least as fast as credit growth. Retail market loans and credits are generally only granted with security in a customer's home. The bank's exposure to lending and credit without associated security is low. Given the Group's high share of loans to the retail market, which mainly covers the central area of Eastern Norway, the retail market portfolio is considered secure and well able to service debt in a housing and labour market that is expected to function well over time. Gross lending to retail customers accounted for 90.3 per cent of total lending to customers.

Net lending to business customers amounted to NOK 3.6 billion, a decrease of NOK 1.1 billion, or 22.5 per cent, in the past 12 months. The reduction is partly attributable to natural dropout due to the repayment of loans, as well as very strong price competition within some segments. In a market with high property prices, low lending margins and rising interest rates, with a considerably higher risk premium in the bond market for real estate actors, the bank has chosen to take a defensive approach to business customers. The development of yields for commercial properties where the yield for attractive office buildings is historically low compared with the 10-year swap rate. Exposure to commercial property represents a relatively large proportion of the business portfolio, but a limited proportion of the bank's total loan portfolio. The bank has no exposure to oil, oil-related activities, fishing, or aquaculture activities. In general terms, the bank can also be said to have very little direct or indirect exposure to the accommodation/hospitality industry, import/export businesses and major industrial and trading operations. There is little direct or indirect exposure to trading activities with the exception of groceries.

DEPOSITS FROM CUSTOMERS

Deposits from customers totalled NOK 17.5 billion, up NOK 0.2 billion, or 0.9 per cent, in the past 12 months. The deposit

coverage ratio is 46.4 per cent, up from 42.8 per cent at the end of the first half-year 2021. Deposits from retail customers amounted to NOK 11.4 billion, up NOK 0.7 billion in the past 12 months. Deposits from business customers amounted to NOK 6.0 billion, down NOK 0.5 billion in the past 12 months.

LIQUIDITY AND FINANCING

The bank takes a conservative approach to liquidity risk and exercises proper liquidity management so that the Group has sufficient liquid assets to cover its obligations upon maturity at all times. The bank must be able to run normal operations for a period of at least 12 months without access to external financing. The bank also takes on credit risk through managing liquidity reserves and excess liquidity. The bank intends to retain interest-bearing securities with low credit risk for liquidity purposes (reserve for disposal when needed) and as a deposit basis for borrowing facilities at the central bank. The bank's liquidity risk is monitored continuously, and updated overviews of the bank's total counterparty risk are available.

Holdings of certificates and bonds totalled NOK 6.2 billion, a reduction of NOK 0.7 billion in the past 12 months.

The short-term liquidity target measured by LCR exceeds the bank's agreed limit of 102 per cent and amounts to 248.5 per cent, compared with 214.3 per cent at the end of the first half-year 2021. The bank's liquidity strategy involves a high proportion of securities that are included in the LCR calculation. The maturity structure for market funding significantly affects LCR.

Securities issued totalled NOK 22.2 billion, a reduction of NOK 3.6 billion in the past 12 months. The bank considers the access to market funding to be relatively good despite the significant uncertainty in the financial markets. The credit premium is at a higher level than it was prior to the invasion of Ukraine, at the same time as the levels before the invasion were very low, historically speaking.

The degree of stable and long-term financing measured by NSFR is provisionally estimated to be 131.5 per cent compared with 121.1 per cent at the end of the first half-year 2021. The average term to maturity for market funding was 3.22 years compared with 3.32 years at the end of the first half-year 2021. Short-term borrowing (defined as borrowing with a remaining term to maturity of less than 1 year) amounted to NOK 3.3 billion at the end of the first half-year.

As part of the phasing-in plan for MREL, the bank issued senior non-preferred debt (SNP) with a nominal value of NOK 0.7 million.

FRENDE FORSIKRING

The bank owns 12.92 per cent of Frende Holding AS which itself owns Frende Skade and Frende Liv AS (Frende Forsikring). Since the bank's stake in Frende is below 20 per cent, the shareholding is measured at fair value with changes of value and dividends received recognised through profit or loss. The bank's shareholding in Frende Holding AS is valued at NOK 452.3 million.

No financial performance for the first half of 2022 has been published by Frende. So far this year, the bank has

recognised dividend income of NOK 41.9 million (in Q2) and a gain of NOK 4.8 million in connection with the pro-rata sale of shares to Lokalbank-alliansen (in Q1), where the bank's stake in Frende decreased from 13.75 per cent to 12.92 per cent. In 2021, the bank recognised dividend income of NOK 69.0 million (in Q2). The bank has previously seen, and also expects to see in the future, value creation and profit contributions from the investment in Frende.

MISC. OWNERSHIP INTERESTS IN OTHER COMPANIES

The bank owns 4.85 per cent of the shares in Eksportfinans ASA, and the shareholding is valued at NOK 195.0 million.

Balder Betaling AS is owned by a number of independent banks, and its main purpose is to own these banks' shares in Vipps AS. The bank holds a 0.70 per cent stake in Vipps AS. The bank's shares in Balder Betaling AS are valued at NOK 46.8 million, based on the value of the underlying shares in Vipps AS.

The bank owns 6.85 per cent of the shares in Kraft Bank ASA. Kraft Bank ASA is listed on Euronext Growth Oslo and the bank's shareholding is valued at NOK 28.6 million.

The bank owns 'C' shares in Visa Inc. The shareholding is valued at NOK 37.1 million. The bank also has rights to shares in Visa Inc., owned via VN Norge Forvaltning AS and VN Norge AS. The rights are valued at NOK 14.0 million.

In Q2, the bank's stake in Norwegian Block Exchange AS (NBX) was reduced from 9.92 per cent to 9.43 per cent as a result of a private placement. The bank did not participate in the share issue. As of December 2021, NBX is listed on Euronext Growth Oslo and the bank adjusted the value of the shareholding upwards to NOK 26.8 million in Q4 2021. At the end of the quarter, the value of the shareholding was adjusted downwards by NOK 21.2 million to NOK 20.6 million. The bank's historical cost price for the shareholding was NOK 15.0 million.

Capital adequacy

The bank uses the standard method to calculate capital adequacy and is very strong and well positioned to deal with announced future increases in capital requirements, and also has both dividend capacity and scope for lending growth.

Sparebanken Øst increased its financial strength during the quarter and the CET1 capital ratio amounted to 20.04 per cent (inclusive of 50 per cent of retained earnings) at the end of the first half-year, up from 17.26 per cent at the end of the first half-year 2021. The "bank package" that came into force on 01.06.2022 resulted in an expansion of the SME discount in CRR2 for Sparebanken Øst. The expansion of the SME discount increased the CET1 capital ratio by about 0.38 percentage points at the end of the first half-year 2022.

The applicable Pillar 2 requirement for Sparebanken Øst is 1.8 per cent, with a minimum of NOK 360 million. The requirement came into effect on 30.06.2020. The countercyclical capital buffer increased by 0.5 percentage points from 1.0 per cent to 1.5 per cent on 30.06.2022. Given the current level of the countercyclical buffer of 1.5 per cent,

this entails a total CET1 capital requirement of at least 13.3 per cent. Sparebanken Øst's target for CET1 capital is the regulatory requirement plus a capital margin of 1.0 per cent, which at the end of the first half-year 2022 amounted to 13.8 per cent.

Net subordinated loan capital at the end of the first half-year amounted to NOK 4.6 billion, of which the Group's Tier 1 capital accounted for NOK 4.2 billion. With a calculation basis of NOK 19.5 million, this corresponds to a capital adequacy ratio of 23.55 per cent, of which 21.50 per cent constitutes the Tier 1 capital ratio. The leverage ratio amounted to 9.14 per cent (inclusive of 50 per cent of retained earnings) at the end of the first half-year, up from 8.20 per cent at the end of the first half-year 2021. The leverage ratio requirement is 5.0 per cent.

Kapitalnivå

prosent	Q2 22	Q1 22	Q2 21
Ren kjernekapitaldekning*	20,04	19,01	17,26
Kjernekapitaldekning	21,50	20,56	18,41
Kapitaldekning	23,55	22,50	20,27
Uvektet kjernekapitalandel*	9,14	8,95	8,20

* 50 prosent av EK-beviseiernes og grunnfondets andel av resultat (udisponert resultat) er medregnet i kvartalstall

Regulatory framework conditions

For the bank, the systemic risk buffer will increase by 1.5 percentage points from 3.0 per cent to 4.5 per cent from 31.12.2022.

The countercyclical capital buffer will increase by 0.5 percentage points from 1.5 per cent to 2.0 per cent on 31.12.2022 and to 2.5 per cent on 31.03.2023, which is where it was before March 2020 and the outbreak of Covid-19.

SIGNIFICANT DIFFERENCES IN TREATMENT OF EQUAL RISK BETWEEN BANKS

Sparebanken Øst bases its capital calculations on the principles in the standard method, which according to the current regulations means that loans with the same risk are subject to far higher risk weights when compared with the approach of banks that use risk weights set out in IRB models. The result of this is that Sparebanken Øst holds far more equity for its lending than banks that are able to use IRB models for all or parts of their lending portfolios. The end of the Basel 1 floor for Norwegian IRB banks from 31.12.2019 altered the competitive situation in the Norwegian market to a significant degree and has also left its mark on profit performance.

Sparebanken Øst uses risk weights of 35 per cent on residential mortgages with a loan-to-value (LTV) ratio of 80 per cent or less, while banks that deploy IRB models have risk weights from 20 per cent. At the end of 2020, Norwegian IRB banks had an average risk weight of 21 per cent for residential mortgages (Artic Financials – sector report 15.06.2021, Artic Securities). In the case of loans for commercial properties, the bank uses risk weights from 100 per cent, while banks that use IRB models have risk weights from 35 per cent. At the end of

2020, Norwegian IRB banks had an average risk weight of 55 per cent for financing commercial property (Artic Financials – sector report 15.06.2021, Artic Securities).

Calculations by the bank show that the differential treatment means that the bank has to hold about NOK 1.1 billion more in equity than if it had use IRB models on its loan portfolios.

The differential treatment of equal risk shows that capital weights according to IRB models provide significantly higher leverage with the possibility of significantly higher lending volumes relative to equity levels, alternatively reduced equity requirements, resulting in higher return on equity. The differential treatment of low risk results in a very detrimental competitive disadvantage when it is necessary to also protect the interests of the bank's equity certificate investors at the same time.

Rating

Sparebanken Øst has a long-term deposit and issuer rating of A1 from Moody's Investor Services. The bank's rating was upgraded from A2 in January 2021 based on the bank's expected issuance of senior non-preferred debt due to the MREL requirement, where the risk of losses on deposits and ordinary senior debt was assessed to have decreased. The outlook for all of the bank's ratings is stable. Covered bonds issued by Sparebanken Øst Boligkreditt AS have an AAA rating from Moody's.

Subsidiaries

All subsidiaries are 100 per cent owned by Sparebanken Øst and are included in the bank's consolidated financial statements.

Sparebanken Øst Boligkreditt AS is licensed as a credit institution with the right to issue covered bonds. Through this market, the mortgage credit company is a very important participant in securing the Group favourable long-term financing. At the end of the first half-year, the company had total assets of NOK 20.1 billion, which mainly consisted of first priority mortgages on homes financed through covered bonds and drawing rights from the parent bank. The company has a low LTV ratio in the cover pool. The LTV at the end of the first half-year was 43.8 per cent. By comparison, the LTV ratio was 46.0 per cent at the end of the first half-year 2021. The company posted a profit of NOK 36.2 million for the first half-year compared with NOK 57.4 million in the first half-year 2021. The company has no employees, instead it sources services from Sparebanken Øst.

AS Financiering's main product is secured loan financing for used cars. At the end of the first half-year, the company had total assets of NOK 2.5 billion. The company posted a profit of NOK 24.0 million for the first half-year compared with NOK 26.5 million for the first half-year 2021. The company has 17 employees, corresponding to 17 FTEs.

Sparebanken Øst Eiendom AS manages properties belonging to the bank. The company's operating income amounted to NOK 2.9 million for the first half-year compared with NOK 2.7 million for the first half-year 2021. The company posted a profit of NOK 0.5 million, compared with NOK 0.6 million for the first half-year 2021. The company has 1.2 employees, corresponding to 1.2 FTEs.

Øst Prosjekt AS's main object is to take over projects and to undertake industrial and commercial activities to hedge and realise exposed positions in the parent bank. The company posted a deficit of NOK 0.3 million for the first half-year, compared with a profit of NOK 1.9 million for the first half-year 2021.

Accounting policies

The interim financial statements are prepared in accordance with IFRS (including IAS 34 Interim Financial Reporting). The interim financial statements have not been audited. Please see Note 1 for more details.

The macro situation

High energy prices and the combination of high levels of demand and limited supply have resulted in a substantial rise in consumer prices, internationally. Russia's invasion of Ukraine is helping to keep energy and food prices high. Uncertainty surrounding global growth and rising inflation has caused large movements in international financial markets. A number of central banks significantly increased their key rates and interest rate forecasts in order to curb future inflation.

Activity in the Norwegian economy has reached a high level since pandemic infection control measures were discontinued. Activity in the Norwegian economy is high and there is little spare capacity. Inflation has also been significantly higher in Norway than the target of almost 2 per cent over time. At the end of May, inflation was 5.7 per cent, which is the highest level in May for more than 30 years. Core inflation rose to 3.4 per cent in May.

The level of activity in the economy is reflected in the labour market. The unemployment rate at the end of May was at its lowest level since 2008. Adjusted for normal seasonal variations, 1.7 per cent of the labour force was registered as unemployed. The number of furloughed workers, which increased sharply during the pandemic, was back to the level it was at in 2019. The number of people partly unemployed has also fallen.

Based on its expectations concerning higher inflation, Norges Bank raised its policy rate by 50 basis points to 1.25 per cent in June. Norges Bank expects to increase its policy rate again to 1.50 per cent at its next monetary policy meeting in August, and further interest rate forecasts indicate a rise at each monetary policy meeting for the remainder of the year, with the policy rate ending the year at 2.25 per cent. Norges Bank notes that higher debt ratios over time have probably increased the number of interest-sensitive households. At present, Norges Bank is prioritising a tighter monetary policy in

order to curb the rise in inflation. Much of the tension going forward relates to whether central banks' interest rate hikes, both in Norway and internationally, will impact economic growth.

Money market premiums remained relatively stable for a long time after Norges Bank announced large daily currency purchases to improve liquidity in NOK towards the end of Q1. From the end of May, the premium increased on the basis of expectations of a higher policy rate in June. The market is pricing in an even more aggressive interest rate policy than Norges Bank's interest rate forecast suggests, and money market rates are expected to rise substantially during the remainder of the year.

House prices fell by 0.3 per cent in June, although when adjusted for seasonal variations prices rose by 0.3 per cent. At the end of June, house prices had risen by 8.8 per cent in the year to date. The upturn is mainly attributable to a low supply side in the housing market, higher construction costs and high demand as a result of a strong labour market.

Future prospects

The level of activity in the Norwegian economy is high. Norges Bank estimates that Norway's mainland GDP will grow by around 3.5 per cent this year. Going forward, Norges Bank expects capacity constraints, higher inflation and higher interest rates to contribute to slowing growth in the Norwegian economy. Norges Bank projects annual GDP growth of around 1 per cent for the next 3 years.

The extraordinary furlough rules that applied during the pandemic were discontinued from 01.04.2022. This probably contributed to the drop in unemployment in the last few months. Unemployment will probably continue to fall from the current low levels in the coming period. In the second half-year, unemployment is expected to stabilise before rising slightly from next year. Hiring rates were particularly strong in the industries hardest hit by the pandemic and infection control measures.

Wages are expected to increase faster in the coming years due to a strong labour market and rising inflation. The collective pay settlement agreed by the parties in 2022 was for 3.7 per cent, although wage growth might be high in a number of sectors experiencing a major shortage of labour.

Norges Bank has signalled that it will most probably raise its key policy rate again in August. The central bank has raised the interest rate curve since the previous report and now assumes that the key policy rate will reach 3 per cent by the end of summer 2023. If inflation continues to rise, Norges Bank is open to hiking its policy rate faster than indicated by the interest rate curve. The market is currently pricing in slightly higher interest rates towards the end of 2022 and during 2023 than those Norges Bank has estimated.

Money market rates are expected to rise going forward as a consequence of Norges Bank's assumed interest rate rises. This points to increased deposit costs in the quarters ahead. Competition for loan customers is strong and will put pressure on the bank's net interest rate going forward. Following the

rate increase from Norges Bank in June, a large proportion of the bank's lending portfolio was repriced with effect from mid-August 2022.

The fast growth in house prices in recent years is expected to slow going forward. The growth in commercial property prices is expected to slow somewhat going forward due to gradually increasing return requirements.

It is expected that the bank's lending growth in the period ahead will vary between quarters, and roughly track credit growth in Norway over time. Growth in the retail market will come mainly from home mortgages and secured loans to purchase second-hand cars. Growth in lending to the business market should occur in the Group's defined market areas, where the main product is repayment loans secured against property.

Sparebanken Øst is a cost-effective bank and believes that low costs will constitute a competitive advantage going forward. The cost level is expected to remain stable. Banking involves risking losses and default, which means that losses on lending and guarantees to customers cannot be ruled out. Low levels of non-performing commitments and low losses on lending are expected to continue.

The market values of securities such as bonds and equities will fluctuate over time, and losses may occur. The

Group's bond portfolio is held for liquidity purposes, with a low risk of losses.

Sparebanken Øst bases its capital calculations on the principles in the standard method. Government regulation within the capital and solvency area produces great competitive advantages for those banks that can utilise IRB models. It is a matter of deep concern that the Norwegian authorities are choosing to discriminate against banks through the capital calculation regulations by treating equal risk differently. If the authorities choose to maintain this differential treatment it could have a major impact on the structure of the Norwegian financial services industry and on how individual savings banks will align their operations in the future. Sparebanken Øst is working to ensure that the framework conditions for Norwegian banks become more aligned and that the banks compete on the same terms. In the bank's opinion, there is significant uncertainty relating to the general conditions and future capital adequacy requirements for banks that calculate their capital requirements using the standard method.

Hokksund, 30.06.2022

Drammen, 15.07.2022

Øivind Andersson
Chair

Cecilie Hagby
Deputy Chair

Lina Andal Sørby
Board member

Jorund Rønning Indrelid
Board member

Arne K. Stokke
Board member

Ole B. Hoen
Board member

Håvard Saastad
Employee representative

Sissel Album Fjeld
Employee representative

Pål Strand
CEO

Income Statement – Group

(Amounts in NOK millions)	Note	Q2 2022	Q2 2021	1.01-30.06.2022	1.01-30.06.2021	Full year 2021
Interest income from assets valued at amortised cost		263,4	219,1	512,3	434,2	896,9
Interest income from assets valued at fair value		32,6	16,2	60,4	32,4	69,7
Interest costs		137,7	83,5	252,5	163,6	335,3
Net interest income	13	158,3	151,8	320,2	303,0	631,3
Commission income and income from banking services		20,9	18,3	43,8	36,2	79,4
Commission costs and costs for banking services		12,3	11,2	24,1	21,6	46,1
Dividend		50,1	69,0	50,1	71,2	71,4
Net value changes and gains/losses on financial instruments	14	-56,4	2,1	-69,6	2,1	18,4
Other operating income		0,8	1,9	1,5	5,7	6,4
Net other operating income		3,0	80,1	1,7	93,7	129,5
Payroll, etc.		31,3	35,4	78,0	82,4	175,8
Administration costs		15,3	15,4	31,1	29,6	60,9
Depreciation/write-downs/changes in value of non-financial assets		6,7	7,0	13,3	13,9	27,6
Other operating costs		13,3	10,4	25,2	21,2	41,3
Total operating costs	15	66,6	68,2	147,7	147,1	305,7
Profit/loss before losses		94,7	163,8	174,3	249,6	455,2
Losses on loans, unused credit and guarantees	4	0,8	0,6	1,0	3,2	0,5
Profit/loss before income tax		93,9	163,2	173,2	246,4	454,7
Income tax		16,3	21,8	33,4	40,3	79,3
Profit/loss after tax		77,6	141,4	139,8	206,0	375,4
Hybrid capital owners' share of the result		4,4	3,5	8,3	7,0	14,1
Equity certificate holders' and primary capital share of profits		73,2	137,9	131,5	199,0	361,4
Profit/loss after tax		77,6	141,4	139,8	206,0	375,4
Earnings per equity certificate		1,01	1,97	1,81	2,84	5,16
Diluted earnings per equity certificate		1,01	1,97	1,81	2,84	5,16

Comprehensive income – Group

(Amounts in NOK millions)	Note	Q2 2022	Q2 2021	1.01-30.06.2022	1.01-30.06.2021	Full year 2021
Profit/loss after tax		77,6	141,4	139,8	206,0	375,4
Items that will not be reclassified to the income statement						
Actuarial gains and losses on defined-benefit plans		0,0	0,0	0,0	0,0	12,2
Tax related to items that cannot be reclassified		0,0	0,0	0,0	0,0	-3,0
Comprehensive income		77,6	141,4	139,8	206,0	384,6

Balance Sheet – Group

(Amounts in NOK millions)	Note	30.06.2022	30.06.2021	31.12.2021
Assets				
Cash and receivables from central banks	10	520,8	290,8	302,6
Loans to and receivables from financial institutions	10	9,5	7,6	11,0
Loans to and receivables from customers	4,7,8,10,11	37.666,8	40.425,6	39.386,7
Certificates and bonds	10,11	6.188,6	6.868,8	7.198,9
Shares and units	10,11	796,7	808,4	848,6
Financial derivatives	10,11	54,0	273,2	156,5
Investment properties		11,5	11,8	11,7
Tangible fixed assets		150,3	149,8	148,6
Lease rights		41,9	41,8	41,2
Other assets		100,9	14,3	8,4
Prepaid non-accrued costs and income earned, but not received		22,1	25,1	13,5
Total assets		45.563,2	48.917,1	48.127,6
Liabilities and equity				
Liabilities to financial institutions	10	300,6	300,1	300,3
Deposits from and liabilities to customers	6,10	17.471,9	17.318,3	17.578,9
Financial derivatives	10,11	139,7	13,4	15,4
Securities issued	10,12	22.203,4	25.775,7	24.684,0
Other liabilities		264,0	405,8	329,9
Accruals and deferred income		32,0	34,5	42,6
Other provisions and liabilities		36,6	62,9	36,8
Deferred tax liability		6,0	0,7	3,7
Lease liabilities		42,9	42,7	42,2
Subordinated loan capital	10,12	400,6	400,1	400,4
Total liabilities		40.897,6	44.354,3	43.434,2
Paid-up equity		595,1	595,1	595,1
Hybrid capital		352,1	351,7	351,9
Retained earnings		3.718,3	3.615,9	3.746,4
Total equity		4.665,5	4.562,7	4.693,4
Total liabilities and equity		45.563,2	48.917,1	48.127,6

Changes in equity – Group

	Paid-up equity		Hybrid capita			Retained earnings				
							Fund for			
(Amounts in NOK millions)	Total	Equity	Share ditional	Tier 1	Equalisation	Primary	Endowment	unrealised	Other	Retained
30.06.2022	equity	certificates	nium reserve	capital	fund	capital	fund	gains	equity	profit
Equity as at 31.12.2021	4.693,4	207,3	387,8	351,9	413,3	2.361,5	38,1	473,7	459,9	0,0
Ordinary profit	139,8	0,0	0,0	8,3	0,0	0,0	0,0	0,0	0,0	131,5
Comprehensive income	139,8	0,0	0,0	8,3	0,0	0,0	0,0	0,0	0,0	131,5
Dividend to equity certificate holders 2021 – adopted	-79,8	0,0	0,0	0,0	-79,8	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2021 – adopted	-79,8	0,0	0,0	0,0	0,0	-79,8	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-8,0	0,0	0,0	-8,0	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 30.06.2022	4.665,5	207,3	387,8	352,1	333,4	2.281,7	38,1	473,7	459,9	131,5

	Paid-up equity		Hybrid capita			Retained earnings				
							Fund for			
(Amounts in NOK millions)	Total	Equity	Share ditional	Tier 1	Equalisation	Primary	Endowment	unrealised	Other	Retained
30.06.2021	equity	certificates	nium reserve	capital	fund	capital	fund	gains	equity	profit
Equity as at 31.12.2020	4.442,0	207,3	387,8	351,7	412,7	2.164,1	38,1	434,7	445,6	0,0
Ordinary profit	206,0	0,0	0,0	7,0	0,0	0,0	0,0	0,0	0,0	199,0
Comprehensive income	206,0	0,0	0,0	7,0	0,0	0,0	0,0	0,0	0,0	199,0
Dividend to equity certificate holders 2020 – adopted	-72,6	0,0	0,0	0,0	-72,6	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2020 – adopted	-5,7	0,0	0,0	0,0	0,0	-5,7	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-7,0	0,0	0,0	-7,0	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 30.06.2021	4.562,7	207,3	387,8	351,7	340,1	2.158,4	38,1	434,7	445,6	199,0

	Paid-up equity		Hybrid capita			Retained earnings				
							Fund for			
(Amounts in NOK millions)	Total	Equity	Share ditional	Tier 1	Equalisation	Primary	Endowment	unrealised	Other	Retained
2021	equity	certificates	nium reserve	capital	fund	capital	fund	gains	equity	profit
Equity as at 31.12.2020	4.442,0	207,3	387,8	351,7	412,7	2.164,1	38,1	434,7	445,6	0,0
Ordinary profit	375,4	0,0	0,0	14,1	91,3	217,2	0,0	38,9	14,0	0,0
Actuarial gains and losses on defined-benefit plans	9,1	0,0	0,0	0,0	2,6	6,2	0,0	0,0	0,4	0,0
Comprehensive income	384,6	0,0	0,0	14,1	93,9	223,4	0,0	38,9	14,3	0,0
Dividend to equity certificate holders 2020 – adopted	-93,3	0,0	0,0	0,0	-93,3	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2020 – adopted	-25,9	0,0	0,0	0,0	0,0	-25,9	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-14,0	0,0	0,0	-14,0	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 31.12.2021	4.693,4	207,3	387,8	351,9	413,3	2.361,5	38,1	473,7	459,9	0,0

Cash Flow Statement – Group

(Amounts in NOK millions)		30.06.2022	30.06.2021	31.12.2021
Operating activities				
Profit/loss before income tax		173,2	246,4	454,7
Adjusted for:				
Change in net interest income earned and accrued interest costs		38,1	29,2	-1,6
Net receipts/disbursements of loans to customers		1.723,4	-4.988,3	-3.941,8
Change in certificates and bonds		1.013,1	-80,3	-407,6
Changes in value of equities and units		23,0	-5,9	-43,9
Change in other assets in connection with operations		-113,1	-20,9	-11,5
Net receipts/disbursement of deposits from customers		-144,0	2.448,9	2.736,5
Change in other operating liabilities		-112,0	-79,3	-212,5
Non-cash items included in profit/loss before income tax		5,1	14,6	19,2
Net gain/loss from investing activities		-4,9	-0,6	-0,6
Net gain/loss from financing activities		3,2	0,2	0,3
Taxes paid for the period		-80,4	-75,3	-87,7
Net cash flow from operating activities	A	2.524,8	-2.511,4	-1.496,4
Investing activities				
Payments on purchases of tangible fixed assets		-11,1	-14,2	-21,8
Receipts from sale of fixed assets		1,1	1,1	1,1
Net receipts/payments on the sale/purchase of financial investments		33,7	8,5	6,4
Net cash flow from investing activities	B	23,7	-4,5	-14,3
Financing activities				
Net receipts/disbursements for loans to/from financial institutions		0,0	-300,0	-300,0
Payments on repayment of securities		-3.871,3	-1.592,1	-2.554,5
Receipts on issuance of securities		1.627,4	4.363,2	4.363,2
Payment of dividend		-79,8	-72,6	-93,3
Interest paid on hybrid capital		-8,0	-7,0	-14,0
Net cash flow from financing activities	C	-2.331,7	2.391,4	1.401,4
Net change in cash and cash equivalents	A+B+C	216,7	-124,5	-109,3
Cash and cash equivalents at 01.01		313,6	422,8	422,8
Holding of cash and cash equivalents at the end of the period		530,3	298,4	313,6

Liquidity reserves include cash and deposits with central banks and loans to and deposits with financial institutions which are investment placements.

Additional information for operating activities concerning interest and dividend income	30.06.2022	30.06.2021	31.12.2021
Interest payments received	566,0	472,7	957,4
Interest payments made	203,9	141,7	296,9
Dividends received	50,1	71,2	71,4

Note 1 – Basis for preparation of the financial statements

Accounting policies

The interim financial statements for the Group have been prepared in accordance with IAS 34 Interim Financial Reporting (IFRS).

A description of the accounting policies applied in the preparation of the financial statements is presented in the Annual Report for 2021.

The accounting policies and calculation methods remain largely unchanged from the annual financial statements for 2021.

All amounts are stated in NOK millions and relate to the Group unless otherwise specified.

The interim financial statements have not been audited.

Assessments and use of estimates

The preparation of the consolidated accounts requires the management to make estimates and discretionary assessments and to make assumptions which influence the effect of applying the accounting policies and hence the recognised amounts for assets, liabilities, income.

For further details, see the Annual Report for 2021, Note 3 – Assessments and use of estimates.

Note 2 – Group – Operating segments

Segment reporting is based on the bank’s internal reporting format, where the parent bank and mortgage credit company are divided into retail market, 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.

Profit/loss								
30.06.2022	Retail market	Business market	Finance	AS Finansiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Net interest and commission income	171,5	64,3	-10,6	64,9	-0,2	30,2	0,0	320,2
Other operating income	30,6	3,5	-79,3	-13,1	2,9	51,2	6,0	1,7
Operating costs	29,3	6,2	0,0	17,9	2,0	95,5	-3,2	147,7
Profit/loss before losses	172,8	61,6	-89,9	34,0	0,7	-14,2	9,3	174,3
Losses on loans, unused credit and guarantees	0,6	-1,4	0,0	2,0	0,0	-0,1	0,0	1,0
Profit/loss before income tax	172,3	63,0	-89,9	32,0	0,7	-14,1	9,3	173,2
Income tax	0,0	0,0	0,0	8,0	0,1	22,9	2,3	33,4
Profit/loss after tax	172,3	63,0	-89,9	24,0	0,5	-37,0	6,9	139,8

30.06.2021	Retail market	Business market	Finance	AS Finansiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Net interest and commission income	164,2	62,5	-11,0	68,3	-0,2	18,0	1,2	303,0
Other operating income	27,2	3,7	-4,1	-12,1	2,7	77,6	-1,4	93,7
Operating costs	28,7	7,1	0,0	17,5	1,7	95,1	-3,0	147,1
Profit/loss before losses	162,6	59,1	-15,1	38,6	0,8	0,6	2,9	249,6
Losses on loans, unused credit and guarantees	2,0	-2,0	0,0	3,2	0,0	0,0	0,0	3,2
Profit/loss before income tax	160,6	61,1	-15,1	35,4	0,8	0,6	2,9	246,4
Income tax	0,0	0,0	0,0	8,9	0,2	30,5	0,7	40,3
Profit/loss after tax	160,6	61,1	-15,1	26,5	0,6	-29,9	2,2	206,0

31.12.2021	Retail market	Business market	Finance	AS Finansiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Net interest and commission income	348,8	127,6	-23,3	138,8	-0,5	39,1	0,8	631,3
Other operating income	57,6	8,1	-1,1	-25,9	5,4	87,9	-2,4	129,5
Operating costs	65,5	12,2	0,0	37,2	3,2	193,9	-6,2	305,7
Profit/loss before losses	340,9	123,5	-24,4	75,7	1,8	-66,9	4,5	455,2
Losses on loans, unused credit and guarantees	4,4	-9,8	0,0	6,0	0,0	-0,1	0,0	0,5
Profit/loss before income tax	336,5	133,3	-24,4	69,7	1,8	-66,7	4,5	454,7
Income tax	0,0	0,0	0,0	17,5	0,4	60,2	1,1	79,3
Profit/loss after tax	336,5	133,3	-24,4	52,2	1,3	-126,9	3,4	375,4

Balance sheet								
30.06.2022	Retail market	Business market	Finance	AS Finansiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Loans to and receivables from customers	31.236,4	3.525,2	-7,8	2.479,6	0,0	461,4	-28,1	37.666,8
Other assets	3,9	0,0	6.959,4	45,4	103,5	3.799,8	-3.015,6	7.896,3
Total assets	31.240,3	3.525,2	6.951,6	2.525,0	103,5	4.261,2	-3.043,7	45.563,2
Deposits from and liabilities to customers	12.239,5	3.201,4	1.912,8	0,0	0,0	173,2	-55,0	17.471,9
Other liabilities/offsetting	19.000,8	323,9	5.038,8	2.077,8	31,3	-404,4	-2.642,5	23.425,7
Equity	0,0	0,0	0,0	447,2	72,2	4.492,4	-346,2	4.665,5
Total liabilities and equity	31.240,3	3.525,2	6.951,6	2.525,0	103,5	4.261,2	-3.043,7	45.563,2

30.06.2021	Retail market	Business market	Finance	AS Finansiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Loans to and receivables from customers	33.018,3	4.622,3	4,2	2.352,1	0,0	454,0	-25,3	40.425,6
Other assets	4,0	0,0	7.940,4	48,0	103,9	3.806,8	-3.411,6	8.491,5
Total assets	33.022,3	4.622,3	7.944,6	2.400,1	103,9	4.260,8	-3.436,9	48.917,1
Deposits from and liabilities to customers	11.668,3	4.093,6	1.438,8	0,0	0,0	172,7	-55,0	17.318,3
Other liabilities/offsetting	21.354,0	528,7	6.505,9	1.949,8	31,5	-306,5	-3.027,4	27.036,1
Equity	0,0	0,0	0,0	450,3	72,4	4.394,6	-354,6	4.562,7
Total liabilities and equity	33.022,3	4.622,3	7.944,6	2.400,1	103,9	4.260,8	-3.436,9	48.917,1

31.12.2021	Retail market	Business market	Finance	AS Finansiering	Sparebanken Øst Eiendom AS	Unallocated	Eliminations	Group
Loans to and receivables from customers	32.159,0	4.397,9	0,6	2.416,3	0,0	440,8	-28,0	39.386,7
Other assets	3,7	0,0	7.763,4	49,1	105,5	3.803,9	-2.984,6	8.740,9
Total assets	32.162,7	4.397,9	7.764,0	2.465,4	105,5	4.244,6	-3.012,7	48.127,6
Deposits from and liabilities to customers	12.271,9	2.862,6	2.321,0	0,0	0,0	180,0	-56,6	17.578,9
Other liabilities/offsetting	19.890,8	1.535,3	5.443,0	2.042,2	33,9	-487,0	-2.602,9	25.855,3
Equity	0,0	0,0	0,0	423,3	71,7	4.551,6	-353,2	4.693,4
Total liabilities and equity	32.162,7	4.397,9	7.764,0	2.465,4	105,5	4.244,6	-3.012,7	48.127,6

Note 3 – Group - Capital adequacy

The Group uses the standardised approach when calculating minimum requirements for primary capital for credit risk. Calculations related to operational risk are performed using the basis method. The capital charge for credit valuation adjustment (CVA) is calculated using the standardised approach. Exposure amounts for derivatives are calculated using standardised method (SA-CCR).

The Group's primary capital must satisfy the minimum capital adequacy ratio requirements at all times, with the addition of a buffer equivalent to the company's accepted risk tolerance. See also the Group's Pillar III document, which is available from Sparebanken Øst's website.

	30.06.2022	30.06.2021	31.12.2021
CET1 capital			
Book equity	4.181,9	4.012,0	4.341,5
Deduction items in CET1 capital			
Additional value adjustments (prudent valuation requirement) (AVA)	-7,5	-8,3	-8,5
Dividends	0,0	-40,9	-159,6
Goodwill included in the valuation of significant investments	-247,8	-269,6	-229,0
Intangible assets	-33,3	-33,4	-32,3
CET1 capital instruments in other financial institutions (not significant)	0,0	0,0	0,0
CET1 capital instruments in other financial institutions (significant)	0,0	0,0	0,0
Other deductions from CET1 capital	-46,8	-31,0	-46,8
Total CET1 capital	3.846,5	3.628,8	3.865,3
Other Tier 1 capital			
Hybrid Tier 1 capital	350,0	350,0	350,0
Deductions from other Tier 1 capital			
Other Tier 1 capital instruments in other financial institutions (not significant)	0,0	0,0	0,0
Other Tier 1 capital instruments in other financial institutions (significant)	0,0	0,0	0,0
Total other Tier 1 capital	350,0	350,0	350,0
Total Tier 1 capital	4.196,5	3.978,8	4.215,3
Tier 2 capital			
Subordinated loans	400,0	400,0	400,0
Deductions from Tier 2 capital			
Tier 2 capital instruments in other financial institutions (not significant)	0,0	0,0	0,0
Tier 2 capital instruments in other financial institutions (significant)	0,0	0,0	0,0
Total Tier 2 capital	400,0	400,0	400,0
Net subordinated loan capital	4.596,5	4.378,8	4.615,3

Note 3 – Group - Capital adequacy (cont.)

	30.06.2022	30.06.2021	31.12.2021
Governments and central banks	0,0	0,0	0,0
Local and regional authorities	20,3	42,5	33,5
Publicly owned companies	6,0	0,0	0,0
Multilateral development banks	0,0	0,0	0,0
Institutions	57,3	53,1	39,0
Companies	53,2	289,5	243,1
Mass market accounts	2.886,1	2.832,2	2.825,3
Accounts secured against property	13.108,7	14.595,4	14.268,2
Accounts due	185,8	189,5	225,2
High-risk commitments	297,4	614,1	438,1
Covered bonds	459,3	513,0	542,8
Shares in securities fund	0,0	0,0	0,0
Equity positions	763,7	780,1	905,9
Other exposures	192,5	199,0	184,3
Securitisation	0,0	0,0	0,0
Calculation basis for credit and counterparty risk	18.030,4	20.108,4	19.705,3
Calculation basis for currency risk	0,0	0,0	0,0
Calculation basis for operational risk	1.454,4	1.444,9	1.454,4
Calculation basis for impaired counterparty credit valuation adjustment (CVA)	32,6	53,3	30,3
Deductions from calculation basis	0,0	0,0	0,0
Total calculation basis	19.517,5	21.606,6	21.190,0
CET1 capital ratio	19,71 %	16,79 %	18,24 %
Tier 1 capital ratio	21,50 %	18,41 %	19,89 %
Capital adequacy	23,55 %	20,27 %	21,78 %
Buffers			
Capital conservation buffer	487,9	540,2	529,7
Countercyclical buffer	292,8	216,1	211,9
Systemic risk buffer	585,5	648,2	635,7
Buffer for systemically important banks	0,0	0,0	0,0
Total buffer requirements	1.366,2	1.404,4	1.377,3
Available buffer capital	2.968,2	2.650,3	2.911,8
Leverage ratio	8,99 %	8,00 %	8,60 %

Note 4 – Group – Losses on loans, unused credit and guarantees

Loss costs

	Q2 2022	Q2 2021	01-30.06.2022	01-30.06.2021	31.12.2021
Change in model-based provisions, Stage 1	-0,3	1,3	-1,3	1,3	-10,0
Change in model-based provisions, Stage 2	-0,4	-2,0	-1,1	-1,9	2,6
Change in model-based provisions, Stage 3	-0,2	0,8	-0,1	0,9	1,0
Increase in existing individual loan loss provisions	2,3	2,8	5,8	5,7	10,2
New individual loan loss provisions	1,8	0,9	3,8	4,3	8,3
Established losses covered by previous individual loan loss provisions	1,3	1,0	1,7	2,0	4,0
Reversals of previous individual loan loss provisions	-2,7	-3,5	-6,7	-7,1	-10,9
Established losses not covered by previous individual loan loss provisions	0,2	0,3	0,8	0,2	0,5
Recovery of previously identified losses	-1,1	-1,1	-1,9	-2,3	-5,3
Amortisation costs for the period	0,0	0,0	0,0	0,0	0,0
Losses on loans, unused credit and guarantees	0,8	0,6	1,0	3,2	0,5
- of which losses on lending to retail customers of the parent bank and mortgage credit company	-0,1	0,6	0,4	1,8	3,0
- of which losses on lending to business customers	0,2	-0,6	-1,1	-1,8	-8,7
- of which losses on lending AS Financiering	0,8	0,6	2,0	3,2	6,0
- of which losses on unused credit and guarantees	-0,1	0,0	-0,3	0,0	0,2

Changes in loan loss provisions

	Expected credit loss cted credit loss cted credit loss			
Group – 30.06.2022	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2022	13,5	14,8	98,2	126,5
Transferred to Stage 1	4,4	-3,9	-0,5	0,0
Transferred to Stage 2	-0,6	1,5	-0,8	0,0
Transferred to Stage 3	0,0	-0,9	1,0	0,0
Net change	-5,3	3,1	5,8	3,6
New losses	4,2	1,7	0,2	6,0
Deducted losses	-3,9	-2,8	-2,8	-9,4
Change in risk model/parameters	0,0	0,2	0,0	0,2
Closing balance as at 30.06.2022	12,2	13,7	101,0	126,9
- of which loan loss provisions for lending to retail customers of the parent bank and mortgage credit company	5,9	6,8	3,7	16,5
- of which loan loss provisions for lending to business customers	1,6	1,4	0,3	3,3
- of which loan loss provisions on lending AS Financiering	4,1	5,3	96,6	106,0
- of which loan loss provisions for unused credit and guarantees	0,6	0,2	0,3	1,1
Model-based loan loss provisions	12,2	13,7	1,3	27,2
Individual loan loss provisions	0,0	0,0	99,7	99,7

Note 4 – Group – Losses on loans, unused credit and guarantees (cont.)

	Expected credit loss cted credit loss cted credit loss			
Group – 30.06.2021	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2021	23,4	12,3	89,6	125,3
Transferred to Stage 1	2,0	-1,6	-0,4	0,0
Transferred to Stage 2	-0,4	1,0	-0,5	0,0
Transferred to Stage 3	-0,2	-1,2	1,4	0,0
Net change	-3,2	0,2	4,9	1,9
New losses	7,8	0,8	0,1	8,7
Deducted losses	-4,7	-1,2	-1,7	-7,5
Change in risk model/parameters	0,1	0,1	0,0	0,2
Closing balance as at 30.06.2021	24,8	10,3	93,4	128,5
- of which loan loss provisions for lending to retail customers of the parent bank and mortgage credit company	8,2	2,3	3,9	14,4
- of which loan loss provisions for lending to business customers	6,9	3,4	0,5	10,9
- of which loan loss provisions on lending AS Financiering	8,8	4,5	88,7	102,1
- of which loan loss provisions for unused credit and guarantees	0,9	0,1	0,3	1,2
Model-based loan loss provisions	24,8	10,3	1,2	36,3
Individual loan loss provisions	0,0	0,0	92,2	92,2

	Expected credit loss cted credit loss cted credit loss			
Group – 31.12.2021	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2021	23,4	12,3	89,6	125,3
Transferred to Stage 1	5,8	-5,0	-0,8	0,0
Transferred to Stage 2	-1,1	1,5	-0,4	0,0
Transferred to Stage 3	-0,3	-1,2	1,5	0,0
Net change	-13,8	4,8	11,9	3,0
New losses	7,1	4,4	1,5	13,0
Deducted losses	-7,6	-2,5	-5,0	-15,1
Change in risk model/parameters	-0,1	0,6	0,0	0,4
Closing balance as at 31.12.2021	13,5	14,8	98,2	126,5
- of which loan loss provisions for lending to retail customers of the parent bank and mortgage credit company	6,6	6,0	3,7	16,3
- of which loan loss provisions for lending to business customers	2,2	1,6	0,5	4,3
- of which loan loss provisions on lending AS Financiering	3,9	6,9	93,8	104,5
- of which loan loss provisions for unused credit and guarantees	0,8	0,4	0,3	1,4
Model-based loan loss provisions	13,5	14,8	1,3	29,7
Individual loan loss provisions	0,0	0,0	96,8	96,8

Change in gross lending, broken down by stage

The table below does not include fixed-rate loans at fair value.

Group – 30.06.2022	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2022	37.848,4	1.091,5	298,2	39.238,1
Transferred to Stage 1	303,4	-296,8	-6,6	0,0
Transferred to Stage 2	-446,5	479,0	-32,5	0,0
Transferred to Stage 3	-19,7	-23,1	42,8	0,0
Net change	-92,3	-25,9	-31,7	-149,9
New loans	12.025,0	168,8	2,1	12.196,0
Deducted lending	-13.409,3	-344,1	-22,3	-13.775,7
Closing balance as at 30.06.2022	36.209,0	1.049,4	250,0	37.508,4
- of which lending to retail customers of the parent bank and mortgage credit company	30.562,3	736,5	34,1	31.332,9
- of which lending to business customers	3.456,7	91,8	41,3	3.589,8
- of which lending AS Financiering	2.190,0	221,1	174,6	2.585,7
- of which loans with forbearance	0,0	179,7	12,3	192,0

Note 4 – Group – Losses on loans, unused credit and guarantees (cont.)

Group – 30.06.2021	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2021	34.247,1	761,3	200,4	35.208,8
Transferred to Stage 1	133,5	-130,9	-2,6	0,0
Transferred to Stage 2	-220,4	231,1	-10,7	0,0
Transferred to Stage 3	-30,7	-64,0	94,7	0,0
Net change	312,4	-32,5	-25,5	254,4
New loans	16.574,7	74,2	0,9	16.649,8
Deducted lending	-11.731,4	-117,3	-9,4	-11.858,1
Closing balance as at 30.06.2021	39.285,2	721,8	247,8	40.254,9
- of which lending to retail customers of the parent bank and mortgage credit company	32.806,1	289,5	46,4	33.142,0
- of which lending to business customers	4.477,5	165,2	16,1	4.658,8
- of which lending AS Financiering	2.001,7	267,1	185,3	2.454,1
- of which loans with forbearance	0	149,0	23,2	172,3

Group – 31.12.2021	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2021	34.247,1	761,3	200,4	35.208,8
Transferred to Stage 1	357,6	-350,6	-7,0	0,0
Transferred to Stage 2	-727,2	734,0	-6,7	0,0
Transferred to Stage 3	-102,5	-62,5	165,0	0,0
Net change	-899,6	-71,6	-39,2	-1.010,3
New loans	20.405,4	286,8	16,0	20.708,2
Deducted lending	-15.432,4	-205,9	-30,2	-15.668,6
Closing balance as at 31.12.2021	37.848,4	1.091,5	298,2	39.238,1
- of which lending to retail customers of the parent bank and mortgage credit company	31.590,8	660,5	47,5	32.298,8
- of which lending to business customers	4.182,2	164,1	72,1	4.418,4
- of which lending AS Financiering	2.075,3	267,0	178,5	2.520,8
- of which loans with forbearance	0,0	154,2	26,3	180,4

Model-based expected credit loss

At the end of Q2 2022, the economic outlook is generally considered not to have changed compared with what was assumed when the annual financial statements for 2021 were published.

The probability weighting of the macro scenarios used to calculate the model-based expected credit loss remained unchanged at the end of Q2 2022 compared with what was used in the preparation of the annual financial statements for 2021. The factors for the different scenarios, which express the amount of expected credit loss in the optimistic and pessimistic scenarios compared with expected credit loss in the expected scenario, remained unchanged at the end of Q2 2022 compared with what was used in the preparation of the annual financial statements for 2021.

The table below shows the expected credit loss in the different scenarios and the probability weights. Individually assessed loan loss provisions remain unchanged in the different scenarios.

Group – 30.06.2022	Probability weight	Stage 1	Stage 2	Stage 3	Total
Optimistic scenario	0 %	7,5	8,6	100,5	116,5
Expected scenario	75 %	9,3	10,7	100,7	120,7
Pessimistic scenario	25 %	20,8	22,9	101,9	145,6
Loan loss provisions (probability-weighted)	100 %	12,2	13,7	101,0	126,9

Note 5 – Group – Non-performing commitments, customers

	30.06.2022	30.06.2021	31.12.2021
Payment defaults (more than 90 days past due)			
Business	35,7	7,0	7,2
+ Retail	11,9	10,0	8,0
+ AS Financiering	156,8	162,0	160,2
= Gross payment defaults	204,4	178,9	175,3
- Loan loss provisions	100,0	92,5	97,2
= Net payment defaults	104,4	86,4	78,1
Other non-performing commitments			
Business	6,3	13,5	65,6
+ Retail	22,3	36,4	39,6
+ AS Financiering	17,8	23,4	18,3
= Gross other non-performing commitments	46,4	73,3	123,6
- Loan loss provisions	1,0	0,9	1,0
= Net other non-performing commitments	45,3	72,4	122,5
Non-performing commitments			
Business	42,0	20,5	72,8
+ Retail	34,1	46,4	47,5
+ AS Financiering	174,6	185,3	178,5
= Gross non-performing commitments	250,8	252,2	298,8
- Loan loss provisions	101,0	93,4	98,2
= Net non-performing commitments	149,8	158,8	200,7

Note 6 – Group – Deposits from customers by sector and industry

	30.06.2022	30.06.2021	31.12.2021
Salaried employees	11.336,9	10.620,6	11.442,0
Public administration	555,8	581,6	445,2
Agriculture, forestry, fishing, etc.	101,0	87,9	90,8
Industry and mining, power and water supply	518,8	907,8	791,5
Building and construction	649,7	561,0	560,9
Wholesale and retail trade, hotels and restaurants	409,9	502,6	528,2
Transport and communications	170,3	196,4	154,1
Business financial services	1.664,4	1.782,3	1.761,7
Other service industries	840,7	867,8	878,6
Real estate sales and operation	1.123,7	1.092,0	806,5
Abroad	100,7	118,2	119,4
Total customer deposits	17.471,9	17.318,3	17.578,9

Note 7 – Group – Lending, guarantees and credit facilities by sector and industry

	Gross lending			Guarantees			Potential exposure via overdraft facilities		
	30.06.2022	30.06.2021	31.12.2021	30.06.2022	30.06.2021	31.12.2021	30.06.2022	30.06.2021	31.12.2021
Salaried employees	34.119,6	35.811,2	35.007,9	1,1	1,0	1,0	3.455,5	2.963,5	3.228,8
Public administration	7,1	7,2	7,1	0,0	0,0	0,0	0,0	0,0	0,0
Agriculture, forestry, fishing, etc.	81,3	99,6	83,6	0,4	0,4	0,4	15,2	18,8	15,5
Industry and mining, power and water supply	60,3	60,8	59,0	0,3	0,5	0,5	5,5	6,4	5,4
Building and construction	571,3	581,1	730,8	25,5	52,2	33,0	27,8	90,5	47,7
Wholesale and retail trade, hotels and restaurants	114,9	133,1	117,2	6,6	9,0	8,5	25,9	30,0	28,8
Transport and communications	20,3	33,5	29,7	4,5	5,6	4,4	3,8	5,6	3,4
Business financial services	83,1	131,1	85,3	0,6	1,6	0,0	6,0	5,5	4,8
Other service industries	462,1	700,3	639,8	1,6	16,8	1,6	13,1	17,0	17,8
Real estate sales and operation	2.246,9	2.963,6	2.720,2	13,5	0,0	9,3	134,6	34,7	27,1
Abroad	25,7	31,5	31,1	0,0	0,0	0,0	0,0	0,0	0,0
Total	37.792,6	40.552,9	39.511,8	54,0	87,0	58,7	3.687,4	3.172,2	3.379,3

Note 8 – Group – Geographical distribution of lending, customers

	30.06.2022	30.06.2021	31.12.2021
Drammen	7.259,0	7.640,5	7.344,9
Øvre Eiker	1.995,0	2.079,3	2.021,0
Asker/Bærum	5.673,2	6.107,7	5.921,5
Rest of Viken	7.593,4	7.903,8	7.740,2
Oslo	8.183,9	9.280,5	9.097,3
Vestfold/Telemark	3.324,2	3.385,1	3.384,5
Rest of Norway	3.738,3	4.124,6	3.971,3
Abroad	25,7	31,5	31,1
Gross lending to customers	37.792,6	40.552,9	39.511,8

Note 9 – Group – Credit risk

Risk classification of retail and business customers is an integral part of the credit process for retail customers for the approval and overall management of the portfolio. Customers are classified based on scoring models developed using statistical methods that estimate the probability of default (PD). Models are based on information about the customer’s finances and behaviour. The risk classification takes the form of assessments of new loan applications, followed by monthly reclassification based on available information about changes in the customer’s finances and behaviour. The risk classification consists of 11 categories from A to K, where risk class A represents the lowest credit risk and risk class I represents the highest risk for customers not in default. Risk classes J and K cover commitments where there is objective evidence of non-performance, and the commitments are placed under special surveillance.

Probability of default per risk class

Risk class	From	To
A	0,00 %	0,10 %
B	0,10 %	0,25 %
C	0,25 %	0,50 %
D	0,50 %	0,75 %
E	0,75 %	1,50 %
F	1,50 %	2,75 %
G	2,75 %	5,00 %
H	5,00 %	10,00 %
I	10,00 %	99,99 %
Y and K	99,99 %	100,00 %

30.06.2022	Gross lending**	Guarantee liabilities	Overdraft facilities	Total commitments	%	Loan loss		Loan loss		Loan loss	
						Commitments, Stage 1	provisions, Stage 1	Commitments, Stage 2	provisions, Stage 2	Commitments, Stage 3	provisions, Stage 3*
A	14.113,0	21,4	1.423,0	15.557,4	37,5	15.529,9	1,1	27,5	0,0	0,0	0,0
B	15.529,4	21,7	2.068,8	17.620,0	42,4	17.504,5	3,3	115,4	0,1	0,0	0,0
C	4.519,0	5,6	150,1	4.674,7	11,3	4.565,2	2,1	109,5	0,1	0,0	0,0
D	1.207,8	0,9	29,2	1.237,9	3,0	1.040,8	0,8	197,1	0,5	0,0	0,0
E	844,4	0,7	10,0	855,0	2,1	726,4	1,1	128,6	0,6	0,0	0,0
F	709,7	0,9	2,3	712,9	1,7	558,5	1,5	154,4	1,3	0,0	0,0
G	312,6	0,0	0,7	313,3	0,8	211,1	1,0	102,2	1,0	0,0	0,0
H	130,9	0,0	0,4	131,2	0,3	45,4	0,4	85,8	1,3	0,0	0,0
I	175,3	0,1	2,5	177,9	0,4	21,9	0,9	154,1	8,6	1,8	0,1
J	68,9	0,3	0,0	69,2	0,2	0,0	0,0	0,0	0,0	69,2	0,0
K	181,4	0,5	0,0	181,9	0,4	0,0	0,0	2,2	0,3	179,8	100,9
Unallocated	0,2	1,9	0,4	2,5	0,0	2,5	0,0	0,0	0,0	0,0	0,0
Total	37.792,6	54,0	3.687,4	41.534,0	100,0	40.206,2	12,2	1.077,0	13,7	250,8	101,0

* Stage 3 provisions include individually assessed loan loss provisions of NOK 99.7 million.
** Gross lending includes loans at both amortised cost and fair value.

30.06.2021	Gross lending**	Guarantee liabilities	Overdraft facilities	Total commitments	%	Loan loss		Loan loss		Loan loss	
						Commitments, Stage 1	provisions, Stage 1	Commitments, Stage 2	provisions, Stage 2	Commitments, Stage 3	provisions, Stage 3*
A	17.497,6	11,1	2.086,1	19.594,8	44,7	19.562,3	1,1	32,5	0,0	0,0	0,0
B	9.377,7	11,6	668,9	10.058,2	23,0	10.028,3	2,3	29,9	0,0	0,0	0,0
C	5.588,8	19,3	226,5	5.834,6	13,3	5.757,1	3,0	77,4	0,1	0,0	0,0
D	4.102,7	35,5	162,0	4.300,3	9,8	4.266,0	5,1	34,3	0,1	0,0	0,0
E	1.041,1	6,7	19,4	1.067,3	2,4	906,7	2,2	160,6	1,1	0,0	0,0
F	1.286,1	1,5	3,5	1.291,1	2,9	1.197,2	2,5	93,9	0,9	0,0	0,0
G	936,5	0,3	0,8	937,5	2,1	826,2	4,7	111,3	1,7	0,0	0,0
H	431,4	0,0	0,2	431,5	1,0	260,3	3,1	171,3	3,9	0,0	0,0
I	44,6	0,0	1,4	46,0	0,1	22,6	0,8	23,4	2,4	0,0	0,0
J	78,9	0,5	3,4	82,8	0,2	0,0	0,0	0,0	0,0	82,8	0,8
K	167,4	0,5	0,0	167,8	0,4	0,0	0,0	0,0	0,0	167,8	92,6
Unallocated	0,1	0,0	0,0	0,1	0,0	0,1	0,1	0,0	0,0	0,0	0,0
Total	40.552,9	87,0	3.172,2	43.812,1	100,0	42.826,8	24,8	734,7	10,3	250,6	93,4

* Stage 3 provisions include individually assessed loan loss provisions of NOK 92.2 million.
** Gross lending includes loans at both amortised cost and fair value.

Note 9 – Group – Credit risk (cont.)

31.12.2021	Gross lending**	Guarantee liabilities	Overdraft facilities	Total commitments	%	Commitments, Stage 1	Loan loss provisions, Stage 1	Commitments, Stage 2	Loan loss provisions, Stage 2	Commitments, Stage 3	Loan loss provisions, Stage 3*
A	13.181,3	24,5	1.143,4	14.349,2	33,4	14.336,6	1,0	12,6	0,0	0,0	0,0
B	17.391,2	9,1	1.987,9	19.388,2	45,1	19.334,8	4,1	53,4	0,0	0,0	0,0
C	5.007,0	19,3	194,6	5.220,9	12,2	5.158,9	2,3	62,0	0,1	0,0	0,0
D	1.402,8	2,2	32,6	1.437,6	3,3	1.163,1	0,9	274,5	1,1	0,0	0,0
E	927,8	1,6	11,8	941,2	2,2	755,6	1,2	185,6	1,0	0,0	0,0
F	665,7	0,0	2,3	668,0	1,6	521,9	1,4	146,1	1,0	0,0	0,0
G	294,6	0,6	3,9	299,1	0,7	195,4	0,9	103,8	1,2	0,0	0,0
H	145,2	0,0	0,9	146,2	0,3	34,6	0,3	111,5	1,8	0,0	0,0
I	198,8	0,2	1,8	200,9	0,5	31,9	1,3	168,9	8,6	0,0	0,0
J	113,5	0,2	0,0	113,7	0,3	0,0	0,0	0,0	0,0	113,7	0,0
K	183,6	1,0	0,0	184,5	0,4	0,0	0,0	0,0	0,0	184,5	98,2
Unallocated	0,3	0,0	0,0	0,3	0,0	0,3	0,0	0,0	0,0	0,0	0,0
Total	39.511,8	58,7	3.379,3	42.949,8	100,0	41.533,0	13,5	1.118,5	14,8	298,3	98,2

* Stage 3 provisions include individually assessed loan loss provisions of NOK 96.8 million.

** Gross lending includes loans at both amortised cost and fair value.

Note 10 – Group – Classification of financial instruments

30.06.2022	Fair value through profit or loss		Measured at amortised cost*	Total
	Mandatory	Designated		
Cash and receivables from central banks	0,0	0,0	520,8	520,8
Net loans to and receivables from financial institutions	0,0	0,0	9,5	9,5
Net loans to and receivables from customers	0,0	284,2	37.382,6	37.666,8
Certificates and bonds	6.188,6	0,0	0,0	6.188,6
Shares and units	796,7	0,0	0,0	796,7
Financial derivatives**	54,0	0,0	0,0	54,0
Total financial assets	7.039,3	284,2	37.912,9	45.236,4
Liabilities to financial institutions	0,0	0,0	300,6	300,6
Deposits from and liabilities to customers	0,0	0,0	17.471,9	17.471,9
Financial derivatives**	139,7	0,0	0,0	139,7
Securities issued	0,0	0,0	22.203,4	22.203,4
Lease liabilities	0,0	0,0	42,9	42,9
Subordinated loan capital	0,0	0,0	400,6	400,6
Total financial liabilities	139,7	0,0	40.419,3	40.559,0

* Includes hedged liabilities

** Includes derivatives for which hedge accounting is used

30.06.2021	Fair value through profit or loss		Measured at amortised cost*	Total
	Mandatory	Designated		
Cash and receivables from central banks	0,0	0,0	290,8	290,8
Net loans to and receivables from financial institutions	0,0	0,0	7,6	7,6
Net loans to and receivables from customers	0,0	298,1	40.127,5	40.425,6
Certificates and bonds	6.868,8	0,0	0,0	6.868,8
Shares and units	808,4	0,0	0,0	808,4
Financial derivatives**	273,2	0,0	0,0	273,2
Total financial assets	7.950,4	298,1	40.425,9	48.674,4
Liabilities to financial institutions	0,0	0,0	300,1	300,1
Deposits from and liabilities to customers	0,0	0,0	17.318,3	17.318,3
Financial derivatives**	13,4	0,0	0,0	13,4
Securities issued	0,0	0,0	25.775,7	25.775,7
Lease liabilities	0,0	0,0	42,7	42,7
Subordinated loan capital	0,0	0,0	400,1	400,1
Total financial liabilities	13,4	0,0	43.836,9	43.850,4

* Includes hedged liabilities

** Includes derivatives for which hedge accounting is used

Note 10 – Group – Classification of financial instruments (cont.)

31.12.2021	Fair value through profit or loss		Measured at amortised cost*	Total
	Mandatory	Designated		
Cash and receivables from central banks	0,0	0,0	302,6	302,6
Net loans to and receivables from financial institutions	0,0	0,0	11,0	11,0
Net loans to and receivables from customers	0,0	273,7	39.113,0	39.386,7
Certificates and bonds	7.198,9	0,0	0,0	7.198,9
Shares and units	848,6	0,0	0,0	848,6
Financial derivatives**	156,5	0,0	0,0	156,5
Total financial assets	8.204,0	273,7	39.426,5	47.904,2
Liabilities to financial institutions	0,0	0,0	300,3	300,3
Deposits from and liabilities to customers	0,0	0,0	17.578,9	17.578,9
Financial derivatives**	15,4	0,0	0,0	15,4
Securities issued	0,0	0,0	24.684,0	24.684,0
Lease liabilities	0,0	0,0	42,2	42,2
Subordinated loan capital	0,0	0,0	400,4	400,4
Total financial liabilities	15,4	0,0	43.005,8	43.021,2

* Includes hedged liabilities

** Includes derivatives for which hedge accounting is used

Note 11 – Group – Financial instruments at fair value

The bank classifies fair value measurements using a hierarchy involving the following levels:

Level 1: Observable market prices in active markets.

Level 2: Observable market prices in less active markets, or the use of inputs which are either directly or indirectly observable.

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

Please see Note 21 in the Annual Report for 2021 for further details of individual accounting items.

30.06.2022	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers	0,0	0,0	284,2	284,2
Certificates and bonds	0,0	6.188,6	0,0	6.188,6
Shares and units	65,7	0,0	731,0	796,7
Financial derivatives	0,0	54,0	0,0	54,0
Total assets at fair value	65,7	6.242,6	1.015,3	7.323,6
Financial derivatives	0,0	139,7	0,0	139,7
Total liabilities at fair value	0,0	139,7	0,0	139,7

Movements in level 3 for items valued at fair value	Fixed-rate loans	through profit or loss	Total
Balance sheet as at 01.01.22	273,7	780,8	1.054,5
Net realised gains	0,0	0,0	0,0
Additions	33,8	0,0	33,8
Disposals	14,8	33,7	48,4
Changes in value	-8,5	-16,1	-24,6
Transferred from levels 1 and 2	0,0	0,0	0,0
Balance sheet at end of period	284,2	731,0	1.015,3

30.06.2021	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers	0,0	0,0	298,1	298,1
Certificates and bonds	0,0	6.868,8	0,0	6.868,8
Shares and units	38,3	30,8	739,3	808,4
Financial derivatives	0,0	273,2	0,0	273,2
Total assets at fair value	38,3	7.172,8	1.037,4	8.248,5
Financial derivatives	0,0	13,4	0,0	13,4
Total liabilities at fair value	0,0	13,4	0,0	13,4

Movements in level 3 for items valued at fair value	Fixed-rate loans	through profit or loss	Total
Balance sheet as at 01.01.2021	359,1	746,9	1.106,0
Net realised gains	0,0	0,0	0,0
Additions	24,6	0,1	24,7
Disposals	81,2	8,7	89,9
Changes in value	-4,4	1,1	-3,3
Transferred from levels 1 and 2	0,0	0,0	0,0
Balance sheet at end of period	298,1	739,3	1.037,4

Note 11 – Group – Financial instruments at fair value (cont.)

31.12.2021	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers	0,0	0,0	273,7	273,7
Certificates and bonds	0,0	7.198,9	0,0	7.198,9
Shares and units	67,8	0,0	780,8	848,6
Financial derivatives	0,0	156,5	0,0	156,5
Total assets at fair value	67,8	7.355,4	1.054,5	8.477,7
Financial derivatives	0,0	15,4	0,0	15,4
Total liabilities at fair value	0,0	15,4	0,0	15,4

	Fixed-rate loans	Shares through profit or loss	Total
Movements in level 3 for items valued at fair value			
Balance sheet as at 01.01.2021	359,1	746,9	1.106,0
Net realised gains	0,0	0,0	0,0
Additions	70,1	2,2	72,3
Disposals	147,7	8,7	156,3
Changes in value	-7,9	40,4	32,5
Transferred from levels 1 and 2	0,0	0,0	0,0
Balance sheet at end of period	273,7	780,8	1.054,5

Note 12 – Group – Securities issued and subordinated loan capital

Securities issued	30.06.2022	30.06.2021	31.12.2021
Bonds, nominal value	22.180,0	25.425,0	24.448,0
Value adjustments (including premium/discount)	-82,2	241,6	158,1
Accrued interest	105,6	109,1	77,9
Total securities issued	22.203,4	25.775,7	24.684,0

Change for securities issued	30.06.2022	Issued	Due/redeemed	Change in own holdings	Other changes incl. currency	31.12.2021
Ordinary senior bonds, nominal value	5.330,0	300,0	1.368,0	0,0	0,0	6.398,0
Senior non-preferred bonds (SNP), nominal value	700,0	300,0	0,0	0,0	0,0	400,0
Covered bonds, nominal value in NOK	16.150,0	1.000,0	2.500,0	0,0	0,0	17.650,0
Value adjustments (including premium/discount)	-82,2	0,0	0,0	0,0	-240,3	158,1
Accrued interest	105,6	0,0	0,0	0,0	27,7	77,9
Total securities issued	22.203,4	1.600,0	3.868,0	0,0	-212,6	24.684,0

Change for securities issued	30.06.2021	Issued	Due/redeemed	Change in own holdings	Other changes incl. currency	31.12.2020
Ordinary senior bonds, nominal value	7.875,0	400,0	70,0	0,0	0,0	7.545,0
Senior non-preferred bonds (SNP), nominal value	400,0	400,0	0,0	0,0	0,0	0,0
Covered bonds, nominal value in NOK	17.150,0	4.500,0	2.300,0	222,0	0,0	15.172,0
Value adjustments (including premium/discount)	241,6	0,0	0,0	0,0	-72,5	314,1
Accrued interest	109,1	0,0	0,0	0,0	29,2	79,9
Total securities issued	25.775,7	5.300,0	2.370,0	222,0	-43,3	23.111,0

Subordinated loan capital	30.06.2022	30.06.2021	31.12.2021
Ordinary subordinated loan capital, nominal value	400,0	400,0	400,0
Value adjustments (including premium/discount)	-0,1	-0,3	-0,2
Accrued interest	0,7	0,4	0,6
Total subordinated loan capital	400,6	400,1	400,4

Change in subordinated loan capital	30.06.2022	Issued	Due/redeemed	Change in own holdings	Other changes incl. currency	31.12.2021
Ordinary subordinated loan capital, nominal value	400,0	0,0	0,0	0,0	0,0	400,0
Value adjustments (including premium/discount)	-0,1	0,0	0,0	0,0	0,1	-0,2
Accrued interest	0,7	0,0	0,0	0,0	0,1	0,6
Total subordinated loan capital	400,6	0,0	0,0	0,0	0,2	400,4

Change in subordinated loan capital	30.06.2021	Issued	Due/redeemed	Change in own holdings	Other changes incl. currency	31.12.2020
Ordinary subordinated loan capital, nominal value	400,0	0,0	0,0	0,0	0,0	400,0
Value adjustments (including premium/discount)	-0,3	0,0	0,0	0,0	0,0	-0,3
Accrued interest	0,4	0,0	0,0	0,0	0,0	0,4
Total subordinated loan capital	400,1	0,0	0,0	0,0	0,0	400,1

Note 13 – Group – Net interest income

	Q2 2022	Q2 2021	01.01-30.06.2022	01.01-30.06.2021	Full year 2021
Interest income from loans to and receivables from financial institutions	1,0	0,0	1,6	0,0	0,3
Interest income from loans to customers	264,5	221,4	514,7	438,7	905,2
Interest income from certificates and bonds	30,5	13,9	56,4	27,9	61,1
Total interest income	296,0	235,3	572,7	466,6	966,6
Interest costs on liabilities to financial institutions	1,7	1,5	3,3	3,3	6,3
Interest on deposits from customers	25,8	21,0	50,9	39,9	86,0
Interest on securities issued	104,0	56,5	185,8	110,2	222,4
Interest on subordinated loan capital	2,7	1,8	5,1	3,6	7,3
Norwegian Banks Guarantee Fund levy	3,6	2,8	7,4	6,7	13,3
Total interest costs	137,7	83,5	252,5	163,6	335,3
Net interest income	158,3	151,8	320,2	303,0	631,3

Note 14 – Group – Net changes in value and gains/losses on financial instruments

	Q2 2022	Q2 2021	01.01-30.06.2022	01.01-30.06.2021	Full year 2021
Net changes in value and gains/losses on certificates and bonds	-28,2	-6,7	-49,4	-10,0	-34,7
Net value change and gains/losses on shares	-23,8	7,4	-18,2	6,0	44,0
Net changes in value and gains/losses on fixed-interest loans	-2,7	-1,2	-8,5	-4,4	-7,9
Net changes in value and gains/losses on other financial instruments	-1,7	2,5	6,4	10,5	17,0
Net value change and gains/losses on financial instruments	-56,4	2,1	-69,6	2,1	18,4

Note 15 – Group – Operating costs

	Q2 2022	Q2 2021	01.01-30.06.2022	01.01-30.06.2021	Full year 2021
Payroll costs incl. AGA and financial activity tax	25,7	30,5	66,9	71,5	158,1
Pension costs	3,8	4,1	7,4	8,0	12,9
Other personnel-related costs	1,7	0,8	3,7	2,8	4,9
IT costs	11,3	10,5	22,7	21,1	43,2
Other administrative costs	4,0	4,9	8,4	8,6	17,8
Depreciation/write-downs/changes in value of non-financial assets	6,7	7,0	13,3	13,9	27,6
Operating costs, properties and premises	2,7	1,9	5,7	4,1	8,0
Other operating costs	10,6	8,4	19,5	17,0	33,3
Total operating costs	66,6	68,2	147,7	147,1	305,7

Note 16 – Group – Pledged assets and preferential rights

Pledges of security	30.06.2022	30.06.2021	31.12.2021
Bonds, nominal value, pledged as security for borrowing facilities at Norges Bank	1.190,0	1.340,0	1.340,0
Total pledges of security	1.190,0	1.340,0	1.340,0

Preferential rights	30.06.2022	30.06.2021	31.12.2021
Preferential rights in accordance with Section 11-15 of the Norwegian Financial Institutions Act (nominal value)	16.650,0	18.150,0	18.150,0
Total preferential rights	16.650,0	18.150,0	18.150,0

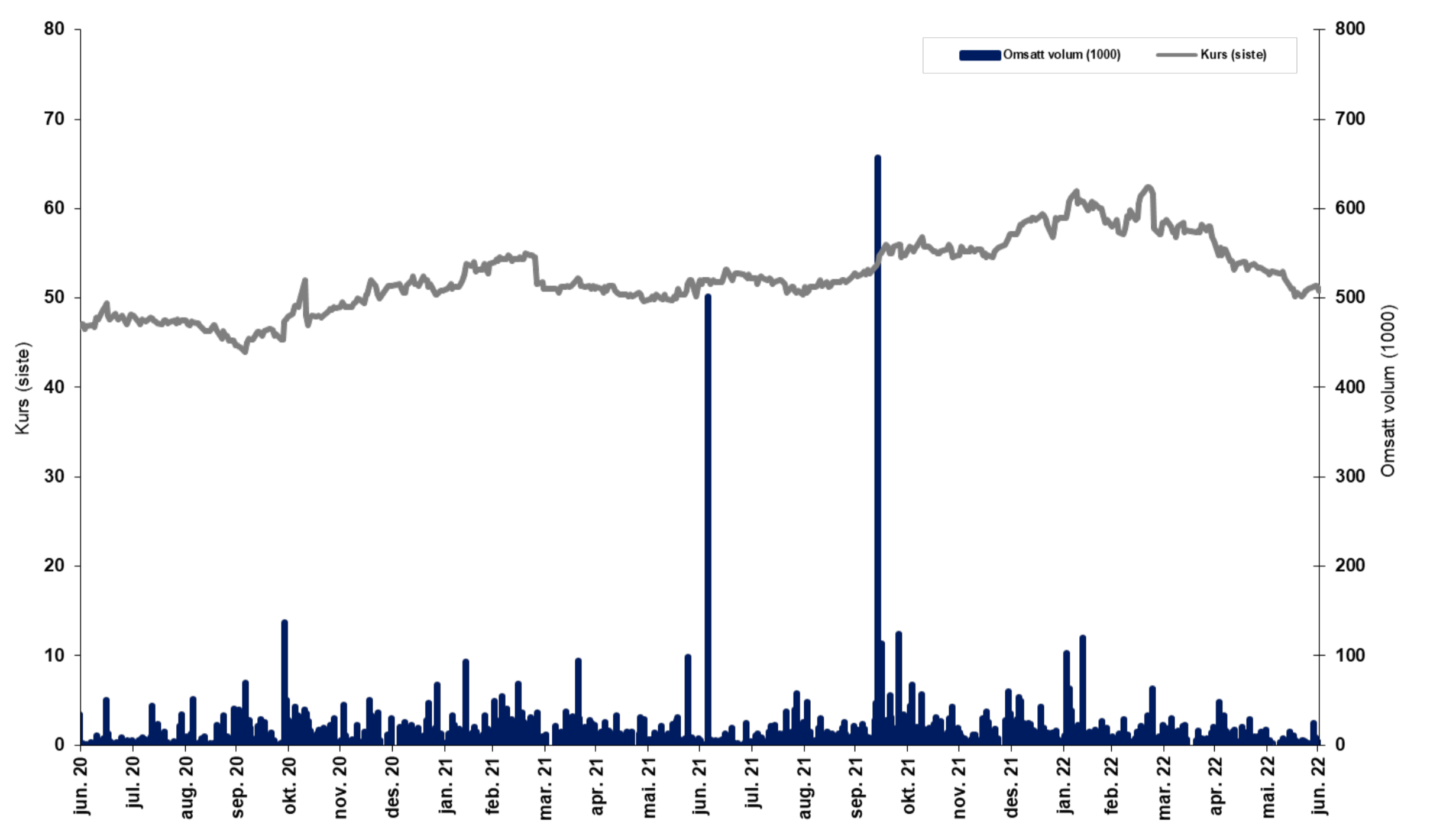
The parent bank's holdings of covered bonds had a nominal value of NOK 500.0 million as at 30.06.2022, NOK 1,000.0 million as at 30.06.2021 and NOK 500.0 million as at 31.12.2021 and are not included in

Note 17 – Group – Equity certificates

Ownership fraction, parent bank

	01.01.2022	01.01.2021
Equity certificate capital	207,3	207,3
Premium reserve	387,8	387,8
Equalisation fund (excl. dividend)	333,4	319,4
Share of Fund for Unrealised Gains	135,5	128,7
Total numerator (A)	1.064,1	1.043,2
Total equity excl. hybrid capital (dividend provisions for the year excluded)	3.722,5	3.525,6
Total denominator (B)	3.722,5	3.525,6
Ownership fraction (A/B) as a %*	28,59	29,59

Sparebanken Øst (SPOG)



The 20 largest equity certificate holders as at 30.06.2022

Name	Number	%	Name	Number	%
1 MP Pensjon	1.557.815	7,51 %	11 Active Portfolio AS	210.000	1,01 %
2 VPF Eika Egenkapitalbevis	1.008.528	4,86 %	12 Intertrade Shipping AS	205.000	0,99 %
3 Directmarketing Invest AS	999.500	4,82 %	13 Profond AS	162.107	0,78 %
4 Foretakskonsulenter AS	507.841	2,45 %	14 Morgan Stanley & Co. Internal	149.737	0,72 %
5 Hansen, Asbjørn Rudolf	445.502	2,15 %	15 Teigen, Anne Kristine	121.025	0,58 %
6 Jag Holding AS	395.897	1,91 %	16 Spesialfondet Borea Utbytte	120.400	0,58 %
7 KLP	356.245	1,72 %	17 Seriana AS	120.000	0,58 %
8 Wenaasgruppen AS	273.000	1,32 %	18 Nordnet Livsforsikring AS	117.303	0,57 %
9 BKK Pensjonskasse	250.000	1,21 %	19 Wergeland Holding AS	104.933	0,51 %
10 AS Andersen Eiendomselskap	238.900	1,15 %	20 Sørby, Leif Ove	102.399	0,49 %

Changes in key figures – Group

	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Profitability					
1. Return on equity*	6,87	5,61	8,86	6,44	13,49
2. Net interest income as a % of average total assets	1,38	1,38	1,33	1,35	1,28
3. Profit/loss after income tax as a % of average total assets	0,67	0,53	0,80	0,58	1,19
4. Costs as a % of average total assets	0,58	0,69	0,65	0,65	0,57
5. Costs as a % of income (before losses on loans/guarantees)*	41,27	50,49	40,65	46,85	29,39
6. Costs as a % of income (excl. return on financial investments)*	39,71	46,66	45,09	46,14	42,38
Balance sheet figures					
7. Net lending to customers	37.666,8	38.316,4	39.386,7	40.093,4	40.425,6
8. Lending growth (quarter)	-1,70	-2,72	-1,76	-0,82	5,16
9. Deposits	17.471,9	17.099,6	17.578,9	17.852,6	17.318,3
10. Deposit growth (quarter)	2,18	-2,73	-1,53	3,09	9,97
11. Average equity	4.276,8	4.211,0	4.210,1	4.204,2	4.101,1
12. Average total assets	46.156,9	47.439,1	48.410,6	48.805,3	47.659,8
Loan loss provisions on impaired and non-performing commitments					
13. Losses as a % of net lending to customers (OB)*	0,01	0,00	-0,01	-0,02	0,01
14. Loan loss provisions as a % of gross lending to customers*	0,34	0,33	0,32	0,32	0,32
15. Net payments over 90 days past due as a % of net lending	0,28	0,30	0,20	0,20	0,21
16. Other net non-performing commitments (Stage 3) as a % of net lending	0,12	0,13	0,31	0,13	0,18
Financial strength					
17. CET1 capital ratio incl. 50% of retained earnings (%)	20,04	19,01	18,24	17,62	17,26
18. CET1 capital ratio (%)	19,71	18,87	18,24	17,00	16,79
19. Tier 1 capital ratio (%)	21,50	20,56	19,89	18,62	18,41
20. Capital adequacy ratio (%)	23,55	22,50	21,78	20,48	20,27
21. Risk-weighted volume (calculation basis)	19.517,5	20.664,1	21.190,0	21.490,8	21.606,6
22. Leverage ratio incl. 50% of retained earnings (%)	9,14	8,95	8,60	8,34	8,20
23. Leverage ratio (%)	8,99	8,89	8,60	8,07	8,00
Liquidity					
24. Deposit coverage ratio	46,39	44,63	44,63	44,53	42,84
25. LCR (%)	248,46	257,69	249,72	193,19	214,34
Branches and FTEs					
26. No. of branches	30	29	29	29	29
27. FTEs	178	181	187	184	183
Equity certificates					
28. Ownership fraction (parent bank) (%)	28,59	28,59	29,59	29,59	29,59
29. No. of equity certificates	20.731.183	20.731.183	20.731.183	20.731.183	20.731.183
30. Book equity per equity certificate*	59,48	58,47	61,51	61,49	60,52
31. Earnings per equity certificate*	1,01	0,80	1,34	0,97	1,97
32. Dividend per equity certificate	0,00	0,00	3,85	0,00	0,00
33. Turnover rate	13,96	25,53	42,39	24,17	22,27
34. Price	50,80	58,40	57,20	52,80	52,00

* Defined as alternative performance target

Definitions of key figures and alternative profit targets

Profitability	
1. Return on equity*	The profit/loss that is attributable to equity certificates and primary capital as a % of average equity adjusted for hybrid capital. The key figure provides relevant information about the Group's profitability by measuring its ability to generate profitability on equity. The return on equity is one of Sparebanken Øst's most important target figures.
2. Net interest income as a % of average total assets	Net interest income as a % of average total assets
3. Profit/loss after income tax as a % of average total assets	Profit/loss after tax as a % of average total assets
4. Costs as a % of average total assets	Payroll, etc., administrative costs, amortisation and other operating costs as % of average total assets
5. Costs as a % of income (before losses on loans/guarantees)*	Payroll, etc., administrative costs, amortisation and other operating costs as a % of net interest income, dividend, net commission income, net value changes and gains/losses on financial instruments and other operating income. The key figure is used to provide information about the ratio between income and costs.
6. Costs as a % of income (excl. return on financial investments)*	Payroll, etc., administrative costs, amortisation and other operating costs as a % of net interest income, net commission income and other operating income. The key figure is used to provide information about the ratio between income and costs.
Balance sheet figures	
7. Net lending to customers	Gross lending minus loan loss provisions
8. Lending growth (quarter/12 months)	Change in net lending as a % of OB net lending. Quarterly figures show growth in the quarter, while other figures show 12-month growth.
9. Deposits	Customer deposits
10. Deposit growth (quarter/12 months)	Change in deposits as a % of OB deposits. Quarterly figures show growth in the quarter, while other figures show 12-month growth.
11. Average equity	(OB equity (adjusted for hybrid capital) less proposed dividends + CB equity (adjusted for hybrid capital) less proposed dividends)/2.
12. Average total assets	Average total assets based on quarterly balance sheet figures
Loan loss provisions on impaired and non-performing commitments	
13. Losses as a % of net lending to customers (OB)*	Losses as % of OB net loans to customers for the period The key figure indicates the recognised loss in relation to net lending at the beginning of the accounting period and provides relevant information on the extent of the losses incurred by the Group in relation to its lending volume.
14. Loan loss provisions as a % of gross lending to customers*	Total loan loss provisions, Stages 1, 2 and 3, as a % of gross lending. This key figure provides relevant information about credit risk and is deemed useful additional information besides that stated in the loss notes.
15. Net payments over 90 days past due as a % of net lending	Net payment defaults exceeding 90 days as a % of net lending. This key figure provides relevant information about credit risk and is deemed useful additional information besides that stated in the loss notes.
16. Other net non-performing commitments (Stage 3) as a % of net lending	Net other non-performing commitments as a % of net lending. This key figure provides relevant information about credit risk and is deemed useful additional information besides stated in the loss notes.
Financial strength	
17. CET1 capital ratio incl. 50% of retained earnings (%)	CET1 capital incl. 50% of equity certificate holders' and primary capital share of the unallocated profit as a % of risk-weighted volume (total calculation basis)
18. CET1 capital ratio (%)	CET1 capital as a % of the risk-weighted volume (basis for calculation)
19. Tier 1 capital ratio (%)	Tier 1 capital as a % of the risk-weighted volume (basis for calculation)
20. Capital adequacy ratio (%)	Total primary capital as a % of the risk-weighted volume (basis for calculation)
21. Risk-weighted volume (calculation basis)	Total credit and counterparty risk, currency risk, operational risk and calculation basis for impaired counterparty credit rating (CVA)
22. Leverage ratio incl. 50% retained earnings (%)	Tier 1 capital incl. 50% of equity certificate holders' and primary capital share of the unallocated profit as a % of the unweighted basis for calculation.
23. Leverage ratio (%)	Tier 1 capital as a % of unweighted calculation basis
Liquidity	
24. Deposit coverage ratio	Deposits as a % of net lending to customers.
25. LCR (%)	Liquid assets as a % of net payments in a stress scenario lasting 30 days
Branches and FTEs	
26. No. of branches	
27. FTEs	
Equity certificates	
28. Ownership fraction (parent bank) (%)	Equity certificate holders' share of total equity adjusted for hybrid capital (less proposed dividends) as a % (basis at 01.01, time-weighted at issue).
29. No. of equity certificates	Total no. of outstanding equity certificates
30. Book equity per equity certificate*	Equity share capital divided by no. of equity certificates. The calculation includes the year's allocation for dividends. The key figure provides information about the value of the book equity per equity certificate. This allows the reader to assess the reasonableness of the market price in relation to the equity certificate.
31. Earnings per equity certificate*	The equity share capital's share of the profit/loss after tax divided by time-weighted average number of equity certificates during the period.
32. Dividend per equity certificate	Dividend in NOK per equity certificate
33. Turnover rate	Annualised turnover rate (traded as a % of issued)
34. Price	The most recently traded price on the Oslo Stock Exchange as at the balance sheet date.
* Defined as alternative performance target	

Financial Performance – Group

(Amounts in NOK millions)	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Interest income	296,0	276,6	258,5	241,5	235,3
			0,0	0,0	0,0
Interest costs	137,7	114,8	95,7	76,0	83,5
Net interest income	158,3	161,9	162,8	165,5	151,8
Commission income and income from banking services	20,9	23,0	24,1	19,0	18,3
Commission costs and costs for banking services	12,3	11,7	12,1	12,4	11,2
Dividend	50,1	0,0	0,0	0,2	69,0
Net changes in value and gains/losses on financial instruments	-56,4	-13,2	19,1	-2,8	2,1
Other operating income	0,8	0,7	0,5	0,2	1,9
Net other operating income	3,0	-1,3	31,6	4,2	80,1
Payroll, etc.	31,3	46,8	46,0	47,5	35,4
Administration costs	15,3	15,8	16,8	14,5	15,4
Depreciation/write-downs/changes in value of non-financial assets	6,7	6,6	6,8	6,9	7,0
Other operating costs	13,3	11,9	9,5	10,7	10,4
Total operating costs	66,6	81,1	79,0	79,5	68,2
Profit/loss before losses	94,7	79,5	115,4	90,2	163,8
Losses on loans, unused credit and guarantees	0,8	0,2	-1,0	-1,7	0,6
Profit/loss before income tax	93,9	79,3	116,4	91,9	163,2
Income tax	16,3	17,1	18,7	20,2	21,8
Profit/loss after tax	77,6	62,2	97,7	71,7	141,4
Hybrid capital owners' share of the result	4,4	3,9	3,7	3,4	3,5
Equity certificate holders' and primary capital share of profits	73,2	58,3	94,0	68,3	137,9
Profit/loss after tax	77,6	62,2	97,7	71,7	141,4
Earnings per equity certificate	1,01	0,80	1,34	0,97	1,97
Diluted earnings per equity certificate	1,01	0,80	1,34	0,97	1,97

Comprehensive income performance – Group

(Amounts in NOK millions)	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Profit/loss after tax	77,6	62,2	97,7	71,7	141,4
Items that will not be reclassified to the income statement					
Actuarial gains and losses on defined-benefit plans	0	0,0	12,2	0,0	0,0
Tax related to items that cannot be reclassified	0	0,0	-3,0	0,0	0,0
Comprehensive income	77,6	62,2	106,9	71,7	141,4

Balance sheet performance – Group

(Amounts in NOK millions)	30.06.2022	31.03.2022	31.12.2021	30.09.2021	30.06.2021
Assets					
Cash and receivables from central banks	520,8	461,1	302,6	346,8	290,8
Loans to and receivables from financial institutions	9,5	11,7	11,0	9,3	7,6
Loans to and receivables from customers	37.666,8	38.316,4	39.386,7	40.093,4	40.425,6
Certificates and bonds	6.188,6	6.790,5	7.198,9	6.953,6	6.868,8
Shares and units	796,7	820,5	848,6	810,7	808,4
Financial derivatives	54,0	58,5	156,5	247,3	273,2
Investment properties	11,5	11,6	11,7	11,7	11,8
Tangible fixed assets	150,3	149,3	148,6	146,9	149,8
Lease rights	41,9	41,6	41,2	40,8	41,8
Other assets	100,9	72,1	8,4	9,2	14,3
Prepaid non-accrued costs and income earned, but not received	22,1	17,3	13,5	23,8	25,1
Total assets	45.563,2	46.750,6	48.127,6	48.693,6	48.917,1
Liabilities and equity					
Liabilities to financial institutions	300,6	301,5	300,3	300,8	300,1
Deposits from and liabilities to customers	17.471,9	17.099,6	17.578,9	17.852,6	17.318,3
Financial derivatives	139,7	104,5	15,4	16,0	13,4
Securities issued	22.203,4	23.694,6	24.684,0	24.962,9	25.775,7
Other liabilities	264,0	425,4	329,9	385,5	405,8
Accruals and deferred income	32,0	48,5	42,6	39,4	34,5
Other provisions and liabilities	36,6	36,7	36,8	62,8	62,9
Deferred tax liability	6,0	4,6	3,7	0,6	0,7
Lease liabilities	42,9	42,6	42,2	41,8	42,7
Subordinated loan capital	400,6	400,5	400,4	400,2	400,1
Total liabilities	40.897,6	42.158,3	43.434,2	44.062,7	44.354,3
Paid-up equity	595,1	595,1	595,1	595,1	595,1
Hybrid capital	352,1	352,1	351,9	351,7	351,7
Retained earnings	3.718,3	3.645,1	3.746,4	3.684,2	3.615,9
Total equity	4.665,5	4.592,2	4.693,4	4.630,9	4.562,7
Total liabilities and equity	45.563,2	46.750,6	48.127,6	48.693,6	48.917,1

Income statement – parent bank

(Amounts in NOK millions)	Note	Q2 2022	Q2 2021	1.01-30.06.2022	1.01-30.06.2021	Full year 2021
Interest income		157,2	120,4	306,1	239,6	501,6
Interest costs		63,0	49,2	121,9	98,0	199,9
Net interest income		94,2	71,2	184,1	141,6	301,6
Commission income and income from banking services		27,5	24,7	56,1	48,3	104,5
Commission costs and costs for banking services		4,3	4,2	8,4	8,4	17,6
Dividend		50,1	69,0	50,1	71,2	235,1
Net changes in value and gains/losses on financial instruments		-58,6	2,5	-72,6	1,7	17,3
Other operating income		1,3	2,5	2,5	3,9	5,8
Net other operating income		16,0	94,6	27,7	116,7	345,0
Payroll, etc.		27,9	32,2	69,8	74,5	157,8
Administration costs		12,8	12,7	25,9	24,1	50,3
Depreciation/write-downs/changes in value of non-financial assets		6,4	6,8	12,8	13,5	26,7
Other operating costs		10,1	7,9	19,0	15,5	31,2
Total operating costs		57,2	59,5	127,4	127,7	265,9
Profit/loss before losses		53,0	106,3	84,4	130,6	380,7
Losses on loans, unused credit and guarantees	3	0,2	-0,1	-0,8	-0,5	-6,9
Profit/loss before income tax		52,8	106,5	85,3	131,2	387,6
Income tax		6,6	8,6	12,8	13,8	26,2
Profit/loss after tax		46,2	97,8	72,5	117,4	361,5
Hybrid capital owners' share of the result		4,4	3,5	8,3	7,0	14,1
Equity certificate holders' and primary capital share of profits		41,8	94,3	64,2	110,4	347,4
Profit/loss after tax		46,2	97,8	72,5	117,4	361,5
Earnings per equity certificate		0,58	1,35	0,88	1,58	4,96
Diluted earnings per equity certificate		0,58	1,35	0,88	1,58	4,96

Comprehensive income – parent bank

(Amounts in NOK millions)	Note	Q2 2022	Q2 2021	1.01-30.06.2022	1.01-30.06.2021	Full year 2021
Profit/loss after tax		46,2	97,8	72,5	117,4	361,5
Items that will not be reclassified to the income statement						
Actuarial gains and losses on defined-benefit plans		0,0	0,0	0,0	0,0	11,7
Tax related to items that cannot be reclassified		0,0	0,0	0,0	0,0	-2,9
Items that may later be reclassified to the income statement						
Lending at fair value		0,0	0,2	0,1	0,6	0,5
Tax related to items that can be reclassified		0,0	0,0	0,0	-0,1	-0,1
Comprehensive income		46,2	98,0	72,5	117,8	370,6

Balance sheet – parent bank

(Amounts in NOK millions)	Note	30.06.2022	30.06.2021	31.12.2021
Assets				
Cash and receivables from central banks		520,8	290,8	302,6
Loans to and receivables from financial institutions		3.622,8	2.725,2	2.599,4
Loans to and receivables from customers	4	15.937,5	18.612,8	17.502,9
Certificates and bonds	4	6.288,3	7.603,3	7.385,7
Shares and units	4	796,7	808,4	848,6
Financial derivatives	4	20,1	133,2	69,4
Ownership interests in Group companies		1.760,0	1.560,0	1.760,0
Deferred tax asset		5,6	7,6	5,6
Tangible fixed assets		91,7	92,8	91,5
Lease rights		71,9	73,8	71,6
Other assets		98,0	8,2	6,0
Prepaid non-accrued costs and income earned, but not received		20,8	25,5	14,4
Total assets		29.234,3	31.941,5	30.657,6
Liabilities and equity				
Liabilities to financial institutions		711,3	1.231,7	1.136,4
Deposits from and liabilities to customers		17.541,1	17.392,2	17.652,1
Financial derivatives	4	114,9	13,4	15,4
Securities issued	5	5.934,2	8.414,7	6.860,9
Other liabilities		259,2	297,1	214,4
Accruals and deferred income		24,8	26,6	34,8
Other provisions and liabilities		35,5	61,2	35,9
Lease liabilities		73,7	75,4	73,4
Subordinated loan capital	5	400,6	400,1	400,4
Total liabilities		25.095,4	27.912,4	26.423,6
Paid-up equity		595,1	595,1	595,1
Hybrid capital		352,1	351,7	351,9
Retained earnings		3.191,7	3.082,3	3.287,1
Total equity		4.138,9	4.029,1	4.234,0
Total liabilities and equity		29.234,3	31.941,5	30.657,6

Changes in equity – parent bank

	Paid-up equity		Hybrid capital			Retained earnings				
								Fund for	Value change	
(Amounts in NOK millions)	Total	Equity	Share ditional	Tier 1	Equalisation	Primary	Endowment	unrealised	ensive income	Retained
30.06.2022	equity	certificates	nium reserve	capital	fund	capital	fund	gains	as reclass.	profit
Equity as at 31.12.2021	4.234,0	207,3	387,8	351,9	413,3	2.361,5	38,1	473,7	0,5	0,0
Ordinary profit	72,5	0,0	0,0	8,3	0,0	0,0	0,0	0,0	0,0	64,2
Change in lending at fair value through comprehensiv	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Comprehensive income	72,5	0,0	0,0	8,3	0,0	0,0	0,0	0,0	0,0	64,2
Dividend to equity certificate holders 2021 – adopted	-79,8	0,0	0,0	0,0	-79,8	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2021 – adopted	-79,8	0,0	0,0	0,0	0,0	-79,8	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-8,0	0,0	0,0	-8,0	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 30.06.2022	4.138,9	207,3	387,8	352,1	333,4	2.281,7	38,1	473,7	0,6	64,2

	Paid-up equity		Hybrid capital			Retained earnings				
								Fund for	Value change	
(Amounts in NOK millions)	Total	Equity	Share ditional	Tier 1	Equalisation	Primary	Endowment	unrealised	ensive income	Retained
30.06.2021	equity	certificates	nium reserve	capital	fund	capital	fund	gains	as reclass.	profit
Equity as at 31.12.2020	3.996,5	207,3	387,8	351,7	412,6	2.164,1	38,1	434,7	0,2	0,0
Ordinary profit	117,4	0,0	0,0	7,0	0,0	0,0	0,0	0,0	0,0	110,4
Change in lending at fair value through comprehensiv	0,4	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,4	0,0
Comprehensive income	117,8	0,0	0,0	7,0	0,0	0,0	0,0	0,0	0,4	110,4
Dividend to equity certificate holders 2020 – adopted	-72,6	0,0	0,0	0,0	-72,6	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2020 – adopted	-5,7	0,0	0,0	0,0	0,0	-5,7	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-7,0	0,0	0,0	-7,0	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 30.06.2021	4.029,1	207,3	387,8	351,7	340,1	2.158,4	38,1	434,7	0,6	110,4

	Paid-up equity		Hybrid capital			Retained earnings				
								Fund for	Value change	
(Amounts in NOK millions)	Total	Equity	Share ditional	Tier 1	Equalisation	Primary	Endowment	unrealised	ensive income	Retained
2021	equity	certificates	nium reserve	capital	fund	capital	fund	gains	as reclass.	profit
Equity as at 31.12.2020	3.996,5	207,3	387,8	351,7	412,6	2.164,1	38,1	434,7	0,2	0,0
Ordinary profit	361,5	0,0	0,0	14,1	91,3	217,2	0,0	38,9	0,0	0,0
Change in lending at fair value through comprehensiv	0,4	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,4	0,0
Actuarial gains and losses on defined-benefit plans	8,8	0,0	0,0	0,0	2,6	6,2	0,0	0,0	0,0	0,0
Comprehensive income	370,6	0,0	0,0	14,1	93,9	223,4	0,0	38,9	0,4	0,0
Dividend to equity certificate holders 2020 – adopted	-93,3	0,0	0,0	0,0	-93,3	0,0	0,0	0,0	0,0	0,0
Dividend to social capital 2020 – adopted	-25,9	0,0	0,0	0,0	0,0	-25,9	0,0	0,0	0,0	0,0
Interest paid on hybrid capital	-14,0	0,0	0,0	-14,0	0,0	0,0	0,0	0,0	0,0	0,0
Equity as at 31.12.2021	4.234,0	207,3	387,8	351,9	413,2	2.361,6	38,1	473,7	0,5	0,0



Cash flow statement – parent bank

	30.06.2022	30.06.2021	31.12.2021	
Operating activities				
Profit/loss before income tax	85,3	131,2	387,6	
Adjusted for:				
Change in net interest income earned and accrued interest costs	35,6	27,2	-8,5	
Net payment/disbursement of loans to financial institutions	-1.024,8	-498,3	-369,0	
Net receipts/disbursements of loans to customers	1.569,2	-2.176,3	-1.058,3	
Change in certificates and bonds	1.099,6	-387,1	-166,8	
Changes in value of equities and units	23,0	-5,9	-43,9	
Change in other assets in connection with operations	-110,5	-18,8	-13,4	
Net receipts/disbursement of borrowing from financial institutions	-426,6	61,0	-33,8	
Net receipts/disbursement of deposits from customers	-148,1	2.446,7	2.733,7	
Change in other operating liabilities	-32,8	-26,2	-153,1	
Non-cash items included in profit/loss before income tax	12,2	13,0	20,5	
Net gain/loss from investing activities	-4,9	-0,6	-0,6	
Net gain/loss from financing activities	0,6	0,0	0,2	
Taxes paid for the period	-31,6	-38,2	-39,0	
Net cash flow from operating activities	A	1.046,3	-472,3	1.255,5
Investing activities				
Payments on purchases of tangible fixed assets	-7,2	-11,5	-17,1	
Receipts from sale of fixed assets	0,7	0,8	0,8	
Net receipts/payments on the sale/purchase of financial investments	33,7	8,5	6,4	
Net payment/disbursement concerning investments in subsidiaries	0,0	0,0	-200,0	
Net cash flow from investing activities	B	27,2	-2,1	-209,9
Financing activities				
Net receipts/disbursements for loans to/from financial institutions	0,0	-300,0	-300,0	
Payments on repayment of securities	-1.368,6	-70,0	-1.547,2	
Receipts on issuance of securities	599,7	799,6	799,6	
Payment of dividend	-79,8	-72,6	-93,3	
Interest paid on hybrid capital	-8,0	-7,0	-14,0	
Net cash flow from financing activities	C	-856,7	350,0	-1.154,8
Net change in cash and cash equivalents	A+B+C	216,7	-124,5	-109,3
Cash and cash equivalents at 01.01.		313,6	422,8	422,8
Holding of cash and cash equivalents at the end of the period		530,3	298,4	313,6
Liquidity reserves include cash and deposits with central banks and loans to and deposits with financial institutions which are pure investments.				
Additional information for operating activities concerning interest and dividend income	30.06.2022	30.06.2021	31.12.2021	
Interest payments received	300,9	242,8	502,0	
Interest payments made	79,9	73,9	159,4	
Dividends received	50,1	71,2	235,1	

Note 1 – Parent bank – Basis for preparation of the financial statements

Accounting policies

The interim financial statements for the parent bank have been prepared in accordance with IAS 34 Interim Financial Reporting (IFRS). A description of the accounting policies applied in the preparation of the financial statements is presented in the Annual Report for 2021. The accounting policies and calculation methods remain largely unchanged from the annual financial statements for 2021.

All amounts are stated in NOK millions and relate to the parent bank unless otherwise specified.
The interim financial statements have not been audited.

Assessments and use of estimates

The preparation of the accounts requires the management to make estimates and discretionary assessments and to make assumptions which influence the effect of applying the accounting policies and hence the recognised amounts for assets, liabilities, income. For further details, see the Annual Report for 2021, Note 3 – Assessments and use of estimates.

Note 2 – Parent bank – Capital adequacy

The parent bank uses the standardised approach to calculate the minimum primary capital adequacy requirement for credit risk. Calculations related to operational risk are performed using the basis method. The capital charge for credit valuation adjustment (CVA) is calculated using the standardised approach. Exposure amounts for derivatives are calculated using standardised method (SA-CCR).

The parent bank's primary capital must satisfy the minimum capital adequacy ratio requirements at all times, with the addition of a buffer equivalent to the company's accepted risk tolerance. See also the Group's Pillar III document, which is available from Sparebanken Øst's website.

	30.06.2022	30.06.2021	31.12.2021
CET1 capital			
Book equity	3.722,6	3.567,0	3.882,1
Deduction items in CET1 capital			
Additional value adjustments (prudent valuation requirement) (AVA)	-11,4	-12,1	-12,0
Dividends	0,0	-40,9	-159,6
Goodwill included in the valuation of significant investments	-247,8	-269,6	-229,0
Intangible assets	-22,5	-23,9	-22,9
CET1 capital instruments in other financial institutions (not significant)	0,0	0,0	0,0
CET1 capital instruments in other financial institutions (significant)	0,0	0,0	0,0
Other deductions from CET1 capital	-46,8	-31,0	-46,8
Total CET1 capital	3.394,0	3.189,4	3.411,9
Other Tier 1 capital			
Hybrid Tier 1 capital	350,0	350,0	350,0
Deductions from other Tier 1 capital			
Other Tier 1 capital instruments in other financial institutions (not significant)	0,0	0,0	0,0
Other Tier 1 capital instruments in other financial institutions (significant)	0,0	0,0	0,0
Total other Tier 1 capital	350,0	350,0	350,0
Total Tier 1 capital	3.744,0	3.539,4	3.761,9
Tier 2 capital			
Subordinated loans	400,0	400,0	400,0
Deductions from Tier 2 capital			
Tier 2 capital instruments in other financial institutions (not significant)	0,0	0,0	0,0
Tier 2 capital instruments in other financial institutions (significant)	0,0	0,0	0,0
Total Tier 2 capital	400,0	400,0	400,0
Net subordinated loan capital	4.144,0	3.939,4	4.161,9

Note 2 – Parent bank – Capital adequacy (cont.)

	30.06.2022	30.06.2021	31.12.2021
Governments and central banks	0,0	0,0	0,0
Local and regional authorities	20,3	42,5	33,5
Publicly owned companies	6,0	0,0	0,0
Multilateral development banks	0,0	0,0	0,0
Institutions	823,6	1.015,4	631,9
Companies	54,9	325,4	243,1
Mass market accounts	946,2	979,3	937,1
Accounts secured against property	6.176,3	7.637,6	7.281,2
Accounts due	79,1	41,1	93,0
High-risk commitments	297,4	614,1	438,1
Covered bonds	2.108,0	2.311,3	2.339,3
Shares in securities fund	0,0	0,0	0,0
Equity positions	2.568,7	2.385,2	2.711,0
Other exposures	156,8	166,6	149,1
Securitisation	0,0	0,0	0,0
Calculation basis for credit and counterparty risk	13.237,4	15.518,5	14.857,3
Calculation basis for currency risk	0,0	0,0	0,0
Calculation basis for operational risk	963,2	994,5	963,2
Calculation basis for impaired counterparty credit valuation adjustment (CVA)	13,2	20,2	12,7
Deductions from calculation basis	0,0	0,0	0,0
Total calculation basis	14.213,8	16.533,1	15.833,2
CET1 capital ratio	23,88 %	19,29 %	21,55 %
Tier 1 capital ratio	26,34 %	21,41 %	23,76 %
Capital adequacy	29,15 %	23,83 %	26,29 %
Buffers			
Capital conservation buffer	355,3	413,3	395,8
Countercyclical buffer	213,2	165,3	158,3
Systemic risk buffer	426,4	496,0	475,0
Buffer for systemically important banks	0,0	0,0	0,0
Total buffer requirements	995,0	1.074,7	1.029,2
Available buffer capital	2.754,4	2.445,4	2.699,4
Leverage ratio	8,13 %	6,86 %	7,68 %

Note 3 – Parent bank – Losses on loans, unused credit and guarantees

Loss costs

	Q2 2022	Q2 2021	01-30.06.2022	01-30.06.2021	31.12.2021
Change in model-based provisions, Stage 1	0,0	0,2	-1,1	-0,2	-5,6
Change in model-based provisions, Stage 2	0,4	-0,4	0,2	-0,3	0,0
Change in model-based provisions, Stage 3	-0,3	0,0	-0,1	0,1	0,0
Increase in existing individual loan loss provisions	0,0	0,0	0,0	0,0	0,0
New individual loan loss provisions	0,1	0,0	0,1	0,0	0,0
Established losses covered by previous individual loan loss provisions	0,1	0,0	0,1	0,0	0,0
Reversals of previous individual loan loss provisions	-0,1	0,0	-0,1	0,0	-0,1
Established losses not covered by previous individual loan loss provisions	0,0	0,0	0,3	0,0	0,1
Recovery of previously identified losses	-0,1	0,0	-0,2	-0,1	-1,2
Amortisation costs for the period	0,0	0,0	0,0	0,0	0,0
Losses on loans, unused credit and guarantees	0,2	-0,1	-0,8	-0,5	-6,9
- of which losses on loans to retail customers	0,1	0,6	0,5	1,5	2,0
- of which losses on lending to business customers	0,1	-0,8	-1,3	-2,0	-8,9
- of which losses on unused credit and guarantees	-0,1	-0,1	-0,3	-0,1	-0,1

Changes in loan loss provisions

	Expected credit loss cted credit loss cted credit loss			
Parent bank – 30.06.2022	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2022	5,8	5,3	4,4	15,5
Transferred to Stage 1	1,4	-1,4	0,0	0,0
Transferred to Stage 2	-0,2	0,2	0,0	0,0
Transferred to Stage 3	0,0	0,0	0,0	0,0
Net change	-1,7	2,4	0,1	0,8
New losses	1,4	0,2	0,0	1,6
Deducted losses	-2,0	-1,4	-0,2	-3,6
Change in risk model/parameters	0,0	0,1	0,0	0,1
Closing balance as at 30.06.2022	4,7	5,5	4,3	14,5
- of which loan loss provisions for lending to retail customers	3,2	4,1	3,7	11,0
- of which loan loss provisions for lending to business customers	1,5	1,4	0,6	3,6
- of which loan loss provisions for unused credit and guarantees	0,3	0,1	0,3	0,7
Model-based loan loss provisions	4,7	5,5	0,3	10,5
Individual loan loss provisions	0,0	0,0	4,1	4,1

Note 3 – Parent bank – Losses on loans, unused credit and guarantees (cont.)

Parent bank - 30.06.2021	Expected credit loss cted credit loss cted credit loss			Total
	Stage 1	Stage 2	Stage 3	
Opening balance as at 01.01.2021	11,4	5,3	4,5	21,3
Transferred to Stage 1	0,2	-0,2	0,0	0,0
Transferred to Stage 2	0,0	0,0	0,0	0,0
Transferred to Stage 3	0,0	-0,4	0,4	0,0
Net change	-0,7	0,6	-0,3	-0,4
New losses	2,8	0,1	0,0	3,0
Deducted losses	-2,5	-0,6	0,0	-3,1
Change in risk model/parameters	0,1	0,0	0,0	0,1
Closing balance as at 30.06.2021	11,2	5,1	4,6	20,9
- of which loan loss provisions for lending to retail customers	4,0	1,6	3,8	9,4
- of which loan loss provisions for lending to business customers	7,2	3,5	0,8	11,5
- of which loan loss provisions for unused credit and guarantees	0,6	0,1	0,3	1,0
Model-based loan loss provisions	11,2	5,1	0,4	16,7
Individual loan loss provisions	0,0	0,0	4,2	4,2

Parent bank – 31.12.2021	Expected credit loss cted credit loss cted credit loss			Total
	Stage 1	Stage 2	Stage 3	
Opening balance as at 01.01.2021	11,4	5,3	4,5	21,3
Transferred to Stage 1	2,2	-2,2	0,0	0,0
Transferred to Stage 2	-0,3	0,3	0,0	0,0
Transferred to Stage 3	-0,1	-0,2	0,3	0,0
Net change	-6,0	1,4	-0,3	-4,9
New losses	2,3	1,0	0,0	3,3
Deducted losses	-4,0	-1,0	-0,2	-5,1
Change in risk model/parameters	0,2	0,7	0,0	0,9
Closing balance as at 31.12.2021	5,8	5,3	4,4	15,5
- of which loan loss provisions for lending to retail customers	3,6	3,5	3,6	10,7
- of which loan loss provisions for lending to business customers	2,2	1,9	0,8	4,8
- of which loan loss provisions for unused credit and guarantees	0,4	0,3	0,3	1,0
Model-based loan loss provisions	5,8	5,3	0,3	11,5
Individual loan loss provisions	0,0	0,0	4,1	4,1

Change in gross lending, broken down by stage

The table below does not include fixed-rate loans at fair value.

Parent bank – 30.06.2022	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2022	16.695,5	455,1	93,0	17.243,6
Transferred to Stage 1	129,6	-129,1	-0,5	0,0
Transferred to Stage 2	-158,1	162,7	-4,6	0,0
Transferred to Stage 3	-6,2	-0,2	6,4	0,0
Net change	1,7	0,4	-17,4	-15,3
New loans	4.968,4	27,3	0,0	4.995,7
Deducted lending	-6.369,7	-175,4	-11,7	-6.556,9
Closing balance as at 30.06.2022	15.261,2	340,8	65,1	15.667,1
- of which lending to retail customers	11.906,1	258,9	23,8	12.188,8
- of which lending to business customers	3.355,1	81,9	41,3	3.478,3
- of which loans with forbearance	0,0	50,9	7,7	58,6

Note 3 – Parent bank – Losses on loans, unused credit and guarantees (cont.)

Parent bank – 30.06.2021	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2021	15.756,5	311,9	29,3	16.097,8
Transferred to Stage 1	32,5	-32,5	0,0	0,0
Transferred to Stage 2	-59,4	65,7	-6,3	0,0
Transferred to Stage 3	-8,3	-11,3	19,6	0,0
Net change	159,3	-2,0	-2,4	154,9
New loans	7.129,1	25,0	0,0	7.154,1
Deducted lending	-5.009,2	-60,1	-2,8	-5.072,1
Closing balance as at 30.06.2021	18.000,5	296,7	37,5	18.334,7
- of which lending to retail customers	13.634,6	135,7	23,8	13.794,1
- of which lending to business customers	4.365,9	161,0	13,6	4.540,6
- of which loans with forbearance	0	58,5	1,9	60,5

Parent bank – 31.12.2021	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01.01.2021	15.756,5	311,9	29,3	16.097,8
Transferred to Stage 1	168,7	-165,6	-3,1	0,0
Transferred to Stage 2	-335,3	338,5	-3,1	0,0
Transferred to Stage 3	-78,9	-8,4	87,3	0,0
Net change	-117,7	-9,1	-4,2	-131,0
New loans	8.402,2	82,1	2,0	8.486,2
Deducted lending	-7.100,0	-94,2	-15,1	-7.209,3
Closing balance as at 31.12.2021	16.695,5	455,1	93,0	17.243,6
- of which lending to retail customers	12.607,3	293,0	23,3	12.923,6
- of which lending to business customers	4.088,2	162,1	69,7	4.320,0
- of which loans with forbearance	0,0	57,6	3,7	61,3

Model-based expected credit loss

At the end of Q2 2022, the economic outlook is generally considered not to have changed compared with what was assumed when the annual financial statements for 2021 were published.

The probability weighting of the macro scenarios used to calculate the model-based expected credit loss remained unchanged at the end of Q2 2022 compared with what was used in the preparation of the annual financial statements for 2021. The factors for the different scenarios, which express the amount of expected credit loss in the optimistic and pessimistic scenarios compared with expected credit loss in the expected scenario, remained unchanged at the end of Q2 2022 compared with what was used in the preparation of the annual financial statements for 2021.

The table below shows the expected credit loss in the different scenarios and the probability weights. Individually assessed loan loss provisions remain unchanged in the different scenarios.

Parent bank – 30.06.2022	Probability weight	Stage 1	Stage 2	Stage 3	Total
Optimistic scenario	0 %	2,7	3,3	4,2	10,1
Expected scenario	75 %	3,3	4,1	4,2	11,7
Pessimistic scenario	25 %	8,8	9,8	4,6	23,2
Loan loss provisions (probability-weighted)	100 %	4,7	5,5	4,3	14,5

Note 4 – Parent bank – Financial instruments at fair value

The bank classifies fair value measurements using a hierarchy involving the following levels:

Level 1: Observable market prices in active markets.

Level 2: Observable market prices in less active markets, or the use of inputs which are either directly or indirectly observable.

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

Please see Note 21 in the Annual Report for 2021 for further details of individual accounting items.

30.06.2022	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers*	0,0	0,0	4.217,3	4.217,3
Certificates and bonds	0,0	6.288,3	0,0	6.288,3
Shares and units	65,7	0,0	731,0	796,7
Financial derivatives	0,0	20,1	0,0	20,1
Total assets at fair value	65,7	6.308,4	4.948,4	11.322,4
Financial derivatives	0,0	114,9	0,0	114,9
Total liabilities at fair value	0,0	114,9	0,0	114,9

* In the parent bank, loans at fair value with a changes in value through comprehensive income are included.

	Fixed-rate loans	Shares through profit or loss	Recognised at fair value through comprehensiv e income	Total
Movements in level 3 for items valued at fair value				
Balance sheet as at 01.01.22	273,7	780,8	3.361,3	4.415,8
Net realised gains	0,0	0,0	0,0	0,0
Additions	33,8	0,0	3.748,0	3.781,8
Disposals	14,8	33,7	3.176,2	3.224,6
Changes in value	-8,5	-16,1	0,0	-24,6
Transferred from levels 1 and 2	0,0	0,0	0,0	0,0
Balance sheet at end of period	284,2	731,0	3.933,1	4.948,4

30.06.2021	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers*	0,0	0,0	3.588,9	3.588,9
Certificates and bonds	0,0	7.603,3	0,0	7.603,3
Shares and units	38,3	30,8	739,3	808,4
Financial derivatives	0,0	133,2	0,0	133,2
Total assets at fair value	38,3	7.767,2	4.328,2	12.133,7
Financial derivatives	0,0	13,4	0,0	13,4
Total liabilities at fair value	0,0	13,4	0,0	13,4

* In the parent bank, loans at fair value with a changes in value through comprehensive income are included.

	Fixed-rate loans	Shares through profit or loss	Recognised at fair value through comprehensiv e income	Total
Movements in level 3 for items valued at fair value				
Balance sheet as at 01.01.2021	359,1	746,9	1.634,7	2.740,7
Net realised gains	0,0	0,0	0,0	0,0
Additions	24,6	0,1	6.428,9	6.453,6
Disposals	81,3	8,7	4.772,8	4.862,8
Changes in value	-4,4	1,1	0,0	-3,3
Transferred from levels 1 and 2	0,0	0,0	0,0	0,0
Balance sheet at end of period	298,1	739,3	3.290,8	4.328,2

Note 4 – Parent bank – Financial instruments at fair value (cont.)

31.12.2021	Level 1	Level 2	Level 3	Total
Fair value				
Loans to and receivables from customers*	0,0	0,0	3.635,0	3.635,0
Certificates and bonds	0,0	7.385,7	0,0	7.385,7
Shares and units	67,8	0,0	780,8	848,6
Financial derivatives	0,0	69,4	0,0	69,4
Total assets at fair value	67,8	7.455,1	4.415,8	11.938,7
Financial derivatives	0,0	15,4	0,0	15,4
Total liabilities at fair value	0,0	15,4	0,0	15,4

* In the parent bank, loans at fair value with a changes in value through comprehensive income are included.

	Fixed-rate loans	Shares through profit or loss	Recognised at fair value through comprehensiv e income	Total
Movements in level 3 for items valued at fair value				
Balance sheet as at 01.01.2021	359,1	746,9	1.634,7	2.740,7
Net realised gains	0,0	0,0	0,0	0,0
Additions	70,1	2,2	10.109,5	10.181,8
Disposals	147,7	8,7	8.382,8	8.539,2
Changes in value	-7,9	40,4	0,0	32,5
Transferred from levels 1 and 2	0,0	0,0	0,0	0,0
Balance sheet at end of period	273,7	780,8	3.361,3	4.415,8

Note 5 – Parent bank – Securities issued and subordinated loan capital

Securities issued	30.06.2022	30.06.2021	31.12.2021
Bonds, nominal value	6.030,0	8.275,0	6.798,0
Value adjustments (including premium/discount)	-154,5	67,1	5,3
Accrued interest	58,7	72,6	57,7
Total securities issued	5.934,2	8.414,7	6.860,9

Change for securities issued	30.06.2022	Issued	Due/redeemed	Change holdings	Other changes incl. currency	31.12.2021
Ordinary senior bonds, nominal value	5.330,0	300,0	1.368,0	0,0	0,0	6.398,0
Senior non-preferred bonds (SNP), nominal value	700,0	300,0	0,0	0,0	0,0	400,0
Value adjustments (including premium/discount)	-154,5	0,0	0,0	0,0	-159,8	5,3
Accrued interest	58,7	0,0	0,0	0,0	1,0	57,7
Total securities issued	5.934,2	600,0	1.368,0	0,0	-158,7	6.860,9

Change for securities issued	30.06.2021	Issued	Due/redeemed	Change holdings	Other changes incl. currency	31.12.2020
Ordinary senior bonds, nominal value	7.875,0	400,0	70,0	0,0	0,0	7.545,0
Senior non-preferred bonds (SNP), nominal value	400,0	400,0	0,0	0,0	0,0	0,0
Value adjustments (including premium/discount)	67,1	0,0	0,0	0,0	-85,9	153,1
Accrued interest	72,6	0,0	0,0	0,0	14,8	57,8
Total securities issued	8.414,7	800,0	70,0	0,0	-71,1	7.755,8

Subordinated loans	30.06.2022	30.06.2021	31.12.2021
Ordinary subordinated loan capital, nominal value	400,0	400,0	400,0
Value adjustments (including premium/discount)	-0,1	-0,3	-0,2
Accrued interest	0,7	0,4	0,6
Total securities issued	400,6	400,1	400,4

Change in subordinated loan capital	30.06.2022	Issued	Due/redeemed in own holdings	Change holdings	Other changes incl. currency	31.12.2021
Ordinary subordinated loan capital, nominal value	400,0	0,0	0,0	0,0	0,0	400,0
Value adjustments (including premium/discount)	-0,1	0,0	0,0	0,0	0,0	-0,2
Accrued interest	0,7	0,0	0,0	0,0	0,1	0,6
Total subordinated loan capital	400,6	0,0	0,0	0,0	0,2	400,4

Change in subordinated loan capital	30.06.2021	Issued	Due/redeemed in own holdings	Change holdings	Other changes incl. currency	31.12.2020
Ordinary subordinated loan capital, nominal value	400,0	0,0	0,0	0,0	0,0	400,0
Value adjustments (including premium/discount)	-0,3	0,0	0,0	0,0	0,1	-0,3
Accrued interest	0,4	0,0	0,0	0,0	-0,1	0,5
Total subordinated loan capital	400,1	0,0	0,0	0,0	0,0	400,1

Note 6 – Parent bank – Transactions with group companies

The items below show recognised transactions and balances that the parent company has with subsidiaries.

Sparebanken Øst sells mortgages to Sparebanken Øst Boligkreditt AS to replenish the cover pool in the mortgage company. This is either to increase the cover pool in connection with the issuance of new covered bonds or to compensate for mortgages that have been moved to other banks or back to the parent bank. In H1 2022, Sparebanken Øst Boligkreditt AS purchased mortgages from Sparebanken Øst worth NOK 3,748,0 million. In H1 2021, the corresponding figure was NOK 6,428.9 million. The parent bank sees no significant accounting gains or losses from selling mortgages to Sparebanken Øst Boligkreditt AS.

The parent bank has issued a revolving credit facility vis-à-vis Sparebanken Øst Boligkreditt AS which guarantees timely payment of outstanding covered bonds that expire during the next 12 months, including the coupon rate, principal and derivative contracts entered into for the purpose of hedging outstanding covered bonds. In addition to the revolving credit facility, Sparebanken Øst Boligkreditt AS has a NOK 3.0 billion credit line from the parent bank.

	30.06.2022	30.06.2021	31.12.2021
Income statement			
Interest income and similar income			
Interest income from subsidiaries	28,5	13,8	31,0
Interest certificates and covered bonds from subsidiaries	6,9	4,6	9,3
Interest costs and similar costs			
Interest and commission to subsidiaries	1,5	0,8	2,6
Dividend/group contribution receipts			
Dividends/group contributions from subsidiaries	0,0	0,0	163,7
Commission income and income from banking services			
Other operating income from subsidiaries	16,8	14,9	31,8
Other operating income			
Rent from subsidiaries	1,0	0,0	2,1
Other operating costs			
Rent to subsidiaries	1,8	1,8	3,5
Other costs to subsidiaries	0,4	0,3	0,6
Balance sheet			
Loans to and receivables from financial institutions			
Loans to subsidiaries	3.613,4	2.714,9	2.588,4
Loans to and receivables from customers			
Loans to subsidiaries	27,3	18,2	27,3
Certificates, bonds and other interest-bearing securities			
Investment in covered bonds in subsidiaries	505,0	1.030,8	513,9
Prepaid non-accrued costs and earned but not received income			
Other receivables	2,9	2,4	3,9
Liabilities to financial institutions			
Deposits from subsidiaries	410,8	931,6	836,0
Customer deposits			
Deposits from subsidiaries	71,4	83,3	74,8
Other liabilities			
Other liabilities to subsidiaries	27,4	43,2	9,6



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